CALIFORNIA FRANCHISE TAX BOARD

Legal Ruling No. 148

June 24, 1958

MONTH: CONSTRUCTION

Syllabus:

Advice is requested regarding the construction of the word "month" as used in the Bank and Corporation Tax Law in the following situations:

(1) In order that a partial month should be considered a full month for purposes of section 23222, on what date should the operation commence?

(2) In order to establish the nonrequirement of filing a return for an initial inactive period, what must be the inactive period?

(3) For purposes of determining the proration of the tax, under sections 23331 and 23332, on what date should the distribution or withdrawal occur so that the last partial month will not be considered a full month?

The word month as used in the Bank and Corporation Tax Law means a calendar month and not a specified number of days; however, for administrative purposes in the application of the commencing corporation and dissolution provisions, this office has construed a fractional part of a month as a full month if it amounts to more than half a month. Therefore, in the situations presented above the following shall be determinative:

(1) (a) In a 28 day month on the 14th or before.
(b) In a 29 day month on the 15th or before.
(c) In a 30 day month on the 15th or before.
(d) In a 31 day month on the 16th or before.

(2) (a) In a 28 day month the period would be 15 days.
(b) In a 29 day month the period would be 15 days.
(c) In a 30 day month the period would be 16 days.
(d) In a 31 day month the period would be 16 days.

(3) (a) In a 28 day month on or before the 13th.
(b) In a 29 day month on or before the 14th.
(c) In a 30 day month on or before the 14th.
(d) In a 31 day month on or before the 15th.

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