



89-SBE-008-A

BEFORE THE STATE BOARD OF EQUALIZATION
OF THE STATE OF CALIFORNIA

In the Matter of the Appeal of)
WILLAMETTE INDUSTRIES, INC.) No. 83A-291-MW

ORDER DENYING PETITION FOR REHEARING
AND CORRECTING ORDER

Upon consideration of the petition filed March 29, 1989, by the Franchise Tax Board for rehearing of the **above-**entitled appeal from the action of the Franchise Tax Board, we are of the opinion that none of the grounds set forth in the petition constitute cause for the granting thereof and, accordingly, it is hereby ordered that the petition be and the same is hereby denied.

In its Petition, the Franchise Tax Board, for the first time, points out that the bulk of the assessment amounts at issue are attributable to issues other than the single legal issue argued by the parties and decided by this board in the foregoing opinion. This being the case, the Franchise Tax Board is correct in its assertion that a complete **reversal** of its action was inappropriate and, in fact, creates an effect unintended by this board.

Therefore, it is further ordered that the second paragraph on the sixth page of the opinion and order mentioned above be corrected to read as follows:

IT IS HEREBY ORDERED, ADJUDGED AND DECREED, pursuant to section 25667 of the Revenue and Taxation Code, that the action of the Franchise Tax Board on the protest of Willamette Industries, Inc., against

proposed assessments of additional franchise tax in the amounts of \$7,497 and \$31,307 for the income years 1977 and 1978, respectively, be and the same is hereby modified in accordance with the foregoing opinion, to reflect the agreement of the parties that the correctly computed amount of the deficiencies involved is as shown in footnote 2 of the foregoing opinion.

Done at Sacramento, California, this 2nd day of August, 1989, by the State Board of Equalization, with Board Members Mr. Carpenter, Mr. Collis, Mr. Bennett, Mr. Dronenburg, and Mr. Davies present.

Paul Carpenter, Chairman
Conway H. Collis, Member
William M. Bennett, Member
Ernest J. Dronenburg, Jr., Member
John Davies*, Member

*For Gray Davis, per Government Code section 7.9