

**FINAL REPORT**

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

prepared for  
Kansas Inc.

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## Introduction

Taxation is emerging as a key issue in the 1991 Kansas Legislative Session. The Legislature must provide adequate tax revenues for state programs and to restore general fund balances. At the same time, there is widespread support for providing a state mechanism for property tax relief. In response to these goals, several "packages" of tax changes have been proposed. The packages differ widely in details. However, they share the characteristic that local property tax relief is funded by increases in one or more state level taxes.

During 1989 and 1990, Kansas Inc. worked with the Institute for Public Policy and Business Research at the University of Kansas to develop a model for the analysis of business taxes<sup>1</sup>. Kansas Inc. has recently asked the Institute to build on this modeling foundation in order to investigate the impact of several alternative tax change plans on selected Kansas industries.

We caution the reader that none of plans we have analyzed matches any specific piece of proposed legislation in all details. We feel, however, that we have captured most of the essential features of proposals under consideration. The results of our study can best be thought of as providing guidelines for looking at tax alternatives rather than as providing definitive judgments on any specific plan.

It is also important to point out some of the limitations of the model used for these simulations. The model was originally developed to analyze the impact of business taxes on export oriented firms, those firms which compete in regional, national, and international markets. Our earlier work focussed on the question of whether the business tax structure placed these Kansas firms at a disadvantage in comparison with firms located in our neighboring states. The model which we created works well for a specific set of export oriented industries. However, the model cannot claim to be able to evaluate *all* Kansas firms. Several assumptions behind the model are quite unrealistic for firms which depend on local rather than export markets.

The Institute's tax model required one major revision in order to use it to analyze alternative tax plans before the legislature. Since several of the plans propose the inclusion of business services in the sales tax base, we need to incorporate detailed data on service use by industry.

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<sup>1</sup> Patricia Oslund. *Business Taxes in Kansas and Nearby States*. Report Nos. 179a, 179b, 179c. Lawrence, Kansas: University of Kansas, Institute for Public Policy and Business Research. August, 1990. Study commissioned by Kansas Inc.

## General Assumptions of the Tax Simulation Model

### *Technical Assumptions and Data Sources*

1. The model is designed to calculate state, local, and federal taxes for firms in each of several industries. In order to use the model, profiles of "typical" firms were developed. The typical firms are assumed to earn all of their income from production of goods and services. In particular, we abstract from many of the financial aspects of corporations such as interest earnings.
2. All simulations are carried out for 15 years and results are converted to present value terms.
3. State and local taxes are generally treated as deductions from gross income when calculating a firm's federal income tax (see below). Thus an increase in state and local taxes leads to a decrease in federal income tax liabilities. This effect is known as the *federal offset*.
4. 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.
5. The simulations are carried out for a variety of geographic locations including: three major urban areas (Johnson County, Wyandotte County, and Sedgwick County); a composite medium sized city based on a sample of cities with populations between 15,000 and 50,000; and a composite small city based on a sample of cities with populations less than 15,000.
6. 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.
7. The U.S. Bureau of Economic Analysis *Input-Output Tables for the U.S.* provide the primary data source for amounts of purchased services used by each of the industries in our sample. Detailed 1977 data were updated using less detailed data from 1985.<sup>2</sup>
8. A complete description of the IPPBR Tax Simulation Model and a full list of data sources is contained in a monograph prepared for Kansas Inc. in 1990.<sup>3</sup>

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<sup>2</sup> *Survey of Current Business*. "Annual Input-Output Accounts of the U.S. Economy, 1985. vol. 70, no. 1, January, 1990.

<sup>3</sup> Patricia Oslund. *Business Taxes*.

### *Characteristics of the Firms*

9. 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.

10. The firms examined by this study are primarily export oriented. Prices of the firms' products are at least in part determined in regional or national markets. Most sales are to out-of-state customers. An exception is the retail firm.

11. 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.

12. Previously established firms do not qualify for any special tax credits or abatements in the simulations.

13. 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)).

### *Assumptions on Tax Shifting and Tax Incidence*

14. 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.

15. A sales tax levied on a supplier of the simulated firm will be fully passed on to the firm.

16. 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.

17. 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.

## Industries Selected For Comparative Tax Analysis

Standard Industrial Classification (S.I.C.)	Brief Description of the Industry
201 Meat Products	beef packing
204 Grain Mill Products	flour milling, pet food preparation, and livestock feed
267 Misc. Converted Paper Products	includes: coated or laminated materials made of paper, plastic film, etc., for packaging purposes; bags/sacks; envelopes/stationery
275 Commercial Printing	includes several printing processes among them lithography and gravure
283 Pharmaceutical and Biological Products	manufacture of medicinal chemicals/vaccines, and pharmaceutical products
307 Misc. Plastic Products	produces goods including: plastic film and sheeting; plastic pipe and plumbing fixtures; bottles
344 Fabricated Structural Metal Products	produces pressurized tanks/bats; metal doors/trims; sheet metal
353 Construction and Related Machinery	manufacture of mining machinery, oil and gas equipment, industrial cranes
367 Electronic Components	machinery used for component parts for computer industry (circuit boards, capacitors transformers)
371 Motor Vehicles and Equipment	aircraft/automobiles/truck production
481 Telephone Communications	local, long-distance, and data communication services
508 Wholesale Machinery	wholesale trade in machinery, equipment and supplies
531 Retail Trade	mass merchandizing
737 Computer and Data Processing	services regarding computer renting/leasing, programming, packaged software
873 Research and Development	this SIC code involves all kinds of research: chemical, engineering, economic, education, testing labs

## 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 to 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* in business costs 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 recent theories of state and local tax incidence. (Technically, they are "static general equilibrium" theories under "balanced-budget, differential incidence" conditions.) 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 "worst-case, one-stage, location-theoretic".

#### 1. Worst-case:

The "worst-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 something of a worst-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 in fact some degree of tax shifting probably would occur in every possible direction, this approach is likely to over-state 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 worst-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, an 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 that 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 worst-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 worst-case" approach does not really seem appropriate from the public policy point of view. Our goal in this report is to look at the worst that might happen to several different types of firms simultaneously, rather than the worst 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 oriented to out-of-state sales. That is, we looked at firms which sell a large percentage of their goods or services in regional, national, or 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.

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 Estimates

1. The baseline estimates 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. Property taxes for the baseline estimates are based on current assessment ratios, appraisals, and mill levies.
3. Firms which qualify for enterprise zone benefits receive two major sales tax advantages: an exemption for all machinery and equipment and an exemption for construction materials.
4. All machinery and equipment used directly in manufacturing, storing, warehousing, and distribution is exempt from the sales tax.
5. Services used in the original construction of a structure are exempt from the sales tax.
6. Utilities used directly in production are exempt from the sales tax.
7. Transportation services are exempt from the sales tax.
8. Most business services are exempt from the sales tax.
9. 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.
10. 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.
11. The state sales tax is imposed at a rate of 4.25 percent.

## Major Assumptions for the Modified Version of Governor Finney's 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 to provide 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. Thus plan we analyze differs somewhat from the plan which the Governor is proposing. We refer to our assumptions as the "modified" version of the Governor's tax plan. However it should be pointed out that the modification is not one under serious consideration by the Legislature. It is a simplification due to our uncertainty about the means through which property tax relief would be implemented.
3. All enterprise zone sales tax exemptions will be removed. These include the exemption for construction materials and the exemption for all machinery and equipment currently enjoyed by qualified new or expanding firms.
4. The sales tax exemption for manufacturing and other selected machinery and equipment will be removed.
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, and 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 will be referred to as the "modified" Rock-Martin proposal, although it differs in some respects from legislation proposed by Senator Rock and Senator Martin. 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. All enterprise zone sales tax exemptions will be removed. These include the exemption for construction materials and the exemption for all machinery and equipment currently received by qualified new or expanding firms.
4. The sales tax exemption for manufacturing and other selected machinery and equipment will be removed.
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 Modified 1990 House Tax Proposal

1. The third alternative tax plan which we investigate is similar in several respects to a bill which passed the Kansas House in 1990. The plan, which we refer to as the "modified" House plan, consists of 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. The specific sales tax exemptions for enterprise zones will be removed. These include the construction exemption and the exemption for all machinery and equipment which currently apply to qualified new and expanding firms. However, manufacturing and other selected industries may still receive a more limited machinery and equipment exemption (see below).
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 Modified Finney and Modified Rock-Martin plans result in average tax increases of about 7 to 8 percent for manufacturing firms and 4 percent for service type firms. Large sales tax increases for new firms occur under both plans. Contributing to the increase are the removal of sales tax exemptions for new construction (materials and labor) in enterprise zones, the more general removal of machinery and equipment exemptions, and the taxation of business services.

The modified Finney and modified Rock-Martin plans make substantial changes in property taxes. Both manufacturing and service firms receive a 33 percent decrease in property taxes under the modified Finney plan. Under the modified 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 modified 1990 House plan results in a average 1 to 2 percent increase in taxes for new firm. The modified 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 in most locations.

It should be pointed out 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.

3. (*Established Firms*) For the established firms included in this study, the modified Finney tax plan generally results in very small decreases in combined federal, state, and local taxes. The modified 1990 House plan results in tax increases averaging about 1 percent in most locations, while the Rock-Martin plan results in tax increases on the order of 3 to 6 percent.

For the sample of firms included in this study, the modified 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 modified Rock-Martin plan provides the least favorable alternative for the mixture of firms included in this study. With only one exception (services in urban areas), 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 modified 1990 House plan results in small tax increases for the average established manufacturing, and in very little overall change for the established 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 for the proposed reduction in the assessment ratio on commercial real estate. On average, the service firms in our sample experience a decrease in property taxes approximately offsetting the increase in sales taxes on services.

4. Tables R-1 through R-4 dramatically illustrate the federal offset effect. For example, state and local taxes for new firms increase by 64.3 percent in urban areas under the modified Finney plan. However, the deductibility of state and local taxes in calculating federal taxable income leads to a decrease in federal taxes of about 8 percent.

5. 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.

6. 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.

7. 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.

8. An essential goal of our earlier (1990) study was to examine how overall business costs in Kansas (labor, materials, utilities, etc. as well as taxes) compare with those in other states in the region, Colorado, Iowa, Missouri, Oklahoma, and Nebraska. Tables R-5 and R-6 show the comparative rank of business costs for selected industries. A rank of 1 indicates the lowest overall costs in the region, while a rank of 6 indicates the highest overall costs. Retail trade and telecommunications are excluded from the comparisons because of some differences between the 1990 study and our current work.

The tables show that the modified Finney plan worsens the competitive position of Kansas locations for many new businesses, but generally improves the competitive position for established firms.

**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	Rock-Mart	Rock-Mart	House 90	House 90
			% Base	% Base	% Base		% Base
<b>Urban Areas</b>							
Federal Income Tax	\$7,882	\$7,242	91.9%	\$7,261	92.1%	\$7,733	98.1%
State and Local Taxes	\$2,387	\$3,920	164.3%	\$3,859	161.7%	\$2,784	116.6%
State Income Tax	\$633	\$588	92.8%	\$584	92.2%	\$691	109.1%
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	\$1,990	1048.7%	\$1,654	872.0%	\$534	281.5%
Total Taxes	\$10,269	\$11,162	108.7%	\$11,121	108.3%	\$10,517	102.4%
<b>Medium Sized Cities</b>							
Federal Income Tax	\$9,535	\$8,900	93.3%	\$8,906	93.4%	\$9,378	98.4%
State and Local Taxes	\$2,361	\$3,879	164.3%	\$3,855	163.3%	\$2,801	118.6%
State Income Tax	\$783	\$732	93.5%	\$728	92.9%	\$863	110.2%
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	\$1,965	1048.7%	\$1,639	874.9%	\$527	281.3%
Total Taxes	\$11,896	\$12,779	107.4%	\$12,761	107.3%	\$12,180	102.4%
<b>Small Sized Cities</b>							
Federal Income Tax	\$9,863	\$9,236	93.6%	\$9,229	93.6%	\$9,705	98.4%
State and Local Taxes	\$2,460	\$3,956	160.8%	\$3,968	161.3%	\$2,916	118.5%
State Income Tax	\$814	\$762	93.5%	\$755	92.7%	\$903	110.9%
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	\$1,986	1032.2%	\$1,640	852.4%	\$531	276.1%
Total Taxes	\$12,324	\$13,192	107.0%	\$13,198	107.1%	\$12,621	102.4%

**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	Rock-Mart % Base	House 90	House 90 % Base
<b>Urban Areas</b>							
Federal Income Tax	\$7,502	\$7,246	96.6%	\$7,246	96.6%	\$7,367	98.2%
State and Local Taxes	\$2,813	\$3,525	125.3%	\$3,517	125.0%	\$3,126	111.1%
State Income Tax	\$438	\$421	96.0%	\$418	95.5%	\$471	107.6%
Unemploy. and Workers' Comp.	\$601	\$601	100.0%	\$601	100.0%	\$601	100.0%
Property	\$1,301	\$872	67.0%	\$1,129	86.8%	\$1,139	87.5%
Franchise	\$32	\$32	100.0%	\$32	100.0%	\$32	100.0%
Sales	\$440	\$1,600	363.2%	\$1,336	303.4%	\$882	200.3%
<b>Total Taxes</b>	\$10,315	\$10,772	104.4%	\$10,763	104.3%	\$10,492	101.7%
<b>Medium Sized Cities</b>							
Federal Income Tax	\$8,544	\$8,289	97.0%	\$8,279	96.9%	\$8,399	98.3%
State and Local Taxes	\$2,707	\$3,437	127.0%	\$3,462	127.9%	\$3,071	113.5%
State Income Tax	\$519	\$501	96.5%	\$498	95.9%	\$564	108.7%
Unemploy. and Workers' Comp.	\$505	\$505	100.0%	\$505	100.0%	\$505	100.0%
Property	\$1,215	\$814	67.0%	\$1,105	90.9%	\$1,096	90.2%
Franchise	\$29	\$29	100.0%	\$29	100.0%	\$29	100.0%
Sales	\$439	\$1,588	361.7%	\$1,325	301.9%	\$878	199.9%
<b>Total Taxes</b>	\$11,251	\$11,726	104.2%	\$11,741	104.4%	\$11,470	101.9%
<b>Small Sized Cities</b>							
Federal Income Tax	\$8,833	\$8,591	97.3%	\$8,570	97.0%	\$8,690	98.4%
State and Local Taxes	\$2,914	\$3,574	122.6%	\$3,650	125.2%	\$3,266	112.1%
State Income Tax	\$544	\$525	96.5%	\$520	95.7%	\$594	109.3%
Unemploy. and Workers' Comp.	\$471	\$471	100.0%	\$471	100.0%	\$471	100.0%
Property	\$1,428	\$957	67.0%	\$1,303	91.3%	\$1,291	90.4%
Franchise	\$28	\$28	100.0%	\$28	100.0%	\$28	100.0%
Sales	\$443	\$1,593	359.2%	\$1,327	299.2%	\$882	198.9%
<b>Total Taxes</b>	\$11,748	\$12,164	103.5%	\$12,219	104.0%	\$11,956	101.8%

**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
<b>Urban Areas</b>							
Federal Income Tax	\$6,926	\$6,965	100.6%	\$6,588	95.1%	\$6,907	99.7%
State and Local Taxes	\$5,516	\$5,406	98.0%	\$6,464	117.2%	\$5,667	102.7%
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%
<b>Total Taxes</b>	\$12,442	\$12,372	99.4%	\$13,052	104.9%	\$12,574	101.1%
<b>Medium Sized Cities</b>							
Federal Income Tax	\$8,630	\$8,651	100.2%	\$8,220	95.2%	\$8,565	99.2%
State and Local Taxes	\$5,427	\$5,367	98.9%	\$6,576	121.2%	\$5,730	105.6%
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%
<b>Total Taxes</b>	\$14,057	\$14,018	99.7%	\$14,796	105.3%	\$14,294	101.7%
<b>Small Sized Cities</b>							
Federal Income Tax	\$8,799	\$8,878	100.9%	\$8,350	94.9%	\$8,722	99.1%
State and Local Taxes	\$5,989	\$5,765	96.3%	\$7,246	121.0%	\$6,326	105.6%
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%
<b>Total Taxes</b>	\$14,788	\$14,644	99.0%	\$15,596	105.5%	\$15,048	101.8%

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 % Base	Rock-Mart	Rock-Mart % Base	House 90	House 90 % Base
<b>Urban Areas</b>							
Federal Income Tax	\$7,153	\$7,184	100.4%	\$7,024	98.2%	\$7,169	100.2%
State and Local Taxes	\$3,950	\$3,939	99.7%	\$4,381	110.9%	\$3,919	99.2%
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%
<b>Medium Sized Cities</b>							
Federal Income Tax	\$8,220	\$8,237	100.2%	\$8,051	97.9%	\$8,209	99.9%
State and Local Taxes	\$3,830	\$3,868	101.0%	\$4,390	114.6%	\$3,895	101.7%
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%
<b>Small Sized Cities</b>							
Federal Income Tax	\$8,452	\$8,499	100.6%	\$8,268	97.8%	\$8,440	99.9%
State and Local Taxes	\$4,212	\$4,131	98.1%	\$4,800	114.0%	\$4,269	101.4%
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%

**Table R-5**  
**Business Costs in Kansas Compared with Region**  
**New Firms in Medium Sized Cities**  
 Rank in Region (1 = lowest)

SIC	INDUSTRY	Rank: Baseline	Rank: Finney	Rank: Rock-Martin	Rank: '90 House
210	Meat Products	3	3	3	3
204	Grain Mill Products	2	3	2	2
267	Misc. Converted Paper Products	2	3	3	2
275	Commercial Printing	2	2	2	2
283	Pharmaceutical and Biological Products	2	4	4	2
307	Misc. Plastic Products	2	3	2	2
344	Fabricated Structural Metal Products	2	2	2	2
353	Construction and Related Machinery	2	2	2	2
367	Electronic Components	2	4	4	2
371	Motor Vehicles and Equipment	2	2	2	2
508	Wholesale Machinery	2	3	3	2
737	Computer and Data Processing	3	3	3	3
873	Research and Development	1	3	3	3
HQ	Headquarters	3	5	5	5

**Table R-6**  
**Business Costs in Kansas Compared with Region**  
**Established Firms in Medium Sized Cities**  
 Rank in Region (1 = lowest)

SIC	TITLES	Rank: Baseline	Rank: Finney	Rank: Rock-Martin	Rank: '90 House
210	Meat Products	4	4	5	5
204	Grain Mill Products	3	3	3	3
267	Misc. Converted Paper Products	4	4	4	4
275	Commercial Printing	6	5	5	5
283	Pharmaceutical and Biological Products	5	5	5	5
307	Misc. Plastic Products	4	4	4	4
344	Fabricated Structural Metal Products	4	4	5	4
353	Construction and Related Machinery	4	4	5	4
367	Electronic Components	6	5	5	5
371	Motor Vehicles and Equipment	5	4	5	5
508	Wholesale Machinery	3	4	4	3
737	Computer and Data Processing	3	3	3	3
873	Research and Development	6	5	5	5
HQ	Headquarters	3	5	5	4

## Appendix A 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 (modified Finney plan)
2. If the firm uses a large amount of purchased services, it will experience a large increase in sales taxes under the modified Finney plan and to a lesser extent under the modified 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 modified 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	
Payroll	\$9,992,868
Production	\$661,856
Other	\$498,835
Employer's Soc. Sec. Payments	\$163,021
Cost of Employee Benefits	\$50,632
Cost of Materials	\$184,568
Electricity	\$8,768,013
Gas	\$77,362
Water	\$34,781
Purchased Services	\$21,300
Transportation and Warehousing	\$100,921
Advertising	\$12,920
Legal	\$12,059
Finance, Insurance, Real Estate	\$2,871
Business Services	\$26,415
Depreciation (annual average)	\$10,193
Repair and Rental Payments	\$240,141
Interest Payments	\$5,312
Other Costs or Revenue	\$155,502
	(\$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

- The total tax liability of a new firm located in a typical medium sized Kansas city rises by 4.8 percent under the modified Finney tax plan, by 5.0 percent under the modified Rock-Martin plan, and by 2.0 percent under the modified 1990 House plan.
- The total tax liability of a established firm located in a typical medium sized Kansas city falls by 1.7 percent under the modified Finney tax plan, rises by 3.2 percent under the modified Rock-Martin plan, and rises by 1.8 percent under the modified 1990 House plan.
- Because a firm in this industry uses a relatively small per-capita amount of purchased services, the impact of taxing services will be small.
- Since the industry maintains a moderate level of inventories, the impact of restoring a tax on inventories (as under the modified Rock-Martin plan) will be moderate.

Industry 204: Grain Mill Products	
LOCATION	Medium City
SIC CODE	204
INDUSTRY	Grain Mill
NUMBER OF EMPLOYEES	50
ANNUAL SALES	\$17,418,698
ANNUAL COSTS	
Payroll	\$16,351,273
Production	\$1,044,183
Other	\$679,659
Employer's Soc. Sec. Payments	\$364,524
Cost of Employee Benefits	\$79,880
Cost of Materials	\$295,403
Electricity	\$10,248,313
Gas	\$262,275
Water	\$142,904
Purchased Services	\$53,850
Transportation and Warehousing	\$562,917
Advertising	\$228,566
Legal	\$6,526
Finance, Insurance, Real Estate	\$4,553
Business Services	\$65,413
Depreciation (annual average)	\$18,971
Repair and Rental Payments	\$158,278
Interest Payments	\$22,614
Other Costs or Revenue	\$147,365
	\$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

- The total tax liability of a new firm located in a typical medium sized Kansas city rises by 9.6 percent under the modified Finney tax plan, by 4.9 percent under the modified Rock-Martin plan, and by 1.9 percent under the modified 1990 House plan.
- The total tax liability of a established firm located in a typical medium sized Kansas city rises by 3.0 percent under the modified Finney tax plan, by 5.2 percent under the modified Rock-Martin plan, and by 1.2 percent under the modified 1990 House plan.
- Because a firm in this industry uses a relatively moderate per-capita amount of purchased services, the impact of taxing services will be moderate.
- Since the industry maintains a high level of inventories, the impact of restoring a tax on inventories (as under the modified Rock-Martin plan) will be large.

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
Transportation 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

- The total tax liability of a new firm located in a typical medium sized Kansas city rises by 8.3 percent under the modified Finney tax plan, by 5.7 percent under the modified Rock-Martin plan, and by 1.7 percent under the modified 1990 House plan.
- The total tax liability of a established firm located in a typical medium sized Kansas city rises by 1.0 percent under the modified Finney tax plan, 2.6 percent under the modified Rock-Martin plan, and falls by 0.7 percent under the modified 1990 House plan.
- Because a firm in this industry uses a relatively moderate per-capita amount of purchased services, the impact of taxing services will be moderate.
- Since the industry maintains a moderate level of inventories, the impact of restoring a tax on inventories (as under the modified Rock-Martin plan) will be moderate.

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
Transportation 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

- The total tax liability of a new firm located in a typical medium sized Kansas city rises by 6.2 percent under the modified Finney tax plan, by 6.4 percent under the modified Rock-Martin plan, and by 2.0 percent under the modified 1990 House plan.
- The total tax liability of a established firm located in a typical medium sized Kansas city falls by 1.6 percent under the modified Finney tax plan, rises by 2.9 percent under the modified Rock-Martin plan, and rises by 1.2 percent under the modified 1990 House plan.
- Because a firm in this industry uses a relatively moderate per-capita amount of purchased services, the impact of taxing services will be moderate.
- Since the industry maintains a moderately low level of inventories, the impact of restoring a property tax on inventories (as under the modified Rock-Martin plan) will be fairly small.

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
Transportation 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

- The total tax liability of a new firm located in a typical medium sized Kansas city rises by 11.6 percent under the modified Finney tax plan, by 14.5 percent under the modified Rock-Martin plan, and by 3.6 percent under the modified 1990 House plan.
- The total tax liability of a established firm located in a typical medium sized Kansas city rises by 2.7 percent under the modified Finney tax plan, by 12.4 percent under the modified Rock-Martin plan, and by 3.3 percent under the modified 1990 House plan.
- Because a firm in this industry uses a an extremely large amount of purchased services, the impact of taxing services will be substantial.
- Since the industry maintains a high value of inventories, the impact of restoring a tax on inventories (as under the modified Rock-Martin plan) will be large.
- The industry operates with a large investment in machinery and equipment, creating a large property tax increase if assessment ratios on machinery and equipment are increased.

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
Transportation 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

- The total tax liability of a new firm located in a typical medium sized Kansas city rises by 6.4 percent under the modified Finney tax plan, by 4.5 percent under the modified Rock-Martin plan, and by 1.4 percent under the modified 1990 House plan.
- The total tax liability of a established firm located in a typical medium sized Kansas city falls by 0.4 percent under the modified Finney tax plan, rises by 1.2 percent under the modified Rock-Martin plan, and falls by 0.7 percent under the modified 1990 House plan.
- Because a firm in this industry uses a relatively moderate per-capita amount of purchased services, the impact of taxing services will be moderate.
- Since the industry maintains a moderate level of inventories, the impact of restoring a tax on inventories (as under the modified Rock-Martin plan) will be moderate.

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
Transportation 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

- The total tax liability of a new firm located in a typical medium sized Kansas city rises by 5.4 percent under the modified Finney tax plan, by 5.8 percent under the modified Rock-Martin plan, and by 2.1 percent under the modified 1990 House plan.
- The total tax liability of a established firm located in a typical medium sized Kansas city falls by 1.9 percent under the modified Finney tax plan, rises by 4.3 percent under the modified Rock-Martin plan, and rises by 2.0 percent under the modified 1990 House plan.
- Because a firm in this industry uses a relatively moderate per-capita amount of purchased services, the impact of taxing services will be moderate.
- Since the industry maintains a moderate level of inventories, the impact of restoring a tax on inventories (as under the modified Rock-Martin plan) will be moderate.

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
Transportation 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

- The total tax liability of a new firm located in a typical medium sized Kansas city rises by 6.3 percent under the modified Finney tax plan, by 6.8 percent under the modified Rock-Martin plan, and by 1.9 percent under the modified 1990 House plan.
- The total tax liability of a established firm located in a typical medium sized Kansas city falls by 1.0 percent under the modified Finney tax plan, rises by 5.7 percent under the modified Rock-Martin plan, and rises by 0.4 percent under the modified 1990 House plan.
- Because a firm in this industry uses a relatively moderate per-capita amount of purchased services, the impact of taxing services will be moderate.
- Since the industry maintains a high level of inventories, the impact of restoring a property tax on inventories (as under the modified Rock-Martin plan) will be substantial.



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
Transportation 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

- The total tax liability of a new firm located in a typical medium sized Kansas city rises by 9.8 percent under the modified Finney tax plan, by 9.1 percent under the modified Rock-Martin plan, and by 2.8 percent under the modified 1990 House plan.
- The total tax liability of a established firm located in a typical medium sized Kansas city rises by 1.1 percent under the modified Finney tax plan, by 7.0 percent under the modified Rock-Martin plan, and by 2.9 percent under the modified 1990 House plan.
- Because a firm in this industry uses a relatively high per-capita amount of purchased services, the impact of taxing services will be large.
- Since the industry maintains a moderate level of inventories, the impact of restoring a tax on inventories (as under the modified Rock-Martin plan) will be moderate.
- The industry is very capital intensive. Machinery and Equipment per employee is estimated at over \$100,000. Changes in the property tax structure which increase the relative assessment ratio on machinery and equipment will have a large impact on this industry.

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	
Payroll	\$10,260,311
Production	\$1,308,969
Other	\$1,014,042
Employer's Soc. Sec. Payments	\$294,927
Cost of Employee Benefits	\$100,136
Cost of Materials	\$476,071
Electricity	\$9,098,404
Gas	\$87,733
Water	\$27,255
Purchased Services	\$7,874
Transportation and Warehousing	\$1,484,928
Advertising	\$133,453
Legal	\$13,237
Finance, Insurance, Real Estate	\$9,861
Business Services	\$75,207
Depreciation (annual average)	\$44,007
Repair and Rental Payments	\$919,900
Interest Payments	\$30,422
Other Costs or Revenue	\$576,745
	(\$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

- The total tax liability of a new firm located in a typical medium sized Kansas city rises by 5.5 percent under the modified Finney tax plan, by 6.0 percent under the modified Rock-Martin plan, and by 2.8 percent under the modified 1990 House plan.
- The total tax liability of a established firm located in a typical medium sized Kansas city falls by 2.3 percent under the modified Finney tax plan, rises by 3.8 percent under the modified Rock-Martin plan, and rises by 2.4 percent under the modified 1990 House plan.
- Because a firm in this industry uses a large amount of purchased services per employee. Hence the impact of taxing services will be great.
- The industry maintains a moderate to large level of inventories, the impact of restoring a tax on inventories (as under the modified Rock-Martin plan) will be fairly large.
- The industry is distinguished by its capital intensity, with machinery and equipment per employee averaging over \$200,000. Any shift of property tax assessment ratios onto machinery and equipment will have a large negative impact on this industry.

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
Transportation 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

- The establishment is assumed to be an office facility. It is assumed that the firm is classified as a public utility and hence *does not* qualify for enterprise zone benefits under current law.
- The total tax liability of a new firm located in a typical medium sized Kansas city rises by 0.5 percent under the modified Finney tax plan, rises by 0.9 percent under the modified Rock-Martin plan, and falls by 0.9 percent under the modified 1990 House plan.
- The total tax liability of a established firm located in a typical medium sized Kansas city rises by 0.3 percent under the modified Finney tax plan, rises by 0.7 percent under the modified Rock-Martin plan, and falls by 1.1 percent under the modified 1990 House plan.
- Because a firm in this industry uses a relatively large per-capita amount of purchased services, the impact of taxing services will be fairly large.
- Property of this firm is assumed to be taxed as public utility property with an assessment ratio of 30 percent under all of the plans we investigated.

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
Transportation 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

- The total tax liability of a new firm located in a typical medium sized Kansas city rises by 8.9 percent under the modified Finney tax plan, by 7.5 percent under the modified Rock-Martin plan, and by 1.5 percent under the modified 1990 House plan.
- The total tax liability of a established firm located in a typical medium sized Kansas city rises by 1.7 percent under the modified Finney tax plan, rises by 5.9 percent under the modified Rock-Martin plan, and falls by 1.4 percent under the modified 1990 House plan.
- Because a firm in this industry uses a relatively large per-capita amount of purchased services, the impact of taxing services will be great. Transportation and warehousing, and finance, insurance, and real estate are especially large service inputs.
- Because of the nature of wholesaling, the amount of inventories per employee is large. Thus the impact of restoring a property tax on inventories (as under the modified Rock-Martin plan) will be substantial.

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	
Payroll	\$3,129,144
Production	\$354,863
Other	\$354,863
Employer's Soc. Sec. Payments	\$0
Cost of Employee Benefits	\$27,147
Cost of Materials	\$79,300
Electricity	\$2,757,350
Gas	\$40,061
Water	\$4,570
Purchased Services	\$180
Transportation and Warehousing	\$345,598
Advertising	\$11,976
Legal	\$89,279
Finance, Insurance, Real Estate	\$24,470
Business Services	\$118,820
Depreciation (annual average)	\$14,363
Repair and Rental Payments	\$169,194
Interest Payments	\$4,946
Other Costs or Revenue	\$109,889
	(\$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

- The total tax liability of a new firm located in a typical medium sized Kansas city rises by 0.5 percent under the modified Finney tax plan, by 4.0 percent under the modified Rock-Martin plan, and by 1.1 percent under the modified 1990 House plan.
- The total tax liability of a established firm located in a typical medium sized Kansas city falls by 1.9 percent under the modified Finney tax plan, rises by 6.9 percent under the modified Rock-Martin plan, and falls by 0.4 percent under the modified 1990 House plan.
- Because a firm in this industry uses a relatively moderate per-capita amount of purchased services, the impact of taxing services will be moderate.
- The industry maintains a very high level of inventories. Hence restoration of the property tax on inventories (as under the modified Rock-Martin plan) will have a large impact.

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	
Payroll	\$2,988,137
Production	\$1,018,703
Other	\$1,018,703
Employer's Soc. Sec. Payments	\$0
Cost of Employee Benefits	\$77,931
Cost of Materials	\$93,400
Electricity	\$113,500
Gas	\$13,796
Water	\$3,537
Purchased Services	\$195
Transportation and Warehousing	\$527,674
Advertising	\$21,710
Legal	\$57,457
Finance, Insurance, Real Estate	\$14,249
Business Services	\$86,519
Depreciation (annual average)	\$210,880
Repair and Rental Payments	\$82,528
Interest Payments	\$3,868
Other Costs or Revenue	\$40,545
	\$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

- The total tax liability of a new firm located in a typical medium sized Kansas city rises by 6.5 percent under the modified Finney tax plan, by 6.0 percent under the modified Rock-Martin plan, and by 1.0 percent under the modified 1990 House plan.
- The total tax liability of a established firm located in a typical medium sized Kansas city rises by 4.8 percent under the modified Finney tax plan, rises by 4.3 percent under the modified Rock-Martin plan, and rises by 0.4 percent under the modified 1990 House plan.
- Although a firm in this industry uses a relatively moderate per-capita amount of purchased services, about \$10,000 per employee, services are a large percentage of total inputs, much larger than materials. Hence a sales tax on services has a large impact on the industry.
- Data were not available to estimate inventories for the industry, but we expect that they are small.

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	
Payroll	\$1,440,873
Production	\$1,130,802
Other	\$1,130,802
Employer's Soc. Sec. Payments	\$0
Cost of Employee Benefits	\$86,506
Cost of Materials	\$103,700
Electricity	\$1,101,500
Gas	\$22,686
Water	\$5,819
Purchased Services	\$218
Transportation and Warehousing	\$815,690
Advertising	\$123,844
Legal	\$65,368
Finance, Insurance, Real Estate	\$39,395
Business Services	\$137,538
Depreciation (annual average)	\$151,207
Repair and Rental Payments	\$1,289,552
Interest Payments	\$7,948
Other Costs or Revenue	\$405,465
	(\$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

- The total tax liability of a new firm located in a typical medium sized Kansas city rises by 5.4 percent under the modified Finney tax plan, by 5.6 percent under the modified Rock-Martin plan, and by 5.6 percent under the modified 1990 House plan.
- The total tax liability of a established firm located in a typical medium sized Kansas city falls by 2.4 percent under the modified Finney tax plan, rises by 2.8 percent under the modified Rock-Martin plan, and rises by 3.2 percent under the modified 1990 House plan.
- Because a firm in this industry uses a relatively large per-capita amount of purchased services, the impact of taxing services will be large.
- The firm uses a large amount of machinery and equipment per employee. Imposition of sales taxes on machinery and equipment will cause a large increase in overall taxes for the firm. Similarly, a relative increase in the assessment ratio for machinery and equipment has a large negative impact on the firm.
- Data were not available to estimate inventories for this firm.

Industry HQ: Headquarters Facility		Medium City
LOCATION		-
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
Transportation 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

- The total tax liability of a new firm located in a typical medium sized Kansas city rises by 10.7 percent under the modified Finney tax plan, by 9.0 percent under the modified Rock-Martin plan, and by 5.0 percent under the modified 1990 House plan.
- The total tax liability of a established firm located in a typical medium sized Kansas city rises by 6.8 percent under the modified Finney tax plan, by 5.3 percent under the modified Rock-Martin plan, and by 1.6 percent under the modified 1990 House plan.
- Because a firm in this industry uses a relatively large per-capita amount of purchased services, the impact of taxing services will be large.
- Since the firm holds only a small level of inventories, the impact of restoring a tax on inventories (as under the modified Rock-Martin plan) will be negligible.



**Comparison of Modified Version of Governor Finney's 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
Industry Code	201	204	267	275	283	307	344
Industry Name	Meat Prod.	Grain Mill	Paper Prod.	Print, Pub.	Pharmaceut.	Plastics	Metals

**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
Federal Income Tax	234,415	255,024	279,303	385,407	552,474	228,558	396,747
State Income Tax	18,767	20,467	22,365	31,048	44,721	18,244	32,012
Unemploy. and Workers' Comp.	70,897	54,055	27,946	27,520	22,717	38,022	55,940
Property	16,433	16,885	22,813	28,237	36,775	18,470	26,957
Franchise	1,870	1,834	2,205	2,500	2,500	1,808	2,500
Sales	5,308	8,922	4,691	5,971	14,514	4,584	6,867
Initial Construction	0	0	0	0	0	0	0
Initial Mach. and Equip.	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
Utilities	1,655	5,635	1,767	596	2,165	1,927	684
Repairs	305	1,300	722	30	1,416	861	469
Other Purchased Services	0	0	0	0	0	0	0
<b>Total Taxes</b>	<b>\$347,689</b>	<b>\$357,187</b>	<b>\$359,323</b>	<b>\$480,683</b>	<b>\$673,702</b>	<b>\$309,686</b>	<b>\$521,023</b>

**Alternative: Modified Version of Governor Finney's Plan**

Federal Taxable Income	\$643,643	\$667,517	\$747,799	\$1,055,037	\$1,446,716	\$621,318	\$1,091,416
Federal Income Tax	218,839	226,956	254,252	358,713	491,883	211,248	371,081
State Income Tax	17,680	18,344	20,540	29,176	40,165	17,015	30,221
Unemploy. and Workers' Comp.	70,897	54,055	27,946	27,520	22,717	38,022	55,940
Property	11,010	11,313	15,285	18,919	24,639	12,375	18,061
Franchise	1,870	1,834	2,205	2,500	2,500	1,808	2,500
Sales	47,453	88,365	76,250	79,080	183,284	53,608	76,101
Initial Construction	4,763	6,620	14,387	10,537	7,439	11,202	7,196
Initial Mach. and Equip.	18,176	15,285	9,961	26,608	46,997	8,941	31,026
Replace Mach. and Equip.	11,158	6,623	7,338	17,819	36,444	5,988	19,046
Utilities	8,276	28,174	8,837	2,979	10,824	9,636	3,418
Repairs	305	1,300	722	30	1,416	861	469
Other Purchased Services	4,776	30,363	35,005	21,107	80,164	16,980	14,945
<b>Total Taxes</b>	<b>\$367,748</b>	<b>\$400,868</b>	<b>\$396,478</b>	<b>\$515,907</b>	<b>\$765,189</b>	<b>\$334,076</b>	<b>\$553,905</b>

**Comparison: Alternative as % of Baseline**

Federal Income Tax	93.4%	89.0%	91.0%	93.1%	89.0%	92.4%	93.5%
State Income Tax	94.2%	89.6%	91.8%	94.0%	89.8%	93.3%	94.4%
Unemploy. and Workers' Comp.	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%
Franchise	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Sales	894.0%	990.4%	1625.4%	1324.3%	1262.8%	1169.4%	1108.2%
<b>Total Taxes</b>	<b>105.8%</b>	<b>112.2%</b>	<b>110.3%</b>	<b>107.3%</b>	<b>113.6%</b>	<b>107.9%</b>	<b>106.3%</b>

(Continued)

KC Johnson 353 Const. Mach.	KC Johnson 367 Electronics	KC Johnson 371 Motor V., Eq	KC Johnson 481 Telecom.	KC Johnson 508 Wholesale	KC Johnson 531 Retail	KC Johnson 737 Data Proc.	KC Johnson 873 Research	KC Johnson - HQ
\$1,116,346	\$1,405,063	\$2,520,405	\$2,885,320	\$795,060	\$458,948	\$228,476	\$1,696,440	\$696,684
379,558	477,721	856,938	981,009	270,321	156,042	72,356	576,790	236,873
30,553	38,615	69,564	39,322	21,611	12,587	6,097	46,645	8,587
37,432	21,157	60,815	44,610	46,097	17,673	21,862	24,400	22,100
28,747	32,115	58,356	107,616	23,309	76,253	28,990	39,810	58,000
2,500	2,500	2,500	1,769	2,169	1,466	549	2,500	1,225
10,146	17,285	16,339	39,275	3,132	7,637	3,911	64,497	13,504
0	0	0	1,094	0	0	0	0	0
0	0	0	18,319	0	0	0	0	0
7,860	15,159	13,122	14,206	1,687	6,835	3,484	63,704	7,847
983	931	1,468	4,801	734	518	205	336	4,801
1,303	1,195	1,749	855	710	284	222	457	855
0	0	0	0	0	0	0	0	0
\$488,934	\$589,394	\$1,064,511	\$1,213,601	\$366,638	\$271,659	\$133,766	\$754,642	\$340,288
\$1,036,711	\$1,270,958	\$2,358,217	\$2,884,010	\$718,286	\$445,201	\$203,109	\$1,586,128	\$690,843
352,482	432,126	801,794	980,563	244,217	151,337	62,462	539,284	234,887
28,638	35,235	65,694	39,303	19,699	12,275	5,411	44,059	8,516
37,432	21,157	60,815	44,610	46,097	17,673	21,862	24,400	22,100
19,260	21,517	39,098	72,103	15,617	51,089	19,423	26,673	38,860
2,500	2,500	2,500	1,769	2,169	1,466	549	2,500	1,225
85,398	143,126	164,197	87,221	78,383	39,971	36,410	164,395	74,682
13,655	6,438	13,499	3,647	16,383	8,246	3,307	7,539	4,082
21,339	41,155	71,248	18,319	6,871	8,350	2,838	51,886	10,652
26,200	50,530	43,738	14,206	5,624	6,835	3,484	63,704	7,847
4,913	4,655	7,340	4,801	3,670	2,590	1,025	1,678	4,801
1,303	1,195	1,749	855	710	284	222	457	855
17,988	39,153	26,623	45,393	45,124	13,666	25,534	39,132	46,444
\$525,710	\$655,661	\$1,134,098	\$1,225,569	\$406,181	\$273,811	\$146,118	\$801,310	\$380,269
92.9%	90.5%	93.6%	100.0%	90.3%	97.0%	86.3%	93.5%	99.2%
93.7%	91.2%	94.4%	100.0%	91.2%	97.5%	88.7%	94.5%	99.2%
100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%
100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
841.7%	828.0%	1005.0%	222.1%	2503.0%	523.4%	930.9%	254.9%	553.0%
107.5%	111.2%	106.5%	101.0%	110.8%	100.8%	109.2%	106.2%	111.7%

Modified Finney Plan Table 1

Appendix B Page 2

Comparison of Modified Version of Governor Finney's 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
Industry Code	201	204	267	275	283	307	344
Industry Name	Meat Prod.	Grain Mill	Paper Prod.	Print, Pub.	Pharmaceut.	Plastics	Metals

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
Federal Income Tax	210,925	230,887	246,693	345,043	499,906	202,156	358,213
State Income Tax	28,750	31,524	33,721	47,388	68,910	27,531	49,219
Unemploy. and Workers' Comp.	70,897	54,055	27,946	27,520	22,717	38,022	55,940
Property	85,523	87,875	118,724	146,953	191,388	96,122	140,291
Franchise	1,870	1,834	2,205	2,500	2,500	1,808	2,500
Sales	5,308	8,922	4,691	5,971	14,514	4,584	6,867
Initial Construction	0	0	0	0	0	0	0
Initial Mach. and Equip.	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
Utilities	1,655	5,635	1,767	596	2,165	1,927	684
Repairs	305	1,300	722	30	1,416	861	469
Other Purchased Services	0	0	0	0	0	0	0
<b>Total Taxes</b>	<b>\$403,271</b>	<b>\$415,097</b>	<b>\$433,980</b>	<b>\$575,376</b>	<b>\$799,935</b>	<b>\$370,223</b>	<b>\$613,030</b>

Alternative: Modified Version of Governor Finney's Plan

Federal Taxable Income	\$629,383	\$650,541	\$717,536	\$1,027,365	\$1,419,136	\$597,417	\$1,068,853
Federal Income Tax	213,990	221,184	243,962	349,304	482,506	203,122	363,410
State Income Tax	29,176	30,176	33,341	47,981	66,492	27,665	49,941
Unemploy. and Workers' Comp.	70,897	54,055	27,946	27,520	22,717	38,022	55,940
Property	57,300	58,876	79,544	98,458	128,229	64,401	93,994
Franchise	1,870	1,834	2,205	2,500	2,500	1,808	2,500
Sales	24,515	66,460	51,902	41,935	128,848	33,465	37,879
Initial Construction	0	0	0	0	0	0	0
Initial Mach. and Equip.	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
Utilities	8,276	28,174	8,837	2,979	10,824	9,636	3,418
Repairs	305	1,300	722	30	1,416	861	469
Other Purchased Services	4,776	30,363	35,005	21,107	80,164	16,980	14,945
<b>Total Taxes</b>	<b>\$397,747</b>	<b>\$432,585</b>	<b>\$438,902</b>	<b>\$567,697</b>	<b>\$831,292</b>	<b>\$368,483</b>	<b>\$603,664</b>

Comparison: Alternative as % of Baseline

Federal Income Tax	101.5%	95.8%	98.9%	101.2%	96.5%	100.5%	101.5%
State Income Tax	101.5%	95.7%	98.9%	101.2%	96.5%	100.5%	101.5%
Unemploy. and Workers' Comp.	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%
Franchise	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%
<b>Total Taxes</b>	<b>98.6%</b>	<b>104.2%</b>	<b>101.1%</b>	<b>98.7%</b>	<b>103.9%</b>	<b>99.5%</b>	<b>98.5%</b>

(Continued)

KC Johnson 353 Const. Mach.	KC Johnson 367 Electronics	KC Johnson 371 Motor V., Eq	KC Johnson 481 Telecom.	KC Johnson 508 Wholesale	KC Johnson 531 Retail	KC Johnson 737 Data Proc.	KC Johnson 873 Research	KC Johnson - HQ
\$995,488	\$1,270,044	\$2,275,062	\$2,887,963	\$697,063	\$458,948	\$228,476	\$1,529,068	\$696,684
338,466	431,815	773,521	981,908	237,001	156,042	72,356	519,883	236,873
46,474	59,447	106,934	39,358	32,374	21,123	10,233	71,686	14,406
37,432	21,157	60,815	44,610	46,097	17,673	21,862	24,400	22,100
149,604	167,133	303,698	107,616	121,307	76,253	28,990	207,183	58,000
2,500	2,500	2,500	1,769	2,169	1,466	549	2,500	1,225
10,146	17,285	16,339	19,862	3,132	7,637	3,911	64,497	13,504
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
7,860	15,159	13,122	14,206	1,687	6,835	3,484	63,704	7,847
983	931	1,468	4,801	734	518	205	336	4,801
1,303	1,195	1,749	855	710	284	222	457	855
0	0	0	0	0	0	0	0	0
\$584,622	\$699,338	\$1,263,807	\$1,195,123	\$442,079	\$280,195	\$137,901	\$890,148	\$346,107
\$1,004,600	\$1,246,952	\$2,312,172	\$2,887,000	\$685,098	\$468,375	\$211,688	\$1,556,964	\$693,353
341,564	423,964	786,139	981,580	232,933	159,247	65,808	529,368	235,740
46,905	58,356	108,688	39,345	31,808	21,568	9,440	73,004	14,335
37,432	21,157	60,815	44,610	46,097	17,673	21,862	24,400	22,100
100,234	111,978	203,476	72,103	81,275	51,089	19,423	138,812	38,860
2,500	2,500	2,500	1,769	2,169	1,466	549	2,500	1,225
50,404	95,532	79,451	65,255	55,128	23,374	30,266	104,971	59,947
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
26,200	50,530	43,738	14,206	5,624	6,835	3,484	63,704	7,847
4,913	4,655	7,340	4,801	3,670	2,590	1,025	1,678	4,801
1,303	1,195	1,749	855	710	284	222	457	855
17,988	39,153	26,623	45,393	45,124	13,666	25,534	39,132	46,444
\$579,039	\$713,488	\$1,241,068	\$1,204,661	\$449,411	\$274,419	\$147,349	\$873,054	\$372,207
100.9%	98.2%	101.6%	100.0%	98.3%	102.1%	91.0%	101.8%	99.5%
100.9%	98.2%	101.6%	100.0%	98.3%	102.1%	92.2%	101.8%	99.5%
100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%
100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
496.8%	552.7%	486.3%	328.5%	1760.4%	306.1%	773.8%	162.8%	443.9%
99.0%	102.0%	98.2%	100.8%	101.7%	97.9%	106.9%	98.1%	107.5%

Modified Finney Plan Table 2

Appendix B Page 4

Comparison of Modified Version of Governor Finney's 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
Industry Code	201	204	267	275	283	307	344	
Industry Name	Meat Prod.	Grain Mill	Paper Prod.	Print, Pub.	Pharmaceut.	Plastics	Metals	

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
Federal Income Tax	220,699	235,389	260,765	367,090	527,461	213,041	378,191
State Income Tax	17,501	18,706	20,648	29,307	42,358	16,812	30,261
Unemploy. and Workers' Comp.	73,498	56,038	28,971	28,529	23,550	39,417	57,993
Property	23,250	23,889	32,276	39,950	52,030	26,131	38,139
Franchise	1,870	1,834	2,205	2,500	2,500	1,808	2,500
Sales	5,769	9,698	5,099	6,491	15,776	4,983	7,464
Initial Construction	0	0	0	0	0	0	0
Initial Mach. and Equip.	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
Utilities	1,799	6,125	1,921	648	2,353	2,095	743
Repairs	332	1,413	785	32	1,539	936	510
Other Purchased Services	0	0	0	0	0	0	0
<b>Total Taxes</b>	<b>\$342,586</b>	<b>\$345,555</b>	<b>\$349,965</b>	<b>\$473,867</b>	<b>\$663,675</b>	<b>\$302,193</b>	<b>\$514,547</b>

Alternative: Modified Version of Governor Finney's Plan

Federal Taxable Income	\$601,097	\$604,417	\$689,338	\$997,391	\$1,361,631	\$573,253	\$1,033,192
Federal Income Tax	204,373	205,502	234,375	339,113	462,955	194,906	351,285
State Income Tax	16,403	16,486	18,782	27,416	37,593	15,571	28,452
Unemploy. and Workers' Comp.	73,498	56,038	28,971	28,529	23,550	39,417	57,993
Property	15,577	16,006	21,625	26,766	34,860	17,508	25,553
Franchise	1,870	1,834	2,205	2,500	2,500	1,808	2,500
Sales	51,579	96,049	82,880	85,957	199,222	58,269	82,718
Initial Construction	5,177	7,196	15,638	11,454	8,086	12,176	7,822
Initial Mach. and Equip.	19,756	16,614	10,827	28,922	51,084	9,718	33,724
Replace Mach. and Equip.	12,128	7,199	7,976	19,369	39,613	6,508	20,703
Utilities	8,995	30,624	9,606	3,238	11,766	10,474	3,716
Repairs	332	1,413	785	32	1,539	936	510
Other Purchased Services	5,191	33,003	38,049	22,942	87,135	18,457	16,245
<b>Total Taxes</b>	<b>\$363,299</b>	<b>\$391,915</b>	<b>\$388,839</b>	<b>\$510,282</b>	<b>\$760,680</b>	<b>\$327,479</b>	<b>\$548,501</b>

Comparison: Alternative as % of Baseline

Federal Income Tax	92.6%	87.3%	89.9%	92.4%	87.8%	91.5%	92.9%
State Income Tax	93.7%	88.1%	91.0%	93.5%	88.8%	92.6%	94.0%
Unemploy. and Workers' Comp.	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%
Franchise	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Sales	894.0%	990.4%	1625.4%	1324.3%	1262.8%	1169.4%	1108.2%
<b>Total Taxes</b>	<b>106.0%</b>	<b>113.4%</b>	<b>111.1%</b>	<b>107.7%</b>	<b>114.6%</b>	<b>108.4%</b>	<b>106.6%</b>

(Continued)

KC Wyandotte 353 Const. 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
\$1,052,456	\$1,344,707	\$2,432,403	\$2,874,432	\$740,854	\$409,684	\$168,402	\$1,621,374	\$684,716
357,835	457,200	827,017	977,307	251,890	139,293	48,927	551,267	232,803
28,525	36,660	66,588	39,171	19,900	11,199	4,405	44,212	8,434
38,805	21,934	63,046	46,247	47,788	18,322	22,664	25,295	22,911
40,671	45,436	82,562	152,256	32,978	107,883	41,016	56,324	82,058
2,500	2,500	2,500	1,769	2,169	1,466	549	2,500	1,225
11,028	18,788	17,760	42,691	3,404	8,301	4,252	70,105	14,678
0	0	0	1,189	0	0	0	0	0
0	0	0	19,912	0	0	0	0	0
8,543	16,477	14,263	15,441	1,834	7,429	3,787	69,244	8,530
1,068	1,012	1,596	5,219	798	563	223	365	5,219
1,416	1,299	1,901	930	772	309	242	497	930
0	0	0	0	0	0	0	0	0
\$479,364	\$582,519	\$1,059,472	\$1,259,440	\$358,129	\$286,464	\$121,813	\$749,703	\$362,109
\$969,007	\$1,202,416	\$2,262,425	\$2,874,143	\$659,925	\$402,991	\$143,966	\$1,505,776	\$679,132
329,462	408,821	769,225	977,208	224,374	136,674	39,405	511,964	230,905
26,591	33,150	62,718	39,167	17,940	11,092	3,747	41,605	8,366
38,805	21,934	63,046	46,247	47,788	18,322	22,664	25,295	22,911
27,249	30,442	55,316	102,011	22,095	72,282	27,480	37,737	54,979
2,500	2,500	2,500	1,769	2,169	1,466	549	2,500	1,225
92,824	155,572	178,475	94,806	85,199	43,446	39,576	178,691	81,176
14,842	6,998	14,672	3,964	17,808	8,963	3,594	8,194	4,437
23,195	44,734	77,443	19,912	7,468	9,076	3,084	56,397	11,579
28,478	54,924	47,542	15,441	6,113	7,429	3,787	69,244	8,530
5,341	5,060	7,978	5,219	3,990	2,815	1,114	1,824	5,219
1,416	1,299	1,901	930	772	309	242	497	930
19,552	42,557	28,938	49,340	49,048	14,854	27,755	42,535	50,482
\$517,432	\$652,419	\$1,131,280	\$1,261,208	\$399,565	\$283,282	\$133,423	\$797,791	\$399,562
92.1%	89.4%	93.0%	100.0%	89.1%	98.1%	80.5%	92.9%	99.2%
93.2%	90.4%	94.2%	100.0%	90.2%	99.0%	85.1%	94.1%	99.2%
100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%
100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
841.7%	828.0%	1005.0%	222.1%	2503.0%	523.4%	930.9%	254.9%	553.0%
107.9%	112.0%	106.8%	100.1%	111.6%	98.9%	109.5%	106.4%	110.3%

Modified Finney Plan Table 3

Appendix B Page 6

Comparison of Modified Version of Governor Finney's 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
Industry Code	201	204	267	275	283	307	344
Industry Name	Meat Prod.	Grain Mill	Paper Prod.	Print, Pub.	Pharmaceut.	Plastics	Metals

Baseline: No Tax Code Changes

Federal Taxable Income	\$551,368	\$591,884	\$631,261	\$911,716	\$1,332,611	\$516,730	\$951,981
Federal Income Tax	187,465	201,241	214,629	309,983	453,088	175,688	323,674
State Income Tax	25,490	27,404	29,265	42,516	62,403	23,853	44,419
Unemploy. and Workers' Comp.	73,498	56,038	28,971	28,529	23,550	39,417	57,993
Property	120,998	124,325	167,971	207,910	270,776	135,993	198,484
Franchise	1,870	1,834	2,205	2,500	2,500	1,808	2,500
Sales	5,769	9,698	5,099	6,491	15,776	4,983	7,464
Initial Construction	0	0	0	0	0	0	0
Initial Mach. and Equip.	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
Utilities	1,799	6,125	1,921	648	2,353	2,095	743
Repairs	332	1,413	785	32	1,539	936	510
Other Purchased Services	0	0	0	0	0	0	0
<b>Total Taxes</b>	<b>\$415,089</b>	<b>\$420,540</b>	<b>\$448,140</b>	<b>\$597,929</b>	<b>\$828,094</b>	<b>\$381,742</b>	<b>\$634,532</b>

Alternative: Modified Version of Governor Finney's Plan

Federal Taxable Income	\$570,420	\$570,370	\$635,375	\$941,235	\$1,297,691	\$530,216	\$983,772
Federal Income Tax	193,943	193,926	216,028	320,020	441,215	180,274	334,483
State Income Tax	26,390	26,387	29,459	43,911	60,753	24,490	45,921
Unemploy. and Workers' Comp.	73,498	56,038	28,971	28,529	23,550	39,417	57,993
Property	81,069	83,298	112,540	139,299	181,420	91,115	132,984
Franchise	1,870	1,834	2,205	2,500	2,500	1,808	2,500
Sales	26,646	72,239	56,416	45,581	140,052	36,375	41,173
Initial Construction	0	0	0	0	0	0	0
Initial Mach. and Equip.	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
Utilities	8,995	30,624	9,606	3,238	11,766	10,474	3,716
Repairs	332	1,413	785	32	1,539	936	510
Other Purchased Services	5,191	33,003	38,049	22,942	87,135	18,457	16,245
<b>Total Taxes</b>	<b>\$403,415</b>	<b>\$433,723</b>	<b>\$445,619</b>	<b>\$579,841</b>	<b>\$849,491</b>	<b>\$373,479</b>	<b>\$615,052</b>

Comparison: Alternative as % of Baseline

Federal Income Tax	103.5%	96.4%	100.7%	103.2%	97.4%	102.6%	103.3%
State Income Tax	103.5%	96.3%	100.7%	103.3%	97.4%	102.7%	103.4%
Unemploy. and Workers' Comp.	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%
Franchise	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%
<b>Total Taxes</b>	<b>97.2%</b>	<b>103.1%</b>	<b>99.4%</b>	<b>97.0%</b>	<b>102.6%</b>	<b>97.8%</b>	<b>96.9%</b>

(Continued)

KC Wyandotte 353 Const. 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
\$881,466	\$1,153,683	\$2,085,292	\$2,877,305	\$602,207	\$409,684	\$168,402	\$1,384,575	\$684,716
299,699	392,252	708,999	978,284	204,751	139,293	48,927	470,755	232,803
41,087	53,949	97,968	39,211	27,892	18,795	7,395	64,859	14,149
38,805	21,934	63,046	46,247	47,788	18,322	22,664	25,295	22,911
211,661	236,460	429,672	152,256	171,625	107,883	41,016	293,123	82,058
2,500	2,500	2,500	1,769	2,169	1,466	549	2,500	1,225
11,028	18,788	17,760	21,589	3,404	8,301	4,252	70,105	14,678
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
8,543	16,477	14,263	15,441	1,834	7,429	3,787	69,244	8,530
1,068	1,012	1,596	5,219	798	563	223	365	5,219
1,416	1,299	1,901	930	772	309	242	497	930
0	0	0	0	0	0	0	0	0
\$604,779	\$725,884	\$1,319,945	\$1,239,355	\$457,628	\$294,060	\$124,802	\$926,637	\$367,825
\$907,555	\$1,146,664	\$2,158,484	\$2,877,393	\$602,325	\$428,180	\$153,291	\$1,437,312	\$681,861
308,569	389,866	733,885	978,314	204,791	145,581	43,034	488,686	231,833
42,319	53,617	101,426	39,212	27,897	19,669	6,681	67,350	14,088
38,805	21,934	63,046	46,247	47,788	18,322	22,664	25,295	22,911
141,812	158,428	287,880	102,011	114,988	72,282	27,480	196,392	54,979
2,500	2,500	2,500	1,769	2,169	1,466	549	2,500	1,225
54,787	103,840	86,359	70,930	59,922	25,407	32,898	114,099	65,160
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
28,478	54,924	47,542	15,441	6,113	7,429	3,787	69,244	8,530
5,341	5,060	7,978	5,219	3,990	2,815	1,114	1,824	5,219
1,416	1,299	1,901	930	772	309	242	497	930
19,552	42,557	28,938	49,340	49,048	14,854	27,755	42,535	50,482
\$588,793	\$730,185	\$1,275,096	\$1,238,482	\$457,555	\$282,727	\$133,305	\$894,322	\$390,195
103.0%	99.4%	103.5%	100.0%	100.0%	104.5%	88.0%	103.8%	99.6%
103.0%	99.4%	103.5%	100.0%	100.0%	104.6%	90.3%	103.8%	99.6%
100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%
100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
496.8%	552.7%	486.3%	328.5%	1760.4%	306.1%	773.8%	162.8%	443.9%
97.4%	100.6%	96.6%	99.9%	100.0%	96.1%	106.8%	96.5%	106.1%

Modified Finney Plan Table 4

Appendix B Page 8



**Comparison of Modified Version of Governor Finney's Tax Plan with Baseline Tax Simulations  
Sedgwick County: New Firms Located in Enterprise Zones**

Location	Wichita	Wichita	Wichita	Wichita	Wichita	Wichita	Wichita
Industry Code	201	204	267	275	283	307	344
Industry Name	Meat Prod.	Grain Mill	Paper Prod.	Print, Pub.	Pharmaceut.	Plastics	Metals

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
Federal Income Tax	225,902	238,977	269,261	376,539	538,308	218,739	387,075
State Income Tax	18,032	19,108	21,500	30,264	43,476	17,404	31,160
Unemploy. and Workers' Comp.	72,531	55,302	28,590	28,154	23,241	38,899	57,230
Property	18,040	18,421	24,523	30,841	40,587	19,884	29,634
Franchise	1,845	1,800	2,132	2,500	2,500	1,751	2,500
Sales	4,901	8,333	4,354	5,480	13,319	4,283	6,298
Initial Construction	0	0	0	0	0	0	0
Initial Mach. and Equip.	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
Utilities	1,566	5,331	1,684	572	2,044	1,857	652
Repairs	279	1,187	660	27	1,293	786	428
Other Purchased Services	0	0	0	0	0	0	0
<b>Total Taxes</b>	<b>\$341,252</b>	<b>\$341,940</b>	<b>\$350,360</b>	<b>\$473,779</b>	<b>\$661,430</b>	<b>\$300,959</b>	<b>\$513,897</b>

Alternative: Modified Version of Governor Finney's Plan

Federal Taxable Income	\$624,045	\$628,683	\$727,646	\$1,038,833	\$1,423,643	\$599,061	\$1,072,096
Federal Income Tax	212,175	213,752	247,400	353,203	484,039	203,681	364,513
State Income Tax	17,097	17,220	19,935	28,668	39,444	16,358	29,625
Unemploy. and Workers' Comp.	72,531	55,302	28,590	28,154	23,241	38,899	57,230
Property	12,087	12,342	16,431	20,663	27,193	13,323	19,855
Franchise	1,845	1,800	2,132	2,500	2,500	1,751	2,500
Sales	43,118	80,941	68,512	71,274	166,929	48,295	68,895
Initial Construction	3,865	5,373	11,676	8,552	6,037	9,091	5,840
Initial Mach. and Equip.	16,595	13,956	9,094	24,294	42,911	8,163	28,328
Replace Mach. and Equip.	10,188	6,048	6,700	16,270	33,275	5,467	17,390
Utilities	7,831	26,655	8,421	2,859	10,220	9,284	3,262
Repairs	279	1,187	660	27	1,293	786	428
Other Purchased Services	4,360	27,722	31,961	19,271	73,193	15,504	13,645
<b>Total Taxes</b>	<b>\$358,854</b>	<b>\$381,357</b>	<b>\$382,999</b>	<b>\$504,463</b>	<b>\$743,345</b>	<b>\$322,306</b>	<b>\$542,618</b>

Comparison: Alternative as % of Baseline

Federal Income Tax	93.9%	89.4%	91.9%	93.8%	89.9%	93.1%	94.2%
State Income Tax	94.8%	90.1%	92.7%	94.7%	90.7%	94.0%	95.1%
Unemploy. and Workers' Comp.	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%
Franchise	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Sales	879.7%	971.4%	1573.7%	1300.6%	1253.3%	1127.6%	1093.9%
<b>Total Taxes</b>	<b>105.2%</b>	<b>111.5%</b>	<b>109.3%</b>	<b>106.5%</b>	<b>112.4%</b>	<b>107.1%</b>	<b>105.6%</b>

(Continued)

Wichita 353 Const. 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
\$1,084,567	\$1,372,820	\$2,476,664	\$2,880,897	\$773,382	\$446,659	\$198,083	\$1,668,005	\$690,768
368,753	466,759	842,066	979,505	262,950	151,864	60,502	567,122	234,861
29,611	37,645	68,201	39,260	20,970	12,241	5,242	45,768	8,511
38,295	21,645	62,217	45,639	47,160	18,081	22,366	24,962	22,609
31,201	35,447	64,291	118,958	24,944	82,317	31,236	43,971	63,375
2,500	2,500	2,500	1,750	2,085	1,424	532	2,500	1,204
9,307	15,830	14,980	36,022	2,891	7,001	3,581	58,904	12,602
0	0	0	888	0	0	0	0	0
0	0	0	16,726	0	0	0	0	0
7,177	13,841	11,981	12,970	1,540	6,240	3,181	58,165	7,165
941	898	1,403	4,656	702	501	197	323	4,656
1,190	1,092	1,597	781	649	260	203	417	781
0	0	0	0	0	0	0	0	0
\$479,668	\$579,826	\$1,054,255	\$1,221,133	\$360,999	\$272,928	\$123,459	\$743,228	\$343,163
\$1,015,251	\$1,253,119	\$2,333,875	\$2,880,402	\$706,685	\$439,351	\$176,924	\$1,570,804	\$685,925
345,185	426,061	793,518	979,337	240,273	149,379	52,250	534,073	233,214
27,984	34,671	64,896	39,254	19,335	12,100	4,670	43,550	8,452
38,295	21,645	62,217	45,639	47,160	18,081	22,366	24,962	22,609
20,905	23,750	43,075	79,701	16,712	55,152	20,928	29,461	42,461
2,500	2,500	2,500	1,750	2,085	1,424	532	2,500	1,204
76,806	130,266	148,861	79,540	70,064	35,801	32,958	149,416	68,046
11,082	5,225	10,955	2,960	13,297	6,693	2,684	6,118	3,313
19,484	37,577	65,052	16,726	6,273	7,624	2,591	47,374	9,726
23,922	46,136	39,935	12,970	5,135	6,240	3,181	58,165	7,165
4,705	4,489	7,013	4,656	3,511	2,507	985	1,613	4,656
1,190	1,092	1,597	781	649	260	203	417	781
16,424	35,748	24,308	41,446	41,200	12,477	23,314	35,729	42,405
\$511,675	\$638,892	\$1,115,066	\$1,225,220	\$395,629	\$271,937	\$133,704	\$783,963	\$375,988
93.6%	91.3%	94.2%	100.0%	91.4%	98.4%	86.4%	94.2%	99.3%
94.5%	92.1%	95.2%	100.0%	92.2%	98.8%	89.1%	95.2%	99.3%
100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%
100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
825.2%	822.9%	993.7%	220.8%	2423.4%	511.3%	920.3%	253.7%	540.0%
106.7%	110.2%	105.8%	100.3%	109.6%	99.6%	108.3%	105.5%	109.6%

Modified Finney Plan Table 5

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**Comparison of Modified Version of Governor Finney's Tax Plan with Baseline Tax Simulations  
Sedgwick County: Established Firms**

Location	Wichita	Wichita	Wichita	Wichita	Wichita	Wichita	Wichita
Industry Code	201	204	267	275	283	307	344
Industry Name	Meat Prod.	Grain Mill	Paper Prod.	Print, Pub.	Pharmaceut.	Plastics	Metals

**Baseline: No Tax Code Changes**

Federal Taxable Income	\$588,572	\$625,427	\$688,842	\$977,805	\$1,412,619	\$559,751	\$1,013,865
Federal Income Tax	200,114	212,645	234,206	332,454	480,290	190,315	344,714
State Income Tax	27,248	28,989	31,985	45,639	66,184	25,886	47,343
Unemploy. and Workers' Comp.	72,531	55,302	28,590	28,154	23,241	38,899	57,230
Property	93,886	95,866	127,625	160,504	211,225	103,484	154,224
Franchise	1,845	1,800	2,132	2,500	2,500	1,751	2,500
Sales	4,901	8,333	4,354	5,480	13,319	4,283	6,298
Initial Construction	0	0	0	0	0	0	0
Initial Mach. and Equip.	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
Utilities	1,566	5,331	1,684	572	2,044	1,857	652
Repairs	279	1,187	660	27	1,293	786	428
Other Purchased Services	0	0	0	0	0	0	0
<b>Total Taxes</b>	<b>\$400,526</b>	<b>\$402,935</b>	<b>\$428,892</b>	<b>\$574,730</b>	<b>\$796,760</b>	<b>\$364,617</b>	<b>\$612,309</b>

**Alternative: Modified Version of Governor Finney's Plan**

Federal Taxable Income	\$601,798	\$603,783	\$687,571	\$997,824	\$1,377,662	\$567,143	\$1,036,331
Federal Income Tax	204,611	205,286	233,774	339,260	468,405	192,829	352,352
State Income Tax	27,872	27,966	31,925	46,585	64,532	26,235	48,404
Unemploy. and Workers' Comp.	72,531	55,302	28,590	28,154	23,241	38,899	57,230
Property	62,904	64,230	85,509	107,537	141,521	69,334	103,330
Franchise	1,845	1,800	2,132	2,500	2,500	1,751	2,500
Sales	22,658	61,613	47,741	38,427	117,981	31,041	34,726
Initial Construction	0	0	0	0	0	0	0
Initial Mach. and Equip.	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
Utilities	7,831	26,655	8,421	2,859	10,220	9,284	3,262
Repairs	279	1,187	660	27	1,293	786	428
Other Purchased Services	4,360	27,722	31,961	19,271	73,193	15,504	13,645
<b>Total Taxes</b>	<b>\$392,422</b>	<b>\$416,198</b>	<b>\$429,671</b>	<b>\$562,464</b>	<b>\$818,180</b>	<b>\$360,087</b>	<b>\$598,543</b>

**Comparison: Alternative as % of Baseline**

Federal Income Tax	102.2%	96.5%	99.8%	102.0%	97.5%	101.3%	102.2%
State Income Tax	102.3%	96.5%	99.8%	102.1%	97.5%	101.3%	102.2%
Unemploy. and Workers' Comp.	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%
Franchise	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%
<b>Total Taxes</b>	<b>98.0%</b>	<b>103.3%</b>	<b>100.2%</b>	<b>97.9%</b>	<b>102.7%</b>	<b>98.8%</b>	<b>97.8%</b>

(Continued)

Wichita 353 Const. 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
\$953,388	\$1,223,791	\$2,206,369	\$2,883,295	\$668,511	\$446,659	\$198,083	\$1,483,139	\$690,768
324,152	416,089	750,165	980,320	227,294	151,864	60,502	504,267	234,861
44,485	57,262	103,688	39,294	31,025	20,542	8,797	69,516	14,279
38,295	21,645	62,217	45,639	47,160	18,081	22,366	24,962	22,609
162,380	184,477	334,586	118,958	129,815	82,317	31,236	228,836	63,375
2,500	2,500	2,500	1,750	2,085	1,424	532	2,500	1,204
9,307	15,830	14,980	18,408	2,891	7,001	3,581	58,904	12,602
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
7,177	13,841	11,981	12,970	1,540	6,240	3,181	58,165	7,165
941	898	1,403	4,656	702	501	197	323	4,656
1,190	1,092	1,597	781	649	260	203	417	781
0	0	0	0	0	0	0	0	0
\$581,119	\$697,803	\$1,268,137	\$1,204,368	\$440,269	\$281,229	\$127,015	\$888,986	\$348,931
\$970,041	\$1,213,035	\$2,258,909	\$2,883,082	\$663,748	\$459,341	\$184,289	\$1,521,636	\$688,146
329,814	412,432	768,029	980,248	225,674	156,176	55,123	517,356	233,970
45,272	56,753	106,171	39,291	30,800	21,141	8,145	71,335	14,223
38,295	21,645	62,217	45,639	47,160	18,081	22,366	24,962	22,609
108,794	123,599	224,172	79,701	86,976	55,152	20,928	153,320	42,461
2,500	2,500	2,500	1,750	2,085	1,424	532	2,500	1,204
46,240	87,464	72,853	59,853	50,494	21,484	27,683	95,924	55,007
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
23,922	46,136	39,935	12,970	5,135	6,240	3,181	58,165	7,165
4,705	4,489	7,013	4,656	3,511	2,507	985	1,613	4,656
1,190	1,092	1,597	781	649	260	203	417	781
16,424	35,748	24,308	41,446	41,200	12,477	23,314	35,729	42,405
\$570,915	\$704,394	\$1,235,943	\$1,206,482	\$443,188	\$273,458	\$134,777	\$865,397	\$369,474
101.7%	99.1%	102.4%	100.0%	99.3%	102.8%	91.1%	102.6%	99.6%
101.8%	99.1%	102.4%	100.0%	99.3%	102.9%	92.6%	102.6%	99.6%
100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%
100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
496.8%	552.5%	486.3%	325.2%	1746.5%	306.9%	773.0%	162.8%	436.5%
98.2%	100.9%	97.5%	100.2%	100.7%	97.2%	106.1%	97.3%	105.9%

Modified Finney Plan Table 6

Appendix B Page 12

**Comparison of Modified Version of Governor Finney's 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
Industry Code	201	204	267	275	283	307	344
Industry Name	Meat Prod.	Grain Mill	Paper Prod.	Print, Pub.	Pharmaceut.	Plastics	Metals

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
Federal Income Tax	285,427	337,483	354,869	449,448	638,718	289,034	459,242
State Income Tax	22,953	27,271	28,634	36,304	51,976	23,258	37,118
Unemploy. and Workers' Comp.	60,785	46,346	23,960	23,595	19,477	32,599	47,962
Property	18,524	18,280	22,324	30,802	42,857	18,268	30,654
Franchise	1,728	1,637	1,777	2,500	2,500	1,475	2,500
Sales	5,187	8,566	4,589	5,962	14,314	4,543	6,847
Initial Construction	0	0	0	0	0	0	0
Initial Mach. and Equip.	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
Utilities	1,535	5,279	1,665	587	1,965	1,886	664
Repairs	305	1,300	722	30	1,416	861	469
Other Purchased Services	0	0	0	0	0	0	0
<b>Total Taxes</b>	<b>\$394,604</b>	<b>\$439,582</b>	<b>\$436,153</b>	<b>\$548,612</b>	<b>\$769,842</b>	<b>\$369,176</b>	<b>\$584,324</b>

Alternative: Modified Version of Governor Finney's Plan

Federal Taxable Income	\$795,523	\$912,861	\$972,328	\$1,245,765	\$1,704,228	\$800,869	\$1,277,539
Federal Income Tax	270,478	310,373	330,591	423,560	579,438	272,295	434,363
State Income Tax	21,928	25,234	26,864	34,510	47,337	22,070	35,413
Unemploy. and Workers' Comp.	60,785	46,346	23,960	23,595	19,477	32,599	47,962
Property	12,411	12,248	14,957	20,637	28,714	12,240	20,538
Franchise	1,728	1,637	1,777	2,500	2,500	1,475	2,500
Sales	46,369	85,917	74,286	77,970	181,535	52,268	75,277
Initial Construction	4,282	5,951	12,934	9,473	6,687	10,070	6,469
Initial Mach. and Equip.	18,176	15,285	9,961	26,608	46,997	8,941	31,026
Replace Mach. and Equip.	11,158	6,623	7,338	17,819	36,444	5,988	19,046
Utilities	7,673	26,394	8,327	2,933	9,826	9,428	3,321
Repairs	305	1,300	722	30	1,416	861	469
Other Purchased Services	4,776	30,363	35,005	21,107	80,164	16,980	14,945
<b>Total Taxes</b>	<b>\$413,699</b>	<b>\$481,754</b>	<b>\$472,436</b>	<b>\$582,772</b>	<b>\$859,000</b>	<b>\$392,947</b>	<b>\$616,053</b>

Comparison: Alternative as % of Baseline

Federal Income Tax	94.8%	92.0%	93.2%	94.2%	90.7%	94.2%	94.6%
State Income Tax	95.5%	92.5%	93.8%	95.1%	91.1%	94.9%	95.4%
Unemploy. and Workers' Comp.	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%
Franchise	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Sales	893.9%	1003.0%	1618.8%	1307.7%	1268.2%	1150.6%	1099.4%
<b>Total Taxes</b>	<b>104.8%</b>	<b>109.6%</b>	<b>108.3%</b>	<b>106.2%</b>	<b>111.6%</b>	<b>106.4%</b>	<b>105.4%</b>

(Continued)

Medium City 353 Const. 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
\$1,352,878	\$1,595,993	\$2,795,553	\$2,908,338	\$1,012,990	\$546,723	\$423,123	\$1,915,798	\$731,970
459,979	542,638	950,488	988,835	344,417	185,886	143,862	651,371	248,870
37,189	43,891	83,085	39,640	27,773	15,059	11,580	52,718	9,039
32,093	18,140	52,141	38,248	39,522	15,153	18,744	20,920	18,948
30,081	37,451	67,267	126,629	22,075	76,874	28,837	46,618	63,443
2,500	2,500	2,500	1,660	1,682	1,221	450	2,500	1,104
10,120	17,267	16,284	39,110	3,115	7,634	3,908	64,491	13,449
0	0	0	984	0	0	0	0	0
0	0	0	18,319	0	0	0	0	0
7,860	15,159	13,122	14,206	1,687	6,835	3,484	63,704	7,847
957	913	1,413	4,747	718	515	202	330	4,747
1,303	1,195	1,749	855	710	284	222	457	855
0	0	0	0	0	0	0	0	0
\$571,962	\$661,886	\$1,171,765	\$1,234,122	\$438,583	\$301,827	\$207,381	\$838,619	\$354,852
\$1,275,713	\$1,464,631	\$2,638,430	\$2,907,674	\$938,183	\$534,355	\$398,186	\$1,808,817	\$726,419
433,743	497,975	897,066	988,609	318,982	181,681	135,383	614,998	246,982
35,346	40,618	76,895	39,630	25,901	14,782	10,904	50,240	8,971
32,093	18,140	52,141	38,248	39,522	15,153	18,744	20,920	18,948
20,154	25,092	45,069	84,841	14,790	51,506	19,321	31,234	42,506
2,500	2,500	2,500	1,660	1,682	1,221	450	2,500	1,104
83,889	142,383	162,558	86,799	76,646	39,125	36,059	163,608	74,215
12,275	5,788	12,135	3,278	14,729	7,413	2,973	6,777	3,670
21,339	41,155	71,248	18,319	6,871	8,350	2,838	51,886	10,652
26,200	50,530	43,738	14,206	5,624	6,835	3,484	63,704	7,847
4,784	4,563	7,065	4,747	3,589	2,577	1,008	1,652	4,747
1,303	1,195	1,749	855	710	284	222	457	855
17,988	39,153	26,623	45,393	45,124	13,666	25,534	39,132	46,444
\$607,726	\$726,708	\$1,236,230	\$1,239,787	\$477,523	\$303,466	\$220,861	\$883,499	\$392,727
94.3%	91.8%	94.4%	100.0%	92.6%	97.7%	94.1%	94.4%	99.2%
95.0%	92.5%	92.6%	100.0%	93.3%	98.2%	94.2%	95.3%	99.3%
100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%
100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
829.0%	824.6%	998.3%	221.9%	2460.3%	512.5%	922.7%	253.7%	551.8%
106.3%	109.8%	105.5%	100.5%	108.9%	100.5%	106.5%	105.4%	110.7%

Modified Finney Plan Table 7

Appendix B Page 14

Comparison of Modified Version of Governor Finney's 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
Industry Code	201	204	267	275	283	307	344
Industry Name	Meat Prod.	Grain Mill	Paper Prod.	Print, Pub.	Pharmaceut.	Plastics	Metals

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
Federal Income Tax	258,949	311,352	322,958	405,418	577,456	262,920	415,423
State Income Tax	35,424	42,706	44,319	55,779	79,687	35,976	57,169
Unemploy. and Workers' Comp.	60,785	46,346	23,960	23,595	19,477	32,599	47,962
Property	96,401	95,134	116,178	160,303	223,038	95,073	159,534
Franchise	1,728	1,637	1,777	2,500	2,500	1,475	2,500
Sales	5,187	8,566	4,589	5,962	14,314	4,543	6,847
Initial Construction	0	0	0	0	0	0	0
Initial Mach. and Equip.	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
Utilities	1,535	5,279	1,665	587	1,965	1,886	664
Repairs	305	1,300	722	30	1,416	861	469
Other Purchased Services	0	0	0	0	0	0	0
<b>Total Taxes</b>	<b>\$458,474</b>	<b>\$505,741</b>	<b>\$513,782</b>	<b>\$653,557</b>	<b>\$916,472</b>	<b>\$432,585</b>	<b>\$689,436</b>

Alternative: Modified Version of Governor Finney's Plan

Federal Taxable Income	\$774,703	\$891,022	\$941,414	\$1,209,381	\$1,658,468	\$775,955	\$1,243,545
Federal Income Tax	263,399	302,947	320,081	411,189	563,879	263,825	422,805
State Income Tax	36,042	41,538	43,919	56,581	77,800	36,101	58,195
Unemploy. and Workers' Comp.	60,785	46,346	23,960	23,595	19,477	32,599	47,962
Property	64,588	63,739	77,839	107,402	149,435	63,699	106,887
Franchise	1,728	1,637	1,777	2,500	2,500	1,475	2,500
Sales	23,912	64,681	51,392	41,889	127,850	33,257	37,782
Initial Construction	0	0	0	0	0	0	0
Initial Mach. and Equip.	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
Utilities	7,673	26,394	8,327	2,933	9,826	9,428	3,321
Repairs	305	1,300	722	30	1,416	861	469
Other Purchased Services	4,776	30,363	35,005	21,107	80,164	16,980	14,945
<b>Total Taxes</b>	<b>\$450,455</b>	<b>\$520,889</b>	<b>\$518,968</b>	<b>\$643,156</b>	<b>\$940,941</b>	<b>\$430,955</b>	<b>\$676,131</b>

Comparison: Alternative as % of Baseline

Federal Income Tax	101.7%	97.3%	99.1%	101.4%	97.6%	100.3%	101.8%
State Income Tax	101.7%	97.3%	99.1%	101.4%	97.6%	100.3%	101.8%
Unemploy. and Workers' Comp.	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%
Franchise	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%
<b>Total Taxes</b>	<b>98.3%</b>	<b>103.0%</b>	<b>101.0%</b>	<b>98.4%</b>	<b>102.7%</b>	<b>99.6%</b>	<b>98.1%</b>

(Continued)

Medium City 353 Const. 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
\$1,226,408	\$1,438,540	\$2,512,745	\$2,910,965	\$920,181	\$546,723	\$423,123	\$1,719,804	\$731,970
416,979	489,104	854,333	989,728	312,861	185,886	143,862	584,734	248,870
57,385	67,409	118,165	39,676	42,916	25,270	19,430	80,698	15,164
32,093	18,140	52,141	38,248	39,522	15,153	18,744	20,920	18,948
156,551	194,904	350,074	126,629	114,884	76,874	28,837	242,612	63,443
2,500	2,500	2,500	1,660	1,682	1,221	450	2,500	1,104
10,120	17,267	16,284	19,808	3,115	7,634	3,908	64,491	13,449
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
7,860	15,159	13,122	14,206	1,687	6,835	3,484	63,704	7,847
957	913	1,413	4,747	718	515	202	330	4,747
1,303	1,195	1,749	855	710	284	222	457	855
0	0	0	0	0	0	0	0	0
\$675,629	\$789,323	\$1,393,497	\$1,215,749	\$514,981	\$312,039	\$215,232	\$995,955	\$360,978
\$1,237,916	\$1,424,686	\$2,565,379	\$2,910,614	\$906,161	\$556,365	\$406,299	\$1,759,414	\$728,859
420,891	484,393	872,229	989,609	308,095	189,164	138,142	598,201	247,812
57,929	66,754	120,652	39,671	42,254	25,726	18,635	82,570	15,098
32,093	18,140	52,141	38,248	39,522	15,153	18,744	20,920	18,948
104,889	130,585	234,549	84,841	76,972	51,506	19,321	162,549	42,506
2,500	2,500	2,500	1,660	1,682	1,221	450	2,500	1,104
50,275	95,440	79,175	65,201	55,047	23,361	30,249	104,945	59,893
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
26,200	50,530	43,738	14,206	5,624	6,835	3,484	63,704	7,847
4,784	4,563	7,065	4,747	3,589	2,577	1,008	1,652	4,747
1,303	1,195	1,749	855	710	284	222	457	855
17,988	39,153	26,623	45,393	45,124	13,666	25,534	39,132	46,444
\$668,577	\$797,812	\$1,361,246	\$1,219,230	\$523,571	\$306,131	\$225,541	\$971,684	\$385,360
100.9%	99.0%	102.1%	100.0%	98.5%	101.8%	96.0%	102.3%	99.6%
100.9%	99.0%	102.1%	100.0%	98.5%	101.8%	95.9%	102.3%	99.6%
100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%
100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
496.8%	552.7%	486.2%	329.2%	1767.0%	306.0%	774.0%	162.7%	445.3%
99.0%	101.1%	97.7%	100.3%	101.7%	98.1%	104.8%	97.6%	106.8%



**Comparison of Modified Version of Governor Finney's 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
Industry Code	201	204	267	275	283	307	344
Industry Name	Meat Prod.	Grain Mill	Paper Prod.	Print, Pub.	Pharmaceut.	Plastics	Metals

**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
Federal Income Tax	295,086	338,531	371,336	468,498	657,602	302,534	478,181
State Income Tax	23,690	27,297	29,928	37,779	54,662	24,318	38,582
Unemploy. and Workers' Comp.	56,645	43,189	22,328	21,988	18,150	30,379	44,695
Property	21,829	21,470	25,984	36,200	50,637	21,285	36,150
Franchise	1,718	1,623	1,747	2,500	2,500	1,451	2,500
Sales	5,436	9,416	4,838	6,041	14,645	4,785	6,943
Initial Construction	0	0	0	0	0	0	0
Initial Mach. and Equip.	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
Utilities	1,783	6,128	1,914	665	2,296	2,128	759
Repairs	305	1,300	722	30	1,416	861	469
Other Purchased Services	0	0	0	0	0	0	0
<b>Total Taxes</b>	<b>\$404,403</b>	<b>\$441,526</b>	<b>\$456,160</b>	<b>\$573,006</b>	<b>\$798,197</b>	<b>\$384,752</b>	<b>\$607,050</b>

**Alternative: Modified Version of Governor Finney's Plan**

Federal Taxable Income	\$824,160	\$913,786	\$1,021,378	\$1,303,557	\$1,761,222	\$840,915	\$1,334,876
Federal Income Tax	280,214	310,687	347,269	443,209	598,816	285,911	453,858
State Income Tax	22,692	25,218	28,197	36,068	48,842	23,158	36,956
Unemploy. and Workers' Comp.	56,645	43,189	22,328	21,988	18,150	30,379	44,695
Property	14,625	14,385	17,409	24,254	33,927	14,261	24,220
Franchise	1,718	1,623	1,747	2,500	2,500	1,451	2,500
Sales	47,517	90,031	75,240	78,149	183,040	53,254	75,608
Initial Construction	4,185	5,818	12,643	9,260	6,537	9,844	6,324
Initial Mach. and Equip.	18,176	15,285	9,961	26,608	46,997	8,941	31,026
Replace Mach. and Equip.	11,158	6,623	7,338	17,819	36,444	5,988	19,046
Utilities	8,917	30,642	9,571	3,324	11,481	10,641	3,797
Repairs	305	1,300	722	30	1,416	861	469
Other Purchased Services	4,776	30,363	35,005	21,107	80,164	16,980	14,945
<b>Total Taxes</b>	<b>\$423,411</b>	<b>\$485,134</b>	<b>\$492,190</b>	<b>\$606,168</b>	<b>\$885,274</b>	<b>\$408,414</b>	<b>\$637,837</b>

**Comparison: Alternative as % of Baseline**

Federal Income Tax	95.0%	91.8%	93.5%	94.6%	91.1%	94.5%	94.9%
State Income Tax	95.8%	92.4%	94.2%	95.5%	89.4%	95.2%	95.8%
Unemploy. and Workers' Comp.	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%
Franchise	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Sales	874.1%	956.2%	1555.2%	1293.7%	1249.8%	1112.9%	1089.0%
<b>Total Taxes</b>	<b>104.7%</b>	<b>109.9%</b>	<b>107.9%</b>	<b>105.8%</b>	<b>110.9%</b>	<b>106.1%</b>	<b>105.1%</b>

(Continued)

Small City 353 Const. Mach.	Small City 367 Electronics	Small City 371 Motor V., Eq	Small City 481 Telecom.	Small City 508 Wholesale	Small City 531 Retail	Small City 737 Data Proc.	Small City 873 Research	Small City - HQ
\$1,420,225	\$1,652,871	\$2,867,802	\$2,915,884	\$1,083,100	\$562,467	\$494,930	\$1,993,060	\$744,806
482,877	561,976	975,053	991,401	368,254	191,239	168,276	677,640	253,234
38,988	45,363	86,611	39,744	29,680	15,502	13,602	55,400	9,203
29,908	16,904	48,590	35,643	36,830	14,121	17,467	19,495	17,657
35,228	44,252	79,411	149,730	25,614	89,727	33,617	55,102	74,578
2,500	2,500	2,500	1,652	1,646	1,203	443	2,500	1,095
10,252	17,383	16,485	39,648	3,215	7,696	3,935	64,535	14,009
0	0	0	961	0	0	0	0	0
0	0	0	18,319	0	0	0	0	0
7,860	15,159	13,122	14,206	1,687	6,835	3,484	63,704	7,847
1,089	1,028	1,615	5,306	818	577	228	374	5,306
1,303	1,195	1,749	855	710	284	222	457	855
0	0	0	0	0	0	0	0	0
\$599,751	\$688,379	\$1,208,649	\$1,257,817	\$465,241	\$319,488	\$237,341	\$874,672	\$369,776
\$1,344,615	\$1,523,471	\$2,714,262	\$2,915,970	\$1,009,524	\$554,325	\$471,557	\$1,888,918	\$739,716
457,169	517,980	922,849	991,430	343,238	188,471	160,329	642,232	251,504
37,220	42,188	80,331	39,745	27,863	15,344	12,970	52,387	9,142
29,908	16,904	48,590	35,643	36,830	14,121	17,467	19,495	17,657
23,602	29,649	53,205	100,318	17,161	60,117	22,523	36,918	49,967
2,500	2,500	2,500	1,652	1,646	1,203	443	2,500	1,095
84,275	142,833	163,294	87,284	76,816	39,267	36,125	163,673	74,692
12,000	5,658	11,862	3,205	14,398	7,247	2,906	6,625	3,587
21,339	41,155	71,248	18,319	6,871	8,350	2,838	51,886	10,652
26,200	50,530	43,738	14,206	5,624	6,835	3,484	63,704	7,847
5,445	5,142	8,073	5,306	4,090	2,886	1,141	1,869	5,306
1,303	1,195	1,749	855	710	284	222	457	855
17,988	39,153	26,623	45,393	45,124	13,666	25,534	39,132	46,444
\$634,674	\$752,055	\$1,270,768	\$1,256,072	\$503,555	\$318,522	\$249,858	\$917,205	\$404,057
94.7%	92.2%	94.6%	100.0%	93.2%	98.6%	95.3%	94.8%	99.3%
95.5%	93.0%	92.7%	100.0%	93.9%	99.0%	95.4%	94.6%	99.3%
100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%
100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
822.0%	821.7%	990.5%	220.1%	2389.0%	510.2%	918.1%	253.6%	533.2%
105.8%	109.3%	105.1%	99.9%	108.2%	99.7%	105.3%	104.9%	109.3%

Modified Finney Plan Table 9

Appendix B Page 18

Comparison of Modified Version of Governor Finney's 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
Industry Code	201	204	267	275	283	307	344	
Industry Name	Meat Prod.	Grain Mill	Paper Prod.	Print, Pub.	Pharmaceut.	Plastics	Metals	
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	
Federal Income Tax	263,883	307,841	334,193	416,751	585,219	272,108	426,507	
State Income Tax	36,109	42,218	45,880	57,354	80,766	37,252	58,709	
Unemploy. and Workers' Comp.	56,645	43,189	22,328	21,988	18,150	30,379	44,695	
Property	113,601	111,735	135,228	188,396	263,528	110,773	188,131	
Franchise	1,718	1,623	1,747	2,500	2,500	1,451	2,500	
Sales	5,436	9,416	4,838	6,041	14,645	4,785	6,943	
Initial Construction	0	0	0	0	0	0	0	
Initial Mach. and Equip.	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	
Utilities	1,783	6,128	1,914	665	2,296	2,128	759	
Repairs	305	1,300	722	30	1,416	861	469	
Other Purchased Services	0	0	0	0	0	0	0	
Total Taxes	\$477,393	\$516,022	\$544,214	\$693,029	\$964,808	\$456,748	\$727,486	

Alternative: Modified Version of Governor Finney's Plan

Federal Taxable Income	\$793,896	\$882,775	\$979,748	\$1,251,670	\$1,693,337	\$807,188	\$1,285,201	
Federal Income Tax	269,924	300,143	333,114	425,568	575,735	274,444	436,968	
State Income Tax	36,949	41,149	45,731	58,579	79,448	37,577	60,163	
Unemploy. and Workers' Comp.	56,645	43,189	22,328	21,988	18,150	30,379	44,695	
Property	76,112	74,862	90,602	126,225	176,563	74,218	126,047	
Franchise	1,718	1,623	1,747	2,500	2,500	1,451	2,500	
Sales	25,156	68,929	52,636	42,280	129,505	34,470	38,258	
Initial Construction	0	0	0	0	0	0	0	
Initial Mach. and Equip.	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	
Utilities	8,917	30,642	9,571	3,324	11,481	10,641	3,797	
Repairs	305	1,300	722	30	1,416	861	469	
Other Purchased Services	4,776	30,363	35,005	21,107	80,164	16,980	14,945	
Total Taxes	\$466,505	\$529,895	\$546,158	\$677,139	\$981,901	\$452,538	\$708,632	

Comparison: Alternative as % of Baseline

Federal Income Tax	102.3%	97.5%	99.7%	102.1%	98.4%	100.9%	102.5%	
State Income Tax	102.3%	97.5%	99.7%	102.1%	98.4%	100.9%	102.5%	
Unemploy. and Workers' Comp.	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%	
Franchise	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%	
Total Taxes	97.7%	102.7%	100.4%	97.7%	101.8%	99.1%	97.4%	

(Continued)

Small City 353 Const. Mach.	Small City 367 Electronics	Small City 371 Motor V., Eq	Small City 481 Telecom.	Small City 508 Wholesale	Small City 531 Retail	Small City 737 Data Proc.	Small City 873 Research	Small City - HQ
\$1,272,119	\$1,466,824	\$2,533,940	\$2,918,509	\$975,411	\$562,467	\$494,930	\$1,761,399	\$744,806
432,520	498,720	861,540	992,293	331,640	191,239	168,276	598,876	253,234
59,545	68,745	119,166	39,780	45,526	26,014	22,823	82,664	15,440
29,908	16,904	48,590	35,643	36,830	14,121	17,467	19,495	17,657
183,334	230,299	413,273	149,730	133,303	89,727	33,617	286,762	74,578
2,500	2,500	2,500	1,652	1,646	1,203	443	2,500	1,095
10,252	17,383	16,485	20,367	3,215	7,696	3,935	64,535	14,009
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
7,860	15,159	13,122	14,206	1,687	6,835	3,484	63,704	7,847
1,089	1,028	1,615	5,306	818	577	228	374	5,306
1,303	1,195	1,749	855	710	284	222	457	855
0	0	0	0	0	0	0	0	0
\$718,059	\$834,551	\$1,461,554	\$1,239,465	\$552,161	\$330,000	\$246,562	\$1,054,832	\$376,013
\$1,291,936	\$1,464,186	\$2,606,624	\$2,918,901	\$967,070	\$576,103	\$479,576	\$1,815,405	\$742,142
439,258	497,823	886,252	992,426	328,804	195,875	163,056	617,238	252,328
60,481	68,620	122,600	39,786	45,132	26,658	22,097	85,215	15,383
29,908	16,904	48,590	35,643	36,830	14,121	17,467	19,495	17,657
122,833	154,299	276,891	100,318	89,313	60,117	22,523	192,130	49,967
2,500	2,500	2,500	1,652	1,646	1,203	443	2,500	1,095
50,936	96,020	80,184	65,760	55,548	23,671	30,382	105,162	60,452
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
26,200	50,530	43,738	14,206	5,624	6,835	3,484	63,704	7,847
5,445	5,142	8,073	5,306	4,090	2,886	1,141	1,869	5,306
1,303	1,195	1,749	855	710	284	222	457	855
17,988	39,153	26,623	45,393	45,124	13,666	25,534	39,132	46,444
\$705,916	\$836,167	\$1,417,017	\$1,235,585	\$557,272	\$321,645	\$255,969	\$1,021,740	\$396,883
101.6%	99.8%	102.9%	100.0%	99.1%	102.4%	96.9%	103.1%	99.6%
101.6%	99.8%	102.9%	100.0%	99.1%	102.5%	96.8%	103.1%	99.6%
100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%
100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
496.8%	552.4%	486.4%	322.9%	1727.5%	307.6%	772.2%	163.0%	431.5%
98.3%	100.2%	97.0%	99.7%	100.9%	97.5%	103.8%	96.9%	105.6%

Modified Finney Plan Table 10

Appendix B Page 20

Comparison of Modified Version of 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
Industry Code	201	204	267	275	283	307	344	
Industry Name	Meat Prod.	Grain Mill	Paper Prod.	Print, Pub.	Pharmaceut.	Plastics	Metals	
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	
Federal Income Tax	234,415	255,024	279,303	385,407	552,474	228,558	396,747	
State Income Tax	18,767	20,467	22,365	31,048	44,721	18,244	32,012	
Unemploy. and Workers' Comp.	70,897	54,055	27,946	27,520	22,717	38,022	55,940	
Property	16,433	16,885	22,813	28,237	36,775	18,470	26,957	
Franchise	1,870	1,834	2,205	2,500	2,500	1,808	2,500	
Sales	5,308	8,922	4,691	5,971	14,514	4,584	6,867	
Initial Construction	0	0	0	0	0	0	0	
Initial Mach. and Equip.	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	
Utilities	1,655	5,635	1,767	596	2,165	1,927	684	
Repairs	305	1,300	722	30	1,416	861	469	
Other Purchased Services	0	0	0	0	0	0	0	
Total Taxes	\$347,689	\$357,187	\$359,323	\$480,683	\$673,702	\$309,686	\$521,023	
Alternative: Modified 1990 House Plan								
Federal Taxable Income	\$676,330	\$737,444	\$809,838	\$1,115,343	\$1,583,399	\$664,160	\$1,145,981	
Federal Income Tax	229,952	250,731	275,345	379,217	538,356	225,814	389,634	
State Income Tax	20,269	22,175	24,374	33,671	47,941	19,922	34,611	
Unemploy. and Workers' Comp.	70,897	54,055	27,946	27,520	22,717	38,022	55,940	
Property	16,742	16,123	18,380	27,296	39,479	15,160	27,849	
Franchise	1,870	1,834	2,205	2,500	2,500	1,808	2,500	
Sales	15,082	19,535	17,587	20,130	46,203	13,369	21,820	
Initial Construction	1,615	2,245	4,879	3,574	2,523	3,799	2,440	
Initial Mach. and Equip.	6,164	5,184	3,378	9,024	15,938	3,032	10,522	
Replace Mach. and Equip.	3,784	2,246	2,488	6,043	12,359	2,031	6,459	
Utilities	1,871	6,370	1,998	673	2,447	2,179	773	
Repairs	345	1,470	817	34	1,601	973	530	
Other Purchased Services	1,303	2,020	4,027	783	11,336	1,355	1,095	
Total Taxes	\$354,812	\$364,453	\$365,837	\$490,334	\$697,197	\$314,094	\$532,353	
Comparison: Alternative as % of Baseline								
Federal Income Tax	98.1%	98.3%	98.6%	98.4%	97.4%	98.8%	98.2%	
State Income Tax	108.0%	108.3%	109.0%	108.4%	107.2%	109.2%	108.1%	
Unemploy. and Workers' Comp.	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%	
Franchise	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	
Sales	284.2%	218.9%	374.9%	337.1%	318.3%	291.6%	317.8%	
Total Taxes	102.0%	102.0%	101.8%	102.0%	103.5%	101.4%	102.2%	

(Continued)

KC Johnson 353 Const. Mach.	KC Johnson 367 Electronics	KC Johnson 371 Motor V., Eq	KC Johnson 481 Telecom.	KC Johnson 508 Wholesale	KC Johnson 531 Retail	KC Johnson 737 Data Proc.	KC Johnson 873 Research	KC Johnson - HQ
\$1,116,346	\$1,405,063	\$2,520,405	\$2,885,320	\$795,060	\$458,948	\$228,476	\$1,696,440	\$696,684
379,558	477,721	856,938	981,009	270,321	156,042	72,356	576,790	236,873
30,553	38,615	69,564	39,322	21,611	12,587	6,097	46,645	8,587
37,432	21,157	60,815	44,610	46,097	17,673	21,862	24,400	22,100
28,747	32,115	58,356	107,616	23,309	76,253	28,990	39,810	58,000
2,500	2,500	2,500	1,769	2,169	1,466	549	2,500	1,225
10,146	17,285	16,339	39,275	3,132	7,637	3,911	64,497	13,504
0	0	0	1,094	0	0	0	0	0
0	0	0	18,319	0	0	0	0	0
7,860	15,159	13,122	14,206	1,687	6,835	3,484	63,704	7,847
983	931	1,468	4,801	734	518	205	336	4,801
1,303	1,195	1,749	855	710	284	222	457	855
0	0	0	0	0	0	0	0	0
\$488,934	\$589,394	\$1,064,511	\$1,213,601	\$366,638	\$271,659	\$133,766	\$754,642	\$340,288
\$1,099,713	\$1,374,361	\$2,472,612	\$2,886,377	\$784,925	\$451,404	\$225,567	\$1,596,016	\$694,175
373,902	467,283	840,688	981,368	266,875	153,477	71,221	542,646	236,019
33,210	41,555	78,919	43,270	23,615	13,672	6,638	48,430	9,414
37,432	21,157	60,815	44,610	46,097	17,673	21,862	24,400	22,100
25,958	34,512	61,587	86,093	17,727	64,670	24,029	43,059	56,316
2,500	2,500	2,500	1,769	2,169	1,466	549	2,500	1,225
25,034	39,349	49,738	49,074	15,816	21,952	10,095	137,473	30,546
4,631	2,183	4,578	1,237	5,556	2,797	1,121	2,557	1,384
7,237	13,957	24,162	20,709	2,330	9,439	3,208	58,653	12,042
8,885	17,136	14,833	16,058	1,907	7,726	3,938	72,013	8,871
1,111	1,052	1,659	5,427	830	585	232	379	5,427
1,473	1,351	1,977	967	803	322	251	517	967
1,697	3,669	2,528	4,676	4,390	1,083	1,344	3,354	1,854
\$498,036	\$606,356	\$1,094,246	\$1,206,184	\$372,298	\$272,911	\$134,394	\$798,508	\$355,620
98.5%	97.8%	98.1%	100.0%	98.7%	98.4%	98.4%	94.1%	99.6%
108.7%	107.6%	113.4%	110.0%	109.3%	108.6%	108.9%	103.8%	109.6%
100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
90.3%	107.5%	105.5%	80.0%	76.1%	84.8%	82.9%	108.2%	97.1%
100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
246.7%	227.6%	304.4%	124.9%	505.1%	287.4%	258.1%	213.1%	226.2%
101.9%	102.9%	102.8%	99.4%	101.5%	100.5%	100.5%	105.8%	104.5%

Modified 1990 House Plan Table 1

Appendix C Page 2

Comparison of Modified Version of 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
Industry Code	201	204	267	275	283	307	344
Industry Name	Meat Prod.	Grain Mill	Paper Prod.	Print, Pub.	Pharmaceut.	Plastics	Metals

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
Federal Income Tax	210,925	230,887	246,693	345,043	499,906	202,156	358,213
State Income Tax	28,750	31,524	33,721	47,388	68,910	27,531	49,219
Unemploy. and Workers' Comp.	70,897	54,055	27,946	27,520	22,717	38,022	55,940
Property	85,523	87,875	118,724	146,953	191,388	96,122	140,291
Franchise	1,870	1,834	2,205	2,500	2,500	1,808	2,500
Sales	5,308	8,922	4,691	5,971	14,514	4,584	6,867
Initial Construction	0	0	0	0	0	0	0
Initial Mach. and Equip.	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
Utilities	1,655	5,635	1,767	596	2,165	1,927	684
Repairs	305	1,300	722	30	1,416	861	469
Other Purchased Services	0	0	0	0	0	0	0
<b>Total Taxes</b>	<b>\$403,271</b>	<b>\$415,097</b>	<b>\$433,980</b>	<b>\$575,376</b>	<b>\$799,935</b>	<b>\$370,223</b>	<b>\$613,030</b>

Alternative: Modified 1990 House Plan

Federal Taxable Income	\$616,804	\$680,032	\$744,095	\$1,018,174	\$1,443,196	\$609,963	\$1,046,997
Federal Income Tax	209,713	231,211	252,992	346,179	490,687	207,387	355,979
State Income Tax	31,440	34,726	38,056	52,301	74,391	31,084	53,799
Unemploy. and Workers' Comp.	70,897	54,055	27,946	27,520	22,717	38,022	55,940
Property	87,130	83,908	95,652	142,055	205,459	78,894	144,932
Franchise	1,870	1,834	2,205	2,500	2,500	1,808	2,500
Sales	7,303	12,106	9,330	7,533	27,743	6,538	8,858
Initial Construction	0	0	0	0	0	0	0
Initial Mach. and Equip.	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
Utilities	1,871	6,370	1,998	673	2,447	2,179	773
Repairs	345	1,470	817	34	1,601	973	530
Other Purchased Services	1,303	2,020	4,027	783	11,336	1,355	1,095
<b>Total Taxes</b>	<b>\$408,352</b>	<b>\$417,840</b>	<b>\$426,182</b>	<b>\$578,087</b>	<b>\$823,497</b>	<b>\$363,733</b>	<b>\$622,008</b>

Comparison: Alternative as % of Baseline

Federal Income Tax	99.4%	100.1%	102.6%	100.3%	98.2%	102.6%	99.4%
State Income Tax	109.4%	110.2%	112.9%	110.4%	108.0%	112.9%	109.3%
Unemploy. and Workers' Comp.	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%
Franchise	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%
<b>Total Taxes</b>	<b>101.3%</b>	<b>100.7%</b>	<b>98.2%</b>	<b>100.5%</b>	<b>102.9%</b>	<b>98.2%</b>	<b>101.5%</b>

(Continued)

KC Johnson 353 Const. Mach.	KC Johnson 367 Electronics	KC Johnson 371 Motor V., Eq	KC Johnson 481 Telecom.	KC Johnson 508 Wholesale	KC Johnson 531 Retail	KC Johnson 737 Data Proc.	KC Johnson 873 Research	KC Johnson - HQ
\$995,488	\$1,270,044	\$2,275,062	\$2,887,963	\$697,063	\$458,948	\$228,476	\$1,529,068	\$696,684
338,466	431,815	773,521	981,908	237,001	156,042	72,356	519,883	236,873
46,474	59,447	106,934	39,358	32,374	21,123	10,233	71,686	14,406
37,432	21,157	60,815	44,610	46,097	17,673	21,862	24,400	22,100
149,604	167,133	303,698	107,616	121,307	76,253	28,990	207,183	58,000
2,500	2,500	2,500	1,769	2,169	1,466	549	2,500	1,225
10,146	17,285	16,339	19,862	3,132	7,637	3,911	64,497	13,504
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
7,860	15,159	13,122	14,206	1,687	6,835	3,484	63,704	7,847
983	931	1,468	4,801	734	518	205	336	4,801
1,303	1,195	1,749	855	710	284	222	457	855
0	0	0	0	0	0	0	0	0
\$584,622	\$699,338	\$1,263,807	\$1,195,123	\$442,079	\$280,195	\$137,901	\$890,148	\$346,107
\$1,007,149	\$1,251,800	\$2,253,817	\$2,889,364	\$721,409	\$468,489	\$231,612	\$1,500,455	\$696,462
342,431	425,612	766,298	982,384	245,279	159,286	73,579	510,155	236,797
51,728	64,444	116,523	43,315	36,876	23,731	11,419	77,367	15,842
37,432	21,157	60,815	44,610	46,097	17,673	21,862	24,400	22,100
135,092	179,610	320,512	86,093	92,255	64,670	24,029	224,088	56,316
2,500	2,500	2,500	1,769	2,169	1,466	549	2,500	1,225
13,166	23,209	20,998	27,129	7,930	9,716	5,766	76,263	17,120
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
8,885	17,136	14,833	16,058	1,907	7,726	3,938	72,013	8,871
1,111	1,052	1,659	5,427	830	585	232	379	5,427
1,473	1,351	1,977	967	803	322	251	517	967
1,697	3,669	2,528	4,676	4,390	1,083	1,344	3,354	1,854
\$582,349	\$716,532	\$1,287,646	\$1,185,299	\$430,606	\$276,543	\$137,203	\$914,774	\$349,399
101.2%	98.6%	99.1%	100.0%	103.5%	102.1%	101.7%	98.1%	100.0%
111.3%	108.4%	109.0%	110.1%	113.9%	112.3%	111.6%	107.9%	110.0%
100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
90.3%	107.5%	105.5%	80.0%	76.1%	84.8%	82.9%	108.2%	97.1%
100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
129.8%	134.3%	128.5%	136.6%	253.2%	127.2%	147.4%	118.2%	126.8%
99.6%	102.5%	101.9%	99.2%	97.4%	98.7%	99.5%	102.8%	101.0%

Modified 1990 House Plan Table 2

Appendix C Page 4



**Comparison of Modified Version of 1990 House 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
Industry Code	201	204	267	275	283	307	344
Industry Name	Meat Prod.	Grain Mill	Paper Prod.	Print, Pub.	Pharmaceut.	Plastics	Metals

**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
Federal Income Tax	220,699	235,389	260,765	367,090	527,461	213,041	378,191
State Income Tax	17,501	18,706	20,648	29,307	42,358	16,812	30,261
Unemploy. and Workers' Comp.	73,498	56,038	28,971	28,529	23,550	39,417	57,993
Property	23,250	23,889	32,276	39,950	52,030	26,131	38,139
Franchise	1,870	1,834	2,205	2,500	2,500	1,808	2,500
Sales	5,769	9,698	5,099	6,491	15,776	4,983	7,464
Initial Construction	0	0	0	0	0	0	0
Initial Mach. and Equip.	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
Utilities	1,799	6,125	1,921	648	2,353	2,095	743
Repairs	332	1,413	785	32	1,539	936	510
Other Purchased Services	0	0	0	0	0	0	0
<b>Total Taxes</b>	<b>\$342,586</b>	<b>\$345,555</b>	<b>\$349,965</b>	<b>\$473,867</b>	<b>\$663,675</b>	<b>\$302,193</b>	<b>\$514,547</b>

**Alternative: Modified 1990 House Plan**

Federal Taxable Income	\$634,926	\$679,058	\$755,958	\$1,060,447	\$1,505,856	\$619,059	\$1,089,559
Federal Income Tax	215,875	230,880	257,026	360,552	511,991	210,480	370,450
State Income Tax	18,844	20,229	22,548	31,737	45,202	18,395	32,625
Unemploy. and Workers' Comp.	73,498	56,038	28,971	28,529	23,550	39,417	57,993
Property	23,687	22,811	26,004	38,618	55,855	21,448	39,400
Franchise	1,870	1,834	2,205	2,500	2,500	1,808	2,500
Sales	16,243	21,037	18,940	21,679	49,758	14,397	23,498
Initial Construction	1,739	2,418	5,254	3,848	2,717	4,091	2,628
Initial Mach. and Equip.	6,638	5,582	3,638	9,718	17,164	3,265	11,331
Replace Mach. and Equip.	4,075	2,419	2,680	6,508	13,310	2,187	6,956
Utilities	2,015	6,860	2,152	725	2,636	2,346	832
Repairs	372	1,583	879	36	1,724	1,048	571
Other Purchased Services	1,403	2,176	4,336	843	12,208	1,460	1,179
<b>Total Taxes</b>	<b>\$350,015</b>	<b>\$352,829</b>	<b>\$355,694</b>	<b>\$483,615</b>	<b>\$688,856</b>	<b>\$305,945</b>	<b>\$526,466</b>

**Comparison: Alternative as % of Baseline**

Federal Income Tax	97.8%	98.1%	98.6%	98.2%	97.1%	98.8%	98.0%
State Income Tax	107.7%	108.1%	109.2%	108.3%	106.7%	109.4%	107.8%
Unemploy. and Workers' Comp.	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%
Franchise	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Sales	281.5%	216.9%	371.4%	334.0%	315.4%	288.9%	314.8%
<b>Total Taxes</b>	<b>102.2%</b>	<b>102.1%</b>	<b>101.6%</b>	<b>102.1%</b>	<b>103.8%</b>	<b>101.2%</b>	<b>102.3%</b>

(Continued)

KC Wyandotte 353 Const. 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
\$1,052,456	\$1,344,707	\$2,432,403	\$2,874,432	\$740,854	\$409,684	\$168,402	\$1,621,374	\$684,716
357,835	457,200	827,017	977,307	251,890	139,293	48,927	551,267	232,803
28,525	36,660	66,588	39,171	19,900	11,199	4,405	44,212	8,434
38,805	21,934	63,046	46,247	47,788	18,322	22,664	25,295	22,911
40,671	45,436	82,562	152,256	32,978	107,883	41,016	56,324	82,058
2,500	2,500	2,500	1,769	2,169	1,466	549	2,500	1,225
11,028	18,788	17,760	42,691	3,404	8,301	4,252	70,105	14,678
0	0	0	1,189	0	0	0	0	0
0	0	0	19,912	0	0	0	0	0
8,543	16,477	14,263	15,441	1,834	7,429	3,787	69,244	8,530
1,068	1,012	1,596	5,219	798	563	223	365	5,219
1,416	1,299	1,901	930	772	309	242	497	930
0	0	0	0	0	0	0	0	0
\$479,364	\$582,519	\$1,059,472	\$1,259,440	\$358,129	\$286,464	\$121,813	\$749,703	\$362,109
\$1,035,575	\$1,310,995	\$2,379,989	\$2,876,324	\$731,850	\$405,547	\$166,984	\$1,512,770	\$682,098
352,095	445,738	809,196	977,950	248,829	137,777	48,374	514,342	231,913
31,001	39,296	74,360	43,117	21,819	12,256	4,825	45,496	9,244
38,805	21,934	63,046	46,247	47,788	18,322	22,664	25,295	22,911
36,725	48,828	87,133	121,805	25,080	91,496	33,996	60,920	79,676
2,500	2,500	2,500	1,769	2,169	1,466	549	2,500	1,225
26,960	42,376	53,564	52,849	17,033	23,640	10,872	148,048	32,895
4,987	2,351	4,930	1,332	5,984	3,012	1,208	2,753	1,491
7,793	15,031	26,021	22,302	2,509	10,165	3,455	63,165	12,968
9,569	18,454	15,974	17,294	2,054	8,321	4,241	77,553	9,553
1,196	1,133	1,787	5,845	894	631	250	409	5,845
1,586	1,455	2,130	1,041	865	346	271	556	1,041
1,828	3,951	2,723	5,036	4,728	1,166	1,448	3,612	1,997
\$488,086	\$600,672	\$1,089,799	\$1,243,736	\$362,718	\$284,957	\$121,279	\$796,600	\$377,865
98.4%	97.5%	97.8%	100.1%	98.8%	98.9%	98.9%	93.3%	99.6%
108.7%	107.2%	111.7%	110.1%	109.6%	109.4%	109.5%	102.9%	109.6%
100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
90.3%	107.5%	105.5%	80.0%	76.1%	84.8%	82.9%	108.2%	97.1%
100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
244.5%	225.5%	301.6%	123.8%	500.4%	284.8%	255.7%	211.2%	224.1%
101.8%	103.1%	102.9%	98.8%	101.3%	99.5%	99.6%	106.3%	104.4%

Comparison of Modified Version of 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
Industry Code	201	204	267	275	283	307	344
Industry Name	Meat Prod.	Grain Mill	Paper Prod.	Print, Pub.	Pharmaceut.	Plastics	Metals

Baseline: No Tax Code Changes

Federal Taxable Income	\$551,368	\$591,884	\$631,261	\$911,716	\$1,332,611	\$516,730	\$951,981
Federal Income Tax	187,465	201,241	214,629	309,983	453,088	175,688	323,674
State Income Tax	25,490	27,404	29,265	42,516	62,403	23,853	44,419
Unemploy. and Workers' Comp.	73,498	56,038	28,971	28,529	23,550	39,417	57,993
Property	120,998	124,325	167,971	207,910	270,776	135,993	198,484
Franchise	1,870	1,834	2,205	2,500	2,500	1,808	2,500
Sales	5,769	9,698	5,099	6,491	15,776	4,983	7,464
Initial Construction	0	0	0	0	0	0	0
Initial Mach. and Equip.	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
Utilities	1,799	6,125	1,921	648	2,353	2,095	743
Repairs	332	1,413	785	32	1,539	936	510
Other Purchased Services	0	0	0	0	0	0	0
<b>Total Taxes</b>	<b>\$415,089</b>	<b>\$420,540</b>	<b>\$448,140</b>	<b>\$597,929</b>	<b>\$828,094</b>	<b>\$381,742</b>	<b>\$634,532</b>

Alternative: Modified 1990 House Plan

Federal Taxable Income	\$547,039	\$594,327	\$659,049	\$917,029	\$1,298,787	\$539,158	\$943,401
Federal Income Tax	185,993	202,071	224,077	311,790	441,588	183,314	320,756
State Income Tax	27,814	30,271	33,635	47,044	66,886	27,404	48,415
Unemploy. and Workers' Comp.	73,498	56,038	28,971	28,529	23,550	39,417	57,993
Property	123,271	118,713	135,329	200,979	290,684	111,620	205,050
Franchise	1,870	1,834	2,205	2,500	2,500	1,808	2,500
Sales	7,865	13,037	10,047	8,112	29,877	7,041	9,539
Initial Construction	0	0	0	0	0	0	0
Initial Mach. and Equip.	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
Utilities	2,015	6,860	2,152	725	2,636	2,346	832
Repairs	372	1,583	879	36	1,724	1,048	571
Other Purchased Services	1,403	2,176	4,336	843	12,208	1,460	1,179
<b>Total Taxes</b>	<b>\$420,310</b>	<b>\$421,965</b>	<b>\$434,265</b>	<b>\$598,954</b>	<b>\$855,084</b>	<b>\$370,603</b>	<b>\$644,252</b>

Comparison: Alternative as % of Baseline

Federal Income Tax	99.2%	100.4%	104.4%	100.6%	97.5%	104.3%	99.1%
State Income Tax	109.1%	110.5%	114.9%	110.6%	107.2%	114.9%	109.0%
Unemploy. and Workers' Comp.	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%
Franchise	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%
<b>Total Taxes</b>	<b>101.3%</b>	<b>100.3%</b>	<b>96.9%</b>	<b>100.2%</b>	<b>103.3%</b>	<b>97.1%</b>	<b>101.5%</b>

(Continued)

KC Wyandotte 353 Const. 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
\$881,466	\$1,153,683	\$2,085,292	\$2,877,305	\$602,207	\$409,684	\$168,402	\$1,384,575	\$684,716
299,699	392,252	708,999	978,284	204,751	139,293	48,927	470,755	232,803
41,087	53,949	97,968	39,211	27,892	18,795	7,395	64,859	14,149
38,805	21,934	63,046	46,247	47,788	18,322	22,664	25,295	22,911
211,661	236,460	429,672	152,256	171,625	107,883	41,016	293,123	82,058
2,500	2,500	2,500	1,769	2,169	1,466	549	2,500	1,225
11,028	18,788	17,760	21,589	3,404	8,301	4,252	70,105	14,678
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
8,543	16,477	14,263	15,441	1,834	7,429	3,787	69,244	8,530
1,068	1,012	1,596	5,219	798	563	223	365	5,219
1,416	1,299	1,901	930	772	309	242	497	930
0	0	0	0	0	0	0	0	0
\$604,779	\$725,884	\$1,319,945	\$1,239,355	\$457,628	\$294,060	\$124,802	\$926,637	\$367,825
\$899,017	\$1,129,981	\$2,056,878	\$2,879,541	\$638,266	\$423,946	\$173,493	\$1,348,692	\$684,561
305,666	384,194	699,339	979,044	217,010	144,142	50,912	458,555	232,751
46,108	58,112	106,287	43,166	32,555	21,416	8,399	69,480	15,560
38,805	21,934	63,046	46,247	47,788	18,322	22,664	25,295	22,911
191,129	254,113	453,461	121,805	130,522	91,496	33,996	317,041	79,676
2,500	2,500	2,500	1,769	2,169	1,466	549	2,500	1,225
14,179	24,994	22,613	29,216	8,540	10,464	6,209	82,130	18,436
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
9,569	18,454	15,974	17,294	2,054	8,321	4,241	77,553	9,553
1,196	1,133	1,787	5,845	894	631	250	409	5,845
1,586	1,455	2,130	1,041	865	346	271	556	1,041
1,828	3,951	2,723	5,036	4,728	1,166	1,448	3,612	1,997
\$598,387	\$745,846	\$1,347,246	\$1,221,245	\$438,585	\$287,305	\$122,729	\$955,000	\$370,559
102.0%	97.9%	98.6%	100.1%	106.0%	103.5%	104.1%	97.4%	100.0%
112.2%	107.7%	108.5%	110.1%	116.7%	113.9%	113.6%	107.1%	110.0%
100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
90.3%	107.5%	105.5%	80.0%	76.1%	84.8%	82.9%	108.2%	97.1%
100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
128.6%	133.0%	127.3%	135.3%	250.9%	126.0%	146.0%	117.2%	125.6%
98.9%	102.8%	102.1%	98.5%	95.8%	97.7%	98.3%	103.1%	100.7%

Modified 1990 House Plan Table 4

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

Location	Wichita	Wichita	Wichita	Wichita	Wichita	Wichita	Wichita
Industry Code	201	204	267	275	283	307	344
Industry Name	Meat Prod.	Grain Mill	Paper Prod.	Print, Pub.	Pharmaceut.	Plastics	Metals

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
Federal Income Tax	225,902	238,977	269,261	376,539	538,308	218,739	387,075
State Income Tax	18,032	19,108	21,500	30,264	43,476	17,404	31,160
Unemploy. and Workers' Comp.	72,531	55,302	28,590	28,154	23,241	38,899	57,230
Property	18,040	18,421	24,523	30,841	40,587	19,884	29,634
Franchise	1,845	1,800	2,132	2,500	2,500	1,751	2,500
Sales	4,901	8,333	4,354	5,480	13,319	4,283	6,298
Initial Construction	0	0	0	0	0	0	0
Initial Mach. and Equip.	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
Utilities	1,566	5,331	1,684	572	2,044	1,857	652
Repairs	279	1,187	660	27	1,293	786	428
Other Purchased Services	0	0	0	0	0	0	0
<b>Total Taxes</b>	<b>\$341,252</b>	<b>\$341,940</b>	<b>\$350,360</b>	<b>\$473,779</b>	<b>\$661,430</b>	<b>\$300,959</b>	<b>\$513,897</b>

Alternative: Modified 1990 House Plan

Federal Taxable Income	\$652,308	\$691,438	\$782,387	\$1,091,058	\$1,544,456	\$636,787	\$1,119,091
Federal Income Tax	221,785	235,089	266,012	370,960	525,115	216,508	380,491
State Income Tax	19,485	20,712	23,487	32,855	46,637	19,043	33,710
Unemploy. and Workers' Comp.	72,531	55,302	28,590	28,154	23,241	38,899	57,230
Property	18,491	17,717	19,892	30,024	43,774	16,436	30,791
Franchise	1,845	1,800	2,132	2,500	2,500	1,751	2,500
Sales	13,819	18,015	15,814	18,247	42,468	12,062	19,923
Initial Construction	1,325	1,842	4,003	2,932	2,070	3,117	2,002
Initial Mach. and Equip.	5,690	4,785	3,118	8,330	14,712	2,799	9,712
Replace Mach. and Equip.	3,493	2,073	2,297	5,578	11,408	1,874	5,962
Utilities	1,790	6,093	1,925	653	2,336	2,122	746
Repairs	319	1,357	754	31	1,477	898	490
Other Purchased Services	1,203	1,865	3,717	722	10,464	1,251	1,011
<b>Total Taxes</b>	<b>\$347,957</b>	<b>\$348,635</b>	<b>\$355,926</b>	<b>\$482,741</b>	<b>\$683,734</b>	<b>\$304,698</b>	<b>\$524,646</b>

Comparison: Alternative as % of Baseline

Federal Income Tax	98.2%	98.4%	98.8%	98.5%	97.5%	99.0%	98.3%
State Income Tax	108.1%	108.4%	109.2%	108.6%	107.3%	109.4%	108.2%
Unemploy. and Workers' Comp.	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%
Franchise	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Sales	282.0%	216.2%	363.2%	333.0%	318.8%	281.6%	316.3%
<b>Total Taxes</b>	<b>102.0%</b>	<b>102.0%</b>	<b>101.6%</b>	<b>101.9%</b>	<b>103.4%</b>	<b>101.2%</b>	<b>102.1%</b>

(Continued)

Wichita 353 Const. 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
\$1,084,567	\$1,372,820	\$2,476,664	\$2,880,897	\$773,382	\$446,659	\$198,083	\$1,668,005	\$690,768
368,753	466,759	842,066	979,505	262,950	151,864	60,502	567,122	234,861
29,611	37,645	68,201	39,260	20,970	12,241	5,242	45,768	8,511
38,295	21,645	62,217	45,639	47,160	18,081	22,366	24,962	22,609
31,201	35,447	64,291	118,958	24,944	82,317	31,236	43,971	63,375
2,500	2,500	2,500	1,750	2,085	1,424	532	2,500	1,204
9,307	15,830	14,980	36,022	2,891	7,001	3,581	58,904	12,602
0	0	0	888	0	0	0	0	0
0	0	0	16,726	0	0	0	0	0
7,177	13,841	11,981	12,970	1,540	6,240	3,181	58,165	7,165
941	898	1,403	4,656	702	501	197	323	4,656
1,190	1,092	1,597	781	649	260	203	417	781
0	0	0	0	0	0	0	0	0
\$479,668	\$579,826	\$1,054,255	\$1,221,133	\$360,999	\$272,928	\$123,459	\$743,228	\$343,163
\$1,070,018	\$1,344,016	\$2,432,120	\$2,882,208	\$765,511	\$441,309	\$196,100	\$1,574,228	\$688,438
363,806	456,965	826,921	979,951	260,274	150,045	59,729	535,238	234,069
32,232	40,529	77,404	43,206	22,979	13,354	5,723	47,635	9,333
38,295	21,645	62,217	45,639	47,160	18,081	22,366	24,962	22,609
28,391	38,269	68,201	95,166	19,073	70,334	26,076	47,768	61,967
2,500	2,500	2,500	1,750	2,085	1,424	532	2,500	1,204
22,683	36,153	45,514	45,484	14,066	20,009	9,215	126,655	28,366
3,800	1,791	3,756	1,015	4,559	2,295	920	2,098	1,136
6,680	12,883	22,304	19,116	2,151	8,713	2,961	54,141	11,116
8,202	15,818	13,692	14,823	1,761	7,132	3,635	66,474	8,188
1,075	1,026	1,603	5,321	802	573	225	369	5,321
1,360	1,247	1,825	893	741	297	232	477	893
1,567	3,387	2,334	4,316	4,052	1,000	1,241	3,096	1,712
\$487,908	\$596,062	\$1,082,757	\$1,211,196	\$365,637	\$273,246	\$123,642	\$784,758	\$357,549
98.7%	97.9%	98.2%	100.0%	99.0%	98.8%	98.7%	94.4%	99.7%
108.9%	107.7%	113.5%	110.1%	109.6%	109.1%	109.2%	104.1%	109.7%
100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
91.0%	108.0%	106.1%	80.0%	76.5%	85.4%	83.5%	108.6%	97.8%
100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
243.7%	228.4%	303.8%	126.3%	486.5%	285.8%	257.3%	215.0%	225.1%
101.7%	102.8%	102.7%	99.2%	101.3%	100.1%	100.1%	105.6%	104.2%

Modified 1990 House Plan Table 5

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

Location	Wichita	Wichita	Wichita	Wichita	Wichita	Wichita	Wichita
Industry Code	201	204	267	275	283	307	344
Industry Name	Meat Prod.	Grain Mill	Paper Prod.	Print, Pub.	Pharmaceut.	Plastics	Metals

Baseline: No Tax Code Changes

Federal Taxable Income	\$588,572	\$625,427	\$688,842	\$977,805	\$1,412,619	\$559,751	\$1,013,865
Federal Income Tax	200,114	212,645	234,206	332,454	480,290	190,315	344,714
State Income Tax	27,248	28,989	31,985	45,639	66,184	25,886	47,343
Unemploy. and Workers' Comp.	72,531	55,302	28,590	28,154	23,241	38,899	57,230
Property	93,886	95,866	127,625	160,504	211,225	103,484	154,224
Franchise	1,845	1,800	2,132	2,500	2,500	1,751	2,500
Sales	4,901	8,333	4,354	5,480	13,319	4,283	6,298
Initial Construction	0	0	0	0	0	0	0
Initial Mach. and Equip.	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
Utilities	1,566	5,331	1,684	572	2,044	1,857	652
Repairs	279	1,187	660	27	1,293	786	428
Other Purchased Services	0	0	0	0	0	0	0
<b>Total Taxes</b>	<b>\$400,526</b>	<b>\$402,935</b>	<b>\$428,892</b>	<b>\$574,730</b>	<b>\$796,760</b>	<b>\$364,617</b>	<b>\$612,309</b>

Alternative: Modified 1990 House Plan

Federal Taxable Income	\$584,360	\$626,205	\$708,702	\$980,553	\$1,383,853	\$575,946	\$1,005,995
Federal Income Tax	198,683	212,910	240,959	333,388	470,510	195,821	342,038
State Income Tax	29,753	31,928	36,216	50,345	71,307	29,316	51,668
Unemploy. and Workers' Comp.	72,531	55,302	28,590	28,154	23,241	38,899	57,230
Property	96,234	92,203	103,520	156,255	227,810	85,538	160,245
Franchise	1,845	1,800	2,132	2,500	2,500	1,751	2,500
Sales	6,804	11,388	8,693	6,985	25,686	6,146	8,209
Initial Construction	0	0	0	0	0	0	0
Initial Mach. and Equip.	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
Utilities	1,790	6,093	1,925	653	2,336	2,122	746
Repairs	319	1,357	754	31	1,477	898	490
Other Purchased Services	1,203	1,865	3,717	722	10,464	1,251	1,011
<b>Total Taxes</b>	<b>\$405,851</b>	<b>\$405,531</b>	<b>\$420,110</b>	<b>\$577,627</b>	<b>\$821,053</b>	<b>\$357,471</b>	<b>\$621,890</b>

Comparison: Alternative as % of Baseline

Federal Income Tax	99.3%	100.1%	102.9%	100.3%	98.0%	102.9%	99.2%
State Income Tax	109.2%	110.1%	113.2%	110.3%	107.7%	113.3%	109.1%
Unemploy. and Workers' Comp.	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%
Franchise	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%
<b>Total Taxes</b>	<b>101.3%</b>	<b>100.6%</b>	<b>98.0%</b>	<b>100.5%</b>	<b>103.0%</b>	<b>98.0%</b>	<b>101.6%</b>

(Continued)

Wichita 353 Const. 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
\$953,388	\$1,223,791	\$2,206,369	\$2,883,295	\$668,511	\$446,659	\$198,083	\$1,483,139	\$690,768
324,152	416,089	750,165	980,320	227,294	151,864	60,502	504,267	234,861
44,485	57,262	103,688	39,294	31,025	20,542	8,797	69,516	14,279
38,295	21,645	62,217	45,639	47,160	18,081	22,366	24,962	22,609
162,380	184,477	334,586	118,958	129,815	82,317	31,236	228,836	63,375
2,500	2,500	2,500	1,750	2,085	1,424	532	2,500	1,204
9,307	15,830	14,980	18,408	2,891	7,001	3,581	58,904	12,602
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
7,177	13,841	11,981	12,970	1,540	6,240	3,181	58,165	7,165
941	898	1,403	4,656	702	501	197	323	4,656
1,190	1,092	1,597	781	649	260	203	417	781
0	0	0	0	0	0	0	0	0
\$581,119	\$697,803	\$1,268,137	\$1,204,368	\$440,269	\$281,229	\$127,015	\$888,986	\$348,931
\$965,289	\$1,203,612	\$2,181,771	\$2,884,949	\$694,692	\$456,679	\$201,519	\$1,451,926	\$690,525
328,198	409,228	741,802	980,883	236,195	155,271	61,843	493,655	234,778
49,552	61,939	112,779	43,248	35,488	23,117	9,855	74,845	15,701
38,295	21,645	62,217	45,639	47,160	18,081	22,366	24,962	22,609
147,752	199,163	354,938	95,166	99,261	70,334	26,076	248,598	61,967
2,500	2,500	2,500	1,750	2,085	1,424	532	2,500	1,204
12,204	21,478	19,454	25,353	7,357	9,001	5,334	70,415	16,114
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
8,202	15,818	13,692	14,823	1,761	7,132	3,635	66,474	8,188
1,075	1,026	1,603	5,321	802	573	225	369	5,321
1,360	1,247	1,825	893	741	297	232	477	893
1,567	3,387	2,334	4,316	4,052	1,000	1,241	3,096	1,712
\$578,502	\$715,954	\$1,293,690	\$1,192,039	\$427,546	\$277,228	\$126,006	\$914,976	\$352,375
101.2%	98.4%	98.9%	100.1%	103.9%	102.2%	102.2%	97.9%	100.0%
111.4%	108.2%	108.8%	110.1%	114.4%	112.5%	112.0%	107.7%	110.0%
100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
91.0%	108.0%	106.1%	80.0%	76.5%	85.4%	83.5%	108.6%	97.8%
100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
131.1%	135.7%	129.9%	137.7%	254.5%	128.6%	148.9%	119.5%	127.9%
99.5%	102.6%	102.0%	99.0%	97.1%	98.6%	99.2%	102.9%	101.0%

Modified 1990 House Plan Table 6

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**Comparison of Modified Version of 1990 House 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
Industry Code	201	204	267	275	283	307	344
Industry Name	Meat Prod.	Grain Mill	Paper Prod.	Print, Pub.	Pharmaceut.	Plastics	Metals

**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
Federal Income Tax	285,427	337,483	354,869	449,448	638,718	289,034	459,242
State Income Tax	22,953	27,271	28,634	36,304	51,976	23,258	37,118
Unemploy. and Workers' Comp.	60,785	46,346	23,960	23,595	19,477	32,599	47,962
Property	18,524	18,280	22,324	30,802	42,857	18,268	30,654
Franchise	1,728	1,637	1,777	2,500	2,500	1,475	2,500
Sales	5,187	8,566	4,589	5,962	14,314	4,543	6,847
Initial Construction	0	0	0	0	0	0	0
Initial Mach. and Equip.	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
Utilities	1,535	5,279	1,665	587	1,965	1,886	664
Repairs	305	1,300	722	30	1,416	861	469
Other Purchased Services	0	0	0	0	0	0	0
<b>Total Taxes</b>	<b>\$394,604</b>	<b>\$439,582</b>	<b>\$436,153</b>	<b>\$548,612</b>	<b>\$769,842</b>	<b>\$369,176</b>	<b>\$584,324</b>

**Alternative: Modified 1990 House Plan**

Federal Taxable Income	\$825,839	\$979,565	\$1,031,825	\$1,302,913	\$1,835,672	\$841,783	\$1,328,866
Federal Income Tax	280,785	333,052	350,821	442,991	624,128	286,206	451,814
State Income Tax	24,840	29,630	31,239	39,400	58,566	25,411	40,171
Unemploy. and Workers' Comp.	60,785	46,346	23,960	23,595	19,477	32,599	47,962
Property	19,603	18,287	18,858	31,154	47,328	15,747	32,819
Franchise	1,728	1,637	1,777	2,500	2,500	1,475	2,500
Sales	14,783	18,905	16,979	19,759	45,723	12,938	21,551
Initial Construction	1,452	2,018	4,386	3,213	2,268	3,415	2,194
Initial Mach. and Equip.	6,164	5,184	3,378	9,024	15,938	3,032	10,522
Replace Mach. and Equip.	3,784	2,246	2,488	6,043	12,359	2,031	6,459
Utilities	1,735	5,967	1,883	663	2,222	2,132	751
Repairs	345	1,470	817	34	1,601	973	530
Other Purchased Services	1,303	2,020	4,027	783	11,336	1,355	1,095
<b>Total Taxes</b>	<b>\$402,524</b>	<b>\$447,857</b>	<b>\$443,634</b>	<b>\$559,398</b>	<b>\$797,722</b>	<b>\$374,376</b>	<b>\$596,817</b>

**Comparison: Alternative as % of Baseline**

Federal Income Tax	98.4%	98.7%	98.9%	98.6%	97.7%	99.0%	98.4%
State Income Tax	108.2%	108.7%	109.1%	108.5%	112.7%	109.3%	108.2%
Unemploy. and Workers' Comp.	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%
Franchise	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Sales	285.0%	220.7%	370.0%	331.4%	319.4%	284.8%	314.7%
<b>Total Taxes</b>	<b>102.0%</b>	<b>101.9%</b>	<b>101.7%</b>	<b>102.0%</b>	<b>103.6%</b>	<b>101.4%</b>	<b>102.1%</b>

(Continued)

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 -	
Const.	Mach.	Electronics	Motor V., Eq	Telecom.	Wholesale	Retail	Data Proc.	Research	HQ
\$1,352,878	\$1,595,993	\$2,795,553	\$2,908,338	\$1,012,990	\$546,723	\$423,123	\$1,915,798	\$731,970	
459,979	542,638	950,488	988,835	344,417	185,886	143,862	651,371	248,870	
37,189	43,891	83,085	39,640	27,773	15,059	11,580	52,718	9,039	
32,093	18,140	52,141	38,248	39,522	15,153	18,744	20,920	18,948	
30,081	37,451	67,267	126,629	22,075	76,874	28,837	46,618	63,443	
2,500	2,500	2,500	1,660	1,682	1,221	450	2,500	1,104	
10,120	17,267	16,284	39,110	3,115	7,634	3,908	64,491	13,449	
0	0	0	984	0	0	0	0	0	
0	0	0	18,319	0	0	0	0	0	
7,860	15,159	13,122	14,206	1,687	6,835	3,484	63,704	7,847	
957	913	1,413	4,747	718	515	202	330	4,747	
1,303	1,195	1,749	855	710	284	222	457	855	
0	0	0	0	0	0	0	0	0	
\$571,962	\$661,886	\$1,171,765	\$1,234,122	\$438,583	\$301,827	\$207,381	\$838,619	\$354,852	
\$1,335,624	\$1,564,058	\$2,745,632	\$2,909,767	\$1,002,674	\$536,273	\$419,130	\$1,813,816	\$729,161	
454,112	531,780	933,515	989,321	340,909	182,333	142,504	616,697	247,915	
41,004	47,533	93,643	43,625	30,364	16,300	12,635	56,458	9,907	
32,093	18,140	52,141	38,248	39,522	15,153	18,744	20,920	18,948	
28,571	41,392	73,279	101,304	17,459	68,593	25,119	51,786	64,420	
2,500	2,500	2,500	1,660	1,682	1,221	450	2,500	1,104	
24,537	39,108	49,213	48,888	15,237	21,666	9,978	137,209	30,344	
4,163	1,963	4,115	1,112	4,995	2,514	1,008	2,298	1,245	
7,237	13,957	24,162	20,709	2,330	9,439	3,208	58,653	12,042	
8,885	17,136	14,833	16,058	1,907	7,726	3,938	72,013	8,871	
1,082	1,032	1,597	5,366	811	583	228	373	5,366	
1,473	1,351	1,977	967	803	322	251	517	967	
1,697	3,669	2,528	4,676	4,390	1,083	1,344	3,354	1,854	
\$582,817	\$680,452	\$1,204,292	\$1,223,045	\$445,172	\$305,265	\$209,430	\$885,570	\$372,638	
98.7%	98.0%	98.2%	100.0%	99.0%	98.1%	99.1%	94.7%	99.6%	
110.3%	108.3%	112.7%	110.1%	109.3%	108.2%	109.1%	107.1%	109.6%	
100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	
95.0%	110.5%	108.9%	80.0%	79.1%	89.2%	87.1%	111.1%	101.5%	
100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	
242.5%	226.5%	302.2%	125.0%	489.1%	283.8%	255.3%	212.8%	225.6%	
101.9%	102.8%	102.8%	99.1%	101.5%	101.1%	101.0%	105.6%	105.0%	

Modified 1990 House Plan Table 7

**Comparison of Modified Version of 1990 House 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
Industry Code	201	204	267	275	283	307	344
Industry Name	Meat Prod.	Grain Mill	Paper Prod.	Print, Pub.	Pharmaceut.	Plastics	Metals

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
Federal Income Tax	258,949	311,352	322,958	405,418	577,456	262,920	415,423
State Income Tax	35,424	42,706	44,319	55,779	79,687	35,976	57,169
Unemploy. and Workers' Comp.	60,785	46,346	23,960	23,595	19,477	32,599	47,962
Property	96,401	95,134	116,178	160,303	223,038	95,073	159,534
Franchise	1,728	1,637	1,777	2,500	2,500	1,475	2,500
Sales	5,187	8,566	4,589	5,962	14,314	4,543	6,847
Initial Construction	0	0	0	0	0	0	0
Initial Mach. and Equip.	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
Utilities	1,535	5,279	1,665	587	1,965	1,886	664
Repairs	305	1,300	722	30	1,416	861	469
Other Purchased Services	0	0	0	0	0	0	0
<b>Total Taxes</b>	<b>\$458,474</b>	<b>\$505,741</b>	<b>\$513,782</b>	<b>\$653,557</b>	<b>\$916,472</b>	<b>\$432,585</b>	<b>\$689,436</b>

Alternative: Modified 1990 House Plan

Federal Taxable Income	\$754,058	\$912,739	\$963,384	\$1,189,019	\$1,662,116	\$784,581	\$1,208,644
Federal Income Tax	256,380	310,331	327,551	404,267	565,119	266,757	410,939
State Income Tax	38,573	46,821	49,453	61,181	85,770	40,160	62,201
Unemploy. and Workers' Comp.	60,785	46,346	23,960	23,595	19,477	32,599	47,962
Property	102,018	95,169	98,140	162,133	246,305	81,952	170,796
Franchise	1,728	1,637	1,777	2,500	2,500	1,475	2,500
Sales	7,167	11,704	9,214	7,522	27,517	6,491	8,836
Initial Construction	0	0	0	0	0	0	0
Initial Mach. and Equip.	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
Utilities	1,735	5,967	1,883	663	2,222	2,132	751
Repairs	345	1,470	817	34	1,601	973	530
Other Purchased Services	1,303	2,020	4,027	783	11,336	1,355	1,095
<b>Total Taxes</b>	<b>\$466,651</b>	<b>\$512,008</b>	<b>\$510,096</b>	<b>\$661,198</b>	<b>\$946,688</b>	<b>\$429,433</b>	<b>\$703,233</b>

Comparison: Alternative as % of Baseline

Federal Income Tax	99.0%	99.7%	101.4%	99.7%	97.9%	101.5%	98.9%
State Income Tax	108.9%	109.6%	111.6%	109.7%	107.6%	111.6%	108.8%
Unemploy. and Workers' Comp.	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%
Franchise	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%
<b>Total Taxes</b>	<b>101.8%</b>	<b>101.2%</b>	<b>99.3%</b>	<b>101.2%</b>	<b>103.3%</b>	<b>99.3%</b>	<b>102.0%</b>

(Continued)

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 -
Const. Mach.	Electronics	Motor V., Eq	Telecom.	Wholesale	Retail	Data Proc.	Research	HQ
\$1,226,408	\$1,438,540	\$2,512,745	\$2,910,965	\$920,181	\$546,723	\$423,123	\$1,719,804	\$731,970
416,979	489,104	854,333	989,728	312,861	185,886	143,862	584,734	248,870
57,385	67,409	118,165	39,676	42,916	25,270	19,430	80,698	15,164
32,093	18,140	52,141	38,248	39,522	15,153	18,744	20,920	18,948
156,551	194,904	350,074	126,629	114,884	76,874	28,837	242,612	63,443
2,500	2,500	2,500	1,660	1,682	1,221	450	2,500	1,104
10,120	17,267	16,284	19,808	3,115	7,634	3,908	64,491	13,449
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
7,860	15,159	13,122	14,206	1,687	6,835	3,484	63,704	7,847
957	913	1,413	4,747	718	515	202	330	4,747
1,303	1,195	1,749	855	710	284	222	457	855
0	0	0	0	0	0	0	0	0
\$675,629	\$789,323	\$1,393,497	\$1,215,749	\$514,981	\$312,039	\$215,232	\$995,955	\$360,978
\$1,231,423	\$1,412,264	\$2,477,031	\$2,912,738	\$939,501	\$552,963	\$425,017	\$1,681,202	\$731,425
418,684	480,170	842,191	990,331	319,430	188,008	144,506	571,609	248,684
63,384	72,784	128,125	43,671	48,212	28,122	21,471	86,762	16,668
32,093	18,140	52,141	38,248	39,522	15,153	18,744	20,920	18,948
148,689	215,415	381,364	101,304	90,860	68,593	25,119	269,507	64,420
2,500	2,500	2,500	1,660	1,682	1,221	450	2,500	1,104
13,137	23,188	20,936	27,067	7,912	9,713	5,762	76,257	17,058
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
8,885	17,136	14,833	16,058	1,907	7,726	3,938	72,013	8,871
1,082	1,032	1,597	5,366	811	583	228	373	5,366
1,473	1,351	1,977	967	803	322	251	517	967
1,697	3,669	2,528	4,676	4,390	1,083	1,344	3,354	1,854
\$678,488	\$812,196	\$1,427,257	\$1,202,280	\$507,618	\$310,809	\$216,052	\$1,027,555	\$366,882
100.4%	98.2%	98.6%	100.1%	102.1%	101.1%	100.4%	97.8%	99.9%
110.5%	108.0%	108.4%	110.1%	112.3%	111.3%	110.5%	107.5%	109.9%
100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
95.0%	110.5%	108.9%	80.0%	79.1%	89.2%	87.1%	111.1%	101.5%
100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
129.8%	134.3%	128.6%	136.7%	254.0%	127.2%	147.4%	118.2%	126.8%
100.4%	102.9%	102.4%	98.9%	98.6%	99.6%	100.4%	103.2%	101.6%

Comparison of Modified Version of 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
Industry Code	201	204	267	275	283	307	344
Industry Name	Meat Prod.	Grain Mill	Paper Prod.	Print, Pub.	Pharmaceut.	Plastics	Metals

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
Federal Income Tax	295,086	338,531	371,336	468,498	657,602	302,534	478,181
State Income Tax	23,690	27,297	29,928	37,779	54,662	24,318	38,582
Unemploy. and Workers' Comp.	56,645	43,189	22,328	21,988	18,150	30,379	44,695
Property	21,829	21,470	25,984	36,200	50,637	21,285	36,150
Franchise	1,718	1,623	1,747	2,500	2,500	1,451	2,500
Sales	5,436	9,416	4,838	6,041	14,645	4,785	6,943
Initial Construction	0	0	0	0	0	0	0
Initial Mach. and Equip.	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
Utilities	1,783	6,128	1,914	665	2,296	2,128	759
Repairs	305	1,300	722	30	1,416	861	469
Other Purchased Services	0	0	0	0	0	0	0
<b>Total Taxes</b>	<b>\$404,403</b>	<b>\$441,526</b>	<b>\$456,160</b>	<b>\$573,006</b>	<b>\$798,197</b>	<b>\$384,752</b>	<b>\$607,050</b>

Alternative: Modified 1990 House Plan

Federal Taxable Income	\$853,997	\$982,518	\$1,080,835	\$1,358,834	\$1,890,307	\$881,898	\$1,384,128
Federal Income Tax	290,359	334,056	367,484	462,003	642,704	299,845	470,603
State Income Tax	25,638	29,652	32,690	41,349	61,468	26,597	42,070
Unemploy. and Workers' Comp.	56,645	43,189	22,328	21,988	18,150	30,379	44,695
Property	23,170	21,560	22,045	36,749	56,041	18,429	38,810
Franchise	1,718	1,623	1,747	2,500	2,500	1,451	2,500
Sales	15,032	19,821	17,161	19,775	46,046	13,135	21,610
Initial Construction	1,419	1,973	4,288	3,140	2,217	3,338	2,145
Initial Mach. and Equip.	6,164	5,184	3,378	9,024	15,938	3,032	10,522
Replace Mach. and Equip.	3,784	2,246	2,488	6,043	12,359	2,031	6,459
Utilities	2,016	6,928	2,164	752	2,596	2,406	859
Repairs	345	1,470	817	34	1,601	973	530
Other Purchased Services	1,303	2,020	4,027	783	11,336	1,355	1,095
<b>Total Taxes</b>	<b>\$412,561</b>	<b>\$449,901</b>	<b>\$463,456</b>	<b>\$584,365</b>	<b>\$826,910</b>	<b>\$389,836</b>	<b>\$620,288</b>

Comparison: Alternative as % of Baseline

Federal Income Tax	98.4%	98.7%	99.0%	98.6%	97.7%	99.1%	98.4%
State Income Tax	108.2%	108.6%	109.2%	109.4%	112.4%	109.4%	109.0%
Unemploy. and Workers' Comp.	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%
Franchise	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Sales	276.5%	210.5%	354.7%	327.4%	314.4%	274.5%	311.3%
<b>Total Taxes</b>	<b>102.0%</b>	<b>101.9%</b>	<b>101.6%</b>	<b>102.0%</b>	<b>103.6%</b>	<b>101.3%</b>	<b>102.2%</b>

(Continued)

Small City 353 Const. Mach.	Small City 367 Electronics	Small City 371 Motor V., Eq	Small City 481 Telecom.	Small City 508 Wholesale	Small City 531 Retail	Small City 737 Data Proc.	Small City 873 Research	Small City - HQ
\$1,420,225	\$1,652,871	\$2,867,802	\$2,915,884	\$1,083,100	\$562,467	\$494,930	\$1,993,060	\$744,806
482,877	561,976	975,053	991,401	368,254	191,239	168,276	677,640	253,234
38,988	45,363	86,611	39,744	29,680	15,502	13,602	55,400	9,203
29,908	16,904	48,590	35,643	36,830	14,121	17,467	19,495	17,657
35,228	44,252	79,411	149,730	25,614	89,727	33,617	55,102	74,578
2,500	2,500	2,500	1,652	1,646	1,203	443	2,500	1,095
10,252	17,383	16,485	39,648	3,215	7,696	3,935	64,535	14,009
0	0	0	961	0	0	0	0	0
0	0	0	18,319	0	0	0	0	0
7,860	15,159	13,122	14,206	1,687	6,835	3,484	63,704	7,847
1,089	1,028	1,615	5,306	818	577	228	374	5,306
1,303	1,195	1,749	855	710	284	222	457	855
0	0	0	0	0	0	0	0	0
\$599,751	\$688,379	\$1,208,649	\$1,257,817	\$465,241	\$319,488	\$237,341	\$874,672	\$369,776
\$1,403,199	\$1,620,161	\$2,816,686	\$2,917,757	\$1,073,592	\$553,111	\$491,450	\$1,890,079	\$741,938
477,088	550,855	957,673	992,037	365,021	188,058	167,093	642,627	252,259
44,459	50,296	97,448	43,747	32,500	16,821	14,875	60,207	10,087
29,908	16,904	48,590	35,643	36,830	14,121	17,467	19,495	17,657
33,603	49,014	86,721	119,784	20,334	80,422	29,413	61,335	76,004
2,500	2,500	2,500	1,652	1,646	1,203	443	2,500	1,095
24,593	39,195	49,349	49,495	15,238	21,680	9,985	137,207	30,949
4,069	1,919	4,023	1,087	4,883	2,458	985	2,247	1,217
7,237	13,957	24,162	20,709	2,330	9,439	3,208	58,653	12,042
8,885	17,136	14,833	16,058	1,907	7,726	3,938	72,013	8,871
1,231	1,163	1,825	5,998	925	652	258	423	5,998
1,473	1,351	1,977	967	803	322	251	517	967
1,697	3,669	2,528	4,676	4,390	1,083	1,344	3,354	1,854
\$612,150	\$708,764	\$1,242,281	\$1,242,358	\$471,570	\$322,305	\$239,277	\$923,371	\$388,050
98.8%	98.0%	98.2%	100.1%	99.1%	98.3%	99.3%	94.8%	99.6%
114.0%	110.9%	112.5%	110.1%	109.5%	108.5%	109.4%	108.7%	109.6%
100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
95.4%	110.8%	109.2%	80.0%	79.4%	89.6%	87.5%	111.3%	101.9%
100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
239.9%	225.5%	299.4%	124.8%	473.9%	281.7%	253.8%	212.6%	220.9%
102.1%	103.0%	102.8%	98.8%	101.4%	100.9%	100.8%	105.6%	104.9%

Modified 1990 House Plan Table 9

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Comparison of Modified Version of 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
Industry Code	201	204	267	275	283	307	344
Industry Name	Meat Prod.	Grain Mill	Paper Prod.	Print, Pub.	Pharmaceut.	Plastics	Metals

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
Federal Income Tax	263,883	307,841	334,193	416,751	585,219	272,108	426,507
State Income Tax	36,109	42,218	45,880	57,354	80,766	37,252	58,709
Unemploy. and Workers' Comp.	56,645	43,189	22,328	21,988	18,150	30,379	44,695
Property	113,601	111,735	135,228	188,396	263,528	110,773	188,131
Franchise	1,718	1,623	1,747	2,500	2,500	1,451	2,500
Sales	5,436	9,416	4,838	6,041	14,645	4,785	6,943
Initial Construction	0	0	0	0	0	0	0
Initial Mach. and Equip.	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
Utilities	1,783	6,128	1,914	665	2,296	2,128	759
Repairs	305	1,300	722	30	1,416	861	469
Other Purchased Services	0	0	0	0	0	0	0
<b>Total Taxes</b>	<b>\$477,393</b>	<b>\$516,022</b>	<b>\$544,214</b>	<b>\$693,029</b>	<b>\$964,808</b>	<b>\$456,748</b>	<b>\$727,486</b>

Alternative: Modified 1990 House Plan

Federal Taxable Income	\$767,173	\$901,866	\$998,855	\$1,221,315	\$1,680,047	\$813,313	\$1,238,647
Federal Income Tax	260,839	306,634	339,611	415,247	571,216	276,526	421,140
State Income Tax	39,255	46,256	51,297	62,859	86,702	41,653	63,760
Unemploy. and Workers' Comp.	56,645	43,189	22,328	21,988	18,150	30,379	44,695
Property	120,583	112,205	114,730	191,253	291,651	95,910	201,977
Franchise	1,718	1,623	1,747	2,500	2,500	1,451	2,500
Sales	7,448	12,664	9,496	7,611	27,891	6,765	8,943
Initial Construction	0	0	0	0	0	0	0
Initial Mach. and Equip.	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
Utilities	2,016	6,928	2,164	752	2,596	2,406	859
Repairs	345	1,470	817	34	1,601	973	530
Other Purchased Services	1,303	2,020	4,027	783	11,336	1,355	1,095
<b>Total Taxes</b>	<b>\$486,487</b>	<b>\$522,572</b>	<b>\$539,207</b>	<b>\$701,458</b>	<b>\$998,110</b>	<b>\$452,684</b>	<b>\$743,015</b>

Comparison: Alternative as % of Baseline

Federal Income Tax	98.8%	99.6%	101.6%	99.6%	97.6%	101.6%	98.7%
State Income Tax	108.7%	109.6%	111.8%	109.6%	107.3%	111.8%	108.6%
Unemploy. and Workers' Comp.	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%
Franchise	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%
<b>Total Taxes</b>	<b>101.9%</b>	<b>101.3%</b>	<b>99.1%</b>	<b>101.2%</b>	<b>103.5%</b>	<b>99.1%</b>	<b>102.1%</b>

(Continued)

Small City 353 Const. Mach.	Small City 367 Electronics	Small City 371 Motor V., Eq	Small City 481 Telecom.	Small City 508 Wholesale	Small City 531 Retail	Small City 737 Data Proc.	Small City 873 Research	Small City - HQ
\$1,272,119	\$1,466,824	\$2,533,940	\$2,918,509	\$975,411	\$562,467	\$494,930	\$1,761,399	\$744,806
432,520	498,720	861,540	992,293	331,640	191,239	168,276	598,876	253,234
59,545	68,745	119,166	39,780	45,526	26,014	22,823	82,664	15,440
29,908	16,904	48,590	35,643	36,830	14,121	17,467	19,495	17,657
183,334	230,299	413,273	149,730	133,303	89,727	33,617	286,762	74,578
2,500	2,500	2,500	1,652	1,646	1,203	443	2,500	1,095
10,252	17,383	16,485	20,367	3,215	7,696	3,935	64,535	14,009
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
7,860	15,159	13,122	14,206	1,687	6,835	3,484	63,704	7,847
1,089	1,028	1,615	5,306	818	577	228	374	5,306
1,303	1,195	1,749	855	710	284	222	457	855
0	0	0	0	0	0	0	0	0
\$718,059	\$834,551	\$1,461,554	\$1,239,465	\$552,161	\$330,000	\$246,562	\$1,054,832	\$376,013
\$1,277,711	\$1,436,260	\$2,491,444	\$2,920,725	\$998,175	\$569,723	\$497,305	\$1,717,247	\$744,196
434,422	488,328	847,091	993,046	339,380	193,706	169,084	583,864	253,027
65,790	74,031	128,874	43,792	51,261	28,993	25,229	88,635	16,970
29,908	16,904	48,590	35,643	36,830	14,121	17,467	19,495	17,657
174,878	255,083	451,319	119,784	105,823	80,422	29,413	319,203	76,004
2,500	2,500	2,500	1,652	1,646	1,203	443	2,500	1,095
13,287	23,319	21,164	27,699	8,025	9,783	5,792	76,307	17,690
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
8,885	17,136	14,833	16,058	1,907	7,726	3,938	72,013	8,871
1,231	1,163	1,825	5,998	925	652	258	423	5,998
1,473	1,351	1,977	967	803	322	251	517	967
1,697	3,669	2,528	4,676	4,390	1,083	1,344	3,354	1,854
\$720,784	\$860,166	\$1,499,538	\$1,221,616	\$542,965	\$328,227	\$247,429	\$1,090,003	\$382,443
100.4%	97.9%	98.3%	100.1%	102.3%	101.3%	100.5%	97.5%	99.9%
110.5%	107.7%	108.1%	110.1%	112.6%	111.4%	110.5%	107.2%	109.9%
100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
95.4%	110.8%	109.2%	80.0%	79.4%	89.6%	87.5%	111.3%	101.9%
100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
129.6%	134.1%	128.4%	136.0%	249.6%	127.1%	147.2%	118.2%	126.3%
100.4%	103.1%	102.6%	98.6%	98.3%	99.5%	100.4%	103.3%	101.7%



Comparison of Modified Version of 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
Industry Code	201	204	267	275	283	307	344
Industry Name	Meat Prod.	Grain Mill	Paper Prod.	Print, Pub.	Pharmaceut.	Plastics	Metals

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
Federal Income Tax	234,415	255,024	279,303	385,407	552,474	228,558	396,747
State Income Tax	18,767	20,467	22,365	31,048	44,721	18,244	32,012
Unemploy. and Workers' Comp.	70,897	54,055	27,946	27,520	22,717	38,022	55,940
Property	16,433	16,885	22,813	28,237	36,775	18,470	26,957
Franchise	1,870	1,834	2,205	2,500	2,500	1,808	2,500
Sales	5,308	8,922	4,691	5,971	14,514	4,584	6,867
Initial Construction	0	0	0	0	0	0	0
Initial Mach. and Equip.	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
Utilities	1,655	5,635	1,767	596	2,165	1,927	684
Repairs	305	1,300	722	30	1,416	861	469
Other Purchased Services	0	0	0	0	0	0	0
<b>Total Taxes</b>	<b>\$347,689</b>	<b>\$357,187</b>	<b>\$359,323</b>	<b>\$480,683</b>	<b>\$673,702</b>	<b>\$309,686</b>	<b>\$521,023</b>

Alternative: Modified Rock-Martin Plan

Federal Taxable Income	\$644,801	\$703,787	\$767,998	\$1,056,241	\$1,416,696	\$634,006	\$1,091,430
Federal Income Tax	219,232	239,288	261,119	359,122	481,677	215,562	371,086
State Income Tax	17,587	19,191	21,009	29,053	38,929	17,303	29,988
Unemploy. and Workers' Comp.	70,897	54,055	27,946	27,520	22,717	38,022	55,940
Property	17,571	20,486	20,542	27,116	45,108	16,031	30,273
Franchise	1,870	1,834	2,205	2,500	2,500	1,808	2,500
Sales	39,735	42,922	50,794	69,680	192,836	37,262	63,875
Initial Construction	4,763	6,620	14,387	10,537	7,439	11,202	7,196
Initial Mach. and Equip.	18,176	15,285	9,961	26,608	46,997	8,941	31,026
Replace Mach. and Equip.	11,158	6,623	7,338	17,819	36,444	5,988	19,046
Utilities	1,655	5,635	1,767	596	2,165	1,927	684
Repairs	305	1,300	722	30	1,416	861	469
Other Purchased Services	3,678	7,459	16,619	14,089	98,375	8,344	5,454
<b>Total Taxes</b>	<b>\$366,891</b>	<b>\$377,776</b>	<b>\$383,615</b>	<b>\$514,991</b>	<b>\$783,766</b>	<b>\$325,989</b>	<b>\$553,663</b>

Comparison: Alternative as % of Baseline

Federal Income Tax	93.5%	93.8%	93.5%	93.2%	87.2%	94.3%	93.5%
State Income Tax	93.7%	93.8%	93.9%	93.6%	87.0%	94.8%	93.7%
Unemploy. and Workers' Comp.	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%
Franchise	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Sales	748.6%	481.1%	1082.8%	1166.9%	1328.6%	812.8%	930.2%
<b>Total Taxes</b>	<b>105.5%</b>	<b>105.8%</b>	<b>106.8%</b>	<b>107.1%</b>	<b>116.3%</b>	<b>105.3%</b>	<b>106.3%</b>

(Continued)

KC Johnson 353 Const. Mach.	KC Johnson 367 Electronics	KC Johnson 371 Motor V., Eq	KC Johnson 481 Telecom.	KC Johnson 508 Wholesale	KC Johnson 531 Retail	KC Johnson 737 Data Proc.	KC Johnson 873 Research	KC Johnson - HQ
\$1,116,346	\$1,405,063	\$2,520,405	\$2,885,320	\$795,060	\$458,948	\$228,476	\$1,696,440	\$696,684
379,558	477,721	856,938	981,009	270,321	156,042	72,356	576,790	236,873
30,553	38,615	69,564	39,322	21,611	12,587	6,097	46,645	8,587
37,432	21,157	60,815	44,610	46,097	17,673	21,862	24,400	22,100
28,747	32,115	58,356	107,616	23,309	76,253	28,990	39,810	58,000
2,500	2,500	2,500	1,769	2,169	1,466	549	2,500	1,225
10,146	17,285	16,339	39,275	3,132	7,637	3,911	64,497	13,504
0	0	0	1,094	0	0	0	0	0
0	0	0	18,319	0	0	0	0	0
7,860	15,159	13,122	14,206	1,687	6,835	3,484	63,704	7,847
983	931	1,468	4,801	734	518	205	336	4,801
1,303	1,195	1,749	855	710	284	222	457	855
0	0	0	0	0	0	0	0	0
\$488,934	\$589,394	\$1,064,511	\$1,213,601	\$366,638	\$271,659	\$133,766	\$754,642	\$340,288
\$1,035,715	\$1,281,548	\$2,356,097	\$2,883,690	\$730,813	\$434,144	\$206,392	\$1,587,053	\$692,208
352,143	435,726	801,073	980,455	248,477	147,544	63,743	539,598	235,351
28,370	35,239	65,174	39,299	19,904	11,861	5,503	43,795	8,533
37,432	21,157	60,815	44,610	46,097	17,673	21,862	24,400	22,100
31,852	36,948	63,240	86,093	23,379	63,317	21,339	41,880	53,146
2,500	2,500	2,500	1,769	2,169	1,466	549	2,500	1,225
73,802	117,105	142,175	76,506	58,093	38,801	31,212	148,263	49,211
13,655	6,438	13,499	3,647	16,383	8,246	3,307	7,539	4,082
21,339	41,155	71,248	18,319	6,871	8,350	2,838	51,886	10,652
26,200	50,530	43,738	14,206	5,624	6,835	3,484	63,704	7,847
983	931	1,468	4,801	734	518	205	336	4,801
1,303	1,195	1,749	855	710	284	222	457	855
10,322	16,855	10,473	34,678	27,770	14,568	21,156	24,342	20,973
\$526,099	\$648,675	\$1,134,977	\$1,228,732	\$398,118	\$280,662	\$144,208	\$800,436	\$369,566
92.8%	91.2%	93.5%	99.9%	91.9%	94.6%	88.1%	93.6%	99.4%
92.9%	91.3%	93.7%	99.9%	92.1%	94.2%	90.3%	93.9%	99.4%
100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
110.8%	115.0%	108.4%	80.0%	100.3%	83.0%	73.6%	105.2%	91.6%
100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
727.4%	677.5%	870.2%	194.8%	1855.1%	508.1%	798.0%	229.9%	364.4%
107.6%	110.1%	106.6%	101.2%	108.6%	103.3%	107.8%	106.1%	108.6%

Modified Rock-Martin Plan Table 1

Appendix D Page 2

**Comparison of Modified Version of Rock-Martin 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
Industry Code	201	204	267	275	283	307	344
Industry Name	Meat Prod.	Grain Mill	Paper Prod.	Print, Pub.	Pharmaceut.	Plastics	Metals

**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
Federal Income Tax	210,925	230,887	246,693	345,043	499,906	202,156	358,213
State Income Tax	28,750	31,524	33,721	47,388	68,910	27,531	49,219
Unemploy. and Workers' Comp.	70,897	54,055	27,946	27,520	22,717	38,022	55,940
Property	85,523	87,875	118,724	146,953	191,388	96,122	140,291
Franchise	1,870	1,834	2,205	2,500	2,500	1,808	2,500
Sales	5,308	8,922	4,691	5,971	14,514	4,584	6,867
Initial Construction	0	0	0	0	0	0	0
Initial Mach. and Equip.	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
Utilities	1,655	5,635	1,767	596	2,165	1,927	684
Repairs	305	1,300	722	30	1,416	861	469
Other Purchased Services	0	0	0	0	0	0	0
<b>Total Taxes</b>	<b>\$403,271</b>	<b>\$415,097</b>	<b>\$433,980</b>	<b>\$575,376</b>	<b>\$799,935</b>	<b>\$370,223</b>	<b>\$613,030</b>

**Alternative: Modified Rock-Martin Plan**

Federal Taxable Income	\$602,957	\$648,245	\$715,632	\$994,104	\$1,303,061	\$594,733	\$1,017,524
Federal Income Tax	205,005	220,403	243,315	337,995	443,041	202,209	345,958
State Income Tax	27,927	30,067	33,251	46,409	61,007	27,539	47,515
Unemploy. and Workers' Comp.	70,897	54,055	27,946	27,520	22,717	38,022	55,940
Property	91,444	106,614	106,905	141,120	234,753	83,430	157,549
Franchise	1,870	1,834	2,205	2,500	2,500	1,808	2,500
Sales	16,796	21,017	26,446	32,534	138,399	17,120	25,653
Initial Construction	0	0	0	0	0	0	0
Initial Mach. and Equip.	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
Utilities	1,655	5,635	1,767	596	2,165	1,927	684
Repairs	305	1,300	722	30	1,416	861	469
Other Purchased Services	3,678	7,459	16,619	14,089	98,375	8,344	5,454
<b>Total Taxes</b>	<b>\$413,939</b>	<b>\$433,991</b>	<b>\$440,069</b>	<b>\$588,078</b>	<b>\$902,417</b>	<b>\$370,128</b>	<b>\$635,116</b>

**Comparison: Alternative as % of Baseline**

Federal Income Tax	97.2%	95.5%	98.6%	98.0%	88.6%	100.0%	96.6%
State Income Tax	97.1%	95.4%	98.6%	97.9%	88.5%	100.0%	96.5%
Unemploy. and Workers' Comp.	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%
Franchise	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%
<b>Total Taxes</b>	<b>102.6%</b>	<b>104.6%</b>	<b>101.4%</b>	<b>102.2%</b>	<b>112.8%</b>	<b>100.0%</b>	<b>103.6%</b>

(Continued)

KC Johnson 353 Const. Mach.	KC Johnson 367 Electronics	KC Johnson 371 Motor V., Eq	KC Johnson 481 Telecom.	KC Johnson 508 Wholesale	KC Johnson 531 Retail	KC Johnson 737 Data Proc.	KC Johnson 873 Research	KC Johnson - HQ
\$995,488	\$1,270,044	\$2,275,062	\$2,887,963	\$697,063	\$458,948	\$228,476	\$1,529,068	\$696,684
338,466	431,815	773,521	981,908	237,001	156,042	72,356	519,883	236,873
46,474	59,447	106,934	39,358	32,374	21,123	10,233	71,686	14,406
37,432	21,157	60,815	44,610	46,097	17,673	21,862	24,400	22,100
149,604	167,133	303,698	107,616	121,307	76,253	28,990	207,183	58,000
2,500	2,500	2,500	1,769	2,169	1,466	549	2,500	1,225
10,146	17,285	16,339	19,862	3,132	7,637	3,911	64,497	13,504
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
7,860	15,159	13,122	14,206	1,687	6,835	3,484	63,704	7,847
983	931	1,468	4,801	734	518	205	336	4,801
1,303	1,195	1,749	855	710	284	222	457	855
0	0	0	0	0	0	0	0	0
\$584,622	\$699,338	\$1,263,807	\$1,195,123	\$442,079	\$280,195	\$137,901	\$890,148	\$346,107
\$950,663	\$1,192,666	\$2,208,552	\$2,886,681	\$664,993	\$434,805	\$214,972	\$1,493,952	\$694,640
323,225	405,506	750,908	981,471	226,098	147,834	67,089	507,944	236,178
44,356	55,791	103,792	39,340	30,858	19,982	9,595	70,027	14,362
37,432	21,157	60,815	44,610	46,097	17,673	21,862	24,400	22,100
165,767	192,286	329,118	86,093	121,669	85,829	21,339	217,956	53,783
2,500	2,500	2,500	1,769	2,169	1,466	549	2,500	1,225
38,808	69,512	57,429	54,540	34,839	22,205	25,067	88,839	34,476
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
26,200	50,530	43,738	14,206	5,624	6,835	3,484	63,704	7,847
983	931	1,468	4,801	734	518	205	336	4,801
1,303	1,195	1,749	855	710	284	222	457	855
10,322	16,855	10,473	34,678	27,770	14,568	21,156	24,342	20,973
\$612,089	\$746,752	\$1,304,561	\$1,207,824	\$461,730	\$294,989	\$145,501	\$911,665	\$362,124
95.5%	93.9%	97.1%	100.0%	95.4%	94.7%	92.7%	97.7%	99.7%
95.4%	93.8%	97.1%	100.0%	95.3%	94.6%	93.8%	97.7%	99.7%
100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
110.8%	115.0%	108.4%	80.0%	100.3%	112.6%	73.6%	105.2%	92.7%
100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
382.5%	402.1%	351.5%	274.6%	1112.5%	290.8%	640.9%	137.7%	255.3%
104.7%	106.8%	103.2%	101.1%	104.4%	105.3%	105.5%	102.4%	104.6%

Modified Rock-Martin Plan Table 2

Appendix D Page 4

Comparison of Modified Version of 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
Industry Code	201	204	267	275	283	307	344
Industry Name	Meat Prod.	Grain Mill	Paper Prod.	Print, Pub.	Pharmaceut.	Plastics	Metals

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
Federal Income Tax	220,699	235,389	260,765	367,090	527,461	213,041	378,191
State Income Tax	17,501	18,706	20,648	29,307	42,358	16,812	30,261
Unemploy. and Workers' Comp.	73,498	56,038	28,971	28,529	23,550	39,417	57,993
Property	23,250	23,889	32,276	39,950	52,030	26,131	38,139
Franchise	1,870	1,834	2,205	2,500	2,500	1,808	2,500
Sales	5,769	9,698	5,099	6,491	15,776	4,983	7,464
Initial Construction	0	0	0	0	0	0	0
Initial Mach. and Equip.	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
Utilities	1,799	6,125	1,921	648	2,353	2,095	743
Repairs	332	1,413	785	32	1,539	936	510
Other Purchased Services	0	0	0	0	0	0	0
<b>Total Taxes</b>	<b>\$342,586</b>	<b>\$345,555</b>	<b>\$349,965</b>	<b>\$473,867</b>	<b>\$663,675</b>	<b>\$302,193</b>	<b>\$514,547</b>

Alternative: Modified Rock-Martin Plan

Federal Taxable Income	\$600,204	\$640,833	\$709,569	\$996,012	\$1,322,291	\$585,846	\$1,029,204
Federal Income Tax	204,070	217,883	241,254	338,644	449,579	199,188	349,929
State Income Tax	16,200	17,264	19,210	27,156	35,933	15,827	28,010
Unemploy. and Workers' Comp.	73,498	56,038	28,971	28,529	23,550	39,417	57,993
Property	24,859	28,984	29,063	38,364	63,819	22,681	42,830
Franchise	1,870	1,834	2,205	2,500	2,500	1,808	2,500
Sales	43,190	46,654	55,211	75,739	209,604	40,503	69,430
Initial Construction	5,177	7,196	15,638	11,454	8,086	12,176	7,822
Initial Mach. and Equip.	19,756	16,614	10,827	28,922	51,084	9,718	33,724
Replace Mach. and Equip.	12,128	7,199	7,976	19,369	39,613	6,508	20,703
Utilities	1,799	6,125	1,921	648	2,353	2,095	743
Repairs	332	1,413	785	32	1,539	936	510
Other Purchased Services	3,998	8,107	18,064	15,314	106,929	9,070	5,928
<b>Total Taxes</b>	<b>\$363,686</b>	<b>\$368,658</b>	<b>\$375,914</b>	<b>\$510,932</b>	<b>\$784,984</b>	<b>\$319,423</b>	<b>\$550,692</b>

Comparison: Alternative as % of Baseline

Federal Income Tax	92.5%	92.6%	92.5%	92.3%	85.2%	93.5%	92.5%
State Income Tax	92.6%	92.3%	93.0%	92.7%	84.8%	94.1%	92.6%
Unemploy. and Workers' Comp.	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%
Franchise	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Sales	748.6%	481.1%	1082.8%	1166.9%	1328.6%	812.8%	930.2%
<b>Total Taxes</b>	<b>106.2%</b>	<b>106.7%</b>	<b>107.4%</b>	<b>107.8%</b>	<b>118.3%</b>	<b>105.7%</b>	<b>107.0%</b>

(Continued)

KC Wyandotte 353 Const. 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
\$1,052,456	\$1,344,707	\$2,432,403	\$2,874,432	\$740,854	\$409,684	\$168,402	\$1,621,374	\$684,716
357,835	457,200	827,017	977,307	251,890	139,293	48,927	551,267	232,803
28,525	36,660	66,588	39,171	19,900	11,199	4,405	44,212	8,434
38,805	21,934	63,046	46,247	47,788	18,322	22,664	25,295	22,911
40,671	45,436	82,562	152,256	32,978	107,883	41,016	56,324	82,058
2,500	2,500	2,500	1,769	2,169	1,466	549	2,500	1,225
11,028	18,788	17,760	42,691	3,404	8,301	4,252	70,105	14,678
0	0	0	1,189	0	0	0	0	0
0	0	0	19,912	0	0	0	0	0
8,543	16,477	14,263	15,441	1,834	7,429	3,787	69,244	8,530
1,068	1,012	1,596	5,219	798	563	223	365	5,219
1,416	1,299	1,901	930	772	309	242	497	930
0	0	0	0	0	0	0	0	0
\$479,364	\$582,519	\$1,059,472	\$1,259,440	\$358,129	\$286,464	\$121,813	\$749,703	\$362,109
\$963,796	\$1,208,868	\$2,252,206	\$2,873,348	\$670,997	\$386,964	\$146,907	\$1,501,796	\$680,044
327,691	411,015	765,750	976,938	228,139	131,174	40,544	510,611	231,215
26,105	32,915	61,778	39,156	18,043	10,496	3,830	41,082	8,378
38,805	21,934	63,046	46,247	47,788	18,322	22,664	25,295	22,911
45,065	52,274	89,472	121,805	33,076	89,580	30,190	59,252	75,192
2,500	2,500	2,500	1,769	2,169	1,466	549	2,500	1,225
80,219	127,288	154,538	83,159	63,145	42,175	33,926	161,156	53,490
14,842	6,998	14,672	3,964	17,808	8,963	3,594	8,194	4,437
23,195	44,734	77,443	19,912	7,468	9,076	3,084	56,397	11,579
28,478	54,924	47,542	15,441	6,113	7,429	3,787	69,244	8,530
1,068	1,012	1,596	5,219	798	563	223	365	5,219
1,416	1,299	1,901	930	772	309	242	497	930
11,220	18,321	11,384	37,694	30,185	15,834	22,996	26,459	22,796
\$520,385	\$647,926	\$1,137,085	\$1,269,074	\$392,360	\$293,213	\$131,703	\$799,895	\$392,410
91.6%	89.9%	92.6%	100.0%	90.6%	94.2%	82.9%	92.6%	99.3%
91.5%	89.8%	92.8%	100.0%	90.7%	93.7%	86.9%	92.9%	99.3%
100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
110.8%	115.0%	108.4%	80.0%	100.3%	83.0%	73.6%	105.2%	91.6%
100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
727.4%	677.5%	870.2%	194.8%	1855.1%	508.1%	798.0%	229.9%	364.4%
108.6%	111.2%	107.3%	100.8%	109.6%	102.4%	108.1%	106.7%	108.4%

Modified Rock-Martin Plan Table 3

Appendix D Page 6

**Comparison of Modified Version of Rock-Martin 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	Wyandotte
Industry Code	201	204	267	275	283	307	344	
Industry Name	Meat Prod.	Grain Mill	Paper Prod.	Print, Pub.	Pharmaceut.	Plastics	Metals	

**Baseline: No Tax Code Changes**

Federal Taxable Income	\$551,368	\$591,884	\$631,261	\$911,716	\$1,332,611	\$516,730	\$951,981
Federal Income Tax	187,465	201,241	214,629	309,983	453,088	175,688	323,674
State Income Tax	25,490	27,404	29,265	42,516	62,403	23,853	44,419
Unemploy. and Workers' Comp.	73,498	56,038	28,971	28,529	23,550	39,417	57,993
Property	120,998	124,325	167,971	207,910	270,776	135,993	198,484
Franchise	1,870	1,834	2,205	2,500	2,500	1,808	2,500
Sales	5,769	9,698	5,099	6,491	15,776	4,983	7,464
Initial Construction	0	0	0	0	0	0	0
Initial Mach. and Equip.	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
Utilities	1,799	6,125	1,921	648	2,353	2,095	743
Repairs	332	1,413	785	32	1,539	936	510
Other Purchased Services	0	0	0	0	0	0	0
<b>Total Taxes</b>	<b>\$415,089</b>	<b>\$420,540</b>	<b>\$448,140</b>	<b>\$597,929</b>	<b>\$828,094</b>	<b>\$381,742</b>	<b>\$634,532</b>

**Alternative: Modified Rock-Martin Plan**

Federal Taxable Income	\$530,503	\$552,224	\$624,335	\$891,096	\$1,136,600	\$521,061	\$907,145
Federal Income Tax	180,371	187,756	212,274	302,973	386,444	177,161	308,429
State Income Tax	24,504	25,530	28,937	41,542	53,142	24,058	42,300
Unemploy. and Workers' Comp.	73,498	56,038	28,971	28,529	23,550	39,417	57,993
Property	129,375	150,838	151,250	199,657	332,129	118,037	222,900
Franchise	1,870	1,834	2,205	2,500	2,500	1,808	2,500
Sales	18,257	22,845	28,746	35,363	150,434	18,609	27,884
Initial Construction	0	0	0	0	0	0	0
Initial Mach. and Equip.	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
Utilities	1,799	6,125	1,921	648	2,353	2,095	743
Repairs	332	1,413	785	32	1,539	936	510
Other Purchased Services	3,998	8,107	18,064	15,314	106,929	9,070	5,928
<b>Total Taxes</b>	<b>\$427,874</b>	<b>\$444,842</b>	<b>\$452,384</b>	<b>\$610,564</b>	<b>\$948,199</b>	<b>\$379,089</b>	<b>\$662,006</b>

**Comparison: Alternative as % of Baseline**

Federal Income Tax	96.2%	93.3%	98.9%	97.7%	85.3%	100.8%	95.3%
State Income Tax	96.1%	93.2%	98.9%	97.7%	85.2%	100.9%	95.2%
Unemploy. and Workers' Comp.	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%
Franchise	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%
<b>Total Taxes</b>	<b>103.1%</b>	<b>105.8%</b>	<b>100.9%</b>	<b>102.1%</b>	<b>114.5%</b>	<b>99.3%</b>	<b>104.3%</b>

(Continued)

KC Wyandotte 353 Const. 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
\$881,466	\$1,153,683	\$2,085,292	\$2,877,305	\$602,207	\$409,684	\$168,402	\$1,384,575	\$684,716
299,699	392,252	708,999	978,284	204,751	139,293	48,927	470,755	232,803
41,087	53,949	97,968	39,211	27,892	18,795	7,395	64,859	14,149
38,805	21,934	63,046	46,247	47,788	18,322	22,664	25,295	22,911
211,661	236,460	429,672	152,256	171,625	107,883	41,016	293,123	82,058
2,500	2,500	2,500	1,769	2,169	1,466	549	2,500	1,225
11,028	18,788	17,760	21,589	3,404	8,301	4,252	70,105	14,678
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
8,543	16,477	14,263	15,441	1,834	7,429	3,787	69,244	8,530
1,068	1,012	1,596	5,219	798	563	223	365	5,219
1,416	1,299	1,901	930	772	309	242	497	930
0	0	0	0	0	0	0	0	0
\$604,779	\$725,884	\$1,319,945	\$1,239,355	\$457,628	\$294,060	\$124,802	\$926,637	\$367,825
\$827,445	\$1,061,329	\$2,004,665	\$2,876,599	\$567,230	\$380,302	\$156,233	\$1,342,874	\$682,662
281,331	360,852	681,586	978,044	192,858	129,303	44,181	456,577	232,105
38,534	49,585	94,158	39,201	26,239	17,407	6,819	62,888	14,105
38,805	21,934	63,046	46,247	47,788	18,322	22,664	25,295	22,911
234,528	272,046	465,637	121,805	172,138	121,431	30,190	308,364	76,092
2,500	2,500	2,500	1,769	2,169	1,466	549	2,500	1,225
42,183	75,556	62,422	59,283	37,868	24,136	27,247	96,564	37,474
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
28,478	54,924	47,542	15,441	6,113	7,429	3,787	69,244	8,530
1,068	1,012	1,596	5,219	798	563	223	365	5,219
1,416	1,299	1,901	930	772	309	242	497	930
11,220	18,321	11,384	37,694	30,185	15,834	22,996	26,459	22,796
\$637,881	\$782,473	\$1,369,349	\$1,246,347	\$479,060	\$312,064	\$131,650	\$952,189	\$383,912
93.9%	92.0%	96.1%	100.0%	94.2%	92.8%	90.3%	97.0%	99.7%
93.8%	91.9%	96.1%	100.0%	94.1%	92.6%	92.2%	97.0%	99.7%
100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
110.8%	115.0%	108.4%	80.0%	100.3%	112.6%	73.6%	105.2%	92.7%
100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
382.5%	402.1%	351.5%	274.6%	1112.5%	290.8%	640.9%	137.7%	255.3%
105.5%	107.8%	103.7%	100.6%	104.7%	106.1%	105.5%	102.8%	104.4%

Modified Rock-Martin Plan Table 4

Appendix D Page 8



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

Location	Wichita	Wichita	Wichita	Wichita	Wichita	Wichita	Wichita
Industry Code	201	204	267	275	283	307	344
Industry Name	Meat Prod.	Grain Mill	Paper Prod.	Print, Pub.	Pharmaceut.	Plastics	Metals
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
Federal Income Tax	225,902	238,977	269,261	376,539	538,308	218,739	387,075
State Income Tax	18,032	19,108	21,500	30,264	43,476	17,404	31,160
Unemploy. and Workers' Comp.	72,531	55,302	28,590	28,154	23,241	38,899	57,230
Property	18,040	18,421	24,523	30,841	40,587	19,884	29,634
Franchise	1,845	1,800	2,132	2,500	2,500	1,751	2,500
Sales	4,901	8,333	4,354	5,480	13,319	4,283	6,298
Initial Construction	0	0	0	0	0	0	0
Initial Mach. and Equip.	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
Utilities	1,566	5,331	1,684	572	2,044	1,857	652
Repairs	279	1,187	660	27	1,293	786	428
Other Purchased Services	0	0	0	0	0	0	0
Total Taxes	\$341,252	\$341,940	\$350,360	\$473,779	\$661,430	\$300,959	\$513,897
Alternative: Modified Rock-Martin Plan							
Federal Taxable Income	\$623,939	\$660,611	\$745,165	\$1,038,274	\$1,392,256	\$610,186	\$1,069,663
Federal Income Tax	212,139	224,608	253,356	353,013	473,367	207,463	363,685
State Income Tax	16,953	17,922	20,314	28,475	38,122	16,591	29,295
Unemploy. and Workers' Comp.	72,531	55,302	28,590	28,154	23,241	38,899	57,230
Property	19,460	22,650	22,436	29,918	50,129	17,510	33,564
Franchise	1,845	1,800	2,132	2,500	2,500	1,751	2,500
Sales	35,851	38,704	44,988	62,579	175,380	32,983	57,619
Initial Construction	3,865	5,373	11,676	8,552	6,037	9,091	5,840
Initial Mach. and Equip.	16,595	13,956	9,094	24,294	42,911	8,163	28,328
Replace Mach. and Equip.	10,188	6,048	6,700	16,270	33,275	5,467	17,390
Utilities	1,566	5,331	1,684	572	2,044	1,857	652
Repairs	279	1,187	660	27	1,293	786	428
Other Purchased Services	3,358	6,810	15,174	12,864	89,821	7,619	4,980
Total Taxes	\$358,780	\$360,987	\$371,816	\$504,640	\$762,738	\$315,197	\$543,894
Comparison: Alternative as % of Baseline							
Federal Income Tax	93.9%	94.0%	94.1%	93.8%	87.9%	94.8%	94.0%
State Income Tax	94.0%	93.8%	94.5%	94.1%	87.7%	95.3%	94.0%
Unemploy. and Workers' Comp.	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%
Franchise	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Sales	731.5%	464.5%	1033.3%	1142.0%	1316.7%	770.1%	914.9%
Total Taxes	105.1%	105.6%	106.1%	106.5%	115.3%	104.7%	105.8%

(Continued)

Wichita 353 Const. 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
\$1,084,567	\$1,372,820	\$2,476,664	\$2,880,897	\$773,382	\$446,659	\$198,083	\$1,668,005	\$690,768
368,753	466,759	842,066	979,505	262,950	151,864	60,502	567,122	234,861
29,611	37,645	68,201	39,260	20,970	12,241	5,242	45,768	8,511
38,295	21,645	62,217	45,639	47,160	18,081	22,366	24,962	22,609
31,201	35,447	64,291	118,958	24,944	82,317	31,236	43,971	63,375
2,500	2,500	2,500	1,750	2,085	1,424	532	2,500	1,204
9,307	15,830	14,980	36,022	2,891	7,001	3,581	58,904	12,602
0	0	0	888	0	0	0	0	0
0	0	0	16,726	0	0	0	0	0
7,177	13,841	11,981	12,970	1,540	6,240	3,181	58,165	7,165
941	898	1,403	4,656	702	501	197	323	4,656
1,190	1,092	1,597	781	649	260	203	417	781
0	0	0	0	0	0	0	0	0
\$479,668	\$579,826	\$1,054,255	\$1,221,133	\$360,999	\$272,928	\$123,459	\$743,228	\$343,163
\$1,011,821	\$1,259,770	\$2,327,137	\$2,879,848	\$716,517	\$426,480	\$179,413	\$1,568,539	\$686,791
344,019	428,322	791,227	979,148	243,616	144,993	53,221	533,303	233,509
27,616	34,528	64,189	39,246	19,443	11,623	4,740	43,161	8,463
38,295	21,645	62,217	45,639	47,160	18,081	22,366	24,962	22,609
35,098	41,048	70,169	95,166	25,534	69,204	23,225	46,519	58,616
2,500	2,500	2,500	1,750	2,085	1,424	532	2,500	1,204
66,043	106,316	128,505	69,756	51,411	34,619	28,172	134,622	44,790
11,082	5,225	10,955	2,960	13,297	6,693	2,684	6,118	3,313
19,484	37,577	65,052	16,726	6,273	7,624	2,591	47,374	9,726
23,922	46,136	39,935	12,970	5,135	6,240	3,181	58,165	7,165
941	898	1,403	4,656	702	501	197	323	4,656
1,190	1,092	1,597	781	649	260	203	417	781
9,425	15,390	9,562	31,663	25,356	13,301	19,316	22,226	19,149
\$513,571	\$634,360	\$1,118,807	\$1,230,705	\$389,249	\$279,944	\$132,256	\$785,068	\$369,192
93.3%	91.8%	94.0%	100.0%	92.6%	95.5%	88.0%	94.0%	99.4%
93.3%	91.7%	94.1%	100.0%	92.7%	95.0%	90.4%	94.3%	99.4%
100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
112.5%	115.8%	109.1%	80.0%	102.4%	84.1%	74.4%	105.8%	92.5%
100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
709.6%	671.6%	857.8%	193.7%	1778.2%	494.5%	786.7%	228.5%	355.4%
107.1%	109.4%	106.1%	100.8%	107.8%	102.6%	107.1%	105.6%	107.6%

Modified Rock-Martin Plan Table 5

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

Location	Wichita	Wichita	Wichita	Wichita	Wichita	Wichita	Wichita
Industry Code	201	204	267	275	283	307	344
Industry Name	Meat Prod.	Grain Mill	Paper Prod.	Print, Pub.	Pharmaceut.	Plastics	Metals

**Baseline: No Tax Code Changes**

Federal Taxable Income	\$588,572	\$625,427	\$688,842	\$977,805	\$1,412,619	\$559,751	\$1,013,865
Federal Income Tax	200,114	212,645	234,206	332,454	480,290	190,315	344,714
State Income Tax	27,248	28,989	31,985	45,639	66,184	25,886	47,343
Unemploy. and Workers' Comp.	72,531	55,302	28,590	28,154	23,241	38,899	57,230
Property	93,886	95,866	127,625	160,504	211,225	103,484	154,224
Franchise	1,845	1,800	2,132	2,500	2,500	1,751	2,500
Sales	4,901	8,333	4,354	5,480	13,319	4,283	6,298
Initial Construction	0	0	0	0	0	0	0
Initial Mach. and Equip.	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
Utilities	1,566	5,331	1,684	572	2,044	1,857	652
Repairs	279	1,187	660	27	1,293	786	428
Other Purchased Services	0	0	0	0	0	0	0
<b>Total Taxes</b>	<b>\$400,526</b>	<b>\$402,935</b>	<b>\$428,892</b>	<b>\$574,730</b>	<b>\$796,760</b>	<b>\$364,617</b>	<b>\$612,309</b>

**Alternative: Modified Rock-Martin Plan**

Federal Taxable Income	\$570,693	\$592,372	\$679,843	\$958,355	\$1,249,850	\$560,663	\$976,261
Federal Income Tax	194,036	201,406	231,147	325,841	424,949	190,625	331,929
State Income Tax	26,403	27,427	31,560	44,720	58,493	25,929	45,566
Unemploy. and Workers' Comp.	72,531	55,302	28,590	28,154	23,241	38,899	57,230
Property	101,275	117,879	116,760	155,700	260,882	91,126	174,675
Franchise	1,845	1,800	2,132	2,500	2,500	1,751	2,500
Sales	15,391	19,376	24,217	29,733	126,432	15,728	23,451
Initial Construction	0	0	0	0	0	0	0
Initial Mach. and Equip.	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
Utilities	1,566	5,331	1,684	572	2,044	1,857	652
Repairs	279	1,187	660	27	1,293	786	428
Other Purchased Services	3,358	6,810	15,174	12,864	89,821	7,619	4,980
<b>Total Taxes</b>	<b>\$411,481</b>	<b>\$423,190</b>	<b>\$434,406</b>	<b>\$586,648</b>	<b>\$896,496</b>	<b>\$364,058</b>	<b>\$635,351</b>

**Comparison: Alternative as % of Baseline**

Federal Income Tax	97.0%	94.7%	98.7%	98.0%	88.5%	100.2%	96.3%
State Income Tax	96.9%	94.6%	98.7%	98.0%	88.4%	100.2%	96.2%
Unemploy. and Workers' Comp.	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%
Franchise	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%
<b>Total Taxes</b>	<b>102.7%</b>	<b>105.0%</b>	<b>101.3%</b>	<b>102.1%</b>	<b>112.5%</b>	<b>99.8%</b>	<b>103.8%</b>

(Continued)

Wichita 353 Const. 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
\$953,388	\$1,223,791	\$2,206,369	\$2,883,295	\$668,511	\$446,659	\$198,083	\$1,483,139	\$690,768
324,152	416,089	750,165	980,320	227,294	151,864	60,502	504,267	234,861
44,485	57,262	103,688	39,294	31,025	20,542	8,797	69,516	14,279
38,295	21,645	62,217	45,639	47,160	18,081	22,366	24,962	22,609
162,380	184,477	334,586	118,958	129,815	82,317	31,236	228,836	63,375
2,500	2,500	2,500	1,750	2,085	1,424	532	2,500	1,204
9,307	15,830	14,980	18,408	2,891	7,001	3,581	58,904	12,602
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
7,177	13,841	11,981	12,970	1,540	6,240	3,181	58,165	7,165
941	898	1,403	4,656	702	501	197	323	4,656
1,190	1,092	1,597	781	649	260	203	417	781
0	0	0	0	0	0	0	0	0
\$581,119	\$697,803	\$1,268,137	\$1,204,368	\$440,269	\$281,229	\$127,015	\$888,986	\$348,931
\$906,942	\$1,146,959	\$2,138,258	\$2,882,528	\$636,493	\$421,320	\$186,778	\$1,447,653	\$688,926
308,360	389,966	727,008	980,060	216,407	143,249	56,093	492,202	234,235
42,290	53,631	100,470	39,283	29,512	19,345	8,263	67,839	14,240
38,295	21,645	62,217	45,639	47,160	18,081	22,366	24,962	22,609
182,657	213,624	365,179	95,166	132,884	94,355	23,225	242,097	59,327
2,500	2,500	2,500	1,750	2,085	1,424	532	2,500	1,204
35,477	63,515	52,497	50,070	31,841	20,302	22,897	81,130	31,751
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
23,922	46,136	39,935	12,970	5,135	6,240	3,181	58,165	7,165
941	898	1,403	4,656	702	501	197	323	4,656
1,190	1,092	1,597	781	649	260	203	417	781
9,425	15,390	9,562	31,663	25,356	13,301	19,316	22,226	19,149
\$609,579	\$744,881	\$1,309,872	\$1,211,967	\$459,889	\$296,756	\$133,377	\$910,731	\$363,366
95.1%	93.7%	96.9%	100.0%	95.2%	94.3%	92.7%	97.6%	99.7%
95.1%	93.7%	96.9%	100.0%	95.1%	94.2%	93.9%	97.6%	99.7%
100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
112.5%	115.8%	109.1%	80.0%	102.4%	114.6%	74.4%	105.8%	93.6%
100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
381.2%	401.2%	350.4%	272.0%	1101.3%	290.0%	639.4%	137.7%	251.9%
104.9%	106.7%	103.3%	100.6%	104.5%	105.5%	105.0%	102.4%	104.1%

Modified Rock-Martin Plan Table 6

Appendix D Page 12

**Comparison of Modified Version of Rock-Martin 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
Industry Code	201	204	267	275	283	307	344
Industry Name	Meat Prod.	Grain Mill	Paper Prod.	Print, Pub.	Pharmaceut.	Plastics	Metals

**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
Federal Income Tax	285,427	337,483	354,869	449,448	638,718	289,034	459,242
State Income Tax	22,953	27,271	28,634	36,304	51,976	23,258	37,118
Unemploy. and Workers' Comp.	60,785	46,346	23,960	23,595	19,477	32,599	47,962
Property	18,524	18,280	22,324	30,802	42,857	18,268	30,654
Franchise	1,728	1,637	1,777	2,500	2,500	1,475	2,500
Sales	5,187	8,566	4,589	5,962	14,314	4,543	6,847
Initial Construction	0	0	0	0	0	0	0
Initial Mach. and Equip.	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
Utilities	1,535	5,279	1,665	587	1,965	1,886	664
Repairs	305	1,300	722	30	1,416	861	469
Other Purchased Services	0	0	0	0	0	0	0
<b>Total Taxes</b>	<b>\$394,604</b>	<b>\$439,582</b>	<b>\$436,153</b>	<b>\$548,612</b>	<b>\$769,842</b>	<b>\$369,176</b>	<b>\$584,324</b>

**Alternative: Modified Rock-Martin Plan**

Federal Taxable Income	\$794,251	\$944,987	\$989,928	\$1,244,224	\$1,667,776	\$811,796	\$1,273,949
Federal Income Tax	270,045	321,296	336,575	423,036	567,044	276,011	433,143
State Income Tax	21,730	25,911	27,217	34,259	45,812	22,277	35,011
Unemploy. and Workers' Comp.	60,785	46,346	23,960	23,595	19,477	32,599	47,962
Property	20,919	24,141	22,405	31,542	54,816	17,491	36,276
Franchise	1,728	1,637	1,777	2,500	2,500	1,475	2,500
Sales	39,133	41,897	49,238	68,606	191,885	36,089	63,129
Initial Construction	4,282	5,951	12,934	9,473	6,687	10,070	6,469
Initial Mach. and Equip.	18,176	15,285	9,961	26,608	46,997	8,941	31,026
Replace Mach. and Equip.	11,158	6,623	7,338	17,819	36,444	5,988	19,046
Utilities	1,535	5,279	1,665	587	1,965	1,886	664
Repairs	305	1,300	722	30	1,416	861	469
Other Purchased Services	3,678	7,459	16,619	14,089	98,375	8,344	5,454
<b>Total Taxes</b>	<b>\$414,341</b>	<b>\$461,229</b>	<b>\$461,174</b>	<b>\$583,537</b>	<b>\$881,534</b>	<b>\$385,942</b>	<b>\$618,021</b>

**Comparison: Alternative as % of Baseline**

Federal Income Tax	94.6%	95.2%	94.8%	94.1%	88.8%	95.5%	94.3%
State Income Tax	94.7%	95.0%	95.1%	94.4%	88.1%	95.8%	94.3%
Unemploy. and Workers' Comp.	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%
Franchise	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Sales	754.4%	489.1%	1073.0%	1150.7%	1340.5%	794.4%	921.9%
<b>Total Taxes</b>	<b>105.0%</b>	<b>104.9%</b>	<b>105.7%</b>	<b>106.4%</b>	<b>114.5%</b>	<b>104.5%</b>	<b>105.8%</b>

(Continued)

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 -
Const. Mach.	Electronics	Motor V., Eq	Telecom.	Wholesale	Retail	Data Proc.	Research	HQ
\$1,352,878	\$1,595,993	\$2,795,553	\$2,908,338	\$1,012,990	\$546,723	\$423,123	\$1,915,798	\$731,970
459,979	542,638	950,488	988,835	344,417	185,886	143,862	651,371	248,870
37,189	43,891	83,085	39,640	27,773	15,059	11,580	52,718	9,039
32,093	18,140	52,141	38,248	39,522	15,153	18,744	20,920	18,948
30,081	37,451	67,267	126,629	22,075	76,874	28,837	46,618	63,443
2,500	2,500	2,500	1,660	1,682	1,221	450	2,500	1,104
10,120	17,267	16,284	39,110	3,115	7,634	3,908	64,491	13,449
0	0	0	984	0	0	0	0	0
0	0	0	18,319	0	0	0	0	0
7,860	15,159	13,122	14,206	1,687	6,835	3,484	63,704	7,847
957	913	1,413	4,747	718	515	202	330	4,747
1,303	1,195	1,749	855	710	284	222	457	855
0	0	0	0	0	0	0	0	0
\$571,962	\$661,886	\$1,171,765	\$1,234,122	\$438,583	\$301,827	\$207,381	\$838,619	\$354,852
\$1,270,607	\$1,470,851	\$2,629,164	\$2,907,113	\$947,701	\$517,628	\$399,944	\$1,805,415	\$727,187
432,006	500,089	893,916	988,418	322,218	175,994	135,981	613,841	247,243
34,886	40,417	76,396	39,623	25,964	14,183	10,953	49,772	8,981
32,093	18,140	52,141	38,248	39,522	15,153	18,744	20,920	18,948
36,754	44,820	76,137	101,304	25,497	69,391	22,747	50,747	61,682
2,500	2,500	2,500	1,660	1,682	1,221	450	2,500	1,104
72,397	116,436	140,756	76,084	56,422	37,965	30,874	147,497	48,744
12,275	5,788	12,135	3,278	14,729	7,413	2,973	6,777	3,670
21,339	41,155	71,248	18,319	6,871	8,350	2,838	51,886	10,652
26,200	50,530	43,738	14,206	5,624	6,835	3,484	63,704	7,847
957	913	1,413	4,747	718	515	202	330	4,747
1,303	1,195	1,749	855	710	284	222	457	855
10,322	16,855	10,473	34,678	27,770	14,568	21,156	24,342	20,973
\$610,636	\$722,402	\$1,241,846	\$1,245,336	\$471,305	\$313,907	\$219,750	\$885,276	\$386,702
93.9%	92.2%	94.0%	100.0%	93.6%	94.7%	94.5%	94.2%	99.3%
93.8%	92.1%	91.9%	100.0%	93.5%	94.2%	94.6%	94.4%	99.4%
100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
122.2%	119.7%	113.2%	80.0%	115.5%	90.3%	78.9%	108.9%	97.2%
100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
715.4%	674.3%	864.4%	194.5%	1811.1%	497.3%	790.0%	228.7%	362.4%
106.8%	109.1%	106.0%	100.9%	107.5%	104.0%	106.0%	105.6%	109.0%

Modified Rock-Martin Plan Table 7

**Comparison of Modified Version of 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
Industry Code	201	204	267	275	283	307	344
Industry Name	Meat Prod.	Grain Mill	Paper Prod.	Print, Pub.	Pharmaceut.	Plastics	Metals

**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
Federal Income Tax	258,949	311,352	322,958	405,418	577,456	262,920	415,423
State Income Tax	35,424	42,706	44,319	55,779	79,687	35,976	57,169
Unemploy. and Workers' Comp.	60,785	46,346	23,960	23,595	19,477	32,599	47,962
Property	96,401	95,134	116,178	160,303	223,038	95,073	159,534
Franchise	1,728	1,637	1,777	2,500	2,500	1,475	2,500
Sales	5,187	8,566	4,589	5,962	14,314	4,543	6,847
Initial Construction	0	0	0	0	0	0	0
Initial Mach. and Equip.	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
Utilities	1,535	5,279	1,665	587	1,965	1,886	664
Repairs	305	1,300	722	30	1,416	861	469
Other Purchased Services	0	0	0	0	0	0	0
<b>Total Taxes</b>	<b>\$458,474</b>	<b>\$505,741</b>	<b>\$513,782</b>	<b>\$653,557</b>	<b>\$916,472</b>	<b>\$432,585</b>	<b>\$689,436</b>

**Alternative: Modified Rock-Martin Plan**

Federal Taxable Income	\$737,660	\$873,144	\$927,700	\$1,161,996	\$1,512,275	\$764,805	\$1,173,790
Federal Income Tax	250,804	296,869	315,418	395,078	514,173	260,034	399,089
State Income Tax	34,292	40,694	43,271	54,342	70,892	35,575	54,899
Unemploy. and Workers' Comp.	60,785	46,346	23,960	23,595	19,477	32,599	47,962
Property	108,868	125,637	116,600	164,151	285,278	91,027	188,790
Franchise	1,728	1,637	1,777	2,500	2,500	1,475	2,500
Sales	16,676	20,661	26,344	32,525	138,200	17,078	25,634
Initial Construction	0	0	0	0	0	0	0
Initial Mach. and Equip.	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
Utilities	1,535	5,279	1,665	587	1,965	1,886	664
Repairs	305	1,300	722	30	1,416	861	469
Other Purchased Services	3,678	7,459	16,619	14,089	98,375	8,344	5,454
<b>Total Taxes</b>	<b>\$473,153</b>	<b>\$531,844</b>	<b>\$527,371</b>	<b>\$672,191</b>	<b>\$1,030,521</b>	<b>\$437,788</b>	<b>\$718,874</b>

**Comparison: Alternative as % of Baseline**

Federal Income Tax	96.9%	95.3%	97.7%	97.4%	89.0%	98.9%	96.1%
State Income Tax	96.8%	95.3%	97.6%	97.4%	89.0%	98.9%	96.0%
Unemploy. and Workers' Comp.	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%
Franchise	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%
<b>Total Taxes</b>	<b>103.2%</b>	<b>105.2%</b>	<b>102.6%</b>	<b>102.9%</b>	<b>112.4%</b>	<b>101.2%</b>	<b>104.3%</b>

(Continued)

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 -
Const. Mach.	Electronics	Motor V., Eq	Telecom.	Wholesale	Retail	Data Proc.	Research	HQ
\$1,226,408	\$1,438,540	\$2,512,745	\$2,910,965	\$920,181	\$546,723	\$423,123	\$1,719,804	\$731,970
416,979	489,104	854,333	989,728	312,861	185,886	143,862	584,734	248,870
57,385	67,409	118,165	39,676	42,916	25,270	19,430	80,698	15,164
32,093	18,140	52,141	38,248	39,522	15,153	18,744	20,920	18,948
156,551	194,904	350,074	126,629	114,884	76,874	28,837	242,612	63,443
2,500	2,500	2,500	1,660	1,682	1,221	450	2,500	1,104
10,120	17,267	16,284	19,808	3,115	7,634	3,908	64,491	13,449
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
7,860	15,159	13,122	14,206	1,687	6,835	3,484	63,704	7,847
957	913	1,413	4,747	718	515	202	330	4,747
1,303	1,195	1,749	855	710	284	222	457	855
0	0	0	0	0	0	0	0	0
\$675,629	\$789,323	\$1,393,497	\$1,215,749	\$514,981	\$312,039	\$215,232	\$995,955	\$360,978
\$1,163,022	\$1,347,964	\$2,425,492	\$2,910,054	\$870,666	\$511,418	\$408,057	\$1,673,973	\$729,529
395,428	458,308	824,667	989,418	296,027	173,882	138,739	569,151	248,040
54,390	63,129	114,042	39,663	40,576	23,602	18,718	78,533	15,112
32,093	18,140	52,141	38,248	39,522	15,153	18,744	20,920	18,948
191,275	233,254	396,238	101,304	132,691	97,612	22,747	264,100	62,480
2,500	2,500	2,500	1,660	1,682	1,221	450	2,500	1,104
38,782	69,493	57,373	54,486	34,822	22,202	25,064	88,834	34,422
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
26,200	50,530	43,738	14,206	5,624	6,835	3,484	63,704	7,847
957	913	1,413	4,747	718	515	202	330	4,747
1,303	1,195	1,749	855	710	284	222	457	855
10,322	16,855	10,473	34,678	27,770	14,568	21,156	24,342	20,973
\$714,468	\$844,823	\$1,446,962	\$1,224,779	\$545,321	\$333,672	\$224,463	\$1,024,038	\$380,105
94.8%	93.7%	96.5%	100.0%	94.6%	93.5%	96.4%	97.3%	99.7%
94.8%	93.7%	96.5%	100.0%	94.5%	93.4%	96.3%	97.3%	99.7%
100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
122.2%	119.7%	113.2%	80.0%	115.5%	127.0%	78.9%	108.9%	98.5%
100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
383.2%	402.5%	352.3%	275.1%	1117.8%	290.8%	641.3%	137.7%	255.9%
105.7%	107.0%	103.8%	100.7%	105.9%	106.9%	104.3%	102.8%	105.3%

Modified Rock-Martin Plan Table 8

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(Continued)

Small City 353 Const. Mach.	Small City 367 Electronics	Small City 371 Motor V., Eq	Small City 481 Telecom.	Small City 508 Wholesale	Small City 531 Retail	Small City 737 Data Proc.	Small City 873 Research	Small City - HQ
\$1,420,225	\$1,652,871	\$2,867,802	\$2,915,884	\$1,083,100	\$562,467	\$494,930	\$1,993,060	\$744,806
482,877	561,976	975,053	991,401	368,254	191,239	168,276	677,640	253,234
38,988	45,363	86,611	39,744	29,680	15,502	13,602	55,400	9,203
29,908	16,904	48,590	35,643	36,830	14,121	17,467	19,495	17,657
35,228	44,252	79,411	149,730	25,614	89,727	33,617	55,102	74,578
2,500	2,500	2,500	1,652	1,646	1,203	443	2,500	1,095
10,252	17,383	16,485	39,648	3,215	7,696	3,935	64,535	14,009
0	0	0	961	0	0	0	0	0
0	0	0	18,319	0	0	0	0	0
7,860	15,159	13,122	14,206	1,687	6,835	3,484	63,704	7,847
1,089	1,028	1,615	5,306	818	577	228	374	5,306
1,303	1,195	1,749	855	710	284	222	457	855
0	0	0	0	0	0	0	0	0
\$599,751	\$688,379	\$1,208,649	\$1,257,817	\$465,241	\$319,488	\$237,341	\$874,672	\$369,776
\$1,336,847	\$1,526,412	\$2,699,891	\$2,915,117	\$1,017,345	\$534,265	\$472,689	\$1,881,982	\$740,031
454,528	518,980	917,963	991,140	345,897	181,650	160,714	639,874	251,611
36,623	41,823	79,588	39,733	27,839	14,626	13,002	51,748	9,145
29,908	16,904	48,590	35,643	36,830	14,121	17,467	19,495	17,657
43,392	53,118	90,184	119,784	29,965	81,584	26,682	60,138	72,856
2,500	2,500	2,500	1,652	1,646	1,203	443	2,500	1,095
72,253	116,422	140,685	76,569	56,191	37,861	30,834	147,388	49,221
12,000	5,658	11,862	3,205	14,398	7,247	2,906	6,625	3,587
21,339	41,155	71,248	18,319	6,871	8,350	2,838	51,886	10,652
26,200	50,530	43,738	14,206	5,624	6,835	3,484	63,704	7,847
1,089	1,028	1,615	5,306	818	577	228	374	5,306
1,303	1,195	1,749	855	710	284	222	457	855
10,322	16,855	10,473	34,678	27,770	14,568	21,156	24,342	20,973
\$639,204	\$749,748	\$1,279,510	\$1,264,521	\$498,369	\$331,045	\$249,143	\$921,143	\$401,586
94.1%	92.3%	94.1%	100.0%	93.9%	95.0%	95.5%	94.4%	99.4%
93.9%	92.2%	91.9%	100.0%	93.8%	94.4%	95.6%	93.4%	99.4%
100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
123.2%	120.0%	113.6%	80.0%	117.0%	90.9%	79.4%	109.1%	97.7%
100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
704.8%	669.8%	853.4%	193.1%	1747.5%	491.9%	783.7%	228.4%	351.4%
106.6%	108.9%	105.9%	100.5%	107.1%	103.6%	105.0%	105.3%	108.6%

Modified Rock-Martin Plan Table 9

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Comparison of Modified Version of 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
Industry Code	201	204	267	275	283	307	344
Industry Name	Meat Prod.	Grain Mill	Paper Prod.	Print, Pub.	Pharmaceut.	Plastics	Metals

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
Federal Income Tax	263,883	307,841	334,193	416,751	585,219	272,108	426,507
State Income Tax	36,109	42,218	45,880	57,354	80,766	37,252	58,709
Unemploy. and Workers' Comp.	56,645	43,189	22,328	21,988	18,150	30,379	44,695
Property	113,601	111,735	135,228	188,396	263,528	110,773	188,131
Franchise	1,718	1,623	1,747	2,500	2,500	1,451	2,500
Sales	5,436	9,416	4,838	6,041	14,645	4,785	6,943
Initial Construction	0	0	0	0	0	0	0
Initial Mach. and Equip.	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
Utilities	1,783	6,128	1,914	665	2,296	2,128	759
Repairs	305	1,300	722	30	1,416	861	469
Other Purchased Services	0	0	0	0	0	0	0
<b>Total Taxes</b>	<b>\$477,393</b>	<b>\$516,022</b>	<b>\$544,214</b>	<b>\$693,029</b>	<b>\$964,808</b>	<b>\$456,748</b>	<b>\$727,486</b>

Alternative: Modified Rock-Martin Plan

Federal Taxable Income	\$749,396	\$856,482	\$959,360	\$1,193,649	\$1,522,730	\$791,572	\$1,200,237
Federal Income Tax	254,795	291,204	326,182	405,841	517,728	269,135	408,081
State Income Tax	34,846	39,906	44,767	55,837	71,386	36,839	56,149
Unemploy. and Workers' Comp.	56,645	43,189	22,328	21,988	18,150	30,379	44,695
Property	128,843	148,573	137,033	193,923	338,144	106,982	223,540
Franchise	1,718	1,623	1,747	2,500	2,500	1,451	2,500
Sales	16,925	21,511	26,593	32,603	138,531	17,321	25,729
Initial Construction	0	0	0	0	0	0	0
Initial Mach. and Equip.	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
Utilities	1,783	6,128	1,914	665	2,296	2,128	759
Repairs	305	1,300	722	30	1,416	861	469
Other Purchased Services	3,678	7,459	16,619	14,089	98,375	8,344	5,454
<b>Total Taxes</b>	<b>\$493,772</b>	<b>\$546,006</b>	<b>\$558,650</b>	<b>\$712,692</b>	<b>\$1,086,440</b>	<b>\$462,106</b>	<b>\$760,694</b>

Comparison: Alternative as % of Baseline

Federal Income Tax	96.6%	94.6%	97.6%	97.4%	88.5%	98.9%	95.7%
State Income Tax	96.5%	94.5%	97.6%	97.4%	88.4%	98.9%	95.6%
Unemploy. and Workers' Comp.	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%
Franchise	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%
<b>Total Taxes</b>	<b>103.4%</b>	<b>105.8%</b>	<b>102.7%</b>	<b>102.8%</b>	<b>112.6%</b>	<b>101.2%</b>	<b>104.6%</b>

(Continued)

Small City 353 Const. Mach.	Small City 367 Electronics	Small City 371 Motor V., Eq	Small City 481 Telecom.	Small City 508 Wholesale	Small City 531 Retail	Small City 737 Data Proc.	Small City 873 Research	Small City - HQ
\$1,272,119	\$1,466,824	\$2,533,940	\$2,918,509	\$975,411	\$562,467	\$494,930	\$1,761,399	\$744,806
432,520	498,720	861,540	992,293	331,640	191,239	168,276	598,876	253,234
59,545	68,745	119,166	39,780	45,526	26,014	22,823	82,664	15,440
29,908	16,904	48,590	35,643	36,830	14,121	17,467	19,495	17,657
183,334	230,299	413,273	149,730	133,303	89,727	33,617	286,762	74,578
2,500	2,500	2,500	1,652	1,646	1,203	443	2,500	1,095
10,252	17,383	16,485	20,367	3,215	7,696	3,935	64,535	14,009
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
7,860	15,159	13,122	14,206	1,687	6,835	3,484	63,704	7,847
1,089	1,028	1,615	5,306	818	577	228	374	5,306
1,303	1,195	1,749	855	710	284	222	457	855
0	0	0	0	0	0	0	0	0
\$718,059	\$834,551	\$1,461,554	\$1,239,465	\$552,161	\$330,000	\$246,562	\$1,054,832	\$376,013
\$1,200,967	\$1,368,455	\$2,436,785	\$2,918,047	\$921,065	\$522,516	\$480,709	\$1,710,845	\$742,342
408,329	465,275	828,507	992,136	313,162	177,655	163,441	581,687	252,396
56,183	64,097	114,576	39,774	42,958	24,126	22,151	80,275	15,387
29,908	16,904	48,590	35,643	36,830	14,121	17,467	19,495	17,657
225,824	276,442	469,338	119,784	155,943	115,111	26,682	312,974	73,804
2,500	2,500	2,500	1,652	1,646	1,203	443	2,500	1,095
38,914	69,609	57,575	55,045	34,923	22,264	25,091	88,877	34,981
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
26,200	50,530	43,738	14,206	5,624	6,835	3,484	63,704	7,847
1,089	1,028	1,615	5,306	818	577	228	374	5,306
1,303	1,195	1,749	855	710	284	222	457	855
10,322	16,855	10,473	34,678	27,770	14,568	21,156	24,342	20,973
\$761,657	\$894,827	\$1,521,086	\$1,244,034	\$585,462	\$354,480	\$255,275	\$1,085,809	\$395,321
94.4%	93.3%	96.2%	100.0%	94.4%	92.9%	97.1%	97.1%	99.7%
94.4%	93.2%	96.1%	100.0%	94.4%	92.7%	97.1%	97.1%	99.7%
100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
123.2%	120.0%	113.6%	80.0%	117.0%	128.3%	79.4%	109.1%	99.0%
100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
379.6%	400.4%	349.3%	270.3%	1086.1%	289.3%	637.7%	137.7%	249.7%
106.1%	107.2%	104.1%	100.4%	106.0%	107.4%	103.5%	102.9%	105.1%

Modified Rock-Martin Plan Table 10

Appendix D Page 20