



News Release

Betty T. Yee, Member

1st District – San Francisco

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Board of Equalization Approves Use Tax Look-Up Table for 2011

Betty T. Yee, First District Member of the California State Board of Equalization (BOE), today announced that the Board approved the 2011 Use Tax Look-Up Table for calculating and reporting estimated California use tax on individuals' state income tax returns.

The intent of the table is to make it more convenient for taxpayers not registered with the BOE to comply with their use tax obligations by giving taxpayers the option to report their estimated use tax liabilities, determined from a use tax table, instead of calculating and reporting their actual unpaid use tax liabilities.

The Board is now required under provisions of a new law to annually calculate the estimated amount of use tax due based on a person's California adjusted gross income (AGI). SB 86 (Ch. 14, Stats. 2011) requires the BOE to provide the amounts in the form of a use tax table to the Franchise Tax Board (FTB) by July 30 of each calendar year, beginning this year. The FTB provides the Use Tax Look-Up Table as part of the California income tax return instructions beginning in calendar year 2011.

The Board today approved the 2011 Use Tax Look-Up Table as follows:

ADJUSTED GROSS INCOME (AGI)	USE TAX LIABILITY
less than \$20,000	\$7
\$200,00 to \$39,999	\$21
\$40,000 to \$59,999	\$35
\$60,000 to \$79,999	\$49
\$80,000 to \$99,999	\$63
\$100,000 to \$149,999	\$88
\$150,000 to \$199,999	\$123
More than \$199,999	Multiply AGI by 0.070%

This Use Tax Look-Up Table is estimated to result in additional revenues of \$10.6 million in 2011-12 and annually thereafter, \$6.5 million of which is General Fund. The remainder will go to local governments.

The use tax, the counterpart to the sales tax, has been the law since 1935. Use tax is owed on purchases made out-of-state when the tax was not collected by a registered retailer. Use tax is generally due on purchases made through mail-order or Internet retailers. Individuals who owe use tax may pay the tax directly to the BOE or declare and pay the tax through the state income tax return by using the use tax line provided on the return.

Board Member Betty T. Yee was elected to her post in November 2006. Her district includes many of California's coastal counties, from Del Norte to Santa Barbara, and includes the entire San Francisco Bay Area.

The five-member California State Board of Equalization (BOE) is a publicly elected tax board. The BOE collects more than \$48 billion annually in taxes and fees supporting state and local government services. It hears business tax appeals, acts as the appellate body for franchise and personal income tax appeals, and serves a significant role in the assessment and administration of property taxes. For more information on other taxes and fees in California, visit www.taxes.ca.gov.

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