



## California

### *Tax Benefits and Incentives for Convenience Services Operators*



This state-by-state guide highlights a range of tax credits and incentive programs specifically relevant to the convenience services industry, offering operators clear application instructions and links to find further information. While this report emphasizes programs tailored to the convenience services industry, you know your business and its unique needs.

## Opportunities for Convenience Services Operators

### California Capital Access Program (CalCAP) Seismic Safety Financing Program

#### CALIFORNIA STATE TREASURER'S OFFICE

The California Capital Access Program (CalCAP) Seismic Safety Financing Program incentivizes private financing for California small businesses and residential property owners (including multiunit dwellings and registered mobile homes) to finance the costs of seismically retrofitting existing buildings and homes.

#### Eligibility Requirements

Eligible Lenders:

1. Any federal or state-chartered bank, savings association, certified Community Development Financial Institutions (CDFI), or credit union is eligible to participate in CalCAP. A lender must certify that it is in good standing with its regulatory body (Federal Reserve, Federal Deposit Insurance Corporation, Comptroller of Currency, Thrift Supervision, National Credit Union Administration, or state banking authority). Lending institutions who have executed participation agreement with the Small Business Administration, microbusiness lenders and others may also be eligible.

Qualified applicants:

1. California small businesses that meet the following criteria:
  1. Employ 500 or fewer FTEs and own a qualified building for business operations.
2. California residential property owners that meet the following criteria:
  1. Own a qualified residential building or small businesses that own one or more qualified residential buildings, including multiunit housing buildings and registered mobile homes.
3. California commercial property owners that meet the following criteria:
  1. Own a qualified commercial building or small businesses that own one or more qualified commercial buildings.

Eligible Uses of Loan Proceeds:

1. Costs related to seismic retrofit improvements on qualified residential and commercial buildings that are:
  1. Located in California.
  2. Identified by the local building code official for the jurisdiction in which the building is located as a building in need of seismic retrofitting and is either a building of a type that is potentially vulnerable in the event of a catastrophic earthquake or a building constructed before 1981.
  3. Commercial buildings, single-family residences, multiunit housing buildings, multi-unit housing buildings with commercial space, mobile homes, manufactured homes or multifamily manufactured homes.

2. Eligible costs related to seismic retrofit construction performed on or after January 1, 2017.

#### **Application Information**

Borrowers will need to contact a Participating Lending Institution to start the CalCAP loan enrollment process.

#### [Application Link](#)

[Additional information available from the California Capital Access Program.](#)

## **California Capital Access Program (Calcap) For Small Business**

### **CALIFORNIA POLLUTION CONTROL FINANCING AUTHORITY**

The California Capital Access Program (CalCAP) encourages banks and other financial institutions to make loans to small businesses that have difficulty obtaining financing.

#### Eligible Uses of Loan Proceeds:

1. CalCAP supports loans made to small businesses to assist them in growing their business. Loans can be used to finance the acquisition of land, construction or renovation of buildings, start-up costs, the purchase of equipment or inventory, other capital projects and working capital. There are limitations on real estate loans, business acquisitions, and loan refinancing.

#### Ineligible Uses of Loan Proceeds:

1. CalCAP prohibits financing certain projects. Examples of ineligible uses of loan proceeds include gambling facilities, bars and adult entertainment businesses.

#### Eligible Lenders:

1. Any federal or state-chartered bank, savings association, certified Community Development Financial Institutions (CDFI), or credit union is eligible to participate in CalCAP. A lender must certify that it is in good standing with its regulatory body (Federal Reserve, Federal Deposit Insurance Corporation (FDIC), Comptroller of Currency, Thrift Supervision, National Credit Union Administration (NCUA), or state banking authority). Other lenders, such as micro business lenders and finance companies may also be eligible.

#### Eligible Small Businesses:

1. The business must be in one of the industries listed in the qualified Standard Industry Classification (SIC) or the North American Industry Classification System (NAICS) codes list.
2. The primary business and at least 51% of its employees or business income, sales or payroll must be in California.
3. The business activity resulting from the bank loan must be created and retained in California.
4. The small business must be classified as a small business under U.S. Small Business Administration guidelines and have fewer than 500 employees.

#### **Application Information:**

Borrowers will need to contact a Participating Lending Institution to start the CalCAP loan enrollment process.

#### [Application Link](#)

[Additional information from the California Governor's Office of Business and Economic Development.](#)

## **California Competes Tax Credit**

### **CALIFORNIA GOVERNOR'S OFFICE OF BUSINESS AND ECONOMIC DEVELOPMENT**

The California Competes Tax Credit (CCTC) is an income tax credit available to businesses that want to locate in California or stay and grow in California.

### **Eligibility Requirements**

Any business can apply for the California Competes Tax Credit. The credit is available statewide to all industries. However, while there are no geographic or sector-specific restrictions, the purpose of the California Competes Tax Credit is to attract and retain high-value employers in California in industries with high economic multipliers and that provide their employees good wages and benefits. GO-Biz is required by statute to consider the extent to which the credit will influence the ability, willingness, or both, of the business to create jobs in this state that might not otherwise be created in the state by the taxpayer or any other taxpayer

### **Application Information**

All applications must be submitted online unless an applicant requests an alternative form as an accommodation. Any applicant that requests to submit an application through an alternative form must contact GOBiz to coordinate submission. The process takes approximately 90 days which includes the period when applications will be reviewed and presented to the California Competes Tax Credit Committee for approval.

Applications are solicited during specific time periods. Please visit the website for current application deadlines.

California Governor's Office of Business and Economic Development  
1325 J Street, Suite 1800  
Sacramento, CA 95814  
Phone: 916-322-4051  
Fax: 877-345-4633

[CalCompetes@gobiz.ca.gov](mailto:CalCompetes@gobiz.ca.gov)

[Additional information from the California Governor's Office of Business and Economic Development.](#)

## **California Small Business Loan Guarantee Program**

### **CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK (IBANK) - SMALL BUSINESS FINANCE CENTER (SBF)**

The Small Business Loan Guarantee Program provides collection guarantees to lenders that provide financing to small businesses. The guarantees are facilitated by one of seven non-profit Financial Development Corporations (FDCs). The FDCs partner with the SBFC and participating lenders to provide up to an 80% (or \$5 million maximum) guarantee on eligible small business loans issued by the participating lender.

### **Eligibility Requirements**

Eligible applicants include small businesses located in California with between 1-750 employees and eligible non-profits. Proceeds must be used in California and for any standard business purpose beneficial to the applicant's business. Small businesses may use funds for the following: Business Start-up costs; Working capital; Inventory; Franchise fees; Business expansion; Lines of Credit; Non-passive business real estate; New construction; Renovations; Gap Financing; Refinancing of existing business debt (with conditions/original use of funds); Export financing; Lines of credit; Agriculture; Disaster relief and more.

### **Application Information**

Please contact one of the seven Financial Development Corporations (FDCs) or one of the participating lenders to apply. A list of the FDCs and participating lenders can be found on the website.

Megan Hodapp  
California Infrastructure and Economic Development Bank (IBank)  
Small Business Finance Center  
1325 J Street, Suite 1300  
Sacramento, CA 95814  
Phone: 916-341-6600  
Fax: 916-322-6314

[SBFC-Programs@IBank.ca.gov](mailto:SBFC-Programs@IBank.ca.gov)

[Additional information available from the California Infrastructure and Economic Development Bank \(IBank\)](#)

## **Clean Truck And Bus Vouchers (HVIP)**

### **CALIFORNIA AIR RESOURCES BOARD**

This streamlined voucher incentive project helps offset the higher cost of zero-emission technology with a point-of-sale discount. There is no scrappage requirement, and additional funding is available for charging and fueling infrastructure and for equipment deployed in disadvantaged communities.

### **Eligibility Requirements**

HVIP vouchers shall only be provided for a specific vehicle or engine certified to the optional Low NOx standard of 0.01 g/bhp-hr ordered and purchased by a specific customer. The dealer must work with the vehicle or engine purchaser to complete the HVIP voucher request form (available once a voucher request is submitted through the Voucher Processing Center (VPC)). Submittal of a voucher request not associated with a binding complete vehicle order is prohibited. Vouchers requested for vehicles that have already been delivered will not be accepted.

### **Application Information**

Please submit the vehicle eligibility application to Patrick Chen by e-mail at [Patrick.Chen@arb.ca.gov](mailto:Patrick.Chen@arb.ca.gov) and provide a signed electronic copy of the application.

[Application Link](#)

[Additional information available from the California HVIP.](#)

## **Employment Training Panel**

### **CALIFORNIA EMPLOYMENT TRAINING PANEL**

The Employment Training Panel (ETP) provides funding to employers to assist in upgrading the skills of their workers through training that leads to good paying, long-term jobs.

### **Eligibility Requirements**

Priority Industries:

1. Agriculture
2. Allied Healthcare

3. Biotechnology and Life Sciences
4. Construction
5. Green/Clean Technology
6. Goods Movement and Transportation Logistics
7. Information Technology Services
8. Manufacturing/Food Production
9. Multimedia/Entertainment
10. Technical Services

In direct response to the COVID-19 outbreak, the Employment Training Panel (ETP) has implemented, through the end of the current fiscal year, June 30, 2021, critical modifications to the funding priorities. ETP's current funding priorities are now focused towards companies identified as critical and in essential industries, within Governor Newsom's Executive Order N-33-20.

Under its core program, ETP can only fund training for employers that are subject to paying the Employment Training Tax. The core-funded ETP Program is supported by this tax. ETP can contract directly with the following entities:

1. Single Employers subject to the Unemployment Insurance tax and having a California Employer Account Number (CEAN) with a prefix of 699 or lower;
2. Groups of Employers, including Chambers of Commerce, Joint Apprenticeship Training Committees, Trade Associations or Economic Development Corporations;
3. Training Agencies include the following educational institutions:
  - a) Community College or Community College District
  - b) University or University foundations
  - c) Adult School
  - d) Regional Occupational Program
  - e) Private training agency with at least a two-year history of providing training and placement services to the public, and appropriate certification (see right).
4. Workforce Development Boards (WDB) (formerly Workforce Investment Boards) with the approval of appropriate local elected officials in the local workforce investment areas. The current EDD One-Stop Career Center Listing provides a list of Workforce Development Boards located throughout California; and
5. Workforce Investment Act (WIA) Grant Recipients or WIA Administrative Entities selected pursuant to the federal Workforce Investment Act of 1998, with the approval of the local Workforce Development Board and the appropriate local elected officials. The current EDD Local Workforce Investment Area Listing of One-Stop Career Centers represents a list of WIA Grant Recipients and Administrative Entities located throughout California.

Re-trainees are incumbent workers who meet any one of the following criteria:

1. workers employed full-time for a minimum of 90 days with a single employer, and are participants in the training program;
2. workers who have been employed for less than 90 days with their current employer and have a work history of being employed for at least an average of 20 hours per week for at least 90 days by an ETP eligible employer(s) during the 180-day period preceding their current hire date;
3. workers who were employed less than 90 days prior to the start date of employment with their current employer and were collecting Unemployment Insurance (U.I.) benefits or had exhausted their benefits within the previous two years.

New hire trainees are unemployed at the start of ETP-funded training and are receiving Unemployment Insurance Benefits at the time of hire or have exhausted their benefits within the previous 24-month period. Workers who have received a layoff notice from their employer are also eligible for these training projects.

### Application Information

Please follow the steps below to apply for funding from the Employment Training Panel.

1. Step 1: Registration
2. Step 2: Orientation
3. Step 3: Preliminary Application
4. Step 4: Regional Office Site Visit
  - If the Pre-Application is determined eligible, you will be contacted by an ETP Regional Office analyst to schedule a site visit at your facility, during which you will review and discuss contracting requirements and be provided a list of documentation required to complete the development of the ETP contract.
5. Step 5: Application for Funding
  - Following the site visit, an ETP analyst will assist you in completing the Application for Funding, and work with you to finalize contract terms and conditions and prepare the final contract for your training proposal.
6. Step 6: Panel Approval
  - All training proposals/applications are reviewed and considered for approval by the Panel at regular monthly meetings. You, or a representative of your company, may be required to attend the Panel meeting for a brief presentation and/or to address questions about your proposal.
7. Step 7: Funded Training Begins
  - You will be officially notified that you may begin training after the Panel approves your training proposal.

Panel meeting dates and application due dates are listed on the program website.

[Application Link](#)

[Additional information from the Employment Training Panel.](#)

## Other Credits, Incentives, and Government Programs

### 501 (C)(3) Bonds

#### CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK (I-BANK)

501(c)(3) Bond Financing provides low-cost, tax-exempt financing to nonprofit public benefit corporations for acquisitions and/or improvements of facilities and capital assets.

### Affordable Housing & Sustainable Communities

#### CALIFORNIA STRATEGIC GROWTH COUNCIL

AHSC provides funding for affordable housing developments (new construction or renovation) and transportation infrastructure.

## California Capital Access Program (CalCAP) Americans With Disabilities Act (ADA) Financing Program

### CALIFORNIA STATE TREASURER'S OFFICE

The California Capital Access Americans with Disabilities Act (ADA) Financing Program (CalCAP/ADA Financing Program or CalCAP/ADA) encourages banks and other financial institutions to make loans to small businesses that have difficulty obtaining financing.

## California Capital Access Program (CalCAP)

### CALIFORNIA AIR RESOURCES BOARD (CARB)

The CalCAP Heavy-Duty Vehicle Air Quality Loan Program is a loan loss reserve program, which may provide up to 100% coverage on losses from certain loan defaults.

## California Capital Access Program (Calcap) Collateral Support Program

### CALIFORNIA STATE TREASURER'S OFFICE

The California Capital Access Program Collateral Support (CalCAP CS) is a credit enhancement program that pledges cash to cover the collateral shortfall of loans made by participating lending institutions of \$50,000 or more.

## California Covid-19 Microloan Initiative

### CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK (IBANK) - SMALL BUSINESS FINANCE CENTER (SBF)

The COVID-19 Microloan Initiative provides collection guarantees to lenders that provide financing to small businesses who have suffered either a physical or economic loss due to the COVID-19 pandemic. The guarantees are facilitated by one of seven non-profit Financial Development Corporations (FDCs). The FDCs partner with the SBFC and participating lenders to provide up to a 95% guarantee on eligible small business loans issued by the participating lender.

## California Disaster Relief Loan Guarantee Program

### CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK (IBANK) - SMALL BUSINESS FINANCE CENTER (SBF)

The Disaster Relief Loan Guarantee Program provides collection guarantees to lenders that provide financing to small businesses who have suffered either a physical or economic loss due to a declared disaster. The guarantees are facilitated by one of seven non-profit Financial Development Corporations (FDCs). The FDCs partner with the SBFC and participating lenders to provide up to a 95% (or \$1 million maximum) guarantee on eligible small business loans issued by the participating lender.

## California Recycle Underutilized Sites (Cal Reuse) Program

### CALIFORNIA POLLUTION CONTROL FINANCING AUTHORITY

The Assessment Program provides forgivable loans, up to \$300,000 generally and \$500,000 for housing projects, to fund site assessment and characterization, technical assistance, remedial action plans, and site access.

## **CalSEED**

### **CALIFORNIA CLEAN ENERGY FUND**

The California Sustainable Energy Entrepreneur Development Initiative (CalSEED) is an early-stage grant funding and professional development program for diverse innovators and entrepreneurs working to bring clean energy concepts to market.

## **CDBG - Economic Development Allocation, Enterprise Fund**

### **CALIFORNIA DEPARTMENT OF HOUSING AND COMMUNITY**

Development Grants of up to \$500,000 to provide loans to businesses and grants for publicly-owned infrastructure and microenterprise assistance.

## **CDBG - Economic Development Allocation, Over The Counter Component**

### **CALIFORNIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT**

The California CDBG Economic Development Over the Counter program grants of up to \$3,000,000 for eligible cities and counties to lend to identified businesses or use for infrastructure improvements necessary to accommodate the creation, expansion, or retention of identified businesses.

## **Clean Off-Road Equipment Voucher Incentive Project (CORE)**

### **CALIFORNIA AIR RESOURCES BOARD**

This streamlined voucher incentive project helps offset the higher cost of zero-emission technology with a point-of-sale discount. There is no scrappage requirement, and additional funding is available for charging and fueling infrastructure and for equipment deployed in disadvantaged communities.

## **Conservation Agriculture Planning Grants Program**

### **CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE**

This program will fund the development of plans that will help farmers and ranchers identify actions for climate change mitigation and adaptation, further environmental stewardship on farms and ranches and ensure agricultural food security into the future.

## **Diesel Fuel Exemption**

### **CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION**

A partial exemption from sales and use tax for the sale, storage, use, or other consumption of diesel fuel used in farming activities or food processing.

## Economic Development Rate

### CALIFORNIA PUBLIC UTILITIES COMMISSION

In order to retain businesses in, or attract businesses to California, the CPUC has approved economic development rates that provide an enhanced discount (30%) and a standard discount (12%) off their otherwise applicable tariff.

## Exempt Facility Bond Program

### CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK (I-BANK)

Exempt Facility Bond Financing are qualified private activity bonds (tax-exempt and taxable) for infrastructure projects that serve the general public.

## Farm Equipment and Machinery Exemption

### CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION

A partial exemption from sales and use tax for the sale, storage, use, or other consumption of farm equipment, machinery and their parts to qualified persons for use in qualifying activities. The partial exemption also applies to leases of certain farm equipment and machinery.

## Farm Loan Program

### CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK

The Farm Loan Program provides direct loans to small farms in California through non-profit Financial Development Corporations (FDCs) that are also approved lenders of the U.S. Department of Agriculture, Farm Services Agency, which guarantees up to 90% of those loans.

## Film & Tv Tax Credit Program 3.0

### CALIFORNIA FILM COMMISSION

The California Film Commission administers the Film & Television Tax Credit Program 3.0 which provides tax credits based on qualified expenditures for eligible productions that are produced in California.

## Food Production Investment Program

### CALIFORNIA ENERGY COMMISSION

The Food Production Investment Program will help producers replace high-energy-consuming equipment and systems with market-ready and advanced technologies and equipment. The program will also accelerate the adoption of state-of-the-art energy technologies that can substantially reduce energy use and costs and associated GHG emissions.

## Food Waste Prevention and Rescue Grant Program

### CALRECYCLE

Provides funding for businesses undertaking projects to increase food recovery efforts.

## Funding Agricultural Replacement Measures for Emission Reductions (FARMER)

### CALIFORNIA AIR RESOURCES BOARD

The Funding Agricultural Replacement Measures for Emission Reductions (FARMER) Program provides funding through local air districts for agricultural harvesting equipment, heavy-duty trucks, agricultural pump engines, tractors, and other equipment used in agricultural operations.

## Greenhouse Gas Reduction Loan Program

### CALRECYCLE

The GHG Reduction Loan Program provides funds to support new or expanded organics infrastructure, such as composting and anaerobic digestion facilities, as well as for facilities that manufacture fiber, plastic or glass waste materials into beneficial products.

## Healthy Soils Program Incentives Program

The HSP Incentives Program provides financial assistance for implementation of conservation management that improve soil health, sequester carbon and reduce greenhouse gas (GHG) emissions.

## Industrial Development Bonds (IDBs)

### CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK (I-BANK)

Industrial Development Bonds (IDBs) are tax-exempt securities issued up to \$10 million by a government agency to provide money for the acquisition, construction, rehabilitation and equipping of manufacturing and processing facilities for private companies.

## Infrastructure State Revolving Fund Program

### CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK (I-BANK)

The Infrastructure State Revolving Fund (ISRF) Program provides financing to public agencies and non-profit corporations, sponsored by public agencies, for a wide variety of infrastructure and economic development projects (excluding housing).

## Jump Start Loan Program

### CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK (IBANK) - SMALL BUSINESS FINANCE CENTER (SBF)

The Jump Start Program provides technical assistance, financial literacy training, and microloans to low-wealth entrepreneurs or borrowers located in a low-wealth community or in an area with a declared disaster.

## Manufacturing And Research & Development Equipment Exemption

### CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION

The Manufacturing and Research & Development Equipment Exemption allows manufacturers and certain

research, and developers may qualify for a partial exemption of sales and use tax on certain manufacturing and research and development equipment purchases and leases.

Net Operating Loss Carryover California Franchise Tax Board California tax law allows businesses that experience a loss for the year to apply this loss two years back or carry it forward to the next year in order to offset income in the following years.

## **New Employment Credit**

### **CALIFORNIA FRANCHISE TAX BOARD**

The New Employment Credit (NEC) is a California tax credit that encourages hiring and employment in the state. The NEC is available to businesses located in designated areas in the state that hire qualified full-time employees, receive a tentative credit reservation for that employee, and meet other requirements.

## **Organics Grant Program**

### **CALRECYCLE**

Provides funding for businesses undertaking projects to increase organic composting or digesting capacity.

## **Pollution Control Tax-Exempt Bond Financing Program**

### **CALIFORNIA POLLUTION CONTROL FINANCING AUTHORITY**

The Pollution Control Tax-Exempt Bond Financing Program provides private activity tax-exempt bond financing to California businesses for the acquisition, construction, or installation of qualified pollution control, waste disposal, waste recovery facilities, and the acquisition and installation of new equipment.

## **Recycled Fiber, Plastic, And Glass Grant Program**

### **CALRECYCLE**

This program is part of California Climate Investments, a statewide program that puts billions of cap-and-trade dollars to work reducing greenhouse gas emissions, strengthening the economy and improving public health and the environment particularly in disadvantaged communities.

## **Recycling Market Development Zone Revolving Loan Program**

### **CALIFORNIA DEPARTMENT OF RESOURCES RECYCLING AND RECOVERY (CALRECYCLE)**

The Recycling Market Development Zone Loan Program encourages and finances California-based recycling businesses located within California to prevent, reduce, or recycle recovered waste materials through value-added processing or manufacturing.

## **Research And Development Tax Credit**

### **CALIFORNIA FRANCHISE TAX BOARD**

The California Research and Development Credit reduces income or franchise tax for the credit if a business paid or incurred qualified research expenses while conducting qualified research in California.

## Sales and Use Tax Exclusion (STE) Program

The California Alternative Energy and Advanced Transportation Financing Authority (CAEATFA) supports the state mission to provide financial incentives to cutting-edge companies by offering a sales and use tax exclusion to manufacturers that promote alternative energy and advanced transportation.

## Sales and Use Tax Exemption for Agriculture

### CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION

The California Department of Tax and Fee Administration administers a partial exemption from the sales and use tax for the sale, storage, use, or other consumption of farm equipment, machinery and their parts.

## State Water Efficiency & Enhancement Program Sweep

### CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE

The State Water Efficiency and Enhancement Program (SWEEP) provides financial assistance in the form of grants to implement irrigation systems that reduce greenhouse gases and save water on California agricultural operations.

## Teleproduction or Other Postproduction Service Exemption

### CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION

A partial exemption from sales and use tax for the sale, storage, use, or other consumption of machinery, equipment including component parts to a qualified person used primarily in teleproduction or other postproduction services. The exemption also includes property sold or purchased by a qualified person primarily to maintain, repair, measure, or test any property used in teleproduction or postproduction services. The partial exemption may also apply to rental receipts paid by a qualified person for teleproduction or postproduction equipment and machinery.

## Timber Harvesting Exemption

### CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION

A partial exemption from sales and use tax for the sale, storage, use, or other consumption of machinery and their parts designed primarily for off-road use in commercial timber harvesting operations by a qualified person. The partial exemption also applies to leases of off-road commercial timber harvesting equipment and machinery subject to tax measured by rentals payable.

## Underground Storage Tank (UST) Cleanup Fund

### CALIFORNIA WATER RESOURCES CONTROL BOARD

The Underground Storage Tank (UST) Cleanup Fund assists a large number of small businesses and individuals by providing reimbursement for expenses associated with the cleanup of leaking USTs.