

AMENDED IN SENATE MARCH 31, 2009

**SENATE BILL**

**No. 767**

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**Introduced by Senator Cedillo**

February 27, 2009

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~~An act to amend Section 8214.21 of the Government Code, relating to notaries.~~ *An act to add Section 23036.4 to the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.*

LEGISLATIVE COUNSEL'S DIGEST

SB 767, as amended, Cedillo. ~~Notaries.~~ *Corporation tax credits and deductions: suspension.*

*The Corporation Tax Law authorizes various credits and deductions in computing income subject to taxation.*

*This bill would suspend specified credits and deductions for a taxpayer that is a participant, as specified, in the federal Troubled Assets Relief Program, as provided.*

*This bill would result in a change in state taxes for the purpose of increasing state revenues within the meaning of Section 3 of Article XIII A of the California Constitution, and thus would require for passage the approval of  $\frac{2}{3}$  of the membership of each house of the Legislature.*

*This bill would take effect immediately as a tax levy.*

~~Existing law requires a notary public to keep one active sequential journal of all official acts performed as a notary public and subjects a notary public to a civil penalty, not to exceed \$2,500, if he or she willfully fails to provide access to the journal when requested by a peace officer.~~

~~This bill would modify the civil penalty for a notary public's willful failure to provide access to the journal when requested by a peace officer by changing the limitation on the penalty from \$2,500 to \$2,501.~~

Vote: ~~majority~~<sup>2/3</sup>. Appropriation: no. Fiscal committee: ~~no~~<sup>yes</sup>.  
State-mandated local program: no.

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

1     SECTION 1. Section 23036.4 is added to the Revenue and  
2     Taxation Code, to read:  
3     23036.4. (a) Notwithstanding any provision of this part or  
4     Part 10.2 (commencing with Section 18401) to the contrary, for  
5     each taxable year beginning on or after January 1, 2009, all credits  
6     otherwise allowable under any provision of Chapter 3.5  
7     (commencing with Section 23604) including the carryover of any  
8     credit under a former provision of that chapter, and deductions  
9     otherwise allowable under Sections 24356.7 and 24384.5 shall be  
10    suspended for a taxpayer that is a participant in the Troubled  
11    Assets Relief Program under Title I of the Emergency Economic  
12    Stabilization Act of 2008 (Public Law 110-343) for any taxable  
13    year during the period of that participation. For purposes of this  
14    section, participation in Troubled Assets Relief Program begins  
15    upon receipt of financial assistance of any amount from the United  
16    States Treasury Department pursuant to that program and ends  
17    when the total amount of financial assistance received under that  
18    program has been returned to the United States Treasury  
19    Department.  
20    (b) (1) (A) The amount of any credit otherwise allowable for  
21    the taxable year under Section 23036 that is suspended due to the  
22    application of this section shall be allowable as a credit under this  
23    part after participation in the Troubled Assets Relief Program has  
24    ended, as described in subdivision (a).  
25    (B) The carryover period for any credit that is suspended due  
26    to the application of this section shall be increased by the number  
27    of taxable years the credit was suspended.  
28    (2) Deductions otherwise allowable under Sections 24356.7  
29    and 24384.5 that are suspended due to the application of this  
30    section shall be allowable as a deduction following the period of  
31    suspension in accordance with Sections 24356.7 and 24384.5, as  
32    applicable. Taxable years during which the deduction under  
33    Section 24356.7 was suspended shall be disregarded for purposes  
34    of applying subdivision (f) of that section.

1     *SEC. 2. This act provides for a tax levy within the meaning of*  
2     *Article IV of the Constitution and shall go into immediate effect.*

3     ~~SECTION 1. Section 8214.21 of the Government Code is~~  
4     ~~amended to read:~~

5     ~~8214.21. A notary public who willfully fails to provide access~~  
6     ~~to the sequential journal of notarial acts when requested by a peace~~  
7     ~~officer shall be subject to a civil penalty not exceeding two~~  
8     ~~thousand five hundred one dollars (\$2,501). An action to impose~~  
9     ~~a civil penalty under this subdivision may be brought by the~~  
10    ~~Secretary of State in an administrative proceeding or any public~~  
11    ~~prosecutor in superior court, and shall be enforced as a civil~~  
12    ~~judgment. A public prosecutor shall inform the secretary of any~~  
13    ~~civil penalty imposed under this section.~~