

Rule 284 and 1027

Section 100

Complete Rule Making File

OAL Approval with Approved Text Rule 284 and 1027

Index

1. *Form 400 and Proposed Rule 284 and 1027*
2. *Statement of Explanation*

Other Documents Relied upon

- A. *Chief Counsel Memo Dated 08/20/15*
- B. *Minutes, 09/16/15*
- C. *Reporters Transcript, 09/16/15*

**State of California
Office of Administrative Law**

In re:
Board of Equalization

Regulatory Action:

Title 18, California Code of Regulations

Adopt sections:

Amend sections: 284, 1027

Repeal sections:

**NOTICE OF APPROVAL OF CHANGES
WITHOUT REGULATORY EFFECT**

**California Code of Regulations, Title 1,
Section 100**

OAL Matter Number: 2015-1015-01

OAL Matter Type: Nonsubstantive (N)

Due to name changes within the Board of Equalization, this action by the Board amends sections 284 and 1027 as a change without regulatory effect to correctly identify the department or unit that is responsible for the action to be taken under the regulation. In section 284, "Property and Special Taxes Department" is changed to "Property Tax Department." In section 1027, "Timber Tax Division" is changed to "Timber Tax Section."

OAL approves this change without regulatory effect as meeting the requirements of California Code of Regulations, title 1, section 100.

Date: November 10, 2015



Debra M. Cornez
Director

Original: Cynthia Bridges
Copy: Richard Bennion

OFFICE OF ADMINISTRATIVE LAW

300 Capitol Mall, Suite 1250
Sacramento, CA 95814
(916) 323-6225 FAX (916) 323-6826



DEBRA M. CORNEZ
Director

MEMORANDUM

TO: Richard Bennion
FROM: OAL Front Desk
DATE: November 12, 2015
RE: Return of Rulemaking Materials
OAL Matter Number 2015-1015-01
OAL Matter Type Nonsubstantive (N)

OAL hereby returns the rulemaking record your agency submitted for review regarding "Retention and Revocation of Appraiser Certificate."

If this is an approved matter, it contains a copy of the regulation(s) stamped "ENDORSED APPROVED" by the Office of Administrative Law and "ENDORSED FILED" by the Secretary of State. The effective date of an approved regulation is specified on the Form 400 (see item B.5).

Beginning January 1, 2013, unless an exemption applies, Government Code section 11343.4 states the effective date of an approved regulation is determined by the date the regulation is filed with the Secretary of State (see the date the Form 400 was stamped "ENDORSED FILED" by the Secretary of State) as follows:

- (1) **January 1** if the regulation or order of repeal is filed on September 1 to November 30, inclusive.
- (2) **April 1** if the regulation or order of repeal is filed on December 1 to February 29, inclusive.
- (3) **July 1** if the regulation or order of repeal is filed on March 1 to May 31, inclusive.
- (4) **October 1** if the regulation or order of repeal is filed on June 1 to August 31, inclusive.

If an exemption concerning the effective date of the regulation approved in this matter applies, then it will be specified on the Form 400. The Notice of Approval that OAL sends to the agency will include the effective date of the regulation. The history note that will appear at the end of the regulation section in the California Code of Regulations will also include the regulation's effective date. Additionally, the effective date of the regulation will be noted on OAL's web site after OAL posts the Internet Web site link to the full text of the regulation that is received from the agency. (Gov. Code, secs. 11343 and 11344.)

Please note this new requirement: Unless an exemption applies, Government Code section 11343 now requires:

1. Section 11343(c)(1): Within 15 days of OAL filing a state agency's regulation with the Secretary of State, the state agency is required to post the regulation on its Internet Web site in an easily marked and identifiable location. The state agency shall keep the regulation posted on its Internet Web site for at least six months from the date the regulation is filed with the Secretary of State.
2. Section 11343(c)(2): Within five (5) days of posting its regulation on its Internet Web site, the state agency shall send to OAL the Internet Web site link of each regulation that the agency posts on its Internet Web site pursuant to section 11343(c)(1).

OAL has established an email address for state agencies to send the Internet Web site link to for each regulation the agency posts. Please send the Internet Web site link for each regulation posted to OAL at postedregslink@oal.ca.gov.

NOTE ABOUT EXEMPTIONS. Posting and linking requirements do not apply to emergency regulations; regulations adopted by FPPC or Conflict of Interest regulations approved by FPPC; or regulations not subject to OAL/APA review. However, an exempt agency may choose to comply with these requirements, and OAL will post the information accordingly.

DO NOT DISCARD OR DESTROY THIS FILE

Due to its legal significance, you are required by law to preserve this rulemaking record. Government Code section 11347.3(d) requires that this record be available to the public and to the courts for possible later review. Government Code section 11347.3(e) further provides that "...no item contained in the file shall be removed, altered, or destroyed or otherwise disposed of." See also the State Records Management Act (Government Code section 14740 et seq.) and the State Administrative Manual (SAM) section 1600 et seq. regarding retention of your records.

If you decide not to keep the rulemaking records at your agency/office or at the State Records Center, you may transmit it to the State Archives with instructions that the Secretary of State shall not remove, alter, or destroy or otherwise dispose of any item contained in the file. See Government Code section 11347.3(f).

Enclosures

SUMMARY OF REGULATORY ACTIONS

REGULATIONS FILED WITH SECRETARY OF STATE

This Summary of Regulatory Actions lists regulations filed with the Secretary of State on the dates indicated. Copies of the regulations may be obtained by contacting the agency or from the Secretary of State, Archives, 1020 O Street, Sacramento, CA 95814, (916) 653-7715. Please have the agency name and the date filed (see below) when making a request.

File# 2015-1001-01
BOARD OF EQUALIZATION
 Innocent Spouse or Registered Domestic Partner Relief from Liability

This rulemaking by the State Board of Equalization (Board) amends sections in Title 18 of the California Code of Regulations regarding the process for consideration of taxpayer requests for innocent spouse and other equitable relief. The process for requesting such relief is modified to allow Board staff and the Board to consider whether a taxpayer qualifies for innocent spouse and other equitable forms of relief concurrently, rather than the existing process, which potentially requires multiple requests for relief by the taxpayer and multiple level of review by Board staff and the Board. The amendments do not change the substantive requirements for granting or denying innocent spouse and other equitable relief.

Title 18
 AMEND: 1705.1, 4903, 5240, 5241, 5242
 Filed 11/05/2015
 Effective 01/01/2016
 Agency Contact: Richard Bennion (916)445-2130

File# 2015-1015-01
BOARD OF EQUALIZATION
 Retention and Revocation of Appraiser Certificate

Summary of Rulemaking — Due to name changes within the Board of Equalization, this action by the Board amends sections 284 and 1027 as a change without regulatory effect to correctly identify the department or unit that is responsible for the action to be taken under the regulation. In section 282, “Property and Special Taxes Department” is changed to “Property Tax Department.” In section 1027, “Timber Tax Division” is changed to “Timber Tax Section.”

Title 18
 AMEND: 284, 1027
 Filed 11/10/2015
 Agency Contact: Richard Bennion (916)445-2130

File# 2015-1029-03
CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE
 QRRP and SPH Evaluation Criteria/TCAC Miscellaneous

The California Debt Limit Allocation Committee submitted this emergency action to adopt three sections, amend 23 sections, and repeal one section under title 4 of the California Code of Regulations, and to amend six incorporated by reference forms. The proposed action updates evaluation criteria for the Qualified Residential Rental Program and the Single Family Housing Program so that the programs are consistent with California Tax Credit Allocation Committee regulations and applicants interested in these programs can take full advantage of them. The proposed action should result in creating more low-income housing developments, providing public benefits to the residents of these projects, and providing single family housing ownership opportunities to low-to-moderate income residents in California.

Title 4
 ADOPT: 5258, 5271, 5273 AMEND: 5033, 5052, 5100, 5102 (renumbered to 5101), 5103 (renumbered to 5102), 5104 (renumbered to 5103), 5105 (renumbered to 5104), 5106 (renumbered to 5105), 5107 (renumbered to 5106), 5132, 5170, 5190, 5191, 5192, 5200, 5205, 5210, 5230, 5232, 5250, 5255, 5260, 5267 REPEAL: 5101
 Filed 11/09/2015
 Effective 11/09/2015
 Agency Contact: Brian Clark (916)653-8183

File# 2015-1013-05
DEPARTMENT OF CORRECTIONS AND REHABILITATION
 Administration of Death Penalty — Repeal

In *Sims v. Department of Corrections and Rehabilitation* (2013) 216 Cal.App.4th 1059, 157 Cal.Rptr.3d 409, the court held the regulatory action taken by the Department that amended section 3349 and adopted sections 3349.1.1 through 3349.4.6, inclusive, of title 15, and filed with the Secretary of State on July 30, 2010 (OAL file no. 2010-0706-02SR), was invalid. This current filing by the Department is to remove the regulations, held to be invalid by the court, from the California Code of Regulations as a change without regulatory effect.

Rule 284 and 1027
Section 100

Index

1. *Form 400 and Proposed Rule 284 and 1027*
2. *Statement of Explanation*

NOTICE PUBLICATION/REGULATIONS SUBMISSION

(See instructions on reverse)

For use by Secretary of State only

STD. 400 (REV. 01-2013)

NONSUBSTANTIVE

ENDORSED - FILED
In the office of the Secretary of State
of the State of California

NOV 10 2015

1567M

OAL FILE NUMBERS	NOTICE FILE NUMBER Z-	REGULATORY ACTION NUMBER 2015-1015-01N	EMERGENCY NUMBER
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For use by Office of Administrative Law (OAL) only

<p style="text-align: center;">NOTICE</p>	<p style="text-align: center;">REGULATIONS</p>
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2015 OCT 15 A 8:37

OFFICE OF
ADMINISTRATIVE LAW

AGENCY WITH RULEMAKING AUTHORITY State Board of Equalization	AGENCY FILE NUMBER (if any)
------------------------------------------------------------------------	-----------------------------

A. PUBLICATION OF NOTICE (Complete for publication in Notice Register)

1. SUBJECT OF NOTICE	TITLE(S)	FIRST SECTION AFFECTED	2. REQUESTED PUBLICATION DATE
3. NOTICE TYPE <input type="checkbox"/> Notice re Proposed Regulatory Action <input type="checkbox"/> Other	4. AGENCY CONTACT PERSON	TELEPHONE NUMBER	FAX NUMBER (Optional)
OAL USE ONLY	ACTION ON PROPOSED NOTICE <input type="checkbox"/> Approved as Submitted <input type="checkbox"/> Approved as Modified <input type="checkbox"/> Disapproved/Withdrawn		NOTICE REGISTER NUMBER PUBLICATION DATE

B. SUBMISSION OF REGULATIONS (Complete when submitting regulations)

1a. SUBJECT OF REGULATION(S) Retention and Revocation of Appraiser Certificate	1b. ALL PREVIOUS RELATED OAL REGULATORY ACTION NUMBER(S)
-----------------------------------------------------------------------------------	----------------------------------------------------------

2. SPECIFY CALIFORNIA CODE OF REGULATIONS TITLE(S) AND SECTION(S) (Including title 26, if toxics related)	
SECTION(S) AFFECTED (List all section number(s) individually. Attach additional sheet if needed.)	ADOPT AMEND 284, 1027 REPEAL
TITLE(S) 18	

3. TYPE OF FILING			
<input type="checkbox"/> Regular Rulemaking (Gov. Code §11346)	<input type="checkbox"/> Certificate of Compliance: The agency officer named below certifies that this agency complied with the provisions of Gov. Code §§11346.2-11347.3 either before the emergency regulation was adopted or within the time period required by statute.	<input type="checkbox"/> Emergency Readopt (Gov. Code, §11346.1(h))	<input checked="" type="checkbox"/> Changes Without Regulatory Effect (Cal. Code Regs., title 1, §100)
<input type="checkbox"/> Resubmittal of disapproved or withdrawn nonemergency filing (Gov. Code §§11349.3, 11349.4)	<input type="checkbox"/> Resubmittal of disapproved or withdrawn emergency filing (Gov. Code, §11346.1)	<input type="checkbox"/> File & Print	<input type="checkbox"/> Print Only
<input type="checkbox"/> Emergency (Gov. Code, §11346.1(b))		<input type="checkbox"/> Other (Specify) _____	

4. ALL BEGINNING AND ENDING DATES OF AVAILABILITY OF MODIFIED REGULATIONS AND/OR MATERIAL ADDED TO THE RULEMAKING FILE (Cal. Code Regs. title 1, §44 and Gov. Code §11347.1)

5. EFFECTIVE DATE OF CHANGES (Gov. Code, §§ 11343.4, 11346.1(d); Cal. Code Regs., title 1, §100)			
<input type="checkbox"/> Effective January 1, April 1, July 1, or October 1 (Gov. Code §11343.4(a))	<input type="checkbox"/> Effective on filing with Secretary of State	<input checked="" type="checkbox"/> \$100 Changes Without Regulatory Effect	<input type="checkbox"/> Effective other (Specify)

6. CHECK IF THESE REGULATIONS REQUIRE NOTICE TO, OR REVIEW, CONSULTATION, APPROVAL OR CONCURRENCE BY, ANOTHER AGENCY OR ENTITY			
<input type="checkbox"/> Department of Finance (Form STD. 399) (SAM §6660)	<input type="checkbox"/> Fair Political Practices Commission	<input type="checkbox"/> State Fire Marshal	
<input type="checkbox"/> Other (Specify) _____			

7. CONTACT PERSON Richard E. Bennion	TELEPHONE NUMBER (916) 445-2130	FAX NUMBER (Optional) (916) 324-3984	E-MAIL ADDRESS (Optional) rbennion@boe.ca.gov
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8. **I certify that the attached copy of the regulation(s) is a true and correct copy of the regulation(s) identified on this form, that the information specified on this form is true and correct, and that I am the head of the agency taking this action, or a designee of the head of the agency, and am authorized to make this certification.**

SIGNATURE OF AGENCY HEAD OR DESIGNEE 	DATE October 14, 2015
TYPED NAME AND TITLE OF SIGNATORY Joann Richmond, Chief, Board Proceedings Division	

For use by Office of Administrative Law (OAL) only

ENDORSED APPROVED

NOV 10 2015

Office of Administrative Law

Text of Proposed Change to
California Code of Regulations, Title 18, Section 284

284. Retention and Revocation of Appraiser Certificate.

(a) . . . (unchanged).

(b) . . . (unchanged).

(1) . . . (unchanged).

(2) . . . (unchanged).

(c) . . . (unchanged):

(1) . . . (unchanged).

(2) . . . (unchanged).

(3) . . . (unchanged).

(4) . . . (unchanged).

(5) . . . (unchanged).

(6) . . . (unchanged).

(7) If the appraiser fails to participate in the conference call or attend the meeting with the panel or fails to follow the established plan, as set forth in subparagraphs (5) and (6) above, and remains delinquent at the end of the time frame specified, the panel will inform the Deputy Director of the Board's Property ~~Tax~~ and ~~Special Taxes~~ Department, or his or her designee, that proceedings should be initiated to revoke the appraiser's certificate. A certified letter will be sent to the appraiser and the assessor or division chief by the Deputy Director, or his or her designee, regarding the Board's decision to initiate formal revocation proceedings.

(d) . . . (unchanged).

(e) . . . (unchanged).

Note: Authority cited: Section 15606, Government Code. Reference: Sections 670 and 671, Revenue and Taxation Code.

Text of Proposed Change to
California Code of Regulations, Title 18, Section 1027

1027. U. S. Forest Service Timber Volumes.

(a) . . . (unchanged).

(b) . . . (unchanged).

(c) . . . (unchanged).

(d) Other Methods of Reporting. Timber harvested pursuant to U. S. Forest Service timber sale contracts may be reported on a basis other than (b) or (c), above, only if a written description of the reporting basis to be used is submitted to and is authorized by the Timber Tax ~~Section~~Division prior to the due date of the return and prior to reporting.

Note: Authority cited: Section 15606, Government Code; Sections 38108 and 38701, Revenue and Taxation Code. Reference: Sections 38108 and 38115, Revenue and Taxation Code.

CHANGES WITHOUT REGULATORY EFFECT UNDER
CALIFORNIA CODE OF REGULATIONS, TITLE 1, SECTION 100

Statement of Explanation

Title 18. Public Revenues

Section 284. *Retention and Revocation of Appraiser Certificate.*

Section 1027. *U. S. Forest Service Timber Volumes.*

A. Factual Basis

1. Rule 284

Subdivision (c)(7) of California Code of Regulations, title 18, section (Rule) 284, *Retention and Revocation of Appraiser Certificate*, currently requires the “Deputy Director of the [State Board of Equalization’s (Board’)] Property and Special Taxes Department” to be informed when proceedings should be initiated to revoke a person’s Board certification to perform the duties of an appraiser for property tax purposes because the person has not satisfied the annual training requirement for certified appraisers set forth in Revenue and Taxation Code section 671. However, due to organizational changes, the Board recently created a new Property Tax Department and assigned the new department the property tax related duties previously performed by the Property and Special Taxes Department. Therefore, the Board proposes to change subdivision (c)(7) of Rule 284 to refer to the Deputy Director of the new “Property Tax Department,” instead of the Deputy Director of the former Property and Special Taxes Department.

The Board has determined that the proposed change to Rule 284 is appropriate for processing under California Code of Regulations, title 1, section (Rule) 100. This is because the change updates subdivision (c)(7) of Rule 284 to refer to the Board’s Deputy Director that is currently responsible for performing the duties referred to in that subdivision, but does not alter the duties that the Deputy Director is currently required to perform under the subdivision, and, as a result, the change does not materially alter any requirement, right, responsibility, condition, prescription or other regulatory element of any California Code of Regulations provision.

2. Rule 1027

Rule 1027, *U. S. Forest Service Timber Volumes*, requires U.S. Forest Service timber sale contract holders to report their timber volumes harvested for purposes of the timber yield tax imposed under the Timber Yield Tax Law (RTC, § 38101 et seq.) using the reporting basis prescribed by subdivision (b) (reporting based on Timber Sale Statements of Account) or subdivision (c) (reporting based on timber volumes actually harvested and billed for by the U.S.

Forest Service) of the rule. In addition, subdivision (d) of the rule currently permits timber volumes harvested to be reported using an alternative basis, but “only if a written description of the reporting basis to be used is submitted to and is authorized by the [Board’s] Timber Tax Division prior to the due date of the return and prior to reporting.” However, due to organizational changes, the division that was formerly known as the Timber Tax Division is now located in the Board’s State-Assessed Properties Division and currently called the “Timber Tax Section,” although the unit has the same duties as it did before it was relocated and renamed. Therefore, the Board proposes to change subdivision (d) of Rule 1027 to refer to the “Timber Tax Section,” instead of the Timber Tax Division.

The Board has determined that the proposed change to Rule 1027 is appropriate for processing under Rule 100. This is because the change updates subdivision (d) of Rule 1027 to refer to the former “Timber Tax Division” by its current name, which is the “Timber Tax Section,” but the change does not alter the rule’s requirements that alternative reporting basis be submitted to and approved by the Board’s unit responsible for administering the timber yield tax, and, as a result, the change does not materially alter any requirement, right, responsibility, condition, prescription or other regulatory element of any California Code of Regulations provision.

B. Proposed Changes

The following Rule 100 changes are proposed to Rule 284 and 1027:

TEXT OF PROPOSED CHANGES

284. Retention and Revocation of Appraiser Certificate.

- (a) . . . (unchanged).
- (b) . . . (unchanged).
 - (1) . . . (unchanged).
 - (2) . . . (unchanged).
- (c) . . . (unchanged):
 - (1) . . . (unchanged).
 - (2) . . . (unchanged).
 - (3) . . . (unchanged).
 - (4) . . . (unchanged).

(5) . . . (unchanged).

(6) . . . (unchanged).

(7) If the appraiser fails to participate in the conference call or attend the meeting with the panel or fails to follow the established plan, as set forth in subparagraphs (5) and (6) above, and remains delinquent at the end of the time frame specified, the panel will inform the Deputy Director of the Board's Property ~~Tax~~ and ~~Special Taxes~~ Department, or his or her designee, that proceedings should be initiated to revoke the appraiser's certificate. A certified letter will be sent to the appraiser and the assessor or division chief by the Deputy Director, or his or her designee, regarding the Board's decision to initiate formal revocation proceedings.

(d) . . . (unchanged).

(e) . . . (unchanged).

Note: Authority cited: Section 15606, Government Code. Reference: Sections 670 and 671, Revenue and Taxation Code.

1027. U. S. Forest Service Timber Volumes.

(a) . . . (unchanged).

(b) . . . (unchanged).

(c) . . . (unchanged).

(d) Other Methods of Reporting. Timber harvested pursuant to U. S. Forest Service timber sale contracts may be reported on a basis other than (b) or (c), above, only if a written description of the reporting basis to be used is submitted to and is authorized by the Timber Tax ~~Section~~ Division prior to the due date of the return and prior to reporting.

Note: Authority cited: Section 15606, Government Code; Sections 38108 and 38701, Revenue and Taxation Code. Reference: Sections 38108 and 38115, Revenue and Taxation Code.

Memorandum

To: Ms. Cynthia Bridges
Executive Director, MIC:73

Date: August 20, 2015

From: 
Randy Ferris
Chief Counsel

Subject: **Board Meeting, September 16-17, 2015**
Item J - Chief Counsel's Rulemaking Calendar
Property Tax Rule 284, *Retention and Revocation of Appraiser Certificate*, and
Property Tax Rule 1027, *U.S. Forest Service Timber Volume*

We request your approval to place proposed changes to Property Tax Rules 284, *Retention and Revocation of Appraiser Certificate*, and 1027, *U.S. Forest Service Timber Volumes*, on the Chief Counsel's Rulemaking Calendar for the September 16-17, 2015, Board meeting. The proposed changes update the rules to reflect organizational changes that have taken place at the Board.

Subdivision (c)(7) of Property Tax Rule 284 currently requires the "Deputy Director of the Property and Special Taxes Department" to be informed when proceedings should be initiated to revoke a person's Board certification to perform the duties of an appraiser for property tax purposes because the person has not satisfied the annual training requirement for certified appraisers set forth in Revenue and Taxation Code section 671. However, the Board recently created a new Property Tax Department and assigned the new department the property-tax-related duties previously performed by the Property and Special Taxes Department. Therefore, the proposed changes update subdivision (c)(7) of Property Tax Rule 284 to refer to the Deputy Director of the new "Property Tax Department," instead of the Deputy Director of the Property and Special Taxes Department.

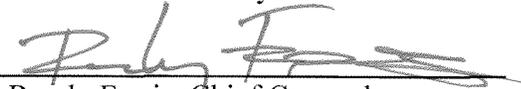
Property Tax Rule 1027 requires U.S. Forest Service timber sale contract holders to report their timber volumes harvested for purposes of the Timber Yield Tax using the reporting basis prescribed by subdivision (b) (reporting based on Timber Sales Statements of Account) or subdivision (c) (reporting based on timber volumes actually harvested and billed for by the U.S. Forest Service). However, subdivision (d) of the rule currently permits timber volumes harvested to be reported using an alternative basis, but "only if a written description of the reporting basis to be used is submitted to and is authorized by the Timber Tax Division prior to the due date of the return and prior to reporting." However, due to organizational changes, the Timber Tax Division is now located in the State-Assessed Properties Division and called the "Timber Tax Section." Therefore, the proposed changes update subdivision (d) of Property Tax Rule 1027 to refer to the "Timber Tax Section," instead of the Timber Tax Division.

Staff will request the Board's authorization to make the changes to Property Tax Rules 284 and 1027 under California Code of Regulations, title 1, section (Rule) 100, without the normal notice and public hearing process. The changes are appropriate for processing under Rule 100 because they update the rules to reflect organizational changes, and do not materially alter any requirement, right, responsibility, condition, prescription or other regulatory element of any California Code of Regulations provision.

Attached are ~~strikeout~~ and underlined versions of the rules illustrating the proposed revisions.

If you have any questions regarding this request, please let me know or contact Mr. Bradley Heller at (916) 323-3091.

Recommendation by:


Randy Ferris, Chief Counsel

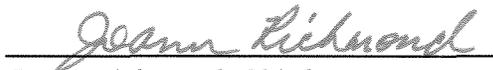
Approved:


Cynthia Bridges, Executive Director

Approved:

Dean Kinnee, Deputy Director
Property Tax Department

BOARD APPROVED
At the 9-16-15 Board Meeting


Joann Richmond, Chief
Board Proceedings Division

Attachments: ~~Strikeout~~ and underlined versions of the proposed regulatory changes

- cc: Mr. Dean Kinnee (MIC:64)
- Ms. Joann Richmond (MIC:80)
- Mr. Robert Tucker (MIC:82)
- Mr. Benjamin Tang (MIC:64)
- Mr. Richard Moon (MIC:82)
- Mr. Bradley M. Heller (MIC:82)
- Ms. Glenna Schultz (MIC:64)

Proposed Changes to Property Tax Rule 284

284. Retention and Revocation of Appraiser Certificate.

(a) A person who holds a permanent certificate to perform the duties of an appraiser for property tax purposes in the service of the state, a county, a city and county, or an appraisal commission shall adhere to the annual training requirements as set forth in section 671 of the Revenue and Taxation Code. The training requirement for an appraiser's certificate or advanced appraiser's certificate shall be met for each fiscal year, commencing July 1 and ending June 30. Failure to obtain such training shall constitute grounds for revocation of the appraiser's certificate or advanced appraiser's certificate.

(b) In calculating the number of training hours completed for the current fiscal year, any excess hours earned from attending training in prior years shall be counted first.

(1) To retain an appraiser's certificate, excess training hours over the 24-hour annual requirement may be carried forward as a credit a maximum of three years, with a maximum of 72 training hours available for carryover into future years.

(2) To retain an advanced appraiser's certificate, excess training hours over the 12-hour annual requirement may be carried forward as a credit a maximum of two years, with a maximum of 24 training hours available for carryover into future years. Excess training hours carried forward from prior years shall be applied on a first in/first out basis, such that training hours available for the earliest year of carryover shall be credited first.

(c) The Board shall initiate informal revocation procedures if, upon review of an individual's annual training report, the appraiser appears to be deficient in meeting the annual training requirement. The steps of the informal revocation process are as follows:

(1) A letter will be sent to the appraiser who appears to have deficient training hours and to the assessor of the county or the city and county where the appraiser is employed or to the appropriate Board division chief. The assessor or division chief shall indicate whether or not the person is still employed by that office as an appraiser and, if applicable, should note whether the appraiser has transferred to another county, city and county, or Board division or if the person is no longer employed by any of these offices as an appraiser.

(2) The letter sent to the appraiser will be accompanied by a report of the training and respective hours completed by the individual so that the appraiser will have an opportunity to reconcile his or her records with the report. If training has been completed but has not been included on the training report, the name of the course, date and proof of completion, and training hours earned must be submitted. For non-Board provided courses, a course outline or seminar agenda must also be submitted. Written corrections and/or changes to the report must be submitted no later than 30 calendar days after receipt of the letter advising the appraiser of the deficiency in training hours. No later than 30 calendar days after the receipt of this information, Board staff will review the information submitted and make necessary changes to the appraiser's training hours, if warranted, and notify the appraiser whether or

not the corrections and/or changes have been accepted. A copy of the revised training report will be sent to the appraiser.

(3) If the appraiser is, in fact, deficient in training hours, a written plan on resolving the deficiency, as well as a plan for meeting the training requirements for the current fiscal year, must be submitted by the appraiser to the Board within 30 calendar days of receiving the above notification. The plan shall be submitted to the Board after the appraiser has consulted with and provided a copy of the plan to the assessor or Board division chief.

(4) If the Board does not receive a response by the specified date, Board staff will contact the appraiser to determine the reason for the lack of a response. If the written plan is not received within 10 calendar days from the follow-up contact date, a certified letter will be mailed to the appraiser advising him or her of a conference call or meeting with a panel of Board staff to remedy the deficiency. This letter will also be sent to the assessor or Board division chief and will indicate the date, time, and location (if applicable) of the conference call or meeting.

(5) During the conference call or meeting, the appraiser and the panel will discuss the training deficiencies and establish a plan to make up the deficiency and to satisfy the annual training requirements for the current fiscal year. The assessor or Board division chief, or their representative, may participate in the conference call or meeting. If the appraiser is unable to participate in the conference call or attend the meeting on the scheduled date, the appraiser must reschedule the conference call or meeting with the panel for a date within 30 calendar days of the originally scheduled date.

(6) If the appraiser presents an acceptable plan to the panel to make up the deficiencies, the Board shall notify the appraiser and the assessor or Board division chief. No further action will be taken unless the appraiser fails to meet the requirements of the plan by the deadline agreed upon by the parties.

(7) If the appraiser fails to participate in the conference call or attend the meeting with the panel or fails to follow the established plan, as set forth in subparagraphs (5) and (6) above, and remains delinquent at the end of the time frame specified, the panel will inform the Deputy Director of the Board's Property ~~Tax and Special Taxes~~ Department, or his or her designee, that proceedings should be initiated to revoke the appraiser's certificate. A certified letter will be sent to the appraiser and the assessor or division chief by the Deputy Director, or his or her designee, regarding the Board's decision to initiate formal revocation proceedings.

(d) Formal revocation proceedings shall be initiated if the foregoing informal revocation process could not satisfactorily resolve the appraiser's deficiency in training hours. Formal revocation proceedings shall be conducted in a hearing before an administrative law judge in accordance with the Administrative Procedure Act contained in Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code.

(e) Holders of certificates shall report to the Board the training and respective hours completed for each fiscal year ending June 30. Reporting required by this subsection shall be effective as of the fiscal year commencing July 1, 2003.

Note: Authority cited: Section 15606, Government Code. Reference: Sections 670 and 671, Revenue and Taxation Code.

Proposed Changes to Property Tax Rule 1027

1027. U. S. Forest Service Timber Volumes.

(a) General. U. S. Forest Service timber sale contract holders shall report timber volumes harvested as hereinafter provided.

(b) Scaled Volume Billings. The Timber Sale Statement of Account (TSSA) is the basis for most U. S. Forest Service billing statements. Timber volumes shall be reported for the quarters reflected by the Timber Sale Statements of Account (e.g., April, May, and June, 1980 TSSA volumes shall be reported for the second quarter of 1980).

(c) Lump-Sum Billings. Timber volumes actually harvested, regardless of the volume purchased from, and billed for by the U. S. Forest Service, shall be reported for the quarters in which scaled. Timber sale contract holders must get and retain scaling data for such volumes.

(d) Other Methods of Reporting. Timber harvested pursuant to U. S. Forest Service timber sale contracts may be reported on a basis other than (b) or (c), above, only if a written description of the reporting basis to be used is submitted to and is authorized by the Timber Tax ~~Section~~Division prior to the due date of the return and prior to reporting.

Note: Authority cited: Section 15606, Government Code; Sections 38108 and 38701, Revenue and Taxation Code. Reference: Sections 38108 and 38115, Revenue and Taxation Code.

Wednesday, September 16, 2015

Sprint Telephony PCS, L.P. (2720)

2012 to 2014, \$2,507,257.00 Value

Action: Upon motion of Mr. Runner, seconded by Ms. Harkey and unanimously carried, Mr. Horton, Mr. Runner, Ms. Ma and Ms. Harkey voting yes, Ms. Stowers not participating in accordance with Government Code section 7.9, the Board adopted the unitary land escaped assessment as recommended by staff.

Digital West Networks, Inc. (8148)

2014, \$925,000.00 Value

Action: Upon motion of Mr. Runner, seconded by Ms. Harkey and unanimously carried, Mr. Horton, Mr. Runner, Ms. Ma and Ms. Harkey voting yes, Ms. Stowers not participating in accordance with Government Code section 7.9, the Board adopted the unitary land escaped assessment as recommended by staff.

OFFER-IN-COMPROMISE RECOMMENDATIONS

Action: Upon motion of Ms. Stowers, seconded by Ms. Harkey and unanimously carried, Mr. Horton, Mr. Runner, Ms. Ma, Ms. Harkey and Ms. Stowers voting yes, the Board approved the Offer in Compromise Recommendations of *Alice Marrion Chavez and Allen Benjamin Chavez; Felixberto M. Garcia and FJMM, Inc.; John Eldridge Groth; Oma Haiderzada; Elena Jurado; James Patrick Karabian; Rana Irfan Khalid; Byung S. Kim and KJAB Corp.; Elie Eli Maroun; Lynn P. Nguyen; Daljit Singh Sidhu and Nanak, Inc.; Bob Spaulding; Gregory Martin Stephenson; and, Gerardo Zendejas; as recommended by staff.*

CHIEF COUNSEL MATTERS**RULEMAKING****Section 100 Changes****Property Tax Rules 284, Retention and Revocation of Appraiser Certificate, and 1027, U. S. Forest Service Timber Volumes**

Bradley Heller, Tax Counsel, Tax & Fee Programs Division, Legal Department, made introductory remarks regarding staff's request for authorization to make Rule 100 changes to update Rule 284 to refer to the Deputy Director of the "Property Tax Department," and update Rule 1027 to refer to the "Timber Tax Section" (Exhibit 9.7).

Action: Upon motion of Ms. Harkey, seconded by Ms. Ma and unanimously carried, Mr. Horton, Mr. Runner, Ms. Ma, Ms. Harkey and Ms. Stowers voting yes, the Board approved authorization to make Rule 100 changes to Property Tax Rules 284 and 1027 as recommended by staff.

Sales and Use Tax Regulation 1533.1, Farm Equipment and Machinery

Bradley Heller, Tax Counsel, Tax & Fee Programs Division, Legal Department, made introductory remarks regarding staff's request for authorization to make Rule 100 changes to incorporate provisions in Regulation 1533.1 into footnotes 1 and 2 to the partial exemption certificate in Appendix B of the regulation (Exhibit 9.8).

BEFORE THE CALIFORNIA STATE BOARD OF EQUALIZATION

450 N STREET
SACRAMENTO, CALIFORNIA

REPORTER'S TRANSCRIPT

SEPTEMBER 16, 2015

CHIEF COUNSEL MATTERS

J RULEMAKING

SECTION 100 CHANGES

J1 PROPERTY TAX RULES 284, RETENTION AND REVOCATION
OF APPRAISER CERTIFICATE, and 1027, U.S. FOREST
SERVICE TIMBER VOLUMES

REPORTED BY: Kathleen Skidgel

CSR NO. 9039

P R E S E N T

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For the Board
of Equalization:

Jerome E. Horton
Chairman

Sen. George Runner (Ret.)
Vice Chair

Fiona Ma, CPA
Member

Diane L. Harkey
Member

Yvette Stowers
Appearing for Betty T.
Yee, State Controller
(per Government Code
Section 7.9)

Joann Richmond
Chief
Board Proceedings
Division

For Staff:

Bradley Heller
Legal Department

---oOo---

1 450 N STREET
2 SACRAMENTO, CALIFORNIA
3 SEPTEMBER 16, 2015

4 ---oOo---

5 MR. HORTON: Ms. Richmond.

6 MS. RICHMOND: Our next matter are Chief
7 Counsel Matters. Item J, Rulemaking, we have
8 Section 100 Changes; Item J1, Property Tax Rules
9 284, Retention and Revocation of Appraiser
10 Certificate, and 1027, U.S. Forest Service Timber
11 Values -- excuse me -- Volumes.

12 MR. HORTON: Mr. Heller, would you please
13 introduce the issues in this case.

14 MR. HELLER: Yes, thank you.

15 Good evening, Chairman Horton and Members
16 of the Board. I'm Bradley Heller with the Board's
17 Legal Department, and I'm here to request that the
18 Board vote to authorize staff to complete Rule 100
19 changes to update Property Tax Rule 284 so that it
20 refers to the Deputy Director of the Board's new
21 Property Tax Department and update Property Tax Rule
22 1027 so that it refers to the Timber Tax Section
23 instead of the Timber Tax Division.

24 MR. HORTON: Members, these changes are
25 nonsubstantive in nature.

26 Is there a motion to adopt staff
27 recommendation?

28 MS. HARKEY: So moved.

1 MR. HORTON: Moved by Member Harkey.

2 Second by Member Ma.

3 Without objection, such will be the order.

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REPORTER'S CERTIFICATE

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State of California)
) ss
County of Sacramento)

I, KATHLEEN SKIDGEL, Hearing Reporter for the California State Board of Equalization certify that on September 16, 2015 I recorded verbatim, in shorthand, to the best of my ability, the proceedings in the above-entitled hearing; that I transcribed the shorthand writing into typewriting; and that the preceding pages 1 through 4 constitute a complete and accurate transcription of the shorthand writing.

Dated: September 22, 2015

Kathleen Skidgel

KATHLEEN SKIDGEL, CSR #9039

Hearing Reporter

