

From: Christi Grab [REDACTED]
Subject: One more issue regarding FTB unlawfully denying taxpayers the Right to Protest
Date: December 10, 2025 at 8:10 AM



To: [REDACTED]
[REDACTED] Jones, AngelaC@FTB [REDACTED] Andrianarimanana, Danamona [REDACTED]
[REDACTED] Perrault, Michele [REDACTED]
[REDACTED] FTB Advocate@FTB [REDACTED]
Cc: [REDACTED] Hofeling, Shane@FTB [REDACTED] Williams, Carol D@FTB
[REDACTED] Rouse, Raymond@FTB [REDACTED] Scullary, Melody@FTB
[REDACTED] Gardner, William@FTB [REDACTED] Dendorfer, Erin@FTB [REDACTED]
Bcc: [REDACTED]

Hi Mr. Gains and Ms. Lieber,

In the email I sent regarding how FTB uses slow service as a backdoor to denying the Taxpayer Right to Protest, I forgot about another issue that I'd raised at the December 2021 Annual Taxpayer Bill of Rights Meeting. Here is a copy/paste of a portion of the written requests that I submitted:

In my case, all of the Protests that I sent in response to Notices of Proposed Assessments were “misclassified” as responses to different notices, and thus my right to Protest was unlawfully denied. This issue of “misapplication” of responses to notices was addressed in depth in the email dated November 26, 2021 (copied below for your reference), which discusses Item #2 on this list, Conform To IRS Guidelines By Considering Married Couples As One Tax Entity.

Meanwhile, several people have contacted me to tell me that FTB did acknowledge receipt of their Protest letters. In each of their cases, FTB sent them a letter stating that if they didn't waive their Right to Protest per R&TC Sections 21010 and 20102, FTB would penalize them an additional \$5,000 on top of the penalties that had already been assessed.

I believe this threat qualifies as the federal crimes of Extortion, Coercion and Conspiracy against rights (18 USC 241 and 242). I am asking that FTB immediately cease and desist this unlawful practice and refund all of these unlawfully imposed penalties.

I believe that this practice corroborates the need for oversight of FTB's business practices from the Superior Court system, which is Item #1 on this list, Close Loophole That Allows FTB To Evade Due Process for Implementation of Collection Tools. The need for judicial oversight was addressed in detail via an email dated October 23, 2021 (this will be sent as a separate email). I doubt FTB would have ever started issuing these notices if FTB had judicial oversight to ensure that FTB's policies and procedures comply with the law.

I guess I am lucky that I was merely denied my Right to Protest and not additionally extorted above and beyond the [REDACTED] that FTB hold in evidence that they

extorted above and beyond the [REDACTED] that FTB held in suspense that they “couldn’t locate” while simultaneously threatening to file ANOTHER wage garnishment if I didn’t send them [REDACTED] RIGHT NOW OR ELSE (I didn’t look up my old records to find the exact numbers, so I could be off by a little bit, but the numbers quoted are close. And what I am quoting were the end numbers when the governor intervened and made FTB “find” my money; the numbers had ticked up each year that the ordeal continued). Plus, I had to pay \$15,000 in bogus “late fees” and I had to pay income taxes on the [REDACTED] to get my “lost” money refunded.

Ms. Lieber, I want to take this moment to tell you that seminar you had FTB put on last December about how FTB was going to pull people out of poverty with tax credits was totally unhinged from reality. My husband made a healthy salary and FTB nearly put us into poverty with its denial of due process and aggressive and unlawful collection tactics. I have a rare kidney disease that is aggravated by stress. I can document with my monthly blood work that the months that FTB harassed me for money that was not actually due because they’d “lost” my payments and claimed to have never gotten any of the canceled checks that I’d sent, my health deteriorated. By the time FTB filed that second wage garnishment against my husband (see the other email from 2021 for details), I was literally on the verge of kidney failure. One of the reasons I will never back down is because I believe that God saved my kidneys so I was healthy enough to fight to protect FTB's other victims who are unable to protect themselves.

Every year FTB drives thousands (probably tens of thousands) of people into poverty -- literally destroying people’s lives by stealing all of their money out of their bank accounts or with financially crippling wage garnishments. There are currently no protections in place for the Taxpayers whatsoever — FTB claims to police itself, but it doesn’t, and the OTA is a sham which allows FTB’s criminal schemes to persist. All the EITC credit does is put more people into the system for FTB to victimize, as they probably weren’t obligated to file a tax return. If you want to end poverty, the solution is to reform FTB to make it a lawful agency. That will do more to end poverty than any other single item that has been suggested at any of the meeting.

Regards,

Christine Grab

Begin forwarded message:

From: Christi Grab <[REDACTED]>
Subject: Annual Taxpayer Bill of Rights Request #2 -- Close the Married People Loophole
Date: November 26, 2021 at 12:36:52 PM EST
To: [REDACTED] FTBAdvocate@ftb.ca.gov [REDACTED]
[REDACTED] "Hammond, Kari@ASM" [REDACTED] "Reguindin, Joemil"
Cc: [REDACTED] [REDACTED]

Dear FTB Taxpayer Advocate and FTB Board Members:

I am requesting that you immediately change California State law to recognize married couples as one tax entity in accordance with the guidelines set forth by the IRS.

The IRS treats married couples as a single taxpaying entity from the moment the couple notifies them of marriage until the couple notifies them that the marital status has changed. However, FTB considers all individuals as unmarried. Each year, after a married couple files that year's return, FTB updates their records with proper marital status for only that particular year. I believe that:

1. FTB utilizes this loophole in the system in order to falsely impose penalties and fees via policy and procedure violations
- 2 FTB utilizes this loophole to unlawfully enrich themselves by demanding extra additional tax and penalty payments above and beyond what FTB knows — *by its own records* — is actually owed.
3. This policy violates the 14th Amendment of the Constitution

1. Policy and Procedure Violations

As records that have come out in my court case has proven, FTB's failure to recognize married couples as a single tax paying entity led to many policy/procedure irregularities. These irregularities are so egregious that they qualify as fraud and violation of taxpayer rights.

When the IRS sends a notice, the notice is addressed to both spouses and only one response is required. FTB sends two notices out — one for each spouse, and expects two responses. If one of the spouses does not respond, a liability or penalty is imposed, even if the other spouse responds.

As I have documented in my Motion to Compel Further Response to Specially Prepared Interrogatories, Set #1: Clarification of Policies and Procedures (page 6, 22 - 26) and in exhibit 55 (page 2 - 5), that was attached to the Motion to Compel, FTB frequently classified the notices received from me as notices received from my spouse, then imposed penalties on me for "not responding" (and vice-versa). Or when I would send a joint response, FTB would mark the response as from only one of us, then penalize the other for "not responding."

FTB utilized this practice of "misclassifying" notices to deny my husband and I our legal right to Protest the Notices of Proposed Assessment per R&TC Sections 21010 and 20102. Since this "misclassification" of notices happened more often than not on our accounts, it is clear that "misclassification" is a tool FTB systematically utilizes to violate taxpayer rights and to fraudulently impose penalties. The easiest way for legislators to force FTB to end this egregious fraud and violation of rights is to bring FTB in compliance with the IRS guidelines whereby FTB issues one joint notice and requires only one reply.

2. Unlawful Enrichment

Here is an excerpt from my Motion to Compel Further Response to Specially Prepared Interrogatories, Set #1: Clarification of Policies and Procedures:

"According to the Taxpayer Advocate (exhibit 48, pages 21 - 22), if you are single and file late, the FTB will apply the estimated tax payments that were held in suspense to your account *after* the penalties, fees and interest are falsely imposed, *but before you actually file* that year's tax return. So let's pretend that you are single and you paid \$10,000 in estimated tax payments that FTB withheld.

You file late, and FTB imposes \$2,000 in penalties, fees and interest for “underpaying.” Because you are single, FTB will then apply the \$10,000 in estimated tax payments to your account and you only have to send in the \$2,000 in penalties, fees and interest -- and nothing more.

However, FTB refuses to apply any estimated tax payments to married people until they *actually file their returns*. So let’s pretend you are married and that your joint tax liability is identical to the single person’s in the example above. You and your spouse paid \$10,000 in joint estimated tax payments that FTB withheld from both of your accounts. You file late, and FTB imposes \$2,000 in penalties, fees and interest on you for “underpaying” and another \$2,000 on your spouse “for underpaying.” So already, the joint filers have to pay twice as much as the single filers in upfront penalties as compared to a single person, even though the tax liability is identical. I realize the penalty amount is later adjusted, but is it lawful to demand double the money upfront?

FTB then demands that the married couple send FTB \$14,000 “***RIGHT NOW OR ELSE*** we will garnish your wages and levy your bank account!” (emphasis added to demonstrate the aggressive and coercive collection tactics that FTB utilizes to force compliance with the unjust demands for money). So if you are married, you also have to pay the original tax liability of \$10,000 as if FTB had never received that \$10,000, even though FTB has had that original \$10,000 in their possession since the day that the money was due."

The easiest way for legislators to force FTB to end this egregiously unlawful practice of unlawfully enriching itself is to bring FTB in compliance with the IRS guidelines whereby FTB recognizes the married couple as a single entity and imposes one tax liability on both spouses.

3. Violation of 14th Amendment of the US Constitution

Continuing with the quote above:

"I believe that treating married people in a way that financially penalizes them for being married is a violation of the Equal Protections Clause of the 14th Amendment of the US Constitution, which states that the government has to treat all classes of people the same. Marital status does qualify as a class, and FTB readily admits that they do not treat the married class the same as they treat the single class.

I believe that the years of unlawful harassment that my husband and I endured from FTB over the payments of monies that were never owed – *by FTB’s own records* – would not have occurred if my husband and I were cohabitating instead of legally married."

I believe that it is imperative that legislators recognize this violation of the federal law and immediately correct California State law to comply with federal law.

I would encourage you to read my Declaration of Christine N. Grab in Support of Motion to Compel Further Response to Specially Prepared Interrogatories, Set #1: Clarification of Policies and Procedures, along with exhibits 48 and 55. It is well worth your time to understand the extent of FTB's fraud and

systematic violation of taxpayer rights. They can be downloaded from here:
<https://roa.sdcourt.ca.gov/roa/faces/CaseSearch.xhtml>. The case number is year 2020 number 00005100.
The Declaration is Item #39, and both exhibits are attached to the Declaration.

Since this is a legislative issue, I am copying Ms. Kunze and assorted legislators on this request. I appreciate your attention to this matter and look forward to this item being corrected early in the 2022 legislative cycle.

Regards,

Christine Grab