



Home	Bill Information	California Law	Publications	Other Resources	My Subscriptions	My Favorites
------	------------------	----------------	--------------	-----------------	------------------	--------------

SB-343 Income taxes: gross income exclusions: Kast Property Tank Farm facility cleanup. (2017-2018)

SHARE THIS:  

Date Published: 09/28/2018 09:00 PM

Senate Bill No. 343

CHAPTER 887

An act to add Sections 17138.4 and 24308.8 to the Revenue and Taxation Code, relating to taxation, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor September 28, 2018. Filed with Secretary of State September 28, 2018.]

LEGISLATIVE COUNSEL'S DIGEST

SB 343, Bradford. Income taxes: gross income exclusions: Kast Property Tank Farm facility cleanup.

(1) The Personal Income Tax Law and the Corporation Tax Law, in conformity with federal income tax law, generally defines "gross income" as income from whatever source derived, except as specifically excluded, and provides various exclusions from gross income.

This bill would provide an exclusion from gross income for any qualified amount, as defined, received by a qualified taxpayer, which means a person that currently owns or previously owned real property within the Carousel Housing Tract in Carson, California or that resides or previously resided within that tract for amounts received for costs associated with temporary accommodations and from a settlement, as provided.

(2) This bill would apply its provisions to taxable years beginning before, on, and after the effective date of this bill. The bill would make legislative findings and declarations regarding the public purpose served by this bill.

This bill would declare that it is to take effect immediately as an urgency statute.

Vote: 2/3 Appropriation: no Fiscal Committee: yes Local Program: no

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. The Legislature finds and declares all of the following:

(a) On March 11, 2011, the California Regional Water Quality Control Board, Los Angeles Region issued Order R4-2011-0046 requiring Shell Oil Company to investigate, clean up, and abate waste discharged at the former Kast Property Tank Farm facility located southeast of the intersection of Marbella Avenue and East 244th Street in Carson, California. This site was later developed into a residential housing development known as the Carousel Housing Tract by Barclay Hollander Curci, Inc., and Lomita Development Company.

(b) Shell Oil Company is complying with the order and working to minimize inconvenience to residents living in affected homes and compensate those residents for any resulting expenses.

SEC. 2. Section 17138.4 is added to the Revenue and Taxation Code, to read:

17138.4. (a) Gross income does not include any qualified amount received by a qualified taxpayer.

(b) For purposes of this section:

(1) The term "qualified amount" includes any of the following:

(A) Amounts received by a qualified taxpayer during the remediation of the Carousel Housing Tract, located in Carson, California, from the Shell Oil Company for costs associated with temporary accommodations and relocation pursuant to California Regional Water Quality Control Board, Los Angeles Region Order R4-2011-0046. These costs include all amounts paid under the Temporary Living Assistance section of the Revised Remedial Action Plan, Relocation Plan, developed by URS Corporation for Shell Oil Products U.S., dated September 19, 2014.

(B) Amounts received by a qualified taxpayer paid under the Optional Real Estate Program of the Revised Remedial Action Plan, Relocation Plan, developed by URS Corporation for Shell Oil Products U.S., dated September 19, 2014.

(C) Any amounts received by a qualified taxpayer from a settlement arising out of the investigation, cleanup, or abatement of the waste discharged at the former Kast Property Tank Farm facility pursuant to California Regional Water Quality Control Board, Los Angeles Region Order R4-2011-0046.

(2) The term "qualified amount" does not include any reimbursed amounts representing any expenses related to California Regional Water Quality Control Board, Los Angeles Region Order R4-2011-0046 that were deducted under this part.

(c) For purposes of this section, "qualified taxpayer" means either of the following:

(1) Any taxpayer that currently owns or previously owned real property located within the Carousel Housing Tract, located in Carson, California, who received amounts, incurred expenses, or received amounts from a settlement arising out of or pursuant to California Regional Water Quality Control Board, Los Angeles Region Order R4-2011-0046.

(2) Any taxpayer that currently resides or previously resided within the Carousel Housing Tract, located in Carson, California, who received amounts, incurred expenses, or received amounts from a settlement arising out of or pursuant to California Regional Water Quality Control Board, Los Angeles Region Order R4-2011-0046.

(d) The payor under the Revised Remedial Action Plan, Relocation Plan, developed by URS Corporation for Shell Oil Products U.S., dated September 19, 2014, and the payor or payors of the settlement proceeds arising out of or pursuant to California Regional Water Quality Control Board, Los Angeles Region Order R4-2011-0046, shall provide, upon request by the Franchise Tax Board, an annual list of names, addresses, payment dates, and amounts paid to qualified taxpayers.

(e) (1) This section shall apply to taxable years beginning before, on, or after the effective date of the act adding this section.

(2) If the credit or refund of any overpayment of tax resulting from the application of this section to a period before the effective date of this section is prevented as of such date by the operation of any law or rule of law, including res judicata, such credit or refund may nevertheless be allowed or made if the claim therefor is filed before the close of the one-year period beginning on the effective date of the act adding this section.

SEC. 3. Section 24308.8 is added to the Revenue and Taxation Code, to read:

24308.8. (a) Gross income does not include any qualified amount received by a qualified taxpayer.

(b) For purposes of this section:

(1) The term "qualified amount" includes any of the following:

(A) Amounts received by a qualified taxpayer during the remediation of the Carousel Housing Tract, located in Carson, California, from the Shell Oil Company for costs associated with temporary accommodations and relocation pursuant to California Regional Water Quality Control Board, Los Angeles Region Order R4-2011-0046. These costs include all amounts paid under the Temporary Living Assistance section of the Revised Remedial Action Plan, Relocation Plan, developed by URS Corporation for Shell Oil Products U.S., dated September 19, 2014.

(B) Amounts received by a qualified taxpayer paid under the Optional Real Estate Program of the Revised Remedial Action Plan, Relocation Plan, developed by URS Corporation for Shell Oil Products U.S., dated September 19, 2014.

(C) Any amounts received by a qualified taxpayer from a settlement arising out of the investigation, cleanup, or abatement of the waste discharged at the former Kast Property Tank Farm facility pursuant to California Regional Water Quality Control Board, Los Angeles Region Order R4-2011-0046.

(2) The term "qualified amount" does not include any reimbursed amounts representing any expenses related to California Regional Water Quality Control Board, Los Angeles Region Order R4-2011-0046 that were deducted under this part.

(c) For purposes of this section, "qualified taxpayer" means any taxpayer that currently owns or previously owned real property located within the Carousel Housing Tract, located in Carson, California, who received amounts, incurred expenses, or received amounts from a settlement arising out of or pursuant to California Regional Water Quality Control Board, Los Angeles Region Order R4-2011-0046.

(d) The payor under the Revised Remedial Action Plan, Relocation Plan, developed by URS Corporation for Shell Oil Products U.S., dated September 19, 2014, and the payor or payors of the settlement proceeds arising out of or pursuant to California Regional Water Quality Control Board, Los Angeles Region Order R4-2011-0046, shall provide, upon request by the Franchise Tax Board, an annual list of names, addresses, payment dates, and amounts paid to qualified taxpayers.

(e) (1) This section shall apply to taxable years beginning before, on, or after the effective date of the act adding this section.

(2) If the credit or refund of any overpayment of tax resulting from the application of this section to a period before the effective date of this section is prevented as of such date by the operation of any law or rule of law, including res judicata, such credit or refund may nevertheless be allowed or made if the claim therefor is filed before the close of the one-year period beginning on the effective date of the act adding this section.

SEC. 4. The Legislature finds and declares that Sections 17138.4 and 24308.8 of the Revenue and Taxation Code, as added by this act, are necessary for the public purpose of preventing undue hardship to taxpayers who reside in the Carousel Housing Tract of Carson, California, and do not constitute a gift of public funds within the meaning of Section 6 of Article XVI of the California Constitution.

SEC. 5. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the California Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to provide essential relief to those persons who have suffered inconvenience and expenses resulting from the cleanup of waste discharged at the former Kast Property Tank Farm facility located southeast of the intersection of Marbella Avenue and East 244th Street in Carson, California as soon as possible, it is necessary that this act take effect immediately.