

Administration Proposal: Elimination of \$5,000 State and Local Income Tax Deduction

CUSTOM BRACKETS	Income brackets	# of Returns	Tax (millions)			Effective Tax Rate			Returns with a Tax Increase		
			Baseline	Policy	Change	Baseline	Policy	Change	# with Tax Increase	Tax Increase (Millions)	Average Increase (\$)
	< 0	4,875	-0.03	-0.03	0.00	0.0%	0.0%	0.0%	*	*	*
	0 - 10,000	54,532	0.50	0.50	0.00	0.2%	0.2%	0.0%	36	0.00	32
	10,000 - 25,000	66,280	12.82	12.88	0.06	1.1%	1.1%	0.0%	2,986	0.06	19
	25,000 - 50,000	76,559	55.02	55.66	0.65	2.0%	2.0%	0.0%	14,994	0.65	43
	50,000 - 75,000	43,842	66.75	68.51	1.76	2.5%	2.5%	0.1%	18,296	1.76	96
	75,000 - 100,000	27,732	66.61	69.05	2.44	2.8%	2.9%	0.1%	16,058	2.44	152
	100,000 - 150,000	22,481	92.38	96.82	4.44	3.4%	3.6%	0.2%	17,724	4.44	250
	150,000 - 200,000	6,744	46.95	48.83	1.89	4.1%	4.2%	0.2%	5,969	1.89	316
	200,000 - 500,000	4,198	47.68	49.08	1.40	4.8%	4.9%	0.1%	3,823	1.40	366
	300,000 - 500,000	1,962	41.76	42.49	0.73	5.7%	5.8%	0.1%	1,804	0.73	403
	500,000 - 1,000,000	829	35.37	35.68	0.31	6.4%	6.5%	0.1%	761	0.31	411
	1,000,000+	355	75.54	75.67	0.12	6.1%	6.1%	0.0%	296	0.12	414
	Resident Total	310,389	541.35	555.15	13.80	3.3%	3.3%	0.1%	82,751	13.80	167
			<i>+ Out of State tax change</i>		0.70						
			Total tax change		14.50						