

**ESTIMATED DISTRIBUTIONAL IMPACT OF "STELLY PLAN" INCOME TAX AND SALES TAX CHANGES
 COMPRESS BRACKETS, ELIMINATE EXCESS ITEMIZED DEDUCTIONS AND FOOD AND RESIDENTIAL UTILITY SALES TAX
 NON-ITEMIZER RESIDENT RETURNS
 ALL FILING STATUS'
 TAX YEAR 2004**

Table
NON A

Federal Adjusted Gross Income	Average FAGI	Number of Returns	State Income Tax Change \$	Food & Utility Sales Tax Savings	Net Impact of Tax Changes	Combined Pct Chg
\$0 - \$5,000	\$2,797	123,974	\$0	(\$20)	(\$20)	-13%
\$5,000 - \$10,000	\$7,557	165,758	\$0	(\$66)	(\$66)	-29%
\$10,000 - \$15,000	\$12,436	190,127	(\$24)	(\$82)	(\$106)	-29%
\$15,000 - \$20,000	\$17,403	156,344	(\$33)	(\$96)	(\$129)	-24%
\$20,000 - \$25,000	\$22,372	119,701	(\$39)	(\$99)	(\$138)	-20%
\$25,000 - \$30,000	\$27,397	90,054	(\$38)	(\$101)	(\$138)	-16%
\$30,000 - \$40,000	\$34,584	123,956	\$14	(\$112)	(\$98)	-9%
\$40,000 - \$50,000	\$44,687	80,801	\$30	(\$126)	(\$96)	-7%
\$50,000 - \$60,000	\$54,778	58,101	\$30	(\$139)	(\$109)	-6%
\$60,000 - \$70,000	\$64,721	43,330	\$110	(\$149)	(\$39)	-2%
\$70,000 - \$80,000	\$74,689	30,316	\$211	(\$157)	\$55	2%
\$80,000 - \$90,000	\$84,548	19,471	\$319	(\$162)	\$156	5%
\$90,000 - \$100,000	\$94,622	12,147	\$442	(\$167)	\$275	9%
\$100,000 - \$120,000	\$108,417	11,729	\$609	(\$171)	\$438	12%
\$120,000 - \$140,000	\$128,690	4,516	\$750	(\$179)	\$571	13%
\$140,000 - \$160,000	\$148,695	2,063	\$834	(\$187)	\$647	13%
\$160,000 - \$180,000	\$169,133	1,198	\$857	(\$197)	\$660	11%
\$180,000 - \$200,000	\$188,800	731	\$850	(\$202)	\$647	9%
\$200,000 - \$250,000	\$220,799	961	\$839	(\$213)	\$626	8%
\$250,000 - \$300,000	\$272,131	450	\$833	(\$231)	\$602	6%
\$300,000 - \$350,000	\$322,074	254	\$840	(\$255)	\$584	5%
\$350,000 - \$400,000	\$372,704	166	\$813	(\$272)	\$541	4%
\$400,000 - \$450,000	\$422,202	126	\$828	(\$297)	\$531	3%
\$450,000 - \$500,000	\$471,915	87	\$812	(\$306)	\$505	3%
\$500,000 - \$600,000	\$547,429	99	\$804	(\$334)	\$470	2%
\$600,000 - \$700,000	\$646,514	85	\$799	(\$368)	\$431	2%
\$700,000 - \$800,000	\$736,850	51	\$788	(\$440)	\$347	1%
\$800,000 - \$900,000	\$847,674	35	\$810	(\$429)	\$381	1%
\$900,000 - \$1,000,000	\$950,494	26	\$744	(\$433)	\$311	1%
\$1,000,000 plus	\$1,840,929	147	\$842	(\$902)	(\$60)	0%
		1,236,804		2.2		<== persons multiple of returns

<u>Pre-Stelly (Single/Joint)</u>	<u>Rates</u>	<u>Post-Stelly (Single/Joint)</u>	<u>Rates</u>
\$0 - \$10,000/\$20,000	2%	\$0 - \$12,500/\$25,000	2%
\$10k/\$20k - \$50k/\$100k	4%	\$12.5k/\$25k - \$25k/\$50k	4%
\$50k/\$100k plus	6%	\$25k/\$50k plus	6%
57.5% Excess Itemized Deduction Allowed		0% Excess Itemized Deduction Allowed	
3.9% sales tax on food for home & residential utilities		0% sales tax on food for home & residential utilities	

Bracket changes affect all filers. Changes to excess federal itemized deductions affect only filers that itemize on federal returns. Itemizers will also experience a federal tax decrease for every dollar of state tax increase equivalent to their marginal federal tax rate (10% - 35%) multiplied by their state tax dollar change.

**ESTIMATED DISTRIBUTIONAL IMPACT OF "STELLY PLAN" INCOME TAX AND SALES TAX CHANGES
 COMPRESS BRACKETS, ELIMINATE EXCESS ITEMIZED DEDUCTIONS AND FOOD AND RESIDENTIAL UTILITY SALES TAX
 NON-ITEMIZER RESIDENT RETURNS
 SINGLE FILER STATUS
 TAX YEAR 2004**

Table
NON S

Federal Adjusted Gross Income		Average FAGI	Number of Returns	State Income Tax Change	Food & Utility Sales Tax Savings	Net Impact of Tax Changes	Net Percent Change
\$0	\$5,000	\$2,700	97,783	\$0	(\$16)	(\$16)	-13%
\$5,000	\$10,000	\$7,430	96,382	\$0	(\$47)	(\$47)	-34%
\$10,000	\$15,000	\$12,388	78,000	(\$29)	(\$52)	(\$81)	-52%
\$15,000	\$20,000	\$17,369	58,430	(\$44)	(\$55)	(\$99)	-62%
\$20,000	\$25,000	\$22,371	42,509	(\$44)	(\$54)	(\$98)	-61%
\$25,000	\$30,000	\$27,409	33,080	(\$38)	(\$54)	(\$92)	-55%
\$30,000	\$40,000	\$34,413	42,990	\$51	(\$56)	(\$5)	-3%
\$40,000	\$50,000	\$44,390	20,641	\$172	(\$60)	\$112	56%
\$50,000	\$60,000	\$54,379	9,787	\$274	(\$64)	\$209	93%
\$60,000	\$70,000	\$64,510	4,906	\$354	(\$67)	\$286	116%
\$70,000	\$80,000	\$74,538	2,609	\$387	(\$70)	\$317	118%
\$80,000	\$90,000	\$84,625	1,379	\$430	(\$74)	\$356	121%
\$90,000	\$100,000	\$94,626	771	\$451	(\$78)	\$373	117%
\$100,000	\$120,000	\$108,066	673	\$452	(\$83)	\$369	104%
\$120,000	\$140,000	\$128,953	268	\$450	(\$94)	\$355	83%
\$140,000	\$160,000	\$148,518	134	\$450	(\$96)	\$354	78%
\$160,000	\$180,000	\$169,872	92	\$450	(\$99)	\$351	71%
\$180,000	\$200,000	\$190,353	67	\$450	(\$108)	\$342	61%
\$200,000	\$250,000	\$220,055	111	\$450	(\$106)	\$344	60%
\$250,000	\$300,000	\$272,258	55	\$450	(\$122)	\$328	46%
\$300,000	\$350,000	\$321,089	30	\$450	(\$144)	\$305	34%
\$350,000	\$400,000	\$377,599	29	\$450	(\$137)	\$313	35%
\$400,000	\$450,000	\$420,458	19	\$450	(\$146)	\$303	31%
\$450,000	\$500,000	\$475,663	16	\$450	(\$129)	\$321	36%
\$500,000	\$600,000	\$540,408	19	\$450	(\$152)	\$298	28%
\$600,000	\$700,000	\$637,630	18	\$450	(\$185)	\$265	19%
\$700,000	\$800,000	\$738,635	9	\$450	(\$227)	\$223	13%
\$800,000	\$900,000	\$849,482	7	\$450	(\$215)	\$235	14%
\$900,000	\$1,000,000	\$956,335	8	\$450	(\$205)	\$245	15%
\$1,000,000 plus		\$1,885,132	14	\$450	(\$362)	\$87	3%
			490,836				

1.2 <== persons multiple of returns

<u>Pre-Stelly (Single/Joint)</u>	<u>Rates</u>	<u>Post-Stelly (Single/Joint)</u>	<u>Rates</u>
\$0 - \$10,000/\$20,000	2%	\$0 - \$12,500/\$25,000	2%
\$10k/\$20k - \$50k/\$100k	4%	\$12.5k/\$25k - \$25k/\$50k	4%
\$50k/\$100k plus	6%	\$25k/\$50k plus	6%
57.5% Excess Itemized Deduction Allowed		0% Excess Itemized Deduction Allowed	
3.9% sales tax on food for home & residential utilities		0% sales tax on food for home & residential utilities	

Bracket changes affect all filers. Changes to excess federal itemized deductions affect only filers that itemize on federal returns. Itemizers will also experience a federal tax decrease for every dollar of state tax increase equivalent to their marginal federal tax rate (10% - 35%) multiplied by their state tax dollar change.

**ESTIMATED DISTRIBUTIONAL IMPACT OF "STELLY PLAN" INCOME TAX AND SALES TAX CHANGES
 COMPRESS BRACKETS, ELIMINATE EXCESS ITEMIZED DEDUCTIONS AND FOOD AND RESIDENTIAL UTILITY SALES TAX
 NON-ITEMIZER RESIDENT RETURNS
 JOINT FILER STATUS
 TAX YEAR 2004**

Table
NON J

Federal Adjusted Gross Income		Average FAGI	Number of Returns	State Income Tax Change	Food & Utility Sales Tax Savings	Net Impact of Tax Changes	Net Percent Change
\$0	\$5,000	\$2,755	7,556	\$0	(\$45)	(\$45)	-13%
\$5,000	\$10,000	\$7,732	14,705	\$0	(\$102)	(\$102)	-28%
\$10,000	\$15,000	\$12,592	23,101	\$0	(\$117)	(\$117)	-28%
\$15,000	\$20,000	\$17,542	29,250	\$0	(\$142)	(\$142)	-33%
\$20,000	\$25,000	\$22,449	28,319	(\$35)	(\$142)	(\$177)	-40%
\$25,000	\$30,000	\$27,496	26,244	(\$78)	(\$143)	(\$220)	-48%
\$30,000	\$40,000	\$34,955	50,557	(\$77)	(\$154)	(\$231)	-48%
\$40,000	\$50,000	\$44,910	47,234	(\$97)	(\$156)	(\$253)	-49%
\$50,000	\$60,000	\$54,924	42,697	(\$74)	(\$158)	(\$233)	-42%
\$60,000	\$70,000	\$64,770	35,838	\$53	(\$162)	(\$109)	-18%
\$70,000	\$80,000	\$74,721	26,482	\$184	(\$166)	\$17	3%
\$80,000	\$90,000	\$84,553	17,511	\$305	(\$170)	\$135	20%
\$90,000	\$100,000	\$94,626	11,097	\$441	(\$174)	\$267	38%
\$100,000	\$120,000	\$108,443	10,817	\$622	(\$178)	\$445	58%
\$120,000	\$140,000	\$128,681	4,153	\$776	(\$185)	\$590	70%
\$140,000	\$160,000	\$148,683	1,886	\$870	(\$195)	\$675	73%
\$160,000	\$180,000	\$169,074	1,082	\$900	(\$206)	\$694	68%
\$180,000	\$200,000	\$188,643	650	\$899	(\$213)	\$687	63%
\$200,000	\$250,000	\$220,914	832	\$899	(\$228)	\$671	54%
\$250,000	\$300,000	\$272,033	383	\$900	(\$248)	\$652	45%
\$300,000	\$350,000	\$322,298	220	\$899	(\$271)	\$628	38%
\$350,000	\$400,000	\$371,558	134	\$900	(\$303)	\$597	31%
\$400,000	\$450,000	\$422,457	106	\$900	(\$325)	\$575	27%
\$450,000	\$500,000	\$471,144	70	\$900	(\$350)	\$550	23%
\$500,000	\$600,000	\$548,495	79	\$900	(\$379)	\$520	19%
\$600,000	\$700,000	\$649,197	66	\$900	(\$419)	\$481	16%
\$700,000	\$800,000	\$737,741	38	\$900	(\$484)	\$416	11%
\$800,000	\$900,000	\$847,222	28	\$900	(\$483)	\$417	11%
\$900,000	\$1,000,000	\$948,800	17	\$900	(\$547)	\$353	8%
\$1,000,000 plus		\$1,795,710	128	\$900	(\$951)	(\$51)	-1%
			381,280				
				3.3	<== persons multiple of returns		

<u>Pre-Stelly (Single/Joint)</u>	<u>Rates</u>	<u>Post-Stelly (Single/Joint)</u>	<u>Rates</u>
\$0 - \$10,000/\$20,000	2%	\$0 - \$12,500/\$25,000	2%
\$10k/\$20k - \$50k/\$100k	4%	\$12.5k/\$25k - \$25k/\$50k	4%
\$50k/\$100k plus	6%	\$25k/\$50k plus	6%
57.5% Excess Itemized Deduction Allowed		0% Excess Itemized Deduction Allowed	
3.9% sales tax on food for home & residential utilities		0% sales tax on food for home & residential utilities	

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COMPRESS BRACKETS, ELIMINATE EXCESS ITEMIZED DEDUCTIONS AND FOOD AND RESIDENTIAL UTILITY SALES TAX
NON-ITEMIZER RESIDENT RETURNS
HEAD-OF-HOUSEHOLD FILER STATUS
TAX YEAR 2004**

Table
NON H

Federal Adjusted Gross Income	Average FAGI	Number of Returns	State Income Tax Change	Food & Utility Sales Tax Savings	Net Impact of Tax Changes	Net Percent Change	
\$0	\$5,000	\$3,323	18,635	\$0	(\$33)	-13%	
\$5,000	\$10,000	\$7,734	54,671	\$0	(\$84)	-30%	
\$10,000	\$15,000	\$12,439	89,026	(\$26)	(\$95)	-39%	
\$15,000	\$20,000	\$17,372	68,664	(\$37)	(\$110)	-45%	
\$20,000	\$25,000	\$22,328	48,873	(\$38)	(\$111)	-43%	
\$25,000	\$30,000	\$27,301	30,730	(\$3)	(\$114)	-32%	
\$30,000	\$40,000	\$34,207	30,409	\$113	(\$121)	-2%	
\$40,000	\$50,000	\$44,350	12,926	\$266	(\$121)	\$146	36%
\$50,000	\$60,000	\$54,364	5,617	\$400	(\$124)	\$276	64%
\$60,000	\$70,000	\$64,432	2,586	\$431	(\$127)	\$304	66%
\$70,000	\$80,000	\$74,325	1,225	\$439	(\$128)	\$310	64%
\$80,000	\$90,000	\$84,233	581	\$453	(\$132)	\$321	61%
\$90,000	\$100,000	\$94,477	279	\$460	(\$134)	\$326	59%
\$100,000	\$120,000	\$108,210	239	\$459	(\$136)	\$323	56%
\$120,000	\$140,000	\$128,380	95	\$456	(\$136)	\$320	52%
\$140,000	\$160,000	\$149,763	43	\$456	(\$136)	\$320	49%
\$160,000	\$180,000	\$168,951	24	\$459	(\$157)	\$301	39%
\$180,000	\$200,000	\$188,655	14	\$460	(\$166)	\$293	34%
\$200,000	\$250,000	\$220,067	18	\$456	(\$165)	\$292	33%
\$250,000	\$300,000	\$274,705	12	\$458	(\$181)	\$277	26%
\$300,000	\$350,000	\$317,121	4	\$465	(\$207)	\$258	20%
\$350,000	\$400,000	\$376,567	3	\$456	(\$211)	\$246	18%
\$400,000	\$450,000	\$428,325	1	\$450	(\$194)	\$256	20%
\$450,000	\$500,000	\$465,890	1	\$450	(\$102)	\$348	50%
\$500,000	\$600,000	\$596,580	1	\$7	(\$237)	(\$230)	-13%
\$600,000	\$700,000	\$629,329	1	\$470	(\$367)	\$103	4%
\$700,000	\$800,000	\$724,373	4	\$485	(\$505)	(\$20)	-1%
\$800,000	\$900,000	\$0	0	\$0	\$0	\$0	0%
\$900,000	\$1,000,000	\$932,572	1	\$450	(\$322)	\$128	5%
\$1,000,000 plus	\$2,874,780	5	\$458	(\$978)	(\$520)	-6%	
		364,688	2.6	<== persons multiple of returns			

<u>Pre-Stelly (Single/Joint)</u>	<u>Rates</u>	<u>Post-Stelly (Single/Joint)</u>	<u>Rates</u>
\$0 - \$10,000/\$20,000	2%	\$0 - \$12,500/\$25,000	2%
\$10k/\$20k - \$50k/\$100k	4%	\$12.5k/\$25k - \$25k/\$50k	4%
\$50k/\$100k plus	6%	\$25k/\$50k plus	6%
57.5% Excess Itemized Deduction Allowed		0% Excess Itemized Deduction Allowed	
3.9% sales tax on food for home & residential utilities		0% sales tax on food for home & residential utilities	

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