

March 29, 2010
Initiative 10-0012

The Attorney General of California has prepared the following title and summary of the chief purpose and points of the proposed measure:

RESTRICTS STATE’S ABILITY TO COLLECT UNPAID PERSONAL INCOME TAX.

INITIATIVE STATUTE. Limits Franchise Tax Board’s authority to impose liens, seize property, or impose fines or interest to recover unpaid personal income taxes. Requires Board to accept installment payments that do not exceed the specified threshold. Creates tax deduction for court-ordered child support, but not parental support that is not court-ordered. Imposes procedural requirements to resolve disputes between taxpayers and Board. Requires Board to simplify tax rules. Allows taxpayers to request that a court, public commission, consumer group, or the media determine the appropriateness of the Board’s action against the taxpayer. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local government: **Reductions in state revenue from administrative changes and the new deduction for child support payments in the low hundreds of millions of dollars annually. Annual tax administration costs likely in excess of \$10 million.** (10-0012.)