interest calculation confirms (document FTB page 22). He told me that my remaining balance due was \$28.20, which is \$7.05 more than what the bill issued on 02-11-16 stated was owed.

I paid this \$28.20 via Webpay on 02-24-16 (proof enclosed), but FTB never pulled the money from my account. On 03-16-2016, FTB issued another notice stating that the balance due was \$28.20, so it appears that the FTB representative was able to manually change the system to reflect a higher amount of interest than was actually due.

These two payment were made prior to our filing our tax year 2013 returns. Once we filed, the tax liability amount was amended and our interest was re-calculated. Per the enclosed 2013 amortization record (document FTB page 22), we were overcharged interest by 45 cents.

3. FTB withholds some of the payments collected to make it appear that the taxpayer has a higher outstanding balance than he does, and thus charges more interest than is due.

AND

4. On payments that have been applied, portions of the payment vanish from the interest calculation screen, despite the fact the full payment amount seems to appear in the rest of FTB's records.

It appears that, just as is the case with the Notices of Proposed Assessments, FTB does not credit all payments made by/on behalf of the taxpayers.

We filed our tax year 2013 returns on 08-03-2016 and our tax year 2014 returns on 01-25-2017. As you can see from FTB document page 030, which is an internal ledger, by 08-03-2016, FTB had received in estimated tax payments via the following payments:

04-15-2015	\$30,905	From my husband's
		employers
04-15-2015	\$1,106	SDI overpayment
02-08-2016	\$2,751.05	Bill payment (this was the
		excess from the \$7,230.77,
		once the 2013 tax liability
		was re-calculated after we
		filed our 2013 returns)
05-31-2016	\$28.20	Bill payment (this payment
20.00.00.00		had been intended for 2013)
08-03-2016		credit elect (backdated on
,		FTB ledger per R&TC
		19363)
08-03-2016		credit elect (backdated on
		FTB ledger per R&TC
		19363)

Enclosed is a bill issued by FTB dated 05-24-2017. This bill states that FTB had collected a total of \$29,388.25 in payments from us. This amount didn't even reflect the full amount of money collected by my husband's employers, let alone any of the other payments that FTB had received from us.

Per documents FTB 028 and 030, FTB imposed the 2014 demand penalty on us on 05-09-2016. It appears that, for the purposes of calculating interest, as of 05-09-2016, FTB had only credited a partial payment from my husband's employers for \$26,609. The remaining \$4,296 collected by my husband's employer is unaccounted for (for the purposes of calculating interest). It appears that FTB also credited the payment of \$2,751.05 that had been made on 02-08-16, prior to the imposition of the demand penalty. On 05-31-2016, FTB credited the payment of \$28.20. The payment of \$1,106 is also unaccounted for (for the purposes of calculating interest).

As you all know, I believe that demand penalties never should have been imposed on us for tax year 2014. But, putting aside my personal views and focusing solely on FTB policies and procedures, if FTB had fully credited all payments in compliance with the law, then the records would reflect the following:

Our tax liability for 2014: \$26,609 due 04-15-2015

+ Demand penalty: \$6,652.25 imposed on 05-09-16

= Total liability as of 05-09-16: \$33,261.25

Payments received as of 05-09-2016: \$34,762.05.

It is my belief that all \$146.86 in interest imposed for tax year 2014 was fraudulently imposed since our liability was already paid in full and there was no balance left on which interest could accrue.

I expect FTB to end these all four of these unlawful activities immediately. Thank you for your attention to this matter.

Regards,

Christine Grab

Cc: Governor Newsom

FBI

CA Auditor Office

INTEREST INFORMATION DISPLAY 10/15/20 **GRAB** TAXPAYER ID : SPOUSE ID TAX YEAR : 11 APE : 1211 INT WAIVED 0.00 INT STIPULATED INT UNPAID TO DATE : 0.00 TOTAL INT CHARGED : INT PAID TO DATE : 143.99 TOTAL INT ALLOWED : 0.00 LN LIAB/CR INTEREST BEARING CHARGED/ALLOWED CHARGED/ALLOWED TYPE LIAB/CR BAL AMT BEGINNING ENDING INTEREST AMT 1 DEMAND PEN 3,540,75 03/11/13 07/09/14 143.99 \$141.14 total 2910 PER DIEM X

INTEREST COMPUTATION DETAIL DISPLAY 10/15/20 **GRAB** TAXPAYER ID : SPOUSE ID TAX YEAR : 11 APE : 1211 LIAB/CR TYPE : DEMAND PEN LIAB/CR AMOUNT : 3,540.75 CHARGED/ALLOWED CHARGED/ALLOWED BEGINNING ENDING DAYS RATE INTEREST AMT 03/11/13 07/09/14 485 3 143.99

Exhibit 41

FTB017 CF 33



the current problem was had been rectified, only to later find out "No, we misinformed you. It isn't rectified at all." Let's go back to the example above with the wage garnishment. Debbie told us it was possible to put a hold on the account to stop any issuing of liens or garnishments. Later we found out it wasn't possible (of course, this doesn't change the fact that you shouldn't be issuing wage garnishments when someone is owed a refund).

Or, for a more recent example of being told erroneous information, on June 2, 2014, Christine spoke with Carrey at 9 regarding the balance due on the 2011 tax return due to the penalties and fees. Carrey told Christine that she could transfer money to cover the balance due on 2011 with the refund from 2011 that had been applied to 2012. A month later, we got a nasty gram from the FTB claiming no money had been paid. When Christine called Carrey on July 9, 2013 for an explanation, Carrey said "Oh, yeah... it turns out that the system wouldn't let me pay the 2011 balance with that money...." Sigh. Carrey never bothered to call back to tell us she'd given us incorrect information, she just let another month of interest accrue. We wish this example with Carrey was a one off event, but it is actually a very typical FTB interaction. In almost every single phone call to the FTB, we are given erroneous information. There seems to be no consistency or rhyme or reason to your operating system there. So Christine has literally wasted months doing the wrong thing at the FTB's behest and/or wasted months not taking action because we were told the wrong information by the FTB.

Just so that you can fully appreciate the FTB's utter incompetence, I will continue on with the story above of Carrey and the late fee... when we filed our 2012 tax returns in June 2014, we subtracted the \$3,972 penalty from the amount that rolled over from 2011, as Carrey had told us to. On July 9, when we found out the late fee could not come from the 2012 overage, Carrey told us we had no choice but to pay the balance (which was now only \$3,855, so Carrey must have figured it out wrong when she totaled it in June). So we paid it in full right then via the website. Then we had her check our tax returns. The \$3,972 was not applied to 2011, nor was it applied to 2012. It's completely and totally missing. I've talked to Carrey several more times since then and she has yet to be able to track the money.

But wait, there is more!!! On July 15, 2014, the FTB mailed us a notice saying that we still owed \$6,240.29 on our estimated 2011 tax returns. On June 2, when we talked to Carrey, she confirmed that our 2011 returns had already been processed. I again called Carrey, who confirmed it was an error; the 2011 returns were paid in full. Our 2011 taxes were filed in February 2014 and we know for a fact it was processed before May 20th. So why are you sending harassing nasty grams regarding estimated taxes almost two full months after you've processed said taxes?

This latest error on the part of the FTB – losing our \$3,972 -- is costing me a tremendous amount of time and aggravation, and preventing me from working on the 2013 taxes.

I would like to remind you that these kinds of mistakes and errors are not unique to Carrey – they have happened with pretty much every single person I have worked with at the FTB over the last few years. And pretty much every interaction I've had with the FTB is equally shocking and unbelievable as the ones I've relayed in this

Excerpt From 2011 Aboutement request Submitted to FTB 8-11-2014

(5)

CHRISTINE N GRAB

ID Type / Number: SSN

TPID:



Taxpayer Status:

Received Payment

Amount:

\$7,230.77

DLN:

1601528210M

Bank Account

Number:

Received Date:

02/02/2016

Method:

Check

Bank Routing Number:

Posted Payment

Amount:

\$2,751.05

Effective Date:

02/08/2016

TPID:

Status:

Applied

Type:

Bill

Spouse TPID:

Tax Year:

2014

APE:

12/31/2014

16040E005420

635055010006

7
-
U
-
4
÷
+
1
+
+
+
I
÷
+
īu
T.
96
W
EE
380
H
금
5
00
6
000
吕
ö
72
E
싓
¥
_0

CHRISTINE N GRAB

INLIEU Miscellaneous Bill Payment

55

User ID: Taxpayer FTBID: Taxpayer SSN/FEIN:

Spouse FTBID:
Spouse SSN/FEIN:
Tax year: 2013
Remit Amount: \$7,230.77

CHRISTINE N GRAB

ID Type / Number: SSN

SSN

TPID:

Taxpayer Status:

Received Payment

Amount:

\$7,230.77

DLN:

1601528210M

Bank Account

Number:

Received Date:

02/02/2016

Method:

Check

Bank Routing Number:

ng

Posted Payment

Amount:

\$4,479.72

Effective Date:

02/08/2016

TPID:

Status:

Applied

Type:

Bill

Spouse TPID:

Tax Year:

2013

APE:

12/31/2013

6 day delay in applying }

496328121311

MM09

Notice Date: 12/22/15

12221513+++++++++++121368833800000000000000000000072307759

Income Tax Due Notice Mark box and write new address on reverse.	Account Number: Tax Years: 2013
CHRISTINE N GRAB	COPY
	Balance: \$7,230.77 Due Date: 01/06/16

Detach and mail with your payment. Do not mail top voucher if you paid electronically.

Income Tax Due Notice

Notice Date: 12/22/15 Account Number:

Our records show you owe a balance. We previously billed you for the balance, which remains unpaid. The Account Balance Summary below provides specific details. No additional interest accrues if we receive full payment within 15 days from the notice date.

If we do not receive your balance payment in full within 30 days from the notice date, we may take collection action against you, such as file and record a Notice of State Tax Lien against your property and garnish a portion of your wages. See enclosed FTB 1140, Personal Income Tax Collections Information.

If you are financially unable to pay the balance in full, you may be eligible to make monthly payments through our Installment Agreement Program. Go to ftb.ca.gov and search for installment agreement or call (800) 689-4776.

If you think you do not owe this amount, call (800) 689-4776, (916) 845-7044, TTY/TDD: (800) 822-6268, or fax (916) 845-0993 weekdays, except state holidays.

How to Pay Your Balance

- If you are required to pay electronically. go to ftb.ca.gov and search for mandatory e-pay for payment methods. Penalties apply if you pay by other means.
- Online, installment agreement, and other payment options: See enclosed FTB 4032, Pay Your Taxes Online, or go to ftb.ca.gov and search for payment options.
- Check or money order: Make payable to the Franchise Tax Board. Write your full name and account number on your payment. Mail your payment and top voucher in the enclosed envelope or to the address above.

Account Balance Summary as of 12/22/15

Tax Year	Тах	Penalty Amount	Code	Interest	Collection Fees	Payments	Adjustments	Tax Year Amount
2013	\$4,562.00	\$2,281.00	AD	\$308.77	\$79.00	\$0.00	\$0.00	\$7,230.77
						,		. ,
Other	Liability Codes	==>			Other Lia	bility Amount =	==>	

See penalty and other liability codes on reverse.

Balance

\$7,230.77



496627121311

MM13

Notice Date: 01/27/16

01271613++++++++++121368833800000000000000000000072519248

Final Notice Before Levy and Lien	Account Number:
Mark box and write new address on reverse.	Tax Years: 2013
CHRISTINE N GRAB	COPY
	*

Detach and mail with your payment. Do not mail top voucher if you paid electronically.

Final Notice Before Levy and Lien

Notice Date: 01/27/16

Account Number:

This notice serves as your final demand for payment. We previously billed you for the balance, which remains unpaid. The Account Balance Summary below provides specific details. No additional interest accrues if we receive full payment within 15 days from the notice date.

If we do not receive your balance payment in full within 30 days from the notice date, we intend to take collection action against you without further notice. We may impose a collection fee, garnish a portion of your wages, attach bank and financial deposit accounts, seize and sell real and personal property, and contact third parties. We may also file and record a Notice of State Tax Lien against your property. A lien may appear on your credit report, negatively impact your credit, and prevent your ability to refinance, sell, or transfer property. See the enclosed FTB 1140, *Personal Income Tax Collections Information*.

If you are financially unable to pay the balance in full, you may be eligible to make monthly payments through our Installment Agreement Program. Go to **ftb.ca.gov** and search for **installment agreement** or call (800) 689-4776

If you think you do not owe this amount, call (800) 689-4776, (916) 845-7044, TTY/TDD: (800) 822-6268, or fax (916) 845-0993 weekdays, except state holidays. If you have already paid the balance, contact us immediately with proof of payment (such as the number stamped on your canceled check).

How to Pay Your Balance

Balance: \$7,251.92 Due Date: 02/11/16

- If you are required to pay electronically, go to *tb.ca.gov and search for mancatory e-pay for payment methods. Penalties apply if you pay by other means.
- Online, installment agreement, and other payment options: See enclosed FTB ≠ 332, Pay Your Taxes Online, or go to tb.ca.gov and search for payment options.
- Check or money order: Make payable to the Franchise Tax Board. Write your full name and account number on your payment. Mail your payment and top voucher in the enclosed envelope or to the address above.

Account Balance Summary as of 01/27/16

Tax Year	Тах	Penalty Amount	Code	Interest	Collection Fees	Payments	Adjustments	Tax Year Amount
2013	\$4,562.00	\$2,281.00	AD	\$329.92	\$79.00	\$0.00	\$0.00	\$7,251.92
Other Liability Codes = >					Other Liabil	lity Amount =	=>	L

See penalty and other liability codes on reverse.

Balance

\$7,251.92



CHRISTINE N GRAB

ID Type / Number: SSN

SSN

TPID:



Taxpayer Status:

Received Payment

Amount:

\$28.20

DLN:

1600033784W

Bank Account

Number:

Received Date:

02/24/2016

Method:

EFT Web Pay

Bank Routing Number:

Posted Payment

Amount:

\$0.00

Effective Date:

02/24/2016

TPID:

Status:

Dishonored

Type:

Bill

Spouse TPID:

Tax Year:

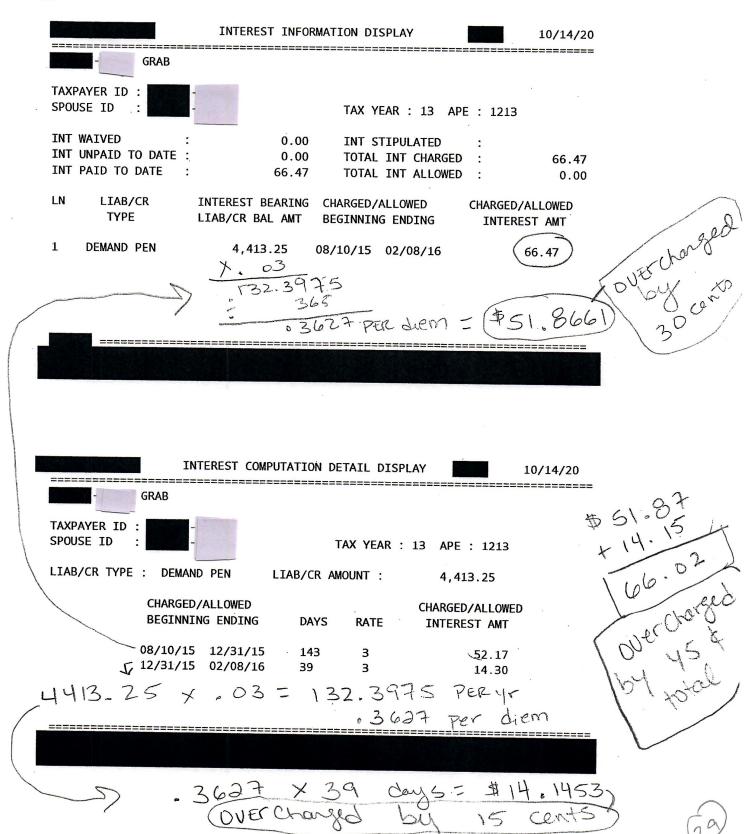
2013

APE:

12/31/2013

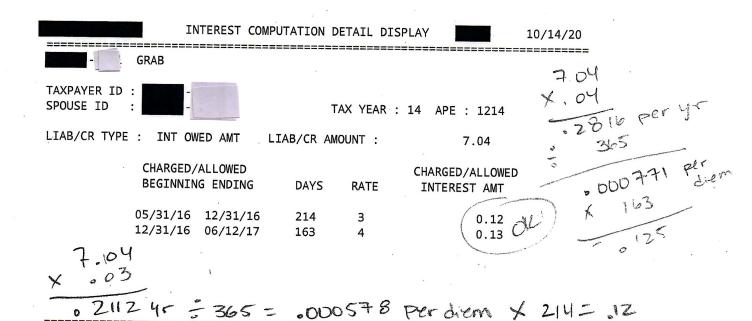


3C



FTB 022 0(33

INTEREST COMPUTATION DETAIL DISPLAY 10/14/20 **GRAB** Should have been charged TAXPAYER ID : SPOUSE ID TAX YEAR : 14 APE : 1214 \$ 137.30 LIAB/CR TYPE : DEMAND PEN LIAB/CR AMOUNT : 3,873.00 was charged CHARGED/ALLOWED CHARGED/ALLOWED BEGINNING ENDING DAYS RATE INTEREST AMT 37 \$ 129. 05/31/16 12/31/16 214 68.53 12/31/16 06/12/17 163 71.04 3183 × 214 days=\$68.12 \$ 3,873 ¥154.92 = 365= 365 = . 3183 per diem ·4244 per dem > 163 days= 469.18



FTB 029

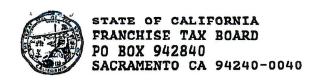
Exhibit 41

TPF | GRAB, ERIC W - SSN

ERIC W GRAB	RAB				
ID Type / Number: SSN	SSN		Тахрау	Taxpayer Status:	
Current Totals					
Balance:	\$0.00	Penalties:		Interest:	
Summary					
Tax Year:	2014	APE	12/31/2014	Tax Year Status:	Debit or zero balance
TPID:		Return Due Date:	04/15/2015	Refurn Filed Date:	01/25/2017
Spouse Name:	CHRISTINE N GRAB	Spouse TPID:		Spouse SSN:	
Assessment Type:	Self Assessment	Revenue Code:	2003800	Pending Items:	ON
Holds:	Yes	Hold Date:		Hold Reason	LITIGATION
Tax Year Balance:	\$0.00	Last Transaction Date:		Return Filing Status:	TNIOL
Ledger					
TOT TAX LIAB:	\$26,808.00		TAX WITHHELD:	830,905.00	
Effective Date	Type		Debit Amount	Credit Amount	
	TOT INT CHRGD	RGD		\$146.88	\$0.00
06/12/2017 05/31/2016 05/09/2016 02/08/2016 04/15/2015 04/15/2015	BILL PAYMENT BILL PAYMENT DEMAND PEN FE COST FEE BILL PAYMENT EXCESS SDI CR EST TR TO 15 EST TR 10 15 DELINQ PEN	NNT NNT NNT NT 1 CR 1 5			
04/15/2014 04/15/2014 04/15/2014	EST TR TO 13 EST TR FR 13 EST TR FR 13	13 13			
Pending Items List	s List				
tem	APE Type/Source		Effective Date		Amount
i No Items				Ó	



EXHIBIT D Page 1 of 1



LETTER ID: EC 17-01705339 MAKER: 308: :CEC

CHRISTINE N GRAB

In response to your recent communication, the following is a summary of your personal income tax account with the State of California.

ITEM NAME	DATE	DEBITS	CREDITS
Total Tax Liability	04/15/2015		
Tax Withheld	04/15/2015		
Excess SDI Credit	04/15/2015		
Bill Payment	02/08/2016		
Bill Payment	05/31/2016		
Bill Payment	06/12/2017		
Estimate Transfer from 2013	04/15/2014		
Estimate Transfer from 2013	04/15/2014		
Estimate Transfer to 2015	04/15/2015		
Demand Penalty	05/09/2016		
Total Interest Charged		146.86	
FTB Adjustment*	06/15/2017		8.37
Total Credit			
Total Debit			

*Note: Franchise Tax Board (FTB) may adjust an account when the processing costs exceed the amount of the adjustment.

The above computation lists all tax liabilities, penalties, fees, interest, and payments that we have applied to the tax year shown (as of the date of this letter). If there is a balance due, interest will continue to accrue until you pay the balance in full.

Internet and Telephone Assistance

Website: ftb.ca.gov

Total Balance

Telephone: 800.852.5711 from within the United States 916.845.6500 from outside the United States

TTY/TDD: 800.822.6268 for persons with hearing or speech impairments

(2)

\$0.00

INTEREST INFORMATION DISPLAY 10/14/20 GRAB TAXPAYER ID : SPOUSE ID TAX YEAR : 14 APE : 1214 INT WAIVED 0.00 INT STIPULATED INT UNPAID TO DATE : 0.00 TOTAL INT CHARGED : 146.86 INT PAID TO DATE 146.86 TOTAL INT ALLOWED : 0.00 LN LIAB/CR INTEREST BEARING CHARGED/ALLOWED CHARGED/ALLOWED TYPE LIAB/CR BAL AMT BEGINNING ENDING INTEREST AMT DEMAND PEN 3,901.20 05/09/16 05/31/16 7.04 2 DEMAND PEN 3,873.00 05/31/16 06/12/17 139.57 INT OWED AMT 7.04 05/31/16 06/12/17 did these #5 come

INTEREST COMPUTATION DETAIL DISPLAY

GRAB

TAXPAYER ID : SPOUSE ID



TAX YEAR : 14 APE : 1214

LIAB/CR TYPE : DEMAND PEN

LIAB/CR AMOUNT :

3,901.20

CHARGED/ALLOWED CHARGED/ALLOWED BEGINNING ENDING DAYS RATE

INTEREST AMT

05/09/16 05/31/16 22 3 7.04

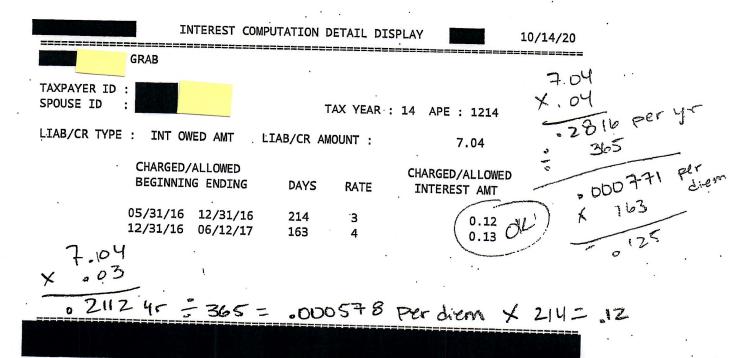
\$3901.20

365 = . 3206 per diem

FTB 028

3206 days x 22 days

INTEREST COMPUTATION DETAIL DISPLAY 10/14/20 **GRAB** Should have TAXPAYER ID : Islan Charled SPOUSE ID TAX YEAR : 14 APE : 1214 LIAB/CR TYPE : ·\$137.30 DEMAND PEN LIAB/CR AMOUNT : 3,873.00 was charged CHARGED/ALLOWED CHARGED/ALLOWED BEGINNING ENDING DAYS RATE INTÉREST AMT 05/31/16 12/31/16 214 68.53 12/31/16 06/12/17 163 71.04 3183 × 214 days= 68.12 \$ 3,873 \$154.92 = 365= 365 = . 3183 per diem .4244 per dem x 163 days= 469.12



FTB 029

FXhibit 41

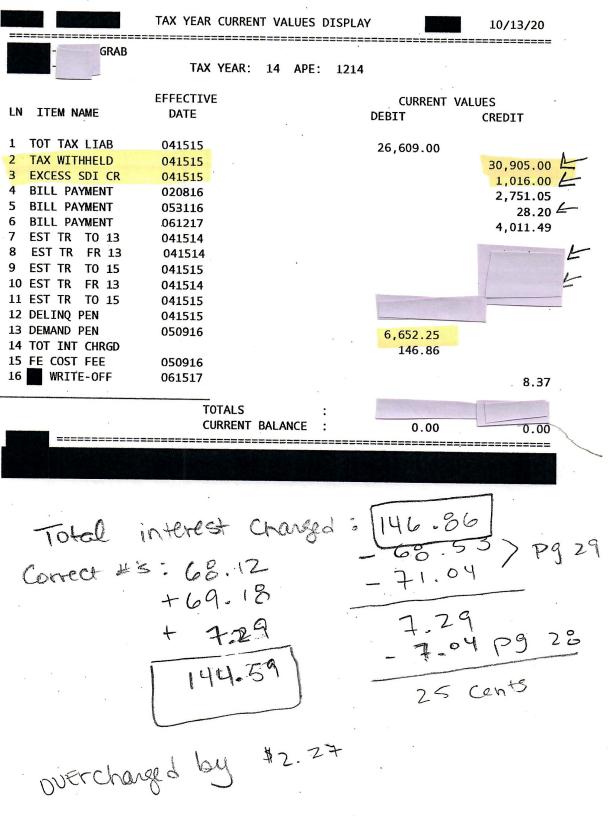


Exhibit 41

FTB 030 of 33

496300091381

Notice Date: 05/24/2017

06/08/2017

05241714+++++++++++12136883380000000000000000000000040114962

Notice of	State Income Tax Due		Account Number:	
	Mark box and write new address on reverse.		Tax Year:	2014
	CHRISTINE N GRAB	ı	Balance:	\$4,011.49

Detach and mail with your payment. Do not mail top voucher if you paid electronically.

Notice of State Income Tax Due

Notice Date: 05/24/2017

Account Number:

Notice ID: 1718BNKIRIE5

This notice summarizes the balance that is now due and payable on your personal income tax account with the State of California. The Account Balance Summary below provides specific details. If you owe for any other tax years, we will mail a separate notice. No additional interest accrues if we receive full payment within 15 days from the notice date. If you think you do not owe this balance, call 800.852.2753 or TTY/TDD 800.822.6268.

The balance due reflects all payments and/or credits posted through 05/19/2017. If you paid the full balance after this date, disregard this notice. If you paid the full balance before this date, contact us immediately with proof of payment. If you write to us, provide a daytime or evening telephone number. We may need to call you for additional information.

If we do not receive your balance payment in full within 30 days from the notice date, we may begin collection action against you, such as file and record a Notice of State Tax Lien against your property and impose a collection cost recovery fee.

How to Pay Your Balance

Due Date:

- If you are required to pay electronically, go to ftb.ca.gov and search for mandatory e-pay for payment methods. Penalties apply if you pay by other means.
- Online and other payment options: Go to ftb.ca.gov and search for payment options.
- Check or money order: Make
 payable to the Franchise Tax Board,
 write your full name and account
 number on your payment. Mail your
 payment and top voucher in the
 enclosed envelope or to the address
 above.

Account Balance Summary

Tax Year	Тах	Penalty	Penalty Codes	Interest	Collection Costs	Payments and Adjustments	Total
2014	-2779.29	5 - 2779-2 3873		\$138.49		\$29,388.25 \$30,905 F	on employer
Other I	Liability Codes				Other Liabili	ity Total	
					B	alance À	

See enclosed FTB 1140 EDR, *Personal Income Tax Collections Information*See penalty and other liability codes on reverse.

(\$1549.75 Varished)

s add in 428,00,