

**ASSEMBLY BILL**

**No. 1652**

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**Introduced by Assembly Member Alarcon**

February 23, 2007

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An act to add Section 17052.21 to the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.

LEGISLATIVE COUNSEL'S DIGEST

AB 1652, as introduced, Alarcon. Income taxes: credits: school performance incentives.

The Personal Income Tax authorizes various credits against the taxes imposed by that law.

This bill would, for each taxable year beginning on and after January 1, 2008, authorize a credit against those taxes for a qualified professional, as defined, who volunteers to provide instruction at a low-performing public elementary or secondary school. This bill would also require the State Board of Education, on or before January 1, 2013, to report to the Legislature regarding the effectiveness of this tax credit in recruiting qualified professionals to volunteer to teach in low-performing schools.

The Quality Education Investment Act of 2006 authorizes school districts and other local educational agencies to apply to the Superintendent of Public Instruction to receive funding to allocate to schools that are ranked in either decile 1 or 2 on the 2005 Academic Performance Index, as provided.

This bill would state the intent of the Legislature to make the necessary statutory changes to provide moneys derived under the Quality Education Investment Act of 2006 to low-performing schools that improve their performance.

This bill would impose a state-mandated local program by requiring school districts to determine which professions are eligible for the exemption, as specified, to notify a qualified professional of his or her volunteer educator credit installment, as defined, and to notify the Franchise Tax Board of these determinations and notifications.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

This bill would take effect immediately as a tax levy.

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

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

- 1 SECTION 1. Section 17052.21 is added to the Revenue and
- 2 Taxation Code, to read:
- 3 17052.21. (a) For each taxable year beginning on or after
- 4 January 1, 2008, there shall be allowed as a credit against the “net
- 5 tax,” as defined in Section 17039, of a qualified professional an
- 6 amount equal to the volunteer educator credit.
- 7 (b) For purposes of this section, all of the following apply:
- 8 (1) (A) “Qualified professional” means a person who
- 9 volunteered, without pay from a school district, to provide
- 10 instruction that is supplemental to the curriculum of a course at a
- 11 low-performing elementary or secondary school and who meets
- 12 at least one of the following criteria:
- 13 (i) The person is employed by a public agency or a public benefit
- 14 corporation.
- 15 (ii) The person is licensed under the Business and Professions
- 16 Code to engage in a particular trade or business.
- 17 (iii) The person is licensed to own a business in the state.
- 18 (B) The governing body of each school district shall do all of
- 19 the following:
- 20 (i) Determine the professions within that district in which a
- 21 qualified professional may be employed to be eligible for the credit.
- 22 The governing body shall base these determinations on the

1 projected skills necessary for pupils in the district to improve their  
2 academic performance.

3 (ii) Notify each qualified professional of the amount of his or  
4 her volunteer educator credit installment.

5 (iii) Notify the Franchise Tax Board of the determinations made  
6 under clause (i) and each notification made under clause (ii).

7 (2) “Volunteer educator credit installment” means an amount  
8 equal to the average pay that a teacher in the school district in  
9 which the qualified person volunteered would have received for  
10 the time the qualified professional provided instruction.

11 (3) “Volunteer educator credit” means the total sum of volunteer  
12 educator credit installments earned by a qualified professional  
13 during the taxable year.

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

18 (d) Notwithstanding Section 7550.5 of the Government Code,  
19 on or before January 1, 2013, the State Board of Education shall  
20 report to the Legislature regarding the effectiveness of the tax  
21 credit provided by this section in recruiting qualified professionals  
22 to volunteer to teach in low-performing schools.

23 SEC. 2. It is the intent of the Legislature to make the necessary  
24 statutory changes to provide moneys derived under the Quality  
25 Education Investment Act of 2006 (Article 3.7 (commencing with  
26 Section 52055.700) of Chapter 6.1 of Part 28 of Division 4 of Title  
27 2 of the Education Code) to low-performing schools that improve  
28 their performance.

29 SEC. 3. If the Commission on State Mandates determines that  
30 this act contains costs mandated by the state, reimbursement to  
31 local agencies and school districts for those costs shall be made  
32 pursuant to Part 7 (commencing with Section 17500) of Division  
33 4 of Title 2 of the Government Code.

34 SEC. 4. This act provides for a tax levy within the meaning of  
35 Article IV of the Constitution and shall go into immediate effect.

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