

**Introduced by Senator Florez**

February 17, 2010

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An act to add Section 19567 to the Revenue and Taxation Code, relating to the Franchise Tax Board.

LEGISLATIVE COUNSEL'S DIGEST

SB 1086, as introduced, Florez. Franchise Tax Board: tax expenditure reporting.

Existing law authorizes the Franchise Tax Board, as part of its administrative duties with respect to the collection of taxes, to furnish specified taxpayer information. Existing law generally provides that all taxpayer information obtained by the board is to remain confidential. Existing law provides exceptions to this general requirement.

This bill would, notwithstanding existing law, require the Franchise Tax Board to annually compile information relating to a taxpayer receiving credits of \$1,000, allowed from corporate tax expenditures. The bill would require the board to include the information in the California Income Tax Expenditure Report and the state transparency Internet Web site.

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 19567 is added to the Revenue and
- 2 Taxation Code, to read:
- 3 19567. (a) For purposes of this section, "corporate tax
- 4 expenditure" means any exemption, credit, or deduction allowed

1 under Part 11 (commencing with Section 23001) or otherwise  
2 available to a corporation.

3 (b) Notwithstanding any provision of law, the Franchise Tax  
4 Board shall annually compile all of the following information,  
5 commencing with information based on the 2010 taxable year,  
6 which shall be included in the Department of Finance California  
7 Income Tax Expenditure Report:

8 (1) The name, mailing address, and California corporation  
9 number of any taxpayer receiving credits of one thousand dollars  
10 (\$1,000) allowed from corporate tax expenditures.

11 (2) The amount claimed by each taxpayer for the corporate tax  
12 expenditure.

13 (c) The information collected by the Franchise Tax Board  
14 pursuant to subdivision (b) shall be included in the state Reporting  
15 Transparency in Government Internet Web site.

16 (1) The information shall be searchable by corporation name,  
17 corporation number, expenditure type, and key word.

18 (2) Each report on the state Reporting Transparency in  
19 Government Internet Web site shall include all of the following  
20 information:

21 (A) The corporation's name.

22 (B) The California corporation number.

23 (C) The expenditure granted.

24 (D) A description of the initial justification for the expenditure.

25 (3) All data shall be available for download by the public in  
26 Excel or comparable format.