

ASSEMBLY BILL

No. 2540

Introduced by Assembly Member Melendez

February 19, 2016

An act to add Section 6372 of the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.

LEGISLATIVE COUNSEL'S DIGEST

AB 2540, as introduced, Melendez. Sales and use taxes: exemption: gun safes: trigger locks.

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, 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 the taxes imposed by those laws.

This bill, on and after January 1, 2017, and before January 1, 2018, would provide an exemption from those taxes for the gross receipts from the sale of, and the storage, use, or other consumption of, gun safes, as defined, with a cost of \$1,000 or less and trigger locks.

The Bradley-Burns Uniform Local Sales and Use Tax Law authorizes counties and cities 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 generally in accordance with the Transactions and Use Tax Law, which generally conforms to the Sales and Use Tax Law. Exemptions from state sales and use taxes are incorporated into these laws.

This bill would specify that this exemption does not apply to local sales and use taxes or transactions and use taxes.

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 6372 is added to the Revenue and
2 Taxation Code, to read:

3 6372. (a) (1) On and after January 1, 2017, and before January
4 1, 2018, there are exempted from the taxes imposed by this part
5 the gross receipts from the sale of, and the storage, use, or other
6 consumption in this state of, qualified property.

7 (2) As used in this section, “qualified property” means both of
8 the following:

9 (A) A gun safe, as that term is defined in Section 16610 of the
10 Penal Code, with a cost of one thousand dollars (\$1,000) or less.

11 (B) A trigger lock.

12 (b) Notwithstanding any provision of the Bradley-Burns
13 Uniform Local Sales and Use Tax Law (Part 1.5 (commencing
14 with Section 7200)) or the Transactions and Use Tax Law (Part
15 1.6 (commencing with Section 7251)), the exemption established
16 by this section shall not apply with respect to any tax levied by a
17 county, city, or district pursuant to, or in accordance with, either
18 of those laws.

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