



BEFORE THE STATE BOARD OF EQUALIZATION
OF THE STATE OF CALIFORNIA

In the Matter of the Appeal of)
)
THOMAS C. AND LURENE H. CHANDLER)

Appearances:

For Appellants: Emmanuel Rose
Norman **Youngs**
Your Heritage Protection Assn.

For Respondent: Jon Jensen
John R. Akin
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 Thomas C. and Lurene H. Chandler against a **proposed** assessment of additional personal income tax in the amount of \$209.32 for the year 1977.

Appeal of Thomas C. and Lucrene H. Chandler

Appellants filed a timely return for the year in question and claimed a business expense deduction of **\$4,488.00** in connection with the "Purchase of Business From Sell Enterprises." Respondent disallowed the deduction when appellants offered no explanation of the business expenses regarding inventory, fixtures, etc., and issued a proposed assessment of additional personal income tax. Appellants protested but offered no **information** or substantiation regarding the deduction for the purchase of the business. The only comment made by Mr. Chandler at the protest hearing was that he earned no dollars and therefore owed no tax.

It is well settled that respondent's determinations of tax are presumptively correct, and the taxpayer bears the burden of proving them erroneous. (Appeal of Ronald W. Matheson, Cal. St. Bd. of Equal., Feb. 6, 1980; Appeal of David A. and Barbara L. Beadling, Cal. St. Bd. of Equal., Feb. 3, 1977; Appeal of Myron E. and Alice Z. Gire, Cal. St. Rd. of Equal., Sept. 10, 1969.)

In this appeal, appellants have offered no information concerning the newly acquired business. They merely urge that they do not owe the tax. Such an unsupported statement is not sufficient to shift the burden of proof to respondent. (Appeal of K. L. Durnam, Cal. St. Rd. of Equal., March 4, 1980.) Accordingly, appellants have failed to carry their **burden of proving** respondent's determination erroneous, and respondent's proposed assessment must therefore be sustained. (Appeal of Myrtle R. Peterson, Cal. St. Bd. of Equal., April 6, 1978.)

