





1 APPEARANCES:

2  
3 Administrative Law Judge: VERONICA LONG

4 For the Appellant: MARK SEIBLES

5  
6 For the Respondent: STATE OF CALIFORNIA  
FRANCHISE TAX BOARD

7  
8 SARAH FASSETT  
ATTORNEY

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I N D E X

E X H I B I T S

(Appellant's Exhibits 1 through 3 were admitted by Judge Long, page 6)

(Department's Exhibits A through M were admitted by Judge Long, page 7)

P R E S E N T A T I O N

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By Mr. Seibles

8

By Ms. Fassett

10

C L O S I N G   S T A T E M E N T

PAGE

By Mr. Seibles

12

1 California, Wednesday, February 19, 2025

2 10:52 a.m.

3  
4  
5 JUDGE LONG: We are opening the record in the  
6 Appeal of Seibles. OTA Case No. 240416003. This matter  
7 is being held before the Office of Tax Appeals in  
8 Sacramento, California. Today's date is Wednesday,  
9 February 19th, and the time is approximately 10:52 a.m.

10 I am Judge Long, and this hearing is being  
11 heard under the Small Case Program, so I will be the  
12 Administrative Law Judge deciding the case.

13 As a reminder, the Office of Tax Appeals is  
14 not a court, it's an independent appeals' body, and the  
15 office is staffed by tax experts and is independent of  
16 the state's tax agencies.

17 With that, I'm going to ask the parties to  
18 please introduce themselves for the record, starting  
19 with Franchise Tax Board.

20 MS. FASSETT: Sarah Fassett for Franchise Tax  
21 Board.

22 JUDGE LONG: And the Appellant, please.

23 MR. SEIBLES: Good morning. My name is Mark  
24 Seibles, owner of Live Wire Installations.

25 THE REPORTER: I'm sorry. You said your first

1 name was?

2 MR. SEIBLES: Mark Seibles.

3 THE REPORTER: Can you spell that please?

4 MR. SEIBLES: S-E-I, B as in boy, L-E-S.

5 THE REPORTER: And your first name is with a C  
6 or a K?

7 MR. SEIBLES: K.

8 THE REPORTER: K. Okay. Thank you.

9 JUDGE LONG: All right. So as confirmed at  
10 the prehearing conference and in my minutes and orders  
11 following that conference, the issue to be decided in  
12 this appeal is whether Mr. Seibles' claim for refund is  
13 barred by the statute of limitations -- actually, let me  
14 restate that -- it's in the plural.

15 When Mr. Seibles' claims for refund are barred  
16 by the statute of limitations. And, next, I'd like to  
17 move on to the evidence in this appeals.

18 Mr. Seibles submitted exhibits 1 through 3 at  
19 the prehearing conference. CDTFA had no objection to  
20 Mr. Seibles' exhibits. They are now admitted into the  
21 record.

22 (Appellant's Exhibits 1 through 3 were  
23 admitted into evidence.)

24 JUDGE LONG: At the prehearing conference, FTB  
25 submitted Exhibits A through M. Mr. Seibles received

1 copies of the exhibits at the prehearing conference and  
2 was provided the opportunity to object, but no objection  
3 was filed.

4 So let me confirm, Mr. Seibles. You have no  
5 objection to FTB's exhibits being admitted?

6 MR. SEIBLES: Correct.

7 JUDGE LONG: All right. Thank you.

8 According to FTB's Exhibits, A through M are  
9 now admitted and entered into the record.

10 (Department's Exhibits A through M were  
11 admitted into evidence.)

12 JUDGE LONG: Now, I'm going to go over the  
13 order of the proceedings today. In my minutes and  
14 orders, I indicated that Mr. Seibles would have five  
15 minutes for presentation including witness testimony.  
16 And then FTB will have 10 minutes for its presentation,  
17 and then Mr. Seibles will have five minutes for a  
18 rebuttal.

19 Next, I believe Mr. Seibles indicated he will  
20 be testifying as a witness. I'm going to swear him in.

21 Mr. Seibles, can you please stand and raise  
22 your right-hand. Do you swear in accordance with OTA's  
23 regulation to accept -- oh, sorry.

24 I will swear you in in accordance with OTA's  
25 regulations and accept your statements as evidence.

1 MARK SEIBLES

2 Produced as a witness, and having been first duly sworn  
3 by The Administrative Law Judge, was examined and  
4 testified as follows:

5 MR. SEIBLES: I do.

6 JUDGE LONG: Thank you. All right.

7 Mr. Seibles, you can go ahead and be seated. And you  
8 may begin your presentation when you are ready. You  
9 have five minutes.

10  
11 PRESENTATION

12 MR. SEIBLES: Okay.

13 Good morning. My name is Mark Seibles. I'm  
14 the sole owner and operator of Live Wire Installations.  
15 I'm a low voltage wiring contractor.

16 I'm sure you're familiar with the challenges  
17 of being an entrepreneur. Every task is on  
18 me -- marketings, sales, design, install, service -- not  
19 to mention the admin side -- licensing, taxes -- it's a  
20 lot for one person to handle.

21 I'm currently trying to catch up on my back  
22 taxes. I'm here because I actually overpaid on these  
23 taxes. I'm asking for -- I'm not asking for a refund,  
24 rather credit on my account.

25 I'm still in business, and I'm just trying to

1 get all my accounts current. And that's pretty much all  
2 I have.

3 Oh, one more thing, actually, what happened  
4 about a month -- maybe two months ago -- my wife  
5 actually was here with a levy on her -- on her -- on  
6 her -- on her checks from her job.

7 And I know we're just married, that's kind of  
8 part of the process, but I don't feel -- for me, I  
9 didn't feel like it was fair for her to have to suffer  
10 for something that I did solely. So I'm just trying to  
11 make everything right. I'm just trying to get back  
12 even, and I'm just trying to give my accounts all  
13 squared away.

14 Thank you.

15 JUDGE LONG: All right. Thank you.

16 Give me just a moment here, I want to check  
17 something in the exhibits. All right. Mr. Seibles, I  
18 just want to confirm that you and your spouse filed some  
19 married filing joint?

20 MR. SEIBLES: We do.

21 JUDGE LONG: All right. Thank you. I don't  
22 have any questions for you about your testimony right  
23 now.

24 I will ask Franchise Tax Board, do you have  
25 any questions for Mr. Seibles about his testimony?

1 MS. FASSETT: I do not. Thank you.

2 JUDGE LONG: All right. And in that case,  
3 I'll go ahead and give Franchise Tax Board the  
4 opportunity to present its argument, and you may begin  
5 when you're ready.

6

7 PRESENTATION

8 MS. FASSETT: Great. Thank you.

9 Good morning. My name is Sarah Fasset, and I  
10 represent Respondent, Franchise Tax Board, in this  
11 matter.

12 The sole issue on appeal today is whether  
13 Appellant's claims for refund for the 2012  
14 through -- through the 2014 tax years are barred by the  
15 statute of limitations.

16 Respondent received of information indicating  
17 that the Appellant earned income in a sufficient amount  
18 to create a filing requirement during the tax years at  
19 issue. However, Respondent had no records of Appellant  
20 filing California income tax returns for those years.

21 Respondent issued a demand for tax return for  
22 each year at issue requesting that Appellant either file  
23 his tax returns or explain why he did not have a filing  
24 requirement. When no response was received for any tax  
25 year, notice of proposed assessment or NPAs were issued

1 to the Appellant which included penalties which were  
2 correctly calculated and imposed.

3 When Appellant did not protest any of the  
4 NPAs, the NPAs went final, and the balances became due  
5 and payable. For all three tax years, FTB collected  
6 payments through billing and collection efforts.

7 Respondent received Appellant's 2012 through  
8 2014 California tax returns on February 15th, 2024.  
9 Respondent accepted the return as filed, reduced the  
10 imposed penalties to correspond with the reported tax,  
11 and applied the payments made pursuant to the collection  
12 action resulting in overpayments.

13 Respondent treated the tax returns as claims  
14 for refund and denied the claims because they were all  
15 filed after the statute of limitations had expired.

16 California law imposes strict time limits and  
17 other requirements for filing refund claims, including  
18 tax returns that claim refunds, and there is no waiver  
19 of the statutory period for refund claims based on  
20 reasonable-cause type arguments.

21 Appellant did the not file timely returns for  
22 any of the tax years at issue; therefore, his claims for  
23 refund must have been filed with -- either within four  
24 years from the original due date of the return, or one  
25 year from the last overpayments.



1 specialize in the field building things, wiring things,  
2 and so I may have to hire somebody to handle my admin  
3 side -- on bookkeeping side. I'm just trying to figure  
4 this thing out, basically.

5 I'm trying to -- and, also, being an  
6 entrepreneur day-to-day is always different. You may  
7 get a job today, you may not get a job for two more  
8 weeks, but the mortgage stays the same. So I have to,  
9 kind of, prioritize, you know, the bills. And,  
10 unfortunately, this is one that I let go for way too  
11 long, and I'm trying to get on top of it and stay  
12 current.

13 Thank you.

14 JUDGE LONG: All right. Thank you.

15 With that, I don't have any questions for  
16 either party. Does anyone have any questions or  
17 comments before we close the record? Okay. Looks like  
18 we do not.

19 With that, I'm ready to conclude this hearing.  
20 I want to thank both parties for attending today and for  
21 their case presentations. I'm going to decide this case  
22 based on the arguments, the evidence, and the testimony  
23 in the record.

24 I will issue a written decision no later than  
25 100 days from today.

1                   This case is submitted, and the record is now  
2 closed.

3                   (The hearing concluded at 11:02 a.m.)  
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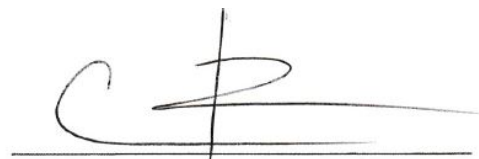
1 HEARING REPORTER'S CERTIFICATE

2  
3 I, Christina L. Rodriguez, Hearing Reporter in  
4 and for the State of California, do hereby certify:

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

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

14 I have hereunto subscribed my name this 11th  
15 day of March, 2025.

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Hearing Reporter

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22 CHRISTINA RODRIGUEZ

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