

Franchise Tax Board

ANALYSIS OF ORIGINAL BILL

Author: Committee on Judiciary Analyst: Diane Deatherage Bill Number: SB 1304

Related Bills: None Telephone: 845-4783 Introduced Date: February 21, 2014

Attorney: Bruce Langston Sponsor: _____

SUBJECT: Code Maintenance

SUMMARY

This bill would make numerous technical, non-substantive changes as a matter of code maintenance to various California codes, including to the Revenue and Taxation Code (R&TC).

This analysis is limited to discussion of the changes that would affect the department.

RECOMMENDATION

No position.

REASON FOR THE BILL

The reason for this bill is to prevent confusion in applying state law by correcting cross-references, amending terminology for clarification, amending provisions to reflect the current style for drafting legislation, and renumbering one provision to place in a more relevant area of the R&TC.

EFFECTIVE/OPERATIVE DATE

If enacted during the 2014 legislative session, this bill would become effective and operative on January 1, 2015, unless another act chaptered in 2014 that takes effect on or before January 1, 2015, amends or repeals a provision that would be amended or repealed by this bill, in which case, the changes made by the other act would prevail and nullify the changes made by this bill.

ANALYSIS

FEDERAL/STATE LAW

As sections of state law are amended, references to those sections in other parts of the law are sometimes not updated to reflect the amendment. In addition, provisions enacted in earlier years may not reflect the current legislative style for drafting legislation.

Board Position:			
_____ S	_____ NA	<u> X </u> NP	
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Executive Officer	Date
Selvi Stanislaus	4/30/14

Incorrect cross-references, unclear terminology, and language that is inconsistent with the current style for drafting legislation can create confusion for taxpayers and the department when applying state law.

THIS BILL

This bill would make the changes shown in the following table to correct cross-references, amend terminology for clarification, amend provisions to reflect the current style for drafting legislation, and renumber one section.

R&TC Section	Cross Reference	Terminology	Style Change	Renumbered R&TC Section
17053.57		X	X	
18796			X	
19136		X	X	
19164	X		X	
19555		X	X	
21025			X	X

IMPLEMENTATION CONSIDERATIONS

Implementing this bill would not significantly impact the department.

FISCAL IMPACT

This bill would not impact the department's costs.

ECONOMIC IMPACT

Revenue Estimate

The bill would have no affect on state income tax revenues.

SUPPORT/OPPOSITION

Support: None provided.

Opposition: None provided.

ARGUMENTS

Proponents: Some may argue that technical code maintenance increases the ease of understanding the state's laws.

Opponents: Some may argue that correcting technical issues should be addressed when reviewing changes to the tax system as a whole.

LEGISLATIVE STAFF CONTACT

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