



California State Treasurer Fiona Ma, CPA

News Release

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Statement by California State Treasurer Fiona Ma Regarding COVID-19

Sacramento – “I applaud Governor Gavin Newsom for taking responsible steps to curb the spread of COVID-19 and protect our most vulnerable citizens. While these necessary social distancing measures will temporarily lower revenues, California’s economy remains resilient. California has prepared diligently over the last 10 years to ensure our ability to weather changes in market conditions and is well-positioned to confront challenges as a result of COVID-19.

Over the past decade, California has developed a virtuous cycle of executive, legislative and voter actions that produced budget surpluses to buffer our state against these kinds of events. The State has made disciplined, responsible spending decisions and put away billions of dollars into our rainy-day funds. We continue to build reserves, make strategic investments to promote housing affordability and have strengthened the State’s natural disaster preparedness. Accordingly, California should be well-positioned to recover more quickly once the virus is contained.

Prompted by the COVID-19 pandemic, Franchise Tax Board leaders on Friday announced they would grant an extension to file 2019 California tax returns and make payments until June 15, in accordance with Gov. Gavin Newsom’s March 12 executive order.

Also, partnerships and LLCs who are taxed as partnerships and whose tax returns are due on March 15 now have a 90-day extension to file and pay by June 15. The new extensions announced in the March 13, 2020 news release apply to any business entity with a California return or payment due between March 15 and June 15. This includes Corporations, S-Corps, LLCs, Partnerships, and other entity types with returns due during this period. Individual filers whose tax returns are due on April 15 now have a 60-day extension to file and pay by June 15.

To help Californians impacted by recent public health measures, I am working with the Governor and the Legislature to urge the following actions over the next six months:

- Suspend the \$800 LLC tax and the LLC fee for the prepayment of the 2020 calendar tax filing year;
- Extend the state sales tax filing deadlines without interest, penalties or fines on late payment.

While the federal government seeks to stabilize the financial markets, please continue to heed the advice of our California Department of Public Health and visit their website for the latest news and programs to protect yourselves, your family and the community at: www.cdph.ca.gov.

Due to business disruptions during this time, certain industries may be impacted. For starters, here's some Federal, California and Local assistance resources for small businesses:

- The U.S. Small Business Administration has announced up to \$2 million in Disaster Assistance Loans to small businesses impacted by COVID-19, a positive start to assist 30 million small businesses. www.sba.gov
- The City of Sacramento has established a \$1 million economic relief fund for businesses affected by COVID-19 www.cityofsacramento.org
- The California Film Commission will allocate \$330 million per year from July 2020 through June 2025 as part of an extended Program 3.0 Film and TV Tax Credit Program. www.film.ca.gov

Now is the time for our state and country to come together to confront this unique public health crisis head on. In so doing, we will ease the minds of long-term investors and reinforce California's strength and readiness to weather this storm.”

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Fiona Ma is California's 34th State Treasurer. She serves as a voting member of 10 boards and commissions and chair 16 Boards, Commissions and Authorities (BCAs) – many of these were launched by former Treasurer Jesse Unruh who understood the importance and relationship between funding and financing of all projects in the state. Each BCA has different roles, but one thing they have in common is to serve Californians, in many cases by offering low-cost financing to important public projects such as low-income housing, hospitals, schools, roads, levees, public health facilities and infrastructure projects that better the lives of all Californians.

She was elected on November 6, 2018 with more votes (7,825,587) than any other candidate for treasurer in the state's history. She is the first woman of color and the first woman Certified Public Accountant (CPA) elected to the position. The State Treasurer's Office was created in the California Constitution in 1849. It provides financing for schools, roads, housing, recycling and waste management, hospitals, public facilities, and other crucial infrastructure projects that better the lives of residents. California is the world's fifth-largest economy and Treasurer Ma is the state's primary banker. Her office processes more than \$2 trillion in payments within a typical year. She provides transparency and oversight for the government's investment portfolio and accounts, as well as for the state's surplus funds. Treasurer Ma also oversees an investment portfolio of more than \$90 billion, approximately \$20 billion of which are local government funds. She is responsible for \$82 billion in outstanding general obligation and lease revenue bonds of the state.

Treasurer Ma is a member of the Screen Actors Guild-American Federation of Television and Radio Artists (SAG.AFTRA) since 2007 and a former California Film Commissioner.