

Individual Provision Revenue Impacts of H.911

What is the "cost" of individual provisions of H.911?	
Provision Removed	Change in Revenues (millions)
Social Security Exemption	\$4.50
Vermont Personal Exemption	\$116.61
Vermont Standard Deduction	\$119.95
Charitable Credit	\$11.77
Expanded EITC	\$2.42
Collapsing Brackets and Lowering Rates	\$34.61
Collapsing Top Two Brackets after lowering rates	\$2.94

Who is affected by each provision?

- Social Security Exemption
 - Mostly taxpayers between \$30,000 and \$70,000 in AGI
 - Exemption is in addition to Federal Exemption for Social Security benefits. Lower income households already pay no tax on their Social Security.
- Vermont Personal Exemption
 - Taxpayers with families and dependents
 - Impacts taxpayers across the income distribution. More so at upper income groups because higher income taxpayers tend to have larger families.
 - Taxpayers below \$20,000 benefit less because they tend to be single taxpayers with no dependent children.
- Vermont Standard Deduction
 - Impacts every taxpayer because every taxpayer would receive the deduction
 - Generally, deductions are worth more, in dollar terms, to higher income taxpayers.
- Charitable Credit
 - If it were removed, it would affect all taxpayers who give to charity.
 - Higher income taxpayers tend to give more, in dollar terms, so they receive the largest dollar benefit of the charitable tax credit.
 - Capping the credit at \$10,000 of contributions largely impacts taxpayers with over \$300,000 in income, and a small number of taxpayers between \$100,000 and \$300,000 in income.
- Collapsing brackets and lowering rates
 - Collapsing the top brackets impacts high income taxpayers over \$191,650 (single) and \$233,300 (married).
 - Lower rates for all brackets benefit all taxpayers.