

INITIAL STATEMENT OF REASONS FOR THE  
ADOPTION OF REGULATION 18567

PUBLIC PROBLEM, ADMINISTRATIVE REQUIREMENT, OR OTHER CONDITION OR  
CIRCUMSTANCE THAT THE REGULATION IS INTENDED TO ADDRESS

Section 18567 of the Revenue and Taxation Code (Rev. and Tax. Code) was enacted, without substantive change, in 1993 as a successor to Section 18433 of the Rev. and Tax. Code. Former Section 18433 was substantially amended (Stats. 1991, Ch. 479) for taxable years beginning on or after January 1, 1991. Before the substantial amendment of former Section 18433, the Franchise Tax Board (FTB) allowed an "automatic" extension of the due date for filing personal income tax returns, but taxpayers were required to complete an application requesting the "automatic" extension.

SPECIFIC PURPOSE OF THE REGULATION

The regulation will codify an existing administrative practice of FTB with some minor modifications to specify that the only condition for receiving an automatic extension of six months to file a return is that the return be actually filed within six months of the original due date of the return. Consistent with this modification, the regulation provides that if a return is not filed within six months of the original due date, no valid extension exists and the penalty under Section 19131 (failure to file a return) will be computed by reference to the original due date of the return.

NECESSITY

This regulation will implement and make specific the provisions of Rev. and Tax. Code Section 18567 by specifying the conditions under which an individual, fiduciary, or partnership may obtain an extension of time to file a return without filing an application therefor.

ALTERNATIVES TO THE PROPOSED REGULATORY ACTION THAT WOULD LESSEN  
ANY ADVERSE IMPACT ON AFFECTED PRIVATE PERSONS OR SMALL BUSINESS.

The Franchise Tax Board has determined that there were no alternatives considered that would be more effective in carrying out the purpose of the proposed regulation or would be as effective and less burdensome to affected private persons or small businesses than the proposed regulation.

ADVERSE ECONOMIC IMPACT ON BUSINESS

None identified.