

TAX INCREASES

Impact Fiscal Years 2001-2006

2001 Tax Increases

Half Cent Sales Tax	230,800,000.00
8.25% Income Tax Bracket	93,900,000.00
Satellite TV (not cable) taxed at 5%	9,800,000.00
Child Health Insurance Credit repealed	18,900,000.00
Liquor subject to 6% sales tax	11,900,000.00
Telecommunications Tax Reform and Rate Increase	34,800,000.00
Royalty Income Tax Change	20,000,000.00
Franchise Tax on LLC's (2001 Change)	10,500,000.00
Subsidiary Dividend Income Overhaul	30,800,000.00
TOTAL	461,400,000.00

2002 Tax Increases

Half Cent Sales Tax	362,700,000.00
Local Half Cent Sales Tax/Reimb. Repeal	333,400,000.00
8.25% Income Tax Bracket	66,600,000.00
NC Estate Tax	112,500,000.00
Satellite TV (not cable) taxed at 5%	21,700,000.00
Child Health Insurance Credit repealed	18,900,000.00
HMOs/Blue Cross Tax Increase	28,200,000.00
Liquor subject to 6% sales tax	24,700,000.00
Telecommunications Tax Reform and Rate Increase	89,500,000.00
Royalty Income Tax Change	21,000,000.00
Franchise Tax on LLC's (2001 Change)	11,000,000.00
Franchise Tax on LLC's (2002 Change)	20,000,000.00
Subsidiary Dividend Income Overhaul	92,300,000.00
Delayed Marriage Penalty Tax	31,900,000.00
Delayed Child Tax Credit	19,800,000.00
Amend Definition of Business Income	70,000,000.00
TOTAL	1,324,200,000.00

2003 Tax Increases

Half Cent Sales Tax	366,250,000.00
8.25% Income Tax Bracket	77,400,000.00
NC Estate Tax	128,500,000.00
Satellite TV (not cable) taxed at 5%	22,900,000.00
Child Health Insurance Credit repealed	18,900,000.00
HMOs/Blue Cross Tax Increase	16,200,000.00
Liquor subject to 6% sales tax	25,600,000.00
Telecommunications Tax Reform and Rate Increase	89,500,000.00
Royalty Income Tax Change	21,800,000.00
Franchise Tax on LLC's (2001 Change)	11,400,000.00
Franchise Tax on LLC's (2002 Change)	21,200,000.00
Subsidiary Dividend Income Overhaul	33,600,000.00
Amend Definition of Business Income	50,000,000.00
Delayed Marriage Penalty Tax	12,600,000.00
Delayed Child Tax Credit	34,900,000.00
Reduce State Child Tax Credit	16,800,000.00
Insurance Tax Rate, Art. 65 Corps	3,800,000.00
Sales Tax Soft Drinks, Prep. Food, Software	40,000,000.00
TOTAL	991,350,000.00

