



STATE BOARD OF EQUALIZATION  
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SEN. GEORGE RUNNER (RET.)  
Second District, Lancaster  
MICHELLE STEEL  
Third District, Orange County  
JEROME E. HORTON  
Fourth District, Los Angeles  
JOHN CHIANG  
State Controller  
CYNTHIA BRIDGES  
Executive Director

**STATE BOARD OF EQUALIZATION MEETING**  
**450 N Street, Room 121, Sacramento**  
**NOTICE AND AGENDA**  
**Meeting Agenda (as of 12/17/2014, 12:30 PM)**

[Agenda Changes](#)

[Webcast on Thursday, December 18, 2014](#)

**Thursday, December 18, 2014**

**10:00 a.m. Board Committee Meetings Convene\***

**Board Meeting convenes upon Adjournment of the Board Committee Meetings\*\***

Agenda items occur in the order in which they appear on the agenda. When circumstances warrant, the Board’s Chair may modify the order of the items on the agenda.

**Board Committee Meetings\***

[Legislative Committee](#) .....Mr. Horton, Committee Chairman

**I. 2015 Legislative Proposals**

Set forth below is a suggestion for legislation to be sponsored by the BOE in the first year of the 2015/16 Legislative Session.

**2015 Legislative Proposals: Property Taxes**

- 1-1 Amend Revenue and Taxation Code Section 63.1 to expressly provide that the parent-child change in ownership exclusion applies to a transfer of a pro rata ownership interest in a resident-owned manufactured home park or a floating home marina owned by a legal entity. (Housekeeping)
- 1-2 Amend Revenue and Taxation Code Section 68 to allow displaced persons to prospectively receive an eminent domain base year value transfer on late-filed claims. (Housekeeping)
- 1-3 Amend Government Code Section 7510 to replace a valuation methodology related to possessory interests in state retirement system-owned property which was ruled unconstitutional. (Housekeeping)
- 1-4 Amend Revenue and Taxation Code Section 423.3 to correct the subdivision references to Government Code Section 16142, related to Williamson Act assessments. (Technical)

Customer Service and Administrative Efficiency Committee.....

Ms. Yee, Committee Chairwoman

- 1. Update on OPEN BOE Data Portal  
Progress report on OPEN BOE Data Portal.

**Board Meeting\*\***

There are no items for the following matters:

- A. Homeowner and Renter Property Tax Assistance Appeals Hearings
- B. Corporate Franchise and Personal Income Tax Appeals Hearing

**C. Sales and Use Tax Appeals Hearings**

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

~~C1. Balwant Singh, 601072 (KH) +  
For Petitioner/Claimant: Gary Kimzey, Representative  
For Department: Scott Lambert, Hearing Representative~~

~~C2. Vinh Thang Nguyen and Truong Duy Pham, 610929 (GH) +  
For Petitioners: Truong Pham, Taxpayer  
Dan Nguyen, Representative  
Ann Le, Representative  
For Department: Scott Lambert, Hearing Representative~~

~~C3a. Chef De Cuisine Catering, LLC, 609690 (BH) +  
C3b. Chef De Cuisine Catering, Inc., 716720 (BH) +  
For Petitioners: David Kittredge, Taxpayer  
Jeff Johnston, Representative  
For Department: Scott Lambert, Representative~~

There are no items for the following matters:

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

**F. Public Hearings**

**F1. 2015 Timber Yield Tax Rate +** ..... Mr. Durham  
Section 38202 of the Revenue and Taxation Code requires an annual adjustment of the timber yield tax rate.

**F2. Timber Harvest Values and Modified Harvest Values +..... Mr. Thompson**

On or before December 31, 2014, the Board shall estimate the immediate harvest values of and adopt schedules for timber harvested between January 1, 2015, and June 30, 2015. Additionally, the Board may modify immediate harvest values to reflect material changes in timber values that result from fire or other catastrophic cause for any area or part thereof in which damaged timber is located. (Rev. & Tax. Code, § 38204.)

**F3. Proposed re-Adoption of Property Tax Rule 474, *Petroleum Refining Properties* + ..... Mr. Heller**

Public hearing regarding the re-adoption of Rule 474 to establish a rebuttable presumption that petroleum refining property (land, improvements, and fixtures) constitutes a single appraisal unit for determining declines in value.

**F4. Proposed Amendments to Sales and Use Tax Regulation 1588, *Seeds, Plants and Fertilizer* + ..... Ms. Silva**

Public hearing regarding the adoption of proposed amendments to specifically include carbon dioxide in the definition of fertilizer.

**G. Tax Program Nonappearance Matters – Consent**

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

**G1. Legal Appeals Matters ..... Ms. Kim**

- Hearing Notice Sent – No Response
  1. Kaizen Construction, LLC, 627115, 792733 (CH)
  2. ~~Imran Mullick, 690128 (BH)~~
  3. Rosalinda Alicia Rojas-Saites, 593005, 602161, 693103 (KH)
  4. Santos B. Villalba and Alice D. Villalba, 623975 (GH)
  - 5a. Scott Patterson, 600581 (STF)
  - 5b. Scott Patterson, 600582 (STF)
- Hearing Notice Sent – Appearance Waived
  6. Thomas D. O’Keefe, 588308 (CH)
  7. Huyen Anh Thi Dinh, 539070 (GH)

**G2. Franchise and Income Tax Matters ..... Mr. Epolite**

- Decisions
  1. Sylvia Bedrossian, 608109
  2. Blair Berkley, 773282
  3. Barbara Brown, 785030
  4. Paul Butler, 739057
  5. Araceli Celedon and Alfredo Rosales, 601144
  6. Mark F. Costello and Carol D. Costello, 742268
  7. Raquel De La Garza and Luis De La Garza, 743515
  8. William S. Durham IV, 719244
  9. Loraine A. Fujimoto, 784943
  10. Maria Luisa Garcia, 762170
  11. Scedella Gregory, 599556

12. Louticia J. Grier, 736301
  13. Edward Hemmat and Roshanne Hemmat, 613804
  14. Miriam L. Johns, 612105
  15. Thomas A. Jones and Elaine A. Jones, 741988
  16. Denis L. Jost, 740758
  17. Jon C. Keller, 735423
  18. Maria Lee, 711173
  19. Grace Lever, 739827
  20. Eric C. Mack, 621037
  21. Carol A. Miller, 769827
  22. Michael L. Moore, 790626
  23. Tammy R. Odell, 743527
  24. Steven Pruitt and Darlene Pruitt, 715375
  25. Elliot J. Rubin and Elana W. Rubin, 587076
  26. Sharen Sandell and Michael Glen, 698234
  27. Carol L. Spencer, 794760
  28. Rene Surban, 623948
  29. Guillermo Vasquez, 624807
  30. Christopher M. Wegner, 603238
  - Petitions for Rehearing
    31. John Thomas Gaiser, 605297
    32. American Orthodontics Corporation, 711153
    33. Gordon C. Merrick and Julie Nikceovich, 573097
    34. April Mottahedeh, 599752
    35. Christopher J. Nelson and Nancy L. Nelson, 613625
- G3. Homeowner and Renter Property Tax Assistance Matters  
There are no items for this matter.
- G4. Sales and Use Taxes Matters.....Mr. McGuire
- Redeterminations
    1. Ossur Americas, Inc., 729476 (EA)
    2. Allan Bridgford Gantes, 566446 (EH)
    3. Novitex Enterprise Solutions, Inc., 554504 (OH)
    4. Krikor Takvorian, 547691 (AP)
    5. Versa Pos, Inc., 689132, (BH)
    6. Wood Crafters By S&S, Inc., 602159 (AS)
    7. Noble Systems Corporation, 804732 (OH)
    8. Ruben Ricardo Harari, 797611 (EH)
  - Relief of Penalty/Interest
    9. Whole Foods Market California, Inc., 846325 (OH)
    10. Petsmart, Inc., 846326 (OH)
  - Denials of Claims for Refund
    11. Aramark Refreshment Services, Inc., 738978 (OH)
    12. 3M Company, 803389 (OH)
    13. Oxy, Inc., 840261 (OH)
    14. Verizon Wireless Network Procurement, 791498 (OH)
    15. ~~Tesoro West Coast Company, LLC, 802117 (OH)~~
    16. SE Solar Trust X, 597038 (OH)

- Grant-One Day Interest Relief
  17. James Ford, Inc., 846328 (BH)
  18. All West Equipment Co., 846330 (CH)
  19. Pricon, Inc., 846331 (EA)
  20. Tektronix, Inc., 846329 (OH)
  21. High Flying Foods San Diego Partnership, 846327 (BH)
  
- G5. Sales and Use Taxes Matters – Credits, Cancellations, and Refunds .....Mr. McGuire
  - Credits and Cancellations
    1. Livingstone’s Restaurant & Pub, 846977 (DF)
    2. Angela Michelle Boyd, 844997 (EH)
  - Refunds
    3. Sony Pictures Studios, Inc., 804077 (OH)
    4. Sony Electronics, Inc., 804081 (OH)
    5. Sony Electronics, Inc., 805311 (OH)
    6. Sony Electronics, Inc., 805312 (OH)
    7. Sony Electronics, Inc., 805314 (OH)
    8. Sony Electronics, Inc., 805500 (OH)
    9. KWH, LLC, 795061 (UT)
    10. Verizon Wireless (VAW), LLC, 744187 (OH)
    11. AAA of Northern California, Nevada & Utah, 844678 (CH)
    12. 3M Company, 803389 (OH)
    13. The Sherwin-Williams Company, 624859 (OH)
    14. BP Products North America, Inc., 633030 (OH)
    15. Balfour Beatty Infrastructure, Inc., 823778 (OH)
    16. Oxy, Inc., 840261 (OH)
    17. CE Resource, Inc., 775262 (KH)
    18. Verizon Wireless Network Procurement LP, 791498 (OH)
    19. Americredit Financial Services, Inc., 839879 (OH)
    20. Lobel Financial Corporation, 840976 (EA)
    21. Sel Retail Operations, 804079 (OH)
    22. Grimmway Enterprises, Inc., 731955 (DF)
    23. Bowman Asphalt, Inc., 799652 (DF)
    24. Tesoro West Coast Company, LLC, 802117 (OH)
    25. Nuwell Credit Company, LLC, 598240 (OH)
  
- G6. Special Taxes Matters  
There are no items for this matter.
  
- G7. Special Taxes Matters – Credits, Cancellations, and Refunds ..... Ms. Bartolo
  - Refunds
    1. Pacific Life Insurance Company, 578390 (STF) ‘CF’

There are no items for the following matters:

- G8. Property Tax 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 ..... Ms. Kim
- Cases Heard Not Decided
    1. [KNA Cho Corporation, 611137, 658121 \(EH\) +](#)
  - Petitions for Rehearing
    2. [Y & S Enterprises, Inc., 492513 \(EA\) +](#)
  - Section 40 (AB 2323) Matters
    - 3a. [Mox, Inc., 569235 \(STF\) +](#)
    - 3b. [Mox, Inc., 570251 \(STF\) +](#)
- H2. Franchise and Income Tax Matters ..... Mr. Thompson
- Decisions
    1. Christopher Henningfeld and Christine Henningfeld, 735174
    2. Mark S. Shepherd, 789649
  - Cases Heard Not Decided
    3. SC Brokers, Inc., 600519
  - Section 40 (AB 2323) Matters
    4. [Richard N. Eisenberg and Anita Eisenberg, 610025 +](#)

There are 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
- H6. Special Taxes Matters
- H7. Special Taxes Matters – Credits, Cancellations, and Refunds

- H8. Property Tax Matters ..... Mr. Kinnee
- Petitions for Reassessment of Unitary Value
    1. Panoche Energy Center, LLC (1152), 837317 ‘CF’
    2. El Paso Natural Gas Company (197), 826289 ‘CF’
    3. Cricket Communications, Inc. (2762), 837320 ‘CF’
    4. Gill Ranch Storage, LLC (121), 837508 ‘CF’
    5. Blythe Energy, LLC (1136), 837283 ‘CF’
    6. Liberty Utilities (Calpeco Electric), LLC (163), 837322 ‘CF’
    7. Trans Bay Cable, LLC (119), 835848 ‘CF’
  - Petition for Reassessment of Nonunitary Value
    8. GATX Corporation (503), 842472 ‘CF’
- H9. Cigarette License Fee Matters  
There are no items for this matter.
- H10. Legal Appeals Property Tax Matters ..... Mr. Ambrose
- Petition for Reassessment and Penalty Abatement on Unitary Value
    1. Northwestern Pacific Railroad Company (827), 837293 ‘CF’
  - Petitions for Reassessment of Unitary Value
    2. Southern California Edison, Co. (148), 837302 ‘CF’
    3. CA-CLEC, LLC (8037), 836980 ‘CF’

4. Newpath Networks, LLC (8077), 836987 'CF'
5. Golden State Water Company (101), 837307 'CF'
6. Ventura Pipeline System (Ellwood Pipeline, Inc.) (464), 837568 'CF'
7. GWF Energy, LLC – Handford (1122), 837580 'CF'
8. GWF Energy, LLC – Henrietta (1123), 837581 'CF'
9. GWF Energy, LLC – Tracy (1124), 837582 'CF'
10. Plains Pipeline, LP (465), 836318 'CF'
- Section 40 (AB 2323) Matters
  11. [Verizon California, Inc. \(201\), 837518 'CF'+](#)
  12. [Crown Castle Ng West, Inc. \(7982\), 836972 'CF'+](#)

## I. Tax Program Nonappearance Matters

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

- I1. Property Taxes Matters..... Mr. Kinnee
  - Audit
    1. Wilshire Connection, LLC (7799) 'CF'
    2. Race Telecommunications, Inc. (8099) 'CF'
- I2. Offer in Compromise Recommendations ..... Mr. Anderson
  - 1a. Qaiser Nasim Ahmad
  - 1b. Huma Qaiser Ahmad
  - 2a. Blusar Manufacturing, LLC
  - 2b. Serguey Sarkisov
  3. Domestic Displays, Inc.
  - 4a. Chong B. Park
  - 4b. Ok Y. Park
  5. Rhona R. Reid
  6. T & M Steel Services, Inc.
  - 7a. Adrian Willemse
  - 7b. Rayna Gray Willemse
  8. Yosemite Harley-Davidson of Merced, Inc.
- I3. Local Tax Reallocation Matters  
There are no items for this matter.

## Chief Counsel Matters

There are no items for the following matters:

- J. Rulemaking
- K. Business Taxes
- L. Property Taxes
- M. Other Chief Counsel Matters

## Administrative Session

Items that appear under these matters provide information to the Members and may require Board action or direction.

### N. Consent Agenda ..... Ms. Richmond (Contribution Disclosure forms not required pursuant to Gov. Code, § 15626.)

#### N1. Retirement Resolutions +

- Larry Bergkamp
- George Johnson, Jr.
- Denise S. Laing
- Eileen Li
- Gerald W. Rauscher

#### N2. Approval of Board Meeting Minutes

- [September 23, 2014 +](#)
- [October 14-15, 2014 +](#)
- [November 18, 2014 +](#)
- [November 19, 2014 +](#)

#### N3. [Approval of Assessors' Handbook Section 531, Residential Building Costs +](#)

Request approval for publication of the 2015 revision of Assessors' Handbook Section 531, *Residential Building Costs*.

#### N4. [Approval of Assessors' Handbook Section 534, Rural Building Costs +](#)

Request approval for publication of the 2015 revision of Assessors' Handbook Section 534, *Rural Building Costs*.

#### N5. [Proposed Revision to Compliance Policy and Procedures Manual Chapter 7, Collections +](#)

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

- O1. Legislative Committee – December 18, 2014
- O2. Customer Service and Administrative Efficiency Committee – December 18, 2014
- O3. Business Taxes Committee – November 19, 2014

### P. Other Administrative Matters

#### P1. Executive Director's Report ..... Ms. Bridges

##### 1. [2015 Annual Outreach Plan +](#)

Presentation of the BOE Outreach Event Plan for calendar year 2015.

##### 2. [Employee Recognition Awards Program +](#)

Report on Employee Recognition Awards Program.

3. CROS Project Update and Actions .....Mr. Steen  
Progress on the CROS project to replace BOE's two current tax legacy technology systems.

There are no items for the following matters:

- P2. Chief Counsel Report
- P3. Sales and Use Tax Deputy Director's Report
- P4. Property and Special Taxes Deputy Director's Report
- P5. Administration Deputy Director's Report
- P6. Technology Deputy Director's Report
- P7. External Affairs Deputy Director's Report

Announcement of Closed Session ..... Ms. Richmond

**Q. Closed Session**

- Q1. Discussion and approval of staff recommendations regarding settlement cases (Rev. & Tax. Code, §§ 6901, 7093.5, 30459.1, 50156.11).
- Q2. Discussion and action on personnel matters (Gov. Code, § 11126(a)).

Announcement of Open Session..... Ms. Richmond

**Adjourn**

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The hearing location is accessible to people with disabilities. Please contact Rose Smith at (916) 323-9656, or email [Rose.Smith@boe.ca.gov](mailto:Rose.Smith@boe.ca.gov) if you require special assistance.

Joann Richmond, Chief  
Board Proceedings Division

- \* Public comment on any committee agenda item will be accepted at the beginning of the committee meeting. Subsequent to committee meetings, committee agenda items may be taken up separately during the Board 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.