

## Senate Bill No. 78

### CHAPTER 87

An act to add Article 5 (commencing with Section 18741) to Chapter 3 of Part 10.2 of the Revenue and Taxation Code, relating to taxpayer contributions.

[Approved by Governor July 21, 1997. Filed with  
Secretary of State July 21, 1997.]

#### LEGISLATIVE COUNSEL'S DIGEST

SB 78, M. Thompson. Income taxes: contributions: endangered species.

Existing law relating to the administration of income tax laws allowed individual taxpayers, until January 1, 1997, to contribute amounts in excess of their tax liability to the Rare and Endangered Fish, Wildlife, and Plant Species Account in the Fish and Game Preservation Fund. All money contributed to the fund pursuant to these provisions was continuously appropriated to the Department of Fish and Game for specified purposes, and was subject to review by the budget committees of the Legislature.

This bill would reinstate those rare and endangered fish, wildlife, and plant species contribution provisions, and would extend their operation until January 1, 2002. This bill would also require that all money contributed to the account pursuant to these provisions, upon appropriation by the Legislature, be allocated to the Franchise Tax Board for the costs of collection and administration of the funds, and to the Department of Fish and Game for specified purposes.

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

SECTION 1. Article 5 (commencing with Section 18741) is added to Chapter 3 of Part 10.2 of the Revenue and Taxation Code, to read:

#### Article 5. Fish and Game Preservation Fund

18741. (a) Any individual may designate on the tax return that a contribution in excess of the tax liability, if any, be made to the Endangered and Rare Fish, Wildlife, and Plant Species Conservation and Enhancement Account in the Fish and Game Preservation Fund.

(b) The contribution shall be in full dollar amounts and may be made individually by each signatory on a joint return.

(c) A designation under subdivision (a) shall be made for any taxable year on the initial return for that taxable year, and once made shall be irrevocable. If payments and credits reported on the return,



together with any other credits associated with the individual's account, do not exceed the tax liability, if any, shown thereon, the return shall be treated as though no designation had been made. If no designee is specified, the contribution shall, after reimbursement of the direct actual costs of the Franchise Tax Board for the collection and administration of funds under this article, be transferred to the General Fund. The individual shall be notified in cases where the discrepancy between the amount actually available for designation and the amount designated exceeds ten dollars (\$10).

(d) If an individual designates a contribution to more than one account, and the amount available is insufficient to satisfy the total amount designated, the contribution shall be allocated among the designees on a pro rata basis.

(e) The Franchise Tax Board shall revise the form of the return to include a space labeled "Rare and Endangered Species Preservation Program" to allow for the designation permitted under subdivision (a).

(f) A deduction shall be allowed under Article 6 (commencing with Section 17201) of Chapter 3 of Part 10 for any contribution made pursuant to subdivision (a).

18742. (a) The Franchise Tax Board shall notify the Controller of both the amount of money paid by taxpayers in excess of their tax liability and the amount of refund money which taxpayers have designated pursuant to Section 18741 to be transferred to the Endangered and Rare Fish, Wildlife, and Plant Species Conservation and Enhancement Account established pursuant to Section 1770 of the Fish and Game Code. The Controller shall transfer from the Personal Income Tax Fund to the Endangered and Rare Fish, Wildlife, and Plant Species Conservation and Enhancement Account, an amount not in excess of the sum of the amounts reported to the Controller by the Franchise Tax Board that have been designated by individuals pursuant to Section 18741 for payment into that account.

(b) All money transferred to the Endangered and Rare Fish, Wildlife, and Plant Species Conservation and Enhancement Account, upon appropriation by the Legislature, shall be allocated as follows:

(1) To the Franchise Tax Board for the reimbursement of all actual and direct costs incurred by the Franchise Tax Board in connection with the collection and administration of funds under this article.

(2) To the Department of Fish and Game for the purposes specified in Section 1771 of the Fish and Game Code.

18743. It is the intent of the Legislature that this article create an additional funding source for programs for endangered and rare animals and native plant species and shall be used to supplement, not supplant, other funding sources for these programs.



18744. (a) This article shall remain in effect only until January 1, 2002, and as of that date is repealed, unless a later enacted statute, which is enacted before January 1, 2002, deletes that date.

(b) If, in any calendar year the Franchise Tax Board estimates by September 1 that contributions described in this article made on returns filed in that calendar year will be less than two hundred fifty thousand dollars (\$250,000) for taxable years beginning in 1997, or the adjusted amount specified in subdivision (c) for subsequent taxable years, as may be applicable, then this article is repealed with respect to taxable years beginning on and after January 1 of that calendar year. The Franchise Tax Board shall estimate the annual contribution amount by September 1 of each year using the actual amounts known to be contributed and an estimate of the remaining year's contributions.

(c) For each calendar year, beginning with calendar year 1998, the Franchise Tax Board shall adjust, on or before September 1 of that calendar year, the minimum estimated contribution amount specified in subdivision (b) as follows:

(1) The minimum estimated contribution amount for the calendar year shall be an amount equal to the product of the minimum estimated contribution amount for the prior September 1 multiplied by the inflation factor adjustment as specified in paragraph (2) of subdivision (h) of Section 17041, rounded off to the nearest dollar.

(2) The inflation factor adjustment used for the calendar year shall be based on the figures for the percentage change in the California Consumer Price Index received on or before August 1 of the calendar year pursuant to paragraph (1) of subdivision (h) of Section 17041.

(d) Notwithstanding the repeal of this article, any contribution amounts designated pursuant to this article prior to its repeal shall continue to be transferred and disbursed in accordance with this article as in effect immediately prior to that repeal.

