

**ASSEMBLY BILL**

**No. 318**

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**Introduced by Assembly Member Skinner**

February 9, 2011

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An act to add Section 19571 to the Revenue and Taxation Code, relating to taxation.

LEGISLATIVE COUNSEL'S DIGEST

AB 318, as introduced, Skinner. Corporation taxes: Franchise Tax Board: tax expenditures: Reporting Transparency in Government Internet Web site.

The Corporation Tax Law, which is administered by the Franchise Tax Board, authorizes various credits, deductions, exclusions, exemptions, and other tax benefits with respect to the taxes imposed by that law.

This bill would, for each taxable year on or after January 1, 2011, require the board to compile information on any tax expenditure claimed and reported by a taxpayer that is a publicly traded company, and would require, beginning on June 30, 2013, and by June 30 of each year thereafter, the board to submit the information to the California Technology Agency for publication on the Reporting Transparency in Government Internet Web site. This bill would require the California Technology Agency to develop on the Reporting Transparency in Government Internet Web site a searchable database of that information, as specified.

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 19571 is added to the Revenue and  
2 Taxation Code, to read:

3 19571. (a) For each taxable year beginning on or after January  
4 1, 2011, the Franchise Tax Board shall compile information on  
5 any tax expenditure, authorized under Part 11 (commencing with  
6 Section 23001), that is claimed and reported by a taxpayer that is  
7 a publicly traded company on the annual return required under  
8 Part 10.2 (commencing with Section 18401).

9 (b) For the purposes of this section:

10 (1) "Publicly traded company" means a company with securities  
11 that are either listed or admitted to trading on a national or foreign  
12 exchange, or are the subject of two-way quotations, such as both  
13 bid and asked prices, that are regularly published by one or more  
14 broker-dealers in the National Daily Quotation Service or a similar  
15 service.

16 (2) "Tax expenditure" means a credit against the tax imposed  
17 under Part 11 (commencing with Section 23001).

18 (c) Beginning on June 30, 2013, and by June 30 of each year  
19 thereafter, the Franchise Tax Board shall submit the tax expenditure  
20 information compiled pursuant to subdivision (a) to the California  
21 Technology Agency for publication on the Reporting Transparency  
22 in Government Internet Web site.

23 (d) The California Technology Agency shall develop on the  
24 Reporting Transparency in Government Internet Web site a  
25 searchable database by company name and the amount of tax  
26 expenditures claimed, to increase public awareness of the amount  
27 and scope of tax expenditures for businesses in this state.

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