



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**  
**September 27-28, 2016**

**PRELIMINARY RECORD OF BOARD ACTIONS**

**Tuesday, September 27, 2016**

The following is a preliminary record of Board actions taken at the September 27-28, 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.

The Board's decision reflects only the issues resolved by the Board at the meeting. Issues resolved prior to the meeting are not reflected in this document.

If you would like specific information regarding items on this Preliminary Record of Board Action, please telephone Claudia 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.

- 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. Sharam Sobhani and Ramesh Samadani, 901575~~
  - ~~B2. Jonathan S. Lewis and Ikuyo Lewis, 931413~~
  - B3. Marsha A. Wilkerson, 857552

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<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Dismissed at taxpayer's request.	Ms. Ma Ms. Harkey Mr. Horton Mr. Runner Ms. Yee/ Ms. Stowers	

## B4. Hazel Street, LLC, 935826

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

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

These matters are scheduled for Wednesday, September 28, 2016.

There are no items for the following matters:

- D. Special Taxes Appeals Hearing
- E. Property Tax Appeals Hearings
- F. Public Hearings

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

## G1. Legal Appeals Matters

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Approved staff recommendations except sub-item 5.	Ms. Ma	Yes
	Ms. Harkey	Yes
	Mr. Horton	Yes
	Mr. Runner	Yes
	Ms. Yee/ Ms. Stowers	Yes

- Hearing Notice Sent – No Response
  1. Terry Wesley Alexander, 560014 (FH)
  2. Baldwin Auto Finance & Sales, Inc., 522192 (AP)
  - 3a. Carlos Fernando Bosch, 511605 (EH)
  - 3b. Carlos Fernando Bosch, 511606 (EH)
  4. Vincent Carneau and Devrim Roesch, 851841 (AS)
  5. ~~Bahjet Dabish and Khalil Dabish, 836606 (FH)~~
  6. Forever Green, 773672 (EH)
  - 7a. Full Truck Load Express Corp., 841227 (UT)
  - 7b. Full Truck Load Express Corp., 841230 (UT)
  8. Mohanad Offeed Hamdallah, 825157 (EH)
  9. Om Beloved I Am Unlimited, Inc., 837553 (AS)
  10. Royal Star Cigarettes, Inc., 658128 (AS)
- Petition for Release of Seized Property
  11. Michael Curtis Siegel, 948255 (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	Yes
	Mr. Horton	Yes
	Mr. Runner	Yes
	Ms. Yee/ Ms. Stowers	Yes

## ➤ Decisions

1. Amnon Edelstein and Ilana Helena Edelstein, 819038
2. Russell A. Fields and Kathy J. Fields, 890550
3. Teresa M. Light, 839042
4. Louis V. Lucero and Barbara A. Lucero, 845797
5. Jagdishwar Nand and Sudeshna Nand, 844893
6. Andrew Russell and Lorena Russell, 852228
7. Sean Steele, 866095
8. David C. Stone (Dec'd) and Nilda G. Stone, 859636
9. Harris Toibb and Linda Toibb, 852223

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**

H1. Legal Appeals Matters  
There are no items for this matter.

H2. Franchise and Income Tax Matters

## ➤ Petitions for Rehearing

1. Berc Agopoglu, 848646

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

## 2. Himanshu Joglekar, 759259

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's petition for rehearing granted.	Ms. Ma	Yes
	Ms. Harkey	Yes
	Mr. Horton	Yes
	Mr. Runner	Yes
	Ms. Yee/ Ms. Stowers	No

## 3. Robert H. Lowe and Sheryl L. Berkoff, 571973

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

## 4. Michael McGuire, 709207

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's petition for rehearing granted.	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:

- 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 Matters
- H10. Legal Appeals Property Tax Matters

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**I. Tax Program Nonappearance Matters****I1. Property Taxes Matters**➤ **Board Roll Changes****1. 2016 Board Roll of State-Assessed Property 'CF'**

<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	Not Participating

**I2. Offer in Compromise Recommendations**

<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

1. Airmonterey, LLC
- 2a. Stanley Anthony Alexander
- 2b. Hi-Performance Centers, Inc.
3. Angela Michelle Boyd
- 4a. James Dale Campbell
- 4b. Powersports Superstore, LLC
5. Far West Power Corporation
6. Industria Service Corp.
7. Peter Gregor Kalinchuk
8. How-Ing Kao
- 9a. Wayne Aurthur Kilburn
- 9b. Mary Jane Kilburn

**I3. Local Tax Reallocation Matters**

There are no items for this matter.

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**Chief Counsel Matters****J. Rulemaking****J1. Prepaid Mobile Telephony Services Surcharge Regulation 2460, Administration**

<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:

- 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 recommendation.	Ms. Ma	Yes
	Ms. Harkey	Yes
	Mr. Horton	Yes
	Mr. Runner	Yes
	Ms. Yee/ Ms. Stowers	Yes

- N1. Approval of Retirement Resolutions
  - Michael B. Edwards
  - Elsa Franco
  - Michael J. Hilbert
  - Kathleen Ingram
  - Paula-Ann Kim-Janis
  - Luella Vaughn
  - Kathryn Weaver
  - Carlene Weems
  - Steven Whelan
- N2. Approval of Board Meeting Minutes
  - August 30-31, 2016
- N3. Proposed revisions to Compliance Policy and Procedures Manual Chapter 7, *Collections*

- O. Adoption of Board Committee Reports and Approval of Committee Actions  
There are no items for this matter.

**P. Other Administrative Matters**

P1. Executive Director’s Report

1. Approval of the 2017 Board Workload Plan

<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

P2. Chief Counsel Report

There are no items for this matter.

P3. Business Tax and Fee Deputy Director’s Report

1. 2017 Hazardous Substances Fees and Occupational Lead Poisoning Prevention Fee Rates
2. Revenue and Taxation Code Section 6355, *Coins and Bullion*, “Bulk” Sale Threshold for 2017

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. Norwalk District Office Relocation

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Approved relocation of the Norwalk District Office and final negotiations by DGS for BOE as recommended by staff.	Ms. Ma	Yes
	Ms. Harkey	Yes
	Mr. Horton	Yes
	Mr. Runner	Yes
	Ms. Yee/ Ms. Stowers	Yes

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

B5. Richard R. Betchley and Kellie S. Brunk, 874758

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
No final Board determination.	Ms. Ma	Yes
The Board ordered that the hearing be continued to a later date, granting the appellant 30 days to submit supporting documents, the Franchise Tax Board 30 days to respond, and the Appeals Division 30 days thereafter to review the parties' submissions and provide its recommendation to the Board. (Rev. 10/26/16)	Ms. Harkey	Yes
	Mr. Horton	Yes
	Mr. Runner	Yes
	Ms. Yee/ Ms. Stowers	Yes

B6. Leonard C. Rogers and Mary Ann Rogers, 863414

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayers' appeal partially granted/denied.	Ms. Ma	Yes
Cancel interest for period 11/26/14 to 9/16/15.	Ms. Harkey	Yes
	Mr. Horton	Yes
	Mr. Runner	Yes
	Ms. Yee/ Ms. Stowers	Yes

~~B7. Jeffry J. Johnson and Beryl B. Johnson, 866657~~

B8. Paula Present, 935328

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

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**Wednesday, September 28, 2016**

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

C1. Larry John McCallum, 798989 (FH)

<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	No
	Ms. Yee/ Ms. Stowers	Yes

C2. Just For You Caregivers, Inc., 854794 (EH)

<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

C3. Carlo A. Briganti, 311650 (AG)

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## C4. Ahmed Kabir, 763931 (AC)

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's petition partially granted/denied.	Ms. Ma	Yes
	Ms. Harkey	Yes
The Board removed the negligence penalty.	Mr. Horton	No
	Mr. Runner	Yes
	Ms. Yee/ Ms. Stowers	Yes

~~C5. Kaisuen Kong, 516021, 553424 (EA)~~

~~C6. Eric Christopher Dutra, 607843, 746362 (FH)~~

C7. Suri Investments, Inc., 689145 (AA)

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's petition will be rescheduled at a later date.	Ms. Ma	
	Ms. Harkey	
	Mr. Horton	
	Mr. Runner	
	Ms. Yee/ Ms. Stowers	

~~C8. East Coast Foods, Inc., 613237, 613238 (AC)~~

~~C9. Yeshitila Wuhib, 728749 (AS)~~

~~C10. Congregation Sacred Hearts, 851435 (UT)~~

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