

From: Christi Grab [REDACTED]
Subject: For the Bill of Rights Meeting on December 7
Date: November 20, 2017 at 11:19 AM
To: FTBAdvocate@ftb.ca.gov
Cc: [REDACTED]



Christine Grab
[REDACTED]
[REDACTED]
[REDACTED]

November 20, 2017

Susan Maples
Taxpayer Advocate Services
FTBAdvocate@ftb.gov

Dear Ms. Maples:

I am writing to request a FTB policy change. Line 95 of the California 540 says "Amount you want applied to (next year's) estimated taxes." However, the FTB does not actually apply the money to the estimated taxes as indicated. Instead, they put the money in "suspense." The money is not taken out of "suspense" until that year's return has been filed. If someone files late, the FTB pretends as if there was no money collected.

In addition to fees and penalties, the FTB also aggressively tries to collect what they claim to be taxes due based on their estimates. It doesn't matter if there is more money sitting in suspense than the FTB claims is owed. They still harass the hell out of you -- and even go so far as to file wage garnishments -- **to collect money that they know -- by their own records -- is not actually owed.**

I have tried repeatedly to bring attention to this matter. Here are some excerpts of letters that I have sent in the past:

In my 2011 abatement request letter, dated August 11, 2014, I wrote: "We spoke with Debbie (same person mentioned above) in November 2013, shortly after we filed them. Because we had a \$16,893 refund that was applied to our 2011 return, which was about \$12,000 more than the FTB claimed we still owed on our 2011 tax liability, Debbie put a hold on all action on our 2011 account. Despite the fact that we had a hold on our account, and despite the fact that we had clearly overpaid, the FTB went ahead and filed a wage garnishment with Eric's employer. Wage garnishments are for when someone owes MORE than your estimate, not LESS!!!!"

On January 19, 2016, I mailed a letter containing the following excerpt: "Enclosed is a check for [REDACTED] for my 2013 income tax assessment. I am paying this amount of money under protest. As several people within your organization have confirmed, according to your own records, my husband and I had a large sum of money roll over from our 2012 return to our 2013 return. The sum of money that you are holding for us is significantly larger than the [REDACTED] that you claimed that I owed for the year, and is even larger than the [REDACTED] that you now think I owe with penalties and interest. In all scenarios, you should be sending me a refund. I should not be the one sending you any money.

'The fact that you are shaking me down for money when you know -- per your own records -- that I AM DUE A REFUND AND DON'T OWE ANYTHING AT ALL for 2013 makes you the mafia. And it is unconstitutional for you to make me pay penalties and interest on money that I'd paid you a year before it was due!!!!'

In November 2016, I sent the following letter to all of my legislators: "In October, I sent you a letter requesting two things. The first was to change the Franchise Tax Board's policy of not applying money that rolls over from one tax year to another when estimating the amount of taxes due. The second was to get help in getting the Franchise Tax Board to stop harassing me for money due when they have already collected [REDACTED] more money than they believe we actually owe.'

'I had enclosed a copy of our 2013 California Tax Return showing that we had [REDACTED] roll over from 2013 to 2014, along with a notice from the FTB for my husband showing that he, according to their records, had paid [REDACTED] from payroll taxes and owed an additional [REDACTED], which is certainly much less than the [REDACTED] that they already have in hand.'

'Enclosed is a copy of my 2014 estimated tax due notice that the FTB recently sent me. Even though I have not held a job since April 2007, the FTB is convinced that I worked and owe [REDACTED] in taxes. [REDACTED] + [REDACTED] = [REDACTED]. The FTB has in their possession [REDACTED] more than they believe we owe. Yet, they expect me to mail them a check for [REDACTED] for me and my husband to cover the taxes, interest and penalties on the money that THEY ALREADY HAVE. If I don't send them almost [REDACTED] in cash they will levy bank accounts or file wage garnishments.'

'I have been giving in to their extortion for years now, which is why we have so much built up, and quite frankly, I am tired of it. I would appreciate it if you would intervene on our behalf and say 'OK, you have enough extra money from them already. Leave them alone! They don't need to send you an extra [REDACTED] more!!!!'

'I am really tired of the harassment from the FTB. If we actually owed any money, I would understand why we were being harassed, but as you can see, this harassment is totally unwarranted. Being as the state is in a deficit, they should be grateful for a free loan!'

When I have asked for justification of such a ludicrous policy, The FTB claims that holding money in suspense is "required by law." However, the legislation that they have quoted to justify this practice, RTC 19304, talks about a scholarship fund and makes no mention of 540 Line Item 95. So, clearly, the FTB is bold-faced lying when they say it is "required." Even if it turns out this ploy is not illegal, it is most certainly immoral to harass people for money that they know is not owed.

I could easily write a ten page letter explaining the adverse impact this policy has had on my life and my family's. My health was very fragile -- I was literally on the verge of kidney failure and close to death's door -- and we were mired in medical bills. I believed that I can prove via blood work that FTB's unfair harassment negatively impacted my health. The months I was harassed, my health deteriorated, the months I wasn't harassed, it improved.

Please end the policy of putting money in "suspense" immediately. This policy literally ruins people's lives for no reason whatsoever.

Regards,

Christine Grab