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PRELIMINARY RESULTS

<http://www.taxpolicycenter.org>

Table T09-0442
5 Percent Broad Based Value Added Tax (VAT)
Impact on Tax Revenue (\$ billions), 2010-19¹

	Fiscal Years										
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2010-19
5-Percent Tax Exclusive Rate Broad-Based VAT	200.1	277.2	293.2	308.6	324.2	340.0	356.5	373.8	392.2	411.5	3,277.4

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0509-4).

(1) Fiscal years. Proposal is effective 01/01/10. Estimates assume: (i) a 75-25 fiscal split; (ii) a 15-percent non-compliance rate; and (iii) a 25-percent revenue offset from lower income and payroll taxes. The VAT base excludes education expenditures, rent, housing, and religious and charitable services.

(2) A tax-exclusive rate means that a good or service priced at \$1.00 without the VAT would be priced at \$1.05 with the VAT. This is equivalent to a 4.76 percent tax-inclusive rate.