

SUMMARY ANALYSIS OF AMENDED BILL

Senate Gov &
Author: Finance Cmte. Analyst: Funmi Obatolu Bill Number: SB 1476
Related Bills: See Prior Telephone: 845-5845 Amended Date June 16, 2016
Analysis Attorney: Bruce Langston Sponsor: _____

SUBJECT: Voluntary Contribution Designation Revision

SUMMARY

This bill would add general requirements for new or extended voluntary contributions.

This analysis only addresses the provisions of the bill that impact the department’s programs and operations.

RECOMMENDATION

No position.

SUMMARY OF AMENDMENTS

The June 16, 2016, amendments specified the operative date of the bill and made other minor technical changes. Except for the “Effective/Operative Date,” “This Bill,” and the “Support and Opposition” sections, the remainder of the department’s analysis of the bill as amended on March 7, 2016, and April 14, 2016, still applies. The “Fiscal Impact” and “Economic Impact” sections have been restated for convenience.

EFFECTIVE/OPERATIVE DATE

This bill would be effective on January 1, 2017, and specifically operative only to new voluntary tax contributions, including an extension of any existing voluntary tax contribution, that take effect on or after January 2, 2017.

THIS BILL

This bill would provide that any new voluntary tax contribution, including an extension of an existing voluntary tax contribution, include all of the following requirements:

- The words “voluntary tax contribution” as part of the name of the fund.
- The administering agency’s Internet Web site would report the process for awarding money, the amount of money spent on administration, and an itemization of how program funds were awarded by the agency, including, but not limited to, information regarding recipients of funds. An “administering agency” would mean the state agency or other governmental entity, other than the Franchise Tax Board and the Controller to which funds are allocated to accomplish the purposes of the voluntary contribution designation.

- In order to continue appearing on the tax return, a voluntary contribution fund must receive a minimum contribution of \$250,000 for the second calendar year after its first appearance on the personal income tax return.
- The article establishing a voluntary tax contribution would remain in effect only until January 1 of the seventh calendar year following the first appearance of the contribution on the personal income tax return, and would be repealed as of December 1 of that year.
- Contributions made pursuant to the voluntary tax contribution shall be continuously appropriated from the fund to the administering agency to be spent as prescribed in the act in which the voluntary tax contribution is enacted.
- This bill would apply only to new voluntary tax contributions, including an extension of any existing voluntary tax contribution that take effect on or after January 2, 2017.

FISCAL IMPACT

This bill would not impact the department's costs.

ECONOMIC IMPACT

This bill would not impact the state's income tax revenue or the department's current programs or practices.

SUPPORT/OPPOSITION¹

Support: American Cancer Society Cancer Action Network, Asian & Pacific Islander American Health Forum, Breast Cancer Action, Breast Cancer Fund, K to College, University of California, West Fresno Family Resource Center, Two individuals.

Opposition: None provided.

LEGISLATIVE STAFF CONTACT

Funmi Obatolu
Legislative Analyst, FTB
(916) 845-5845
funmi.obatolu@ftb.ca.gov

Jame Eiserman
Revenue Manager, FTB
(916) 845-7484
jame.eiserman@ftb.ca.gov

Gail Hall
Legislative Director, FTB
(916) 845-6333
gail.hall@ftb.ca.gov

¹ As noted on Assembly Committee on Revenue and Taxation Analysis dated June 13, 2016.