



DEBRA BOWEN

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Eleventh Measure Qualifies for November California Ballot

SACRAMENTO – California Secretary of State Debra Bowen today certified an eleventh measure for the November 6, 2012, General Election ballot. The measure, which would require multistate businesses to calculate their California income tax liability differently, joins 10 other measures already on the November ballot:

- A water bond measure, which was placed on the ballot by the Legislature;
- A political contribution measure, which qualified through the initiative process;
- An auto insurance measure, which qualified through the initiative process;
- A measure to repeal the State Senate District maps, which qualified through the referendum process;
- A measure to repeal the death penalty, which qualified through the initiative process;
- A measure to increase criminal penalties for human trafficking, which qualified through the initiative process;
- A measure to revise the three strikes law, which qualified through the initiative process;
- A measure requiring the labeling of genetically engineered foods, which qualified through the initiative process;
- A temporary tax measure, which qualified through the initiative process; and
- Another temporary tax measure, which qualified through the initiative process.

In order to qualify for the ballot, the multistate business tax initiative needed 504,760 valid petition signatures, which is equal to five percent of the total votes cast for governor in the November 2010 gubernatorial election. A measure can qualify via random sampling of petition signatures if the sampling projects a number of valid signatures greater than 110 percent of the required number. The multistate business tax initiative needed at least 555,236 projected valid signatures to qualify by random sampling, and it exceeded that threshold today.

County elections officials have 30 working days to verify the validity of the signatures filed with their offices using a random sampling method. The state Elections Code requires county elections officials to verify 500 signatures or three percent of the number of signatures filed in the county, whichever is greater. Counties receiving fewer than 500 petition signatures are required to verify all the signatures filed in their elections offices.

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TAX TREATMENT FOR MULTISTATE BUSINESSES. CLEAN ENERGY AND ENERGY EFFICIENCY FUNDING. INITIATIVE STATUTE. Requires multistate businesses to calculate their California income tax liability based on the percentage of their sales in California. Repeals existing law giving multistate businesses an option to choose a tax liability formula that provides favorable tax treatment for businesses with property and payroll outside California. Dedicates \$550 million annually for five years from anticipated increase in revenue for the purpose of funding projects that create energy efficiency and clean energy jobs in California. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local government: **Approximately \$500 million in additional state General Fund revenues in 2012-13 and \$1 billion each year thereafter from requiring a single sales factor formula for corporate taxes, with about half of the additional annual revenues from 2013-14 through 2017-18 supporting energy efficiency and alternative energy projects. Increased Proposition 98 minimum funding guarantee for K-14 schools of roughly \$225 million annually from 2012-13 through 2017-18 and by roughly \$500 million each year thereafter, as a result of additional state General Fund revenues.** (11-0080.)

The proponent of this initiative, Joseph Caves, did not provide public contact information.

For more information about the initiative process and history in California, go to www.sos.ca.gov/elections/ballot-measures/initiative-guide.htm.

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