Short Form Analysis

Author: Wieckowski  Sponsor:  Bill Number: SB 38
Amended: February 14, 2022

SUBJECT

Gross Income Exclusion for Recycling Refund Value
- Minor/Technical Amendment

SUMMARY

This bill would, under the Business and Profession Code, Penal Code, Public Contract Code, Revenue and Taxation Code (RTC), and Public Resources Code, make several changes to the recovery and recycling of empty beverage containers programs in California. Additionally this bill provides a gross income exclusion for any amount received for empty beverage containers by a consumer from either a redemption center or a recycling location. This analysis only addresses the provisions of the bill that impact the department’s programs and operations.

ANALYSIS

The February 14, 2022, amendments would modify the RTC by adding a sunset date of July 1, 2025, to the current gross income exclusions under the Personal Income Tax Law (PITL) and Corporation Tax Law (CTL), which provide that gross income excludes amounts received for empty beverage containers from a recycling center. This bill would also, under the PITL and CTL, create a gross income exclusion for amounts received for empty beverage containers if a consumer brought the containers to a redemption center. These exclusions would become operative on July 1, 2025.

LEGISLATIVE CONTACT

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