



STATE BOARD OF EQUALIZATION
450 N STREET, SACRAMENTO, CALIFORNIA
PO BOX 942879, SACRAMENTO, CALIFORNIA 94279-0080
(916) 322-2270 • FAX (916) 324-3984
www.boe.ca.gov

BETTY T. YEE
First District, San Francisco

BILL LEONARD
Second District, Ontario/Sacramento

MICHELLE STEEL
Third District, Rolling Hills Estates

JUDY CHU, Ph.D.
Fourth District, Los Angeles

JOHN CHIANG
State Controller

RAMON J. HIRSIG
Executive Director

**STATE BOARD OF EQUALIZATION MEETING
450 N Street, Room 121, Sacramento
March 18-19, 2008**

PRELIMINARY RECORD OF BOARD ACTION

Tuesday, March 18, 2008

The following is a preliminary record of Board actions taken at the March 18, 2008 Board Meeting. This is not an official record and is subject to correction or modification. The official record of the Board's actions is the minutes of the Board, which will be adopted at a subsequent meeting.

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Board Committee Meetings

BOARD COMMITTEE MEETINGS – Please see Page 20, O. Adoption of Board Committee Reports and Approval of Committee Actions, for voting results.

Board Meeting

Oral Hearings

A. Homeowner and Renter Property Tax Assistance Hearing

A1. Darlene D. Hollins, 383301

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's Appeal Denied	Dr. Chu	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Ms. Yee	Yes
	Mr. Chiang/Ms. Mandel	Yes

B. Corporate Franchise and Personal Income Tax Hearing

B1. Carlos M. Alcala and Norma Alcala, 259159— Postponed

C. Sales and Use Tax Appeals Hearing

C1. Ardeshir Eil Larijani, 295381 (GH)

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's Petition Denied	Dr. Chu	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Ms. Yee	Yes
	Mr. Chiang/Ms. Mandel	Yes

C2. Michael Richard Luna, 356507 (KH)

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
No final Board determination. Board ordered that the petition be submitted for decision, granting the petitioner 30 days to file supporting documents, the Department 30 days to respond, and the Appeals Division 30 days thereafter to review the petitioner's supporting documents, the Department's response and provide its recommendation to the Board.	Dr. Chu	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Ms. Yee	Yes
	Mr. Chiang/Ms. Mandel	Yes

C3. Patton Music Company, Inc., 119350 (KH)

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
<p>Taxpayer's Petition Partially Granted/Denied</p> <p>Board ordered that the liability in connection with cigarette rebates received from third-parties prior to the first quarter 1999 be removed, and that the amnesty-interest penalty be relieved if, within 30 days of the Notice of Redetermination, petitioner either: pays the remaining amount of amnesty-eligible tax and interest due; or enters into an installment agreement with the Sales and Use Tax Department for full payment of the remaining amount of amnesty-eligible tax and interest due within 13 months, and successfully completes that installment agreement.</p>	<p>Dr. Chu</p> <p>Mr. Leonard</p> <p>Ms. Steel</p> <p>Ms. Yee</p> <p>Mr. Chiang</p>	<p>Yes</p> <p>No</p> <p>No</p> <p>Yes</p> <p>Yes</p>

C4. The Customer Company, 113119 (JHF)

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
<p>Taxpayer's Petition Partially Granted/Denied</p> <p>Board ordered that the liability in connection with cigarette rebates received from third-parties prior to the first quarter 1999 be removed, and that the amnesty-interest penalty be relieved if, within 30 days of the Notice of Redetermination, petitioner either: pays the remaining amount of amnesty-eligible tax and interest due; or enters into an installment agreement with the Sales and Use Tax Department for full payment of the remaining amount of amnesty-eligible tax and interest due within 13 months, and successfully completes that installment agreement.</p>	<p>Dr. Chu</p> <p>Mr. Leonard</p> <p>Ms. Steel</p> <p>Ms. Yee</p> <p>Mr. Chiang/Ms. Mandel</p>	<p>Yes</p> <p>No</p> <p>No</p> <p>Yes</p> <p>Yes</p>

C5. Cigarettes Cheaper!, 80069 (JHF)

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's Petition Partially Granted/Denied	Dr. Chu	Yes
Board ordered that the liability in connection with cigarette rebates received from third-parties prior to the first quarter 1999 be removed, and that the amnesty-interest penalty be relieved if, within 30 days of the Notice of Redetermination, petitioner either: pays the remaining amount of amnesty-eligible tax and interest due; or enters into an installment agreement with the Sales and Use Tax Department for full payment of the remaining amount of amnesty-eligible tax and interest due within 13 months, and successfully completes that installment agreement.	Mr. Leonard	No
	Ms. Steel	No
	Ms. Yee	Yes
	Mr. Chiang/Ms. Mandel	Yes

C6. Fast N Easy, Inc., 89000770840 (KHM)

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's Petition Granted	Dr. Chu	Yes
Board ordered that the liability in connection with cigarette rebates received from third-parties prior to the first quarter 1999 be removed, and that the amnesty-interest penalty be relieved if, within 30 days of the Notice of Redetermination, petitioner either: pays the remaining amount of amnesty-eligible tax and interest due; or enters into an installment agreement with the Sales and Use Tax Department for full payment of the remaining amount of amnesty-eligible tax and interest due within 13 months, and successfully completes that installment agreement.	Mr. Leonard	Yes
	Ms. Steel	Yes
	Ms. Yee	Yes
	Mr. Chiang/Ms. Mandel	Yes

- C7. Okboon Lee, 335693 (JH)—Deferred
- C8. George Sanderson Sturges, Jr., 298532 (UT)—Postponed

There were no items for the following matters:

- D. Special Taxes Appeals Hearings
- E. Property Tax Appeals Hearings

F. Public Hearings

- F1. Business Taxpayers' Bill of Rights Hearings
- F2. Property Taxpayers' Bill of Rights Hearings

The following items were scheduled for Wednesday, March 19, 2008:

- G. Tax Program Nonappearance Matters – Consent
- H. Tax Program Nonappearance Matters – Adjudicatory
- I. Tax Program Nonappearance Matters

Chief Counsel Matters

- J. Rulemaking
These items were scheduled for Wednesday, March 19, 2008.
- K. Business Taxes
There were no items for this matter.

The following items were scheduled for Wednesday, March 19, 2008.

- L. Property Taxes
- M. Other Chief Counsel Matters

Administrative Session

The following items were scheduled for Wednesday, March 19, 2008:

- N. Consent Agenda
- O. Adoption of Board Committee Reports and Approval of Committee Actions
- P. Other Administrative Matters

Q. Closed Session

These items were scheduled for Wednesday, March 19, 2008.



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Wednesday, March 19, 2008

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Board Meeting

Oral Hearings

C. Sales and Use Tax Appeals Hearing

C9. Advanced Aviation, LLC, 314063, 314064 (UT)— Appearance Waived

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's Petition Partially Granted/Denied Approved revised recommendation	Dr. Chu	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Ms. Yee	Yes
	Mr. Chiang/Ms. Mandel	Yes

G. Tax Program Nonappearance Matters – Consent**G1. Legal Appeals Matters**

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Approved Staff Recommendations	Dr. Chu	Yes
No Final Determination on sub-items 1, 2, 5 and 6	Mr. Leonard	Yes
	Ms. Steel	Yes
	Ms. Yee	Yes
	Mr. Chiang/Ms. Mandel	Yes

- Petitions for Rehearing
 - 1a. ~~Atlantic Richfield Company, 158211, 167993, 348075 (MT)~~
 - 1b. ~~BP West Coast Products, LLC, 216210, 264250, 307637, 349423 (MT)~~
 - 1c. ~~BP Products North America, Inc., 306843 (MT)~~
 2. ~~Onnik Mooradian and Mariette Mooradian, 220157, 220158, 292978, 293031 (MT)~~
 3. Robert Ingram, 260330 (EHC)
 4. Center for Bio-Ethical Reform, 271792 (UT)
- Hearing Notices Sent – No Response
 5. ~~Phillip N. Cutler, 377150 (AC)~~
 6. ~~Doris Lydia Cutler, 380705, 381147 (AC)~~

G2. Franchise and Income Tax Matters

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Approved Staff Recommendations	Dr. Chu	Yes
No Final Determination on sub-item 6	Mr. Leonard	Yes
	Ms. Steel	Yes
	Ms. Yee	Yes
	Mr. Chiang/Ms. Mandel	Yes

- Decisions
 1. The Kivelstadt Family Trust, 391391
 2. Eduardo A. Manubay and Ivonah O. Manubay, 340464
 3. Pacific Canopy, Inc., 345419
 4. Berlinda Tolbert, 378537
- Petitions for Rehearing
 5. Karen J. Hodsdon, 383402
 6. ~~Boyd Holdings, 362328~~
 7. Bradley Kastle, 349312
 8. Iceffine King, 360721
 9. Jimmy Lui, 374768, 378419, 383325

G3. Homeowner and Renter Property Tax Assistance Matters

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Approved Staff Recommendations	Dr. Chu	Yes
No Final Determination on sub-item 4	Mr. Leonard	Yes
	Ms. Steel	Yes
	Ms. Yee	Yes
	Mr. Chiang/Ms. Mandel	Yes

- Decisions
 1. Biagio A. Diritto, 388674
 2. Ruben V. Reyes, 356860
- Petitions for Rehearing
 3. Epifania A. Grio, 378392
 4. ~~Sajjad Riyaz, 349075~~

G4. Sales and Use Taxes Matters

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Approved Staff Recommendations	Dr. Chu	Yes
No Final Determination on sub-item 5	Mr. Leonard	Yes
	Ms. Steel	Yes
	Ms. Yee	Yes
	Mr. Chiang/Ms. Mandel	Yes

- Redeterminations
 1. TGT Enterprises, Inc., 270403 (FHB)
 2. Glencore, Ltd., 391658 (OHB)
 3. Arts Des Provinces De France, Inc., 404160 (OHB)
- Relief of Penalty/Interest
 4. Terex Corporation, 431273 (OHA)
 5. ~~PCS Leasing Company, L.P., 431274 (OHA)~~
- Denials of Claims for Refund
 6. NTT America, Inc., 420053 (OHB)
 7. Automotive Funding Group, Inc., 335887 (EA)
 8. Sprint Communications Company, LP 344618 (OHA)

G5. Sales and Use Taxes Matters – Credits, Cancellations, and Refunds

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Approved Staff Recommendations	Dr. Chu	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Ms. Yee	Yes
	Mr. Chiang/Ms. Mandel	Yes – except not participating in sub items 8 and 9

- Credits and Cancellations
 1. Mechanics Tool & Supply Company, 432085 (CH)
- Refunds
 2. Calpaco Papers, Inc., 403452 (EH)
 3. Inamed Medical Product Corporation, 267193 (GH)
 4. Lennox Hearth Products, Inc., 396359 (EA)
 5. The Copley Press, Inc., 420665 (FH)
 6. Professional Hospital Supply, Inc., 401441 (EH)
 7. Anheuser-Busch, Inc., 329569 (OHA)
 8. Citigroup Global Markets, Inc., 387740 (OHB)
 9. Abbott Laboratories, Inc., 425161 (OHA)
 10. San Diego Metro Credit Union, 416162 (FH)
 11. Point Loma Credit Union, 401542 (FH)
 12. Long Beach Acceptance Corporation, 420985 (EA)
 13. Sonic-Saturn of Silicon Valley, Inc., 381275 (GH)
 14. Automotive Funding Group, Inc., 335887 (EA)
 15. AT Plastics, Inc., 334826 (OH)
 16. Sprint Communications Company, LP, 344618 (OHA)
 17. Edwards Federal Credit Union, 401256 (ARH)
 18. Eagle Community Credit Union, 421811 (EAA)
 19. First Financial Credit Union, 416065 (AP)

There were no items for the following matters:

- G6. Special Taxes Matters
- G7. Special Taxes Matters – Credits, Cancellations, and Refunds
- G8. Property Tax Matters
- G9. Cigarette License Fee Matters
- G10. Legal Appeals Property Tax Matters

H. Tax Program Nonappearance Matters – Adjudicatory

H1. Legal Appeals Matters

- Petition for Rehearing
 1. Finn Moller, 288211 (AS)

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's Petition Denied	Dr. Chu	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Ms. Yee	Yes
	Mr. Chiang/Ms. Mandel	No

➤ Hearing Notice Sent – Appearance Waived

2. Smiland Paint Company, 52753, 135675, 139295, 165511, 214982, 259644, 306866, 346955 (MT)

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's Petition Denied	Dr. Chu	Yes
	Mr. Leonard	No
	Ms. Steel	No
	Ms. Yee	Yes
	Mr. Chiang/Ms. Mandel	Yes

➤ Cases Heard But Not Decided

- ~~3a. Eulipia, Inc., 300130 (GH)~~
~~3b. Los Gatos Restaurants, Inc., 299490 (GH)~~
~~4. Stephen Charles Borkenhagen, 302079 (GH)~~
 5. Shahrokh Matin, 308003 (CH)

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's Petition Denied	Dr. Chu	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Ms. Yee	Yes
	Mr. Chiang/Ms. Mandel	Yes

6. O.P. Schuman & Sons, Inc., 315317 (OHB)

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's Petition Denied	Dr. Chu	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Ms. Yee	Yes
	Mr. Chiang/Ms. Mandel	Yes

7. Shoreline Helicopters, LLC, 297719 (UT)

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's Petition Denied	Dr. Chu	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Ms. Yee	Yes
	Mr. Chiang/Ms. Mandel	Yes

8. The Auto Store of Merced, Inc., 168200 (KH)

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's Petition Denied	Dr. Chu	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Ms. Yee	Yes
	Mr. Chiang/Ms. Mandel	Yes

9. David Jay Sanfield, 332013 (AC)

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's Petition Granted	Dr. Chu	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Ms. Yee	Yes
	Mr. Chiang/Ms. Mandel	Yes

10a. Ock Ja Cho Lee, 357034 (AS)

10b. Seung Suk Lee, 357033 (AS)

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's Petition Denied	Dr. Chu	Yes
	Mr. Leonard	No
	Ms. Steel	No
	Ms. Yee	Yes
	Mr. Chiang/Ms. Mandel	Yes

11a. Don Ricardo's Restaurant, Inc., 42025 (AP)

11b. Padrino's, Inc., 42029 (AC)

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
No Final Board Determination	Dr. Chu	Not participating
	Mr. Leonard	
	Ms. Steel	
	Ms. Yee	
	Mr. Chiang/Ms. Mandel	

H2. Franchise and Income Tax Matters

➤ Decisions

1. Louis E. Cook and Nancy L. Cook, 258746

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's Appeal Denied	Dr. Chu	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Ms. Yee	Yes
	Mr. Chiang/Ms. Mandel	Yes

2. Dana B. Fisher Sr. (Deceased) and A. Elizabeth Fisher, 346236

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's Appeal Denied	Dr. Chu	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Ms. Yee	Yes
	Mr. Chiang/Ms. Mandel	Yes

There were no items for the following matters:

H3. Homeowner and Renter Property Tax Assistance Matters

H4. Sales and Use Taxes Matters

~~H5. Sales and Use Taxes Matters – Credits, Cancellations, and Refunds~~➤ ~~Refund~~1. ~~Star Crest Products of California, Inc., 424691~~

There were no items for the following matters:

H6. Special Taxes Matters

H7. Special Taxes Matters – Credits, Cancellations, and Refunds

H8. Property Tax Matters

H9. Cigarette License Fee Matters

H10. Legal Appeals Property Tax Matters

I. Tax Program Nonappearance Matters**11. Property Tax Matters**

➤ Audits

1. Arrival Communications, Inc. (2391) “CF”

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Approved Staff Recommendations	Dr. Chu	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Ms. Yee	Yes
	Mr. Chiang/Ms. Mandel	Not Participating

2. Virgin Mobile USA, LLC (2767) “CF”

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Approved Staff Recommendations	Dr. Chu	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Ms. Yee	Yes
	Mr. Chiang/Ms. Mandel	Not Participating

3. Verizon Select Services, Inc. (7503) “CF”

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Approved Staff Recommendations	Dr. Chu	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Ms. Yee	Yes
	Mr. Chiang/Ms. Mandel	Not Participating

4. Time Warner Telecom of California, L.P. (7522) “CF”

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Approved Staff Recommendations	Dr. Chu	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Ms. Yee	Yes
	Mr. Chiang/Ms. Mandel	Not Participating

5. Evercom Systems, Inc. (7580) "CF"

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Approved Staff Recommendations	Dr. Chu	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Ms. Yee	Yes
	Mr. Chiang/Ms. Mandel	Not Participating

6. BT Americas, Inc. (7758) "CF"

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Approved Staff Recommendations	Dr. Chu	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Ms. Yee	Yes
	Mr. Chiang/Ms. Mandel	Not Participating

➤ Unitary Escaped Assessments

7a. Bell Atlantic Communications, Inc. (8071) "CF"

7b. Pay-Less Cellular (2683) "CF"

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Approved Staff Recommendations	Dr. Chu	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Ms. Yee	Yes
	Mr. Chiang/Ms. Mandel	Not Participating

➤ Unitary Land Escaped Assessments

8a. AT&T Mobility, LLC (2606) "CF"

8b. Metro PCS California/Florida (2733) "CF"

8c. Fisher Wireless Services, Inc. (2760) "CF"

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Approved Staff Recommendations	Dr. Chu	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Ms. Yee	Yes
	Mr. Chiang/Ms. Mandel	Not Participating

12. Offers-in-Compromise Recommendation

1. Nancy Sandy Nenejian

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Approved Staff Recommendation	Dr. Chu	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Ms. Yee	Yes
	Mr. Chiang/Ms. Mandel	Yes

Chief Counsel Matters**J. Rulemaking**J1. Petition for Amendment of Property Tax Rule 140.1, *Requirements for Managing General Partner of Limited Partnership for Welfare Exemption for Low-Income Housing Properties*

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Approved staff recommendation.	Dr. Chu	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Ms. Yee	Yes
	Mr. Chiang/Ms. Mandel	Yes

J2. Petition for Amendment of Property Tax Rule 462.001, *Change in Ownership – General*

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Denied petition as recommended by staff.	Dr. Chu	Yes
	Mr. Leonard	No
	Ms. Steel	No
	Ms. Yee	Yes
	Mr. Chiang/Ms. Mandel	Yes

~~J3. Petition for Adoption of Proposed Property Tax Rule 145, *Hospitals – Qualifying Organizations for the Welfare Exemption*~~

- J4. Alcoholic Beverage Tax Flavored Malt Beverages: Regulation 2558, *Distilled Spirits*; Regulation 2559, *Presumption – Distilled Spirits*; Regulation 2559.1; *Rebuttable Presumption – Distilled Spirits*; Regulation 2559.3, *Internet List*, and Regulation 2559.5, *Correct Classification*

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Board submitted to the 15-day file approved revised language to text of regulations, operative date to be changed from 7/1/08 to 10/1/08, and formal issue paper No. 07-001 to be included in rulemaking file	Dr. Chu	Yes
	Mr. Leonard	No
	Ms. Steel	No
	Ms. Yee	Yes
	Mr. Chiang/Ms. Mandel	Yes

K. Business Taxes

There were no items for this matter.

L. Property Taxes

- L1. Consideration of Policy Change – Opinion on Welfare Exemption “Community Benefit Test” under Revenue and Taxation Code section 214

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
No change to current policy.	Dr. Chu	Yes
	Mr. Leonard	No
	Ms. Steel	No
	Ms. Yee	Yes
	Mr. Chiang/Ms. Mandel	Yes

- L2. Status Report on Cable Television Property Assessment Issues

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Approved Option 2 of staff recommendation and directed staff to present an LTA in April.	Dr. Chu	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Ms. Yee	Yes
	Mr. Chiang/Ms. Mandel	Yes

L3. State Assessee Property Tax Appeals 2008 Procedures

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
1) make no change to the Rules for Tax Appeals as to the appeals conference, but staff is to provide a list of property tax appeals with a complexity analysis at the earliest opportunity; 2) the Tax and Fee Programs Division is to provide support and representation to Valuation Division staff throughout the entire appeal process; 3) add an appraiser to the Appeals Division on an as-needed basis; and, 4) hearing summaries are to provide more definite recommendations.	Dr. Chu	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Ms. Yee	Yes
	Mr. Chiang/Ms. Mandel	Yes

L4. Board Consideration of Findings and Decisions

1. Covad Communications Company (7706), 414850

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Approved Staff Recommendations	Dr. Chu	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Ms. Yee	Yes
	Mr. Chiang/Ms. Mandel	No

2. Golden State Water Company (101), 414767

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Approved Staff Recommendations	Dr. Chu	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Ms. Yee	Yes
	Mr. Chiang/Ms. Mandel	Not Participating

3. Lodi Gas Storage, LLC (198), 414766

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Approved Staff Recommendations	Dr. Chu	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Ms. Yee	Yes
	Mr. Chiang/Ms. Mandel	Yes

4. 01 Communications, Inc. (7791), 388338

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Approved Staff Recommendations	Dr. Chu	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Ms. Yee	Yes
	Mr. Chiang/Ms. Mandel	Not Participating

5. Telscape Communications, Inc. (7907), 414762

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Approved Staff Recommendations	Dr. Chu	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Ms. Yee	Yes
	Mr. Chiang/Ms. Mandel	Not Participating

6a. Verizon Wireless (2512), 405333

6b. Sacramento Valley LP (2513), 405373

6c. Los Angeles SMSA Ltd (2532), 405374

6d. Fresno MSA LP (2552), 405375

6e. GTE of California LP (2559), 405376

6f. GTE Mobilnet of Santa Barbara (2627), 405377

6g. Cellco Partnership (2667), 405378

6h. California RSA #4 (2669), 405379

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Approved Staff Recommendations	Dr. Chu	Yes
	Mr. Leonard	Yes
	Ms. Steel	No
	Ms. Yee	Yes
	Mr. Chiang/Ms. Mandel	Not Participating

M. Other Chief Counsel Matters

M1. Discussion of Board Hearing Procedures for Briefing, Submitting Evidence, and Requesting Clarification

Administrative Session**N. Consent Agenda**

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Approved Staff Recommendations	Dr. Chu	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Ms. Yee	Yes
	Mr. Chiang/Ms. Mandel	Yes

N1. Retirement Resolutions

- Yvonne Szymanski
- Patricia S. Hatcher-Jones

N2. Approval of 2007-2008 Superior Accomplishment Award Program Nominees

O. Adoption of Board Committee Reports and Approval of Committee Actions

O1. Legislative Committee

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Adopted committee report and approved the actions therein. For details see: http://www.boe.ca.gov/legdiv/legmeetings08.htm	Dr. Chu	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Ms. Yee	Yes
	Mr. Chiang/Ms. Mandel	Yes

~~1. 2008 Legislative Proposals-Business Taxes (Sales and Use Taxes)~~

~~3-7 Amend Section 7076.4 and repeal Section 7076.5 of the Sales and Use Tax Law.~~

2. 2008 Legislative Bill: Recommendation for Board Position

AB 3009 Sales Tax: Consumer: Itinerant Vendors – Author: Brownley

<u>DECISION</u>	<u>MEMBER</u>	<u>COMMITTEE VOTE</u>
Recommendation to support and sponsor.	Dr. Chu	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Ms. Yee	Yes
	Mr. Chiang/Ms. Mandel	Yes

O2. Customer Service and Administrative Efficiency Committee

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Adopted committee report as amended and approved the actions therein. For details see: http://www.boe.ca.gov/meetings/custsrv/custsrv08.htm	Dr. Chu	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Ms. Yee	Yes
	Mr. Chiang/Ms. Mandel	Yes

1. E- Services Status Update and Electronic Transition Plan

P. Other Administrative Matters**P1. Executive Director's Report**

- a. Report on Paperwork Reduction and Environmental Stewardship at BOE
- b. Headquarters Building Remediation Update

P2. Chief Counsel Report

There were no items for this matter.

P3. Deputy Director's Report**a. Sales and Use Tax**

1. Security Deposits Program Update and Discussion of Board Member Steel's Recommendations
2. Tax Gap Proposal Update – Outsourcing Collections

b. Property and Special Taxes

1. Cigarette and Tobacco Products Retailer License Update

c. Administration

1. Update on Proposed Fiscal Year 2008-2009 Budget

d. Technology Services

1. Update on BOE Information Technology Activities

Q. Closed Session