



STATE OF CALIFORNIA
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May 5, 2003

FTB NOTICE 2003-4

SUBJECT: REQUEST FOR PUBLIC COMMENT --
DISCUSSION DRAFT OF PROPOSED CHANGES TO CALIFORNIA
CODE OF REGULATIONS, TITLE 18, SECTION 17952

The Franchise Tax Board staff has prepared a discussion draft of proposed amendments to the existing regulations adopted under Revenue and Taxation Code section 17952. The proposed amendments would add provisions designed to address the timing of sourcing of gains on the sale or transfer of intangible personal property.

Due to the potentially broad impact of this addition, the Franchise Tax Board staff is making the draft of the proposed amendments and a brief explanation thereof available to the public for informal review and comment prior to commencement of the formal regulatory process. For copies of the discussion draft of the proposed changes to the regulation or for further information regarding this notice, contact Colleen Berwick at the Franchise Tax Board Legal Branch, P.O. Box 1720, Rancho Cordova, CA 95741-1720; Tel.: (916) 845-3306; Fax: (916) 845-3648; E-Mail: Colleen.Berwick@ftb.ca.gov. The draft and explanation are also available at the Franchise Tax Board's website at <http://www.ftb.ca.gov/>.

Written comments may also be addressed to Ms. Berwick and should be submitted no later than July 8, 2003. If significant public interest is voiced and/or written comments are received, the department will hold a public meeting or symposium on these proposed amendments prior to commencement of the formal regulatory process. If the discussion draft proposed amendments are officially noticed, any comments received in the course of any symposium or public meeting will be included in the official rulemaking file (within the meaning of the Administrative Procedure Act). Participants may comment at the symposium without name attribution. A summary of the symposium will be made available to all participants, and will also be included in the official rulemaking file.

The department has tentatively scheduled a symposium to discuss the discussion draft proposed amendments on August 13, 2003, at the Franchise Tax Board, Central Office, 9646 Butterfield Way, Sacramento, CA, in Room 1040 of Phase II, beginning at 9:30 am. **If no public interest is voiced and no written comments are received by July 8, 2003, the symposium will be canceled. Notice of cancellation will be published on the Franchise Tax Board's website no later than July 30, 2003.** If you have any questions regarding the symposium, please contact Ms. Berwick.

If you are interested in obtaining supplements to the draft proposed amendments, or to be included on the mailing list for any formal rulemaking activity with respect to the

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proposed amendments, please advise Ms. Berwick at the above address and she will add your name to the mailing list.

The principal author of this notice is Natasha Sherwood Page of the Franchise Tax Board, Legal Branch. For further information regarding this notice, contact Ms. Page at the Franchise Tax Board, Legal Branch, P. O. Box 1720, Rancho Cordova, CA 95741-1720; Tel.: (916) 845-6729; Fax: (916) 843-6162; E-Mail: Natasha.Page@ftb.ca.gov.