

**REPORT OF THE
CHIEF LEGISLATIVE ANALYST**

DATE: April 19, 2013

TO: Honorable Members of the Rules, Elections and Intergovernmental Relations
Committee

FROM: Gerry F. Miller *Gerry F. Miller* For
Chief Legislative Analyst Council File No: 13-0002-S53
Assignment No: 13-04-0266

SUBJECT: Resolution (Koretz - LaBonge) to support AB 232, which would provide up to a \$5,000 tax credit for participants in gun buyback programs, and a \$10,000 tax credit for sponsors of gun buyback programs

CLA RECOMMENDATION: Adopt the amended Resolution (Koretz - LaBonge) to include in the City's 2013 – 2014 State Legislative Program SUPPORT for AB 232 (Ting), which would create a tax credit of up to \$5,000 for individuals who participate in a gun buyback program, and a \$10,000 tax credit for sponsors of these programs.

SUMMARY

On April 5, 2013, a Resolution (Koretz - LaBonge) was introduced to support AB 232 (Ting), legislation which would create a tax credit of up to \$5,000 for participating in a gun buyback program, and a \$10,000 tax credit for sponsors of gun buyback programs. The Resolution states that studies have shown that a gun in a home is twelve times more likely to be used against a household member or friendly visitor than an intruder. The Resolution further states that these statistics show that public safety is increased when there are fewer guns in homes, and that gun buyback programs have been an essential tool in efforts to reduce the amount of guns in homes.

The Resolution states that several gun buyback programs have run out of money prior to completing all gun buybacks. This could result in individuals deciding not to turn over their unwanted or unneeded firearms, and could have a negative effect on public safety. In addition, the Resolution states that organizations who work with local jurisdictions should be encouraged and awarded for sponsoring these programs. The Resolution, therefore, seeks an official position of the City of Los Angeles to support AB 232, legislation which would create a tax credit of up to \$5,000 for participants in gun buyback programs, with the actual credit determined by the type and number of weapons turned over, and a tax credit of \$10,000 for sponsors of these gun buyback drives.

This office has prepared an amended Resolution revising the original Resolution to include in the City's 2013 – 2014 State Legislative Program support for AB 232.

BACKGROUND

Gun buyback programs have been used throughout the State in efforts to reduce the amount of guns available in the community. These buyback programs are especially useful in reducing the availability of firearms that may fall into the hands of criminals, as these weapons are not wanted

by their owners. The City of Los Angeles has sponsored buybacks in the past, the most recent one on December 14, 2012. At this event, the City recovered 2,037 firearms, including a handful of assault weapons. Participants were awarded grocery store gift cards worth \$200 for their firearms. The demand for the cards was so high that the City ran out and had to secure an emergency donation in order to continue the program.

This dependence on limited funding, common for most agencies that sponsor gun buyback programs, may discourage individuals from participating in them. Further, the most dangerous firearms, assault rifles and high caliber pistols, are often worth more than the value of the gift cards used in Los Angeles' gun buyback drives. Individuals may want to get rid of an unwanted firearm, but will not settle for a gift card worth less than the weapon they want to turn in. In addition, organizations who would like to sponsor these events in conjunction with local law enforcement agencies often cannot hold them as often as they would like, due to fiscal constraints.

These issues are addressed by SB 232. The bill adds Sections 17053.15 and 23683 to the Revenue and Taxation Code, which creates tax credits for individuals who turn in weapons during a gun buyback drive and for organizations that sponsor these events. Participants who turn over their firearms without consideration, or sell them to law enforcement, would receive a \$500 credit for each handgun, shotgun, or rifle turned over, and a \$1,000 credit for each assault rifle. Individuals who surrender or sell multiple firearms during gun buyback programs would be eligible for a maximum credit amount of \$5,000 per year. Further, a tax credit would be available for organizations that sponsor or contribute funds to gun buyback programs conducted by law enforcement agencies. This credit would be equal to the amount of money donated, and would not exceed \$10,000 per year.

SB 232 would create valuable tax credits which could increase participation in gun buyback programs, which serve as an important tool in local law enforcement efforts to reduce the number of handguns and assault weapons in a community. The tax credit for sponsors or donors to gun buyback programs run by law enforcement agencies would further encourage more organizations to work with police on these programs.

DEPARTMENTS NOTIFIED

Police Department

BILL STATUS

03/19/2013	Bill introduced, Referred to the Committee on Public Safety
04/02/2013	Bill read a second time and amended
04/03/2013	Bill re-referred to the Committee on Public Safety



Joshua Drake
Analyst

GFM:SMT:MF:jwd

Attachment: Resolution (Koretz - LaBonge)
Amended Resolution

RESOLUTION

WHEREAS, any official position of the City of Los Angeles with respect to legislation, rules, regulations or policies proposed to or pending before a local, state or federal governmental body or agency must have first been adopted in the form of a Resolution by the City Council with the concurrence of the Mayor; and

WHEREAS, according to a 2010 study by the Southern Medical Association, a gun in the home is 12 times more likely to result in the death of a household member or a friendly visitor than an intruder; and

WHEREAS, such studies and statistics make it clear that public safety would increase by reducing the number of guns in and around the home; and

WHEREAS, gun buyback programs provide further incentive for reducing the number of firearms in circulation, which diminishes incidents of gun violence and gun fatalities; and

WHEREAS, from December 2012 to March 2013, several gun buyback programs that have been initiated in California have run out of money either midway through the event or at the start. As a result firearm owners who might otherwise choose to relinquish their weapons might delay or forgo participation, if there is no significant incentive; and

WHEREAS, any reduction in participation from local participants throughout California would result in an increase in gun circulation, contributing to a heightened risk of gun accidents, injuries or deaths; and

WHEREAS, to address the problems California jurisdictions have faced with gun buyback programs, Assembly Member Phil Ting introduced AB 232, pending before the State Assembly; and

WHEREAS, AB 232 will provide a state tax credit of up to \$5,000 for participants in buyback programs. The amount of tax credit will correspond to the type of firearm(s) turned in. AB 232 will also provide a State tax credit of up to \$10,000 for sponsors of gun buyback programs; and

WHEREAS, the City of Los Angeles has gone on record numerous times to voice its support for similar programs aimed at reducing gun violence;

NOW, THEREFORE, BE IT RESOLVED, with the concurrence of the Mayor, that by the adoption of this Resolution, the City of Los Angeles hereby includes in its 2013 - 2014 State Legislative Program SUPPORT for AB 232 (Ting), which would provide up to a \$5,000.00 tax credit for participants in buyback programs depending on the type of gun turned in, as well as a \$10,000.00 tax credit for sponsors of gun buyback programs.

13-0002-353

RESOLUTIONS, ELECTIONS & INTERGOVERNMENTAL RELATIONS

APR 5 2013

WHEREAS, any official position of the City of Los Angeles with respect to legislation, rules, regulations or policies proposed to or pending before a local, state or federal government body or agency must have been adopted in form of a Resolution by the City Council with the concurrence of the Mayor; and

WHEREAS, according to a 2010 study by the Southern Medical Association, a gun in the home is 12 times more likely to result in the death of a household member or a friendly visitor than an intruder; and

WHEREAS, such studies and statistics make it is clear that public safety would increase by reducing the number of guns in and around the home; and

WHEREAS, gun buyback programs provide further incentive for reducing the number of firearms in circulation, which diminishes incidents of gun violence and gun fatalities; and

WHEREAS, from December 2012 to March of 2013, several gun buyback programs that have been initiated in California have run out of money either midway through the event or at the start. As a result firearm owners who might otherwise choose to relinquish their weapons might delay or forego participation, if there is no significant incentive; and

WHEREAS, any reduction in participation from local participants throughout California would result in an increase in gun circulation, contributing to a heightened risk of gun accidents, injuries or deaths; and

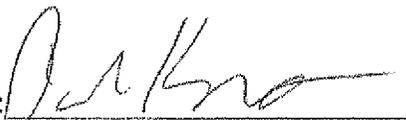
WHEREAS, to address the problems California jurisdictions have faced with gun buyback programs, Assembly Member Phil Ting introduced AB 232, pending before the State Assembly.

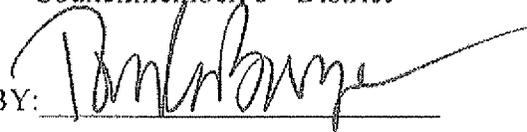
WHEREAS, AB 232 will provide a state tax credit of up to \$5,000 for participants in buyback programs. The amount of tax credit will correspond to the type of firearm(s) turned in. AB 232 will also provide a state tax credit of up to \$10,000 for sponsors of gun buyback programs.

WHEREAS, the City of Los Angeles has gone on record numerous times to voice its support for similar programs aimed at reducing gun violence; and

NOW, THEREFORE, BE IT RESOLVED, with concurrence of the Mayor, that by the adoption of this Resolution, the City of Los Angeles hereby includes in its 2013-2014 Federal Legislative program SUPPORT for AB 232 (TING), which would provide up to a \$5,000.00 tax credit for participants in buyback programs depending on the type of gun turned in, as well as a \$10,000.00 tax credit for sponsors of buyback programs.


APR 5 2013

INTRODUCED BY: 
PAUL KORETZ
Councilmember, 5th District

SECONDED BY: 

ORIGINAL