

BEFORE THE OFFICE OF TAX APPEALS

STATE OF CALIFORNIA

IN THE MATTER OF THE APPEAL OF,
MICHELE COOPER,

 APPELLANT.

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) OTA NO. 18011424
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)
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)

TRANSCRIPT OF PROCEEDINGS

Los Angeles, California

Wednesday, August 21, 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 10:06 a.m. and concluding
at 10:43 a.m. on Wednesday, August 21, 2019,
reported by Ernalyn M. Alonzo, Hearing Reporter,
in and for the State of California.

APPEARANCES:

Panel Lead: Hon. TERESA STANLEY

Panel Members: Hon. RICHARD TAY
Hon. DANIEL CHO

For the Appellant: SAHAR BIJAN

For the Respondent: STATE OF CALIFORNIA
Franchise Tax Board
By: BRIAN WERKING
MARGUERITE MOSNIER

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<u>DEPARTMENT'S</u> <u>WITNESSES:</u>	<u>DIRECT</u>	<u>CROSS</u>	<u>REDIRECT</u>	<u>RECROSS</u>
(None offered)				

<u>APPELLANT'S</u> <u>WITNESSES:</u>	<u>DIRECT</u>	<u>CROSS</u>	<u>REDIRECT</u>	<u>RECROSS</u>
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Los Angeles, California; Wednesday, August 21, 2019

10:06 a.m.

ADMINISTRATIVE LAW JUDGE STANLEY: I'm going to go on the record at this point.

This is the appeal of Michele Cooper, Case No. 18011424. The date is August 21st, 2019. The time is 10:06 a.m., and we're in Los Angeles, California.

Once again for the record, I'm Judge Teresa Stanley, and I have Judge Richard Tay and Judge Daniel Cho, who is replacing Judge Douglas Bramhall who was originally assigned to this case.

And once again for the record, can you please identify yourselves.

MS. PETERS: Sure. As on the documents, I just want to be clear it's on the documents, my name is Michele Cooper, but it has since been changed to Michele Peters.

ADMINISTRATIVE LAW JUDGE STANLEY: Michele Peterson. Thank you.

MS. PETERS: Peters.

ADMINISTRATIVE LAW JUDGE STANLEY: Oh, Peters.

MS. PETERS: Yes.

ADMINISTRATIVE LAW JUDGE STANLEY: Okay. And you'd like to be addressed by Peters?

MS. PETERS: Sure.

ADMINISTRATIVE LAW JUDGE STANLEY: Okay. Thank you.

MS. BIJAN: Sahar Bijan.

ADMINISTRATIVE LAW JUDGE STANLEY: And Franchise Tax Board?

MR. WERKING: Brian Werking, Franchise Tax Board.

MS. MOSNIER: Marguerite Mosnier, Franchise Tax Board.

ADMINISTRATIVE LAW JUDGE STANLEY: Okay. Thank you.

And we're going to admit Appellant's Exhibits 1 through 4 into the record at this time, and Franchise Tax Board's Exhibits A through I into evidence without objection. Those will all be admitted.

(Appellant's Exhibits 1-4 were received in evidence by the Administrative Law Judge.)

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

ADMINISTRATIVE LAW JUDGE STANLEY: The issues are whether Appellant can establish that the federal determination disallowing \$5,500 noncash charitable deductions for taxable year 2013 is correct or incorrect; and Appellant is also requesting relief from interest.

Ms. Bijan, if you would like to start for the purposes of explaining what your client is going to testify to today, you can have 10 minutes. I think you requested 5 minutes for an opening statement.

MS. BIJAN: Thank you.

OPENING STATEMENT

MS. BIJAN: As Ms. Cooper agrees herself, the only issue is whether she should be allowed the deduction of \$5,500, the charitable donations made to Goodwill. Pursuant to IRC Section 170(a)(1) charitable donations, charitable donations shall be allowed as a deduction.

Ms. Cooper hired Para Financial to prepare her 2013 federal and California taxes. Para Financial was managed by Ms. Linda Yost-Brown, which Ms. Cooper believed to have immense tax experience and expertise. Ms. Cooper had little reason to question Ms. Yost-Brown's tax guidance nor 2013 tax return, and that was prepared by her.

Unfortunately, Yost-Brown fell ill and deceased in the middle of the inquiries from the IRS, which made it impossible for Ms. Cooper to retrieve the evidentiary support she had previously provided to Yost-Brown. Given her circumstances, Ms. Cooper decided to try and finish the process by herself with the IRS.

Ms. Cooper's total charitable deduction should not be disallowed because her accountant passed away. She was unable to retrieve her proving documents, and she did not hire a professional accountant. Regarding the \$11,000 of noncash contribution, Ms. Cooper maintains that the disallowed \$5,500 be allowed.

The noncash donated merchandise, including purses and shoes, had a special meaning to her. Ms. Cooper had to part from these items due to her move to East Coast. Those high-end purses, shoes, and clothing were well-cared for and amounted to thousands of dollars. Her DVD player and television and DVD media were also well-cared and fully functional at the time of the donation. All of the donated items were like new condition, hence, she should be allowed the deduction of \$5,500. In addition, Ms. Cooper maintains that the assessed interest also be waived.

United States v. Boyle held that when accountant or attorney advises as taxpayer on a matter of tax law, such as whether a liability exists, it's reasonable for the taxpayer to rely on that advice. Here Ms. Cooper paid for and reasonably relied upon Yost-Brown to provide tax guidance and to accurately file her 2013 return.

Yost-Brown was recommended to Ms. Cooper by several close friends who were financially in the same

situation. In addition, Yost-Brown had an extensive history in accounting and tax, who operated under Para Financial, which held her as an enrolled agent and taxpayer expert. Ms. Cooper's reliance upon Yost-Brown's advice in 2013 was not misplaced. Although FTB is not contesting Ms. Cooper's reasonable cause, it's worth noting that she did, nonetheless, exercise ordinary business care and prudence with respect to her 2013 federal and California returns.

Ms. Cooper is now aware that making a noncash contribution over \$5,000 requires a completion of form 8283 and an appraisal by a qualified appraiser. She also now has learned that failing to comply with the noncash contribution rules can result in the denial of the deduction.

However, her unfamiliarity with the requirement of the law in the preparation of her 2013 return was not deliberate or in bad faith. Had she been aware that she was required to obtain a qualified appraisal and to complete form 8283, she would have done so back then when she made the donations.

In addition, had Ms. Cooper been aware that Goodwill's failure to not note the donation date on one of the receipts would cause her tax problems, she would also have corrected the issues back then. Regrettably, with

the passage of time and with the passing of Yost-Brown, it has become prohibitive to undertake those proscribed actions now. Even then, the IRS Publication 526 states that fair market value is the price at which property would change hands between a willing buyer and a willing seller. Thus FTB should allow the deduction of \$5,500.

The entire \$11,000 originally claimed as correct, in that it represented the fair market value of the items at the time of the donations, this is evidence of a sampling of screen shots from the Internet which shows the prices for similar items in the open market. The screen shots represent the type of items that Ms. Cooper donated, and that they were of the same pristine quality at the time of donation. Unfortunately, other evidence supporting the fair market value is no longer unavailable due to the passage of time.

However, applying a formulate, two-thirds to the retail price is fair and not excessive, and that closely resembles the resale market price for high-end purses, shoes, and other belongings. In addition, Ms. Cooper is here to testify under oath as to the value of the items.

ADMINISTRATIVE LAW JUDGE STANLEY: Thank you.

Would Franchise Tax Board like to make or waive their opening argument?

MR. WERKING: We'll waive our opening argument.

ADMINISTRATIVE LAW JUDGE STANLEY: Okay. Thank you.

Then we'll turn back to Ms. Peters, and I'm going to swear you in, if you don't mind standing up.

MICHELE COOPER PETERS,

produced as a witness, and having been first duly sworn by the Administrative Law Judge, was examined and testified as follows:

ADMINISTRATIVE LAW JUDGE STANLEY: Thank you.

Okay. Ms. Sahar, you can ask questions now of the witness. Or does she want to -- would she rather testify in the narrative, just tell her story?

MS. BIJAN: Yes.

ADMINISTRATIVE LAW JUDGE STANLEY: Okay.

WITNESS TESTIMONY

MS. PETERS: Sure. As was stated in the opening statement, all of my records were kept to the best of my knowledge. They were all accurate documents in the fact that I did do diligent research to see what was considered fair market value. I looked at the websites. I looked at everything prior to donating. And in all honesty, you know, over the course of the year, you take items to

Goodwill. They just give you one of the forms, and you leave, and you document what you believe you have provided. And that's what happened in this case.

I gave all my supporting documents to the lady that prepared my taxes, which I had been doing so. And in -- when the appeal came up for federal court, she was representing me. She did go to the first meeting prior to falling ill, and then she fell ill, and then she passed away. And then I went to represent myself and try to solve the case or blow the case.

Upon being there, I explained to them exactly what I was explaining to you. At the time it was \$11,000 instead of the \$5,500. I honestly did not know what I was doing as far as representing. You know, I just told him the same thing I told you. He said he had not looked at it in that matter, and he would take that into consideration. He then he was like, "I don't have time to research anything further. So I'm just going to" -- and you can see -- "I'm just going to do it in half."

And so that was -- that was it. I did not know it would cause additional problems or anything like that. Had I known that, I would have taken other precautionary measures. I would have asked that he would get it -- but due to circumstances, the tax representative was not there. I did not know to challenge it or to push it or it

would come to be a problem years later.

But I have always tried to keep diligent records. I have always been compliant. I have responded to every response that I've ever gotten and given them the information. Unfortunately, when the taxpayer passed away, even though I did, you know, pay my outstanding fees, I have never received my original documents. So there are documents that she had that I don't have. This is everything that I do have, that I represented to you.

ADMINISTRATIVE LAW JUDGE STANLEY: Okay.

Mr. Werking, do you have any questions?

MR. WERKING: No. I do not have any questions for the witness.

ADMINISTRATIVE LAW JUDGE STANLEY: Judge Cho, do you have any questions?

ADMINISTRATIVE LAW JUDGE CHO: No. I don't have any questions at this time.

ADMINISTRATIVE LAW JUDGE STANLEY: Judge Tay?

ADMINISTRATIVE LAW JUDGE TAY: Maybe just one question. You submitted two Goodwill, I guess, receipts for maybe a lack of a better word. When you donated the property, was it just those two times that you did?

MS. PETERS: Yes, sir. And I believe if I had my original folder from the tax lady, that you would see that there were other receipts as well.

ADMINISTRATIVE LAW JUDGE TAY: Other receipts?

MS. PETERS: Yeah. Other Goodwill receipts.

ADMINISTRATIVE LAW JUDGE TAY: Oh, I see. Okay.

And did you ever -- like, I know it's possible to make donations via, like, a drop off, you know. Did you ever do that? Or you just dropped it off at unattended facilities?

MS. PETERS: Yes. I always use the same facility. I use the one on Lake Street in Pasadena, yeah, right off of H Street. There's usually an attendant there usually when I go. I put everything in garbage bags. I drop it off. They give you the piece of paper. There were a couple times throughout the year that there was no one there, but I never thought it was a big deal. But I always go to the same place and just drop it off.

ADMINISTRATIVE LAW JUDGE TAY: Okay. Thank you.

ADMINISTRATIVE LAW JUDGE STANLEY: I have just a couple of questions. First of all, you said that you were -- you had to get rid of them. Well, actually, Ms. Sahar testified to that instead of you. Is it your testimony you had to get rid a lot of things that meant a lot to you?

MS. PETERS: I purged a lot of things that did mean a lot to me just because when I was moving I wanted to keep it as small and as simple as possible. And so I

ended up giving away a lot.

ADMINISTRATIVE LAW JUDGE STANLEY: When you did you move?

MS. PETERS: I left in March of 2016.

ADMINISTRATIVE LAW JUDGE STANLEY: Okay. Have you ever sold any of your high-end items instead of donating them?

MS. PETERS: To be honest, I have not. I always either gave to Goodwill, or there's a group at my church that I gave to.

ADMINISTRATIVE LAW JUDGE STANLEY: Okay.

MS. PETERS: I never sold them.

ADMINISTRATIVE LAW JUDGE STANLEY: And you said that you had -- you couldn't get a hold of your original document. Did you ever try to do that?

MS. PETERS: Yes, ma'am. And I have copies of the e-mail that I -- I don't have copies of the phone records, but I do have copies of the e-mails. And after she passed, I still contacted -- at the time it was her daughters, I think, that were taking over. I don't know who runs the business today. They said that I still owed about \$375.00, I think. Maybe it was \$325.00. I have the e-mail somewhere in here.

I sent over that e-mail. I also sent over explaining to them that I did not receive the documents.

I gave them the address to send it to me. And to this day, I never got anything back. But I did pay to get those items back, and I never received them. And that was even after she had passed.

ADMINISTRATIVE LAW JUDGE STANLEY: I think it might be useful to have some of those documents admitted into evidence. Would there be any objection by Franchise Tax Board?

MR. WERKING: I don't think so. But I'd like to see them before they're admitted.

MS. PETERS: Okay.

ADMINISTRATIVE LAW JUDGE STANLEY: Okay. We can ask Ms. Vaughan to make a copy for the Judges and for Franchise Tax Board, and I'll reserve on whether to admit them. I'll give you an opportunity to look at them.

Maybe we can take a five-minute break and look through that. Unless you want to finish up, and we'll just hold the record open for a few more minutes after we're done with the hearing so that we can allow Franchise Tax Board time to see it?

MS. PETERS: Yeah.

ADMINISTRATIVE LAW JUDGE STANLEY: Okay. So we'll just hold on that issue for a moment.

And Ms. Sahar, do you have any additional questions of Ms. Peters?

MS. BIJAN: No.

ADMINISTRATIVE LAW JUDGE STANLEY: Okay.
Certainly, Judge Tay.

ADMINISTRATIVE LAW JUDGE TAY: Do you have any evidence or documents as to the value of items that were dropped off at an unattended donation center?

MS. PETERS: So the problem is they weren't brand new, you know. Sorry. So the problem is that they weren't brand new. So I don't have, like, the receipts. I thought I gave him one receipt of, like, a Louis Vuitton bag or something.

And I don't know how far back credit card statements would go, but with me I don't have, like, any receipts of when I actually purchased the items. That sounds like what you're asking me.

ADMINISTRATIVE LAW JUDGE TAY: No, not so much how much you paid for them --

MS. PETERS: Oh, okay.

ADMINISTRATIVE LAW JUDGE TAY: -- but the items that were donated at an unattended drop-off center, do you have any evidence to show what items those were when you dropped them off?

MS. PETERS: There were a few pictures I thought in here, like, the Coach bag, the various shoes, the -- I can't remember who made that bag right there in that

picture.

ADMINISTRATIVE LAW JUDGE STANLEY: I'm going to just interrupt for a second. It looks like there's some of that in Exhibit 3. There's a list with some of what is supposed to support the values; is that correct?

MS. PETERS: Yes, ma'am.

MS. BIJAN: Yes, ma'am.

ADMINISTRATIVE LAW JUDGE STANLEY: And Judge Tay, do you have follow up?

ADMINISTRATIVE LAW JUDGE TAY: Go ahead.

ADMINISTRATIVE LAW JUDGE STANLEY: And just to follow up with -- Ms. Sahar mentioned you were promoting the idea that two-thirds of the value -- two-thirds of the original value would be a good fair market value. Does that match with what you have in Exhibit 3?

MS. PETERS: That is based on --

Is this in Exhibit 3?

MS. BIJAN: Yes.

MS. PETERS: That's based on Exhibit 3 in the picture and on Goodwill. So I showed you the calculation that I used is based off of those two website, "what is Shop Goodwill," which is the company I gave the products to. What are they reselling it for? And then a similar company which is "Bag, Borrow, and Steal," what do they also consider to be fair market value. What they would

pay you for if you were to give it to them, and they were to resell it. And they pay you about 70 percent of the value of it. So that's where, between those two websites, is how I calculated the fair market price.

ADMINISTRATIVE LAW JUDGE STANLEY: Okay. Thank you.

MS. PETERS: And I believe that those screen shots were from that time period.

ADMINISTRATIVE LAW JUDGE STANLEY: Do you have any further questions, Judge Cho?

ADMINISTRATIVE LAW JUDGE CHO: None here.

ADMINISTRATIVE LAW JUDGE STANLEY: Mr. Werking?

MR. WERKING: No questions here.

ADMINISTRATIVE LAW JUDGE STANLEY: Okay. So I assume that this is the only witness; correct?

MS. BIJAN: Yes.

ADMINISTRATIVE LAW JUDGE STANLEY: Okay. So then we can move into -- into closing arguments, and I'll start with Ms. Sahar.

MS. BIJAN: Okay.

CLOSING STATEMENT

MS. BIJAN: It's not disputed that Ms. Cooper on the items that she donated, these items to Goodwill, and that the charity was valid. And the only evidence

presented about the market value of the items is what Ms. Cooper testified under oath.

ADMINISTRATIVE LAW JUDGE STANLEY: Thank you.

Mr. Werking.

CLOSING STATEMENT

MR. WERKING: Good morning. The issue in this case is whether Appellant has met her burden to show error in the disallowance of \$5,500 of her claim to \$11,000 noncash contribution deduction that's based on the federal disallowance of the same; and Appellant request an abatement of interest.

Appellant has not established error in the proposed assessment or any basis for the abatement of interest. It is well settled that a proposed deficiency assessment by the Respondent, that is based on a federal adjustment, is presumptively correct. And the Appellant bears the burden of proving it erroneous.

Deductions are a matter of legislative grace, and Appellant has the burden to prove that she's met all of the requirements in order to be entitled to her claimed deduction. California law conforms to federal law regarding noncash contribution deductions. The law provides that no deduction shall be allowed for any contribution of \$250.00 or more, unless the taxpayer

substantiates the contribution by contemporaneous written acknowledgement of the contribution by the donee organization, showing the name of the donee, the date and the location of the contribution, and a description of the property.

Appellant has provided two receipts from Goodwill of Southern California, but only one of which includes the date of the contribution as required by law. Additionally, the law requires that no deduction shall -- or specifies that no deduction shall be allowed for contributions of property for which a deduction of more than \$5,000 is claimed, unless a qualified appraisal is obtained.

All similar items or properties donated are treated as one property for purposes of this threshold amount. In this case, Appellant's noncash contribution schedule includes the following similar used items: Used clothing, used shoes, used purses, and wallets.

The reported value of these similar items is \$10,217.00, which exceed the \$5,000 threshold, requiring a qualified appraisal. However, Appellant has not provided a qualified appraisal with her return or a protest or an appeal. As such, Appellant has not established entitlement to a noncash contribution deduction for the clothing, shoes, or purses donated.

Lastly, Appellant's valuation of her donated items is not supported by the facts, and her valuation method is not accepted by the IRS. Appellant contends that the value of her donated items is approximately two-thirds of the suggested retail price of the item donated.

IRS Publication 526 specifically explains that formulas using a percentage of the cost to buy a new replacement item is not an acceptable method to determine its value. The publication suggests that the taxpayer should claim as the value of contributed used clothing or personal items is the price that buyers of used items actually pay in used clothing stores, such as consignment or thrift shops.

Goodwill itself provides a donation value guide in which the prices for clothing and purses do not exceed \$13.00. A search of Goodwill's online store indicates that purses from the designers or the purses purportedly donated have prices between \$10.00 and \$35.00, as provided in Respondent's Exhibit H.

Appellant has not provided the necessary substantiation documentation, appraisal documentation, or support for her valuation of her noncash contributions. Accordingly, Appellant has not shown error in the proposed disallowance of \$5,500 of her noncash contribution

deduction.

In regards to interest, Respondent's imposition of interest is mandatory, and Respondent is not allowed to abate interest except where authorized by law. Appellant has not established any basis for the abatement of interest, and none is apparent to respond based on the facts in this case.

Accordingly, Respondent respectfully request that this panel sustain its actions. Thank you.

ADMINISTRATIVE LAW JUDGE STANLEY: Thank you.

Ms. Sahar, would you like to make a follow-up comment? Hold on one second. Judge Cho has a question.

ADMINISTRATIVE LAW JUDGE CHO: I just wanted to ask FTB. In this situation, is FTB giving Appellant any value for any of the donated items, or are you just considering it completely disallowed as zero?

MR. WERKING: What we're doing is we're piggy-backing off of the federal adjustment. And so we're not disallowing anymore than what the IRS determined to allow. But my argument is that the Appellant hasn't even met the burden to show that they're entitled to that amount. So they have not met -- the Appellant has not met her burden to show error in the federal adjustment.

ADMINISTRATIVE LAW JUDGE CHO: Okay. So you --

MS. MOSNIER: Can I add something to that?

ADMINISTRATIVE LAW JUDGE CHO: Sure.

MS. MOSNIER: Revenue and Taxation Code Section 18622(a) requires an individual taxpayer to report federal adjustments that increase his or her California tax liability, and concede that those adjustments are accurate, unless the taxpayer shows the error.

So FTB is correct in making the same adjustment -- proposing the same adjustments that the IRS -- that the IRS did. And as the Appellant noted, it appears that the IRS already allowed 50 percent of the deduction. So to that extent, FTB is also allowing 50 percent of that deduction.

ADMINISTRATIVE LAW JUDGE CHO: Okay. Thank you for the clarification.

ADMINISTRATIVE LAW JUDGE STANLEY: Okay. So Judge Tay has another question.

ADMINISTRATIVE LAW JUDGE TAY: So just to clarify, if -- for Appellant to -- can prove part of their case, would they have to show that their donations are in excess of \$5,500?

MR. WERKING: The valuation of -- yes, correct.

ADMINISTRATIVE LAW JUDGE TAY: Okay. So to reduce the proposed assessment then, they would have to show that they donated noncash -- they made noncash contribution of, say, \$6,000.00 to reverse \$500.00?

MR. WERKING: Exactly.

ADMINISTRATIVE LAW JUDGE TAY: Okay. And did taxpayer claim these deductions in any subsequent year? Do you know?

MR. WERKING: I'm not aware of that.

ADMINISTRATIVE LAW JUDGE TAY: Okay. And, I guess, the last question I have is what authority is there to combine these kind of -- or aggregate these items as similar? And I ask, maybe just out of some ignorance here. I mean, like, when I walk into a Macys, there are different departments for different things, and so to me they're just different products. Can you educate me on that a little bit?

MR. WERKING: Within IRC Section 170 sets out -- let me -- I think IRC section 170(11)(f) specifies that all items -- similar items or property is treated as one property. I don't have -- I mean, I'm not aware of a particular case that specifies what type of used clothing might -- or used purses would be in the same category. I just used personal items such as these. Respondent feels these would be similar items.

ADMINISTRATIVE LAW JUDGE TAY: Okay. Thank you.

ADMINISTRATIVE LAW JUDGE STANLEY: Okay. I also have one more follow-up question. What relevance, if any, is there to the fact that she claims to have had receipts

that she's been unable to obtain? So she can't -- it's like an impossibility of proving it at this point.

MR. WERKING: And Respondent is sympathetic to this situation, to the fact. But without the actual substantiation, there's no reasonable cause or, you know, similar-type basis that would establish entitlement to a particular deduction without some substantiation, you know, substantial documentation to substantiate valuation or otherwise.

ADMINISTRATIVE LAW JUDGE TAY: One final question. If the taxpayer did not receive a receipt on account that there was no one available at the time of the donation, how would you treat that?

MR. WERKING: If the items that were donated at that time exceeded \$250.00, that would be disallowed. That's one of the requirements to receive contemporaneous document receipt with that specific -- with the name of the donee, the date, the location, the contribution, and the description of property as reasonable at the time.

ADMINISTRATIVE LAW JUDGE TAY: Okay. Thank you.

ADMINISTRATIVE LAW JUDGE STANLEY: Okay. Given that, Ms. Sahar, do you want to ask any follow-up questions of Ms. Peters, or would you like to just have a concluding statement?

MS. BIJAN: I don't have any question, but I

believe she has a few questions that she wanted to ask.

ADMINISTRATIVE LAW JUDGE STANLEY: Okay.

MS. PETERS: I don't know if they're questions, and I don't know if you have the ability to answer. But I do have a response to a couple of items that you did point out. Again, it is unfortunate I did not try to do my taxes on my own. I did seek professional help. I did pay for professional help.

So when you make comments saying that we're not supposed to have a claim for more than \$5,000 without filling out a certain document, I would feel that the tax person, unfortunately who is not here, should have informed me of all the documents that I needed to fill out.

In addition to -- I'm not sure if you had a chance to speak with -- and this is a question as well as a statement -- had a chance to speak with or interview the IRS rep. I believe his name was Yosef -- I don't remember his last name, but he's in El Segundo over here.

He also did not mention any of this to me. He also did not have a concern with any of these items. So I don't -- I don't know if I understand the arguments. So I'm just wondering if that due diligence was done on the behalf of this particular case.

You also mentioned -- you gave some statistics or

some stats on Goodwill. But I have also supplied in the documents what is actually listed on goodwill.com that directly contradicts the statement you just made. We could also pull it up today, and you would see that those particular items are being sold on shopgoodwill.com for that item. That would be proved today if you were to just do a Google search. So that also contradicts the statement that you were making. So I guess I'm just asking that you consider that I've done everything on my part possible.

Judge Tay also mentioned there are times -- and I'm sure you, yourself, have gone to Goodwill and donated things and have gotten documents back that were not completely filled. I do, as a result of going through this, I do either no longer donate, or when I do donate, I do ask for completed documents on everything. And it's not an easy process, I will admit that, to get that. But I'm just asking that you consider some of these things that I have just proposed to you.

ADMINISTRATIVE LAW JUDGE STANLEY: Okay. So that's not exactly a question, but it does sound like a concluding argument. Ms. Sahar, do you have anything more to add?

MS. BIJAN: No.

ADMINISTRATIVE LAW JUDGE STANLEY: Okay. Then

we'll conclude this hearing. Well, I'm going to recess the hearing to allow Ms. Peters to locate those e-mails and get a copy to Franchise Tax Board. And then we can briefly go back on the record to admit them or not and close the record at that point. And once we close the record you'll be issued a decision within 100 days.

MS. PETERS: Okay.

ADMINISTRATIVE LAW JUDGE STANLEY: Okay, thank you.

MS. BIJAN: Thank you.

(Proceedings adjourned at 10:43 a.m.)

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 16th day of September, 2019.

ERNALYN M. ALONZO
HEARING REPORTER