



**FIONA MA, CPA**  
 District 2 | California State Board of Equalization

**Message from the Board Member:**

***One America:** I live with my parents and every morning my Dad asks me what my schedule is for the day. That day, September 10th, I was invited to be the keynote speaker at the Naturalization Ceremony in Oakland. My dad recalled studying the history booklet, taking an exam and finally raising his right hand swearing allegiance to the United States. He proudly went through his important documents and found his and my mom’s original naturalization certificates. That day we swore in 1,148 new citizens from 110 counties. And as I watched each new citizen stand when their country was called, I was honored to be there as testament to the American Dream. And so it weighs heavy on me when people graffiti racist, anti-Semitic, homophobic or sexist messages on public and private property, as was done recently in San Francisco. The question posed to me and other elected officials at a Rodel Fellows Aspen Institute alumni retreat: “Are we one America?” If we are to be “one America” we need to celebrate our diversity and find ways to bring us together versus divide us; help our fellow brothers and sisters... especially in times of need; and refrain from using hate speech and writing offensive words that incite anger, hate and violence. I’d like us to focus on respect, honor and civility.*

***Valley Fire:** The tragic Valley fire in the Lake County, Sonoma and Napa areas has severely impacted the towns of Cobb (most of it), Middletown (about 1/3 of the town), and Hidden Valley (a few dozen homes). In total, 1,280 homes and 27 multi-family structures have completely burned to the ground along with many personal possessions and memories. I toured the fire sites with Supervisor Rob Brown and thanked him for his leadership, strength and positive spirit in planning for the rebuild and moving residents back into their homes as soon as possible. Please consider donating (tax deductible) to the Mendo-Lake Credit Union to help rebuild homes and lives <http://www.lakecountylac.com/donate-now.html>. Stay tuned for a community rebuild event in the near future.*

***Free Seminars:** Please join us in Monterey for a free small business and non profit seminar on Oct 8th and a veterans small business expo on November 2<sup>nd</sup> in Pismo Beach. See page 10 for more information or log onto [www.boe.ca.gov](http://www.boe.ca.gov) and click on my picture for “Events”.*

*As always, if I can be of service, please feel free to call on me and members of my team at (415) 557-3000. We look forward to hearing from you.*

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## ALERTS: Most Recent Scams

**Tax Preparer Phishing Scam:** A bogus email asks tax professionals to update their IRS e-services portal information and Electronic Filing Identification Numbers (EFINs). The links that are provided in the bogus email to access IRS e-services appear to be a phishing scheme designed to capture your username and password. This email was not generated by the IRS e-services program. Disregard this email and do not click on the links provided.

For more information on this scam, see IR-2015-31 (<http://www.irs.gov/uac/Newsroom/IRS-Warns-Tax-Preparers-to-Watch-out-for-New-Phishing-Scam>), IRS Warns Tax Preparers to Watch out for New Phishing Scam; Don't Click on Strange Emails or Links Seeking Updated Information.

**IRS Impersonation Telephone Scam:** An aggressive and sophisticated phone scam targeting taxpayers, including recent immigrants, has been making the rounds throughout the country. Callers claim to be employees of the IRS, but are not. These con artists can sound convincing when they call. They use fake names and bogus IRS identification badge numbers. They may know a lot about their targets, and they usually alter the caller ID to make it look like the IRS is calling. Victims are told they owe money to the IRS and it must be paid promptly through a pre-loaded debit card or wire transfer. If the victim refuses to cooperate, they are then threatened with arrest, deportation or suspension of a business or driver's license. In many cases, the caller becomes hostile and insulting. Or, victims may be told they have a refund due to try to trick them into sharing private information. If the phone isn't answered, the scammers often leave an "urgent" callback request.

Note that the IRS will never: 1) call to demand immediate payment, nor will the agency call about taxes owed without first having mailed you a bill; 2) demand that you pay taxes without giving you the opportunity to question or appeal the amount they say you owe; 3) require you to use a specific payment method for your taxes, such as a pre-paid debit card; 4) ask for credit or debit card numbers over the phone; or 5) threaten to bring in local police or other law-enforcement groups to have you arrested for not paying.

## BOE Staffs Get Ready for a Big Shake Out

With the powerful 4.1-magnitude shockwaves rocking Napa County in May, California was once again reminded of the raw power nature control beneath our feet. Minimize the impact of the next big quake by being prepared!



The Great California Shake Out, a large, simultaneous drill across the state, is an annual opportunity for people in homes, schools, and organizations to practice what to do during earthquakes, and to improve their readiness. Take a moment to review home emergency kits with family and friends. Stock up on dry foods and fresh water supplies. Update contact lists. Practice evacuation plans at home and at work. After a quake, it could take a few days to get things back to normal. Always be ready for the long haul.

Join the more than 9 million Californians that have registered for this year's Shake Out. With participants from other countries including Japan, New Zealand, Canada, and even Italy, more than 22 million people will be participating worldwide!

For more information, visit <http://www.shakeout.org/>

## Get Covered! Open Enrollment starts on November 1, 2015!



By law, most people are now required to have health insurance or pay a penalty when they file their taxes. Through Covered California, a program from the state of California, qualified legal residents of California and their families can compare health insurance plans and enroll in the one that works best for their needs and budget. Financial assistance is available to qualifying individuals and families to help them pay for health insurance premiums. This means the federal government may pay a portion of the health insurance premium. Individuals and families may also qualify for Medi-Cal benefits.

Visit [CoveredCA.com](http://CoveredCA.com) to learn more, compare health insurance plans, choose the one that best fits your needs and enroll online. For free, confidential, in-person help, in your area, visit [www.CoveredCA.com/get-help/local](http://www.CoveredCA.com/get-help/local) or call (800) 300-1506.

The open-enrollment period to enroll in Covered California health insurance plans will run through November 1, 2015- January 31, 2016. Once the open-enrollment period closes, you may enroll in a Covered California health plan only if you have a qualifying life event that makes you eligible to apply. Some examples of qualifying life events are: losing your health coverage, getting married, moving outside your plan's coverage area, having a baby and turning 26. To see if you qualify, visit [www.coveredca.com/individuals-and-families/getting-covered/special-enrollment](http://www.coveredca.com/individuals-and-families/getting-covered/special-enrollment). To enroll during this time, you must apply within 60 days of your qualifying life event. For more information and to find FREE, confidential, in-person help in your area, visit [www.CoveredCA.com/](http://www.CoveredCA.com/) or call (800) 300-1506.

## California Farmers... Thank You!

California farmers and ranchers provide food for the world. 1% of the world's population harvest food for the 99% that consume it. Our district (District 2) is made up of 23 counties from the Oregon Border to Santa Barbara and our coastal counties are packed with lots of farmers and ranchers, more than most states.

A 2013 report by California Department of Food and Agriculture (CDFA) showed that with over 400 commodities produced in California, District 2 is a top producer heavily invested in all top 10 crops. Total statewide output was \$46.4 billion with milk topping the chart at \$7.6 billion. Almonds \$5.8 billion, grapes \$5.6 billion, cattle \$3.05 billion, strawberries, \$2.2 billion, walnuts \$1.8 billion, lettuce \$1.7 billion, hay \$1.6 billion, tomatoes \$1.2 billion and rounding out the top 10 was nursery plants at \$1.2 billion. California produces 80% of the carrots grown in the United States, and 90% of the tomatoes.

The State Board of Equalization (SBOE) offers California farmers, under qualifying circumstances, a sales and use tax exemption of 5.5% on the sale or purchase of farm equipment and machinery used for producing and harvesting agricultural products. While this does not include property used for administration like computers and desks, it does cover equipment used in the field. However, pickups and cars are not included in the exemption even though they might be used exclusively for a farming operation. Our office is committed to supporting our farmers efforts to feed the world.

For more information, please refer to [Regulation 1533.1](#) or [Publication 66: "Agricultural Industry"](#).



## United Ways Throughout California Offer Free Tax Preparation and Help Working Families Access the Earned Income Tax Credit



### United Ways of California

California's United Ways are gearing up, as they do every year, to provide free tax preparation for hundreds of thousands of low and moderate income families at dozens of free community tax preparation programs and Volunteer Income Tax Assistance (VITA) sites throughout the state.

VITA is a partnership between the Internal Revenue Service and local partners and sponsors such as United Way. It provides free tax help to individuals and families earning less than \$49,000 per year, using trained, certified volunteers to help prepare returns. VITA sites are located at community and neighborhood centers, libraries, churches, schools, shopping malls, and other convenient locations. Most locations also offer free electronic filing.

United Way is the largest private supporter of free tax preparation assistance nationally, through the VITA program. To increase tax refunds and credits for low- and moderate-income families and individuals, over 380 United Ways sponsor and/or operate VITA sites. In 2013, VITA sites supported by 18 California United Ways engaged over 7000 volunteers to help people file 208,295 tax returns resulting in \$196,331,612 in total returns, including over \$75 million in federal Earned Income Tax Credit (EITC) refunds.

Many families are unaware of the EITC for which they are eligible, so VITA sites are an important way for low-income working families to learn about and access the credit. The federal EITC provides a refund to households with income up to \$55,000. Each year, millions of low-income Californians miss out

on the EITC because they don't know they qualify or don't know how to claim the credit. California's Franchise Tax Board estimates that over \$1 billion in EITC goes unclaimed by California taxpayers each year. These credits can be significant.

The great news is that California has joined 25 other states and the District of Columbia in establishing a new state EITC, which supplements the federal credit. VITA sites will be essential to helping eligible families and taxpayers access any credit for which they are eligible. It is a big help to working families, and is a proven strategy to reduce poverty. From 2010 to 2012, the federal EITC helped 1.3 million people, including 629,000 children, climb above the federal poverty line in California alone. California's new EITC provides a significant boost to very low-income families, those with income below \$13,870 for a family of four. In combination with the federal EITC, families can get a significant boost to their cash assets to help pay for essential living expenses such as housing, transportation, childcare, debt.

"Increasing financial stability for all California residents is a primary goal for United Ways," according to Pete Manzo, President & CEO of United Ways of California. "VITA programs not only give us a chance to put more money back in people's pockets, but they are an opportunity for local United Ways to educate the community about other resources that may be available, such as financial literacy, CalFresh food assistance, affordable health coverage, job training programs, housing counseling and more."

United Ways of California improves health, education and financial stability results for low income children and families by enhancing and coordinating the community impact work and advocacy of over 30 California United Ways. Individually and together, California's United Ways build a stronger California by mobilizing our communities' public, private and non-profit sectors through community engagement, public policy advocacy, research and results-based funding. [www.unitedwaysca.org](http://www.unitedwaysca.org)

## SBOE Member Ma Tours Lake County

On September 21, California State Board of Equalization (SBOE) Member Fiona Ma visited the massive destruction left behind in the wake of the Valley Fire. Accompanied by Lake County Supervisor Rob Brown, Board Member Ma visited the areas of Anderson Springs, Cobb, Middletown, and Hidden Valley Lake. In the midst of the devastation, Board Member Ma was heartened to see state agencies, non-profit organizations, companies, law enforcement, elected leaders and volunteers throughout California joining together to grant relief and assistance to victims of wildfires.



*SBOE Member Ma tours Lake County after the Valley Fire with Lake County Supervisor Rob Brown*

“It is devastating to see the loss endured by so many families affected by the Valley Fire,” stated Board Member Ma. “It is heartbreaking to know that entire communities have been reduced to ashes and though the people affected may rebuild, many personal items and memories are now completely lost.”

The SBOE is participating in the Local Assistance Center (LAC) located in Clearlake, and staff will be on hand to offer assistance including: tax extension to file returns, relief from penalties and/ or interest from some taxes and fees, and replacing copies of records lost to damage for business owners and fee-payers.

“As a locally elected Member of the Board of Supervisors, it is very important for me and my community to know that we have the support of state representatives like Board Member Ma,” stated Supervisor Rob Brown. “It is encouraging to have people like her come and show us support during this very difficult time.”

Also, seeking to give relief for taxpayers, the Franchise Tax Board (FTB) will be offering a disaster loss deduction where victims can claim a disaster loss in either the year the disaster occurred or in the prior tax year. A new law automatically allows California disaster loss treatment for losses sustained in areas the Governor declares a “State of Emergency.” Governor Brown made these “State of Emergency” declarations on September 11 for Amador and Calaveras Counties, and September 13 for Lake and Napa Counties.



*SBOE Member Ma with Christy Woods from Red Cross in Lake County*



## Lake County Disaster Recovery Center:

Survivors with losses are encouraged to register for assistance before going to the disaster recovery center by calling 800-621-3362 or (TTY) 800-462-7585. Those who use 711-Relay or Video Relay Services can call 800-621-3362 to register. Online registration is also available at [www.DisasterAssistance.gov](http://www.DisasterAssistance.gov) or by using a web enabled mobile device at [m.fema.gov](http://m.fema.gov). Businesses and residents can go to [sba.gov/disaster](http://sba.gov/disaster) or call SBA's Disaster Assistance Customer Service Center at 800-659-2955 (Deaf or hard of hearing may call 800-877-8339).

**The Lake County Disaster Recovery Center in Clearlake  
Old Apria Health Care  
14848 Olympic Dr., Clearlake, CA 95422**

**Hours of Operation:  
Monday – Friday 8 a.m. to 6 p.m.  
Saturday 8 a.m. to 5 p.m.  
Sunday 12 p.m. to 4 p.m.**

Two other DRCs are operational to assist California wildfire survivors. To find the nearest location they may visit [www.fema.gov/drc](http://www.fema.gov/drc).

To donate and directly assist victims who lost their homes in Lake County, visit: <http://www.lakecountylac.com/donate-now.html>.

For a list of Donation Centers in Lake County, please visit: <http://www.lovelakecounty.org/>

For a list of Butte Fire relief resources and ways to help: <http://www.mymotherlode.com/news/local/248673/butte-fire-relief-resources-and-ways-to-help.html>

To sign up to volunteer and aid victims of the Valley Fire: You can register online with North Coast Opportunities at [www.ncoinc.org](http://www.ncoinc.org). Click on Lake County Valley Fire Volunteer under Most Recent Opportunities and then hit Apply. You will be contacted when a volunteer need arises that meets your availability and skillset.

For the most recent updates on status of fire, call the Lake County OES (Office of Emergency Services) at 800-325-9604 or visit: <http://www.co.lake.ca.us/>

For a list of State of Emergency declarations, please visit the Governor's website: [www.gov.ca.gov](http://www.gov.ca.gov).

## Legislative Updates

September 11th marked the end of the first year of the 2015-16 Session of the California State Legislature. The Governor will have 30 days to sign or veto legislation passed by the state Legislature. Over 940 bills are currently on the Governor's desk.

The state Legislature passed historic legislation that regulates the medical cannabis industry in California: AB 266 (Bonta), AB 243 (Wood) and SB 643 (McQuire). These bills are a much needed step to regulate an industry that has operated with little to no regulation for almost 20 years. We applaud the efforts by the authors for their diligent work to regulate medical cannabis in the State of California.

Assembly Joint Resolution 25 (Lackey), which urges Congress and the President of the United States to pass legislation which would allow meaningful access to banking to the cannabis industry, passed the state Legislature on September 11th. AJR 25 is awaiting a chapter number by the Secretary of State. State Board of Equalization member Fiona Ma is a proud co-sponsor of AJR 25.

## Gouging During a Disaster: Despicable and Illegal

After all the devastation of a natural disaster, the last thing an evacuee would expect is to be taken advantage of by other people while they flee with their families to safety. Unfortunately, that was the situation when local hotels and motels were rumored to have raised their prices as much as 300% above the usual rate the days surrounding the Valley Fire in Lake County.

With this era of instant communication and social media it did not take long for Board Member Fiona Ma's outreach staff to discover this was happening. With protecting the tax payers in mind, Board Member Ma's staff made visits to over a dozen area lodging establishments talking to guests, staff, management and owner operators to discover if these allegations of price gouging were true. In some cases, the price increases were claimed to be a computer error in price generation when room inventory fills and the locations voluntarily refunded the guests. In most cases proprietors of the

establishments were actually discounting rooms, waiving extra person and/or pet fees for evacuees. In some unfortunate cases, price gauging was taking place and local enforcement authorities were alerted and actions were taken putting a stop to it.

Board Member Ma would like to inform hotels, motels and landlords that they must abide by California Penal Code 396 and cannot raise prices more than 10% in the wake of a declared disaster. There are civil and criminal penalties that could be pursued in both cases.

The outreach by Board Members Ma's team educated innkeepers and staff, created media and law enforcement attention that resulted in many fire victims receiving refunds and rates being adjusted back to legal standards. Her staff is now working with tenants and property owners to educate them. Board Member Ma's office will not stand for any taxpayers being taken advantage of, especially in such a devastating situation.

## BART's Growing Retail Platform



Edgar Woo learned about the opportunity to intern at Board Member Ma's office when he heard her speak at the Wa Sung Community Service Club inaugural dinner. Edgar is a musician and teacher and also a frequent commuter and loyal public transportation user. During his commute to the office and to his students, Edgar grew interested in BART and small business on the platform. He pitched his idea through a 10 minute presentation to Board Member Ma's staff to analyze trends, costs, and the small business platform that currently exists. As an extension of his project, Edgar further investigated the potential and future plans in place for the BART retail platform and will share his research and analysis with Board Member Ma and her staff.

## Board Member Ma & Staff on the Road



*Mastering the Selfie at the Asian Inc Gala as Co-Emcees with San Jose Councilmember Ash Kalra*



*Meeting with Santa Barbara Assessor Joe Holland*



*Meeting with United Way CEO Peter Manzo and Director of Government Affairs Bryan Ha on Promoting EITC and Upcoming VITA Season*



*With Assemblymember Evan Low, San Jose City Councilmember Ash Kalra, and Senator Bob Wieckowski at the Silicon Valley Annual Chamber BBQ*



*Keynote Speaker at the Naturalization Ceremony in Oakland*



*SBOE Member Ma with Assemblymember Jim Wood and the BOE Outreach Team at the Santa Rosa Small Business Seminar*

## Free Small Business and Nonprofit Tax Seminars:

October 8, 2015

Monterey Small Business Seminar

9:00am to 2:30pm

Monterey Peninsula College

980 Fremont Street, Room LF102

Monterey, CA 93940

October 8, 2015

Monterey Nonprofit Seminar

2:45pm to 5:00pm

Monterey Peninsula College

980 Fremont Street, Room LF102

Monterey, CA 93940

November 2, 2015

Veterans Small Business Seminar

9:00am to 1pm

Pismo Beach Veterans' Memorial Hall

780 Bello Street

Pismo Beach, CA 93449

Register online at

<http://www.boe.ca.gov/ma/events/> or

call 1-888-847-9652.

Walk-ins are welcome. Registration is not mandatory to attend.

This will be a non-government agency televised event.

## Other Events:

November 7, 2015

San Francisco Financial Planning Day

9:00am - 4:00pm

San Francisco Public Library

100 Larkin Street

Register at: [www.financialplanningdays.org/san-francisco](http://www.financialplanningdays.org/san-francisco)

*Do you need free expert advice about money? Come to San Francisco Financial Planning Day and get answers to your personal finance questions. Certified Financial Planners and Credit Counselors are volunteering to offer free one-on-one counseling and financial workshops throughout the day. The event is free and open to the public.*

## Thank You for Your Support

If you have a tax or fee problem, or have difficulty understanding the complexity of tax laws in California, my office can help provide you with assistance and resources. Email me directly at [fiona.ma@boe.ca.gov](mailto:fiona.ma@boe.ca.gov) or call my offices in Sacramento at (916) 445- 4081 or in San Francisco at (415) 557- 3000.

In addition, if you want to view some of the Board decisions or watch us live at the monthly Board hearings, please access [www.boe.ca.gov](http://www.boe.ca.gov) and choose the webcast option under Board Hearings.

Representing the interests of taxpayers in a district of more than nine million Californians in 23 counties, I will ensure that the agency treats all taxpayers with respect and dignity. As your SBOE representative, I will continue to ensure that taxpayers are being heard in Sacramento. It is truly an honor to serve you.

## Board Member Ma on Social Media



@ FionaMa



[www.facebook.com/CA.FionaMa](http://www.facebook.com/CA.FionaMa)



[www.linkedin.com/in/FionaMaCPA](http://www.linkedin.com/in/FionaMaCPA)



[www.boe.ca.gov/MA](http://www.boe.ca.gov/MA)

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