



6. TAX PROPOSALS WORKSHEET

Determining Each Taxpayer's Tax Under Proposals

BASIC DATA ON THE FOUR HOUSEHOLDS

Household	Alex	Bailey	Cam	Dana
Married?	Yes	No	No	Yes
Children	2	0	1	0
Income	\$25,000	\$25,000	\$50,000	\$150,000
Spending	\$30,000	\$25,000	\$45,000	\$90,000
Property Value	\$300,000	\$0	\$200,000	\$1.5 million

Fill in the Chart to help you decide which proposal is fairest.

Remember: Tax liability (amount of tax) = Rate x Base

For example, Alex's tax liability under the flat income tax proposal is: $10\% \times \$25,000 = \$2,500$.

TAX RATE CHART

Column 1	2	3	4	5	6	7	8	9
Household	Alex	Alex	Bailey	Bailey	Cam	Cam	Dana	Dana
Type Tax	Amt tax (Rate x Base)	Tax as % of income	Amt tax (Rate x Base)	Tax as % of income	Amt tax (Rate x Base)	Tax as % of income	Amt tax (Rate x Base)	Tax as % of income
Flat income Rate: 10%	\$2,500		\$2,500		\$5,000		\$15,000	
Progressive Income Rate: 5% ≤ \$25k 10%: \$25,001-\$50K 15% ≥ \$50K	\$1,250		\$1,250		\$3,750		\$18,750	
Head (poll) dollars per unit \$6,250	\$6,250		\$6,250		\$6,250		\$6,250	
Consumption (sales) Rate: 13.16%	\$3,948		\$3,290		\$5,922		\$11,844	
Property tax on houses Rate: 1.25%	\$3,750		0		\$2,500		\$18,750	