

AMENDED IN SENATE JANUARY 26, 2016

AMENDED IN SENATE MAY 14, 2015

**SENATE BILL**

**No. 680**

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**Introduced by Senator Wieckowski**  
**(Coauthor: Senator Hill)**  
*(Coauthors: Senators Hill and Stone)*

February 27, 2015

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An act to add *and repeal* Section 6388.6-~~to~~ of the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.

LEGISLATIVE COUNSEL'S DIGEST

SB 680, as amended, Wieckowski. Sales *and use* taxes: exemption: ~~motor~~ *passenger* vehicles.

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 the storage, use, or other consumption in this state, and provides various exemptions from those taxes.

~~This bill, until January 1, 2020, would provide an exemption from the sales tax for exempt those taxes, the gross receipts from the sale in this state of, and the storage, use, or other consumption in this state of, a qualified new motor vehicles, passenger vehicle, as defined, and qualified accessories, as defined, that are purchased in California for permanent use outside this state, as provided. The bill would provide that a qualified new passenger vehicle sold or purchased without payment of tax pursuant to this exemption would be ineligible for any electric vehicle incentive offered by the State of California, as specified.~~

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 conforms to the Sales and Use Tax Law. Amendments to state sales and use taxes are incorporated into ~~these~~ *the local tax laws*.

~~Section 2230 of the Revenue and Taxation Code provides that~~  
*Existing law requires the state will to 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, that notwithstanding those provisions, 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.

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 6388.6 is added to the Revenue and
- 2 Taxation Code, to read:
- 3 6388.6. (a) There are exempted from the ~~computation of the~~
- 4 ~~amount of sales tax taxes imposed by this part, the gross receipts~~
- 5 ~~from the sale of in this state of, and the storage, use, or other~~
- 6 ~~consumption in this state of, any qualified new-motor passenger~~
- 7 vehicle and qualified accessories sold to a person for permanent
- 8 use outside this state, provided all of the following conditions are
- 9 met:
- 10 (1) The qualified new-motor passenger vehicle is moved to a
- 11 point outside of this state within 30 days from the date of purchase.
- 12 (2) A one-trip permit for driving or moving the qualified new
- 13 motor passenger vehicle to a point outside of this state pursuant
- 14 to Section 4003 of the Vehicle Code is obtained by a person who
- 15 presented an out-of-state driver's license at the time he or she
- 16 obtained the permit.
- 17 (3) The purchaser provides the retailer at time of purchase with
- 18 an exemption certificate as provided in Section 6421.

1 (4) *The purchaser is not a California resident, as defined in*  
2 *Section 516 of the Vehicle Code.*

3 (b) The exemption certificate shall identify the vehicle, seller,  
4 ~~and~~ purchaser, ~~and purchaser's out-of-state driver's license or~~  
5 ~~permit number~~, state that the vehicle will be removed from this  
6 state within 30 days of the date of purchase, and state that the  
7 vehicle will be licensed and registered outside this state for  
8 permanent use outside this state.

9 (c) *Notwithstanding any other law, the purchaser of any*  
10 *qualified new passenger vehicle pursuant to this section is*  
11 *ineligible for all of the following:*

12 (1) *A rebate administered by the State Air Resources Board or*  
13 *offered by the Clean Vehicle Rebate Project.*

14 (2) *Any incentive or exemption provided under the Clean Air*  
15 *Vehicle decal program.*

16 (3) *Any other electric vehicle incentive offered by the State of*  
17 *California.*

18 (e)

19 (d) For purposes of this section:

20 (1) "Permanent use outside this state" means that the qualified  
21 ~~new-motor~~ passenger vehicle is licensed, registered, and used  
22 outside this state and the qualified ~~new-motor~~ passenger vehicle  
23 and qualified accessories do not return to this state within 12  
24 months from the date of purchase.

25 (2) "Qualified accessories" means tangible personal property  
26 that is affixed or attached to, or sold with, the qualified ~~new-motor~~  
27 passenger vehicle, a power source for the qualified ~~new-motor~~  
28 passenger vehicle, or other accessories commonly sold with a new  
29 ~~motor~~ passenger vehicle that are sold together with the qualified  
30 ~~new-motor~~ passenger vehicle.

31 (3) "Qualified ~~new-motor~~ passenger vehicle" means a ~~motor~~  
32 ~~vehicle~~ passenger vehicle, as ~~described~~ defined in ~~subdivision (a)~~  
33 ~~of Section 415~~ 465 of the Vehicle-Code Code, that has not  
34 previously been ~~sold~~: sold, except any of the following motor  
35 vehicles:

36 (A) *Motorcycles.*

37 (B) *Housecars.*

38 (C) *Motor vehicles constructed on truck chassis.*

39 (e) *This section shall remain in effect only until January 1, 2020,*  
40 *and as of that date is repealed.*

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

5     SEC. 3. This act provides for a tax levy within the meaning of  
6     Article IV of the Constitution and shall go into immediate effect.

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