

**DRAFT-PRELIMINARY**

Prepared by JFO

<b>Tax Summary of Reintroducing Medical Deduction</b>						
<b>Adjusted Gross Income</b>		<b>Number of Returns Impacted</b>	<b>Percent of Total Tax Returns Impacted</b>	<b>Average Tax Decrease</b>	<b>Change in Effective Tax Rates</b>	<b>Total Tax Impact (Millions)</b>
-Infinity	\$20,000	218	0.43%	-\$110.50	-0.14%	-\$0.02
\$20,000	\$30,000	434	1.17%	-\$186.91	-0.01%	-\$0.08
\$30,000	\$40,000	556	1.54%	-\$238.40	-0.01%	-\$0.13
\$40,000	\$50,000	574	1.92%	-\$300.65	-0.01%	-\$0.16
\$50,000	\$60,000	641	2.67%	-\$429.05	-0.02%	-\$0.26
\$60,000	\$70,000	627	3.19%	-\$550.32	-0.03%	-\$0.33
\$70,000	\$80,000	615	3.68%	-\$602.74	-0.03%	-\$0.35
\$80,000	\$100,000	978	3.57%	-\$756.12	-0.03%	-\$0.70
\$100,000	\$125,000	972	3.98%	-\$944.70	-0.04%	-\$0.87
\$125,000	\$150,000	619	4.22%	-\$1,173.59	-0.04%	-\$0.69
\$150,000	\$200,000	581	4.00%	-\$1,030.23	-0.03%	-\$0.57
\$200,000	\$300,000	360	3.69%	-\$1,595.32	-0.03%	-\$0.55
\$300,000	Infinity	190	2.04%	-\$2,767.97	-0.01%	-\$0.50
<b>Total</b>		<b>7,365</b>		<b>-\$744.61</b>	<b>-0.02%</b>	<b>-\$5.21</b>

**2017 Vermont Individual Income Tax Returns by AGI Income Class**

AGI Income Class [1]	# Returns	% of Total Resident Returns	Federal AGI	Vermont AGI	Adjusted Vermont Tax	Credits	VT EITC [2]	Net VT Tax [3]	Average Tax Paid [4]	Effective Rate [5]
Negative	3,956	1%	-280,992,211	0	687,435	19,071	128,547	539,817	136	N/A
None/Missing	44	0%	0	0	499	0	0	499	11	N/A
0.01 - 4999	24,067	8%	58,298,350	57,983,788	48,346	347	635,503	-587,504	-24	-1.0%
5,000 - 9,999	22,299	7%	165,501,013	163,512,236	329,873	12,309	2,394,459	-2,076,895	-93	-1.3%
10,000 - 14,999	20,094	6%	250,001,904	245,480,502	1,271,421	48,885	4,178,527	-2,955,991	-147	-1.2%
15,000 - 19,999	18,762	6%	327,858,974	321,407,282	3,077,403	81,016	4,808,331	-1,811,943	-97	-0.6%
20,000 - 24,999	18,993	6%	427,889,122	418,762,167	5,565,053	120,401	4,499,766	944,886	50	0.2%
25,000 - 29,999	18,775	6%	516,580,983	506,448,170	8,417,161	141,258	3,541,710	4,734,193	252	0.9%
30,000 - 34,999	18,372	6%	595,865,589	585,490,560	11,164,557	161,725	2,478,739	8,524,094	464	1.4%
35,000 - 39,999	16,648	5%	623,845,636	613,065,616	12,726,569	190,375	1,373,329	11,162,865	671	1.8%
40,000 - 44,999	14,616	5%	620,231,171	610,194,049	13,437,082	236,962	672,576	12,527,544	857	2.0%
45,000 - 49,999	12,711	4%	603,259,387	594,472,730	13,747,833	256,316	211,330	13,280,187	1,045	2.2%
50,000 - 59,999	21,483	7%	1,177,705,862	1,158,626,132	29,285,707	596,489	22,621	28,666,597	1,334	2.4%
60,000 - 74,999	24,851	8%	1,667,813,896	1,639,671,254	44,740,275	1,038,509	0	43,701,766	1,759	2.6%
75,000 - 99,999	30,250	9%	2,621,174,945	2,581,505,779	75,614,117	2,040,852	0	73,573,265	2,432	2.8%
100,000 - 124,999	19,511	6%	2,173,812,367	2,140,574,339	74,086,797	2,292,872	0	71,793,925	3,680	3.3%
125,000 - 149,999	10,893	3%	1,485,338,575	1,460,839,956	57,659,587	2,060,434	0	55,599,153	5,104	3.7%
150,000 - 199,999	10,638	3%	1,819,942,773	1,783,042,330	79,458,403	3,561,385	0	75,897,018	7,135	4.2%
200,000 - 299,999	6,663	2%	1,592,022,131	1,550,123,388	80,663,999	4,566,225	0	76,097,774	11,421	4.8%
300,000 - 499,999	3,154	1%	1,181,556,645	1,143,862,550	72,705,535	4,634,949	0	68,070,586	21,582	5.8%
500,000 - 999,999	1,313	0%	878,850,749	840,771,162	61,573,370	4,747,674	0	56,825,696	43,279	6.5%
1,000,000 +	581	0%	1,742,432,807	1,628,742,617	124,872,320	19,602,054	0	105,270,266	181,188	6.0%
<b>State Total</b>	<b>318,674</b>		<b>20,248,990,668</b>	<b>20,044,576,608</b>	<b>771,133,344</b>	<b>46,410,108</b>	<b>24,945,456</b>	<b>699,777,780</b>	<b>2,196</b>	<b>3.5%</b>
Out of State	52,047		15,510,381,890	1,491,877,910	61,365,941	701,872	248,951	60,415,118	1,161	0.4%
<b>All Returns</b>	<b>370,721</b>		<b>35,759,372,558</b>	<b>21,536,454,518</b>	<b>832,499,285</b>	<b>47,111,980</b>	<b>25,194,407</b>	<b>760,192,897</b>	<b>2,051</b>	<b>2.1%</b>

[1] AGI = Adjusted Gross Income

[2] Vermont Earned Income Tax Credit

[3] Net of Vermont Tax Credits

[4] Net VT Tax divided by # Returns

[5] Net VT Tax divided by Federal AGI