

Tuesday, September 25, 2018

The Board met at its offices at 450 N Street, Sacramento, at 9:33 a.m., with Mr. Runner, Chairman, Ms. Ma, Vice Chairwoman, Mr. Horton and Ms. Harkey present, Ms. Stowers present on behalf of Ms. Yee in accordance with Government Code section 7.9.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Dan Gunsalus, Associate Property Auditor Appraiser, State-Assessed Properties Division, and CPA, and was an Army Specialist 4, United States Army.

OTHER TAX PROGRAM NONAPPEARANCE MATTERS—NOT SUBJECT TO CONTRIBUTION DISCLOSURE STATUTE

PROPERTY TAX MATTERS

Audits

Comcast OTR1, LLC (2804)

2018, \$55,300 Escaped Assessment, \$5,530 Penalties

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

CHIEF COUNSEL MATTERS

RULEMAKING

Petition to amend Property Tax Rules 302, 305, 305.1, 305.2 and 323, and Proposed Property Tax Rule 305.4

Henry D. Nanjo, Chief Counsel, Legal Department, made introductory remarks regarding the petition to amend Property Tax Rules 302, *The Board's Function and Jurisdiction*; 305, *Application*; 305.1, *Exchange of Information*; 305.2, *Prehearing Conference*; 323, *Postponement and Continuances*; and, Proposed Property Tax Rule 305.4, *Request for Information* ([Exhibit 9.1](#)).

Speakers: Marc A. Aprea, Principal, Aprea & Micheli, on behalf of California Alliance of Taxpayer Advocates (CATA)
 Leslie K. Davis, Calaveras County Assessor, President-Elect, California Assessors' Association (CAA)
 John McKibben, Chairman, BOE Rules Workgroup, California Association of Clerks & Election Officials (CACEO)
 Cris K. O'Neill, Attorney, Greenberg & Taurig, LLP, on behalf of CATA
 Edward Yen, Senior Deputy, Los Angeles County Counsel Office, on behalf of the Los Angeles County Assessor's Office
 Michael Middleton, President, Protax, LLC
 Dawn Duran, Administrator, San Francisco County Assessment Appeals Board
 George Renkei, Assistant Assessor, Los Angeles County Assessor's Office
 Thomas R. Parker, Deputy County Counsel, Los Angeles County Counsel Office, on behalf of the Los Angeles County Assessment Appeals Board
 Sean P. Keegan, Chairman of the Board, CATA

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Action: Upon motion of Ms. Harkey, seconded by Ms. Ma and unanimously carried, Mr. Runner, Ms. Ma, Mr. Horton, Ms. Harkey and Ms. Stowers voting yes, the Board concurred with proposed amendments to Rule 305.2(a) and (b) with changes.

Upon motion of Ms. Stowers, seconded by Ms. Harkey and unanimously carried, Mr. Runner, Ms. Ma, Ms. Harkey and Ms. Stowers voting yes, Mr. Horton absent, the Board concurred with proposed amendments to Rule 302(a)(1), and denied the petition for amendment adding 302(c).

The Board continued the matter later in the day.

Exhibits to these minutes are incorporated by reference.

The Board recessed at 12:42 p.m. and reconvened at 1:39 p.m. with Mr. Runner, Ms. Ma, Ms. Harkey and Ms. Stowers present.

ADMINISTRATIVE SESSION

OTHER ADMINISTRATIVE MATTERS

Executive Director's Report

Dean R. Kinnee, Executive Director, introduced Jeff McGuire, Chief Deputy Director, Department of General Services, who provided an update on the BOE consolidation efforts, discussing location alternatives, funding, and a preliminary timeline.

CHIEF COUNSEL MATTERS (CONTINUED)

RULEMAKING

Petition to amend Property Tax Rules 302, 305, 305.1, 305.2 and 323, and Proposed Property Tax Rule 305.4 (Continued)

Mr. Runner continued the discussion of the petition to amend Property Tax Rules 302, *The Board's Function and Jurisdiction*; 305, *Application*; 305.1, *Exchange of Information*; 305.2, *Prehearing Conference*; 323, *Postponement and Continuances*; and, Proposed Property Tax Rule 305.4, *Request for Information*.

Speakers: Marc A. Aprea, Principal, Aprea & Micheli, on behalf of CATA
 Leslie K. Davis, Calaveras County Assessor, President-Elect, CAA
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 Thomas R. Parker, Deputy County Counsel, Los Angeles County Counsel Office, on behalf of the Los Angeles County Assessment Appeals Board
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Action: Upon motion of Ms. Harkey, seconded by Ms. Stowers and unanimously carried, Mr. Runner, Ms. Ma, Mr. Horton, Ms. Harkey and Ms. Stowers voting yes, the Board concurred with proposed amendments to Rule 305 with changes.

Upon motion of Ms. Harkey, seconded by Mr. Horton and unanimously carried, Mr. Runner, Ms. Ma, Mr. Horton, Ms. Harkey and Ms. Stowers voting yes, the Board concurred with proposed amendments to Rule 305.1 with changes, and directed staff to place a draft cover letter and Form regarding Revenue and Taxation Code section 441(d) on its next agenda, if possible, or else on the November agenda.

Upon motion of Ms. Harkey, seconded by Ms. Stowers and duly carried, Mr. Horton, Ms. Harkey and Ms. Stowers voting yes, Mr. Runner and Ms. Ma voting no, the Board denied the petition as to Rule 323(c) and referred the issue to staff to draft language for the Assessment Appeals Manual and return to the Board.

Upon motion of Ms. Harkey, seconded by Ms. Stowers and unanimously carried, Mr. Runner, Ms. Ma, Mr. Horton, Ms. Harkey and Ms. Stowers voting yes, the Board concurred with amendments to Rule 323(a) and (d) as agreed upon, with one change.

Upon motion of Ms. Harkey, seconded by Ms. Stowers and unanimously carried, Mr. Runner, Ms. Ma, Mr. Horton, Ms. Harkey and Ms. Stowers voting yes, the Board denied the petition as to Rule 305.4 and referred the issue to the interested parties process to draft language for the Assessment Appeals Manual or a Letter to Assessors.

Upon motion of Ms. Harkey, seconded by Ms. Stowers and unanimously carried, Mr. Runner, Ms. Ma, Mr. Horton, Ms. Harkey and Ms. Stowers voting yes, the Board granted the petition in part, authorizing publication of proposed amendments to Rules 302, 305, 305.1, 305.2 and 323 with changes.

Henry D. Nanjo, Chief Counsel, Legal Department, provided revised text of the rules as concurred in by the Board ([Exhibit 9.2](#)).

The Board recessed at 4:55 p.m. and reconvened at 5:00 p.m. with Mr. Runner, Ms. Ma and Ms. Stowers present.

ADMINISTRATIVE SESSION

ADMINISTRATIVE MATTERS, CONSENT

With respect to the Administrative Matters, Consent Agenda, upon a single motion of Ms. Stowers, seconded by Ms. Ma and unanimously carried, Mr. Runner, Ms. Ma and Ms. Stowers voting yes, Mr. Horton and Ms. Harkey absent, the Board made the following orders:

Action: Approve the Board Meeting Minutes of August 21, 2018.

Action: Approve the invitation to Annual Meeting of the State Board of Equalization and County Assessors ([Exhibit 9.3](#)).

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OTHER ADMINISTRATIVE MATTERS (CONTINUED)

Property Tax Deputy Director's Report

David Yeung, Chief, County-Assessed Properties Division, Property Tax Department, provided an update regarding the aircraft representative period for certificated aircraft for 2019 ([Exhibit 9.4](#)).

ANNOUNCEMENT OF CLOSED SESSION

Mr. Runner announced that the single item that was to be discussed in closed session will be postponed until the October meeting, therefore Closed Session was cancelled.

The Board adjourned at 5:11 p.m.

The foregoing minutes are adopted by the Board on October 23, 2018.