



STATE BOARD OF EQUALIZATION
450 N STREET, SACRAMENTO, CALIFORNIA
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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
December 16-17, 2008
NOTICE AND AGENDA
Meeting Agenda (as of 7:30 a.m., 12/16/08)

[Agenda Changes](#)

Tuesday, December 16, 2008

9:30 a.m. Board Committee Meeting Convenes*

Board Meeting Convenes upon Adjournment of the Board Committee Meeting**

Agenda items occur in the order in which they appear on the agenda. When circumstances warrant, the Board's Chair, Dr. Chu, may modify the order of the items on the agenda. Items may be postponed to a subsequent day; however, items will not be moved to an earlier day.

Board Committee Meetings

[Legislative Committee](#) [Dr. Chu, Committee Chair](#)

2009 Legislative Proposals

Property Taxes

Set forth below are suggestions for Property Taxes legislation to be sponsored by the Board in the first year of the 2009-2010 Legislative Session. Additional suggestions will be included on the agenda for January 2009.

- 1-1 ~~— Add section 62.3 to the Revenue and Taxation Code to provide an exclusion from a change in ownership when two individuals own a principal residence together (as joint tenants or tenants in common) and the property transfers from one cotenant to the other upon the death of the transferor cotenant with the survivor cotenant obtaining sole ownership of the property.~~
- 1-2 Amend Revenue and Taxation Code section 276, related to the Disabled Veterans' Exemption, to delete obsolete references to prior exemption amounts that have since been increased, and to correct a transposition error within that section that intends a cross reference to section 4985. (Housekeeping)

- 1-3 Amend Revenue and Taxation Code section 441 to eliminate a requirement that owners of noncommercial boats with an initial cost of more than \$100,000 file a property statement every year.
- 1-4 Amend Government Code section 15641 to clarify that a cross reference to "section 408" refers to that section of code in the Revenue and Taxation Code rather than the Government Code. (Technical)
- 1-5 Amend Revenue and Taxation Code sections 480.3 and 480.4 to remove the specific detail of the Preliminary Change in Ownership Report from statute and instead authorize the Board to prescribe the form after consultation with the California Assessors' Association and interested parties.
- ~~1-6 Amend Government Code section 15606.5 and Revenue and Taxation Code sections 670 and 671 to expressly allow the Board to deliver online continuing education training to certificated property tax appraisers through established web-based systems maintained by community colleges that charge fees for online courses.~~
- 1-7 Amend Revenue and Taxation Code sections 69 and 69.3 to treat land and improvements as separate units in meeting the "substantially damaged or destroyed" threshold of 50% for purposes of qualifying for disaster relief via a base year value transfer.
- 1-8 Amend Revenue and Taxation Code section 214.6 to clarify the filing procedures for obtaining a property tax exemption on property owned by a church or a nonprofit organization that is leased to a public school, community college, state college, or state university, including the University of California.

Business Taxes

2009 Legislative Proposals

Set forth below are suggestions for Business Taxes legislation to be sponsored by the Board in the second year of the 2009-2010 Legislative Session. Additional suggestions will be included on the agenda for January 2009.

- 2-1 Add sections 6591.6, 7655.5, 8876.5, 12631.5, 30281.5, 32252.5, 40101.5, 41095.5, 43155.5, 45153.5, 46154.5, 50112.6, 55042.5, and 60207.5 to the Revenue and Taxation Code to impose interest on a daily basis in cases where the Board, itself, meeting as a public body finds, taking into account all facts and circumstances, that it would be inequitable to impose an entire month's interest on a prepayment or payment made one day late, under specified circumstances.

Business Taxes - Sales and Use Taxes

2009 Legislative Proposals

Set forth below are suggestions for Sales and Use Taxes legislation to be sponsored by the Board in the first year of the 2009-2010 Legislative Session. Additional suggestions will be included on the agenda for January 2009.

- 3-5 Add Revenue and Taxation Code section 6018.3 to the Sales and Use Tax Law to specify that a United States veteran, as specified, shall be regarded as a consumer, rather than a retailer, of food products and nonalcoholic beverages that he or she sells, provided that, for purposes of selling these items, the veteran has no employees and no permanent place of business, as defined.
- 3-6 Add section 6363.4 to the Revenue and Taxation Code to provide an exemption from the sales and use tax, sales of tangible personal property by thrift stores operated by specified nonprofit organizations that provide, in partnership with the Navy and Marine Corps, financial, educational, and other assistance to members of the Naval Service of the United States, eligible family members, and survivors when in need.
- 3-7 Amend Revenue and Taxation Code sections 6011 and 6012 to eliminate the sales and use tax exclusion for separately stated charges for transportation.

Administration

2009 Legislative Proposal

Set forth below is a suggestion for administrative legislation to be sponsored by the Board in the first year of the 2009-2010 Legislative Session. Additional suggestions will be included on the agenda for January 2009.

- 5-1 Amend Government Code section 15609 to require the Members of the Board to meet monthly in the state but not exclusively in Sacramento.

Customer Services and Administrative

Efficiency Committee..... Mr. Leonard, Committee Chair

- 1. Security Deposit Program Update
Completion of the security deposit release project and visions for future enhancements.

Board Meeting**

- A. Homeowner and Renter Property Tax Assistance Hearings
There are no items for this matter.

B. Corporate Franchise and Personal Income Tax Hearings
(Contribution Disclosure forms required pursuant to Gov. Code § 15626.)

- B1. Home Depot U.S.A., Inc., 298683
For Appellant: Jill Wood, Taxpayer
Carley A. Roberts, Attorney
Eric J. Coffill, Attorney
For Franchise Tax Board: Carl Joseph, Tax Counsel
- B2. James F. Brown and Lynnae L. Brown, 423373
For Appellant: James F. Brown, Taxpayer
For Franchise Tax Board: Todd Watkins, Tax Counsel
- B3. Byron S. Georgiou, 435061
For Appellant: Waived Appearance
For Franchise Tax Board: Suzanne Small, Tax Counsel
- B4. Shalimar Lea Beach, 421276
For Appellant: Shalimar Beach, Taxpayer
Jaclyn Appleby, Representative
For Franchise Tax Board: Mary Yee, Tax Counsel
- B5. Christine A. Baker, 441209
For Appellant: Christine A. Baker, Taxpayer
For Franchise Tax Board: Jenna Mayfield, Tax Counsel
- B6. Michael L. Cate, 441278
For Appellant: Michael L. Cate, Taxpayer
For Franchise Tax Board: Mark McEvilly, Tax Counsel

1:30 p.m. Board Meeting Reconvenes**

C. Sales and Use Tax Appeals Hearings
These items are scheduled for Wednesday, December 17, 2008.

D. Special Taxes Appeals Hearing
This item is scheduled for Wednesday, December 17, 2008.

E. Property Tax Appeals Hearing

(Contribution Disclosure forms required pursuant to Gov. Code § 15626.)

Petition for Reassessment of Unitary Value**E1. Sprint PCS (2720), 457703 'CF'**

For Petitioner: Gene Harris, Taxpayer
Richard Wiley, Attorney
Peter Hladek, Representative
Jerome Weinert, Representative

For Department: Carole Ruwart, Tax Counsel

F. Public Hearings

These items are scheduled for Wednesday, December 17, 2008.

G. Tax Program Nonappearance Matters – Consent(Contribution Disclosure forms not required pursuant to Gov. Code § 15626.)**G1. Legal Appeals Matters.....Mr. Levine**

- Petitions for Rehearing
 1. Sierra Textile Company, LP, 301401 (EH)
 2. Robere's Jewelry, Inc., 220461 (FH)
- Hearing Notice Sent – No Response
 3. Joginder Lal, 340507 (KH)
 4. Carl Joseph Kennedy III, 349941 (KH)
 - 5a. Michael D. Sanders, 295375 (KH)
 - 5b. Sally A. Sanders, 295376 (KH)
 - ~~6. Cindy A. Saito, 339713 (KH)~~
- Hearing Notice Sent – Appearance Waived
 7. The Kordahl Trust Dated 02/22/92, 359922 (UT)
 8. Touch 99 Corporation, 301273, (BH)

G2. Franchise and Income Tax MattersMs. Kelly

- Decisions
 1. Jose R. Angeles, 400667
 2. Jeanine M. Artmont, 406115
 3. Marco A. Cerda, 358728
 4. Drew E. Collins and Linda G. Collins, 406111
 5. Patricia C. Fleming, 401328
 6. Manley A. Golson, 437522
 7. James Griffen and Patricia Griffen, 379667
 8. Roger A. Grubic and Janice F. Grubic, 380418
 9. Jack D. Lawrence, Jr., 404660
 10. K. Linda Lawrence, 401347
 11. Personal Selling Power, Inc., 380557
 12. Roger O. Schafer and Frances F. Schafer, 398947
 13. Laura J. Tennison, 402863

- Petitions for Rehearing
 14. Carlos M. Alcala and Norma Alcala, 259159
 15. William Amonette Anderson, 397348
 16. Greg Galaski, 383410
 17. Bryon Hoffman, 381469
 18. Shawn Mills, 402021
- Hearing Notice Sent – No Response
 19. Charles H. Bond, 421271
 20. Thao Nguyen and Phucy Nguyen, 360304
 21. John H. Vories, 389158
 22. Gregg Shanberg, 402904
- Hearing Notice Sent – Appearance Waived
 23. Alexander Kazerani, 342393
 24. David L. Lee and Ellen W. Lee, 345434

G3. Homeowner and Renter Property Tax Assistance Matters Ms. Kelly

- Decisions
 1. Charlotte Agcaoili, 400309
 2. Gloria Anderson, 431962
 3. Odette Baladi (Deceased), 389577
 4. Jeanne Cervantes, 431542
 5. Francisco M. Curiel, 422996
 6. Charles Warren Esler, 380523
 7. Kadedra Monique Fowler, 397208
 8. Roy A. Harrington, 400305
 9. Michael S. Jewett, 422819
 10. Shonna Krogh, 386513
 11. Marie Patton, 382020
 12. Hubert O. Ross, 401187
 13. James Royer Segovia, 394603

G4. Sales and Use Taxes Matters..... Ms. Henry

- Redeterminations
 1. Los Angeles Department of Water and Power, 354588 (AA)
 2. The Merchant of Tennis, Inc., 293594 (AS)
 3. Aixtron, Inc., 342572 (GH)
 4. Fry's Electronics, Inc., 361957 (GH)
 5. Gulfstream Aerospace Corporation, 332200 (OH)
 6. Los Angeles Department of Water and Power, 353893 (AA)
 7. Masimo Corporation, 378525 (EA)
 8. Gateway 2000 Major Accounts, Inc., 333468 (OH)
 9. OCB, LLC, 423343 (EA)
 10. Henry E. Solowiej, 379793 (EA)
- Relief of Penalty/Interest
 11. Stock Building Supply West, Inc., 465210 (OH)
 12. Raley's, 465314 (JH)
 13. S. B. Restaurant Co., 464385 (AA)

- Denials of Claims for Refund
 14. Wells Fargo Bank, 424234 (BH)
 15. Diageo North America, Inc., 356849 (OH)
 16. Thiel Structural Steel, Inc., 318432 (KH)
 17. San Gabriel Insulation, Inc., 402679 (AP)
 18. Best Buy Store, LP, 436923 (OH)
 19. Capital One Auto Finance, Inc., 296983 (OH)

- G5. Sales and Use Taxes Matters – Credits, Cancellations, and Refunds Ms. Henry
 - Credits and Cancellations
 1. PC Mall Sales, Inc., 405670 (AS)
 2. Aixtron, Inc., 465799 (GH)
 3. Aptix Corporation, 293456 (GH)
 4. Evans Communications, 465351 (KH)
 5. DSW Shoe Warehouse, Inc., 465507 (OH)
 6. Rajmp, Inc., 463856 (FH)
 7. Lexington Acquisition, Inc., 435022 (AC)
 8. Bonnie Lee Kehoe, 465496 (KH)
 - Refunds
 9. Ascent Media Creative Services, Inc., 464413 (BH)
 10. Sourcecorp BPS Southern California, Inc., 331812 (OH)
 11. Arco Material Supply Company, 440264 (AS)
 12. Chevron U.S.A., Inc., 464364 (BH)
 13. PC Mall Sales, Inc., 465205 (AS)
 14. Palm Springs Motor, Inc., 433713 (EH)
 15. Acushnet Company, 424506 (OH)
 16. North Island Financial Credit Union, 417198 (FH)
 17. National Semiconductor Corporation, 317036 (GH)
 18. Intevac, Inc., 437742 (GH)
 19. Maxtor Corporation, 462979 (GH)
 20. The Golden 1 Credit Union, 460242 (KH)
 21. Exxon Mobil Corporation, 234706 (OH)
 22. Bloomberg, LP, 388172 (OH)
 23. Color Control, Inc., 360146 (OH)
 24. Opex Corporation, 465613 (OH)
 25. Zenith Insurance Company, 351533 (AC)
 26. Chevron Credit Bank, National Association, 447146 (CH)
 27. UPS Oasis Supply Corporation, 340492 (OH)
 28. Covad Communications Company, 390374 (GH)
 29. Banana Republic (California), LLC, 351407 (BH)
 30. Old Navy (California), LLC, 351348 (BH)
 31. Taylor Made Golf Company, Inc., 462276 (FH)
 32. Village Nurseries Wholesale, LLC, 464334 (EA)
 33. Cardinal Health 415, Inc., 266959 (AC)
 34. Frank Kofsuske, 272134 (BH)
 35. Hold Everything, Inc., 465637 (BH)
 36. World Wide Parts & Accessories Corp., 420190 (CH)

37. Wescom Credit Union, 460973 (AP)
38. Philips Semiconductors, Inc., 465636 (GH)
39. SCE Federal Credit Union, 349664 (AP)
40. Comprehensive Diagnostic Imaging, 263731 (AC)
41. Capital One Auto Finance, Inc., 296983 (OH)
42. A-L Financial Corp., 460248 (EA)
43. K.D.M. Enterprises, 426881 (EH)
44. Wesco Tool & Equipment Rental, LLC, 394307 (AS)
45. Dentsply Prosthetics U. S., LLC 417199 (OH)
46. Kern Schools Federal Credit Union, 451301 (AR)
47. Chevron Credit Bank, National Association, 447147 (CH)

G6. Special Taxes Matters Mr. Gau

- Relief of Penalty
 1. Life Insurance Company of North America, 463960 (ET) 'CF'
 2. Endurance Reinsurance Corporation of America, 465642 (ET) 'CF'
- Denials of Claim for Refund
 3. Conocophillips Company, 441890 (MT)

G7. Special Taxes Matters – Credits, Cancellations, and Refunds Mr. Gau

- Refunds
 1. Chevron USA, Inc., 464117 (MT)
 2. CM Life Insurance Company, 457463 (ET) 'CF'
 3. Tower Insurance Company of New York, 461948 (ET) 'CF'

G8. Property Tax Matters Mr. Gau

- Petitions for Reassessment of Private Railroad Car Tax
 1. INEOS Olefins & Polymers USA, LLC (5711), 465161 'CF'
 2. Trinity Industries Leasing Company (5758), 465160 'CF'
 3. Azteca Milling, LP (5754), 465150 'CF'
 4. BP Corporation North America, Inc. (540), 465350 'CF'
 5. Conagra Foods (MHC, Inc.) (5761), 465348 'CF'
- Timber Tax Yield Tax Claim for Refund
 6. Maribeth W. Collins, et al., #2, 468222

There are no items for these matters:

G9. Cigarette License Fee Matters

G10. Legal Appeals Property Tax Matters

H. Tax Program Nonappearance Matters – Adjudicatory

(Contribution Disclosure forms required pursuant to Gov. Code § 15626.)

H1. Legal Appeals Matters Mr. Levine

- Cases Heard But Not Decided
 - 1a. Trung Duc Trinh and Shelly C. Yun-Trinh, 330253 (AS)
 - 1b. Shaya Beverly Center, Inc., 330254 (AS)
 2. Ibrahim D. Ibrahim and Sahar Ibrahim, 310288 (EH)

3. ~~Danny Kangsok Kim, 386898 (EA)~~
4. Cities of Los Angeles and San Jose, 352192
- Local Tax Reallocation Hearings
5. Cities of Torrance and Los Angeles, 469251
6. Cities of South San Francisco and Los Angeles, 469250
7. County of Los Angeles, 469243
8. Cities of Pomona and Los Gatos, 469261
9. City of Compton, 469256
10. City of Union City, 469296
- H2. Franchise and Income Tax MattersMs. Kelly
- Decisions
1. John P. Fields and N. Carol Fields, 361390
2. Pete Hernandez, 378089
- Petitions for Rehearing
3. Kenneth Banks, 327922
4. John Cirino and Sepideh Cirino, 361476
5. Swift Transportation Company, Inc. and Swift Transportation Corporation, 266318
- H3. Homeowner and Renter Property Tax Assistance MattersMs. Kelly
- Decision
1. Allan Walden, 383500
- H4. Sales and Use Taxes Matters
There are no items for this matter.
- H5. Sales and Use Taxes Matters – Credits, Cancellations, and RefundsMs. Henry
- Credits and Cancellations
1. Infinity Material Management Solutions, 379564 (GH)
- Refunds
2. Gottschalks, Inc., 441170 (KH)
3. The Mercury Trust, 374580 (UT)
- There are no items for these 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 MattersMr. Ambrose
- Petition for Reassessment of Unitary Value
1. Golden State Water Company (101), 457748 ‘CF’
2. San Diego Gas & Electric Company (141), 458198 ‘CF’
3. Verizon California, Inc. (201), 458200 ‘CF’
4. Pacific Bell Telephone Company (279), 451533 ‘CF’
5. Dynegy Moss Landing, LLC (1103), 458195 ‘CF’
6. La Paloma Generating Company, LLC (1112), 457485 ‘CF’

7. Reliant Energy Mandalay, LLC (1114), 457861 'CF'
8. Reliant Energy Ormond Beach, LLC (1115) 457862 'CF'
9. Reliant Energy Etiwanda, LLC (1116), 457863 'CF'
10. Mountainview Power Company (1119), 458202 'CF'
11. GWF Energy, LLC - Hanford (1122), 457976 'CF'
12. GWF Energy, LLC - Henrietta (1123), 457990 'CF'
13. GWF Energy, LLC - Tracy (1124), 457997 'CF'
14. Elk Hills Power, LLC (1126), 457487 'CF'
15. Delta Energy Center, LLC (1128), 457473 'CF'
16. Pastoria Energy Center, LLC (1131), 457475 'CF'
17. Calpine Construction Finance Company, LP (1132), 457477 'CF'
18. Metcalf Energy Center (1133), 457478 'CF'
19. Qwest Communications Corporation (2463), 458009 'CF'
20. AT&T Mobility, LLC (2606), 451532 'CF'
21. Level 3 Communications, LLC (7761), 458194 'CF'
22. Pacific Pipeline System, LLC (486), 458193 'CF'
- Petition for Penalty of Abatement Unitary Value
23. EAS Communication, Inc. (7859), 450872 'CF'
24. Intelsat Global Service Corporation (7969), 458199 'CF'
25. Legent Communications Corporation (7978), 450873 'CF'
26. Utility Telephone, Inc. (7994), 450047 'CF'

I. Tax Program Nonappearance Matters

(Contribution Disclosure forms not required pursuant to Gov. Code § 15626.)

- I1. Property Taxes Matters Mr. Gau
 - Unitary Land Escaped Assessments
 - 1.a. Sprint PCS (2720) 'CF'
 - 1.b. Cricket Communications, Inc. (2762) 'CF'
 - Board Roll Changes
 2. 2006, 2007 and 2008 Board Rolls of State-Assessed Property 'CF'
- I2. Offers-in-Compromise RecommendationsMs. Ograd/Ms. Fong
 1. Herman Mendel

Chief Counsel Matters

- J. Rulemaking
These items are scheduled for Wednesday, December 17, 2008.

There are no items for the following matters:

- K. Business Taxes
- L. Property Taxes
- M. Other Chief Counsel Matters
These items are scheduled for Wednesday, December 17, 2008.

Administrative Session

The following items are scheduled for Wednesday, December 17, 2008.

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

Q. Closed Session

These items are scheduled for Wednesday, December 17, 2008.

Adjourn - The meeting will reconvene on Wednesday, December 17, 2008, at 9:30 a.m.

If you wish to listen to and/or view a live broadcast of the Board meeting, please go to <http://www.boe.ca.gov> and click on Webcast.

If you wish to receive this Notice and Agenda electronically, you can subscribe at www.boe.ca.gov/agenda.

If you would like specific information regarding items on this Notice and Agenda, please telephone (916) 322-2270 or e-mail: MeetingInfo@boe.ca.gov. Please be advised that material containing confidential taxpayer information cannot be publicly disclosed.

The hearing location is accessible to people with disabilities. Please contact Claudia Madrigal at (916) 324-8261, or e-mail Claudia.Madrigal@boe.ca.gov if you require special assistance.

Diane G. Olson, Chief
Board Proceedings Division

- * Public comment on any committee agenda item will be accepted at the beginning of the committee meeting.
- ** Public comment on any agenda item, other than a Closed Session item or an item which has already been considered by a Board Committee, will be accepted at that meeting.
- + Material is available for this Item.
- ++ Material will be available at a later date.
- 'CF' Constitutional Function – The Deputy State Controller may not participate in this matter under Government Code section 7.9.



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450 N Street, Room 121, Sacramento
December 16-17, 2008
NOTICE AND AGENDA
Meeting Agenda (as of 7:30 a.m., 12/16/08)

[Agenda Changes](#)

Wednesday, December 17, 2008

9:30 a.m. Board Meeting Reconvenes**

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Board Meeting**

C. Sales and Use Tax Appeals Hearings

(Contribution Disclosure forms required pursuant to Gov. Code § 15626.)

- C1. ABC-NACO, Inc., 167411 (OH)
For Petitioner: Brian Greenburg, Representative
For Department: Scott Lambert, Hearing Representative
- C2. R. Nuri Otus, 308720 (BH)
For Petitioner: R. Nuri Otus, Taxpayer
For Department: Carla Caruso, Tax Counsel
- C3. R.C.P. Block & Brick, Inc., 283573, 283514 (FH)
For Petitioner/Claimant: Jesse McClellan, Representative
Dan Davis, Representative
For Department: Cary Huxsoll, Tax Counsel

D. Special Taxes Appeals Hearing

(Contribution Disclosure forms required pursuant to Gov. Code § 15626.)

- D1. Fassel M. Elder and Amal Elder, 272656 (MT)
For Petitioner: George Fakhouri, Representative
For Department: Carolee Johnstone, Tax Counsel

F. Public Hearings

- F1. [Timber Yield Tax Rate+](#)..... Mr. Ingenito
The Board is required to adjust the timber yield tax rate in December of each year to the nearest one-tenth of one percent for the next calendar year. (Rev. & Tax. Code, § 38202.)
- F2. [Timber Harvest Values+](#) Mr. Tang
On or before December 31, 2008, the Board shall estimate the immediate harvest values of and adopt schedules for timber harvested between January 1, 2009 and June 30, 2009. (Rev. & Tax. Code, § 38204.)
- F3. [Proposed Amendments to Sales and Use Tax Regulations 1506, Miscellaneous Services Enterprises and 1524, Manufacturers of Personal Property+](#)..... Mr. Tucker
Adoption of proposed amendments to clarify the application of tax to alteration charges.
- F4. [Proposed Amendments to Sales and Use Tax Regulation 1705, Relief from Liability+](#) Ms. Bisauta
Adoption of proposed amendments to provide a franchisee relief from liability to pay tax based on erroneous advice provided to a franchisor under certain conditions.

Chief Counsel Matters**J. Rulemaking**

- J1. [Petition to Adopt a Regulation to Designate Qualified Veteran Itinerant Vendors as Consumers of Tangible Personal Property+](#)..... Ms. Caruso
Taxpayer's petition to adopt a new regulation providing that an itinerant vendor, who is a qualified United States veteran, is the consumer, not the retailer, of goods that the veteran sells.
- J2. [Proposed Amendment to Conflict of Interest Code, Regulation 6001, General Provisions+](#)..... Ms. Breeze
The Board of Equalization proposes to amend Title 18 California Code of Regulations Section 6001, which represents the Board's Conflict of Interest Code. The proposed changes reflect the classification and organization changes that have taken place at the Board since the Conflict of Interest Code was last amended.

- J3. [Proposed Amendments to Sales and Use Tax Regulation 1620, Interstate and Foreign Commerce+](#) Mr. Treichel
 Section 100 amendments are proposed to reinstate provisions for a 12-month test to demonstrate that a vehicle, vessel, or aircraft was purchased for use out of state.
- J4. [Proposed Amendments to Sales and Use Tax Regulation 1502, Computers, Programs, and Data Processing +](#) Mr. Lambert
 Staff request for authorization to publish a proposed amendment to Regulation 1502, *Computers, Programs, and Data Processing*.

M. Other Chief Counsel Matters

- M1. [Proposed Amendments to the Rules of Order+](#) Mr. Heller
 Approval of the proposed amendments to the Parliamentary Rules of Order.
- M2. [Retired Annuitant - Hiring Delegation+](#) Ms. Cazadd
 Clarification of Resolution Conferring Powers on Executive Director – Hiring Authority over Retired Annuitants

Administrative Session

- N. Consent Agenda** Ms. Olson
- N1. [Board Employee Retirement Resolutions+](#)
- Gary L. Evans
 - Wolfgang Liebelt
 - Hue T. Nguyen
 - Robert Wils
- N2. Approval of Board Meeting Minutes
- [October 28-29, 2008+](#)
- N3. [Approval of Proposed Revisions to Compliance Policy and Procedures Manual Chapter 4, Security+](#)
- Revisions throughout the chapter to incorporate changes to the policy and procedures regarding requesting, maintaining, and releasing security deposits.
- N4. [Approval of Adjustment of Sales Tax Prepayment Rate on Motor Vehicle Fuel, Diesel Fuel and Jet Fuel++](#) Mr. Ingenito
 Follow up from Board action under section 6480.1 of the Revenue and Taxation Code requires the Board to determine the rate at which sales tax on motor vehicle fuel, diesel fuel and jet fuel is to be collected.
- O. Adoption of Board Committee Reports and Approval of Committee Actions**
- O1. Legislative Committee
- O2. Customer Service and Administrative Efficiency Committee

P. Other Administrative Matters

There are no items for the following matters:

P1. Executive Director's Report

P2. Chief Counsel Report

P3. Deputy Director's Report

a. Sales and Use Tax..... Ms. Henry

1. [Collection Enhancement Task Force Update+](#)

Update on activities and accomplishments for the Enhancing Collections Task Force including responses to SEIU's May 2008 report titled *SEIU Local 1000 Findings and Recommendations on Methods to Enhance Tax Collections* and an updated Task Force Action Plan.

2. [Issue Paper 08-014, Proposal to Raise the Threshold for Board Member Approval of Refunds in Excess of \\$50,000+](#)

b. Property and Special Taxes

There are no items for this matter.

c. Administration Ms. Houser

1. [Request for approval of contracts over \\$1 Million+](#)

a. [A contract with International Network Consulting to provide Systems Analysts for the e-services expansion project.+](#)

b. [A contract with International Network Consulting to provide programmers for the e-services expansion project.+](#)

2. Facilities Update

a. New York Office Relocation

b. Status of on-going projects at 450 N Street

c. [Building Repair Costs+](#)

A review of the information provided by DGS on the actual costs to date for the building repairs and the estimated costs for the pending projects.

3. Fiscal Update

a. [Budget Update 2008/09 +](#)

This update will include highlights of BOE's fiscal year 2008/09.

b. [Budget Update 2009/10 +](#)

This update will include the status of BOE's fiscal year 2009/10 Budget Change Proposals.

c. [2010/11 Budget Preparation Tentative Schedule +](#)

This update will include an overview of BOE's tentative schedule for the fiscal year 2010/11 budget cycle.

- d. Update on Governor’s Special Session for the 2008/09 Budget
This update will include information on the Governor’s special session proposals that affect the BOE and its employees.

Announcement of Closed Session Ms. Olson

Q. Closed Session

- Q1. Pending litigation: *Lucent-ATT v. State Board of Equalization*, Los Angeles County Superior Court Case No. BC402036 (Gov. Code § 11126(e))
- Q2. Pending litigation: *Nortel Networks Inc. v. State Board of Equalization*, Los Angeles County Superior Court Case No. BC341568L (Gov. Code § 11126(e))
- Q3. Pending litigation: *California Distributors Association and California Retailers Association v. State Board of Equalization*, Sacramento County Superior Court Case No 34-2008-80000082-CU-WM-ED (Gov. Code § 11126(e))
- Q4. Pending litigation: *Schroeder, et al. v. Board of Equalization, et al.* Sacramento Superior Court Case No. 34-2008-00004467-CU-MT-GDS; *Frankot, et al. v. Board of Equalization, et al.*, Sacramento Superior Court Case No. 34-2008-00012174-CU-PO-GDS; and, *Allen, et al. v. Board of Equalization, et al.*, Sacramento Superior Court Case No. 34-2008-00017014-CU-TT-GDS (Gov. Code § 11126(e)(2)(B)(i))
- Q5. Discussion and action on personnel matters (Gov. Code § 11126(a))

Announcement of Open Session Ms. Olson

Adjourn

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Diane G. Olson, Chief
Board Proceedings Division

- * Public comment on any committee agenda item will be accepted at the beginning of the committee meeting.
- ** Public comment on any agenda item, other than a Closed Session item or an item which has already been considered by a Board Committee, will be accepted at that meeting.
- + Material is available for this Item.
- ++ Material will be available at a later date.
- 'CF' Constitutional Function – The Deputy State Controller may not participate in this matter under Government Code section 7.9.