

AMENDED IN ASSEMBLY APRIL 16, 2002
AMENDED IN ASSEMBLY JANUARY 7, 2002
CALIFORNIA LEGISLATURE—2001–02 REGULAR SESSION

Assembly Constitutional Amendment

No. 13

Introduced by Assembly Member Leonard

August 22, 2001

Assembly Constitutional Amendment No. 13—A resolution to propose to the people of the State of California an amendment to the Constitution of the State, by amending subdivision (b) of Section 14 of Article II thereof, by amending subdivision (l) of Section 8 of Article III thereof, by amending subdivision (b) of Section 18 of Article IV thereof, by amending subdivision (b) of Section 5 of, ~~and~~ by amending subdivision (f) of Section 14 of, Article V thereof, by amending subdivision (a) of Section 10 of Article VII thereof, by amending subdivision (j) of Section 3 of, by amending subdivision (g) of Section 11 of, by amending Sections 17, 18, and 19 of, by amending subdivision (h) of Section 28 of, ~~and~~ by adding Section 17.5 to, Article XIII thereof, by amending the ninth paragraph of subdivision (d) of Section 22 of Article XX thereof, and by amending the heading of, and by amending Section 1 of, Article XXI thereof, relating to taxation.

LEGISLATIVE COUNSEL'S DIGEST

ACA 13, as amended, Leonard. Taxation.

Existing constitutional law establishes the State Board of Equalization, provides for the election, recall, and filling of vacancies of board members, and prescribes various powers and duties of the



board in connection with property taxes, insurance taxes, and alcoholic beverage taxes.

This measure would change the name of the board to the California Tax Commission. The measure would require the commission, in addition to performing the duties of the former board, to collect and administer taxes on or measured by income and taxes withheld from wages, and to conduct administrative review of state tax matter determinations. The measure would also make necessary conforming changes in various other constitutional provisions.

Vote: ²/₃. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

- 1 WHEREAS, It is the intent of the Legislature to change the
- 2 name of the Board of Equalization to the ~~Tax Appeals~~ *California*
- 3 *Tax* Commission; and
- 4 WHEREAS, It is the intent of the Legislature that the ~~Tax~~
- 5 ~~Appeals~~ *California Tax* Commission will continue the existing
- 6 duties of the Board of Equalization as well as assume the duties of
- 7 collecting and administering the state income tax; and
- 8 WHEREAS, It is the intent of the Legislature to streamline and
- 9 consolidate California’s tax collection agencies to save taxpayer
- 10 funds and to simplify administration of our tax system; now,
- 11 therefore, be it
- 12 *Resolved by the Assembly, the Senate concurring,* That the
- 13 Legislature of the State of California at its 2001–02 Regular
- 14 Session commencing on the fourth day of December 2000,
- 15 two-thirds of the membership of each house concurring, hereby
- 16 proposes to the people of the State of California that the
- 17 Constitution of the State be amended as follows:
- 18 First—That subdivision (b) of Section 14 of Article II thereof
- 19 is amended to read:
- 20 (b) A petition to recall a statewide officer must be signed by
- 21 electors equal in number to 12 percent of the last vote for the office,
- 22 with signatures from each of five counties equal in number to 1
- 23 percent of the last vote for the office in the county. Signatures to
- 24 recall Senators, Members of the Assembly, members of the
- 25 California Tax Commission, and judges of courts of appeal and
- 26 trial courts must equal in number 20 percent of the last vote for the
- 27 office.



1 Second—That subdivision (*l*) of Section 8 of Article III thereof
2 is amended to read:

3 (*l*) “State officer,” as used in this section, means the Governor,
4 Lieutenant Governor, Attorney General, Controller, Insurance
5 Commissioner, Secretary of State, Superintendent of Public
6 Instruction, Treasurer, member of the California Tax Commission,
7 and Member of the Legislature.

8 Third—That subdivision (*b*) of Section 18 of Article IV thereof
9 is amended to read:

10 (*b*) State officers elected on a statewide basis, members of the
11 California Tax Commission, and judges of state courts are subject
12 to impeachment for misconduct in office. Judgment may extend
13 only to removal from office and disqualification to hold any office
14 under the State, but the person convicted or acquitted remains
15 subject to criminal punishment according to law.

16 Fourth—That subdivision (*b*) of Section 5 of Article V thereof
17 is amended to read:

18 (*b*) Whenever there is a vacancy in the office of the
19 Superintendent of Public Instruction, Lieutenant Governor,
20 Secretary of State, Controller, Treasurer, or Attorney General, or
21 on the California Tax Commission, the Governor shall nominate
22 a person to fill the vacancy who shall take office upon
23 confirmation by a majority of the membership of the Senate and
24 a majority of the membership of the Assembly, and who shall hold
25 office for the balance of the unexpired term. In the event the
26 nominee is neither confirmed nor refused confirmation by both the
27 Senate and the Assembly within 90 days of the submission of the
28 nomination, the nominee shall take office as if he or she had been
29 confirmed by a majority of the Senate and Assembly, provided
30 that, if that 90-day period ends during a recess of the Legislature,
31 the period shall be extended until the sixth day following the day
32 on which the Legislature reconvenes.

33 Fifth—That subdivision (*f*) of Section 14 of Article V thereof
34 is amended to read:

35 (*f*) “State officer,” as used in this section, means the Governor,
36 Lieutenant Governor, Attorney General, Controller, Insurance
37 Commissioner, Secretary of State, Superintendent of Public
38 Instruction, Treasurer, and member of the California Tax
39 Commission.



1 Sixth—That subdivision (a) of Section 10 of Article VII thereof
2 is amended to read:

3 (a) No person who is found liable in a civil action for making
4 libelous or slanderous statements against an opposing candidate
5 during the course of an election campaign for any federal,
6 statewide, California Tax Commission, or legislative office or for
7 any county, city and county, city, district, or any other local
8 elective office may retain the seat to which he or she is elected,
9 where it is established that the libel or slander was a major
10 contributing cause in the defeat of an opposing candidate.

11 A libelous or slanderous statement shall be deemed to have been
12 made by a person within the meaning of this section if that person
13 actually made the statement or if the person actually or
14 constructively assented to, authorized, or ratified the statement.

15 “Federal office,” as used in this section, means the office of
16 United States Senator and Member of the House of
17 Representatives. To the extent that this section does not conflict
18 with any provision of federal law, it is intended that candidates
19 seeking the office of United States Senator or Member of the
20 House of Representatives comply with this section.

21 Seventh—That subdivision (j) of Section 3 of Article XIII
22 thereof is amended to read:

23 (j) (1) Immature forest trees planted on lands not previously
24 bearing merchantable timber, or planted or of natural growth on
25 lands from which the merchantable original growth timber stand,
26 to the extent of 70 percent of all trees over 16 inches in diameter,
27 has been removed. Forest trees or timber shall be considered
28 mature at that time after 40 years from the time of planting or
29 removal of the original timber when so declared by a majority vote
30 of a board consisting of a representative from the State Board of
31 Forestry, a representative from the California Tax Commission,
32 and the assessor of the county in which the trees are located.

33 (2) The Legislature may supersede the foregoing provisions
34 with an alternative system or systems of taxing or exempting forest
35 trees or timber, including a taxation system not based on property
36 valuation. Any alternative system or systems shall provide for
37 exemption of unharvested immature trees, encourage the
38 continued use of timberlands for the production of trees for timber
39 products, and provide for restricting the use of timberland to the
40 production of timber products and compatible uses with



1 provisions for taxation of timberland based on the restrictions.
2 This paragraph may not be construed to exclude timberland from
3 the provisions of Section 8.

4 Eighth—That subdivision (g) of Section 11 of Article XIII
5 thereof is amended to read:

6 (g) Any assessment made pursuant to subdivisions (a) to (d),
7 inclusive, shall be subject to review, equalization, and adjustment
8 by the California Tax Commission, but an adjustment shall
9 conform to those subdivisions.

10 Ninth—That Section 17 of Article XIII is amended to read:

11 SEC. 17. The California Tax Commission consists of five
12 voting members: the Controller and four members elected for
13 four-year terms at gubernatorial elections. The State shall be
14 divided into four California Tax Commission districts with the
15 voters of each district electing one member. A member may not
16 serve more than two terms.

17 Tenth—That Section 17.5 is added to Article XIII thereof, to
18 read:

19 SEC. 17.5. In addition to its other powers and duties granted
20 by this Constitution, the *California Tax Commission* shall collect
21 and administer taxes on or measured by income that are imposed
22 on persons, corporations, or other entities as prescribed by law, and
23 ~~any taxes that are withheld from wages. The Commission shall~~
24 ~~also conduct law.~~ *The California Tax Commission shall also*
25 *conduct* administrative review of state tax matter determinations.

26 Eleventh—That Section 18 of Article XIII is amended to read:

27 SEC. 18. The *California Tax Commission* shall measure
28 county assessment levels annually and shall bring those levels into
29 conformity by adjusting entire secured local assessment rolls. In
30 the event a property tax is levied by the State, however, the effects
31 of unequalized local assessment levels, to the extent any remain
32 after adjustments made pursuant to this section, shall be corrected
33 for purposes of distributing this tax by equalizing the assessment
34 levels of locally and state-assessed properties and varying the rate
35 of the state tax inversely with the counties' respective assessment
36 levels.

37 Twelfth—That Section 19 of Article XIII is amended to read:

38 SEC. 19. The *California Tax Commission* shall annually
39 assess (1) pipelines, flumes, canals, ditches, and aqueducts lying
40 within two or more counties and (2) property, except franchises,



1 owned or used by regulated railway, telegraph, or telephone
2 companies, car companies operating on railways in the State, and
3 companies transmitting or selling gas or electricity. This property
4 shall be subject to taxation to the same extent and in the same
5 manner as other property.

6 No other tax or license charge may be imposed on these
7 companies that differs from that imposed on mercantile,
8 manufacturing, and other business corporations. This restriction
9 does not release a utility company from payments agreed on or
10 required by law for a special privilege or franchise granted by a
11 government body.

12 The Legislature may authorize the *California Tax* Commission
13 to assess property owned or used by other public utilities.

14 The *California Tax* Commission may delegate to a local
15 assessor the duty to assess a property used but not owned by a state
16 assessee on which the taxes are to be paid by a local assessee.

17 Thirteenth—That subdivision (h) of Section 28 of Article XIII
18 thereof is amended to read:

19 (h) The taxes provided for by this section shall be assessed by
20 the *California Tax* Commission.

21 Fourteenth—That the ninth paragraph of subdivision (d) of
22 Section 22 of Article XX thereof is amended to read:

23 The California Tax Commission shall assess and collect ~~such~~
24 *those* excise taxes as are or may be imposed by the Legislature on
25 account of the manufacture, importation and sale of alcoholic
26 beverages in this State.

27 Fifteenth—That the heading of Article XXI thereof is amended
28 to read:

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~~ARTICLE XXI~~

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~~REAPPORTIONMENT OF SENATE, ASSEMBLY,~~

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~~CONGRESSIONAL, AND CALIFORNIA TAX~~

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~~COMMISSION DISTRICTS~~

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ARTICLE XXI

REAPPORTIONMENT OF SENATE, ASSEMBLY,
CONGRESSIONAL, AND CALIFORNIA TAX COMMISSION
DISTRICTS

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Sixteenth—That Section 1 of Article XXI is amended to read:

SECTION 1. In the year following the year in which the national census is taken under the direction of Congress at the beginning of each decade, the Legislature shall adjust the boundary lines of the Senatorial, Assembly, Congressional, and California Tax Commission districts in conformance with the following standards:

(a) Each member of the Senate, Assembly, Congress, and the California Tax Commission shall be elected from a single-member district.

(b) The population of all districts of a particular type shall be reasonably equal.

(c) Every district shall be contiguous.

(d) Districts of each type shall be numbered consecutively commencing at the northern boundary of the State and ending at the southern boundary.

(e) The geographical integrity of any city, county, or city and county, or of any geographical region shall be respected to the extent possible without violating the requirements of any other subdivision of this section.

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