

Submitted by:  
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**Title:** "California Flat Tax"

**Summary:** Repeals the California personal income tax, withholding and information reporting. Increases the sales and use tax rate by 5.5%, resulting in a combined state and local sales and use tax rate that would vary between 12.75% and 14.25% depending on the place of sale or use and applicable sales and use tax rates of the county, city and district. Adds a sales and use tax exemption for manufacturing equipment. Reduces the corporate franchise or income tax rate by 1.84% or from 8.84% to 7%. Reduces the subchapter S corporation tax rate by 0.3% or from 1.5% to 1.2%.