

| Tax Revenue | Offer 2 | | Offer 1 | |
|---|----------------------|----------------------|----------------------|----------------------|
| | FY 14-15 Biennium | FY 16-17 Biennium | FY 14-15 Biennium | FY 16-17 Biennium |
| Income Tax | | | | |
| 4th Tier at 8.84% on MJ Filers at \$250,000 | 610,680 | 624,900 | 554,720 | 565,920 |
| 4th Tier at 8.94% on MJ Filers at \$250,000 | See below | | | |
| Surtax at \$500,000 for Two Years | 12,000 | 7,000 | 12,000 | 7,000 |
| Increase AMT Rate, the AMT Exemption Amount & Phase-Out Threshold | 17,200 | 17,800 | 17,200 | 17,800 |
| Repeal Long-Term Care Insurance Tax Credit | 64,100 | 69,400 | 64,100 | 69,400 |
| Charitable Contribution Credit | | | 4,800 | 4,200 |
| Make R&D Credit Non Refundable | 4,800 | 4,200 | | |
| Make R&D Credit Non Refundable to Allow to All Unitary Group Members | | | | |
| Interactions | | | | |
| Subtotal - Income Tax | 708,780 | 723,300 | 652,820 | 664,320 |
| Corporate Tax | | | | |
| Limit Foreign Royalty Subtraction to Unitary Groups that have R&D | 132,800 | 109,200 | 132,800 | 109,200 |
| FOC Repeal with Interaction | 46,000 | 38,700 | 46,000 | 38,700 |
| Measurement of MN Sales | 46,000 | 40,000 | 46,000 | 40,000 |
| Foreign Partnerships | 12,000 | 12,000 | 12,000 | 12,000 |
| REIT Dividends | 2,000 | 2,000 | 2,000 | 2,000 |
| Increase the Minimum Fee | 18,700 | 19,400 | 18,700 | 19,400 |
| Tax Havens | 36,500 | 28,400 | 36,500 | 28,400 |
| Modify R&D Tax Credit, Non Refundable | | | 99,600 | 74,500 |
| Make R&D Credit Non Refundable to Allow to All Unitary Group Members | 90,500 | 67,800 | | |
| Subtotal - Corporate Tax | 384,500 | 317,500 | 393,600 | 324,200 |
| Federal Conformity (Individual + Corporate) | | | | |
| Increased Section 179 Expensing, with 80% Addback & 5-Year Recovery (TY 13) | 6,950 | (2,250) | 6,950 | (2,250) |
| 50% Bonus Depreciation, with 80% Addback & 5-Year Recovery (TY 13) | 20,700 | (11,800) | 20,700 | (11,800) |
| Subtotal - Federal Conformity | 27,650 | (14,050) | 27,650 | (14,050) |
| Estate Taxes | | | | |
| Modify Qualified Farm and Small Business Provisions | 23,800 | 47,200 | 23,800 | 47,200 |
| Impose Gift Tax & Include Certain Gifts in Estate | 41,400 | 65,200 | 41,400 | 65,200 |
| Taxation of Non Resident Property Held in a Pass Through | 12,800 | 15,300 | 12,800 | 15,300 |
| Subtotal - Estate Tax | 78,000 | 127,700 | 78,000 | 127,700 |

| | | | | |
|--|------------------|------------------|------------------|------------------|
| Special Taxes | | | | |
| Cigarette/Tobacco | 370,820 | 370,420 | 370,820 | 370,420 |
| Cigarette Tax Increase, \$1.60/per pack | 43,000 | 49,100 | 43,000 | 49,100 |
| Other Tobacco Products, to 95% of wholesale price | 20,500 | 20,900 | 20,500 | 20,900 |
| Impose Cigarette Tax on Little Cigars | 434,320 | 440,420 | 434,320 | 440,420 |
| Subtotal - Cigarette | | | | |
| Alcohol Tax Increase, 7 cents/drink with Small Brewer/Winery Credits | 288,918 | 320,932 | 346,680 | 376,380 |
| Alcohol Tax Increase, 6 cents/drink with Small Brewer/Winery Credits | 15,000 | 16,500 | 15,000 | 16,500 |
| MV Rental Tax Increase to 9.2% | 32,300 | 38,100 | 32,300 | 38,100 |
| Sports Memorabilia to 13% | | | | |
| Subtotal - Special Taxes Other | 336,218 | 375,532 | 393,980 | 430,980 |
| Mineral Tax | | | | |
| Increase Taconite Occupation Rate from 2.45% to 4.95% | 38,700 | 40,600 | 38,700 | 40,600 |
| Sales Tax (at current law general sales tax rate of 6.5%) | | | | |
| Warehousing & Storage (81% Business, 19% Personal) | 189,500 | 227,400 | 189,500 | 227,400 |
| Sales Tax Exemption for Cities/Countries, Effective Jan. 1. 2014 | (172,000) | (254,100) | (172,000) | (254,100) |
| New Method for Calculating Motor Vehicle Paint & Materials | 5,100 | 5,700 | 5,100 | 5,700 |
| Multiple Points of Use | (1,370) | (1,560) | (1,370) | (1,560) |
| High & Low Intensity Research Facility Construction Exemption | (2,900) | (1,000) | (2,530) | (870) |
| Religious Affiliation Exemption | (143) | (105) | (143) | (105) |
| Industrial Measurement Facility Construction Exemption | - | (815) | - | (815) |
| Biopharmaceutical Facility Construction Exemption | - | (940) | - | (940) |
| Rochester Medical Development Facility Construction Exemption | - | (715) | - | (715) |
| Subtotal - Base Expansion | 18,187 | (26,135) | 18,557 | (26,005) |
| Affiliate Nexus | | | | |
| Digital Goods (placeholder estimate) | 9,700 | 12,460 | 9,700 | 12,460 |
| Parallel Taxation of Direct Satellite Services | 8,260 | 9,890 | 8,260 | 9,890 |
| Admissions to Stadium Box Seats and Suites - Professional Sports | 2,460 | 2,880 | | |
| Subtotal - Sales Tax Other | 4,700 | 6,100 | 17,960 | 22,350 |
| | 25,120 | 31,330 | | |
| TOTAL | 2,051,475 | 2,016,197 | 2,055,587 | 2,010,515 |
| Target | 2,050,000 | 2,000,000 | 2,050,000 | 2,000,000 |

Estimated Two Year Income Tax Surcharge at \$500,000
Repayment of School Aid Payment/Property Tax Shift in FY 14
Total

864,600
(864,600)

864,600
(864,600)