(**Without Reference to File**)

SENATE THIRD READING
SB 180 (Committee on Budget and Fiscal Review)
As Amended June 26, 2026
Majority vote Budget Bill Appropraitions To Take Effect Immediately

SUMMARY

This bill is a taxation trailer bill for the 2026-27 Budget. This bill contains various statutory changes necessary to implement the Budget Act of 2026. Specifically, this bill:

Major Provisions

1) Extends the California Competes Tax Credit (CalCompetes) program, which provides financial incentives to attract and retain private companies that agree to hire and invest in California, until January 1, 2035, and allows a maximum amount of $180 million in credits in each fiscal year. The current CalCompetes program is authorized until January 1, 2030.

2) Conforms state tax treatment of the new individual retirement accounts established by federal House Resolution (H.R.) 1 for the benefit of children under the age of 18, with federal law, commencing with tax year 2026. This tax conformity aligns treatment of these accounts with conformity for similar tax-advantaged savings and retirement accounts.

3) Commencing July 1, 2026, increases the amount available for manufactured homes property tax disbursements from the Senior Citizens and Disabled Property Tax Postponement Fund to $300,000 per year. Currently, the disbursements specifically for manufactured homes are capped at one percent of the amount available in the fund in each fiscal year.

4) Makes other technical corrections to Revenue and Taxation code section 17941, related to changes included in section 26 of SB 122 (Committee on Budget and Fiscal Review).

COMMENTS

This bill contains various statutory changes related to tax to implement the 2026 Budget Act.

According to the Author

Arguments in Support
None on file

Arguments in Opposition
None on file

FISCAL COMMENTS

1) The provisions of this bill result in future revenue impacts when tax credits are claimed in the future.

2) In addition, conforming state tax treatment with the new individual retirement accounts will result in minor one-time costs for the Franchise Tax Board.

VOTES

SENATE FLOOR: 28-10-2
YES: Allen, Archuleta, Arreguín, Ashby, Becker, Blakespear, Cabaldon, Caballero, Cervantes, Cortese, Durazo, Gonzalez, Grayson, Hurtado, Laird, Limón, McGuire, McNerney, Menjivar, Padilla, Pérez, Richardson, Rubio, Smallwood-Cuevas, Umberg, Wahab, Weber Pierson, Wiener
NO: Alvarado-Gil, Choi, Dahle, Grove, Jones, Niello, Ochoa Bogh, Seyarto, Strickland, Valladares
ABS, ABST OR NV: Reyes, Stern

UPDATED

VERSION: June 26, 2026

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