



FTB NOTICE

California Franchise Tax Board - Legal Branch

P.O. Box 1720
Rancho Cordova, CA 95741-1720
Telephone: (916) 845-6305
FAX: (916) 845-3648

Kathleen Connell
Chair

Johan Klehs
Member

Craig L. Brown
Member

FTB NOTICE 96-3

September 20, 1996

SUBJECT: IRS REVENUE PROCEDURE 96-31

Where provisions of the Personal Income Tax Law and the Bank and Corporation Tax Law are in substantial conformity with the Internal Revenue Code, the Franchise Tax Board will generally follow federal regulations, procedures and rulings. However, federal rulings and procedures will not be binding on the Franchise Tax Board for California purposes if the Franchise Tax Board has publicly indicated in writing that the ruling or procedure will not be followed.

The Internal Revenue Service issued Rev. Proc. 96-31 effective May 13, 1996 (1996, 20 I.R.B. 11) concerning an automatic consent procedure for a change of accounting method involving previously unclaimed allowable depreciation or amortization.

The purpose of this notice is to announce that the Franchise Tax Board will not follow IRS Revenue Procedure 96-31.

DRAFTING INFORMATION

The principal author of this ruling is Debra S. Petersen of the Franchise Tax Board Legal Branch. For further information regarding this notice, contact Ms. Petersen at the Franchise Tax Board Legal Branch, P.O. Box 1720, Rancho Cordova, CA 95741-1720.