

BEFORE THE OFFICE OF TAX APPEALS

STATE OF CALIFORNIA

IN THE MATTER OF THE APPEAL OF, )  
)  
MARIA L. ABADESCO, ) OTA NO. 18093774  
)  
APPELLANT. )  
)  
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TRANSCRIPT OF PROCEEDINGS

Sacramento, California

Wednesday, April 29, 2020

Reported by:  
ERNALYN M. ALONZO  
HEARING REPORTER

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Transcript of Proceedings, taken at  
400 R Street, Sacramento, California, 95811,  
commencing at 10:04 a.m. and concluding  
at 10:37 a.m. on Wednesday, April 29, 2020,  
reported by Ernalyn M. Alonzo, Hearing Reporter,  
in and for the State of California.

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APPEARANCES:

Panel Lead: ALJ ELLIOTT SCOTT EWING

Panel Members: ALJ SUZANNE BROWN  
ALJ JOHN JOHNSON

For the Appellant: MARIA ABADESCO  
MOUNIA BOUKHALFA

For the Respondent: STATE OF CALIFORNIA  
FRANCHISE TAX BOARD  
By: GI NAM

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I N D E X

E X H I B I T S

(Appellant's Exhibits were received at page 7.)  
(Department's Exhibits were received at page 7.)

OPENING STATEMENT

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PRESENTATION

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By Ms. Boukhalfa	12
By Mr. Nam	20

CLOSING STATEMENT

	<u>PAGE</u>
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1 Sacramento, California; Wednesday, April 29, 2020

2 10:04 a.m.

3

4 JUDGE EWING: We are now on the record.

5 Good morning. I am Judge Elliot Scott Ewing. We  
6 are opening the record in the appeal of M. Abadesco, Case  
7 Number 18093774. This hearing is being convened  
8 telephonically on April 29th, 2020, at 10:00 a.m. (sic).  
9 The hearing location is Sacramento, California.

10 Representing Appellant today -- we have on the  
11 line -- Mounia Boukhalfa with the Tax Appeals Assistance  
12 Program.

13 Ms. Boukhalfa, please state your name and the  
14 spelling of your name for the record.

15 MS. BOUKHALFA: Mounia Boukhalfa. That is,  
16 M-o-u-n-i-a. Last name is, B-o-u-k-h-a-l-f-a.

17 JUDGE EWING: Thank you.

18 We also have Appellant Maria Abadesco who we  
19 understand will testify today.

20 Ms. Abadesco, please state your name and spell  
21 your name for us.

22 MS. ABADESCO: Yes. Maria Abadesco, M-a-r-i-a,  
23 Abadesco, A-b-a-d, as in David, e-s, as in Sam, c-o.

24 JUDGE EWING: Thank you.

25 And finally for Franchise Tax Board we have on

1 the line Gi Nam.

2 Mr. Nam, please state your name and spell your  
3 name for the record.

4 MR. NAM: Gi Nam. It's G-i N-a-m.

5 JUDGE EWING: Thank you.

6 All right. As a preliminary matter, as I  
7 mentioned before, please note that Judge John Johnson has  
8 replaced Judge Amanda Vassigh on this panel, and I have  
9 moved over to the role of lead judge on the panel.

10 Now, let's talk about the issues. Let's just  
11 make sure that we're all on the same page and what the  
12 issues are before us. There's two issues. The first  
13 issue is whether Appellant has shown that her failure to  
14 timely pay her tax was due to reasonable cause in order to  
15 abate the late-payment penalty; and, second, whether  
16 Appellant has established a basis to abate interest.

17 Ms. Boukhalfa, is that correct?

18 MS. BOUKHALFA: Mounia Boukhalfa. That is  
19 correct, Your Honor.

20 JUDGE EWING: Okay. Mr. Nam, is that also your  
21 understanding?

22 MR. NAM: Gi Nam. Yes, that's correct.

23 JUDGE EWING: Very well. This is Judge Ewing.  
24 Thank you.

25 Now with respect to exhibits, we have marked

1 Respondent's, Franchise Tax Board, Exhibits A through L.  
2 Next Appellant provided her exhibits, and we have marked  
3 them as Appellant's Exhibits 1 through 7. The minutes and  
4 orders from the prehearing conference in this matter  
5 requested any objection to these exhibits being admitted  
6 into evidence no later than April 13th. No objection was  
7 received.

8 No objections being raised Respondent's Exhibits  
9 A through L are admitted as evidence into the record, and  
10 Appellant's Exhibits 1 through 7 also admitted as evidence  
11 into the record. No additional exhibits have been  
12 presented today.

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

15 (Appellant's Exhibits 1-7 were received  
16 in evidence by the Administrative Law Judge.)

17 On April 7th, 2020, minutes and orders, we  
18 indicated time estimates for the hearing. I'll talk about  
19 that. I planned for the hearing to proceed as follows.

20 Ms. Boukhalfa, you'll represent your position and  
21 have five minutes to do so.

22 Next, Mr. Nam, you will present the Franchise Tax  
23 Board's position and also have five minutes to do so.

24 I will then swear in Appellant, Ms. Abadesco, as  
25 the witness. Ms. Abadesco will then have 15 minutes for

1 her testimony. It has been indicated previously that  
2 Appellant would testify in the narrative, but  
3 Ms. Boukhalfa, please feel free to direct the testimony  
4 and ask any questions as you see fit.

5           Once the parties and the panel have had a chance  
6 to ask questions, Appellant's representative,  
7 Ms. Boukhalfa, will then have five minutes for any closing  
8 remarks. Please note that these are just time estimates  
9 and guidelines. If you do not need to use all the time  
10 allotted, that's just fine. And if you reach the end of  
11 your allotted and need more time, we will consider that  
12 request.

13           Now, for Appellant's opening statement,  
14 Ms. Boukhalfa, you have five minutes for your  
15 presentation. You may proceed when you are ready.

16           MS. BOUKHALFA: Thank you. Mounia Boukhalfa  
17 here. On April --

18           MR. NAM: Judge, I'm sorry. This is Gi Nam.  
19 Judge, may have permission to speak?

20           JUDGE EWING: Yes, please go ahead.

21           MR. NAM: This is a procedural question. Is  
22 Franchise Tax Board presenting statements after the  
23 testimony? Witness testimony?

24           JUDGE EWING: No. You will -- the plan is to do  
25 your opening statement before the witness testimony, and

1 then you'll have a chance to ask questions of the witness  
2 after testimony. And then the Appellant will have its  
3 closing statement.

4 MR. NAM: Okay. If you don't have any -- if  
5 there aren't any objections and with your permission, may  
6 Franchise Tax Board not have -- not have an opening  
7 statement and just have a closing statement after the  
8 testimony; so we can address any questions or concerns  
9 about the witness testimony with its closing statement?

10 JUDGE EWING: That's fine, Mr. Nam. Unless  
11 Appellant's representative has any objection to that, that  
12 procedure should be fine. The reason why I mentioned it  
13 in that order was, following the prehearing conference  
14 minutes and orders that, as you know, I was not the lead  
15 judge for that procedure. So I think showing some  
16 flexibility here is just fine. And so we can do that  
17 unless Ms. Abadesco has any objection.

18 Do you?

19 MS. ABADESCO: Maria Abadesco. No.

20 JUDGE EWING: Okay. Okay. Thank you.

21 MR. NAM: Thank you.

22 JUDGE EWING: Okay. Go ahead, Ms. Abadesco.

23 I'm sorry. Mr. Nam, did you have a comment?

24 MR. NAM: Gi Nam. No. That's all from Franchise  
25 Tax Board. Thank you.

1 JUDGE EWING: Okay. Very well. Okay.

2 Ms. Boukhalfa, please go ahead.

3 MS. BOUKHALFA: Thank you. Mounia Boukhalfa.

4

5

OPENING STATEMENT

6 MS. BOUKHALFA: On April 15, 2018, Appellant  
7 filed her 2017 tax return in a timely manner. And,  
8 although, Appellant has self-prepared her taxes for many  
9 years, this was actually the first time she owed the State  
10 taxes. In order to pay the taxes owed, Appellant provided  
11 her banking account details and made sure she had  
12 sufficient funds to make the payment.

13 And, although, Appellant made all these efforts,  
14 the payment was unfortunately not processed. And  
15 Appellant's failure to make timely payment was due to  
16 reasonable cause as opposed to willful neglect. The  
17 stress of the aftermath of the devastating 2000 Sonoma  
18 wildfires caused Appellant to focus more on relocating,  
19 staying safe and healthy and keeping her job, and not  
20 constantly checking whether a payment was processed.

21 Today Ms. Abadesco will testify and try to show  
22 that there was reasonable cause for her failure to pay  
23 timely. Thank you.

24 End of my opening statement.

25 JUDGE EWING: Very well. Okay. Thank you.

1           Okay. Now, we'll go to the testimony of the  
2 Appellant. Ms. Abadesco, I'm going to swear you in. Are  
3 you ready?

4           MS. ABADESCO: Yes. Maria Abadesco. Yes.

5           JUDGE EWING: Okay, Ms. Abadesco.

6

7

MARIA L. ABADESCO,

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

11

12           JUDGE EWING: Thank you. As I mentioned, you're  
13 free to have your representative ask questions, or you can  
14 just tell your story in a narrative. You have 15 minutes,  
15 but you don't have to use all of it if you don't need it.  
16 And please go ahead.

17           MS. ABADESCO: Maria Abadesco. Ms. Mounia, you  
18 were going to -- do you want to proceed with the questions  
19 or want me to make a statement?

20           MS. BOUKHALFA: I do. Mounia Boukhalfa.

21           MS. ABADESCO: Okay.

22           MS. BOUKHALFA: Mounia Boukhalfa. I will ask the  
23 questions. Thank you.

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1 that point in time in terms of a refund of the \$1,800-plus  
2 penalty fee. So in my own mind, I felt that I had paid my  
3 taxes on time.

4 MS. BOUKHALFA: Mounia Boukhalfa. Thank you,  
5 Ms. Abadesco. Ms. Abadesco, did you have enough funds on  
6 April 2018 to pay the taxes owed?

7 MS. ABADESCO: Maria Abadesco. Yes, I did. I  
8 had sold my property in San Francisco, California at the  
9 time, and so I had sufficient funds to actually pay the  
10 amount fully.

11 MS. BOUKHALFA: Thank you. Mounia Boukhalfa.  
12 You just alluded to it, but on June 14th, 2018, you  
13 received the Notice of State Income Tax Due. That's when  
14 you realized that you still have to pay your taxes. What  
15 did you do once you received this notice?

16 MS. ABADESCO: Maria Abadesco. As I stated  
17 earlier, I called the California Tax Franchise Board  
18 immediately and stated that I was surprised about the  
19 notification of delinquent payment. And they advised me,  
20 as I said, to make the payment.

21 Are we all there?

22 JUDGE EWING: Yes. We can hear you. This is  
23 Judge Ewing.

24 MS. ABADESCO: Sorry. It sounds like somebody  
25 had checked out.

1 JUDGE EWING: Don't worry.

2 MS. ABADESCO: They advised me that I had to make  
3 the payment and then to file the appeal form, which I did.  
4 And I made the payment at that time.

5 MS. BOUKHALFA: Thank you. Mounia Boukhalfa.  
6 And then my last question. We spoke to each other on  
7 Monday, and you told me something interesting. You told  
8 me that you felt that there was a comparison between the  
9 current pandemic that is affecting all of us worldwide and  
10 the Sonoma wildfires. And I was wondering, can you  
11 explain for us what you meant by this?

12 MS. ABADESCO: Yes. Maria Abadesco. I felt that  
13 at the time of the fires, we were displaced from our  
14 property -- our rental property. And within the County of  
15 Sonoma, there was a, kind of, a collective psychosis which  
16 is taking place now. And at that time of the fires, I had  
17 a sense of unknown because we couldn't enter property  
18 within a span of, like, 10 days. So we didn't know if our  
19 place is standing, if our cat is alive, if, you know, if  
20 other animals were alive on the property.

21 And so we felt pretty isolated, like, it is now  
22 except we could gather. So I just felt like there was a  
23 certain collective psychosis. And the saving grace from  
24 my partner and I was that we had property in Florida, and  
25 we basically escaped there and re -- you know, had a good

1       reprise mentally and psychologically so that we could  
2       focus on what we felt the priorities were at the time.

3               MS. BOUKHALFA: Mounia Boukhalfa. Thank you,  
4       Ms. Abadesco. I have no further questions.

5               JUDGE EWING: This is Judge Ewing. Thank you  
6       both.

7               Judge Johnson, do you have any questions for the  
8       witness?

9               JUDGE JOHNSON: This is Judge Johnson. I do have  
10       two quick questions, a clarification. Ms. Abadesco, you  
11       discussed the filing TaxAct and requirement at the end of  
12       the form to enter payment info. I might have missed it.  
13       Under your recollection, did you enter payment info there,  
14       or do you think it might have been left blank?

15              MS. ABADESCO: Maria Abadesco. Thank you for  
16       your question, Judge Johnson. I did enter payment. In  
17       looking back -- I am a member of the Redwood Credit  
18       Union -- and it's possible. Because with the federal  
19       taxes, the Feds sent me a link and said, "We couldn't  
20       access your bank account so, therefore, you know, make the  
21       payment on this link."

22              And I think it had to do maybe with my usage of  
23       the credit union versus a standard Wells Fargo, a BofA,  
24       and that type of thing. But I did make the full payment  
25       at the time. Or at least my knowledge was -- is that I

1 made the payment, and I entered my full bank account  
2 information.

3 JUDGE JOHNSON: Thank you. Judge Johnson again.  
4 And a second question, I know in your opening from your  
5 rep and from your own testimony, you discussed sort of the  
6 nature of what was going on during those times. And one  
7 of the briefs that was submitted -- I believe your reply  
8 brief -- it was mentioned that you were monitoring your  
9 credit union account, and you thought it might take some  
10 time for the deduction, the debit, to actually show up and  
11 reflect on that account.

12 And then when it didn't show up over time, you  
13 weren't exactly clear on what to do. Is that still kind  
14 of an accurate statement? Or do you kind of want to  
15 explain the process of what happened after you filed the  
16 return? Were you checking the accounts, and did you  
17 notice it wasn't debited?

18 MS. ABADESCO: Maria Abadesco. Yes, Judge. I  
19 did monitor, but I didn't monitor as vig -- kind of as  
20 vigilantly as maybe I would have in a time of, quote,  
21 unquote, "normalcy for me," because my priorities -- once  
22 I completed the payment and the TaxAct and that type of  
23 thing, I just put it aside, and it was in another lane as  
24 far as I was concerned.

25 My orientation had to do with insurance, how do I

1 maintain my job at UC Berkley because I'm in Florida now  
2 versus California, you know, and then figuring out my  
3 return plan because our belongings were scattered all over  
4 the place. So I did monitor, but it wasn't as vigilantly  
5 as maybe, you know, if my mind was really set. And that  
6 was a priority.

7 JUDGE JOHNSON: All right. Thank you,  
8 Ms. Abadesco. This is Judge Johnson again. I appreciate  
9 your testimony today.

10 That's all the questions I have, Judge Ewing.

11 MS. ABADESCO: Thank you.

12 JUDGE EWING: Thank you, Judge Johnson.

13 This is Judge Ewing. Judge Brown, do you have  
14 any questions for this witness?

15 JUDGE BROWN: This is Judge Brown. I think I do  
16 have a question. Ms. Abadesco, can you talk a little bit  
17 more about the timeline when you were saying that you felt  
18 like at the time of the Sonoma fires, that you and  
19 everyone, you know, in the community felt a sense of  
20 unknown and you were displaced; and the saving grace was  
21 that you were able to go to the property -- you're  
22 property in Florida.

23 My understanding is that was in the fall of --  
24 that was in the fall when the fires happened. Can you  
25 talk a little bit more about how -- do you feel like that

1 feeling continued into the spring in April when you were  
2 paying your taxes and checking your credit union account?  
3 I just want to know if you're saying that continued? Or  
4 was that just at the time of the fires?

5 MS. ABADESCO: Maria Abadesco. Thank you,  
6 Judge Brown. In terms of the of the timeline, the fires  
7 happened October -- gosh. The 17th -- we went to Florida  
8 on the 28th. At that point in time -- you know, again, I  
9 had mentioned the focus was really the insurance, job, and  
10 then what it would mean, and when it would mean that we  
11 would return to California.

12 Upon return to California, you know, I felt --  
13 you know, you're coming -- it's almost like you left a war  
14 zone, and you're coming back. And there's still -- our  
15 property was assessed for smoke damage. So it was very  
16 difficult in terms of going into our storage locker  
17 because everything was still kind of smoke, you know, kind  
18 of that smoke, kind of, you know, sense. And you saw the  
19 damage. You saw the damage everywhere. The whole place  
20 was ravaged.

21 We were in Kenwood in Glen Ellen. We were  
22 fortunate that the cabin that we lived in was the only  
23 thing standing within a 150-mile radius. But other than  
24 that, you know, you're returning to a war zone,  
25 essentially. So going to Florida was a nice reprieve, but

1 coming back you were re-traumatized. You know, I was at  
2 least psychologically reenergized in my return and could  
3 focus on job and focus on completing the taxes. We came  
4 back in early April, and, you know, I just felt that -- it  
5 was my due diligence to, you know, be a responsible  
6 citizen and pay my taxes.

7 So -- but once that was over with, again, I place  
8 everything -- I placed that part of my checkoff list as  
9 done. And I really didn't think much about it except  
10 periodically to monitor my bank account and notice that  
11 the money hadn't been, you know, withdrawn.

12 I hope that answers the question that you had  
13 asked.

14 JUDGE BROWN: Okay. This is Judge Brown. Yes,  
15 thank you. This is Judge Brown. I don't have any further  
16 questions at this time.

17 JUDGE EWING: Okay. This is Judge Ewing. Thank  
18 you, Judge Brown.

19 It doesn't seem like we have anymore questions  
20 for the witness. I don't have any questions for the  
21 witness. So the witness is now excused.

22 We can move now to -- oh, I'm sorry. I need to  
23 ask Mr. Nam. Do you have any questions for the witness?

24 MR. NAM: Gi Nam. No questions for the witness.  
25 Thank you.

1           JUDGE EWING: Okay. Mr. Nam, thank you.  
2           Okay. We can go ahead to the final statements.  
3 Mr. Nam, you elected to make your presentation at this  
4 time. So please go ahead.

5

6

PRESENTATION

7

MR. NAM: Gi Nam for Franchise Tax Board.

8

It is Franchise Tax Board's position that  
9 Appellant's oversight of her tax offers and payment  
10 function and failure to act after discovering that her  
11 payment was not timely debited for two based statement  
12 cycles, rises to the reasonable cause standard to abate  
13 the late payment penalty. Separately, Franchise Tax Board  
14 also finds that Appellant has not established the basis to  
15 abate interest.

16

Appellant has failed to show that her  
17 circumstances rises to meet the reasonable cause standard  
18 to abate the late payment penalty. In a precedential  
19 opinion in the Appeal of Friedman, the OTA indicated that  
20 the failure to timely pay caused by oversight does not  
21 constitute reasonable cause. Furthermore, the OTA held  
22 that exercising ordinary business care and prudence would  
23 entail ensuring that the payment was actually submitted,  
24 and the taxpayer has a duty to verify timely payment.  
25 This standard was also felt by the OTA in the Appeal of

1 Scanlon.

2 Here, Appellant contends that she didn't notice  
3 that her payment was not debited but did not do anything,  
4 thinking it takes time for the Franchise Tax Board to  
5 process the payment. In this case, an act of ordinary  
6 business care and prudence would be to inquire on the  
7 payment status with the tax agency after discovering that  
8 the payment was not debited for almost two months.

9 Unfortunately, Appellant's assumption that there  
10 was a payment processing delay is not reasonable.  
11 Appellant argues that it is unreasonable to expect victims  
12 of wildfire to research how to properly pay using the tax  
13 offer system and follow up on the payment status. For  
14 wildfire victims, the State had extended the tax payment  
15 to January 31st, 2018. However, Appellant's tax due date  
16 was outside of this relief period.

17 Additionally, Appellant concedes that she does  
18 not have any medical documentation to show that her mental  
19 stress prevented her from timely paying. Furthermore, a  
20 review of the record, such as her bank statement, doesn't  
21 show that the alleged mental stress completely prevented  
22 her from carrying on her daily life and appear to be well  
23 enough to work around the time the tax was due.

24 While Respondent understands Appellant's loss and  
25 unintentional error, the fire had occurred over six months

1 prior to the date Appellant tried to make her payment.  
2 And without medical documentation, Respondent is unable to  
3 find that the effects of the wildfire that happened six  
4 months ago continuously and completely prevented her from  
5 timely paying or following up with the processing of her  
6 payment. Lastly, Appellant has not shown any basis to  
7 abate interest, therefore, Respondent's actions should be  
8 sustained.

9 Thank you. I'll be happy to answer any  
10 questions.

11 JUDGE EWING: Okay. Thank you.

12 Judge Johnson, do you have any questions for  
13 Mr. Nam?

14 JUDGE JOHNSON: This is Judge Johnson. No  
15 questions. Thank you.

16 JUDGE EWING: This is Judge Ewing. Judge Brown,  
17 do you have any questions for Mr. Nam?

18 JUDGE BROWN: This is Judge Brown. I think I  
19 just have one question. Mr. Nam, the document that you  
20 submitted as Exhibit L that contains a printout of the  
21 payment information, it is -- it says, "The Raw E-File  
22 Data For the Tax Year 2017."

23 MR. NAM: Yes.

24 JUDGE BROWN: I wanted to ask if you could just  
25 explain it further. Because in the document I believe --

1 I think it was in this document or it was in the brief  
2 accompanying the document -- oh, yes. Here it is. You  
3 wrote, "There's no payment request for the State return.  
4 If there was a State payment request, it would be located  
5 between," -- and then you give some spots and some  
6 language. And then later on the document that it's  
7 highlighted with an arrow about where the payment  
8 information should be.

9 MR. NAM: Yes. I do recall, and I am looking  
10 actually -- this is Gi Nam. Yes, I do recall. And I am  
11 looking at Exhibit L. And I did make that notation in our  
12 brief.

13 JUDGE BROWN: And I get --

14 MR. NAM: And to answer your -- yes.

15 JUDGE BROWN: I'm sorry. This is Judge Brown. I  
16 was just going to say that I should have mentioned that  
17 the arrow is on page 3 of Exhibit L. Please go ahead. I  
18 didn't mean to interrupt.

19 MR. NAM: Yes. This is Gi Nam for Franchise Tax  
20 Board. Yes, there is an arrow indicated on page 3 of  
21 Exhibit L. And this document was produced by Franchise  
22 Tax Board's personnel who works at -- who deals with  
23 e-filing -- receiving e-file returns. And they indicated,  
24 by producing this code language, that usually where this  
25 arrow was placed, that's where the payment information for

1 State taxes would be located. And it was not located in  
2 this code language. So we cannot find any indication that  
3 a payment was -- payment information was included with  
4 this e-file return.

5 And just to remind you, Judge, even in any --  
6 when a taxpayer does e-file or make an e-pay, our  
7 precedential opinion requires them to wait for the  
8 acknowledgement and hear. So it wouldn't really matter  
9 whether or not the payment was actually -- if there was a  
10 technical error and the payment was not processed.

11 JUDGE BROWN: This is Judge Brown. All right.  
12 Thank you. I don't have any further questions.

13 JUDGE EWING: This is Judge Ewing. Thank you,  
14 Judge Brown.

15 Now, we can go to Appellant's closing. And  
16 Ms. Boukhalfa, you may go ahead.

17 MS. BOUKHALFA: Thank you. Mounia Boukhalfa.

18

19

CLOSING STATEMENT

20 MS. BOUKHALFA: This Appellant's testimony, it  
21 seems obvious there was no willful neglect from  
22 Appellant's side. And she actually did everything within  
23 her powers to pay the taxes owed in a timely manner. She  
24 filed her tax return in time. She made sure she had  
25 enough funds to pay the taxes she owed.

1           We believe there is reasonable cause that led to  
2 her failure to pay timely. She was a victim of a  
3 devastating wildfire, and Appellant was -- she was under  
4 the impression that she did everything correctly regarding  
5 her taxes. But once the wildfires happened, she was  
6 focused on keeping her job, keeping her income, securing a  
7 rental, and staying healthy in the midst of it all.

8           The aftermath of a wildfire is overwhelming for  
9 any person. And the stress that Appellant was enduring  
10 should be considered a reason for which she was  
11 continuously unable to confirm if her tax payment was  
12 processed. It's -- it's very hard to say, "Well, after  
13 three months you should get over the wildfire and then  
14 check your taxes on a daily basis." Ms. Abadesco did  
15 everything within her powers to make sure that the payment  
16 was done in time.

17           And as I mentioned before, she did everything in  
18 her power to make a timely payment. And even once she  
19 realized the payments was due, to immediately make the  
20 payment. And this shows there was no willful neglect.

21           And lastly, like Appellant just stated while  
22 making her comparison with the current pandemic that is  
23 affecting all of us, when you are a victim of wildfire or  
24 basically any disaster, your main concern is your health,  
25 your loved ones, and keeping your job.

1           And Respondent's position is actually saying to  
2 Appellant, "Well, although, you did everything in your  
3 power to pay your taxes, we were still punishing you for  
4 being overwhelmed too long in the face of the aftermath of  
5 a natural disaster." And this seems, actually, quite  
6 unfair.

7           End of statement. Thank you.

8           JUDGE EWING: Thank you, Ms. Boukhalfa.

9           All right. I think we can go ahead and end  
10 today's telephonic oral hearing. To wrap up --

11           MS. ABADESCO: Maria Abadesco. Judge Ewing, can  
12 I -- Judge Ewing -- Maria Abadesco. Can I just make a  
13 couple of statements?

14           JUDGE EWING: Yes, Ms. Abadesco. Please go  
15 ahead. Yes.

16           MS. ABADESCO: Thank you. Maria Abadesco. Just  
17 two things. In response to Mr. Nam's statement, when the  
18 federal tax board prompted me that they couldn't access my  
19 Redwood Credit Union, I had also mentally made the  
20 assumption that I would get a similar prompt from the  
21 California Franchise Tax which didn't happen, obviously.  
22 But I just made that assumption in my mind.

23           And then secondly, I pursued this case because I  
24 felt, not only as being a victim of the fire, but  
25 secondly, I felt the \$1,800 penalty charge was exorbitant.

1 And as a citizen and a taxpayer of California, I'm willing  
2 to split the penalty. I know there was a delay, but I  
3 just felt that it was exorbitant, given my situation and  
4 just the collective situation of what took place in Sonoma  
5 and Napa during that time frame of 2017.

6 Thank you.

7 JUDGE EWING: Okay. Ms. Abadesco, thank you. We  
8 appreciate that.

9 Okay. So to wrap up, I really want to thank both  
10 of the parties, Ms. Abadesco, Ms. Boukhalifa, and Mr. Nam  
11 for being flexible with this hearing format. It's a  
12 little tricky, but you have done a very good job  
13 presenting your cases, and we appreciate your time.

14 We're ready to submit the case. The judges will  
15 meet and decide the case based on the briefs, the evidence  
16 in record, and the arguments presented today. We will  
17 send both parties our written decision no later than  
18 100 days from today. The record is now closed, and the  
19 hearing is adjourned.

20 Thank you everyone. We very much appreciate your  
21 time. Goodbye.

22 (Proceedings adjourned at 10:37 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 8th day of May, 2020.

\_\_\_\_\_  
ERNALYN M. ALONZO  
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