

1 Amend 2 Cal. Code Regs., Section 18994 to read:

2 **§ 18994. Auditing and Investigations.**

3 Audits and investigations conducted by the Franchise Tax Board pursuant to Government  
4 Code Sections 90000, et seq. shall be made as follows:

5 (a) To the extent applicable, in accordance with generally accepted auditing standards as  
6 prescribed by the authoritative bodies of the accounting profession; and

7 (b) To the extent necessary, using other tests of accounting records and auditing  
8 procedures appropriate under the circumstances of each audit or investigation.

9 Note: Authority cited: Section 83112, Government Code. Reference: Section 90000, et seq.,  
10 Government Code.