

**State of California**

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**Legislative Change No.**

**07-9**

Bill Number: SB 114 Author: Florez, et al. Chapter Number: 07-223

Laws Affecting Franchise Tax Board: Sections 17207 and 24347.5 of the Revenue and Taxation Code

Date Filed with the Secretary of State: September 21, 2007

**SUBJECT:**

Disaster Loss Deduction and Excess Loss Carryover for Specified Counties for the Freezing Conditions that Occurred in January 2007

**Senate Bill 114 (Florez), as enacted on September 21, 2007, made the following changes to laws impacting the Franchise Tax Board:**

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

This act adds the freezing conditions that occurred in this state in January, 2007, to the current list of specified disasters under the Personal Income Tax Law and the Corporation Tax Law. The counties included in the act's provision are El Dorado, Fresno, Imperial, Kern, Kings, Madera, Merced, Monterey, Riverside, San Bernardino, San Diego, San Luis Obispo, Santa Barbara, Santa Clara, Stanislaus, Tulare, Ventura, and Yuba Counties.

This act also adds the wildfires that occurred in Riverside and Ventura Counties 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 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, AB 62 (Nava, Stat. 2007, Ch. 224), and SB 38 (Battin, Stat. 2007, Ch. 222).

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