

State of California

Franchise Tax Board-Legislative Services Bureau
PO Box 1468
Sacramento, CA 95812-1468

Telephone: (916)845-4326
ATSS: 468-4326
FAX: (916)845-5472

Legislative Change No.**02-29**Bill Number: AB 1968Author: NationChapter Number: 02-843Laws Affecting Franchise Tax Board: Revenue and Taxation Code Sections 17138.1 and 24308.1Date Filed with the Secretary of the State: September 24, 2002

SUBJECT: Exclusion/Energy Conservation Rebates, Vouchers Or Other Financial Incentives

Assembly Bill 1968 (Nation), as enacted on September 24, 2002, made the following changes to California law:

Sections 17138.1 and 24308.1 of the Revenue and Taxation Code are added.

This act expressly excludes from gross income any amount received as a rebate, voucher, or other financial incentive issued by the California Energy Commission, Public Utility Commission, or local publicly owned electrical utility for the purchase or installation of thermal energy system, a solar energy system, a wind energy system, or a fuel cell generating system.

The act defines a thermal energy system, a solar energy system, and fuel cell generating system by reference to a the Public Resources Code, and the California Energy Commission's Emerging Renewable Resources Account Guidebook.

This act is effective immediately, and is operative for taxable years beginning on or after January 1, 2002.

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

Bureau Director

Roger Lackey

Date

October 24, 2002