

Introduced by Senator Galgiani
(Principal coauthor: Assembly Member Gonzalez)

February 27, 2015

An act to add Section 17052.1 to the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.

LEGISLATIVE COUNSEL'S DIGEST

SB 627, as introduced, Galgiani. Personal income taxes: credit: commuting miles.

The Personal Income Tax Law allows various credits against the taxes imposed by that law.

This bill would, for taxable years beginning on or after January 1, 2015, allow a credit in an amount computed by multiplying \$_____ by the total number of the taxpayer's commuting miles for the taxable year, as provided. This bill would provide that, in those years in which an appropriation is made by the Legislature, when the amount allowable as a credit exceeds the tax payers tax liability the excess amount would be paid to the taxpayer.

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 17052.1 is added to the Revenue and
- 2 Taxation Code, to read:
- 3 17052.1. (a) For each taxable year beginning on or after
- 4 January 1, 2015, there shall be allowed a credit against the "net
- 5 tax," as defined by Section 17039, an amount computed by

1 multiplying ____ (\$____) by the total number of the taxpayer's
2 commuting miles for the taxable year.

3 (b) For purposes of this section, a taxpayer's commuting miles
4 shall be determined in the same manner as those miles are
5 determined as nondeductible personal expenses under Section 162
6 of the Internal Revenue Code, relating to trade or business expense,
7 and Section 262 of the Internal Revenue Code, relating to personal,
8 living, and family expenses, and any regulations promulgated or
9 guidance provided with regard to those sections.

10 (c) (1) Except as provided in paragraph (2), in the case where
11 the credit allowed under this section exceeds the "net tax," the
12 excess credit may be carried over to reduce the "net tax" in the
13 following taxable year, and succeeding taxable years, if necessary,
14 until the credit is exhausted.

15 (2) Notwithstanding paragraph (1), for taxable years beginning
16 on or after January 1, 2015, if the amount allowable as a credit
17 under this section exceeds the tax liability computed under this
18 part, the excess shall be credited against other amounts due, if any,
19 and the balance, if any, shall, upon appropriation by the Legislature,
20 and in consultation with the Air Resources Board, be paid from
21 the ____ Fund and paid to the taxpayer.

22 (d) Any credit paid to a taxpayer pursuant to this section shall
23 not be included in income subject to tax under this part.

24 (e) The Franchise Tax Board may prescribe rules, guidelines,
25 or procedures necessary or appropriate to carry out the purposes
26 of this section, including any guidelines regarding the
27 substantiation of the credit allowed by this section. Chapter 3.5
28 (commencing with Section 11340) of Part 1 of Division 3 of Title
29 2 of the Government Code does not apply to any rule, guideline,
30 or procedure prescribed by the Franchise Tax Board pursuant to
31 this section.

32 (f) Section 41 does not apply to the credit allowed by this
33 section.

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

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