



## SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE

CHAD WALLDORF, Chairman  
HOWELL CLYBORNE, JR.  
EMERSON F. GOWER, JR.

FRANK A. RAINWATER  
Executive Director

December 2, 2015

The Honorable Nikki R. Haley  
Governor, State of South Carolina  
First Floor, State House  
Columbia, South Carolina 29201

Dear Governor Haley:

This is in response to a request by staff for the estimated revenue impact from reducing all of the individual income tax marginal rates by two percent over ten years beginning in tax year 2017. We have updated our analysis to reflect the 2014 individual income tax returns and the latest Long Range Forecast by the Board of Economic Advisors. This forecast reflects higher anticipated growth in the upcoming years compared to last year's forecast. The additional growth has increased the projected impact of reducing the individual income tax rates above what we previously estimated.

We have projected the expected impact on individual income tax from lowering all of the individual income tax marginal rates by 0.2% each year for ten years. By tax year 2026, the last year of the rate reduction, the tax rates will be lowered by 2% to 0%, 1%, 2%, 3%, 4%, and 5% respectively. The individual income tax reduction by tax year is included in the attached detailed tables by taxable income range.

We anticipate that taxpayers who file estimated tax payments will begin reducing their quarterly declarations in response to the tax reduction. As such, five and one-quarter percent of the total tax year impact is recognized in the prior fiscal year for the first two calendar quarters of reduced estimated tax payments, and the remaining impact is reflected in next fiscal year through the remaining reduced payments and higher refunds. The projected General Fund impact on a fiscal year basis is provided in the table below based upon these assumptions. The fiscal year estimates in later years will most likely vary from the estimates provided below if withholdings tables are adjusted to reflect the overall decrease in tax liability or taxpayer behavior changes further in response to the tax reduction.

The Honorable Nikki R. Haley

December 12, 2015

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Fiscal Year	General Fund Individual Income Tax Revenue	Annual Additional General Fund Individual Income Tax Revenue
FY 2016-17	(\$6,857,865)	(\$6,857,865)
FY 2017-18	(\$138,171,825)	(\$131,313,960)
FY 2018-19	(\$282,641,288)	(\$144,469,463)
FY 2019-20	(\$441,250,718)	(\$158,609,430)
FY 2020-21	(\$615,050,738)	(\$173,800,020)
FY 2021-22	(\$805,161,075)	(\$190,110,338)
FY 2022-23	(\$1,012,772,878)	(\$207,611,803)
FY 2023-24	(\$1,239,156,555)	(\$226,383,678)
FY 2024-25	(\$1,485,666,518)	(\$246,509,963)
FY 2025-26	(\$1,738,523,000)	(\$252,856,483)
FY 2026-27	(\$1,921,601,063)	(\$167,876,583)

If we may be of any further assistance, please advise.

Sincerely,



Frank A. Rainwater  
Executive Director

FAR/lhj

Enclosures: 10

cc: Mr. Joshua Baker, Office of the Governor

**ESTIMATE OF TAX YEAR 2017 INCOME TAX ADJUSTEMENT BY REDUCING ALL RATES BY 0.20%**

Objective: Reduce all rates by 0.20% to 0%, 2.80%, 3.80%, 4.80%, 5.80%, and 6.80% with brackets unchanged.

With these brackets and rates, 100.0% of filers have a lower or unchanged liability and the General Fund impact is (\$ 130,626,000).

Baseline Taxable Income Range 2014	Current Tax Structure					Estimate of Adjusted Tax Structure		
	Projected # of Filers 2017	Cumulative # of Filers	Cumulative % of Filers	Projected Average Taxable Income 2017	Average Tax Liability 2017	Adjusted Average Tax Liability 2017	Average Tax Increase/ (Decrease) 2017	Total Dollar Increase/ (Decrease) 2017
col 1	col 2 (a)	col 3	col 4	col 5 (b)	col 6	col 7	col 8	col 9
0	790,675	790,675	33.53%	0	0	0	0	0
1-5,000	281,792	1,072,467	45.48%	2,460	0	0	0	(271,361)
5,000-10,000	192,911	1,265,378	53.66%	8,145	178	168	(11)	(2,004,332)
10,000-20,000	280,328	1,545,705	65.55%	16,147	629	602	(27)	(7,399,197)
20,000-30,000	195,755	1,741,460	73.85%	27,227	1,404	1,356	(49)	(9,504,702)
30,000-40,000	141,038	1,882,499	79.84%	38,279	2,178	2,107	(71)	(9,965,487)
40,000-50,000	103,456	1,985,955	84.22%	49,263	2,947	2,854	(93)	(9,582,730)
50,000-60,000	78,625	2,064,580	87.56%	60,299	3,719	3,605	(115)	(9,018,247)
60,000-70,000	60,525	2,125,105	90.12%	71,336	4,492	4,355	(137)	(8,278,162)
70,000-80,000	47,327	2,172,432	92.13%	82,332	5,262	5,103	(159)	(7,513,858)
80,000-90,000	35,971	2,208,403	93.66%	93,357	6,034	5,853	(181)	(6,504,098)
90,000-100,000	27,348	2,235,751	94.82%	104,327	6,801	6,599	(203)	(5,544,840)
100,000-110,000	20,931	2,256,682	95.70%	115,368	7,574	7,349	(225)	(4,706,043)
110,000-120,000	16,330	2,273,011	96.40%	126,376	8,345	8,098	(247)	(4,031,006)
120,000-130,000	12,769	2,285,781	96.94%	137,404	9,117	8,848	(269)	(3,433,766)
130,000-140,000	10,164	2,295,944	97.37%	148,515	9,895	9,603	(292)	(2,958,933)
140,000-150,000	8,243	2,304,187	97.72%	159,453	10,660	10,347	(314)	(2,579,999)
150,000-160,000	6,598	2,310,785	98.00%	170,510	11,434	11,099	(336)	(2,211,114)
160,000-170,000	5,344	2,316,128	98.23%	181,502	12,204	11,847	(358)	(1,908,240)
170,000-180,000	4,651	2,320,780	98.42%	192,552	12,977	12,598	(380)	(1,763,843)
180,000-190,000	3,841	2,324,621	98.59%	203,506	13,744	13,343	(402)	(1,540,601)
190,000-200,000	3,268	2,327,889	98.72%	214,515	14,515	14,091	(424)	(1,382,814)
200,000-225,000	6,264	2,334,153	98.99%	233,029	15,811	15,350	(461)	(2,882,490)
225,000-250,000	4,330	2,338,483	99.17%	260,719	17,749	17,233	(516)	(2,232,481)
250,000-300,000	5,779	2,344,262	99.42%	300,639	20,543	19,948	(596)	(3,440,586)
300,000-400,000	5,687	2,349,949	99.66%	378,574	25,999	25,247	(752)	(4,272,426)
400,000-500,000	2,815	2,352,764	99.78%	489,446	33,760	32,787	(973)	(2,738,734)
500,000- \$1M	3,863	2,356,627	99.94%	733,565	50,848	49,387	(1,462)	(5,645,050)
\$1 M - \$2 M	947	2,357,574	99.98%	1,477,235	102,905	99,956	(2,949)	(2,792,706)
\$2 M +	404	2,357,979	100.00%	5,591,881	390,930	379,752	(11,178)	(4,518,547)
<b>Total</b>	<b>2,357,979</b>			<b>\$29,544</b>	<b>\$1,567</b>	<b>\$1,513</b>	<b>(\$53)</b>	<b>(\$130,626,000)</b>

2017 Current Tax Brackets

0.00%	\$0 to 2,950
3.00%	\$2,950 to 5,900
4.00%	\$5,900 to 8,850
5.00%	\$8,850 to 11,800
6.00%	\$11,800 to 14,750
7.00%	Over \$14,750

Adjusted Brackets

0.00%	\$0 to 2,950
2.80%	\$2,950 to 5,900
3.80%	\$5,900 to 8,850
4.80%	\$8,850 to 11,800
5.80%	\$11,800 to 14,750
6.80%	Over \$14,750

Source: RFA, SC Dept. of Revenue Income Tax Data 2014

/a 2014 Base Year Grown by 1.7% per year

/b 2014 Base Year Taxable Income Grown by 5.25% for '15 and 4.9% for '15 and thereafter.

**ESTIMATE OF TAX YEAR 2018 INCOME TAX ADJUSTEMENT BY REDUCING ALL RATES BY 0.40%**

**Objective: Reduce all rates by 0.40% to 0%, 2.60%, 3.60%, 4.60%, 5.60%, and 6.60% with brackets unchanged.**

**With these brackets and rates, 100.0% of filers have a lower or unchanged liability and the General Fund impact is (\$ 274,356,000).**

Baseline Taxable Income Range 2014	Current Tax Structure					Estimate of Adjusted Tax Structure		
	Projected # of Filers 2018	Cumulative # of Filers	Cumulative % of Filers	Projected Average Taxable Income 2018	Average Tax Liability 2018	Adjusted Average Tax Liability 2018	Average Tax Increase/ (Decrease) 2018	Total Dollar Increase/ (Decrease) 2018
	col 2 (a)	col 3	col 4	col 5 (b)	col 6	col 7	col 8	col 9
0	804,116	804,116	33.53%	0	0	0	0	0
1-5,000	286,582	1,090,698	45.48%	2,537	0	0	0	(595,169)
5,000-10,000	196,191	1,286,889	53.66%	8,401	187	165	(22)	(4,246,541)
10,000-20,000	285,093	1,571,982	65.55%	16,655	658	603	(55)	(15,583,752)
20,000-30,000	199,083	1,771,065	73.85%	28,084	1,458	1,357	(101)	(19,982,929)
30,000-40,000	143,436	1,914,501	79.84%	39,483	2,256	2,110	(146)	(20,937,899)
40,000-50,000	105,214	2,019,716	84.22%	50,813	3,049	2,857	(192)	(20,126,799)
50,000-60,000	79,962	2,099,678	87.56%	62,197	3,845	3,609	(237)	(18,937,177)
60,000-70,000	61,554	2,161,232	90.12%	73,581	4,642	4,360	(283)	(17,380,589)
70,000-80,000	48,132	2,209,363	92.13%	84,923	5,436	5,109	(328)	(15,774,245)
80,000-90,000	36,583	2,245,946	93.66%	96,295	6,232	5,859	(374)	(13,653,327)
90,000-100,000	27,812	2,273,758	94.82%	107,610	7,024	6,606	(419)	(11,638,952)
100,000-110,000	21,287	2,295,045	95.70%	118,999	7,822	7,358	(465)	(9,877,776)
110,000-120,000	16,607	2,311,652	96.40%	130,353	8,616	8,107	(510)	(8,460,560)
120,000-130,000	12,986	2,324,639	96.94%	141,727	9,413	8,858	(555)	(7,206,785)
130,000-140,000	10,336	2,334,975	97.37%	153,188	10,215	9,614	(601)	(6,210,026)
140,000-150,000	8,383	2,343,358	97.72%	164,470	11,005	10,359	(646)	(5,414,610)
150,000-160,000	6,710	2,350,068	98.00%	175,875	11,803	11,111	(692)	(4,640,334)
160,000-170,000	5,434	2,355,503	98.23%	187,213	12,597	11,860	(737)	(4,004,636)
170,000-180,000	4,731	2,360,233	98.42%	198,611	13,394	12,612	(783)	(3,701,543)
180,000-190,000	3,906	2,364,139	98.59%	209,910	14,185	13,358	(828)	(3,233,007)
190,000-200,000	3,324	2,367,463	98.72%	221,265	14,980	14,107	(874)	(2,901,846)
200,000-225,000	6,371	2,373,834	98.99%	240,361	16,317	15,368	(950)	(6,048,811)
225,000-250,000	4,404	2,378,238	99.17%	268,923	18,316	17,253	(1,064)	(4,684,676)
250,000-300,000	5,877	2,384,115	99.42%	310,098	21,199	19,970	(1,229)	(7,219,591)
300,000-400,000	5,784	2,389,898	99.66%	390,486	26,826	25,276	(1,550)	(8,964,772)
400,000-500,000	2,863	2,392,761	99.78%	504,847	34,831	32,824	(2,008)	(5,746,469)
500,000- \$1M	3,929	2,396,690	99.94%	756,647	52,457	49,442	(3,015)	(11,844,144)
\$1 M - \$2 M	963	2,397,653	99.98%	1,523,717	106,152	100,069	(6,083)	(5,859,301)
\$2 M +	411	2,398,064	100.00%	5,767,830	403,240	380,180	(23,060)	(9,479,998)
<b>Total</b>	<b>2,398,064</b>			<b>\$30,473</b>	<b>\$1,625</b>	<b>\$1,515</b>	<b>(\$110)</b>	<b>(\$274,356,000)</b>

2018 Current Tax Brackets

0.00% \$0 to 2,990  
 3.00% \$2,990 to 5,980  
 4.00% \$5,980 to 8,970  
 5.00% \$8,970 to 11,960  
 6.00% \$11,960 to 14,950  
 7.00% Over \$14,950

Adjusted Brackets

0.00% \$0 to 2,990  
 2.60% \$2,990 to 5,980  
 3.60% \$5,980 to 8,970  
 4.60% \$8,970 to 11,960  
 5.60% \$11,960 to 14,950  
 6.60% Over \$14,950

**ESTIMATE OF TAX YEAR 2019 INCOME TAX ADJUSTEMENT BY REDUCING ALL RATES BY 0.60%**

Objective: Reduce all rates by 0.60% to 0%, 2.40%, 3.40%, 4.40%, 5.40%, and 6.40% with brackets unchanged.

With these brackets and rates, 100.0% of filers have a lower or unchanged liability and the General Fund impact is (\$ 432,171,000).

Baseline Taxable Income Range 2014	Current Tax Structure					Estimate of Adjusted Tax Structure		
	Projected # of Filers 2019	Cumulative # of Filers	Cumulative % of Filers	Projected Average Taxable Income 2019	Average Tax Liability 2019	Adjusted Average Tax Liability 2019	Average Tax Increase/ (Decrease) 2019	Total Dollar Increase/ (Decrease) 2019
col 1	col 2 (1/a)	col 3	col 4	col 5 (1/b)	col 6	col 7	col 8	col 9
0	817,786	817,786	33.53%	0	0	0	0	0
1-5,000	291,454	1,109,240	45.48%	2,617	0	0	0	(976,879)
5,000-10,000	199,526	1,308,766	53.66%	8,666	195	161	(34)	(6,746,675)
10,000-20,000	289,940	1,598,706	65.55%	17,180	687	603	(85)	(24,615,114)
20,000-30,000	202,467	1,801,173	73.85%	28,967	1,513	1,357	(156)	(31,508,836)
30,000-40,000	145,874	1,947,048	79.84%	40,726	2,336	2,110	(227)	(32,993,118)
40,000-50,000	107,003	2,054,051	84.22%	52,412	3,154	2,857	(297)	(31,704,238)
50,000-60,000	81,321	2,135,372	87.56%	64,154	3,976	3,609	(367)	(29,824,035)
60,000-70,000	62,601	2,197,973	90.12%	75,896	4,798	4,360	(438)	(27,368,669)
70,000-80,000	48,950	2,246,923	92.13%	87,595	5,617	5,109	(508)	(24,836,657)
80,000-90,000	37,204	2,284,127	93.66%	99,325	6,438	5,860	(578)	(21,495,582)
90,000-100,000	28,285	2,312,412	94.82%	110,996	7,255	6,607	(648)	(18,323,069)
100,000-110,000	21,649	2,334,061	95.70%	122,743	8,077	7,359	(719)	(15,549,706)
110,000-120,000	16,890	2,350,951	96.40%	134,454	8,897	8,108	(789)	(13,318,171)
120,000-130,000	13,207	2,364,158	96.94%	146,187	9,718	8,859	(859)	(11,344,161)
130,000-140,000	10,512	2,374,670	97.37%	158,008	10,545	9,616	(930)	(9,774,887)
140,000-150,000	8,525	2,383,195	97.72%	169,645	11,360	10,360	(1,000)	(8,522,655)
150,000-160,000	6,824	2,390,019	98.00%	181,409	12,184	11,113	(1,071)	(7,303,780)
160,000-170,000	5,527	2,395,546	98.23%	193,104	13,002	11,862	(1,141)	(6,303,088)
170,000-180,000	4,811	2,400,357	98.42%	204,860	13,825	12,614	(1,211)	(5,825,939)
180,000-190,000	3,973	2,404,330	98.59%	216,514	14,641	13,360	(1,281)	(5,088,425)
190,000-200,000	3,380	2,407,710	98.72%	228,227	15,461	14,110	(1,352)	(4,567,151)
200,000-225,000	6,479	2,414,189	98.99%	247,924	16,840	15,370	(1,470)	(9,519,906)
225,000-250,000	4,479	2,418,668	99.17%	277,384	18,902	17,256	(1,647)	(7,372,790)
250,000-300,000	5,977	2,424,645	99.42%	319,856	21,875	19,974	(1,901)	(11,361,966)
300,000-400,000	5,882	2,430,527	99.66%	402,773	27,679	25,281	(2,399)	(14,107,978)
400,000-500,000	2,911	2,433,438	99.78%	520,732	35,936	32,830	(3,107)	(9,043,014)
500,000- \$1M	3,996	2,437,434	99.94%	780,455	54,117	49,452	(4,665)	(18,638,058)
\$1 M - \$2 M	980	2,438,413	99.98%	1,571,660	109,501	100,089	(9,412)	(9,219,929)
\$2 M +	418	2,438,831	100.00%	5,949,316	415,937	380,259	(35,678)	(14,916,913)
<b>Total</b>	<b>2,438,831</b>			<b>\$31,432</b>	<b>\$1,685</b>	<b>\$1,515</b>	<b>(\$170)</b>	<b>(\$432,171,000)</b>

2019 Current Tax Brackets

0.00% \$0 to 3,030  
 3.00% \$3,030 to 6,060  
 4.00% \$6,060 to 9,090  
 5.00% \$9,090 to 12,120  
 6.00% \$12,120 to 15,150  
 7.00% Over \$15,150

Adjusted Brackets

0.00% \$0 to 3,030  
 2.40% \$3,030 to 6,060  
 3.40% \$6,060 to 9,090  
 4.40% \$9,090 to 12,120  
 5.40% \$12,120 to 15,150  
 6.40% Over \$15,150

Source: RFA, SC Dept. of Revenue Income Tax Data 2014

1/a 2014 Base Year Grown by 1.7% per year

1/b 2014 Base Year Taxable Income Grown by 5.25% for '15 and 4.9% for '15 and thereafter.

**ESTIMATE OF TAX YEAR 2020 INCOME TAX ADJUSTEMENT BY REDUCING ALL RATES BY 0.80%**

**Objective:** Reduce all rates by 0.80% to 0%, 2.20%, 3.20%, 4.20%, 5.20%, and 6.20% with brackets unchanged.

With these brackets and rates, 100.0% of filers have a lower or unchanged liability and the General Fund impact is (\$ 605,118,000).

Baseline Taxable Income Range 2014	Current Tax Structure					Estimate of Adjusted Tax Structure		
	Projected # of Filers 2020	Cumulative # of Filers	Cumulative % of Filers	Projected Average Taxable Income 2020	Average Tax Liability 2020	Adjusted Average Tax Liability 2020	Average Tax Increase/ (Decrease) 2020	Total Dollar Increase/ (Decrease) 2020
	col 2 (a)	col 3	col 4	col 5 (b)	col 6	col 7	col 8	col 9
0	831,688	831,688	33.53%	0	0	0	0	0
1-5,000	296,409	1,128,097	45.48%	2,699	0	0	0	(1,422,359)
5,000-10,000	202,918	1,331,015	53.66%	8,938	204	157	(47)	(9,526,183)
10,000-20,000	294,869	1,625,884	65.55%	17,720	719	601	(118)	(34,558,882)
20,000-30,000	205,909	1,831,793	73.85%	29,879	1,570	1,355	(215)	(44,161,518)
30,000-40,000	148,354	1,980,148	79.84%	42,007	2,419	2,107	(312)	(46,212,053)
40,000-50,000	108,822	2,088,970	84.22%	54,061	3,262	2,854	(408)	(44,391,839)
50,000-60,000	82,704	2,171,674	87.56%	66,172	4,110	3,605	(505)	(41,750,498)
60,000-70,000	63,665	2,235,338	90.12%	78,284	4,958	4,356	(602)	(38,307,831)
70,000-80,000	49,782	2,285,120	92.13%	90,351	5,803	5,104	(699)	(34,760,244)
80,000-90,000	37,837	2,322,957	93.66%	102,450	6,650	5,855	(796)	(30,081,905)
90,000-100,000	28,766	2,351,723	94.82%	114,488	7,492	6,601	(892)	(25,640,601)
100,000-110,000	22,017	2,373,740	95.70%	126,605	8,340	7,352	(989)	(21,758,602)
110,000-120,000	17,177	2,390,917	96.40%	138,685	9,186	8,101	(1,085)	(18,635,287)
120,000-130,000	13,432	2,404,348	96.94%	150,786	10,033	8,851	(1,182)	(15,872,647)
130,000-140,000	10,691	2,415,039	97.37%	162,980	10,887	9,607	(1,280)	(13,676,541)
140,000-150,000	8,670	2,423,709	97.72%	174,983	11,727	10,352	(1,376)	(11,924,192)
150,000-160,000	6,940	2,430,650	98.00%	187,117	12,576	11,104	(1,473)	(10,218,626)
160,000-170,000	5,621	2,436,270	98.23%	199,180	13,421	11,852	(1,569)	(8,818,408)
170,000-180,000	4,893	2,441,163	98.42%	211,306	14,270	12,604	(1,666)	(8,150,713)
180,000-190,000	4,040	2,445,203	98.59%	223,327	15,111	13,349	(1,763)	(7,118,800)
190,000-200,000	3,438	2,448,641	98.72%	235,408	15,957	14,098	(1,859)	(6,389,444)
200,000-225,000	6,589	2,455,230	98.99%	255,725	17,379	15,358	(2,022)	(13,318,093)
225,000-250,000	4,555	2,459,785	99.17%	286,112	19,506	17,242	(2,265)	(10,314,093)
250,000-300,000	6,079	2,465,864	99.42%	329,920	22,573	19,958	(2,615)	(15,894,294)
300,000-400,000	5,982	2,471,846	99.66%	415,446	28,559	25,260	(3,300)	(19,735,007)
400,000-500,000	2,961	2,474,806	99.78%	537,117	37,076	32,804	(4,273)	(12,649,474)
500,000- \$1M	4,064	2,478,870	99.94%	805,012	55,829	49,413	(6,416)	(26,070,229)
\$1 M - \$2 M	996	2,479,866	99.98%	1,621,113	112,956	100,012	(12,945)	(12,896,048)
\$2 M +	425	2,480,291	100.00%	6,136,511	429,034	379,966	(49,068)	(20,863,977)
<b>Total</b>	<b>2,480,291</b>			<b>\$32,421</b>	<b>\$1,748</b>	<b>\$1,513</b>	<b>(\$235)</b>	<b>(\$605,118,000)</b>

**2020 Current Tax Brackets**

0.00%	\$0 to 3,070
3.00%	\$3,070 to 6,140
4.00%	\$6,140 to 9,210
5.00%	\$9,210 to 12,280
6.00%	\$12,280 to 15,350
7.00%	Over \$15,350

**Adjusted Brackets**

0.00%	\$0 to 3,070
2.20%	\$3,070 to 6,140
3.20%	\$6,140 to 9,210
4.20%	\$9,210 to 12,280
5.20%	\$12,280 to 15,350
6.20%	Over \$15,350

Source: RFA, SC Dept. of Revenue Income Tax Data 2014

/a 2014 Base Year Grown by 1.7% per year

/b 2014 Base Year Taxable Income Grown by 5.25% for '15 and 4.9% for '15 and thereafter.

RFA/lhj/0.2%-10y/12/02/15

**ESTIMATE OF TAX YEAR 2021 INCOME TAX ADJUSTEMENT BY REDUCING ALL RATES BY 1.00%**

**Objective: Reduce all rates by 1.00% to 0%, 2.00%, 3.00%, 4.00%, 5.00%, and 6.00% with brackets unchanged.**

**With these brackets and rates, 100.0% of filers have a lower or unchanged liability and the General Fund impact is (\$ 794,313,000).**

Baseline Taxable Income Range 2014	Current Tax Structure					Estimate of Adjusted Tax Structure		
	Projected # of Filers 2021	Cumulative # of Filers	Cumulative % of Filers	Projected Average Taxable Income 2021	Average Tax Liability 2021	Adjusted Average Tax Liability 2021	Average Tax Increase/ (Decrease) 2021	Total Dollar Increase/ (Decrease) 2021
col 1	col 2 (a)	col 3	col 4	col 5 (b)	col 6	col 7	col 8	col 9
0	845,827	845,827	33.53%	0	0	0	0	0
1-5,000	301,448	1,147,275	45.48%	2,784	0	0	0	(1,937,917)
5,000-10,000	206,368	1,353,643	53.66%	9,219	213	152	(62)	(12,608,008)
10,000-20,000	299,881	1,653,524	65.55%	18,278	751	599	(152)	(45,485,061)
20,000-30,000	209,410	1,862,934	73.85%	30,819	1,629	1,352	(278)	(58,025,311)
30,000-40,000	150,876	2,013,810	79.84%	43,329	2,504	2,102	(403)	(60,680,947)
40,000-50,000	110,672	2,124,482	84.22%	55,762	3,375	2,848	(527)	(58,271,436)
50,000-60,000	84,110	2,208,592	87.56%	68,255	4,249	3,598	(652)	(54,792,945)
60,000-70,000	64,747	2,273,339	90.12%	80,747	5,124	4,347	(777)	(50,267,789)
70,000-80,000	50,628	2,323,967	92.13%	93,194	5,995	5,094	(901)	(45,608,025)
80,000-90,000	38,480	2,362,448	93.66%	105,674	6,868	5,843	(1,026)	(39,466,676)
90,000-100,000	29,255	2,391,703	94.82%	118,091	7,738	6,588	(1,150)	(33,637,795)
100,000-110,000	22,391	2,414,094	95.70%	130,589	8,613	7,338	(1,275)	(28,543,640)
110,000-120,000	17,469	2,431,562	96.40%	143,049	9,485	8,085	(1,400)	(24,445,407)
120,000-130,000	13,660	2,445,222	96.94%	155,531	10,358	8,834	(1,525)	(20,820,739)
130,000-140,000	10,873	2,456,095	97.37%	168,108	11,239	9,589	(1,650)	(17,939,518)
140,000-150,000	8,818	2,464,912	97.72%	180,489	12,106	10,332	(1,774)	(15,640,587)
150,000-160,000	7,058	2,471,971	98.00%	193,005	12,982	11,083	(1,899)	(13,403,168)
160,000-170,000	5,716	2,477,687	98.23%	205,447	13,853	11,829	(2,024)	(11,566,372)
170,000-180,000	4,976	2,482,663	98.42%	217,955	14,728	12,580	(2,149)	(10,690,438)
180,000-190,000	4,109	2,486,772	98.59%	230,354	15,596	13,324	(2,273)	(9,336,852)
190,000-200,000	3,496	2,490,268	98.72%	242,815	16,468	14,071	(2,398)	(8,380,137)
200,000-225,000	6,701	2,496,969	98.99%	263,772	17,935	15,329	(2,607)	(17,467,142)
225,000-250,000	4,632	2,501,601	99.17%	295,115	20,129	17,209	(2,921)	(13,526,976)
250,000-300,000	6,182	2,507,783	99.42%	340,301	23,292	19,920	(3,372)	(20,844,892)
300,000-400,000	6,084	2,513,867	99.66%	428,518	29,468	25,213	(4,255)	(25,880,971)
400,000-500,000	3,011	2,516,878	99.78%	554,017	38,253	32,743	(5,510)	(16,588,326)
500,000- \$1M	4,133	2,521,011	99.94%	830,341	57,595	49,323	(8,273)	(34,186,927)
\$1 M - \$2 M	1,013	2,522,024	99.98%	1,672,121	116,520	99,830	(16,691)	(16,910,516)
\$2 M +	432	2,522,456	100.00%	6,329,597	442,543	379,278	(63,265)	(27,358,135)
<b>Total</b>	<b>2,522,456</b>			<b>\$33,441</b>	<b>\$1,812</b>	<b>\$1,509</b>	<b>(\$303)</b>	<b>(\$794,313,000)</b>

**2021 Current Tax Brackets**

0.00%	\$0 to 3,110
3.00%	\$3,110 to 6,220
4.00%	\$6,220 to 9,330
5.00%	\$9,330 to 12,440
6.00%	\$12,440 to 15,550
7.00%	Over \$15,550

**Adjusted Brackets**

0.00%	\$0 to 3,110
2.00%	\$3,110 to 6,220
3.00%	\$6,220 to 9,330
4.00%	\$9,330 to 12,440
5.00%	\$12,440 to 15,550
6.00%	Over \$15,550

Source: RFA, SC Dept. of Revenue Income Tax Data 2014

/a 2014 Base Year Grown by 1.7% per year

/b 2014 Base Year Taxable Income Grown by 5.25% for '15 and 4.9% for '15 and thereafter.

**ESTIMATE OF TAX YEAR 2022 INCOME TAX ADJUSTEMENT BY REDUCING ALL RATES BY 1.20%**

**Objective: Reduce all rates by 1.20% to 0%, 1.80%, 2.80%, 3.80%, 4.80%, and 5.80% with brackets unchanged.**

**With these brackets and rates, 100.0% of filers have a lower or unchanged liability and the General Fund impact is (\$ 1,000,943,000).**

Baseline Taxable Income Range 2014	Current Tax Structure					Estimate of Adjusted Tax Structure		
	Projected # of Filers 2022	Cumulative # of Filers	Cumulative % of Filers	Projected Average Taxable Income 2022	Average Tax Liability 2022	Adjusted Average Tax Liability 2022	Average Tax Increase/ (Decrease) 2022	Total Dollar Increase/ (Decrease) 2022
col 1	col 2 (a)	col 3	col 4	col 5 (b)	col 6	col 7	col 8	col 9
0	860,206	860,206	33.53%	0	0	0	0	0
1-5,000	306,573	1,166,779	45.48%	2,872	0	0	0	(2,530,333)
5,000-10,000	209,876	1,376,655	53.66%	9,510	223	147	(77)	(16,016,672)
10,000-20,000	304,979	1,681,634	65.55%	18,853	784	596	(189)	(57,468,335)
20,000-30,000	212,969	1,894,604	73.85%	31,789	1,690	1,346	(344)	(73,190,122)
30,000-40,000	153,441	2,048,045	79.84%	44,692	2,593	2,094	(499)	(76,491,707)
40,000-50,000	112,554	2,160,598	84.22%	57,517	3,491	2,838	(653)	(73,430,228)
50,000-60,000	85,540	2,246,138	87.56%	70,402	4,393	3,586	(808)	(69,032,747)
60,000-70,000	65,848	2,311,986	90.12%	83,288	5,295	4,333	(962)	(63,322,809)
70,000-80,000	51,489	2,363,475	92.13%	96,126	6,193	5,078	(1,116)	(57,447,129)
80,000-90,000	39,134	2,402,609	93.66%	108,999	7,094	5,824	(1,271)	(49,707,822)
90,000-100,000	29,753	2,432,362	94.82%	121,806	7,991	6,567	(1,424)	(42,363,913)
100,000-110,000	22,772	2,455,133	95.70%	134,698	8,893	7,315	(1,579)	(35,946,544)
110,000-120,000	17,766	2,472,899	96.40%	147,550	9,793	8,060	(1,733)	(30,784,212)
120,000-130,000	13,892	2,486,791	96.94%	160,425	10,694	8,807	(1,888)	(26,218,792)
130,000-140,000	11,057	2,497,848	97.37%	173,398	11,602	9,559	(2,043)	(22,589,942)
140,000-150,000	8,968	2,506,816	97.72%	186,168	12,496	10,300	(2,197)	(19,694,597)
150,000-160,000	7,178	2,513,994	98.00%	199,078	13,400	11,049	(2,352)	(16,876,892)
160,000-170,000	5,814	2,519,808	98.23%	211,911	14,298	11,793	(2,506)	(14,563,786)
170,000-180,000	5,060	2,524,868	98.42%	224,813	15,201	12,541	(2,660)	(13,460,637)
180,000-190,000	4,179	2,529,047	98.59%	237,602	16,097	13,283	(2,814)	(11,756,130)
190,000-200,000	3,555	2,532,602	98.72%	250,456	16,996	14,029	(2,968)	(10,551,385)
200,000-225,000	6,815	2,539,417	98.99%	272,071	18,509	15,282	(3,228)	(21,992,369)
225,000-250,000	4,711	2,544,128	99.17%	304,401	20,773	17,158	(3,616)	(17,031,028)
250,000-300,000	6,287	2,550,415	99.42%	351,009	24,035	19,861	(4,175)	(26,243,915)
300,000-400,000	6,187	2,556,603	99.66%	442,002	30,405	25,138	(5,267)	(32,583,262)
400,000-500,000	3,062	2,559,665	99.78%	571,450	39,466	32,646	(6,820)	(20,883,511)
500,000- \$1M	4,203	2,563,868	99.94%	856,468	59,417	49,177	(10,240)	(43,037,422)
\$1 M - \$2 M	1,030	2,564,898	99.98%	1,724,735	120,196	99,537	(20,660)	(21,287,674)
\$2 M +	440	2,565,338	100.00%	6,528,759	456,478	378,170	(78,308)	(34,438,725)
<b>Total</b>	<b>2,565,338</b>			<b>\$34,493</b>	<b>\$1,879</b>	<b>\$1,503</b>	<b>(\$376)</b>	<b>(\$1,000,943,000)</b>

2022 Current Tax Brackets

0.00% \$0 to 3,150  
 3.00% \$3,150 to 6,300  
 4.00% \$6,300 to 9,450  
 5.00% \$9,450 to 12,600  
 6.00% \$12,600 to 15,750  
 7.00% Over \$15,750

Adjusted Brackets

0.00% \$0 to 3,150  
 1.80% \$3,150 to 6,300  
 2.80% \$6,300 to 9,450  
 3.80% \$9,450 to 12,600  
 4.80% \$12,600 to 15,750  
 5.80% Over \$15,750

**ESTIMATE OF TAX YEAR 2023 INCOME TAX ADJUSTEMENT BY REDUCING ALL RATES BY 1.40%**

**Objective: Reduce all rates by 1.40% to 0%, 1.60%, 2.60%, 3.60%, 4.60%, and 5.60% with brackets unchanged.**

**With these brackets and rates, 100.0% of filers have a lower or unchanged liability and the General Fund impact is (\$ 1,226,274,000).**

Baseline Taxable Income Range 2014	Current Tax Structure					Estimate of Adjusted Tax Structure		
	Projected # of Filers 2023	Cumulative # of Filers	Cumulative % of Filers	Projected Average Taxable Income 2023	Average Tax Liability 2023	Adjusted Average Tax Liability 2023	Average Tax Increase/ (Decrease) 2023	Total Dollar Increase/ (Decrease) 2023
	col 2 (f/a)	col 3	col 4	col 5 (f/b)	col 6	col 7	col 8	col 9
0	874,830	874,830	33.53%	0	0	0	0	0
1-5,000	311,784	1,186,614	45.48%	2,962	0	0	0	(3,206,883)
5,000-10,000	213,444	1,400,058	53.66%	9,809	235	143	(93)	(19,778,386)
10,000-20,000	310,164	1,710,222	65.55%	19,446	819	591	(228)	(70,588,359)
20,000-30,000	216,590	1,926,812	73.85%	32,789	1,753	1,339	(415)	(89,751,763)
30,000-40,000	156,050	2,082,862	79.84%	46,099	2,685	2,084	(601)	(93,742,249)
40,000-50,000	114,467	2,197,329	84.22%	59,327	3,611	2,825	(786)	(89,961,094)
50,000-60,000	86,994	2,284,322	87.56%	72,617	4,541	3,569	(972)	(84,556,574)
60,000-70,000	66,967	2,351,290	90.12%	85,909	5,471	4,313	(1,159)	(77,551,987)
70,000-80,000	52,364	2,403,654	92.13%	99,151	6,398	5,055	(1,344)	(70,349,049)
80,000-90,000	39,800	2,443,453	93.66%	112,428	7,328	5,798	(1,530)	(60,867,028)
90,000-100,000	30,258	2,473,712	94.82%	125,639	8,252	6,538	(1,715)	(51,871,411)
100,000-110,000	23,159	2,496,870	95.70%	138,936	9,183	7,283	(1,901)	(44,011,745)
110,000-120,000	18,068	2,514,938	96.40%	152,192	10,111	8,025	(2,087)	(37,689,698)
120,000-130,000	14,128	2,529,067	96.94%	165,473	11,041	8,769	(2,272)	(32,099,124)
130,000-140,000	11,245	2,540,312	97.37%	178,854	11,977	9,518	(2,460)	(27,655,631)
140,000-150,000	9,120	2,549,432	97.72%	192,026	12,899	10,256	(2,644)	(24,110,452)
150,000-160,000	7,300	2,556,732	98.00%	205,342	13,832	11,001	(2,831)	(20,660,544)
160,000-170,000	5,912	2,562,645	98.23%	218,579	14,758	11,743	(3,016)	(17,828,539)
170,000-180,000	5,147	2,567,791	98.42%	231,886	15,690	12,488	(3,202)	(16,477,835)
180,000-190,000	4,250	2,572,041	98.59%	245,078	16,613	13,227	(3,387)	(14,391,061)
190,000-200,000	3,616	2,575,657	98.72%	258,336	17,541	13,969	(3,573)	(12,916,129)
200,000-225,000	6,931	2,582,587	98.99%	280,632	19,102	15,218	(3,885)	(26,920,731)
225,000-250,000	4,791	2,587,379	99.17%	313,979	21,436	17,085	(4,352)	(20,847,105)
250,000-300,000	6,394	2,593,773	99.42%	362,053	24,801	19,777	(5,025)	(32,123,469)
300,000-400,000	6,292	2,600,065	99.66%	455,909	31,371	25,033	(6,339)	(39,881,690)
400,000-500,000	3,114	2,603,179	99.78%	589,430	40,718	32,510	(8,208)	(25,560,515)
500,000- \$1M	4,274	2,607,454	99.94%	883,417	61,297	48,974	(12,324)	(52,674,169)
\$1 M - \$2 M	1,048	2,608,502	99.98%	1,779,004	123,988	99,127	(24,862)	(26,053,432)
\$2 M +	447	2,608,949	100.00%	6,734,187	470,851	376,617	(94,234)	(42,147,630)
<b>Total</b>	<b>2,608,949</b>			<b>\$35,579</b>	<b>\$1,948</b>	<b>\$1,495</b>	<b>(\$453)</b>	<b>(\$1,226,274,000)</b>

2023 Current Tax Brackets

0.00% \$0 to 3,190  
 3.00% \$3,190 to 6,380  
 4.00% \$6,380 to 9,570  
 5.00% \$9,570 to 12,760  
 6.00% \$12,760 to 15,950  
 7.00% Over \$15,950

Adjusted Brackets

0.00% \$0 to 3,190  
 1.60% \$3,190 to 6,380  
 2.60% \$6,380 to 9,570  
 3.60% \$9,570 to 12,760  
 4.60% \$12,760 to 15,950  
 5.60% Over \$15,950

Source: RFA, SC Dept. of Revenue Income Tax Data 2014

/a 2014 Base Year Grown by 1.7% per year

/b 2014 Base Year Taxable Income Grown by 5.25% for '15 and 4.9% for '15 and thereafter.

RFA/lhj/0.2%-10y/12/02/15

**ESTIMATE OF TAX YEAR 2024 INCOME TAX ADJUSTEMENT BY REDUCING ALL RATES BY 1.60%**

**Objective:** Reduce all rates by 1.60% to 0%, 1.40%, 2.40%, 3.40%, 4.40%, and 5.40% with brackets unchanged.

With these brackets and rates, 100.0% of filers have a lower or unchanged liability and the General Fund impact is (\$ 1,471,656,000).

Baseline Taxable Income Range 2014	Current Tax Structure					Estimate of Adjusted Tax Structure		
	Projected # of Filers 2024	Cumulative # of Filers	Cumulative % of Filers	Projected Average Taxable Income 2024	Average Tax Liability 2024	Adjusted Average Tax Liability 2024	Average Tax Increase/ (Decrease) 2024	Total Dollar Increase/ (Decrease) 2024
col 1	col 2 (a)	col 3	col 4	col 5 (b)	col 6	col 7	col 8	col 9
0	889,702	889,702	33.53%	0	0	0	0	0
1-5,000	317,085	1,206,786	45.48%	3,056	0	0	0	(3,975,378)
5,000-10,000	217,072	1,423,859	53.66%	10,117	247	137	(111)	(23,921,146)
10,000-20,000	315,437	1,739,296	65.55%	20,058	855	586	(270)	(84,930,064)
20,000-30,000	220,272	1,959,568	73.85%	33,821	1,818	1,329	(490)	(107,812,320)
30,000-40,000	158,703	2,118,270	79.84%	47,549	2,779	2,070	(710)	(112,536,868)
40,000-50,000	116,413	2,234,683	84.22%	61,193	3,734	2,807	(928)	(107,962,953)
50,000-60,000	88,473	2,323,156	87.56%	74,902	4,694	3,547	(1,147)	(101,456,716)
60,000-70,000	68,106	2,391,261	90.12%	88,612	5,654	4,288	(1,367)	(93,039,542)
70,000-80,000	53,255	2,444,516	92.13%	102,271	6,610	5,025	(1,585)	(84,389,902)
80,000-90,000	40,476	2,484,992	93.66%	115,966	7,569	5,765	(1,804)	(73,009,971)
90,000-100,000	30,773	2,515,765	94.82%	129,592	8,522	6,501	(2,022)	(62,216,138)
100,000-110,000	23,552	2,539,317	95.70%	143,307	9,482	7,241	(2,242)	(52,786,546)
110,000-120,000	18,375	2,557,692	96.40%	156,981	10,440	7,980	(2,461)	(45,202,314)
120,000-130,000	14,369	2,572,061	96.94%	170,679	11,398	8,719	(2,680)	(38,496,144)
130,000-140,000	11,437	2,583,497	97.37%	184,481	12,365	9,465	(2,901)	(33,166,198)
140,000-150,000	9,275	2,592,772	97.72%	198,068	13,316	10,198	(3,118)	(28,913,947)
150,000-160,000	7,424	2,600,197	98.00%	211,803	14,277	10,940	(3,338)	(24,776,213)
160,000-170,000	6,013	2,606,209	98.23%	225,457	15,233	11,677	(3,556)	(21,379,680)
170,000-180,000	5,234	2,611,443	98.42%	239,183	16,194	12,418	(3,776)	(19,759,627)
180,000-190,000	4,322	2,615,765	98.59%	252,790	17,146	13,153	(3,993)	(17,257,001)
190,000-200,000	3,677	2,619,443	98.72%	266,465	18,103	13,892	(4,212)	(15,488,146)
200,000-225,000	7,049	2,626,491	98.99%	289,462	19,713	15,134	(4,580)	(32,280,919)
225,000-250,000	4,873	2,631,364	99.17%	323,858	22,121	16,991	(5,131)	(24,997,408)
250,000-300,000	6,503	2,637,867	99.42%	373,445	25,592	19,669	(5,924)	(38,517,732)
300,000-400,000	6,399	2,644,266	99.66%	470,254	32,369	24,896	(7,473)	(47,818,630)
400,000-500,000	3,167	2,647,433	99.78%	607,977	42,009	32,333	(9,676)	(30,646,465)
500,000- \$1M	4,347	2,651,780	99.94%	911,214	63,236	48,708	(14,528)	(63,153,003)
\$1 M - \$2 M	1,066	2,652,846	99.98%	1,834,980	127,900	98,592	(29,309)	(31,235,372)
\$2 M +	455	2,653,301	100.00%	6,946,079	485,676	374,591	(111,086)	(50,529,427)
<b>Total</b>	<b>2,653,301</b>			<b>\$36,698</b>	<b>\$2,020</b>	<b>\$1,484</b>	<b>(\$535)</b>	<b>(\$1,471,656,000)</b>

2024 Current Tax Brackets 0.00% \$0 to 3,230 3.00% \$3,230 to 6,460 4.00% \$6,460 to 9,690 5.00% \$9,690 to 12,920 6.00% \$12,920 to 16,150 7.00% Over \$16,150	Adjusted Brackets 0.00% \$0 to 3,230 1.40% \$3,230 to 6,460 2.40% \$6,460 to 9,690 3.40% \$9,690 to 12,920 4.40% \$12,920 to 16,150 5.40% Over \$16,150
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Source: RFA, SC Dept. of Revenue Income Tax Data 2014

/a 2014 Base Year Grown by 1.7% per year

/b 2014 Base Year Taxable Income Grown by 5.25% for '15 and 4.9% for '15 and thereafter.

**ESTIMATE OF TAX YEAR 2025 INCOME TAX ADJUSTEMENT BY REDUCING ALL RATES BY 1.80%**

Objective: Reduce all rates by 1.80% to 0%, 1.20%, 2.20%, 3.20%, 4.20%, and 5.20% with brackets unchanged.

With these brackets and rates, 100.0% of filers have a lower or unchanged liability and the General Fund impact is (\$ 1,738,523,000).

Baseline Taxable Income Range 2014	Current Tax Structure					Estimate of Adjusted Tax Structure		
	Projected # of Filers 2025	Cumulative # of Filers	Cumulative % of Filers	Projected Average Taxable Income 2025	Average Tax Liability 2025	Adjusted Average Tax Liability 2025	Average Tax Increase/ (Decrease) 2025	Total Dollar Increase/ (Decrease) 2025
col 1	col 2 (/a)	col 3	col 4	col 5 (/b)	col 6	col 7	col 8	col 9
0	904,827	904,827	33.53%	0	0	0	0	0
1-5,000	322,475	1,227,302	45.48%	3,152	0	0	0	(4,844,196)
5,000-10,000	220,763	1,448,064	53.66%	10,436	260	131	(129)	(28,474,852)
10,000-20,000	320,799	1,768,864	65.55%	20,689	892	579	(314)	(100,583,980)
20,000-30,000	224,017	1,992,880	73.85%	34,885	1,886	1,317	(570)	(127,480,534)
30,000-40,000	161,401	2,154,281	79.84%	49,045	2,877	2,053	(824)	(132,986,626)
40,000-50,000	118,392	2,272,673	84.22%	63,119	3,862	2,785	(1,078)	(127,541,121)
50,000-60,000	89,977	2,362,650	87.56%	77,259	4,852	3,520	(1,332)	(119,831,425)
60,000-70,000	69,263	2,431,913	90.12%	91,400	5,842	4,256	(1,587)	(109,875,129)
70,000-80,000	54,160	2,486,073	92.13%	105,489	6,828	4,988	(1,840)	(99,650,717)
80,000-90,000	41,164	2,527,237	93.66%	119,615	7,817	5,723	(2,095)	(86,206,559)
90,000-100,000	31,296	2,558,533	94.82%	133,670	8,801	6,454	(2,348)	(73,457,538)
100,000-110,000	23,953	2,582,486	95.70%	147,817	9,791	7,189	(2,602)	(62,321,295)
110,000-120,000	18,687	2,601,173	96.40%	161,920	10,779	7,923	(2,856)	(53,365,112)
120,000-130,000	14,613	2,615,786	96.94%	176,050	11,768	8,658	(3,111)	(45,446,473)
130,000-140,000	11,631	2,627,417	97.37%	190,286	12,764	9,398	(3,367)	(39,153,163)
140,000-150,000	9,433	2,636,849	97.72%	204,300	13,745	10,127	(3,619)	(34,132,536)
150,000-160,000	7,551	2,644,400	98.00%	218,467	14,737	10,863	(3,874)	(29,247,405)
160,000-170,000	6,115	2,650,515	98.23%	232,551	15,723	11,596	(4,128)	(25,237,479)
170,000-180,000	5,323	2,655,838	98.42%	246,709	16,714	12,332	(4,382)	(23,324,735)
180,000-190,000	4,395	2,660,233	98.59%	260,744	17,696	13,062	(4,635)	(20,370,294)
190,000-200,000	3,740	2,663,973	98.72%	274,849	18,684	13,795	(4,889)	(18,282,098)
200,000-225,000	7,169	2,671,142	98.99%	298,570	20,344	15,029	(5,316)	(38,103,472)
225,000-250,000	4,956	2,676,097	99.17%	334,048	22,827	16,873	(5,955)	(29,505,563)
250,000-300,000	6,613	2,682,710	99.42%	385,196	26,408	19,533	(6,875)	(45,463,075)
300,000-400,000	6,508	2,689,219	99.66%	485,051	33,398	24,726	(8,673)	(56,439,181)
400,000-500,000	3,221	2,692,440	99.78%	627,107	43,342	32,113	(11,230)	(36,170,233)
500,000- \$1M	4,421	2,696,861	99.94%	939,885	65,236	48,377	(16,860)	(74,533,342)
\$1 M - \$2 M	1,084	2,697,945	99.98%	1,892,718	131,934	97,924	(34,011)	(36,862,846)
\$2 M +	463	2,698,407	100.00%	7,164,638	500,969	372,064	(128,905)	(59,631,553)
<b>Total</b>	<b>2,698,407</b>			<b>\$37,853</b>	<b>\$2,094</b>	<b>\$1,471</b>	<b>(\$622)</b>	<b>(\$1,738,523,000)</b>

2025 Current Tax Brackets

0.00% \$0 to 3,270  
 3.00% \$3,270 to 6,540  
 4.00% \$6,540 to 9,810  
 5.00% \$9,810 to 13,080  
 6.00% \$13,080 to 16,350  
 7.00% Over \$16,350

Adjusted Brackets

0.00% \$0 to 3,270  
 1.20% \$3,270 to 6,540  
 2.20% \$6,540 to 9,810  
 3.20% \$9,810 to 13,080  
 4.20% \$13,080 to 16,350  
 5.20% Over \$16,350

Source: RFA, SC Dept. of Revenue Income Tax Data 2014

/a 2014 Base Year Grown by 1.7% per year

/b 2014 Base Year Taxable Income Grown by 5.25% for '15 and 4.9% for '15 and thereafter.

**ESTIMATE OF TAX YEAR 2026 INCOME TAX ADJUSTEMENT BY REDUCING ALL RATES BY 2.00%**

Objective: Reduce all rates by 2.00% to 0%, 1.00%, 2.00%, 3.00%, 4.00%, and 5.00% with brackets unchanged.

With these brackets and rates, 100.0% of filers have a lower or unchanged liability and the General Fund impact is (\$ 2,028,075,000).

Baseline Taxable Income Range 2014	Current Tax Structure					Estimate of Adjusted Tax Structure		
	Projected # of Filers 2026	Cumulative # of Filers	Cumulative % of Filers	Projected Average Taxable Income 2026	Average Tax Liability 2026	Adjusted Average Tax Liability 2026	Average Tax	
							Increase/ (Decrease) 2026	Total Dollar Increase/ (Decrease) 2026
col 1	col 2 (f/a)	col 3	col 4	col 5 (f/b)	col 6	col 7	col 8	col 9
0	920,209	920,209	33.53%	0	0	0	0	0
1-5,000	327,957	1,248,166	45.48%	3,251	0	0	0	(5,794,309)
5,000-10,000	224,515	1,472,681	53.66%	10,764	273	124	(149)	(33,426,518)
10,000-20,000	326,253	1,798,934	65.55%	21,340	929	569	(361)	(117,581,332)
20,000-30,000	227,825	2,026,759	73.85%	35,983	1,954	1,301	(654)	(148,826,642)
30,000-40,000	164,144	2,190,904	79.84%	50,588	2,977	2,031	(946)	(155,176,936)
40,000-50,000	120,405	2,311,308	84.22%	65,105	3,993	2,757	(1,236)	(148,783,629)
50,000-60,000	91,506	2,402,815	87.56%	79,690	5,014	3,487	(1,528)	(139,766,981)
60,000-70,000	70,441	2,473,255	90.12%	94,276	6,035	4,216	(1,820)	(128,140,081)
70,000-80,000	55,081	2,528,336	92.13%	108,808	7,052	4,942	(2,110)	(116,206,712)
80,000-90,000	41,864	2,570,200	93.66%	123,379	8,072	5,671	(2,402)	(100,522,818)
90,000-100,000	31,828	2,602,028	94.82%	137,876	9,087	6,396	(2,692)	(85,652,510)
100,000-110,000	24,360	2,626,388	95.70%	152,468	10,108	7,125	(2,983)	(72,664,700)
110,000-120,000	19,005	2,645,393	96.40%	167,015	11,127	7,853	(3,274)	(62,220,106)
120,000-130,000	14,861	2,660,254	96.94%	181,589	12,147	8,581	(3,566)	(52,986,110)
130,000-140,000	11,829	2,672,083	97.37%	196,273	13,175	9,316	(3,860)	(45,647,699)
140,000-150,000	9,593	2,681,676	97.72%	210,728	14,187	10,038	(4,149)	(39,793,515)
150,000-160,000	7,679	2,689,355	98.00%	225,341	15,209	10,769	(4,441)	(34,097,598)
160,000-170,000	6,219	2,695,574	98.23%	239,868	16,226	11,495	(4,731)	(29,422,263)
170,000-180,000	5,413	2,700,987	98.42%	254,471	17,249	12,226	(5,024)	(27,192,000)
180,000-190,000	4,470	2,705,457	98.59%	268,948	18,262	12,949	(5,313)	(23,747,438)
190,000-200,000	3,803	2,709,261	98.72%	283,497	19,280	13,677	(5,604)	(21,312,824)
200,000-225,000	7,290	2,716,551	98.99%	307,965	20,993	14,900	(6,093)	(44,419,426)
225,000-250,000	5,040	2,721,591	99.17%	344,559	23,555	16,730	(6,825)	(34,395,704)
250,000-300,000	6,726	2,728,317	99.42%	397,316	27,248	19,368	(7,880)	(52,996,854)
300,000-400,000	6,619	2,734,935	99.66%	500,313	34,458	24,518	(9,940)	(65,790,003)
400,000-500,000	3,276	2,738,211	99.78%	646,839	44,714	31,844	(12,871)	(42,161,882)
500,000- \$1M	4,496	2,742,707	99.94%	969,459	67,298	47,975	(19,323)	(86,877,507)
\$1 M - \$2 M	1,102	2,743,810	99.98%	1,952,273	136,095	97,116	(38,980)	(42,966,861)
\$2 M +	470	2,744,280	100.00%	7,390,074	516,741	369,006	(147,736)	(69,504,385)
<b>Total</b>	<b>2,744,280</b>			<b>\$39,044</b>	<b>\$2,169</b>	<b>\$1,454</b>	<b>(\$714)</b>	<b>(\$2,028,075,000)</b>

2026 Current Tax Brackets

0.00% \$0 to 3,320  
 3.00% \$3,320 to 6,640  
 4.00% \$6,640 to 9,960  
 5.00% \$9,960 to 13,280  
 6.00% \$13,280 to 16,600  
 7.00% Over \$16,600

Adjusted Brackets

0.00% \$0 to 3,320  
 1.00% \$3,320 to 6,640  
 2.00% \$6,640 to 9,960  
 3.00% \$9,960 to 13,280  
 4.00% \$13,280 to 16,600  
 5.00% Over \$16,600

Source: RFA, SC Dept. of Revenue Income Tax Data 2014

/a 2014 Base Year Grown by 1.7% per year

/b 2014 Base Year Taxable Income Grown by 5.25% for '15 and 4.9% for '15 and thereafter.