

State of California

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Legislative Change No.**04-38**Bill Number: AB 2585Author: ParraChapter Number: 04-885Laws Affecting Franchise Tax Board: Health and Safety Code Section 40608Date Filed with the Secretary of the State: September 29, 2004

SUBJECT: California Research Bureau in Consultation with the Board of Equalization and the Franchise Tax Board Calculate State Tax Revenues Derived From or Attributable to Joint Strike Fighter Impact Zone

Assembly Bill 2585 (Parra), as enacted on September 29, 2004, made the following changes to California law:

Section 40608 of the Health and Safety Code is added.

This act requires the Franchise Tax Board (FTB) to establish a state income tax revenue baseline for taxes imposed pursuant to the Personal Income Tax Law and the Corporation Tax Law and attributable to the Joint Strike Fighter Impact Zone, defined as Kings County, for the fiscal year 2003-2004. This information will be furnished to the California Research Bureau to be included in a report due no later than December 31, 2004. For fiscal year 2006-2007, and each fiscal year thereafter, FTB will report to the California Research Bureau on the state income tax revenue attributable to the Joint Strike Fighter Impact Zone, for inclusion in a report due not later than December 31st of 2007 and each subsequent year.

The Legislature intends to appropriate some portion of the revenue increase to pay for mitigation of air pollution caused by the Joint Strike Fighter operations.

This act is effective and operative on January 1, 2005.

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

Bureau Director

Jana Howard for Brian Putler

Date

10/14/04