

Author: Perez, et al. Analyst: Matthew Cooling Bill Number: AB 2136
 Related Bills: See Prior Analyses Telephone: 845-5983 Amended Date: June 16, 2010
 Attorney: Patrick Kusiak Sponsor: _____

SUBJECT: Disaster Loss Deduction/Excess Loss Carryover/April 2010 Imperial County Earthquake

____ ANALYSIS NOT REQUIRED of this bill – Not within scope of responsibility of this department.

____ TECHNICAL BILL – No program or fiscal changes to existing program.

____ BILL AS AMENDED NO LONGER WITHIN SCOPE of responsibility or program of the department.

____ TECHNICAL AMENDMENT – No change in previously submitted analysis required. Approved position of prior analysis is _____.

____ MINOR AMENDMENT – Remainder of previous analysis of the bill as amended

X May 6, 2010, still applies.

____ MINOR AMENDMENT – No change in approved position of _____.

____ See Comments below

X OTHER – See comments below.

COMMENTS:

This bill would allow special tax treatment, called disaster loss treatment, for losses sustained as a result of the April 2010 Imperial County earthquake.

The June 16, 2010, amendments made changes to the bill that would impact the loan repayment requirements under the Health and Safety Code and would not impact the department’s programs, operations, and procedures, or state income tax revenues. As such, the department’s analysis of the bill as amended May 6, 2010, still applies.

In addition, this analysis includes the revenue estimate that was previously omitted from the analysis of the bill as amended April 27, 2010.

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|---|--|---------------------------|------|-----------------|---------|
| Board Position: _____ S _____ NA _____ NP _____ SA _____ O <u> X </u> NAR _____ N _____ OUA _____ PENDING | <table style="width: 100%; border: none;"> <tr> <td style="width: 70%;">Franchise Tax Board Staff</td> <td style="width: 30%;">Date</td> </tr> <tr> <td>Matthew Cooling</td> <td>6/17/10</td> </tr> </table> | Franchise Tax Board Staff | Date | Matthew Cooling | 6/17/10 |
| Franchise Tax Board Staff | Date | | | | |
| Matthew Cooling | 6/17/10 | | | | |

Revenue Estimate

This bill would result in the following revenue impact:

| Estimated Revenue Impact of AB2136 Effective Immediately Upon Enactment Enactment Assumed By September 30, 2010 | | |
|---|---------|---------|
| 2009-10 | 2010-11 | 2011-12 |
| -\$7,000 | \$4,000 | \$3,000 |

This analysis does not account for changes in employment, personal income, or gross state product that could result from this bill.