

Accrual Estimates
(\$ in Millions)

Payments	2007-2008	2008-2009	2009-2010
Estimate Payments	\$200.9	\$1,170.4	\$1,249.0
Return Remittances Payments	990.2	606.8	580.4
Other	1,265.4	1,015.3	1,004.5
Withholding (EDD)	979.2	1,039.5	1,086.8
Withholding (FTB)	51.7	27.5	27.5
Total	3,487.4	3,859.5	3,948.2
Refunds	-2,329.8	-2,305.3	-2,324.1
Net	\$1,157.6	\$1,554.2	\$1,624.1

05/01/2009

\\Accrual 0409.xls

Reported in Nov 08

Accrual Estimates
(\$ in Millions)

Payments	2007-2008	2008-2009	2009-2010
Estimate Payments	\$202.2	\$1,138.4	\$1,179.1
Return Remittances Payments	957.9	641.5	708.7
Other	1,389.2	1,078.7	1,050.9
Withholding (EDD)	982.8	1,007.0	1,031.9
Withholding (FTB)	51.7	32.7	32.7
Total	\$3,583.8	\$3,898.3	\$4,003.4
Refunds	-2,234.3	-2,223.0	-2,349.4
Net	\$1,349.4	\$1,675.2	\$1,654.0

12/01/2008

\\Accrual 112008.XLS

FRANCHISE TAX BOARD
Personal Income Tax

Exhibit A-2
Page 1 of 1

STATUS OF REFUND CLAIMS REMAINING TO BE PROCESSED
INVENTORY AS OF April 30, 2009
RETURNS NOT ON TAXPAYER INFORMATION SYSTEM

	Number	Amount (Thousands)	
Refund returns in Receiving	749,492	\$711,403	_1
Non-remittance returns in Transcriptions/Imaging	125,933	\$119,533	_1
Claim for Refund returns on Return Validation File	112,681	\$127,981	_2
Total:	988,106	\$958,917	

_1 Average April refund of \$949 applied to inventory.

_2 Average refund of \$1,135

FTB/Research 05/01/09

\ex-a2.xls

FRANCHISE TAX BOARD
 Personal Income Tax
 Comparison of Early Returns Processed in 2008 to Total Processed

2007 Tax Year Resident Returns Through April 27, 2008				
Adjusted Gross Income Class	Returns (000)	Adjusted Gross Income (\$ mil)	Taxable Income (\$ mil)	Tax Liability (\$ mil)
Less Than \$0	91.7	(3,557.6)	N/A	1.1
1 to 10,000	1,491.9	8,168.3	2,813.7	8.8
10,001 to 20,000	1,880.0	28,265.8	17,445.9	48.7
20,001 to 50,000	3,962.0	130,939.6	95,254.9	1,229.2
50,001 to 100,000	2,479.9	174,699.5	131,825.1	4,047.3
100,001 to 200,000	1,152.9	154,865.5	122,206.8	6,317.0
200,001 to 500,000	275.4	77,086.2	66,202.9	4,910.5
500,001 to 1,000,000	35.4	23,635.8	22,132.8	1,897.1
1,000,001 and over	13.9	31,019.7	30,050.1	2,871.7
TOTAL	11,383.0	\$625,122.8	\$487,932.3	\$21,331.3
2007 Tax Year Resident Returns Through December 2008				
Adjusted Gross Income Class	Returns (000)	Adjusted Gross Income (\$ mil)	Taxable Income (\$ mil)	Tax Liability (\$ mil)
Less Than \$0	190.4	(14,940.9)	N/A	4.9
1 to 10,000	2,094.4	10,971.2	3,791.5	14.8
10,001 to 20,000	2,326.5	34,895.2	21,443.9	66.0
20,001 to 50,000	4,864.0	161,247.6	116,828.0	1,601.2
50,001 to 100,000	3,232.8	228,622.2	173,169.6	5,518.0
100,001 to 200,000	1,661.0	225,151.8	178,555.5	9,392.5
200,001 to 500,000	501.8	143,926.7	123,209.3	9,181.3
500,001 to 1,000,000	89.7	60,940.3	56,253.5	4,765.6
1,000,001 and over	55.7	209,153.4	197,859.0	19,010.0
TOTAL	15,016.3	\$1,059,967.5	\$871,110.3	\$49,554.2
Percent of Total				
Adjusted Gross Income Class	Returns	Adjusted Gross Income	Taxable Income	Tax Liability
Less Than \$0	48.2%	23.8%	N/A	21.4%
1 to 10,000	71.2%	74.5%	74.2%	59.3%
10,001 to 20,000	80.8%	81.0%	81.4%	73.8%
20,001 to 50,000	81.5%	81.2%	81.5%	76.8%
50,001 to 100,000	76.7%	76.4%	76.1%	73.3%
100,001 to 200,000	69.4%	68.8%	68.4%	67.3%
200,001 to 500,000	54.9%	53.6%	53.7%	53.5%
500,001 to 1,000,000	39.4%	38.8%	39.3%	39.8%
1,000,001 and over	24.9%	14.8%	15.2%	15.1%
TOTAL	75.8%	59.0%	56.0%	43.0%

Source: Franchise Tax Board Return Merge File
 Detail may not add to total due to rounding

FRANCHISE TAX BOARD

Personal Income Tax

Comparison of Early Returns in 2008 and 2009

2007 Tax Year Returns for Residents Processed Through April 27*, 2008				
Adjusted Gross Income Class	Returns (000)	Adjusted Gross Income (\$ mil)	Taxable Income (\$ mil)	Tax Liability (\$ mil)
Less Than \$0	91.7	(3,557.6)	N/A	1.1
1 to 10,000	1,491.9	8,168.3	2,813.7	8.8
10,001 to 20,000	1,880.0	28,265.8	17,445.9	48.7
20,001 to 50,000	3,962.0	130,939.6	95,254.9	1,229.2
50,001 to 100,000	2,479.9	174,699.5	131,825.1	4,047.3
100,001 to 200,000	1,152.9	154,865.5	122,206.8	6,317.0
200,001 to 500,000	275.4	77,086.2	66,202.9	4,910.5
500,001 to 1,000,000	35.4	23,635.8	22,132.8	1,897.1
1,000,001 and over	13.9	31,019.7	30,050.1	2,871.7
TOTAL	11,383.0	\$625,122.8	\$487,932.3	\$21,331.3
2008 Tax Year Returns for Residents Processed Through April 25*, 2009				
Adjusted Gross Income Class	Returns (000)	Adjusted Gross Income (\$ mil)	Taxable Income (\$ mil)	Tax Liability (\$ mil)
Less Than \$0	118.8	(5,367.6)	\$0	1.1
1 to 10,000	1,434.9	7,897.4	2,523.8	6.5
10,001 to 20,000	1,897.5	28,504.1	17,165.0	39.1
20,001 to 50,000	3,954.4	130,792.1	95,851.9	1,132.2
50,001 to 100,000	2,531.6	178,649.4	137,327.2	4,042.1
100,001 to 200,000	1,235.8	166,698.8	132,683.4	6,660.3
200,001 to 500,000	298.2	82,692.0	70,712.6	5,135.8
500,001 to 1,000,000	33.7	22,498.7	21,011.3	1,786.8
1,000,001 and over	12.5	27,727.3	26,790.2	2,540.4
TOTAL	11,517.4	\$640,092.2	\$504,065.4	\$21,344.3
Percentage Change				
Adjusted Gross Income Class	Returns	Adjusted Gross Income	Taxable Income	Tax Liability
Less Than \$0	29.6%	-50.9%	N/A	4.7%
1 to 10,000	-3.8%	-3.3%	-10.3%	-25.8%
10,001 to 20,000	0.9%	0.8%	-1.6%	-19.7%
20,001 to 50,000	-0.2%	-0.1%	0.6%	-7.9%
50,001 to 100,000	2.1%	2.3%	4.2%	-0.1%
100,001 to 200,000	7.2%	7.6%	8.6%	5.4%
200,001 to 500,000	8.3%	7.3%	6.8%	4.6%
500,001 to 1,000,000	-4.8%	-4.8%	-5.1%	-5.8%
1,000,001 and over	-10.0%	-10.6%	-10.8%	-11.5%
TOTAL	1.2%	2.4%	3.3%	0.1%

* Matching number of process days in 2009 to 2008 for comparison
 Source: Franchise Tax Board Return Merge File Through 04-25-2009
 Detail may not add to total due to rounding

**FRANCHISE TAX BOARD
PERSONAL INCOME TAX STATISTICS**

EXHIBIT A-4
PAGE 1 OF 5

Comparison of 2006-2007 Tax Year Statistical Sample Data

Resident Returns

(Returns in Thousands, Amounts in Millions **** Values Smaller than .5 Thousands or .5 Millions respectively)

Data Item	2006		2007*		% Change	
	Returns	Amount	Returns	Amount	Number	Amount
NUMBER OF RETURNS	14,383		15,016		4.4	
FORM 1040 SOURCES OF INCOME						
Wages, Salaries, Tip	12,048	664,957	12,530	712,846	4.0	7.2
Taxable Interest	7,099	31,652	7,329	37,379	3.2	18.1
Dividend	3,318	26,001	3,400	30,444	2.5	17.1
State Tax Refund	3,136	5,135	3,130	5,462	-0.2	6.4
Alimony	62	1,179	71	1,451	14.7	23.0
Net Business Income	2,566	45,420	2,742	43,871	6.9	-3.4
Business Income	1,960	51,681	2,081	51,141	6.2	-1.0
Business Loss	606	6,261	661	7,271	9.0	16.1
Net Capital Gain	2,967	117,958	3,024	132,164	1.9	12.0
Capital Gain	1,818	120,632	1,988	134,586	9.4	11.6
Capital Loss	1,149	2,674	1,036	2,422	-9.9	-9.4
Net Other Gain	186	308	169	-532	-8.8	-273.0
Other Gain	84	1,599	74	1,366	-11.3	-14.6
Other Loss	102	1,291	95	1,898	-6.8	47.0
IRA Distributions (Taxable)	888	12,811	960	14,498	8.1	13.2
Pension Income (Taxable)	2,092	45,082	2,203	49,334	5.3	9.4
Net Supplemental Income	1,862	60,607	1,934	56,934	3.8	-6.1
Supplemental Income (Schedule E)	1,024	84,012	1,060	86,876	3.6	3.4
Supplemental Loss (Schedule E)	839	23,405	874	29,942	4.2	27.9
Schedule E						
Rental/Royalties Income	596	12,645	614	13,473	3.0	6.5
Rental/Royalties Loss	687	10,164	702	11,552	2.1	13.7
Partnership and S Corp. Income	621	81,453	649	85,274	4.5	4.7
Partnership and S Corp. Loss	531	26,661	586	33,616	10.3	26.1
Estate and Trust Income	95	3,528	100	3,599	5.4	2.0
Estate and Trust Loss	27	369	29	499	5.3	35.3
Other Income	23	283	23	352	-1.3	24.3
Other Loss	11	108	14	99	29.4	-9.1
Net Farm Income/Loss	66	-857	58	-535	-12.5	37.6
Farm Income	17	679	17	756	3.7	11.3
Farm Loss	49	1,536	40	1,291	-18.0	-16.0
Unemployment Income	891	3,554	945	3,946	6.1	11.0
Taxable Social Security Income	1,329	14,897	1,452	16,789	9.3	12.7
Net Other Income	1,307	-3,330	1,428	-4,077	9.2	-22.4
Other Income	842	11,456	962	11,552	14.2	0.8
Other Loss	166	14,797	183	15,615	10.3	5.5
TOTAL INCOME	14,372	1,025,374	15,011	1,099,974	4.4	7.3

Source: 2006 and 2007 Personal Income Tax Statistical Samples

*Preliminary Data

EX-A4 2007 2009-05-01 no form.xls;2007 YRND Sample 09-05-01

**FRANCHISE TAX BOARD
PERSONAL INCOME TAX STATISTICS**

EXHIBIT A-4
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Comparison of 2006-2007 Tax Year Statistical Sample Data

Resident Returns

(Returns in Thousands, Amounts in Millions **** Values Smaller than .5 Thousands or .5 Millions respectively)

Data Item	2006		2007*		% Change	
	Returns	Amount	Returns	Amount	Number	Amount
FORM 1040 ADJUSTMENTS TO INCOME						
Educator Expense	260	70	282	72	8.6	3.7
Certain Business Expenses	10	34	11	48	15.7	40.0
Taxpayer IRA Adjustments	390	1,626	378	1,571	-3.0	-3.4
Student Loan Interest Deduction	692	504	745	618	7.7	22.5
Tuition and Fees Deduction	373	723	485	918	29.8	26.8
Health Savings Account	34	96	67	200	98.6	109.2
Moving Expenses	77	214	75	196	-3.0	-8.5
Half of Self Employment Tax	2,160	3,703	2,303	3,684	6.6	-0.5
Health Insurance	528	2,666	515	2,874	-2.6	7.8
Keogh/SEP	203	4,096	183	3,863	-10.0	-5.7
Interest Penalty	138	45	153	55	11.5	20.7
Alimony Paid	89	1,592	86	1,566	-3.8	-1.6
Domestic Production	278	503	272	858	-2.3	70.7
Archer MSA Deduction	37	11
Other	241	65	252	166	4.7	156.7
TOTAL ADJUSTMENTS	3,685	15,949	3,934	16,688	6.7	4.6
FORM 1040 ADJUSTED GROSS INCOME	14,375	1,009,425	15,013	1,083,285	4.4	7.3
FORM 1040 ITEMIZED DEDUCTIONS						
Medical Expenses Allowed	1,269	9,505	1,305	10,316	2.9	8.5
State Tax Payment	6,016	52,222	6,119	54,904	1.7	5.1
Real Estate Tax	5,093	22,038	5,155	24,026	1.2	9.0
Personal Property Tax	4,474	1,761	4,505	1,708	0.7	-3.0
Other Taxes	1,492	458	1,440	447	-3.5	-2.5
Mortgage Interest Reported on Form 1098	4,823	86,615	4,847	98,405	0.5	13.6
Mortgage Interest not on Form 1098	179	1,339	170	1,445	-5.3	7.9
Points not reported on Form 1098	738	847	680	667	-7.9	-21.2
Qualified Mortgage Insurance Premiums (new!)	.	.	71	118	.	.
Investment Interest	271	4,104	279	4,655	2.8	13.4
Total Contributions	5,135	27,637	5,048	24,907	-1.7	-9.9
Casualty Loss	12	273	18	447	53.0	63.5
Unrelated Employee Expenses	2,499	11,429	2,549	12,303	2.0	7.7
Tax Preparation Fees	3,204	1,041	3,397	1,132	6.0	8.7
Other Expenses	1,632	5,123	1,564	5,821	-4.2	13.6
Total Expense	3,933	17,574	4,125	19,238	4.9	9.5
Expenses Allowed	2,042	12,286	2,088	13,402	2.2	9.1
Miscellaneous Deduction	226	4,024	235	4,120	3.8	2.4
TOTAL ITEMIZED DEDUCTIONS	6,122	213,263	6,224	231,653	1.7	8.6

**FRANCHISE TAX BOARD
PERSONAL INCOME TAX STATISTICS**

EXHIBIT A-4
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Comparison of 2006-2007 Tax Year Statistical Sample Data
Resident Returns

(Returns in Thousands, Amounts in Millions **** Values Smaller than .5 Thousands or .5 Millions respectively)

Data Item	2006		2007*		% Change	
	Returns	Amount	Returns	Amount	Number	Amount
ITEMIZED DEDUCTION ADJUSTMENT						
Federal Itemized Deduction	6,815	221,611	7,142	241,599	4.8	9.0
State Tax Paid	6,693	52,309	7,010	55,084	4.7	5.3
Other Adjustments	349	126	425	35	21.8	-71.9
Total Itemized Deductions	6,479	169,701	6,703	186,810	3.5	10.1
Itemized Deductions After Limitation**	6,478	163,099	6,704	179,591	3.5	10.1
TOTAL CA DEDUCTIONS	7,453	167,910	7,332	183,132	-1.6	9.1
SUBTRACTION ADJUSTMENT						
Wages	34	572	43	801	25.0	40.0
California Non-taxable Interest	323	3,128	352	3,906	8.9	24.9
Non-taxable Dividend Income	104	580	118	699	13.8	20.5
State Tax Refund	3,144	5,133	3,140	5,467	-0.1	6.5
Business Income	198	349	198	486	0.4	39.4
Capital Gains	79	855	78	854	-1.3	-0.2
Other Gains	33	179	29	226	-12.3	26.0
IRA Distributions	11	52	15	77	39.9	49.3
Pension and Annuities	14	164	20	182	44.0	10.8
Rents, Royalties, and Partnerships	274	2,201	251	2,075	-8.3	-5.7
Farm Income	19	59	16	45	-16.5	-24.2
Unemployment Compensation	887	3,538	942	3,937	6.2	11.3
Social Security Income	1,336	15,019	1,456	16,965	9.0	13.0
Lottery Income	11	494	12	494	14.6	-0.1
Disaster Loss Carryover	3	113	2	82	-31.7	-27.9
NOL Carryover	102	9,151	112	10,781	8.9	17.8
Other NOL Adjustments	1	58	****	10	****	-83.1
Other Income Adjustments	31	782	46	982	48.9	25.6
Educator Expense	288	-76	319	-82	10.8	-7.6
Certain Business Expenses	1	-2	2	-4	97.5	-71.5
Tuition and Fees Deduction	454	-893	520	-997	14.7	-11.7
Health Savings Account	30	-89	65	-198	119.6	-122.1
Self-Employed Health Insurance	****	****	****	****	****	****
Domestic Production	281	-508	273	-866	-3.1	-70.7
Other	21	-64	21	-91	0.5	-40.6
Total Adjustments to Income Adjustment	811	-1,608	936	-2,273	15.4	-41.3
TOTAL SUBTRACTION	5,698	40,926	5,941	45,744	4.3	11.8
ADDITION ADJUSTMENT						
Wage	16	89	37	208	133.0	134.2
Other State Bond Interest	185	1,485	213	1,462	14.7	-1.6
Dividend Income	71	357	66	337	-6.7	-5.4
Alimony	1	3	****	2	****	-19.8

**includes itemized smaller than the standard before taxpayer choice

**FRANCHISE TAX BOARD
PERSONAL INCOME TAX STATISTICS**

EXHIBIT A-4
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Comparison of 2006-2007 Tax Year Statistical Sample Data

Resident Returns

(Returns in Thousands, Amounts in Millions **** Values Smaller than .5 Thousands or .5 Millions respectively)

Data Item	2006		2007*		% Change	
	Returns	Amount	Returns	Amount	Number	Amount
Business Income	62	453	60	383	-3.9	-15.4
Capital Gains	119	831	110	697	-7.2	-16.1
Other Gains	13	51	12	94	-12.9	82.2
Taxable IRA	2	8	1	2	-46.1	-79.6
Taxable Pensions & Annuities	3	17	3	11	-8.6	-36.7
Rents, Royalties, and Partnerships	334	4,058	397	5,036	18.9	24.1
Farm Income	4	80	4	70	-12.6	-12.6
Federal Net Operating Loss	123	13,597	131	14,656	6.5	7.8
Other Income Adjustments	28	547	35	633	22.7	15.6
Certain Business Expenses	1	-2	1	****	-14.2	****
Self-Employed Health Insurance	****	****	****	****	****	****
Alimony Paid	****	-1	****	****	****	****
Student Loan Interest Deduction	9	-4	5	-2	-49.6	48.6
Other	1	-4	3	-10	516.8	-167.7
Total Adjustments to Income Adjustment	11	-10	9	-12	-20.0	-18.3
TOTAL ADDITION	844	21,599	935	23,651	10.8	9.5
CA ADJUSTED GROSS INCOME	14,383	990,693	15,016	1,061,495	4.4	7.1
CA DEDUCTIONS FROM FORM 540						
Itemized	5,976	160,570	6,113	176,806	2.3	10.1
Standard	8,405	40,442	8,902	44,113	5.9	9.1
TOTAL 540 DEDUCTIONS (calculated)	14,382	201,012	15,016	220,919	4.4	9.9
TAXABLE INCOME	14,383	812,005	15,016	872,869	4.4	7.5
COMPUTED TAX	13,237	48,452	13,717	52,486	3.6	8.3
EXEMPTION CREDIT	13,353	5,000	13,978	5,385	4.7	7.7
RENTER'S CREDIT	1,299	95	1,369	98	5.3	3.7
SPECIAL CREDITS	133	876	138	896	4.1	2.3
CA ALTERNATIVE MINIMUM TAX	10	40	8	37	-20.5	-6.6
MENTAL HEALTH SERVICES TAX	47	1,281	52	1,430	9.0	11.6
OTHER TAXES	447	111	453	120	1.4	8.8
CA TOTAL TAX LIABILITY	8,810	45,716	9,031	49,693	2.5	8.7
PREPAYMENTS						
Withheld	11,644	30,484	12,000	32,687	3.1	7.2
Real Estate/Other Withholding	67	1,074	36	606	-46.3	-43.6
Estimates Paid	1,161	18,677	1,175	20,991	1.2	12.4
Excess SDI	227	43	247	37	9.1	-13.9
CA Child Care Expense Credit	536	165	482	142	-10.1	-13.6
OVERPAYMENT	9,848	10,301	9,966	10,682	1.2	3.7
BALANCE DUE	2,785	5,573	3,050	5,912	9.5	6.1
CREDIT TRANSFERS	426	2,439	414	2,574	-2.7	5.5
USE TAX	38	7	38	7	1.5	13.2
VOLUNTARY CONTRIBUTIONS	107	4	99	4	-7.9	-7.8
REFUNDS	9,547	7,854	9,678	8,100	1.4	3.1
PAYMENT DUE	2,791	5,576	3,056	5,914	9.5	6.1

Source: 2006 and 2007 Personal Income Tax Statistical Samples

*Preliminary Data

EX-A4 2007 2009-05-01 no form.xls;2007 YRND Sample 09-05-01

FRANCHISE TAX BOARD
PERSONAL INCOME TAX STATISTICS

Comparison of 2006 and 2007 Full Sample Statistical Sample Data

Adjusted Gross Income Class	2006		2007*		% Change	
	Amount ^a	Average	Amount ^a	Average	Amount	Average
Number of Returns						
Negative to Zero	172		185		7.4%	
1 to 10,000	1,921		2,083		8.4%	
10,000 to 20,000	2,295		2,343		2.1%	
20,000 to 50,000	4,767		4,865		2.1%	
50,000 to 100,000	3,125		3,227		3.3%	
100,000 to 200,000	1,522		1,665		9.5%	
200,000 to 500,000	448		501		12.0%	
500,000 to 1,000,000	83		91		9.0%	
1,000,000 and over	51		56		9.1%	
TOTAL	14,383		15,016		4.4%	
Adjusted Gross Income						
Negative to Zero	-11,900	-69,233	-15,525	-84,080	30.5%	21.4%
1 to 10,000	10,445	5,438	11,358	5,452	8.7%	0.3%
10,000 to 20,000	34,445	15,011	35,056	14,959	1.8%	-0.3%
20,000 to 50,000	158,583	33,266	161,536	33,203	1.9%	-0.2%
50,000 to 100,000	220,840	70,672	228,362	70,762	3.4%	0.1%
100,000 to 200,000	203,926	134,023	226,093	135,762	10.9%	1.3%
200,000 to 500,000	128,566	287,257	143,913	287,064	11.9%	-0.1%
500,000 to 1,000,000	56,604	681,454	61,533	679,755	8.7%	-0.2%
1,000,000 and over	189,182	3,705,985	209,169	3,755,369	10.6%	1.3%
TOTAL	990,693	68,881	1,061,495	70,690	7.1%	2.6%
Taxable Income						
Negative to Zero	0	0	0	0		
1 to 10,000	3,672	1,912	3,908	1,876	6.4%	-1.9%
10,000 to 20,000	21,451	9,348	21,457	9,156	0.0%	-2.1%
20,000 to 50,000	115,215	24,169	116,770	24,002	1.4%	-0.7%
50,000 to 100,000	167,784	53,693	173,331	53,710	3.3%	0.0%
100,000 to 200,000	162,410	106,738	179,273	107,648	10.4%	0.9%
200,000 to 500,000	110,571	247,050	123,294	245,937	11.5%	-0.5%
500,000 to 1,000,000	52,476	631,754	56,922	628,809	8.5%	-0.5%
1,000,000 and over	178,427	3,495,292	197,913	3,553,283	10.9%	1.7%
TOTAL	812,005	56,457	872,869	58,128	7.5%	3.0%
Total Tax Liability						
Negative to Zero	4	25	4	23	1.8%	-6.8%
1 to 10,000	13	7	14	7	8.4%	1.9%
10,000 to 20,000	69	30	63	27	-8.6%	-10.5%
20,000 to 50,000	1,649	346	1,611	331	-2.3%	-4.3%
50,000 to 100,000	5,486	1,756	5,541	1,717	1.0%	-2.2%
100,000 to 200,000	8,632	5,673	9,439	5,668	9.3%	-0.1%
200,000 to 500,000	8,306	18,558	9,191	18,334	10.7%	-1.2%
500,000 to 1,000,000	4,447	53,543	4,817	53,217	8.3%	-0.6%
1,000,000 and over	17,109	335,153	19,011	341,325	11.1%	1.8%
TOTAL	45,716	3,179	49,693	3,309	8.7%	4.1%

a: The Number of Returns are in Thousands. The Adjusted Gross Income, Taxable Income, and Total Tax Liability Amounts are in Millions.

Source: 2006 and Preliminary 2007 Personal Income Tax Statistical Samples.

* 2007 Preliminary Data

FRANCHISE TAX BOARD
 Personal Income Tax Statistics
 Special Tax Credits Allowed
 Credit Amount > \$10 million
 2006 - 2007 Tax Years*

Credit	2006		2007		Percent Change	
	Number	Amount (\$ Thousands)	Number	Amount (\$ Thousands)	Number	Amount
Child and Dependent Care	551,910	166,073	524,775	158,386	-4.9	-4.6
Enterprise Zone Hiring and Sales	8,952	145,377	14,349	171,080	60.3	17.7
Other State Tax	125,257	725,995	130,742	752,662	4.4	3.7
Prior Year Alternative Minimum Tax	6,770	41,215	6,309	28,889	-6.8	-29.9
Renter's Credit (non-refundable)	1,377,690	98,477	1,451,837	103,855	5.4	5.5
Research	3,636	69,232	3,769	73,880	3.7	6.7
Subtotal	2,074,215	1,246,370	2,131,781	1,288,752	2.8	3.4

* Largely the listed tax years; also includes amended and prior-year returns that were filed during the same time period

FRANCHISE TAX BOARD
 Personal Income Tax Statistics
 Special Tax Credits Allowed
 Credit Amount < \$10 million
 2006 - 2007 Tax Years**

Credit	2006		2007		Percent Change	
	Number	Amount (\$ Thousands)	Number	Amount (\$ Thousands)	Number	Amount
Agricultural Transportation	58	318	46	173	-20.7	-45.4
Child Adoption	1,680	1,935	1,775	2,047	5.7	5.8
Commercial Solar Energy Carryover	36	84	35	70	-2.8	-15.9
Commercial Solar Electric Carryover	7	3	4	3	-42.9	-13.6
Community Development Deposit	19	16	48	22	152.6	38.5
Dependent Parent	594	151	1,056	271	77.8	80.2
Disabled Access	486	41	447	39	-8.0	-3.9
Donation of Agricultural Products Carryover	10	9	12	6	20.0	-38.5
Employer Child Care Contribution	4,204	1,733	4,219	1,773	0.4	2.3
Employer Child Care Program	502	105	588	149	17.1	42.6
Enhanced Oil Recovery	43	292	35	287	-18.6	-1.6
Energy Conservation Carryover	1,211	849	1,702	1,124	40.5	32.3
Enterprise Zone Wages	510	106	631	137	23.7	29.4
Environmental Tax	18	2,795	24	2,331	33.3	-16.6
Farm Workers' Housing	a	4	8	15	N/A	322.6
Joint Custody Head of Household	4,356	1,122	6,091	1,569	39.8	39.8
Joint Strike Fighter Property	a	5	0	0	N/A	-100.0
Joint Strike Fighter Wage	8	21	3	10	-62.5	-53.6
Local Agency Military Base Recovery Area	49	489	58	546	18.4	11.6
Long Term Caregiver	30	13	12	43	-60.0	222.3
Los Angeles Revitalization Zone	255	4,419	202	3,023	-20.8	-31.6
Low-Emission Vehicle	313	285	487	374	55.6	31.3
Low-Income Housing	563	1,354	500	1,839	-11.2	35.8
Manufacturing Enhancement Area	22	510	16	30	-27.3	-94.0
Manufacturer's Investment	402	3,603	266	3,719	-33.8	3.2
Natural Heritage Preservation	29	856	35	1,293	20.7	51.1
New Infant	86	51	113	58	31.4	14.2
Orphan Drug	29	26	8	10	-72.4	-61.2
Political Contribution	2,079	695	2,672	1,035	28.5	49.0
Prison Inmate Labor	12	174	6	19	-50.0	-89.1
Qualified Senior Head of Household	1,407	528	2,903	1,092	106.3	106.8
Recycling Equipment	240	163	386	128	60.8	-21.3
Residential Rental and Farm Sales Carryover	523	1,111	480	688	-8.2	-38.1
Rice Straw	30	81	50	188	66.7	133.5
Ridesharing:						
Incentive Carryover	2,222	969	2,167	960	-2.5	-0.9
Large Employers	127	65	173	111	36.2	71.9
Small Employers	68	25	82	31	20.6	23.4
Transit Pass Carryover	304	132	320	134	5.3	1.5
Vanpool Carryover	861	378	1,117	472	29.7	25.1
Salmon and Steelhead Trout Habitat	10	2	8	1	-20.0	-63.1
Solar Energy Carryover	221	235	252	303	14.0	29.0
Solar Pump Carryover	12	195	9	4	-25.0	-98.2
Solar Systems Credit	1,706	2,018	929	892	-45.5	-55.8
Targeted Tax Area	185	4,025	205	4,527	10.8	12.5
Teachers Retention	118	85	0	0	-100.0	-100.0
Water Conservation Carryover	110	27	211	56	91.8	107.2
Unidentified Special Credits	25	153	22	175	-12.0	14.4
Subtotal	25,786	32,252	30,413	31,777	17.9	-1.5
Grand Total	2,100,001	1,278,622	2,162,194	1,320,528	3.0	3.3

* Less than \$500

^a Omitted for confidentiality reasons

** Largely the listed tax years; also includes amended and prior-year returns that were filed during the same time period

FRANCHISE TAX BOARD
 Personal Income Tax
 Gross Capital Gains and Losses by Major Asset Category
 1986 Through 2007
 (In \$ Millions)

Tax Year	Stocks /a	Other securities	Residential Real Estate /b	Non-Residential Real Estate	Other	Total
Gross Gain						
1986	\$ 19,395	\$ 1,276	\$ 6,555	\$ 5,722	\$ 11,923	\$ 44,871
1987	11,158	891	2,127	2,906	9,855	26,937
1988	10,928	897	6,253	2,720	10,313	31,111
1989	9,478	838	6,675	3,332	10,633	30,956
1990	7,895	901	5,103	2,672	7,373	23,944
1991	9,413	1,249	3,514	2,446	6,710	23,331
1992	8,412	1,516	2,775	1,620	8,627	22,949
1993	14,792	1,924	3,394	1,791	7,344	29,245
1994	12,897	1,553	3,680	1,906	8,771	28,807
1995	22,495	2,627	1,360	4,618	6,910	38,010
1996	25,742	2,065	2,517	1,289	14,359	45,973
1997	32,715	3,823	3,493	2,916	18,781	61,728
1998	37,724	4,883	6,837	2,334	28,826	80,604
1999	66,254	5,075	5,969	4,258	36,481	118,037
2000	113,426	6,235	12,499	2,625	30,562	165,347
2001	42,221	3,967	11,574	5,065	23,151	85,978
2002	31,998	3,583	10,580	4,562	17,229	67,952
2003	29,345	3,300	9,577	6,161	22,640	71,023
2004	39,706	3,156	15,492	6,860	31,460	96,575
2005	53,960	5,385	18,943	10,099	51,844	140,231
2006	55,770	7,440	16,421	7,958	55,416	143,004
2007	\$ 60,194	\$ 9,797	\$ 10,413	\$ 6,510	\$ 66,643	\$ 153,556
Gross Loss /c						
1986	\$ 2,453	\$ 436	\$ 83	\$ 179	\$ 1,046	\$ 4,197
1987	5,225	1,180	58	137	1,235	7,835
1988	3,522	1,111	362	178	2,633	7,806
1989	4,136	1,117	510	145	4,428	10,336
1990	4,837	1,225	363	470	1,944	8,839
1991	2,991	2,716	314	218	3,305	9,544
1992	3,214	1,063	738	283	3,486	8,784
1993	5,700	1,385	1,136	946	3,293	12,459
1994	4,820	2,696	1,527	561	4,392	13,996
1995	9,000	2,562	1,859	176	7,117	20,714
1996	6,786	1,379	444	830	5,603	15,041
1997	8,732	1,897	1,001	603	2,710	14,943
1998	13,271	4,319	674	1,061	4,788	24,112
1999	13,557	4,488	430	279	5,865	24,619
2000	39,003	4,209	438	771	6,466	50,887
2001	40,124	7,115	596	345	8,108	56,288
2002	31,260	8,321	450	275	7,340	47,646
2003	14,538	3,211	218	979	4,557	23,503
2004	15,103	2,256	81	276	3,451	21,167
2005	19,336	3,223	364	137	7,616	30,676
2006	14,546	3,527	344	203	4,583	23,202
2007	\$ 11,169	\$ 4,108	\$ 511	\$ 377	6,675	\$ 22,839

/a Includes capital gain distributions

/b For years prior to 1998, capital gains for sale of primary residences were excluded because they were largely rolled forward.

/c Excludes capital loss carryovers.

Source: California Franchise Tax Board - Capital Assets Samples (various years)

Detail may not add to totals due to rounding

FRANCHISE TAX BOARD
 Personal Income Tax
 Gross Capital Gains and Losses by Holding Period
 2006 and 2007
 (\$ in Millions)

Holding Periods and Selected Asset Categories	Tax Year				2006 to 2007 Change			
	2006		2007		Gain		Loss	
	Gain	Loss	Gain	Loss	Amount	Percent	Amount	Percent
1 Year or Less								
Stocks /a	\$ 5,404	\$ 6,561	\$ 6,415	\$ 5,170	\$ 1,011	18.7	- \$ 1,391	-21.2
Residential Real Estate	520	84	24	34	-496	-95.4	-50	-59.1
NonResidential R/E	117	3	66	85	-51	-43.4	82	2,740.7
Other /b	7,290	3,637	7,635	4,797	345	4.7	1,160	31.9
Subtotal	\$ 13,331	\$ 10,285	\$ 14,140	\$ 10,086	\$ 809	6.1	- \$ 199	-1.9
More Than 1 Year /c								
Stocks /a	\$ 50,366	\$ 7,985	\$ 53,779	\$ 5,999	\$ 3,413	6.8	- \$ 1,986	-24.9
Residential Real Estate	15,901	260	10,389	477	-5,512	-34.7	217	83.3
NonResidential R/E	7,841	200	6,443	291	-1,398	-17.8	91	45.7
Other /b	55,565	4,472	68,805	5,985	13,240	23.8	1,513	33.8
Subtotal	\$ 129,673	\$ 12,917	\$ 139,416	\$ 12,752	\$ 9,743	7.5	\$ -165	-1.3
Total								
Stocks /a	\$ 55,770	\$ 14,546	\$ 60,194	\$ 11,169	\$ 4,424	7.9	- \$ 3,377	-23.2
Residential Real Estate	16,421	344	10,413	511	-6,008	-36.6	167	48.5
NonResidential R/E	7,958	203	6,510	377	-1,448	-18.2	174	85.5
Other /b	62,855	8,109	76,440	10,783	13,585	21.6	2,674	33.0
TOTAL	\$ 143,004	\$ 23,202	\$ 153,556	\$ 22,839	\$ 10,552	7.4	\$ -363	-1.6

/a Includes capital gains distributions.

/b Includes assets sold within partnerships and S corporations, bonds, other nonstock securities, and all remaining asset categories, except capital loss carryovers.

/c Includes transactions with unknown holding periods.

Source: California Franchise Tax Board - Capital Assets Samples (various years)

Detail may not add to totals due to rounding

FRANCHISE TAX BOARD
 Personal Income Tax
 Gross Capital Gains and Losses by Sources
 1986 Through 2007
 (In \$ Millions)

Tax Year	Individuals	Businesses	Flow- Through Entities	Installment sales /a /b	Total
Gross Gain					
1986	\$ 23,621	\$ 6,530	\$ 7,942	\$ 6,878	\$ 44,871
1987	18,170	583	3,884	4,300	26,937
1988	9,198	5,929	8,869	4,115	31,111
1989	11,197	8,594	8,236	2,928	30,956
1990	9,213	6,244	5,745	2,722	23,944
1991	10,974	3,914	5,100	3,343	23,331
1992	11,007	3,081	5,642	3,220	22,949
1993	17,174	3,364	5,851	2,856	29,245
1994	15,471	4,071	6,471	2,794	28,807
1995	26,451	2,691	7,010	1,859	38,010
1996	27,936	3,664	12,055	2,317	45,973
1997	36,134	4,895	16,411	4,289	61,728
1998	48,747	7,530	19,965	4,363	80,604
1999	79,318	7,348	25,119	6,252	118,037
2000	122,977	10,609	26,783	4,977	165,347
2001	48,037	14,164	19,104	4,673	81,305
2002	36,471	12,597	14,723	4,161	67,952
2003	37,749	10,232	17,916	5,126	71,023
2004	54,913	13,778	22,801	5,083	96,575
2005	73,022	21,441	38,992	6,776	140,231
2006	72,241	17,765	46,809	6,190	143,004
2007	\$ 78,608	\$ 11,236	\$ 56,564	\$ 7,149	\$ 153,556
Gross Loss					
1986	\$ 3,401	\$ 410	\$ 378	\$ 7	\$ 4,197
1987	7,265	66	504	1	7,835
1988	5,914	786	1,105	1	7,806
1989	6,919	1,345	2,072	/c	10,336
1990	6,735	1,022	1,081	/c	8,839
1991	7,507	810	1,225	2	9,544
1992	5,288	2,033	1,453	11	8,784
1993	7,982	2,401	1,792	284	12,459
1994	9,476	2,427	2,042	51	13,996
1995	13,111	4,064	3,501	38	20,714
1996	10,075	1,384	3,582	/c	15,041
1997	11,392	2,063	1,488	0	14,943
1998	20,804	1,899	2,252	0	24,956
1999	20,326	1,151	3,141	2	24,619
2000	44,891	1,285	4,689	22	50,887
2001	49,443	1,204	5,641	0	56,288
2002	41,041	1,047	5,557	1	47,646
2003	18,869	1,659	2,975	0	23,503
2004	18,514	799	1,778	76	21,167
2005	27,094	1,577	2,005	0	30,676
2006	19,405	998	2,795	4	23,202
2007	\$ 18,355	\$ 1,358	\$ 3,126	\$ 0	22,839

/a The source of 1992 capital gains from installment sales was 50 percent individuals, 46 percent businesses, and 4 percent other.

/b The source of 1992 capital losses from installment sales was distributed 31 percent individuals and 69 percent for businesses.

/c Less than \$0.5 million.

Source: California Franchise Tax Board: Capital Assets Study
 Detail may not add to totals due to rounding

FRANCHISE TAX BOARD
 Personal Income Tax
 Capital Gains
 Capital Gains by Year - Resident Taxpayers Only
 (In \$ Millions)

Year	Capital Gains	Capital Loss Carryovers	Capital Gains Taxes
1985	\$ 25,139		
1986	44,344		
1987	20,361		
1988	24,854		
1989	25,867		
1990	22,211		
1991	17,264		
1992	17,265		
1993	19,518		
1994	18,497		
1995	21,187		
1996	33,380		
1997	47,456	\$ 17,499	\$ 3,766
1998	61,370	20,101	4,926
1999	94,096	23,690	7,682
2000	119,975	40,192	10,192
2001	49,108	60,630	3,965
2002	33,404	61,569	2,670
2003	45,763	75,578	3,650
2004	75,454	68,906	6,096
2005	112,743	66,713	9,220
2006	117,958	57,524	9,622
2007	\$ 132,164	\$ 64,074	\$ 10,764

Source: California Franchise Tax Board PIT Samples - various years

FRANCHISE TAX BOARD
 Personal Income Tax
 Capital Gains
 Capital Gains for 2007 - Resident Taxpayers Only

Adjusted Gross Income Class	Capital Gains (\$ in Millions)	Capital Gains Percentage Distribution	Capital Gains Tax (\$ in Millions)	Adjusted Gross Income (\$ in Millions)	Capital Gains as a Percentage of AGI
Negative to \$0	\$ 2,902	2.20%	-	-\$15,525	
\$1 to \$10,000	155	0.12%	-	11,358	1.37%
\$10,001 to \$30,000	755	0.57%	-	85,167	0.89%
\$30,001 to \$50,000	1,211	0.92%	3	111,426	1.09%
\$50,001 to \$75,000	1,893	1.43%	72	124,078	1.53%
\$75,001 to \$100,000	2,000	1.51%	88	104,284	1.92%
\$100,001 to \$200,000	7,735	5.85%	616	226,093	3.42%
\$200,001 to \$500,000	13,658	10.33%	1,149	143,913	9.49%
\$500,001 and over	101,854	77.07%	8,836	270,702	37.63%
TOTAL	\$ 132,164	100.00%	\$ 10,764	\$ 1,061,495	12.45%

Source: California Franchise Tax Board 2007 PIT Sample.

FRANCHISE TAX BOARD
Personal Income Tax

Form 541
Fiduciary Tax Liability Revenue
1987 through 2007

Tax Year	Number	Amount (\$ millions)
1987	50,198	\$137.5
1988	68,216	151.6
1989	76,952	144.6
1990	69,753	132.6
1991	71,313	122.3
1992	67,371	121.4
1993	73,151	109.3
1994	68,694	127.3
1995	79,510	167.7
1996	93,813	191.6
1997	97,082	283.1
1998	106,696	409.8
1999	109,508	469.5
2000	142,846	598.8
2001	86,305	284.2
2002	71,661	229.3
2003	76,435	326.1
2004	95,214	542.5
2005	109,757	750.9
2006	122,462	956.7
2007	129,325	1,163.9

Source: TI Master File through April 19, 2009

Revenues from FTB Withholding Programs
(\$ Millions)

Exhibit A-8
Page 1 of 1

		Withholding Deposits	Revenue from all Withholding Programs	Real Estate Withholding	All Other Withholding
2009	APR	72.0	36.1	17.9	18.2
	MAR	24.7	22.3	16.3	6.0
	FEB	30.7	39.7	19.1	20.6
	JAN	83.1	83.7	35.6	48.0
2008	DEC	50.0	29.5	17.0	12.5
	NOV	37.7	30.2	27.1	3.1
	OCT	53.2	67.8	41.0	26.9
	SEP	91.4	61.5	37.7	23.8
	AUG	56.5	54.6	48.7	5.8
	JUL	51.7	74.0	43.8	30.2
	JUN	87.1	61.2	48.1	13.0
	MAY	62.4	88.0	56.2	31.7
	APR	94.2	78.5	34.7	43.8
	MAR	56.7	72.5	56.6	15.9
	FEB	108.2	80.9	43.8	37.1
	JAN	95.2	120.0	77.4	42.6
	2007	DEC	107.4	114.7	72.2
NOV		81.4	75.4	65.6	9.8
OCT		87.9	84.6	53.8	30.8
SEP		131.8	114.4	83.0	31.4
AUG		100.9	156.1	143.2	12.9
JUL		107.5	104.2	71.4	32.8
JUN		129.4	100.0	89.2	10.8
MAY		114.6	131.4	92.4	39.0
APR		136.4	96.0	69.5	26.5
MAR		109.4	186.1	153.4	32.7
FEB		136.7	79.6	48.0	31.6
JAN		140.0	157.2	127.5	29.7
2006		DEC	137.6	110.5	89.3
	NOV	120.9	152.2	137.3	14.9
	OCT	138.8	215.8	205.5	10.3
	SEP	162.9	259.1	234.3	24.8
	AUG	150.0	224.9	210.9	14.0
	JUL	194.7	132.1	102.3	29.8

Source: MIS Report & WSCS Revenue Report

5/5/2009

\\Withholding Data.xls

FRANCHISE TAX BOARD
Personal Income Tax
Nonresident Total Tax Liability
Tax Years 1998 Through 2007

Tax Year	Number of Returns	Total Tax Liability (Thousands)
1998	589,326	\$1,115,774
1999	590,407	\$1,187,977
2000	636,000	\$1,509,854
2001	623,887	\$1,254,106
2002	608,143	\$1,845,020
2003	626,181	\$1,371,429
2004	680,451	\$1,685,546
2005	738,171	\$2,179,969
2006	752,481	\$2,288,095
2007	827,997	\$2,695,219

Source: Return Merge

FRANCHISE TAX BOARD
 Personal Income Tax
 Growth in Per Return Income Item Amounts by AGI Class
 2006 to 2007

AGI Classes	Less than \$200,000	\$200,000 and over	All Taxpayers
Growth in Number of Returns	1.89%	11.31%	2.51%
Growth in Per Return Income			
AGI	2.93%	-0.51%	4.73%
Wages	2.83%	1.28%	4.33%
Taxable Interest	21.47%	3.29%	15.84%
Dividends	6.53%	10.87%	15.45%
Business Gain	-11.24%	-5.38%	-6.04%
Business Loss	18.38%	-9.76%	11.16%
Capital Gain	4.25%	-0.16%	7.87%
Capital Loss	-15.76%	-14.04%	-14.52%
Pension & Annuity	5.79%	8.41%	6.62%
Rental Gain	-0.64%	-4.05%	1.92%
Rental Loss	2.83%	-12.53%	0.18%
Partnership and S-corp Gain	7.73%	-7.84%	0.92%
Partnership and S-corp Loss	38.79%	-5.16%	9.53%
Mortgage Interest Deduction	2.89%	3.45%	4.45%
Charitable Contribution Deduction	-5.88%	-7.56%	-2.63%
Taxable Income	3.03%	-0.52%	4.96%
Tax Liability	3.22%	-0.66%	6.04%

Source: 2006 and 2007 Personal Income Tax Samples

FRANCHISE TAX BOARD
 Personal Income Tax
 Changes in Income Distribution
 1993 through 2007

LOWER BOUND ON AGI FOR EACH QUINTILE AND CENTILE									
Quintiles	Number of Returns (thousands)	Top 1%	Top 5%	Top 10%	Top Quintile	4th Quintile	3rd Quintile	2nd Quintile	Bottom Quintile
1993	11,930	\$212,069	\$97,996	\$74,974	\$53,577	\$31,717	\$18,646	\$9,246	\$0
1994	12,158	\$220,718	\$100,440	\$76,469	\$54,224	\$32,027	\$18,772	\$9,466	\$0
1995	12,085	\$236,427	\$105,557	\$78,359	\$54,221	\$31,190	\$18,179	\$9,382	\$0
1996	12,172	\$258,002	\$112,709	\$82,676	\$56,981	\$32,978	\$19,162	\$9,535	\$0
1997	12,473	\$288,120	\$121,650	\$87,705	\$60,253	\$34,631	\$20,163	\$10,109	\$0
1998	12,797	\$310,904	\$128,747	\$92,827	\$63,117	\$36,372	\$21,335	\$10,941	\$0
1999	13,126	\$358,593	\$140,762	\$98,369	\$66,624	\$37,916	\$22,260	\$11,276	\$0
2000	13,441	\$414,010	\$154,260	\$105,456	\$70,511	\$40,022	\$23,594	\$12,078	\$0
2001	13,602	\$354,046	\$147,450	\$105,490	\$71,607	\$40,884	\$24,489	\$12,232	\$0
2002	13,567	\$336,526	\$145,706	\$105,401	\$71,683	\$41,112	\$24,346	\$12,411	\$0
2003	13,624	\$358,916	\$151,297	\$107,903	\$73,051	\$41,447	\$24,727	\$12,879	\$0
2004	13,833	\$404,838	\$160,780	\$113,863	\$75,767	\$43,358	\$25,616	\$13,067	\$0
2005	14,088	\$451,373	\$171,397	\$119,139	\$79,695	\$44,288	\$26,133	\$13,522	\$0
2006	14,383	\$480,940	\$178,185	\$124,081	\$82,684	\$45,942	\$27,254	\$14,064	\$0
2007	14,832	\$494,803	\$186,578	\$129,589	\$84,814	\$46,550	\$27,323	\$13,779	\$0

Source: Franchise Tax Board. 1993 through 2007 Personal Income Tax Samples.

FRANCHISE TAX BOARD
 Personal Income Tax
 Changes in Income Distribution
 1993 through 2007

Exhibit A-11
 2 of 4

AGI Per Return (Real 2006 Dollars)											
	Income Distribution Segment	Top 1%	Next 4 %	Next 5 %	Top 10%	Top Quintile	4th Quintile	3rd Quintile	2nd Quintile	Bottom Quintile	Overall Per Return AGI
AGI Per Return (Real 2005 dollars)	1993	\$742,814	\$186,481	\$120,423	\$209,086	\$148,874	\$58,976	\$34,996	\$19,437	\$6,954	\$53,847
	1994	\$748,596	\$189,303	\$121,482	\$211,323	\$150,573	\$58,849	\$34,900	\$19,520	\$7,042	\$54,178
	1995	\$843,105	\$196,900	\$123,063	\$224,602	\$156,457	\$56,671	\$33,116	\$18,623	\$6,830	\$54,339
	1996	\$1,026,605	\$209,507	\$128,394	\$250,661	\$170,966	\$58,587	\$34,287	\$19,054	\$6,949	\$57,969
	1997	\$1,173,815	\$223,916	\$134,329	\$274,112	\$184,209	\$60,344	\$35,508	\$19,771	\$7,262	\$61,418
	1998	\$1,319,675	\$234,011	\$139,035	\$295,095	\$195,730	\$62,047	\$36,465	\$20,502	\$7,500	\$64,448
	1999	\$1,674,545	\$255,065	\$145,405	\$342,183	\$221,471	\$63,171	\$37,110	\$20,743	\$7,555	\$70,011
	2000	\$2,088,146	\$273,182	\$151,446	\$393,811	\$248,721	\$64,346	\$37,966	\$21,233	\$7,832	\$75,998
	2001	\$1,296,205	\$238,143	\$141,883	\$295,819	\$197,546	\$62,443	\$36,884	\$20,723	\$7,388	\$64,997
	2002	\$1,104,905	\$227,918	\$138,995	\$271,156	\$184,411	\$61,769	\$36,454	\$20,617	\$7,396	\$62,130
	2003	\$1,204,764	\$233,396	\$139,602	\$283,636	\$190,806	\$61,179	\$36,100	\$20,592	\$7,501	\$63,237
	2004	\$1,476,763	\$246,996	\$143,513	\$318,232	\$208,396	\$61,887	\$36,353	\$20,544	\$7,568	\$66,949
	2005	\$1,751,280	\$261,739	\$147,580	\$353,613	\$227,371	\$62,370	\$36,209	\$20,524	\$7,576	\$70,810
	2006	\$1,757,052	\$262,040	\$146,154	\$353,598	\$226,663	\$61,769	\$35,927	\$20,387	\$7,569	\$70,463
2007	\$1,832,123	\$271,370	\$153,538	\$368,529	\$236,242	\$63,102	\$36,115	\$20,243	\$7,358	\$72,612	
Percentage Change	1993-07	146.6%	45.5%	27.5%	76.3%	58.7%	7.0%	3.2%	4.1%	5.8%	34.8%
	2005-06	0.3%	0.1%	-1.0%	0.0%	-0.3%	-1.0%	-0.8%	-0.7%	-0.1%	-0.5%
	2006-07	4.3%	3.6%	5.1%	4.2%	4.2%	2.2%	0.5%	-0.7%	-2.8%	3.0%

Source: Franchise Tax Board. 1993 through 2007 Personal Income Tax Samples.

FRANCHISE TAX BOARD
 Personal Income Tax
 Changes in Income Distribution
 1993 through 2007

AGI Concentration											
	Income Distribution Segment	Top 1%	Next 4 %	Next 5 %	Top 10%	Top Quintile	4th Quintile	3rd Quintile	2nd Quintile	Bottom Quintile	Total
AGI Concentration	1993	13.8%	13.9%	11.2%	38.8%	55.3%	21.9%	13.0%	7.2%	2.6%	100.0%
	1994	13.8%	14.0%	11.2%	39.0%	55.6%	21.7%	12.9%	7.2%	2.6%	100.0%
	1995	15.5%	14.5%	11.3%	41.3%	57.6%	20.9%	12.2%	6.9%	2.5%	100.0%
	1996	17.7%	14.5%	11.1%	43.2%	59.0%	20.2%	11.8%	6.6%	2.4%	100.0%
	1997	19.1%	14.6%	10.9%	44.6%	60.0%	19.7%	11.6%	6.4%	2.4%	100.0%
	1998	20.5%	14.5%	10.8%	45.8%	60.7%	19.3%	11.3%	6.4%	2.3%	100.0%
	1999	23.9%	14.5%	10.4%	48.9%	63.3%	18.0%	10.6%	5.9%	2.2%	100.0%
	2000	27.5%	14.4%	10.0%	51.8%	65.5%	16.9%	10.0%	5.6%	2.1%	100.0%
	2001	19.9%	14.7%	10.9%	45.5%	60.8%	19.2%	11.3%	6.4%	2.3%	100.0%
	2002	17.8%	14.7%	11.2%	43.6%	59.4%	19.9%	11.7%	6.6%	2.4%	100.0%
	2003	19.1%	14.8%	11.0%	44.9%	60.3%	19.3%	11.4%	6.5%	2.4%	100.0%
	2004	22.1%	14.8%	10.7%	47.5%	62.3%	18.5%	10.9%	6.1%	2.3%	100.0%
	2005	24.7%	14.8%	10.4%	49.9%	64.2%	17.6%	10.2%	5.8%	2.1%	100.0%
	2006	24.9%	14.9%	10.4%	50.2%	64.3%	17.5%	10.2%	5.8%	2.1%	100.0%
2007	25.2%	15.0%	10.6%	50.8%	65.1%	17.4%	10.0%	5.6%	2.0%	100.0%	
Percentage Change	1993-07	11.4%	1.1%	-0.6%	11.9%	9.8%	-4.5%	-3.0%	-1.6%	-0.6%	0.0%
	2005-06	0.2%	0.1%	0.0%	0.2%	0.1%	-0.1%	0.0%	0.0%	0.0%	0.0%
	2006-07	0.3%	0.1%	0.2%	0.6%	0.7%	-0.2%	-0.2%	-0.2%	-0.1%	0.0%

Source: Franchise Tax Board. 1993 through 2007 Personal Income Tax Samples.

FRANCHISE TAX BOARD
 Personal Income Tax
 Changes in Income Distribution
 1993 through 2007

Tax Concentration											
	Income Distribution Segment	Top 1%	Next 4 %	Next 5 %	Top 10%	Top Quintile	4th Quintile	3rd Quintile	2nd Quintile	Bottom Quintile	Total
Tax Concentration	1993	33.3%	20.9%	12.5%	66.7%	80.5%	13.9%	4.6%	0.9%	0.1%	100.0%
	1994	32.6%	21.2%	12.4%	66.1%	80.7%	13.8%	4.5%	0.9%	0.1%	100.0%
	1995	35.6%	21.6%	12.3%	69.6%	83.1%	12.4%	3.7%	0.7%	0.1%	100.0%
	1996	36.4%	21.4%	12.2%	70.0%	83.1%	12.3%	3.8%	0.7%	0.1%	100.0%
	1997	37.7%	21.2%	11.9%	70.8%	83.6%	11.8%	3.7%	0.7%	0.1%	100.0%
	1998	40.6%	21.2%	11.7%	73.5%	85.2%	10.7%	3.4%	0.7%	0.1%	100.0%
	1999	44.5%	20.3%	10.8%	75.6%	86.9%	9.5%	3.0%	0.6%	0.1%	100.0%
	2000	48.7%	19.4%	10.0%	78.1%	88.2%	8.4%	2.7%	0.6%	0.1%	100.0%
	2001	39.5%	21.5%	11.8%	72.8%	85.3%	10.6%	3.4%	0.7%	0.1%	100.0%
	2002	36.7%	22.1%	12.5%	71.4%	84.6%	11.1%	3.4%	0.7%	0.1%	100.0%
	2003	38.7%	22.2%	12.2%	73.1%	85.7%	10.5%	3.1%	0.7%	0.1%	100.0%
	2004	42.7%	21.6%	11.4%	75.7%	87.1%	9.5%	2.8%	0.6%	0.1%	100.0%
	2005	47.5%	20.3%	10.4%	78.3%	88.6%	8.3%	2.5%	0.5%	0.1%	100.0%
	2006	47.9%	20.4%	10.2%	78.5%	88.5%	8.4%	2.5%	0.5%	0.1%	100.0%
2007	48.1%	20.2%	10.4%	78.8%	89.0%	8.2%	2.3%	0.5%	0.1%	100.0%	
Percentage Change	1993-07	14.8%	-0.7%	-2.0%	12.0%	8.5%	-5.8%	-2.3%	-0.4%	0.0%	0.0%
	2005-06	0.4%	0.0%	-0.2%	0.2%	-0.1%	0.1%	0.0%	0.0%	0.0%	0.0%
	2006-07	0.2%	-0.1%	0.2%	0.2%	0.5%	-0.3%	-0.2%	0.0%	0.0%	0.0%

Source: Franchise Tax Board. 1993 through 2007 Personal Income Tax Samples.

Tax-Weighted Distribution of Income by Source
California Residents
Tax Year 2007

Income Item	Percent Distribution	
	Unweighted	Tax-Weighted**
Wages	66.4%	53.0%
Taxable Interest	3.5%	3.6%
Ordinary Dividend	2.8%	3.8%
Business Income	4.1%	3.0%
Capital Gain	12.3%	21.4%
IRA Distribution	1.4%	1.0%
Pension Income	4.6%	2.9%
Rental/Royalty Income	0.2%	0.9%
Partnership Income	4.8%	9.2%
Other Income	0.0%	1.2%
Adjusted Total Income*	100.0%	100.0%

* Income is Federal Total Income adjusted for income sources exempt from tax in California. Excluded income sources are:
State tax refund
Taxable social security income
Unemployment insurance income

** Per tax return adjustment =
(Total tax minus child and dependent care credit) divided by
adjusted total income

Source : 2007 PIT Sample

FRANCHISE TAX BOARD
Corporation Tax Law

Exhibit B-1
Page 1 of 1

Accrual Estimates
(\$ in Millions)

Payments	2007-2008	2008-2009	2009-2010
Estimate Payments	\$622.4	\$886.6	\$1,058.5
Return Remittances Payments	1,874.5	516.8	474.2
Other	661.5	435.5	499.2
Total	3,158.4	1,839.0	2,031.9
Refunds	-1,595.2	-1,557.6	-1,462.1
Net	\$1,563.2	\$281.4	\$569.8

05/01/2009

\\Accrual 0409.xls

Reported in Nov 08

Accrual Estimates
(\$ in Millions)

Payments	2007-2008	2008-2009	2009-2010
Estimate Payments	\$666.3	\$1,036.7	\$1,023.1
Return Remittances Payments	1,837.5	406.2	419.6
Other	667.5	419.6	402.5
Total	3,171.3	1,862.5	1,845.1
Refunds	-1,481.1	-1,526.8	-1,415.2
Net	\$1,690.2	\$335.7	\$429.9

12/01/2008

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FRANCHISE TAX BOARD
Corporation Tax

All Reporting Corporations
Comparison of 2006 to Preliminary 2007 Tax Years Statistical Sample Data
(Amounts in Thousands of Dollars)

Data Item	2006		2007		Percent Change	
	Returns	Amount	Returns	Amount	Returns	Amount
Total State Net Income After Apportionment	684,363	140,324,506	706,445	122,167,727	3.2%	-12.9%
Taxable Loss	298,173	46,695,537	312,024	58,930,539	4.6%	26.2%
Taxable Profit	386,190	187,020,044	394,421	181,098,266	2.1%	-3.2%
NOL/Disaster loss	105,761	15,358,292	110,505	12,826,814	4.5%	-16.5%
State Net Income after NOL/Disaster Loss	680,093	124,966,214	706,445	109,340,913	3.9%	-12.5%
Tax Before Credits and Alternative Minimum Tax	684,363	11,780,235	706,445	11,321,421	3.2%	-3.9%
Tax Credits	7,362	1,877,319	7,520	1,958,754	2.2%	4.3%
Alternative Minimum Tax	2,803	73,720	2,468	106,141	-12.0%	44.0%
Total State Tax	684,363	9,992,185	706,445	9,493,003	3.2%	-5.0%

Source: Corporation Statistical Sample

FRANCHISE TAX BOARD
Corporation Tax

Comparison by Tax Years
1967 Through Preliminary 2007

Tax Year	Dollars in Thousands							
	Number of Returns				Income Reported for State Taxation		Tax Assessed	
	All Reporting Corporations	Corporations Reporting Net Income	Corporations Reporting Net Loss	Reporting No Income or Loss	All Reporting Corporations	Corporations Reporting Net Income	All Reporting Corporations	Corporations Reporting Net Income
2007	706,445	394,420	261,072	50,952	\$122,167,727	\$181,098,266	\$9,493,003	\$9,241,935
2006	684,363	386,189	245,664	52,509	\$140,324,506	\$187,020,044	\$9,992,185	\$9,760,825
2005	651,059	368,978	232,578	49,503	115,372,458	162,710,971	8,671,190	8,457,437
2004	616,805	344,456	224,542	47,807	82,328,028	130,907,962	7,122,773	6,916,713
2003	589,310	321,594	220,929	46,787	50,819,214	105,077,019	6,226,829	6,021,449
2002	550,853	304,561	206,578	39,714	29,685,925	95,596,901	5,601,171	5,400,429
2001	520,056	294,873	190,570	34,613	17,559,698	93,583,560	5,122,490	4,940,261
2000	497,844	291,396	174,614	31,834	33,859,625	107,881,155	5,912,634	5,740,187
1999	481,036	284,442	166,447	30,147	45,319,141	91,704,716	5,305,286	5,111,496
1998	460,567	272,961	160,269	27,337	50,520,066	86,437,571	5,023,555	4,852,880
1997	443,757	262,193	156,443	25,121	54,167,157	83,705,566	5,203,526	5,040,830
1996	430,796	251,737	155,933	23,126	47,264,188	75,989,249	4,881,666	4,725,216
1995	418,262	239,375	155,296	23,591	42,984,525	68,927,509	4,757,092	4,587,671
1994	414,201	229,352	157,739	27,110	33,105,424	57,424,151	4,284,781	4,123,726
1993	418,108	217,858	170,818	29,432	20,117,987	48,332,148	3,928,594	3,745,763
1992	418,135	213,264	174,740	30,131	16,113,691	44,969,835	3,866,080	3,670,634
1991	432,242	219,405	174,468	38,369	19,045,273	44,177,472	3,861,375	3,674,460
1990	446,890	230,426	167,929	48,535	28,973,557	53,268,162	4,416,308	4,240,292
1989	447,714	229,559	166,445	51,711	32,910,946	52,883,979	4,384,191	4,271,180
1988	448,486	229,226	165,917	53,343	32,372,372	50,752,909	4,264,044	4,190,184
1987	464,186	245,505	164,936	53,745	29,718,893	45,619,163	4,057,893	4,000,107
1986	414,602	216,677	149,684	48,241	25,457,211	40,042,508	3,656,450	3,604,958
1985	388,244	207,388	139,408	41,448	21,119,799	34,308,413	3,359,621	3,294,835
1984	397,854	208,566	149,831	39,456	19,348,558	31,741,861	3,080,442	3,041,383
1983	337,165	184,408	125,149	27,614	16,485,259	26,628,298	2,587,936	2,556,331
1982	326,264	175,054	120,964	30,246	10,744,906	22,827,789	2,223,341	2,191,707
1981	299,215	172,122	101,398	25,695	16,367,137	24,213,913	2,377,610	2,351,249
1980	275,493	165,183	86,482	23,828	20,654,235	25,825,405	2,497,647	2,475,051
1979	248,188	154,468	72,343	21,377	20,734,811	24,825,988	2,301,054	2,282,059
1978	221,527	138,495	63,725	19,307	18,727,933	21,974,367	2,066,579	2,049,715
1977	200,393	124,175	57,949	18,269	14,940,577	17,830,411	1,683,229	1,667,681
1976	184,326	113,614	52,249	16,463	11,915,878	14,807,760	1,390,238	1,375,779
1975	177,665	106,213	53,965	17,487	8,362,261	11,671,553	1,097,939	1,083,238
1974	172,185	102,680	49,962	19,543	8,977,795	11,734,409	1,094,177	1,079,976
1973	165,676	97,377	46,937	21,362	7,911,161	10,207,612	873,720	859,850
1972	158,932	91,055	47,214	20,663	6,465,182	8,561,184	687,618	678,175
1971	151,216	83,664	47,621	19,931	4,804,362	7,249,163	545,901	539,169
1970	145,352	81,340	44,318	19,694	4,385,654	6,711,523	507,475	501,097
1969	136,695	80,348	38,627	17,720	5,642,555	7,476,775	559,643	553,360
1968	128,505	77,238	36,754	14,513	6,003,297	7,254,536	537,280	532,102
1967	125,677	73,433	38,188	14,056	5,252,164	6,455,635	461,812	456,606

FRANCHISE TAX BOARD
Corporation Tax

Comparison by State Net Income Class
Preliminary 2007 Tax Year

Net Income Taxable in California	Dollars in Thousands									
	Returns			Net Income Less Net Loss			Tax Assessed			
	Number	Percent of Total	Percent Cumulative	Amount	Percent of Total	Percent Cumulative	Amount	Percent of Total	Percent Cumulative	Percent Cumulative Reverse
Net Loss	261,072	37.0%	37.0%	(\$58,930,539)	--	--	\$216,139	2.3%	2.3%	100.0%
No Income or Loss	50,952	7.2%	44.2%	0	0.0%	0.0%	34,929	0.4%	2.6%	97.7%
\$1 Under 5,000	84,135	11.9%	56.1%	164,473	0.1%	0.1%	67,404	0.7%	3.4%	97.4%
5,000 Under 10,000	32,544	4.6%	60.7%	242,426	0.1%	0.2%	27,502	0.3%	3.6%	96.6%
10,000 Under 15,000	26,827	3.8%	64.5%	332,403	0.2%	0.4%	23,911	0.3%	3.9%	96.4%
15,000 Under 20,000	22,707	3.2%	67.7%	397,091	0.2%	0.6%	23,309	0.2%	4.1%	96.1%
20,000 Under 25,000	17,364	2.5%	70.2%	389,702	0.2%	0.8%	18,047	0.2%	4.3%	95.9%
25,000 Under 30,000	15,269	2.2%	72.3%	417,630	0.2%	1.1%	16,819	0.2%	4.5%	95.7%
30,000 Under 40,000	23,739	3.4%	75.7%	832,737	0.5%	1.5%	32,032	0.3%	4.8%	95.5%
40,000 Under 50,000	22,707	3.2%	78.9%	1,017,129	0.6%	2.1%	36,972	0.4%	5.2%	95.2%
50,000 Under 60,000	17,034	2.4%	81.3%	931,998	0.5%	2.6%	32,402	0.3%	5.6%	94.8%
60,000 Under 70,000	13,206	1.9%	83.2%	849,803	0.5%	3.1%	26,647	0.3%	5.9%	94.4%
70,000 Under 80,000	10,626	1.5%	84.7%	796,317	0.4%	3.5%	22,376	0.2%	6.1%	94.1%
80,000 Under 90,000	9,560	1.4%	86.0%	803,422	0.4%	4.0%	24,509	0.3%	6.4%	93.9%
90,000 Under 100,000	7,840	1.1%	87.1%	744,638	0.4%	4.4%	18,145	0.2%	6.5%	93.6%
100,000 Under 150,000	24,460	3.5%	90.6%	2,998,581	1.7%	6.0%	113,468	1.2%	7.7%	93.5%
150,000 Under 200,000	13,263	1.9%	92.5%	2,294,644	1.3%	7.3%	57,940	0.6%	8.3%	92.3%
200,000 Under 250,000	9,345	1.3%	93.8%	2,096,631	1.2%	8.5%	56,265	0.6%	8.9%	91.7%
250,000 Under 300,000	6,103	0.9%	94.7%	1,666,402	0.9%	9.4%	46,750	0.5%	9.4%	91.1%
300,000 Under 400,000	7,947	1.1%	95.8%	2,745,597	1.5%	10.9%	76,038	0.8%	10.2%	90.6%
400,000 Under 500,000	4,739	0.7%	96.5%	2,116,046	1.2%	12.1%	63,365	0.7%	10.9%	89.8%
500,000 Under 750,000	7,302	1.0%	97.5%	4,466,132	2.5%	14.5%	129,792	1.4%	12.3%	89.1%
750,000 Under 1,000,000	3,832	0.5%	98.0%	3,334,252	1.8%	16.4%	99,885	1.1%	13.3%	87.7%
1,000,000 Under 1,500,000	4,174	0.6%	98.6%	5,063,754	2.8%	19.2%	174,650	1.8%	15.2%	86.7%
1,500,000 Under 2,000,000	2,172	0.3%	98.9%	3,735,284	2.1%	21.2%	129,936	1.4%	16.5%	84.8%
2,000,000 Under 3,000,000	2,234	0.3%	99.3%	5,476,150	3.0%	24.2%	196,786	2.1%	18.6%	83.5%
3,000,000 Under 4,000,000	1,234	0.2%	99.4%	4,267,273	2.4%	26.6%	151,873	1.6%	20.2%	81.4%
4,000,000 Under 5,000,000	739	0.1%	99.5%	3,287,302	1.8%	28.4%	122,824	1.3%	21.5%	79.8%
5,000,000 Under 10,000,000	1,461	0.2%	99.7%	10,147,424	5.6%	34.0%	407,688	4.3%	25.8%	78.5%
\$10,000,000 And Over	1,859	0.3%	100.0%	119,483,023	66.0%	100.0%	7,044,598	74.2%	100.0%	74.2%
Total	706,445	100.0%	100.0%	\$122,167,727	100.0%	100.0%	\$9,493,003	100.0%	100.0%	100.0%

Source: Corporation Statistical Sample

FRANCHISE TAX BOARD

Corporation Tax

Comparison by Industry
 All Reporting Corporations
 2006 and Preliminary 2007 Tax Years

Industry	Income in Thousands				Percent Change	
	2006		2007			
	Number	Net Income Less Net Loss	Number	Net Income Less Net Loss	Number	Income
Agriculture, Forestry, Fishing, and Mining	11,146	\$2,013,536	11,166	\$1,248,118	0.2%	-38.0%
Construction	61,990	11,015,079	65,805	7,279,928	6.2%	-33.9%
Manufacturing	45,306	39,550,625	46,871	39,509,527	3.5%	-0.1%
Durable Goods Manufacturing	30,486	17,872,825	30,879	18,064,150	1.3%	1.1%
Nondurable Goods Manufacturing	14,820	21,677,800	15,992	21,445,378	7.9%	-1.1%
Services	274,593	10,654,031	280,508	10,733,397	2.2%	0.7%
Professional, Scientific, and Technical Services	111,876	1,433,996	116,073	1,701,954	3.8%	18.7%
Administrative Services	20,128	1,577,402	22,684	1,730,736	12.7%	9.7%
Accommodation and Food Services	23,627	2,084,414	23,151	1,326,263	-2.0%	-36.4%
Arts, Entertainment, and Recreation	29,492	1,288,939	31,759	1,317,141	7.7%	2.2%
Health Services	53,305	3,069,798	53,085	3,236,784	-0.4%	5.4%
Other Services	36,165	1,199,482	33,756	1,420,520	-6.7%	18.4%
Trade	119,761	25,976,070	124,195	23,929,583	3.7%	-7.9%
Wholesale Trade	62,886	13,281,777	68,299	12,159,042	8.6%	-8.5%
Retail Trade	56,875	12,694,293	55,896	11,770,541	-1.7%	-7.3%
Finance, Insurance, and Real Estate	126,052	32,218,077	131,252	23,077,886	4.1%	-28.4%
Finance, Investment and Insurance	28,432	21,776,750	31,659	12,988,045	11.3%	-40.4%
Holding Companies	6,401	2,727,399	4,562	3,491,959	-28.7%	28.0%
Real Estate	91,219	7,713,928	95,031	6,597,881	4.2%	-14.5%
Transportation, Warehousing, and Utilities	16,729	6,114,458	18,450	4,847,368	10.3%	-20.7%
Information and Communications	28,785	12,782,631	28,200	11,541,921	-2.0%	-9.7%
Total	684,362	\$140,324,506	706,447	\$122,167,727	3.2%	-12.9%

Source: Corporation Statistical Sample

FRANCHISE TAX BOARD

Corporation Tax

Comparison by Industry
Positive Net Income Corporations
2006 and Preliminary 2007 Tax Years

Industry	Income in Thousands				Percent Change	
	2006		2007		Number	Net Income
	Number	Net Income	Number	Net Income		
Agriculture, Forestry, Fishing, and Mining	6,232	\$2,772,810	6,006	\$2,496,009	-3.6%	-10.0%
Construction	37,579	12,559,384	38,933	10,702,928	3.6%	-14.8%
Manufacturing	25,622	51,782,698	26,780	51,783,372	4.5%	0.0%
Durable Goods Manufacturing	17,524	27,465,098	17,647	27,427,368	0.7%	-0.1%
Nondurable Goods Manufacturing	8,098	24,317,600	9,133	24,356,004	12.8%	0.2%
Services	156,544	25,453,698	160,205	26,432,993	2.3%	3.8%
Professional, Scientific, and Technical Services	65,705	11,745,530	67,246	12,632,080	2.3%	7.5%
Administrative Services	10,970	2,332,116	12,574	2,601,754	14.6%	11.6%
Accommodation and Food Services	11,821	2,778,659	10,998	2,176,639	-7.0%	-21.7%
Arts, Entertainment, and Recreation	13,493	2,139,230	18,131	2,163,339	34.4%	1.1%
Health Services	32,490	4,764,210	31,842	4,738,755	-2.0%	-0.5%
Other Services	22,065	1,693,952	19,414	2,120,427	-12.0%	25.2%
Trade	67,505	31,314,553	67,649	30,334,403	0.2%	-3.1%
Wholesale Trade	36,566	16,364,206	37,448	15,644,921	2.4%	-4.4%
Retail Trade	30,939	14,950,346	30,201	14,689,483	-2.4%	-1.7%
Finance, Insurance, and Real Estate	69,217	39,091,201	69,641	36,372,921	0.6%	-7.0%
Finance, Investment and Insurance	15,283	24,194,612	16,752	20,567,433	9.6%	-15.0%
Holding Companies	3,400	4,848,577	1,749	5,765,899	-48.6%	18.9%
Real Estate	50,534	10,048,012	51,140	10,039,589	1.2%	-0.1%
Transportation, Warehousing, and Utilities	9,953	7,389,784	10,671	6,437,463	7.2%	-12.9%
Information and Communications	13,537	16,655,917	14,535	16,538,178	7.4%	-0.7%
Total	386,189	\$187,020,044	394,420	\$181,098,266	2.1%	-3.2%

Source: Corporation Statistical Sample

FRANCHISE TAX BOARD
Corporation Tax

Comparison by Industry
Net Loss or No Income Corporations
2006 and Preliminary 2007 Tax Years

Industry	Loss in Thousands				Percent Change	
	2006		2007		Number	Net Loss or No Income
	Number	Net Loss or No Income	Number	Net Loss or No Income		
Agriculture, Forestry, Fishing, and Mining	4,914	\$759,274	5,160	\$1,247,891	5.0%	64.4%
Construction	24,411	1,544,305	26,872	3,423,000	10.1%	121.7%
Manufacturing	19,685	12,232,073	20,090	12,273,844	2.1%	0.3%
Durable Goods Manufacturing	12,963	9,592,273	13,232	9,363,218	2.1%	-2.4%
Nondurable Goods Manufacturing	6,722	2,639,800	6,858	2,910,626	2.0%	10.3%
Services	118,048	14,799,666	120,302	15,699,596	1.9%	6.1%
Professional, Scientific, and Technical Services	46,171	10,311,535	48,826	10,930,126	5.8%	6.0%
Administrative Services	9,158	754,714	10,110	871,018	10.4%	15.4%
Accommodation and Food Services	11,806	694,245	12,153	850,376	2.9%	22.5%
Arts, Entertainment, and Recreation	15,998	850,291	13,628	846,198	-14.8%	-0.5%
Health Services	20,815	1,694,412	21,243	1,501,971	2.1%	-11.4%
Other Services	14,100	494,470	14,342	699,907	1.7%	41.5%
Trade	52,256	5,338,483	56,546	6,404,820	8.2%	20.0%
Wholesale Trade	26,320	3,082,429	30,851	3,485,879	17.2%	13.1%
Retail Trade	25,936	2,256,054	25,695	2,918,942	-0.9%	29.4%
Finance, Insurance, and Real Estate	56,835	6,873,124	61,610	13,295,035	8.4%	93.4%
Finance, Investment and Insurance	13,149	2,417,862	14,907	7,579,388	13.4%	213.5%
Holding Companies	3,002	2,121,178	2,813	2,273,940	-6.3%	7.2%
Real Estate	40,684	2,334,084	43,890	3,441,707	7.9%	47.5%
Transportation, Warehousing, and Utilities	6,777	1,275,326	7,779	1,590,095	14.8%	24.7%
Information and Communications	15,248	3,873,287	13,665	4,996,257	-10.4%	29.0%
Total	298,174	\$46,695,537	312,024	\$58,930,539	4.6%	26.2%

Source: Corporation Statistical Sample

FRANCHISE TAX BOARD
Corporation Tax

Comparison by Accounting Period
Preliminary 2007 Tax Year

Accounting Period Ending	Dollars in thousands											
	Corporations Reporting Positive Net Income						All Reporting Corporations					
	Returns		Net Income		Tax Assessed		Returns		Net Income Less Net Loss		Tax Assessed	
	Number	Percent of Total	Amount	Percent of Total	Amount	Percent of Total	Number	Percent of Total	Amount	Percent of Total	Amount	Percent of Total
Jan 31, 2007	5,218	1.3%	\$5,312,546	2.9%	\$393,822	4.3%	7,699	1.1%	\$4,250,405	3.5%	\$397,923	4.2%
Feb 28, 2007	2,971	0.8%	3,054,293	1.7%	232,197	2.5%	8,127	1.2%	2,462,104	2.0%	236,818	2.5%
Mar 31, 2007	7,688	1.9%	7,344,312	4.1%	490,478	5.3%	15,229	2.2%	4,505,780	3.7%	498,296	5.2%
Apr 30, 2007	5,221	1.3%	1,853,340	1.0%	97,560	1.1%	7,870	1.1%	1,178,097	1.0%	99,986	1.1%
May 31, 2007	4,597	1.2%	2,921,770	1.6%	145,235	1.6%	9,423	1.3%	2,483,918	2.0%	149,100	1.6%
Jun 30, 2007	14,348	3.6%	6,663,910	3.7%	405,666	4.4%	27,591	3.9%	3,863,063	3.2%	419,343	4.4%
Jul 31, 2007	6,323	1.6%	5,394,982	3.0%	245,991	2.7%	11,851	1.7%	4,663,469	3.8%	250,316	2.6%
Aug 31, 2007	4,400	1.1%	1,624,699	0.9%	109,997	1.2%	8,160	1.2%	1,142,735	0.9%	112,695	1.2%
Sep 30, 2007	12,347	3.1%	11,057,175	6.1%	577,069	6.2%	23,053	3.3%	9,285,369	7.6%	587,797	6.2%
Oct 31, 2007	4,925	1.2%	3,244,932	1.8%	94,817	1.0%	8,382	1.2%	2,509,855	2.1%	97,947	1.0%
Nov 30, 2007	3,442	0.9%	1,602,258	0.9%	80,807	0.9%	6,093	0.9%	609,063	0.5%	83,202	0.9%
Dec 31, 2007	322,942	81.9%	131,024,047	72.3%	6,368,295	68.9%	572,968	81.1%	85,213,868	69.8%	6,559,580	69.1%
	394,421	100.0%	\$181,098,266	100.0%	\$9,241,935	100.0%	706,445	100.0%	\$122,167,727	100.0%	\$9,493,003	100.0%

Source: Corporation Statistical Sample

FRANCHISE TAX BOARD
 Corporation Tax Law
 Special Tax Credits Allowed
 Credit Amount > \$10 million
 2006-2007 Tax Years

Credit	2006		2007		Percent Change
	Number	Amount (\$ Thousands)	Number	Amount (\$ Thousands)	
Enterprise Zone and Program Area Hiring and Sales	3,434	219,882	4,114	235,927	7.3%
Low-Income Housing	49	49,602	42	59,878	20.7%
Manufacturer's Investment	1,032	91,301	829	91,795	0.5%
Prior Year Alternative Minimum Tax	1,177	29,381	1,177	26,857	-8.6%
Research	2,037	1,391,780	2,184	1,484,865	6.7%
Subtotal	7,729	\$ 1,781,945	8,346	\$ 1,899,323	6.6%

FRANCHISE TAX BOARD
 Corporation Tax Law
 Special Tax Credits Allowed
 Credit Amount < \$10 million
 2006-2007 Tax Years

Credit	2006		2007		Percent Change
	Number	Amount (\$ Thousands)	Number	Amount (\$ Thousands)	
Child Care Contribution	68	468	62	722	54.1%
Child Care Program	21	227	20	252	10.9%
Commercial Solar Energy	4	77	3	216	179.9%
Disabled Access	141	21	144	16	-26.7%
Enhanced Oil Recovery	15	8,134	13	1,323	-83.7%
Local Agency Military Base Recovery Area	25	1,910	31	1,789	-6.3%
Los Angeles Revitalization Zone Carryover	356	8,691	310	8,728	0.4%
Recycling Equipment	8	89	9	955	967.8%
Rice Straw	6	34	7	44	30.3%
Solar Energy	10	159	4	71	-55.6%
Solar Energy Systems	30	190	34	244	28.5%
Solar Pump	6	292	3	11	-96.3%
Targeted Tax Area	61	5,070	58	6,234	23.0%
Other	21	3,499	32	8,115	131.9%
Subtotal	772	28,862	730	28,719	-0.5%
Grand Total	8,501	\$ 1,810,807	9,076	\$ 1,928,042	6.5%

Enterprise Zone Credits Applied by Industrial Sector

Industrial Sector	2006		2007		Percent Change		2007 Total Tax Liability (\$ Thousands)	Percent Distribution	
	Returns	Credit Applied (\$ Thousands)	Returns	Credit Applied (\$ Thousands)	Returns	Amount		Total Tax Liability	2007 Credit Applied
	Agriculture, Forestry, Fishing, and Mining	32	2,160	47	5,183	48.6%	140.0%	139,865	1.5%
Construction	334	6,917	403	8,224	20.7%	18.9%	406,696	4.3%	3.5%
Nondurable Goods Manufacturing	359	32,574	406	33,678	13.2%	3.4%	1,515,283	16.0%	14.3%
Durable Goods Manufacturing	439	28,026	523	23,203	19.0%	-17.2%	953,865	10.0%	9.8%
Wholesale Trade	629	21,459	669	20,380	6.3%	-5.0%	834,091	8.8%	8.6%
Retail Trade	410	39,325	452	45,711	10.1%	16.2%	911,689	9.6%	19.4%
Accommodation and Food Services	164	3,992	225	4,318	36.9%	8.2%	103,792	1.1%	1.8%
Administrative Services	79	2,885	102	3,662	29.0%	26.9%	115,771	1.2%	1.6%
Arts, Entertainment, and Recreation Services	10	144	23	322	138.0%	124.4%	62,237	0.7%	0.1%
Health Services	143	6,599	199	5,594	38.9%	-15.2%	175,282	1.8%	2.4%
Professional, Scientific, and Technical Services	249	6,546	352	5,853	41.6%	-10.6%	469,645	4.9%	2.5%
Other Services	136	6,844	146	7,691	7.2%	12.4%	86,657	0.9%	3.3%
Finance, Investment, and Insurance	96	17,297	143	22,383	49.3%	29.4%	1,585,248	16.7%	9.5%
Real Estate	81	3,581	95	4,448	17.5%	24.2%	452,318	4.8%	1.9%
Information	44	4,203	52	6,239	18.4%	48.4%	879,892	9.3%	2.6%
Transportation, Warehousing, and Utilities	110	18,276	133	10,152	21.1%	-44.5%	408,263	4.3%	4.3%
Non-Bank Holding Companies	77	16,412	93	24,513	20.3%	49.4%	392,410	4.1%	10.4%
Other/Unknown	42	2,642	51	4,373	20.9%	65.5%	0	0.0%	1.9%
Total	3,434	219,882	4,114	235,927	19.8%	7.3%	9,493,003	100.0%	100.0%

Research and Development Credits Applied by Industrial Sector

Industrial Sector	2006		2007		Percent Change	
	Returns	Credit Applied (\$ Thousands)	Returns	Credit Applied (\$ Thousands)	Returns	Amount
	Food and Kindred Products	33	5,163	35	1,344	6.1%
Chemicals and Allied Products	52	7,307	57	8,902	9.6%	21.8%
Pharmaceuticals	35	315,463	33	275,303	-5.7%	-12.7%
Electrical and Electronic Equipment	426	475,075	423	590,833	-0.7%	24.4%
Other Manufacturing	524	158,834	559	161,958	6.7%	2.0%
Information	55	102,318	57	92,222	3.6%	-9.9%
Other	912	327,619	1,020	354,303	11.8%	8.1%
Total	2,037	1,391,780	2,184	1,484,865	7.2%	6.7%

Research Credit Amounts Available, Used, and Carried Forward: 2007

Research Credit	
Available	\$10,324
Carryover from previous years	\$7,970
Generated in current year	\$2,354
Used	\$1,485
Carryforward	\$8,839

FRANCHISE TAX BOARD
 Corporation Tax
 Large Corporation Payments versus All Corporation Payments
 for Selected Months /1
 (\$ in Millions)

	Large Payments	All Payments	Percentage of All Payments
2001			
January through April	1,291	2,769	47%
May through June	780	1,378	57%
July through September	824	1,533	54%
October through December	786	1,516	52%
2002			
January through April	1,103	2,471	45%
May through June	740	1,282	58%
July through September	999	1,657	60%
October through December	1,081	1,822	59%
2003			
January through April	1,484	2,971	50%
May through June	956	1,547	62%
July through September	1,070	1,849	58%
October through December	1,019	1,776	57%
2004			
January through April	1,984	3,669	54%
January through March	767	1,701	45%
May through June	1,172	1,804	65%
July through September	1,485	2,361	63%
October through December	1,319	2,229	59%
2005			
January through April	4,977	7,032	71%
May through June	1,371	2,094	65%
July through September	1,949	2,844	69%
October through December	1,630	2,540	64%
2006			
January through April	2,127	4,105	52%
January through March	1,195	2,313	52%
May through June	1,375	2,158	64%
July through September	1,981	3,006	66%
October through December	2,006	3,018	66%
2007			
January through April	2,120	4,268	50%
January through March	1,184	2,418	49%
May through June	1,366	2,160	63%
July through September	1,955	3,101	63%
October through December	1,376	2,507	55%
2008			
January through April	1,795	4,027	45%
January through March	980	2,247	44%
May through June	1,432	2,204	65%
July through September	1,503	2,994	50%
October through December	1,554	2,567	61%
2009			
January through March	1,099	2,430	45%

Source: California Franchise Tax Board Business Entity Tax System.
 /1 Large payments are defined as payments of more than \$1 million.

FRANCHISE TAX BOARD
Corporation Tax
Large Corporation Payments by Month and Industry /1
(\$ in Millions)

Exhibit B-4
2 of 2

	Agriculture, Mining, and Construction	Manufacturing, Durables	Manufacturing, Non-Durables	Banks and Savings and Loans	Information	Other Financial	Trade	Services	Transportation, Communications, and Utilities	Total
January through April Payments										
2007	103	279	295	360	237	321	302	112	110	2,119
2008	86	334	392	200	224	204	267	92	63	1,862
Difference	-16	55	97	-159	-14	-117	-35	-20	-48	-257
% Difference	-16%	20%	33%	-44%	-6%	-36%	-12%	-18%	-43%	-12%
May through June Payments										
2007	37	122	267	247	135	161	234	82	77	1,361
2008	63	142	366	193	199	118	212	85	54	1,432
Difference	26	20	98	-54	65	-43	-21	3	-23	71
% Difference	69%	17%	37%	-22%	48%	-27%	-9%	4%	-30%	5%
July through September Payments										
2007	93	190	499	280	187	249	251	86	100	1,936
2008	77	166	385	172	141	229	191	73	68	1,503
Difference	-15	-24	-114	-108	-46	-20	-60	-14	-32	-433
% Difference	-17%	-12%	-23%	-39%	-25%	-8%	-24%	-16%	-32%	-22%
October through December Payments										
2007	54	131	181	204	130	255	247	59	114	1,376
2008	43	215	424	117	191	97	238	104	125	1,554
Difference	-11	84	243	-87	61	-158	-9	45	11	178
% Difference	-20%	64%	134%	-43%	47%	-62%	-4%	75%	10%	13%
January through March Payments										
2008	32	202	158	41	151	124	187	64	20	980
2009	39	256	155	163	161	66	134	111	14	1,099
Difference	7	54	-3	122	9	-59	-54	48	-6	119
% Difference	23%	27%	-2%	297%	6%	-47%	-29%	75%	-29%	12%
Total Payments from above										
2007-08	318	924	1400	1132	841	1110	1222	403	421	7,772
2008-09	309	1113	1720	845	916	713	1043	465	324	7,449
Difference	-9	190	321	-287	75	-397	-179	62	-97	-322
% Difference	-3%	21%	23%	-25%	9%	-36%	-15%	15%	-23%	-4%

Source: California Franchise Tax Board Business Entity Tax System. Detail may not add to totals due to rounding.

/1 Large payments are defined as payments of more than \$1 million.

Corporation Tax

Revenue Impact of Six Corporation Tax Provisions:

Revenue Years 2000 - 2016

(\$ Millions)

Revenue Year	NOL Provision	Credit	S Corp Status	Bank Surcharge	Alternative Minimum Tax	Minimum Tax	Repeal all six provisions
2000	505	872	2,237	(157)	(99)	(508)	3,739
2001	395	682	1,749	(123)	(46)	(519)	2,923
2002	94	575	1,476	(103)	(20)	(529)	2,467
2003	6	787	2,019	(142)	(26)	(540)	3,374
2004	646	1,115	2,861	(201)	(47)	(550)	4,781
2005	831	1,434	3,679	(258)	(57)	(561)	5,530
2006	855	1,475	3,784	(265)	(84)	(573)	6,324
2007	822	1,418	3,639	(255)	(106)	(584)	6,083
2008	734	1,421	3,250	(228)	(74)	(590)	5,432
2009	618	1,217	2,783	(195)	(63)	(584)	4,573
2010	689	1,345	3,074	(216)	(70)	(601)	5,096
2011	787	1,516	3,466	(243)	(79)	(598)	5,824
2012	848	1,625	3,715	(260)	(85)	(609)	6,275
2013	911	1,737	3,972	(278)	(91)	(621)	6,739
2014	985	1,869	4,274	(300)	(97)	(634)	7,286
2015	1,065	2,011	4,599	(322)	(105)	(646)	7,875
2016	1,150	2,164	4,948	(347)	(113)	(659)	8,509

Source: California Franchise Tax Board

FRANCHISE TAX BOARD
Corporation Tax

Overpayments To and From Current Tax Year
(Amounts in Thousands)

Tax Year	Overpayments From Prior Year	Overpayments to Following Year
2004	\$1,997,067	\$2,064,779
2005	\$2,081,720	\$2,567,769
2006	\$3,011,366	\$3,149,442
2007	\$3,165,524	\$2,808,172

Source: Corporation Statistical Sample

FRANCHISE TAX BOARD
 Limited Liability Companies (LLCs)
 1994 to 2007 and Projections
 (\$ in Millions)

Fiscal Year	New LLC Registrations /b	LLC Returns			
		Returns Received	LLC Tax Paid	LLC Fee Paid	Total Revenue
1994/95	920	676	\$ 4.8	\$ 0.2	\$ 5.0
1995/96	7,817	6,957	\$ 5.4	\$ 2.7	\$ 8.1
1996/97	12,549	16,529	\$ 13.0	\$ 10.6	\$ 23.6
1997/98	18,645	29,651	\$ 23.5	\$ 21.3	\$ 44.8
1998/99	24,898	44,702	\$ 36.6	\$ 35.4	\$ 72.0
1999/00	26,221	63,618	\$ 52.2	\$ 89.3	\$ 141.5
2000/01	26,186	81,259	\$ 68.5	\$ 140.6	\$ 209.2
2001/02	30,964	98,834	\$ 79.1	\$ 165.9	\$ 244.9
2002/03	35,958	116,294	\$ 93.3	\$ 185.6	\$ 278.9
2003/04	46,241	139,454	\$ 112.4	\$ 212.5	\$ 324.9
2004/05	58,097	165,743	\$ 134.7	\$ 247.8	\$ 382.5
2005/06	70,025	196,269	\$ 158.4	\$ 287.0	\$ 445.5
2006/07	73,337	222,465	\$ 182.7	\$ 320.2	\$ 502.9
2007/08 /a	81,536	245,417	\$ 197.0	\$ 324.9	\$ 521.9
2008/09 /c	76,482		\$ 206.4	\$ 689.9	\$ 896.3
2009/10 /c			\$ 216.9	\$ 387.3	\$ 604.2
2010/11 /c			\$ 238.6	\$ 426.1	\$ 664.7
2011/12 /c			\$ 262.5	\$ 468.7	\$ 731.1
2012/13 /c			\$ 288.7	\$ 487.3	\$ 776.0

/a 2007/08 returns, tax, and fee data are projected from 2007 data.

/b Registrations are reported for the year of registration.

/c Projections

Source: Registrations, Secretary of the State; Tax data are from FTB Business Entities Section.

FRANCHISE TAX BOARD
 Limited Liability Companies (LLCs)
 (\$ in Millions)

Distribution of LLCs filing a California Tax Return by Industry							
	All LLCs		Fees	LLCs with Fee Greater Than Zero		LLCs with Zero Fees	
Agriculture, Forestry, Fishing	4,926	2.0%	\$ 9,351,780	1,894	2.6%	3,032	1.8%
Mining	597	0.2%	\$ 1,153,290	210	0.3%	387	0.2%
Transportation and Warehousing	4,225	1.7%	\$ 8,022,130	1,503	2.0%	2,722	1.6%
Construction	8,556	3.5%	\$ 12,716,370	2,098	2.9%	6,458	3.8%
Manufacturing, Nondurable Goods	2,893	1.2%	\$ 8,982,270	1,363	1.9%	1,530	0.9%
Manufacturing, Durable Goods	3,032	1.2%	\$ 9,280,220	1,404	1.9%	1,628	1.0%
Wholesale Trade	6,595	2.7%	\$ 17,490,750	2,898	3.9%	3,697	2.2%
Retail Trade	8,768	3.6%	\$ 15,729,830	3,415	4.6%	5,353	3.1%
Information	7,921	3.2%	\$ 10,320,030	1,831	2.5%	6,090	3.6%
Finance, Investment, and Insurance	18,575	7.6%	\$ 29,298,050	5,257	7.1%	13,318	7.8%
Real Estate	120,151	49.1%	\$ 121,504,300	33,651	45.8%	86,500	50.5%
Professional, Scientific, and Technical Services	19,887	8.1%	\$ 24,165,160	5,729	7.8%	14,158	8.3%
Holding Companies	2,596	1.1%	\$ 3,384,300	563	0.8%	2,033	1.2%
Administrative Services	3,318	1.4%	\$ 5,892,650	1,171	1.6%	2,147	1.3%
Other Services	7,203	2.9%	\$ 6,401,390	1,900	2.6%	5,303	3.1%
Health Services	3,435	1.4%	\$ 8,472,080	1,533	2.1%	1,902	1.1%
Arts, Entertainment, and Recreation	7,068	2.9%	\$ 6,899,980	1,616	2.2%	5,452	3.2%
Accommodation and Other Services	7,585	3.1%	\$ 19,357,530	4,120	5.6%	3,465	2.0%
other	7,405	3.0%	\$ 5,696,350	1,394	1.9%	6,011	3.5%
Total	244,736	100.0%	\$ 324,118,460	73,550	100.0%	171,186	100.0%

Source: California Franchise Tax Board, 2007 Business Entities Master File (as of April 19, 2009).

FRANCHISE TAX BOARD
Limited Liability Companies (LLCs)

The Number of LLCs at each Fee Level					
Gross Receipts	Annual Fee	Number of Firms	Percentage of total	Amount Paid	Percentage of total
< 249,999	-	171,186	69.9%	\$ -	0.0%
> 249,999	900	23,375	9.6%	\$ 21.05	6.5%
> 499,999	2,500	17,682	7.2%	\$ 44.20	13.6%
> 999,999	6,000	21,340	8.7%	\$ 127.93	39.5%
> 4,999,999	11,790	4,352	1.8%	\$ 51.27	15.8%
> 9,999,999	11,790	2,682	1.1%	\$ 31.49	9.7%
> 19,999,999	11,790	2,114	0.9%	\$ 24.74	7.6%
> 49,999,999	11,790	2,005	0.8%	\$ 23.45	7.2%
Total		244,736	100.0%	\$ 324.12	100.0%

Source: California Franchise Tax Board, Special LLC Sample from 2007 Business Entities Master File (as of April 19, 2009).

FRANCHISE TAX BOARD
 Corporation Tax
 Net Operating Loss
 Aggregate Data Relating to Bank and Corporation NOLs

Income Year	NOLs Not Yet Deducted as of Beginning of Year		Taxpayers With NOL Deductions		New NOL Carryforwards		Expirations of NOL Deductions /a	NOLs Not Yet Deducted as of End of Year
	Number of Returns	Amount (\$Mil)	Number of Returns	Amount (\$Mil)	Losses	Amount of Carryforward (\$Mil)	Amount (\$Mil)	Amount (\$Mil)
1987	107,191	9,534	13,713	832	17,326	8,663	-	17,365
1988	182,661	17,365	61,744	1,939	19,475	9,737	-	25,163
1989	213,587	25,163	65,253	2,119	22,440	11,220	1,904	32,361
1990	243,940	32,361	70,607	2,451	26,127	13,064	5,118	37,856
1991	238,525	37,856	35,598	947	28,110	14,055	-	50,964
1992	293,093	50,964	0	0	31,405	15,702	-	66,666
1993	356,665	66,666	58,157	3,052	29,650	14,825	-	78,439
1994	377,489	78,439	106,486	5,142	26,119	13,060	6,143	80,214
1995	373,858	80,214	90,150	5,172	27,778	13,889	6,849	82,082
1996	369,554	82,082	86,426	5,192	30,409	15,205	7,488	84,607
1997	367,656	84,607	84,389	5,864	29,917	14,958	15,679	78,023
1998	359,833	78,023	82,544	5,800	37,512	18,756	23,461	67,518
1999	300,330	67,518	80,601	5,600	48,141	24,070	8,854	77,135
2000	303,627	77,135	79,446	6,415	77,273	41,619	9,578	102,760
2001	316,784	102,760	78,404	6,417	81,009	44,555	10,621	130,278
2002	338,509	130,278	26,625	1,611	69,602	41,761	1,037	169,391
2003	418,381	169,391	0	0	56,592	33,955	-	203,346
2004	503,911	203,346	106,108	10,646	52,632	46,833	9,065	230,469
2005	501,157	230,469	137,886	14,556	52,583	52,583	13,170	255,326
2006	508,619	255,326	127,816	14,826	48,952	48,952	17,511	271,940
2007	532,950	271,940	119,235	12,053	61,238	61,238	-	321,125

/a Includes unused but potentially usable NOL carryforwards due to S-Corp conversions as well as those associated with corporations that are active or have dissolved, merged, been suspended, become inactive, or been subsumed within combined reports.

Source: California Franchise Tax Board, Business Entity Tax System as of April 27, 2009 Detail may not add to totals due to rounding.

FRANCHISE TAX BOARD

Corporation Tax

Net Operating Loss

Distribution of NOL Stocks at the End of 2007 Income Year, by Vintage

Exhibit B-8

2 of 2

Year NOL was Generated	Total NOLs Generated (\$Bil)	Total NOLs Deducted (\$Bil)	Subtractions for Expirations (\$Bil)	NOLs Remaining	
				\$ Amount (\$Bil)	% Share
1985	2.5	0.5	1.9	0.0	0.0
1986	7.1	2.0	5.1	0.0	0.0
1987	8.7	2.5	6.1	0.0	0.0
1988	9.7	2.9	6.8	0.0	0.0
1989	11.2	3.7	7.5	0.0	0.0
1990	13.1	4.6	8.5	0.0	0.0
1991	14.1	7.8	6.2	0.0	0.0
1992	15.7	1.7	14.0	0.0	0.0
1993	14.8	4.4	10.4	0.0	0.0
1994	13.1	4.2	8.9	0.0	0.0
1995	13.9	4.3	9.6	0.0	0.0
1996	15.2	4.6	10.6	0.0	0.0
1997	15.0	4.9	10.1	0.0	0.0
1998	18.8	5.6	13.2	0.0	0.0
1999	24.1	6.6	17.5	0.0	0.0
2000	41.6	10.4	0.0	31.2	9.7
2001	44.6	8.7	0.0	35.9	11.2
2002	41.8	8.9	0.0	32.9	10.2
2003	34.0	7.4	0.0	26.5	8.3
2004	46.8	7.1	0.0	39.7	12.4
2005	52.6	5.1	0.0	47.5	14.8
2006	49.0	2.8	0.0	46.1	14.4
2007	61.2	0.0	0.0	61.2	19.1
Totals	568.2	110.6	136.5	321.1	100.0

Source: California Franchise Tax Board, Business Entity Tax System as of April 27, 2008

FRANCHISE TAX BOARD
Bank and Corporation Tax
California S Corporations: Aggregate Income and Tax Liability
2000-2007
(\$ in Millions)

Income Category of S Corporations	2000	2001	Pct Change	2002	Pct Change	2003	Pct Change	2004	Pct Change	2005	Pct Change	2006	Pct Change	2007	Pct Change
Positive State Net Income S Corporations:															
-- Number	115,119	126,347	9.8	142,051	12.4	158,808	11.8	181,938	14.6	206,461	13.5	223,408	8.2	226,722	1.5
-- SNI	31,369	29,415	-6.2	30,392	3.3	33,641	10.7	43,587	29.6	51,255	17.6	57,768	12.7	57,491	-0.5
-- Tax Liability	477	450	-5.5	486	7.8	541	11.4	670	23.7	784	17.0	877	11.9	871	-0.7
Negative State Net Income S Corporations: /a															
-- Number	68,524	79,583	16.1	91,939	15.5	101,419	10.3	115,319	13.7	129,549	12.3	140,970	8.8	145,743	3.4
-- SNI	-5,343.7	-6,118	14.5	-6,487	6.0	-6,543	0.9	-7,458	14.0	-8,457	13.4	-8,974	6.1	-11,768	31.1
-- Tax Liability	45	54	20.0	62	14.9	68	10.0	75	11.0	84	12.2	97	14.5	101	4.8
All S Corporations:															
-- Number	183,643	205,930	12.1	233,990	13.6	260,227	11.2	297,257	14.2	336,010	13.0	364,378	8.4	372,465	2.2
-- SNI	26,025	23,298	-10.5	23,906	2.6	27,098	13.4	36,129	33.3	31,725	-12.2	48,795	53.8	45,723	-6.3
-- Tax Liability	522	504	-3.3	547	8.6	609	11.2	745	22.3	868	16.5	973	12.1	972	-0.1

/a Data include corporations reporting zero SNI.

Source: California Franchise Tax Board, Business Entity Tax System as of May 4, 2009.

FRANCHISE TAX BOARD
Corporation Tax
Alternative Minimum Tax
2003 through 2007 Income Years

Industry	2003 AMT			2004 AMT			2005 AMT			2006 AMT			2007 AMT			Percent Change	
	Number	Amount (\$ mil)	Average (\$ 000)	Number	Amount (\$ mil)	Average (\$ 000)	Number	Amount (\$ mil)	Average (\$ 000)	Number	Amount (\$ mil) /a	Average (\$ 000)	Number	Amount (\$ mil) /a	Average (\$ 000)	2006 to 2007	
																Number	Amount
Agric, Forestry, Fishing, and Mining	41	1.6	39.3	64	2.0	31.3	111	2.2	19.4	111	3.6	32.4	77	2.3	30.0	-30.5	-35.8
Construction	167	1.7	10.5	206	1.9	9.2	324	2.8	8.5	331	3.7	11.2	293	3.5	12.0	-11.4	-4.9
Manufacturing																	
Durable Goods	97	1.2	12.8	272	8.6	31.6	426	9.0	21.1	430	12.9	30.0	364	10.4	28.4	-15.3	-19.7
Nondurable Goods	79	2.7	34.6	141	5.1	36.2	179	4.8	26.8	172	9.5	55.2	182	12.6	69.0	5.8	32.3
Services																	
Professional, Scientific, and Technical	61	8.0	131.1	245	3.1	12.7	363	8.2	22.5	360	10.6	29.4	341	6.3	18.5	-5.2	-40.3
Other Services	89	0.3	3.4	270	1.7	6.3	322	2.6	8.0	309	3.9	12.6	266	4.3	16.2	-13.8	10.8
Trade																	
Retail Trade	58	0.7	12.1	125	3.7	29.6	184	3.0	16.3	155	2.7	17.4	133	2.7	20.5	-14.4	0.5
Wholesale Trade	75	1.6	21.3	197	2.2	11.2	297	4.6	15.4	282	6.7	23.8	263	3.5	13.4	-6.6	-47.5
Finance, Insurance, and Real Estate																	
Finance, Investment and Insurance	32	0.9	26.9	85	4.4	51.8	119	1.7	14.3	125	3.8	30.4	107	3.3	31.0	-14.4	-12.7
Holding Companies	26	1.0	38.5	96	4.5	46.9	140	6.1	43.5	165	13.5	81.8	161	20.8	128.9	-2.1	54.1
Real Estate	90	0.5	5.0	201	4.6	22.9	231	5.1	22.0	197	2.6	13.2	150	1.6	10.7	-23.8	-38.1
Transport, Warehousing, and Utilities	49	1.1	21.8	95	1.3	13.7	115	2.2	19.1	109	1.6	14.7	110	1.9	17.4	1.0	19.4
Information and Communications	21	4.5	213.1	96	3.8	39.6	148	5.9	39.9	133	4.0	30.1	109	3.3	30.4	-18.0	-17.1
Total /b	885	25.8	29.7	2,093	46.9	17.3	2,976	59.4	17.3	2,900	79.3	17.3	2,600	78.7	17.3	-10.3	-0.8

/a 2007 AMT is incomplete. The raw 2007 amounts have been adjusted upward by 1% to reflect estimated amount of AMT that would be reported on returns that have yet to be processed

/b Total includes corporations in the above industries and in unknown industry

Source: California Franchise Tax Board, Business Entity Tax System as of May 1, 2009