

For Immediate Release
December 23, 2014

NR 169-14-G
Contact: Office of Public Affairs
1-916-327-8988

New Laws Impact Veterans, Fire Fee Billings, and Film Production

Sacramento – A number of bills sponsored by the California State Board of Equalization (BOE) have been signed into law by Governor Edmund G. Brown Jr. and will take effect January 1, 2015. They include:

Two BOE-sponsored bills will assist veterans. Vets whose 100 percent disability rating was delayed by the federal government, and are eligible for a [state exemption from property taxes](#), will now be eligible for a refund for the previous eight years, up from four, under [Senate Bill \(SB\) 1113](#) (Knight). [Assembly Bill 919](#) (Williams) will refund sales tax, interest, and penalties paid from 2002 to 2010 for small sales by qualified itinerant veteran sellers.

[AB 2031](#) (Dahle) will relieve those who sell small amounts of lumber products from having to collect the [California Lumber Products Assessment](#).

California took a step to recover a portion of the \$8.5 billion lost each year to the underground economy. BOE-sponsored [AB 2681](#) (Dababneh) will allow the state to impose sales tax on the counterfeit goods sold by criminals convicted of trafficking in counterfeit goods at the wholesale level. Under current law, suppliers of counterfeit goods are able to avoid paying sales taxes, claiming their items are being sold to retailers who would then generally have the responsibility of remitting the sales tax to the BOE.

Another Board-sponsored bill, [AB 2009](#) (Weber), extends BOE's self-audit program to qualified sales and use tax account holders to many of its special tax and fee payers.

Board-supported [SB 1203](#) was signed into law and will prohibit local governments from entering into payment in lieu of taxes (PILOT) agreements with owners of low-income housing projects and refund any property taxes assessed as a result of any previous PILOT agreements.

Other legislation impacting BOE includes:

Penalties assessed on certain Fire Prevention Fee liabilities will lighten with [AB 2048](#) (Dahle). The bill eliminates the 20 percent per month penalty and adds a provision for a one-time 10 percent penalty charge similar to those imposed in the other programs administered by BOE. It also allows CAL FIRE to consider an appeal submitted after the filing deadline, and provides for the refund of fees paid, under specified conditions, should a home become uninhabitable due to a natural disaster that occurs within the same year.

Taxpayers who report and pay use tax to the Franchise Tax Board (FTB) on income tax forms will have those payments applied directly to their use tax liability. [AB 2758](#) (Rev and Tax Committee) says that use tax payments to the FTB will go straight to the payer's use tax liability instead of first having to be applied to underpaid income tax, corporate tax, penalties, and interest, as is current law.

[AB 1839](#) (Gatto) replaces a film and television tax credit under the Personal Income Tax Law and Corporation Tax Law, increasing the funding from \$100 million to \$330 million per fiscal year, expanding eligibility to large-budget feature films and TV pilots, and eliminating the cap for studio and independent

films. In lieu of claiming the authorized tax credit, it allows the credit to be used against qualified sales and use tax liabilities payable to the BOE.

###

State Board of Equalization • 450 N Street, Sacramento, CA 95814 • 1-800-400-7115

Connect with Us:

[Facebook](#) • [YouTube](#) • [Twitter](#) • [LinkedIn](#) • [Mobile Services](#) • [RSS](#)