



STATE BOARD OF EQUALIZATION  
450 N STREET, SACRAMENTO, CALIFORNIA  
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SEN. GEORGE RUNNER (Ret.)  
First District, Lancaster

FIONA MA, CPA  
Second District, San Francisco

JEROME E. HORTON  
Third District, Los Angeles County

DIANE L. HARKEY  
Fourth District, Orange County

BETTY T. YEE  
State Controller

CYNTHIA BRIDGES  
Executive Director

**STATE BOARD OF EQUALIZATION MEETING**  
**5901 Green Valley Circle, Room 207, Culver City**  
**November 17-18, 2015**

**PRELIMINARY RECORD OF BOARD ACTIONS**

**Tuesday, November 17, 2015**

The following is a preliminary record of Board actions taken at the November 17-18, 2015, 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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If you would like specific information regarding items on this Preliminary Record of Board Action, please telephone Claudia (Madrigal) Lopez at 916-322-1931 or e-mail: [Claudia.Lopez@boe.ca.gov](mailto:Claudia.Lopez@boe.ca.gov). Please be advised that material containing confidential taxpayer information cannot be publicly disclosed.

**Board Committee Meeting**

Customer Service and Administrative Efficiency Committee

**Board Meeting**

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

**B. Corporate Franchise and Personal Income Tax Appeals Hearings**

B1. Robert H. Lowe and Sheryl L. Berkoff, 571973

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayers' appeal partially granted/denied.	Mr. Horton	Yes
	Ms. Harkey	Yes
	Mr. Runner	Yes
	Ms. Ma	Yes
	Ms. Yee/ Ms. Stowers	Yes

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**B2. Maria Phillips (Santamaria-Del Campo) and Michael Del Campo, 741179**

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayers' appeal denied.	Mr. Horton	Yes
	Ms. Harkey	Yes
	Mr. Runner	Yes
	Ms. Ma	Yes
	Ms. Yee/ Ms. Stowers	Yes

~~B3. Gregory Wimmer, 842007~~~~B4a. Richard Schotts, Jr., 798666~~~~B4b. Andrea Schotts, 800099~~

B5a. William R. Dobkin and Donya Dobkin, 728014

B5b. Deborah M. Dobkin, 725828

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayers' appeal partially granted/denied.	Mr. Horton	Yes
	Ms. Harkey	Yes
	Mr. Runner	Yes
	Ms. Ma	Yes
	Ms. Yee/ Ms. Stowers	Yes

~~B6. Larry Russ, 731267~~~~B7. Cesar Z. Lugo, 790947~~~~B8. Best RV & Self Storage, LLC, 856099~~~~B9. Joseph A. Sciarretta, 809250~~~~B10. John M. Callaghan and Doris K. Callaghan, 843533~~**C. Sales and Use Tax Appeals Hearing**

C1. Ronald J. Blomquist, 467934, 565903 (FH)

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's petition/claim partially granted/denied.	Mr. Horton	Yes
The Board approved staff's revised recommendation.	Ms. Harkey	Yes
	Mr. Runner	Yes
The Board directed staff to inform the taxpayer of the Offer in Compromise program.	Ms. Ma	Yes
	Ms. Yee/ Ms. Stowers	Yes

**D. Special Taxes Appeals Hearing**

This item is scheduled for Wednesday, November 18, 2015.

**E. Property Tax Appeals Hearing**

There are no items for this matter.

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**F. Public Hearing**

F1. Proposed Amendments to Sales and Use Tax Regulation 1525.4, *Manufacturing and Research & Development Equipment*

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Adopted the amendments as published.	Mr. Horton	No
	Ms. Harkey	Yes
	Mr. Runner	Yes
	Ms. Ma	Yes
	Ms. Yee/ Ms. Stowers	No

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

G1. Legal Appeals Matters

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Approved staff recommendations.	Mr. Horton	Yes
	Ms. Harkey	Yes
	Mr. Runner	Yes
	Ms. Ma	Yes
	Ms. Yee/ Ms. Stowers	Yes

- Hearing Notice Sent – No Response
  1. Agean Group, LLC, 729924 (EA)
  2. Cathedral City Ventures, LLC, 613621, 742660 (EH)
  3. Andrew Churukian, 780460 (UT)
  4. Coronado Business Supplies, 568083 (FH)
  5. Coronado Business Supplies, LLC, 568082 (FH)
  6. Federated Auction Systems, Inc., 328471, 328474 (EH)
  7. Federated Public Auction Agency of San Jose, Inc., 328469, 328479 (GH)
  8. Federated Public Auction Agency of Upland, Inc., 328505, 328512 (EH)
  9. Gerardo Herrera, 736765 (FH)
  10. Just Livin' The Dream, Inc., 763609 (EH)
  11. Ravinder Kaur, 713053 (EH)
  12. Sabina Khatun Khan, 609760 (EH)
  13. L.A. Liquidators, Inc., 328467, 341048 (AS)
  14. Liquor Castle, Inc., 627014 (AC)
  15. Migz Graphics and Printing, Inc., 611751 (AP)
  - 16a. Om Namah Shivam, Inc., 394740 (EH)
  - 16b. Om Namah Shivam, Inc., 727104 (EH)
  17. Pollo Amigo, 803427 (EA)
  18. James Paul Ramsey, 597044 (AA)
  19. Bijan Sharifi, 328545, 328546, 328547, 328548, 328549, 328550, 328551, 359618 (EH)
- Petition for Release of Seized Property
  20. Rouhollah Nowrouzi, 916384 (STF)
- Petitions for Rehearing
  21. G & C Equipment Corporation, 373826 (AS)
  22. Azim Shaalemi, 521073 (AC)

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G2. Franchise and Income Tax Matters

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Approved staff recommendations.	Mr. Horton	Yes
	Ms. Harkey	Yes
	Mr. Runner	Yes
	Ms. Ma	Yes
	Ms. Yee/ Ms. Stowers	Yes

- Hearing Notice Sent – No Response
  1. Toni M. Ognibene, 607091
- Decisions
  2. Margaret Albertson and John Albertson, 837570
  3. Francisco Alvarez, 852205
  4. Brett Burton, 840587
  5. Edward J. Carroll and Joan L. Carroll, 809823
  6. Connie Carter, 796767
  7. CSL Behring, LLC, 837577
  8. Karen Douglas and Estate of Richard J. Ellis (Dec'd), 843527
  9. Ramiro Flores, 841005
  10. Dwayne L. Free, 815443
  11. Lauren L. Johnson, 826596
  12. Jeremy Oranje, 856316
  13. Pitney Bowes, Inc., 625617
  14. Mark Rivest, 841194
  - 15a. Darren R. Saville, 799683
  - 15b. Michael S. Saville and Roberta S. Saville, 800046
- Petitions for Rehearing
  16. Clifford L. Marshall and Deanna R. Marshall, 816195
  17. Ruben Moriel and Diane Moriel, 797314

G3. Homeowner and Renter Property Tax Assistance Matters  
There are no items for this matter.

G4. Sales and Use Taxes Matters

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Approved staff recommendations.	Mr. Horton	Yes
	Ms. Harkey	Yes
	Mr. Runner	Yes
	Ms. Ma	Yes
	Ms. Yee/ Ms. Stowers	Yes

- Redeterminations
  1. Children’s Hospital of Los Angeles, 869257 (AC)
  2. Alla S. Filmus, 835536 (BH)
  3. GE-Prolec Transformers, Inc., 602987 (OH)
  4. A & J Assembly, Inc., 668215 (GH)
  5. Ameripride Services, Inc., 733846 (OH)
  6. Expotechnik Limited Partnership, 603236 (OH)

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- Denials of Claims for Refund
  - 7. Logitech, Inc., 839868 (CH)
  - 8. Federal Express Corporation, 812266 (OH)
  - 9. Kraft Foods Group, Inc., 863664 (OH)
- Grant-One Day Interest Relief
  - 10. A & L Equipment, Inc., 915810 (DF)
  - 11. Anthony Joe Lewis, 915811 (KH)

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

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Approved staff recommendations.	Mr. Horton	Yes
	Ms. Harkey	Yes
	Mr. Runner	Yes
	Ms. Ma	Yes
	Ms. Yee/ Ms. Stowers	Yes

- Credits and Cancellations
  - 1. Larry Sault, 627495 (EH)
  - 2. Mitra Jarrahzadeh, 914106 (AA)
  - 3. Pavers Etc., Inc., 914403 (EH)
- Refunds
  - 4. Unisource Worldwide, Inc., 908335 (OH)
  - 5. Wells Fargo Bank, National Assn., 558357 (OH)
  - 6. Capri Sun, Inc., 862297 (OH)
  - 7. County Riverside Auditor-Controller, 744614 (EH)
  - 8. Federal Express Corporation, 812266 (OH)
  - 9. Chevrolet Motor Division, 910376 (OH)
  - 10. Tata Technologies, Inc., 574178 (OH)
  - 11. Kraft Foods Group, Inc., 863664 (OH)
  - 12. Lobel Financial Corporation, 876288 (EA)
  - 13. Medcal Sales, LLC, 850946 (EH)
  - 14. Harley-Davidson Credit Corp., 876292 (OH)
  - 15. First American Title Insurance Company, 569009 (EA)
  - 16. Disney Online, 850304 (OH)
  - 17. U.S. Bank National Association ND, 745136 (OH)

G6. Special Taxes Matters  
There are no items for this matter.

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

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
No final determination.	Mr. Horton Ms. Harkey Mr. Runner Ms. Ma Ms. Yee/ Ms. Stowers	

- Refunds
  - 1. ~~GFBC, Inc., 845603 (STF) 'CF'~~

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There are no items for the following matters:

G8. Property Tax Matters

G9. Cigarette License Fee Matters

G10. Legal Appeals Property Tax Matters

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Approved staff recommendation.	Mr. Horton	Yes
No final determination on sub-items 2 and 3.	Ms. Harkey	Yes
	Mr. Runner	Yes
	Ms. Ma	Yes
	Ms. Yee/ Ms. Stowers	Not participating

- Petitions for Reassessment of Unitary Value
  1. La Paloma Generating Company, LLC (1112), 901576 'CF'
  2. ~~Verizon California, Inc. (201), 903737 'CF'~~
- Petition for Penalty Abatement on Unitary Value
  3. ~~SES Americom California, Inc. (7621), 908059 'CF'~~

#### H. Tax Program Nonappearance Matters – Adjudicatory

H1. Legal Appeals Matters

- Hearing Notice Sent – No Response

1. California Restaurant Authority, Inc., 485060 (AC)

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's petition partially granted/denied.	Mr. Horton	Yes
	Ms. Harkey	Yes
	Mr. Runner	Yes
	Ms. Ma	Yes
	Ms. Yee/ Ms. Stowers	Yes

2. Haja, LLC, 674641 (AS)

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's partially petition granted/denied.	Mr. Horton	Yes
	Ms. Harkey	Yes
	Mr. Runner	Yes
	Ms. Ma	Yes
	Ms. Yee/ Ms. Stowers	Yes

3. Hezghiahoo Aharon Investment, Inc., 611158 (AR)

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's petition denied.	Mr. Horton	Yes
	Ms. Harkey	Yes
	Mr. Runner	Yes
	Ms. Ma	Yes
	Ms. Yee/ Ms. Stowers	Yes

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- H2. Franchise and Income Tax Matters
  - Section 40 (AB 2323) Matter
    - 1. Unified Precious Metals, Inc., 606172

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
The Board adopted the written summary decision as presented by staff.	Mr. Horton	Yes
	Ms. Harkey	No
	Mr. Runner	No
	Ms. Ma	Yes
	Ms. Yee/ Ms. Stowers	Yes

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
- H9. Cigarette License Fee Matter
- H10. Legal Appeals Property Tax Matters

**I. Tax Program Nonappearance Matters**

- I1. Property Taxes Matters
  - There are no items for this matter.
- I2. Offer in Compromise Recommendations

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Approved staff recommendations.	Mr. Horton	Yes
No final determination on sub-item 1.	Ms. Harkey	Yes
	Mr. Runner	Yes
	Ms. Ma	Yes
	Ms. Yee/ Ms. Stowers	Yes

- ~~1. 420 For The People Cooperative, Inc.~~
- 2. Samir Rizk Abbushi
- 3. Anna Reina Caballero
- 4a. Robert T. De Castro
- 4b. Alive and Well, Inc.
- 5. Remik Davoodi Chigani
- 6a. Constable Jack's, LLC
- 6b. Timothy G. Looper
- 6c. Jacquelin Looper
- 7a. Thomas Dean Franciskovich
- 7b. Colorworks Printing, Inc.
- 8. Brian Henry Jones
- 9a. Rodney M. Maister
- 9b. Rancho Barbeques, Inc.
- 9c. Maister Enterprises, Inc.

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- 10. Michael David Olivetti
  - 11. Karl Heinz Sabarth
  - 12. Gordgi Safarian
  - 13. Asish Singh
  - 14. Stella Sutton
13. 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**

**N. Consent Agenda**

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Approved staff recommendations.	Mr. Horton	Yes
	Ms. Harkey	Yes
	Mr. Runner	Yes
	Ms. Ma	Yes
	Ms. Yee/ Ms. Stowers	Yes

- N1. Retirement Resolutions
  - K. John Emmett
  - Tze-Ming Lau
  - James M. Njiiri
  - Neil Shah
- N2. Approval of the 2016 Timberland Production Zone Values
- N3. Approval of Assessors' Handbook Section 581, *Equipment and Fixtures Index, Percent Good and Valuation Factors*
- N4. Proposed revisions to Compliance Policy and Procedures Manual (CPPM) Chapter 1, *General*; Chapter 7, *Collections*; Chapter 8, *Consumer Use Tax*; and Chapter 9, *Miscellaneous*
- N5. Proposed revisions to Audit Manual (AM) Chapter 2, *Preparation of Field Audit Reports* and Compliance Policy and Procedures Manual (CPPM) Chapter 7, *Collections*

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**O. Adoption of Board Committee Report and Approval of Committee Actions**

**O1. Customer Service and Administrative Efficiency Committee**

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Adopted committee report and approved the actions therein as reflected by the committee members' votes.  For details see: <a href="http://www.boe.ca.gov/meetings/custsrv/custsrv15.htm">www.boe.ca.gov/meetings/custsrv/custsrv15.htm</a>	Mr. Horton	Yes
	Ms. Harkey	Yes
	Mr. Runner	Yes
	Ms. Ma	Yes
	Ms. Yee/ Ms. Stowers	Yes

**P. Other Administrative Matters**

P1. Executive Director's Report

- 1. CROS Project Update and Actions

P2. Chief Counsel Report

There are no items for this matter.

P3. Special Taxes and Fees Deputy Director's Report

- 1. Effects of Proposition 10 on Cigarette and Tobacco Products Consumption

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Approved staff recommendation.	Mr. Horton	Yes
	Ms. Harkey	Yes
	Mr. Runner	Yes
	Ms. Ma	Yes
	Ms. Yee/ Ms. Stowers	Yes

There are no items for the following matters:

- P4. Property Tax Deputy Director's Report
- P5. Administration Deputy Director's Report
- P6. Technology Deputy Director's Report
- P7. External Affairs Deputy Director's Report

**Q. Closed Session**

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**STATE BOARD OF EQUALIZATION MEETING  
5901 Green Valley Circle, Room 207, Culver City  
November 17-18, 2015**

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**Wednesday, November 18, 2015**

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

**C2. Stainless Fixtures, Inc., 505327 (AP)**

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
No final Board determination.	Mr. Horton	Yes
The Board ordered that the hearing be continued to a later date, 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 parties' submissions and provide its recommendation to the Board.	Ms. Harkey	Yes
	Mr. Runner	Yes
	Ms. Ma	Yes
	Ms. Yee/ Ms. Stowers	Yes

~~C3. Johnny Zegarra, 600482 (AA)~~

~~C4. Arturo Rojas Castaneda, 556722 (EH)~~

~~C5. Richard Clark Farrell, 600710 (EA)~~

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## C6. Port Petroleum, Inc., 474336, 551074 (AA)

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's petition/claim partially granted/denied.	Mr. Horton	Yes
	Ms. Harkey	Yes
The Board relieved all interest.	Mr. Runner	Yes
	Ms. Ma	Yes
	Ms. Yee/ Ms. Stowers	Yes

**D. Special Taxes Appeals Hearing****Petition for Release of Seized Property Hearing**

## D1. Almond Corporation, 867053 (STF)

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's petition denied.	Mr. Horton	Yes
	Ms. Harkey	Yes
	Mr. Runner	Yes
	Ms. Ma	Yes
	Ms. Yee/ Ms. Stowers	Yes

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