

AMENDED IN ASSEMBLY MAY 21, 2013

AMENDED IN ASSEMBLY APRIL 2, 2013

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

**ASSEMBLY BILL**

**No. 362**

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**Introduced by Assembly Member Ting**  
**(Coauthor: Assembly Member Gordon)**

February 14, 2013

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An act to add *and repeal* Section 17141 ~~to~~ of the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.

LEGISLATIVE COUNSEL'S DIGEST

AB 362, as amended, Ting. Personal income taxes: exclusion: health insurance.

The Personal Income Tax Law imposes taxes based upon gross income, and defines gross income as all income from whatever source derived, unless specifically excluded.

This bill, *until January 1, 2019*, would also exclude from gross income any amount received by an employee from an employer to ~~reimburse~~ *compensate for* specified federal income ~~taxes paid~~ *tax liability incurred* by the employee.

This bill would take effect immediately as a tax levy.

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 17141 is added to the Revenue and
- 2 Taxation Code, to read:

1 17141. (a) Gross income shall not include any amount  
2 received by an employee from an employer to ~~reimburse~~  
3 ~~compensate for the additional~~ federal income ~~taxes paid~~ tax  
4 ~~liability incurred~~ by the employee because, for federal income tax  
5 purposes, the same-sex spouse or domestic partner of the employee  
6 is not considered the spouse of the employee under Section 105(a)  
7 or Section 106(a) of the Internal Revenue Code, including any  
8 ~~reimbursement of compensation for the additional~~ federal income  
9 ~~taxes paid~~ tax liability incurred with respect to those amounts.

10 (b) *This section shall remain in effect only until January 1, 2019,*  
11 *and as of that date is repealed.*

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