



STATE OF CALIFORNIA  
TAXPAYERS' RIGHTS ADVOCATE'S OFFICE MS F280  
FRANCHISE TAX BOARD  
PO BOX 1468  
SACRAMENTO CA 95812-1468

01.28.2021

CHRISTINE GRAB

DEAR MRS. GRAB:

I would like to thank you for attending and presenting your issues at the December 2020 Taxpayers' Bill of Rights Hearing. The following responses were provided by the appropriate program areas within the Department. As the Taxpayers' Rights Advocate, your concerns are important to me. During the year, I will keep track of issues requiring longer-term solutions.

1. End Policy of withholding estimated tax payments made via credit elects

**FTB Response:**

The Franchise Tax Board previously addressed this issue in the 2018 Taxpayer Bill of Rights response to you, dated January 25, 2019. Please see link below.

[https://www.ftb.ca.gov/about-ftb/meetings/taxpayer-bill-of-rights/2018\\_grab\\_response.pdf](https://www.ftb.ca.gov/about-ftb/meetings/taxpayer-bill-of-rights/2018_grab_response.pdf)

2. End policy of withholding estimated tax payments from married couples

**FTB Response:**

The Franchise Tax Board previously addressed this issue in the 2018 Taxpayer Bill of Rights response to you, dated January 25, 2019. Please see link below.

[https://www.ftb.ca.gov/about-ftb/meetings/taxpayer-bill-of-rights/2018\\_grab\\_response.pdf](https://www.ftb.ca.gov/about-ftb/meetings/taxpayer-bill-of-rights/2018_grab_response.pdf)

3. Put amortization schedules on each bill showing how the interest for the billing period was calculated

**FTB Response:**

The Franchise Tax Board offers a few ways for taxpayers to get information about the interest on tax liabilities. First, our billing notices include an insert, Form 1140, which provides information regarding the accrual of interest. Taxpayers can also find current and prior interest rates on [ftb.ca.gov](http://ftb.ca.gov). Interest is compounded daily and interest rates are adjusted semi-annually. Lastly, taxpayers can request a breakdown of the computation of interest from the Franchise Tax Board.

Thank you for your suggestion to improve our tax programs. As we look for ways to improve our programs as a whole, including notice improvements, we will consider your suggestion.

4. Fix flaws in the software which facilitate accounting irregularities

**FTB Response:**

There are no flaws in FTB software which facilitate accounting irregularities.

5. Institute a policy requiring timely re-application of "misapplied" payments

**FTB Response:**

If payments have been misapplied and we discover it, those payments are moved and given the same effective date so as not to disadvantage the taxpayer.

6. Offer More Methods of Sending Information to FTB

**FTB Response:**

Unfortunately, we do not have resources to process incoming mail the same day that it arrives. We generally open express mail within 24 hours of receipt. Regarding secure email, FTB strives to develop effective tools for our customers. We will consider your feedback as opportunity for change arises.

For the Filing Division, customers can send information through multiple channels including USPS mail, private express service, faxination and their MyFTB account. Response timeframes depend on the method of submission of information. We strive to respond to information faxed directly to an agent within a week. Correspondence submitted through a MyFTB account is generally processed within 30 days and paper correspondence sent via USPS/express mail can take up to 90 days to process. This timeframe could be longer based on inventory volumes.

7. Remove "Final and Payable Clause" from the Notice of Proposed Assessment

**FTB Response:**

The use of "due and payable" language on Notices of Proposed Assessment is correct under the law.

8. FTB's policy should be that all requests are approved unless a written denial is formally issued

**FTB Response:**

For general correspondence, FTB agents will usually respond with a phone call to quickly resolve the taxpayer's issue and then follow up in writing if necessary. For protests, mandatory e-pay requirement waiver requests, and claims for refund, FTB's practice is to always respond in writing whether affirming or denying the request. Regardless of the type, we strive to answer all correspondence in a timely manner. In those instances where we don't, we always work off the "received date" of the correspondence and treat timely mailed correspondence as such.

If a taxpayer has not received a response to their refund claim within six months, they *may* deem it denied and file an appeal with the Office of Tax Appeals per Revenue and Taxation Code section 19385. However, we would encourage the taxpayer to contact us first. Because it is our practice to respond to refund claims in writing, failure to receive a written response from us could indicate there was a problem with processing your claim. By calling us at the number on the last notice received from us, the taxpayer may be able to resolve their issue without having to file an appeal.

9. Move the Taxpayer Advocate to work under GovOps

**FTB Response:**

The Franchise Tax Board previously addressed this issue in the 2018 Taxpayer Bill of Rights response to you, dated January 25, 2019. Please see link below.

[https://www.ftb.ca.gov/about-ftb/meetings/taxpayer-bill-of-rights/2018\\_grab\\_response.pdf](https://www.ftb.ca.gov/about-ftb/meetings/taxpayer-bill-of-rights/2018_grab_response.pdf)

10. Re-record your automated system with a more pleasant voice and music

**FTB Response:**

The IVR plays hold music and provides periodic voice updates with the intent of keeping the caller informed that they are still connected to the call and in queue for assistance. The music choice is the same for all callers and we have received compliments for the most part until now. As music preference is not something we can control, we chose music that is neutral in genre. As far as the voice preference goes, we have numerous voice recordings with several differing voices so we are not sure which voice you are concerned with. An alternative to being on hold is the Virtual Hold option that allows a caller to leave a phone number for a call back instead of waiting on hold and listening to the music and voice updates.

11. Stop your employees from online harassment

**FTB Response:**

Only authorized employees can respond on social media websites or other online forums on FTB's behalf. FTB has never authorized any employee to respond or post on Reddit on FTB's behalf.

Your personal information is protected under various California laws, including Revenue and Taxation Code section 19542 and the Information Practices Act (Civil Code section 1798, et seq). FTB will not disclose your personal information without your consent, unless authorized by law.

Sincerely,

*Chris Smith*

Chris Smith  
Taxpayers' Rights Advocate (Acting)

cc: Irena Asmundson  
Karessa Belben  
Juan Flores  
Kari Hammond  
Gayle Miller  
Yvette Stowers