



MULTISTATE INCOME/FRANCHISE TAX

California Legislature moves A.B. 71, relating to taxation of GILTI and repatriation income, to inactive file Tax Alert

Overview

On June 3, 2021, the California Assembly moved [A.B. 71](#), relating to taxation of global intangible low-taxed income (“GILTI”) and certain repatriation income, to the *inactive file*. [A.B. 71](#) was originally proposed, in part, to provide a dedicated source of funding to address the homelessness crisis in California. In a [June 3rd press release](#), Assemblymember Rivas, a co-author of A.B. 71, confirmed that she is *not advancing A.B. 71 at this time*, because the Legislature has already separately agreed to provide over \$10 billion in funding specifically to address California’s homelessness crisis and is proposing \$1 billion in ongoing support for local governments to fund solutions to homelessness. Had A.B. 71 moved forward, the provisions would have, among other things, subjected GILTI to corporate franchise tax without providing for associated apportionment factor representation.

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