

BEFORE THE STATE BOARD OF EQUALIZATION
OF THE STATE OF CALIFORNIA

In the Matter of the Appeal of)
DOLL ASSOCIATES, INC.)

For Appellant: Abraham Hochler
Attorney at Law

Dean A. Bagley
Certified Public Accountant

For Respondent: Bruce W. Walker
Chief Counsel

Karl F. Munz
Counsel

O P I N I O N

This appeal is made pursuant to section 26077 of the Revenue and Taxation Code from the action **of the** Franchise Tax Board in denying the claim of Doll Associates, Inc., for refund of franchise tax in the amount of **\$928.00** for the taxable year ended January 30, 1973.

Appeal. of Doll Associates, Inc.

Appellant was incorporated in California on April 22, 1963, and commenced doing business in this state oh or about that date. Appellant selected **March 31** as its fiscal year end, and filed its initial California franchise **tax** return for the taxable year ended March 31, 1964.

Appellant's second taxable year ended March 31, 1965, and represented the first taxable period during which appellant conducted business in California for a full 12 months. Apparently, appellant paid a tax for its second taxable year in the amount of \$1,128.

On May 15, 1972, appellant filed a return for its income year ended March 31, 1972, wherein it reported net income of \$100. Accordingly, appellant paid the minimum tax required for the taxable year ended **March 31, 1973.** (See Rev. & Tax. Code, **§§ 25561, 25563.**) However, appellant formally dissolved on January 30, 1973. In **its** final California franchise tax return, filed on September 14, 1973 for the period from April 1, 1972 to January 30, 1973, appellant claimed **a** credit for the amount of tax that it had paid for its taxable year ended March 31, 1965, pursuant to subdivision **(a)** of section 23201 of the Revenue and Taxation Code.

Respondent disallowed the claimed credit on **the basis of its belief that section 23201 is inapplica-**ble with respect to taxable. years beginning prior to January 1, 1973. Thus, the sole question presented for resolution is whether the credit provided in subdivision (a) of section 23201 is available to appellant for purposes of computing the tax for its taxable year ended January 30, 1973.

The issue and arguments presented by this appeal are identical to those presented in the **Appeal of Ted M. Walsh and Associates, Inc., decided this date.** ~~On the basis of that~~ appeal, and for the reasons stated therein, respondent's action in this matter must be reveraed.

Appeal of Doll Associates, Inc.

O R D E R

Pursuant to the views expressed in the opinion of the board on file in this proceeding, and good cause appearing therefor,

IT IS HEREBY ORDERED, ADJUDGED AND DECREED, pursuant to section 26077 of the Revenue and Taxation Code, that the action of the Franchise Tax Board in denying the claim of **Doll Associates, Inc.**, for refund of franchise tax in the amount of \$928.00 for the taxable year ended January 30, 1973, be and the same is hereby reversed.

Done at Sacramento, California, this 7th day of April, 1977, by the State Board of Equalization.

William L. Bennett Chairman
Gregory J. [unclear], Member
John [unclear], Member
_____, Member
_____, Member

ATTEST: *W. W. Dunlop*, Executive Secretary