



DEBRA BOWEN

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Tax-Related Initiative Enters Circulation

*Repeals Recent Legislation that Would Allow
Businesses to Carry Back Losses, Share Tax Credits, and Use a
Sales-Based Income Calculation to Lower Taxable Income. Initiative Statute.*

SACRAMENTO – Secretary of State Debra Bowen today announced that the proponents of a new initiative may begin collecting petition signatures for their measure.

The Attorney General prepares the legal title and summary that is required to appear on initiative petitions. When the official language is complete, the Attorney General forwards it to the proponents and to the Secretary of State. The Secretary of State then provides calendar deadlines to the proponents and to county elections officials, and the initiative may be circulated for signatures. The Attorney General's official title and summary for the measure is as follows:

REPEALS RECENT LEGISLATION THAT WOULD ALLOW BUSINESSES TO CARRY BACK LOSSES, SHARE TAX CREDITS, AND USE A SALES-BASED INCOME CALCULATION TO LOWER TAXABLE INCOME. INITIATIVE STATUTE. Repeals recent legislation that would allow businesses to shift operating losses to prior tax years and that would extend the period permitted to shift operating losses to future tax years. Repeals recent legislation that would allow corporations to share tax credits with affiliated corporations. Repeals recent legislation that would allow multistate businesses to use a sales-based income calculation, rather than a combination property-, payroll- and sales-based income calculation. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local government: Annual state revenue increase from business taxes of about \$1.7 billion when fully phased in, beginning in 2011-12. (09-0058.)

The Secretary of State's tracking number for this measure is 1412 and the Attorney General's tracking number is 09-0058.

The proponents for this measure, Robin Johansen and Karen Getman, must collect signatures of 433,971 registered voters – the number equal to 5% of the total votes cast for governor in the 2006 gubernatorial election – in order to qualify it for the ballot. The proponents have 150 days to circulate petitions for this measure, meaning the signatures must be collected by May 13, 2010.

The initiative proponents can be reached at (510) 346-6200.

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