

SHORT FORM ANALYSIS

Author: Wyland, et. al. Analyst: David Scott Bill Number: SB 235
 Related Bills: See prior analysis Telephone: 845-5806 Amended Date: May 8, 2013
 Attorney: Patrick Kusiak Sponsor: _____

SUBJECT: Depreciation Deduction Recovery Period/Exclusion Gain From Sale of Capital Asset/New Jobs Credit/ Research Expenses Credit 20% of Excess Qualified Expenses/Conformity to Election of Alternative Incremental Credit/New Jobs Credit

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

SUMMARY

This bill would make changes to the Personal Income Tax Law and the Corporation Tax Law to do the following:

Provision #1: Research Expense Credit

This provision would modify the current Research Expense Credit (R&D Credit) by changing the rates used for the general rule for the R&D Credit and for the Alternative Incremental Credit.

Provision #2: Jobs Credit

This provision would create a tax credit for wages paid or incurred by a taxpayer to certain employees.

Provision #3: New Jobs Credit Revisions

This provision would make a number of modifications to the existing New Jobs Credit.

Provision #4: Net Operating Loss Carryback

This provision would revise the applicable percentage of a net operating loss allowed to be carried back from a taxable year beginning on or after January 1, 2014.

Provision #5: Depreciation Deduction Recovery Period

This provision would generally allow taxpayers to depreciate property twice as fast as is currently allowed under federal or state law.

Provision #6: Capital Gains

This provision would exclude capital gains from a taxpayer's gross income.

Board Position:	Legislative Director	Date
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_____ X NP		
_____ NAR		
	Gail Hall	5/8/13

ANALYSIS

Minor/Technical Amendment

The May 8, 2013, amendments added authors and made minor technical corrections. The department's analysis of the bill as amended April 1, 2013, still applies.

LEGISLATIVE STAFF CONTACT

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