

**CONDITIONAL TAX LAW CHANGES AND APPROPRIATIONS ("TRIGGERS")**  
**BASED ON FY 1999 REVENUE COLLECTIONS <sup>1/2/</sup>**  
**(\$ Thousands)**

	Trigger <sup>3/</sup> Points	Excess <sup>4/</sup> Revenue	Effective Date	FY 00 <sup>5/</sup> Impact	FY 01 Impact
Budgeted Revenue		\$5,535,945			
<i>Tier 1</i>					
1 Reduce Mining Severance Tax	\$5,543,945	\$8,000	10/31/99	\$4,667	\$8,000
2 Reduce Corporate Income rate from 8% to 7.75%	5,551,945	16,000	12/31/00	0	8,000
<i>One-Time Appropriations</i>					
DEQ VEI Program				1,500	0
ADOA Building Renewal				3,403	0
Land Dept Growing Smarter				1,000	0
Lottery Advertising				1,500	0
3 Eliminate R&D Tax Credit Cap	5,556,945	21,000	12/31/00	0	5,000
<i>One-Time Appropriation</i>					
Project Challenge Facilities				1,920	0
4 Phase Down Personal Property Minimum Value	5,559,445	23,500	12/31/99	0	2,500
5 Reduce Corporate Rate to 7.5%	5,567,445	31,500	12/31/00	0	8,000
6 Reduce Corporate Rate to 7.25%	5,575,445	39,500	12/31/00	0	8,000
7 Reduce Corporate Rate to 7.0%	5,583,445	47,500	12/31/00	0	8,000
Increase FY 00 Balance Forward	<sup>6/</sup>	<sup>6/</sup>		<u>33,510</u>	<u>0</u>
SUBTOTAL - TIER 1				<u>\$47,500</u>	<u>\$47,500</u>
<i>Tier 2</i>					
8 Reduce VLT Rate by 5 cents	5,593,445	57,500	11/30/99	\$5,000	\$10,000
9 Reduce VLT Rate by 6 cents	5,603,445	67,500	11/30/99	5,000	10,000
10 Increase K-12 Support Level	5,623,445	87,500	6/30/99	20,000	0
11 Reduce VLT Rate by 6 cents	5,633,445	97,500	11/30/99	5,000	10,000
12 Reduce VLT Rate by 6 cents	5,643,445	107,500	11/30/99	5,000	10,000
13 Reduce Highway Fund VLT Rate by 6 cents - replace with GF approp	5,653,445	117,500	11/30/99	5,000	10,000
14 Increase K-12 Support Level	5,673,445	137,500	6/30/99	20,000	0
15 Increase FY 00 Balance Forward	<sup>6/</sup>	<sup>6/</sup>		<u>25,000</u>	<u>0</u>
SUBTOTAL - TIER 2				<u>\$90,000</u>	<u>\$50,000</u>
GRAND TOTAL				<u>\$137,500</u>	<u>\$97,500</u>

<sup>1/</sup> Certain tax law changes and one-time appropriations (otherwise known as "triggers") will become effective if the budgeted revenue estimates are exceeded. By September 1, 1999 the Joint Legislative Budget Committee staff and the Governor's Office of Strategic Planning and Budgeting shall determine whether the level of FY 1999 General Fund revenue, excluding the beginning balance, exceeded the budgeted revenue estimate of \$5,535,945,000. Based on this report, the Governor shall issue a public notice by September 15th stating which triggers have taken effect.

<sup>2/</sup> If any of the triggers do not take effect based on excess FY 1999 revenue, they may be implemented if FY 2000 General Fund revenue, excluding any beginning balance, exceeds \$5,791,350,500. There is a similar September 1, 2000 reporting requirement to determine the level of excess FY 2000 revenue (see footnote 1).

<sup>3/</sup> Trigger points represent the General Fund revenue level which will "trigger" the implementation of particular tax law changes and appropriations.

<sup>4/</sup> Cumulative dollar amount of excess revenue necessary to "trigger" conditional tax law changes and appropriations.

<sup>5/</sup> Current estimate of dollar impact of each trigger.

<sup>6/</sup> Any excess revenue not otherwise designated for a specific purpose will add to the General Fund ending balance.

FY 02

Impact

\$8,000

16,000

0

0

0

0

5,000

0

5,000

16,000

16,000

16,000

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\$82,000

\$10,000

10,000

0

10,000

10,000

10,000

0

0

\$50,000

\$132,000

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