**Franchise Tax Board**

# SHORT FORM ANALYSIS

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| Author: | Eng | Analyst: | Janet Jennings | Bill Number: | AB 2638 |
| Related Bills: | See Prior Analysis | Telephone: | 845-3495 | Amended Date: | August 16, 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 prepared by the Department of Finance (DOF) by requiring the Franchise Tax Board and the Board of Equalization 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 August 16, 2012, amendments specified the method the DOF is to use in calculating the revenue loss of tax expenditures. The 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. The department's analysis of the bill as amended June 11, 2012, still applies.

## LEGISLATIVE STAFF CONTACT

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