

Legislative Update PowerPoint

Franchise Tax Board Meeting

Monday, June 22, 2026

Slide 1: Administrative Matters

Wendy Cramer – Finance and Executive Services Division

June 22, 2026

Slide 2: 2026 Legislative Session Update

- May 29, 2026 Deadline for bills to move to the second house
- Monitoring 38 Bills

Slide 3: Senate Bill 1435 (Senate Committee on Revenue and Taxation) Conformity Clean Up

- California Earned Income Tax Credit (CalEITC) Investment Limit
- Limitation on Business Interest

Slide 4: Assembly Bill 1519 (Gipson)

Modify Statute of Limitations on Collections

- Redefine “tax liability” for purposes of the 20-year statute of limitations (SOL) for collection activities

Slide 5: Senate Bill 1436 (Senate Committee on Revenue and Taxation) Rollovers from Qualified Tuition Programs to ABLE Accounts

- Conforms to the increased contribution amount for (ABLE) Achieving a Better Life Experience Accounts

Slide 6: Status of 2025/2026 Legislative Session

Department of Finance May Revision Trailer Bill Language

- Permanent Business Tax Credit Limitation
- Annual Tax Reduction for First-Year LLCs, LLPs, and LPs
- Conformity to Federal Tax Treatment of Internal Revenue Code section 530A Accounts

Slide 7: Questions?

Slide 8: Public Comment