

Introduced by Senator Correa

February 23, 2007

An act relating to taxation.

LEGISLATIVE COUNSEL'S DIGEST

SB 857, as introduced, Correa. Taxation: credits: air pollution.

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

This bill would authorize the San Joaquin Unified Air Pollution Control District and the South Coast Air Quality Management District to prepare a study and report to the Legislature, as specified, on the dollar amount that would be appropriate to authorize a tax credit for the purchase or replacement of qualified property, as defined, that is placed into service for the purpose of reducing air pollution.

This bill would make findings regarding the need for special legislation.

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

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

- 1 SECTION 1. (a) On or before April 1, 2008, the San Joaquin
- 2 Unified Air Pollution Control District and the South Coast Air
- 3 Quality Management District, in consultation with any interested
- 4 parties identified by the air districts, and out of existing funds
- 5 available to the district, may prepare a study and report to the
- 6 Legislature on the dollar amount that would be appropriate to
- 7 authorize a tax credit under the Personal Income Tax Law and the

1 Corporation Tax Law for the purchase or replacement of qualified
2 property that is placed into service.

3 (b) For purposes of this section, “qualified property” means:

4 (1) Machinery or equipment located within California that
5 reduces air pollution from any source.

6 (2) The reduction in air pollution is not required by any rule or
7 legally enforceable measure.

8 (3) Is purchased and placed into service at least two years before
9 the reduction in air pollution is required by any rule or legally
10 enforceable measure.

11 SEC. 2. The Legislature finds and declares that Section 1 of
12 this act, which is applicable only to the San Joaquin Unified Air
13 Pollution District and the South Coast Air Quality Management
14 District is necessary as a means to promote the use or replacement
15 of property that will reduce air pollution throughout the state.