

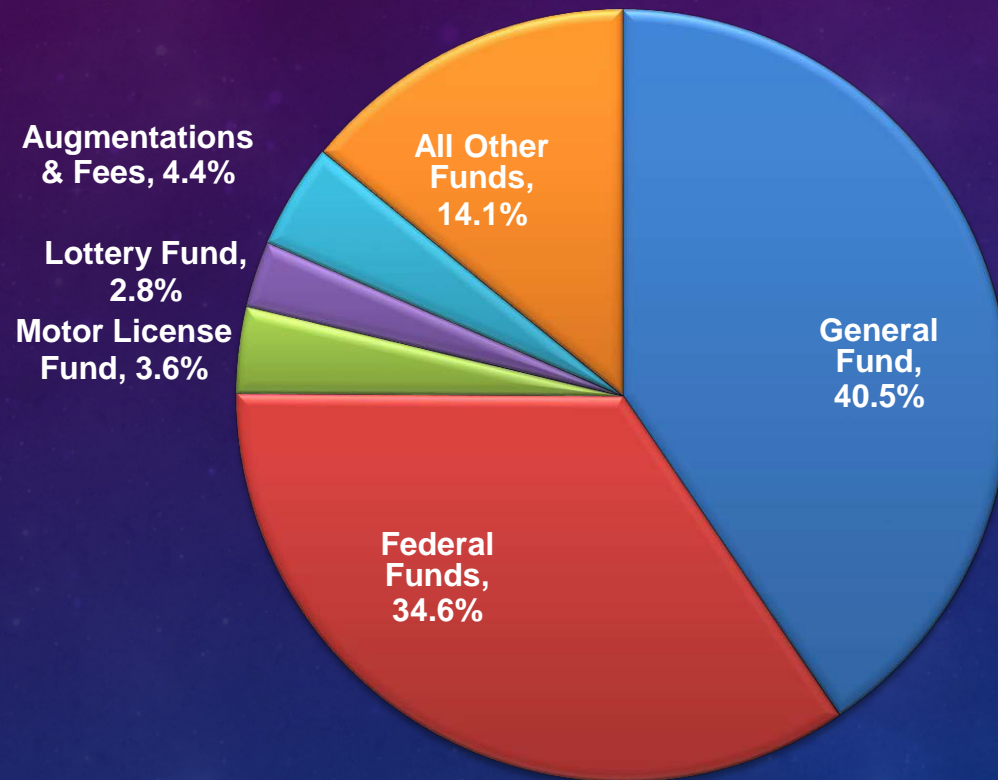
The background is a gradient of dark blue and purple. On the left side, there is a large, semi-circular scale with tick marks and numbers ranging from 140 to 260. Several concentric circles and arcs are scattered across the background, some with arrows indicating a clockwise direction. The overall aesthetic is technical and modern.

SENATOR RYAN AUMENT

36TH DISTRICT

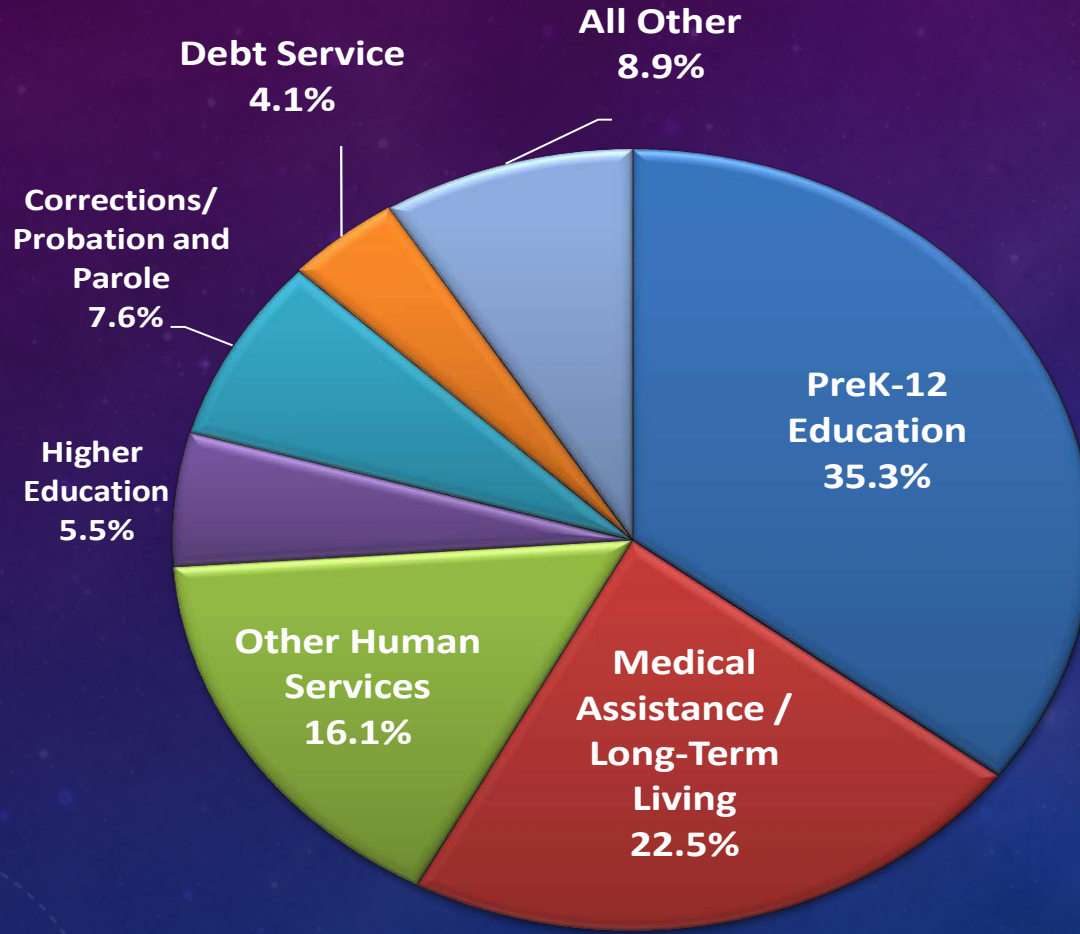
2015-2016 BUDGET SUMMARY

FY 2014-15 – Budget All Fund Sources



General Fund.....	\$29,026,601
Federal Funds.....	24,807,849
Motor License Fund.....	2,614,725
Lottery Fund.....	1,992,919
Augmentations & Fees.....	3,169,121
All Other Funds.....	10,059,294
Total All Funds.....	\$71,670,509
(Amounts In Thousands)	

FY 2014-15 General Fund Expenditures



Amounts in Thousands		
PreK-12 Education	\$	10,244,455
Medical Assistance / Long-Term Living		6,530,827
Other Human Services.		4,677,579
Higher Education		1,606,861
Corrections/Probation and Parole		2,216,303
Debt Service		1,183,260
All Other		2,567,316
Total General Fund Expenditures	\$	29,026,601

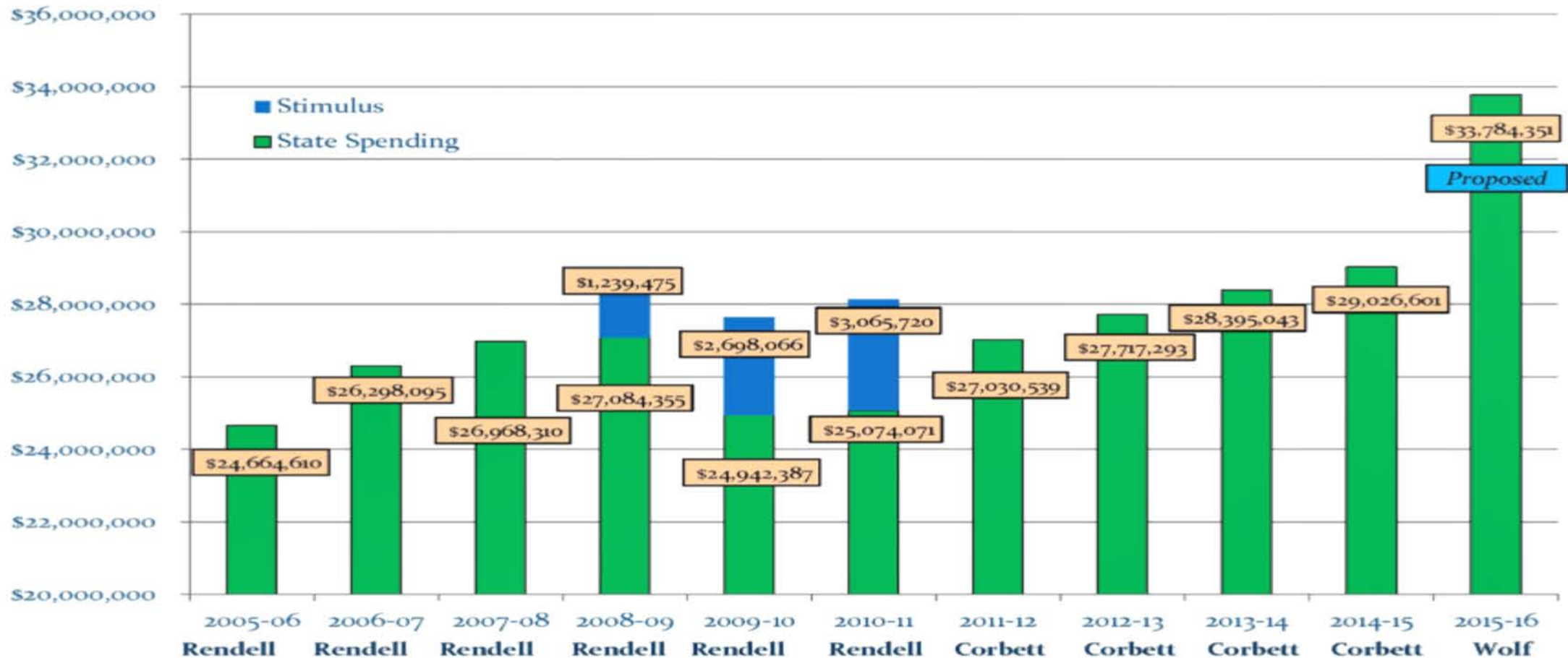
* General Fund expenditures do not include \$1.2 billion of tax refunds.

GOVERNOR WOLF PROPOSAL

- **\$4.7 billion** tax increase in fiscal year 2015-16,
 - \$12 billion tax increase over 2 years.
- **20.5%** increase in the Personal Income Tax (from 3.07% to 3.70%).
- **10%** increase in the Sales and Use Tax (from 6.0% to 6.6%).
- Expanding Sales and Use Tax base (making more items taxable)
- \$1.00 per pack increase in the Cigarette Tax.
- New tax of **40%** applied to the wholesale price of chewing tobacco, cigars, loose tobacco and e-cigarettes.
- New natural gas Severance Tax of **5%.**
- **\$3 billion** in pension obligation bonds (debt).
- **\$675 million** in “economic growth bonds” (debt).
- Retroactive rate increase of Bank Shares Tax.
- Mandatory, unitary combined reporting for business taxes.

Governor Wolf's Proposed State Spending

In Thousands



Source: House Republican Appropriations Committee
www.pabudget.com

WOLF PROPOSAL: SALES AND INCOME TAX VS. PROPERTY TAX REDUCTION

Please Select a School District from the Drop-Down Menu Below:

Cocalico SD

Net Impact of Governor Wolf's Plan to Resident Taxpayers:

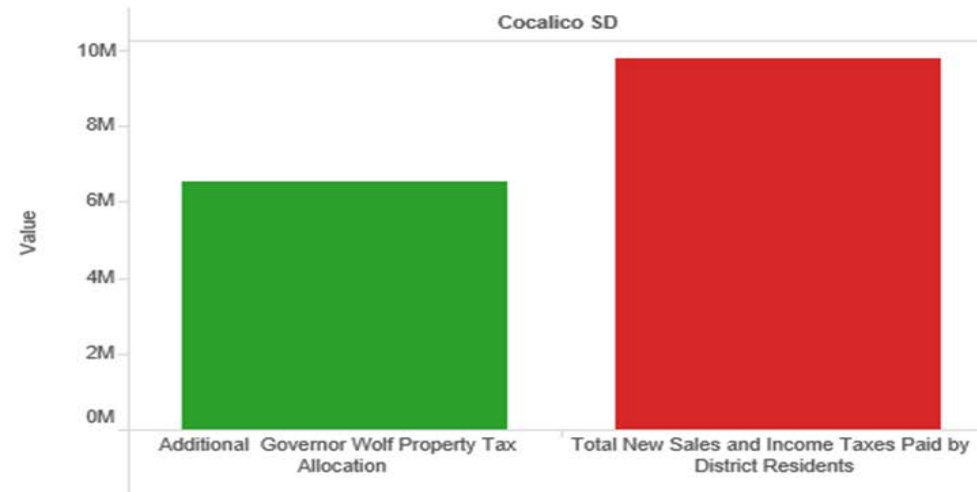
(\$3,247,355)

New Sales Tax & New Personal Income Tax Paid by Resident Taxpayers:

\$9,761,833

Property Tax/Rent Relief Returned to Resident Taxpayers Under Gov. Wolf's Plan:

\$6,514,477



Current Slots Money for Property Tax Relief*: \$1,100,516

*The Wolf proposed property tax relief listed above does not include property tax relief already received from current Slots money.

WOLF PROPOSAL: SALES AND INCOME TAX VS. PROPERTY TAX REDUCTION

Please Select a School District from the Drop-Down Menu Below:

Columbia Borough SD

Net Impact of Governor Wolf's Plan to Resident Taxpayers:

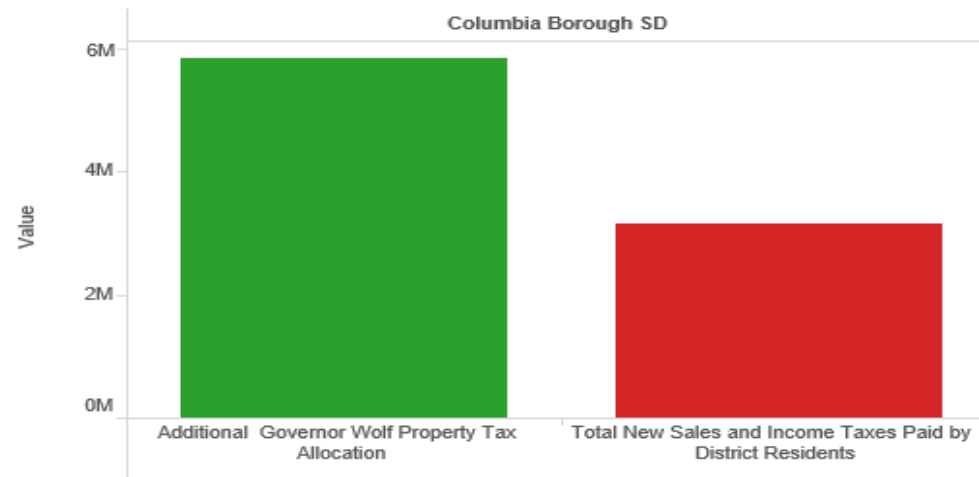
\$2,686,336

New Sales Tax & New Personal Income Tax Paid by Resident Taxpayers:

\$3,142,398

Property Tax/Rent Relief Returned to Resident Taxpayers Under Gov. Wolf's Plan:

\$5,828,733



Current Slots Money for Property Tax Relief*: \$636,835

*The Wolf proposed property tax relief listed above does not include property tax relief already received from current Slots money.

WOLF PROPOSAL: SALES AND INCOME TAX VS. PROPERTY TAX REDUCTION

Please Select a School District from the Drop-Down Menu Below:

Conestoga Valley SD

Net Impact of Governor Wolf's Plan to Resident Taxpayers:

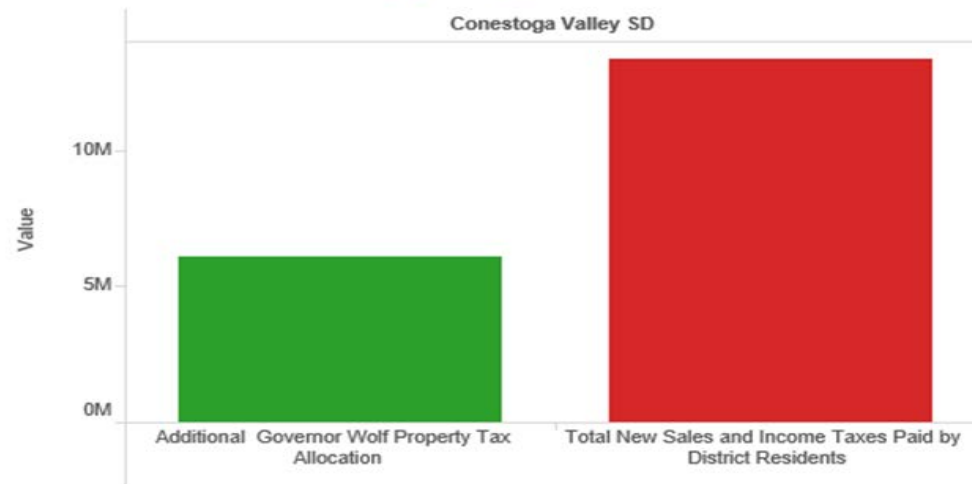
(\$7,266,892)

New Sales Tax & New Personal Income Tax Paid by Resident Taxpayers:

\$13,320,925

Property Tax/Rent Relief Returned to Resident Taxpayers Under Gov. Wolf's Plan:

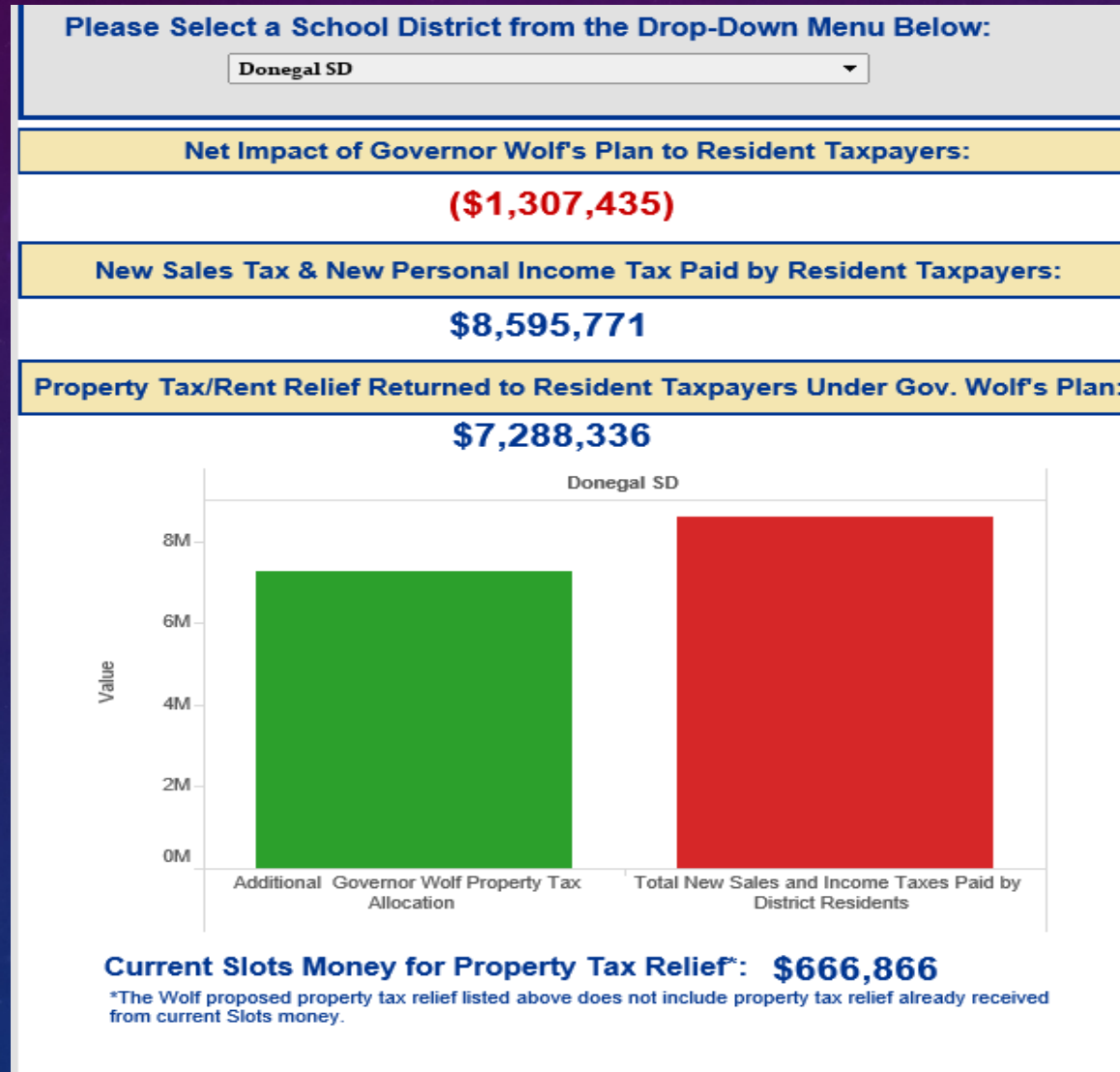
\$6,054,033



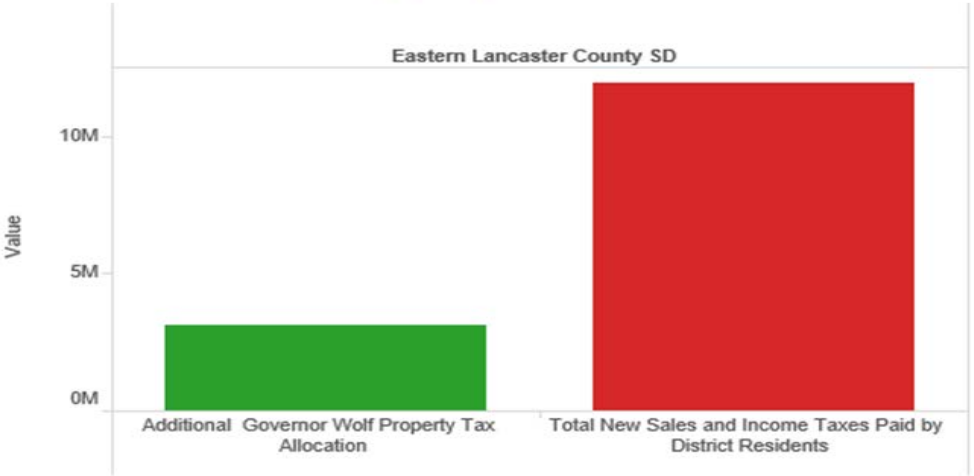
Current Slots Money for Property Tax Relief*: **\$699,065**

*The Wolf proposed property tax relief listed above does not include property tax relief already received from current Slots money.

WOLF PROPOSAL: SALES AND INCOME TAX VS. PROPERTY TAX REDUCTION



WOLF PROPOSAL: SALES AND INCOME TAX VS. PROPERTY TAX REDUCTION

Please Select a School District from the Drop-Down Menu Below:	
Eastern Lancaster County SD	
Net Impact of Governor Wolf's Plan to Resident Taxpayers:	
(\$8,824,352)	
New Sales Tax & New Personal Income Tax Paid by Resident Taxpayers:	
\$11,935,831	
Property Tax/Rent Relief Returned to Resident Taxpayers Under Gov. Wolf's Plan:	
\$3,111,479	
	
Current Slots Money for Property Tax Relief*: \$443,751	
*The Wolf proposed property tax relief listed above does not include property tax relief already received from current Slots money.	

WOLF PROPOSAL: SALES AND INCOME TAX VS. PROPERTY TAX REDUCTION

Please Select a School District from the Drop-Down Menu Below:

Elizabethtown Area SD

Net Impact of Governor Wolf's Plan to Resident Taxpayers:

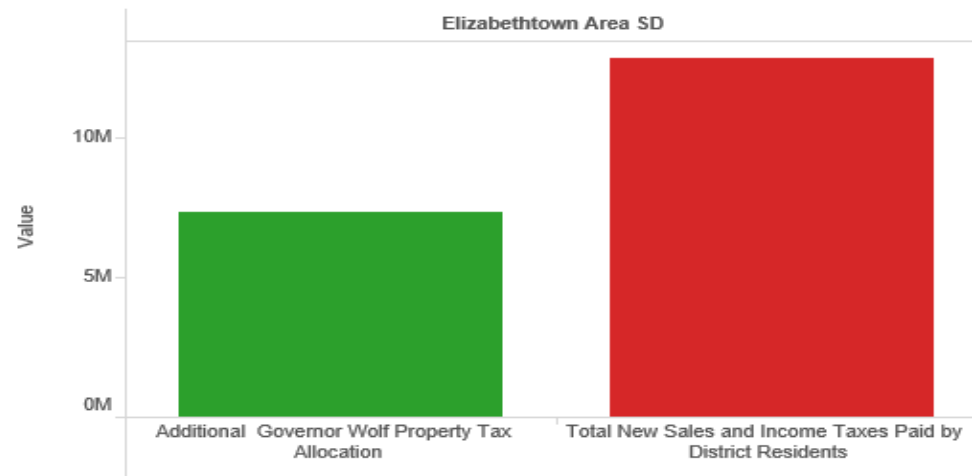
(\$5,492,772)

New Sales Tax & New Personal Income Tax Paid by Resident Taxpayers:

\$12,843,528

Property Tax/Rent Relief Returned to Resident Taxpayers Under Gov. Wolf's Plan:

\$7,350,756



Current Slots Money for Property Tax Relief*: \$594,999

*The Wolf proposed property tax relief listed above does not include property tax relief already received from current Slots money.

WOLF PROPOSAL: SALES AND INCOME TAX VS. PROPERTY TAX REDUCTION

Please Select a School District from the Drop-Down Menu Below:

Ephrata Area SD

Net Impact of Governor Wolf's Plan to Resident Taxpayers:

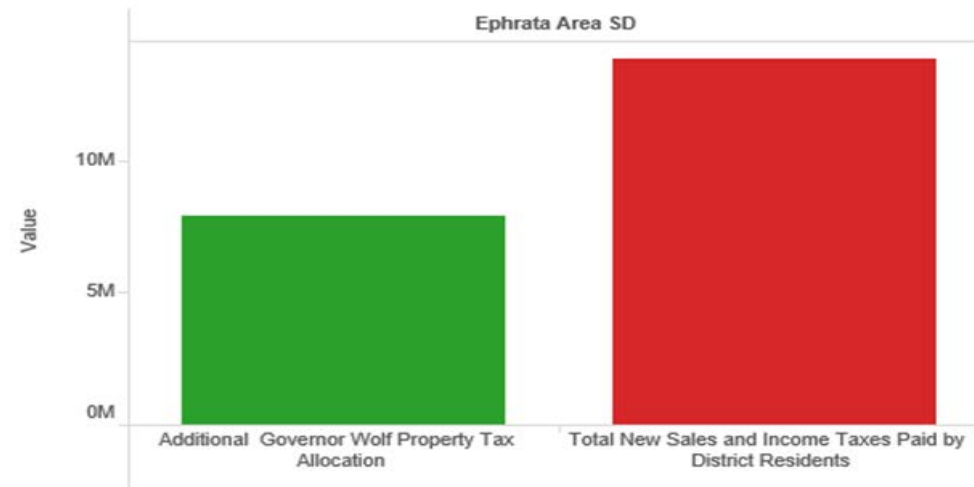
(\$5,918,362)

New Sales Tax & New Personal Income Tax Paid by Resident Taxpayers:

\$13,821,496

Property Tax/Rent Relief Returned to Resident Taxpayers Under Gov. Wolf's Plan:

\$7,903,134



Current Slots Money for Property Tax Relief*: \$1,018,782

*The Wolf proposed property tax relief listed above does not include property tax relief already received from current Slots money.

WOLF PROPOSAL: SALES AND INCOME TAX VS. PROPERTY TAX REDUCTION

Please Select a School District from the Drop-Down Menu Below:

Hempfield Area SD

Net Impact of Governor Wolf's Plan to Resident Taxpayers:

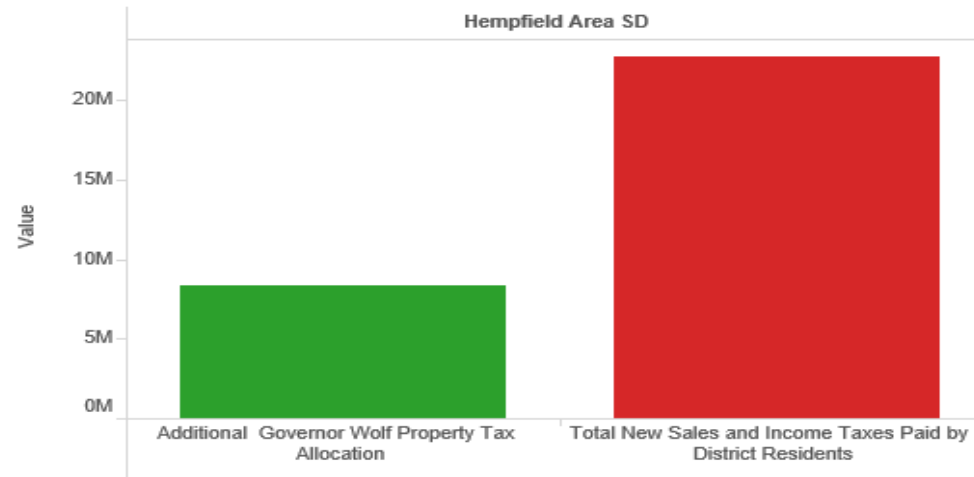
(\$14,337,820)

New Sales Tax & New Personal Income Tax Paid by Resident Taxpayers:

\$22,739,570

Property Tax/Rent Relief Returned to Resident Taxpayers Under Gov. Wolf's Plan:

\$8,401,750



Current Slots Money for Property Tax Relief*: \$1,258,012

*The Wolf proposed property tax relief listed above does not include property tax relief already received from current Slots money.

WOLF PROPOSAL: SALES AND INCOME TAX VS. PROPERTY TAX REDUCTION

Please Select a School District from the Drop-Down Menu Below:

Manheim Central SD

Net Impact of Governor Wolf's Plan to Resident Taxpayers:

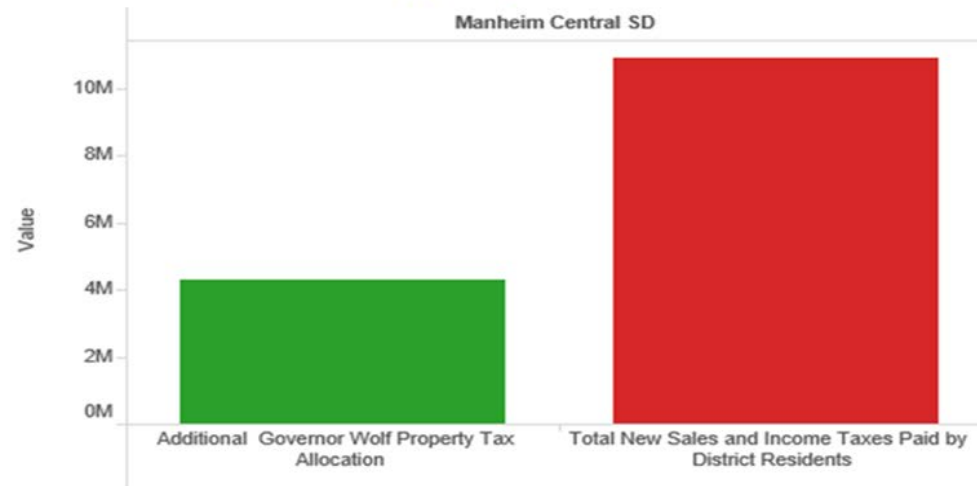
(\$6,597,347)

New Sales Tax & New Personal Income Tax Paid by Resident Taxpayers:

\$10,891,246

Property Tax/Rent Relief Returned to Resident Taxpayers Under Gov. Wolf's Plan:

\$4,293,899



Current Slots Money for Property Tax Relief*: **\$830,368**

*The Wolf proposed property tax relief listed above does not include property tax relief already received from current Slots money.

WOLF PROPOSAL: SALES AND INCOME TAX VS. PROPERTY TAX REDUCTION

Please Select a School District from the Drop-Down Menu Below:

Warwick SD

Net Impact of Governor Wolf's Plan to Resident Taxpayers:

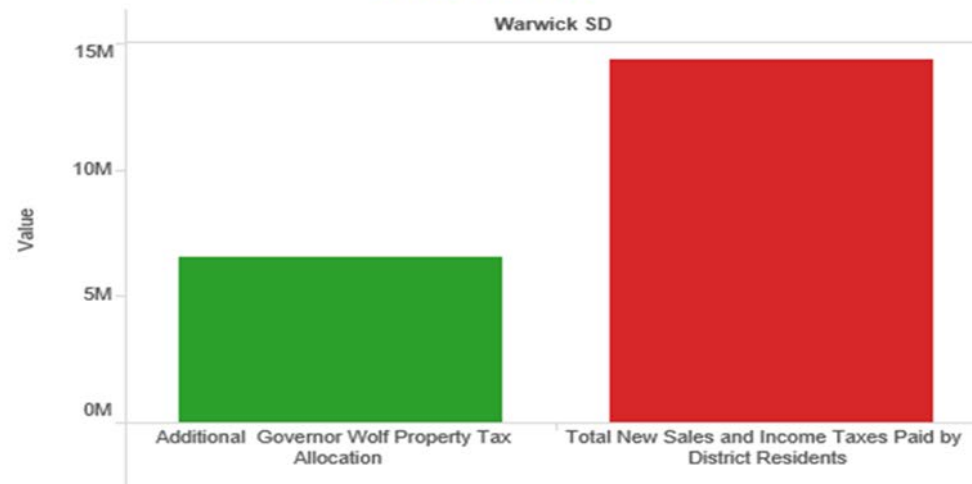
(\$7,802,010)

New Sales Tax & New Personal Income Tax Paid by Resident Taxpayers:

\$14,343,906

Property Tax/Rent Relief Returned to Resident Taxpayers Under Gov. Wolf's Plan:

\$6,541,896



Current Slots Money for Property Tax Relief*: **\$915,356**

*The Wolf proposed property tax relief listed above does not include property tax relief already received from current Slots money.

WOLF PROPOSAL: IMPACT ON PENNSYLVANIA CITIZENS

- PIT Increase

- Making \$55K - **\$346** ↑
- Making \$100K - **\$630** ↑

- Sales and Use Tax Increase

- Approximately **\$500/year**

- Cigarette Tax

- Additional **\$281/year** for avg. smoker

- Smokeless Tobacco Tax

- Approximately **\$200/year**

WOLF PROPOSAL:

ITEMS AND SERVICES SUBJECT TO SALES TAX

- CANDY & GUM
- PERSONAL HYGIENE PRODUCTS
- NEWSPAPERS & MAGAZINES
- NON-PRESCRIPTION DRUGS
- TEXTBOOKS
- HIGHER EDUCATION MEAL PLANS & FEES OTHER THAN TUITION
- CATALOGS & DIRECT MAIL ADVERTISING
- CABLE TELEVISION
- MOTION PICTURE TICKETS
- PERFORMING ARTS TICKETS (GENERALLY, SCHOOL AND NON-PROFIT EVENTS ARE EXEMPT)
- SPECTATOR SPORTS TICKETS (GENERALLY, SCHOOL AND NON-PROFIT SPORTS EVENTS ARE EXEMPT)
- ADMISSIONS TO MUSEUMS, HISTORICAL SITES, AND SIMILAR INSTITUTIONS
- AMUSEMENT & RECREATIONAL CAMPS
- TRAVEL ARRANGEMENT SERVICES
- WASTE COLLECTION
- DRY CLEANING & LAUNDRY SERVICES
- PERSONAL CARE SERVICES
- SOCIAL ASSISTANCE SERVICES
- SIGHTSEEING & TOWING TRANSPORTATION
- FINANCIAL INVESTMENT SERVICES
- REAL ESTATE AGENT & BROKER SERVICES
- OTHER PROFESSIONAL SERVICES
- EMPLOYMENT SERVICES
- HOME HEALTH CARE SERVICES
- AMBULATORY HEALTH CARE SERVICES
- NURSING & RESIDENTIAL CARE SERVICES
- DEATH CARE SERVICES
- CASKETS & BURIAL VAULTS
- CONSTRUCTION OF MEMORIALS
- FLAGS
- OTHER PERSONAL SERVICES
- AIRLINE CATERING
- RACE HORSES
- UNIFORM COMMERCIAL CODE FILING FEES
- INVESTMENT METAL BULLION & INVESTMENT COINS

WOLF PROPOSAL: SERVICES FOR PERSONAL USE SUBJECT TO SALES TAX

(BUSINESS-TO-BUSINESS PURCHASES WILL REMAIN EXEMPT)

- LEGAL SERVICES OTHER THAN FAMILY & CRIMINAL LAW
- ACCOUNTING SERVICES
- SPECIALIZED DESIGN SERVICES
- SCIENTIFIC RESEARCH & DEVELOPMENT SERVICES
- ADVERTISING SERVICES
- ADMINISTRATIVE & SUPPORT SERVICES
- ARCHITECTURAL, ENGINEERING & RELATED SERVICES
- SERVICES TO BUILDINGS & DWELLINGS
- SCIENTIFIC, ENVIRONMENTAL & TECHNICAL CONSULTING SERVICES
- INFORMATION SERVICES
- CUSTOM PROGRAMMING, DESIGN & DATA PROCESSING

WOLF PROPOSAL: SALES TAX EXEMPTIONS

- GROCERY STORE FOOD
- MOST CLOTHING & FOOTWEAR
- PRESCRIPTION DRUGS AND ORTHOPEDIC EQUIPMENT
- GASOLINE AND MOTOR FUELS
- PHYSICIAN & DENTAL SERVICES
- HOSPITAL SERVICES
- TUITION (COLLEGE, VOCATIONAL TRAINING & INSTRUCTION)
- RESIDENTIAL UTILITIES INCLUDING LAND-LINE PHONE, ELECTRICITY, FUEL OIL, & NATURAL GAS
- WATER & SEWAGE SERVICES
- TRADE-IN VALUE
- LIQUOR OR MALT BEVERAGES PURCHASED FROM BARS & RESTAURANTS
- AGRICULTURAL PURCHASES BY FARMERS
- MOST PURCHASES BY:
 - MINERS
 - MANUFACTURERS & PROCESSORS
 - GOVERNMENTAL UNITS
 - PURELY PUBLIC CHARITIES
 - MASS TRANSIT AGENCIES
 - COMMON CARRIERS

WOLF PROPOSAL: BUSINESS TAXES

- **Corporate Net Income Tax**

- Mandatory, unitary combined reporting
- Net Operating Loss reduction to \$3 million or 12.5%
- Reduces Rate to:
 - 5.99 % 2016
 - 5.49% 2017
 - 4.99% 2018

- **Bank Shares Tax**

- Retroactive rate increase to 2013
- Rate: 0.89% to 1.25%

- **Capital Stock & Franchise Tax**

- Continue Phase Out

PENSIONS

- Current Unfunded Liability: **\$53 billion**
- *Increase* in State's required contribution:
 - Nearly **\$700 million** for 2015-2016 alone
- Consequences of inaction:
 - Pennsylvania's credit rating has been downgraded **4** times since 2012
 - Credit ratings firms citing pension costs as a major factor in their decision to downgrade
- Governor Wolf's Answer – More Debt (bonds)

AUMENT LEGISLATION

- Purely Public Charities (SB 4)
 - Protecting Excellent Teachers (SB 5)
 - Transparency in Collective Bargaining (SB 643)
 - Responsible Alcohol Management Training - RAMP (SB 692)
 - Agriculture Sales and Use Tax Exemption*
 - Agritainment Liability*
 - Marriage and Family Therapist Title Protection*
- *In co-sponsorship form