



BEFORE THE STATE BOARD OF EQUALIZATION  
OF THE STATE OF CALIFORNIA

In the Matter of the Appeals of )  
GEORGE A. AND SUZANNE M. KHOURI; )  
IBRAHIM AND NADIA KHOURY; )  
TONY J. AND ASHKHEN TANGO )

For Appellants: Mike Abbas,  
Tax and Business Consultant

For Respondent: Crawford H. Thomas,  
Chief Counsel

Marvin J. Halpern,  
Counsel

O P I N I O N

These appeals are made pursuant to section 19059 of the Revenue and Taxation Code from the action of the Franchise Tax Board in denying claims for refund of personal income tax as follows:

<u>Appellants</u>	<u>Years</u>	<u>Amount</u>
George A. and Suzanne M. Khouri	1970	\$134.79
Ibrahim and Nadia Khoury	1970	\$ 44.00
Tony J. and Ashkhen Tango	1969	\$ 77.00

Appeals of George A. and Suzanne M. Khouri;  
Ibrahim and Nadia Khoury; Tony J. and Ashkhen Tango

The sole issue in each of these appeals is whether expenses incurred in moving from a residence outside California to a residence within California were deductible from gross income as moving expenses in connection with commencement of work by the taxpayer at a new principal place of work.

The pertinent facts are identical in each case. Appellants moved from a foreign country to California (in one case via a temporary residence in Oklahoma) and secured employment here. They filed joint California income tax returns at the appropriate time and paid the taxes as shown on those returns; subsequently amended returns were filed claiming deductions for the moving expenses here in question. Appellants claimed refunds of the amounts in issue because their net tax liability was reduced as a result of the claimed deductions. The Franchise Tax Board denied the **claims** and these appeals resulted..

During the years in question section 17266, subdivision (c)(1)(C), of the Revenue and Taxation Code provided that moving expenses paid or incurred during the commencement of work at a new principal place of work were not deductible unless both the taxpayer's old and new residences were located within California. In these appeals it is not disputed that the old residence, in each case, was not within California; it follows that the moving expenses in question were not deductible. Appellants do not attack the validity of the law, but argue that the law is unfair and inequitable as applied to them. We are charged with applying the law as written. Suggestions with respect to changing that law should be addressed to the Legislature.

#### 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,

Appeals of George A. and Suzanne M. Khouri;  
Ibrahim and Nadia Khoury; Tony J. and Ashkhen Tango

IT IS HEREBY ORDERED, ADJUDGED AND DECREED, pursuant to section 19060 of the Revenue and Taxation Code, that the action of the Franchise Tax Board in denying the claims for refund of personal income tax in the following amounts for the years specified, be and the same is hereby sustained:

<u>Appellants</u>	<u>Years</u>	<u>Amount</u>
George A. and Suz'anne M. Khouri	1970	\$134.79
Ibrahim and Nadia Khoury	1970	\$ 44.00
Tony J. and Ashkhen Tango	1969	\$ 77.00

Done at Sacramento, California, this 6th day of June, 1973, by the State Board of Equalization.

William J. Byrnes, Chairman  
John W. Lynch, Member  
Paul J. ..., Member  
\_\_\_\_\_, Member  
\_\_\_\_\_, Member

ATTEST: W. W. ..., Secretary