

SUMMARY ANALYSIS OF AMENDED BILL

Franchise Tax Board

Author: Oropeza Analyst: Deborah Barrett Bill Number: SB 920

Related Bills: See Prior Analysis Telephone: 845-4301 Amended Date: May 1, 2007

Attorney: Tommy Leung Sponsor: _____

SUBJECT: Disclosure of State Income Tax Data to State Controller's Office

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/amended _____.

FURTHER AMENDMENTS NECESSARY.

DEPARTMENT POSITION CHANGED TO _____.

REMAINDER OF PREVIOUS ANALYSIS OF BILL AS AMENDED April 11, 2007, STILL APPLIES.

OTHER – See comments below.

SUMMARY

This bill would authorize the Franchise Tax Board (FTB) to disclose specified information from business entity returns to the State Controller's Office (SCO) for use in its administration of the Unclaimed Property Law.

SUMMARY OF AMENDMENTS

The May 1, 2007, amendments made a technical correction and also clarified that the tax data provided to SCO by FTB under the provisions of this bill are subject to the sanctions provided for unauthorized disclosure under the Revenue and Taxation Code. The May 1, 2007, amendments resolve the "Implementation Concern" identified in the department's analysis of the bill as amended April 11, 2007. A "Fiscal Impact" estimate has been developed and is included in this analysis in addition to suggested amendments to fund the department's costs. The remainder of the department's analysis of the bill as amended April 11, 2007, still applies.

Board Position:

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Legislative Director

Date

Brian Putler

5/30/07

Summary of Suggested Amendments

Amendment 1 is provided to suggest appropriation language to fund the department's costs.

POSITION

Pending.

FISCAL IMPACT

The department estimates that it would cost approximately \$36,000 to execute a data sharing agreement and extract and electronically transmit the data to SCO. It is recommended that the bill be amended to include appropriation language that would provide funding to implement this bill. Lack of an appropriation would require the department to secure the funding through the normal budgetary process, which would delay implementation of this bill.

LEGISLATIVE STAFF CONTACT

Deborah Barrett
Franchise Tax Board
(916) 845-4301
deborah.barrett@ftb.ca.gov

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

Analyst	Deborah Barrett
Telephone #	845-4301
Attorney	Tommy Leung

FRANCHISE TAX BOARD'S
PROPOSED AMENDMENTS TO SB 920
As Amended May 1, 2007

AMENDMENT 1

On page 5, after line 21, insert:

SEC. 3. The sum of thirty six thousand dollars (\$36,000) is hereby appropriated to the Franchise Tax Board in augmentation of item 1730-001-0001 of the Governor's Budget, Chapter XX, Statutes of XXXX.