

TITLE 18. FRANCHISE TAX BOARD
PROPOSED AMENDMENTS REGULATIONS 25111 AND 25111-1

A hearing was held on July 13, 1998, by Benjamin F. Miller of the Franchise Tax Board Legal Staff, the “hearing officer,” on proposed amendments to Regulations 25111 and 25111-1. Section 25111 of the Revenue and Taxation Code provides rules for making a “water’s-edge” election. Regulations 25111 and 25111-1 further describe and make certain those rules. As a result of the hearing and the comments submitted the hearing officer recommended to the three-member Franchise Tax Board that certain amendments to the proposed regulations be made for purposes of clarity and to correct typographical errors. On August 6, 1998, the Franchise Tax Board met and considered the recommendations of the hearing officer and resolved that the following changes should be made to the proposed amendments to the regulation as noticed in the California Regulatory Notice Register on:

Regulation 25111

(A)(3)(B)(ii) a paragraph break should be inserted after “place,”

(e)(2) the word “timely” should be inserted at the beginning of the clause and the phrase “described in this subdivision (e)” should be inserted in the second sentence after the words “Any filing.”

(i)(6)(A) the spelling of the word “succeeding” should be corrected and the word “year” should be inserted just prior to the phrase “in which the qualifying event occurred” in the first sentence.

Regulation 25111-1

(a)(3)(B)(ii) a paragraph break should be inserted after “place,”

(e)(2) the word “timely” should be inserted at the beginning of the clause and the phrase “described in this subdivision (e)” should be inserted in the second sentence after the words “Any filing.”

The proposed changes are shown in bold italics of the new text and double strikeout of the old text as published in the California Regulatory Notice Register on May 29, 1998. These nonsubstantive and sufficiently related changes are being made available to the public for the 15-day period required by Government Code Section 11346.8(c) and Section 44 of Title 1 of the California Code of Regulations. Written comments regarding these changes will be accepted until 5:00 p.m. on August 24, 1998.

A copy of the proposed amendments is being sent to all individuals who requested notification of such changes as well as those who attended the hearing and those who

comment orally or in writing and will be available to other persons upon request from the agency officer named below.

All inquiries and written comments concerning this notice should be directed to Colleen Berwick at (916) 845-3306 (E-Mail: colleen_berwick@ftb.ca.gov), or by mail to the Legal Branch, Attn: Colleen Berwick, P.O. Box 1720, Rancho Cordova, CA 95741-1720. The notice and the proposed amendments are also available at the Franchise Tax Board's website at www.ftb.ca.gov.