

**State of California**

Franchise Tax Board-Legislative Services Bureau  
PO Box 1468 MS A350  
Sacramento, CA 95812-1468

Telephone: (916) 845-4326  
ATSS: (916) 468-4326  
FAX: (916) 845-5472

**Legislative Change No.** **09-08**  
Bill Number: SBX 4-16 Author: Ducheny Chapter Number: **09X4-23**

Laws Affecting Franchise Tax Board: Sections 927.2, 927.4, 927.6, 927.7, 927.11, 13943.1, 13943.2, 16583.1, and 16583.2 of the Government Code

Date Filed with the Secretary of State: July 28, 2009

**SUBJECT:** Penalty for Late Payment of Undisputed Invoice by State Agency/ Discharge FTB from Collecting Tax Debts Less than \$500/State Agency Collection Fee on Accounts Receivables

**Senate Bill X4 16 (Ducheny), as enacted on July 28, 2009, made the following changes to laws impacting the Franchise Tax Board:**

Section 927.2 of the Government Code is amended.

This act provides definitions for state agency requirements to promptly pay undisputed invoices.

Section 927.4 of the Government Code is amended.

This act provides that if payment is not issued within 45 calendar days from the state agency's receipt of an undisputed invoice then a late payment penalty shall be paid to the claimant.

Section 927.6 of the Government Code is amended.

This act clarifies that a state agency is required to pay a late penalty if the payment of an undisputed invoice is not issued within 45 calendar days from the state agency receipt of the invoice.

Section 927.7 of the Government Code is amended.

This act clarifies that if the State Controller does not pay a state agency claim schedule within 15 days and payment is not issued within 45 calendar days from state agency receipt of an undisputed invoice, the State Controller would be required to pay the late penalty.

Section 927.11 of the Government Code is amended.

This act suspends the late payment provisions under specified situations.

Assistant Bureau Director  
Patrice Gau-Johnson

Date  
8/24/09

Section 13943.1 of the Government Code is amended.

This act increases the threshold for releasing taxpayers from liability from amounts less than \$250 to amounts less than \$500.

Section 13943.2 of the Government Code is amended.

This act increases the threshold under which state agencies are not required to pursue collection from amounts less than \$250 to amounts less than \$500.

Section 16583.1 of the Government Code is added.

This act authorizes state agencies to impose a reasonable fee to recover costs incurred for collecting past due accounts.

Section 16583.2 of the Government Code is added.

This act requires state agencies to submit an annual report to the State Controller detailing its accounts receivables as specified by the State Controller.

As an urgency measure, this act is effective immediately beginning July 28, 2009.