



chair **John Chiang**
member **Jerome E. Horton**
member **Ana J. Matosantos**

State of California
Franchise Tax Board

12.06.11

Information Letter 2011-1

Subject: Chief Counsel Ruling Request

Dear *****:

Your ruling request addressed to Geoffrey R. Way, Chief Counsel, dated November 30, 2011, has been referred to me for response. Your request asked whether three entities identified in your request "are entitled to 'the exercise of the corporate powers, rights, and privileges of a foreign taxpayer in this state' as contemplated in R&TC § 23301.5."

Under the Franchise Tax Board's Rulings Guidelines, which are contained in FTB Notice 2009-08 (October 12, 2009), we must respectfully decline to issue the ruling you requested. Under Section A.1 of FTB Notice 2009-08, a Chief Counsel Ruling is a written statement issued to a taxpayer by the Chief Counsel of the FTB (or his or her designee) that interprets and applies California income or franchise tax laws to the taxpayer's specific set of facts. In addition, a copy of a Chief Counsel Ruling received by a taxpayer is required to be attached to the return or returns of that taxpayer that reflect the transactions to which it pertains. FTB Notice 2009-08 specifically provides that "FTB will not issue a Chief Counsel Ruling unless requested by the taxpayer." Current law does not authorize FTB to issue a Chief Counsel Ruling to a person regarding the tax liability or filing requirements of a specifically identified and unrelated third party. Since your request acknowledges that you are neither any of the three identified entities nor an authorized representative thereof, no Chief Counsel Ruling may be issued to you with respect to the tax liability and filing requirements of these entities.

Please feel free to contact the undersigned if you have any questions about this letter.

Sincerely,

Douglas K. Powers
Tax Counsel IV