

ASSEMBLY BILL

No. 942

Introduced by Assembly Member Mathis

February 16, 2017

An act to add and repeal Section 17052.4 of the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.

LEGISLATIVE COUNSEL'S DIGEST

AB 942, as introduced, Mathis. Personal income taxes: credit: veterinary costs.

The Personal Income Tax Law allows various credits against the taxes imposed by that law.

This bill would allow a credit against those taxes for each taxable year beginning on or after January 1, 2017, and before January 1, 2023, in an amount equal to 50% of the amount paid or incurred during the taxable year by a taxpayer for qualified veterinary costs, as defined, for a pet, as defined, not to exceed \$2,000.

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. Section 17052.4 is added to the Revenue and
2 Taxation Code, to read:
3 17052.4. (a) For each taxable year beginning on or after
4 January 1, 2017, and before January 1, 2023, there shall be allowed
5 as a credit against the "net tax," as defined in Section 17039, an
6 amount equal to 50 percent of the amount paid or incurred during

1 the taxable year by a taxpayer for qualified veterinary costs for a
2 pet, not to exceed two thousand dollars (\$2,000).

3 (b) For purposes of this section:

4 (1) “Pet” means a domesticated cat or dog owned by the
5 taxpayer.

6 (2) “Qualified veterinary costs” means the amount paid or
7 incurred for medical-related expenses, including, but not limited
8 to, vaccinations, annual check-ups, surgeries, and drug
9 prescriptions.

10 (c) In the case where the credit allowed by this section exceeds
11 the “net tax,” the excess may be carried over to reduce the “net
12 tax” in the following taxable year, and succeeding six years if
13 necessary, until the credit is exhausted.

14 (d) This section shall remain in effect only until December 1,
15 2023, and as of that date is repealed. However, any unused credit
16 may continue to be carried forward, as provided in subdivision
17 (c), until the credit is exhausted.

18 (e) Section 41 does not apply to the credit allowed by this
19 section.

20 SEC. 2. This act provides for a tax levy within the meaning of
21 Article IV of the California Constitution and shall go into
22 immediate effect.