

Introduced by Senator Gaines

February 18, 2016

An act to add Section 6370.1 to the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.

LEGISLATIVE COUNSEL'S DIGEST

SB 1210, as introduced, Gaines. Sales and use taxes: exemption: school supplies.

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 would provide an exemption from those taxes for the gross receipts from the sale of, and the storage, use, or other consumption of, clothing, footwear, school supplies, books, computers, and education computer software, during a specified 2-day period in August of each year, commencing in 2017.

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. 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, transactions and use taxes, and specified state taxes from which revenues are deposited into the Local Public Safety Fund,

the Local Revenue Fund, the Local Revenue Fund 2011, the State's Education Protection Account, or the Fiscal Recovery Fund.

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 6370.1 is added to the Revenue and
2 Taxation Code, to read:

3 6370.1. (a) In 2017 and each calendar year thereafter, for the
4 two-day period beginning at 12:01 a.m. on the second Saturday
5 of August and ending at 11:59 p.m. on the following day, there
6 are exempted from the taxes imposed by this part the gross receipts
7 from the sale of, and the storage, use, or other consumption in this
8 state of, clothing, footwear, school supplies, books, computers,
9 and educational computer software if that sale is transacted at the
10 retailer's physical place of business.

11 (b) (1) Notwithstanding any provision of the Bradley-Burns
12 Uniform Local Sales and Use Tax Law (Part 1.5 (commencing
13 with Section 7200)) or the Transactions and Use Tax Law (Part
14 1.6 (commencing with Section 7251)), the exemption established
15 by this section shall not apply with respect to any tax levied by a
16 county, city, or district pursuant to, or in accordance with, either
17 of those laws.

18 (2) Notwithstanding subdivision (a), the exemption provided
19 by this section shall not apply with respect to any tax levied
20 pursuant to Section 6051.2, 6051.15, 6201.2, or 6201.15, or
21 pursuant to Section 35 or 36 of Article XIII of the California
22 Constitution.

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