

Sy Accountancy Corporation

Member, American Institute of CPAs

704 Mira Monte Place, Pasadena, California 91101

Tel (626) 744-0200 • Fax (626) 744-0300 • vsy@victorsycpa.com • www.victorsycpa.com

NEW CALIFORNIA TAX LAWS FOR 2008

By Victor Sy, CPA, MBA

Anti-gang measures, passed in response to violence in Los Angeles and other big cities:

- O Allow prosecutors in Los Angeles, Long Beach, San Diego, Oakland and Sacramento to bring **eviction actions against tenants for illegal weapons** possession if landlords are unwilling or afraid to act.
- O Help prevent gang members from using **apartment buildings as unofficial gang headquarters**.
- O Create a **Gang czar** - a State Office of Gang and Youth Violence to be responsible for identifying and evaluating state and local gang programs and helping to secure federal grants for the effort. (AB 1381)
- O Allow judges who sentence juvenile gang offenders to order the **parents to attend classes** to learn how to keep their children from engaging in gang violence. The curriculum would include a **meeting between the parents and families of victims of gang violence**.
- O Give the state Attorney General authority to coordinate with and reimburse local agencies that provide **witness protection** to those testifying against gang members.

Cellphones: Requires adults to use hands-free devices while driving. It also bans minors from using cellphones and text-messaging devices while driving (effective July 1, 2008).

Car fees: Increases the smog abatement fee that many car owners pay from \$12 to \$20 starting July 1, 2008 to help fund alternative-fuel development. Also raises registration fees by \$3 a year on all vehicles.

Citizenship checks: Prohibits cities and counties from adopting ordinances requiring landlords to ask the residency status of tenants as a way of identifying illegal immigrants.

Diesel tests: Begins setting up the process for regular smog checks on lightweight diesel vehicles (2010).

Foster care: Requires counties to apply for federal disability assistance on behalf of foster children who qualify. Intended to help youths ages 16 1/2 through 17 1/2 in the transition to adulthood.

Flood liability: Requires municipalities to contribute their fair and reasonable share of property damage costs caused by a flood if the municipality increased the state's exposure to liability by "unreasonably approving" new development in an undeveloped area protected by a flood control project.

Gas prices: Requires a state study to determine whether motorists are getting less fuel than they pay for when they pump gas during hot weather, when gasoline can expand. The California Energy Commission must submit recommendations stemming from the study to the Legislature by Dec. 31, 2008.

Gift cards: Retailers required to redeem unused or partly used **gift cards** for cash if amount is less than \$10.

HIV tests: Removes the written consent requirement for HIV tests, so tests may be done routinely by doctors, although patients retain the right to decline such tests.

Lightbulbs: Requires the California Energy Commission to adopt energy efficiency standards for all general-purpose lightbulbs (by Dec. 31, 2008)

Minimum wage: California increases from \$7.50 to \$8.00 per hour starting January 1, 2008. This ties California with Massachusetts for the highest state minimum wage in the nation. This change affects about

1.4 million California workers. Federal also increases from \$5.85 to \$6.55 starting July 24, 2008.

Nursing homes: Requires nursing homes to notify residents of closure plans 60 days in advance and make relocation plans for every resident.

Open meetings: Requires that, starting July 1, 2008, any writing regarding an agenda item distributed to members of a city council or public board within 72 hours of a public meeting be made available for public inspection at the same time.

Pet protection: Allows courts to include pets in protective orders issued to spouses in domestic violence cases. Orders the abusive party to stay away from the animal and refrain from hurting or disposing of the animal.

Smoking in cars: Banned where minors are present, but police officers can cite adult smokers only if offense is discovered in conjunction with another violation such as speeding (fine up to \$100, effective 1/1/08).

School counseling: Provides additional counseling services to students in grades 7 through 12, including a requirement to review the pupils' career goals and the availability of academic and career technical education opportunities. Requires that pupils and their parents be provided with information on eligibility for admission to a four-year institution of post-secondary education.

Solar heating: Imposes a surcharge on natural gas bills during the next 10 years to provide \$250 million in subsidies as incentives for the installation of 200,000 solar water heating systems in the state by 2017. The law allows an average surcharge of 13 cents a month on gas bills. Homeowners can apply to their local gas company for a rebate to cover part of the cost of a solar water heater.

Semiautomatic pistols: Requires stamping of tiny identifying marks on cartridge casings (2010).

Toys intended for children younger than three: Cannot contain certain chemicals (effective Jan. 1, 2009).

Tanning booths: Changes the parental consent law for minors (aged 14 to 18) who patronize businesses using ultraviolet tanning devices. Consent must be provided in person (concern about skin cancer).

Textbook costs: Requires publishers and college bookstores to disclose the price of books to faculty members when they are deciding which textbooks to require of their students (aimed at reducing the cost of college textbooks).

Tobacco penalties: Increases the maximum civil fines that can be levied against merchants selling tobacco products to minors from \$300 to \$600 on a first offense. Gives cities and counties power to carry out investigations previously reserved for the state.

Voter fraud: Requires county registrars to send a card to voters notifying them when papers have been filed to change their party affiliation, to address voter complaints of changes without their knowledge.

Go to www.leginfo.ca.gov for more information