



# California Competes Credit Report

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Economic and Statistical Research Bureau

## California Competes Credit Report

This report is intended to fulfill the Franchise Tax Board's obligation under the Revenue & Taxation Code sections 17059.2 and 23689 to annually report by March 1, to the Joint Legislative Budget Committee, the total amount of the credits claimed under these sections for the most recent fiscal year.

Prepared by the Staff of the  
Franchise Tax Board  
STATE OF CALIFORNIA

Members of the Board:

Betty T. Yee, Chair

Fiona Ma, CPA, Member

Michael Cohen, Member

Executive Officer: Selvi Stanislaus

# California Competes Credit

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The California Competes Tax Credit is operative for taxable years beginning on or after January 1, 2014, and before January 1, 2025. The amount of the credit available to a taxpayer, for a taxable year, is negotiated and set forth in a written agreement between the Director of the Governor's Office of Business and Economic Development (GO-Biz) and the taxpayer.

Tax returns reporting credits claimed for the 2014 tax year under Revenue & Taxation Code sections 17059.2 and 23689 were filed in 2015. Based on data for 2014 returns processed as of January 2016, \$3.6 million of California Competes Tax Credits were claimed on 79 tax returns. As of the date of this report, these totals do not include all fiscal year filers. The Franchise Tax Board (FTB) does not provide revenue estimates for the California Competes Credit. As in the original analysis of AB 93 and SB 90, the FTB defers to GO-Biz and the Department of Finance for estimated revenue losses. According to data provided by GO-Biz, there have been \$10.5 million in allocated tax credit agreements for the 2014 tax year. This includes \$18,000 in 2014 credits terminated by GO-Biz.

Refer to the California Competes Tax Credit [Awardees List](#) located on the GO-Biz website at [www.business.ca.gov](http://www.business.ca.gov) for additional information on credits awarded to date.