

**Franchise Tax Board
2020 RULEMAKING CALENDAR**

**SCHEDULE A: PROPOSED REGULATIONS IMPLEMENTING
STATUTES ENACTED DURING THE YEAR 2019**

Subject: Individual Shared Responsibility Penalty (SB 78)

California Code of Regulations Title and Sections Affected: Title 18,
Section 61030

Statute(s) Being Implemented: Rev. and Tax. Code Sections 61000,
61020, 61023, 61025, 61030, 61035, 61040, and 61045

Responsible Agency Unit: Legal Division

Contact Person and Phone Number: Erin Dendorfer, (916) 845-2559

Projected Notice Publication Date: 06/20

Projected Public Hearing Date: 08/20

Projected Adoption by Your Agency Date: 10/20

Projected To OAL for Review Date: 10/20

Subject: Premium Assistance Subsidy Reconciliation (SB 78)

California Code of Regulations Title and Sections Affected: Title 18,
Section 62000

Statute(s) Being Implemented: Government Code Sections 100800,
100805, 100810, 100815, 100820, and 100825

Responsible Agency Unit: Legal Division

Contact Person and Phone Number: Erin Dendorfer, (916) 845-2559

Projected Notice Publication Date: 10/20

Projected Public Hearing Date: 11/20

Projected Adoption by Your Agency Date: 12/20

Projected To OAL for Review Date: 12/20

**SCHEDULE B: PROPOSED REGULATIONS IMPLEMENTING
STATUTES ENACTED PRIOR TO THE YEAR 2019**

Subject: Market-based Rules – Personal Income Tax Sourcing and Withholding Provisions

California Code of Regulations Title and Sections Affected: Title 18, Sections 17951-4, 17951-5, 17951-8, 18662-1 through -8

Statute(s) Being Implemented: Rev. and Tax. Code Sections 17951 and 18662

Responsible Agency Unit: Legal Division

Contact Person and Phone Number: Natasha Page, (916) 845-6729

Projected Notice Publication Date: 12/20

Projected Public Hearing Date: 02/21

Projected Adoption by Your Agency Date: 04/21

Projected To OAL for Review Date: 06/21

Report on the Status of all Uncompleted Rulemaking Described on Previous Calendars: New project, added to calendar this year. Staff anticipates holding an interested parties meeting in 2020.

Subject: Nontaxable Exchanges

California Code of Regulations Title and Sections Affected: Title 18, Sections 17951-7, 25137(e)

Statute(s) Being Implemented: Rev. and Tax. Code Sections 17951 and 25137

Responsible Agency Unit: Legal Division

Contact Person and Phone Number: Natasha Page, (916) 845-6729

Projected Notice Publication Date: 12/20

Projected Public Hearing Date: 02/21

Projected Adoption by Your Agency Date: 04/21

Projected To OAL for Review Date: 06/21

Report on the Status of all Uncompleted Rulemaking Described on Previous Calendars: An interested parties meeting was held on Wednesday, February 3, 2016. Staff anticipates holding a second interested parties meeting in 2020.

Subject: Other State Tax Credit

California Code of Regulations Title and Sections Affected: Title 18, Section 18001-1

Statute(s) Being Implemented: Rev. and Tax. Code Sections 18001

Responsible Agency Unit: Legal Division

Contact Person and Phone Number: Veronica Long, (916) 845-2878, Adam Susz, (916) 845-5130

Projected Notice Publication Date: 09/20

Projected Public Hearing Date: 11/20

Projected Adoption by Your Agency Date: 01/21

Projected To OAL for Review Date: 02/21

Report on the Status of all Uncompleted Rulemaking Described on Previous Calendars: New project, added to calendar this year. An interested parties meeting was held August 7, 2019. Staff anticipates drafting proposed language and holding a second interested parties meeting in 2020.

Subject: Extension Period for Partnership Returns

California Code of Regulations Title and Sections Affected: Title 18, Sections 18567

Statute(s) Being Implemented: Rev. and Tax. Code Section 18567

Responsible Agency Unit: Legal Division

Contact Person and Phone Number: Brian Werking, (916) 845-5685

Projected Notice Publication Date: 2/20

Projected Public Hearing Date: 04/20

Projected Adoption by Your Agency Date: 07/20

Projected To OAL for Review Date: 08/20

Report on the Status of all Uncompleted Rulemaking Described on Previous Calendars: Staff requested and received permission at the December 7, 2017 meeting of the Franchise Tax Board to proceed to the formal regulatory process on this project. Staff expects to publish a Notice of Proposed Rulemaking in early 2020.

Subject: Withholding on Domestic Pass-Through Entities

California Code of Regulations Title and Sections Affected: Title 18, Section 18662-7

Statute(s) Being Implemented: Rev. and Tax. Code Section 18662

Responsible Agency Unit: Legal Division

Contact Person and Phone Number: Leah Thyberg, (916) 845-3617

Projected Notice Publication Date: 07/20

Projected Public Hearing Date: 09/20

Projected Adoption by Your Agency Date: 11/20

Projected To OAL for Review Date: 12/20

Report on the Status of all Uncompleted Rulemaking Described on Previous Calendars: Interested parties meetings were held on December 12, 2014, and September 8, 2017. Staff anticipates requesting permission from the Franchise Tax Board to begin the formal regulatory process in 2020.

Subject: Penalty for Failure to File Return Upon Notice and Demand

California Code of Regulations Title and Sections Affected: Title 18, Sections 19133

Statute(s) Being Implemented: Rev. and Tax. Code Section 19133

Responsible Agency Unit: Legal Division

Contact Person and Phone Number: Joel Smith, (916) 845-5429

Projected Notice Publication Date: 02/20

Projected Public Hearing Date: 04/20

Projected Adoption by Your Agency Date: 06/20

Projected To OAL for Review Date: 08/20

Report on the Status of all Uncompleted Rulemaking Described on Previous Calendars: New project, added to calendar this year. An interested parties meeting was held on November 13, 2019. Staff is requesting permission to begin the formal regulatory process at this Franchise Tax Board meeting and anticipates publishing a Notice of Proposed Rulemaking in early 2020.

Subject: Assignment of Credits – Eligible Assignees and Reorganizations

California Code of Regulations Title and Sections Affected: Title 18, Sections 23663-6

Statute(s) Being Implemented: Rev. and Tax. Code Section 23663

Responsible Agency Unit: Legal Division

Contact Person and Phone Number: Mira Patel, (916) 845-7612

Projected Notice Publication Date: 02/20

Projected Public Hearing Date: 04/20

Projected Adoption by Your Agency Date: 06/20

Projected To OAL for Review Date: 08/20

Report on the Status of all Uncompleted Rulemaking Described on Previous Calendars: Interested parties meetings were held on June 12, 2014 and June 12, 2018. Staff received permission to proceed to the formal regulatory process at the September 21, 2018 meeting of the Franchise Tax Board.

Subject: Market Based Rules for Sales Other than Sales of Tangible Personal Property

California Code of Regulations Title and Sections Affected: Title 18, Section 25136-2

Statute(s) Being Implemented: Rev. and Tax. Code Section 25136

Responsible Agency Unit: Legal Division

Contact Person and Phone Number: Melissa Williams, (916) 845-7831, Amanda Smith, (916) 845-2869

Projected Notice Publication Date: 12/20

Projected Public Hearing Date: 02/21

Projected Adoption by Your Agency Date: 04/21

Projected To OAL for Review Date: 06/21

Report on the Status of all Uncompleted Rulemaking Described on Previous Calendars: The Franchise Tax Board approved this project at its December 4, 2014, meeting. Recent amendments were approved by the Office of Administrative Law on September 15, 2016. Interested parties meetings on the subsequent project for possible additional amendments to the regulation were held on January 20, 2017, June 16, 2017, March 30, 2018, and July 19, 2019. Staff expects to hold a fifth interested parties meeting in 2020.

Subject: Alternative Apportionment Method Petition Procedures

California Code of Regulations Title and Sections Affected: Title 18, Section 25137

Statute(s) Being Implemented: Rev. and Tax. Code Sections 25137

Responsible Agency Unit: Legal Division

Contact Person and Phone Number: Melissa Williams, (916) 845-7831

Projected Notice Publication Date: 08/20

Projected Public Hearing Date: 10/20

Projected Adoption by Your Agency Date: 12/20

Projected To OAL for Review Date: 02/21

Report on the Status of all Uncompleted Rulemaking Described on Previous Calendars: Staff held an interested parties meeting on June 30, 2017. A second interested parties meeting is scheduled for December 4, 2019.

Subject: Architectural and Engineering Services

California Code of Regulations Title and Sections Affected: Title 18, Section 30000

Statute(s) Being Implemented: Public Contract Code 10351, Gov't Code 4525, 4526

Responsible Agency Unit: Legal Division

Contact Person and Phone Number: Dennis Haase, (916) 845-3187

Projected Notice Publication Date: 01/21

Projected Public Hearing Date: 03/21

Projected Adoption by Your Agency Date: 05/21

Projected To OAL for Review Date: 06/21

Report on the Status of all Uncompleted Rulemaking Described on Previous Calendars: New project, added to calendar this year.