

SUMMARY ANALYSIS OF AMENDED BILL

Author: Calderon Analyst: Gail Hall Bill Number: AB 1546
 Related Bills: See Prior Analysis Telephone: 845-6111 Amended Date: May 9, 2007
 Attorney: Patrick Kusiak Sponsor: _____

SUBJECT: Limited Liability Company Fee

- DEPARTMENT AMENDMENTS ACCEPTED. Amendments reflect suggestions of previous analysis of bill as introduced/amended _____.
- AMENDMENTS IMPACT REVENUE. A new revenue estimate is provided.
- AMENDMENTS DID NOT RESOLVE THE DEPARTMENT'S CONCERNS stated in the previous analysis of bill as introduced February 23, 2007.
- FURTHER AMENDMENTS NECESSARY.
- DEPARTMENT POSITION CHANGED TO _____.
- REMAINDER OF PREVIOUS ANALYSES OF BILL AS INTRODUCED/AMENDED February 23, 2007, and May 3, 2007, STILL APPLY.
- OTHER – See comments below.

SUMMARY

This bill would apply the rules for assigning the income of entities doing business within and outside the state to the calculation of the Limited Liability Company (LLC) fee.

SUMMARY OF AMENDMENTS

The May 9, 2007, amendments made nonsubstantive technical amendments and clarified that the operative date of the bill would be for taxable years beginning on or after January 1, 2007.

Except for the EFFECTIVE/OPERATIVE DATE section of this analysis, the remainder of the department's analyses of the bill as introduced on February 23, 2007, and amended on May 3, 2007, still apply. The TECHNICAL CONSIDERATION section of the analysis of the bill as introduced February 23, 2007, is provided below for convenience.

Board Position:	Legislative Director	Date
<input type="checkbox"/> S		
<input type="checkbox"/> SA		
<input type="checkbox"/> N		
<input type="checkbox"/> NA		
<input type="checkbox"/> O		
<input type="checkbox"/> OUA		
<input type="checkbox"/> NP		
<input type="checkbox"/> NAR		
<input checked="" type="checkbox"/> PENDING	Patrice Gau-Johnson for Brian Putler	5/14/07

EFFECTIVE/OPERATIVE DATE

This bill is a tax levy and would be effective immediately upon enactment. It would specifically be operative for taxable years beginning on or after January 1, 2007, and contains a "no inference" clause with respect to taxable years beginning before January 1, 2007.

POSITION

Pending.

TECHNICAL CONSIDERATION

The public purpose statement in the Legislature's findings and declarations is unnecessary because there is no retroactive provision in this bill, and therefore, no gift of funds. The author should consider deleting subdivision (c) in Section 1.

LEGISLATIVE STAFF CONTACT

Gail Hall
Franchise Tax Board
(916) 845-6111
gail.hall@ftb.ca.gov

Brian Putler
Franchise Tax Board
(916) 845-6333
brian.putler@ftb.ca.gov