State of California

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Legislative Change No. 10-8

Bill Number: SB 1065 Author: Walters Chapter Number: **10-318**

Laws Affecting Franchise Tax Board: Section 18533 of the Revenue and Taxation Code

Date Filed with the Secretary of State: September 27, 2010

SUBJECT: Innocent Spouse Law Conformity

Senate Bill 1065 (Walters), as enacted on September 27, 2010, made the following changes to laws impacting the Franchise Tax Board:

Section 18533 of the Revenue and Taxation Code is amended.

This act does all of the following:

- Reenacts and makes permanent the statutory requirement that the Franchise Tax Board (FTB) grant innocent spouse relief when the IRS has granted relief under the same facts and circumstances.
- Allows a taxpayer to appeal the FTB's determination on an "equitable relief" request for innocent spouse relief.
- Removes the obsolete transition rule that refers to a four-year period for submitting a request for innocent spouse relief.

This act is effective on January 1, 2011, and specifically applies to (1) requests for state relief that are based on an IRS request for similar relief made on or after January 1, 2009; and (2) requests for equitable relief received by the FTB on or after January 1, 2011.

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

Assistant Bureau Director	Date
Patrice Gau-Johnson	11/02/10