

Appendix B – Partial List of Executive’s Proposed Revenue Enhancers

Proposal	General Fund			State Special Revenue			Total 2017-2019
	FY2017	FY2018	FY2019	FY2017	FY2018	FY2019	
Individual Income Tax Changes							
Create new income tax bracket on incomes above \$500,000	\$1,511,000	\$20,915,000	\$14,681,000				\$37,107,000
Limit capital gains credit to incomes under \$1,000,000		\$13,906,000	\$12,363,000				\$26,269,000
Establish Parity in deductibility of federal taxes for individuals, and estates and trusts		\$1,250,000	\$1,250,000				\$2,500,000
Repeal energy tax credits	\$5,900,000	\$5,900,000					\$11,800,000
Corporate Income Tax Changes							
Eliminate water’s edge election		\$2,000,000	\$4,000,000				\$6,000,000
Modify apportionment calculation for out-of-state corporations for in-state sales.		\$450,000	\$1,500,000				\$1,950,000
Consumption Tax Changes							
Increase cigarette tax by \$0.50 per pack and expand tax to cover e-cigarettes and vapor products	\$1,869,905	\$10,628,093	\$11,095,094	\$2,469,318	\$13,700,512	\$14,212,898	\$53,975,820
Increase wine tax by \$0.27 per liter		\$2,475,000	\$2,543,000		\$1,205,000	\$1,236,000	\$7,549,000
Impose excise tax of 6 percent on sale of medical marijuana		\$974,925	\$1,324,400				\$2,299,325
Tightening lodging facility tax on online companies		\$364,469	\$384,700				\$749,169

Source: Governor’s Office of Budget and Project Planning, December 2016.