

PATH Act Conformity Chart

Description	Conformity?	IRC §	PITL R&TC §*	CTL R&TC §**
Permanent extension and modification of deduction for educator expense deductions	No. CA does not conform	62(a)(2)(D)	17072	N/A
Extension of above-the-line deduction for qualified tuition and related expenses	No. CA does not conform	222	17204.7	N/A
Permanent extension of deduction of state and local general sales taxes	No. CA does not conform	164(b)(5)	17220(b)	N/A
Extension of mortgage insurance premiums treated as qualified residence interest	No. CA does not conform	163(h)(3)(E)(iv)	17225	N/A
Permanent extension and of liberalized rules for qualified conservation contributions	No.	170(b)(1)(B), 170(b)(2)(B)	17024.5, 17201	23051.5, 24358
Enhanced child tax credit made permanent	No. No CA credit	24	N/A	N/A
Enhanced American Opportunity Tax Credit made permanent	No. No CA credit	25A	N/A	N/A
Enhanced Earned Income Tax Credit made permanent	No. CA has own credit amounts	32	17052	N/A
Extension through 2016 and modification of the principal residence COD exclusion	No. California's exclusion expired after 2013.	108(a)(1)(E)	17144.5	N/A
Permanent extension of IRA to charity deduction	Yes.	408(d)(8)	17501(b)	N/A
Improvements to §529 plans	No.	529	17140.3	N/A
Extension and modification of bonus depreciation	No. CA does not allow bonus depreciation	168(k)	17250(a)(4)	24349
Permanent extension of \$500,000 §179 with \$2 million phaseout threshold; indexed for inflation after 2015	No. California's §179 remains at \$25,000 with \$200,000 phaseout threshold	179(b)(1)	17255	24356(b)
Permanent extension of §179 for qualified leasehold improvements, qualified restaurant buildings and qualified retail improvements. Elimination of separate \$250,000 limitation.	No.	179(f)	17255	24356
Permanent extension of §179 for computer software	No.	179(d)(1)(A)	17255	24356
Permanent extension of ability to revoke a §179 election without the consent of the IRS	No.	179(c)(2)	17255	24356
Permanent extension of 15-year straight-line cost recovery for qualified leasehold improvements, qualified restaurant buildings and improvements, and qualified retail improvements	No. CA does not recognize 15-year recovery period	168(e)(3)(E)(iv), (v), and (ix)	17250(a)(6)	24349
Extension and enhancement of bonus depreciation for luxury autos	No. CA does not allow bonus depreciation	168	17250, 17255	24349, 24356

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Description	Conformity?	IRC §	PITL R&TC §*	CTL R&TC §**
Permanent extension of parity for exclusion from income for employer-provided transit passes and van pool benefits with parking benefits	No. Although CA has more expansive exclusion	132(f)(2)	17131, 17149	N/A
Permanent extension of exclusion of 100% of gain on certain small business stock	No. CA does not allow exclusion	1202	18152.5	N/A
Permanent extension of 5-year S corporation built-in gains holding period	No. California's period remains at 10 years	1374(d)(7)	N/A	23051.5, 23809
Permanent extension and modification of research credit	No. CA has its own credit	41	17052.12	23051.5, 23609
Extension of credit for 2-wheeled plug-in electric vehicles	No. No CA credit	30D	N/A	N/A
Extension of credit for energy-efficient new homes	No. No CA credit	45L	N/A	N/A
Extension of credit for fuel cell vehicles	No. No CA credit	30B	N/A	N/A
Extension of special expensing rules for certain film and TV production costs	No.	181	17201.5	24356
Permanent extension of basis adjustment to stock of S corporations making charitable contributions of property	No.	1367(a)(2)	N/A	23051.5, 23800
Extension and modification of Work Opportunity Credit	No. No CA credit	51	N/A	N/A
Permanent extension of modification of charitable deduction for food inventory contributions	No.	170(e)(3)(C)	17275.2	24358
Extension of 7-year recovery period for motorsports entertainment complexes	No.	168(i)(5)	17250(a)(11)	24349
Extension of classification of certain race horses as 3-year property	No.	168(e)	17201, 17250	24349
Limitation on designation of dividends by REITs	Yes.	857	N/A	24870, 24872
Debt instruments of publicly offered REITs and mortgages treated as real estate assets	Yes.	856	N/A	24872.6
Asset and income test clarification regarding ancillary personal property	Yes.	856	N/A	24872.6
Hedging provisions	Yes.	856	N/A	24872.6
Rollovers permitted from other retirement plans into SIMPLE retirement accounts	Yes.	408(p)(1)(B)	17501	N/A
Technical amendment relating to rollover of certain airline payment amounts	Yes.	Uncodified amendment to 408	17501	N/A
Church plan clarification	Yes.	414	17501	24601
Extension of modification of tax treatment of certain payments to controlling exempt organizations	No.	512(b)(13)	N/A	23051.5, 23732

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Description	Conformity?	IRC §	PITL R&TC §*	CTL R&TC §**
Extension and modification of employer wage credit for employees who are active duty members of the uniformed services	No. No CA credit	45P	N/A	N/A
Extension of treatment of certain dividends of RICs	No.	871(k)	N/A	N/A
Extension of Subpart F exception for active financing income.	No.	953, 954	N/A	N/A
Extension of minimum low-income housing tax credit rate for nonfederally subsidized buildings	No.	42	17058	23610.5
Extension of military housing allowance exclusion for determining whether a tenant in certain countries is low-income	No.	Sec. 3005 of the Housing Assistance Tax Act.	N/A	N/A
Extension of RIC qualified investment treatment under FIRPTA	No.	897(h)(4)(A)	N/A	N/A
Extension of New Markets Tax Credit	No. No CA credit	45(D)	N/A	N/A
Extension of look-thru treatment of payments between related controlled foreign corporations under foreign personal holding company rules	No.	954	N/A	N/A
Extension of Indian Employment Tax Credit	No. No CA credit	45A	N/A	N/A
Extension and modification of Railroad Track Maintenance Credit	No. No CA credit	45G	N/A	N/A
Extension of Mine Rescue Team Training Credit	No. No CA credit	45N	N/A	N/A
Extension of qualified zone academy bonds	No.	54E	N/A	N/A
Extension and modification of accelerated depreciation for business property on Indian reservation	No.	168(j)(8)	17250	24349
Extension of election to expense mine safety equipment	No.	179E	17257.4	24349
Extension of deduction allowable with respect to income attributable to domestic production activities in Puerto Rico	No.	199	17201.6	24341, 24401
Extension and modification of empowerment zone tax incentives	No.	1391	N/A	N/A
Extension of temporary increase in limit on cover over of rum excise taxes to Puerto Rico and Virgin Islands	No.	7652	N/A	N/A
Extension of American Samoa Economic Development Credit	No.	Sec. 119(d) of Tax Relief and Health Care Act.	N/A	N/A
Moratorium on medical device excise tax	No.	4191	N/A	N/A
Extension and modification of credit for nonbusiness energy credit	No. No CA credit	25C	N/A	N/A
Extension of credit for alternative fuel vehicle refueling property	No. No CA credit	30C	N/A	N/A

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Extension of second generation biofuel producer credit	No. No CA credit	40	N/A	N/A
Extension of biodiesel and renewable diesel incentives	No	40A, 6426	N/A	N/A
Extension and modification of production credit for Indian coal facilities	No. No CA credit	45	N/A	N/A
Extension of credits with respect to facilities producing energy from certain renewable resources	No. No CA credit	45(d)	N/A	N/A
Extension of special allowance for second generation biofuel plant property	No.	168(l)	17250	24349
Extension of energy efficient commercial buildings deduction	No.	179D	17257.2	24349
Extension of special rule for sales or dispositions to implement FERC or state electric restructuring policy for qualified electric utilities	No.	451(i)	17551(f)	24661.6
Safe harbor for <i>de minimis</i> errors on information returns and payee statements	No.	6721	19183	19183
Prevention of retroactive claims of earned income credit after issuance of social security number and restrictions on taxpayers who claimed credits in prior year	No.	32	17052	N/A
Prevention of retroactive claims of child tax credit and restrictions on taxpayers who claimed credits in prior year	No. No CA credit	24	N/A	N/A
Prevention of retroactive claims of American Opportunity Tax Credit and restrictions on taxpayers who claimed credits in prior year	No. No CA credit	25A	N/A	N/A
Treatment of credits for purposes of certain penalties	No.	6664, 6676	19164	19164
Increase the penalty applicable to paid tax preparers who engage in willful or reckless conduct	No.	6694	19166	19166
Exclusion for amounts received under the work colleges program	No.	117	17131	N/A
Elimination of residency requirement for qualified ABLE programs	No.	529A	17140.4	23711.4
Exclusion for wrongfully incarcerated individuals	No.	139F	N/A. (Although CA has its own exclusion under R&TC Sec. 17157)	N/A
Clarification of special rule for certain governmental plans	No.	105	17131	

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Treatment of early retirement distributions for nuclear materials couriers, U.S. capitol police, and diplomatic security special agents	No.	72(f)(10)(B)	17085(c)(1)	N/A
Prevention of extension of tax collection period for members of the armed forces who are hospitalized as a result of combat zone injuries	No.	7508(e)	18571	N/A
Restriction on tax-free spinoffs involving REITs	No.	355(a)	N/A	24451
Restriction on tax-free spinoffs involving REITs	Yes	856(c)	N/A	24872.6
Reduction in percentage limitation on assets of REIT which may be taxable REIT subsidiaries	No.	856(c)(4)(B)(ii)	N/A	24870
Prohibited transaction safe harbors	No. Prohibited transaction tax inapplicable	857(b)(6)(C)	N/A	24872(g)
Repeal of preferential dividend rule for publicly offered REITs	No.	562	N/A	N/A
Authority for alternative remedies to address certain REIT distribution failures	No.	562	N/A	N/A
Modification of REIT earnings and profits calculation to avoid duplicate taxation	No.	857	N/A	24870 et seq.
Treatment of certain services provided by taxable REIT subsidiaries	No.	857	N/A	24870, 24872.4
Exception from FIRPTA for certain stock REITs	No.	897	N/A	N/A
Exception for interests held by foreign retirement or pension funds	No.	897	N/A	N/A
Increase in rate of withholding of tax on dispositions of U.S. real property interests	No.	1445	N/A	N/A
Interest in RICs and REITs not excluded from definition of U.S. real property interests	No.	897	N/A	N/A
Dividends derived from RICs and REITs ineligible for deduction for U.S. source portion of dividends from foreign corporations	No.	245(a)	N/A	N/A
Deductibility of charitable contributions to agricultural research organizations	No.	170(b)(1)	17201	24359
Treatment of timber gains	No.	1201(b)	N/A	24990.5
Updated ASHRAE standards for energy efficient commercial buildings deduction	No.	179D	17257.2	N/A
Exclusion from gross income of certain clean coal power grants to noncorporate taxpayers	No.	Uncodified Sec. 343	N/A	N/A
Clarification of valuation rule for early termination of certain charitable remainder unitrusts	No.	664	17731	N/A
Prevention of transfer of certain losses from tax indifferent parties	No.	267	17201	24427
Treatment of certain persons as employers with respect to motion picture projects	No.	3512	N/A	N/A