

SHORT FORM ANALYSIS

Author: Perez, John A., et al. Analyst: Brian Werking Bill Number: AB 624
 Related Bills: See Prior Analysis Telephone: 845-5103 Amended Date: July 6, 2011
 Attorney: Patrick Kusiak Sponsor: _____

SUBJECT: Community Development Financial Institutions Investments Credit/Extend Repeal Date To January 1, 2017

SUMMARY

This bill would extend the repeal date of the Community Development Financial Institution Investments Credit.

ANALYSIS

The July 5, 2011, amendments revert the aggregate limit on the annual certification of qualified investment from \$20 million back to \$10 million and eliminate the qualified investment reserve requirements. As a result of the amendments, the department's analysis of the bill as amended June 21, 2011, no longer applies. The department's analysis of the bill as introduced February 16, 2011, and amended March 31, 2011, now applies. The revenue estimate remains unchanged and is included below for convenience.

This analysis only addresses amendments of the bill that impact the Franchise Tax Board.

ECONOMIC IMPACTRevenue Estimate

This bill would result in the following revenue losses:

Estimated Revenue Impact of AB 624 For Taxable Years Beginning On or After January 1, 2012 Enactment Assumed After June 30, 2011			
2011-12	2012-13	2013-14	2014-15
-\$200,000	-\$420,000	-\$450,000	-\$450,000

This estimate excludes credits taken against insurance tax. This analysis does not account for changes in employment, personal income, or gross state product that could result from this bill.

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Board Position:

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7/14/11