

New Regulations Added to the 2016 Rulemaking Calendar Previously Approved By The Board

- Sections 18662-0 through 18662-6 & 18662-8 - Withholding on Payments Derived from California Sources by Nonresident Individuals and Non-California Business Entities from the Sale or Exchange of any California Real Property (Page 3)
- Section 25137-15 - Apportionment of Income Arising from Space Transportation Activities (Page 13)

New Regulations Added to the 2016 Rulemaking Calendar Not Yet Approved

- Sections 25137-4.2 & 25137-10 - Combination of General (Non-Financial) and Financial Corporations (Page 12)¹

¹ During the informal regulatory process FTB staff determined that contemplated changes to CCR Title 18, Section 25137-10 might potentially affect CCR Title 18, Section 25137-4.2. The Board previously approved the request by FTB Staff to move forward with the informal regulatory process on CCR Title 18, Section 25137-10.

FRANCHISE TAX BOARD
2016 RULEMAKING CALENDAR

SCHEDULE B: PROPOSED REGULATIONS IMPLEMENTING STATUTES ENACTED PRIOR TO THE YEAR 2015

Subject: Like-Kind Exchange Sourcing		CCR Title & 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 & Phone Number: Cheryl Akin, (916) 845-4459	Projected Dates:				
		Notice Published: 06/16	Public Hearing: 08/16	Adoption by your agency: 10/16	To OAL for review: 01/17	
Report on the status of all uncompleted rulemaking described on previous calendars: An interested parties meeting has been scheduled for Wednesday, February 3, 2016.						

FRANCHISE TAX BOARD
2016 RULEMAKING CALENDAR

SCHEDULE B: PROPOSED REGULATIONS IMPLEMENTING STATUTES ENACTED PRIOR TO THE YEAR 2015

Subject: Alternative Communication Method		CCR Title & Sections Affected: Title 18, Section 18416.5	Statute(s) Being Implemented: Rev. and Tax Code Section 18416.5			
Responsible Agency Unit: Legal Division	Contact Person & Phone Number: Nancy Parker, (916) 845-7968 Greg Heninger, (916) 845-3592	Projected Dates:				
		Notice Published: 12/14	Public Hearing: 03/15	Adoption by your agency: 07/15	To OAL for review: 10/15	
Report on the status of all uncompleted rulemaking described on previous calendars: Regulation File delivered to Office of Administrative Law on 10-13-15 for expected publication 1-1-16.						

FRANCHISE TAX BOARD
2016 RULEMAKING CALENDAR

SCHEDULE B: PROPOSED REGULATIONS IMPLEMENTING STATUTES ENACTED PRIOR TO THE YEAR 2015

Subject: Withholding on Payments Derived from California Sources by Nonresident Individuals and Non-California Business Entities from the Sale or Exchange of any California Real Property		CCR Title & Sections Affected: Title 18, Sections 18662-0 through 18662-6 and 18662-8		Statute(s) Being Implemented: Rev. and Tax Code Section 18662	
Responsible Agency Unit: Legal Division	Contact Person & Phone Number: David Muradyan, (916) 845-4540	Projected Dates:			
		Notice Published: 06/16	Public Hearing: 08/16	Adoption by your agency: 10/16	To OAL for review: 12/16
Report on the status of all uncompleted rulemaking described on previous calendars: An interested parties meeting was held on October 12, 2015. Staff anticipates holding a second interested parties meeting in the spring of 2016.					

FRANCHISE TAX BOARD
2016 RULEMAKING CALENDAR

SCHEDULE B: PROPOSED REGULATIONS IMPLEMENTING STATUTES ENACTED PRIOR TO THE YEAR 2015

Subject: Withholding on Domestic Pass-Through Entities		CCR Title & Sections Affected: Title 18, Section 18662-7		Statute(s) Being Implemented: Rev. and Tax Code Section 18662	
Responsible Agency Unit: Legal Division	Contact Person & Phone Number: Leah Thyberg, (916) 845-3617	Projected Dates:			
		Notice Published: 02/17	Public Hearing: 04/17	Adoption by your agency: 06/17	To OAL for review: 08/17
Report on the status of all uncompleted rulemaking described on previous calendars: An interested parties meeting was held on December 12, 2014. Staff anticipates holding a second interested parties meeting in fall 2016.					

FRANCHISE TAX BOARD
2016 RULEMAKING CALENDAR

SCHEDULE B: PROPOSED REGULATIONS IMPLEMENTING STATUTES ENACTED PRIOR TO THE YEAR 2015

Subject: Refund Claims		CCR Title & Sections Affected: Title 18, Section 19322	Statute(s) Being Implemented: Rev. and Tax Code Section 19322			
Responsible Agency Unit: Legal Division	Contact Person & Phone Number: Eric Yadao, (916) 845-5105	Projected Dates:				
		Notice Published: 06/16	Public Hearing: 08/16	Adoption by your agency: 10/16	To OAL for review: 12/16	
Report on the status of all uncompleted rulemaking described on previous calendars: An interested parties meeting was held on December 3, 2010. Staff anticipates holding a second interested parties meeting in the spring of 2016.						

FRANCHISE TAX BOARD
2016 RULEMAKING CALENDAR

SCHEDULE B: PROPOSED REGULATIONS IMPLEMENTING STATUTES ENACTED PRIOR TO THE YEAR 2015

Subject: Corporation Defined, Classifications of Organizations, Business Entities-Definitions, and Classification of Certain Business Entities		CCR Title & Sections Affected: Title 18, Sections 23038(a), 23038(b)-1, 23038(b)-2, 23038(b)-3		Statute(s) Being Implemented: Rev. & Tax Code Section 23038	
Responsible Agency Unit: Legal Division	Contact Person & Phone Number: Bradley Kragel, (916) 845-2861	Projected Dates:			
		Notice Published: 06/16	Public Hearing: 08/16	Adoption by your agency: 10/16	To OAL for review: 01/17
Report on the status of all uncompleted rulemaking described on previous calendars: An interested parties meeting has been scheduled for Monday, January 11, 2016.					

FRANCHISE TAX BOARD
2016 RULEMAKING CALENDAR

SCHEDULE B: PROPOSED REGULATIONS IMPLEMENTING STATUTES ENACTED PRIOR TO THE YEAR 2015

Subject: Mechanics of Assignment of Credits to Combined Group Members		CCR Title & Sections Affected: Title 18, Sections 23663-0 to 23663-6	Statute(s) Being Implemented: Rev. & Tax Code Section 23663			
Responsible Agency Unit: Legal Division	Contact Person & Phone Number: Ciro Immordino, (916) 845-4066	Projected Dates:				
		Notice Published: 02/16	Public Hearing: 04/16	Adoption by your agency: 06/16	To OAL for review: 07/16	
Report on the status of all uncompleted rulemaking described on previous calendars: Interested parties meetings were held on October 1, 2012, December 5, 2013, and June 12, 2014. Staff plans on holding a formal regulation hearing in the spring of 2016 on the 23663-0 through 23663-5 proposed regulations. Staff also plans on holding an interested parties meeting on the 23663-6 proposed regulation in the spring of 2016.						

FRANCHISE TAX BOARD
2016 RULEMAKING CALENDAR

SCHEDULE B: PROPOSED REGULATIONS IMPLEMENTING STATUTES ENACTED PRIOR TO THE YEAR 2015

Subject: When Taxable in Another State		CCR Title & Sections Affected: Title 18, Sections 25122	Statute(s) Being Implemented: Rev. & Tax Code Section 25122			
Responsible Agency Unit: Legal Division	Contact Person & Phone Number: Katie Frank, (916) 845-4142	Projected Dates:				
		Notice Published: 09/16	Public Hearing: 11/16	Adoption by your agency: 01/17	To OAL for review: 03/17	
Report on the status of all uncompleted rulemaking described on previous calendars: Waiting to schedule an interested parties meeting.						

FRANCHISE TAX BOARD
2016 RULEMAKING CALENDAR

SCHEDULE B: PROPOSED REGULATIONS IMPLEMENTING STATUTES ENACTED PRIOR TO THE YEAR 2015

Subject: Sales Factor		CCR Title & Sections Affected: Title 18, Section 25134	Statute(s) Being Implemented: Rev. & Tax Code Section 25134			
Responsible Agency Unit: Legal Division	Contact Person & Phone Number: Elizabeth Rodoni, (916) 845-4142 Laurie McElhatton, (916) 845-6916	Projected Dates:				
		Notice Published: 09/16	Public Hearing: 11/16	Adoption by your agency: 01/17	To OAL for review: 03/17	
Report on the status of all uncompleted rulemaking described on previous calendars: Waiting to schedule an interested parties meeting.						

FRANCHISE TAX BOARD
2016 RULEMAKING CALENDAR

SCHEDULE B: PROPOSED REGULATIONS IMPLEMENTING STATUTES ENACTED PRIOR TO THE YEAR 2015

Subject: Marked Based Rules for Sales Other than Sales of Tangible Personal Property		CCR Title & Sections Affected: Title 18, Section 25136-2	Statute(s) Being Implemented: Rev. & Tax Code Section 25136			
Responsible Agency Unit: Legal Division	Contact Person & Phone Number: Melissa Williams, (916) 845-7831	Projected Dates:				
		Notice Published: 08/15	Public Hearing: 09/15	Adoption by your agency: 02/16	To OAL for review: 04/16	
Report on the status of all uncompleted rulemaking described on previous calendars: Interested parties meetings were held on March 29, 2012, October 18, 2013, and July 8, 2014. The Notice of Proposed Rulemaking was published on August 11, 2015. A formal regulatory hearing was held on September 22, 2015. A 15-Day Notice was published on November 4, 2015.						

FRANCHISE TAX BOARD
2016 RULEMAKING CALENDAR

SCHEDULE B: PROPOSED REGULATIONS IMPLEMENTING STATUTES ENACTED PRIOR TO THE YEAR 2015

Subject: Apportionment and Allocation of Partnership Income, Income from a Business, Trade or Profession, and Intercompany Transactions		CCR Title & Sections Affected: Title 18, Section 25137-1, 17951-4, 25106.5-1		Statute(s) Being Implemented: Rev. & Tax Code Sections 25137, 17951, and 25106.5			
Responsible Agency Unit: Legal Division	Contact Person & Phone Number: Craig Swieso, (916) 845-5244		Projected Dates:				
			Notice Published: 02/16	Public Hearing: 04/16	Adoption by your agency: 06/16	To OAL for review: 08/16	
Report on the status of all uncompleted rulemaking described on previous calendars: Interested parties meetings were held on September 19, 2008, October 18, 2013, and July 8, 2014. Staff anticipates holding a formal regulatory hearing in the spring of 2016.							

FRANCHISE TAX BOARD
2016 RULEMAKING CALENDAR

SCHEDULE B: PROPOSED REGULATIONS IMPLEMENTING STATUTES ENACTED PRIOR TO THE YEAR 2015

Subject: Combination of General (Non-Financial) and Financial Corporations		CCR Title & Sections Affected: Title 18, Section 25137-10, 25137-4.2	Statute(s) Being Implemented: Rev. & Tax Code Section 25137			
Responsible Agency Unit: Legal Division	Contact Person & Phone Number: John Su, (213) 897-5222	Projected Dates:				
		Notice Published: 07/16	Public Hearing: 09/16	Adoption by your agency: 12/16	To OAL for review: 02/17	
Report on the status of all uncompleted rulemaking described on previous calendars: An interested parties meeting was held on December 4, 2014. A second interested parties meeting remains to be scheduled. Staff has added Title 18, Section 25137-4.2 to the list of potentially affected sections.						

FRANCHISE TAX BOARD
2016 RULEMAKING CALENDAR

SCHEDULE B: PROPOSED REGULATIONS IMPLEMENTING STATUTES ENACTED PRIOR TO THE YEAR 2015

Subject: Apportionment of Income Arising from Space Transportation Activities		CCR Title & Sections Affected: Title 18, Section 25137-15	Statute(s) Being Implemented: Rev. & Tax Code Section 25137			
Responsible Agency Unit: Legal Division	Contact Person & Phone Number: Norman Scott, (916) 845-7632 Thomas Lo Grossman, (916) 845-3629	Projected Dates:				
		Notice Published: 06/16	Public Hearing: 08/16	Adoption by your agency: 10/16	To OAL for review: 12/16	
Report on the status of all uncompleted rulemaking described on previous calendars: Staff held an interested parties meeting on July 9, 2015. Staff anticipates holding a second interested parties meeting in the spring of 2016.						