Franchise Tax Board

SUMMARYANALYSIS OF AMENDED BILL

Author:	Hadley	Analyst:	Janet Jennings	Bill Number:	AB 1143
Related Bills:	See Prior Analysis	Telephone:	845-3495	Amended Date:	May 5, 2015
		Attorney:	Bruce Langston	Sponsor	

SUBJECT:	FTB Voter Registration/FTB Provide Voter Registration Information to Taxpayers with Address Change From Prior Year

SUMMARY

This bill would, under the Elections Code, require the Franchise Tax Board (FTB) to provide a notification card to a taxpayer whose income tax return shows a change in address from the prior year.

RECOMMENDATION

No position.

Summary of Amendments

The May 5, 2015, amendments changed the notification requirement to individuals, and eliminated the requirement to provide a voter registration card and resolved two implementation considerations. Except for the "This Bill" and "Implementation Considerations" sections, the department's analysis of the bill as introduced February 27, 2015, still applies. The "Fiscal Impact" section has been restated below for convenience.

THIS BILL

This bill would require the FTB to provide a notification card to an individual taxpayer excluding fiduciaries, estates, or trusts whose annual personal income tax return indicates a change of address from the prior year.

The notification card must inform the taxpayer that he or she may do either of the following through the online voter registration page of the Internet Web site of the Secretary of State:

1. Register to vote.
2. Update his or her voter registration information

IMPLEMENTATION CONSIDERATIONS

The department has identified the following implementation concerns. Department staff is available to work with the author's office to resolve these and other concerns that may be identified.

Board Position:						Legislative Director	Date
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This bill uses the undefined term “prior year.” The absence of a definition could lead to disputes with taxpayers and would complicate the administration of this notification requirement. For clarity and ease of administration, the author may wish to replace “prior year” with the phrase, “from the address shown on the return filed for the prior taxable year.”

The FTB receives income tax returns from individuals that are ineligible to vote in California, including returns from felons, children, non-residents, and on behalf of deceased or mentally incompetent individuals. This would result in these taxpayers being sent notification cards when they are ineligible to vote.

The Secretary of State (SOS) VoteCal project will allow the SOS to obtain address change information for voter registration records from the Employment Development Department. If a voter's address has changed, his or her information will be updated in VoteCal and the voter's registration record and voting history will be transferred to the voter's new county, therefore this bill may be premature.

FISCAL IMPACT

The costs to implement this bill have yet to be determined. The FTB receives approximately 2,500,000 individual income tax returns that have an address different than the address listed on their prior year’s income tax return. The postage only cost would be .34 cents per mailing in addition to programming and card development. As the bill moves through the legislative process, costs will be identified and an appropriation will be requested, if necessary.

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