

BUDGET
FISCAL YEAR 2014-15
4/17/14

In an effort to create a sound, responsible, and fair budget alternative we propose to secure new tax revenue from the following sources:

Capital Stock and Franchise Tax rate freeze @.067 mills	\$75
Close corporate loopholes (combined reporting) (2015)	\$120
Vendor Discount	\$40
Amazon Law to close Internet sales tax loophole	\$100
Severance tax (4.9% - additional amount over impact fee)	\$360
E-cigarette (modeled on NJ's proposal)	\$35
Smokeless tax (no cigars)	\$35
NEW REVENUE TOTAL	\$765

We would also roll back the following tax cuts:

Net Operating loss (NOL) Allowance increase - 2013-14 budget	\$46
Educational Opportunity Scholarship Tax Credit – 2012-13 budget	\$20
ROLLED BACK TAX CUTS TOTAL	\$66

We propose additional new program revenue in the following areas:

LCB improvements	\$185
MA Expansion	\$100
ADDITIONAL REVENUE	\$285

RESOURCES AVAILABLE **\$1,116**

The above revenue enhancements are needed to offset several questionable revenues and one time contrivances.

Transfer from Oil & Gas Lease Fund (new state land leasing)	\$75
School Employee pension payment made from Tobacco Settlement Fund	\$100

\$ IN MILLIONS

Pension Collar “savings”	\$170
One Month Payment Delay to Managed Care Organizations	\$394
Increase in Lottery Fund payment of Home and Community Based Services	\$142
Healthy PA savings that may or may not be realizable	\$17
UNSUSTAINABLE/QUESTIONABLE REVENUES IN BUDGET PROPOSAL	\$898

FUNDING AVAILABLE

\$218

As a result of the changes highlighted above, we have sufficient cash on hand to improve funding in the following line items:

Eliminate Human Services Block Grant	\$0
Human Services Development Fund replenishment	\$84.0
Special Olympics	\$0.3
Special Education	\$20.0
Accountability Block Grant (current program)	\$10.0
Libraries	\$1.0
Community Colleges	\$20.0
PreK Counts	\$3.0
Early Intervention (Dept. of Ed)	\$5.0
Attorney General Drug Taskforce	\$5.0
Health restorations:	
Lupus	\$0.1
Tourette Syndrome	\$0.2
Epilepsy Support Services	\$0.6
Adult Cystic Fibrosis	\$0.3
Hemophilia	\$0.1
Sickle Cell	\$0.1
Expand Neighborhood Assistance Tax Credit for veterans’ housing assistance	\$3.0
Emergency Drug and Alcohol Treatment grants	\$20.0
Education: Remove the Ready to Learn Block Grant (\$241) and instead increase Basic Education (\$241)	\$0
PlanCon – School construction subsidy	\$40
FUNDING NEEDED	\$212.7

FUNDING AVAILABLE

\$5.3

\$ IN MILLIONS