



STATE OF CALIFORNIA
TAXPAYERS' RIGHTS ADVOCATE'S OFFICE MS F280
FRANCHISE TAX BOARD
PO BOX 1468
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01.31.2020

LYNN FREER, EA
SPIDELL PUBLISHING, INC.

DEAR MS. FREER,

I would like to thank Spidell Publishing for attending and presenting your issues at the December 2019 Taxpayers' Bill of Rights Hearing. The following responses were provided by the appropriate program areas within the Department. As Taxpayers' Rights Advocate, your concerns are important to me. During the year, I will keep track of issues requiring longer-term solutions and may report on these in the future as part of the Annual Report to the Legislature.

1. FTB website

FTB Response:

FTB has been collecting feedback about our website re-design for the past 6 months. We are prioritizing the feedback and plan to implement the highest priority changes.

The main issues you have with our website are some of the highest priority changes we are working on. Below is our plan to address the main issues:

- **PDFs** – FTB will be providing PDF versions of the content through a request process which will be available on the HTML page. FTB is beginning to provide this functionality now starting with our most current tax year.
- **Search (Page Design)** – FTB agrees that we need to improve the presentation of search results. We hope to address this issue soon.
- **Search (User Experience)** – FTB agrees that we want our users to find what they are looking for. FTB uses Google Search Service which learns to return better results the more it is used. We hope to speed that process up by identifying key content to promote in the search results.
- **Content** – FTB is monitoring the request process to determine what people are looking for that is not available so we can make that content available. We also plan to add the 1999 thru 2007 Tax forms into our tax form locator this year

Thank you for sharing feedback with us as we work to improve our website.

2. AB 5

FTB Response:

Thank you for your comments. Please see FTB's FAQs 8-12 and responses.

<https://www.ftb.ca.gov/file/business/industries/worker-classification-and-ab-5-faq.html>

3. Request for CPAR Interested Parties Meeting

FTB Response:

The Interested Parties Meeting (IPM) planning team anticipates the IPM will be held during the summer of 2020.

4. Powers of Attorney – Problems with Processing

FTB Response:

We understand the concern and frustration regarding our processing of Power of Attorney (POA) Declarations (with and without wet signatures), as well as our rejection rates.

At this time, FTB has determined that digital signatures are not reliable or secure enough for high-risk functions such as the administration of a POA. It is possible that some time in the future, FTB will allow digital signatures on POAs; however at this time, because of the potential for fraud and identity theft, we have not yet authorized the use of digital signatures on POAs. Staff use their best judgment to determine if a signature is an actual "wet" signature and not electronic or digital.

With recent complaints received regarding valid wet signatures being rejected, we have provided additional training to staff and made enhancements to our processes and procedures to reduce the amount of incorrectly rejected POAs. This includes instructing staff that unless it is very clear that it is a stamped/electronic/digital signature, they are to accept these at face value.

With regard to overall POA processing and our rejection rates, there are several best practices that representatives and taxpayers alike may follow to ensure their POA Declarations are accepted in the most efficient and timely manner. We continue to communicate these best practices through information on our website and in MyFTB, Tax News articles, and education and outreach provided by our Taxpayers' Rights Advocate Office.

FTB is committed to working with our external stakeholders to help improve our POA processing and we look forward to working on this with you in the future.

5. Health insurance penalty

FTB Response:

Thank you for your comments and feedback here. We greatly appreciate them. FTB is undertaking a robust communication and outreach effort in conjunction with Covered California to ensure that all Californians are aware of the new individual health care mandate and their responsibilities to maintain health insurance coverage. This messaging includes information about the possible penalty for failure to maintain coverage or obtain an exemption. We will continue to partner with Covered California on an ongoing basis to carry this message forward in the coming days and weeks.

With regard to the brochure mentioned, we do not currently have plans to continue production or distribution of the brochure. It was intended as a one-time use only product, to be handed out at our health care mandate stakeholder meeting on November 14, 2019. However, all of the information contained in the brochure, along with much more helpful information, is being shared via our new health care mandate webpage, located at www.ftb.ca.gov/healthmandate.

Sincerely,

Susan Maples

Susan Maples
Taxpayers' Rights Advocate

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