

SUMMARY ANALYSIS OF AMENDED BILL

Franchise Tax Board

Author: Dunn Analyst: Gloria McConnell Bill Number: SB 415

Related Bills: See Prior Analysis Telephone: 845-4336 Amended Date: 07/10/01

Attorney: Patrick Kusiak Sponsor: _____

SUBJECT: FTB Provide Free Electronic Filing & Interactive Forms/Tax Information Disclosure for Business Transactions

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 introduced/amended _____.

FURTHER AMENDMENTS NECESSARY.

DEPARTMENT POSITION CHANGED TO No Position.

PREVIOUS ANALYSES OF BILL AS AMENDED MARCH 27, 2001, AND MAY 7, 2001, STILL APPLY.

OTHER - See comments below.

SUMMARY

This bill would require Franchise Tax Board (FTB) to provide individuals, free of charge, tax return forms that could be filed electronically directly with FTB.

This bill also would make amendments to existing laws relating to the disclosure of a consumer's income tax return information by third parties. This provision does not directly affect the FTB, and therefore, is not addressed in this or the prior analyses.

SUMMARY OF AMENDMENTS

The July 10, 2001, amendments would:

- provide that FTB would acknowledge receipt of an electronically transmitted valid tax return no later than 48 hours after it is received.
- preclude FTB from using for examination or enforcement purposes any information contained in any drafts or incomplete versions of the electronic tax forms.
- require FTB, to the extent possible, to ensure the security of the tax return information during the electronic transmission of the tax return.
- clarify that FTB would not be required to make available electronic products and services that would determine individual tax liability.

Board Position:

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Legislative Director

Date

Brian Putler

07/25/01

Because these amendments merely add administrative detail and clarity, FTB's previous analyses of the bill still apply.

POSITION

At its meeting of June 27, 2001, the FTB took no position on this bill.

LEGISLATIVE STAFF CONTACT

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