



STATE OF CALIFORNIA
FRANCHISE TAX BOARD
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JOHN CHIANG
Chair
JEROME E. HORTON
Member
MICHAEL COHEN
Member

Interested Parties Meeting

To attend this meeting, please RSVP by December 5, 2014, by contacting Colleen Berwick at (916) 845-3306 or Email: colleen.berwick@ftb.ca.gov.

To participate in this meeting by telephone, use this number to dial in: (877) 923-3149. The participant pass code is 2233420.

When

Friday December 12, 2014
1:00 p.m.

Where

Franchise Tax Board
Golden State Room B
9646 Butterfield Way
Sacramento, CA 95827
North Lobby

Background: California has long withheld on domestic pass-through entities based upon "distributions." However, given the clear trend among the states to withhold based on "distributive share" of pass-through entity income, California is interested in changing withholding with respect to domestic pass-through entities through California Code of Regulations, title 18, section 18662. Staff has researched how the other states are implementing "distributive share" withholding, and is ready to solicit views from interested parties in revising the current withholding scheme on pass-through entities.

Topic: Discuss, possible alternatives relating to withholding on domestic pass-through entities that would ultimately result in a new regulation in California Code of Regulations, title 18, section 18662-7.

Discussion will include:

1. What type of withholding scheme works best to deal with tiered pass-through entity structures?
2. How to address the issue of overlapping due dates of withholding forms required to be filed with respect to pass-through entity withholding.
3. Whether withholding payments should be due on a quarterly or annual basis.
4. Any other positives and negatives from other state withholding schemes relating to pass-through entities.

Purpose: To elicit public input on a proposed regulation that would modify the withholding on domestic pass-through entities to a "distributive share" scheme.

Contact: Leah Thyberg:

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[Visitors Parking Map](#)

* This facility is architecturally accessible to persons with physical disabilities.