



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

DAVID J. GAU
Executive Director

STATE BOARD OF EQUALIZATION MEETING
5901 Green Valley Circle, Room 207, Culver City
April 26-27, 2016

PRELIMINARY RECORD OF BOARD ACTIONS

Tuesday, April 26, 2016

OFFICIAL PRELIMINARY RECORD

The following is a preliminary record of Board actions taken at the April 26-27, 2016, 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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- 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**
 - ~~B1a. Nicholas L. Alford and Shannon M. Alford, 788398~~
 - ~~B1b. Stephen E. Avoyer and Pamela G. Avoyer, 788396~~
 - ~~B1c. Kenneth J. Flocke and Janice M. Flocke, 788395~~
 - ~~B1d. David L. Malcolm and Annie Malcolm, 788399~~
 - ~~B1e. Dietmar Schott, 788400~~
 - ~~B1f. Roger Swift and Sharon M. Swift, 788401~~
 - ~~B1g. William R. Thaxton and Van Thaxton, 788402~~
 - ~~B1h. Estate of John M. Tworoger (Dec'd) and Brenda K. Tworoger, 788403~~

B2. Edward A. Galigher, 824270

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
The Board postponed this matter to July 14, 2016 in Orange County.	Ms. Ma Ms. Harkey Mr. Horton Mr. Runner Ms. Yee/ Ms. Stowers	

B3. Irvin J. Himmelberg and Peggy Jo Himmelberg, 866627

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayers' appeal partially granted/denied.	Ms. Ma	Yes
	Ms. Harkey	No
	Mr. Horton	Yes
	Mr. Runner	No
	Ms. Yee/ Ms. Stowers	Yes

B4. ~~Marsha A. Wilkerson, 857552~~

B5a. Brian N. Khoury, 867810

B5b. Jason B. Khoury and Lisa B. Khoury, 867855

B5c. Noelle K. Ludwig and Timothy S. Ludwig, 867874

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayers' appeals granted.	Ms. Ma	Yes
	Ms. Harkey	Yes
	Mr. Horton	No
	Mr. Runner	Yes
	Ms. Yee/ Ms. Stowers	No

The following matters are scheduled for Wednesday, April 27, 2016.

C. Sales and Use Tax Appeals Hearing

D. Special Taxes Appeals Hearing

E. Property Tax Appeals Hearings
There are no items for this matter.

F. Public Hearings

F1. Property Taxes - State Assessee's Presentations on the Valuation of State-Assessed Properties

F2. [Business Taxpayers' Bill of Rights Hearings](#)

F3. [Property Taxpayers' Bill of Rights Hearings](#)

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Special Presentations

Employee Recognition Award Program 2015-16

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

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

- Petition for Release of Seized Property
 1. Mahmoud M. Attaalla, 932874 (STF)

G2. Franchise and Income Tax Matters

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

- Hearing Notice Sent – No Response
 1. Himanshu Joglekar, 759259
- Decisions
 2. Tracey L. Bahlo, 603241
 3. Mark J. Becker, 862120
 4. Wenes H. Chung and Bonnie Chung, 843026
 5. Scott Davis, 854558
 6. Hue Hospitality, Inc., 841156
 7. Scott M. King, 859649
 8. Vivienne Ko, 870537
 9. Richard F. Marston, Jr., 839210
 10. Ronald D. Mass and Pamela S. Mass, 874820
 11. Mervyn A. Pipersburgh, Sr., 852685
 12. Edward D. Rodriguez, 809241
 13. Silicon Color, Inc., 782765
 14. Debra A. Smither, 852547
 15. Southern California Diagnostic Imaging, Inc., 851574
- Petitions for Rehearing
 - 16a. William R. Dobkin and Donya Dobkin, 728014
 - 16b. Deborah M. Dobkin, 725828

There are no items for the following matters:

- G3. Homeowner and Renter Property Tax Assistance Matters
- G4. Sales and Use Taxes Matters
- G5. Sales and Use Taxes Matters – Credits, Cancellations, and Refunds
- 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
There are no items for this matter.

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.	Ms. Ma	Yes
	Ms. Harkey	Absent
	Mr. Horton	Yes
	Mr. Runner	Yes
	Ms. Yee/ Ms. Stowers	Yes

- 1. Veronica Diaz
- 2a. Alvin Irwin Horwitz
- 2b. Joanne Annabelle Ricklin
- 3. Ramin Khaloo
- 4. Kathleen R. Parisia
- 5. John Thomas Perez
- 6. Prototypes Plus, Inc.
- 7a. Quality One Test Fixturing, Inc.
- 7b. Mark Richard Bartholomew
- 8a. Heriberto Garcia Rico
- 8b. Maria S. Garcia
- 9a. James Andrew Shoemaker
- 9b. Mary Shoemaker
- 9c. Coastal Pizza
- 9d. Watsonville Pizza, Inc.

I3. Local Tax Reallocation Matters
There are no items for this matter.

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Chief Counsel Matters

There are no items for the following matters:

- J. Rulemaking
- K. Business Taxes
- L. Property Taxes

M. Other Chief Counsel Matters

M1. Resolution Conferring Powers on the Executive Director

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

Administrative Session**N. Consent Agenda**

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

N1. Retirement Resolutions

- Carlos Calderon
- Colleen Castile
- Deborah A. Cumins
- Donna Foster
- May F. Hui
- Bill Kimsey
- Brenda Ramirez
- Kathryn Saunders
- Benjamin Velasco
- Wun-chi Wang

N2. Approval of Board Meeting Minutes

- March 29-30, 2016

N3. Proposed revisions to Compliance Policy and Procedures Manual Chapter 2, *Registration*; Chapter 3, *Account Maintenance*; Chapter 4, *Security*; Chapter 5, *Returns*; and Chapter 7, *Collections*

N4. Report on time extension to Trinity County to complete and submit fiscal year 2016-17 Local Assessment Roll, pursuant to Revenue and Taxation Code section 155

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O. Adoption of Board Committee Report and Approval of Committee Actions**O1. Business Taxes Committee – March 2016**

<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: www.boe.ca.gov/meetings/btc2016.htm	Ms. Ma	Yes
	Ms. Harkey	Yes
	Mr. Horton	Yes
	Mr. Runner	Yes
	Ms. Yee/ Ms. Stowers	Yes

P. Other Administrative Matters

There are no items for the following matters.

P1. Executive Director's Report

P2. Chief Counsel Report

P3. Business Tax and Fees Deputy Director's Report

1. Approval of Fiscal Year 2016-17 Tobacco Products Tax Rate

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

There are no items for the following matters.

P4. Field Operations Department Report

P5. Property Tax Deputy Director's Report

P6. Administration Deputy Director's Report

1. Budget Update

2. Update on Resolution of State Controller's Office (SCO) Board of Equalization Review

3. Update on Bargaining Process

P7. Technology Deputy Director's Report

1. CROS Project Update and Actions

P8. External Affairs Deputy Director's Report

There are no items for this matter.

Q. Closed Session



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C. Sales and Use Tax Appeals Hearings

C1. Richard Clark Farrell, 600710 (EA)

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
The Board postponed this matter to July 14, 2016 in Orange County.	Ms. Ma Ms. Harkey Mr. Horton Mr. Runner Ms. Yee/ Ms. Stowers	

C2. Rodney L. Odom, 807267, 865046 (UT)

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

C3. ~~Vincent Carneau and Devrim Roesch, 851841 (AS)~~

C4. ~~High Desert Food Mart, Inc., 594562 (RC)~~

C5. Durman, Inc., 605242 (SO)—Waived Appearance

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

D. Special Taxes Appeals Hearing

D1. Sahak Jeiranian, 841617 (STF)

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

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