

## **GeTtin' SALTy Podcast Episode 86**

Disclaimer ([00:00](#)):

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John Ormonde ([00:14](#)):

When I had to make my mind up between criminal defense and state and local tax, I knew that the clients were going to be much nicer in state.

Nikki Dobay ([00:22](#)):

We do have some really nice clients.

([00:29](#)):

Hello, and welcome to GeTtin' SALTy, a state and local tax policy podcast hosted by Greenberg Traurig. My name is Nikki Dobay, shareholder in the Portland, Oregon and Sacramento, California offices. I am very pleased today to be joined by one of my partners here at Greenberg, John Ormonde. John sits in our DC office, but is known basically as a California expert. So John, thank you so much for being here today.

John Ormonde ([00:55](#)):

Thank you, Nikki. It's great to be here.

Nikki Dobay ([00:57](#)):

And we're doing a little bit of a redo, so I'm going to ask you what I ask when folks join the podcast for the first time. How did you get into state and local tax?

John Ormonde ([01:07](#)):

I took state and local tax as a second year in law school, and that was because I really liked constitutional law in the commerce clause, and I saw it in the class description. And then when I got into the class, I realized I really, really liked it. I liked that it had a math component as well, which I didn't like calculus and advanced math, but formulas and trying to figure things out always appealed to me. So working in Excel in my early days, which now I guess is all done by Claude, it's also something that I was good at and I enjoyed doing. So it led me down a good path of having the technical math ability and being able to like the constitutional overlay on everything kind of put me in a happy place.

([01:52](#)):

I'd also say that I was interested in criminal defense before I went to law school, and I kind of liked the idea of standing up for the little guy against the government. I kind of feel like it's a somewhat similar practice in that you're construing statutes and the government's against you, and you're always fighting an uphill battle from the beginning. And if you win, that's a victory.

Nikki Dobay ([02:16](#)):

Yes.

John Ormonde ([02:17](#)):

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Or if you're somewhere in the middle, that's a victory.

Nikki Dobay ([02:19](#)):

I also, when I was in law school, thought about doing criminal defense and then found my way to tax. But it's interesting, I wonder how many criminal defense lawyers, or folks that though they were going to do criminal defense, have moved to tax. But you're right, it does have some similarities.

([02:36](#)):

Well, I don't know where to put your answer on the scale because there's the people that though they would never do tax, but yours is a very logical path, although you didn't think you were going to do it from age four, which there's a few of those folks too. Well, thank you for indulging me and the listeners, but we're going to actually talk about some state and local tax, some real state and local tax today. And you and I were chatting after your presentation at cost, and we've come up with a really great series of podcasts to do, I think.

([03:07](#)):

So we're going to kick this one off with a catch-up on public law 86-272. And there's been some cases coming out about this. And 86-272 is one of those things where you often hear like, "Oh, it's not really relevant anymore, because it was written so long ago, and nobody can avail themselves to its protections." But I don't think that's true.

John Ormonde ([03:33](#)):

I don't think that's true either.

Nikki Dobay ([03:34](#)):

So what's going on with these cases? There was one in Massachusetts and that seems to have, I would say maybe opened a can of worms for our friends on the other side, the government.

John Ormonde ([03:45](#)):

In this case, the Massachusetts Appellate Tax Board found that the state's Finnigan apportionment rule violated the supremacy clause in 86-272. I don't know. Do you think everyone listening knows how Finnigan and Joyce work, Nikki?

Nikki Dobay ([04:00](#)):

I think it would probably be helpful to give a little primer.

John Ormonde ([04:03](#)):

Sure. Yeah. So every state either is a separate filing state, consolidated filing state, combined filing state. And Finnigan and Joyce are, I'd say apportionment rules, in the view of some states, and nexus rules, or exemption rules I would say, for either taxpayers or income in other states. But the way the rules work, if it's a Finnigan state, the state will generally say, if any member of your combined group exceeds the bounds of 86-272 and has nexus with the state, then we're going to effectively impose the same tax as if every member of the group is taxable. And the way they do that is, when they're doing apportionment by entity, rather than putting the sales in the numerator of the, well, what would be referred to as the protected entity or the one that does not have nexus, they'll either reassign the sales to the other group

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members, sometimes based on the pro rata weight of the other member's factors, or I think there's some rules that may just pick it up on the numerator of the lead filer.

(05:09):

But the idea is that all the sales to California get included in a numerator of a fraction. And generally if it's payroll and property, you wouldn't be protected. So it's usually the sales area that comes into play. But what it does is it pretty much effectively taxes you the same way as if everyone had blown protection of 86-272.

(05:29):

Now, Joyce operates a little bit different. Well, I would say it doesn't impose tax on the income from the protected entity, and it does that by not including the sales of the protected entity and any of the numerator factors of any of the group members. It does however include the total combined group's income, and the base, and it includes the total combined group's sales in the denominator, but the income from the exempt entity and the sales related to that entity don't go under the numerator of the factor. That's the key difference between Joyce and Finnigan.

Nikki Dobay (06:04):

Well, John, before we move on from that, where did these references to Joyce and Finnigan come from? Because oftentimes people that aren't steeped in state and local tax think we're just talking about some strange Irish drinking game, but there's a reason that we refer to these methodologies as Joyce and Finnigan.

John Ormonde (06:24):

Yep. So these are old California State Board of Equalization cases. And the interesting thing is, I think if I was talking to practitioners in other states, everyone refers to as Joyce and Finnigan, even though it all started in California.

(06:39):

Actually, this is a funny story. When I interviewed for my first job at Deloitte, Bart Bayer, who was the first partner I worked for, he asked me, "Can you explain what the unitary business principle is?" During my interview, before I even started, because I did state and local tax, so I cited Container Corp, and Woolworth, and maybe some other cases. And then the next question, he said, "Have you read Joyce and Finnigan? Can you tell me about that?" And I said, "Are those court cases?" And he said, "No." I was like, "Oh yeah, we didn't get into anything besides court cases in my class." And then he's like, "Oh, well, you have a lot to learn." So then when I started, I was like, "I better read those Joyce and Finnigan cases." And ever since then, I thought Finnigan was the craziest decision I've ever read.

Nikki Dobay (07:21):

Okay. All right. So now that we know what Joyce and Finnigan are, let's go back to Massachusetts. So what did the tax board do in this case?

John Ormonde (07:32):

Sure. So in Massachusetts, the tax board found that the Finnigan rule couldn't be applied because it violated the supremacy clause in 86-272, and the tribunal focused on two issues. And the first was whether a state could impose a tax on other combined group members that was related to the activities

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public 86-272 protected entity. So effectively say, we're not taxing the protected entity, we're putting the sales and the numerator of the other entities...

PART 1 OF 4 ENDS [00:08:04]

John Ormonde ([08:03](#)):

... Protected entity. We're putting the sales and the numerator of the other entities. And so we're not taxing the protected entity, and therefore our rule is fine. It doesn't violate 86-272. The second issue was whether when you're considering the application of 86-272, you look to the activities of the entire combined group or is it taxpayer specific so that you could have some that are exempt and some that are not exempt? And looking into both of those questions, the court ruled in favor of the taxpayer. On the first question, the board held that the income earned by a protected person is exempt from tax under the text of 86-272, regardless of who the tax is imposed on. If you look at the language, it exempts the income. It doesn't say this person is exempt from tax. It says from that person exempt from tax.

Nikki Dobay ([08:51](#)):

Okay, okay.

John Ormonde ([08:51](#)):

And so they really focused on the use of the word income in the statute. And so because it was the income, it doesn't matter if you shift the income to another taxpayer, it's still income that cannot be taxed. And on the second question that the board looked to the meaning of person, that they used the word person in 86-272, and there's a statute that generally defines person in the United States code, and that was very broad, individual, corporation, but it didn't have anything in there that suggested it would be a whole combined group or whole consolidated group.

Nikki Dobay ([09:23](#)):

Right.

John Ormonde ([09:23](#)):

And so they went into the legislative history and they also noted that at the time Congress passed this statute in 1959, combined groups existed. A lot of states already had a combined filing method. And so if that was truly Congress's intent, they would not have used the word person. They would've used some broader term because they would've been aware of this issue. So that was the main two holdings of the case, but they also went further and distinguished other state authorities that had come out on the other side of this. And so for example, there was a Arizona case called Central Newspapers and they said, "Well, that case focused on jurisdiction over the person," that first issue.

([10:02](#)):

And the case didn't recognize that this was an exemption from tax on income. So reallocating the income wouldn't work. Another case was the Disney New York case. The New York court found that there was no support for the position that a person should not be read to include the entire unitary group. And actually, I think the Massachusetts Tribunal quoted them and said, "Yeah, there was no support." But they didn't look deep enough. There is support. And we reviewed more of the history and we come to the opposite conclusion. And then they distinguished the California cases as well, which

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were Citicorp and Deluxe. These are court cases, not Joyce and Finnigan court decisions. California frames both these cases as apportionment cases. And so that was the focus of the decision.

(10:46):

Can we reassign sales from a non-taxable member to a taxable member? And that was the issue in those cases. I don't even think either one of those cases, maybe once they reference 86-272, I can't remember, or they don't at all, but there was no application of 86-272 in those cases. It was just more focused on this apportionment method. There's a long history here in California too that 1966 Joyce came out. And that actually did apply... In contrast to the court opinions in California, Joyce actually did apply 86-272. And it came out and said, "Yeah, you can't do this. You can't tax the income of an 86-272 protected taxpayer." And then in 1990, there was this Finnigan decisions out of the board.

Nikki Dobay (11:32):

The crazy one.

John Ormonde (11:34):

It's crazy in the sense that they misapplied 86-272 in my opinion, but they were applying it in a context that I don't think would violate the supremacy clause necessarily because it was a throwback. The Finnigan case was a throwback case and the question was under California Rev and Tax Code 19322, whether the taxpayer was taxable in other jurisdictions. So they were applying 86-272 in another state to see if taxable. I'm not sure that directly implicates a preemption issue because Finnigan was taxable in California.

Nikki Dobay (12:09):

Right.

John Ormonde (12:10):

There's no doubt Finnigan was taxable in California and they apply an origin-based rule that assigns sales to the origin rather than the destination under their reasoning that it's not taxable. But I don't think an origin-based rule would violate 86-272 regardless of what other laws are implicated. Even though it may improperly analyze 86-272 in my opinion, I think Finnigan, if it got to the U.S. Supreme Court, they would've said, "It's an origin-based rule. Why are we here?"

Nikki Dobay (12:37):

Right.

John Ormonde (12:37):

This is not an issue, an 86-272 issue. In 1992, there was a NutraSweet decision where Finnigan was followed. These are all board decisions. Then Huffy overruled Finnigan and NutraSweet. And then in 2011, the California legislature steps in and passes an amendment to Rev and Tax Code Section 25-135, which kind of codified the Finnigan approach for sales of tangible personal property. I think after that, everybody in California is like, "Well, the legislature's spoken, we're clear with Finnigan." But taking a step back and looking at the reasoning of the Massachusetts Appellate Tax Board, I think that the California statute's at risk of preemption under 86-272 and supremacy clause. So I'm curious, the Massachusetts case continues to be upheld where it start to assert this position whether someone could directly challenge the statute in California, which I do think is possible.

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Nikki Dobay ([13:34](#)):

Or any state.

John Ormonde ([13:35](#)):

Or any state. Yeah. I think there's about 20 or so states that have Finnigan rules. Does Oregon have a Finnigan rule, Nikki? I know that's your bread and butter.

Nikki Dobay ([13:44](#)):

They do not. This is kind of a funny story. They've tried. The Department of Revenue has tried a number of times and they've kind of resulted in some of the most contentious legislative hearings I've ever seen because no one at the Department of Revenue can explain. I'm not going to give them this podcast. They can't explain the difference between Joyce and Finnigan quite as coherently as you just did it. And the legislators just get very angry because they start going into combined reporting and throwback and it just would always devolve into this just all of the committee being very frustrated, nobody understanding any of it, and then they just never want to talk about those bills again. So they've never been successful.

([14:33](#)):

And I would say I think that because they can't get the legislation through, they misapply their Joyce rule and they just try to take a very broad reading of it and often pull in entities that I don't think have nexus, but those are different fights. But no, we don't have a Finnigan statute in Oregon, but many states do. So I think it's really something to think about. This decision has been appealed, so probably more to come on it. But even if it were to be reversed, I mean, you can still make these arguments in any Finnigan state and see what those state courts decide.

John Ormonde ([15:15](#)):

Massachusetts isn't generally the most favorable jurisdiction.

Nikki Dobay ([15:18](#)):

Right.

John Ormonde ([15:20](#)):

And maybe the other states that would be more faithful to the statutory interpretation. Yeah. And I guess a lot of taxpayers probably have some structure in place for separate filing states that is their footprint there and their tax. So if you have that structure set up, the question now is, well, can I take this position in all the Finnigan states and have I met the requirements of 86-272 in those Finnigan states?

Nikki Dobay ([15:46](#)):

Right.

John Ormonde ([15:46](#)):

Because I would think a lot of taxpayers are careful on the separate return states not to give nexus to the entities that aren't supposed to be doing business there. Maybe they don't look carefully at the

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Finnigan states because it doesn't matter, but maybe it does matter now. It might be worth reviewing your...

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John Ormonde ([16:03](#)):

Because it doesn't matter, but maybe it does matter now. It might be worth reviewing your state tax footprint or thinking about ways you can modify your business operations to fall within 86-272.

Nikki Dobay ([16:12](#)):

So are there other cases or decisions on 86-272 that also have gotten your attention lately?

John Ormonde ([16:21](#)):

Yeah. So there's a couple others that recently came out. One is American Catalog Mailing Association versus Department of Taxation and Finance. A New York court upheld a regulation permitting the state to consider internet activities and cookies, digital customer support when evaluating 86-272 protection. And it's based on the MTC-reg. I think most people have heard about this, an MTC model regulation that's very broad.

Nikki Dobay ([16:48](#)):

Yes.

John Ormonde ([16:49](#)):

And New York enacted it by regulation and the court upheld it on a facial challenge, that it facially violates 86-272. But the court did leave the door open. You can build a record, come back here and we'll look at whether your facts in this reg, as apply to them meet the requirements 86-272. I'd also say that there is a related California case a couple years ago, theme name, American Catalog Mailing Association, but it's versus the Franchise Tax Board. And in that case, California hadn't formally adopted a regulation, but had published guidance effectively adopting the MTC rule and the San Francisco Superior Court struck it down as an underground regulation under the California government code. But unfortunately, which is kind of sad, they never reached the merits of the underlying rule. And so I guess now the Franchise Tax Board won't receive any deference or can't rely on their own statement, but there is an open question of whether that would've been permissible in California or not.

Nikki Dobay ([17:53](#)):

Do you think, and this is a little bit of an aside on that California case, do you think that the FTB would ever try to pass that as a full regulation? And also another unfortunate impact of that case was they took down a significant amount of guidance that they had had out there. Has there been any shift for them doing more under the actual APA process that they're supposed to follow?

John Ormonde ([18:21](#)):

I haven't heard of anything, but it wouldn't be surprising if they tried to follow New York now that New York has done it. But yeah, they did take down all the TAMs. That was interesting. And they didn't challenge the decision at the Court of Appeal, which was also interesting. I've asked myself many times why they didn't, because you would think want to keep their guidance public and rather than-

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Nikki Dobay ([18:41](#)):

What have you told yourself about that?

John Ormonde ([18:43](#)):

I've told myself that the ruling of that San Francisco court, finding [inaudible 00:18:48] for an underground reg is potentially much broader than just the TAMs and could apply to other FTB guidance.

Nikki Dobay ([18:56](#)):

Oh, okay.

John Ormonde ([18:57](#)):

It's my personal opinion that applies to legal rulings, not chief counsel rulings. There's actually a secret, I don't know about secret, you can get it through a Public Records Act request, but good luck. Office of Administrative Law ruling from the 1980s, I think from 1986, if I remember right. There's a carve out in the government code so that you don't have to go through the regulatory process for a legal ruling of counsel. An FTB has two types of legal rulings. One's a chief counsel ruling, another one is they're legal rulings. And so you would think, oh yeah, these are both legal rulings of counsel. But that old Office of Administrative Law provision interpreted some language in the government code and it said that a legal ruling of counsel that's exempt from the APA processes has to be directed to a specific person and answer a specific question. And so a chief counsel ruling, I think generally that is what it is.

([19:49](#)):

A taxpayer comes forward, asks for a ruling and then FTB provides guidance. But with the legal rulings, I kind of see those as FTB's litigation position, interpretation of law because of this framework and that they should be going through the APA if they're generally applicable. I think there's a good argument that FTB should not receive deference for purposes of their legal rulings in court because they're all underground regs just like the TAM and the American Catalog.

Nikki Dobay ([20:17](#)):

You think that they probably didn't appeal that ruling because they didn't want a broader statement on-

John Ormonde ([20:24](#)):

That's what I think.

Nikki Dobay ([20:25](#)):

Okay.

John Ormonde ([20:26](#)):

And once the court of appeal says it, they have to do it. Whereas the trial court, I don't know how binding that is on FTB, getting in that. FTB has to follow a statute until a court of appeal has said otherwise, so longer... FTB interprets the statute one way and a trial court another way. I think the FTB has the power to continue down its path. But once the court of appeal weighs in, then they really have to change their procedures or processes and that might've been part of the reason they didn't appeal. Pure speculation.

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Nikki Dobay ([20:57](#)):

And I guess one more question on this topic on the underground regs in California, we've strayed a little bit, but I'm curious, do you see more taxpayers challenging, like raising those issues in, I guess, litigation mainly where they're really pushing back on that deference?

John Ormonde ([21:16](#)):

I mean the TAMs are gone, so I guess the question is what's left and how often are people challenging the other guidance? But I mean, I've done it a few times at the administrative level, but it hasn't gone into a complaint yet, but maybe that day is coming soon.

Nikki Dobay ([21:32](#)):

All right. TBD. But yes, we did stray from 86-272. So any other kind of-

John Ormonde ([21:38](#)):

Notable?

Nikki Dobay ([21:39](#)):

Yeah.

John Ormonde ([21:40](#)):

There was a Maine case called State Tax Assessor versus Fifth Generation and involved a out-of-state liquor supplier and they had to go through this regulatory process in the state and the things they had to do in the state, bail net and other... Exceeded 86-272. And they made the argument that the only reason we exceeded the protections was because of your state regulatory requirements. But the Maine court said-

Nikki Dobay ([22:08](#)):

It doesn't matter.

John Ormonde ([22:09](#)):

It doesn't matter. And they really relied on this Heublein, that's the first US Supreme Court case to address 86-272, a case before Wrigley's.

Nikki Dobay ([22:17](#)):

I didn't even know there was one before Wrigley.

John Ormonde ([22:19](#)):

And it kind of involved the same issue. So I'm like, I don't know why... Heublein said the facts were very similar. I guess the takeaway from Heublein and from that recent Maine case was they can't put up a regulatory regime for the purpose of making you violate 86-272. But if it's a valid police purpose, policing the state, the police powers, they can set up regulatory requirements for alcohol distribution. That would be the issue. If a state tried to defeat 86-272 by doing something that's obviously just targeting 86-272, then you might still have an argument. Speaking of that Heublein case, there's a statement in there, something like 86-272 sets the outer bounds, something along those lines. It was

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supposed to be the limit of the state's ability to tax. And there was a recent case that went up to US Supreme Court for a petition for review, which was denied.

([23:13](#)):

It's called ASAP Cruises. In that case, the taxpayer was relying on Heublein and arguing that it applied to travel services outside of the realm of TPP, which we all think 86-272 applies to. And I thought that was an interesting argument. I don't think they had the best facts because they had in-state agents soliciting sales of services. But the idea that it could apply beyond PPP was interesting because when you read 86-272, there's the introductory language that says, "No state or political subdivision shall have the power to impose for any taxable year ending after the date of the act. A net income tax on net income derived within such state by any person from interstate commerce if the only business activities within such state or on behalf of such person during such taxable year are either or both of the following..." And then that is the statement that exempts you, right?

Nikki Dobay ([24:03](#)):

Right.

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John Ormonde ([24:03](#)):

And then that is the statement that exempts you, right?

Nikki Dobay ([24:03](#)):

Right, right.

John Ormonde ([24:04](#)):

Within that statement, I didn't say the words tangible personal property.

Nikki Dobay ([24:07](#)):

Right.

John Ormonde ([24:07](#)):

Then it says, "If your only activities in the state are the following," and it says solicitation of sales of TPP. Why didn't they include services, or why didn't they include other ... Why was it TPP, and I think the answer was this was enacted a couple years after you get post drafted. Back then, services were all sourced on cost of performance.

Nikki Dobay ([24:26](#)):

Correct.

John Ormonde ([24:27](#)):

Introductory language, it says if the only business activity is within the state.

Nikki Dobay ([24:32](#)):

Right.

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John Ormonde ([24:32](#)):

And I think if you asked someone in 1959 whether my accountant in New York ... I'm in California and my accountant's in New York ... whether he's performing business activities in California when he does some tax calculations for me or something, I would think everyone would say, "No, he's engaged in business in New York." He might be a remote customer, but there was no thinking about this market-based sourcing for services.

Nikki Dobay ([24:54](#)):

Correct. Yep.

John Ormonde ([24:55](#)):

And so you didn't need to carve all that out. I think if you read that statute today, Congress's original intent, what did they mean by business activities? They probably meant the stuff that was in two years earlier in UDIPA, and there're still probably not services in this state. And so then you ask yourself, well, say California is coming after my accountant. He doesn't have any business activities in the state, but the statute says if the only business activities within the state are the following. So if he were to come into California and solicit some sales of TPP, make a few sales approved outside the state of New York, is he now protected?

Nikki Dobay ([25:33](#)):

It's something that's always bothered me. And I've heard that argument from people that like, well, it can't apply because they're not doing anything in the state, but if they were soliciting for TPP, it could apply. And I was like, "Well, that is just ridiculous," but I agree. I think that there's a lot of history and context that has to be considered when you think about why that got drafted the way it did. And I know the state folks will say, "Well, it was only supposed to be temporary, so nobody thought about it that much and we have to rely on the words."

([26:08](#)):

But I think there's a lot there, particularly the Massachusetts case. I don't want to say it gives taxpayers hope, but I think once you start getting into the statute and parsing it, you see there's a lot more there than everybody's been kind of taking for granted. I also wonder what happens to it when states start defining tangible personal property to be things that aren't necessarily what we traditionally think of as tangible personal property.

John Ormonde ([26:38](#)):

Yeah. I guess in California beginning, what, 1/1/27, SaaS is tangible personal property under the sales and use tax law.

Nikki Dobay ([26:46](#)):

Right. Is it ... now, does that go to ...

John Ormonde ([26:49](#)):

For purposes of 86-272, I think that should definitely be it.

Nikki Dobay ([26:54](#)):

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That's right. That's right. If the states are going to come up with some I'm going to call them wacky rules ... I'm talking about the MTC statement ... about what blows your cover, a functional website, I think we should be creative too. Well, any final thoughts on 86-272? We've covered a lot of ground.

John Ormonde ([27:12](#)):

No, no. I'm ready for whatever you're going to ask me that's going to make me uncomfortable.

Nikki Dobay ([27:17](#)):

Okay. All right. The surprise non-tax question. We've gotten to that portion. So I was thinking about this and I understand that you like fine wines, so my question today is what is your favorite region? I'm going to stick, for my answer, this is a tough one for me, but I'm probably going to pick Walla Walla, Washington. I love the Oregon wines as well, but we enjoy going up to Walla Walla, Washington and tasting some of the wines up there. Oregon pinots are great, but sometimes they can be a little light. And then California, also very good, but those can be sometimes ... they're big. But the Walla Walla ones are kind of the Goldilocks of wines for me.

John Ormonde ([28:05](#)):

Yeah.

Nikki Dobay ([28:05](#)):

So where's your favorite region? Because you like to do some deep dives.

John Ormonde ([28:14](#)):

I like California the best.

Nikki Dobay ([28:16](#)):

Okay.

John Ormonde ([28:17](#)):

But Napa and Santa Cruz. Some of my favorite wines are in the Santa Cruz Mountains and Napa, but I guess I like California wines made in a French Bordeaux style.

Nikki Dobay ([28:28](#)):

Okay. I didn't know if where, because I think you do drink French wines too.

John Ormonde ([28:37](#)):

I do, yeah. But I feel like my favorite ... Well, I think the French wines, there's a better value for these wines in California. I think the California wine people, they like their big, bold, California style, but there's some producers in California that are making them in the French style. And I think if you compare the value of those wines versus one of these old estates in France, the value is in the California wines. We had a dinner the other night, right, Nikki?

Nikki Dobay ([29:03](#)):

Yes.

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John Ormonde ([29:03](#)):

We did a taste-off.

Nikki Dobay ([29:05](#)):

We did.

John Ormonde ([29:05](#)):

And the California bottle was one-third of the price of the French bottle. I'm not going to say the prices because it's embarrassing how much the wine costs, but the California one won.

Nikki Dobay ([29:16](#)):

Yeah. Well, I was also in Napa recently and we went to Ridge, and they talked about those. I think the first one was in 1979, where they put the Napa wines up against the French wines.

John Ormonde ([29:29](#)):

Oh, you mean the Judgment of Paris?

Nikki Dobay ([29:31](#)):

Yes.

John Ormonde ([29:32](#)):

Yeah.

Nikki Dobay ([29:33](#)):

And then they did it like every 30 years or something with the same ...

John Ormonde ([29:37](#)):

The same bottles, the 1970s ones.

Nikki Dobay ([29:39](#)):

Mm-hmm. That was fascinating to learn about. And Ridge has been up in the top, the second and third iterations of that.

John Ormonde ([29:48](#)):

Yeah. One of my favorite wines is Ridge Monte Bello.

Nikki Dobay ([29:51](#)):

Okay. We had some of that. It was lovely.

John Ormonde ([29:53](#)):

How old was it? I think they have to be about 20 years old before they really get good.

Nikki Dobay ([29:57](#)):

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This was not that old. We were tasting, so it was probably '22, '23.

John Ormonde ([30:05](#)):

Ooh, yeah.

Nikki Dobay ([30:05](#)):

So it was young. They were all still very good. I don't think we got out of the '20s. They don't bring it out for anybody. They didn't bring it out for us. I wasn't that big of a deal. I wasn't like, "Oh, do you know who I am? I have a podcast." That didn't work.

John Ormonde ([30:20](#)):

Maybe if I go, that'll work.

Nikki Dobay ([30:22](#)):

Okay. All right. Well, thank you for indulging me and thank you for the conversation. Hopefully our listeners enjoy it. Always good to catch up on these old laws and see if they've got any new tricks. Thank you for joining us today. Information for John and I will be in the show notes, and we'll be back in a few weeks on the next GeTtin' SALTy.

PART 4 OF 4 ENDS [00:30:46]