

Franchise Tax Board  
 FY 2006/07 Budget Development  
 Summary of Proposed BCPs

BCP #s	BCP ISSUE	2006/07 COST ESTIMATE (in thousands)	PYs	SUMMARY
<i><u>Workload:</u></i>				
1	Abusive Tax Shelters - Legal Workload	\$1,427	10.4	This proposal would address the influx of anticipated Abusive Tax Shelter (ATS) Legal caseloads.
2	Outside Counsel and Case Expert Contracts	\$840	3.0	The Attorney General's Office (AGO) has informed the FTB it no longer has the resources to represent the FTB in out-of-state cases nor to contract with case experts and consultants on litigation conducted within California. This augmentation would serve to protect state revenue in out-of-state bankruptcy claims as well as to ensure the strength of the State's representation in litigation within the state.
3	Processing Equipment Replacement	\$1,882	0.0	This proposal requests funding to replace business equipment that has reached its 7 yr end of life expectancy: 1) The multi optical character reader (presort bar coding machine) needs to be replaced to ensure FTB continues to receive discounted postage rates on all its mailings and 2) Three two-up mail inserters are needed by FTB mail operations to meet workload capacity and equipment functionality requirements.
<i><u>Policy Proposal</u></i>				
4	ReadyReturn	-\$92	-2.8	This proposal will reduce the Franchise Tax Board's (FTB) budget to acknowledge a savings of 2.8 PYs and \$92,000 by transitioning ReadyReturn from a pilot project to a permanent program beginning in FY 2006/07.
<i><u>Legislatively Mandated IT Projects</u></i>				
5	Court Ordered Debt (COD) Expansion	\$4,455	32.4	This proposal requests funding for the Court Ordered Debt Expansion Project in support of SB 246. SB 246, Chapter 380, Statutes of 2004 (Escutia), requires the FTB, in consultation with the Judicial Council, to seek whatever additional resources are needed to accept collection referrals from all 58 counties or superior courts. Approval of this request will provide significant revenue benefits to the Superior Courts and counties, Probation Departments, and Revenue Recovery Agencies.
6	California Child Support Automation System (CCSAS)	TBD	TBD	This proposal is to continue the development and implementation of the CCSAS project in FY 2006/07.