

**Assembly Bill No. 1796**

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Passed the Assembly May 15, 2014

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*Chief Clerk of the Assembly*

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Passed the Senate July 3, 2014

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*Secretary of the Senate*

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This bill was received by the Governor this \_\_\_\_\_ day  
of \_\_\_\_\_, 2014, at \_\_\_\_\_ o'clock \_\_\_\_M.

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*Private Secretary of the Governor*

## CHAPTER \_\_\_\_\_

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

## LEGISLATIVE COUNSEL'S DIGEST

AB 1796, Linder. Franchise Tax Board: refunds: direct deposit: taxpayer form instructions.

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 returns to allow a taxpayer to designate more than one account for direct deposit of a refund.

The Golden State Scholarshare College Savings Trust, California's 529 College Savings Plan, is administered by the Scholarshare Investment Board. Existing law authorizes the trust to enter into agreements with participants on behalf of beneficiaries subject to specified terms for higher education expenses.

This bill would require the Franchise Tax Board to revise taxpayer form instructions for tax returns to include information about the ability of a taxpayer to directly deposit a portion of a refund into the Golden State Scholarshare College Savings Trust, as defined. This bill would require the Scholarshare Investment Board to provide the Franchise Tax Board with a description of that trust program before a date specified by the Franchise Tax Board, and that the revisions be completed in the most cost-effective manner.

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

SECTION 1. Section 19304 is added to the Revenue and Taxation Code, to read:

19304. (a) The Franchise Tax Board shall revise taxpayer form instructions, for returns required to be filed, pursuant to Article 1 (commencing with Section 18501) of Chapter 2, to include information about the ability of a taxpayer to directly deposit a portion of the refund into the Golden State Scholarshare College Savings Trust.

(b) The Scholarshare Investment Board shall provide the Franchise Tax Board with a description of the Golden State Scholarshare College Savings Trust on or before a specified date provided by the Franchise Tax Board. The length of the description shall be five lines or less.

(c) The Franchise Tax Board shall revise the taxpayer form instructions in the most cost-effective manner.

(d) For purposes of this section, “Golden State Scholarshare College Savings Trust” has the meaning set forth in subdivision (e) of Section 69980 of the Education Code.

Approved \_\_\_\_\_, 2014

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*Governor*