

**SHORT FORM ANALYSIS**

Author: Eng Analyst: Janet Jennings Bill Number: AB 2638  
 Related Bills: See legislative History Telephone: 845-3495 Amended Date: June 11, 2012  
 Attorney: Patrick Kusiak Sponsor: \_\_\_\_\_

**SUBJECT:** Report Of Revenue Loss From Tax Expenditures Exceeding \$5 Million

- Major Amendment                       Minor/Technical Amendment  
 Recommended                               Approved                      Position of \_\_\_\_\_ still valid.

**SUMMARY**

This bill would expand the information included in the annual Tax Expenditure Report (TER) prepared by the Department of Finance (DOF) by requiring the Franchise Tax Board (FTB) and the Board of Equalization (BOE) to report on the fiscal and tax effect of the tax expenditures.

This analysis addresses provisions of the bill only as they impact the department.

**ANALYSIS**

Minor/Technical Amendment

The June 11, 2012, amendments changed taxable year to fiscal year as applied to the BOE reporting. The June 11, 2012, amendments would not impact the department’s programs or operations. The costs to the department to implement the bill are expected to be minor and could be accomplished with existing resources. Except for the “Fiscal Impact”, the department’s analysis of the bill as of April 17, 2012, still applies.

**LEGISLATIVE STAFF CONTACT**

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Board Position:	Legislative Director	Date
_____ S                      _____ NA <u>  X  </u> NP _____ SA                      _____ O                      _____ NAR _____ N                      _____ OUA	Gail Hall	06/19/12