

**FISCAL NOTE**  
**Requested by Legislative Council**  
**02/11/2015**

Amendment to: SB 2313

- 1 A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2013-2015 Biennium		2015-2017 Biennium		2017-2019 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues			\$(100,000,000)			
Expenditures						
Appropriations						

- 1 B. **County, city, school district and township fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

	2013-2015 Biennium	2015-2017 Biennium	2017-2019 Biennium
Counties			
Cities			
School Districts			
Townships			

- 2 A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

Engrossed SB 2313 reduces the individual income tax for tax years 2015 and 2016.

- B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

Engrossed SB 2313 creates a new, low individual income tax bracket for each filing status and imposes a rate of zero for that bracket. The rates in all higher brackets remain the same as in current law. If enacted, engrossed SB 2313 will reduce state general fund revenues by an estimated \$100 million in the 2015-17 biennium.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

- A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*
- B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*
- C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.*

**Name:** Kathryn L. Strombeck

**Agency:** Office of Tax Commissioner

**Telephone:** 328-3402

**Date Prepared:** 02/12/2015

**FISCAL NOTE**  
**Requested by Legislative Council**  
**01/20/2015**

Bill/Resolution No.: SB 2313

- 1 A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2013-2015 Biennium		2015-2017 Biennium		2017-2019 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues			\$(438,000,000)			
Expenditures						
Appropriations						

- 1 B. **County, city, school district and township fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

	2013-2015 Biennium	2015-2017 Biennium	2017-2019 Biennium
Counties			
Cities			
School Districts			
Townships			

- 2 A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

SB 2313 reduces the individual income tax for tax years 2015 and 2016.

- B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

SB 2313 expands the lowest individual income tax bracket for each filing status and imposes a rate of zero for that bracket. The rates in all higher brackets remain the same as in current law. If enacted, SB 2313 will reduce state general fund revenues by an estimated \$438 million in the 2015-17 biennium.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

- A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*
- B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*
- C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.*

**Name:** Kathryn L. Strombeck

**Agency:** Office of Tax Commissioner

**Telephone:** 328-3402

**Date Prepared:** 01/23/2015

**2015 SENATE FINANCE AND TAXATION**

**SB 2313**

# 2015 SENATE STANDING COMMITTEE MINUTES

## Finance and Taxation Committee Lewis and Clark Room, State Capitol

SB 2313  
1/26/2015  
Job # 22505

- ☐ Subcommittee  
☐ Conference Committee

Committee Clerk Signature

*monson for Alice Grove*

### Explanation or reason for introduction of bill/resolution:

Relating to an individual income tax rate reduction.

### Minutes:

**Senator Cook** opened the hearing on SB 2313.

**Senator Dotzenrod** introduced SB 2313 which was written and designed to create a zero tax rate bracket at the bottom of the income scale in our tax code. This was drafted to have 0-\$50,000 zero rate and then leave the other rates alone. Since it creates a larger fiscal impact than he thought, he would like to amend it but didn't have the information he needed yet. He hopes this bill, with amendments, will create the zero rate at the lower end of the income scale. If he gets the amendments the bill would cost the same as the Governor is proposing and there would be two alternative ways to spend the same amount of money (3:40). He asked the committee to hold the bill until he brings in amendments to fix it.

**Senator Cook** (5:40) asked how revenue from oil will affect his decision as they debate income tax bills.

**Senator Dotzenrod** (6:20) replied that there was such a desire to reduce income tax and if this was something that was going to happen he wanted to have an alternative way to do it on the table for the committee to consider. He said if they don't cut income tax at all he would be fine with that.

**Senator Cook** asked him to get a number on how many people in North Dakota who file income tax reports don't have \$100 in tax liability and how many more would be if his bill is considered.

**Senator Dotzenrod** said he would. Those are good things to know.

**Senator Cook** said when he looks at income tax it is the progressive tax that we have. He tends to be a believer to keep the tax rate as low as possible and tax as many people as possible. He asked if everyone should have at least some skin in the game such as \$100.

**Senator Dotzenrod** answered that if you look at all the taxes people pay, income tax, sales tax, and other taxes, generally the people on lower end of the income scale are paying a larger share of their income into the tax system than people who have higher incomes as a percent of their income. If it's true that we are collecting more revenue as a share of income from lower income people then it seems the idea to select out that group and put them in the income tax at a lower rate makes sense.

**Senator Cook** said that might be true provided they are paying property tax. If they are renting he would question it. Taxes are a burden and we tend to balance it with the three legged tax - the progressive, the regressive tax, and an equalized tax.

**Kevin Herrmann** from Beulah testified in opposition of 2313 (10:00). He would like to see a plain bill with a flat rate.

There was no further testimony.

The hearing on SB 2313 was closed.

# 2015 SENATE STANDING COMMITTEE MINUTES

## Finance and Taxation Committee Lewis and Clark Room, State Capitol

SB2313  
2/9/2015  
Job #23513

☐ Subcommittee  
☐ Conference Committee

Committee Clerk Signature

*Alice Grove*

### Explanation or reason for introduction of bill/resolution:

#### Committee work

#### Attachment #1

#### MINUTES

Chairman Cook opened the committee work on SB2313.

**Senator Dotzenrod** -- I had talked with John Walstad about amendments and I had thought they might be done. They may be on my desk. The amendments that I have creates a zero level of income tax that goes zero to \$6,000 for single, and zero \$12,000 for married filing jointly.

**Chairman Cook** -- And the fiscal note was?

**Senator Dotzenrod** -- \$100 million.

**Chairman Cook** -- That seems awful hard to believe. **(Attachment #1)** 164,343 filers and all filers is 464,000 so 164,343 paid less than \$100 and half of them paid zero. And the average of those 164,343 filers is \$22. I find it hard to believe that he could only go to \$6,000 for a \$100 million fiscal note.

**Senator Dotzenrod** -- The only thing I can think of about that is I don't think it is linear. I think you've got more filers and as you move up the income stream you just dropping filers away so that the total number in the pool gets smaller. The numbers that I got came from Katherine Stromberg and he did send me an e-mail that had the numbers in and she and I contacted Walstad and he was going to put them in an amendment form. I don't have those amendments with me now, although I think the committee understands what the bill would do if the amendments were adopted.

It would be good, I think, to get the body in nice shape.

**Chairman Cook** -- We'll wait for them.

**Chairman Cook** closed the committee meeting on SB2313.



# 2015 SENATE STANDING COMMITTEE MINUTES

## Finance and Taxation Committee Lewis and Clark Room, State Capitol

SB2313  
2/10/2015  
Job #23559

- ☐ Subcommittee  
☐ Conference Committee

Committee Clerk Signature

*Alice Grove*

### Explanation or reason for introduction of bill/resolution:

Committee work

### Minutes:

Attachment #1

**Chairman Cook** opened the committee work.

**Senator Dotzenrod** presents to the committee the amendments to SB2313 which is an income tax bill. **(Attachment #1)** The original bill set up a zero obligation that stretched from a zero income up to \$50,000. That was much bigger than I thought it would be and I wanted to get that information before I turned the bill in but we ran out of time. I asked for these amendments to bring the fiscal note down to \$100 million. It creates a new rate in our brackets. A taxable income upon which there would be no tax due and for single filers that would from an income of zero up to \$6,000; for married, filing jointly, it would be zero to \$12,000. That is my understanding of what the bill does.

**Chairman Cook** asked Senator Dotzenrod to go over those rates again. Currently the beginning bracket started at the zero income with 1.22%. This creates a new rate just below that of zero percent. The fiscal impact is \$100 million.

**Senator Laffen** -- I am struggling between what the original bill said and now what the amendment says. I understand the two changes, the zero to \$6,000. Is the amendment on all the other brackets taking it back to what we currently have then?

**Senator Dotzenrod** -- No, it creates a zero rate.

**Senator Laffen**-- Let's just start with the single: I understand the zero to \$6,000 it zeroes it out. After that, from \$6,000 to \$37,000 and all the others, is it changing those from what we currently have?

**Senator Dotzenrod** -- No. Those stay the change. Current law says that between 37,450 and 90 and that has the inflation in there for the new 2 year period, that current rates, from zero to 37,450, is 1.22%. And then from 37,450 to 90,750, it's 2.27%. So these should not change that.

**Chairman Cook** -- I'm looking at this amendment, page 2, lines 3 to 7, you've got zero to \$6,000, zero percent. Page 2, lines 16 to 20, you've zero to \$12,000, zero percent. Page 3, lines 1&2, zero to \$6,000. Page 3, lines 11 to 15, you've got zero now to \$10,000 and then I see on the back page 3, lines 24 to 28, zero to \$800. Explain it.

**Senator Dotzenrod** -- I'd have to go look and I just got these yesterday afternoon I haven't really been able to see how they fit into the bill, I was concerned, primarily, when I talked to the fiscal analyst to get the number at which the rates would change to create a new zero bracket. At what income levels would you have to use through our state law to get us to the \$100 million. We'll get someone from the tax department to explain.

**Senator Laffen** -- I think I understand it. If you take the last category, estate and trusts, the original law said from zero to 24,500, you'd pay 1.22. So now it is just creating a new category from zero to 800, that's zero and then the rest of what used to be zero 224.50 is back at 122. It's just carving out a new lowest piece.

**Senator Unruh** -- And it changes the rest of the brackets, but not the rest of the rates.

**Senator Laffen** -- It only adjust the next bucket up and leaves all the other brackets the same.

**Chairman Cook** -- Senator Dotzenrod, do you want to move your amendments

**Senator Dotzenrod** -- Yes, I'd move the amendments 15.0900.01001.

**Senator Unruh seconded.**

**Unanimous voice vote to approve.**

**Senator Cook** -- We have SB2313, as amended, before us.

**Senator Laffen** -- I still subscribe to the idea that everybody should pay some income tax and everybody should be as law as we can make it. I would move a do not pass on SB2313 as amended.

**Seconded by Senator Unruh.**

**Senator Dotzenrod** -- I think everyone understands what the bill does. The reason that I was motivated to introduced this bill was, not from the standpoint that I really think we need to cut income tax, because I do think we do have a pretty good favorable, reasonable, income tax system that is generally perceived by the public as being not a problem. I only introduced this bill because if we were going to be put in a position where there was going to be a bill passed to reduce our revenues from income tax by \$100 million, I would prefer that we seek out some way to make the system more progressive, more fair to the people that are on the lower end of the income scale, rather than just across the board. If it is the wishes of the committee not to pass the bill, I will be perfectly happy with that, providing we decide as a legislature, not to pass any bill that cuts income tax.

**Senator Triplett** -- As part of the discussion, Senator Dotzenrod, I'm wondering if you could help us understand where the line would be in terms of a person filing singly or for a married couple filing jointly, at which no taxes would be paid?

**Senator Dotzenrod** -- I hate to say a number because zero to 6,000 is taxable income and as you correctly noted here, you'd have to go back and take the standard deduction and any exemptions that you would be able to claim. They would be different in each of these categories.

**Chairman Cook** -- I think it is a tough question to ask and I look at that 164,000 that pay less than \$100. I bet there's a lot of them that get there because of a lot of tax credits too.

**Senator Laffen** -- I was going to say the same. My wife falls into this category. Her adjusted income would be less than \$6,000 but she puts \$24,000 into a 401K.

**Chairman Cook** -- We have before us SB2313, as amended, with a do not pass motion.

**Roll Call vote 4-2-1.**

**Carrier: Senator Laffen.**

**Chairman Cook** closed the committee work on SB2313.

February 9, 2015

1 of 2

TD  
2/10/15

PROPOSED AMENDMENTS TO SENATE BILL NO. 2313

Page 2, replace lines 3 through 7 with:

<u>"\$0</u>	<u>\$6,000</u>	<u>0.00%</u>	
<u>\$6,000</u>	<u>\$37,450</u>	<u>1.22%</u>	<u>\$6,000</u>
<u>\$37,450</u>	<u>\$90,750</u>	<u>\$383.69 + 2.27%</u>	<u>\$37,450</u>
<u>\$90,750</u>	<u>\$189,300</u>	<u>\$1,593.60 + 2.52%</u>	<u>\$90,750</u>
<u>\$189,300</u>	<u>\$411,500</u>	<u>\$4,077.06 + 2.93%</u>	<u>\$189,300</u>
<u>\$411,500</u>		<u>\$10,587.52 + 3.22%</u>	<u>\$411,500"</u>

Page 2, replace lines 16 through 20 with:

<u>"\$0</u>	<u>\$12,000</u>	<u>0.00%</u>	
<u>\$12,000</u>	<u>\$62,600</u>	<u>1.22%</u>	<u>\$12,000</u>
<u>\$62,600</u>	<u>\$151,200</u>	<u>\$617.32 + 2.27%</u>	<u>\$62,600</u>
<u>\$151,200</u>	<u>\$230,450</u>	<u>\$2,628.54 + 2.52%</u>	<u>\$151,200</u>
<u>\$230,450</u>	<u>\$411,500</u>	<u>\$4,625.64 + 2.93%</u>	<u>\$230,450</u>
<u>\$411,500</u>		<u>\$9,930.41 + 3.22%</u>	<u>\$411,500"</u>

Page 2, remove lines 29 through 31

Page 3, replace lines 1 and 2 with:

<u>"\$0</u>	<u>\$6,000</u>	<u>0.00%</u>	
<u>\$6,000</u>	<u>\$31,300</u>	<u>1.22%</u>	<u>\$6,000</u>
<u>\$31,300</u>	<u>\$75,600</u>	<u>\$308.66 + 2.27%</u>	<u>\$31,300</u>
<u>\$75,600</u>	<u>\$115,225</u>	<u>\$1,314.27 + 2.52%</u>	<u>\$75,600</u>
<u>\$115,225</u>	<u>\$205,750</u>	<u>\$2,312.82 + 2.93%</u>	<u>\$115,225</u>
<u>\$205,750</u>		<u>\$4,965.20 + 3.22%</u>	<u>\$205,750"</u>

Page 3, replace lines 11 through 15 with:

<u>"\$0</u>	<u>\$10,000</u>	<u>0.00%</u>	
<u>\$10,000</u>	<u>\$50,200</u>	<u>1.22%</u>	<u>\$10,000</u>
<u>\$50,200</u>	<u>\$129,600</u>	<u>\$490.44 + 2.27%</u>	<u>\$50,200</u>
<u>\$129,600</u>	<u>\$209,850</u>	<u>\$2,292.82 + 2.52%</u>	<u>\$129,600</u>

2 of 2

<u>\$209,850</u>	<u>\$411,500</u>	<u>\$4,315.12 + 2.93%</u>	<u>\$209,850</u>
<u>\$411,500</u>		<u>\$10,223.47 + 3.22%</u>	<u>\$411,500"</u>

Page 3, replace lines 24 through 28 with:

<u>"\$0</u>	<u>\$800</u>	<u>0.00%</u>	
<u>\$800</u>	<u>\$2,500</u>	<u>1.22%</u>	<u>\$800</u>
<u>\$2,500</u>	<u>\$5,900</u>	<u>\$20.74 + 2.27%</u>	<u>\$2,500</u>
<u>\$5,900</u>	<u>\$9,050</u>	<u>\$97.92 + 2.52%</u>	<u>\$5,900</u>
<u>\$9,050</u>	<u>\$12,300</u>	<u>\$177.30 + 2.93%</u>	<u>\$9,050</u>
<u>\$12,300</u>		<u>\$272.53 + 3.22%</u>	<u>\$12,300"</u>

Renumber accordingly

Date: 2-10-15Roll Call Vote #: 1

**2015 SENATE STANDING COMMITTEE  
ROLL CALL VOTES  
BILL/RESOLUTION NO 2313**

Senate Finance and Taxation Committee☐ SubcommitteeAmendment LC# or Description: 15.0900.01001

Recommendation: ☒ Adopt Amendment  
☐ Do Pass    ☐ Do Not Pass    ☐ Without Committee Recommendation  
☐ As Amended    ☐ Rerefer to Appropriations  
☐ Place on Consent Calendar  
Other Actions: ☐ Reconsider    ☐ \_\_\_\_\_

Motion Made By Sen. Dotzenrod Seconded By Sen. Unruh  
voice vote 6-0-1

Senators	Yes	No	Senators	Yes	No
Chairman Dwight Cook			Senator Jim Dotzenrod		
Vice Chairman Lonnie Laffen			Senator Connie Triplett		
Senator Brad Bekkedahl					
Senator Dave Oehlke					
Senator Jessica Unruh					

Total (Yes) \_\_\_\_\_ No \_\_\_\_\_

Absent \_\_\_\_\_

Floor Assignment \_\_\_\_\_

If the vote is on an amendment, briefly indicate intent:

Date: 2.10.15Roll Call Vote #: 2

**2015 SENATE STANDING COMMITTEE**  
**ROLL CALL VOTES**  
**BILL/RESOLUTION NO 2313**

Senate Finance and Taxation Committee☐ SubcommitteeAmendment LC# or Description: 15.0900.01001 Title: 02000

Recommendation: ☐ Adopt Amendment  
☐ Do Pass ☒ Do Not Pass ☐ Without Committee Recommendation  
☒ As Amended ☐ Rerefer to Appropriations  
☐ Place on Consent Calendar  
 Other Actions: ☐ Reconsider ☐ \_\_\_\_\_

Motion Made By Sen. Laffen Seconded By Sen. Unruh

Senators	Yes	No	Senators	Yes	No
Chairman Dwight Cook	✓		Senator Jim Dotzenrod		✓
Vice Chairman Lonnie Laffen	✓		Senator Connie Triplett	✓	
Senator Brad Bekkedahl		AB			
Senator Dave Oehlke	✓				
Senator Jessica Unruh	✓				

Total (Yes) 4 No 2Absent 1Floor Assignment Sen. Laffen

If the vote is on an amendment, briefly indicate intent:

**REPORT OF STANDING COMMITTEE**

**SB 2313: Finance and Taxation Committee (Sen. Cook, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO NOT PASS** (4 YEAS, 2 NAYS, 1 ABSENT AND NOT VOTING). SB 2313 was placed on the Sixth order on the calendar.

Page 2, replace lines 3 through 7 with:

"\$0	\$6,000	0.00%	
\$6,000	\$37,450	1.22%	\$6,000
\$37,450	\$90,750	\$383.69 + 2.27%	\$37,450
\$90,750	\$189,300	\$1,593.60 + 2.52%	\$90,750
\$189,300	\$411,500	\$4,077.06 + 2.93%	\$189,300
\$411,500		\$10,587.52 + 3.22%	\$411,500"

Page 2, replace lines 16 through 20 with:

"\$0	\$12,000	0.00%	
\$12,000	\$62,600	1.22%	\$12,000
\$62,600	\$151,200	\$617.32 + 2.27%	\$62,600
\$151,200	\$230,450	\$2,628.54 + 2.52%	\$151,200
\$230,450	\$411,500	\$4,625.64 + 2.93%	\$230,450
\$411,500		\$9,930.41 + 3.22%	\$411,500"

Page 2, remove lines 29 through 31

Page 3, replace lines 1 and 2 with:

"\$0	\$6,000	0.00%	
\$6,000	\$31,300	1.22%	\$6,000
\$31,300	\$75,600	\$308.66 + 2.27%	\$31,300
\$75,600	\$115,225	\$1,314.27 + 2.52%	\$75,600
\$115,225	\$205,750	\$2,312.82 + 2.93%	\$115,225
\$205,750		\$4,965.20 + 3.22%	\$205,750"

Page 3, replace lines 11 through 15 with:

"\$0	\$10,000	0.00%	
\$10,000	\$50,200	1.22%	\$10,000
\$50,200	\$129,600	\$490.44 + 2.27%	\$50,200
\$129,600	\$209,850	\$2,292.82 + 2.52%	\$129,600
\$209,850	\$411,500	\$4,315.12 + 2.93%	\$209,850
\$411,500		\$10,223.47 + 3.22%	\$411,500"

Page 3, replace lines 24 through 28 with:

"\$0	\$800	0.00%	
\$800	\$2,500	1.22%	\$800
\$2,500	\$5,900	\$20.74 + 2.27%	\$2,500
\$5,900	\$9,050	\$97.92 + 2.52%	\$5,900
\$9,050	\$12,300	\$177.30 + 2.93%	\$9,050
\$12,300		\$272.53 + 3.22%	\$12,300"

Renumber accordingly



**2015 TESTIMONY**

**SB 2313**



#1  
SP2313  
2.9.15

## Memorandum

**To:** Senator Dwight Cook  
Chairman, Senate Finance and Taxation Committee  
Members of the Senate Finance and Taxation Committee

**From:** Joseph J. Becker

**Date:** January 27, 2015

**Subject:** Individual Income Tax Filer Statistics

You requested the following information regarding individual income tax filers:

- **Number of returns with a tax liability of \$100 or less**

For the 2013 tax year (the most current tax year for which information is available), the number of returns filed by all filers is 464,853. Of this number, 35% of them, or 164,343, showed a tax liability of \$100 or less.

- **Number of returns with a zero tax liability**

For the 2013 tax year, the number of returns with a zero tax liability is 82,699. This is 50% of the number of filers with a tax liability of \$100 or less, and is about 18% of the total number of filers.

- **Total number of returns filed for prior years (filing trend)**

Tax Year	No. of Returns	% Increase Over Previous Year	% Increase Since 2003
2013	464,853	4.1%	43.2%
2012	446,415	7.5%	37.5%
2011	415,335	8.6%	27.9%
2010	382,613	5.5%	17.9%
2009	362,613	0.3%	11.7%
2008	361,667	1.9%	11.4%
2007	355,026	3.8%	9.4%
2006	341,947	1.8%	5.3%
2005	335,851	1.8%	3.5%
2004	329,791	1.6%	1.6%
2003	324,635	-	

February 9, 2015

#1  
2.10.15

PROPOSED AMENDMENTS TO SENATE BILL NO. 2313

Page 2, replace lines 3 through 7 with:

<u>"\$0</u>	<u>\$6,000</u>	<u>0.00%</u>	
<u>\$6,000</u>	<u>\$37,450</u>	<u>1.22%</u>	<u>\$6,000</u>
<u>\$37,450</u>	<u>\$90,750</u>	<u>\$383.69 + 2.27%</u>	<u>\$37,450</u>
<u>\$90,750</u>	<u>\$189,300</u>	<u>\$1,593.60 + 2.52%</u>	<u>\$90,750</u>
<u>\$189,300</u>	<u>\$411,500</u>	<u>\$4,077.06 + 2.93%</u>	<u>\$189,300</u>
<u>\$411,500</u>		<u>\$10,587.52 + 3.22%</u>	<u>\$411,500"</u>

Page 2, replace lines 16 through 20 with:

<u>"\$0</u>	<u>\$12,000</u>	<u>0.00%</u>	
<u>\$12,000</u>	<u>\$62,600</u>	<u>1.22%</u>	<u>\$12,000</u>
<u>\$62,600</u>	<u>\$151,200</u>	<u>\$617.32 + 2.27%</u>	<u>\$62,600</u>
<u>\$151,200</u>	<u>\$230,450</u>	<u>\$2,628.54 + 2.52%</u>	<u>\$151,200</u>
<u>\$230,450</u>	<u>\$411,500</u>	<u>\$4,625.64 + 2.93%</u>	<u>\$230,450</u>
<u>\$411,500</u>		<u>\$9,930.41 + 3.22%</u>	<u>\$411,500"</u>

Page 2, remove lines 29 through 31

Page 3, replace lines 1 and 2 with:

<u>"\$0</u>	<u>\$6,000</u>	<u>0.00%</u>	
<u>\$6,000</u>	<u>\$31,300</u>	<u>1.22%</u>	<u>\$6,000</u>
<u>\$31,300</u>	<u>\$75,600</u>	<u>\$308.66 + 2.27%</u>	<u>\$31,300</u>
<u>\$75,600</u>	<u>\$115,225</u>	<u>\$1,314.27 + 2.52%</u>	<u>\$75,600</u>
<u>\$115,225</u>	<u>\$205,750</u>	<u>\$2,312.82 + 2.93%</u>	<u>\$115,225</u>
<u>\$205,750</u>		<u>\$4,965.20 + 3.22%</u>	<u>\$205,750"</u>

Page 3, replace lines 11 through 15 with:

<u>"\$0</u>	<u>\$10,000</u>	<u>0.00%</u>	
<u>\$10,000</u>	<u>\$50,200</u>	<u>1.22%</u>	<u>\$10,000</u>
<u>\$50,200</u>	<u>\$129,600</u>	<u>\$490.44 + 2.27%</u>	<u>\$50,200</u>
<u>\$129,600</u>	<u>\$209,850</u>	<u>\$2,292.82 + 2.52%</u>	<u>\$129,600</u>

\$209,850

\$411,500

\$4,315.12 + 2.93%

\$209,850

\$411,500

\$10,223.47 + 3.22%

\$411,500"

Page 3, replace lines 24 through 28 with:

"\$0

\$800

0.00%

\$800

\$2,500

1.22%

\$800

\$2,500

\$5,900

\$20.74 + 2.27%

\$2,500

\$5,900

\$9,050

\$97.92 + 2.52%

\$5,900

\$9,050

\$12,300

\$177.30 + 2.93%

\$9,050

\$12,300

\$272.53 + 3.22%

\$12,300"

Renumber accordingly