

AMENDED IN ASSEMBLY APRIL 2, 2014

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL

No. 1561

Introduced by Assembly Member Rodriguez

(Coauthors: Assembly Members Allen, Buchanan, Chesbro, Frazier, Garcia, Gonzalez, Hall, Maienschein, Salas, Skinner, Ting, Wieckowski, and Wilk)

(Coauthors: Senators Block, Huff, and Vidak)

January 29, 2014

An act to amend Sections 18804 and 18808 of the Revenue and Taxation Code, relating to taxation.

LEGISLATIVE COUNSEL'S DIGEST

AB 1561, as amended, Rodriguez. Taxpayer contributions: California firefighters' and peace officer memorial funds.

The Personal Income Tax Law authorizes an individual to contribute amounts in excess of his or her tax liability for the support of specified funds, including, among others, the California Firefighters' Memorial Fund and the California Peace-Officers' *Officer* Memorial Foundation Fund. Existing law provides for the repeal of the contribution provisions for these funds on January 1, 2016.

This bill would instead repeal those provisions on January 1, ~~2026~~ 2021.

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. The Legislature finds and declares all of the
2 following:

3 (a) The California Fire Foundation and the California Peace
4 ~~Officers~~² *Officers* Memorial Foundation, *Inc.* have been at the
5 center of California’s commitment to honor firefighters and law
6 enforcement officers who have given their lives in the line of duty
7 in service to the citizens of this great state.

8 (b) Sponsored by The California Fire Foundation and the
9 California Peace ~~Officers~~² *Officers* Memorial Foundation, *Inc.*,
10 respectively, the California Firefighters Memorial and the
11 California Peace Officers’ Memorial were individually designed
12 and built, and are currently maintained to forever memorialize the
13 dedication of our state’s fallen heroes.

14 (c) Both memorials serve as lasting tributes to the men and
15 women who gave their lives to help protect their fellow
16 Californians.

17 (d) Each year, hundreds gather in Sacramento as our state joins
18 together during ceremonies honoring and remembering the
19 firefighting and law enforcement personnel who made the ultimate
20 sacrifice to keep California safe.

21 (e) Both The California Fire Foundation and the California
22 Peace ~~Officers~~² *Officers* Memorial Foundation, *Inc.* are the official
23 statewide nonprofit, public benefit organizations in receipt of the
24 proceeds from two state personal income tax checkoff funds.

25 (f) Voluntary taxpayer contributions, which are generated
26 through the two personal income tax checkoffs on the personal
27 income tax form, are earmarked specifically for the California
28 ~~Firefighters~~ *Firefighters* Memorial and the California Peace
29 ~~Officers~~² *Officers* Memorial.

30 (g) Both The California Fire Foundation and the *California*
31 ~~Peace-Officers~~² *Officers* Memorial Foundation, *Inc.* are charged
32 with funding ongoing maintenance and repair of their respective
33 memorials for the thousands who continue to visit these sacred,
34 solemn grounds, while each also hosts an annual memorial
35 ceremony to honor our brave firefighters, law enforcement officers,
36 and the families they leave behind.

37 (h) Extending the sunset date of the voluntary contributions to
38 the California Firefighters’ Memorial Fund and the California

1 Peace—Officers’ *Officer* Memorial Foundation Fund for state
2 personal income tax checkoffs is appropriate, and doing so will
3 continue to allow these foundations to carry out the important goal
4 of ensuring the memorial sites remain sacred ground for all
5 Californians to remember and reflect upon the contributions and
6 sacrifices of our state’s bravest.

7 SEC. 2. Section 18804 of the Revenue and Taxation Code is
8 amended to read:

9 18804. (a) This article shall remain in effect only until January
10 1, ~~2026~~ 2021, and as of that date is repealed, unless a later enacted
11 statute, which is enacted before January 1, ~~2026~~ 2021, deletes or
12 extends that date.

13 (b) (1) If the repeal date specified in subdivision (a) has been
14 deleted and if, thereafter, in any calendar year the Franchise Tax
15 Board estimates by September 1 that contributions described in
16 this article made on returns filed in that calendar year will be less
17 than the minimum contribution amount prescribed by paragraph
18 (2), then this article is inoperative with respect to taxable years
19 beginning on and after January 1 of that calendar year. The
20 Franchise Tax Board shall estimate the annual contribution amount
21 by September 1 of each year using the actual amounts known to
22 be contributed and an estimate of the remaining year’s
23 contributions.

24 (2) For purposes of this section, “minimum contribution amount”
25 means two hundred fifty thousand dollars (\$250,000) for any
26 calendar year.

27 (c) Notwithstanding the repeal of this article, any contribution
28 amounts designated pursuant to this article prior to its repeal shall
29 continue to be transferred and disbursed in accordance with this
30 article as in effect immediately prior to that repeal.

31 SEC. 3. Section 18808 of the Revenue and Taxation Code is
32 amended to read:

33 18808. (a) This article shall remain in effect only until January
34 1, ~~2026~~ 2021, and as of that date is repealed, unless a later enacted
35 statute, which is enacted before January 1, ~~2026~~ 2021, deletes that
36 date.

37 (b) If the repeal date specified in subdivision (a) has been
38 deleted, all of the following apply:

39 (1) By September 1 of the calendar year beginning after the
40 effective date of the act deleting the repeal date and by September

1 1 of each subsequent calendar year that the California Peace
2 Officers' *Officer* Memorial Foundation Fund appears on a tax
3 return, the Franchise Tax Board shall do all of the following:

4 (A) Determine the minimum contribution amount required to
5 be received during the next calendar year for the fund to appear
6 on the tax return for the taxable year that includes that next calendar
7 year.

8 (B) Provide written notification to the California Peace Officer
9 Memorial Commission of the amount determined in subparagraph
10 (A).

11 (C) Determine whether the amount of contributions estimated
12 to be received during the calendar year will equal or exceed the
13 minimum contribution amount determined by the Franchise Tax
14 Board for the calendar year pursuant to subparagraph (A). The
15 Franchise Tax Board shall estimate the amount of contributions
16 to be received by using the actual amounts received and an estimate
17 of the contributions that will be received by the end of that calendar
18 year.

19 (2) If the Franchise Tax Board determines that the amount of
20 contributions estimated to be received during a calendar year will
21 not at least equal the minimum contribution amount for the calendar
22 year, this article is repealed with respect to taxable years beginning
23 on or after January 1 of that calendar year.

24 (3) For purposes of this section, the minimum contribution
25 amount for a calendar year means two hundred fifty thousand
26 dollars (\$250,000) for the first calendar year beginning after the
27 effective date of the act that deleted the repeal date specified in
28 subdivision (a), or the minimum contribution amount adjusted
29 pursuant to subdivision (c).

30 (c) For each calendar year, beginning with calendar year 2005,
31 the Franchise Tax Board shall adjust, on or before September 1 of
32 that calendar year, the minimum contribution amount specified in
33 subdivision (b) as follows:

34 (1) The minimum contribution amount for the calendar year
35 shall be an amount equal to the product of the minimum
36 contribution amount for the prior calendar year multiplied by the
37 inflation factor adjustment as specified in paragraph (2) of
38 subdivision (h) of Section 17041, rounded off to the nearest dollar.

39 (2) The inflation factor adjustment used for the calendar year
40 shall be based on the figures for the percentage change in the

1 California Consumer Price Index received on or before August 1
2 of the calendar year pursuant to paragraph (1) of subdivision (h)
3 of Section 17041.

4 (d) Notwithstanding the repeal of this article, any contribution
5 amounts designated pursuant to this article prior to its repeal shall
6 continue to be transferred and disbursed in accordance with this
7 article as in effect immediately prior to that repeal.

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