

Revenue Impact of Tax Proposals

Positive (+)		Negative (-)		
Cigarette Tax (increase rate to .30 cents)	↑ \$110 Mil.	Estate Tax (repeal) ***	↓ \$133 Mil.	
				One-time loss
Beer Tax (increase rate by .06 cents)	↑ \$90 Mil.	Accelerated Sales & Use Tax (eliminate)		↓ \$150 Mil.
Corporate Income Tax (eliminate loopholes)	↑ Mil.	Sales Tax on Food (credit of \$40/person) ****	↓ \$234 Mil.	
Sales Tax (increase rate by 1%)	↑ \$870 Mil.	Car Tax Relief (100% & no cap)	↓ \$475 Mil.	
		Real Estate Tax (cap)	↓ Mil.	
Income Tax		Income Tax		
Age Deduction (means test) *	↑ \$135 Mil.	Standard Deduction (increase to \$3500/\$7000)	↓ \$110 Mil.	
Brackets (two additional) **	↑ \$350 Mil.	Personal Exemption (increase to \$2500) *****	↓ \$435 Mil.	
Total	↑ \$1.55 + Bil.	Total	↓ \$1.38 + Bil.	↓ \$150 Mil.

* Means testing of the age deduction is based upon the following chart:

Combined FAGI	Age 62-64	Age 65 and Above
\$0 - \$34,999	\$6,000	\$12,000
\$35,000 - \$49,999	\$4,500	\$9,000
\$50,000 - \$74,999	\$3,000	\$6,000
\$75,000 - \$99,999	\$1,500	\$3,000
\$100,000 and above	\$0	\$0

** 6% on \$50,000-\$100,000 and 6.25% in excess of \$100,000 in income

*** FY05 "phaseout" loss of \$78 Mil.; beginning FY06 loss of \$133 Mil.

**** Net loss after re-imposing full 4.5% sales and use tax.

***** No additional exemptions based on age or blindness.