

Speech for 2024 Annual Taxpayer Bill of Rights (ATBOR) meeting

My name is Christine Grab and I have 7 requests.

**1. Full disclosure of information regarding FTB's "no payment suspense account"**

FTB has stated that estimated tax payments are immediately identified as revenue and turned over to the State Controller.

FTB has also stated that some types of estimated tax payments are not immediately applied to the taxpayer's account; these payments are held in suspense until the taxpayer files that year's return.

In *Grab v FTB*, FTB provided documents showing the estimated tax payments held in suspense are identified as "no payments." The only purpose to identify a payment as a "no payment" is to not count those funds as revenue.

I also documented accounting irregularities with these withheld payments, making it appear these funds are utilized.

I request that FTB provide full disclosure about this "no payment suspense account," including who, when, where, why and how these funds can be utilized.

**2. Disclose *exactly when* tax payments are applied to the taxpayer's account**

This is the third year that I have asked FTB to disclose *exactly when* it applies each type of tax payment to the taxpayer's account. FTB's previous responses were evasive and deceptive.

### **3. Disclose which payments and/or portions of payments are recognized for interest calculation purposes**

In *Grab v FTB*, it was disclosed that for the purpose of calculating interest, FTB only recognizes some of the payments that had been made and only portions of other payments made. Thus, the taxpayer pays more interest than they should because it falsely appears that the taxpayer had a higher outstanding balance than they actually did.

My wish is for FTB to disclose the guidelines for *determining which payments and portions of payments are included in the totals* collected for the purpose of calculating interest.

When I asked for this in previous years, FTB responded as if I had asked for different information.

### **4. Disclose the laws which justify not including payments into NPA totals and denying Protests on the grounds that FTB under-reported the payments**

Revenue and Tax Code 19087 states that a Notice of Proposed Assessment can only be issued on accounts that have an outstanding tax liability due for the year. FTB withholds some payments from NPA totals. I request the legal codes which justify not crediting all the payments on the NPA.

FTB also does not allow Protests of NPAs on the basis that the full amount of money collected was not reflected on the NPA totals. I request the legal codes to justify this denial of the right to Protest.

## **5. Proof that the scheme where Collections agents overcharge constituents has been halted.**

In *Grab vs. FTB*, I documented that on two separate occasions, FTB Collections agents directed me to send in more money than was due, then falsified their internal records to make it appear that was always the amount due.

FTB never denied these allegations in court, and failure to deny constitutes admission of truth.

My wish is that FTB provide proof this scheme has been halted.

## **6. Conform To IRS Guidelines by Considering Married Couples as One Tax Entity**

The IRS treats married couples as one tax paying entity from the moment the couple notifies them of marriage until the couple notifies them that the status has changed. FTB does not follow this precedent.

FTB requires married people to pay more estimated taxes and penalties than is owed. FTB does eventually refund the excess monies, but FTB charges taxes on the refund. In *Grab v FTB*, I alleged that this was an embezzlement and racketeering scheme. FTB never denied the allegations.

Financially penalizing the married is a violation of the 14th Amendment. My wish is that California conforms to IRS guidelines.

## **7. The Advocate Must Address Issues of Constitutional Violations**

On FTB's website, it states: "The Taxpayer Rights Advocate will not accept your case if it questions the constitutionality of the tax system or tax laws."

***This is unconscionable.*** It is the job of the Advocate to protect taxpayers' rights. FTB has been caught not applying estimated tax payments, overcharging interest, overcharging married couples, and violating due process laws.

All of these are violations of our constitutional rights.

My wish is that this guideline be removed so that the Advocate can do her job.

Thank you.

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