



Bill Analysis

Author: Lee

Bill Number: AB 611

SUBJECT

California Spinal Cord Injury Research Voluntary Tax Contribution Fund

SUMMARY

This bill, under the Administration of Franchise and Income Tax Laws (AFITL), would create the California Spinal Cord Injury Research Voluntary Tax Contribution Fund (Fund) and would allow a taxpayer to make a voluntary contribution to the fund on their state personal income tax return for taxable years beginning on or after January 1, 2027, and before January 1, 2034.

ANALYSIS

For taxable years beginning on or after January 1, 2027, and before January 1, 2034, this bill would establish the Fund and allow taxpayers to make designated contributions to the Fund on their personal income tax returns in full dollar amounts of \$1 or more. Each signatory on a joint return may make the contribution individually. The designations for any taxable year must be made on the original return for the taxable year, and once made, are irrevocable.

In addition, this bill would do the following:

- Specify that if payments and credits reported on the return do not exceed the taxpayer's liability, the taxpayer's return would be treated as if no designation had been made.
- If a contribution is designated to more than one account or fund listed on the tax return, and the amount available for designation is insufficient to satisfy the total amount designated, the contribution would be allocated among the designees on a pro rata basis.
- Require the Franchise Tax Board (FTB) to revise the form of the return to include a voluntary contribution designation space for the Fund. In addition, this bill would require the return's instructions to include information that the contribution may be in the amount of \$1 or more and that the contribution would be used to support research relating to the treatment of spinal cord injuries.
- Allow a charitable contribution deduction on the state income tax return for the year in which a contribution is made.

This bill would require the FTB to notify the Controller of the amount to be transferred to the Fund. Amounts transferred to the Fund would be continuously appropriated and allocated as follows:

- To the FTB and the Controller for reimbursement of associated administrative costs, and
- To the Regents of the University of California for distribution of grants for the purposes of conducting research on the treatments of spinal cord injuries. The Regents of the University of California may use up to 5% of the moneys allocated to them for administering and promoting the Spinal Cord Injury Research Program.

The FTB would be required to estimate on or before September 1, 2028, and each September 1 thereafter, whether contributions made would be equal to or exceed \$250,000. If the estimated contributions are less than \$250,000, the law authorizing designations for the Fund would become inoperative for taxable years beginning on or after January 1 of that calendar year and repealed as of December 1 of that calendar year.

Otherwise, the Fund would remain in effect until December 1, 2034, and as of that date is repealed.

Effective/Operative Date

This bill would be effective and operative January 1, 2027. The provisions allowing a taxpayer to designate a contribution to the California Spinal Cord Injury Research Voluntary Tax Contribution Fund, would be specifically operative for personal income tax returns filed for taxable years beginning on or after January 1, 2027, and before January 1, 2034.

Federal/State Law

Federal Law

No comparable provision in federal law.

State Law

Current state tax law allows taxpayers to make monetary contributions to certain specified voluntary contribution funds when they have available funds (payments and credits) that exceed their current year tax liabilities. In addition, taxpayers contributing to any of the specified funds are allowed to deduct those contributions on their state income tax return for the year in which the contribution is made.

Generally, the voluntary contribution funds remain on the tax return until they are either repealed by operation of law or fail to meet a minimum contribution amount. The FTB is required to make the determination by September 1 of each calendar year, beginning on the second calendar year the fund appears on the tax return, as to whether estimated contributions to the fund will be less than the minimum contribution amount for that calendar year.

If the FTB estimates that contributions to a fund will fail to meet the minimum contribution amount for a calendar year, that fund would generally remain in effect until January 1 of that calendar year and would then be repealed on December 1 of that calendar year.

The following requirements generally apply to new or extended voluntary contribution funds:

- The words “voluntary tax contribution” must be included as part of the name of the fund.
- The administering agency’s internet website must report specific data related to the usage of the amounts received via voluntary contribution.
- The minimum contribution amount is \$250,000.
- A voluntary tax contribution remains in effect only until January 1 of the seventh calendar year following the first appearance of the contribution on the tax return and would then be repealed as of December 1 of that year.

Implementation Considerations

None noted.

Technical Considerations

None noted.

Policy Considerations

None noted.

LEGISLATIVE HISTORY

SB 1073 (Smallwood-Cuevas and Bryan, 2025/2026), under the AIFTL, would create the Black Cultural District Voluntary Tax Contribution Fund and would allow a taxpayer to make a voluntary contribution to the fund on their state personal income tax return for taxable years beginning on or after January 1, 2026, and before January 1, 2033. This bill has passed both chambers and is currently enrolled.

SB 575 (Laird, Chapter 145, Statutes of 2026), under the AIFTL, created the California Sea Otter Voluntary Tax Contribution Fund and allows a taxpayer to make a voluntary contribution to the fund on their state personal income tax return for taxable years beginning on or after January 1, 2026, and before January 1, 2033.

SB 881 (McNerney, 2025/2026), under the AFITL, would extend the last year that the Emergency Food for Families Voluntary Tax Contribution Fund would appear on the tax return from 2025 to the 2036 taxable year, subject to the estimated total contributions for the year meeting a minimum contribution amount. In addition, this bill, under the Personal Income Tax Law and the Corporation Tax Law, would extend the sunset date for the credit for donated fresh fruits or vegetables five years to taxable years beginning before January 1, 2032, and the repeal date to December 1, 2032. This bill has passed both chambers and is currently enrolled.

AB 703 (Lee, Chapter 63, Statutes of 2025), under the AFITL, created the California Pediatric Cancer Research Voluntary Contribution Fund that appears on the state personal income tax return from tax year 2025 to 2031.

AB 829 (Sharp-Collins, Chapter 99, Statutes of 2025), under the AFITL, created the Parkinson's Disease Research Voluntary Contribution Fund and allows a taxpayer to make a voluntary contribution to the fund on their state personal income tax return from tax year 2025 to 2031.

AB 241 (Tangipa, 2025/2026), under the AFITL, would have created the Wildfire and Vegetation Management Voluntary Contribution Fund that would have appeared on the state personal income tax return from tax year 2025 to 2031. This bill did not pass out of the Assembly by the required deadline.

PROGRAM BACKGROUND

None noted.

OTHER STATES' INFORMATION

None noted.

FISCAL IMPACT

The FTB anticipates minimal costs to implement this bill.

ECONOMIC IMPACT*Revenue Estimate*

This bill would result in the following revenue loss:

Estimated Revenue Impact of AB 611

Assumed Enactment after June 30, 2026

Fiscal Year	Revenue
2026-2027	\$0
2027-2028	\$0
2028-2029	-\$6,000

This analysis does not account for changes in employment, personal income, or gross state product that could result from this bill or for the net final payment method of accrual.

Revenue Discussion

This bill would establish the California Spinal Cord Injury Research Voluntary Contribution Fund.

This estimate assumes the California Spinal Cord Injury Research Voluntary Contribution Fund would first appear on the 2027 personal income tax return. It is further assumed that the fund would receive \$250,000 in contributions each year. Approximately 35% of taxpayers who contribute to voluntary contribution funds itemize their deductions. It is estimated that the average tax rate for these taxpayers is 6%, resulting in an estimated revenue loss of approximately \$6,000 annually.

Contributions would be made when the 2027 return is filed by April of 2028. Subsequently, the deduction for the contribution would be claimed when the 2028 return is filed by April 15, 2029; therefore, the revenue impact would occur in fiscal year 2028-2029.

The tax year estimates are converted to fiscal year estimates and then rounded to arrive at the amounts reflected in the above table.

LEGAL IMPACT

None noted.

EQUITY IMPACT

None noted.

APPOINTMENTS

None noted.

SUPPORT/OPPOSITION

Assembly Floor analysis dated August 31, 2026

Support

None received.

Opposition

None received.

VOTES

Location	Date	Yes Votes	No Votes
Concurrence	August 31, 2026	78	0
Senate Floor	August 26, 2026	39	0
Assembly Floor	May 8, 2025	41	14

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