

BEFORE THE OFFICE OF TAX APPEALS

STATE OF CALIFORNIA

IN THE MATTER OF THE APPEAL OF,)
)
UBOLSIRI KOIKE and) OTA NO. 18093760
FUENG ADISORNKUL,)
)
) APPELLANT.)
)
_____)

TRANSCRIPT OF PROCEEDINGS

Los Angeles, California

Wednesday, July 24, 2019

Reported by:
ERNALYN M. ALONZO
HEARING REPORTER

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Transcript of Proceedings, taken at
355 South Grand Avenue, South Tower, 23rd Floor,
Los Angeles, California, 91401,
commencing at 10:58 a.m. and concluding
at 11:35 a.m. on Wednesday, July 24, 2019,
reported by Ernalyn M. Alonzo, Hearing Reporter,
in and for the State of California.

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APPEARANCES:

Panel Lead: Hon. DANIEL CHO

Panel Members: Hon. JEFF ANGEJA
Hon. NGUYEN DANG

For the Appellant: WATTHAWOOT KOIKE

For the Respondent: STATE OF CALIFORNIA
DEPARTMENT OF
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(Appellant's Exhibits were received at page 6.)

(Franchise Tax Board's Exhibits were received at 6.)

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Los Angeles, California; Wednesday, July 24, 2019

10:58 a.m.

ADMINISTRATIVE LAW JUDGE CHO: Let's go on the record.

This is the appeal of Ubolsiri Koike and Fueng Adisornkul, OTA Case Number 18093760. Today is July 24th, 2019, and the time is approximately 10:58 a.m. We're holding this hearing in Los Angeles, California.

My name is Daniel Cho. I'm the lead Administrative Law Judge for this hearing. With me are Administrative Law Judges Jeff Angeja and Nguyen Dang.

Can the parties introduce and identify yourself for the record, beginning with appellant.

MR. KOIKE: Yes. My name is Watthawoot Koike, and to my right is my mother, Ubolsiri Koike.

ADMINISTRATIVE LAW JUDGE CHO: Thank you very much.

Department?

MR. LAMBERT: My name is Scott Lambert. To my left is Lisa Renati, and to Ms. Renati's left is Pamela Bergin.

ADMINISTRATIVE LAW JUDGE CHO: Thank you very much.

The issue in this appeal is whether adjustments

1 are warranted to the determined measure of tax. With
2 respect to the evidentiary record, the department has
3 provided Exhibits A through D. Appellant has not objected
4 to these exhibits. Therefore, we will be admitting these
5 exhibits into the record.

6 (Department's Exhibits A-D were received
7 in evidence by the Administrative Law Judge.)

8 ADMINISTRATIVE LAW JUDGE CHO: Appellant has
9 admitted Exhibits 1 through 3. The department has not
10 objected to these records -- to these exhibits.
11 Therefore, these records will be admitted into the record
12 as well.

13 (Appellant's Exhibits 1-3 were received
14 in evidence by the Administrative Law Judge.)

15 ADMINISTRATIVE LAW JUDGE CHO: As a reminder to
16 both parties, just because all of these exhibits were
17 admitted into the record, it doesn't mean they will all be
18 given equal weight. We'll take a look at each exhibit
19 independently and give each exhibit its appropriate weight
20 in this appeal.

21 All right. With that, Mr. Koike, you will be
22 given 15 minutes to provide your presentation and
23 arguments. Please begin whenever you're ready.

24 ///

25 ///

1 OPENING STATEMENT

2 MR. KOIKE: So we own a family restaurant, my
3 mother and my stepdad. We -- everything was done in terms
4 of the audit. We agree with the first report, the
5 original report that came out from the department. But
6 then when the final report came, there were contradictions
7 and inconsistencies in the numbers in their reports in
8 terms of credit card percentage used.

9 The numbers from the POS data were inconsistent.
10 They were not the same between the first original report
11 and the final report that came from the department. The
12 credit card percentage in the original report was
13 calculated at 74.56 and 67.58 throughout the audit period.
14 But then when the final report came, that percentage
15 change to 65.3, about 10 percentage lower than the
16 original report.

17 So the observation test, from the observation
18 test they did, that the percentage from the observation
19 test was in the range of 75 percent. Those -- the only
20 consistent numbers were from the observation test. So we
21 are questioning the accuracy of the POS data. Because all
22 the reports -- all the exhibits, everything, came from the
23 department, but all three of them had different numbers.

24 There was the first report that came, I believe,
25 in May of 2015. That was the first report. Then the

1 second report came about a week later. Even those two
2 first reports had different credit card percentage
3 numbers. The first report had 74.56 and 67 -- and 69.46.
4 The second report had 74.56 and 67.58. So the original
5 report, the tax owe around 70 thousand.

6 And then the final report came in June of 2015.
7 The credit card percentage was different, and it became
8 65.3. And in the details of those reports, like I said,
9 the numbers from the POS, the raw data -- the actual data
10 the department got from our POS system did not match
11 between first report and the final report. So that caused
12 us to question the accuracy of the POS data number.

13 Our request is to use the data that the
14 department got from the observation tests because those
15 numbers, the details, were the same between, you know,
16 what they had proposed or what they found in the original
17 report and the final report. So there was the first
18 thing.

19 And then the second thing, even the way the
20 department calculated the credit card percentage, was
21 different from all three reports. We thought that, you
22 know, the method to calculate the credit card percentage
23 would be just, you know, one correct method. And even
24 though that's the case, then it should be the same credit
25 card percentage number. And these percentage numbers we

1 did not calculate. The department calculated them, but
2 the department got three different numbers from -- from
3 the three reports.

4 So that's -- that was our confusion from the
5 department's reports that they -- that they got the
6 numbers from the POS. So we feel that it is more accurate
7 to use the numbers that the department got from the
8 observation test to use as the baseline for -- for the
9 total -- the audit period.

10 And then also there's a question regarding, like
11 I said, the way the department calculated the credit card
12 percentage. Even from the observation test the first
13 report -- I'm sorry.

14 ADMINISTRATIVE LAW JUDGE CHO: You may want to
15 switch mics with the other one. It sounds like the
16 battery is dying from that one.

17 MR. KOIKE: Even from the observation test, the
18 numbers -- the raw data were the same between the original
19 and the final report. But the way the department
20 calculated the credit card percentage, again, was
21 different. They came out with one number in the first, I
22 think, original report. But then in the final report, the
23 credit card number from the same raw data of the
24 observation test was different. So that's another
25 question that we have concerning the finding of those

1 reports.

2 So we would like the department to use the data
3 from the observation test and maybe, you know, help
4 explain to us how the credit card percentage is
5 calculated. Because, you know, in our minds, you know,
6 the department used a credit card percentage to calculate
7 all the taxes throughout the entire audit period. And for
8 the credit card percentage, I mean, I think it's whatever
9 amount of credit card that we took for that day is just a
10 percentage of the total payments for the entire day. So
11 that shouldn't be any complicated calculations to come up
12 with that credit card percentage.

13 That's it.

14 ADMINISTRATIVE LAW JUDGE CHO: Thank you very
15 much.

16 Panel members do you have any questions? Judge
17 Dang?

18 ADMINISTRATIVE LAW JUDGE DANG: Thank you. I
19 have no questions.

20 ADMINISTRATIVE LAW JUDGE CHO: Judge Angeja?

21 ADMINISTRATIVE LAW JUDGE ANGEJA: No questions.

22 ADMINISTRATIVE LAW JUDGE CHO: Okay. Thank you.
23 Before we get to the department's presentation, can we
24 take a quick two minute recess to look into the mic issue
25 real quick to make sure it doesn't happen again.

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We're going to go off the record.

(There is a pause in the proceedings.)

ADMINISTRATIVE LAW JUDGE CHO: Let's go back on the record.

Department, you'll be given 15 minutes for your presentation whenever you are ready.

MR. LAMBERT: All right.

OPENING STATEMENT

MR. LAMBERT: The audit was of a restaurant for the period of April 2012 through March of 2015. So it was a three-year audit period. For the audit, the taxpayer provided their income tax returns for two years, for 2012 and 2013, their sales and use tax returns, monthly bank statements for only nine months of the audit period. It was the last 9 months of 2014. And then POS data for almost all of November 2014, and then for the rest of the time period for March of 2015. So it was about a five-month period of time when they provided their actual POS data to us.

Subsequent or previously to that time period, the taxpayer did not provide us any POS data. Apparently, it was eliminated from the POS machines. So to do the audit there was no sales journal. There were no guest checks. There was no purchase journal, purchase invoices or POS

1 data prior to November 6 of 2014.

2 The book markups based on the income tax returns
3 was 211 percent for 2012 and 150 percent for 2013. This
4 was substantially below what the department would expect
5 of around a 300 percent markup. So due to the low markup,
6 lack of supporting documentation in regards to the sales,
7 the bank deposits, which is the bank deposits on the 9
8 months that we had exceeded the reported taxable sales
9 from -- on their sales and use tax returns, and the credit
10 card receipts by themselves exceeded the reported total
11 sales.

12 All -- which essentially means they not only
13 didn't report any cash sales, but they didn't report all
14 of their credit card sales. So based on that or those
15 facts, the department decided to calculate the audited
16 taxable sales based on an indirect method. And that
17 indirect method was using their point of sale data.

18 We did a one day observation test that came up
19 over 72 percent credit card, and that appeared to be
20 consistent with the POS data that they had provided us for
21 that five-month period of time. Now, the appellant is
22 correct that the information that we initially provided
23 him on the audit schedules is different than the
24 information that's on the final schedules that I have
25 provided with the department's exhibits.

1 And there's a reason for that. The calculation
2 was originally taking their taxable sales and divided it
3 into -- or I should say, took their credit card receipts
4 and divided that into their taxable sales. What we found
5 was that the sales tax collected was higher than the tax
6 rate on the taxable sales that were recorded on the POS.
7 And there are subtle reasons for that. And I can go
8 through and show you on the schedules how that happened,
9 but I believe it's a combination of factors.

10 One of them is they tax some gratuities. They
11 also tax delivery charges. And there's also online
12 purchases, say, from Groupon or LivingSocial, Grubhub,
13 other businesses like where they were -- the taxpayer was
14 actually collecting excess tax reimbursement. And the
15 taxpayer or the appellant would be responsible for
16 reporting that to the State of California.

17 So in the final calculation, the sales tax that
18 was collected during that five-month period on the POS was
19 divided by the tax rate to come up with the taxable sales.
20 And that was -- that figure is higher than the recorded
21 taxable sales in the POS. Everything is consistent on
22 there. It's just the fact that the taxpayer was
23 collecting more tax, and they're responsible for reporting
24 that.

25 Now, that wasn't found until the audit went

1 through the reviewed process. And if you look on the
2 schedules that the appellant provided, what it'll say is
3 "Subject to Review," and that's exactly why we put that on
4 the schedules. It's because sometimes when we do audits
5 there might be oversights. Or basically it could be
6 either in the appellant's favor or detrimental to the
7 appellant. It just depends on the circumstances.

8 You'll also find that one of the schedules that
9 the appellant provided, the POS figures are higher than
10 our final schedules. And the reason for that is there
11 were voided sales, and those needed to be removed from the
12 POS sales. So what you will find is the one schedule that
13 was provided by the appellant for the POS, the actual
14 sales were higher before the review process than after the
15 review process.

16 So if we go to page 44, this is where we
17 calculate the credit card percentage, which was 65.3 on
18 Line 33, Column D. You'll see that 65.33. What I should
19 point out when you take a look at this schedule, what
20 you'll see -- and that's where you'll see the tax charge
21 was higher. If you look at Column B, Line 8, you'll see
22 \$399,000. You'll see tax collected of \$39,846. Tax rate
23 was only 9 percent during this time period, and that's
24 almost a 10 percent tax that's being collect.

25 And an example of this would be on Schedule 328.

1 So if you go to Schedule 328, you'll see exactly what is
2 transpiring here. This is an example of -- what the
3 taxpayer or appellant will do is, in this particular case,
4 sell to the customer a right to purchase \$25 worth of
5 food. And, generally, the customer will pay \$15 for that
6 right.

7 So when the appellant rings this up, they ring up
8 each individual sale, and then they subtract the \$25.00.
9 And you'll see in this case, that leaves \$15.85. But for
10 California sales tax, you'll see they collected \$3.68.
11 That's significantly more than what they collected. And,
12 actually, the way the law works in that particular area,
13 is they should have charged tax on the amount that they're
14 billing this customer plus the \$15.00 that was charged to
15 the customer, instead of tax on the \$25.00.

16 Essentially, what this does is it makes the
17 appellant responsible for reporting that tax to us. And
18 that's why you just can't take that \$15.00 and say that
19 you owe tax on that \$15.00, because it doesn't take the
20 whole transaction into account. And this doesn't
21 happen -- it happens all the times on these types of
22 transactions, but not on all their transactions because
23 not all customers use these type of services.

24 So it'll only be in the situations where they had
25 a Groupon or a similar service that they had. And so that

1 essentially explains why what we originally did is what
2 the appellant wants us to do, is to use that \$15.00 when
3 we really should have used the \$40.00 in taxable sales to
4 calculate the percentage, in which we did.

5 So the results of our test comes out for 2013 the
6 markup from our sales figures would be 331 percent. We
7 consider that to be a figure that's acceptable. And we
8 use that as our alternative method of proving that what we
9 came up with was reasonable.

10 So with that, I conclude my presentation.

11 ADMINISTRATIVE LAW JUDGE CHO: Thank you very
12 much.

13 Panel members, do you have any questions?
14 Judge Dang?

15 ADMINISTRATIVE LAW JUDGE DANG: Just one brief
16 question for CDTFA. From the five-month test period, was
17 that used to establish the unreported sales or the audited
18 sales for that period, the five-month test period, or was
19 that also -- did you use a credit card ratio for that
20 period?

21 MR. LAMBERT: It was a blend. Essentially, what
22 we did is when we had the full quarter, which was the
23 first quarter of 2015, we used the POS data, and then we
24 used November and December of 2014. We had to calculate
25 for, I think, four extra days or something that we didn't

1 have the information.

2 And then for October of 2014, we did estimate
3 that using the credit card percentage, because we did not
4 have the POS information. So when we had the actual data,
5 we used the actual data to establish the liability.

6 ADMINISTRATIVE LAW JUDGE DANG: Great. Thank
7 you. Also one just minor point. I just want to be clear.
8 In computing the credit card ratio, the population was
9 taxable sales only?

10 MR. LAMBERT: Taxable sales. In order --

11 ADMINISTRATIVE LAW JUDGE CHO: To get the ratio
12 of credit card to cash sales?

13 MR. LAMBERT: Yes. What we did was --

14 ADMINISTRATIVE LAW JUDGE CHO: That's why I
15 didn't turn this on earlier.

16 MR. LAMBERT: So what we did is we used the tax
17 collected and essentially divided that by the tax rate to
18 come up with the taxable sales. And then that's how we --
19 and then we used the credit card receipts without tax and
20 without tip, and that's how we came up with the credit
21 card percentage for that five-month period.

22 ADMINISTRATIVE LAW JUDGE DANG: Okay. Thank you.
23 No further questions.

24 ADMINISTRATIVE LAW JUDGE CHO: Judge Angeja, do
25 you have any questions?

1 ADMINISTRATIVE LAW JUDGE ANGEJA: Just one to
2 make sure that my understanding is correct. In the hypo
3 that you gave, the \$25.00 and the \$15.00, the amount of
4 tax collected was on the \$40.00?

5 MR. LAMBERT: That's correct.

6 ADMINISTRATIVE LAW JUDGE ANGEJA: And my question
7 is to the taxpayer, and I'll ask them if it's accurate in
8 a minute.

9 They rang up \$15.00 as taxable?

10 MR. LAMBERT: No. They rang up \$40.00 as
11 taxable.

12 ADMINISTRATIVE LAW JUDGE CHO: Then we don't have
13 excess tax reimbursement. I was trying to follow along.
14 You were explaining how there's excess tax reimbursement?

15 MR. LAMBERT: Yes.

16 ADMINISTRATIVE LAW JUDGE ANGEJA: So when you
17 said they subtracted the \$25.00 -- I want to make sure my
18 notes are correct.

19 MR. LAMBERT: Yeah. My understanding is that
20 it's going to be the amount the customer paid for that,
21 I'll say Groupon, and plus the amount that they are giving
22 to the taxpayer is the amount. That's excess tax. So
23 that should have been \$30.00 and how many cents on that.
24 And essentially the taxpayer was collecting tax on \$40.00
25 for that. And so there is excess tax reimbursement on

1 that extra \$10.00.

2 But even still, they only -- they subtracted the
3 whole \$25.00 from that, and it should have been \$15.00
4 subject to tax. So the \$15.00 -- the tax on the \$15.00 of
5 the \$25.00 would not be excess tax reimbursement. It
6 would be the difference between the \$15.00 and \$25.00 in
7 that particular case.

8 ADMINISTRATIVE LAW JUDGE ANGEJA: Okay. I'll
9 stop. I don't have any more questions.

10 ADMINISTRATIVE LAW JUDGE CHO: All right. Thank
11 you.

12 I have only one quick question. It's just a
13 factual thing. I think the decision said that the
14 business is located in Escondido. But I thought I saw on
15 the file the taxpayer is located in Porter Ranch,
16 Northridge. Which is correct?

17 MR. KOIKE: It's in Porter Ranch.

18 ADMINISTRATIVE LAW JUDGE CHO: Porter Ranch.
19 Okay. That's all. Unless department, did you want to
20 explain why the decision says it's in Escondido?

21 MR. LAMBERT: I don't know.

22 ADMINISTRATIVE LAW JUDGE CHO: That's fine. All
23 right. That's the only question I had.

24 So Judge Dang, did you have a question.

25 ADMINISTRATIVE LAW JUDGE DANG: I have one

1 follow-up question. Mr. Koike, were you able to
2 understand what the department was saying regarding your
3 explanation for why the numbers had changed? I know it's
4 a little bit difficult to follow. Excuse me. I know it
5 was a bit difficult to follow. You can see that some of
6 us had difficulty as well.

7 MR. KOIKE: Yes, I understand. You know, that
8 was my point because the data on the observation test was
9 much clearer and easy to understand for everybody. The
10 data was the same. It was consistent throughout all the
11 reports. So, you know, we are just questioning why. Why
12 doesn't the department use the data, the raw data, the
13 actual data from the observation test as the baseline to
14 calculate the credit card percentage for the audit period?

15 Because there are many questions regarding the
16 POS data that the department used. Even the first
17 quarter, 2015, when the department had complete data from
18 the POS, the numbers from that two report was so
19 different. The taxable sale from that final report was
20 \$280,000 plus change, but original report about 30, 40
21 thousand less than that.

22 The department, I don't think they used the
23 actual POS sales number from that quarter to -- as to the
24 taxable sales. I think they also used the 65.3 percentage
25 and then extrapolated that to become the taxable sales

1 number. So we have many questions concerning the
2 calculations and the data from the POS.

3 ADMINISTRATIVE LAW JUDGE DANG: I believe what
4 they're saying is they're using the same data. They're
5 just interpreting it in a different way, which is why
6 you're seeing a different number, perhaps. I don't want
7 to put words in their mouth.

8 Perhaps, CDTFA, you could distill a little bit of
9 what you said in more layman's terms.

10 MR. LAMBERT: Sure. Okay. Essentially, we used
11 a one-day observation test, and I believe that's what the
12 appellant wants us to use. The reason why we didn't use
13 that one-day -- not that there's anything wrong with that
14 one-day, because we do feel that those numbers are
15 accurate.

16 We feel that the five months of POS data is more
17 representative of the audit period than just the one-day
18 observation test. And that's the reason why we used the
19 five months instead of the one-day observation test. So
20 we'll do that frequently just to make sure that we believe
21 that the POS data is accurate.

22 I would point out that in this particular case,
23 that of the 368 pages that we provided, a large number of
24 these is actually the POS data itself, starting on page, I
25 believe, it's 45 going up to -- I'm going to say 3 -- 282.

1 So page 45 to 282 is all the detail. If there's any
2 questions about any of those transactions, the appellant
3 can point those out to us, and we can go over them.

4 But essentially, we're going to take the
5 information that we have -- and that's only those five
6 months -- to establish the liability instead of a one-day
7 test.

8 ADMINISTRATIVE LAW JUDGE DANG: Thank you so
9 much.

10 ADMINISTRATIVE LAW JUDGE ANGEJA: Can I ask a
11 dumb question?

12 ADMINISTRATIVE LAW JUDGE DANG: Sure,
13 Judge Angeja.

14 ADMINISTRATIVE LAW JUDGE ANGEJA: So the only
15 dumb question is the one that's not asked. So I feel like
16 I'm asking the same question again, but I want to make
17 sure I get it, your position. And I know there's an
18 answer, I just can't recall it. Tax doesn't apply to the
19 cost of the Groupon ticket if you will, right? Or does
20 it? I'm trying to identify where the excess tax
21 reimbursement is in your \$40.00 transaction.

22 MR. LAMBERT: Okay. So I'll just explain it on
23 the \$25.00 example. So say you have a customer that will
24 go and purchase this Groupon and -- for \$15, and they're
25 entitled to obtain \$25.00 worth of merchandise from the

1 appellant. So they will come in -- the customer will come
2 into the business. Generally they'll purchase at least
3 \$25.00. In this case it was more than that. It was
4 \$40.00 and certain amount of cents.

5 So the appellant charged tax on the total sales
6 price. Say there was no Groupon involved. The customer
7 bought \$40.00 worth of food. They got taxed on it.
8 That's essentially what happened here. And then they
9 subtract out the \$25.00, right?

10 And so the department's position is that we only
11 believe \$15.00 of the \$25.00 is subject to tax. The
12 remaining \$10.00, which the customer never paid, but they
13 got that merchandise, would not be subject to tax. So
14 essentially, whether it's excess tax reimbursement or it
15 isn't, in this particular case it doesn't really matter in
16 essence because they can't get -- even if it is excess tax
17 reimbursement, they can't give it back to the customer,
18 and they'd have to give it to the State. And so --

19 ADMINISTRATIVE LAW JUDGE ANGEJA: What tax would
20 you -- what's the measure on which you would have them
21 give back the tax? I guess that's what I'm asking.

22 MR. LAMBERT: \$10.00.

23 ADMINISTRATIVE LAW JUDGE ANGEJA: Okay.

24 MR. LAMBERT: Which is the difference between
25 Groupon and what the customer paid for the Groupon.

1 ADMINISTRATIVE LAW JUDGE ANGEJA: Got you. Okay.

2 Do you understand what their position is?

3 MR. KOIKE: Yes.

4 ADMINISTRATIVE LAW JUDGE ANGEJA: Okay. And just
5 for clarity, the problem in collecting tax on a nontaxable
6 transaction and then keeping it without remitting it
7 either back to the customer from whom you collected it or
8 paying to the State, is it's unjust reimbursement. I mean
9 it's unjust enrichment to the person who keeps it. That's
10 the theory behind it.

11 MR. LAMBERT: Correct.

12 ADMINISTRATIVE LAW JUDGE CHO: Thank you very
13 much.

14 Hearing no further questions, Mr. Koike, you'll
15 be given five minutes for last rebuttal.

16

17 CLOSING STATEMENT

18 MR. KOIKE: Yes. I understand. You know, like I
19 said, our only concern is with the POS data. I mean, five
20 months. The audit period was for three years, I believe.
21 Five months. I understand the position in that's more
22 than the one-day test. But then our concern is, again,
23 with how they interrupt it, the POS data.

24 Just like I said, if you look in the exhibit,
25 even from the first quarter, 2015, that is raw data from

1 the POS. The department still interrupted it, the
2 reported taxable measure, differently from their original
3 report and their final report, that there's no percentage
4 calculation, anything involved. That's drawn straight
5 from the POS. So I mean, it's -- there seems to be many
6 contradictions and many inconsistencies in -- in analyzing
7 the POS data. Which is why our position is, you know, why
8 doesn't the department use the data from the observation
9 test?

10 I mean, they said it's accurate. Everything
11 checked out. Then why not use that data to be the
12 baseline for the audit period? The original report, I
13 mean, we're a small family business. We would have ended
14 the case if the numbers were consistent. We were
15 agreeable to the first report. But then in a small family
16 business, 10 percent difference in credit card percentage,
17 that amounts to \$25,000, \$30,000. It's a lot of money for
18 a small business.

19 And, again, I go back to the way that the raw
20 data of the POS was calculated, was used, was interrupted,
21 because there were many -- many, you know, I said many
22 times, many contradictions. Many -- even, like I said,
23 even from the simple -- from the simple sales data of the
24 first quarter, which they had complete POS data available
25 to the department, they still came up with different

1 taxable numbers. So that's -- that's -- that's our
2 concern.

3 Thank you.

4 ADMINISTRATIVE LAW JUDGE CHO: Thank you very
5 much.

6 This concludes the hearing. The panel will meet
7 and discuss the case based off of the arguments and the
8 evidence in the record today. We'll issue our written
9 decision within 100 days of today. So this case is
10 submitted and the record is now close.

11 Thank you very much. This adjourns the hearing
12 for today. Thank you.

13 (Proceedings adjourned at 11:35 a.m.)

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HEARING REPORTER'S CERTIFICATE

I, Ernalyne M. Alonzo, Hearing Reporter in and for the State of California, do hereby certify:

That the foregoing transcript of proceedings was taken before me at the time and place set forth, that the testimony and proceedings were reported stenographically by me and later transcribed by computer-aided transcription under my direction and supervision, that the foregoing is a true record of the testimony and proceedings taken at that time.

I further certify that I am in no way interested in the outcome of said action.

I have hereunto subscribed my name this 14th day of August, 2019.

ERNALYN M. ALONZO
HEARING REPORTER