



STATE BOARD OF EQUALIZATION
450 N STREET, SACRAMENTO, CALIFORNIA
PO BOX 942879, SACRAMENTO, CALIFORNIA 94279-0080
(916) 322-2270 • FAX (916) 324-3984
www.boe.ca.gov

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
September 27-28, 2016
NOTICE AND AGENDA
Meeting Agenda (as of 9/28/2016, 4:00 PM)

[Agenda Changes](#)

[Webcast on Tuesday, September 27, 2016](#)

Tuesday, September 27, 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.)

~~B1. Sharam Sobhani and Ramesh Samadani, 901575 +
For Appellants: Sharam Sobhani, Taxpayer
Ben Livni, Representative
For Franchise Tax Board: Eric Yadao, Tax Counsel
Cynthia Kent, Tax Counsel~~

~~B2. Jonathan S. Lewis and Ikuyo Lewis, 931413 +
For Appellants: Jonathan S. Lewis, Taxpayer
For Franchise Tax Board: Brian Werking, Tax Counsel
Natasha Page, Tax Counsel~~

B3. [Marsha A. Wilkerson, 857552 +](#)
For Appellant: Marsha A. Wilkerson, Taxpayer
Vernon LeBeau, Witness
For Franchise Tax Board: Brad Coutinho, Tax Counsel
Marguerite Mosnier, Tax Counsel

B4. Hazel Street, LLC, 935826 +

For Appellant: Shawn Nowakhtar, Representative
 For Franchise Tax Board: Andy Amara, Tax Counsel
 Natasha Page, Tax Counsel

C. Sales and Use Tax Appeals Hearings

These matters are scheduled for Wednesday, September 28, 2016.

There are no items for the following matters:

- D. Special Taxes Appeals Hearing
- E. Property Tax Appeals Hearings
- F. Public Hearings

G. Tax Program Nonappearance Matters – Consent

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

G1. Legal Appeals Matters Mr. Angeja

- Hearing Notice Sent – No Response
 1. Terry Wesley Alexander, 560014 (FH)
 2. Baldwin Auto Finance & Sales, Inc., 522192 (AP)
 - 3a. Carlos Fernando Bosch, 511605 (EH)
 - 3b. Carlos Fernando Bosch, 511606 (EH)
 4. Vincent Carneau and Devrim Roesch, 851841 (AS)
 5. ~~Bahjet Dabish and Khalil Dabish, 836606 (FH)~~
 6. Forever Green, 773672 (EH)
 - 7a. Full Truck Load Express Corp., 841227 (UT)
 - 7b. Full Truck Load Express Corp., 841230 (UT)
 8. Mohanad Offeed Hamdallah, 825157 (EH)
 9. Om Beloved I Am Unlimited, Inc., 837553 (AS)
 10. Royal Star Cigarettes, Inc., 658128 (AS)
- Petition for Release of Seized Property
 11. Michael Curtis Siegel, 948255 (STF)

G2. Franchise and Income Tax Matters Mr. Epolite

- Decisions
 1. Amnon Edelstein and Ilana Helena Edelstein, 819038
 2. Russell A. Fields and Kathy J. Fields, 890550
 3. Teresa M. Light, 839042
 4. Louis V. Lucero and Barbara A. Lucero, 845797
 5. Jagdishwar Nand and Sudeshna Nand, 844893
 6. Andrew Russell and Lorena Russell, 852228
 7. Sean Steele, 866095
 8. David C. Stone (Dec'd) and Nilda G. Stone, 859636
 9. Harris Toibb and Linda Toibb, 852223

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

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

- H1. Legal Appeals Matters
There are no items for this matter.
- H2. Franchise and Income Tax Matters Mr. Ambrose
 - Petitions for Rehearing
 - 1. Berc Agopoglu, 848646
 - 2. Himanshu Joglekar, 759259
 - 3. Robert H. Lowe and Sheryl L. Berkoff, 571973
 - 4. Michael McGuire, 709207

There are no items for the following matters:

- H3. Homeowner and Renter Property Tax Assistance Matters
- H4. Sales and Use Taxes Matters
- H5. Sales and Use Taxes Matters – Credits, Cancellations, and Refunds
- H6. Special Taxes Matters
- H7. Special Taxes Matters – Credits, Cancellations, and Refunds
- H8. Property Tax Matters
- H9. Cigarette License Fee Matters
- H10. Legal Appeals Property Tax Matters

I. Tax Program Nonappearance Matters

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

- I1. Property Taxes Matters..... Mr. Kinnee
 - Board Roll Changes
 - 1. 2016 Board Roll of State-Assessed Property ‘CF’
- I2. Offer in Compromise Recommendations Mr. Anderson
 - 1. Airmonterey, LLC
 - 2a. Stanley Anthony Alexander
 - 2b. Hi-Performance Centers, Inc.
 - 3. Angela Michelle Boyd
 - 4a. James Dale Campbell
 - 4b. Powersports Superstore, LLC
 - 5. Far West Power Corporation

- 6. Industra Service Corp.
 - 7. Peter Gregor Kalinchuk
 - 8. How-Ing Kao
 - 9a. Wayne Aurthur Kilburn
 - 9b. Mary Jane Kilburn
- 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.

J. Rulemaking

- J1. [Prepaid Mobile Telephony Services Surcharge Regulation 2460, Administration +](#) Mr. Kwee

Staff request for authorization to make sufficiently related changes to the regulation’s text to address the Office of Administrative Law’s issues with subdivision (b).

There are no items for the following matters:

- K. Business Taxes
- L. Property Taxes
- M. Other Chief Counsel Matters

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. [Approval of Retirement Resolutions +](#)
 - Michael B. Edwards
 - Elsa Franco
 - Michael J. Hilbert
 - Kathleen Ingram
 - Paula-Ann Kim-Janis
 - Luella Vaughn
 - Kathryn Weaver
 - Carlene Weems
 - Steven Whelan

- N2. Approval of Board Meeting Minutes
- [August 30-31, 2016 +](#)
- N3. [Proposed revisions to Compliance Policy and Procedures Manual Chapter 7, Collections +](#)

- O. Adoption of Board Committee Reports and Approval of Committee Actions
There are no items for this matter.

P. Other Administrative Matters

- P1. Executive Director's Report Mr. Gau

1. [Approval of the 2017 Board Workload Plan +](#)

The plan consists of the 2017 Board meeting calendar, annual property tax calendars, and significant dates considered in setting Board meeting dates.

- P2. Chief Counsel Report
There are no items for this matter.

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

1. [2017 Hazardous Substances Fees and Occupational Lead Poisoning Prevention Fee Rates +](#)

Report on the rate setting for calendar year 2017 Hazardous Substances Program Fees and the Occupational Lead Poisoning Prevention Fee.

2. [Revenue and Taxation Code Section 6355, Coins and Bullion, "Bulk" Sale Threshold for 2017 +](#)

Report on the continuation of the current bulk sale exemption threshold of \$1,500 in Sales and Use Tax Regulation 1599, *Coins and Bullion* (Rev. & Tax. Code, § 6355) for 2017.

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. Norwalk District Office Relocation

A facilities update will be provided regarding the relocation of the Norwalk District Office. Board approval may be required.

- 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-technology 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

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.)


- B5. Richard R. Betchley and Kellie S. Brunk, 874758 +**
For Appellants: Richard R. Betchley, Taxpayer
Kellie S. Brunk, Taxpayer
For Franchise Tax Board: Susanne Coakley, Tax Counsel
Adam Susz, Tax Counsel
- B6. Leonard C. Rogers and Mary Ann Rogers, 863414 +**
For Appellants: Leonard C. Rogers, Taxpayer
Mary Ann Rogers, Taxpayer
For Franchise Tax Board: Christopher Cook, Tax Counsel
Michael Cornez, Tax Counsel
- ~~**B7. Jeffry J. Johnson and Beryl B. Johnson, 866657 +**~~
~~For Appellants: Jeffry J. Johnson, Taxpayer~~
~~For Franchise Tax Board: Brian Werking, Tax Counsel~~
~~Cynthia Kent, Tax Counsel~~

- B8. [Paula Present, 935328](#) +
For Appellant: Paula Present, Taxpayer
For Franchise Tax Board: Maria Huseinbhai, Tax Counsel
Marguerite Mosnier, Tax Counsel

Recess - The meeting will reconvene on Wednesday, September 28, 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.
- 'CF' Constitutional Function – The Deputy State Controller may not participate in this matter under Government Code section 7.9.



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C. Sales and Use Tax Appeals Hearings

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

C1. [Larry John McCallum, 798989 \(FH\) +](#)

For Petitioner: Marcie Feliciano, Representative
For Department: Scott Claremon, Tax Counsel

C2. [Just For You Caregivers, Inc., 854794 \(EH\) +](#)

For Petitioner: Jeff Cane, Representative
For Department: Scott Lambert, Hearing Representative

~~C3. [Carlo A. Briganti, 311650 \(AC\) +](#)~~

~~For Petitioner: Carlo Briganti, Taxpayer
Cruz Saavedra, Attorney
For Department: Erin Dendorfer, Tax Counsel~~

C4. [Ahmed Kabir, 763931 \(AC\) +](#)

For Petitioner: Ahmed Kabir, Taxpayer
For Department: Scott Lambert, Hearing Representative

~~C5. [Kaisuen Kong, 516021, 553424 \(EA\) +](#)~~


~~For Taxpayer: John O. Kent, Attorney
For Department: Erin Dendorfer, Tax Counsel~~

- ~~C6. Eric Christopher Dutra, 607843, 746362 (FH) +
For Petitioner: Waived Appearance
For Department: Nonita De La Cruz, Hearing Representative~~
- ~~C7. Suri Investments, Inc., 689145 (AA) +
For Petitioner: Parminder Singh, Taxpayer
Roy McGarrell, Representative
For Department: Scott Lambert, Hearing Representative~~
- ~~C8. East Coast Foods, Inc., 613237, 613238 (AC) +
For Petitioner/Taxpayer: Sam L. White, Representative
For Department: Scott Lambert, Hearing Representative~~
- ~~C9. Yeshitila Wuhib, 728749 (AS) +
For Petitioner: Arnold J. Blanshard, Representative
For Department: Scott Lambert, Hearing Representative~~
- ~~C10. Congregation Sacred Hearts, 851435 (UT) +
For Claimant: John Venega, Representative
Cynthia Epperson, Representative
For Department: Kevin Smith, Tax Counsel~~

Adjourn

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