

Legal Division Guidance 2010-09-02

(Late Filing Penalties – Partnerships and S Corporations)

Q: What is the operative date for the new late filing penalties under RTC sections 19172 and 19172.5?

A: RTC section 19172 (applicable to partnerships) was amended by section 48, and RTC section 19172.5 (applicable to S corporations) was added by section 49, of SB 401 (Stats. 2010, ch. 14). By the terms of these changes to those penalties, each applies to returns required to be filed after the effective date of SB 401. Under section 8(c)(1) of Article IV of the California Constitution, the effective date of SB 401 is January 1, 2011, so that the new penalties are applicable to returns required to be filed after January 1, 2011.