

1 **V.C.1. Chelsea Hubbard: Perjury, Withholding Evidence, Improperly Redacting Documents**

2 On 10-01-2020, I served a Demand for Documents, set #001 on FTB (exhibit 39). On 11-
3 03-2020, Chelsea Hubbard responded to the service with a verified response that included some of
4 the documents that I had requested (exhibits 40 and 41). On 11-30-2020, I served a Meet and
5 Confer on FTB (exhibit 42) and included a copy of the 2009 accounting ledger since FTB claimed
6 they could not propound the requested documents for tax year 2009 using the contrived excuse that
7 they could not identify said ledger in their records. On 12-01-2020 and 12-02-2020, I sent follow-
8 up emails to help clarify what information I was specifically looking for that I had identified in the
9 Meet and Confer (exhibit 44). On 12-07-2020, FTB provided an unverified response to the Meet
10 and Confer (exhibit 45). There was another follow up email chain dated 12-09-2020 (exhibit 46).

11 I did not notice that the Meet and Confer response was unverified until I was compiling
12 information for the FCC. I believe that the lack of verification was intentional on the part of both
13 Anna Barsegyan and Chelsea Hubbard because they both knew that some of the information
14 provided in the Meet and Confer was false. As I have already addressed above and will detail
15 further below, verifications from FTB staff were problematic in this case.

16 On 12-15-2020, I filed a Motion to Compel Further Response to Demand for Documents, set
17 #001 against FTB. In the Declaration of Christine Grab in Support of Motion to Compel Further
18 Response to Demand for Documents, set #001, I documented on pages 6 – 8 that Ms. Hubbard had
19 committed one count of perjury by falsely stating that the dates listed on the accounting ledgers are
20 the actual dates the credit elect payments were applied to our account. Here is the relevant excerpt:

21 “FTB also made a false statement in the documents provided. On page
22 FTB007 (exhibit 41, page 7), FTB wrote “*Please note that the no payment was
23 transferred or cancelled on the ‘Estimated Transfer Cancellation Screen.’ It is
24 showing the amount that was transferred from one tax year to another *and the date it*

1 *was transferred.**” The asterisk indicated the payments that had been made via
2 credit elect. (emphasis added to indicate the false portion of the statement.)

3 The payments with this asterisk each say “Transfer Effective Date,” which
4 indicates the date to which the payment was back-dated, as is required per Revenue
5 & Tax Code 19363. This is not the actual date that the money was applied to our
6 account.

7
8 In the case of payment 1A of \$ [REDACTED] the payment was made on 11-09-2010,
9 so clearly, the “effective transfer date” of 04-15-2010 cannot be the actual date on
10 which the money was applied (exhibit 41, page 1; exhibit 2).

11 Likewise, Item 1D, a payment of \$ [REDACTED] was made on 11-08-2013. It thus
12 could not have been applied on 04-15-2011 (exhibit 41, page 4, exhibit 2, exhibit 8).
13 There are three more items that this false statement pertains to: 1E, 1G, and 1I
14 (exhibit 41, pages 5 – 7).

15
16 In exhibit 45, page 2, FTB stated that “...FTB produced all documents
17 responsive to your request...FTB does not have any further documents responsive to
18 your request.” If it is true that FTB has no records of the dates that payments made
19 via credit elect were received nor the dates the payments were applied to our
20 account, FTB has breached its duty to manage taxpayer accounts with accuracy and
21 financial integrity as per the Statement of Principles of Tax Administration (see
22 General Objections below). It is inconceivable that a taxation agency that
23 purportedly adheres to Principles of Tax Administration would not maintain such
24 records.
25

26 In FTB’s Meet and Confer Response dated 12-07-2020, Ms. Barsegyan also
27 wrote: “Furthermore, your inquiry regarding the location of the funds in your
28 account is not relevant to your refund complaint against the FTB. Pursuant to

1 Revenue and Taxation Code section 19133, if a taxpayer fails to properly timely
2 respond to the notice and demand by the FTB, the FTB may impose a penalty of up
3 to 25 percent of the amount of tax assessed pursuant to section 19087 unless the
4 failure is due to reasonable cause and not willful neglect.” (exhibit 45, pages 2).
5

6 As I detailed in my Complaint on pages 2 – 4, Revenue & Tax Code 19087
7 states that Notices and Proposed Assessments and Demand Penalties are only to be
8 issued/imposed on *delinquent* accounts as assessed by FTB. It says:

9 (a) If any taxpayer fails to file a return, or files a false or fraudulent
10 return with intent to evade the tax, for any taxable year, the Franchise Tax
11 Board, at any time, may require a return or an amended return under penalties
12 of perjury *or* may make an estimate of the net income, from any available
13 information, and may propose to assess the amount of tax, interest, and
14 penalties due. **All the provisions of this part relative to delinquent taxes**
15 **shall be applicable to the tax, interest, and penalties computed hereunder**
16 (emphasis added).
17

18 If FTB’s above statement is truthful – that the transfer effective date was the
19 actual date that those five credit-elect payments were applied to our account -- then
20 per FTB’s own record 1G (exhibit 41, page 6), our tax year 2013 was fully funded by
21 the due date, the Notice of Proposed Assessment (NPA) was falsely issued, and all
22 penalties, fees and interest were wrongfully imposed (exhibit 47). As such, the
23 penalties, fees, and interest for tax year 2013 should be immediately refunded to us,
24 along with interest for the duration that the monies was improperly held.
25

26 If FTB’s above statement is truthful – that the transfer effective date was the
27 actual date that those five credit-elect payments were applied to our account -- then
28 per FTB’s own record 1D, there should have been a payment of \$ [REDACTED] listed on the

1 2011 NPA (exhibit 41, page 3). The NPA, however, states zero received in
2 payments (exhibit 47, pages 1, 2).”

3 I believe that Chelsea Hubbard made this false statement regarding the date that the credit elect
4 payments were actually applied to our account in order in order cloak FTB’s standard operating
5 procedure of withholding estimated tax payments.
6

7 I believe Chelsea Hubbard was also trying to hide FTB’s self-serving accounting irregularities. As
8 documented in the Declaration of Christine N. Grab in Support of Motion to Compel Further Response to
9 Demand for Documents, set #001, many of these irregularities are so egregious that they qualify as
10 criminally fraudulent, such as identifying payments as refunded when they had not been (see pages 9 - 12
11 and 25 – 27), stating that FTB had no records of a payment made which showed on their accounting ledgers
12 (see pages 5 - 6), refusing to disclose the nature of strange accounting adjustments that appear to be attempts
13 to overcharge interest (see pages 16 – 21), and refusing to provide copies of alleged “new bills” that had been
14 created for tax years that had already been zeroed out and purportedly closed by FTB (see pages 21 – 24).

15 Chelsea Hubbard committed a second count of perjury by stating that there are no records of
16 the dates that payments made via check are actually applied to the taxpayer’s account, only the
17 effective dates. Exhibit 76 are some records that Ms. Hubbard submitted during discovery. Pages 1
18 and 2 indicate that the effective date of the payment of \$7,230.77 that my husband and I made on
19 01-29-2016, which was designated for a bill issued by FTB for tax year 2013, was applied to our
20 account on 02-08-2016. This document indicates that the payment was split in two, with \$4,479.72
21 applied to tax year 2013 and the balance to 2014.
22

23 Exhibit 76, page 3, however, indicates that the entire payment of \$7,230.77 was transferred
24 on 12-01-2016 for state “STRATA SCR/YLD ERR W/L – ST02.” With the text: “BILL
25 PAYMENT TRANSFER” AND TEXT “2013” and text “Debt hold chg,Review off.” Page 4 shows
26 the full payment of \$7,230.77 was posted on tax year 2013 on 11-30-2016, one day before the entry
27 was made on page 3 indicating the transfer was made. Clearly, pages 3 and 4 indicate that records
28

1 of the *actual* dates that the payments were applied do exist. The question is, where was the
2 \$7,230.77 located between 01-19-2016 and 11-30-2016?

3 Per page 4, on 05-12-2017, there was an overpayment on our 2013 account of \$ [REDACTED]. On
4 05-12-2017, the payment of \$7,230.77 was transferred out of tax year 2013, leaving our tax year
5 2013 underfunded. The record does not indicate where it was transferred to. \$4,479.72 was
6 transferred back in on the same day, also from a location which I could not identify, in order to
7 cover the shortfall.
8

9 We filed our tax year 2013 tax returns on 08-03-2016. Page 5 indicates that the tax return
10 was processed on 11-30-2016. My understanding is that FTB's standard operating procedure is to
11 immediately apply monies designated as "bill payments" the taxpayer's account. It appears that this
12 bill payment of \$7,230.77 was intentionally withheld until the date that FTB processed the return
13 for tax year, which I believe violates FTB's standard operating procedures.
14

15 I requested clarification on whether "bill payments" were immediately applied to the
16 taxpayers account at the 2021 Annual Taxpayer Bill of Rights Meeting in accordance with Revenue
17 and Taxation Code 20116(a)(2). Brenda Voet, the current Taxpayer Advocate, declined to provide
18 clarification on the grounds that pending litigation voided my taxpayer rights (exhibit 77). I believe
19 that her implying that a law exists that allows for her to violate my rights under certain
20 circumstances violates TITLE 18, U.S.C., SECTION 242. It is my duty per 18 USC §4, Misprision
21 of Felony, to file a Federal Criminal Complaint against Ms. Voet in 2022.
22

23 Chelsea Hubbard committed a third count of perjury when she stated that there were no
24 records of the actual dates that payments made via credit elect are applied to the taxpayer's account.
25 On 06-16-2014, we made a payment via credit elect of \$ [REDACTED] designated for tax year 2013
26 (exhibit 2). The NPAs issued to my husband and I were both dated 08-10-2015 (exhibit 47, page 3),
27 and showed that the credit elect payment had not been applied to our account. Per exhibit 76, page
28 4, the payment was applied to our account on 11-02-2015. This is interesting, since FTB's Taxpayer

1 Advocate states that payments made via credit elect are retroactively applied to the taxpayer's
2 account on the date that the taxpayer files that year's return. In this case, we filed the 2013 return on
3 08-03-2016.

4 I find it odd that FTB withheld this credit elect payment of \$ [REDACTED] for sixteen-and-a-half
5 months, then applied it in violation of the Advocate's stated policy of withholding credit elect
6 payments until that year's return is filed. Why did FTB choose that particular date to apply the
7 money? Where was the money in the interim? Yet FTB withheld a bill payment of \$7,230.77 until
8 our 2013 tax return was processed in violation of what I believe are their standard operating
9 procedures of immediately applying "bill payments?"

10
11 More *prima-fascia* evidence that Chelsea Hubbard's perjurious statement was intentional to
12 hide her employer's *bona-fide* criminal activities is addressed below in the section titled *V.C.2:*

13 *Keith Swank.*

14
15 On 01-07-2021, I submitted Demand for Documents, set #002, in which I requested that
16 FTB propound all documents produced as part of ordinary business practices for myself and my
17 husband for tax years 2002, 2008, 2009, 2011, 2012, 2013, 2014, 2015 and 2016, along with a list
18 of the name and date created of every document that was withheld on the grounds of privilege
19 (exhibit 78). Chelsea Hubbard responded on 02-11-2021 with a verified response that FTB had
20 propounded all requested documents for 2011, 2013 and 2014 (exhibit 79).

21
22 On 03-01-2021, I served a Meet and Confer (exhibit 80). FTB responded with an unverified
23 response (exhibit 81). On 03-24-2021, I asked Ms. Barsegyan for a verification from Ms. Hubbard.
24 On 03-25-2021, Ms. Barsegyan provided a verification dated 03-16-2021 via email (exhibit 81,
25 page 7).

26 It is important to note that in the first Demand for Documents that I served on FTB on 10-
27 01-2020, I had requested specific documents which appeared to be fraudulent line items on FTB's
28 accounting records from tax years 2002, 2008, 2009 and 2010, such as the new "bills" that were

1 created on tax years 2002 and 2009 and copies of refund checks allegedly issued from tax year
2 2002. FTB refused to propound these items by claiming they were unable to identify the records
3 that I had requested.

4 In the second Demand for Documents, I simply asked for everything for the tax years in
5 which irregularities occurred so that I could sift through the documents to find the appropriate
6 information for myself.

7
8 I believe that one of the secrets to making FTB's criminal schemes appear to be legitimate is
9 by placing the accounting irregularities that lead to the false imposition of penalties on a different
10 year than the penalties are incurred. Then FTB can show that the records from the year in which the
11 penalties were incurred appear to be accurate, and thus hide the fraud altogether by refusing to
12 propound evidence for a year not in dispute, nor acknowledge that the irregularities on one tax year
13 could lead to the false imposition of penalties on a different year.

14
15 I believe that Chelsea Hubbard's refusal to propound documents for tax years 2002, 2008,
16 2009, 2010, 2012, 2015 and 2016 was intentional to hide evidence of fraud and other breaches of
17 duty committed by her employer. I believe that Chelsea Hubbard has committed seven counts of
18 obstruction of justice by withholding pertinent evidence (one count for each year).

19
20 On 03-27-2021, I served Specially Prepared Interrogatories, Set #001: Clarification of
21 Policies and Procedures on FTB (exhibit 48). On 05-03-2021, Keith Swank responded to the
22 service with a verified response (exhibit 50). On 05-10-2021, I served a Meet and Confer to FTB
23 (exhibit 58). On 05-25-2021, Ms. Barsegyan provided a response to the Meet and Confer which
24 was not verified (exhibit 82).

25
26 On 04-04-2021, I served Plaintiff Christine N. Grab Requests for Admission, Set #001 on
27 FTB (exhibit 52). FTB responded on 06-01-2021, stating that they refused to answer any questions
28 since I was over the limit on number of questions that I could ask.

1 On 05-24-2021, I filed a Motion to Compel Further Response to Specially Prepared
2 Interrogatories, Set #001, in which I documented that Chelsea Hubbard had committed two more
3 counts of perjury in the Response for Demand for Documents #002, dated 02-11-2021. Ms.
4 Hubbard had stated that FTB had propounded all documents for tax years 2011, 2013 and 2014;
5 however, I documented that she withheld two documents that were pertinent evidence for tax years
6 2011 and one pertinent document for 2013 (one count of perjury for each year which she falsely
7 verified). Here is a relevant excerpt from the Declaration of Christine N. Grab in Support of Motion
8 to Compel Further Response to Specially Prepared Interrogatories, set #001. From the Declaration
9 of Christine N. Grab in Support of Motion to Compel Further Response to Specially Prepared
10 Interrogatories, set #001, page 6:
11

12 "In Defendant's Response to Plaintiff's Demand for Documents, Set #002, Ms. Hubbard
13 committed two more counts of perjury. She stated that for tax years 2011 and 2013, FTB
14 had provided me copies of all documents created as a part of standard operating procedures,
15 and for the documents that were considered privileged, gave me the name and creation date
16 of the privileged document. In my records, I have found one document from each of those
17 years that were not provided/disclosed by FTB. The 2011 document indicates that FTB had
18 breached their duty and the 2013 document is a confirmation that our 2013 estimated tax
19 payments had been received but withheld from our account. It appears Ms. Hubbard
20 withheld pertinent evidence from this case (see attached exhibit 52, pages 7, 8, 10, 11 and
21 attached exhibit 54, pages 6 - 7)."
22

23 The document withheld for 2013 was a form letter dated 08-13-2015 from FTB which stated
24 "We have received an estimated tax payment in the amount of \$ [REDACTED] for the account number and
25 tax year shown above... You must file a tax return to claim a refund or credit for the tax year shown
26 above." This single form letter is the smoking gun which confirms that the withholding of estimated
27 tax payments is FTB's standard operating procedure. I believe that Chelsea Hubbard deliberately
28

1 withheld this document to hide her employer's unlawful business practice, along with the
2 accounting irregularities that stemmed from this practice.

3 One of the documents that Ms. Hubbard withheld for tax year 2011 indicates that there were
4 irregularities surrounding the processing of our 2011 tax return. FTB's Taxpayer Advocate states
5 that payments are not moved from the general fund to the taxpayer's account until that year's tax
6 return is filed (exhibit 52, pages 24 - 25). That statement is confirmed by the aforementioned
7 document that Ms. Hubbard failed to propound for tax year 2013. By waiting eight months to
8 acknowledge the receipt of our tax returns, it appears that FTB also delayed moving the funds into
9 our account by eight months (exhibit 52, pages 4 - 9 and page 29). Thus, by not producing this
10 document, Ms. Hubbard hid evidence that supports our claims of accounting irregularities involving
11 "missing" funds.
12

13
14 Not only did Chelsea Hubbard withhold some documents altogether, she also improperly
15 redacted other documents. Two of the documents propounded were completely blacked out. My
16 understanding is that even if a document is considered privileged, FTB must still provide the name
17 of the document and the date it was created. By completely redacting these two documents, she has
18 violated the rules.

19 The documents were sent in a particular order, so it is possible to ascertain what is missing.
20 The document labeled GrabIPA_PRA 0023 is the same document 008 that was propounded in 2018
21 for my OTA case. The document labeled GrabIPA_PRA 0025 is the same document 010 that was
22 propounded in 2018. Therefore, it is reasonable to deduce that the improperly redacted document
23 GrabIPA_PRA 0024 is the same document as OTA document 009, which is an accounting summary
24 from my husband's tax year 2002 (exhibit 83, pages 1 - 6).
25

26 The document labeled GrabIPA_PRA 0209 is the same document 194 that was propounded
27 in 2018 for my OTA case. The document labeled GrabIPA_PRA 0211 is the same document 196
28 that was propounded in 2018. Therefore, it is reasonable to deduce that the improperly redacted

1 document GrabIPA_PRA 0210 is the same document as OTA document 195, which is another
2 accounting summary from my husband's tax year 2002 exhibit 83, pages 7 – 12).

3 In both cases, the privilege log states the reason for redaction was "Third Party Taxpayer
4 Information." There was no third party information on exhibits GrabIPA_PRA 0210 nor
5 GrabIPA_PRA 0024, so this was a fraudulent excuse (exhibit 84). Please note that this 2002
6 summary is the same document that Chelsea Hubbard claimed that FTB was unable to identify in
7 order to propound the documents that I had requested in the Demand for Documents, set #001. I
8 believe the fact that Chelsea Hubbard twice completely redacted the 2002 ledgers proves her
9 statement that she was unable to locate the 2002 ledger in order to propound the requested
10 documents was intentional perjury.

11
12 Several of the other documents Chelsea Hubbard submitted were partially redacted in an
13 improper manner. For example, exhibit 85, pages 1 and 2 are two pages of the same document. One
14 was provided from FTB's Disclosure Department in 2018. Chelsea Hubbard submitted the same
15 document as GrabIPA_PRA 0177. Per exhibit 84, the reason for the redactions was "Third Party
16 Taxpayer Information." Here is the first pertinent redacted portion of the document:

17
18 12/15/2018: Trace results for \$1,000 refund issued 05.29.2008 warrant number 27-
19 470434 on SP Eric Grab SS# (redacted). 2002 tax year was paid 07.02.2008 per
20 SCO...

21
22 It is important to note that FTB's accounting records state this refund was made on 04-30-2011, not
23 on 07-02-2008 (exhibit 83, pages 4 and 10). This note proves that the line item on FTB's accounting
24 ledger is fraudulent. Clearly, the purpose of the redaction was to hide the fraud, not to protect "third
25 party information." Continuing on with the same document, Ms. Hubbard redacted two innocuous
26 looking sentences:

27 "02/15/2018: ...Single 2002 tax year then refunded 05.29.2008... when results
28 received I will send to SP Eric Grab since it was issued only to him..."

1 My husband's marital status in 2002 is certainly not privileged information, nor is it third party
2 information, and thus there was no reason to redact it.

3 In the two FCCs, I documented that in FTB's fourth unlawful scheme, they intentionally
4 misapply estimated tax payments to a previous year and refund the monies, then impose penalties,
5 fees and interest for "not paying timely." (exhibit 61, page 3). FTB has openly stated that they treat
6 married people differently than single people. FTB repeatedly created new bills on my husband's
7 account on the year prior to our marriage. FTB "misapplied" several joint estimated tax payments
8 intended for the current year to alleged new bills on a purportedly closed tax year (exhibit 15, pages
9 2 - 4). FTB refused to provide proof that these new bills were actually created. These particular
10 "misapplied" payments were incredibly difficult to locate and rectify – including one of the
11 payments taking seven years and personal intervention from the State Controller's office in order to
12 locate (exhibit 86, pages 3 -5). The line items on FTB's accounting records regarding these
13 particular payments are fraudulent (exhibit 83, page 4 and exhibit 85, page 2). Based on the
14 evidence above, I believe it to be a *bona fide* racketeering scheme, and that some facet of that
15 racketeering scheme involves marital status. I believe that Chelsea Hubbard's choice to redact these
16 two sentences corroborates my belief that marital status is a facet of that racketeering scheme.
17
18

19 Two more improperly redacted documents are GrabIPAPRA_0223 and GrabIPAPRA_0175.
20 They are the same document, except one has line items through 2017 and the other through 2018.
21 The same line item is redacted on each. GrabIPAPRA_0175 is identical to Document 160
22 propounded in 2018 for my OTA case. The line item that Chelsea Hubbard redacted from the two
23 documents was that my husband's 2002 tax return was processed on 06-13-2003 (exhibit 85, pages
24 3 – 5).
25

26 Per exhibit 84, the reason for redaction for GrabIPAPRA_0175 was "internal website
27 address, system access information, third party taxpayer information." The reason for
28 GrabIPAPRA_0223 was "Third party taxpayer information." Since none of these reasons was valid,

1 it is clear she falsified the reasons to hide information. Also of note, the tax returns for 2003 – 2006
2 are missing from this list altogether. It may be that she was hiding that there were irregularities
3 regarding the processing of the tax returns.

4 Document FTB 0236 propounded by Chelsea Hubbard is the same as document 011
5 propounded for the OTA case back in 2018. I do not believe that a privilege log was provided for
6 this set of documents, so no reason was given for the redactions. The redacted item was “This case
7 was routed from function state (redacted) because of Rule Level (redacted) and Rule Number
8 00002140.” Since this seems like an innocuous statement, one has to wonder why she would redact
9 it (exhibit 40, pages 6 – 7).

10 Ms. Hubbard did propound documents that had not been propounded for the OTA case. Of
11 these documents, on my husband’s account, she redacted a few items that looked to be improper.
12 On my account, Ms. Hubbard made extensive suspicious redactions -- so many that there can be
13 little doubt that she was grooming evidence. Exhibit 87, pages 4 - 25, is the request that I sent to
14 FTB’s Disclosure Department on 01-01-2022 for properly redacted copies in accordance with the
15 Information Practices Act, Civil Code Section 1798 *et seq.* In the request letter (page 4), I wrote:

16 “It appears that entries such as “ITD Notice,” “Initial Hold,” “Intent to Lien Notice,”
17 “ARCS Entry,” “Final Notice,” and “Close-Out Error” were all entries made as a
18 normal part of standard operating procedures and thus do not qualify for redaction.”
19
20
21

22 On 02-02-2022, Grace LeBleu responded to my request by stating that since the documents I
23 requested had been provided for discovery during litigation, no revised documents would be
24 provided (exhibit 87, page 26). I believe that this denial is a violation of Civil Code section 1798.
25 Furthermore, I believe that by implying there was some statute in place that allows for my state
26 rights to be voided due to of pending litigation, Ms. LeBleu has also violated Title 18, U.S.C.,
27 Section 242.
28

1 I found Ms. LeBleu's response to be interesting because in 2018, Ms. LeBleu had personally
2 sent me hundreds of pages of properly redacted documents after I had complained that Eric Yadao
3 had improperly redacted the documents that he'd submitted to OTA. Clearly, it is not FTB's
4 standard operating procedure to violate Civil Code section 1798 *et seq* on the grounds that pending
5 litigation voids this civil right. I believe that this non-standard response indicates that FTB may be
6 hiding pertinent information. These documents had not been propounded for the OTA case, nor had
7 the three documents that Ms. Hubbard withheld from tax years 2011 and 2013.

9 Given that Ms. Barsegyan stated on 01-07-2022 that FTB would not propound properly
10 redacted documents (exhibit 87, page 1), I believe that Ms. Barsegyan directed Ms. LeBleu to
11 violate my state and federal rights in order to cover up FTB's unlawful business practices. I believe
12 that Anna Barsegyan should be disbarred for advising her client to violate federal and state laws per
13 the American Bar Association rule 8.4 (a) and (c).

15 In the email dated 03-25-2021 in which Ms. Barsegyan provided the missing verification for
16 Defendant's Amended Responses to Demand for Documents, set #002 (exhibit 81, page 7), Ms.
17 Barsegyan had written "I apologize, I thought that was included." However, given the fact that there
18 were missing documents and improperly redacted documents in Demand for Documents, set #002, I
19 believe the lack of verification was engaged to cover what has now been exposed as a lack of
20 candor.

22 FTB has an established track record of omitting and improperly redacting documents that
23 they submit in their litigation. In 2020, I filed an Accusation against FTB employee Eric Yadao in
24 the California Supreme Court for omitting and improperly redacting pertinent evidence from the
25 records he submitted to the OTA for that case. Unfortunately, the California Supreme Court chose
26 not to take the case with no explanation (exhibit 53). Instead of terminating Eric Yadao for his
27 improper conduct in my OTA case, FTB continued to give him raises. Between 2017, when he was
28 first assigned to my case, and 2020, when I filed the Accusation, his compensation increased by

1 24% (exhibit 88). I believe that Chelsea Hubbard following in Eric Yadao's footsteps indicates that
2 withholding and improperly redacting documents is a sanctioned pattern of corruption.

3 As I discuss below, evidence exists which indicates that Ms. Hubbard may have been set up
4 as a "patsy" or "fall guy." I believe it is possible that she may have been coerced or incentivized to
5 commit perjury, and that Anna Barsegyan is hiding the perpetrator who committed the suborning
6 perjury. However, Ms. Hubbard has affirmed in the Declaration of Chelsea Hubbard in Support of
7 Motion for Sanctions submitted to the court on 09-01-2021 that she is aware of the facts of the
8 situation, and she has chosen not to deny responsibility for the contents of the verified and
9 unverified responses. As such, she should be held accountable for her crimes.
10

11
12 **V.C.2: Keith Swank: Perjury and Failure to Furnish Information**

13 As stated above, on 05-10-2021, I served a Meet and Confer to FTB regarding their
14 Response to Plaintiff's Specially Prepared Interrogatories, Set #001 (exhibit 58). In that Meet and
15 Confer, I accused Mr. Swank of committing five counts of perjury. On 05-05-2021, Ms. Barsegyan
16 provided an unverified response to the Meet and Confer, in which FTB stated that they will not
17 amend the original response (exhibit 82). When I asked Ms. Barsegyan to provide a verification,
18 she refused to do so. When I asked her if Mr. Swank himself had authorized her to affirm the
19 original response without changes, Ms. Barsegyan did not answer (exhibit 89).
20

21 On 05-24-2021, I filed a Motion to Compel Further Information against FTB. In the
22 Declaration of Christine N. Grab in Support of Motion to Compel Further Information to Specially
23 Prepared Interrogatories, set #001, I documented the five counts of perjury made in his verified
24 response. Four of the perjurous statements were similar. From pages 10 – 13:
25

26 "SPECIAL INTERROGATORY NO. 3C: ...Is it possible for a taxpayer to file a
27 Protest to a NPA on the basis that FTB has underreported the amount of payments
28 FTB has collected?

1 **FTB RESPONSE TO SPECIAL INTERROGATORY NO. 3C:** ... Defendant
2 responds as follows: Under Revenue and Taxation Code section 19041, subdivision
3 (a), a taxpayer may file with the FTB a written protest against the proposed
4 deficiency assessment, specifying in the protest the grounds upon which it is based.
5 In this case, the demand penalties imposed by the FTB, which is at issue, are
6 computed at 25-percent of the total tax liability before any prepayments or credits are
7 applied to reduce the tax liability. Thus, the demand penalties were properly
8 imposed, and any protest on the ground that FTB did not include the prepayments or
9 credits is not supported by legal authority. Additionally, the FTB properly imposed a
10 collection cost recovery (also at issue in this case resulting from Plaintiff's failure to
11 make full payment of the liability after issuance of a notice for payment. Once
12 properly imposed, there is no provision in the Revenue and Taxation Code which
13 would excuse FTB from imposing the collection cost recovery fee for any
14 circumstances, including reasonable cause. (Rev. & Tax Code §19254.) Therefore,
15 any protest on the ground that FTB did not include the prepayments or credits is not
16 supported by legal authority....

17
18
19 **...Issue 3:** In unnecessarily going on the offensive, Mr. Swank made a false
20 statement. The first false statement is:

21
22 "In this case, the demand penalties imposed by the FTB, which is at issue, are
23 computed at 25-percent of the total tax liability before any prepayments or
24 credits are applied to reduce the tax liability. Thus, the demand penalties
25 were properly imposed, and any protest on the ground that FTB did not
26 include the prepayments or credits is not supported by legal authority."

27 In the sentences above, Mr. Swank omitted pertinent information and
28 conflated two separate issues as if they are one and the same. Here are the facts: The

1 full wording of R&TC 19133 states that a Demand Penalty is imposed as per the
2 guidelines set forth in R&TC 19087. R&TC 19087 states that a Notice of Proposed
3 Assessment can only be issued if a taxpayer *both files late and has not paid their tax*
4 *liability in full*. A Demand Penalty cannot be imposed on a taxpayer who does not
5 meet the criteria to have a Notice of Proposed Assessment issued.
6

7 Furthermore, how the Demand Penalty is calculated has no correlation with
8 the calculations used to determine whether or not a Notice of Proposed Assessment
9 should be issued.

10 Mr. Swank has made it sound like the calculations used for determining the
11 amount of the Demand Penalty are the same calculations used to determine whether
12 a person still has an outstanding total tax liability for a given year (for the NPA).
13 These calculations are very different.
14

15 Given the true facts of what the law states regarding criteria for imposing
16 demand penalties and criteria for calculating demand penalties and outstanding total
17 tax liabilities, the second sentence of the statement is completely false: "Thus, the
18 demand penalties were properly imposed, and any protest on the ground that FTB
19 did not include the prepayments or credits is not supported by legal authority."
20

21 Since Mr. Swank's job title is Program Specialist III, Filing Compliance
22 Bureau, I believe it is part of Mr. Swank's job duties to understand FTB's policies
23 and Procedures in regards to how it is determined if an NPA should be issued, as
24 well as how to calculate a Demand Penalty. Since there is no doubt that Mr. Swank
25 knew that those three sentences were misleading, deceptive and false at the time that
26 he wrote them, I believe that Mr. Swank has committed the federal crime of perjury."
27

28 Mr. Swank made three more similar perjurious statements in which he conflated how it is
determined if a Notice of Proposed Assessment should be issued with how a Demand Penalty is