

Assembly Bill No. 243

CHAPTER 428

An act to amend Section 19827.5 of the Government Code, relating to state employees, to take effect immediately, tax levy.

[Approved by Governor September 20, 2003. Filed with Secretary of State September 22, 2003.]

LEGISLATIVE COUNSEL'S DIGEST

AB 243, Vargas. State chaplains: salary: rental allowance.

The Personal Income Tax Law allows an exemption from taxation for the amount of the rental value of a minister's dwelling in specified conformity with federal income tax laws, including the requirement that the exemption may be allowed only if the amount is designated as rental allowance prior to payment by the employer. Existing law allocates from the state salary or wage paid to a minister of the gospel in an amount up to 25% of the gross salary, either the rental value of a home furnished to the minister or the rental allowance paid to the minister to rent or provide a home.

This bill would increase the percentage of this allocation to 50%, thereby affecting the amount of the tax exemption that may be claimed. It would also delete an obsolete reference and make other conforming changes.

This bill would take effect immediately as a tax levy.

The people of the State of California do enact as follows:

SECTION 1. Section 19827.5 of the Government Code is amended to read:

19827.5. (a) There is allocated from the salary or wage paid to a member of the clergy, in an amount up to 50 percent of the gross salary, either of the following:

- (1) The rental value of a home furnished to him or her.
 - (2) The rental allowance paid to him or her to rent or provide a home.
- (b) As used in this section, a "member of the clergy" means a priest, minister, religious practitioner, or similar functionary of a religious denomination or religious organization.

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

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