

Table T16-0052
 Senator Bernie Sanders's Tax Proposals: Impact on Tax Revenue, 2016-26 by Fiscal Year and Total for FY2027-36¹
 Baseline: Current Law

Proposal	Fiscal Year (\$ billions)												
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2016-26	2027-36
Individual Income and Payroll Taxes													
Repeal alternative minimum tax	0.0	-21.8	-30.4	-32.4	-33.8	-35.3	-37.3	-38.7	-39.9	-41.4	-42.3	-353.3	-565.8
Repeal personal exemption phaseout (PEP) and Pease limitation	0.0	-23.4	-32.5	-34.5	-36.8	-39.0	-41.2	-43.8	-46.7	-49.1	-52.4	-399.3	-686.8
Reduce top tax rates to 28 percent	0.0	-86.2	-121.5	-132.7	-144.3	-154.8	-165.1	-177.7	-191.2	-202.4	-218.0	-1,593.9	-2,990.3
Impose 2.2 percent employee health care premium on taxable income	3.1	108.5	151.1	163.0	172.4	180.9	189.5	198.6	207.8	217.3	227.1	1,819.3	2,900.0
Tax on AGI; tax gains/div above current 33% bracket as ordinary income; 10 percent NIIT	56.4	111.7	171.3	231.7	280.7	317.4	355.7	393.1	431.1	460.5	501.9	3,311.4	6,988.4
Repeal exclusion for ESI; cafeteria plans; repeal medical expense deduction	0.0	249.8	344.0	363.8	374.0	387.9	408.9	428.8	448.6	470.1	492.1	3,968.0	6,351.9
Impose 6.2 percent employer health care premium on wages	0.0	274.9	377.2	392.4	408.7	425.6	443.8	462.8	482.2	501.9	522.9	4,292.4	6,473.3
Remove OASDI cap on covered earnings in excess of \$250,000	0.0	61.1	87.2	95.7	104.7	113.4	122.7	132.9	143.4	153.9	167.0	1,181.9	2,538.2
Impose 0.4 percent tax to fund Family and Medical Leave Insurance Trust Fund	0.0	17.4	23.9	25.0	25.8	26.9	28.2	29.3	30.5	31.9	33.2	272.0	409.5
Tax capital gains on gifts and bequests and at death; modify like-kind exchange rules	0.0	58.2	107.0	110.7	114.5	109.9	105.1	108.8	112.9	116.8	120.6	1,064.4	1,482.1
Tax carried (profits) interest as ordinary income; require derivatives to be marked to market	0.0	1.4	9.7	8.1	7.0	6.2	5.2	4.7	4.3	3.9	3.6	54.2	39.0
Eliminate fossil fuel tax incentives	0.0	0.6	1.2	1.3	1.3	1.2	1.1	0.9	0.8	0.8	0.8	10.0	9.1
Repeal miscellaneous health-related tax preferences	0.0	1.3	2.1	2.4	2.7	2.9	3.2	3.5	3.8	4.1	4.5	30.6	75.2
Total for individual income and payroll taxes	59.4	753.7	1,090.3	1,194.3	1,276.8	1,343.2	1,419.9	1,503.1	1,587.7	1,668.3	1,761.0	13,657.8	23,023.8
Corporate Income Tax													
International reforms	0.0	44.9	90.1	99.7	100.6	101.6	102.5	103.6	104.7	105.8	107.4	961.0	1,133.7
Eliminate fossil fuel tax incentives	0.0	2.9	4.9	4.9	4.8	4.7	4.5	4.1	3.9	3.9	4.0	42.6	44.2
Other provisions	0.0	0.3	0.6	0.7	0.7	0.8	1.0	1.2	1.2	1.3	1.3	9.1	15.3
Total for corporate income tax	0.0	48.2	95.5	105.3	106.2	107.1	108.0	108.9	109.9	111.0	112.7	1,012.7	1,193.3
Estate and Gift Taxes													
Restore 2009 estate and gift parameters; increase rates; other reforms	0.0	1.9	12.4	17.3	21.2	25.4	27.5	29.4	31.5	33.8	36.6	237.0	500.1
Total for estate and gift tax revenues	0.0	1.9	12.4	17.3	21.2	25.4	27.5	29.4	31.5	33.8	36.6	237.0	500.1
Excise Taxes													
Financial transaction tax	0.0	34.8	48.2	58.7	62.2	63.2	63.8	64.3	65.0	65.6	66.7	592.4	692.7
Repeal fee on health insurers	0.0	0.0	-12.6	-14.6	-15.4	-16.3	-17.2	-18.2	-19.2	-20.2	-21.3	-155.0	-264.9
Increase Oil Spill Liability Trust Fund financing rate	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	1.2	1.7
Carbon tax:													
Revenue	0.0	43.5	62.3	68.8	75.4	84.3	94.1	103.7	113.2	122.4	131.3	898.8	1,798.1
Rebate	0.0	-31.0	-64.5	-70.9	-77.7	-86.0	-95.8	-105.5	-116.4	-125.6	-134.7	-908.0	-1,799.9
Net	0.0	12.6	-2.2	-2.1	-2.3	-1.7	-1.7	-1.9	-3.2	-3.2	-3.4	-9.2	-1.8
Total for excise tax revenues	0.0	47.4	33.5	42.1	44.6	45.3	45.0	44.4	42.7	42.3	42.1	429.4	427.8
Total revenue effect of plan	59.4	851.1	1,231.8	1,359.0	1,448.8	1,521.1	1,600.4	1,685.8	1,771.7	1,855.4	1,952.5	15,337.0	25,145.0
Addendum 1: Decrease in federal debt service costs													
Decrease in deficit (before debt service costs)	-59.4	-851.1	-1,231.8	-1,359.0	-1,448.8	-1,521.1	-1,600.4	-1,685.8	-1,771.7	-1,855.4	-1,952.5	-15,337.0	-25,145.0
Decrease in interest costs	-0.5	-8.8	-39.1	-88.6	-145.7	-208.8	-277.6	-353.1	-433.2	-521.0	-617.9	-2,694.3	-12,924.9
Decrease in deficit	-59.9	-859.9	-1,270.9	-1,447.6	-1,594.4	-1,729.9	-1,878.1	-2,038.9	-2,204.9	-2,376.4	-2,570.4	-18,031.3	-38,069.8
Addendum 2: Decrease in federal debt relative to GDP													
Decrease in federal debt	-59.9	-919.9	-2,190.8	-3,638.3	-5,232.7	-6,962.6	-8,840.7	-10,879.6	-13,084.5	-15,460.9	-18,031.3		-56,101.1
GDP ¹	18,831.9	19,701.4	20,558.3	21,403.7	22,314.7	23,271.0	24,261.5	25,287.4	26,352.1	27,455.5	28,600.0		42,800.0
Decrease in federal debt relative to GDP (percent)	-0.3%	-4.7%	-10.7%	-17.0%	-23.4%	-29.9%	-36.4%	-43.0%	-49.7%	-56.3%	-63.0%		-131.1%

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0515-4) and TPC estimates.

1. Baseline is current law (including provisions in the Protecting Americans from Tax Hikes Act of 2015 and the Consolidated Appropriations Act of 2016). Unless otherwise noted, provisions are assumed effective 01/01/2017. Estimates include microdynamic behavioral responses. For a description of the provisions, see TPC's "An Analysis of Senator Bernie Sanders's Tax Proposals."

2. The GDP forecast through 2025 is from CBO, The Budget and Economic Outlook: 2015 to 2025 (January 2015) and for 2026-2036 is from CBO, The 2015 Long-Term Budget Outlook (July 2015).