

Department of Finance		Fund: 0967a
STATE OF CALIFORNIA MANUAL OF STATE FUNDS		PAGE 1 Renumbered From:
<u>Legal Title</u> Timber Tax Reserve Fund		
<u>Legal Citation/ Authority</u> Chapter 176, Statutes of 1976 Revenue and Taxation Code sections 38301-38303, 38902, and 38905-38908		
<u>Fund Classification</u> <u>GAAP Basis</u> Fiduciary/Trust and Agency-Other	<u>Fund Classification</u> <u>Legal Basis</u> Nongovernmental/Trust and Agency Funds-- Non-Federal	
<u>Purpose</u> This fund provided for the collection of a timber yield tax on every timber owner who harvests his timber or causes it to be harvested on or after April 1, 1977 to December 31, 1982. The rate was initially established at one-half of one percent of the total immediate harvest value. After December 31, 1978, the rate will be established by the Board of Equalization to produce an amount certified by the Controller. This amount will be the total of any deficiency in meeting the revenue guarantee plus the difference between the balance in the fund and \$5,000,000. The moneys received from these taxes are deposited in the fund. If the balance of money in the Timber Tax Fund is in excess of \$250,000 on June 1, 1978 and each June 1 thereafter, the amount in excess of \$250,000 is transferred to this fund. If, after such transfer, the balance in the fund is \$8,000,000 or more, the amount in excess of \$7,000,000 as of June 1 is distributed to the counties in proportion to the total taxes collected under this law, and in each county to the total value of all timber harvested in the districts for the same periods to a total of 20 quarters. The law was written this way in order to insure that the amount distributed will always be over \$1,000,000 and will not result in the creation of small payments to counties, which in turn would have to apportion these amounts to the districts. Moneys may also be transferred from the fund to the Timber Tax Fund in the event that the balance in the Timber Tax Fund is insufficient to make payments pursuant to Section 38905(a) of the Revenue and Taxation code (revenue guarantee).		
<u>Administering Agency/Organization Code</u> State Board of Equalization/Org 0860 and the Department of Forestry/Org 3540		
<u>Major Revenue Source</u> Taxes collected pursuant to Section 38301. Money transferred from the Timber Tax Fund (Section 38905(b)).		
<u>Disposition of Fund (upon abolishment)</u> Refunds (Section 38902).		

Abolished August 2010

FUND 0967a

Distribution by the State Controller to counties as provided by Section 38906(a).

Transfers to Timber Tax Fund (Section 38905(c)).

Appropriation Authority

Sections 38902 and 38906 of the Revenue and Taxation Code provide that the money in the fund is used for the purposes stated.

State Appropriations Limit

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 a Trust and Agency Fund (Non-Federal).

Comments/ Historical Information

This was abolished by Chapter 678, Statutes of 1984, Sec. 42