

Revenue Estimate No. 5

Effects of Allowing Filers the Option of Filing Under an Optional 24 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	2,181,054	2,196,571	2,268,646	2,290,079	2,355,837
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	39,831	36,662	33,853	25,764	16,641
\$15,000 Under \$20,000	54,484	35,851	31,041	26,639	26,394
\$20,000 Under \$25,000	179,152	149,318	131,787	107,082	94,103
\$25,000 Under \$30,000	77,028	63,841	73,861	67,793	65,558
\$30,000 Under \$40,000	129,281	123,777	133,010	122,986	114,020
\$40,000 Under \$50,000	24,444	27,998	22,804	14,539	14,319
\$50,000 Under \$75,000	7,847	9,842	10,789	10,440	13,246
\$75,000 Under \$100,000	2,468	2,732	2,707	2,486	2,642
\$100,000 Under \$200,000	65,471	69,872	61,691	58,650	55,968
\$200,000 Under \$500,000	919,080	955,970	1,003,266	1,036,937	1,082,134
\$500,000 Under \$1,000,000	433,827	463,639	496,181	531,048	568,993
\$1,000,000 and Over	205,622	216,156	224,691	238,466	252,667

Optional Flat Tax Returns as a Percent of Total Returns

	2009	2010	2011	2012	2013
All Returns	1.5%	1.5%	1.6%	1.5%	1.6%
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%	0.3%	0.3%
\$20,000 Under \$25,000	2.1%	1.9%	1.7%	1.4%	1.2%
\$25,000 Under \$30,000	0.9%	0.7%	0.9%	0.8%	0.7%
\$30,000 Under \$40,000	0.9%	0.9%	0.9%	0.8%	0.7%
\$40,000 Under \$50,000	0.2%	0.2%	0.2%	0.1%	0.1%
\$50,000 Under \$75,000	0.0%	0.0%	0.0%	0.0%	0.1%
\$75,000 Under \$100,000	0.0%	0.0%	0.0%	0.0%	0.0%
\$100,000 Under \$200,000	0.4%	0.4%	0.3%	0.3%	0.2%
\$200,000 Under \$500,000	23.5%	22.6%	23.0%	21.7%	21.3%
\$500,000 Under \$1,000,000	61.7%	61.2%	68.7%	71.9%	73.5%
\$1,000,000 and Over	62.8%	58.8%	69.2%	60.2%	63.2%

Revenue Estimate

	2009	2010	2011	2012	2013
All Returns	52,858,035,270	54,005,984,644	55,951,068,371	59,187,983,772	62,705,555,765
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	9,246,261	47,763,328	22,071,741	14,006,277	11,369,744
\$10,000 under \$15,000	43,454,561	5,863,487	18,468,414	12,895,439	15,634,291
\$15,000 Under \$20,000	17,144,132	5,170,973	3,052,449	4,673,553	7,108,032
\$20,000 Under \$25,000	42,275,954	26,484,951	23,668,096	18,721,509	12,651,033
\$25,000 Under \$30,000	14,841,108	21,907,945	22,124,295	12,234,604	11,692,547
\$30,000 Under \$40,000	67,229,656	52,728,703	49,112,446	56,431,715	43,393,294
\$40,000 Under \$50,000	19,087,591	24,109,736	22,209,972	19,190,895	9,789,317
\$50,000 Under \$75,000	142,348,286	132,369,506	152,802,724	139,803,964	145,476,156
\$75,000 Under \$100,000	22,256,088	27,601,800	18,076,993	8,681,208	18,445,608
\$100,000 Under \$200,000	446,628,435	518,844,569	591,533,992	549,015,803	575,100,097
\$200,000 Under \$500,000	7,735,509,918	8,189,589,412	8,742,953,287	9,296,552,816	9,862,215,354
\$500,000 Under \$1,000,000	10,041,233,328	10,022,720,904	10,830,284,807	11,367,593,898	12,076,874,843
\$1,000,000 and Over	33,669,964,239	34,334,645,447	34,967,558,290	37,106,889,650	39,303,383,434

Revenue Estimate as a Percent of Baseline Revenue Forecast

	2009	2010	2011	2012	2013
All Returns	4.7%	4.5%	4.7%	4.6%	4.7%
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%	4.0%
\$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%	0.1%	0.2%
\$20,000 Under \$25,000	0.6%	0.4%	0.4%	0.3%	0.2%
\$25,000 Under \$30,000	0.1%	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%	0.1%	0.2%	0.1%	0.2%
\$75,000 Under \$100,000	0.0%	0.0%	0.0%	0.0%	0.0%
\$100,000 Under \$200,000	0.2%	0.2%	0.2%	0.2%	0.2%
\$200,000 Under \$500,000	3.5%	3.5%	3.6%	3.5%	3.5%
\$500,000 Under \$1,000,000	9.3%	8.6%	9.5%	9.6%	9.7%
\$1,000,000 and Over	14.0%	13.5%	15.2%	14.1%	14.8%