

Introduced by Senator WrightFebruary 25, 2009

An act to add and repeal Chapter 3.7 (commencing with Section 7292) of Part 1.7 of Division 2 of the Revenue and Taxation Code, relating to taxation.

LEGISLATIVE COUNSEL'S DIGEST

SB 354, as introduced, Wright. State Board of Equalization: local tax revenues: video.

The State Board of Equalization administers various taxes, including specified local sales, use, and transactions and use taxes.

This bill would require the board to study the impact of new video and voice alternatives on local tax and fee revenues and report to the Legislature, as provided.

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. Chapter 3.7 (commencing with Section 7292) is
2 added to Part 1.7 of Division 2 of the Revenue and Taxation Code,
3 to read:

4
5 CHAPTER 3.7. STUDY ON THE IMPACT OF TECHNOLOGY ON
6 LOCAL TAXES
7

8 7292. The Legislature finds and declares all of the following:

1 (a) As wired, terrestrial wireless, satellite, Internet, and digital
2 technologies evolve, new choices being exercised by consumers
3 are having an impact on revenues received by local governments.

4 (b) Some video and voice technologies subject consumers to
5 sales and use taxes, utility user taxes, or franchise fees, or some
6 combination of these local taxes and fees, and some do not.

7 (c) While the imposition of these taxes and fees are within the
8 jurisdiction of local governments, the impact of technological
9 change on these local taxes and fees is a matter of statewide
10 concern not only to preserve local revenues, but also to ensure that
11 total taxes and fees neither discourage investment nor make those
12 services too expensive for consumers.

13 (d) In order to inform the Legislature's consideration of the
14 public's interest in this regard, it is vital to have objective data on
15 revenue derived through these local taxes, fees, and trends related
16 thereto.

17 7293. The State Board of Equalization shall study the impact
18 of new video and voice alternatives on local tax and fee revenues
19 and report its findings to the Legislature on or before December
20 1, 2009.

21 7294. The report of the board shall contain an appendix
22 containing the annual revenue receipts for all relevant local taxes
23 and fees for voice and video goods and services starting in 2003.

24 7295. This chapter shall remain in effect only to January 1,
25 2010, and as of that date is repealed.