

BEFORE THE STATE BOARD OF EQUALIZATION
OF THE STATE OF CALIFORNIA

In the Matter of the Appeal of)
DONALD M. DRAKE COMPANY)

ORDER MODIFYING OPINION

It is hereby ordered that our opinion of February 3, 1977, in the above entitled matter be modified by deleting the last two sentences of the thirteenth paragraph, which begins with the words "Appellant argues however," and replacing those sentences with the following:

However, Revenue and Taxation Code section 25122 provides, inter alia, that a taxpayer is "taxable" in any state which has jurisdiction to subject it to a net income tax "regardless of whether, in fact, the state does or does not." A taxpayer may therefore be subject to the Uniform Act even though one or more states allow it to defer recognition of its income in a particular year.

Done at Sacramento, California, this 2d day of March, 1977, by the State Board of Equalization.

William La Borge, Chairman
[Signature], Member
[Signature], Member
_____, Member
_____, Member

ATTEST: W. W. Dunlop, Executive Secretary