

## State of California

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**Legislative Change No.** **03-21**  
Bill Number: SB 1064 Author: Burton Chapter Number: 03-606

Laws Affecting Franchise Tax Board: Section 6902.2 of the Revenue and Taxation Code.

Date Filed with the Secretary of the State: September 29, 2003

**SUBJECT:** Sales & Use Tax Claims for Refund Clarifying Changes

**Senate Bill 1064 (Burton), as enacted on September 29, 2003, made the following changes to California law:**

Section 6902.2 of the Revenue and Taxation Code is amended.

This act clarifies that a taxpayer may not request a sales tax refund, in lieu of the manufacturers investment credit (MIC), in excess of the amount of the MIC that could be applied to reduce the tax (or net tax) after first applying all other credits. It states that a MIC carryover credit may not be refunded until the year the MIC carryover can be applied to reduce the tax (or net tax).

This act is effective on January 1, 2004. However, the bill specifies that the changes are declaratory of existing law, but effective for claims for refund filed with the BOE on or after August 7, 2003.

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

Bureau Director

Jana Howard for Brian Putler

Date

11/3/03