

**FRANCHISE TAX BOARD  
2022 RULEMAKING CALENDAR**

**New Regulations Added to the 2022 Rulemaking Calendar Not Yet  
Approved**

- **Section 25137-14 - Mutual Fund Service Providers and Asset Management Service Providers (pages 6-7)**

**SCHEDULE B: PROPOSED REGULATIONS IMPLEMENTING  
STATUTES ENACTED PRIOR TO THE YEAR 2022**

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

**California Code of Regulations Title and Sections Affected:** Title 18, Sections 17951-5, 17951-8

**Statute(s) Being Implemented:** Rev. and Tax. Code Section 17951

**Responsible Agency Unit:** Legal Division

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

**Projected Notice Publication Date:** 04/22

**Projected Public Hearing Date:** 06/22

**Projected Adoption by Your Agency Date:** 08/22

**Projected To OAL for Review Date:** 10/22

**Report on the Status of all Uncompleted Rulemaking Described on Previous Calendars:** Staff held an interested parties meeting on October 8, 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:** 8/22

**Projected Public Hearing Date:** 10/22

**Projected Adoption by Your Agency Date:** 12/22

**Projected To OAL for Review Date:** 01/23

**Report on the Status of all Uncompleted Rulemaking Described on Previous Calendars:** Interested parties meetings were held on Wednesday, February 3, 2016 and March 30, 2021. Staff anticipates holding a third interested parties meeting in early 2022.

**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 Section 18001

**Responsible Agency Unit:** Legal Division

**Contact Person and Phone Number:** Veronica Long, (916) 845-2878

**Projected Notice Publication Date:** 12/21

**Projected Public Hearing Date:** 02/22

**Projected Adoption by Your Agency Date:** 04/22

**Projected To OAL for Review Date:** 6/22

**Report on the Status of all Uncompleted Rulemaking Described on Previous Calendars:** Interested parties meetings were held August 7, 2019, and July 30, 2020. Staff received permission to proceed to the formal regulatory process from the three-member Board at the FTB meeting on June 3, 2021

**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:** 01/22

**Projected Public Hearing Date:** 03/22

**Projected Adoption by Your Agency Date:** 05/22

**Projected To OAL for Review Date:** 07/22

**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 2022.

**Subject: Withholding on Domestic Pass-Through Entities**

**California Code of Regulations Title and Sections Affected:** Title 18, Section 18662-0 through 18662-8, as applicable

**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:** 03/22

**Projected Public Hearing Date:** 05/22

**Projected Adoption by Your Agency Date:** 07/22

**Projected To OAL for Review Date:** 09/22

**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 received permission to proceed to the formal regulatory process at the FTB meeting on September 9, 2021. Staff anticipates publishing the Notice of Proposed Rulemaking in early 2022.

**Subject: Assignment of Credits – Eligible Assignees and Reorganizations**

**California Code of Regulations Title and Sections Affected:** Title 18, Sections 23663-1 and 23663-6

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

**Responsible Agency Unit:** Legal Division

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

**Actual Notice Publication Date:** 10/09/20

**Projected Public Hearing Date:** N/A

**Projected Adoption by Your Agency Date:** 03/21

**Projected To OAL for Review Date:** 10/21

**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. The Notice of Proposed Rulemaking was published on October 9, 2020. The rulemaking file was submitted to OAL for review on October 29, 2021.

**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:** Thomas Lo Grossman, (916) 845-3629, Amanda Smith, (916) 845-2869

**Projected Notice Publication Date:** 03/22

**Projected Public Hearing Date:** 05/22

**Projected Adoption by Your Agency Date:** 07/22

**Projected To OAL for Review Date:** 09/22

**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. 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, July 19, 2019, and July 21, 2020. Staff received permission to proceed to the formal regulatory process at the FTB meeting on September 9, 2021. Staff anticipates publishing the Notice of Proposed Rulemaking in early 2022.

**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:** Hanna Cho, (916) 845-7298,

**Projected Notice Publication Date:** 03/22

**Projected Public Hearing Date:** 05/22

**Projected Adoption by Your Agency Date:** 07/22

**Projected To OAL for Review Date:** 09/22

**Report on the Status of all Uncompleted Rulemaking Described on Previous Calendars:** Staff held interested parties meetings on June 30, 2017, December 4, 2019, and August 11, 2020. Staff received permission to proceed to the formal regulatory process from the three-member Board at the FTB meeting on March 4, 2021. Staff anticipates publishing the Notice of Proposed Rulemaking in early 2022.

**Subject: Mutual Fund Service Providers and Asset Management Service Providers**

**California Code of Regulations Title and Sections Affected:** Title 18, Section 25137-14

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

**Responsible Agency Unit:** Legal Division

**Contact Person and Phone Number:** Amanda Smith, (916) 845-2869,

**Projected Notice Publication Date:** 05/22

**Projected Public Hearing Date:** 07/22

**Projected Adoption by Your Agency Date:** 09/22

**Projected To OAL for Review Date:** 11/22

**Report on the Status of all Uncompleted Rulemaking Described on Previous Calendars:** This is a new project to explore adding a definition of “beneficial owner” to clarify the application of the regulation to asset managers that provide services to Regulated Investment Companies.

**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, Government Code 4525, 4526

**Responsible Agency Unit:** Legal Division

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

**Projected Notice Publication Date:** 12/21

**Projected Public Hearing Date:** 02/22

**Projected Adoption by Your Agency Date:** 03/22

**Projected To OAL for Review Date:** 05/22

**Report on the Status of all Uncompleted Rulemaking Described on Previous Calendars:** Staff anticipates publishing a notice requesting comments in late 2021.