

SUMMARY ANALYSIS OF AMENDED BILL

Author: Ma Analyst: Deborah Barrett Bill Number: AB 361
 Related Bills: See Prior Analysis Telephone: 845-4301 Amended Date: March 22, 2007
 Attorney: Tommy Leung Sponsor: _____

SUBJECT: Notice to FTB of the Administration Of A Decedent’s Estate Required By Estate

- 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 INTRODUCED February 14, 2007, STILL APPLIES.
- OTHER – See comments below.

SUMMARY

This Franchise Tax Board (FTB) sponsored bill would require estate representatives to provide notice to FTB that the administration of a decedent’s estate has been opened.

SUMMARY OF AMENDMENTS

The March 22, 2007, amendments changed the notice requirement for estates opened before the bill is effective (January 1, 2008) to be applicable to those estates that have not filed a petition for final distribution instead of applicable to estates that had not yet received an order for final distribution. The “This Bill,” “Implementation Concerns,” and “Fiscal Impact” sections of the analysis have been revised. The remainder of the department’s analysis of the bill as introduced February 14, 2007, still applies.

POSITION

Support.

On December 4, 2006, the Franchise Tax Board voted 2-0, with the member from the Department of Finance abstaining, to sponsor this bill.

Board Position:	Legislative Director	Date
<input checked="" type="checkbox"/> S	Brian Putler	4/13/07
<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"/> PENDING		
<input type="checkbox"/> OUA		

THIS BILL

This bill would require an administrator or executor of a decedent's estate to provide notice of the administration of the estate to FTB no later than 90 days after the date letters are first issued to a general personal representative. This bill would further require estates that are opened before the effective date of the bill and that have not filed a petition for final distribution by that date to provide notice within 90 days of the bill's effective date.

IMPLEMENTATION CONSIDERATIONS

This bill could be implemented in the department's annual program updates because the amendments made are not expected to have a significant impact on the department's programs or operations.

Fiscal Impact

This proposal would reduce the effort by FTB and superior court clerks searching for open probate cases and would be expected to result in less resources spent pursuing after-the-fact-remedies such as transferee assessments. Because FTB currently has processes in place to issue probate claims in response to notices, no additional information technology resources would be needed. Staff augmentation of 2 PYs would be required to address the increase in the volume of notices and will be redirected from other workloads. This bill would reduce the effort spent searching for open probate cases.

LEGISLATIVE STAFF CONTACT

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