

BEFORE THE OFFICE OF TAX APPEALS

STATE OF CALIFORNIA

IN THE MATTER OF THE APPEAL OF,)
)
COMPNOVA, LLC,) OTA NO. 22039832
)
 APPELLANT.)
)
)

TRANSCRIPT OF ELECTRONIC PROCEEDINGS

State of California

Wednesday, August 16, 2023

Reported by:
ERNALYN M. ALONZO
HEARING REPORTER

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Transcript of Electronic Proceedings,
taken in the State of California, commencing
at 1:05 p.m. and concluding at 1:37 p.m. on
Wednesday, August 16, 2023, reported by
Ernalyn M. Alonzo, Hearing Reporter, in and
for the State of California.

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APPEARANCES:

Administrative Judge: JUDGE EDDY LAM

For the Appellant: IRAM RIZVI
SAMUEL THAKKAR
"NICK" NAGA SETTY PUNYAMURTHY

For the Respondent: STATE OF CALIFORNIA
FRANCHISE TAX BOARD

BRIAN WERKING
NANCY PARKER

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I N D E X

E X H I B I T S

(Appellant's Exhibits 1-8 were received at page 7.)
(Department's Exhibits A-GG were received at page 8.)

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California; Wednesday, August 16, 2023

1:05 p.m.

JUDGE LAM: All right. We are opening the record in the Appeal of Compnova, LLC. This matter is being held before the Office of Tax Appeals. The OTA Case Number is 22039832. Today's date is Wednesday, August 16, 2023, and the time is approximately 1:00 p.m.

Appellant elected to have this appeal determined pursuant to the procedures of the small case program. Those procedures require the assignment of a single Administrative Law Judge. My name is Eddie Lam, and I will be the Administrative Law Judge for purposes of this appeal.

Now, for introductions, can we please have Appellant start introducing yourself on the record.

MS. RIZVI: So my name is Iram Rizvi. I'm a tax preparer. I'm an enrolled, and I work for Perfect Tax & Finance. We are a Texas-based accounting firm.

MR. THAKKAR: My name is Samuel Thakkar. I'm the principal partner and owner of the -- well, principal partner and owner of the accounting firm Perfect Tax and Finance. And we represent our client, Nick Punyamurthy. In this case the accounts were Nick and Compnova.

JUDGE LAM: Mr. Punyamurthy, I think you're on

1 mute.

2 MR. PUNYAMURTHY: Thank you, Judge Lam.

3 Again, my name is Nick Punyamurthy. I'm the
4 founder and the owner of Compnova, which is headquartered
5 in Dallas, Texas. We do software development across the
6 country, including California.

7 JUDGE LAM: Thank you. Can we please have
8 Respondent start introducing themselves onto the record.

9 MR. WERKING: Brian Werking representing
10 Franchise Tax Board.

11 MS. PARKER: Nancy Parker representing Franchise
12 Tax Board.

13 JUDGE LAM: Thank you.

14 I'll be moving onto the agenda. As discussed and
15 agreed upon by the parties at the second prehearing
16 conference on July 27th, 2023, and notated in my minutes
17 and orders, the issues in this appeal are as follows:

18 One, whether Appellant has established reasonable
19 cause for the abatement of late filing penalties imposed
20 under R&TC Sections 19131 and 19172 for the 2019 tax year.

21 Issue No. 2, whether Appellant has established
22 reasonable cause for the abatement of late payment of tax
23 penalties imposed under R&TC Section 19132 for the 2015
24 through 2019 tax years.

25 Issue No. 3, whether Appellant has established a

1 legal basis to abate the underpayment of limited liability
2 company of fee penalties imposed under R&TC
3 Section 1794(d)(2) for the 2016 through 2019 tax years.

4 There were no objections to the issue statements
5 by both parties.

6 For exhibits, Appellant has identified Exhibits 1
7 through 6 with the opening brief, and FTB confirmed that
8 there are no objections to their admittance.
9 Subsequently, Appellants identified Exhibit 7, which is
10 the 2022 instructions for Form 565, Partnership Tax
11 Booklet, and Exhibit 8, the one-time penalty abatement
12 information applicable for years beginning -- or
13 January 1st, 2020.

14 Does FTB have any objections to Exhibit 7 and 8?

15 MR. WERKING: No. Respondent does not have any
16 objections.

17 JUDGE LAM: Thank you.

18 I will move onto Franchise Tax Board's -- oh,
19 sorry. Let me back up.

20 Okay. So FTB does not have any objections to
21 Exhibits 7 and 8, then exhibit -- for the record,
22 Exhibits 1 through 8 are admitted into the record.

23 (Appellant's Exhibits 1-8 were received in
24 evidence by the Administrative Law Judge.)

25 JUDGE LAM: And I wanted to ask Appellant, there

1 are -- I just wanted to confirm that there are no other
2 evidence or exhibits for submission.

3 MR. PUNYAMURTHY: No, there are no other
4 exhibits.

5 JUDGE LAM: Okay. Thank you.

6 Moving onto Respondent's, Respondent has
7 identified Exhibits A through GG and has no other exhibits
8 to offer as evidence. Appellant confirmed that there were
9 no objections at the prehearing conference, and these
10 exhibits are admitted into the record.

11 (Department's Exhibits A-GG were received in
12 evidence by the Administrative Law Judge.)

13 JUDGE LAM: Moving onto witnesses. Mr. Thakkar
14 and Mr. Punyamurthy, you have indicated at the second
15 prehearing conference that you want to testify as a
16 witness at the oral hearing. I wanted to confirm that's
17 still the case.

18 I want to start out with Mr. Thakkar.

19 MR. THAKKAR: Yes.

20 JUDGE LAM: Thank you.

21 And, Mr. Punyamurthy? Oh, Mr. Punyamurthy, I
22 think you're on mute.

23 MR. PUNYAMURTHY: Your Honor, can you please
24 repeat the question, sir.

25 JUDGE LAM: Yes. During the second prehearing

1 conference you indicated to me that you would like to
2 testify as a witness at this oral hearing. Is this still
3 the case?

4 MR. PUNYAMURTHY: Yes, sir. Yes, Your Honor.

5 JUDGE LAM: Thank you.

6 Okay I will -- then I'll have both of you guys
7 into the record. Can Mr. Thakkar and Mr. Punyamurthy, if
8 you could please raise your right hand.

9

10 S. THAKKAR,

11 produced as a witness, and having been first duly sworn by
12 the Administrative Law Judge, was examined and testified
13 as follows:

14

15 N. PUNYAMURTHY,

16 produced as a witness, and having been first duly sworn by
17 the Administrative Law Judge, was examined and testified
18 as follows:

19

20 JUDGE LAM: Thank you.

21 All right. This oral hearing will begin as
22 agreed from our second prehearing conference. Appellant
23 you can begin your presentation for about 40 minutes,
24 which includes your witness testimony. As a reminder,
25 Appellant, you will be offered a final statement after

1 FTB's closing remarks for about 15 minutes. You can begin
2 at any time.

3 MS. RIZVI: Okay. So I'm going to be doing the
4 opening statement for Compnova, LLC.

5

6 PRESENTATION

7 MS. RIZVI: So we all know that the hearing is to
8 appeal for the reimbursement of penalties that have not
9 been paid to California for unintentional error in the
10 filing process. We want to emphasize that the error was
11 totally unintentional. The case, we filed the incorrect
12 form in California. When we were filing the tax return
13 for Compnova for the year 2015 in February of 2016, we did
14 call California Tax Board to find out because there are
15 some exceptions for the LLC to file Form 565.

16 We called the California Tax Board to find out if
17 we can file Form 565 instead of 568 because we are a
18 Texas-based company, and we did read in the 565
19 instructions that if it's a foreign company, which we
20 assumed that we were because we were Texas based. Could
21 we file Form 565? And it's an I.T. company with only 1
22 percent of revenue in California. So I.T. company is a
23 very gray area. We don't know if we actually transact
24 business in California or not because, you know,
25 everything is -- the client may be in California, but the

1 person doing the job may be in a different state.

2 So that's what we told California and we were
3 told -- we talked to some person James. And again, we
4 don't have an audio recording of the conversation. At
5 that time, we didn't think it was necessary. So we did
6 talk to them, and they did say that it was okay for us to
7 file Form 565. We did file that in 2015. We filed it on
8 time. There was no delay. We did file an extension, and
9 we did file the form on time. And it got accepted. We
10 did not get any notification that it was the wrong form.

11 So under that assumption, we filed Form 565
12 consequently in later years also. And it was not at all
13 willful. Our intention was not willful because there was
14 no way that California would not find out or would not,
15 you know, let us know that we were filing the wrong form.
16 And that's what we want to emphasize on. Even the IRS
17 says that if the intent is non-willful. All we are asking
18 is for abatement of penalties that we never filed late any
19 form. The 565s are always filed on time.

20 So that's what we're asking for. It was just
21 something unintentional, and we did call California. We
22 tried to call them several times, even after we got --
23 after, you know, we got a notice very late from
24 California, and that was during Covid many times. We
25 could not get ahold of anybody in California to find out.

1 I don't know if you can see it in your system, but we did
2 file some amended returns thinking that that was the case.

3 And finally we got Tracy Grover. Her name was
4 Tracy Grover in their Revenue Department. We finally got
5 in touch with her and find out what the case was and what
6 the issue was. And as soon as we found out what the issue
7 was, we paid the penalties as well as all the fees that
8 were due. So -- and we do understand that, you know, we
9 need to comply with all the correct forms and everything.
10 We understand that, and we just want to emphasize that it
11 was totally unintentional on our part.

12 We are a Texas-based tax firm, and filing that
13 form was -- we were under the impression that we came
14 under the exception to the rule and that's why we filed
15 Form 565. And we do understand. As soon as we found out
16 that we were doing something incorrectly, we immediately
17 corrected it. And hence forth we've been filing the 568
18 for the LLC. So, you know, all we're asking for is just
19 the penalty reduction. We filed and paid the taxes and
20 everything. We started filing the correct form. So from
21 you, all we're asking is reimbursement of just the
22 penalties that we have paid due to an unintentional error
23 on our part.

24 We accept that, but it was totally unintentional.
25 And we did talk to California. And, you know, we were

1 under the impression that we were filing the correct form.
2 We never heard from California until very late that it was
3 actually not the correct form. Normally, if we file an
4 incorrect form -- we've been doing taxes, and we do a lot
5 of state taxes also.

6 So normally, and like in my experience, whenever
7 we file some incorrect form, we hear from the state right
8 away that something was filed incorrectly. And since we
9 did not hear from California, we assume that we were doing
10 the correct thing. So that's what we are requesting that
11 the California Tax Board just reimbursement us the
12 penalties that we have already paid to the Tax Board.

13 So I'll hand it over to Sam now.

14 MR. THAKKAR: So I will again chime what, you
15 know, you know, what Iram said that our intent is client
16 has, you know, what, you know, employees all over. The
17 client, where the service might have happened might be in
18 California. But because of work from home options and
19 those things, the employees could be working with that.
20 Our client always has been in the process to help and do,
21 more and more business in the state.

22 But these are the exact reasons that could
23 technically sometimes lead for him to understand that this
24 is where he wants to continue doing business in. And I
25 hope when the intent of the client was -- if the intent of

1 the client was to not file, he would have technically not
2 filed any forms. Because the employee or James who our
3 team had talked to and confirmed, and he confirmed what
4 forms to file. So because of that confusion this case
5 should be specifically addressed a little differently.
6 The penalty should be waived.

7 So we really appreciate the State of
8 California's, you know, the reviewing of this thing. And
9 I hope that my, you know, client -- today's judgement when
10 it come to my client's favor, because he would like to
11 continue working in the State of California. Rather he
12 would even like to continue expanding in the future, but,
13 you know, sometimes it gives him an anxiousness that when
14 a state does not take the favorable pro-business
15 conditions, it's very difficult.

16 Here, if somebody had not filed the paperwork or
17 had no not intention of filing the paperwork, that's a
18 different story. But here the only reason the wrong
19 paperwork was filed was because some communication gap
20 from between the State employee and our employees. And,
21 you know, we appreciate, you know, the State takes that
22 into consideration in today's court, and the judge also
23 takes that into consideration. We really, really
24 appreciate that.

25 That's it from my side.

1 JUDGE LAM: Okay. This is Judge Lam speaking. I
2 want to pause here. Appellant does that conclude your
3 presentation and witness testimonies, or do want to
4 continue?

5 MR. THAKKAR: Nick would like to say something.

6 JUDGE LAM: Okay. Mr. Punyamurthy, you can
7 begin.

8 MR. PUNYAMURTHY: Your Honor, I'm again speaking
9 on behalf of Compnova. We are a small software
10 development company. We're also a certified minority
11 company, even for the State of California. We're trying
12 to increase our footprint and do business in California.
13 Because of our, maybe lack of knowledge on the tax
14 matters, we might have filed the wrong form, but it was
15 never our intention.

16 We're a, as I said, a Texas-based software
17 company. And keeping up with all these different --
18 filing different forms is very, very onerous for us. So,
19 I mean, we did our due diligence. We made contact with
20 the State of California to make sure that we're filing the
21 right taxes. And even with all that, the bottom line is
22 we ended up because of maybe wrong information we received
23 from California State, we ended up filing the wrong form.

24 The minute it was brought to our notice, our tax
25 preparer did file the right form. So, I mean, as it was

1 post-Covid we're struggling to keep our head above the
2 water. So I request you to waive the penalty and help a
3 small business.

4 That's all I have, Your Honor.

5 JUDGE LAM: This is Judge Lam speaking. Thank
6 you.

7 Appellant, does that conclude your presentation
8 and witness testimony?

9 MS. RIZVI: Yes, it does. And we would like
10 to -- if -- if, you know, if nothing well works, we want
11 to ask the waiver of penalties also for the first year the
12 California Board allows that for one time abatement. We
13 would like to request that also.

14 JUDGE LAM: This is Judge Lam speaking. Thank
15 you. I'm going to hold off my questions after the
16 questioning of the witness.

17 Franchise Tax Board, do you have any questions or
18 cross-examinations for our witnesses?

19 MR. WERKING: No questions or cross-examination.

20 JUDGE LAM: Thank you.

21 I will move onto FTB's presentation.

22 FTB, you have 15 minutes as requested. You can
23 begin at any time.

24 MR. WERKING: Thank you.

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Appellant is a Texas LLC that registered with the California Secretary of State to do business in California as a foreign LLC in 2015. That's Respondent's Exhibit A. As a registered foreign LLC Appellant is required to file an LLC return, form FTB 568, and is required to pay the LLC annual tax by the 15th day of the 4th month of entity's taxable year, and estimate and pay the LLC fee by the 15th day of the 6th month of the taxable year, and pay any remainder of LLC fee by the original due date of the LLC return.

After Appellant registered with the California Secretary of State, Respondent sent Appellant a requirements for a Limited Liability Company's Notice on December 19th, 2015, specifically informing Appellant of its California tax obligations and specifically indicating the forms to use to file its return and pay its tax.

1 That's Respondent's Exhibit C.

2 Despite FTB sending Appellant the LLC
3 Requirements Notice, Appellant initially incorrectly filed
4 partnership returns and not LLC returns for the 2015
5 through 2019 tax years, and recorded and paid only the
6 \$800 annual tax. Then on October 15th, 2020, Appellant
7 filed the correct LLC returns for the 2015 through 2019
8 tax years reporting the \$800 LLC annual tax and the
9 applicable LLC fees and subsequently, paying resulting
10 liabilities late.

11 Respondent imposed late payment penalties for the
12 2015 through 2019 tax years for late payment of the
13 applicable LLC fees and/or annual tax and imposed
14 estimated LLC fee penalties for the 2015 through 2000 --
15 or sorry -- for the 2016 through 2019 tax years for
16 failure to make the required estimated LLC fee payments.
17 Respondent also imposed late filing penalties for
18 Appellant's 2019 tax year because even Appellant's initial
19 partnership return was filed late when it was filed on
20 September 15th, 2020, because Appellant was suspended and
21 was not eligible for an automatic file extension.

22 Although Appellant did not file its 2015
23 through 2018 LLC returns timely, Respondent did not impose
24 LLC late filing penalties for these years because
25 Appellants filed tax years for those years timely, albeit

1 the wrong tax forms. Appellant does not contest the
2 computation of these penalties, but contends the penalties
3 should be abated due to reasonable cause.

4 When Respondent imposes a penalty for late filing
5 or late payment, the penalty is presumed to be correctly
6 imposed and Appellants bear the burden to show the penalty
7 should be abated. To abate the late filing penalties or
8 late payment penalties, Appellant must establish that its
9 failure to timely file or timely pay was due to reasonable
10 cause and not willful neglect. Where a taxpayer seeks to
11 establish the failure to act was due to reasonable cause,
12 the taxpayer must show that the failure occurred despite
13 the exercise of ordinary business care and prudence.

14 Even if the taxpayer is unaware of the filing
15 requirement or a tax payment due date, ignorance of the
16 law is not an excuse for failing to timely file or pay.
17 Taxpayers who fail to acquaint themselves with the
18 requirements of California tax law have not exercised
19 ordinary business care prudence. Here, after registering
20 to do business in California as a foreign LLC, Appellant
21 was provided clear notice from the Respondent informing it
22 of its California tax obligation.

23 Having received this notice, a prudent
24 businessperson would have strictly filed the information
25 on the notice and would have timely filed its LLC, timely

1 made an estimated LLC fee payment, and timely paid its
2 annual tax and LLC fee payment. However, under certain
3 circumstances when an accountant or attorney advises a
4 taxpayer on matter of tax law, it may be reasonable for
5 the taxpayer to rely on that advice. However, reliance
6 cannot function as a substitute for compliance with an
7 unambiguous statute.

8 Here, Appellant's filing and payment requirements
9 were plainly set forth in the law under Sections 18633.5,
10 17941, and 17942, which requires every LLC classified as a
11 partnership for California tax purposes and doing business
12 in California, to file an LLC tax return and pay the LLC
13 annual tax and applicable LLC fee. As such Appellant's
14 have not met -- Appellant has not met its burden to show
15 that its failure to timely file its 2019 return or timely
16 pay its LLC fee and/or annual tax for the 2015
17 through 2019 tax years was due to reasonable cause and not
18 willful neglect.

19 For the purposes of the estimated LLC fee
20 penalties imposed for the 2016 through the 2019 tax years,
21 the law does not provide a reasonable cause exception to
22 this penalty. Appellant has not put forth any other
23 argument to form a basis to abate these penalties, and as
24 such, has not met its burden to show the estimated LLC fee
25 penalties should be abated.

1 Respondent has raised for the first time that it
2 had contacted and reached out to the Franchise Tax Board
3 in February of 2016 to inquire what tax form it should
4 file. Respondent does not have a record of that phone
5 call. In addition, on appeal Appellant had -- or at
6 hearing, Appellant has asked for -- that a penalty or the
7 penalties or all the penalties be abated under the
8 one-time penalty abatement program -- or not, I shouldn't
9 say program -- the one-time penalty abatement under
10 Section 19132.5. Respondent notes that this penalty
11 abatement is only available to individuals, not to
12 business entities.

13 And in addition, it's only applicable for taxable
14 years beginning on or after January 1, 2022. And the
15 penalties imposed for these tax years relate to taxable
16 years 2015 through 2019. And so that predates the
17 application of that one-time penalty abatement program.
18 So accordingly, Respondent respectfully request the Office
19 of Tax Appeals uphold the imposition of the late payment
20 penalties, the late filing penalties, and estimated LLC
21 fee penalties.

22 Thank you and I'll be happy to answer any
23 questions that the OTA may have.

24 JUDGE LAM: This is Judge Lam speaking. Thank
25 you. Franchise Tax Board, does that conclude your

1 presentation along with the closing remarks?

2 MR. WERKING: Yes, it does.

3 JUDGE LAM: Thank you.

4 I have a question for Appellants -- Appellant.
5 Just from what I've just heard from your arguments, is it
6 that Compnova had relied on your advice -- the tax
7 preparers' advice to file Form 565 instead of 568?

8 MR. PUNYAMURTHY: Yes, Your Honor, that's
9 correct.

10 JUDGE LAM: Thank you, Mr. Punyamurthy.

11 And I wanted to ask Mr. Thakkar. Are you the tax
12 preparer firm?

13 MS. RIZVI: No, he's not.

14 MR. THAKKAR: No, I'm not.

15 JUDGE LAM: Thank you.

16 And who is the tax preparer?

17 MS. RIZVI: I'm the tax preparer.

18 JUDGE LAM: Okay. Thank you. Ms. Rizvi, what's
19 your experience with California tax filings?

20 MS. RIZVI: Very little. We mostly deal with
21 Texas-based companies. So --

22 JUDGE LAM: Thank you.

23 MS. RIZVI: Yeah.

24 JUDGE LAM: Oh, go ahead. Sorry. I think I cut
25 you off.

1 MS. RIZVI: No. I just said most of our clients
2 are Texas based companies.

3 MR. THAKKAR: That's why we researched the --

4 MS. RIZVI: Yeah. That's why we called the
5 Franchise Tax Board because we wanted to make sure that we
6 were filing correctly.

7 JUDGE LAM: Thank you.

8 This is Judge Lam speaking. I don't have any
9 more questions.

10 Appellant, can you -- do you have any -- would
11 you like to begin your final closing remarks and rebuttal?

12 MR. PUNYAMURTHY: Can I -- Judge Lam, can I make
13 more comment, sir?

14 JUDGE LAM: Mr. Punyamurthy that would -- if your
15 comments would be considered the closing file.

16 MR. PUNYAMURTHY: No, it's not closing. It would
17 just be an additional comment in response to Mr. Werking's
18 question or the comment we don't have a record of the call
19 that we --

20 JUDGE LAM: That's fine. Yeah. Please.

21 MR. PUNYAMURTHY: Okay. The only thing I'm
22 mentioning is it's unreasonable to expect us to have a
23 recording of every phone call that we made. That was
24 something that happened seven years ago. That's the only
25 comment. I think that's very unreasonable and burdensome

1 on the other party. That's all I was going to say.

2 JUDGE LAM: This is Judge Lam speaking. Thank
3 you, Mr. Punyamurthy.

4 I want to pass back to Appellant to see if they
5 want to take their final closing remarks?

6

7 CLOSING STATEMENT

8 MR. THAKKAR: As I said, again, you know, as we
9 originally said that in order for us to, you know, if our
10 intention was not to, you know, file it or if not to do
11 anything, we would not have sent in the filing in the
12 format based on our clarification with the State. We want
13 to understand that's, you know, even if it's, IRS, if
14 there is something that is confusing, we normally call
15 about the code law or code section because every law is
16 drafted with the State and whoever drafted the law will
17 know more about that.

18 That's what we did in our case. We put our best
19 foot forward trying to get the clarification from the
20 employee of the State Board. Now, I want to understand
21 that even if the information is given wrong, if we cannot
22 rely on the State Board's clarification, then how should
23 any, you know, regulatory or any compliance company be
24 able to trust that employee. And if we -- and if that's
25 what it is then, you know, there's no point of us calling

1 in and getting clarification on anything.

2 So I really -- this particular incident, our
3 request is consider it as an exception. We have been
4 compliant. We have paid the penalties. You know, we have
5 put our best foot forward. We're requesting that --
6 post-Covid every business is fighting to survive. And
7 even today, a lot of businesses are affected. So I would
8 recommend that please take a positive stand into
9 consideration and help the businesses like us to grow or,
10 you know, Compnova to grow. And that can only happen if
11 we have the State Department support and those things
12 basically.

13 So we have done the compliance. We have fixed
14 the paperwork, and I don't think we should have any
15 challenge going forward. You know, we have fixed the past
16 issue. So please take that into positivity and, you know,
17 help us here, basically.

18 MS. RIZVI: Also, Judge, we did not get the first
19 notice that the Franchise Board was talking about -- about
20 filing Form 565. I think the first notice that our firm
21 received was in 2018. 2018. So that's when we called the
22 Board -- the Franchise Tax Board to find out what exactly
23 it was, and we couldn't get in touch with anybody. And if
24 you can see we started filing amended returns because we
25 were not sure what exactly the penalty was about.

1 So I just wanted to let you know that we did try
2 to call the Franchise Tax Board. And also again, the fact
3 that it was totally unintentional on our part, and that's
4 why we're requesting reimbursement of just the penalties.

5 JUDGE LAM: This is Judge Lam speaking. Thank
6 you.

7 Appellant, does that -- does that conclude your
8 final remark for this hearing today?

9 MS. RIZVI: Yes, it is, Your Honor. It's the
10 rest for abatement of penalties.

11 JUDGE LAM: Okay. This is Judge Lam speaking.
12 Thank you.

13 Okay. We're ready to conclude this hearing.
14 This case is submitted on Wednesday, August 16th, 2023.
15 The record is now closed.

16 Thank you everyone for coming in today, and we
17 will send you a written opinion of the decision within
18 100 days. Today's hearing in the Appeal of Compnova, LLC,
19 is now adjourned.

20 Thank you and goodbye.

21 (Proceedings adjourned at 1:37 p.m.)

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HEARING REPORTER'S CERTIFICATE

I, Ernalyn M. Alonzo, Hearing Reporter in and for
the State of California, do hereby certify:

That the foregoing transcript of proceedings was
taken before me at the time and place set forth, that the
testimony and proceedings were reported stenographically
by me and later transcribed by computer-aided
transcription under my direction and supervision, that the
foregoing is a true record of the testimony and
proceedings taken at that time.

I further certify that I am in no way interested
in the outcome of said action.

I have hereunto subscribed my name this 25th day
of August, 2023.

ERNALYN M. ALONZO
HEARING REPORTER