



# FIONA MA, CPA

District 2 | California State Board of Equalization

### Message from the Board Member:

**August:** We were sad to say goodbye to 30 summer interns. We welcome interns and volunteers all year long. If interested, please click here <http://bit.ly/MaSquadInternship>. We also did some great tech tours in Silicon Valley and San Francisco's mid market revitalization area.

**New:** Beware of mail solicitations that look like official tax mailers offering to reduce or settle your debt. If you are unsure whether you owe a tax debt or lien, please feel free to call our office so we can help verify the validity of the mailer. Also, real tax agencies will not ask for a credit card payment or other monetary payment over the phone.

**September:** Join us for some free small business and non profit seminars in Santa Rosa and Eureka this month and other upcoming events by clicking here <http://boe.ca.gov/ma/events/> or check out page 10.

As always, I am your elected official and if I can be of service, please do not hesitate to contact me at 415-557-3000 or email me at [fiona.ma@boe.ca.gov](mailto:fiona.ma@boe.ca.gov).

## SBOE District 2 Holds First Staff Retreat Under Board Member Ma's Leadership



On August 13th, Board Member Ma hosted her first staff retreat under her new leadership with core staff, District Administrators and Principals, and Outreach Services. Those present travelled from Sacramento, Santa Rosa, Oakland, San Francisco, and San Jose. The thoughtfully structured meeting included activities to build and strengthen the dynamics of her new team.

With strategic and operational planning, the team was able to identify their strengths and areas of opportunities for increased efficiency and productivity toward SBOE and Board Member Ma's goals. During the retreat, Board Member Ma and her team also developed the MaSquad Core Principals dedicated to increasing the quality of service to SBOE District constituents.

### Happy Birthday to the following SBOE District 2 Staff:

- • • • •
- **Sep. 2** Pizarro, Paola
- **Sep. 5** Co, Reynaldo C
- **Sep. 7** Rubio, Carmen
- **Sep. 7** Ayyar, Smitha
- **Sep. 8** Mittan, Scott
- **Sep. 18** Ward, Kathleen
- **Sep. 18** Ficarra, Sophia
- **Sep. 19** Duncan, Vivien
- **Sep. 23** Begijanian, Alex
- **Sep. 29** Kendrick, Brandie N
- • • • •

# San Francisco's Mid-Market: A Model for Common Sense Tax Reform

## By Fiona Ma, CPA – Member of the State Board of Equalization-District 2



*Board Member Ma & State Treasurer John Chiang with Mikkel Svane, Zendesk CEO.*

Last week, California State Treasurer John Chiang and I visited San Francisco's Mid-Market and the Tenderloin districts to see the changes that tax reform brought to this area, and learn about the benefits and remaining challenges of this area that was vacant, blighted and often dangerous.

Change doesn't come easily, neither in land use nor in the tax arena. As a Certified Public Accountant on the San Francisco Board of Supervisors, I decided to explore a fairer plan than San Francisco's longstanding payroll tax. At that time, San Francisco was the only locality in California that had a tax that disincentivize employment.

Working with then-Mayor Willie Brown, I convened the Revenue Advisory Panel in September 2003 to "review the City's revenue system in a holistic, analytically rigorous and comprehensive way, with the goal being a system that is fair, simple and supports economic growth." [1] The group was attended by all who wanted to participate and over 70 interested stakeholders representing business, nonprofits, labor and city staff shared revenue strategies, ideas and alternatives over seven months. In the end, over 30 revenue ideas were discussed and ranked by the participants.

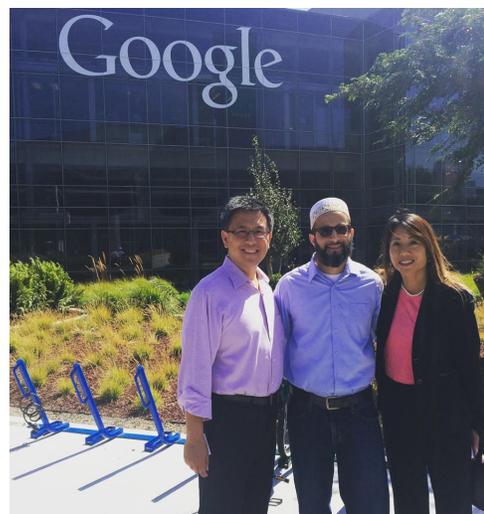
This work led to Proposition K on the November 2004 ballot that would have created a temporary 0.1% gross receipts tax and clarify the City's payroll expense tax for certain business entities.

Although it was backed by a broad coalition from then-Mayor Gavin Newsom to the San Francisco Labor Council and SPUR, the voters rejected the plan by 10 points because the essential outreach was not done.



*Board Member Ma & State Treasurer John Chiang with Tom Tarantino, Twitter Public Policy Manager*

Over the ensuing years, then-San Francisco Supervisor David Chiu, other City leaders, and economists continued to believe in payroll tax reform, and after the Mid-Market exclusion passed in 2011, it became clear that the payroll tax's days were numbered. The final legislative outcome exempted companies in the Mid-Market and Tenderloin areas from paying the payroll tax on new employees until 2017. Companies would continue to pay the payroll tax on existing employees. In addition, companies with payrolls of \$1 million or more must enter into a community benefits agreement if they wanted to take advantage of the program.



*Board Member Ma & State Treasurer John Chiang with Mufaddal Ezzy, Public Policy Manager, Google*

Although some argued against this approach, my statements back from 2003 remain: “zero percent of zero is zero.” Today, dozens of businesses have located in San Francisco and are part of the Mid Market and Tenderloin revitalization, adding new housing, community-serving small businesses, and even grocery stores selling fresh fruits and produce. New companies are also connecting with the community through cash grants, volunteer engagement, local purchasing and more.

In 2012, Mayor Ed Lee and the San Francisco Board of Supervisors brought business, labor and the community together to pass Proposition E, which—once and for all—replaced the job-killing payroll tax with a gross receipts tax.



*Board Member Ma & State Treasurer John Chiang with Google staff: Mufaddal Ezzy, Public Policy Manager & Rebecca Prozan, Public Policy and Government Relations Manager*

## Meet the CA Small Business Advocate: Jesse Torres



This past May, Governor Brown appointed Jesse Torres as the new Small Business Advocate for the State of California. Based in Los Angeles, Jesse was most recently the Regional Director for the Los Angeles Small Business Development Center Network and is the past Chair of the CA SBDC Leadership Council.

“I’m a technical assistance guy at heart,” says Torres. “In my former role, I led a network that provided no-cost consulting and low-cost training to more than 4,000 business owners every year. I’m particularly interested in identifying and implementing on-the-ground initiatives and solutions that helps to move our small business economy forward – whether that’s in the area of demystifying regulations at a local or state level, helping businesses secure government contracts or simply providing them with the one-on-one assistance they need to access capital, increase sales and add jobs.”

### *Office of Small Business Advocate (OSBA)*

The Office of Small Business Advocate (OSBA) focuses on four core elements: Advocacy participation on regulations that affect small business, information gathering and dissemination on state programs and services that impact small business, agency coordination to ensure that the needs of small business are being met and general business assistance.

OSBA is part of GO-Biz, the chief economic development arm of the state which also includes programs such as California Competes Tax Credit, California Business Investment Services (CalBIS), California Film Commission, Permit Assistance and others.

GO-Biz recently launched the new California Business Portal, an online one-stop for business owners that includes features such as a permit assistance tool, quick business start guides, and a mapping tool to identify local business resources and available incentives.

For more information on the California Business Portal, OSBA or GO-Biz, please visit [www.business.ca.gov](http://www.business.ca.gov).

## Ms. Lydia Yeung, First Female Leader at Chinese Consolidated

On July 25, Board Member Ma sent her District Liaison, Gloria Li, to the Chinese Consolidated Benevolent Association (CCBA) to present a certificate of recognition from the SBOE to Ms. Lydia Yeung. The CCBA is considered as the representative organization for overseas Chinese in the United States and Ms. Yeung is the association's first female officer since the association was established 150 years ago. Ms. Yeung was elected the executive secretary serving the term of May 2015 until December 2015.

As the first female officer, Ms. Yeung will set the path for many others to follow. Ms. Yeung expressed her excitement for this new role and is very proud to be leading CCBA alongside the seven Presidents, Mr. Song Ming Ma, Mr. Keng C. Kwan, Mr. Steven Woo, Mr. Albert G. Chin, Mr. Yuk Lun Loo, Mr. Wei Ming He, Mr. Thomas Yuen, and the other Executive Secretary, Mr. Wing Lau.



## BOE Auditors Explain Sales and Use Tax at Business Workshop in Salinas

In August, State Assemblymember Luis Alejo, District 30, partnered with the Hispanic Chamber of Commerce — Central Coast, the Salinas Valley, San Benito County, Gilroy and Pajaro Valley Chambers of Commerce and other organizations in introducing State of California agencies to local small businesses.

Representatives from the Board of Equalization, Governor's Office of Business and Economic Development, Franchise Tax Board, Employment Development Department, Division of Workers Compensation, and State Disability Insurance participated in this informative workshop. Each speaker explained how their respective agency helps existing businesses survive and how those wanting to start a new business can find funding.

SBOE auditors Elba Montero and Angela Huerta spoke at the event and explained how to apply for a seller's permit and the basic aspects of both sales and use tax.



## SBOE (State Board of Equalization) Did you know?

- The SBOE was created in 1879 in the California Constitution Convention. Initially intended to standardize and "equalize" county assessment practices (which had varied considerably even in counties adjacent to each other), the Board today governs not only County Assessors, but tobacco taxes, fuel taxes and sales taxes.
- Board Member Ma represents District 2 at the SBOE. This district has four district offices, two branch offices and represents close to 10 million people living in 23 counties from the Oregon border to Santa Barbara. For a map of the district, please visit: <http://www.boe.ca.gov/ma/district.htm>
- The SBOE brings in approximately 55 BILLION dollars annually and has approximately 5,000 employees. One out of every three California tax dollars is collected by the SBOE.

## Assessors Annual Meetings

There are 58 county assessors who are independently elected to assess property taxes in California. Established by The California Constitution in 1879, the SBOE was created to equalize property tax assessments by County Assessors. Today, the SBOE still oversees and works closely with the county assessors.

On August 11th, Board Member Ma attended the annual SBOE California Assessors meeting in Alpine Meadows, California. Board Member Ma held a break out session with Assessors from SBOE District 2. This was a great opportunity to interface with the Assessors to understand their day to day operation as well as identify areas of opportunities where SBOE and Board Member Ma can work together.

## Celebrating the 95th Anniversary of Women's Right to Vote

On August 22nd, SBOE Member Fiona Ma was honored to speak to a large crowd gathered in the town of Mendocino on the beautiful North Coast. All the participants were there to celebrate the 95th anniversary of women winning the right to vote. In her keynote speech, Board Member Ma recognized how far women have come in the last century and how much more work there is to be done for full gender equality. When elected to the California Legislature in 2006, Fiona Ma was only the 112th woman to hold a legislative seat. Since the State Board of Equalization was established in 1879, only 7 women have served on the board.

Board Member Ma also recognized the many women in history that have inspired her, especially Eleanor Roosevelt. Other speakers, many clad in suffrage era attire, spoke to the history of the women's movement not just nationally but locally. When Californians cast their votes for Proposition 4 in 1911, Mendocino County women's rights proponents won only by a dozen votes. California was the 6th state in the union to ratify a constitutional amendment giving women their voting rights. Much of the opposition to the progress of women's suffrage came from the cities of Oakland

and San Francisco. Currently, two more progressive communities in the electorate, back then they were full of men voters that feared if women could vote they would vote to end prostitution, gambling and alcohol.

Board Member Ma summed up her feelings at this heartfelt event by saying, "We must give ourselves to each other. We must stand up and fight for each other. We must speak out and support each other and mentor each other. That's how we've come so far together. And that's how we'll keep going... Together."



## Legislative Update

AJR 25 calls on Congress and the President of the United States to pass legislation, which will allow meaningful access for cannabis businesses to banks and credit unions. Board Member Fiona Ma testified in support of AJR 25 in Assembly Banking and Finance Committee on August 14th. AJR 25 passed out of Assembly Banking and Finance on a 9-1 vote. AJR 25 later was passed off the Assembly Floor with a 67-3 vote on August 27th. AJR 25 is awaiting referral to a policy committee in the state Senate.

## Board Member Ma & Staff on the Road



*With the California-China Office of Trade and Investment Office*



*Visiting our Salinas Field Office*



*With Assemblymember Glazer at Contra Costa Small Business Seminar*



*With our Oakland Sales & Use Tax Trainers Josh Canham & Jason Harris*



*With Assemblymember Jim Frazier at Contra Costa Small Business Seminar*



*Testifying for AJR25 (Lackey)*



*Atascadero Chamber-Women in Business Scholarship Winners*

## MaSquad Interns Spotlight

### Read Aloud Program

On August 7, 2015 Board Member Ma, joined the Ma Squad and took part in the Read Aloud Program at C5 Children’s School in the San Francisco based State building, facilitated by Northgate High School juniors and twins Tala Khatcherian and Seema Khatcherian.

As part of Ma Squad’s summer internship program, the goal is to read to youth or to the blind. Board Member Ma and members of the Ma Squad were hosted by the C5 Children’s School and participated in reading books to the youth in the school through teams of two volunteers each.



Lynn developed a database on Chinese temples and Joss Houses in Board Member Ma’s district and compiled a list of contact information for all of these sites. As part of her final project, Lynn provided a presentation about these temples and their significance and organized a trip to the well-known Tin How Joss House in the Chinatown of San Francisco, one of the three last traditional Chinese temples in District 2.

### Food Justice Project



In San Francisco, more than 225,000 people go hungry every day. Many homeless people, elderly and families without reliable cooking facilities rely on food kitchens to provide fresh, hot meals for free.

The goal of the Food Justice Program, being headed by Ma Squad intern, Jana Quan, is to educate people on the causes of food insecurity, especially in San Francisco, and to organize volunteers to help local food kitchens prepare and serve food. She wanted to embark on this project because she had an interest in social justice and helping out the community. While researching more information on hunger in the city of San Francisco, she saw that although many people are making at or above the 200% federal poverty line, they are still susceptible to hunger because of the high price of living in the city.

One way to fight against hunger is to give a hand to organizations who feed people in need. On August 23rd, Ma Squad members with members of the Lowell High School JROTC volunteered at St. Anthony’s Foundation’s Dining Room by helping serve approximately 2,500 meals. St. Anthony’s has been offering a free meals in their dining room since 1950.

### SBOE District 2 Joss Houses

As a summer intern from Mission San Jose High School, Lynn Freimanis was placed as an intern for the Board of Equalization District 2 office with Board Member Ma.



## Ma Squad Alumni Spotlight: Where are they now? - By Mia Shaw



I love politics and governance, which certainly came as quite a surprise to my largely apolitical family. It all began with my internship with the California State Assembly -- an experience which taught me so much about civic life and public service, about information-sharing and community outreach, that I owe much of my career to it. When I first started as an intern in the San Francisco district office of then-Assemblywoman Fiona Ma, I was only 16 years old, only halfway through my sophomore year, and I'd never had a real job before, beyond cat-sitter and theatrical spotlight operator.

While working as an intern in Fiona Ma's office, I helped to edit the monthly newsletter for Assembly District 17, helped create a documentary honoring the last living Holocaust survivors in California, and worked extensively with constituents. The experience was so meaningful to me that I was still a member of the "Ma Squad" all the way up to my high school graduation.

That's when everything just started... happening. I performed at Carnegie Hall and got into UC Berkeley on the same day; upon graduation from high school, I'd secured a columnist job at the university paper for the summer. While I'd always been interested in communications, I'd never really thought about journalism before. My experience as a news reporter, columnist, and opinion editor for The Daily Californian was what definitely sparked my interest in TV and print news and led me to working for KGO-810AM, Independent Voter Network News, and KTVU Channel 2.

My parents, a theater arts professor and a computer scientist, had no career advice for me, no connections. Those all-important connections and that life-changing guidance, I had to seek out myself byreaching out over social media to everyone who would talk to me, to anyone I could learn from. Finally, I dipped again into the political realm while working at the Berkeley Mayor's office in the Cal in Local Government program, working alongside organizations such as the East Bay Green Corridor and the Skydeck Startup Accelerator. The following summer, I worked at the California Department of Justice as a public rights intern while writing for Capitol Weekly, a Sacramento-based state political publication, on the Berkeley-sponsored Robert Matsui fellowship. By the fall of that year I'd become a contributing writer to USA Today's "College" section; by spring of the next, I had dual internships with the United Nations Foundation and the Democratic National Committee. This summer, I'm working full-time for CNN.

I sometimes myself get confused when talking about some of the work I've done. My resume has grown quite quickly over the past several years, and even for me it's hard to keep straight. Now I find myself at a crossroads between politics and governance, and journalism and communications. Who knows what's going to come next? Certainly I don't. And I don't imagine the speed at which things are changing in life are going to slow down anytime soon, either -- but hopefully I'll get more adept over time at managing all those different things.

## SBOE Happenings

### Celebrating Their 25th Year of Service with the SBOE:

July - David Perez, San Francisco District Office  
 August - Ronika Christian, San Jose District Office



*At Secretary of State Alex Padilla's Open House*

### Santa Barbara's 90th Annual Old Spanish Days Fiesta by Seth Doulton

Santa Barbara's well known signature weeklong event kicked off the week of August 5th and is just one of the hundreds of city sponsored events all over California. I am a 5th generation Santa Barbara native and it has been a part of almost every year of my life. The week is full of the best Spanish food, horses and authentic Spanish dancing that can be viewed for free at the many stages throughout the city. The event draws close to 200,000 and they enjoy over 150 booths of Spanish food, art and apparel. The food booths benefit the many non-profits of the city. Horses are a big part of Fiesta with the Parade, Horse Show and Rodeo. In 2013 a survey showed that Fiesta has an economic impact of close to 32 million with 76 thousand from bed tax. It's always the first week in August. As they say "Viva la Fiesta" [www.sbfiesta.org](http://www.sbfiesta.org)



### TIPS: Know Your Tax and Fee Rates

Tax rates vary by location and may change during the course of the year. When there is a tax rate change, we will post a special notice on our website: [www.boe.ca.gov/ma](http://www.boe.ca.gov/ma)

#### Sales and Use Tax

The sales and use tax rate in a specific California location is comprised of four parts: state tax rate, local tax rate, county rate, and any district tax rate that may be in effect.

As a retailer in California, you have a duty to report and pay the state's sales tax, which applies to all retail sales of goods except those sales that are exempted by law. The current statewide sales and use tax rate is 7.50 percent. In addition, you are also responsible for any voter or local government approved district taxes that exist in cities and counties in which you are engaged in business. We offer several tools on our website to help you identify the correct tax rate.

You can look up a tax rate by address or look up tax rates by city and county. To view notices of tax rate changes, please go to Special Notices on our website under News and Events. For more information on how to determine your sales and use tax rates, please see Know Your Sales and Use Tax Rate or visit: [http://www.boe.ca.gov/sptaxprog/special\\_notices.htm](http://www.boe.ca.gov/sptaxprog/special_notices.htm)

#### Other Taxes and Fees

Other taxes and fees have different rates based on the tax or fee program. To find rates for other taxes and fees, please see the rate tables at Tax-Rates Special Taxes and Fees.

## Upcoming Events

### Free Small Business and Nonprofit Tax Seminars:

**September 21, 2015**

**Santa Rosa Small Business Seminar**

9:00am to 2:30pm

Sonoma County Board of Supervisors Chambers

575 Administration Drive, Room 100A

Santa Rosa, CA 95403

**September 28, 2015**

**Humboldt County Small Business Seminar**

9:00am to 2:30pm

Sequoia Conference Center

901 Myrtle Ave.

Eureka, CA 95501

**September 28, 2015**

**Humboldt County Tax Seminar for Nonprofits &  
Faith-Based Organizations**

2:45pm to 5:00pm

Sequoia Conference Center

901 Myrtle Ave.

Eureka, CA 95501

**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

*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.*

### 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



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