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JOHN CHIANG
Chair
BETTY YEE
Member
ANA J. MATOSANTOS
Member

Second Interested Parties Meeting

To attend this meeting, please RSVP by September 17, 2010, by contacting Colleen Berwick at (916) 845-3306 or Email: Colleen.Berwick@ftb.ca.gov. Space is limited.

To participate in this meeting by telephone, use this number to dial in: (877) 923-3149. The participant pass code is 2233420.

When

September 22, 2010
1:00 p.m.

Where

Franchise Tax Board
Golden State Room A
9646 Butterfield Way
Sacramento, CA 95827
(North Lobby entrance)

Topic [\[See Topics of Discussion\]](#)

Discuss proposed amendments to existing California Code of Regulations, title 18, section 25106.5-1 (Intercompany Transactions) to:

- Provide further guidance regarding the proper apportionment treatment of intercompany transactions that are reported utilizing the simplifying rules of Regulation section 25106.5-1, subsection (e).
- Provide additional guidance regarding Deferred Intercompany Stock Accounts under Regulation section 25106.5-1, subsection (f)(1)(B), in relation to mergers, subsequent capital contributions and the effect of tiered distributions.
- Bring Regulation section 25106.5-1 into conformity with the most recent version of Treasury Regulation section 1.1502-13.

Purpose

To elicit public input regarding proposed amendments to Regulation section 25106.5-1 to address the proper application of the subsection (e) election to report intercompany transaction income or loss on a separate entity basis. Public input is also needed regarding proposed amendments to the Deferred Intercompany Stock Account (DISA) provisions to provide additional guidance to taxpayers. Moreover, the public may have suggestions and comments regarding proposed amendments to Regulation section 25106.5-1 to conform to recently enacted provisions of Treasury Regulation section 1.1502.13.

Contacts

Laurie McElhatton (Regulation section 25106.5-1, subsection (e) election):

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Craig Swieso (Regulation section 25106.5-1, subsection (f)(1)(B) [DISA] and conformity issues):

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[Visitor Parking Map](#)

* This facility is architecturally accessible to persons with physical disabilities.