

AMENDED IN ASSEMBLY APRIL 10, 2019

CALIFORNIA LEGISLATURE—2019–20 REGULAR SESSION

ASSEMBLY BILL

No. 1049

Introduced by Assembly Member Grayson

February 21, 2019

An act to add *and repeal* Section 6356.8-~~to~~ *of* the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.

LEGISLATIVE COUNSEL'S DIGEST

AB 1049, as amended, Grayson. Sales and use taxes: exemption: ~~on-call~~ *all* volunteer fire department: equipment.

Existing state sales and use tax laws impose a tax on retailers measured by the gross receipts from the sale of tangible personal property sold at retail in this ~~state of~~, *state* or on the storage, use, or other consumption in this ~~state of~~, *of* tangible personal property purchased from a retailer for storage, use, or other consumption in this state. The Sales and Use Tax Law provides various exemptions from those taxes.

This ~~bill~~ *bill*, *on and after January 1, 2020, and before January 1, 2025*, would provide an exemption from those taxes for the sale of, or the storage, use, or consumption of, equipment that is purchased for exclusive use by an ~~on-call~~ *all* volunteer fire ~~department~~. *department for firefighting*.

The Bradley-Burns Uniform Local Sales and Use Tax Law authorizes counties and cities to impose local sales and use taxes in conformity with the Sales and Use Tax Law, and existing laws authorize districts, as specified, to impose transactions and use taxes in accordance with the Transactions and Use Tax Law, which generally conforms to the

Sales and Use Tax Law. Amendments to the Sales and Use Tax Law are automatically incorporated into the local tax laws.

Existing law requires the state to reimburse counties and cities for revenue losses caused by the enactment of sales and use tax exemptions.

This bill would provide that, notwithstanding Section 2230 of the Revenue and Taxation Code, no appropriation is made and the state shall not reimburse any local agencies for sales and use tax revenues lost by them pursuant to this bill.

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. For the purposes of complying with the intent of*
2 *Section 41 of the Revenue and Taxation Code, the Legislature finds*
3 *and declares all of the following:*

4 *(a) Volunteer fire departments are a crucial part of serving and*
5 *protecting the state from growing wildfires.*

6 *(b) Volunteer fire departments do not have enough or any money*
7 *to repair old equipment, let alone purchase new equipment. Yet*
8 *volunteer fire departments are still being asked to perform the*
9 *same life-saving tasks as their peers who work in established and*
10 *fully funded programs.*

11 *(c) It is the intent of the Legislature to facilitate the purchase*
12 *of equipment by volunteer fire departments in order to promote*
13 *public safety and help the departments protect Californians.*

14 *(d) Any all volunteer fire department whose purchase of*
15 *equipment qualified for the sales and use tax exemption provided*
16 *by Section 6356.8 of the Revenue and Taxation Code, as added by*
17 *Section 2 of this act, shall submit a report to the Assembly*
18 *Committee on Revenue and Taxation within 30 days of the purchase*
19 *of that equipment. The report shall contain information identifying*
20 *the all volunteer fire department, the purchase price of the*
21 *equipment, and the amount of state and local sales and use taxes*
22 *exempted by Section 6356.8 of the Revenue and Taxation Code.*

23 ~~SECTION 1.~~

24 *SEC. 2. Section 6356.8 is added to the Revenue and Taxation*
25 *Code, to read:*

1 6356.8. (a) On and after January 1, 2020, there are exempted
2 from the taxes imposed by this part, the gross receipts from the
3 sale in this state of, and the storage, use, or other consumption in
4 this state of, equipment that is purchased for exclusive use by an
5 ~~on-call all volunteer fire department.~~ *department for firefighting.*

6 (b) *For purposes of this section, both of the following shall*
7 *apply:*

8 ~~(b) For purposes of this section, “equipment”~~

9 (1) *“All volunteer fire department” shall have the same meaning*
10 *as defined in Section 6018.10.*

11 (2) *“Equipment” means capital equipment with a sales price of*
12 *five thousand dollars (\$5,000) or more.*

13 (c) *This section shall remain operative only until January 1,*
14 *2025, and as of that date is repealed.*

15 ~~SEC. 2.~~

16 *SEC. 3.* Notwithstanding Section 2230 of the Revenue and
17 Taxation Code, no appropriation is made by this act and the state
18 shall not reimburse any local agency for any sales and use tax
19 revenues lost by it under this act.

20 ~~SEC. 3.~~

21 *SEC. 4.* This act provides for a tax levy within the meaning of
22 Article IV of the California Constitution and shall go into
23 immediate effect.