RN1716699 **AP 10**

**INTRODUCED BY SENIOR ASSEMBLY MEMBER POINTER**

Legislative Counsel’s Digest

AP 10: VOLUNTARY CONTRIBUTION FUND PREPARATION FEE ON TAX RETURN FORMS.

EXISTING LAW ESTABLISHES VARIOUS VOLUNTARY CONTRIBUTION FUNDS THAT ARE REQUIRED TO BE LISTED ON TAX RETURN FORMS. EXISTING LAW STATES IT IS THE INTENT OF THE LEGISLATURE TO ENCOURAGE TAX PREPARERS TO INFORM TAXPAYERS REQUESTING TAX RETURN PREPARATION OF THE OPPORTUNITY TO DONATE TO THESE VARIOUS VOLUNTARY CONTRIBUTION FUNDS.

THIS MEASURE WOULD MEMORIALIZE THE LEGISLATURE AND THE GOVERNOR TO ENACT LEGISLATION THAT WOULD PROHIBIT TAX PREPARERS FROM CHARGING AN ADDITIONAL FEE FOR COMPLETION OF THE VOLUNTARY CONTRIBUTION FUND SECTION OF A TAX RETURN FORM.

VOTE MAJORITY.

AP 10: RELATING TO VOLUNTARY CONTRIBUTION FUND PREPARATION FEE ON TAX RETURN FORMS.

WHEREAS, A VOLUNTARY CONTRIBUTION IS AN ELECTION MADE BY THE TAXPAYER TO DESIGNATE AMOUNTS OF A TAX REFUND TO CHARITABLE FUNDS. THE VOLUNTARY CONTRIBUTION SECTION OF A TAX RETURN FORM IS PART OF THE FORM AND IS NOT A SEPARATE FORM, SUCH AS THE SCHEDULE C. CHARGING AN ADDITIONAL FEE FOR COMPLETION OF THE VOLUNTARY CONTRIBUTION SECTION OF A TAX RETURN FORM UNFAIRLY TAKES ADVANTAGE OF TAXPAYERS; AND

WHEREAS, THE FRANCHISE TAX BOARD REPORTS THAT 65 PERCENT OF TAX RETURNS ARE PREPARED BY PROFESSIONALS AND 35 PERCENT OF TAX RETURNS ARE COMPLETED BY TAXPAYERS USING TAX PREPARATION SOFTWARE LIKE TURBO TAX. CHARGING A FEE TO PREPARE THE VOLUNTARY CONTRIBUTION SECTION DETERS INDIVIDUALS FROM DONATING TO THE FUNDS AND UNFAIRLY ENRICHES TAX PROFESSIONALS IN CALIFORNIA; AND

WHEREAS, CALIFORNIA SHOULD PROHIBIT TAX PREPARERS FROM CHARGING A FEE FOR COMPLETING THE VOLUNTARY CONTRIBUTION SECTION AND SHOULD REQUIRE TAX RETURN FORMS TO BE AMENDED TO INCLUDE A DISCLOSURE THAT A TAX PREPARER MAY NOT CHARGE AN ADDITIONAL FEE FOR THE PREPARATION OF THE VOLUNTARY CONTRIBUTION SECTION; AND

WHEREAS, IF THIS BARRIER TO PARTICIPATION WAS REMOVED, INDIVIDUALS WOULD BE MORE INCLINED TO DONATE TO THE VOLUNTARY CONTRIBUTION FUNDS; NOW, THEREFORE, BE IT

RESOLVED, BY THE SENIOR ASSEMBLY AND THE SENIOR SENATE, JOINTLY, THAT THE SENIOR LEGISLATURE OF THE STATE OF CALIFORNIA AT ITS 2017 REGULAR SESSION, A MAJORITY OF THE MEMBERS VOTING THEREFOR, HEREBY PROPOSES THAT THE REVENUE AND TAXATION CODE BE AMENDED TO PROHIBIT TAX PREPARERS FROM CHARGING A FEE FOR COMPLETING THE VOLUNTARY CONTRIBUTION SECTION OF A TAX RETURN; AND BE IT FURTHER

RESOLVED, THAT THE SENIOR LEGISLATURE OF THE STATE OF CALIFORNIA RESPECTFULLY MEMORIALIZES THE LEGISLATURE AND THE GOVERNOR OF THE STATE OF CALIFORNIA TO ENACT APPROPRIATE LEGISLATION THAT WOULD ADDRESS THE CONCERNS SET FORTH IN THIS MEASURE; AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS MEASURE BE TRANSMITTED TO THE SPEAKER OF THE ASSEMBLY, THE PRESIDENT PRO TEMPORE OF THE SENATE, AND THE GOVERNOR OF THE STATE OF CALIFORNIA.