

Department of Finance		Fund: 1010
STATE OF CALIFORNIA MANUAL OF STATE FUNDS		PAGE 1 Renumbered From:
<u>Legal Title</u> Natural Heritage Preservation Tax Credit Reimbursement Account		
<u>Legal Citation/Authority</u> Chapter 760, Statutes of 2008 Public Resources Code section 37036(a)		
<u>Fund Classification</u> <u>GAAP Basis</u> Governmental/General Fund	<u>Fund Classification</u> <u>Legal Basis</u> Governmental/General Fund Special Accounts	
<u>Purpose</u> The Natural Heritage Preservation Tax Credit Act of 2000 provides \$100 million in tax credits for donations of qualified lands and water for permanent preservation. In exchange for the donation, the donor receives a State tax credit equal to 55 percent of the appraised fair market value of the contribution. The Act allows any authorized state entity or local government to reimburse the General Fund with specific bond funds for the amount of the tax credit approved for any property donated under the Act. AB 2722 establishes the Natural Heritage Preservation Tax Credit Reimbursement Account within the General Fund for this purpose.		
<u>Administering Agency/Organization Code</u> Wildlife Conservation Board/Org 3640		
<u>Major Revenue Source</u> Bond funds will be used to reimburse the General Fund for awarded tax credits (in exchange for approved land donations).		
<u>Disposition of Fund (upon abolishment)</u> Pursuant to Government Code 16346, in the absence of language that identifies a successor fund, any balance remaining in this fund upon abolishment shall be transferred to the General Fund.		
<u>Appropriation Authority</u> Chapter 760, Statutes of 2008, (AB 1338) section 29 provides: "The sum of five million eight hundred seventy thousand seven hundred eighty-two dollars (\$5,870,782) is hereby appropriated for transfer from the Natural Heritage Preservation Tax Credit Reimbursement Account to the General Fund."		
<u>State Appropriations Limit</u> Always Excluded – Revenues in this fund are not proceeds of taxes and even after transfer, will never become proceeds of taxes because the major revenue source is derived from bond proceeds.		
<u>Comments/Historical Information</u> If a department or local government determines that the property to be donated complies with the purpose of any of the specified bond provisions, the donor may submit an application. Upon final approval by the Board and acquisition of the property, the public entity would be required to reimburse the General Fund		

by transferring the appropriate bond funds to the Natural Heritage Tax Credit Reimbursement Account. Reimbursements would be made in the amounts claimed by each donor for each tax year.

Chapter 715, Statutes of 2004 (AB 2722) created this fund.

Chapter 760, Statutes of 2008 (AB 1338) deleted "Upon appropriation by the Legislature. It also provides: "SEC. 29. The sum of five million eight hundred seventy thousand seven hundred eighty-two dollars (\$5,870,782) is hereby appropriated for transfer from the Natural Heritage Preservation Tax Credit Reimbursement Account to the General Fund."