

**State of California**

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| <b>Legislative Change No.</b>           | <b>07-10</b>   |                               |
| Bill Number: <u>AB 62</u>               | Author: <u>Nava, et al.</u>  | Chapter Number: <u>07-224</u> |
| Laws Affecting Franchise Tax Board:     | <u>Sections 17207 and 24347.5 of the Revenue &amp; Taxation Code</u> |                               |
| Date Filed with the Secretary of State: | <u>September 21, 2007</u>  |                               |

SUBJECT: Disaster Loss Deduction and Excess Loss Carryover for 2006 Ventura County Wildfires and 2007 El Dorado, Santa Barbara, and Ventura County Wildfires

**Assembly Bill 62 (Nava, et al.), as enacted on September 21, 2007, made the following changes to laws impacting the Franchise Tax Board:**

Sections 17207 and 24347.5 of the Revenue and Taxation Code are amended.

This act adds the wildfires that occurred in Ventura County in 2006 and in El Dorado, Santa Barbara, and Ventura Counties during 2007 to the current list of specified disasters under the Personal Income Tax Law and the Corporation Tax Law.

This act also adds the wildfires that occurred in Riverside County in 2006, and the freeze of 2007, to the current list of specified disasters under the Personal Income Tax Law and the Corporation Tax Law.

This act allows special treatment of losses sustained as a result of those disasters. Specifically, this act allows a taxpayer to elect to claim the loss either in the year the loss occurred or in the year preceding the loss. If a taxpayer elects to take the loss in the preceding year, this act allows the taxpayer to file an amended return immediately for the prior year.

This act contains provisions to preserve the changes made by this bill, SB 38 (Battin, Stat. 2007, Ch. 222), and SB 114 (Florez, Stat. 2007, Ch. 223).

This act is an urgency measure and is effective and operative immediately upon enactment.

This act will not require any reports by the department to the Legislature.

Assistant Bureau Director  
Patrice Gau-Johnson

Date  
11/1/07