

Status Report on Proposed Regulation Section 19032

On March 25, 2002, staff received authorization to proceed with proposed Regulation section 19032. The proposed regulation provides clarification and guidance to the taxpayer community and audit staff concerning common audit practices and procedures utilized during the audit process.

On June 14, 2002, notice was published in the Office of Administrative Law's weekly Notice Register of the Franchise Tax Board's intent to adopt proposed Regulation section 19032. The notice stated that a public hearing would be held on August 19, 2002, at 10:00 a.m. At the hearing, two oral presentations were made and five comments were received. Staff is currently reviewing these comments and preparing responses thereto consistent with the requirements of the Administrative Procedure Act.