

11-Jan-07

PRELIMINARY RESULTS

<http://www.taxpolicycenter.org>

Table T07-0009
Top Individual Income Tax Rate of 39.6 Percent on Taxable Income Greater than \$500,000
Static Impact on Individual Income Tax Liability and Revenue (\$ billions), 2007-16¹

	Year										
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2007-16
Fiscal Year Revenue²	15.6	21.3	22.0	22.7	5.7	0.0	0.0	0.0	0.0	0.0	87.3
Calendar Year Liability	20.8	21.4	22.2	22.8	0.0	0.0	0.0	0.0	0.0	0.0	87.3

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 1006-1).

(1) Proposal is effective 01/01/07. Baseline is current law. The \$500,000 threshold would be indexed for inflation after 2007. Estimates are static and do not account for any potential microeconomic behavioral response. Official estimates from the Joint Committee on Taxation 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.