

AMENDED IN ASSEMBLY MAY 19, 2014

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

**ASSEMBLY BILL**

**No. 2434**

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**Introduced by Assembly Member Gomez**

February 21, 2014

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An act to add *and repeal* Sections 17138.2 and 24308.2 ~~to~~ of the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.

LEGISLATIVE COUNSEL'S DIGEST

AB 2434, as amended, Gomez. Income taxes: exclusion.

The Personal Income Tax Law provides an exclusion from gross income for any amount received as a rebate *or voucher* from a local water *or energy* agency or supplier for the purchase *or installation* of a water conservation water closet, energy efficient clothes washers, and plumbing devices, as specified. The *Personal Income Tax Law and the Corporation Tax Law* ~~provides~~ *provide an* exclusion from gross income for any rebate, voucher, or other financial incentive issued by the California Energy Commission, ~~The public~~ *the Public* Utility Commission, or a local publicly owned electric utility for any ~~expense~~ *expenses paid or* incurred by a taxpayer for the purchase or installation of a thermal system, solar system, wind energy *system* device that produces electricity, or a fuel cell generating system.

This bill would, *for taxable years beginning on or after January 1, 2014, and before January 1, 2019*, under both of these laws, provide an exclusion from gross income *for* any amount received as a rebate, voucher, or other financial incentive issued by a local water ~~or energy~~ agency or supplier for ~~expenses incurred to participate~~ *participation* in a ~~turf removal water or energy~~ conservation program.

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 17138.2 is added to the Revenue and  
2 Taxation Code, to read:

3 17138.2. ~~Gross~~-(a) For taxable years beginning on or after  
4 January 1, 2014, and before January 1, 2019, gross income does  
5 not include any amount received as a rebate, voucher, or other  
6 financial incentive issued by a local water-~~or energy~~ agency or  
7 supplier for ~~expenses incurred to participate~~ participation in a turf  
8 removal water-~~or energy~~ conservation program.

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10 2019, and as of that date is repealed.

11 SEC. 2. Section 24308.2 is added to the Revenue and Taxation  
12 Code, to read:

13 24308.2. ~~Gross~~-(a) For taxable years beginning on or after  
14 January 1, 2014, and before January 1, 2019, gross income does  
15 not include any amount received as a rebate, voucher, or other  
16 financial incentive issued by a local water-~~or energy~~ agency or  
17 supplier for ~~expenses incurred to participate~~ participation in a turf  
18 removal water-~~or energy~~ conservation program.

19 (b) This section shall remain in effect only until December 1,  
20 2019, and as of that date is repealed.

21 SEC. 3. This act provides for a tax levy within the meaning of  
22 Article IV of the Constitution and shall go into immediate effect.