

Eliminate Mortgage and Real Estate Deductions
 SGF Growth Over 4% Used for Tax Reduction
 FY 2014 Base Year for Growth Calculation

Kansas Department of Revenue
 Fiscal Impact of Tax Reform 2013
 Leaves Sales Tax Rate at 6.3%, SGF Retains 0.6%

(dollars in millions)

	2014	2015	2016	2017	2018
Sales Tax Rate at 6.3% - FY 2014	\$ 262.3	\$ 296.9	\$ 308.0	\$ 319.5	\$ 331.5
Mortgage Deduction Elimination - TY 2013	\$ 162.5	\$ 131.7	\$ 138.3	\$ 145.2	\$ 152.5
Other Revenues	\$ 115.7	\$ 106.2	\$ 110.3	\$ 110.4	\$ 110.5
Available for Tax Cuts		\$ -	\$ 70.6	\$ 143.2	\$ 210.6
SGF Growth Over 4% from FY 2014 Base		\$ 59.8	\$ 125.0	\$ 195.9	\$ 273.0
Income Tax - Additional Revenue					
Base Broadening - TY 2013	\$ 68.5	\$ 55.5	\$ 58.3	\$ 61.2	\$ 64.3
Real Estate Tax Deduction					
Income Tax - Revenue Reduction					
Bottom Rate to 2.5% in TY 2014	\$ (37.9)	\$ (128.1)	\$ (184.6)	\$ (512.3)	\$ (1,008.0)
Bottom Rate to 1.9% in TY 2016					
Top Rate to 3.5% in TY 2017					
Total Impact	\$ 30.7	\$ (12.8)	\$ 69.3	\$ (112.0)	\$ (460.1)
Cumulative	\$ 30.7	\$ 17.9	\$ 87.2	\$ (24.8)	\$ (484.9)

Senate Ways and Means Committee
 Date: 01-23-2013
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