

Senate Bill No. 1271

CHAPTER 841

An act to add Section 17132.11 to the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.

[Approved by Governor September 29, 2014. Filed with Secretary of State September 29, 2014.]

LEGISLATIVE COUNSEL'S DIGEST

SB 1271, Evans. Personal Income Tax Law: cancellation of indebtedness: student loan forgiveness.

The Personal Income Tax Law provides for various exclusions from gross income.

This bill would, for taxable years beginning on or after January 1, 2014, exclude from gross income the amount of student loan indebtedness repaid or canceled pursuant to a specified federal law.

This bill would take effect immediately as a tax levy.

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

SECTION 1. Section 17132.11 is added to the Revenue and Taxation Code, to read:

17132.11. For taxable years beginning on or after January 1, 2014, gross income shall not include any loan amount repaid by the United States Secretary of Education or canceled pursuant to Section 1098e of Title 20 of the United States Code.

SEC. 2. This act provides for a tax levy within the meaning of Article IV of the Constitution and shall go into immediate effect.