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THE 2012 TAX INITIATIVE AT A GLANCE

Many of you have come forward and volunteered to gather signatures to qualify the Tax Initiative for the November 2012 ballot. Below is a synopsis of the impact of this initiative, were it to pass, on California's top earners.

(From AFT's Perspective Magazine; March 2012 issue)

1. Increases the state income tax on top earners by 1-3 percent for seven years, starting January, 1, 2012, and ending December 31, 2018:
 - For taxable income above \$250,000 for single filers and above \$500,000 for joint filers, the rate for the portion above those thresholds would increase by 1 percent, from 9.3 percent to 10.3 percent.
 - For taxable income above \$300,000 for single filers and above \$600,000 for joint filers, the rate for the portion above those thresholds would increase by 2 percent, from 9.3 percent to 11.3 percent.
 - For taxable income above \$500,000 for single filers and above \$1 million for joint filers, the rate for the portion above those thresholds would increase by 3 percent, from 9.3 percent to 12.3 percent.
2. Raises the statewide sales tax by a quarter-cent, from 7.25 percent to 7.5 percent, for four years, starting January 1, 2013, and ending Dec. 31, 2016.
3. Approximate percentages of progressive income tax and regressive sales tax revenues: 85% progressive, 15% regressive.
4. Expected revenues in first year: \$7 - 9 billion (includes 18 months of income tax revenue); ongoing: \$5 - 7 billion per year.

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