

Example 1

- Rates: 0%, 0.8%, 1.6%, and 1.9%
- Additional bracket between \$100,000 and \$250,000
- Cap at \$4 million

Example 1: Rates and Average Tax Paid			
Federal Adjusted Gross Income			
Over	But not over	Marginal Rate	Average Tax Paid
\$0	\$47,000	0.0%	\$86
\$47,000	\$100,000	0.8%	\$173
\$100,000	\$250,000	1.6%	\$973
\$250,000	\$4,000,000	1.9%	\$5,343
\$4,000,000	Infinity	0.0%	\$10,932

Note: Married Filing Separate filers have a 0% rate on only the first \$23,000.

This explains the non-zero average tax paid for the \$0-\$47,000 group

Total Tax Change: Residents (in Millions)		
		Tax
-infinity	\$47,000	\$0.17
\$47,000	\$100,000	\$15.39
\$100,000	\$250,000	\$52.06
\$250,000	\$4,000,000	\$57.69
\$4,000,000	infinity	\$4.67
Total		\$129.98

Total Tax Change: Non-Residents (in Millions)		
From	To	Tax
-infinity	\$47,000	\$0.02
\$47,000	\$100,000	\$0.98
\$100,000	\$250,000	\$3.37
\$250,000	\$4,000,000	\$4.94
\$4,000,000	infinity	\$0.86
Total		\$10.18

Example 2: Rep. Baser Proposal

- Same income brackets as Example 1, except single filers have their own bracket structure; 0% tax bracket stops at \$39,000 instead of \$47,000.
- Rates: 0%, 0.8%, 1.6%, and 1.9%
- Cap at \$4 million

Example 2: Rates and Average Tax Paid			
Federal Adjusted Gross Income			
Over	But not over	Marginal Rate	Average Tax Paid
\$0	\$47,000	0.0%	\$35
\$47,000	\$100,000	0.8%	\$200
\$100,000	\$250,000	1.6%	\$981
\$250,000	\$4,000,000	1.9%	\$5,349
\$4,000,000	Infinity	0.0%	\$10,933

Note: Married Filing Separate filers have a 0% rate on only the first \$23,000.

Single filers have a 0% on only the first \$39,000

This explains the non-zero average tax paid for the \$0-\$47,000 group

Total Tax Change: Residents (in millions)		
From	To	Tax
-infinity	\$47,000	\$0.64
\$47,000	\$100,000	\$17.72
\$100,000	\$250,000	\$52.50
\$250,000	\$4,000,000	\$57.76
\$4,000,000	infinity	\$4.67
Total		\$133.29

Total Tax Change: Non-Residents		
From	To	Tax
-infinity	\$47,000	\$0.05
\$47,000	\$100,000	\$1.14
\$100,000	\$250,000	\$3.40
\$250,000	\$4,000,000	\$4.95
\$4,000,000	infinity	\$0.87
Total		\$10.40

Example 3: Advantageous for Married Filers

- 3 brackets (instead of 4 in Example 1 and 2)
- Rates: 0%, 0.85%, 1.85%
- Cap at \$4 million

All Filers except Married Filing Separate			
Federal Adjusted Gross Income			
Over	But not over	Marginal Rate	Average Tax Paid
\$0	\$47,000	0.0%	\$91
\$47,000	\$125,000	0.85%	\$247
\$125,000	\$4,000,000	1.85%	\$2,297
\$4,000,000	Infinity	0.0%	\$10,676

Note: Married Filing Separate filers have a 0% rate on only the first \$23,000.
This explains the non-zero average tax paid for the \$0-\$47,000 group

Total Tax Change: Residents (in Millions)		
From	To	Tax
-infinity	\$47,000	\$0.18
\$47,000	\$125,000	\$27.41
\$125,000	\$4,000,000	\$95.96
\$4,000,000	Infinity	\$4.56
Total		\$128.11

Total Tax Change: Non-Residents (in Millions)		
From	To	Tax
-infinity	\$47,000	\$0.02
\$47,000	\$125,000	\$1.72
\$125,000	\$4,000,000	\$7.64
\$4,000,000	Infinity	\$0.87
Total		\$10.25

Example 4: Original Proposal

- 3 brackets
- Rates: 0%, 0.85%, 1.70%
- Middle bracket is \$47,000 to \$100,000 (instead of \$125,000 in Example 3)
- Cap at \$4 million

All Filers except Married Filing Separate			
Federal Adjusted Gross Income			
Over	But not over	Marginal Rate	Average Tax Paid
\$0	\$47,000	0.0%	\$91
\$47,000	\$100,000	0.85%	\$184
\$100,000	\$4,000,000	1.70%	\$1,728
\$4,000,000	Infinity	0.0%	\$9,848

Note: Married Filing Separate filers have a 0% rate on only the first \$23,000.
This explains the non-zero average tax paid for the \$0-\$47,000 group

Total Tax Change: Residents (in Millions)		
From	To	Tax
-infinity	\$47,000	\$0.18
\$47,000	\$100,000	\$16.35
\$125,000	\$4,000,000	\$110.45
\$4,000,000	Infinity	\$4.20
Total		\$131.19

Total Tax Change: Non-Residents (in Millions)		
From	To	Tax
-infinity	\$47,000	\$0.02
\$47,000	\$100,000	\$1.04
\$125,000	\$4,000,000	\$8.27
\$4,000,000	Infinity	\$0.78
Total		\$10.12