

**Table T06-0248**  
**Rollback of Individual Income Tax Rates and Capital Gains Rates**  
**Static Impact on Individual Income Tax Liability and Revenue (\$ billions), 2007-16<sup>1</sup>**

	Year										
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2007-16
<b>Fiscal Year Revenue<sup>2</sup></b>											
<b>Option 1: Rollback Top Rate<sup>3</sup></b>	18.1	24.9	26.3	27.2	6.8	0.0	0.0	0.0	0.0	0.0 #	103.2
<b>Option 2: Rollback Top Two Rates<sup>4</sup></b>	20.9	28.6	30.1	31.0	7.8	0.0	0.0	0.0	0.0	0.0 #	118.4
<b>Option 3: Rollback Top Two Rates and Rates on Capital Gains and Dividends<sup>5</sup></b>	41.7	62.6	60.6	63.2	16.1	0.0	0.0	0.0	0.0	0.0 #	244.2
<b>Calendar Year Liability</b>											
<b>Option 1: Rollback Top Rate</b>	24.1	25.2	26.6	27.4	0.0	0.0	0.0	0.0	0.0	0.0 #	103.2
<b>Option 2: Rollback Top Two Rates</b>	27.9	28.9	30.5	31.1	0.0	0.0	0.0	0.0	0.0	0.0 #	118.4
<b>Option 3: Rollback Top Two Rates and Rates on Capital Gains and Dividends</b>	55.6	64.9	59.2	64.5	0.0	0.0	0.0	0.0	0.0	0.0 #	244.2
<b>Addendum</b>											
<b>Calendar Year Individual Income Tax Liability Under Current Law</b>	1,018.3	1,108.9	1,164.4	1,260.2	1,553.1	1,650.3	1,753.8	1,862.5	1,977.7	2,098.1	15,447.2

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0305-3A).

(1) Baseline is current law. Estimates are static and do not account for any potential microeconomic behavioral response; official revenue estimates by the Joint Committee on Taxation (JCT) would likely show a somewhat smaller revenue gain.

(2) Fiscal-year revenue numbers assume a 75-25 split. The actual effect on receipts could differ.

(3) The top rate would be rolled back to 39.6 percent from its current-law value of 35 percent. Proposal is effective 01/01/07.

(4) The top two rates would be rolled back to 36 and 39.6 percent from their current-law values of 33 and 35 percent. Proposal is effective 01/01/07.

(5) The top two rates would be rolled back to 36 and 39.6 percent from their current-law values of 33 and 35 percent, the rates on capital gains would revert to 8, 10, 18, and 20 percent, and the preferential treatment of dividends would be ended. Proposal is effective 01/01/07.