## BEFORE THE STATE BOARD OF EQUALIZATION

OF THE STATE OF CALIFORNIA

In the Matter of the Appeal of ) ) No. 81A-1206-GO CHARLES R. RIETZ )

## ORDER DENYING PETITION FOR REHEARING

## AND MODIFYING OPINION

Upon consideration of the petition and supplement filed April 23, 1985, and June 24, 1985, respectively, by the Franchise Tax Board for rehearing of the appeal of Charles R. Rietz, we are of the opinion that none of the grounds set forth in the petition constitutes cause for the granting thereof and, accordingly, it is hereby ordered that the petition be and the same is hereby denied and that our order of April 9, 1985, be and the same is hereby affirmed.

Good cause appearing therefore, it is also hereby ordered that our opinion of April 9, 1985, be and the same is hereby modified as follows:

1. On page 5, line 2, delete the sentence commencing, "It is, of course, . . ." and the accompanying citation.

2. On page 9, line 25, delete "and to be made in a careless manner".

3. On page 17, delete the heading and first paragraph of part E. and substitute the following:

"E. FEDERAL INFORMATION"

"Lastly, respondent relied upon information supplied by the Internal Revenue Service to determine that appellant received \$44,000 and \$16,865 in income from Del Vida, Inc., inn 1977 and 1978, respectively, and

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\$199,871 in income from Western financial Mangement in 1978. As appellant has not provided us with any rebuttal, we find that to the extent respondent's determination is based upon these items it is reasonable."

4. On page 18 replace the table with the following:

	Bank Deposit Method	Federal Information	Total Reconstruction
1973	\$	\$ <b>-</b> -	\$
1974	1,116,481		1,116,481
1975	773,179		773,179
1976	272,145		272,145
1977	479,801	44,000	523,801
1978		216,736	216,736

Done at Sacramento, California, this 6th day of January, 1986, by the State Board of Equalization, with Board Members Mr. Nevins, Mr. Bennett, Mr. Dronenburg and Mr. Harvey present.

 Richard Nevins
 , Chairman

 William M. Bennett
 , Member

 Ernest J. Dronenburg, Jr.
 , Member

 Walter Harvey\*
 , Member

 , Member
 , Member

\*For Kenneth Cory, per Government Code section 7.9

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