



Tax News

January 2018

Contents

- Cannabis industry update.....3
- Common audit issues4
- Customer service dashboard and extended hours.....6
- New amended return process for tax years 2017 and beyond.....7
- Enhancements to the “Stand-alone” electronic payment process7
- Delayed 1099G8
- California Competes Tax Credit.....9
- Principal Business Activity Code – Additional information.....10
- Ask the Advocate11
 - A quick look back at 201711
- Chief Counsel Corner.....13
 - Taxpayer representation with respect to California Revenue and Taxation Code Section 25137.....13
- MyFTB Corner13
 - MyFTB changes for tax professional – Now live!13
- MyFTB Corner14
 - View your client’s Power of Attorney and Tax Information Authorization statuses on MyFTB14
- MyFTB Corner18
 - Create Your Associates List to Submit a POA on MyFTB.....18

Inside FTB.....19
 Website improvements19
All About Business20
 Cannabis-related businesses and entity conversions20
Event Calendar.....22

Cannabis industry update

California legalized commercial cannabis activity this month for licensed cannabis businesses.

Have you visited our cannabis webpage lately? It was recently updated with a new look and is now more user-friendly. It includes great information helpful for cannabis businesses.

Information includes filing requirements for the various business structures including C-corporations and sole proprietorships. We also included links to forms and publications and other state agency webpages where you can find additional information.

Can't find an answer to your question? [Email the FTB Cannabis Business Team](#). Our subject matter experts are available and ready to answer your questions. We incorporated common questions and answers into the information on the webpage, and we will continue to update this page with additional information as it becomes available.

Interested parties meetings

We held our first interested parties meeting (IPM) on December 5, 2017, to discuss developments related to the income tax administration for this industry. Participants included cannabis industry members, tax, and legal professionals. We, along with staff from the California Department of Tax and Fee Administration, the Employment Development Department, the Governor's Office of Business and Economic Development, and the Secretary of State, answered the participants' questions.

We are holding a second IPM on January 29 at the California Science Center in Los Angeles for those who were not able to participate in the December meeting. These meetings are geared primarily towards taxpayers who may be new to business income taxes. We are interested in understanding the challenges faced by the cannabis industry and look forward to your participation, questions, concerns, and ideas.

Discussion topics include:

- The role of FTB
- Filing income tax returns
- Recordkeeping practices
- Helpful tools
- Cannabis business practices

For more information on the upcoming meeting, including how to participate, go to our IPM page.

Common audit issues

Filing season is now underway. Here are a few common issues that you should be aware of and mistakes to avoid when filing tax returns.

Federal Schedule A (Form 1040) – Itemized Deductions

In January 2018, we will send letters to certain taxpayers who have filed and reported itemized deductions for medical expenses, charitable contributions and/or employee business expenses. California and federal rules are similar with regard to allowable itemized deductions and the letter provides these taxpayers several IRS resources to aid them in filing their tax returns. The focus of these letters is to remind taxpayers of their continuing responsibility to file accurate tax returns, include only deductible amounts they are legally entitled to claim, and maintain and provide appropriate documentation and substantiation for all deductions and credits claimed.

Some of the common federal Schedule A (Form 1040) audit issues include:

Medical Expenses	Charitable Contributions	Job Expenses and Miscellaneous Deductions
Deducting insurance premiums paid with pretax dollars.	Donations are not made to qualified charities.	Taxpayers may be reimbursed for business expenses they incur by their employer regardless of whether or not they filed a claim with their employer.
Deducting insurance premiums paid by an employer-sponsored health insurance plan (cafeteria plan) unless the premiums are included in box 1 of Form(s) W-2.	Cash donations - For gifts of \$250 or more, statements from the charitable organizations are not available. Non-cash donations - Deductions are in excess of fair market value of the items donated.	Business mileage expenses should not include commuting miles to and from the job or miles that are for non-business reasons. Work clothes and uniforms are not required by employer.

Medical Expenses

Charitable Contributions

Job Expenses and Miscellaneous Deductions

Adequate records are not maintained.

Other expenses claimed on Line 23 are not income related.

Adequate receipts and logs are not maintained.

Unreimbursed employee business expense (EBE)

- Taxpayers did not maintain adequate substantiation to support claimed deductions.
- Taxpayers claimed EBE even though their employer had a reimbursement policy (whether or not they submitted reimbursements).
- Taxpayers claimed non-deductible “commuting” mileage.
- Taxpayers did not keep all their supporting state tax documentation for four years. The California statute of limitations is four years, 1 year longer than the three-year federal statute of limitations.

Head of household (HOH)

- Taxpayers did not attach form FTB 3532, Head of Household Filing Status Schedule, to their tax return when they claimed the HOH filing status. Taxpayers who fail to attach form FTB 3532 schedule or fail to complete the form in full may receive a letter asking them to complete and submit a revised schedule and supporting documentation.
- Taxpayers must answer all the applicable questions on the form FTB 3532 in order to qualify for the HOH Filing status. Not completing the form accurately or completely can lead to the taxpayers being denied the HOH filing status.
- The qualifying person does not meet the gross income test.
- The taxpayer lived with his or her spouse during the last six months of the year.
- A married taxpayer claimed a parent or relative as his or her qualifying person.
- Taxpayers claimed a nonrelative as a qualifying person.

Other State Tax Credit (OSTC)

California taxpayers may be taxed on their income by California and another state. To alleviate this problem of double taxation, a state may allow taxpayers an OSTC.

Common OSTC audit issues over the past year include:

- Taxpayers claim the OSTC for amounts paid to those states for which California does not have a reciprocal agreement.
- Taxpayers claim income as double taxed that was not taxed by both California and the other state.
- Taxpayers claim OSTC for city and county taxes paid.

Please see Schedule S, Other State Tax Credit, instructions for further information.

Federal tax changes

- Taxpayers are required to notify us within 6 months of the Final Federal Determination (FFD) if the IRS adjusts or corrects gross income or deductions. The notification to us should include any IRS assessed penalties, adjustments or corrections resulting from math errors, tax credit adjustments, other tax adjustments, or supplemental income even if the IRS did not examine these adjustments.
- Taxpayers make adjustments to their federal return, but fail to make the corresponding adjustments to their California personal income tax return.

Customer service dashboard and extended hours

We launched the Customer Service Dashboard last March and we've improved it since then. The dashboard reports wait times for our contact centers and time frames for processing refunds, payments, tax returns, and correspondence. It includes the wait time for the **Tax Practitioner Hotline** and **MyFTB Secure Chat** as well.

In October, we improved the dashboard by providing real-time information for the telephone and chat queues. Look for the link on the right side of our home page, ftb.ca.gov – Know our wait times.

We know you are busy during filing season and we heard you; we extended our hours for the **Tax Practitioner Hotline** 2 weeks before each of the 2 filing deadlines. Beginning March 5 through March 15, excluding the weekend, for business entity filing support the Tax Practitioner

Hotline will be open from 7 a.m. to 6 p.m. to answer your questions. Then, beginning April 2 through April 17, excluding the weekends, for individual filing support it will be open from 7 a.m. to 6 p.m. On April 18, we will resume our regular hours, 8 a.m. to 5 p.m.

New amended return process for tax years 2017 and beyond

Beginning in January 2018, individual filers will no longer use Form 540X, Amended Individual Income Tax Return, to amend Forms 540, 540NR Long, 540NR Short, or 540 2EZ for tax years 2017 or later.

Instead, we replaced Form 540X with the new Schedule X, California Explanation of Amended Return Changes, which reconciles the differences between the original and amended return to determine any additional amount owed or refund due. The Schedule X also provides a simplified approach for taxpayers to report the reason(s) for amending.

To amend, the taxpayer files Schedule X along with a 540 series form (540, 540NR Long, 540NR Short, or 540 2EZ) adapted with a checkbox to indicate the return is amended.

Also, starting with tax year 2017, taxpayers and tax practitioners are now able to e-file individual amended returns if the tax software used to prepare the return supports this. Contact your software provider to determine if they are supporting e-file for amended individual tax returns.

Amended return e-file is not supported for tax years 2016 and prior. Amended individual returns will continue to be paper-filed using Form 540X for these tax years.

Enhancements to the “Stand-alone” electronic payment process

Beginning January 2018, business entities and tax practitioners will have the ability to submit an electronic fund withdrawal (EFW) request for additional payment types using tax preparation software.

These payment requests will be accepted as “stand-alone,” and can be submitted separately from the e-filed return. The return can be filed at a later date.

The following new payment types will be available:

- Corporation estimate payments
- LLC annual tax payments
- LLC estimated fees

As a reminder, the following payment types are also available through our stand-alone payment process:

- Individuals
 - Estimate payments
 - Extension payments
- Fiduciary (Estate/Trust)
 - Estimate payments
 - Extension payments
- Business entities (corporations/limited liability companies/partnerships)
 - Extension payments

Contact your software provider to see if they support “Stand-alone” EFW payments.

Business entities and tax practitioners will still have the ability to submit EFW requests for return and estimate payments with the e-filed return using tax preparation software.

Delayed 1099G

There may be situations where a timely filed tax return requires additional review and validation.

The additional return analysis could delay processing of the return, which could result in the refund being issued to the taxpayer in the next tax year.

When a refund is issued in the next tax year, the 1099G will be issued for the tax year the taxpayer received the refund. Taxpayers must report the refund in the year the refund was received, not the year the tax return was filed. This could require an update to how you or your client report the income.

When tax preparation software is used, the 1099G amount may be automatically populated for the year the tax return was filed. The taxpayer will need to update the 1099G information to show the year the refund was received. If using a tax preparer, the taxpayer should notify their preparer of the year the refund was received and ensure the 1099G information is updated.

If a taxpayer does not have a 1099G, the following methods can be used to verify the correct tax year and obtain the amount: MyFTB, Secure Chat, or Tax Practitioner Hotline.

We are currently exploring the feasibility of notifying taxpayers to be aware of any potential tax planning changes they may need to make when a return is not completely processed by the end of the calendar year.

California Competes Tax Credit

The California Competes Tax Credit (CCTC) is an income or franchise tax credit available to businesses who want to come, stay, or grow in California.

Governor's Office of Business and Economic Development (GO-Biz) negotiates the CCTC agreements and the California Competes Tax Credit Committee approves them. The committee consists of:

- Director of GO-Biz (Chair)
- State Treasurer
- Director of the Department of Finance
- One appointee each by the Speaker of the Assembly and Senate Committee on Rules.

For Fiscal Year 2017/2018, \$230.4 million of the California Competes Tax Credits is available for allocation during 3 application periods. GO-Biz is hosting informational [workshops](#) and [webinars](#) on how to apply for the credit.

For the second application period, \$100 million is available for allocation. Applications for the credit will be accepted at calcompetes.ca.gov from January 2, 2018, until January 22, 2018. For more information, go to the [California Competes Tax Credit](#) webpage at Go-Biz.

Principal Business Activity Code – Additional information

Do you file a state income tax return and operate a business?

If you answered “yes,” have you ever looked at your state income tax return and wondered:

- What is the principal business activity (PBA) code?
- Why do we need the PBA code?
- Where do I get the PBA code?

Well, let us help answer those questions.

The 6-digit PBA code represents a specific category that best classifies the type of business being operated. The PBA code is captured on both the California income tax return and federal Schedule C (Form 1040), line B.

The PBA code is an essential element on the return because it allows us to track state income tax returns correctly, and is a critical component in the success of the City/County Business Tax (CCBT) program.

For instructions and to view a list of PBA codes, see federal form Instructions for [Schedule C](#).

Ask the Advocate

A quick look back at 2017



Susan Maples, CPA
Taxpayers' Rights Advocate
Follow me on Twitter at
twitter.com/FTBAdvocate

Two of the things I enjoy most about being your Taxpayer Advocate are hearing from you and being able to work closely with all areas of FTB on a wide variety of projects, initiatives, issues, and annual meetings. Many of these will have a positive impact for you and your clients. This month, I would like to tell you about some of them.

One of our more important meetings is the annual **Taxpayers' Bill of Rights Hearing**, which provides industry representatives, tax professionals, and individual taxpayers the opportunity to present to the three-member Franchise Tax Board proposals for changes to California's tax laws and how FTB can improve the services we provide. The hearing takes place during a meeting of the three-member Franchise Tax Board, usually at the end of the year. This year's hearing was held on December 7. Some of the issues brought forward this year involved withholding on real estate sales, guidance regarding the new Office of Tax Appeals, and the payment instructions on our tax notices. We respond in writing to the issues raised at the hearing and make these available on our website. My goal is to have this year's responses completed by early February 2018. We have several prior years' responses currently available on the Taxpayers' Rights Advocate page, [Taxpayers' Bill of Rights Hearing Responses](#).

Another series of annual meetings where we hear from tax professionals and industry representatives are our liaison meetings with CSEA, CalCPA, and our Executive Officer's Advisory Board meeting. In my conversations with attendees after these meetings, what many of them find most valuable is having the opportunity to interact directly with high level managers and staff from every business area here at FTB. Our management team is committed to customer service and is always willing to hear your concerns about your interactions with us and how these can be improved.

Beyond our annual meetings, there are many other opportunities each year for me to hear from you. During 2017, I was able to participate in at least 20 education and outreach events, including MyFTB webinars and focus groups, California Tax Update presentations, the CSEA Super Seminar, and participating on various panels. I strongly believe that everyone's voice should be heard and these events, when taken together, allow me to hear from a representative cross section of tax professionals practicing here in California; from sole practitioners to partners in national firms.

So what happens with the issues that are raised? I'm glad you asked! Regardless of how the issue comes to us, my office works closely with all business areas within FTB to reach a resolution, whenever possible. As I mentioned last month, the positive outcomes to the issues raised at these meetings and through other channels result from many people working on your behalf behind the scenes here at FTB. I am very grateful for their hard work and assistance and I know that many of you are too. Some of the issues we deal with affect only one or a few taxpayers, while other larger issues may affect many of you.

Two of these larger issues my office was involved with in 2017 were helping the department and tax professionals navigate our new POA/TIA process and ensuring the right to representation. For our new POA/TIA process, we worked closely with our external stakeholders, including CalCPA, CSEA and our trade media partners. Through focus groups, we were able to gain valuable insights and suggestions, many of which were incorporated into the new process and forms. Speaking of our new POA/TIA forms, these are now available online and must be used to establish new tax professional/client relationships.

Every taxpayer has a right to be represented by someone else, generally a tax professional when dealing with FTB. FTB recognizes this right, but when I learned that we didn't have a formal internal policy in place for this, my staff and other representatives within FTB worked to develop draft language which should be approved soon. This policy will ensure that we will consistently honor a taxpayer's right to representation when auditing a tax return or collecting a tax that is due. I look forward to sharing more information about this with you in the coming months.

In closing, I am proud of the many things we were able to accomplish together in 2017 and look forward to continuing to work with you during 2018. I also hope that you were able to enjoy the holiday season with your families and friends and that 2018 is a productive year for you.

Chief Counsel Corner

Taxpayer representation with respect to California Revenue and Taxation Code Section 25137



Jozel Brunett
Chief Counsel

We issued FTB Notice 2017-05 on October 19, 2017. This notice addresses how taxpayers and/or their representatives may now directly make factual and legal position presentations to FTB staff with respect to requests for variances filed by or on behalf of apportioning taxpayers pursuant to California Revenue and Taxation Code (R&TC) Section 25137.

Previously, our staff who were assigned a specific R&TC Section 25137 matter would present the relevant facts and legal positions to senior Legal and Audit Division personnel who would determine the viability of the variance request. The taxpayers were not allowed to present their case directly to this group.

During an Interested Parties Meeting that we held on June 30, 2017 to discuss regulations pertaining to the R&TC Section 25137 process, many attendees expressed a preference to allow taxpayers and/or their representatives the option of choosing to present the facts and legal positions of their matter to FTB staff themselves. After consideration, we concurred and issued FTB Notice 2017-05 to inform the public of this new option available to taxpayers and their representatives in R&TC Section 25137 matters.

We welcome continued input from taxpayers and their representatives as the R&TC Section 25137 regulation process progresses.

MyFTB Corner

MyFTB changes for tax professional – Now live!

We made changes to the Tax Professional MyFTB account so you can more easily access information and manage your Power of Attorney (POA) and Tax Information Authorization (TIA) relationships.

Below are previous Tax News articles that provide additional information about the recent changes.

- [Power of Attorney and Tax Information Authorization](#)

- Updated Client List
- Tax Professional Homepage
- New Power of Attorney and Tax Information Authorization forms coming January 2018

For more information about MyFTB or to register today, find MyFTB on the right side, select **Learn More**. For more information on the new POA and TIA forms, search the website for **poa** or **tia**.

MyFTB Corner

[View your client's Power of Attorney and Tax Information Authorization statuses on MyFTB](#)

You can now view the status of your Power of Attorney (POA) and Tax Information Authorization (TIA) relationships! You will be able to manage your client relationships and self-serve using MyFTB to see information such as the date received, status, processing timeframe, rejection reasons and more. Additionally, you can take actions, such as update a POA Declaration or revoke an active POA or TIA relationship. Below are examples of the type of information viewable on the **Power of Attorney Detail** and **Tax Information Authorization Relationship Detail** pages.

Here's an example of a pending POA Declaration. This page shows the date the POA Declaration was received, processing timeframe and status.



Power of Attorney Detail

[Back to previous](#)

We are processing your POA declaration at this time. Please allow up to 20-25 business days for processing to be completed, unless manual intervention is needed.

Status

Declaration Number: 1013971
Date Received: 01/02/2018
Status: Pending

Taxpayer Information

SSN/ITIN: XXX-XX-0000
Name: Ruddle Doe
Address: 9646 Butterfield Way
Sacramento, CA 95827-1500
Phone: 555.555.5555

Representative Information

[Show Filter](#)

Primary	Last Name ▾	First Name ◆	Email Address ◆
<input checked="" type="checkbox"/>	Frost	Jack	Jack.frost@ftb.ca.gov

Here's an example of an active POA Declaration. This page shows the date the POA declaration became active and expiration date. Once the POA Declaration is active, you can revoke the declaration or manage representatives listed on the declaration. When **Manage Representative** is selected, the **POA Representative List** displays. You can add representatives manually or select one from your **Associates List**.

Power of Attorney Detail

[Back to previous](#)

This POA declaration is active. To end this relationship, select the Revoke button below.

CalFile
File your state tax return

[Start My Return](#)

Contact Us



Status

Declaration Number: 1032102
Signature Date: 11/15/2017
Status: Active
Active Date: 11/15/2017
Expiration Date: 11/15/2021

[Revoke](#)

Taxpayer Information

SSN/ITIN: XXX-XX-0000
Name: RUTH DOE
Address: 9646 Butterfield Lane
 Sacramento, CA 95827-1500

Representative Information

[Show Filter](#)

Primary	Last Name	First Name	Email Address
<input type="checkbox"/>	Frost	Mike	Mike.frost@fb.ca.gov
<input type="checkbox"/>	Frost	Grace	Grace.frost@fb.ca.gov
<input checked="" type="checkbox"/>	Frost	John	John.frost@fb.ca.gov

[Manage Representatives](#)

Here's an example of a rejected POA Declaration. This page shows the date rejected and rejection reasons. The information for a rejected TIA relationship is similar.

Power of Attorney Detail

[Back to previous](#)

This POA declaration has been rejected.

Status

Declaration Number:	94625654
Date Received:	5/15/2017
Status:	Rejected
Rejected Date:	7/26/2017
Rejection Reason(s):	<ul style="list-style-type: none">The POA Declaration uploaded to MyFTB was not an FTB form. The FTB 3520 PIT or FTB 3520 BE is required.

Taxpayer Information

Name:	John Doe
--------------	----------

Here's an example of a pending TIA. This page shows the date received and the estimated processing time.

Tax Information Authorization (TIA) Relationship Detail

[Back to previous](#)

Current Status

Name:	John Doe
Status:	Pending
Date Received:	01/20/2018

We are processing your TIA relationship request at this time. Please allow 20-25 business days for processing to be completed, unless manual intervention is needed.

Here's an example of an active TIA. A TIA representative can revoke the relationship from this page and view the expiration date (these expiration date also displays on the Client List page).

Tax Information Authorization (TIA) Relationship Detail

[Back to previous](#)

Current Status	
Name:	John Doe
Status:	Active
Start Date:	02/01/2018
Expiration Date:	03/01/2019

[Revoke](#)

MyFTB Corner

Create Your Associates List to Submit a POA on MyFTB

We created an **Associates List** to help expedite the completion of Power of Attorney (POA) Declarations in MyFTB. You can now build a directory of associates: individuals that you can use as additional representatives on POA declarations. The **Associates List** is like a "favorites list." Once you add the associate to your list, you can simply select the representative(s) to auto-populate to a new or existing declaration. This new feature eliminates the need to re-key your associates' information on each declaration.

Adding or updating the **Associates List** does not change an existing POA Declaration. To edit an existing POA Declaration you will need to view the **POA Details** and select **Manage Representatives**.

Here's a sample Associates List page.

Associates List



Associates are professional individuals that serve as additional representatives on POA declarations. Once you add an associate, you can auto populate your new and existing POA declarations with your associate information.

To add a new associate, select Add Associate. To modify an existing associate, select Update.

[Add Associate](#)

[Show Filter](#)

Last Name ^	First Name ◆	Nickname ◆	Email Address ◆	Action
Frost	Jack		Jack.frost@ftb.ca.gov	Update Remove
Frost	Mary		Mary.frost@ftb.ca.gov	Update Remove
Frost	John		Johny.frost@ftb.ca.gov	Update Remove

Inside FTB

Website improvements

We are continuously looking for opportunities to make improvements to our website and online services. To better serve our customers, the following website improvements have been implemented:

1. **New Google search tool – Implemented November 2017.** This new tool is already providing better search results. As our customers use the search function on the website, it will continue to self-improve.
2. **New “Last Updated” date on each webpage – Implemented December 2017.** The new updated date located at the bottom of each page will change whenever that webpage is modified. This new feature will improve customers’ confidence in the freshness and accuracy of the content on that page.
3. **Use of tabs within webpages – Implemented July 2016.** You will notice the new use of tabs on some webpages to help our customers better navigate to useful information or tools. Check out the Report Identity Theft, Tax Fraud, & Scams webpages for an example of this new feature.

We encourage you to continue to provide your feedback through our Taxpayer Advocate and website page surveys. Your feedback is crucial and instrumental in many improvements we make to our website.

All About Business

Cannabis-related businesses and entity conversions

When the Governor signed into law [Senate Bill 94](#), the Medicinal and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA) created a comprehensive regulatory and licensing framework for both medicinal and adult-use commercial cannabis. MAUCRSA defines the power and duties of the various local and state agencies responsible for controlling and regulating the commercial medicinal and adult-use cannabis industry. Because of this, current nonprofit mutual benefit corporations or cooperative corporations may be looking for ways to change or convert into for-profit entities such as corporations, limited liability companies, and general or limited partnerships. In this article, we are going to take a look at the requirements for making those changes.

Changing or converting into a general stock corporation

To change the status of an existing nonprofit corporation, such as a mutual benefit corporation or cooperative corporation to a for-profit corporation, you may file either a Certificate of Amendment or Amended and Restated Articles of Incorporation with the California [Secretary of State](#). Since you will need to change several provisions listed in your nonprofit Articles of Incorporation, filing Amended and Restated Articles of Incorporation may be the preferred method of making these changes. Samples of Amended and Restated Articles of Incorporation and a Certificate of Amendment may be found on the [bizfile California Portal](#) located on the Secretary of State website under Forms and Filing Tips. You should use the sample that is designated as either “Certificate of Amendment – Nonprofit” or “Amended and Restated Articles of Incorporation – Nonprofit” since your entity will not change to a for-profit stock corporation until the document is filed with the Secretary of State.

Amended and Restated article provisions will need to include at least the following:

1. The name of the corporation.
2. The purpose statement for a general stock corporation.
3. The number of shares authorized to be issued.

If there are outstanding membership interests for the nonprofit corporation, the articles will also need to include a statement of the effect of the amendment/restatement on those interests (e.g., a statement indicating that upon the filing of the Amended and Restated Articles of Incorporation, each outstanding membership interest shall be converted into 1 common share or a statement that each outstanding membership interest shall be canceled without

consideration upon the filing of the Amended and Restated Articles of Incorporation with the Secretary of State).

While you may include additional article provisions, any article provisions that previously appeared in the nonprofit Articles of Incorporation that are specific to a nonprofit entity type, must be omitted from the Amended and Restated Article provisions (e.g., statements referencing members or the purpose statement for a nonprofit mutual benefit corporation and tax exemption provisions).

Finally, if the nonprofit corporation has not yet filed a Statement of Information with the Secretary of State, the Amended and Restated Articles of Incorporation will need to include:

- Name and address of the agent for service of process.
- Initial street and mailing address of the corporation exactly as it appeared in the original nonprofit Articles of Incorporation.

Alternatively, if the nonprofit corporation has already filed a Statement of Information, the name and address of the agent for service of process and the street and mailing address of the corporation must be omitted. Once the Amended and Restated Articles of Incorporation are filed, you should file an updated Statement of Information – Stock (Form SI-550) within 90 days.

Changing or converting into a limited liability company, limited partnership or general partnership

Under California law, California nonprofit corporations cannot “convert” (change the entity type from a nonprofit corporation to a limited liability company, limited partnership, or general partnership). However, nonprofit corporations can amend or restate their Articles of Incorporation to become a stock corporation (see the information above for information on how to do this). Once the corporation is a stock corporation the corporation can follow the procedures outlined in Corporations Code Sections 1150 through 1160 to convert to a limited liability company, limited partnership, or general partnership.

To convert from a stock corporation to a limited liability company, limited partnership, or general partnership, you can use the applicable conversion form provided by the Secretary of State. For more information, forms, and instructions relating to conversions with the Secretary of State, please see [Conversion Information](#) and the [Conversion Information Chart](#).

Event Calendar

As part of education and outreach to our tax professional community, we participate in many different presentations and fairs. We now provide a calendar that shows the events we attend, as well as other events happening with us, such as interested party and board meetings.