

AGENDA

**Franchise Tax Board Meeting
October 1, 2002, 10:00 a. 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 March 6, 2002, Board Meeting.](#)
- b. [Approval of Minutes of the March 25, 2002, Board Meeting.](#)

Item 2 . E- Filing

Discussion and approval of options to provide free direct electronic filing of California personal income tax returns.

[Supplemental Material](#)
[Additional Supplemental Material](#)

Item 3. Regulation Matters

- a. [Status Report on Proposed Regulation Sections 17053.36-0 through 17053.36-9, and Sections 23636-0 through 23636-9 \(Joint Strike Fighter Wage Credit\) and Sections 17053.37-0 through 17053.37-11, and Sections 23637-0 through 23637-11 \(Joint Strike Fighter Property Credit\).](#)
- b. [Status report on Proposed Regulation 19032 \(Audit Procedures\).](#)
- c. [Status report on Proposed Regulation 17000.3 \(Meetings of the Franchise Tax Board\).](#)
- d. [Proposed Regulation 23334 \(Tax Clearance Certificate\) Request for authorization to proceed with notice of 15-day changes.](#)
- e. [Proposed Regulation 25137 \(Property Used to Extract Natural Resources\) Request for authorization to proceed with partial symposium.](#)
- f. [Proposed Regulation 19133 \(Notice and Demand Penalty\) Request for authorization to proceed with formal regulatory process.](#)

Item 4. Bank Ownership of Regulated Investment Companies

Follow-up staff report.

Item 5. Child Support

Staff report.

Item 6. Disclosure of Information About Closed Sessions

Staff report

Item 7. Administrative Matters

- a. [FY 2003/04 Budget Change Proposals.](#)
- b. [Contract – Request for Board approval.](#)
- c. [Department of Finance Directive on 20 Percent Budget Reduction.](#)

Item 8. Executive Officer's Time

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

Item 9. Board Members' Time

- a. Employee Recognition Resolutions for Board approval.

Mary-Paula Albert, Gail L. Allen, Christian R. Alger, Bessie F. Arena, Marla K. Arnold, Darlene E. Ball, Amalia A. Barnes, Barbara A. Barnett, Tom A. Bentzien, Bonnie L. Bilyeu, Jacqueline L. Bjork, Beatrice A. Bohm, Myrna L. Brown, Margaret E. Butts, Sharon M. Carrion, Karen A. Chamberlain-Bick, Walter Q. Chiao, Josephine Coffman, Raymond D. Courter, Raymond C. Cremering, Ursula D. Cruzan, Ramona I. Duey, Sharron M. Dupriest, Wanda D. Dutra, John B. Essman, Kent H. Evans, Carmel M. Funkner, Jutta M. Gardner, Dorothy L. Garza, Doris, F. Gilbert, Laverne L. Gilbert, Peggy Sue Gillespie, Lorraine Gomez, Karen S. Gotham, Richard C. Gould, Maybelle N. Grawey, Gary L. Haight, Martha A. Hansard, Patricia A. Harrington, Dolores J. Hattick, Richard Hollister, Wendy W. Hough, Carolyn M. Howell, Irene C. Johnson, Margaret N. Johnson, William T. Kellison, Cheryl L. Klein, Kathleen B. Kubochi, Linda F. Laue, Grace A. Lawson, Albert D. Lebel, Frank T. Leung, Michael G. Mapel, Kenneth G. Matson, James H. McGinnis, Allen D. Murdaugh, Jeanette L. Navarro, Lorena J. Nevarez, Billie S. Olivas, Michael R. O'Neill, Douglas L. Parker, Edward C. Pendleton, Horace Pitts, Lloyd F. Prather, Aurora Pulido, Patricia S. Quesada-Trippe, Luis G. Reyes, Allen L. Rudge, Allan H. Shigemitsu, Cleatta M. Simpson, Mary R. Sousa, Daryl L. Sullivan, Audrey K. Summers, Maxine E. Swain, Vicki J. Thomas, Brian W. Toman, Gilbert Torr, Robert R. Trojan, Wayne J. Trutna, Janice M. Vargas, Maria Vargas, Maria S. Vibat, Michael A. Wagner, Ronald H. Wagner, Brenda M. Wagnon, Patricia A. Wilson, Kimiko T. Yee, Norma L. Young.

- b. Members' opportunity to raise other matters of interest.

Closed Session

Item A. Closed session to allow the Board to confer with and receive advice from legal counsel regarding pending litigation (*James Ellett v. Gerald Goldberg*) and to consider recommendations regarding settlement of a consolidated litigation case (*Paul B. and Mary A. Milhous v. Franchise Tax Board* and *Robert E. and Mary A. Milhous v. Franchise Tax Board*). Closed session is authorized by Government Code section 11126, subdivision (e)(1).

Item B. Closed session to discuss and act on Personnel Matters. Closed session is authorized by Government Code section 11126, subdivision (a)(1).

Item C. Closed session to consider recommendations regarding Offers in Compromise. Closed session is authorized by Government Code section 11126, subdivision (c)(10), and Revenue and Taxation Code section 19542.

- * **When the circumstances warrant, the Chair may modify the order of the agenda items.**
- * **This facility is architecturally accessible to persons with physical disabilities.**
- * **This notice is also available at <http://www.ftb.ca.gov/> under the heading FTB Public Hearing Information within the menu item Other FTB Information.**