

AMENDED IN SENATE FEBRUARY 10, 2016  
AMENDED IN ASSEMBLY JANUARY 13, 2016  
AMENDED IN ASSEMBLY JANUARY 4, 2016  
CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

**ASSEMBLY BILL**

**No. 1399**

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**Introduced by Assembly Member Baker**  
**(Coauthors: Assembly Members Brough and Gipson)**  
*(Coauthor: Senator Glazer)*

February 27, 2015

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An act to add and repeal Article 2 (commencing with Section 18711) of Chapter 3 of Part 10.2 of Division 2 of the Revenue and Taxation Code, relating to taxation.

LEGISLATIVE COUNSEL'S DIGEST

AB 1399, as amended, Baker. Income taxes: voluntary contributions: California Domestic Violence Fund.

Existing law authorizes an individual to contribute amounts in excess of his or her tax liability for the support of specified funds.

This bill would additionally allow an individual to designate on his or her tax return that a specified amount in excess of his or her tax liability be transferred to the California Domestic Violence Fund, which would be created by this bill. The bill would prohibit a voluntary contribution designation for the California Domestic Violence Fund from being added on the tax return until another voluntary contribution designation is removed or a space is available.

The bill would require moneys in the California Domestic Violence Fund, upon appropriation by the Legislature, to be allocated to the Franchise Tax Board and the Controller for reimbursement of costs and

the balance to the Office of Emergency Services (OES) for the distribution of ~~grants~~ *funds* to ~~existing~~ *active* grant recipients under the Comprehensive Statewide Domestic Violence Program within OES, as provided.

The bill would provide that these provisions would remain in effect only until January 1 of the 5th taxable year following the first appearance of the California Domestic Violence Fund on the tax return, but would further provide for an earlier repeal if the Franchise Tax Board determines that the amount of contributions estimated to be received during a calendar year will not at least equal the minimum contribution amount, as defined, for that calendar year, in which case these provisions would be repealed on December 1 of that year.

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. Article 2 (commencing with Section 18711) is  
2 added to Chapter 3 of Part 10.2 of Division 2 of the Revenue and  
3 Taxation Code, to read:

4  
5 Article 2. California Domestic Violence Fund  
6

7 18711. (a) An individual may designate on the tax return that  
8 a contribution in excess of the tax liability, if any, be made to the  
9 California Domestic Violence Fund established by Section 18712.  
10 That designation is to be used as a voluntary contribution on the  
11 tax return.

12 (b) The contributions shall be in full dollar amounts and may  
13 be made individually by each signatory on a joint return.

14 (c) A designation under subdivision (a) shall be made for a  
15 taxable year on the original return for that taxable year, and once  
16 made shall be irrevocable. If payments and credits reported on the  
17 return, together with any other credits associated with the  
18 individual's account, do not exceed the individual's liability, the  
19 return shall be treated as though no designation has been made. If  
20 a designee is not specified, the contribution shall be transferred to  
21 the General Fund after reimbursement of the direct actual costs of  
22 the Franchise Tax Board for the collection and administration of  
23 funds under this article.

1 (d) If an individual designates a contribution to more than one  
2 account or fund listed on the tax return, and the amount available  
3 is insufficient to satisfy the total amount designated, the  
4 contribution shall be allocated among the designees on a pro rata  
5 basis.

6 (e) The Franchise Tax Board shall revise the form of the return  
7 to include a space labeled “California Domestic Violence Fund”  
8 to allow for the designation permitted under subdivision (a). The  
9 form shall also include in the instructions information that the  
10 contribution may be in the amount of one dollar (\$1) or more and  
11 that the contribution shall be used to further the services that  
12 California’s domestic violence programs provide for victims of  
13 domestic violence.

14 (f) Notwithstanding any other law, a voluntary contribution  
15 designation for the California Domestic Violence Fund shall not  
16 be added on the tax return until another voluntary contribution  
17 designation is removed or space is available.

18 (g) A deduction shall be allowed under Article 6 (commencing  
19 with Section 17201) of Chapter 3 of Part 10 for any contribution  
20 made pursuant to subdivision (a).

21 18712. There is hereby established in the State Treasury the  
22 California Domestic Violence Fund to receive contributions made  
23 pursuant to Section 18711. The Franchise Tax Board shall notify  
24 the Controller of both the amount of money paid by taxpayers in  
25 excess of their tax liability and the amount of refund money that  
26 taxpayers have designated pursuant to Section 18711 to be  
27 transferred to the California Domestic Violence Fund. The  
28 Controller shall transfer from the Personal Income Tax Fund to  
29 the California Domestic Violence Fund an amount not in excess  
30 of the sum of the amounts designated by individuals pursuant to  
31 Section 18711 for payment into that fund.

32 18713. All moneys transferred to the California Domestic  
33 Violence Fund, upon appropriation by the Legislature, shall be  
34 allocated as follows:

35 (a) To the Franchise Tax Board and the Controller for  
36 reimbursement of all costs incurred by the Franchise Tax Board  
37 and the Controller in connection with their duties under this article.

38 (b) To the Office of Emergency Services for the distribution of  
39 ~~grants~~ *funds* to domestic violence programs in California that are  
40 in active status, as reflected on the Business Search page of the

1 Secretary of State's Internet Web site, and are exempt from federal  
2 income taxation as an organization described in Section 501(c)(3)  
3 of the Internal Revenue Code, and are *active* grant recipients under  
4 the Comprehensive Statewide Domestic Violence Program within  
5 the Office of Emergency Services as described in Section 13823.15  
6 of the Penal Code. The Office of Emergency Services shall award  
7 ~~grants the funds~~ and be responsible for overseeing the grant  
8 program.

9 (1) A domestic violence program shall not use grant moneys  
10 awarded pursuant to this section for its administrative costs.

11 (2) The Office of Emergency Services shall not use fund moneys  
12 for its administrative costs.

13 18714. (a) Except as otherwise provided in subdivision (b),  
14 this article shall remain in effect only until January 1 of the fifth  
15 taxable year following the first appearance of the California  
16 Domestic Violence Fund on the personal income tax return, and  
17 is repealed as of December 1 of that year.

18 (b) (1) By September 1 of the second calendar year and each  
19 subsequent calendar year that the California Domestic Violence  
20 Fund appears on the tax return, the Franchise Tax Board shall do  
21 all of the following:

22 (A) Determine the minimum contribution amount required to  
23 be received during the next calendar year for the fund to appear  
24 on the tax return for the taxable year that includes that next calendar  
25 year.

26 (B) Provide written notification to the Office of Emergency  
27 Services of the amount determined in subparagraph (A).

28 (C) Determine whether the amount of contributions estimated  
29 to be received during the calendar year will equal or exceed the  
30 minimum contribution amount determined by the Franchise Tax  
31 Board for the calendar year pursuant to subparagraph (A). The  
32 Franchise Tax Board shall estimate the amount of contributions  
33 to be received by using the actual amounts received and an estimate  
34 of the contributions that will be received by the end of that calendar  
35 year.

36 (2) If the Franchise Tax Board determines that the amount of  
37 the contributions estimated to be received during a calendar year  
38 will not at least equal the minimum contribution amount for the  
39 calendar year, this article shall be inoperative with respect to

1 taxable years beginning on or after January 1 of that calendar year  
2 and shall be repealed on December 1 of that year.

3 (3) For purposes of this section, the minimum contribution  
4 amount for a calendar year means two hundred fifty thousand  
5 dollars (\$250,000) for the second calendar year after the first  
6 appearance of the California Domestic Violence Fund on the  
7 personal income tax return or the minimum contribution amount  
8 as adjusted pursuant to subdivision (c).

9 (c) For each calendar year, beginning with the third calendar  
10 year after the first appearance of the California Domestic Violence  
11 Fund on the personal income tax return, the Franchise Tax Board  
12 shall adjust, on or before September 1 of that calendar year, the  
13 minimum contribution amount specified in subdivision (b) as  
14 follows:

15 (1) The minimum contribution amount for the calendar year  
16 shall be an amount equal to the product of the minimum  
17 contribution amount for the prior calendar year multiplied by the  
18 inflation factor adjustment as specified in subparagraph (A) of  
19 paragraph (2) of subdivision (h) of Section 17041, rounded off to  
20 the nearest dollar.

21 (2) The inflation factor adjustment used for the calendar year  
22 shall be based on the figures for the percentage change in the  
23 California Consumer Price Index for all items received on or before  
24 August 1 of the calendar year pursuant to paragraph (1) of  
25 subdivision (h) of Section 17041.

26 (d) Notwithstanding the repeal of this article, any contribution  
27 amounts designated pursuant to this article prior to its repeal shall  
28 continue to be transferred and disbursed in accordance with this  
29 article as in effect immediately prior to that repeal.

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