

FRANCHISE TAX BOARD
Personal Income Tax Law

Exhibit A-1
Page 1 of 1

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 by AGI Class
 Comparison of Resident Returns 2006 Tax Year
 (Volumes Thousands, Amounts Millions)

RETURN VOLUMES					
Adjusted Gross Income Class	2006 Returns Processed End of November 2007		2006 PIT Sample	Percent Change	
Neg Agi -	-	175	172	-1.8	
1	10,000	1,930	1,921	-0.5	
	10,001	20,000	2,278	2,295	0.8
	20,001	50,000	4,753	4,767	0.3
	50,001	100,000	3,121	3,125	0.1
	100,001	200,000	1,522	1,522	0.0
	200,001	500,000	448	448	0.0
	500,001	1,000,000	82	83	0.9
	1,000,001	& over	51	51	0.5
TOTAL		14,359	14,383	0.2	
ADJUSTED GROSS INCOME					
Adjusted Gross Income Class	2006 Returns Processed End of November 2007		2006 PIT Sample	Percent Change	
Neg Agi -	-	-11,760	-11,900	1.2	
1	10,000	10,394	10,445	0.5	
	10,001	20,000	34,151	34,445	0.9
	20,001	50,000	157,532	158,583	0.7
	50,001	100,000	220,342	220,840	0.2
	100,001	200,000	205,420	203,926	-0.7
	200,001	500,000	128,660	128,566	-0.1
	500,001	1,000,000	55,951	56,604	1.2
	1,000,001	& over	188,092	189,182	0.6
TOTAL		988,782	990,693	0.2	
TAX LIABILITY					
Adjusted Gross Income Class	2006 Returns Processed End of November 2007		2006 PIT Sample	Percent Change	
Neg Agi -	-	5	4	-7.9	
1	10,000	13	13	-2.0	
	10,001	20,000	69	69	0.3
	20,001	50,000	1,627	1,649	1.4
	50,001	100,000	5,399	5,486	1.6
	100,001	200,000	8,750	8,632	-1.3
	200,001	500,000	8,316	8,306	-0.1
	500,001	1,000,000	4,402	4,447	1.0
	1,000,001	& over	17,004	17,109	0.6
TOTAL		45,584	45,716	0.3	

Source: FRANCHISE TAX BOARD, Return History Report , PIT Sample 2005 AGIC Residents, Data as of November 30, 2007

FRANCHISE TAX BOARD
 Personal Income Tax
 California Resident Returns
 2005, 2006 and 2007
 Tax Years
 (Returns Thousands, Amounts Millions)

Exhibit A -3
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Tax Year	Number of Returns	Adjusted Gross Income	Deductions	Taxable Income	Alternative Minimum Tax	Total Tax
2005	14,062	925,536	172,202	762,907	44	42,679
2006	14,359	988,782	190,313	810,223	39	45,584
2007	14,989	1,053,200	202,976	865,037	41	49,049
2005-06 % CHANGE	2.1	6.8	10.5	6.2	-10.9	6.8
2006-07 % CHANGE	4.4	6.5	6.7	6.8	5.4	7.6

Source: FRANCHISE TAX BOARD, Return History Report
 Data as of November 30, 2006, 2007 & 2008

FRANCHISE TAX BOARD
 Personal Income Tax
 California Resident Returns
 2007 Tax Year
 (2008 Process Year)
 (Returns Thousands, Amounts Millions)

Exhibit A-3
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Adjusted Gross Income Class	Number of Returns	Adjusted Gross Income	Deductions	Taxable Income	Alternative Minimum Tax	Total Tax	Refund Requests	Transfer Requests	
Negative AGI -	-	189	-14,818	0	0	3	5	162	26
1	10,000	2,091	10,956	7,169	3,787	0	15	94	4
10,001	20,000	2,323	34,849	13,432	21,416	0	66	271	6
20,001	50,000	4,858	161,056	44,360	116,694	1	1,599	1,663	39
50,001	100,000	3,228	228,254	55,356	172,895	2	5,508	2,644	97
100,001	200,000	1,657	224,539	46,463	178,075	6	9,365	1,793	179
200,001	500,000	499	143,015	20,571	122,443	11	9,123	709	313
500,001	1,000,000	89	60,304	4,626	55,679	7	4,717	209	256
1,000,001	& over	55	205,046	10,998	194,047	11	18,652	756	1,657
Total		14,989	1,053,200	202,976	865,037	41	49,049	8,299	2,579

Source: FRANCHISE TAX BOARD, Return History Report
 Data as of November 30, 2008

FRANCHISE TAX BOARD
 Personal Income Tax by AGI Class
 California Resident Returns
 2006 and 2007 Tax Years
 (Returns Thousands, Amounts Millions)

RETURN VOLUMES				
Adjusted Gross Income		2006 Returns	2007 Returns	Percent Change
Class				
Neg Agi -	-	175	189	8.1
1	10,000	1,930	2,091	8.4
	10,001 20,000	2,278	2,323	2.0
	20,001 50,000	4,753	4,858	2.2
	50,001 100,000	3,121	3,228	3.4
	100,001 200,000	1,522	1,657	8.9
	200,001 500,000	448	499	11.5
	500,001 1,000,000	82	89	7.9
	1,000,001 & over	51	55	7.8
TOTAL		14,359	14,989	4.4
ADJUSTED GROSS INCOME				
Adjusted Gross Income		2006 Adjusted Gross Income	2007 Adjusted Gross Income	Percent Change
Class				
Neg Agi -	-	(11,760)	(14,818)	26.0
1	10,000	10,394	10,956	5.4
	10,001 20,000	34,151	34,849	2.0
	20,001 50,000	157,532	161,056	2.2
	50,001 100,000	220,342	228,254	3.6
	100,001 200,000	205,420	224,539	9.3
	200,001 500,000	128,660	143,015	11.2
	500,001 1,000,000	55,951	60,304	7.8
	1,000,001 & over	188,092	205,046	9.0
TOTAL		988,782	1,053,200	6.5
TAX LIABILITY				
Adjusted Gross Income		2006 Total Tax	2007 Total Tax	Percent Change
Class				
Neg Agi -	-	5	5	5.5
1	10,000	13	15	9.4
	10,001 20,000	69	66	-4.7
	20,001 50,000	1,627	1,599	-1.7
	50,001 100,000	5,399	5,508	2.0
	100,001 200,000	8,750	9,365	7.0
	200,001 500,000	8,316	9,123	9.7
	500,001 1,000,000	4,402	4,717	7.2
	1,000,001 & over	17,004	18,652	9.7
TOTAL		45,584	49,049	7.6

Source: FRANCHISE TAX BOARD, Return History Report
 Data as of November 30, 2007 & 2008

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

Credit	Preliminary 2006*		Preliminary 2007*		Percent Change	
	Number	Amount (\$ Thousands)	Number	Amount (\$ Thousands)	Number	Amount
Child and Dependent Care	548,169	164,943	521,039	157,287	-4.9	-4.6
Enterprise Zone Hiring and Sales	8,282	121,711	12,759	129,485	54.1	6.4
Other State Tax	118,826	578,066	122,013	536,756	2.7	-7.1
Prior Year Alternative Minimum Tax	6,368	34,106	5,760	25,468	-9.5	-25.3
Renter's Credit (non-refundable)	1,369,249	97,875	1,442,340	103,175	5.3	5.4
Research	3,269	54,678	3,281	52,416	0.4	-4.1
Subtotal	2,054,163	1,051,379	2,107,192	1,004,588	2.6	-4.5

* Preliminary data (processed returns through November 10, 2007 and November 8, 2008)

** 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	Preliminary 2006*		Preliminary 2007*		Percent Change	
	Number	Amount (\$ Thousands)	Number	Amount (\$ Thousands)	Number	Amount
Current Credits						
Child Adoption	1,656	1,897	1,749	2,009	5.6	5.9
Community Development Deposit	19	16	47	22	147.4	37.9
Dependent Parent	582	147	1,027	262	76.5	78.1
Disabled Access	456	39	418	37	-8.3	-4.7
Donation of Agricultural Products Carryover	10	9	11	5	10.0	-45.6
Employer Child Care Program	433	91	453	121	4.6	33.2
Employer Child Care Contribution	4,085	1,675	4,070	1,684	-0.4	0.6
Enhanced Oil Recovery	38	218	29	178	-23.7	-18.5
Enterprise Zone Wages	443	90	514	110	16.0	22.3
Environmental Tax	16	2,541	22	1,747	37.5	-31.3
Farm Workers' Housing	a	4	a	6	N/A	67.9
Joint Custody Head of Household	4,312	1,110	6,014	1,546	39.5	39.3
Joint Strike Fighter Property	a	5	0	0	N/A	N/A
Joint Strike Fighter Wage	8	21	3	10	-62.5	-53.6
Local Agency Military Base Recovery Area	37	395	40	350	8.1	-11.3
Long Term Caregiver	28	12	11	27	-60.7	118.2
Low-Income Housing	542	1,336	470	591	-13.3	-55.7
Manufacturing Enhancement Area	18	446	14	26	-22.2	-94.2
Natural Heritage Preservation	26	617	28	247	7.7	-60.0
Prison Inmate Labor	12	174	6	19	-50.0	-89.1
Qualified Senior Head of Household	1,396	522	2,885	1,085	106.7	107.8
Rice Straw	30	81	50	188	66.7	133.5
Solar or Wind Energy Systems Credit	1,638	1,901	899	845	-45.1	-55.6
Targeted Tax Area	155	3,641	156	2,501	0.6	-31.3
Teachers Retention	109	75	0	0	-100.0	-100.0
Repealed Credits with Carryover Provisions						
Agricultural Transportation	58	318	44	147	-24.1	-53.7
Commercial Solar Electric Carryover	7	3	a	3	N/A	-13.6
Commercial Solar Energy Carryover	34	82	34	70	0.0	-14.4
Energy Conservation Carryover	1,204	847	1,695	1,119	40.8	32.0
Los Angeles Revitalization Zone	218	3,677	167	2,404	-23.4	-34.6
Low-Emission Vehicle	309	282	480	368	55.3	30.6
Manufacturer's Investment	354	3,103	222	3,427	-37.3	10.4
New Infant	84	50	111	57	32.1	15.3
Orphan Drug	28	26	8	10	-71.4	-61.0
Political Contribution	2,029	678	2,629	1,028	29.6	51.6
Recycling Equipment	239	162	386	128	61.5	-20.7
Residential Rental and Farm Sales Carryover	509	1,039	471	634	-7.5	-38.9
Ridesharing:						
Large Employers	126	65	171	109	35.7	69.6
Small Employers	68	25	80	30	17.6	19.2
Transit Pass Carryover	304	132	319	134	4.9	1.4
Vanpool Carryover	858	376	1,108	467	29.1	24.3
Incentive Carryover	2,211	963	2,157	957	-2.4	-0.7
Salmon and Steelhead Trout Habitat	9	2	8	1	-11.1	-61.5
Solar Energy Carryover	215	188	249	299	15.8	59.0
Solar Pump Carryover	11	165	9	4	-18.2	-97.8
Water Conservation Carryover	107	26	211	56	97.2	112.3
Unidentified Special Credits	21	9	17	169	-19.0	1713.5
Subtotal	25,058	29,279	29,503	25,236	17.7	-13.8
Grand Total	2,079,221	1,080,659	2,136,695	1,029,825	2.8	-4.7

^a Omitted for confidentiality reasons

^b Less than \$500

* Preliminary data (processed returns through November 10, 2007 and November 8, 2008)

** 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
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	-688.4
July 2010	-212.8

/a Based on most current available return processing information, DOF Economic forecast as of the October 2008 planning estimate, and the most current estimate of PIT cash flows.

Source: Franchise Tax Board

FRANCHISE TAX BOARD
Personal Income Tax

Form 541
Fiduciary Tax Liability Revenue
1987 through preliminary 2007

Tax Year	Number	Amount (\$ millions)
1987	50,198	\$137.5
1988	68,215	151.6
1989	76,951	144.6
1990	69,752	132.6
1991	71,313	122.3
1992	67,371	121.4
1993	73,151	109.3
1994	68,692	127.3
1995	79,510	167.7
1996	93,813	191.6
1997	97,079	283.1
1998	106,693	409.8
1999	109,504	469.5
2000	142,829	595.3
2001	86,281	284.2
2002	71,633	229.1
2003	76,381	325.1
2004	95,067	540.1
2005	109,477	744.4
2006	121,653	944.5
2007p	117,412	\$575.6

p: Preliminary - total increase to tax year 2006 reported liability since last November was \$381.1 million.

Source: TI Master File through November 16, 2007

Revenues from FTB Withholding Programs
(\$ Millions)

Exhibit A-7
Page 1 of 1

		Withholding Deposits	Revenue from all Withholding Programs	Real Esate Withholding	All Other Withholding
2008	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	42.5
	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	21.2
	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

12/2/2008

\\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*	750,340	\$2,294,529

* data through November 2008

Source: Return Merge

FRANCHISE TAX BOARD
 Personal Income Tax
 Changes in Income Composition
 1988 through 2006
 (Billions of Dollars)

Exhibit A-9
 1 of 2

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	\$3.0
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	\$238.7	\$544.2	\$132.7	\$18.0	\$11.1	\$38.5	\$14.3	\$33.1	\$30.4	\$46.2	\$40.5	\$57.5	\$7.5
2003	\$151,297	\$766.2	\$259.5	\$555.4	\$137.3	\$16.3	\$10.4	\$40.3	\$14.1	\$44.6	\$41.3	\$50.3	\$43.4	\$58.5	\$7.3
2004	\$160,780	\$849.4	\$312.7	\$590.4	\$149.9	\$15.6	\$10.6	\$41.9	\$15.2	\$73.5	\$68.1	\$57.5	\$51.3	\$62.2	\$8.1
2005	\$172,176	\$942.1	\$370.9	\$624.3	\$160.9	\$21.4	\$11.3	\$48.6	\$16.8	\$110.9	\$100.0	\$68.2	\$61.3	\$66.7	\$9.3
2006	\$178,260	\$1,002.6	\$398.5	\$663.2	\$173.2	\$30.5	\$16.3	\$46.7	\$15.7	\$116.5	\$105.4	\$66.6	\$61.7	\$72.3	\$10.1

FRANCHISE TAX BOARD
 Personal Income Tax
 Changes in Income Composition
 1988 through 2006

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%	2.4%	4.6%	5.2%	6.0%	4.5%	12.7%	6.3%	17.0%	7.8%	3.2%
2003	\$151,297	72.5%	52.9%	2.1%	4.0%	5.3%	5.4%	5.8%	15.9%	6.6%	16.7%	7.6%	2.8%
2004	\$160,780	69.5%	47.9%	1.8%	3.4%	4.9%	4.9%	8.7%	21.8%	6.8%	16.4%	7.3%	2.6%
2005	\$172,176	66.3%	43.4%	2.3%	3.1%	5.2%	4.5%	11.8%	27.0%	7.2%	16.5%	7.1%	2.5%
2006	\$178,260	66.2%	43.5%	3.0%	4.1%	4.7%	3.9%	11.6%	26.5%	6.6%	15.5%	7.2%	2.5%

FRANCHISE TAX BOARD
 Personal Income Tax
 Gross Capital Gains and Their Components:
 1988 through 2006
 (In \$ Million)

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

/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 2006
 (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

/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 /a /b
 1989 through 2006
 (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%

/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 Trading Gains /a /b
 1989 through 2006

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
Average	28.8%	18.5%	10.8%	7.4%	5.7%	4.5%	3.7%	3.2%	2.6%	14.9%	

/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 2006

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
Average	5.9%	12.3%	10.3%	12.5%	7.5%	7.0%	6.1%	4.5%	4.3%	29.7%	

/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

Tax-Weighted Distribution of Income by Source
California Residents
Tax Year 2006

Income Item	Percent Distribution	
	Unweighted	Tax-Weighted**
Wages	66.4%	53.3%
Taxable Interest	3.2%	3.4%
Ordinary Dividend	2.6%	3.4%
Business Income	4.5%	3.3%
Capital Gain	11.8%	20.7%
IRA Distribution	1.3%	0.9%
Pension Income	4.5%	2.8%
Rental/Royalty Income	0.2%	1.0%
Partnership Income	5.5%	9.9%
Other Income	0.1%	1.3%
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 : 2006 PIT Sample

FRANCHISE TAX BOARD
Corporation Tax Law

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

\\Accrual 112008.XLS

Franchise Tax Board
 Corporation Tax
 Refund Requests in Inventory at the End of November

Exhibit B-2
 Page 1 of 1

Refund Amount	2007	
	Number of Returns	Aggregate Amount
\$0 - 4,999	630	\$701,614
5,000 - 9,999	86	607,320
10,000 - 49,999	108	2,557,734
50,000 - 499,999	93	14,826,786
\$500,000 and over	31	275,698,161
Subtotal	948	294,391,615
Amended Returns	446	6,169,974
Partnership Returns	28	64,118
LLC Returns	2,224	65,178,824
Total Inventory	3,646	\$365,804,531

Source: Business Entities Section, ICBS & Receiving

**FRANCHISE TAX BOARD
CORPORATION TAX**

Preliminary 2007 Tax Year Data Compared to Preliminary 2006 Tax Year
by Accounting Period
(Return Volumes in Thousands, Amounts in \$Millions)

APE	2006 Tax Year \1			2007 Tax Year \1			Growth	
	All Corporations			All Corporations			All Corporations	
	#	SNI	TAX	#	SNI	TAX	SNI	TAX
Jan	9	6,197	527	8	4,022	380	-2,175	-146
Feb	7	1,710	147	7	2,466	230	756	83
Mar	18	4,166	434	19	4,173	463	7	29
Apr	8	1,814	87	7	1,163	89	-651	2
May	9	2,156	115	8	2,283	132	127	17
Jun	31	4,359	416	28	4,083	400	-277	-16
Jul	11	3,879	221	7	4,749	238	871	17
Aug	10	1,346	131	8	2,072	204	726	72
Sep	26	8,236	497	23	9,074	540	837	43
Oct	11	4,705	211	10	2,357	91	-2,349	-121
Nov	6	2,029	151	6	608	76	-1,421	-76
Dec Prelim	498	94,860	6,750	512	68,469	5,710	-26,391	-1,040
Dec Final	537	99,727	7,055	N/A	N/A	N/A	N/A	N/A
Preliminary Total	633	135,485	9,621	644	105,518	8,551	-29,967	-1,070
Tax Year Total \2,\3	684	140,325	9,992	694	119,067	9,603	-21,258	-389

APE	2006 Tax Year \1			2007 Tax Year \1			Growth	
	Positive Income Corps			Positive Income Corps			Positive Inc Corps	
	#	SNI	TAX	#	SNI	TAX	SNI	TAX
Jan	5	7,004	520	5	5,103	377	-1,901	-143
Feb	4	2,094	144	4	2,980	227	886	83
Mar	10	6,749	426	10	6,801	456	52	30
Apr	3	2,254	83	4	1,650	86	-604	3
May	4	2,610	111	4	2,677	129	67	17
Jun	18	6,389	405	16	6,316	389	-73	-16
Jul	5	4,613	215	4	5,290	235	678	20
Aug	5	1,799	127	4	2,585	201	787	73
Sep	16	9,656	488	13	10,607	531	950	43
Oct	5	5,388	207	6	2,987	86	-2,401	-120
Nov	3	2,565	149	3	1,495	73	-1,070	-76
Dec Prelim	294	126,778	6,590	299	107,981	5,429	-18,797	-1,161
Dec Final	309	135,899	6,885	N/A	N/A	N/A	N/A	N/A
Preliminary Total	370	177,373	9,411	371	156,473	8,218	-20,900	-1,193
Tax Year Total \2,\3	386	187,020	9,761	387	171,396	9,255	-15,624	-506

\1 2006 data through November 17, 2007. 2007 data through November 15, 2008.

\2 Note that for 2006, Tax Year Total SNI for All Returns exceeded Preliminary Total SNI by 3.6%, while for Positive Income returns, Tax Year Total SNI exceeded Preliminary by 5.4%. Similarly Tax Year Total TAX for all returns fell above Preliminary TAX by 3.9% and 3.7% for All and Positive Income Corps, respectively. For 2007, changes from Preliminary to Tax Year Total SNI are estimated at 12.8% and 9.5% for All and Positive Income Corps, respectively. Increases from Preliminary to Tax Year Total TAX are estimated at 12.3% and 12.6% 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
 2006-2007 Tax Years

Credit	Preliminary 2006*		Preliminary 2007**		Final 2006	Final 2007 \2
	Number	Amount (\$Thousands)	Number	Amount (\$Thousands)	Amount (\$Thousands)	Amount (\$Thousands)
Enterprise Zone and Program Area Hiring and Sales	3,144	175,387	3,636	187,346	219,882	231,562
Local Area Military Base Revitalization Area	21	1,766	26	1,609	1,910	1,988
Los Angeles Revitalization Zone	334	7,755	287	7,078	8,691	8,749
Low-Income Housing	42	45,384	35	51,161	49,602	63,235
Manufacturer's Investment	983	63,855	775	56,529	91,301	69,871
Prior Year Alternative Minimum Tax	1,103	22,254	1,066	18,472	29,381	22,832
Research	1,851	973,475	1,975	1,198,814	1,242,897	1,481,750
Targeted Tax Area	54	3,690	50	5,340	5,070	6,601
Other	396	88,622	357	40,844	17,080	19,544
Preliminary Total	7,928	1,382,188	8,207	1,567,194	Not Applicable	Not Applicable
Tax Year Total \1	8,620	1,696,332	8,923	1,906,131	1,665,813	1,906,131

Note: The 2007 Tax Year Total and the Final 2007 column are estimates which account for returns that are still being processed.

\1 Tax Year Total for 2006 was determined to be 20.5% greater than Preliminary Total. For 2007, Tax Year Total is estimated to be 10.4% 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 17, 2007)

**Preliminary data (returns processed through November 15, 2008)

Source: Business Entities Tax System

FRANCHISE TAX BOARD
Corporation Tax
Special Tax Credits Allowed
Selected Credits
2006 Tax Year
(\$ million)

Enterprise Zone Credit	
Available	\$934
Used	\$220
Carryforward	\$714
Research Credit	
Available	\$10,000
Carryover from previous years	\$7,796
Generated in current year	\$2,204
Used	\$1,243
Carryforward	\$8,757

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
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%
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	2,994	50%

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										
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%
Total Payments from above										
January-September 2007	233	590	1,061	887	559	731	787	280	287	5,416
January-September 2008	227	642	1,142	565	564	551	671	250	185	4,797
Difference	-6	52	81	-322	5	-180	-116	-30	-103	-619
% Difference	-3%	9%	8%	-36%	1%	-25%	-15%	-11%	-36%	-11%

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 2007 and Projections
 (\$ in Millions)

	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	6,197	\$ 12.1	\$ 2.2	\$ 14.3
1996/97	12,549	15,408	\$ 22.3	\$ 9.6	\$ 32.0
1997/98	18,645	28,257	\$ 35.1	\$ 20.2	\$ 55.3
1998/99	24,898	43,011	\$ 50.6	\$ 32.1	\$ 82.7
1999/00	26,221	61,787	\$ 67.2	\$ 84.0	\$ 151.1
2000/01	26,186	79,497	\$ 77.9	\$ 136.7	\$ 214.6
2001/02	30,964	97,096	\$ 91.7	\$ 163.6	\$ 255.3
2002/03	35,958	114,286	\$ 110.4	\$ 183.3	\$ 293.7
2003/04	46,241	137,001	\$ 132.4	\$ 209.4	\$ 341.8
2004/05	58,097	162,903	\$ 156.0	\$ 244.1	\$ 400.1
2005/06	70,025	193,415	\$ 180.8	\$ 283.3	\$ 464.1
2006/07	73,337	219,976	\$ 160.3	\$ 318.3	\$ 478.6
2007/08 /a	81,536	199,202	\$ 177.8	\$ 250.3	\$ 428.1
2007/08 /c		220,931	\$ 194.1	\$ 277.6	\$ 471.6
2008/09 /c			\$ 211.8	\$ 620.7	\$ 832.5
2009/10 /c			\$ 243.3	\$ 364.8	\$ 608.1
2010/11 /c			\$ 279.4	\$ 413.5	\$ 692.9
2011/12 /c			\$ 321.0	\$ 468.7	\$ 789.6
2012/13 /c			\$ 368.7	\$ 531.2	\$ 899.9

/a 2007 tax and fee data are Incomplete. They include returns processed through November 15, 2008.
 /b Registrations are reported for the year of registration.
 /c projections

Sources: 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 2007 Fee Year				
	All LLCs		LLCs with Fee Greater Than Zero	
Agriculture, Forestry, Fishing	4,177	2.2%	1,629	2.8%
Mining	447	0.2%	154	0.3%
Transportation and Warehousing	3,280	1.7%	1,152	2.0%
Construction	7,196	3.8%	1,734	3.0%
Manufacturing, Nondurable Goods	2,231	1.2%	999	1.7%
Manufacturing, Durable Goods	2,372	1.2%	1,048	1.8%
Wholesale Trade	5,332	2.8%	2,290	4.0%
Retail Trade	7,218	3.8%	2,729	4.7%
Information	6,055	3.2%	1,286	2.2%
Finance, Investment, and Insurance	12,859	6.7%	3,466	6.0%
Real Estate	99,575	51.9%	28,309	48.9%
Professional, Scientific, and Technical Services	16,216	8.5%	4,512	7.8%
Holding Companies	1,763	0.9%	343	0.6%
Administrative Services	2,688	1.4%	923	1.6%
Other Services	6,000	3.1%	1,537	2.7%
Health Services	2,729	1.4%	1,190	2.1%
Arts, Entertainment, and Recreation	5,619	2.9%	1,240	2.1%
Accommodation and Other Services	6,109	3.2%	3,362	5.8%
Total	191,866	100.0%	57,903	100.0%
Number of LLCs	197,227		58,907	

Source: California Franchise Tax Board
 2007 Business Entities Master File

FRANCHISE TAX BOARD
Limited Liability Companies (LLCs)

The Number of LLCs at Each Fee Level			
Total Income	Annual Fee	Number of Firms	Percentage of Total
Less than \$250,000	\$ -	138,320	70.1%
\$250,000 to \$499,999	\$ 17,513,590	19,588	9.9%
\$500,000 to \$999,999	\$ 37,228,280	14,562	7.4%
\$999,999 to \$4,999,999	\$ 107,915,210	16,986	8.6%
Greater than \$4,999,999	\$ 122,092,630	7,771	3.9%
		197,227	100.0%

Source: California Franchise Tax Board
Special LLC Sample from 2007 Business Entities Master File

FRANCHISE TAX BOARD
 Corporation Tax
 Revenue Impact of Four Corporation Tax Provisions:
 Revenue Years 2000 - 2013
 (\$ Millions)

Revenue Year	NOL Provision	Credit	S Corp Status	Bank Surcharge	Repeal all four provisions
2000	588	1,013	2,601	(182)	4,346
2001	471	813	2,087	(146)	3,487
2002	94	837	2,147	(151)	3,016
2003	6	1,105	2,835	(199)	3,939
2004	727	1,254	3,218	(226)	5,378
2005	831	1,434	3,679	(258)	6,148
2006	962	1,659	4,256	(298)	7,114
2007	965	1,665	4,271	(299)	7,139
2008	758	1,307	3,355	(235)	5,607
2009	0	1,250	3,657	(256)	4,567
2010	334	1,554	3,913	(274)	5,725
2011	1,200	2,116	4,382	(307)	7,849
2012	1,180	2,321	4,702	(330)	8,833
2013	1,219	2,435	4,985	(349)	9,226
2014	1,261	2,570	5,303	(372)	9,863
2015	1,328	2,736	5,678	(398)	10,475
2016	1,416	2,908	6,080	(426)	11,146

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

Source: Corporation Statistical Sample

FRANCHISE TAX BOARD
 Corporation Tax
 California S Corporations and Their Aggregate Income and Tax Liability Characteristics
 2001-2007
 (\$ in Millions)

Exhibit B-9

Income Category of S Corporations	2001	2002	Pct Change	2003	Pct Change	2004	Pct Change	2005	Pct Change	2006	Pct Change	2007 /a	Pct Change
Positive State Net Income S Corporations:													
-- Number	126,347	142,051	12.4	158,808	11.8	181,938	14.6	202,172	11.1	220,287	9.0	213,677	-3.0
-- SNI	29,415	30,392	3.3	33,641	10.7	43,587	29.6	50,922	16.8	51,212	0.6	54,392	6.2
-- Tax Liability	450	486	7.8	541	11.4	670	23.7	785	17.2	869	10.7	N/A	N/A
Negative State Net Income S Corporations: /b													
-- Number	79,583	91,939	15.5	101,419	10.3	115,319	13.7	122,545	6.3	137,309	12.0	135,200	-1.5
-- SNI	-6,118	-6,487	6.0	-6,543	0.9	-7,458	14.0	-8,232	10.4	-8,847	7.5	-10,342	16.9
-- Tax Liability	54	62	14.9	68	10.0	75	11.0	81	7.7	94	16.5	N/A	N/A
All S Corporations:													
-- Number	205,930	233,990	13.6	260,227	11.2	297,257	14.2	324,717	9.2	357,596	10.1	348,877	-2.4
-- SNI	23,298	23,906	2.6	27,098	13.4	36,129	33.3	42,687	18.2	48,429	13.5	44,051	-9.0
-- Tax Liability	504	547	8.6	609	11.2	745	22.3	866	16.3	963	11.2	N/A	N/A

/a Raw Data for 2007 are preliminary and should be used with caution.

/b Data include certain corporations reporting either zero SNI, or neither positive nor negative SNI.

Source: California Franchise Tax Board, Business Entity Tax System, as of November 1, 2008.

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	7,460	84,635
1997	367,656	84,635	84,389	5,864	29,917	14,958	15,624	78,105
1998	359,833	78,105	82,544	5,800	37,512	18,756	23,379	67,682
1999	300,330	67,682	80,603	5,600	48,122	24,061	8,823	77,320
2000	303,613	77,320	79,436	6,391	77,108	41,528	9,546	102,911
2001	316,766	102,911	78,394	6,440	81,152	44,634	10,587	130,518
2002	338,472	130,518	26,626	1,612	69,438	41,663	1,032	169,537
2003	418,294	169,537	0	0	56,541	33,925	-	203,461
2004	503,694	203,461	105,903	10,596	52,448	46,632	9,032	230,465
2005	500,819	230,465	137,337	14,540	52,414	52,414	13,131	255,209
2006	507,778	255,209	125,853	14,739	48,141	48,141	17,442	271,168
2007	530,282	271,168	112,306	11,706	57,291	57,291	-	316,753

/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 December 9, 2008 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

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	3.8	7.5	0.0	0.0
1990	13.1	4.6	8.4	0.0	0.0
1991	14.1	7.9	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	8.8	0.0	0.0
1995	13.9	4.3	9.5	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	13.1	0.0	0.0
1999	24.1	6.6	17.4	0.0	0.0
2000	41.5	10.3	0.0	31.2	10.0
2001	44.6	8.5	0.0	36.1	11.6
2002	41.7	8.8	0.0	32.9	10.5
2003	33.9	7.4	0.0	26.5	8.5
2004	46.6	7.0	0.0	39.7	12.7
2005	52.4	4.9	0.0	47.5	15.2
2006	48.1	2.6	0.0	45.5	14.6
2007	53.2	0.0	0.0	53.2	17.0
Totals	558.8	110.1	136.1	312.6	100.0

Source: California Franchise Tax Board, Business Entity Tax System as of December 9, 2008

Detail may not add to totals due to rounding.