

The Attorney General of California has prepared the following title and summary of the chief purpose and points of the proposed measure:

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.)