

Table T06-0028
Create Top Individual Income Tax Bracket With 39.6 Percent Rate
Static Impact on Individual Income Tax Liability and Revenue (\$ billions), 2006-15¹

	Year											
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2006-15	
Fiscal Year Revenue²												
Impose 39.6 Percent Rate on Taxable Income Over \$4 Million in 2006 through 2010³	0.0	10.3	6.3	6.7	7.0	1.8	0.0	0.0	0.0	0.0	0.0	32.1
Calendar Year Liability												
Impose 39.6 Percent Rate on Taxable Income Over \$4 Million in 2006 through 2010	5.7	6.1	6.4	6.8	7.1	0.0	0.0	0.0	0.0	0.0	0.0	32.1

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0305-3A).

(1) Baseline is current law. Estimates are static and do not account for any potential microeconomic behavioral response; official revenue estimates by the Joint Committee on Taxation (JCT) would likely show a somewhat smaller revenue gain.

(2) Fiscal-year revenue numbers assume a 0-100 split for 2006 and a 75-25 split thereafter. The actual effect on receipts could differ.

(3) The threshold for the 39.6 percent rate would be \$2,000,000 for married individuals filing a separate return. The threshold would be indexed for inflation after 2006. In 2011, the top statutory rate is scheduled to return to 39.6 percent under current law and thus the proposal has no revenue effect after calendar year 2010.