

State Impact

Passage of this bill could result in a Uniform School Fund loss of \$7,000,000 in FY 2007. The loss will increase each year until the provisions are fully phased in. By FY 2012 the revenue loss is expected to be as much as \$210,000,000.

	<u>FY 2006</u> <u>Approp.</u>	<u>FY 2007</u> <u>Approp.</u>	<u>FY 2006</u> <u>Revenue</u>	<u>FY 2007</u> <u>Revenue</u>
Uniform School Fund	\$0	\$0	\$0	(\$7,000,000)
TOTAL	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>(\$7,000,000)</u></u>

Individual and Business Impact

Individuals who pay the minimum tax will experience an increase in tax liability. Those who currently pay Corporate Tax at 5 percent will see taxes decrease over time. Individuals will also be allowed to elect to change the apportionment calculation which should provide many with a tax decrease. There could be additional corporate investment as a result of passage of this bill.

Office of the Legislative Fiscal Analyst