Class 8
Business Equipment
Table 3
Estimated Impacts of Increasing the Current Law $5,000 Exemption Amount

Estimated Impacts of Proposed Exemption Amounts [1]

Proposed Exemption Level Based on Market Value [2]	Number of Affected Individual Taxpayers	Additional Reduction in Taxable Value due to the Exemption	Additional Reduction in Property Tax Revenue due to the Exemption	Revenue Reduction to State (101 Mills) [3]	Revenue Reduction to Local Governments and Schools [4]
$10,000	6,710	$1,409,764	$722,336	$142,386	$579,272
$15,000	10,721	$2,891,870	$1,473,015	$292,079	$1,179,608
$20,000	13,372	$4,269,777	$2,167,461	$431,247	$1,734,335
$25,000	15,367	$5,609,218	$2,838,743	$566,531	$2,269,811
$50,000	20,909	$11,521,959	$5,744,507	$1,163,718	$4,576,261
$100,000	25,333	$20,896,162	$10,284,465	$2,110,512	$8,165,689
All Exempt	29,722	$118,296,988	$57,847,601	$11,947,996	$45,899,605

1. Estimated tax impact does not include levies for fire and miscellaneous levy districts.

2. Under current law, a Class 8 property owner whose statewide aggregate market value is less than $5,000 is exempt from taxation. At $5,001 the entire value of the property is taxable. Estimated impacts are calculated based on current state law using the same methodology at the different exemption levels.

3. The estimated loss of state revenue is for the 6 mill university levy and the 95 mills levied for school equalization only. It does not include the revenue loss associated with the 1.5 mills levied in certain counties and used to support the state vo-techs.

4. In the absense of state reimbursements to local governments and schools, this revenue reduction would be shifted to other property classes.

H:\DO_RSCH\TPR-NEW\Information Requests\Information Requests CY2004\Class 8 Info\[Class 8 exemption table for e-mail.xls]Class table II

EXHIBIT 2
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