

September 09, 2008

2008 California tax rates — maybe

Although the FTB released their indexing amounts a few weeks ago, we are still not sure what the legislature will do to raise or change tax rates. With the legislature unable to agree on something as simple as the time of day, we felt you needed to have a starting point for year-end tax planning.

Click [here](#) to get the 2008 tax rates and exemptions.

WARNING: The legislature may:

- * Add a 1% surcharge to income over \$1 million;
- * Institute 10% and 11% tax rates;
- * Eliminate certain credits;
- * Conform to some federal provisions – or not;
- * Eliminate NOL carryovers into 2008;
- * Plus others we don't yet know about.

We believe that the NOL carryover suspension is very likely, as is some sort of tax increase. Whether it will be an income or sales tax increase, only time will tell.