

**FRANCHISE TAX BOARD
Personal Income Tax Law
Resident and Non-Resident**

Exhibit A-1
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Accrual Estimates³

Payments	2015-2016 (Millions)	2016-2017 (Millions)	2017-2018 (Millions)	2018-2019 (Millions)
Estimate Payments	\$1,054	\$1,134	\$1,145	\$1,164
Return Remittances Payments	1,557	1,654	1,604	1,660
Net Final Payments Adjustment¹	1,622	1,903	1,991	1,989
Other	2,228	2,146	2,319	2,424
Withholding (EDD)	1,086	1,501	1,425	1,302
Withholding (FTB)	125	177	189	203
Total	7,673	8,514	8,673	8,743
Refunds	-3,156	-2,942	-3,521	-3,758
Budget Net	4,516	5,572	5,152	4,985
GAAP Adjustments²	-1,109	-52	-560	-802
GAAP Net	\$3,408	\$5,519	\$4,592	\$4,183

1/ Due to the passage of Prop 30

2/ Included: Chapter 751 Statutes of 2008 change to Sept estimated payments,

Accelerated revenue estimate payments, Net final payments, & Net final payments due to Prop 30

3/ Numbers may have DOF adjustments to actuals due to Prop 30 and use DOF projections in their calculation

Reported in April 2017

Accrual Estimates³

Payments	2015-2016 (Millions)	2016-2017 (Millions)	2017-2018 (Millions)
Estimate Payments	\$1,051	\$1,042	\$1,074
Return Remittances Payments	1,551	1,559	1,597
Net Final Payments Adjustment¹	1,669	1,696	1,732
Other	2,290	2,271	2,381
Withholding (EDD)	1,157	1,206	1,290
Withholding (FTB)	125	146	171
Total	7,842	7,921	8,245
Refunds	-3,148	-2,860	-3,014
Budget Net	4,695	5,061	5,230
GAAP Adjustments²	-725	-978	-1,074
GAAP Net	\$3,970	\$4,083	\$4,157

1/ Due to the passage of Prop 30

2/ Included: Chapter 751 Statutes of 2008 change to Sept estimated payments,

Accelerated revenue estimate payments, Net final payments, & Net final payments due to Prop 30

3/ Numbers may have DOF adjustments to actuals due to Prop 30 and use DOF projections in their calculation

FRANCHISE TAX BOARD
Personal Income Tax Statistics 2015 - 2016 Tax Years¹
Resident and Non-Resident Returns
Special Tax Credits Allowed - Credit Amount

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Credit	Preliminary 2015 ²		Preliminary 2016 ³		% Change	
	Number	Amount (Thousands)	Number	Amount (Thousands)	Number	Amount
Child and Dependent Care	173,533	\$32,248	168,298	\$31,125	-3.0	-3.5
Enterprise Zone Hiring and Sales	31,058	273,085	28,842	208,720	-7.1	-23.6
Earned Income Tax Credit	384,106	199,601	382,777	203,395	-0.3	1.9
Other State Tax	164,606	786,561	173,383	1,022,047	5.3	29.9
Prior Year Alternative Minimum Tax	6,517	28,721	6,702	30,638	2.8	6.7
Renter's Credit (non-refundable)	1,625,282	114,396	1,715,216	120,780	5.5	5.6
Research and Development	8,475	113,152	10,561	151,346	24.6	33.8
Total Credits Amount > \$10million	2,393,577	1,547,765	2,475,466	1,763,022	3.4	13.9
California Competes	200	\$2,777	348	\$6,122	74.0	120.4
Child Adoption	1,019	1,148	1,173	1,348	15.1	17.3
College Access	454	7,203	407	4,685	-10.4	-34.9
Community Development Deposit	183	325	115	141	-37.2	-56.5
Dependent Parent	228	71	1,246	368	446.5	417.0
Disabled Access	368	30	462	35	25.5	19.0
Donation of Agricultural Products Carryover	15	3	16	12	6.7	290.8
Enhanced Oil Recovery	a	a	a	a	N/A	N/A
Environmental Tax	a	a	a	a	N/A	N/A
Fresh Fruit	80	480	216	503	170.0	4.8
Joint Custody Head of Household	3,991	1,237	5,350	1,807	34.1	46.1
Local Agency Military Base Recovery Area	30	389	20	636	-33.3	63.2
Low-Income Housing	233	240	179	322	-23.2	34.3
Manufacturing Enhancement Area	a	a	a	a	N/A	N/A
Motion Picture and TV Production	24	18	8	130	-66.7	639.5
Natural Heritage Preservation	7	62	11	8	57.1	-87.0
New Employment	499	1,221	397	1,089	-20.4	-10.9
Qualified Senior Head of Household	221	94	589	260	166.5	177.9
Targeted Tax Area	110	1,738	92	1,077	-16.4	-38.0
Total Repealed Credits with Carryover Provisions	7,145	8,326	5,131	6,191	-28.2	-25.6
Total Credits Amount < \$10million	14,813	25,399	15,776	24,788	6.5	-2.4
Grand Total	2,408,390	\$1,573,164	2,491,242	\$1,787,810	3.4	13.6

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

2/ Preliminary data (processed returns through November 13, 2016).

3/ Preliminary data (processed returns through November 12, 2017).

a/ Data are not shown for table entries with small numbers of taxpayers but are included in the appropriate totals.

Source: PIT Population Datasets 2015 and 2016.

FRANCHISE TAX BOARD

Personal Income Tax by AGI Class

Comparison of Resident Returns 2015 Tax Year

RETURN VOLUMES				
Adjusted Gross Income Class	2015 Returns Processed to December 03, 2016 (Thousands)	2015 PIT Sample (Thousands)	% Change	
Neg Agi - to \$0	231	213	-7.7	
\$1 to 10,000	1,976	1,995	0.9	
10,001 to 20,000	2,470	2,480	0.4	
20,001 to 50,000	5,037	5,046	0.2	
50,001 to 100,000	3,446	3,457	0.3	
100,001 to 200,000	2,097	2,095	-0.1	
200,001 to 500,000	800	807	0.9	
500,001 to \$1,000,000	132	131	-0.8	
\$1,000,001 to & over	69	70	2.4	
TOTAL	16,258	16,294	0.2	
ADJUSTED GROSS INCOME				
Adjusted Gross Income Class	2015 Returns Processed to December 03, 2016 (Millions)	2015 PIT Sample (Millions)	% Change	
Neg Agi - to \$0	-\$31,491	-\$32,829	4.2	
\$1 to 10,000	10,842	10,954	1.0	
10,001 to 20,000	36,929	37,013	0.2	
20,001 to 50,000	166,831	167,752	0.6	
50,001 to 100,000	244,567	246,058	0.6	
100,001 to 200,000	288,599	288,139	-0.2	
200,001 to 500,000	229,595	232,219	1.1	
500,001 to \$1,000,000	89,010	88,364	-0.7	
\$1,000,001 to & over	230,460	249,824	8.4	
TOTAL	\$1,265,341	\$1,287,494	1.8	
TAX LIABILITY				
Adjusted Gross Income Class	2015 Returns Processed to December 03, 2016 (Millions)	2015 PIT Sample (Millions)	% Change	
Neg Agi - to \$0	\$12	\$13	8.0	
\$1 to 10,000	13	14	8.0	
10,001 to 20,000	54	54	-0.6	
20,001 to 50,000	1,405	1,412	0.5	
50,001 to 100,000	5,995	6,048	0.9	
100,001 to 200,000	12,753	12,734	-0.2	
200,001 to 500,000	14,937	15,090	1.0	
500,001 to \$1,000,000	7,394	7,312	-1.1	
\$1,000,001 to & over	25,934	28,003	8.0	
TOTAL	\$68,498	\$70,680	3.2	

Source: FRANCHISE TAX BOARD Return History Database and PIT Sample 2015 AGIC

Resident returns processed through December 03, 2016

FRANCHISE TAX BOARD
Personal Income Tax
California Resident Returns
2014, 2015 and 2016 Tax Years

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Tax Year	Number of Returns (Thousands)	Adjusted Gross Income (Millions)	Deductions (Millions)	Taxable Income (Millions)	Alternative Minimum Tax (Millions)	Total Tax (Millions)
2014 ¹	15,886	\$1,211,851	\$186,001	\$1,061,266	\$84	\$65,864
2015	16,258	1,265,341	189,350	1,107,474	93	68,498
2016 ¹	16,495	\$1,318,363	\$202,173	\$1,146,597	\$88	\$70,646
2014-15 % Change	2.3	4.4	1.8	4.4	9.9	4.0
2015-16 % Change	1.5	4.2	6.8	3.5	-4.7	3.1

Source: FRANCHISE TAX BOARD Return History Report
Data as of December 31, 2015; December 03, 2016; December 02, 2017.

1\ 2014 and 2016 Tax Year amounts include data from Return Analysis Database.

FRANCHISE TAX BOARD
Personal Income Tax by AGI Class
California Resident Returns
2015 and 2016 Tax Years

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RETURN VOLUMES				
Adjusted Gross Income Class		2015 Returns (Thousands)	2016 Returns (Thousands)	% Change
Neg Agi -	to \$0	231	235	1.9
\$1	to 10,000	1,976	1,894	-4.1
10,001	to 20,000	2,470	2,388	-3.3
20,001	to 50,000	5,037	5,189	3.0
50,001	to 100,000	3,446	3,556	3.2
100,001	to 200,000	2,097	2,179	3.9
200,001	to 500,000	800	849	6.2
500,001	to \$1,000,000	132	134	1.5
\$1,000,001	to & over	69	69	0.6
TOTAL		16,258	16,495	1.5
ADJUSTED GROSS INCOME				
Adjusted Gross Income Class		2015 Adjusted Gross Income (Millions)	2016 Adjusted Gross Income (Millions)	% Change
Neg Agi -	to \$0	-\$31,491	-\$30,421	-3.4
\$1	to 10,000	10,842	10,364	-4.4
10,001	to 20,000	36,929	35,705	-3.3
20,001	to 50,000	166,831	172,132	3.2
50,001	to 100,000	244,567	252,519	3.3
100,001	to 200,000	288,599	300,662	4.2
200,001	to 500,000	229,595	244,256	6.4
500,001	to \$1,000,000	89,010	89,953	1.1
\$1,000,001	to & over	230,460	243,192	5.5
TOTAL		\$1,265,341	\$1,318,363	4.2
TAX LIABILITY				
Adjusted Gross Income Class		2015 Total Tax (Millions)	2016 Total Tax (Millions)	% Change
Neg Agi -	to \$0	\$12	\$8	-35.2
\$1	to 10,000	13	12	-8.6
10,001	to 20,000	54	52	-4.6
20,001	to 50,000	1,405	1,433	2.0
50,001	to 100,000	5,995	6,112	2.0
100,001	to 200,000	12,753	13,149	3.1
200,001	to 500,000	14,937	15,781	5.7
500,001	to \$1,000,000	7,394	7,426	0.4
\$1,000,001	to & over	25,934	26,673	2.8
TOTAL		\$68,498	\$70,646	3.1

Source: FRANCHISE TAX BOARD, Return History and Return Analysis Databases.
Data as of December 03, 2016 and December 02, 2017

FRANCHISE TAX BOARD
Personal Income Tax
Capital Gains for 2015
Resident Returns

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Adjusted Gross Income Class	1040 Schedule D		1040		Capital Gains % Dist.	Schedule CA		Total Capital Gains (Millions)	Capital Gains Tax Last Dollar Method ² (Millions)	540 Adjusted Gross Income (Millions)	Capital Gains as a % of AGI
	Short Term Gains (Millions)	Long Term Gains (Millions)	Capital Losses (Millions)	Net Capital Gains ¹ (Millions)		Adjustments- Subtractions (Millions)	Adjustments- Additions (Millions)				
Negative to \$0	-\$37	\$2,579	\$163	\$2,394	2.02%	\$104	\$45	\$2,341	\$0	-\$32,824	-7.13%
\$1 to 10,000	5	394	143	293	0.25%	27	15	280	0	10,950	2.56%
10,001 to 30,000	23	735	305	569	0.48%	28	24	565	1	88,966	0.64%
30,001 to 50,000	39	1,027	310	855	0.72%	25	8	838	13	115,794	0.72%
50,001 to 75,000	13	1,313	326	1,133	0.96%	27	18	1,128	43	130,146	0.87%
75,001 to 100,000	20	1,544	265	1,481	1.25%	26	24	1,480	78	115,906	1.28%
100,001 to 200,000	16	6,377	601	6,167	5.21%	84	45	6,128	438	288,143	2.13%
200,001 to 500,000	-89	13,383	405	13,152	11.10%	138	170	13,184	1,126	232,208	5.68%
500,001 to 1,000,000	-142	10,454	90	10,309	8.70%	99	187	10,397	976	88,341	11.77%
1,000,001 to 2,000,000	-130	9,956	32	9,824	8.29%	76	195	9,943	1,061	59,397	16.74%
2,000,001 to 5,000,000	-105	12,661	13	12,593	10.63%	100	451	12,945	1,451	55,530	23.31%
5,000,001 to \$10,000,000	-96	10,029	3	9,953	8.40%	59	469	10,363	1,197	32,998	31.40%
\$10,000,001 and over	351	49,141	2	49,729	41.98%	123	866	50,472	5,792	101,884	49.54%
2015 Total	-131	119,592	2,659	118,451	100.00%	915	2,517	120,063	12,175	1,287,438	9.33%
2014 Total	3,927	111,098	2,545	114,230		950	2,176	115,459	11,666	1,207,528	9.56%
2014-2015 Difference	-\$4,058	\$8,494	\$113	\$4,221		-\$35	\$341	\$4,605	\$508	\$79,910	-0.24%

1/ Figures may not add due to taxpayer inconsistencies in reporting and rounding.

2/ We treat capital gains as the last dollar at the highest marginal rate.

3/ Total tax liability (less mental health tax) divided by taxable income multiplied by net capital gains

Source: California Franchise Tax Board 2015 Preliminary PIT Sample Dataset.

FRANCHISE TAX BOARD
Personal Income Tax
Capital Gains for 2015
Resident Returns

Tax Year	Net Capital Gains ¹ (Millions)	Capital Loss Carryovers (Millions)	Capital Gains Taxes (Millions)
1996	\$33,380		
1997	12,151	\$17,499	\$3,766
1998	61,370	20,101	4,926
1999	94,096	23,690	7,682
2000	119,975	40,192	10,192
2001	49,108	60,630	3,965
2002	33,404	58,404	2,670
2003	45,763	64,791	3,650
2004	75,454	55,792	6,096
2005	112,743	58,880	9,220
2006	117,958	51,333	9,622
2007	131,779	54,323	10,877
2008	56,283	85,994	4,553
2009	28,647	97,229	2,252
2010	55,002	95,906	4,687
2011	52,101	94,797	4,150
2012	100,527	92,575	9,259
2013	78,864	82,923	7,738
2014	114,230	78,977	11,666
2015	\$118,451	\$84,264	\$12,175

^{1/} Gains reported on Federal 1040 before CA Adjustments.
Source: California Franchise Tax Board PIT Sample Datasets.

FRANCHISE TAX BOARD
Personal Income Tax
Capital Gains for 2015
Resident Returns

Short Term

Tax Year	Gross Gain (Millions)	Gross Loss (Millions)	Carry-In (Millions)	Carry-Out¹ (Millions)
2002	\$7,616	\$29,834	\$20,793	\$26,157
2003	5,737	29,226	29,086	26,343
2004	5,957	24,078	21,799	21,137
2005	7,691	26,998	21,454	23,900
2006	8,122	25,775	22,602	22,746
2007	9,740	22,758	18,847	19,111
2008	3,897	52,348	20,346	44,777
2009	7,266	42,160	41,536	39,246
2010	6,932	38,845	39,835	35,839
2011	4,728	40,554	34,184	35,823
2012	5,720	39,909	36,564	35,950
2013	8,045	36,880	33,537	33,268
2014	7,710	37,104	33,135	32,824
2015	\$5,810	\$41,454	\$29,681	\$34,720

Long Term

Tax Year	Gross Gain (Millions)	Gross Loss (Millions)	Carry-In (Millions)	Carry-Out¹ (Millions)
2002	\$38,597	\$36,676	\$18,785	\$34,339
2003	47,422	42,983	34,484	40,395
2004	76,096	39,050	36,085	36,858
2005	112,230	38,823	34,283	36,819
2006	116,936	32,398	30,461	30,592
2007	127,579	38,368	34,252	36,802
2008	65,958	48,206	32,282	46,186
2009	29,959	64,062	40,753	61,007
2010	56,010	65,433	52,863	62,816
2011	58,099	64,346	61,698	62,220
2012	102,811	61,666	58,073	59,519
2013	77,813	54,233	51,249	52,312
2014	113,334	50,404	49,403	48,807
2015	\$121,719	\$53,506	\$48,563	\$52,043

1/ Calculated based upon allowable losses.

Source: California Franchise Tax Board 2002 - 2015 PIT Sample Datasets.

FRANCHISE TAX BOARD
Personal Income Tax
Resident and Non-Resident Returns

Exhibit A-5
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Form 541
Fiduciary Tax Liability Revenue
1997 through 2016 Preliminary

Tax Year	All Tax Liability		Positive Total Tax Liability Allowed			Positive Total Tax Liability Allowed	
	Number	AGI	Number	Amount	AGI	Number	Amount
		Amount			Amount		
		(Millions)		(Millions)	(Millions)		(Millions)
1997			97,113	\$283		92,569	\$248
1998			106,740	410		82,208	232
1999			109,569	470		101,124	400
2000			142,954	605		137,693	533
2001			86,416	285		82,204	252
2002			71,822	230		68,013	205
2003			76,698	330		72,103	280
2004			95,709	551		86,106	416
2005			110,862	768		95,945	486
2006			124,394	1,013		107,558	563
2007			134,727	1,449		117,412	576
2008			83,193	602		71,728	368
2009	352,782	\$7,339	73,433	493	\$5,743	61,451	225
2010	354,635	8,721	81,105	578	6,978	71,192	363
2011	360,338	8,510	90,301	605	7,045	67,193	373
2012	369,760	14,120	105,032	1,086	10,725	94,171	777
2013	376,695	12,846	116,296	974	9,852	81,973	765
2014	379,630	16,433	126,459	1,202	12,358	78,692	809
2015	376,099	16,795	122,121	1,376	13,020	110,852	935
2016p	354,810	\$12,946			\$10,041	109,625	\$986

TI Master File through November 12, 2017. Previous and Prior are accrued back to the appropriate year in this Source: BIDS.

FRANCHISE TAX BOARD
Revenues from FTB Withholding Programs
Resident and Non-Resident Returns

		Revenue from All Withholding Programs (Millions)	Real Estate Withholding (Millions)	All Other Withholding (Millions)
2009	Total	\$510	\$276	\$235
2010	Total	625	308	318
2011	Total	684	255	428
2012	Total	980	413	567
2013	Total	1,471	755	716
2014	Total	1,822	1,046	776
2015	Jan	389	146	243
	Feb	100	83	16
	Mar	104	90	15
	Apr	259	100	160
	May	193	115	78
	Jun	267	122	145
	Jul	138	114	24
	Aug	150	136	14
	Sep	270	115	154
	Oct	121	104	17
	Nov	104	90	15
	Dec	101	71	30
	Total	2,196	1,285	911
2016	Jan	417	143	274
	Feb	102	79	23
	Mar	119	89	29
	Apr	281	100	181
	May	225	122	103
	Jun	280	127	153
	Jul	136	113	23
	Aug	132	111	21
	Sep	319	121	198
	Oct	139	108	31
	Nov	118	107	11
	Dec	83	64	19
	Total	2,352	1,284	1,068
2017	Jan	471	171	300
	Feb	105	82	23
	Mar	196	110	86
	Apr	249	102	147
	May	213	128	85
	Jun	319	131	188
	Jul	178	129	49
	Aug	149	134	15
	Sep	302	115	187
	Oct	189	119	70
	Nov	151	127	24
	Total	\$2,522	\$1,347	\$1,176

FRANCHISE TAX BOARD
Personal Income Tax
Total Tax Liability
Tax Years 1997 Through 2016
Non-Resident Returns

Exhibit A-7
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Tax Year	Number of Returns	Total Tax Liability (Thousands)
1997	596,645	\$989,057
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	755,884	2,016,555
2010	802,797	2,233,910
2011	843,458	2,360,759
2012	895,476	3,177,814
2013	984,991	3,234,774
2014	1,060,183	3,920,696
2015	1,075,697	4,088,247
2016¹	1,066,412	\$3,780,984

1/ Data through November 05, 2017.
Source: PIT Population Datasets 1997 - 2016.

FRANCHISE TAX BOARD

Exhibit A-8

Personal Income Tax

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Tax-Weighted Distribution of Income by Source

Tax Years 2012-2015

Resident Returns

Income Item	% Distribution							
	Unweighted				Tax-Weighted ²			
	2012	2013	2014	2015	2012	2013	2014	2015
Wages	69.3%	71.5%	69.1%	69.1%	56.3%	60.7%	57.3%	57.8%
Taxable Interest	1.3%	1.1%	1.0%	1.0%	1.5%	1.3%	1.2%	1.1%
Ordinary Dividend	2.9%	2.4%	2.8%	2.6%	4.1%	3.2%	3.7%	3.4%
Business Income	4.3%	4.4%	4.0%	4.1%	2.9%	3.0%	2.8%	2.9%
Capital Gain	8.9%	7.1%	9.4%	9.1%	16.9%	13.0%	16.8%	16.2%
IRA Distribution	2.1%	2.0%	2.0%	2.1%	1.7%	1.4%	1.4%	1.4%
Pension Income	5.8%	6.1%	5.9%	5.8%	3.4%	3.8%	3.6%	3.5%
Rental/Royalty Income	0.7%	0.7%	0.8%	0.7%	1.0%	1.0%	1.0%	1.0%
Partnership Income	6.4%	6.4%	6.4%	6.8%	10.9%	11.4%	10.8%	11.4%
Other Income	-1.8%	-1.8%	-1.3%	-1.2%	1.3%	1.3%	1.4%	1.3%
Adjusted Total Income¹	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

1/ 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, and Unemployment insurance income.

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

Source: 2012-2015 PIT Samples.

FRANCHISE TAX BOARD

Exhibit A-9

Personal Income Tax

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Comparison of Resident E-Filed Returns

2016 and 2017 Process Years

Processed between January 1 and November 4

Adjusted Gross Income Class	PY16 # of Returns	PY17 # of Returns	% Change	PY16 Net Totals	PY17 Net Totals	% Change
Total						
L7 Wages	11,585,483	11,857,268	2.3%	\$781,453,380,193	\$823,440,948,953	5.4%
L8A Taxable Interest	5,094,148	5,357,078	5.2%	9,764,226,730	10,517,699,148	7.7%
L9A Ordinary Dividends	3,040,101	3,211,137	5.6%	26,959,102,440	27,973,545,255	3.8%
L12 Business Income	3,024,601	3,217,945	6.4%	46,128,821,712	47,349,616,735	2.6%
L13 Capital Gain	3,204,996	3,376,230	5.3%	99,774,965,330	90,001,547,097	-9.8%
L15B IRA Distributions	1,596,691	1,763,782	10.5%	22,025,553,645	22,742,042,627	3.3%
L16B Pensions/Annuities	4,645,241	4,768,543	2.7%	62,026,838,200	64,318,464,907	3.7%
L17 Schedule E Income	2,419,368	2,565,812	6.1%	87,988,418,123	94,654,256,414	7.6%
L19 Unemployment Compensation	1,556,864	1,653,123	6.2%	4,045,605,582	4,028,449,357	-0.4%
L20B Social Security	1,760,444	1,895,930	7.7%	23,293,095,078	24,404,579,627	4.8%
L21 Other Income	1,627,190	1,750,341	7.6%	-17,041,326,067	-16,948,319,530	0.5%
L22 Total Income	12,433,989	12,643,235	1.7%	1,119,931,680,689	1,162,636,630,069	3.8%
L10 Schedule A Mortgage Interest Ded	3,628,176	3,740,784	3.1%	46,143,605,703	55,380,531,981	20.0%
L17 CA AGI	14,133,795	14,413,597	2.0%	1,155,199,466,443	1,199,816,519,234	3.9%
L18 Deduction	12,679,906	14,270,442	12.5%	178,475,286,680	203,467,048,269	14.0%
L19 Taxable Income	13,357,091	13,558,058	1.5%	995,926,572,967	1,024,211,281,319	2.8%
L31 Computed Tax	11,753,696	13,256,269	12.8%	63,793,027,046	66,182,795,210	3.7%
L47 Special Credits	2,003,180	2,582,025	28.9%	1,341,215,295	1,361,535,173	1.5%
L62 Mental Health Services Tax	57,855	58,285	0.7%	1,372,854,729	1,319,493,903	-3.9%
L64 Total Tax	8,713,981	9,044,897	3.8%	61,430,869,194	62,747,812,852	2.1%
L92 Credit Carryforward	397,884	417,889	5.0%	4,082,279,698	4,848,883,386	18.8%
L95 Use Tax	79,748	84,274	5.7%	\$11,405,773	\$17,864,915	56.6%

1040 comparison for Lines 7 thru 22 and Schedule A Line 10.

540 comparison for Lines 17 thru 95.

Tax Year	CA Resident Returns	CA AGI E-filed Returns	% E-filed Returns
2010	14,814,546	11,423,481	77.1%
2011	15,042,368	12,083,467	80.3%
2012	15,152,753	12,480,984	82.4%
2013	15,487,117	13,078,122	84.4%
2014	15,823,183	13,603,156	86.0%
2015	16,188,115	14,136,826	87.3%
2016	16,313,879	14,413,597	88.4%

FRANCHISE TAX BOARD
Personal Income Tax
Changes in Income Composition
Resident Returns
1996 Through 2015

Exhibit A-13
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Year	AGI Threshold	AGI		Wages		Interest Income		Business Income		Capital Gains		Schedule E Income		Retirement Income	
	Top 5 %	All Returns (Billions)	Top 5 % (Billions)	All Returns (Billions)	Top 5 % (Billions)	All Returns (Billions)	Top 5 % (Billions)	All Returns (Billions)	Top 5 % (Billions)	All Returns (Billions)	Top 5 % (Billions)	All Returns (Billions)	Top 5 % (Billions)	All Returns (Billions)	Top 5 % (Billions)
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	1002.6	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	1076.3	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
2009	176,423	912.8	306.9	675.4	177.2	19.6	9.2	40.8	13.5	27.6	26.0	68.5	60.7	84.7	10.6
2010	182,400	973.7	356.5	694.3	190.5	16.3	9.4	43.1	13.9	54.1	51.5	73.1	64.0	95.1	14.3
2011	190,594	1017.0	371.9	723.0	202.1	15.3	9.4	46.9	14.7	50.4	47.2	80.2	69.5	102.7	15.7
2012	206,063	1144.6	462.5	776.5	229.1	14.3	9.1	49.1	16.0	97.4	92.3	94.3	80.2	109.5	17.0
2013	204,516	1091.2	427.3	791.2	228.7	13.4	8.0	49.2	15.4	79.9	68.1	87.6	78.3	113.0	15.2
2014	215,841	1207.5	496.1	844.0	248.3	13.2	8.2	49.6	16.7	115.5	100.6	96.7	86.5	121.0	16.4
2015	\$224,854	\$1,287.4	\$528.9	\$898.1	\$265.3	\$13.1	\$8.2	\$53.8	\$17.9	\$120.1	\$105.8	\$107.5	\$95.2	\$128.9	\$17.2

FRANCHISE TAX BOARD
Personal Income Tax
Changes in Income Composition by %
Resident Returns
1996 Through 2015

Exhibit A-13
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Year	AGI Threshold	Wages		Interest Income		Business Income		Capital Gains		Schedule E Income		Retirement Income	
	Top 5 %	All Returns	Top 5 %	All Returns	Top 5 %	All Returns	Top 5 %	All Returns	Top 5 %	All Returns	Top 5 %	All Returns	Top 5 %
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%
2009	176,423	74.0%	57.7%	2.1%	3.0%	4.5%	4.4%	3.0%	8.5%	7.5%	19.8%	9.3%	3.5%
2010	182,400	71.3%	53.4%	1.7%	2.6%	4.4%	3.9%	5.6%	14.4%	7.5%	18.0%	9.8%	4.0%
2011	190,594	71.1%	54.3%	1.5%	2.5%	4.6%	4.0%	5.0%	12.7%	7.9%	18.7%	10.1%	4.2%
2012	206,063	67.8%	49.5%	1.2%	2.0%	4.3%	3.5%	8.5%	20.0%	8.2%	17.3%	9.6%	3.7%
2013	204,516	72.5%	53.5%	1.2%	1.9%	4.5%	3.6%	7.3%	15.9%	8.0%	18.3%	10.4%	3.6%
2014	215,841	69.9%	50.1%	1.1%	1.7%	4.1%	3.4%	9.6%	20.3%	8.0%	17.4%	10.0%	3.3%
2015	\$224,854	69.8%	50.2%	1.0%	1.6%	4.2%	3.4%	9.3%	20.0%	8.4%	18.0%	10.0%	3.3%

Source: PIT SampleS 1996-2015.

FRANCHISE TAX BOARD

Exhibit A-14

Personal Income Tax

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Selected Income Items for California Residents

Preliminary 2016 Tax Year Estimates

Income Item	Timely		Extension		Total	
	Amount (Millions)	% Growth	Amount ¹ (Millions)	% Growth	Amount (Millions)	% Growth
Adjusted Gross Income	\$1,011,923	3.9%	\$320,711	2.1%	\$1,332,634	3.5%
Taxable Income	858,310	3.9%	301,401	0.0%	1,159,710	2.8%
Wages	799,866	5.3%	140,629	1.4%	940,496	4.7%
Net Business Income	37,896	11.5%	21,068	8.8%	58,964	10.5%
Capital Gains	35,685	-11.1%	69,340	-14.4%	105,025	-13.3%
Capital Losses	-2,292	10.7%	-640	6.6%	-2,932	9.8%
Net Capital Gains	33,393	-12.3%	68,700	-14.5%	102,093	-13.8%
Interest	5,213	1.1%	7,047	-2.6%	12,260	-1.1%
Dividend	16,802	0.3%	16,541	-3.4%	33,343	-1.6%
Net Rental Income	6,735	17.8%	4,253	13.4%	10,987	16.0%
Net Partnership and S-Corp Income	34,584	2.5%	53,195	-1.6%	87,779	0.0%
Taxable IRA Distributions	5,787	-73.9%	1,155	-74.9%	6,942	-74.1%
Taxable Pension Distributions	78,072	16.4%	8,769	12.1%	86,841	16.0%
Medical Expenses Deduction	17,595	110.4%	4,504	102.6%	22,098	108.8%
Personal Property and Other Taxes	2,036	4.7%	348	0.8%	2,383	4.1%
Mortgage Interest Deduction	45,133	1.6%	9,529	-2.2%	54,662	0.9%
Investment Interest Deduction	492	5.9%	2,107	2.0%	2,599	2.7%
Total Contribution Deductions	\$16,948	6.9%	\$14,583	2.9%	\$31,531	5.0%

1/ Extension wages for 2016 (EW) is calculated by $EW = \text{Ratio} * TW * ET / TT$, where TW is 2016 Timely Wages, ET is 2016 Extension Taxable Income, TT is 2016 Timely Taxable income, and $\text{Ratio} = [\text{2015 Extension wages} / \text{2015 Extension Income}] / [\text{2015 Timely Wages} / \text{2015 Timely Income}]$. The extension amount for each of the other listed income items is calculated in a similar fashion.

Sources: PIT Return History Report, Return Analysis Database and PIT Sample.

FRANCHISE TAX BOARD

Personal Income Tax

**Comparison of Estimates Made in December 2016
and PIT Sample Actuals for California Residents 2015 Tax Year**

2015 Data Item	Estimate (Millions)	Actual (Millions)	Difference (Millions)	% Difference
Taxable Income	\$1,139,569	\$1,127,736	-\$11,833	-1.0%
Wages	908,703	898,002	-10,701	-1.2%
Business Income	60,132	59,726	-406	-0.7%
Business Losses	-3,759	-6,388	-2,629	70.0%
Capital Gains	115,130	121,124	5,994	5.2%
Capital Losses	-2,708	-2,670	38	-1.4%
Interest	12,659	12,391	-268	-2.1%
Partnership & S-Corp. Income	128,663	121,230	-7,433	-5.8%
Partnership & S-Corp. Losses	-35,218	-33,420	1,798	-5.1%
Taxable IRA Distributions	26,836	26,754	-82	-0.3%
Taxable Pension Distributions	\$75,174	\$74,865	-\$309	-0.4%
2014 Data Item	Estimate (Millions)	Actual (Millions)	Difference (Millions)	% Difference
Taxable Income	\$1,045,601	\$1,057,524	\$11,923	1.1%
Wages	843,504	844,138	634	0.1%
Business Income	55,282	55,414	132	0.2%
Business Losses	-11,064	-6,275	4,789	-43.3%
Capital Gains	126,183	116,826	-9,357	-7.4%
Capital Losses	-2,566	-2,549	17	-0.7%
Interest	12,171	12,433	262	2.2%
Partnership & S-Corp. Income	111,820	111,466	-354	-0.3%
Partnership & S-Corp. Losses	-33,902	-33,293	609	-1.8%
Taxable IRA Distributions	25,109	24,424	-685	-2.7%
Taxable Pension Distributions	\$71,969	\$71,492	-\$477	-0.7%
2013 Data Item	Estimate (Millions)	Actual (Millions)	Difference (Millions)	% Difference
Taxable Income	\$952,284	\$949,358	-\$2,926	-0.3%
Wages	781,727	791,653	9,926	1.3%
Business Income	53,710	54,631	921	1.7%
Business Losses	-5,509	-5,898	-389	7.1%
Capital Gains	98,443	81,807	-16,636	-16.9%
Capital Losses	-2,855	-2,945	-90	3.2%
Interest	12,010	12,703	693	5.8%
Partnership & S-Corp. Income	96,374	101,610	5,236	5.4%
Partnership & S-Corp. Losses	-29,506	-30,409	-903	3.1%
Taxable IRA Distributions	22,513	21,903	-610	-2.7%
Taxable Pension Distributions	\$67,097	\$67,606	\$509	0.8%

Source: Personal Income Tax Statistical Sample.

FRANCHISE TAX BOARD
Personal Income Tax
Stability of Source Income Ratios¹
1996 - 2015

Exhibit A-14
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Year	Wages	Business Income, Gains	Business Losses	Capital Gains	Capital Losses	Interest	Partnership Income	Partnership Losses	Taxable IRA Distributions	Taxable Pension Distributions
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	0.5530	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
2009	0.5598	2.0331	2.2468	5.6230	0.9946	2.8981	6.3499	10.4437	0.8970	0.4289
2010	0.5140	1.7282	2.1143	6.8332	0.7871	3.2717	5.9071	9.4781	0.8164	0.3768
2011	0.5329	1.7077	2.0817	6.8011	0.8952	3.7890	5.8931	10.6353	0.7800	0.3795
2012	0.4887	1.5152	1.6646	7.4746	0.7451	3.4481	5.2951	9.4814	0.7688	0.3257
2013	0.5390	1.6115	2.0148	5.7824	0.8723	3.8645	5.8139	9.9831	0.6762	0.3549
2014	0.5189	1.5544	-0.0732	4.9302	0.8129	3.8411	5.5453	9.3464	0.5567	0.3200
2015	0.5007	1.5861	1.7890	5.5334	0.7949	3.8495	5.2717	9.0776	0.5684	0.3199
Mean	0.5403	1.7935	2.0017	4.7900	0.8431	2.4840	5.2334	9.8956	0.6803	0.3661
Std. Deviation	0.0537	0.3212	0.5878	1.3296	0.2096	0.8973	0.7906	3.0742	0.1269	0.0362
Std. Error	0.0994	0.1791	0.2936	0.2776	0.2486	0.3612	0.1511	0.3107	0.1866	0.0988

1/ Ratio is equal to:

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

FRANCHISE TAX BOARD
Personal Income Tax
Projected Mental Health Fund Adjustment ¹

Exhibit A-15
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Cash Flow				Tax Liability				Adjustment ²	
Fiscal Year	Transfer Amount (Millions)	Estimated Revenue (Millions)	Adjustment Amount (Millions)	Tax Year	Additional Amount (Millions)	Estimated Increase (Millions)	Adjustment Amount (Millions)	Calendar Year	Transfer Amount (Millions)
2004-05	\$170	\$254	-\$84	2004	\$0	\$0	\$0	2006	\$84
2005-06	895	683	212	2005	1,270	634	636	2007	424
2006-07	939	690	249	2006	1,346	672	674	2008	425
2007-08	983	733	250	2007	1,544	713	831	2009	581
2008-09	797	784	13	2008	1,010	758	252	2010	239
2009-10	799	839	-41	2009	706	811	-105	2011	-64
2010-11	905	898	7	2010	1,032	868	165	2012	157
2011-12	846	961	-115	2011	1,031	929	103	2013	218
2012-13	1,204	1,028	176	2012	1,650	994	656	2014	480
2013-14	1,187	1,100	87	2013	1,245	1,063	182	2015	94
2014-15	1,367	1,177	189	2014	1,791	1,138	654	2016	464
2015-16	1,424	1,259	164	2015	1,827	1,217	610	2017	446
2016-17	1,484	1,348	136	2016	1,722	1,302	420	2018	283
2017-18	1,617	1,442	175	2017	1,974	1,394	580	2019	406
2018-19	\$1,659	\$1,543	\$116	2018	\$2,074	\$1,491	\$583	2020	\$466

1/ Projected amounts (bold font) are based on the most current personal and fiduciary return processing information, DOF Economic Forecast Planning Estimate as of October 2017, and most current estimate of PIT cash flows.

2/ Actual annual adjustment amounts calculated March 1st are then transferred during July.

**FRANCHISE TAX BOARD
Corporation Tax Law**

Exhibit B-1
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Accrual Estimates³

Payments	2015-2016 (Millions)	2016-2017 (Millions)	2017-2018 (Millions)	2018-2019 (Millions)
Estimate Payments	\$540	\$644	\$685	\$730
Return Remittances Payments	482	472	441	459
Net Final Payments Adjustment¹	4	10	16	22
Other	631	658	676	710
Total	1,657	1,784	1,819	1,921
Refunds	-1,387	-1,513	-1,546	-1,596
Budget Net	270	271	273	325
GAAP Adjustments²	-47	286	348	413
GAAP Net	\$223	\$557	\$620	\$738

1/ Due to the passage of Prop 39

2/ Included: Chapter 751 Statutes of 2008 change to Sept estimated payments, Accelerated revenue estimate payments, Net final payments

3/ Numbers may have DOF adjustments to actuals due to Prop 39 and use DOF projections in their calculation

Reported in April 2017

Accrual Estimates³

Payments	2015-2016 (Millions)	2016-2017 (Millions)	2017-2018 (Millions)
Estimate Payments	\$557	\$598	\$622
Return Remittances Payments	453	399	418
Net Final Payments Adjustment¹	-10	-10	-11
Other	618	572	596
Total	1,618	1,559	1,626
Refunds	-1,652	-1,757	-1,824
Budget Net	-34	-198	-198
GAAP Adjustments²	-144	-49	-76
GAAP Net	-\$178	-\$247	-\$274

1/ Due to the passage of Prop 39

2/ Included: Chapter 751 Statutes of 2008 change to Sept estimated payments, Accelerated revenue estimate payments, Net final payments

3/ Numbers may have DOF adjustments to actuals due to Prop 39 and use DOF projections in their calculation

FRANCHISE TAX BOARD
Corporation Tax Special Tax Credits Allowed
Selected Credits
2015 - 2016 Tax Years

Exhibit B-2
Page 1 of 1

Credit	Preliminary 2015 ⁴		Preliminary 2016 ⁵		Final 2015	Final 2016 ⁶
	Number	Amount (Thousands)	Number	Amount (Thousands)	Amount (Thousands)	Amount (Thousands)
Enterprise Zone Hiring and Sales²	6,873	\$467,925	6,207	\$373,588	\$485,291	\$371,366
Low-Income Housing	33	28,124	33	36,237	35,945	36,021
Prior Year Alternative Minimum Tax	992	27,183	976	20,506	27,271	20,384
Research³	3,725	1,250,933	4,123	1,365,823	1,261,758	1,357,698
CA Motion Picture and TV Production	13	52,602	9	47,783	52,602	47,499
California Competes	65	8,833	108	13,093	8,862	13,015
Total Credits Amount > \$10million	11,701	1,835,601	11,456	1,857,030	1,871,728	1,845,983
Manufacturer's Investment	52	705	14	109	705	108
Los Angeles Revitalization Zone	14	1,053	0	0	1,053	0
Child Care Contribution	9	9	13	15	9	15
Child Care Program	5	63	a	54	63	54
Prison Inmate Labor	5	281	a	3	5	3
Low Emission Vehicle	a	38	a	1	38	1
Solar Pump	a	756	4	27	756	27
LAMBRA	15	574	15	470	575	468
Disabled Access	139	8	143	10	8	10
Community Dev. Fin. Inst. Deposits	16	4,484	a	42	5,567	41
Targeted Tax Area Hire and Use	47	4,996	40	6,152	8,205	6,115
Solar Energy Systems	4	6	0	0	6	0
New Jobs	1,498	2,454	1,109	1,698	2,457	1,688
Donated Fresh Fruits or Vegetables	12	252	15	151	252	150
New Employment	173	1,629	105	342	138	340
College Access	23	715	17	226	715	225
New Advanced Strategic Aircraft	N/A	N/A	a	6,981	N/A	6,940
Other	51	1,642 ⁷	17	364	606	362
Total Credits Amount < \$10million	2,068	19,666	1,502	16,647	21,160	16,548
Preliminary Total	13,769	1,855,267	12,958	1,873,677	N/A	N/A
Tax Year Total¹	13,879	\$1,987,174	13,062	\$1,862,531	\$1,892,888	\$1,862,531

Note: The 2016 Tax Year Total and the Final 2016 column are estimates which account for returns are being processed.

a/ Data are not shown for table entries with small numbers of taxpayers but are included in the appropriate totals.

1/ Tax Year Total for 2015 was determined to be 2.0% greater than Preliminary Total.

For 2016, Tax Year Total is estimated to be 0.6% less than Preliminary Total.

2/ The 2015 Tax Year EZ Credit amount available is \$2,116 million, carryforward to the future years is \$1,742 million.

3/ The 2015 Tax Year Research Credit available is \$30,430 million, carryforward to the future years is \$29,064 million.

4/ Preliminary data (returns processed through November 14, 2016).

5/ Preliminary data (returns processed through November 14, 2017).

6/ Estimated using ratios of Preliminary individual credit amounts to Preliminary total, and applied to estimated total.

7/ Include Unidentified Credit .

Source: Business Entities Tax System.

FRANCHISE TAX BOARD
Corporation Tax
Overpayment To and From Current Tax Year

Exhibit B-3
Page 1 of 1

Tax Year	Overpayments From Prior Year (Thousands)	Overpayments to Following Year (Thousands)
1996	\$1,371,449	\$1,433,451
1997	1,489,932	1,479,586
1998	1,601,122	1,804,830
1999	1,751,800	1,635,993
2000	1,654,094	1,698,278
2001	1,724,351	1,749,449
2002	1,689,638	1,838,500
2003	1,855,466	1,894,994
2004	2,004,468	2,089,895
2005	2,081,720	2,567,769
2006	3,011,366	3,149,442
2007	2,806,421	2,537,324
2008	2,582,482	2,524,811
2009	2,561,086	3,016,708
2010	3,131,367	3,179,330
2011	3,159,123	2,861,620
2012	3,245,936	3,153,687
2013	3,396,664	3,363,915
2014	3,369,026	3,156,475
2015	\$3,449,253	\$3,453,974

Source: Corporation Statistical Sample.

FRANCHISE TAX BOARD
Limited Liability Companies (LLC's)
1997 to 2016

Exhibit B-4
Page 1 of 1

Fiscal Year	New LLC Registrations ²	LLC Returns			
		Returns Received	LLC Tax Paid (Millions)	LLC Fee Paid (Millions)	Total Revenue (Millions)
1996/97	12,549	16,529	\$13	\$10	\$23
1997/98	18,645	29,651	23	21	45
1998/99	24,898	44,702	37	35	72
1999/00	26,221	63,618	52	89	142
2000/01	26,186	81,259	69	141	209
2001/02	30,964	98,834	79	166	245
2002/03	35,958	116,294	93	186	279
2003/04	46,241	139,454	112	212	324
2004/05	58,097	165,007	135	248	382
2005/06	70,025	196,269	158	287	445
2006/07	73,337	222,545	183	320	503
2007/08	81,536	247,522	199	325	524
2008/09	76,482	270,888	217	626	843
2009/10	71,380	285,058	228	331	559
2010/11	75,051	314,676	252	360	611
2011/12	80,275	339,568	272	397	669
2012/13	89,841	378,690	303	428	731
2013/14	89,531	412,219	330	460	790
2014/15	110,585	440,013	352	526	878
2015/16 ¹	119,008	505,062	\$404	\$529	\$933

1/ 2015/16 taxes and fees are projected from 2015 final data and 2016 preliminary data.

2/ Source: Registrations are reported for the year of registration.

Source: Secretary of State; Tax data sourced from FTB Business Entities Section (as of Nov 13, 2017).

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 ¹		Taxpayers With NOL Deductions		Amount of Carrybacks (Millions)	NOL's Generated (Millions)
	Number of Returns	Amount (Millions)	Number of Returns	Amount (Millions)		
1997	367,656	\$84,218	84,389	\$5,864		\$14,958
1998	359,833	76,859	82,544	5,800		18,756
1999	300,330	65,198	80,601	5,600		24,070
2000	303,627	74,376	79,466	6,258		41,402
2001	316,837	99,492	78,439	6,317		44,411
2002	338,607	126,487	26,645	1,574		41,660
2003	418,664	165,484	0	0		33,821
2004	504,440	199,305	106,578	11,399		46,798
2005	502,113	225,185	130,609	13,626		59,287
2006	504,698	257,096	119,487	14,675		47,054
2007	521,833	271,295	116,766	12,073		64,916
2008	582,492	324,139	113,470	5,855		99,648
2009	653,361	417,932	118,158	3,110		106,624
2010	718,652	521,446	134,874	3,100		64,817
2011	765,646	583,163	143,197	3,342		63,741
2012	805,143	643,562	152,557	20,173		65,632
2013	855,862	689,022	161,800	22,118	\$2,944	59,069
2014	881,264	725,974	147,372	20,209	3,876	61,324
2015	926,127	767,088	147,705	23,015	5,024	64,035
2016	755,026	\$808,109	119,708	\$19,215	\$5,667	\$67,297

1/ 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 Nov 13, 2017.

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 2016

Income Year, by Vintage

Exhibit B-5

Page 2 of 2

Year NOL was Generated	Total NOLs Generated (Millions)	Total NOLs Deducted (Millions)	Subtractions for Expirations (Millions)	NOLs Remaining	
				Amount (Millions)	% Share
1997	\$14,958	\$4,350	\$10,608	\$0	0.0
1998	18,756	5,006	13,750	0	0.0
1999	24,070	5,892	18,179	0	0.0
2000	41,402	11,013	0	30,714	3.6
2001	44,411	10,098	0	34,611	4.1
2002	41,660	10,613	0	31,359	3.7
2003	33,821	9,445	0	24,654	2.9
2004	46,798	11,854	0	35,294	4.2
2005	59,287	11,184	0	48,433	5.7
2006	47,054	9,963	0	37,384	4.4
2007	64,916	13,676	0	51,644	6.1
2008	99,648	16,715	0	83,426	9.8
2009	106,624	21,464	0	85,793	10.1
2010	64,817	13,432	0	51,781	6.1
2011	63,741	13,700	0	50,445	5.9
2012	65,632	11,899	0	54,084	6.4
2013	59,069	10,291	0	49,082	5.8
2014	61,324	10,440	0	51,191	6.0
2015	64,035	3,299	0	60,833	7.2
2016	\$67,297	\$0	\$0	\$67,297	7.9
1997-2016 Totals	\$1,089,322	\$204,334	\$42,537	\$848,024	100.0

Source: California Franchise Tax Board, Business Entity Tax System as of Nov 13, 2017.

FRANCHISE TAX BOARD
Bank and Corporation Tax
California S Corporations: Aggregate Income and Tax Liability
2010-2016

Exhibit B-6
Page 1 of 2

Year	Positive State Net Income						Negative State Net Income			All S Corporations		
	Tax Liability > Minimum Tax			Tax Liability = Minimum Tax			S Corporations ²					
	Number	SNI (Millions)	Tax Liability (Millions)	Number	SNI (Millions)	Tax Liability (Millions)	Number	SNI (Millions)	Tax Liability (Millions)	Number	SNI (Millions)	Tax Liability (Millions)
2010	111,963	\$44,526	\$653	174,200	\$7,054	\$140	162,733	-\$9,684	\$117	448,896	\$41,896	\$910
2011	112,286	44,516	652	175,092	7,132	141	164,300	-9,727	118	451,678	41,921	911
2012	121,508	52,721	766	183,525	9,030	148	161,068	-9,065	115	466,101	52,686	1,029
2013	130,060	47,592	693	185,810	9,323	150	169,073	-9,065	115	484,943	47,851	958
2014	148,865	59,190	863	194,328	9,033	156	176,245	-9,227	124	519,438	58,997	1,143
2015	167,355	71,436	1,035	204,171	9,432	163	181,974	-9,724	126	553,500	71,144	1,324
2016 ¹	175,397	\$73,296	\$1,055	204,014	\$9,181	\$163	180,990	-\$10,108	\$128	560,401	\$72,369	\$1,346

1/ Data for 2016 are incomplete. They include returns processed through Nov 13, 2017.

2/ Data include corporations reporting zero SNI.

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

FRANCHISE TAX BOARD
Bank and Corporation Tax
California C Corporations: Aggregate Income and Tax Liability
2010-2016

Exhibit B-6
Page 2 of 2

Year	Positive State Net Income						Negative State Net Income			All C Corporations		
	Tax Liability > Minimum Tax			Tax Liability = Minimum Tax			C Corporations ²					
	Number	SNI (Millions)	Tax Liability (Millions)	Number	SNI (Millions)	Tax Liability (Millions)	Number	SNI (Millions)	Tax Liability (Millions)	Number	SNI (Millions)	Tax Liability (Millions)
2010	65,133	\$104,477	\$7,223	82,363	\$2,817	\$66	189,928	-\$52,465	\$130	337,424	\$54,829	\$7,419
2011	66,486	99,261	6,749	85,313	2,964	68	187,704	-52,849	131	339,503	49,376	6,948
2012	66,292	90,864	5,575	86,443	3,125	69	186,856	-53,993	138	339,591	39,996	5,782
2013	63,520	96,759	6,066	82,976	3,527	66	176,974	-48,001	131	323,470	52,285	6,263
2014	72,158	114,326	7,303	81,130	3,721	63	176,645	-52,282	120	329,932	65,766	7,486
2015	74,313	122,997	7,656	80,037	\$3,083	64	176,511	-55,233	120	330,861	70,847	7,840
2016 ¹	72,456	\$114,860	\$7,431	72,572	\$2,690	\$58	164,807	-\$61,436	\$127	309,835	\$56,114	\$7,380

1/ Data for 2016 are incomplete. They include returns processed through Nov 13, 2017.

2/ Data include corporations reporting zero SNI.

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

FRANCHISE TAX BOARD
SNI by Corporation Type
1996 - 2015

SNI By Year for Financial versus Non-Financial C Corporations
Corporations with SNI>0

Years	Financial		Non-Financial		Total	
	Number	Amount (Millions)	Number	Amount (Millions)	Number	Amount (Millions)
1996	17,772	\$9,271	156,106	\$49,929	173,878	\$59,200
1997	12,472	11,990	162,294	51,949	174,766	63,939
1998	12,112	11,294	164,424	51,691	176,536	62,986
1999	9,490	10,118	176,953	54,635	186,443	64,754
2000	8,850	11,884	162,160	64,256	171,010	76,141
2001	8,035	13,323	161,356	51,107	169,391	64,430
2002	8,063	17,327	156,533	47,676	164,596	65,003
2003	6,700	19,416	151,104	51,573	157,804	70,990
2004	7,730	20,494	160,766	67,198	168,496	87,692
2005	8,780	21,714	161,545	89,277	170,325	110,991
2006	8,525	24,782	162,164	104,759	170,689	129,540
2007	8,553	21,385	160,144	100,627	168,697	122,012
2008	8,971	16,794	151,786	94,238	160,757	111,032
2009	6,674	14,846	133,710	77,195	140,384	92,041
2010	8,091	20,412	133,953	89,978	142,044	110,390
2011	8,378	22,607	137,581	78,219	145,959	100,825
2012	10,733	22,553	137,644	72,143	148,377	94,696
2013	6,386	24,133	142,596	75,066	148,982	99,199
2014	10,799	31,393	138,459	83,720	149,258	115,113
2015	10,643	\$34,761	140,878	\$88,515	151,521	\$123,276

SNI By Year for Financial versus Non-Financial C Corporations
Corporations with SNI<=0

Years	Financial		Non-Financial		Total	
	Number	Amount (Millions)	Number	Amount (Millions)	Number	Amount (Millions)
1996	13,868	-\$5,365	117,372	-\$19,478	131,240	-\$24,843
1997	10,888	-3,734	115,470	-21,977	126,358	-25,711
1998	9,978	-3,053	119,987	-28,476	129,965	-31,530
1999	8,915	-2,974	129,050	-39,017	137,965	-41,991
2000	8,835	-4,963	131,579	-63,643	140,414	-68,606
2001	7,998	-4,739	140,591	-65,248	148,589	-69,987
2002	7,915	-4,685	152,019	-54,496	159,934	-59,181
2003	8,758	-4,771	154,271	-42,810	163,029	-47,582
2004	10,365	-3,892	155,241	-37,776	165,606	-41,668
2005	9,571	-3,067	154,141	-37,191	163,712	-40,258
2006	10,894	-3,813	155,171	-34,194	166,065	-38,007
2007	11,198	-8,776	157,288	-38,656	168,486	-47,431
2008	12,966	-34,357	159,632	-46,527	172,598	-80,884
2009	9,488	-16,122	158,923	-49,849	168,411	-65,971
2010	11,090	-11,928	153,430	-39,257	164,520	-51,186
2011	10,061	-9,451	150,270	-40,906	160,331	-50,357
2012	11,785	-5,799	154,051	-46,205	165,836	-52,004
2013	9,274	-6,196	153,988	-40,019	163,262	-46,215
2014	10,356	-5,272	154,377	-46,237	164,733	-51,509
2015	13,032	-\$6,024	156,870	-\$47,209	169,902	-\$53,233

Source: Corp Samples 1996-2015.

FRANCHISE TAX BOARD
SNI by Corporation Type
1996 - 2015

SNI By Year for Financial versus Non-Financial S Corporations
Corporations with SNI>0

Years	Financial		Non-Financial		Total	
	Number	Amount (Millions)	Number	Amount (Millions)	Number	Amount (Millions)
1996	4,875	\$1,170	72,983	\$15,619	77,858	\$16,789
1997	7,277	1,923	80,150	17,844	87,427	19,767
1998	4,210	1,812	92,215	21,640	96,425	23,452
1999	4,292	2,186	93,708	24,765	98,000	26,951
2000	4,516	2,729	115,870	29,012	120,386	31,741
2001	5,799	2,819	119,684	26,334	125,483	29,153
2002	6,824	2,554	133,141	28,040	139,965	30,594
2003	9,602	3,438	154,188	30,649	163,790	34,087
2004	7,867	3,857	168,111	39,421	175,978	43,277
2005	9,773	3,884	188,881	47,937	198,654	51,821
2006	10,263	4,365	205,238	53,115	215,501	57,480
2007	10,282	5,250	216,865	53,561	227,147	58,811
2008	8,827	4,280	222,309	47,553	231,136	51,832
2009	10,859	3,239	235,362	40,142	246,221	43,381
2010	11,064	3,874	255,693	45,243	266,757	49,116
2011	11,652	4,172	276,313	48,590	287,965	52,762
2012	10,619	5,040	297,177	57,793	307,796	62,834
2013	15,151	4,734	309,173	53,503	324,324	58,237
2014	12,309	5,089	331,632	63,204	343,941	68,293
2015	13,912	\$6,948	353,199	\$73,033	367,111	\$79,981

SNI By Year for Financial versus Non-Financial S Corporations
Corporations with SNI<=0

Years	Financial		Non-Financial		Total	
	Number	Amount (Millions)	Number	Amount (Millions)	Number	Amount (Millions)
1996	5,689	-\$383	42,130	-\$3,499	47,819	-\$3,882
1997	5,145	-359	50,061	-3,468	55,206	-3,827
1998	2,074	-289	55,569	-4,099	57,643	-4,388
1999	2,506	-294	56,124	-4,101	58,630	-4,395
2000	2,819	-523	63,215	-4,892	66,034	-5,415
2001	4,042	-452	72,552	-5,585	76,594	-6,037
2002	4,727	-445	81,632	-6,285	86,359	-6,730
2003	4,542	-480	100,144	-6,197	104,686	-6,676
2004	3,739	-424	103,004	-6,488	106,743	-6,912
2005	4,673	-302	113,696	-6,778	118,369	-7,080
2006	5,488	-740	126,620	-7,948	132,108	-8,689
2007	6,516	-1,096	139,091	-10,453	145,607	-11,549
2008	6,332	-972	151,536	-13,088	157,868	-14,059
2009	8,871	-1,268	163,787	-12,816	172,658	-14,084
2010	6,684	-1,060	158,220	-10,295	164,904	-11,355
2011	6,413	-861	153,648	-8,913	160,061	-9,774
2012	6,374	-477	155,701	-8,277	162,075	-8,754
2013	7,883	-757	156,590	-8,521	164,473	-9,278
2014	7,819	-698	162,330	-8,223	170,149	-8,921
2015	6,520	-\$500	170,540	-\$8,990	177,060	-\$9,490

Source: Corp Samples 1996-2015.

FRANCHISE TAX BOARD
Corporation Tax
Preliminary 2015 Tax Year Data Compared to
Preliminary 2016 Tax Year

Exhibit B-12
Page 1 of 1

APE	2015 Tax Year ¹			2016 Tax Year ¹			Growth	
	Positive Income Corps			Positive Income Corps			Positive Income Corps	
	Number (Thousands)	SNI (Millions)	Tax (Millions)	Number (Thousands)	SNI (Millions)	Tax (Millions)	SNI (Millions)	Tax (Millions)
Jan	3	\$5,172	\$325	3	\$7,134	\$462	\$1,963	\$137
Feb	3	2,242	151	3	1,025	64	-1,217	-87
Mar	8	5,931	314	8	5,152	300	-780	-14
Apr	3	1,031	50	3	1,842	76	811	25
May	3	2,953	110	3	2,401	97	-552	-13
Jun	12	7,196	390	12	4,764	287	-2,432	-104
Jan-Jun	33	24,525	1,340	32	22,318	1,286	-2,207	-55
Jul	3	2,693	107	3	3,584	166	891	59
Aug	3	2,552	155	3	2,200	152	-352	-3
Sep	10	10,092	337	10	10,363	315	271	-22
Oct	4	4,806	239	4	5,341	315	535	76
Nov	3	1,726	66	3	1,523	45	-202	-20
Dec Prelim	450	155,352	6,652	473	154,002	6,422	-1,350	-230
Jul-Dec	474	177,220	7,555	495	177,014	7,415	-206	-140
Dec Final	470	157,302	6,748	N/A	N/A	N/A	N/A	N/A
Preliminary Total	507	201,745	8,895	527	199,332	8,700	-2,413	-195
Tax Year Total^{2,3}	519	\$203,257	\$8,979	539	\$208,752	\$9,282	\$5,496	\$302

1/ 2015 data through November 14, 2016, 2016 data through November 14, 2017 .

2/ Note that for 2015 Tax Year, Total SNI for Positive Income returns exceeded Preliminary by 0.7%. Tax Year Total TAX was greater than Preliminary TAX by 0.9% for Positive Income Returns. For 2016, changes from Preliminary to Tax Year Total SNI for Positive Income Corporations are estimated at 4.7% and Tax Year Total TAX are estimated greater than Preliminary TAX by 6.7 %.

3/ For 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.

Source: Business Entities Tax System.