



STATE OF CALIFORNIA
Franchise Tax Board

Short Form Analysis

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Sponsor:

Bill Number: AB 27

Amended: June 19, 2025

SUBJECT

Gross Income Exclusion: Chaquita Canyon Elevated Temperature Landfill Event

- Technical Amendment

SUMMARY

This bill would, under the Personal Income Tax Law and Corporate Tax Law, create an exclusion from gross income for any amounts received from the Chiquita Canyon elevated temperature event for taxable years beginning on or after January 1, 2024, and before January 1, 2029.

ANALYSIS

The June 19, 2025, amendments made the following changes:

- Removes the Revenue and Taxation Code section 41 reporting requirements.
- Adds several means-tested programs under the Welfare and Institutions Code.
 - Therefore, any Chiquita Canyon elevated temperature landfill event payment amount received by a taxpayer would not be taken into account as income or resources for purposes of determining eligibility for benefits.
- States that the purpose of the gross income exclusion is to remedy the burden the Chiquita Canyon elevated temperature landfill event has placed on the residents of the area.
- Provides other technical changes.

The Franchise Tax Board's analysis of the bill, as introduced on December 2, 2024, and amended on March 3, 2025, still applies.

LEGISLATIVE CONTACT

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