SB220	changes in proposed amendment
1	percentage will be ~~50%~~ 40%
2	maximum credit is $3,000, not $5,000
3	excludes major appliances (not any of it can be used on major appliances)
4	includes sole prop, & partnerships
5	No carryover of credits- refunded if greater than tax liability
6	Terminates on Jan. 1, 2010 - Lee Heiman says intent is to revert back to old credit amount (2/8/07)

2001-2002	0.2105	
Proposed FN	0.2000	using a credit of 40%
Original FN	0.6667	

Table 1 (assumption 7)

	Col A	Col B	Col C	Col D	Col E
Tax Year	Taxpayers claiming credit	Total Credits	Investment	Percent increase from Base Year (2001)	Ratio of investment increase over base to % reduction in After Credit Cost
2001	2,588	201,445	4,028,900	-	-
2002	4,986	1,305,788	5,223,152	29.64%	140.80%
2003	8,916	2,440,965	9,763,860	142.35%	676.14%
2004	12,196	3,098,479	12,393,916	207.63%	986.22%
2005	17,960	5,623,446	22,493,784	458.31%	2176.98%

	COL 1	COL 2	COL 3	COL 4	Col 5
Tax Year	Percent Reduction in After Credit Cost of Investment	Ratio of Investment Increase to % cost decrease	Percent Investment Inc. after Law Change Col 1 x Col 2	Estimated Investment after Law Change	Estimated Credit after Law Change
2006	0%			24,767,996	
2007	20%	23%	4.7%	25,930,442	12,965,221
2008	20%	113%	22.5%	30,350,218	15,175,109
2009	20%	164%	32.9%	32,910,229	16,455,114
2010	20%	363%	72.6%	42,741,110	21,370,555

Col 2=Col E / 6 Instead of dividing by 4, divided by 6 because major appliances are excluded.

Fiscal Year	Estimated Credits before Law Change	Estimated Credits after Law Change	Difference
2008	7,224,253	12,965,221	5,740,968
2009	7,953,664	15,175,109	7,221,445
2010	8,756,722	16,455,114	7,698,392
2011	9,640,862	9,640,862	-

SENATE TAXATION
EXHIBIT NO. 3
DATE 2-14-07
BILL NO. SB-210