

State of California

Franchise Tax Board-Legislative Services Bureau
PO Box 1468
Sacramento, CA 95812-1468

Telephone: (916)845-4326
ATSS: 468-4326
FAX: (916)845-5472

Legislative Change No.	99-14
Bill Number: <u>SB 1230</u>	Author: <u>Burton</u> Chapter Number: <u>99-215</u>
Laws Affecting Franchise Tax Board:	<u>Revenue and Taxation Code Sections 18805, 18806, 18807, and 18808</u>
Date Filed with the Secretary of the State:	<u>July 28, 1999</u>

SUBJECT: California Peace Officer Memorial Foundation Fund

Senate Bill 1230 (Burton), as enacted on July 28, 1999, made the following changes to California law:

Section 18805 is added to the Revenue and Taxation Code.

This section allows an individual to designate on the tax return a voluntary contribution to the California Peace Officer Memorial Foundation Fund. The designations must be made in full dollar amounts and may be made individually by each signatory on a joint return. A taxpayer's return would be treated as if no designation had been made if payments and credits reported on the return, together with any other credits associated with the taxpayer's account, do not exceed the taxpayer's liability. If no designee is specified, the contribution would be transferred to the General Fund after reimbursement of direct actual costs of the Franchise Tax Board (FTB) for the collection and administration of the moneys. If the individual designates a contribution to more than one account or fund and the amount available is insufficient to satisfy the total amount designated, the contribution shall be allocated among the designees on a prorata basis. This act requires the FTB to revise the personal income tax return to include a designation space for the fund. A deduction would be allowed for any contribution made under this section.

Section 18806 is added to the Revenue and Taxation Code.

This act establishes the California Peace Officer Memorial Foundation Fund in the State Treasury. The FTB must notify the Controller of both the amount of money paid by taxpayers in excess of their liability and the amount of refund money that the taxpayers have designated to the fund. The Controller must transfer from the Personal Income Tax Fund to the California Peace Officer Memorial Foundation Fund an amount not to exceed the total amount designated on the tax return by individuals. This section specifies the intent of the Legislature that the tax return for the 1999 taxable year include a space for the California Peace Officer Memorial Foundation Fund.

Section 18807 is added to the Revenue and Taxation Code.

This act requires that, upon appropriation by the Legislature, all money transferred to the California Peace Officer Memorial Foundation Fund be allocated as follows: to the FTB and the Controller for reimbursement of costs relating to

Bureau Director	Date
Johnnie Lou Rosas	8/09/1999

this fund and to the California Peace Officer Memorial Commission for building and maintaining the California Peace Officer Memorial in Sacramento and for activities performed by the California Peace Officer Memorial Foundation in support of families of slain peace officers.

Section 18808 is added to the Revenue and Taxation Code.

This act provides a repeal date for this article of January 1, 2006.

For taxable years beginning in 1999, this act requires the California Peace Officer Memorial Foundation Fund to meet a \$250,000 minimum contribution requirement. For taxable years beginning in 2001 and thereafter, the FTB must adjust the minimum contribution amount for inflation based on the California Consumer Price Index received by the FTB annually by August 1.

This act is operative January 1, 2000. The California Peace Officer Memorial Foundation Fund will appear on the 1999 tax return filed in 2000.

This act will not require any reports by the department to the Legislature.