



December 6, 2018

Ms. Rose Smith
Regulations Coordinator
State Board of Equalization
450 N Street, MIC: 80
P.O. Box 942879
Sacramento, CA 94279-0073

STATE BOARD OF EQUALIZATION



Appeal Name: PT Rules 302, 305, 305.1, 305.2, and 323

Case ID: Sean Kelley (1) ITEM #, C1

Date: December 12, 2018 Exhibit No: 12.4

TP FTB DEPT MEMBER PUBLIC COMMENT

Re: **The State Board of Equalization Proposal to Adopt Amendments to California Code of Regulations, Title 18, Section 302, The Board's Function and Jurisdiction, Section 305, Application, Section 305.1, Exchange of Information, Section 305.2, Prehearing Conference, and Section 323, Postponements and Continuances**

Dear Ms. Rose:

On behalf of the Board of Directors of the California Alliance of Taxpayer Advocates ("CATA"), we want to take this opportunity to thank the Members and staff of the State Board of Equalization for all their work on the above referenced proposed amendments to the California Code of Regulations. We also wish to thank the representatives of the California Assessors Association and the California Association of Clerks & Election Officials for their engagement and participation in the development of these regulatory changes.

We also want to take this opportunity to support the proposed changes as currently before the State Board of Equalization and to respectfully request the Members of the Board of Equalization to vote to adopt the proposed amendments to the regulations.

CATA was formed on May 20, 2011, as a non-profit trade association made up of tax consultants representing taxpayers before county assessors, county assessment appeals boards and the BOE. CATA's purpose is to protect the rights of state and local taxpayers by advancing the professional practice of state and local tax consulting through education, advocacy and high ethical standards.

We agree with staff that the proposed amendments would clarify the following regarding local assessment appeals hearings:

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1. That the functions of the appeals board include the duty to ensure all applicants are afforded due process and given the opportunity for a timely and meaningful hearing. (Proposed Amendment to Rule 302, subdivision (a)(1).);
2. That an agent's authorization is valid only for the years indicated in the agent's authorization, and may not cover more than four consecutive calendar years in the future. (Proposed Amendment to Rule 305, subdivision (a)(1)(B).);
3. That if an application is filed online, an agent authorization should be filed in paper form as soon as possible if it cannot also be filed online. (Proposed Amendment to Rule 302, subdivision (a)(2).);
4. That no application shall be rejected because an agent authorization is not signed in the same calendar year as the application is filed, but that retroactive authorizations are not allowed. (Proposed Amendment to Rule 302, subdivision (a)(6).);
5. That Rule 305.1 pertains only to exchanges of information, which are governed by Revenue and Taxation Code section 1606, and not requests for information governed by sections 408, 451, and 441;
6. That an application may not be denied at a prehearing conference or prehearing proceeding. (Proposed Amendment to Rule 305.2, subdivision (b).); and
7. That reasonable cause or both parties agreement is required to postpone or continue hearings for longer than 90 days, and requires the reason for the longer delay to be stated on the record. (Proposed Amendment to Rule 323, subdivision (c).)

We also agree with staff that these clarifications are reasonably necessary for the efficient and fair operation of local assessment appeals hearings, as follows:

1. Proposed Amendment to Rule 302, subdivision (a)(1) – to set forth in regulation the existing requirement that local appeals boards afford applicants a timely and meaningful hearing.
2. Proposed Amendment to Rule 305 – to set forth four years as a reasonable time period for which an agent authorization is valid. This period allows agents the reasonable accommodation of not having to procure authorizations each year but still requires agents to update authorizations. Further, the option of allowing electronic submitting by January 1, 2022, in order to give counties time to develop their technical capabilities as well as perform capital budgeting for any fiscal expenditures that may be necessary. The proposed amendments are necessary to

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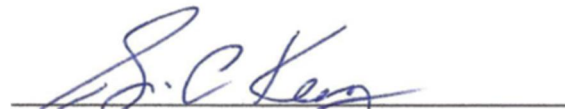
reinforce that, if not filed online, the agent authorization should be filed as soon as possible so that local boards can begin the intake and scheduling process of applications as soon as possible. It is also reasonably necessary to clarify that no application shall be rejected because an agent authorization is not signed in the same calendar year as the application is filed, but that retroactive authorizations are not allowed, so there is no confusion on the part of clerks of the boards and agents regarding the requirements for agent authorizations.

3. Proposed Amendments to Rule 305.1 are reasonably necessary to avoid confusion as to the scope of the rule.
4. Proposed Amendment to Rule 305.2, subdivision (b) – to ensure that applicants are afforded the greatest opportunity to have a hearing on the merits of their case.
5. Proposed Amendment to Rule 323, subdivision (c) – to ensure that hearings are not delayed unnecessarily.

In light of the above, we again respectfully request the Members of the State Board of Equalization to vote to adopt the proposed amendments to the regulations.

Thank you for your consideration of our comments.

Sincerely,



Sean Kelley
President

cc: Senator George Runner, Chairman
Honorable Fiona Ma, Member
Honorable Diane Harkey, Member
Honorable Jerome Horton, Member
Honorable Betty T. Yee, State Controller
c/o Deputy Controller Yvette Stowers
Henry D. Nanjo, Chief Counsel, Legal Department
Joann Richmond-Smith, Chief, Board Proceedings Division
CATA Board of Directors