

File No. 140458

Committee Item No. _____

Board Item No. 34

COMMITTEE/BOARD OF SUPERVISORS

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Committee _____

Date _____

Board of Supervisors Meeting

Date May 6, 2014

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Completed by: Joy Lamug

Date May 1, 2014

Completed by: _____

Date _____

An asterisked item represents the cover sheet to a document that exceeds 20 pages. The complete document is in the file.

1 [Supporting California Assembly Bill 2175 (Daly and Ting) - The Renter's Tax Assistance Act]

2
3 **Resolution supporting Assembly Bill 2175, introduced by Assemblymembers Daly and**
4 **Ting, a tax rebate program for low-income renters to create financial security for low-**
5 **income tenants and address the affordable housing needs in the State of California.**

6
7 WHEREAS, Recent annual studies by the Council for Community and Economic
8 Research found that California is home to three of the top 10 areas in the country with the
9 highest cost of living, including San Francisco, and growing numbers of low-income tenants
10 have struggled to make ends meet; and

11 WHEREAS, Under current state and federal tax laws, homeowners receive significant
12 tax benefits, including the mortgage interest deduction and the homeowner's exemption, but
13 renters do not receive comparable benefits; and

14 WHEREAS, In 1972, the California State Legislature enacted a renter's tax credit for
15 about two decades, but suspended the program in the nineties as a result of the economic
16 downturn; and

17 WHEREAS, In 2008, Governor Arnold Schwarzenegger used a line-item veto to
18 eliminate \$191 million of state funding for a rebate program, of which \$150 million were for
19 low-income renters and \$41 million for low-income homeowners, impacting more than
20 450,000 low-income households; and

21 WHERAS, That same year, Governor Schwarzenegger and the State Legislature cut
22 an additional \$1 billion in annual support for affordable housing through the dissolution of local
23 redevelopment agencies; and

24 WHEREAS, Since 2008, California has not offered any tax based programs for renters,
25 while working families across California face the challenge of finding affordable housing; and

1 WHEREAS, The Renter's Tax Assistance Act, AB 2175, proposed by Assembly
2 Members Tom Daly and Phil Ting, would offer financial assistance to low-income renters by
3 providing thousands of families with rebates ranging from \$250 to \$347.50 per year; and

4 WHEREAS, Eligible renters must be individuals that have occupied their apartment as
5 their principal place of residence during the calendar year of their claim and earn no more
6 than \$42,5888 in annual household income; and

7 WHEREAS, AB 2175 would provide financial assistance for low-income tenants,
8 address the affordable housing needs in California, and have an overall positive effect on the
9 state economy; and

10 WHEREAS, AB 2175 is supported by the California Apartment Association, Tenants
11 Together, California Rural Legal Assistance Foundation, Western Center on Law and Poverty,
12 the City of Berkeley Rent Stabilization Board, the Apartment Association of California
13 Southern Cities, the East Bay Rental Housing Association, the Apartment Association of
14 Orange County, and the NorCal Rental Properties Association; therefore be it

15 RESOLVED, That the Board of Supervisors of the City and County of San Francisco
16 hereby urges the California State Legislature to pass AB 2175 and create a tax rebate for low-
17 income renters.

FACT SHEET
Assembly Bill 2175 (Daly & Ting)
Renter's Tax Assistance Act

SUMMARY:

AB 2175 seeks to enact the Renter's Tax Assistance Program, which would provide tax rebates to low-income renters. The amounts of assistance would vary, based on household income, beginning with a baseline of \$250 per year but with a maximum of \$347.50 per year.

PROBLEM:

As the cost of living in California has increased, growing numbers of low-income tenants have struggled to make ends meet. A recent study by the Council for Community and Economic Research found that California is home to three of the top 10 areas in the country with the highest cost of living – San Francisco, San Jose, and Orange County.

Under current law, homeowners in California receive significant state and federal tax benefits, including the mortgage interest deduction and the homeowner's exemption. However, renters do not receive any comparable tax benefits. It's reasonable to provide renters, who may not be able to purchase a home, with some tax relief too.

California funded a renter's assistance program prior to 2008, until Governor Arnold Schwarzenegger used a line-item veto to eliminate it from the state budget. Since that time, the state has not offered any tax based programs geared towards tenants. The Governor and Legislature also cut an additional \$1 billion in annual support for affordable housing through the dissolution of local redevelopment agencies. As a result, it is becoming increasingly difficult for working families across California to find affordable housing.

SOLUTION:

The Renter's Tax Assistance Program, as proposed by AB 2175, would offer a small measure of financial help to low-income renters. For many low-income tenant households, the modest sums offered through this program would equate to one or two weeks' worth of wages.

In order to be eligible, individuals must have rented and occupied the property as his or her principal place of residence during the calendar year for which assistance is claimed. Each individual applying for assistance must file a claim under penalty of perjury on a form provided by the Franchise Tax Board.

SUPPORT:

California Apartment Association (Sponsor)
Tenants Together
California Rural Legal Assistance Foundation
Western Center on Law and Poverty
City of Berkeley Rent Stabilization Board
Apartment Association, California Southern Cities
East Bay Rental Housing Association
Apartment Association of Orange County
NorCal Rental Properties Association

OPPOSITION:

None

STATUS:

- Introduced February 20, 2014
- Scheduled to be heard April 28, 2014, by the Assembly Committee on Revenue & Taxation

STAFF CONTACTS:

David Miller, Assemblymember Daly, 916-319-2069
Irene Ho, Assemblymember Ting, 916-319-2019

Draft Q & A For Joint Authors

Q. Why is the objective of this bill?

A. AB 2175 seeks to enact the Renter's Tax Assistance Program, which would provide tax rebates to low-income renters. The amounts of assistance would vary, based on household income, beginning with a baseline of \$250 per year but with a maximum of \$347.50 per year.

Q. Why is this bill needed?

A. As the cost of living in California has increased, growing numbers of low-income tenants have struggled to make ends meet. A recent study by the Council for Community and Economic Research found that California is home to three of the top 10 areas in the country with the highest cost of living – San Francisco, San Jose, and Orange County.

California funded a renter's assistance program prior to 2008, until Governor Arnold Schwarzenegger used a line-item veto to eliminate it from the state budget. Since that time, the state has not offered any tax based programs geared towards tenants. The Governor and Legislature also cut an additional \$1 billion in annual support for affordable housing through the dissolution of local redevelopment agencies. As a result, it is becoming increasingly difficult for working families across California to find affordable housing.

Q. If housing in general is becoming less affordable, why does this bill target only renters?

A. Under current law, homeowners in California receive significant state and federal tax benefits, including the mortgage interest deduction and the homeowner's exemption. However, renters do not receive any comparable tax benefits. It's reasonable to provide renters, who may not be able to purchase a home, with some tax relief too.

Q. Doesn't the state already offer some form of tax-based assistance to renters?

A. The Legislature first enacted a renters' tax "credit in 1972, and that program lasted for approximately two decades before it was suspended when the state economy took a downturn in the early 1990s. The Legislature reinstated the renter's credit effective January 1, 1998. Historically, the renter's tax credit was refundable. However, as reinstated, the renter's credit is nonrefundable and is subject to income phase-outs. The authors of AB 2175 believe that the existing credit -- \$60 for a single filer, and \$120 for married couples, registered domestic partners or heads of households -- is insufficient given the increased cost of living in California.

Q. How would the Renters' Tax Assistance Program differ from the existing renters' credit?

A. AB 2175 would create a new re-fundable program within the Senior Citizens Property Tax Assistance and Postponement Law. That program was funded until Governor Schwarzenegger eliminated the funding from the state budget in 2008 (see above). In addition, the Senior Citizens Property Tax Assistance and Postponement Law was designed to provide assistance to low-income and elderly or disabled claimants Californians, regardless of whether they own or rent their residences. The Renters' Tax Assistance Program, as envisioned by AB 2175, would expand eligibility to include all low-income residents of the state, defined as those with annual household incomes of \$42,588 or less.

Q. Since Governor Schwarzenegger eliminated funding for the Senior Citizens Property Tax Assistance and Postponement Law in 2008, wouldn't the newly-created the Renters' Tax Assistance Program require a new source of funding?

A. Yes, in order to be fully implemented, the Renter's Tax Assistance Program would require an appropriation of funds by the Legislature & Governor. AB 2175's authors view the bill as the first step in a multi-step process. The first is establishing the program; the second is securing the funding to pay for it.

Q. How much would this new program cost?

A. The bill has not been vetted through the Legislature, so at this time we don't have approximate numbers, which we are in the process of researching. According to the state Franchise Tax Board, which would administer the Renter's Tax Assistance Program, the cost would be \$380 million for fiscal year 2014-2015. A legislative budget committee analysis of Senior Citizens Property Tax Assistance and Postponement Law pegged the cost of that program to be around \$185 million for 2007-2008, based on claims filed by 638,416 participants. However, it should be noted that the filers under that program included some homeowners. The new Renters' Tax Assistance Program would exclude homeowners while also expanding the categories of renters eligible to file for assistance. The cost of the new program will ultimately be determined by the number of people filing claims for assistance.

Q. Nevertheless, sums ranging from \$185 million to \$380 million are not insignificant. While the state's economy and fiscal health are improving, can California afford to forgo those dollars over the next few years?

A. It is incumbent upon the Legislature and Governor to make sound decisions with regard to how revenues (tax dollars) are used. Housing is a fundamental need for all California families, and the modest amounts (per household) offered by this new renter's assistance program will provide thousands of a families with a measure of security.

In addition, these small refunds will have a positive cumulative effect on the overall state economy, as the families and individuals receiving the assistance will turn around and spend that money at local businesses.



Renters' Rebate Fact Sheet

Governor Arnold Schwarzenegger has used his line item veto to eliminate all \$191 million of funding for the Senior Citizens Property Tax Assistance Program from the California state budget. This was the governor's single biggest line-item veto. The Governor did not seek any public input before making this drastic and unexpected cut. The line-item veto takes \$150 million from low-income renters and \$41 million from low-income homeowners.

What are Renters Rebates and Who Gets Them?

The Senior Citizens Property Tax Assistance program, also known as the renters' rebate, has been in effect for decades. Under the program, qualified low-income seniors, blind, and disabled renters are entitled to a once-a-year payment if they meet the following eligibility requirements:

- Must be a U.S. citizen or qualified alien
- Must be a senior (62 years or older), blind, or disabled
- Must have lived in a qualified rented residence subject to property tax and paid \$50 or more per month rent
- Must have total household income of \$44,096 or less

Renters begin applying for the rebate each year in July. Eligibility is based on the prior tax year. Many renters had already submitted claims for the rebate this year before the governor vetoed funding for the program. These renters were shocked to receive letters in October informing them that rebates would not be paid.

The renters' rebate program assists a large number of California's low-income renter households. Last year, 467,000 renter households received payments under the program. The average payment was \$316 per household. The following table shows the renter rebates paid in 2005, 2006 and 2007, broken down between senior claimants and disabled/blind claimants.

Claim Year	Disabled/Blind Renter Claims Paid	Amount	Senior Renter Claims Paid	Amount
2005	179,375	\$59,086,929	272,862	\$83,329,651
2006	179,352	59,123,092	274,521	83,874,326
2007	183,482	60,563,550	274,310	84,043,748

Although the bulk of the tax assistance payments are directed to renters, the program also provides \$41 million in rebates to low-income homeowners who are senior, blind or disabled. The Governor's veto eliminated all of the homeowner funds, impacting California's struggling homeowners.

Reaction to the Elimination of Renters Rebates

The governor's elimination of all funds for renters' rebates was met with immediate opposition from a broad coalition of tenant, senior, and disabled advocacy organizations. On October 31, 2008, thirty organizations co-signed a letter to the governor objecting to the cut and urging that the program be fully funded.

A coalition of groups has vowed to take action to restore the rebates. On November 19, 2008, renters, seniors and persons with disabilities across the state are participating in a statewide day of action to save the rebates. The goal is to bring increased attention to the issue and to demand full funding for the rebate program.

For more information about the rebate program, contact Tenants Together at 415.495.8100 or visit our renters' rebate page at www.tenantstogether.org.

AMENDED IN ASSEMBLY APRIL 1, 2014

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL

No. 2175

Introduced by Assembly Member *Members Daly and Ting*

February 20, 2014

An act to amend Section 20502 of, and to add Chapter 1.5 (commencing with Section 20565) to Part 10.5 of Division 2 of, the Revenue and Taxation Code, relating to ~~taxation~~ taxpayer assistance.

LEGISLATIVE COUNSEL'S DIGEST

AB 2175, as amended, Daly. ~~Personal income tax: credit: long-term care.~~ *Renter's Tax Assistance Act.*

Within the Senior Citizens Property Tax Assistance and Postponement Law, the Gonsalves-Deukmejian-Petris Senior Citizens Property Tax Assistance Law provides for payment of assistance by the Franchise Tax Board to low-income and elderly or disabled claimants, whether those claimants own or rent their residences, in accordance with schedules that reduce the amount of assistance provided as the amount of a claimant's household income increases along a specified scale of household income amounts.

This bill would create the Renter's Tax Assistance Act within the Senior Citizens Property Tax Assistance and Postponement Law to provide for payment of assistance by the Franchise Tax Board to individuals who rent their residences and have gross household income that do not exceed \$42,588, in accordance with a schedule that reduces the amount of assistance provided as the amount of an individual's household income increases along a specified scale of household income amounts. This bill would require each individual applying for assistance to file a claim under penalty of perjury with the board on a form supplied

by the board, and would require the claim to include information in the form and manner prescribed by the board that establishes that the individual was eligible for assistance.

Existing law provides that a tax preparer who endorses or otherwise negotiates any warrants made with respect to assistance claimed under the Senior Citizens Property Tax Assistance and Postponement Law and issued is guilty of a misdemeanor.

This bill would expand the scope of that misdemeanor to include a tax preparer who endorses or otherwise negotiates any warrants made with respect to assistance claimed under the Renter's Tax Assistance Act.

By expanding the crime of perjury and expanding the scope of the existing crime, this bill would impose a state-mandated local program.

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 Corporation Tax Law allow various credits against the taxes imposed by those laws.

This bill would state that it is the intent of the Legislature to enact legislation that would allow for a credit in the amount of \$500 for costs paid or incurred for long-term care of a family member against the tax imposed by the Personal Income Tax Law.

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 20502 of the Revenue and Taxation Code
2 is amended to read:

3 20502. Unless the context otherwise requires, the definitions
4 given in this chapter shall govern construction of this part,
5 excluding Chapter 1.5 (commencing with Section 20565).

6 SEC. 2. Chapter 1.5 (commencing with Section 20565) is added
7 to Part 10.5 of Division 2 of the Revenue and Taxation Code, to
8 read:

1 *CHAPTER 1.5. RENTER'S TAX ASSISTANCE ACT*

2
3 *Article 1. General Provisions and Definitions*

4
5 20565. *This chapter shall be known, and may be cited, as the*
6 *Renter's Tax Assistance Act.*

7 20565.5. *Unless the context otherwise requires, the definitions*
8 *given in this chapter shall govern construction of this chapter.*

9 20566. (a) *"Income" means adjusted gross income, as defined*
10 *in Section 17072, plus all of the following cash items:*

11 (1) *Public assistance and relief.*

12 (2) *Nontaxable amount of pensions and annuities.*

13 (3) *Social security benefits (except Medicare).*

14 (4) *Railroad retirement benefits.*

15 (5) *Unemployment insurance payments.*

16 (6) *Veterans' benefits.*

17 (7) *Exempt interest received from any source.*

18 (8) *Gifts and inheritances in excess of three hundred dollars*
19 *(\$300), other than transfers between members of the household.*
20 *Gifts and inheritances include noncash items.*

21 (9) *Amounts contributed on behalf of the contributor to a*
22 *tax-sheltered retirement plan or deferred compensation plan.*

23 (10) *Temporary workers' compensation payments.*

24 (11) *Sick leave payments.*

25 (12) *Nontaxable military compensation as defined in Section*
26 *112 of the Internal Revenue Code.*

27 (13) *Nontaxable scholarship and fellowship grants as defined*
28 *in Section 117 of the Internal Revenue Code.*

29 (14) *Nontaxable gain from the sale of a residence as defined in*
30 *Section 121 of the Internal Revenue Code.*

31 (15) *Life insurance proceeds to the extent that the proceeds*
32 *exceed the expenses incurred for the last illness and funeral of the*
33 *deceased spouse of the claimant. "Expenses incurred for the last*
34 *illness" includes unreimbursed expenses paid or incurred during*
35 *the income calendar year and any expenses paid or incurred*
36 *thereafter up until the date the claim is filed. For purposes of this*
37 *paragraph, funeral expenses shall not exceed five thousand dollars*
38 *(\$5,000).*

39 (16) *If an alternative minimum tax is required to be paid*
40 *pursuant to Chapter 2.1 (commencing with Section 17062) of Part*

1 10, the amount of alternative minimum taxable income (whether
2 or not cash) in excess of the regular taxable income.

3 (17) Annual winnings from the California Lottery in excess of
4 six hundred dollars (\$600) for the current year.

5 (b) For purposes of this chapter, total income shall be
6 determined for the calendar year (or approved fiscal year ending
7 within that calendar year) which ends within the fiscal year for
8 which assistance is claimed.

9 20567. "Household income" means all income received by all
10 persons of a household while members of that household. In the
11 case of a nonresident claimant, "household income" also includes
12 all income of the claimant during the year without regard to source.

13 20567.5. "Claimant" means an individual who was the renter
14 of a rented residence on or before the last day of the year
15 designated in subdivision (b) of Section 20566.

16 20568. (a) A claimant shall not lose his or her eligibility for
17 purposes of this chapter if he or she is temporarily confined to a
18 hospital or medical institution for medical reasons where the
19 residential dwelling was the principal place of residence of the
20 claimant immediately prior to such confinement.

21 (b) For purposes of this section, "medical institution" means
22 a facility operated by, or licensed by, the United States, one of the
23 several states, a political subdivision of a state, the State
24 Department of Public Health, or exempt from such licensure
25 pursuant to subdivision (a) of Section 1270 of the Health and Safety
26 Code.

27 20568.5. (a) "Rented residence" means premises rented and
28 occupied by the claimant as his or her principal place of residence
29 during the calendar year for which assistance is claimed. The term
30 "rented residence" shall not include:

31 (1) Premises which are exempt from property taxation, except
32 those premises on which the owner pays possessory interest taxes,
33 or makes payments in lieu of property taxes which are substantially
34 equivalent to property taxes paid on properties of comparable
35 market value.

36 (2) Premises which are not located in this state.

37 (b) For the purposes of this section, the term "premises" means
38 a house or a dwelling unit used to provide living accommodations
39 in a building or structure and the land incidental thereto, but does
40 not include land only, except in the case where the dwelling unit

1 is a mobilehome subject to the license fee imposed by Part 5
2 (commencing with Section 10701). "Rented residence" includes
3 a dwelling unit which is a mobilehome subject to the license fee
4 imposed by Part 5 (commencing with Section 10701) owned by
5 the claimant and located on land which is owned or rented by that
6 claimant.

7 20569. "Rent" means the amount paid at arms length solely
8 for the right of occupancy of a residence and utility payments
9 required to be paid by the rental agreement. At least fifty dollars
10 (\$50) per month must be paid by each renter claimant.

11 20569.5. When a "rented residence," as defined in Section
12 20568.5, is rented and occupied by the claimant as his or her
13 principal place of residence for less than 12 months during the
14 calendar year for which assistance is claimed, the amount of
15 assistance as provided in Section 20572 shall be prorated pursuant
16 to rules provided by the Franchise Tax Board.

17 20570. (a) Assistance shall not be allowed under this chapter
18 if gross household income, after allowance for actual cash
19 expenditures that are reasonable, ordinary, and necessary to
20 realize income, exceeds forty-two thousand five hundred
21 eighty-eight dollars (\$42,588).

22 (b) With respect to assistance that is provided by the Franchise
23 Tax Board pursuant to this chapter for the 2015 calendar year
24 and each calendar year thereafter, the gross household income
25 figure that applies to assistance provided by the Franchise Tax
26 Board during that period shall be the gross household income
27 figure that applied to assistance provided by the Franchise Tax
28 Board in the same period in the immediately preceding year,
29 multiplied by an inflation adjustment factor calculated as follows:

30 (1) On or before February 1 of each year, the Department of
31 Industrial Relations shall transmit to the Franchise Tax Board the
32 percentage change in the California Consumer Price Index for all
33 items from June of the second preceding calendar year to June of
34 the immediately preceding calendar year.

35 (2) The Franchise Tax Board shall add 100 percent to the
36 percentage change figure that is furnished pursuant to paragraph
37 (1) and divide the result by 100.

38 (3) The Franchise Tax Board shall multiply the gross household
39 income figure that applies in the immediately preceding year by

1 *the inflation adjustment factor determined in paragraph (2), and*
2 *round off the resulting product to the nearest one dollar (\$1).*

3
4 *Article 2. Computations*

5
6 *20571. Subject to the limitations provided in this chapter a*
7 *claimant may, to the extent provided in Section 20572, file with*
8 *the Franchise Tax Board, pursuant to Article 3 (commencing with*
9 *Section 20575), a claim for assistance from the State of California*
10 *of a sum equal to the percentage of the applicable statutory*
11 *property tax equivalent under Section 20572.*

12 *20571.5. (a) The Franchise Tax Board shall provide assistance*
13 *to the claimant based on the percentage of the statutory property*
14 *tax equivalent pursuant to Section 20572.*

15 *(b) (1) When two or more individuals pay rent for the same*
16 *premises and each individual meets the qualifications for a*
17 *renter-claimant, each qualified individual shall be entitled to*
18 *assistance under this chapter.*

19 *(2) For the purposes of this subdivision, a husband and wife*
20 *residing in the same premises shall be presumed to be one renter.*

21 *(c) The right to file a claim shall be personal to the claimant*
22 *and shall not survive his death; however, when a claimant dies*
23 *after having filed a timely claim, the amount thereof may be*
24 *disbursed to the surviving spouse and, if no surviving spouse, to*
25 *any other member of the household who is a qualified claimant.*
26 *If there is no surviving spouse or otherwise qualified claimant, the*
27 *claim shall be disbursed to any other member of the household.*
28 *In the event two or more individuals qualify for payment as either*
29 *an otherwise qualified claimant or a member of the household,*
30 *they may determine which of them will be paid. If they are unable*
31 *to agree, the matter shall be referred to the Franchise Tax Board*
32 *and its decision shall be final.*

33 *20572. (a) (1) The amount of assistance for a claimant renting*
34 *his or her residence shall be based on the claimant's household*
35 *income for the time period set forth in Section 20566.*

36 *(2) For claims filed with respect to the 2015 calendar year, and*
37 *each calendar year thereafter, the percentage of assistance for*
38 *which each claimant renting his or her residence shall be eligible*
39 *shall be based on the following scale:*

	<i>The statutory property tax equivalent is:</i>	<i>The percentage of the statutory property tax equivalent used to provide assistance is:</i>
1		
2		
3		
4		
5		
6	\$250	139%
7	250	136
8	250	133
9	250	131
10	250	128
11	250	125
12	250	122
13	250	119
14	250	116
15	250	113
16	250	110
17	250	106
18	250	100

19

20 (b) *With respect to assistance that is provided by the Franchise*
 21 *Tax Board pursuant to this chapter for the 2016 calendar year*
 22 *and each year thereafter, the household income figures that apply*
 23 *to assistance provided by the Franchise Tax Board during that*
 24 *period shall be the household income figures that applied to*
 25 *assistance provided by the Franchise Tax Board in the same period*
 26 *in the immediately preceding year, multiplied by an inflation factor*
 27 *calculated as follows:*

28 (1) *On or before February 1 of each year, the Department of*
 29 *Industrial Relations shall transmit to the Franchise Tax Board the*
 30 *percentage change in the California Consumer Price Index for all*
 31 *items from June of the second preceding calendar year to June of*
 32 *the immediately preceding calendar year.*

33 (2) *The Franchise Tax Board shall add 100 percent to the*
 34 *percentage change figure that is furnished pursuant to paragraph*
 35 *(1) and divide the result by 100.*

36 (3) *The Franchise Tax Board shall multiply the immediately*
 37 *preceding household income figure by the inflation adjustment*
 38 *factor determined in paragraph (2), and round off the resulting*
 39 *product to the nearest one dollar (\$1).*

Article 3. Claims

1
2

3 20575. (a) Each individual applying for assistance under
4 Article 2 (commencing with Section 20571) shall file a claim under
5 penalty of perjury with the Franchise Tax Board on a form supplied
6 by the board. The claim shall include information in the form and
7 manner prescribed by the Franchise Tax Board that establishes
8 that the individual was a claimant, as defined in Section 20567.5,
9 eligible for assistance under this chapter.

10 (b) If a claimant submits a claim that satisfies the requirements
11 of this section, the Franchise Tax Board shall compute the amount
12 of assistance and authorize payment. The amount of any assistance
13 otherwise payable under this chapter may be applied by the
14 Franchise Tax Board against any liability due from the claimant,
15 or the claimant's spouse if a joint return is filed, under any law
16 administered by the Franchise Tax Board.

17 (c) The Franchise Tax Board is authorized to prescribe, by
18 regulation, the information necessary to constitute a valid claim
19 under this section.

20 20576. (a) The claim on which the assistance is based shall
21 be filed after June 30 of the fiscal year for which assistance is
22 claimed but on or before October 15 of the fiscal year succeeding
23 the fiscal year for which assistance is claimed. The Franchise Tax
24 Board may thereafter accept claims through June 30 of the fiscal
25 year succeeding the fiscal year for which assistance is claimed.

26 (b) The state shall assist the claimant after July 15 and before
27 November 15 of the calendar year in which the claim is filed,
28 except that if the claim is defective, assistance shall be made as
29 promptly as is practicable after the claim has been perfected.

30 (c) A claimant who, because of a medical incapacity, is
31 prevented from filing a timely claim, may file a claim within six
32 months after the end of his or her medical incapacity or three years
33 succeeding the end of the fiscal year for which assistance is
34 claimed, whichever date is earlier.

35 SEC. 3. No reimbursement is required by this act pursuant to
36 Section 6 of Article XIII B of the California Constitution because
37 the only costs that may be incurred by a local agency or school
38 district will be incurred because this act creates a new crime or
39 infraction, eliminates a crime or infraction, or changes the penalty
40 for a crime or infraction, within the meaning of Section 17556 of

1 *the Government Code, or changes the definition of a crime within*
2 *the meaning of Section 6 of Article XIII B of the California*
3 *Constitution.*

4 ~~SECTION 1. It is the intent of the Legislature to enact~~
5 ~~legislation that would allow for a credit in the amount of \$500 for~~
6 ~~costs paid or incurred for long-term care of a family member~~
7 ~~against the tax imposed by the Personal Income Tax Law.~~

O

Print Form

Introduction Form

By a Member of the Board of Supervisors or the Mayor

Time stamp
or meeting date _____

I hereby submit the following item for introduction (select only one):

- 1. For reference to Committee. (An Ordinance, Resolution, Motion, or Charter Amendment)
- 2. Request for next printed agenda Without Reference to Committee.
- 3. Request for hearing on a subject matter at Committee.
- 4. Request for letter beginning "Supervisor [] inquires"
- 5. City Attorney request.
- 6. Call File No. [] from Committee.
- 7. Budget Analyst request (attach written motion).
- 8. Substitute Legislation File No. []
- 9. Reactivate File No. []
- 10. Question(s) submitted for Mayoral Appearance before the BOS on []

Please check the appropriate boxes. The proposed legislation should be forwarded to the following:

- Small Business Commission Youth Commission Ethics Commission
- Planning Commission Building Inspection Commission

Note: For the Imperative Agenda (a resolution not on the printed agenda), use a Imperative Form.

Sponsor(s):

David Chiu

Subject:

Resolution supporting California Assembly Bill 2175.

The text is listed below or attached:

See attached.

Signature of Sponsoring Supervisor: David

For Clerk's Use Only: