

2012 California Tax Rate Schedules

The Mental Health Services Tax Rate is 1% for taxable income in excess of \$1,000,000 for all filing statuses.

Note: These rates are subject to change if any of the tax-increase ballot propositions pass in November.

Schedule 1

Single or Married/RDP filing separately

If the taxable income is...

Over	But not over	Tax is...			Of amount over...
\$0	\$7,455	\$0.00	plus	1.00%	\$0
\$7,455	\$17,676	\$74.55	plus	2.00%	\$7,455
\$17,676	\$27,897	\$278.97	plus	4.00%	\$17,676
\$27,897	\$38,726	\$687.81	plus	6.00%	\$27,897
\$38,726	\$48,942	\$1,337.55	plus	8.00%	\$38,726
\$48,942	and over	\$2,154.83	plus	9.30%	\$48,942

Schedule 2

Married/RDP filing jointly, or qualifying widow(er) with dependent child

If the taxable income is...

Over	But not over	Tax is...			Of amount over...
\$0	\$14,910	\$0.00	plus	1.00%	\$0
\$14,910	\$35,352	\$149.10	plus	2.00%	\$14,910
\$35,352	\$55,794	\$557.94	plus	4.00%	\$35,352
\$55,794	\$77,452	\$1,375.62	plus	6.00%	\$55,794
\$77,452	\$97,884	\$2,675.10	plus	8.00%	\$77,452
\$97,884	and over	\$4,309.66	plus	9.30%	\$97,884

Schedule 3

Head of Household

If the taxable income is...

Over	But not over	Tax is...			Of amount over...
\$0	\$14,920	\$0.00	plus	1.00%	\$0
\$14,920	\$35,351	\$149.20	plus	2.00%	\$14,920
\$35,351	\$45,571	\$557.82	plus	4.00%	\$35,351
\$45,571	\$56,400	\$966.62	plus	6.00%	\$45,571
\$56,400	\$66,618	\$1,616.36	plus	8.00%	\$56,400
\$66,618	and over	\$2,433.80	plus	9.30%	\$66,618

Individual Filing Requirements

Filing Status	Age as of December 31, 2012*	California Gross Income			California Adjusted Gross Income		
		Dependents			Dependents		
		0	1	2 or more	0	1	2 or more
Single or Head of Household	Under 65	15,440	26,140	34,165	12,352	23,052	31,077
	65 or older	20,640	28,665	35,085	17,552	25,577	31,997
Married filing joint, RDP, or separate	Under 65 (both spouses/RDPs)	30,881	41,581	49,606	24,705	35,405	43,430
	65 or older (one spouse)	36,081	44,106	50,526	29,905	37,930	44,350
	65 or older (both spouses/RDPs)	41,281	49,306	55,726	35,105	43,130	49,550
Surviving spouse	Under 65		26,140	34,165		23,052	31,077
	65 or older		28,665	35,085		25,577	31,997
Dependent of another person — Any filing status	Under 65 65 or older	More than your standard deduction More than your standard deduction					

* If you turn 65 on January 1, 2013, you are considered to be age 65 at the end of 2012.

2012 California Tax Rates, Exemptions, and Credits

The rate of inflation in California, for the period from July 1, 2011, through June 30, 2012, was 1.9%. The 2012 personal income tax brackets are indexed by this amount and are reproduced on the next page.

Exemption credits

- Married filing joint, RDP, and surviving spouse \$208
- Single, married filing separate, and HOH \$104
- Dependent \$321
- Blind \$104
- Age 65 or older \$104

Phaseout of exemption credits

Higher-income taxpayers' exemption credits are reduced as follows:

	Reduce each credit by:	For each:	Federal AGI exceeds:
Single	\$6	\$2,500	\$169,730
Married filing separate	\$6	\$1,250	\$169,730
Head of Household	\$6	\$2,500	\$254,599
Married filing joint	\$12	\$2,500	\$339,464
Surviving spouse	\$12	\$2,500	\$339,464

When applying the phaseout amount, apply the \$6/\$12 amount to each exemption credit, but do not reduce the credit below zero.

If a personal exemption credit is less than the phaseout amount, do not apply the excess against a dependent exemption credit.

Reduction in itemized deductions

Itemized deductions must be reduced by the lesser of 6% of the excess of the taxpayer's federal AGI over the threshold amount or 80% of the amount of itemized deductions otherwise allowed for the taxable year.

Example of Exemption Credit Phaseout

Joe is a single taxpayer with one dependent. His federal AGI is \$187,000. He must phase out each of his exemptions by \$60. That is, $(\$187,000 - \$162,186) \div \$2,500 = 10$ (always round up); $10 \times \$6 = \60 . His exemption credit for 2012 is \$297, calculated as follows:

Joe's personal exemption credit is.....	\$104
Less phaseout amount.....	(\$60)
Personal exemption credit allowed is	\$42
Joe's dependent credit exemption is	\$321
Less phaseout amount.....	(\$60)
Total dependent credit allowed is	\$255
Total exemption credits allowed is	\$297

- Single and married filing separate \$169,730
- Head of Household..... \$254,599
- Married filing joint and surviving spouse \$339,464

Standard deductions

The standard deduction amounts for:

- Single and married filing separate \$3,841
- Married filing joint, RDP, Head of Household, and surviving spouse..... \$7,682
- Minimum standard deduction for dependents..... \$950

Miscellaneous credits

- Qualified Senior Head of Household Credit is 2% of California taxable income, with a maximum California AGI of \$66,391, and a maximum credit of..... \$1,251
- Joint Custody Head of Household Credit and Dependent Parent Credit are each 30% of net tax, with a maximum credit of..... \$409

Nonrefundable Renter's Credit

This nonrefundable, noncarryover credit for renters is available for:

- Single and married filing separate with a California AGI of \$36,337 or less..... \$60 credit
- Married filing joint, RDP, Head of Household, and surviving spouse with a California AGI of \$72,674 or less..... \$120 credit

Individual tax rates

- The maximum rate for individuals is..... 9.3%
- The AMT rate for individuals is 7%

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AMT exemption

- Married filing joint, RDP, and surviving spouse \$83,225
- Single and Head of Household \$62,420
- Married filing separate, estates, and trusts..... \$41,612

AMT exemption phaseout

- Married filing joint, RDP, and surviving spouse.. \$312,095
- Single and Head of Household \$234,072
- Married filing separate, estates, and trusts \$156,047

FTB cost recovery fees

- Bank and corporation filing enforcement fee \$89
- Bank and corporation collection fee \$269
- Personal income tax filing enforcement fee..... \$82
- Personal income tax collection fee..... \$159

The personal income tax fees apply to individuals and partnerships, as well as limited liability companies that are classified as partnerships. The bank and corporation fees apply to banks and corporations, as well as limited liability companies that are classified as corporations. Interest does not accrue on these cost recovery fees.

Corporate tax rates

- Corporations other than banks and financials..... 8.84%
- Banks and financials 10.84%
- AMT rate..... 6.65%
- S corporation rate 1.5%
- S corporation bank and financial rate 3.5%