

State of California

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Legislative Change No.**04-10**Bill Number: AB 1073Author: Dutton, et al.Chapter Number: 04-261Laws Affecting Franchise Tax Board: Revenue and Taxation Code Section 17136.5Date Filed with the Secretary of the State: August 23, 2004

SUBJECT: Exclusion/Death Gratuity Received By A Survivor Of Deceased Member, Former Member Or Person Entering Service Of The U.S. Armed Forces

Assembly Bill 1073 (Dutton, et al.), made the following change to California law:Section 17136.5 is added to the Revenue and Taxation Code.

This act conforms California law to new federal law by increasing the amount of the death gratuity excludable from gross income from \$3,000 to the entire amount of the death gratuity, currently \$12,000.

This act is effective immediately and is operative beginning with deaths occurring on or after September 11, 2001.

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

Bureau Director

Jana Howard for Brian Putler

Date

9/1/04