

NO ANALYSIS REQUIRED

Franchise Tax Board

Author: Peace, et. al. Analyst: John J. Pavalasky Bill Number: SB 30

Related Bills: See Legislative History Telephone: 845-4335 Amended Date: 7/2/99

Attorney: Patrick Kusiak Sponsor: _____

SUBJECT: Vehicle License Fees/Internationally Registered Vehicles/FTB & DOF Make Recommendation for Ameliorating Double Taxation of Corporate Dividends

- ANALYSIS NOT REQUIRED of this bill -- Not within scope of responsibility of this department.
- TECHNICAL BILL -- No program or fiscal changes to existing program.
- BILL AS AMENDED NO LONGER WITHIN SCOPE of responsibility or program of the department.
- TECHNICAL AMENDMENT - No change in previously submitted analysis required. Approved position of prior analysis is _____.
- MINOR AMENDMENT - No change in previously submitted analysis required. Approved position of prior analysis is _____.
- MINOR AMENDMENT - No change in approved position of _____. See comments below.
- OTHER - See comments below.

COMMENTS :

This bill deems vehicle license fees with respect to an internationally registered vehicle, due in 1999 on or before December 31, 1999, to have had a final due date during the 2000 calendar year; makes legislative findings with respect to this provision; and requires the Department of Motor Vehicles to apply the motor vehicle license fee offsets resulting from this bill to motor vehicle license fees that will become due and payable in 2000 with respect to internationally registered vehicles.

The bill also make legislative findings and declarations relating to the double taxation of corporate dividends and require the Franchise Tax Board (FTB) and the Department of Finance (DOF) to jointly prepare and make recommendations to the Legislature no later than July 1, 2000, with respect to statutory changes aimed at ending or ameliorating the effects of the double taxation of corporate dividends.

The July 2, 1999, amendment removed the provision relating to the small business stock exclusion and inserted the provision relating to internationally registered vehicles. This provision does not impact the Franchise Tax Board and will not be discussed in this analysis.

Except for these changes, the analysis of the joint study of the Franchise Tax Board and the Department of Finance with respect to statutory changes aimed at ending or ameliorating the effects of the double taxation of corporate dividends contained in the analysis dated February 18, 1999, still applies.

Board Position:	Franchise Tax Board Staff	Date
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	John Pavalasky	7/13/1999