

EXHIBIT 3

**UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK**

STATE OF NEW YORK,
STATE OF CONNECTICUT,
STATE OF MARYLAND, and STATE OF
NEW JERSEY,

Plaintiffs,

v.

STEVEN MNUCHIN, in his official
capacity
as Secretary of the United States
Department
of Treasury; the UNITED STATES
DEPARTMENT OF TREASURY; DAVID
J. KAUTTER, in his official capacity as
Acting Commissioner of the United
States Internal Revenue Service; the
UNITED STATES INTERNAL
REVENUE SERVICE; and the UNITED
STATES OF AMERICA,

Defendants.

Civil Action No. _____

AFFIDAVIT OF ERNEST ADAMO

I, Ernest Adamo, having been duly sworn, testify and affirm as follows:

1. I am over eighteen years of age and understand the obligations of an oath.
2. I am a Planning Specialist with the Connecticut Department of Revenue Services ("DRS"). I have been employed at DRS since December 1989 and have held my current position since February 2004.
3. As Planning Specialist, I work in the Research Unit of DRS. Among its duties, the Research Unit is responsible for preparing, analyzing, verifying and disseminating all statistics relating to Connecticut's taxes and credits, with the exception of the property tax.

4. Within the Research Unit, I am the person that is responsible for preparing, analyzing and verifying data and statistics related to state and federal income taxes.
5. I hold a Bachelor's Degree in Economics from the University of Connecticut and a Master's Degree in Public Policy from Trinity College.
6. During the recent legislative session, I was directed by the Commissioner of DRS to analyze the impact of Public Law No. 115-97 (the "2017 Tax Act") on Connecticut taxpayers. Specifically, I was asked to determine the number of Connecticut taxpayers impacted by the new cap on the federal deduction for state and local taxes ("SALT Deduction CAP") as enacted in § 11042 of the 2017 Tax Act. When used herein, the term "SALT" refers to the state and local taxes the deduction of which is capped by the SALT Deduction Cap.
7. In order to determine the impact on Connecticut taxpayers, it was necessary to review federal tax data. The most recent federal tax data that was available to me was from tax year 2015. To this end, I reviewed and ultimately utilized data from Historic Table 2. Individual Income and Tax Data, by State and Size of Adjusted Gross Income, Tax Year 2015 for Connecticut (Source: IRS Federal SOI) to determine total taxable income and total income tax for Connecticut taxpayers.
8. Using the federal tax data for Connecticut described in paragraph 7, I calculated the effective tax rate by dividing the total income tax by total taxable income.
9. I then performed an analysis of 2015 federal Form 1040, Schedule A, *Itemized Deductions*, Line 9, for Connecticut filers¹ to determine the number of taxpayers and the amount of SALT deductions lost due to the SALT Deduction CAP. The amount of SALT deduction lost was based upon analyzing Connecticut taxpayers whose itemized deductions exceeded the new standard deduction prescribed in the 2017 Tax Act. This was estimated to be approximately \$10.3 billion.
10. I then performed an analysis to show the impact of the limitation of the SALT deduction on Connecticut taxpayers within certain groupings. Based on that analysis, I determined that the SALT Deduction Cap likely will raise Connecticut taxpayers' federal income tax liability by approximately \$2.8 billion in 2018. As set forth herein, this estimate is based on 2015 income using 2018 federal parameters.

¹ "Connecticut filers" means the Connecticut taxpayers who filed a federal Form 1040 with the IRS in tax year 2015.

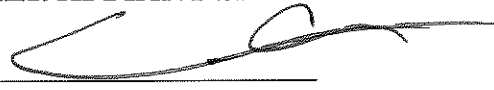
11. Broken down by income level, for tax year 2018, I estimate that the SALT Deduction Cap will result in a net increase in federal income taxes paid by Connecticut taxpayers under the 2017 Tax Act by the following amounts:

- a. \$12,328,511 from taxpayers with adjusted gross incomes ("AGI")² between \$0 and \$25,000;
- b. \$6,504,470 from taxpayers with AGIs between \$25,000 and \$50,000;
- c. \$27,454,045 from taxpayers with AGIs between \$50,000 and \$75,000;
- d. \$26,448,962 from taxpayers with AGIs between \$75,000 and \$100,000;
- e. \$723,303,357 from taxpayers with AGIs between \$100,000 and \$500,000;
- f. \$498,581,353 from taxpayers with AGIs between \$500,000 and \$1,000,000; and
- g. \$1,488,663,880 from taxpayers with AGIs above \$1,000,000;

12. I declare under penalty of perjury that the foregoing is true and correct.

13. I have read the foregoing and it is true and accurate to the best of my knowledge and belief.


FURTHER AFFIANT SAYETH NOT.



 ERNEST ADAMO

STATE OF CONNECTICUT)
) ss: Hartford, Connecticut
 COUNTY OF HARTFORD)

Subscribed and sworn to before me, this 13th day of July, 2018.



 Notary Public
 Commissioner of the Superior Court

² "Adjusted gross income" refers to a taxpayer's total gross income minus specific deductions.