

**State of California**

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**Legislative Change No.**

**09-21**

Author: Revenue & Taxation  
Bill Number: AB 1546 Committee Chapter Number: **09-544**

Laws Affecting Franchise Tax Board: Section 15902.09 of the Corporations Code and Sections 17054, 19136.8, 19591, 25128, and 25128.5 of the Revenue and Taxation Code

Date Filed with the Secretary of State: October 11, 2009

**SUBJECT:** Limited Partnership Revival-Account Fees, Tax Returns, And Expedited Service Fees/2009 Budget Bill Clean-Up

**Assembly Bill 1546 (R&T Committee), as enacted on October, 11, 2009, made the following changes to laws impacting the Franchise Tax Board:**

Section 15902.09 of the Corporations Code is amended.

This act requires a domestic limited partnership (LP) to pay any fees due and file any required tax returns to receive the certification letter from the Franchise Tax Board (FTB) needed for the domestic LP to revive.

This provision is effective January 1, 2010, and operative with respect to written confirmations made by the FTB on or after January 1, 2010.

Section 17054 of the Revenue and Taxation Code is amended.

This act clarifies that the reduction in the dependent exemption credit would cease to be operative for taxable years beginning on or after January 1, 2011, unless the Director of Finance notifies the Executive Officer of the FTB and others when and if an amendment to the California Constitution had been approved at the statewide election held during the 2009 calendar year, then the credit reduction would have ceased to be operative on January 1, 2013.<sup>1</sup>

This provision is effective on January 1, 2010, and operative as of that date.

<sup>1</sup> On the ballot was Proposition 1A that would have limited the total amount that may be transferred by statute from the Budget Stabilization Account, or any successor to that account, to the General Fund. Proposition 1A failed passage.

Assistant Bureau Director

Patrice Gau-Johnson

Date

10/29/09

Section 19136.8 of the Revenue and Taxation Code is amended and repealed.

This act corrects a cross-referencing error in the recently enacted budget trailer bill, SBX3 15 and repeals a duplicate provision that was enacted in ABX3 15.

This provision is effective on January 1, 2010, and operative as of that date.

Section 19591 of the Revenue and Taxation Code is amended.

This act requires payment of a service fee if a domestic LP requests expedited processing of its limited partnership revival confirmation letter request. The service fee would be \$100 until January 1, 2011. Thereafter, the expedited service fee amount would be established by regulation.

This provision is effective on January 1, 2010, and operative as of that date.

Section 25128 of the Revenue and Taxation Code is amended.

This act would clarify that the single sales factor election may be made by an apportioning trade or business for taxable years beginning on or after January 1, 2011.

This act would further clarify the effective date of the single sales factor election by adding a cross reference to Section 25128.

This provision is effective on January 1, 2010, and specifically operative for taxable years beginning on or after January 1, 2011.

Section 25128.5 of the Revenue and Taxation Code is amended and repealed.

This act would also correct a cross-referencing error when referring to "gross business receipts," and repeal a duplicate provision that was enacted in ABX3 15.

This provision is effective on January 1, 2010, and specifically operative for taxable years beginning on or after January 1, 2011.

This act will not require any reports by the department to the Legislature.