

AMENDED IN ASSEMBLY APRIL 12, 1999

CALIFORNIA LEGISLATURE—1999–2000 REGULAR SESSION

ASSEMBLY BILL

No. 901

Introduced by Assembly Member Knox

February 25, 1999

An act to add Section ~~17132~~ 17021.7 to the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.

LEGISLATIVE COUNSEL'S DIGEST

AB 901, as amended, Knox. Income taxes: exclusion: ~~medical care~~ deduction: domestic partner.

The Personal Income Tax Law provides, in specified conformity to federal law, an exclusion from gross income for certain amounts expended for medical care *and for certain employer-provided coverage under an accident or health plan. That law also allows a deduction for certain health insurance costs of self-employed individuals and with respect to certain group health plans.*

This bill would make ~~that exclusion~~ those tax benefits available to domestic partners.

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 17132 is added to the Revenue~~
2

1 SECTION 1. Section 17021.7 is added to the Revenue
2 and Taxation Code, to read:

3 17021.7. (a) For purposes of this part, the domestic
4 partner of the taxpayer shall be treated as the spouse of
5 the taxpayer for purposes of applying only Sections
6 105(b), 106(a), 162(l), 162(n), and 213(a) of the Internal
7 Revenue Code and for purposes of determining whether
8 an individual is the taxpayer's "dependent" or "member
9 of their family" as these terms are used in those sections.

10 (b) For purposes of this section, the term "domestic
11 partner" shall have the meaning provided in Section 297
12 of the Family Code.

13 ~~and Taxation Code, to read:~~

14 ~~17132. (a) Section 105(b) of the Internal Revenue~~
15 ~~Code is modified by substituting the phrase "taxpayer,~~
16 ~~spouse, domestic partner, and dependents" for the~~
17 ~~phrase "taxpayer, his spouse, and his dependents."~~

18 ~~(b) For purposes of this section, a "domestic partner"~~
19 ~~is one of two adults who have chosen to share one~~
20 ~~another's lives in an intimate and committed relationship~~
21 ~~of mutual caring that is a domestic partnership.~~

22 ~~(1) A domestic partnership shall be established when~~
23 ~~all of the following requirements are met:~~

24 ~~(A) Both individuals have a common residence.~~

25 ~~(B) Both individuals agree to be jointly responsible for~~
26 ~~each other's basic living expenses during the domestic~~
27 ~~partnership.~~

28 ~~(C) Neither individual is married or a member of~~
29 ~~another domestic partnership.~~

30 ~~(D) The two individuals are not related by blood in a~~
31 ~~way that would prevent them from being married to each~~
32 ~~other in this state.~~

33 ~~(E) Both individuals are at least 18 years of age.~~

34 ~~(F) Both file a Declaration of Domestic Partnership~~
35 ~~with the Secretary of State pursuant to Division 2.5~~
36 ~~(commencing with Section 297) of the Family Code.~~

37 ~~(2) "Have a common residence" means that two~~
38 ~~individuals are cohabitants. It is not necessary that the~~
39 ~~legal right to possess the common residence be in both of~~
40 ~~their names. Two individuals are cohabitants even if one~~



1 ~~or both have additional residences. Domestic partners do~~
2 ~~not cease to be cohabitants if one leaves the common~~
3 ~~residence but intends to return.~~

4 ~~(3) “Basic living expenses” means food and shelter. It~~
5 ~~also means any other cost, such as medical care, if some~~
6 ~~or all of the cost is paid as a benefit because an individual~~
7 ~~is another individual’s domestic partner.~~

8 ~~(4) “Joint responsibility” means that each partner~~
9 ~~agrees to provide for the other partner’s basic living~~
10 ~~expenses if the partner is unable to provide for herself or~~
11 ~~himself.~~

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

