HIGH INCOME RETURNS
BY INCOME LEVEL and AVERAGE TAX RATE
Tax Year 2004

Income Levels	Number of Returns		Total Tax Liability *(Thousands)*	Average Tax Rate' [4]						
	Non-Taxable	Taxable		Less Than 1.0%	1.0% to 1.9%	2.0% to 2.9%	3.0% to 4.9%	5.0% to 6.9%	7.0% to 8.9%	9.0% and Above [5]
I: *Adjusted Gross Income (AGI)*										
Under $ 50,000	5,110,316	4,018,256	$ 1,839,749	7,144,778	974,091	517,721	481,724	6,886	1,882	1,489
50,000 to 100,000	183,873	2,776,558	5,502,335	624,521	683,955	604,654	667,704	377,545	927	1,124
100,000 to 200,000	5,934	1,288,605	7,912,611	21,646	55,461	133,501	624,911	396,346	62,248	425
200,000 and over	1,471	447,806	20,839,082	3,489	1,739	3,678	28,359	188,052	209,069	14,892
Total	**5,301,594**	**8,531,225**	**$ 36,093,776**	**$ 7,541,549**	**$ 1,735,090**	**$ 1,310,991**	**$ 1,842,079**	**$ 900,790**	**$ 234,107**	**$ 10,978**
II: *AGI* Plus *Tax Preference Income* [1]										
Under $ 50,000	5,110,281	4,018,299	$ 1,839,727	7,144,747	974,091	517,721	481,744	6,896	1,882	1,499
50,000 to 100,000	183,896	2,776,622	5,502,568	624,565	683,998	604,613	667,885	377,394	927	1,136
100,000 to 200,000	5,959	1,288,394	7,911,510	21,663	55,401	133,532	624,710	396,069	62,510	467
200,000 and over	1,458	447,909	20,839,972	3,477	1,745	3,708	28,394	188,445	208,854	14,745
Total	**5,301,594**	**8,531,224**	**$ 36,093,776**	**$ 7,794,452**	**$ 1,715,235**	**$ 1,259,574**	**$ 1,802,733**	**$ 968,804**	**$ 274,173**	**$ 17,847**
III: *AGI* Less *Investment Interest* [2]										
Under $ 50,000	5,111,256	4,020,112	$ 1,841,685	7,145,875	975,104	517,783	482,335	6,886	1,882	1,503
50,000 to 100,000	183,353	2,776,374	5,506,354	623,413	683,508	605,295	667,272	377,970	1,147	1,123
100,000 to 200,000	5,630	1,288,427	7,919,809	21,235	55,241	132,725	624,763	397,271	62,304	516
200,000 and over	1,355	446,311	20,825,929	3,161	1,499	3,454	27,292	186,533	209,410	16,317
Total	**5,301,594**	**8,531,224**	**$ 36,093,776**	**$ 7,793,684**	**$ 1,715,352**	**$ 1,259,257**	**$ 1,801,662**	**$ 968,660**	**$ 274,743**	**$ 19,459**
IV: *Expanded Income* [3]										
Under $ 50,000	5,111,222	4,020,156	$ 1,841,662	7,145,845	975,104	517,783	482,355	6,896	1,882	1,513
50,000 to 100,000	183,374	2,776,440	5,506,587	623,457	683,551	605,254	667,451	377,820	1,147	1,135
100,000 to 200,000	5,655	1,288,186	7,918,577	21,250	55,164	132,745	624,573	396,974	62,577	558
200,000 and over	1,343	446,443	20,826,950	3,150	1,513	3,494	27,333	186,896	209,236	16,162
Total	**5,301,594**	**8,531,225**	**$ 36,093,776**	**$ 7,793,702**	**$ 1,715,332**	**$ 1,259,276**	**$ 1,801,712**	**$ 968,586**	**$ 274,842**	**$ 19,368**

1 Tax preference income is reported on Form FTB Schedule P and includes: excluded portion of capital gains; accelerated depreciation in excess of straight line; excess depletion, and several other statutory amounts.
2 Interest paid on borrowed money used for capital investments, other than mortgages.
3 Expanded income is adjusted gross income plus tax preference income less investment expenses.
4 Average tax rate is the net tax divided by the income, as defined in the income concept.
5 These returns with an average tax rate equal to or greater than 9% of the income concept used have either alternative minimum tax or the tax on accumulation distributions. See Revenue and Taxation Code Section 17062-17066 for alternative minimum tax or Sections 17731-17839 for rules relating to estates, trusts, beneficiaries, and decedents.

HIGH INCOME RETURNS
BY INCOME LEVEL TYPE and AVERAGE TAX LIABILITY
Tax Year 2004

Income Levels	Number of Returns			Total Tax Liability *(Thousands)*	Average Tax Liability			
	Total	**Non-Taxable**	**Taxable**		**Under $1,000**	**$1,000 Under $2,000**	**$2,000 Under $6,000**	**$6,000 and Over**
I: *Adjusted Gross Income (AGI)*								
Under $ 50,000	9,128,571	5,110,316	4,018,256	$ 1,839,749	3,415,072	531,206	71,888	90
50,000 to 100,000	2,960,431	183,873	2,776,558	5,502,335	798,953	758,423	1,193,739	25,442
100,000 to 200,000	1,294,539	5,934	1,288,605	7,912,611	12,135	41,497	638,258	596,715
200,000 and over	449,277	1,471	447,806	20,839,082	878	510	3,039	443,379
Total	**13,624,349**	**5,301,594**	**8,531,225**	**$ 36,093,776**	**$ 4,227,038**	**$ 1,331,636**	**$ 1,906,924**	**$ 1,065,626**
II: *AGI* Plus *Tax Preference Income* [1]								
Under $ 50,000	9,128,580	5,110,281	4,018,299	$ 1,839,727	3,415,098	531,206	71,898	98
50,000 to 100,000	2,960,518	183,896	2,776,622	5,502,568	798,936	758,504	1,193,759	25,423
100,000 to 200,000	1,294,353	5,959	1,288,394	7,911,510	12,127	41,415	638,229	596,622
200,000 and over	449,368	1,458	447,909	20,839,972	878	510	3,040	443,482
Total	**13,624,349**	**5,301,594**	**8,531,224**	**$ 36,093,776**	**$ 4,227,039**	**$ 1,331,635**	**$ 1,906,926**	**$ 1,065,625**
III: *AGI* Less *Investment Interest* [2]								
Under $ 50,000	9,131,368	5,111,256	4,020,112	$ 1,841,685	3,416,262	531,815	71,931	105
50,000 to 100,000	2,959,727	183,353	2,776,374	5,506,354	797,939	758,146	1,194,547	25,742
100,000 to 200,000	1,294,057	5,630	1,288,427	7,919,809	12,038	41,203	637,681	597,505
200,000 and over	447,666	1,355	446,311	20,825,929	800	472	2,767	442,272
Total	**13,624,349**	**5,301,594**	**8,531,224**	**$ 36,093,776**	**$ 4,227,039**	**$ 1,331,636**	**$ 1,906,926**	**$ 1,065,624**
IV: *Expanded Income* [3]								
Under $ 50,000	9,131,378	5,111,222	4,020,156	$ 1,841,662	3,416,287	531,815	71,940	113
50,000 to 100,000	2,959,815	183,374	2,776,440	5,506,587	797,923	758,227	1,194,566	25,724
100,000 to 200,000	1,293,840	5,655	1,288,186	7,918,577	12,028	41,122	637,633	597,403
200,000 and over	447,785	1,343	446,443	20,826,950	800	472	2,785	442,385
Total	**13,624,349**	**5,301,594**	**8,531,225**	**$ 36,093,776**	**$ 4,227,038**	**$ 1,331,636**	**$ 1,906,924**	**$ 1,065,625**

1 Tax preference income is reported on Form FTB Schedule P and includes: excluded portion of capital gains; accelerated depreciation in excess of straight line ; excess depletion, and several other statutory amounts.
2 Interest paid on borrowed money used for capital Investments, other than mortgages.
3 Expanded income is adjusted gross income plus tax preference income less investment expenses.