

Having trouble viewing this email? [Click here](#)



Phone: (818) 848-5585 | (661) 705-4222

November 2012

Prop 30 Tax Increase Starts with 2012

There may be less than two months remaining on the calendar for this year, but Tuesday's passage of Prop 30 signals an increase in California income taxes backtracking to January 1, 2012. These new California tax rates will be effective until the end of 2018.

KKAJ SUMMARY:

- The tax rate on individuals with income \$250,000 to \$300,000, and joint filers with income \$500,000 to \$600,000, will increase 1% from 9.3% to 10.3%.
- The tax rate on individuals with income \$300,000 to \$500,000, and joint filers with income \$600,000 to \$1,000,000 will increase 2% from 9.3% to 11.3%; and
- The rate on individuals with income more than \$500,000 and joint filers with income more than \$1,000,000 will increase 3% from 9.3% to 12.3%.

Additionally, there is a 1% tax for incomes over \$1,000,000 under the previously approved California Mental Health Services Tax. The result is a maximum California income tax rate of 13.3% for single filers with income of more than \$500,000 or joint filers with income of more than \$1,000,000.

While you may think your income is not high enough to reach those brackets, it could jump into it with a large capital gain, such as selling a business or real estate.

Prop 30 reminds us that we pay a price for living in the beautiful weather of Southern California.

KKAJ will keep you informed as new information becomes available. As always, if you wish to discuss your specific situation, contact the KKAJ tax and accounting professionals at (818) 848-5585 or (661) 705-4222.



Disclaimer of Liability

Our firm provides the information in this e-newsletter for general guidance only, and does not constitute the provision of legal advice, tax advice, accounting services, investment advice, or professional consulting of any kind. The information provided herein should not be used as a substitute for consultation with professional tax, accounting, legal, or other competent advisors. Before making any decision or taking any action, you should consult a professional advisor who has been provided with all pertinent facts relevant to your particular situation. Tax articles in this e-newsletter are not intended to be used, and cannot be used by any taxpayer, for the purpose of avoiding accuracy-related penalties that may be imposed on the taxpayer. The information is provided "as is" with no assurance or guarantee of completeness, accuracy, or timeliness of the information, and without warranty of any kind, express or implied, including but not limited to warranties of performance, merchantability, and fitness for a particular purpose.

[facebook.com/kkajcpa](https://www.facebook.com/kkajcpa)

twitter.com/kkajcpa

Phone: 818.848.5585

© 2012 King, King, Alleman & Jensen. All rights reserved.

[Forward email](#)



Try it FREE today.

This email was sent to dorothy@kkajcpa.com by marketing@kkajcpa.com | [Update Profile/Email Address](#) | Instant removal with [SafeUnsubscribe™](#) | [Privacy Policy](#).

King, King, Alleman & Jensen | 27200 Tourney Road | Suite 475 | Valencia | CA | 91355