

AMENDED IN SENATE JUNE 24, 2010

AMENDED IN ASSEMBLY MAY 5, 2010

CALIFORNIA LEGISLATURE—2009—10 REGULAR SESSION

ASSEMBLY BILL

No. 2528

Introduced by Assembly Member Knight
(Coauthors: Assembly Members Adams, DeVore, Gilmore, Jeffries,
Logue, Norby, and Portantino)
(Coauthor: Senator Runner)

February 19, 2010

An act to add Sections 17071.5 and ~~24303~~ 24304 to the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.

LEGISLATIVE COUNSEL'S DIGEST

AB 2528, as amended, Knight. Income and corporation taxes: gross income: exclusion: cash for clunkers.

The Personal Income Tax Law and the Corporation Tax Law define gross income as all income from whatever source derived, unless specifically excluded.

This bill would, under both laws, exclude from the computation of gross income any voucher issued or specified payment made pursuant to the federal Consumer Assistance to Recycle and Save Act of 2009 received as a result of a purchase of a vehicle described in that act.

This bill would make a legislative finding and declaration that it serves a public *purpose*, as specified.

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 17071.5 is added to the Revenue and
2 Taxation Code, to read:

3 17071.5. Without regard to taxable year, a voucher issued under
4 the federal Consumer Assistance to Recycle and Save Act of 2009
5 (Public Law 111-32 as amended by Public Law 111-47) or any
6 payment made pursuant to Section 1302(a)(3) of that act shall not
7 be considered as gross income of the purchaser of a vehicle for
8 purposes of this part.

9 SEC. 2. Section ~~24303~~24304 is added to the Revenue and
10 Taxation Code, to read:

11 ~~24303.~~

12 24304. Without regard to taxable year, a voucher issued under
13 the federal Consumer Assistance to Recycle and Save Act of 2009
14 (Public Law 111-32 as amended by Public Law 111-47) or any
15 payment made pursuant to Section 1302(a)(3) of that act shall not
16 be considered as gross income of the purchaser of a vehicle for
17 purposes of this part.

18 SEC. 3. The Legislature finds and declares that this act is
19 necessary for the public purpose of providing for the equitable
20 treatment of taxpayers and in furtherance of the purposes the
21 federal Consumers Assistance to Recycle and Save Act of 2009.

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

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