

SUMMARY ANALYSIS OF AMENDED BILL

Franchise Tax Board

Author: Harman Analyst: Kristina E. North Bill Number: AB 2630

Related Bills: See Prior Analysis Telephone: 845-6978 Amended Date: April 18, 2002

Attorney: Patrick Kusiak Sponsor: CA Farm Bureau Federation

SUBJECT: Charitable Contribution Deduction/Qualified Conservation Contributions/Allows Carryover Until Used

- DEPARTMENT AMENDMENTS ACCEPTED. Amendments reflect suggestions of previous analysis of bill as introduced February 22, 2002.
- AMENDMENTS IMPACT REVENUE. A new revenue estimate is provided.
- AMENDMENTS DID NOT RESOLVE THE DEPARTMENT'S CONCERNS stated in the previous analysis of bill as introduced/amended _____.
- FURTHER AMENDMENTS NECESSARY.
- DEPARTMENT POSITION CHANGED TO _____.
- REMAINDER OF PREVIOUS ANALYSIS OF BILL AS INTRODUCED February 22, 2002, STILL APPLIES.
- OTHER - See comments below.

SUMMARY

This bill would allow farming businesses to fully use the tax benefit of contributing land for charitable purposes.

SUMMARY OF AMENDMENT

The April 18, 2002, amendments resolved the implementation concerns identified in the department's analysis of the bill as introduced February 22, 2002, by:

- ◆ clarifying that the bill would be operative for contributions of conservation easements made in taxable years beginning on or after January 1, 1997; and
- ◆ correcting references to federal law and making other technical changes, thus clarifying that the carryover period for the contribution is unlimited.

The amendments added public purpose language to this bill specifying the intent to encourage the continued donation of real property for the benefit of the general public.

Except for these changes, the remainder of the department's analysis of the bill as introduced February 22, 2002, still applies. The revenue estimate remains the same at less than \$100,000 for 2002/2003, increasing to \$200,000 by 2003/2004, and \$250,000 by 2004/2005.

Board Position:			
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<input type="checkbox"/> SA	<input type="checkbox"/> O	<input type="checkbox"/> NAR	
<input type="checkbox"/> N	<input type="checkbox"/> OUA	<input checked="" type="checkbox"/> PENDING	

Legislative Director	Date
Brian Putler	5/1/02

Assembly Bill 2630 (Harman)

Amended April 18, 2002

Page 2

POSITION

Pending.

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