

**State of California**

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**Legislative Change No. 10-16**  
Bill Number: AB 1690 Author: Chesbro, et al. Chapter Number: **10-449**

Laws Affecting Franchise Tax Board: Sections 17207.2 and 24347.7 of the Revenue and Taxation Code

Date Filed with the Secretary of State: September 29, 2010

**SUBJECT:** Disaster Loss Deduction/Excess Loss Carryover/January 2010 Humboldt County Earthquake

**Assembly Bill 1690 (Chesbro, et al), as enacted on September 29, 2010, made the following changes to laws impacting the Franchise Tax Board:**

Sections 17207.2 and 24347.7 of the Revenue and Taxation Code are added.

Under the personal income and corporation tax laws, this act allows disaster loss treatment for losses sustained as a result of the earthquake that occurred in Humboldt County in January, 2010.

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 deduct the loss in the preceding year, this act allows the taxpayer an extended period to file an amended return for the prior year. This act also allows special carry forward treatment for up to 15 taxable years for excess losses incurred as a result of the disasters.

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

Date

Patrice Gau-Johnson

10/28/10