

**Assembly Bill No. 724**

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Passed the Assembly August 24, 2016

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*Chief Clerk of the Assembly*

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Passed the Senate August 1, 2016

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*Secretary of the Senate*

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This bill was received by the Governor this \_\_\_\_\_ day  
of \_\_\_\_\_, 2016, at \_\_\_\_\_ o'clock \_\_\_\_M.

\_\_\_\_\_  
*Private Secretary of the Governor*

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

An act to amend Section 6366.4 of the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.

## LEGISLATIVE COUNSEL'S DIGEST

AB 724, Dodd. Sales and use taxes: exemption: museum displays: Jimmy Doolittle Air and Space Museum Education Foundation.

Existing sales and use tax laws impose a tax on retailers measured by the gross receipts from the sale of tangible personal property sold at retail in this state of, or on the storage, use, or other consumption in this state of, tangible personal property purchased from a retailer for storage, use, or other consumption in this state. Existing law provides various exemptions from those taxes, including an exemption for the sale of, or the storage, use, or other consumption of, tangible personal property purchased by the San Diego Air & Space Museum and the California Science Center if the property is purchased and used exclusively for display purposes within the museum, as provided.

This bill would additionally exempt from those taxes tangible personal property purchased by the Jimmy Doolittle Air and Space Museum Education Foundation for those purposes. The bill would also make a nonsubstantive change.

The Bradley-Burns Uniform Local Sales and Use Tax Law authorizes cities and counties to impose local sales and use taxes in conformity with the Sales and Use Tax Law, and existing law authorizes districts, as specified, to impose transactions and use taxes in accordance with the Transactions and Use Tax Law, which generally conforms to the Sales and Use Tax Law. Amendments to the Sales and Use Tax Law are automatically incorporated into the local tax laws.

Existing law requires the state to reimburse cities and counties for revenue losses caused by the enactment of sales and use tax exemptions.

This bill would provide that, notwithstanding these provisions, no appropriation is made and the state shall not reimburse cities

and counties for sales and use tax revenues lost by them pursuant to this bill.

This bill would make legislative findings and declarations as to the necessity of a special statute for the Jimmy Doolittle Air and Space Museum Education Foundation.

This bill would take effect immediately as a tax levy.

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

SECTION 1. Section 6366.4 of the Revenue and Taxation Code is amended to read:

6366.4. (a) There are exempted from the taxes imposed by this part the gross receipts from the sale of and the storage, use or other consumption in this state of tangible personal property purchased by a nonprofit museum regularly open to the public that is operated by or for a local or state government entity, or operated by a nonprofit organization which has qualified for exemption pursuant to Section 23701d, provided the property is purchased and used exclusively for display purposes within the museum.

(b) The exemption provided by this section extends only to items that have value as museum pieces and does not extend to display cases, shelving, lamps, lighting fixtures, or other items of tangible personal property utilized in the operation of a museum. However, the exemption does include sprung instant structures used as temporary exhibit housing.

(c) For purposes of this section, a “museum” includes only any of the following:

(1) A museum that has a significant portion of its space open to the public without charge.

(2) A museum open to the public without charge for not less than six hours during any month the museum is open to the public.

(3) A museum that is open to a segment of the student or adult population without charge.

(d) This section applies only to the San Diego Air & Space Museum, the California Science Center, and the Jimmy Doolittle Air and Space Museum Education Foundation.

SEC. 2. Notwithstanding Section 2230 of the Revenue and Taxation Code, no appropriation is made by this act and the state shall not reimburse any city or county for any sales and use tax revenues lost by it under this act.

SEC. 3. The Legislature finds and declares that a special law is necessary and that a general law cannot be made applicable within the meaning of Section 16 of Article IV of the California Constitution because of the unique fiscal pressures experienced by the Jimmy Doolittle Air and Space Museum Education Foundation in promoting this country's aviation history and encouraging patriotic endeavors by providing impactful experiences through interactive aviation exhibits.

SEC. 4. This act provides for a tax levy within the meaning of Article IV of the Constitution and shall go into immediate effect.







Approved \_\_\_\_\_, 2016

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*Governor*