

# CITY OF LOS ANGELES

ANTOINETTE CHRISTOVALE  
DIRECTOR OF FINANCE  
CITY TREASURER

CALIFORNIA



ERIC GARCETTI  
MAYOR

OFFICE OF FINANCE

200 N. SPRING ST.  
ROOM 101 - CITY HALL  
LOS ANGELES, CA 90012

(213) 744-9724

September 15, 2015

**REPORT RE:  
OFFICE OF FINANCE RECOMMENDATION TO APPROVE  
REFUND CLAIM FILED BY PACIFIC SUMMIT ENERGY LLC**

The Honorable City Council  
Budget and Finance Committee  
Room 395, City Hall  
Los Angeles, CA 90012

Honorable Members:

The Office of Finance (Finance) is recommending approval to pay the refund claim filed by Pacific Summit Energy LLC for the amount of \$139,427.07 due to overpayment determined by audit. Finance recommends payment of the amount of \$139,427.07. If your Honorable Body concurs, the demand will be drawn from Fund 100, Department 62, Revenue Source 3103 (Gas Users Tax).

Furthermore, in connection to the foregoing recommendation, Finance recommends that Anheuser-Busch Inc. be allowed to utilize a Gas Users Tax credit in the amount of \$423,766.07 to offset future Gas Users Tax liabilities billed and collected by Southern California Gas Company on behalf of the City of Los Angeles. If the recommendation to credit Anheuser-Busch Inc. is approved, the approved credit will be implemented by Southern California Gas Company and monitored by Finance until the credit is fully exhausted.

During the course of the audit of Pacific Summit Energy LLC, it was determined that Gas Users Tax was being billed to and collected from Anheuser-Busch Inc. by Pacific Summit Energy LLC and by Southern California Gas Company. The audit further determined that Southern California Gas Company was the entity responsible for billing and collecting the City's Gas Users Tax due from Anheuser-Busch Inc.

Pacific Summit Energy LLC has refunded Anheuser-Busch Inc. the amount of \$139,427.07 in Gas Users Tax as required by LAMC Chapter 2, Article 1.1, Section 21.1.12. In turn, Pacific Summit Energy seeks a refund from the City in the amount of \$139,427.07. Finance recommends approval of this refund claim.

An additional amount of \$423,766.07 in Gas Users Tax was erroneously collected from Anheuser-Busch Inc. by Pacific Summit Energy LLC. However, this amount is not eligible to be refunded to Anheuser-Busch Inc. in cash. Therefore, Finance seeks your approval to allow Southern California Gas Company to apply the non-refundable credit to Anheuser-Busch Inc.'s Gas Users Tax liability until the credit is fully exhausted.

Sincerely,



Robert Lee  
Chief Tax Compliance Officer II

**REPORT CLAIM FOR REFUND  
(SECTION 22.12 LAMC)**

**TO:** Budget and Finance Committee

**FROM:** Antoinette Christovale  
Office of Finance

File No	238049231
Date Filed	04/07/2014
Amount Requested	\$139,427.07
Estimated Interest (04/07/2014 to 10/31/15)	\$2621.99
Estimated Amount to be Refunded	\$142,049.06

**NAME/ADDRESS OF CLAIMANT**

Pacific Summit Energy LLC  
4675 MacArthur Court Suite #750  
Newport Beach CA 92660

**BASIS OF CLAIM**

**Business Tax**

**SUMMARY**

Business Tax

Period

**Overpayment  
Underpayment**

Section U006

201300A

\$139,427.07Cr

**TOTAL**

\$139,427.07Cr

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**Recommendation: That claimant has overpaid taxes in the amount of \$139,427.07 that refund may be made.**

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	BY	DATE
Typed	EYT	09/15/2015
Computations Checked	ML	09/15/2015
Form Approved		

**GENERAL FUND  
BUSINESS TAX**

Antoinette Christovale  
Office of Finance

By   
Administration Division

Date 9/16/15