

AMENDED IN ASSEMBLY APRIL 10, 2007

CALIFORNIA LEGISLATURE—2007—08 REGULAR SESSION

ASSEMBLY BILL

No. 505

Introduced by Assembly Member Plescia

February 20, 2007

An act to add Sections 17052.11 and 23611 to the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.

LEGISLATIVE COUNSEL'S DIGEST

AB 505, as amended, Plescia. Income and corporation taxes: credits: hybrid vehicles.

The Personal Income Tax Law and the Corporation Tax Law authorize various credits against the taxes imposed by those laws.

This bill would authorize a credit against those taxes for each taxable year beginning on or after January 1, 2007, in an amount equal to ~~___%~~ *of the aggregate the amount paid or incurred* by a taxpayer during the taxable year for a qualified vehicle, as defined, *not to exceed \$500*.

This bill would take effect immediately as a tax levy.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 17052.11 is added to the Revenue and
2 Taxation Code, to read:
3 17052.11. (a) For each taxable year beginning on or after
4 January 1, 2007, there shall be allowed as a credit against the "net
5 tax," as defined in Section 17039, an amount equal to ~~___ percent~~
6 ~~of the aggregate amount paid by a~~ *the amount, not to exceed five*

1 *hundred dollars (\$500), paid or incurred by the taxpayer during*
2 *the taxable year for a qualified vehicle.*

3 (b) For purposes of this section, a “qualified vehicle” means
4 any vehicle that qualifies as either of the following:

5 (1) A hybrid vehicle or an alternative fuel vehicle that meets
6 California’s advanced technology partial zero-emission vehicle
7 (AT PZEV) standard for criteria pollutant emissions.

8 (2) A hybrid vehicle that meets California’s ultra-low emission
9 vehicle (ULEV), super ultra-low emission vehicle (SULEV), or
10 partial zero-emission vehicle (PZEV) standards.

11 (c) In the case where the credit allowed by this section exceeds
12 the “net tax,” the excess may be carried over to reduce the “net
13 tax” in the following year, and succeeding years if necessary, until
14 the credit is exhausted.

15 SEC. 2. Section 23611 is added to the Revenue and Taxation
16 Code, to read:

17 23611. (a) For each taxable year beginning on or after January
18 1, 2007, there shall be allowed as a credit against the “tax,” as
19 defined in Section 23036, an amount equal to ~~_____ percent of the~~
20 ~~aggregate amount paid by a~~ *the amount, not to exceed five hundred*
21 *dollars (\$500), paid or incurred by the taxpayer during the taxable*
22 *year for a qualified vehicle.*

23 (b) For purposes of this section, a “qualified vehicle” means
24 any vehicle that qualifies as either of the following:

25 (1) A hybrid vehicle or an alternative fuel vehicle that meets
26 California’s advanced technology partial zero-emission vehicle
27 (AT PZEV) standard for criteria pollutant emissions.

28 (2) A hybrid vehicle that meets California’s ultra-low emission
29 vehicle (ULEV), super ultra-low emission vehicle (SULEV), or
30 partial zero-emission vehicle (PZEV) standards.

31 (c) In the case where the credit allowed by this section exceeds
32 the “tax,” the excess may be carried over to reduce the “tax” in
33 the following year, and succeeding years if necessary, until the
34 credit is exhausted.

35 SEC. 3. This act provides for a tax levy within the meaning of
36 Article IV of the Constitution and shall go into immediate effect.

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