



## Bill Analysis

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Bill Number: AB 1268

### SUBJECT

Organ Donor Election on Tax Return

### SUMMARY

This bill, under the Administration of Franchise and Income Tax Law (AFITL), would require the Franchise Tax Board (FTB) to create a new checkbox for an individual to consent to be placed on an organ and tissue donor registry and for FTB to provide specific information to Donate Life California (DLC).

### REASON FOR THE BILL

The reason for the bill is to increase the number of registered organ donors in California.

### ANALYSIS

This bill, under the AFITL, for taxable years beginning on or after January 1, 2025, would require the FTB to include checkboxes for individuals, including spouses filing a joint return, heads of households, or surviving spouses, to provide written consent for the following:

- For DLC to enroll the individual in the Donate Life California Organ and Tissue Donor Registry (the Registry).
- For the FTB to share the individual's information with DLC.

The individual's written consent for FTB to share information with DLC would be valid for one year from the date the return is signed.

This bill would require the FTB enter into a memorandum of understanding with the Registry to mutually agree on the language to be used on the returns.

Beginning January 1, 2026, for each individual that provides consent to be added to the Registry and to share their information with the DLC, this bill would require the FTB to provide annually to DLC the individual's name, address, date of birth, and last four digits of the individual's social security number.

This bill would require the FTB and DLC to enter into a data sharing agreement by January 1, 2025.

*Effective/Operative Date*

This bill would be effective and operative on January 1, 2024. The checkbox would first appear on the 2025 tax return.

*Federal/State Law*

Current tax law provides that information collected from income tax returns is considered confidential and, unless specifically available for other uses, must be used only to administer the income tax laws. The FTB may disclose taxpayer information only in limited circumstances and only to specific agencies as authorized by law. Improper disclosure of federal tax information is punishable as a felony, and improper disclosure of state tax information is punishable as a misdemeanor.

*Implementation Considerations*

None noted.

*Technical Considerations*

None noted.

*Policy Considerations*

None noted.

**LEGISLATIVE HISTORY**

None noted.

**PROGRAM BACKGROUND**

Information received, generated, and maintained by the FTB is generally considered confidential unless specifically provided otherwise by statute. The FTB currently collects and shares information with departments to assist with program administration, and to name a few, FTB provides voter registration information to the Secretary of State, individual requests for health care coverage information to the California Health Benefit Exchange, and Business Entity information for the State Controller's Office unclaimed property program.

**FISCAL IMPACT**

The FTB anticipates a one-time cost of up to \$200,000.

**ECONOMIC IMPACT**

*Revenue Estimate*

This bill would not impact state income or franchise tax revenue.

**LEGAL IMPACT**

None noted.

**APPOINTMENTS**

None noted.

**SUPPORT/OPPOSITION**

*Support*

As per the September 5, 2023, Assembly Floor analysis of AB 1268, the following organization is in support of this bill.

*Donate Life California*

Opposition

Per the same analysis, there is no opposition on file.

**VOTES**

<b>Location</b>	<b>Date</b>	<b>Yes Votes</b>	<b>No Votes</b>
Concurrence	September 7, 2023	79	0
Senate Floor	September 5, 2023	39	0
Assembly Floor	May 4, 2023	75	0

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