

AGENDA

Franchise Tax Board Meeting
April 29, 2003 - 2:00 p. m.
State Board of Equalization
450 N Street, Room 121*
Sacramento, CA 95814

Open Session

Item 1. Approval of Minutes

- a. [Approval of Minutes](#) of the November 26, 2002, Board meeting.
- b. [Approval of Minutes](#) of the Taxpayers' Bill of Rights Hearing

Item 2. E- Filing

Staff report.

Item 3. Legislative Matters

Bills for position.

Item 4. Regulation Matters

- a. [Draft Proposed Regulations 20501 through 20504 \(HRA\)](#) – Request for authorization to proceed with the formal regulatory process.
- b. [Draft Proposed Regulation 18001-1 \(Credit for Taxes Paid to Another State\)](#) – Request for authorization to proceed with the formal regulatory process.
- c. [Draft Proposed Regulations 25130 \(Property Valuation\) and 25137\(b\) \(Natural Resources-Property of Another\)](#) – Request for authorization to proceed with the formal regulatory process.
- d. [Draft Proposed Regulation 17952 \(Income From Intangible Personal Property\)](#) - Request for authorization to proceed.
- e. [Proposed Regulation 17000.3 \(FTB Meetings\)](#) – Status Report.
- f. [Defining "Gross Receipts" for standard apportionment formula purposes \(possible addition to Regulation 25120\)](#) -- Request for authorization to proceed to public forum.
- g. [Including gains from treasury function operations in the sales factor of the apportionment formula \(possible addition to Regulation 25137\)](#) - Request for authorization to proceed to public forum.

Item 5. Evaluation and Oversight of Tax Expenditures

Board discussion and possible action.

Item 6. Child Support

Staff report.

Item 7. Administrative Matters

a. FY 2003/2004 Budget Update

1. Summary of Governor's Budget for FTB
2. Legislative Analyst's Issues and Recommendations
3. Spring Finance Letter – Request for Board Approval

b. Contracts – Request for Board Approval

c. Phase III Occupancy – Request for Board Approval for FTB to lease 100% of the State Office and Warehouse Facilities at Butterfield Way, and to authorize FTB Executive Officer to execute occupancy documents.

d. FY 2003/2004 Capital Outlay BCP – Request for Board Approval

e. Facility Action Requests (Form 9) - Bakersfield District Office Lease Renewal and Chicago Field Office Lease Renewal – Request for Board Approval.

Item 8. Executive Officer's Time

Executive Officer's opportunity to report on matters of interest to the Board.

Item 9. Board Members' Time

Members' opportunity to raise other matters of interest.

Closed Session

Item A. Closed session to consider recommendations regarding settlement of administrative tax disputes. Closed session is authorized by subdivision (c)(10) of section 11126 of the Government Code and required by section 19442 of the Revenue and Taxation Code.

Item B. Closed session to allow the Board to confer with and receive advice from legal counsel regarding pending litigation (General Motors Corp., et al. v. Franchise Tax Board, L.A. Sup. Ct. No. 0156801, Thomas H. Paine & Teresa A. Norton v. Franchise Tax Board, S.F. Sup. Ct. No. 324518, and Gilbert P. Hyatt v. Franchise Tax Board, U.S. Supreme Court Docket No. 02-42) and to consider recommendations regarding settlement of litigation cases (The Limited Stores, Inc. v. Franchise Tax Board, Alameda Sup. Ct. No. 837723-0). Closed session is authorized by Government Code section 11126, subdivision (e)(1).

Item C. Closed session to discuss confidential tax returns or information the public disclosure of which is prohibited by law. Closed session is authorized by Government Code section 11126, subdivision (c)(10), and Revenue and Taxation Code section 19542.

- * **This facility is architecturally accessible to persons with physical disabilities.**
- **When the circumstances warrant, the Chair may modify the order of the agenda items.**
- **This notice, including links to written material related to the Open Session agenda items, is also available at <http://www.ftb.ca.gov/> under the heading FTB Public Meeting Notices.**
- **If you have a disability and would like to request reasonable accommodation and/or this material in alternate format, please make your request as soon as possible, but no later than five working days prior to the meeting date. Some alternate formats take longer to produce than others. Therefore, the earlier your request is received, the more likely we can provide the specific alternate format you request. To place your request, please contact Ellen Clemente by phone at (916) 845-3651, or by email at Ellen.Clemente@ftb.ca.gov.**