

**SUMMARY ANALYSIS OF AMENDED BILL**

Author:   Arambula   Analyst:   Jennifer Bettencourt   Bill Number:   AB 1812    
 Related Bills:   See Prior Analysis   Telephone:   845-5163   Amended Date:   May 23, 2008    
 Attorney:   Patrick Kusiak   Sponsor: \_\_\_\_\_

**SUBJECT:** California Firefighters’ Memorial Fund And California Peace Officer Memorial Foundation Fund/Extend Repeal Date to January 1, 2016

- \_\_\_\_\_ 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
- April 2, 2008, STILL APPLIES.
- OTHER – See comments below.

**SUMMARY**

This bill would extend the repeal date for the California Firefighters’ Memorial Fund and the California Peace Officer Memorial Foundation Fund from January 1, 2011, to January 1, 2016.

**SUMMARY OF AMENDMENTS**

The May 23, 2008, amendments removed language that would have added the Fire Safety Fund to the personal income tax (PIT) return as a voluntary contribution fund.

As a result of the amendments, the “This Bill” and “Economic Impact” discussions provided in the department’s analysis of the bill as amended April 2, 2008, have been revised. Other than the discussions in this analysis, the remainder of the analysis of the bill as amended April 2, 2008, still applies.

Board Position:	Asst. Legislative Director	Date
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<input checked="" type="checkbox"/> PENDING	Brian Putler for PGJ	5/30/08

## ANALYSIS

### THIS BILL

This bill would extend the repeal date for the California Firefighters' Memorial Fund and the California Peace Officer Memorial Foundation Fund from January 1, 2011, to January 1, 2016. These funds would last appear on the 2015 tax return.

## ECONOMIC IMPACT

### Revenue Estimate

Based on data and assumptions discussed below, the PIT revenue loss from this bill would be as follows:

Estimated Revenue Impact of AB 1812 Effective On or After January 1, 2009 Enactment Assumed After June 30, 2008			
	2011-12	2012-13	2013-14
Ca Firefighters' Memorial Fund	0	-<\$150,000	-<\$150,000
Ca Peace Officer Memorial Foundation Fund	0	-<\$150,000	-<\$150,000

This estimate does not consider the possible changes in employment, personal income, or gross state product that could result from this bill.

### Revenue Discussion

The revenue impact of this bill would be determined by the amount of contributions to each Fund and the subsequent itemized deduction of such charitable contributions. In 2006, \$180,395 was contributed to the California Peace Officer Memorial Foundation Fund, and \$202,927 was contributed to the California Firefighters' Memorial Fund.

Applying projected Consumer Price Index growth rates to the 2006 amounts result in estimated contributions of \$216,619 for Peace Officer Fund and \$243,676 for the Firefighter's Fund. By applying an average marginal tax rate of 6%, the revenue impact would be approximately \$13,000 for the Peace Officer Fund ( $\$216,619 \times 6\%$ ), and approximately \$14,600 ( $\$243,676 \times 6\%$ ) for the Firefighters' Fund, insignificant impacts of less than \$150,000.

The change in revenue impact for extending the repeal date would be seen beginning in the 2012-13 fiscal year.

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