

# Environmental Fees

Semiannual  
Issue  
July 2003

## Board Members

Carole Migden  
First District  
San Francisco

Bill Leonard  
Second District  
Ontario

Claude Parrish  
Third District  
Long Beach

John Chiang  
Fourth District  
Los Angeles

Steve Westly  
State Controller  
Sacramento

Timothy W. Boyer  
Interim  
Executive Director

Published  
by the  
Environmental  
Fees Section

Excise Taxes and  
Fees Division

California  
State Board of  
Equalization

450 N Street  
MIC:57  
P.O. Box  
942879  
Sacramento, CA  
94279-0057

## Contents

1. Important filing reminders
2. Share your concerns—annual Taxpayers' Bill of Rights Hearings
3. New regulations clarify record-keeping requirements
4. Law Guides available on Internet and CD-ROM
5. Debit and credit interest rate change
6. Relief from penalties available
7. Informal settlement conference available for fee disputes
8. Small Business Fairs

**Board Contact Information . . . page 4**

## 1 Important Filing Reminders

### Annual Returns

Yearly returns for all programs that the Environmental Fees Section administers are always due on the last day of February for the prior calendar year or reporting period. Some programs also require prepayments on prescribed prepayment forms, in addition to the annual return. The yearly returns are mailed during the month of January. *If you have not received your return by the end of the first week in February, please contact us so we can provide you with the proper return(s) in order for you to file on time.* Also, when making a payment please be sure to write your business name and *account number* on your check, just as they appear on your return or billing statement. This will ensure that you receive proper credit for your payments.

### Generator Fee Prepayment Due August 31

Your 2003 generator fee prepayment is due on or before August 31. If you are required to file a 2003 prepayment, be sure to keep a record of the payment so that you can claim it on your 2003 generator fee return (due February 29, 2004). While you're recording your prepayment, you might want to check your records to see if you claimed your 2002 generator fee prepayment on your 2002 return. If you didn't, you can file a claim for refund by writing us at the address shown on page 4. Please be sure to include your account name and number and the amount and date of your prepayment.

*Reminder: If you have stopped generating hazardous waste, or if you are consistently generating less than five tons of waste in a calendar year, you still must file the return you received in the mail. When you file your generator fee return next February, please attach a written request asking us to close your account. Or, if you are no longer required to pay a fee, you can send a separate request now (see contact information on page 4). Be sure to state why your account should be closed.*

### A Word about Penalties and Interest

Whether you receive a return or not, it is your responsibility to pay any liability that is due. If your return and payment(s) are not filed on time, a 10 percent penalty and monthly interest will be added. Interest will continue to accrue until the principal tax amount has been paid.



While the law does allow for relief from penalties under certain conditions (see section 6), interest cannot generally be waived unless the failure to file and pay on time was due to a natural disaster, such as earthquake or flood, or taxpayer reliance on erroneous written advice from the Board. To avoid penalty and interest charges for late filing, be sure that your mailed returns are postmarked *on or before* the specified due date. Hand-delivered returns must reach our offices on or before the due date. If the due date falls on a Saturday, Sunday, or state holiday, returns postmarked on, or received by, the next business day will be considered on time.

**Remember: You must file a return for every reporting period, even if you do not receive one in the mail.**

## 2 Share your concerns—annual Taxpayers' Bill of Rights Hearings

Each year, the Board holds public hearings to give taxpayers, tax professionals, and other interested parties the opportunity to comment on the tax and fee programs we administer. If you would like to suggest ways to improve our services, or if you want us to look more closely at a tax or fee issue, please consider presenting your ideas at these hearings.

Although you do not need to be scheduled in advance to speak at a hearing, we can prepare better if you contact us beforehand to let us know your topic. If your proposal is complex or extensive, we encourage you to submit it in advance and then summarize it in your oral presentation.

### **Culver City—Business and Property Taxes Hearing**

Wednesday, October 29, 2003, 1:30 p.m.  
Board of Equalization District Office  
5901 Green Valley Circle, Suite 207

### **Sacramento—Business and Property Taxes Hearing**

Wednesday, October 15, 2003, 1:30 p.m.  
Board of Equalization Headquarters  
450 N Street, 1st Floor Board Room

To notify us of a topic you wish to discuss or to send written material in advance, please contact

Taxpayers' Rights Advocate, MIC: 70  
State Board of Equalization  
P.O. Box 942879  
Sacramento, CA 94279-0070  
Toll-free phone: 888-324-2798  
Fax: 916-323-3319

## 3 New regulations clarify record-keeping requirements

### **Regulations also spell out relief from liability (under certain conditions)**

New regulations recently adopted by the Board will affect the Hazardous Substances Tax programs and other tax and fee programs administered by the Board's Property and Special Taxes Department. The Board drafted these regulations to provide consistent guidance and clarification among these programs regarding taxpayer record-keeping requirements. They also provide for relief from liability based on a taxpayer's reasonable reliance on written advice from the Board.

Regulation 3020 (Hazardous Substances Tax Law) specifies for the first time the *types* of records that need to be retained by tax and fee payers. Generators of hazardous waste, for example, are required to keep all of their hazardous waste manifests, transporter billings or invoices, weight tickets, and waste profile analysis reports. All taxpayers are required to keep "complete records, including but not limited to" the ones specifically identified in the regulation. The new Regulation 4901 (California Code of Regulations, Title 18) also requires that taxpayers keep records for four years and lists other requirements for keeping records and for making them available for inspection by Board staff if requested.

Regulations 3021 and 4902 define and clarify the criteria for relief of liability from the payment of hazardous substances taxes, including penalties and interest, if certain specified conditions are met. These conditions relate to liabilities resulting from failure to make a timely return or payment because of the taxpayer's reasonable reliance on written Board advice.

For more information on these and other Board regulations, please visit our website, [www.boe.ca.gov](http://www.boe.ca.gov). For a downloadable copy of the new regulations, which should be available in late July, from the main menu click on "Laws, Rules, Regulations," and then "Special Taxes Regulations." You may call our Information Center at 800-400-7115 or the Environmental Fees Section at 916-323-9555.

## 4 Law Guides available on Internet and CD-ROM



The Board's *Business Taxes Law Guide* and *Property Taxes Law Guide* are valuable research tools for anyone who needs to determine how a tax or fee applies to a transaction or activity. The law guides contain laws, rules, regulations, opinions, annotations, and other information on the tax programs we administer. Long available in print, the guides are now on the Board's website using Acrobat Reader. Go to [www.boe.ca.gov](http://www.boe.ca.gov), click on "Laws, Rules, Regulations," "Business Taxes Law Guide," and then "Table of Contents" to view the guide.

You may also purchase the law guides in CD-ROM format for \$42 plus applicable California sales tax. On paper, the guides fill seven large binders. As digital files they fit onto one CD and offer the convenience of text searches along with print, copy, and paste features. Board form BOE-663-B, *Purchase Order for Law Guides and Manuals*, provides information on billing options for the guides and PC system requirements. You can obtain this form by downloading it from our website at [www.boe.ca.gov](http://www.boe.ca.gov) or by calling our Information Center at 800-400-7115.

## 5 Debit and credit interest rate change

California law requires the Board of Equalization every six months to review the interest rate it charges on underpayments and amounts past due and the amount it pays on refunds. From July 1 through December 31, 2003, the interest rate charged on underpayments and amounts past due will be 8 percent, and the interest rate paid on refunds of overpayments will be 1 percent.

## 6 Relief from penalties available

If you did not file a return by the time a billing was issued by the Board, filed your return late, or paid amounts due after the filing deadline, the law generally requires you to pay a penalty to the Board. However, if you have been unable to file or pay on time because of circumstances beyond your control, we may be able to waive the late filing penalties that would otherwise be due. To request relief from a penalty, you must file a statement with us, signed "under penalty of perjury," stating the reasons you could not file or pay on time.

We will review your request and contact you if we need more information. If we find that your late filing or payment occurred for a good reason and despite your good-faith effort to comply with the

law, we may grant your request and waive the penalty. Please note that interest applies to any payment you make after the due date, even when penalties are waived. And if you know in advance that you may not be able to file on time, please call us regarding the possibility of obtaining a filing extension.

For more information, please call the Environmental Fees Section at 916-323-9555.

## 7 Informal settlement conference available for fee disputes

If you disagree with a hazardous waste fee assessment or have a dispute regarding a claim for refund, you may request an informal settlement conference with the Department of Toxic Substances Control (DTSC). To request an informal settlement conference, please submit a written request to the DTSC Office of Legal Counsel. Your letter must explain why you wish to have a conference. If you would like to expedite the processing of your request, please include a copy of the disputed bill or claim for refund and any related correspondence from the Board. If the DTSC denies your request, they will notify you by letter. If your request is granted, the DTSC will schedule a conference with you. Conferences are usually held in Sacramento or by telephone. The conferences are often very informal. However, you may have your attorney or another representative attend with you or on your behalf. If your representative is not an attorney or company official, he or she can sign documents for you only if you provide the DTSC with a signed and dated power-of-attorney letter or form. Requesting an informal settlement conference with the DTSC does not affect your right to pursue an appeal or claim for refund through the Board of Equalization. You remain responsible for meeting all appeal deadlines. Send your settlement conference request letter to

DTSC  
Attention: Office of Legal Counsel  
P.O. Box 806  
Sacramento, CA 95812-0806

## 8 Small Business Fairs

Need help figuring out your tax-reporting requirements or other government compliance issues? If you do, you are encouraged to attend a small business fair near you.



Each year the Board of Equalization, along with federal and other state agencies, hosts several free "Small Business Tax Fairs" throughout the State of California. The seminar topics covered will vary at each fair, but typically the following subjects are covered: reporting requirements for sales, payroll, and income taxes; reporting for Social Security; property taxes; bad check enforcement; INS (Immigration and Naturalization Service) requirements; and problem resolution through the Taxpayers' Rights Advocate.

Representatives from the Board of Equalization, Franchise Tax Board, Employment Development Department, Internal Revenue Service, and many other agencies will be on hand. These agencies will provide valuable tax information, and free reference materials and will answer questions specific to your tax reporting requirements. Following is the schedule of fairs for the remainder of this year.

### **San Gabriel**

September 5  
San Gabriel Valley Hotel  
*formerly the Radisson Hotel*  
14635 Baldwin Park Towne Center  
Baldwin Park 91706  
626-480-8226

### **Marin**

September 18  
Embassy Suites Hotel  
101 McInnis Parkway  
San Rafael 94903  
707-576-2300 or  
415-356-6616

### **Orange County**

September 26  
CSU, Fullerton  
Titan Student Union  
800 North State College Blvd.  
Fullerton 92834  
949-461-5732

### **Ventura**

October 7  
Radisson Hotel  
600 E. Esplanade Drive  
Oxnard 93030  
805-677-2771

### **Stockton**

October 23  
Radisson Hotel  
2323 Grand Canal Blvd.  
Stockton 95207  
209-469-7484

### **Van Nuys**

November 5  
Airtel Plaza Hotel  
7277 Valjean Avenue  
Van Nuys 91406  
818-901-5690

You can get more information by calling the number listed above for the fair you are interested in. You can also register by e-mail. Log onto our website [www.boe.ca.gov](http://www.boe.ca.gov) and click on "Free Seminars" located in the right-hand column titled "Featured Links." Send an e-mail to the address provided for the event that you want to attend.

## Contact Information Board of Equalization

### **Excise Taxes and Fees Division**

Environmental Fees Section, MIC:57  
State Board of Equalization  
P.O. Box 942879  
Sacramento, CA 94279-0057  
916-323-9555

**Internet:** [www.boe.ca.gov](http://www.boe.ca.gov)

**Information Center:** 800-400-7115

Call anytime to use our automated fax-back service or to order a form, regulation, or publication. Center staff can help you weekdays from 8:00-5:00 (except state holidays).

### **TDD assistance for the hearing impaired**

800-735-2929 (from TDD phone)  
800-735-2922 (from voice phone)

### **Taxpayers' Rights Advocate: 888-324-2798 (toll-free)**

Call the Board of Equalization's Taxpayers' Rights Advocate's Office if you need help with a problem that you have been unable to resolve at other levels.

### **Tax Evasion Hotline: 888-334-3300 (toll-free) Department of Toxic Substances Control (DTSC)**

**Telephone:** 800-61TOXIC (800-618-6942)

**Internet:** [www.dtsc.ca.gov](http://www.dtsc.ca.gov)

### **U.S. Environmental Protection Agency (EPA)**

**Telephone:** 415-495-8895