



CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION

TAX POLICY BUREAU

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GovernorAMY TONG
Secretary, Government Operations AgencyNICOLAS MADUROS
Director

August 9, 2023

Dear Interested Party:

Enclosed is the Discussion Paper on proposed amendments to Regulation 1685.5, *Calculation of Estimated Use Tax – Use Tax Table*. We would like to invite you to discuss the issue and present any additional suggestions or comments. Accordingly, a virtual interested parties meeting is scheduled as follows:

August 23, 2023
at 10 a.m.
(Virtually via Microsoft Teams)

You may join us on your computer or mobile app through [Microsoft Teams](#) or by calling 1-916-535-0987 and then entering the conference identification number 642 609 87#. You are also welcome to submit your comments to me at the address or fax number in this letterhead or via email at BTFD-BTC.InformationRequests@cdtfa.ca.gov by September 08, 2023. You should submit written comments including proposed language if you have suggestions you would like considered during this process. Copies of the materials you submit may be provided to other interested parties, therefore, ensure your comments do not contain confidential information. Please feel free to publish this information on your website or distribute it to others that may be interested in participating in the meeting or presenting their comments.

If you are interested in other Business Taxes Committee topics refer to the CDTFA webpage at (<http://www.cdtfa.ca.gov/taxes-and-fees/business-taxes-committee.htm>) for copies of discussion papers and calendars of current and prior issues.

Thank you for your consideration. We look forward to your comments and suggestions. Should you have any questions, please feel free to contact Business Taxes Committee team member Michael Patno at 1-916-309-5303, who will be leading the meeting.

Sincerely,

Tax Policy Bureau
Business Tax and Fee Division

AO:mp

Enclosures

cc: (all with enclosures)
Mr. Nicolas Maduros (MIC 104)
Mr. Christopher Schutz (MIC 83)
Ms. Trista Gonzalez (MIC 104)
Ms. Christine Castillo (MIC 104)
Ms. Susanne Buehler (MIC 43)
Ms. Michele Linton (MIC 105)
Mr. Jason Mallet (MIC 25)
Mr. Mike Skikos (MIC 47)
Mr. Harry Lucho (MIC 47)
Mr. Alfred Buck (MIC 70)
Mr. James Dahlen (MIC 57)
Mr. Jason Parker (MIC 49)
Mr. Steven Mercer (MIC 25)
Ms. Ester Cabrera (MIC 23)
Mr. Jeff Vest (MIC 85)
Mr. Mike Loretta (MIC 42)
Ms. Pamela Bergin (MIC 82)
Mr. Bradley Heller (MIC 82)
Ms. Dana Brown (MIC 85)
Ms. Casey Tichy (MIC 85)
Mr. Cary Huxsoll (MIC: 82)
Mr. Scott Claremon (MIC: 82)
Mr. Brian Kimsey (MIC 62)
Mr. Chris Miller (MIC 48)
Mr. LaDaughn Coilton (MIC 33)
Ms. Sandy Barrow (MIC 31)
Ms. Lynn Whitaker (MIC 50)
Mr. Greg Buehrer (MIC 44)
Mr. Gentian Droboniku (MIC 67)
Mr. Tom Trach (MIC 67)
Mr. Marc Alviso (MIC 104)
Ms. Claudette Yang (MIC 104)
Ms. Karina Magana (MIC 47)
Ms. Karina Torrez (MIC 92)
Ms. Tracie West (MIC 31)
Mr. Robert Prasad (MIC 50)
Mr. Michael Patno (MIC 50)

INITIAL DISCUSSION PAPER

Regulation 1685.5, Calculation of Estimated Use Tax – Use Tax Table

Issue

The California Department of Tax and Fee Administration (Department) is proposing to amend Regulation 1685.5, *Calculation of Estimated Use Tax – Use Tax Table*, to clarify the regulation, delete outdated provisions, and update the data sources used to compute the percentage of income spent on taxable purchases.

Background

Revenue and Taxation Code Section 6452.1

Revenue and Taxation Code (RTC) section 6452.1 defines “qualified use tax” to mean either of the following for one or more single nonbusiness purchases of individual items of tangible personal property each with a sales price of less than one thousand dollars (\$1,000):

- The actual state, local, and district use taxes imposed under the Sales and Use Tax Law (RTC, § 6051 et seq.) and in conformity with the Bradley-Burns Uniform Local Sales and Use Tax Law (RTC, § 8200 et seq.) and Transactions and Use Tax Law (RTC, § 7251 et seq.); or
- The estimated amount of use tax as calculated by the Department.

Also, section 6452.1 requires the Department to annually calculate the estimated amount of use tax due according to a person's adjusted gross income (AGI) and by July 30th of each calendar year make available to the Franchise Tax Board (FTB) those amounts in the form of a use tax table for inclusion in the instructions to the FTB's income tax returns. Section 6452.1 gives eligible consumers the option to elect to satisfy their use tax obligations for “qualified use tax” by reporting their estimated amount of use tax as calculated by the Department on their California income tax returns. Furthermore, section 6452.1 includes a “safe harbor” provision that prohibits the Department from assessing the difference between a consumer's reported use tax liability based on the Department's use tax table and the consumer's actual use tax liability for eligible nonbusiness purchases, provided the consumer used the table in accordance with the accompanying instructions.

Regulation 1685.5

Regulation 1685.5 implements, interprets, and makes specific RTC section 6452.1. It prescribes the methodology the Department uses to annually calculate the estimated amount of use tax due according to a person's AGI, and the format of the annual use tax table which the Department makes available to the FTB by July 30th of each year for inclusion in the instructions to their income tax returns. The regulation was first adopted in 2011. It contains many outdated provisions that are no longer operative. It also requires the Department to use data that will soon be discontinued to calculate the use tax liability factor that the Department uses to calculate the amount of use tax due according to a person's AGI.

After reviewing Regulation 1685.5, the Department concluded that it was necessary to delete the outdated provisions, update the data used to calculate the use tax liability factor, and make minor

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clarifications to some of the remaining provisions. This paper will discuss the Department's proposed amendments and the reasoning behind them. The proposed amendments to the regulation can be found in Exhibit 1.

Discussion

Subdivision (a)

The Department's proposed amendments to subdivision (a) of Regulation 1685.5 delete the title of subdivision (a)(1) and reformat subdivision (a)(1) as subdivision (a). They also replace "The" with "Revenue and Taxation Code (RTC) section 6452.1 requires the" at the beginning of reformatted subdivision (a) to identify the statute that requires the Department to annually calculate the estimated amount of use tax due according to a person's AGI.

Subdivisions (b) and (c)

The Department's proposed amendments renumber subdivisions (a)(2) and (3), as subdivisions (b) and (c), respectively. They replace "Use Department" with "Utilize the Department's" in the title of renumbered subdivision (b), replace "may elect to use" with "are eligible to elect to utilize" in the first sentence of renumbered subdivision (b)(1), and replace "The use tax table may not be used to estimate use tax" with "Consumers may not utilize the Department's use tax tables to estimate their use tax" at the beginning of renumbered subdivision (b)(2). They also separate renumbered subdivision (b)(2) into two sentences by inserting a period after "business purchases" and replacing "including" with "This includes." The amendments to renumbered subdivision (b) are all grammatical in nature and intended to make the subdivision read more clearly.

Subdivision (d)

The Department's proposed amendments renumber subdivisions (b), (c), and (d) as subdivisions (d), (e), and (f), respectively.

Subdivision (d)(1)

The Department's proposed amendments make minor grammatical changes that insert "Department's" and replace "table" with "tables" in renumbered subdivision (d)(1).

Subdivision (d)(2)

The Department's proposed amendments delete "or Use Tax Table Percentage" from the title of renumbered subdivision (d)(2) and delete "or use tax table percentage" from renumbered subdivisions (d)(2) and (e)(1), (2), and (3) because the regulation also uses the term "use tax liability factor" to describe the same percentage and the term "use tax table percentage" is redundant.

The Department's proposed amendments replace all the outdated provisions in renumbered subdivision (d)(2) with a single sentence that restates the regulation's current formula for

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calculating the use tax liability factor beginning June 1, 2024.¹ The numerical value 0.03 (or 3%) used in the sentence represents the estimated percentage of California consumers' total purchases of tangible personal property for use in California that are made from out-of-state retailers that are not registered with the Department to collect use tax from their customers. Our Research and Statistics Section predicts that the current percentage will remain unchanged for the foreseeable future.

Subdivisions (d)(3) through (5)

The Department's proposed amendments to renumbered subdivisions (d)(3), (4) and (5)(A) clarify that total personal income, total spending on electronic shopping, and the percentage of total spending on electronic shopping that is not spent on exempt categories of items shall be determined by reference to the most current federal data published for an entire calendar year.

The proposed amendments to renumbered subdivision (d)(4) change the subdivision's title from "Total Spending at Electronic Shopping and Mail Order Houses" to "Total Spending on Electronic Shopping." They amend the subdivision to require the Department to calculate "total spending on electronic shopping," instead of "total spending at electronic shopping and mail order houses." They also amend the subdivision to require total spending on electronic shopping to be determined by summing the most current quarterly retail e-commerce sales data published by the United States Census Bureau, instead of by reference to the most current electronic shopping and mail order house spending data. The reason for this is because the United States Census Bureau will soon discontinue reporting data for North American Industrial Classification System (NAICS) code 4541, electronic shopping and mail order houses. However, the Census Bureau publishes quarterly retail e-commerce sales data for electronic shopping that the Department can use to replace the data reported for NAICS code 4541.

Our Research and Statistics Section currently uses data that sums the monthly sales made by electronic shopping and mail order houses reported in the *Monthly Retail Trade Survey* published by the United States Census Bureau to calculate total spending at electronic shopping and mail order houses under Regulation 1685.5 and calculated that calendar year 2022 sales were \$1.154 trillion. If our Research and Statistics Section had used the sum of the quarterly retail e-commerce sales data in the *Quarterly E-Commerce Report* published by the United States Census Bureau to calculate total spending on electronic shopping for calendar year 2022, then total spending would have been \$1.040 trillion in 2022. Therefore, we determined that using the sales data from the *Quarterly E-Commerce Report* instead of the sales data from the *Monthly Retail Trade Survey*, should not have a material impact on the Department's calculation of the amount of use tax due according to a person's adjusted gross income.

The proposed amendments to renumbered subdivision (d)(5)(A) require the Department to determine the percentage of total spending on electronic shopping that is not included in the following categories, rather than the percentage of total spending at electronic shopping and mail

¹ if the amendments are not effective on or before June 1, 2024, then that date will be updated.

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order houses that are not included in the following categories. The amendments make the subdivision consistent with the amendments to renumbered subdivision (d)(4).

The proposed amendments update renumbered subdivisions (d)(5)(A)(i) through (vi) and add subdivisions (d)(5)(A)(vii) through (xii) to describe the retail product lines in the North American Product Classification System (NAPCS) 2017 that are generally exempt from sales and use tax and could be sold by unregistered online retailers. The amendments are necessary because renumbered subdivisions (d)(5)(A)(i) through (vi) currently describe industries in NAICS Code 4541 whose sales are generally exempt from sales and use tax, and the United States Census Bureau will soon discontinue reporting data for those industries' as well.

The Department's proposed amendments delete current subdivision (b)(5)(B) because there is no significant spending that needs to be added to total spending on electronic shopping.

Finally, the proposed amendments renumber current subdivision (b)(5)(C) as subdivision (d)(5)(B) due to the deletion of current subdivision (b)(5)(B). They also revise the subdivision to require total spending on taxable purchases to be calculated by multiplying total spending on electronic shopping by the percentage of total spending on electronic shopping that is not included in the categories listed in subdivision (d)(5)(A) to be consistent with the other amendments to renumbered subdivisions (d)(4) and (5).

Subdivision(d)(6)

The Department's proposed amendments to renumbered subdivision (d)(6) delete the references to specific years because there may be instances where the most current "total spending" and "total personal income" data available are from different years.

Subdivision (d)(7)

The Department's proposed amendments to renumbered subdivisions (d)(7)(A) and (B) require the Department to calculate the average state, local, and district sales and use tax rate using:

- The average of the rates of the statewide sales and use taxes imposed under the Sales and Use Tax Law during each quarter of the preceding calendar year; and
- The average of the statewide rates of local tax imposed under the Transactions and Use Tax Law during each quarter of the preceding calendar year.

The Department determined that using the average of the rates during each quarter of the preceding calendar year is more accurate than using the rates on January 1, as currently required.

The amendments to renumbered subdivision (d)(7)(C) require the Department to calculate the average state, local, and district sales and use tax rate using the weighted average of the district tax rates in effect in the various jurisdictions throughout the state during each quarter of the most recent calendar year for which the Department has taxable sales data by jurisdiction. The taxable sales data by jurisdiction is needed to calculate the weighted average and the Department determined that using the most recent data is more accurate than using the data from the fourth

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quarter of the year that is two years prior to the year for which the calculation is made, as currently required.

Subdivision (e)

The Department's proposed amendments add "consumers in" to renumbered subdivisions (e)(1) and (3) and add "consumers in each of" to renumbered subdivision (e)(2). They also replace "liability" with "liabilities" and "range member's" with "consumer's" in renumbered subdivision (e)(3). The amendments are grammatical in nature and clarify that the estimated use tax liabilities for the AGI ranges in the Department's use tax tables are for consumers in each AGI range.

Subdivision (f)

The Department's proposed amendments delete renumbered subdivision (f)(1) because it only prescribes the outdated use tax table for calendar year 2011. They also update subdivision (f)(2), which prescribes the format of the Department's current use tax table, so it refers to "2024"² instead of "2012" and reformat renumbered subdivision (f)(2), as subdivision (f), because renumbered subdivision (f)(1) is being deleted.

Summary

The Department proposes to amend Regulation 1685.5 to clarify the regulation, delete outdated provisions, and update the data sources used to compute the percentage of income spent on taxable purchases.

The Department welcomes any comments, suggestions, and input from interested parties on this issue. We also invite interested parties to participate in the August 23, 2023, interested parties meeting. The deadline to provide their written submissions regarding this topic is September 8, 2023.

Prepared by the Tax Policy Bureau, Business Taxes & Fees Division
Current as of 08/01/2023

² If the amendments are not effective on or before June 1, 2024, then the reference to 2024 will also be updated.

Regulation 1685.5, Calculation of Estimated Use Tax–Use Tax Table

(a) In General.

~~(1) Estimated Use Tax and Use Tax Table. The~~ Revenue and Taxation Code (RTC) section 6452.1 requires the California Department of Tax and Fee Administration (Department) ~~is required~~ to annually calculate the estimated amount of use tax due according to a person's adjusted gross income (AGI) and make such amounts available to the Franchise Tax Board (FTB), by July 30 of each year, in the form of a use tax table for inclusion in the instructions to the FTB's returns.

(b~~2~~) Who is Eligible to Utilize the Use Department's Use Tax Tables.

~~(1A)~~ Consumers are eligible to ~~may~~ elect to utilize ~~use~~ the use tax tables included in the instructions to their FTB returns to report their estimated use tax liabilities for one or more single nonbusiness purchases of individual items of tangible personal property each with a sales price of less than one thousand dollars (\$1,000) on their FTB returns. However, eligible consumers may still calculate their actual use tax liabilities using the worksheets in the instructions to their FTB returns and report their actual use tax liabilities on their FTB returns. Consumers are not required to use the use tax tables included in the instructions to their FTB returns.

~~(2B)~~ Consumers may not utilize the Department's ~~The use tax table~~ ~~table may not be used~~ to estimate their use tax liabilities for business purchases. This includes ~~including~~ purchases made by businesses required to hold a seller's permit or to register with the Department under the Sales and Use Tax Law and report their use tax liabilities directly to the Department.

~~(c3)~~ Safe Harbor. If eligible consumers use the use tax tables included in the instructions to their FTB returns to estimate their use tax liabilities for qualified nonbusiness purchases and correctly report their estimated use tax liabilities for their qualified nonbusiness purchases in accordance with their AGI ranges, then the Department may not assess the difference, if any, between the estimated use tax liabilities reported in accordance with the use tax tables and the consumers' actual use tax liabilities for qualified nonbusiness purchases.

(d~~b~~) Definitions and Data Sources.

(1) AGI Ranges. The Department's use tax ~~table~~ ~~table~~ shall be separated into fifteen (15) AGI ranges as follows:

- (A) AGI less than \$10,000;
- (B) AGI of \$10,000 to \$19,999;
- (C) AGI of \$20,000 to \$29,999;

- (D) AGI of \$30,000 to \$39,999;
- (E) AGI of \$40,000 to \$49,999;
- (F) AGI of \$50,000 to \$59,999;
- (G) AGI of \$60,000 to \$69,999;
- (H) AGI of \$70,000 to \$79,999;
- (I) AGI of \$80,000 to \$89,999;
- (J) AGI of \$90,000 to \$99,999;
- (K) AGI of \$100,000 to \$124,999;
- (L) AGI of \$125,000 to \$149,999;
- (M) AGI of \$150,000 to \$174,999;
- (N) AGI of \$175,000 to \$199,999;
- (O) AGI more than \$199,999.

(2) ~~Use Tax Liability Factor or Use Tax Table Percentage.~~ On June 1, 2024, and each June 1 thereafter, the use tax liability factor for the current calendar year shall be calculated by multiplying the percentage of income spent on taxable purchases by 0.03, multiplying the product by the average state, local, and district sales and use tax rate, and then rounding the result to the nearest thousandth of a percent. ~~For the 2011 calendar year the use tax liability factor or use tax table percentage shall be 0.070 percent (.0007). On June 1, 2012, the use tax liability factor or use tax table percentage for the current calendar year shall be calculated by multiplying the percentage of income spent on taxable purchases for the preceding calendar year by 0.37, multiplying the product by the average state, local, and district sales and use tax rate, and then rounding the result to the nearest thousandth of a percent. On June 1, 2013, and each June 1 through June 1, 2018, the use tax liability factor or use tax table percentage for the current calendar year shall be calculated by multiplying the percentage of income spent on taxable purchases for the preceding calendar year by 0.23, multiplying the product by the average state, local, and district sales and use tax rate, and then rounding the result to the nearest thousandth of a percent. On June 1, 2019, the use tax liability factor or use tax table percentage for the current calendar year shall be calculated by multiplying the percentage of income spent on taxable purchases for the preceding calendar year by 0.10, multiplying the product by the average state, local, and district sales and use tax rate, and then rounding the result to the nearest thousandth of a percent. On June 1, 2020, the use tax liability factor or use tax table percentage for the current calendar year shall be calculated by multiplying the percentage of income spent on taxable purchases for the preceding calendar year by 0.036,~~

~~multiplying the product by the average state, local, and district sales and use tax rate, and then rounding the result to the nearest thousandth of a percent. On June 1, 2021, and each June 1 thereafter, the use tax liability factor or use tax table percentage for the current calendar year shall be calculated by multiplying the percentage of income spent on taxable purchases for the preceding calendar year by 0.03, multiplying the product by the average state, local, and district sales and use tax rate, and then rounding the result to the nearest thousandth of a percent.~~

(3) Total Personal Income. Total personal income shall be determined by reference to the most current personal income data published by the United States Bureau of Economic Analysis for an entire calendar year.

(4) Total Spending ~~on~~at Electronic Shopping ~~and Mail Order Houses.~~ Total spending ~~on~~at electronic shopping ~~and mail order houses~~ shall be determined by summing~~reference to the~~ most current quarterly retail e-commerce sales~~electronic shopping and mail order house spending~~ data published by the United States Census Bureau for an entire calendar year.

(5) Total Spending on Taxable Purchases. Total spending on taxable purchases shall be determined by:

(A) Determining the percentage, rounded to the nearest tenth of a percent, of total spending ~~on~~at electronic shopping ~~and mail order houses~~ that ~~is~~are not included in the following categories of items, by reference to the most current retail trade product lines statistics by kind of business data published by the United States Census Bureau for an entire calendar year:

- (i) Retail sales of food dry goods and other foods purchased for future consumption~~Groceries and other foods for human consumption off premises, excluding bottled, canned, or packaged soft drinks;~~
- (ii) Retail sales of fresh fruit and vegetables~~Prescriptions;~~
- (iii) Other service revenue, not elsewhere classified~~Video content downloads;~~
- (iv) Wholesale sales of communications equipment~~Audio content downloads;~~
- (v) Wholesale sales of sporting and recreational equipment~~Prepackaged computer software, including software downloads; and~~
- (vi) Wholesale sales of new and used automobiles~~All nonmerchandise receipts.~~
- (vii) Wholesale sales of new and used light trucks, 14,000 lb. or less, including vans, cargo vans, and sports utility vehicles;

- (viii) Wholesale sales of cosmetics, beauty supplies, perfumes and colognes, including hair preparations and hair brushes;
- (ix) Patient care, related to the International Classification of Diseases published by the World Health Organization, Tenth Revision (ICD-10), major category, based on primary diagnosis;
- (x) Other credit financing services;
- (xi) Live recording services; and
- (xii) Leisure, recreational, and athletic instructional programs.
- ~~(B) Adding ten billion dollars (\$10,000,000,000) to the total spending at electronic shopping and mail order houses to account for spending that is not included in the spending data published by the United States Census Bureau; and~~
- ~~(B) Multiplying total spending on electronic shopping the sum calculated in (B) by the percentage of total spending on at electronic shopping and mail order houses that is are not included in the categories of items listed in subdivision (d)(5)(A) above so that the result does not include spending on nontaxable purchases, and then rounding the result to the nearest tenth of a percent.~~
- (6) Percentage of Income Spent on Taxable Purchases. The percentage of income spent on taxable purchases ~~during a calendar year~~ shall be calculated by dividing ~~the total spending on taxable purchases for that year~~ by ~~the total personal income for that year~~, multiplying the result by 100, and rounding the result to the nearest tenth of a percent.
- (7) Average State, Local, and District Sales and Use Tax Rate. The average state, local, and district sales and use tax rate ~~for a calendar year~~ shall be the total of:
- (A) The average of the rates of the statewide sales and use taxes imposed under article XIII of the California Constitution and the Sales and Use Tax Law (Rev. & Tax. Code, § RTC section 6001 et seq.) during each quarter of the preceding calendar ~~in effect on January 1 of that year;~~
- (B) The average of the statewide ~~rate~~ rates of local tax imposed under the Bradley-Burns Uniform Local Sales and Use Tax Law (Rev. & Tax. Code, § RTC section 7200 et seq.) during each quarter of the preceding calendar ~~in effect on January 1 of that year; and~~
- (C) The weighted average of the ~~rate~~ rates of the district taxes imposed under the Transactions and Use Tax Law (Rev. & Tax. Code, § RTC section 7251 et seq.) in effect in the various jurisdictions throughout the state during each quarter of the most recent calendar year for which the Department has taxable sales data by jurisdiction ~~on January 1 of that year~~ after taking into account the proportion of the total statewide taxable

transactions (by dollar) reported for each jurisdiction during each quarter of that~~the fourth~~ ~~quarter of the calendar year that is two years prior to the calendar year for which the calculation is made.~~ For example, the total reported taxable transactions (by dollar) for ~~the fourth quarter of 2010 shall be used to determine the weighted average rate of the district tax rates in effect on January 1, 2012, to calculate the weighted average rate of district taxes for calendar year 2012.~~

(ee) Calculation of the Estimated Use Tax Liability.

(1) The estimated use tax liability for consumers in the AGI range described in subdivision (b)(1)(A) shall be determined by multiplying \$5,000 by the use tax liability factor ~~or use tax table percentage~~ and then rounding the result to the nearest whole dollar.

(2) The estimated use tax liability for consumers in each of the AGI ranges described in subdivision (b)(1)(B) through (N) shall be determined by multiplying the midpoint of each AGI range by the use tax liability factor ~~or use tax table percentage~~ and then rounding the result to the nearest whole dollar.

(3) The estimated use tax ~~liabilities~~ liability for consumers in the AGI range described in subdivision (b)(1)(O) shall be determined by multiplying each consumer's~~range member's~~ actual AGI by the use tax liability factor ~~or use tax table percentage~~ and then rounding the result to the nearest whole dollar.

(f) Use Tax Table Format.

(1) The use tax table for calendar year 2011 shall provide as follows:

Adjusted Gross Income (AGI) Range	Use Tax Liability
Less Than \$20,000	\$7
\$20,000 to \$39,999	\$21
\$40,000 to \$59,999	\$35
\$60,000 to \$79,999	\$49
\$80,000 to \$99,999	\$63
\$100,000 to \$149,999	\$88
\$150,000 to \$199,999	\$123
More than \$199,999	Multiply AGI by 0.070% (.0007)

(2) The use tax tables for calendar year ~~2024~~2012 and subsequent years shall utilize the same format as follows:

Adjusted Gross Income (AGI) Range	Use Tax Liability
Less Than \$10,000	\$
\$10,000 to \$19,999	\$
\$20,000 to \$29,999	\$
\$30,000 to \$39,999	\$
\$40,000 to \$49,999	\$
\$50,000 to \$59,999	\$
\$60,000 to \$69,999	\$
\$70,000 to \$79,999	\$
\$80,000 to \$89,999	\$
\$90,000 to \$99,999	\$
\$100,000 to \$124,999	\$
\$125,000 to \$149,999	\$
\$150,000 to 174,999	\$
\$175,000 to \$199,999	\$
More than \$199,999	Multiply AGI by % (.000)

Note: Authority cited: Section 7051, Revenue and Taxation Code; Sections 15570.22 and 15570.24, Government Code. Reference: Section 6452.1, Revenue and Taxation Code.