

AMENDED IN ASSEMBLY JANUARY 13, 2000

AMENDED IN ASSEMBLY JANUARY 6, 2000

CALIFORNIA LEGISLATURE—1999–2000 REGULAR SESSION

ASSEMBLY BILL

No. 1269

Introduced by Assembly Member Frusetta
*(Coauthors: Assembly Members Baldwin, Dickerson, Dutra,
Havice, Nakano, and Wayne)*

February 26, 1999

An act to add Chapter 6 (commencing with Section 1350) to Division 6 of the Military and Veterans Code, and to add and repeal Article 1 (commencing with Section 18701) of Chapter 3 of Part 10.2 of Division 1 of the Revenue and Taxation Code, relating to veterans.

LEGISLATIVE COUNSEL'S DIGEST

AB 1269, as amended, Frusetta. Veterans: *National World War II Veterans Memorial*.

Existing law relating to the administration of personal income taxes allows individual taxpayers to contribute amounts in excess of their tax liability to various funds and accounts established for special purposes.

This bill would, ~~until January 1, 2003,~~ allow individual taxpayers to contribute amounts in excess of their tax liability to a ~~national~~ *National World War II veterans memorial Veterans Memorial*. *However, the bill would provide that a voluntary contribution designation for this purpose shall not be added on the tax return until another voluntary*

contribution designation is removed. This bill would provide that all contributed amounts, net of administrative costs, be deposited in the National World War II Veterans Memorial Trust Fund, which would be established by this bill. This bill would specify that all moneys in that fund are, upon appropriation by the Legislature, allocated to the American Battle Monuments Commission for the construction of a *National World War II Veterans Memorial* as described by a certain provision of law.

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. Chapter 6 (commencing with Section
2 1350) is added to Division 6 of the Military and Veterans
3 Code, to read:

4
5 CHAPTER 6. NATIONAL WORLD WAR II VETERANS
6 MEMORIAL TRUST FUND
7

8 1350. There is hereby established the National World
9 War II Veterans Memorial Trust Fund to receive those
10 moneys transferred in accordance with Section 18702 of
11 the Revenue and Taxation Code. Upon appropriation by
12 the Legislature, the moneys in the trust fund shall be
13 allocated to the American Battle Monuments
14 Commission for the construction of the World War II
15 Memorial described in Section 1 of Chapter 864 of the
16 Statutes of 1999.

17 SEC. 2. Article 1 (commencing with Section 18701) is
18 added to Chapter 3 of Part 10.2 of Division 1 of the
19 Revenue and Taxation Code, to read:

20
21 Article 1. National World War II Veterans Memorial
22 Funding
23

24 18701. (a) Any individual may designate on the tax
25 return that a contribution in excess of tax liability, if any,
26 be made to the National World War II Veterans Memorial



1 Trust Fund, established pursuant to Section 1350 of the
2 Military and Veterans Code.

3 (b) A contribution shall be in a full dollar amount and
4 may be made individually by each signatory on a joint
5 return.

6 (c) A designation made under subdivision (a) shall be
7 made for any taxable year on the initial return for that
8 taxable year, and once made shall be irrevocable. In the
9 event that payments and credits reported on the return,
10 together with any other credits associated with the
11 taxpayer's account do not exceed the tax liability, if any,
12 shown thereupon, the return shall be treated as though
13 no designation had been made. In the event that no
14 designee is specified, the contribution shall, after
15 reimbursement of the direct actual costs of the Franchise
16 Tax Board for the collection and administration of funds
17 under the article, be transferred to the General Fund.

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

23 (e) The Franchise Tax Board shall revise the form of
24 the return to include a space labeled the "National World
25 War II Veterans Memorial" to allow for the designation
26 permitted under subdivision (a). *The form shall also*
27 *include in the instructions information that the*
28 *contribution may be in the amount of one dollar (\$1) or*
29 *more and that the contribution shall be used for the*
30 *National World War II Veterans Memorial.*

31 (f) *Notwithstanding any other provision, a voluntary*
32 *contribution designation for the National World War II*
33 *Veterans Memorial Trust Fund shall not be added on the*
34 *tax return until another voluntary contribution*
35 *designation is removed.*

36 (g) A deduction shall be allowed under Article 6
37 (commencing with Section 17201) of Chapter 3 of Part 10
38 for the amount of any contribution made under
39 subdivision (a).



1 18702. (a) The Franchise Tax Board shall annually
2 determine the total amount designated pursuant to
3 subdivision (a) of Section 18701 and notify the Controller
4 of that amount.

5 (b) The Controller shall transfer the amount
6 determined under subdivision (a), less the direct, actual
7 costs of the Franchise Tax Board for the collection and
8 administration of funds under this article, to the National
9 World War II Veterans Memorial Trust Fund, established
10 pursuant to Section 1350 of the Military and Veterans
11 Code. Upon appropriation by the Legislature, the
12 Controller shall transfer the amount of the board's costs
13 to the board.

14 ~~18703. It is the intent of the Legislature that this~~
15 ~~article create~~

16 *18703. This article creates* an additional source of
17 funding for a specified purpose. The funds generated by
18 this article shall not be used in place of funds from other
19 sources that are available for appropriation to the
20 National World War II Veterans Memorial Trust Fund.

21 ~~18704. This article applies to taxable years beginning~~
22 ~~on or after January 1, 2000.~~

23 ~~18705. (a) This article shall remain in effect only until~~
24 ~~January 1, 2003, and as of that date is repealed, unless a~~
25 ~~later enacted statute, which is enacted before January 1,~~
26 ~~2003, deletes that date.~~

27 ~~(b) If, in any calendar year, the Franchise Tax Board~~
28 ~~estimates by September 1 that contributions described in~~
29 ~~this article made on returns filed in that calendar year will~~
30 ~~be less than two hundred fifty thousand dollars (\$250,000)~~
31 ~~for taxable years beginning in 1999, or the adjusted~~
32 ~~amount specified in subdivision (c), as may be applicable,~~
33 ~~then this article is repealed with respect to taxable years~~
34 ~~beginning on or after January 1 of that calendar year. The~~
35 ~~Franchise Tax Board shall estimate the annual~~
36 ~~contribution amount by September 1 of each year using~~
37 ~~the actual amounts known to be contributed and an~~
38 ~~estimate of the remaining year's contributions.~~

39 ~~(c) For each calendar year, beginning with calendar~~
40 ~~year 2000, the Franchise Tax Board shall adjust, on or~~



1 ~~before September 1 of that calendar year, the minimum~~
2 ~~estimated contribution amount specified in subdivision~~
3 ~~(b) as follows:~~

4 18704. (a) *This article shall remain in effect only until*
5 *January 1 of the third taxable year following the first*
6 *appearance of the National World War II Veterans*
7 *Memorial Trust Fund on the tax return and as of that date*
8 *is repealed, unless a later enacted statute, that is enacted*
9 *before the applicable date, deletes or extends that date.*

10 (b) *If, in any calendar year after the first taxable year*
11 *the National World War II Veterans Memorial Trust*
12 *Fund appears on the tax return, the Franchise Tax Board*
13 *estimates by September 1 that contributions described in*
14 *this article made on returns filed in that calendar year will*
15 *be less than two hundred fifty thousand dollars*
16 *(\$250,000), or the adjusted amount specified in*
17 *subdivision (c) for subsequent taxable years, as may be*
18 *applicable, then this article is repealed with respect to*
19 *taxable years beginning on or after January 1 of that*
20 *calendar year. The Franchise Tax Board shall estimate*
21 *the annual contribution amount by September 1 of each*
22 *year using the actual amounts known to be contributed*
23 *and an estimate of the remaining year's contribution.*

24 (c) *For each calendar year, beginning with the second*
25 *calendar year the National World War II Veterans*
26 *Memorial Trust Fund appears on the tax return, the*
27 *Franchise Tax Board shall adjust, on or before September*
28 *1 of that calendar year, the minimum estimated*
29 *contribution amount specified in subdivision (b) as*
30 *follows:*

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

37 (2) *The inflation factor adjustment used for the*
38 *calendar year shall be based on the figures for the*
39 *percentage change in the California Consumer Price*
40 *Index received on or before August 1 of the calendar year*



1 pursuant to paragraph (1) of subdivision (h) of Section
2 17041.

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

