



STATE BOARD OF EQUALIZATION

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May 4, 2015

The Honorable Jimmy Gomez  
Member, California State Assembly  
State Capitol, Room  
Sacramento, CA 95814

Subject: **BOE SUPPORT for AB 88, as amended April 6, 2015**

Dear Assembly Member Gomez:

**The Board of Equalization (BOE) supports your Assembly Bill (AB) 88.** This bill provides a sales and use tax exemption for a public utility's purchases of energy and water efficient home appliances that are provided at no cost to low-income participants in an energy efficiency program.

Current law subjects purchases of appliances by public utilities to tax when the public utilities purchase the appliances to provide them at no cost to low-income households. Eliminating the tax on these appliance purchases increases the available funds for the program, which helps to replace inefficient appliances with energy and water savings products. Replacing these appliances not only lowers utility bills for low-income participants, but also reduces their energy and water consumption.

If you have any questions please contact the Chief of our Legislative and Research Division, Michele Pielsticker, at (916) 322-2376.

Sincerely,

A handwritten signature in blue ink that reads "Cynthia Bridges".

Cynthia Bridges  
Executive Director

CB:ah