

AMENDED IN SENATE MARCH 28, 2000

**SENATE BILL**

**No. 1752**

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**Introduced by Senator Poochigian**

*(Coauthors: Senators Costa, Haynes, Knight, Lewis, and  
Morrow)*

*(Coauthors: Assembly Members Aanestad, Battin, Bock,  
Brewer, Briggs, Campbell, Cox, Cunneen, Dickerson,  
Leach, Leonard, Oller, Robert Pacheco, Rod Pacheco,  
Pescetti, Runner, and Zettel)*

February 23, 2000

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An act to add and repeal Section 17204 of the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.

LEGISLATIVE COUNSEL'S DIGEST

SB 1752, as amended, Poochigian. Income taxes: deduction: educational expenses.

The Personal Income Tax Law authorizes various deductions in computing income that is subject to taxation.

This bill would, for each taxable year beginning on or after January 1, 2000, and before January 1, 2005, authorize a deduction under that law, in an amount not to exceed \$500 and in accordance with certain definitions and limitations, for the unreimbursed qualifying classroom educational expenses paid or incurred by a teacher at a qualifying educational institution. This bill would provide that the amounts allowed as a deduction shall not diminish specified funding for education.

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 17204 is added to the Revenue  
2 and Taxation Code, to read:  
3 17204. (a) For each taxable year beginning on or  
4 after January 1, 2000, and before January 1, 2005, there  
5 shall be allowed as a deduction the amount of  
6 unreimbursed qualifying classroom educational  
7 expenses, not to exceed five hundred dollars (\$500), that  
8 are paid or incurred during the taxable year by any  
9 qualified teacher at a qualifying educational institution.

10 (b) As used in this section, the following terms have  
11 the following definitions:

12 (1) “Qualifying classroom educational expenses”  
13 means the costs paid or incurred by a teacher for  
14 instructional materials, that comply with subdivision (c);  
15 and that meet both of the following requirements:

16 (A) ~~Are~~—*The instructional materials are* used at a  
17 qualifying educational institution for the teaching of any  
18 subject legally and commonly taught in a qualifying  
19 educational institution and are not purchased for the  
20 personal use of the qualified teacher.

21 (B) ~~Are~~—*The instructional materials are* certified in  
22 writing by the chief administrator of the qualifying  
23 educational institution as being used at that institution by  
24 the qualified teacher for the teaching of any subject  
25 legally and commonly taught. The Franchise Tax Board  
26 shall prescribe a certification form for purposes of this  
27 subparagraph.

28 (2) “Qualified teacher” means a credentialed,  
29 full-time teacher who works the majority of his or her  
30 working hours as a classroom instructor in a qualifying  
31 educational institution located in California.

32 (3) “Qualifying educational institution” means any  
33 public elementary, secondary, or vocational-technical  
34 school in this state providing education for kindergarten,



1 grades 1 to 12, inclusive, or any part thereof, operated by  
2 state or local governmental entities.

3 (c) All instructional materials, any portion of the costs  
4 of which are the subject of a deduction allowed pursuant  
5 to this section, are the property of the qualifying  
6 educational institution at which they are used, and no  
7 instructional materials, any portion of the costs of which  
8 are claimed as a deduction pursuant to this section, shall  
9 violate any provision of the Education Code or any rule  
10 or policy of the school board governing the qualifying  
11 educational institution at which those materials are used.

12 (d) This section shall remain in effect only until  
13 December 1, 2005, and as of that date is repealed.

14 SEC. 2. Notwithstanding any other law, when making  
15 the calculation as required by subdivision (b) of Section  
16 8 of Article XVI of the California Constitution, “General  
17 Fund revenues that may be appropriated pursuant to  
18 Article XIII B,” as used in paragraphs (1) and (3) of  
19 subdivision (b) of Section 8 of Article XVI of the  
20 California Constitution, shall include the amounts of the  
21 deduction allowed under Section 17204 of the Revenue  
22 and Taxation Code. In the fiscal year following enactment  
23 of Section 17204 of the Revenue and Taxation Code and  
24 for each fiscal year thereafter, the Director of Finance  
25 shall adjust the amount required to be allocated to school  
26 districts and community college districts to ensure that  
27 Section 17204 of the Revenue and Taxation Code does not  
28 diminish the funding level for school districts and  
29 community college districts to a funding level below that  
30 required absent the deduction authorized by Section  
31 17204 of the Revenue and Taxation Code.

32 SEC. 3. This act provides for a tax levy within the  
33 meaning of Article IV of the Constitution and shall go into  
34 immediate effect.

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