



**STATE BOARD OF EQUALIZATION
STAFF LEGISLATIVE BILL ANALYSIS**

DRAFT

Date:	01/04/12	Bill No:	<u>Assembly Bill 658</u>
Tax Program:	Business Taxes	Author:	Calderon
Sponsor:	Author	Code Sections:	RTC 30459.15, 50156.18, and 55332.5
Related Bills:		Effective Date:	01/01/13

BILL SUMMARY

This bill contains technical, non-substantive corrections to the offer in compromise provisions in the Cigarette and Tobacco Products Tax Law, the Underground Storage Tank Maintenance Fee Law, and the Fee Collection Procedures Law.

ANALYSIS

CURRENT LAW

Under the existing Sales and Use Tax Law (7093.6), Use Fuel Tax Law (9278), Cigarette and Tobacco Products Tax Law (30459.15), Alcoholic Beverage Tax Law (32471.5), Emergency Telephone Users Surcharge Act (41171.5), Oil Spill Response, Prevention, and Administration Fees Law (46628), Underground Storage Tank Maintenance Fee Law (50156.18), Fee Collection Procedures Law (55332.5), and Diesel Fuel Tax Law (60637), the Board of Equalization (BOE) is allowed to compromise a final tax liability if certain requirements are met.

In 2008, [Assembly Bill 2047](#) (Ch. 222, Stats. 2008) amended the BOE's offers in compromise statutes to allow the BOE to compromise, until January 1, 2013, certain final tax, fee or surcharge (tax) liabilities of (1) businesses that are not discontinued or transferred if the final tax liability arises from transactions in which the taxpayer did not receive sales tax reimbursement or use tax, (2) persons liable as successors, and (3) consumers who incurred a use tax liability. It appears there were inadvertent errors that included the following: duplicative wording "or cigarette or tobacco products tax reimbursement" in subdivision (c)(3)(A) of Section 30459.15 and an incorrect reference to paragraph (2) of subdivision (c) throughout subdivisions (c), (f), and (g); Section 50156.18 contains an erroneous reference to "Chapter 8 of Article 2 (commencing with Section 50156)," however, Chapter 8 does not include Article 2; and paragraph (2) of subdivision (p) of Section 55332.5 omitted the words "or financial condition of the feepayer or other person liable with respect to the fee."

PROPOSED LAW

This bill would simply make technical and non-substantive corrections to Sections 30459.15, 50156.18, and 55332.5 in order to remove duplicative wording and to correct reference errors.

This staff analysis is provided to address various administrative, cost, revenue and policy issues; it is not to be construed to reflect or suggest the BOE's formal position.

COMMENT

Sponsor and Purpose. This bill is sponsored by the author and is intended to simply correct drafting or printing errors that occurred with the enactment.

COST ESTIMATE

There are no costs related to this bill.

REVENUE ESTIMATE

There is no revenue impact related to this bill.

Analysis prepared by: John Cortez 916-445-6662 01/05/12
Contact: Margaret S. Shedd 916-322-2376
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