Proposition 30

Schools and Local Public Safety Protection Act of 2012: By the Numbers

Highlights of the compromise "Progressive Consensus" tax measure proposed by Governor Jerry Brown and the Restoring California Coalition, which includes the California Federation of Teachers:

INCOME TAX
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. (No change from governor's previous measure.)

- 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. (.5% increase over governor's previous measure)

- 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 for single filers and from 10.3 percent to 13.3 percent for joint filers. (1% increase over governor's previous measure.)

SALES TAX
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 December 31, 2016. (Reduction from half-cent compared to governor's previous measure.)

REVENUES
Approximate percentages of progressive income tax and regressive sales tax revenues: 85% progressive, 15% regressive.

Expected revenues:

- First year (includes 18 months of income tax revenue): $7 - 9 billion
- Ongoing: $5 - 7 billion per year

Funds generated will go directly to K-12 school districts and community colleges via Proposition 98. As a result, pressures will be relieved on the state general fund, allowing the possibility of greater allocations to higher education and other social services cut over the past several years.