

ASSEMBLY BILL

No. 1175

**Introduced by Assembly Member Fletcher
(Coauthor: Assembly Member Perea)**

February 18, 2011

An act to add Section 19304 Revenue and Taxation Code, relating to taxation.

LEGISLATIVE COUNSEL'S DIGEST

AB 1175, as introduced, Fletcher. Franchise Tax Board: refunds: direct deposit: 529 savings account.

Existing law requires the Franchise Tax Board to make a refund to a taxpayer of any overpayment of taxes. Existing law requires the Franchise Tax Board to revise the returns to allow a taxpayer to designate financial institutions for direct deposit of a refund.

This bill would require the Franchise Tax Board to revise returns to allow a taxpayer to designate a 529 college savings account for direct deposit of the taxpayer's refund.

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 19304 is added to the Revenue and
2 Taxation Code, to read:
3 19304. The Franchise Tax Board shall revise returns required
4 to be filed, pursuant to Article 1 (commencing with Section 18501)
5 of Chapter 2 of Part 10.2 of Division 2 to allow a taxpayer, who
6 is an individual, to designate a 529 college savings account, as

- 1 provided in Section 529 of the Internal Revenue Code, for direct
- 2 deposit of the taxpayer's refund.

O