

Introduced by Senator Gaines

February 25, 2015

An act to add and repeal Section 12207 of the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.

LEGISLATIVE COUNSEL'S DIGEST

SB 458, as introduced, Gaines. Insurance taxation: credit: College Access Tax Credit Fund.

Existing law imposes an annual tax on the gross premiums of an insurer, as defined, doing business in this state at specified rates.

This bill, for taxable years beginning on or after January 1, 2015, and before January 1, 2017, would allow a credit equal to a certain percentage of a contribution to the College Access Tax Credit Fund, as provided. The bill would specify that the aggregate amount of credit that may be allocated under this provision shall not exceed an unspecified sum for each calendar year, as specified, and would require the California Educational Facilities Authority to perform certain duties with regard to allocating and certifying the tax credits allowed under this provision.

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 12207 is added to the Revenue and
- 2 Taxation Code, to read:
- 3 12207. (a) (1) For each taxable year beginning on or after
- 4 January 1, 2015, and before January 1, 2017, there shall be allowed

1 as a credit against the “tax,” as described in Section 12202 or
2 12231, an amount equal to the following:

3 (A) For taxable years beginning on and after January 1, 2015,
4 and before January 1, 2016, 55 percent of the amount contributed
5 by the taxpayer for that taxable year to the College Access Tax
6 Credit Fund, as allocated and certified by the California
7 Educational Facilities Authority.

8 (B) For taxable years beginning on and after January 1, 2016,
9 and before January 1, 2017, 50 percent of the amount contributed
10 by the taxpayer for that taxable year to the College Access Tax
11 Credit Fund, as allocated and certified by the California
12 Educational Facilities Authority.

13 (2) Contributions shall be made only in cash.

14 (b) (1) The aggregate amount of credit that may be allocated
15 and certified pursuant to this section shall be an amount equal to
16 the sum of all of the following:

17 (A) _____ dollars (\$_____) for the 2015 calendar year and each
18 calendar year thereafter.

19 (B) The amount of previously unallocated and uncertified
20 credits.

21 (2) (A) For purposes of this section, the California Educational
22 Facilities Authority shall do all of the following:

23 (i) On or after the effective date of the act adding this section
24 and before January 1, 2017, allocate and certify tax credits to
25 taxpayers under this section.

26 (ii) Establish a procedure for taxpayers to contribute to the
27 College Access Tax Credit Fund and to obtain from the California
28 Educational Facilities Authority a certification for the credit
29 allowed by this section. The procedure shall require the California
30 Educational Facilities Authority to certify the contribution amount
31 eligible for credit within 45 days following receipt of the
32 contribution.

33 (iii) Provide to the Franchise Tax Board a copy of each credit
34 certificate issued for the calendar year by March 1 of the calendar
35 year immediately following the year in which those certificates
36 are issued.

37 (B) (i) The California Educational Facilities Authority shall
38 adopt any regulations necessary to implement this paragraph.

39 (ii) Chapter 3.5 (commencing with Section 11340) of Part 1 of
40 Division 3 of Title 2 of the Government Code does not apply to

1 any regulation adopted by the California Educational Facilities
2 Authority pursuant to clause (i).

3 (c) In the case where the credit allowed by this section exceeds
4 the “tax,” the excess may be carried over to reduce the “tax” in
5 the following year, and succeeding five years if necessary, until
6 the credit is exhausted.

7 (d) This section shall remain in effect only until December 1,
8 2017, and as of that date is repealed.

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