

NO ANALYSIS REQUIRED

Franchise Tax Board

Author: Assembly Revenue & Taxation Committee Analyst: Rachel Coco Bill Number: AB 1767

Related Bills: See Prior Analyses Telephone: 845-4328 Amended Date: August 15, 2005

Attorney: Patrick Kusiak Sponsor: _____

SUBJECT: Claim of Right Deduction/Liquidation Of Securities/Reimbursement Due To Erroneous Actions/FTB Provide Taxpayer Address Information To DOJ For Locating Unregistered Sex Offenders

____ ANALYSIS NOT REQUIRED of this bill – Not within scope of responsibility of this department.

____ TECHNICAL BILL – No program or fiscal changes to existing program.

____ BILL AS AMENDED NO LONGER WITHIN SCOPE of responsibility or program of the department.

TECHNICAL AMENDMENT – No change in previously submitted analysis required. Approved position of prior analysis is SUPPORT.

____ MINOR AMENDMENT – No change in previously submitted analysis required. Approved position of prior analysis is _____.

____ MINOR AMENDMENT – No change in approved position of _____.
See Comments below

OTHER – See comments below.

COMMENTS:

This bill would:

1. clarify current state law by conforming more closely to federal law with regard to the claim of right deduction,
2. require financial institutions, upon request, to liquidate a taxpayer's securities to satisfy the taxpayer's tax liability,
3. provide an exception to the underpayment of estimated tax penalty due to an erroneous action by the Franchise Tax Board (FTB),
4. incorporate into the Revenue and Taxation Code (R&TC) a provision of the Penal Code that provides an exception to FTB's general disclosure law, and
5. allow reimbursement to persons for third-party charges and fees caused by an erroneous action by FTB.

The August 15, 2005, amendment corrected a minor error that addressed the department's technical consideration as provided in the analysis of the bill as introduced, March 17, 2005. The remainder of that analysis still applies.

Board Position:

_____ S	_____ NA	_____ NP
_____ SA	_____ O	<u> X </u> NAR
_____ N	_____ OUA	_____ PENDING

Franchise Tax Board Staff

Date

Rachel Coco

08/18/2005