

FINAL STATEMENT OF REASONS FOR THE
ADOPTION OF REGULATION SECTION 18662-0, AMENDMENT TO EXISTING REGULATION
SECTIONS 18662-1 THROUGH 18662-8, REPEAL OF EXISTING REGULATION SECTION
18662-7 AND RESERVATION OF SECTION FOR FUTURE USE, REPEAL OF EXISTING
REGULATION SECTIONS 18662-11 THROUGH 18662-14, AND AMENDMENT AND
RENUMBERING OF REGULATION SECTION 25401B TO REGULATION SECTION 19002
RELATING TO WITHHOLDING AT SOURCE REGULATIONS

The proposed regulation does not impose any mandate on local agencies or school districts.

UPDATE OF REVISED INITIAL STATEMENT OF REASONS

The public notice, required by section 11346.4 of the Government Code, was mailed and published in the California Notice Register on February 15, 2013. The hearing was held, as noticed, on April 4, 2013, to consider, within California Code of Regulations, title 18, (a) the adoption of Regulation section 18662-0, (b) the amendment of Regulation sections 18662-1 through 18662-8, (c) the repeal of existing Regulation section 18662-7 and reservation of it for future use, (d) the repeal of existing Regulation sections 18662-11 through 18662-14, and (e) the amendment and renumbering of Regulation section 25401b to Regulation section 19002. There were eight attendees at the hearing and oral testimony was received from four individuals. A summary of and responses to the comments received was prepared and is included in the rulemaking file as Tab 10.

As a result of comments received at the oral hearing, as well as further review by staff of the original proposed rulemaking, non-substantial, sufficiently-related changes (within the meaning of Government Code section 11346.8) were made to the above-described rulemaking action. These proposed changes were noticed in a 15-day change notice that was mailed on December 31, 2013, available at https://www.ftb.ca.gov/law/18662-0_15DayNotice.pdf. No comments were received regarding the 15-day changes, so no further changes were made.

ALTERNATIVES DETERMINED

The Franchise Tax Board has determined that no alternative to the proposed rulemaking actions described herein that it considered would be more effective in carrying out the purpose of the proposed regulation changes or would be as effective and less burdensome to affected private persons than the adopted regulations, or would be more cost effective to affected private persons and equally effective in implementing the statutory policy or other provisions of the law, in accordance with Government Code section 11346.9, subdivision (a).