



STATE BOARD OF EQUALIZATION

450 N STREET, SACRAMENTO, CALIFORNIA  
PO BOX 942879, SACRAMENTO, CALIFORNIA 94279-0080  
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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**  
**April 26-27, 2016**  
**NOTICE AND AGENDA**  
**Meeting Agenda (as of 4/26/2016, 4:30 PM)**

[Agenda Changes](#)

[Webcast on Tuesday, April 26, 2016](#)

**Tuesday, April 26, 2016**

**9:00 a.m. Pledge of Allegiance**

**Board Meeting Convenes\***

Agenda items occur in the order in which they appear on the agenda. When circumstances warrant, the Board's Chair may modify the order of the items on the agenda. Items may be postponed to a subsequent day; however, items will not be moved to an earlier day or to an earlier session on the same day.

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**  
(Contribution Disclosure forms required pursuant to Gov. Code, § 15626.)

- ~~B1a. Nicholas L. Alford and Shannon M. Alford, 788398 +~~
- ~~B1b. Stephen E. Avoyer and Pamela G. Avoyer, 788396 +~~
- ~~B1c. Kenneth J. Flocke and Janice M. Flocke, 788395 +~~
- ~~B1d. David L. Malcolm and Annie Malcolm, 788399 +~~
- ~~B1e. Dietmar Schott, 788400 +~~
- ~~B1f. Roger K. Swift and Sharon M. Swift, 788401 +~~
- ~~B1g. William R. Thaxton and Van Thaxton, 788402 +~~
- ~~B1h. Estate of John M. Tworoger (Dec'd) and Brenda K. Tworoger, 788403 +~~  
  - ~~For Appellants: \_\_\_\_\_ Bruce M. O'Brien, Attorney~~
  - ~~For Franchise Tax Board: David Gemmingen, Tax Counsel~~
  - ~~\_\_\_\_\_ Ciro Immordino, Tax Counsel~~

- B2. [Edward A. Galigher, 824270 +](#)**  
  - For Appellant: Edward A. Galigher, Taxpayer
  - For Franchise Tax Board: Eric Brown, Tax Counsel  
Diane Ewing, Tax Counsel

- B3.** [Irvin J. Himmelberg and Peggy Jo Himmelberg, 866627 +](#)  
 For Appellants: Irvin J. Himmelberg, Taxpayer  
 For Franchise Tax Board: Brad Coutinho, Tax Counsel  
 Marguerite Mosnier, Tax Counsel

**1:30 p.m. Board Meeting Reconvenes\***

**B. Corporate Franchise and Personal Income Tax Appeals Hearings**  
 (Contribution Disclosure forms required pursuant to Gov. Code, § 15626.)

- ~~B4. [Marsha A. Wilkerson, 857552 +](#)  
 For Appellant: ~~Marsha A. Wilkerson, Taxpayer~~  
~~Vernon Le Beau, Witness~~  
 For Franchise Tax Board: ~~Brad Coutinho, Tax Counsel~~  
~~Marguerite Mosnier, Tax Counsel~~~~

- B5a.** [Brian N. Khoury, 867810 +](#)  
**B5b.** [Jason B. Khoury and Lisa B. Khoury, 867855 +](#)  
**B5c.** [Noelle K. Ludwig and Timothy S. Ludwig, 867874 +](#)  
 For Appellants: Michael C. Hamersley, Attorney  
 For Franchise Tax Board: Roman Johnston, Tax Counsel  
 Michael Cornez, Tax Counsel

The following matters are scheduled for Wednesday, April 27, 2016.

**C. Sales and Use Tax Appeals Hearing**  
**D. Special Taxes Appeals Hearing**

- E.** Property Tax Appeals Hearings  
 There are no items for this matter.

**F. Public Hearings**

- F1.** Property Taxes - State Assesseees' Presentations on the Valuation of State-Assessed Properties..... Mr. Thompson  
 The Board will hear state assesseees' presentations on the valuation of state-assessed properties.  
 Speaker: Peter Michaels, Law Office of Peter Michaels
- F2.** [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, including sales and use taxes, environmental fees, fuel taxes, and excise taxes, and any problems identified in the Taxpayers' Rights Advocate's [Annual Report +](#).

F3. [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, including state and county property taxes, and any problems identified in the Taxpayers' Rights Advocate's [Annual Report +](#).

### Special Presentations

Employee Recognition Award Program 2015-16..... Mr. Gau

The Board will honor BOE employees receiving the Employee Recognition Award in the 2015-16 award cycle.

### G. Tax Program Nonappearance Matters – Consent

(Contribution Disclosure forms not required pursuant to Gov. Code, § 15626.)

G1. Legal Appeals Matters ..... Mr. Angeja

- Petition for Release of Seized Property
  1. Mahmoud M. Attaalla, 932874 (STF)

G2. Franchise and Income Tax Matters ..... Mr. Epolite

- Hearing Notice Sent – No Response
  1. Himanshu Joglekar, 759259
- Decisions
  2. Tracey L. Bahlo, 603241
  3. Mark J. Becker, 862120
  4. Wenes H. Chung and Bonnie Chung, 843026
  5. Scott Davis, 854558
  6. Hue Hospitality, Inc., 841156
  7. Scott M. King, 859649
  8. Vivienne Ko, 870537
  9. Richard F. Marston, Jr., 839210
  10. Ronald D. Mass and Pamela S. Mass, 874820
  11. Mervyn A. Pipersburgh, Sr., 852685
  12. Edward D. Rodriguez, 809241
  13. Silicon Color, Inc., 782765
  14. Debra A. Smither, 852547
  15. Southern California Diagnostic Imaging, Inc., 851574
- Petitions for Rehearing
  - 16a. William R. Dobkin and Donya Dobkin, 728014
  - 16b. Deborah M. Dobkin, 725828

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  
There are no items for this matter.

**I. Tax Program Nonappearance Matters**

(Contribution Disclosure forms not required pursuant to Gov. Code, § 15626.)

- I1. Property Taxes Matters  
There are no items for this matter.
- I2. Offer in Compromise Recommendations ..... Mr. Anderson
  - 1. Veronica Diaz
  - 2a. Alvin Irwin Horwitz
  - 2b. Joanne Annabelle Ricklin
  - 3. Ramin Khaloo
  - 4. Kathleen R. Parisia
  - 5. John Thomas Perez
  - 6. Prototypes Plus, Inc.
  - 7a. Quality One Test Fixturing, Inc.
  - 7b. Mark Richard Bartholomew
  - 8a. Heriberto Garcia Rico
  - 8b. Maria S. Garcia
  - 9a. James Andrew Shoemaker
  - 9b. Mary Shoemaker
  - 9c. Coastal Pizza
  - 9d. Watsonville Pizza, Inc.
- I3. Local Tax Reallocation Matters  
There are no items for this matter.

**Chief Counsel Matters**

Items that appear under these matters provide information to the Members and may require Board action or direction.

There are no items for the following matters:

- J. Rulemaking
- K. Business Taxes
- L. Property Taxes

**M. Other Chief Counsel Matters****M1. Resolution Conferring Powers on the Executive Director + ..... Mr. Ferris**

Adoption of resolution conferring powers on the Executive Director.

**Administrative Session**

Items that appear under these matters provide information to the Members and may require Board action or direction.

**N. Consent Agenda ..... Ms. Richmond**  
(Contribution Disclosure forms not required pursuant to Gov. Code, § 15626.)**N1. Retirement Resolutions +**

- Carlos Calderon
- Colleen Castile
- Deborah A. Cumins
- Donna Foster
- May F. Hui
- Bill Kimsey
- Brenda Ramirez
- Kathryn Saunders
- Benjamin Velasco
- Wun-chi Wang

**N2. Approval of Board Meeting Minutes**

- March 29-30, 2016 +

**N3. Proposed revisions to Compliance Policy and Procedures Manual Chapter 2, *Registration*; Chapter 3, *Account Maintenance*; Chapter 4, *Security*; Chapter 5, *Returns*; and Chapter 7, *Collections* +****N4. Report on time extension to Trinity County to complete and submit fiscal year 2016-17 Local Assessment Roll, pursuant to Revenue and Taxation Code section 155 +****O. Adoption of Board Committee Report and Approval of Committee Actions****O1. Business Taxes Committee – March 2016****P. Other Administrative Matters**

There are no items for the following matters.

- P1. Executive Director's Report
- P2. Chief Counsel Report

P3. Business Tax and Fees Deputy Director's Report ..... Ms. Buehler

1. [Approval of Fiscal Year 2016-17 Tobacco Products Tax Rate +](#) ..... Mr. Parrott

Staff recommendation for setting the fiscal year 2016-17 Tobacco Products Tax Rate.

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 ..... Ms. Murphy

1. Budget Update  
General report on BOE's budget and the budget process.
2. Update on Resolution of State Controller's Office (SCO) Board of Equalization Review ..... Ms. Findley  
Update on actions to resolve the findings in the SCO Review Report of the Board of Equalization's Internal Accounting and Administrative Controls.
3. Update on Bargaining Process ..... Ms. Mayorga  
Periodic updates on the status of negotiations will be provided, to the extent they are available and not privileged or confidential.

P7. Technology Deputy Director's Report ..... Ms. Fleming

1. CROS Project Update and Actions  
Progress on the CROS project to replace BOE's two current legacy tax administration systems.

P8. External Affairs Deputy Director's Report  
There are no items for this matter.

Announcement of Closed Session ..... Ms. Richmond

#### **Q. Closed Session**

Q1. Discussion and approval of staff recommendations regarding settlement cases (Rev. & Tax. Code, §§ 6901, 7093.5, 30459.1, 50156.11).


Q2. Discussion and action on personnel matters (Gov. Code, § 11126(a)).

Announcement of Open Session ..... Ms. Richmond

**Recess** - The meeting will reconvene on Wednesday, April 27, 2016, at 9:00 a.m.

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Joann Richmond, Chief  
Board Proceedings Division

- \* 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 is available for this item.
- ++ Material will be available at a later date.



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

(Contribution Disclosure forms required pursuant to Gov. Code, § 15626.)

**C1. Richard Clark Farrell, 600710 (EA) +**

For Petitioner: Richard Farrell, Taxpayer  
For Department: Scott Claremon, Tax Counsel

**C2. Rodney L. Odom, 807267, 865046 (UT) +**

For Claimant: Rodney L. Odom, Taxpayer  
For Department: Kevin Smith, Tax Counsel

~~C3. Vincent Carneau and Devrim Roesch, 851841 (AS) +~~

~~For Petitioners: Vincent Carneau, Taxpayer  
For Department: Nenita DeLa Cruz, Hearing Representative~~

~~C4. High Desert Food Mart, Inc., 594562 (RC) +~~

~~For Petitioner: Juan Guzman, Representative  
For Department: Scott Lambert, Hearing Representative~~

**C5. Durman, Inc., 605242 (SO) +**

For Petitioner: Waived Appearance  
For Department: Nenita DeLa Cruz, Hearing Representative



**D. Special Taxes Appeals Hearing**

(Contribution Disclosure forms required pursuant to Gov. Code, § 15626.)


**D1. Sahak Jeiranian, 841617 (STF) +**

For Taxpayer: Jeiranian Sahak, Taxpayer  
For Department: Pamela Mash, Tax Counsel

**Adjourn**

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