

Franchise Tax Board  
Fiscal Year 2017-18  
Proposed Budget Change Proposals

Priority #	Proposed BCP Issue	2017-18 Cost Estimate (in thousands)	2017-18 Positions	Fund Source	Summary
1	PBX Replacement Project	TBD	-	GF Special Fund	<p>The proposal requests an augmentation in 2017-18, 2018-19, 2019-20, for the replacement of the PointSpan Private Branch Exchange (PBX) telephone system, which reaches end of life (EOL) and end of support (EOS) March 31, 2018.</p> <p>The PBX is the main telecommunications backbone for the FTB's central office in Sacramento, CA. A failure after EOL and EOS would severely affect both internal and external customers. If the system is not replaced, the FTB runs the risk of a catastrophic failure with its telecommunications infrastructure, which could prevent FTB from performing its duty of serving the taxpayers of the State of California.</p>
2	Court Ordered Debt Collection Workload Growth	TBD	TBD	Special Fund	The proposal requests new permanent positions and conversion of temporary help positions to permanent in Court Collection Account Funding. The permanent resources are necessary to continue to provide collection services and work the backlog of accounts. This proposal is projected to increase revenue.
3	Audit Protest and Appeals Workloads	TBD	TBD	GF	The proposal requests permanent positions that will replace expiring three-year limited term positions. The current positions will expire on June 30, 2017. The permanent positions will continue to work all administrative resolution processes for undocketed protests, within appropriate timeframes, while sustaining practical inventory levels. The work is ongoing in nature and these resources are critical to the continued success of working with the taxpayers to resolve protests and appeals.
4	Legislative - AB93 - California Competes Tax Credit	TBD	14 Limited Term Funding	GF	<p>The proposal requests limited term funding to allow FTB to extend four limited term positions set to expire 6/30/17 and hire ten additional limited term staff to perform the mandatory reviews of awarded agreements through the required statutory period for AB 93 - CA Competes Tax Credit.</p> <p>The CA Competes Tax Credit was created under the Governor's 2013 Economic and Development Initiatives. It is an income tax credit available to businesses that want to come to California or stay and grow in California.</p>