



State of California
Office of Tax Appeals

Agenda

Office of Tax Appeals Hearings
Thursday, January 24, 2019, 10:00 a.m.
Van Nuys State Office Building
6150 Van Nuys Blvd.
Van Nuys, CA 91401

Agenda updated as of 01/09/19, 9:45 a.m.

Franchise and Income Tax Appeals Hearings

Homer H. Hummel, Jr and Margaret A. Hummel, 18011268

Panel Lead: Teresa Stanley

Panel Members: Kenny Gast

Nguyen Dang

Appearing for Taxpayer: Homer H. Hummel, Jr., Taxpayer

Appearing for Franchise Tax Board: Brad Coutinho, Tax Counsel

Natasha Page, Tax Counsel

Issues: Did appellants qualify for the qualified senior head of household credit for taxable year 2016.

Michael S. Sy and Ana C. Sy, 18042700

Panel Lead: Teresa Stanley

Panel Members: Daniel Cho

Douglas Bramhall

Appearing for Taxpayer: Michael S. Sy, Taxpayer

Appearing for Franchise Tax Board: Brad Coutinho, Tax Counsel

Natasha Page, Tax Counsel

Issues: Did appellants show that the FTB adjustments for taxable year 2013, which were based on federal adjustments (for unreported taxable interest and dividends/capital gain), were incorrect.



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Mahnaz Danesh and Imad Mazboudi, 18011311

Panel Lead: Andrew Kwee
Panel Members: Amanda Vassigh
Kenny Gast
Appearing for Taxpayer: Mahnaz Danesh, Taxpayer
Imad Mazboudi, Taxpayer
Appearing for Franchise Tax Board: Peter Kwok, Tax Counsel
Ciro Immordino, Tax Counsel

Issues: Whether appellants established entitlement to a \$829,527 reduction in taxable income for the 2012 tax year based on qualifying for like kind exchange treatment under IRC section 1031.

Ozzie Silna and Wendy Silna, 18011110

Panel Lead: Douglas Bramhall
Panel Members: Nguyen Dang
Andrew Kwee
Appearing for Taxpayer: Kenneth M. Barish, Attorney
Appearing for Franchise Tax Board: Bradley Kragel, Tax Counsel
Michael Cornez, Tax Counsel

Issues: Does appellants' investment in the Palace partnerships lack economic substance and business purpose, and:

- a. Do promissory notes issued in connection with the investment lack economic substance;
- b. Does the cash investment lack economic substance as being an element in a single non-economic substance transaction;
- c. Is Millenium Drilling a sham entity to be disregarded.

Has the NEST penalty been properly computed.

Does the overall transaction lack profit motive.

Have appellants established that partnership contributions were utilized for intangible drilling costs.

Are appellants' deductions limited to cash invested due to partnership basis limitations.

Did FTB audit procedures violate appellants' due process rights.

The hearing location is accessible to people with disabilities. Please contact Claudia Lopez at (916)206-4772, or email Claudia.Lopez@ota.ca.gov if you require special assistance.

Note: The above case description is intended simply to inform the public and the press as to the general subject matter of the case. The description does not necessarily define the specific issues that will be addressed at the hearing.