

Revenue Estimate No. 1

Effects of Allowing Filers the Option of Filing Under an Optional 20 Percent Flat Tax

Baseline assumptions: Current law, Bush tax cuts extended and AMT exemptions adjusted for inflation until 2013

Policy assumptions: Same as baseline except filers have ability to choose optional flat tax

	2009	2010	2011	2012	2013
Optional Flat Tax Returns					
All Returns	4,736,450	4,799,605	4,879,536	4,968,785	5,018,612
No AGI	8,969	8,926	8,735	9,078	9,373
\$1 under \$5,000	6,751	4,911	6,963	6,020	6,227
\$5,000 under \$10,000	26,800	27,077	27,269	32,151	33,552
\$10,000 under \$15,000	39,834	36,662	33,853	25,764	16,867
\$15,000 Under \$20,000	58,691	38,990	31,041	34,717	33,433
\$20,000 Under \$25,000	183,879	154,436	143,803	121,417	97,318
\$25,000 Under \$30,000	90,564	82,601	87,357	75,966	70,187
\$30,000 Under \$40,000	150,703	139,729	134,186	133,349	129,516
\$40,000 Under \$50,000	37,276	33,468	32,115	29,636	23,793
\$50,000 Under \$75,000	18,301	13,492	12,994	10,458	13,333
\$75,000 Under \$100,000	135,503	94,823	85,314	44,157	24,916
\$100,000 Under \$200,000	987,880	996,318	990,862	986,580	961,019
\$200,000 Under \$500,000	2,234,115	2,361,961	2,455,271	2,567,553	2,656,018
\$500,000 Under \$1,000,000	521,788	557,769	578,331	623,983	661,189
\$1,000,000 and Over	235,398	248,442	251,443	267,956	281,872

Optional Flat Tax Returns as a Percent of Total Returns

	2009	2010	2011	2012	2013
All Returns	3.3%	3.3%	3.4%	3.4%	3.3%
No AGI	0.3%	0.3%	0.3%	0.3%	0.3%
\$1 under \$5,000	0.1%	0.1%	0.1%	0.1%	0.1%
\$5,000 under \$10,000	0.2%	0.2%	0.2%	0.3%	0.3%
\$10,000 under \$15,000	0.4%	0.4%	0.4%	0.3%	0.2%
\$15,000 Under \$20,000	0.6%	0.4%	0.4%	0.4%	0.4%
\$20,000 Under \$25,000	2.2%	1.9%	1.8%	1.5%	1.3%
\$25,000 Under \$30,000	1.0%	0.9%	1.0%	0.9%	0.8%
\$30,000 Under \$40,000	1.1%	1.0%	0.9%	0.9%	0.8%
\$40,000 Under \$50,000	0.3%	0.3%	0.3%	0.2%	0.2%
\$50,000 Under \$75,000	0.1%	0.1%	0.1%	0.0%	0.1%
\$75,000 Under \$100,000	0.9%	0.6%	0.5%	0.3%	0.1%
\$100,000 Under \$200,000	6.1%	5.6%	5.2%	4.8%	4.2%
\$200,000 Under \$500,000	57.2%	55.7%	56.2%	53.8%	52.3%
\$500,000 Under \$1,000,000	74.3%	73.7%	80.1%	84.5%	85.4%
\$1,000,000 and Over	71.8%	67.6%	77.4%	67.7%	70.5%

Revenue Estimate

	2009	2010	2011	2012	2013
All Returns	110,332,180,173	114,956,385,381	118,395,596,410	125,344,573,224	132,294,639,556
No AGI	566,746,931	586,757,216	454,770,549	551,790,406	579,965,491
\$1 under \$5,000	20,068,782	9,426,668	32,380,316	29,502,036	32,456,524
\$5,000 under \$10,000	9,262,119	47,795,475	22,131,889	14,171,015	11,604,523
\$10,000 under \$15,000	43,456,501	5,863,487	18,471,942	12,977,797	15,769,236
\$15,000 Under \$20,000	17,710,872	5,463,373	3,540,429	5,105,762	7,390,008
\$20,000 Under \$25,000	46,227,509	29,789,099	26,097,403	20,150,526	13,845,932
\$25,000 Under \$30,000	17,355,823	24,165,506	24,152,777	13,330,539	12,116,715
\$30,000 Under \$40,000	75,833,015	59,556,566	56,659,765	63,899,031	50,964,771
\$40,000 Under \$50,000	23,899,013	29,352,084	28,184,035	24,264,250	13,653,466
\$50,000 Under \$75,000	153,305,983	141,003,748	162,066,631	147,282,723	153,533,350
\$75,000 Under \$100,000	78,064,529	67,596,982	48,118,800	27,550,852	31,608,373
\$100,000 Under \$200,000	2,509,318,046	2,558,084,091	2,608,317,421	2,506,723,940	2,510,656,295
\$200,000 Under \$500,000	26,580,526,949	28,163,232,912	29,593,533,705	31,108,198,938	32,634,677,132
\$500,000 Under \$1,000,000	22,551,748,985	23,413,431,978	24,953,665,687	26,518,291,807	28,210,975,263
\$1,000,000 and Over	57,638,655,116	59,814,866,195	60,363,505,060	64,301,333,602	68,015,422,477

Revenue Estimate as a Percent of Baseline Revenue Forecast

	2009	2010	2011	2012	2013
All Returns	9.7%	9.6%	9.9%	9.8%	10.0%
No AGI	100.0%	100.0%	100.0%	100.0%	100.0%
\$1 under \$5,000	90.3%	90.2%	95.4%	95.9%	95.9%
\$5,000 under \$10,000	2.1%	11.6%	6.1%	4.4%	4.1%
\$10,000 under \$15,000	2.2%	0.3%	1.1%	0.8%	1.0%
\$15,000 Under \$20,000	0.4%	0.1%	0.1%	0.2%	0.2%
\$20,000 Under \$25,000	0.7%	0.5%	0.4%	0.4%	0.3%
\$25,000 Under \$30,000	0.2%	0.2%	0.2%	0.1%	0.1%
\$30,000 Under \$40,000	0.3%	0.2%	0.2%	0.2%	0.2%
\$40,000 Under \$50,000	0.1%	0.1%	0.1%	0.1%	0.0%
\$50,000 Under \$75,000	0.2%	0.2%	0.2%	0.2%	0.2%
\$75,000 Under \$100,000	0.1%	0.1%	0.0%	0.0%	0.0%
\$100,000 Under \$200,000	0.9%	0.9%	0.8%	0.7%	0.7%
\$200,000 Under \$500,000	12.1%	11.9%	12.1%	11.8%	11.7%
\$500,000 Under \$1,000,000	20.8%	20.1%	21.9%	22.4%	22.6%
\$1,000,000 and Over	24.0%	23.6%	26.3%	24.4%	25.5%