

AMENDED IN ASSEMBLY MARCH 21, 2017

CALIFORNIA LEGISLATURE—2017–18 REGULAR SESSION

**ASSEMBLY BILL**

**No. 292**

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**Introduced by Assembly Member Steinorth  
(Coauthors: Assembly Members Baker, Chávez, Chen, Cunningham,  
Harper, and Mathis)**

February 2, 2017

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An act to add and repeal Section 17239 of the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.

LEGISLATIVE COUNSEL'S DIGEST

AB 292, as amended, Steinorth. Personal income tax: deductions: qualified pet adoption costs.

The Personal Income Tax Law, in modified conformity with federal income tax laws, allows various deductions in computing the income that is subject to the taxes imposed by that law, including miscellaneous itemized deductions that are allowed only to the extent that the aggregate amount of those deductions exceed 2% of adjusted gross income.

This bill, for taxable years beginning on or after January 1, 2018, and before January 1, 2023, would allow a deduction, not to exceed \$100, under that law for the qualified costs paid or incurred by a taxpayer for the adoption of a qualified pet, as defined, from a qualified animal rescue organization. *The bill would make these provisions operative on the effective date of any budget measure that specifically appropriates funds to the Franchise Tax Board for its costs of administering these provisions.*

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 17239 is added to the Revenue and  
 2 Taxation Code, to read:  
 3 17239. (a) For each taxable year beginning on or after January  
 4 1, 2018, and before January 1, 2023, there shall be allowed as a  
 5 deduction an amount equal to the qualified costs paid or incurred  
 6 during the taxable year by a taxpayer for the adoption of a qualified  
 7 pet from a qualified animal rescue organization.  
 8 (b) For the purposes of this section, the following definitions  
 9 shall apply:  
 10 (1) “Qualified animal rescue organization” means a public  
 11 animal control agency or shelter, humane society shelter, or rescue  
 12 group.  
 13 (2) “Qualified costs” means amounts paid or incurred to a  
 14 qualified animal rescue organization to adopt a pet, not to exceed  
 15 one hundred dollars (\$100).  
 16 (3) “Qualified pet” means either of the following animals  
 17 adopted from a qualified animal rescue organization that is not  
 18 used by the taxpayer in a trade or business or for the production  
 19 of income:  
 20 (A) A pet over four years of age, as determined by the qualified  
 21 animal rescue organization.  
 22 (B) A cat.  
 23 (4) “Rescue group” means an organization exempt from federal  
 24 income taxation as an organization described in Section 501(c)(3)  
 25 of the Internal Revenue Code, whose primary purpose is the  
 26 placement of dogs, cats, or other animals that have been removed  
 27 from a public animal control agency or shelter, society for the  
 28 prevention of cruelty to animals shelter, or humane society, or that  
 29 have been surrendered or relinquished to the rescue group by the  
 30 previous owner.  
 31 (c) The deduction allowed under this section for a taxable year  
 32 shall not exceed one hundred dollars (\$100).  
 33 (d) This section shall remain in effect only until December 1,  
 34 2023, and as of that date is repealed.  
 35 (e) *This section shall become operative on the effective date of*  
 36 *any budget measure that specifically appropriates funds to the*  
 37 *Franchise Tax Board for its costs of administering this section.*

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

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