

**RELIABLE WHOLESALE LUMBER, INC.**

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September 9, 2013

Mr. Rick Bennion, Regulations Coordinator  
State Board of Equalization  
P.O. Box 942879  
Sacramento, CA 94279-0080

On behalf of my company, Reliable Wholesale Lumber, Inc., I urge the Board of Equalization to provide the reimbursement of up to \$5,500 per location for costs to set up and implement the requirements to adhere to the law set forth by AB-1492, also known as the "Lumber Assessment" as stated in PRC Section 4629.5. As well as an ongoing annual reimbursement of up to \$1500 to enable ongoing changes to the list of assessed products.

We feel that the data used by the Board of Equalization staff in an attempting to find comparative costs data continues to be erroneous, outdated, and not relevant to the issue at hand. A 2006 PricewaterhouseCooper report (using data from 2003) of costs to implement sales tax changes in cash registers is clearly not the same as complex computer systems used in our industry and involves selective wood products to be included or not included under the assessment.

This legislation and subsequent regulations are a significant cost to my business and was difficult to implement and to comply with. To date, we have incurred over \$45,000.00 in IT costs to comply with this new regulation. Most of my peers in the retail lumber business have also had costly and time-consuming computer software and hardware updates.

The law, as passed, clearly provides for the FULL REIMBURSEMENT of lumber retailers for their costs associated with setting up the collection system. Please do not make it any more difficult my business, and the 110 employees of Reliable Lumber Co., to do business and operate in California.

Sincerely,

A handwritten signature in black ink that reads "Will Higman".

Will Higman - COO