

AMENDED IN SENATE JUNE 8, 1998  
AMENDED IN ASSEMBLY JANUARY 5, 1998  
AMENDED IN ASSEMBLY MAY 8, 1997  
AMENDED IN ASSEMBLY APRIL 22, 1997

CALIFORNIA LEGISLATURE—1997–98 REGULAR SESSION

**ASSEMBLY BILL**

**No. 417**

**Introduced by Assembly Member Davis**

February 20, 1997

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~~An act to amend Sections 17052.15, 17052.18, 17053.10, 17053.17, 17053.45, 17053.46, 17053.49, 23456, 23612.6, 23617.5, 23623.5, 23625, 23645, 23646, and 23649 of the Revenue and Taxation Code, relating to taxation. An act to add Section 538c to the Penal Code, relating to newspapers.~~

LEGISLATIVE COUNSEL'S DIGEST

AB 417, as amended, Davis. ~~Personal income and bank and corporation taxes~~ *Newspapers: unauthorized insertions.*

*(1) Existing law prohibits as a misdemeanor the stamping, printing, placement, or insertion of any writing, as defined, in or on any container containing a consumer product offered for sale, except with the consent of the owner or manager of the premises where the product is sold, or with the consent of the manufacturer, authorized distributor, or retailer of the product. Existing law also prohibits as a misdemeanor the possession or use of any cask, cover, label, or other thing in any way connected with the trade name of another, for the*

*purpose of disposing of any article or other thing than that which it originally contained, with the intent to deceive or defraud.*

*This bill would prohibit as a misdemeanor, the addition, attachment, or insertion of any writing into a newspaper, as defined, except with the consent of the publisher or distributor. This bill would also prohibit as a misdemeanor acting in concert with another to distribute newspapers with unauthorized additions, attachments, or insertions, in violation of this provision. By creating a new crime, this bill would impose a state-mandated local program.*

*(2) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.*

*This bill would provide that no reimbursement is required by this act for a specified reason.*

~~The Personal Income Tax Law and the Bank and Corporation Tax Law authorize various credits against the taxes imposed by those laws.~~

~~This bill would make nonsubstantive, technical changes to various credits allowed under those laws by eliminating duplicative language authorizing the carryover of repealed or inoperative credits.~~

~~The Bank and Corporation Tax Law provides for the levy of an alternative minimum tax in conformity with federal law.~~

~~This bill would make clarifying changes to the provisions that conform and modify federal law by including references to applicable state provisions that are in lieu of specified federal provisions.~~

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

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

- 1 ~~SECTION 1. Section 17052.15 of the Revenue and~~
- 2 ~~SECTION 1. Section 538c is added to the Penal Code,~~
- 3 ~~to read:~~
- 4 ~~538c. (a) Except as provided in subdivision (c), any~~
- 5 ~~person who adds, attaches, or inserts any writing in any~~



1 newspaper that is regularly issued at specified intervals,  
2 for retail sale or distribution without cost, and  
3 subsequently possesses, resells, or redistributes three or  
4 more copies of that newspaper with the addition,  
5 attachment, or insertion, is guilty of a misdemeanor.

6 (b) Any person who acts in concert with another to  
7 distribute newspapers with unauthorized additions,  
8 attachments, or insertions, in violation of subdivision (a),  
9 is guilty of a misdemeanor.

10 (c) This section does not apply if the publisher or  
11 authorized distributor of the newspaper consents to the  
12 addition, attachment, or insertion of the writing.

13 (d) As used in this section, "writing" means any form  
14 of representation or communication, including any  
15 handbill, newsletter, pamphlet, notice, or advertising,  
16 that contains any letters, words, or pictorial  
17 representation.

18 SEC. 2. No reimbursement is required by this act  
19 pursuant to Section 6 of Article XIII B of the California  
20 Constitution because the only costs that may be incurred  
21 by a local agency or school district will be incurred  
22 because this act creates a new crime or infraction,  
23 eliminates a crime or infraction, or changes the penalty  
24 for a crime or infraction, within the meaning of Section  
25 17556 of the Government Code, or changes the definition  
26 of a crime within the meaning of Section 6 of Article  
27 XIII B of the California Constitution.

28 Notwithstanding Section 17580 of the Government  
29 Code, unless otherwise specified, the provisions of this act  
30 shall become operative on the same date that the act  
31 takes effect pursuant to the California Constitution.

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**All matter omitted in this version of the  
bill appears in the bill as amended in the  
Assembly, January 5, 1998 (JR 11)**

