

**FY 2013-14: ESTIMATE OF 2013 INCOME TAX ADJUSTEMENT BY REDUCING 7% RATE TO 6.99%**

**Objective: Reduce 7% rate to 6.99% with 0%, 3%, 4%, 5% and 6% brackets unchanged.**

**With these brackets and rates, 100% of filers have a lower or unchanged liability and the General Fund is impact is (\$ 3,976,000).**

| Baseline Taxable<br>Income Range<br>2011 | Current Tax Structure            |                           |                           |  |                               | Estimate of Adjusted Tax Structure        |  |  |
|--|----------------------------------|---------------------------|---------------------------|--|-------------------------------|---|--|--|
|  | Projected #<br>of Filers<br>2013 | Cumulative<br># of Filers | Cumulative<br>% of Filers | Projected<br>Average<br>Taxable Income<br>2013 | Average Tax<br>Liability 2013 | Adjusted<br>Average Tax<br>Liability 2013 | Average Tax<br>Increase/<br>(Decrease)<br>2013 | Total Dollar<br>Increase/<br>(Decrease) 2013 |
| col 1                                    | col 2 (/a)                       | col 3                     | col 4                     | col 5 (/b)                                     | col 6                         | col 7                                     | col 8  | col 9  |
| 0  | 745,247                          | 745,247                   | 34.25%                    | 0  | 0                             | 0   | 0  | 0  |
| 1-5,000                                  | 264,830                          | 1,010,077                 | 46.42%                    | 2,337  | 0                             | 0   | 0  | 0  |
| 5,000-10,000                             | 183,140                          | 1,193,216                 | 54.83%                    | 7,748  | 167                           | 167                                       | 0  | 0  |
| 10,000-20,000                            | 263,659                          | 1,456,876                 | 66.95%                    | 15,325   | 588                           | 588                                       | (1)  | (49,386)                                     |
| 20,000-30,000                            | 183,010                          | 1,639,885                 | 75.36%                    | 25,852   | 1,325                         | 1,324                                     | (2)  | (212,332)                                    |
| 30,000-40,000                            | 130,882                          | 1,770,767                 | 81.37%                    | 36,317   | 2,058                         | 2,056                                     | (3)  | (288,820)                                    |
| 40,000-50,000                            | 94,125                           | 1,864,892                 | 85.70%                    | 46,795   | 2,791                         | 2,788                                     | (4)  | (306,332)                                    |
| 50,000-60,000                            | 70,856                           | 1,935,748                 | 88.95%                    | 57,276   | 3,525                         | 3,521                                     | (5)  | (304,869)                                    |
| 60,000-70,000                            | 53,974                           | 1,989,722                 | 91.43%                    | 67,760   | 4,259                         | 4,253                                     | (6)  | (288,814)                                    |
| 70,000-80,000                            | 40,550                           | 2,030,272                 | 93.30%                    | 78,191   | 4,989                         | 4,982                                     | (7)  | (259,283)                                    |
| 80,000-90,000                            | 30,018                           | 2,060,291                 | 94.68%                    | 88,677   | 5,723                         | 5,715                                     | (8)  | (223,419)                                    |
| 90,000-100,000                           | 22,655                           | 2,082,946                 | 95.72%                    | 99,138   | 6,455                         | 6,447                                     | (9)  | (192,314)                                    |
| 100,000-110,000                          | 16,913                           | 2,099,859                 | 96.49%                    | 109,640  | 7,190                         | 7,181                                     | (10)   | (161,336)                                    |
| 110,000-120,000                          | 12,927                           | 2,112,786                 | 97.09%                    | 120,100  | 7,922                         | 7,912                                     | (11)   | (136,834)                                    |
| 120,000-130,000                          | 9,859                            | 2,122,645                 | 97.54%                    | 130,579  | 8,656                         | 8,644                                     | (12)   | (114,686)                                    |
| 130,000-140,000                          | 7,749                            | 2,130,394                 | 97.90%                    | 140,952  | 9,382                         | 9,370                                     | (13)   | (98,177)                                     |
| 140,000-150,000                          | 6,154                            | 2,136,547                 | 98.18%                    | 151,454  | 10,117                        | 10,104                                    | (14)   | (84,429)                                     |
| 150,000-160,000                          | 5,055                            | 2,141,602                 | 98.41%                    | 161,920  | 10,850                        | 10,835                                    | (15)   | (74,644)                                     |
| 160,000-170,000                          | 4,124                            | 2,145,725                 | 98.60%                    | 172,442  | 11,586                        | 11,571                                    | (16)   | (65,231)                                     |
| 170,000-180,000                          | 3,346                            | 2,149,072                 | 98.76%                    | 182,829  | 12,314                        | 12,297                                    | (17)   | (56,411)                                     |
| 180,000-190,000                          | 2,806                            | 2,151,878                 | 98.88%                    | 193,372  | 13,052                        | 13,034                                    | (18)   | (50,266)                                     |
| 190,000-200,000                          | 2,333                            | 2,154,211                 | 98.99%                    | 203,808  | 13,782                        | 13,763                                    | (19)   | (44,220)                                     |
| 200,000-225,000                          | 4,488                            | 2,158,698                 | 99.20%                    | 221,683  | 15,033                        | 15,013                                    | (21)   | (93,090)                                     |
| 225,000-250,000                          | 3,158                            | 2,161,856                 | 99.34%                    | 247,874  | 16,867                        | 16,843                                    | (24)   | (73,777)                                     |
| 250,000-300,000                          | 4,088                            | 2,165,944                 | 99.53%                    | 285,269  | 19,484                        | 19,457                                    | (28)   | (110,796)                                    |
| 300,000-400,000                          | 4,324                            | 2,170,269                 | 99.73%                    | 359,557  | 24,685                        | 24,650                                    | (35)   | (149,322)                                    |
| 400,000-500,000                          | 2,065                            | 2,172,334                 | 99.82%                    | 465,915  | 32,130                        | 32,084                                    | (46)   | (93,287)                                     |
| 500,000- \$1M                            | 2,739                            | 2,175,073                 | 99.95%                    | 693,597  | 48,067                        | 47,999                                    | (68)   | (186,046)                                    |
| \$1 M - \$2 M                            | 773                              | 2,175,846                 | 99.99%                    | 1,401,511                                      | 97,621                        | 97,483                                    | (139)  | (107,248)                                    |
| \$2 M +                                  | 313                              | 2,176,159                 | 100.00%                   | 4,820,085                                      | 336,921                       | 336,441                                   | (481)  | (150,514)                                    |
| <b>Total</b>                             | <b>2,176,159</b>                 |                           |                           | <b>\$25,547</b>                                | <b>\$1,304</b>                | <b>\$1,303</b>                            | <b>(\$1)</b>                                   | <b>(\$3,976,000)</b>                         |

2013 Current Tax Brackets

0.00% \$0 to 2,850  
 3.00% \$2,850 to 5,700  
 4.00% \$5,700 to 8,550  
 5.00% \$8,550 to 11,400  
 6.00% \$11,400 to 14,250  
 7.00% Over \$14,250

Adjusted Brackets

0.00% \$0 to 2,850  
 3.00% \$2,850 to 5,700  
 4.00% \$5,700 to 8,550  
 5.00% \$8,550 to 11,400  
 6.00% \$11,400 to 14,250  
 6.99% Over \$14,250

Source: BEA, SC Dept. of Revenue Income Tax Data 98% sample, 2011

/a 2011 Base Year Grown by 1% per year

/b 2011 Base Year Taxable Income Grown by 3.6% and 3.0% for '12, and '13 respectively