

**Senate Bill No. 1741**

\_\_\_\_\_

Passed the Senate      May 14, 1998

\_\_\_\_\_  
*Secretary of the Senate*

\_\_\_\_\_

Passed the Assembly      August 13, 1998

\_\_\_\_\_  
*Chief Clerk of the Assembly*

\_\_\_\_\_

This bill was received by the Governor this \_\_\_\_ day  
of \_\_\_\_\_, 1998, at \_\_\_\_ o'clock \_\_M.

\_\_\_\_\_  
*Private Secretary of the Governor*

└

## CHAPTER \_\_\_\_

An act to amend Section 17935 of the Revenue and Taxation Code, relating to taxation.

## LEGISLATIVE COUNSEL'S DIGEST

SB 1741, Alpert. Limited Partnerships: dissolution.

The Personal Income Tax Law imposes a tax on limited partnerships, limited liability companies, and limited liability partnerships. Existing law imposes a specified minimum tax on limited partnerships.

This bill would require that if a taxpayer files a return that is designated its final return with the Franchise Tax Board, that board must notify the taxpayer that the minimum tax is due annually until a certificate of dissolution or a certificate of cancellation is filed with the Secretary of State, as provided.

*The people of the State of California do enact as follows:*

SECTION 1. Section 17935 of the Revenue and Taxation Code is amended to read:

17935. (a) For each taxable year beginning on or after January 1, 1997, every limited partnership doing business in this state (as defined by Section 23101) and required to file a return under Section 18633 shall pay annually to this state a tax for the privilege of doing business in this state in an amount equal to the applicable amount specified in Section 23153.

(b) (1) In addition to any limited partnership that is doing business in this state and therefore is subject to the tax imposed by subdivision (a), for each taxable year beginning on or after January 1, 1997, every limited partnership that has executed, acknowledged, and filed a certificate of limited partnership with the Secretary of State pursuant to Section 15621 of the Corporations Code, and every foreign limited partnership that has registered with the Secretary of State pursuant to Section 15692 of the Corporations Code, shall pay annually the tax



prescribed in subdivision (a). The tax shall be paid for each taxable year, or part thereof, until a certificate of cancellation is filed on behalf of the limited partnership with the office of the Secretary of State pursuant to Section 15623 or 15696 of the Corporations Code.

(2) If a taxpayer files a return with the Franchise Tax Board that is designated its final return, that board shall notify the taxpayer that the minimum tax is due annually until a certificate of cancellation is filed with the Secretary of State pursuant to Section 15623 or 15696 of the Corporations Code.

(c) The tax imposed under this section shall be due and payable on the date the return is required to be filed under former Section 18432 or Section 18633.

(d) For purposes of this section, “limited partnership” means any partnership formed by two or more persons under the laws of this state or any other jurisdiction and having one or more general partners and one or more limited partners.



Approved \_\_\_\_\_, 1998

\_\_\_\_\_  
*Governor*

