



STATE OF WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION
1300 S. Evergreen Park Dr. S.W., P.O. Box 47250 • Olympia, Washington 98504-7250
(360) 664-1160 • www.utc.wa.gov

July 7, 2014

Steven V. King, Executive Director and Secretary
Utilities and Transportation Commission
1300 S. Evergreen Park Dr. SW
P.O. Box 47250
Olympia, WA 98504-7250

RE: *Washington Utilities and Transportation Commission v. Luo, Xianqin*

Commission Staff's Response to Application for Mitigation of Penalties TV-140966

Dear Mr. King:

On June 5, 2014, the Utilities and Transportation Commission issued a \$1,000 Penalty Assessment in Docket TV-140966 against Luo, Xianqin for 10 violations of Washington Administrative Code (WAC) 480-15-480, which requires household goods carrier companies to furnish annual reports to the commission no later than May 1 each year.¹

On June 20, 2014, Xianqin Luo wrote the commission requesting mitigation of penalties (Mitigation Request).² In its Mitigation Request, Xianqin Luo does not dispute that the violation occurred. The company states, "Please see attached of my form 4868 of Application for Automatic Time Extension to File U.S. Individual Income Tax Return. I gave all my income information to my accountant Fidelity Accounting Tax Service to filing for 2013. All my information is still in their hands."

It is the company's responsibility to ensure that the regulatory fee is paid and the annual report is filed by the May 1 deadline. On February 28, 2014, Annual Report packets were mailed to all regulated household goods companies. The instructions for annual report completion page of the annual report informed the regulated company that it must complete the annual report form, pay the regulatory fees, and return the materials by May 1, 2014, to avoid enforcement action. The instructions for annual report completion page also provide instructions for filing for an extension to submit the 2013 annual report forms. The company did not file an extension with the commission.

¹See attachment A for a copy of the penalty assessment sent on June 5, 2014

²See attachment B for a copy of Xianqin Luo's Mitigation Request received on June 20, 2014

UTC Annual Reports

July 7, 2014

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As of June 30, 2014, Xianqin Luo has not filed its 2013 annual report or paid the subsequent regulatory fees. The company has been active since March 14, 2013. No prior violations of WAC 480-15-480 are on commission record. Staff supports the company's request for mitigation as this is the company's first delinquent filing. Staff recommends a reduced penalty assessment of \$200.

If you have any questions regarding this recommendation, please contact Amy Andrews, Regulatory Analyst, at (360) 664-1157, or aandrews@utc.wa.gov.

Sincerely,

Sondra Walsh, Director
Administrative Services

¹See attachment A for a copy of the penalty assessment sent on June 5, 2014

²See attachment B for a copy of Xianqin Luo's Mitigation Request received on June 20, 2014

ATTACHMENT A

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

NOTICE OF PENALTIES INCURRED AND DUE FOR VIOLATIONS OF LAWS AND RULES

PENALTY ASSESSMENT: TV-140966
PENALTY AMOUNT: \$1,000

Luo, Xianqin
6402 Swift Ave S
Seattle, WA 98108

According to Washington Utilities and Transportation Commission (Commission) records, you have violated Washington Administrative Code (WAC) 480-15-480, which requires household goods carrier companies to file their annual reports and pay regulatory fees each year by May 1. You did not file an annual report or pay regulatory fees by May 1, 2014.

Revised Code of Washington (RCW) 81.04.080 authorizes the Commission to assess penalties of \$100 for violations of Commission rules. Each violation is a separate and distinct offense and, in the case of a continuing violation, every day's continuance is a separate and distinct violation. The Commission interprets noncompliance with WAC 480-15-480 beyond May 1 as a continuing violation, and assesses penalties of \$100 for each day a company fails to file its report or pay its regulatory fees after that date.

As a result, the Commission has assessed penalties against you in the amount of \$1,000 on the following basis:

On February 28, 2014, the Commission mailed the 2013 annual report forms and the 2014 regulatory fee packets to all household goods carrier companies registered in Washington. The instructions page for the annual report form instructed these companies to file annual reports and pay regulatory fees by May 1, 2014. The instructions page also stated that failure to file the annual report by May 1 would result in penalties. The deadline for requesting an extension to file your annual report was April 17. You did not request an extension.

As of May 15, 2014, Xianqin Luo has not filed its 2013 annual report or paid its 2014 regulatory fee. May 15 is 10 business days from May 1, resulting in a total penalty of \$1,000.

Your penalty is due and payable now. If you believe the violation did not occur, you may request a hearing to contest the penalty assessment. The Commission will grant that request only if material issues of law or fact require consideration of evidence and resolution in a hearing. A request for a hearing must include a written statement of the reasons supporting that request.

¹See attachment A for a copy of the penalty assessment sent on June 5, 2014

²See attachment B for a copy of Xianqin Luo's Mitigation Request received on June 20, 2014

Failure to provide such a statement will result in denial of the request. If there is a reason for the violation that you think should excuse or reduce the penalty, you may ask for mitigation (reduction) of this penalty through evidence presented at a hearing or in writing. A request for mitigation must include a written statement of the reasons supporting that request. Failure to provide such a statement will result in denial of the request. See RCW81.04.405.

If you properly present your request for a hearing and the Commission grants that request, the Commission will review the evidence supporting your dispute of the violation or application for mitigation in a Brief Adjudicative Proceeding, before an administrative law judge. The administrative law judge will consider the evidence and will notify you of his or her decision.

You must act within 15 days after receiving this notice to do one of the following:

- Pay the amount due.
- Request a hearing to contest the occurrence of the violations.
- Request mitigation to contest the amount of the penalty.

Please indicate your selection on the enclosed form and send it to the Washington Utilities and Transportation Commission, Post Office Box 47250, Olympia, Washington 98504-7250, **within FIFTEEN (15) days** after you receive this notice.

If you do not act within 15 days, the Commission may refer this matter to the Office of the Attorney General for collection, which may file suit in state court to collect the penalty. The Commission may also initiate proceedings under WAC 480-15-450 to cancel your permit to operate as a household goods carrier in Washington.

DATED at Olympia, Washington, and effective June 5, 2014.

DENNIS J. MOSS
Administrative Law Judge

¹See attachment A for a copy of the penalty assessment sent on June 5, 2014

²See attachment B for a copy of Xianqin Luo's Mitigation Request received on June 20, 2014

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

PENALTY ASSESSMENT TV-140966

PLEASE NOTE: You must complete and sign this document, and send it to the Commission within 15 days after you receive the penalty assessment. Use additional paper if needed.

I have read and understand RCW 9A.72.020 (printed below), which states that making false statements under oath is a class B felony. I am over the age of 18, am competent to testify to the matters set forth below and I have personal knowledge of those matters. I hereby make, under oath, the following statements.

1. **Payment of penalty.** I admit that the violations occurred. I have:

Enclosed \$ _____ in payment of the penalty

Submitted my payment of \$ _____ online at www.utc.wa.gov. My confirmation number is _____.

2. **Request for a hearing.** I believe that one or more of the alleged violations did not occur, for the reasons I describe below, and I request a hearing based on those reasons for a decision by an administrative law judge:

3. **Application for mitigation.** I admit the violations, but I believe that the penalty should be reduced for the reasons set out below:

a) I ask for a hearing to present evidence on the information I provide above to an administrative law judge for a decision

OR b) I ask for a Commission decision based solely on the information I provide above.

I declare under penalty of perjury under the laws of the State of Washington that the foregoing, including information I have presented on any attachments, is true and correct.

Dated: _____ [month/day/year], at _____ [city, state]

Name of Respondent (company) – please print

Signature of Applicant

RCW 9A.72.020:

“Perjury in the first degree. (1) A person is guilty of perjury in the first degree if in any official proceeding he makes a materially false statement which he knows to be false under an oath required or authorized by law. (2) Knowledge of the materiality of the statement is not an element of this crime, and the actor’s mistaken belief that his statement was not material is not a defense to a prosecution under this section. (3) Perjury in the first degree is a class B felony.”

¹See attachment A for a copy of the penalty assessment sent on June 5, 2014

²See attachment B for a copy of Xianqin Luo’s Mitigation Request received on June 20, 2014

ATTACHMENT B

TV-140966

To.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

FROM:

Luo, Xianqin

6402 Swift Ave S

Seattle, WA 98108

2014 JUN 20 AM 8:15
COMMUNICATIONS SECTION
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

To whom it may concern:

Dear Dennis J Moss,

On June 10, 2013, I received your Notice of Penalties Incurred and Due for Violations of Laws and Rules Statement. Please see attached copy of my form 4868 of Application for Automatic of Time Extension to File U. S. Individual Income Tax Return. I gave all my income information to my accountant Fidelity Accounting Tax Service to filing for 2013. All my information is still in their hands.

If you have any questions please call Fidelity Accounting Tax Service at 206- 860-8552. The address is 2519 15th Ave S. Seattle, WA 98144

Your attention is highly appreciated.

Sincerely

Luo, Xianqin

Luo, Xianqin

June 16, 2013

¹See attachment A for a copy of the penalty assessment sent on June 5, 2014

²See attachment B for a copy of Xianqin Luo's Mitigation Request received on June 20, 2014

There are three ways to request an automatic extension of time to file a U.S. individual income tax return.

1. You can file Form 4868 electronically by accessing IRS *e-file* using your home computer or by using a tax professional who uses *e-file*.
2. You can file Form 4868 and pay all or part of your estimated income tax due using a credit or debit card or by using the Electronic Federal Tax Payment System (EFTPS).
3. You can file a paper Form 4868.



It's Convenient, Safe, and Secure

IRS *e-file* is the IRS's electronic filing program. You can get an automatic extension of time to file your tax return by filing Form 4868 electronically. You will receive an electronic acknowledgment once you complete the transaction. Keep it with your records. Do not mail in Form 4868 if you file electronically, unless you are making a payment with a check or money order (see page 3).

Complete Form 4868 to use as a worksheet. If you think you may owe tax when you file your return, you will need to estimate your total tax liability and subtract how much you have already paid (lines 4, 5, and 6 below).

Several companies offer free e-filing of Form 4868 through the Free File program. For more details, go to IRS.gov and click on *freefile*.



E-file Using Your Personal Computer or Through a Tax Professional

Refer to your tax software package or tax preparer for ways to file electronically. Be sure to have a copy of your 2012 tax return—you will be asked to provide information from the return for taxpayer verification. If you wish to make a payment, you can pay by electronic funds withdrawal or send your check or money order to the address shown in the middle column under *Where To File a Paper Form 4868* (see page 4).



Pay by Credit or Debit Card or EFTPS

You can get an extension if you pay part or all of your estimate of income tax due by using a credit or debit card. Your payment must be at least \$1. You can also get an extension when you pay part or all of your estimate of income tax due using EFTPS. You can pay by phone or Internet (see page 3).



File a Paper Form 4868

If you wish to file on paper instead of electronically, fill in the Form 4868 below and mail it to the address shown on page 4.

For information on using a private delivery service, see page 4.

Note. If you are a fiscal year taxpayer, you must file a paper Form 4868.

General Instructions

Purpose of Form

Use Form 4868 to apply for 6 more months (4 if "out of the country" (defined on page 2) and a U.S. citizen or resident) to file Form 1040, 1040A, 1040EZ, 1040NR, 1040NR-EZ, 1040-PR, or 1040-SS.

Gift and generation-skipping transfer (GST) tax return (Form 709). An extension of time to file your 2013 calendar year income tax return also extends the time to file Form 709 for 2013. However, it does not extend the time to pay any gift and GST tax you may owe for 2013. To make a payment of gift and GST tax, see Form 8892. If you do not pay the amount due by the regular due date for Form 709, you will owe interest and may also be charged penalties. If the donor died during 2013, see the instructions for Forms 709 and 8892.

Qualifying for the Extension

To get the extra time you must:

1. Properly estimate your 2013 tax liability using the information available to you,
2. Enter your total tax liability on line 4 of Form 4868, and
3. File Form 4868 by the regular due date of your return.



CAUTION Although you are not required to make a payment of the tax you estimate as due, Form 4868 does not extend the time to pay taxes. If you do not pay the amount due by the regular due date, you will owe interest. You may also be charged penalties. For more details, see Interest and Late Payment Penalty on page 2. Any remittance you make with your application for extension will be treated as a payment of tax.

You do not have to explain why you are asking for the extension. We will contact you only if your request is denied.

Do not file Form 4868 if you want the IRS to figure your tax or you are under a court order to file your return by the regular due date.

▲ Detach Here ▲

Part I Identification

1
XIANQIN LUO

6402 SWIFT AVE S
SEATTLE WA 98108

2
537-69-2990 3

Part II Individual Income Tax

4	Estimate of total tax liability for 2013	\$	632.
5	Total 2013 payments		141.
6	Balance due. Subtract line 5 from line 4 (see instructions)		491.
7	Amount you are paying (see instructions)		500.
8	Check here if you are 'out of the country' and a U.S. citizen or resident (see instructions)		<input type="checkbox"/>
9	Check here if you file Form 1040NR or 1040NR-EZ and did not receive wages as an employee subject to U.S. income tax withholding		<input type="checkbox"/>

537692990 XJ LUO 30 0 201312 670

¹See attachment A for a copy of the penalty assessment sent on June 5, 2014

²See attachment B for a copy of Xianqin Luo's Mitigation Request received on June 20, 2014