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ESTIMATE OF 2016 INCOME TAX ADJUSTEMENT BY RAISING 0% BRACKET TO \$10,000 AND TAXING REMAINING INCOME AT 6.70%

Objective: Flat tax rate of 0% on \$10,000 and 6.70% on all remaining income.

With these brackets and rates, 100% of filers have a lower or unchanged liability and the General Fund is impact is (\$ 399,134,000).

Baseline Taxable Income Range 2013	Current Tax Structure					Estimate of Adjusted Tax Structure		
	Projected # of Filers 2016	Cumulative # of Filers	Cumulative % of Filers	Projected Average Taxable Income 2016	Average Tax Liability 2016	Adjusted Average Tax Liability 2016	Average Tax Increase/ (Decrease) 2016	Total Dollar Increase/ (Decrease) 2016
col 1	col 2 /a	col 3	col 4	col 5 /b	col 6	col 7	col 8	col 9
0	763,872	763,872	33.93%	0	0	0	0	0
1-5,000	269,839	1,033,711	45.92%	2,448	0	0	0	(3,889,364)
5,000-10,000	185,378	1,219,089	54.15%	8,107	177	0	(178)	(32,681,417)
10,000-20,000	268,170	1,487,259	66.07%	16,060	624	406	(219)	(60,626,036)
20,000-30,000	187,592	1,674,851	74.40%	27,086	1,396	1,145	(252)	(47,171,541)
30,000-40,000	135,422	1,810,272	80.41%	38,063	2,165	1,880	(285)	(38,512,291)
40,000-50,000	98,703	1,908,975	84.80%	49,010	2,931	2,614	(318)	(31,311,542)
50,000-60,000	74,177	1,983,153	88.09%	60,028	3,702	3,352	(351)	(25,983,176)
60,000-70,000	57,177	2,040,330	90.63%	70,972	4,468	4,085	(384)	(21,905,265)
70,000-80,000	43,346	2,083,675	92.56%	81,900	5,233	4,817	(416)	(18,027,445)
80,000-90,000	33,165	2,116,841	94.03%	92,856	6,000	5,551	(449)	(14,883,626)
90,000-100,000	24,985	2,141,826	95.14%	103,782	6,765	6,283	(482)	(12,031,463)
100,000-110,000	19,054	2,160,880	95.99%	114,820	7,538	7,023	(515)	(9,806,177)
110,000-120,000	14,882	2,175,762	96.65%	125,722	8,301	7,753	(548)	(8,145,921)
120,000-130,000	11,640	2,187,402	97.17%	136,708	9,070	8,489	(581)	(6,755,150)
130,000-140,000	9,150	2,196,552	97.57%	147,638	9,835	9,222	(614)	(5,610,050)
140,000-150,000	7,237	2,203,789	97.90%	158,702	10,609	9,963	(647)	(4,677,302)
150,000-160,000	5,861	2,209,650	98.16%	169,648	11,376	10,696	(680)	(3,980,733)
160,000-170,000	4,877	2,214,528	98.37%	180,526	12,137	11,425	(712)	(3,471,469)
170,000-180,000	3,937	2,218,464	98.55%	191,509	12,906	12,161	(745)	(2,931,855)
180,000-190,000	3,351	2,221,816	98.70%	202,506	13,676	12,898	(778)	(2,606,374)
190,000-200,000	2,957	2,224,772	98.83%	213,518	14,446	13,636	(811)	(2,397,224)
200,000-225,000	5,469	2,230,241	99.07%	231,800	15,726	14,861	(866)	(4,733,925)
225,000-250,000	3,784	2,234,026	99.24%	259,375	17,656	16,708	(949)	(3,588,877)
250,000-300,000	5,046	2,239,072	99.46%	298,513	20,396	19,330	(1,066)	(5,378,003)
300,000-400,000	5,247	2,244,319	99.70%	376,077	25,826	24,527	(1,299)	(6,812,425)
400,000-500,000	2,405	2,246,723	99.80%	487,770	33,644	32,011	(1,634)	(3,928,060)
500,000- \$1M	3,271	2,249,994	99.95%	729,139	50,540	48,182	(2,358)	(7,711,628)
\$1 M - \$2 M	835	2,250,829	99.98%	1,476,601	102,862	98,262	(4,601)	(3,840,799)
\$2 M +	347	2,251,176	100.00%	5,460,272	381,719	365,168	(16,552)	(5,735,038)
Total	2,251,176			\$28,330	\$1,483	\$1,228	(\$255)	(\$399,134,000)

2016 Current Tax Brackets

0.00% \$0 to 2,940
 3.00% \$2,940 to 5,880
 4.00% \$5,880 to 8,820
 5.00% \$8,820 to 11,760
 6.00% \$11,760 to 14,700
 7.00% Over \$14,700

Adjusted Brackets

0.00% \$0 to 10,000
 6.70% \$10,000 to 20,000
 6.70% \$20,000 to 30,000
 6.70% \$30,000 to 40,000
 6.70% \$40,000 to 50,000
 6.70% Over \$50,000

Source: RFA, SC Dept. of Revenue Income Tax Data 2013

/a 2013 Base Year Grown by 1% per year

/b 2013 Base Year Taxable Income Grown by 3.75% for '14 and 4.3% for '15 and '16 respectively.

RFA/lhj/flatrate/4/2/15