

INVENTORY OF TAX ALTERNATIVES
REVENUE IMPACT IN \$MILLIONS, CY 2005 STATE IMPACT ONLY

(To determine impact of rates other than those listed, please refer to SIMTAX or rate calculation tabs)

	Revenue Impact	Include in Package? (Yes=1)	Package Impact
<u>REDUCTIONS OR ELIMINATIONS OF EXISTING TAXES</u>			
1 Eliminate state retail sales and use tax (RST) Buy down the state RST, currently at 6.5%:	(\$6,693.8)	<input type="checkbox"/>	\$0.0
2 State RST at 3.5%			
3 State RST at 4%	(\$2,459.8)	<input type="checkbox"/>	\$0.0
4 State RST at 4.5%	(\$1,957.8)	<input type="checkbox"/>	\$0.0
5 State RST at 5%	(\$1,460.9)	<input type="checkbox"/>	\$0.0
6 Other RST rate (Use SIMTAX or rate calculation tab)			\$0.0
7 Eliminate business and occupations tax (B&O)	(\$2,304.3)	<input type="checkbox"/>	\$0.0
8 Eliminate state property tax levy	(\$1,573.1)	<input type="checkbox"/>	\$0.0
9 Exempt construction labor from sales tax	(\$400.0)	<input type="checkbox"/>	\$0.0
10 Eliminate public utility tax	(\$279.4)	<input type="checkbox"/>	\$0.0
11 B&O exemptions for new firms for 2 years	(\$156.5)	<input type="checkbox"/>	\$0.0
12 Compensate retailers for collecting the sales tax, retailers retain a percentage	(\$113.9)	<input type="checkbox"/>	\$0.0
13 Estate tax, fully conform to federal repeal (\$113 million loss in CY 2007)	(\$89.0)	<input type="checkbox"/>	\$0.0
14 Estate tax, 100% state credit, federal filing threshold (\$28 million loss in CY 2007)	(\$20.0)	<input type="checkbox"/>	\$0.0
15 Double small business credit, from \$35 maximum per month to \$70	(\$27.9)	<input type="checkbox"/>	\$0.0
16 Homestead exemption of \$20,000 (\$92.3 million shift to other taxpayers)	\$0.0	<input type="checkbox"/>	\$0.0
17 Extend low-income senior exemption to all homeowners (\$12.2 million shift)	\$0.0	<input type="checkbox"/>	\$0.0
18 Review and retarget business tax incentives	Neutral	<input type="checkbox"/>	\$0.0
19 Reform state B&O apportionment methods (impact yet to be determined)	TBD	<input type="checkbox"/>	\$0.0
20 Simplify local B&O, common base, resolve apportionment (Substantial shifts among cities likely)		<input type="checkbox"/>	\$0.0

(See next page for increases or additions of new tax sources)

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	Revenue Impact	Include in Package? (Yes=1)	Package Impact
<u>INCREASES OR ADDITIONS OF NEW TAX SOURCES</u>			
1 Graduated personal income tax, no deductions, at 3%, 4.5%, and 5.5%	\$6,653.0	<input type="checkbox"/>	\$0.0
2 Graduated PIT at, \$20,000 deduction, at _____		<input type="checkbox"/>	\$0.0
3 Flate rate personal income tax, no deductions or exemptions, at 1%	\$1,638.8	<input type="checkbox"/>	\$0.0
4 Flat rate personal income tax, \$5,000 personal exemption, at 1%	\$1,356.0	<input type="checkbox"/>	\$0.0
5 Flat rate personal income tax, \$20,000 deduction per return, at 1%	\$1,176.6	<input type="checkbox"/>	\$0.0
6 Flat rate personal income tax, \$50,000 deduction per return, at 1%		<input type="checkbox"/>	\$0.0
7 Flat rate personal income tax, \$20,000 deduction and credit for B&O paid, at 1%		<input type="checkbox"/>	\$0.0
8 Corporate income tax at 1%, chapter "C" and "S" corporations	\$143.8	<input type="checkbox"/>	\$0.0
9 Business value added tax (VAT) at 1%	\$1,070.9	<input type="checkbox"/>	\$0.0
10 Goods and services tax (GST) at __, food, prescription drugs and medical exempt		<input type="checkbox"/>	\$0.0
11 Progressive value added tax (revenue impact yet to be determined)	TBD	<input type="checkbox"/>	\$0.0
12 Motor vehicle tax based on vehicle value	\$400.0	<input type="checkbox"/>	\$0.0
13 Reduce B&O classifications, selling, mfg. and some service 0.484%, other svc. 1.5%	\$294.0	<input type="checkbox"/>	\$0.0
14 Sales tax on consumer services, beauty, barber, cable TV, other	\$229.6	<input type="checkbox"/>	\$0.0
15 Shift public utility taxpayers onto B&O, service 1.5% and utility 3.8%	\$32.0	<input type="checkbox"/>	\$0.0
16 Replace taxes on priate goods with user fees paid directly by those imposing burdens	Neutral	<input type="checkbox"/>	\$0.0
17 Avoid new dedicated taxes except "user" fees	Neutral	<input type="checkbox"/>	\$0.0
18 Rainy Day Fund	Neutral	<input type="checkbox"/>	\$0.0
19 Eliminate hazardous substance, oil spill and litter taxes, replace with B&O surtax	Neutral	<input type="checkbox"/>	\$0.0
20 Simplify credits and other incentives by moving them to exemptions	Neutral	<input type="checkbox"/>	\$0.0
21 Streamline sales tax, enact uniform legislation (impact yet to be determined)	TBD	<input type="checkbox"/>	\$0.0
TOTAL REVENUE PACKAGE IMPACT (CALCULATION)			\$0.0