

SUMMARY ANALYSIS OF AMENDED BILL

Author: Calderon Analyst: Scott McFarlane Bill Number: AB 1561
 Related Bills: See Prior Analysis Telephone: 845-6075 Amended Date: August 22, 2008
 Attorney: Patrick Kusiak Sponsor: Franchise Tax Board

SUBJECT: Conformity Act of 2008

- 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 DEPARTMENTS CONCERNS stated in the previous analysis of bill as introduced/amended _____.
- FURTHER AMENDMENTS NECESSARY.
- DEPARTMENT POSITION CHANGED TO _____.
- REMAINDER OF PREVIOUS ANALYSIS OF BILL AS AMENDED August 12, 2008, STILL APPLIES.
- OTHER – See comments below.

SUMMARY

This bill would change California’s specified date of conformity to federal income tax law from January 1, 2005, to January 1, 2008, and thereby, in general, conform to the numerous changes made in federal income tax law during that three-year period.

SUMMARY OF AMENDMENTS

The August 22, 2008 amendments removed language that would simplify provisions of applicable law relating to water’s-edge taxpayers.

As a result of the amendments, the “SUMMARY OF REVENUE ESTIMATES” table has been revised. The remainder of the department’s analysis of the bill as amended August 12, 2008, still applies.

Board Position:	Legislative Director	Date
<input checked="" type="checkbox"/> S	Brian Putler	8/28/08
<input type="checkbox"/> NA		
<input type="checkbox"/> SA		
<input type="checkbox"/> N		
<input type="checkbox"/> NP		
<input type="checkbox"/> O		
<input type="checkbox"/> NAR		
<input type="checkbox"/> OUA		
<input type="checkbox"/> PENDING		

SUMMARY OF REVENUE ESTIMATES

Summary Revenue Estimates for AB 1561 as Amended August 22, 2008				
Assumed Enactment After June 30, 2008				
(\$ in Millions)				
	2007-08	2008-09	2009-10	2010-11
Tax Revenue Totals		\$4.25	\$0.85	-\$0.35
Penalty and Interest Totals	\$1	\$7.65	\$7.75	\$8.75
Grand Total Revenue Estimate for AB 1561	\$1	\$11.9	\$8.6	\$8.4

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