

Christine Grab



October 3, 2018

FTB Board of Directors
Via FTB Taxpayer Advocate
FTBAdvocate@ftb.ca.gov

Re: Annual Taxpayer Bill of Rights Requests for the December 10, 2018 Meeting

1. End the Policy of withholding estimated tax payment made via credit elects until the Taxpayer files a return. This policy violates R&TC 19363, which states that credit elects must be applied effective April 15, YEAR, regardless of filing date. If a taxpayer files late, the FTB then demands payments of monies that would not have been due had the credit elect been applied in compliance with the law, as well as late fees, penalties and interest. This is the Federal Crime of Racketeering. See my letters dated December 13, 2017 (A) and April 9, 2018 (B), for more details.

As you know, I made this Request at last year's meeting (C). Ms. Maples ignored this Request, and instead addressed a topic that I had not asked about: married couples (D). In so doing, she violated my State's Rights and also committed the Federal Crime of Collusion to Cover Up Racketeering. I expect this Request to be addressed this year.

2. End the Policy of withholding estimated tax payments made by married couples. As I detailed in my letter dated April 9, 2018 (B), the tax codes and council advice that the FTB uses to justify this policy are invalid; in fact, when read in context, the codes and advice cited say the exact opposite of what the FTB claimed. As such, this withholding practice is illegal. If a taxpayer files late, the FTB then demands payments of monies that would not have been due had the payment(s) been applied in compliance with the law, as well as late fees, penalties and interest. This is the Federal Crime of Racketeering. Ms. Maples committed a second count of Collusion to Cover Up Racketeering by trying to deceive me into believing this policy was legal in her Formal Resolution (D).

3. Disclosure of Annual Taxpayer Bill of Rights Meeting to the General Public. I made this request last year (E). The answer Ms. Maples gave in the Formal Resolution (D) was unacceptable. Hiding this Right from the Taxpayers at large, then assigning this right to a proxy without informing the Taxpayer of this proxy system, and choosing a proxy who only represents the upper classes, thus leaving the working poor taxpayers unrepresented, is a clear violation of California State Taxpayer Rights.

I touched on this violation of State Rights in my May 29, 2018 letter (F). I will send another letter before the December 10, 2018 meeting providing further details on how the FTB systematically violates State Taxpayer Rights. The concerted effort made by the FTB to hide the Annual Taxpayer Bill of Rights Meeting from the Taxpayers — to the point of flat out lying to Taxpayers about its existence -- will be one of the topics addressed in that letter.

4. Move the Taxpayer Advocates to work under GovOps. Having the Taxpayer Advocates employed by the Taxation Agencies they are supposed to be protecting Taxpayers from is a conflict of interest. See letter dated September 11, 2018 (G) for more details.

I have already cited two examples above of how the conflict has prevented her from protecting the Taxpayers from Racketeering schemes. Here is a third example: Enclosed is an email thread between me and Ms. Maples dated March 13, 2018 (K). I pointed out that payments made via Webpay "get lost," the same as payments made via checks "get lost." Instead of acknowledging the "lost" payment, she had the audacity to write "So I disagree that it is lost," then blame the FTB's habit of "losing" payments on me! This deflection tactic is called an *ad hominem* attack;

attempting to discredit the arguer so you can ignore the argument. I have sent you enough evidence now that you know that the FTB frequently “losing” payments (H) -- which causes the Taxpayer to incur late fees, penalties and interest that would not have been assessed had the payments not been “lost” -- is a third Racketeering scheme. In utilizing this *ad hominem* technique to avoid acknowledging the lost payment problem, she committed a third count of Collusion to Cover Up Racketeering.

This *ad hominem* attack is even more damning when taken in context with her answer to one of my other Annual Taxpayer Bill of Rights Requests. The reason the “lost” payment Racket works so well is because the main customer service line’s phone system is atrocious – with long wait times, a frustrating automated system, and frequent disconnections. It is incredibly difficult for someone who has a job (or other obligations that keep them from having unlimited hours to spend on hold) to get their “lost payment” issue resolved. When I asked Ms. Maples to start putting correct phone numbers on notices so that people didn’t waste over an hour calling the main service line only to be told that they needed to call a different phone number to a specialized department (I), her answer was NO (D). Granted, she wrapped the “no” in artfully deceptive wording, but it was still “no.” This insures that the main customer service line is unnecessarily clogged up, guaranteeing long wait times. There was no way she was going to risk the “Lost Payment Scheme” by making it easier to resolve these “lost payment” problems.

I understand that this Request requires a change in legislature. I am requesting that Ms. Maples and the FTB Board of Directors work together with my local State Representatives, Assemblyman Kevin Mullen and Senator Jerry Hill -- to put together a bill to propose in the next legislative session. (J)

5. Having the Tax Appeals Assistance Program (TAAP) overseen by the Taxation Agencies that they are fighting against is also a conflict of interest. These Agencies now have the power to deny access to free student attorneys, rendering it impossible for Taxpayers to recover unfair fees (as most wouldn’t be able to afford a regular attorney). I am requesting that you re-structure the Office of Tax Appeals so they can take TAAP. It seems logical to me that since the OTA presides over the court case, they should oversee the assigning TAAP attorneys to qualified cases.

Or, if that is not viable, then an alternative solution would be that when you move the Taxpayer Advocate to be under GovOps as Requested in Point 4, the Taxpayer Advocates could keep the TAAP programs under their purviews at GovOps.

TAAP is apparently slated to be under the umbrella of the Taxpayer Advocate at each agency as of January 1, 2019. The assurances from Ms. Maples that she – as an FTB employee -- would not interfere with a Taxpayer’s access to an attorney is laughable (J). Ms. Maples has proved that she would rather go to federal prison for the rest of her life than protect the Taxpayers from Racketeering schemes. There is no doubt in my mind that, as an FTB employee, she would never let people like me – people who may expose one of their illegal Racketeering schemes – have an attorney. In fact, now that it is official that the FTB is taking over the TAAP, I am willing to bet that I will be dropped from TAAP on one pretense or another before my court date.

I do, however, believe that Ms. Maples would administer TAAP properly if she worked under GovOps. I don’t believe Ms. Maples is a heartless monster; I think that if you gave her the opportunity to do fulfill her job duties without fear of reprisal from her FTB bosses, she would.

6. Acknowledgement of Abatement Requests and Disclosure of Taxpayer Rights in the Abatement Process (NEW ITEM!)

When I submitted my Abatement Request to the FTB in 2014, I never received any type of acknowledgment letter. When I called to follow up (at the regular FTB service center), I was told my Request was received and that the FTB had six months to respond to it. I never got a response.

When I followed up again (at the regular service center) in mid-2015, after the deadline had expired, I was told that since the FTB didn’t reply, then I was out the money. Nothing more

could be done.

A couple of years later, Ms. Goff, who works for Executive and Advocate Services, told me the Abatement Request could be re-opened and she would try to do so. But she went out on an (apparently) unexpected leave prior to re-opening my Request.

My file was re-assigned to Mr. Calhoun, also in Executive and Advocate Services. Mr. Calhoun re-opened the request after both Governor Brown and Betty Yee requested it to be done. Mr. Calhoun turned down my request. The turn down letter explained that I had a right to file an Appeal with the BOE.

I filed the Appeal. The BOE rep who explained how to file the Appeal Request told me that the FTB frequently ignored Abatement Requests, and that there is indeed a mechanism in place to get around being ignored. She explained that I had the right to file an appeal back in 2015 after I had never gotten a response. The FTB rep who told me that nothing more could be done had flat out lied to me.

As you know, I have complained frequently about how poorly trained the reps are in the regular service center. Being lied to by FTB reps was a common experience for me. In fact, in my Abatement Request, I explained that the frequent “misinformation” given to me by the FTB Reps actually caused much of the delay in my filings, and I cited several specific examples. I have cited several more specific examples in subsequent letters to the FTB’s Board of Directors.

As such, I believe it is the Taxpayer’s Advocate’s duty to put a policy in place where Taxpayers are explained their rights in writing. An acknowledgment letter should be sent in response to every Abatement Request received that explains (in clear language, not legalese):

A. The FTB has six months to respond — put the date the FTB received the letter on there so the six month timeline is clear

B. if you are turned down, you have the right to file an appeal and can possibly access a free student attorney if your appeal if for less than \$30,000

C. If for some reason, you do not receive a response, you still have the right to appeal, and can possibly access a free student attorney if your appeal if for less than \$30,000.

I would like to remind the Board of Directors that it looks bad that you approved last year’s Formal Resolution when it contained two counts of Collusion to Cover Up Racketeering and multiple State’s Rights Violations. It looks bad that you knowingly allow these illegal activities to continue. If these programs are not disbanded before the DOJ/FBI starts arrests and indictments, Trump is going to have a field day smearing California’s leadership as corrupt. Remember, Trump is "at war" with California, and this kind of leverage will help him “win” his war.

I appreciate your attention to these matters and look forward to reading your responses on or before February 1, 2019.

Regards,

Christine Grab

CC: Betty Yee
Michael Cohen
George Runner
John Cox
Gavin Newsom
Konstantinos Roditis