

Impact of House Tax Proposal

All North Carolinians, 2013 Income Level

Updated 6/6/13 Based on Most Current Information on Plans

2013 Income Level	Lowest 20%	Second 20%	Middle 20%	Fourth 20%	Next 15%	Next 4%	Top 1%
Income Range	Less than \$19,000	\$19,000 – \$32,000	\$32,000 – \$52,000	\$52,000 – \$84,000	\$84,000 – \$169,000	\$169,000 – \$393,000	\$393,000 – Or More
Average Income in Group	\$12,000	\$25,000	\$41,000	\$67,000	\$113,000	\$236,000	\$940,000

Impact of Comprehensive Personal Income Tax Changes with Amendment Removing Charitable Cap/Prop Tax and MID Capped at 25K

Tax Change as % of Income	-0.05%	-0.05%	+0.0%	+0.1%	-0.1%	-0.4%	-1.1%
Average Tax Change	-5	-12	+16	+58	-83	-866	-9,426

% with Income Tax Increase	+8%	+20%	+36%	+42%	+31%	+21%	+7%
Avg. Tax Increase for those with increase	+139	+214	+311	+487	+821	+1,881	+1,839
Share of Tax Increase	1%	6%	17%	31%	31%	13%	1%

% with Income Tax Cut	+32%	+54%	+50%	+54%	+67%	+78%	+92%
Avg. Tax Cut for Those w/ Cut	-49	-100	-194	-274	-507	-1,633	-10,375
Share of Tax Cut	1%	4%	7%	11%	20%	19%	39%

Impact of Comprehensive Sales Tax Changes (State and Local Base Expansion. Note: Accounts for elimination of

Tax Change as % of Income	+0.3%	+0.3%	+0.2%	+0.2%	+0.1%	+0.1%	+0.0%
Average Tax Change	+39	+70	+65	+120	+146	+182	+439

Impact of Personal Income and Sales Tax Changes Combined

Tax Change as % of Income	+0.3%	+0.2%	+0.3%	+0.3%	+0.1%	-0.3%	-1.0%
Average Tax Change	+34	+58	+81	+179	+63	-684	-8,986

**HOUSE PLAN COMPARED TO LAW WITH 4.5% EITC

Impact of Comprehensive Personal Income Tax Changes with Amendment Removing Charitable Cap/Prop Tax and MID

Tax Change as % of Income	+0.3%	+0.2%	+0.1%	+0.1%	-0.1%	-0.4%	-1.1%
Average Tax Change	+35	+41	+37	+60	-83	-866	-9,426

% with Income Tax Increase	+35%	+39%	+41%	+43%	+31%	+21%	+7%
Avg. Tax Increase for those with increase	+121	+186	+302	+479	+818	+1,881	+1,839
Share of Tax Increase	5%	9%	17%	28%	28%	12%	1%

% with Income Tax Cut	+27%	+41%	+46%	+53%	+67%	+78%	+92%
Avg. Tax Cut for Those w/ Cut	-27	-75	-190	-278	-507	-1,633	-10,375
Share of Tax Cut	1%	2%	7%	11%	20%	20%	40%

Impact of Comprehensive Sales Tax Changes (State and Local Base Expansion. Note: Accounts for elimination of

Tax Change as % of Income	+0.3%	+0.3%	+0.2%	+0.2%	+0.1%	+0.1%	+0.0%
Average Tax Change	+39	+70	+65	+120	+146	+182	+439

Impact of Personal Income and Sales Tax Changes Combined

Tax Change as % of Income	+0.7%	+0.5%	+0.3%	+0.3%	+0.1%	-0.3%	-1.0%
Average Tax Change	+74	+112	+102	+181	+63	-684	-8,986