

Accrual Estimates
(\$ in Millions)

Payments	2009-2010	2010-2011	2011-2012
Estimate Payments	\$529.7	\$340.0	\$334.6
Return Remittances Payments	802.6	839.4	770.8
Other	1,527.0	1,517.2	1,538.3
Withholding (EDD)	946.4	1,014.5	1,087.6
Withholding (FTB)	42.5	54.8	69.8
Total	\$3,848.2	\$3,766.0	\$3,801.1
Refunds	-2,360.9	-2,703.4	-2,609.8
Budget Net	\$1,487.4	\$1,062.6	\$1,191.4
GAAP Adjustments*	-\$662.1	-\$1,146.2	\$621.5
GAAP Net	\$825.2	-\$83.6	\$1,812.9

*Included: Chapter 751 Statutes of 2008 change to Sept estimated payments,
Accelerated revenue estimate payments, & Net final payments
11/15/2010

\\Accrual 1110.xls

Reported in July 10

Accrual Estimates
(\$ in Millions)

Payments	2008-2009	2009-2010	2010-2011
Estimate Payments	\$782.6	\$273.3	\$251.8
Return Remittances Payments	807.9	847.5	835.1
Other	1,484.0	1,495.4	1,532.8
Withholding (EDD)	803.4	894.8	939.3
Withholding (FTB)	33.7	44.8	44.8
Total	\$3,911.5	\$3,555.8	\$3,603.7
Refunds	-2,710.9	-2,383.0	-2,493.9
Budget Net	\$1,200.6	\$1,172.8	\$1,109.8
GAAP Adjustments*	-\$207.7	-\$1,870.6	-\$3,901.5
GAAP Net	\$992.9	-\$697.8	-\$2,791.7

FRANCHISE TAX BOARD
 Personal Income Tax by AGI Class
 Comparison of Resident Returns 2008 Tax Year
 (Volumes Thousands, Amounts Millions)

RETURN VOLUMES				
Adjusted Gross Income Class		2008 Returns Processed to November 28, 2009	2008 PIT Sample	Percent Change
Neg Agi -	-	230	225	-2.4
1	10,000	1,971	1,938	-1.7
	10,001	2,302	2,355	2.3
	20,001	4,761	4,773	0.3
	50,001	3,208	3,212	0.1
	100,001	1,686	1,693	0.4
	200,001	488	493	1.0
	500,001	75	76	0.8
	1,000,001	42	43	2.3
TOTAL		14,763	14,806	0.3
ADJUSTED GROSS INCOME				
Adjusted Gross Income Class		2008 Returns Processed to November 28, 2009	2008 PIT Sample	Percent Change
Neg Agi -	-	-23,500	-24,242	3.2
1	10,000	10,393	10,495	1.0
	10,001	34,510	35,499	2.9
	20,001	157,913	158,734	0.5
	50,001	227,060	227,701	0.3
	100,001	228,974	229,685	0.3
	200,001	138,234	140,158	1.4
	500,001	50,892	51,239	0.7
	1,000,001	139,350	144,361	3.6
TOTAL		963,826	973,630	1.0
TAX LIABILITY				
Adjusted Gross Income Class		2008 Returns Processed to November 28, 2009	2008 PIT Sample	Percent Change
Neg Agi -	-	6	6	5.0
1	10,000	11	9	-14.7
	10,001	52	53	2.2
	20,001	1,436	1,429	-0.5
	50,001	5,292	5,320	0.5
	100,001	9,266	9,295	0.3
	200,001	8,560	8,680	1.4
	500,001	3,918	3,936	0.5
	1,000,001	12,509	12,948	3.5
TOTAL		41,049	41,676	1.5

Source: FRANCHISE TAX BOARD, Return History Report , PIT Sample 2008 AGIC Residents, Data as of November 28, 2009

FRANCHISE TAX BOARD
 Personal Income Tax
 California Resident Returns
 2007, 2008 and 2009
 Tax Years
 (Returns Thousands, Amounts Millions)

Tax Year	Number of Returns	Adjusted Gross Income	Deductions	Taxable Income	Alternative Minimum Tax	Total Tax
2007	14,989	1,053,200	202,976	865,037	41	49,049
2008	14,763	963,826	195,942	791,372	54	41,049
2009	14,604	878,766	181,804	728,207	57	38,841
2007-08 % CHANGE	-1.5	-8.5	-3.5	-8.5	32.1	-16.3
2008-09 % CHANGE	-1.1	-8.8	-7.2	-8.0	4.6	-5.4

Source: FRANCHISE TAX BOARD, Return History Report
 Data as of November 27, 28 & 29 of 2010, 2009 & 2008 respectively.

FRANCHISE TAX BOARD
 Personal Income Tax
 California Resident Returns
 2009 Tax Year
 (2010 Process Year)
 (Returns Thousands, Amounts Millions)

Adjusted Gross Income Class		Number of Returns	Adjusted Gross Income	Deductions	Taxable Income	Alternative Minimum Tax	Total Tax	Refund Requests	Transfer Requests
Negative AGI -	-	278	-31,253	0	0	2	6	202	61
1	10,000	2,119	10,986	7,546	3,439	0	11	99	10
	10,001 20,000	2,362	35,270	14,237	21,032	0	70	260	14
	20,001 50,000	4,613	152,583	40,627	111,955	1	1,709	1,394	74
	50,001 100,000	3,061	216,613	47,825	168,785	2	6,068	2,047	152
	100,001 200,000	1,617	219,606	42,865	176,739	7	9,886	1,538	237
	200,001 500,000	456	128,248	18,980	109,268	13	8,327	694	378
	500,001 1,000,000	65	43,806	3,657	40,148	11	3,455	188	291
	1,000,001 & over	34	102,907	6,067	96,839	21	9,309	401	1,376
	Total	14,604	878,766	181,804	728,207	57	38,841	6,824	2,593

Source: FRANCHISE TAX BOARD, Return History Report
 Data as of November 27, 2010

FRANCHISE TAX BOARD
 Personal Income Tax by AGI Class
 California Resident Returns
 2008 and 2009 Tax Years
 (Returns Thousands, Amounts Millions)

RETURN VOLUMES				
Adjusted Gross Income		2008 Returns	2009 Returns	Percent Change
Class				
Neg Agi -	-	230	278	20.6
1	10,000	1,971	2,119	7.5
	10,001 20,000	2,302	2,362	2.6
	20,001 50,000	4,761	4,613	-3.1
	50,001 100,000	3,208	3,061	-4.6
	100,001 200,000	1,686	1,617	-4.1
	200,001 500,000	488	456	-6.6
	500,001 1,000,000	75	65	-13.8
	1,000,001 & over	42	34	-18.8
TOTAL		14,763	14,604	-1.1
ADJUSTED GROSS INCOME				
Adjusted Gross Income		2008 Adjusted Gross Income	2009 Adjusted Gross Income	Percent Change
Class				
Neg Agi -	-	-23,500	-31,253	33.0
1	10,000	10,393	10,986	5.7
	10,001 20,000	34,510	35,270	2.2
	20,001 50,000	157,913	152,583	-3.4
	50,001 100,000	227,060	216,613	-4.6
	100,001 200,000	228,974	219,606	-4.1
	200,001 500,000	138,234	128,248	-7.2
	500,001 1,000,000	50,892	43,806	-13.9
	1,000,001 & over	139,350	102,907	-26.2
TOTAL		963,826	878,766	-8.8
TAX LIABILITY				
Adjusted Gross Income		2008 Total Tax	2009 Total Tax	Percent Change
Class				
Neg Agi -	-	6	6	13.4
1	10,000	11	11	3.8
	10,001 20,000	52	70	34.8
	20,001 50,000	1,436	1,709	19.0
	50,001 100,000	5,292	6,068	14.7
	100,001 200,000	9,266	9,886	6.7
	200,001 500,000	8,560	8,327	-2.7
	500,001 1,000,000	3,918	3,455	-11.8
	1,000,001 & over	12,509	9,309	-25.6
TOTAL		41,049	38,841	-5.4

Source: FRANCHISE TAX BOARD, Return History Report
 Data as of November 28, 2009 & November 27, 2010

FRANCHISE TAX BOARD
 Personal Income Tax Statistics
 Special Tax Credits Allowed
 Credit Amount > \$10 million
 2008 - 2009 Tax Years**

Credit	Preliminary 2008*		Preliminary 2009*		Percent Change	
	Number	Amount (\$ Thousands)	Number	Amount (\$ Thousands)	Number	Amount
Child and Dependent Care	466,456	136,732	458,905	133,657	-1.6	-2.2
Enterprise Zone Hiring and Sales	19,035	136,949	21,982	168,591	15.5	23.1
New Hire Jobs	0	0	5,258	13,684	N/A	N/A
New Home	0	0	7,784	16,451	N/A	N/A
Other State Tax	118,527	474,838	113,110	497,674	-4.6	4.8
Prior Year Alternative Minimum Tax	4,667	17,871	4,567	13,878	-2.1	-22.3
Renter's Credit (non-refundable)	1,426,469	102,146	1,934,310	153,963	35.6	50.7
Research	3,114	40,512	3,509	46,257	12.7	14.2
Subtotal	2,038,268	909,050	2,549,425	1,044,155	25.1	14.9

* Preliminary data (processed returns through November 7, 2009 and November 6, 2010)

** 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
 2008 - 2009 Tax Years**

Credit	Preliminary 2008*		Preliminary 2009*		Percent Change	
	Number	Amount (\$ Thousands)	Number	Amount (\$ Thousands)	Number	Amount
Current Credits						
Child Adoption	1,623	1,976	1,801	1,995	11.0	1.0
Community Development Deposit	41	17	86	122	109.8	603.5
Dependent Parent	350	98	401	117	14.6	19.5
Disabled Access	395	33	383	32	-3.0	-4.4
Donation of Agricultural Products Carryover	8	74	22	83	175.0	11.5
Employer Child Care Program	497	130	663	158	33.4	21.7
Employer Child Care Contribution	3,891	1,618	4,457	1,854	14.5	14.6
Enhanced Oil Recovery	13	132	10	135	-23.1	2.3
Enterprise Zone Wages	554	119	530	124	-4.3	4.6
Environmental Tax	14	550	73	119	421.4	-78.4
Farm Workers' Housing	a	3	13	14	N/A	386.1
Joint Custody Head of Household	7,190	1,913	8,500	2,041	18.2	6.7
Joint Strike Fighter Property	0	0	a	4	N/A	N/A
Joint Strike Fighter Wage	a	10	a	5	N/A	-48.6
Local Agency Military Base Recovery Area	48	258	54	163	12.5	-36.8
Low-Income Housing	339	531	364	704	7.4	32.5
Manufacturing Enhancement Area	7	14	11	16	57.1	14.8
Natural Heritage Preservation	20	241	14	67	-30.0	-72.3
Prison Inmate Labor	15	6	16	16	6.7	157.0
Qualified Senior Head of Household	2,849	1,065	3,002	1,144	5.4	7.4
Rice Straw	31	68	13	22	-58.1	-67.3
Solar or Wind Energy Systems Credit	290	384	247	291	-14.8	-24.2
Targeted Tax Area	169	2,071	176	2,009	4.1	-3.0
Repealed Credits with Carryover Provisions						
Agricultural Transportation	41	128	35	92	-14.6	-28.4
Commercial Solar Electric Carryover	5	5	36	31	620.0	554.5
Commercial Solar Energy Carryover	36	66	32	34	-11.1	-48.0
Energy Conservation Carryover	1,174	860	2,170	1,887	84.8	119.3
Los Angeles Revitalization Zone	123	1,570	104	933	-15.4	-40.6
Low-Emission Vehicle	318	201	515	507	61.9	151.8
Manufacturer's Investment	126	765	96	844	-23.8	10.3
New Infant	89	47	258	148	189.9	212.8
Orphan Drug	6	3	a	2	N/A	-44.8
Political Contribution	2,755	1,067	3,853	1,676	39.9	57.1
Recycling Equipment	368	134	706	298	91.8	121.9
Residential Rental and Farm Sales Carryover	385	362	332	260	-13.8	-28.2
Ridesharing:						
Large Employers	157	90	298	177	89.8	97.1
Small Employers	65	19	167	72	156.9	274.5
Transit Pass Carryover	375	162	555	272	48.0	68.1
Vanpool Carryover	804	342	1,455	677	81.0	98.1
Incentive Carryover	2,188	1,001	3,407	1,754	55.7	75.2
Salmon and Steelhead Trout Habitat	10	3	16	7	60.0	163.5
Solar Energy Carryover	208	245	227	386	9.1	57.5
Solar Pump Carryover	11	21	12	8	9.1	-62.1
Water Conservation Carryover	148	40	360	112	143.2	177.1
Unidentified Special Credits	8	23	14	25	75.0	6.9
Subtotal	27,752	18,469	35,495	21,438	27.9	16.1
Grand Total	2,066,020	927,519	2,584,920	1,065,594	25.1	14.9

^a Omitted for confidentiality reasons

^b Less than \$500

* Preliminary data (processed returns through November 7, 2009 and November 6, 2010)

** 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
 Selected Income Items for California Residents
 2009 Tax Year Estimates
 (\$ in Millions)

Income Item	Timely		Extension		Total	
	Amount	Percent Growth	Amount /a	Percent Growth	Amount	Percent Growth
Adjusted Gross Income	723,507	-7.0%	162,878	-16.6%	886,385	-9.0%
Taxable Income	579,416	-6.5%	153,621	-14.5%	733,037	-8.3%
Wages	592,814	-4.6%	82,764	-12.8%	675,578	-5.7%
Net Business Income	25,706	-6.7%	12,020	-14.9%	37,726	-9.5%
Capital Gains	13,375	-35.4%	23,368	-40.9%	36,743	-39.0%
Capital Losses	-3,380	6.0%	-786	-3.0%	-4,166	4.2%
Net Capital Gains	9,995	-43.0%	22,581	-41.7%	32,576	-42.1%
Interest	12,339	-29.1%	7,721	-35.2%	20,060	-31.6%
Dividend	10,597	-31.1%	7,507	-37.0%	18,104	-33.6%
Net Rental Income	2,017	-7.9%	948	-15.8%	2,965	-10.6%
Net Partnership and S-Corp Income	20,591	-4.5%	9,807	-58.0%	30,398	-32.3%
Taxable IRA Distributions	11,011	-20.7%	2,392	-27.5%	13,403	-22.0%
Taxable Pension Distributions	49,320	4.5%	5,166	-4.4%	54,486	3.6%
Medical Expenses Deduction	8,595	3.5%	2,472	-5.3%	11,067	1.4%
Personal Property and Other Taxes	2,438	39.9%	356	27.9%	2,794	38.2%
Mortgage Interest Deduction	63,985	-13.0%	12,379	-20.4%	76,364	-14.3%
Investment Interest Deduction	592	-19.1%	1,999	-26.0%	2,591	-24.6%
Total Contribution Deductions	12,496	-8.8%	6,388	-16.6%	18,884	-11.6%

a/ Extension wages for 2009 (EW) is calculated by $EW = \text{Ratio} * TW * ET / TT$, where TW is 2009 Timely Wages, ET is 2009 Extension Taxable Income, TT is 2009 Timely Taxable income, and $\text{Ratio} = [\text{2008 Extension wages} / \text{2008 Extension Income}] / [\text{2008 Timely Wages} / \text{2008 Timely Income}]$. The extension amount for each of the other listed income items is calculated in a similar fashion.

Sources: PIT Return Merge File, Return Validation File and PIT Sample

FRANCHISE TAX BOARD
 Personal Income Tax
 Extensions
 1990-2009 Tax Years

Tax Year	Extension Returns	Annual Growth
1990	903,132	--
1991	955,877	5.8%
1992	982,559	2.8%
1993	862,132	-12.3%
1994	867,132	0.6%
1995	930,166	7.3%
1996	993,270	6.8%
1997	981,890	-1.1%
1998	958,291	-2.4%
1999	990,993	3.4%
2000	1,128,216	13.8%
2001	1,240,678	10.0%
2002	1,150,012	-7.3%
2003	1,313,972	14.3%
2004	1,243,712	-5.3%
2005	1,221,495	-1.8%
2006	1,344,094	10.0%
2007	1,616,605	20.3%
2008	1,348,739	-16.6%
2009	1,390,421	3.1%

Source: FTB, PIT Returns Transactions file,
 Report MI-1002. Figures for 2009 represent
 returns filed after April 16 and processed by
 November 22, 2010.

FRANCHISE TAX BOARD
 Personal Income Tax
 Comparison of Estimates Made in December 2009
 and PIT Sample Actuals for California Residents 2008 Tax Year
 (\$ in Millions)

Exhibit A-4
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2008 Data Item	Estimate	Actual	Difference	Percent Difference
Taxable Income	800,863	799,561	-1,302	-0.2%
Wages	700,786	716,250	15,464	2.2%
Business Income	46,033	48,837	2,804	6.1%
Business Losses	-6,673	-7,166	-493	7.4%
Capital Gains	50,305	60,282	9,977	19.8%
Capital Losses	-3,831	-3,999	-168	4.4%
Interest	27,364	29,324	1,960	7.2%
Partnership & S-Corp. Income	71,345	80,549	9,204	12.9%
Partnership & S-Corp. Losses	-30,811	-35,632	-4,821	15.6%
Taxable IRA Distributions	16,010	17,183	1,173	7.3%
Taxable Pension Distributions	51,210	52,589	1,379	2.7%
2007 Data Item	Estimate	Actual	Difference	Percent Difference
Taxable Income	872,869	872,869	0	0.0%
Wages	718,169	712,846	-5,323	-0.7%
Business Income	44,311	51,141	6,830	15.4%
Business Losses	-6,644	-7,271	-627	9.4%
Capital Gains	120,355	134,586	14,231	11.8%
Capital Losses	-2,095	-2,422	-327	15.6%
Interest	36,406	37,379	973	2.7%
Partnership & S-Corp. Income	71,021	85,274	14,253	20.1%
Partnership & S-Corp. Losses	-18,672	-33,616	-14,944	80.0%
Taxable IRA Distributions	14,088	14,498	410	2.9%
Taxable Pension Distributions	50,070	49,334	-736	-1.5%
2006 Data Item	Estimate	Actual	Difference	Percent Difference
Taxable Income	802,616	812,005	9,389	1.2%
Wages	667,140	664,957	-2,183	-0.3%
Business Income	61,304	51,681	-9,624	-15.7%
Business Losses	-6,613	-6,261	352	-5.3%
Capital Gains	116,319	120,632	4,313	3.7%
Capital Losses	-3,056	-2,674	382	-12.5%
Interest	33,568	31,652	-1,916	-5.7%
Partnership & S-Corp. Income	87,533	81,453	-6,080	-6.9%
Partnership & S-Corp. Losses	-27,150	-26,661	489	-1.8%
Taxable IRA Distributions	13,318	12,811	-508	-3.8%
Taxable Pension Distributions	45,234	45,082	-152	-0.3%

FRANCHISE TAX BOARD
 Personal Income Tax
 Stability of Source Income Ratios /a
 1994 - 2008

Year	Wages	Business Income, Gains	Business Losses	Capital Gains	Capital Losses	Interest	Partnership Income	Partnership Losses	Taxable IRA Distributions	Taxable Pension Distributions
1994	0.7048	2.8461	3.2448	4.1493	1.3474	2.1989	6.0306	13.8692	1.1533	0.5939
1995	0.6775	2.4893	2.5660	4.1166	1.2733	1.8293	3.8703	6.0063	0.8534	0.4880
1996	0.6362	2.2718	2.9382	3.9955	1.3098	1.5777	3.7356	4.0479	0.8215	0.4156
1997	0.6121	2.1488	2.2500	3.6344	1.1026	1.5381	4.7900	10.3042	0.8370	0.3893
1998	0.5871	2.1482	2.5283	3.2344	0.9216	1.4975	5.0783	8.7766	0.7365	0.3937
1999	0.553	1.9980	2.0201	3.4535	0.9338	1.4379	4.2710	8.5807	0.5540	0.3788
2000	0.5312	1.7447	2.0521	3.2980	0.8526	1.4567	3.9963	8.5436	0.6003	0.3293
2001	0.6238	1.8824	1.9896	3.7412	0.8432	1.7362	4.9418	9.8379	0.6500	0.3817
2002	0.6000	2.3421	2.5562	3.9987	0.9602	2.3179	5.7429	10.7680	0.7167	0.4106
2003	0.5801	1.9400	2.2942	3.9764	0.9080	2.5226	5.4430	9.1087	0.5938	0.3654
2004	0.5081	1.6158	2.0760	3.9188	0.6535	2.2672	4.8951	8.1940	0.6727	0.3616
2005	0.4945	1.7289	1.8108	4.0098	0.6867	2.2147	4.9754	8.2492	0.5856	0.3652
2006	0.4617	0.9478	1.4871	4.0792	0.2190	1.8339	4.2274	7.6897	0.4301	0.3382
2007	0.4376	1.5257	1.8920	4.8927	0.6907	1.9578	5.6381	16.0868	0.5242	0.2921
2008	0.5266	1.8404	2.3018	6.5897	0.8775	2.3602	6.8566	19.2783	0.8193	0.3951
Mean	0.5690	1.9647	2.2671	4.0725	0.9053	1.9164	4.9662	9.9561	0.7032	0.3932
Std. Deviation	0.0768	0.4498	0.4494	0.8041	0.2895	0.3722	0.8752	3.8568	0.1775	0.0709
Std. Error	0.1349	0.2290	0.1982	0.1974	0.3198	0.1942	0.1762	0.3874	0.2523	0.1802

/a Ratio is equal to:

$$\frac{\text{(Extension Item / Extension Taxable Income)}}{\text{(Timely Item / Timely Taxable Income)}}$$

FRANCHISE TAX BOARD
Personal Income Tax
Projected Mental Health Fund Adjustment /a

Fiscal Year	Projected Amount of General Fund Transfer for Mental Health Fund (\$ millions)
July 2006	-83.6
July 2007	-423.5
July 2008	-425.7
July 2009	-581.4
July 2010	-239.0
July 2011	65.2
July 2012	-118.2

/a Based on most current available return processing information, DOF Economic forecast as of the October 2010 planning estimate, and the most current estimate of PIT cash flows.

FRANCHISE TAX BOARD
Personal Income Tax

Form 541
Fiduciary Tax Liability Revenue
1988 through Preliminary 2009

Tax Year	Number	Amount (\$ millions)
1988	68,217	\$151.6
1989	76,952	144.6
1990	69,753	132.6
1991	71,313	122.3
1992	67,373	121.4
1993	73,154	109.3
1994	68,698	127.3
1995	79,514	167.7
1996	93,819	191.6
1997	97,093	283.1
1998	106,712	409.8
1999	109,534	469.5
2000	142,897	598.9
2001	86,347	284.2
2002	71,733	229.3
2003	76,572	328.8
2004	95,520	545.5
2005	110,519	761.3
2006	123,696	986.2
2007	133,172	1,236.1
2008	80,620	481.9
2009p	61,451	224.5

p: Preliminary

Total increase to tax year 2008 reported liability since last November was \$114.1 million

Source: TI Master File through November 14, 2010

Revenues from FTB Withholding Programs
(\$ Millions)

Exhibit A-7
Page 1 of 1

		Withholding Deposits	Revenue from all Withholding Programs	Real Estate Withholding	All Other Withholding
2010	NOV*	33.0	7.0	6.7	0.3
	OCT	35.5	33.9	25.6	8.4
	SEP	92.7	87.5	25.2	62.3
	AUG	32.8	35.3	24.1	11.2
	JUL	42.5	25.0	18.4	6.6
	JUN	90.6	82.2	28.7	53.5
	MAY	49.2	34.0	21.8	12.2
	APR	85.1	68.5	25.8	42.7
	MAR	32.1	33.4	21.1	12.3
	FEB	31.4	23.5	18.1	5.4
	JAN	105.3	66.6	23.0	43.6
	TOT	627.7	496.9	238.4	258.5
2009	DEC	48.8	40.5	21.8	18.6
	NOV	28.2	26.0	23.5	2.5
	OCT	37.0	34.7	23.7	11.1
	SEP	63.5	63.0	21.9	41.1
	AUG	32.9	33.0	26.8	6.3
	JUL	33.7	31.8	24.2	7.6
	JUN	51.5	38.7	20.3	18.4
	MAY	32.3	60.8	24.5	36.3
	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
	TOT	538.4	510.3	275.7	234.6
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
	TOT	844.4	818.6	532.1	286.4
2007	TOT	1,383.5	1399.7	1069.2	330.5

Source: MIS Report & WSCS Revenue Report

* Preliminary

FRANCHISE TAX BOARD
Personal Income Tax
Nonresident Total Tax Liability
Tax Years 1998 Through 2009

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
2008	803,822	\$2,272,404
2009*	743,947	\$1,919,213

* data through November 28, 2010
Source: Return Merge

FRANCHISE TAX BOARD
 Personal Income Tax
 Changes in Income Composition
 1988 through 2008
 (\$s in Billions)

YEAR	AGI Threshold	AGI		WAGES		INTEREST INCOME		BUSINESS INCOME		CAPITAL GAINS		SCHEDULE E INCOME		RETIREMENT INCOME	
	Top 5 percent	All Returns (billion)	Top 5 percent (billion)	All Returns (billion)	Top 5 percent (billion)	All Returns (billion)	Top 5 percent (billion)	All Returns (billion)	Top 5 percent (billion)	All Returns (billion)	Top 5 percent (billion)	All Returns (billion)	Top 5 percent (billion)	All Returns (billion)	Top 5 percent (billion)
	1988	\$81,365	\$401.9	\$120.1	\$287.5	\$63.8	\$25.4	\$13.5	\$19.9	\$7.1	\$23.9	\$20.1	\$9.0	\$9.6	\$18.0
1989	\$87,630	\$438.9	\$126.4	\$316.3	\$66.5	\$33.5	\$19.3	\$26.0	\$9.8	\$24.8	\$19.4	\$10.7	\$11.9	\$20.1	\$3.1
1990	\$89,707	\$442.9	\$130.3	\$325.5	\$71.9	\$31.0	\$17.2	\$24.5	\$10.3	\$20.8	\$17.3	\$11.2	\$12.7	\$25.7	\$3.5
1991	\$91,982	\$439.8	\$122.2	\$329.9	\$72.2	\$28.7	\$15.9	\$25.2	\$9.5	\$16.3	\$12.3	\$10.1	\$12.0	\$26.7	\$3.5
1992	\$94,261	\$448.9	\$128.3	\$339.2	\$79.1	\$21.4	\$11.5	\$25.4	\$9.8	\$16.4	\$12.1	\$12.2	\$12.9	\$30.1	\$4.0
1993	\$98,048	\$448.0	\$123.8	\$339.2	\$74.9	\$17.0	\$8.8	\$25.5	\$9.7	\$18.5	\$13.8	\$13.8	\$13.4	\$31.0	\$3.8
1994	\$100,452	\$455.9	\$126.7	\$343.7	\$75.9	\$16.7	\$8.3	\$27.6	\$9.8	\$17.3	\$12.8	\$15.8	\$16.1	\$35.0	\$4.1
1995	\$105,570	\$475.2	\$142.6	\$353.7	\$83.7	\$18.5	\$10.1	\$26.8	\$10.2	\$20.3	\$16.9	\$18.4	\$17.1	\$36.2	\$4.8
1996	\$112,709	\$519.5	\$166.9	\$376.6	\$90.7	\$19.3	\$10.7	\$28.4	\$10.9	\$32.8	\$27.3	\$23.3	\$21.5	\$38.6	\$5.2
1997	\$121,650	\$576.4	\$194.2	\$407.6	\$100.2	\$19.9	\$11.5	\$31.1	\$11.7	\$46.3	\$38.4	\$27.7	\$24.9	\$42.7	\$6.4
1998	\$128,747	\$631.9	\$218.3	\$440.0	\$110.2	\$21.4	\$12.0	\$35.8	\$12.9	\$56.8	\$47.9	\$31.1	\$28.0	\$47.3	\$7.1
1999	\$140,765	\$725.7	\$279.6	\$489.4	\$133.1	\$21.0	\$12.4	\$36.1	\$13.5	\$92.8	\$80.8	\$36.8	\$32.2	\$51.5	\$8.0
2000	\$154,285	\$837.5	\$350.5	\$555.0	\$164.8	\$24.2	\$14.9	\$38.8	\$15.3	\$119.3	\$106.2	\$41.3	\$35.7	\$55.8	\$8.8
2001	\$147,460	\$759.8	\$263.1	\$551.1	\$143.7	\$23.5	\$14.5	\$37.9	\$13.8	\$48.6	\$44.0	\$44.4	\$38.2	\$56.8	\$7.7
2002	\$145,603	\$735.4	\$238.6	\$544.2	\$132.7	\$16.4	\$7.2	\$39.0	\$14.4	\$33.2	\$30.4	\$48.5	\$42.5	\$57.4	\$7.5
2003	\$151,297	\$766.8	\$259.5	\$555.4	\$137.3	\$15.4	\$7.3	\$41.3	\$14.4	\$45.3	\$41.4	\$54.2	\$46.7	\$58.2	\$7.3
2004	\$160,782	\$850.5	\$312.7	\$590.5	\$149.9	\$14.9	\$7.8	\$42.8	\$15.5	\$74.6	\$68.1	\$62.0	\$55.1	\$62.1	\$8.1
2005	\$171,530	\$941.6	\$372.1	\$623.9	\$161.4	\$20.3	\$10.8	\$47.7	\$16.8	\$111.3	\$100.5	\$69.4	\$62.3	\$66.7	\$9.3
2006	\$178,201	\$1,002.6	\$398.6	\$663.1	\$173.3	\$28.9	\$15.5	\$46.7	\$15.7	\$116.5	\$105.4	\$68.5	\$63.0	\$72.3	\$10.2
2007	\$186,568	\$1,076.3	\$432.5	\$710.4	\$189.3	\$33.5	\$17.1	\$45.2	\$16.1	\$128.8	\$116.0	\$70.1	\$64.6	\$79.9	\$11.4
2008	\$183,323	\$997.7	\$358.3	\$713.1	\$186.8	\$26.5	\$12.6	\$43.9	\$15.3	\$54.7	\$52.3	\$70.3	\$63.9	\$85.7	\$12.1

FRANCHISE TAX BOARD
 Personal Income Tax
 Changes in Income Composition
 1988 through 2008
 (\$ in Billions)

YEAR	AGI Threshold	WAGES		INTEREST INCOME		BUSINESS INCOME		CAPITAL GAINS		SCHEDULE E INCOME		RETIREMENT INCOME	
	Top 5 percent	All Returns	Top 5 percent	All Returns	Top 5 percent	All Returns	Top 5 percent	All Returns	Top 5 percent	All Returns	Top 5 percent	All Returns	Top 5 percent
1988	\$81,365	71.5%	53.1%	6.3%	11.2%	5.0%	5.9%	6.0%	16.7%	2.2%	8.0%	4.5%	2.5%
1989	\$87,630	72.1%	52.6%	7.6%	15.3%	5.9%	7.8%	5.7%	15.3%	2.4%	9.4%	4.6%	2.4%
1990	\$89,707	73.5%	55.2%	7.0%	13.2%	5.5%	7.9%	4.7%	13.3%	2.5%	9.7%	5.8%	2.7%
1991	\$91,982	75.0%	59.1%	6.5%	13.0%	5.7%	7.7%	3.7%	10.1%	2.3%	9.8%	6.1%	2.9%
1992	\$94,261	75.6%	61.7%	4.8%	8.9%	5.7%	7.6%	3.6%	9.4%	2.7%	10.1%	6.7%	3.1%
1993	\$98,048	75.7%	60.5%	3.8%	7.1%	5.7%	7.8%	4.1%	11.2%	3.1%	10.8%	6.9%	3.0%
1994	\$100,452	75.4%	59.9%	3.7%	6.6%	6.1%	7.7%	3.8%	10.1%	3.5%	12.7%	7.7%	3.3%
1995	\$105,570	74.4%	58.7%	3.9%	7.1%	5.6%	7.1%	4.3%	11.8%	3.9%	12.0%	7.6%	3.4%
1996	\$112,709	72.5%	54.3%	3.7%	6.4%	5.5%	6.5%	6.3%	16.4%	4.5%	12.9%	7.4%	3.1%
1997	\$121,650	70.7%	51.6%	3.5%	5.9%	5.4%	6.0%	8.0%	19.8%	4.8%	12.8%	7.4%	3.3%
1998	\$128,747	69.6%	50.5%	3.4%	5.5%	5.7%	5.9%	9.0%	21.9%	4.9%	12.8%	7.5%	3.2%
1999	\$140,765	67.4%	47.6%	2.9%	4.4%	5.0%	4.8%	12.8%	28.9%	5.1%	11.5%	7.1%	2.9%
2000	\$154,285	66.3%	47.0%	2.9%	4.3%	4.6%	4.4%	14.2%	30.3%	4.9%	10.2%	6.7%	2.5%
2001	\$147,460	72.5%	54.6%	3.1%	5.5%	5.0%	5.2%	6.4%	16.7%	5.8%	14.5%	7.5%	2.9%
2002	\$145,603	74.0%	55.6%	2.2%	3.0%	5.3%	6.0%	4.5%	12.7%	6.6%	17.8%	7.8%	3.1%
2003	\$151,297	72.4%	52.9%	2.0%	2.8%	5.4%	5.5%	5.9%	16.0%	7.1%	18.0%	7.6%	2.8%
2004	\$160,782	69.4%	47.9%	1.8%	2.5%	5.0%	5.0%	8.8%	21.8%	7.3%	17.6%	7.3%	2.6%
2005	\$171,530	66.3%	43.4%	2.2%	2.9%	5.1%	4.5%	11.8%	27.0%	7.4%	16.7%	7.1%	2.5%
2006	\$178,201	66.1%	43.5%	2.9%	3.9%	4.7%	3.9%	11.6%	26.4%	6.8%	15.8%	7.2%	2.6%
2007	\$186,568	66.0%	43.8%	3.1%	4.0%	4.2%	3.7%	12.0%	26.8%	6.5%	14.9%	7.4%	2.6%
2008	\$183,323	71.5%	52.1%	2.7%	3.5%	4.4%	4.3%	5.5%	14.6%	7.0%	17.8%	8.6%	3.4%

FRANCHISE TAX BOARD
 Personal Income Tax
 Gross Capital Gains and Their Components:
 1988 through 2008
 (\$ in Millions)

Exhibit A-10
 1 of 5

Tax Year	Stocks /a	Other Securities	Residential Real Estate /b	Non- Residential Real Estate	Other	Total
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	30,561	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	31,361	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
2008	\$ 41,537	\$ 9,194	\$ 7,064	\$ 4,068	\$ 45,754	\$ 107,616

/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.

Source: California Franchise Tax Board: Capital Assets Study

Detail may not add to totals due to rounding

FRANCHISE TAX BOARD
 Personal Income Tax
 Gross Capital Losses/a and Their Components:
 1988 through 2008
 (In \$ Million)

Tax Year	Non-Residential					Total
	Stocks	Other Securities	Residential Real Estate	Residential Real Estate	Other	
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	4,582	23,202
2007	11,169	4,108	511	377	6,675	22,839
2008	43,263	27,159	2,580	983	37,378	111,362

/a Excludes capital loss carryovers.

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
 Business Sale Gains Vs. Trading Gains
 1989-2008
 (\$ in Billions)

Year	Business Sale Gains	Trading Gains	Total	Percent Business Sale Gains
1989	2.44	6.42	8.86	28%
1991	2.72	6.24	8.96	30%
1992	1.47	5.83	7.30	20%
1993	3.47	9.50	12.97	27%
1994	3.05	8.71	11.75	26%
1995	5.64	14.89	20.53	27%
1996	8.00	17.10	25.10	32%
1997	9.85	18.07	27.93	35%
1998	14.08	23.65	37.72	37%
1999	28.99	37.25	66.24	44%
2000	51.50	49.10	100.60	51%
2001	18.11	22.66	40.77	44%
2002	9.66	21.53	31.19	31%
2003	11.36	17.47	28.84	39%
2004	17.45	20.62	38.07	46%
2005	26.71	23.13	49.84	54%
2006	23.15	25.69	48.83	47%
2007	22.69	28.33	51.02	44%
2008	17.49	21.65	39.14	45%

/a Business Sale Gains are gains that are either greater than five million dollars or gains for which the ratio of gains over selling price is more than 98%. Trading Gains are the remaining gains.

/b Excludes capital gains distributions

Source: California Franchise Tax Board: Capital Asset Study

FRANCHISE TAX BOARD
 Personal Income Tax
 Capital Gains
 Holding Periods for Stock Trading Gains /a /b
 1989 through 2008

Year	1 Year or Less	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	5 to 6 years	6 to 7 years	7 to 8 years	8 to 9 years	More Than 9 Years	Total Gain (\$Million)
1989	21.9%	14.9%	9.6%	7.5%	6.6%	4.9%	3.7%	3.1%	2.6%	25.3%	6,417
1991	30.6%	12.9%	9.2%	8.7%	6.0%	4.3%	4.1%	2.6%	2.6%	18.9%	6,240
1992	34.3%	15.6%	7.3%	7.3%	4.6%	5.2%	3.9%	2.3%	3.7%	15.7%	5,829
1993	34.2%	15.8%	9.5%	7.5%	6.3%	3.3%	7.8%	2.9%	2.2%	10.5%	9,504
1994	29.1%	19.2%	12.6%	7.4%	5.2%	5.1%	2.9%	3.5%	2.1%	12.9%	8,706
1995	38.3%	17.9%	9.5%	4.3%	3.4%	6.0%	2.6%	1.4%	7.6%	9.1%	14,892
1996	41.3%	17.4%	10.8%	8.3%	3.9%	2.6%	2.5%	1.6%	1.5%	10.0%	17,104
1997	33.2%	20.4%	9.1%	6.1%	5.0%	5.2%	2.7%	3.2%	1.6%	13.6%	18,074
1998	31.8%	20.3%	10.8%	7.3%	6.2%	2.8%	2.3%	1.4%	2.3%	14.8%	23,645
1999	35.8%	21.6%	10.7%	6.9%	5.0%	4.0%	2.1%	2.8%	1.6%	9.7%	37,246
2000	35.0%	24.5%	11.8%	6.5%	4.5%	2.3%	4.2%	1.4%	1.2%	8.8%	49,111
2001	18.0%	24.7%	13.5%	8.3%	9.1%	5.7%	3.8%	2.5%	1.5%	12.8%	22,862
2002	13.2%	10.1%	13.1%	7.9%	7.7%	8.6%	2.8%	7.1%	3.9%	25.6%	21,532
2003	24.0%	17.1%	9.7%	9.2%	4.3%	3.8%	4.4%	10.6%	1.9%	15.0%	17,474
2004	26.5%	22.8%	8.8%	6.6%	7.2%	4.1%	2.7%	1.5%	3.3%	16.4%	20,615
2005	22.6%	19.9%	14.0%	6.4%	6.9%	5.2%	5.5%	3.2%	1.4%	14.9%	23,126
2006	19.9%	19.3%	13.6%	9.0%	5.0%	3.7%	4.2%	2.5%	3.4%	19.4%	25,686
2007	21.1%	19.0%	12.8%	11.3%	7.3%	4.5%	4.0%	2.6%	1.9%	15.5%	28,333
2008	24.3%	13.1%	10.1%	8.0%	7.3%	5.5%	2.0%	2.9%	3.4%	23.4%	21,646
Average	28.2%	18.2%	10.9%	7.6%	5.9%	4.6%	3.6%	3.1%	2.6%	15.4%	

/a Business Sale Gains are gains that are either greater than five million dollars or gains for which the ratio of gains over selling price is more than 98%. Trading Gains are the remaining gains.

/b Excludes capital gains distributions

Source: California Franchise Tax Board: Capital Asset Study

Detail may not add to totals due to rounding

FRANCHISE TAX BOARD

Personal Income Tax

Capital Gains

Holding Periods for Stock Business Sale Gains /a /b

1989 through 2008

Exhibit A-10

5 of 5

Year	1 Year or Less	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	5 to 6 years	6 to 7 years	7 to 8 years	8 to 9 years	More Than 9 Years	Total Gain (\$Million)
1989	7.0%	14.6%	7.7%	24.5%	5.6%	3.2%	5.6%	6.1%	2.7%	22.9%	2,440
1991	4.8%	16.3%	6.7%	12.0%	6.3%	3.6%	9.1%	8.4%	3.0%	29.8%	2,719
1992	13.2%	17.8%	6.8%	8.6%	6.4%	4.8%	6.4%	6.9%	3.1%	26.0%	1,470
1993	7.3%	7.7%	4.7%	24.0%	7.2%	6.5%	7.1%	2.9%	5.8%	26.9%	3,471
1994	6.5%	11.4%	7.3%	9.9%	7.6%	8.0%	6.4%	3.8%	5.6%	33.5%	3,045
1995	5.4%	8.7%	10.8%	8.1%	8.1%	6.0%	4.6%	4.8%	8.5%	34.9%	5,636
1996	5.1%	12.3%	10.9%	7.0%	6.3%	8.3%	4.2%	4.5%	5.0%	36.5%	7,998
1997	7.2%	7.9%	11.1%	7.9%	5.8%	7.8%	4.6%	2.7%	5.0%	40.1%	9,851
1998	8.6%	10.7%	10.0%	8.4%	8.2%	10.4%	5.4%	4.3%	3.6%	30.4%	14,078
1999	3.8%	16.3%	16.3%	15.6%	8.6%	6.3%	4.0%	2.2%	2.5%	24.4%	28,995
2000	4.7%	19.9%	19.3%	14.5%	9.4%	6.3%	3.9%	3.0%	2.3%	16.5%	51,464
2001	3.3%	14.2%	14.7%	14.4%	9.0%	6.5%	4.5%	3.5%	3.4%	26.5%	17,903
2002	3.6%	7.8%	5.5%	10.9%	6.8%	6.8%	10.9%	5.4%	3.9%	38.5%	9,656
2003	6.5%	7.8%	7.6%	11.6%	9.5%	5.7%	6.2%	5.7%	5.7%	33.8%	11,364
2004	1.5%	10.4%	15.6%	9.9%	7.5%	14.6%	9.0%	3.0%	3.8%	24.7%	17,453
2005	1.3%	15.1%	22.0%	8.4%	5.9%	13.1%	6.9%	2.1%	4.0%	21.2%	26,709
2006	1.8%	7.7%	8.7%	10.3%	6.9%	8.7%	6.8%	9.9%	3.5%	35.8%	23,146
2007	2.9%	7.2%	10.2%	16.0%	9.2%	4.6%	4.7%	6.3%	6.1%	32.8%	22,691
2008	2.9%	4.8%	11.5%	15.1%	8.4%	5.4%	5.1%	4.0%	6.6%	36.2%	17,494
Average	5.1%	11.5%	10.9%	12.5%	7.5%	7.2%	6.1%	4.7%	4.4%	30.1%	

Tax-Weighted Distribution of Income by Source
California Residents
Tax Year 2008

Income Item	Percent Distribution	
	Unweighted	Tax-Weighted**
Wages	73.0%	61.3%
Taxable Interest	3.0%	2.9%
Ordinary Dividend	2.8%	3.6%
Business Income	4.2%	3.3%
Capital Gain	5.7%	11.4%
IRA Distribution	1.7%	1.3%
Pension Income	5.4%	3.5%
Rental/Royalty Income	0.3%	1.2%
Partnership Income	4.6%	10.3%
Other Income	-0.7%	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 : 2008 PIT Sample

FRANCHISE TAX BOARD
Corporation Tax Law

Exhibit B-1
Page 1 of 1

Accrual Estimates
(\$ in Millions)

Payments	2009-2010	2010-2011	2011-2012
Estimate Payments	\$627.8	\$564.4	\$551.3
Return Remittances Payments	352.8	465.2	478.0
Other	445.0	465.0	521.3
Total	1,425.6	1,494.6	1,550.6
Refunds	-1,371.5	-1,066.8	-1,285.1
Budget Net	\$54.1	\$427.7	\$265.5
GAAP Adjustments*	-\$51.8	-\$182.9	\$52.2
GAAP Net	\$2.3	\$244.9	\$317.7

*Included: Chapter 751 Statutes of 2008 change to Sept estimated payments,
Accelerated revenue estimate payments, Net final payments, &
LCUP corporate penalty refunds
11/15/2010

\Accrual 1110.xls

Reported in July 10

Accrual Estimates
(\$ in Millions)

Payments	2008-2009	2009-2010	2010-2011
Estimate Payments	\$728.8	\$494.1	\$501.4
Return Remittances Payments	499.4	360.1	453.1
Other	410.4	457.6	517.2
Total	1,638.6	1,311.8	1,471.7
Refunds	-1,304.9	-1,428.6	-1,364.4
Budget Net	\$333.6	-\$116.8	\$107.4
GAAP Adjustments*	\$1,015.9	\$424.8	\$626.9
GAAP Net	\$1,349.5	\$308.0	\$734.3

Franchise Tax Board
 Corporation Tax
 Refund Requests in Inventory as of end of November 23, 2010

Refund Amount	2009	
	Number of Returns	Aggregate Amount
\$0 - 4,999	1,297	\$1,372,372
5,000 - 9,999	178	1,241,011
10,000 - 49,999	276	6,489,025
50,000 - 499,999	213	35,577,779
\$500,000 and over	50	144,752,443
Subtotal	2,014	189,432,630
Amended Returns	123	1,237,225
Partnership Returns	131	247,582
LLC Returns	2,889	12,336,919
Total Inventory	5,157	\$203,254,356

Source: Business Entities Section, ICBS & Receiving

**FRANCHISE TAX BOARD
CORPORATION TAX**

Preliminary 2009 Tax Year Data Compared to Preliminary 2008 Tax Year
by Accounting Period
(Return Volumes in Thousands, Amounts in \$Millions)

APE	2008 Tax Year \1			2009 Tax Year \1			Growth	
	All Corporations			All Corporations			All Corporations	
	#	SNI	TAX	#	SNI	TAX	SNI	TAX
Jan	8	2,276	247	8	3,001	317	725	70
Feb	7	3,260	300	6	763	123	-2,498	-177
Mar	18	3,381	395	17	-1,592	234	-4,973	-161
Apr	7	831	63	7	531	73	-301	10
May	8	4,426	234	7	1,924	165	-2,502	-69
Jun	27	5,019	480	26	1,093	356	-3,926	-123
Jul	7	1,262	165	7	2,157	202	896	37
Aug	7	2,112	174	7	875	115	-1,237	-59
Sep	21	5,969	607	20	8,621	751	2,652	144
Oct	10	1,955	93	9	2,037	214	82	121
Nov	6	519	151	5	1,056	214	537	64
Dec Prelim	513	51,364	5,688	542	31,551	5,128	-19,813	-560
Dec Final	585	39,961	6,381	N/A	N/A	N/A	N/A	N/A
Preliminary Total	638	82,374	8,595	661	52,018	7,891	-30,356	-704
Tax Year Total \2,\3	722	67,921	9,106	745	51,271	8,636	-16,650	-470

APE	2008 Tax Year \1			2009 Tax Year \1			Growth	
	Positive Income Corps			Positive Income Corps			Positive Inc Corps	
	#	SNI	TAX	#	SNI	TAX	SNI	TAX
Jan	4	3,498	244	4	4,209	314	711	70
Feb	3	4,047	298	3	1,577	120	-2,470	-177
Mar	10	6,411	384	9	3,195	222	-3,216	-162
Apr	4	1,329	60	3	1,144	70	-185	10
May	4	5,012	231	4	2,817	162	-2,196	-69
Jun	15	7,311	465	13	4,583	344	-2,728	-121
Jul	4	3,741	157	3	3,783	199	42	42
Aug	4	2,430	168	3	1,490	110	-940	-58
Sep	12	10,150	589	10	10,693	735	543	147
Oct	5	2,800	88	4	3,113	202	313	114
Nov	3	1,464	148	3	1,974	211	510	63
Dec Prelim	291	101,826	5,524	301	86,164	4,871	-15,663	-653
Dec Final	323	115,531	6,174	N/A	N/A	N/A	N/A	N/A
Preliminary Total	358	150,020	8,355	360	124,742	7,560	-25,277	-795
Tax Year Total \2,\3	392	162,865	8,845	394	132,698	8,138	-30,167	-707

\1 2008 data through November 14, 2009. 2009 data through November 13, 2010.

\2 Note that for 2008, Tax Year Total SNI for All Returns was less than Preliminary Total SNI by 17.5%, while for Positive Income returns, Tax Year Total SNI exceeded Preliminary by 8.6%. Similarly Tax Year Total TAX fell above Preliminary TAX by 5.9% and 5.9% for All and Positive Income Corps, respectively. For 2009, changes from Preliminary to Tax Year Total SNI are estimated at 1.4% and 6.4% for All and Positive Income Corps, respectively. Increases from Preliminary to Tax Year Total TAX are estimated at 9.4% and 7.6% for All and Positive Income Corps, respectively.

\3 For All Corporations TAX and Positive Income Corps SNI and TAX, Tax Year Total estimates were obtained by calculating the ratio of the current year to the previous year amount for large corporations, and applying it to the previous year amount for large corporations for which returns had still not posted. This was added to the Preliminary Total and the resulting total was then adjusted by the ratio of the previous year's actual total to estimated total.

Source: Business Entities Tax System

FRANCHISE TAX BOARD
 Corporation Tax
 Special Tax Credits Allowed
 Selected Credits
 2008-2009 Tax Years

Credit	Preliminary 2008*		Preliminary 2009**		Final 2008	Final 2009 \2
	Number	Amount (\$Thousands)	Number	Amount (\$Thousands)	Amount (\$Thousands)	Amount (\$Thousands)
Enterprise Zone and Program Area Hiring and Sales	4,089	218,372	4,287	210,780	277,461	229,220
Local Area Military Base Revitalization Area	25	3,217	24	1,877	2,970	2,041
Los Angeles Revitalization Zone	219	3,762	171	2,159	4,610	2,348
Low-Income Housing	25	12,546	19	31,295	49,154	34,033
Manufacturer's Investment	174	22,428	373	10,579	33,491	11,504
Prior Year Alternative Minimum Tax	1,026	34,149	832	18,444	38,627	20,058
Research	2,165	1,131,317	2,160	796,668	1,234,539	866,365
Targeted Tax Area	53	3,964	55	3,611	4,339	3,927
Other	336	115,310	1,652	112,474	15,935	122,314
Preliminary Total	8,112	1,545,065	9,573	1,187,888	Not Applicable	Not Applicable
Tax Year Total \1	9,685	1,661,125	11,429	1,291,811	1,661,125	1,291,811

Note: The 2009 Tax Year Total and the Final 2009 column are estimates which account for returns that are still being processed.

\1 Tax Year Total for 2008 was determined to be 7.5% greater than Preliminary Total. For 2009, Tax Year Total is estimated to be 8.7% greater than Preliminary Total.

\2 Estimated using ratios of Preliminary individual credit amounts to Preliminary total, and applied to estimated total

* Preliminary data (returns processed through November 14, 2009)

**Preliminary data (returns processed through November 13, 2010)

Source: Business Entities Tax System

FRANCHISE TAX BOARD
Corporation Tax
Special Tax Credits Allowed
Selected Credits
2008 Tax Year
(\$ million)

Enterprise Zone Credit	
Available	\$1,078
Carryover from previous years	\$727
Generated in current year	\$352
Used	\$277
Carryforward	\$801
Research Credit	
Available	\$11,265
Carryover from previous years	\$8,755
Generated in current year	\$2,510
Used	\$1,235
Carryforward	\$10,031

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

	Total Payments		
	Large Payments	All Payments	Percentage of All Payments
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%
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%
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	2,119	4,268	50%
May through June	1,361	2,160	63%
July through September	1,936	2,994	65%
October through December	1,378	2,507	55%
2008			
January through April	1,862	4,027	46%
May through June	1,432	2,204	65%
July through September	1,503	2,476	61%
October through December	1,554	2,567	61%
2009			
January through April	1,862	4,150	45%
May through June	1,427	2,376	60%
July through September	1,287	2,208	58%
October through December	1,406	2,347	60%
2010			
January through April	2,079	3,937	53%
May through June	1,468	2,380	62%
July through September	1,059	1,786	59%

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 versus All Corporation Payments
 for Selected Months /1
 (\$ Millions)

	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										
2009	54	456	272	270	318	109	192	155	37	1,862
2010	31	438	436	197	289	174	290	171	53	2,079
Difference	-23	-17	164	-74	-29	65	98	16	16	216
% Difference	-43%	-4%	60%	-27%	-9%	59%	51%	11%	44%	12%
May through June Payments										
2009	62	214	196	251	212	128	201	123	39	1,427
2010	65	159	359	152	256	128	199	90	62	1,468
Difference	3	-55	163	-100	44	-1	-2	-33	23	42
% Difference	5%	-26%	83%	-40%	21%	-1%	-1%	-27%	60%	3%
July through September Payments										
2009	28	231	247	130	117	115	152	79	187	1,287
2010	16	158	127	217	68	79	252	53	89	1,059
Difference	-11	-74	-120	87	-48	-36	100	-26	-99	-228
% Difference	-41%	-32%	-49%	67%	-41%	-31%	66%	-33%	-53%	-18%
Total Payments from above										
January-September 2009	143	901	715	652	647	352	546	357	263	4,576
January-September 2010	112	755	922	566	614	380	741	314	203	4,606
Difference	-31	-146	207	-86	-33	28	195	-43	-60	31
% Difference	-22%	-16%	29%	-13%	-5%	8%	36%	-12%	-23%	1%

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.

FRANCHISE TAX BOARD
Limited Liability Companies (LLCs)
1994 to 2009 and Projections
(in \$ Millions)

Exhibit B-6
page 1 of 3

Fiscal Year	New LLC Registrations /b	LLC Returns			
		Returns Received	LLC Tax Paid	LLC Fee Paid	Total Revenue
1994/95	920	676	\$0.8	\$0.3	\$1.1
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	222,545	\$182.8	\$320.3	\$503.0
2007/08	81,536	247,522	\$198.5	\$325.0	\$523.6
2008/09 /a	76,482	270,022	\$216.4	\$607.8	\$824.3
2009/10 /c	71,380		\$214.6	\$319.1	\$533.8
2010/11 /c			\$236.1	\$351.0	\$587.1
2011/12 /c			\$259.7	\$386.1	\$645.9
2012/13 /c			\$285.7	\$424.8	\$710.4

/a 2009 tax and fee data are incomplete. They include returns processed through Nov 13, 2010 .

/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)

Exhibit B-6
Page 2 of 3

Distribution of LLCs filing a California Tax Return by Industry 2009 Fee Year							
2009 Fee Year							
	All LLCs		Fees	LLCs with Fee Greater Than Zero		LLCs with Zero Fees	
	Number of LLCs	Percentage		Number of LLCs	Percentage		
Agriculture, Forestry, Fishing	5,516	2.0%	\$ 9,673,260	2,062	2.8%	3,454	1.7%
Mining	691	0.3%	\$ 862,670	181	0.2%	510	0.3%
Transportation and Warehousing	4,865	1.8%	\$ 7,645,000	1,499	2.0%	3,366	1.7%
Construction	7,064	2.6%	\$ 7,793,540	1,469	2.0%	5,595	2.8%
Manufacturing, Nondurable Goods	3,424	1.2%	\$ 9,071,120	1,431	1.9%	1,993	1.0%
Manufacturing, Durable Goods	3,360	1.2%	\$ 8,450,870	1,397	1.9%	1,963	1.0%
Wholesale Trade	7,541	2.8%	\$ 17,113,660	2,997	4.1%	4,544	2.3%
Retail Trade	9,833	3.6%	\$ 14,641,050	3,365	4.6%	6,468	3.2%
Information	9,361	3.4%	\$ 10,171,930	1,903	2.6%	7,458	3.7%
Finance, Investment, and Insurance	20,837	7.6%	\$ 23,137,520	4,430	6.0%	16,407	8.2%
Real Estate	131,477	48.0%	\$ 111,904,730	34,097	46.4%	97,380	48.6%
Professional, Scientific, and Technical Services	24,972	9.1%	\$ 22,699,920	5,813	7.9%	19,159	9.6%
Holding Companies	3,127	1.1%	\$ 2,662,090	501	0.7%	2,626	1.3%
Administrative Services	3,975	1.5%	\$ 5,189,550	1,154	1.6%	2,821	1.4%
Other Services	8,024	2.9%	\$ 5,975,540	1,951	2.7%	6,073	3.0%
Health Services	4,007	1.5%	\$ 9,938,540	1,752	2.4%	2,255	1.1%
Arts, Entertainment, and Recreation	8,382	3.1%	\$ 6,605,500	1,640	2.2%	6,742	3.4%
Accommodation and Other Services	8,349	3.0%	\$ 19,402,330	4,408	6.0%	3,941	2.0%
other	9,264	3.4%	\$ 5,376,170	1,394	1.9%	7,816	3.9%
Total	274,069	100.0%	\$ 298,314,990	73,498	26.8%	200,571	73.2%

Source: California Franchise Tax Board, 2009 Business Entities Master File (as of Nov 13, 2010).

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

Exhibit B-6
Page 3 of 3

The Number of LLCs at each Fee Level					
Gross Receipts	Annual Fee	Number of Firms	Percentage of total	Amount Paid	Percentage of total
Less than \$250,000	\$0	200,571	73.2%	\$0.00	0.0%
\$250,000 to \$499,999	\$900	25,752	9.4%	\$23.17	7.8%
\$500,000 to \$999,999	\$2,500	18,206	6.6%	\$45.51	15.3%
\$1 million to \$4,999,999	\$6,000	20,393	7.4%	\$122.24	41.0%
\$5 million to \$9,999,999	\$11,790	3,916	1.4%	\$45.92	15.4%
\$10 million to \$19,999,999	\$11,790	2,258	0.8%	\$26.51	8.9%
\$20 million to \$49,999,999	\$11,790	1,582	0.6%	\$18.62	6.2%
\$50 million or more	\$11,790	1,391	0.5%	\$16.34	5.5%
Total		274,069	100.0%	\$298.31	100.0%

Source: California Franchise Tax Board, 2009 Business Entities Master File (as of Nov 13, 2010).

11/23/2010

Ex-B6 LLC.xlsx

FRANCHISE TAX BOARD
 Corporation Tax
 Revenue Impact of Six Corporation Tax Provisions:
 Taxable Years 2000 - 2008
 (\$ 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)	(74)	(573)	6,324
2007	748	1,996	4,110	(208)	(77)	(628)	6,244
2008	506	1,889	3,623	(163)	(34)	(667)	4,880

Simulation based on 2007 and prior law.

Source: California Franchise Tax Board's corporate samples.

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
2006	\$3,011,366	\$3,149,442
2007	\$2,806,421	\$2,537,324
2008	\$2,582,482	\$2,524,811

Source: Corporation Statistical Sample

FRANCHISE TAX BOARD
Bank and Corporation Tax
California S Corporations: Aggregate Income and Tax Liability
2002-2009
(\$ in Millions)

Income Category of S Corporations	2002	2003	Pct Change	2004	Pct Change	2005	Pct Change	2006	Pct Change	2007	Pct Change	2008	Pct Change	2009 /a	Pct Change
Positive State Net Income S Corporations:															
-- Number	142,051	158,808	11.8	181,938	14.6	206,461	13.5	224,572	8.8	234,769	4.5	233,873	-0.4	238,998	2.2
-- SNI	30,392	33,641	10.7	43,587	29.6	51,255	17.6	57,593	12.4	58,204	1.1	50,737	-12.8	41,885	-17.4
-- Tax Liability	486	541	11.4	670	23.7	784	17.0	872	11.3	882	1.1	795	-9.8	655	-17.5
Negative State Net Income S Corporations: /b															
-- Number	91,939	101,419	10.3	115,319	13.7	129,549	12.3	143,290	10.6	155,002	8.2	160,911	3.8	169,915	5.6
-- SNI	-6,487	-6,543	0.9	-7,458	14.0	-8,457	13.4	-9,091	7.5	-12,021	32.2	-14,178	17.9	-14,435	1.8
-- Tax Liability	62	68	10.0	75	11.0	84	12.2	98	16.1	108	10.2	115	6.9	125	8.2
All S Corporations:															
-- Number	233,990	260,227	11.2	297,257	14.2	336,010	13.0	367,862	9.5	389,771	6.0	394,784	1.3	408,913	3.6
-- SNI	23,906	27,098	13.4	36,129	33.3	31,725	-12.2	48,502	52.9	46,182	-4.8	36,558	-20.8	27,450	-24.9
-- Tax Liability	547	609	11.2	745	22.3	868	16.5	970	11.8	990	2.0	910	-8.0	780	-14.3

/a Data for 2009 are projected from data processed through November 22, 2010.

/b Data include corporations reporting zero SNI.

Source: California Franchise Tax Board, Business Entity Tax System.

FRANCHISE TAX BOARD
 Corporation Tax
 Net Operating Loss
 Aggregate Data Relating to Bank and Corporation NOL's

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	90,149	5,172	27,778	13,889	6,849	82,082
1996	369,554	82,082	86,426	5,192	30,409	15,205	7,505	84,590
1997	367,656	84,590	84,389	5,864	29,917	14,958	15,714	77,970
1998	359,833	77,970	82,544	5,800	37,512	18,756	23,513	67,412
1999	300,330	67,412	80,601	5,600	48,141	24,070	8,874	77,009
2000	303,627	77,009	79,459	6,254	77,241	41,599	9,600	102,754
2001	316,821	102,754	78,428	6,391	80,669	44,368	10,642	130,089
2002	338,591	130,089	26,642	1,592	69,549	41,730	1,039	169,187
2003	418,579	169,187	0	0	56,504	33,902	-	203,090
2004	504,308	203,090	106,381	10,866	52,753	46,909	9,085	230,048
2005	501,685	230,048	134,255	14,489	62,623	62,623	13,194	264,987
2006	509,748	264,987	124,843	14,912	49,696	49,696	17,524	282,247
2007	535,774	282,247	121,877	12,275	63,975	63,975	-	333,947
2008	594,473	333,947	113,679	5,478	96,872	96,872	-	425,342
2009	653,984	425,342	106,334	2,899	89,946	89,946	-	512,388

/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 November 22, 2010. 2009 data are preliminary. 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 2009 Income Year, by Vintage

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	6.3	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	4.8	10.1	0.0	0.0
1998	18.8	5.6	13.2	0.0	0.0
1999	24.1	6.5	17.5	0.0	0.0
2000	41.6	10.8	0.0	30.8	6.0
2001	44.4	8.8	0.0	35.6	6.9
2002	41.7	9.5	0.0	32.2	6.3
2003	33.9	8.0	0.0	25.9	5.1
2004	46.9	7.9	0.0	39.0	7.6
2005	62.6	6.4	0.0	56.2	11.0
2006	49.7	4.7	0.0	45.0	8.8
2007	64.0	2.2	0.0	61.7	12.0
2008	96.9	1.0	0.0	95.9	18.7
2009	89.9	0.0	0.0	89.9	17.6
Totals	768.4	119.3	136.7	512.4	100.0

Source: California Franchise Tax Board, Business Entity Tax System as of November 22, 2009