

AMENDED IN SENATE MAY 6, 2015

AMENDED IN SENATE MARCH 26, 2015

SENATE BILL

No. 120

Introduced by Senator Anderson
(Coauthor: Assembly Member Jones)

January 15, 2015

An act to add Section 6012.4 to the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.

LEGISLATIVE COUNSEL'S DIGEST

SB 120, as amended, Anderson. Sales and use taxes: exclusion: public safety first responder vehicle and equipment.

Existing sales and use tax laws impose ~~a tax~~ *taxes* 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, measured by sales price. The Sales and Use Tax Law defines the terms "gross receipts" and "sales price."

This bill would, in the sale of any public safety first responder vehicle that is purchased by a local public agency and in the sale of any equipment required on a public safety first responder vehicle that is purchased by a local public agency, exclude from the terms "gross receipts" and "sales price," amounts of the gross receipts or sales price *of an individual item* in excess of \$300,000. *The bill, for the purposes of this exclusion, would define "local public agency" as a fire protection district or a fire department of a city, county, municipal corporation, district, or public authority located within this state.*

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 in accordance with the Transactions and Use Tax Law, which generally conforms to the Sales and Use Tax Law. Amendments to state sales and use taxes are incorporated into these laws.

Section 2230 of the Revenue and Taxation Code provides that the state will reimburse counties and cities for revenue losses caused by the enactment of sales and use tax exemptions.

This bill would provide that, notwithstanding Section 2230 of the Revenue and Taxation Code, no appropriation is made and the state shall not reimburse any local agencies for sales and use tax revenues lost by them pursuant to this bill.

This bill would take effect immediately as a tax levy, but its operative date would depend on its effective date.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: ~~yes~~-no.

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

1 SECTION 1. Section 6012.4 is added to the Revenue and
2 Taxation Code, to read:
3 6012.4. (a) (1) For purposes of this part, “gross receipts” and
4 “sales price” shall not include amounts of the gross receipts or
5 sales price *of an individual item* in excess of three hundred
6 thousand dollars (\$300,000) from the sale in this state of, and the
7 storage, use, or other consumption in this state of, any public safety
8 first responder vehicle purchased by a local public agency.
9 (2) For purposes of this part, “gross receipts” and “sales price”
10 shall not include *amounts of* the gross receipts or sales price ~~above~~
11 *of an individual item in excess of* three hundred thousand dollars
12 (\$300,000) from the sale in this state of, and the storage, use, or
13 other consumption in this state of, any equipment required on a
14 public safety first responder vehicle, that is purchased by a local
15 public agency.
16 (b) ~~“Local”~~ *For the purposes of this section, “local public*
17 *agency” means any a fire protection district or a fire department*
18 *of a city, county, municipal corporation, district, or public authority*

1 located within this ~~state that provides or may provide first~~
2 ~~responder emergency services.~~ *state.*

3 SEC. 2. Notwithstanding Section 2230 of the Revenue and
4 Taxation Code, no appropriation is made by this act and the state
5 shall not reimburse any local agency for any sales and use tax
6 revenues lost by it under this act.

7 SEC. 3. This act provides for a tax levy within the meaning of
8 Article IV of the Constitution and shall go into immediate effect.
9 However, the provisions of this act shall become operative on the
10 first day of the first calendar quarter commencing more than 90
11 days after the effective date of this act.