

**Introduced by Senator Walters**

February 27, 2009

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An act relating to taxation.

LEGISLATIVE COUNSEL'S DIGEST

SB 559, as introduced, Walters. Sales and use tax: services: exemption.

The Sales and Use Tax Law imposes a tax on the gross receipts from the sale of tangible personal property sold at retail in this state, or on the sales price of tangible personal property purchased from a retailer for the storage, use, or other consumption of that property in this state by the purchaser.

This bill would declare the intent of the Legislature, upon imposition of a tax under the Sales and Use Tax Law upon certain services, to enact legislation that would exempt from that tax any services purchased by a nonprofit organization.

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. It is the intent of the Legislature, upon imposition
- 2 of a tax under the Sales and Use Tax Law upon certain services,
- 3 to enact legislation that would exempt from that tax any services
- 4 purchased by a nonprofit organization.

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