

AMENDED IN SENATE JUNE 9, 2016  
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 *Victims* Fund.

Existing law authorizes an individual to contribute amounts in excess of his or her tax liability for the support of specified funds. *Existing law also has administrative provisions applicable to voluntary contributions.*

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 *Victims* Fund, which would be created by this bill. The bill would prohibit a voluntary contribution designation for the California Domestic Violence *Victims* 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 *Victims* 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 funds to 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 *Victims* 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equal the minimum contribution amount, as defined, for that calendar year, in which case these provisions would be repealed on December 1 of that year.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 *Victims* Fund

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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 *Victims* Fund established by Section  
10 18712. That designation is to be used as a voluntary contribution  
11 on the 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

1 the Franchise Tax Board for the collection and administration of  
2 funds under this article.

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

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

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

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

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

34 18713. All moneys transferred to the California Domestic  
35 Violence *Victims* Fund, upon appropriation by the Legislature,  
36 shall be allocated as follows:

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

1 (b) To the Office of Emergency Services for the distribution of  
 2 funds to domestic violence programs in California that are in active  
 3 status, as reflected on the Business Search page of the Secretary  
 4 of State’s Internet Web site, and are exempt from federal income  
 5 taxation as an organization described in Section 501(c)(3) of the  
 6 Internal Revenue Code, and are active grant recipients under the  
 7 Comprehensive Statewide Domestic Violence Program within the  
 8 Office of Emergency Services as described in Section 13823.15  
 9 of the Penal Code. The Office of Emergency Services shall award  
 10 the funds and be responsible for overseeing the grant program.

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

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

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

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

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

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

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

38 (2) If the Franchise Tax Board determines that the amount of  
 39 the contributions estimated to be received during a calendar year  
 40 will not at least equal the minimum contribution amount for the

1 calendar year, this article shall be inoperative with respect to  
2 taxable years beginning on or after January 1 of that calendar year  
3 and shall be repealed on December 1 of that year.

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

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

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

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

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