Tuesday, February 27, 2007   "Listen Live"

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

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

ORAL HEARINGS

A. HOMEOWNER AND RENTER PROPERTY TAX ASSISTANCE HEARINGS
These items are scheduled for Wednesday, February 28, 2007.

B. CORPORATE FRANCHISE AND PERSONAL INCOME TAX HEARINGS
These items are scheduled for Wednesday, February 28, 2007.

C. SALES AND USE TAX APPEALS HEARINGS
(Contribution Disclosure forms required pursuant to Gov. Code § 15626.)

C1. UCI University Club, 290120 (EA)
For Petitioner: Suzanne Beaudelaire, Representative
Dave Tomcheck, Representative
For Department: Robert Stipe, Tax Counsel

C2. Eugene Tripp, 286863 (AS)
For Petitioner: Eugene Tripp, Taxpayer
For Department: Kevin Hanks, Hearing Representative

C3. DC Motors, LLC, 285802 (EA)
For Petitioner: Doug Ramirez, Taxpayer
Erin Arroyo, Accountant
For Department: Robert Stipe, Tax Counsel
C4. Carpet U.S.A., Ltd., 299501 (AS)  
For Petitioner: Jerry Agam, Taxpayer  
Lien Tien, Accountant  
For Department: Sharon Jarvis, Tax Counsel

C5. Hosmer Chandler McKoon, 273016 (EA)  
For Petitioner: Hosmer McKoon, Taxpayer  
Dennis Connelly, Attorney  
Lois McKoon, Witness  
For Department: Robert Stipe, Tax Counsel

C6. Elier A. Rivera, 259745 (AA)  
For Petitioner: Elier Rivera, Taxpayer  
For Department: Sharon Jarvis, Tax Counsel

C7. Rafinity, Inc., 244305 (AS)  
For Petitioner: Nazareth Sadorian, Enrolled Agent  
For Department: Kevin Hanks, Hearing Representative

G. TAX PROGRAM NONAPPEARANCE MATTERS – CONSENT  
(Contribution Disclosure forms not required pursuant to Gov. Code § 15626.)

G1 Legal Appeals Matters .................................................................Mr. Levine  
➢ Petition for Rehearing  
➢ Hearing Notice Sent – No Response  
2. Paul Marcynyszyn, 266730 (EH)  
3. Acromedia Systems, Incorporated, 288207 (AS)  
   Oliver P. Lasley, 288208 (AS)  
   Merle Janine Vaughn, 288209 (AS)  
4. Le Roy Properties, Inc., 272699 (EH)  
5. Ascend Communications, Inc., 253790, 297471 (CH)  
➢ Petitions for Release of Seized Property  
6. Roy’s Liquor & Market, Inc., 380233 (ET)  
7. Elma Margarita Fernandez, 383169 (ET)

G2 Franchise and Income Tax Matters................................. Mr. Schreiter  
➢ Decisions  
1. Cheryl Lynn Blankenbiller, 333115  
2. Arnold Bryman, 342582  
3. Thomas R. Camerato, 311016  
4. Stewart B. Cole, 341511  
5. Regine De Guzman, 349011  
6. DPEX, Inc., 287820  
7. Jennifer G. Frost, 346081  
8. Mansour Khajehjahromi, 348938  
9. Joel Kreiner, 340869
10. Gregory H. Mikkelsen, 343668
11. Ronald C. Nelson, 329716
12. Mohammad H. Nili, 349309
13. Steven A. Schellenger, 341905
14. Derrick R. Stephens, 330557
15. John S. Ballard, 339524
16. Rick Burningham, 330830
17. Tennison Dong, 339976
18. Andrea Erickson, 330530
19. Robert Frankson, 316456
20. Patrick E. Galvin, 333157
21. Carol Grant, 328920
22. Richard Grant, 335775
23. Charles A. Harris, 328928
24. Byron Hoffman, 327674, 339738
25. David Klein, 316299, 342006
26. Jackie Krienke, 337077
27. Walter J. Kubon, Jr., 337056
28. Anthony Long, 343666
29. Elizabeth Magness, 343250
30. Steven Nicholas, 340536
31. Anthony Oropeza, 333238
32. Jim Robertson, 342187
33. Margaret L. Rogers, 330576, 331883, 332659
34. Roger Romero, 342029
35. George A. Saffas, 333072
36. Gregory Stover, 341967
37. Alice S. Willis, 333059
38. Richard Wood, 339841

Petitions for Rehearing
39. Timothy Gallagher, 325457
40. Wayne E. Kean, 346182
41. John Laszlloffy, 315489
42. Leonard R. Magness, 268508
43. Parker G. Montgomery, 333233
44. Byron Reynolds, 267947
45. Clifford F. Swanke, 328680

G3 Homeowner and Renter Property Tax Assistance Matters... Mr. Schreiter

Decisions
1. Bryan Bailey, 332592
2. Stephanie D. Brown, 345106
3. Jacqueline Carter, 347893
4. John Colasante, Jr., 332657
5. Maria Guzman, 339337
6. Dao Anhthi Nguyen, 329461
7. Brenda Poston, 351154
8. Robert Lewis Thelen, 349046
9. Kathleen Yarussi, 352444

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

Redeterminations
1. Pacific Union Company, 343237 (JH)
2. Recomm Wireless, Inc., 273014 (AC)
3. Coach, Inc., 349439 (OHB)
4. Lifoam Industries, LLC 342277 (OHB)
5. CMS Auto Body & Auto Sales, LLC, 260920 (AC)

Relief of Penalty/Interest
6. Hamer Motors, Inc., 382609 (AC)
7. Applied Materials, Inc., 382613 (OHC)
8. NCR Corporation, 377413 (OHA)
9. Hof's Hut Restaurants, Inc., 380115 (AA)
10. Serac, Inc., 379801 (OHA)

Denials of Claims for Refund
11. Intn'l Rehabilitative Sciences, Inc., 380327 (OH)
12. TDK Semiconductor Corporation, 383710 (EAA)
13. Household Automotive Finance Corporation, 381451 (FH)

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

Credits and Cancellations
1. I.B.I. Leasing and Renting, Inc., 382338 (GH)
2. Donald R. Loya, 260215 (AC)
3. Heather L. Guiliom, 328132 (KHM)
4. ZN Corporation, 382341 (AS)
5. Phase Shift Technology, Inc., 382907 (OH)
6. Clear Story Systems, Inc. 382687 (OHB)
7. De Won Motors Group, Inc., 382340 (AS)
8. Abbey Auto Sales & Leasing, Inc., 382387 (FH)
9. Feroz R. Jadhavji, 382408 (AC)
10. Agorra Building Supply, Inc., 382391 (CH)
11. Federated Auction Systems, Inc., 382437 (EH)
12. Federated Pub Auc Agency of Upland, 382422 (EH)
13. Herndon Enterprises, Inc., 382264 (KHO)
14. Herndon Enterprises, Inc., 382336 (KHO)

Refunds
15. CSC Outsourcing, Inc., 377099 (FH)
16. LagraphiCo.com, Inc., 240683 (AC)
17. Wells Fargo Leasing Corporation, 271455 (BH)
18. Southwick, Inc., 375279 (CH)
19. Bank of the West, 281359 (CH)
20. Credence Systems Corp, 351828 (GH)
21. Bobst Group, Inc., 367345 (OHB)
22. UMG Recordings, Inc., 350293 (OHB)
23. Cerner Corporation, 314681 (OHA)
24. Mercedes-Benz USA, LLC, 372995 (KH)
25. California Capital Insurance Company, 379660 (GHC)
26. General Instrument Corporation, 203863 (OHB)
27. Wells Fargo Bank (Auto Lease), 271676 (CH)
29. Maria L. Magallanes, 344814 (ARH)
31. Orange County Teachers Federal Credit Union, 380262 (EA)
32. Beverly Ent-Distribution Services, Inc., 313727 (OHA)
33. International Rehabilitative Sciences, Inc., 350673 (OH)
34. STMicroelectronics (RB), Inc., 311985 (OHC)
35. Medallion Landscape Management, Inc., 379663 (GH)
36. TDK Semiconductor Corporation, 353617 (EAA)
37. Formtek Metal Forming, Inc., 344753 (OHB)
38. Modern Finance Company, 378340 (AC)
39. Westlake Services, Inc., 339245 (AS)
40. Nuvision Financial Federal CU, 382413 (EA)
41. Point Loma Credit Union, 373988 (FH)
42. Point Loma Credit Union, 272758 (FH)
43. Household Automotive Finance Corporation, 381452 (FH)
44. Lexicon Marketing (USA), Inc., 381461 (AS)
45. Belkin Logistics, Inc., 374180 (AA)
46. Joginder Singh Virk, 330496 (EH)
47. Key Government Finance, Inc., 344755 (OHB)
48. Cicoil Cable & Mgmt., Inc., 379719 (AR)

G6 Special Taxes Matters

➢ Relief of Penalty

G7 Special Taxes Matters – Credits, Cancellations, and Refunds

➢ Refunds
  1. Thrifty Payless, Inc., 383563 (ET)
  2. Young’s Market Company, LLC, 383605 (ET) – “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
There are no items for this matter.

I. TAX PROGRAM NONAPPEARANCE MATTERS
There are no items for this matter.
BOARD MEETING RECONVENES AT 1:30 p.m.

ORAL HEARINGS

C. SALES AND USE TAX APPEALS HEARINGS
(Contribution Disclosure forms required pursuant to Gov. Code § 15626.)

C8. Lexus Plastics, Inc., 181652 (EH)
   For Petitioner: Frank M. Weisner, CPA
   Munther Sholakh, Taxpayer
   For Department: Kevin Hanks, Hearing Representative

C9. James Bess, 286797 (AP)
   For Petitioner: James Bess, Taxpayer
   For Department: Trecia Nienow, Tax Counsel

C10. Fakheri, Inc., 269581 (AC)
     Comm. Club, LLC, 269579 (AC)
   For Petitioner: Ivan Sotomayor, CPA
   Dariush Fakheri, Taxpayer
   Amir Ammona, Taxpayer
   For Department: Kevin Hanks, Hearing Representative

C11. Michael Brian McCullough, 295005 (EA)
   For Petitioner: Graham Hoad, Representative
   For Department: Sharon Jarvis, Tax Counsel

C12. Center for Bio-Ethical Reform, 271792 (UT)
   For Petitioner: Gregg Cunningham, Taxpayer
   Don Cooper, Representative
   For Department: Robert Stipe, Tax Counsel

   For Petitioner: James F. Berger, CPA
   For Department: Kevin Hanks, Hearing Representative

D. SPECIAL TAXES APPEALS HEARINGS
(Contribution Disclosure forms required pursuant to Gov. Code § 15626.)

D4. Industrial Service Oil Company, Inc., 313527 (EF)
   For Petitioner: Claudia C. Bohorquez, Attorney
   Anu Sood, Representative
   For Department: Carolee Johnstone, Tax Counsel
D2. Joseph Elias Amash, 261204 (MT)
For Petitioner: Joseph Amash, Taxpayer
Ron Greenlee, Bookkeeper
For Department: Carolee Johnstone, Tax Counsel

D3. Mardiros Abadjian and Anouckik Abadjian, 197934 (ET)
For Petitioner: Dan Reising, Attorney
Mardiros Abadjian, Taxpayer
Charles Janiguian, Representative
For Department: Monica Brisbane, Tax Counsel

D4. Bharat Bhuptani, 259956 (ET)
Source Cigar, Inc., 259697 (ET)
For Petitioner: Bryan C. Altman, Attorney
Bharat Bhuptani, Taxpayer
For Department: Tim Treichelt, Tax Counsel

D5. Asher Shaitrit, 198549 (ET)
For Petitioner: Asher Shaitrit, Taxpayer
For Department: Monica Brisbane, Tax Counsel

E. PROPERTY TAX APPEALS HEARINGS
There are no items for this matter.

CHIEF COUNSEL MATTERS
There are no Items for the Following Matters:
J. Rulemak ing
K. Business Taxes
L. Property Taxes

M. Other Chief Counsel Matters

M1 Request for Filing Amicus Curiae Brief -------------------------- Ms. Cazadd+
Steinhart v. County of Los Angeles, Court of Appeal,
Second Appellate District No. B190957

ADMINISTRATIVE SESSION

N. Consent Agenda ................................................................. Mr. Evans+
   N1 Approval of Sustained/Superior Accomplishment Award Nominees

There are no Items for the Following Matters:
O. Approval of Board Committee Meeting Minutes
P. Other Administrative Matters
F. PUBLIC HEARINGS

F1 Business Taxpayers’ Bill Of Rights Hearings.........................Mr. Gilman+

Individuals have the opportunity to present their ideas, concerns, and recommendations regarding legislation, the quality of agency services, and other issues related to the Board’s administration of its tax programs. At the Business Taxes hearings you can comment on the administration of sales and use taxes, environmental fees, fuel taxes, and excise taxes.

F2 Property Taxpayers’ Bill Of Rights Hearings .........................Mr. Gilman+

Individuals have the opportunity to present their ideas, concerns, and recommendations regarding legislation, the quality of agency services, and other issues related to the Board's administration of its tax programs. At the Property Taxes hearings you can comment on the property taxes programs and laws administered by the Board, and identify ways to resolve any problems identified in the Property Taxpayers’ Advocate's Annual Report.

ANNOUNCEMENT OF CLOSED SESSION.................................................... Mr. Evans

Q. Closed Session

Q1 Discussion and action on personnel matters (Gov. Code § 11126(a))

ANNOUNCEMENT OF OPEN SESSION ........................................................ Mr. Evans

ADJOURN - The meeting will reconvene on Wednesday, February 28, 2007, at 9:30 a.m.

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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.

Gary Evans, Acting Chief
Board Proceedings Division

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* 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 for this Item is available on the Internet.

"CF" Constitutional Function – The Deputy State Controller may not participate in this matter under Government Code section 7.9.
Board Meeting Reconvenes at 9:30 a.m.*

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**ORAL HEARINGS**

**A. HOMEOWNER AND RENTER PROPERTY TAX ASSISTANCE HEARINGS**
(Contribution Disclosure forms required pursuant to Gov. Code § 15626.)

- **A1. Carlos R. Chavez, 339274**
  
  For Claimant: Shirley Faluan, Representative
  
  For Franchise Tax Board: Suzanne Small, Tax Counsel

**B. CORPORATE FRANCHISE AND PERSONAL INCOME TAX HEARINGS**
(Contribution Disclosure forms required pursuant to Gov. Code § 15626.)

- **B1. Alaska Airlines, Inc., 342596**
  
  For Appellant: Kathleen P. Dill, Representative
  Jon A. Sperring, Representative
  Laurie A. Sands, Witness
  
  For Franchise Tax Board: Kathryn Harker, Tax Counsel

- **B2. Tonya Harris, 351399**
  
  For Appellant: Tonya Harris, Taxpayer
  
  For Franchise Tax Board: Bruce Langston, Tax Counsel

- **B3. Vance White, 332851**
  
  For Appellant: Vance White, Taxpayer
  
  For Franchise Tax Board: Bruce Langston, Tax Counsel
B4. Donald Iwuchukwu, 309168  
For Appellant: Jr. Mukathe, CPA  
For Franchise Tax Board: Diane Ewing, Tax Counsel

B5. Ronald Ashimine and Sheue Ling Chang, 351909  
For Appellant: Michael S. Sy, Enrolled Agent  
For Franchise Tax Board: Jozel Brunett, Tax Counsel

B6. Elke L. Coffey, 333143  
For Appellant: Elke L. Coffey, Taxpayer  
Arnold Kaufman, Accountant  
For Franchise Tax Board: Diane Ewing, Tax Counsel

B7. Nathalie M. Lohrli, 329170  
For Appellant: David Lohrli, Taxpayer’s Husband  
For Franchise Tax Board: Diane Ewing, Tax Counsel

B8. Donald E. Schrock and Lucie Kay Schrock, 341970  
For Appellant: Donald E. Schrock, Taxpayer  
Lucie Kay Schrock, Taxpayer  
Carol P. Schaner, Attorney  
For Franchise Tax Board: Suzanne Small, Tax Counsel

B9. Terry L. Moreland and Peggy J. Moreland, 286425  
For Appellant: Terry Moreland, Taxpayer  
Howard S. Fisher, Attorney  
Larry Baker, CPA  
For Franchise Tax Board: Renel Sapiandante, Tax Counsel

BOARD MEETING RECONVENES AT 1:30 p.m.

ORAL HEARINGS

B. CORPORATE FRANCHISE AND PERSONAL INCOME TAX HEARINGS  
(Contribution Disclosure forms required pursuant to Gov. Code § 15626.)

B10. Hiroshi Katahira and Keiko Katahira, 312776  
For Appellant: Robert F. Klueger, Attorney  
For Franchise Tax Board: Diane Ewing, Tax Counsel
B11. Lisa Cervantes, 351773
For Appellant: Appearance Waived
For Franchise Tax Board: Jozel Brunett, Tax Counsel

For Appellant: Charles P. Rettig, Attorney
Sharyn M. Fisk, Attorney
For Franchise Tax Board: Jozel Brunett, Tax Counsel

B13. Brian K. Shaw, 341954
For Appellant: Charles P. Rettig, Attorney
David Roth, Attorney
For Franchise Tax Board: John Penfield, Tax Counsel

B14. Daniel L. Mahnke, 334606
For Appellant: Daniel L. Mahnke, Taxpayer
For Franchise Tax Board: Suzanne Small, Tax Counsel

B15. Jose Alvarez, Jr., 342600
For Appellant: Jose Alvarez, Jr., Taxpayer
For Franchise Tax Board: Jane Perez, Tax Counsel

B16. Victor Roy, 307162
For Appellant: Victor Roy, Taxpayer
For Franchise Tax Board: Mark McEvilly, Tax Counsel

C. SALES AND USE TAX APPEALS HEARINGS
These items are scheduled for Tuesday, February 27, 2007.

D. SPECIAL TAXES APPEALS HEARINGS
These items are scheduled for Tuesday, February 27, 2007.

E. PROPERTY TAX APPEALS HEARINGS
There are no items for this matter.

ADJOURN

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Gary Evans, Acting Chief
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