

Approved

March 5, 1991

Date

MINUTES OF THE House COMMITTEE ON Taxation

The meeting was called to order by Joan Wagnon at
Chairperson

9:08 a.m. on Thursday, February 28, 1991 in room 519S of the Capitol.

All members were present except:

Committee staff present:

Tom Severn & Chris Courtwright, Legislative Research
Don Hayward & Bill Edds, Revisors
Linda Frey, Committee Secretary
Douglas E. Johnston, aide

Conferees appearing before the committee:

The Chair called the committee to order at 9:08 a.m.

Chairman Wagnon introduced Charles Warren, President of Kansas, Inc. to explain a study she had requested to examine the effect of three hypothetical property tax plans.

Warren reviewed a report describing the impacts of three alternative tax plans on selected firms resulting from a tax simulation model for Kansas. The report was prepared by David Burress, Co-Principal Investigator Assistant Professor of Economics; Patricita Oslund, Research Economist, IPPBR; Mohamed El-Hodiri, Co-Principal Investigator, Professor of Business and Executive Director of the Institute for Public Policy and Business Research at the University of Kansas (attachment 1 and 2).

In reply to a question Warren stated that there were three surprising findings of the study. The first was that no tax relief was provided by the three hypothetical plans. The second was that the "Finney Plan" was the least harmful to businesses. The third surprise was the highly variable effect on different businesses accross Kansas. Warren stated that the three plans did not treat businesses equally. He said the smaller businesses were hurt more because the utilization of outside services increased in reverse proportion to the size of the businesses.

Chairman Wagnon announced that the committee would discuss HB 2111, the Homestead Property Tax bill and H.C.R. 5006 and H.C.R. 5007 on Friday, February 28, 1991. The meeting would convene upon adjournment of the House.

CONTINUATION SHEET

MINUTES OF THE House COMMITTEE ON Taxation,
room 519-S, Statehouse, at 9:08 a.m./~~p.m.~~ on Thursday, February 28, 1991

Written testimony from the following people regarding HB 2113 was submitted to the committee.

Jean Barbee, Vice-President of Barbee & Assoc. (attachment 3)
Ronald R. Hein, representing the Kansas Assoc. of Personnel Consultants (attachment 4)
Janet Stubbs, representing the Home Builders Assoc. of Kansas, Inc. (attachment 5)

The committee adjourned at 10:18 a.m.

GUEST LIST

COMMITTEE: *Separation*

DATE: *2/28/91*

NAME (PLEASE PRINT)	ADDRESS	COMPANY/ORGANIZATION
<i>Jim McBeider</i>	<i>Topeka</i>	<i>Observer</i>
<i>Roger D. Kukurood</i>	<i>Topeka</i>	<i>AARP-Tank Force</i>
<i>Wendell STROM</i>	<i>Topeka</i>	<i>AARP-CCTF</i>
<i>HAROLD C. P. FIS</i>	<i>Topeka</i>	<i>AARP-CCTF</i>
<i>R. ANDERSON</i>	<i>OTTAWA</i>	<i>MID Cont BV & BSS</i>
<i>J. Barbu</i>	<i>Topeka</i>	<i>Barbu & Assoc.</i>
<i>Geo. Barbu</i>	<i>Topeka</i>	<i>Ks Consulting Engrs</i>
<i>Alan Steppat</i>	<i>Topeka</i>	<i>Pete Mcbill & Associates</i>
<i>PATRICK J. HURLEY</i>	<i>Topeka</i>	<i>Cessna</i>
<i>TERRY LONERGAN</i>	<i>"</i>	<i>Ks. Inc.</i>
<i>Jim Keycock</i>	<i>"</i>	<i>Am. Cancer Society</i>
<i>Bill Schmitt</i>	<i>TOPEKA</i>	<i>KNLSI</i>
<i>KAREN FRANCE</i>	<i>TOPEKA</i>	<i>KAR</i>
<i>Dan Haas</i>	<i>Overland Park</i>	<i>KCPH</i>
<i>Pat Olund</i>	<i>Lawrence</i>	<i>KU-IPBR</i>
<i>DAVID BURGESS</i>	<i>Lamene</i>	<i>KU-IPBR</i>
<i>Mark Tallman</i>	<i>Topeka</i>	<i>KASB</i>
<i>Tom Whitaker</i>	<i>Topeka</i>	<i>Ks Motor Carriers Assn</i>
<i>Julie Hein</i>	<i>Topeka</i>	<i>Hein & Ebert</i>
<i>Chinty Young</i>	<i>Topeka</i>	<i>Topeka Chamber of Com</i>
<i>FRANCES KASTNER</i>	<i>topeka</i>	<i>Ks Food Dealers Assn</i>
<i>Steve Jones</i>	<i>Wich</i>	<i>Boeing</i>
<i>Jim Ludwig</i>	<i>Topeka</i>	<i>KPL</i>
<i>JANET STUBBS</i>	<i>Topeka</i>	<i>HBAK</i>

GUEST LIST

COMMITTEE: *Separation*

DATE: 2/28/91

NAME (PLEASE PRINT)	ADDRESS	COMPANY/ORGANIZATION
<i>Shelley Sutton</i>	<i>TOPEKA</i>	<i>KS ENGINEERING SOCIETY</i>
<i>Jay Coles</i>	<i>Topeka</i>	<i>KNEA</i>
<i>DON LINDSEY</i>	<i>OSAWATOMIE</i>	<i>UTU</i>
<i>Brenda Meagher</i>	<i>Lindsborg</i>	<i>Leadership Lindsborg</i>
<i>GARY MEAGHER</i>	<i>LINDSBORG</i>	<i>CITY OF LINDSBORG</i>
<i>DAVID Nichols</i>	<i>Topeka</i>	<i>SWBT</i>
<i>DENNY S KOCH</i>	<i>"</i>	<i>SW Bell</i>
<i>ADMIN SAMUELSON</i>	<i>HESSTON</i>	<i>SELF</i>
<i>David Yee</i>	<i>Wichita</i>	<i>shadow</i>
<i>LAURA Kelly</i>	<i>TOPEKA</i>	<i>KS RECREATION & PARK ASSN.</i>
<i>Jacquie Dakes</i>	<i>Topeka</i>	<i>Ks. Ind. Auto Dealers Assn.</i>
<i>Steve Richard</i>	<i>Overland Park</i>	<i>Yellow Freight Systems</i>
<i>Kristy Koscielny</i>	<i>Topeka</i>	<i>Gov. Reg. Affairs</i>
<i>Will Belden</i>	<i>Topeka</i>	<i>Lg. of women voters</i>
<i>T.O. ANDERSON</i>	<i>TOPEKA</i>	<i>KSCPA</i>
<i>Terry Guy</i>	<i>Meriden</i>	<i>Dept of Revenue</i>
<i>MARIE Beshears</i>	<i>Topeka</i>	<i>DOR</i>
<i>Almeda Edwards</i>	<i>Ottawa</i>	<i>7th Co Farm Bureau Assn.</i>
<i>Susan Somers</i>	<i>Topeka</i>	<i>KSCPA</i>
<i>Harriet Lange</i>	<i>Topeka</i>	<i>KS Assn Broadcasters</i>

PRELIMINARY DRAFT

**The Impacts of Three Alternative Tax Plans on Selected Firms
Results from a Tax Simulation Model for Kansas**

prepared for
Kansas Inc.

by

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Assistant Professor of Economics
Research Associate, IPPBR

and

Patricia Oslund
Research Economist, IPPBR

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February 25, 1991

HOUSE TAXATION
Attachment #1
02/28/91

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2. Tax Incidence and Shifting Assumptions
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 - R2: Taxes per Employee for New Firms Located in Enterprise Zones, Services
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General Assumptions of the Tax Simulation Model

1. The firms examined by this study are primarily export oriented. Prices of the firms' products are set in regional or national markets. Most sales are to out-of-state customers. An exception is the retail firm.
2. All simulations are carried out for 15 years and results are converted to present value terms.
3. Simulations are carried out for two types of firms, new firms and previously established firms.

New firms purchase new equipment and a new building in the first year of the tax simulation. Additionally, they purchase replacement equipment as their original investment depreciates.

Established firms do not purchase a new building or make a large initial investment in year 1 of the simulations. However, they do purchase replacement investment each year.
4. New firms are located in enterprise zones, and are assumed to take advantage of all tax incentives for which they qualify. Firms which qualify for property tax abatements (manufacturing, wholesaling, and research firms) receive them at the 100 percent level for 10 years.
5. Previously established firms do not qualify for any special tax credits or abatements in the simulations.
6. The telecommunications establishment (industry 481) is assumed to be an office facility with characteristics very much like those of the headquarters firms (industry HQ). However, the establishment is assumed to be classified as a public utility. This makes it ineligible for enterprise zone benefits in Kansas (K.S.A. 79-32,153 (d)).
7. Sales taxes on "expensed" items including purchased services are immediately deductible from gross income for purposes of calculating income taxes. Sales taxes on capital purchases are figured into the basis for depreciation.
8. A property tax levied on property owned or rented by the simulated firm, will be fully passed on to the firm. Conversely, the firm will enjoy 100% of the benefit of any reduction in taxes on property it utilizes.
9. A sales tax levied on a supplier of the simulated firm will be fully passed on to the firm.
10. The economic situation of the simulated firm is such that no further shifts occur in any of these tax-induced effects, i.e. neither forward to its customers nor backward to its employees. The section on shifting assumptions contains further details.

11. No sales tax liability will apply to any sales by the simulated firm. The customers of the simulated firm are assumed to reside out-of-state, and sale to these customers are assumed to be exempt. The assumption holds for the producers of exported services as well as for the producers of exported goods (assumption verified by Kansas Inc.). Note that this assumption is *not* appropriate in the case of a retail store.

12. Labor and land costs are higher in urban areas than in medium and small sized cities. Within the framework of our model, this leads to higher costs, smaller profits, and smaller income taxes. A more realistic model would incorporate enhancements to productivity which can be achieved in urban areas. These enhancements include availability to well trained labor, immediate availability of supplies and business services, and access to transportation systems.

13. The U.S. Bureau of Economic Analysis *Input Output Tables for the U.S.* provided the primary data source for service use. Detailed 1977 data were updated using less detailed data from 1985.

Tax Incidence and Shifting Assumptions

Our simulations show some effects on selected Kansas businesses from making *changes* in the Kansas tax structure. Consequently, these simulations raise some modeling problems related to tax shifting. In particular, tax increases may not have the obvious effect of simply reducing the bottom line profit of a business by the increase in its legal tax liability. Instead, there may be off-setting changes in prices or wages which spread or "shift" part of the tax burden to other economic actors. Tax changes may be passed on to customers, or passed back to workers or suppliers or landlords. These agents in turn may be able to shift away part of the burden of these price changes. Therefore the final burden or "incidence" of tax changes can sometimes be very different from the initial change in tax liabilities.

Tax shifting generally wasn't a problem in the earlier cost of business simulations performed at IPPBR (but see the next section for two exceptions). That's because the earlier simulations mainly modeled business costs in the actual world, based on estimates of actual prices and actual tax rates. In contrast, the present simulations are "counterfactual". In other words, they measure something which is contrary to fact, namely what *would* happen in a different world with tax rates different from those in our world. But such a world would lead to a different pattern of prices and wages than that which we actually observe.

Therefore the present simulations depend on shifting assumptions, specifying which economic actors finally bear the burden of the tax changes. This section describes and explains these shifting assumptions.

Shifting assumptions retained from the earlier study

The earlier cost-of-business study did in fact rely on shifting assumptions in two special cases, at least in an implicit sense. That is, because of limitations in available data, the study relied on two simplifying assumptions which were equivalent to shifting assumptions. These assumptions are retained in the present study.

First, in modelling the state and federal corporate income tax on profits, both studies assume that no portion of the tax burden (or of any other cost differences across locations) can be passed on the customer. In fact, this assumption is probably false, and probably *does* lead to some inaccuracy in measurements of the exact cost differences across different locations. (In particular, it leads to an overstatement of cost differences). However, since the simulated firm is assumed to have the same customers no matter where it locates, it can be shown that any inaccuracy introduced by this assumption does *not* affect the relative *ranking* of locations by cost of doing business. Therefore tax shifting to the customer was omitted so as to simplify the model.

Second, in modelling the effect of taxes on the input mix (e.g. quantity of labor versus quantity of capital), both studies assume that there is no such effect; the ratios of capital, labor, land, materials, and services are assumed to be independent of the chosen location. Consequently, for example, it is assumed to be difficult to shift business taxes onto labor (at least via the specific mechanism of substituting capital for labor). Again this assumption probably leads to an overstatement of *differences* between locations, but probably does not affect the *rankings* of locations.

The conceptual tax incidence framework

To the extent feasible, we have selected shifting assumptions which are consistent with "static general equilibrium" theories of state and local tax incidence under "balanced-budget, differential incidence" conditions (described below). Unfortunately, even within this framework economists aren't always firmly agreed about what shifting assumptions to use in different situations. That's partly because competing theories have been put forth, and partly because tax shifting is extremely difficult to measure at an empirical level.

Since competing theories are available, an additional selection criterion was needed. We have chosen to select assumptions which are easy to describe and understand. Also, these assumptions are similar to the intuitive beliefs many people hold; e.g. that property taxes are passed along to the renter, and sales taxes are passed along to the buyer. In particular, the shifting assumptions in this study follow a simple pattern which might be loosely described as "location-theoretic one-stage worse-case".

1. Worse case:

The "worse case" assumption means that the owner of a simulated firm is assumed to absorb the entire burden of any tax liability on sales to customers, on purchases from suppliers, and on ownership of real property used by the firm. This is a worse-case assumption (from the firm's point of view) because it assumes that none of the tax burden can be shifted forward to customers or backward to suppliers or employees or landowners. Since some degree of tax shifting probably would occur in every possible direction, this approach probably over-states the burden of tax increases on the firm owner.

Note, however, that this is a *best* case assumption when it comes to *removing* taxes. That is, this assumptions implies that the entire benefit of any property tax relief is retained by the firm. Consequently, this frame work provides:

- a worse case analysis for firms which face new taxes but no tax relief
- a best-case analysis for firms which face tax relief but no new taxes
- a mixed-case analysis for firms which face both tax relief and new taxes.

2. One stage:

In the real market place, any given firm may feel the impact of taxes initially imposed on transactions that occur two or more transaction-stages away. As an example, a increase in the tax on diesel fuel could be fully passed on to the price of transporting vegetables which could be passed on to the wholesale price of vegetables and ultimately to the price of a dinner at the local restaurant. Taxes might be passed on to the firm from the supplier's supplier; or passed back from the customer's customer. That is, any given firm could face a situation even worse than which we described as the worst case scenario. But our simulations assume that this does not occur, that is, all taxes are absorbed in the first transaction.

While such a multi-stage "absolutely worse-case" type of tax shifting theoretically could happen to any one particular firm, it could not be happening to all firms simultaneously. If the supplier is passing the taxes on, then he cannot at the same time himself bear the entire burden of those taxes.

In addition to being empirically improbable, an "absolutely worse case" approach does not really seem appropriate from the public policy point of view. Our goal in this report is to look at the worse that might happen to several different types of firms simultaneously, rather than the worse that might happen to just one firm in isolation. Looking at several firms in a reasonably parallel fashion places some limits on the range of possibilities (because all of the firms simultaneously cannot each alone bear all of the burdens).

3. Location theory:

One of the main goals of our 1989 tax study was to examine the very specific case of a firm deciding where to build or expand a plant or establishment. Moreover, the framework assumes that locations in several different states are under active consideration by the firm.

For this reason, we chose a set of firms that were primarily export oriented. That is, we looked at firms which sell a large percentage of their goods or services in regional, national, or even international markets rather than in Kansas alone. The point was to focus in on "footloose" firms, i.e. those firms which are most responsive to small differences in the dollar cost of doing business in a particular location. It is important to recognize that "footloose" investment constitutes a relatively small share of all new investment.

Competitive market forces limit the ability of export oriented firms to pass an increase in costs on to consumers. Price is set regionally or nationally. Hence the assumption that the firm absorbs any change in taxes is reasonable for these firms.

Our most recent round of simulations adds retailing to the model. Clearly retail firms are oriented toward local rather than national markets. Hence the results for retail firms should be interpreted cautiously.

Major Assumptions for the Baseline Projections

1. The baseline projections assume that there are no changes in the tax laws that directly affect businesses. This implies that fiscal measures necessary to balance the state budget take the form of a decrease in expenditures and/or and increase in taxes on consumers.
2. Firms which qualify for enterprise zone benefits receive two major sales tax advantages: an exemption for all machinery and equipment and exemption for construction materials.
3. All machinery and equipment used directly in manufacturing, storing, warehousing, and distribution is exempt from the sales tax.
4. Services used in the original construction of a structure are exempt from the sales tax.
5. Utilities used directly in production are exempt from the sales tax.
6. Transportation services are exempt from the sales tax.
7. Most business services are exempt from the sales tax.
8. For the purpose of property taxation, commercial property is assessed at 30 percent of true market value, machinery and equipment at 20 percent, and inventories are exempt.
9. The state income tax is imposed at a rate of 4.5 percent on the first \$25,000 of income, and at a rate of 6.75 percent for income over \$25,000.
10. The state sales tax is imposed at a rate of 4.25 percent.

Major Assumptions for the Finney Tax Proposal

1. The first alternative tax plan which we investigate is similar to that proposed by Governor Finney. Sales taxes will be imposed on a large group of services and many sales tax exemptions will be removed. Revenue raised from sales taxes will be used for two purposes: to balance the state budget and for property tax relief (a 33 percent overall reduction).
2. Our simulations assume that a 33 percent decrease in property taxes applies to all locations in the state. Under the Governor's actual plan, property tax relief would be calculated through a number of school finance and other equalization formulas. Hence the plan we analyze differs somewhat from the true Finney plan.
3. Firms which qualify for enterprise zone benefits will continue to receive one sales tax exemption, an exemption for machinery and equipment. The construction exemption will be removed. There may be a misinterpretation of the Finney plan here. In other words, the machinery and equipment exemption may also be removed. We will correct our simulations pending further information.
4. Except for the limited enterprise zone exemption, machinery and equipment will be subject to the sales tax.
5. Services used in construction will be subject to the sales tax.
6. Utilities used directly in production will be taxable.
7. Transportation services will be taxable.
8. Most business and personal services will be subject to the sales tax. Advertising will remain exempt.
9. For the purpose of property taxation, commercial property will be assessed at 30 percent of true market value, machinery and equipment at 20 percent. Inventories will remain exempt.
10. No changes will be made in the state sales tax rate or corporate income tax rate.
11. A detailed list of sales tax changes has been provided to us by Kansas Inc.

Major Assumptions for the Modified Rock-Martin Proposal

1. The second alternative tax plan which we investigate is referred to as the Rock-Martin Proposal. The three major thrusts of the proposal include a) increased taxation of services and removal of sales tax exemptions, although not to the extent proposed by Governor Finney; b) changes in the property tax assessment rates, including a return of inventories to the tax rolls; c) an overall reduction in property tax rates of about 20 percent.
2. Our simulations assume that a 20 percent decrease in property taxes will be applied uniformly to all taxing jurisdictions in the state.
3. Firms which qualify for enterprise zone benefits will continue to receive one sales tax exemption, an exemption for machinery and equipment. The construction exemption will be removed. There may be a misinterpretation of the Rock-Martin plan here. In other words, the machinery and equipment exemption may also be removed. We will correct our simulations pending further information.
4. Except for the limited enterprise zone exemption, machinery and equipment will be subject to the sales tax.
5. Services used in construction will be subject to the sales tax.
6. Utilities used directly in production will be exempt (in contrast with Finney plan).
7. Transportation services will be exempt (in contrast with Finney plan).
8. Many business and personal services will be subject to the sales tax. Advertising and insurance remain exempt. Similarly to the Finney plan, the Rock-Martin plan calls for the taxation of financial services.
9. For the purpose of property taxation, commercial property will be assessed at 20 percent of true market value (a decrease from 30 percent), machinery and equipment at 30 percent (an increase from 20 percent), and inventories at 30 percent (an increase from 0 percent).
10. No changes will be made in the state sales tax rate or corporate income tax rate.
11. A detailed list of sales tax changes has been provided to us by Kansas Inc.

Major Assumptions for the 1990 House Tax Proposal

1. The third alternative tax plan which we investigate is similar to a bill which passed the Kansas House in 1990. The plan proposes five major tax changes: a) taxation of personal services, and limited removals of sales tax exemptions; b) changes in the property tax assessment rates, retaining the exemption for inventories; c) an overall reduction in property tax rates of about 20 percent; d) an increase in the state sales tax rate; e) an increase in the corporate income tax rate.
2. Our simulations assume that a 20 percent decrease in property taxes will be applied uniformly to all taxing jurisdictions in the state.
3. Firms which qualify for enterprise zone benefits will continue to receive one sales tax exemption, an exemption for machinery and equipment. The construction exemption will be removed (same as Rock-martin and Finney plans).
4. All machinery and equipment used directly in manufacturing, storing, warehousing, and distribution will be exempt from the sales tax same as current law).
5. Services used in the original construction of a structure will be exempt from the sales tax (same as current law).
6. Utilities used directly in production will be exempt from the sales tax (same as current law, in contrast with Finney plan).
7. Transportation services will be exempt (same as current law, in contrast with Finney plan).
8. Most personal services will be subject to the sales tax. Many business services will be exempt (advertising, insurance, data processing, legal). Selected financial services will be taxed.
9. For the purpose of property taxation, commercial property will be assessed at 25 percent of true market value (a decrease from 30 percent), machinery and equipment at 30 percent (an increase from 20 percent). Inventories will remain exempt.
10. The state sales tax rate will increase to 5 percent.
11. The corporate income tax will increase by 10 percent.
12. A detailed list of sales tax changes has been provided to us by Kansas Inc.

Results of the Tax Simulations

1. Results of the tax simulations are summarized in Tables R1 through R4. The tables include averages for the manufacturing firms included in the study and for the service type firms. The situations of new firms and established firms are displayed separately. Detailed tables showing tax changes by industry, location, and tax alternative are included at the back of this report.

2. (*New Firms*) All three of the alternative tax plans increase the tax liability of a new firm.

The Finney and Rock-Martin plans result in average tax increases of about 5 percent for manufacturing firms and 3 percent for service type firms. Large sales tax increases for new firms occur under both plans. Contributing to the increase are the removal of exemptions for new construction (materials and labor) in enterprise zones and the taxation of business services. Both manufacturing and service firms receive a 33 percent decrease in property taxes under the Finney plan. Under the Rock-Martin plan, the impact on property taxes depends on the composition of the firm's assets (commercial real estate, machinery and equipment, and inventories). Firms with a relatively high percentage of commercial real estate (e.g. data processing) experience an overall property tax reduction, while firms with a relatively high proportion of inventories (e.g. wholesale) experience a property tax increase.

The 1990 House plan results on average in a 1 to 2 percent increase in taxes for new firm. The House Plan targets most new sales taxes at consumers rather than at firms. For service type firms, the impact of rate increases in income and sales taxes are approximately balanced by a reduction in property taxes. For manufacturing firms, the increased assessment ratio for machinery and equipment results in a slight overall increase in property taxes.

It should be pointed out, however, that the dollar value of property tax changes is fairly small under all tax alternatives. The firms are already assumed to be receiving a 100 percent, 10 year tax abatement, so property taxes remain a small percentage of the new firm's overall tax liability.

[Note: if machinery and equipment purchases in enterprise zones are taxed, the Finney and Rock-Martin plans will result in even higher taxes for new firms. We are in the process of checking this assumption.]

3. (*Established Firms*) For the established firms included in this study, the Finney tax plan results in little overall change in taxes. The 1990 House plan results in tax increases averaging about 1 percent, while the Rock-Martin plan results in tax increases on the order of 3 to 5 percent.

For the sample of firms included in this study, the Finney tax plan comes very close to balancing increases in sales taxes on services and other business purchases with reductions in property taxes. For example, manufacturing firms in medium sized cities experience an average

\$1024 per employee increase in sales taxes and an average \$1087 per employee decrease in property taxes. However, the trade-off for specific industries varies widely, depending on volume of services used and on the firm's capital intensity.

The Rock-Martin plan provides the least favorable alternative for the mixture of firms included in this study. With only one exception (services in Johnson County), the plan leads to a higher overall level of property taxation despite the 20 percent drop in rates. The result follows directly from the choice of firms in our model. The firms tend to have high ratios of machinery and equipment per employee (manufacturing), high levels of inventories per employee (wholesale and retail) or both (pharmaceuticals).

In comparison with the baseline simulations, the 1990 House plan results in very small overall tax changes for the average established manufacturing or service firm. For manufacturing firms, sales taxes increase by about \$90 per employee per year. Property taxes fall by about \$30 per year in urban areas and rise by about \$120 per year in medium and small cities. The value of land constitutes a larger percentage of total property in large cities than in smaller communities, resulting in a larger impact of any reduction in the assessment ratio on commercial real estate. On average, the service firms in our sample experience an decrease in property taxes sufficient to offset any increase in sales taxes on services.

4. Unfortunately, our results cannot determine the impact of any of the alternative tax plans on an "average" Kansas business. Many if not most Kansas businesses are small firms oriented toward local markets. It is likely that these firms are less intensive in their use of machinery and equipment than the firms illustrated by the study. A shift in property taxes from commercial real estate to business machinery and equipment and perhaps inventories will have a more favorable short run impact on these firms than on the manufacturers and export oriented service firms represented by the study. The shifting assumptions discussed earlier in this study are also crucially important for locally oriented firms. It is unlikely that they will absorb the entire impact of a tax change, since they probably maintain some local monopoly power over price. That is, they can pass some of a change in costs on to their consumers.

5. Our simulations look only at uniformly applied decreases in property taxes. The simulations would look quite different if property tax relief were to vary by location.

6. The focus of our study has been on Kansas export oriented or "basic" industries. And perhaps the focus is appropriate. Most theories of regional growth stress the importance of basic industries for the overall economic health of an area. To simplify, basic industries sell their goods and services to customers outside the state. In the process of doing so, they "import" money which is used to pay suppliers and employees. These funds in turn recirculate within the community, providing demand for local services such as housing, retailing, and restaurants.

Table R-1
Taxes per Employee for New Firms Located in Enterprise Zones
Comparison of Alternative Tax Plans with Baseline Simulations
Manufacturing Firms

	Baseline	Finney	Finney % Base	Rock-Mart	Rock-Mart % Base	House 90	House 90 % Base
Urban Areas							
Federal Income Tax	\$7,882	\$7,518	95.4%	\$7,538	95.6%	\$7,826	99.3%
State Income Tax	\$633	\$608	96.0%	\$604	95.4%	\$700	110.6%
Unemploy. and Workers' Comp.	\$850	\$850	100.0%	\$850	100.0%	\$850	100.0%
Property	\$669	\$448	67.0%	\$726	108.5%	\$664	99.3%
Franchise	\$45	\$45	100.0%	\$45	100.0%	\$45	100.0%
Sales	\$190	\$1,408	742.2%	\$1,073	565.5%	\$337	177.5%
Total Taxes	\$10,269	\$10,877	105.9%	\$10,835	105.5%	\$10,422	101.5%
Medium Sized Cities							
Federal Income Tax	\$9,535	\$9,176	96.2%	\$9,182	96.3%	\$9,472	99.3%
State Income Tax	\$783	\$755	96.3%	\$750	95.8%	\$874	111.5%
Unemploy. and Workers' Comp.	\$714	\$714	100.0%	\$714	100.0%	\$714	100.0%
Property	\$633	\$424	67.0%	\$731	115.4%	\$654	103.3%
Franchise	\$43	\$43	100.0%	\$43	100.0%	\$43	100.0%
Sales	\$187	\$1,383	738.4%	\$1,058	564.5%	\$330	176.0%
Total Taxes	\$11,896	\$12,495	105.0%	\$12,478	104.9%	\$12,087	101.6%
Small Sized Cities							
Federal Income Tax	\$9,863	\$9,512	96.4%	\$9,506	96.4%	\$9,799	99.3%
State Income Tax	\$814	\$784	96.3%	\$778	95.5%	\$915	112.4%
Unemploy. and Workers' Comp.	\$666	\$666	100.0%	\$666	100.0%	\$666	100.0%
Property	\$745	\$499	67.0%	\$864	116.0%	\$772	103.7%
Franchise	\$43	\$43	100.0%	\$43	100.0%	\$43	100.0%
Sales	\$192	\$1,405	730.1%	\$1,059	550.2%	\$334	173.7%
Total Taxes	\$12,324	\$12,909	104.8%	\$12,915	104.8%	\$12,529	101.7%

Attachment 1-14

Table R-2
Taxes per Employee for New Firms Located in Enterprise Zones
Comparison of Alternative Tax Plans with Baseline Simulations
Service, Wholesale, and Retail Firms

	Baseline	Finney	Finney % Base	Rock-Mart % Base	Rock-Mart % Base	House 90	House 90 % Base
Urban Areas							
Federal Income Tax	\$7,583	\$7,415	97.8%	\$7,422	97.9%	\$7,556	99.6%
State Income Tax	\$444	\$433	97.5%	\$431	97.1%	\$486	109.5%
Unemploy. and Workers' Comp.	\$601	\$601	100.0%	\$601	100.0%	\$601	100.0%
Property	\$1,062	\$712	67.0%	\$947	89.2%	\$936	88.1%
Franchise	\$32	\$32	100.0%	\$32	100.0%	\$32	100.0%
Sales	\$440	\$1,331	302.2%	\$1,067	242.4%	\$597	135.5%
Total Taxes	\$10,162	\$10,523	103.5%	\$10,500	103.3%	\$10,207	100.4%
Medium Sized Cities							
Federal Income Tax	\$8,615	\$8,449	98.1%	\$8,449	98.1%	\$8,581	99.6%
State Income Tax	\$524	\$513	97.8%	\$510	97.4%	\$582	111.0%
Unemploy. and Workers' Comp.	\$505	\$505	100.0%	\$505	100.0%	\$505	100.0%
Property	\$1,008	\$675	67.0%	\$936	92.8%	\$911	90.4%
Franchise	\$29	\$29	100.0%	\$29	100.0%	\$29	100.0%
Sales	\$439	\$1,320	300.6%	\$1,057	240.7%	\$592	134.9%
Total Taxes	\$11,120	\$11,490	103.3%	\$11,486	103.3%	\$11,199	100.7%
Small Sized Cities							
Federal Income Tax	\$8,916	\$8,758	98.2%	\$8,750	98.1%	\$8,883	99.6%
State Income Tax	\$549	\$537	97.7%	\$533	97.1%	\$613	111.6%
Unemploy. and Workers' Comp.	\$471	\$471	100.0%	\$471	100.0%	\$471	100.0%
Property	\$1,186	\$795	67.0%	\$1,105	93.2%	\$1,074	90.6%
Franchise	\$28	\$28	100.0%	\$28	100.0%	\$28	100.0%
Sales	\$443	\$1,324	298.6%	\$1,058	238.6%	\$596	134.5%
Total Taxes	\$11,594	\$11,913	102.8%	\$11,946	103.0%	\$11,666	100.6%

Attachment I-15

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Table R-3
Taxes per Employee for Established Firms
Comparison of Alternative Tax Plans with Baseline Simulations
Manufacturing Firms

	Baseline	Finney	Finney % Base	Rock-Mart	Rock-Mart % Base	House 90	House 90 % Base
Urban Areas							
Federal Income Tax	\$6,926	\$6,965	100.6%	\$6,588	95.1%	\$6,907	99.7%
State Income Tax	\$951	\$957	100.6%	\$904	95.1%	\$1,044	109.7%
Unemploy. and Workers' Comp.	\$850	\$850	100.0%	\$850	100.0%	\$850	100.0%
Property	\$3,480	\$2,332	67.0%	\$3,777	108.5%	\$3,454	99.3%
Franchise	\$45	\$45	100.0%	\$45	100.0%	\$45	100.0%
Sales	\$190	\$1,223	644.7%	\$888	468.0%	\$274	144.5%
Total Taxes	\$12,442	\$12,372	99.4%	\$13,052	104.9%	\$12,574	101.1%
Medium Sized Cities							
Federal Income Tax	\$8,630	\$8,651	100.2%	\$8,220	95.2%	\$8,565	99.2%
State Income Tax	\$1,188	\$1,191	100.3%	\$1,131	95.2%	\$1,297	109.2%
Unemploy. and Workers' Comp.	\$714	\$714	100.0%	\$714	100.0%	\$714	100.0%
Property	\$3,294	\$2,207	67.0%	\$3,802	115.4%	\$3,404	103.3%
Franchise	\$43	\$43	100.0%	\$43	100.0%	\$43	100.0%
Sales	\$187	\$1,211	646.5%	\$886	472.6%	\$271	144.9%
Total Taxes	\$14,057	\$14,018	99.7%	\$14,796	105.3%	\$14,294	101.7%
Small Sized Cities							
Federal Income Tax	\$8,799	\$8,878	100.9%	\$8,350	94.9%	\$8,722	99.1%
State Income Tax	\$1,211	\$1,223	100.9%	\$1,149	94.9%	\$1,321	109.0%
Unemploy. and Workers' Comp.	\$666	\$666	100.0%	\$666	100.0%	\$666	100.0%
Property	\$3,877	\$2,597	67.0%	\$4,497	116.0%	\$4,019	103.7%
Franchise	\$43	\$43	100.0%	\$43	100.0%	\$43	100.0%
Sales	\$192	\$1,237	642.6%	\$891	462.8%	\$277	144.0%
Total Taxes	\$14,788	\$14,644	99.0%	\$15,596	105.5%	\$15,048	101.8%

Attachment 1-16

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Table R-4
Taxes per Employee for Established Firms
Comparison of Alternative Tax Plans with Baseline Simulations
Service, Wholesale, and Retail Firms

	Baseline	Finney	Finney Rock-Mart % Base	Rock-Mart % Base	House 90	House 90 % Base	
Urban Areas							
Federal Income Tax	\$7,153	\$7,184	100.4%	\$7,024	98.2%	\$7,169	100.2%
State Income Tax	\$605	\$610	100.8%	\$588	97.1%	\$668	110.4%
Unemploy. and Workers' Comp.	\$601	\$601	100.0%	\$601	100.0%	\$601	100.0%
Property	\$2,335	\$1,565	67.0%	\$2,293	98.2%	\$2,137	91.5%
Franchise	\$32	\$32	100.0%	\$32	100.0%	\$32	100.0%
Sales	\$376	\$1,131	300.9%	\$867	230.7%	\$481	127.9%
Total Taxes	\$11,103	\$11,123	100.2%	\$11,406	102.7%	\$11,088	99.9%
Medium Sized Cities							
Federal Income Tax	\$8,220	\$8,237	100.2%	\$8,051	97.9%	\$8,209	99.9%
State Income Tax	\$744	\$747	100.4%	\$721	96.9%	\$816	109.7%
Unemploy. and Workers' Comp.	\$505	\$505	100.0%	\$505	100.0%	\$505	100.0%
Property	\$2,178	\$1,459	67.0%	\$2,270	104.2%	\$2,066	94.9%
Franchise	\$29	\$29	100.0%	\$29	100.0%	\$29	100.0%
Sales	\$375	\$1,129	301.3%	\$866	231.2%	\$479	127.9%
Total Taxes	\$12,050	\$12,105	100.5%	\$12,441	103.2%	\$12,104	100.4%
Small Sized Cities							
Federal Income Tax	\$8,452	\$8,499	100.6%	\$8,268	97.8%	\$8,440	99.9%
State Income Tax	\$774	\$781	100.9%	\$749	96.7%	\$850	109.7%
Unemploy. and Workers' Comp.	\$471	\$471	100.0%	\$471	100.0%	\$471	100.0%
Property	\$2,559	\$1,715	67.0%	\$2,681	104.8%	\$2,435	95.2%
Franchise	\$28	\$28	100.0%	\$28	100.0%	\$28	100.0%
Sales	\$379	\$1,137	299.7%	\$871	229.6%	\$484	127.7%
Total Taxes	\$12,663	\$12,630	99.7%	\$13,068	103.2%	\$12,709	100.4%

Attachment 1-17

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Industry Profiles

The following tables detail the assumptions made for each of the 16 industries included in our study. Each of the changes in tax structure that we have investigated involves increasing some taxes (for example, the sales tax) and decreasing other taxes (for example, the property tax). The impact on any particular firm will depend on the types of inputs that it uses (services and utilities) and on the structure of its assets (the overall capital intensity of the firm, and the proportions of real estate, machinery and equipment, and inventories. Some guidelines for looking at the firm profiles include:

1. If the firm uses utilities intensely, it will experience a large impact from the imposition of sales taxes on utilities used in production (Finney plan)
2. If the firm uses a large amount of purchased services, it will experience a large increase in sales taxes under the Finney plan and to a lesser extent under the Rock-Martin plan.
3. If the firm has a large amount of depreciable assets, particularly machinery and equipment, the level of replacement investment at the firm will probably be high. Manufacturing, distribution, and research firms will be hit hard by the removal of the sales tax exemption for machinery and equipment.
4. If a new firm makes a large investment in buildings, it will experience a large impact from the removal of the sales tax exemption for construction services.
5. If the firm operates with a high level of property per employee (high capital/labor ratio), it will experience a large decrease in property taxes under an across the board cut in property tax rates.
6. If the firm maintains a high proportion of machinery and equipment relative to real estate, it is likely to be hurt by a shift in assessment ratios such as under the Rock-Martin plan. The result holds even when property tax rates are reduced.

Industry 201: Meat Products

LOCATION	Medium City
SIC CODE	201
INDUSTRY	Meat Prod.
NUMBER OF EMPLOYEES	50
ANNUAL SALES	\$10,918,584
ANNUAL COSTS	\$9,992,868
Payroll	\$661,856
Production	\$498,835
Other	\$163,021
Employer's Soc. Sec. Payments	\$50,632
Cost of Employee Benefits	\$184,568
Cost of Materials	\$8,768,013
Electricity	\$77,362
Gas	\$34,781
Water	\$21,300
Purchased Services	\$100,921
Trucking and Warehousing	\$12,920
Advertising	\$12,059
Legal	\$2,871
Finance, Insurance, Real Estate	\$26,415
Business Services	\$10,193
Depreciation (annual average)	\$240,141
Repair and Rental Payments	\$5,312
Interest Payments	\$155,502
Other Costs or Revenue	(\$174,076)
ASSET COSTS (excluding sales taxes)	
Land	\$15,127
Buildings	\$623,000
Machinery	\$2,644,700
Inventory	\$319,625
MACHINERY AND BUILDING PER EMP.	\$65,354
INVENTORY PER EMP.	\$6,392
PURCHASED SERVICES PER EMP.	\$2,018

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GRAIN MILL

Industry 204: Meat Products	
LOCATION	Medium City
SIC CODE	204
INDUSTRY	Grain Mill
NUMBER OF EMPLOYEES	50
ANNUAL SALES	\$17,418,698
ANNUAL COSTS	\$16,351,273
Payroll	\$1,044,183
Production	\$679,659
Other	\$364,524
Employer's Soc. Sec. Payments	\$79,880
Cost of Employee Benefits	\$295,403
Cost of Materials	\$10,248,313
Electricity	\$262,275
Gas	\$142,904
Water	\$53,850
Purchased Services	\$562,917
Trucking and Warehousing	\$228,566
Advertising	\$6,526
Legal	\$4,553
Finance, Insurance, Real Estate	\$65,413
Business Services	\$18,971
Depreciation (annual average)	\$158,278
Repair and Rental Payments	\$22,614
Interest Payments	\$147,365
Other Costs or Revenue	\$3,792,320
ASSET COSTS (excluding sales taxes)	
Land	\$21,026
Buildings	\$865,952
Machinery	\$2,224,070
Inventory	\$1,096,488
MACHINERY AND BUILDING PER EMP.	\$61,800
INVENTORY PER EMP.	\$21,930
PURCHASED SERVICES PER EMP.	\$11,258

Industry 267: Misc. Converted Paper Products

LOCATION	Medium City
SIC CODE	267
INDUSTRY	Paper Prod.
NUMBER OF EMPLOYEES	50
ANNUAL SALES	\$7,824,640
ANNUAL COSTS	\$6,728,258
Payroll	\$948,457
Production	\$633,704
Other	\$314,753
Employer's Soc. Sec. Payments	\$72,557
Cost of Employee Benefits	\$256,851
Cost of Materials	\$4,077,210
Electricity	\$99,073
Gas	\$26,400
Water	\$19,337
Purchased Services	\$702,409
Trucking and Warehousing	\$229,948
Advertising	\$42,434
Legal	\$7,823
Finance, Insurance, Real Estate	\$104,306
Business Services	\$85,105
Depreciation (annual average)	\$204,592
Repair and Rental Payments	\$12,564
Interest Payments	\$159,963
Other Costs or Revenue	\$293,656
ASSET COSTS (excluding sales taxes)	
Land	\$45,695
Buildings	\$1,881,958
Machinery	\$1,449,340
Inventory	\$896,052
MACHINERY AND BUILDING PER EMP.	\$66,626
INVENTORY PER EMP.	\$17,921
PURCHASED SERVICES PER EMP.	\$14,048

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Industry Table 3

Attachment 1-21

Industry 275: Commercial Printing

LOCATION	Medium City
SIC CODE	275
INDUSTRY	Print, Pub.
NUMBER OF EMPLOYEES	50
ANNUAL SALES	\$3,843,352
ANNUAL COSTS	\$2,458,586
Payroll	\$882,141
Production	\$574,260
Other	\$307,880
Employer's Soc. Sec. Payments	\$67,484
Cost of Employee Benefits	\$180,966
Cost of Materials	\$1,674,970
Electricity	\$39,180
Gas	\$11,820
Water	\$0
Purchased Services	\$593,834
Trucking and Warehousing	\$11,218
Advertising	\$195,902
Legal	\$3,220
Finance, Insurance, Real Estate	\$32,616
Business Services	\$8,829
Depreciation (annual average)	\$395,667
Repair and Rental Payments	\$519
Interest Payments	\$250,274
Other Costs or Revenue	(\$1,587,268)
ASSET COSTS (excluding sales taxes)	
Land	\$33,468
Buildings	\$1,378,396
Machinery	\$3,871,690
Inventory	\$298,131
MACHINERY AND BUILDING PER EMP.	\$105,002
INVENTORY PER EMP.	\$5,963
PURCHASED SERVICES PER EMP.	\$11,877

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Industry Table 4

Attachment 1-22

Industry 283: Pharmaceuticals

LOCATION	Medium City
SIC CODE	283
INDUSTRY	Drugs
NUMBER OF EMPLOYEES	50
ANNUAL SALES	\$10,373,086
ANNUAL COSTS	\$8,415,356
Payroll	\$1,223,089
Production	\$445,479
Other	\$777,610
Employer's Soc. Sec. Payments	\$93,566
Cost of Employee Benefits	\$321,187
Cost of Materials	\$3,012,540
Electricity	\$94,896
Gas	\$36,125
Water	\$39,870
Purchased Services	\$2,417,895
Trucking and Warehousing	\$135,767
Advertising	\$870,267
Legal	\$23,445
Finance, Insurance, Real Estate	\$523,052
Business Services	\$105,576
Depreciation (annual average)	\$750,684
Repair and Rental Payments	\$24,625
Interest Payments	\$371,139
Other Costs or Revenue	\$200,630
ASSET COSTS (excluding sales taxes)	
Land	\$23,627
Buildings	\$973,073
Machinery	\$6,838,460
Inventory	\$1,379,596
MACHINERY AND BUILDING PER EMP.	\$156,231
INVENTORY PER EMP.	\$27,592
PURCHASED SERVICES PER EMP.	\$48,358

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Industry 307: Misc. Plastic Products

LOCATION	Medium City
SIC CODE	307
INDUSTRY	Plastics
NUMBER OF EMPLOYEES	50
ANNUAL SALES	\$4,771,931
ANNUAL COSTS	\$3,864,947
Payroll	\$787,084
Production	\$512,789
Other	\$274,295
Employer's Soc. Sec. Payments	\$60,212
Cost of Employee Benefits	\$205,179
Cost of Materials	\$2,368,476
Electricity	\$136,699
Gas	\$19,989
Water	\$7,278
Purchased Services	\$369,883
Trucking and Warehousing	\$100,643
Advertising	\$38,101
Legal	\$6,402
Finance, Insurance, Real Estate	\$68,933
Business Services	\$13,626
Depreciation (annual average)	\$164,717
Repair and Rental Payments	\$14,971
Interest Payments	\$132,718
Other Costs or Revenue	(\$238,294)
ASSET COSTS (excluding sales taxes)	
Land	\$35,579
Buildings	\$1,465,314
Machinery	\$1,300,930
Inventory	\$532,737
MACHINERY AND BUILDING PER EMP.	\$55,325
INVENTORY PER EMP.	\$10,655
PURCHASED SERVICES PER EMP.	\$7,398

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Industry 344: Fabricated Structural Metals

LOCATION	Medium City
SIC CODE	344
INDUSTRY	Metals
NUMBER OF EMPLOYEES	50
ANNUAL SALES	\$4,821,850
ANNUAL COSTS	\$3,383,174
Payroll	\$885,412
Production	\$543,774
Other	\$341,638
Employer's Soc. Sec. Payments	\$67,734
Cost of Employee Benefits	\$229,910
Cost of Materials	\$2,662,849
Electricity	\$39,769
Gas	\$16,781
Water	\$1,211
Purchased Services	\$318,886
Trucking and Warehousing	\$69,121
Advertising	\$18,400
Legal	\$5,600
Finance, Insurance, Real Estate	\$47,521
Business Services	\$13,280
Depreciation (annual average)	\$406,046
Repair and Rental Payments	\$8,160
Interest Payments	\$259,516
Other Costs or Revenue	(\$1,455,339)
ASSET COSTS (excluding sales taxes)	
Land	\$22,856
Buildings	\$941,335
Machinery	\$4,514,470
Inventory	\$720,963
MACHINERY AND BUILDING PER EMP.	\$109,116
INVENTORY PER EMP.	\$14,419
PURCHASED SERVICES PER EMP.	\$6,378

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Industry 353: Construction Machinery Mfg.

LOCATION	Medium City
SIC CODE	353
INDUSTRY	Const. Mach.
NUMBER OF EMPLOYEES	50
ANNUAL SALES	\$6,195,700
ANNUAL COSTS	\$4,768,027
Payroll	\$1,081,611
Production	\$575,938
Other	\$505,673
Employer's Soc. Sec. Payments	\$82,743
Cost of Employee Benefits	\$330,650
Cost of Materials	\$3,198,437
Electricity	\$61,591
Gas	\$19,053
Water	\$2,554
Purchased Services	\$374,376
Trucking and Warehousing	\$71,079
Advertising	\$39,704
Legal	\$10,652
Finance, Insurance, Real Estate	\$60,427
Business Services	\$29,439
Depreciation (annual average)	\$574,126
Repair and Rental Payments	\$22,660
Interest Payments	\$233,742
Other Costs or Revenue	(\$1,130,319)
ASSET COSTS (excluding sales taxes)	
Land	\$43,369
Buildings	\$1,786,159
Machinery	\$3,105,030
Inventory	\$1,630,889
MACHINERY AND BUILDING PER EMP.	\$97,824
INVENTORY PER EMP.	\$32,618
PURCHASED SERVICES PER EMP.	\$7,488

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Industry 367: Electronic Components and Access.

LOCATION	Medium City
SIC CODE	367
INDUSTRY	Electronics
NUMBER OF EMPLOYEES	50
ANNUAL SALES	\$4,062,036
ANNUAL COSTS	\$2,390,685
Payroll	\$973,844
Production	\$438,377
Other	\$535,467
Employer's Soc. Sec. Payments	\$74,499
Cost of Employee Benefits	\$252,322
Cost of Materials	\$1,526,812
Electricity	\$67,191
Gas	\$8,818
Water	\$3,340
Purchased Services	\$748,608
Trucking and Warehousing	\$110,337
Advertising	\$24,735
Legal	\$21,810
Finance, Insurance, Real Estate	\$103,551
Business Services	\$66,349
Depreciation (annual average)	\$1,024,765
Repair and Rental Payments	\$20,790
Interest Payments	\$324,522
Other Costs or Revenue	(\$2,555,478)
ASSET COSTS (excluding sales taxes)	
Land	\$20,448
Buildings	\$842,154
Machinery	\$5,988,410
Inventory	\$699,187
MACHINERY AND BUILDING PER EMP.	\$136,611
INVENTORY PER EMP.	\$13,984
PURCHASED SERVICES PER EMP.	\$14,972

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Industry 371: Motor Vehicles and Equipment

LOCATION	Medium City
SIC CODE	371
INDUSTRY	Motor V., Equip
NUMBER OF EMPLOYEES	50
ANNUAL SALES	\$13,194,056
ANNUAL COSTS	\$10,260,311
Payroll	\$1,308,969
Production	\$1,014,042
Other	\$294,927
Employer's Soc. Sec. Payments	\$100,136
Cost of Employee Benefits	\$476,071
Cost of Materials	\$9,098,404
Electricity	\$87,733
Gas	\$27,255
Water	\$7,874
Purchased Services	\$1,484,928
Trucking and Warehousing	\$133,453
Advertising	\$13,237
Legal	\$9,861
Finance, Insurance, Real Estate	\$75,207
Business Services	\$44,007
Depreciation (annual average)	\$919,900
Repair and Rental Payments	\$30,422
Interest Payments	\$576,745
Other Costs or Revenue	(\$3,735,264)
ASSET COSTS (excluding sales taxes)	
Land	\$42,874
Buildings	\$1,765,760
Machinery	\$10,367,100
Inventory	\$764,541
MACHINERY AND BUILDING PER EMP.	\$242,657
INVENTORY PER EMP.	\$15,291
PURCHASED SERVICES PER EMP.	\$29,699

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Industry 481: Telecommunications Office Facility

LOCATION	Medium City
SIC CODE	481
INDUSTRY	Telecom.
NUMBER OF EMPLOYEES	50
ANNUAL SALES	\$7,938,650
ANNUAL COSTS	\$6,896,250
Payroll	\$1,332,670
Production	\$1,332,670
Other	\$0
Employer's Soc. Sec. Payments	\$101,949
Cost of Employee Benefits	\$314,400
Cost of Materials	\$1,022,550
Electricity	\$76,760
Gas	\$2,573
Water	\$3,217
Purchased Services	\$860,866
Trucking and Warehousing	\$80,742
Advertising	\$23,789
Legal	\$64,806
Finance, Insurance, Real Estate	\$166,090
Business Services	\$41,382
Depreciation (annual average)	\$295,712
Repair and Rental Payments	\$14,876
Interest Payments	\$149,411
Other Costs or Revenue	\$2,803,816
ASSET COSTS (excluding sales taxes)	
Land	\$11,583
Buildings	\$477,040
Machinery	\$2,665,600
Inventory	\$39,693
MACHINERY AND BUILDING PER EMP.	\$62,853
INVENTORY PER EMP.	\$794
PURCHASED SERVICES PER EMP.	\$17,217

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Industry 508: Wholesale Trade in Durable Goods

LOCATION	Medium City
SIC CODE	508
INDUSTRY	Wholesale
NUMBER OF EMPLOYEES	50
ANNUAL SALES	\$9,067,050
ANNUAL COSTS	\$7,987,666
Payroll	\$925,581
Production	\$925,581
Other	\$0
Employer's Soc. Sec. Payments	\$70,807
Cost of Employee Benefits	\$88,500
Cost of Materials	\$8,111,150
Electricity	\$44,829
Gas	\$17,115
Water	\$476
Purchased Services	\$997,633
Trucking and Warehousing	\$117,054
Advertising	\$98,355
Legal	\$28,253
Finance, Insurance, Real Estate	\$158,456
Business Services	\$66,968
Depreciation (annual average)	\$179,020
Repair and Rental Payments	\$12,354
Interest Payments	\$151,338
Other Costs or Revenue	(\$2,548,716)
ASSET COSTS (excluding sales taxes)	
Land	\$52,037
Buildings	\$2,143,120
Machinery	\$999,750
Inventory	\$1,668,337
MACHINERY AND BUILDING PER EMP.	\$62,857
INVENTORY PER EMP.	\$33,367
PURCHASED SERVICES PER EMP.	\$19,953

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Industry 531: Retail Trade, Mass Merchandising

LOCATION	Medium City
SIC CODE	531
INDUSTRY	Retail
NUMBER OF EMPLOYEES	50
ANNUAL SALES	\$3,776,750
ANNUAL COSTS	\$3,129,144
Payroll	\$354,863
Production	\$354,863
Other	\$0
Employer's Soc. Sec. Payments	\$27,147
Cost of Employee Benefits	\$79,300
Cost of Materials	\$2,757,350
Electricity	\$40,061
Gas	\$4,570
Water	\$180
Purchased Services	\$345,598
Trucking and Warehousing	\$11,976
Advertising	\$89,279
Legal	\$24,470
Finance, Insurance, Real Estate	\$118,820
Business Services	\$14,363
Depreciation (annual average)	\$169,194
Repair and Rental Payments	\$4,946
Interest Payments	\$109,889
Other Costs or Revenue	(\$719,143)
ASSET COSTS (excluding sales taxes)	
Land	\$26,191
Buildings	\$1,078,680
Machinery	\$1,215,000
Inventory	\$1,087,704
MACHINERY AND BUILDING PER EMP.	\$45,874
INVENTORY PER EMP.	\$21,754
PURCHASED SERVICES PER EMP.	\$6,912

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Industry 737: Computer and Data Proc. Services

LOCATION	Medium City
SIC CODE	737
INDUSTRY	Data Proc.
NUMBER OF EMPLOYEES	50
ANNUAL SALES	\$3,463,200
ANNUAL COSTS	\$2,988,137
Payroll	\$1,018,703
Production	\$1,018,703
Other	\$0
Employer's Soc. Sec. Payments	\$77,931
Cost of Employee Benefits	\$93,400
Cost of Materials	\$113,500
Electricity	\$13,796
Gas	\$3,537
Water	\$195
Purchased Services	\$527,674
Trucking and Warehousing	\$21,710
Advertising	\$57,457
Legal	\$14,249
Finance, Insurance, Real Estate	\$86,519
Business Services	\$210,880
Depreciation (annual average)	\$82,528
Repair and Rental Payments	\$3,868
Interest Payments	\$40,545
Other Costs or Revenue	\$1,029,988
ASSET COSTS (excluding sales taxes)	
Land	\$10,502
Buildings	\$432,540
Machinery	\$412,900
Inventory	\$0
MACHINERY AND BUILDING PER EMP.	\$16,909
INVENTORY PER EMP.	\$0
PURCHASED SERVICES PER EMP.	\$10,553

Industry 873: Research, Devel., Testing Serv.

LOCATION	Medium City
SIC CODE	873
INDUSTRY	Research
NUMBER OF EMPLOYEES	50
ANNUAL SALES	\$3,491,200
ANNUAL COSTS	\$1,440,873
Payroll	\$1,130,802
Production	\$1,130,802
Other	\$0
Employer's Soc. Sec. Payments	\$86,506
Cost of Employee Benefits	\$103,700
Cost of Materials	\$1,101,500
Electricity	\$22,686
Gas	\$5,819
Water	\$218
Purchased Services	\$815,690
Trucking and Warehousing	\$123,844
Advertising	\$65,368
Legal	\$39,395
Finance, Insurance, Real Estate	\$137,538
Business Services	\$151,207
Depreciation (annual average)	\$1,289,552
Repair and Rental Payments	\$7,948
Interest Payments	\$405,465
Other Costs or Revenue	(\$3,500,290)
ASSET COSTS (excluding sales taxes)	
Land	\$23,944
Buildings	\$986,120
Machinery	\$7,549,750
Inventory	\$0
MACHINERY AND BUILDING PER EMP.	\$170,717
INVENTORY PER EMP.	\$0
PURCHASED SERVICES PER EMP.	\$16,314

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Industry HQ: Headquarters Facility

LOCATION	Medium City
SIC CODE	-
INDUSTRY	HQ
NUMBER OF EMPLOYEES	50
ANNUAL SALES	\$6,150,000
ANNUAL COSTS	\$5,297,299
Payroll	\$1,565,946
Production	\$1,565,946
Other	\$0
Employer's Soc. Sec. Payments	\$119,795
Cost of Employee Benefits	\$200,000
Cost of Materials	\$200,000
Electricity	\$76,760
Gas	\$2,573
Water	\$3,217
Purchased Services	\$860,866
Trucking and Warehousing	\$80,742
Advertising	\$23,789
Legal	\$64,806
Finance, Insurance, Real Estate	\$166,090
Business Services	\$41,382
Depreciation (annual average)	\$171,928
Repair and Rental Payments	\$14,876
Interest Payments	\$99,330
Other Costs or Revenue	\$2,064,558
ASSET COSTS (excluding sales taxes)	
Land	\$12,966
Buildings	\$534,000
Machinery	\$1,550,000
Inventory	\$30,750
MACHINERY AND BUILDING PER EMP.	\$41,680
INVENTORY PER EMP.	\$615
PURCHASED SERVICES PER EMP.	\$17,217

DRAFT

**Comparison of Finney Tax Plan with Baseline Tax Simulations
Johnson County: New Firms Located in Enterprise Zones**

Location	KC Johnson	KC Johnson	KC Johnson	KC Johnson	KC Johnson	KC Johnson	KC Johnson	KC Johnson	KC Johnson	KC Johnson	KC Johnson	KC Johnson	KC Johnson	KC Johnson	KC Johnson	KC Johnson	KC Johnson
Industry Code	201	204	267	275	283	307	344	353	367	371	481	508	531	737	873	-	-
Industry Name	Meat Prod.	Grain Mill	Paper Prod.	Print, Pub.	Drugs	Plastics	Metals Const.	Mach.	Electronics	Motor V., Eq	Telecom.	Wholesale	Retail	Data Proc.	Research	HQ	HQ

Baseline: No Tax Code Changes

Federal Taxable Income	\$689,456	\$750,069	\$821,479	\$1,133,549	\$1,624,924	\$672,229	\$1,166,902	\$1,116,346	\$1,405,063	\$2,520,405	\$2,885,320	\$795,060	\$520,549	\$228,476	\$1,696,440	\$696,684
Federal Income Tax	\$234,415	\$255,024	\$279,303	\$385,407	\$552,474	\$228,558	\$396,747	\$379,558	\$477,721	\$856,938	\$981,009	\$270,321	\$176,987	\$72,356	\$576,790	\$236,873
State Income Tax	\$18,767	\$20,467	\$22,365	\$31,048	\$44,721	\$18,244	\$32,012	\$30,553	\$38,615	\$69,564	\$39,322	\$21,611	\$14,042	\$6,097	\$46,645	\$8,587
Unemploy. and Workers' Comp.	\$70,897	\$54,055	\$27,946	\$27,520	\$22,717	\$38,022	\$55,940	\$37,432	\$21,157	\$60,815	\$44,610	\$46,097	\$17,673	\$21,862	\$24,400	\$22,100
Property	\$16,433	\$16,885	\$22,813	\$28,237	\$36,775	\$18,470	\$26,957	\$28,747	\$32,115	\$58,356	\$107,616	\$23,309	\$14,652	\$28,990	\$39,810	\$58,000
Franchise	\$1,870	\$1,834	\$2,205	\$2,500	\$2,500	\$1,808	\$2,500	\$2,500	\$2,500	\$2,500	\$1,769	\$2,169	\$1,466	\$549	\$2,500	\$1,225
Sales	\$5,308	\$8,922	\$4,691	\$5,971	\$14,514	\$4,584	\$6,867	\$10,146	\$17,285	\$16,339	\$39,275	\$3,132	\$7,637	\$3,911	\$64,497	\$13,504
Initial Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,094	\$0	\$0	\$0	\$0	\$0
Initial Mach. and Equip.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$18,319	\$0	\$0	\$0	\$0	\$0
Replace Mach. and Equip.	\$3,347	\$1,987	\$2,201	\$5,346	\$10,933	\$1,796	\$5,714	\$7,860	\$15,159	\$13,122	\$14,206	\$1,687	\$6,835	\$3,484	\$63,704	\$7,847
Utilities	\$1,655	\$5,635	\$1,767	\$596	\$2,165	\$1,927	\$684	\$983	\$931	\$1,468	\$4,801	\$734	\$518	\$205	\$336	\$4,801
Repairs	\$305	\$1,300	\$722	\$30	\$1,416	\$861	\$469	\$1,303	\$1,195	\$1,749	\$855	\$710	\$284	\$222	\$457	\$855
Other Purchased Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Taxes	\$347,689	\$357,187	\$359,323	\$480,683	\$673,702	\$309,686	\$521,023	\$488,934	\$589,394	\$1,064,511	\$1,213,601	\$366,638	\$232,457	\$133,766	\$754,642	\$340,288

Alternative: Finney Plan

Federal Taxable Income	\$669,022	\$688,860	\$761,707	\$1,092,191	\$1,512,339	\$633,802	\$1,134,738	\$1,066,508	\$1,328,424	\$2,457,702	\$2,884,010	\$727,879	\$498,133	\$207,071	\$1,658,577	\$692,658
Federal Income Tax	\$227,468	\$234,212	\$258,981	\$371,345	\$514,195	\$215,493	\$385,811	\$362,613	\$451,664	\$835,619	\$980,563	\$247,474	\$169,365	\$64,008	\$563,916	\$235,504
State Income Tax	\$18,312	\$18,876	\$20,887	\$30,102	\$41,800	\$17,326	\$31,300	\$29,381	\$36,667	\$68,173	\$39,303	\$19,938	\$13,540	\$5,510	\$45,864	\$8,536
Unemploy. and Workers' Comp.	\$70,897	\$54,055	\$27,946	\$27,520	\$22,717	\$38,022	\$55,940	\$37,432	\$21,157	\$60,815	\$44,610	\$46,097	\$17,673	\$21,862	\$24,400	\$22,100
Property	\$11,010	\$11,313	\$15,285	\$18,919	\$24,639	\$12,375	\$18,061	\$19,260	\$21,517	\$39,098	\$72,103	\$15,617	\$9,817	\$19,423	\$26,673	\$38,860
Franchise	\$1,870	\$1,834	\$2,205	\$2,500	\$2,500	\$1,808	\$2,500	\$2,500	\$2,500	\$2,500	\$1,769	\$2,169	\$1,466	\$549	\$2,500	\$1,225
Sales	\$29,277	\$73,080	\$66,289	\$52,472	\$136,287	\$44,667	\$45,075	\$64,059	\$101,970	\$92,949	\$87,221	\$71,512	\$31,621	\$33,572	\$112,510	\$64,029
Initial Construction	\$4,763	\$6,620	\$14,387	\$10,537	\$7,439	\$11,202	\$7,196	\$13,655	\$6,438	\$13,499	\$3,647	\$16,383	\$8,246	\$3,307	\$7,539	\$4,082
Initial Mach. and Equip.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$18,319	\$0	\$0	\$0	\$0	\$0
Replace Mach. and Equip.	\$11,158	\$6,623	\$7,338	\$17,819	\$36,444	\$5,988	\$19,046	\$26,200	\$50,530	\$43,738	\$14,206	\$5,624	\$6,835	\$3,484	\$63,704	\$7,847
Utilities	\$8,276	\$28,174	\$8,837	\$2,979	\$10,824	\$9,636	\$3,418	\$4,913	\$4,655	\$7,340	\$4,801	\$3,670	\$2,590	\$1,025	\$1,678	\$4,801
Repairs	\$305	\$1,300	\$722	\$30	\$1,416	\$861	\$469	\$1,303	\$1,195	\$1,749	\$855	\$710	\$284	\$222	\$457	\$855
Other Purchased Services	\$4,776	\$30,363	\$35,005	\$21,107	\$80,164	\$16,980	\$14,945	\$17,988	\$39,153	\$26,623	\$45,393	\$45,124	\$13,666	\$25,534	\$39,132	\$46,444
Total Taxes	\$358,833	\$393,371	\$391,593	\$502,857	\$742,139	\$329,691	\$538,688	\$515,244	\$635,476	\$1,099,154	\$1,225,569	\$402,811	\$243,482	\$144,924	\$775,862	\$370,254

Comparison: Alternative as % of Baseline

Federal Income Tax	97.0%	91.8%	92.7%	96.4%	93.1%	94.3%	97.2%	95.5%	94.5%	97.5%	100.0%	91.6%	95.7%	88.5%	97.8%	99.4%
State Income Tax	97.6%	92.2%	93.4%	97.0%	93.5%	95.0%	97.8%	96.2%	95.0%	98.0%	100.0%	92.3%	96.4%	90.4%	98.3%	99.4%
Unemploy. and Workers' Comp.	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Property	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%
Franchise	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Sales	551.6%	819.1%	1413.1%	878.7%	939.0%	974.3%	656.4%	631.4%	589.9%	568.9%	222.1%	2283.6%	414.0%	858.3%	174.4%	474.2%
Total Taxes	103.2%	110.1%	109.0%	104.6%	110.2%	106.5%	103.4%	105.4%	107.8%	103.3%	101.0%	109.9%	104.7%	108.3%	102.8%	108.8%

**Comparison of Finney Tax Plan with Baseline Tax Simulations
Johnson County: Established Firms**

Location	KC Johnson	KC Johnson	KC Johnson	KC Johnson	KC Johnson	KC Johnson	KC Johnson	KC Johnson	KC Johnson	KC Johnson	KC Johnson	KC Johnson	KC Johnson	KC Johnson	KC Johnson	KC Johnson	KC Johnson
Industry Code	201	204	267	275	283	307	344	353	367	371	481	508	531	737	873	-	-
Industry Name	Meat Prod.	Grain Mill	Paper Prod.	Print, Pub.	Drugs	Plastics	Metals Const.	Mach.	Electronics	Motor V., Eq	Telecom.	Wholesale	Retail	Data Proc.	Research	-	HQ

Baseline: No Tax Code Changes

Federal Taxable Income	\$620,366	\$679,080	\$725,568	\$1,014,833	\$1,470,311	\$594,577	\$1,053,568	\$995,488	\$1,270,044	\$2,275,062	\$2,887,963	\$697,063	\$458,948	\$228,476	\$1,529,068	\$696,684
Federal Income Tax	\$210,925	\$230,887	\$246,693	\$345,043	\$499,906	\$202,156	\$358,213	\$338,466	\$431,815	\$773,521	\$981,908	\$237,001	\$156,042	\$72,356	\$519,883	\$236,873
State Income Tax	\$28,750	\$31,524	\$33,721	\$47,388	\$68,910	\$27,531	\$49,219	\$46,474	\$59,447	\$106,934	\$39,358	\$32,374	\$21,123	\$10,233	\$71,686	\$14,406
Unemploy. and Workers' Comp.	\$70,897	\$54,055	\$27,946	\$27,520	\$22,717	\$38,022	\$55,940	\$37,432	\$21,157	\$60,815	\$44,610	\$46,097	\$17,673	\$21,862	\$24,400	\$22,100
Property	\$85,523	\$87,875	\$118,724	\$146,953	\$191,388	\$96,122	\$140,291	\$149,604	\$167,133	\$303,698	\$107,616	\$121,307	\$76,253	\$28,990	\$207,183	\$58,000
Franchise	\$1,870	\$1,834	\$2,205	\$2,500	\$2,500	\$1,808	\$2,500	\$2,500	\$2,500	\$2,500	\$1,769	\$2,169	\$1,466	\$549	\$2,500	\$1,225
Sales	\$5,308	\$8,922	\$4,691	\$5,971	\$14,514	\$4,584	\$6,867	\$10,146	\$17,285	\$16,339	\$19,862	\$3,132	\$7,637	\$3,911	\$64,497	\$13,504
Initial Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initial Mach. and Equip.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Replace Mach. and Equip.	\$3,347	\$1,987	\$2,201	\$5,346	\$10,933	\$1,796	\$5,714	\$7,860	\$15,159	\$13,122	\$14,206	\$1,687	\$6,835	\$3,484	\$63,704	\$7,847
Utilities	\$1,655	\$5,635	\$1,767	\$596	\$2,165	\$1,927	\$684	\$983	\$931	\$1,468	\$4,801	\$734	\$518	\$205	\$336	\$4,801
Repairs	\$305	\$1,300	\$722	\$30	\$1,416	\$861	\$469	\$1,303	\$1,195	\$1,749	\$855	\$710	\$284	\$222	\$457	\$855
Other Purchased Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Taxes	\$403,271	\$415,097	\$433,980	\$575,376	\$799,935	\$370,223	\$613,030	\$584,622	\$699,338	\$1,263,807	\$1,195,123	\$442,079	\$280,195	\$137,901	\$890,148	\$346,107

Alternative: Finney Plan

Federal Taxable Income	\$629,383	\$650,541	\$717,536	\$1,027,365	\$1,419,136	\$597,417	\$1,068,853	\$1,004,600	\$1,246,952	\$2,312,172	\$2,887,000	\$685,098	\$468,375	\$211,688	\$1,556,964	\$693,353
Federal Income Tax	\$213,990	\$221,184	\$243,962	\$349,304	\$482,506	\$203,122	\$363,410	\$341,564	\$423,964	\$786,139	\$981,580	\$232,933	\$159,247	\$65,808	\$529,368	\$235,740
State Income Tax	\$29,176	\$30,176	\$33,341	\$47,981	\$66,492	\$27,665	\$49,941	\$46,905	\$58,356	\$108,688	\$39,345	\$31,808	\$21,568	\$9,440	\$73,004	\$14,335
Unemploy. and Workers' Comp.	\$70,897	\$54,055	\$27,946	\$27,520	\$22,717	\$38,022	\$55,940	\$37,432	\$21,157	\$60,815	\$44,610	\$46,097	\$17,673	\$21,862	\$24,400	\$22,100
Property	\$57,300	\$58,876	\$79,544	\$98,458	\$128,229	\$64,401	\$93,994	\$100,234	\$111,978	\$203,476	\$72,103	\$81,275	\$51,089	\$19,423	\$138,812	\$38,860
Franchise	\$1,870	\$1,834	\$2,205	\$2,500	\$2,500	\$1,808	\$2,500	\$2,500	\$2,500	\$2,500	\$1,769	\$2,169	\$1,466	\$549	\$2,500	\$1,225
Sales	\$24,515	\$66,460	\$51,902	\$41,935	\$128,848	\$33,465	\$37,879	\$50,404	\$95,532	\$79,451	\$65,255	\$55,128	\$23,374	\$30,266	\$104,971	\$59,947
Initial Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initial Mach. and Equip.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Replace Mach. and Equip.	\$11,158	\$6,623	\$7,338	\$17,819	\$36,444	\$5,988	\$19,046	\$26,200	\$50,530	\$43,738	\$14,206	\$5,624	\$6,835	\$3,484	\$63,704	\$7,847
Utilities	\$8,276	\$28,174	\$8,837	\$2,979	\$10,824	\$9,636	\$3,418	\$4,913	\$4,655	\$7,340	\$4,801	\$3,670	\$2,590	\$1,025	\$1,678	\$4,801
Repairs	\$305	\$1,300	\$722	\$30	\$1,416	\$861	\$469	\$1,303	\$1,195	\$1,749	\$855	\$710	\$284	\$222	\$457	\$855
Other Purchased Services	\$4,776	\$30,363	\$35,005	\$21,107	\$80,164	\$16,980	\$14,945	\$17,988	\$39,153	\$26,623	\$45,393	\$45,124	\$13,666	\$25,534	\$39,132	\$46,444
Total Taxes	\$397,747	\$432,585	\$438,902	\$567,697	\$831,292	\$368,483	\$603,664	\$579,039	\$713,488	\$1,241,068	\$1,204,661	\$449,411	\$274,419	\$147,349	\$873,054	\$372,207

Comparison: Alternative as % of Baseline

Federal Income Tax	101.5%	95.8%	98.9%	101.2%	96.5%	100.5%	101.5%	100.9%	98.2%	101.6%	100.0%	98.3%	102.1%	91.0%	101.8%	99.5%
State Income Tax	101.5%	95.7%	98.9%	101.2%	96.5%	100.5%	101.5%	100.9%	98.2%	101.6%	100.0%	98.3%	102.1%	92.2%	101.8%	99.5%
Unemploy. and Workers' Comp.	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Property	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%
Franchise	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Sales	461.9%	744.9%	1106.4%	702.3%	887.8%	730.0%	551.6%	496.8%	552.7%	486.3%	328.5%	1760.4%	306.1%	773.8%	162.8%	443.9%
Total Taxes	98.6%	104.2%	101.1%	98.7%	103.9%	99.5%	98.5%	99.0%	102.0%	98.2%	100.8%	101.7%	97.9%	106.9%	98.1%	107.5%

Attachment 1-36

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**Comparison of Finney Tax Plan with Baseline Tax Simulations
Wyandotte County: New Firms Located in Enterprise Zones**

Location	KC Wyandotte	KC Wyandotte	KC Wyandotte	KC Wyandotte	KC Wyandotte	KC Wyandotte	KC Wyandotte	KC Wyandotte	KC Wyandotte	KC Wyandotte	KC Wyandotte	KC Wyandotte	KC Wyandotte	KC Wyandotte	KC Wyandotte	KC Wyandotte	KC Wyandotte	KC Wyandotte	KC Wyandotte
Industry Code	201	204	267	275	283	307	344	353	367	371	481	508	531	737	873				
Industry Name	Meat Prod.	Grain Mill	Paper Prod.	Print, Pub.	Drugs	Plastics	Metals Const.	Mach.	Electronics	Motor V., Eq	Telecom.	Wholesale	Retail	Data Proc.	Research				
Baseline: No Tax Code Changes																			
Federal Taxable Income	\$649,116	\$692,320	\$766,956	\$1,079,675	\$1,551,357	\$626,592	\$1,112,326	\$1,052,456	\$1,344,707	\$2,432,403	\$2,874,432	\$740,854	\$496,838	\$168,402	\$1,621,374	\$684,716			
Federal Income Tax	\$220,699	\$235,389	\$260,765	\$367,090	\$527,461	\$213,041	\$378,191	\$357,835	\$457,200	\$827,017	\$977,307	\$251,890	\$168,925	\$48,927	\$551,267	\$232,803			
State Income Tax	\$17,501	\$18,706	\$20,648	\$29,307	\$42,358	\$16,812	\$30,261	\$28,525	\$36,660	\$66,588	\$39,171	\$19,900	\$13,258	\$4,405	\$44,212	\$8,434			
Unemploy. and Workers' Comp.	\$73,498	\$56,038	\$28,971	\$28,529	\$23,550	\$39,417	\$57,993	\$38,805	\$21,934	\$63,046	\$46,247	\$47,788	\$18,322	\$22,664	\$25,295	\$22,911			
Property	\$23,250	\$23,889	\$32,276	\$39,950	\$52,030	\$26,131	\$38,139	\$40,671	\$45,436	\$82,562	\$152,256	\$32,978	\$20,730	\$41,016	\$56,324	\$82,058			
Franchise	\$1,870	\$1,834	\$2,205	\$2,500	\$2,500	\$1,808	\$2,500	\$2,500	\$2,500	\$2,500	\$1,769	\$2,169	\$1,466	\$549	\$2,500	\$1,225			
Sales	\$5,769	\$9,698	\$5,099	\$6,491	\$15,776	\$4,983	\$7,464	\$11,028	\$18,788	\$17,760	\$42,691	\$3,404	\$8,301	\$4,252	\$70,105	\$14,678			
Initial Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,189	\$0	\$0	\$0	\$0	\$0			
Initial Mach. and Equip.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$19,912	\$0	\$0	\$0	\$0	\$0			
Replace Mach. and Equip.	\$3,638	\$2,160	\$2,393	\$5,811	\$11,884	\$1,952	\$6,211	\$8,543	\$16,477	\$14,263	\$15,441	\$1,834	\$7,429	\$3,787	\$69,244	\$8,530			
Utilities	\$1,799	\$6,125	\$1,921	\$648	\$2,353	\$2,095	\$743	\$1,068	\$1,012	\$1,596	\$5,219	\$798	\$563	\$223	\$365	\$5,219			
Repairs	\$332	\$1,413	\$785	\$32	\$1,539	\$936	\$510	\$1,416	\$1,299	\$1,901	\$930	\$772	\$309	\$242	\$497	\$930			
Other Purchased Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0			
Total Taxes	\$342,586	\$345,555	\$349,965	\$473,867	\$663,675	\$302,193	\$514,547	\$479,364	\$582,519	\$1,059,472	\$1,259,440	\$358,129	\$231,001	\$121,813	\$749,703	\$362,109			
Alternative: Finney Plan																			
Federal Taxable Income	\$628,683	\$627,615	\$704,455	\$1,037,775	\$1,432,961	\$586,822	\$1,080,281	\$1,001,394	\$1,264,879	\$2,370,561	\$2,874,143	\$670,353	\$474,057	\$148,273	\$1,584,525	\$681,105			
Federal Income Tax	\$213,752	\$213,389	\$239,515	\$352,844	\$487,207	\$199,520	\$367,296	\$340,474	\$430,059	\$805,991	\$977,208	\$227,920	\$161,179	\$41,076	\$538,739	\$231,576			
State Income Tax	\$17,090	\$17,064	\$19,159	\$28,422	\$39,370	\$15,909	\$29,625	\$27,398	\$34,706	\$65,412	\$39,167	\$18,200	\$12,787	\$3,855	\$43,566	\$8,388			
Unemploy. and Workers' Comp.	\$73,498	\$56,038	\$28,971	\$28,529	\$23,550	\$39,417	\$57,993	\$38,805	\$21,934	\$63,046	\$46,247	\$47,788	\$18,322	\$22,664	\$25,295	\$22,911			
Property	\$15,577	\$16,006	\$21,625	\$26,766	\$34,860	\$17,508	\$25,553	\$27,249	\$30,442	\$55,316	\$102,011	\$22,095	\$13,889	\$27,480	\$37,737	\$54,979			
Franchise	\$1,870	\$1,834	\$2,205	\$2,500	\$2,500	\$1,808	\$2,500	\$2,500	\$2,500	\$2,500	\$1,769	\$2,169	\$1,466	\$549	\$2,500	\$1,225			
Sales	\$31,823	\$79,435	\$72,054	\$57,035	\$148,138	\$48,551	\$48,995	\$69,629	\$110,837	\$101,032	\$94,806	\$77,730	\$34,370	\$36,492	\$122,293	\$69,597			
Initial Construction	\$5,177	\$7,196	\$15,638	\$11,454	\$8,086	\$12,176	\$7,822	\$14,842	\$6,998	\$14,672	\$3,964	\$17,808	\$8,963	\$3,594	\$8,194	\$4,437			
Initial Mach. and Equip.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$19,912	\$0	\$0	\$0	\$0	\$0			
Replace Mach. and Equip.	\$12,128	\$7,199	\$7,976	\$19,369	\$39,613	\$6,508	\$20,703	\$28,478	\$54,924	\$47,542	\$15,441	\$6,113	\$7,429	\$3,787	\$69,244	\$8,530			
Utilities	\$8,995	\$30,624	\$9,606	\$3,238	\$11,766	\$10,474	\$3,716	\$5,341	\$5,060	\$7,978	\$5,219	\$3,990	\$2,815	\$1,114	\$1,824	\$5,219			
Repairs	\$332	\$1,413	\$785	\$32	\$1,539	\$936	\$510	\$1,416	\$1,299	\$1,901	\$930	\$772	\$309	\$242	\$497	\$930			
Other Purchased Services	\$5,191	\$33,003	\$38,049	\$22,942	\$87,135	\$18,457	\$16,245	\$19,552	\$42,557	\$28,938	\$49,340	\$49,048	\$14,854	\$27,755	\$42,535	\$50,482			
Total Taxes	\$353,610	\$383,766	\$383,528	\$496,097	\$735,625	\$322,713	\$531,961	\$506,056	\$630,478	\$1,093,297	\$1,261,208	\$395,902	\$242,014	\$132,116	\$770,130	\$388,676			
Comparison: Alternative as % of Baseline																			
Federal Income Tax	96.9%	90.7%	91.9%	96.1%	92.4%	93.7%	97.1%	95.1%	94.1%	97.5%	100.0%	90.5%	95.4%	84.0%	97.7%	99.5%			
State Income Tax	97.7%	91.2%	92.8%	97.0%	92.9%	94.6%	97.9%	96.0%	94.7%	98.2%	100.0%	91.5%	96.5%	87.5%	98.5%	99.5%			
Unemploy. and Workers' Comp.	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%			
Property	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%			
Franchise	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%			
Sales	551.6%	819.1%	1413.1%	878.7%	939.0%	974.3%	656.4%	631.4%	589.9%	568.9%	222.1%	2283.6%	414.0%	858.3%	174.4%	474.2%			
Total Taxes	103.2%	111.1%	109.6%	104.7%	110.8%	106.8%	103.4%	105.6%	108.2%	103.2%	100.1%	110.5%	104.8%	108.5%	102.7%	107.3%			

Attachment 1-37

DRAFT

**Comparison of Finney Tax Plan with Baseline Tax Simulations
Wyandotte County: Established Firms**

Location	KC Wyandotte	KC Wyandotte	KC Wyandotte	KC Wyandotte	KC Wyandotte	KC Wyandotte	KC Wyandotte	KC Wyandotte	KC Wyandotte	KC Wyandotte	KC Wyandotte	KC Wyandotte	KC Wyandotte	KC Wyandotte	KC Wyandotte	KC Wyandotte	KC Wyandotte	KC Wyandotte	KC Wyandotte	KC Wyandotte
Industry Code	201	204	267	275	283	307	344	353	367	371	481	508	531	737	873					
Industry Name	Meat Prod.	Grain Mill	Paper Prod.	Print, Pub.	Drugs	Plastics	Metals Const.	Mach.	Electronics	Motor V., Eq	Telecom.	Wholesale	Retail	Data Proc.	Research					HQ

Baseline: No Tax Code Changes

Federal Taxable Income	\$551,368	\$591,884	\$631,261	\$911,716	\$1,332,611	\$516,730	\$951,981	\$881,466	\$1,153,683	\$2,085,292	\$2,877,305	\$602,207	\$409,684	\$168,402	\$1,384,575	\$684,716				
Federal Income Tax	\$187,465	\$201,241	\$214,629	\$309,983	\$453,088	\$175,688	\$323,674	\$299,699	\$392,252	\$708,999	\$978,284	\$204,751	\$139,293	\$48,927	\$470,755	\$232,803				
State Income Tax	\$25,490	\$27,404	\$29,265	\$42,516	\$62,403	\$23,853	\$44,419	\$41,087	\$53,949	\$97,968	\$39,211	\$27,892	\$18,795	\$7,395	\$64,859	\$14,149				
Unemploy. and Workers' Comp.	\$73,498	\$56,038	\$28,971	\$28,529	\$23,550	\$39,417	\$57,993	\$38,805	\$21,934	\$63,046	\$46,247	\$47,788	\$18,322	\$22,664	\$25,295	\$22,911				
Property	\$120,998	\$124,325	\$167,971	\$207,910	\$270,776	\$135,993	\$198,484	\$211,661	\$236,460	\$429,672	\$152,256	\$171,625	\$107,883	\$41,016	\$293,123	\$82,058				
Franchise	\$1,870	\$1,834	\$2,205	\$2,500	\$2,500	\$1,808	\$2,500	\$2,500	\$2,500	\$2,500	\$1,769	\$2,169	\$1,466	\$549	\$2,500	\$1,225				
Sales	\$5,769	\$9,698	\$5,099	\$6,491	\$15,776	\$4,983	\$7,464	\$11,028	\$18,788	\$17,760	\$21,589	\$3,404	\$8,301	\$4,252	\$70,105	\$14,678				
Initial Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0				
Initial Mach. and Equip.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0				
Replace Mach. and Equip.	\$3,638	\$2,160	\$2,393	\$5,811	\$11,884	\$1,952	\$6,211	\$8,543	\$16,477	\$14,263	\$15,441	\$1,834	\$7,429	\$3,787	\$69,244	\$8,530				
Utilities	\$1,799	\$6,125	\$1,921	\$648	\$2,353	\$2,095	\$743	\$1,068	\$1,012	\$1,596	\$5,219	\$798	\$563	\$223	\$365	\$5,219				
Repairs	\$332	\$1,413	\$785	\$32	\$1,539	\$936	\$510	\$1,416	\$1,299	\$1,901	\$930	\$772	\$309	\$242	\$497	\$930				
Other Purchased Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0				
Total Taxes	\$415,089	\$420,540	\$448,140	\$597,929	\$828,094	\$381,742	\$634,532	\$604,779	\$725,884	\$1,319,945	\$1,239,355	\$457,628	\$294,060	\$124,802	\$926,637	\$367,825				

Alternative: Finney Plan

Federal Taxable Income	\$570,420	\$570,370	\$635,375	\$941,235	\$1,297,691	\$530,216	\$983,772	\$907,555	\$1,146,664	\$2,158,484	\$2,877,393	\$602,325	\$428,180	\$153,291	\$1,437,312	\$681,861				
Federal Income Tax	\$193,943	\$193,926	\$216,028	\$320,020	\$441,215	\$180,274	\$334,483	\$308,569	\$389,866	\$733,885	\$978,314	\$204,791	\$145,581	\$43,034	\$488,686	\$231,833				
State Income Tax	\$26,390	\$26,387	\$29,459	\$43,911	\$60,753	\$24,490	\$45,921	\$42,319	\$53,617	\$101,426	\$39,212	\$27,897	\$19,669	\$6,681	\$67,350	\$14,088				
Unemploy. and Workers' Comp.	\$73,498	\$56,038	\$28,971	\$28,529	\$23,550	\$39,417	\$57,993	\$38,805	\$21,934	\$63,046	\$46,247	\$47,788	\$18,322	\$22,664	\$25,295	\$22,911				
Property	\$81,069	\$83,298	\$112,540	\$139,299	\$181,420	\$91,115	\$132,984	\$141,812	\$158,428	\$287,880	\$102,011	\$114,988	\$72,282	\$27,480	\$196,392	\$54,979				
Franchise	\$1,870	\$1,834	\$2,205	\$2,500	\$2,500	\$1,808	\$2,500	\$2,500	\$2,500	\$2,500	\$1,769	\$2,169	\$1,466	\$549	\$2,500	\$1,225				
Sales	\$26,646	\$72,239	\$56,416	\$45,581	\$140,052	\$36,375	\$41,173	\$54,787	\$103,840	\$86,359	\$70,930	\$59,922	\$25,407	\$32,898	\$114,099	\$65,160				
Initial Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0				
Initial Mach. and Equip.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0				
Replace Mach. and Equip.	\$12,128	\$7,199	\$7,976	\$19,369	\$39,613	\$6,508	\$20,703	\$28,478	\$54,924	\$47,542	\$15,441	\$6,113	\$7,429	\$3,787	\$69,244	\$8,530				
Utilities	\$8,995	\$30,624	\$9,606	\$3,238	\$11,766	\$10,474	\$3,716	\$5,341	\$5,060	\$7,978	\$5,219	\$3,990	\$2,815	\$1,114	\$1,824	\$5,219				
Repairs	\$332	\$1,413	\$785	\$32	\$1,539	\$936	\$510	\$1,416	\$1,299	\$1,901	\$930	\$772	\$309	\$242	\$497	\$930				
Other Purchased Services	\$5,191	\$33,003	\$38,049	\$22,942	\$87,135	\$18,457	\$16,245	\$19,552	\$42,557	\$28,938	\$49,340	\$49,048	\$14,854	\$27,755	\$42,535	\$50,482				
Total Taxes	\$403,415	\$433,723	\$445,619	\$579,841	\$849,491	\$373,479	\$615,052	\$588,793	\$730,185	\$1,275,096	\$1,238,482	\$457,555	\$282,727	\$133,305	\$894,322	\$390,195				

Comparison: Alternative as % of Baseline

Federal Income Tax	103.5%	96.4%	100.7%	103.2%	97.4%	102.6%	103.3%	103.0%	99.4%	103.5%	100.0%	100.0%	104.5%	88.0%	103.8%	99.6%				
State Income Tax	103.5%	96.3%	100.7%	103.3%	97.4%	102.7%	103.4%	103.0%	99.4%	103.5%	100.0%	100.0%	104.6%	90.3%	103.8%	99.6%				
Unemploy. and Workers' Comp.	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%				
Property	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%				
Franchise	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%				
Sales	461.9%	744.9%	1106.4%	702.3%	887.8%	730.0%	551.6%	496.8%	552.7%	486.3%	328.5%	1760.4%	306.1%	773.8%	162.8%	443.9%				
Total Taxes	97.2%	103.1%	99.4%	97.0%	102.6%	97.8%	96.9%	97.4%	100.6%	96.6%	99.9%	100.0%	96.1%	106.8%	96.5%	106.1%				

**Comparison of Finney Tax Plan with Baseline Tax Simulations
Sedgwick County: New Firms Located in Enterprise Zones**

Location	Wichita	Wichita	Wichita	Wichita	Wichita	Wichita	Wichita	Wichita	Wichita	Wichita	Wichita	Wichita	Wichita	Wichita	Wichita	Wichita
Industry Code	201	204	267	275	283	307	344	353	367	371	481	508	531	737	873	-
Industry Name	Meat Prod.	Grain Mill	Paper Prod.	Print, Pub.	Drugs	Plastics	Metals Const.	Mach.	Electronics	Motor V., Eq	Telecom.	Wholesale	Retail	Data Proc.	Research	HQ

Baseline: No Tax Code Changes

Federal Taxable Income	\$664,418	\$702,873	\$791,944	\$1,107,467	\$1,583,257	\$643,350	\$1,138,455	\$1,084,567	\$1,372,820	\$2,476,664	\$2,880,897	\$773,382	\$513,158	\$198,083	\$1,668,005	\$690,768
Federal Income Tax	\$225,902	\$238,977	\$269,261	\$376,539	\$538,308	\$218,739	\$387,075	\$368,753	\$466,759	\$842,066	\$979,505	\$262,950	\$174,474	\$60,502	\$567,122	\$234,861
State Income Tax	\$18,032	\$19,108	\$21,500	\$30,264	\$43,476	\$17,404	\$31,160	\$29,611	\$37,645	\$68,201	\$39,260	\$20,970	\$13,812	\$5,242	\$45,768	\$8,511
Unemploy. and Workers' Comp.	\$72,531	\$55,302	\$28,590	\$28,154	\$23,241	\$38,899	\$57,230	\$38,295	\$21,645	\$62,217	\$45,639	\$47,160	\$18,081	\$22,366	\$24,962	\$22,609
Property	\$18,040	\$18,421	\$24,523	\$30,841	\$40,587	\$19,884	\$29,634	\$31,201	\$35,447	\$64,291	\$118,958	\$24,944	\$15,817	\$31,236	\$43,971	\$63,375
Franchise	\$1,845	\$1,800	\$2,132	\$2,500	\$2,500	\$1,751	\$2,500	\$2,500	\$2,500	\$2,500	\$1,750	\$2,085	\$1,424	\$532	\$2,500	\$1,204
Sales	\$4,901	\$8,333	\$4,354	\$5,480	\$13,319	\$4,283	\$6,298	\$9,307	\$15,830	\$14,980	\$36,022	\$2,891	\$7,001	\$3,581	\$58,904	\$12,602
Initial Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$888	\$0	\$0	\$0	\$0	\$0
Initial Mach. and Equip.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$16,726	\$0	\$0	\$0	\$0	\$0
Replace Mach. and Equip.	\$3,056	\$1,814	\$2,010	\$4,881	\$9,982	\$1,640	\$5,217	\$7,177	\$13,841	\$11,981	\$12,970	\$1,540	\$6,240	\$3,181	\$58,165	\$7,165
Utilities	\$1,566	\$5,331	\$1,684	\$572	\$2,044	\$1,857	\$652	\$941	\$898	\$1,403	\$4,656	\$702	\$501	\$197	\$323	\$4,656
Repairs	\$279	\$1,187	\$660	\$27	\$1,293	\$786	\$428	\$1,190	\$1,092	\$1,597	\$781	\$649	\$260	\$203	\$417	\$781
Other Purchased Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Taxes	\$341,252	\$341,940	\$350,360	\$473,779	\$661,430	\$300,959	\$513,897	\$479,668	\$579,826	\$1,054,255	\$1,221,133	\$360,999	\$230,609	\$123,459	\$743,228	\$343,163

Alternative: Finney Plan

Federal Taxable Income	\$647,217	\$648,170	\$740,345	\$1,072,756	\$1,483,559	\$610,460	\$1,111,651	\$1,042,456	\$1,305,588	\$2,424,709	\$2,880,402	\$715,445	\$494,551	\$180,542	\$1,636,953	\$687,582
Federal Income Tax	\$220,054	\$220,378	\$251,717	\$364,737	\$504,410	\$207,556	\$377,961	\$354,435	\$443,900	\$824,401	\$979,337	\$243,251	\$168,147	\$53,661	\$556,564	\$233,778
State Income Tax	\$17,674	\$17,705	\$20,251	\$29,513	\$40,936	\$16,642	\$30,611	\$28,662	\$35,978	\$67,159	\$39,254	\$19,553	\$13,418	\$4,760	\$45,198	\$8,471
Unemploy. and Workers' Comp.	\$72,531	\$55,302	\$28,590	\$28,154	\$23,241	\$38,899	\$57,230	\$38,295	\$21,645	\$62,217	\$45,639	\$47,160	\$18,081	\$22,366	\$24,962	\$22,609
Property	\$12,087	\$12,342	\$16,431	\$20,663	\$27,193	\$13,323	\$19,855	\$20,905	\$23,750	\$43,075	\$79,701	\$16,712	\$10,597	\$20,928	\$29,461	\$42,461
Franchise	\$1,845	\$1,800	\$2,132	\$2,500	\$2,500	\$1,751	\$2,500	\$2,500	\$2,500	\$2,500	\$1,750	\$2,085	\$1,424	\$532	\$2,500	\$1,204
Sales	\$26,523	\$66,985	\$59,417	\$46,980	\$124,018	\$40,132	\$40,567	\$57,322	\$92,689	\$83,809	\$79,540	\$63,791	\$28,177	\$30,367	\$102,042	\$58,320
Initial Construction	\$3,865	\$5,373	\$11,676	\$8,552	\$6,037	\$9,091	\$5,840	\$11,082	\$5,225	\$10,955	\$2,960	\$13,297	\$6,693	\$2,684	\$6,118	\$3,313
Initial Mach. and Equip.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$16,726	\$0	\$0	\$0	\$0	\$0
Replace Mach. and Equip.	\$10,188	\$6,048	\$6,700	\$16,270	\$33,275	\$5,467	\$17,390	\$23,922	\$46,136	\$39,935	\$12,970	\$5,135	\$6,240	\$3,181	\$58,165	\$7,165
Utilities	\$7,831	\$26,655	\$8,421	\$2,859	\$10,220	\$9,284	\$3,262	\$4,705	\$4,489	\$7,013	\$4,656	\$3,511	\$2,507	\$985	\$1,613	\$4,656
Repairs	\$279	\$1,187	\$660	\$27	\$1,293	\$786	\$428	\$1,190	\$1,092	\$1,597	\$781	\$649	\$260	\$203	\$417	\$781
Other Purchased Services	\$4,360	\$27,722	\$31,961	\$19,271	\$73,193	\$15,504	\$13,645	\$16,424	\$35,748	\$24,308	\$41,446	\$41,200	\$12,477	\$23,314	\$35,729	\$42,405
Total Taxes	\$350,714	\$374,512	\$378,539	\$492,547	\$722,299	\$318,302	\$528,724	\$502,119	\$620,462	\$1,083,160	\$1,225,220	\$392,552	\$239,844	\$132,614	\$760,727	\$366,844

Comparison: Alternative as % of Baseline

Federal Income Tax	97.4%	92.2%	93.5%	96.9%	93.7%	94.9%	97.6%	96.1%	95.1%	97.9%	100.0%	92.5%	96.4%	88.7%	98.1%	99.5%
State Income Tax	98.0%	92.7%	94.2%	97.5%	94.2%	95.6%	98.2%	96.8%	95.6%	98.5%	100.0%	93.2%	97.1%	90.8%	98.8%	99.5%
Unemploy. and Workers' Comp.	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Property	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%
Franchise	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Sales	541.1%	803.9%	1364.8%	857.3%	931.1%	937.0%	644.1%	615.9%	585.5%	559.5%	220.8%	2206.4%	402.4%	848.0%	173.2%	462.8%
Total Taxes	102.8%	109.5%	108.0%	104.0%	109.2%	105.8%	102.9%	104.7%	107.0%	102.7%	100.3%	108.7%	104.0%	107.4%	102.4%	106.9%

**Comparison of Finney Tax Plan with Baseline Tax Simulations
Sedgwick County: Established Firms**

Location	Wichita	Wichita	Wichita	Wichita	Wichita	Wichita	Wichita	Wichita	Wichita	Wichita	Wichita	Wichita	Wichita	Wichita	Wichita	Wichita
Industry Code	201	204	267	275	283	307	344	353	367	371	481	508	531	737	873	-
Industry Name	Meat Prod.	Grain Mill	Paper Prod.	Print, Pub.	Drugs	Plastics	Metals Const.	Mach.	Electronics	Motor V., Eq	Telecom.	Wholesale	Retail	Data Proc.	Research	HQ

Baseline: No Tax Code Changes

Federal Taxable Income	\$588,572	\$625,427	\$688,842	\$977,805	\$1,412,619	\$559,751	\$1,013,865	\$953,388	\$1,223,791	\$2,206,369	\$2,883,295	\$668,511	\$446,659	\$198,083	\$1,483,139	\$690,768
Federal Income Tax	\$200,114	\$212,645	\$234,206	\$332,454	\$480,290	\$190,315	\$344,714	\$324,152	\$416,089	\$750,165	\$980,320	\$227,294	\$151,864	\$60,502	\$504,267	\$234,861
State Income Tax	\$27,248	\$28,989	\$31,985	\$45,639	\$66,184	\$25,886	\$47,343	\$44,485	\$57,262	\$103,688	\$39,294	\$31,025	\$20,542	\$8,797	\$69,516	\$14,279
Unemploy. and Workers' Comp.	\$72,531	\$55,302	\$28,590	\$28,154	\$23,241	\$38,899	\$57,230	\$38,295	\$21,645	\$62,217	\$45,639	\$47,160	\$18,081	\$22,366	\$24,962	\$22,609
Property	\$93,886	\$95,866	\$127,625	\$160,504	\$211,225	\$103,484	\$154,224	\$162,380	\$184,477	\$334,586	\$118,958	\$129,815	\$82,317	\$31,236	\$228,836	\$63,375
Franchise	\$1,845	\$1,800	\$2,132	\$2,500	\$2,500	\$1,751	\$2,500	\$2,500	\$2,500	\$2,500	\$1,750	\$2,085	\$1,424	\$532	\$2,500	\$1,204
Sales	\$4,901	\$8,333	\$4,354	\$5,480	\$13,319	\$4,283	\$6,298	\$9,307	\$15,830	\$14,980	\$18,408	\$2,891	\$7,001	\$3,581	\$58,904	\$12,602
Initial Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initial Mach. and Equip.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Replace Mach. and Equip.	\$3,056	\$1,814	\$2,010	\$4,881	\$9,982	\$1,640	\$5,217	\$7,177	\$13,841	\$11,981	\$12,970	\$1,540	\$6,240	\$3,181	\$58,165	\$7,165
Utilities	\$1,566	\$5,331	\$1,684	\$572	\$2,044	\$1,857	\$652	\$941	\$898	\$1,403	\$4,656	\$702	\$501	\$197	\$323	\$4,656
Repairs	\$279	\$1,187	\$660	\$27	\$1,293	\$786	\$428	\$1,190	\$1,092	\$1,597	\$781	\$649	\$260	\$203	\$417	\$781
Other Purchased Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Taxes	\$400,526	\$402,935	\$428,892	\$574,730	\$796,760	\$364,617	\$612,309	\$581,119	\$697,803	\$1,268,137	\$1,204,368	\$440,269	\$281,229	\$127,015	\$888,986	\$348,931

Alternative: Finney Plan

Federal Taxable Income	\$601,798	\$603,783	\$687,571	\$997,824	\$1,377,662	\$567,143	\$1,036,331	\$970,041	\$1,213,035	\$2,258,909	\$2,883,082	\$663,748	\$459,341	\$184,289	\$1,521,636	\$688,146
Federal Income Tax	\$204,611	\$205,286	\$233,774	\$339,260	\$468,405	\$192,829	\$352,352	\$329,814	\$412,432	\$768,029	\$980,248	\$225,674	\$156,176	\$55,123	\$517,356	\$233,970
State Income Tax	\$27,872	\$27,966	\$31,925	\$46,585	\$64,532	\$26,235	\$48,404	\$45,272	\$56,753	\$106,171	\$39,291	\$30,800	\$21,141	\$8,145	\$71,335	\$14,223
Unemploy. and Workers' Comp.	\$72,531	\$55,302	\$28,590	\$28,154	\$23,241	\$38,899	\$57,230	\$38,295	\$21,645	\$62,217	\$45,639	\$47,160	\$18,081	\$22,366	\$24,962	\$22,609
Property	\$62,904	\$64,230	\$85,509	\$107,537	\$141,521	\$69,334	\$103,330	\$108,794	\$123,599	\$224,172	\$79,701	\$86,976	\$55,152	\$20,928	\$153,320	\$42,461
Franchise	\$1,845	\$1,800	\$2,132	\$2,500	\$2,500	\$1,751	\$2,500	\$2,500	\$2,500	\$2,500	\$1,750	\$2,085	\$1,424	\$532	\$2,500	\$1,204
Sales	\$22,658	\$61,613	\$47,741	\$38,427	\$117,981	\$31,041	\$34,726	\$46,240	\$87,464	\$72,853	\$59,853	\$50,494	\$21,484	\$27,683	\$95,924	\$55,007
Initial Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initial Mach. and Equip.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Replace Mach. and Equip.	\$10,188	\$6,048	\$6,700	\$16,270	\$33,275	\$5,467	\$17,390	\$23,922	\$46,136	\$39,935	\$12,970	\$5,135	\$6,240	\$3,181	\$58,165	\$7,165
Utilities	\$7,831	\$26,655	\$8,421	\$2,859	\$10,220	\$9,284	\$3,262	\$4,705	\$4,489	\$7,013	\$4,656	\$3,511	\$2,507	\$985	\$1,613	\$4,656
Repairs	\$279	\$1,187	\$660	\$27	\$1,293	\$786	\$428	\$1,190	\$1,092	\$1,597	\$781	\$649	\$260	\$203	\$417	\$781
Other Purchased Services	\$4,360	\$27,722	\$31,961	\$19,271	\$73,193	\$15,504	\$13,645	\$16,424	\$35,748	\$24,308	\$41,446	\$41,200	\$12,477	\$23,314	\$35,729	\$42,405
Total Taxes	\$392,422	\$416,198	\$429,671	\$562,464	\$818,180	\$360,087	\$598,543	\$570,915	\$704,394	\$1,235,943	\$1,206,482	\$443,188	\$273,458	\$134,777	\$865,397	\$369,474

Comparison: Alternative as % of Baseline

Federal Income Tax	102.2%	96.5%	99.8%	102.0%	97.5%	101.3%	102.2%	101.7%	99.1%	102.4%	100.0%	99.3%	102.8%	91.1%	102.6%	99.6%
State Income Tax	102.3%	96.5%	99.8%	102.1%	97.5%	101.3%	102.2%	101.8%	99.1%	102.4%	100.0%	99.3%	102.9%	92.6%	102.6%	99.6%
Unemploy. and Workers' Comp.	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Property	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%
Franchise	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Sales	462.3%	739.4%	1096.6%	701.2%	885.8%	724.8%	551.4%	496.8%	552.5%	486.3%	325.2%	1746.5%	306.9%	773.0%	162.8%	436.5%
Total Taxes	98.0%	103.3%	100.2%	97.9%	102.7%	98.8%	97.8%	98.2%	100.9%	97.5%	100.2%	100.7%	97.2%	106.1%	97.3%	105.9%

**Comparison of Finney Tax Plan with Baseline Tax Simulations
Typical Medium Sized City: New Firms Located in Enterprise Zones**

Location	Medium City	Medium City	Medium City	Medium City	Medium City	Medium City	Medium City	Medium City	Medium City	Medium City	Medium City	Medium City	Medium City	Medium City	Medium City	Medium City	Medium City
Industry Code	201	204	267	275	283	307	344	353	367	371	481	508	531	737	873	-	
Industry Name	Meat Prod.	Grain Mill	Paper Prod.	Print, Pub.	Drugs	Plastics	Metals Const.	Mach.	Electronics	Motor V., Eq	Telecom.	Wholesale	Retail	Data Proc.	Research	HQ	

Baseline: No Tax Code Changes

Federal Taxable Income	\$839,492	\$992,596	\$1,043,732	\$1,321,907	\$1,878,582	\$850,099	\$1,350,712	\$1,352,878	\$1,595,993	\$2,795,553	\$2,908,338	\$1,012,990	\$608,826	\$423,123	\$1,915,798	\$731,970
Federal Income Tax	\$285,427	\$337,483	\$354,869	\$449,448	\$638,718	\$289,034	\$459,242	\$459,979	\$542,638	\$950,488	\$988,835	\$344,417	\$207,001	\$143,862	\$651,371	\$248,870
State Income Tax	\$22,953	\$27,271	\$28,634	\$36,304	\$51,976	\$23,258	\$37,118	\$37,189	\$43,891	\$83,085	\$39,640	\$27,773	\$16,526	\$11,580	\$52,718	\$9,039
Unemploy. and Workers' Comp.	\$60,785	\$46,346	\$23,960	\$23,595	\$19,477	\$32,599	\$47,962	\$32,093	\$18,140	\$52,141	\$38,248	\$39,522	\$15,153	\$18,744	\$20,920	\$18,948
Property	\$18,524	\$18,280	\$22,324	\$30,802	\$42,857	\$18,268	\$30,654	\$30,081	\$37,451	\$67,267	\$126,629	\$22,075	\$14,771	\$28,837	\$46,618	\$63,443
Franchise	\$1,728	\$1,637	\$1,777	\$2,500	\$2,500	\$1,475	\$2,500	\$2,500	\$2,500	\$2,500	\$1,660	\$1,682	\$1,221	\$450	\$2,500	\$1,104
Sales	\$5,187	\$8,566	\$4,589	\$5,962	\$14,314	\$4,543	\$6,847	\$10,120	\$17,267	\$16,284	\$39,110	\$3,115	\$7,634	\$3,908	\$64,491	\$13,449
Initial Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$984	\$0	\$0	\$0	\$0	
Initial Mach. and Equip.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$18,319	\$0	\$0	\$0	\$0	
Replace Mach. and Equip.	\$3,347	\$1,987	\$2,201	\$5,346	\$10,933	\$1,796	\$5,714	\$7,860	\$15,159	\$13,122	\$14,206	\$1,687	\$6,835	\$3,484	\$63,704	\$7,847
Utilities	\$1,535	\$5,279	\$1,665	\$587	\$1,965	\$1,886	\$664	\$957	\$913	\$1,413	\$4,747	\$718	\$515	\$202	\$330	\$4,747
Repairs	\$305	\$1,300	\$722	\$30	\$1,416	\$861	\$469	\$1,303	\$1,195	\$1,749	\$855	\$710	\$284	\$222	\$457	\$855
Other Purchased Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Taxes	\$394,604	\$439,582	\$436,153	\$548,612	\$769,842	\$369,176	\$584,324	\$571,962	\$661,886	\$1,171,765	\$1,234,122	\$438,583	\$262,306	\$207,381	\$838,619	\$354,852

Alternative: Finney Plan

Federal Taxable Income	\$820,902	\$934,204	\$986,236	\$1,282,918	\$1,769,851	\$813,353	\$1,320,861	\$1,305,510	\$1,522,097	\$2,737,915	\$2,907,674	\$947,777	\$587,623	\$402,148	\$1,881,266	\$728,233
Federal Income Tax	\$279,107	\$317,629	\$335,320	\$436,192	\$601,749	\$276,540	\$449,093	\$443,873	\$517,513	\$930,891	\$988,609	\$322,244	\$199,792	\$136,730	\$639,630	\$247,599
State Income Tax	\$22,561	\$25,765	\$27,210	\$35,436	\$48,972	\$22,381	\$36,492	\$36,089	\$42,050	\$80,361	\$39,630	\$26,140	\$16,055	\$11,002	\$52,045	\$8,992
Unemploy. and Workers' Comp.	\$60,785	\$46,346	\$23,960	\$23,595	\$19,477	\$32,599	\$47,962	\$32,093	\$18,140	\$52,141	\$38,248	\$39,522	\$15,153	\$18,744	\$20,920	\$18,948
Property	\$12,411	\$12,248	\$14,957	\$20,637	\$28,714	\$12,240	\$20,538	\$20,154	\$25,092	\$45,069	\$84,841	\$14,790	\$9,897	\$19,321	\$31,234	\$42,506
Franchise	\$1,728	\$1,637	\$1,777	\$2,500	\$2,500	\$1,475	\$2,500	\$2,500	\$2,500	\$2,500	\$1,660	\$1,682	\$1,221	\$450	\$2,500	\$1,104
Sales	\$28,194	\$70,632	\$64,326	\$51,362	\$134,537	\$43,327	\$44,251	\$62,550	\$101,228	\$91,311	\$86,799	\$69,776	\$30,775	\$33,221	\$111,722	\$63,563
Initial Construction	\$4,282	\$5,951	\$12,934	\$9,473	\$6,687	\$10,070	\$6,469	\$12,275	\$5,788	\$12,135	\$3,278	\$14,729	\$7,413	\$2,973	\$6,777	\$3,670
Initial Mach. and Equip.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$18,319	\$0	\$0	\$0	\$0	
Replace Mach. and Equip.	\$11,158	\$6,623	\$7,338	\$17,819	\$36,444	\$5,988	\$19,046	\$26,200	\$50,530	\$43,738	\$14,206	\$5,624	\$6,835	\$3,484	\$63,704	\$7,847
Utilities	\$7,673	\$26,394	\$8,327	\$2,933	\$9,826	\$9,428	\$3,321	\$4,784	\$4,563	\$7,065	\$4,747	\$3,589	\$2,577	\$1,008	\$1,652	\$4,747
Repairs	\$305	\$1,300	\$722	\$30	\$1,416	\$861	\$469	\$1,303	\$1,195	\$1,749	\$855	\$710	\$284	\$222	\$457	\$855
Other Purchased Services	\$4,776	\$30,363	\$35,005	\$21,107	\$80,164	\$16,980	\$14,945	\$17,988	\$39,153	\$26,623	\$45,393	\$45,124	\$13,666	\$25,534	\$39,132	\$46,444
Total Taxes	\$404,785	\$474,257	\$467,551	\$569,722	\$835,949	\$388,561	\$600,836	\$597,260	\$706,523	\$1,202,273	\$1,239,787	\$474,153	\$272,892	\$219,469	\$858,051	\$382,712

Comparison: Alternative as % of Baseline

Federal Income Tax	97.8%	94.1%	94.5%	97.1%	94.2%	95.7%	97.8%	96.5%	95.4%	97.9%	100.0%	93.6%	96.5%	95.0%	98.2%	99.5%
State Income Tax	98.3%	94.5%	95.0%	97.6%	94.2%	96.2%	98.3%	97.0%	95.8%	96.7%	100.0%	94.1%	97.2%	95.0%	98.7%	99.5%
Unemploy. and Workers' Comp.	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Property	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%
Franchise	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Sales	543.5%	824.5%	1401.7%	861.5%	939.9%	953.8%	646.3%	618.1%	586.3%	560.7%	221.9%	2239.8%	403.1%	850.1%	173.2%	472.6%
Total Taxes	102.6%	107.9%	107.2%	103.8%	108.6%	105.3%	102.8%	104.4%	106.7%	102.6%	100.5%	108.1%	104.0%	105.8%	102.3%	107.9%

Attachment 1-41

DRAFT

Comparison of Finney Tax Plan with Baseline Tax Simulations
Typical Medium Sized City: Established Firms

Location	Medium City	Medium City	Medium City	Medium City	Medium City	Medium City	Medium City	Medium City	Medium City	Medium City	Medium City	Medium City	Medium City	Medium City	Medium City	Medium City	Medium City
Industry Code	201	204	267	275	283	307	344	353	367	371	481	508	531	737	873	-	
Industry Name	Meat Prod.	Grain Mill	Paper Prod.	Print, Pub.	Drugs	Plastics	Metals Const.	Mach. Electronics	Motor V., Eq	Telecom.	Wholesale	Retail	Data Proc.	Research	HQ		

Baseline: No Tax Code Changes

Federal Taxable Income	\$761,615	\$915,742	\$949,877	\$1,192,407	\$1,698,401	\$773,295	\$1,221,833	\$1,226,408	\$1,438,540	\$2,512,745	\$2,910,965	\$920,181	\$546,723	\$423,123	\$1,719,804	\$731,970
Federal Income Tax	\$258,949	\$311,352	\$322,958	\$405,418	\$577,456	\$262,920	\$415,423	\$416,979	\$489,104	\$854,333	\$989,728	\$312,861	\$185,886	\$143,862	\$584,734	\$248,870
State Income Tax	\$35,424	\$42,706	\$44,319	\$55,779	\$79,687	\$35,976	\$57,169	\$57,385	\$67,409	\$118,165	\$39,676	\$42,916	\$25,270	\$19,430	\$80,698	\$15,164
Unemploy. and Workers' Comp.	\$60,785	\$46,346	\$23,960	\$23,595	\$19,477	\$32,599	\$47,962	\$32,093	\$18,140	\$52,141	\$38,248	\$39,522	\$15,153	\$18,744	\$20,920	\$18,948
Property	\$96,401	\$95,134	\$116,178	\$160,303	\$223,038	\$95,073	\$159,534	\$156,551	\$194,904	\$350,074	\$126,629	\$114,884	\$76,874	\$28,837	\$242,612	\$63,443
Franchise	\$1,728	\$1,637	\$1,777	\$2,500	\$2,500	\$1,475	\$2,500	\$2,500	\$2,500	\$2,500	\$1,660	\$1,682	\$1,221	\$450	\$2,500	\$1,104
Sales	\$5,187	\$8,566	\$4,589	\$5,962	\$14,314	\$4,543	\$6,847	\$10,120	\$17,267	\$16,284	\$19,808	\$3,115	\$7,634	\$3,908	\$64,491	\$13,449
Initial Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initial Mach. and Equip.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Replace Mach. and Equip.	\$3,347	\$1,987	\$2,201	\$5,346	\$10,933	\$1,796	\$5,714	\$7,860	\$15,159	\$13,122	\$14,206	\$1,687	\$6,835	\$3,484	\$63,704	\$7,847
Utilities	\$1,535	\$5,279	\$1,665	\$587	\$1,965	\$1,886	\$664	\$957	\$913	\$1,413	\$4,747	\$718	\$515	\$202	\$330	\$4,747
Repairs	\$305	\$1,300	\$722	\$30	\$1,416	\$861	\$469	\$1,303	\$1,195	\$1,749	\$855	\$710	\$284	\$222	\$457	\$855
Other Purchased Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Taxes	\$458,474	\$505,741	\$513,782	\$653,557	\$916,472	\$432,585	\$689,436	\$675,629	\$789,323	\$1,393,497	\$1,215,749	\$514,981	\$312,039	\$215,232	\$995,955	\$360,978

Alternative: Finney Plan

Federal Taxable Income	\$774,703	\$891,022	\$941,414	\$1,209,381	\$1,658,468	\$775,955	\$1,243,545	\$1,237,916	\$1,424,686	\$2,565,379	\$2,910,614	\$906,161	\$556,365	\$406,299	\$1,759,414	\$728,859
Federal Income Tax	\$263,399	\$302,947	\$320,081	\$411,189	\$563,879	\$263,825	\$422,805	\$420,891	\$484,393	\$872,229	\$989,609	\$308,095	\$189,164	\$138,142	\$598,201	\$247,812
State Income Tax	\$36,042	\$41,538	\$43,919	\$56,581	\$77,800	\$36,101	\$58,195	\$57,929	\$66,754	\$120,652	\$39,671	\$42,254	\$25,726	\$18,635	\$82,570	\$15,098
Unemploy. and Workers' Comp.	\$60,785	\$46,346	\$23,960	\$23,595	\$19,477	\$32,599	\$47,962	\$32,093	\$18,140	\$52,141	\$38,248	\$39,522	\$15,153	\$18,744	\$20,920	\$18,948
Property	\$64,588	\$63,739	\$77,839	\$107,402	\$149,435	\$63,699	\$106,887	\$104,889	\$130,585	\$234,549	\$84,841	\$76,972	\$51,506	\$19,321	\$162,549	\$42,506
Franchise	\$1,728	\$1,637	\$1,777	\$2,500	\$2,500	\$1,475	\$2,500	\$2,500	\$2,500	\$2,500	\$1,660	\$1,682	\$1,221	\$450	\$2,500	\$1,104
Sales	\$23,912	\$64,681	\$51,392	\$41,889	\$127,850	\$33,257	\$37,782	\$50,275	\$95,440	\$79,175	\$65,201	\$55,047	\$23,361	\$30,249	\$104,945	\$59,893
Initial Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initial Mach. and Equip.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Replace Mach. and Equip.	\$11,158	\$6,623	\$7,338	\$17,819	\$36,444	\$5,988	\$19,046	\$26,200	\$50,530	\$43,738	\$14,206	\$5,624	\$6,835	\$3,484	\$63,704	\$7,847
Utilities	\$7,673	\$26,394	\$8,327	\$2,933	\$9,826	\$9,428	\$3,321	\$4,784	\$4,563	\$7,065	\$4,747	\$3,589	\$2,577	\$1,008	\$1,652	\$4,747
Repairs	\$305	\$1,300	\$722	\$30	\$1,416	\$861	\$469	\$1,303	\$1,195	\$1,749	\$855	\$710	\$284	\$222	\$457	\$855
Other Purchased Services	\$4,776	\$30,363	\$35,005	\$21,107	\$80,164	\$16,980	\$14,945	\$17,988	\$39,153	\$26,623	\$45,393	\$45,124	\$13,666	\$25,534	\$39,132	\$46,444
Total Taxes	\$450,455	\$520,889	\$518,968	\$643,156	\$940,941	\$430,955	\$676,131	\$668,577	\$797,812	\$1,361,246	\$1,219,230	\$523,571	\$306,131	\$225,541	\$971,684	\$385,360

Comparison: Alternative as % of Baseline

Federal Income Tax	101.7%	97.3%	99.1%	101.4%	97.6%	100.3%	101.8%	100.9%	99.0%	102.1%	100.0%	98.5%	101.8%	96.0%	102.3%	99.6%
State Income Tax	101.7%	97.3%	99.1%	101.4%	97.6%	100.3%	101.8%	100.9%	99.0%	102.1%	100.0%	98.5%	101.8%	95.9%	102.3%	99.6%
Unemploy. and Workers' Comp.	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Property	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%
Franchise	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Sales	461.0%	755.1%	1119.9%	702.6%	893.2%	732.1%	551.8%	496.8%	552.7%	486.2%	329.2%	1767.0%	306.0%	774.0%	162.7%	445.3%
Total Taxes	98.3%	103.0%	101.0%	98.4%	102.7%	99.6%	98.1%	99.0%	101.1%	97.7%	100.3%	101.7%	98.1%	104.8%	97.6%	106.8%

**Comparison of Finney Tax Plan with Baseline Tax Simulations
Typical Small City: New Firms Located in Enterprise Zones**

Location	Small City	Small City	Small City	Small City	Small City	Small City	Small City	Small City	Small City	Small City	Small City	Small City	Small City	Small City	Small City	Small City	Small City
Industry Code	201	204	267	275	283	307	344	353	367	371	481	508	531	737	873	-	
Industry Name	Meat Prod.	Grain Mill	Paper Prod.	Print, Pub.	Drugs	Plastics	Metals Const.	Mach.	Electronics	Motor V., Eq	Telecom.	Wholesale	Retail	Data Proc.	Research	HQ	

Baseline: No Tax Code Changes

Federal Taxable Income	\$867,899	\$995,680	\$1,092,164	\$1,377,934	\$1,934,123	\$889,805	\$1,406,414	\$1,420,225	\$1,652,871	\$2,867,802	\$2,915,884	\$1,083,100	\$634,953	\$494,930	\$1,993,060	\$744,806
Federal Income Tax	\$295,086	\$338,531	\$371,336	\$468,498	\$657,602	\$302,534	\$478,181	\$482,877	\$561,976	\$975,053	\$991,401	\$368,254	\$215,884	\$168,276	\$677,640	\$253,234
State Income Tax	\$23,690	\$27,297	\$29,928	\$37,779	\$54,662	\$24,318	\$38,582	\$38,988	\$45,363	\$86,611	\$39,744	\$29,680	\$17,215	\$13,602	\$55,400	\$9,203
Unemploy. and Workers' Comp.	\$56,645	\$43,189	\$22,328	\$21,988	\$18,150	\$30,379	\$44,695	\$29,908	\$16,904	\$48,590	\$35,643	\$36,830	\$14,121	\$17,467	\$19,495	\$17,657
Property	\$21,829	\$21,470	\$25,984	\$36,200	\$50,637	\$21,285	\$36,150	\$35,228	\$44,252	\$79,411	\$149,730	\$25,614	\$17,241	\$33,617	\$55,102	\$74,578
Franchise	\$1,718	\$1,623	\$1,747	\$2,500	\$2,500	\$1,451	\$2,500	\$2,500	\$2,500	\$2,500	\$1,652	\$1,646	\$1,203	\$443	\$2,500	\$1,095
Sales	\$5,436	\$9,416	\$4,838	\$6,041	\$14,645	\$4,785	\$6,943	\$10,252	\$17,383	\$16,485	\$39,648	\$3,215	\$7,696	\$3,935	\$64,535	\$14,009
Initial Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$961	\$0	\$0	\$0	\$0	
Initial Mach. and Equip.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$18,319	\$0	\$0	\$0	\$0	
Replace Mach. and Equip.	\$3,347	\$1,987	\$2,201	\$5,346	\$10,933	\$1,796	\$5,714	\$7,860	\$15,159	\$13,122	\$14,206	\$1,687	\$6,835	\$3,484	\$63,704	\$7,847
Utilities	\$1,783	\$6,128	\$1,914	\$665	\$2,296	\$2,128	\$759	\$1,089	\$1,028	\$1,615	\$5,306	\$818	\$577	\$228	\$374	\$5,306
Repairs	\$305	\$1,300	\$722	\$30	\$1,416	\$861	\$469	\$1,303	\$1,195	\$1,749	\$855	\$710	\$284	\$222	\$457	\$855
Other Purchased Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Taxes	\$404,403	\$441,526	\$456,160	\$573,006	\$798,197	\$384,752	\$607,050	\$599,751	\$688,379	\$1,208,649	\$1,257,817	\$465,241	\$273,360	\$237,341	\$874,672	\$369,776

Alternative: Finney Plan

Federal Taxable Income	\$849,539	\$935,129	\$1,035,287	\$1,340,710	\$1,826,845	\$853,399	\$1,378,198	\$1,374,412	\$1,580,937	\$2,813,746	\$2,915,970	\$1,019,117	\$614,550	\$475,519	\$1,961,366	\$741,531
Federal Income Tax	\$288,843	\$317,944	\$351,997	\$455,842	\$621,127	\$290,156	\$468,587	\$467,300	\$537,519	\$956,674	\$991,430	\$346,500	\$208,947	\$161,676	\$666,865	\$252,121
State Income Tax	\$23,325	\$25,750	\$28,544	\$36,993	\$50,477	\$23,469	\$38,036	\$37,962	\$43,620	\$84,057	\$39,745	\$28,102	\$16,781	\$13,069	\$54,192	\$9,162
Unemploy. and Workers' Comp.	\$56,645	\$43,189	\$22,328	\$21,988	\$18,150	\$30,379	\$44,695	\$29,908	\$16,904	\$48,590	\$35,643	\$36,830	\$14,121	\$17,467	\$19,495	\$17,657
Property	\$14,625	\$14,385	\$17,409	\$24,254	\$33,927	\$14,261	\$24,220	\$23,602	\$29,649	\$53,205	\$100,318	\$17,161	\$11,551	\$22,523	\$36,918	\$49,967
Franchise	\$1,718	\$1,623	\$1,747	\$2,500	\$2,500	\$1,451	\$2,500	\$2,500	\$2,500	\$2,500	\$1,652	\$1,646	\$1,203	\$443	\$2,500	\$1,095
Sales	\$29,341	\$74,746	\$65,279	\$51,540	\$136,042	\$44,314	\$44,582	\$62,935	\$101,678	\$92,046	\$87,284	\$69,945	\$30,917	\$33,288	\$111,787	\$64,040
Initial Construction	\$4,185	\$5,818	\$12,643	\$9,260	\$6,537	\$9,844	\$6,324	\$12,000	\$5,658	\$11,862	\$3,205	\$14,398	\$7,247	\$2,906	\$6,625	\$3,587
Initial Mach. and Equip.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$18,319	\$0	\$0	\$0	\$0	
Replace Mach. and Equip.	\$11,158	\$6,623	\$7,338	\$17,819	\$36,444	\$5,988	\$19,046	\$26,200	\$50,530	\$43,738	\$14,206	\$5,624	\$6,835	\$3,484	\$63,704	\$7,847
Utilities	\$8,917	\$30,642	\$9,571	\$3,324	\$11,481	\$10,641	\$3,797	\$5,445	\$5,142	\$8,073	\$5,306	\$4,090	\$2,886	\$1,141	\$1,869	\$5,306
Repairs	\$305	\$1,300	\$722	\$30	\$1,416	\$861	\$469	\$1,303	\$1,195	\$1,749	\$855	\$710	\$284	\$222	\$457	\$855
Other Purchased Services	\$4,776	\$30,363	\$35,005	\$21,107	\$80,164	\$16,980	\$14,945	\$17,988	\$39,153	\$26,623	\$45,393	\$45,124	\$13,666	\$25,534	\$39,132	\$46,444
Total Taxes	\$414,497	\$477,637	\$487,304	\$593,117	\$862,223	\$404,029	\$622,620	\$624,208	\$731,869	\$1,237,071	\$1,256,072	\$500,185	\$283,521	\$248,467	\$891,756	\$394,042

Comparison: Alternative as % of Baseline

Federal Income Tax	97.9%	93.9%	94.8%	97.3%	94.5%	95.9%	98.0%	96.8%	95.6%	98.1%	100.0%	94.1%	96.8%	96.1%	98.4%	99.6%
State Income Tax	98.5%	94.3%	95.4%	97.9%	92.3%	96.5%	98.6%	97.4%	96.2%	97.1%	100.0%	94.7%	97.5%	96.1%	97.8%	99.6%
Unemploy. and Workers' Comp.	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Property	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%
Franchise	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Sales	539.7%	793.8%	1349.3%	853.2%	928.9%	926.0%	642.2%	613.9%	584.9%	558.4%	220.1%	2175.3%	401.7%	846.0%	173.2%	457.1%
Total Taxes	102.5%	108.2%	106.8%	103.5%	108.0%	105.0%	102.6%	104.1%	106.3%	102.4%	99.9%	107.5%	103.7%	104.7%	102.0%	106.6%

**Comparison of Finney Tax Plan with Baseline Tax Simulations
Typical Small City: Established Firms**

Location	Small City	Small City	Small City	Small City	Small City	Small City	Small City	Small City	Small City	Small City	Small City	Small City	Small City	Small City	Small City	Small City
Industry Code	201	204	267	275	283	307	344	353	367	371	481	508	531	737	873	-
Industry Name	Meat Prod.	Grain Mill	Paper Prod.	Print, Pub.	Drugs	Plastics	Metals Const.	Mach.	Electronics	Motor V., Eq	Telecom.	Wholesale	Retail	Data Proc.	Research	HQ
Baseline: No Tax Code Changes																
Federal Taxable Income	\$776,127	\$905,415	\$982,920	\$1,225,738	\$1,721,232	\$800,317	\$1,254,432	\$1,272,119	\$1,466,824	\$2,533,940	\$2,918,509	\$975,411	\$562,467	\$494,930	\$1,761,399	\$744,806
Federal Income Tax	\$263,883	\$307,841	\$334,193	\$416,751	\$585,219	\$272,108	\$426,507	\$432,520	\$498,720	\$861,540	\$992,293	\$331,640	\$191,239	\$168,276	\$598,876	\$253,234
State Income Tax	\$36,109	\$42,218	\$45,880	\$57,354	\$80,766	\$37,252	\$58,709	\$59,545	\$68,745	\$119,166	\$39,780	\$45,526	\$26,014	\$22,823	\$82,664	\$15,440
Unemploy. and Workers' Comp.	\$56,645	\$43,189	\$22,328	\$21,988	\$18,150	\$30,379	\$44,695	\$29,908	\$16,904	\$48,590	\$35,643	\$36,830	\$14,121	\$17,467	\$19,495	\$17,657
Property	\$113,601	\$111,735	\$135,228	\$188,396	\$263,528	\$110,773	\$188,131	\$183,334	\$230,299	\$413,273	\$149,730	\$133,303	\$89,727	\$33,617	\$286,762	\$74,578
Franchise	\$1,718	\$1,623	\$1,747	\$2,500	\$2,500	\$1,451	\$2,500	\$2,500	\$2,500	\$2,500	\$1,652	\$1,646	\$1,203	\$443	\$2,500	\$1,095
Sales	\$5,436	\$9,416	\$4,838	\$6,041	\$14,645	\$4,785	\$6,943	\$10,252	\$17,383	\$16,485	\$20,367	\$3,215	\$7,696	\$3,935	\$64,535	\$14,009
Initial Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initial Mach. and Equip.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Replace Mach. and Equip.	\$3,347	\$1,987	\$2,201	\$5,346	\$10,933	\$1,796	\$5,714	\$7,860	\$15,159	\$13,122	\$14,206	\$1,687	\$6,835	\$3,484	\$63,704	\$7,847
Utilities	\$1,783	\$6,128	\$1,914	\$665	\$2,296	\$2,128	\$759	\$1,089	\$1,028	\$1,615	\$5,306	\$818	\$577	\$228	\$374	\$5,306
Repairs	\$305	\$1,300	\$722	\$30	\$1,416	\$861	\$469	\$1,303	\$1,195	\$1,749	\$855	\$710	\$284	\$222	\$457	\$855
Other Purchased Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Taxes	\$477,393	\$516,022	\$544,214	\$693,029	\$964,808	\$456,748	\$727,486	\$718,059	\$834,551	\$1,461,554	\$1,239,465	\$552,161	\$330,000	\$246,562	\$1,054,832	\$376,013

Alternative: Finney Plan

Federal Taxable Income	\$793,896	\$882,775	\$979,748	\$1,251,670	\$1,693,337	\$807,188	\$1,285,201	\$1,291,936	\$1,464,186	\$2,606,624	\$2,918,901	\$967,070	\$576,103	\$479,576	\$1,815,405	\$742,142
Federal Income Tax	\$269,924	\$300,143	\$333,114	\$425,568	\$575,735	\$274,444	\$436,968	\$439,258	\$497,823	\$886,252	\$992,426	\$328,804	\$195,875	\$163,056	\$617,238	\$252,328
State Income Tax	\$36,949	\$41,149	\$45,731	\$58,579	\$79,448	\$37,577	\$60,163	\$60,481	\$68,620	\$122,600	\$39,786	\$45,132	\$26,658	\$22,097	\$85,215	\$15,383
Unemploy. and Workers' Comp.	\$56,645	\$43,189	\$22,328	\$21,988	\$18,150	\$30,379	\$44,695	\$29,908	\$16,904	\$48,590	\$35,643	\$36,830	\$14,121	\$17,467	\$19,495	\$17,657
Property	\$76,112	\$74,862	\$90,602	\$126,225	\$176,563	\$74,218	\$126,047	\$122,833	\$154,299	\$276,891	\$100,318	\$89,313	\$60,117	\$22,523	\$192,130	\$49,967
Franchise	\$1,718	\$1,623	\$1,747	\$2,500	\$2,500	\$1,451	\$2,500	\$2,500	\$2,500	\$2,500	\$1,652	\$1,646	\$1,203	\$443	\$2,500	\$1,095
Sales	\$25,156	\$68,929	\$52,636	\$42,280	\$129,505	\$34,470	\$38,258	\$50,936	\$96,020	\$80,184	\$65,760	\$55,548	\$23,671	\$30,382	\$105,162	\$60,452
Initial Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initial Mach. and Equip.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Replace Mach. and Equip.	\$11,158	\$6,623	\$7,338	\$17,819	\$36,444	\$5,988	\$19,046	\$26,200	\$50,530	\$43,738	\$14,206	\$5,624	\$6,835	\$3,484	\$63,704	\$7,847
Utilities	\$8,917	\$30,642	\$9,571	\$3,324	\$11,481	\$10,641	\$3,797	\$5,445	\$5,142	\$8,073	\$5,306	\$4,090	\$2,886	\$1,141	\$1,869	\$5,306
Repairs	\$305	\$1,300	\$722	\$30	\$1,416	\$861	\$469	\$1,303	\$1,195	\$1,749	\$855	\$710	\$284	\$222	\$457	\$855
Other Purchased Services	\$4,776	\$30,363	\$35,005	\$21,107	\$80,164	\$16,980	\$14,945	\$17,988	\$39,153	\$26,623	\$45,393	\$45,124	\$13,666	\$25,534	\$39,132	\$46,444
Total Taxes	\$466,505	\$529,895	\$546,158	\$677,139	\$981,901	\$452,538	\$708,632	\$705,916	\$836,167	\$1,417,017	\$1,235,585	\$557,272	\$321,645	\$255,969	\$1,021,740	\$396,883

Comparison: Alternative as % of Baseline

Federal Income Tax	102.3%	97.5%	99.7%	102.1%	98.4%	100.9%	102.5%	101.6%	99.8%	102.9%	100.0%	99.1%	102.4%	96.9%	103.1%	99.6%
State Income Tax	102.3%	97.5%	99.7%	102.1%	98.4%	100.9%	102.5%	101.6%	99.8%	102.9%	100.0%	99.1%	102.5%	96.8%	103.1%	99.6%
Unemploy. and Workers' Comp.	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Property	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%
Franchise	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Sales	462.8%	732.1%	1088.0%	699.9%	884.3%	720.3%	551.1%	496.8%	552.4%	486.4%	322.9%	1727.5%	307.6%	772.2%	163.0%	431.5%
Total Taxes	97.7%	102.7%	100.4%	97.7%	101.8%	99.1%	97.4%	98.3%	100.2%	97.0%	99.7%	100.9%	97.5%	103.8%	96.9%	105.6%

**Comparison of Modified Rock-Martin Tax Plan with Baseline Tax Simulations
Johnson County: New Firms Located in Enterprise Zones**

Location	KC Johnson	KC Johnson	KC Johnson	KC Johnson	KC Johnson	KC Johnson	KC Johnson	KC Johnson	KC Johnson	KC Johnson	KC Johnson	KC Johnson	KC Johnson	KC Johnson	KC Johnson	KC Johnson	KC Johnson
Industry Code	201	204	267	275		283	307	344	353	367	371	481	508	531	737	873	-
Industry Name	Meat Prod.	Grain Mill	Paper Prod.	Print, Pub.		Drugs	Plastics	Metals Const.	Mach.	Electronics	Motor V., Eq	Telecom.	Wholesale	Retail	Data Proc.	Research	HQ

Baseline: No Tax Code Changes

Federal Taxable Income	\$689,456	\$750,069	\$821,479	\$1,133,549	\$1,624,924	\$672,229	\$1,166,902	\$1,116,346	\$1,405,063	\$2,520,405	\$2,885,320	\$795,060	\$520,549	\$228,476	\$1,696,440	\$696,684
Federal Income Tax	\$234,415	\$255,024	\$279,303	\$385,407	\$552,474	\$228,558	\$396,747	\$379,558	\$477,721	\$856,938	\$981,009	\$270,321	\$176,987	\$72,356	\$576,790	\$236,873
State Income Tax	\$18,767	\$20,467	\$22,365	\$31,048	\$44,721	\$18,244	\$32,012	\$30,553	\$38,615	\$69,564	\$39,322	\$21,611	\$14,042	\$6,097	\$46,645	\$8,587
Unemploy. and Workers' Comp.	\$70,897	\$54,055	\$27,946	\$27,520	\$22,717	\$38,022	\$55,940	\$37,432	\$21,157	\$60,815	\$44,610	\$46,097	\$17,673	\$21,862	\$24,400	\$22,100
Property	\$16,433	\$16,885	\$22,813	\$28,237	\$36,775	\$18,470	\$26,957	\$28,747	\$32,115	\$58,356	\$107,616	\$23,309	\$14,652	\$28,990	\$39,810	\$58,000
Franchise	\$1,870	\$1,834	\$2,205	\$2,500	\$2,500	\$1,808	\$2,500	\$2,500	\$2,500	\$2,500	\$1,769	\$2,169	\$1,466	\$549	\$2,500	\$1,225
Sales	\$5,308	\$8,922	\$4,691	\$5,971	\$14,514	\$4,584	\$6,867	\$10,146	\$17,285	\$16,339	\$39,275	\$3,132	\$7,637	\$3,911	\$64,497	\$13,504
Initial Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,094	\$0	\$0	\$0	\$0	
Initial Mach. and Equip.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$18,319	\$0	\$0	\$0	\$0	
Replace Mach. and Equip.	\$3,347	\$1,987	\$2,201	\$5,346	\$10,933	\$1,796	\$5,714	\$7,860	\$15,159	\$13,122	\$14,206	\$1,687	\$6,835	\$3,484	\$63,704	\$7,847
Utilities	\$1,655	\$5,635	\$1,767	\$596	\$2,165	\$1,927	\$684	\$983	\$931	\$1,468	\$4,801	\$734	\$518	\$205	\$336	\$4,801
Repairs	\$305	\$1,300	\$722	\$30	\$1,416	\$861	\$469	\$1,303	\$1,195	\$1,749	\$855	\$710	\$284	\$222	\$457	\$855
Other Purchased Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Taxes	\$347,689	\$357,187	\$359,323	\$480,683	\$673,702	\$309,686	\$521,023	\$488,934	\$589,394	\$1,064,511	\$1,213,601	\$366,638	\$232,457	\$133,766	\$754,642	\$340,288

Alternative:

Federal Taxable Income	\$670,180	\$725,130	\$781,906	\$1,093,394	\$1,482,319	\$646,490	\$1,134,751	\$1,065,512	\$1,339,014	\$2,455,582	\$2,883,690	\$740,407	\$492,627	\$210,355	\$1,659,501	\$694,022
Federal Income Tax	\$227,861	\$246,544	\$265,848	\$371,754	\$503,989	\$219,807	\$385,815	\$362,274	\$455,265	\$834,898	\$980,455	\$251,738	\$167,493	\$65,288	\$564,230	\$235,968
State Income Tax	\$18,219	\$19,723	\$21,355	\$29,979	\$40,564	\$17,614	\$31,068	\$29,112	\$36,670	\$67,652	\$39,299	\$20,143	\$13,258	\$5,602	\$45,599	\$8,554
Unemploy. and Workers' Comp.	\$70,897	\$54,055	\$27,946	\$27,520	\$22,717	\$38,022	\$55,940	\$37,432	\$21,157	\$60,815	\$44,610	\$46,097	\$17,673	\$21,862	\$24,400	\$22,100
Property	\$17,571	\$20,486	\$20,542	\$27,116	\$45,108	\$16,031	\$30,273	\$31,852	\$36,948	\$63,240	\$86,093	\$23,379	\$16,492	\$21,339	\$41,880	\$53,146
Franchise	\$1,870	\$1,834	\$2,205	\$2,500	\$2,500	\$1,808	\$2,500	\$2,500	\$2,500	\$2,500	\$1,769	\$2,169	\$1,466	\$549	\$2,500	\$1,225
Sales	\$21,559	\$27,637	\$40,833	\$43,072	\$145,838	\$28,322	\$32,850	\$52,463	\$75,950	\$70,927	\$76,506	\$51,222	\$30,451	\$28,374	\$96,378	\$38,559
Initial Construction	\$4,763	\$6,620	\$14,387	\$10,537	\$7,439	\$11,202	\$7,196	\$13,655	\$6,438	\$13,499	\$3,647	\$16,383	\$8,246	\$3,307	\$7,539	\$4,082
Initial Mach. and Equip.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$18,319	\$0	\$0	\$0	\$0	
Replace Mach. and Equip.	\$11,158	\$6,623	\$7,338	\$17,819	\$36,444	\$5,988	\$19,046	\$26,200	\$50,530	\$43,738	\$14,206	\$5,624	\$6,835	\$3,484	\$63,704	\$7,847
Utilities	\$1,655	\$5,635	\$1,767	\$596	\$2,165	\$1,927	\$684	\$983	\$931	\$1,468	\$4,801	\$734	\$518	\$205	\$336	\$4,801
Repairs	\$305	\$1,300	\$722	\$30	\$1,416	\$861	\$469	\$1,303	\$1,195	\$1,749	\$855	\$710	\$284	\$222	\$457	\$855
Other Purchased Services	\$3,678	\$7,459	\$16,619	\$14,089	\$98,375	\$8,344	\$5,454	\$10,322	\$16,855	\$10,473	\$34,678	\$27,770	\$14,568	\$21,156	\$24,342	\$20,973
Total Taxes	\$357,976	\$370,279	\$378,730	\$501,940	\$760,716	\$321,604	\$538,446	\$515,633	\$628,490	\$1,100,032	\$1,228,732	\$394,748	\$246,834	\$143,014	\$774,988	\$359,551

Comparison: Alternative as % of Baseline

Federal Income Tax	97.2%	96.7%	95.2%	96.5%	91.2%	96.2%	97.2%	95.4%	95.3%	97.4%	99.9%	93.1%	94.6%	90.2%	97.8%	99.6%
State Income Tax	97.1%	96.4%	95.5%	96.6%	90.7%	96.5%	97.0%	95.3%	95.0%	97.3%	99.9%	93.2%	94.4%	91.9%	97.8%	99.6%
Unemploy. and Workers' Comp.	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Property	106.9%	121.3%	90.0%	96.0%	122.7%	86.8%	112.3%	110.8%	115.0%	108.4%	80.0%	100.3%	73.6%	105.2%	91.6%	91.6%
Franchise	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Sales	406.2%	309.8%	870.4%	721.3%	1004.8%	617.8%	478.4%	517.1%	439.4%	434.1%	194.8%	1635.7%	398.7%	725.4%	149.4%	285.5%
Total Taxes	103.0%	103.7%	105.4%	104.4%	112.9%	103.8%	103.3%	105.5%	106.6%	103.3%	101.2%	107.7%	106.2%	106.9%	102.7%	105.7%

**Comparison of Modified Rock-Martin Tax Plan with Baseline Tax Simulations
Johnson County: Established Firms**

Location	KC Johnson 201	KC Johnson 204	KC Johnson 267	KC Johnson 275	KC Johnson 283	KC Johnson 307	KC Johnson 344	KC Johnson 353	KC Johnson 367	KC Johnson 371	KC Johnson 481	KC Johnson 508	KC Johnson 531	KC Johnson 737	KC Johnson 873	KC Johnson -
Industry Code	Meat Prod.	Grain Mill	Paper Prod.	Print, Pub.	Drugs	Plastics	Metals Const.	Mach.	Electronics	Motor V., Eq	Telecom.	Wholesale	Retail	Data Proc.	Research	HQ
Industry Name																
Baseline: No Tax Code Changes																
Federal Taxable Income	\$620,366	\$679,080	\$725,568	\$1,014,833	\$1,470,311	\$594,577	\$1,053,568	\$995,488	\$1,270,044	\$2,275,062	\$2,887,963	\$697,063	\$458,948	\$228,476	\$1,529,068	\$696,684
Federal Income Tax	\$210,925	\$230,887	\$246,693	\$345,043	\$499,906	\$202,156	\$358,213	\$338,466	\$431,815	\$773,521	\$981,908	\$237,001	\$156,042	\$72,356	\$519,883	\$236,873
State Income Tax	\$28,750	\$31,524	\$33,721	\$47,388	\$68,910	\$27,531	\$49,219	\$46,474	\$59,447	\$106,934	\$39,358	\$32,374	\$21,123	\$10,233	\$71,686	\$14,406
Unemploy. and Workers' Comp.	\$70,897	\$54,055	\$27,946	\$27,520	\$22,717	\$38,022	\$55,940	\$37,432	\$21,157	\$60,815	\$44,610	\$46,097	\$17,673	\$21,862	\$24,400	\$22,100
Property	\$85,523	\$87,875	\$118,724	\$146,953	\$191,388	\$96,122	\$140,291	\$149,604	\$167,133	\$303,698	\$107,616	\$121,307	\$76,253	\$28,990	\$207,183	\$58,000
Franchise	\$1,870	\$1,834	\$2,205	\$2,500	\$2,500	\$1,808	\$2,500	\$2,500	\$2,500	\$2,500	\$1,769	\$2,169	\$1,466	\$549	\$2,500	\$1,225
Sales	\$5,308	\$8,922	\$4,691	\$5,971	\$14,514	\$4,584	\$6,867	\$10,146	\$17,285	\$16,339	\$19,862	\$3,132	\$7,637	\$3,911	\$64,497	\$13,504
Initial Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initial Mach. and Equip.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Replace Mach. and Equip.	\$3,347	\$1,987	\$2,201	\$5,346	\$10,933	\$1,796	\$5,714	\$7,860	\$15,159	\$13,122	\$14,206	\$1,687	\$6,835	\$3,484	\$63,704	\$7,847
Utilities	\$1,655	\$5,635	\$1,767	\$596	\$2,165	\$1,927	\$684	\$983	\$931	\$1,468	\$4,801	\$734	\$518	\$205	\$336	\$4,801
Repairs	\$305	\$1,300	\$722	\$30	\$1,416	\$861	\$469	\$1,303	\$1,195	\$1,749	\$855	\$710	\$284	\$222	\$457	\$855
Other Purchased Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Taxes	\$403,271	\$415,097	\$433,980	\$575,376	\$799,935	\$370,223	\$613,030	\$584,622	\$699,338	\$1,263,807	\$1,195,123	\$442,079	\$280,195	\$137,901	\$890,148	\$346,107

Alternative:

Federal Taxable Income	\$602,957	\$648,245	\$715,632	\$994,104	\$1,303,061	\$594,733	\$1,017,524	\$950,663	\$1,192,666	\$2,208,552	\$2,886,681	\$664,993	\$434,805	\$214,972	\$1,493,952	\$694,640
Federal Income Tax	\$205,005	\$220,403	\$243,315	\$337,995	\$443,041	\$202,209	\$345,958	\$323,225	\$405,506	\$750,908	\$981,471	\$226,098	\$147,834	\$67,089	\$507,944	\$236,178
State Income Tax	\$27,927	\$30,067	\$33,251	\$46,409	\$61,007	\$27,539	\$47,515	\$44,356	\$55,791	\$103,792	\$39,340	\$30,858	\$19,982	\$9,595	\$70,027	\$14,362
Unemploy. and Workers' Comp.	\$70,897	\$54,055	\$27,946	\$27,520	\$22,717	\$38,022	\$55,940	\$37,432	\$21,157	\$60,815	\$44,610	\$46,097	\$17,673	\$21,862	\$24,400	\$22,100
Property	\$91,444	\$106,614	\$106,905	\$141,120	\$234,753	\$83,430	\$157,549	\$165,767	\$192,286	\$329,118	\$86,093	\$121,669	\$85,829	\$21,339	\$217,956	\$53,783
Franchise	\$1,870	\$1,834	\$2,205	\$2,500	\$2,500	\$1,808	\$2,500	\$2,500	\$2,500	\$2,500	\$1,769	\$2,169	\$1,466	\$549	\$2,500	\$1,225
Sales	\$16,796	\$21,017	\$26,446	\$32,534	\$138,399	\$17,120	\$25,653	\$38,808	\$69,512	\$57,429	\$54,540	\$34,839	\$22,205	\$25,067	\$88,839	\$34,476
Initial Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initial Mach. and Equip.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Replace Mach. and Equip.	\$11,158	\$6,623	\$7,338	\$17,819	\$36,444	\$5,988	\$19,046	\$26,200	\$50,530	\$43,738	\$14,206	\$5,624	\$6,835	\$3,484	\$63,704	\$7,847
Utilities	\$1,655	\$5,635	\$1,767	\$596	\$2,165	\$1,927	\$684	\$983	\$931	\$1,468	\$4,801	\$734	\$518	\$205	\$336	\$4,801
Repairs	\$305	\$1,300	\$722	\$30	\$1,416	\$861	\$469	\$1,303	\$1,195	\$1,749	\$855	\$710	\$284	\$222	\$457	\$855
Other Purchased Services	\$3,678	\$7,459	\$16,619	\$14,089	\$98,375	\$8,344	\$5,454	\$10,322	\$16,855	\$10,473	\$34,678	\$27,770	\$14,568	\$21,156	\$24,342	\$20,973
Total Taxes	\$413,939	\$433,991	\$440,069	\$588,078	\$902,417	\$370,128	\$635,116	\$612,089	\$746,752	\$1,304,561	\$1,207,824	\$461,730	\$294,989	\$145,501	\$911,665	\$362,124

Comparison: Alternative as % of Baseline

Federal Income Tax	97.2%	95.5%	98.6%	98.0%	88.6%	100.0%	96.6%	95.5%	93.9%	97.1%	100.0%	95.4%	94.7%	92.7%	97.7%	99.7%
State Income Tax	97.1%	95.4%	98.6%	97.9%	88.5%	100.0%	96.5%	95.4%	93.8%	97.1%	100.0%	95.3%	94.6%	93.8%	97.7%	99.7%
Unemploy. and Workers' Comp.	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Property	106.9%	121.3%	90.0%	96.0%	122.7%	86.8%	112.3%	110.8%	115.0%	108.4%	80.0%	100.3%	112.6%	73.6%	105.2%	92.7%
Franchise	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Sales	316.4%	235.6%	563.7%	544.8%	953.6%	373.4%	373.6%	382.5%	402.1%	351.5%	274.6%	1112.5%	290.8%	640.9%	137.7%	255.3%
Total Taxes	102.6%	104.6%	101.4%	102.2%	112.8%	100.0%	103.6%	104.7%	106.8%	103.2%	101.1%	104.4%	105.3%	105.5%	102.4%	104.6%

Attachment 1-46

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**Comparison of Modified Rock-Martin Tax Plan with Baseline Tax Simulations
Wyandotte County: New Firms Located in Enterprise Zones**

Location	KC Wyandotte	KC Wyandotte	KC Wyandotte	KC Wyandotte	KC Wyandotte	KC Wyandotte	KC Wyandotte	KC Wyandotte	KC Wyandotte	KC Wyandotte	KC Wyandotte	KC Wyandotte	KC Wyandotte	KC Wyandotte	KC Wyandotte	KC Wyandotte	KC Wyandotte	KC Wyandotte	KC Wyandotte	KC Wyandotte
Industry Code	201	204	267	275	283	307	344	353	367	371	481	508	531	737	873					
Industry Name	Meat Prod.	Grain Mill	Paper Prod.	Print, Pub.	Drugs	Plastics	Metals Const.	Mach.	Electronics	Motor V., Eq	Telecom.	Wholesale	Retail	Data Proc.	Research					
Baseline: No Tax Code Changes																				
Federal Taxable Income	\$649,116	\$692,320	\$766,956	\$1,079,675	\$1,551,357	\$626,592	\$1,112,326	\$1,052,456	\$1,344,707	\$2,432,403	\$2,874,432	\$740,854	\$496,838	\$168,402	\$1,621,374	\$684,716				
Federal Income Tax	\$220,699	\$235,389	\$260,765	\$367,090	\$527,461	\$213,041	\$378,191	\$357,835	\$457,200	\$827,017	\$977,307	\$251,890	\$168,925	\$48,927	\$551,267	\$232,803				
State Income Tax	\$17,501	\$18,706	\$20,648	\$29,307	\$42,358	\$16,812	\$30,261	\$28,525	\$36,660	\$66,588	\$39,171	\$19,900	\$13,258	\$4,405	\$44,212	\$8,434				
Unemploy. and Workers' Comp.	\$73,498	\$56,038	\$28,971	\$28,529	\$23,550	\$39,417	\$57,993	\$38,805	\$21,934	\$63,046	\$46,247	\$47,788	\$18,322	\$22,664	\$25,295	\$22,911				
Property	\$23,250	\$23,889	\$32,276	\$39,950	\$52,030	\$26,131	\$38,139	\$40,671	\$45,436	\$82,562	\$152,256	\$32,978	\$20,730	\$41,016	\$56,324	\$82,058				
Franchise	\$1,870	\$1,834	\$2,205	\$2,500	\$2,500	\$1,808	\$2,500	\$2,500	\$2,500	\$2,500	\$1,769	\$2,169	\$1,466	\$549	\$2,500	\$1,225				
Sales	\$5,769	\$9,698	\$5,099	\$6,491	\$15,776	\$4,983	\$7,464	\$11,028	\$18,788	\$17,760	\$42,691	\$3,404	\$8,301	\$4,252	\$70,105	\$14,678				
Initial Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,189	\$0	\$0	\$0	\$0	\$0				
Initial Mach. and Equip.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$19,912	\$0	\$0	\$0	\$0	\$0				
Replace Mach. and Equip.	\$3,638	\$2,160	\$2,393	\$5,811	\$11,884	\$1,952	\$6,211	\$8,543	\$16,477	\$14,263	\$15,441	\$1,834	\$7,429	\$3,787	\$69,244	\$8,530				
Utilities	\$1,799	\$6,125	\$1,921	\$648	\$2,353	\$2,095	\$743	\$1,068	\$1,012	\$1,596	\$5,219	\$798	\$563	\$223	\$365	\$5,219				
Repairs	\$332	\$1,413	\$785	\$32	\$1,539	\$936	\$510	\$1,416	\$1,299	\$1,901	\$930	\$772	\$309	\$242	\$497	\$930				
Other Purchased Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0				
Total Taxes	\$342,586	\$345,555	\$349,965	\$473,867	\$663,675	\$302,193	\$514,547	\$479,364	\$582,519	\$1,059,472	\$1,259,440	\$358,129	\$231,001	\$121,813	\$749,703	\$362,109				
Alternative:																				
Federal Taxable Income	\$627,790	\$664,032	\$724,687	\$1,036,396	\$1,393,620	\$599,416	\$1,076,292	\$996,184	\$1,271,331	\$2,360,342	\$2,873,348	\$681,426	\$465,884	\$151,214	\$1,580,544	\$682,016				
Federal Income Tax	\$213,449	\$225,771	\$246,393	\$352,375	\$473,831	\$203,801	\$365,939	\$338,702	\$432,252	\$802,516	\$976,938	\$231,685	\$158,401	\$42,223	\$537,385	\$231,886				
State Income Tax	\$16,888	\$17,842	\$19,587	\$28,162	\$37,710	\$16,165	\$29,183	\$26,912	\$34,471	\$64,472	\$39,156	\$18,303	\$12,377	\$3,938	\$43,044	\$8,400				
Unemploy. and Workers' Comp.	\$73,498	\$56,038	\$28,971	\$28,529	\$23,550	\$39,417	\$57,993	\$38,805	\$21,934	\$63,046	\$46,247	\$47,788	\$18,322	\$22,664	\$25,295	\$22,911				
Property	\$24,859	\$28,984	\$29,063	\$38,364	\$63,819	\$22,681	\$42,830	\$45,065	\$52,274	\$89,472	\$121,805	\$33,076	\$23,333	\$30,190	\$59,252	\$75,192				
Franchise	\$1,870	\$1,834	\$2,205	\$2,500	\$2,500	\$1,808	\$2,500	\$2,500	\$2,500	\$2,500	\$1,769	\$2,169	\$1,466	\$549	\$2,500	\$1,225				
Sales	\$23,434	\$30,040	\$44,384	\$46,817	\$158,520	\$30,785	\$35,706	\$57,024	\$82,554	\$77,095	\$83,159	\$55,676	\$33,099	\$30,841	\$104,758	\$41,912				
Initial Construction	\$5,177	\$7,196	\$15,638	\$11,454	\$8,086	\$12,176	\$7,822	\$14,842	\$6,998	\$14,672	\$3,964	\$17,808	\$8,963	\$3,594	\$8,194	\$4,437				
Initial Mach. and Equip.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$19,912	\$0	\$0	\$0	\$0	\$0				
Replace Mach. and Equip.	\$12,128	\$7,199	\$7,976	\$19,369	\$39,613	\$6,508	\$20,703	\$28,478	\$54,924	\$47,542	\$15,441	\$6,113	\$7,429	\$3,787	\$69,244	\$8,530				
Utilities	\$1,799	\$6,125	\$1,921	\$648	\$2,353	\$2,095	\$743	\$1,068	\$1,012	\$1,596	\$5,219	\$798	\$563	\$223	\$365	\$5,219				
Repairs	\$332	\$1,413	\$785	\$32	\$1,539	\$936	\$510	\$1,416	\$1,299	\$1,901	\$930	\$772	\$309	\$242	\$497	\$930				
Other Purchased Services	\$3,998	\$8,107	\$18,064	\$15,314	\$106,929	\$9,070	\$5,928	\$11,220	\$18,321	\$11,384	\$37,694	\$30,185	\$15,834	\$22,996	\$26,459	\$22,796				
Total Taxes	\$353,997	\$360,509	\$370,603	\$496,747	\$759,929	\$314,657	\$534,152	\$509,008	\$625,985	\$1,099,102	\$1,269,074	\$388,697	\$246,997	\$130,405	\$772,234	\$381,524				
Comparison: Alternative as % of Baseline																				
Federal Income Tax	96.7%	95.9%	94.5%	96.0%	89.8%	95.7%	96.8%	94.7%	94.5%	97.0%	100.0%	92.0%	93.8%	86.3%	97.5%	99.6%				
State Income Tax	96.5%	95.4%	94.9%	96.1%	89.0%	96.2%	96.4%	94.3%	94.0%	96.8%	100.0%	92.0%	93.4%	89.4%	97.4%	99.6%				
Unemploy. and Workers' Comp.	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%				
Property	106.9%	121.3%	90.0%	96.0%	122.7%	86.8%	112.3%	110.8%	115.0%	108.4%	80.0%	100.3%	112.6%	73.6%	105.2%	91.6%				
Franchise	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%				
Sales	406.2%	309.8%	870.4%	721.3%	1004.8%	617.8%	478.4%	517.1%	439.4%	434.1%	194.8%	1635.7%	398.7%	725.4%	149.4%	285.5%				
Total Taxes	103.3%	104.3%	105.9%	104.8%	114.5%	104.1%	103.8%	106.2%	107.5%	103.7%	100.8%	108.5%	106.9%	107.1%	103.0%	105.4%				

Attachment 1-47

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**Comparison of Modified Rock-Martin Tax Plan with Baseline Tax Simulations
Wyandotte County: Established Firms**

Location Industry Code Industry Name	KC Wyandotte 201 Meat Prod.	KC Wyandotte 204 Grain Mill	KC Wyandotte 267 Paper Prod.	KC Wyandotte 275 Print, Pub.	KC Wyandotte 283 Drugs	KC Wyandotte 307 Plastics	KC Wyandotte 344 Metals Const.	KC Wyandotte 353 Mach.	KC Wyandotte 367 Electronics	KC Wyandotte 371 Motor V., Eq	KC Wyandotte 481 Telecom.	KC Wyandotte 508 Wholesale	KC Wyandotte 531 Retail	KC Wyandotte 737 Data Proc.	KC Wyandotte 873 Research	KC Wyandotte - HQ
Baseline: No Tax Code Changes																
Federal Taxable Income	\$551,368	\$591,884	\$631,261	\$911,716	\$1,332,611	\$516,730	\$951,981	\$881,466	\$1,153,683	\$2,085,292	\$2,877,305	\$602,207	\$409,684	\$168,402	\$1,384,575	\$684,716
Federal Income Tax	\$187,465	\$201,241	\$214,629	\$309,983	\$453,088	\$175,688	\$323,674	\$299,699	\$392,252	\$708,999	\$978,284	\$204,751	\$139,293	\$48,927	\$470,755	\$232,803
State Income Tax	\$25,490	\$27,404	\$29,265	\$42,516	\$62,403	\$23,853	\$44,419	\$41,087	\$53,949	\$97,968	\$39,211	\$27,892	\$18,795	\$7,395	\$64,859	\$14,149
Unemploy. and Workers' Comp.	\$73,498	\$56,038	\$28,971	\$28,529	\$23,550	\$39,417	\$57,993	\$38,805	\$21,934	\$63,046	\$46,247	\$47,788	\$18,322	\$22,664	\$25,295	\$22,911
Property	\$120,998	\$124,325	\$167,971	\$207,910	\$270,776	\$135,993	\$198,484	\$211,661	\$236,460	\$429,672	\$152,256	\$171,625	\$107,883	\$41,016	\$293,123	\$82,058
Franchise	\$1,870	\$1,834	\$2,205	\$2,500	\$2,500	\$1,808	\$2,500	\$2,500	\$2,500	\$2,500	\$1,769	\$2,169	\$1,466	\$549	\$2,500	\$1,225
Sales	\$5,769	\$9,698	\$5,099	\$6,491	\$15,776	\$4,983	\$7,464	\$11,028	\$18,788	\$17,760	\$21,589	\$3,404	\$8,301	\$4,252	\$70,105	\$14,678
Initial Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initial Mach. and Equip.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Replace Mach. and Equip.	\$3,638	\$2,160	\$2,393	\$5,811	\$11,884	\$1,952	\$6,211	\$8,543	\$16,477	\$14,263	\$15,441	\$1,834	\$7,429	\$3,787	\$69,244	\$8,530
Utilities	\$1,799	\$6,125	\$1,921	\$648	\$2,353	\$2,095	\$743	\$1,068	\$1,012	\$1,596	\$5,219	\$798	\$563	\$223	\$365	\$5,219
Repairs	\$332	\$1,413	\$785	\$32	\$1,539	\$936	\$510	\$1,416	\$1,299	\$1,901	\$930	\$772	\$309	\$242	\$497	\$930
Other Purchased Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Taxes	\$415,089	\$420,540	\$448,140	\$597,929	\$828,094	\$381,742	\$634,532	\$604,779	\$725,884	\$1,319,945	\$1,239,355	\$457,628	\$294,060	\$124,802	\$926,637	\$367,825
Alternative:																
Federal Taxable Income	\$530,503	\$552,224	\$624,335	\$891,096	\$1,136,600	\$521,061	\$907,145	\$827,445	\$1,061,329	\$2,004,665	\$2,876,599	\$567,230	\$380,302	\$156,233	\$1,342,874	\$682,662
Federal Income Tax	\$180,371	\$187,756	\$212,274	\$302,973	\$386,444	\$177,161	\$308,429	\$281,331	\$360,852	\$681,586	\$978,044	\$192,858	\$129,303	\$44,181	\$456,577	\$232,105
State Income Tax	\$24,504	\$25,530	\$28,937	\$41,542	\$53,142	\$24,058	\$42,300	\$38,534	\$49,585	\$94,158	\$39,201	\$26,239	\$17,407	\$6,819	\$62,888	\$14,105
Unemploy. and Workers' Comp.	\$73,498	\$56,038	\$28,971	\$28,529	\$23,550	\$39,417	\$57,993	\$38,805	\$21,934	\$63,046	\$46,247	\$47,788	\$18,322	\$22,664	\$25,295	\$22,911
Property	\$129,375	\$150,838	\$151,250	\$199,657	\$332,129	\$118,037	\$222,900	\$234,528	\$272,046	\$465,637	\$121,805	\$172,138	\$121,431	\$30,190	\$308,364	\$76,092
Franchise	\$1,870	\$1,834	\$2,205	\$2,500	\$2,500	\$1,808	\$2,500	\$2,500	\$2,500	\$2,500	\$1,769	\$2,169	\$1,466	\$549	\$2,500	\$1,225
Sales	\$18,257	\$22,845	\$28,746	\$35,363	\$150,434	\$18,609	\$27,884	\$42,183	\$75,556	\$62,422	\$59,283	\$37,868	\$24,136	\$27,247	\$96,564	\$37,474
Initial Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initial Mach. and Equip.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Replace Mach. and Equip.	\$12,128	\$7,199	\$7,976	\$19,369	\$39,613	\$6,508	\$20,703	\$28,478	\$54,924	\$47,542	\$15,441	\$6,113	\$7,429	\$3,787	\$69,244	\$8,530
Utilities	\$1,799	\$6,125	\$1,921	\$648	\$2,353	\$2,095	\$743	\$1,068	\$1,012	\$1,596	\$5,219	\$798	\$563	\$223	\$365	\$5,219
Repairs	\$332	\$1,413	\$785	\$32	\$1,539	\$936	\$510	\$1,416	\$1,299	\$1,901	\$930	\$772	\$309	\$242	\$497	\$930
Other Purchased Services	\$3,998	\$8,107	\$18,064	\$15,314	\$106,929	\$9,070	\$5,928	\$11,220	\$18,321	\$11,384	\$37,694	\$30,185	\$15,834	\$22,996	\$26,459	\$22,796
Total Taxes	\$427,874	\$444,842	\$452,384	\$610,564	\$948,199	\$379,089	\$662,006	\$637,881	\$782,473	\$1,369,349	\$1,246,347	\$479,060	\$312,064	\$131,650	\$952,189	\$383,912
Comparison: Alternative as % of Baseline																
Federal Income Tax	96.2%	93.3%	98.9%	97.7%	85.3%	100.8%	95.3%	93.9%	92.0%	96.1%	100.0%	94.2%	92.8%	90.3%	97.0%	99.7%
State Income Tax	96.1%	93.2%	98.9%	97.7%	85.2%	100.9%	95.2%	93.8%	91.9%	96.1%	100.0%	94.1%	92.6%	92.2%	97.0%	99.7%
Unemploy. and Workers' Comp.	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Property	106.9%	121.3%	90.0%	96.0%	122.7%	86.8%	112.3%	110.8%	115.0%	108.4%	80.0%	100.3%	112.6%	73.6%	105.2%	92.7%
Franchise	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Sales	316.4%	235.6%	563.7%	544.8%	953.6%	373.4%	373.6%	382.5%	402.1%	351.5%	274.6%	1112.5%	290.8%	640.9%	137.7%	255.3%
Total Taxes	103.1%	105.8%	100.9%	102.1%	114.5%	99.3%	104.3%	105.5%	107.8%	103.7%	100.6%	104.7%	106.1%	105.5%	102.8%	104.4%

Attachment 1-48

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**Comparison of Modified Rock-Martin Tax Plan with Baseline Tax Simulations
Sedgwick County: New Firms Located in Enterprise Zones**

Location	Wichita	Wichita	Wichita	Wichita	Wichita	Wichita	Wichita	Wichita	Wichita	Wichita	Wichita	Wichita	Wichita	Wichita	Wichita	Wichita
Industry Code	201	204	267	275	283	307	344	353	367	371	481	508	531	737	873	-
Industry Name	Meat Prod.	Grain Mill	Paper Prod.	Print, Pub.	Drugs	Plastics	Metals Const.	Mach.	Electronics	Motor V., Eq	Telecom.	Wholesale	Retail	Data Proc.	Research	HQ
Baseline: No Tax Code Changes																
Federal Taxable Income	\$664,418	\$702,873	\$791,944	\$1,107,467	\$1,583,257	\$643,350	\$1,138,455	\$1,084,567	\$1,372,820	\$2,476,664	\$2,880,897	\$773,382	\$513,158	\$198,083	\$1,668,005	\$690,768
Federal Income Tax	\$225,902	\$238,977	\$269,261	\$376,539	\$538,308	\$218,739	\$387,075	\$368,753	\$466,759	\$842,066	\$979,505	\$262,950	\$174,474	\$60,502	\$567,122	\$234,861
State Income Tax	\$18,032	\$19,108	\$21,500	\$30,264	\$43,476	\$17,404	\$31,160	\$29,611	\$37,645	\$68,201	\$39,260	\$20,970	\$13,812	\$5,242	\$45,768	\$8,511
Unemploy. and Workers' Comp.	\$72,531	\$55,302	\$28,590	\$28,154	\$23,241	\$38,899	\$57,230	\$38,295	\$21,645	\$62,217	\$45,639	\$47,160	\$18,081	\$22,366	\$24,962	\$22,609
Property	\$18,040	\$18,421	\$24,523	\$30,841	\$40,587	\$19,884	\$29,634	\$31,201	\$35,447	\$64,291	\$118,958	\$24,944	\$15,817	\$31,236	\$43,971	\$63,375
Franchise	\$1,845	\$1,800	\$2,132	\$2,500	\$2,500	\$1,751	\$2,500	\$2,500	\$2,500	\$2,500	\$1,750	\$2,085	\$1,424	\$532	\$2,500	\$1,204
Sales	\$4,901	\$8,333	\$4,354	\$5,480	\$13,319	\$4,283	\$6,298	\$9,307	\$15,830	\$14,980	\$36,022	\$2,891	\$7,001	\$3,581	\$58,904	\$12,602
Initial Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$888	\$0	\$0	\$0	\$0	
Initial Mach. and Equip.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$16,726	\$0	\$0	\$0	\$0	
Replace Mach. and Equip.	\$3,056	\$1,814	\$2,010	\$4,881	\$9,982	\$1,640	\$5,217	\$7,177	\$13,841	\$11,981	\$12,970	\$1,540	\$6,240	\$3,181	\$58,165	\$7,165
Utilities	\$1,566	\$5,331	\$1,684	\$572	\$2,044	\$1,857	\$652	\$941	\$898	\$1,403	\$4,656	\$702	\$501	\$197	\$323	\$4,656
Repairs	\$279	\$1,187	\$660	\$27	\$1,293	\$786	\$428	\$1,190	\$1,092	\$1,597	\$781	\$649	\$260	\$203	\$417	\$781
Other Purchased Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Total Taxes	\$341,252	\$341,940	\$350,360	\$473,779	\$661,430	\$300,959	\$513,897	\$479,668	\$579,826	\$1,054,255	\$1,221,133	\$360,999	\$230,609	\$123,459	\$743,228	\$343,163

Alternative:

Federal Taxable Income	\$647,111	\$680,098	\$757,864	\$1,072,196	\$1,452,173	\$621,585	\$1,109,217	\$1,039,027	\$1,312,239	\$2,417,971	\$2,879,848	\$725,276	\$488,199	\$183,031	\$1,634,688	\$688,448
Federal Income Tax	\$220,018	\$231,233	\$257,674	\$364,547	\$493,739	\$211,339	\$377,134	\$353,269	\$446,161	\$822,110	\$979,148	\$246,594	\$165,988	\$54,632	\$555,794	\$234,072
State Income Tax	\$17,530	\$18,408	\$20,630	\$29,320	\$39,615	\$16,875	\$30,281	\$28,294	\$35,835	\$66,452	\$39,246	\$19,662	\$13,095	\$4,830	\$44,809	\$8,482
Unemploy. and Workers' Comp.	\$72,531	\$55,302	\$28,590	\$28,154	\$23,241	\$38,899	\$57,230	\$38,295	\$21,645	\$62,217	\$45,639	\$47,160	\$18,081	\$22,366	\$24,962	\$22,609
Property	\$19,460	\$22,650	\$22,436	\$29,918	\$50,129	\$17,510	\$33,564	\$35,098	\$41,048	\$70,169	\$95,166	\$25,534	\$18,130	\$23,225	\$46,519	\$58,616
Franchise	\$1,845	\$1,800	\$2,132	\$2,500	\$2,500	\$1,751	\$2,500	\$2,500	\$2,500	\$2,500	\$1,750	\$2,085	\$1,424	\$532	\$2,500	\$1,204
Sales	\$19,256	\$24,748	\$35,893	\$38,285	\$132,469	\$24,820	\$29,291	\$46,559	\$68,740	\$63,453	\$69,756	\$45,138	\$26,995	\$25,581	\$87,248	\$35,064
Initial Construction	\$3,865	\$5,373	\$11,676	\$8,552	\$6,037	\$9,091	\$5,840	\$11,082	\$5,225	\$10,955	\$2,960	\$13,297	\$6,693	\$2,684	\$6,118	\$3,313
Initial Mach. and Equip.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$16,726	\$0	\$0	\$0	\$0	
Replace Mach. and Equip.	\$10,188	\$6,048	\$6,700	\$16,270	\$33,275	\$5,467	\$17,390	\$23,922	\$46,136	\$39,935	\$12,970	\$5,135	\$6,240	\$3,181	\$58,165	\$7,165
Utilities	\$1,566	\$5,331	\$1,684	\$572	\$2,044	\$1,857	\$652	\$941	\$898	\$1,403	\$4,656	\$702	\$501	\$197	\$323	\$4,656
Repairs	\$279	\$1,187	\$660	\$27	\$1,293	\$786	\$428	\$1,190	\$1,092	\$1,597	\$781	\$649	\$260	\$203	\$417	\$781
Other Purchased Services	\$3,358	\$6,810	\$15,174	\$12,864	\$89,821	\$7,619	\$4,980	\$9,425	\$15,390	\$9,562	\$31,663	\$25,356	\$13,301	\$19,316	\$22,226	\$19,149
Total Taxes	\$350,641	\$354,142	\$367,355	\$492,724	\$741,692	\$311,193	\$530,000	\$504,015	\$615,930	\$1,086,901	\$1,230,705	\$386,172	\$243,713	\$131,166	\$761,833	\$360,048

Comparison: Alternative as % of Baseline

Federal Income Tax	97.4%	96.8%	95.7%	96.8%	91.7%	96.6%	97.4%	95.8%	95.6%	97.6%	100.0%	93.8%	95.1%	90.3%	98.0%	99.7%
State Income Tax	97.2%	96.3%	96.0%	96.9%	91.1%	97.0%	97.2%	95.6%	95.2%	97.4%	100.0%	93.8%	94.8%	92.1%	97.9%	99.7%
Unemploy. and Workers' Comp.	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Property	107.9%	123.0%	91.5%	97.0%	123.5%	88.1%	113.3%	112.5%	115.8%	109.1%	80.0%	102.4%	114.6%	74.4%	105.8%	92.5%
Franchise	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Sales	392.9%	297.0%	824.4%	698.6%	994.6%	579.5%	465.1%	500.2%	434.2%	423.6%	193.7%	1561.3%	385.6%	714.3%	148.1%	278.2%
Total Taxes	102.8%	103.6%	104.9%	104.0%	112.1%	103.4%	103.1%	105.1%	106.2%	103.1%	100.8%	107.0%	105.7%	106.2%	102.5%	104.9%

Attachment 1-49

DRAFT

**Comparison of Modified Rock-Martin Tax Plan with Baseline Tax Simulations
Sedgwick County: Established Firms**

Location	Wichita	Wichita	Wichita	Wichita	Wichita	Wichita	Wichita	Wichita	Wichita	Wichita	Wichita	Wichita	Wichita	Wichita	Wichita	Wichita
Industry Code	201	204	267	275	283	307	344	353	367	371	481	508	531	737	873	-
Industry Name	Meat Prod.	Grain Mill	Paper Prod.	Print, Pub.	Drugs	Plastics	Metals Const.	Mach.	Electronics	Motor V., Eq	Telecom.	Wholesale	Retail	Data Proc.	Research	HQ
Baseline: No Tax Code Changes																
Federal Taxable Income	\$588,572	\$625,427	\$688,842	\$977,805	\$1,412,619	\$559,751	\$1,013,865	\$953,388	\$1,223,791	\$2,206,369	\$2,883,295	\$668,511	\$446,659	\$198,083	\$1,483,139	\$690,768
Federal Income Tax	\$200,114	\$212,645	\$234,206	\$332,454	\$480,290	\$190,315	\$344,714	\$324,152	\$416,089	\$750,165	\$980,320	\$227,294	\$151,864	\$60,502	\$504,267	\$234,861
State Income Tax	\$27,248	\$28,989	\$31,985	\$45,639	\$66,184	\$25,886	\$47,343	\$44,485	\$57,262	\$103,688	\$39,294	\$31,025	\$20,542	\$8,797	\$69,516	\$14,279
Unemploy. and Workers' Comp.	\$72,531	\$55,302	\$28,590	\$28,154	\$23,241	\$38,899	\$57,230	\$38,295	\$21,645	\$62,217	\$45,639	\$47,160	\$18,081	\$22,366	\$24,962	\$22,609
Property	\$93,886	\$95,866	\$127,625	\$160,504	\$211,225	\$103,484	\$154,224	\$162,380	\$184,477	\$334,586	\$118,958	\$129,815	\$82,317	\$31,236	\$228,836	\$63,375
Franchise	\$1,845	\$1,800	\$2,132	\$2,500	\$2,500	\$1,751	\$2,500	\$2,500	\$2,500	\$2,500	\$1,750	\$2,085	\$1,424	\$532	\$2,500	\$1,204
Sales	\$4,901	\$8,333	\$4,354	\$5,480	\$13,319	\$4,283	\$6,298	\$9,307	\$15,830	\$14,980	\$18,408	\$2,891	\$7,001	\$3,581	\$58,904	\$12,602
Initial Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initial Mach. and Equip.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Replace Mach. and Equip.	\$3,056	\$1,814	\$2,010	\$4,881	\$9,982	\$1,640	\$5,217	\$7,177	\$13,841	\$11,981	\$12,970	\$1,540	\$6,240	\$3,181	\$58,165	\$7,165
Utilities	\$1,566	\$5,331	\$1,684	\$572	\$2,044	\$1,857	\$652	\$941	\$898	\$1,403	\$4,656	\$702	\$501	\$197	\$323	\$4,656
Repairs	\$279	\$1,187	\$660	\$27	\$1,293	\$786	\$428	\$1,190	\$1,092	\$1,597	\$781	\$649	\$260	\$203	\$417	\$781
Other Purchased Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Taxes	\$400,526	\$402,935	\$428,892	\$574,730	\$796,760	\$364,617	\$612,309	\$581,119	\$697,803	\$1,268,137	\$1,204,368	\$440,269	\$281,229	\$127,015	\$888,986	\$348,931

Alternative:

Federal Taxable Income	\$570,693	\$592,372	\$679,843	\$958,355	\$1,249,850	\$560,663	\$976,261	\$906,942	\$1,146,959	\$2,138,258	\$2,882,528	\$636,493	\$421,320	\$186,778	\$1,447,653	\$688,926
Federal Income Tax	\$194,036	\$201,406	\$231,147	\$325,841	\$424,949	\$190,625	\$331,929	\$308,360	\$389,966	\$727,008	\$980,060	\$216,407	\$143,249	\$56,093	\$492,202	\$234,235
State Income Tax	\$26,403	\$27,427	\$31,560	\$44,720	\$58,493	\$25,929	\$45,566	\$42,290	\$53,631	\$100,470	\$39,283	\$29,512	\$19,345	\$8,263	\$67,839	\$14,240
Unemploy. and Workers' Comp.	\$72,531	\$55,302	\$28,590	\$28,154	\$23,241	\$38,899	\$57,230	\$38,295	\$21,645	\$62,217	\$45,639	\$47,160	\$18,081	\$22,366	\$24,962	\$22,609
Property	\$101,275	\$117,879	\$116,760	\$155,700	\$260,882	\$91,126	\$174,675	\$182,657	\$213,624	\$365,179	\$95,166	\$132,884	\$94,355	\$23,225	\$242,097	\$59,327
Franchise	\$1,845	\$1,800	\$2,132	\$2,500	\$2,500	\$1,751	\$2,500	\$2,500	\$2,500	\$2,500	\$1,750	\$2,085	\$1,424	\$532	\$2,500	\$1,204
Sales	\$15,391	\$19,376	\$24,217	\$29,733	\$126,432	\$15,728	\$23,451	\$35,477	\$63,515	\$52,497	\$50,070	\$31,841	\$20,302	\$22,897	\$81,130	\$31,751
Initial Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initial Mach. and Equip.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Replace Mach. and Equip.	\$10,188	\$6,048	\$6,700	\$16,270	\$33,275	\$5,467	\$17,390	\$23,922	\$46,136	\$39,935	\$12,970	\$5,135	\$6,240	\$3,181	\$58,165	\$7,165
Utilities	\$1,566	\$5,331	\$1,684	\$572	\$2,044	\$1,857	\$652	\$941	\$898	\$1,403	\$4,656	\$702	\$501	\$197	\$323	\$4,656
Repairs	\$279	\$1,187	\$660	\$27	\$1,293	\$786	\$428	\$1,190	\$1,092	\$1,597	\$781	\$649	\$260	\$203	\$417	\$781
Other Purchased Services	\$3,358	\$6,810	\$15,174	\$12,864	\$89,821	\$7,619	\$4,980	\$9,425	\$15,390	\$9,562	\$31,663	\$25,356	\$13,301	\$19,316	\$22,226	\$19,149
Total Taxes	\$411,481	\$423,190	\$434,406	\$586,648	\$896,496	\$364,058	\$635,351	\$609,579	\$744,881	\$1,309,872	\$1,211,967	\$459,889	\$296,756	\$133,377	\$910,731	\$363,366

Comparison: Alternative as % of Baseline

Federal Income Tax	97.0%	94.7%	98.7%	98.0%	88.5%	100.2%	96.3%	95.1%	93.7%	96.9%	100.0%	95.2%	94.3%	92.7%	97.6%	99.7%
State Income Tax	96.9%	94.6%	98.7%	98.0%	88.4%	100.2%	96.2%	95.1%	93.7%	96.9%	100.0%	95.1%	94.2%	93.9%	97.6%	99.7%
Unemploy. and Workers' Comp.	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Property	107.9%	123.0%	91.5%	97.0%	123.5%	88.1%	113.3%	112.5%	115.8%	109.1%	80.0%	102.4%	114.6%	74.4%	105.8%	93.6%
Franchise	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Sales	314.0%	232.5%	556.2%	542.6%	949.2%	367.2%	372.4%	381.2%	401.2%	350.4%	272.0%	1101.3%	290.0%	639.4%	137.7%	251.9%
Total Taxes	102.7%	105.0%	101.3%	102.1%	112.5%	99.8%	103.8%	104.9%	106.7%	103.3%	100.6%	104.5%	105.5%	105.0%	102.4%	104.1%

**Comparison of Modified Rock-Martin Tax Plan with Baseline Tax Simulations
Typical Medium Sized City: New Firms Located in Enterprise Zones**

Location	Medium City 201	Medium City 204	Medium City 267	Medium City 275	Medium City 283	Medium City 307	Medium City 344	Medium City 353	Medium City 367	Medium City 371	Medium City 481	Medium City 508	Medium City 531	Medium City 737	Medium City 873	Medium City -
Industry Code	201	204	267	275	283	307	344	353	367	371	481	508	531	737	873	-
Industry Name	Meat Prod.	Grain Mill	Paper Prod.	Print, Pub.	Drugs	Plastics	Metals Const.	Mach.Electronics	Motor V., Eq	Telecom.	Wholesale	Retail	Data Proc.	Research	HQ	
Baseline: No Tax Code Changes																
Federal Taxable Income	\$839,492	\$992,596	\$1,043,732	\$1,321,907	\$1,878,582	\$850,099	\$1,350,712	\$1,352,878	\$1,595,993	\$2,795,553	\$2,908,338	\$1,012,990	\$608,826	\$423,123	\$1,915,798	\$731,970
Federal Income Tax	\$285,427	\$337,483	\$354,869	\$449,448	\$638,718	\$289,034	\$459,242	\$459,979	\$542,638	\$950,488	\$988,835	\$344,417	\$207,001	\$143,862	\$651,371	\$248,870
State Income Tax	\$22,953	\$27,271	\$28,634	\$36,304	\$51,976	\$23,258	\$37,118	\$37,189	\$43,891	\$83,085	\$39,640	\$27,773	\$16,526	\$11,580	\$52,718	\$9,039
Unemploy. and Workers' Comp.	\$60,785	\$46,346	\$23,960	\$23,595	\$19,477	\$32,599	\$47,962	\$32,093	\$18,140	\$52,141	\$38,248	\$39,522	\$15,153	\$18,744	\$20,920	\$18,948
Property	\$18,524	\$18,280	\$22,324	\$30,802	\$42,857	\$18,268	\$30,654	\$30,081	\$37,451	\$67,267	\$126,629	\$22,075	\$14,771	\$28,837	\$46,618	\$63,443
Franchise	\$1,728	\$1,637	\$1,777	\$2,500	\$2,500	\$1,475	\$2,500	\$2,500	\$2,500	\$2,500	\$1,660	\$1,682	\$1,221	\$450	\$2,500	\$1,104
Sales	\$5,187	\$8,566	\$4,589	\$5,962	\$14,314	\$4,543	\$6,847	\$10,120	\$17,267	\$16,284	\$39,110	\$3,115	\$7,634	\$3,908	\$64,491	\$13,449
Initial Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$984	\$0	\$0	\$0	\$0	\$0
Initial Mach. and Equip.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$18,319	\$0	\$0	\$0	\$0	\$0
Replace Mach. and Equip.	\$3,347	\$1,987	\$2,201	\$5,346	\$10,933	\$1,796	\$5,714	\$7,860	\$15,159	\$13,122	\$14,206	\$1,687	\$6,835	\$3,484	\$63,704	\$7,847
Utilities	\$1,535	\$5,279	\$1,665	\$587	\$1,965	\$1,886	\$664	\$957	\$913	\$1,413	\$4,747	\$718	\$515	\$202	\$330	\$4,747
Repairs	\$305	\$1,300	\$722	\$30	\$1,416	\$861	\$469	\$1,303	\$1,195	\$1,749	\$855	\$710	\$284	\$222	\$457	\$855
Other Purchased Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Taxes	\$394,604	\$439,582	\$436,153	\$548,612	\$769,842	\$369,176	\$584,324	\$571,962	\$661,886	\$1,171,765	\$1,234,122	\$438,583	\$262,306	\$207,381	\$838,619	\$354,852

Alternative:

Federal Taxable Income	\$819,630	\$966,330	\$1,003,836	\$1,281,378	\$1,733,399	\$824,280	\$1,317,271	\$1,300,403	\$1,528,317	\$2,728,648	\$2,907,113	\$957,295	\$579,923	\$403,906	\$1,877,863	\$729,001
Federal Income Tax	\$278,674	\$328,552	\$341,304	\$435,668	\$589,356	\$280,255	\$447,872	\$442,137	\$519,628	\$927,740	\$988,418	\$325,480	\$197,174	\$137,328	\$638,474	\$247,860
State Income Tax	\$22,363	\$26,443	\$27,564	\$35,184	\$47,447	\$22,588	\$36,090	\$35,628	\$41,849	\$79,923	\$39,623	\$26,203	\$15,669	\$11,052	\$51,577	\$9,002
Unemploy. and Workers' Comp.	\$60,785	\$46,346	\$23,960	\$23,595	\$19,477	\$32,599	\$47,962	\$32,093	\$18,140	\$52,141	\$38,248	\$39,522	\$15,153	\$18,744	\$20,920	\$18,948
Property	\$20,919	\$24,141	\$22,405	\$31,542	\$54,816	\$17,491	\$36,276	\$36,754	\$44,820	\$76,137	\$101,304	\$25,497	\$18,756	\$22,747	\$50,747	\$61,682
Franchise	\$1,728	\$1,637	\$1,777	\$2,500	\$2,500	\$1,475	\$2,500	\$2,500	\$2,500	\$2,500	\$1,660	\$1,682	\$1,221	\$450	\$2,500	\$1,104
Sales	\$20,957	\$26,612	\$39,278	\$41,998	\$144,887	\$27,149	\$32,103	\$51,057	\$75,281	\$69,509	\$76,084	\$49,551	\$29,615	\$28,037	\$95,611	\$38,092
Initial Construction	\$4,282	\$5,951	\$12,934	\$9,473	\$6,687	\$10,070	\$6,469	\$12,275	\$5,788	\$12,135	\$3,278	\$14,729	\$7,413	\$2,973	\$6,777	\$3,670
Initial Mach. and Equip.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$18,319	\$0	\$0	\$0	\$0	\$0
Replace Mach. and Equip.	\$11,158	\$6,623	\$7,338	\$17,819	\$36,444	\$5,988	\$19,046	\$26,200	\$50,530	\$43,738	\$14,206	\$5,624	\$6,835	\$3,484	\$63,704	\$7,847
Utilities	\$1,535	\$5,279	\$1,665	\$587	\$1,965	\$1,886	\$664	\$957	\$913	\$1,413	\$4,747	\$718	\$515	\$202	\$330	\$4,747
Repairs	\$305	\$1,300	\$722	\$30	\$1,416	\$861	\$469	\$1,303	\$1,195	\$1,749	\$855	\$710	\$284	\$222	\$457	\$855
Other Purchased Services	\$3,678	\$7,459	\$16,619	\$14,089	\$98,375	\$8,344	\$5,454	\$10,322	\$16,855	\$10,473	\$34,678	\$27,770	\$14,568	\$21,156	\$24,342	\$20,973
Total Taxes	\$405,426	\$453,732	\$456,288	\$570,487	\$858,483	\$381,557	\$602,804	\$600,170	\$702,217	\$1,207,951	\$1,245,336	\$467,935	\$277,588	\$218,358	\$859,828	\$376,687

Comparison: Alternative as % of Baseline

Federal Income Tax	97.6%	97.4%	96.2%	96.9%	92.3%	97.0%	97.5%	96.1%	95.8%	97.6%	100.0%	94.5%	95.3%	95.5%	98.0%	99.6%
State Income Tax	97.4%	97.0%	96.3%	96.9%	91.3%	97.1%	97.2%	95.8%	95.3%	96.2%	100.0%	94.3%	94.8%	95.4%	97.8%	99.6%
Unemploy. and Workers' Comp.	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Property	112.9%	132.1%	100.4%	102.4%	127.9%	95.7%	118.3%	122.2%	119.7%	113.2%	80.0%	115.5%	127.0%	78.9%	108.9%	97.2%
Franchise	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Sales	404.0%	310.7%	855.9%	704.4%	1012.2%	597.6%	468.8%	504.5%	436.0%	426.9%	194.5%	1590.6%	387.9%	717.4%	148.3%	283.2%
Total Taxes	102.7%	103.2%	104.6%	104.0%	111.5%	103.4%	103.2%	104.9%	106.1%	103.1%	100.9%	106.7%	105.8%	105.3%	102.5%	106.2%

Attachment I-51

DRAFT

**Comparison of Modified Rock-Martin Tax Plan with Baseline Tax Simulations
Typical Medium Sized City: Established Firms**

Location	Medium City	Medium City	Medium City	Medium City	Medium City	Medium City	Medium City	Medium City	Medium City	Medium City	Medium City	Medium City	Medium City	Medium City	Medium City	Medium City	Medium City
Industry Code	201	204	267	275	283	307	344	353	367	371	481	508	531	737	873	-	-
Industry Name	Meat Prod.	Grain Mill	Paper Prod.	Print, Pub.	Drugs	Plastics	Metals Const.	Mach.Electronics	Motor V., Eq	Telecom.	Wholesale	Retail	Data Proc.	Research	HQ		
Baseline: No Tax Code Changes																	
Federal Taxable Income	\$761,615	\$915,742	\$949,877	\$1,192,407	\$1,698,401	\$773,295	\$1,221,833	\$1,226,408	\$1,438,540	\$2,512,745	\$2,910,965	\$920,181	\$546,723	\$423,123	\$1,719,804	\$731,970	
Federal Income Tax	\$258,949	\$311,352	\$322,958	\$405,418	\$577,456	\$262,920	\$415,423	\$416,979	\$489,104	\$854,333	\$989,728	\$312,861	\$185,886	\$143,862	\$584,734	\$248,870	
State Income Tax	\$35,424	\$42,706	\$44,319	\$55,779	\$79,687	\$35,976	\$57,169	\$57,385	\$67,409	\$118,165	\$39,676	\$42,916	\$25,270	\$19,430	\$80,698	\$15,164	
Unemploy. and Workers' Comp.	\$60,785	\$46,346	\$23,960	\$23,595	\$19,477	\$32,599	\$47,962	\$32,093	\$18,140	\$52,141	\$38,248	\$39,522	\$15,153	\$18,744	\$20,920	\$18,948	
Property	\$96,401	\$95,134	\$116,178	\$160,303	\$223,038	\$95,073	\$159,534	\$156,551	\$194,904	\$350,074	\$126,629	\$114,884	\$76,874	\$28,837	\$242,612	\$63,443	
Franchise	\$1,728	\$1,637	\$1,777	\$2,500	\$2,500	\$1,475	\$2,500	\$2,500	\$2,500	\$2,500	\$1,660	\$1,682	\$1,221	\$450	\$2,500	\$1,104	
Sales	\$5,187	\$8,566	\$4,589	\$5,962	\$14,314	\$4,543	\$6,847	\$10,120	\$17,267	\$16,284	\$19,808	\$3,115	\$7,634	\$3,908	\$64,491	\$13,449	
Initial Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Initial Mach. and Equip.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Replace Mach. and Equip.	\$3,347	\$1,987	\$2,201	\$5,346	\$10,933	\$1,796	\$5,714	\$7,860	\$15,159	\$13,122	\$14,206	\$1,687	\$6,835	\$3,484	\$63,704	\$7,847	
Utilities	\$1,535	\$5,279	\$1,665	\$587	\$1,965	\$1,886	\$664	\$957	\$913	\$1,413	\$4,747	\$718	\$515	\$202	\$330	\$4,747	
Repairs	\$305	\$1,300	\$722	\$30	\$1,416	\$861	\$469	\$1,303	\$1,195	\$1,749	\$855	\$710	\$284	\$222	\$457	\$855	
Other Purchased Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Total Taxes	\$458,474	\$505,741	\$513,782	\$653,557	\$916,472	\$432,585	\$689,436	\$675,629	\$789,323	\$1,393,497	\$1,215,749	\$514,981	\$312,039	\$215,232	\$995,955	\$360,978	

Alternative:

Federal Taxable Income	\$737,660	\$873,144	\$927,700	\$1,161,996	\$1,512,275	\$764,805	\$1,173,790	\$1,163,022	\$1,347,964	\$2,425,492	\$2,910,054	\$870,666	\$511,418	\$408,057	\$1,673,973	\$729,529	
Federal Income Tax	\$250,804	\$296,869	\$315,418	\$395,078	\$514,173	\$260,034	\$399,089	\$395,428	\$458,308	\$824,667	\$989,418	\$296,027	\$173,882	\$138,739	\$569,151	\$248,040	
State Income Tax	\$34,292	\$40,694	\$43,271	\$54,342	\$70,892	\$35,575	\$54,899	\$54,390	\$63,129	\$114,042	\$39,663	\$40,576	\$23,602	\$18,718	\$78,533	\$15,112	
Unemploy. and Workers' Comp.	\$60,785	\$46,346	\$23,960	\$23,595	\$19,477	\$32,599	\$47,962	\$32,093	\$18,140	\$52,141	\$38,248	\$39,522	\$15,153	\$18,744	\$20,920	\$18,948	
Property	\$108,868	\$125,637	\$116,600	\$164,151	\$285,278	\$91,027	\$188,790	\$191,275	\$233,254	\$396,238	\$101,304	\$132,691	\$97,612	\$22,747	\$264,100	\$62,480	
Franchise	\$1,728	\$1,637	\$1,777	\$2,500	\$2,500	\$1,475	\$2,500	\$2,500	\$2,500	\$2,500	\$1,660	\$1,682	\$1,221	\$450	\$2,500	\$1,104	
Sales	\$16,676	\$20,661	\$26,344	\$32,525	\$138,200	\$17,078	\$25,634	\$38,782	\$69,493	\$57,373	\$54,486	\$34,822	\$22,202	\$25,064	\$88,834	\$34,422	
Initial Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Initial Mach. and Equip.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Replace Mach. and Equip.	\$11,158	\$6,623	\$7,338	\$17,819	\$36,444	\$5,988	\$19,046	\$26,200	\$50,530	\$43,738	\$14,206	\$5,624	\$6,835	\$3,484	\$63,704	\$7,847	
Utilities	\$1,535	\$5,279	\$1,665	\$587	\$1,965	\$1,886	\$664	\$957	\$913	\$1,413	\$4,747	\$718	\$515	\$202	\$330	\$4,747	
Repairs	\$305	\$1,300	\$722	\$30	\$1,416	\$861	\$469	\$1,303	\$1,195	\$1,749	\$855	\$710	\$284	\$222	\$457	\$855	
Other Purchased Services	\$3,678	\$7,459	\$16,619	\$14,089	\$98,375	\$8,344	\$5,454	\$10,322	\$16,855	\$10,473	\$34,678	\$27,770	\$14,568	\$21,156	\$24,342	\$20,973	
Total Taxes	\$473,153	\$531,844	\$527,371	\$672,191	\$1,030,521	\$437,788	\$718,874	\$714,468	\$844,823	\$1,446,962	\$1,224,779	\$545,321	\$333,672	\$224,463	\$1,024,038	\$380,105	

Comparison: Alternative as % of Baseline

Federal Income Tax	96.9%	95.3%	97.7%	97.4%	89.0%	98.9%	96.1%	94.8%	93.7%	96.5%	100.0%	94.6%	93.5%	96.4%	97.3%	99.7%	
State Income Tax	96.8%	95.3%	97.6%	97.4%	89.0%	98.9%	96.0%	94.8%	93.7%	96.5%	100.0%	94.5%	93.4%	96.3%	97.3%	99.7%	
Unemploy. and Workers' Comp.	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	
Property	112.9%	132.1%	100.4%	102.4%	127.9%	95.7%	118.3%	122.2%	119.7%	113.2%	80.0%	115.5%	127.0%	78.9%	108.9%	98.5%	
Franchise	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	
Sales	321.5%	241.2%	574.1%	545.5%	965.5%	375.9%	374.4%	383.2%	402.5%	352.3%	275.1%	1117.8%	290.8%	641.3%	137.7%	255.9%	
Total Taxes	103.2%	105.2%	102.6%	102.9%	112.4%	101.2%	104.3%	105.7%	107.0%	103.8%	100.7%	105.9%	106.9%	104.3%	102.8%	105.3%	

**Comparison of Modified Rock-Martin Tax Plan with Baseline Tax Simulations
Typical Small City: New Firms Located in Enterprise Zones**

Location	Small City	Small City	Small City	Small City	Small City	Small City	Small City	Small City	Small City	Small City	Small City	Small City	Small City	Small City	Small City	Small City	Small City
Industry Code	201	204	267	275	283	307	344	353	367	371	481	508	531	737	873	-	
Industry Name	Meat Prod.	Grain Mill	Paper Prod.	Print, Pub.	Drugs	Plastics	Metals	Const. Mach.	Electronics	Motor V., Eq	Telecom.	Wholesale	Retail	Data Proc.	Research	HQ	

Baseline: No Tax Code Changes

Federal Taxable Income	\$867,899	\$995,680	\$1,092,164	\$1,377,934	\$1,934,123	\$889,805	\$1,406,414	\$1,420,225	\$1,652,871	\$2,867,802	\$2,915,884	\$1,083,100	\$235,760	\$494,930	\$1,993,060	\$744,806
Federal Income Tax	\$295,086	\$338,531	\$371,336	\$468,498	\$657,602	\$302,534	\$478,181	\$482,877	\$561,976	\$975,053	\$991,401	\$368,254	\$75,197	\$168,276	\$677,640	\$253,234
State Income Tax	\$23,690	\$27,297	\$29,928	\$37,779	\$54,662	\$24,318	\$38,582	\$38,988	\$45,363	\$86,611	\$39,744	\$29,680	\$6,234	\$13,602	\$55,400	\$9,203
Unemploy. and Workers' Comp.	\$56,645	\$43,189	\$22,328	\$21,988	\$18,150	\$30,379	\$44,695	\$29,908	\$16,904	\$48,590	\$35,643	\$36,830	\$14,121	\$17,467	\$19,495	\$17,657
Property	\$21,829	\$21,470	\$25,984	\$36,200	\$50,637	\$21,285	\$36,150	\$35,228	\$44,252	\$79,411	\$149,730	\$25,614	\$3,895	\$33,617	\$55,102	\$74,578
Franchise	\$1,718	\$1,623	\$1,747	\$2,500	\$2,500	\$1,451	\$2,500	\$2,500	\$2,500	\$2,500	\$1,652	\$1,646	\$54	\$443	\$2,500	\$1,095
Sales	\$5,436	\$9,416	\$4,838	\$6,041	\$14,645	\$4,785	\$6,943	\$10,252	\$17,383	\$16,485	\$39,648	\$3,215	(\$4,592)	\$3,935	\$64,535	\$14,009
Initial Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$961	\$0	\$0	\$0	\$0	
Initial Mach. and Equip.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$18,319	\$0	\$0	\$0	\$0	
Replace Mach. and Equip.	\$3,347	\$1,987	\$2,201	\$5,346	\$10,933	\$1,796	\$5,714	\$7,860	\$15,159	\$13,122	\$14,206	\$1,687	(\$5,454)	\$3,484	\$63,704	\$7,847
Utilities	\$1,783	\$6,128	\$1,914	\$665	\$2,296	\$2,128	\$759	\$1,089	\$1,028	\$1,615	\$5,306	\$818	\$577	\$228	\$374	\$5,306
Repairs	\$305	\$1,300	\$722	\$30	\$1,416	\$861	\$469	\$1,303	\$1,195	\$1,749	\$855	\$710	\$284	\$222	\$457	\$855
Other Purchased Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Taxes	\$404,403	\$441,526	\$456,160	\$573,006	\$798,197	\$384,752	\$607,050	\$599,751	\$688,379	\$1,208,649	\$1,257,817	\$465,241	\$94,907	\$237,341	\$874,672	\$369,776

Alternative:

Federal Taxable Income	\$847,638	\$968,383	\$1,052,408	\$1,337,379	\$1,786,772	\$864,252	\$1,371,993	\$1,366,644	\$1,583,878	\$2,799,376	\$2,915,117	\$1,026,939	\$605,389	\$476,652	\$1,954,431	\$741,846
Federal Income Tax	\$288,197	\$329,250	\$357,819	\$454,709	\$607,502	\$293,846	\$466,478	\$464,659	\$538,519	\$951,788	\$991,140	\$349,159	\$205,832	\$162,062	\$664,506	\$252,228
State Income Tax	\$23,078	\$26,416	\$28,856	\$36,651	\$48,755	\$23,655	\$37,503	\$37,366	\$43,255	\$83,378	\$39,733	\$28,078	\$16,322	\$13,100	\$53,597	\$9,166
Unemploy. and Workers' Comp.	\$56,645	\$43,189	\$22,328	\$21,988	\$18,150	\$30,379	\$44,695	\$29,908	\$16,904	\$48,590	\$35,643	\$36,830	\$14,121	\$17,467	\$19,495	\$17,657
Property	\$24,757	\$28,548	\$26,331	\$37,262	\$64,975	\$20,557	\$42,953	\$43,392	\$53,118	\$90,184	\$119,784	\$29,965	\$22,119	\$26,682	\$60,138	\$72,856
Franchise	\$1,718	\$1,623	\$1,747	\$2,500	\$2,500	\$1,451	\$2,500	\$2,500	\$2,500	\$2,500	\$1,652	\$1,646	\$1,203	\$443	\$2,500	\$1,095
Sales	\$21,110	\$27,328	\$39,236	\$41,863	\$145,068	\$27,165	\$32,053	\$50,914	\$75,267	\$69,438	\$76,569	\$49,320	\$29,511	\$27,996	\$95,502	\$38,569
Initial Construction	\$4,185	\$5,818	\$12,643	\$9,260	\$6,537	\$9,844	\$6,324	\$12,000	\$5,658	\$11,862	\$3,205	\$14,398	\$7,247	\$2,906	\$6,625	\$3,587
Initial Mach. and Equip.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$18,319	\$0	\$0	\$0	\$0	
Replace Mach. and Equip.	\$11,158	\$6,623	\$7,338	\$17,819	\$36,444	\$5,988	\$19,046	\$26,200	\$50,530	\$43,738	\$14,206	\$5,624	\$6,835	\$3,484	\$63,704	\$7,847
Utilities	\$1,783	\$6,128	\$1,914	\$665	\$2,296	\$2,128	\$759	\$1,089	\$1,028	\$1,615	\$5,306	\$818	\$577	\$228	\$374	\$5,306
Repairs	\$305	\$1,300	\$722	\$30	\$1,416	\$861	\$469	\$1,303	\$1,195	\$1,749	\$855	\$710	\$284	\$222	\$457	\$855
Other Purchased Services	\$3,678	\$7,459	\$16,619	\$14,089	\$98,375	\$8,344	\$5,454	\$10,322	\$16,855	\$10,473	\$34,678	\$27,770	\$14,568	\$21,156	\$24,342	\$20,973
Total Taxes	\$415,504	\$456,356	\$476,316	\$594,974	\$886,951	\$397,052	\$626,183	\$628,738	\$729,563	\$1,245,876	\$1,264,521	\$494,999	\$289,107	\$247,751	\$895,739	\$391,571

Comparison: Alternative as % of Baseline

Federal Income Tax	97.7%	97.3%	96.4%	97.1%	92.4%	97.1%	97.6%	96.2%	95.8%	97.6%	100.0%	94.8%	273.7%	96.3%	98.1%	99.6%
State Income Tax	97.4%	96.8%	96.4%	97.0%	89.2%	97.3%	97.2%	95.8%	95.4%	96.3%	100.0%	94.6%	261.8%	96.3%	96.7%	99.6%
Unemploy. and Workers' Comp.	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Property	113.4%	133.0%	101.3%	102.9%	128.3%	96.6%	118.8%	123.2%	120.0%	113.6%	80.0%	117.0%	567.9%	79.4%	109.1%	97.7%
Franchise	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	2245.7%	100.0%	100.0%	100.0%
Sales	388.3%	290.2%	811.0%	693.0%	990.5%	567.7%	461.7%	496.6%	433.0%	421.2%	193.1%	1533.9%	-642.6%	711.5%	148.0%	275.3%
Total Taxes	102.7%	103.4%	104.4%	103.8%	111.1%	103.2%	103.2%	104.8%	106.0%	103.1%	100.5%	106.4%	304.6%	104.4%	102.4%	105.9%

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Attachment

**Comparison of Modified Rock-Martin Tax Plan with Baseline Tax Simulations
Typical Small City: Established Firms**

Location	Small City	Small City	Small City	Small City	Small City	Small City	Small City	Small City	Small City	Small City	Small City	Small City	Small City	Small City	Small City	Small City	Small City
Industry Code	201	204	267	275	283	307	344	353	367	371	481	508	531	737	873	-	
Industry Name	Meat Prod.	Grain Mill	Paper Prod.	Print, Pub.	Drugs	Plastics	Metals	Const.	Mach.	Electronics	Motor V., Eq	Telecom.	Wholesale	Retail	Data Proc.	Research	HQ
Baseline: No Tax Code Changes																	
Federal Taxable Income	\$776,127	\$905,415	\$982,920	\$1,225,738	\$1,721,232	\$800,317	\$1,254,432	\$1,272,119	\$1,466,824	\$2,533,940	\$2,918,509	\$975,411	\$562,467	\$494,930	\$1,761,399	\$744,806	
Federal Income Tax	\$263,883	\$307,841	\$334,193	\$416,751	\$585,219	\$272,108	\$426,507	\$432,520	\$498,720	\$861,540	\$992,293	\$331,640	\$191,239	\$168,276	\$598,876	\$253,234	
State Income Tax	\$36,109	\$42,218	\$45,880	\$57,354	\$80,766	\$37,252	\$58,709	\$59,545	\$68,745	\$119,166	\$39,780	\$45,526	\$26,014	\$22,823	\$82,664	\$15,440	
Unemploy. and Workers' Comp.	\$56,645	\$43,189	\$22,328	\$21,988	\$18,150	\$30,379	\$44,695	\$29,908	\$16,904	\$48,590	\$35,643	\$36,830	\$14,121	\$17,467	\$19,495	\$17,657	
Property	\$113,601	\$111,735	\$135,228	\$188,396	\$263,528	\$110,773	\$188,131	\$183,334	\$230,299	\$413,273	\$149,730	\$133,303	\$89,727	\$33,617	\$286,762	\$74,578	
Franchise	\$1,718	\$1,623	\$1,747	\$2,500	\$2,500	\$1,451	\$2,500	\$2,500	\$2,500	\$2,500	\$1,652	\$1,646	\$1,203	\$443	\$2,500	\$1,095	
Sales	\$5,436	\$9,416	\$4,838	\$6,041	\$14,645	\$4,785	\$6,943	\$10,252	\$17,383	\$16,485	\$20,367	\$3,215	\$7,696	\$3,935	\$64,535	\$14,009	
Initial Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Initial Mach. and Equip.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Replace Mach. and Equip.	\$3,347	\$1,987	\$2,201	\$5,346	\$10,933	\$1,796	\$5,714	\$7,860	\$15,159	\$13,122	\$14,206	\$1,687	\$6,835	\$3,484	\$63,704	\$7,847	
Utilities	\$1,783	\$6,128	\$1,914	\$665	\$2,296	\$2,128	\$759	\$1,089	\$1,028	\$1,615	\$5,306	\$818	\$577	\$228	\$374	\$5,306	
Repairs	\$305	\$1,300	\$722	\$30	\$1,416	\$861	\$469	\$1,303	\$1,195	\$1,749	\$855	\$710	\$284	\$222	\$457	\$855	
Other Purchased Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Total Taxes	\$477,393	\$516,022	\$544,214	\$693,029	\$964,808	\$456,748	\$727,486	\$718,059	\$834,551	\$1,461,554	\$1,239,465	\$552,161	\$330,000	\$246,562	\$1,054,832	\$376,013	

Alternative:																	
Federal Taxable Income	\$749,396	\$856,482	\$959,360	\$1,193,649	\$1,522,730	\$791,572	\$1,200,237	\$1,200,967	\$1,368,455	\$2,436,785	\$2,918,047	\$921,065	\$522,516	\$480,709	\$1,710,845	\$742,342	
Federal Income Tax	\$254,795	\$291,204	\$326,182	\$405,841	\$517,728	\$269,135	\$408,081	\$408,329	\$465,275	\$828,507	\$992,136	\$313,162	\$177,655	\$163,441	\$581,687	\$252,396	
State Income Tax	\$34,846	\$39,906	\$44,767	\$55,837	\$71,386	\$36,839	\$56,149	\$56,183	\$64,097	\$114,576	\$39,774	\$42,958	\$24,126	\$22,151	\$80,275	\$15,387	
Unemploy. and Workers' Comp.	\$56,645	\$43,189	\$22,328	\$21,988	\$18,150	\$30,379	\$44,695	\$29,908	\$16,904	\$48,590	\$35,643	\$36,830	\$14,121	\$17,467	\$19,495	\$17,657	
Property	\$128,843	\$148,573	\$137,033	\$193,923	\$338,144	\$106,982	\$223,540	\$225,824	\$276,442	\$469,338	\$119,784	\$155,943	\$115,111	\$26,682	\$312,974	\$73,804	
Franchise	\$1,718	\$1,623	\$1,747	\$2,500	\$2,500	\$1,451	\$2,500	\$2,500	\$2,500	\$2,500	\$1,652	\$1,646	\$1,203	\$443	\$2,500	\$1,095	
Sales	\$16,925	\$21,511	\$26,593	\$32,603	\$138,531	\$17,321	\$25,729	\$38,914	\$69,609	\$57,575	\$55,045	\$34,923	\$22,264	\$25,091	\$88,877	\$34,981	
Initial Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Initial Mach. and Equip.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Replace Mach. and Equip.	\$11,158	\$6,623	\$7,338	\$17,819	\$36,444	\$5,988	\$19,046	\$26,200	\$50,530	\$43,738	\$14,206	\$5,624	\$6,835	\$3,484	\$63,704	\$7,847	
Utilities	\$1,783	\$6,128	\$1,914	\$665	\$2,296	\$2,128	\$759	\$1,089	\$1,028	\$1,615	\$5,306	\$818	\$577	\$228	\$374	\$5,306	
Repairs	\$305	\$1,300	\$722	\$30	\$1,416	\$861	\$469	\$1,303	\$1,195	\$1,749	\$855	\$710	\$284	\$222	\$457	\$855	
Other Purchased Services	\$3,678	\$7,459	\$16,619	\$14,089	\$98,375	\$8,344	\$5,454	\$10,322	\$16,855	\$10,473	\$34,678	\$27,770	\$14,568	\$21,156	\$24,342	\$20,973	
Total Taxes	\$493,772	\$546,006	\$558,650	\$712,692	\$1,086,440	\$462,106	\$760,694	\$761,657	\$894,827	\$1,521,086	\$1,244,034	\$585,462	\$354,480	\$255,275	\$1,085,809	\$395,321	

Comparison: Alternative as % of Baseline

Federal Income Tax	96.6%	94.6%	97.6%	97.4%	88.5%	98.9%	95.7%	94.4%	93.3%	96.2%	100.0%	94.4%	92.9%	97.1%	97.1%	99.7%
State Income Tax	96.5%	94.5%	97.6%	97.4%	88.4%	98.9%	95.6%	94.4%	93.2%	96.1%	100.0%	94.4%	92.7%	97.1%	97.1%	99.7%
Unemploy. and Workers' Comp.	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Property	113.4%	133.0%	101.3%	102.9%	128.3%	96.6%	118.8%	123.2%	120.0%	113.6%	80.0%	117.0%	128.3%	79.4%	109.1%	99.0%
Franchise	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Sales	311.3%	228.5%	549.7%	539.7%	945.9%	362.0%	370.6%	379.6%	400.4%	349.3%	270.3%	1086.1%	289.3%	637.7%	137.7%	249.7%
Total Taxes	103.4%	105.8%	102.7%	102.8%	112.6%	101.2%	104.6%	106.1%	107.2%	104.1%	100.4%	106.0%	107.4%	103.5%	102.9%	105.1%

Attachment 1-54

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**Comparison of Modified 1990 House Tax Plan with Baseline Tax Simulations
Johnson County: New Firms Located in Enterprise Zones**

Location	KC Johnson	KC Johnson	KC Johnson	KC Johnson	KC Johnson	KC Johnson	KC Johnson	KC Johnson	KC Johnson	KC Johnson	KC Johnson	KC Johnson	KC Johnson	KC Johnson	KC Johnson	KC Johnson	KC Johnson
Industry Code	201	204	267	275	283	307	344	353	367	371	481	508	531	737	873	-	
Industry Name	Meat Prod.	Grain Mill	Paper Prod.	Print, Pub.	Drugs	Plastics	Metals	Const. Mach.	Electronics	Motor V., Eq	Telecom.	Wholesale	Retail	Data Proc.	Research		HQ

Baseline: No Tax Code Changes

Federal Taxable Income	\$689,456	\$750,069	\$821,479	\$1,133,549	\$1,624,924	\$672,229	\$1,166,902	\$1,116,346	\$1,405,063	\$2,520,405	\$2,885,320	\$795,060	\$520,549	\$228,476	\$1,696,440	\$696,684
Federal Income Tax	\$234,415	\$255,024	\$279,303	\$385,407	\$552,474	\$228,558	\$396,747	\$379,558	\$477,721	\$856,938	\$981,009	\$270,321	\$176,987	\$72,356	\$576,790	\$236,873
State Income Tax	\$18,767	\$20,467	\$22,365	\$31,048	\$44,721	\$18,244	\$32,012	\$30,553	\$38,615	\$69,564	\$39,322	\$21,611	\$14,042	\$6,097	\$46,645	\$8,587
Unemploy. and Workers' Comp.	\$70,897	\$54,055	\$27,946	\$27,520	\$22,717	\$38,022	\$55,940	\$37,432	\$21,157	\$60,815	\$44,610	\$46,097	\$17,673	\$21,862	\$24,400	\$22,100
Property	\$16,433	\$16,885	\$22,813	\$28,237	\$36,775	\$18,470	\$26,957	\$28,747	\$32,115	\$58,356	\$107,616	\$23,309	\$14,652	\$28,990	\$39,810	\$58,000
Franchise	\$1,870	\$1,834	\$2,205	\$2,500	\$2,500	\$1,808	\$2,500	\$2,500	\$2,500	\$2,500	\$1,769	\$2,169	\$1,466	\$549	\$2,500	\$1,225
Sales	\$5,308	\$8,922	\$4,691	\$5,971	\$14,514	\$4,584	\$6,867	\$10,146	\$17,285	\$16,339	\$39,275	\$3,132	\$7,637	\$3,911	\$64,497	\$13,504
Initial Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,094	\$0	\$0	\$0	\$0	
Initial Mach. and Equip.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$18,319	\$0	\$0	\$0	\$0	
Replace Mach. and Equip.	\$3,347	\$1,987	\$2,201	\$5,346	\$10,933	\$1,796	\$5,714	\$7,860	\$15,159	\$13,122	\$14,206	\$1,687	\$6,835	\$3,484	\$63,704	\$7,847
Utilities	\$1,655	\$5,635	\$1,767	\$596	\$2,165	\$1,927	\$684	\$983	\$931	\$1,468	\$4,801	\$734	\$518	\$205	\$336	\$4,801
Repairs	\$305	\$1,300	\$722	\$30	\$1,416	\$861	\$469	\$1,303	\$1,195	\$1,749	\$855	\$710	\$284	\$222	\$457	\$855
Other Purchased Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Taxes	\$347,689	\$357,187	\$359,323	\$480,683	\$673,702	\$309,686	\$521,023	\$488,934	\$589,394	\$1,064,511	\$1,213,601	\$366,638	\$232,457	\$133,766	\$754,642	\$340,288

Alternative:

Federal Taxable Income	\$684,936	\$744,682	\$814,555	\$1,127,943	\$1,605,654	\$668,393	\$1,160,673	\$1,109,818	\$1,393,849	\$2,506,351	\$2,886,377	\$788,179	\$516,828	\$230,046	\$1,677,915	\$696,226
Federal Income Tax	\$232,878	\$253,192	\$276,949	\$383,501	\$545,922	\$227,254	\$394,629	\$377,338	\$473,909	\$852,159	\$981,368	\$267,981	\$175,722	\$72,968	\$570,491	\$236,717
State Income Tax	\$20,505	\$22,373	\$24,504	\$34,017	\$48,551	\$20,038	\$35,013	\$33,487	\$42,089	\$80,645	\$43,270	\$23,704	\$15,391	\$6,761	\$50,675	\$9,440
Unemploy. and Workers' Comp.	\$70,897	\$54,055	\$27,946	\$27,520	\$22,717	\$38,022	\$55,940	\$37,432	\$21,157	\$60,815	\$44,610	\$46,097	\$17,673	\$21,862	\$24,400	\$22,100
Property	\$16,742	\$16,123	\$18,380	\$27,296	\$39,479	\$15,160	\$27,849	\$25,958	\$34,512	\$61,587	\$86,093	\$17,727	\$12,426	\$24,029	\$43,059	\$56,316
Franchise	\$1,870	\$1,834	\$2,205	\$2,500	\$2,500	\$1,808	\$2,500	\$2,500	\$2,500	\$2,500	\$1,769	\$2,169	\$1,466	\$549	\$2,500	\$1,225
Sales	\$8,919	\$14,351	\$14,209	\$11,106	\$30,265	\$10,337	\$11,298	\$17,797	\$25,392	\$25,576	\$49,074	\$13,486	\$12,513	\$6,887	\$78,820	\$18,504
Initial Construction	\$1,615	\$2,245	\$4,879	\$3,574	\$2,523	\$3,799	\$2,440	\$4,631	\$2,183	\$4,578	\$1,237	\$5,556	\$2,797	\$1,121	\$2,557	\$1,384
Initial Mach. and Equip.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$20,709	\$0	\$0	\$0	\$0	
Replace Mach. and Equip.	\$3,784	\$2,246	\$2,488	\$6,043	\$12,359	\$2,031	\$6,459	\$8,885	\$17,136	\$14,833	\$16,058	\$1,907	\$7,726	\$3,938	\$72,013	\$8,871
Utilities	\$1,871	\$6,370	\$1,998	\$673	\$2,447	\$2,179	\$773	\$1,111	\$1,052	\$1,659	\$5,427	\$830	\$585	\$232	\$379	\$5,427
Repairs	\$345	\$1,470	\$817	\$34	\$1,601	\$973	\$530	\$1,473	\$1,351	\$1,977	\$967	\$803	\$322	\$251	\$517	\$967
Other Purchased Services	\$1,303	\$2,020	\$4,027	\$783	\$11,336	\$1,355	\$1,095	\$1,697	\$3,669	\$2,528	\$4,676	\$4,390	\$1,083	\$1,344	\$3,354	\$1,854
Total Taxes	\$351,810	\$361,929	\$364,192	\$485,939	\$689,435	\$312,618	\$527,229	\$494,512	\$599,559	\$1,083,281	\$1,206,184	\$371,164	\$235,191	\$133,056	\$769,944	\$344,301

Comparison: Alternative as % of Baseline

Federal Income Tax	99.3%	99.3%	99.2%	99.5%	98.8%	99.4%	99.5%	99.4%	99.2%	99.4%	100.0%	99.1%	99.3%	100.8%	98.9%	99.9%
State Income Tax	109.3%	109.3%	109.6%	109.6%	108.6%	109.8%	109.4%	109.6%	109.0%	115.9%	110.0%	109.7%	109.6%	110.9%	108.6%	109.9%
Unemploy. and Workers' Comp.	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Property	101.9%	95.5%	80.6%	96.7%	107.4%	82.1%	103.3%	90.3%	107.5%	105.5%	80.0%	76.1%	84.8%	82.9%	108.2%	97.1%
Franchise	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Sales	168.0%	160.8%	302.9%	186.0%	208.5%	225.5%	164.5%	175.4%	146.9%	156.5%	124.9%	430.7%	163.8%	176.1%	122.2%	137.0%
Total Taxes	101.2%	101.3%	101.4%	101.1%	102.3%	100.9%	101.2%	101.1%	101.7%	101.8%	99.4%	101.2%	101.2%	99.5%	102.0%	101.2%

**Comparison of Modified 1990 House Tax Plan with Baseline Tax Simulations
Johnson County: Established Firms**

Location	KC Johnson	KC Johnson	KC Johnson	KC Johnson	KC Johnson	KC Johnson	KC Johnson	KC Johnson	KC Johnson	KC Johnson	KC Johnson	KC Johnson	KC Johnson	KC Johnson	KC Johnson	KC Johnson
Industry Code	201	204	267	275	283	307	344	353	367	371	481	508	531	737	873	-
Industry Name	Meat Prod.	Grain Mill	Paper Prod.	Print, Pub.	Drugs	Plastics	Metals Const.	Mach.	Electronics	Motor V., Eq	Telecom.	Wholesale	Retail	Data Proc.	Research	HQ

Baseline: No Tax Code Changes

Federal Taxable Income	\$620,366	\$679,080	\$725,568	\$1,014,833	\$1,470,311	\$594,577	\$1,053,568	\$995,488	\$1,270,044	\$2,275,062	\$2,887,963	\$697,063	\$458,948	\$228,476	\$1,529,068	\$696,684
Federal Income Tax	\$210,925	\$230,887	\$246,693	\$345,043	\$499,906	\$202,156	\$358,213	\$338,466	\$431,815	\$773,521	\$981,908	\$237,001	\$156,042	\$72,356	\$519,883	\$236,873
State Income Tax	\$28,750	\$31,524	\$33,721	\$47,388	\$68,910	\$27,531	\$49,219	\$46,474	\$59,447	\$106,934	\$39,358	\$32,374	\$21,123	\$10,233	\$71,686	\$14,406
Unemploy. and Workers' Comp.	\$70,897	\$54,055	\$27,946	\$27,520	\$22,717	\$38,022	\$55,940	\$37,432	\$21,157	\$60,815	\$44,610	\$46,097	\$17,673	\$21,862	\$24,400	\$22,100
Property	\$85,523	\$87,875	\$118,724	\$146,953	\$191,388	\$96,122	\$140,291	\$149,604	\$167,133	\$303,698	\$107,616	\$121,307	\$76,253	\$28,990	\$207,183	\$58,000
Franchise	\$1,870	\$1,834	\$2,205	\$2,500	\$2,500	\$1,808	\$2,500	\$2,500	\$2,500	\$2,500	\$1,769	\$2,169	\$1,466	\$549	\$2,500	\$1,225
Sales	\$5,308	\$8,922	\$4,691	\$5,971	\$14,514	\$4,584	\$6,867	\$10,146	\$17,285	\$16,339	\$19,862	\$3,132	\$7,637	\$3,911	\$64,497	\$13,504
Initial Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initial Mach. and Equip.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Replace Mach. and Equip.	\$3,347	\$1,987	\$2,201	\$5,346	\$10,933	\$1,796	\$5,714	\$7,860	\$15,159	\$13,122	\$14,206	\$1,687	\$6,835	\$3,484	\$63,704	\$7,847
Utilities	\$1,655	\$5,635	\$1,767	\$596	\$2,165	\$1,927	\$684	\$983	\$931	\$1,468	\$4,801	\$734	\$518	\$205	\$336	\$4,801
Repairs	\$305	\$1,300	\$722	\$30	\$1,416	\$861	\$469	\$1,303	\$1,195	\$1,749	\$855	\$710	\$284	\$222	\$457	\$855
Other Purchased Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Taxes	\$403,271	\$415,097	\$433,980	\$575,376	\$799,935	\$370,223	\$613,030	\$584,622	\$699,338	\$1,263,807	\$1,195,123	\$442,079	\$280,195	\$137,901	\$890,148	\$346,107

Alternative:

Federal Taxable Income	\$616,804	\$680,032	\$744,095	\$1,018,174	\$1,443,196	\$609,963	\$1,046,997	\$1,007,149	\$1,251,800	\$2,253,817	\$2,889,364	\$721,409	\$468,489	\$231,612	\$1,500,455	\$696,462
Federal Income Tax	\$209,713	\$231,211	\$252,992	\$346,179	\$490,687	\$207,387	\$355,979	\$342,431	\$425,612	\$766,298	\$982,384	\$245,279	\$159,286	\$73,579	\$510,155	\$236,797
State Income Tax	\$31,440	\$34,726	\$38,056	\$52,301	\$74,391	\$31,084	\$53,799	\$51,728	\$64,444	\$116,523	\$43,315	\$36,876	\$23,731	\$11,419	\$77,367	\$15,842
Unemploy. and Workers' Comp.	\$70,897	\$54,055	\$27,946	\$27,520	\$22,717	\$38,022	\$55,940	\$37,432	\$21,157	\$60,815	\$44,610	\$46,097	\$17,673	\$21,862	\$24,400	\$22,100
Property	\$87,130	\$83,908	\$95,652	\$142,055	\$205,459	\$78,894	\$144,932	\$135,092	\$179,610	\$320,512	\$86,093	\$92,255	\$64,670	\$24,029	\$224,088	\$56,316
Franchise	\$1,870	\$1,834	\$2,205	\$2,500	\$2,500	\$1,808	\$2,500	\$2,500	\$2,500	\$2,500	\$1,769	\$2,169	\$1,466	\$549	\$2,500	\$1,225
Sales	\$7,303	\$12,106	\$9,330	\$7,533	\$27,743	\$6,538	\$8,858	\$13,166	\$23,209	\$20,998	\$27,129	\$7,930	\$9,716	\$5,766	\$76,263	\$17,120
Initial Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initial Mach. and Equip.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Replace Mach. and Equip.	\$3,784	\$2,246	\$2,488	\$6,043	\$12,359	\$2,031	\$6,459	\$8,885	\$17,136	\$14,833	\$16,058	\$1,907	\$7,726	\$3,938	\$72,013	\$8,871
Utilities	\$1,871	\$6,370	\$1,998	\$673	\$2,447	\$2,179	\$773	\$1,111	\$1,052	\$1,659	\$5,427	\$830	\$585	\$232	\$379	\$5,427
Repairs	\$345	\$1,470	\$817	\$34	\$1,601	\$973	\$530	\$1,473	\$1,351	\$1,977	\$967	\$803	\$322	\$251	\$517	\$967
Other Purchased Services	\$1,303	\$2,020	\$4,027	\$783	\$11,336	\$1,355	\$1,095	\$1,697	\$3,669	\$2,528	\$4,676	\$4,390	\$1,083	\$1,344	\$3,354	\$1,854
Total Taxes	\$408,352	\$417,840	\$426,182	\$578,087	\$823,497	\$363,733	\$622,008	\$582,349	\$716,532	\$1,287,646	\$1,185,299	\$430,606	\$276,543	\$137,203	\$914,774	\$349,399

Comparison: Alternative as % of Baseline

Federal Income Tax	99.4%	100.1%	102.6%	100.3%	98.2%	102.6%	99.4%	101.2%	98.6%	99.1%	100.0%	103.5%	102.1%	101.7%	98.1%	100.0%
State Income Tax	109.4%	110.2%	112.9%	110.4%	108.0%	112.9%	109.3%	111.3%	108.4%	109.0%	110.1%	113.9%	112.3%	111.6%	107.9%	110.0%
Unemploy. and Workers' Comp.	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Property	101.9%	95.5%	80.6%	96.7%	107.4%	82.1%	103.3%	90.3%	107.5%	105.5%	80.0%	76.1%	84.8%	82.9%	108.2%	97.1%
Franchise	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Sales	137.6%	135.7%	198.9%	126.1%	191.1%	142.6%	129.0%	129.8%	134.3%	128.5%	136.6%	253.2%	127.2%	147.4%	118.2%	126.8%
Total Taxes	101.3%	100.7%	98.2%	100.5%	102.9%	98.2%	101.5%	99.6%	102.5%	101.9%	99.2%	97.4%	98.7%	99.5%	102.8%	101.0%

**Comparison of Modified 1990 House Tax Plan with Baseline Tax Simulations
Wyandotte County: New Firms Located in Enterprise Zones**

Location Industry Code Industry Name	KC Wyandotte 201 Meat Prod.	KC Wyandotte 204 Grain Mill	KC Wyandotte 267 Paper Prod.	KC Wyandotte 275 Print, Pub.	KC Wyandotte 283 Drugs	KC Wyandotte 307 Plastics	KC Wyandotte 344 Metals Const.	KC Wyandotte 353 Mach.	KC Wyandotte 367 Electronics	KC Wyandotte 371 Motor V., Eq	KC Wyandotte 481 Telecom.	KC Wyandotte 508 Wholesale	KC Wyandotte 531 Retail	KC Wyandotte 737 Data Proc.	KC Wyandotte 873 Research	KC Wyandotte - HQ
Baseline: No Tax Code Changes																
Federal Taxable Income	\$649,116	\$692,320	\$766,956	\$1,079,675	\$1,551,357	\$626,592	\$1,112,326	\$1,052,456	\$1,344,707	\$2,432,403	\$2,874,432	\$740,854	\$496,838	\$168,402	\$1,621,374	\$684,716
Federal Income Tax	\$220,699	\$235,389	\$260,765	\$367,090	\$527,461	\$213,041	\$378,191	\$357,835	\$457,200	\$827,017	\$977,307	\$251,890	\$168,925	\$48,927	\$551,267	\$232,803
State Income Tax	\$17,501	\$18,706	\$20,648	\$29,307	\$42,358	\$16,812	\$30,261	\$28,525	\$36,660	\$66,588	\$39,171	\$19,900	\$13,258	\$4,405	\$44,212	\$8,434
Unemploy. and Workers' Comp.	\$73,498	\$56,038	\$28,971	\$28,529	\$23,550	\$39,417	\$57,993	\$38,805	\$21,934	\$63,046	\$46,247	\$47,788	\$18,322	\$22,664	\$25,295	\$22,911
Property	\$23,250	\$23,889	\$32,276	\$39,950	\$52,030	\$26,131	\$38,139	\$40,671	\$45,436	\$82,562	\$152,256	\$32,978	\$20,730	\$41,016	\$56,324	\$82,058
Franchise	\$1,870	\$1,834	\$2,205	\$2,500	\$2,500	\$1,808	\$2,500	\$2,500	\$2,500	\$2,500	\$1,769	\$2,169	\$1,466	\$549	\$2,500	\$1,225
Sales	\$5,769	\$9,698	\$5,099	\$6,491	\$15,776	\$4,983	\$7,464	\$11,028	\$18,788	\$17,760	\$42,691	\$3,404	\$8,301	\$4,252	\$70,105	\$14,678
Initial Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,189	\$0	\$0	\$0	\$0	\$0
Initial Mach. and Equip.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$19,912	\$0	\$0	\$0	\$0	\$0
Replace Mach. and Equip.	\$3,638	\$2,160	\$2,393	\$5,811	\$11,884	\$1,952	\$6,211	\$8,543	\$16,477	\$14,263	\$15,441	\$1,834	\$7,429	\$3,787	\$69,244	\$8,530
Utilities	\$1,799	\$6,125	\$1,921	\$648	\$2,353	\$2,095	\$743	\$1,068	\$1,012	\$1,596	\$5,219	\$798	\$563	\$223	\$365	\$5,219
Repairs	\$332	\$1,413	\$785	\$32	\$1,539	\$936	\$510	\$1,416	\$1,299	\$1,901	\$930	\$772	\$309	\$242	\$497	\$930
Other Purchased Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Taxes	\$342,586	\$345,555	\$349,965	\$473,867	\$663,675	\$302,193	\$514,547	\$479,364	\$582,519	\$1,059,472	\$1,259,440	\$358,129	\$231,001	\$121,813	\$749,703	\$362,109

Alternative:

Federal Taxable Income	\$644,194	\$686,853	\$761,037	\$1,074,016	\$1,529,823	\$623,618	\$1,105,381	\$1,046,457	\$1,331,983	\$2,416,322	\$2,876,324	\$735,353	\$493,656	\$171,807	\$1,600,968	\$684,307
Federal Income Tax	\$219,026	\$233,530	\$258,753	\$365,165	\$520,140	\$212,030	\$375,829	\$355,795	\$452,874	\$821,550	\$977,950	\$250,020	\$167,843	\$50,255	\$544,329	\$232,665
State Income Tax	\$19,098	\$20,442	\$22,687	\$32,109	\$45,859	\$18,520	\$33,058	\$31,299	\$39,871	\$75,966	\$43,117	\$21,915	\$14,565	\$4,957	\$47,913	\$9,272
Unemploy. and Workers' Comp.	\$73,498	\$56,038	\$28,971	\$28,529	\$23,550	\$39,417	\$57,993	\$38,805	\$21,934	\$63,046	\$46,247	\$47,788	\$18,322	\$22,664	\$25,295	\$22,911
Property	\$23,687	\$22,811	\$26,004	\$38,618	\$55,855	\$21,448	\$39,400	\$36,725	\$48,828	\$87,133	\$121,805	\$25,080	\$17,581	\$33,996	\$60,920	\$79,676
Franchise	\$1,870	\$1,834	\$2,205	\$2,500	\$2,500	\$1,808	\$2,500	\$2,500	\$2,500	\$2,500	\$1,769	\$2,169	\$1,466	\$549	\$2,500	\$1,225
Sales	\$9,605	\$15,455	\$15,302	\$11,961	\$32,593	\$11,132	\$12,167	\$19,166	\$27,345	\$27,543	\$52,849	\$14,524	\$13,475	\$7,417	\$84,883	\$19,927
Initial Construction	\$1,739	\$2,418	\$5,254	\$3,848	\$2,717	\$4,091	\$2,628	\$4,987	\$2,351	\$4,930	\$1,332	\$5,984	\$3,012	\$1,208	\$2,753	\$4,491
Initial Mach. and Equip.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$22,302	\$0	\$0	\$0	\$0	\$0
Replace Mach. and Equip.	\$4,075	\$2,419	\$2,680	\$6,508	\$13,310	\$2,187	\$6,956	\$9,569	\$18,454	\$15,974	\$17,294	\$2,054	\$8,321	\$4,241	\$77,553	\$9,553
Utilities	\$2,015	\$6,860	\$2,152	\$725	\$2,636	\$2,346	\$832	\$1,196	\$1,133	\$1,787	\$5,845	\$894	\$631	\$250	\$409	\$5,845
Repairs	\$372	\$1,583	\$879	\$36	\$1,724	\$1,048	\$571	\$1,586	\$1,455	\$2,130	\$1,041	\$865	\$346	\$271	\$556	\$1,041
Other Purchased Services	\$1,403	\$2,176	\$4,336	\$843	\$12,208	\$1,460	\$1,179	\$1,828	\$3,951	\$2,723	\$5,036	\$4,728	\$1,166	\$1,448	\$3,612	\$1,997
Total Taxes	\$346,782	\$350,110	\$353,922	\$478,883	\$680,497	\$304,355	\$520,948	\$484,291	\$593,352	\$1,077,737	\$1,243,736	\$361,496	\$233,253	\$119,838	\$765,840	\$365,675

Comparison: Alternative as % of Baseline

Federal Income Tax	99.2%	99.2%	99.2%	99.5%	98.6%	99.5%	99.4%	99.4%	99.1%	99.3%	100.1%	99.3%	99.4%	102.7%	98.7%	99.9%
State Income Tax	109.1%	109.3%	109.9%	109.6%	108.3%	110.2%	109.2%	109.7%	108.8%	114.1%	110.1%	110.1%	109.9%	112.5%	108.4%	109.9%
Unemploy. and Workers' Comp.	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Property	101.9%	95.5%	80.6%	96.7%	107.4%	82.1%	103.3%	90.3%	107.5%	105.5%	80.0%	76.1%	84.8%	82.9%	108.2%	97.1%
Franchise	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Sales	166.5%	159.4%	300.1%	184.3%	206.6%	223.4%	163.0%	173.8%	145.5%	155.1%	123.8%	426.7%	162.3%	174.5%	121.1%	135.8%
Total Taxes	101.2%	101.3%	101.1%	101.1%	102.5%	100.7%	101.2%	101.0%	101.9%	101.7%	98.8%	100.9%	101.0%	98.4%	102.2%	101.0%

**Comparison of Modified 1990 House Tax Plan with Baseline Tax Simulations
Wyandotte County: Established Firms**

Location	KC Wyandotte	KC Wyandotte	KC Wyandotte	KC Wyandotte	KC Wyandotte	KC Wyandotte	KC Wyandotte	KC Wyandotte	KC Wyandotte	KC Wyandotte	KC Wyandotte	KC Wyandotte	KC Wyandotte	KC Wyandotte	KC Wyandotte	KC Wyandotte	KC Wyandotte	KC Wyandotte
Industry Code	201	204	267	275	283	307	344	353	367	371	481	508	531	737	873	-		
Industry Name	Meat Prod.	Grain Mill	Paper Prod.	Print, Pub.	Drugs	Plastics	Metals Const.	Mach. Electronics	Motor V., Eq	Telecom.	Wholesale	Retail	Data Proc.	Research	HQ			

Baseline: No Tax Code Changes

Federal Taxable Income	\$551,368	\$591,884	\$631,261	\$911,716	\$1,332,611	\$516,730	\$951,981	\$881,466	\$1,153,683	\$2,085,292	\$2,877,305	\$602,207	\$409,684	\$168,402	\$1,384,575	\$684,716		
Federal Income Tax	\$187,465	\$201,241	\$214,629	\$309,983	\$453,088	\$175,688	\$323,674	\$299,699	\$392,252	\$708,999	\$978,284	\$204,751	\$139,293	\$48,927	\$470,755	\$232,803		
State Income Tax	\$25,490	\$27,404	\$29,265	\$42,516	\$62,403	\$23,853	\$44,419	\$41,087	\$53,949	\$97,968	\$39,211	\$27,892	\$18,795	\$7,395	\$64,859	\$14,149		
Unemploy. and Workers' Comp.	\$73,498	\$56,038	\$28,971	\$28,529	\$23,550	\$39,417	\$57,993	\$38,805	\$21,934	\$63,046	\$46,247	\$47,788	\$18,322	\$22,664	\$25,295	\$22,911		
Property	\$120,998	\$124,325	\$167,971	\$207,910	\$270,776	\$135,993	\$198,484	\$211,661	\$236,460	\$429,672	\$152,256	\$171,625	\$107,883	\$41,016	\$293,123	\$82,058		
Franchise	\$1,870	\$1,834	\$2,205	\$2,500	\$2,500	\$1,808	\$2,500	\$2,500	\$2,500	\$2,500	\$1,769	\$2,169	\$1,466	\$549	\$2,500	\$1,225		
Sales	\$5,769	\$9,698	\$5,099	\$6,491	\$15,776	\$4,983	\$7,464	\$11,028	\$18,788	\$17,760	\$21,589	\$3,404	\$8,301	\$4,252	\$70,105	\$14,678		
Initial Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Initial Mach. and Equip.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Replace Mach. and Equip.	\$3,638	\$2,160	\$2,393	\$5,811	\$11,884	\$1,952	\$6,211	\$8,543	\$16,477	\$14,263	\$15,441	\$1,834	\$7,429	\$3,787	\$69,244	\$8,530		
Utilities	\$1,799	\$6,125	\$1,921	\$648	\$2,353	\$2,095	\$743	\$1,068	\$1,012	\$1,596	\$5,219	\$798	\$563	\$223	\$365	\$5,219		
Repairs	\$332	\$1,413	\$785	\$32	\$1,539	\$936	\$510	\$1,416	\$1,299	\$1,901	\$930	\$772	\$309	\$242	\$497	\$930		
Other Purchased Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Total Taxes	\$415,089	\$420,540	\$448,140	\$597,929	\$828,094	\$381,742	\$634,532	\$604,779	\$725,884	\$1,319,945	\$1,239,355	\$457,628	\$294,060	\$124,802	\$926,637	\$367,825		

Alternative:

Federal Taxable Income	\$547,039	\$594,327	\$659,049	\$917,029	\$1,298,787	\$539,158	\$943,401	\$899,017	\$1,129,981	\$2,056,878	\$2,879,541	\$638,266	\$423,946	\$173,493	\$1,348,692	\$684,561		
Federal Income Tax	\$185,993	\$202,071	\$224,077	\$311,790	\$441,588	\$183,314	\$320,756	\$305,666	\$384,194	\$699,339	\$979,044	\$217,010	\$144,142	\$50,912	\$458,555	\$232,751		
State Income Tax	\$27,814	\$30,271	\$33,635	\$47,044	\$66,886	\$27,404	\$48,415	\$46,108	\$58,112	\$106,287	\$43,166	\$32,555	\$21,416	\$8,399	\$69,480	\$15,560		
Unemploy. and Workers' Comp.	\$73,498	\$56,038	\$28,971	\$28,529	\$23,550	\$39,417	\$57,993	\$38,805	\$21,934	\$63,046	\$46,247	\$47,788	\$18,322	\$22,664	\$25,295	\$22,911		
Property	\$123,271	\$118,713	\$135,329	\$200,979	\$290,684	\$111,620	\$205,050	\$191,129	\$254,113	\$453,461	\$121,805	\$130,522	\$91,496	\$33,996	\$317,041	\$79,676		
Franchise	\$1,870	\$1,834	\$2,205	\$2,500	\$2,500	\$1,808	\$2,500	\$2,500	\$2,500	\$2,500	\$1,769	\$2,169	\$1,466	\$549	\$2,500	\$1,225		
Sales	\$7,865	\$13,037	\$10,047	\$8,112	\$29,877	\$7,041	\$9,539	\$14,179	\$24,994	\$22,613	\$29,216	\$8,540	\$10,464	\$6,209	\$82,130	\$18,436		
Initial Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Initial Mach. and Equip.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Replace Mach. and Equip.	\$4,075	\$2,419	\$2,680	\$6,508	\$13,310	\$2,187	\$6,956	\$9,569	\$18,454	\$15,974	\$17,294	\$2,054	\$8,321	\$4,241	\$77,553	\$9,553		
Utilities	\$2,015	\$6,860	\$2,152	\$725	\$2,636	\$2,346	\$832	\$1,196	\$1,133	\$1,787	\$5,845	\$894	\$631	\$250	\$409	\$5,845		
Repairs	\$372	\$1,583	\$879	\$36	\$1,724	\$1,048	\$571	\$1,586	\$1,455	\$2,130	\$1,041	\$865	\$346	\$271	\$556	\$1,041		
Other Purchased Services	\$1,403	\$2,176	\$4,336	\$843	\$12,208	\$1,460	\$1,179	\$1,828	\$3,951	\$2,723	\$5,036	\$4,728	\$1,166	\$1,448	\$3,612	\$1,997		
Total Taxes	\$420,310	\$421,965	\$434,265	\$598,954	\$855,084	\$370,603	\$644,252	\$598,387	\$745,846	\$1,347,246	\$1,221,245	\$438,585	\$287,305	\$122,729	\$955,000	\$370,559		

Comparison: Alternative as % of Baseline

Federal Income Tax	99.2%	100.4%	104.4%	100.6%	97.5%	104.3%	99.1%	102.0%	97.9%	98.6%	100.1%	106.0%	103.5%	104.1%	97.4%	100.0%		
State Income Tax	109.1%	110.5%	114.9%	110.6%	107.2%	114.9%	109.0%	112.2%	107.7%	108.5%	110.1%	116.7%	113.9%	113.6%	107.1%	110.0%		
Unemploy. and Workers' Comp.	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%		
Property	101.9%	95.5%	80.6%	96.7%	107.4%	82.1%	103.3%	90.3%	107.5%	105.5%	80.0%	76.1%	84.8%	82.9%	108.2%	97.1%		
Franchise	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%		
Sales	136.3%	134.4%	197.0%	125.0%	189.4%	141.3%	127.8%	128.6%	133.0%	127.3%	135.3%	250.9%	126.0%	146.0%	117.2%	125.6%		
Total Taxes	101.3%	100.3%	96.9%	100.2%	103.3%	97.1%	101.5%	98.9%	102.8%	102.1%	98.5%	95.8%	97.7%	98.3%	103.1%	100.7%		

**Comparison of Modified 1990 House Tax Plan with Baseline Tax Simulations
Sedgwick County: New Firms Located in Enterprise Zones**

Location Industry Code Industry Name	Wichita 201 Meat Prod.	Wichita 204 Grain Mill	Wichita 267 Paper Prod.	Wichita 275 Print, Pub.	Wichita 283 Drugs	Wichita 307 Plastics	Wichita 344 Metals Const.	Wichita 353 Mach.	Wichita 367 Electronics	Wichita 371 Motor V., Eq	Wichita 481 Telecom.	Wichita 508 Wholesale	Wichita 531 Retail	Wichita 737 Data Proc.	Wichita 873 Research	Wichita - HQ
Baseline: No Tax Code Changes																
Federal Taxable Income	\$664,418	\$702,873	\$791,944	\$1,107,467	\$1,583,257	\$643,350	\$1,138,455	\$1,084,567	\$1,372,820	\$2,476,664	\$2,880,897	\$773,382	\$513,158	\$198,083	\$1,668,005	\$690,768
Federal Income Tax	\$225,902	\$238,977	\$269,261	\$376,539	\$538,308	\$218,739	\$387,075	\$368,753	\$466,759	\$842,066	\$979,505	\$262,950	\$174,474	\$60,502	\$567,122	\$234,861
State Income Tax	\$18,032	\$19,108	\$21,500	\$30,264	\$43,476	\$17,404	\$31,160	\$29,611	\$37,645	\$68,201	\$39,260	\$20,970	\$13,812	\$5,242	\$45,768	\$8,511
Unemploy. and Workers' Comp.	\$72,531	\$55,302	\$28,590	\$28,154	\$23,241	\$38,899	\$57,230	\$38,295	\$21,645	\$62,217	\$45,639	\$47,160	\$18,081	\$22,366	\$24,962	\$22,609
Property	\$18,040	\$18,421	\$24,523	\$30,841	\$40,587	\$19,884	\$29,634	\$31,201	\$35,447	\$64,291	\$118,958	\$24,944	\$15,817	\$31,236	\$43,971	\$63,375
Franchise	\$1,845	\$1,800	\$2,132	\$2,500	\$2,500	\$1,751	\$2,500	\$2,500	\$2,500	\$2,500	\$1,750	\$2,085	\$1,424	\$532	\$2,500	\$1,204
Sales	\$4,901	\$8,333	\$4,354	\$5,480	\$13,319	\$4,283	\$6,298	\$9,307	\$15,830	\$14,980	\$36,022	\$2,891	\$7,001	\$3,581	\$58,904	\$12,602
Initial Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$888	\$0	\$0	\$0	\$0	
Initial Mach. and Equip.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$16,726	\$0	\$0	\$0	\$0	
Replace Mach. and Equip.	\$3,056	\$1,814	\$2,010	\$4,881	\$9,982	\$1,640	\$5,217	\$7,177	\$13,841	\$11,981	\$12,970	\$1,540	\$6,240	\$3,181	\$58,165	\$7,165
Utilities	\$1,566	\$5,331	\$1,684	\$572	\$2,044	\$1,857	\$652	\$941	\$898	\$1,403	\$4,656	\$702	\$501	\$197	\$323	\$4,656
Repairs	\$279	\$1,187	\$660	\$27	\$1,293	\$786	\$428	\$1,190	\$1,092	\$1,597	\$781	\$649	\$260	\$203	\$417	\$781
Other Purchased Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Total Taxes	\$341,252	\$341,940	\$350,360	\$473,779	\$661,430	\$300,959	\$513,897	\$479,668	\$579,826	\$1,054,255	\$1,221,133	\$360,999	\$230,609	\$123,459	\$743,228	\$343,163

Alternative:

Federal Taxable Income	\$660,253	\$698,119	\$786,741	\$1,102,688	\$1,564,999	\$640,695	\$1,132,652	\$1,079,345	\$1,362,005	\$2,463,263	\$2,882,208	\$768,515	\$510,294	\$200,234	\$1,649,827	\$690,331
Federal Income Tax	\$224,486	\$237,361	\$267,492	\$374,914	\$532,100	\$217,836	\$385,102	\$366,977	\$463,082	\$837,509	\$979,951	\$261,295	\$173,500	\$61,341	\$560,941	\$234,713
State Income Tax	\$19,703	\$20,895	\$23,606	\$33,174	\$47,200	\$19,150	\$34,081	\$32,488	\$41,022	\$79,023	\$43,206	\$23,062	\$15,164	\$5,837	\$49,707	\$9,356
Unemploy. and Workers' Comp.	\$72,531	\$55,302	\$28,590	\$28,154	\$23,241	\$38,899	\$57,230	\$38,295	\$21,645	\$62,217	\$45,639	\$47,160	\$18,081	\$22,366	\$24,962	\$22,609
Property	\$18,491	\$17,717	\$19,892	\$30,024	\$43,774	\$16,436	\$30,791	\$28,391	\$38,269	\$68,201	\$95,166	\$19,073	\$13,515	\$26,076	\$47,768	\$61,967
Franchise	\$1,845	\$1,800	\$2,132	\$2,500	\$2,500	\$1,751	\$2,500	\$2,500	\$2,500	\$2,500	\$1,750	\$2,085	\$1,424	\$532	\$2,500	\$1,204
Sales	\$8,130	\$13,230	\$12,696	\$9,917	\$27,755	\$9,263	\$10,211	\$16,003	\$23,269	\$23,210	\$45,484	\$11,915	\$11,296	\$6,254	\$72,513	\$17,250
Initial Construction	\$1,325	\$1,842	\$4,003	\$2,932	\$2,070	\$3,117	\$2,002	\$3,800	\$1,791	\$3,756	\$1,015	\$4,559	\$2,295	\$920	\$2,098	\$1,136
Initial Mach. and Equip.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$19,116	\$0	\$0	\$0	\$0	
Replace Mach. and Equip.	\$3,493	\$2,073	\$2,297	\$5,578	\$11,408	\$1,874	\$5,962	\$8,202	\$15,818	\$13,692	\$14,823	\$1,761	\$7,132	\$3,635	\$66,474	\$8,188
Utilities	\$1,790	\$6,093	\$1,925	\$653	\$2,336	\$2,122	\$746	\$1,075	\$1,026	\$1,603	\$5,321	\$802	\$573	\$225	\$369	\$5,321
Repairs	\$319	\$1,357	\$754	\$31	\$1,477	\$898	\$490	\$1,360	\$1,247	\$1,825	\$893	\$741	\$297	\$232	\$477	\$893
Other Purchased Services	\$1,203	\$1,865	\$3,717	\$722	\$10,464	\$1,251	\$1,011	\$1,567	\$3,387	\$2,334	\$4,316	\$4,052	\$1,000	\$1,241	\$3,096	\$1,712
Total Taxes	\$345,186	\$346,305	\$354,407	\$478,684	\$676,570	\$303,335	\$519,916	\$484,654	\$589,788	\$1,072,661	\$1,211,196	\$364,590	\$232,979	\$122,406	\$758,392	\$347,100

Comparison: Alternative as % of Baseline

Federal Income Tax	99.4%	99.3%	99.3%	99.6%	98.8%	99.6%	99.5%	99.5%	99.2%	99.5%	100.0%	99.4%	99.4%	101.4%	98.9%	99.9%
State Income Tax	109.3%	109.4%	109.8%	109.6%	108.6%	110.0%	109.4%	109.7%	109.0%	115.9%	110.1%	110.0%	109.8%	111.4%	108.6%	109.9%
Unemploy. and Workers' Comp.	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Property	102.5%	96.2%	81.1%	97.4%	107.9%	82.7%	103.9%	91.0%	108.0%	106.1%	80.0%	76.5%	85.4%	83.5%	108.6%	97.8%
Franchise	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Sales	165.9%	158.8%	291.6%	181.0%	208.4%	216.3%	162.1%	171.9%	147.0%	154.9%	126.3%	412.1%	161.3%	174.6%	123.1%	136.9%
Total Taxes	101.2%	101.3%	101.2%	101.0%	102.3%	100.8%	101.2%	101.0%	101.7%	101.7%	99.2%	101.0%	101.0%	99.1%	102.0%	101.1%

Attachment 1-59

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**Comparison of Modified 1990 House Tax Plan with Baseline Tax Simulations
Sedgwick County: Established Firms**

Location	Wichita	Wichita	Wichita	Wichita	Wichita	Wichita	Wichita	Wichita	Wichita	Wichita	Wichita	Wichita	Wichita	Wichita	Wichita	Wichita
Industry Code	201	204	267	275	283	307	344	353	367	371	481	508	531	737	873	-
Industry Name	Meat Prod.	Grain Mill	Paper Prod.	Print, Pub.	Drugs	Plastics	Metals Const.	Mach.	Electronics	Motor V., Eq	Telecom.	Wholesale	Retail	Data Proc.	Research	HQ

Baseline: No Tax Code Changes

Federal Taxable Income	\$588,572	\$625,427	\$688,842	\$977,805	\$1,412,619	\$559,751	\$1,013,865	\$953,388	\$1,223,791	\$2,206,369	\$2,883,295	\$668,511	\$446,659	\$198,083	\$1,483,139	\$690,768
Federal Income Tax	\$200,114	\$212,645	\$234,206	\$332,454	\$480,290	\$190,315	\$344,714	\$324,152	\$416,089	\$750,165	\$980,320	\$227,294	\$151,864	\$60,502	\$504,267	\$234,861
State Income Tax	\$27,248	\$28,989	\$31,985	\$45,639	\$66,184	\$25,886	\$47,343	\$44,485	\$57,262	\$103,688	\$39,294	\$31,025	\$20,542	\$8,797	\$69,516	\$14,279
Unemploy. and Workers' Comp.	\$72,531	\$55,302	\$28,590	\$28,154	\$23,241	\$38,899	\$57,230	\$38,295	\$21,645	\$62,217	\$45,639	\$47,160	\$18,081	\$22,366	\$24,962	\$22,609
Property	\$93,886	\$95,866	\$127,625	\$160,504	\$211,225	\$103,484	\$154,224	\$162,380	\$184,477	\$334,586	\$118,958	\$129,815	\$82,317	\$31,236	\$228,836	\$63,375
Franchise	\$1,845	\$1,800	\$2,132	\$2,500	\$2,500	\$1,751	\$2,500	\$2,500	\$2,500	\$2,500	\$1,750	\$2,085	\$1,424	\$532	\$2,500	\$1,204
Sales	\$4,901	\$8,333	\$4,354	\$5,480	\$13,319	\$4,283	\$6,298	\$9,307	\$15,830	\$14,980	\$18,408	\$2,891	\$7,001	\$3,581	\$58,904	\$12,602
Initial Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initial Mach. and Equip.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Replace Mach. and Equip.	\$3,056	\$1,814	\$2,010	\$4,881	\$9,982	\$1,640	\$5,217	\$7,177	\$13,841	\$11,981	\$12,970	\$1,540	\$6,240	\$3,181	\$58,165	\$7,165
Utilities	\$1,566	\$5,331	\$1,684	\$572	\$2,044	\$1,857	\$652	\$941	\$898	\$1,403	\$4,656	\$702	\$501	\$197	\$323	\$4,656
Repairs	\$279	\$1,187	\$660	\$27	\$1,293	\$786	\$428	\$1,190	\$1,092	\$1,597	\$781	\$649	\$260	\$203	\$417	\$781
Other Purchased Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Taxes	\$400,526	\$402,935	\$428,892	\$574,730	\$796,760	\$364,617	\$612,309	\$581,119	\$697,803	\$1,268,137	\$1,204,368	\$440,269	\$281,229	\$127,015	\$888,986	\$348,931

Alternative:

Federal Taxable Income	\$584,360	\$626,205	\$708,702	\$980,553	\$1,383,853	\$575,946	\$1,005,995	\$965,289	\$1,203,612	\$2,181,771	\$2,884,949	\$694,692	\$456,679	\$201,519	\$1,451,926	\$690,525
Federal Income Tax	\$198,683	\$212,910	\$240,959	\$333,388	\$470,510	\$195,821	\$342,038	\$328,198	\$409,228	\$741,802	\$980,883	\$236,195	\$155,271	\$61,843	\$493,655	\$234,778
State Income Tax	\$29,753	\$31,928	\$36,216	\$50,345	\$71,307	\$29,316	\$51,668	\$49,552	\$61,939	\$112,779	\$43,248	\$35,488	\$23,117	\$9,855	\$74,845	\$15,701
Unemploy. and Workers' Comp.	\$72,531	\$55,302	\$28,590	\$28,154	\$23,241	\$38,899	\$57,230	\$38,295	\$21,645	\$62,217	\$45,639	\$47,160	\$18,081	\$22,366	\$24,962	\$22,609
Property	\$96,234	\$92,203	\$103,520	\$156,255	\$227,810	\$85,538	\$160,245	\$147,752	\$199,163	\$354,938	\$95,166	\$99,261	\$70,334	\$26,076	\$248,598	\$61,967
Franchise	\$1,845	\$1,800	\$2,132	\$2,500	\$2,500	\$1,751	\$2,500	\$2,500	\$2,500	\$2,500	\$1,750	\$2,085	\$1,424	\$532	\$2,500	\$1,204
Sales	\$6,804	\$11,388	\$8,693	\$6,985	\$25,686	\$6,146	\$8,209	\$12,204	\$21,478	\$19,454	\$25,353	\$7,357	\$9,001	\$5,334	\$70,415	\$16,114
Initial Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initial Mach. and Equip.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Replace Mach. and Equip.	\$3,493	\$2,073	\$2,297	\$5,578	\$11,408	\$1,874	\$5,962	\$8,202	\$15,818	\$13,692	\$14,823	\$1,761	\$7,132	\$3,635	\$66,474	\$8,188
Utilities	\$1,790	\$6,093	\$1,925	\$653	\$2,336	\$2,122	\$746	\$1,075	\$1,026	\$1,603	\$5,321	\$802	\$573	\$225	\$369	\$5,321
Repairs	\$319	\$1,357	\$754	\$31	\$1,477	\$898	\$490	\$1,360	\$1,247	\$1,825	\$893	\$741	\$297	\$232	\$477	\$893
Other Purchased Services	\$1,203	\$1,865	\$3,717	\$722	\$10,464	\$1,251	\$1,011	\$1,567	\$3,387	\$2,334	\$4,316	\$4,052	\$1,000	\$1,241	\$3,096	\$1,712
Total Taxes	\$405,851	\$405,531	\$420,110	\$577,627	\$821,053	\$357,471	\$621,890	\$578,502	\$715,954	\$1,293,690	\$1,192,039	\$427,546	\$277,228	\$126,006	\$914,976	\$352,375

Comparison: Alternative as % of Baseline

Federal Income Tax	99.3%	100.1%	102.9%	100.3%	98.0%	102.9%	99.2%	101.2%	98.4%	98.9%	100.1%	103.9%	102.2%	102.2%	97.9%	100.0%
State Income Tax	109.2%	110.1%	113.2%	110.3%	107.7%	113.3%	109.1%	111.4%	108.2%	108.8%	110.1%	114.4%	112.5%	112.0%	107.7%	110.0%
Unemploy. and Workers' Comp.	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Property	102.5%	96.2%	81.1%	97.4%	107.9%	82.7%	103.9%	91.0%	108.0%	106.1%	80.0%	76.5%	85.4%	83.5%	108.6%	97.8%
Franchise	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Sales	138.8%	136.7%	199.7%	127.5%	192.8%	143.5%	130.3%	131.1%	135.7%	129.9%	137.7%	254.5%	128.6%	148.9%	119.5%	127.9%
Total Taxes	101.3%	100.6%	98.0%	100.5%	103.0%	98.0%	101.6%	99.5%	102.6%	102.0%	99.0%	97.1%	98.6%	99.2%	102.9%	101.0%

Attachment 1-60

DRAFT

**Comparison of Modified 1990 House Tax Plan with Baseline Tax Simulations
Typical Medium Sized City: New Firms Located in Enterprise Zones**

Location Industry Code Industry Name	Medium City 201 Meat Prod.	Medium City 204 Grain Mill	Medium City 267 Paper Prod.	Medium City 275 Print, Pub.	Medium City 283 Drugs	Medium City 307 Plastics	Medium City 344 Metals Const.	Medium City 353 Mach.	Medium City 367 Electronics	Medium City 371 Motor V., Eq	Medium City 481 Telecom.	Medium City 508 Wholesale	Medium City 531 Retail	Medium City 737 Data Proc.	Medium City 873 Research	Medium City - HQ
Baseline: No Tax Code Changes																
Federal Taxable Income	\$839,492	\$992,596	\$1,043,732	\$1,321,907	\$1,878,582	\$850,099	\$1,350,712	\$1,352,878	\$1,595,993	\$2,795,553	\$2,908,338	\$1,012,990	\$608,826	\$423,123	\$1,915,798	\$731,970
Federal Income Tax	\$285,427	\$337,483	\$354,869	\$449,448	\$638,718	\$289,034	\$459,242	\$459,979	\$542,638	\$950,488	\$988,835	\$344,417	\$207,001	\$143,862	\$651,371	\$248,870
State Income Tax	\$22,953	\$27,271	\$28,634	\$36,304	\$51,976	\$23,258	\$37,118	\$37,189	\$43,891	\$83,085	\$39,640	\$27,773	\$16,526	\$11,580	\$52,718	\$9,039
Unemploy. and Workers' Comp.	\$60,785	\$46,346	\$23,960	\$23,595	\$19,477	\$32,599	\$47,962	\$32,093	\$18,140	\$52,141	\$38,248	\$39,522	\$15,153	\$18,744	\$20,920	\$18,948
Property	\$18,524	\$18,280	\$22,324	\$30,802	\$42,857	\$18,268	\$30,654	\$30,081	\$37,451	\$67,267	\$126,629	\$22,075	\$14,771	\$28,837	\$46,618	\$63,443
Franchise	\$1,728	\$1,637	\$1,777	\$2,500	\$2,500	\$1,475	\$2,500	\$2,500	\$2,500	\$2,500	\$1,660	\$1,682	\$1,221	\$450	\$2,500	\$1,104
Sales	\$5,187	\$8,566	\$4,589	\$5,962	\$14,314	\$4,543	\$6,847	\$10,120	\$17,267	\$16,284	\$39,110	\$3,115	\$7,634	\$3,908	\$64,491	\$13,449
Initial Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$984	\$0	\$0	\$0	\$0	\$0
Initial Mach. and Equip.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$18,319	\$0	\$0	\$0	\$0	\$0
Replace Mach. and Equip.	\$3,347	\$1,987	\$2,201	\$5,346	\$10,933	\$1,796	\$5,714	\$7,860	\$15,159	\$13,122	\$14,206	\$1,687	\$6,835	\$3,484	\$63,704	\$7,847
Utilities	\$1,535	\$5,279	\$1,665	\$587	\$1,965	\$1,886	\$664	\$957	\$913	\$1,413	\$4,747	\$718	\$515	\$202	\$330	\$4,747
Repairs	\$305	\$1,300	\$722	\$30	\$1,416	\$861	\$469	\$1,303	\$1,195	\$1,749	\$855	\$710	\$284	\$222	\$457	\$855
Other Purchased Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Taxes	\$394,604	\$439,582	\$436,153	\$548,612	\$769,842	\$369,176	\$584,324	\$571,962	\$661,886	\$1,171,765	\$1,234,122	\$438,583	\$262,306	\$207,381	\$838,619	\$354,852

Alternative:

Federal Taxable Income	\$834,446	\$986,803	\$1,036,542	\$1,315,513	\$1,857,926	\$846,016	\$1,343,558	\$1,345,729	\$1,583,546	\$2,779,370	\$2,909,767	\$1,005,928	\$604,866	\$423,609	\$1,895,714	\$731,213
Federal Income Tax	\$283,711	\$335,513	\$352,424	\$447,274	\$631,695	\$287,646	\$456,810	\$457,548	\$538,406	\$944,986	\$989,321	\$342,015	\$205,654	\$144,027	\$644,543	\$248,612
State Income Tax	\$25,076	\$29,828	\$31,369	\$39,745	\$59,723	\$25,527	\$40,574	\$41,358	\$48,235	\$95,396	\$43,625	\$30,453	\$18,101	\$12,757	\$59,639	\$9,932
Unemploy. and Workers' Comp.	\$60,785	\$46,346	\$23,960	\$23,595	\$19,477	\$32,599	\$47,962	\$32,093	\$18,140	\$52,141	\$38,248	\$39,522	\$15,153	\$18,744	\$20,920	\$18,948
Property	\$19,603	\$18,287	\$18,858	\$31,154	\$47,328	\$15,747	\$32,819	\$28,571	\$41,392	\$73,279	\$101,304	\$17,459	\$13,180	\$25,119	\$51,786	\$64,420
Franchise	\$1,728	\$1,637	\$1,777	\$2,500	\$2,500	\$1,475	\$2,500	\$2,500	\$2,500	\$2,500	\$1,660	\$1,682	\$1,221	\$450	\$2,500	\$1,104
Sales	\$8,619	\$13,722	\$13,601	\$10,735	\$29,785	\$9,906	\$11,030	\$17,300	\$25,151	\$25,051	\$48,888	\$12,907	\$12,227	\$6,770	\$78,556	\$18,303
Initial Construction	\$1,452	\$2,018	\$4,386	\$3,213	\$2,268	\$3,415	\$2,194	\$4,163	\$1,963	\$4,115	\$1,112	\$4,995	\$2,514	\$1,008	\$2,298	\$1,245
Initial Mach. and Equip.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$20,709	\$0	\$0	\$0	\$0	\$0
Replace Mach. and Equip.	\$3,784	\$2,246	\$2,488	\$6,043	\$12,359	\$2,031	\$6,459	\$8,885	\$17,136	\$14,833	\$16,058	\$1,907	\$7,726	\$3,938	\$72,013	\$8,871
Utilities	\$1,735	\$5,967	\$1,883	\$663	\$2,222	\$2,132	\$751	\$1,082	\$1,032	\$1,597	\$5,366	\$811	\$583	\$228	\$373	\$5,366
Repairs	\$345	\$1,470	\$817	\$34	\$1,601	\$973	\$530	\$1,473	\$1,351	\$1,977	\$967	\$803	\$322	\$251	\$517	\$967
Other Purchased Services	\$1,303	\$2,020	\$4,027	\$783	\$11,336	\$1,355	\$1,095	\$1,697	\$3,669	\$2,528	\$4,676	\$4,390	\$1,083	\$1,344	\$3,354	\$1,854
Total Taxes	\$399,523	\$445,333	\$441,989	\$555,003	\$790,507	\$372,899	\$591,693	\$579,370	\$673,824	\$1,193,354	\$1,223,045	\$444,038	\$265,536	\$207,868	\$857,943	\$361,319

Comparison: Alternative as % of Baseline

Federal Income Tax	99.4%	99.4%	99.3%	99.5%	98.9%	99.5%	99.5%	99.5%	99.2%	99.4%	100.0%	99.3%	99.3%	100.1%	99.0%	99.9%
State Income Tax	109.3%	109.4%	109.6%	109.5%	114.9%	109.8%	109.3%	111.2%	109.9%	114.8%	110.1%	109.7%	109.5%	110.2%	113.1%	109.9%
Unemploy. and Workers' Comp.	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Property	105.8%	100.0%	84.5%	101.1%	110.4%	86.2%	107.1%	95.0%	110.5%	108.9%	80.0%	79.1%	89.2%	87.1%	111.1%	101.5%
Franchise	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Sales	166.2%	160.2%	296.4%	180.1%	208.1%	218.1%	161.1%	171.0%	145.7%	153.8%	125.0%	414.3%	160.2%	173.2%	121.8%	136.1%
Total Taxes	101.2%	101.3%	101.3%	101.2%	102.7%	101.0%	101.3%	101.3%	101.8%	101.8%	99.1%	101.2%	101.2%	100.2%	102.3%	101.8%

Attachment 1-61

DRAFT

**Comparison of Modified 1990 House Tax Plan with Baseline Tax Simulations
Typical Medium Sized City: Established Firms**

Location Industry Code Industry Name	Medium City 201 Meat Prod.	Medium City 204 Grain Mill	Medium City 267 Paper Prod.	Medium City 275 Print, Pub.	Medium City 283 Drugs	Medium City 307 Plastics	Medium City 344 Metals Const.	Medium City 353 Mach.	Medium City 367 Electronics	Medium City 371 Motor V., Eq	Medium City 481 Telecom.	Medium City 508 Wholesale	Medium City 531 Retail	Medium City 737 Data Proc.	Medium City 873 Research	Medium City - HQ
Baseline: No Tax Code Changes																
Federal Taxable Income	\$761,615	\$915,742	\$949,877	\$1,192,407	\$1,698,401	\$773,295	\$1,221,833	\$1,226,408	\$1,438,540	\$2,512,745	\$2,910,965	\$920,181	\$546,723	\$423,123	\$1,719,804	\$731,970
Federal Income Tax	\$258,949	\$311,352	\$322,958	\$405,418	\$577,456	\$262,920	\$415,423	\$416,979	\$489,104	\$854,333	\$989,728	\$312,861	\$185,886	\$143,862	\$584,734	\$248,870
State Income Tax	\$35,424	\$42,706	\$44,319	\$55,779	\$79,687	\$35,976	\$57,169	\$57,385	\$67,409	\$118,165	\$39,676	\$42,916	\$25,270	\$19,430	\$80,698	\$15,164
Unemploy. and Workers' Comp.	\$60,785	\$46,346	\$23,960	\$23,595	\$19,477	\$32,599	\$47,962	\$32,093	\$18,140	\$52,141	\$38,248	\$39,522	\$15,153	\$18,744	\$20,920	\$18,948
Property	\$96,401	\$95,134	\$116,178	\$160,303	\$223,038	\$95,073	\$159,534	\$156,551	\$194,904	\$350,074	\$126,629	\$114,884	\$76,874	\$28,837	\$242,612	\$63,443
Franchise	\$1,728	\$1,637	\$1,777	\$2,500	\$2,500	\$1,475	\$2,500	\$2,500	\$2,500	\$2,500	\$1,660	\$1,682	\$1,221	\$450	\$2,500	\$1,104
Sales	\$5,187	\$8,566	\$4,589	\$5,962	\$14,314	\$4,543	\$6,847	\$10,120	\$17,267	\$16,284	\$19,808	\$3,115	\$7,634	\$3,908	\$64,491	\$13,449
Initial Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initial Mach. and Equip.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Replace Mach. and Equip.	\$3,347	\$1,987	\$2,201	\$5,346	\$10,933	\$1,796	\$5,714	\$7,860	\$15,159	\$13,122	\$14,206	\$1,687	\$6,835	\$3,484	\$63,704	\$7,847
Utilities	\$1,535	\$5,279	\$1,665	\$587	\$1,965	\$1,886	\$664	\$957	\$913	\$1,413	\$4,747	\$718	\$515	\$202	\$330	\$4,747
Repairs	\$305	\$1,300	\$722	\$30	\$1,416	\$861	\$469	\$1,303	\$1,195	\$1,749	\$855	\$710	\$284	\$222	\$457	\$855
Other Purchased Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Taxes	\$458,474	\$505,741	\$513,782	\$653,557	\$916,472	\$432,585	\$689,436	\$675,629	\$789,323	\$1,393,497	\$1,215,749	\$514,981	\$312,039	\$215,232	\$995,955	\$360,978

Alternative:

Federal Taxable Income	\$754,058	\$912,739	\$963,384	\$1,189,019	\$1,662,116	\$784,581	\$1,208,644	\$1,231,423	\$1,412,264	\$2,477,031	\$2,912,738	\$939,501	\$552,963	\$425,017	\$1,681,202	\$731,425
Federal Income Tax	\$256,380	\$310,331	\$327,551	\$404,267	\$565,119	\$266,757	\$410,939	\$418,684	\$480,170	\$842,191	\$990,331	\$319,430	\$188,008	\$144,506	\$571,609	\$248,684
State Income Tax	\$38,573	\$46,821	\$49,453	\$61,181	\$85,770	\$40,160	\$62,201	\$63,384	\$72,784	\$128,125	\$43,671	\$48,212	\$28,122	\$21,471	\$86,762	\$16,668
Unemploy. and Workers' Comp.	\$60,785	\$46,346	\$23,960	\$23,595	\$19,477	\$32,599	\$47,962	\$32,093	\$18,140	\$52,141	\$38,248	\$39,522	\$15,153	\$18,744	\$20,920	\$18,948
Property	\$102,018	\$95,169	\$98,140	\$162,133	\$246,305	\$81,952	\$170,796	\$148,689	\$215,415	\$381,364	\$101,304	\$90,860	\$68,593	\$25,119	\$269,507	\$64,420
Franchise	\$1,728	\$1,637	\$1,777	\$2,500	\$2,500	\$1,475	\$2,500	\$2,500	\$2,500	\$2,500	\$1,660	\$1,682	\$1,221	\$450	\$2,500	\$1,104
Sales	\$7,167	\$11,704	\$9,214	\$7,522	\$27,517	\$6,491	\$8,836	\$13,137	\$23,188	\$20,936	\$27,067	\$7,912	\$9,713	\$5,762	\$76,257	\$17,058
Initial Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initial Mach. and Equip.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Replace Mach. and Equip.	\$3,784	\$2,246	\$2,488	\$6,043	\$12,359	\$2,031	\$6,459	\$8,885	\$17,136	\$14,833	\$16,058	\$1,907	\$7,726	\$3,938	\$72,013	\$8,871
Utilities	\$1,735	\$5,967	\$1,883	\$663	\$2,222	\$2,132	\$751	\$1,082	\$1,032	\$1,597	\$5,366	\$811	\$583	\$228	\$373	\$5,366
Repairs	\$345	\$1,470	\$817	\$34	\$1,601	\$973	\$530	\$1,473	\$1,351	\$1,977	\$967	\$803	\$322	\$251	\$517	\$967
Other Purchased Services	\$1,303	\$2,020	\$4,027	\$783	\$11,336	\$1,355	\$1,095	\$1,697	\$3,669	\$2,528	\$4,676	\$4,390	\$1,083	\$1,344	\$3,354	\$1,854
Total Taxes	\$466,651	\$512,008	\$510,096	\$661,198	\$946,688	\$429,433	\$703,233	\$678,488	\$812,196	\$1,427,257	\$1,202,280	\$507,618	\$310,809	\$216,052	\$1,027,555	\$366,882

Comparison: Alternative as % of Baseline

Federal Income Tax	99.0%	99.7%	101.4%	99.7%	97.9%	101.5%	98.9%	100.4%	98.2%	98.6%	100.1%	102.1%	101.1%	100.4%	97.8%	99.9%
State Income Tax	108.9%	109.6%	111.6%	109.7%	107.6%	111.6%	108.8%	110.5%	108.0%	108.4%	110.1%	112.3%	111.3%	110.5%	107.5%	109.9%
Unemploy. and Workers' Comp.	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Property	105.8%	100.0%	84.5%	101.1%	110.4%	86.2%	107.1%	95.0%	110.5%	108.9%	80.0%	79.1%	89.2%	87.1%	111.1%	101.5%
Franchise	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Sales	138.2%	136.6%	200.8%	126.2%	192.2%	142.9%	129.0%	129.8%	134.3%	128.6%	136.7%	254.0%	127.2%	147.4%	118.2%	126.8%
Total Taxes	101.8%	101.2%	99.3%	101.2%	103.3%	99.3%	102.0%	100.4%	102.9%	102.4%	98.9%	98.6%	99.6%	100.4%	103.2%	101.6%

Attachment I-62

DRAFT

Comparison of Modified 1990 House Tax Plan with Baseline Tax Simulations
Typical Small City: New Firms Located in Enterprise Zones

Location	Small City	Small City	Small City	Small City	Small City	Small City	Small City	Small City	Small City	Small City	Small City	Small City	Small City	Small City	Small City	Small City	Small City
Industry Code	201	204	267	275	283	307	344	353	367	371	481	508	531	737	873	-	-
Industry Name	Meat Prod.	Grain Mill	Paper Prod.	Print, Pub.	Drugs	Plastics	Metals Const.	Mach.	Electronics	Motor V., Eq	Telecom.	Wholesale	Retail	Data Proc.	Research	HQ	HQ

Baseline: No Tax Code Changes

Federal Taxable Income	\$867,899	\$995,680	\$1,092,164	\$1,377,934	\$1,934,123	\$889,805	\$1,406,414	\$1,420,225	\$1,652,871	\$2,867,802	\$2,915,884	\$1,083,100	\$634,953	\$494,930	\$1,993,060	\$744,806
Federal Income Tax	\$295,086	\$338,531	\$371,336	\$468,498	\$657,602	\$302,534	\$478,181	\$482,877	\$561,976	\$975,053	\$991,401	\$368,254	\$215,884	\$168,276	\$677,640	\$253,234
State Income Tax	\$23,690	\$27,297	\$29,928	\$37,779	\$54,662	\$24,318	\$38,582	\$38,988	\$45,363	\$86,611	\$39,744	\$29,680	\$17,215	\$13,602	\$55,400	\$9,203
Unemploy. and Workers' Comp.	\$56,645	\$43,189	\$22,328	\$21,988	\$18,150	\$30,379	\$44,695	\$29,908	\$16,904	\$48,590	\$35,643	\$36,830	\$14,121	\$17,467	\$19,495	\$17,657
Property	\$21,829	\$21,470	\$25,984	\$36,200	\$50,637	\$21,285	\$36,150	\$35,228	\$44,252	\$79,411	\$149,730	\$25,614	\$17,241	\$33,617	\$55,102	\$74,578
Franchise	\$1,718	\$1,623	\$1,747	\$2,500	\$2,500	\$1,451	\$2,500	\$2,500	\$2,500	\$2,500	\$1,652	\$1,646	\$1,203	\$443	\$2,500	\$1,095
Sales	\$5,436	\$9,416	\$4,838	\$6,041	\$14,645	\$4,785	\$6,943	\$10,252	\$17,383	\$16,485	\$39,648	\$3,215	\$7,696	\$3,935	\$64,535	\$14,009
Initial Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$961	\$0	\$0	\$0	\$0	\$0
Initial Mach. and Equip.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$18,319	\$0	\$0	\$0	\$0	\$0
Replace Mach. and Equip.	\$3,347	\$1,987	\$2,201	\$5,346	\$10,933	\$1,796	\$5,714	\$7,860	\$15,159	\$13,122	\$14,206	\$1,687	\$6,835	\$3,484	\$63,704	\$7,847
Utilities	\$1,783	\$6,128	\$1,914	\$665	\$2,296	\$2,128	\$759	\$1,089	\$1,028	\$1,615	\$5,306	\$818	\$577	\$228	\$374	\$5,306
Repairs	\$305	\$1,300	\$722	\$30	\$1,416	\$861	\$469	\$1,303	\$1,195	\$1,749	\$855	\$710	\$284	\$222	\$457	\$855
Other Purchased Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Taxes	\$404,403	\$441,526	\$456,160	\$573,006	\$798,197	\$384,752	\$607,050	\$599,751	\$688,379	\$1,208,649	\$1,257,817	\$465,241	\$273,360	\$237,341	\$874,672	\$369,776

Alternative:

Federal Taxable Income	\$862,603	\$989,756	\$1,085,552	\$1,371,433	\$1,912,562	\$886,132	\$1,398,819	\$1,413,303	\$1,639,649	\$2,850,424	\$2,917,757	\$1,076,846	\$631,260	\$495,929	\$1,971,978	\$743,989
Federal Income Tax	\$293,285	\$336,517	\$369,088	\$466,287	\$650,271	\$301,285	\$475,599	\$480,523	\$557,481	\$969,144	\$992,037	\$366,128	\$214,628	\$168,616	\$670,472	\$252,956
State Income Tax	\$25,874	\$29,851	\$32,820	\$41,767	\$62,624	\$26,713	\$42,581	\$44,984	\$51,205	\$99,202	\$43,747	\$32,589	\$18,871	\$14,998	\$63,665	\$10,112
Unemploy. and Workers' Comp.	\$56,645	\$43,189	\$22,328	\$21,988	\$18,150	\$30,379	\$44,695	\$29,908	\$16,904	\$48,590	\$35,643	\$36,830	\$14,121	\$17,467	\$19,495	\$17,657
Property	\$23,170	\$21,560	\$22,045	\$36,749	\$56,041	\$18,429	\$38,810	\$33,603	\$49,014	\$86,721	\$119,784	\$20,334	\$15,453	\$29,413	\$61,335	\$76,004
Franchise	\$1,718	\$1,623	\$1,747	\$2,500	\$2,500	\$1,451	\$2,500	\$2,500	\$2,500	\$2,500	\$1,652	\$1,646	\$1,203	\$443	\$2,500	\$1,095
Sales	\$8,868	\$14,637	\$13,783	\$10,751	\$30,108	\$10,103	\$11,088	\$17,356	\$25,238	\$25,187	\$49,495	\$12,908	\$12,241	\$6,777	\$78,553	\$18,907
Initial Construction	\$1,419	\$1,973	\$4,288	\$3,140	\$2,217	\$3,338	\$2,145	\$4,069	\$1,919	\$4,023	\$1,087	\$4,883	\$2,458	\$985	\$2,247	\$1,217
Initial Mach. and Equip.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$20,709	\$0	\$0	\$0	\$0	\$0
Replace Mach. and Equip.	\$3,784	\$2,246	\$2,488	\$6,043	\$12,359	\$2,031	\$6,459	\$8,885	\$17,136	\$14,833	\$16,058	\$1,907	\$7,726	\$3,938	\$72,013	\$8,871
Utilities	\$2,016	\$6,928	\$2,164	\$752	\$2,596	\$2,406	\$859	\$1,231	\$1,163	\$1,825	\$5,998	\$925	\$652	\$258	\$423	\$5,998
Repairs	\$345	\$1,470	\$817	\$34	\$1,601	\$973	\$530	\$1,473	\$1,351	\$1,977	\$967	\$803	\$322	\$251	\$517	\$967
Other Purchased Services	\$1,303	\$2,020	\$4,027	\$783	\$11,336	\$1,355	\$1,095	\$1,697	\$3,669	\$2,528	\$4,676	\$4,390	\$1,083	\$1,344	\$3,354	\$1,854
Total Taxes	\$409,559	\$447,377	\$461,811	\$580,043	\$819,695	\$388,360	\$615,273	\$608,874	\$702,342	\$1,231,344	\$1,242,358	\$470,435	\$276,517	\$237,715	\$896,021	\$376,731

Comparison: Alternative as % of Baseline

Federal Income Tax	99.4%	99.4%	99.4%	99.5%	98.9%	99.6%	99.5%	99.5%	99.2%	99.4%	100.1%	99.4%	99.4%	100.2%	98.9%	99.9%
State Income Tax	109.2%	109.4%	109.7%	110.6%	114.6%	109.8%	110.4%	115.4%	112.9%	114.5%	110.1%	109.8%	109.6%	110.3%	114.9%	109.9%
Unemploy. and Workers' Comp.	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Property	106.1%	100.4%	84.8%	101.5%	110.7%	86.6%	107.4%	95.4%	110.8%	109.2%	80.0%	79.4%	89.6%	87.5%	111.3%	101.9%
Franchise	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Sales	163.1%	155.5%	284.9%	178.0%	205.6%	211.1%	159.7%	169.3%	145.2%	152.8%	124.8%	401.4%	159.0%	172.3%	121.7%	135.0%
Total Taxes	101.3%	101.3%	101.2%	101.2%	102.7%	100.9%	101.4%	101.5%	102.0%	101.9%	98.8%	101.1%	101.2%	100.2%	102.4%	101.9%

**Comparison of Modified 1990 House Tax Plan with Baseline Tax Simulations
Typical Small City: Established Firms**

Location	Small City	Small City	Small City	Small City	Small City	Small City	Small City	Small City	Small City	Small City	Small City	Small City	Small City	Small City	Small City	Small City	Small City
Industry Code	201	204	267	275	283	307	344	353	367	371	481	508	531	737	873	-	
Industry Name	Meat Prod.	Grain Mill	Paper Prod.	Print, Pub.	Drugs	Plastics	Metals	Const. Mach.	Electronics	Motor V., Eq	Telecom.	Wholesale	Retail	Data Proc.	Research	HQ	

Baseline: No Tax Code Changes

Federal Taxable Income	\$776,127	\$905,415	\$982,920	\$1,225,738	\$1,721,232	\$800,317	\$1,254,432	\$1,272,119	\$1,466,824	\$2,533,940	\$2,918,509	\$975,411	\$562,467	\$494,930	\$1,761,399	\$744,806
Federal Income Tax	\$263,883	\$307,841	\$334,193	\$416,751	\$585,219	\$272,108	\$426,507	\$432,520	\$498,720	\$861,540	\$992,293	\$331,640	\$191,239	\$168,276	\$598,876	\$253,234
State Income Tax	\$36,109	\$42,218	\$45,880	\$57,354	\$80,766	\$37,252	\$58,709	\$59,545	\$68,745	\$119,166	\$39,780	\$45,526	\$26,014	\$22,823	\$82,664	\$15,440
Unemploy. and Workers' Comp.	\$56,645	\$43,189	\$22,328	\$21,988	\$18,150	\$30,379	\$44,695	\$29,908	\$16,904	\$48,590	\$35,643	\$36,830	\$14,121	\$17,467	\$19,495	\$17,657
Property	\$113,601	\$111,735	\$135,228	\$188,396	\$263,528	\$110,773	\$188,131	\$183,334	\$230,299	\$413,273	\$149,730	\$133,303	\$89,727	\$33,617	\$286,762	\$74,578
Franchise	\$1,718	\$1,623	\$1,747	\$2,500	\$2,500	\$1,451	\$2,500	\$2,500	\$2,500	\$2,500	\$1,652	\$1,646	\$1,203	\$443	\$2,500	\$1,095
Sales	\$5,436	\$9,416	\$4,838	\$6,041	\$14,645	\$4,785	\$6,943	\$10,252	\$17,383	\$16,485	\$20,367	\$3,215	\$7,696	\$3,935	\$64,535	\$14,009
Initial Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initial Mach. and Equip.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Replace Mach. and Equip.	\$3,347	\$1,987	\$2,201	\$5,346	\$10,933	\$1,796	\$5,714	\$7,860	\$15,159	\$13,122	\$14,206	\$1,687	\$6,835	\$3,484	\$63,704	\$7,847
Utilities	\$1,783	\$6,128	\$1,914	\$665	\$2,296	\$2,128	\$759	\$1,089	\$1,028	\$1,615	\$5,306	\$818	\$577	\$228	\$374	\$5,306
Repairs	\$305	\$1,300	\$722	\$30	\$1,416	\$861	\$469	\$1,303	\$1,195	\$1,749	\$855	\$710	\$284	\$222	\$457	\$855
Other Purchased Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Taxes	\$477,393	\$516,022	\$544,214	\$693,029	\$964,808	\$456,748	\$727,486	\$718,059	\$834,551	\$1,461,554	\$1,239,465	\$552,161	\$330,000	\$246,562	\$1,054,832	\$376,013

Alternative:

Federal Taxable Income	\$767,173	\$901,866	\$998,855	\$1,221,315	\$1,680,047	\$813,313	\$1,238,647	\$1,277,711	\$1,436,260	\$2,491,444	\$2,920,725	\$998,175	\$569,723	\$497,305	\$1,717,247	\$744,196
Federal Income Tax	\$260,839	\$306,634	\$339,611	\$415,247	\$571,216	\$276,526	\$421,140	\$434,422	\$488,328	\$847,091	\$993,046	\$339,380	\$193,706	\$169,084	\$583,864	\$253,027
State Income Tax	\$39,255	\$46,256	\$51,297	\$62,859	\$86,702	\$41,653	\$63,760	\$65,790	\$74,031	\$128,874	\$43,792	\$51,261	\$28,993	\$25,229	\$88,635	\$16,970
Unemploy. and Workers' Comp.	\$56,645	\$43,189	\$22,328	\$21,988	\$18,150	\$30,379	\$44,695	\$29,908	\$16,904	\$48,590	\$35,643	\$36,830	\$14,121	\$17,467	\$19,495	\$17,657
Property	\$120,583	\$112,205	\$114,730	\$191,253	\$291,651	\$95,910	\$201,977	\$174,878	\$255,083	\$451,319	\$119,784	\$105,823	\$80,422	\$29,413	\$319,203	\$76,004
Franchise	\$1,718	\$1,623	\$1,747	\$2,500	\$2,500	\$1,451	\$2,500	\$2,500	\$2,500	\$2,500	\$1,652	\$1,646	\$1,203	\$443	\$2,500	\$1,095
Sales	\$7,448	\$12,664	\$9,496	\$7,611	\$27,891	\$6,765	\$8,943	\$13,287	\$23,319	\$21,164	\$27,699	\$8,025	\$9,783	\$5,792	\$76,307	\$17,690
Initial Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Initial Mach. and Equip.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Replace Mach. and Equip.	\$3,784	\$2,246	\$2,488	\$6,043	\$12,359	\$2,031	\$6,459	\$8,885	\$17,136	\$14,833	\$16,058	\$1,907	\$7,726	\$3,938	\$72,013	\$8,871
Utilities	\$2,016	\$6,928	\$2,164	\$752	\$2,596	\$2,406	\$859	\$1,231	\$1,163	\$1,825	\$5,998	\$925	\$652	\$258	\$423	\$5,998
Repairs	\$345	\$1,470	\$817	\$34	\$1,601	\$973	\$530	\$1,473	\$1,351	\$1,977	\$967	\$803	\$322	\$251	\$517	\$967
Other Purchased Services	\$1,303	\$2,020	\$4,027	\$783	\$11,336	\$1,355	\$1,095	\$1,697	\$3,669	\$2,528	\$4,676	\$4,390	\$1,083	\$1,344	\$3,354	\$1,854
Total Taxes	\$486,487	\$522,572	\$539,207	\$701,458	\$998,110	\$452,684	\$743,015	\$720,784	\$860,166	\$1,499,538	\$1,221,616	\$542,965	\$328,227	\$247,429	\$1,090,003	\$382,443

Comparison: Alternative as % of Baseline

Federal Income Tax	98.8%	99.6%	101.6%	99.6%	97.6%	101.6%	98.7%	100.4%	97.9%	98.3%	100.1%	102.3%	101.3%	100.5%	97.5%	99.9%
State Income Tax	108.7%	109.6%	111.8%	109.6%	107.3%	111.8%	108.6%	110.5%	107.7%	108.1%	110.1%	112.6%	111.4%	110.5%	107.2%	109.9%
Unemploy. and Workers' Comp.	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Property	106.1%	100.4%	84.8%	101.5%	110.7%	86.6%	107.4%	95.4%	110.8%	109.2%	80.0%	79.4%	89.6%	87.5%	111.3%	101.9%
Franchise	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Sales	137.0%	134.5%	196.3%	126.0%	190.4%	141.4%	128.8%	129.6%	134.1%	128.4%	136.0%	249.6%	127.1%	147.2%	118.2%	126.3%
Total Taxes	101.9%	101.3%	99.1%	101.2%	103.5%	99.1%	102.1%	100.4%	103.1%	102.6%	98.6%	98.3%	99.5%	100.4%	103.3%	101.7%

PERCENT CHANGE IN TAXES GIVEN THREE ALTERNATIVE KS TAX PLANS
 AN "EXISTING FIRM" IN ONE OF 16 SELECTED INDUSTRIES
 MEDIUM-SIZED COMMUNITY
 (100 PERCENT = CURRENT TAX LIABILITY)

SIC	Alternative Plans		
	Finney	Modified Rock-Martin	House 90
201 Meat Products	98.3%	103.2%	101.8%
204 Grain Mill Products	103.0%	105.2%	101.2%
267 Misc. Converted Paper	101.0%	102.6%	99.3%
275 Commercial Printing	98.4%	102.9%	101.2%
283 Drugs	102.7%	112.4%	103.3%
307 Misc Plastic	99.6%	101.2%	99.3%
344 Fab. Struc. Metal	98.1%	104.3%	102.0%
353 Construction Mach.	99.0%	105.7%	100.4%
367 Electronic Components	101.1%	107.0%	102.9%
371 Motor Vehicles	97.7%	103.8%	102.4%
481 Telephone Communic.	100.3%	100.7%	98.9%
508 Wholesale Machinery	101.7%	105.9%	98.6%
532 Retail (Dept. Store)	98.1%	106.9%	99.6%
737 Comp/Data Proc. Svcs.	104.8%	104.3%	100.4%
873 Res./Development	97.6%	102.8%	103.2%
Corporate Headquarters	106.8%	105.3%	101.6%

SOURCE: IPPBR/Kansas Inc. Tax Simulation Model, 1991

HOUSE TAXATION
 Attachment #2
 02/28/91

PERCENT CHANGE IN TAXES GIVEN THREE ALTERNATIVE KS TAX PLANS
 A "NEW FIRM" IN ONE OF 16 SELECTED INDUSTRIES
 (100 PERCENT = CURRENT TAX LIABILITY)

SIC	Alternative Plans		
	Finney	Modified Rock-Martin	House 90
201 Meat Products	102.6%	102.7%	101.2%
204 Grain Mill Products	107.9%	103.2%	101.3%
267 Misc. Converted Paper	107.2%	104.6%	101.3%
275 Commercial Printing	103.8%	104.0%	101.2%
283 Drugs	108.6%	111.5%	102.7%
307 Misc Plastic	105.3%	103.4%	101.0%
344 Fab. Struc. Metal	102.8%	103.2%	101.3%
353 Construction Mach.	104.4%	104.9%	101.3%
367 Electronic Components	106.7%	106.1%	101.8%
371 Motor Vehicles	102.6%	103.1%	101.8%
481 Telephone Communic.	100.5%	100.9%	99.1%
508 Wholesale Machinery	108.1%	106.7%	101.2%
532 Retail (Dept. Store)	104.0%	105.8%	101.2%
737 Comp/Data Proc. Svcs.	105.8%	105.3%	100.2%
873 Res./Development	102.3%	102.5%	102.3%
Corporate Headquarters	107.9%	106.2%	101.8%

SOURCE: IPPBR/Kansas Inc. Tax Simulation Model, 1991

STATEMENT

DATE: February 26, 1991
TO: House Taxation Committee
FROM: Jean Barbee, Vice-President
RE: Sales tax on services - Association Management (HB-2113)

Mr. Chairman and members of the committee, my name is Jean Barbee. I am Vice-President of Barbee & Associates, an association management company located in Topeka. I am a registered lobbyist, because lobbying is included within the services we perform for some associations. My business partner and husband, George Barbee, is here today to represent one of our professional clients.

Personally, I am registered to lobby for five associations: the Kansas Lodging Association, the Kansas Consulting Engineers, the Kansas Hotel Association, the Kansas Vocational Association and, the one I am most active with is the Travel Industry Association of Kansas.

I suppose I should be wearing each of those lobbying badges today, but instead, I chose to wear none, because I am really speaking to you today as a Kansas citizen and business owner.

Our business is not unique. We provide the same kinds of services to various memberships that large associations provide on an in-house basis to their memberships, i.e.

- . executive management
- . membership development
- . meeting/convention planning
- . public affairs/lobbying
- . communications services
- . financial management
- . marketing
- . education/professional development

Managing more than one association is not an innovative idea. The same types of companies exist in all the other states. We belong to the Institute of Association Management Companies and I have given each of you a brochure which explains in more detail the kind of services provided.

We are not unique, but we do believe Kansas is just the kind of state wherein a business like ours can be most useful.

HOUSE TAXATION
Attachment #3
02/28/91

I am a small-town girl myself so I love Kansas because it is a small-town state — a small-town state with a small population, and the trade associations reflect this small population. For instance, we represent the consulting engineers. That membership base comes from just 52 consulting engineering firms in the state and has a total membership of 180. Missouri, for example, has three times the population of Kansas and about three times the members in their consulting engineering association. The same is true with the lodging and hotel associations. In fact, except for the agricultural associations and societies, I expect you would find that lower membership population in nearly every other trade association in Kansas.

Many of these same membership associations have offices in other states with one or more staff members. But the same association in Kansas may not have a large enough membership base to be able to afford a fully staffed office in Kansas. With an association management company, like ours, they can share the costs of association management with other associations.

An association with a membership base of 50, for instance could probably barely afford to pay a part-time helper salary and benefits, much less pay rent and purchase office equipment. By sharing all those costs with other associations, they not only improve the quantity of member services they are able to provide their members, but the quality of those services as well.

Admittedly, not all of the associations we represent are small. The Kansas Vocational Association, as a matter of fact, has 672 members. These are teachers in vocational subjects. Teachers from Jr. High all the way through college who have the common bond of teaching a vocational subject. This is not a business league but an individual professional membership organization. These home economics, agriculture and industrial educators pay their dues out of their take-home pay. There is no company check to pay these dues. This group, too, has found our multi-management services to be in their best interest.

On behalf of all those associations we represent, I need to say to you that it would be inequitable for associations to have to pay sales tax on their fee to an association management company. All of the associations we manage are not-for-profit corporations organized under the laws of Kansas and each has received a certificate of exemption from the IRS as a 501(c) organization. Each has proven to the IRS that they have not incorporated in order to make a profit, but to profit socially and intellectually.

I would be remiss in my duties as a representative of so many of these organizations if I did not ask you to consider exempting non-for-profit corporations from sales tax on services.

But I told you I was also here as a Kansas business owner.

I'm concerned with whether the bill as it is written would apply to just contract lobbying and management services, or whether it would apply to in-house services as well. If it applied strictly to contract services, then we would certainly be placed at a competitive disadvantage.

Association membership brings a variety of membership services, including insurance benefits, discounts on commodities, continuing education opportunities and most importantly, networking opportunities with others with common interests and goals, and, yes, lobbying, management and public relations services. On behalf of those membership organizations, I ask you to exempt not-for-profit corporations.

As a Kansas business owner, I ask you to raise my income taxes, raise the sales tax rate — but please do not take away my ability to compete; my ability to make a living.

Thank you for your time.

HEIN AND EBERT, CHTD.

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HOUSE TAXATION COMMITTEE
TESTIMONY RE: HB 2113

PRESENTED BY RONALD R. HEIN ON BEHALF OF
KANSAS ASSOCIATION OF PERSONNEL CONSULTANTS
February 27, 1991

Madame Chairman, members of the committee:

My name is Ron Hein, and I am legislative counsel for the Kansas Association of Personnel Consultants.

KAPC strongly opposes HB 2113 as it relates to assessing a service tax on the personnel placement industry. The personnel placement industry consists of local employment agencies, temporary employment firms, contingency search firms and executive search firms. These firms work with clients and candidates on a local, state and national basis in every facet of the business world. The majority of the personnel placement firms are small businesses, not large corporations, which have a significant impact on other Kansas businesses and individuals.

Our reasons for opposing HB 2113 are multiple.

1. Taxing personnel placement services would have an extremely harsh impact on economic development in Kansas. I understand that 25% of the population of the state lives in the Kansas City metropolitan area and that 38% of the population of the state lives in border communities. There are 180 personnel placement firms in the state of Kansas. According to the 1989 Department of Human Resources employment and payroll records, approximately 50% of the personnel placement firms in the state are located in Johnson county. They generate greater than 50% of the payroll dollars. A survey by KAPC revealed that greater than 90% of the personnel placement firms in Johnson county would relocate out of state if this legislation is passed. No state surrounding Kansas has a tax on personnel placement services.

2. Personnel placement services is a highly mobile industry, especially as it is practiced in the urban areas. Many of the contingency and executive search firms are involved in a highly sophisticated interstate oriented business, with client companies and candidates throughout the United States and some even internationally. Temporary employment firms may work with temporary professionals throughout the United States as well. In Johnson county, temporary employment firms work with clients and candidates in both Kansas and Missouri. Much of the work is done by telephone, and in most instances, there is no necessity for a business to be located in any particular geographical area.

3. The personnel placement business is highly competitive and bids for doing personnel consulting for national companies are often decided by a few dollars. National industry statistics show that temporary employment firms operate on a small profit margin of anywhere from 5% to 10%. A service tax on the temporary personnel firms would most likely eliminate

this margin of profit and force them out of business or force them to move out of state. Contingency and executive search firms in Johnson county would have to assess a 5.75% sales tax onto their bid and would effectively price themselves out of the national market. However, before they would do that, it is much more likely that they would simply move their offices across the state lines, because much of the work is done by telephone, and there is no significant investment in real estate or capital equipment that would prohibit a quick move. It would create more of an inconvenience than anything else, that is all. Passage of this bill would result in lost revenue for Kansas by way of corporate taxes, property tax, income tax and other taxes.

4. Many large businesses and corporations use the services of personnel placement firms to find top employees with specialized skills from all over the United States. If Kansas personnel placement firms were forced to pass on a service tax for their services, these large businesses and corporations would simply use out of state personnel placement firms or else handle all of their employment needs in-house. The small to medium sized businesses cannot afford to have someone handle this in-house and will be forced to pay the service tax or use a personnel placement firm out of state. The large corporations will not have to pay.

5. Temporary personnel firms provide valuable temporary jobs to an estimated 30,000 individuals working in the state of Kansas each year. The sales tax will have a harsh impact on those people in the work force who rely on temporary help for work and have few, if any, options. They are often those members of society who can least afford loss of employment. They include:

- (a) Working mothers who need employment during the school year.
- (b) Second wage earners who need to supplement their family income.
- (c) Social Security recipients who need to supplement fixed incomes.
- (d) Re-entrants to the work force who need to gain exposure to the modern workplace, to learn new skills, and to enhance their earning power.
- (e) Students who need to work during vacations.
- (f) Unemployed workers who rely upon temporary personnel firms for income in between permanent jobs.

6. Based on the experience of personnel placement professionals in our industry, under the recent sales tax in Florida (since repealed), a sales tax could result in a 20% loss of industry billings. A 20% decline in temporary help jobs alone will result in a significant loss to the state in income taxes and contributions to the state unemployment insurance fund. Assuming most temporaries will have little or no employment alternatives given the current economic climate and the prospect of a deeper recession, they will collect millions of dollars in unemployment insurance benefits. When unemployment insurance benefits run out, it is estimated that as many as 25% of the approximately 5,000 affected temporaries will apply for welfare benefits at a cost of several more millions of dollars to the state. The net cost to the state could outweigh any revenue raised by a sales tax.

7. Taxing personnel services will result in pyramiding of taxes and will be passed on ultimately to the consumer in the form of higher prices for their goods. If this tax is able to be passed on by the personnel consultant to the company, whether it be manufacturing, retail, or whatever, it will mean an additional cost to that manufacturer or retailer, and will ultimately show up in the cost of the product to the consumer.

8. This tax will be difficult to administer given the interstate nature of the business. If a national corporation contracts with a Kansas personnel placement firm to recruit an employee for them, how do you measure the nexus of the activity that occurs in Kansas when the recruiter contacts individuals in California, New York, Missouri and Kansas? What kind of an administrative nightmare would be caused for these small businesses? Do they have to measure the number of minutes they spend on the phone with the recruit from Kansas as opposed to a possible recruit from Missouri? Or will the tax be assessed only in the event that the person who is hired actually has their job location in Kansas? If so, how will the state find out in order to assess a compensating use tax assessed against a Missouri personnel placement firm who would place that same person in a job in Kansas?

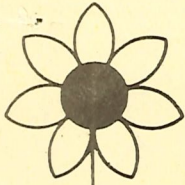
Research by KAPC has found that client companies rely on out of state personnel placement firms to avoid paying the sales tax on the placement services in their state. Personnel placement firms in Kansas that have made placements in the few states that have a service tax have never had a tax collected from them. Likewise, one would not expect to find a tax enforced and collected against those out of state placement firms when they do business in Kansas. It would be unfair to levy this tax on Kansas personnel placement firms and jeopardize their economic well-being while giving their competitors in other states an economic advantage.

In addition to these specific objections, there are several generic arguments that are simply applicable to any efforts to assess sales tax on professional services.

I repeatedly hear comments about the State of New Mexico, the State of South Dakota, and the State of Hawaii taxing services. However, nobody ever gives any consideration to the fact that these three states are either figuratively or literally islands unto themselves. It is my understanding that the State of New Mexico, which has very little interstate business activity, and which depends heavily upon the federally financed programs for atomic research and other military installation, none of whom pay any taxes, decided to use the services tax as a means of taxing the people who work for the federal government since that was the only way to tax the feds. New Mexico has very little economic development competition with surrounding states. The same is true of South Dakota, and obviously Hawaii does not have to worry about any business crossing over the border to another state to avoid the tax. Professional service taxes may be able to work in those states due to the particular factual situation involved in each, but I understand that the State of New Mexico was quite aware that it would cost them in economic development, but since they were not reliant upon such economic development to sustain their economy, they were willing to forego that.

Kansas is not such an island. With 25% of our population being in the Kansas City area, and 38% in border communities, we will do tremendous damage to our economy if Kansas takes a broad-brush approach to the taxation of professional services.

Therefore, we would urge that the committee defeat HB 2113 or delete provisions taxing any professional services and specifically personnel placement services. Thank you for permitting me to testify today, and I will yield for any questions.



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Warren Schmidt 1966
Mel Clingan 1967
Ken Murrow 1968
Roger Harter 1969
Dick Mika 1971-72
Terry Messing 1973-74
Denis C. Stewart 1975-76
Jerry D. Andrews 1977
R. Bradley Taylor 1978
Joel M. Pollack 1979
Richard H. Bassett 1980
John W. McKay 1981
Donald L. Tasker 1982
Frank A. Stuckey 1983
Harold Warner, Jr. 1984
Joe Pashman 1985
Jay Schrock 1986
Richard Hill 1987
M.S. Mitchell 1988
Robert Hogue 1989
Jim Miner 1990

HOUSE

TAXATION COMMITTEE

HB 2113

February 27, 1991

Madam Chair and Members of the Committee:

My name is Janet Stubbs and I am appearing today in opposition to HB 2113 on behalf of the Home Builders Association of Kansas.

Our primary opposition to this proposal is due to the removal of the sales tax exemption for original construction. Our best estimate is that 60% of the total price of a house is currently taxed. Therefore, if a contractor must pay sales tax on the remaining 40% which represents labor, overhead and profit, it is assumed that approximately \$1500 in just state and local sales tax would be added to the cost of a \$70,000 house.

To charge sales tax on the real estate commission and other costs associated with a real estate transaction, would increase the total cost to potential home buyer who are finding it difficult to qualify for a loan under current conditions.

HOUSE TAXATION
Attachment #5
02/28/91



This proposal comes at a time when the construction industry is struggling to survive and the number of people who derive their living from this segment of the economy is shrinking. We believe this proposal would add to the loss of jobs and, overall, mean less revenue to the state.

The Board of Directors of the Home Builders Association of Kansas strongly supports spending cuts rather than tax increases. Our membership has found it necessary to revise, and in some instances reduce their business plan and encourages the Legislature to seek acceptable budget cuts and methods of improving the efficiency of government at all levels. We believe that was the message that Kansas voters sent to elected officials last November, along with their dissatisfaction over reappraisal and the mill levy by the various units of government