

FINAL STATEMENT OF REASONS  
FOR PROPOSED REGULATIONS, TITLE 18, SECTION 19591

The proposed regulations do not impose any mandate on local agencies or school districts.

Update of Initial Statement of Reasons

On January 6, 2006, a Notice of Hearing was published in OAL Register Number 2006, 1-Z, stating that the Franchise Tax Board would not hold a public hearing on the proposed regulation unless requested by interested persons or their representatives at least 15 days before the close of the written comment period. The Notice also provided for a written comment period, stating that written comments would be accepted until 5:00 p.m. on Wednesday, February 22, 2006.

No requests for public hearing were received, and no written comments were received. Therefore, the contents of the Initial Statement of Reasons remain unchanged and are incorporated herein by reference.

Alternatives Determined

The Franchise Tax Board has not received any proposed alternatives that would lessen the adverse economic impact that the proposed regulation would have on small businesses. The Franchise Tax Board has determined that no alternative would be more effective in carrying out the purpose of the proposed regulation or would be as effective and less burdensome to affected private persons than the proposed regulation.