

SUMMARY ANALYSIS OF AMENDED BILL

Franchise Tax Board

Author: Kelley Analyst: Darrine Distefano Bill Number: AB 952

Related Bills: See Prior Analysis Telephone: 845-6458 Amended Date: 07-17-2001

Attorney: Patrick Kusiak Sponsor: _____

SUBJECT: Exclusion/Vouchers for Installing Water and Energy Efficient Clothes Washers, and Plumbing Devices

- DEPARTMENT AMENDMENTS ACCEPTED. Amendments reflect suggestions of previous analysis of bill as introduced/amended _____.
- 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 amended May 31, 2001.
- FURTHER AMENDMENTS NECESSARY.
- DEPARTMENT POSITION CHANGED TO Support.
- REMAINDER OF PREVIOUS ANALYSIS OF BILL AS AMENDED May 31, 2001 STILL APPLIES.
- OTHER - See comments below.

SUMMARY

This bill would not tax rebates or vouchers received by a taxpayer for the purchase or installation of water conservation appliances and devices.

SUMMARY OF AMENDMENT

The July 17, 2001, amendment changed the modified energy factor for water and energy efficient clothes washers. This is a technical amendment that does not impact the department's programs, operations, or state income tax revenue.

The amendment did not resolve the department's implementation consideration with respect to the bill as amended May 31, 2001. Accordingly, the unresolved implementation consideration is repeated below for convenience. The remainder of the department's analysis of the bill as amended May 31, 2001, still applies.

POSITION

Support.

At its June 27, 2001 meeting, the Franchise Tax Board voted 2-0 to take a support position on this bill with Annette Porini, on behalf of Member B. Timothy Gage, abstaining.

<p>Board Position:</p> <table style="width: 100%; border: none;"> <tr> <td style="text-align: center;"><input checked="" type="checkbox"/> S</td> <td style="text-align: center;"><input type="checkbox"/> NA</td> <td style="text-align: center;"><input type="checkbox"/> NP</td> </tr> <tr> <td style="text-align: center;"><input type="checkbox"/> SA</td> <td style="text-align: center;"><input type="checkbox"/> O</td> <td style="text-align: center;"><input type="checkbox"/> NAR</td> </tr> <tr> <td style="text-align: center;"><input type="checkbox"/> N</td> <td style="text-align: center;"><input type="checkbox"/> OUA</td> <td style="text-align: center;"><input type="checkbox"/> PENDING</td> </tr> </table>	<input checked="" type="checkbox"/> S	<input type="checkbox"/> NA	<input type="checkbox"/> NP	<input type="checkbox"/> SA	<input type="checkbox"/> O	<input type="checkbox"/> NAR	<input type="checkbox"/> N	<input type="checkbox"/> OUA	<input type="checkbox"/> PENDING	<table style="width: 100%; border: none;"> <tr> <td style="text-align: center;">Legislative Director</td> <td style="text-align: center;">Date</td> </tr> <tr> <td style="text-align: center;">Brian Putler</td> <td style="text-align: center;">08/14/01</td> </tr> </table>	Legislative Director	Date	Brian Putler	08/14/01
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IMPLEMENTATION CONSIDERATION

The bill adds “energy” to the current term “local water agency or supplier” but does not provide a definition. The current term has been in the law for over 10 years. With the addition of “energy,” the department would continue to interpret the term “local water or *energy* agency or supplier” as it has in the past, to mean either a state agency or a public or private utility.

LEGISLATIVE STAFF CONTACT

Darrine Distefano
Franchise Tax Board
845-6458

Brian Putler
Franchise Tax Board
845-6333