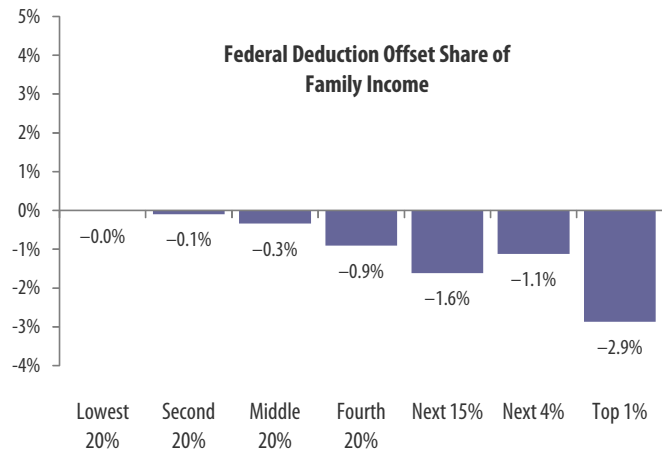
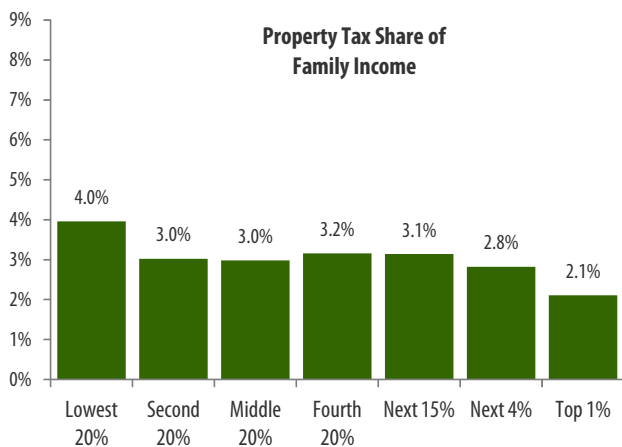
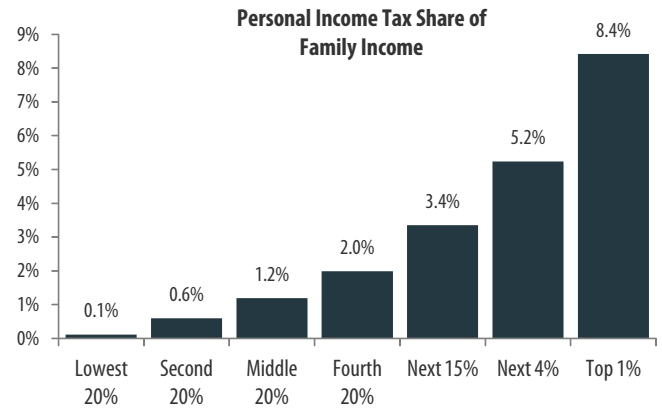
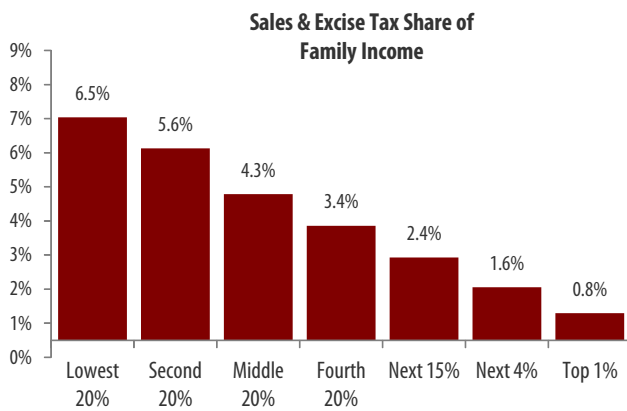
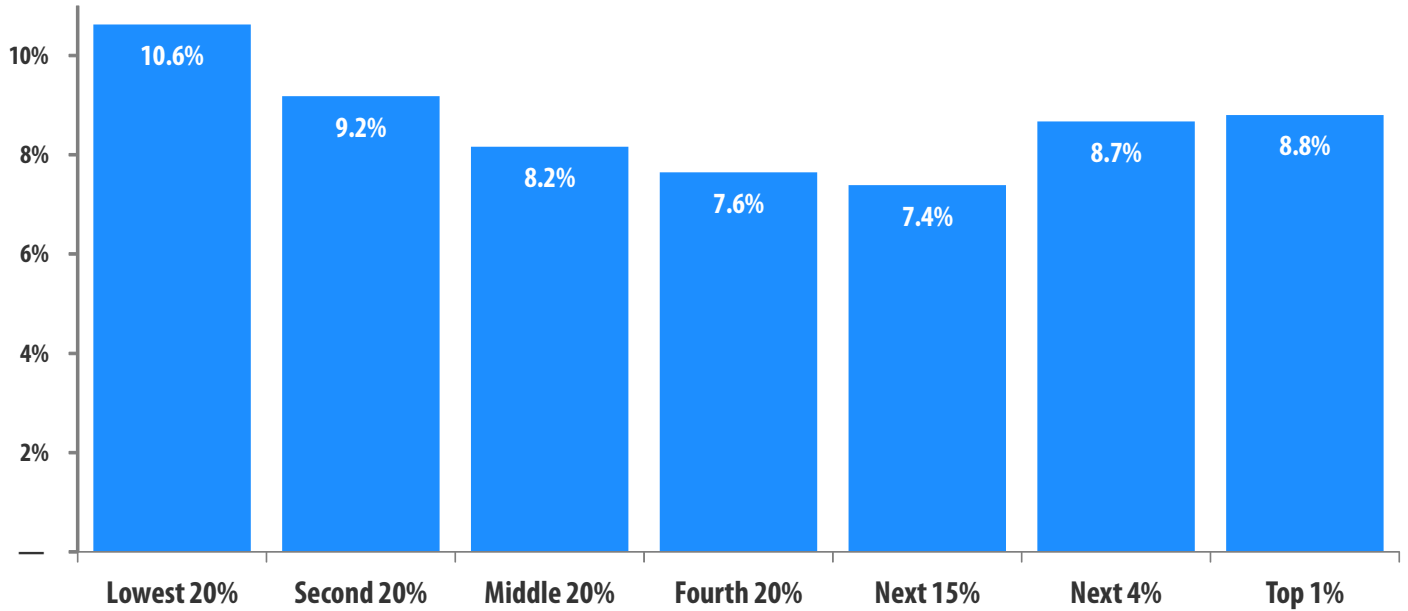


California State & Local Taxes

Shares of family income for non-elderly taxpayers



Note: Figures show temporary California tax law enacted in November 2012 (Proposition 30) at 2010 income levels. Temporary provisions impact the personal income tax (three upper-income brackets) and sales tax (.25 cent increase). Top figure represents total state and local taxes as a share of income, post- federal offset.

California State & Local Taxes

Details, Tax Code Features, & Recent Developments

Income Group	Lowest 20%	Second 20%	Middle 20%	Fourth 20%	Top 20%		
					Next 15%	Next 4%	TOP 1%
Income Range	Less than \$21,000	\$21,000 – \$36,000	\$36,000 – \$57,000	\$57,000 – \$96,000	\$96,000 – \$200,000	\$200,000 – \$466,000	\$466,000 or more
Average Income in Group	\$13,000	\$28,600	\$45,900	\$74,300	\$132,500	\$290,100	\$1,560,800
Sales & Excise Taxes	6.5%	5.6%	4.3%	3.4%	2.4%	1.6%	0.8%
General Sales—Individuals	3.1%	2.8%	2.3%	1.8%	1.4%	0.9%	0.4%
Other Sales & Excise—Ind.	1.0%	0.7%	0.5%	0.3%	0.2%	0.1%	0.0%
Sales & Excise on Business	2.5%	2.1%	1.6%	1.2%	0.8%	0.5%	0.3%
Property Taxes	4.0%	3.0%	3.0%	3.2%	3.1%	2.8%	2.1%
Property Taxes on Families	3.9%	3.0%	2.9%	3.0%	3.0%	2.4%	1.0%
Other Property Taxes	0.0%	0.1%	0.1%	0.1%	0.2%	0.4%	1.1%
Income Taxes	0.1%	0.6%	1.2%	2.0%	3.4%	5.4%	8.8%
Personal Income Tax	0.1%	0.6%	1.2%	2.0%	3.4%	5.2%	8.4%
Corporate Income Tax	0.0%	0.0%	0.0%	0.1%	0.1%	0.2%	0.3%
Total Taxes	10.6%	9.3%	8.5%	8.6%	9.0%	9.8%	11.7%
Federal Deduction Offset	0.0%	-0.1%	-0.3%	-0.9%	-1.6%	-1.1%	-2.9%
OVERALL TOTAL	10.6%	9.2%	8.2%	7.6%	7.4%	8.7%	8.8%

Note: Table shows detailed breakout of data on previous page.

Progressive Features

- ✓ Income tax uses a graduated rate structure
- ✓ Provides personal income tax credits in place of personal and dependent exemptions
- ✓ Sales tax base excludes groceries

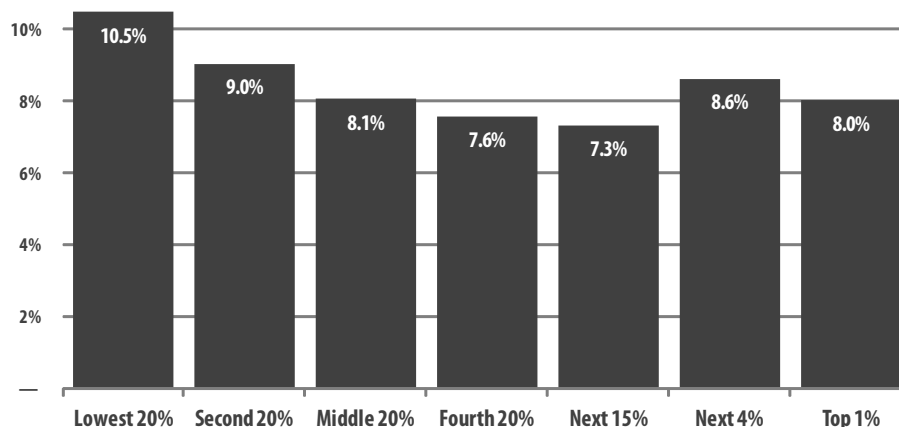
Regressive Features

- ✗ Fails to provide a property tax “circuit breaker” credit to non-elderly taxpayers
- ✗ Comparatively high combined state and local sales tax rate
- ✗ Fails to provide a refundable Earned Income Tax Credit (EITC)

Recent Developments

- ▲ Increased upper- income personal income tax rates and sales tax rate on a temporary basis
- ▲ Enacted mandatory single-sales factor apportionment rules for calculating the corporate income tax
- ▲ Amazon will begin to collect sales tax from online purchases

Distribution of Total State & Local California Taxes Under Permanent Law



Note: Total state and local taxes as a share of 2010 income, post- federal offset under permanent law in California. Figure shows distribution of Ca