

Assembly Bill No. 922

CHAPTER 352

An act to add Sections 17207.13 and 24347.13 to the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.

[Approved by Governor September 16, 2014. Filed with
Secretary of State September 16, 2014.]

LEGISLATIVE COUNSEL'S DIGEST

AB 922, Maienschein. Income taxes: deductions: disaster relief: County of San Diego.

The Personal Income Tax Law and the Corporation Tax Law provide for a deduction and the carryover to specified taxable years of specified losses sustained as a result of certain disasters occurring in California in an area determined by the President of the United States to warrant specified federal assistance or proclaimed by the Governor to be in a state of emergency. Those laws further allow a taxpayer to elect to deduct those disaster losses on the return for the taxable year preceding the taxable year in which the disaster occurred.

This bill would extend these provisions to losses sustained in the County of San Diego as a result of the wildfires that occurred in May 2014 for which the Governor proclaimed a state of emergency.

This bill would make a legislative finding and declaration relating to the statewide public purpose served by the bill.

This bill would take effect immediately as a tax levy.

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

SECTION 1. Section 17207.13 is added to the Revenue and Taxation Code, to read:

17207.13. (a) Section 165(i) of the Internal Revenue Code shall be applicable to any losses sustained in the County of San Diego as a result of the wildfires that occurred in May 2014.

(b) For losses described in subdivision (a), the election under Section 165(i) of the Internal Revenue Code may be made on a return or amended return filed on or before the due date of the return, determined with regard to extension, for the taxable year in which the disaster occurred.

(c) Unless specifically provided otherwise, any law that suspends, defers, reduces, or otherwise diminishes the deduction of a net operating loss shall not apply to a net operating loss attributable to the loss described in subdivision (a).

SEC. 2. Section 24347.13 is added to the Revenue and Taxation Code, to read:

24347.13. (a) Section 165(i) of the Internal Revenue Code shall be applicable to any losses sustained in the County of San Diego as a result of the wildfires that occurred in May 2014.

(b) For losses described in subdivision (a), the election under Section 165(i) of the Internal Revenue Code may be made on a return or amended return filed on or before the due date of the return, determined with regard to extension, for the taxable year in which the disaster occurred.

(c) Unless specifically provided otherwise, any law that suspends, defers, reduces, or otherwise diminishes the deduction of a net operating loss shall not apply to a net operating loss attributable to the loss described in subdivision (a).

SEC. 3. The Legislature finds and declares that this act fulfills a statewide public purpose because all of the following:

(a) On May 14, 2014, the Governor of California made a finding that conditions of extreme peril to public health and safety to persons and property exist due to the wildfires occurring in May 2014 in the County of San Diego and proclaimed a state of emergency to exist within that county, thus qualifying affected persons for various forms of governmental assistance and relief.

(b) This act is consistent with, and supplements, the proclaimed disaster assistance and relief by providing necessary tax relief to the affected jurisdiction and persons to allow them to maintain essential basic services and repair damage to, and restore, their homes and businesses.

SEC. 4. This act provides for a tax levy within the meaning of Article IV of the Constitution and shall go into immediate effect.