

*Financial Advisory Presentation to the
Tax Study Commission*

Revised 11/07/06

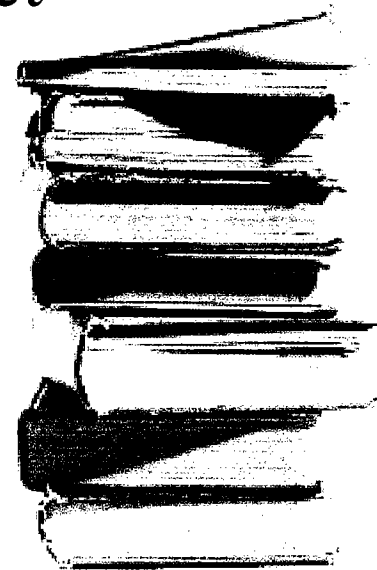
Spring Ford Area School District Montgomery & Chester Counties

Act 1- Pennsylvania Taxpayer Relief Act



Edward Murray
Managing Director
610-684-5402
emurray@boenninginc.com

BOENNING & SCATTERGOOD, INC.



**Spring Ford Area School District
ACT 1 WORKSHEET:
Minimum and Maximum Exclusion Calculator and
Variable EIT Rate Calculator**

SFASD		Input Table	
Line	Data Item		Value
1	Current EIT Rate (district share of Act 511 levy)		0.50%
2	Median Assessed Value (per County notice)	\$	157,000.00
3	Total Homestead Eligible Properties		13,000
4	Total Farmstead Eligible Properties		-
5	Estimated State Gaming Money (See PDE Table by SD): \$400M	\$	-
6	Estimated Sterling Act Credit Dollars	\$	-
7	Current Real Estate Millage Rate (mills)		20.400
8	Taxable Compensation + Net Profit (EIT base)	\$	1,267,936,903
9	Taxable Personal Income	\$	1,322,458,190
10	Input Desired EIT Rate		1.00%

Table 1 Homesteads Eligible for Exclusion		
1	Total Homestead Eligible Properties	13,000
2	Total Farmstead Eligible Properties	-
3	Total Estimated Properties	13,000

Table 2 Median Assessed Value - Maximum and Minimum Exclusion		
1	Median Assessed Value	\$ 157,000
2	Maximum Exclusion	50%
3	Maximum Allowable Assessed Value Exclusion	\$ 78,500
4	Median Assessed Value	\$ 157,000
5	Minimum Exclusion	25%
6	Minimum Allowable Assessed Value Exclusion	\$ 39,250

Table 3 Minimum & Maximum Homestead Exclusion (Dollar Value)		
1	Maximum Allowable Assessed Value Exclusion	\$ 78,500
2	District Millage (e.g.; 10 mills = .010)	0.02040
3	Maximum Dollar Value of Exclusion per Homestead	\$ 1,601.40
4	Minimum Allowable Assessed Value Exclusion	\$ 39,250
5	District Millage (e.g.; 10 mills = .010)	0.02040
6	Minimum Dollar Value of Exclusion per Homestead	\$ 800.70
7	Total Dollar Value Maximum Exclusion	\$ 20,818,200
8	Total Dollar Value Minimum Exclusion	\$ 10,409,100

**Spring Ford Area School District
ACT 1 WORKSHEET:
Minimum and Maximum Exclusion Calculator and
Variable EIT Rate Calculator**

Table 4			
EIT Rate for Maximum Exclusion			
1	Total Projected Gaming and Sterling Act Credit Dollars	\$	-
2	Total Estimated Value for Maximum Exclusion	\$	20,818,200
3	Amount Needed to Fund Maximum Exclusion	\$	20,818,200
4	EIT Rate Increase Necessary to Fund Max. Excl.		1.64%
5	Total SD EIT Rate		2.14%

Table 5			
EIT Rate for Minimum Exclusion			
1	Total Projected Gaming and Sterling Act Credit Dollars	\$	-
2	Total Value Minimum Exclusion	\$	10,409,100
3	Amount Needed fund Minimum Exclusion	\$	10,409,100
4	EIT Rate Increase Necessary to Fund Min. Excl.		0.82%
5	Total SD EIT Rate		1.32%

Table 6			
Estimates of Conversion to PIT			
1	Taxable Personal Income	\$	1,322,458,189.83
2	Taxable Compensation + Net Profit (EIT base)	\$	1,267,936,903.00
3	EIT Base as % of PIT Base		95.88%
4	Total SD PIT Rate Necessary to Fund Max. Exclusion		2.05%
5	Total SD PIT Rate Necessary to Fund Min. Exclusion		1.27%

Table 7			
Exclusion Calculator at EIT Rate Increase from Input Table			
1	Desired EIT Rate Increase		1.00%
2	Taxable Compensation + Net Profit (EIT base)	\$	1,267,936,903
3	Additional Revenue Due to EIT Increase	\$	12,679,369
4	Total Projected Gaming and Sterling Act Credit Dollars	\$	-
5	Total Additional Revenue	\$	12,679,369
6	Eligible Properties for Exemption	\$	13,000
7	Dollar Tax Bill Reduction Per Eligible Property		975
8	District Millage (e.g.; 10 mills = .0010)		0.02040
9	Homestead/Farmstead Exclusion (Assessment Deduction)	\$	47,811

Notes:
Municipal share of EIT .5% not included in the total rates shown
Please note that figures are not adjusted for collection rate

Act 1 Financing Analysis
Spring Ford Area School District

Calculation of Minimum Homestead Exclusion and Income Tax Rate

Calculation of Minimum Homestead Property Tax Reduction Exclusion:	
as defined 25% of District Median Assessed Value x Millage Rate	
157,000 (median assessed value) x 0.25 = 39,250	
39,250 x 20.40 (millage rate)/1000 = 800.70	Amount per Homestead \$ 800.70
Total Requirement of all Qualified Eligible Properties	
(Amount per Homestead x Number of Eligible Properties)	
\$800.70 x 13,000 = \$10,409,100	Total \$'s Required \$ 10,409,100.00
Additional Income Tax Rate Increase Needed To Collect \$10,409,100	
\$10,409,100 / \$1,267,936,903 = .82% (Unrounded)	Total New EIT Required 0.90%
Collection \$'s Required of Earned Income Tax (Due To Rounding)	
\$1,267,936,903 x .90% = \$11,411,432	Total \$'s Required \$ 11,411,432.00
Rate of Increase Not Required to Exceed 1.00%	
Collections to be Withheld for School District Operations 2.00%	
	Total \$'s Required \$ 11,183,203.00
Actual Minimum Homestead Property Tax Reduction	
(Collections after 2% Withholding x Number of Eligible Properties)	
\$11,183,203 / 13,000 = 860.25	Amount per Homestead \$ 860.25

Act 1 Analysis
Spring Ford Area School District

Impact of the Increase in Eligible Properties
 In Calculating the Homestead Exemption

Income Tax Requirement for Qualified Properties: 11,183,203 Total Properties 13,000

Homestead Rebate Amount Per Eligible Properties					
2007/2008 Forecast	2008/2009 Forecast	2009/2010 Forecast	2010/2011 Forecast	2011/2012 Forecast	2012/2013 Forecast

Amount per Household for Rebate Exemption	\$	860.25					
Current Eligible Properties		13,000	13,000	13,165	13,330	13,495	13,660
Increase in Eligible Properties - Through Any Source (i.e.. New Homes Built or Existing Homes Deemed Eligible)		-	<u>165</u>	<u>165</u>	<u>165</u>	<u>165</u>	<u>165</u>
Total Eligible Properties			<u>13,165</u>	<u>13,330</u>	<u>13,495</u>	<u>13,660</u>	<u>13,825</u>
Actual per Household Rebate (Year 1 = 70%)	\$	<u>602.17</u>	<u>849.46</u>	<u>838.95</u>	<u>828.69</u>	<u>818.68</u>	<u>808.91</u>

Act 1 Financing Analysis
Spring Ford Area School District

Calculation of Maximum Homestead Exclusion and Income Tax Rate

Calculation of Maximum Homestead Property Tax Reduction Exclusion:	
as defined 50% of District Median Assessed Value x Millage Rate	
157,000 (median assessed value) x 0.50 = 78,500	
157,000 x 20.40 (millage rate)/1000 = 1,601.40	Amount per Homestead \$ 1,601.40
Total Requirement of all Qualified Eligible Properties	
(Amount per Homestead x Number of Eligible Properties)	
\$1,601.40 x 13,000 = \$20,818,200	Total \$'s Required \$20,818,200.00
Additional Income Tax Rate Increase Needed To Collect \$20,818,200	
\$20,818,200 / \$1,267,936,903 = 1.64% (Unrounded)	Total New EIT Required 1.60%
Collection \$'s Required of Earned Income Tax (Due To Rounding)	
\$1,267,936,903 x 1.60% = \$20,286,990	Total \$'s Required \$20,286,990.00
Rate of Increase Not Required to Exceed 1.00%	
Collections to be Withheld for School District Operations 2.00%	Total \$'s Required \$19,881,250.20
Actual Minimum Homestead Property Tax Reduction (Collections after 2% Withholding x Number of Eligible Properties)	Amount per Homestead \$ 1,529.33
\$19,881,250.20 / 13,000 = 1,529.33	

Act 1 Financing Analysis
Spring Ford Area School District

Calculation of Homestead Exclusion at 1.00% Income Tax Rate

Calculation of Homestead Property Tax Reduction @ 1.00%:	
Minimum Required Additional Tax Levy Per Act 1	Total New EIT Required 1.00%
Estimated Collections of Additional Earned Income Tax (1.00%/\$1,267,936,903)	
	Total \$'s Required \$12,679,369.03
Collections to be Withheld for School District Operations 2.00%	Total \$'s Rrequired \$12,425,781.65
Total Requirement of all Qualified Eligible Properties (Actual Collections / Number of Eligible Properties) \$12,425,781/13,000 = \$955.83	
	Est. Homestead Exclusion \$ 955.83
Rate of Increase Equals 1.00%	

Act 1 Financing Analysis
Spring Ford Area School District

Calculation of Minimum Homestead Exclusion and *Personal Income Tax* Rate

Calculation of Minimum Homestead Property Tax Reduction Exclusion:	
as defined 25% of District Median Assessed Value x Millage Rate	
157,000 (median assessed value) x 0.25 = 39,250	
39,250 x 20.40 (millage rate)/1000 = 800.70	Amount per Homestead \$ 800.70
Total Requirement of all Qualified Eligible Properties	
(Amount per Homestead x Number of Eligible Properties)	
\$800.70 x 13,000 = \$10,409,100	Total \$'s Required \$10,409,100.00
Additional Income Tax Rate Increase Needed To Collect \$10,409,100	
\$10,409,100 / \$1,322,458,190 = .79% (Unrounded)	Total New PIT Required 0.80%
Collection \$'s Required of Earned Income Tax (Due To Rounding)	
\$1,322,458,189.83 x .80% = \$10,579,666	Total \$'s Required \$10,579,666.00
Rate of Increase Not Required to Exceed 1.00%	
Collections to be Withheld for School District Operations 2.00%	Total \$'s Required \$10,368,072.68
Actual Minimum Homestead Property Tax Reduction (Collections after 2% Withholding x Number of Eligible Properties)	Amount per Homestead \$ 797.54
\$10,368,072.68 / 13,000 = 797.54	

Act 1 Financing Analysis
Spring Ford Area School District

Calculation of Maximum Homestead Exclusion and *Personal Income Tax* Rate

Calculation of Maximum Homestead Property Tax Reduction Exclusion:

as defined 50% of District Median Assessed Value x Millage Rate

157,000 (median assessed value) x 0.50 = 78,500

78,500 x 20.40 (millage rate)/1000 = 1,601.40

Amount per Homestead	\$ 1,601.40
-----------------------------	--------------------

Total Requirement of all Qualified Eligible Properties

(Amount per Homestead x Number of Eligible Properties)

\$1,601.40 x 13,000 = \$20,818,200

Total \$'s Required	\$20,818,200.00
----------------------------	------------------------

Additional Income Tax Rate Increase Needed To Collect \$20,818,200

\$20,818,200/ \$1,322,458,190 = 1.57% (**Unrounded**)

Total New PIT Required	1.50%
-------------------------------	--------------

Collection \$'s Required of Earned Income Tax (Due To Rounding)

\$1,322,458,189.83 x 1.50% = \$19,836,873

Total \$'s Required	\$19,836,873.00
----------------------------	------------------------

Rate of Increase Not Required to Exceed 1.00%

Collections to be Withheld for School District Operations 2.00%

Total \$'s Rrequired	\$19,440,135.54
-----------------------------	------------------------

Actual Minimum Homestead Property Tax Reduction

(Collections after 2% Withholding x Number of Eligible Properties)

\$19,440,135.54/13,000 = 1,495.40

Amount per Homestead	\$ 1,495.40
-----------------------------	--------------------

Act 1 Financing Analysis
Spring Ford Area School District

Calculation of Homestead Property Tax Reduction @ *PIT Equivalent of 1.0% EIT*

Calculation of Homestead Property Tax Reduction @ PIT Equivalent of 1.00% EIT	
Estimated Collections of Additional Earned income Tax of 1.00%	
(1.00%/\$1,267,936,903)	Total \$'s Required \$12,679,369.03
Collections to be Withheld for School District Operations 2.00%	
	Total \$'s Required \$12,425,781.65
Total Requirement of all Qualified Eligible Properties	
(Actual Collections / Number of Eligible Properties)	
\$12,425,781/13,000 = \$975.34	Est. Homestead Exclusion \$ 955.83
Personal Income Tax Rate Needed to Collect \$12,679,369	
\$12,679,369/ \$1,322,458,190 = .96%	Total New PIT Required 0.96%
Rate of Increase Equals 1.00% EIT Equivalent	

Act 1 Analysis
Spring Ford Area School District
Montgomery & Chester Counties, Pennsylvania

Estimated Impact of Act 1 on Individual *Homeowners (Using EIT Base)*

Property Tax Reduction Only If Approved By Taxpayers						
First Year Collections @ 1.00% EIT Collections @ 70.00%	Household Income \$150,000	Household Income \$125,000	Household Income \$100,000	Household Income \$75,000	Household Income \$50,000	Household Income \$25,000
Homestead Exclusion	\$669.08	\$669.08	\$669.08	\$669.08	\$669.08	\$669.08
Additional Income Tax of 1.00%	(\$1,500.00)	(\$1,250.00)	(\$1,000.00)	(\$750.00)	(\$500.00)	(\$250.00)
Difference: Savings/(Cost)	(\$830.92)	(\$580.92)	(\$330.92)	(\$80.92)	\$169.08	\$419.08

Second Year and Thereafter @ 1.00% EIT Collections @ 100%	Household Income \$150,000	Household Income \$125,000	Household Income \$100,000	Household Income \$75,000	Household Income \$50,000	Household Income \$25,000
Homestead Exclusion	\$955.83	\$955.83	\$955.83	\$955.83	\$955.83	\$955.83
Additional Income Tax of 1.00%	(\$1,500.00)	(\$1,250.00)	(\$1,000.00)	(\$750.00)	(\$500.00)	(\$250.00)
Difference: Savings/(Cost)	(\$544.17)	(\$294.17)	(\$44.17)	\$205.83	\$455.83	\$705.83

Act 1 Analysis
Spring Ford Area School District
Montgomery & Chester Counties, Pennsylvania

Estimated Impact of Act 1 on *Homeowners Working In Philadelphia*

Property Tax Reduction Only If Approved By Taxpayers						
First Year Collections @ 1.00% EIT Collections @ 70.00%	Household Income <u>\$150,000</u>	Household Income <u>\$125,000</u>	Household Income <u>\$100,000</u>	Household Income <u>\$75,000</u>	Household Income <u>\$50,000</u>	Household Income <u>\$25,000</u>
Homestead Exclusion	\$669.08	\$669.08	\$669.08	\$669.08	\$669.08	\$669.08
Additional Income Tax of 1.00%	(\$1,500.00)	(\$1,250.00)	(\$1,000.00)	(\$750.00)	(\$500.00)	(\$250.00)
Sterling Tax Credit	<u>\$1,500.00</u>	<u>\$1,250.00</u>	<u>\$1,000.00</u>	<u>\$750.00</u>	<u>\$500.00</u>	<u>\$250.00</u>
Difference: Savings/(Cost)	<u>\$669.08</u>	<u>\$669.08</u>	<u>\$669.08</u>	<u>\$669.08</u>	<u>\$669.08</u>	<u>\$669.08</u>

Second Year and Thereafter @ 1.00% EIT Collections @ 100%	Household Income <u>\$150,000</u>	Household Income <u>\$125,000</u>	Household Income <u>\$100,000</u>	Household Income <u>\$75,000</u>	Household Income <u>\$50,000</u>	Household Income <u>\$25,000</u>
Homestead Exclusion	\$955.83	\$955.83	\$955.83	\$955.83	\$955.83	\$955.83
Additional Income Tax of 1.00%	(\$1,500.00)	(\$1,250.00)	(\$1,000.00)	(\$750.00)	(\$500.00)	(\$250.00)
Sterling Tax Credit	<u>\$1,500.00</u>	<u>\$1,250.00</u>	<u>\$1,000.00</u>	<u>\$750.00</u>	<u>\$500.00</u>	<u>\$250.00</u>
Difference: Savings/(Cost)	<u>\$955.83</u>	<u>\$955.83</u>	<u>\$955.83</u>	<u>\$955.83</u>	<u>\$955.83</u>	<u>\$955.83</u>

Act 1 Analysis
Spring Ford Area School District
Montgomery & Chester Counties, Pennsylvania

Estimated Impact of Act 1 on *Renters (Using EIT Base)*

Property Tax Reduction Only If Approved By Taxpayers						
First Year Collections @ 1.00% EIT Collections @ 70.00%	Household Income \$150,000	Household Income \$125,000	Household Income \$100,000	Household Income \$75,000	Household Income \$50,000	Household Income \$25,000
Homestead Exclusion	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Additional Income Tax of 1.00%	(\$1,500.00)	(\$1,250.00)	(\$1,000.00)	(\$750.00)	(\$500.00)	(\$250.00)
Difference: Savings/(Cost)	(\$1,500.00)	(\$1,250.00)	(\$1,000.00)	(\$750.00)	(\$500.00)	(\$250.00)

Second Year and Thereafter @ 1.00% EIT Collections @ 100%	Household Income \$150,000	Household Income \$125,000	Household Income \$100,000	Household Income \$75,000	Household Income \$50,000	Household Income \$25,000
Homestead Exclusion	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Additional Income Tax of 1.00%	(\$1,500.00)	(\$1,250.00)	(\$1,000.00)	(\$750.00)	(\$500.00)	(\$250.00)
Difference: Savings/(Cost)	(\$1,500.00)	(\$1,250.00)	(\$1,000.00)	(\$750.00)	(\$500.00)	(\$250.00)

Act 1 Analysis
Spring Ford Area School District
Montgomery & Chester Counties, Pennsylvania

Estimated Impact of Act 1 on *Renters Working In Philadelphia*

Property Tax Reduction Only If Approved By Taxpayers						
First Year Collections @ 1.00% EIT Collections @ 70.00%	Household Income \$150,000	Household Income \$125,000	Household Income \$100,000	Household Income \$75,000	Household Income \$50,000	Household Income \$25,000
Homestead Exclusion	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Additional Income Tax of 1.00%	(\$1,500.00)	(\$1,250.00)	(\$1,000.00)	(\$750.00)	(\$500.00)	(\$250.00)
Sterling Tax Credit	<u>\$1,500.00</u>	<u>\$1,250.00</u>	<u>\$1,000.00</u>	<u>\$750.00</u>	<u>\$500.00</u>	<u>\$250.00</u>
Difference: Savings/(Cost)	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>

Second Year and Thereafter @ 1.00% EIT Collections @ 100%	Household Income \$150,000	Household Income \$125,000	Household Income \$100,000	Household Income \$75,000	Household Income \$50,000	Household Income \$25,000
Homestead Exclusion	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Additional Income Tax of 1.00%	(\$1,500.00)	(\$1,250.00)	(\$1,000.00)	(\$750.00)	(\$500.00)	(\$250.00)
Sterling Tax Credit	<u>\$1,500.00</u>	<u>\$1,250.00</u>	<u>\$1,000.00</u>	<u>\$750.00</u>	<u>\$500.00</u>	<u>\$250.00</u>
Difference: Savings/(Cost)	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>

Act 1 Analysis
Spring Ford Area School District

Impact of Tax Reform on Homeowners (Using EIT Base)
Change in Taxes Due To Tax Reform

Assumes EIT Rate is Approved by Taxpayers

0.90% Additional EIT Minimum Homestead Exclusion	
Additional Income Tax	0.90%
Homestead Exclusion	\$ 800.70
<u>Household Income</u>	<u>Difference</u>
270,000	(\$1,629.30)
250,000	(\$1,449.30)
235,000	(\$1,314.30)
210,000	(\$1,089.30)
185,000	(\$864.30)
170,000	(\$729.30)
160,000	(\$639.30)
150,000	(\$549.30)
140,000	(\$459.30)
130,000	(\$369.30)
120,000	(\$279.30)
110,000	(\$189.30)
100,000	(\$99.30)
90,000	(\$9.30)
80,000	\$80.70
70,000	\$170.70
60,000	\$260.70
50,000	\$350.70
40,000	\$440.70
30,000	\$530.70
20,000	\$620.70
10,000	\$710.70
0	\$800.70

1.00% Additional EIT	
Additional Income Tax	1.00%
Homestead Exclusion	\$ 955.83
<u>Household Income</u>	<u>Difference</u>
270,000	(\$1,744.17)
250,000	(\$1,544.17)
235,000	(\$1,394.17)
210,000	(\$1,144.17)
185,000	(\$894.17)
170,000	(\$744.17)
160,000	(\$644.17)
150,000	(\$544.17)
140,000	(\$444.17)
130,000	(\$344.17)
120,000	(\$244.17)
110,000	(\$144.17)
100,000	(\$44.17)
90,000	\$55.83
80,000	\$155.83
70,000	\$255.83
60,000	\$355.83
50,000	\$455.83
40,000	\$555.83
30,000	\$655.83
20,000	\$755.83
10,000	\$855.83
0	\$955.83

1.50% Additional EIT Maximum Homestead Exclusion	
Additional Income Tax	1.50%
Homestead Exclusion	\$ 1,601.40
<u>Household Income</u>	<u>Difference</u>
270,000	(\$2,448.60)
250,000	(\$2,148.60)
235,000	(\$1,923.60)
210,000	(\$1,548.60)
185,000	(\$1,173.60)
170,000	(\$948.60)
160,000	(\$798.60)
150,000	(\$648.60)
140,000	(\$498.60)
130,000	(\$348.60)
120,000	(\$198.60)
110,000	(\$48.60)
100,000	\$101.40
90,000	\$251.40
80,000	\$401.40
70,000	\$551.40
60,000	\$701.40
50,000	\$851.40
40,000	\$1,001.40
30,000	\$1,151.40
20,000	\$1,301.40
10,000	\$1,451.40
0	\$1,601.40

**Spring Ford Area School District
Montgomery & Chester Counties, Pennsylvania
2004 Income Range Distribution**

Taxable Range	Number of Returns	Taxable Compensation		Net Profit	Total Earned Income	Interest Dividends (Thousands)			Other Income	Total Unearned Income	Total Taxable Income
		\$	%			\$	%	\$			
0.....	89	\$ -	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1-999.....	978	97	0.00%	6	103	160	86	10	256	358	
1000-2999....	948	1,075	0.01%	51	1,126	371	267	81	749	1,846	
3000-4999....	695	1,907	0.01%	111	2,018	357	267	113	737	2,756	
5000-6999....	564	2,560	0.01%	138	2,698	265	293	121	679	3,377	
7000-8999....	419	2,623	0.01%	180	2,803	232	231	98	561	3,364	
9000-10999...	352	2,662	0.01%	225	2,887	253	278	98	629	3,517	
11000-12999..	307	2,839	0.01%	219	3,058	173	317	124	614	3,673	
13000-14999..	310	3,646	0.01%	162	3,808	192	237	105	534	4,342	
15000-16999..	264	3,403	0.01%	364	3,767	179	171	124	474	4,240	
17000-18999..	329	5,195	0.02%	317	5,512	138	173	107	418	5,930	
19000-21999..	388	6,889	0.02%	441	7,330	198	227	211	636	7,966	
22000-24999..	414	8,563	0.02%	351	8,914	256	308	264	828	9,742	
25000-29999..	716	17,644	0.03%	1,143	18,787	315	285	376	976	19,764	
30000-34999..	728	21,479	0.03%	1,294	22,773	230	351	295	876	23,648	
35000-39999..	692	24,187	0.03%	1,002	25,189	141	184	422	747	25,936	
40000-49999..	1,216	51,331	0.04%	1,983	53,314	372	474	520	1,366	54,679	
50000-74999..	2,657	155,746	0.05%	5,582	161,328	720	1,084	2,082	3,886	165,214	
75000-99999..	2,043	168,614	0.05%	5,017	173,631	646	1,034	1,837	3,517	177,148	
100000-149999	2,308	264,617	0.05%	8,592	273,209	978	1,682	4,425	7,086	280,294	
150000 or MORE	1,392	279,325	0.05%	26,115	305,440	1,912	2,807	19,052	23,772	329,212	
	17,809	\$ 1,024,402		\$ 53,292	\$ 1,077,694	\$ 8,089	\$ 10,757	\$ 30,465	\$ 49,311	\$ 1,127,007	

0.....	0.50%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
1-999.....	5.49%	0.01%	0.01%	0.01%	0.01%	1.98%	0.80%	0.03%	0.52%	0.03%
1000-2999....	5.32%	0.10%	0.10%	0.10%	0.10%	4.59%	2.48%	0.27%	1.46%	0.16%
3000-4999....	3.90%	0.19%	0.21%	0.19%	0.19%	4.41%	2.48%	0.37%	1.49%	0.24%
5000-6999....	3.17%	0.25%	0.26%	0.25%	0.25%	3.28%	2.72%	0.40%	1.38%	0.30%
7000-8999....	2.35%	0.26%	0.34%	0.26%	0.26%	2.87%	2.15%	0.32%	1.14%	0.30%
9000-10999...	1.98%	0.26%	0.42%	0.26%	0.27%	3.13%	2.58%	0.32%	1.28%	0.31%
11000-12999..	1.72%	0.28%	0.41%	0.28%	0.28%	2.14%	2.95%	0.41%	1.25%	0.33%
13000-14999..	1.74%	0.36%	0.30%	0.30%	0.35%	2.37%	2.20%	0.34%	1.08%	0.39%
15000-16999..	1.48%	0.33%	0.68%	0.33%	0.35%	2.21%	1.59%	0.41%	0.96%	0.38%
17000-18999..	1.85%	0.51%	0.59%	0.51%	0.51%	1.71%	1.61%	0.35%	0.85%	0.53%
19000-21999..	2.18%	0.67%	0.83%	0.67%	0.68%	2.45%	2.11%	0.69%	1.29%	0.71%
22000-24999..	2.32%	0.84%	0.66%	0.66%	0.83%	3.16%	2.86%	0.87%	1.68%	0.86%
25000-29999..	4.02%	1.72%	2.14%	2.14%	1.74%	3.89%	2.65%	1.23%	1.98%	1.75%
30000-34999..	4.09%	2.10%	2.43%	2.43%	2.11%	2.84%	3.26%	0.97%	1.78%	2.10%
35000-39999..	3.89%	2.36%	1.88%	1.88%	2.34%	1.74%	1.71%	1.39%	1.51%	2.30%
40000-49999..	6.83%	5.01%	3.72%	3.72%	4.95%	4.60%	4.41%	1.71%	2.77%	4.85%
50000-74999..	14.92%	15.20%	10.47%	10.47%	14.97%	8.90%	10.08%	6.83%	7.88%	14.66%
75000-99999..	11.47%	16.46%	9.41%	9.41%	16.11%	7.99%	9.61%	6.03%	7.13%	15.72%
100000-149999	12.96%	25.83%	16.12%	16.12%	25.35%	12.10%	15.64%	14.52%	14.37%	24.87%
150000 or MORE	7.82%	27.27%	49.00%	49.00%	28.34%	23.64%	26.10%	62.54%	48.21%	29.21%
	32.25%				69.80%					

Act 1 Analysis
Spring-Ford Area School District
Montgomery County, Pennsylvania

Estimated Allocation of Gaming Revenue to Spring-Ford

\$400 Million	
1a. State Gaming Distribution	\$ 939,141
1b. Sterling Tax Credit (\$63,581,398 Est. Wages, actual # estimated by the District)	\$ 317,907
1c. Total Available for Homestead/Farmstead Exclusion	<u>\$ 1,257,048</u>
1d. Homestead/Farmstead Properties (# Estimated by the District and Mont. Cou. Ass.)	13,000
1e. Amount per Approved Homestead/Farmstead at 50% participation rate.	\$ 193.39

\$750 Million	
2a. State Gaming Distribution	\$ 1,760,890
2b. Sterling Tax Credit (\$63,581,398 Est. Wages, actual # estimated by the District)	\$ 317,907
2c. Total Available for Homestead/Farmstead Exclusion	<u>\$ 2,078,797</u>
2d. Homestead/Farmstead Properties (# Estimated by the District and Mont. Cou. Ass.)	13,000
2e. Amount per Approved Homestead/Farmstead at 50% participation rate.	\$ 319.81

\$1 Billion	
3a. State Gaming Distribution	\$ 2,351,476
3b. Sterling Tax Credit (\$63,581,398 Est. Wages, actual # estimated by the District)	\$ 317,907
3c. Total Available for Homestead/Farmstead Exclusion	<u>\$ 2,669,383</u>
3d. Homestead/Farmstead Properties (# Estimated by the District and Mont. Cou. Ass.)	13,000
3e. Amount per Approved Homestead/Farmstead at 50% participation rate.	\$ 410.67

3e.1 Amount per Approved Homestead/Farmstead at 100% participation rate.	\$ 205.34
--	-----------

Act 1 Analysis
Spring Ford Area School District
 Montgomery & Chester Counties, Pennsylvania

Estimated Impact of Act 1 on Individual Taxpayers

Taxpayer 1

New Earned Income Tax Rate:	0.90%	Household Income:	\$100,000
Real Estate Tax Rate:	20.40	Homesteads Receiving Exclusion:	13,000
Property Assessed Value:	\$220,000	Requirement to Calc H. Exclusion:	11,411,432

Property Tax Reduction Only If Approved By Taxpayers

	2007/2008 Forecast	2008/2009 Forecast	2009/2010 Forecast	2010/2011 Forecast	2011/2012 Forecast
Real Estate Tax	\$4,488.00	\$4,488.00	\$4,640.59	\$4,798.37	\$4,961.52
Rate of Real Estate Tax Increase	-	3.40%	3.40%	3.40%	3.40%
Total Real Estate Tax Payable	<u>\$4,488.00</u> a	<u>\$4,640.59</u>	<u>\$4,798.37</u>	<u>\$4,961.52</u>	<u>\$5,130.21</u>
Homestead Exclusion (Year 1 = 70%)	\$ 602.17	\$ 602.17	\$849.46	\$838.95	\$828.69
Amount of Additional H. Exclusions	-	165	165	165	165
New Homestead Exclusion	<u>\$ 602.17</u> b	<u>\$849.46</u>	<u>\$838.95</u>	<u>\$828.69</u>	<u>\$818.68</u>
New Income Tax	\$900.00	\$900.00	\$930.60	\$962.24	\$994.96
Rate of Income Growth	-	3.40%	3.40%	3.40%	3.40%
Total New Income Tax	<u>\$900.00</u> c	<u>\$930.60</u>	<u>\$962.24</u>	<u>\$994.96</u>	<u>\$1,028.79</u>
Total Tax Obligation Due - All Sources =(a-b+c)	<u>\$4,785.83</u> d	<u>\$4,721.73</u>	<u>\$4,921.66</u>	<u>\$5,127.78</u>	<u>\$5,340.31</u>
Difference: Income vs. No income (negative)pay more =(a-d)	(\$297.83)	(\$81.14)	(\$123.29)	(\$166.27)	(\$210.11)

Act 1 Analysis
Spring Ford Area School District
 Montgomery & Chester Counties, Pennsylvania

Estimated Impact of Act 1 on Individual Taxpayers

Taxpayer 2

New Earned Income Tax Rate:	0.90%	Household Income:	\$75,000
Real Estate Tax Rate:	20.40	Homesteads Receiving Exclusion:	13,000
Property Assessed Value:	\$157,000	Requirement to Calc H. Exclusion:	11,411,432

Property Tax Reduction Only If Approved By Taxpayers

	2007/2008 Forecast	2008/2009 Forecast	2009/2010 Forecast	2010/2011 Forecast	2011/2012 Forecast
Real Estate Tax	\$3,202.80	\$3,202.80	\$3,311.70	\$3,424.29	\$3,540.72
Rate of Real Estate Tax Increase	-	3.40%	3.40%	3.40%	3.40%
Total Real Estate Tax Payable	<u>\$3,202.80</u> a	<u>\$3,311.70</u>	<u>\$3,424.29</u>	<u>\$3,540.72</u>	<u>\$3,661.10</u>
Homestead Exclusion (Year 1 = 70%)	\$ 602.17	\$602.17	\$849.46	\$838.95	\$828.69
Amount of Additional H. Exclusions	-	165	165	165	165
New Homestead Exclusion	<u>\$ 602.17</u> b	<u>\$849.46</u>	<u>\$838.95</u>	<u>\$828.69</u>	<u>\$818.68</u>
New Income Tax	\$675.00	\$675.00	\$697.95	\$721.68	\$746.22
Rate of Income Growth	-	3.40%	3.40%	3.40%	3.40%
Total New Income Tax	<u>\$675.00</u> c	<u>\$697.95</u>	<u>\$721.68</u>	<u>\$746.22</u>	<u>\$771.59</u>
Total Tax Obligation Due - All Sources =(a-b+c)	<u>\$3,275.63</u> d	<u>\$3,160.19</u>	<u>\$3,307.02</u>	<u>\$3,458.25</u>	<u>\$3,614.01</u>
Difference: Income Tax vs. No income Tax (negative)pay more =(a-d)	(\$72.83)	\$151.51	\$117.27	\$82.47	\$47.09

Act 1 Analysis
Spring Ford Area School District
 Montgomery & Chester Counties, Pennsylvania

Estimated Impact of Act 1 on Individual Taxpayers

Taxpayer 3

New Earned Income Tax Rate:	0.90%	Household Income:	\$15,000
Real Estate Tax Rate:	20.40	Homesteads Receiving Exclusion:	13,000
Property Assessed Value:	\$157,000	Requirement to Calc H. Exclusion:	11,411,432

Property Tax Reduction Only If Approved By Taxpayers

	2007/2008 Forecast	2008/2009 Forecast	2009/2010 Forecast	2010/2011 Forecast	2011/2012 Forecast
Real Estate Tax	\$3,202.80	\$3,202.80	\$3,311.70	\$3,424.29	\$3,540.72
Rate of Real Estate Tax Increase	-	3.40%	3.40%	3.40%	3.40%
Total Real Estate Tax Payable	<u>\$3,202.80</u> a	<u>\$3,311.70</u>	<u>\$3,424.29</u>	<u>\$3,540.72</u>	<u>\$3,661.10</u>
Homestead Exclusion (Year 1 = 70%)	\$ 602.17	\$602.17	\$849.46	\$838.95	\$828.69
Amount of Additional H. Exclusions	-	165	165	165	165
New Homestead Exclusion	<u>\$ 602.17</u> b	<u>\$849.46</u>	<u>\$838.95</u>	<u>\$828.69</u>	<u>\$818.68</u>
New Income Tax	\$135.00	\$135.00	\$139.59	\$144.34	\$149.24
Rate of Income Growth	-	3.40%	3.40%	3.40%	3.40%
Total New Income Tax	<u>\$135.00</u> c	<u>\$139.59</u>	<u>\$144.34</u>	<u>\$149.24</u>	<u>\$154.32</u>
Total Tax Obligation Due - All Sources =(a-b+c)	<u>\$2,735.63</u> d	<u>\$2,601.83</u>	<u>\$2,729.68</u>	<u>\$2,861.27</u>	<u>\$2,996.74</u>
Difference: Income Tax vs. No income Tax (negative)pay more =(a-d)	\$467.17	\$709.87	\$694.61	\$679.45	\$664.36