

**FRANCHISE TAX BOARD  
2021 RULEMAKING CALENDAR**

**New Regulations Added to the 2021 Rulemaking Calendar Not Yet  
Approved**

- **Sections 19286 and 19288 - The Referral and Appeal of Penalties Imposed by the CalSavers Retirement Savings Board (page 2)**

**SCHEDULE A: PROPOSED REGULATIONS IMPLEMENTING  
STATUTES ENACTED DURING THE YEAR 2020**

**Subject: The Referral and Appeal of Penalties Imposed by the  
CalSavers Retirement Savings Board**

**California Code of Regulations Title and Sections Affected:** Title 18,  
Article 6.1 (Sections 19286 and 19288)

**Statute(s) Being Implemented:** Rev. and Tax. Code Section(s) 19286 and  
19288

**Responsible Agency Unit:** Legal Division

**Contact Person and Phone Number:** Christina Kenzie, (916) 845-4082

**Projected Notice Publication Date:** N/A

**Projected Public Hearing Date:** N/A

**Projected Adoption by Your Agency Date:** 02/21

**Projected To OAL for Review Date:** 2/21

**Report on the Status of all Uncompleted Rulemaking Described on  
Previous Calendars:** These regulations are authorized to be print and file.

**SCHEDULE B: PROPOSED REGULATIONS IMPLEMENTING  
STATUTES ENACTED PRIOR TO THE YEAR 2021**

**Subject: Market-based Rules – Personal Income Tax Sourcing and Withholding Provisions**

**California Code of Regulations Title and Sections Affected:** Title 18, Sections 17951-5, 17951-8, 18662-1 through -8

**Statute(s) Being Implemented:** Rev. and Tax. Code Sections 17951 and 18662

**Responsible Agency Unit:** Legal Division

**Contact Person and Phone Number:** Natasha Page, (916) 845-6729

**Projected Notice Publication Date:** 04/21

**Projected Public Hearing Date:** 06/21

**Projected Adoption by Your Agency Date:** 08/21

**Projected To OAL for Review Date:** 10/21

**Report on the Status of all Uncompleted Rulemaking Described on Previous Calendars:** Staff held an interested parties meeting on October 8, 2020.

**Subject: Nontaxable Exchanges**

**California Code of Regulations Title and Sections Affected:** Title 18, Sections 17951-7, 25137(e)

**Statute(s) Being Implemented:** Rev. and Tax. Code Sections 17951 and 25137

**Responsible Agency Unit:** Legal Division

**Contact Person and Phone Number:** Natasha Page, (916) 845-6729

**Projected Notice Publication Date:** 10/21

**Projected Public Hearing Date:** 12/21

**Projected Adoption by Your Agency Date:** 02/22

**Projected To OAL for Review Date:** 04/22

**Report on the Status of all Uncompleted Rulemaking Described on Previous Calendars:** An interested parties meeting was held on Wednesday, February 3, 2016. Staff anticipates holding a second interested parties meeting in 2021.

**Subject: Other State Tax Credit**

**California Code of Regulations Title and Sections Affected:** Title 18, Section 18001-1

**Statute(s) Being Implemented:** Rev. and Tax. Code Section 18001

**Responsible Agency Unit:** Legal Division

**Contact Person and Phone Number:** Veronica Long, (916) 845-2878, Adam Susz, (916) 845-5130

**Projected Notice Publication Date:** 05/21

**Projected Public Hearing Date:** 07/21

**Projected Adoption by Your Agency Date:** 09/21

**Projected To OAL for Review Date:** 10/21

**Report on the Status of all Uncompleted Rulemaking Described on Previous Calendars:** Interested parties meetings were held August 7, 2019, and July 30, 2020. Staff anticipates requesting permission to begin the formal process in 2021.

**Subject: Extension Period for Partnership Returns**

**California Code of Regulations Title and Sections Affected:** Title 18, Sections 18567

**Statute(s) Being Implemented:** Rev. and Tax. Code Section 18567

**Responsible Agency Unit:** Legal Division

**Contact Person and Phone Number:** Brian Werking, (916) 845-5685

**Projected Notice Publication Date:** 01/21

**Projected Public Hearing Date:** 03/21

**Projected Adoption by Your Agency Date:** 03/21

**Projected To OAL for Review Date:** 05/21

**Report on the Status of all Uncompleted Rulemaking Described on Previous Calendars:** Staff requested and received permission at the December 7, 2017 meeting of the Franchise Tax Board to proceed to the formal regulatory process on this project. Staff expects to publish a Notice of Proposed Rulemaking in early 2021.

**Subject: Withholding on Domestic Pass-Through Entities**

**California Code of Regulations Title and Sections Affected:** Title 18, Section 18662-4 through 18662-8, as applicable

**Statute(s) Being Implemented:** Rev. and Tax. Code Section 18662

**Responsible Agency Unit:** Legal Division

**Contact Person and Phone Number:** Leah Thyberg, (916) 845-3617

**Projected Notice Publication Date:** 05/21

**Projected Public Hearing Date:** 07/21

**Projected Adoption by Your Agency Date:** 09/21

**Projected To OAL for Review Date:** 11/21

**Report on the Status of all Uncompleted Rulemaking Described on Previous Calendars:** Interested parties meetings were held on December 12, 2014, and September 8, 2017. Staff anticipates requesting permission from the Franchise Tax Board to begin the formal regulatory process in 2021.

**Subject: Penalty for Failure to File Return Upon Notice and Demand**

**California Code of Regulations Title and Sections Affected:** Title 18, Sections 19133

**Statute(s) Being Implemented:** Rev. and Tax. Code Section 19133

**Responsible Agency Unit:** Legal Division

**Contact Person and Phone Number:** Joel Smith, (916) 845-5429

**Actual Notice Publication Date:** 10/09/20

**Projected Public Hearing Date:** N/A

**Projected Adoption by Your Agency Date:** 03/21

**Projected To OAL for Review Date:** 06/21

**Report on the Status of all Uncompleted Rulemaking Described on Previous Calendars:** An interested parties meeting was held on November 13, 2019. Staff received permission to begin the formal regulatory process at the Franchise Tax Board meeting on December 18, 2019. The Notice of Proposed Rulemaking was published on October 9, 2020.

**Subject: Assignment of Credits – Eligible Assignees and Reorganizations**

**California Code of Regulations Title and Sections Affected:** Title 18, Sections 23663-1 and 23663-6

**Statute(s) Being Implemented:** Rev. and Tax. Code Section 23663

**Responsible Agency Unit:** Legal Division

**Contact Person and Phone Number:** Mira Coutinho, (916) 845-7612

**Actual Notice Publication Date:** 10/09/20

**Projected Public Hearing Date:** N/A

**Projected Adoption by Your Agency Date:** 03/21

**Projected To OAL for Review Date:** 06/21

**Report on the Status of all Uncompleted Rulemaking Described on Previous Calendars:** Interested parties meetings were held on June 12, 2014 and June 12, 2018. Staff received permission to proceed to the formal

regulatory process at the September 21, 2018 meeting of the Franchise Tax Board. The Notice of Proposed Rulemaking was published on October 9, 2020.

**Subject: Market Based Rules for Sales Other than Sales of Tangible Personal Property**

**California Code of Regulations Title and Sections Affected:** Title 18, Section 25136-2

**Statute(s) Being Implemented:** Rev. and Tax. Code Section 25136

**Responsible Agency Unit:** Legal Division

**Contact Person and Phone Number:** Thomas Lo Grossman, (916) 845-3629, Amanda Smith, (916) 845-2869

**Projected Notice Publication Date:** 02/21

**Projected Public Hearing Date:** 04/21

**Projected Adoption by Your Agency Date:** 06/21

**Projected To OAL for Review Date:** 08/21

**Report on the Status of all Uncompleted Rulemaking Described on Previous Calendars:** The Franchise Tax Board approved this project at its December 4, 2014, meeting. Amendments were approved by the Office of Administrative Law on September 15, 2016. Interested parties meetings on the subsequent project for possible additional amendments to the regulation were held on January 20, 2017, June 16, 2017, March 30, 2018, July 19, 2019, and July 21, 2020.

**Subject: Alternative Apportionment Method Petition Procedures**

**California Code of Regulations Title and Sections Affected:** Title 18, Section 25137

**Statute(s) Being Implemented:** Rev. and Tax. Code Sections 25137

**Responsible Agency Unit:** Legal Division

**Contact Person and Phone Number:** Hanna Cho, (916) 845-7298,

**Projected Notice Publication Date:** 05/21

**Projected Public Hearing Date:** 07/21

**Projected Adoption by Your Agency Date:** 09/21

**Projected To OAL for Review Date:** 11/21

**Report on the Status of all Uncompleted Rulemaking Described on Previous Calendars:** Staff held interested parties meetings on June 30, 2017, December 4, 2019, and August 11, 2020.

**Subject:** Architectural and Engineering Services

**California Code of Regulations Title and Sections Affected:** Title 18, Section 30000

**Statute(s) Being Implemented:** Public Contract Code 10351, Government Code 4525, 4526

**Responsible Agency Unit:** Legal Division

**Contact Person and Phone Number:** Dennis Haase, (916) 845-3187

**Projected Notice Publication Date:** 06/21

**Projected Public Hearing Date:** 08/21

**Projected Adoption by Your Agency Date:** 10/21

**Projected To OAL for Review Date:** 12/21

**Report on the Status of all Uncompleted Rulemaking Described on Previous Calendars:** Staff anticipates publishing a notice requesting comments in early 2021.

**Subject:** Individual Shared Responsibility Penalty (SB 78)

**California Code of Regulations Title and Sections Affected:** Title 18, Section 61030

**Statute(s) Being Implemented:** Rev. and Tax. Code Sections 61000, 61005, 61010, 61015, 61020, 61023, and 61025



**Responsible Agency Unit:** Legal Division

**Contact Person and Phone Number:** Erin Dendorfer, (916) 845-2559

**Projected Notice Publication Date:** N/A

**Projected Public Hearing Date:** N/A

**Projected Adoption by Your Agency Date:** 11/20

**Projected To OAL for Review Date:** 12/20

**Report on the Status of all Uncompleted Rulemaking Described on Previous Calendars:** Staff held an interested parties meeting on September 30, 2020.

**Subject: Premium Assistance Subsidy Reconciliation (SB 78)**

**California Code of Regulations Title and Sections Affected:** Title 18, Section 62000

**Statute(s) Being Implemented:** Government Code Sections 100800, 100805, 100810, 100815, 100820, and 100825

**Responsible Agency Unit:** Legal Division

**Contact Person and Phone Number:** Erin Dendorfer, (916) 845-2559

**Projected Notice Publication Date:** 02/21/

**Projected Public Hearing Date:** NA

**Projected Adoption by Your Agency Date:** 02/21

**Projected To OAL for Review Date:** 02/21

**Report on the Status of all Uncompleted Rulemaking Described on Previous Calendars:** These regulations are authorized to be print and file.