



**BOARD OF EQUALIZATION
LEGISLATIVE COMMITTEE MEETING AGENDA
HONORABLE FIONA MA, COMMITTEE CHAIR
450 N STREET, SACRAMENTO, ROOM 121
DECEMBER 14, 2016**

----- Agenda -----

2017 LEGISLATIVE PROPOSALS

Set forth below are suggestions for legislation to be sponsored by the BOE in the first year of the 2017-18 Legislative Session (see attachments).

Property Taxes

**Suggestion
Number**

[1-1](#)

Repeal Revenue and Taxation Code (RTC) Section 53.5 to delete the administratively impractical requirement to consider leach pads, tailing facilities, and settling ponds as separate appraisal units since no independent market value exists. (Housekeeping)

Source: Property Tax Department

Revenue Impact: Unknown but negligible.

Business Taxes

Suggestion Number

- [2-1](#) **Amend RTC Section 7093.6 of the Sales and Use Tax Law and comparable statutes in BOE special tax and fee programs to make permanent the BOE's ability to compromise final 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 or use tax reimbursement, (2) persons liable as successors, and (3) consumers who incurred a use tax liability. These provisions are set to expire January 1, 2018.**

Source: Legal Department

Revenue Impact: 42 of the 54 businesses in the open and active OIC program continue to operate, paying sales and use taxes of \$14.3 million, to the benefit of state and local governments.

- [2-2](#) **Add RTC Section 6018.11 to the Sales and Use Tax Law to provide that establishments that perform garment alterations are consumers, rather than retailers, of tangible personal property used or furnished by these establishments in the alteration of new and used clothing.**

Source: Business Taxes Department

Revenue Impact: Estimated annual state and local revenue loss of between \$2 million and \$4 million.