

**ASSEMBLY BILL**

**No. 650**

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**Introduced by Assembly Members Lieu and Jones**

February 21, 2007

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An act to add Section 19850 to the Revenue and Taxation Code, relating to taxation.

LEGISLATIVE COUNSEL'S DIGEST

AB 650, as introduced, Lieu. Personal income taxes: earned income credit: notification.

The Personal Income Tax Law authorizes various credits against the taxes imposed by that law. The federal income tax laws authorizes a refundable earned income credit for certain low-income individuals who have earned income and who meet certain other requirements.

The bill would require the Franchise Tax Board to notify a taxpayer that he or she may be eligible for the federal earned income tax credit, as specified.

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 19850 is added to the Revenue and  
2 Taxation Code, to read:  
3 19850. (a) The Franchise Tax Board shall notify any taxpayer  
4 who may qualify for the earned income tax credit by mailing a  
5 notice, in the form prescribed by the board, to that taxpayer's last  
6 known address.

- 1 (b) For purposes of this section, “earned income tax credit”
- 2 means the earned federal income tax credit, as defined by Section
- 3 32 of the Internal Revenue Code.

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