

**SHORT FORM ANALYSIS**

Author: Price Analyst: Brian Werking Bill Number: SB 1158  
 Related Bills: See Prior Analysis Telephone: 845-5103 Amended Date: June 20, 2012  
 Attorney: Patrick Kusiak Sponsor: \_\_\_\_\_

**SUBJECT:** Declarations Of Disaster/Abatement Of Interest

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

**SUMMARY**

This bill would allow the Franchise Tax Board (FTB) to do the following:

- Postpone certain tax-related deadlines<sup>1</sup> for taxpayers affected by a gubernatorially declared disaster, and
- Abate interest accrued against liabilities owed by taxpayers located within a disaster area if the accrued interest is the result of the FTB’s decision to delay notices sent to the disaster area.

**ANALYSIS**

Minor/Technical Amendment

The June 20, 2012, amendments removed unnecessary operative date language regarding the ability of a taxpayer to appeal the FTB’s interest abatement determination to the State Board of Equalization. The deleted language would have extended the period to appeal a denial determination issued before the effective date of the bill. The language was removed because the provisions of the bill apply only to requests filed on or after the effective date of the bill. Since a denial cannot occur before the request is filed, the extension could never occur.

Because the bill has progressed further through the legislative process, department staff has conducted a fiscal analysis of the bill and has determined that this bill would not significantly impact the department’s costs. As a result the “FISCAL IMPACT” section as provided in the department’s analysis of the bill as introduced February 22, 2012 has been revised. The “FISCAL IMPACT” section prior to revision is provided below for convenience.

\_\_\_\_\_

<sup>1</sup> As listed under paragraph (1) of subsection (a) of section 7508 of the Internal Revenue Code.

Board Position:	Legislative Director	Date
_____ S		
_____ SA		
_____ N		
_____ NA		
_____ O		
_____ OUA		
_____ X NP	Gail Hall	06/25/12
_____ NAR		

The remainder of the prior analysis still applies.

**PRIOR FISCAL IMPACT AS PROVIDED IN THE DEPARTMENT'S ANALYSIS OF THE BILL AS INTRODUCED FEBRUARY 22, 2012**

This bill would require a one-time system enhancement that would require changes to existing notices, letters, instructions, and information systems. As the bill continues to move through the legislative process, costs will be identified and an appropriation will be requested, if necessary.

**REVISED FISCAL IMPACT**

This bill would not significantly impact the department's costs.

**LEGISLATIVE STAFF CONTACT**

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