

BEFORE THE STATE BOARD OF EQUALIZATION  
OF THE STATE OF CALIFORNIA

In the Matter of the Appeal of )  
CHARLES A. BAGLEY )

Appearances:

For Appellant: A. J. Porth

For Respondent: Jean Harrison Ogrod  
Counsel

O P I N I O N

This appeal is made pursuant to section 18593 of the Revenue and Taxation Code from the action of the Franchise Tax Board on the protest of Charles A. Bagley against proposed assessments of additional personal income tax and penalties in the total amounts of \$793.48, **\$1,052.96, \$1,080.88, and \$1,279.70** for the years 1974, 1975, 1976, and 1977, respectively.

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After receiving information indicating that appellant was required to file California income tax returns for the years **1974-1977**, respondent advised appellant that it had no record of his having filed returns for those years, **and** it demanded that he file. When appellant failed to comply, respondent issued proposed assessments for those years based on information obtained from appellant's employer, the Los Angeles Department of Water and Power. The **assessment for** each year included penalties for failure to file a timely return, failure to file after notice and demand, and negligence, and the **assessments** for 1975, 1976, and 1977 also included penalties for underpayment of estimated tax.

Respondent's **determinations** of additional tax and penalties are presumptively correct, and the taxpayer has the burden of proving that they are wrong. (See Appeal of K. L. Durham, Cal. St. Bd. of Equal., March 4, 1980.) Here, as in Durham, no error has been shown. Appellant's contentions that he is not a "taxpayer" and is not required to file returns are clearly without merit, based as they are on a variety of frivolous "constitutional" objections to the existing system of income taxation. (See Appeal of Harry Sieve, Cal. St. Bd. of Equal., April 8, 1980; Appeal of Arthur W. Keech, Cal. St. Bd. of Equal., July 26, 1977.) On the basis of the evidence before us, we can only conclude that respondent correctly computed appellant's tax liability, and that the imposition of penalties was fully justified. Respondent's action in this matter will, therefore, be sustained.

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## ORDER

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 18595 of the Revenue and Taxation Code, that the action of the Franchise Tax Board on the protest of Charles A. Bagley against proposed assessments of additional personal income tax and penalties in the total amounts of \$793.48, **\$1,052.96**, **\$1,080.88**, and **\$1,279.70** for the years 1974, 1975, 1976, and 1977, respectively, be and the same is hereby sustained.

Done at Sacramento, California, this 18th day  
of November, 1980, by the State Board of Equalization,  
with Members Nevins, Reilly, Dronenburg and Bennett present.

Richard Nevins, Chairman  
George R. Reilly, Member  
Ernest J. Dronenburg, Jr., Member  
William M. Bennett, Member  
\_\_\_\_\_, Member