

AMENDED IN SENATE JANUARY 6, 2014

SENATE BILL

No. 500

Introduced by Senator Lieu

February 21, 2013

~~An act to amend Sections 17052.12 and 23609 of the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy. An act to amend Section 2241.6 of the Business and Professions Code, relating to healing arts.~~

LEGISLATIVE COUNSEL'S DIGEST

~~SB 500, as amended, Lieu. **Income and corporation tax credits: research and development. Medical practice: pain management.**~~

~~Existing law establishes the Medical Board of California within the Department of Consumer Affairs. Existing law, among other things, required the board to develop standards before June 1, 2002, to ensure the competent review in cases concerning the management, including, but not limited to, the undertreatment, undermedication, and overmedication of a patient's pain.~~

~~This bill would require the board, on or before July 1, 2015, to update those standards. The bill would require the board to convene a task force to develop and recommend the updated standards to the board. The bill would also require the board to update those standards on or before July 1 each 5th year thereafter.~~

~~The Personal Income Tax Law and the Corporation Tax Law, by reference to a specified federal statute, allow a credit against taxes imposed by those laws for increasing research expenses, as defined. In general, the amount of the credit under both laws is equal to 15% of the excess of the qualified research expenses, as defined, for the taxable year over the base amount, as defined, and, in addition, for purposes of~~

~~the Corporation Tax Law, 24% of the basic research payments, as defined. The term “base amount” means the product of the average annual gross receipts of the taxpayer for each of the specified years preceding the taxable year and the fixed-base percentage, as defined, but in no event less than 50% of the qualified research expenses for the taxable year. A taxpayer may elect an alternative incremental credit for increasing research expenses in modified conformity to federal income tax laws.~~

~~This bill would increase the credit for increasing research expenses to 20% of the excess of the qualified research expenses. This bill would also provide complete conformity to the alternative incremental credit provided under those federal income tax laws.~~

~~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 2241.6 of the Business and Professions*
- 2 *Code is amended to read:*
- 3 *2241.6. (a) (1) ~~The Division of Medical Quality~~ board shall*
- 4 *develop standards before June 1, 2002, to ~~assure~~ ensure the*
- 5 *competent review in cases concerning the management, including,*
- 6 *but not limited to, the undertreatment, undermedication, and*
- 7 *overmedication of a patient’s pain. ~~The~~*
- 8 *(2) The division may consult with entities such as the American*
- 9 *Pain Society, the American Academy of Pain Medicine, the*
- 10 *California Society of Anesthesiologists, the California Chapter of*
- 11 *the American College of Emergency Physicians, and any other*
- 12 *medical entity specializing in pain control therapies to develop the*
- 13 *standards utilizing, to the extent they are applicable, current*
- 14 *authoritative clinical practice guidelines.*
- 15 *(b) The board shall update the standards adopted pursuant to*
- 16 *subdivision (a) on or before July 1, 2015, and on or before July 1*
- 17 *each fifth year thereafter.*
- 18 *(c) The board shall convene a task force to develop and*
- 19 *recommend the updated standards to the board. The task force, in*
- 20 *developing the updated standards, shall consult with the entities*
- 21 *specified in paragraph (2) of subdivision (a), the American Cancer*
- 22 *Society, and specialists in pharmacology and addiction medicine.*

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**All matter omitted in this version of the bill
appears in the bill as introduced in the
Senate, February 21, 2013. (JR11)**

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