STATE OF CALIFORNIA
Franchise Tax Board

Short Form Analysis

Author: Senate Committee on Revenue and Taxation

Sponsor:

Bill Number: SB 1436

Amended: August 10, 2026

SUBJECT

Rollovers from Qualified Tuition Programs to ABLE Accounts

- Technical Amendment

SUMMARY

This bill would, under the Personal Income Tax Law and Corporate Tax Law, for taxable years beginning on or after January 1, 2026, conform to the federal law relating to Achieving a Better Life Experience Accounts (ABLE accounts), specifically increasing the limitation on contributions to ABLE accounts, allowing a designated beneficiary to increase their contribution and applying a modified calculation for the cash contribution inflation adjustment.

This analysis only addresses the provisions that would impact the Franchise Tax Board (FTB).

ANALYSIS

The August 10, 2026, technical amendments replaced sections 17140.4 and 23711.4 to conform to changes made to federal law by the OBBBA, PL 119-21, Section 70204(a)(2), which allow rollovers from a 530A account to a qualified ABLE account.

The FTB's analysis of this bill as introduced March 11, 2026, still applies.

LEGISLATIVE CONTACT

FTBLegislativeServices@ftb.ca.gov