

2024 MINUTES OF THE STATE BOARD OF EQUALIZATION

Page 18

Tuesday, April 16, 2024

The Board convened at 450 N Street, Sacramento, at 10:02 a.m., with Ms. Lieber, Chair, Mr. Vazquez, and Mr. Schaefer present, Ms. Cohen present via teleconference. A quorum was established.

The Pledge of Allegiance was led by Mr. Vazquez.

Mary Cichetti, Clerk, Board Proceedings, provided guidelines for public participation and other Boardroom procedures.

PUBLIC COMMENT ON MATTERS NOT ON THE AGENDA

Ms. Lieber invited persons who wish to address the Board regarding items not on the agenda to come forward, but none provided comment.

TAX PROGRAM MATTERS

Jack McCool, Chief, State-Assessed Properties Division, Property Tax Department, opened the public hearing for Property Tax state assesseees' presentations on the valuation of state-assessed properties. State assesseees were invited to address the Board but there were no presentations.

Jack McCool, Chief, State-Assessed Properties Division, Property Tax Department, requested approval to change values of state-assessed properties discovered on audit as follows:

Terra-Gen Dixie Valley, LLC (0125): Audit adjustments of \$2,210,000 Excessive Assessment, \$85,000 Penalty, for 2022 to 2023.

MOTION: Mr. Vazquez made a motion to adopt the audit adjustments. The motion was seconded by Mr. Schaefer. The motion passed. Ms. Lieber, Mr. Vazquez, Mr. Schaefer, and Ms. Cohen voted yes; and Mr. Gaines was absent.

Jack McCool, Chief, State-Assessed Properties Division, Property Tax Department, requested approval to change values of state-assessed properties discovered on audit as follows:

Consolidated Communications of California Co. (0294): Audit adjustments of \$6,016,000 Excessive Assessment, for 2000 to 2023.

2024 MINUTES OF THE STATE BOARD OF EQUALIZATION

Page 19

Tuesday, April 16, 2024

MOTION: Mr. Schaefer made a motion to adopt the audit adjustments. The motion was seconded by Mr. Vazquez. The motion passed. Ms. Lieber, Mr. Vazquez, Mr. Schaefer, and Ms. Cohen voted yes; and Mr. Gaines was absent.

Jack McCool, Chief, State-Assessed Properties Division, Property Tax Department, requested approval to change values of state-assessed properties discovered on audit as follows:

LightSpeed Networks, Inc. (8188): Audit adjustments of \$4,340,000 Escaped Assessment, \$457,000 Penalty, \$641,400 Assessment In-lieu of Interest, for 2020 to 2023.

MOTION: Mr. Schaefer made a motion to adopt the audit adjustments. The motion was seconded by Mr. Vazquez. The motion passed. Ms. Lieber, Mr. Vazquez, Mr. Schaefer, and Ms. Cohen voted yes; and Mr. Gaines was absent.

Pamela DiNapoli, Principal Property Appraiser, State-Assessed Properties Division, Property Tax Department, requested adoption of proposed unitary land escaped assessment of state-assessed property of Southern California Edison Company (0148) for the 2023 full value in the amount of \$109,300.

MOTION: Mr. Vazquez made a motion to adopt the unitary land escaped assessment for Southern California Edison Company (0148) as recommended by staff. The motion was seconded by Mr. Schaefer. The motion passed. Ms. Lieber, Mr. Vazquez, Mr. Schaefer, and Ms. Cohen voted yes; and Mr. Gaines was absent.

Jason Ybarra, Supervising Property Appraiser, State-Assessed Properties Division, Property Tax Department, requested adoption of proposed unitary land escaped assessment of state-assessed property of T-Mobile West, LLC dba T-Mobile (2748) for the 2023 full value in the amount of \$513,748.

MOTION: Mr. Vazquez made a motion to adopt the unitary land escaped assessment for T-Mobile West, LLC dba T-Mobile (2748) as recommended by staff. The motion was seconded by Ms. Cohen. The motion passed. Ms. Lieber, Mr. Vazquez, Mr. Schaefer, and Ms. Cohen voted yes; and Mr. Gaines was absent.

Ms. Cohen left the teleconference and Mr. Emran entered the Boardroom on behalf of Ms. Cohen in accordance with Government Code, section 7.9.

2024 MINUTES OF THE STATE BOARD OF EQUALIZATION

Page 20

Tuesday, April 16, 2024

CONSENT AGENDA

MOTION: Mr. Vazquez made a motion to adopt the Board Meeting Minutes of March 19, 2024, as presented. The motion was seconded by Mr. Schaefer. The motion passed. Ms. Lieber, Mr. Vazquez, Mr. Schaefer, and Mr. Emran voted yes; and Mr. Gaines was absent.

MOTION: Mr. Vazquez made a motion to adopt the retirement resolution of Dany Lunetta, as presented. The motion was seconded by Mr. Schaefer. The motion passed. Ms. Lieber, Mr. Vazquez, Mr. Schaefer, and Mr. Emran voted yes; and Mr. Gaines was absent.

On behalf of the Board, Mary Cichetti, Clerk, Board Proceedings, read into the record a retirement resolution to Dany Lunetta, Associate Governmental Program Analyst, Assessment Practices Survey Division, Property Tax Department, extending the Board's sincere and grateful appreciation for her dedicated service to the State Board of Equalization and to the State of California. Holly Cooper, Chief, Assessment Practices Survey Division, made complimentary remarks and congratulated Ms. Lunetta on her well-earned retirement. Members made complimentary remarks and provided their individual congratulations to Ms. Lunetta.

The Board recessed at 10:40 a.m. and reconvened at 10:50 a.m. with Ms. Lieber, Mr. Vazquez, Mr. Schaefer, and Mr. Emran present.

BOARD MEMBER MATTERS

Mr. Schaefer made introductory remarks and discussed his proposal that would limit staff reports to 15 minutes.

Mr. Schaefer made introductory remarks and discussed his proposal that would change the May 29-30, 2024, Board meeting date to May 8, 2024.

Mr. Vazquez presented the "*Blueprint of Property Tax Incentives for Affordable Housing*" from the October 19, 2023, Board Work Group on Affordable Housing: Statewide Informational Hearing on Modernizing California's Property Tax System Part IV ([Exhibit 4.1](#)).

2024 MINUTES OF THE STATE BOARD OF EQUALIZATION

Page 21

Tuesday, April 16, 2024

MOTION: Mr. Vazquez made a motion to approve the *Blueprint of Property Tax Incentives for Affordable Housing*. The motion was seconded by Mr. Schaefer. The motion passed. Ms. Lieber, Mr. Vazquez, Mr. Schaefer, and Mr. Emran voted yes; and Mr. Gaines was absent.

Exhibits to these minutes are incorporated by reference.

The matter of the *Veterans' Exemption, Disabled Veterans' Exemption, and Homeowners' Exemption Board Work Group (BWG) Minutes and Report* from the March 19, 2024, BWG meeting was deferred to the May 2024 Board meeting.

EXECUTIVE DIRECTOR'S REPORTS

Yvette M. Stowers, Executive Director, presented an overview of the California State Board of Equalization Fiscal Year 2022-23 Annual Report.

The Board recessed at 11:58 a.m. and reconvened at 1:05 p.m. with Ms. Lieber, Mr. Vazquez, Mr. Schaefer, and Mr. Emran present.

BOARD MEMBER MATTERS (CONTINUED)

Ms. Lieber made introductory remarks regarding AB 2238 (Low) Franchise Tax Board: Membership.

MOTION: Mr. Vazquez made a motion to remove the Board's opposition to AB 2238 (Low) and continue to work with the author of the bill to keep the BOE Chair in the membership of the Franchise Tax Board. The motion was seconded by Mr. Schaefer. The motion passed. Ms. Lieber, Mr. Vazquez, and Mr. Schaefer voted yes; Mr. Emran abstained; and Mr. Gaines was absent.

EXECUTIVE DIRECTOR'S REPORTS (CONTINUED)

Yvette M. Stowers, Executive Director, reported on the status of pending and upcoming organizational issues.

2024 MINUTES OF THE STATE BOARD OF EQUALIZATION

Page 22

Tuesday, April 16, 2024

BOARD MEMBER MATTERS (CONTINUED)

Ms. Lieber introduced Mark Stivers, Director of Advocacy, California Housing Partnership, who made introductory remarks regarding AB 2353 (Ward): Property Tax Payments: Welfare Exemption, which would provide that a taxpayer is not liable for interest or penalties imposed by the county tax collector and would prohibit the county tax collector from taking or continuing any collection action, with respect to any delinquent installments of property taxes levied upon a property for which the taxpayer has submitted to the county assessor an application for a partial welfare exemption. Ms. Lieber also introduced Hon. Christina Wynn, President, California Assessors' Association (CAA); and Sacramento County Assessor, who provided the CAA's perspective on the bill.

MOTION: Mr. Emran made a motion to adopt a position of support for AB 2353 (Ward). The motion was seconded by Mr. Schaefer. The motion passed. Ms. Lieber, Mr. Vazquez, Mr. Schaefer, and Mr. Emran voted yes; and Mr. Gaines was absent.

Ms. Lieber introduced Hon. Benjamin Allen, Senator, California State Senate District 24, who requested the Board's support on SB 1436 (Allen): California Tax Policy Oversight Board, which would establish in the Government Operations Agency the California Tax Policy Oversight Board.

MOTION: Mr. Vazquez made a motion to adopt a position of support for SB 1436 (Allen). The motion was seconded by Mr. Schaefer. The motion passed. Ms. Lieber, Mr. Vazquez, and Mr. Schaefer voted yes; Mr. Emran abstained; and Mr. Gaines was absent.

EXECUTIVE DIRECTOR'S REPORTS (CONTINUED)

Ted Angelo, Chief, Legislative, Research & Statistics Division, presented a legislative proposal that would amend Revenue and Taxation Code sections 32271, 32272, 32272.1, 32273, 32291, 32306, 32312 and 32432.5 to serve a Notice of Determination (NOD) or Notice of Jeopardy Determination (NOJD) electronically for Alcoholic Beverage Tax programs ([Exhibit 4.2](#)).

MOTION: Mr. Vazquez made a motion to support the proposed amendment to the Revenue and Taxation Code to serve a NOD or NOJD electronically for Alcoholic Beverage Tax programs. The motion was seconded by Mr. Emran. The motion passed. Ms. Lieber, Mr. Vazquez, Mr. Schaefer, and Mr. Emran voted yes; and Mr. Gaines was absent.

2024 MINUTES OF THE STATE BOARD OF EQUALIZATION

Page 23

Tuesday, April 16, 2024

Ted Angelo, Chief, Legislative, Research & Statistics Division, presented a legislative proposal that would amend Revenue and Taxation Code sections 12951 and 12977 with respect to the 10-day public disclosure requirement for Insurance Tax Program credits, cancellations, and refunds of more than \$50,000 ([Exhibit 4.3](#)).

MOTION: Mr. Schaefer made a motion to support the proposed amendment to the Revenue and Taxation Code with respect to the 10-day public disclosure requirement for Insurance Tax Program credits, cancellations, and refunds of more than \$50,000. The motion was seconded by Mr. Emran. The motion passed. Ms. Lieber, Mr. Vazquez, Mr. Schaefer, and Mr. Emran voted yes; and Mr. Gaines was absent.

Ted Angelo, Chief, Legislative, Research & Statistics Division, presented a legislative proposal that would amend sections 32202 and 32452 of the Revenue and Taxation Code (RTC) to require electronic filing of supplemental reports, including schedules, required from alcoholic beverage licensees, common and private carriers, and other persons ([Exhibit 4.4](#)).

MOTION: Mr. Vazquez made a motion to support the proposed amendment to the Revenue and Taxation Code to require electronic filing of supplemental reports, including schedules, required from alcoholic beverage licensees, common and private carriers, and other persons. The motion was seconded by Mr. Emran. The motion passed. Ms. Lieber, Mr. Vazquez, Mr. Schaefer, and Mr. Emran voted yes; and Mr. Gaines was absent.

The Board recessed at 2:00 p.m. and reconvened at 2:12 p.m. with Ms. Lieber, Mr. Vazquez, Mr. Schaefer, and Mr. Emran present.

Lisa Renati, Chief Deputy Director, reported on the status of operational priorities and the BOE budget for the current fiscal year.

Amy Hendrickson, Associate Property Appraiser, Taxpayers' Rights Advocate (TRA) Office, provided an update on the workload of the TRA Office ([Exhibit 4.5](#)).

David Yeung, Deputy Director, Property Tax Department, reported on the status of pending and upcoming projects, activities, and departmental issues. Lauren Keach, Chief, County-Assessed Properties Division, reported on the status of Letters to Assessors ([Exhibit 4.6](#)), and the Appraisal Training and Certification Program. Holly Cooper, Chief, Assessment Practices Survey Division, provided a quarterly report on Assessment Practices Surveys. Jack McCool, Chief, State-Assessed Properties Division, reported on the status of pending and upcoming projects and activities for the Division.

2024 MINUTES OF THE STATE BOARD OF EQUALIZATION

Page 24

Tuesday, April 16, 2024

Peter Kim, Chief Communications Officer, provided a quarterly report on BOE communications ([Exhibit 4.7](#)).

Laurel Williams, Technical Advisor for Special Taxes, provided a quarterly report regarding the Special Taxes workload.

Ted Angelo, Chief, Legislative, Research & Statistics Division, provided an update on administrative and program related legislative bills impacting the BOE.

BOARD MEMBER MATTERS (CONTINUED)

The matter of AB 2895 (Gipson), which would establish in the Government Operations Agency the California Department of Tax and Fee Board and the Office of Tax Appeals Board to control the California Department of Tax and Fee Administration (CDTFA) and the Office of Tax Appeals (OTA), respectively, as specified was deferred to the May 2024 Board meeting or another future meeting date.

CLOSING

Members made commemorative comments and closing remarks.

The Board adjourned at 3:21 p.m.

The foregoing minutes are adopted by the Board on May 29, 2024.