

**HF 130 - Budget Reductions (as passed the House)**

**HF 130 (SF 60) Budget Reductions (as passed the Senate)**

**HF 130 Conference Committee Report**

|  | FY 2011  | FY 2012  | FY 2013  | FY 2012-13 | FY 2014-15 | FY 2011  | FY 2012  | FY 2013  | FY 2012-13 | FY 2014-15 | FY 2011  | FY 2012  | FY 2013  | FY 2012-13 | FY 2014  | FY 2015  | FY 2014-15 |
|--|----------|----------|----------|------------|------------|----------|----------|----------|------------|------------|----------|----------|----------|------------|----------|----------|------------|
| <b>1 Article 1 - Higher Education</b>  |          |          |          |            |            |          |          |          |            |            |          |          |          |            |          |          |            |
| 2 University of Minnesota  |          | -44,606  | -44,606  | -89,212    | -89,212    |          | -44,606  | -44,606  | -89,212    | -89,212    |          | -44,606  | -44,606  | -89,212    | -44,606  | -44,606  | -89,212    |
| 3 Minnesota State Colleges & Universities  |          | -47,921  | -47,921  | -95,842    | -95,842    |          | -47,921  | -47,921  | -95,842    | -95,842    |          | -47,921  | -47,921  | -95,842    | -47,921  | -47,921  | -95,842    |
| 4 Subtotal - Higher Education  | 0        | -92,527  | -92,527  | -185,054   | -185,054   | 0        | -92,527  | -92,527  | -185,054   | -185,054   | 0        | -92,527  | -92,527  | -185,054   | -92,527  | -92,527  | -185,054   |
| <b>6 Article 2 - Human Services</b>  |          |          |          |            |            |          |          |          |            |            |          |          |          |            |          |          |            |
| 7 Basic Care Services - Additional 1.5% Reduction  |          | -3,786   | -4,370   | -8,156     | -11,073    |          | -3,786   | -4,370   | -8,156     | -11,073    |          | -3,786   | -4,370   | -8,156     | -5,051   | -6,022   | -11,073    |
| 8 Children & Community Service Grants  |          | -13,659  | -13,659  | -27,318    | -27,318    |          | -13,659  | -13,659  | -27,318    | -27,318    |          | -13,659  | -13,659  | -27,318    | -13,659  | -13,659  | -27,318    |
| 9 Emergency General Assistance   |          | -5,267   | -5,267   | -10,534    | -10,534    |          | -5,267   | -5,267   | -10,534    | -10,534    |          | -5,267   | -5,267   | -10,534    | -5,267   | -5,267   | -10,534    |
| 10 Emergency Mn Supplemental Aid Grants  |          | -733     | -733     | -1,466     | -1,466     |          | -733     | -733     | -1,466     | -1,466     |          | -733     | -733     | -1,466     | -733     | -733     | -1,466     |
| 11 Subtotal - Human Services   | 0        | -23,445  | -24,029  | -47,474    | -50,391    | 0        | -23,445  | -24,029  | -47,474    | -50,391    | 0        | -23,445  | -24,029  | -47,474    | -24,710  | -25,681  | -50,391    |
| <b>13 Article 3 - State Government</b>   |          |          |          |            |            |          |          |          |            |            |          |          |          |            |          |          |            |
| 14 FY 2011 General Reductions  | -199,236 |          |          | 0          | 0          | -125,000 |          |          | 0          | 0          | -100,000 |          |          | 0          |          |          | 0          |
| 15 House   | -96      |          |          | 0          | 0          | -96      |          |          | 0          | 0          | -96      |          |          | 0          |          |          | 0          |
| Senate   |          |          |          |            |            |          |          |          |            |            |          |          |          |            |          |          |            |
| 16 State Auditor   | -41      |          |          | 0          | 0          | -41      |          |          | 0          | 0          | -41      |          |          | 0          |          |          | 0          |
| 17 Attorney General  | -500     |          |          | 0          | 0          | -500     |          |          | 0          | 0          | -500     |          |          | 0          |          |          | 0          |
| 18 Secretary of State  | -127     |          |          | 0          | 0          | -127     |          |          | 0          | 0          | -127     |          |          | 0          |          |          | 0          |
| 19 No savings are shown for the proposed salary freeze because that language would only freeze salaries. It avoids future cost |          |          |          |            |            |          |          |          |            |            |          |          |          |            |          |          |            |
| 20 increases but does not reduce any appropriations or appropriation bases.  |          |          |          |            |            |          |          |          |            |            |          |          |          |            |          |          |            |
| 21 Subtotal - State Government   | -200,000 | 0        | 0        | 0          | 0          | -125,836 | 0        | 0        | 0          | 0          | -100,836 | 0        | 0        | 0          | 0        | 0        | 0          |
| <b>23 Article 4 - Tax Aids &amp; Credits (For more detail on tax aid and credit changes, see attached spreadsheet)</b>         |          |          |          |            |            |          |          |          |            |            |          |          |          |            |          |          |            |
| 24 Renter's Credits from 19% to 15%  | 0        | -52,600  | -53,300  | -105,900   | -108,600   | 0        | -52,600  | -53,300  | -105,900   | -108,600   | 0        | -52,600  | -53,300  | -105,900   | -54,000  | -54,600  | -108,600   |
| 25 Sustainable Forest Incentive Program Limit  | 0        | -8,100   | -8,400   | -16,500    | -17,700    | 0        | -11,500  | -12,400  | -23,900    | -27,600    | 0        | -7,800   | -8,700   | -16,500    | -9,700   | -10,700  | -20,400    |
| 26 Political Contribution Refund Repealed  | 0        | -5,400   | -6,400   | -11,800    | -12,000    | 0        | -5,400   | -6,400   | -11,800    | -12,000    | 0        | -5,400   | -6,400   | -11,800    | -5,500   | -6,500   | -12,000    |
| 27 Aids to Cities & Counties   | 0        | -242,436 | -245,061 | -487,497   | 0          | 0        | -242,329 | -245,061 | -487,390   | -456,944   | 0        | -242,284 | -245,016 | -487,300   | 0        | 0        | 0          |
| 28 Property Tax Interactions - Property Tax Refunds  | 0        | 0        | 13,510   | 13,510     | 0          | 0        | 0        | 13,510   | 13,510     | 12,660     | 0        | 0        | 13,510   | 13,510     | 0        | 0        | 0          |
| 29 Property Tax Interactions - Income Tax  | 0        | 0        | 13,660   | 13,660     | 0          | 0        | 0        | 13,660   | 13,660     | 13,140     | 0        | 0        | 13,660   | 13,660     | 0        | 0        | 0          |
| 30 Subtotal - Property Tax Aids & Credits  | 0        | -308,536 | -285,991 | -594,527   | -138,300   | 0        | -311,829 | -289,991 | -601,820   | -579,344   | 0        | -308,084 | -286,246 | -594,330   | -69,200  | -71,800  | -141,000   |
| <b>32 Article 5 - Tax Conformity (For more detail on tax conformity changes, see attached spreadsheet)</b>                     |          |          |          |            |            |          |          |          |            |            |          |          |          |            |          |          |            |
| <b>33 Revenue changes - negative number is revenue loss, positive number is revenue gain</b>                                   |          |          |          |            |            |          |          |          |            |            |          |          |          |            |          |          |            |
| 34 Federal Update - Health Care Acts   | -2,280   | -4,110   | -4,260   | -8,370     | 6,780      | -2,280   | -4,110   | -4,260   | -8,370     | 6,780      | -2,280   | -4,110   | -4,260   | -8,370     | 3,840    | 2,940    | 6,780      |
| 35 Federal Update - Small Business Jobs Act  | -16,630  | -2,650   | 7,100    | 4,450      | -4,075     | -16,630  | -2,650   | 7,100    | 4,450      | -4,075     | -16,630  | -2,650   | 7,100    | 4,450      | 1,305    | -5,380   | -4,075     |
| 36 Federal Update - Tax Relief, Un Comp & Job Act TY 10 only   |          |          |          |            |            | -5,065   | 1,955    | -660     | 1,295      | -5,460     | -5,065   | 1,955    | -660     | 1,295      | -2,395   | -3,065   | -5,460     |
| 37 Subtotal - Federal Update   | -18,910  | -6,760   | 2,840    | -3,920     | 2,705      | -23,975  | -4,805   | 2,180    | -2,625     | -2,755     | -23,975  | -4,805   | 2,180    | -2,625     | 2,750    | -5,505   | -2,755     |
| <b>38</b>  |          |          |          |            |            |          |          |          |            |            |          |          |          |            |          |          |            |
| 39 Spending Changes  | -200,000 | -424,508 | -402,547 | -827,055   | -373,745   | -125,836 | -427,801 | -406,547 | -834,348   | -814,789   | -100,836 | -424,056 | -402,802 | -826,858   | -186,437 | -190,008 | -376,445   |
| 40 Revenue Changes   | -18,910  | -6,760   | 2,840    | -3,920     | 2,705      | -23,975  | -4,805   | 2,180    | -2,625     | -2,755     | -23,975  | -4,805   | 2,180    | -2,625     | 2,750    | -5,505   | -2,755     |
| 41 Total General Fund Effect - All Articles  | -181,090 | -417,748 | -405,387 | -823,135   | -376,450   | -101,861 | -422,996 | -408,727 | -831,723   | -812,034   | -76,861  | -419,251 | -404,982 | -824,233   | -189,187 | -184,503 | -373,690   |
| 42   |          |          |          |            |            |          |          |          |            |            |          |          |          |            |          |          |            |

**CONFERENCE COMMITTEE REPORT HF130 (SF60) TAX PROVISIONS IN ARTICLES 4 & 5**

2/8/2011

Dollars in 000s

|   | HOUSE   |           |           |            |            | SENATE  |           |           |            |            | CONFERENCE COMMITTEE REPORT |           |           |            |          |          |            |
|---|---------|-----------|-----------|------------|------------|---------|-----------|-----------|------------|------------|-----------------------------|-----------|-----------|------------|----------|----------|------------|
|   | FY 2011 | FY 2012   | FY 2013   | FY 2012-13 | FY 2014-15 | FY 2011 | FY 2012   | FY 2013   | FY 2012-13 | FY 2014-15 | FY 2011                     | FY 2012   | FY 2013   | FY 2012-13 | FY 2014  | FY 2015  | FY 2014-15 |
| 1 <b>Tax Aids and Credits - Article 4</b>                               |         |           |           |            |            |         |           |           |            |            |                             |           |           |            |          |          |            |
| 2 Repeal Political Contribution Refund                                  |         | (5,400)   | (6,400)   | (11,800)   | (12,000)   |         | (5,400)   | (6,400)   | (11,800)   | (12,000)   |                             | (5,400)   | (6,400)   | (11,800)   | (5,500)  | (6,500)  | (12,000)   |
| 3 Cap SFIA Payments at \$7.75 Per Acre                                  |         |           |           |            |            |         |           |           |            |            |                             | (7,800)   | (8,700)   | (16,500)   | (9,700)  | (10,700) | (20,400)   |
| 4 Cap SFIA Payments at \$100,000  |         | (8,100)   | (8,400)   | (16,500)   | (17,700)   |         |           |           |            |            |                             |           |           |            |          |          |            |
| 5 Cap SFIA Payments at \$100,000 and Cap the Payment at \$7.75 Per Acre |         |           |           |            |            |         | (11,500)  | (12,400)  | (23,900)   | (27,600)   |                             |           |           | 0          |          |          | 0          |
| 6 Adjust Renter Property Tax Refund (19% to 15%)                        |         | (52,600)  | (53,300)  | (105,900)  | (108,600)  |         | (52,600)  | (53,300)  | (105,900)  | (108,600)  |                             | (52,600)  | (53,300)  | (105,900)  | (54,000) | (54,600) | (108,600)  |
| 7   |         |           |           |            |            |         |           |           |            |            |                             |           |           |            |          |          |            |
| 8 Reduce Local Government Aids - City                                   |         | (101,883) | (101,883) | (203,766)  | -          |         | (101,883) | (101,883) | (203,766)  | (201,326)  |                             | (101,883) | (101,883) | (203,766)  | 0        | 0        | 0          |
| 9 Reduce Residential Market Value Credit - City                         |         | (48,076)  | (49,174)  | (97,250)   | -          |         | (48,076)  | (49,174)  | (97,250)   | (86,572)   |                             | (48,076)  | (49,174)  | (97,250)   | 0        | 0        | 0          |
| 10 Reduce Ag. Market Value Credit - City                                |         | (32)      | (32)      | (64)       | -          |         | (32)      | (32)      | (64)       | (46)       |                             | (32)      | (32)      | (64)       | 0        | 0        | 0          |
| 11 Adjustment for City of Houston                                       |         |           |           |            | -          |         | 107       | 0         | 107        | 0          |                             |           |           | 0          | 0        | 0        | 0          |
| 12 Adj. for City of Houston (A-15 amendment)                            |         |           |           |            |            |         |           |           |            |            |                             | 152       | 45        | 197        |          |          |            |
| 13 City Aid Reductions  |         | (149,991) | (151,089) | (301,080)  | -          |         | (149,884) | (151,089) | (300,973)  | (287,944)  |                             | (149,839) | (151,044) | (300,883)  | 0        | 0        | 0          |
| 14  |         |           |           |            |            |         |           |           |            |            |                             |           |           |            |          |          |            |
| 15 Reduce County Program Aid - County                                   |         | (36,354)  | (36,348)  | (72,702)   | -          |         | (36,354)  | (36,348)  | (72,702)   | (64,000)   |                             | (36,354)  | (36,348)  | (72,702)   | 0        | 0        | 0          |
| 16 Reduce Residential Market Value Credit - County                      |         | (56,091)  | (57,624)  | (113,715)  | -          |         | (56,091)  | (57,624)  | (113,715)  | (105,000)  |                             | (56,091)  | (57,624)  | (113,715)  | 0        | 0        | 0          |
| 17 County Aid Reductions  |         | (92,445)  | (93,972)  | (186,417)  | -          |         | (92,445)  | (93,972)  | (186,417)  | (169,000)  |                             | (92,445)  | (93,972)  | (186,417)  | 0        | 0        | 0          |
| 18  |         |           |           |            |            |         |           |           |            |            |                             |           |           |            |          |          |            |
| 19 Total City / County Aid Reductions                                   |         | (242,436) | (245,061) | (487,497)  | -          |         | (242,329) | (245,061) | (487,390)  | (456,944)  |                             | (242,284) | (245,016) | (487,300)  | 0        | 0        | 0          |
| 20  |         |           |           |            |            |         |           |           |            |            |                             |           |           |            |          |          |            |
| 21 Subtotal Tax Aids and Credits Reductions                             |         | (308,536) | (313,161) | (621,697)  | (138,300)  |         | (311,829) | (317,161) | (628,990)  | (605,144)  |                             | (308,084) | (313,416) | (621,500)  | (69,200) | (71,800) | (141,000)  |
| 22  |         |           |           |            |            |         |           |           |            |            |                             |           |           |            |          |          |            |
| 23 Income Tax Interaction   |         | 0         | 13,660    | 13,660     | -          |         | 0         | 13,660    | 13,660     | 13,140     |                             | 0         | 13,660    | 13,660     | 0        | 0        | 0          |
| 24 Property Tax Refund Interaction                                      |         | 0         | 13,510    | 13,510     | -          |         | 0         | 13,510    | 13,510     | 12,660     |                             | 0         | 13,510    | 13,510     | 0        | 0        | 0          |
| 25  |         |           |           |            |            |         |           |           |            |            |                             |           |           |            |          |          |            |
| 26 <b>Subtotal, Tax Aids and Credits</b>                                |         | (308,536) | (285,991) | (594,527)  | (138,300)  |         | (311,829) | (289,991) | (601,820)  | (579,344)  |                             | (308,084) | (286,246) | (594,330)  | (69,200) | (71,800) | (141,000)  |
| 27  |         |           |           |            |            |         |           |           |            |            |                             |           |           |            |          |          |            |

CONFERENCE COMMITTEE REPORT HF130 (SF60) TAX PROVISIONS IN ARTICLES 4 & 5

2/8/2011

Dollars in 000s

|  | HOUSE    |           |           |            |            | SENATE   |           |           |            |            | CONFERENCE COMMITTEE REPORT |           |           |            |          |          |            |
|--|----------|-----------|-----------|------------|------------|----------|-----------|-----------|------------|------------|-----------------------------|-----------|-----------|------------|----------|----------|------------|
|  | FY 2011  | FY 2012   | FY 2013   | FY 2012-13 | FY 2014-15 | FY 2011  | FY 2012   | FY 2013   | FY 2012-13 | FY 2014-15 | FY 2011                     | FY 2012   | FY 2013   | FY 2012-13 | FY 2014  | FY 2015  | FY 2014-15 |
| 28 <b>Federal Update - Article 5 - See attached spreadsheet for details.</b>   |          |           |           |            |            |          |           |           |            |            |                             |           |           |            |          |          |            |
| 29 <b>Revenue Changes: negative numbers are revenue losses, positive numbers are revenue gains</b>                                     |          |           |           |            |            |          |           |           |            |            |                             |           |           |            |          |          |            |
| 30 Heath Care Acts   | (2,280)  | (4,110)   | (4,260)   | (8,370)    | 6,780      | (2,280)  | (4,110)   | (4,260)   | (8,370)    | 6,780      | (2,280)                     | (4,110)   | (4,260)   | (8,370)    | 3,840    | 2,940    | 6,780      |
| 31 Small Business Jobs Act   | (16,630) | (2,650)   | 7,100     | 4,450      | (4,075)    | (16,630) | (2,650)   | 7,100     | 4,450      | (4,075)    | (16,630)                    | (2,650)   | 7,100     | 4,450      | 1,305    | (5,380)  | (4,075)    |
| 32 Tax Relief Act, for tax year 2010 only  |          |           |           |            |            | (5,065)  | 1,955     | (660)     | 1,295      | (5,460)    | (5,065)                     | 1,955     | (660)     | 1,295      | (2,395)  | (3,065)  | (5,460)    |
| 33   |          |           |           |            |            |          |           |           |            |            |                             |           |           |            |          |          |            |
| 34 <b>Subtotal, Federal Update</b>   | (18,910) | (6,760)   | 2,840     | (3,920)    | 1,225      | (23,975) | (4,805)   | 2,180     | (2,625)    | (2,755)    | (23,975)                    | (4,805)   | 2,180     | (2,625)    | 2,750    | (5,505)  | (2,755)    |
| 35   |          |           |           |            |            |          |           |           |            |            |                             |           |           |            |          |          |            |
| 36 <b>TOTAL FOR TAX PROVISIONS</b>   | (18,910) | (301,776) | (283,151) | (584,927)  | (135,595)  | (23,975) | (307,024) | (292,171) | (599,195)  | (576,589)  | (23,975)                    | (303,279) | (288,426) | (591,705)  | (71,950) | (66,295) | (138,245)  |
| 37   |          |           |           |            |            |          |           |           |            |            |                             |           |           |            |          |          |            |
| 38   |          |           |           |            |            |          |           |           |            |            |                             |           |           |            |          |          |            |
| 39 <b>Federal Update - Article 5 Detail - Revenue Changes: negative numbers are revenue losses, positive numbers are revenue gains</b> |          |           |           |            |            |          |           |           |            |            |                             |           |           |            |          |          |            |
| 40 <b>Patient Protection and Affordable Care Act and Reconciliation Act of 2010</b>  |          |           |           |            |            |          |           |           |            |            |                             |           |           |            |          |          |            |
| 41 For the Itemized Deduction for Medical Expenses, Increase AGI Floor from 7.5% to 10% (1/1/13)                                       | 0        | 0         | 0         | 0          | 18,400     | 0        | 0         | 0         | 0          | 18,400     | 0                           | 0         | 0         | 0          | 8,900    | 9,500    | 18,400     |
| 42 Income Exclusion for Specified Indian Tribe Health Benefits (3/24/10)   | (Negl.)  | (Negl.)   | (Negl.)   | (Negl.)    | (Negl.)    | (Negl.)  | (Negl.)   | (Negl.)   | (Negl.)    | (Negl.)    | (Negl.)                     | (Negl.)   | (Negl.)   | (Negl.)    | (Negl.)  | (Negl.)  | (Negl.)    |
| 43 Exclusion Under State Loan Forgiveness Programs for Certain Health Professionals (1/1/09)   | (180)    | (60)      | (60)      | (120)      | (120)      | (180)    | (60)      | (60)      | (120)      | (120)      | (180)                       | (60)      | (60)      | (120)      | (60)     | (60)     | (120)      |
| 44 Exclusion for Employer-Provided Adoption Assistance: Increase Maximum (TY 2010); Extend for One year (TY 2011)                      | (200)    | (150)     | 0         | (150)      | 0          | (200)    | (150)     | 0         | (150)      | 0          | (200)                       | (150)     | 0         | (150)      | 0        | 0        | 0          |
| 45 Health Benefits for Children up to Age 26: Exclusion for Employer-Provided Amounts, Deduction for Self-Employed Plans               | (1,900)  | (3,900)   | (4,200)   | (8,100)    | (11,500)   | (1,900)  | (3,900)   | (4,200)   | (8,100)    | (11,500)   | (1,900)                     | (3,900)   | (4,200)   | (8,100)    | (5,000)  | (6,500)  | (11,500)   |
| 46 <b>Health Care Reform Total (Individual Income &amp; Corporate Franchise Tax)</b>   | (2,280)  | (4,110)   | (4,260)   | (8,370)    | 6,780      | (2,280)  | (4,110)   | (4,260)   | (8,370)    | 6,780      | (2,280)                     | (4,110)   | (4,260)   | (8,370)    | 3,840    | 2,940    | 6,780      |
| 47   |          |           |           |            |            |          |           |           |            |            |                             |           |           |            |          |          |            |
| 48 <b>Small Business Jobs Act of 2010</b>  |          |           |           |            |            |          |           |           |            |            |                             |           |           |            |          |          |            |
| 49 <b>Individual Income Tax Provisions</b>   |          |           |           |            |            |          |           |           |            |            |                             |           |           |            |          |          |            |

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2/8/2011

Dollars in 000s

|  | HOUSE    |          |         |            |            | SENATE   |          |         |            |            | CONFERENCE COMMITTEE REPORT |          |         |            |         |         |            |
|--|----------|----------|---------|------------|------------|----------|----------|---------|------------|------------|-----------------------------|----------|---------|------------|---------|---------|------------|
|  | FY 2011  | FY 2012  | FY 2013 | FY 2012-13 | FY 2014-15 | FY 2011  | FY 2012  | FY 2013 | FY 2012-13 | FY 2014-15 | FY 2011                     | FY 2012  | FY 2013 | FY 2012-13 | FY 2014 | FY 2015 | FY 2014-15 |
| 50 Reduce from 10 to 5 years the Recognition Period for Built-In Gains Tax (TY 2011)   | (100)    | (250)    | 0       | (250)      | 0          | (100)    | (250)    | 0       | (250)      | 0          | (100)                       | (250)    | 0       | (250)      | 0       | 0       | 0          |
| 51 Section 179 Expensing: Increase Limits and Expand Eligible Property, with 80% Addback and 5-Year Recovery (TY 2010)                         | 500      | 1,500    | 50      | 1,550      | (1,700)    | 500      | 1,500    | 50      | 1,550      | (1,700)    | 500                         | 1,500    | 50      | 1,550      | (700)   | (1,000) | (1,700)    |
| 52 Section 179 Expensing: Fully Conform to Increased Limits & Expansion of Eligible Property (TY 2011)   | (10,700) | (13,300) | 4,000   | (9,300)    | 10,800     | (10,700) | (13,300) | 4,000   | (9,300)    | 10,800     | (10,700)                    | (13,300) | 4,000   | (9,300)    | 6,400   | 4,400   | 10,800     |
| 53 50% Bonus Depreciation for TY 2010, with 80% Addback and 5-Year Recovery  | 600      | 4,300    | (300)   | 4,000      | (6,000)    | 600      | 4,300    | (300)   | 4,000      | (6,000)    | 600                         | 4,300    | (300)   | 4,000      | (2,500) | (3,500) | (6,000)    |
| 54 Increase in Allowable Deduction for Start-Up Expenditures (TY 2010)   | (950)    | (450)    | 50      | (400)      | 140        | (950)    | (450)    | 50      | (400)      | 140        | (950)                       | (450)    | 50      | (400)      | 70      | 70      | 140        |
| 55 Remove Cellular Phones from Listed Property (1/1/10)  | (80)     | (120)    | (125)   | (245)      | (290)      | (80)     | (120)    | (125)   | (245)      | (290)      | (80)                        | (120)    | (125)   | (245)      | (140)   | (150)   | (290)      |
| 56 Rollovers from Elective Deferral Plans to Roth Designated Accounts in 2010: Income Reported 50% in 2011 and 50% in 2010                     | (100)    | 70       | 30      | 100        | 0          | (100)    | 70       | 30      | 100        | 0          | (100)                       | 70       | 30      | 100        | 0       | 0       | 0          |
| 57 Permit Partial Annuitization of Nonqualified Annuity Contract (1/1/11)  | 0        | 100      | 175     | 275        | 675        | 0        | 100      | 175     | 275        | 675        | 0                           | 100      | 175     | 275        | 275     | 400     | 675        |
| 58 <b>Individual Income Tax Provisions</b>   | (10,830) | (8,150)  | 3,880   | (4,270)    | 3,625      | (10,830) | (8,150)  | 3,880   | (4,270)    | 3,625      | (10,830)                    | (8,150)  | 3,880   | (4,270)    | 3,405   | 220     | 3,625      |
| 59   |          |          |         |            |            |          |          |         |            |            |                             |          |         |            |         |         |            |
| 60 <b>Corporate Franchise Tax Provisions</b>   |          |          |         |            |            |          |          |         |            |            |                             |          |         |            |         |         |            |
| 61 Increase from 75% to 100% the Capital Gains Exclusion for Small Business Stock (acq. 9/28/10 - 12/31/10) (Revenue loss occurs after FY2015) | 0        | 0        | 0       | 0          | 0          | 0        | 0        | 0       | 0          | 0          | 0                           | 0        | 0       | 0          | 0       | 0       | 0          |
| 62 Section 179 Expensing: Increase Limits and Expand Eligible Property, with 80% Addback and 5-Year Recovery (TY 2010)                         | 200      | 600      | 20      | 620        | (700)      | 200      | 600      | 20      | 620        | (700)      | 200                         | 600      | 20      | 620        | (300)   | (400)   | (700)      |

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|---|----------|---------|---------|------------|------------|-----------|---------|---------|------------|------------|-----------------------------|---------|---------|------------|---------|---------|------------|
|   | FY 2011  | FY 2012 | FY 2013 | FY 2012-13 | FY 2014-15 | FY 2011   | FY 2012 | FY 2013 | FY 2012-13 | FY 2014-15 | FY 2011                     | FY 2012 | FY 2013 | FY 2012-13 | FY 2014 | FY 2015 | FY 2014-15 |
| 63 Section 179 Expensing: Fully Conform to Increased Limits & Expansion of Eligible Property (TY 2011)                            | (4,600)  | (5,700) | 1,700   | (4,000)    | 4,600      | (4,600)   | (5,700) | 1,700   | (4,000)    | 4,600      | (4,600)                     | (5,700) | 1,700   | (4,000)    | 2,700   | 1,900   | 4,600      |
| 64 50% Bonus Depreciation for TY 2010, with 80% Addback and 5-Year Recovery   | 1,500    | 10,100  | (600)   | 9,500      | (14,200)   | 1,500     | 10,100  | (600)   | 9,500      | (14,200)   | 1,500                       | 10,100  | (600)   | 9,500      | (6,000) | (8,200) | (14,200)   |
| 65 Special Rule for Long-Term Contract Accounting (TY 2010)   | (3,300)  | (100)   | 1,500   | 1,400      | 1,400      | (3,300)   | (100)   | 1,500   | 1,400      | 1,400      | (3,300)                     | (100)   | 1,500   | 1,400      | 900     | 500     | 1,400      |
| 66 Source Rules for Income on Guarantees (9/28/10)  | 400      | 600     | 600     | 1,200      | 1,200      | 400       | 600     | 600     | 1,200      | 1,200      | 400                         | 600     | 600     | 1,200      | 600     | 600     | 1,200      |
| 67 <b>Corporate Franchise Tax Provisions</b>  | (5,800)  | 5,500   | 3,220   | 8,720      | (7,700)    | (5,800)   | 5,500   | 3,220   | 8,720      | (7,700)    | (5,800)                     | 5,500   | 3,220   | 8,720      | (2,100) | (5,600) | (7,700)    |
| 68 <b>Small Business Jobs Act Total (Individual Income &amp; Corporate Franchise Tax)</b>   | (16,630) | (2,650) | 7,100   | 4,450      | (4,075)    | (16,630)  | (2,650) | 7,100   | 4,450      | (4,075)    | (16,630)                    | (2,650) | 7,100   | 4,450      | 1,305   | (5,380) | (4,075)    |
| 69  |          |         |         |            |            |           |         |         |            |            |                             |         |         |            |         |         |            |
| 70 <b>Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 for Tax Year 2010 Only (A-5 Amendment)</b> |          |         |         |            |            |           |         |         |            |            |                             |         |         |            |         |         |            |
| 71 100% Bonus Depreciation (9/9/10-12/31/10) with 80% Adback and 5-Year Recovery  |          |         |         |            |            |           |         |         |            |            |                             |         |         |            |         |         |            |
| 72 Individual Income Tax  |          |         |         |            |            | 400       | 700     | (100)   | 600        | (1,400)    | 400                         | 700     | (100)   | 600        | (600)   | (800)   | (1,400)    |
| 73 Corporate Franchise Tax  |          |         |         |            |            | 1,000     | 1,700   | (150)   | 1,550      | (3,300)    | 1,000                       | 1,700   | (150)   | 1,550      | (1,400) | (1,900) | (3,300)    |
| 74 Suspension of 100% of Net Income Limit on Percentage Depletion for Oil and Natural Gas from Marginal Properties                |          |         |         |            |            | (25)      | 0       | 0       | 0          | 0          | (25)                        | 0       | 0       | 0          | 0       | 0       | 0          |
| 75 Deduction for Educator Classroom Expenses up to \$250  |          |         |         |            |            | [(1000)]* | 0       | 0       | 0          | 0          | 0                           | 0       | 0       | 0          | 0       | 0       | 0          |
| 76 Special Rule for Contributions of Qualified Conservation Property  |          |         |         |            |            | (250)     | 0       | 0       | 0          | 0          | (250)                       | 0       | 0       | 0          | 0       | 0       | 0          |
| 77 Deduction for Qualified Tuition and Related Expenses   |          |         |         |            |            | [(4200)]* | 0       | 0       | 0          | 0          | 0                           | 0       | 0       | 0          | 0       | 0       | 0          |

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|---|---------|---------|---------|------------|------------|----------|---------|---------|------------|------------|-----------------------------|---------|---------|------------|---------|---------|------------|
|   | FY 2011 | FY 2012 | FY 2013 | FY 2012-13 | FY 2014-15 | FY 2011  | FY 2012 | FY 2013 | FY 2012-13 | FY 2014-15 | FY 2011                     | FY 2012 | FY 2013 | FY 2012-13 | FY 2014 | FY 2015 | FY 2014-15 |
| 78 Tax -Free IRA Distributions, up to \$100,000, to Certain Public Charities for Individual Age 70½ and Older |         |         |         |            |            | (1,400)  | (60)    | (60)    | (120)      | (120)      | (1,400)                     | (60)    | (60)    | (120)      | (60)    | (60)    | (120)      |
| 79 15-Year Straight-Line Depreciation for Leasehold, Restaurant, and Retail Improvements and New Restaurants  |         |         |         |            |            |          |         |         |            |            |                             |         |         |            |         |         |            |
| 80 Individual Income Tax  |         |         |         |            |            | (200)    | (200)   | (200)   | (400)      | (400)      | (200)                       | (200)   | (200)   | (400)      | (200)   | (200)   | (400)      |
| 81 Corporate Franchise Tax  |         |         |         |            |            | (300)    | (300)   | (300)   | (600)      | (600)      | (300)                       | (300)   | (300)   | (600)      | (300)   | (300)   | (600)      |
| 82 Accelerated Depreciation for Business Property on Indian Reservations                                      |         |         |         |            |            |          |         |         |            |            |                             |         |         |            |         |         |            |
| 83 Individual Income Tax  |         |         |         |            |            | (100)    | (20)    | Negl.   | (20)       | 30         | (100)                       | (20)    | Negl.   | (20)       | 10      | 20      | 30         |
| 84 Corporate Franchise Tax  |         |         |         |            |            | (75)     | (10)    | Negl.   | (10)       | 10         | (75)                        | (10)    | Negl.   | (10)       | Negl.   | 10      | 10         |
| 85 Enhanced Charitable Contribution Deduction of Food Inventory by Other than C Corporations                  |         |         |         |            |            | (250)    | 0       | 0       | 0          | 0          | (250)                       | 0       | 0       | 0          | 0       | 0       | 0          |
| 86 Enhanced Charitable Contribution Deduction of Book Inventory to Public Schools                             |         |         |         |            |            |          |         |         |            |            |                             |         |         |            |         |         |            |
| 87 Corporate Franchise Tax  |         |         |         |            |            | (70)     | 0       | 0       | 0          | 0          | (70)                        | 0       | 0       | 0          | 0       | 0       | 0          |
| 88 Enhanced Charitable Contribution Deduction for Computer Inventory for Educational Purposes                 |         |         |         |            |            |          |         |         |            |            |                             |         |         |            |         |         |            |
| 89 Corporate Franchise Tax  |         |         |         |            |            | [(500)]* | 0       | 0       | 0          | 0          | 0                           | 0       | 0       | 0          | 0       | 0       | 0          |
| 90 Election to Expense Mine Safety Equipment  |         |         |         |            |            |          |         |         |            |            |                             |         |         |            |         |         |            |
| 91 Corporate Franchise Tax  |         |         |         |            |            | (15)     | Negl.   | Negl.   | Negl.      | Negl.      | (15)                        | Negl.   | Negl.   | Negl.      | Negl.   | Negl.   | Negl.      |
| 92 Special Expensing Rules for Certain Film and Television Productions  |         |         |         |            |            |          |         |         |            |            |                             |         |         |            |         |         |            |
| 93 Individual Income Tax  |         |         |         |            |            | (250)    | 40      | 35      | 75         | 55         | (250)                       | 40      | 35      | 75         | 30      | 25      | 55         |
| 94 Corporate Franchise Tax  |         |         |         |            |            | (150)    | 35      | 30      | 65         | 45         | (150)                       | 35      | 30      | 65         | 25      | 20      | 45         |
| 95 Expensing of Brownfields Environmental Remediation Costs   |         |         |         |            |            |          |         |         |            |            |                             |         |         |            |         |         |            |

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|-----|---|----------|---------|---------|------------|------------|----------|---------|---------|------------|------------|-----------------------------|---------|---------|------------|---------|---------|------------|
|     |   | FY 2011  | FY 2012 | FY 2013 | FY 2012-13 | FY 2014-15 | FY 2011  | FY 2012 | FY 2013 | FY 2012-13 | FY 2014-15 | FY 2011                     | FY 2012 | FY 2013 | FY 2012-13 | FY 2014 | FY 2015 | FY 2014-15 |
| 96  | Individual Income Tax   |          |         |         |            |            | (600)    | 30      | 35      | 65         | 90         | (600)                       | 30      | 35      | 65         | 40      | 50      | 90         |
| 97  | Corporate Franchise Tax   |          |         |         |            |            | (900)    | 50      | 60      | 110        | 150        | (900)                       | 50      | 60      | 110        | 70      | 80      | 150        |
| 98  | Treatment of Certain Payments to Controlling Exempt Organizations for Unrelated Business Income Tax |          |         |         |            |            |          |         |         |            |            |                             |         |         |            |         |         |            |
| 99  | Corporate Franchise Tax   |          |         |         |            |            | (150)    | 0       | 0       | 0          | 0          | (150)                       | 0       | 0       | 0          | 0       | 0       | 0          |
| 100 | Treatment of Certain Dividends of Regulated Investment Companies                                    |          |         |         |            |            | (400)    | 0       | 0       | 0          | 0          | (400)                       | 0       | 0       | 0          | 0       | 0       | 0          |
| 101 | Exception under Subpart F for Active Financing Income   |          |         |         |            |            |          |         |         |            |            |                             |         |         |            |         |         |            |
| 102 | Corporate Franchise Tax   |          |         |         |            |            | (1,200)  | 0       | 0       | 0          | 0          | (1,200)                     | 0       | 0       | 0          | 0       | 0       | 0          |
| 103 | Basis Adjustments to S Corporation Stock for Charitable Contributions of Property                   |          |         |         |            |            | (130)    | (10)    | (10)    | (20)       | (20)       | (130)                       | (10)    | (10)    | (20)       | (10)    | (10)    | (20)       |
| 104 |   |          |         |         |            |            |          |         |         |            |            |                             |         |         |            |         |         |            |
| 105 | <b>Individual Income Tax Provisions</b>   |          |         |         |            |            | (3,205)  | 480     | (300)   | 180        | (1,765)    | (3,205)                     | 480     | (300)   | 180        | (790)   | (975)   | (1,765)    |
| 106 | <b>Corporate Franchise Tax Provisions</b>   |          |         |         |            |            | (1,860)  | 1,475   | (360)   | 1,115      | (3,695)    | (1,860)                     | 1,475   | (360)   | 1,115      | (1,605) | (2,090) | (3,695)    |
| 107 | <b>Tax Relief Act Total (Individual Income &amp; Corp. Franchise Tax)</b>                           |          |         |         |            |            | (5,065)  | 1,955   | (660)   | 1,295      | (5,460)    | (5,065)                     | 1,955   | (660)   | 1,295      | (2,395) | (3,065) | (5,460)    |
| 108 |   |          |         |         |            |            |          |         |         |            |            |                             |         |         |            |         |         |            |
| 109 | <b>Total Federal Update</b>   | (18,910) | (6,760) | 2,840   | (3,920)    | 2,705      | (23,975) | (4,805) | 2,180   | (2,625)    | (2,755)    | (23,975)                    | (4,805) | 2,180   | (2,625)    | 2,750   | (5,505) | (2,755)    |
| 110 |   |          |         |         |            |            |          |         |         |            |            |                             |         |         |            |         |         |            |
| 111 |   |          |         |         |            |            |          |         |         |            |            |                             |         |         |            |         |         |            |
| 112 |   |          |         |         |            |            |          |         |         |            |            |                             |         |         |            |         |         |            |

\* The intent of the Senate floor amendment was to conform to these provisions for tax year 2010.