

REVISED ANALYSIS

Author: Bass, et al. Analyst: David Scott Bill Number: AB 347
 Related Bills: See Legislative History Telephone: 845-5806 Original Analysis Date: January 27, 2010
 Attorney: Patrick Kusiak Sponsor: _____

SUBJECT: Charitable Contribution Deduction Haiti Earthquake

- REVENUE ESTIMATE CHANGED.
 FURTHER CONCERNS IDENTIFIED.
 REMAINDER OF PREVIOUS ANALYSIS OF BILL AS AMENDED
 January 27, 2010, STILL APPLIES.
 OTHER – See comments below.

SUMMARY OF BILL

This bill would allow cash contributions made after January 11, 2010, and before March 1, 2010, for the relief of victims in areas affected by the earthquake in Haiti to be treated as if made on December 31, 2009.

SUMMARY OF REVISION

The revenue estimate contained in the department's analysis of the bill as amended January 27, 2010, has been revised because the federal revenue estimate, which is the basis for the California revenue, was revised. The remainder of the department's analysis remains the same.

Revenue Estimate

Original Estimate:

Estimated Revenue Impact of Conforming to PL 111-126 For Taxable Years Beginning On or After January 1, 2009 Enactment Assumed Before June 30, 2010			
Fiscal Year	2009-10	2010-11	2011-12
Cash Flow Effect	-\$80,000	\$80,000	\$0

Board Position:

_____ S _____ NA _____ NP
 _____ SA _____ O _____ NAR
 _____ N _____ OUA PENDING

Legislative Director

Date

Brian Putler

03/08/10

Revised Estimate:

Estimated Revenue Impact of Conforming to PL 111-126 For Taxable Years Beginning On or After January 1, 2009 Enactment Assumed Before June 30, 2010			
Fiscal Year	2009-10	2010-11	2011-12
Cash Flow Effect	-\$250,000	\$200,000	\$0

This analysis does not consider the possible changes in investment activity, employment, personal income, or gross state product that could result from this bill.

The original estimate was based on the only federal estimate available at the time, which was from the Center for Philanthropy at Indiana University. The estimate was revised using the Congressional Budget Office's figures of -\$40 million in federal FY 2010 and +\$38 million in federal FY 2011, as provided by the Joint Committee on Taxation. This estimate was available subsequent to the release of the original revenue estimate.

LEGISLATIVE STAFF CONTACT

Legislative Analyst
David Scott
(916) 845-5806
david.scott@ftb.ca.gov

Revenue Manager
Monica Trefz
(916) 845-4002
monica.trefz@ftb.ca.gov

Legislative Director
Brian Putler
(916) 845-6333
brian.putler@ftb.ca.gov