



BEFORE THE STATE BOARD OF EQUALIZATION  
OF THE STATE OF CALIFORNIA

In the Matter of the Appeal of )  
SECURITY FIRST NATIONAL BANK )

For Appellant: Mark Townsend  
Attorney at Law

For Respondent: Crawford H. Thomas  
Chief Counsel

Jack E. Gordon  
Counsel

O P I N I O N

This appeal is made pursuant to section 26077 of the Revenue and Taxation Code from the action of the Franchise Tax Board in denying the claims of Security First National Bank for refund of franchise tax in the amounts of \$19,079.19 and \$21,424.30 for the income years 1962 and 1963, respectively.

Appellant Security First National Bank originally computed \$5,618,279.54 and \$6,045,716.20 additions to its bad debt reserve for the income years 1962 and 1963, respectively. Subsequently, appellant filed the claims for refund involved here, on the ground that the bank was entitled to compute a separate addition to its reserve with respect to its "Custom Credit" loans. Use of such a separate computation would result in total additions of \$5,819,113.11 and \$6,271,235.10 for the above years.

After review of the instant appeal, we have concluded, and both appellant and the Franchise Tax Board agree, that the facts, issue, and arguments of this case do not differ significantly from those presented in the Anneal of Security First National Bank,

Appeal of Security First National Bank

Cal. St. Bd. of Equal., decided November 19, 1968, which involved the income year 1960.


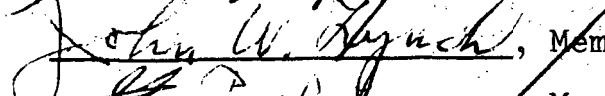
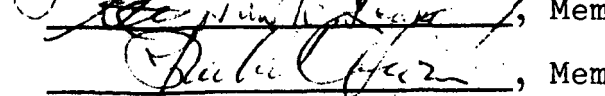
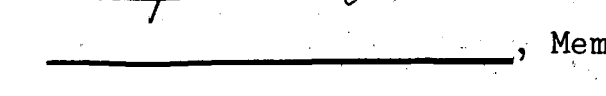
Concededly, appellant has submitted no new facts or arguments. Based on our thorough consideration of the prior appeal and the record before us, we conclude that respondent properly disallowed appellant's claims for refund.

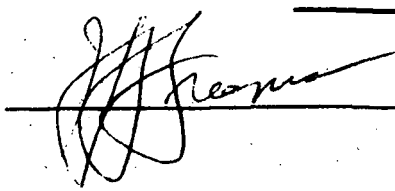
O R D E R

Pursuant to the views expressed in the opinion of the board on file in this proceeding, and good cause appearing therefor,

IT IS HEREBY ORDERED, ADJUDGED AND DECREED, pursuant to section 26077 of the Revenue and Taxation Code, that the action of the Franchise Tax Board in denying the claims of Security First National Bank for refund of franchise tax in the amounts of \$19,079.19 and \$21,424.30 for the income years 1962 and 1963, respectively, be and the same is hereby sustained.

Done at Sacramento, California, this 3rd day of August, 1970, by the State Board of Equalization.

  
\_\_\_\_\_, Chairman  
  
\_\_\_\_\_, Member  
  
\_\_\_\_\_, Member  
  
\_\_\_\_\_, Member  
\_\_\_\_\_, Member

ATTEST:  \_\_\_\_\_, Secretary