

State of California

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Legislative Change No.**01-06**Bill Number: AB 816Author: ThomsonChapter Number: 01-164Laws Affecting Franchise Tax Board: Revenue and Taxation Code Section 18510Date Filed with the Secretary of the State: August 9, 2001

SUBJECT: Modify Filing Requirement Threshold to Allow Exclusion of Gain on Sale of Principal Residence

Assembly Bill 816 (Thomson), as enacted on August 9, 2001, made the following changes to California law:

Section 18510 of the Revenue and Taxation code was repealed.

This act deletes the income tax return filing requirement triggered solely by the sale of a principal residence where an individual's income otherwise is below the filing threshold. Thus, this act eliminates the requirement to file a return when no tax is owed and conforms to federal practice.

This act is a tax levy and is effective immediately upon enactment. It applies to taxable years beginning on or after January 1, 2001.

This act will not require any reports by the department to the Legislature.

Bureau Director

Brian Putler

Date

August 21, 2001