

State of California

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Legislative Change No.**05-22**Bill Number: AB 164Author: NavaChapter Number: 05-623Laws Affecting Franchise Tax Board: Revenue and Taxation Code Sections 17207 and 24347.5.Date Filed with the Secretary of the State: October 6, 2005

SUBJECT: Disaster Loss Deduction/Excess Loss Carryover/Kern, Los Angeles, Santa Barbara, and Ventura County Severe Rainstorms, Related Flooding, Slides, & Other Events

Assembly Bill 164 (Nava) as enacted on October 6, 2005, made the following changes to California law:

Sections 17207 & 24347.5 of the Revenue and Taxation Code are amended.

This act adds the severe rainstorms and related events that occurred in Kern, Los Angeles, Santa Barbara, and Ventura Counties to the current list of specified disasters under the Personal Income Tax Law and the Corporation Tax Law.

Specifically, this act allows special disaster treatment of losses sustained as a result of those disasters. The \$100 and 10% of adjusted gross income limitations in existing law apply to disaster losses on nonbusiness property.

AB 18 (La Malfa, Stat. 2005, Ch. 624) and SB 457 (Kehoe, Stat. 2005, Ch. 622) also adopt these provisions. AB 18 was chaptered after SB 457 and AB 164.

This act is an urgency measure and is effective and operative immediately upon enactment.

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

Bureau Director
Jana Howard for Brian Putler

Date
11/29/05