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of the  
ROYAL COMMISSION ON TAXATION

NUMBER 25

A GENERAL INCOME TAX ANALYZER

by

John Bossons

Institute for Policy Analysis  
University of Toronto  
Toronto

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This is one of a series of studies that have been prepared for the Royal Commission on Taxation. Although these studies are published under the auspices of the Commission, this does not necessarily imply that the Commission agrees with the views expressed.

A ILA,

UN GITAN DE SON GITAN

## PREFACE

The purpose of this monograph is to summarize and present the computer programs and data underlying various analyses of the characteristics of rate schedules and of the revenue effects and incidence of tax changes implied by the Commission's recommendations. The results of these analyses are presented in Chapters 11, 35, 36 and 37 of the Commission's Report as well as in various appendices to Volumes 3, 4 and 6 of the Report and in three companion studies.

In the course of analyzing the Commission's recommendations and determining the viability of different rate schedules, a large number of rate schedules have been analyzed under a number of sets of assumptions. It is not possible within time and space limitations to reproduce or even summarize the detailed results of these analyses. However, by using the computer programs provided in this monograph, any interested individual can replicate any of our analyses or test the effect of different rate schedules and assumptions.

The development of the income tax analyzer within the space of seven months has only been possible as a result of the help furnished by a considerable number of people. The computer programs have been run and tested both on the IBM 7094 Mark II of the Institute of Computer Science of the University of Toronto and on the Burroughs B5500 of KCS Limited. I am greatly indebted to D. F. Forster, C. C. Gottlieb and L.E.S. Green for C arranging the priority status which made completion of this study possible, and to B. Biro, A. Creamer, Y. Kumagai, and other members of the staffs of both installations for their co-operation and patience in dealing with the dislocations caused by this priority.

For assistance in writing and debugging programs I am indebted to L. Cseh, J. Galipeau, P. Heichelheim, F. M. Hill, W. Hirschmann, J. Lions, J. C. Paradi, L. Richmond, and L. Sims. I should particularly like to single out the contributions made by Les Cseh and Ken Hill, for, without their willingness to give up sleep, family, and peace of mind, this study could not have been finished as quickly as it was.

The substance of the programs has been extensively modified and enlarged in the course of applying them to the data underlying the analyses presented in the Report, and has benefited greatly from the comments and suggestions of G. R. Conway, D. G. Hartle, and the Chairman of the Commission. The data were made available through the co-operation of J. R. Brown of the Department of Finance and S. Tench of the Department of National Revenue.

For their willingness to release me from other commitments to allow this project to be undertaken, I am indebted to R. M. Cyert of the Carnegie Institute of Technology's Graduate School of Industrial Administration and to F. M. Hammer of Bankers Trust Company, as well as to K. J. Cohen and N. Seeber, who took over my teaching responsibilities at Carnegie Tech at considerable inconvenience to themselves.

It is impossible for me adequately to acknowledge the support and encouragement afforded by my wife. Her forbearance has far exceeded any definition of uxorial duty.

J. B.

Toronto

October 1966.

#### ADDITIONAL NOTE

On December 19, 1966, the Honourable Mitchell Sharp, Minister of Finance, introduced a Supplementary Budget which announced increases in the manufacturer's sales tax and in the old age security income tax.

Because many chapters of the Commission's Report had been printed prior to December 19, 1966, it was not possible to incorporate the effects of the proposed tax changes in the analyses presented in the Report. A discussion of the effects of these changes on estimates of the revenue yield and incidence of the tax changes resulting from the Commission's recommendations has consequently been added to this monograph in each relevant section of Chapter 3. In addition, the detailed incidence estimates presented in three companion studies have been updated to include the effect of the changes in tax rates proposed in the Supplementary Budget. Updated versions of the examples presented in Appendix I to Volume 3 and Appendix M to Volume 4 of the Report have been included in this study as Appendices J and K.

For their assistance and co-operation in processing these further analyses, I am indebted to L. Cseh and B. Biro. For discovery of several errors, I am indebted to J. F. Helliwell. It is in addition a pleasure to acknowledge the unusually competent and helpful editorial assistance rendered by Mrs. A. Lamb of the Commission's staff.

Needless to say, I am alone responsible for errors that remain.

Toronto

J. B.

February 1967.

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## CHAPTER 1

### INTRODUCTION

An electronic computer is an exacting machine. It has to be instructed as to the minutest detail of a job which it is to do. Unless prepackaged programs are available, use of a computer on any large project is generally expensive, arduous, frustrating, and time-consuming. All of these attributes were fully exhibited through the development of the income tax analyzer described in this study.

An electronic computer is, however, also an exact machine. It can do hundreds of calculations thousands of times, and neither get bored nor make an error. It can, moreover, do these calculations within a matter of minutes. As a result, large-scale analyses which would not be feasible without the computer can not only be performed but can be repeated any number of times.

The fact that a large-scale analytic task can be performed accurately makes possible a substantially more rigorous test of the revenue-producing characteristics of a tax system than would otherwise be possible, and consequently reduces the risk of error in revenue forecasts. <sup>1/</sup> The fact that the analysis, once programmed, can easily be repeated makes possible the testing of numerous combinations of assumptions and rate schedules. The feasibility of repeated testing means that it is not necessary to be substantially over-conservative in specifying a rate schedule so as to be sure of producing enough revenue with the first rate schedule to be tested. It also means that it is possible to examine the implications of a rate



schedule for various aspects of the incidence of the tax system and then to redesign the rate schedule taking these implications into account. Without the availability of a programmed computer the time taken by recalculation is too great to permit much experimentation.

The effect of the experimental capacity added by the development of computer programs was quite graphically illustrated by the effect of the development of the income tax analysis programs upon the rate schedule which the Commission was able to recommend. Before the computer programs were written, a feasible rate schedule had been specified on the basis of laborious hand calculations. As a result of subsequent experimentation with numerous rate schedules using the income tax analyzer, it was possible to obtain a significantly lower rate schedule that would raise sufficient revenue and which would come closer to meeting the Commission's objectives specified in Chapter 11 of the Report. The improvement in the rate schedule was due in part to the opportunity for experimentation and in part to the improved accuracy resulting from the more detailed specification of the effects of reforms in the tax base which was made possible by the use of the computer.

The primary purpose of this monograph is twofold: (1) to summarize and make available the computer programs making up the income tax analyzer, and (2) to describe the data and detailed analyses underlying the revenue projections and incidence evaluations presented in the Commission's Report. These descriptive tasks are performed in the two succeeding chapters of this monograph. The programs themselves are presented in Appendix A to this study, while the underlying data and assumptions are summarized in Appendices B, C, and F. The variables estimated for each tax return are

described in Appendix D. Parameters controlling the use of the income tax analyzer are listed in Appendix E.

In addition to containing descriptions of the programs, data, and detailed analyses underlying the examples and estimates presented in the Report, this monograph includes six supplementary sets of data:

1. Estimates of the long-term elasticity of tax revenues to increases in gross national product under the current and proposed tax systems are presented in section 3.3.
2. Revised estimates of the change in total 1964 tax revenues which would have resulted had the Commission's recommendations been fully in effect in that year are provided in section 3.2. The revisions take account both of the increase in old age security tax proposed by the Supplementary Budget Speech of December 1966 and of a more accurate specification of certain assumptions regarding the distribution over individuals of components of accrued income added to the tax base under the Commission's proposals.
3. Correspondingly revised estimates of the incidence by income class of these tax changes upon individual taxpayers are presented in section 3.4; revised estimates of the prorated effects of each direct tax reform for individuals classified by income are shown in Appendix H to this study. Updated and extended estimates of the incidence of sales tax changes are presented in Appendix I to this study.
4. Versions of Appendix I to Volume 3 of the Report and Appendix M to Volume 4, revised to show the effect of the tax increases announced

in the December 1966 Supplementary Budget, are presented in Appendices J and K to this study.

5. Estimates of the numbers of families with multiple income recipients and of the joint distributions of these families by incomes of each recipient are presented in Appendix G to this study. These estimates underlie analyses of the effect of the recommended aggregation of income recipients in each family unit.
6. Estimates of the components of the aggregate 1964 personal income tax base under the present and proposed tax systems for individuals classified by income are presented in Appendix L to this study. This appendix also contains estimates of total corporation income taxes, gift and estate taxes, and personal income taxes attributable to individuals in each income class under both tax systems.

#### REFERENCE

- 1/ The first use of a large scale computer simulation to analyze the effects of changes in tax law was made by J. A. Pechman of the Brookings Institution. See J. A. Pechman, "Individual Income Tax Provisions of the Revenue Act of 1964", Journal of Finance, May 1965.

## CHAPTER 2

### DESCRIPTION OF PROGRAMS

To as great an extent as possible, the computer programs constituting the General Income Tax Analyzer (hereinafter referred to as "GITAN") have been written to be flexible and to be easily adaptable to different uses. The programs have been designed as a hierarchy of detachable subprograms, linked to each other and to a controlling program by variables passed from one subprogram to another either through argument lists or through being defined globally in COMMON lists. As a result, flexibility is achieved in three different senses: (1) any desired combination of analytic jobs which can be done by the programs can be effected merely by putting the appropriate subprograms together, (2) the tasks performed by a given subprogram can in many cases be changed merely by changing the variables passed to that subprogram, (3) any part of a program may be changed merely by substituting a new subprogram for an existing one.

The programs have also been written with an eye to minimizing the costs associated with using them on different machines and under different operating systems. The programs have been written in ASA Standard FORTRAN IV so as not to be limited by the use of additional features available in particular manufacturers' implementations of FORTRAN. In addition, system variables have to a considerable extent been parameterized. Most of the programs have been executed both on an IBM 7094 and on a Burroughs B5500, and have been translated into ALGOL in being run on the latter machine. 1/

Since complete listings of the programs are provided in Appendix A, this chapter will include only cursory description in the form of a reader's

guide to the program listings and general comments on their use. Each subroutine is discussed in the order in which it appears in Appendix A. The use of these programs to produce the results presented in the Commission's Report is described in the next chapter.

The programs are discussed in four groups in this chapter: (1) rate schedule characteristic descriptors, (2) example generators, (3) programs for the estimation of the effect of the Commission's recommendations on individual tax returns, and (4) programs to provide the different summary tabulations for returns analyzed by the third set of programs. The first two groups are based only on rate schedule data, and are the source of tabulations presented in Volumes 3 and 4 of the Report. The last two groups depend upon the availability of a sample of tax returns, with each tax return being "blown up" by the appropriate amount to make aggregates obtained from the sample an estimate of the corresponding aggregate for all tax returns filed in a given year. Together with a sample of 411,510 tax returns for 1964, supplied to the Commission without taxpayer identification by the Department of National Revenue, the last two groups of programs are the source of results presented in Volume 6 of the Report. 2/

## 2.1 Rate Schedule Characteristic Descriptors

Programs in this group fall into two classes: (1) functions to compute personal income tax liabilities under the current tax system and under the system proposed by the Commission, and (2) subroutines to generate tables analyzing different aspects of the relative tax treatment of different individuals under a given rate schedule. Subroutines in the latter class have as output a number of tables presented in Chapter 11 of the Report.

The use of these programs is straightforward, as can be seen from the listing presented in Figure 1 of a program calling for the execution of the subroutines described in this section and of the data input (in the form of the proposed rate schedules) required to generate the tables in Chapter 11 of the Report. As Figure 1 indicates, it is not necessary to refer to the tax calculation functions directly in producing these tables; the functions are used at the appropriate places within other subroutines.

The card following the \$DATA card in Figure 1 contains either zero or unity to define the tax rates of the current tax system as described below (see "CURTAX"). The rate schedule data following this card are in the format required for it to be read in by subroutine INPUT; it is described with the description of that subroutine. The rate schedule is defined by the following parameters: an array of incomes constituting the bottom of each income bracket; a 2-dimensional array of marginal rates in each bracket and an array of family tax credits and zero-rate brackets. The rate array is 2-dimensional to allow for multiple schedules, the appropriate schedule being defined by the value of an index (called "MARTAL" in the argument list of TAXCOM because of the way in which schedules are defined under the Commission's proposals). The upper limits of zero-rate income brackets are defined directly rather than as bracket bottoms in order to reduce the number of elements in the rate array.

The last part of the program presented in Figure 1 (cards 210-260) uses example-generating subroutines described in the next subsection to calculate tax changes for taxpayers in different family situations. The tax comparisons are calculated for two kinds of income: (1) from undefined sources but with all comprehensive income apart from family allowances

FIGURE 1

PROGRAM AND DATA REQUIRED TO GENERATE TABLES  
PRESENTED IN CHAPTER 11 OF THE REPORT

```

$IRFTC MN-5    DECK                                MN-5 000
C    RCT - MAIN 5                                MN-5 010
C    PROGRAM TO ANALYZE RATE SCHEDULES' CHARACTERISTICS AND EFFECTS ON MN-5 020
C    TAXES PAID BY TAXPAYERS IN DIFFERENT FAMILY SITUATIONS           MN-5 030
C    (VERSION OF 16/MAR/66)                                           MN-5 040
C                                                                    MN-5 050
C    COMMON /SWITCH/ ISW(8)                                           MN-5 060
C                                                                    MN-5 070
C    DIMENSION BOTTOM(25), RATE(3,25), CRED(25)                       MN-5 080
C                                                                    MN-5 090
C    READ (5,3) ISW(6)                                               MN-5 100
50  CALL INPUT ( BOTTOM, RATE, CRED, NCLASS, ITPOUT, CASENO)           MN-5 110
    CALL TAB1 ( BOTTOM, RATE, CRED, NCLASS, ITPOUT, CASENO)           MN-5 120
    CALL TAB2 ( BOTTOM, RATE, CRED, NCLASS, ITPOUT )                 MN-5 130
    CALL TAB2A ( BOTTOM, RATE, CRED, NCLASS, ITPOUT )                 MN-5 140
    CALL TAB3 ( BOTTOM, RATE, CRED, NCLASS, ITPOUT )                 MN-5 150
    CALL TAB4 ( BOTTOM, RATE, CRED, NCLASS, ITPOUT )                 MN-5 160
    CALL TAB5 ( BOTTOM, RATE, CRED, NCLASS, ITPOUT )                 MN-5 170
    CALL TAB6 ( BOTTOM, RATE, CRED, NCLASS, ITPOUT )                 MN-5 180
    CALL TAB7 ( BOTTOM, RATE, CRED, NCLASS, ITPOUT )                 MN-5 190
    CALL TAB8 ( BOTTOM, RATE, CRED, NCLASS, ITPOUT )                 MN-5 200
    FEMPL = 0.                                                       MN-5 210
51  WRITE (6,2) FEMPL                                               MN-5 220
    CALL APP12 (BOTTOM,RATE,CRED,NCLASS,ITPOUT,FEMPL)                 MN-5 230
    CALL APP12A(BOTTOM,RATE,CRED,NCLASS,ITPOUT,FEMPL)                 MN-5 240
    FEMPL = FEMPL + 1.                                               MN-5 250
    IF (FEMPL.EQ. 1.) GO TO 51                                       MN-5 260
    WRITE (6,1)                                                       MN-5 270
C    LOAD NEXT SET OF DATA (IF ANY)                                MN-5 280
C    GO TO 50                                                         MN-5 290
C                                                                    MN-5 300
1  FORMAT ( 1H1 )                                                    MN-5 310
2  FORMAT (1H1, 51HFRACTION OF INCOME OBTAINED AS WAGES AND SALARIES MN-5 320
  $=, F4.2, 20H IN FOLLOWING TABLES )                               MN-5 330
3  FORMAT ( 15 )                                                    MN-5 340
END                                                                    MN-5 350

```

```

$DATA
0
CASEF 28 19 RATE SCHEDULE 28
0 0 60 0 80 40 120 1000 2100 2100
1 0 12 0 0
2 1.5 15 0 0
3 2 17 13 13
4 3 20 16 16
5 4 22 18 18
6 5 24 19 19
7 6 24 20 20
8 8 26 21 21
9 10 28 22 22
10 12 30 24 24
11 15 32 27 27
12 20 35 31 31
13 25 37 35 35
14 30 39 38 38
15 40 42 42 42
16 50 44 44 44
17 60 46 46 46
18 80 49 49 49
19 100 50 50 50

```

BLANK CARD ENDS SUBSET

currently taxed at full personal rates, and (2) exclusively from wages and salaries. The difference between the tax changes arising from the two types of income is that many employment expenses are not currently deductible in computing taxable income; comprehensive income is consequently less than currently taxable income in the second case by the amount of such expenses. In both APP12 and APP12A it is assumed that employment expenses are computed using the optional standard allowance proposed by the Commission.

The following subroutine and function descriptions are presented in the order in which they are listed in Appendix A; tax calculation functions are described first. In all cases the arguments of each subroutine are defined in the listing of the subroutine presented in Appendix A.

**TAXCOM.** This function calculates taxes payable under the Commission's proposals with a given rate schedule and a given set of tax credits. The amount of unused tax credits (if any) is placed in the argument TXCRED upon output. By setting the first seven values of the CRED array to zero, the latter part of the program (cards 480-580) can be made irrelevant so that the subroutine can be used to calculate taxes under other tax systems.

**CURTAX.** Taxes payable under the current (1966) tax system are computed by this function given the appropriate values of currently taxable income and current tax credits. If ISW(6) is set to zero, taxes are defined as those payable under the rates enacted in accordance with the March 1966 Budget Message and include old age security taxes payable as of March 1966. If ISW(6) = 1, taxes include the effect of the increase in old age security taxes proposed in the Supplementary Budget Speech of December 19, 1966.

**TAXMIN.** The purpose of this function is to find the optimum allocation for tax purposes of dependants claimable by more than one income



recipient within a family. The value of the function is the minimum combined tax payable by the family.

**TAXALT.** This function provides for the use of alternative tax calculations such as the CICA/CBA proposals for corporate source income or the current U.S. system.

**INPUT.** The purpose of this subroutine is to read in data defining a rate schedule. A listing of the data defining the rate schedule proposed by the Commission has been presented in Figure 1. The following are read: (1) on the first card, a six-character alphanumeric identifier of the schedule and a number denoting the number of income brackets in the schedule; (2) on the second card, seven tax credit values (described in the TAXCOM listing) plus the upper limits on zero-rate brackets for each of three rate schedules; (3) cards defining five parameters for a bracket: the bracket number, the income at the bracket bottom, and the marginal rates for each of the three schedules in the bracket. If the fifth parameter on a bracket card is blank, it will be set equal to the fourth. Any number (including zero) of the bracket cards may be read in; the bracket cards must however be followed by a card with blanks in columns 1-25. If no parameters are read in for a given bracket, they are assumed to have been previously defined.

**SETUP.** The incomes and dependant numbers for which tax comparisons are calculated are defined in this subroutine.

**TAB1.** This subroutine prints a table (Tables 11-4 and 11-6 in Chapter 11 of the Report) summarizing the rate schedules being analyzed, including taxes payable at the bottom of each bracket.

TAB2. The table produced by this subroutine (Table 11-7 in Chapter 11) shows for a given rate schedule the percentage reduction in taxes resulting from a taxpayer's marrying a spouse receiving no income.

TAB2A. The output of this subroutine (the last column of Table 11-8 in Chapter 11) shows the percentage change in taxes resulting from aggregating the incomes of two spouses, each with equal taxable incomes.

TAB3. This subroutine's output (Table 11-15 in Chapter 11) shows the dollar change in taxes payable under the Commission's proposals as the result of the marriage of two income recipients. The change in taxes is calculated for families with different percentages of total income attributable to a wife who keeps working.

TAB4. The output of this subroutine (not presented in Chapter 11) provides data on the amount by which taxes are increased for a couple which opts to file separate tax returns under the Commission's proposals.

TAB5. This subroutine computes data presented in Tables 11-16 and 11-17 in Chapter 11 on the effective average rate of tax on income (assumed to be exclusively from wages and salaries) of a working wife.

TAB6. The table calculated in this subroutine (Table 11-10 in Chapter 11) shows the percentage decrease in taxes resulting from the birth of a married couple's first child.

TAB7. This subroutine calculates the data presented in Tables 11-12 and 11-13 in Chapter 11 on the comparative effect of exemptions and tax credits on taxes paid by families with different numbers of dependent children and different incomes.

TAB8. This subroutine provides data (not presented in Chapter 11) on the income-elasticity of taxes at different incomes under the given rate schedule.

## 2.2 Example Generators

The programs in this group have been used to generate the tables presented in Appendix I of Volume 3 and Appendices M and N in Volume 4 of the Report. Their potential applicability is not limited to the production of the tables in these appendices; similar examples could be generated using different assumed compositions of incomes for taxpayers at different income levels. The limitations that do exist arise from the fact that the subroutines in this section are built around a table-generator (TAXTAB) which produces tables with the same general format as those in the appendices: three tables for each example, showing tax changes for taxpayers with given incomes and given family characteristics. The three tables shown for each tax change example provide data on (1) current taxes, proposed taxes, and the change in taxes, (2) current average rate of tax, proposed average rate of tax, and the change in average rate, and (3) current rate of tax on a further \$500 of marginal income, proposed rate or tax on the marginal \$500, and the change in these marginal rates of tax.

The use of these programs to produce the tables in the appendices cited in Volumes 3 and 4 of the Report is as straightforward as is the use of the rate schedule characteristic descriptors. The required calling program is listed in Figure 2; the data input is the same as for the program listed in Figure 1. For other applications it would be necessary to write programs calling TAXTAB which are similar in structure to APP12, APP19 and FNTAB2.

## FIGURE 2

PROGRAM REQUIRED TO GENERATE TABLES PRESENTED IN APPENDIX I  
TO VOLUME 3 AND APPENDICES M AND N TO VOLUME 4

\$IBFTC MN-6	DECK	MN-6 000
C	RCT - MAIN 6	MN-6 010
C	PROGRAM TO GENERATE TAX COMPARISON EXAMPLES FOR TAXPAYERS	MN-6 020
C	IN DIFFERENT FAMILY SITUATIONS (VERSION OF 16/MARCH/66)	MN-6 030
C		MN-6 040
	COMMON /SWITCH/ ISW(8)	MN-6 050
	DIMENSION CRED(25), BOTTOM(25), RATE(3,25)	MN-6 060
C		MN-6 070
	READ (5,2) ISW(6)	MN-6 080
50	CALL INPUT( BOTTOM, RATE, CRED, NCLASS, ITPOUT, RCASE )	MN-6 090
	CALL TAB1 ( BOTTOM, RATE, CRED, NCLASS, ITPOUT, RCASE )	MN-6 100
	FEMPL = 1.	MN-6 110
	CALL APP12( BOTTOM, RATE, CRED, NCLASS, ITPOUT, FEMPL )	MN-6 120
	CALL APP19( BOTTOM, RATE, CRED, NCLASS, ITPOUT )	MN-6 130
	WRITE (6,1)	MN-6 140
C	LOAD NEXT SET OF DATA, IF ANY	MN-6 150
	GO TO 50	MN-6 160
C		MN-6 170
	1 FORMAT ( 1H1 )	MN-6 180
	2 FORMAT ( 15 )	MN-6 190
	END	MN-6 200
\$DATA		

As with the rate schedule descriptor programs described in the preceding subsection, the example generator programs can be used to compare taxes resulting from the Commission's proposals with current taxes defined either as taxes under 1966 tax law or as taxes under the new tax rates proposed by the Supplementary Budget of December 1966. Current taxes are defined by the switch value read in from the first data card; if zero, current taxes are at 1966 rates; if unity, current taxes are at the proposed new rates. Tables produced with current taxes computed at the new rates are provided in Appendices J and K to this study.

APF12. The purpose of this subroutine is to generate tax comparisons for units with different percentages of income attributable to a second income recipient. By setting FEMPL = 1, the comparisons for employment income presented in Appendix I in Volume 3 of the Report or in Appendix J to this study are obtained. By setting FEMPL = 0, comparisons are obtained for tax units whose taxable income is unchanged by our proposals except for the inclusion of family allowances, as in Tables 11-5, 11-9, and 11-11 in Chapter 11 of the Report.

APF12A. The output of this subroutine provides data on the change in taxes for tax units with only one income recipient whose allowable deductions are interpolated from data specified in the DELDED array for taxpayers with incomes specified by the corresponding elements in the TAXAMT array.

APF19. This subroutine sets up the cases for which comparisons of taxes on corporate source income are presented in Appendices M and N in Volume 4 of the Report and in Appendix K to this study. The actual calculation of the data used by TAXTAB to generate the tables is performed by subroutine FNTAB2.

FNTAB2. This subroutine, together with TAXTAB, produces tax comparison tables of the type presented in Appendices M and N in Volume 4 for any set of parameters defining the mix of corporate source incomes of different types. By using (and changing) the value of the argument THOLD appropriately, any combinations of income sources at different income levels can be used as the basis for the tables.

TAXTAB. This subroutine is the basic component of all programs generating tax comparison tables of the type presented in the cited appendices to the Report. It is called once to generate each set of tax comparison tables with the arguments defined in the program listings presented in Appendix A.

### 2.3 Tax Return Analyzer

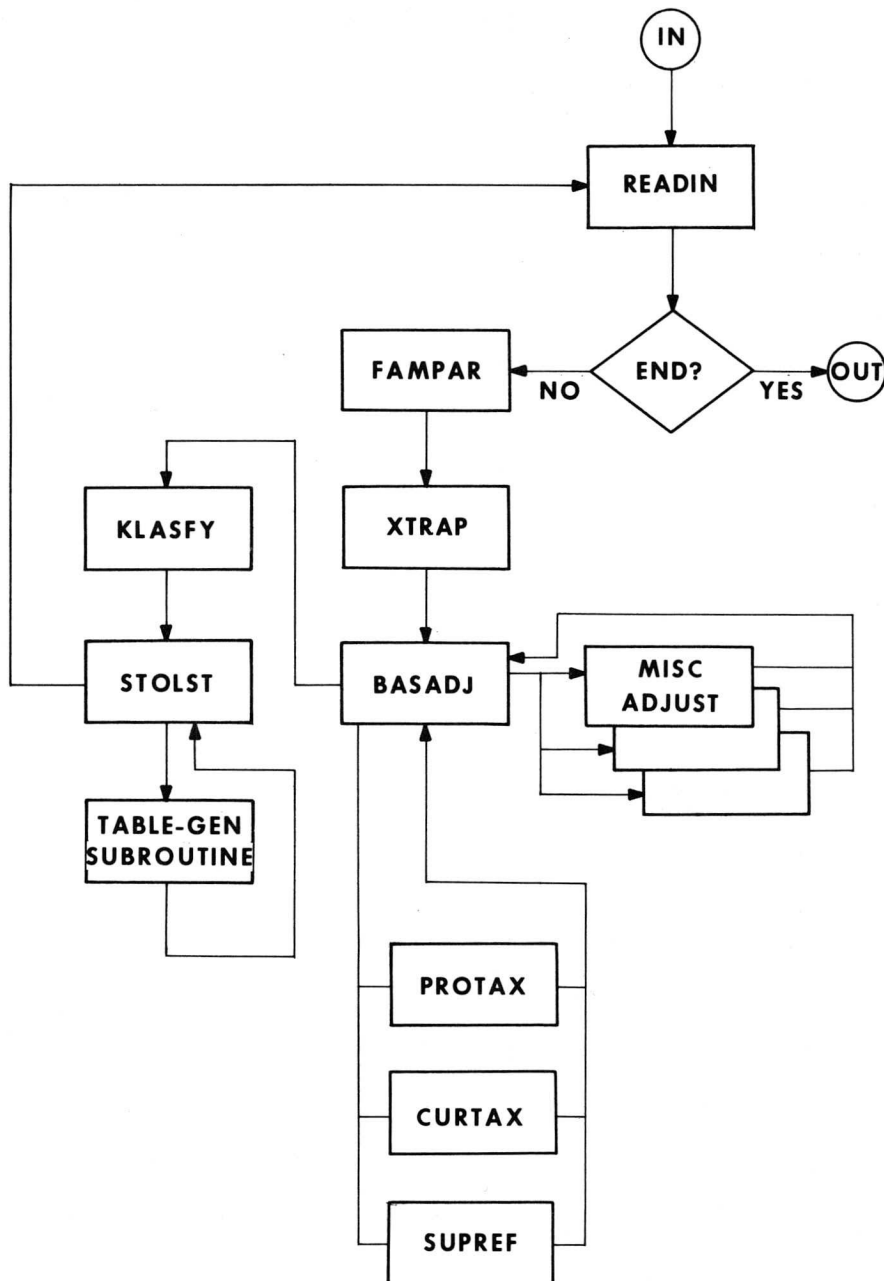
The purpose of the tax return analyzer is to provide the "core" programs needed for the production of tables generated by the table-generating subroutines described in the next section. These core subprograms are designed so that any table can be generated merely by adding one subroutine for that purpose which has the following components: (1) a block of instructions to initialize arrays used for the accumulation of data, (2) a block of instructions governing the appropriate entry of data to be accumulated from each tax return, and (3) a block of instructions providing for the printing of the accumulated results. Each block of instructions is accessed from a different subroutine in the tax return analyzer: the first block from INLST, the second from STOLST, and the third from OUTLST. There is no other program linkage between the "core" programs and the table-generating subroutines.

For each tax return, the tax return analyzer reads the available data, computes estimates of the Commission's reforms, classifies the tax return, and then accesses STOLST. This data analysis loop is outlined in schematic form in Figure 3. The tax return data are assumed to be in one of several forms for which provision is made in subroutine READIN; alternative data input can be obtained by altering READIN. In all subsequent programs, data are assumed to be stored in two arrays ("KLAS" and "SUM") which are defined in Appendix B.

Family characteristics of the tax unit are defined in subroutine FAMPAR. The effects of the Commission's proposals on the taxpayer's tax base are estimated in BASADJ, based on the data read in and on the assumption parameters defined in Appendix C. Either of these subroutines can of course be altered to test the effect of different proposals or to change the estimation of family characteristics; furthermore, the estimated base adjustment effects defined in BASADJ are in all complex cases programmed in separate functions to make alteration easier. Provision for adjustment of the underlying data to reflect their elasticity to changes in gross national product is included in XTRAP. The tax return group is classified for intermediate storage purposes in KLASFY. Accumulation of data in table-generating subroutines is accessed through STOLST.

Upon entry to STOLST, estimates have been made of all effects of the proposed changes in tax law upon the tax base and taxes payable by or attributable to the average taxpayer corresponding to the tax return analyzed. These changes are stored in arrays forming two COMMON lists (entitled "DATA" and "ADJUST"); the content of these arrays is defined in Appendix D. All data can then be accessed directly in any table-generating

Figure 3

**DATA ANALYSIS LOOP**



subroutine; alternatively, it can be written out on tape and then read in without the need for recalculating the effects of the proposals.

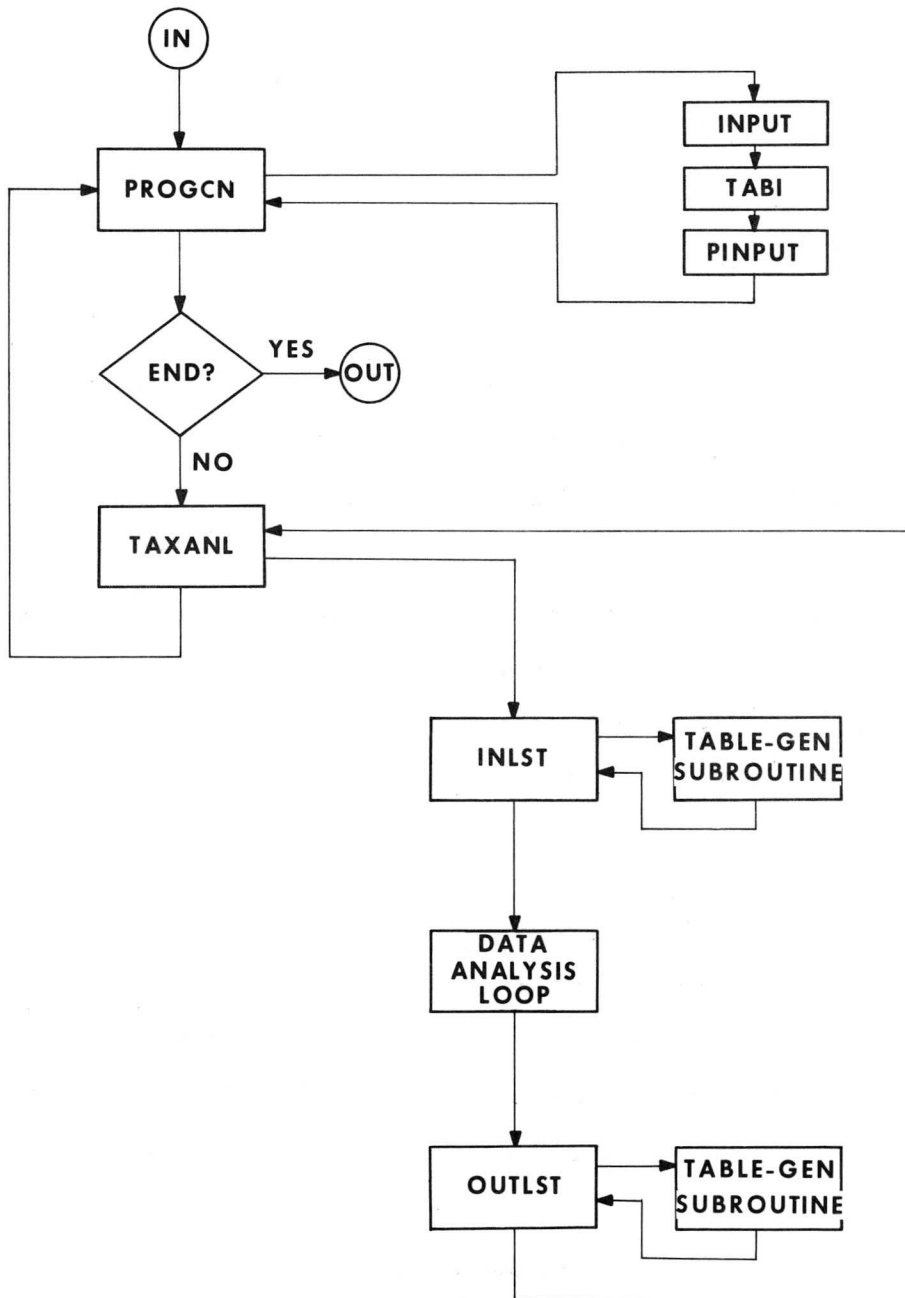
The basic structure of the overall program into which this data analysis loop fits is shown in schematic form in Figure 4. The program consists essentially of three components: (1) a block of instructions in which one or more sets of assumption parameters, rate schedules, and control parameters governing the tables to be generated, type of data input, and so forth, are read in and stored, (2) a subroutine (TAXANL) governing the processing of the file of tax returns for one set of parameters, and (3) a control program (PROGCM) which governs the processing of all parameter sets read in. As the schematic outline of Figure 4 indicates, each parameter set is successively processed in TAXANL and then control is returned to PROGCM to obtain the next parameter set.

If so desired, the effect of one or more reforms may be suppressed in all computations underlying the generation of tables. Cards defining the reforms to be suppressed are read in along with assumption and allowance parameter sets by PINPUT; the suppression of these reforms is then executed by SUPREF.

Subsequent discussion of each subroutine is in the order in which they are listed in Appendix A. Because TAXANL is the basic program, governing the processing of the tax return file, it is presented first. Program control and parameter input segments (PROGCM and associated subroutines) are described next; as Figure 4 shows, they are outside the basic TAXANL processing loop. Subroutines contained in the data analysis loop inside TAXANL are then described.

Figure 4

## SCHEMATIC OUTLINE OF TAX RETURN ANALYZER



TAXANL. The purpose of this subroutine is to govern the processing of the tax return file for one set of assumptions, rate schedules and other parameters; its overall organization is shown by the lower portion of the schematic outline presented in Figure 4. The listing presented in Appendix A not only presents the instructions governing this processing but also provides a description of the parameters stored in COMMON lists. As the programme listing in Appendix A indicates, the program essentially consists of calls on other subroutines, and has little other than an organizational function. The program will write intermediate output on a tape if so ordered.

MAIN 18R2. This program segment has three functions: (1) to define a number of miscellaneous parameters, including tape assignments and the maximum number of records (if any) to be printed as debugging output aids, (2) to govern the PROGCM - TAXANL loop portrayed at the top of Figure 4, and (3) to provide for the execution of more than one set of parameter sets. The control portion of PROGCM is set up to govern the processing of all combinations of rate schedules, assumption sets, and certain other control parameters read in as one job; the macro loop in MAIN 18R2 allows for the processing of more than one job. The macro loop is not shown in Figure 4.

PROGCM. This subroutine has two functions: (1) to read in a number of control parameters and to store assumption parameters and rate schedules read in by other subroutines (PINPUT and INPUT), and (2) to govern the sequential processing of each possible combination of parameter sets. The control parameters read in are detailed in Appendix E. This subroutine calls INPUT and TAB1 (both described in section 2.1) to read and print each rate schedule; it accesses separate segments of PINPUT to read and print assumptions sets, allowance parameters, and reforms to be suppressed.

Proration parameters (governing the calculations prorating tax changes over reform categories executed in subroutine RVTAB2) are also read in; the actual values read in are irrelevant, however, unless RVTAB2 is to be called from STOLST.

PINPUT. The assumption and allowance parameters defined in Appendix C are read in by this subroutine, which also can be called to print them. In addition, reforms can be suppressed by reading in for each reform to be suppressed a pair of numbers corresponding to the number of the reform shown in Table H-1 in Appendix H to this study. As in subroutine INPUT, any amount of data may be read in any order and parameters are not initialized to any value; the entire set of parameters must be followed by a card with blanks in columns 1-25.

READIN. This subroutine provides for the input of tax return data in four different forms: (1) binary records containing only the arrays KLAS and SUM, (2) records containing original data from which the elements of KLAS and SUM are to be calculated, (3) BCD records (card images), and (4) binary records containing intermediate output (the rest of the "DATA" and "ADJUST" COMMON lists) as well as KLAS and SUM. In Case 2, it is necessary to supply the appropriate versions of subroutines RECORD AND ACCUM to read the data and convert each data array into the numbers required to be in KLAS and SUM. In Case 4, READIN accesses another subroutine (SPREAD) which takes care of such matters as introductory records on the data tape. In all cases, provision is included for editing the data (again it is necessary to provide an ad hoc version of subroutine EDIT for this purpose) and for working in terms of sample averages instead of totals.

FAMPAR. This subprogram exists because of the incomplete specification of family characteristics of taxpayers in the data collected from each tax return in the Department of National Revenue's 1964 "Taxation Statistics" sample. Estimated family characteristics are stored in the COMMON list entitled "FPAR". Estimation is programmed both for tax returns as originally surveyed and for tax returns aggregated into family units.

XTRAP. To allow for the measurement of revenue elasticity, this subroutine has been inserted. It is simply programmed to modify the basic tax return data read in by READIN before proceeding to BASADJ; the modifications are summarized in Chapter 3 below. If it were desired to modify the output of BASADJ rather than just the tax return input it would be necessary to add a second segment to XTRAP to be accessed from TAXANL after returning from BASADJ.

BASADJ. Together with a number of additional subprograms specifying the form of miscellaneous base adjustments, this subroutine provides estimates of the current and proposed tax bases and taxes along with estimates of the detailed base changes underlying the tax changes. The output of this subroutine is described in Appendix D; sample output for 7 examples is presented in Appendix M.

KLASFY. It is assumed that the tax returns read in are classified in terms of five variables (preliminary family status class, currently assessable income, tax-paying status, age/occupation/sex, and number and type of dependants). This subroutine provides for the classification of returns by other definitions of income and allows for the choice of additional cross-classifications. The initialization entry must be accessed prior to entering the data analysis loop in TAXANL.

PROTAX. This function merely provides for easier use of the TAXCOM function described earlier. It is set up to calculate personal income tax; direct taxes under the Commission's proposals can be calculated by setting TCRED(2) to zero. Only negative and zero values of IFCRED are used in this part of GITAN.

SUPREF. This subroutine, called from BASADJ, effects the suppression of reforms defined by parameters read in by PINPUT. The initialization entry must be accessed before entering the data analysis loop in TAXANL.

INLST. Link to initializing segments or table-generating subroutines. This subroutine (along with STOLST and OUTLST) should be altered if additional table-generating subroutines are written; the only instructions required by TAXANL are statements 120 to 160.

STOLST. Link to accumulation segments of table-generating subroutines. The variables accumulated are in a number of cases defined in this program; tables generated by the subroutines described in the next section can consequently be modified by changing definitions contained in STOLST.

OUTLST. Link to table-printing segments of table-generating subroutines. Switch values controlling the choice of tables to be printed are defined in Appendix E.

## 2.4 Table-Generating Subroutines

All table-generating subroutines involving the accumulation or data obtaining from analyses of each tax return have the ternary structure already noted in the previous subsection: an initialization segment, an accumulation segment, and a final table-preparation segment. It is envisaged

that each of these three segments be accessed respectively from INLST, STOLST, and OUTLST. All data produced by the tax return analyzer subroutines are available in several COMMON lists accessible to any table-generating subroutine; these available data are described in the COMMON list descriptions provided by the program listing of TAXANL in Appendix A and by additional detail presented in Appendix D.

Any combination of the following table-generating subroutines can be used with the tax return analyzer. Where possible, table-generating subroutines are defined by referring to examples of their output reproduced elsewhere.

SUMRIZ. Examples of the output generated by this subroutine are provided by Table C-7 in Appendix C of Volume 6 of the Report and by Tables F-2 and H-5 in Appendices F and H to this study. The output simply summarizes by income class the number of data records processed in each computer run (or within each stratification of the sample if the sample is processed by stratum rather than as one group; see "KCHNGE", defined in Table E-1 in Appendix E). In addition, summary estimates of the number of taxpayers and current and proposed taxable income and taxes are provided for each income class.

RVTAB2. The purpose of this subroutine is to prorate changes in taxes for each taxpayer over the reforms causing this change and to accumulate these prorated effects by reform. Reforms are defined in Table D-5 in Appendix D to this study. The method of proration is variable and is defined by proration parameters read in by PROGCRN. This subroutine has been used to generate the output presented in Appendix C of Volume 6 of the Report; in this application parameter values are IBASIS = 1 and IORDER = (1,2,3,4,5,6,7). Sample output for 7 examples is presented in Appendix M to this study. The initialization portion of subroutine SUPREF

must be accessed prior to entering the initialization block in RVTAB2 in order to define the reform dictionary contained in the "REFDIC" COMMON list.

It should be noted that RVTAB2 accesses two dummy subroutines (AVGING and FAMDEL) which are incorporated to allow for use of RVTAB2 with data at a taxpayer level on the effects of income averaging and of aggregating taxpayers into family tax units.

ACINC2. This subroutine produces a table showing taxable income in each of 10 income classes by tax bracket. It thus provides a quick means of analyzing the effects or changes in tax rates upon taxes before deduction of tax credits, provided of course that the tax base is kept unchanged.

INCID2. The purpose of this subroutine is to provide summary data on the average change in taxes for taxpayers in each income class. Output for taxpayers stratified by age/occupation/sex class is provided in J. Bossons, Who Benefits and Who Pays, a study published by the Commission.

ACCDEL. Output from this subroutine consists of a table showing the distribution of taxpayers in each income class by the percentage change in their taxes; examples are provided in the study just cited. As with INCID2, the tables can be altered by altering the data input to these subroutines specified in STOLST.

BASTAB, BASCOM. Output from subroutine BASTAB is presented in Appendix A of J. Bossons, Changes in Direct Taxes on the Components of Income (hereinafter cited as Changes), a study published by the Commission. The purpose of this subroutine is to provide detailed data on previous tax status and on current and proposed average tax rates for each major component of income for taxpayers grouped by income class. The appropriate accumulation



of data is defined in BASCOM, which must be accessed in each of INLST, STOLST, and OUTLST.

BASKLS. Output from this subroutine corresponds to Tables B-3 through B-9 of Appendix B in Volume 6 of the Report and to Tables L-1 and L-2 of Appendix L to this study; sample output for 7 examples is presented in Appendix M to this study. The output is effectively a summary of data presented in the output of BASTAB. Intermediate calculations are contained in BASCOM. Neither BASTAB nor BASKLS have a ternary structure since they are only output routines. Income accrued in each income component may be shown by setting ISW(9) to 1.

MARTAB. Output from this subroutine is presented in Appendices B and E, of J. Bossons, Changes; its purpose is to provide data on average effective tax rates and on effective marginal tax rates on different sources of income (as defined in BASTAB) for taxpayers in different income classes. MARTAB is only an output routine; intermediate calculations are contained in BASCOM, accessing RMARG to calculate marginal tax rates for each taxpayer. As in BASKLS, the income for which tax rates are defined may be either comprehensive-base taxable income or total accrued income.

COMSET. This subroutine defines the data to be accumulated to produce the tables presented in Appendices C, D, F and G, of J. Bossons, Changes. The tables themselves are produced by subroutine COMPEF.

COMPEF. The purpose of this subroutine is to accumulate data on current taxes, proposed taxes, and underlying income for a particular income source defined externally. The data are accumulated for taxpayers grouped by income class and by importance of the particular income source being analyzed. A third classification dimension is also provided. In the application using COMSET, the third classification is used to denote different

income sources and different tax calculations. The subroutine is set up to produce data on average tax rates, average marginal tax rates, and the proration of tax changes to each component as well as simply data on changes in taxes. Income may be defined as either comprehensive-base income or as total accrued income by choosing the appropriate value of ISW(9).

DETCOR, CDET. Tables produced by DETCOR show the effect of different reforms, singly and in combination, on the average tax rate on corporate source income. Intermediate calculations are contained in CDET. Tax change data are shown separately both for changes in corporate taxes alone and for changes in all direct taxes combined.

SUMSAM. This subroutine accumulates the original data read in from each tax return by income class.

SUMDAT. The purpose of this table is to accumulate summary data on a number of miscellaneous variables, such as underlie Table 35-2 in Chapter 35 or are referred to in various notes in Appendix A to Volume 6 of the Report. The output can be identified from the program listing.

DEBUG1, DBGMAT. These subroutines, accessible only from STOLST, print out intermediate output for debugging purposes. 3/ DEBUG1 prints out all of the intermediate output available for use in the table-generating subroutines for a given tax return.

SELECT. This function, with standard ternary structure, exists to facilitate the extraction and processing of subsamples from the entire tax return sample. Its use is controlled by the value of ISW(7) as indicated in Appendix E; records to be selected are defined by card input described in cards 290-310 in the subroutine listing.

REFERENCES

- 1/ A test set of input data, together with the output produced by this input, is presented in Appendix M to this study to aid in the implementation of these programs on other machines.
- 2/ A considerable amount of data processing was required to convert the data file supplied by the Department of National Revenue into the form in which they were used as input with the programs to be described in this chapter. This processing is described in section 3.1 below; much of the programmed analysis is described in Appendix B to this study. The programs have not been reproduced or discussed in detail because of their lack of general interest.
- 3/ Additional intermediate debugging output may be generated by using an ad hoc version of SPEDBG supplied by the user; SPEDBG has the standard ternary structure and is called from INLST, STOLST and OUTLST.

## CHAPTER 3

### APPLICATIONS TO 1964 TAX RETURN DATA

This chapter has two purposes: (1) to detail the way in which the programs described in the preceding chapter have been used together with a sample of 411,510 tax returns to generate the analyses reported in Volume 6 of the Report, and (2) to update and revise those analyses. The tax return sample is described in the first section of this chapter, following which the revenue estimates presented in Chapter 35 of the Report are described and revised. Estimates of the effect of long-term growth in gross national product on tax revenues under the current and proposed tax systems are also presented. In the final sections of this chapter, the incidence estimates presented in Chapter 36 of the Report and in two companion studies are described; updated estimates of the incidence by income class of tax changes resulting from the Commission's proposals are also presented.

#### 3.1 Description of Data

The data used in conjunction with the programs described in Chapter 2 to generate estimates of changes in the revenue yield and incidence of the tax system were obtained from a sample of 411,510 tax returns (unidentified as to taxpayer) obtained from the Department of National Revenue. The criteria governing whether a return was included in the sample depended upon the type of tax return filed, the district office where the return was filed, and the net assessable income reported on the return. 1/ "Net assessable income" was defined as assessable income under 1964 tax law less deductions for registered pension plans, premiums paid into Registered

Retirement Income plans, other allowable expenses, and alimony and separation allowances paid.

It was necessary to perform a number of operations on the sample in order to put it in the form in which it was used as input to the analysis programs described in Chapter 2. This preliminary data processing had two purposes: (1) to estimate family status variables not recorded on each tax return and to classify each return on a number of indices, and (2) to reduce the volume of computations by aggregating data for similar tax returns. Since it took sixteen (16) fully blocked 550 BPI magnetic tapes to hold the original sample data file, the second objective was of some importance. The preliminary calculations and classification of each return are described in Appendix B; having classified each return, the returns were sorted and aggregated into 19,370 groups, thus effecting a twentyfold reduction in the amount of data to be processed. The data collected for each group are listed in Table B-8 of Appendix B to this study; seven examples of these groups and the data collected for each of them are presented in Appendix B to Volume 6 of the Report.

Since the primary purpose of classifying the returns was to separate them into groups of returns upon which the Commission's proposals would have essentially the same impact, the most important variable by which returns were classified was income. (For this purpose "income" was defined as total income reported on each tax return as assessable under 1964 tax law.) The income classes into which tax returns were divided are shown in Table 1. The ratio of the number of tax returns sampled within each of several different income ranges to the total number of individuals with incomes in that range assumed to have filed tax returns in 1964 is also

TABLE 1

CLASSIFICATION OF 1964 TAX RETURNS  
BY TOTAL INCOME ASSESSED

<u>Income Range</u>	<u>Number of Income Classes in Range</u>	<u>Width of Each Class in Range</u> \$	<u>Sampling Rate</u> %	<u>Number of Groups Falling Within Range</u>
Less than \$1	1	open-ended	7.9	284
\$1 - 499	1	500	2.7	311
500 - 1,999	6	250	3.0	2,526
2,000 - 9,999	16	500	4.7	8,864
10,000 - 14,999	5	1,000	34.9	2,829
15,000 - 16,999	1	2,000	58.4	600
17,000 - 19,999	1	3,000	72.6	622
20,000 - 39,999	4	5,000	95.9	1,964
40,000 - 49,999	1	10,000	100.0	395
50,000 - 224,999	7	25,000	100.0	929
225,000 - 299,999	1	75,000	100.0	28
300,000 - 499,999	2	100,000	100.0	10
Over \$500,000	<u>1</u>	open-ended	100.0	<u>8</u>
<b>TOTAL</b>	<u><u>47</u></u>			<u><u>19,370</u></u>

Note: Income is defined as total income assessable under 1964 tax law; total income may be negative as a result of reporting net losses for income from a business, profession, farm, or fishing operation. Sampling rates in each income range are defined as the ratio of the number of tax returns sampled falling in that income range to the estimated number of individuals with that income filing 1964 tax returns.

Source: Appendix B, Tables B-9 and B-10.

shown in the table; more detail on sampling rates by income class is presented in Table B-10 in Appendix B. Virtually all tax returns filed by individuals with 1964 assessable incomes in excess of \$25,000 were included in the sample.

Sampled tax returns in each of the 47 income classes shown in Table 1 were further classified on the basis of several other attributes, so that 4,320 groups of separated returns could conceivably be obtained for each income class. The last column in Table 1 shows the number of such groups actually obtained for each income class. Further detail on the distribution of sample groups by income class and by the number of tax returns in each group is presented in Table B-9 in Appendix B. Table B-9 indicates a lesser relationship between income class and average sample size than might be expected. The average group sampling rate for groups classified by number of tax returns in each group is shown in Table 2.

The other attributes by which returns were classified were (1) a "preliminary family status" variable reflecting the marital status of the individual filing each return and the amount of income earned by his spouse, (2) an index reflecting the age, occupation, and sex of the individual filing the return, (3) a "dependant status" variable reflecting the number and type of dependants claimed, and (4) whether or not taxes were assessed on the return in 1964. Of these, the first two were of greater importance than the last two in their effect on income composition and sensitivity to the tax changes resulting from the Commission's proposals. Some further data on the distributions of tax return groups by family status, income, and age/occupation/sex classes are provided by Table 3.

Data collected from tax returns falling within each of the 47 income classes used in the initial classification are presented in Appendix F.

TABLE 2

## DISTRIBUTION OF SAMPLE GROUPS BY SAMPLE SIZE

<u>Number of Tax Returns in Sample Groups</u>	<u>Number of Sample Groups</u>	<u>Average of Group Sampling Rates</u>
1- 4	11,343	.513
5- 9	2,554	.429
10-14	1,180	.424
15-24	1,199	.408
25-49	1,317	.407
50-99	902	.380
100 and over	<u>875</u>	.263
ALL GROUPS	<u>19,370</u>	

Note: The average sampling rates shown in this table are simple averages of the sampling rates in each of the sample groups in each sample size class. Sampling rates in each sample group are defined as the ratio of the number of sampled tax returns falling in that group to the estimated number of taxpayers to which those tax returns correspond. This latter estimate was obtained by summing the reciprocals of the sampling rates governing the selection of each return in the group.



TABLE 3

DATA ON THE DISTRIBUTION OF TAX RETURN GROUPS BY FAMILY STATUS,  
INCOME, AND AGE/OCCUPATION/SEX CLASSES

Preliminary Family Status Class	Number of Groups in Class	Number of Non-Empty Income/AOS Class Combinations Possible	Number of Income/AOS Class Combinations Occupied by One or More Groups	Maximum Number of Groups Falling Within Any Income/AOS Class Combination
1	6,802	1,222	780	27
2	3,139	1,034	682	18
3	439	1,034	252	7
4	4,013	1,034	716	18
5	1,657	1,034	565	14
6	552	188	145	11
7	2,768	1,222	961	13
ALL CLASSES	19,370	6,768	4,101	

### 3.2 Preparation of Revenue Estimates for 1964

The calculations underlying the estimates presented in Chapter 35 of the Report of the effects the Commission's recommendations would have had on direct tax revenue yields in 1964 have already been defined by the programs discussed in Chapter 2, together with the parameter values stated in Appendices C and E.

The output presented in Appendix B to Volume 6 of the Report is obtained from the data for the seven example groups with program control parameters defined as in the second column of Table E-4 and with ITABSW(8) set to 3. The output for the same example groups in Appendix C to Volume 6 of the Report is obtained from the same input by merely setting ITABSW(1) to 1. The output presented in that appendix for all resident individuals who filed tax returns in 1964 is obtained from the complete data file with ITABSW(1) = 1 and with control switches defined as in the first column of Table E-4. The estimates of tax and base changes presented in Chapter 35 are obtained from the same input with ITABSW(8) set to 3. In all cases the assumptions used are as defined in Table C-1 in Appendix C to this study.

The output obtained in this way for all resident individuals filing tax returns is classified by comprehensive-base taxable income, that is, by assessable income under the comprehensive tax base recommended by the Commission less concessionary allowances proposed. The classification is shown in Table 4. The data collected from tax returns for groups falling within each comprehensive income class defined in Table 4 are presented in Appendix F.

TABLE 4

CLASSIFICATION OF TAXPAYERS BY INCOME  
IN OUTPUT TABLES

<u>Class</u>	<u>Income</u>	
1	Less than \$1,000	
2	\$ 1,000	- \$ 1,999
3	2,000	- 2,999
4	3,000	- 3,999
5	4,000	- 4,999
6	5,000	- 5,999
7	6,000	- 7,999
8	8,000	- 9,999
9	10,000	- 11,999
10	12,000	- 14,999
11	15,000	- 19,999
12	20,000	- 24,999
13	25,000	- 34,999
14	35,000	- 49,999
15	50,000	- 74,999
16	75,000	- 99,999
17	100,000	- 149,999
18	150,000	- 199,999
19	200,000	- 299,999
20	300,000 or more	

Note: "Income" is defined as comprehensive income less proposed concessionary allowances in all tables showing tax changes by income class in Chapter 36 and Appendix C to Volume 6 of the Report as well as in the tables presented in this study.

The revenue and incidence estimates presented in Volume 6 of the Report are deficient in two particulars: (1) they do not take account of the changes in tax rates announced in the Budget Message of December 19, 1966; (2) some of the assumptions upon which they are based result in an incorrect distribution of certain base changes among resident individuals in different income classes. 2/ Only the first of these deficiencies has a significant effect on the estimated size of the revenue surplus over the yield of the current system produced under the Commission's proposals, but both have a significant effect for the incidence of the tax changes on particular classes of taxpayers. The effects on incidence estimates will be discussed in section 3.4 below.

The changes in assumptions introduced in this study are shown in Table C-3 of Appendix C to this study. The most important changes are as follows:

1. The method of attributing currently untaxed benefits which would be brought into the comprehensive tax base has been changed to avoid an over-attribution of personal expenses to proprietors of unincorporated businesses. The effect of this change is to reduce estimated benefits in this category from \$223 million to \$38 million. Benefits attributable to top employees and to self-employed professionals and commission salesmen have been assumed to be higher than estimated in the Report. 3/
2. Currently unreported dividends attributable to resident individuals have been explicitly estimated in order to obtain more accurate estimates of the distribution of corporate source income across individuals. Three components of unreported dividends were analyzed: (1) Dividends received in 1964 by individuals not required to file tax returns because their income was below the filing requirement of

\$250 were estimated to have amounted to \$9 million. <sup>4/</sup> (2) Unreported dividends received by individuals who filed tax returns but whose income was insufficient to engender tax liabilities were estimated to total \$13.4 million in 1964. Such unreported dividends were assumed to be 40 per cent of reported dividends for non-taxable retired individuals and to be 30 per cent of reported dividends for other individuals who were non-taxable in 1964, provided that the average amount assumed to be under-reported on each return did not exceed \$500. In addition, non-taxable individuals aged 40 or older who reported no dividend income were assumed to have received unreported dividends averaging \$20. (3) Because of the required issuance of T-5 slips for all dividend payments over \$10 and because of the relative incentive to report provided for low-income taxpayers by the dividend tax credit in Canada (compared with the disincentive to report small amounts in the United States resulting from the dividend exclusion), dividend under-reporting by individuals reporting taxable income may be substantially less than in the United States. Nevertheless, dividend unreporting has been extrapolated from United States estimates. Total unreporting in this category in 1964 was estimated to amount to \$7.3 million, based on an assumption that such unreporting constituted 5 per cent of reported dividends for individuals with currently taxable income below \$10,000, again with an assumed upper limit of \$500 on the average amount assumed to be under-reported on any individual tax return. <sup>5/</sup>

3. The specification of the relationship between allocated taxed corporate income and dividends has been improved by allowing for non-allocation of some allocable corporate income (and tax) and by allowing for the effect of the deferral of tax on current cash distributions out of which would be untaxed under the Commission's proposals. <sup>6/</sup> Non-allocation of allocable corporate income could occur for two reasons:

(1) Loss carrybacks would be applicable only against unallocated taxed corporate income, thus encouraging some boards of directors to maintain a reserve of unallocated income. (2) Non-resident majority owners of some Canadian companies might be unwilling to allocate taxed income (even though such allocation would be profitable to resident minority shareholders) because of the potential additional value of the company in the event of its sale to residents as a result of the tax credit which would then be allocable out of the unallocated taxed surplus. It has been assumed that 3 per cent of taxed corporate income would not be allocated to shareholders; unallocated taxed corporate income thus estimated to have been allocable to resident individuals in 1964 amounted to \$58 million. It was also assumed that net cash distributions out of untaxed surplus which would not currently be subject to tax would amount to 60 per cent of such distributions; total cash dividends distributed in 1964 out of what would have become untaxed surplus under the Commission's proposals were estimated to have amounted to \$47 million. 7/

4. The assumed attribution of some policyholder investment income accrued by life insurance companies in 1964 to resident individuals not filing tax returns in 1964 was eliminated, thus increasing the total amount attributed to individuals who filed tax returns in 1964 by \$14 million.
5. The assumed 100 per cent realization of capital gains accrued on taxed-income securities, real estate and assets of unincorporated businesses was modified so as to assume (1) the same ratio of realized gains to accrued capital gains on fixed-income securities as on corporate equities, (2) a ratio of realizations to accruals of 0.5 for gains on real estate, and (3) a ratio of realizations to accruals of 0.33 for capital gains of unincorporated businesses. Capital gains realized in 1964 are

consequently estimated to have totalled \$86.6 million on fixed-income securities, \$68.6 million on real estate, and \$47.5 million on unincorporated business assets.

6. Estimated additional tax collections of \$20 million on capital gains realized on real property owned by non-residents have been shown explicitly.
7. Since much of the reform in the control of amounts deducted as charitable contributions which was recommended by the Commission was introduced by the Government in 1966, it was assumed that 70 per cent of the total effect of the changes proposed by the Commission was achieved by the 1966 reforms. The net effect of this was to make the estimated total 1964 personal income tax base under 1966 tax law \$13,315 million rather than \$13,226 million, resulting in an increase of \$10 million in the estimated total personal income taxes which would have been accrued in 1964 under 1966 tax law.

The effect of these revisions is to change estimates of the revenue yield of the personal income tax both under the current system and under the Commission's proposals.

Revised estimates of the effect of the Commission's proposals upon 1964 tax revenues (excluding transitional effects limited to a period of several years following introduction of the reforms) are presented in Table 5. These estimates update and revise the estimates presented in Table 35-1 in Chapter 35 of the Report. The effect of correcting the assumptions used to produce the estimates presented in the Report is to change estimated 1964 revenues from the personal income tax as follows: revenue under the current (1966) system is increased by \$10 million and under the Commission's proposals is reduced by \$36 million. The estimated effect of

TABLE 5

REVISED ESTIMATES OF THE EFFECTS OF THE COMMISSION'S PROPOSALS  
ON 1964 REVENUE FROM TAXES AFFECTED BY THE PROPOSED REFORMS  
(millions of dollars)

<u>Current System Defined As Enacted in 1966:</u>	<u>Revenue Under the Current Tax System</u>	<u>Revenue Under the Proposed Tax System</u>	<u>Change</u>
Corporation income taxes	1,941	2,473	532
Gift and estate taxes	143	—	-143
Personal income tax	2,686	2,598	-88
Sales and excise taxes	<u>1,597</u>	<u>1,472</u>	<u>-125</u>
TOTAL REVENUE	<u>6,367</u>	<u>6,543</u>	<u>176</u>

Current System As  
Modified by Rate  
Changes Proposed in the  
December 1966

Budget

Speech:

Corporation income taxes	1,941	2,473	532
Gift and estate taxes	143	—	-143
Personal income tax	2,776	2,598	-178
Sales and excise taxes	<u>1,742</u>	<u>1,472</u>	<u>-270</u>
TOTAL REVENUE	<u>6,602</u>	<u>6,543</u>	<u>-59</u>

Note: Revenue under the current tax system as enacted in 1966 is assumed to be the same as that actually accrued in 1964 except that certain modifications in the existing tax law enacted between 1964 and 1966 have been reflected in the estimates of current revenue from the personal income tax and manufacturer's sales tax. These modifications are detailed in Table 6 below and in Table 35-3 in Chapter 35 of the Report. Corporation income tax includes the tax on corporate distributions to residents made under the provisions of section 105 of the Income Tax Act. Personal income tax under the proposed tax system includes an adjustment of \$50 million to reflect the deferment of tax on corporate source income attributable to the trustees of Registered Retirement Income Plans and to certain exempt institutions which are now taxed at the corporate level. All taxes include old age security taxes collected and are before abatements of tax to the provinces. Some figures do not add to totals because of rounding.



the changes in tax rates proposed in the Supplementary Budget Speech of December 19, 1966, would have been to increase 1964 revenues from the current tax system by \$235 million. The effect of all changes combined is to change the estimated long-term 1964 revenue surplus of \$222 million presented in Chapter 35 of the Report to a deficit of \$59 million.

The changes in the estimated 1964 yield of the personal income tax under 1967 tax law require a more detailed statement of underlying causes in order to be reconciled to the estimates presented in the Report. These data are provided by Table 6, which presents a reconciliation of the revised estimates of 1964 personal income tax revenues under the current (1967) tax system to amounts actually accrued in 1964, as shown in 1966 Taxation Statistics, Part One. This table revises and updates Table 35-2 in Volume 6 of the Report.

Revised versions of Tables 35-8 and 35-10 of Chapter 35 of the Report are presented in Tables 7 and 8. The revised estimates provide a more accurate breakdown of the incidence of changes in the tax base on the major components of income as well as incorporating the effects of the revised assumptions noted above. As these tables indicate, estimated total assessable income of resident individuals would, under the Commission's proposals, have amounted to \$31,587 million in 1964 rather than \$31,959 million as shown in Table 35-10 in the Report. 8/ These tables summarize more detailed data presented in Appendix L to this study.

The effect of these changes in assessable income upon the personal income taxes which would have been accrued in 1964 by resident individuals filing tax returns in that year is shown in the first part of Table 9. Given the estimated tax base changes, total personal income taxes accrued in 1964 by these individuals would have fallen from \$2,776 million to \$2,643 million. These base changes exclude the effects on such individuals of two important

TABLE 6

RECONCILIATION OF PERSONAL INCOME TAX ACTUALLY  
ACCURED IN 1964 TO WHAT WOULD HAVE BEEN ACCURED  
HAD 1967 TAX LAW APPLIED IN 1964  
(millions of dollars)

1964 net personal income tax base under 1964 tax law		13,311
Major changes in the base between 1964 and 1967:		
Effect of greater control over charitable deductions	89	
Extension of old age pensions to all residents aged 65 to 69	<u>242</u> 331	
Less: Deduction for Canada Pension Plan premiums	<u>327</u>	<u>4</u>
1964 PERSONAL INCOME TAX BASE UNDER 1967 TAX LAW		<u>13,315</u>
Components of 1964 personal income taxes:		
Federal income tax accrued		1,985
Old Age Security tax accrued		397
Accrued personal income tax abated to the provinces		<u>433</u>
TOTAL 1964 PERSONAL INCOME TAX ACTUALLY ACCRUED UNDER 1964 FEDERAL TAX LAWS		2,815
Sample averaging errors		<u>11</u>
TOTAL 1964 PERSONAL INCOME TAX UNDER 1964 TAX LAW AS ESTIMATED FROM SAMPLE		2,804
Revenue changes resulting from 1964-67 changes in tax law:		
Revenue loss resulting from base changes	15	
Effect of decrease in personal income tax rates between 1964 and 1966	<u>103</u> 118	
Less: Revenue gain on 1964 base from the increase enacted in 1967 in Old Age Security income taxes on individuals	<u>90</u>	<u>28</u>
ESTIMATED TOTAL 1964 PERSONAL INCOME TAXES UNDER 1967 TAX LAW		<u>2,776</u>

Note: Personal income taxes include old age security taxes and are before abatements to provinces estimated at \$433 million. All figures are defined on an accrual basis, as in 1966 Taxation Statistics, Part One. Sample averaging errors arise because of the aggregation of returns into 19,730 group totals described in Appendix B to this study. Some figures do not add to totals because of rounding. For other notes, see accompanying text and Appendix A to Volume 6 of the Report.

TABLE 7

REVISED ESTIMATES OF THE EFFECT OF PARTICULAR REFORMS ON COMPONENTS OF THE  
GROSS PERSONAL INCOME TAX BASE FOR 1964 OF RESIDENT  
INDIVIDUALS WHO FILED TAX RETURNS IN 1964  
(millions of dollars)

	Employment Income	Professional and Commission Income	Income from Corporate Shares	Unincorpo- rated Business Income	Other Investment Income	Other Income	Total
Categories of income added to the personal income tax base:							
Attributable benefits	403	90	—	39	—	—	531
Realized property gains less property losses	—	—	471	48	155	—	675
Investment income brought into the tax base	—	—	4	—	877	—	881
Gifts and bequests	—	—	—	—	—	1,200	1,200
Child support transfer payments	—	—	—	—	—	471	471
	403	90	475	87	1,032	1,671	3,758
Less: Additional deductions allowed:							
Extension of loss carry- forward provisions and acceleration of capital cost allowances for new and small businesses	772	—	—	56	—	—	56
Employment expenses	772	—	—	—	—	—	772
	—	—	—	56	—	—	828
	-369	90	475	31	1,032	1,671	2,930
Tax base added through integration of the corporation and personal income tax:							
Unreported dividends	—	—	21	—	—	—	21
Retained tax corporate income	—	—	1,444	—	—	—	1,444
Effect of deferral of tax on cash distributions out of untaxed surplus	—	—	(28)	—	—	—	(28)
Tax base added through widening the integrated corporation tax base	—	—	171	—	—	—	171
TOTAL ASSESSABLE INCOME ADDED TO PERSONAL INCOME TAX BASE	-369	90	2,084	31	1,032	1,671	4,537

Note: For additional details, see accompanying text and Appendix A to Volume 6 of the Report.  
Some figures do not add to totals because of rounding.

TABLE 8

REVISED ESTIMATES OF THE 1964 PERSONAL INCOME TAX BASE UNDER  
THE CURRENT (1967) AND PROPOSED TAX SYSTEMS FOR RESIDENT  
INDIVIDUALS WHO FILED TAX RETURNS IN 1964  
(millions of dollars)

	Current <u>Tax Base</u>	Changes in the <u>Tax Base</u>	Proposed <u>Tax Base</u>
Components of income			
Employment income	22,352	-369	21,983
Professional or commission income of self-employed taxpayers	1,097	90	1,187
Corporate source income	446	2,084	2,530
Unincorporated business income	1,186	31	1,216
Income from farming and fishing	601	—	601
Other investment income	917	1,032	1,949
Other income	<u>451</u>	<u>1,671</u>	<u>2,122</u>
TOTAL ASSESSABLE INCOME	27,050	4,537	31,587
Deductions from income			
Family exemptions	11,557	-11,557	—
Concessionary allowances	<u>2,178</u>	<u>-596</u>	<u>1,581</u>
	<u>13,736</u>	<u>-12,154</u>	<u>1,581</u>
NET PERSONAL INCOME TAX BASE	<u><u>13,315</u></u>	<u><u>16,690</u></u>	<u><u>30,005</u></u>

Note: All elements of the current tax base have been shown net of allowable deductions arising from that component of income. Thus currently assessable employment income is shown net of union dues deductible under current tax law and shown separately as personal deductions in tables published in 1966 Taxation Statistics. Similarly, investment expenses included in "other personal deductions" in published statistics have been deducted from other investment income currently assessable; stockholder deductions for depletion have been offset against dividends. Some figures do not add to totals because of rounding.

Source: Table 7 above and Appendix L to this study. The amounts shown under the current tax base were obtained by aggregating from adjusted data for each of the 19,370 groups of tax returns in the 1966 Taxation Statistics sample as described in Notes 1 to 8 in Appendix A to Volume 6 of the Report.

reforms—namely, the allowance of extensive income averaging and the aggregation of incomes of all income recipients in a family unit—and also exclude the addition to the personal income tax base of capital gains realized by non-residents on Canadian real estate. The effects of these three additional base changes and of the extension of credit for corporate taxes to exempt institutions are shown in the latter part of Table 9. After all adjustments, it is estimated that taxes collected at the personal level in 1964 would have amounted to \$178 million less under the Commission's proposals than under the current (1967) tax system.

Revised estimates of the prorated effect of particular reforms on 1964 direct tax revenues from tax returns classified by income are presented in Appendix H to this study. A summary of these revised estimates is presented in Table 10. As a comparison of this table with Table 35-15 in Chapter 35 of the Report indicates, there are five major differences between the estimates presented in this study and those of the Report: (1) the effects of the decrease in personal income tax rates and of the reduced reliance on sales and excise taxes are \$101 million and \$145 million larger, respectively, because of the higher rates imposed on the current tax system by the December 1966 Budget; (2) the effect of bringing various currently untaxed elements of income accrued by resident individuals into the tax base is \$26 million less because of the different estimates used; (3) tax reductions resulting from changes in concessionary allowances are \$28 million greater; (4) tax reductions of \$9 million resulting from the deferment of taxes on cash distributions out of untaxed surplus were not previously included; and (5) taxes estimated to be allocable to non-residents are increased by \$20 million as a result of the explicit estimation of taxes on capital gains realized on real property owned by non-residents. The estimated impact of certain other proposed reforms is changed by \$5 million or less, partly as a result of the changed marginal rate resulting for some taxpayers from the change in tax base implied by the different assumptions.

TABLE 9

TOTAL TAX REVENUE COLLECTED FROM INDIVIDUALS IN 1964  
UNDER THE CURRENT (1967) AND PROPOSED TAX SYSTEMS  
(millions of dollars)

	<u>Under the Current System</u>	<u>Under the Proposed System</u>
Gross tax before credits	2,870	4,302
Tax credits:		
Non-refundable credits	95	731
Less: Unused credits	<u>1</u>	<u>124</u>
	94	607
Refundable credits	<u>--</u>	<u>1,052</u>
	94	1,659
PERSONAL INCOME TAXES AS ESTIMATED FROM TAX RETURN DATA	2,776	2,643
Adjustments for excluded reforms:		
Effect of aggregating income in family units	--	45
Effect on taxing capital gains realized on real property owned by non-residents	--	<u>20</u> 65
Less: Effect of extension of income averaging	<u>--</u>	<u>60</u>
	--	5
TOTAL PERSONAL INCOME TAX REVENUE	2,776	2,648
Allowance for the net effect of extending the corporate tax credit to certain tax-exempt intermediaries	<u>--</u>	<u>50</u>
TOTAL TAX REVENUE COLLECTED AT THE PERSONAL LEVEL	<u>2,776</u>	<u>2,598</u>

Note: Current taxes include old age security taxes; all taxes are before abatements to the provinces. All adjustments except for the effect of taxing capital gains on real property of non-residents are as specified in Table 35-13 in Volume 6 of the Report.

TABLE 10

REVISED ESTIMATES OF THE EFFECTS OF DIFFERENT PROPOSED  
REFORMS ON 1964 TAX REVENUES  
(millions of dollars)

Effect on Residents

Net reduction in personal income tax rates		-418
Increase in the personal income tax base (excluding the effects of integration):		
Capital gains (less capital losses)	209	
Personal benefits attributable to individuals	110	
Investment income added to the tax base	206	
Gifts and bequests	220	
Transfer payments	<u>67</u>	811
Additional deductions allowed in computing assessable income:		
Extension of loss carry-forward provisions and acceleration of capital cost allowances for new and small unincorporated businesses	-8	
Employment expenses	<u>-137</u>	-146
Changes in the treatment of taxable corporate income:		
Integration of corporation and personal income taxes	-189	
Additions to the integrated corporate tax base	64	
Deferment of taxes on cash distributions out of untaxed surplus	-9	
Extension of the corporate tax credit to certain tax-exempt intermediaries	<u>-50</u>	-184
Changes in concessionary allowances:		
Replacement of dependent exemptions by tax credits	-54	
Changes in allowances for medical expenses and removal of the special exemptions for the aged and infirm	27	
Changes in the definition of charitable donations	32	
Allowances of educational tax credits	-91	
Allowance of tax credits for working mothers	<u>-41</u>	-127
More liberal income averaging		-60
Aggregation of incomes in family units		45
Changes in sales and excise taxes		<u>-270</u>
TOTAL CHANGE IN TAXES ON RESIDENTS		-350

Effect on Non-Residents

Integration of corporation and personal income taxes	81	
Additions to the integrated corporate tax base	190	
Taxation of realized capital gains on real property	<u>20</u>	<u>291</u>
TOTAL CHANGE		<u>-59</u>

Note: Some figures do not add to totals because of rounding.

Source: Table 35-6 in Chapter 35 of the Report, Appendix H to this study, and Appendix A to Volume 6 of the Report.

### 3.3 Estimates of the Long-Term GNP Elasticity of Tax Revenues

By "elasticity" of the tax system is meant the degree to which tax revenues grow as the Canadian gross national product (GNP) rises. 9/ To compare the long-term elasticity of the proposed tax system with that of the current tax system, projections were made of the revenue yield of both systems in 1965 and in 1970. These projections are based on the estimates presented in Table 11 of the rates of increase in the number of individuals filing tax returns and in the average incomes from different sources received by each taxpayer. To facilitate comparisons with estimates presented in the Commission's Report, the current tax system will first be defined as tax law enacted as of December 31, 1966; the effect of the tax rate changes proposed in the December 19, 1966 Supplementary Budget Speech will be discussed later.

In projecting the changes in personal income tax revenues associated with these changes in average income and total returns filed, it was assumed that each group of taxpayers in the 1966 Taxation Statistics sample would be equally affected by these changes. Family characteristics and deductions associated with these characteristics were assumed to be unchanged for each taxpayer, though aggregate deductions were of course increased as a result of the estimated increase in the number of taxpayers. Corporation tax revenues were assumed to bear the same relationship to corporate profits as in 1964. Gift tax revenues under the current tax system were assumed to increase in proportion to the estimated increase in income received as gifts. Sales tax revenues were assumed to change in proportion to changes in GNP under both the current and proposed sales taxes.

The implications of these assumptions are shown in Table 12. As a comparison of this table with Table 5 indicates, the proposed tax system



TABLE 11

PERCENTAGE INCREASES IN NUMBERS OF TAX RETURNS,  
IN AVERAGE INCOME FROM DIFFERENT SOURCES,  
AND IN GROSS NATIONAL PRODUCT IN  
1964-65 AND 1965-70

	<u>1964-65</u> (per cent)	<u>1965-70</u> (per cent)
Increase in number of individuals filing tax returns	3.8	14.3
Average increase in components of income for each taxpayer:		
Wages and salaries	7.0	23.4
Income from self-employment	7.0	23.4
Unincorporated business income	0.4	23.4
Income from farming and fishing	8.2	23.4
Corporate profits	3.9	23.4
Rent, interest and miscellaneous investment income	4.9	23.4
Increase in gross national product	9.7	41.1

Note: The rate of increase of the number of individuals filing tax returns is assumed to be the same as the rate of increase of the employed civilian labour force, obtained for 1964-65 from National Accounts, Income and Expenditure, 1965 and projected to 1970 based on estimates presented in F. T. Denton and S. Ostry, Labour Force Projections to 1970 (Ottawa: Economic Council of Canada, 1965) and on an assumed 3.5 per cent unemployment rate in 1970. The average rate of increase in components of income for each taxpayer between 1964 and 1965 was assumed to be the same as the increase in the corresponding component of national income per capita of the labour force between those years (cf. National Accounts, 1965, Table 1). All income components were assumed to increase at the same rate as current-dollar GNP per capita of the labour force between 1965 and 1970. Current-dollar GNP in turn was projected assuming a 3.5 per cent unemployment rate, 1.5 per cent inflation per year, labour force growth as estimated by Denton and Ostry, business fixed investment expenditures equal to 14.5 per cent of GNP, and an 0.4 per cent decline per annum in average weekly hours worked. For further details of the underlying constant-dollar GNP projection, see T. A. Wilson and H. Lithwick, Sources of Economic Growth, a study published by the Commission.

TABLE 12

PROJECTION OF THE TAX BASE AND REVENUE TO 1965 AND 1970 UNDER  
THE CURRENT (1966) AND PROPOSED TAX SYSTEMS  
(millions of dollars)

	Projection to 1965		Projection to 1970	
	Under the Current Tax System	Under the Proposed Tax System	Under the Current Tax System	Under the Proposed Tax System
Taxable corporate income	<u>4,730</u>	<u>5,334</u>	<u>6,674</u>	<u>7,526</u>
<u>Personal Income Tax Base</u>				
Employment income, including the professional or commission income of self-employed taxpayers	26,046	25,744	35,545	35,209
Corporate source income	481	2,724	656	3,712
Unincorporated business income	1,236	1,268	1,687	1,746
Income from farming and fishing	675	675	921	921
Other investment income	991	2,143	1,316	2,965
Other income	<u>468</u>	<u>2,326</u>	<u>517</u>	<u>3,377</u>
TOTAL ASSESSABLE INCOME	29,898	34,880	40,644	47,931
Deductions:				
Family exemptions	11,997	—	13,268	—
Concessionary allowances	<u>2,274</u>	<u>1,656</u>	<u>2,563</u>	<u>1,878</u>
	<u>14,271</u>	<u>1,656</u>	<u>15,831</u>	<u>1,878</u>
TAXABLE INCOME	<u>15,626</u>	<u>33,224</u>	<u>24,813</u>	<u>46,052</u>
<u>Tax Revenues</u>				
Corporation income tax	2,092	2,667	2,951	3,763
Personal income tax	3,170	3,152	5,234	5,407
Gift and estate taxes	164	—	283	—
Sales taxes	<u>1,752</u>	<u>1,615</u>	<u>2,472</u>	<u>2,279</u>
TOTAL TAX REVENUES	<u>7,178</u>	<u>7,434</u>	<u>10,940</u>	<u>11,449</u>

Note: All taxes are before abatements to the provinces and include the old age security tax. The changes in corporation and sales tax revenues were calculated by applying the estimates of changes in corporate profits and GNP presented in Table 11 to 1964 revenues both for the current taxes and for the proposed taxes. Personal income tax revenues and gift tax revenues were calculated by applying the estimated changes presented in Table 11 to data for each group of tax returns in the 1966 Taxation Statistics sample and then estimating tax base changes from these adjusted sample data; for details see the listing of subroutine XTRAP in Appendix A. The precise input data are as specified in Appendix C (including the modifications shown in Table C-2) and in the first column of Table E-4 of Appendix E; output is produced by BASKLS with ITABSW(3) set to 3. The program output was adjusted to reflect the effects of income averaging, aggregation into family tax units, taxation of non-residents' capital gains on real property, and deferment of tax on corporate source income attributable to trustees of Registered Retirement Income Plans on revenue from the proposed system; the adjustment was identical to that in Table 9 above. Some figures do not add to totals because of rounding.

would yield a larger increase in tax revenues than would the 1966 version of the current tax system. Associated with the 9.7 per cent increase in GNP between 1964 and 1965, resulting from the economy's recovering to full-employment levels, is a tax revenue increase which would have been slightly larger under the proposed tax system than under the current tax system. The increase would be \$891 million under the proposed system and \$811 million under the current (1966) system. The longer term growth in full-employment GNP between 1965 and 1970 projected in Table 11 would result in a further increase in tax revenues which would again be greater under the proposed tax system than under the current tax system. The net effect of these increases is that the 1970 full-employment revenue yield of the tax system under the Commission's proposals would be roughly \$500 million greater than the projected revenue from existing taxes at 1966 rates.

It must be emphasized that the projections of tax revenues presented in Table 12 are based on a more aggregative level of analysis than could be used for 1964, and that the projections to 1965, as well as to 1970, are necessarily less accurate than the estimates of what the long-term revenue surplus would have been in 1964. These projections make no allowances for the effects of any reverse or forward shifting that might result from the proposed tax changes; furthermore, they make no allowance for the effects of the likely reactions of investors described in Chapter 37 of the Report.

The growth in the long-term revenue surplus produced by the Commission's proposals results somewhat more from GNP growth than from changes in the GNP-elasticity of tax revenues. This can be seen by examining the projected growth in tax revenues between 1965 and 1970 shown in Table 12. By assumption, the GNP-elasticities of the sales tax and the corporation income tax are unity under both the current and proposed systems. The implied overall GNP-elasticity of the personal income tax is 1.27 under the current

tax system and 1.31 under the Commission's proposals. Were the GNP elasticities of all taxes unchanged by the proposals, the projected 1965-70 growth in the long-term revenue surplus resulting from the Commission's proposals would be \$134 million rather than \$253 million.

The estimates presented in Tables 5 and 12 document the claim made in Chapter 35 of the Report that the growth in tax revenues would be greater under the proposed tax system than under currently enacted tax law. This definition of the current tax system excludes the effect of changes in the tax rates proposed in the Supplementary Budget Speech of December 19, 1966, which were not yet enacted as of the end of 1966. The tax rate changes enacted in 1967 consisted of an increase in the rate of taxation on manufacturers' sales from 11 per cent to 12 per cent and of an increase from \$3,000 to \$6,000 in the amount of the taxable income of individuals subject to the 4 per cent old age security tax.

Estimates of the revenue yield of the current tax system under the 1967 tax rates are presented in Table 13 for 1964, 1965 and 1970. The changes in tax rates would have increased total tax revenues from the current tax system by \$235 million in 1964 and by \$274 million in 1965, and would have increased projected tax revenues in 1970 by almost \$460 million. The long-term elasticity of the personal income tax under the current tax system (as estimated from the projected 1965-70 growth in tax revenues) would be increased from 1.27 to 1.29 by the changes in tax rates.

The additional revenue raised by the tax rates proposed in the Supplementary Budget would make the long-term revenue yield of the current tax system virtually equal to that of the Commission's proposals as of their introduction (say, in 1969), only gradually becoming less as gross national product grew. The revenue lost in the transitional period

(estimated in Table 35-16 of the Report) would consequently have to be financed through additional taxes if it were desired to maintain tax revenues at a level equal to that yielded by the current tax system.

Again, it must be emphasized that only the direct revenue effects of the tax changes have been considered here. Because the tax changes would engender a higher rate of growth in full-employment levels of gross national product, this higher growth rate would yield still higher tax revenues.

TABLE 13

PROJECTION OF THE REVENUES YIELDED BY THE CURRENT  
(1966) TAX SYSTEM AS MODIFIED BY THE CHANGES  
IN TAX RATES PROPOSED IN DECEMBER, 1966  
(millions of dollars)

	<u>1964</u>	<u>1965</u>	<u>1970</u>
Corporation income tax	1,941	2,092	2,951
Gift and estate taxes	143	164	283
Personal income tax	2,776	3,285	5,467
Sales and excise taxes	<u>1,742</u>	<u>1,911</u>	<u>2,697</u>
TOTAL	<u>6,602</u>	<u>7,452</u>	<u>11,398</u>

Note: As in Table 12, except that program control parameters are as shown in the third column of Table E-4 in Appendix E rather than in the first column.

To put this in other terms, the higher growth in tax revenues resulting from adoption of the Commission's proposals would come from two sources: (1) the effect of the higher GNP-elasticity of tax revenues from the proposed tax system, and (2) the effect on tax revenues of the higher rate of growth of potential GNP that would result from adoption of the proposed tax system. Only the first effect has been discussed in this section.

### 3.4 The Incidence of Tax Changes On Different Taxpayers

The estimates of revenue changes presented in Chapter 35 of the Report are based upon the assumptions specified in Table C-3 of Appendix C. Incidence estimates based on these assumptions are presented in Chapter 36 of the Report. 10/

Revised estimates of the incidence of direct tax changes corresponding to the updated revenue estimates presented above in section 3.2 are presented in Tables 14, 15 and 16. These tables are revisions of Tables 36-4, 36-5 and 36-7 in Chapter 36 of the Report. 11/ Detailed incidence estimates on an updated basis for individuals classified by age/occupation/ sex class as well as by income are presented in a companion study. 12/ As in Chapter 36, "income" classes in all cases are defined in terms of net assessable income under the Commission's proposals, that is, as total income assessable less the deductions from income allowed under the Commission's proposals.

While slight differences in the pattern of incidence by income classes arise as a result of the changed estimation of attributable benefits, the major differences between the results presented in Table 36-4 of the Report and those shown in Table 14 arise from the effect of the increase in old age security taxes on taxpayers currently with taxable income, in excess of \$3,000. (Because of family exemptions and additional personal deductions allowed under current tax law, as well as because of the lesser proportion of comprehensive base income assessable under current tax law, a currently taxable income of \$3,000 would on the average be equivalent to a net assessable income under the Commission's proposals of something between \$4,300 and \$6,200, the precise amount depending on family status.) Moreover, because this increase is limited to a maximum of \$120 per taxpayer and

TABLE 14

REVISED ESTIMATES OF THE AVERAGE INCIDENCE  
OF CHANGES IN DIRECT TAXES ON RESIDENT  
INDIVIDUALS IN EACH INCOME CLASS

Income Class	Number of Taxpayers in Class	Average Comprehensive Base Income \$	Percentage of Comprehensive Base Income Currently Assessable %	Average Direct Taxes	
				Current \$	Proposed \$
Less than \$1,000	755,445	533	99.8	12	—
\$1,000 - 1,999	874,179	1,536	99.1	50	21
2,000 - 2,999	1,129,374	2,549	97.4	140	110
3,000 - 3,999	1,116,119	3,625	96.5	252	212
4,000 - 4,999	1,003,708	4,726	95.2	376	330
5,000 - 5,999	632,743	5,754	94.0	512	466
6,000 - 7,999	649,670	7,171	92.9	774	701
8,000 - 9,999	225,262	9,363	90.1	1,240	1,132
10,000 - 11,999	84,375	11,564	83.7	1,722	1,659
12,000 - 14,999	85,157	14,152	81.2	2,262	2,237
15,000 - 19,999	64,984	18,042	79.0	3,243	3,257
20,000 - 24,999	29,402	23,199	77.0	4,687	4,746
25,000 - 34,999	29,726	30,032	76.2	6,804	6,961
35,000 - 49,999	19,183	43,053	72.6	10,856	11,994
50,000 - 74,999	10,663	61,491	72.2	17,079	19,828
75,000 - 99,999	3,912	88,593	70.1	26,172	32,299
100,000 - 149,999	3,039	121,862	69.4	37,624	48,689
150,000 - 199,999	981	174,608	68.5	55,679	74,756
200,000 - 299,999	848	241,031	67.9	78,591	107,667
300,000 or more	625	561,918	68.1	193,758	265,504
ALL CLASSES	6,719,445	4,714	90.3	553	543

Note: All taxes are before abatements to the provinces. Current taxes include old age security taxes, attributed corporate income taxes, and attributed taxes on gifts and bequests. As in Appendix H, proposed taxes include the attribution of tax deferrals on the investment income of Registered Retirement Income Plans. Income classes are defined in terms of net assessable income under the Commission's proposals.

TABLE 15

REVISED ESTIMATES OF AVERAGE EFFECTIVE RATES OF  
FEDERAL DIRECT TAXES FOR RESIDENT INDIVIDUALS

Income	Average Tax Rates on Comprehensive Base Income		Percentage Change in Direct Taxes
	Current	Proposed	
	%	%	%
Less than \$1,000	2.3	0.1	-97.7
\$1,000 - 1,999	3.3	1.4	-57.5
2,000 - 2,999	5.5	4.3	-21.9
3,000 - 3,999	7.0	5.8	-16.1
4,000 - 4,999	7.9	7.0	-12.2
5,000 - 5,999	8.9	8.1	-9.0
6,000 - 7,999	10.8	9.8	-9.5
8,000 - 9,999	13.2	12.1	-8.7
10,000 - 11,999	14.9	14.3	-3.6
12,000 - 14,999	16.0	15.8	-1.1
15,000 - 19,999	18.0	18.1	0.5
20,000 - 24,999	20.2	20.5	1.3
25,000 - 34,999	22.7	23.2	2.3
35,000 - 49,999	25.2	27.9	10.5
50,000 - 74,999	27.8	32.2	16.1
75,000 - 99,999	29.5	36.5	23.4
100,000 - 149,999	30.9	40.0	29.4
150,000 - 199,999	31.9	42.8	34.3
200,000 - 299,999	32.6	44.7	37.0
300,000 or more	34.5	47.2	37.0
ALL RESIDENTS	11.7	11.5	-1.8

Note: Average effective rates of tax are calculated by dividing total direct taxes paid by or attributable to taxpayers in each class by the taxpayers' total comprehensive income. The reduction would be more than 100 per cent for a number of individuals in the bottom income class because of the attribution of some credits for corporation income tax to trustees of Registered Retirement Income Plans. Other notes as in Table 14.



TABLE 16

REVISED ESTIMATES OF THE NUMBERS OF TAXPAYERS  
IN EACH INCOME CLASS WITH DIFFERENT PER CENT  
CHANGES IN DIRECT TAXES

Income	Number of Taxpayers for Whom Direct Taxes Are Eliminated	Numbers of Taxpayers Still Paying Direct Taxes for Whom Direct Taxes Are:					Number of Taxpayers Added to Direct Tax Roll	Total
		Reduced by More Than 25%	Reduced by 5% to 25%	Changed by Less Than 5%	Increased by 5% to 25%	Increased by More Than 25%		
Less than \$1,000	477,595	259,068	—	18,782	—	—	—	755,445
\$1,000 - 1,999	230,690	455,014	121,707	34,756	13,553	18,091	368	874,179
2,000 - 2,999	165,695	434,078	292,221	160,879	29,879	46,359	263	1,129,374
3,000 - 3,999	156,727	252,538	529,010	89,782	65,781	21,939	342	1,116,119
4,000 - 4,999	46,496	307,116	407,220	168,833	51,233	22,679	131	1,003,708
5,000 - 5,999	4,984	50,921	379,700	127,075	46,906	22,761	446	632,793
6,000 - 7,999	515	33,470	424,514	123,296	45,473	22,232	170	649,670
8,000 - 9,999	95	4,618	148,559	41,669	23,622	6,699	—	225,262
10,000 - 11,999	52	1,312	44,829	17,603	17,369	3,210	—	84,375
12,000 - 14,999	45	228	40,594	19,885	21,720	2,685	—	85,157
15,000 - 19,999	18	163	29,455	14,364	18,234	2,750	—	64,984
20,000 - 24,999	4	76	11,391	7,518	8,873	1,540	—	29,402
25,000 - 34,999	3	31	11,924	7,239	7,559	2,970	—	29,726
35,000 - 49,999	1	3	404	8,110	7,006	3,659	—	19,183
50,000 - 74,999	—	—	12	2,155	5,206	3,290	—	10,663
75,000 - 99,999	—	—	—	105	1,866	1,941	—	3,912
100,000 - 149,999	—	—	—	55	1,172	1,812	—	3,039
150,000 - 199,999	—	—	—	11	260	710	—	981
200,000 - 299,999	—	—	—	20	130	698	—	848
300,000 or more	—	—	2	10	41	572	—	625
ALL CLASSES	1,082,920	1,798,636	2,441,542	842,147	365,883	186,597	1,720	6,719,445

Note: As in Table 14, all direct taxes are before abatements to the provinces; current direct taxes include old age security taxes, attributed corporate income taxes, and attributed taxes on gifts and bequests; and proposed direct taxes include tax deferrals on the investment income of Registered Retirement Income Plans.

so is regressive for taxpayers with currently taxable income in excess of \$6,000, its primary impact is limited to middle-income taxpayers. The average increase in direct taxes resulting from the budgeted increase is as follows for taxpayers in several income classes:

Average Change in OAS Tax Proposed  
in December 1966 Supplementary Budget

<u>Income</u>	<u>Increase in Taxes</u> \$	<u>Percentage Increase</u> %
\$5,000 - 5,999	15	3.0
6,000 - 7,999	44	6.1
8,000 - 9,999	100	8.7
10,000 - 11,999	120	7.5
12,000 - 14,999	120	5.5
15,000 - 19,999	120	3.8

As a result of this increase and of the effect of the changes in assumptions, the income range for which direct taxes are on the average reduced under the Commission's proposals is extended from up to \$10,000 to up to \$15,000. Moreover, the range of incomes over which direct taxes are on the average not significantly increased is extended from up to \$10,000 to up to \$25,000. The extent to which taxes are increased on the average for incomes in excess of \$75,000 is, however, little changed. The average change in direct taxes by broad income class is as follows:

Average Change in Direct Taxes Resulting  
from the Commission's Proposals

<u>Income</u>	<u>Decrease in Taxes</u> \$	<u>Increase in Taxes</u> \$	<u>Percentage Change</u> %
Less than \$5,000	33	—	-18.5
\$5,000 - 9,999	67	—	- 9.2
10,000 - 14,999	44	—	- 2.2
15,000 - 24,999	—	28	0.8
25,000 - 49,999	—	542	6.5
50,000 or more	—	8,730	27.3

The change shown for middle-income taxpayers in this table may be compared to the following results shown in Chapter 36 of the Report: a decrease of \$22 for taxpayers with incomes of \$5,000 - \$9,999, an increase of \$74 in incomes between \$10,000 and \$14,999, and an increase of \$142 for incomes between \$15,000 and \$24,999.

Revised estimates are provided in Appendix H to this study of the data which are presented in Appendix C to Volume 6 of the Report; these estimates show the changes in direct taxes resulting from each of the major reforms recommended by the Commission for individuals in each income class. Corresponding estimates of the changes in components of the personal income tax base resulting from the joint effect of all proposed reforms are shown in Appendix L to this study, together with total personal income taxes, corporation income taxes, and gift and estate taxes allocable to individuals in each income class. Current gift and estate taxes are attributed to the recipients of gifts and bequests in accordance with estimates of the amount of income obtained from this category by different individuals. 13/

Since direct taxes are on the average reduced over a larger income range as a result of the higher current taxes resulting from the increases announced in the December 1966 Budget, the number of individuals who would have their taxes reduced as a result of the Commission's proposals would be larger. Estimates of the distribution of taxpayers by percentage change in direct taxes are shown in Table 16. The number of individuals whose taxes would be changed by more than 15 per cent as a result of these proposals is estimated to be as follows:

Income	Numbers of Taxpayers for Whom		
	Direct Taxes are Decreased by More than 15%	Direct Taxes are Changed by Less Than 15%	Direct Taxes are Increased by More Than 15%
Less than \$5,000	3,214,297	1,491,505	173,023
\$5,000 - 9,999	618,489	790,051	99,185
10,000 - 14,999	18,252	130,233	21,047
15,000 - 24,999	1,709	79,345	13,352
25,000 - 49,999	176	35,898	12,835
50,000 or more	--	7,119	12,949

All in all, over 3.8 million taxpayers—more than one half of all taxpayers—would have direct taxes paid by or attributable to them reduced by more than 15 per cent. This estimate compares to the estimate of 3.1 million taxpayers cited in Chapter 36 of the Report. Of these, more than 1.1 million would pay no direct taxes even though direct taxes are currently paid on income attributable to them. Somewhat over 330,000 taxpayers would have direct taxes attributable to them increased by more than 15 per cent.

All estimates of changes in taxes for individuals in different income classes discussed in this section have up to this point been concerned only with direct taxes. The incidence of sales taxes has been discussed in Chapter 36; since the increase in sales tax rate proposed in the December 1966 Supplementary Budget would simply increase all federal sales taxes paid by the same proportion, it is easy enough to calculate the effect of this increase. Updated estimates are presented in Appendix I to this study, which also extends the estimates presented in the Report to provide more detailed incidence estimates for families with incomes over \$10,000.

Table 17 presents estimates of the incidence of changes in direct taxes and sales taxes combined on families in different income classes. These estimates are based on assuming average direct taxes attributable to families in each income class to be the same as the average direct taxes attributed to all taxpayers in this class, even though the combined effect

TABLE 17

REVISED ESTIMATES OF THE CHANGE IN SALES  
AND DIRECT TAXES COMBINED FOR FAMILIES  
IN DIFFERENT INCOME CLASSES

Income Class	Average Current Tax			Average Change in Taxes	Percentage Change %
	Direct Taxes \$	Sales Tax \$	Total \$		
Less than \$2,000	33	87	120	-31	-25.8
2,000 - 2,999	140	157	297	-56	-18.9
3,000 - 3,999	252	231	483	-84	-17.4
4,000 - 4,999	376	275	651	-113	-17.4
5,000 - 6,999	601	379	980	-130	-13.2
7,000 - 9,999	978	549	1,527	-203	-13.3
10,000 - 11,999	1,722	553	2,275	-87	-3.8
12,000 - 14,999	2,262	614	2,876	-17	-0.6
15,000 - 19,999	3,243	707	3,950	31	0.8
20,000 - 24,999	4,687	745	5,432	232	4.3
25,000 - 49,999	9,295	959	10,254	786	7.8
50,000 and over	31,901	2,400	34,301	9,019	26.3
ALL CLASSES	553	293	846	-55	-6.5

Note: Average direct taxes attributable to families in each income class are assumed to be the same as the average direct taxes attributable to all taxpayers in that income class. Current taxes include old age security taxes; all taxes are before abatements to the provinces. For other notes see Appendix I. As in other incidence tables, the effect of the allowance of income averaging and of aggregating incomes within each family unit has not been reflected in the above figures.

Source: Table 14 and Appendix I.

of aggregating incomes in each family unit and taxing the aggregate income under the family rate schedule instead of the rate schedule for unattached individuals will be to reduce taxes somewhat for lower- and middle-income families and increase taxes for upper-income families.

It should be noted that the estimates of incidence of sales taxes among families with incomes over \$10,000 are less accurate than the corresponding estimates for families with incomes below \$10,000; for this reason, all families with incomes over \$10,000 were lumped together in tables presented in the Report. Nevertheless, the greater detail shown for families over \$10,000 in Table 17 shows a substantially different incidence of all taxes combined on families with incomes below \$25,000 than on families with incomes over this amount. This pattern would not be materially changed were a different set of reasonable assumptions to be used in the calculations shown in Appendix I.

### 3.5 The Incidence of Tax Changes On Income Components

Because the effects of the Commission's recommendations on taxes paid by individuals vary widely, depending on the composition of assessable income attributable to each individual, it is necessary to compute estimates of the incidence on particular components of income of the tax changes resulting from the proposed returns in order to analyze the implications of these changes for economic decisions and hence for aggregate economic growth.

Two types of analysis of the effects of the Commission's proposals on the taxation of income components have been performed: (1) preparation of detailed examples showing tax changes for individuals in different income and family situations with income solely from either wages and salaries

(as in Appendix I to Volume 3 of the Report) or corporate sources (as in Appendix M to Volume 4); and (2) analyses of the 1964 tax return sample to obtain average effective tax rates (and average effective marginal rates) for each major component of income. The latter are presented in updated form in a companion study. 14/

Updated versions of Appendix I to Volume 3 and Appendix M to Volume 4 are presented as Appendices J and K to this study.

# REFERENCES

- 1/ The selection of the sample is described in detail in 1966 Taxation Statistics, Part One—Individual Income Tax Returns in 1964 (Ottawa 1: Queen's Printer, 1966), p. 97.
- 2/ In addition, it should be noted that some errors found in the programmed calculations were eliminated. These errors consisted of (1) incorrectly setting FRET to zero before entering OPKDED, (2) failing to multiply ASS(27) by XN in line BSDJ1170, and (3) failing to multiply ASS(26) by XN in line ADJF1880. These errors may be replicated if desired by setting ISW(10) to unity.
- 3/ The estimates are obtained using the assumption parameter values specified in Table C-1. Based on these assumptions, attributable benefits amounted to \$531 million in 1964, of which top employee benefits amounted to \$33 million, other employee benefits amounted to \$370 million, attributable personal expenses deducted under current tax law by self-employed professionals and commission salesmen amounted to \$90 million, and additional attributable personal expenses deducted under current tax law in computing income from unincorporated business sources amounted to \$38 million. Cf. Table 35-7 in Chapter 35 and Note 29 in Appendix A to Volume 6 of the Report.
- 4/ The ratio of dividends received by individuals not required to file tax returns to total dividends reported on individual tax returns was estimated to have been roughly 1/60 in the United States on the basis of 1958 data by D. M. Holland, Dividends under the Income Tax (Princeton: Princeton University Press, 1962), p. 65. The estimate obtained by applying this fraction to the \$451 million of dividends reported on 1964 tax returns by Canadian individuals was adjusted to reflect the different filing requirements and the greater incentives under Canadian tax law to transfer investment assets to wives. No attempt was made to adjust this figure to reflect the smaller proportion of income received as investment income by low-income individuals in Canada.
- 5/ The estimates imply that unreported dividends amounted to an average of 13.2 per cent of reported dividends for all individuals with taxable incomes less than \$10,000, which probably overstates actual under-reporting by a considerable margin. This compares with an estimated average under-reporting equal to between 50 per cent and 90 per cent of reported dividends for those United States individuals who only partially reported dividend income in 1959 and with adjusted gross income of \$7,000 or less. However, this under-reporting was the equivalent of roughly 5 per cent of dividends reported by all individuals in that income class. Cf. Holland, op.cit., Table 21 and also pp. 108-109.



- 6/ Under the Commission's recommendations cash distributions out of untaxed surplus would be regarded as a return of capital and would result merely in a reduction of the cost basis of the recipient shares. Such cash distributions would consequently be subject to tax only upon disposition of the shares. In making the estimates presented in Volume 6 of the Report, it was assumed that there would be no net deferral of tax on distributions out of untaxed surplus; cf. Note 22 in Appendix A to Volume 6.
- 7/ Cash distributions out of untaxed surplus were assumed to amount to 10 per cent of total cash dividends received. It was estimated, based on data presented in the Report and in 1966 Taxation Statistics, Part Two, that untaxed corporate income attributable to resident individuals under the Commission's proposals would amount to \$270 million, of which somewhat under \$180 million would be allocable to large corporations. The estimated fraction of distributions made out of untaxed surplus was made taking into account the larger dividend payout ratios of larger firms and the concentration of a significant portion of these untaxed amounts in a relatively small number of firms.
- 8/ It should be noted that this change in the total additional tax base attributable to individuals who filed tax returns in 1964 results partly from the fact that certain additions to the tax base not attributable to such individuals were included in the totals presented in Table 35-10 of the Report. These excludable additions include the following: (1) unreported dividends and allocated taxed corporate retained income attributable to resident individuals not filing tax returns in 1964 estimated to amount to \$9 million and \$38 million, respectively; (2) retained taxed corporate retained income allocable to resident individuals which was assumed not to be allocated to shareholders, estimated as \$64 million; and (3) capital gains (net of capital losses), realized on real property owned by non-residents, assumed to have amounted to \$65 million.
- 9/ More specifically, the GNP-elasticity of tax revenues is defined as the ratio of the percentage change in tax revenues occurring over any period to the percentage change in GNP over the same period.
- 10/ The estimates presented in Tables 36-4 and 36-7 of Chapter 36 for all individuals filing tax returns in 1964 are derived from the complete data file with control parameters specified in the first column of Table E-4 of Appendix E and with ITABSW(3) = 1. The estimates presented in Tables 36-8 and 36-9 are derived from exactly the same input except that KCHNGE is set to 4 instead of to 1.
- 11/ The revised estimates presented in Tables 12 through 14 are derived from the complete data file using the modified assumptions specified in Table C-1 and the control parameters specified in the third column of Table E-4.

- 12/ J. Bossons, Who Benefits and Who Pays: The Incidence on Different Income and Occupation Groups of Income Tax Changes Resulting from the Commission's Recommendations, a study published by the Commission. Information on the changes in components of the tax base and in each major form of direct tax for individuals in each income and age/occupation/sex group are presented in J. Bossons, Components of Taxable Income for Resident Individuals, another study published by the Commission.
- 13/ The basis for these estimates is described in Note 32 in Appendix A to Volume 6 of the Report. The estimates of aggregate gifts and bequests are substantially more reliable than the estimates of the distribution of this aggregate over individuals. For individuals, gifts and bequests are assumed to be an increasing function of currently taxable income and of the fraction of income obtained from estate income and fixed-income investments; the precise distribution function is described by the listing of subroutines BASADJ and GIFTS in Appendix A to this study.
- 14/ J. Bossons, Changes in Direct Taxes on the Components of Income, a study published by the Commission.

## CHAPTER 4

### FUTURE EXTENSIONS

This chapter contains a number of remarks about some additional applications for which the General Income Tax Analyzer potentially is a useful tool. It is meant to be neither an exhaustive list nor a program; its primary purpose is to discuss some of the major remaining deficiencies in the revenue and incidence analyses which could be eliminated.

It should be noted that the accuracy of the assumptions stated in Appendix C and implied by the logic of the programs listed in section 2.3 of Appendix A to this study has not been discussed in this study; these assumptions are briefly evaluated in Appendix A to Volume 6 of the Report. Further testing of these assumptions against existing data will yield improved specification of the relationship between currently assessable income and comprehensive base income; the additional data which would be generated with the implementation of the Commission's recommendations would give rise to augmented opportunities for such testing. The concern of this chapter is with deficiencies in the scope of the analyses which have been made, rather than with their accuracy.

Two primary deficiencies are pointed out: the fact that two important recommendations have not been incorporated with the GITAN analyses, and the crudeness of the elasticity estimates which have been made. Further work on these topics would be profitable.

#### 4.1 Measuring the Effect of Omitted Reforms

Numerous reforms proposed by the Commission have of course been omitted from the set of reforms analyzed in the current specification of the income tax analyzer. Most of these are of minor and offsetting significance in their effects on aggregate tax revenues and on the incidence of the tax changes resulting from the Commission's proposals. However, two omitted reforms are of material importance, especially in their effects on incidence: the allowance of income averaging, and the aggregation of incomes in each family unit.

The incorporation of each of these omitted reforms in the income tax analyzer would require additional data. To analyze the effect of different income averaging schemes, it would be necessary to have tax returns for a suitable number of years prior to the current year for each of the individuals included in a sample. Given that the tax return data for each prior year were sufficient to provide the elements of the KLAS and SUM arrays defined in Appendix B to this study, it would then be a simple matter to estimate taxable income and taxes under the Commission's proposals in each year before averaging and then applying a specified averaging scheme to these data. Alternatively, if only aggregate assessable income were available for each prior year for each individual, taxable income and taxes under the Commission's proposals in each prior year could be estimated given assumptions regarding the average elasticities of income components to total income for individuals in different income and age/occupation/sex classes or, more simply, for all individuals combined.

To analyze the effect of aggregating incomes with family units, it is necessary either to obtain a sample of families for whom the tax returns of

all income recipients are available or to use data on the joint distribution of incomes of multiple income recipients to project joint tax return data for a family from the data contained in the sample of individual tax returns. Data on the joint distribution of incomes of multiple income recipients in families are presented in Appendix G, which is derived from a special matching run made by the Department of National Revenue on their master name/address file for all individuals who filed tax returns in 1964. Given such data and a sample of individual tax returns classified by "preliminary family status" as defined in Appendix B, it would be possible to merge the appropriate number of selected pairs of individual tax returns from matchable "preliminary family status" files. By merging returns only after they have been separated by preliminary family status, it is possible to preserve a considerable amount of information concerning intra-family differences in occupation and increase composition which is contained in the sample of individual tax returns. The types of family tax units which can be constructed from the 1966 Taxation Statistics sample using the data summarized in Appendix G are shown by the resultant classification shown in Table 18. A merging program could be constructed which would have as output a file of constructed family units containing between 1 and 4 tax returns; each family tax unit and multiple income recipients would then be classified by the income family and dependant-claiming status of the tax unit and by the age/occupation/sex class of the family head. The output file could then be used together with a modified form of the programs presented in Appendix A to generate output on an aggregated tax unit basis.

The importance of performing this type of analysis is indicated both by the examples presented in Appendix I to Volume 3 of the Report of the varied incidence of tax changes among families with different ratios of a

spouse's income to total family income and by the data on the number of families involved presented in Table 19. Roughly one quarter of all 1964 tax returns were filed by individuals in families in which at least one other individual filed a return.

TABLE 18

CLASSIFICATION OF MERGED TAX UNITS BY FAMILY  
STATUS AND NUMBER OF INCOME RECIPIENTS

<u>Class</u>	<u>Family Status of Tax Unit</u>	<u>Occupation of Spouse</u>	<u>Number of Children Receiving Income</u>
1	family	not working	0
2	family	not working	1
3	family	not working	2
4	family	working	0
5	family	working	1
6	family	working	2
7	single individual	—	—

Note: In the output of the proposed merging program, the category entitled "children receiving income" would not include (1) children under 21 who opted to be included in the family even though earning some income and living away from home or (2) children over 21 who as full-time students opted to be taxed as a member of the family unit. In these two respects the classification scheme of this table differs from that proposed by the Commission. In both respects, this difference would understate the revenue yielded by aggregating income of these children into total income of the family unit.

TABLE 19

FAMILIES WITH MORE THAN ONE INCOME RECIPIENT  
FILING A TAX RETURN IN 1964

<u>Income Recipients In Family</u>	<u>Number of Families</u>	<u>Assumed Number of Tax Returns Per Family</u>	<u>Number of Returns Accounted for by Category</u>
Spouse receiving income:			
No children filing tax returns	558,253	2	1,116,506
One child filing a tax return	44,771	3	134,313
Two or more children filing returns	<u>8,056</u>	4	<u>32,224</u>
TOTAL	611,080		1,283,043
Spouse not receiving income:			
One child filing a tax return	166,922	2	333,844
Two or more children filing returns	<u>39,903</u>	3	<u>119,709</u>
TOTAL	206,825		453,553
TOTAL FOR ALL FAMILIES WITH MORE THAN ONE INCOME RECIPIENT	<u>817,905</u>		<u>1,736,596</u>

Note: Income recipients are defined to be any individuals filing a tax return. A spouse is defined to be any individual over 21 filing a tax return who has the same surname and address as another taxpayer over 21 but is of opposite sex. Children are defined as any individual 21 years old or younger having the same surname and address as another taxpayer who is older than 21.

Source: Appendix G.

#### 4.2 Improved Specification of Elasticity Models

The critical assumption made in the analyses underlying the elasticity estimates presented in section 3.3 of this study was that the percentage change in income from any component received by each individual over a period was equal to the percentage change in average per capita income from that component for all individuals. If all income components were assumed in the aggregate to grow at the same rate as GNP—as indeed was assumed for the 1965-70 projection—the assumption of equal percentage changes in each income component for all individuals would be equivalent to assuming that the relative distribution of incomes was unchanged. 1/

Changes in the distribution of incomes over time can be regarded as arising both from changes in the composition of aggregate income and from changes in the distribution of each component of income. In fact, however, changes in the distribution of income are generated by such variables as the age composition of the income-receiving population, changes in labour force skills, and changes in the distribution of production by region and industry, as well as by the effect of growth in per capita output; whether it is more useful to examine the distribution of income components given predetermined aggregate income shares than to specify the distribution of each component de novo is an open question. It would be valuable to specify and test models relating average income component levels for taxpayers classified by income and age/occupation/sex class to exogenous variables such as changes in average skills and training as well as to aggregate variables such as the change in that component for all individuals. Such analyses could be based upon historical data published in Taxation Statistics for successive years or (preferably) upon a panel of tax returns for the same set of individuals in successive years.



These general comments apply both to long-term changes in the distribution of incomes given full employment and to short-term changes over the course of the business cycle. It is of obvious interest to examine the short-term GNP elasticity of tax revenues and so to analyze the effect of changes in tax structure upon the built-in stabilizing properties of the tax system. To do so, however, it is of critical importance to develop an improved model of the cyclical behaviour of income shares at a disaggregated level. 2/

#### REFERENCES

- 1/ It should be emphasized that this assumption was applied only to incomes as currently assessed. Because of the many non-linearities in the assumed relationship between the components of currently assessable income and the corresponding components of comprehensive income, the relative distribution of comprehensive incomes did not remain unchanged.
- 2/ A model of the cyclical behaviour of aggregate income shares is presented in E. Kuh, "Income Distribution and Employment Over the Business Cycle," in The Brookings Quarterly Econometric Model of the United States (Chicago: Rand McNally, 1965), pp. 227-278.

## APPENDIX A

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1. GITAN - PART 1  
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1.1 TAX CALCULATION FUNCTIONS

	FUNCTION TAXCOM( ACCINC, CFROMI, MARTAL, DEP, IWWIFE, RATE,	TXCM0000
	1 BOTTOM, NCLASS, CRED, TXCRED )	TXCM0010
C		TXCM0020
C	SUBROUTINE TO COMPUTE TAX LIABILITY (VERSION OF 16/MAR/66)	TXCM0030
C	REVISED FOR TRI-RATE STRUCTURE, 11 JUNE/66	TXCM0040
C	ARGUMENTS	TXCM0050
C	ACCINC = ACCRUED TAXABLE INCOME	TXCM0060
C	CFROMI = NON-FAMILY TAX CREDIT	TXCM0070
C	MARTAL = MARITAL STATUS	TXCM0080
C	IF = 0, SINGLE INDIVIDUAL	TXCM0090
C	IF = 1, MARRIED COUPLE WITHOUT DEPENDANTS	TXCM0100
C	IF = 2, FAMILY WITH CHILDREN	TXCM0110
C	NOTE THAT MARTAL DEFINES SCHEDULE USED	TXCM0120
C	DEP = NUMBER OF DEPENDENTS	TXCM0130
C	IWWIFE = 0,1,2. IF = 1, BOTH SPOUSES WORKING	TXCM0140
C	IF = 2, BOTH SPOUSES WORKING AND SUPPORTING	TXCM0150
C	PRE-SCHOOL CHILDREN	TXCM0160
C	RATE = TAX RATE IN BRACKET	TXCM0170
C	BOTTOM = BOTTOM OF INCOME BRACKET	TXCM0180
C	NCLASS = NUMBER OF INCOME BRACKETS	TXCM0190
C	CRED = TAX CREDITS FOR INDIVIDUALS, MARRIED COUPLES,	TXCM0200
C	DEPENDENTS, WORKING WIVES WORKING MOTHERS, AND FIRST CHILD	TXCM0210
C	PLUS AMOUNTS OF INCOME WHICH ARE TAXED AT A ZERO RATE FOR EACH	TXCM0220
C	VALUE OF MARTAL	TXCM0230
C	TXCRED = TAX LOSS CARRY FORWARD (IF APPLICABLE)	TXCM0240
C		TXCM0250
	DIMENSION RATE(3,25), BOTTOM(25), CRED(25)	TXCM0260
	TXCRED = 0.0	TXCM0270
	K = MARTAL + 1	TXCM0280
	NN = NCLASS + 1	TXCM0290
	XMTINC = CRED(MARTAL+8)	TXCM0300
	BOTTOM(NCLASS + 1) = 1.0E35	TXCM0310
	TAXCOM = 0.0	TXCM0320
	IF (ACCINC .LE. XMTINC) RETURN	TXCM0330
	DO 104 J=2, NN	TXCM0340
	JJ=J-1	TXCM0350
	X = BOTTOM(JJ)	TXCM0360
	IF (XMTINC.GT.BOTTOM(JJ)) X = XMTINC	TXCM0370
	IF ( ACCINC - BOTTOM(J) ) 102,102, 103	TXCM0380
102	DELTA = ACCINC - X	TXCM0390
	IF (DELTA .LE. 0.) GO TO 104	TXCM0400
	TAXCOM = TAXCOM + DELTA*RATE(K,JJ)	TXCM0410
	GO TO 104	TXCM0420
103	DELTA = BOTTOM(J) - X	TXCM0430
	IF (DELTA.LE.0.) GO TO 104	TXCM0440

TAXCOM = TAXCOM + RATE(K,JJ)*DFLTA	TXCM0450
104 CONTINUE	TXCM0460
1041 X1 = 0.	TXCM0470
IF (MARTAL.GT.0) X1 = 1.	TXCM0480
X2 = DEP	TXCM0490
X3 = 0	TXCM0500
IF (IWWIFE.EQ.0) GO TO 1042	TXCM0510
X3 = 1	TXCM0520
X4 = IWWIFE - 1	TXCM0530
1042 CREDIT = (1.0-X1)*CRED(1) + X1*CRED(2) +	TXCM0540
1 X2*CRED(3) + X3*CRED(4)	TXCM0550
IF ( DEP) 106,106, 105	TXCM0560
105 CREDIT = CREDIT + X3*CRED(5) + CRED(6) + X4*CRED(7)	TXCM0570
106 TAXCOM = TAXCOM - CREDIT - CFROMI	TXCM0580
IF (TAXCOM) 107, 108,108	TXCM0590
107 TXCRED = -TAXCOM	TXCM0600
TAXCOM = 0.0	TXCM0610
108 RETURN	TXCM0620
END	TXCM0630

FUNCTION CURTAX( TAXABL, TCRED )	CRTX0000
C SUBROUTINE TO COMPUTE CURRENT TAX LIABILITY ON	CRTX0010
C GIVEN TAXABLE INCOME (VERSION OF 30/MAR/66)	CRTX0020
C ARGUMENTS	CRTX0030
C TAXABL = TAXABLE INCOME	CRTX0040
C TCRED = TAX CREDIT ALLOWED	CRTX0050
C	CRTX0060
C	CRTX0070
C COMMON /SWITCH/ ISW(25)	CRTX0080
C	CRTX0090
IF( TAXABL ) 98, 98, 99	CRTX0100
98 CURTAX = 0.0	CRTX0110
RETURN	CRTX0120
99 IF(TAXABL-1000.0) 100, 100, 101	CRTX0130
100 CURTAX = .11*TAXABL	CRTX0140
GO TO 132	CRTX0150
101 IF(TAXABL-2000.0) 102,102,103	CRTX0160
102 CURTAX = 110.0+ .14*(TAXABL-1000.0)	CRTX0170
GO TO 132	CRTX0180
103 IF(TAXABL-3000.0) 104,104,105	CRTX0190
104 CURTAX = 250.0+ .17*(TAXABL-2000.0)	CRTX0200
GO TO 132	CRTX0210
105 IF(TAXABL-4000.0) 106, 106, 107	CRTX0220
106 CURTAX = 420.0+ .19*(TAXABL-3000.0)	CRTX0230
GO TO 132	CRTX0240
107 IF(TAXABL-6000.0) 108,108,109	CRTX0250
108 CURTAX = 610.0+ .22*(TAXABL-4000.0)	CRTX0260
GO TO 132	CRTX0270
109 IF(TAXABL-8000.0) 110,110,111	CRTX0280
110 CURTAX = 1050.0+ .26*(TAXABL-6000.0)	CRTX0290
GO TO 132	CRTX0300
111 IF(TAXABL-10000.0) 112,112,113	CRTX0310
112 CURTAX = 1570.0+ .30*(TAXABL-8000.0)	CRTX0320
GO TO 132	CRTX0330
113 IF(TAXABL-12000.0) 114,114,115	CRTX0340
114 CURTAX = 2170.0+ .35*(TAXABL-10000.0)	CRTX0350
GO TO 132	CRTX0360
115 IF(TAXABL-15000.0) 116,116,117	CRTX0370

116	CURTAX = 2870.0+ .40*(TAXABL-12000.0)	CRTX0380
	GO TO 132	CRTX0390
117	IF(TAXABL-25000.0) 118,118,119	CRTX0400
118	CURTAX = 4070.0+ .45*(TAXABL-15000.0)	CRTX0410
	GO TO 132	CRTX0420
119	IF(TAXABL-40000.0) 120,120,121	CRTX0430
120	CURTAX = 8570.0+ .50*(TAXABL-25000.0)	CRTX0440
	GO TO 132	CRTX0450
121	IF(TAXABL-60000.0) 122,122,123	CRTX0460
122	CURTAX = 16070.0+ .55*(TAXABL-40000.0)	CRTX0470
	GO TO 132	CRTX0480
123	IF(TAXABL-90000.0) 124,124,125	CRTX0490
124	CURTAX = 27070.0+ .60*(TAXABL-60000.0)	CRTX0500
	GO TO 132	CRTX0510
125	IF(TAXABL-125000.0) 126,126,127	CRTX0520
126	CURTAX = 45070.0+ .65*(TAXABL-90000.0)	CRTX0530
	GO TO 132	CRTX0540
127	IF(TAXABL-225000.0) 128,128,129	CRTX0550
128	CURTAX = 67820.0+ .70*(TAXABL-125000.0)	CRTX0560
	GO TO 132	CRTX0570
129	IF(TAXABL-400000.0) 130,131,131	CRTX0580
130	CURTAX = 137820.0+ .75*(TAXABL-225000.0)	CRTX0590
	GO TO 132	CRTX0600
131	CURTAX = 269070.0+ .80*(TAXABL-400000.0)	CRTX0610
132	CONTINUE	CRTX0620
C	1966 TAX CUT AND OAS TAX	CRTX0630
	DECRES = 0.20*CURTAX	CRTX0640
	IF (DECRES.GT.20.) DECRES = 20.	CRTX0650
	CURTAX = CURTAX - TCRED - DECRES	CRTX0660
	IF (CURTAX.LT.0.) CURTAX = 0.	CRTX0670
	OASTAX = 0.04*TAXABL	CRTX0680
	IF (ISW(6) .EQ. 0 .AND. OASTAX .GT. 120.) OASTAX = 120.	CRTX0690
	IF (ISW(6) .EQ. 1 .AND. OASTAX .GT. 240.) OASTAX = 240.	CRTX0700
	CURTAX = CURTAX + OASTAX	CRTX0710
	RETURN	CRTX0720
	END	CRTX0730
	FUNCTION TAXMIN( HUS, WIF, DEP, CFIHUS, CFIWIF )	TXMN0000
C		TXMN0010
C	SUBROUTINE TO COMPUTE MINIMUM TAX UNDER EXISTING LAW	TXMN0020
C	FOR FAMILY WITH DEPENDENTS AND WORKING WIFE (VERSION OF 16/MAR/66)	TXMN0030
C	ARGUMENTS	TXMN0040
C	HUSB = TAXABLE INCOME OF HUSBAND BEFORE EXEMPTIONS	TXMN0050
C	WIFE = TAXABLE INCOME OF WIFE	TXMN0060
C	DEP = NUMBER OF DEPENDENTS	TXMN0070
C	CFIHUS = TAX CREDITS FROM INCOME OF HUSBAND	TXMN0080
C	CFIWIF = TAX CREDITS FROM INCOME OF WIFE	TXMN0090
C		TXMN0100
	HUSB = HUSB	TXMN0110
	WIFE = WIF	TXMN0120
	HUSB = HUSB - 1100.0	TXMN0130
	IF( WIFE - 250.0) 100, 100, 101	TXMN0140
100	TAXMIN = CURTAX( HUSB-1000.0-DEP*300.0, CFIHUS )	TXMN0150
	RETURN	TXMN0160
101	IF( WIFE - 1250.0) 102, 102, 103	TXMN0170
102	TAXMIN = CURTAX( HUSB+WIFE-1250.0-DEP*300.0, CFIHUS )	TXMN0180
	IF (WIFE .LE. 1100.) RETURN	TXMN0190
	TAXMIN = TAXMIN + CURTAX(WIFE-1100.,CFIWIF)	TXMN0200

IF (DEP .LT. 1.) RETURN	TXMN0210
TAX = CURTAX(HUSB+WIFE-1250.-(DEP-1.)*300., CFIHUS)	TXMN0220
IF (TAX .LT. TAXMIN) TAXMIN = TAX	TXMN0230
RETURN	TXMN0240
103 WIFE = WIFE - 1100.0	TXMN0250
IF( DEP ) 104, 104, 105	TXMN0260
104 TAXMIN = CURTAX( HUSB, CFIHUS ) + CURTAX( WIFE, CFIWIF )	TXMN0270
RETURN	TXMN0280
105 TAXMIN = CURTAX( HUSB-DEP*300.0, CFIHUS ) + CURTAX( WIFE, CFIWIF )	TXMN0290
DEPH = DEP	TXMN0300
106 DEPH = DEPH-1.0	TXMN0310
DEPW = DEP-DEPH	TXMN0320
IF( DEPH ) 107, 108, 108	TXMN0330
107 RETURN	TXMN0340
108 TAX = CURTAX(HUSB-DEPH*300.0,CFIHUS)+CURTAX(WIFE-DEPW*300.0,CFIWIF)	TXMN0350
1)	TXMN0360
IF( TAX - TAXMIN ) 109, 107, 107	TXMN0370
109 TAXMIN = TAX	TXMN0380
GO TO 106	TXMN0390
END	TXMN0400
FUNCTION TAXALT( TINC, CFROMI, MARTAL, DEP, IWWIFE, RATE, BOTTOM,	TXAL0000
1 NCLASS, CRED, OTHER, J, IALT )	TXAL0010
C	TXAL0020
C	TXAL0030
C	TXAL0040
C	TXAL0050
C	TXAL0060
C	TXAL0070
C	TXAL0080
C	TXAL0090
C	TXAL0100
C	TXAL0110
C	TXAL0120
C	TXAL0130
C	TXAL0140
C	TXAL0150
100 GAIN = OTHER(J)	TXAL0160
TPROP = TINC	TXAL0170
IF( TPROP - 10000. ) 1001, 1002, 1002	TXAL0180
1001 CFROMI = 0.	TXAL0190
1002 TPROP = TINC - GAIN	TXAL0200
TAXALT = TAXCOM( TPROP, CFROMI, MARTAL, DEP, IWWIFE,	TXAL0210
1 RATE, BOTTOM, NCLASS, CRED, TXCRED ) + .25*GAIN	TXAL0220
TPROP = TINC - .5*GAIN	TXAL0230
TAX = TAXCOM( TPROP, CFROMI, MARTAL, DEP, IWWIFE,	TXAL0240
1 RATE, BOTTOM, NCLASS, CRED, TXCRED )	TXAL0250
IF( TAXALT - TAX ) 102, 102, 101	TXAL0260
101 TAXALT = TAX	TXAL0270
102 RETURN	TXAL0280
C	TXAL0290
C	TXAL0300
C	TXAL0310
C	TXAL0320
103 GAIN = OTHER(J)	TXAL0330
RETURN	TXAL0340
END	TXAL0350

## 1.2 RATE SCHEDULE CHARACTERISTIC ANALYZERS

C	SUBROUTINE INPUT( BOTTOM, RATE, CRED, NCLASS, ITPOUT, CASENO)	INPT0000
	NUMBERED AS OF 9 JULY 1966	INPT0010
	DIMENSION CRED(25), BOTTOM(25), RATE(3,25)	INPT0020
	ITPIN = 5	INPT0030
	ITPOUT = 6	INPT0040
C		INPT0050
	READ (ITPIN,1) CASENO, NCLASS	INPT0060
	READ (ITPIN,4) (CRED(J), J=1,10)	INPT0070
100	READ (ITPIN,2)JBUF, BUF1, BUF2, BUF3, BUF4	INPT0080
C	READ DATA CARDS UNTIL BLANK CARD REACHED, THEN COMPUTE	INPT0090
	IF (JBUF) 101,101, 1001	INPT0100
1001	J=JBUF	INPT0110
	BOTTOM(J) = BUF1*1000.0	INPT0120
	RATE(1,J) = BUF2	INPT0130
	RATE(2,J) = BUF3	INPT0140
	IF (BUF4.GT.0.) GO TO 1002	INPT0150
	X = SIGN (1., BUF4)	INPT0160
	IF (X.LT.0.) BUF4 = BUF3	INPT0170
1002	RATE(3,J) = BUF4	INPT0180
	GO TO 100	INPT0190
101	RETURN	INPT0200
C		INPT0210
	1 FORMAT ( 5X, A5, I10 )	INPT0220
	2 FORMAT( 15, F5.0, 3F5.2 )	INPT0230
	4 FORMAT ( 10F5.0 )	INPT0240
	END	INPT0250
	SUBROUTINE SETUP( GROSS, TAXABL, NOFEX, NDEP )	SETP0000
C		SETP0010
C	SUBROUTINE TO DEFINE PARAMETERS OF TABLES GENERATED BY TAXTAB	SETP0020
C	(VERSION OF 16/MAR/66)	SETP0030
C		SETP0040
	DIMENSION GROSS(25), TAXABL(25), NDEP(6)	SETP0050
	DO 101 J=1,4	SETP0060
101	NDEP(J) = J-1	SETP0070
	NDEP(5) = 5	SETP0080
	NDEP(6) = 8	SETP0090
	NOFEX = 22	SETP0100
	GROSS(1) = 1500.0	SETP0110
	GROSS(2) = 2000.0	SETP0120
	GROSS(3) = 2500.0	SETP0130
	GROSS(4) = 3000.0	SETP0140
	GROSS(5) = 3500.0	SETP0150
	GROSS(6) = 4000.0	SETP0160
	GROSS(7) = 5000.0	SETP0170
	GROSS(8) = 6500.0	SETP0180
	GROSS(9) = 8000.0	SETP0190



GROSS(10) = 10000.0	SETP0200
GROSS(11) = 12000.0	SETP0210
GROSS(12) = 15000.0	SETP0220
GROSS(13) = 20000.0	SETP0230
GROSS(14) = 25000.0	SETP0240
GROSS(15) = 30000.0	SETP0250
GROSS(16) = 40000.0	SETP0260
GROSS(17) = 50000.0	SETP0270
GROSS(18) = 70000.0	SETP0280
GROSS(19) = 100000.	SETP0290
GROSS(20) = 200000.	SETP0300
GROSS(21) = 350000.	SETP0310
GROSS(22) = 600000.	SETP0320
DO 102 J=1, NOFEX	SETP0330
102 TAXABL(J) = GROSS(J)	SETP0340
RETURN	SETP0350
END	SETP0360

C	SUBROUTINE TAB1 (BOTTOM, RATE, CRED, NCLASS, ITPOUT, RCASE)	TAB10000
C	SUBROUTINE TO SUMMARIZE RATE SCHEDULE (VERSION OF 16/MAR/66)	TAB10010
C	REVISED FOR TRI-RATE STRUCTURE, 11 JUNF/66	TAB10020
C	NUMBERED AS OF 9 JULY 1966	TAB10030
C		TAB10040
C		TAB10050
	DIMENSION BOTTOM(25), RATE(3,25), CRED(25), CC(25),	TAB10060
1	RATIO(25), B(3), R(3)	TAB10070
C		TAB10080
	WRITE (ITPOUT,5) RCASE	TAB10090
	WRITE (ITPOUT,1)	TAB10100
	J = 0	TAB10110
	IXMPTN = 1	TAB10120
	DO 100 K = 1, 7	TAB10130
100	CC(K) = 0.0	TAB10140
	DO 1000 K = 8, 10	TAB10150
1000	CC(K) = CRED(K)	TAB10160
101	J=J+1	TAB10170
	A = BOTTOM(J)	TAB10180
1011	IF (IXMPTN .GT. 3) GO TO 1012	TAB10190
	IF (A.LT.CRED(8)) GO TO 101	TAB10200
	IF (A.LT.CRED(IXMPTN+7)) GO TO 1013	TAB10210
	IXMPTN = IXMPTN + 1	TAB10220
	IF (CRED(IXMPTN+6).LE.0.) GO TO 1011	TAB10230
	J = J - 1	TAB10240
	A = CRED(IXMPTN+6)	TAB10250
	GO TO 1013	TAB10260
	GO TO 1013	TAB10270
1013	I = 1	TAB10280
102	B(I) = TAXCOM( A, 0.0, I-1, 0.0, RATE, BOTTOM, NCLASS, CC, TAXCRED)	TAB10290
1)		TAB10300
	R(I) = RATE(I,J)	TAB10310
	IF (I .GE. IXMPTN) R(I) = 0.	TAB10320
	GO TO ( 103, 103, 104 ), I	TAB10330
103	I = I + 1	TAB10340
	GO TO 102	TAB10350
104	WRITE (ITPOUT,3) A, (R(I), B(I), I = 1, 3)	TAB10360
	IF (J - NCLASS) 101, 105, 105	TAB10370
105	WRITE (ITPOUT,4) ( CRED(J), J=1,7 )	TAB10380
	RETURN	TAB10390

C	1 FORMAT ( 1H0, 1X, 7HTABLE 1 / 1H0, 1X, 13HRATE SCHEDULE /	TAB10400
	1 1H0, 20X, 11HINDIVIDUALS, 14X, 21HFAMILIES W/O CHILDREN,	TAB10410
	1 6X, 22HFAMILIES WITH CHILDREN /	TAB10420
	2 1H0, 1X 7HBRACKET, 8X, 8HMARGINAL, 4X, 6HTAX AT, 2(12X,	TAB10430
	3 8HMARGINAL, 4X, 6HTAX AT ) / 2X, 6HBOTTOM, 11X,	TAB10440
	4 4HRATE, 6X, 6HBOTTOM, 2(14X, 4HRATE, 6X, 6HBOTTOM) / 1X )	TAB10450
	3 FORMAT ( 1X, F8.0, F13.2, F13.0, 2(F17.2, F13.0) )	TAB10460
	4 FORMAT ( 1H0, 7HCREDITS / 4X, 10HINDIVIDUAL, 10X, F5.0 /	TAB10470
	1 4X, 7HMARRIED, F18.0 / 4X, 9HDEPENDENT, F16.0 /	TAB10480
	2 4X, 12HWORKING WIFE, F13.0 / 4X, 14HWORKING MOTHER,	TAB10490
	3 F11.0 / 4X 14HADDITIONAL FOR / 8X 11HFIRST CHILD, F14.0 /	TAB10500
	4 4X 14HADDITIONAL FOR / 8X 19HWORKING MOTHER WITH / 8X	TAB10510
	5 13HCHILD UNDER 7 F12.0 )	TAB10520
	5 FORMAT (1H1,14HRATE SCHEDULE , A6 / 1H0)	TAB10530
	END	TAB10540
		TAB10550

	SUBROUTINE TAB2( BOTTOM, RATE, CRED, NCLASS,ITPOUT )	TAB20000
C	COMPUTE DIFFERENCE BETWEEN TAXATION OF MARRIED AND SINGLE	TAB20010
C	TAXPAYERS (VERSION OF 16/MAR/66)	TAB20020
C		TAB20030
	DIMENSION BOTTOM(25), RATE(3,25), CRED(25), GROSS(25), TAXABL(25),	TAB20040
	1 NDEP(6)	TAB20050
C	WRITE (ITPOUT,1)	TAB20060
	CALL SETUP( GROSS, TAXABL, NOFFX, NDEP )	TAB20070
	J=0	TAB20080
	100 J=J+1	TAB20090
	B = GROSS(J)	TAB20100
	1005 A = TAXCOM( B, 0.0,0,0.0,0, RATE, BOTTOM, NCLASS, CRED, TXCRED )	TAB20110
	C = TAXCOM( B, 0.0,1,0.0,0, RATE, BOTTOM, NCLASS, CRED, TXCRED )	TAB20120
	IF (A) 1006,1006, 1007	TAB20130
	1006 A = 0.0	TAB20140
	GO TO 1008	TAB20150
	1007 A = 100.0*(1.0 - C/A)	TAB20160
	1008 WRITE (ITPOUT,2)GROSS(J), A	TAB20170
	IF (J - NOFEX) 100, 101,101	TAB20180
	101 RETURN	TAB20190
C		TAB20200
	1 FORMAT ( 1H1, 7HTABLE 2 / 1H0,	TAB20210
	1 36HPERCENT DECLINE IN TAX WITH MARRIAGE /	TAB20220
	2 1H0 / 19X, 7HPERCENT/5X,6HINCOME, 9X, 7HDECLINE / 1H )	TAB20230
	2 FORMAT ( F11.0, F15.1 )	TAB20240
	END	TAB20250
		TAB20260
		TAB20270

	SUBROUTINE TAB2A (BOTTOM, RATE, CRED, NCLASS, ITPOUT)	TB2A0000
C	COMPUTE DIFFERENCE BETWEEN TAXES OF MARRIED COUPLE AND COMBINED	TB2A0010
C	TAXES OF TWO SINGLE PERSONS EACH WITH HALF THE COUPLE'S INCOME	TB2A0020
C		TB2A0030
	DIMENSION BOTTOM(25), RATE(3,25), CRED(25), GROSS(25), TAXABL(25),	TB2A0040
	\$ NDEP(6)	TB2A0050
	WRITE (ITPOUT,1)	TB2A0060
		TB2A0070

	CALL SETUP (GROSS, TAXABL, NOFFEX, NDEP)	TB2A0080
	J = 0	TB2A0090
100	J = J + 1	TB2A0100
	B = GROSS(J)	TB2A0110
	A = 2.*TAXCOM(B/2., 0., 0, 0., 0, RATE, BOTTOM, NCLASS, CRED, D)	TB2A0120
	C = TAXCOM(B, 0., 1, 0., 0, RATE, BOTTOM, NCLASS, CRED, D)	TB2A0130
	IF (A .LE. 0.) A = 0.	TB2A0140
	IF (A .GT. 0.) A = 100.*((C/A)-1.)	TB2A0150
	WRITE (ITPOUT,2) GROSS(J),A	TB2A0160
	IF (J .LT. NOFEX) GO TO 100	TB2A0170
	RETURN	TB2A0180
C		TB2A0190
	1 FORMAT (1H1, 8HTABLE 2A / 1H0,	TB2A0200
	\$ 36HPERCENT INCREASE IN TAX FOR 2 SINGLE ,	TB2A0210
	\$ 35H PERSONS WITH SAME INCOME WHO MARRY / 1H0,	TB2A0220
	\$ 19X, 7HPERCENT / 5X, 6HINCOME, 9X, 8HINCREASE / 1H )	TB2A0230
	2 FORMAT (F11.0, F15.1)	TB2A0240
	END	TB2A0250
	SUBROUTINE TAB3( BOTTOM, RATE, CRED, NCLASS, ITPOUT )	TAB30000
C		TAB30010
	COMPUTE IMPLICIT MARRIAGE TAX FOR FAMILIES WITH WORKING BRIDE	TAB30020
C	(VERSION OF 16/MAR/66)	TAB30030
C		TAB30040
	DIMENSION BOTTOM(25), RATE(3,25), CRED(25), TAXM(3)	TAB30050
	DIMENSION GROSS(25), TAXABL(25), NDEP(6)	TAB30060
C		TAB30070
	WRITE (ITPOUT,1)	TAB30080
	CALL SETUP( GROSS, TAXABL, NOFEX, NDEP )	TAB30090
	J=0	TAB30100
100	J=J+1	TAB30110
	A = GROSS(J)	TAB30120
	I=1	TAB30130
	AA = 0.2*A	TAB30140
102	B = TAXCOM( AA, 0.0,0,0.0,0, RATE, BOTTOM, NCLASS, CRED, TXCRED )	TAB30150
	AA = A-AA	TAB30160
	B = B + TAXCOM( AA, 0.0,0,0.0,0, RATE, BOTTOM, NCLASS,CRED, TXCRED	TAB30170
	1 )	TAB30180
	AA = TAXCOM( A, 0.0, 1, 0.0, 1, RATE, BOTTOM, NCLASS, CRED, TXCRED	TAB30190
	1 )	TAB30200
	TAXM(I) = AA-B	TAB30210
	GO TO ( 103, 1031, 104 ), I	TAB30220
103	I=2	TAB30230
	AA = 0.35*A	TAB30240
	GO TO 102	TAB30250
1031	I=3	TAB30260
	AA = 0.5*A	TAB30270
	GO TO 102	TAB30280
104	WRITE (ITPOUT,2)A, (TAXM(K), K=1,3)	TAB30290
	IF (J - NOFEX) 100, 105,105	TAB30300
105	RETURN	TAB30310
C		TAB30320
	1 FORMAT ( 1H1, 7HTABLE 3 / 1H0, 12HMARRIAGE TAX / 1H0 /	TAB30330
	1 1H0, 10X,6HINCOME, 10X,7HwIFF=.2, 10X,8HWIFE=.35,	TAB30340
	2 9X,7HWIFE=.5 / 1X )	TAB30350
	2 FORMAT ( F16.0, 3F17.1 )	TAB30360
	END	TAB30370

C	SUBROUTINE TAB4( BOTTOM, RATE, CRED, NCLASS, ITPOUT )	TAB40000
C		TAB40010
C	INCREASE IN TAX THROUGH FILING SEPARATELY (VERSION OF 16/MAR/66)	TAB40020
C		TAB40030
	DIMENSION BOTTOM(25), RATE(3,25), CRED(25), GROSS(25), TAXABL(25),	TAB40040
	1 NDEP(6), TAX(3)	TAB40050
C		TAB40060
	CALL SETUP( GROSS, TAXABL, NOFFX, NDEP )	TAB40070
	WRITE (ITPOUT,1)	TAB40080
	J = 0	TAB40090
100	J = J+1	TAB40100
	A = GROSS(J)	TAB40110
	I = 1	TAB40120
102	C = TAXCOM (A, 0., 1, 0., 0, RATE,BOTTOM,NCLASS,CRED,DUM)	TAB40130
	AA = .2*A	TAB40140
1020	KTHRU = 1	TAB40150
1021	CONTINUE	TAB40160
103	B = 0.5*TAXCOM (2.*AA, 0., 1, 0., 0, RATE,BOTTOM,NCLASS,CRED,DUM)	TAB40170
	IF (B) 1031, 1032,1032	TAB40180
1031	B = 0.0	TAB40190
1032	GO TO ( 1033, 1034 ), KTHRU	TAB40200
1033	AA = A-AA	TAB40210
	BB = B	TAB40220
	KTHRU = 2	TAB40230
	GO TO 1021	TAB40240
1034	B = BB + B	TAB40250
	TAX(I) = B-C	TAB40260
	GO TO ( 104, 105, 106 ), I	TAB40270
104	AA = .35*A	TAB40280
	I = 2	TAB40290
	GO TO 1020	TAB40300
105	AA = .50*A	TAB40310
	I = 3	TAB40320
	GO TO 1020	TAB40330
106	WRITE (ITPOUT,2)A, (TAX(I), I=1,3 )	TAB40340
	IF( J-NOFEX ) 100, 107, 107	TAB40350
107	RETURN	TAB40360
C		TAB40370
	1 FORMAT( 8H1TABLE 4 / 24H0INCREASE IN TAX THROUGH ,	TAB40380
	1 18H FILING SEPARATELY / 1H0 / 1H0, 10X, 6HINCOME, 10X,	TAB40390
	2 7HWIFE=.2, 10X, 8HWIFE=.35, 9X, 7HWIFE=.5 / 1X )	TAB40400
	2 FORMAT( F16.0, 3F17.1 )	TAB40410
	END	TAB40420
C		
C	SUBROUTINE TAB5( BOTTOM, RATE, CRED, NCLASS, ITPOUT )	TAB50000
C		TAB50010
C	EFFECTIVE TAX RATE ON WIFE'S INCOME (VERSION OF 16/MAR/66)	TAB50020
C		TAB50030
	DIMENSION BOTTOM(25), RATE(3,25), CRED(25), GROSS(25), TAXABL(25),	TAB50040
	\$ NDEP(6), EFF(5,2), WIFE(5), NTAX(2)	TAB50050
C		TAB50060
	WIFE(1) = 1500.0	TAB50070
	WIFE(2) = 2500.0	TAB50080
	WIFE(3) = 3500.0	TAB50090

WIFE(4) = 5000.0	TAB50100
WIFE(5) = 6500.0	TAB50110
CALL SETUP( GROSS, TAXABL, NOFFX, NDEP )	TAB50120
WRITE (ITPOUT,1)(WIFE(J), J=1,5), (WIFE(J), J=1,5)	TAB50130
100 J=0	TAB50140
101 J=J+1	TAB50150
A = GROSS(J)	TAB50160
I=1	TAB50170
K=1	TAB50180
C=.03*A	TAB50190
IF( C-500.0) 103, 102, 102	TAB50200
102 C = 500.0	TAB50210
103 XK = K - 1	TAB50220
DTAX(K) = TAXCOM(A-C-50., 0.,K,XK,0,RATE,BOTTOM,NCLASS,CRED,DUM)	TAB50230
K = K + 1	TAB50240
IF (K .EQ. 2) GO TO 103	TAB50250
IF (K .EQ. 3) K = 1	TAB50260
104 B=A+WIFE(I)	TAB50270
AA=WIFE(I)	TAB50280
D=.03*B	TAB50290
IF( D-500.0) 106, 106, 105	TAB50300
105 D=500.0	TAB50310
106 B=B-D-50.0	TAB50320
107 XK = K-1	TAB50330
EFF(I,K) = (TAXCOM(B,0.,K,XK,1,RATE,BOTTOM,NCLASS,CRED,DUM)	TAB50340
5 - DTAX(K))/AA	TAB50350
K=K+1	TAB50360
IF( K-2 ) 107, 107, 108	TAB50370
108 K=1	TAB50380
I=I+1	TAB50390
IF( I-5 ) 104, 104, 109	TAB50400
109 WRITE (ITPOUT,2)A, ( ( EFF(IX,KX), IX=1,5 ), KX=1,2 )	TAB50410
IF( J-NOFFX ) 101, 110, 110	TAB50420
110 WRITE (ITPOUT,3)(WIFE(J), J=1,5)	TAB50430
J=0	TAB50440
111 J=J+1	TAB50450
A=GROSS(J)	TAB50460
ATAX = CURTAX(A-2100., 0.)	TAB50470
I=1	TAB50480
112 B=WIFE(I)	TAB50490
EFF(I,1) = (CURTAX(A-1100.,0.) + CURTAX(B-1100.,0.) - ATAX)/B	TAB50500
I=I+1	TAB50510
IF( I-5 ) 112, 112, 113	TAB50520
113 WRITE (ITPOUT,4)A, ( EFF(IX, 1), IX=1, 5 )	TAB50530
IF( J-NOFFX ) 111, 114, 114	TAB50540
114 RETURN	TAB50550
C	TAB50560
1 FORMAT ( 8H1TABLE 5 / 19HOEFFEFFECTIVE TAX RATE ,	TAB50570
1 26H ON INCOME OF WORKING WIFE / 1H0 /	TAB50580
2 33X, 13HNO DEPENDENTS ,	TAB50590
3 42X, 22HONE OR MORE DEPENDENTS / 1X	TAB50600
4 10HHUSBAND'S , 23X, 13HWIFE'S INCOME , 46X,	TAB50610
5 13HWIFE'S INCOME / 2X, 6HINCOME , 4X, 5F11.0,	TAB50620
6 4X, 5F11.0 / 1X )	TAB50630
2 FORMAT ( F9.0, 3X, 5F11.3, 4X, 5F11.3 )	TAB50640
3 FORMAT ( 1H0 / 1H0, 32X, 19HUNDER CURRENT RATES /	TAB50650
1 1X, 9HHUSBAND'S / 2X, 6HINCOME, 4X, 5F11.0 / 1X )	TAB50660
4 FORMAT ( F9.0, 3X, 5F11.3 )	TAB50670
END	TAB50680

	SUBROUTINE TAB6 (BOTTOM, RATE, CRED, NCLASS, ITPOUT)	TAB60000
C		TAB60010
C	SUBROUTINE TO COMPUTE TAX REDUCTION FOR FAMILY WITH DEPENDANT	TAB60020
C		TAB60030
	DIMENSION BOTTOM(25), RATE(3,25), CRED(25), GROSS(25),	TAB60040
	\$ TAXABL(25), NDEP(6)	TAB60050
	CALL SETUP (GROSS, TAXABL, NOFFX, NDEP)	TAB60060
	WRITE (ITPOUT, 1)	TAB60070
	J = 0	TAB60080
100	J=J+1	TAB60090
	X= GROSS(J)	TAB60100
	A = TAXCOM (X, 0., 2, 1., 0, RATE, BOTTOM, NCLASS, CRED, DUM)	TAB60110
	B = TAXCOM (X, 0., 1, 0., 0, RATE, BOTTOM, NCLASS, CRED, DUM)	TAB60120
	IF (B.LE.0.) A = 0.	TAB60130
	IF (B.GT.0.) A = -((A/R) - 1.)*100.	TAB60140
	WRITE (ITPOUT,2) GROSS(J), A	TAB60150
	IF (J.LT.NOFFX) GO TO 100	TAB60160
	RETURN	TAB60170
C		TAB60180
	1 FORMAT (6H1TABLE 6 / 1H0, 60HPERCENT DECREASE IN TAXES FOR COUPLE	TAB60190
	\$ ON BIRTH OF FIRST CHILD / 1H0, 19X, 7HPERCENT/ 5X, 6HINCOME, 9X,	TAB60200
	\$ 8HINCREASE / 1X)	TAB60210
	2 FORMAT (F11.0, F15.1)	TAB60220
	END	TAB60230
	SUBROUTINE TAB7 (BOTTOM, RATE, CRED, NCLASS, ITPOUT)	TAB70000
C		TAB70010
C	SUBROUTINE TO COMPUTE EXEMPTIONS EQUIVALENT TO CREDITS	TAB70020
C		TAB70030
	DIMENSION GROSS(25), TAXABL(25), RATE(3,25), BOTTOM(25), NDEP(6),	TAB70040
	\$ XMPT(6), CRED(25)	TAB70050
	DIMENSION TOP(6), BOT(6), DEDUC(6)	TAB70060
	IR = 3	TAB70070
	CALL SETUP ( GROSS, TAXABL, NOFFX, NDEP )	TAB70080
	WRITE (ITPOUT,1) ( NDEP(K), K=1,6 )	TAB70090
	XKSUP = 0.	TAB70100
	IF ((CRED(6)+CRED(3)) .EQ. 0.) XKSUP = 1.	TAB70110
	DO 98 K=1,6	TAB70120
	TOP(K) = 0.	TAB70130
	BOT(K) = 0.	TAB70140
	DEP = NDEP(K)	TAB70150
	DEDUC(K) = 372.*(DEP-XKSUP)	TAB70160
	IF (DEP .LE. 0.) DEDUC(K) = 0.	TAB70170
98	CONTINUE	TAB70180
	DO 101 I = 1, NOFFX	TAB70190
	X = GROSS(I)	TAB70200
	DO 100 K = 1, 6	TAB70210
	DEP = NDEP(K)	TAB70220
	CR = CRED(6) + CRED(3)*DEP	TAB70230
	IF (DEP .LE. 0.) CR = 0.	TAB70240
	XMPT(K) = EQUIV (CR, 0., X, 0., 2, DEP, 0, RATE, BOTTOM, NCLASS,	TAB70250
	\$ CRED)	TAB70260
	IF (BOT(K) .NE. 0.) GO TO 99	TAB70270
	IF (XMPT(K) .GT. DEDUC(K)) BOT(K) = X	TAB70280
	GO TO 100	TAB70290
99	IF (TOP(K) .NE. 0.) GO TO 100	TAB70300

IF (XMPT(K) .LE. DEDUC(K)) TOP(K) = X	TAB70310
IF (XMPT(K) .GT. DEDUC(K)) BOT(K) = X	TAB70320
100 CONTINUE	TAB70330
WRITE (ITPOUT,2) X, (XMPT(KH), KH = 1, 6)	TAB70340
101 CONTINUE	TAB70350
WRITE (ITPOUT,3) (DEDUC(K),K=1,6)	TAB70360
SGN = 1.	TAB70370
STEP = 100.	TAB70380
DO 104 K=1,6	TAB70390
XMPT(K) = 0.	TAB70400
IF (TOP(K) .LE. 0.) GO TO 104	TAB70410
IF (DEDUC(K) .LE. 0.) GO TO 104	TAB70420
DEP = NDEP(K)	TAB70430
CR = CRED(6) + CRED(3)*DEP	TAB70440
X = BOT(K)	TAB70450
102 X = X + SGN*STEP	TAB70460
Y = EQUIV(CR, 0., X, 0., 2, DEP, 0, RATE, BOTTOM, NCLASS, CRED)	TAB70470
IF (ABS(Y-DEDUC(K)) .LE. 0.5) GO TO 103	TAB70480
IF (SGN*(Y-DEDUC(K)) .GT. 0.) GO TO 102	TAB70490
STEP = STEP/10.	TAB70500
SGN = -SGN	TAB70510
GO TO 102	TAB70520
103 XMPT(K) = X	TAB70530
104 CONTINUE	TAB70540
WRITE (ITPOUT,4) (XMPT(K),K=1,6)	TAB70550
RETURN	TAB70560
C	TAB70570
1 FORMAT ( 1H1, 7HTABLE 7 / 1H0,	TAB70580
\$ 32HEXEMPTIONS EQUIVALENT TO CREDITS /	TAB70590
\$ 1H0, 2X, 7HTAXABLE, 17X, 1AHNUMBER OF CHILDREN /	TAB70600
\$ 3X, 6HINCOME, 1X, 6I11 / 1X )	TAB70610
2 FORMAT ( F10.0, 6F11.0 )	TAB70620
3 FORMAT (8HOCURRENT/10H EXEMPTION, 6F11.0)	TAB70630
4 FORMAT (1X/ 54H0INCOME AT WHICH CREDITS AND EXEMPTIONS YIELD SAME	TAB70640
\$TAX/ 1H0,9X,6F11.0)	TAB70650
END	TAB70660

FUNCTION EQUIV (CREDIT, XMPTN, TINC, CFROMI, MARTAL, DEP,	EQUV0000
\$ IWWIFE, RATE, BOTTOM, NCLASS, CRED)	EQUV0010
C	EQUV0020
C FUNCTION TO COMPUTE EXEMPTION EQUIVALENT TO GIVEN CREDIT OR VICE	EQUV0030
C VERSA	EQUV0040
C ARGUMENTS	EQUV0050
C CREDIT = CREDIT FOR WHICH EQUIVALENT EXEMPTION IS TO BE FOUND	EQUV0060
C XMPTN = EXEMPTION FOR WHICH EQUIVALENT CREDIT IS TO BE FOUND	EQUV0070
C ALL OTHER ARGUMENTS ARE ARGUMENTS OF TAXCOM. NOTE THAT CREDIT AND	EQUV0080
C XMPTN MUST BE INCLUDED IN THE APPROPRIATE TAXCOM ARGUMENTS, AND	EQUV0090
C THAT ONLY ONE OF THE TWO MAY BE NON-ZERO.	EQUV0100
C	EQUV0110
C DIMENSION RATE(3,25), BOTTOM(25), CRED(25)	EQUV0120
C	EQUV0130
C STEP = 1000.	EQUV0140
C SGN = 1.	EQUV0150
C EPS = .01	EQUV0160
C TAXWCR = TAXCOM (TINC, CFROMI, MARTAL, DEP, IWWIFE, RATE,	EQUV0170
\$ BOTTOM, NCLASS, CRED, TXCRED)	EQUV0180
C EQUIV = 0	EQUV0190
100 IF (CREDIT .EQ. 0.) GO TO 101	EQUV0200

TAX = TAXCOM (TINC-EQUIV, CFROMT-CREDIT, MARTAL, DFP, IWWIFE,	EQUV0210
\$ RATE, BOTTOM, NCLASS, CRED, TXCRED)	EQUV0220
GO TO 102	EQUV0230
101 TAX = TAXCOM (TINC+XMPTN, CFROMT+EQUIV, MARTAL, DEP, IWWIFE,	EQUV0240
\$ RATE, BOTTOM, NCLASS, CRED, TXCRED)	EQUV0250
IF (TAX .LE. TAXWCK) RETURN	EQUV0260
EQUIV = EQUIV + 1.	EQUV0270
GO TO 101	EQUV0280
102 IF ( ABS(TAX-TAXWCK).LE.EPS) RETURN	EQUV0290
IF ( SGN*(TAX-TAXWCK).GT.0. ) GO TO 103	EQUV0300
STEP = STEP/10.	EQUV0310
SGN = -SGN	EQUV0320
103 EQUIV = EQUIV + SGN*STEP	EQUV0330
GO TO 100	EQUV0340
END	EQUV0350

C	SUBROUTINE TAB8 (BOTTOM, RATE, CRED, NCLASS,ITPOUT)	TAB80000
C		TAB80010
C	SUBROUTINE TO COMPUTE ELASTICITY OF RATE SCHEDULE	TAB80020
C		TAB80030
	DIMENSION RATE(3,25), BOTTOM(25), CRED(25)	TAB80040
	DIMENSION GROSS(25), TAXABL(25), NDEP(6)	TAB80050
	DIMENSION ELASTY(3)	TAB80060
C		TAB80070
	CALL SETUP (GROSS, TAXABL, NOFFX, NDEP)	TAB80080
	WRITE (ITPOUT, 1)	TAB80090
	NSCHED = 3	TAB80100
	DO 101 J=1,NOFFX	TAB80110
	DO 100 I=1,NSCHED	TAB80120
	TINC = GROSS(J)	TAB80130
	TAX = TAXCOM (TINC, 0., I-1, 0., 0, RATE, BOTTOM, NCLASS, CRED,	TAB80140
	\$ DUMMY)	TAB80150
	TINC = GROSS(J)*1.01	TAB80160
	ETAX = TAXCOM (TINC, 0., I-1, 0., 0, RATE, BOTTOM, NCLASS, CRED,	TAB80170
	\$ DUMMY)	TAB80180
	ELASTY(I) = 99999.	TAB80190
	IF (ETAX .EQ. 0.) ELASTY(I) = 0.	TAB80200
	IF (TAX .EQ. 0.) GO TO 100	TAB80210
	ELASTY(I) = ((ETAX-TAX)/TAX)*100.	TAB80220
100	CONTINUE	TAB80230
101	WRITE (ITPOUT,2) GROSS(J), (ELASTY(I), I=1,NSCHED)	TAB80240
	RETURN	TAB80250
C		TAB80260
	1 FORMAT (1H1, 7HTABLE 8 / 1H0,	TAB80270
	\$ 70HPERCENT INCREASE IN TAXES RESULTING FROM A 1 PERCENT INCREASE	TAB80280
	\$ IN TAXES / 1H0, 2X, 7HTAXABLE / 3X, 6HINCOME, 6X,10HSCHEDULE 1,	TAB80290
	\$ 5X, 10HSCHEDULE 2, 5X, 10HSCHEDULE 3 / 1X )	TAB80300
	2 FORMAT (F10.0, 3F14.3 )	TAB80310
	END	TAB80320



## 1.3 EXAMPLE GENERATING SUBPROGRAMS

	SUBROUTINE APP12 (BOTTOM, RATE, CRED, NCLASS, ITPOUT, FEMPL)	AP120000
C		AP120010
C	SUBROUTINE TO CONTROL USE OF TAXTAB TO GENERATE DETAILED TAX	AP120020
C	COMPARISONS OF EMPLOYMENT INCOME TAXATION (VERSION OF 16/MAR/66)	AP120030
C		AP120040
	DIMENSION BOTTOM(25), RATE(3,25), CRED(25),	AP120050
	1 GROSS(25), TAXABL(25), NDEP(6), TINCRD(25), TCURCP(25)	AP120060
	DIMENSION TNETI(25), CTAX(25), OTHER(100), CORTIN(25)	AP120070
	CALL SETUP( GROSS, TAXABL, NOFFX, NDEP )	AP120080
	DO 99 J = 1, NOFEX	AP120090
	CTAX(J) = 0.0	AP120100
	TINCRD(J) = 0.0	AP120110
	TNETI(J) = GROSS(J)	AP120120
	CORTIN(J) = 0.	AP120130
	99 TCURCR(J) = 0.0	AP120140
	ITYPE = 1	AP120150
	FWIFE = 0.0	AP120160
	FINV = 0.0	AP120170
	IZERO = 1	AP120180
	ITHRU = 1	AP120190
	100 CALL TAXTAB(GROSS, TNETI, TAXABL, TINCRD, TCURCR, CTAX, CORTIN,	AP120200
	1 NOFEX, 0, ITYPE, FWIFE, FEMPL, FDIV, FGAINS, FDIVCR, FALLOP,	AP120210
	2 FIO5, NDEP, BOTTOM, RATE, CRED, NCLASS, OTHER, ITPOUT, ITHRU,	AP120220
	3 0, IZERO )	AP120230
	GO TO ( 101, 102, 103, 104 ), ITHRU	AP120240
	101 ITYPE = 2	AP120250
	IZERO = 0	AP120260
	FWIFE = 0.2	AP120270
	ITHRU = 2	AP120280
	GO TO 100	AP120290
	102 FWIFE = 0.35	AP120300
	ITHRU = 3	AP120310
	GO TO 100	AP120320
	103 FWIFE = 0.5	AP120330
	ITHRU = 4	AP120340
	GO TO 100	AP120350
	104 RETURN	AP120360
	END	AP120370
	SUBROUTINE APP12A(BOTTOM, RATE, CRED, NCLASS, ITPOUT, FEMPL)	A12A0000
C		A12A0010
C	SUBROUTINE TO ADD ITEMIZED DEDUCTION VERSION OF TAXTAB OUTPUT	A12A0020
C	TO OUTPUT OF APPENDIX TABLES	A12A0030
C		A12A0040
	INTEGER DELDED	A12A0050
	DIMENSION INCOME(14), TAXAMT(14), DELDED(14)	A12A0060
	DIMENSION BOTTOM(25), RATE(3,25), CRED(25), GROSS(25), TAXABL(25),	A12A0070

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$ NDEP(6), TINCRD(25), TCURCR(25), TNETI(25), CTAX(25), OTHER(100) A12A0080
$ , CORTIN(25) A12A0090
DATA INCOME / 35, 50, 65, 80, 100, 120, 150, 250, 400, 700, 1000, A12A0100
$ 2000, 3500, 6000 / A12A0110
DATA TAXAMT / 3032., 4438., 5812., 7280., 9153., 11016., 13736., A12A0120
$ 23038., 37109., 65179., 96108., 178337., 310746., 532193. / A12A0130
DATA DELED / 98, 74, 133, 26, 85, 106, 218, 313, 482, 1074, 2647, A12A0140
$ 9983, 17102, 29889 / A12A0150
CALL SETUP ( GROSS, TAXABL, NOFFX, NDEP ) A12A0160
BASE2 = 0. A12A0170
X2 = 0. A12A0180
Y2 = 0 A12A0190
K = 1 A12A0200
MAX = 0 A12A0210
DO 100 I = 1, NOFFX A12A0220
98 IF ( GROSS(I).LT.BASE2 ) GO TO 99 A12A0230
IF ( MAX.EQ.1 ) GO TO 99 A12A0240
BASE1 = BASE2 A12A0250
BASE2 = INCOME(K)*100 A12A0260
X1 = X2 A12A0270
X2 = TAXAMT(K) A12A0280
Y1 = Y2 A12A0290
Y2 = DELED(K) A12A0300
K = K + 1 A12A0310
IF ( K.GT.14 ) MAX = 1 A12A0320
GO TO 98 A12A0330
99 IF (MAX.EQ.1) GO TO 991 A12A0340
TNETI(I) = TERPOL (X1, BASE1, X2, BASE2, GROSS(I)) A12A0350
TAXABL(I) = TNETI(I) + TERPOL (Y1, BASE1, Y2, BASE2, GROSS(I)) A12A0360
GO TO 992 A12A0370
991 TNETI(I) = X2*GROSS(I)/BASE2 A12A0380
TAXABL(I) = TNETI(I) + Y2*GROSS(I)/BASE2 A12A0390
992 TNETI(I) = TAXABL(I) + 50. A12A0400
CORTIN(I) = 0. A12A0410
CTAX(I) = 0. A12A0420
TINCRD(I) = 0. A12A0430
100 TCURCR(I) = 0. A12A0440
ITYPE = 0 A12A0450
ITAB = 5 A12A0460
101 CALL TAXTAB (GROSS, TNETI, TAXABL, TINCRD, TCURCR, CTAX, CORTIN, A12A0470
$ NOFFX, 0, ITYPE, 0., FEMPL, 0., 0., 0., 0., 0., NDEP, BOTTOM, RATE, A12A0480
$ CRED, NCLASS, OTHER, ITPOUT, ITAB, 0, 1 ) A12A0490
IF (ITYPE.NE.0) RETURN A12A0500
WRITE (ITPOUT, 1) A12A0510
ITYPE = -8 A12A0520
GO TO 101 A12A0530
C A12A0540
1 FORMAT (32X, 41HFOR FAMILIES CLAIMING ITEMIZED DEDUCTIONS / A12A0550
$ 40X, 25HWITH ONE INCOME RECIPIENT ) A12A0560
END A12A0570

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C FUNCTION TERPOL (X1, BASE1, X2, BASE2, Y) TRPL0000
C FUNCTION TO INTERPOLATE LINEARLY BETWEEN X1(BASE1) AND X2(BASE2) TRPL0010
C TO FIND VALUE CORRESPONDING TO ARGUMENT Y. TRPL0020
C Y IS ASSUMED TO BE ON CLOSED INTERVAL (BASE1, BASE2) TRPL0030
IF (Y.GT.BASE1) GO TO 100 TRPL0040
TERPOL = X1 TRPL0050
RETURN TRPL0060

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100	IF (Y.LT.BASE2) GO TO 101	TRPL0070
	TERPOL = X2	TRPL0080
	RETURN	TRPL0090
101	TERPOL = X1 + (X2-X1)*(Y-BASE1)/(BASE2-BASE1)	TRPL0100
	RETURN	TRPL0110
	END	TRPL0120
	SUBROUTINE APP19 ( BOTTOM, RATE, CRED, NCLASS, ITPUT )	AP190000
C		AP190010
C	SUBROUTINE TO CONTROL USE OF FINTAB (VERSION OF 20/APRIL/66)	AP190020
C		AP190030
	COMMON /AVCTAX/ CTXRAT	AP190040
	COMMON /PRCON/ IDETPR, ITABPR	AP190050
	DIMENSION BOTTOM(25), RATE(3,25), CRED(25), GROSS(25), TAXABL(25),	AP190060
1	NDEP(6)	AP190070
	CALL SETUP( GROSS, TAXABL, NOFFX, NDEP )	AP190080
	IDETPR = 0	AP190090
	ITABPR = 1	AP190100
100	ITAX = 1	AP190110
	ISLECT = 1	AP190120
	INORMT = 1	AP190130
101	IZERO = 1	AP190140
C	TYPICAL PUBLIC COMPANY	AP190150
	ITAB = 1	AP190160
	IEXDEF = 1	AP190170
	CTXRAT = 0.494	AP190180
	THOLD = 1000000000.	AP190190
	FDIVCR = 1.	AP190200
	FATDIV = 0.5	AP190210
	FATGNS = 0.5	AP190220
	FAT105 = 0.	AP190230
	GO TO 110	AP190240
C	TYPICAL PRIVATE COMPANY NOT USING SECTION 105	AP190250
102	ITAB = 2	AP190260
	IEXDEF = 5	AP190270
	CTXRAT = 0.35	AP190280
	FDIVCR = 1.	AP190290
	THOLD = 1000000000.	AP190300
	FATDIV = 0.5	AP190310
	FATGNS = 0.25	AP190320
	FAT105 = 0.	AP190330
	GO TO 110	AP190340
C	TYPICAL PRIVATE COMPANY USING SECTION 105	AP190350
103	ITAB = 3	AP190360
	IEXDEF = 2	AP190370
	CTXRAT = 0.35	AP190380
	THOLD = 1000000000.	AP190390
	FDIVCR = 1.	AP190400
	FATDIV = 0.5	AP190410
	FATGNS = 0.25	AP190420
	FAT105 = 0.5	AP190430
	GO TO 110	AP190440
C	EXAMPLE CORRESPONDING TO ASSUMPTION IN REVENUE ESTIMATES	AP190450
104	ITAB = 4	AP190460
1041	IEXDEF = 4	AP190470
	CTXRAT = 804./1962.	AP190480
	THOLD = 25000.	AP190490
	FDIVCR = 0.95	AP190500

S105D = 6./15	AP190510
ATCBAS = 1962.*(1.-CTXRAT) - S105D	AP190520
FATDIV = 450.7/ATCBAS	AP190530
FAT105 = 0.	AP190540
FATGNS = FATDIV	AP190550
GO TO 110	AP190560
105 THOLD = 1000000.	AP190570
ATCBAS = (155.4/450.7)*ATCBAS + S105D	AP190580
FATDIV = 155.4/ATCBAS	AP190590
FAT105 = S105D/ATCBAS	AP190600
FATGNS = FATDIV	AP190610
C	AP190620
110 CALL FNTAB2 (CTXRAT, FATDIV, FAT105, FDIVCR, FATGNS, ISLECT,	AP190630
\$ ITAX, IEXDEF, GROSS, TAXABL, NOFEX, NDEP, BOTTOM, RATE, CREN,	AP190640
\$ NCLASS, ITPOUT, ITAB, IZERO, THOLD)	AP190650
IF (ITAX .LT. 0) GO TO 105	AP190660
IF (INORMT .NE. 1) GO TO 111	AP190670
GO TO (102, 103, 104, 111), ITAB	AP190680
111 IF (ISLECT .EQ. 2) GO TO 112	AP190690
ISLECT = 2	AP190700
ITAB = 1	AP190710
IZERO = 1	AP190720
INORMT = 1	AP190730
GO TO 101	AP190740
112 IF (ITABPR .EQ. 0) RETURN	AP190750
IDETPR = 1	AP190760
ITABPR = 0	AP190770
GO TO 100	AP190780
END	AP190790
SUBROUTINE FNTAB2 (CTXRAT, FATDIV, FAT105, FDIVCR, FATGNS, ISLECT, FNTRO000	FNTRO010
\$ ITAX, IEXDEF, GROSS, TAXABL, NOFEX, NDEP, BOTTOM, RATE, CREN,	FNTRO020
\$ NCLASS, ITPOUT, ITAB, IPZERO, THOLD)	FNTRO030
C	FNTRO040
C SUBROUTINE TO COMPUTE APPENDIX TABLES FOR EXAMPLES OF THE	FNTRO050
C APPLICATION OF ALTERNATIVE CORPORATE TAX SCHEMES (MARCH 18/66)	FNTRO060
C REVISED VERSION 12 SEP/66	FNTRO070
C ARGUMENTS	FNTRO080
C CTXRAT = AVERAGE CORPORATE TAX RATE ASSUMED	FNTRO090
C FATDIV = FRACTION OF -AFTER TAX- CORPORATE INCOME PAID OUT IN	FNTRO100
C DIVIDENDS	FNTRO110
C FAT105 = FRACTION OF -AFTER TAX- CORPORATE INCOME PAID OUT IN	FNTRO120
C SECTION 105 DISTRIBUTIONS	FNTRO130
C FDIVCR = FRACTION OF DIVIDENDS CARRYING CREDITS FOR CORPORATE TAX	FNTRO140
C FATGNS = CAPITAL GAINS AS A FRACTION OF -AFTER TAX- CORPORATE	FNTRO150
C INCOME	FNTRO160
C ISLECT = 1/2. ALTERNATE TO BE DISPLAYED (1 DENOTES CURRENT VS.	FNTRO170
C PROPOSED, 2 DENOTES COMPARISONS WITH CICA/CBA PROPOSAL)	FNTRO180
C ITAX = 1/2. TAX SHOWN (1 DENOTES PERSONAL AND CORPORATE TAX,	FNTRO190
C 2 DENOTES PERSONAL TAX ONLY)	FNTRO200
C IEXDEF = EXAMPLE DISPLAY DEFINOR (1 DENOTES TYPICAL PUBLIC COMPANY	FNTRO210
C 2 DENOTES TYPICAL PRIVATE COMPANY, 3 DENOTES ORDINARY	FNTRO220
C TITLE DISPLAY AS IN TAXTAB, 4 DENOTES EXAMPLES AS PER	FNTRO230
C REVENUE ESTIMATES)	FNTRO240
C THOLD = INCOME THRESHOLD FOR CHANGE IN ASSUMPTIONS	FNTRO250
C OTHER ARGUMENTS AS IN TAXTAB.	FNTRO260
C	FNTRO270
C	
COMMON /PRCON/ IDETPR, ITABPR	

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    DIMENSION GROSS(25), TAXABL(25), NDEP(6), BOTTOM(25), RATE(3,25), FNTR0280
1   CRED(25), CTAX(25), TINCR(25), TCURCR(25), TNETI(25), OTHER(100) FNTR0290
    DIMENSION CORTIN(25) FNTR0300
    IF (ITAX .EQ. -99) GO TO 99 FNTR0310
    IBEGIN = 1 FNTR0320
    IZERO = 1 FNTR0330
    KTAX = ITAX FNTR0340
99  ITAX = KTAX FNTR0350
    FWIFE = 0.0 FNTR0360
    FEMPL = 0. FNTR0370
    FATCI = (1.-CTXRAT)/(1.+(1.-CTXRAT)*(FATGNS+(1.-FDIVCR)*FATDIV)) FNTR0380
    FDIV = FATDIV*FATCI FNTR0390
    F105 = FAT105*FATCI FNTR0400
    FGAINS = FATGNS*FATCI FNTR0410
    FCORP = FATCI/(1.-CTXRAT) FNTR0420
    FALLOC = FCORP - FDIVCR*FDIV - F105 FNTR0430
    CORPTX = CTXRAT*FCORP FNTR0440
    FFDVCR = FDIV*FDIVCR FNTR0450
    SUM = FDIV+F105+FGAINS+FALLOC FNTR0460
    IF( (SUM - 1.) .GT. .00000001) IZERO = 0 FNTR0470
    (DELETED) FNTR0480
C   FNTR0490
C   FNTR0500
C   CURRENT AND PROPOSED SCHEMES FNTR0510
C   FNTR0520
    ITHRU = 1 FNTR0530
    ISUBT = 0 FNTR0540
    DO 104 J = IBEGIN, NOFEX FNTR0550
    TAXABL(J) = (1. - FCORP + FDIVCR*FDIV - FGAINS)*GROSS(J) FNTR0560
    IF (TAXABL(J) .LT. THOLD) GO TO 1011 FNTR0570
    IBEGIN = J FNTR0580
    ITAX = -99 FNTR0590
    RETURN FNTR0600
1011 CONTINUE FNTR0610
    TAXABL(J) = (1. - FCORP + FDIVCR*FDIV - FGAINS)*GROSS(J) FNTR0620
    TCURCR(J) = 0.2*FDIV*GROSS(J) FNTR0630
    EMPLXP = .03*GROSS(J)*FEMPL FNTR0640
    IF( EMPLXP-500.0) 103, 103, 102 FNTR0650
102 EMPLXP = 500.0 FNTR0660
103 TNETI(J) = GROSS(J)-EMPLXP FNTR0670
    TINCR(J) = 0.0 FNTR0680
    CORTIN(J) = 0. FNTR0690
    OTHER(J+25) = 0.15*F105*GROSS(J) FNTR0700
    OTHER(J) = 0. FNTR0710
    CTAX(J) = CORPTX*GROSS(J) FNTR0720
    IF (ISLECT .EQ. 1) GO TO 104 FNTR0730
C   FNTR0740
C   COMPARISON WITH CICA/CBA PROPOSAL FNTR0750
C   FNTR0760
    ITHRU = 2 FNTR0770
    (DELETED) FNTR0780
    TAXABL(J) = TNETI(J) - (FCORP+FGAINS+(1.-FDIVCR)*FDIV)*GROSS(J) FNTR0790
    TCURCR(J) = 0. FNTR0800
    OTHER(J+25) = 0.15*(F105 + FFDVCR)*GROSS(J) FNTR0810
    OTHER(J) = FGAINS*GROSS(J) FNTR0820
104 CONTINUE FNTR0830
    GO TO 110 FNTR0840
C   FNTR0850
C   OTHER COMPARISON ( UNPROGRAMMED ) FNTR0860
C   FNTR0870
107 RETURN FNTR0880
C   FNTR0890
C   SETUP FOR TAXTAB

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C	(DELETED)	FNTR0900
C	110 IF (ITAX.EQ.2) GO TO 1102	FNTR0910
	DO 1101 J=1,NOFEX	FNTR0920
	1101 CORTIN(J) =CTAX(J)	FNTR0930
	1102 ITABNO = ITAB	FNTR0940
	ISUBT = 0	FNTR0950
	ITYPE = 0	FNTR0960
	ITITLE = 1	FNTR0970
C	(DELETED)	FNTR0980
	IBASE = ITAX	FNTR0990
	IF (IDETPR .EQ. 0) GO TO 111	FNTR1000
	WRITE (ITPOUT,10)	FNTR1010
	WRITE (ITPOUT,11) FATDIV, FDIV, FEMPL, FAT105, F105, FWIFE,	FNTR1020
	\$ FDIVCR, FFDVCR, FATGNS, FGAINS, CTXRAT, CORPTX, FCORP, FALLOC,	FNTR1030
	\$ FATCI, SUM	FNTR1040
	WRITE (ITPOUT,12)	FNTR1050
	WRITE (ITPOUT,13) ( J, GROSS(J), TNETI(J), TAXABL(J), TINCR(J),	FNTR1060
	\$ TCURCR(J), CTAX(J), CORTIN(J), OTHER(J), OTHER(J+25), J=1,NOFEX)	FNTR1070
	IF (ITABPR .EQ. 0) RETURN	FNTR1080
	111 CONTINUE	FNTR1090
	CALL TAXTAB( GROSS, TNETI, TAXAPL, TINCR, TCURCR, CTAX, CORTIN,	FNTR1100
	1 NOFEX, ITHRU-1, ITYPE, FWIFE, FEMPL, FDIV, FGAINS, FDIVCR,	FNTR1110
	2 FALLOC, F105, NDEP, BOTTOM, RATE, CRFD, NCLASS,	FNTR1120
	3 OTHER, ITPOUT, ITABNO, ISURT, IPZERO )	FNTR1130
	IPZERO = 0	FNTR1140
	IF( ITABNO ) 112, 112, 113	FNTR1150
	112 RETURN	FNTR1160
	113 IF( ITYPE ) 114, 114, 122	FNTR1170
	114 ITYPE = -3	FNTR1180
	IF( IZERO ) 115, 115, 116	FNTR1190
	115 ITABNO = -1	FNTR1200
	GO TO 111	FNTR1210
	116 GO TO ( 119, 117, 118 ), ITHRU	FNTR1220
	117 IF( ITITLE ) 1172, 1172, 1171	FNTR1230
	1171 ITITLE = 0	FNTR1240
	WRITE (ITPOUT,1)	FNTR1250
	GO TO 119	FNTR1260
	1172 WRITE (ITPOUT,4)	FNTR1270
	GO TO 119	FNTR1280
C	SPACE FOR TITLE INSERT FOR UNPROGRAMMED COMPARISON	FNTR1290
	118 CONTINUE	FNTR1300
	119 GO TO ( 120, 121 ), IBASE	FNTR1310
	120 WRITE (ITPOUT,2)	FNTR1320
	GO TO 1211	FNTR1330
	121 WRITE (ITPOUT,3)	FNTR1340
	1211 IF (IEXDEF.EQ.3) GO TO 111	FNTR1350
	ITYPE = -8	FNTR1360
	GO TO (1212, 1213, 111, 1214, 1215), IEXDEF	FNTR1370
	1212 WRITE (ITPOUT,5)	FNTR1380
	GO TO 111	FNTR1390
	1213 WRITE(ITPOUT,6)	FNTR1400
	WRITE (ITPOUT,9)	FNTR1410
	GO TO 111	FNTR1420
	1214 WRITE (ITPOUT,7)	FNTR1430
	GO TO 111	FNTR1440
	1215 WRITE (ITPOUT,6)	FNTR1450
	WRITE (ITPOUT,8)	FNTR1460
	GO TO 111	FNTR1470
	122 RETURN	FNTR1480
C	1 FORMAT(37X, 33HFROM THOSE WHICH WOULD ARISE FROM /	FNTR1490
		FNTR1500
		FNTR1510

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$ 30X, 47H THE MODIFIED PROPOSALS OF THE COMMITTEE OF FOUR ) FNTB1520
2 FORMAT( 34X, 38H(INCLUDING TAXES PAID BY CORPORATIONS) ) FNTB1530
3 FORMAT( 34X, 38H(EXCLUDING TAXES PAID BY CORPORATIONS) ) FNTB1540
4 FORMAT( 34X, 40H UNDER OUR PROPOSALS AND THE ALTERNATIVE / FNTB1550
$ 30X, 47H BASED ON THE PROPOSALS OF THE COMMITTEE OF FOUR ) FNTB1560
5 FORMAT(25X, 48H FOR A TAX UNIT WITH INCOME FROM A TYPICAL PUBLIC, FNTB1570
$ 8H COMPANY) FNTB1580
6 FORMAT(25X, 49H FOR A TAX UNIT WITH INCOME FROM A TYPICAL PRIVATE, FNTB1590
$ 8H COMPANY) FNTB1600
7 FORMAT(20X, 52H FOR A TAX UNIT WITH CORPORATE SOURCE INCOME COMPOSED FNTB1610
$ OF, 14H IN ACCORDANCE / 26X, 54H WITH ASSUMPTIONS UNDERLYING OUR 1964 FNTB1620
$ REVENUE ESTIMATES ) FNTB1630
8 FORMAT (31X, 45H NOT MAKING USE OF SECTION 105 CAPITALIZATIONS ) FNTB1640
9 FORMAT ( 24X, 59H CAPITALIZING HALF ITS EARNINGS UNDER SECTION 105 FNTB1650
$ PROVISIONS ) FNTB1660
10 FORMAT ( 1H1 41X, 38H INCOME DATA UNDERLYING TAX COMPARISONS / 1H0 ) FNTB1670
11 FORMAT ( 1H0, 5X, 21H1. INCOME PARAMETERS / FNTB1680
$ 1H0, 2X, 6HFATDIV, F14.6, 5X, 4HFDIV, F16.6, 5X, 5HFEMPL, F15.6 / FNTB1690
$ 3X, 6HFAT105, F14.6, 5X, 4HF105, F16.6, 5X, 5HFWIFE, F15.6 / FNTB1700
$ 3X, 6HFDIVCR, F14.6, 5X, 11HFDIV*FDIVCR, F9.6 / FNTB1710
$ 3X, 6HFATGNS, F14.6, 5X, 6HFGAINS, F14.6 / FNTB1720
$ 3X, 6HCTXRAT, F14.6, 5X, 6HCRPTX, F14.6 / 28X, 5HFCORP, F15.6 / FNTB1730
$ 28X, 6HFALLOC, F14.6 / 3X, 5HFATCI, F15.6, 5X, 3HSUM, F17.6 / 1X ) FNTB1740
12 FORMAT (1H0, 5X, 25H2. RESULTANT INCOME DATA / FNTB1750
$ 1H0, 2H J, 5X, 8HGROSS(J), 5X, 8HTNETI(J), 4X, 9HTAXABL(J), FNTB1760
$ 5X, 8HTINCR(J), 4X, 9HTCURCR(J), 6X, 7HCTAX(J), 4X, 9HCORTIN(J), FNTB1770
$ 5X, 8HOTHER(J), 2X, 11HOTHER(J+25) / 1X ) FNTB1780
13 FORMAT ( I3, 9F13.2 ) FNTB1790
END FNTB1800

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SUBROUTINE TAXTAB( GROSSI, TNETI, TAXABL, TINCRD, TCURCR, CTAX, TXTR0000
1 CORTIN, TXTR0010
2 NOFEX, IALT, IITYPE, FWIFE, FEMPL, FDIV, FGAINS, FDIVCR, FALLO, TXTR0020
3 F105, NDEP, BOTTOM, RATE, CRFD, NCLASS, OTHER, ITPOUT, ITAB, TXTR0030
4 ISUBT, IPZERO) TXTR0040

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C TXTR0050
C SUBROUTINE TO COMPUTE AND PRINT SUMMARY OF TAX CHANGES TXTR0060
C BY FAMILY TYPE FOR GIVEN INCOMES (VERSION OF 28/APR/66) TXTR0070
C TXTR0080
C ARGUMENTS TXTR0090
C GROSSI = TAXABLE INCOME UNDER OUR DEFINITION TXTR0100
C TNETI = TAXABLE NET INCOME UNDER OUR DEFINITION TXTR0110
C TAXABL = TAXABLE INCOME BEFORE PERSONAL EXEMPTIONS TXTR0120
C UNDER CURRENT DEFINITION TXTR0130
C TINCRD = NON-FAMILY TAX CREDITS APPLICABLE UNDER PROPOSALS TXTR0140
C TCURCR = NON-FAMILY TAX CREDITS APPLICABLE UNDER CURRENT LAW TXTR0150
C CTAX = CREDIT FOR CORPORATE TAX TXTR0160
C CORTIN = CORPORATE TAX ( IF ANY ) INCLUDED IN TOTAL TAX DISPLAYED TXTR0170
C NOFEX = NUMBER OF EXAMPLES TXTR0180
C IALT = 0, 1. IF NON-ZERO, COMPARISON IS TO ALTERNATIVE TXTR0190
C SCHEME INSTEAD OF CURRENT SYSTEM TXTR0200
C IITYPE = TYPE OF INCOME OR FAMILY SITUATION TXTR0210
C FWIFE = FRACTION OF INCOME OBT'D BY WORKING WIFE TXTR0220
C FEMPL = FRACTION OF INCOME OBT'D AS EMPLOYMENT INCOME TXTR0230
C FDIV = FRACTION OF INCOME OBT'D AS DIVIDENDS TXTR0240
C FGAINS = FRACTION OF INCOME OBT'D AS CAPITAL GAINS TXTR0250
C FDIVCR = FRACTION OF DIVIDENDS CARRYING CREDIT TXTR0260
C FOR CORPORATE TAX TXTR0270

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RETURN	TXTR0900
992 GO TO ( 100,101,102,103,104,105,106,107 ), ITYPE	TXTR0910
100 WRITE (ITPOUT,2)	TXTR0920
GO TO 107	TXTR0930
101 KFRAC = 100.0*FWIFE+EPS	TXTR0940
WRITE (ITPOUT,3)KFRAC	TXTR0950
WRITE (ITPOUT,4)	TXTR0960
IWWIFE = 1	TXTR0970
GO TO 107	TXTR0980
102 IF( FI05 ) 1022, 1022, 1021	TXTR0990
1021 KFRAC = 100.0*FI05+EPS	TXTR1000
WRITE (ITPOUT, 3)KFRAC	TXTR1010
KFRAC = 100.0*FDIV+EPS	TXTR1020
WRITE (ITPOUT,25) KFRAC	TXTR1030
GO TO 1023	TXTR1040
1022 KFRAC = 100.0*FDIV+EPS	TXTR1050
WRITE (ITPOUT,3)KFRAC	TXTR1060
1023 KFRAC = 100.0*FGAINS+EPS	TXTR1070
WRITE (ITPOUT,5)KFRAC	TXTR1080
KFRAC = 100.0*FDIVCR + EPS	TXTR1090
WRITE (ITPOUT,23)KFRAC	TXTR1100
KFRAC = 100.0*FALLOC + EPS	TXTR1110
WRITE (ITPOUT,24)KFRAC	TXTR1120
IPCON = 8	TXTR1130
GO TO 107	TXTR1140
103 WRITE (ITPOUT,6)	TXTR1150
GO TO 107	TXTR1160
104 WRITE (ITPOUT,7)	TXTR1170
GO TO 107	TXTR1180
105 WRITE (ITPOUT,8)	TXTR1190
GO TO 107	TXTR1200
106 WRITE (ITPOUT,9)	TXTR1210
107 WRITE (ITPOUT,10)( NDEP(J), J=1, 6 )	TXTR1220
IF( ITAB ) 1070, 1071, 1072	TXTR1230
1070 WRITE (ITPOUT,28)	TXTR1240
1071 RETURN	TXTR1250
1072 GO TO ( 1073, 116, 120 ), ITHRU	TXTR1260
1073 J=0	TXTR1270
108 J=J+1	TXTR1280
ICOM = 1	TXTR1290
1080 TINC = TAXABL(J)	TXTR1300
CFROMI = TCURCR(J)	TXTR1310
IF( IALT ) 1085, 1085, 1092	TXTR1320
1085 ATAX(1) = CURTAX( TINC-1100.0, CFROMI ) + CORTIN(J) + OTHER(J+25)	TXTR1330
IF (IWWIFE) 1082, 1082, 1081	TXTR1340
1081 WIFE = FWIFE*TINC	TXTR1350
HUSB = TINC - WIFE	TXTR1360
CFIWIF = FWIFE*TCURCR(J)	TXTR1370
CFIHUS = TCURCR(J) - CFIWIF	TXTR1380
1082 DO 109 I=1,6	TXTR1390
II = I + 1	TXTR1400
D = NDEP(I)	TXTR1410
IF( IWWIFE ) 1084, 1084, 1083	TXTR1420
1083 ATAX(II) = TAXMIN( HUSB, WIFE, D, CFIHUS, CFIWIF ) + CORTIN(J)	TXTR1430
\$ + OTHER(J+25)	TXTR1440
GO TO 109	TXTR1450
1084 ATAX(II) = CURTAX( TINC-2100.0-D*300.0, CFROMI ) + CORTIN(J)	TXTR1460
\$ + OTHER(J+25)	TXTR1470
109 CONTINUE	TXTR1480
IGROSS = GROSSI(J)/10.0+.5	TXTR1490
GO TO ( 1091, 1094 ), ICOM	TXTR1500
1091 WRITE (ITPOUT,11)IGROSS, ( ATAX(I), I=1, 7 )	TXTR1510

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GO TO 1094
1092 TINC = TINC - 50.
    ATAX(1) = TAXALT( TINC, CFROMI, 0,0,0,0, RATE, BOTTOM, NCLASS, CRED, TXTR1520
    ID, OTHER, J, IALT ) + CORTIN(J) + OTHER(J+25) TXTR1530
    DO 1093 I=1,6 TXTR1540
    II=I+1 TXTR1550
    D=NDEP(I) TXTR1560
    TPROP = TINC+72.0*D TXTR1570
    M = 2 TXTR1580
    IF (D.EQ.0.) M = 1 TXTR1590
1093 ATAX(II) = TAXALT( TPROP, CFROMI, M, D, IWWIFE, RATE, BOTTOM, NCI TXTR1600
    ASS, CRED, OTHER, J, IALT ) + CORTIN(J) + OTHER(J+25) TXTR1610
    GO TO ( 1095, 1094 ), ICOM TXTR1620
1095 IGROSS = GROSSI(J)/10.0+ .5 TXTR1630
    WRITE (ITPOUT,26)IGROSS, (ATAX(I), I=1,7) TXTR1640
1094 TINC = TNETI(J) TXTR1650
    EMPLXP = .03*TINC*FEMPL TXTR1660
    IF (EMPLXP .GT. 500.) EMPLXP = 500. TXTR1670
    TINC = TINC - EMPLXP - 50. TXTR1680
    CFROMI = TINC RD(J) TXTR1690
    GROSS=GROSSI(J) TXTR1700
    BTAX(1) = TAXCOM( TINC, CFROMI, 0,0,0, RATE,BOTTOM,NCLASS,CRED, TXTR1710
    1 TXCRED ) - CTAX(J) + CORTIN(J) TXTR1720
    DO 112 I=1, 6 TXTR1730
    II = I + 1 TXTR1740
    D = NDEP(I) TXTR1750
    TPROP = TINC + 72.0*D TXTR1760
    M = 2 TXTR1770
    IF (D.EQ.0.) M = 1 TXTR1780
112 BTAX(II) = TAXCOM( TPROP, CFROMI, M,D,IWWIFE, TXTR1790
    1 RATE, BOTTOM, NCLASS, CRED, TXCRED ) - CTAX(J) + CORTIN(J) TXTR1800
    GO TO ( 1121, 1140 ), ICOM TXTR1810
1121 WRITE (ITPOUT,12)( BTAX(I), I=1, 7 ) TXTR1820
    DO 113 I=1, 7 TXTR1830
    X = BTAX(I) - ATAX(I) TXTR1840
    IF (ABS(X) .LT. 0.0005) X = 0. TXTR1850
113 DIFR(I) = X TXTR1860
    WRITE (ITPOUT,13)( DIFR(I), I=1, 7 ) TXTR1870
    DO 114 I=1, 7 TXTR1880
    X = ATAX(I) TXTR1890
    Z = X/GROSS TXTR1900
    IF (ABS(Z) .LT. 0.0005) Z = 0. TXTR1910
    EFFRAT(1,I,J) = Z TXTR1920
    A(I) = X TXTR1930
    X = BTAX(I) TXTR1940
    Z = X/GROSS TXTR1950
    IF (ABS(Z) .LT. 0.0005) Z = 0. TXTR1960
    EFFRAT(2,I,J) = Z TXTR1970
    B(I) = X TXTR1980
    X = BTAX(I) - ATAX(I) TXTR1990
    Z = X/GROSS TXTR2000
    IF (ABS(Z) .LT. 0.0005) Z = 0. TXTR2010
114 EFFRAT(3,I,J) = Z TXTR2020
    ICOM = 2 TXTR2030
    DELTA1 = 500.0*TAXABL(J)/GROSSI(J) TXTR2040
    TAXABL(J) = TAXABL(J) + DELTA1 TXTR2050
    DELTA2 = 500.0*TNETI(J)/GROSSI(J) TXTR2060
    TNETI(J) = TNETI(J) + DELTA2 TXTR2070
    DELTA3 = 500.0*TCURCR(J)/GROSSI(J) TXTR2080
    TCURCR(J) = TCURCR(J) + DELTA3 TXTR2090
    DELTA4 = 500.0*TINCRD(J)/GROSSI(J) TXTR2100
    TINCRD(J) = TINCRD(J) + DELTA4 TXTR2110
    TXTR2120
    TXTR2130

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DELTA5 = (500.0*CTAX(J)/GROSSI(J))*(0.50/CTXRAT)	TXTR2140
CTAX (J) = CTAX (J) + DELTA5	TXTR2150
DELTA6 = 500.0*OTHER(J)/GROSSI(J)	TXTR2160
OTHER (J) = OTHER (J) + DELTA6	TXTR2170
DELTA7 = 500.0*OTHER(J+25)/GROSSI(J)	TXTR2180
OTHER(J+25) = OTHER(J+25) + DELTA7	TXTR2190
DELTA8 = 500.0*OTHER(J+50)/GROSSI(J)	TXTR2200
OTHER(J+50) = OTHER(J+50) + DELTA8	TXTR2210
DELTA9 = 500.0*OTHER(J+75)/GROSSI(J)	TXTR2220
OTHER(J+75) = OTHER(J+75) + DELTA9	TXTR2230
DELT10 = (500.0*CORTIN(J)/GROSSI(J))*(0.50/CTXRAT)	TXTR2240
CORTIN(J) = CORTIN(J) + DELT10	TXTR2250
GO TO 1080	TXTR2260
1140 DO 1141 I=1,7	TXTR2270
X = (ATAX(I) - A(I))/500.0	TXTR2280
IF (ABS(X) .LT. 0.0005) X = 0.	TXTR2290
EFFMAR(1,I,J) = X	TXTR2300
Y = (BTAX(I) - B(I))/500.0	TXTR2310
IF (ABS(Y) .LT. 0.0005) Y = 0.	TXTR2320
EFFMAR(2,I,J) = Y	TXTR2330
Z = Y-X	TXTR2340
IF (ABS(Z) .LT. 0.0005) Z = 0.	TXTR2350
1141 EFFMAR(3,I,J) = X	TXTR2360
TAXABL(J) = TAXABL(J) - DELTA1	TXTR2370
TNETI(J) = TNETI(J) - DELTA2	TXTR2380
TCURCR(J) = TCURCR(J) - DELTA3	TXTR2390
TINCRD(J) = TINCRD(J) - DELTA4	TXTR2400
CTAX (J) = CTAX (J) - DELTA5	TXTR2410
OTHER (J) = OTHER (J) - DELTA6	TXTR2420
OTHER(J+25) = OTHER(J+25) - DELTA7	TXTR2430
OTHER(J+50) = OTHER(J+50) - DELTA8	TXTR2440
OTHER(J+75) = OTHER(J+75) - DELTA9	TXTR2450
CORTIN(J) = CORTIN(J) - DELT10	TXTR2460
IF ( J - NOFEX ) 1142, 115, 115	TXTR2470
1142 IF( J-IPCON ) 1143, 1144, 1143	TXTR2480
1143 IF( J-IPCON-9 ) 1148, 1144, 1148	TXTR2490
1144 IPAGE = IPAGE+1	TXTR2500
IF( ISUBT ) 1146, 1146, 1145	TXTR2510
1145 WRITE (IIPOUT,30)I1AB, ISUBT, ITHRU, IPAGE	TXTR2520
GO TO 1147	TXTR2530
1146 WRITE (IIPOUT,22)I1AB, ITHRU, IPAGE	TXTR2540
1147 WRITE (IIPOUT,10)(NDEP(L), L=1,6)	TXTR2550
1148 GO TO ( 108, 117, 121 ), ITHRU	TXTR2560
115 ITHRU = 2	TXTR2570
IPAGE = IPAGE+1	TXTR2580
GO TO 98	TXTR2590
1151 WRITE (IIPOUT,14)	TXTR2600
IF( IALT ) 1152, 1152, 99	TXTR2610
1152 WRITE (IIPOUT,15)	TXTR2620
GO TO 99	TXTR2630
116 J=0	TXTR2640
117 J=J+1	TXTR2650
IGROSS = GROSSI(J)/10.0+ .5	TXTR2660
IF( IALT ) 1172, 1172, 1171	TXTR2670
1171 WRITE (IIPOUT,27)IGROSS, (EFFRAT(1,I,J), I=1,7)	TXTR2680
GO TO 1173	TXTR2690
1172 WRITE (IIPOUT,16)IGROSS, ( EFFRAT(1,1,J), I=1, 7 )	TXTR2700
1173 WRITE (IIPOUT,17)(EFFRAT(2,I,J), I=1,7 )	TXTR2710
WRITE (IIPOUT,18)(EFFRAT(3,I,J), I=1,7 )	TXTR2720
IF ( J - NOFEX ) 1142, 119,119	TXTR2730
119 ITHRU = 3	TXTR2740
IPAGE = IPAGE+1	TXTR2750

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GO TO 98
1191 WRITE (ITPOUT,19)
      IF( IALT ) 1192, 1192, 99
1192 WRITE (ITPOUT,15)
      GO TO 99
120 J = 0
121 J = J+1
      IGROSS = GROSSI(J)/10.0+ .1
      IF( IALT ) 1212, 1212, 1211
1211 WRITE (ITPOUT,27)IGROSS, (EFFMAR(1,I,J), I=1,7)
      GO TO 1213
1212 WRITE (ITPOUT,16)IGROSS, (EFFMAR(1,I,J), I=1,7)
1213 WRITE (ITPOUT,17)(EFFMAR(2,I,J), I=1,7)
      WRITE (ITPOUT,20)(EFFMAR(3,I,J), I=1,7)
      IF( J-NOFEX ) 1142, 122, 122
122 RETURN
C
1 FORMAT (1H0, 29X, 27HCHANGES IN TAX LIABILITIES ,
1 19HUNDER OUR PROPOSALS )
2 FORMAT ( 34X, 38HFOR A FAMILY WITH ONE INCOME RECIPIENT )
3 FORMAT ( 32X, 17HFOR A FAMILY WITH, I3,
1 22H PERCENT OF ITS INCOME )
4 FORMAT ( 43X, 19HFROM A WORKING WIFE )
5 FORMAT( 29X, 18HFROM DIVIDENDS AND, I3, 27H PERCENT FROM CAPITAL
1AINS )
6 FORMAT ( 33X, 28HFOR A TYPICAL SELF-EMPLOYED ,
1 12HPROFESSIONAL )
7 FORMAT ( 41X, 25HFOR A TYPICAL WAGE-EARNER )
8 FORMAT ( 37X, 33HFOR A TYPICAL FARMER OR FISHERMAN )
9 FORMAT ( 42X, 22HFOR A TYPICAL INVESTOR )
10 FORMAT ( 1H0 / 27H GROSS TAXABLE INCOME UNDER /
1 7X, 14HOUR DEFINITION, 33X, 15H-----,
2 25HFAMILY STATUS OF TAXPAYER, 15H----- /
3 28H EXCLUDING FAMILY ALLOWANCES, 46X,
4 28HMARRIED OR HEAD OF HOUSEHOLD
5 / 28H (BEFORE PERSONAL EXEMPTIONS,
6 28X, 6HSINGLE, 6X, 25H-----NUMBER OF DEPENDENTS,
7 16H IN FAMILY----- / 16H WHEN COMPUTING ,
8 12HCURRENT TAX), 26X, 10HINDIVIDUAL, I5, 5I8 / )
11 FORMAT ( 1H0, I14, 1H0, 8X, 24HCURRENT TAX (1966 RATES),
1 F13.0, F10.0, 5F8.0 )
12 FORMAT ( 24X, 23HTAX UNDER OUR PROPOSALS,
1 F14.0, F10.0, 5F8.0 )
13 FORMAT ( 24X, 27HINCREASE OR DECREASE IN TAX,
1 F10.0, F10.0, 5F8.0 )
14 FORMAT( 1H0, 38X, 27HEFFECTIVE AVERAGE TAX RATES )
15 FORMAT(32X, 42HUNDER THE CURRENT AND PROPOSED TAX SYSTEMS )
16 FORMAT(1H0, I14, 1H0, 8X, 24HCURRENT TAX (1966 RATES),F14.3,
1 F9.3,5F8.3 )
17 FORMAT( 24X,23HTAX UNDER OUR PROPOSALS,F15.3,F9.3,5F8.3 )
18 FORMAT( 24X, 24HCHANGE IN EFFECTIVE RATE, F14.3,F9.3,5F8.3 )
19 FORMAT( 1H0, 38X, 28HEFFECTIVE MARGINAL TAX RATES )
20 FORMAT( 24X, 23HCHANGE IN MARGINAL RATE, F15.3, F9.3, 5F8.3 )
21 FORMAT( 1H1, 5HTABLE, I2, 1H-, I1, 92X, 4HPAGE, I3 )
22 FORMAT( 1H1, 5HTABLE, I2, 1H-, I1, 10H CONTINUED, 82X, 4HPAGE, I3 )
23 FORMAT( 17X, 8HASSUMING, I4, 27H PERCENT OF CASH DIVIDENDS ,
1 33HTO CARRY CREDIT FOR CORPORATE TAX )
24 FORMAT ( 28X, 33HAND NON-CASH ALLOCATION OF TAXED ,
1 16HCORPORATE INCOME / 35X, 5HTO BE, I3,
2 27H PERCENT OF PERSONAL INCOME )
25 FORMAT( 32X, 31HFROM SECTION 105 DISTRIBUTIONS, , I3, 8H PERCENT )
26 FORMAT( 1H0, I14, 1H0, 8X, 24HALTERNATIVE TAX PROPOSAL , F13.0,
1 F10.0, 5F8.0 )
27 FORMAT( 1H0, I14, 1H0, 8X, 24HALTERNATIVE TAX PROPOSAL , F14.3,
1 F9.3, 5F8.3 )
28 FORMAT( 1H2, 35X, 26HASSUMPTIONS NOT CONSISTENT )
29 FORMAT( 1H1, 5HTABLE, I2, 1H-, I1, 1H-, I1, 90X, 4HPAGE, I3 )
30 FORMAT( 1H1, 5HTABLE, I2, 1H-, I1, 1H-, I1, 10H CONTINUED, 80X,
1 4HPAGE, I3 )
END

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TXT92760  
 TXTR2770  
 TXTR2780  
 TXTR2790  
 TXTR2800  
 TXTR2810  
 TXTR2820  
 TXTR2830  
 TXTR2840  
 TXTR2850  
 TXTR2860  
 TXTR2870  
 TXTR2880  
 TXTR2890  
 TXTR2900  
 TXTR2910  
 TXTR2920  
 TXTR2930  
 TXTR2940  
 TXTR2950  
 TXTR2960  
 TXTR2970  
 TXTR2980  
 GTXTR2990  
 TXTR3000  
 TXTR3010  
 TXTR3020  
 TXTR3030  
 TXTR3040  
 TXTR3050  
 TXTR3060  
 TXTR3070  
 TXTR3080  
 TXTR3090  
 TXTR3100  
 TXTR3110  
 TXTR3120  
 TXTR3130  
 TXTR3140  
 TXTR3150  
 TXTR3160  
 TXTR3170  
 TXTR3180  
 TXTR3190  
 TXTR3200  
 TXTR3210  
 TXTR3220  
 TXTR3230  
 TXTR3240  
 TXTR3250  
 TXTR3260  
 TXTR3270  
 TXTR3280  
 TXTR3290  
 TXTR3300  
 TXTR3310  
 TXTR3320  
 TXTR3330  
 TXTR3340  
 TXTR3350  
 TXTR3360  
 TXTR3370  
 TXTR3380  
 TXTR3390  
 TXTR3400  
 TXTR3410  
 TXTR3420  
 TXTR3430  
 TXTR3440  
 TXTR3450

## 2. GITAN - PART 2

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### 2.1 PROCESSING CONTROL SUBPROGRAM

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C      SUBROUTINE TAXANL (NFAM, KCHNGE)                                TXNLC00C
C                                                                 TXNLC01C
C      SUBROUTINE CONTROLLING TAX ANALYSIS PROGRAM (VERSION OF 4 JUL/66) TXNLC02C
C      NUMBERED AS OF 21 OCT/66                                     TXNLC03C
C      PURPOSE                                                     TXNLC04C
C      TO GENERATE TABLES SUMMARIZING EFFECTS OF TAX REFORMS ON TAXES TXNLC05C
C      PAID BY INDIVIDUAL TAX UNITS. PROCESSING OF INDIVIDUAL TAX TXNLC06C
C      RETURNS TO ESTIMATE REFORM EFFECTS ON TAX BASE AND TAX CREDITS FOR TXNLC07C
C      EACH TAX UNIT IS CONTROLLED BY THIS SUBROUTINE, USING THREE DUMMY TXNLC08C
C      SUBROUTINES TO PROVIDE LINKAGE TO TABLE-GENERATING SUBROUTINES TXNLC09C
C      DUMMY SUBROUTINES FOR TABLE LINKAGE                        TXNLC10C
C      INLST = SUBROUTINE TO LINK TO INITIALIZING ENTRIES          TXNLC11C
C      STOLST = SUBROUTINE TO LINK TO ENTRIES HANDLING ACCUMULATION OF TXNLC12C
C      TABLE DATA                                                TXNLC13C
C      OUTLST = SUBROUTINE TO LINK TO ENTRIES FOR OUTPUT OF TABLES TXNLC14C
C      ARGUMENTS                                                    TXNLC15C
C      NFAM = SUMMARY OF AGGREGATABLE FAMILIES                     TXNLC16C
C      KCHNGE = KLAS INDEX OF OUTPUT SET (=0 IF CUTPUT TO BE GENERATED TXNLC17C
C      ONLY FOR ALL TAX UNITS)                                     TXNLC18C
C                                                                 TXNLC19C
C      COMMON /PROGID/ RCASE, ACASE, IPSET, ITSET, SETNC, DATE(2), ITDEF TXNLC02CC
C      PROGRAM OUTPUT IDENTIFICATION                               TXNLC021C
C      RCASE = RATE SCHEDULE IDENTIFIER (A6)                       TXNLC022C
C      ACASE = ASSUMPTION SET IDENTIFIER (A6)                     TXNLC023C
C      IPSET = IDENTIFIER OF SET OF TABLES WITH GIVEN CCNSTRUCTION TXNLC024C
C      (EQUIVALENT TO VERSION NUMBER OF PROGRAM)                 TXNLC025C
C      ITSET = IDENTIFIER OF SET OF TABLES DEPENDENT ON GIVEN PRORATION TXNLC026C
C      BASIS AND REFORM SET                                       TXNLC027C
C      SETNO = TABLE SET NUMBER (IPSET BEFORE DECIMAL, ITSET AFTER) TXNLC028C
C      DATE = DATE OF RUN (A12)                                   TXNLC029C
C      ITDEF = TAX UNIT DEFINOR (=ITUDEF)                         TXNLC030C
C                                                                 TXNLC031C
C      COMMON /PARAM/ ASS(200), ALLOW(50), ITUDEF, IDATA, IBASIS, TXNLC032C
C      $ IORDER(7), ISPRES(25,2), NSUP, IMINTP, ITPOUT, ITDATA TXNLC033C
C      PROGRAM PARAMETERS                                         TXNLC034C
C      ASS = ASSUMPTION PARAMETERS                                TXNLC035C
C      ALLOW = ALLOWANCE PARAMETERS                               TXNLC036C
C      ITUDEF = TAX UNIT DEFINITION OF INPUT DATA (1 DENOTES UNAGGREGATED TXNLC037C
C      TAXPAYERS, 2 DENOTES HOUSEHOLDS)                          TXNLC038C
C      IDATA = DATA DEFINOR (1 DENOTES CLASS DATA, 2 DENOTES ORIGINALS, TXNLC039C
C      3 DENOTES CLASS DATA ON CARDS, 4 DENOTES M18 OUTPUT) TXNLC040C
C      IBASIS = PRORATION BASIS FOR ALLOCATING REFORMS (1 DENOTES TXNLC041C
C      PRORATION OVER ALL BASE CHANGES, 2 DENOTES SECTION-BY- TXNLC042C
C      SECTION PRORATION OF BASE CHANGE EFFECTS)                TXNLC043C
C      IORDER = LIST OF REFORM CATEGORIES IN ORDER OF PRORATION TXNLC044C
C      ISPRES = LIST OF REFORMS TO BE SUPPRESSED IN CALCULATIONS TXNLC045C

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C	NSUP = NUMBER OF REFORMS SUPPRESSED	TXNL046C
C	IMINTP = MONITOR INPUT TAPE	TXNL047C
C	ITPOUT = MONITOR OUTPUT TAPE	TXNL048C
C	ITDATA = DATA INPUT TAPE	TXNL049C
C		TXNL050C
C	COMMON /RSCHED/ BOTTOM(25), RATE(3,25), RSCRED(10), NCLASS	TXNL051C
C	RATE SCHEDULE PARAMETERS	TXNL052C
C	BOTTOM = BOTTOM INCOMES IN EACH TAX BRACKET	TXNL053C
C	RATE = MARGINAL RATE IN EACH BRACKET UNDER SEPARATE SCHEDULES	TXNL054C
C	FOR INDIVIDUALS, FAMILIES W/O DEPENDENT CHILDREN, AND	TXNL055C
C	FAMILIES WITH DEPENDANT CHILDREN	TXNL056C
C	RSCRED = TAX CREDITS AND EXEMPT INCOMES	TXNL057C
C	NCLASS = NUMBER OF TAX BRACKETS	TXNL058C
C		TXNL059C
C	COMMON /TABCON/ ITABCN, ITABSW(10), IXKSUP(30)	TXNL060C
C	TABLE PRINT OPTIONS	TXNL061C
C	ITABCN = 0 OR 1. IF 0, ONLY SUMMARY TABLES ARE PRINTED	TXNL062C
C	ITABSW = CONTROL FOR CHOICE OF TABLES	TXNL063C
C	IXKSUP = SWITCH FOR EACH CROSS-CLASSIFICATION CLASS	TXNL064C
C	IF 0, SEPARATE TABLES FOR CLASS ARE NOT PRINTED	TXNL065C
C		TXNL066C
C	COMMON /CLASFN/ NINKL(3), NXKLAS, CLXNAM, KLGIVN, GIVNAM,	TXNL067C
C	\$ INCKL(3), IXKLAS	TXNL068C
C	CLASSIFICATION PARAMETERS	TXNL069C
C	NINKL(K) = NUMBER OF CLASSES IN INCOME CLASSIFICATION K	TXNL070C
C	NXKLAS = NUMBER OF CLASSES IN THE OTHER CROSS-CLASSIFICATION	TXNL071C
C	DISPLAYED IN TABLES	TXNL072C
C	CLXNAM = ALPHA DESCRIPTION OF CROSS-CLASSIFICATION (A6)	TXNL073C
C	KLGINV = IDENTIFIER OF GIVEN CLASS FOR TABLES BEING GENERATED	TXNL074C
C	(=0 IF CLASS IS NOT A PROPER SUBSET OF ALL CANADIAN	TXNL075C
C	RESIDENT TAX UNITS)	TXNL076C
C	GIVNAM = ALPHA DESCRIPTION OF GIVEN CLASSIFICATION (A6)	TXNL077C
C	(WILL BE SET BLANK IF KLGIVN EQUALS ZERO)	TXNL078C
C	INCKL(1) = INCOME CLASSIFICATION (COMPREHENSIVE TAXABLE INCOME)	TXNL079C
C	INCKL(2) = INCOME CLASSIFICATION (CURRENTLY ASSESSABLE INCOME)	TXNL080C
C	INCKL(3) = INCOME CLASSIFICATION (TOTAL ACCRUED INCOME)	TXNL081C
C	IXKLAS = CROSS-CLASSIFICATION CLASS	TXNL082C
C		TXNL083C
C	COMMON /FPAR/ MARTAL, IWWIFE, DEPCH, ODEP	TXNL084C
C	FAMILY STATUS PARAMETERS FOR GIVEN TAX UNIT	TXNL085C
C	MARTAL = MARITAL STATUS OF TAX UNIT (0 IF SINGLE, 1 IF MARRIED,	TXNL086C
C	2 IF MARRIED WITH ONE OR MORE CHILDREN UNDER 16)	TXNL087C
C	IWWIFE = IDENTIFIER FOR WORKING WIFE (1 IF WORKING, 2 IF WORKING	TXNL088C
C	AND WITH DEPENDENT CHILDREN BELOW SCHOOL AGE,	TXNL089C
C	0 OTHERWISE)	TXNL090C
C	DEPCH = NUMBER OF DEPENDENT CHILDREN	TXNL091C
C	ODEP = NUMBER OF OTHER DEPENDANTS	TXNL092C
C		TXNL093C
C	COMMON /ADJUST/ DELTA(10), OTHER(30), UNTAXD(20)	TXNL094C
C	ADJUSTMENT VARIABLES	TXNL095C
C	DELTA = ADJUSTMENTS UNDERLYING DERIVATION OF CURRENT TAX BASE	TXNL096C
C	OTHER = COMPONENTS OF BASE ADJUSTMENTS NOT SHOWN SEPARATELY	TXNL097C
C	UNTAXED = INCOME NOT BROUGHT INTO THE COMPREHENSIVE TAX BASE	TXNL098C
C		TXNL099C
C	COMMON /TAPWRT/ ITPWRT, ISTORE	TXNL100C
C	TAPE OUTPUT OPTIONS	TXNL101C
C	ITPWRT = 0,1. IF 1, INTERMEDIATE OUTPUT IS PUT ON TAPE	TXNL102C
C	ISTORE = INTERMEDIATE STORAGE TAPE NUMBER	TXNL103C
C		TXNL104C
C	COMMON /SWITCH/ ISW(25)	TXNL105C
C	SPECIAL-PURPOSE SWITCHES	TXNL106C
C	SWITCH 1 TURNS ON EDIT FACILITY	TXNL107C
C	SWITCH 2 CONTROLS ENDING ON RECORD COUNT	TXNL108C
C	SWITCH 3 DETERMINES BASIS OF INCOME CLASSIFICATION	TXNL109C
C	SWITCH 4 SUPPRESSES GENERAL DETAILS IN REV TAB OUTPUT	TXNL110C



C	SWITCH 5 USED IN READIN TO CALCULATE AVERAGES OF SUM ELEMENTS	TXNL111C
C	SWITCH 6 DEFINES CURRENT TAX CALCULATION BASIS	TXNL112C
C	SWITCH 7 CONTROLS SUBSAMPLE SELECTION	TXNL113C
C	SWITCH 8 INCORPORATES EFFECTS OF TAX SHIFTING	TXNL114C
C	SWITCH 9 DEFINES TOTAL INCOME TO INCLUDE UNTAXED ACCRUALS	TXNL115C
C	SWITCH 10 REPLICATES ERRORS IN REPORT CALCULATIONS	TXNL116C
C	SWITCH 11 ALLOWS FOR READING FLEXIBILITY	TXNL117C
C	SWITCH 12 DEFINES INCOME CLASSIFICATION GRID	TXNL118C
C		TXNL119C
	COMMON /MISPAR/ KCHANG, NBREF, NCRED	TXNL120C
C	MISCELLANEOUS PARAMETERS	TXNL121C
C	KCHANG = KCHNGE	TXNL122C
C	NBREF = NUMBER OF BASE CHANGES CAUSED BY REFORMS	TXNL123C
C	NCRED = NUMBER OF CHANGES IN TAX CREDITS ALLOWED	TXNL124C
C		TXNL125C
	COMMON /DATA/ KLAS(10), SUM(50), BASE(40), CRED(40),	TXNL126C
	\$ REFTAX(5), OLDPTX(5), CORTAX(5), GIFTAX(5)	TXNL127C
C	BASIC DATA ARRAYS	TXNL128C
C	KLAS = ARRAY OF CLASS DATA FROM DATA RECORD	TXNL129C
C	SUM = DATA RECORD FOR GIVEN TAXPAYER CLASS	TXNL130C
C	BASE = ADJUSTMENTS IN TAX BASE RESULTING FROM REFORMS	TXNL131C
C	CRED = TAX CREDITS ASSOCIATED WITH GIVEN REFORMS	TXNL132C
C	REFTAX = REFORMED BASE, NON-REFUNDABLE CREDITS, PERSONAL TAX,	TXNL133C
C	AND CORPORATE TAX	TXNL134C
C	OLDPTX = CURRENT TAX BASE, CREDITS, AND TAX ACCRUAL	TXNL135C
C	CORTAX = CURRENT AND CHANGES IN CORPORATE TAX YIELDS	TXNL136C
C	GIFTAX = CURRENT AND CHANGES IN GIFT TAX YIELDS	TXNL137C
C		TXNL138C
	KK = 0	TXNL139C
	KNTREC = C	TXNL140C
	IEND = 0	TXNL141C
	KCHANG = KCHNGE	TXNL142C
	NBL = 5	TXNL143C
	NREC = 0	TXNL144C
	CALL KLASFY (KLAS,0.,0., KCHNGE, 1)	TXNL145C
	CALL SUPREF (1)	TXNL146C
	ITDEF = ITUDEF	TXNL147C
	IF (ITPWRT .NE. 1) GO TO 99	TXNL148C
	CALL INLST	TXNL149C
	WRITE (ISTOR) RCASE, ACASE, SETNO, DATE, ITUDEF, ASS, ALLOW,	TXNL150C
	\$ IBASIS, IORDER, ISPRES, NSUP, NINKL, NXKLAS, CLXNAM, KLGIVN,	TXNL151C
	\$ GIVNAM	TXNL152C
	GO TO 100	TXNL153C
	99 CALL INLST	TXNL154C
	IF (KNTREC .NE. 0) GO TO 1000	TXNL155C
C		TXNL156C
C	DATA-PROCESSING LOOP	TXNL157C
C		TXNL158C
	100 NREC = NREC + 1	TXNL159C
	KNTREC = KNTREC + 1	TXNL160C
	IF (ISW(2) .NE. 0 .AND. KNTREC .GT. ISW(2)) IEND = 1	TXNL161C
	IF (IEND .EQ. 1) REWIND ITDATA	TXNL162C
C		TXNL163C
C	OPTIONAL TERMINATION ON RECORD COUNT IF (ISW(2)) SET TO NUMBER	TXNL164C
C	OF RECORDS TO BE READ	TXNL165C
C		TXNL166C
	IF (IEND .EQ. 1) GO TO 101	TXNL167C
	CALL READIN (KLAS, SUM, IDATA, IEND, NREC, NBL, ITDATA)	TXNL168C
	IF (IEND .EQ. 1) GO TO 101	TXNL169C
	IF (KK .EQ. 0 .AND. KCHNGE .NE. 0) KK = KLAS(KCHNGE)	TXNL170C
	IF (KCHNGE .NE. 0 .AND. KLAS(KCHNGE) .NE. KK) GO TO 101	TXNL171C
	1000 IF (SUM(1) .LE. 0.) GO TO 100	TXNL172C
	CALL FAMPAR (KLAS, SUM, ASS, ITUDEF)	TXNL173C
	XN = SUM(1)	TXNL174C

CALL XTRAP	TXNL175C
CALL BASADJ(NTAXPR, NBREF)	TXNL176C
IF (NTAXPR .LE. 0) GO TO 100	TXNL177C
ACCINC = REFTAX(1)	TXNL178C
DO 1001 J = 1, 20	TXNL179C
1001 ACCINC = ACCINC + UNTAXD(J)	TXNL180C
CALL KLASFY (KLAS, REFTAX(1)/XN, ACCINC/XN, KCHNGE, 2)	TXNL181C
CALL STOLST	TXNL182C
IF (ITPWR .NE. 1) GO TO 100	TXNL183C
WRITE (ISTOR) KLAS, SUM, INCKL, IXKLAS, MARTAL, IWWIFE, DEPCH,	TXNL184C
\$ ODEP, BASE, CRED, OLDPTX, CORTAX, GIFTAX, REFTAX,	TXNL185C
\$ DELTA, OTHER	TXNL186C
GO TO 100	TXNL187C
C	TXNL188C
C OUTPUT SEGMENT	TXNL189C
C	TXNL190C
101 KLGIVN = KK	TXNL191C
CALL OUTLST	TXNL192C
IF (IEND .EQ. 1) GO TO 102	TXNL193C
KK = KLAS(KCHNGE)	TXNL194C
GO TO 99	TXNL195C
102 IF (ITPWR .NE. 1) RETURN	TXNL196C
WRITE (ISTOR) KLAS, SUM, INCKL, IXKLAS, MARTAL, IWWIFE, DEPCH,	TXNL197C
\$ ODEP, BASE, CRED, CLDPTX, CORTAX, GIFTAX, REFTAX,	TXNL198C
\$ DELTA, OTHER	TXNL199C
RETURN	TXNL200C
END	TXNL201C



## 2.2 PROGRAM CONTROL AND PARAMETER INPUT

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C      RCT - MAIN 18R2 (GITAN, PART 2) M18RC00C
C      TAX REVENUE AND INCIDENCE ANALYZER (GENERALIZED VERSION, 5 JUL/66) M18RC01C
C      NUMBERED AS OF 21 OCT/66 M18RC02C
C M18RC03C
      COMMON /DEBUG/ IDBGSW, KOUNT M18RC04C
      COMMON /TAPWRT/ ITPWRT, ISTOP M18RC05C
      KOUNT = 14 M18RC06C
C      KOUNT = UPPER LIMIT ON NUMBER OF SETS OF DEBUG OUTPUT OF RECORDS M18RC07C
      ITDATA = 1 M18RC08C
      ITPALT = 3 M18RC09C
      ISTOP = 4 M18RC10C
      IMINTP = 5 M18RC11C
      ITPOUT = 6 M18RC12C
      99 IBEGIN = 1 M18RC13C
      100 CALL PROGNCN (IEND, IBEGIN, IMINTP, ITPOUT, ITDATA, ITPALT, KCHNGE, M18RC14C
          $ IDATA) M18RC15C
          IF(IEND .EQ. 1) GO TO 101 M18RC16C
          IBEGIN = 0 M18RC17C
          CALL TAXANL (NFAM, KCHNGE) M18RC18C
          GO TO 100 M18RC19C
      101 READ (5,2) ISTOP M18RC20C
          ITPALT = -1 M18RC21C
          IF (ISTOP .NE. 1) GO TO 99 M18RC22C
          IF (IDATA .EQ. 3) CALL EXIT M18RC23C
          PRINT 1 M18RC24C
          CALL PAUSE M18RC25C
          CALL EXIT M18RC26C
          STOP M18RC27C
      1 FORMAT (58H1JOB COMPLETED - TO PROCEED, REMOVE TAPES THEN PRESS ST M18RC28C
          $ART /1H0 / 1H0 / 1H0/ 1H0 ) M18RC29C
      2 FORMAT (15) M18RC30C
      END M18RC31C

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      SUBROUTINE PROGNCN (IEND, IBEGIN, MONINT, MONOUT, IDATTP, IALTTP, PGCN000C
          $ KCHNGE, JDATA) PGCN001C
C PGCN002C
C      SUBROUTINE TO CONTROL ITERATION THROUGH PROGRAM PARAMETER SETS PGCN003C
C      RENUMBERED FOR GITAN PRINTING PGCN004C
C      ARGUMENT (OUTPUT) PGCN005C
C      IEND = 0,1. 1 DENOTES END OF ITERATION PGCN006C
C      ARGUMENTS (INPUT) PGCN007C
C      IBEGIN = 0,1. 1 ON FIRST ENTRY PGCN008C
C      MONINT,MONOUT = MONITOR INPUT AND OUTPUT TAPES PGCN009C
C      IDATTP, IALTTP = TAPES ON WHICH DATA IS MCUNTED FOR PING-PONGED PGCN010C
C      READING. IF IALTTP EQUALS -1, INITIALIZATION PGCN011C
C      OF PING-PONG READING IS SUPPRESSED. PGCN012C
C PGCN013C
      COMMON /PROGID/ RCASE, ACASE, ISETNO, LTSET, SETNO, DATE(2),ITDEF PGCN014C
      COMMON /PARAM/ ASS(200), ALLOW(50), ITUDEF, IDATA, IBASIS, PGCN015C

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\$	IORDER(7), ISPRES(25,2), NSUP, IMINTP, ITPOUT, ITDATA	PGCNC160
	COMMON /RSCHED/ BOTTOM(25), RATE(3,25), CRED(10), NCLASS	PGCNC17C
	COMMON /TAPWRT/ ITPWRT, ISTOR	PGCNC18C
	COMMON /DEBUG/ IDBGSW, KOUNT	PGCNC19C
	COMMON /SWITCH/ ISW(25)	PGCNC20C
	COMMON /TABCON/ ITABCN, ITABSW(10), IXKSUP(30)	PGCNC21C
	DIMENSION N(5), SBOT(25,5), SCRED(25,5), ACASNM(5), RCASNM(5),	PGCNC22C
\$	SRAT(3, 25, 5), KSETNC(5), KBASIS(5), KORDER(7,5), NN(5),	PGCNC23C
\$	SASS(200,5), SALLOW(50,5), KSPRES(25,2,5)	PGCNC24C
	DIMENSION KLAS(10), SUM(50)	PGCNC25C
C		PGCNC26C
	IEND = 0	PGCNC27C
C		PGCNC28C
	IF (IBEGIN .NE. 1) GO TO 111	PGCNC29C
C		PGCNC300
	IMINTP = MONINT	PGCNC31C
	ITPOUT = MONOUT	PGCNC32C
	IF (IALTTP .EQ. -1) GO TO 89	PGCNC33C
	ITDATA = IDATTTP	PGCNC34C
	ITPALT = IALTTP	PGCNC35C
89	DO 90 I = 1, 200	PGCNC36C
	ASS(I) = C.	PGCNC37C
	IF (I .GT. 50) GO TO 90	PGCNC38C
	SUM(I) = C.	PGCNC39C
	ALLOW(I) = 0.	PGCNC40C
90	CONTINUE	PGCNC41C
	KLAS(1) = C	PGCNC42C
	ISKIP1 = C	PGCNC43C
	IASS = 1	PGCNC44C
C		PGCNC45C
C	READ PROGRAM CONTROL PARAMETERS	PGCNC46C
C		PGCNC47C
	READ (5,2) NRSCHD, NASS, (DATE(I), I=1,2), KCHNGE, ITUDEF, IDATA,	PGCNC48C
\$	NTSETS, IXKID	PGCNC49C
	JDATA = IDATA	PGCNC50C
C		PGCNC51C
C	READ OUTPUT SWITCHES	PGCNC52C
C		PGCNC53C
	READ (5,6) IDBGSW, ITPWRT, (ISW(I), I=1,8)	PGCNC54C
	READ (5,12) (ISW(I), I = 9, 16)	PGCNC55C
	READ (5,6) (ITABSW(I), I=1,10)	PGCNC56C
	READ (5,7) ITABCN, (IXKSUP(I), I=1,30)	PGCNC57C
C	SWITCH 1 USED IN READIN	PGCNC58C
C	SWITCH 2 USED IN TAXANL	PGCNC59C
C	SWITCH 3 USED IN STOLST AND INLST	PGCNC60C
C	SWITCH 4 USED IN BASADJ AND REV TAB	PGCNC61C
C	SWITCH 5 USED IN READIN	PGCNC62C
C	SWITCH 6 USED IN CURTAX	PGCNC63C
C	SWITCH 7 USED IN SELECT	PGCNC64C
C	SWITCH 8 USED IN BASADJ AND SUPREF	PGCNC65C
C	SWITCH 9 USED IN COMSET AND SUPREF	PGCNC66C
C	SWITCH 10 USED IN BASADJ AND INSPRO	PGCNC67C
C	SWITCH 11 USED IN READIN AND BENFTS	PGCNC68C
C	SWITCH 12 USED IN KLASFY	PGCNC69C
C		PGCNC70C
C	PRINT PROGRAM CONTROL PARAMETERS	PGCNC71C
C		PGCNC72C
	WRITE (ITPOUT,10)	PGCNC73C
	WRITE (ITPOUT,2) NRSCHD, NASS, (DATE(I), I=1,2),	PGCNC74C
\$	KCHNGE, ITUDEF, IDATA, NTSETS	PGCNC75C
	WRITE (ITPOUT,6) IDBGSW, ITPWRT, (ISW(I), I=1,8)	PGCNC76C
	WRITE (ITPOUT,12) (ISW(I), I = 9, 16)	PGCNC77C
	WRITE (ITPOUT,6) (ITABSW(I), I=1,10)	PGCNC78C
	WRITE (ITPOUT,7) ITABCN, (IXKSUP(I), I=1,30)	PGCNC79C
	WRITE (ITPOUT,11)	PGCNC80C

C	ITAP = 3	PGCN0810
	IF (ITPWRT .EQ. 1) PRINT 5, ISTORE	PGCN0820
	IF (ITPWRT .EQ. 1) WRITE (ITPOUT,5) ISTORE	PGCN0830
	IF (IDATA .EQ. 1) PRINT 1	PGCN0840
	IF (IDATA .EQ. 1) WRITE (ITPOUT,1)	PGCN0850
	IF (IDATA .EQ. 4) PRINT 8, ITAP	PGCN0860
	IF (IDATA .EQ. 4) WRITE (ITPOUT,8) ITAP	PGCN0870
	IF (IDATA .NE. 3) CALL PAUSE	PGCN0880
C		PGCN0890
C	READ AND STORE ALL ASSUMPTION SETS	PGCN0900
C		PGCN0910
91	CALL PINPUT (ACASE, NASSUM, NALLOW, 1)	PGCN0920
	KTPWRT = ITPWRT	PGCN0930
	IF (NASS .EQ. 1) GO TO 95	PGCN0940
	K = IASS	PGCN0950
	ACASNM(K) = ACASE	PGCN0960
	WRITE (ITPOUT,12) (ISW(I), I = 9, 16)	PGCN0970
	NN(K) = NSUP	PGCN0980
	DO 92 I=1,NASSUM	PGCN0990
92	SASS(I,K) = ASS(I)	PGCN1000
	DO 93 I=1,NALLOW	PGCN1010
93	SALLOW(I,K) = ALLOW(I)	PGCN1020
	DO 94 I=1,NSUP	PGCN1030
	DO 94 J=1,2	PGCN1040
94	KSPRES(I,J,K) = ISPRES(I,J)	PGCN1050
	IASS = IASS + 1	PGCN1060
	IF (IASS .LE. NASS) GO TO 91	PGCN1070
C		PGCN1080
C	READ AND STORE ALL RATE SCHEDULES	PGCN1090
C		PGCN1100
95	IRSCHD = 1	PGCN1110
96	CALL INPUT (RCASE)	PGCN1120
	IF (NRSCHD .EQ. 1) GO TO 98	PGCN1130
	K = IRSCHD	PGCN1140
	RCASNM(K) = RCASE	PGCN1150
	N(K) = NCLASS	PGCN1160
	DO 97 J=1,NCLASS	PGCN1170
	SBOT(J,K) = BOTTOM(J)	PGCN1180
	DO 97 I=1,3	PGCN1190
97	SRAT(I,J,K) = RATE(I,J)	PGCN1200
	DO 971 J=1,10	PGCN1210
971	SCRED(J,K) = CRED(J)	PGCN1220
	IRSCHD = IRSCHD + 1	PGCN1230
	IF (IRSCHD .LE. NRSCHD) GO TO 96	PGCN1240
C		PGCN1250
C	PRINT ASSUMPTION SET	PGCN1260
C		PGCN1270
98	IF (NASS .EQ. 1) GO TO 102	PGCN1280
	IASS = 1	PGCN1290
981	K = IASS	PGCN1300
	ACASE = ACASNM(K)	PGCN1310
	NSUP = NN(K)	PGCN1320
	ITPWRT = KTPWRT	PGCN1330
	IF (ITPWRT .EQ. 1) WRITE (ISTOR) KLAS,SUM	PGCN1340
	DO 99 I=1,NASSUM	PGCN1350
99	ASS(I) = SASS(I,K)	PGCN1360
	DO 100 I=1,NALLOW	PGCN1370
100	ALLOW(I) = SALLOW(I,K)	PGCN1380
	DO 101 I =1,NSUP	PGCN1390
	DO 101 J =1,2	PGCN1400
101	ISPRES(I,J) = KSPRES(I,J,K)	PGCN1410
102	CALL PINPUT (ACASE, NASSUM, NALLOW, 2)	PGCN1420
C		PGCN1430
		PGCN1440

C	PRINT RATE SCHEDULE	PGCN145C
C		PGCN146C
	IF (NRSCHD .EQ. 1) GO TO 105	PGCN147C
	IRSCHD = 1	PGCN148C
103	K = IRSCHD	PGCN149C
	RCASE = RCASNM(K)	PGCN150C
	NCLASS = N(K)	PGCN151C
	DO 104 J=1,NCLASS	PGCN152C
	BOTTOM(J) = SBOT(J,K)	PGCN153C
	DO 104 I=1,3	PGCN154C
104	RATE(I,J) = SRAT(I,J,K)	PGCN155C
	DO 1041 J=1,10	PGCN156C
1041	CRED(J) = SCRED(J,K)	PGCN157C
105	ITSET = 1	PGCN158C
	CALL TAB1 (ITPOUT, RCASE)	PGCN159C
	IF (ISKIP1 .EQ. 1) GO TO 110	PGCN160C
106	IF (IRSCHD .GT. 1 .OR. IASS .GT. 1) GO TO 108	PGCN161C
C		PGCN162C
C	DEFINE PRORATION BASIS	PGCN163C
C		PGCN164C
	READ (5,3) IBASIS, (IORDER(I),I=1,7), LTSET	PGCN165C
	K = ITSET	PGCN166C
	DO 107 I=1,7	PGCN167C
107	KORDER(I,K) = IORDER(I)	PGCN168C
	KSETNO(K) = LTSET	PGCN169C
	KBASIS(K) = IBASIS	PGCN170C
	GO TO 110	PGCN171C
108	K = ITSET	PGCN172C
	DO 109 I=1,7	PGCN173C
109	IORDER(I) = KORDER(I,K)	PGCN174C
	IBASIS = KBASIS(K)	PGCN175C
	LTSET = KSETNO(K)	PGCN176C
110	RETURN	PGCN177C
C		PGCN178C
C	RETURN TO EXECUTE TAXANL AND/OR ALTERNATIVE PROCESSING	PGCN179C
C		PGCN180C
111	IT = ITDATA	PGCN181C
	ITPWT = 0	PGCN182C
	ITDATA = ITPALT	PGCN183C
	ITPALT = IT	PGCN184C
	IF (NTSETS .EQ. 1) ISKIP1 = 1	PGCN185C
	ITSET = ITSET + 1	PGCN186C
	IF (ITSET .LE. NTSETS) GO TO 106	PGCN187C
	WRITE (ITPOUT,4)	PGCN188C
	IRSCHD = IRSCHD + 1	PGCN189C
	IF (IRSCHD .LE. NRSCHD) GO TO 103	PGCN190C
	IASS = IASS + 1	PGCN191C
	IF (IASS .LE. NASS) GO TO 981	PGCN192C
	IEND = 1	PGCN193C
	KLAS(1) = IEND	PGCN194C
	IF (KTPWT .NE. 1) RETURN	PGCN195C
	WRITE (ISTOR) KLAS, SUM	PGCN196C
	END FILE ISTOR	PGCN197C
	REWIND ISTOR	PGCN198C
	RETURN	PGCN199C
C		PGCN200C
1	FORMAT (7CHOMOUNT THE TWO 'COMBINED FILES' TAPES ON A3 AND A4 THEN	PGCN201C
	\$ PRESS START /1H0 /1H0)	PGCN202C
2	FORMAT (2I5, 3X, 2A6, 5I5)	PGCN203C
3	FORMAT (9I5)	PGCN204C
4	FORMAT (62H1PROGRAM COMPLETED FOR THIS ASSUMPTION SET AND RATE SCH	PGCN205C
	\$EDULE / 1X/ 1X/ 1X/ 1X/ 1X)	PGCN206C
5	FORMAT (5CHOMOUNT NEW 'MAIN 18R2 OUTPUT' TAPE ON LOGICAL UNIT, I3)	PGCN207C
6	FORMAT (10I5)	PGCN208C
7	FORMAT (I5, 5X, 30I2)	PGCN209C

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8 FORMAT (5CHOMOUNT OLD 'MAIN 18R2 OUTPUT' TAPE ON LOGICAL UNIT, 13)PGCN2100
9 FORMAT (78H1M18 OPERATOR INSTRUCTIONS - IF NC SPECIAL INSTRUCTIONS)PGCN2110
$ PRESS START TO PROCEED) PGCN2120
10 FORMAT (1H1, 38HMAIN 18R - PROGRAM CONTROL PARAMETERS / 1H0/1H0) PGCN2130
11 FORMAT (1H0/1H0/1X, 38HSPECIAL OPERATOR INSTRUCTIONS (IF ANY) / PGCN2140
$ 1H0 / 1H0) PGCN2150
12 FORMAT (1CX, 8I5) PGCN2160
END PGCN2170

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SUBROUTINE PINPUT (ACASE, NASS, NALLOW, IENTRY) PNPT000C
C PNPTC01C
C SUBROUTINE TO READ PARAMETER INPUT PNPTC02C
C NUMBERED AS OF 21 OCT/66 PNPTC03C
C ARGUMENTS (ALL OUTPUT EXCEPT FOR IENTRY) PNPTC04C
C ACASE = ASSUMPTION SET IDENTIFIER (A6) PNPTC05C
C NASS = NUMBER OF ASSUMPTION PARAMETERS (OUTPUT) PNPT006C
C NALLOW = NUMBER OF ALLOWANCE PARAMETERS (OUTPUT) PNPT007C
C ENTRY DEFINITIONS (DEFINED BY IENTRY) PNPTC08C
C 1 = READ PARAMETERS PNPTC09C
C 2 = PRINT DISPLAY OF PARAMETERS PNPT0100
C PNPTC11C
COMMON /PARAM/ ASS(200), ALLOW(50), ITUDEF, IDATA, IBASIS, PNPT0120
$ IORDER(7), ISPRES(25,2), NSUP, IMINTP, ITPOUT, ITDATA PNPT0130
DATA MAX, MAX2, MAX3 / 0, 0, 0 / PNPT014C
IF (IENTRY .EQ. 2) GO TO 105 PNPTC15C
ITPIN = 5 PNPT016C
ITPOUT = 6 PNPTC17C
READ (ITPIN,1) ACASE, NSUP PNPTC18C
100 READ (ITPIN,2) IVAR, INDEX, VALUE, LIM1, LIM2 PNPTC190
MM = INDEX PNPT020C
IF (IVAR .EQ. 0) GO TO 108 PNPTC21C
C PNPTC22C
C INPUT ENDS ON BLANK CARD PNPT023C
C PNPT024C
IF (IVAR .EQ. 3) GO TO 103 PNPT025C
IF (LIM1 .EQ. 0) GO TO 102 PNPT026C
DO 101 J=LIM1,LIM2 PNPT027C
IF (IVAR .EQ. 1) ASS(J) = VALUE PNPT028C
IF (IVAR .EQ. 2) ALLOW(J) = VALUE PNPTC29C
101 CONTINUE PNPT030C
MM = LIM2 PNPT031C
GO TO 104 PNPT032C
102 IF (IVAR .EQ. 1) ASS(INDEX) = VALUE PNPT033C
IF (IVAR .EQ. 2) ALLOW(INDEX) = VALUE PNPT034C
IF (IVAR .EQ. 2 .AND. INDEX .GT. MAX2) MAX2 = INDEX PNPTC35C
GO TO 104 PNPTC36C
103 ISPRES(INDEX,1) = LIM1 PNPT037C
ISPRES(INDEX,2) = LIM2 PNPT038C
IF (INDEX.GT. MAX3) MAX3 = INDEX PNPT039C
104 IF (MM .GT. MAX) MAX = MM PNPTC40C
GO TO 100 PNPT041C
C PNPT042C
C PRINT ASSUMPTIONS, ALLOWANCES, AND SUPPRESSIONS PNPTC43C
C PNPTC44C
105 WRITE (ITPOUT,3) ACASE PNPTC45C
IF (MAX .GT. 0) GO TO 106 PNPT046C
WRITE (ITPOUT,4) PNPTC47C
GO TO 108 PNPT048C
106 DO 107 I=1,MAX PNPT049C
IF (I .LE. MAX3) WRITE (ITPOUT,5) I, ASS(I), ALLOW(I), ISPRES(I,1), PNPTC50C

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	\$ ISPRES(I,2)	PNPT051C
	IF (I .GT. MAX3 .AND. I .LE. MAX2) WRITE (ITPOUT,6) I, ASS(I), ALLOW(I)	PNPT052C
	IF (I .GT. MAX3 .AND. I .GT. MAX2) WRITE (ITPOUT,7) I, ASS(I)	PNPT053C
107	CONTINUE	PNPT054C
	IF (NSUP .NE. MAX3) WRITE (ITPOUT,8) NSUP, NSUP	PNPT055C
108	NASS = MAX	PNPT056C
	NALLOW = MAX2	PNPT057C
	RETURN	PNPT058C
C		PNPT059C
1	FORMAT (4X,A6,I5)	PNPT060C
2	FORMAT (2I5, F15.0, 2I5)	PNPT061C
3	FORMAT (15H1ASSUMPTION SET, 3X, A6 /1H0 , 5HINDEX, 5X,	PNPT062C
	\$ 10HASSUMPTION, 6X, 9HALLCOWANCE, 10 X, 12HSUPPRESSIONS/1X)	PNPT063C
4	FORMAT (16HONOTHING ENTERED)	PNPT064C
5	FORMAT ( I5,F16.3,F15.3, 12X, I5,1H,,I2)	PNPT065C
6	FORMAT ( I5,F16.3,F15.3)	PNPT066C
7	FORMAT (I5,F16.3)	PNPT067C
8	FORMAT (1HC, 45HNUMBER OF REFCRMS SUPPRESSED NOT AS SPECIFIED,	PNPT068C
	\$ 25H (ORIGINALLY SPECIFIED AS, I4, 1H) /	PNPT069C
	\$ 1X, 38HREFORMS SUPPRESSED ASSUMED TO BE FIRST, I4,	PNPT070C
	\$ 14H OF ABOVE LIST)	PNPT071C
	END	PNPT072C

## 2.3 DATA INPUT

	SUBROUTINE READIN (KLAS, SUM, IREAD, IEND, NREC, NBL, ITPIN)	RDINC00C
C		RDINC01C
C	SUBROUTINE TO READ IN DATA VIA EITHER 'READ(ITPIN)' OR 'RECORD'	RDINC02C
C	OR FROM CARDS	RDINC03C
C	RENUMBERED FOR GITAN PRINTING	RDINC04C
C		RDINC05C
	COMMON /SWITCH/ ISW(25)	RDINC06C
	COMMON /DEBUG/ IDBGSW, KOUNT	RDINC07C
	DIMENSION KLAS(10), SUM(50)	RDINC08C
	DIMENSION XMPT(4), DATA(49)	RDINC09C
C		RDINC10C
	IEND = 0	RDINC11C
	IF (IDBGSW .GT. 0) KOUNT = KOUNT - 1	RDINC12C
	IF (KOUNT .LT. 0) IDBGSW = 0	RDINC13C
	GO TO (100, 101, 103, 105), IREAD	RDINC14C
100	KSW = ISW(11)	RDINC15C
	IF (KSW .EQ. 0) READ(ITPIN) (KLAS(K), K=1, 5), (SUM(K), K=1, 49)	RDINC16C
	IF (KSW .GT. 0) READ(ITPIN) (KLAS(K), K=1, KSW), (SUM(K), K=1, 50)	RDINC17C
	IF (KLAS(1).GT.0) GO TO 110	RDINC18C
1000	REWIND ITPIN	RDINC19C
1001	IEND = 1	RDINC20C
	RETURN	RDINC21C
101	CALL RECORD (KLAS, CNUM, XMPT, DATA, IEND, NREC, NBL, ITPIN)	RDINC22C
	IF (IEND.EQ.1) GO TO 1000	RDINC23C
	DO 102 J = 1, 50	RDINC24C
102	SUM(J) = 0.	RDINC25C
	CALL ACCUM (CNUM, XMPT, DATA, SUM)	RDINC26C
	GO TO 110	RDINC27C
103	NI = 49	RDINC28C
	IF (ISW(11) .GT. 0) NI = 50	RDINC29C
	READ (5,104) (KLAS(I), I = 1, 10), (SUM(I), I = 1, NI)	RDINC30C
	IF (KLAS(1) .GT. 0) GO TO 110	RDINC31C
	GO TO 1001	RDINC32C
105	CALL SPREAD (KLAS, SUM, IEND)	RDINC33C
	IF (IEND .NE. 1) GO TO 110	RDINC34C
	GO TO 100C	RDINC35C
C		RDINC36C
C	DATA MANIPULATION OPTIONS	RDINC37C
C		RDINC38C
110	IF (ISW(1) .NE. 1) GO TO 111	RDINC39C
	CALL EDIT (KLAS, SUM)	RDINC40C
C	OPTIONAL DATA EDITING	RDINC41C
111	IF (ISW(5) .NE. 1) GO TO 113	RDINC42C
	XNUM = 1000./SUM(1)	RDINC43C
	DO 112 K = 1, 50	RDINC44C
112	SUM(K) = SUM(K)*XNUM	RDINC45C
C	OPTION TO CONVERT TO GROUP AVERAGES	RDINC46C
113	CONTINUE	RDINC47C
	RETURN	RDINC48C
C		RDINC49C
104	FORMAT(10I4 / (7F10.0))	RDINC50C
	END	RDINC51C

C	SUBROUTINE SPREAD (KLAS, SUM, IEND)	SPRDC00C
	NUMBERED AS OF 21 OCT/66	SPRDC01C
	DIMENSION KLAS(10), SUM(50), DUMMY1(54), DUMMY2(108)	SPRDC02C
	DATA KK / C /	SPRDC03C
	IEND = 0	SPRDC04C
	KOMPAR = C	SPRDC05C
	IF (KK .NE. KOMPAR) GO TO 100	SPRDC06C
	KK = 1	SPRDC07C
	ISTOR = 3	SPRDC08C
	READ (ISTOR) DUMMY1	SPRDC09C
100	READ (ISTOR) KLAS, SUM, DUMMY2	SPRDC10C
	IF (KLAS(1) .GT. C) RETURN	SPRDC11C
	IEND = 1	SPRDC12C
	REWIND ISTOR	SPRDC13C
	RETURN	SPRDC14C
	END	SPRDC15C
C	SUBROUTINE EDIT (KLAS, SUM)	EDITC00C
C	SUBROUTINE TO ALLOW USER TO DO EDITING ON INPUT DATA	EDITC01C
C		EDITC02C
	DIMENSION KLAS(10), SUM(50)	EDITC03C
	RETURN	EDITC04C
	END	EDITC05C
		EDITC06C



## 2.4 BASIC CALCULATIONS

```

C      SUBROUTINE FAMPAR (KLAS, SUM, ASS, ITUDEF)
C      SUBROUTINE TO INITIALIZE FAMILY STATUS PARAMETERS
C      NUMBERED AS OF 21 OCT/66
C  ARGUMENTS
C      KLAS  = CLASS IDENTIFIER ARRAY
C      SUM   = CLASS VARIABLE ARRAY
C      ASS   = ARRAY OF ASSUMED PARAMETERS
C      ITUDEF = TAX UNIT DEFINITION (=1 OR 2. IF 1, TAX UNIT IS
C              UNAGGREGATED TAXPAYER, IF 2, TAX UNIT IS HOUSEHOLD)
C
C      COMMON /FPAR/ MARTAL, IWWIFE, DEPCH, ODEP
C  OUTPUT VALUES IN FPAR COMMON
C      MARTAL = MARITAL STATUS OF TAX UNIT (0 IF SINGLE, 1 IF MARRIED,
C              2 IF MARRIED WITH CHILDREN UNDER 16)
C      IWWIFE = IDENTIFIER FOR WORKING WIFE (1 IF WORKING, 0 OTHERWISE)
C      DEPCH  = NUMBER OF DEPENDENT CHILDREN PER TAXPAYER
C      ODEP   = NUMBER OF OTHER DEPENDENTS PER TAXPAYER
C
C      DIMENSION KLAS(10), SUM(50), ASS(200), MSTAT1(7), MSTAT2(7),
C      $          IWFEM(26), IWW2(7)
C      DATA MSTAT1 / 3*1, 4*0/
C      DATA MSTAT2 / 6*1, 0/
C      DATA IWFEM  / 0,1,0,1,0,1, 5*0, 1, 14*0/
C      DATA IWW2  / 0, 0, 0, 1, 1, 1, 0/
C      XN = SUM(1)
C      IF (XN .GT. 0.) GO TO 100
C      KLAS(2) = 0
C      RETURN
100  K = KLAS(1)
C      IF (ITUDEF .EQ. 1) GO TO 101
C      MARTAL = MSTAT2(K)
C      IWWIFE = IWW2(K)
C      GO TO 102
101  MARTAL = MSTAT1(K)
C      IWWIFE = 0
C      KK = KLAS(4)
C      IWSEX = IWFEM(KK)
C      IF (IWSEX .EQ. 1 .AND. KLAS(1).LE. 5) IWWIFE = 1
102  IF (MARTAL .EQ. 0) GO TO 103
C      DEPCH = ASS(23)*SUM(4)/XN + ASS(1)*SUM(3)/XN
C      ODEP = ((1. - ASS(1))*SUM(3) + (1. - ASS(23))*SUM(4))/XN
C      IF (IWWIFE .EQ. 1 .AND. DEPCH*ASS(22) .GT. 1.) IWWIFE = 2
C      IF (DEPCH .GE. ASS(61)) MARTAL = 2
C      GO TO 104
103  ODEP = (SUM(3) + SUM(4))/XN
C      DEPCH = 0.
104  XMPTNS = SUM(2)*1000. + SUM(3)*550. + SUM(4)*300. + SUM(5)*500.
C  CHECK FOR INCONSISTENCY IN EXEMPTION ALLOCATION
C      IF (XMPTNS .LT. SUM(6)) SUM(2) = SUM(2) + (SUM(6) - XMPTNS)/1000.
C      XX = MARTAL + 1
C      IF (MARTAL .EQ. 2) XX = 2.
C      IF (SUM(2) .GT. XX*XN) SUM(2) = XX*XN

```

```

C      IF (SUM(16)/XN .LT. 1100.) IWWIFE = 0
C      NOTE THAT CONDITIONAL ASSIGNMENT IS NECESSARY ONLY FOR
C      UNAGGREGATED FAMILIES
C      RETURN
C      END

```

```

FMPC053C
FMPC054C
FMPC055C
FMPC056C
FMPC057C

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```

C      SUBROUTINE XTRAP
C
C      SUBROUTINE TO MODIFY ELEMENTS OF SUM ARRAY FOR EXTRAPOLATION
C      OF TAX REVENUES TO SUBSEQUENT YEARS
C      RENUMBERED FOR GITAN PRINTING
C
C      COMMON /PARAM/ ASS(200), ALLCW(50), ITUDEF, IDATA, IBASIS,
C      $ IORDER(71), ISPRES(25,2), NSUP, IMINTP, ITPOUT, ITDATA
C      COMMON /DATA/ KLAS(10), SUM(50), BASE(40), CRED(40),
C      $ REFTAX(5), OLDPTX(5), CORTAX(5), GIFTAX(5)
C
C      DELTA = 1. + ASS(70)
C      DO 100 I = 1, 45
100  SUM(I) = DELTA*SUM(I)
C      DO 1001 I = 47, 50
1001 SUM(I) = DELTA*SUM(I)
C      DELTA = ASS(71)*SUM(16)
C      SUM(16) = SUM(16) + DELTA
C      SUM(40) = SUM(40) + DELTA
C      DO 101 I = 18, 19
C      DELTA = ASS(72)*SUM(I)
C      SUM(I) = SUM(I) + DELTA
101  SUM(40) = SUM(40) + DELTA
C      DELTA = ASS(73)*SUM(17)
C      SUM(17) = SUM(17) + DELTA
C      SUM(40) = SUM(40) + DELTA
C      FCTR = ((1. + ASS(72))*SUM(18) + (1. + ASS(73))*SUM(17)) /
C      $ (SUM(17) + SUM(18))
C      SUM(23) = FCTR*SUM(23)
C      SUM(50) = (1. + ASS(73))*SUM(50)
C      DELTA = ASS(74)*SUM(20)
C      SUM(20) = SUM(20) + DELTA
C      SUM(40) = SUM(40) + DELTA
C      DELTA = ASS(75)*SUM(25)
C      SUM(25) = SUM(25) + DELTA
C      SUM(40) = SUM(40) + DELTA
C      SUM(30) = (1. + ASS(75))*SUM(30)
C      DO 102 I = 26, 28
C      DELTA = ASS(76)*SUM(I)
C      SUM(I) = SUM(I) + DELTA
102  SUM(40) = SUM(40) + DELTA
C      DELTA = ASS(76)*SUM(29)
C      SUM(29) = SUM(29) + DELTA
C      SUM(41) = SUM(41) + DELTA
C      SUM(31) = (1. + ASS(76))*SUM(31)
C      DO 103 I = 47, 49
103  SUM(I) = (1. + ASS(76))*SUM(I)
C      RETURN
C      END

```

```

XTRPC00C
XTRPC01C
XTRPC02C
XTRPC03C
XTRPC04C
XTRPC05C
XTRPC06C
XTRPC07C
XTRPC08C
XTRPC09C
XTRPC10C
XTRPC11C
XTRPC12C
XTRPC13C
XTRPC14C
XTRPC15C
XTRPC16C
XTRPC17C
XTRPC18C
XTRPC19C
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XTRPC34C
XTRPC35C
XTRPC36C
XTRPC37C
XTRPC38C
XTRPC39C
XTRPC40C
XTRPC41C
XTRPC42C
XTRPC43C
XTRPC44C
XTRPC45C
XTRPC46C
XTRPC47C
XTRPC48C

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SUBROUTINE BASADJ (NTAXPR, NBREF)

BSDJC00C

C		BSDJ001C
C	SUBROUTINE TO ADJUST TAX BASE (VERSION OF 29 JUN/66)	BSDJ002C
C	RENUMBERED FOR GITAN PRINTING	BSDJ003C
C	ARGUMENTS	BSDJ004C
C	NTAXPR = NUMBER OF TAX UNITS IN CLASS	BSDJ005C
C	NBREF = NUMBER OF BASE REFORMS	BSDJ006C
C		BSDJ007C
	COMMON /PARAM/ ASS(200), ALLOW(50), ITUDEF, IDATA, IBASIS,	BSDJ008C
	\$ IORDER(7), ISPRES(25,2), NSUP, IMINTP, ITPOUT, ITDATA	BSDJ009C
	COMMON /RSCHED/ BOTTOM(25), RATE(3,25), RSCRED(10), NCLASS	BSDJ010C
	COMMON /DATA/ KLAS(10), SUM(50), BASE(40), CRED(40),	BSDJ011C
	\$ REFTAX(5), OLDPTX(5), CORTAX(5), GIFTAX(5)	BSDJ012C
	COMMON /FPAR/ MARTAL, IWWIFE, DEPC, ODEP	BSDJ013C
	COMMON /MISC/ CHRYA, WAGES, S105D, CORBAS, PRCEED,	BSDJ014C
	\$ DCH300, DCH550, F300, F550, FCHLDN, OTH300, OTH550	BSDJ015C
	COMMON /ADJUST/ DELTA(10), OTHER(30), UNTAXD(20)	BSDJ016C
C	ADJUSTMENTS UNDERLYING ESTIMATE OF CURRENT BASE	BSDJ017C
	COMMON /SWITCH/ ISW(25)	BSDJ018C
	DIMENSION TCRED(2)	BSDJ019C
C		BSDJ020C
	NBREF = 35	BSDJ021C
	NCRED = 7	BSDJ022C
	DO 1000 J = 1, 30	BSDJ023C
1000	OTHER(J) = 0.	BSDJ024C
	NTAXPR = SUM(1) + .5	BSDJ025C
	XN = SUM(1)	BSDJ026C
	FRET = ASS(38)*SUM(5)/XN	BSDJ027C
C	FRACTION OF TAX UNITS IN CLASS ASSUMED TO BE RETIRED	BSDJ028C
	PENSN = FRET*SUM(16)	BSDJ029C
C	WAGES = (SUM(16) - PENSN)/XN	BSDJ030C
C	WAGES ARE DEFINED TO EXCLUDE PENSION INCOME	BSDJ031C
	SEMP = (SUM(17) + SUM(18) + SUM(19) + SUM(20))/XN	BSDJ032C
	CHRYA = 0.	BSDJ033C
	IF (SUM(3) .GT. 0. .AND. DEPC .GT. 0.) CHRYA = ASS(39)*SUM(3)	BSDJ034C
C	CHILDREN RECEIVING YOUTH ALLOWANCES	BSDJ035C
	DELTA(1) = ASS(69)*CHARTY(SUM, ASS, ALLOW, XN)	BSDJ036C
	DELTA(2) = -XN*(1. - ASS(58))*CPP(WAGES,SEMP,ADD)	BSDJ037C
	OTHER(4) = ADD*XN*(1. - ASS(58))	BSDJ038C
	DELTA(3) = 900.*(1. - ASS(42))*SUM(5)	BSDJ039C
	DELTA(4) = 500.*(1. - ASS(42))*SUM(5)	BSDJ040C
	DO 98 J = 5, 10	BSDJ041C
98	DELTA(J) = 0.	BSDJ042C
	OLDPTX(1) = SUM(40) - SUM(41)	BSDJ043C
	DO 99 J = 1, 10	BSDJ044C
99	OLDPTX(1) = OLDPTX(1) + DELTA(J)	BSDJ045C
	OLDPTX(2) = SUM(30) + SUM(31)	BSDJ046C
	OLDPTX(3) = CURTAX(OLDPTX(1)/XN, OLDPTX(2)/XN) * XN	BSDJ047C
	DO 100 J=1,NBREF	BSDJ048C
	BASE(J)=0	BSDJ049C
100	CRED(J)=0	BSDJ050C
	DO 101 J=1,5	BSDJ051C
	CORTAX(J)=0	BSDJ052C
101	GIFTAX(J) = 0	BSDJ053C
	IF (NTAXPR.LE.0) RETURN	BSDJ054C
C		BSDJ055C
C	PERSONAL EXEMPTIONS	BSDJ056C
C		BSDJ057C
	XMPTN = 0	BSDJ058C
	DO 1011 I = 1, 2	BSDJ059C
	XX = I	BSDJ060C
	RATIO = SUM(2)/(XX*XN)	BSDJ061C
	IF (RATIO .GT. 1.) RATIO = 1.	BSDJ062C
	BASE(I) = RATIO*XN*(1000.*XX - ALLOW(I+5) ) - XMPTN	BSDJ063C
1011	XMPTN = XMPTN + BASE(I)	BSDJ064C

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DCH300 = ASS(23)*SUM(4)
DCH550 = ASS(1)*SUM(3)
IF (DCH550 .GE. 0.) GO TO 1012
DCH300 = DCH300 - DCH550
DCH550 = 0.
1012 DEPCH = (DCH300 + DCH550)/XN
OTH300 = (1. - ASS(23))*SUM(4)
OTH550 = (1. - ASS(1))*SUM(3)
ODEP = (OTH300 + OTH550)/XN
FCHLDN = XN
IF (DEPCH .LT. 1.) FCHLDN = DEPCH*XN
F300 = FCHLDN
IF (FCHLDN .GT. DCH300) F300 = DCH300
F550 = FCHLDN - F300
BASE(29) = F300*(300. - ALLOW(8)) + F550*(550. - ALLOW(10))
BASE(30) = (DCH300 - F300)*(300. - ALLOW(9)) + (DCH550 - F550)*
$ (550. - ALLOW(10))
BASE(26) = OTH300*(300. - ALLOW(11)) + OTH550*(550. - ALLOW(12))
CRED(7) = FCHLDN*(RSCRED(3) + RSCRED(6))
CRED(1) = (DEPCH*XN - FCHLDN)*RSCRED(3)
CRED(5) = ODEP*XN*ALLOW(1)

C
C CORPORATE SOURCE INCOME
C
IF (ASS(6) .LE. 0. .OR. ASS(2) .LE. 0.) GO TO 102
CALL CORADJ (FRET, XN, UNREPD, CORBAS, ALLBAS, ALLADD, OLDCTX,
$ S105TX, CTADD1, CTADD2, UNTDIV, DEFDIV, GOODWL, TXBLGN, DEFGN)
BASE(35) = UNREPD
BASE(3) = ALLBAS
BASE(4) = ALLADD
BASE(5) = TXBLGN*(1. - ALLOW(16))
BASE(34) = -DEFDIV
CORTAX(1) = OLDCTX + S105TX
CORTAX(2) = CTADD1 - S105TX
CORTAX(3) = CTADD2
CRED(2) = -SUM(30)
CRED(8) = ALLOW(15)*ASS(90)*(OLDCTX + CTADD1)
CRED(9) = ALLOW(15)*ASS(90)*CTADD2
OLDPTX(4) = CORBAS
TXDRET = 0.
IF (ISW(13) .EQ. 1) GO TO 1013
BASE(3) = SUM(25) + UNREPD - UNTDIV
BASE(4) = 0.
CRED(8) = ALLOW(15)*BASE(3)
CRED(9) = 0.
1013 IF (ISW(14) .EQ. 1) GO TO 1014
RETNS = ALLBAS/ASS(90) - (OLDCTX + CTADD1 + CTADD2)
TXDRET = (1. - ALLOW(16))*ASS(96)*RETNS
BASE(5) = (1. - ALLOW(16))*ASS(96)*GOODWL + TXDRET
1014 TOTCBS = CORBAS + ALLADD/ASS(90)
TXDCBS = SUM(25) + UNREPD - DEFDIV
$ + BASE(3) + BASE(4) + TXDRET

C
C OTHER BUSINESS AND PROPERTY INCOME
C
102 BASE(6) = ASS(8)*SUM(29)
IF (BASE(6)/XN .LT. ASS(45)) BASE(6) = 0.
IF (SUM(25)/XN .LT. ASS(60)) BASE(6) = 0.
BASE(7) = (1. - ALLOW(16))*ASS(10)*SUM(17)
OTHER(1) = ASS(97)*ASS(9)*SUM(21)
BASE(32) = (1. - ALLOW(16))*(OTHER(1) + ASS(109)*ASS(11)*SUM(27))
BASE(8) = -ASS(12)*SUM(22)
BASE(9) = -ASS(13)*SUM(24)
BASE(10) = ASS(14)*SUM(27)
IF (BASE(10) .GT. ASS(37)*XN) BASE(10) = ASS(37)*XN

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BSDJ065C
BSDJ0660
BSDJ067C
BSDJ068C
BSDJ069C
BSDJ070C
BSDJ071C
BSDJ072C
BSDJ073C
BSDJ074C
BSDJ075C
BSDJ076C
BSDJ077C
BSDJ078C
BSDJ079C
BSDJ0800
BSDJ081C
BSDJ082C
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BSDJ111C
BSDJ112C
BSDJ113C
BSDJ114C
BSDJ115C
BSDJ116C
BSDJ117C
BSDJ118C
BSDJ119C
BSDJ1200
BSDJ1210
BSDJ122C
BSDJ1230
BSDJ124C
BSDJ125C
BSDJ126C
BSDJ1270
BSDJ128C
BSDJ129C

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	XX = SUM(40) - ASS(27)*XN	BSDJ1300
	IF (ISW(10) .EQ. 1) XX = SUM(40) - ASS(27)	BSDJ1310
	IF (XX .LT. 0.) XX = 0.	BSDJ1320
	BASE(11) = ASS(15)*SUM(27) + ASS(16)*XX	BSDJ1330
	BASE(11) = BASE(11)* (1.-ASS(17)*SUM(5)/ XN )	BSDJ1340
	BASE(12) = ASS (18) * BASE(11)	BSDJ1350
C	FUDGE FACTORS	BSDJ1360
	BASE(11) = ASS(52)*BASE(11)	BSDJ1370
	BASE(12) = ASS(53)*BASE(12)	BSDJ1380
	BASE(31) = 0.	BSDJ1390
	CORTAX(4) = -ASS(44)*(SUM(36) + SUM(37))	BSDJ1400
C		BSDJ1410
C	EMPLOYMENT INCOME	BSDJ1420
C		BSDJ1430
	EMPXP = EMPLXP(WAGES,ASS)	BSDJ1440
	BASE(13) = -XN*EMPXP	BSDJ1450
	IF (ISW(10) .EQ. 1) FRET = 0.	BSDJ1460
	BASE(14) = -XN* OPXDED(WAGES,SUM(12),SUM(11),FRET,EMPXP,ALLOW,XN)	BSDJ1470
	BASE(15) = BENFTS (WAGES, (SUM(18) + SUM(19))/XN, SUM(17)/XN,	BSDJ1480
	\$ SUM(23)/XN, XN, ASS)*XN	BSDJ1490
	BASE(16) = 0.	BSDJ1500
	CRED(3) = 0	BSDJ1510
	IF (IWWIFE .GE. 1 .AND. DEPCN .GT. 0.) CRED(3) = ALLOW(4)* XN	BSDJ1520
	IF (IWWIFE .GE. 1 .AND. ITUDEF .EQ. 1 .AND. KLAS(1) .EQ. 5)	BSDJ1530
	\$ CRED(3) = ALLOW(4)*XN	BSDJ1540
	IF (IWWIFE.EQ.2) CRED(3)=CRED(3) + ALLOW(5)*XN	BSDJ1550
	BASE(17) = -ASS(43)*UICON(WAGES)*XN	BSDJ1560
C		BSDJ1570
C	OTHER CATEGORIES OF INCOME	BSDJ1580
C		BSDJ1590
	PRCEED = INSPRO(SUM,ASS,XN)	BSDJ1600
	OTHER(2) = ASS(54)*PRCEED	BSDJ1610
	BASE(18) = GIFTS(SUM,ASS,XN)*XN + ASS(54)*PRCEED	BSDJ1620
	GIFTAX(1) = ASS(35)*(BASE(18) - ASS(54)*PRCEED)	BSDJ1630
	GIFTAX(2) = -ASS(36)*GIFTAX(1)	BSDJ1640
	GIFTAX(3) = -(GIFTAX(1) + GIFTAX(2))	BSDJ1650
	BASE(19) = ASS(40)*SUM(4) + ASS(41)*CHRYA	BSDJ1660
	OTHER(3) = ASS(41)*CHRYA	BSDJ1670
	BASE(20) = TRNSFR(SUM, ASS, XN)	BSDJ1680
	BASE(28) = 0.	BSDJ1690
C		BSDJ1700
C	CONCESSIONARY ALLOWANCES	BSDJ1710
C		BSDJ1720
	BASE(21) = SUM(5)*ASS(42)*500.	BSDJ1730
	BASE(22) = XMEDXP(SUM, ASS, ALLOW, XN)	BSDJ1740
	BASE(22) = BASE(22) + ASS(62)*SUM(39)	BSDJ1750
	BASE(23) = (1. - ASS(69))*CHARTY(SUM, ASS, ALLOW, XN)	BSDJ1760
	BASE(24) = STNDRD(SUM, ASS, ALLOW, XN)	BSDJ1770
	BASE(25) = ASS(63)*SUM(39)	BSDJ1780
	TUITN = ASS(64)*BASE(25)	BSDJ1790
	STUDNO = TUITN/ASS(65)	BSDJ1800
	IF (STUDNO .GT. XN) STUDNO = XN	BSDJ1810
	CRED(4) = ALLOW(13)*TUITN + ALLOW(14)*STUDNO	BSDJ1820
	BASE(27) = 0.	BSDJ1830
	CRED(6) = 0.	BSDJ1840
	BASE(33) = SUM(6) - (DELTA(1) + DELTA(4)) - (BASE(1) + BASE(2) +	BSDJ1850
	\$ BASE(21) + BASE(26) + BASE(29) + BASE(30))	BSDJ1860
C		BSDJ1870
C	ADJUSTMENTS TO REFLECT SHIFTING OF TAX CHANGES	BSDJ1880
C		BSDJ1890
	DO 103 J = 13, 15	BSDJ1900
103	OTHER(J) = 0.	BSDJ1910
	OTHER(13) = CORBAS*(ASS(101)*ASS(100) + ASS(104)*ASS(5))/ASS(2)	BSDJ1920
	SHIFT = 0.	BSDJ1930

IF (ISW(8) .LE. 0) GO TO 104	BSDJ1940
SHIFT = OTHER(13)	BSDJ1950
BASE(4) = BASE(4) + OTHER(13)*ASS(90)	BSDJ196C
CORTAX(3) = CORTAX(3) + 0.5*OTHER(13)	BSDJ197C
OTHER(14) = ASS(102)*SUM(21)	BSDJ198C
BASE(32) = BASE(32) + OTHER(14)	BSDJ199C
OTHER(15) = ASS(103)*GOODWL	BSDJ200C
BASE(5) = BASE(5) + ASS(96)*OTHER(15)	BSDJ2010
CRED(9) = ASS(90)*CORTAX(3)	BSDJ202C
104 CONTINUE	BSDJ203C
C OTHER ADJUSTMENTS	BSDJ204C
C	BSDJ205C
C	BSDJ206C
IF (ISW(4) .LE. 0) GO TO 106	BSDJ207C
C OUTPUT IN VOLUME 6 FORMAT	BSDJ208C
IS = ISW(4)	BSDJ209C
BASE(IS) = BASE(IS) + BASE(33)	BSDJ210C
BASE(3) = BASE(3) + BASE(35)	BSDJ211C
BASE(19) = BASE(19) + BASE(20)	BSDJ212C
BASE(20) = 0.	BSDJ213C
BASE(28) = 0.	BSDJ214C
BASE(33) = 0.	BSDJ215C
DO 105 J = 35, NBREF	BSDJ216C
105 BASE(J) = 0.	BSDJ217C
106 CONTINUE	BSDJ218C
C	BSDJ219C
C SUMMARY OF CHANGES	BSDJ220C
C	BSDJ221C
CALL SUPREF (2)	BSDJ222C
REFTAX(1) = OLDPTX(1)	BSDJ223C
DO 200 J=1,NBREF	BSDJ224C
200 REFTAX(1) = REFTAX(1) + BASE(J)	BSDJ225C
REFTAX(2) = OLDPTX(2)	BSDJ226C
DO 201 J = 1, NCRED	BSDJ227C
IF (J .EQ. 8 .OR. J .EQ. 9) GO TO 201	BSDJ228C
REFTAX(2) = REFTAX(2) + CRED(J)	BSDJ229C
201 CONTINUE	BSDJ230C
REFTAX(4)=CORTAX(1) + CORTAX(2) + CORTAX(3)	BSDJ231C
REFTAX(5) = CRED(8) + CRED(9)	BSDJ232C
TCRED(1) = REFTAX(2)/XN	BSDJ233C
TCRED(2) = REFTAX(5)/XN	BSDJ234C
REFTAX(3) = PROTAX( REFTAX(1)/XN,TCRED,0) * XN	BSDJ235C
C	BSDJ236C
C ACCRUED INCOME NOT INCLUDED IN COMPREHENSIVE PERSONAL TAX BASE	BSDJ237C
C	BSDJ238C
TOT = ASS(92) + ASS(93) + ASS(94) + ASS(95)	BSDJ239C
DEN = 0.	BSDJ240C
IF (TOT .GT. 0.) DEN = (UNTDIV + BASE(34))/TOT	BSDJ241C
FRAC = CORBAS/ASS(2) - DEN	BSDJ242C
FRAC = FRAC*(1. + ASS(105)*SHIFT/CORBAS)	BSDJ243C
UNTAXD(1) = ASS(92)*FRAC	BSDJ244C
UNTAXD(2) = ASS(93)*FRAC	BSDJ245C
UNTAXD(3) = ASS(94)*FRAC	BSDJ246C
UNTAXD(4) = ASS(95)*FRAC	BSDJ247C
UNTAXD(5) = TOTCBS - TXDCBS	BSDJ248C
UNTAXD(6) = GOODWL + OTHER(15) - (BASE(5) - TXDRET)	BSDJ249C
UNTAXD(7) = ASS(98)*SUM(17) + SUM(24)	BSDJ250C
UNTAXD(8) = -(BASE(8) + BASE(9))	BSDJ251C
UNTAXD(9) = ASS(99)*BASE(7)	BSDJ252C
UNTAXD(10) = OTHER(1)/ASS(97) - (1. - ALLOW(16))*OTHER(1)	BSDJ253C
UNTAXD(11) = ASS(11)*SUM(27)*(1. - ASS(109)*(1. - ALLOW(16)))	BSDJ254C
DO 202 J = 12, 20	BSDJ255C
202 UNTAXD(J) = 0.	BSDJ256C
RETURN	BSDJ257C
END	BSDJ258C



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SUBROUTINE CORADJ (FRET, XN, UNREPD, OLDCBS, ALLBAS, ALLADD, CRDJ0000
$ OLDCTX, S105TX, CTADD1, CTADD2, UNTDIV, DEFDIV, GOODWL, TXBLGN, CRDJ0010
$ DEFGN) CRDJ0020
C CRDJ0030
C SUBROUTINE TO ESTIMATE ADJUSTMENT TO SOURCE BASE AND TAX CRDJ0040
C COMPONENTS ALLOCATABLE TO TAX UNITS SAMPLED CRDJ0050
C ARGUMENTS CRDJ0060
C FRET = FRACTION OF TAX UNITS RETIRED CRDJ0070
C XN = NUMBER OF TAX UNITS IN SAMPLE RECORD CRDJ0080
C UNREPD = DIVIDENDS CURRENTLY UNREPORTED CRDJ0090
C OLDCBS = OLD CORPORATE BASE CRDJ0100
C ALLBAS = OLD TAXED CORPORATE RETENTIONS ASSUMED TO BE ALLOCATED CRDJ0110
C ALLADD = ADDITIONS TO CORPORATE BASE ASSUMED TO BE ALLOCATED CRDJ0120
C OLDCTX = OLD CORPORATION INCOME TAX CRDJ0130
C S105TX = TAX ON SECTION 105 DISTRIBUTIONS CRDJ0140
C CTADD1 = ADDED CORPORATE TAX RESULTING FROM INTEGRATION CRDJ0150
C CTADD2 = ADDED CORPORATE TAX RESULTING FROM WIDENING THE CORPORATE CRDJ0160
C TAX BASE CRDJ0170
C UNTDIV = DIVIDENDS PAID OUT OF UNTAXED SURPLUS UNDER PROPOSALS CRDJ0180
C DEFDIV = NET AMOUNT OF SUCH DIVIDENDS ON WHICH TAX IS DEFERRED CRDJ0190
C GOODWL = GOODWILL GAINS ACCRUED ON STOCK CRDJ0200
C TXBLGN = TAXABLE GAINS REALIZED CRDJ0210
C DEFGN = NET GOODWILL GAINS ON WHICH TAX IS DEFERRED CRDJ0220
C CRDJ0230
C COMMON /PARAM/ ASS(200), ALLOW(50), ITUDEF, IDATA, IBASIS, CRDJ0240
$ IORDER(7), ISPRES(25,2), NSUP, IMINTP, ITPOUT, ITDATA CRDJ0250
COMMON /DATA/ KLAS(10), SUM(50), BASE(40), CRED(40), CRDJ0260
$ REFTAX(5), OLDPTX(5), CORTAX(5), GIFTAX(5) CRDJ0270
COMMON /ADJUST/ DELTA(10), OTHER(30), UNTAXD(20) CRDJ0280
C GENERAL PARAMETERS CRDJ0290
C CTXRAT = ASS(4)/ASS(2) CRDJ0300
C CBSDIV = ASS(2) - ASS(47)/(0.15*(1. - CTXRAT)) CRDJ0310
C TOTDIV = ASS(6) + ASS(84) CRDJ0320
C UNREPORTED DIVIDENDS CRDJ0330
C DIV = SUM(25) CRDJ0340
C IF (SUM(25) .LT. C.) SUM(25) = 0. CRDJ0350
C UNREPD = C. CRDJ0360
C IF (KLAS(3) .EQ. 1) GO TO 100 CRDJ0370
C UNREPD = (ASS(85) + FRET*ASS(86))*SUM(25) CRDJ0380
C IF (UNREPD .LT. ASS(106)*XN .AND. KLAS(4) .GE. 11) CRDJ0390
C $ UNREPD = ASS(106)*XN CRDJ0400
C KINDX=12 CRDJ0410
C GO TO 1001 CRDJ0420
100 IF (SUM(40) .GT. ASS(87)*XN) GO TO 101 CRDJ0430
C UNREPD = ASS(88)*SUM(25) CRDJ0440
C KINDX = 11 CRDJ0450
1001 IF (UNREPD .GT. ASS(89)*XN) UNREPD = ASS(89)*XN CRDJ0460
C OTHER(KINDX) = UNREPD CRDJ0470
C OTHER(16) = SUM(25) CRDJ0480
101 CONTINUE CRDJ0490
C EFFECTS OF INTEGRATION CRDJ0500
C OLDCBS = (CBSDIV/TOTDIV)*(SUM(25) + UNREPD) CRDJ0510
C S105TX = C. CRDJ0520
C IF (SUM(40)/XN .GT. ASS(49)) S105TX = (ASS(47)/ASS(48))*SUM(25) CRDJ0530
C OTHER(8) = S105TX CRDJ0540
C OLDCBS = OLDCBS + S105TX/(0.15*(1. - CTXRAT)) CRDJ0550
C UNTDIV = ASS(46)*(SUM(25) + UNREPD) CRDJ0560
C OTHER(10) = UNTDIV CRDJ0570
C ALLBAS = ASS(90)*OLDCBS - (SUM(25) + UNREPD - UNTDIV) CRDJ0580

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	OLDCTX = CTXRAT*OLDCBS	CRDJ059C
	CTADD1 = 0.50*OLDCBS - OLDCTX	CRDJ060C
C	EFFECTS OF ADDITIONS TO CORPORATE BASE	CRDJ061C
	CBSADD = (ASS(3)/ASS(2))*OLDCBS	CRDJ062C
	CTADD2 = 0.50*CBSADD	CRDJ063C
	ALLADD = ASS(90)*CBSADD	CRDJ064C
C	GOODWILL GAINS ACCRUED AND TAXABLE	CRDJ065C
	DEFDIV = (1. - ASS(91))*UNTDIV	CRDJ066C
	GOODWL = ASS(7)*(SUM(25) + UNREPD)	CRDJ067C
	TXBLGN = ASS(96)*GOODWL	CRDJ068C
	DEFGN = (1. - ASS(96))*GOODWL	CRDJ069C
	SUM(25) = DIV	CRDJ070C
	RETURN	CRDJ071C
	END	CRDJ072C
C		ADJF000C
C	MISCELLANEOUS BASE ADJUSTMENT FUNCTIONS	ADJF001C
C	NUMBERED AS OF 30 JAN/67	ADJF002C
C		ADJF003C
C		ADJF004C
	FUNCTION CPP(WAGES, SEMPL, ADD)	ADJF005C
C	CANADA PENSION PLAN DEDUCTIONS	ADJF006C
C	WAGES = WAGE AND SALARY INCOME	ADJF007C
C	SEMP = INCOME FROM SELF-EMPLOYMENT	ADJF008C
C	ADD = CPP PREMIUMS LEVIED ON SELF-EMPLOYMENT INCOME (OUTPUT)	ADJF009C
	CPP = 0	ADJF010C
	ADD = 0.	ADJF011C
	IF (WAGES .LT. 600.) GO TO 100	ADJF012C
	CPP = .018*(WAGES - 600.)	ADJF013C
	IF (WAGES .LT. 5000.) GO TO 100	ADJF014C
	CPP = 79.2	ADJF015C
	RETURN	ADJF016C
100	IF (SEMP+WAGES .LT. 800.) RETURN	ADJF017C
	ADD = 0.018*(WAGES + SEMPL - 600.) - CPP	ADJF018C
	IF (ADD+CPP .GT. 79.2) ADD = 79.2 - CPP	ADJF019C
	CPP = CPP + 2.*ADD	ADJF020C
	RETURN	ADJF021C
	END	ADJF022C
C		ADJF023C
	FUNCTION EMPLXP (WAGES, ASS)	ADJF024C
C	ITEMIZABLE EMPLOYMENT EXPENSES	ADJF025C
	DIMENSION ASS(200)	ADJF026C
	EMPLXP = ASS(19) * (WAGES - ASS(20))	ADJF027C
	IF (EMPLXP.LT. 0.) EMPLXP = 0.	ADJF028C
	IF (EMPLXP.GT.ASS(21)) EMPLXP=ASS(21)	ADJF029C
	RETURN	ADJF030C
	END	ADJF031C
C		ADJF032C
	FUNCTION OPXDED (WAGES, DUES, DPAYRS, FRET, EMPXP,ALLOW, XN)	ADJF033C
C	OPTIONAL EMPLOYMENT EXPENSE ALLOWANCE	ADJF034C
C	WAGES = AVERAGE WAGE AND SALARY INCOME	ADJF035C
C	DUES = TOTAL UNION DUES PAID BY GROUP	ADJF036C
C	DPAYRS = NUMBER OF DUES-PAYERS IN GROUP	ADJF037C
C	FRET = FRACTION OF TAX UNITS RETIRED AND RECEIVING PENSION INCOME	ADJF038C
C	EMPXP = ITEMIZABLE EMPLOYMENT EXPENSES	ADJF039C
C	ALLOW = ALLOWANCE PARAMETERS	ADJF040C
C	XN = NUMBER OF TAX UNITS IN GROUP	ADJF041C
	DIMENSION ALLOW(50)	ADJF042C
	OPTION = ALLOW(2) * WAGES / (1.0-FRET)	ADJF043C
	IF (OPTION .GT. ALLOW(3)) OPTION = ALLOW(3)	ADJF044C
	XPITEM = C.	ADJF045C



	IF (DPAYRS.GT.0.) XPITEM = DUES/DPAYRS	ADJF0460
	XPITEM = EMPXP + XPITEM	ADJF0470
	OPXDED= 0	ADJF0480
	IF (EMPXP .GE. OPTION) RETURN	ADJF0490
	IF (XPITEM .LT. OPTION) OPXDED = (OPTION - XPITEM) * DPAYRS	ADJF0500
	IF (DPAYRS .GT. (1.0-FRET) * XN) GO TO 100	ADJF0510
	OPXDED = OPXDED + (OPTION-EMPXP) * ((1.0-FRET) * XN - DPAYRS)	ADJF0520
100	OPXDED = OPXDED/XN	ADJF0530
	RETURN	ADJF0540
	END	ADJF0550
C		ADJF0560
	FUNCTION UICON(WAGES)	ADJF0570
C	EMPLOYEE UNEMPLOYMENT INSURANCE CONTRIBUTIONS	ADJF0580
	DIMENSION UBOT(12), URAT(12)	ADJF0590
	DATA (UBOT(I), I=1,12)	ADJF0600
	\$ /0., 39., 65., 91., 117., 143., 169., 195., 221., 247.,	ADJF0610
	\$ 273., 299./	ADJF0620
	DATA (URAT(I), I=1,12)	ADJF0630
	\$ /.44, .86, 1.30, 1.64, 2., 2.34, 2.60, 2.86, 3.12, 3.38,	ADJF0640
	\$ 3.72, 4.08/	ADJF0650
	UICON = 0	ADJF0660
	IF (WAGES.LE.0.) RETURN	ADJF0670
	DO 100 I=1,12	ADJF0680
	IF (WAGES .LE. UBOT(I)*12.) GO TO 101	ADJF0690
100	CONTINUE	ADJF0700
101	IF (I.GT.1) I=I-1	ADJF0710
	UICON = URAT(I) * 12.	ADJF0720
	RETURN	ADJF0730
	END	ADJF0740
C		ADJF0750
	FUNCTION BENFTS (WAGES, PROF, BUS, XPDED, XN, ASS)	ADJF0760
C	BENEFITS BROUGHT INTO INCOME	ADJF0770
C	WAGES = WAGE AND SALARY INCOME	ADJF0780
C	PROF = NET INCOME FROM COMMISSION AND PROFESSIONAL SELF-EMPLOYMENT	ADJF0790
C	BUS = NET INCOME FROM UNINCORPORATED BUSINESS	ADJF0800
C	XPDED = EXPENSES DEDUCTED IN COMPUTING PROFESSIONAL AND	ADJF0810
C	BUSINESS INCOME	ADJF0820
	COMMON /DATA/ KLAS(10), SUM(50), BASE(40), CRED(40),	ADJF0830
	\$ REFTAX(5), OLDPTX(5), CORTAX(5), GIFTAX(5)	ADJF0840
	COMMON /SWITCH/ ISW(25)	ADJF0850
	COMMON /ADJUST/ DELTA(10), OTHER(30), UNTAXD(20)	ADJF0860
	DIMENSION ASS(200)	ADJF0870
	XOUT = 0.	ADJF0880
C	TOP EMPLOYEE BENEFITS	ADJF0890
	IF (WAGES .GT. ASS(31)) XOUT = ASS(30)* (WAGES - ASS(31))	ADJF0900
	IF (XOUT .GT. ASS(50)) XOUT = ASS(50)	ADJF0910
	OTHER(5) = XOUT*XN	ADJF0920
C	ADD ATTRIBUTABLE EXPENSES OF SELF-EMPLOYED	ADJF0930
	ATT = 0.	ADJF0940
	IF (ISW(11) .EQ. 0) GO TO 99	ADJF0950
	ATT = ASS(32)*(SUM(23) - SUM(50))/XN	ADJF0960
	GO TO 101	ADJF0970
99	IF (PROF .LE. 0.) GO TO 101	ADJF0980
	IF (BUS .GT. 0.) GO TO 100	ADJF0990
	ATT = ASS(32)*XPDED	ADJF1000
	GO TO 101	ADJF1010
100	ATT = ASS(32)*(PROF/(PROF + BUS))*XPDED	ADJF1020
101	BENFTS = ATT + XOUT	ADJF1030
	IF (BENFTS .GT. ASS(50)) ATT = ASS(50) - XOUT	ADJF1040
	OTHER(6) = ATT*XN	ADJF1050
	XOUT = XOUT + ATT	ADJF1060
C	PERSONAL EXPENSES CURRENTLY DEDUCTED FROM UNINCORPORATED	ADJF1070
C	BUSINESS INCOME	ADJF1080
	ATT = 0.	ADJF1090

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      IF (ISW(11) .EQ. 0) GO TO 1011
      ATT = ASS(66)*SUM(50)/XN
      GO TO 103
1011 IF (BUS .LE. 0.) GO TO 103
      IF (PROF .GT. 0.) GO TO 102
      ATT = ASS(66)*XPDED
      GO TO 103
102 ATT = ASS(66)*(BUS/(PROF + BUS))*XPDED
103 IF (ATT .GT. ASS(67) .AND. BUS .LE. ASS(68)) ATT = ASS(67)
      BENFTS = XOUT + ATT
      IF (BENFTS .GT. ASS(50)) ATT = ASS(50) - XOUT
      OTHER(9) = ATT*XN
C   GROUP INSURANCE BENEFITS ETC
      XOUT = ASS(33) * WAGES
      IF (XOUT .GT. ASS(34)) XOUT = ASS(34)
      IF (WAGES .LT. ASS(59)) XOUT = 0.
      OTHER(7) = XOUT*XN
      BENFTS = BENFTS + XOUT
C   LIMITS ON ATTRIBUTION OF BENEFITS
      IF (BENFTS .GT. ASS(50)) BENFTS = ASS(50)
      IF (BENFTS .GT. ASS(55)*(WAGES + XPDED)) BENFTS = ASS(55)*
$   (WAGES + XPDED)
      RETURN
      END
C
C   FUNCTION GIFTS(SUM, ASS, XN)
C   GIFTS AND BEQUESTS RECEIVED FROM OUTSIDE THE FAMILY UNIT
      DIMENSION SUM(50), ASS(200)
      SUM(40) = SUM(40)/XN
      GIFTS = 0
      IF (SUM(40).LT.10000.) GO TO 104
      IF (SUM(40).GT.25000.) GO TO 100
      GIFTS = .04*SUM(40)
      GO TO 104
100 IF (SUM(40).GT.50000.) GO TO 101
      GIFTS = .08*SUM(40)
      GO TO 104
101 IF (SUM(40).GT.100000.) GO TO 102
      GIFTS = .12*SUM(40)
      GO TO 104
102 IF (SUM(40).GT.200000.) GO TO 103
      GIFTS = .14*SUM(40)
      GO TO 104
103 GIFTS = .16*SUM(40)
      IF (GIFTS.GT.35000.) GIFTS = 35000.
104 IF (SUM(40).LT.7000.) GO TO 105
      GIFTS = 2.0*GIFTS + .05*(SUM(40) - 6000.)
105 SUM(40) = SUM(40)*XN
      GIFTS = GIFTS*1.5
      GIFTS = GIFTS + SUM(27)/XN
      GIFTS = GIFTS*ASS(51)
      RETURN
      END
C
C   FUNCTION TRNSFR (SUM, ASS, XN)
C   TRANSFER PAYMENTS OTHER THAN FAMILY ALLOWANCES
      DIMENSION SUM(50), ASS(200)
      TRNSFR = 0.
      RETURN
      END
C
C   FUNCTION CHARTY (SUM, ASS, ALLOW,XN)
C   CHANGE IN DEDUCTIBLE CHARITABLE DONATIONS
      DIMENSION SUM(50), ASS(200), ALLOW(50)
      CHARTY = ASS(28)*(ASS(56)*SUM(45) + ASS(57)*(XN-SUM(45)))

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ADJF1100
ADJF1110
ADJF1120
ADJF1130
ADJF1140
ADJF1150
ADJF1160
ADJF1170
ADJF1180
ADJF1190
ADJF1200
ADJF1210
ADJF1220
ADJF1230
ADJF1240
ADJF1250
ADJF1260
ADJF1270
ADJF1280
ADJF1290
ADJF1300
ADJF1310
ADJF1320
ADJF1330
ADJF1340
ADJF1350
ADJF1360
ADJF1370
ADJF1380
ADJF1390
ADJF1400
ADJF1410
ADJF1420
ADJF1430
ADJF1440
ADJF1450
ADJF1460
ADJF1470
ADJF1480
ADJF1490
ADJF1500
ADJF1510
ADJF1520
ADJF1530
ADJF1540
ADJF1550
ADJF1560
ADJF1570
ADJF1580
ADJF1590
ADJF1600
ADJF1610
ADJF1620
ADJF1630
ADJF1640
ADJF1650
ADJF1660
ADJF1670
ADJF1680
ADJF1690
ADJF1700
ADJF1710
ADJF1720
ADJF1730
ADJF1740

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	RETURN	ADJF175C
	END	ADJF176C
C	FUNCTION XMEDXP (SUM, ASS, ALLOW, XN)	ADJF177C
C	CHANGE IN MEDICAL DEDUCTIONS	ADJF178C
	DIMENSION SUM(50), ASS(200), ALLOW(50)	ADJF179C
	XMEDXP = 0.	ADJF180C
	RETURN	ADJF181C
	END	ADJF182C
C	FUNCTION INSPRO (SUM, ASS, XN)	ADJF183C
C	GIFTS RECEIVED AS INSURANCE PROCEEDS	ADJF184C
	COMMON /SWITCH/ ISW(25)	ADJF185C
	DIMENSION SUM(50), ASS(200)	ADJF186C
	XX = SUM(40) - ASS(26)*XN	ADJF187C
	IF (ISW(10) .EQ. 1) XX = SUM(40) - ASS(26)	ADJF188C
	IF (XX .LT. 0.) XX = 0.	ADJF189C
	INSPRO = .5*(ASS(24)*SUM(27) + ASS(25)*XX)	ADJF190C
	RETURN	ADJF191C
	END	ADJF192C
C	FUNCTION STNDRD(SUM, ASS, ALLOW, XN)	ADJF193C
C	CHANGE IN STANDARD DEDUCTION	ADJF194C
	DIMENSION SUM(50), ASS(200), ALLOW(50)	ADJF195C
	STNDRD = ASS(29)*SUM(7)	ADJF196C
	RETURN	ADJF197C
	END	ADJF198C
	FUNCTION AVGING (OLDTAX)	ADJF199C
C	EFFECT OF INCOME AVERAGING	ADJF200C
	AVGING = 0.	ADJF201C
	RETURN	ADJF202C
	END	ADJF203C
		ADJF204C
		ADJF205C
	SUBROUTINE KLASFY (KLAS, AINC, AINCMD, KCHNGE, IENTRY)	KLFY000C
C		KLFY001C
C	SUBROUTINE TO OBTAIN CLASSIFICATION OF DATA RECORD	KLFY002C
C	RENUMBERED FOR GITAN PRINTING	KLFY003C
C	ARGUMENTS	KLFY004C
C	KLAS = ARRAY OF CLASS DATA FROM DATA RECORD	KLFY005C
C	AINC = AVERAGE COMPREHENSIVE BASE TAXABLE INCOME	KLFY006C
C	AINCMD = AINC PLUS AVERAGE ATTRIBUTABLE ACCRUED INCOME	KLFY007C
C	KCHNGE = CLASSIFICATION VARIABLE FOR ALL RECCRDS IN TABLE ( =0 IF	KLFY008C
C	NOT RELEVANT)	KLFY009C
C	IENTRY = 1,2. 1 OBTAINS CLASS DESCRIPTIONS IN COMMON, 2 OBTAINS	KLFY010C
C	CLASSIFICATION OF GIVEN DATA RECORD	KLFY011C
C		KLFY012C
	COMMON /CLASFN/ NINKL(3), NXKLAS, CLXNAM, KLGIVN, GIVNAM,	KLFY013C
	\$ INKL(3), IXKLAS	KLFY014C
C	CLASSIFICATION PARAMETERS	KLFY015C
C	NINKL(1) = NUMBER OF CLASSES IN INCOME CLASSIFICATION 1	KLFY016C
C	NINKL(2) = NUMBER OF CLASSES IN INCOME CLASSIFICATION 2	KLFY017C
C	NINKL(3) = NUMBER OF CLASSES IN INCOME CLASSIFICATION 3	KLFY018C
C	NXKLAS = NUMBER OF CLASSES IN THE OTHER CROSS-CLASSIFICATION	KLFY019C
C	DISPLAYED IN TABLES	KLFY020C
C	CLXNAM = ALPHA DESCRIPTION OF CROSS-CLASSIFICATION (A6)	KLFY021C
C	KLGINV = IDENTIFIER OF GIVEN CLASS FOR TABLES BEING GENERATED	KLFY022C
C	(=0 IF CLASS IS NOT A PROPER SUBSET OF ALL CANADIAN	KLFY023C
C	RESIDENT TAX UNITS)	KLFY024C
C	GIVNAM = ALPHA DESCRIPTION OF GIVEN CLASSIFICATION (A6)	KLFY025C
C	(WILL BE SET BLANK IF KLGIVN EQUALS ZERO)	KLFY026C

C	INKL(1) = INCOME CLASSIFICATION (COMPREHENSIVE TAXABLE INCOME)	KLFYC27C
C	INKL(2) = INCOME CLASSIFICATION (CURRENTLY ASSESED INCOME)	KLFYC28C
C	INKL(3) = INCOME CLASSIFICATION (TOTAL ACCRUED INCOME)	KLFYC29C
C	IXKLAS = CROSS-CLASSIFICATION CLASS	KLFYC30C
C		KLFYC31C
	DIMENSION KLAS(10), ALPHA(10), KINC1(47), KINC2(47)	KLFYC32C
	DIMENSION KINC(47)	KLFYC33C
	DIMENSION NKLSW(10)	KLFYC34C
	COMMON /SWITCH/ ISW(25)	KLFYC35C
	DATA (ALPHA(I), I = 1, 10)	KLFYC36C
	\$ /6HFSTATS, 6HINCOME, 6HTXPING, 5HA/O/S, 6HDEPNDT,	KLFYC37C
	\$ 6HPROV. , 6HDIVINC, 6HINVINC, 6HTXCHNG, 6HACCINC /	KLFYC38C
	DATA BLANK / 1H /	KLFYC39C
	DATA (KINC1(I), I=1,47)	KLFYC40C
	\$ / 1, 2, 3, 3, 4, 5, 6, 6, 7, 8, 9, 10, 11, 12, 13, 13,	KLFYC41C
	\$ 14, 14, 15, 15, 16, 16, 17, 17, 18, 18, 18, 18, 18, 19, 19, 20,	KLFYC42C
	\$ 21, 22, 22, 22, 23, 24, 25, 25, 26, 26, 26, 27, 27, 27, 27 /	KLFYC43C
	DATA (KINC2(I), I=1,27)	KLFYC44C
	\$ / 1, 1, 1, 2, 2, 2, 3, 3, 4, 4, 5, 5, 6, 6, 7, 7, 7,	KLFYC45C
	\$ 8, 9, 9, 10, 10, 10, 10, 10, 10, 10 /	KLFYC46C
	DATA (KINC(I), I=1,47)	KLFYC47C
	\$ / 4*1, 4*2, 2*3, 2*4, 2*5, 2*6, 4*7, 4*8, 2*9, 3*10,	KLFYC48C
	\$ 2*11, 12, 2*13, 2*14, 15, 16, 2*17, 2*18, 2*19, 3*20 /	KLFYC49C
	DATA (NKLSW(K), K=1, 4) / 47, 27, 20, 10 /	KLFYC50C
C		KLFYC51C
	IF (IENTRY .NE. 1) GO TO 102	KLFYC52C
C		KLFYC53C
C	ENTRY TO INITIALIZE PARAMETERS IN COMMON	KLFYC54C
C		KLFYC55C
	IF (KCHNGE .NE. 0) GO TO 100	KLFYC56C
	KLGINV = C	KLFYC57C
	GIVNAM = BLANK	KLFYC58C
	GO TO 101	KLFYC59C
100	KLGINV = KLAS(KCHNGE)	KLFYC60C
	GIVNAM = ALPHA(KCHNGE)	KLFYC61C
101	CLXNAM = ALPHA(4)	KLFYC62C
	NXKLAS = 26	KLFYC63C
	KSW = ISW(12)	KLFYC64C
	DO 1011 K = 1, 3	KLFYC65C
1011	NINKL(K) = NKLSW(KSW)	KLFYC66C
	RETURN	KLFYC67C
C		KLFYC68C
C	ENTRY TO OBTAIN INCOME AND CROSS-SECTIONAL CLASS OF DATA	KLFYC69C
C		KLFYC70C
102	IXKLAS = KLAS(4)	KLFYC71C
	INKL(1) = INCKL(AINC)	KLFYC72C
	INKL(2) = KLAS(2)	KLFYC73C
	INKL(3) = INCKL(AINCMD)	KLFYC74C
	IF (KSW .EQ. 1) RETURN	KLFYC75C
	IF (KSW .NE. 3) GO TO 104	KLFYC76C
	DO 103 I = 1, 3	KLFYC77C
	INC = INKL(I)	KLFYC78C
103	INKL(I) = KINC(INC)	KLFYC79C
	RETURN	KLFYC80C
104	DO 105 I = 1, 3	KLFYC81C
	INC = INKL(I)	KLFYC82C
	INC = KINC1(INC)	KLFYC83C
	IF (KSW .EQ. 4) INC = KINC2(INC)	KLFYC84C
105	INKL(I) = INC	KLFYC85C
	RETURN	KLFYC86C
	END	KLFYC87C

C	FUNCTION INCKL (AINC)	INCL000C
	NUMBERED AS OF 21 OCT/66	INCL001C
	DIMENSION KBOT1(10), KBOT2(15), KBOT3(22)	INCL002C
	DATA (KBOT1(I), I=1,10)	INCL003C
	\$ / 0, 0, 50, 75, 100, 125, 150, 175, 200, 250 /	INCL004C
	DATA (KBOT2(I), I=1,15)	INCL005C
	\$ / 30,35,40,45,50,55,60,65,70,75,80,85,90,95,100 /	INCL006C
	DATA (KBOT3(I), I=1,22)	INCL007C
	\$ / 11, 12, 13, 14, 15, 17, 20, 25, 30, 35, 40, 50, 75,	INCL008C
	1 100, 125, 150, 175, 200, 225, 300, 400, 500 /	INCL009C
	IF (AINC.LE.0.) INCKL = 1	INCL010C
	IF (AINC.LE.0.) RETURN	INCL011C
	DO 103 J=2,47	INCL012C
	IF (J.GT.10) GO TO 100	INCL013C
	BOTTOM = KBOT1(J)*10	INCL014C
	GO TO 102	INCL015C
100	IF (J.GT.25) GO TO 101	INCL016C
	BOTTOM = KBOT2(J-10)*100	INCL017C
	GO TO 102	INCL018C
101	BOTTOM = KBOT3(J-25)*1000	INCL019C
102	IF (AINC.LT.BOTTOM) RETURN	INCL020C
	INCKL = J	INCL021C
103	CONTINUE	INCL022C
	RETURN	INCL023C
	END	INCL024C

C	FUNCTION PROTAX (TINC, TCRED, IFCRED)	PRTXC00C
C	FUNCTION TO COMPUTE PROPOSED TAX	PRTXC01C
C	NUMBERED AS OF 21 OCT/66	PRTXC02C
C	ARGUMENTS	PRTXC03C
C	TINC = TAXABLE INCOME	PRTXC04C
C	TCRED(1) = NON-REFUNDABLE TAX CREDIT	PRTXC05C
C	TCRED(2) = REFUNDABLE TAX CREDIT (FOR CORPORATE TAX)	PRTXC06C
C	IFCRED = OPTION CONTROL (0,1,2, OR NEGATIVE. IF 0, ALL CREDITS	PRTXC07C
C	SUPPRESSED. IF 1, WORKING WIFE CREDITS ONLY ARE	PRTXC08C
C	SUPPRESSED. IF 2, NORMAL TAX CALCULATION. IF NEGATIVE,	PRTXC09C
C	ALL CREDITS ARE SUPPRESSED AND MSTAT IS SET EQUAL TO THE	PRTXC10C
C	SMALLER OF (1 - IFCRED) AND MARTAL	PRTXC11C
C		PRTXC12C
	COMMON /FPAR/ MARTAL, IWWIFE, DEPCH, ODEP	PRTXC13C
	COMMON /RSCHED/ BOTTOM(25), RAT(3,25), CRED(10), NCLASS	PRTXC14C
	DIMENSION X(10), TCRED(2), RATE(3,25)	PRTXC15C
	DATA (X(I), I=1,10) / 10*0. /	PRTXC16C
	DO 98 I=1,2	PRTXC17C
98	X(I) = CRED(I)	PRTXC18C
	DO 981 I=8,10	PRTXC19C
981	X(I) = CRED(I)	PRTXC20C
	DO 99 I = 1,3	PRTXC21C
	DO 99 J=1,25	PRTXC22C
99	RATE(I,J) = RAT(I,J)	PRTXC23C
	IF (IFCRED .EQ. 1) GO TO 100	PRTXC24C
	IF (IFCRED .EQ. 2) GO TO 101	PRTXC25C
	IF (IFCRED .LT. 0) GO TO 102	PRTXC26C
	PROTAX = TAXCOM (TINC, TCRED(1), MARTAL, 0., 0, RATE, BOTTOM,	PRTXC27C
	\$ NCLASS, X, TX) - TCRED(2)	PRTXC28C
	RETURN	PRTXC29C
100	PROTAX = TAXCOM( TINC, TCRED(1), MARTAL, DEPCH, 0, RATE, BOTTOM,	PRTXC30C
	\$ NCLASS, CRED, TX) - TCRED(2)	PRTXC31C
		PRTXC32C

RETURN	PRTXC33C
101 PROTAX= TAXCOM( TINC, TCRED(1), MARTAL, DEPCH, IWWIFE, RATE,	PRTXC34C
\$ BOTTOM, NCLASS, CRED, TX) - TCRED(2)	PRTXC35C
RETURN	PRTXC36C
102 MSTAT = -(IFCRED + 1)	PRTXC37C
IF (MSTAT .GT. MARTAL) MSTAT = MARTAL	PRTXC38C
PROTAX= TAXCOM( TINC, TCRED(1),MSTAT ,DEPCH, IWWIFE, RATE,	PRTXC39C
\$ BOTTOM, NCLASS, X , TX) - TCRED(2)	PRTXC40C
RETURN	PRTXC41C
END	PRTXC42C
SUBROUTINE SUPREF (IENTRY)	SPRFC00C
C	SPRFC01C
C SUBROUTINE TO SUPPRESS EFFECT OF SELECTED REFORMS	SPRFC02C
C ENTRY SWITCH (IENTRY)	SPRFC03C
C 1 = INITIALIZATION	SPRFC04C
C 2 = SUPPRESSION FOR EACH DATA RECORD	SPRFC05C
C 3 = PRINT OUT SUPPRESSION PARAMETERS	SPRFC06C
C	SPRFC07C
COMMON /PARAM/ ASS(200), ALLOW(50), ITUDEF, IDATA, IBASIS,	SPRFC08C
\$ IORDER(7), ISPRES(25,2), NSUP, IMINTP, ITPCUT, ITDATA	SPRFC09C
COMMON /DATA/ KLAS(10), SUM(50), BASE(40), CRED(40),	SPRFC10C
\$ REFTAX(5), OLDPTX(5), CORTAX(5), GIFTAX(5)	SPRFC11C
COMMON /REFDIC/ IRTAB(7,10,3), KATREF(7), NREF(7),	SPRFC12C
\$ NKAT, NRLIST, NCTAX, NGTAX	SPRFC13C
COMMON /SWITCH/ ISW(25)	SPRFC14C
DIMENSION ISUP(25), IRCRED(50), ICTAX(50), IGTX(50), KREF(7)	SPRFC15C
DATA (IRCRED(I), I=1,50)	SPRFC16C
\$ / 9*0, 2, 12*0, 3, 8*0, 4, 5, 6, 0, 7, 1, 13*0 /	SPRFC17C
DATA (ICTAX(I), I=1,50) / 9*0, 2, 3, 19*0, 4, 19*0 /	SPRFC18C
DATA (IGTX(I), I=1,50) / 8*0, 2, 8*0, 3, 32*0 /	SPRFC19C
DATA (KATREF(I), I=1,7) /5, 4, 3, 7, 5, 3, 7/	SPRFC20C
DATA (KREF(I), I=1,7) /6, 4, 6, 8, 5, 4, 7/	SPRFC21C
C	SPRFC22C
GO TO (1000, 2000, 3000), IENTRY	SPRFC23C
C	SPRFC24C
C INITIALIZATION ENTRY	SPRFC25C
C	SPRFC26C
1000 ITHRU = 1	SPRFC27C
1001 K = 0	SPRFC28C
DO 10C I = 1, 7	SPRFC29C
NREF(I) = KREF(I)	SPRFC30C
M = KATREF(I)	SPRFC31C
IF (ITHRU .EQ. 1) M = NREF(I)	SPRFC32C
DO 10C J = 1, M	SPRFC33C
IF (ITHRU .EQ. 2) K = K + 1	SPRFC34C
C REFORM DICTIONARY -	SPRFC35C
C IRTAB(I,J,K) = OVERALL REFORM NUMBER	SPRFC36C
C (SUBSCRIPT OF BASDEL, TAXDEL, GIFTAX, OR CORTAX)	SPRFC37C
C I = REFORM CATEGORY	SPRFC38C
C J = REFORM NUMBER WITHIN CATEGORY	SPRFC39C
C K = TAX NUMBER (PERSONAL, CORPORATE, AND GIFT TAXES RESPECTIVELY)	SPRFC40C
IRTAB(I,J,1) = K	SPRFC41C
IRTAB(I,J,2) = 0	SPRFC42C
10C IRTAB(I,J,3) = 0	SPRFC43C
ITHRU = ITHRU + 1	SPRFC44C
IF (ITHRU .EQ. 2) GO TO 1001	SPRFC45C
IRTAB(3,1,2) = 2	SPRFC46C
IRTAB(3,2,2) = 3	SPRFC47C
IRTAB(2,4,3) = 2	SPRFC48C
IRTAB(6,1,3) = 3	SPRFC49C

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      IRTAB(3,4,1) = 13
      IRTAB(6,4,1) = 35
      IRTAB(1,3,1) = 36
      IRTAB(1,4,1) = 37
      IRTAB(4,1,1) = 38
      IRTAB(4,1,2) = 4
      IRTAB(4,8,1) = 39
      IRTAB(1,6,1) = 40
      IRTAB(3,5,1) = 41
      IRTAB(3,6,1) = 42
      NKAT = 7
      NRLIST = 42
C     NOTE THAT ANY ADDITIONAL REFORM ENTERED MUST HAVE AN ASSOCIATED
C     DUMMY BASE CHANGE
      NCTAX = 4
      NGTAX = 3
      IF (NSUP .LE. 0) GO TO 102
      DO 101 KK = 1, NSUP
      I = ISPRES(KK,1)
      J = ISPRES(KK,2)
101  ISUP(KK) = IRTAB(I,J,1)
102  CONTINUE
      RETURN
C
C     ENTRY TO SUPPRESS SELECTED REFORM EFFECT ON RECORD
C
2000 CONTINUE
      IF (NSUP .LE. 0) RETURN
      DO 201 KK = 1, NSUP
      IREF = ISUP(KK)
      I = IREF
      IF (I .GT. 2 .AND. I .LT. 10) GO TO 200
      IF (I .GT. 2) I = I - 7
      BASE(I) = 0.
200  I = IRCRED(IREF)
      IF (I .GT. 0) CRED(I) = 0.
      I = ICTAX(IREF)
      IF (I .GT. 0) CORTAX(I) = 0.
      I = IGTAX(IREF)
      IF (I .GT. 0) GIFTAX(I) = 0.
201  CONTINUE
      RETURN
C
C     ENTRY TO PRINT OUT SUPPRESSION PARAMETERS
C
3000 CONTINUE
      IF (ISW(6) .EQ. 1) WRITE (ITPOUT,5)
      IF (NSUP .LE. 0) WRITE (ITPOUT,1)
      IF (NSUP .GE. 1) WRITE (ITPOUT,2) (ISPRES(K,1), ISPRES(K,2),
      $ K = 1, NSUP)
      IF (ISW(8) .GT. 0) WRITE (ITPOUT,3)
      IF (ISW(9) .EQ. 1) WRITE (ITPOUT,4)
      RETURN
C
1  FORMAT (1X, 25HREFORMS SUPPRESSED - NONE)
2  FORMAT (1X, 20HREFORMS SUPPRESSED -, 15(2X, I2, 1H, I2) /
      $ (21X, 15(2X, I2, 1H, I2)))
3  FORMAT (1X, 28HCALCULATIONS INCLUDE EFFECTS,
      $ 28H OF ANTICIPATED TAX SHIFTING)
4  FORMAT (1X, 45HINCOME IS DEFINED TO INCLUDE UNTAXED ACCRUALS)
5  FORMAT (1X, 44HCURRENT TAXES INCORPORATE MINIBUDGET CHANGES)
      END

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SPRF0500
SPRF0510
SPRF0520
SPRF0530
SPRF0540
SPRF0550
SPRF0560
SPRF0570
SPRF0580
SPRF0590
SPRF0600
SPRF0610
SPRF0620
SPRF0630
SPRF0640
SPRF0650
SPRF0660
SPRF0670
SPRF0680
SPRF0690
SPRF0700
SPRF0710
SPRF0720
SPRF0730
SPRF0740
SPRF0750
SPRF0760
SPRF0770
SPRF0780
SPRF0790
SPRF0800
SPRF0810
SPRF0820
SPRF0830
SPRF0840
SPRF0850
SPRF0860
SPRF0870
SPRF0880
SPRF0890
SPRF0900
SPRF0910
SPRF0920
SPRF0930
SPRF0940
SPRF0950
SPRF0960
SPRF0970
SPRF0980
SPRF0990
SPRF1000
SPRF1010
SPRF1020
SPRF1030
SPRF1040
SPRF1050
SPRF1060
SPRF1070
SPRF1080
SPRF1090
SPRF1100
SPRF1110

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## 2.5 LINKS TO TABLE-GENERATING SUBPROGRAMS

	SUBROUTINE INLST	ILSTC00C
C		ILSTC01C
C	SUBROUTINE TO INITIALIZE TABLES IN TABLE GENERATING SUBPROGRAMS	ILST002C
C	NUMBERED AS OF 21 OCT/66	ILSTC03C
C		ILSTC04C
	COMMON /PROGID/ RCASE, ACASE, IPSET, ITSET, SETNO, DATE(2), ITUDEF	ILSTC05C
	COMMON /TABCON/ ITABCN, ITABSW(10), IXKSUP(30)	ILSTC06C
	COMMON /SWITCH/ ISW(25)	ILSTC07C
	COMMON /CLASFN/ NINKL(3), NXKLAS, CLXNAM, KLGIVN, GIVNAM,	ILSTC08C
	\$ INCKL(3), IXKLAS	ILSTC09C
	DIMENSION K(10), B(40), S(50)	ILST010C
	ITPOUT = 6	ILSTC11C
	IPSET = 2	ILST012C
	IF (ISW(6) .EQ. 1) IPSET = 3	ILSTC13C
	PGNO = IPSET	ILSTC14C
	SETNO = ITSET	ILSTC15C
	SETNO = PGNO + SETNO/100.	ILST016C
	IS = ISW(3)	ILST017C
	NINCKL = NINKL(IS)	ILST018C
	CALL SPEDBG (1, 0)	ILSTC19C
	IF (ISW(7) .NE. 0) CALL SELECT ( 1 )	ILST020C
	IF (ITABSW(1) .EQ. 1)	ILST021C
	\$ CALL RVTAB2 (0, 0, NINCKL, 0, B, B, K, K, K, K, 0, 1)	ILSTC22C
	IF (ITABSW(2) .EQ. 1)	ILSTC23C
	\$ CALL ACINC2 (0, 0, 0, NINCKL, 0, 0., 0., 0., 1)	ILST024C
	IF (ITABSW(3) .EQ. 1)	ILST025C
	\$ CALL INCID2 (0, 0, NXKLAS, NINCKL, 0, 1)	ILSTC26C
	IF (ITABSW(3) .EQ. 1)	ILSTC27C
	\$ CALL ACCDEL (0, 0, 0., 0., 0., NXKLAS, NINCKL, 0, 1)	ILST028C
	IF (ITABSW(5) .EQ. 0 .AND. ITABSW(6) .EQ. 0) GO TO 100	ILST029C
	CALL COMPEF (0,0, 0.,0.,0.,0., 22, NINCKL, 0,0, K, 0,0,0, 1 )	ILST030C
	CALL CSITAB (0, 0, 0.,0.,0.,0.,0.,0.,0.,0.,0.,0., 0, 1)	ILSTC301
100	IF (ITABSW(7) .EQ. 1)	ILST031C
	\$ CALL DETCOR (0, K, 0, 1)	ILSTC32C
	IF (ITABSW(8) .GT. 0 .OR. ITABSW(4) .EQ. 1)	ILSTC33C
	\$ CALL BASCOM (0, NINCKL, 1)	ILST034C
	IF (ITABSW(9) .EQ. 1)	ILST035C
	\$ CALL SUMRIZ (0, 0, 0, 0, 0, 0., 0., 0., 0., 0., 0., 1)	ILST036C
	IF (ITABSW(10) .NE. 1) RETURN	ILST037C
	CALL SUMDAT ( 1 )	ILSTC38C
	CALL SUMSAM (S, 0, NINCKL, 0., 1)	ILSTC39C
	RETURN	ILSTC40C
	END	ILST041C
	 SUBROUTINE STOLST	 SLSTC00C
C		SLSTC01C
C	DUMMY SUBROUTINE TO LINK TAXANL TO ACCUMULATION ENTRIES OF TABLE-	SLST002C
C	GENERATING SUBROUTINES VERSION OF SEP 15/66	SLST003C
C	NUMBERED AS OF 21 OCT/66	SLST004C





C	NUMBERED AS OF 21 OCT/66	OLSTC040
C		OLST0050
	DIMENSION K(5), B(40)	OLST0060
	COMMON /SWITCH/ ISW(25)	OLST0070
	COMMON /MISPAR/ KCHNGE, NBREF, NCRED	OLST0080
	COMMON /TABCON/ ITABCN, ITABSW(10), IXKSUP(30)	OLST0090
	COMMON /CLASFN/ NINKL(3), NXKLAS, CLXNAM, KLGIVN, GIVNAM,	OLST0100
	\$ INCKL(3), IXKLAS	OLST0110
	DIMENSION SOURCE(5), IPAR(5), S(50)	OLST0120
	DIMENSION TITLE(5,11)	OLST0130
	DATA (TITLE(I,1), I=1,5)	OLST0140
	\$ / 30HWAGE AND SALARY EMPLOYMENT /	OLST0150
	DATA (TITLE(I,2), I=1,5)	OLST0160
	\$ / 30HSELF-EMPLOYMENT /	OLST0170
	DATA (TITLE(I,3), I=1,5)	OLST0180
	\$ / 30HFARMING AND FISHING /	OLST0190
	DATA (TITLE(I,4), I=1,5)	OLST0200
	\$ / 30HUNINCORPORATED BUSINESS PROFIT /	OLST0210
	DATA (TITLE(I,5), I=1,5)	OLST0220
	\$ / 30HCCORPORATE SOURCES /	OLST0230
	DATA (TITLE(I,6), I=1,5)	OLST0240
	\$ / 30HFIXED-INCOME INVESTMENTS /	OLST0250
	DATA (TITLE(I,7), I=1,5)	OLST0260
	\$ / 30HOTHER INVESTMENT SOURCES /	OLST0270
	DATA (TITLE(I,8), I=1,5)	OLST0280
	\$ / 30HTRANSFERS AND MISC. SOURCES /	OLST0290
	DATA (TITLE(I,9), I=1,5)	OLST0300
	\$ / 30HLARGE COMPANIES /	OLST0310
	DATA (TITLE(I,10), I=1,5)	OLST0320
	\$ / 30HSMALL COMPANIES /	OLST0330
	DATA (TITLE(I,11), I=1,5)	OLST0340
	\$ / 30HSPECIAL INDUSTRIES /	OLST0350
	ITPOUT = 6	OLST0360
	IPAR(1) = 0	OLST0370
	IPAR(2) = 0	OLST0380
	IS = ISW(3)	OLST0390
	NINCKL = NINKL(IS)	OLST0400
	CALL SPEDBG (3, 0)	OLST0410
	IF (ISW(7) .NE. 0) CALL SELECT ( 3 )	OLST0420
	IF (ITABSW(1) .NE. 1) GO TO 100	OLST0430
	CALL RVTAB2(KLGIVN, GIVNAM, NINCKL, 0, B, B, K, K, K, K, 0, 3)	OLST0440
100	IF (ITABSW(2) .EQ. 1)	OLST0450
	\$CALL ACINC2 (KLGIVN, GIVNAM, 0, (NINCKL+1)/2, 6HSP.INC, 0., 0.,	OLST0460
	\$ 0., 3)	OLST0470
	IF (ITABSW(3) .NE. 1) GO TO 101	OLST0480
	CALL INCID2 (0, 0, NXKLAS, NINCKL, GIVNAM, 3)	OLST0490
	CALL ACCDEL (0, 0, 0., 0., 0., NXKLAS, NINCKL, GIVNAM, 3)	OLST0500
101	ITAX = ITABSW(5)	OLST0510
	IF (ITABSW(5) .NE. 0) GO TO 103	OLST0520
102	ITAX = ITABSW(6) + 2	OLST0530
	IF (+TABSW(6) .EQ. 0) GO TO 1051	OLST0540
103	DO 105 I = 1, 11	OLST0550
	ITYPE = I	OLST0560
	DO 104 J = 1, 5	OLST0570
104	SOURCE(J) = TITLE(J,ITYPE)	OLST0580
	CALL COMPEF (0, 0, 0.,0.,0.,0., 22, NINCKL, KLGIVN, GIVNAM,	OLST0590
	\$ SOURCE, ITYPE, ITAX, ITPOUT, 3)	OLST0600
1051	IF (ITAX .EQ. 3) CALL CSITAB (0, 0, 0.,0.,0.,0.,0.,0.,0.,0.,0.,	OLST0611
	\$ 0.,0., ITPOUT, 3)	OLST0612
105	CONTINUE	OLST0610
	GO TO (102, 102, 106, 106), ITAX	OLST0620
106	IF (ITABSW(7) .NE. 1) GO TO 110	OLST0630
	CALL DETCOR (IXKTYP, IPAR, ITPOUT, 3)	OLST0640
110	IF (ITABSW(8) .LE. 0 .AND. ITABSW(4) .NE. 1) GO TO 114	OLST0650

INC = 0	OLST066C
CALL BASCOM (INC, NINCKL, 3)	OLST067C
IF (ITABSW(8) .LE. 0) GO TO 114	OLST068C
IF (ITABSW(8) .NE. 1) GO TO 112	OLST069C
DO 111 INC = 1, NINCKL	OLST070C
CALL BASTAB (INC, NINCKL, KLGIVN, GIVNAM, ITPOUT)	OLST071C
111 CONTINUE	OLST072C
112 IF (ITABSW(8) .EQ. 3) GO TO 113	OLST073C
INC = 0	OLST074C
CALL BASTAB (INC, NINCKL, KLGIVN, GIVNAM, ITPOUT)	OLST075C
113 CALL BASKLS (NINCKL, KLGIVN, GIVNAM, ITPOUT)	OLST076C
114 IF (ITABSW(4) .LE. 0) GO TO 117	OLST077C
IF (ITABSW(4) .NE. 1) GO TO 116	OLST078C
DO 115 INK = 1, NINCKL	OLST079C
CALL MARTAB (INK, NINCKL, KLGIVN, GIVNAM, ITPOUT)	OLST080C
115 CONTINUE	OLST081C
116 INC = 0	OLST082C
CALL MARTAB (INC, NINCKL, KLGIVN, GIVNAM, ITPOUT)	OLST083C
117 IF (ITABSW(9) .EQ. 1)	OLST084C
\$CALL SUMRIZ(0, NINCKL, KLGIVN, GIVNAM, 0, 0., 0., 0., 0., 0., 0., 0., 3)	OLST085C
IF (ITABSW(10) .NE. 1) RETURN	OLST086C
CALL SUMDAT ( 3 )	OLST087C
CALL SUMSAM (S, 0, NINCKL, 6HINCOME, 3)	OLST088C
RETURN	OLST089C
END	OLST090C

## 2.6 TABLE-GENERATING SUBPROGRAMS

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SUBROUTINE SUMRIZ (INCKL, NINCKL, KLASFN, CLASNM, NTAXPR, TINC1,
$  TINC2, PTAX1, PTAX2, ALLTX1, ALLTX2, IENTRY)
C
C  SUBROUTINE TO SUMMARIZE RECORDS THAT WERE PROCESSED IN THIS PASS
C  NUMBERED AS OF 21 OCT/66
C  ARGUMENTS
C    INCKL = INCOME CLASS OF DATA RECORD
C    NINCKL = NUMBER OF INCOME CLASSES
C    KLASFN = CLASSIFICATION OF ALL RECORDS IN TABLE
C    CLASNM = ALPHA DESCRIPTION OF CLASSIFICATION (A6)
C    NTAXPR = NUMBER OF TAX UNITS IN DATA RECORD
C    TINC1, TINC2 = CURRENT AND REFORMED TAXABLE INCOME
C    PTAX1, PTAX2 = CURRENT AND REFORMED PERSONAL INCOME TAX
C    ALLTX1, ALLTX2 = ALL DIRECT TAXES (CURRENT AND PROPOSED)
C  ENTRIES
C    1 = INITIALIZATION
C    2 = ADD DATA FROM SAMPLE RECORD TO ACCUMULATION
C    3 = PRINT OUT RESULTS
C
COMMON /PROGID/ RCASE, ACASE, IPSET, ITSET, SETNC, DATE(2), ITDEF
COMMON /PARAM/ ASS(200), ALLOW(50), ITUDEF, IDATA, IBASIS,
$  IORDER(7), ISPRES(25,2), NSUP, IMINTP, ITPOUT, ITDATA
DOUBLE PRECISION ACCUM
DIMENSION ACCUM(50,6), NTUNIT(50), NRECS(50), COLS(6), SW(2)
DATA (SW(I), I=1,2) / 3HNOT, 3HARE /
C
GO TO ( 100, 200, 300 ), IENTRY
C
ENTRY TO INITIALIZE TABLES USED IN THIS SUBROUTINES
C
100 DO 101 I = 1, 50
    NRECS (I) = 0
    NTUNIT(I) = 0
    DO 101 J = 1, 6
        ACCUM(I,J) = 0.
101 CONTINUE
    DO 102 I = 1, 6
        COLS(I) = 0.
102 CONTINUE
    NSUMUN = 0
    NSUMRC = 0
    RETURN
C
C  ACCUMULATION ENTRY
C
200 ACCUM(INCKL,1) = ACCUM(INCKL,1) + TINC1
    ACCUM(INCKL,2) = ACCUM(INCKL,2) + TINC2
    ACCUM(INCKL,3) = ACCUM(INCKL,3) + PTAX1
    ACCUM(INCKL,4) = ACCUM(INCKL,4) + PTAX2
    ACCUM(INCKL,5) = ACCUM(INCKL,5) + ALLTX1
    ACCUM(INCKL,6) = ACCUM(INCKL,6) + ALLTX2
    NTUNIT(INCKL) = NTUNIT(INCKL) + NTAXPR
    NRECS (INCKL) = NRECS (INCKL) + 1

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RETURN	SMRZ052C
C ENTRY TO PRINT OUT SUMS	SMRZ053C
C	SMRZ054C
300 WRITE (ITPOUT,1)	SMRZ055C
WRITE (ITPOUT,2) ACASE, RCASE, SETNO, DATE	SMRZ056C
WRITE (ITPOUT,3) CLASNM, KLASFN, SW(ITUDEF)	SMRZ057C
CALL SUPREF( 3 )	SMRZ058C
WRITE (ITPOUT,4)	SMRZ059C
DO 302 I = 1, NINCKL	SMRZ060C
DO 301 J = 1, 6	SMRZ061C
ACCUM(I,J) = ACCUM(I,J) / 1000.	SMRZ062C
301 COLS(J) = COLS(J) + ACCUM(I,J)	SMRZ063C
NSUMUN = NSUMUN + NTUNIT(I)	SMRZ064C
NSUMRC = NSUMRC + NRECS (I)	SMRZ065C
302 WRITE (ITPOUT,5) I, NRECS(I), NTUNIT(I), (ACCUM(I,J), J=1,6)	SMRZ066C
WRITE (ITPOUT,6) NSUMRC, NSUMUN, (COLS(I), I=1,6)	SMRZ067C
RETURN	SMRZ068C
C	SMRZ069C
1 FORMAT (32H1SUMMARY OF RECORDS IN THIS PASS)	SMRZ070C
2 FORMAT (15HOASSUMPTION SET, 3X, A6 / 14H RATE SCHEDULE, 4X, A6 /	SMRZ071C
\$ 1CH TABLE SET, 8X, F6.2 / 5H DATE, 7X, 2A6 )	SMRZ072C
3 FORMAT (36HORECORDS PROCESSED ARE TAX UNITS IN , A6, 6H CLASS, 14,	SMRZ073C
\$ 2H, , A3, 32H AGGREGATED INTO HOUSEHOLD UNITS )	SMRZ074C
4 FORMAT (7HOINCOME, 2(4X,10HNUMBER OF), 8X, 14HTAXABLE INCOME, 9X,	SMRZ075C
\$ 20HPERSONAL INCOME TAX, 7X, 18HTOTAL DIRECT TAXES/6H CLASS,4X,12	SMRZ076C
\$HDATA RECORDS, 3X, 9HTAX UNITS, 3(6X,20HCURRENT PROPOSED)/ 1X)	SMRZ077C
5 FORMAT ( I5, 2I14, 1X, 6F13.1 )	SMRZ078C
6 FORMAT ( 6HOTOTAL, I13, I14, 1X, 6F13.1 )	SMRZ079C
END	SMRZ080C
	SMRZ081C
SUBROUTINE RVTAB2 (KLASFN, CLASNM, NINCKL, INCKLS, BASE, CRED,	RVTBC00C
\$ REFTAX, OLDPTX, GTAX, CTAX, NTAXPR, IENTRY)	RVTBC01C
C	RVTBC02C
C SUBROUTINE TO ACCUMULATE AND PRINT OUT TABLES SHOWING EFFECT OF	RVTBC03C
C EACH REFORM ON TAX REVENUE YIELD BY INCOME CLASS, PRO-RATED	RVTBC04C
C ACCORDING TO SPECIFICATION (JUNE 29, 1966) REVISED 7 JULY/66	RVTBC05C
C RENUMBERED FOR GITAN PRINTING	RVTBC06C
C ARGUMENTS (INPUT AT INITIALIZATION AND PRINTING)	RVTBC07C
C KLASFN = CLASSIFICATION OF ALL TAX UNITS ANALYZED IN TABLE	RVTBC08C
C (=0 IF TAX UNITS ANALYZED ARE NOT A PROPER SUBSET OF ALL	RVTBC09C
C CANADIAN RESIDENTS)	RVTBC10C
C CLASNM = ALPHA NAME OF CLASSIFICATION (A6)	RVTBC11C
C NINCKL = NUMBER OF INCOME CLASSES ANALYZED IN TABLES	RVTBC12C
C ARGUMENTS (INPUT AT EACH ENTRY FOR ACCUMULATION)	RVTBC13C
C INCKLS = INCOME CLASS OF DATA ENTERED	RVTBC14C
C BASE = CHANGES IN PERSONAL TAX BASE	RVTBC15C
C CRED = CHANGES IN NON-REFUNDABLE PERSONAL TAX CREDITS	RVTBC16C
C OLDPTX = CURRENT BASE, TAX CREDITS, AND PERSONAL INCOME TAX	RVTBC17C
C GTAX, CTAX = GIFT AND CORPORATE TAX DATA (CURRENT AND CHANGES)	RVTBC18C
C NTAXPR = NUMBER OF TAXPAYERS	RVTBC19C
C ENTRY POINTS (DETERMINED BY IENTRY)	RVTBC20C
C 1 = INITIALIZATION	RVTBC21C
C 2 = ADD DATA TO TOTALS ACCUMULATED	RVTBC22C
C 3 = PRINT SUMMARY TOTALS	RVTBC23C
C	RVTBC24C
COMMON /FPAR/ MSTAT, IWWIFE, DEPCH, ODEP	RVTBC25C
COMMON /PROGID/ RCASE, ACASE, ISETNO, LTSET, SETNO, DATE(2),ITUDEF	RVTBC26C
COMMON /PARAM/ ASS(200), ALLOW(50), ITUDEF, IDATA, IBASIS,	RVTBC27C
\$ IORDER(7), ISPRES(25,2), NSUP, IMINTP, ITPCUT, ITDATA	RVTBC28C
COMMON /DEBUG/ IDBGSW, KOUNT	RVTBC29C

COMMON /SWITCH/ ISW(25)	RVTBC300
DIMENSION BASE(40), CRED(40), OLDPTX(5), GTAX(5), CTAX(5)	RVTBC310
COMMON /REFDIC/ IRTAB(7,10,3), KATREF(7), NREF(7),	RVTBC320
\$ NKAT, NRLIST, NCTAX, NGTAX	RVTBC330
DOUBLE PRECISION BASDEL, TAXDEL, OLD, GIFTAX, CORTAX, REALTX	RVTBC331
DIMENSION BASDEL(50), TAXDEL(20,50), OLD(20,5), GIFTAX(20,5),	RVTBC340
\$ CORTAX(20,5), KRTAB(7,10,3),	RVTBC350
\$TITSEC(8,7), IDEL(50), IRCRED(10), TAXSAV(5), IRFDEL(5), TCRED(2),	RVTBC360
\$ OTIT(3,2), ATIT(2), X(11), TOTAL(11), AGG(11), AGGP(11)	RVTBC370
\$ , REFTAX(5), REALTX(20), TAXPRS(20)	RVTBC380
DIMENSION DUMMYB(1,50)	RVTBC390
DATA (IRCRED(I), I=1,10) /4, 10, 23, 32, 33, 34, 4*0/	RVTBC400
DATA (IRFDEL(I), I=1,5) / 6, 7, 8, 0, 0 /	RVTBC410
DATA (TITSEC(I,1), I = 1,8) /	RVTBC420
\$ 48HCHANGES IN TAX RATES	RVTBC430
DATA (TITSEC(I,2), I = 1,8) /	RVTBC440
\$ 48HTAXATION OF THE FAMILY AS A UNIT	RVTBC450
DATA (TITSEC(I,3), I = 1,8) /	RVTBC460
\$ 48HCHANGES IN TAXATION OF CORPORATE SOURCE INCOME	RVTBC470
DATA (TITSEC(I,4), I = 1,8) /	RVTBC480
\$ 48HCHANGES IN TAXATION OF OTHER PROPERTY INCOME	RVTBC490
DATA (TITSEC(I,5), I = 1,8) /	RVTBC500
\$ 48HCHANGES IN TAXATION OF EMPLOYMENT INCOME	RVTBC510
DATA (TITSEC(I,6), I = 1,8) /	RVTBC520
\$ 48HOTHER ASPECTS OF COMPREHENSIVE BASE	RVTBC530
DATA (TITSEC(I,7), I = 1,8) /	RVTBC540
\$ 48HCHANGES IN CONCESSIONARY ALLOWANCES	RVTBC550
DATA (OTIT(I,1), I = 1,3) / 18HTOGETHER	RVTBC560
DATA (OTIT(I,2), I = 1,3) / 18HSECTION BY SECTION/	RVTBC570
DATA ATIT(1) / 5H NOT /	RVTBC580
DATA ATIT(2) / 5H ARE /	RVTBC590
C	RVTBC600
GO TO (1000,2000, 3000), IENTRY	RVTBC610
C	RVTBC620
C-----ENTRY POINT-----	RVTBC630
C ENTRY TO INITIALIZE SUBROUTINE FOR NEW ACCUMULATION	RVTBC640
C	RVTBC650
1000 NFDEL = 3	RVTBC660
IF (ISW(4) .EQ. 0) GO TO 1002	RVTBC670
NREF(1) = 4	RVTBC680
NREF(3) = 5	RVTBC690
NREF(6) = 2	RVTBC700
NREF(7) = 6	RVTBC710
1002 KK = 1	RVTBC720
DO 103 I = 1, NKAT	RVTBC730
M = NREF(I)	RVTBC740
DO 103 J = 1, M	RVTBC750
DO 101 K = 1, 3	RVTBC760
101 KRTAB(I,J,K) = IRTAB(I,J,K)	RVTBC770
IF (KK .GT. NSUP) GO TO 103	RVTBC780
IF (I .NE. ISPRES(KK,1)) GO TO 103	RVTBC790
IF (J .NE. ISPRES(KK,2)) GO TO 103	RVTBC800
DO 102 K = 1, 3	RVTBC810
102 KRTAB(I,J,K) = 0	RVTBC820
KK = KK + 1	RVTBC830
103 CONTINUE	RVTBC840
DO 104 J = 1, NRLIST	RVTBC850
BASDEL(J) = 0	RVTBC860
DO 104 I = 1, NINCKL	RVTBC870
104 TAXDEL(I,J) = 0	RVTBC880
DO 105 J = 1, 5	RVTBC890
DO 105 I = 1, NINCKL	RVTBC900
GIFTAX(I,J) = 0.	RVTBC910
OLD(I,J) = 0.	RVTBC920

105	CORTAX(I,J) = 0.	RVTB0930
	DO 106 K = 1, NINCKL	RVTB0940
	TAXPRS(K) = 0.	RVTB0950
106	REALTX(K) = 0.	RVTB0960
	RETURN	RVTB0970
C		RVTB0980
C	-----ENTRY POINT-----	RVTB0990
C	ENTRY TO ADD DATA SET TO TOTALS ACCUMULATED	RVTB1000
C		RVTB1010
2000	DO 199 K = 1, 4	RVTB1020
199	OLD(INCKLS,K) = OLD(INCKLS,K) + OLDPTX(K)	RVTB1030
	XN = NTAXPR	RVTB1040
	TAXPRS(INCKLS) = TAXPRS(INCKLS) + XN	RVTB1050
	ITAX = 1	RVTB1060
	TOTCRD = OLDPTX(2)	RVTB1070
	TOTBAS = OLDPTX(1)	RVTB1080
	OLDTAX = OLDPTX(3)	RVTB1090
	TCRED(1) = TOTCRD/XN	RVTB1100
	TCRED(2) = 0.	RVTB1110
	IBTHRU = 0	RVTB1120
	IF (IDBGSW .EQ. 2) WRITE (ITPOUT,28)	RVTB1130
	LOOP = 0	RVTB1140
200	LOOP = LOOP + 1	RVTB1150
	SUM = 0.	RVTB1160
	DO 201 J = 1, NRLIST	RVTB1170
201	IDEL(J) = 0	RVTB1180
	IF (LOOP .GT. NKAT) GO TO 220	RVTB1190
	K = IORDER(LOOP)	RVTB1200
	IF (K .EQ. 1) GO TO 215	RVTB1210
	IF (K .EQ. 2) GO TO 218	RVTB1220
C	PRORATE TAX EFFECTS OF BASE CHANGES	RVTB1230
	IF (IBASIS .EQ. 2) GO TO 203	RVTB1240
	IF (IBTHRU .EQ. 1) GO TO 200	RVTB1250
	IBTHRU = 1	RVTB1260
	DO 202 K = 3, 7	RVTB1270
	M = NREF(K)	RVTB1280
	DO 202 J = 1, M	RVTB1290
	L = KRTAB(K,J,1)	RVTB1300
	IF (L .EQ. 0) GO TO 202	RVTB1310
	SUM = SUM + BASE(L-7)	RVTB1320
	IDEL(L) = 1	RVTB1330
	BASDEL(L) = BASDEL(L) + BASE(L-7)	RVTB1340
202	CONTINUE	RVTB1350
	GO TO 205	RVTB1360
203	M = NREF(K)	RVTB1370
	DO 204 J = 1, M	RVTB1380
	L = KRTAB(K,J,1)	RVTB1390
	IF (L .EQ. 0) GO TO 204	RVTB1400
	SUM = SUM + BASE(L-7)	RVTB1410
	IDEL(L) = 1	RVTB1420
	BASDEL(L) = BASDEL(L) + BASE(L-7)	RVTB1430
204	CONTINUE	RVTB1440
205	TOTBAS = TOTBAS + SUM	RVTB1450
	IF (ITAX .EQ. 1) TAX = CURTAX (TOTBAS/XN, TOTCRD/XN)*XN	RVTB1460
	IF (ITAX .EQ. 2) TAX = PROTAX (TOTBAS/XN, TCRED, 0)*XN	RVTB1470
	TAX = TAX - OLDTAX	RVTB1480
	DO 206 J=8,NRLIST	RVTB1490
	IF (IDEL(J) .EQ. 0) GO TO 206	RVTB1500
	IF (SUM .LE. 0.) GO TO 206	RVTB1510
	TAXDEL(INCKLS,J) = TAXDEL(INCKLS,J) + TAX*(BASE(J-7)/SUM)	RVTB1520
206	CONTINUE	RVTB1530
	OLDTAX = OLDTAX + TAX	RVTB1540
	LINE = 1550	RVTB1550
	IF (IDBGSW .EQ. 2) WRITE (ITPOUT,29) LINE, TAX, CLDTAX, ITAX	RVTB1560
C	ENTER NON-FAMILY CREDITS	RVTB1570



IF (IBASIS .EQ. 1) GO TO 207	RVTB158C
IF (K .EQ. 3) GO TO 207	RVTB159C
IF (K .EQ. 5) GO TO 211	RVTB160C
IF (K .EQ. 7) GO TO 213	RVTB161C
GO TO 200	RVTB162C
207 I = 1	RVTB163C
208 I = I + 1	RVTB164C
IF (I .GT. 3) GO TO 210	RVTB165C
TOTCRD = TOTCRD + CRED(I+6)	RVTB166C
TCRED(2) = TCRED(2) + CRED(I+6)/XN	RVTB167C
ICTHRU = 1	RVTB168C
IF (I.EQ.3) GO TO 2091	RVTB169C
209 TOTCRD = TOTCRD + CRED(I)	RVTB170C
TCRED(1) = TCRED(1) + CRED(I)/XN	RVTB171C
2091 IF (ITAX .EQ. 1) TAX = (CURTAX(TOTBAS/XN, TCRED(1)) - TCRED(2))*XN	RVTB172C
IF (ITAX .EQ. 2) TAX = PROTAX (TOTBAS/XN, TCRED, 0)*XN	RVTB173C
TAX = TAX - OLDTAX	RVTB174C
OLDTAX = OLDTAX + TAX	RVTB175C
LINE = 1760	RVTB176C
IF (IDBGSW .EQ. 2) WRITE (ITPOUT,29) LINE, TAX, OLDTAX, ITAX	RVTB177C
II = IRCRED(I)	RVTB178C
IF (II .EQ. 23 .AND. ICTHRU .EQ. 1) II = 11	RVTB179C
TAXDEL(INCKLS,II) = TAXDEL(INCKLS,II) + TAX	RVTB180C
GO TO ( 208, 212, 214 ), ICTHRU	RVTB181C
210 IF (IBASIS .EQ. 2) GO TO 200	RVTB182C
211 I = 3	RVTB183C
ICTHRU = 2	RVTB184C
GO TO 209	RVTB185C
212 IF (IBASIS .EQ. 2) GO TO 200	RVTB186C
213 I = 3	RVTB187C
ICTHRU = 3	RVTB188C
214 I = I + 1	RVTB189C
IF (I .GT. 6) GO TO 200	RVTB190C
GO TO 209	RVTB191C
C COMPUTE EFFECTS OF CHANGES IN TAX RATES	RVTB192C
215 ITAX = 2	RVTB193C
I = 0	RVTB194C
216 I = I + 1	RVTB195C
IF (I .GT. 4) GO TO 2171	RVTB196C
L = KRTAB(1,I,1)	RVTB197C
LL = L	RVTB198C
IF (L .EQ. 0) GO TO 216	RVTB199C
IF (I .GT. 2) LL = L - 7	RVTB200C
K = I	RVTB201C
TOTBAS = TOTBAS + BASE(LL)	RVTB202C
BASDEL(L) = BASDEL(L) + BASE(LL)	RVTB203C
IF (I .LT. 3) GO TO 217	RVTB204C
K = 3	RVTB205C
IF (I .EQ. 3) TCRED(1) = TCRED(1) + CRED(7)/XN	RVTB206C
IF (I .EQ. 4) TCRED(1) = TCRED(1) + CRED(1)/XN	RVTB207C
217 TAX = PROTAX (TOTBAS/XN, TCRED, -K)*XN - OLDTAX	RVTB208C
TAXDEL(INCKLS,L) = TAXDEL(INCKLS,L) + TAX	RVTB209C
OLDTAX = OLDTAX + TAX	RVTB210C
LINE = 2090	RVTB211C
IF (IDBGSW .EQ. 2) WRITE (ITPOUT,29) LINE, TAX, OLDTAX, ITAX	RVTB212C
GO TO 216	RVTB213C
2171 TAX = AVGING (OLDTAX)	RVTB214C
TAXDEL(INCKLS,5) = TAXDEL(INCKLS,5) + TAX	RVTB215C
OLDTAX = OLDTAX + TAX	RVTB216C
TOTBAS = TOTBAS + BASE(33)	RVTB217C
BASDEL(40) = BASDEL(40) + BASE(33)	RVTB218C
TAX = PROTAX(TOTBAS/XN, TCRED, 0)*XN - OLDTAX	RVTB219C
TAXDEL(INCKLS,40) = TAXDEL(INCKLS,40) + TAX	RVTB220C
OLDTAX = OLDTAX + TAX	RVTB221C



	LINE = 2180	RVTB2220
	IF (IDBGSW .EQ. 2) WRITE (ITPOUT,29) LINE, TAX, OLDTAX, ITAX	RVTB2230
	GO TO 200	RVTB2240
C	COMPUTE EFFECTS OF CHANGED DEFINITION OF TAX UNIT	RVTB2250
218	CALL FAMDEL (TAXSAV,CLDTAX,NFDEL,ITAX)	RVTB2260
	I = 0	RVTB2270
219	I = I + 1	RVTB2280
	IF (I .GT. NFDEL) GO TO 200	RVTB2290
	II = IRFDEL(I)	RVTB2300
	TAXDEL(INCKLS,II) = TAXDEL(INCKLS,II) + TAXSAV(I)	RVTB2310
	GO TO 219	RVTB2320
C	ENTER CORPORATE AND GIFT TAX DATA	RVTB2330
220	DO 221 I = 1, NCTAX	RVTB2340
221	CORTAX(INCKLS,I) = CORTAX(INCKLS,I) + CTAX(I)	RVTB2350
	DO 222 I = 1, NGTAX	RVTB2360
222	GIFTAX(INCKLS,I) = GIFTAX(INCKLS,I) + GTAX(I)	RVTB2370
	REALTX(INCKLS) = REALTX(INCKLS) + REFTAX(3)	RVTB2380
	IF (IDBGSW.NE. 2) GO TO 223	RVTB2390
	DO 2221 I = 1, NRLIST	RVTB2400
2221	DUMMYB(1,I) = BASDEL(I)	RVTB2410
	CALL DBGMAT(DUMMYB, 1, NRLIST, 3,6HBASDEL,6HRVTAB2, 222,1,50)	RVTB2420
	CALL DBGMAT (TAXDEL,NINCKL,NRLIST,3,6HTAXDEL,6HRVTAB2,222,20,50)	RVTB2430
	CALL DBGMAT(CORTAX, NINCKL,NCTAX, 3, 6HCORTAX,6HRVTAB2,222,20,5)	RVTB2440
	CALL DBGMAT(GIFTAX,NINCKL,NGTAX,3,6HGIFTAX,6HRVTAB2,222,20,5)	RVTB2450
	CALL DBGMAT( OLD,NINCKL, 5, 3, 3HOLD , 6HRVTAB2,222,20,5)	RVTB2460
223	RETURN	RVTB2470
C		RVTB2480
C	-----ENTRY POINT-----	RVTB2490
C	ENTRY TO PRINT SUMMARY TABLES	RVTB2500
C		RVTB2510
3000	CONTINUE	RVTB2520
	DO 301 J = 1, 5	RVTB2530
301	AGG(J) = 0.	RVTB2540
	ITAB = 0	RVTB2550
302	ITAB = ITAB + 1	RVTB2560
	IF (ITAB .GT. 4) RETURN	RVTB2570
	WRITE (ITPOUT,1)	RVTB2580
	IF (KLASFN .EQ. 0) WRITE (ITPOUT,2)	RVTB2590
	IF (KLASFN .NE. 0) WRITE (ITPOUT,3) CLASNM, KLASFN	RVTB2600
	WRITE (ITPOUT,4) ATIT(ITUDEF), SETNO, RCASE,	RVTB2610
	\$ (OTIT(I,IBASIS), I=1,3), (DATE(I),I=1,2), ACASE	RVTB2620
C	(DELETED)	RVTB2630
	IF (ITAB .GT. 1) GO TO 316	RVTB2640
C	PRINT TABLE 1	RVTB2650
	WRITE (ITPOUT,5)	RVTB2660
	IKAT = 0	RVTB2670
303	IKAT = IKAT + 1	RVTB2680
	IF (IKAT .GT. NKAT) GO TO 311	RVTB2690
	II = IORDER(IKAT)	RVTB2700
	WRITE (ITPOUT,6) IKAT, II, (TITSEC(K,II), K=1,8)	RVTB2710
	DO 304 K = 1, 5	RVTB2720
304	TOTAL(K) = 0.	RVTB2730
	J = 0	RVTB2740
305	J = J + 1	RVTB2750
	IF (J .GT. NREF(II)) GO TO 310	RVTB2760
	IF (KRTAB(II,J,1) .NE. 0) GO TO 306	RVTB2770
	WRITE (ITPOUT,23) II, J	RVTB2780
	GO TO 305	RVTB2790
306	DO 307 K = 1, 5	RVTB2800
307	X(K) = 0.	RVTB2810
	L1 = KRTAB(II,J,1)	RVTB2820
	L2 = KRTAB(II,J,2)	RVTB2830
	L3 = KRTAB(II,J,3)	RVTB2840
	DO 308 K = 1, NINCKL	RVTB2850
	X(2) = X(2) + TAXDEL(K,L1)	RVTB2860

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      IF (L2 .NE. 0) X(4) = X(4) + CORTAX(K,L2)
      IF (L3 .NE. 0) X(5) = X(5) + GIFTAX(K,L3)
308  CONTINUE
      X(1) = BASDEL(L1)
      IF (L2 .EQ. 3) X(3) = 2.*X(4)
      DO 309 K = 1, 5
      X(K) = X(K)/1000.
      TOTAL(K) = TOTAL(K) + X(K)
309  AGG(K) = AGG(K) + X(K)
      WRITE (ITPOUT,7) II, J, (X(K), K=1,5)
      GO TO 305
310  WRITE (ITPOUT,8) (TOTAL(K), K=1,5)
      GO TO 303
311  DO 3111 I = 1, 5
3111 X(I) = 0.
      DO 3112 K = 1, NINCKL
3112 X(2) = X(2) + REALTX(K) - OLD(K,3)
      X(2) = X(2) - AGG(2)*1000.
      X(2) = X(2)/1000.
      WRITE (ITPOUT,25) (X(I), I=1,5)
      AGG(2) = AGG(2) + X(2)
      WRITE (ITPOUT,9) (AGG(K), K=1,5)
      DO 312 K = 1, 5
312  X(K) = 0.
      DO 313 K = 1, NINCKL
      X(1) = X(1) + OLD(K,1)
      X(2) = X(2) + OLD(K,3)
      X(3) = X(3) + OLD(K,4)
      X(4) = X(4) + CORTAX(K,1)
313  X(5) = X(5) + GIFTAX(K,1)
      DO 3131 K = 1, 5
3131 X(K) = X(K)/1000.
      WRITE (ITPOUT,10) (X(K), K=1,5)
      DO 314 K = 1, 5
314  TOTAL(K) = X(K) + AGG(K)
      WRITE (ITPOUT,11) (TOTAL(K), K=1,5)
      DO 315 K = 1, 5
315  IF (X(K) .GT. 0.) X(K) = 100. * AGG(K) / X(K)
      WRITE (ITPOUT,12) (X(K), K=1,5)
      GO TO 302
C  PRINT TABLES 2 AND 3
316  IF (ITAB .NE. 4) WRITE (ITPOUT,13) ITAB
      IF (ITAB .EQ. 2) WRITE (ITPOUT,14)
      IF (ITAB .EQ. 3) WRITE (ITPOUT,15)
      IF (ITAB .EQ. 4) WRITE (ITPOUT,27) ITAB
      NKO = 1
      NK = NINCKL
      NINC = 10
317  IF (NINCKL .GT. NINC) NK = NINC
      DO 318 K = 1, 11
      AGGPT(K) = 0.
318  AGG(K) = C.
      WRITE (ITPOUT,16) (I, I = NKO, NK)
      IKAT = 0
319  IKAT = IKAT + 1
      IF (IKAT .GT. NKAT) GO TO 326
      II = IORDER(IKAT)
      WRITE (ITPOUT,6) IKAT, II, (TITSEC(K,II), K=1,8)
      DO 320 K = 1, 11
320  TOTAL(K) = 0.
      J = 0
321  J = J + 1
      IF (J .GT. NREF(II)) GO TO 325
      LI = KRTAB(II,J,1)

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RVTB350C

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      IF (L1 .NE. 0) GO TO 322
      WRITE (ITPOUT,23) II, J
      GO TO 321
322  NN = NK - NKO + 1
      DO 324 K = 1, NN
      KK = K + NKO - 1
      DIV = 1000.
      IF (ITAB .EQ. 4) DIV = TAXPRS(KK)
      IF (DIV .LT. 1.) DIV = 1.
      X(K) = TAXDEL(KK,L1)/DIV
      AGGPT(K) = AGGPT(K) + X(K)
      IF (ITAB .EQ. 2) GO TO 323
      L2 = KRTAB(II,J,2)
      L3 = KRTAB(II,J,3)
      IF (L2 .NE. 0) X(K) = X(K) + CORTAX(KK,L2)/DIV
      IF (L3 .NE. 0) X(K) = X(K) + GIFTAX(KK,L3)/DIV
323  TOTAL(K) = TOTAL(K) + X(K)
      AGG(K) = AGG(K) + X(K)
324  CONTINUE
      WRITE (ITPOUT,17) II, J, (X(K), K=1,NN)
      GO TO 321
325  WRITE (ITPOUT,18) (TOTAL(K), K=1,NN)
      GO TO 319
326  DO 3261 K = 1, NN
      KK = K + NKO - 1
      DIV = 1000.
      IF (ITAB .EQ. 4) DIV = TAXPRS(KK)
      IF (DIV .LT. 1.) DIV = 1.
      X(K) = REALTX(KK)/DIV - OLD(KK,3)/DIV - AGGPT(K)
3261 AGG(K) = AGG(K) + X(K)
      WRITE (ITPOUT,26) (X(K), K=1,NN)
      WRITE (ITPOUT,19) (AGG(K), K=1,NN)
      DO 327 K = 1, NN
      KK = K + NKO - 1
      DIV = 1000.
      IF (ITAB .EQ. 4) DIV = TAXPRS(KK)
      IF (DIV .LT. 1.) DIV = 1.
      X(K) = OLD(KK,3)/DIV
      IF (ITAB .GE. 3) X(K) = X(K) + CORTAX(KK,1)/DIV + GIFTAX(KK,1)/DIV
      TOTAL(K) = AGG(K) + X(K)
      IF (X(K) .GT. 0.) AGG(K)=100. * AGG(K) / X(K)
327  CONTINUE
      WRITE (ITPOUT,20) (X(K), K=1,NN)
      WRITE (ITPOUT,21) (TOTAL(K), K=1,NN)
      WRITE (ITPOUT,22) (AGG(K), K=1,NN)
      IF (NINCKL .LE. NINC) GO TO 302
      NKO = NKO + 10
      NINC = NINC + 10
      NK = NINCKL
      WRITE (ITPOUT,24) ITAB
      GO TO 317

1  FORMAT(1H1,30X,47HPRORATION OF EFFECTS OF REFORMS ON TAX REVENUES)
2  FORMAT (41X 27HFROM ALL CANADIAN RESIDENTS)
3  FORMAT (44X 5HFROM A6, 6H CLASS I3)
4  FORMAT(10HCTAXPAYERS A5, 28HAGGREGATED INTO FAMILY UNITS 21X
$ 1CHSET NUMBER F5.2, 20X 15HRATE SCHEDULE A6 / 1X 26HALL BASE CHRVTB4070
$ANGES PRORATED 3A6, 19X 4HDATE 2X 2A6, 17X,
$ 15HASSUMPTION SET A6 / 1X )
5  FORMAT (1HC 30X 8HTABLE 1. 3X 35HTOTAL CHANGES IN TAX BASE AND TAXRVTB4100
$ES / 42X 22H(THOUSANDS OF DOLLARS)/ 1H0 25X 19HPERSONAL INCOME TAXRVTB4110
$ 16X 20HCORPORATE INCOME TAX 16X 4HGIFT / 4X 6HREFORM 16X 4HBASE RVTB4120
$ 12X 3HTAX 16X 4HBASE 12X 3HTAX 17X 3HTAX / 1X )
6  FORMAT (1H0 I1, 1H. 2X 15HREFORM CATEGORY I2, 4H -- 8A6 / 1X)
7  FORMAT (1X 7HREFORM( I2, 1H, I2, 1H) F19.0, F16.0, F19.0, F16.0,

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$ F20.0 )
8 FORMAT (1HC 14HTOTAL IN CLASS F18.0, F16.0, F19.0, F16.0, F20.0)
9 FORMAT (1X / 1HO 13HTOTAL CHANGES 1X F18.0, F16.0, F19.0, F16.0,
$ F20.0)
10 FORMAT(15H CURRENT TOTAL , F18.0, F16.0, F19.0, F16.0, F20.0)
11 FORMAT(15H NEW TOTAL , F18.0, F16.0, F19.0, F16.0, F20.0)
12 FORMAT(16H PERCENT CHANGE , F18.1, F16.1, F19.1, F16.1, F20.1)
13 FORMAT (1HC 30X 5HTABLE I2, 1H. 3X 32HCHANGES IN TAXES BY INCOME CRV
$ LASS)
14 FORMAT (42X 50H(PERSONAL INCOME TAXES ONLY, THOUSANDS OF DOLLARS))
15 FORMAT (42X 40H(ALL DIRECT TAXES, THOUSANDS OF DOLLARS))
16 FORMAT(1HC 24X 14HINCOME CLASSES / 4X 6HREFORM I16, 10I9)
17 FORMAT(1X 7HREFORM( I2, 1H, I2, 1H) 6X 11F9.0)
18 FORMAT(15H0TOTAL IN CLASS 5X, 11F9.0)
19 FORMAT(1X / 15H0TOTAL CHANGES 5X, 11F9.0)
20 FORMAT (15H CURRENT TOTAL 5X, 11F9.0)
21 FORMAT (15H NEW TOTAL 5X, 11F9.0)
22 FORMAT (15H PERCENT CHANGE 6X, 11F9.1)
23 FORMAT (1X 7HREFORM( I2, 1H, I2, 1H) 16X 10HSUPPRESSED)
24 FORMAT (1H1 5HTABLE I2, 10H CONTINUED / 1X)
25 FORMAT (14H0UNDISTRIBUTED / 4X, 7HAMOUNTS, 7X,
$ F15.0, F16.0, F19.0, F16.0, F20.0)
26 FORMAT (14H0UNDISTRIBUTED / 4X, 7HAMOUNTS, 9X, 11F9.0)
27 FORMAT (1HC, 30X, 5HTABLE, I2, 1H., 3X, 69HCHANGES IN DIRECT TAXES
$ FOR THE AVERAGE TAXPAYER IN EACH INCOME CLASS)
28 FORMAT (1HC / 21H0SPECIAL DEBUG OUTPUT)
29 FORMAT (1HC, 7HAT RVTB, 15, 6H TAX =, F15.3, 9H OLDTAX =, F15.3,
$ 7H ITAX =, 15)
END

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SUBROUTINE FAMDEL (TAXSAV, BASTAX, NFDEL, ITAX)
SUBROUTINE TO COMPUTE EFFECTS OF AGGREGATING TAX UNITS
NUMBERED AS OF 21 OCT/66
ARGUMENTS
TAXSAV = CHANGES IN TAXES RESULTING FROM EACH REFORM AFFECTING
TAX UNIT DEFINITION
BASTAX = BASIC TAX WHICH WOULD BE PAID WITHOUT TAX UNIT DEFINITION
CHANGES
NFDEL = NUMBER OF REFORMS AFFECTING UNIT DEFINITION
ITAX = BASIS OF TAX CALCULATIONS (1 = CURRENT SCHEDULE, 2 =
PROPOSED)
COMMON /PARAM/ ASS(200), ALLOW(50), ITUDEF, IDATA, IBASIS,
$ IORDER(7), ISPRES(25,2), NSUP, IMINTP, ITPOUT, ITDATA
DIMENSION TAXSAV(5)
DO 100 I=1,NFDEL
100 TAXSAV(I) = 0.
RETURN
END

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SUBROUTINE ACINC2 (IKLAS, CLASNM, INDEX, NINDEX, CXNAM, AINC,
$ CRED, XN, IENTRY)
SUBROUTINE TO ACCUMULATE TAXABLE INCOME TAXED AT EACH TAX RATE
REVISED, 7 JULY 1966

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C	NUMBERED AS OF 21 OCT/66	ACINC050
C	ARGUMENTS	ACINC060
C	IKLAS = CLASSIFICATION OF TAX UNITS ANALYZED IN TABLE	ACINC070
C	CLASNM = ALPHA DESCRIPTION OF CLASSIFICATION COMMON TO TAX UNITS	ACINC080
C	IN TABLE	ACINC090
C	INDEX = CLASSIFICATION OF INCOME ENTERED	ACINC100
C	NINDEX = NUMBER OF SUCH CLASSES IN TABLE	ACINC110
C	CXNAM = ALPHA NAME OF INDEX CLASSIFICATION (A6)	ACINC120
C	AINC = INCOME ENTERED (AVERAGE PER TAX UNIT)	ACINC130
C	CRED = TAX CREDITS PER TAX UNIT	ACINC140
C	XN = NUMBER OF TAX UNITS	ACINC150
C	ENTRIES (DETERMINED BY IENTRY)	ACINC160
C	1 = INITIALIZATION	ACINC170
C	2 = ACCUMULATION	ACINC180
C	3 = TABLE PRINT OUT	ACINC190
C		ACINC200
	COMMON /FPAR/ MSTAT, IWWIFE, DEPC, ODEP	ACINC210
	COMMON /PROGID/ RCASE, ACASE, IPSET, ITSET, SETNO, DATE(2), ITUDEF	ACINC220
	COMMON /ACC4/ BASE(3,20,25), TCRED(20)	ACINC230
	COMMON /RSCHED/ BRAKET(25), RATE(3,25), CRED(10), NCLAS	ACINC240
	DIMENSION ALPHA(2)	ACINC250
	DATA ALPHA / 3HNOT, 3HARE /	ACINC260
C		ACINC270
	GO TO (1000, 2000, 3000), IENTRY	ACINC280
C		ACINC290
C	-----ENTRY POINT -----	ACINC300
C	ENTRY TO INITIALIZE SUBROUTINE FOR NEW ACCUMULATION	ACINC310
1000	CONTINUE	ACINC320
	BRAKET(NCLAS+1) = 1.0E35	ACINC330
	DO 104 J=1,NINDEX	ACINC340
	TCRED(J) = 0.	ACINC350
	DO 104 K = 1, 3	ACINC360
	DO 104 I = 1, NCLAS	ACINC370
104	BASE(K,J,I) = 0.	ACINC380
	RETURN	ACINC390
C		ACINC400
C	-----ENTRY POINT -----	ACINC410
C	ACCUMULATION ENTRY	ACINC420
2000	CONTINUE	ACINC430
	IF(MSTAT.LT.0.OR.MSTAT.GT.2) WRITE (6,10) MSTAT	ACINC440
	IF (AINC.LE.CRED(MSTAT+8)) RETURN	ACINC450
	BOTTOM = 0.	ACINC460
	NN = NCLAS - 1	ACINC470
	DO 102 J=1,NN	ACINC480
	TOP = BRAKET(J+1)	ACINC490
	IF (TOP.LE.CRED(MSTAT+8)) GO TO 1011	ACINC500
	IF (BOTTOM.LT.CRED(MSTAT+8)) BOTTOM = CRED(MSTAT+8)	ACINC510
	IF (AINC - TOP) 100, 100, 101	ACINC520
100	BASE(MSTAT+1,INDEX,J)=BASE(MSTAT+1,INDEX,J)+ (AINC-BOTTOM)*XN	ACINC530
	IKLAS = J	ACINC540
	GO TO 103	ACINC550
101	BASE(MSTAT+1,INDEX,J)=BASE(MSTAT+1,INDEX,J)+ (TOP -BOTTOM)*XN	ACINC560
1011	BOTTOM = TOP	ACINC570
102	CONTINUE	ACINC580
	BASE(MSTAT+1,INDEX,NCLAS)= BASE(MSTAT+1,INDEX,NCLAS) +	ACINC590
	\$ (AINC-BOTTOM)*XN	ACINC600
	IKLAS = NCLAS	ACINC610
103	TCRED(INDEX) = TCRED(INDEX) + CRED*XN	ACINC620
	RETURN	ACINC630
C		ACINC640
C	-----ENTRY POINT -----	ACINC650
C	ENTRY TO WRITE OUT TAX BASE	ACINC660
3000	CONTINUE	ACINC670
	ITPOUT = 6	ACINC680
	WRITE (ITPOUT,9) SETNO, RCASE, ACASE, DATE, ALPHA(ITUDEF)	ACINC690

CALL SUPREF( 3 )	ACINC70C
WRITE (6,8) CLASNM, IKLAS	ACINC71C
WRITE (6,3) CXNAM, (I,I=1,NINDEX)	ACINC72C
WRITE (6,2)	ACINC73C
MM=1	ACINC74C
105 DO 107 J = 1, NCLAS	ACINC75C
TOTAL = 0	ACINC76C
KRAT = RATE(MM, J)*100. + .5	ACINC77C
DO 106 K=1,NINDEX	ACINC78C
TOTAL = TOTAL + BASE(MM,K,J)/ 1000.	ACINC79C
106 BASE(MM,K,J)=BASE(MM,K,J)/ 1000.	ACINC80C
IBRAC = BRAKET(J)	ACINC81C
107 WRITE(6,5) IBRAC,KRAT,(BASE(MM,K,J),K=1,NINDEX),TCTAL	ACINC82C
MM=MM+1	ACINC83C
IF (MM .EQ.2) WRITE (6,4)	ACINC84C
IF (MM .EQ.3) WRITE (6,7)	ACINC85C
IF (MM .GT.3) GO TO 108	ACINC86C
GO TO 105	ACINC87C
108 DO 109 K=1,NINDEX	ACINC88C
109 TCRED(K) = TCRED(K)/1000.	ACINC89C
WRITE (6,6) (TCRED(K), K=1,NINDEX)	ACINC90C
RETURN	ACINC91C
C	ACINC92C
2 FORMAT (1H0/21X 44H1. INCOME TAXED ON INDIVIDUAL RATE SCHEDULE /	ACINC93C
\$ 1H0 )	ACINC94C
3 FORMAT (1H0 / 1X 9HBOTTOM OF, 27X A6,14H CLASS NUMBERS /	ACINC95C
\$1X,7HBRACKET, 4X,4HRATE, 3X, 10I9, 6X, 5HTOTAL)	ACINC96C
4 FORMAT ( 1H0 / 21X 40H2. INCOME TAXED ON FAMILY RATE SCHEDULE /	ACINC97C
\$ 1H0 )	ACINC98C
5 FORMAT ( 18, 18, 4X, 11F9.0)	ACINC99C
6 FORMAT ( 1H0 / 1X 11HTAX CREDITS, 8X, 11F9.0)	ACIN100C
7 FORMAT (1H0, /, 21X, 24H3. INCOME TAXED ON RATE,38H SCHEDULE FOR	ACIN101C
\$FAMILIES WITH DEPENDANTS / 1H0 )	ACIN102C
8 FORMAT (1H0, 48HAMOUNTS SUBJECT TO TAX AT EACH TAX RATE FOR TAX	ACIN103C
\$ 9HUNITS IN , A6, 5HCLASS, 14/ 1H0,5X,22H(THOUSANDS OF DOLLARS))	ACIN104C
9 FORMAT(1H1,7HSET NO.,F5.2,2X,14HRATE SCHEDULE ,A6,2X,14HASSUMPTION	ACIN105C
\$ SET,A6,2X,5HDATE ,2A6,2X,10HTAXPAYERS ,A3,29H AGGREGATED INTO FAM	ACIN106C
\$ILY UNITS//)	ACIN107C
10 FORMAT(16H MSTAT IN ACCINC I12)	ACIN108C
END	ACIN109C

C	SUBROUTINE INCID2 (KLAS, INC, NKLAS, NINCKL, CLSNM, IENTRY)	INCD000C
C	SUBROUTINE TO ANALYZE INCIDENCE OF PRESENT AND PROPOSED	INCD001C
C	TAX SYSTEMS	INCD002C
C	RENUMBERED FOR GITAN PRINTING	INCD003C
C	ARGUMENTS USED IN ACCUMULATION ENTRY	INCD004C
C	KLAS = CROSS-CLASSIFICATION CLASS	INCD005C
C	INC=INCOME CLASS	INCD006C
C	ARGUMENTS USED IN INITIALIZATION ENTRY	INCD007C
C	NKLAS = NUMBER OF CROSS-CLASSIFICATION CLASSES	INCD008C
C	NINCKL = NUMBER OF INCOME CLASSES	INCD009C
C	ARGUMENTS USED IN INITIALIZATION AND OUTPUT ENTRIES	INCD010C
C	CLSNM = ALPHA NAME OF CROSS-CLASSIFICATION (A6)	INCD011C
C	ENTRY POINTS (DETERMINED BY IENTRY)	INCD012C
C	1 = INITIALIZATION	INCD013C
C	2 = ACCUMULATE TOTALS	INCD014C
C	3 = PRINT SUMMARY TOTALS	INCD015C
C		INCD016C
		INCD017C
	COMMON /PROGID/ RCASE, ACASE, IPSET, ITSET, SETNO, DATE(2), ITUDEF	INCD018C



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COMMON /ACC1/ ACCUM(26,20,8)
COMMON /RSCHED/ BRAKET(25), RATE(3, 25), CRED(10), NCLAS
COMMON /DATA/ KLAS(10), SUMS(50), BASE(40), CRED(40),
$ REFTAX(5), OLDPTX(5), CORTAX(5), GIFTAX(5)
COMMON /ADJUST/ DELTA(10), OTHER(30), UNTAXD(20)
COMMON /CLASFN/ NINCL(3), NXKLAS, CLXNAM, KLGIVN, GIVNAM,
$ INCKL(3), IXKLAS
DIMENSION OUT(11),SUM(8),ALPHA(2)
DATA ALPHA/3HNOT,3HARE/
DATA ONE /1H1/, ZERO/1H0/, BLANK /1H /

C
GO TO (1000, 2000, 3000), IENTRY

C
C-----ENTRY POINT -----
C ENTRY TO INITIALIZE SUBROUTINE FOR NEW ACCUMULATION
1000 CONTINUE
DO 100 I=1,NKLAS
DO 100 J=1,NINCKL
DO 100 K=1,8
100 ACCUM(I,J,K)=0
RETURN

C
C-----ENTRY POINT -----
C ENTRY TO ACCUMULATE TOTALS
2000 CONTINUE
XN = SUMS(1)
XMPTNS = BASE(1) + BASE(2) + BASE(26) + BASE(29) + BASE(30) +
$ BASE(33)
DEDOLD = SUMS(7)*100. + SUMS(10) + SUMS(15) + SUMS(36) +
$ SUMS(37) + SUMS(38) + SUMS(39) - DELTA(2) + SUMS(5)*500. -
$ DELTA(4)
DEDNEW = DEDOLD - BASE(21) - BASE(22) - BASE(23) - BASE(24) -
$ BASE(25)
TOTINC = REFTAX(1) + DEDNEW
ACCUM(KLAS,INC,1) = ACCUM(KLAS,INC,1) + TOTINC
ACCUM(KLAS,INC,2) = ACCUM(KLAS,INC,2) + OLDPTX(3)
ACCUM(KLAS,INC,3) = ACCUM(KLAS,INC,3) + REFTAX(3)
ACCUM(KLAS,INC,4) = ACCUM(KLAS,INC,4) + XN
ACCUM(KLAS,INC,5) = ACCUM(KLAS,INC,5) + TOTINC - REFTAX(4)
ACCUM(KLAS,INC,6) = ACCUM(KLAS,INC,6) + OLDPTX(3) + CORTAX(1) +
$ GIFTAX(1)
ACCUM(KLAS,INC,7) = ACCUM(KLAS,INC,7) + REFTAX(3) + REFTAX(4) +
$ CORTAX(4)
ACCUM(KLAS,INC,8) = ACCUM(KLAS,INC,8) + OLDPTX(1) + XMPTNS +
$ DEDOLD + BASE(3)
RETURN

C
C-----ENTRY POINT -----
C ENTRY TO PRINT OUT SUMMARY TABLES
3000 CONTINUE
WRITE (6,1) SETNO, RCASE, ACASE, ( DATE(I), I=1,2),
1 ALPHA(1:UDEP)
CALL SUPREF( 3 )
IF (KLGIVN .EQ. 0) WRITE (6,2) CLSNM, KLAS
IF (KLGIVN .GT. 0 .AND. KLAS .GT. 0) WRITE (6,10) GIVNAM, KLGIVN,
$ CLSNM, KLAS
IF (KLGIVN .GT. 0 .AND. KLAS .EQ. 0) WRITE (6,2) GIVNAM, KLGIVN
WRITE (6,3)
NINCP1=NINCKL+1
DO 200 J=1,NINCP1
DO 170 K=1,8
SUM(K)=0
IF (KLAS
1 .EQ. 0 .AND. J .EQ. NINCP1) GO TO 130
IF (KLAS

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1      .EQ. 0)      GO TO 120      INCD079C
      IF (J .EQ. NINCPL) GO TO 110      INCD080C
      SUM(K)=ACCUM(KLAS,J,K)      INCD081C
      GO TO 170      INCD082C
110 DO 115 N=1,NINCKL      INCD083C
115 SUM(K)=SUM(K)+ACCUM(KLAS,N,K)      INCD084C
      GO TO 170      INCD085C
120 DO 125 M=1,NKLAS      INCD086C
125 SUM(K)=SUM(K)+ACCUM(M,J,K)      INCD087C
      GO TO 170      INCD088C
130 DO 135 M=1,NKLAS      INCD089C
      DO 135 N=1,NINCKL      INCD090C
135 SUM(K)=SUM(K)+ACCUM(M,N,K)      INCD091C
170 CONTINUE      INCD092C
      X=SUM(4)      INCD093C
      NUM = X + C.1      INCD094C
      IF (SUM(1).LE. .0) GO TO 175      INCD095C
      IF (X.LE. .0) GO TO 175      INCD096C
      OUT(1)=SUM(1)/X      INCD097C
      OUT(2)=SUM(5)/X      INCD098C
      OUT(3)=SUM(2)/X      INCD099C
      OUT(4)=SUM(3)/X      INCD100C
      OUT(5)=SUM(6)/X      INCD101C
      OUT(6)=SUM(7)/X      INCD102C
      OUT(7)=SUM(6)/SUM(1)      INCD103C
      OUT(8)=SUM(7)/SUM(1)      INCD104C
      OUT(9)=SUM(2)/SUM(5)      INCD105C
      OUT(10)=SUM(3)/SUM(5)      INCD106C
      OUT(11) = (SUM(8)/SUM(1))*100.      INCD107C
      GO TO 185      INCD108C
175 DO 180 K=1,11      INCD109C
180 OUT(K)=0.      INCD110C
185 IF (J .EQ. NINCPL) GO TO 190      INCD111C
      WRITE (6,4) J,NUM,(OUT(K),K=1,11)      INCD112C
      GO TO 200      INCD113C
190 WRITE (6,5) NUM,(OUT(K),K=1,11)      INCD114C
200 CONTINUE      INCD115C
      RETURN      INCD116C
C      INCD117C
1 FORMAT(1H1,7HSET NO.,F5.2,2X,14HRA TE SCHEDULE ,A6,2X,14HASSUMPTION INCD118C
$ SET,A6,2X,5HDATE ,2A6,2X,10HTAXPAYERS ,A3,29H AGGREGATED INTO FAM INCD119C
$ ILY UNITS//)      INCD120C
2 FORMAT (1X,62HCOMPARATIVE INCIDENCE OF CURRENT AND PROPOSED TAX SY INCD121C
$STEMS FOR ,A6, 6H CLASS,I3//)      INCD122C
3 FORMAT (79X,37H- - - - - AVERAGE TAX RATES - - - - -,      INCD123C
$ 3X, 7HPERCENT /      INCD124C
$20X, 14HAVERAGE INCOME,2X,4X,16HAVERAGE PERSONAL,      INCD125C
$4X,15HAVERAGE FOR ALL,1X,4X,16HALL DIRECT TAXES,      INCD126C
$1X,19HPERSONAL INC. TAXES,2X,9HOF INCOME/1X,14HINCOME NUMBER,1X, INCD127C
$5X,5HCOMP.,2X,8HMODIFIED, 5X,15HINCOME TAX PAID,      INCD128C
$3X,17HDIRECT TAXES PAID, 5X,15HOVER COMP. BASE,      INCD129C
$2X,18HOVER MODIFIED BASE,2X,9HCURRENTLY/1X,15HCLASS IN CLASS,      INCD130C
$6X,4HDEF.,1X, 9HCOMP.DEF., 4(20H CURRENT PROPOSED),      INCD131C
$2X,10HASSESSABLE//)      INCD132C
4 FORMAT(1X,14,4X,I7, 3( 2F10.0),2F10.3, 2F10.3, F10.1)      INCD133C
5 FORMAT (/2X,3HALL,4X,I7,3( 2F10.0),2F10.3, 2F10.3, F10.1)      INCD134C
7 FORMAT(1H1)      INCD135C
8 FORMAT(1HC)      INCD136C
9 FORMAT(1H )      INCD137C
10 FORMAT (1X,62HCOMPARATIVE INCIDENCE OF CURRENT AND PROPOSED TAX SY INCD138C
$STEMS FOR ,A6, 6H CLASS,I3, 5H AND , A6, 6H CLASS, I3//)      INCD139C
      END      INCD140C

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SUBROUTINE ACCDEL (KLAS, INC, OLDTAX, REFTAX, XN, NKLAS, NINCKL, ACDL0000
$ CLSNM, IENTRY) ACDL001C
C ACDL0020
C SUBROUTINE TO CLASSIFY TAX UNITS BY IMPORTANCE OF TAX CHANGES ACDL0030
C NUMBERED AS OF 21 OCT/66 ACDL0040
C ARGUMENTS USED IN ACCUMULATION ENTRY ACDL0050
C KLAS = CROSS-CLASSIFICATION CLASS ACDL0060
C INC = INCOME CLASS ACDL0070
C OLDTAX,REFTAX = TAX PAYMENTS UNDER CURRENT AND PROPOSED TAX SYSTEM ACDL008C
C XN = NUMBER OF TAX PAYERS ENTERED ACDL009C
C ARGUMENTS USED IN INITIALIZATION AND OUTPUT ENTRIES ACDL0100
C NKLAS = NUMBER OF CROSS-CLASSIFICATION CLASSES ACDL011C
C NINCKL = NUMBER OF INCOME CLASSES ACDL012C
C ARGUMENTS USED IN OUTPUT ENTRY ACDL0130
C CLSNM = ALPHA DESCRIPTION OF CROSS-CLASSIFICATION (A6) ACDL014C
C ENTRY POINTS (DETERMINED BY IENTRY) ACDL015C
C 1 = INITIALIZATION ACDL016C
C 2 = ACCUMULATE TOTALS ACDL017C
C 3 = PRINT SUMMARY TOTALS ACDL018C
C ACDL019C
COMMON /PROGID/ RCASE, ACASE, IPSET, ITSET, SETNO, DATE(2), ITUDEFACDL0200
COMMON /ACC2/ ICUM(26,20,12) ACDL021C
COMMON /RSCHED/ BRAKET(25), RATE(3, 25), CREDS(10), NCLAS ACDL022C
COMMON /CLASFN/ NINKL(3), NXKLAS, CLXNAM, KLGIVN, GIVNAM, ACDL0221
$ INCKL(3), IXKLAS ACDL0222
DIMENSION ALPHA(2), ISUM(12) ACDL0230
DIMENSION B2(10) ACDL024C
DATA B2 /0.,.50,.75,.85,.95,1.05,1.15,1.25,1.50,1.E35 / ACDL0250
DATA ALPHA/3HNOT,3HARE/ ACDL026C
C ACDL027C
GO TO (1000, 2000, 3000), IENTRY ACDL028C
C ACDL029C
C-----ENTRY POINT-----ACDL0300
C ENTRY TO INITIALIZE SUBROUTINE FOR NEW ACCUMULATION ACDL031C
1000 CONTINUE ACDL032C
TOL = 5.0E-8 ACDL0321
DO 120 I=1,NKLAS ACDL033C
DO 120 J=1,NINCKL ACDL034C
DO 120 K=1,12 ACDL035C
120 ICUM(I,J,K)=0 ACDL036C
RETURN ACDL037C
C ACDL038C
C ACDL039C
C-----ENTRY POINT-----ACDL0400
C ENTRY TO ACCUMULATE TOTALS ACDL041C
2000 CONTINUE ACDL042C
IF (OLDTAX .LT. 0.0) OLDTAX=0 ACDL043C
IF (REFTAX .LT. 0.0) I=2 ACDL044C
IF (OLDTAX .GT. TOL .AND. REFTAX .GT. TOL) GO TO 100 ACDL045C
IF (OLDTAX .GT. 0. .AND. ABS(REFTAX) .LE. TOL) I = 1 ACDL046C
IF (ABS(OLDTAX) .LE. TOL .AND. REFTAX .GT. 0.) I = 12 ACDL047C
IF (ABS(OLDTAX) .LE. TOL .AND. ABS(REFTAX) .LE. TOL) I = 7 ACDL048C
GO TO 115 ACDL049C
100 A=REFTAX/OLDTAX ACDL050C
DO 110 I=1,9 ACDL051C
IF( A.GE. B2(I).AND. A.LT.B2(I+1)) GO TO 114 ACDL052C
110 CONTINUE ACDL053C
114 I=I+2 ACDL054C
115 K=I ACDL055C
NXN=XN+0.49 ACDL056C
ICUM(KLAS,INC,K) = ICUM(KLAS,INC,K)+NXN ACDL057C
RETURN ACDL058C

```

C		ACDL0590
C	-----ENTRY POINT -----	ACDL0600
C	ENTRY TO PRINT OUT SUMMARY TABLES	ACDL0610
3000	CONTINUE	ACDL0620
	I = KLAS	ACDL0630
	WRITE (6,1) SETNO,RCASE,ACASE,DATE,ALPHA(ITUDEF)	ACDL0640
	CALL SUPREF( 3 )	ACDL0650
	IF (KLGIVN .EQ. 0) WRITE (6,2) CLSNM, KLAS	ACDL0660
	IF (KLGIVN .GT. 0 .AND. KLAS .GT. 0) WRITE (6,10) GIVNAM, KLGIVN,	ACDL0661
	\$ CLSNM, KLAS	ACDL0662
	IF (KLGIVN .GT. 0 .AND. KLAS .EQ. 0) WRITE (6,2) GIVNAM, KLGIVN	ACDL0663
	WRITE (6,3)	ACDL0670
	NINCPL=NINCKL+1	ACDL0680
	DO 200 J=1,NINCPL	ACDL0690
	DO 170 K=1,12	ACDL0700
	ISUM(K)=0	ACDL0710
	IF (I .EQ. 0 .AND. J .EQ. NINCPL) GO TO 150	ACDL0720
	IF (I .EQ. 0) GO TO 140	ACDL0730
	IF (J .EQ. NINCPL) GO TO 130	ACDL0740
	ISUM(K)=ICUM(I,J,K)	ACDL0750
	GO TO 170	ACDL0760
130	DO 135 M=1,NINCKL	ACDL0770
135	ISUM(K)=ISUM(K)+ICUM(I,M,K)	ACDL0780
	GO TO 170	ACDL0790
140	DO 145 N=1,NKLAS	ACDL0800
145	ISUM(K)=ISUM(K)+ICUM(N,J,K)	ACDL0810
	GO TO 170	ACDL0820
150	DO 155 N=1,NKLAS	ACDL0830
	DO 155 M=1,NINCKL	ACDL0840
155	ISUM(K)=ISUM(K)+ICUM(N,M,K)	ACDL0850
170	CONTINUE	ACDL0860
	IF (J .EQ. NINCPL) GO TO 180	ACDL0870
	WRITE (6,5) J,(ISUM(K),K=1,12)	ACDL0880
	GO TO 200	ACDL0890
180	WRITE (6,4) (ISUM(K),K=1,12)	ACDL0900
200	CONTINUE	ACDL0910
	RETURN	ACDL0920
1	FORMAT(1H1,7HSET NO.,F5.2,2X,14HRATE SCHEDULE ,A5,2X,14HASSUMPTION	ACDL0930
\$	SET,A6,2X,5HDATE ,2A6,2X,10HTAXPAYERS ,A3,29H AGGREGATED INTO FAM	ACDL0940
\$	ILY UNITS//)	ACDL0950
2	FORMAT (1X,29HDISTRIBUTION OF TAX UNITS IN ,A6, 6H CLASS,I3, 1X,	ACDL0960
\$	66HAND IN EACH INCOME CLASS BY CHANGE IN TAXES RESULTING FROM REFO	ACDL0970
	2RMS//)	ACDL0980
3	FORMAT(12CH NUMBER NUMBER - - - - - NUMBERS	ACDL0990
\$	WITH GIVEN PERCENTAGE CHANGE IN TAXES - - - - - NUMBER	ACDL1000
\$	/ 38H INCOME TAKEN OFF OBTAINING LESS THAN 61X,	ACDL1010
\$	18HMORE THAN ADDED TO / 120H CLASS TAX ROLL REFUNDS	ACDL1020
\$	-50 -50/-25 -25/-15 -15/-5 -5/+5 +5/+15 15/25 25/50	ACDL1030
\$	50 TAX ROLL , //)	ACDL1040
4	FORMAT (//1X,5HTOTAL,1X,12I9 )	ACDL1050
5	FORMAT( 1X,I6, 12I9)	ACDL1060
10	FORMAT (1X,62HCOMPARATIVE INCIDENCE OF CURRENT AND PROPOSED TAX SY	ACDL1070
\$	STEMS FOR ,A6, 6H CLASS,I3, 5H AND , A6, 6H CLASS, I3//)	ACDL1080
	END	ACDL1090

SUBROUTINE BASCOM (INC, NINC, IENTRY)

C		BSCM0000
C	SUBROUTINE TO CALCULATE OLD AND NEW TAX BASES BY OLD METHOD OF	BSCM0010
C	TAXATION AND BY INCOME SOURCE COMPONENT	BSCM0020
C	NUMBERED AS OF 21 OCT/66	BSCM0030
C		BSCM0040

C	ARGUMENTS	BSCMC05C
C	INC = INCOME CLASS	BSCMC06C
C	NINC = NUMBER OF INCOME CLASSES	BSCMC07C
C	IENTRY = 1,2,3. IF = 1, INITIALIZE TABLES. IF = 2, ACCUMULATE	BSCMC08C
C	TABLES. IF = 3, PREPARATION OF DATA FOR PRINTING	BSCMC09C
C		BSCMC10C
	DOUBLE PRECISION BASACC, TAXACC, CURACC, DEDACC	BSCMC101
	COMMON /ACC6/ BASACC(21,22,2), TAXACC(21,24,2), CURACC(21,5),	BSCMC11C
	\$ DEDACC(21,11,2)	BSCMC12C
	DOUBLE PRECISION RMACC	BSCMC121
	COMMON /ACC7/ RMACC(21,20,2)	BSCMC13C
	DIMENSION RATMAR(20,2)	BSCMC14C
	DIMENSION BADD(22,2), TAX(24,2), TAXC(6), DED(11,2), TCRED(2)	BSCMC15C
	COMMON /DATA/ KLAS(10), SUM(50), BASE(40), CRED(40),	BSCMC16C
	\$ REFTAX(5), OLDPTX(5), CORTAX(5), GIFTAX(5)	BSCMC17C
	COMMON /ADJUST/ DELTA(10), OTHER(30), UNTAXD(20)	BSCMC18C
	COMMON /SWITCH/ ISW(25)	BSCMC19C
C		BSCMC20C
	GO TO (1000, 2000, 3000), IENTRY	BSCMC21C
C		BSCMC22C
C	-----ENTRY POINT-----	BSCMC23C
C	INITIALIZATION ENTRY	BSCMC24C
1000	CONTINUE	BSCMC25C
	NINCPL = NINC + 1	BSCMC26C
	DO 20 I = 1, NINCPL	BSCMC27C
	DO 15 J = 1, 24	BSCMC28C
	DO 15 K = 1, 2	BSCMC29C
	TAXACC(I,J,K) = 0.	BSCMC30C
	IF (J .GT. 22) GO TO 15	BSCMC31C
	BASACC(I,J,K) = 0.	BSCMC32C
	IF (J .GT. 20) GO TO 15	BSCMC33C
	RMACC(I,J,K) = 0.	BSCMC34C
	IF (J .GT. 11) GO TO 15	BSCMC35C
	DEDACC(I,J,K) = 0.	BSCMC36C
15	CONTINUE	BSCMC37C
	DO 16 J = 1, 5	BSCMC38C
	CURACC(I,J) = 0.	BSCMC39C
16	CONTINUE	BSCMC40C
20	CONTINUE	BSCMC41C
	RETURN	BSCMC42C
C		BSCMC43C
C	-----ENTRY POINT-----	BSCMC44C
C	ENTRY TO ACCUMULATE TAX BASE DATA	BSCMC45C
2000	CONTINUE	BSCMC46C
C		BSCMC47C
C	CALCULATE BASE COMPONENTS	BSCMC48C
C		BSCMC49C
	XN = SUM(1)	BSCMC50C
	BADD(1,1) = SUM(16)	BSCMC51C
	BADD(1,2) = SUM(16)	BSCMC52C
	BADD(2,1) = -SUM(12) + BASE(13) + BASE(14) + BASE(16) + BASE(17)	BSCMC53C
	BADD(2,2) = -SUM(12)	BSCMC54C
	BADD(3,1) = SUM(18)	BSCMC55C
	BADD(3,2) = SUM(18)	BSCMC56C
	BADD(4,1) = SUM(19)	BSCMC57C
	BADD(4,2) = SUM(19)	BSCMC58C
	BADD(5,1) = BASE(15)	BSCMC59C
	BADD(5,2) = 0.	BSCMC60C
	BADD(6,1) = SUM(20)	BSCMC61C
	BADD(6,2) = SUM(20)	BSCMC62C
	IF (ISW(4) .EQ. 0) ADD = BASE(35)	BSCMC63C
	IF (ISW(4) .GT. 0) ADD = OTHER(11) + OTHER(12)	BSCMC64C
	BADD(7,1) = SUM(25) + ADD + BASE(34)	BSCMC65C
	BADD(7,2) = SUM(25) - BASE(6)	BSCMC66C
	BADD(8,1) = BASE(3) + BASE(4) - ADD	BSCMC67C

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BADD(8,2) = BASE(3) - ADD
BADD(9,1) = BASE(5)
BADD(9,2) = 0.
BADD(10,1) = SUM(17) + BASE(8) + BASE(9) - SUM(24) + BASE(7)
BADD(10,2) = SUM(17) - SUM(24)
BADD(11,1) = SUM(21) + OTHER(1)
BADD(11,2) = SUM(21)
BADD(12,1) = SUM(26) + SUM(27) + BASE(10) + BASE(11) + BASE(12)
BADD(12,2) = SUM(26) + SUM(27)
BADD(13,1) = BASE(32) - OTHER(1)
BADD(13,2) = 0.
BADD(14,1) = SUM(28)
BADD(14,2) = SUM(28)
BADD(15,1) = -SUM(29) + BASE(6)
BADD(15,2) = -SUM(29) + BASE(6)
BADD(16,1) = BASE(18)
GG = 0.
IF (ABS(GIFTAX(3)).GT..0000000001) GG = -GIFTAX(1)/GIFTAX(3)
BADD(16,2) = GG* BASE(18)
BADD(17,1) = SUM(32) + BASE(19) + BASE(20) + DELTA(3)
BADD(17,2) = SUM(32) + DELTA(3)
BADD(18,1) = BASE(28)
BADD(18,2) = 0.
BADD(19,1) = SUM(33)
BADD(19,2) = SUM(33)
BADD1 = 0.
BADD2 = 0.
BAS = 0.
DO 100 I = 1, 19
  BADD1 = BADD1 + BADD(I,1)
  IF (I .EQ. 8 .OR. I .EQ. 16) GO TO 100
  BADD2 = BADD2 + BADD(I,2)
100 CONTINUE
DO 101 I = 21, 25
101 BAS = BAS + BASE(I)
  DEDC = SUM(7)*100. + SUM(10) + SUM(15) + SUM(36) + SUM(37) +
$ SUM(38) + SUM(39) - DELTA(1) - DELTA(2) + SUM(5)*500. - DELTA(4)
  BADD(21,1) = DEDC - BAS
  BADD(21,2) = DEDC
  XMPTNS = BASE(1) + BASE(2) + BASE(26) + BASE(29) + BASE(30) +
$ BASE(33)
  BADD(22,1) = 0.
  BADD(22,2) = XMPTNS
  BADD(20,1) = REFTAX(1) - BADD1 + BADD(21,1)
  BADD(20,2) = OLDPTX(1) + XMPTNS - BADD2 + BADD(21,2)

C
C
C
  CALCULATE TAX, TAXC ELEMENTS

  OLDTOT = C.
  DO 102 K = 1, 20
    TAX(K,2) = 0.
    IF(K.EQ.8 .OR. K .EQ. 16 ) GO TO 102
    TAX(K,2) = BADD(K,2)
    OLDTOT = OLDTOT + TAX(K,2)
102 CONTINUE
    IF (OLDTOT.GT..0000000001.OR.OLDTOT.LT.-.0000000001) GO TO 202
    AVRAT=C.
    GO TO 203
202 AVRAT = (OLDPTX(3) + OLDPTX(2))/OLDTOT
203 DO 103 K = 1, 20
103 TAX(K,2) = AVRAT*TAX(K,2)
    TAX(7,2) = TAX(7,2) - SUM(30)
    TAX(14,2) = TAX(14,2) - SUM(31)
    TAXC(2) = OLDPTX(3) - TAX(7,2)

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BSCMC68C  
 BSCMC69C  
 BSCMC70C  
 BSCMC71C  
 BSCMC72C  
 BSCMC73C  
 BSCMC74C  
 BSCMC75C  
 BSCMC76C  
 BSCMC77C  
 BSCMC78C  
 BSCMC79C  
 BSCMC80C  
 BSCMC81C  
 BSCMC82C  
 BSCMC83C  
 BSCMC84C  
 BSCMC85C  
 BSCMC86C  
 BSCMC87C  
 BSCMC88C  
 BSCMC89C  
 BSCMC90C  
 BSCMC91C  
 BSCMC92C  
 BSCMC93C  
 BSCMC94C  
 BSCMC95C  
 BSCMC96C  
 BSCMC97C  
 BSCMC98C  
 BSCMC99C  
 BSCM100C  
 BSCM101C  
 BSCM102C  
 BSCM103C  
 BSCM104C  
 BSCM105C  
 BSCM106C  
 BSCM107C  
 BSCM108C  
 BSCM109C  
 BSCM110C  
 BSCM111C  
 BSCM112C  
 BSCM113C  
 BSCM114C  
 BSCM115C  
 BSCM116C  
 BSCM117C  
 BSCM118C  
 BSCM119C  
 BSCM120C  
 BSCM121C  
 BSCM122C  
 BSCM123C  
 BSCM124C  
 BSCM125C  
 BSCM126C  
 BSCM127C  
 BSCM128C  
 BSCM129C  
 BSCM130C  
 BSCM131C

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TAXC(3) = CORTAX(1)
TAXC(4) = TAX(7,2) + GIFTAX(1)
TAXC(5) = OLDPTX(3) + CORTAX(1) + GIFTAX(1)
TAXC(1) = TAXC(5)
IF (SUM(25)+BASE(3).GT..0000000001.OR.SUM(25)+BASE(3).LT.
$-.0000000001) GO TO 204
TAX(8,2)=C.
GO TO 205
204 TAX(7,2) = TAX(7,2) + CORTAX(1)*(SUM(25)/(SUM(25)+BASE(3)))
TAX(8,2) = CORTAX(1)*(BASE(3)/(SUM(25)+ BASE(3)))
205 TAX(16,2) = GIFTAX(1)
TOTNEW = C.
DO 110 K = 1, 20
110 TOTNEW = TOTNEW + BADD(K,1)
IF (TOTNEW.GT..0000000001.OR.TOTNEW.LT..-0000000001) GO TO 206
AVRAT=0.
GO TO 207
206 AVRAT = (REFTAX(3)+REFTAX(4)+ SUM(31)+ CRED(3))/ TCTNEW
207 DO 111 K =1, 20
111 TAX(K,1) = AVRAT*BADD(K,1)
TAX(2,1) = TAX(2,1) - CRED(3)
TAX(14,1) = TAX(14,1) - SUM(31)
TAX(21,2) = OLDPTX(3)
TAX(22,2) = CORTAX(1)
TAX(23,2) = GIFTAX(1)
TAX(24,2) = XN*CORTAX(OLDPTX(1)/XN, 0.)
TAX(21,1) = REFTAX(3)
TAX(22,1) = REFTAX(4)
TAX(23,1) = 0.
TCRED(1) = 0.
TCRED(2) = 0.
TAX(24,1) = XN*PROTAX(REFTAX(1)/XN, TCRED, 0)

C
C
C
COMPUTE DEDUCTION DETAIL

DED(1,2) = SUM(36)
DED(2,2) = SUM(37) - DELTA(2)
DED(3,2) = SUM(10)
DED(4,2) = SUM(15) - DELTA(1)
DED(5,2) = SUM(7)*100.
DED(6,2) = SUM(38)
DED(7,2) = SUM(39) + SUM(5)*500. - DELTA(4)
DED(8,2) = 0.
DED(9,2) = SUM(30)
DED(10,2) = 0.
DED(11,2) = SUM(31)
DO 114 K = 1, 11
114 DED(K,1) = DED(K,2)
DED(3,1) = DED(3,1) - BASE(22)
DED(4,1) = DED(4,1) - BASE(23)
DED(5,1) = DED(5,1) - BASE(24)
DED(7,1) = DED(7,1) - (BASE(21) + BASE(25))
DED(8,1) = CRED(1) + CRED(7) + CRED(5) + CRED(6)
DED(9,1) = 0.
DED(10,1) = REFTAX(4)
DED(11,1) = DED(11,1) + CRED(4) + CRED(3)

C
C
C
COMPUTE MARGINAL RATES

CURMAR = RMARG (OLDPTX(1)/XN, 1)
IF (OLDPTX(3) .LE. 0.) CURMAR = 0.
PROMAR = RMARG (REFTAX(1)/XN, 2)
IF (REFTAX(3) + REFTAX(4) .LE. 0.) PROMAR = 0.
DO 117 K = 1, 20
RATMAR(K,1) = PROMAR*BADD(K,1)

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BSCM132C  
 BSCM133C  
 BSCM134C  
 BSCM135C  
 BSCM136C  
 BSCM137C  
 BSCM138C  
 BSCM139C  
 BSCM140C  
 BSCM141C  
 BSCM142C  
 BSCM143C  
 BSCM144C  
 BSCM145C  
 BSCM146C  
 BSCM147C  
 BSCM148C  
 BSCM149C  
 BSCM150C  
 BSCM151C  
 BSCM152C  
 BSCM153C  
 BSCM154C  
 BSCM155C  
 BSCM156C  
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 BSCM158C  
 BSCM159C  
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 BSCM162C  
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 BSCM164C  
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 BSCM184C  
 BSCM185C  
 BSCM186C  
 BSCM187C  
 BSCM188C  
 BSCM189C  
 BSCM190C  
 BSCM191C  
 BSCM192C  
 BSCM193C  
 BSCM194C  
 BSCM195C  
 BSCM196C

<pre> RATMAR(K,2) = CURMAR*BADD(K,2) 117 CONTINUE DIVCR = SUM(30) IF (DIVCR .GT. 0.2*BADD(7,2)) DIVCR = 0.2*BADD(7,2) IF (DIVCR .GT. RATMAR(7,2)) DIVCR = RATMAR(7,2) FORCR = SUM(31) IF (FORCR .GT. RATMAR(14,2)) FORCR = RATMAR(14,2) RATMAR( 7,2) = RATMAR( 7,2) - DIVCR RATMAR(14,2) = RATMAR(14,2) - FORCR IF (SUM(25)+BASE(3) .GT. 0.) GO TO 118 RATMAR(8,2) = 0. GO TO 119 118 RATMAR( 7,2) = RATMAR( 7,2) + 0.50*SUM(25) RATMAR( 8,2) = BASE(3)*0.50 119 RATMAR(16,2) = GIFTAX(1) WMCRED = C. IF (REFTAX(3) + REFTAX(4) .GT. 0.) WMCRED = CRED(3) IF (WMCRED .GT. RATMAR(1,1)) WMCRED = RATMAR(1,1) RATMAR(1,1) = RATMAR(1,1) - WMCRED IF (FORCR .GT. RATMAR(14,1)) FORCR = RATMAR(14,1) RATMAR(14,1) = RATMAR(14,1) - FORCR IF (ISW(9) .EQ. 0) GO TO 120  C C C ADJUST FOR UNTAXED INCOME  BADD(7,1) = BADD(7,1) - BASE(34) BADD(8,1) = BADD(8,1) + BASE(34) + UNTAXD(1) + UNTAXD(2) \$ + UNTAXD(3) + UNTAXD(4) + UNTAXD(5) BADD(9,1) = BADD(9,1) + UNTAXD(6) BADD(10,1) = BADD(10,1) + UNTAXD(7) + UNTAXD(8) + UNTAXD(9) BADD(11,1) = BADD(11,1) + UNTAXD(10) BADD(13,1) = BADD(13,1) + UNTAXD(11) DO 1191 K = 1, 20 1191 BADD(K,2) = BADD(K,1) 120 CONTINUE  C C C ENTER DATA IN TABLES  DO 115 K = 1, 2 DO 115 J = 1, 24 TAXACC(INC,J,K) = TAXACC(INC,J,K) + TAX(J,K) IF (J .GT. 22) GO TO 115 BASACC(INC,J,K) = BASACC(INC,J,K) + BADD(J,K) IF (J .GT. 20) GO TO 115 RMACC(INC,J,K) = RMACC(INC,J,K) + RATMAR(J,K) IF (J .GT. 11) GO TO 115 DEDACC(INC,J,K) = DEDACC(INC,J,K) + DED(J,K) 115 CONTINUE DO 116 J = 1, 5 CURACC(INC,J) = CURACC(INC,J) + TAXC(J) 116 CONTINUE RETURN  C C-----ENTRY POINT----- C C ENTRY TO PREPARE DATA FOR OUTPUT C 3000 CONTINUE N = NINCPL DO 122 INK = 1, NINC DO 121 K = 1, 2 DO 121 J = 1, 24 X = TAXACC(INK,J,K)/1000. TAXACC(INK,J,K) = X TAXACC(N,J,K) = TAXACC(N,J,K) + X </pre>	<pre> BSCM197C BSCM198C BSCM199C BSCM200C BSCM201C BSCM202C BSCM203C BSCM204C BSCM205C BSCM206C BSCM207C BSCM208C BSCM209C BSCM210C BSCM211C BSCM212C BSCM213C BSCM214C BSCM215C BSCM216C BSCM217C BSCM218C BSCM219C BSCM220C BSCM221C BSCM222C BSCM223C BSCM224C BSCM225C BSCM226C BSCM227C BSCM228C BSCM229C BSCM230C BSCM231C BSCM232C BSCM233C BSCM234C BSCM235C BSCM236C BSCM237C BSCM238C BSCM239C BSCM240C BSCM241C BSCM242C BSCM243C BSCM244C BSCM245C BSCM246C BSCM247C BSCM248C BSCM249C BSCM250C BSCM251C BSCM252C BSCM253C BSCM254C BSCM255C BSCM256C BSCM257C BSCM258C BSCM259C BSCM260C </pre>
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IF (J .GT. 22) GO TO 121
X = BASACC(INK,J,K)/1000.
BASACC(INK,J,K) = X
BASACC(N,J,K) = BASACC(N,J,K) + X
IF (J .GT. 20) GO TO 121
X = RMACC(INK,J,K)/1000.
RMACC(INK,J,K) = X
RMACC(N,J,K) = RMACC(N,J,K) + X
IF (J .GT. 11) GO TO 121
X = DEDACC(INK,J,K)/1000.
DEDACC(INK,J,K) = X
DEDACC(N,J,K) = DEDACC(N,J,K) + X
121 CONTINUE
DO 122 J = 1, 5
X = CURACC(INK,J)/1000.
CURACC(INK,J) = X
CURACC(N,J) = CURACC(N,J) + X
122 CONTINUE
RETURN
END

```

BSCM2610  
BSCM2620  
BSCM2630  
BSCM2640  
BSCM2650  
BSCM2660  
BSCM2670  
BSCM2680  
BSCM2690  
BSCM2700  
BSCM2710  
BSCM2720  
BSCM2730  
BSCM2740  
BSCM2750  
BSCM2760  
BSCM2770  
BSCM2780  
BSCM2790  
BSCM2800

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C      SUBROUTINE MARTAB (INC, NINC, KLGIVN, GIVNAM, ITPOUT)
C
C      SUBROUTINE TO PRINT TABLE SHOWING AVERAGE EFFECTIVE DIRECT TAX
C      RATES AND EFFECTIVE MARGINAL DIRECT TAX RATES ON DIFFERENT
C      COMPONENTS OF THE TAX BASE BY INCOME CLASS
C      ARGUMENTS
C      AS IN BASTAB
C
COMMON /TITLES/ TITLE(6,20), TOTITL(6,11)
DOUBLE PRECISION RMACC
COMMON /ACC7/ RMACC(21,20,2)
DOUBLE PRECISION BASACC, TAXACC, CURACC, DEDACC
COMMON /ACC6/ BASACC(21,22,2), TAXACC(21,24,2), CURACC(21,5),
$ DEDACC(21,11,2)
COMMON /PROGID/ RCASE, ACASE, IPSET, ITSET, SETNO, DATE(2), ITUDEF
DIMENSION BADD(22,2), RATMAR(20,2)
DIMENSION OUT(4), TOTAL(3), AGG(3), NTOT(10), ALPHA(2), BUT(3)
DATA ALPHA / 3HNOT, 3HARE /
DATA NTOT / 6, 9, 10, 15, 20, 5*0 /
DIMENSION DESTAX(4,2)
DATA (DESTAX(K,1), K=1, 4) / 24HAVERAGE MARGINAL RATES /,
$ (DESTAX(K,2), K=1, 4) / 24HEFFECTIVE TAX RATES /
N = NINC + 1
INCL = INC
IF (INC .EQ. 0) INC = N
KTAX = 1
100 DO 101 J = 1, 22
DO 101 K = 1, 2
BADD(J,K) = BASACC(INC,J,K)
IF (J .GT. 20) GO TO 101
RATMAR(J,K) = RMACC(INC,J,K)
IF (KTAX .EQ. 2) RATMAR(J,K) = TAXACC(INC,J,K)
101 CONTINUE
ITOT = 1
WRITE (ITPOUT,1) SETNO, RCASE, ACASE, DATE, ALPHA(ITUDEF)
CALL SUPREF( 3 )
IF (KTAX .EQ. 1) WRITE (ITPOUT,2)
IF (KTAX .EQ. 2) WRITE (ITPOUT,10)
IF (KLGIVN .EQ. 0) GO TO 103

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MRTBC00C  
MRTBC01C  
MRTBC02C  
MRTBC03C  
MRTBC04C  
MRTBC05C  
MRTBC06C  
MRTBC07C  
MRTBC08C  
MRTBC09C  
MRTBC10C  
MRTBC11C  
MRTBC12C  
MRTBC13C  
MRTBC14C  
MRTBC15C  
MRTBC16C  
MRTBC17C  
MRTBC18C  
MRTBC19C  
MRTBC20C  
MRTBC21C  
MRTBC22C  
MRTBC23C  
MRTBC24C  
MRTBC25C  
MRTBC26C  
MRTBC27C  
MRTBC28C  
MRTBC29C  
MRTBC30C  
MRTBC31C  
MRTBC32C  
MRTBC33C  
MRTBC34C  
MRTBC35C  
MRTBC36C  
MRTBC37C  
MRTBC38C



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      IF (INCL .EQ. 0) GO TO 102
      WRITE (ITPOUT,3) GIVNAM, KLGIVN, INCL
      GO TO 105
102  WRITE (ITPOUT,4) GIVNAM, KLGIVN
      GO TO 105
103  IF (INCL .EQ. 0) GO TO 104
      WRITE (ITPOUT,5) INCL
      GO TO 105
104  WRITE (ITPOUT,6)
105  WRITE (ITPOUT,7) (DESTAX(K,KTAX), K=1, 4)
      DO 106 J = 1, 3
      AGG(J) = C.
106  TOTAL(J) = C.
      DO 115 K = 1, 20
      BUT(1) = BADD(K,1)
      BUT(2) = RATMAR(K,2)
      BUT(3) = RATMAR(K,1)
      ITHRU = 1
107  OUT(1) = BUT(1)
      OUT(2) = C.
      OUT(3) = C.
      OUT(4) = C.
      IF (ABS(OUT(1)) .LE. 0.000000001) GO TO 108
      OUT(2) = BUT(2)/BUT(1)
      OUT(3) = BUT(3)/OUT(1)
      OUT(4) = C.
108  IF (OUT(3) .EQ. 0.) GO TO 109
      IF (OUT(2) .EQ. 0.) OUT(4) = 999999.90*(OUT(3)/ABS(OUT(3)))
      IF (OUT(2) .EQ. 0.) GO TO 109
      OUT(4) = (OUT(3)/OUT(2) - 1.)*100.
109  GO TO (110, 113, 117), ITHRU
110  WRITE (ITPOUT,8) K, (TITLE(L,K), L=1,6), (OUT(L), L=1,4)
      DO 111 J = 1, 3
111  TOTAL(J) = TOTAL(J) + BUT(J)
      IF (K .NE. NTOT(ITCT)) GO TO 115
      ITHRU = 2
      ITOT = ITOT + 1
      DO 112 J = 1, 3
112  BUT(J) = TOTAL(J)
      GO TO 107
113  WRITE (ITPOUT,9) (TOTITL(L,ITCT-1), L=1,6), (OUT(L), L=1,4)
      IF (K .EQ. 9) GO TO 115
      DO 114 J = 1, 3
      AGG(J) = AGG(J) + TOTAL(J)
114  TOTAL(J) = C.
      IF (K .NE. 20) GO TO 115
      ITHRU = 3
      DO 116 J = 1, 3
116  BUT(J) = AGG(J)
      GO TO 107
115  CONTINUE
117  WRITE (ITPOUT,9) (TOTITL(L,6), L=1,6), (OUT(L), L=1,4)
      KTAX = KTAX + 1
      IF (KTAX .EQ. 2) GO TO 100
      RETURN

```

C

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1  FORMAT (1H1, 6HSET NO, F5.2, 2X, 14HRATE SCHEDULE , A5, 2X,
$ 15HASSUMPTION SET , A6, 2X, 5HDATE , 2A6, 2X, 10HTAXPAYERS , A3,
$ 29H AGGREGATED INTO FAMILY UNITS //)
2  FORMAT (1HC, 24X, 49HAVERAGE MARGINAL RATES ON EACH INCOME COMPONENT
$NT )
3  FORMAT (21X, 17HFOR TAX UNITS IN , A6, 6H CLASS, I4,
$ 2CH AND IN INCOME CLASS, I4 / 1X)
4  FORMAT (33X, 17HFOR TAX UNITS IN , A6, 6H CLASS, I4 / 1X)
5  FORMAT (35X, 29HFOR TAX UNITS IN INCOME CLASS, I4 / 1X)

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MRTBC39C  
MRTBC40C  
MRTBC41C  
MRTBC42C  
MRTBC43C  
MRTBC44C  
MRTBC45C  
MRTBC46C  
MRTBC47C  
MRTBC48C  
MRTBC49C  
MRTBC50C  
MRTBC51C  
MRTBC52C  
MRTBC53C  
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MRTBC68C  
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MRTBC70C  
MRTBC71C  
MRTBC72C  
MRTBC73C  
MRTBC74C  
MRTBC75C  
MRTBC76C  
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MRTBC78C  
MRTBC79C  
MRTBC80C  
MRTBC81C  
MRTBC82C  
MRTBC83C  
MRTBC84C  
MRTBC85C  
MRTBC86C  
MRTBC87C  
MRTBC88C  
MRTBC89C  
MRTBC90C  
MRTBC91C  
MRTBC92C  
MRTBC93C  
MRTBC94C  
MRTBC95C  
MRTBC96C  
MRTBC97C  
MRTBC98C  
MRTBC99C  
MRTB100C  
MRTB101C  
MRTB102C  
MRTB103C



6	FORMAT (36X, 26HFCR ALL CANADIAN RESIDENTS / 1X)	MRTB104C
7	FORMAT (1HC, 46X, 13HCOMPREHENSIVE, 5X, 4A6,	MRTB105C
	\$ 5X, 8HPERCENT / 47X, 13HINCOME (\$000), 5X, 7HCURRENT, 7X,	MRTB106C
	\$ 8HPROPOSED, 6X, 6HCHANGE / 1X)	MRTB107C
8	FORMAT (1X, 12, 1H., 2X, 6A6, F14.0, 2F15.3, F12.1)	MRTB108C
9	FORMAT (1HC, 5X, 6A6, F14.0, 2F15.3, F12.1 / 1X)	MRTB109C
10	FORMAT (1HC, 20X, 55HAVERAGE EFFECTIVE RATES OF TAX ON EACH INCOME	MRTB110C
	\$ COMPONENT)	MRTB111C
	END	MRTB112C

C	SUBROUTINE BASTAB (INC, NINC, KLGIVN, GIVNAM, ITPOUT)	BSTBC00C
C		BSTBC01C
C	SUBROUTINE TO PRINT TABLE SHOWING THE EFFECT OF REFORMS ON	BSTBC02C
C	DIFFERENT COMPONENTS OF THE TAX BASE AND CN AVERAGE TAX RATES	BSTBC03C
C	FOR THOSE COMPONENTS	BSTBC04C
C	RENUMBERED FOR GITAN PRINTING	BSTBC05C
C	ARGUMENTS	BSTBC06C
C	INC = INCOME CLASS (OR UNCLASSIFIED BY INCOME IF = 0)	BSTBC07C
C	NINC = NUMBER OF INCOME CLASSES	BSTBC08C
C	KLGINV = INDEX OF ADDITIONAL CLASSIFICATION	BSTBC09C
C	GIVNAM = ALPHAMERIC DESCRIPTION OF ADDITIONAL CLASSIFICATION (A6)	BSTBC10C
C	ITPOUT = MONITOR OUTPUT TAPE	BSTBC11C
C		BSTBC12C
		BSTBC13C
	DIMENSION BADD(22,2), TAX(24,2), TAXC(6), DED(11,2)	BSTBC14C
	COMMON /PROGID/ RCASE, ACASE, IPSET, ITSET, SETNO, DATE(2), ITUDEF	BSTBC14C
	DOUBLE PRECISION BASACC, TAXACC, CURACC, DEDACC	BSTBC141
	COMMON /ACC6/ BASACC(21,22,2), TAXACC(21,24,2), CURACC(21,5),	BSTBC15C
	\$ DEDACC(21,11,2)	BSTBC16C
	DIMENSION OUT(13), TOTAL(13), AGG(13), NTCT(10), ALPHA(2)	BSTBC17C
	DATA ALPHA / 3HNOT, 3HARE /	BSTBC18C
	DATA NTOT / 6, 9, 10, 15, 20, 5*0 /	BSTBC19C
	COMMON /TITLES/ TITLE(6,20), TOTITL(6,11)	BSTBC20C
	DATA (TITLE (I, 1), I = 1, 6)	BSTBC21C
	\$ / 36HWAGES AND SALARIES /,	BSTBC22C
	\$ (TITLE (I, 2), I = 1, 6)	BSTBC23C
	\$ / 36HEMPLOYMENT EXPENSE DEDUCTIONS /,	BSTBC24C
	\$ (TITLE (I, 3), I = 1, 6)	BSTBC25C
	\$ / 36HPROFESSIONAL INCOME /,	BSTBC26C
	\$ (TITLE (I, 4), I = 1, 6)	BSTBC27C
	\$ / 36HCOMMISSION INCOME /,	BSTBC28C
	\$ (TITLE (I, 5), I = 1, 6)	BSTBC29C
	\$ / 36HATTRIBUTABLE BENEFITS /	BSTBC30C
	DATA (TITLE (I, 6), I = 1, 6)	BSTBC31C
	\$ / 36HFARMING AND FISHING INCOME /,	BSTBC32C
	\$ (TITLE (I, 7), I = 1, 6)	BSTBC33C
	\$ / 36HDIVIDENDS FROM RESIDENT COMPANIES /,	BSTBC34C
	\$ (TITLE (I, 8), I = 1, 6)	BSTBC35C
	\$ / 36HOTHER CORPORATE INCOME /,	BSTBC36C
	\$ (TITLE (I, 9), I = 1, 6)	BSTBC37C
	\$ / 36HCAPITAL GAINS ON EQUITY INVESTMENTS /,	BSTBC38C
	\$ (TITLE (I,10), I = 1, 6)	BSTBC39C
	\$ / 36HUNINCORPORATED BUSINESS INCOME /	BSTBC40C
	DATA (TITLE (I,11), I = 1, 6)	BSTBC41C
	\$ / 36HRENTAL INCOME /,	BSTBC42C
	\$ (TITLE (I,12), I = 1, 6)	BSTBC43C
	\$ / 36HOTHER CANADIAN INVESTMENT INCOME /,	BSTBC44C
	\$ (TITLE (I,13), I = 1, 6)	BSTBC45C
	\$ / 36HNON-BUSINESS CAPITAL GAINS /,	BSTBC46C
	\$ (TITLE (I,14), I = 1, 6)	BSTBC47C
	\$ / 36HFOREIGN INVESTMENT INCOME /,	BSTBC48C

\$	(TITLE (I,15), I = 1, 6)		BSTBC49C
\$	/ 36HDEDUCTIONS FROM INVESTMENT INCOME	/	BSTBC50C
DATA	(TITLE (I,16), I = 1, 6)		BSTB051C
\$	/ 36HGIFTS AND BEQUESTS	/,	BSTBC52C
\$	(TITLE (I,17), I = 1, 6)		BSTBC53C
\$	/ 36HTRANSFER PAYMENTS RECEIVED	/,	BSTBC54C
\$	(TITLE (I,18), I = 1, 6)		BSTBC55C
\$	/ 36HINSURANCE PROCEEDS	/,	BSTBC56C
\$	(TITLE (I,19), I = 1, 6)		BSTBC57C
\$	/ 36HALIMONY RECEIVED	/,	BSTBC58C
\$	(TITLE (I,20), I = 1, 6)		BSTBC59C
\$	/ 36HMISCELLANEOUS INCOME	/	BSTBC60C
DATA	(TOTITL(I, 1), I = 1, 6)		BSTBC61C
\$	/ 36HTOTAL, LABOR INCOME	/,	BSTBC62C
\$	(TOTITL(I, 2), I = 1, 6)		BSTBC63C
\$	/ 36HTOTAL, CORPORATE INCOME	/,	BSTBC64C
\$	(TOTITL(I, 3), I = 1, 6)		BSTBC65C
\$	/ 36HTOTAL, BUSINESS INCOME	/,	BSTBC66C
\$	(TOTITL(I, 4), I = 1, 6)		BSTBC67C
\$	/ 36HTOTAL, OTHER INVESTMENT INCOME	/,	BSTBC68C
\$	(TOTITL(I, 5), I = 1, 6)		BSTBC69C
\$	/ 36HTOTAL, OTHER INCOME	/	BSTBC70C
DATA	(TOTITL(I, 6), I = 1, 6)		BSTBC71C
\$	/ 36HTOTAL INCOME	/,	BSTBC72C
\$	(TOTITL(I, 7), I = 1, 6)		BSTBC73C
\$	/ 36HCONCESSIONARY ALLOWANCES	/,	BSTBC74C
\$	(TOTITL(I, 8), I = 1, 6)		BSTBC75C
\$	/ 36HFAMILY EXEMPTIONS	/,	BSTBC76C
\$	(TOTITL(I, 9), I = 1, 6)		BSTBC77C
\$	/ 36HNET TAX BASE	/,	BSTBC78C
\$	(TOTITL(I,10), I = 1, 6)		BSTBC79C
\$	/ 36HAVERAGE TAX RATE ON BASE	/,	BSTBC80C
\$	(TOTITL(I,11), I = 1, 6)		BSTBC81C
\$	/ 36HTOTAL TAXES ON BASE	/	BSTBC82C
			BSTBC83C
			BSTBC84C
			BSTBC85C
			BSTBC86C
			BSTBC87C
			BSTBC88C
			BSTBC89C
			BSTBC90C
			BSTBC91C
			BSTBC92C
			BSTBC93C
			BSTBC94C
			BSTBC95C
			BSTBC96C
			BSTBC97C
			BSTBC98C
			BSTBC99C
			BSTB100C
			BSTB101C
			BSTB102C
			BSTB103C
			BSTB104C
			BSTB105C
			BSTB106C
			BSTB107C
			BSTB108C
			BSTB109C
			BSTB110C
			BSTB111C
			BSTB112C
			BSTB113C

C

```

N = NINC + 1
INCL = INC
IF (INC .NE. 0) GO TO 100
INC = N
100 DO 101 J = 1, 24
    DO 101 K = 1, 2
    TAX (J,K) = TAXACC(INC,J,K)
    IF (J .GT. 22) GO TO 101
    BADD(J,K) = BASACC(INC,J,K)
    IF (J .GT. 11) GO TO 101
    DED (J,K) = DEDACC(INC,J,K)
101 CONTINUE
    DO 102 J = 1, 5
    TAXC(J) = CURACC(INC,J)
102 CONTINUE
    TAXC(6) = TAXC(5)
    TAXC(5) = 0.
    ITOT = 1
    NITEMS = 21
    ITHRU = 1
    LC = 1
    LN = 6
103 WRITE(ITPOUT,12) SETNO,RCASE,ACASE,DATE,ALPHA(ITUDEF)
    CALL SUPREF( 3 )
    WRITE (ITPOUT,1)
    IF (KLGIVN .EQ. 0) GO TO 105
    IF (INCL.EQ.0) GO TO 104
    WRITE (ITPOUT,14) GIVNAM, KLGIVN, INCL
    GO TO 107
104 WRITE (ITPOUT,15) GIVNAM, KLGIVN

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GO TO 107		BSTB114C
105 IF (INCL .EQ. 0) GO TO 106		BSTB115C
WRITE (ITPOUT,16) INCL		BSTB116C
GO TO 107		BSTB117C
106 WRITE(ITPOUT,11)		BSTB118C
107 IF (ITHRU .EQ. 2) GO TO 1071		BSTB119C
WRITE(ITPOUT,9)		BSTB120C
WRITE (ITPOUT,2)		BSTB121C
GO TO 301		BSTB122C
1071 WRITE (ITPOUT,10)		BSTB123C
WRITE (ITPOUT,3)		BSTB124C
301 DO 302 J = 1, 13		BSTB125C
AGG(J) = C.		BSTB126C
302 TOTAL(J) = 0.		BSTB127C
DO 350 K = 1, NITEMS		BSTB128C
IF (K .EQ. 21) GO TO 317		BSTB129C
OUT( 1) = BADD(K,1)		BSTB130C
OUT( 2) = BADD(K,2)		BSTB131C
OUT( 3) = C.		BSTB132C
OUT( 4) = C.		BSTB133C
OUT( 5) = BADD(K,1) - BADD(K,2)		BSTB134C
OUT( 6) = BADD(K,2)		BSTB135C
C		BSTB136C
IF (K .LT. 7) GO TO 312		BSTB137C
IF (K .GT. 7) GO TO 310		BSTB138C
OUT( 2) = C.		BSTB139C
OUT( 3) = BADD(K,1)		BSTB140C
OUT( 4) = OUT(6)		BSTB141C
OUT(5) = C.		BSTB142C
OUT(6) = CUT(1)		BSTB143C
310 IF (K .NE. 8) GO TO 311		BSTB144C
OUT( 2) = C.		BSTB145C
OUT( 3) = OUT(6)		BSTB146C
311 IF (K .NE. 16) GO TO 312		BSTB147C
OUT( 2) = C.		BSTB148C
OUT( 4) = OUT(6)		BSTB149C
OUT( 5) = C.		BSTB150C
312 CONTINUE		BSTB151C
OUT(7) = OUT(6)		BSTB152C
OUT(10) = CUT(1)		BSTB153C
OUT( 9) = TAX(K,2)		BSTB154C
IF (OUT(6).GT..0000000001.OR.CUT(6).LT.-.0000000001) GO TO 700		BSTB155C
OUT( 8) = C.		BSTB156C
GO TO 701		BSTB157C
700 OUT( 8) = OUT(9)/CUT(6)		BSTB158C
701 OUT(12) = TAX(K,1)		BSTB159C
IF (OUT(1).GT..0000000001.OR.CUT(1).LT.-.0000000001) GO TO 702		BSTB160C
OUT(11) = C.		BSTB161C
GO TO 703		BSTB162C
702 OUT(11) = OUT(12)/CUT(1)		BSTB163C
703 IF (OUT(9).GT..0000000001.OR.CUT(9).LT.-.0000000001) GO TO 704		BSTB164C
OUT(13) = C.		BSTB165C
GO TO 705		BSTB166C
704 OUT(13) = (OUT(12)/CUT(9) - 1.)*100.		BSTB167C
705 IF (ITHRU .EQ. 1) WRITE (ITPOUT,4) K, (TITLE(L,K), L=1,6),		BSTB168C
\$ (CUT(L), L=L0,LN)		BSTB169C
IF (ITHRU .EQ. 2) WRITE (ITPOUT,5) K, (TITLE(L,K), L=1,6),		BSTB170C
\$ (OUT(L), L=L0,LN)		BSTB171C
DO 313 J = 1, 12		BSTB172C
313 TOTAL(J) = TOTAL(J) + OUT(J)		BSTB173C
IF (K .NE. NTOT(ITCT)) GO TO 350		BSTB174C
IF (TOTAL(6).GT..0000000001.OR.TOTAL(6).LT.-.0000000001) GO TO 706		BSTB175C
TOTAL(8) = 0.		BSTB176C
GO TO 707		BSTB177C

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706 TOTAL(8) = TOTAL(9)/TOTAL(6)                                BSTB178C
707 IF (TOTAL(1).GT..0000000001.OR.TOTAL(1).LT.-.0000000001) GO TO 708 BSTB179C
    TOTAL(11) = 0.                                              BSTB180C
    GO TO 709                                                    BSTB181C
708 TOTAL(11) = TOTAL(12)/TOTAL(1)                                BSTB182C
709 IF (TOTAL(9).GT..0000000001.OR.TOTAL(9).LT.-.0000000001) GO TO 710 BSTB183C
    TOTAL(13) = 0.                                              BSTB184C
    GO TO 711                                                    BSTB185C
710 TOTAL(13) = (TOTAL(12)/TOTAL(9) - 1.)*100.                BSTB186C
711 IF (ITHRU .EQ. 1) WRITE (ITPOUT,6)      (TOTITL(L,ITOT), L=1,6), BSTB187C
    $ (TOTAL(L), L=L0, LN)                                BSTB188C
    IF (ITHRU .EQ. 2) WRITE (ITPOUT,7)      (TOTITL(L,ITOT), L=1,6), BSTB189C
    $ (TOTAL(L), L=L0, LN)                                BSTB190C
    WRITE (ITPOUT, 20)                                        BSTB191C
    ITOT = ITOT + 1                                          BSTB192C
    IF (NTOT(ITOT-1) .EQ. 9) GO TO 350                      BSTB193C
    DO 315 J = 1, 12                                         BSTB194C
    AGG(J) = AGG(J) + TOTAL(J)                               BSTB195C
315 TOTAL(J) = 0.                                           BSTB196C
    IF (NTOT(ITOT-1) .NE. 20) GO TO 350                     BSTB197C
    IF (AGG(6).GT..0000000001.OR.AGG(6).LT.-.0000000001) GO TO 712 BSTB198C
    AGG(8) = 0.                                              BSTB199C
    GO TO 713                                                 BSTB200C
712 AGG(8) = AGG(9)/AGG(6)                                    BSTB201C
713 IF (AGG(1).GT..0000000001.OR.AGG(1).LT.-.0000000001) GO TO 714 BSTB202C
    AGG(11) = 0.                                             BSTB203C
    GO TO 715                                                 BSTB204C
714 AGG(11) = AGG(12)/AGG(1)                                BSTB205C
715 IF (AGG(9).GT..0000000001.OR.AGG(9).LT.-.0000000001) GO TO 716 BSTB206C
    AGG(13) = 0.                                             BSTB207C
    GO TO 717                                                 BSTB208C
716 AGG(13) = (AGG(12)/AGG(9) - 1.)*100.                   BSTB209C
717 IF (ITHRU .EQ. 1)                                        BSTB210C
    $ WRITE (ITPOUT,6)      (TOTITL(L,6), L=1,6), (AGG(L), L=L0, LN) BSTB211C
    IF (ITHRU .EQ. 2)                                        BSTB212C
    $ WRITE (ITPOUT,7)      (TOTITL(L,6), L=1,6),          BSTB213C
    $ (AGG(L), L=L0, LN)                                    BSTB214C
    GO TO 350                                                BSTB215C
317 CONTINUE                                                BSTB216C
    IF (ITHRU .NE. 1) RETURN                                BSTB217C
    ZERO = 0.                                                BSTB218C
    WRITE (ITPOUT,13)      (TOTITL(L,7), L=1,6), BADD(21,1), BADD(21,2), BSTB219C
    $ZERO, ZERO, ZERO, BADD(21,2)                            BSTB220C
    WRITE (ITPOUT,13)      (TOTITL(L,8), L=1,6), BADD(22,1), BADD(22,2), BSTB221C
    $ZERO, ZERO, ZERO, BADD(22,2)                            BSTB222C
    DO 321 J = 1, 6                                          BSTB223C
321 TOTAL(J) = AGG(J)                                       BSTB224C
    TOTAL(1)=AGG(1)-(BADD(21,1)+BADD(22,1))                 BSTB225C
    TOTAL(2) = AGG(2) - (BADD(21,2) + BADD(22,2))           BSTB226C
    TOTAL(6) = AGG(6) - (BADD(21,2) + BADD(22,2))           BSTB227C
    D = 0.                                                    BSTB228C
    WRITE (ITPOUT,6)      (TOTITL(L,9), L=1,6),      (TOTAL(L), L=1,6) BSTB229C
    DO 322 J = 1, 6                                          BSTB230C
    IF (TOTAL(J).GT..0000000001.OR.TOTAL(J).LT.-.0000000001) GO TO 718 BSTB231C
    OUT(J)=0.                                                BSTB232C
    GO TO 322                                                BSTB233C
718 OUT(J) = (TAXC(J )/TOTAL(J))                            BSTB234C
322 CONTINUE                                                BSTB235C
    WRITE (ITPOUT,6)      (TOTITL(L,11), L=1,6), (TAXC(L), L=1,6) BSTB236C
    WRITE (ITPOUT,8)      (TOTITL(L,10), L=1,6), (OUT(L), L=1,6)  BSTB237C
350 CONTINUE                                                BSTB238C
    IF (ITHRU .EQ. 2) RETURN                                BSTB239C
    ITHRU = 2                                                BSTB240C
    L0 = 7                                                    BSTB241C
    LN = 13                                                  BSTB242C

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ITOT=1  
GO TO 103

C

1	FORMAT ( 1H0,23X,36HEFFECT OF REFORMS ON THE TAXATION OF, \$37H DIFFERENT COMPONENTS OF THE TAX BASE)	BSTB243C
2	FORMAT ( 1H0, 46X, 5HTOTAL, 6X, 14HBASE NOW TAXED, 3X, 8HBASE NOW, \$ 4X, 9HBASE NOW, 4X, 8HBASE NOW, 4X, 5HTOTAL / 43X, \$ 13HCOMPREHENSIVE, 5X, 7HAT FULL, 7X, 8HTAXED AT, 4X, \$ 9HTAXED AT, 15X, 7HCURRENT, / 47X, 4HBASE, 7X, \$ 14HPERSONAL RATES, 2X, 10HCCRP RATES, 2X, 11HOTHER RATES, 4X, \$ 6HEXEMPT, 5X, 4HBASE / 1X)	BSTB244C BSTB245C BSTB246C BSTB247C BSTB248C BSTB249C BSTB250C BSTB251C BSTB252C BSTB253C
3	FORMAT ( 1H0, 44X, 5HTOTAL, 4X, 7HAVERAGE, 4X, 7HCURRENT, 6X, \$ 5HTOTAL, 5X, 7HAVERAGE, 3X, 9HTAX UNDER, 2X, 10HPERCENTAGE / \$ 44X, 7HCURRENT, 3X, 7HCURRENT, 15X, 9HCCMPREHEN, 2X, 8HPROPOSED, \$ 4X, 8HPROPOSED, 2X, 10HCHANGE IN / \$ 45X, 4HBASE, 4X, 9HTAX RATES, 5X, 3HTAX, 6X, 9HSIVE BASE, 2X, \$ 9HTAX RATES, 4X, 5HRATES, 6X, 5HTAXES / 1HC)	BSTB254C BSTB255C BSTB256C BSTB257C BSTB258C BSTB259C
4	FORMAT( 1X, 12, 1H., 2X, 6A6, F12.0, 4X, 3F13.0, F10.0, F11.0)	BSTB260C
5	FORMAT ( 1X, 12, 1H., 2X, 6A6, F10.0, F9.3, F12.0, F13.0, F9.3, \$ F13.0, F10.1)	BSTB261C BSTB262C
6	FORMAT ( 1H0,5X, 6A6, F12.0, 4X, 3F13.0, F10.0, F11.0)	BSTB263C
7	FORMAT (1H0, 5X, 6A6, F10.0, F9.3, F12.0, F13.0, F9.3, \$ F13.0, F10.1)	BSTB264C BSTB265C
8	FORMAT(1H , 5X, 6A6, F12.3, 4X, 3F13.3, F10.3, F11.3)	BSTB266C
9	FORMAT(1X,46H1. CURRENT TAX TREATMENT OF COMPONENTS OF THE, \$14H COMPREHENSIVE/ 5X,38HTAX BASE (DOLLAR FIGURES IN THOUSANDS, \$12H OF DOLLARS)//)	BSTB267C BSTB268C BSTB269C
10	FORMAT(1X,52H2. TAXES AND TAX RATES ON COMPONENTS OF THE CURRENT, \$13H AND PROPOSED/5X,39HTAX BASES (DOLLAR FIGURES IN THOUSANDS, \$12H OF DOLLARS)//)	BSTB270C BSTB271C BSTB272C
11	FORMAT (47X, 26HFOR ALL CANADIAN RESIDENTS / 1X)	BSTB273C
12	FORMAT(1H1, 6HSET NO, F5.2, 2X, 14HRATE SCHEDULE , A5, 2X, \$15HASSUMPTION SET ,A6,2X,5HDATE ,2A6, 2X, 10HTAXPAYERS ,A3, \$29H AGGREGATED INTO FAMILY UNITS//)	BSTB274C BSTB275C BSTB276C
13	FORMAT ( 1H ,5X, 6A6, F12.0, 4X, 3F13.0, F10.0, F11.0)	BSTB277C
14	FORMAT (32X, 17HFOR TAX UNITS IN , A6, 6H CLASS, I4, \$ 2CH AND IN INCOME CLASS, I4 / 1X)	BSTB278C BSTB279C
15	FORMAT (44X, 17HFOR TAX UNITS IN , A6, 6H CLASS, I4 / 1X)	BSTB280C
16	FORMAT (44X, 29HFOR TAX UNITS IN INCOME CLASS, I4 / 1X)	BSTB281C
20	FORMAT ( 1H ) END	BSTB282C BSTB283C

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SUBROUTINE BASKLS (NINC, KLGIVN, GIVNAM, ITPOUT)	BSKLC00C
RENUMBERED FOR GITAN PRINTING	BSKLC01C
DOUBLE PRECISION BASACC, TAXACC, CURACC, DEDACC	BSKLC02C
COMMON /ACC6/ BASACC(21,22,2), TAXACC(21,24,2),	BSKLC030
\$ CURACC(21,5), DEDACC(21,11,2)	BSKLC031
COMMON /PROGID/ RCASE, ACASE, IPSET, ITSET, SETNO, DATE(2), ITUDEF	BSKLC04C
COMMON /SWITCH/ ISW(25)	BSKLC05C
DIMENSION TITLE(6,20)	BSKLC060
DATA (TITLE (I, 1), I = 1, 6)	BSKLC07C
\$ / 36HWAGES AND SALARIES /,	BSKLC08C
\$ (TITLE (I, 2), I = 1, 6)	BSKLC09C
\$ / 36HEMPLOYMENT EXPENSE DEDUCTIONS /,	BSKL010C
\$ (TITLE (I, 3), I = 1, 6)	BSKLC11C
\$ / 36HPROFESSIONAL INCOME /,	BSKLC12C
\$ (TITLE (I, 4), I = 1, 6)	BSKLC13C
	BSKLC14C
	BSKLC15C
	BSKLC160

\$	/ 36HCOMMISSION INCOME	/,	BSKL0170
\$	(TITLE (I, 5), I = 1, 6)		BSKL018C
\$	/ 36HATTRIBUTABLE BENEFITS	/	BSKL0190
\$	DATA (TITLE (I, 6), I = 1, 6)		BSKL0200
\$	/ 36HFARMING AND FISHING INCOME	/,	BSKL021C
\$	(TITLE (I, 7), I = 1, 6)		BSKL022C
\$	/ 36HDIVIDENDS FROM RESIDENT COMPANIES	/,	BSKL0230
\$	(TITLE (I, 8), I = 1, 6)		BSKL024C
\$	/ 36HOTHER CCRPORATE INCOME	/,	BSKL025C
\$	(TITLE (I, 9), I = 1, 6)		BSKL026C
\$	/ 36HCAPITAL GAINS ON EQUITY INVESTMENTS	/,	BSKL0270
\$	(TITLE (I,10), I = 1, 6)		BSKL028C
\$	/ 36HUNINCORPORATED BUSINESS INCOME	/	BSKL029C
\$	DATA (TITLE (I,11), I = 1, 6)		BSKL0300
\$	/ 36HRENTAL INCOME	/,	BSKL0310
\$	(TITLE (I,12), I = 1, 6)		BSKL032C
\$	/ 36HOTHER CANADIAN INVESTMENT INCOME	/,	BSKL033C
\$	(TITLE (I,13), I = 1, 6)		BSKL034C
\$	/ 36HNON-BUSINESS CAPITAL GAINS	/,	BSKL035C
\$	(TITLE (I,14), I = 1, 6)		BSKL036C
\$	/ 36HFOREIGN INVESTMENT INCOME	/,	BSKL0370
\$	(TITLE (I,15), I = 1, 6)		BSKL038C
\$	/ 36HDEDUCTIONS FROM INVESTMENT INCOME	/	BSKL039C
\$	DATA (TITLE (I,16), I = 1, 6)		BSKL040C
\$	/ 36HGIFTS AND BEQUESTS	/,	BSKL0410
\$	(TITLE (I,17), I = 1, 6)		BSKL042C
\$	/ 36HTRANSFER PAYMENTS RECEIVED	/,	BSKL043C
\$	(TITLE (I,18), I = 1, 6)		BSKL044C
\$	/ 36HINSURANCE PROCEEDS	/,	BSKL045C
\$	(TITLE (I,19), I = 1, 6)		BSKL046C
\$	/ 36HALIMONY RECEIVED	/,	BSKL047C
\$	(TITLE (I,20), I = 1, 6)		BSKL048C
\$	/ 36HMISCELLANEOUS INCOME	/	BSKL049C
\$	DIMENSION TITLES(6,11)		BSKL050C
\$	DATA (TITLES(I, 1), I = 1, 6)		BSKL051C
\$	/ 36HPENSION CONTRIBUTIONS	/,	BSKL052C
\$	(TITLES(I, 2), I = 1, 6)		BSKL053C
\$	/ 36HRETIREMENT SAVINGS	/,	BSKL054C
\$	(TITLES(I, 3), I = 1, 6)		BSKL055C
\$	/ 36HMEDICAL EXPENSES (NET)	/,	BSKL056C
\$	(TITLES(I, 4), I = 1, 6)		BSKL057C
\$	/ 36HCHARITABLE DONATIONS	/,	BSKL058C
\$	(TITLES(I, 5), I = 1, 6)		BSKL059C
\$	/ 36HSTANDARD DEDUCTIONS	/	BSKL060C
\$	DATA (TITLES(I, 6), I = 1, 6)		BSKL061C
\$	/ 36HALIMONY PAID	/,	BSKL062C
\$	(TITLES(I, 7), I = 1, 6)		BSKL063C
\$	/ 36HOTHER DEDUCTIONS	/,	BSKL064C
\$	(TITLES(I, 8), I = 1, 6)		BSKL065C
\$	/ 36HCREDITS FOR DEPENDENTS	/,	BSKL066C
\$	(TITLES(I, 9), I = 1, 6)		BSKL067C
\$	/ 36HDIVIDEND TAX CREDITS	/,	BSKL068C
\$	(TITLES(I,10), I = 1, 6)		BSKL069C
\$	/ 36HCREDIT FOR CORPORATE TAX	/,	BSKL070C
\$	(TITLES(I,11), I = 1, 6)		BSKL071C
\$	/ 36HOTHER TAX CREDITS	/	BSKL072C
\$	DIMENSION TOTITS(6,15)		BSKL073C
\$	DATA (TOTITS(I, 1), I = 1, 6)		BSKL074C
\$	/ 36HTOTAL, LABCR INCOME	/,	BSKL075C
\$	(TOTITS(I, 2), I = 1, 6)		BSKL076C
\$	/ 36HTOTAL, CORPORATE INCOME	/,	BSKL077C
\$	(TOTITS(I, 3), I = 1, 6)		BSKL078C
\$	/ 36HTOTAL, BUSINESS INCOME	/,	BSKL079C
\$	(TOTITS(I, 4), I = 1, 6)		BSKL080C
\$	/ 36HTOTAL, OTHER INVESTMENT INCOME	/,	BSKL081C



\$	(TOTITS(I, 5), I = 1, 6)		BSKLC82C
\$	/ 36HTOTAL, OTHER INCOME	/,	BSKLC83C
\$	(TOTITS(I, 6), I = 1, 6)		BSKLC84C
\$	/ 36HTOTAL INCOME	/,	BSKLC85C
\$	(TOTITS(I, 7), I = 1, 6)		BSKLC86C
\$	/ 36HTOTAL CONCESSIONARY ALLOWANCES	/,	BSKLC87C
\$	(TOTITS(I, 8), I = 1, 6)		BSKLC88C
\$	/ 36HFAMILY EXEMPTIONS	/	BSKLC89C
\$	DATA (TOTITS(I, 9), I = 1, 6)		BSKLC90C
\$	/ 36HNET TAX BASE	/,	BSKLC91C
\$	(TOTITS(I,10), I = 1, 6)		BSKLC92C
\$	/ 36HGROSS TAX BEFORE CREDITS	/,	BSKLC93C
\$	(TOTITS(I,11), I = 1, 6)		BSKLC94C
\$	/ 36HTOTAL CREDITS	/,	BSKLC95C
\$	(TOTITS(I,12), I = 1, 6)		BSKLC96C
\$	/ 36HPERSONAL INCOME TAXES	/,	BSKLC97C
\$	(TOTITS(I,13), I = 1, 6)		BSKLC98C
\$	/ 36HCORPORATE INCOME TAX	/,	BSKLC99C
\$	(TOTITS(I,14), I = 1, 6)		BSKLC100C
\$	/ 36HTAXES ON GIFTS AND BEQUESTS	/,	BSKLC101C
\$	(TOTITS(I,15), I = 1, 6)		BSKLC102C
\$	/ 36HTOTAL DIRECT TAXES	/	BSKLC103C
C			BSKLC104C
	DIMENSION TOTINC(21,2), TOTINK(21,2), TAXBAS(21,2), GROSTX(21,2),		BSKLC105C
\$	TCREDS(21,2), TDTAXS(21,2), CALLOW(21,2), SUBTOT(21,2,5),		BSKLC106C
\$	NTOT(10), ALPHA(2)		BSKLC107C
	DATA ALPHA / 3HNOT, 3HARE /		BSKLC108C
	DATA NTOT / 6, 9, 10, 15, 20, 5*0 /		BSKLC109C
C			BSKLC110C
	NITEM = 2C		BSKLC111C
	NITEMS = 11		BSKLC112C
	NINCPL = NINC + 1		BSKLC113C
	N = NINCPL		BSKLC114C
C			BSKLC115C
C	INITIALIZE TABLES		BSKLC116C
C			BSKLC117C
	DO 100 I = 1, NINCPL		BSKLC118C
	DO 100 J = 1, 2		BSKLC119C
	TOTINC(I,J) = 0.		BSKLC120C
	TOTINK(I,J) = 0.		BSKLC121C
	TAXBAS(I,J) = 0.		BSKLC122C
	GROSTX(I,J) = 0.		BSKLC123C
	TCREDS(I,J) = 0.		BSKLC124C
	TDTAXS(I,J) = 0.		BSKLC125C
	CALLOW(I,J) = 0.		BSKLC126C
	DO 100 K = 1, 5		BSKLC127C
	SUBTOT(I,J,K) = 0.		BSKLC128C
100	CONTINUE		BSKLC129C
	BASACC(N, 8,2) = 0.		BSKLC1300
	BASACC(N,16,2) = 0.		BSKLC131C
C			BSKLC132C
	DO 105 I = 1, NINC		BSKLC1330
	BASACC(I,8,2) = 0.		BSKLC134C
	BASACC(I,16,2) = 0.		BSKLC135C
	DO 105 J = 1, 2		BSKLC136C
C			BSKLC137C
C	CALCULATE -NET TAX BASE- AND -GROSS TAX BEFORE CREDITS-		BSKLC138C
C			BSKLC139C
	DO 1001 K = 1, 20		BSKLC1400
1001	TAXBAS(I,J) = TAXBAS(I,J) + BASACC(I,K,J)		BSKLC1410
	TAXBAS(I,J) = TAXBAS(I,J) - (BASACC(I,21,J) + BASACC(I,22,J))		BSKLC142C
	TAXBAS(N,J) = TAXBAS(N,J) + TAXBAS(I,J)		BSKLC143C
	GROSTX(I,J) = TAXACC(I,24,J)		BSKLC144C
	GROSTX(N,J) = GROSTX(N,J) + TAXACC(I,24,J)		BSKLC145C

C		BSKL146C
C	CALCULATE TOTAL INCOME	BSKL147C
C		BSKL148C
	ITOT = 1	BSKL149C
	DO 101 K = 1, 20	BSKL150C
	TOTINK(I,J) = TOTINK(I,J) + BASACC(I,K,J)	BSKL151C
	IF (NTOT(ITOT) .NE. K) GO TO 101	BSKL152C
	SUBTOT(I,J,ITOT) = TOTINK(I,J)	BSKL153C
	SUBTOT(N,J,ITOT) = SUBTOT(N,J,ITOT) + SUBTOT(I,J,ITOT)	BSKL154C
	ITOT = ITOT + 1	BSKL155C
	IF (NTOT (ITOT-1) .EQ. 9) GO TO 101	BSKL156C
	TOTINC(I,J) = TOTINC(I,J) + TCTINK(I,J)	BSKL157C
	TOTINK(I,J) = 0.	BSKL158C
101	CONTINUE	BSKL159C
	TOTINC(N,J) = TOTINC(N,J) + TCTINC(I,J)	BSKL160C
C		BSKL161C
C	CALCULATE TOTAL CONCESSIONARY ALLOWANCES	BSKL162C
C		BSKL163C
	DO 102 K = 1, 7	BSKL164C
102	CALLOW(I,J) = CALLOW(I,J) + DEDACC(I,K,J)	BSKL165C
	CALLOW(N,J) = CALLOW(N,J) + CALLOW(I,J)	BSKL166C
C		BSKL167C
C	CALCULATE TOTAL CREDITS	BSKL168C
C		BSKL169C
	DO 103 K = 8, 11	BSKL170C
103	TCREDS(I,J) = TCREDS(I,J) + DEDACC(I,K,J)	BSKL171C
	TCREDS(N,J) = TCREDS(N,J) + TCREDS(I,J)	BSKL172C
C		BSKL173C
C	CALCULATE TOTAL DIRECT TAXES	BSKL174C
C		BSKL175C
	DO 104 K = 21, 23	BSKL176C
104	TDTAXS(I,J) = TDTAXS(I,J) + TAXACC(I,K,J)	BSKL177C
	TDTAXS(N,J) = TDTAXS(N,J) + TDTAXS(I,J)	BSKL178C
105	CONTINUE	BSKL179C
C		BSKL180C
	LC = 1	BSKL181C
	LN = 7	BSKL182C
	ITAB = 1	BSKL183C
	IX = 2	BSKL184C
	IF (ISW(9) .EQ. 0) GO TO 109	BSKL1841
	ITAB = 3	BSKL1842
	IX = 1	BSKL1843
109	ITHRU = 1	BSKL185C
110	WRITE(ITPOUT,12) SETNO,RCASE,ACASE,DATE,ALPHA(ITUDEF)	BSKL186C
	CALL SUPREF( 3 )	BSKL187C
	IF (ITAB .EQ. 1) WRITE (ITPOUT,1)	BSKL188C
	IF (ITAB .EQ. 2) WRITE (ITPOUT,2)	BSKL189C
	IF (ITAB .EQ. 3) WRITE (ITPOUT,13)	BSKL1891
	IF (KLGIVN .EQ. 0) GO TO 1101	BSKL190C
	WRITE (ITPOUT,9) GIVNAM, KLGIVN	BSKL191C
	GO TO 1102	BSKL192C
1101	WRITE (ITPOUT,10)	BSKL193C
1102	IF (LN .EQ. NINCPL) GO TO 111	BSKL194C
	WRITE (ITPOUT,3) ( L, L=L0, LN )	BSKL195C
	GO TO 112	BSKL196C
111	LM = LN - 1	BSKL197C
	WRITE (ITPOUT,4) ( L, L=L0, LM)	BSKL198C
112	ITOT = 1	BSKL199C
	DO 130 I = 1, NITEM	BSKL200C
	WRITE (ITPOUT,5) I, (TITLE(L,I), L=1,6), (BASACC(L,I,IX), L=L0, LN)	BSKL201C
	IF (I .NE. NTOT(ITOT)) GO TO 130	BSKL202C
117	WRITE (ITPOUT,6) (TOTITS(L,ITOT), L=1,6),	BSKL203C
	\$ (SUBTOT(L,IX,ITOT), L=L0, LN)	BSKL204C
	ITOT = ITOT + 1	BSKL205C
130	CONTINUE	BSKL206C



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WRITE (ITPOUT,6) (TOTITS(L,6), L=1,6), (TCTINC(L,IX), L=L0,LN) BSKL207C
DO 140 I = 1, 7 BSKL208C
  II = I+20 BSKL209C
  WRITE (ITPOUT,5) II, (TITLES(L,I), L=1,6), BSKL210C
  $ (DEDACC(L,I,IX), L=L0,LN) BSKL211C
140 CONTINUE BSKL212C
  WRITE (ITPOUT,6) (TOTITS(L,7), L=1,6), (CALLOW(L,IX), L=L0,LN) BSKL213C
  WRITE (ITPOUT,7) (TOTITS(L,8), L=1,6), (BASACC(L,22,IX), L=L0,LN) BSKL214C
  WRITE (ITPOUT,6) (TOTITS(L,9), L=1,6), (TAXBAS(L,IX), L=L0,LN) BSKL215C
  WRITE (ITPOUT,8) (TOTITS(L,10), L=1,6), (GROSTX(L,IX), L=L0,LN) BSKL216C
  DO 160 I = 8, 11 BSKL217C
    II = I+20 BSKL218C
    WRITE (ITPOUT,5) II, (TITLES(L,I), L=1,6), BSKL219C
    $ (DEDACC(L,I,IX), L=L0,LN) BSKL220C
160 CONTINUE BSKL221C
  WRITE (ITPOUT,6) (TOTITS(L,11), L=1,6), (TCREDS(L,IX), L=L0,LN) BSKL222C
  WRITE (ITPOUT,7) (TOTITS(L,12), L=1,6), (TAXACC(L,21,IX), L=L0,LN) BSKL223C
  WRITE (ITPOUT,7) (TOTITS(L,13), L=1,6), (TAXACC(L,22,IX), L=L0,LN) BSKL224C
  WRITE (ITPOUT,7) (TOTITS(L,14), L=1,6), (TAXACC(L,23,IX), L=L0,LN) BSKL225C
  WRITE (ITPOUT,6) (TOTITS(L,15), L=1,6), (TDTAXS(L,IX), L=L0,LN) BSKL226C
  IF (LN .GE. NINCPL) GO TO 180 BSKL227C
  ITHRU = ITHRU + 1 BSKL228C
  LC = LC + 7 BSKL229C
  LN = LN + 7 BSKL230C
  IF (LN .GT. NINCPL) LN = NINCPL BSKL231C
  GO TO 110 BSKL232C
180 IF (ITAB .GE. 2) RETURN BSKL233C
  IX = 1 BSKL234C
  LC = 1 BSKL235C
  LN = 7 BSKL236C
  ITAB = 2 BSKL237C
  GO TO 109 BSKL238C
C BSKL239C
1 FORMAT (1HC, 5X, 58H1. BASE CURRENTLY TAXED AT PERSONAL LEVEL BY BSKL240C
  $INCOME CLASS) BSKL241C
2 FORMAT (1HC, 5X, 38H2. COMPREHENSIVE BASE BY INCOME CLASS) BSKL242C
3 FORMAT (1HC, 28X, 12HINCOME CLASS, 7I11 / 1X ) BSKL243C
4 FORMAT (1HC, 28X, 12HINCOME CLASS, 6I11, 6X, 5HTOTAL / 1X ) BSKL244C
5 FORMAT (1X, 12, 1H., 2X, 6A6, 7F11.0 ) BSKL245C
6 FORMAT (1HC, 5X, 6A6, 7F11.0 / //) BSKL246C
7 FORMAT (6X, 6A6, 7F11.0) BSKL247C
8 FORMAT (6X, 6A6, 7F11.0 //) BSKL248C
9 FORMAT (1CX, 17HFOR TAX UNITS IN , A6, 6H CLASS, 14, BSKL249C
  $ 24H (THOUSANDS OF DOLLARS) / 1X) BSKL2500
10 FORMAT (1CX, 26HFOR ALL CANADIAN RESIDENTS, BSKL251C
  $ 24H (THOUSANDS OF DOLLARS) / 1X) BSKL252C
12 FORMAT(1H1, 6HSET NO, F5.2, 2X, 14HRATE SCHEDULE , A5, 2X, BSKL253C
  $14HASSUMPTION SET,A6,2X,5HDATE ,2A6, 2X, 10HTAXPAYERS ,A3, BSKL254C
  $29H AGGREGATED INTO FAMILY UNITS//) BSKL255C
13 FORMAT (1HC, 25X, 36HTOTAL ACCRUED INCOME BY INCOME CLASS) BSKL2551
  END BSKL256C

FUNCTION RMARG (TINC, ITAX) RMRGC00C
C RMRGC01C
C FUNCTION TO COMPUTE MARGINAL PERSONAL INCOME RATE RMRGC02C
C ARGUMENTS RMRGC03C
C TINC = TAXABLE INCOME RMRGC04C
C ITAX = TAX DEFINOR (1 = CURRENT, 2 = PROPOSED) RMRGC05C
C RMRGC06C
COMMON /FPAR / MARTAL, IWWIFE, DEPCH, ODEP RMRGC07C

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COMMON /RSCHED/ BCTOM(25), RATE(3,25), RSCRED(10), NCLASS
DIMENSION CURBOT(18), CURRAT(18)
DATA CURBOT / 0., 909., 1000., 2000., 3000., 4000., 6000., 8000.,
$ 10000., 12000., 15000., 25000., 40000., 60000., 90000., 125000.,
$ 225000., 400000. /
DATA CURRAT / .128, .15, .19, .21, .19, .22, .26, .30, .35, .40,
$ .45, .50, .55, .60, .65, .70, .75, .80 /
RMARG = 0.
IF (TINC) 98, 98, 99
98 RETURN
99 CONTINUE
IF (ITAX .EQ. 1) GO TO 102
IF (ITAX .NE. 2) RETURN
K = MARTAL + 1
DO 100 I = 2, NCLASS
IF (TINC - BOTTOM(I)) 101, 100, 100
100 CONTINUE
I = NCLASS + 1
101 RMARG = RATE(K,I-1)
RETURN
102 DO 103 I = 2, 18
IF (TINC - CURBOT(I)) 104, 103, 103
103 CONTINUE
I = 19
104 RMARG = CURRAT(I-1)
RETURN
END

```

```

RMRGC08C
RMRGC09C
RMRGC10C
RMRGC11C
RMRGC12C
RMRGC13C
RMRGC14C
RMRGC15C
RMRGC16C
RMRGC17C
RMRGC18C
RMRGC19C
RMRGC20C
RMRGC21C
RMRGC22C
RMRGC23C
RMRGC24C
RMRGC25C
RMRGC26C
RMRGC27C
RMRGC28C
RMRGC29C
RMRGC30C
RMRGC31C
RMRGC32C
RMRGC33C
RMRGC34C

```

```

SUBROUTINE COMPEF (KLAS, INC, OLDTAX, REFTAX, TOTINC, COMP,
$ NKLAS, NINCKL, KLGIVN, GIVNAM, SOURCE, ITYPE, ITAX, ITPOUT,
$ IENTRY)

```

```

CMPFC00C
CMPFC01C
CMPFC02C
CMPFC03C
CMPFC04C
CMPFC05C
CMPFC06C
CMPFC07C
CMPFC08C
CMPFC09C
CMPFC10C
CMPFC11C
CMPFC12C
CMPFC13C
CMPFC14C
CMPFC15C
CMPFC16C
CMPFC17C
CMPFC18C
CMPFC19C
CMPFC20C
CMPFC21C
CMPFC22C
CMPFC23C
CMPFC24C
CMPFC25C
CMPFC26C
CMPFC27C
CMPFC28C
CMPFC29C
CMPFC30C
CMPFC31C
CMPFC32C

```

```

C
C SUBROUTINE TO COMPUTE EFFECTIVE OLD AND NEW TAX RATES ON A
C SPECIFIED COMPONENT OF INCOME FOR TAXPAYERS CLASSIFIED BY INCOME
C CLASS AND BY IMPORTANCE OF THE COMPONENT
C NUMBERED AS OF 21 OCT/66
C ARGUMENTS USED IN ACCUMULATION ENTRY
C KLAS = INCOME SOURCE TAX CALCULATION CLASS
C INC = INCOME CLASS
C OLDTAX,REFTAX = TAX PAYMENTS UNDER CURRENT AND PROPOSED SYSTEM
C TOTINC = TOTAL INCOME
C COMP = INCOME FROM GIVEN SOURCE COMPONENT
C ARGUMENTS USED IN INITIALIZATION AND OUTPUT ENTRIES
C NKLAS = NUMBER OF INCOME SOURCE CLASSES
C NINCKL = NUMBER OF INCOME CLASSES
C ARGUMENTS USED IN OUTPUT ENTRY
C KLGIVN = IDENTIFIER OF GIVEN CLASS FOR TABLES BEING GENERATED
C ( =0 IF CLASS IS NOT A PROPER SUBSET OF ALL CANADIAN
C RESIDENT TAX UNITS)
C GIVNAM = ALPHA DESCRIPTION OF GIVEN CLASSIFICATION (A6)
C ITYPE = INCOME COMPONENT DEFINOR (AS IN COMSET)
C ITAX = TAX CALCULATION DEFINOR (AS IN COMSET)
C ITPOUT = MONITOR OUTPUT TAPE NUMBER
C SOURCE = ALPHA DESCRIPTION OF SOURCE (A30)
C ENTRY POINTS (DETERMINED BY IENTRY)
C 1 = INITIALIZATION
C 2 = ACCUMULATE TOTALS
C 3 = PRINT SUMMARY TOTALS

```

```

COMMON /PROGID/ RCASE, ACASE, IPSET, ITSET, SETNO, DATE(2), ITUDEFCMP
DOUBLE PRECISION ACCUM1, ACCUM2, TATINC, TINCME

```

```

COMMON /ACC3/ ACCUM1(22,20,7), ACCUM2(22,20,7), TATINC(21,8),
$  TINCME(22,21,8)
COMMON /RSCHED/ BRAKET(25), RATE(3, 25), CREDS(10), NCLAS
DIMENSION SUM1(8), SUM2(8), ALPHA(2), SOURCE(5), CUT(8)
DIMENSION B(8), SUM3(21,8), SUM4(21,8)
DATA B/0.0,0.05,0.1,0.15,0.2,0.3,0.5,1.0/,ALPHA/3HNOT,3HARE/

C
GO TO (1000, 2000, 3000), IENTRY

C-----ENTRY POINT -----
C  ENTRY TO INITIALIZE SUBROUTINE FOR NEW ACCUMULATION
1000 CONTINUE
DO 110 I = 1, NKLAS
DO 110 J = 1, NINCKL
DO 110 K=1,7
ACCUM1(I,J,K)=0
110 ACCUM2(I,J,K)=0
NINCPL = NINCKL + 1
DO 109 I = 1, NKLAS
DO 109 J = 1, NINCPL
DO 109 K = 1, 8
109 TINCME(I,J,K) = 0.
RETURN

C-----ENTRY POINT -----
C  ENTRY TO ACCUMULATE TOTALS
2000 CONTINUE
IF (TOTINC .LE..0000000001 .AND. TOTINC .GE. -.0000000001) RETURN
A=COMP/TOTINC
IF (A .LT. 0.) RETURN
DO 100 I=1,7
IF (A .GE. B(I) .AND. A .LT. B(I+1)) GO TO 105
100 CONTINUE
I=7
105 K=I
TINCME(KLAS,INC,K)=COMP+TINCME(KLAS,INC,K)
ACCUM1(KLAS,INC,K)=ACCUM1(KLAS,INC,K)+CLDTAX
ACCUM2(KLAS,INC,K)=ACCUM2(KLAS,INC,K)+REFTAX
RETURN

C-----ENTRY POINT -----
C  ENTRY TO PRINT OUT SUMMARY TABLES
3000 CONTINUE
I = ITYPE
IF (ITAX .EQ. 3 .OR. ITAX .EQ. 4) I = ITYPE + 11
DO 170 II=1,2
IF (II .EQ. 2 .AND. ITAX .EQ. 3) GO TO 170
WRITE (ITPOUT,1) SETNO,RCASE,ACASE,DATE,ALPHA(ITUDEF)
CALL SUPREF( 3 )
IF (ITAX .NE. 3) GO TO 107
WRITE (ITPOUT,18) SOURCE
GO TO 108
107 IF (II .EQ. 1) WRITE (ITPOUT,10) SOURCE
IF (II .EQ. 2) WRITE (ITPOUT,11) SOURCE
IF (ITAX .EQ. 1) WRITE (ITPOUT,12)
IF (ITAX .EQ. 4) WRITE (ITPOUT,13)
IF (ITAX .EQ. 2) WRITE (ITPOUT,14)
108 IF (KLGIVN .NE. 0) WRITE (ITPOUT,21) GIVNAM, KLGIVN
IF (KLGIVN .EQ. 0) WRITE (ITPOUT,22)
IF (II .EQ. 2) WRITE (ITPOUT,2)
WRITE (ITPOUT,3) SOURCE
NINCPL=NINCKL+1
DO 169 J=1,NINCPL
IF (II .EQ. 1) TATINC(J,8) = 0.

```

```

ACC1=0
ACC2=0
DO 150 K=1,7
  IF (II.EQ. 1) TATINC(J,K) = 0.
  SUM1(K)=0
  SUM2(K)=0
  IF (J.EQ. NINCPL) GO TO 115
  IF (II.EQ. 1) TATINC(J,K)=TINCME(I,J,K)
  SUM1(K)=ACCUM1(I,J,K)
  SUM2(K)=ACCUM2(I,J,K)
  GO TO 140
115 DO 117 M=1,NINCKL
  IF (II.EQ. 1) TATINC(NINCPL,K)=TINCME(I,M,K)+TATINC(NINCPL,K)
  SUM1(K)=SUM1(K)+ACCUM1(I,M,K)
117 SUM2(K)=SUM2(K)+ACCUM2(I,M,K)
140 ACC1=ACC1+SUM1(K)
  ACC2=ACC2+SUM2(K)
  IF (II.EQ. 1) TATINC(J,8)=TATINC(J,K)+TATINC(J,8)
  GO TO (141,147),II
141 IF (SUM1(K).NE. 0.0) GO TO 145
  OUT(K) = 999999.99
  IF (SUM2(K).LT. 0.) OUT(K) = -999999.99
  KSUM2 = SUM2(K)/1000. + .5
  IF (KSUM2.EQ. 0) OUT(K) = 0.
  GO TO 150
145 OUT(K)=(SUM2(K)/SUM1(K) -1.)*100.
  GO TO 150
147 OUT(K)=(SUM2(K)-SUM1(K))/1000.
150 CONTINUE
  IF (II.EQ. 2) GO TO 156
  DO 151 K = 1, 7
  SUM3(J,K) = SUM1(K)
151 SUM4(J,K) = SUM2(K)
  SUM3(J,8) = ACC1
  SUM4(J,8) = ACC2
152 IF (ACC1.NE. 0.0) GO TO 155
  OUT(8) = 999999.99
  IF (ACC2.LT. 0.) OUT(8) = -999999.99
  IF (ACC2.EQ. 0.) OUT(8) = 0.
  GO TO 160
155 OUT(8)=(ACC2/ACC1 -1.)*100.
  GO TO 160
156 OUT(8)=(ACC2-ACC1)/1000.
160 IF (J.EQ. NINCPL) GO TO 165
  IF (II.EQ. 1) WRITE (6, 4) J, (OUT(K), K=1,8)
  IF (II.EQ. 2) WRITE (6, 6) J, (OUT(K), K=1,8)
  GO TO 169
165 IF (II.EQ. 1) WRITE (6, 5) (OUT(K), K=1,8)
  IF (II.EQ. 2) WRITE (6, 7) (OUT(K), K=1,8)
169 CONTINUE
170 CONTINUE
  IF (ITAX.NE. 1) GO TO 180
  WRITE (ITPOUT,1) SETNO, RCASE, ACASE, DATE, ALPHA(ITUDEF)
  CALL SUPREF( 3 )
  WRITE (ITPOUT,15) SOURCE
  IF (KLGIVN.NE. 0) WRITE (ITPOUT,21) GIVNAM, KLGIVN
  IF (KLGIVN.EQ. 0) WRITE (ITPOUT,22)
  WRITE (ITPOUT,2)
  WRITE (ITPOUT,3) SOURCE
  DO 175 J=1,NINCKL
  DO 174 K = 1, 8
174 OUT(K) = TATINC(J,K)/1000.
175 WRITE (ITPOUT, 6) J, (OUT(K), K = 1, 8)
  DO 176 K = 1, 8
176 OUT(K) = TATINC(NINCPL,K)/1000.

```

```

CMPFC97C
CMPFC98C
CMPFC99C
CMPF100C
CMPF101C
CMPF102C
CMPF103C
CMPF104C
CMPF105C
CMPF106C
CMPF107C
CMPF108C
CMPF109C
CMPF110C
CMPF111C
CMPF112C
CMPF113C
CMPF114C
CMPF115C
CMPF116C
CMPF117C
CMPF118C
CMPF119C
CMPF120C
CMPF121C
CMPF122C
CMPF123C
CMPF124C
CMPF125C
CMPF126C
CMPF127C
CMPF128C
CMPF129C
CMPF130C
CMPF131C
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CMPF142C
CMPF143C
CMPF144C
CMPF145C
CMPF146C
CMPF147C
CMPF148C
CMPF149C
CMPF150C
CMPF151C
CMPF152C
CMPF153C
CMPF154C
CMPF155C
CMPF156C
CMPF157C
CMPF158C
CMPF159C
CMPF160C
CMPF161C

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WRITE (ITPOUT, 7) (OUT(K), K = 1, 8)	CMPF162C
180 IF (ITAX.EQ. 2 .OR. ITAX.EQ. 4) RETURN	CMPF163C
DO 187 II = 1, 2	CMPF164C
WRITE (ITPOUT,1) SETNC, RCASE, ACASE, DATE, ALPHA(ITUDEF)	CMPF165C
CALL SUPREF( 3 )	CMPF166C
IF (ITAX.EQ. 3) GO TO 181	CMPF167C
IF (II.EQ. 1) WRITE (ITPOUT,19) SOURCE	CMPF168C
IF (II.EQ. 2) WRITE (ITPOUT,20) SOURCE	CMPF169C
GO TO 182	CMPF170C
181 IF (II.EQ. 1) WRITE (ITPOUT,16) SOURCE	CMPF171C
IF (II.EQ. 2) WRITE (ITPOUT,17) SOURCE	CMPF172C
182 IF (KLGIVN.NE. 0) WRITE (ITPOUT,21) GIVNAM, KLGIVN	CMPF173C
IF (KLGIVN.EQ. 0) WRITE (ITPOUT,22)	CMPF174C
WRITE (ITPCUT,3) SOURCE	CMPF175C
DO 187 J = 1, NINCPL	CMPF176C
GO TO (183, 185), II	CMPF177C
183 DO 184 K = 1, 8	CMPF178C
OUT(K) = C.	CMPF179C
IF (TATINC(J,K).GT. 0.) OUT(K) = SUM3(J,K)/TATINC(J,K)	CMPF180C
184 CONTINUE	CMPF181C
IF (J.LT. NINCPL) WRITE (ITPCUT,8) J, (OUT(K), K = 1, 8)	CMPF182C
IF (J.EQ. NINCPL) WRITE (ITPCUT,9) (OUT(K), K = 1, 8)	CMPF183C
GO TO 187	CMPF184C
185 DO 186 K = 1, 8	CMPF185C
OUT(K) = C.	CMPF186C
IF (TATINC(J,K).GT. 0.) OUT(K) = SUM4(J,K)/TATINC(J,K)	CMPF187C
186 CONTINUE	CMPF188C
IF (J.LT. NINCPL) WRITE (ITPCUT,8) J, (OUT(K), K = 1, 8)	CMPF189C
IF (J.EQ. NINCPL) WRITE (ITPCUT,9) (OUT(K), K = 1, 8)	CMPF190C
187 CONTINUE	CMPF191C
RETURN	CMPF192C
C	CMPF193C
1 FORMAT(1H1,7HSET NO.,F5.2,2X,14HRATE SCHEDULE ,A5,2X,14HASSUMPTION	CMPF194C
\$ SET,1X,A6,2X,5HDATE ,2A6,2X,10HTAXPAYERS ,A3,29H AGGREGATED INTO	CMPF195C
\$ FAMILY UNITS //)	CMPF196C
2 FORMAT (1X, 22H(THOUSANDS OF DOLLARS))	CMPF197C
3 FORMAT (1X,6HINCOME,26X,26HPRPORTION OF INCOME FROM ,5A6/2X,	CMPF198C
\$ 5HCLASS,5X,3H0-5,10X,4H5-10,10X,5H10-15,9X,5H15-20,9X,	CMPF199C
\$ 5H20-30,9X,5H30-50,9X,6H50-100,8X,5HTOTAL//)	CMPF200C
4 FORMAT (1X, 14, F12.2, 7( F14.2 ))	CMPF201C
5 FORMAT (// 1X, 5HTOTAL, F11.2, 7( F14.2 ))	CMPF202C
6 FORMAT (1X, 14, F12.0, 7(F14.0))	CMPF203C
7 FORMAT (// 1X, 5HTOTAL, F11.0, 7(F14.0))	CMPF204C
8 FORMAT (1X, 14, F12.3, 7(F14.3))	CMPF205C
9 FORMAT (// 1X, 5HTOTAL, F11.3, 7(F14.3))	CMPF206C
10 FORMAT (1X, 39HPERCENT CHANGE IN TAXES ON INCOME FROM , 5A6)	CMPF207C
11 FORMAT (1X, 39H DOLLAR CHANGE IN TAXES ON INCOME FROM , 5A6)	CMPF208C
12 FORMAT (1X, 66H(CALCULATION BASED ON AVERAGE NEW AND OLD TAX RATES	CMPF209C
\$ ON ALL INCOME))	CMPF210C
13 FORMAT (1X, 50H(CALCULATION BASED ON ALL INCOME FROM THIS SOURCE ,	CMPF211C
\$ 15HBEING MARGINAL))	CMPF212C
14 FORMAT (1X, 50H(CALCULATION BASED ON PRORATION OF ALL CHANGES IN ,	CMPF213C
\$ 4HTAX))	CMPF214C
15 FORMAT (1X, 12HINCOME FROM , 5A6)	CMPF215C
16 FORMAT (1X, 50HCURRENT AVERAGE MARGINAL TAX RATES ON INCOME FROM ,	CMPF216C
\$ 5A6)	CMPF217C
17 FORMAT (1X, 51HPROPOSED AVERAGE MARGINAL TAX RATES ON INCOME FROM	CMPF218C
\$ 5A6)	CMPF219C
18 FORMAT (1X, 52HPERCENT CHANGE IN MARGINAL TAX RATES ON INCOME FROM	CMPF220C
\$ 5A6)	CMPF221C
19 FORMAT (1X, 41HCURRENT AVERAGE TAX RATES ON INCOME FROM , 5A6)	CMPF222C
20 FORMAT (1X, 42HPRPOSED AVERAGE TAX RATES ON INCOME FROM , 5A6)	CMPF223C
21 FORMAT (1X, 17HFOR TAXPAYERS IN , A6, 6H CLASS, I3)	CMPF224C
22 FORMAT (1X, 35HFOR ALL CANADIAN RESIDENT TAXPAYERS)	CMPF225C

END

CMPF2260

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C      SUBROUTINE COMSET (ITYPE, ITAX, INC)
C
C      SUBROUTINE TO SET UP COMPEF ACCUMULATION FOR DIFFERENT
C      INCOME COMPONENTS
C      ARGUMENTS
C      ITYPE = INCOME COMPONENT DEFINOR
C      ITAX  = TAX CALCULATION DEFINOR
C      INC   = INCOME CLASS
C      INCOME COMPONENT DEFINOR VALUES
C      1 = INCOME FROM WAGES AND SALARIES
C      2 = INCOME FROM SELF-EMPLOYMENT
C      3 = INCOME FROM FARMING AND FISHING
C      4 = INCOME FROM UNINCORPORATED BUSINESS PROFITS
C      5 = INCOME FROM CORPORATE PROFITS
C      6 = INCOME CURRENTLY REPORTED FROM FIXED-INCOME SECURITIES
C      7 = INCOME FROM OTHER INVESTMENT SOURCES
C      8 = TRANSFER PAYMENTS AND MISCELLANEOUS INCOME
C      9 = CORPORATE INCOME FROM LARGE COMPANIES NOT IN SPECIAL
C      INDUSTRIES
C      10 = CORPORATE INCOME FROM SMALL COMPANIES
C      11 = CORPORATE INCOME FROM SPECIAL INDUSTRIES
C      NOTE THAT COMPONENTS 1 TO 8 ARE MUTUALLY EXCLUSIVE, AS ARE 9 TO 11
C      TAX CALCULATION DEFINOR
C      1 = CALCULATIONS BASED ON AVERAGE TAX RATES ON ALL INCOME
C      2 = CALCULATION ASSUMING TAX CHANGE TO BE PRO-RATED OVER COMPONENT
C      A LA REV TAB
C      3 = CALCULATION OF AVERAGE MARGINAL TAX RATES
C      4 = CALCULATION ASSUMING INCOME FROM GIVEN SOURCE TO BE PURELY
C      MARGINAL
C
C      COMMON /PARAM/ ASS(200), ALLCW(50), ITUDEF, IDATA, IBASIS,
C      $ IORDER(7), ISPRES(25,2), NSUP, IMINTP, ITPOUT, ITDATA
C      COMMON /DATA/ KLAS(10), SUM(50), BASE(40), CRED(40),
C      $ REFTAX(5), OLDPTX(5), CORTAX(5), GIFTAX(5)
C      COMMON /ADJUST/ DELTA(10), OTHER(30), UNTAXD(20)
C      COMMON /SWITCH/ ISW(25)
C      DIMENSION TCRED(2), S(5)
C
C      INDEX = ITYPE
C      IF (ITAX .EQ. 3 .OR. ITAX .EQ. 4) INDEX = ITYPE + 11
C      XN = SUM(1)
C      XMPTNS = BASE(1) + BASE(2) + BASE(26) + BASE(29) + BASE(30) +
C      $ BASE(33)
C      DEDOLD = SUM(7)*100. + SUM(10) + SUM(15) + SUM(36) + SUM(37) +
C      $ SUM(38) + SUM(39) - DELTA(1) - DELTA(2) + SUM(5)*500. - DELTA(4)
C      DEDNEW = DEDOLD - BASE(21) - BASE(22) - BASE(23) - BASE(24) -
C      $ BASE(25)
C      TOTOLD = OLDPTX(1) + XMPTNS + DEDOLD
C      TOTNEW = REFTAX(1) + DEDNEW
C      OLDINC = OLDPTX(1) + XMPTNS + DEDOLD - DEDNEW
C      TCRED(1) = (REFTAX(2) - CRED(3) - SUM(31))/XN
C      TCRED(2) = 0.
C      GRTNEW = XN*PROTAX(OLDINC/XN, TCRED, 0)
C      AVREVR = C.
C      IF (TOTOLD .GT. 0.) AVREVR = GRTNEW/TOTOLD
C      TRDEL = REFTAX(3) + REFTAX(4) + CRED(3) + SUM(31) - GRTNEW
C      AVDELR = C.
C      IF (TOTNEW - TOTOLD .GT. 0.) AVDELR = TRDEL/(TOTNEW - TOTOLD)
C      AVOLDR = C.

```

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CMSTC000
CMSTC0010
CMSTC0020
CMSTC0030
CMSTC0040
CMSTC0050
CMSTC0060
CMSTC0070
CMSTC0080
CMSTC0090
CMSTC0100
CMSTC0110
CMSTC0120
CMSTC0130
CMSTC0140
CMSTC0150
CMSTC0160
CMSTC0170
CMSTC0180
CMSTC0190
CMSTC0200
CMSTC0210
CMSTC0220
CMSTC0230
CMSTC0240
CMSTC0250
CMSTC0260
CMSTC0270
CMSTC0280
CMSTC0290
CMSTC0300
CMSTC0310
CMSTC0320
CMSTC0330
CMSTC0340
CMSTC0350
CMSTC0360
CMSTC0370
CMSTC0380
CMSTC0390
CMSTC0400
CMSTC0410
CMSTC0420
CMSTC0430
CMSTC0440
CMSTC0450
CMSTC0460
CMSTC0470
CMSTC0480
CMSTC0490
CMSTC0500
CMSTC0510
CMSTC0520
CMSTC0530
CMSTC0540
CMSTC0550
CMSTC0560
CMSTC0570
CMSTC0580

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IF (TOTOLD .GT. 0.) AVOLDR = (OLDPTX(3) + OLDPTX(2))/TOTOLD      CMSTC59C
AVNEW = C.                                                         CMSTC60C
IF (TOTNEW .GT. 0.)                                              CMSTC61C
$AVNEW = (REFTAX(3)+REFTAX(4)+CRED(3)+SUM(31))/TOTNEW          CMSTC62C
COMUNT = C.                                                       CMSTC63C
TOTLNT = C.                                                       CMSTC64C
DO 99 I = 1, 20                                                  CMSTC65C
99 TOTLNT = TOTLNT + UNTAXD(I)                                    CMSTC66C
REFCRD = REFTAX(2) - CRED(3) - SUM(31)                            CMSTC67C
GO TO(103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113),ITYPE CMSTC68C
100 GO TO (1001, 1011, 1012, 101), ITAX                          CMSTC69C
1001 OLD = AVOLDR*OLDLAMP + OTHERS                                CMSTC70C
REF = AVNEW*COMP - CREDIT                                         CMSTC71C
GO TO 102                                                         CMSTC72C
101 OLD = OLDPTX(3) - XN*CURTAX((OLDPTX(1)-OLDLAMP)/XN,          CMSTC73C
$ OLDPTX(2)/XN) + OTHERS                                         CMSTC74C
TCRED(1) = (REFCRD + CREDIT)/XN                                  CMSTC75C
TCRED(2) = 0.                                                     CMSTC76C
REF = REFTAX(3) + REFTAX(4) - XN*PROTAX((REFTAX(1)-COMP)/XN,   CMSTC77C
$ TCRED, C)                                                       CMSTC78C
GO TO 102                                                         CMSTC79C
1011 OLD = AVOLDR*OLDLAMP + OTHERS                                CMSTC80C
REF = AVREVR*OLDLAMP + AVDELX*(CCMP - OLDLAMP) - CREDIT         CMSTC81C
GO TO 102                                                         CMSTC82C
1012 RMOLD = RMARG (OLDPTX(1)/XN, 1)                             CMSTC83C
RMNEW = RMARG (REFTAX(1)/XN, 2)                                  CMSTC84C
OMART = OTHERS                                                    CMSTC85C
IF (ITYPE .NE. 5 .AND. ITYPE .LT. 9) GO TO 1013                 CMSTC86C
OMART = RATIO1*(CCRTAX(1) + CCRTAX(2))                           CMSTC87C
IF (ITYPE .EQ. 10) OMART = (ASS(83)/0.50)*OMART                 CMSTC88C
OMART = OMART - RATIO1*0.2*SUN(25)                               CMSTC89C
1013 OLD = RMOLD*OLDLAMP                                          CMSTC90C
IF (OLDPTX(3) .LE. 0.) OLD = 0.                                  CMSTC91C
OLD = OLD + OMART                                                 CMSTC92C
REF = RMNEW*COMP - CREDIT                                         CMSTC93C
IF (REF .LT. 0.) REF = 0.                                         CMSTC94C
IF (REFTAX(3) + REFTAX(4) .LE. 0.) REF = 0.                     CMSTC95C
102 IF (ISW(9) .EQ. 0) GO TO 1021                                CMSTC96C
IF (ITAX .NE. 3) GO TO 1020                                       CMSTC97C
IF (ITYPE .GT. 8 .OR. ITYPE .EQ. 5) CALL CSITAB (INC, ITYPE-8,  CMSTC98C
$ RATIO1*(BASE(3) + BASE(35) + SUM(25)), CBAS, RATIO1*UNTAXD(5), CMSTC99C
$ RATIO1*(UNTAXD(1) + UNTAXD(4)) + ADDUNT,                       CMST100C
$ RATIO1*(BASE(5) + UNTAXD(6)), OLDLAMP, CCMP - RATIO1*BASE(5),  CMST101C
$ RATIO1*BASE(5), OLD, REF, EXTRA)                               CMST102C
102C COMP = COMP + COMUNT                                          CMST103C
COMP = COMP + COMUNT                                              CMST104C
TOTNEW = TOTNEW + TOTLNT                                          CMST105C
1021 CALL COMPEF (INDEX, INC, OLD, REF, TOTNEW, CCMP, 0,         CMST106C
$ 0, 0, 0., S, ITYPE, ITAX, 0, 2)                                CMST107C
RETURN                                                            CMST108C
C                                                                    CMST109C
C EMPLOYMENT INCOME                                              CMST110C
C                                                                    CMST111C
103 OLDLAMP = SUM(16) - SUM(12)                                    CMST112C
COMP = OLDLAMP + BASE(15) - OTHER(6) - OTHER(9) + BASE(13)      CMST113C
$ + BASE(14) + BASE(16) + BASE(17)                               CMST114C
OTHERS = C.                                                       CMST115C
CREDIT = CRED(3)                                                 CMST116C
GO TO 100                                                         CMST117C
C                                                                    CMST118C
C INCOME FROM SELF-EMPLOYMENT (COMMISSION AND PROFESSIONAL)    CMST119C
C                                                                    CMST120C
104 OLDLAMP = SUM(18) + SUM(19)                                    CMST121C
COMP = OLDLAMP + OTHER(6)                                         CMST122C

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	OTHERS = C.	CMST1230
	CREDIT = C.	CMST1240
	GO TO 100	CMST1250
C		CMST1260
C	FARMING AND FISHING INCOME	CMST1270
C		CMST1280
	105 OLDCMP = SUM(20)	CMST1290
	COMP = SUM(20)	CMST1300
	OTHERS = C.	CMST1310
	CREDIT = C.	CMST1320
	GO TO 100	CMST1330
C		CMST1340
C	UNINCORPORATED BUSINESS PROFITS	CMST1350
C		CMST1360
	106 OLDCMP = SUM(17) - SUM(24)	CMST1370
	COMP = OLDCMP + BASE(7) + BASE(8) + BASE(9) + OTHER(9)	CMST1380
	OTHERS = C.	CMST1390
	CREDIT = C.	CMST1400
	COMUNT = UNTAXD(7) + UNTAXD(8) + UNTAXD(9)	CMST1410
	GO TO 100	CMST1420
C		CMST1430
C	CORPORATE SOURCE INCOME	CMST1440
C		CMST1450
	107 OLDCMP = SUM(25) - BASE(6)	CMST1460
	COMP = SUM(25) + BASE(3) + BASE(4) + BASE(5) + BASE(34) + BASE(35)	CMST1470
	OTHERS = CORTAX(1) - SUM(30)	CMST1480
	CREDIT = REFTAX(5) - REFTAX(4)	CMST1490
	RATIO1 = 1.	CMST1500
	COMUNT = UNTAXD(1) + UNTAXD(2) + UNTAXD(3) + UNTAXD(4) +	CMST1510
	\$ UNTAXD(5) + UNTAXD(6)	CMST1520
	ADDUNT = UNTAXD(2) + UNTAXD(3)	CMST1530
	EXTRA = OTHER(13)*(1. - RMNEW)	CMST1540
	GO TO 100	CMST1550
C		CMST1560
C	FIXED-INCOME INVESTMENT INCOME CURRENTLY REPORTED	CMST1570
C		CMST1580
	108 OLDCMP = SUM(26) + SUM(27) - (SUM(29) - BASE(6))	CMST1590
	IF (OLDCMP .LT. 0.) OLDCMP = 0.	CMST1600
	CCMP = OLDCMP	CMST1610
	OTHERS = C.	CMST1620
	CREDIT = C.	CMST1630
	GO TO 100	CMST1640
C		CMST1650
C	OTHER CANADIAN INVESTMENT INCOME	CMST1660
C		CMST1670
	109 OLDCMP = SUM(26) + SUM(27) - (SUM(29) - BASE(6))	CMST1680
	IF (OLDCMP .GT. 0.) OLDCMP = 0.	CMST1690
	OLDCMP = OLDCMP + SUM(21)	CMST1700
	COMP = OLDCMP + BASE(10) + BASE(11) + BASE(12) + BASE(32)	CMST1710
	OTHERS = C.	CMST1720
	CREDIT = C.	CMST1730
	COMUNT = UNTAXD(10) + UNTAXD(11)	CMST1740
	GO TO 100	CMST1750
C		CMST1760
C	TRANSFER PAYMENTS AND MISCELLANEOUS INCOME	CMST1770
C		CMST1780
	110 OLDCMP = SUM(32) + SUM(33) + SUM(34) + DELTA(3)	CMST1790
	CCMP = OLDCMP + BASE(18) + BASE(19) + BASE(20) + BASE(28)	CMST1800
	OTHERS = GIFTAX(1)	CMST1810
	CREDIT = C.	CMST1820
	GO TO 100	CMST1830
C		CMST1840
C	CORPORATE INCOME FROM LARGE COMPANIES NOT IN SPECIAL INDUSTRIES	CMST1850
C		CMST1860
	111 RATIO1 = ASS(77)/ASS(2)	CMST1870



RATIO2 = ASS(80)/ASS(4)	CMST188C
OBAS = UNTAXD(3)	CMST189C
SDEPL = 0.	CMST190C
ADDUNT = C.	CMST191C
ADDTAX = C.5*UNTAXD(3)	CMST192C
EXTRA = 0.	CMST193C
1111 IF (BASE(6) .LE. 0.) GO TO 1112	CMST194C
CHECK = BASE(6) - (ASS(79)/ASS(2))*SUM(25)	CMST195C
IF (CHECK .LT. 0.) CHECK = 0.	CMST196C
RATIO1 = RATIO1*(1. - CHECK/SUM(25))	CMST197C
IF (SDEPL .GT. 0.) RATIO1 = RATIO1 + CHECK/SUM(25)	CMST198C
RATIO2 = RATIO2*(1. - CHECK/SUM(25))	CMST199C
IF (SDEPL .GT. 0.) RATIO2 = RATIO2 + CHECK/SUM(25)	CMST200C
1112 COMP = RATIO1*(BASE(3) + BASE(5) + BASE(35) + SUM(25)) + OBAS	CMST201C
OLDCMP = RATIO1*SUM(25) - SDEPL	CMST202C
OTHERS = RATIO2*CORTAX(1) - RATIO1*SUM(30)	CMST203C
COMUNT = RATIO1*(UNTAXD(1) + UNTAXD(4) + UNTAXD(5) +	CMST204C
\$ UNTAXD(6)) + ADDUNT	CMST205C
CREDIT = (RATIO1*(CORTAX(1) + CORTAX(2)) + ADCTAX)*	CMST206C
\$ ((REFTAX(5) - REFTAX(4))/REFTAX(4))	CMST207C
GO TO 100	CMST208C
C	CMST209C
C CORPORATE INCOME FROM SMALL COMPANIES	CMST210C
C	CMST211C
112 RATIO1 = ASS(78)/ASS(2)	CMST212C
RATIO2 = ASS(81)/ASS(4)	CMST213C
OBAS = -UNTAXD(3)	CMST214C
SDEPL = 0.	CMST215C
ADDUNT = UNTAXD(3)	CMST216C
ADDTAX = -C.5*UNTAXD(3)	CMST217C
EXTRA = 0.	CMST218C
GO TO 1111	CMST219C
C	CMST220C
C CORPORATE INCOME FROM SPECIAL INDUSTRIES	CMST221C
C	CMST222C
113 RATIO1 = ASS(79)/ASS(2)	CMST223C
RATIO2 = ASS(82)/ASS(4)	CMST224C
OBAS = BASE(4) + BASE(34)	CMST225C
ADDTAX = CORTAX(3)	CMST226C
EXTRA = OTHER(13)*(1. - RMNEW)	CMST227C
SDEPL = BASE(6)	CMST228C
ADDUNT = UNTAXD(2)	CMST229C
GO TO 1111	CMST230C
END	CMST231C
SUBROUTINE CSITAB (INK, ITYP, VAR1, VAR2, VAR3, VAR4, VAR5, VAR6,	CSTB000C
\$ VAR7, VAR8, OLD, REF, EXTRA, ITPCUT, IENTRY)	CSTB001C
C	CSTB002C
C	CSTB003C
C	CSTB004C
DIMENSION VAR(9), TOT(9), ACC(20,4,11)	CSTB005C
C	CSTB006C
GO TO (10C, 200, 300), IENTRY	CSTB007C
100 CONTINUE	CSTB008C
DO 101 INC = 1, 20	CSTB009C

DO 101 KIND = 1, 4	CSTBC100
DO 101 J = 1, 11	CSTBC11C
101 ACC(INC,KIND,J) = 0.	CSTBC12C
RETURN	CSTBC13C
C	CSTBC14C
C DATA STORAGE ENTRY	CSTBC15C
C	CSTBC16C
200 CONTINUE	CSTBC17C
INC = INK	CSTBC18C
KIND = ITYP	CSTBC19C
IF (KIND.EQ. -3) KIND = 4	CSTBC20C
VAR(1) = VAR1	CSTBC21C
VAR(2) = VAR2	CSTBC22C
VAR(3) = VAR3	CSTBC23C
VAR(4) = VAR4	CSTBC24C
VAR(5) = VAR5	CSTBC25C
VAR(6) = VAR6	CSTBC26C
VAR(7) = VAR7	CSTBC27C
VAR(8) = VAR8	CSTBC28C
DO 202 J = 1, 8	CSTBC29C
202 ACC(INC,KIND,J) = ACC(INC,KIND,J) + VAR(J)	CSTBC30C
ACC(INC,KIND,9) = ACC(INC,KIND,9) + OLD	CSTBC31C
ACC(INC,KIND,10) = ACC(INC,KIND,10) + REF	CSTBC32C
ACC(INC,KIND,11) = ACC(INC,KIND,11) + EXTRA	CSTBC33C
203 RETURN	CSTBC34C
C	CSTBC35C
C TABLE PRINTOUT	CSTBC36C
C	CSTBC37C
300 CONTINUE	CSTBC38C
ITAB = 1	CSTBC39C
DO 303 KIND = 1, 4	CSTBC40C
WRITE (ITPOUT,12) ITAB, KIND	CSTBC41C
DO 3001 J = 1, 8	CSTBC42C
3001 TOT(J) = 0.	CSTBC43C
IF (KIND .EQ. 1) WRITE (ITPOUT,1)	CSTBC44C
IF (KIND .EQ. 2) WRITE (ITPOUT,2)	CSTBC45C
IF (KIND .EQ. 3) WRITE (ITPOUT,3)	CSTBC46C
IF (KIND .EQ. 4) WRITE (ITPOUT,4)	CSTBC47C
WRITE (ITPOUT,5)	CSTBC48C
WRITE (ITPOUT,6)	CSTBC49C
DO 302 INC = 1, 20	CSTBC50C
DO 301 J = 1, 5	CSTBC51C
VAR(J) = ACC(INC,KIND,J)/1000000.	CSTBC52C
301 TOT(J) = TOT(J) + VAR(J)	CSTBC53C
VAR(6) = VAR(1) + VAR(2) + VAR(3) + VAR(4) + VAR(5)	CSTBC54C
TOT(6) = TOT(6) + VAR(6)	CSTBC55C
DO 3011 J = 7, 9	CSTBC56C
VAR(J) = ACC(INC,KIND,J-1)/1000000.	CSTBC57C
3011 TOT(J) = TOT(J) + VAR(J)	CSTBC58C
302 WRITE (ITPOUT,8) INC, (VAR(J), J = 1, 9)	CSTBC59C
303 WRITE (ITPOUT,9) (TOT(J), J = 1, 9)	CSTBC60C
ITAB = 2	CSTBC61C
DO 308 KIND = 1, 4	CSTBC62C
WRITE (ITPOUT,12) ITAB, KIND	CSTBC63C
DO 304 J = 1, 8	CSTBC64C
304 TOT(J) = 0.	CSTBC65C
IF (KIND .EQ. 1) WRITE (ITPOUT,1)	CSTBC66C
IF (KIND .EQ. 2) WRITE (ITPOUT,2)	CSTBC67C
IF (KIND .EQ. 3) WRITE (ITPOUT,3)	CSTBC68C
IF (KIND .EQ. 4) WRITE (ITPOUT,4)	CSTBC69C
WRITE (ITPOUT,7)	CSTBC70C
DO 306 INC = 1, 20	CSTBC71C
VAR(1) = ACC(INC,KIND, 9)	CSTBC72C
VAR(2) = ACC(INC,KIND,10)	CSTBC73C
VAR(3) = ACC(INC,KIND,11)	CSTBC74C

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VAR(4) = (VAR(2) - VAR(1)) - VAR(3)
TOTNET = -VAR(1)
DO 3041 J = 1, 5
3041 TOTNET = TOTNET + ACC(INC,KIND,J)
VAR(5) = (((TOTNET + VAR(1) - VAR(2) + VAR(3))/TOTNET) - 1.)*100.
TOTAL = TOTNET + VAR(1)
DO 305 J = 1, 4
TOT(J) = TOT(J) + VAR(J)
305 VAR(J) = VAR(J)/TOTAL
TOT(5) = TOT(5) + TOTAL
306 WRITE (ITPOUT,10) INC, (VAR(J), J = 1, 5)
TOTNET = TOT(5) - TOT(1)
VAR(4) = (TOT(2) - TOT(1) - TOT(3))/TOT(5)
VAR(5) = (((TOTNET + TOT(1) - TOT(2) + TOT(3))/TOTNET) - 1.)*100.
DO 307 J = 1, 3
307 VAR(J) = TOT(J)/TOT(5)
WRITE (ITPOUT,11) (VAR(J), J = 1, 5)
308 CONTINUE
RETURN

C
1 FORMAT (3CX, 46HFROM LARGE COMPANIES NOT IN SPECIAL INDUSTRIES)
2 FORMAT (3CX, 46HFROM SMALL COMPANIES NOT IN SPECIAL INDUSTRIES)
3 FORMAT (35X, 36HFROM COMPANIES IN SPECIAL INDUSTRIES)
4 FORMAT (44X, 18HFROM ALL COMPANIES)
5 FORMAT (43X, 21H(MILLIONS OF DOLLARS))
6 FORMAT (1HC, 9X, 44H----- BEFORE-TAX CORPORATE INCOME -----,
$ 28X, 9HDIVIDENDS / 10X, 23H----- ALLOCATED -----, 5X, 3HNOT,
$ 3CX, 5HTOTAL, 6X, 9HCURRENTLY, 3X, 26H-INCOME TAXED AT PERSONAL-
$ / 23X, 8HADDED TO, 4X, 9HALLOCATED, 14X, 7HACCRUED, 5X,
$ 7HACCRUED, 5X, 9HTAXED AT, 3X, 26H- LEVEL UNDER PROPOSALS -- /
$ 7H INCOME, 3X, 9HCURRENTLY, 4X, 8HTAX BASE, 8X, 2HTO, 17X,
$ 8HGOODWILL, 4X, 6HINCOME, 6X, 8HPERSONAL, 3X, 9HCORPORATE, 6X,
$ 8HREALIZED / 6H CLASS, 6X, 5HTAXED, 4X, 12HBY PROPOSALS, 2X,
$ 9HTAXPAYERS, 3X, 7HUNTAXED, 5X, 5HGAINS, 4X, 11HCN EQUITIES,
$ 5X, 5HLEVEL, 6X, 6HINCOME, 5X, 14HGOODWILL GAINS / 1X)
7 FORMAT (1HC, 11X, 18HEFFECTIVE MARGINAL, 4X, 9HEFFECT OF, 19X,
$ 11HNET PERCENT / 7H INCOME, 4X, 20H---- TAX RATES ----, 4X,
$ 8HSHIFTING, 3X, 10HNET CHANGE, 7X, 9HCHANGE IN / 6H CLASS, 5X,
$ 7HCURRENT, 5X, 8HPROPOSED, 3X, 9HOF CHANGE, 5X, 6HIN TAX, 5X,
$ 16HAFTER-TAX RETURN / 1X)
8 FORMAT (I4, 2X, 2F12.3, F13.3, 2F11.3, F12.3, F13.3, F12.3, F14.3)
9 FORMAT (6HC ALL / 8H CLASSES, F10.3, F12.3, F13.3, 2F11.3, F12.3,
$ F13.3, F12.3, F14.3)
10 FORMAT (I4, 2F13.3, 2F12.3, F16.3)
11 FORMAT (6HC ALL / 8H CLASSES, F9.3, F13.3, 2F12.3, F16.3)
12 FORMAT (1H1, 48X, 5HTABLE, 12, 1H-, 11 //
$ 42X, 23HCORPORATE SOURCE INCOME /
$ 37X, 33HALLOCABLE TO RESIDENT INDIVIDUALS /
$ 40X, 27HIN DIFFERENT INCOME CLASSES)
END
SUBROUTINE DETCOR (IXKTYP, IPAR, ITPOUT, IENTRY)
C
C SUBROUTINE TO ANALYZE EFFECTS OF COMPONENTS OF THE REFORMED
C TAXATION OF CORPORATE SOURCE INCOME. VERSION OF 22 AUG/66
C ARGUMENTS
C IXKTYP = TYPE OF CROSS-CLASSIFICATION (DESCRIBED BY CLXNAM
C IF IXKTYP = 1)
C ITPOUT = MONITOR OUTPUT TAPE
C ENTRY POINTS (DETERMINED BY IENTRY)
C 1 = INITIALIZATION OF TABLES
C 2 = ACCUMULATE TOTALS
C 3 = PRINT SUMMARY TOTALS
COMMON /PROGID/ RCASE, ACASE, IPSET, ITSET, SETNO, DATE(2), ITUDEFDT

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COMMON /ACC5/	BASDEL( 1,20, 5), AVDEL ( 1,20,11),	DTCRC14C
\$	TAXDEL( 1,20,11), CCRDEL( 1,20,4)	DTCRC15C
COMMON /CLASFN/	NINKL(3), NXKLAS, CLXNAM, KLGIVN, GIVNAM,	DTCRC16C
\$	INCKL(3), IXKLAS	DTCRC17C
COMMON /SWITCH/	ISW(8)	DTCRC18C
COMMON /DATA/	KLAS(10), SUM(50), BASE(40), CRED(40),	DTCRC19C
\$	REFTAX(5), OLDPTX(5), CORTAX(5), GIFTAX(5)	DTCRC20C
	DIMENSION TAXDL(11), AVDL(11), BASDL(5), CORDL(4), TOTAL(11),	DTCRC21C
\$	OUT(11), ALPHA(2), IPAR(5)	DTCRC22C
	DATA ALPHA / 3HNOT, 3HARE /	DTCRC23C
C		DTCRC24C
	GO TO (1000, 2000, 3000), IENTRY	DTCRC25C
C		DTCRC26C
C	ENTRY TO INITIALIZE TABLES	DTCRC27C
C		DTCRC28C
1000	CONTINUE	DTCRC29C
	IXKTYP = 1	DTCRC30C
	I = 1	DTCRC31C
	IS = ISW(3)	DTCRC32C
	NINC = NINKL(IS)	DTCRC33C
	IXKL = 1	DTCRC34C
C	(DELETED)	DTCRC35C
	DO 104 J = 1, NINC	DTCRC36C
	DO 101 K = 1, 11	DTCRC37C
	AVDEL (I,J,K) = 0.	DTCRC38C
101	TAXDEL(I,J,K) = 0.	DTCRC39C
	DO 102 K = 1, 5	DTCRC40C
102	BASDEL(I,J,K) = 0.	DTCRC41C
	DO 103 K = 1, 4	DTCRC42C
103	CORDEL(I,J,K) = 0.	DTCRC43C
104	CONTINUE	DTCRC44C
	RETURN	DTCRC45C
C		DTCRC46C
C	ENTRY POINT TO ACCUMULATE TABLES	DTCRC47C
C		DTCRC48C
2000	CONTINUE	DTCRC49C
	INC = INCKL(IS)	DTCRC50C
	DO 201 K = 1, 11	DTCRC51C
	AVDL(K) = AVDEL(IXKL,INC,K)	DTCRC52C
201	TAXDL(K) = TAXDEL(IXKL,INC,K)	DTCRC53C
	DO 202 K = 1, 5	DTCRC54C
202	BASDL(K) = BASDEL(IXKL,INC,K)	DTCRC55C
	DO 203 K = 1, 4	DTCRC56C
203	CORDEL(K) = CORDEL(IXKL,INC,K)	DTCRC57C
	CALL CDET (BASDL, AVDL, TAXDL, CORDL)	DTCRC58C
	DO 204 K = 1, 11	DTCRC59C
	AVDEL(IXKL,INC,K) = AVDL(K)	DTCRC60C
204	TAXDEL(IXKL,INC,K) = TAXDL(K)	DTCRC61C
	DO 205 K = 1, 5	DTCRC62C
205	BASDEL(IXKL,INC,K) = BASDL(K)	DTCRC63C
	DO 206 K = 1, 4	DTCRC64C
206	CORDEL(IXKL,INC,K) = CORDL(K)	DTCRC65C
	RETURN	DTCRC66C
C		DTCRC67C
C	ENTRY POINT TO PRINT OUT TABLES	DTCRC68C
C		DTCRC69C
3000	CONTINUE	DTCRC70C
	NINCPL = NINC + 1	DTCRC71C
	ITAB = 0	DTCRC72C
	M = IXKL	DTCRC73C
301	ITAB = ITAB + 1	DTCRC74C
	IF (ITAB .EQ. 5 .OR. ITAB .EQ. 6) GO TO 301	DTCRC75C
	IF (ITAB .GT. 7) RETURN	DTCRC76C
	WRITE (ITPOUT,1) SETNO, RCASE, ACASE, DATE, ALPHA(ITUDEF)	DTCRC77C
	CALL SUPREF( 3 )	DTCRC78C

WRITE (ITPOUT,15)	DTCRC79C
IF (IXKTP .EQ. 1) WRITE(ITPOUT,16) CLXNAM, IXKLAS	DTCRC80C
IF (IXKTP .EQ. 1) WRITE(ITPOUT,17) IPAR(1), IPAR(2)	DTCRC81C
IF (ITAB .EQ. 1) WRITE (ITPOUT,3)	DTCRC82C
IF (ITAB .EQ. 2) WRITE (ITPOUT,4)	DTCRC83C
IF (ITAB .EQ. 3) WRITE (ITPOUT,5)	DTCRC84C
IF (ITAB .EQ. 4) WRITE (ITPOUT,6)	DTCRC85C
IF (ITAB .EQ. 7) WRITE (ITPOUT,7)	DTCRC86C
WRITE (ITPOUT,2)	DTCRC87C
INC = 0	DTCRC88C
DO 302 I = 1, 11	DTCRC89C
302 TOTAL(I) = 0.	DTCRC90C
303 INC = INC + 1	DTCRC91C
IF (INC .GT. NINCPL) GO TO 301	DTCRC92C
IF (INC .EQ. NINCPL) GO TO 311	DTCRC93C
IF (ITAB .GT. 2) GO TO 305	DTCRC94C
OUT(1) = BASDEL(M,INC,1)	DTCRC95C
OUT(2) = 0.	DTCRC96C
DO 304 I = 3, 6	DTCRC97C
304 OUT(I) = BASDEL(M,INC,I-1)	DTCRC98C
OUT(7) = CUT(3)	DTCRC99C
OUT(8) = OUT(4) + CUT(5)	DTCR100C
OUT(9) = OUT(3) + CUT(8)	DTCR101C
OUT(10) = CUT(6)	DTCR102C
OUT(6) = 0.	DTCR103C
OUT(11) = OUT(10) + CUT(9)	DTCR104C
GO TO 313	DTCR105C
305 IF (ITAB .GT. 4) GO TO 307	DTCR106C
DO 306 I = 1, 11	DTCR107C
306 OUT(I) = AVDEL(M,INC,I)	DTCR108C
GO TO 313	DTCR109C
307 IF (ITAB .GT. 6) GO TO 309	DTCR110C
DO 308 I = 1, 11	DTCR111C
308 OUT(I) = TAXDEL(M,INC,I)	DTCR112C
GO TO 313	DTCR113C
309 DO 310 I = 1, 11	DTCR114C
310 OUT(I) = 0.	DTCR115C
OUT(1) = CORDEL(M,INC,1)	DTCR116C
OUT(4) = CORDEL(M,INC,2)	DTCR117C
OUT(6) = CORDEL(M,INC,4)	DTCR118C
OUT(8) = OUT(4)	DTCR119C
OUT(9) = OUT(4)	DTCR120C
OUT(10) = CORDEL(M,INC,3)	DTCR121C
OUT(11) = OUT(10) + OUT(4)	DTCR122C
GO TO 313	DTCR123C
311 DO 312 I = 1, 11	DTCR124C
312 OUT(I) = TOTAL(I)	DTCR125C
GO TO 315	DTCR126C
313 DO 314 I = 1, 11	DTCR127C
314 TOTAL(I) = TOTAL(I) + CUT(I)	DTCR128C
315 K = ITAB - 2*(ITAB/2)	DTCR129C
IF (K .NE. 0) GO TO 317	DTCR130C
IF (OUT(1).GT..0000000001.OR.OUT(1).LT.-.0000000001) GO TO 3150	DTCR131C
DO 3151 I=2,11	DTCR132C
3151 OUT(I)=0.	DTCR133C
GO TO 317	DTCR134C
3150 DO 316 I = 2, 11	DTCR135C
316 OUT(I) = (OUT(I)/CUT(1))*100.	DTCR136C
OUT(1) = 0.	DTCR137C
317 IF (INC .EQ. NINCPL) GO TO 318	DTCR138C
IF (K .NE. 0)	DTCR139C
\$ WRITE (ITPOUT,10) INC, (OUT(I), I=1,11)	DTCR140C
IF (K .EQ. 0)	DTCR141C
\$ WRITE (ITPOUT,11) INC, (OUT(I), I=1,11)	DTCR142C

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GO TO 303
318 IF (K .EQ. 0) GO TO 320
WRITE (ITPOUT,12) (OUT(I), I = 1, 11)
IF (OUT(1).GT..0000000001.OR.OUT(1).LT.--.0000000001) GO TO 3181
DO 3180 I=2,11
3180 OUT(I)=0.
GO TO 3190
3181 DO 319 I = 2, 11
319 OUT(I) = (OUT(I)/OUT(1))*100.
OUT(1) = C.
3190 WRITE (ITPOUT,13) (OUT(I), I = 1, 11)
GO TO 301
320 WRITE (ITPOUT,14) (OUT(I), I = 1, 11)
GO TO 301
C
1 FORMAT (1H1, 7HSET NO., F5.2, 2X, 14HRATE SCHEDULE , A6, 2X,
$ 14HASSUMPTION SET, A6, 2X, 5HDATE , 2A6, 1CHTAXPAYERS , A3,
$ 29H AGGREGATED INTO FAMILY UNITS //)
2 FORMAT ( 1H0, 12X, 3HOLD, 4X, 7(1H-),
$ 35HEFFECTS OF EACH REFORM IN ISOLATION, 6(1H-), 5X,
$ 34HPARTICULAR COMBINATIONS OF CHANGES, 6X, 3HALL/ 7H INCOME, 4X,
$ 7HBASE OR, 2X, 11(1H-), 15HGENERAL CHANGES, 11(1H-), 1X,
$ 1CHANGES IN, 2X, 8HNEW RTS+, 2X, 9HINT+CG AT, 2X, 7HALL GEN,
$ 2X, 9HALL CHNGS, 2X, 7HCHANGES / 6H CLASS, 7X, 3HTAX, 4X,
$ 7HNEW RTS, 3X, 8HNCN-CORP, 2X, 8HINTEGRIN, 2X, 7HCAP GNS, 1X,
$ 9HCORP BASE, 3X, 8HNCN-CORP, 3X, 7HNEW RTS, 3X, 7HCHANGES, 2X,
$ 8HEXCPT CG, 3X, 8HCOMBINED // )
3 FORMAT (43H01. EFFECTS ON BASE (THOUSANDS OF DOLLARS) //)
4 FORMAT (31H02. PERCENTAGE CHANGES IN BASE //)
5 FORMAT (8CH03. EFFECTS ON TAXES (THOUSANDS OF DOLLARS, CALCULATION
$N BASED ON AVERAGE RATES) //)
6 FORMAT (4CH04. PERCENTAGE CHANGES IN AVERAGE TAXES //)
7 FORMAT (59H05. EFFECTS ON CORPORATE TAXES ONLY (THOUSANDS OF DOLL
$ARS) //)
10 FORMAT (15, 1X, F11.0, 9F10.0, F11.0)
11 FORMAT (15, 2X, 10F10.1,F11.1)
12 FORMAT (6HCTOTAL, F11.0, 9F10.0, F11.0)
13 FORMAT (8HCPERCENT / 9H INCREASE,F8.1,9F10.1,F11.1)
14 FORMAT (6HC ALL / 8H CLASSES,F9.1,9F10.1,F11.1)
15 FORMAT (1H0, 26X, 41HEFFECTS OF VARIOUS REFORMS ON TAXATION OF,
$ 24H CORPORATE SOURCE INCOME )
16 FORMAT (43X, 17HFOR TAX UNITS IN , A6, 6H CLASS, 14)
17 FORMAT (22X, 26HFOR TAX UNITS WITH BETWEEN, 13, 4H AND, 13,
$ 41H PERCENT OF INCOME FROM CORPORATE SOURCES )
END

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DTCR143C  
DTCR144C  
DTCR145C  
DTCR146C  
DTCR147C  
DTCR148C  
DTCR149C  
DTCR150C  
DTCR151C  
DTCR152C  
DTCR153C  
DTCR154C  
DTCR155C  
DTCR156C  
DTCR157C  
DTCR158C  
DTCR159C  
DTCR160C  
DTCR161C  
DTCR162C  
DTCR163C  
DTCR164C  
DTCR165C  
DTCR166C  
DTCR167C  
DTCR168C  
DTCR169C  
DTCR170C  
DTCR171C  
DTCR172C  
DTCR173C  
DTCR174C  
DTCR175C  
DTCR176C  
DTCR177C  
DTCR178C  
DTCR179C  
DTCR180C  
DTCR181C  
DTCR182C  
DTCR183C  
DTCR184C  
DTCR185C  
DTCR186C  
DTCR187C

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SUBROUTINE CDET (BASDL, AVDL, TAXDL, CORDL)
C
C SUBROUTINE TO COMPUTE EFFECTS OF DIFFERENT COMBINATIONS OF
C REFORMS ON THE TAXATION OF CORPORATE SOURCE INCOME
C ARGUMENTS
C BASDL = CHANGES IN BASE (AS DEFINED AT PERSONAL LEVEL)
C AVDL = CHANGES IN DIRECT TAXES, CALCULATED USING AVERAGE TAX RATE
C TAXDL = CHANGES IN DIRECT TAXES (MARGINAL CALCULATIONS)
C CORDL = CHANGES IN CORPORATE TAXES
C
COMMON /PROGID/ RCASE, ACASE, IPSET, ITSET, SETNC, DATE(2),
$ITUDEF
COMMON /DATA/ KLAS(10), SUM(50), BASE(40), CRED(40),
$ REFTAX(5), OLDPITX(5), CORTAX(5), GIFTAX(5)
DIMENSION BASDL(5), AVDL(11), TAXDL(11), CORDL(4), TCRED(2)

```

CDET000C  
CDET001C  
CDET002C  
CDET003C  
CDET004C  
CDET005C  
CDET006C  
CDET007C  
CDET008C  
CDET009C  
CDET010C  
CDET011C  
CDET012C  
CDET013C  
CDET014C



C		CDET0150
	XN = SUM(1)	CDET0160
C	EFFECTS ON BASE (AS DEFINED AT PERSONAL LEVEL)	CDET0170
C		CDET0180
	BASDL(1) = BASDL(1) + SUM(25) - BASE(6)	CDET0190
	OTHER = REFTAX(1) - OLDPTX(1) - BASE(6) - (BASE(3)+BASE(4)+BASE(5)	CDET0200
	\$ ) - SUM(6)	CDET0210
	BASDL(2) = BASDL(2) + OTHER	CDET0220
	BASDL(3) = BASDL(3) + BASE(3)	CDET0230
	BASDL(4) = BASDL(4) + BASE(5)	CDET0240
	BASDL(5) = BASDL(5) + BASE(4) + BASE(6)	CDET0250
C		CDET0260
C	EFFECTS ON TAXES (CALCULATION BASED ON AVERAGE RATES)	CDET0270
C		CDET0280
	AVRAT1 = C.	CDET0290
	IF (ABS(OLDPTX(1)+SUM(6)) .GT. TOL)	CDET0300
	\$ AVRAT1 = (OLDPTX(3)+OLDPTX(2))/(OLDPTX(1)+SUM(6))	CDET0310
	IF (AVRAT1 .LT. 0.) AVRAT1 = 0.	CDET0320
	AVRAT2 = C.	CDET0330
	IF (ABS(REFTAX(1)) .GT. TOL)	CDET0340
	\$ AVRAT2 = (REFTAX(3) + REFTAX(4) + REFTAX(2))/REFTAX(1)	CDET0350
	IF (AVRAT2 .LT. 0.) AVRAT2 = 0.	CDET0360
	AVDL(1) = AVDL(1) + AVRAT1*(SUM(25) - BASE(6)) + CORTAX(1)-SUM(30)	CDET0370
	TCRED(1) = OLDPTX(2)/XN	CDET0380
	TCRED(2) = 0.	CDET0390
	AVRAT3 = C.	CDET0400
	IF (ABS(OLDPTX(1)+SUM(6)) .GT. TOL)	CDET0410
	\$ AVRAT3 = XN*PROTAX((OLDPTX(1) + SUM(6))/XN, TCRED, 0) /	CDET0420
	\$ (OLDPTX(1) + SUM(6))	CDET0430
	IF (AVRAT3 .LT. 0.) AVRAT3 = 0.	CDET0440
	AVDL(2) = AVDL(2) + (AVRAT3 - AVRAT1)*(SUM(25) - BASE(6))	CDET0450
	AVRAT4 = C.	CDET0460
	IF (ABS(OLDPTX(1)+SUM(6)+OTHER) .GT. TOL)	CDET0470
	\$ AVRAT4 = XN*CURTAX((OLDPTX(1) + OTHER)/XN, (OLDPTX(2)+CRED(3)+	CDET0480
	\$ CRED(4))/XN) / (OLDPTX(1) + SUM(6) + OTHER)	CDET0490
	AVDL(3) = AVDL(3) + (AVRAT4 - AVRAT1)*(SUM(25) - BASE(6))	CDET0500
	AVDL(4) = AVDL(4) + AVRAT1*BASE(3) + SUM(30) - CORTAX(1)	CDET0510
	AVDL(5) = AVDL(5) + AVRAT1*BASE(5)	CDET0520
	TRM = C.	CDET0530
	IF (ABS(CORTAX(1)+CORTAX(2)) .GT. TOL) TRM = CORTAX(1)/(CORTAX(1)+	CDET0540
	\$ CORTAX(2))*CORTAX(3)	CDET0550
	AVDL(6) = AVDL(6) + AVRAT1*BASE(6) + TRM	CDET0560
	TCRED(1) = (REFTAX(2) - CRED(2))/XN	CDET0570
	TCRED(2)=C.	CDET0580
	AVRAT5 = C.	CDET0590
	IF (ABS(OLDPTX(1)+SUM(6)+OTHER) .GT. TOL)	CDET0600
	\$ AVRAT5 = PROTAX ((OLDPTX(1)+SUM(6)+OTHER)/XN,	CDET0610
	\$ TCRED,0)*XN /	CDET0620
	\$ (OLDPTX(1) + SUM(6) + OTHER)	CDET0630
	AVDL(7) = AVDL(7) + (AVRAT5 - AVRAT1)*(SUM(25) - BASE(6))	CDET0640
	TCRED(1) = (REFTAX(2) - CRED(3) - CRED(4))/XN	CDET0650
	AVRAT6 = C.	CDET0660
	IF (ABS(OLDPTX(1)+SUM(6)+BASE(3)+BASE(5)) .GT. TOL)	CDET0670
	\$ AVRAT6 = XN*PROTAX((OLDPTX(1)+SUM(6)+BASE(3)+BASE(5))/XN,	CDET0680
	\$ TCRED, C)/(OLDPTX(1)+SUM(6)+BASE(3)+BASE(5))	CDET0690
	AVDL(8) = AVDL(8) + AVRAT6*(BASE(3) + BASE(5)) + SUM(30) -	CDET0700
	\$ CORTAX(1) + (AVRAT6 - AVRAT1)*(SUM(25) - BASE(6))	CDET0710
	TCRED(1) = REFTAX(2)/XN	CDET0720
	AVRAT7=0.	CDET0730
	IF (ABS(REFTAX(1)-BASE(4)-BASE(6)) .GT. TOL)	CDET0740
	\$ AVRAT7 = XN*PROTAX((REFTAX(1)-BASE(4)-BASE(6))/XN, TCRED, 0) /	CDET0750
	\$ (REFTAX(1)-BASE(4)-BASE(6))	CDET0760
	AVDL(9) = AVDL(9) + (AVRAT7 - AVRAT1)*(SUM(25) - BASE(6)) +	CDET0770
	\$ AVRAT7*(BASE(3) + BASE(5)) + SUM(30) - CORTAX(1)	CDET0780

	AVDL(10) = AVDL(10) + AVRAT2*(BASE(4) + BASE(6))	CDETC79C
	AVDL(11) = AVDL(11) + AVRAT2*(BASE(3) + BASE(4) + BASE(5) +	CDETC800
	\$ BASE(6)) + SUM(30) - CORTAX(1) + (AVRAT2 - AVRAT1)*(SUM(25) -	CDETC810
	\$ BASE(6))	CDETC82C
C		CDETC830
C	EFFECTS ON CORPORATE TAXES ONLY	CDETC84C
C		CDETC85C
	CORDL(1) = CORDL(1) + CORTAX(1)	CDETC86C
	CORDL(2) = CORDL(2) + CORTAX(2)	CDETC87C
	CORDL(3) = CORDL(3) + CORTAX(3)	CDETC88C
	IF (ABS(TRM) .GT. TOL)	CDETC89C
	\$CORDL(4) = CORDL(4) + (CORTAX(1)/(CORTAX(1)+CORTAX(2)))*CORTAX(3)	CDETC90C
	RETURN	CDETC91C
	END	CDETC92C
	SUBROUTINE SUMSAM (SUM, KLS, NKLAS, DESKLS, IENTRY)	SMSMC00C
C		SMSMC01C
C	SUBROUTINE TO SUMMARIZE SAMPLE DATA BY CLASS	SMSMC02C
C	NUMBERED AS OF 21 OCT/66	SMSMC03C
C	ARGUMENTS	SMSMC04C
C	SUM = SAMPLE DATA ARRAY FOR RECORD	SMSMC05C
C	KLS = CLASSIFICATION OF RECORDS	SMSMC06C
C	NKLAS = NUMBER OF CLASSES	SMSMC07C
C	DESKLS = DESCRIPTION OF CLASSES (A6)	SMSMC08C
C	ENTRIES (DENOTED BY IENTRY)	SMSMC09C
C	1 = INITIALIZATION	SMSMC100
C	2 = ACCUMULATION	SMSMC11C
C	3 = OUTPUT	SMSMC12C
C		SMSMC13C
	DIMENSION SUM(50), STOSUM(47,51), TOTAL(51), INTCHK(51), INT(10)	SMSMC14C
	DATA INTCHK /5*1, 0, 2*1, 2*0, 1, 0, 2*1, 30*0, 2*1, 4*0, 1/	SMSMC15C
C		SMSMC16C
	GO TO (10C, 200, 300), IENTRY	SMSMC17C
100	CONTINUE	SMSMC18C
	DO 101 J = 1, 51	SMSMC19C
	TOTAL(J) = 0.	SMSMC20C
	DO 101 I = 1, NKLAS	SMSMC210
101	STOSUM(I,J) = 0.	SMSMC22C
	RETURN	SMSMC23C
C		SMSMC24C
200	CONTINUE	SMSMC25C
	DO 201 J = 1, 50	SMSMC26C
	VAR = SUM(J)	SMSMC27C
	IF (INTCHK(J) .EQ. 0) VAR = VAR/1000.	SMSMC28C
201	STOSUM(KLS,J) = STOSUM(KLS,J) + VAR	SMSMC29C
	STOSUM(KLS,51) = STOSUM(KLS,51) + 1.	SMSMC30C
	RETURN	SMSMC31C
C		SMSMC32C
300	CONTINUE	SMSMC33C
	ITPOUT = 6	SMSMC34C
	K = 1	SMSMC35C
	KK = 10	SMSMC36C
301	IF (NKLAS .LT. KK) KK = NKLAS	SMSMC37C
	WRITE (ITPOUT,1) DESKLS, K, KK, (I, I=K, KK)	SMSMC38C
	DO 303 J = 1, 51	SMSMC39C
	IF (INTCHK(J) .EQ. 0) WRITE (ITPOUT,2) J, (STOSUM(I,J), I = K, KK)	SMSMC40C
	DO 302 I = K, KK	SMSMC41C
	M = I - K + 1	SMSMC42C
	INT(M) = STOSUM(I,J) + 0.1	SMSMC43C
302	TOTAL(J) = TOTAL(J) + STOSUM(I,J)	SMSMC44C
	IF (INTCHK(J) .EQ. 1) WRITE (ITPOUT,4) J, (INT(I), I = 1, M)	SMSMC45C



303	CONTINUE	SMSM0460
	K = K + 10	SMSM0470
	KK = KK + 10	SMSM0480
	IF (NKLAS .GE. K) GO TO 301	SMSM0490
	WRITE (ITPOUT,3)	SMSM0500
	DO 304 J = 1, 51	SMSM0510
	IF (INTCHK(J) .EQ. 0) WRITE (ITPOUT,2) J, TOTAL(J)	SMSM0520
	INT(1) = TOTAL(J) + 0.1	SMSM0530
	IF (INTCHK(J) .EQ. 1) WRITE (ITPOUT,4) J, INT(1)	SMSM0540
304	CONTINUE	SMSM0550
	RETURN	SMSM0560
C		SMSM0570
	1 FORMAT (28H1SUMMARY OF SAMPLE DATA FOR , A6, 8H CLASSES, I3,	SMSM0580
	\$ 3H TO, I3 / 5H0 SUM, 6X, 13HCLASS NUMBERS /	SMSM0590
	\$ 7H NUMBER, 8X, I2, 9I11 / 1X)	SMSM0600
	2 FORMAT (I4, F14.1, 9F11.1)	SMSM0610
	3 FORMAT (39H1SUMMARY OF SAMPLE DATA FOR ALL CLASSES /	SMSM0620
	\$ 5H0 SUM / 7H NUMBER / 1X)	SMSM0630
	4 FORMAT (I4, I14, 9I11)	SMSM0640
	END	SMSM0650
	SUBROUTINE SUMDAT (IENTRY)	SMDTC000
C		SMDTC010
C	SUBROUTINE TO SUMMARIZE MISCELLANECUS SAMPLE DATA	SMDTC020
C	NUMBERED AS OF 21 OCT/66	SMDTC030
C		SMDTC040
	COMMON /FPAR/ MARTAL, IWWIFE, DEPCH, ODEP	SMDTC050
	COMMON /MISC/ CHRYA, WAGES, S1050, CORBAS, PRCEED,	SMDTC060
	\$ DCH300, DCH550, F300, F550, FCHLDN, OTH300, OTH550	SMDTC070
	COMMON /ADJUST/ DELTA(10), OTHER(30), UNTAXD(20)	SMDTC080
	COMMON /DATA/ KLAS(10), SUM(50), BASE(40), CRED(40),	SMDTC090
	\$ REFTAX(5), CLDPTX(5), CORTAX(5), GIFTAX(5)	SMDTC100
	COMMON /SWITCH/ ISW(25)	SMDTC110
	DOUBLE PRECISION STOSUM, STORE	SMDTC111
	DIMENSION STORE(120), STOSUM(51)	SMDTC120
	ITPOUT = 6	SMDTC130
	GO TO (100, 200, 300), IENTRY	SMDTC140
100	CONTINUE	SMDTC150
	OASM = 120.	SMDTC160
	IF (ISW(6) .EQ. 1) OASM = 240.	SMDTC170
	DO 101 J = 1, 120	SMDTC180
	STORE(J) = 0.	SMDTC190
	IF (J .GT. 50) GO TO 101	SMDTC200
	STOSUM(J) = 0.	SMDTC210
101	CONTINUE	SMDTC220
	RETURN	SMDTC230
200	CONTINUE	SMDTC240
	XN = SUM(1)	SMDTC250
C		SMDTC260
C	DATA FOR CURRENT TAX RECONCILIATION	SMDTC270
C		SMDTC280
	STORE(1) = STORE(1) + SUM(40)	SMDTC290
	STORE(2) = STORE(2) + SUM(40) - SUM(41)	SMDTC300
	STORE(3) = STORE(3) + DELTA(1)	SMDTC310
	STORE(4) = STORE(4) + DELTA(2)	SMDTC320
	STORE(5) = STORE(5) + DELTA(3) + DELTA(4)	SMDTC330
	STORE(6) = STORE(6) + CLDPTX(1)	SMDTC340
	STORE(7) = STORE(7) + CLDPTX(2)	SMDTC350
	STORE(8) = STORE(8) + CLDPTX(3)	SMDTC360
	OAS = 0.04*OLDPTX(1)/XN	SMDTC370

```

IF (OAS .GT. OASM) OAS = OASM
FEDTAX = OLDPTX(3)/XN - OAS
DECRES = FEDTAX/0.80 - FEDTAX
IF (DECRES .GT. 20.) DECRES = 20.
STORE(9) = STORE(9) + DECRES*XN
STORE(10) = STORE(10) + OAS*XN
STORE(11) = STORE(11) + SUM(42)/0.82 + SUM(44)
FEDTAX = CURTAX((SUM(40) - SUM(41))/XN, OLDPTX(2)/XN)
REVCAS = OAS
OAS = 0.04*(SUM(40) - SUM(41))/XN
IF (OAS .GT. CASM) CAS = CASM
STORE(12) = STORE(12) + SUM(44) - CAS*XN
STORE(17) = STORE(17) + (REVOAS - CAS)*XN
FEDTAX = FEDTAX - CAS
DECRES = 0.25*FEDTAX
IF (DECRES .GT. 20.) DECRES = 20.
STORE(18) = STORE(18) + FEDTAX*XN
FEDTAX = FEDTAX + DECRES
STORE(13) = STORE(13) + SUM(42)/0.82 - FEDTAX*XN
STORE(14) = STORE(14) + SUM(42)
STORE(15) = STORE(15) + SUM(43)
STORE(16) = STORE(16) + SUM(44)

```

C  
C  
C  
SAMPLE SUMS

```

DO 201 J = 1, 50
201 STOSUM(J) = STOSUM(J) + SUM(J)
STOSUM(51) = STOSUM(51) + 1.

```

C  
C  
C  
FAMILY STATUS AND EXEMPTION DATA

```

STORE(21) = STORE(21) + CHRYA
STORE(22) = STORE(22) + DCH300
STORE(23) = STORE(23) + DCH550
STORE(24) = STORE(24) + F300
STORE(25) = STORE(25) + F550
STORE(26) = STORE(26) + FCHLDN
STORE(27) = STORE(27) + OTH300
STORE(28) = STORE(28) + OTH550
STORE(29) = STORE(29) + (DEPCH*XN - FCHLDN) - (DCH300 - F300 +
$ DCH550 - F550)
STORE(30) = STORE(30) + SUM(6) - (SUM(2)*1000. + SUM(3)*550. +
$ SUM(4)*300. + SUM(5)*500.)

```

C  
C  
C  
CREDITS AND MISCELLANECUS SUMS

```

DO 204 J = 1, 7
204 STORE(J+40) = STORE(J+40) + CRED(J)
STORE(51) = STORE(51) + S105D
STORE(52) = STORE(52) + CORBAS
STORE(53) = STORE(53) + WAGES*XN
DO 205 J = 1, 30
205 STORE(J+60) = STORE(J+60) + OTHER(J)
DO 206 J = 1, 20
206 STORE(J+90) = STORE(J+90) + UNTAXD(J)
RETURN

```

C  
C  
C  
OUTPUT

```

300 WRITE (ITPOUT,1)
DO 301 J = 1, 20
301 WRITE (ITPOUT,2) J, STORE(J)
WRITE (ITPOUT,3)
DO 302 J = 1, 50
302 WRITE (ITPOUT,2) J, STOSUM(J)

```

SMDTC380  
SMDTC390  
SMDTC400  
SMDTC410  
SMDTC420  
SMDTC430  
SMDTC440  
SMDTC450  
SMDTC460  
SMDTC470  
SMDTC480  
SMDTC490  
SMDTC500  
SMDTC510  
SMDTC520  
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SMDTC820  
SMDTC830  
SMDTC840  
SMDTC850  
SMDTC860  
SMDTC870  
SMDTC880  
SMDTC890  
SMDTC900  
SMDTC910  
SMDTC920  
SMDTC930  
SMDTC940  
SMDTC950  
SMDTC960  
SMDTC970  
SMDTC980  
SMDTC990  
SMDT1000  
SMDT1010  
SMDT1020

WRITE (ITPOUT,5)	SMDT103C
DO 303 J = 21, 40	SMDT104C
303 WRITE (ITPCUT,2) J, STORE(J)	SMDT105C
WRITE (ITPOUT,6)	SMDT106C
DO 304 J = 41, 50	SMDT107C
304 WRITE (ITPOUT,2) J, STORE(J)	SMDT108C
WRITE (ITPCUT,4)	SMDT109C
DO 305 J = 51, 60	SMDT110C
305 WRITE (ITPOUT,2) J, STORE(J)	SMDT111C
WRITE (ITPCUT,7)	SMDT112C
DO 306 J = 61, 90	SMDT113C
306 WRITE (ITPOUT,2) J, STORE(J)	SMDT114C
WRITE (ITPOUT,8)	SMDT115C
DO 307 J = 91, 110	SMDT116C
307 WRITE (ITPOUT,2) J, STORE(J)	SMDT117C
RETURN	SMDT118C
C	SMDT119C
1 FORMAT (36H1DATA FOR CURRENT TAX RECONCILIATION /	SMDT1200
\$ 4HOSUM, 20X, 5HVALUE)	SMDT121C
2 FORMAT (I4, 9X, F15.2)	SMDT122C
3 FORMAT (12H1SAMPLE SUMS / 4HOSUM, 20X, 5HVALUE)	SMDT123C
4 FORMAT (19H1MISCELLANECUS SUMS / 4HOSUM, 20X, 5HVALUE)	SMDT124C
5 FORMAT (33H1FAMILY STATUS AND EXEMPTION DATA /	SMDT125C
\$ 4HOSUM, 20X, 5HVALUE)	SMDT126C
6 FORMAT (14H1TOTAL CREDITS / 4HOSUM, 20X, 5HVALUE)	SMDT127C
7 FORMAT (1H1, 22HTOTALS FOR ARRAY CTER / 1X)	SMDT128C
8 FORMAT (1H1, 23HTOTALS FOR ARRAY UNTAXD/ 1X)	SMDT129C
END	SMDT130C

## SUBROUTINE DEBUG1

SUBROUTINE TO PRINT OUT INTERMEDIATE OUTPUT PRODUCED BY BASADJ  
AND ASSOCIATED SUBROUTINES  
NUMBERED AS OF 21 OCT/66

COMMON /DATA/ KLAS(10), SUM(50), BASE(40), CRED(40),	DBG1000C
\$ REFTAX(5), OLDPTX(5), CORTAX(5), GIFTAX(5)	DBG1C01C
COMMON /PROGID/ RCASE, ACASE, IPSET, ITSET, SETNC, DATE(2), ITDEF	DBG1C02C
COMMON /PARAM/ ASS(200), ALLCW(50), ITUDEF, IDATA, IBASIS,	DBG1C03C
\$ IORDER(7), ISPRES(25,2), NSUP, IMINTP, ITPOUT, ITDATA	DBG1C04C
COMMON /CLASFN/ NINKL(3), NXKLAS, CLXNAM, KLGIVN, GIVNAM,	DBG1C05C
\$ INCKL(3), IXKLAS	DBG1C06C
COMMON /FPAR/ MARTAL, IWWIFE, DEPCH, CDEP	DBG1C07C
COMMON /ADJUST/ DELTA(10), OTHER(30), UNTAXD(20)	DBG1C08C
COMMON /EXTRA/ KKLAS(15), NK, NSKLAS	DBG1C09C
COMMON /MISPAR/ KCHNGE, NBREF, NCRED	DBG1C10C
C	DBG1C11C
WRITE ( 6, 1)	DBG1C12C
WRITE ( 6,11)	DBG1C13C
NTAXPR = SUM(1) + 0.1	DBG1C14C
WRITE ( 6, 2) ( I, KLAS(I), I = 1, 10)	DBG1C15C
WRITE ( 6,12)	DBG1C16C
WRITE ( 6, 3) ( I, SUM(I), I = 1, 50)	DBG1C17C
WRITE ( 6,13)	DBG1C18C
WRITE ( 6, 3) ( I, BASE(I), I = 1, 40)	DBG1C19C
WRITE ( 6,14)	DBG1C200
WRITE ( 6, 3) ( I, CRED(I), I = 1, 40)	DBG1C21C
WRITE ( 6,15)	DBG1C22C
WRITE ( 6, 3) ( I, OLDPTX(I), I = 1, 5)	DBG1C23C
WRITE ( 6,16)	DBG1C24C
	DBG1C25C
	DBG1C26C
	DBG1C27C
	DBG1C28C
	DBG1C29C
	DBG1C30C

WRITE ( 6, 3) ( I, CORTAX(I), I = 1, 5)	DBG10310
WRITE ( 6,17)	DBG10320
WRITE ( 6, 3) ( I, GIFTAX(I), I = 1, 5)	DBG10330
WRITE ( 6,18)	DBG10340
WRITE ( 6, 3) ( I, REFTAX(I), I = 1, 5)	DBG10350
WRITE (6,50)	DBG10360
WRITE (6, 3) (I, OTHER(I), I = 1, 30)	DBG10370
WRITE (6,51)	DBG10380
WRITE (6, 3) (I, DELTA(I), I = 1, 10)	DBG10390
WRITE (6,52)	DBG10400
WRITE (6,3) (I, UNTAXD(I), I = 1, 20)	DBG10410
WRITE ( 6,51) NTAXPR	DBG10420
WRITE ( 6,52) NBREF	DBG10430
WRITE ( 6,53) KCHNGE	DBG10440
WRITE ( 6,19)	DBG10450
DO 100 I = 1, 3	DBG10460
100 WRITE ( 6,54) I, INCKL(I)	DBG10470
WRITE ( 6,56) IXKLAS	DBG10480
WRITE ( 6,72)	DBG10490
IF (NSKLAS .LT. 11) WRITE ( 6,74)	DBG10500
IF (NSKLAS .LT. 11) GO TO 102	DBG10510
DO 101 I = 11, NSKLAS	DBG10520
101 WRITE ( 6,73) I, KKLAS(I)	DBG10530
102 WRITE ( 6,20)	DBG10540
WRITE ( 6,61) MARTAL	DBG10550
WRITE ( 6,62) IWWIFE	DBG10560
WRITE ( 6,83) DEPCH	DBG10570
WRITE ( 6,84) ODEP	DBG10580
IF (ICUT .EQ. 1) RETURN	DBG10590
ICUT = 1	DBG10600
WRITE (6,52)	DBG10610
WRITE ( 6,21)	DBG10620
WRITE ( 6,85) RCASE	DBG10630
WRITE ( 6,86) ACASE	DBG10640
WRITE ( 6,63) IPSET	DBG10650
WRITE ( 6,64) ITSET	DBG10660
WRITE ( 6,87) SETNC	DBG10670
WRITE ( 6,88) DATE(1), DATE(2)	DBG10680
WRITE ( 6,19)	DBG10690
DO 201 I = 1, 3	DBG10700
201 WRITE ( 6,57) I, NINKL(I)	DBG10710
WRITE ( 6,59) NXKLAS	DBG10720
WRITE ( 6,81) CLXNAM	DBG10730
WRITE ( 6,60) KLGIVN	DBG10740
WRITE ( 6,82) GIVNAM	DBG10750
WRITE ( 6,22)	DBG10760
WRITE ( 6,23)	DBG10770
WRITE ( 6, 4) ( I, ASS(I), I = 1,110)	DBG10780
WRITE ( 6,24)	DBG10790
WRITE ( 6, 4) ( I, ALLOW(I), I = 1, 50)	DBG10800
WRITE ( 6,25)	DBG10810
WRITE ( 6, 2) ( I, ICRDER(I), I = 1, 7)	DBG10820
WRITE ( 6,26)	DBG10830
WRITE ( 6, 2) ( I,ISPRES(I,1),I = 1, 25)	DBG10840
WRITE ( 6,27)	DBG10850
WRITE ( 6, 2) ( I,ISPRES(I,2),I = 1, 25)	DBG10860
WRITE ( 6,65) ITUDEF	DBG10870
WRITE ( 6,66) IDATA	DBG10880
WRITE ( 6,67) IBASIS	DBG10890
WRITE ( 6,68) NSUP	DBG10900
WRITE ( 6,69) IMINTP	DBG10910
WRITE ( 6,70) ITPCUT	DBG10920
WRITE ( 6,71) ITDATA	DBG10930
RETURN	DBG10940
	DBG10950

1	FORMAT (23H1DEBUG1 OUTPUT AT STCLST, //)	DBG1C96C
2	FORMAT ( 5(5X, 1H(, I3, 1H), I6, 8X), //)	DBG1C97C
3	FORMAT ( 5(5X, 1H(, I3, 1H), F12.0, 2X), //)	DBG1C98C
4	FORMAT ( 5(5X, 1H(, I3, 1H), F14.3 ), //)	DBG1C99C
11	FORMAT (9H KLAS , //)	DBG1100C
12	FORMAT (9H SUM , //)	DBG1101C
13	FORMAT (9H BASE , //)	DBG1102C
14	FORMAT (9H CRED , //)	DBG1103C
15	FORMAT (9H OLDPTX , //)	DBG1104C
16	FORMAT (9H CORTAX , //)	DBG1105C
17	FORMAT (9H GIFTAX , //)	DBG1106C
18	FORMAT (9H REFTAX , //)	DBG1107C
19	FORMAT (1HC, 10X, 9H /CLASFN/, //)	DBG1108C
20	FORMAT (1HC, 10X, 9H /FPAR/, //)	DBG1109C
21	FORMAT (1HC, 10X, 9H /PROGID/, //)	DBG1110C
22	FORMAT (1HC, 10X, 9H /PARAM/, //)	DBG1111C
23	FORMAT (9H ASS , //)	DBG1112C
24	FORMAT (9H ALLOW , //)	DBG1113C
25	FORMAT (9H IORDER , //)	DBG1114C
26	FORMAT (9H ISPRES-1, //)	DBG1115C
27	FORMAT (9H ISPRES-2, //)	DBG1116C
51	FORMAT (9H NTAXPR , I12)	DBG1117C
52	FORMAT (9H NBREF , I12)	DBG1118C
53	FORMAT (9H KCHNGE , I12)	DBG1119C
54	FORMAT (7H INCKL(, I2, 1H), I11)	DBG1120C
56	FORMAT (9H IXKLAS , I12)	DBG1121C
57	FORMAT (7H NINKL(, I2, 1H), I11)	DBG1122C
59	FORMAT (9H NXKLAS , I12)	DBG1123C
60	FORMAT (9H KLGIVN , I12)	DBG1124C
61	FORMAT (9H MARTAL , I12)	DBG1125C
62	FORMAT (9H IWWIFE , I12)	DBG1126C
63	FORMAT (9H IPSET , I12)	DBG1127C
64	FORMAT (9H ITSET , I12)	DBG1128C
65	FORMAT (9H ITUDEF , I12)	DBG1129C
66	FORMAT (9H IDATA , I12)	DBG1130C
67	FORMAT (9H IBASIS , I12)	DBG1131C
68	FORMAT (9H NSUP , I12)	DBG1132C
69	FORMAT (9H IMINTP , I12)	DBG1133C
70	FORMAT (9H ITPOUT , I12)	DBG1134C
71	FORMAT (9H ITDATA , I12)	DBG1135C
72	FORMAT (1HC, 10X, 9H /EXTRA/, //)	DBG1136C
73	FORMAT (7H KKLAS(, I3, 1H), I10)	DBG1137C
74	FORMAT (7H KKLAS , 8X, 5HEMPTY)	DBG1138C
81	FORMAT (9H CLXNAM , 6X, A6)	DBG1139C
82	FORMAT (9H GIVNAM , 6X, A6)	DBG1140C
83	FORMAT (9H DEPCH , F13.0)	DBG1141C
84	FORMAT (9H ODEP , F13.0)	DBG1142C
85	FORMAT (9H RCASE , 6X, A6)	DBG1143C
86	FORMAT (9H ACASE , 6X, A6)	DBG1144C
87	FORMAT (9H SETNO , F12.3)	DBG1145C
88	FORMAT (9H DATE , 2A6)	DBG1146C
89	FORMAT (9H UNTAXD , //)	DBG1147C
90	FORMAT (9H OTHER , //)	DBG1148C
91	FORMAT (9H DELTA , //)	DBG1149C
92	FORMAT (1H1, 25X, 18HGENERAL PARAMETERS / 1H0)	DBG1150C
	END	DBG1151C

SUBROUTINE DBGMAT (MATRIX, NROW, NCOL, IFORMT, VNAME, SUBNAM,  
 \$ LOC, NR, NC)

DBMT00CC  
 DBMT001C  
 DBMT002C

```

C      SUBROUTINE TO PRINT OUT MATRIX ROW BY ROW FOR DEBUGGING
C      NUMBERED AS OF 21 OCT/66
C      ARGUMENTS
C      MATRIX = ARRAY TO BE PRINTED
C      NROW   = NUMBER OF ROWS
C      NCOL   = NUMBER OF COLUMNS
C      IFORMT = FORMAT NUMBER ( 1 IF INTEGER )
C      VNAME  = ALPHA MATRIX NAME ( A6 )
C      SUBNAM = NAME OF CALLING SUBROUTINE
C      LOC    = CLOSEST STATEMENT NUMBER IN CALLING PROGRAM
C      NR,NC  = DIMENSIONS OF MATRIX
C
C      DIMENSION MATRIX(NR,NC)
C      WRITE (6,100) VNAME,SUBNAM,LOC
100  FORMAT (13H1CONTENTS OF , A6, 11H MATRIX IN , A6, 22H AT OR NEAR
      $STATEMENT, I5, / 1X)
      DO 102 I = 1, NROW
      WRITE (6, 101) I
101  FORMAT (4HCROW, I3 / 1X)
      IF (IFORMT .EQ. 1) WRITE (6,1) (J, MATRIX(I,J), J=1,NCOL)
      IF (IFORMT .EQ. 2) WRITE (6,2) (J, MATRIX(I,J), J=1,NCOL)
      IF (IFORMT .EQ. 3) WRITE (6,3) (J, MATRIX(I,J), J=1,NCOL)
102  CONTINUE
      RETURN
C
1  FORMAT ((6(2X, 1H(, I2, 1H), I14 )))
2  FORMAT ((6(2X, 1H(, I2, 1H), E14.6)))
3  FORMAT ((6(2X, 1H(, I2, 1H), F14.3)))
      END

```

```

C      SUBROUTINE SPEDBG (IENTRY, INC)
C      SPECIAL PURPOSE DEBUG SUBROUTINE
C
C      COMMON /PARAM/ ASS(200), ALLCW(50), ITUDEF, IDATA, IBASIS,
      $ IORDER(7), ISPRES(25,2), NSUP, IMINTP, ITPUT, ITDATA
C      COMMON /ADJUST/ DELTA(10), OTHER(30), UNTAXD(20)
C      COMMON /MISPAR/ KCHANG, NBREF, NCRED
C      COMMON /DATA/ KLAS(10), SUM(50), BASE(40), CRED(40),
      $ REFTAX(5), CLDPTX(5), CORTAX(5), GIFTAX(5)
C
C      GO TO (100, 200, 300), IENTRY
100  CONTINUE
      RETURN
C
200  CONTINUE
      RETURN
C
300  CONTINUE
      RETURN
      END

```

```

C      FUNCTION SELECT (IENTRY)
C      SUBROUTINE TO PICK SELECTED CLASSES FROM 'COMBINED FILES'
C      AND OUTPUT THEM EITHER ON CARDS OR TAPE
C      ARGUMENTS

```

C	IENTRY = 1,2,3. IF = 1, READ IN SELECTING PARAMETERS	SLCT005C
C	IF = 2, SELECT DESIRED CLASSES AND OUTPUT THEM	SLCT006C
C	IF = 3, PRODUCE TRAILER LABEL RECORD ON	SLCT007C
C	INTERMEDIATE OUTPUT TAPE OR IN CARD DECK	SLCT008C
C	FUNCTION VALUE = 0,1. IF = 1, FURTHER PROCESSING OF RECORD	SLCT009C
C	IS TO BE AVOIDED	SLCT010C
C	COMMON /MISPAR/ KCHNGE, NBREF, NCRED	SLCT011C
	COMMON /SWITCH/ ISW(25)	SLCT012C
	COMMON /EXTRA/ KKLAS(15), NK, NSKLAS	SLCT013C
	COMMON /DATA/ KLAS(10), SUM(50), BASE(40), CRED(40),	SLCT014C
	\$ REFTAX(5), OLDPXTX(5), CORTAX(5), GIFTAX(5)	SLCT015C
	COMMON /CLASFN/ NINKL(3), NXKLAS, CLXNAM, KLGIVN, GIVNAM,	SLCT016C
	\$ INCKL(3), IXKLAS	SLCT017C
	DIMENSION IKLAS(20,15), B(10)	SLCT018C
		SLCT019C
C	DATA B /0., .50, .75, .85, .95, 1.05, 1.15, 1.25, 1.50, 1.E35 /	SLCT020C
C		SLCT021C
	GO TO (1000, 2000, 3000), IENTRY	SLCT022C
C		SLCT023C
		SLCT024C
1000	CONTINUE	SLCT025C
	ITPIN = 5	SLCT026C
	ITPCUT = 6	SLCT027C
	ISTCR = 1	SLCT028C
	NSKLAS = 7	SLCT029C
	K = 0	SLCT030C
101	K = K + 1	SLCT031C
	READ (ITPIN,1) (IKLAS(K,J), J = 1, 15)	SLCT032C
	IF (IKLAS(K,1) .NE. -1) GO TO 101	SLCT033C
	NK = K - 1	SLCT034C
	WRITE (ITPCUT,3) ((IKLAS(I,J), J=1,10), I=1,NK)	SLCT035C
	DO 102 K = 1, 15	SLCT036C
102	KKLAS(K) = 0	SLCT037C
	RETURN	SLCT038C
C		SLCT039C
		SLCT040C
2000	CONTINUE	SLCT041C
	SELECT = C.	SLCT042C
	IF (ISW(7) .GT. 0) SELECT = 1.	SLCT043C
	DO 200 J = 1, 8	SLCT044C
200	KKLAS(J) = KLAS(J)	SLCT045C
	OLDTAX = CLDPTX(3) + CORTAX(1) + GIFTAX(1)	SLCT046C
	REFTX = REFTAX(3) + REFTAX(4) + CORTAX(4)	SLCT047C
	IF (OLDTAX .LT. 0.) CLDTAX = 0.	SLCT048C
	IF (REFTX .LT. 0.) I = 2	SLCT049C
	IF (OLDTAX .GT. 0. .AND. REFTX .EQ. 0.) I = 1	SLCT050C
	IF (OLDTAX .EQ. 0. .AND. REFTX .GT. 0.) I = 12	SLCT051C
	IF (OLDTAX .EQ. 0. .AND. REFTX .EQ. 0.) I = 7	SLCT052C
	IF (OLDTAX .GT. 0. .AND. REFTX .GT. 0.) GO TO 201	SLCT053C
	GO TO 204	SLCT054C
201	A = REFTX/OLDTAX	SLCT055C
	DO 202 I = 1, 9	SLCT056C
	IF (A .GE. B(I) .AND. A .LT. B(I+1)) GO TO 203	SLCT057C
202	CONTINUE	SLCT058C
	I = 9	SLCT059C
203	I = I + 2	SLCT060C
204	KKLAS(9) = I	SLCT061C
	KKLAS(10) = INCKL(3)	SLCT062C
	KLAS(9) = I	SLCT063C
	KLAS(10) = INCKL(3)	SLCT064C
	DO 206 K = 1, NK	SLCT065C
	IX = 0	SLCT066C
	DO 205 J = 1, 15	SLCT067C
	IF (IKLAS(K,J) .NE. C .AND. IKLAS(K,J) .NE. KKLAS(J)) IX = 1	SLCT068C
205	CONTINUE	

IF (IX .EQ. 0) GO TO 207	SLCT0690
206 CONTINUE	SLCT0700
RETURN	SLCT0710
207 IF (ISW(7) .EQ. -1) GO TO 208	SLCT0720
IF (ISW(7) .EQ. -2) GO TO 209	SLCT0730
SELECT = C.	SLCT0740
RETURN	SLCT0750
208 CALL DEBUG1	SLCT0760
WRITE (ITPOUT,2) KLAS, SUM	SLCT0770
RETURN	SLCT0780
209 WRITE (ISTOR) KLAS, SUM	SLCT0790
RETURN	SLCT0800
C	SLCT0810
300C CONTINUE	SLCT0820
DO 301 K = 1, 10	SLCT0830
301 KLAS(K) = -1	SLCT0840
DO 302 I = 1, 50	SLCT0850
302 SUM(I) = C.	SLCT0860
IF (ISW(7) .EQ. -1) WRITE (ITPOUT,2) KLAS, SUM	SLCT0870
IF (ISW(7) .EQ. -2) WRITE (ISTOR) KLAS, SUM	SLCT0880
RETURN	SLCT0890
C	SLCT0900
1 FORMAT (1CI5)	SLCT0910
2 FORMAT (1H\$, 10I4 / (1H\$, 7F10.0))	SLCT0920
3 FORMAT (37H1PARAMETERS DEFINING RECORDS SELECTED // ( 10I10 ))	SLCT0930
END	SLCT0940



APPENDIX B

INFORMATION COLLECTED FROM THE 1964  
TAXATION STATISTICS SAMPLE

This appendix contains a list of the data read in by subroutine READIN for each data record. The data consist of 5 classification indices (the elements of array "KLAS") and of 46 data variables (the elements of array "SUM").

The possible values of the five classification indices are defined in Tables B-1 to B-7. The five indices are as follows:

<u>Index</u>	<u>Definition of Index</u>
KLAS (1)	"Preliminary family status" class
KLAS (2)	Income class (based on total income assessable under 1964 tax law)
KLAS (3)	Tax-paying status (paying or non-paying)
KLAS (4)	Age/occupation/sex class
KLAS (5)	Dependant status class.

Tax returns were thus classified by income, by a "preliminary family status" variable reflecting marital and family status and the work status of the taxpayer's spouse, by a "dependant status" variable reflecting the total number of dependants and number eligible for family allowances claimed by the taxpayer, by a combined age/occupation/sex variable, and by whether the taxpayer did or did not pay taxes in 1964. The number of classes in each classification was as follows:

7 "preliminary family status" classes

47 income classes

- 2 tax-paying status classes
- 26 age/occupation/sex classes
- 15 "dependant status" classes.

Some combinations of "preliminary family status" and age/occupation/sex classes were not possible. Eliminating these, there was a total of 203,040 different cross-classifications of tax returns possible. In fact, however, because no tax returns were found to accord with particular combinations of characteristics in a large number of cases, it turned out that classifying the tax returns in the 1966 Taxation Statistics sample in this way resulted in only 19,370 groups of 1 or more tax returns.

The first classification index is entitled "preliminary family status" to denote the fact that taxpayers have not been aggregated into family tax units as proposed by the Commission. This index has however been defined in such a way as to simplify the application of a computer program designed to effect the aggregation of the appropriate numbers of average taxpayers in each class, based upon statistics obtained from a special matching run performed by the Department of National Revenue using its master address file for all taxpayers. The index is defined in Table B-1; the basis for assignment of index values to data records is described by Table B-2.

The other four classification indices were defined so as to obtain a separation of taxpayers into groups likely on a priori grounds to have different characteristics that would result in the Commission's recommendations having significantly different impacts on each group. It should be noted that the significance of inter-group variation in tax changes resulting from the Commission's proposals has not been tested; the prime purpose of the classification was to make possible the aggregation of the 411,510 data

records of the original sample into a more manageable 19,370 records without losing much information in the process. The classifications chosen are defined in Tables B-3 to B-7.

The data aggregated from tax returns falling within each classification group are defined in Table B-8. The 46 variables defined in that table are the 46 elements of the "SUM" array read in for each of the resultant data records. Terms used in Table B-8 are defined in 1966 Taxation Statistics: Part One (Ottawa: Queen's Printer, 1966), pp. 97 ff.

Summary data describing the sample and its reliability are presented in Tables B-9 and B-10. Table B-9 shows the distribution of the 19,370 sample groups by income class and by the number of tax returns aggregated into each group. Table B-10 provides data on the number of tax returns in each income class and on the effective sampling rates in each class.

TABLE B-1

DEFINITION OF PRELIMINARY FAMILY STATUS  
CLASS ASSIGNED TO EACH TAXPAYER

<u>Class</u>	<u>Description</u>
1	Family head, spouse not earning income
2	Head of family (male), with spouse earning income but no more than \$1,250
3	Head of family (female), with spouse earning income but no more than \$1,250
4	Spouse filing separately - male
5	Spouse filing separately - female
6	Child in family unit now filing separate return <u>a/</u>
7	Single individual <u>b/</u>

a/ This case is assumed to include (1) children filing tax returns even though claimed as dependants by their parents, (2) children under 25 who are not now claimed as dependants (because their income is too large), but who are living at home even though earning income.

b/ Note that a single individual may be able to claim for a concessionary allowance for dependent close relatives related by blood, marriage or adoption. Under the Commission's proposals, an unmarried taxpayer may claim family status only if he has a dependent child.

TABLE B-2

PRELIMINARY FAMILY STATUS CLASS ASSIGNED TO TAXPAYER GIVEN  
ACTUAL MARITAL STATUS, AGE, SEX, INCOME RECEIVED BY  
SPOUSE, AND FILING STATUS UNDER CURRENT LAW

Actual Marital Status	Age	Sex	Income Received By Spouse	Filing Status Under Current Law			
				Single		Married	
				No Depend- ants	1 or More Depend- ants	No Depend- ants	1 or More Depend- ants
Married	—	Male	0	—	—	1	1
			>0	4	4	2	2
		Female	0	—	—	1	1
			>0	5	5	3	3
Widow(er)	—	—	—	7	7	1 <u>a/</u>	1 <u>a/</u>
Divorced	—	—	—	7	7	1 <u>a/</u>	1 <u>a/</u>
Separated	—	—	—	7	7	1 <u>a/</u>	1 <u>a/</u>
Single	25 or less	—	—	6	7	1 <u>a/</u>	1 <u>a/</u>
	more than 25	—	—	7	7	1 <u>a/</u>	1 <u>a/</u>
Not stated	25 or less	—	—	6	7	1 <u>a/</u>	1 <u>a/</u>
	more than 25	—	—	7	7	1 <u>a/</u>	1 <u>a/</u>

## Notes:

a/ It should be noted that there are two cases in which it is invalid to assume that a taxpayer now taxed as married will qualify as head of a family under our proposal:

- (1) Single clergy now taxed as married as a consequence of maintaining a dwelling in connection with which he employed a full-time housekeeper or servant will be taxed as an individual.
- (2) An individual who is single, separated, divorced, is widowed and who is now taxed as married as a consequence of supporting a wholly dependent person related by blood, marriage, or adoption will be taxed as an individual (but be allowed to claim a \$100 tax credit for the dependant) if the dependant is not a child of the taxpayer.

The assumption specified here consequently results in an overstatement of the number of tax units qualifying for use of the family rate schedule.

TABLE B-3

## CLASSIFICATION OF TAXPAYERS BY TOTAL ASSESSABLE INCOME REPORTED

Detailed Class	Total Income Reported <u>a/</u>		Summary Class	DNR Classes Included <u>b/</u>
1	\$	less than \$1		
2	1 -	499		
3	500 -	749		
4	750 -	999		
			less than \$ 1,000	1
5	1,000 -	1,249		( 2 - 4
6	1,250 -	1,499		( 4 - 6
7	1,500 -	1,749		( 7 - 9
8	1,750 -	1,999		( 9 - 11
			\$ 1,000 - \$ 1,999	2
9	2,000 -	2,499		( 12 - 16
10	2,500 -	2,999		( 17 - 21
			2,000 - 2,999	3
11	3,000 -	3,499		( 22 - 26
12	3,500 -	3,999		( 27 - 31
			3,000 - 3,999	4
13	4,000 -	4,499		( 32 - 36
14	4,500 -	4,999		( 37 - 41
			4,000 - 4,999	5
15	5,000 -	5,499		( 42
16	5,500 -	5,999		( 43
			5,000 - 5,999	6
17	6,000 -	6,499		( 44
18	6,500 -	6,999		( 45
19	7,000 -	7,499		( 46
20	7,500 -	7,999		( 47
			6,000 - 7,999	7
21	8,000 -	8,499		( 48
22	8,500 -	8,999		( 49
23	9,000 -	9,499		( 50
24	9,500 -	9,999		( 51
			8,000 - 9,999	8
25	10,000 -	10,999		
26	11,000 -	11,999		
			10,000 - 11,999	9
27	12,000 -	12,999		
28	13,000 -	13,999		
29	14,000 -	14,999		
			12,000 - 14,999	10
				52

TABLE B-3 (continued)

## CLASSIFICATION OF TAXPAYERS BY TOTAL ASSESSABLE INCOME REPORTED

Detailed Class	Total Income Reported <u>a/</u>		Summary Class	DNR Classes Included <u>b/</u>
30	\$ 15,000 -	16,999 )		
31	17,000 -	19,999 )	\$ 15,000 - 19,999	11
32	20,000 -	24,999	20,000 - 24,999	12
33	25,000 -	29,999 )		
34	30,000 -	34,999 )	25,000 - 34,999	13 )
35	35,000 -	39,999 )		55
36	40,000 -	49,999 )	35,000 - 49,999	14 )
37	50,000 -	74,999	50,000 - 74,999	15 )
38	75,000 -	99,999	75,000 - 99,999	16 )
39	100,000 -	124,999 )		
40	125,000 -	149,999 )	100,000 - 149,999	17 )
41	150,000 -	174,999 )		
42	175,000 -	199,999 )	150,000 - 199,999	18 )
43	200,000 -	224,999 )		
44	225,000 -	299,999 )	200,000 - 299,999	19 )
45	300,000 -	399,999 )		58
46	400,000 -	499,999 )	300,000 and over	20 )
47	500,000 or more	)		

Notes: a/ Total income assessed for each taxpayer, after deduction of allowable expenses incurred in the earning of income but before deduction of personal exemptions and other deductions. Expenses incurred in the earning of income include allowable employment expenses, interest and other carrying charges allocatable to investments in assets producing taxable income, shareholder depletion, and business expenses deductible in the computation of net income from a farm, business, rental property or profession.

b/ Classification used in Table 2 of 1965 Taxation Statistics: Part One—Individual Income Tax Statistics for 1965. (Ottawa: Department of National Revenue, 1965). The same classification is used in the as yet unpublished 1966 Taxation Statistics.

TABLE B-4CLASSIFICATION OF TAXPAYERS BY AGE,  
PRIMARY OCCUPATION, AND SEX

<u>Class</u>	<u>Age</u>	<u>Preliminary Occupation Class a/</u>	<u>Sex</u>
1	21 or less	—	Male
2			Female
3	22 - 25	—	Male
4			Female
5	26 - 39	1	Male
6			Female
7		2	—
8		3,4,5,6	—
9		7,8,9,10	Male
10			Female
11	40 - 64	1	Male
12			Female
13		2	—
14		3	—
15		4	—
16		5	—
17		6	—
18		7,8,9,10	Male
19			Female
20		1	—
21	65 and over	2	—
22		3,4,5,6	—
23		7,8	Male
24			Female
25		9,10	Male
26			Female

Note: a/ See Table B-5.



TABLE B-5

PRELIMINARY OCCUPATION CLASSES  
ASSIGNED TO TAXPAYERS

<u>Class</u>	<u>Taxpayer's Primary Occupation a/</u>	<u>DNR Occupation Classes Included b/</u>
1	Employees	1-7
2	Farmers and fishermen	8-9
3	Doctors, dentists, and lawyers	11-13
4	Other self-employed professionals	10,14-16
5	Salesmen	17
6	Business proprietors	18-30
7	Investors	31
8	Owners of rental property	32
9	Pensioners	33
10	Others	34

Notes: a/ Classified by method of earning income (employed vs. self-employed), rather than type of work involved.

Taxpayers are classified by occupation producing largest share of assessable total income.

b/ Classification used in Table 3 of 1966 Taxation Statistics: Part One—Individual Income Tax Statistics for 1964 (Ottawa Department of National Revenue, unpublished).

TABLE B-6

CLASSIFICATION BY NUMBER AND STATUS  
OF DEPENDANTS IN TAX UNIT

<u>Class</u>	<u>Number of Dependants Receiving Family Allowances</u>	<u>Number of Dependants Not Receiving Family Allowances</u>
1	0	0
2		1-2
3		>2
4	1	0
5		1-2
6		>2
7	2	0
8		1-2
9		>2
10	3-4	0
11		1-2
12		>2
13	>4	0
14		1-2
15		>2

Notes: The only data on dependants collected from the returns in the 1964 Taxation Statistics sample were whether or not a taxpayer filing as single claimed any dependants and whether a taxpayer filing as married claimed 1, 2, 3, 4, or more than 4 dependants. The number of dependants of each type was therefore estimated from data on total personal exemptions as follows:

- (1) If, for any positive integers N1 and N2, N1 was not greater than 10 and N1 times \$300 plus N2 times \$550 was exactly equal to the total personal exemptions less \$1,000 if the taxpayer files as single or \$2,000 if the taxpayer files as married (or \$1,500 or \$2,500, respectively, if the taxpayer was 65 years

TABLE B-6 (continued)

Notes: (continued)

old or older), then N1 and N2 were respectively taken to be the number of dependants receiving family allowances and the number of other dependants, provided that the sum of N1 and N2 was consistent with the marital/dependant status noted for the return on the sample card.

- (2) If N1 and N2 could not be computed as above for a taxpayer filing as married, the sum of N1 and N2 was assumed to be the smallest number consistent with (A) the marital/dependant status noted on the sample card and (B) assuming the excess over \$250 of a wife's income deducted from the taxpayer's marital exemption to be no greater than \$1,000. N1 and N2 were then assumed to be those numbers consistent with this sum which resulted in the largest estimated income of the taxpayer's wife, again provided that the estimated wife's income was no greater than \$1,250.
- (3) If N1 and N2 could not be computed as in (1) for a taxpayer filing as single, the taxpayer was assumed to be partially non-resident. In this case, N1 and N2 were chosen (A) to yield a total exemption larger than the exemption claimed, and (B) so as to minimize this difference. The ratio of the difference from \$1,000 to \$1,000 was then subtracted from unity for later accumulation into the number of \$1,000 exemptions for the class.
- (4) If total personal exemptions plus standard deductions claimed were less than \$1,100 for a single taxpayer, \$2,100 for a married taxpayer, or \$1,600 or \$2,600 if the taxpayer was over 64, the ratio of the difference to the number of \$1,000 exemptions times \$1,000 was subtracted from the number of \$1,000 exemptions and the number of \$300 and \$550 exemptions was assumed to zero.

In cases (3) and (4), all adjustments for proration of standard allowances and personal exemptions for individuals not resident in Canada for the full year were collapsed into an adjustment of the number of \$1,000 exemptions claimed.

TABLE B-7CLASSIFICATION OF TAXPAYERS  
BY TAX-PAYING CLASSES

<u>Class</u>	<u>Description</u>
1	Tax-paying
2	Non-tax-paying

Note: A return was classified as "tax-paying" if a tax was assessed on that return in 1964. A portion of the returns in the sample were later re-assessed or modified by the submission of a second return filed in amendment of the original; any changes resulting from such re-assessments or amendments were not incorporated.

TABLE B-8

**TOTALS ACCUMULATED FOR EACH CLASS OF TAXPAYER  
FROM INDIVIDUAL TAX RETURNS SAMPLED**

<u>Sum Number</u>	<u>Description</u>
1	Number of taxpayers in class
<u>Personal Exemptions</u>	
2	Number of \$1,000 exemptions <u>a/</u>
3	Number of \$550 exemptions
4	Number of \$300 exemptions
5	Number of old age exemptions
6	Total personal exemptions
<u>Personal Deductions</u>	
7	Number of taxpayers claiming standard deductions
8	Number of taxpayers claiming medical deductions
9	Total gross medical expenses claimed
10	Total net medical deductions claimed
11	Number of taxpayers deducting union or professional dues
12	Total dues deducted
13	Number of taxpayers claiming both dues and medicals
14	Number of taxpayers claiming donations
15	Total donations allowed
<u>Income From Employment, Business, or Profession</u>	
16	Employment income
17	Net business income
18	Net professional income
19	Net income from commissions
20	Net income from farming and fishing
21	Net rental income
22	Capital cost allowances deducted
23	Business and professional expenses deducted from gross income excluding capital cost allowances <u>b/</u>
24	Prior year business loss
<u>Investment Income, Deductions and Credits</u>	
25	Gross dividends from Canadian companies <u>c/</u>
26	Annuity income
27	Other Canadian investment revenue <u>d/</u>
28	Foreign investment income

TABLE B-8 (continued)Investment Income,  
Deductions and CreditsDescription

- |    |                                   |
|----|-----------------------------------|
| 29 | Deductions from investment income |
| 30 | Dividend tax credit               |
| 31 | Foreign tax credit                |

Other Income

- |    |   |
|----|---|
| 32 | Old age pension income                                |
| 33 | Alimony received                                      |
| 34 | Other income <u>e/</u>                                |
| 35 | Income of spouses earning less than \$1,250 <u>f/</u> |

Other Deductions

- |    |   |
|----|---|
| 36 | Pension contribution  |
| 37 | Retirement savings premiums   |
| 38 | Alimony paid  |
| 39 | Other deductions (excluding deductions from investments and prior year business loss) |

Total Income, Deductions  
and Taxes

- |    |  |
|----|--|
| 40 | Total income                                     |
| 41 | Total deductions                                 |
| 42 | Total federal income tax payable                 |
| 43 | Total provincial tax collected                   |
| 44 | Total old age security tax collected             |
| 45 | Number of taxpayers liable for Quebec income tax |

Sample Information

- |    |                             |
|----|-----------------------------|
| 46 | Number of returns in sample |
|----|-----------------------------|

Miscellaneous Details

- |    |   |
|----|---|
| 47 | Bond and bank interest  |
| 48 | Mortgage interest   |
| 49 | Estate income   |
| 50 | Business expenses deducted (excluding capital cost allowance) <u>g/</u> |

Notes: a/ As noted in Table B-6, the number of \$1,000 exemptions for a taxpayer may be fractional or even negative as a result of adding to this sum all fractional residuals arising from a taxpayer's immigration to or emigration from Canada or from deemed partial residence of a non-resident taxpayer. All other numbers of personal exemptions are assumed to be integers, as are numbers of \$100 standard deductions claimed. The residuals arise from constraining these latter numbers to be integral.

## Notes (continued):

- b/ Computed as the difference between each taxpayer's gross income from business and professional proprietorships and partnerships (prorated by share of net income in the case of a partnership) and net income from these sources, less total capital cost allowances claimed by taxpayer. Capital cost allowances deductible from other gross income has not been segregated from total capital cost allowances, and total business and professional expenses are consequently understated. If the (understated) estimate of expenses is negative for a taxpayer, it is arbitrarily revised to zero before being added into the total for the class.
- c/ Includes dividends received as estate income.
- d/ Includes bond and bank interest, mortgage interest, estate income, and other investment income from Canadian sources.
- e/ Corresponds to entry entitled miscellaneous income in tables published in Taxation Statistics.
- f/ Estimated in imputing numbers of dependants for a taxpayer. See notes to Table B-6.
- g/ Estimated as noted in footnote b/ except that capital cost allowances claimed are allocated over business and professional income in proportion to total expenses claimed against each category of income.

TABLE B-9

## DISTRIBUTION OF SAMPLE GROUPS BY SAMPLE SIZE AND INCOME CLASS

Income	Sample Size						
	1 - 4 Returns	5 - 9 Returns	10 - 14 Returns	15 - 24 Returns	25 - 49 Returns	50 - 99 Returns	More than 99 Returns
Less than \$1	191	26	14	20	22	9	2
\$ 1 - 499	184	30	23	30	16	14	14
500 - 749	175	41	18	21	12	8	10
750 - 999	186	49	16	17	22	12	13
1,000 - 1,249	232	55	22	25	29	22	18
1,250 - 1,499	288	72	31	29	15	18	15
1,500 - 1,749	316	71	28	38	26	16	18
1,750 - 1,999	340	78	27	34	26	18	19
2,000 - 2,499	474	77	42	45	56	34	48
2,500 - 2,999	464	91	44	39	49	47	49
3,000 - 3,499	429	98	40	43	61	35	51
3,500 - 3,999	411	90	42	47	55	32	53
4,000 - 4,499	377	98	35	43	49	33	52
4,500 - 4,999	370	81	30	40	42	32	46
5,000 - 5,499	323	79	41	30	37	30	44
5,500 - 5,999	331	68	29	31	36	32	36
6,000 - 6,499	302	67	30	35	30	27	29
6,500 - 6,999	284	63	30	23	31	28	21
7,000 - 7,499	239	66	34	24	31	21	18
7,500 - 7,999	247	66	23	20	26	22	13
8,000 - 8,499	241	61	27	23	20	19	11
8,500 - 8,999	228	63	23	25	23	13	8
9,000 - 9,499	220	56	28	20	23	10	5
9,500 - 9,999	221	48	24	21	20	7	5
10,000 - 10,999	351	73	34	53	46	37	39
11,000 - 11,999	334	74	34	42	53	37	31
12,000 - 12,999	318	65	35	40	53	29	28
13,000 - 13,999	283	75	37	42	42	29	16
14,000 - 14,999	279	72	34	39	40	25	10
15,000 - 16,999	305	73	48	34	67	43	30
17,000 - 19,999	327	73	43	42	60	38	39
20,000 - 24,999	332	75	44	42	59	37	44
25,000 - 29,999	270	73	38	44	38	27	23
30,000 - 34,999	246	77	36	27	20	26	8
35,000 - 39,999	233	64	23	19	24	13	2
40,000 - 49,999	237	59	33	20	28	14	4
50,000 - 74,999	238	59	25	24	24	8	3
75,000 - 99,999	189	28	8	5	5	—	—
100,000 - 124,999	107	10	4	3	1	—	—
125,000 - 149,999	79	6	2	—	—	—	—
150,000 - 174,999	51	1	1	—	—	—	—
175,000 - 199,999	22	3	—	—	—	—	—
200,000 - 224,999	23	—	—	—	—	—	—
225,000 - 299,999	28	—	—	—	—	—	—
300,000 - 399,999	6	—	—	—	—	—	—
400,000 - 499,999	4	—	—	—	—	—	—
Over \$500,000	8	—	—	—	—	—	—
TOTAL	<u>11,343</u>	<u>2,554</u>	<u>1,180</u>	<u>1,199</u>	<u>1,317</u>	<u>902</u>	<u>875</u>

Note: As in Table B-3, income is defined as total assessable income as defined under current tax law. Sample size is defined as the number of sampled tax returns falling in each group.



TABLE B-10

## SAMPLING RATE BY INCOME CLASS

Income	Number of Tax Returns Sampled	Estimated Number of Individuals in Class	Sampling Rate %
Less than \$1	2,528	31,830	7.9
\$ 1 - 499	8,069	300,113	2.7
500 - 749	5,176	196,009	2.6
750 - 999	6,075	215,135	2.8
1,000 - 1,249	9,087	257,850	3.5
1,250 - 1,499	9,914	247,583	4.0
1,500 - 1,749	10,402	254,320	4.1
1,750 - 1,999	10,738	263,478	4.1
2,000 - 2,499	23,535	566,584	4.2
2,500 - 2,999	24,150	562,776	4.3
3,000 - 3,499	23,296	538,242	4.3
3,500 - 3,999	22,966	524,112	4.4
4,000 - 4,499	22,311	501,710	4.4
4,500 - 4,999	20,159	447,309	4.5
5,000 - 5,499	18,183	391,808	4.6
5,500 - 5,999	14,883	305,013	4.9
6,000 - 6,499	12,186	239,830	5.1
6,500 - 6,999	9,638	177,979	5.4
7,000 - 7,499	7,981	134,873	5.9
7,500 - 7,999	6,506	99,543	6.5
8,000 - 8,499	5,390	76,329	7.1
8,500 - 8,999	4,533	59,568	7.6
9,000 - 9,499	3,859	48,082	8.0
9,500 - 9,999	3,299	36,771	9.0
10,000 - 10,999	14,366	53,788	26.7
11,000 - 11,999	12,860	34,372	37.4
12,000 - 12,999	10,652	29,687	35.9
13,000 - 13,999	8,266	20,245	40.8
14,000 - 14,999	6,950	14,150	49.1
15,000 - 16,999	13,571	23,229	58.4
17,000 - 19,999	14,564	20,049	72.6
20,000 - 24,999	17,613	19,142	92.0
25,000 - 29,999	9,884	9,888	99.9
30,000 - 34,999	5,497	5,535	99.3
35,000 - 39,999	3,461	3,461	100.0
40,000 - 49,999	4,074	4,074	100.0
50,000 - 74,999	3,270	3,270	100.0
75,000 - 99,999	867	867	100.0
100,000 - 124,999	343	343	100.0
125,000 - 149,999	177	177	100.0
150,000 - 174,999	94	94	100.0
175,000 - 199,999	42	42	100.0
200,000 - 224,999	27	27	100.0
225,000 - 299,999	42	42	100.0
300,000 - 399,999	9	9	100.0
400,000 - 499,999	5	5	100.0
Over \$500,000	12	12	100.0
TOTAL	411,510	6,719,445	7.6

Notes: As in Table B-3, income is defined as total income assessable under current tax law. The number of individuals sampled by each return in the sample was estimated as the reciprocal of the sampling rate for that return; the estimated number of individuals in each claim was calculated by simply summing the estimates obtained for each return in the class. The sampling rate in each income class was calculated simply by dividing the number of sampled tax returns falling in each class by the estimated number of individuals in the class.

## APPENDIX C

### PARAMETER VALUES AND ALLOWANCES ASSUMED IN ESTIMATING EFFECTS OF THE COMMISSION'S PROPOSALS

This appendix contains a list of assumptions and allowance parameters used in applying the programs listed in this monograph. Table C-1 contains definitions of each assumption parameter together with the value assumed for each parameter in computing the revenue estimates for 1964 presented in Chapter 3 of this study and in the three companion studies. Table C-2 contains the different values assumed for some parameters in computing the revenue estimates for 1965 and 1970 reported in this study. Table C-3 provides the different values of certain parameters assumed in computing the revenue and incidence estimates for 1964 presented in Volume 6 of the Commission's Report. Table C-4 contains definitions of each allowance parameter used in the programs along with the values of these parameters defined in the Commission's recommendations.

A discussion of the assumptions used in making the revenue estimates is contained in the Report in Chapter 35 and in Appendix A to Volume 6.

TABLE C-1

LIST OF ASSUMPTION PARAMETERS  
WITH VALUES ASSUMED FOR 1964

<u>Parameter Number</u>	<u>Description</u>	<u>Assumed Value</u>
1	Fraction of \$550 dependants who are dependent children	0.7
2	Current corporate tax base attributable to resident individuals	\$1,962 million
3	Additions to corporate tax base attributable to resident individuals	\$180 million
4	Current corporate tax attributable to resident individuals	\$804 million
5	Additions to corporate tax base attributable to resident individuals from companies in the extractive industries	\$77 million
6	Total dividends reported on tax returns filed by resident individuals	\$450.7 million
7	Ratio of accrued goodwill gains on corporate stock to dividends	1.45
8	Fraction of investment expense deductions accounted for by stockholder depletion	0.33
9	Ratio of accrued capital gains on rental property to net rental income	1.0
10	Ratio of realized capital gains on unincorporated business assets to net income from unincorporated businesses	0.04
11	Ratio of accrued capital gains on fixed-income investments to income from interest, estates, and other investments	0.15
12	Fractional increase in CCA's resulting from acceleration of CCA's for unincorporated businesses	0.05
13	Fractional increase in loss write-offs claimable for unincorporated businesses	4.0
14	Ratio of unreported interest to income from interest, estates, and other Canadian investment income	0.7

TABLE C-1 (continued)

<u>Parameter Number</u>	<u>Description</u>	<u>Assumed Value</u>
15	Policyholder investment income attributed per dollar of income from interest, estates, and other Canadian investment income	0.20
16	Policyholder investment income attributed per dollar of total assessable income in excess of threshold defined by assumption parameter 27	0.05
17	Fractional reduction in policyholder investment income for tax units whose head is aged over 65	0.3
18	Ratio of attributed participating dividends to policyholder investment income	0.6
19	Ratio of average claimable employment expenses (excluding union dues and unemployment insurance contributions) to employment income over threshold specified by parameter 20	0.04
20	Employment income threshold for employment expense attribution	\$4,000
21	Maximum likely to be claimable as employment expense	\$1,500
22	Fraction of dependent children under school-entering age	0.3
23	Fraction of \$300 dependants who are dependent children	1.0
24	Ratio of insurance proceeds to other investment income	0.20
25	Ratio of insurance proceeds to total currently assessable income above threshold specified by parameter 26	0.01
26	Threshold level of currently assessable income for attribution of insurance proceeds	\$5,000
27	Threshold for policyholder investment income	\$3,000
28	Increase in taxable income as a result of reforming charities from each taxpayer overclaiming charitable donations	\$60
29	Increase in taxable income from taxpayer using standard deduction resulting from changes in the application of the deduction	\$45

TABLE C-1 (continued)

<u>Parameter Number</u>	<u>Description</u>	<u>Assumed Value</u>
30	Ratio of top employee benefits to salary in excess of threshold specified by parameter 31	0.06
31	Threshold salary for attribution of top employee benefits	\$10,000
32	Ratio of attributable non-employee benefits to business and professional expenses claimed (excluding CCA's) which are attributable to professional and commission income	0.05
33	Ratio of employee group insurance contributions and other employee benefits to wages	0.02
34	Maximum likely value for general employee benefits	\$300
35	Ratio of gift and estate tax attribution to gifts and bequests received	0.143
36	Proportion of gifts and bequests which are intra-family	0.55
37	Maximum amount of unreported interest per taxpayer	\$1,000
38	Fraction of taxpayers aged 65 or over who are assumed to be retired	0.95
39	Fraction of \$550 dependants eligible for youth allowances	0.43
40	Average family allowances received per recipient child	\$80.60
41	Youth allowance per recipient	\$120
42	Proportion of taxpayers over 65 who are over 70	0.621
43	Proportion of taxpayers receiving employment income who are contributors to unemployment insurance system	0.725
44	Ratio of corporate tax credited to trustees of Registered Retirement Savings Plans to total Registered Retirement Savings Plan premiums	0.085
45	Minimum likely amount deducted as stockholder depletion by individual taxpayer	\$200

TABLE C-1 (continued)

<u>Parameter Number</u>	<u>Description</u>	<u>Assumed Value</u>
46	Fraction of dividends from Canadian companies not carrying credit for corporate tax	0.1
47	Revenue from tax on section 105 distributions	\$6 million
48	Total dividend income received by taxpayers with income over minimum income assumed for taxpayers receiving section 105 distributions	\$155.4 million
49	Minimum currently taxable income of taxpayers receiving section 105 distributions	\$25,000
50	Maximum benefits attributable to any taxpayer	\$1,500
51	Fractional adjustment of projected gifts required to correspond to estimated aggregate amount	0.58733
52	Fractional adjustment of projected policyholder investment income required to correspond to estimated aggregate amount	0.493
53	Fractional adjustment of projected participating dividends required to correspond to estimated aggregate amount	0.44
54	Fractional adjustment of insurance proceeds estimated to arise from extra-family sources required to correspond to estimated aggregate amount	1.9748
55	Maximum ratio of total benefits attributed for any taxpayer to the sum of wages and business and professional expenses claimed	0.05
56	Fraction of Quebec taxpayers overclaiming charitable donations	0.6
57	Fraction of other taxpayers overclaiming charitable donations	0.1
58	Fraction of employed and self-employed taxpayers under 65 not contributing to Canada Pension Plan	0.005
59	Minimum annual salary on which benefits are likely to be attributable	\$2,500
60	Minimum dividend income likely to be associated with deduction of stockholders' depletion	\$2,000

TABLE C-1 (continued)

<u>Parameter Number</u>	<u>Description</u>	<u>Assumed Value</u>
61	Minimum number of dependent children per taxpayer required to qualify taxpayer as supporter of family	1.0
62	Fraction of miscellaneous deductions assumed to be disability allowances	0.06
63	Fraction of miscellaneous deductions assumed to be educational allowances	0.9
64	Ratio of average tuition payments to educational deductions currently allowed	1.067
65	Average tuition payments assumed	\$400
66	Ratio of currently deductible personal expenses to business and professional expenses claimed (excluding CCA's) which are attributable to income from unincorporated businesses	0.005
67	Maximum likely value for personal expenses attributable to recipients of unincorporated business income totalling less than threshold defined by parameter 68	\$500
68	Threshold level of unincorporated business income	\$2,500
69	Fraction of charitable deduction reform effects subsumed in 1966 changes in tax law	0.7
<u>Elasticity Assumptions</u> (extrapolation from base year of data)		
70	Fractional increase in the number of taxpayers	0.0
71	Average fractional increase in each taxpayer's wages and salaries	0.0
72	Average fractional increase in income from self-employment for each taxpayer	0.0
73	Average fractional change in unincorporated business income for each taxpayer	0.0
74	Average fractional increase in income from farming and fishing for each taxpayer	0.0
75	Average fractional increase in corporate profits and dividends for each taxpayer	0.0
76	Average fractional increase in other investment income for each taxpayer	0.0

TABLE C-1 (continued)

<u>Parameter Number</u>	<u>Description</u>	<u>Assumed Value</u>
<u>Assumptions Regarding the Composition of Corporate Income and Taxes</u>		
77	Current corporate tax base allocated to resident owner of large companies not receiving specific concessions	\$1,199 million
78	Current corporate base allocated to resident owners of small companies not receiving specific concessions	\$502 million
79	Current corporate base allocated to resident owners of companies in industries receiving special concessions	\$261 million
80	Current corporation income taxes allocated to resident owners of large companies not receiving special concessions	\$597 million
81	Current corporation income taxes allocated to resident owners of small companies not receiving specific concessions	\$108 million
82	Current corporation income taxes allocated to resident owners of companies in industries receiving special concessions	\$99 million
83	Current average marginal rate of tax on small companies	0.40
84	Total unreported dividends attributable to resident individuals	\$29.7 million
85	Ratio of unreported dividends to reported dividends for individuals not taxable when sampled	0.3
86	Additional fraction of reported dividends not reported by retired non-taxable individuals	0.1
87	Maximum taxable income of taxed individuals who are presumed to under-report dividends	\$10,000
88	Fraction of reported dividends assumed to be unreported by taxed individuals	0.05
89	Maximum dividend under-reporting assumed for any taxpayer	\$500
90	Fraction of allocable corporate base allocated to resident stockholders	0.97



TABLE C-1 (continued)

<u>Parameter Number</u>	<u>Description</u>	<u>Assumed Value</u>
91	Fraction of dividends paid out of untaxed surplus realized as gains within year	0.4
92	Difference between capital cost allowances currently claimed and reported depreciation	\$140 million
93	Untaxed income resulting from the effect of proposed incentives for companies in the extractive industries	\$15 million
94	Untaxed income resulting from the effect of special incentives for new and small corporations	\$60 million
95	Other corporate income on which tax is deferred, excluding the effect of loss offsets	\$55 million
<u>Miscellaneous Assumptions</u>		
96	Fraction of accrued goodwill gains realized on corporate equities	0.68966
97	Fraction of accrued capital gains realized on real estate	0.5
98	Ratio of income on which tax is deferred to currently taxable income for unincorporated businesses	0.1
99	Ratio of unrealized capital gains to realized capital gains for unincorporated businesses	2.0
100	Additions to corporate tax base attributable to resident individuals which are limited to real estate	\$15 million
101	Ratio of increase in before-tax corporate income from real estate reflecting shifting of corporate tax changes to additions to the tax base in that industry	0.5
102	Fractional increase in net rental income of individuals to reflect shifting of general tax changes affecting rental income	0.08
103	Fractional increase in accrued goodwill gains on corporate equities resulting from adjustments to tax changes	0.0

TABLE C-1 (continued)

<u>Parameter Number</u>	<u>Description</u>	<u>Assumed Value</u>
104	Ratio of increase in before-tax corporate income of companies in the extractive industries resulting from shifting of corporate tax changes to tax base added in that industry	0.5
105	Elasticity of accrued untaxed corporate income with respect to changes in taxed corporate income resulting from shifting of corporate tax changes	1.0
106	Minimum average dividend under-reporting for individuals aged 40 and over not taxed in 1964	\$20
107	Untaxed corporate income of profitable companies resulting from the offset of income against previous losses	\$210 million
108	Losses of unprofitable companies	\$400 million
109	Fraction of accrued goodwill gains realized on fixed-income securities	0.769

Note: Except where otherwise noted, all assumptions relating to the corporate tax base refer to that portion of the corporate tax base (or subclass thereof) which is allocable to resident individuals.

TABLE C-2

LIST OF PARAMETERS WITH DIFFERENT  
VALUES ASSUMED FOR 1965 AND 1970

<u>Parameter Number</u>	<u>Description</u>	<u>Assumed Values</u>	
		<u>1965</u>	<u>1970</u>
70	Fractional increase in the number of taxpayers	.038	.148
71	Average fractional increase in each taxpayer's wages and salaries	.070	.320
72	Average fractional increase in income from self-employment for each taxpayer	.070	.320
73	Average fractional change in unincorporated business income for each taxpayer	.004	.239
74	Average fractional increase in income from farming and fishing for each taxpayer	.082	.335
75	Average fractional increase in corporate profits and dividends for each taxpayer	.039	.282
76	Average fractional increase in other investment income for each taxpayer	.049	.294

Note: These parameter values represent changes from 1964, the year to which the sample data pertain.

TABLE C-3

PARAMETERS FOR WHICH DIFFERENT VALUES  
ARE ASSUMED IN REPORT AND IN STUDIES

<u>Parameter</u>	<u>Value Assumed in Report</u>	<u>Value Assumed in Studies</u>
10	0.08	0.04
11	0.195	0.15
30	0.05	0.06
32	0.03	0.05
46	0.05	0.10
52	0.215	0.493
53	0.2	0.44
54	0.95238	1.764
66	0.03	0.005
67	\$1,500	\$500
69	0.0	0.7
84	0.0	\$29.7 million
85	0.0	0.3
86	0.0	0.1
87	0.0	\$10,000
88	0.0	0.2
89	0.0	\$500
90	1.0	0.97
91	1.0	0.4
97	1.0	0.5

TABLE C-4

## RATES AND LIMITS OF RECOMMENDED ALLOWANCES

<u>Allowance Number</u>	<u>Allowance</u>	<u>Recommended Values</u>
1	Tax credit for dependants other than dependent children	\$100
2	Fraction of employment income deductible under standard employment expense deduction	0.03
3	Dollar limit on standard employment expense deduction	\$500
4	Working mother credit	\$80
5	Additional credit for working mothers with children below school-entering age	\$120
6	Exemption as per current definition for single taxpayers	—
7	Exemption for taxpayers filing as married	—
8	Additional exemption for taxpayers with at least one dependent child receiving family allowances	—
9	Exemption for dependent children other than the first receiving family allowances	—
10	Exemption for dependent children not receiving family allowances	—
11	Exemption for other dependants receiving family allowances	—
12	Exemption for other dependants not receiving family allowances	—
13	Fraction of tuition allowed as tax credit for students in post-secondary educational institutions	0.25
14	Additional tax credit allowed for expenses of students in post-secondary education who are taxed as separate tax units	\$300
15	Fraction of allocable corporate tax refundable to shareholder	1.0
16	Fraction of goodwill gains deductible in computing tax liability	0.0

## APPENDIX D

### DEFINITION OF TAX REFORMS AND OF VARIABLES ESTIMATED FOR EACH TAX RETURN

The variables listed in this appendix are all computed in subroutine BASADJ from the data for each tax return described in Appendix B, using the assumption parameters described in Appendix C. The variables are all stored in two "COMMON" lists. Those defined in Tables D-1, D-2 and D-3 are stored along with the KLAS and SUM ARRAYS (read in for each tax return and described in Appendix B) in a COMMON list labelled "DATA". Those defined in Table D-4 are stored in a separate COMMON list labelled "ADJUST".

The tax reforms for which provision has been made in these programs are listed in Table D-5. Certain of these reforms have not been recommended by the Commission or are incorporated with other reforms in the tables presented in the Report and in Studies numbers 25 to 29; a listing of reforms as shown in published tables is presented in Table H-1 of Appendix H. The latter listing is obtained by setting  $ISW(4) = 2$ .

The relationship between the tax reforms listed in Table D-5 and the variables listed in Tables D-1, D-2 and D-3 is shown by the concordance presented in Table D-6.

TABLE D-1

PERSONAL INCOME TAX BASE CHANGES  
ESTIMATED IN BASADJ

<u>Base Change</u>	<u>Cause of Base Change</u>
1	Substitution of zero-rate bracket for the \$1,000 personal exemption for each taxpayer
2	Substitution of the additional zero-rate bracket in the family rate schedule for the second \$1,000 personal exemption for married taxpayers or heads of households
3	Integration of the personal and corporation income taxes
4	Widening the integrated corporate base
5	Taxation of capital gains on corporate stock
6	Elimination of shareholder depletion
7	Taxation of capital gains of unincorporated businesses
8	Acceleration of capital cost allowances for unincorporated businesses
9	Extension of loss carry-over provisions
10	Inclusion of hitherto unreported interest income
11	Attribution of life insurance investment income to policyholder
12	Attribution of participating dividends
13	Liberalization of employment expense deductibility
14	Provision of an optional standard allowance for employment expenses
15	Attribution of employee benefits and personal benefits expensed by self-employed individuals
16	(Reserved)
17	Deduction of unemployment insurance premiums
18	Inclusion of inter-family gifts and bequests
19	Inclusion of family allowance payments

TABLE D-1 (continued)

<u>Base Change</u>	<u>Cause of Base Change</u>
20	Inclusion of other transfer payments
21	Elimination of the old age exemption for taxpayers aged over 70
22	Changed definition of medical expenses
23	Change in the administration of charitable donations
24	Change in the standard deduction
25	Substitution of tax credits for the presently allowed deductions for part of educational expenses
26	Substitution of tax credits rather than exemptions for dependants other than dependent children
27	(Reserved)
28	Inclusion of mortality gains (not recommended by this Commission)
29	Substitution of tax credits for exemption allowed by the first dependent child in a family
30	Substitution of tax credits for exemptions presently allowed for other dependent children
31	(Reserved)
32	Taxation of non-business capital gains
33	Eliminated exemptions not elsewhere classified
34	Deferral of tax on cash distributions out of untaxed corporate surplus
35	Elimination of dividend under-reporting



TABLE D-2

## CHANGES IN TAX CREDITS ESTIMATED IN BASADJ

<u>Tax Credit Change</u>	<u>Cause of Change</u>
1	Tax credit for dependent children other than the first child
2	Elimination of the dividend tax credit
3	Allowance of a tax credit for working mothers
4	Allowance of a tax credit for educational expenses
5	Substitution of a tax credit for exemptions now allowed for dependants other than dependent children
6	Additional tax credits allowed for dependants not now eligible for exemptions
7	Tax credit for first child
8	Refundable tax credit for proposed corporate taxes on original corporate base allocated to individuals sampled
9	Refundable tax credit for allocated corporation income tax on additions to the corporate tax base

TABLE D-3  
 CURRENT TAXES AND TAX CHANGES  
 ESTIMATED IN BASADJ

<u>Variable</u>	<u>Definition of Variable</u>
<u>Current Personal Income Tax Base and Taxes</u>	
OLDPTX(1)	Current personal income tax base (taxable income)
OLDPTX(2)	Current tax credits
OLDPTX(3)	Current personal income tax (including old age security tax)
OLDPTX(4)	Current corporate tax base
<u>Corporate Income Tax</u>	
CORTAX(1)	Current corporate income tax attributable to taxpayer (including taxes on section 105 distributions)
CORTAX(2)	Average change in corporate income tax resulting from elimination of the dual rate
CORTAX(3)	Change in corporate income tax resulting from widening the corporate base
CORTAX(4)	Credit of corporate taxes attributable to retirement income attributable to taxpayer
<u>Gift and Estate Taxes</u>	
GIFTAX(1)	Current taxes on gifts and bequests attributable to taxpayer
GIFTAX(2)	Change in gift and estate taxes on intra-family gifts received by taxpayer
GIFTAX(3)	Change in gift and estate taxes on inter-family gifts received by taxpayer
<u>Proposed Personal Income Tax Base and Tax</u>	
REFTAX(1)	Proposed personal income tax base (taxable income)
REFTAX(2)	Proposed non-refundable tax credits
REFTAX(3)	Proposed personal income tax
REFTAX(4)	Proposed corporate income tax attributable to taxpayer
REFTAX(5)	Proposed refundable credits for allocated corporate tax

TABLE D-4

## OTHER VARIABLES DEFINED IN BASADJ

<u>Variable</u>	<u>Definition of Variable</u>
<u>Adjustments Required to Obtain the Current Tax Base from Reported Data</u>	
DELTA(1)	Increase in taxable income resulting from the improved control of the validity of charitable deductions
DELTA(2)	Reduction in taxable income resulting from additional retirement income plan premiums deductible following the enactment of the Canada Pension Plan
DELTA(3)	Taxable old age security pension income extended to taxpayers aged 65-70
DELTA(4)	Increase in taxable income resulting from elimination of the \$500 exemption for taxpayers aged 65-70.
<u>Miscellaneous Memoranda Variables</u>	
OTHER(1)	Capital gains realized on real estate
OTHER(2)	Life insurance proceeds bequeathed outside the family unit
OTHER(3)	Youth allowance proceeds
OTHER(4)	Canada Pension Plan premiums levied on income from self-employment
OTHER(5)	Top-employee benefits attributable
OTHER(6)	Attributable personal expenses now deducted by self-employed individuals in computing professional and commission income
OTHER(7)	Group insurance benefits, etc.
OTHER(8)	Tax on section 105 distributions
OTHER(9)	Attributable personal expenses now deducted by self-employed individuals in computing unincorporated business income.
OTHER(10)	Dividends received by individuals which would have been paid out of untaxed surplus.
OTHER(11)	Currently unreported dividends received by individuals taxable when sampled but reporting assessable income below the threshold specified by ASS(87)

TABLE D-4 (continued)

<u>Variable</u>	<u>Definition of Variable</u>
OTHER(12)	Currently unreported dividends received by individuals not taxable when sampled
OTHER(13)	Adjustment of before-tax corporate income caused by shifting of changes in corporate tax
OTHER(14)	Adjustment of net rental income to compensate for general tax changes
OTHER(15)	Adjustment of goodwill gains on corporate common stock in response to general tax changes
OTHER(16)	Dividends reported by individuals assumed to have received unreported dividends
<u>Elements of Income not Brought into Comprehensive Personal Tax Base</u>	
UNTAXD(1)	Corporate income on which tax is deferred owing to the difference between capital cost allowances claimed and reported depreciation
UNTAXD(2)	Corporate income on which tax would be deferred owing to the effect of proposed incentives to companies in the extractive industries
UNTAXD(3)	Corporate income on which tax would be deferred owing to the effect of proposed incentives for new and small corporations
UNTAXD(4)	Other corporate retained income on which tax would be deferred
UNTAXD(5)	Unallocated corporate retentions of taxed income
UNTAXD(6)	Unrealized goodwill gains accrued on common stock
UNTAXD(7)	Income of unincorporated businesses on which tax is currently deferred
UNTAXD(8)	Additional ordinary income of unincorporated businesses on which tax would be deferred under the Commission's proposals
UNTAXD(9)	Unrealized capital gains accrued on assets of unincorporated businesses
UNTAXD(10)	Unrealized capital gains accrued on real estate
UNTAXD(11)	Unrealized capital gains accrued on fixed-income securities

TABLE D-5

## LIST OF REFORMS PROVIDED FOR IN PROGRAMS

1. Changes in Tax Rates

- 1.1 Lowering the rate schedule for all taxpayers to the proposed schedule for individuals.
- 1.2 Additional reduction in the rate schedule for families.
- 1.3 Use of a tax credit rather than an exemption to allow for the first child in each family.
- 1.4 Use of credits rather than exemptions to allow for additional dependent children.
- 1.5 Effect of income averaging.
- 1.6 Eliminated family exemptions not elsewhere shown.

2. Taxation of the Family as a Unit

- 2.1 Aggregation of the income of husbands and wives, assuming that income is taxed at the rates of the proposed schedule for individuals.
- 2.2 Effect of taxing the aggregated income of husbands and wives, under the family rate schedule.
- 2.3 Aggregation of income of parents and children.
- 2.4 Effect of elimination of taxes on transfers of wealth between members of a family unit.

3. Changes in the Taxation of Corporate Source Income

- 3.1 Integration of corporation and personal income taxes (excluding the effect of bringing unreported dividends into the tax base).
- 3.2 Widening the corporation tax base.
- 3.3 Taxation of capital gains and allowance of capital losses on corporate stock.
- 3.4 Disallowance of shareholder depletion deductions.
- 3.5 Deferral of taxes on cash distributions out of untaxed surplus.
- 3.6 Inclusion of unreported dividends.

4. Changes in the Taxation of Other Business and Property Income

- 4.1 Deferral of taxes on the investment income of Registered Retirement Income Plans.
- 4.2 Taxation of capital gains and allowance of capital losses of unincorporated businesses.
- 4.3 Acceleration of capital cost allowances for unincorporated businesses.

TABLE D-5 (continued)

- 4.4 Extension of loss carry-over provisions for unincorporated businesses.
  - 4.5 Extension of reporting controls to bring unreported interest into the tax base.
  - 4.6 Attribution of life insurance policyholder investment income.
  - 4.7 Attribution of participating dividends paid by credit unions, co-operatives and mutual life insurance companies.
  - 4.8 Taxation of non-business capital gains and allowance of non-business capital losses.
5. Changes in the Taxation of Employment Income
- 5.1 Liberalization of the definition of deductible employment expenses.
  - 5.2 Optional standard expense allowance.
  - 5.3 Attribution of employee benefits.
  - 5.4 Working mother credit.
  - 5.5 Deductibility of unemployment insurance.
6. Other Changes Resulting from Adoption of the Comprehensive Tax Base
- 6.1 Inclusion of gifts and bequests.
  - 6.2 Inclusion of family allowances.
  - 6.3 Inclusion of other transfer payments.
  - 6.4 Taxation of mortality gains (not recommended by the Commission).
7. Changes in Concessionary Allowances
- 7.1 Elimination of the old age exemption.
  - 7.2 Changed definition of medical expenses.
  - 7.3 Improvements in the control of charitable donations.
  - 7.4 Change in the standard deduction.
  - 7.5 Provision of additional educational allowances in the form of tax credit.
  - 7.6 Allowance of credits rather than exemptions for dependants other than dependent children.
  - 7.7 Extension of tax credits to dependants not now eligible for exemptions.

TABLE D-6

CONCORDANCE OF REFORMS WITH CHANGES  
IN BASE, CREDITS, AND OTHER TAXES

<u>Reform</u>	<u>Internal Reform Number</u>	<u>Base Change</u>	<u>Change in Credits</u>	<u>Change in Corporation Income Tax</u>	<u>Change in Gift and Estate Taxes</u>
1.1	1	1	—	—	—
1.2	2	2	—	—	—
1.3	36	29	7	—	—
1.4	37	30	1	—	—
1.5	5	—	—	—	—
1.6	40	33	—	—	—
2.1	6	—	—	—	—
2.2	7	—	—	—	—
2.3	8	—	—	—	—
2.4	9	—	—	—	2
3.1	10	3	2	2	—
3.2	11	4	—	3	—
3.3	12	5	—	—	—
3.4	13	6	—	—	—
3.5	41	34	—	—	—
3.6	42	35	—	—	—
4.1	38	31	—	4	—
4.2	14	7	—	—	—
4.3	15	8	—	—	—
4.4	16	9	—	—	—
4.5	17	10	—	—	—
4.6	18	11	—	—	—
4.7	19	12	—	—	—
4.8	39	32	—	—	—
5.1	20	13	—	—	—
5.2	21	14	—	—	—
5.3	22	15	—	—	—
5.4	23	16	3	—	—
5.5	24	17	—	—	—
6.1	25	18	—	—	3
6.2	26	19	—	—	—
6.3	27	20	—	—	—
6.4	35	28	—	—	—
7.1	28	21	—	—	—
7.2	29	22	—	—	—
7.3	30	23	—	—	—
7.4	31	24	—	—	—
7.5	32	25	4	—	—
7.6	33	26	5	—	—
7.7	34	27	6	—	—

## APPENDIX E

### PROGRAM PARAMETERS

The program parameters defined in this appendix are all read in by subroutine PROGNCN. Table E-1 provides definitions of a number of general program control switches and parameters. Table E-2 presents definitions of switch settings used to control the nature of the output. Table E-3 provides definitions of the switches used to obtain appropriate combinations of tables. The format in which values of these parameters should be punched on cards is indicated in the listing of PROGNCN in Appendix A.

The actual values to which the switches defined in Tables E-1 and E-2 are set to produce the output presented in the Report and in the two companion studies are shown in Table E-4.



TABLE E-1

## PROGRAM CONTROL PARAMETER SETTINGS

<u>Parameter Name</u>	<u>Possible Values</u>	<u>Parameter Definitions or Function</u>	<u>Denotation of Switch Values</u>
NRSCHD	1,...,5	Number of rate schedules to be analyzed	—
NASS	1,...,5	Number of assumption sets to be analyzed	—
DATE	12 alphameric characters	Date of run (output identification)	—
KCHNGE	0,K (K>0)	Stratification of input data into subsets defined by classification K	0 = Suppress stratification K = Classification index used for stratification
ITUDEF	1,2	Definition of tax units for which input data have been obtained	1 = Unaggregated taxpayers 2 = Households
IDATA	1,...,4	Form of input data	1 = Standard binary format 2 = Original sample tape format 3 = Standard BCD format 4 = Intermediate output format
NTSETS	1,...,5	Number of proration bases to be followed in RVTAB2 calculations	—
IBASIS	1,2	Proration basis for allocating reforms in RVTAB2 calculations	1 = Equal proration over all base changes 2 = Category-by-category proration of base changes
IORDER(K) (K = 1,7)	Any permutation of the numbers 1,...,7	Order in which reform categories are to be evaluated in RVTAB2 prorations	—

TABLE E-2

## SWITCH SETTINGS TO CONTROL FORM OF OUTPUT

Switch Name	Possible Values	Function Controlled	Denotation of Non-Dyadic Switches <u>d/</u>
ITPWRT	0,1	Write intermediate output on tape	—
IDBGSW	0,1,2	Print intermediate output for first 12 data records <u>a/</u>	0 = Function not used 1 = Write DEBUG1 output only 2 = Also write out intermediate output in RVTAB2
ISW(1)	0,1	EDIT data records as specified in "EDIT" subroutine <u>b/</u>	—
ISW(2)	0,K (K>0)	End on record count instead of on encountering "FLAG" record <u>c/</u>	0 = End on encountering FLAG record K = End after processing K-TH record
ISW(3)	1,2,3	Income classification basis (type of income used)	1 = Comprehensive base taxable income 2 = Currently assessable income 3 = Total income accrued
ISW(4)	0,K (K>0)	Suppression of details in RVTAB2 output and merger of base (33) with base (K)	0 = Function not used K = Index of base into which base (33) is merged
ISW(5)	0,1	Base calculations on averages for each data record rather than totals	—
ISW(6)	0,1	Base current tax calculations on Mini-Budget tax rates	—
ISW(7)	-1,0,1	Selection of subsamples	0 = Function not used -1 = Write selected subsample on punched cards; process entire sample 1 = Process subsample only
ISW(8)	0,1	Include effects of tax shifting and other adjustments	—
ISW(9)	0,1	Define total income to include untaxed accruals	—
ISW(10)	0,1	Replicate exact calculations underlying estimates presented in <u>Report</u>	—
ISW(11)	0,K (K>0)	Read data in expanded format with additional classifications	0 = Function not used K = Number of classification variables
ISW(12)	1,2,3,4	Define fineness of income classification	1 = 47-class grid 2 = 27-class grid 3 = 20-class grid 4 = 10-class grid
ISW(13)	1,2	Selection of integration alternative	1 = Carter proposals 2 = Dividend integration
ISW(14)	1,2	Selection of capital gains tax alternative	1 = Carter proposals 2 = U.S.-type capital gains tax
ITABCN	0,1	Show all tables for cross-classification subsets	—
IXKSUP(K)(K 1,30)	0,1	Show tables for particular cross classification subset K provided that ITABCN $\neq$ 0	—

Notes: a/ Number of records printed can be changed by altering the parameter "KOUNT" initialized in first statement of MI8R2.

b/ "EDIT" subroutine to be supplied by user.

c/ FLAG is a "-1" stored in first element of KLAS array.

d/ In the case of dyadic switches, the function listed for the switch is performed when the switch variable has a value of unity.

TABLE E-3SWITCH SETTINGS TO SELECT  
TABLES TO BE GENERATED

("ITABSW" ARRAY)

<u>Table Control Switch</u>	<u>Possible Values</u>	<u>Table Subroutine(s) Controlled</u>	<u>Denotation of Non- Dyadic Switches</u>
1	0,1	RVTAB2	—
2	0,1	ACINC2	—
3	0,1	INCID2, ACCDEL	—
4	0,1,2	MARTAB	0 = No table produced 1 = All tables 2 = Tables not produced for each income class
5	0,1,2	COMPEF (calculation of tax changes)	0 = No table produced 1 = Calculation based on average tax rates 2 = Calculation based on proration of tax changes over base changes
6	0,1,2	COMPEF (Calculation of marginal tax rates)	0 = No table produced 1 = Average marginal tax rates 2 = Tax change assuming all income from source to be marginal
7	0,1	DETCOR	—
8	0,1,2,3	BASTAB, BASKLS	0 = No table produced 1 = All tables 2 = BASKLS tables + BASTAB tables for all income classes 3 = BASKLS tables only
9	0,1	SUMRIZ	—
10	0,1	SUMDAT, SUMSAM	—

TABLE E-4

## CONTROL VALUES USED IN APPLICATIONS

<u>Output Control</u>	<u>Revenue and Incidence Estimates Presented in Report</u>		<u>Revised Estimates Presented in Studies</u>		
	<u>Full Sample</u>	<u>Example Groups</u>	<u>Example Groups</u>	<u>Studies 25, 26 and 29</u>	<u>Study 28</u>
ITPWRT	0	0	0	0	0
IDBGSW	0	0	0	0	0
ISW(1)	1	1	0	0	0
ISW(2)	0	7	7	0	0
ISW(3)	1	1	1	1	1
ISW(4)	2	2	0	2	2
ISW(5)	0	1	1	0	0
ISW(6)	0	0	1	1	1
ISW(7)	0	0	0	0	0
ISW(8)	0	0	0	0	0 and 1
ISW(9)	0	0	0	0	1
ISW(10)	1	1	0	0	0
ISW(11)	0	0	0	0	0
ISW(12)	3	3	3	3	3
ISW(13)	1	1	1	1	1
ISW(14)	1	1	1	1	1
ITABCN	0	0	0	0	0
IXKSUP(K), all K	0	0	0	0	0
<u>Program Control</u>					
KCHNGE	0 and 4	0	0	0 and 4	0
ITUDEF	1	1	1	1	1
IDATA	1	3	3	1	1
IBASIS	1	1	1	1	1

Note: The incidence estimates presented in Study 26 (Who Benefits and Who Pays) and in Tables 36-8 and 36-9 in Chapter 36 of Volume 6 of the Report are obtained with KCHNGE set to 4; all other estimates are obtained with KCHNGE = 0. In Study 28 (Changes in Direct Taxes on the Components of Income), ISW(8) is set to 1 to obtain the estimates presented in Appendix H to that study.

## APPENDIX F

### SUMMARY OF DATA COLLECTED FROM TAX RETURNS CLASSIFIED BY INCOME

This appendix contains a summary of the data accumulated from the 411,510 tax returns in the preliminary 1966 Taxation Statistics sample furnished to the Commission by the Department of National Revenue. These data are the elements of the "SUM" array defined in Table B-8 of Appendix B.

Table F-1 presents this summary for tax returns classified by total income assessable under 1964 tax law, as reported on these tax returns. The 47 income classes are as defined in Table B-3 of Appendix B. The data are obtained by simply adding together the corresponding data accumulated for each group of 1 or more tax returns falling in each income class. Table F-2 shows the tax changes estimated for the tax returns in each of the 47 income classes.

Table F-3 presents the corresponding summary for groups of tax returns classified by estimated comprehensive-base taxable income (that is, by comprehensive income less personal deductions under the Commission's proposals). The classification is as shown in Table 4 in Chapter 3. It should be emphasized that each group of tax returns (grouped by the classification procedure described in Appendix B) was classified as a unit, according to the estimated comprehensive-base taxable income for the average tax return in each group. A table corresponding to Table F-2 for tax units classified by comprehensive-base taxable income is presented in Appendix H as Table H-5.

TABLE F-1

SUMMARY OF DATA ACCUMULATED FROM TAX RETURNS CLASSIFIED  
BY TOTAL ASSESSABLE INCOME REPORTED IN 1964

# SUMMARY OF SAMPLE DATA FOR INCOME CLASSES 1, TO 10

SUM NUMBER	CLASS NUMBERS									
1	2	3	4	5	6	7	8	9	10	
1	31830	300113	196099	215135	257850	247583	263478	566584	562776	
2	40414	304336	204653	230503	285775	283766	321573	735534	757272	
3	6072	4966	2980	4890	7695	12215	15033	60978	79427	
4	17217	29067	19100	23569	44795	52319	75293	220561	292135	
5	2938	9097	6854	14285	18337	26724	30579	62162	54446	
6	49237.2	317927.5	213727.7	244415.2	308755.5	314093.2	337792.1	848693.4	898747.6	
7	31463	293259	194201	212793	248478	228758	229171	478023	453368	
8	367	550	296	867	3587	8779	10807	38842	49641	
9	136.0	184.6	113.1	262.7	839.0	2371.7	3141.2	12618.4	16227.7	
10	136.0	179.2	107.6	239.9	713.8	2013.6	5075.0	10006.4	12171.5	
11	1	60	231	100	920	2197	6321	20354	27743	
12	0.0	6.4	29.3	4.1	47.7	63.7	142.0	691.9	995.4	
13	1	40	91	80	275	1106	2810	7575	10707	
14	0	337	212	372	6350	14427	28142	73704	92358	
15	0.0	11.2	10.7	26.5	643.4	1563.2	3932.3	11268.8	15414.4	
16	6980.1	81593.5	111974.3	160653.1	242522.1	279147.4	401780.9	1044807.6	1300522.2	
17	-24277.9	298.7	1830.0	5406.7	10573.4	11947.5	15147.7	19846.8	77851.0	
18	-339.8	138.4	176.6	359.4	355.5	946.9	1138.9	4302.0	5316.5	
19	758.7	199.4	372.4	676.9	1825.0	1609.2	2010.0	8325.3	11532.0	
20	-26630.4	-406.6	2065.8	5713.1	9478.6	11439.2	20800.2	50236.5	56621.6	
21	-6868.5	780.1	2186.3	3134.2	3139.6	4969.4	3938.3	9756.1	9505.7	
22	32793.0	11944.7	2452.7	12449.8	21689.7	19112.3	20551.6	61305.9	68581.8	
23	248514.3	78805.4	50751.5	89283.6	139496.3	120597.0	132118.8	466149.1	588122.5	
24	132.9	8.0	3.7	12.8	32.7	32.4	45.7	65.4	73.8	
25	461.9	685.3	439.4	1126.0	1926.8	2420.4	2837.3	9337.9	9233.0	
26	3.2	112.8	244.5	79.8	486.2	335.9	335.2	1969.6	1562.0	
27	1845.2	2955.8	2822.9	5250.9	9374.6	13649.4	14382.6	41596.0	39771.5	
28	5.1	9.3	18.1	28.3	136.2	120.4	310.4	566.8	698.9	
29	41.8	30.8	12.2	21.0	49.8	65.1	189.1	274.1	419.6	
30	5.6	13.8	13.2	27.3	29.7	101.0	252.7	813.0	1096.0	
31	0.0	0.7	0.0	0.0	4.0	6.9	23.4	63.3	115.2	
32	707.0	714.9	661.4	6087.8	7838.1	12887.0	16619.7	32785.1	26369.4	
33	9.2	56.0	65.7	127.8	336.9	487.2	406.3	1774.3	1746.7	
34	210.5	637.9	909.8	1377.8	1821.7	2108.4	3109.2	6185.9	4863.3	
35	-8816.0	-2220.1	-17393.4	-25055.0	-20930.9	-49590.3	-43757.1	-70342.3	-43263.9	
36	115.8	136.0	169.9	418.9	847.0	1228.8	1366.4	6825.9	13054.2	
37	9.5	2.9	0.2	7.7	88.5	15.8	45.7	229.2	426.3	
38	188.6	0.4	0.8	89.4	72.3	17.8	100.4	470.0	768.8	
39	1244.6	499.0	366.4	757.9	4252.3	5131.7	5327.5	5995.8	5734.5	
40	-47135.7	87775.4	122428.5	189073.8	2898336.2	340238.3	413153.2	1274054.4	1546192.7	
41	54252.8	348127.3	233848.5	267272.8	347150.9	372889.0	407229.0	932322.6	993142.3	
42	159.5	425.1	277.9	377.0	1192.0	4215.7	7775.7	37536.6	57252.2	
43	13.2	64.3	42.8	62.1	163.1	627.0	1205.9	6103.5	9395.9	
44	-328.6	57.3	77.1	87.2	392.1	1632.2	3285.3	4996.1	23173.7	
45	31299	292121	191463	209638	206401	132203	131764	260195	227729	
46	2528	8069	5176	6075	9087	9914	10402	23535	24150	
47	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
48	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
49	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	

TABLE F-1 (continued)

SUMMARY OF SAMPLE DATA FOR INCOME CLASSES 11 TO 20

SUM NUMBER	CLASS NUMBERS										17	18	19	20
	11	12	13	14	15	16	17	18	19	20				
1	538242	524112	501710	447309	391808	305013	239830	177979	134873	99543				
2	756638	768117	763459	710823	639425	508141	405713	306397	235560	175666				
3	99734	121300	136651	146264	136731	112677	89066	69601	51666	42506				
4	367119	440444	490401	511862	482378	409498	332620	261292	197884	146825				
5	40520	32055	26852	18603	14021	11267	7907	6307	4874	3985				
6	9232260.8	962128.3	976596.8	932530.5	845264.0	684124.7	546137.5	416778.7	319464.2	239147.8				
7	410880	384732	349829	296538	254157	189260	144807	105695	79475	55807				
8	59643	65397	73369	73201	67462	56373	44542	34264	23707	19173				
9	20669.2	24271.8	27308.7	28999.2	27567.5	24196.5	20592.5	15865.2	11821.6	9906.9				
10	14960.6	17046.9	18208.7	18887.8	17277.9	14779.9	12623.5	9193.0	6842.1	5618.5				
11	38308	50645	71918	81567	78242	65146	52356	38300	27710	20177				
12	1443.3	1953.9	2945.0	3459.3	3558.8	3123.4	2595.9	1992.7	1548.9	1139.8				
13	16655	22807	33777	39184	37221	30544	23075	17498	10824	7767				
14	110689	121775	134742	133313	124013	104280	85691	66223	50369	40579				
15	19779.3	23176.5	26547.6	26501.8	24740.7	20838.0	17817.7	13957.5	11057.8	9439.2				
16	1508677.0	1750552.9	1922602.3	1936373.5	1879056.8	1583860.3	1349952.7	1068563.2	851064.2	657233.1				
17	85039.8	75679.3	74556.0	65940.9	58464.8	56974.5	47439.0	43732.1	43739.7	36735.5				
18	5535.1	5940.0	5618.4	6030.8	6719.1	6094.6	6222.9	7571.0	7726.9	9093.3				
19	15154.5	16226.2	20314.3	22390.6	23038.0	20116.5	22595.0	17713.7	14979.5	16386.5				
20	50087.3	47372.5	43148.4	33805.4	28145.5	32025.3	24503.0	20572.9	21130.1	15448.5				
21	6111.7	4542.2	2884.2	3567.4	4976.9	4388.0	3207.1	4009.6	3328.0	3241.4				
22	66100.3	61438.7	58091.0	50959.4	41955.3	39711.2	34810.8	27370.2	25878.3	21448.8				
23	619292.9	573018.5	567327.9	501159.7	456740.4	443944.8	371663.1	333315.6	337117.2	295967.7				
24	88.4	112.7	60.2	80.8	68.6	37.1	61.7	34.0	36.8	6.0				
25	9818.3	8994.7	10096.7	10190.5	10142.3	9327.9	9443.2	8096.5	8805.9	8040.7				
26	1411.1	950.7	987.5	787.8	856.3	566.9	493.0	496.0	494.9	331.3				
27	38394.4	35310.0	32254.1	30045.6	30825.2	26516.1	23502.3	21934.7	19430.1	18068.3				
28	843.6	614.0	777.8	633.1	547.4	286.8	652.1	715.8	420.0	967.9				
29	458.3	555.7	545.1	531.2	450.9	403.9	449.4	671.6	585.0	521.7				
30	1335.6	1376.8	1607.9	1663.6	1804.5	1662.5	1674.2	1465.2	1578.8	1511.0				
31	147.0	242.1	340.6	388.3	263.8	331.0	483.9	367.2	342.9	482.9				
32	19101.2	13411.6	11176.1	7740.5	5370.2	4783.0	2923.3	2413.5	2213.9	1571.1				
33	2289.9	1623.2	2078.7	1417.7	1631.1	1432.5	506.8	431.7	343.6	240.1				
34	4081.4	3500.7	3587.8	2945.5	3599.5	3974.5	3377.5	2041.4	2581.4	2645.4				
35	-33571.3	-47725.6	-33786.2	-19883.3	8233.1	10283.3	15499.8	3528.3	-3698.9	5199.0				
36	20292.0	30391.7	41697.2	45019.7	44598.9	39947.7	34757.8	28023.3	22512.3	18057.9				
37	534.9	749.8	1050.6	1126.3	1205.5	1345.5	1568.8	1260.8	1346.7	958.1				
38	1103.1	1167.2	1145.6	1696.4	1671.5	1688.1	1957.5	2007.7	1255.4	576.3				
39	6084.7	6959.3	6386.8	7093.8	6872.0	6318.6	6835.7	6065.4	5262.3	4887.0				
40	1746544.2	1964716.9	2130081.1	2121868.2	2053372.0	1750345.7	1494816.8	1198291.2	976257.9	770002.7				
41	1029092.5	1082714.2	1110165.4	1066586.4	971123.0	791531.9	639285.6	490554.0	377858.7	285932.7				
42	73967.3	93427.7	110364.3	117332.2	124190.4	113323.7	10440.8	89205.0	77443.9	64340.4				
43	12139.0	15794.1	18729.7	20192.5	21709.7	20012.1	18201.5	15891.9	13613.3	11364.4				
44	29115.6	35357.9	40143.9	39667.6	38819.6	32695.0	27302.6	20742.5	16014.7	11874.3				
45	194245	165944	147780	124814	101136	74893	59834	40600	31627	22763				
46	23296	22966	22311	20159	18183	14883	12186	9638	7981	6506				
47	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0				
48	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0				
49	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0				

SUM	CLASS NUMBERS
NUMBER	21

NUMBER	21	22	23	24	25	26	27	28	29	30
1	76329	59568	48082	36771	53788	34372	29687	20245	14150	23229
2	134012	104739	85107	65125	95728	61042	52887	35805	25149	40834
3	31907	25528	19211	15590	26643	17621	15815	11675	8485	12298
4	111070	84707	69303	51309	76255	46819	41807	26174	19016	30703
5	3156	2433	2747	2075	3329	2606	2285	1699	1491	2291
6	182999.7	142276.5	115452.4	88672.8	132025.5	84006.5	73599.6	49998.4	35429.6	56860.3
7	41267	31282	23621	18349	25082	14718	12084	7564	5393	8321
8	14213	11117	9272	6409	8857	6364	5165	3210	2038	3377
9	7318.5	6281.3	5349.1	3945.8	6278.3	4918.0	4339.0	3079.3	2015.1	4132.7
10	3933.3	3470.8	2870.1	2138.1	3601.3	2812.5	2478.8	1826.5	1164.1	2584.6
11	15243	12600	9146	7871	10637	6560	6129	3602	2314	3910
12	880.5	785.5	538.3	437.4	598.3	347.6	309.5	215.8	134.8	218.
13	5572	4367	3239	2568	2925	1984	1703	739	261	969
14	33142	26098	23196	17622	27558	19083	17034	12372	8526	14609
15	8007.2	6407.1	5957.4	4899.4	8461.5	5922.2	5863.1	4626.3	3500.2	6214.3
16	526792.0	424724.9	354327.7	278084.5	418727.1	269469.5	257951.3	177845.5	117732.6	218434.6
17	34646.5	28448.4	29887.3	24372.2	42478.4	36152.8	31162.0	23813.1	20327.4	33852.0
18	7403.3	8725.1	8744.6	8924.8	17449.3	18276.7	21176.1	20045.2	21703.8	42498.1
19	12608.3	13657.2	12173.9	12702.0	20397.2	16701.8	11611.6	11044.3	9955.5	13899.0
20	15644.7	15671.3	11957.2	9734.9	18504.8	12780.1	11179.1	8364.1	7045.8	9317.2
21	3553.6	3085.0	3104.5	2568.7	4112.2	3791.5	3692.4	3299.3	1705.9	4709.4
22	20328.7	17961.8	13888.4	11642.6	22488.7	18271.6	15813.4	11814.7	11475.6	17244.3
23	270884.6	227428.5	240796.2	190278.1	335022.5	287672.3	231416.3	198095.9	173369.7	261608.3
24	28.6	14.2	31.7	26.8	24.5	34.0	28.7	19.3	11.5	48.7
25	8025.6	8025.6	7625.2	7613.6	14488.1	15013.7	12559.1	11226.4	11294.4	19227.9
26	353.3	293.7	337.8	445.7	440.6	1246.6	256.3	177.5	270.4	543.4
27	15538.5	14709.4	12325.1	11529.1	21082.2	17395.6	16980.4	13852.9	12025.5	21786.9
28	628.4	372.9	869.2	309.7	1236.4	1086.3	1084.9	1244.4	637.6	1318.0
29	385.2	500.2	536.7	325.6	847.0	1178.3	1032.0	807.4	699.7	1291.3
30	1553.3	1466.6	1450.9	1369.2	2768.2	2895.9	2418.5	2197.2	2173.4	3748.4
31	354.9	332.4	419.7	300.5	647.9	553.1	416.0	247.6	448.3	993.5
32	1361.3	1016.0	999.8	893.5	1475.6	1114.6	915.3	718.8	673.7	993.5
33	29.3	20.8	0.0	31.5	56.3	46.5	345.0	33.7	329.0	90.2
34	2251.2	1514.6	1834.7	1153.3	2301.8	1577.1	1285.2	896.9	1055.6	2821.3
35	-103.2	1405.7	2287.6	975.6	406.9	2343.0	2012.7	1529.1	-962.5	-373.1
36	14968.7	12796.4	10744.0	9191.9	12989.1	9265.9	8615.1	6011.3	4022.2	7355.5
37	1114.7	1091.7	1594.6	969.2	2152.7	2065.2	1869.7	1759.7	1750.3	3930.9
38	775.8	1112.7	745.8	496.5	961.1	613.8	835.9	429.6	730.5	768.0
39	3524.4	2985.7	1802.9	1373.5	2342.4	1592.6	1646.9	773.7	517.2	1606.4
40	628872.3	520264.7	444186.8	358363.3	562749.8	394652.5	370198.3	272561.8	204757.1	369491.1
41	220744.7	174568.9	142636.0	110366.0	166511.5	109310.3	97487.5	67224.4	48499.3	81710.0
42	55773.7	48497.9	43265.3	36350.0	59855.1	44525.6	45092.7	35609.7	27662.0	54855.8
43	9784.8	8461.2	7536.6	6556.9	10308.9	7650.8	7763.8	6069.2	4732.7	9090.6
44	9120.7	7129.5	5765.3	4407.0	6445.3	4120.1	3553.8	2425.7	1696.4	2782.2
45	18284	14184	11847	7896	13539	8704	7356	5110	3589	6318
46	5390	4533	3859	3299	14366	12860	10652	8266	6950	13571
47	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
48	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
49	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0



SUM	CLASS NUMBERS
NUMBER	31

SUM NUMBER	31	32	33	34	35	36	37	38	39	40
1	20049	19142	9888	5535	3461	4074	3270	867	343	177
2	35210	33599	16891	9433	5776	6560	5062	1269	490	229
3	12519	12430	6440	3797	2459	2848	2184	541	192	65
4	27265	26051	13095	7367	4230	4706	3334	712	190	117
5	2054	2061	1187	694	513	653	601	209	57	57
6	49933.6	48237.2	24371.0	13732.3	8433.6	9599.0	7367.8	1845.7	689.5	326.7
7	6080	4875	2265	1041	540	618	409	95	30	16
8	2247	2101	880	474	264	257	179	52	17	12
9	2974.7	3597.6	1807.6	1235.3	874.2	1004.5	961.3	355.2	189.8	103.5
10	1791.0	2267.4	1125.3	811.6	595.5	674.3	660.2	234.0	139.8	58.0
11	2892	2520	975	492	335	274	209	64	13	27
12	205.5	221.5	88.3	46.8	34.3	24.4	22.7	7.4	2.6	0.6
13	426	271	97	46	31	22	6	4	1	2
14	13773	14112	7555	4451	2902	3437	2853	770	313	161
15	7119.7	8594.2	5482.1	3833.9	2963.6	4279.8	5179.3	2200.0	1325.7	951.0
16	190264.6	208863.4	122226.3	73837.1	52115.4	76182.7	78561.8	27619.3	13111.2	7228.1
17	32152.2	29297.5	15255.3	9027.9	5656.4	5880.5	7181.4	3647.2	1539.0	760.4
18	61071.3	94012.7	69005.8	53439.8	37431.5	47464.5	44397.5	11817.9	5964.7	3182.7
19	15838.3	13445.7	8405.2	4909.0	3300.4	3771.2	4951.7	1251.4	427.8	308.8
20	8795.2	6129.3	2665.8	1409.5	646.3	256.6	262.9	208.6	69.1	67.8
21	5993.5	6366.5	4386.5	2894.7	2155.6	3503.1	3793.4	1731.8	816.8	70.1
22	62874.2	16793.3	9552.7	6276.8	4531.1	5133.3	5219.9	2139.7	774.9	447.3
23	294193.8	290501.7	154591.2	88359.4	60251.9	64045.3	80874.5	30191.7	10720.7	6051.2
24	75.9	53.5	41.1	17.1	20.4	7.0	54.6	37.2	15.4	0.0
25	24752.3	30150.3	23084.9	16219.7	14372.8	21439.7	28947.1	15060.7	8819.1	7303.2
26	447.9	435.1	208.4	175.9	140.5	166.1	199.9	113.2	45.7	29.8
27	2327.2	27963.5	19974.4	14016.8	11300.7	18535.1	21490.3	10051.6	5692.0	3918.0
28	2146.4	2736.2	2070.3	1553.2	1316.7	2343.2	3722.8	2139.0	1258.9	967.4
29	1819.0	2469.7	2359.9	2129.3	1473.9	2300.7	3146.5	1863.3	1147.9	695.0
30	4760.1	5807.2	4432.5	3110.6	2774.8	4139.6	5537.7	2880.6	1884.6	1434.9
31	575.1	741.8	502.4	371.2	286.9	540.6	950.5	581.9	389.7	365.0
32	963.6	968.5	538.6	329.2	249.1	301.2	296.2	108.5	49.6	22.7
33	85.2	128.3	123.8	15.6	36.4	1.1	0.9	0.0	0.0	0.0
34	2297.3	3587.0	1223.2	656.3	349.2	621.2	895.6	181.4	197.5	222.5
35	-846.4	288.1	655.2	25.2	302.0	252.9	140.9	81.7	37.0	9.8
36	6316.4	6557.4	3611.0	2041.5	1366.9	1701.5	1583.4	400.7	179.1	78.1
37	4586.2	6547.6	4807.9	3427.9	2330.2	2723.1	2198.2	465.7	142.4	66.5
38	892.7	1204.3	650.7	445.8	332.1	479.5	604.1	195.9	71.1	34.3
39	2085.8	1788.3	894.9	926.1	389.3	418.4	699.0	389.6	163.3	99.6
40	368134.5	424083.4	269168.3	178484.7	129070.8	180466.2	194701.5	7930.6	37991.5	24081.3
41	75433.8	78428.5	43658.7	27516.5	17993.8	22269.5	21556.6	764.9	3880.0	2311.5
42	60992.3	80504.9	57914.8	41426.7	32071.4	48352.3	57428.9	23726.8	12827.1	8216.1
43	10175.9	13415.1	9482.2	6748.1	4990.8	7722.8	9017.7	3726.7	1904.2	1137.0
44	2401.8	2293.9	1185.4	663.9	415.1	488.9	391.6	103.8	41.0	21.2
45	5294	5080	2705	1541	1074	1208	1016	273	118	70
46	14564	17613	9884	5497	3461	4074	3270	867	343	177
47	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
48	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
49	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

TABLE F-1 (continued)

SUMMARY OF SAMPLE DATA FOR INCOME CLASSES 41 TO 47

SUM NUMBER	CLASS NUMBERS	41	42	43	44	45	46	47
1	94	42	27	42	9	5	12	
2	129	56	39	53	11	6	13	
3	54	9	16	18	1	0	0	
4	27	12	6	18	0	0	0	
5	33	16	8	19	6	3	6	
6	174.9	72.3	52.3	76.8	13.9	7.5	16.0	
7	7	1	1	1	0	0	0	
8	1	1	3	1	1	0	0	
9	17.2	10.6	50.5	17.8	27.3	0.0	0.0	
10	12.4	4.9	31.2	11.0	18.0	0.0	0.0	
11	6	3	2	3	0	0	0	
12	0.2	0.4	0.1	0.3	0.0	0.0	0.0	
13	0	0	0	0	0	0	0	
14	87	41	26	41	9	5	12	
15	611.3	358.0	211.0	410.9	161.0	161.5	871.6	
16	4328.3	2624.3	1738.1	3749.2	349.4	245.7	643.0	
17	1776.8	499.4	488.2	80.7	0.0	0.0	0.0	
18	1582.1	751.0	605.0	210.8	0.0	0.0	0.0	
19	97.4	0.0	21.9	0.0	0.0	0.0	0.0	
20	107.5	-27.9	-14.7	-27.3	0.0	0.0	0.0	
21	36.8	25.5	-138.2	225.3	14.8	6.2	14.9	
22	389.2	39.2	427.5	18.2	0.0	0.0	4.9	
23	7510.0	3480.3	2546.2	237.0	0.0	0.0	0.0	
24	0.0	0.0	20.1	0.0	0.0	0.0	0.0	
25	4627.1	2658.0	1889.8	3771.0	1883.1	1390.1	3919.6	
26	12.9	9.1	4.6	0.7	1.4	0.0	0.0	
27	2139.5	1026.6	962.0	2167.2	635.1	601.9	4920.6	
28	460.1	185.1	183.5	546.1	125.6	22.6	854.2	
29	414.6	166.5	216.1	750.3	97.6	37.1	193.1	
30	881.5	492.5	345.1	736.9	356.0	347.5	1059.2	
31	79.7	35.7	70.4	183.7	17.3	7.5	332.8	
32	12.6	5.4	4.5	9.2	0.9	0.0	0.9	
33	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
34	27.5	47.0	0.0	115.7	0.0	7.4	0.0	
35	-393.8	3.6	4.6	1.8	1.1	0.0	0.0	
36	52.9	22.9	15.8	23.9	4.3	4.5	7.2	
37	22.5	42.2	7.5	2.7	0.0	0.0	0.0	
38	38.2	5.4	0.0	30.0	0.0	0.0	0.0	
39	6.4	9.5	180.7	1.3	0.0	0.0	16.5	
40	15208.6	7803.5	5744.6	10848.8	3010.2	0.0	0.0	
41	1334.3	682.5	734.9	1307.3	294.7	2264.0	10353.3	
42	5730.4	3114.9	2192.6	3978.2	1143.1	210.6	1104.5	
43	962.0	352.1	303.4	546.5	161.6	848.6	4391.6	
44	11.3	5.0	3.1	5.0	1.1	119.5	364.7	
45	24	19	10	18	3	0.6	1.4	
46	94	42	27	42	9	5	12	
47	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
48	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
49	0.0	0.0	0.0	0.0	0.0	0.0	0.0	

TABLE F-1 (continued)

SUMMARY OF SAMPLE DATA FOR ALL CLASSES

SUM NUMBER	
1	6719445
2	9556471
3	1450475
4	5119631
5	456076
6	11874436.4
7	5073061
8	723592
9	313156.6
10	203105.2
11	672201
12	31071.8
13	288872
14	1457093
15	333789.3
16	22382933.0
17	1187720.3
18	686442.0
19	410898.4
20	601170.1
21	137165.2
22	983635.6
23	10103276.6
24	1641.9
25	450657.1
26	19466.9
27	751011.6
28	39850.6
29	35213.7
30	81003.6
31	13771.9
32	207523.6
33	19065.8
34	83599.3
35	-399493.6
36	471287.7
37	57703.7
38	28710.8
39	122597.8
40	26977487.8
41	13666854.4
42	1985237.4
43	336286.9
44	396450.0
45	2888904
46	411510
47	0.0
48	0.0
49	0.0

TABLE F-2

SUMMARY OF TAX CHANGES FOR RESIDENT INDIVIDUALS CLASSIFIED  
BY TOTAL ASSESSABLE INCOME REPORTED IN 1964

INCOME CLASS	NUMBER OF DATA RECORDS	NUMBER OF TAX UNITS	TAXABLE INCOME		PERSONAL CURRENT	INCOME PROPOSED	TOTAL DIRECT TAXES	
			CURRENT	PROPOSED			CURRENT	PROPOSED
1	284	31830	-99073.5	-41670.6	1.2	-1841.5	1589.5	67.7
2	311	300113	-248138.2	93075.4	226.8	-4474.6	3994.0	212.9
3	285	196099	-103025.1	125215.7	245.7	-2678.9	2804.2	413.4
4	315	215135	-66299.0	201218.5	388.6	-3906.3	5093.6	1773.8
5	403	257850	-37670.9	307931.0	1628.7	-2608.1	7840.8	4618.2
6	468	247583	7934.3	365859.7	6400.1	1197.7	13466.9	9084.4
7	513	254320	56710.7	440101.4	11894.7	3941.5	19610.6	12610.6
8	542	263478	101178.2	523014.1	17167.7	7551.9	26560.2	18146.5
9	776	566584	366284.1	1337902.5	55497.5	39122.7	77668.4	64002.6
10	783	562776	567526.5	1604018.0	85925.0	71774.4	106568.0	94823.0
11	757	538242	719565.1	1788470.4	106690.0	92768.7	130480.2	116167.5
12	730	524112	874875.4	1985644.2	137924.8	118159.9	156766.9	139308.8
13	687	501710	1006276.2	2141283.5	161959.3	140415.5	182080.7	163610.3
14	641	447309	1036057.5	2133033.6	171584.5	151480.0	191567.3	174737.4
15	584	391808	1061997.3	2075931.7	181400.6	164097.8	201264.6	187109.9
16	563	305013	942896.9	1779485.7	166164.0	151923.5	184273.8	173080.6
17	520	239830	842497.8	1530378.5	152877.1	137051.6	170905.1	158437.0
18	480	177979	698190.3	1239580.1	130413.3	117399.5	146002.7	135712.1
19	433	134873	591087.5	1033026.8	113377.7	102389.6	131008.3	122301.7
20	417	99543	478851.6	827976.4	93837.6	83741.6	110104.1	101939.0
21	402	76329	404121.1	686221.1	81114.1	72983.4	97178.7	91210.4
22	383	59568	342495.0	577364.6	70009.3	62388.7	85899.6	80543.7
23	362	48082	299417.7	497833.3	62070.2	55589.0	77027.9	72829.0
24	346	36771	246270.4	411261.1	51745.1	46693.0	66499.7	63901.5
25	633	53788	393858.6	700666.0	83643.7	84933.6	116011.2	116122.0
26	605	34372	283997.9	519747.9	61094.5	62261.8	91985.0	94585.0
27	568	29687	271607.4	482949.6	60708.0	62972.4	87370.8	90008.2
28	524	20245	204606.2	367493.2	46851.4	48979.1	69855.2	73145.3
29	499	14150	155882.8	290993.3	36521.6	37617.1	58601.7	61029.6
30	600	23229	287118.9	521466.6	71209.7	73481.0	109283.2	114869.2
31	622	292098.9	546218.5	77574.5	102979.5	78034.9	124804.5	131317.7
32	633	19142	345137.1	639495.7	101755.7	102979.5	159046.3	167878.9
33	9888	225131.1	225131.1	456087.9	72163.4	82931.5	122906.5	138115.7
34	5535	150864.5	307946.0	307946.0	51473.3	61096.1	86896.1	99968.5
35	3461	111069.5	235879.0	39650.8	39650.8	48415.6	70230.8	82772.9
36	4074	158236.9	339742.3	59365.8	75265.1	104844.5	126515.6	126515.6
37	381	173223.4	409255.6	70219.4	98834.4	132078.6	168032.2	168032.2
38	235	867	66335.6	177271.3	28815.2	42652.9	59935.7	78654.8
39	125	343	34146.9	98024.3	15614.7	23847.6	33625.7	44929.2
40	87	177	21791.3	70171.2	10056.1	15546.5	24767.2	33004.4
41	53	94	13886.3	44034.5	6933.2	9999.3	16223.6	21060.1
42	25	42	7126.7	23725.6	3643.2	5132.3	8924.7	11486.1
43	23	27	5012.3	17581.5	2587.1	3888.7	6397.8	8406.1
44	28	42	9550.1	34834.0	4973.7	7682.4	12505.6	16696.8
45	6	9	2718.7	13227.9	1389.3	2089.8	4992.5	6591.2
46	4	5	2054.9	9764.1	1038.1	1581.3	3695.1	4904.3
47	8	12	9251.8	34710.2	5400.8	7717.3	13169.8	17087.0
TOTAL	19370	6719445	13314914.6	30005439.0	2776226.5	2643100.5	3714607.5	3694622.4

NOTE: TAX UNITS ARE NOT AGGREGATED INTO FAMILY UNITS.

TABLE F-3

SUMMARY OF DATA ACCUMULATED FROM TAX RETURNS CLASSIFIED  
BY ESTIMATED COMPREHENSIVE-BASE TAXABLE INCOME

# SUMMARY OF SAMPLE DATA FOR INCOME CLASSES 1 TO 10

CLASS NUMBERS										
SUM NUMBER	1	2	3	4	5	6	7	8	9	10
1	755445	874179	1129374	1116119	1003708	632793	649670	225262	84375	85157
2	779232	10111555	1476762	1606480	1572392	1039823	1122081	388939	142900	146427
3	14886	51132	137582	230238	298379	226731	245962	86658	34480	40280
4	64125	198341	468689	772952	1084545	913002	912649	322706	100309	105382
5	9844	45296	102245	74588	67042	41692	40754	17450	13976	11322
6	805349.3	1105500.3	1709733.5	1960961.8	2045437.2	1427335.7	1516281.7	531904.3	194351.4	201840.8
7	742883	802566	947509	850309	686536	406696	383834	42734	42734	36704
8	2632	30846	78270	122591	155912	112265	125290	43734	15103	15038
9	1231.0	9174.5	25712.1	42097.9	58384.5	46144.8	58215.6	23066.3	9682.6	10829.4
10	1156.9	7662.6	19848.9	29567.2	38233.8	28707.8	34661.8	12800.4	5867.9	6247.9
11	761	13373	50124	95654	161022	123222	134920	44267	13530	15954
12	69.8	441.1	1752.1	3696.1	6822.6	5753.6	7080.9	2517.8	780.0	854.7
13	279	5770	19421	42085	76443	58554	58704	15776	3920	4650
14	1864	55871	151911	230938	280417	202401	241436	99360	39396	46837
15	164.9	7152.0	24355.1	42394.9	59439.8	39714.7	50204.7	23796.7	10753.4	14065.7
16	41420.1	1150971.2	2365863.2	3448589.3	4059678.1	3044080.3	3768357.9	1508322.4	550467.0	610292.2
17	-19466.8	46925.3	107818.0	161695.5	133200.0	113330.4	163532.7	108425.4	61017.3	81903.3
18	564.9	3323.9	7785.2	11577.8	9477.7	10246.8	24216.1	27675.0	15244.4	46162.3
19	1988.1	7208.7	18407.4	30924.5	41275.7	41516.9	64132.3	46656.1	25023.7	36241.3
20	-21067.1	39226.6	110872.1	86233.8	84297.6	60021.0	80458.4	51328.2	23370.8	34527.4
21	-6978.2	2643.7	8133.8	7005.2	9655.9	8777.4	14392.5	11194.7	8248.8	8753.7
22	106165.1	65477.3	119573.2	120539.3	112430.3	82172.4	106148.3	62492.8	31982.2	41573.9
23	403685.7	478946.2	879588.6	1198037.8	1013632.4	856360.0	1241299.9	869490.1	495961.8	656895.8
24	220.3	200.2	152.5	182.1	103.1	118.3	116.0	57.3	58.5	73.8
25	1494.4	2991.0	6743.0	8791.2	13311.0	12826.6	22227.0	18748.7	17772.1	23948.1
26	142.7	385.7	17034.0	1038.8	2356.8	1668.2	2002.6	1151.5	1183.2	1594.7
27	6202.7	17106.8	43144.2	48022.3	58847.5	51054.6	77258.5	47911.8	40090.4	45961.7
28	39.4	171.7	432.1	454.3	875.1	838.7	1301.8	1244.2	1266.5	1764.1
29	62.5	109.5	184.9	310.2	537.8	452.3	1458.2	1112.2	1049.7	1524.7
30	36.3	179.8	501.5	996.4	1712.1	1799.4	3477.2	3121.2	3045.5	4361.0
31	5.5	26.9	146.8	358.1	707.5	503.7	1416.9	1056.8	800.1	942.4
32	1632.3	15738.1	51871.5	31847.7	29278.1	18275.5	19892.5	9183.9	7580.5	5820.1
33	255.4	1219.8	2278.3	4385.6	3280.2	3055.4	1867.8	971.6	97.1	314.3
34	1661.0	5146.1	11232.1	8051.3	8058.5	7008.4	10885.1	5223.5	4695.6	3483.0
35	-40404.2	-161544.3	-126758.5	-97040.5	-37343.5	26245.9	21323.8	1737.9	3553.3	6379.7
36	1141.1	4917.8	21301.3	56703.0	90970.0	72729.2	98450.9	44615.3	17093.9	20362.2
37	44.2	130.8	686.7	1267.5	2287.9	2110.1	4660.0	4075.5	2331.5	4182.6
38	666.0	380.8	1104.7	2268.3	3139.0	3099.5	5109.9	2846.0	991.4	1874.4
39	6714.1	17064.9	12738.1	14312.7	15199.6	13435.2	24251.1	12063.2	5267.0	6949.6
40	36089.3	1293056.7	2736278.7	3648614.8	4453583.9	3372699.3	4250518.7	1838034.6	756060.6	900765.0
41	869311.2	1223194.7	1885931.4	2195706.9	2324457.5	1632982.8	1777507.1	645363.6	240601.3	258449.9
42	1243.6	23745.7	94678.7	177427.2	237515.0	202714.0	311449.2	16551.2	74327.0	100339.0
43	182.1	3700.0	15275.7	29522.5	40734.3	35805.5	54824.3	29063.6	13212.3	17255.2
44	-71.3	9734.6	36503.4	67134.4	81116.2	60988.7	73333.9	26203.3	9803.0	10160.4
45	736761	476512	514236	395740	298734	165959	73333.9	54901	20756	22475
46	21050	34708	46518	48195	44311	29974	134977	16270	10727	24276
47	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
48	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
49	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0

TABLE F-3 (continued)

SUMMARY OF SAMPLE DATA FOR INCOME CLASSES 11 TO 20

SUM NUMBER	CLASS NUMBERS										11	12	13	14	15	16	17	18	19	20
1	64984	29402	29726	19183	10663	3912	3039	981	848	625										
2	111492	49212	49710	30133	16209	5828	4151	1301	1061	786										
3	31909	14993	16478	10660	5865	1851	1501	450	302	153										
4	76075	33030	34125	18319	8407	3176	1853	450	280	216										
5	10721	5545	5265	4528	2597	1222	992	308	373	316										
6	133957.4	68422.0	69731.9	42662.6	22561.9	8233.0	5830.4	1788.5	1468.3	1074.6										
7	26001	10341	8813	5056	2464	731	484	122	84	39										
8	10230	3739	3627	2268	1044	367	249	79	63	45										
9	8689.6	4013.5	4945.5	4406.8	2624.6	1398.2	1129.9	452.1	440.7	516.7										
10	5014.1	2500.0	3071.5	3079.1	1812.2	1049.9	820.1	323.3	311.0	368.7										
11	9751	3784	3193	1455	722	181	167	47	43	2										
12	536.9	267.4	267.4	130.0	59.1	16.2	16.0	4.8	3.1	2.0										
13	2045	551	424	138	86	10	8	2	4	2										
14	37706	18593	2058	13824	8077	3143	2533	853	760	585										
15	13990.2	8301.5	11028.2	9337.1	7260.8	3800.5	4207.2	1913.8	2413.1	4570.4										
16	469035.4	223022.9	253409.9	181166.6	144700.4	53673.4	58759.4	20756.7	19777.1	17553.8										
17	87679.0	46624.5	41987.5	22727.1	12642.4	4766.5	7255.7	1889.3	2682.1	1084.8										
18	79828.5	70260.8	132851.0	111697.9	64260.0	38850.1	19310.5	6677.4	4318.0	2113.3										
19	35316.9	16741.2	19766.0	11100.5	6236.8	4549.3	2510.4	611.5	496.1	194.9										
20	26365.9	12221.6	7794.3	4194.7	773.3	216.3	320.7	54.4	37.3	77.0										
21	11631.7	7468.5	10849.8	10410.1	9492.0	5043.9	5495.3	2253.5	1660.8	1032.0										
22	41636.4	23226.9	25452.5	18328.5	11238.5	5225.2	5035.7	1842.1	1497.5	1596.2										
23	696084.3	402762.8	413718.3	228926.7	117217.8	55335.0	57388.3	12399.6	18003.2	7255.8										
24	65.4	44.7	72.7	47.1	37.2	21.0	29.4	4.9	30.6	6.8										
25	31413.8	24774.6	38296.4	48677.8	45126.4	25111.7	29915.0	15721.4	20702.4	42064.3										
26	1332.9	962.5	1662.4	804.7	632.9	232.9	242.0	130.1	129.1	110.0										
27	50589.9	35943.8	44533.1	47155.8	38046.6	22425.8	24930.1	12289.4	14723.7	24924.6										
28	2669.9	1832.7	3060.2	3999.5	4167.9	2657.7	3624.8	2258.8	2432.0	4758.9										
29	2386.9	2006.1	3322.7	4076.6	4412.2	2291.6	2872.7	1415.9	1880.3	3747.0										
30	5715.9	4668.3	7220.4	9256.5	8626.5	4910.5	5788.8	3067.3	4002.6	8516.4										
31	895.0	464.6	679.9	773.8	902.6	583.7	920.1	636.6	577.6	1373.0										
32	5253.8	2903.1	2726.7	2454.6	1343.6	660.4	546.5	149.0	206.0	159.7										
33	440.5	71.3	383.9	155.4	126.7	93.6	64.0	4.9	0	0										
34	4389.9	3618.4	4015.5	1949.2	1615.7	642.5	813.1	352.6	341.6	416.2										
35	489.2	72.5	2185.3	1036.1	649.4	124.8	23.2	84.8	-356.3	46.9										
36	16447.0	7332.3	7870.4	4990.2	3433.2	1160.4	993.5	307.0	270.0	198.8										
37	6814.0	5164.0	8901.4	7408.0	4238.6	1834.6	1084.8	235.9	176.4	69.0										
38	1331.3	883.7	1724.3	998.8	1003.5	460.3	385.4	102.3	197.3	143.7										
39	7237.4	6173.9	9042.6	10011.7	9843.7	4976.9	6251.1	3034.4	4137.3	7604.3										
40	825963.5	446445.4	561336.3	446493.9	329164.5	158744.1	153787.3	63149.0	67506.2	94335.5										
41	205475.7	98028.1	109127.7	74999.4	46009.9	16734.8	16734.8	6301.4	7074.1	10281.8										
42	108204.1	67615.8	99993.9	89596.1	76410.3	19292.5	42834.2	18961.9	20396.7	31421.7										
43	18388.9	11243.9	16736.9	14666.7	12135.6	6588.7	6773.1	2773.7	3095.5	4307.8										
44	7772.0	3508.3	3558.3	2297.7	1278.5	469.1	364.3	117.7	101.6	75.0										
45	17827	8213	8182	5445	3188	1138	930	331	278	218										
46	25921	15728	22682	16485	10283	3912	3039	981	848	625										
47	0	0	0	0	0	0	0	0	0	0										
48	0	0	0	0	0	0	0	0	0	0										
49	0	0	0	0	0	0	0	0	0	0										

## APPENDIX G

### NUMBERS OF FAMILIES WITH MULTIPLE INCOME RECIPIENTS IN DIFFERENT INCOME CLASSES

The tables presented in this appendix summarize a set of data on the joint distribution of families with more than one income recipient by income classes of the recipients. The data consist of five 27 x 27 matrices of numbers of families, as follows:

1. Numbers of couples with both husband and wife receiving income, distributed by income of spouses. This matrix is summarized in Table G-1.
2. Numbers of families with 1 parent receiving income and 1 child receiving income, distributed by incomes of parent and child.
3. Numbers of families with 1 parent and 2 children receiving income, distributed by income of parent and total income of children. This and the previous matrix are summarized in Table G-2.
4. Numbers of families with 2 parents and 1 child receiving income, distributed by total income of parents and income of child.
5. Numbers of families with 2 parents and 2 children receiving income, distributed by total income of parents and total income of children. This and the previous matrix are summarized in Table G-3.

The data were derived from the output of a special analysis performed by the Department of National Revenue using its master file of all Canadian taxpayers to match individuals filing tax returns with the same surnames

and addresses. Relationships were projected from age, sex, and marital status of each individual.

The numbers of families with different numbers of children receiving income were estimated from two sets of data: (1) data on the joint income distribution of parents and children ("children" including 1, 2 or more income recipients) and (2) data on the joint income distribution of parents and each child, with families appearing more than once if having more than 1 child receiving income. The primary assumptions made in estimating the data summarized in Tables G-2 and G-3 were that not more than 2 children received income in any family and that each of two children receiving income in a family had the same incomes. These assumptions introduce specification errors which result in obvious anomalies; to eliminate these anomalies, some additional arbitrary assumptions are made. These additional assumptions are detailed in a program listing available from the author upon request.



TABLE G-1

## NUMBERS OF FAMILIES WITH GIVEN INCOMES OF HUSBAND AND WIFE IN 1964

Income Class of Spouse with Larger Income	Income Class of Spouse with Smaller Income								Total
	Less than \$1,000	\$1,000 - 1,999	\$2,000 - 2,999	\$3,000 - 3,999	\$4,000 - 4,999	\$5,000 - 6,999	\$7,000 - 9,999	\$10,000 and over	
Less than \$1,000	22,774	—	—	—	—	—	—	—	22,774
\$ 1,000 - 1,999	19,589	10,708	—	—	—	—	—	—	30,297
2,000 - 2,999	25,015	22,278	12,713	—	—	—	—	—	60,006
3,000 - 3,999	31,394	27,429	30,144	12,901	—	—	—	—	101,868
4,000 - 4,999	39,058	31,424	33,263	24,491	8,081	—	—	—	136,317
5,000 - 5,999	33,502	24,433	24,098	18,824	10,059	2,474	—	—	113,390
6,000 - 6,999	20,166	13,676	12,158	10,135	5,598	3,191	—	—	64,924
7,000 - 9,999	19,094	11,558	9,310	7,990	4,976	4,183	1,107	—	58,218
10,000 - 14,999	4,325	2,682	1,984	1,722	1,246	1,474	1,011	367	14,811
15,000 - 24,999	1,259	900	728	601	416	620	483	504	5,511
25,000 - 49,999	426	329	299	206	139	272	211	450	2,332
50,000 and over	97	76	78	47	30	67	42	195	632
TOTAL	219,056	147,124	125,877	77,977	31,265	13,161	3,114	1,562	611,080

Source: DNR special matching run.

TABLE G-2

NUMBERS OF FAMILIES WITH GIVEN INCOMES OF PARENTS AND  
OF CHILDREN IN 1964 (1 PARENT RECEIVING INCOME)

Income Class of Parents	Number of Children Receiving Income	Income of Children								Total
		Less Than \$1,000	\$1,000-1,999	\$2,000-2,999	\$3,000-3,999	\$4,000-4,999	\$5,000-6,999	\$7,000-9,999	\$10,000 and Over	
Less than \$1,000	1	8,221	5,677	3,919	1,860	498	177	7	6	20,365
	2	2,021	1,020	836	672	567	521	199	33	5,869
\$ 1,000 - 1,999	1	4,924	4,054	2,777	1,213	318	93	2	1	13,382
	2	1,241	731	579	503	385	357	113	22	3,931
2,000 - 2,999	1	6,447	5,792	4,434	1,752	483	128	2	1	19,039
	2	1,660	1,010	781	820	591	637	203	30	5,732
3,000 - 3,999	1	7,940	6,500	5,307	2,401	605	149	1	—	22,903
	2	1,554	1,107	1,025	822	769	793	239	33	6,342
4,000 - 4,999	1	8,739	7,567	6,395	3,028	911	187	2	1	26,830
	2	1,829	1,013	842	969	800	865	253	39	6,610
5,000 - 5,999	1	7,708	6,168	5,141	2,505	886	273	3	2	22,686
	2	1,210	877	700	688	544	678	189	25	4,911
6,000 - 6,999	1	5,086	4,028	3,224	1,579	604	193	1	1	14,716
	2	776	496	252	427	272	325	125	26	2,699
7,000 - 7,999	1	6,490	5,066	3,451	1,825	625	276	19	1	17,753
	2	735	507	378	288	257	311	114	17	2,607
10,000 - 14,999	1	2,456	2,049	961	542	161	55	4	—	6,228
	2	287	158	130	69	75	50	19	9	797
15,000 - 24,999	1	1,009	761	331	168	37	18	5	5	2,334
	2	90	67	42	37	15	25	11	9	296
25,000 - 49,999	1	277	187	64	43	10	4	6	4	595
	2	15	17	25	7	10	10	5	8	97
50,000 and over	1	33	28	13	8	2	3	2	2	91
	2	1	2	3	1	1	1	1	2	12
TOTALS	1	<u>59,330</u>	<u>47,877</u>	<u>36,017</u>	<u>16,924</u>	<u>5,140</u>	<u>1,556</u>	<u>54</u>	<u>24</u>	<u>166,922</u>
	2	<u>11,419</u>	<u>7,005</u>	<u>5,593</u>	<u>5,303</u>	<u>4,286</u>	<u>4,573</u>	<u>1,471</u>	<u>253</u>	<u>39,903</u>
TOTAL FAMILIES		<u>70,749</u>	<u>54,882</u>	<u>41,610</u>	<u>22,227</u>	<u>9,426</u>	<u>6,129</u>	<u>1,525</u>	<u>277</u>	<u>206,825</u>

Note: In the case of 2 children receiving income in a family, the sum of the children's incomes determines the income class of the children.

Source: Output of DNR special matching run, modified to obtain estimates of the number of families in each pair of income classes with 1 child income-recipient and with 2 child income-recipients.

TABLE G-3

NUMBERS OF FAMILIES WITH GIVEN INCOMES OF PARENTS AND  
OF CHILDREN IN 1964 (2 PARENTS RECEIVING INCOME)

Income Class of Parents	Number of Children Receiving Income	Income Class of Children								Total
		Less Than \$1,000	\$1,000- 1,999	\$2,000- 2,999	\$3,000- 3,999	\$4,000- 4,999	\$5,000- 6,999	\$7,000- 9,999	\$10,000 and Over	
Less than \$1,000	1	442	319	195	104	34	2	—	2	1,148
	2	114	41	41	22	20	25	4	3	270
\$ 1,000 - 1,999	1	448	295	233	98	20	11	1	—	1,106
	2	98	69	29	37	20	22	8	2	285
2,000 - 2,999	1	739	539	405	179	49	24	—	—	1,935
	2	119	104	92	64	59	50	13	2	503
3,000 - 3,999	1	1,062	810	637	234	82	25	2	—	2,852
	2	205	128	108	106	70	74	17	3	711
4,000 - 4,999	1	1,699	1,231	1,001	396	124	31	1	1	4,484
	2	247	222	56	164	76	115	35	2	917
5,000 - 5,999	1	2,294	1,658	1,270	632	162	47	2	—	6,065
	2	397	209	167	154	109	151	34	3	1,224
6,000 - 6,999	1	2,811	1,941	1,499	701	232	54	1	—	7,239
	2	352	228	153	174	108	144	49	4	1,212
7,000 - 9,999	1	5,782	3,852	2,713	1,429	438	139	—	—	14,353
	2	584	448	314	271	199	235	66	6	2,123
10,000 - 14,999	1	1,890	1,335	643	413	108	57	3	2	4,451
	2	173	141	105	57	49	41	24	3	593
15,000 - 24,999	1	343	282	103	74	25	10	6	4	847
	2	45	28	32	2	6	16	2	4	135
25,000 - 49,999	1	80	63	36	28	9	11	2	3	232
	2	14	9	5	3	2	6	6	5	50
50,000 and over	1	12	23	10	5	4	4	—	1	59
	2	9	4	—	6	2	1	2	9	33
TOTALS	1	<u>17,652</u>	<u>12,348</u>	<u>8,745</u>	<u>4,293</u>	<u>1,287</u>	<u>415</u>	<u>18</u>	<u>13</u>	<u>44,771</u>
	2	<u>2,357</u>	<u>1,631</u>	<u>1,102</u>	<u>1,060</u>	<u>720</u>	<u>880</u>	<u>260</u>	<u>46</u>	<u>8,056</u>
TOTAL FAMILIES		<u>20,009</u>	<u>13,979</u>	<u>9,847</u>	<u>5,353</u>	<u>2,007</u>	<u>1,295</u>	<u>278</u>	<u>59</u>	<u>52,827</u>

Note: Both parents and children are classified by aggregate income of parents and (in the case of 2 children receiving income) by the aggregate income received by the 2 children together.

Source: As in Table G-2.

## APPENDIX H

### REVISED ESTIMATES OF THE PRORATED EFFECT OF EACH PROPOSED DIRECT TAX REFORM ON 1964 TAX REVENUES FROM RESIDENT INDIVIDUALS

The purpose of this appendix is to provide revised estimates of the effect of each major recommended direct tax reform on personal income tax revenues and on total direct tax revenues from resident individuals classified by income. These estimates update and replace the estimates presented in Appendix C to Volume 6 of the Report.

The proposed reforms are listed in Table H-1. Two reforms are excluded from this analysis because of the difficulty in allocating their effects to specific taxpayers. The two excluded reforms are the definition of the tax unit on a family basis rather than on an individual basis and the allowance of income averaging.

Because of the different marginal tax rates currently applicable to different taxpayers and because of the combined effect of various proposed reforms affecting the tax base upon the top marginal tax rate faced by each taxpayer under the proposed rate schedule, it is possible to allocate a change in tax revenues among the proposed reforms bringing about that change only by adopting an arbitrary means of allocation. Some reforms would, of course, have effects which were independent of the effects of other proposed reforms. The provision of tax credits for working mothers, to take one example, would involve no change in the tax base and hence would be independent of the other proposals.

The following procedure has been adopted to allocate a change in taxes among the reforms causing the change. For each tax return, the

change which would occur in personal income tax before tax credits were taken into account was allocated among the proposed reforms in proportion to the change in the personal income tax base which would be affected by the reform. Tax credits associated with each proposed reform were then subtracted from the before-credit tax change allocated to each reform and associated changes in other taxes were added to the resultant change. Examples of the results of these calculations in single sample groups are provided in Appendix C to Volume 6 of the Report.

Taxpayers are classified into twenty standard income classes based on comprehensive base income. The income classification is defined in Table 4 above. The proration of the effects of each reform by type of tax for all residents is shown in Table H-2. Table H-3 shows the effect of each proposed reform on revenues from the personal income tax for individuals in each income class. Table H-4 presents the effects of each reform on all direct taxes from resident individuals, again by income class.

A summary of the data obtained for each income class is presented in Table H-5 in a form that is consistent with an updated version of the data presented in Appendix B to Volume 6 of the Report. The amounts shown in Tables H-2, H-3 and H-4 can be reconciled to this table by adjusting the amounts attributed to taxpayers in the tables in this appendix to reflect the credit for corporation taxes allowed to the trustees of Registered Retirement Income Plans (reform 4-1).

The data presented in Tables H-2 through H-5 indicate the sources of aggregate revenue changes resulting from the proposed reforms. Changes in direct taxes for the average taxpayer in each income class are shown in Table H-6, which thus provides a more meaningful set of figures with which

to analyze the incidence on different income groups of the tax changes resulting from different reforms.

All figures shown in Tables H-2 to H-5 are in thousands of dollars; figures shown in Table H-6 are in dollars. Some figures do not add to totals because of rounding.

TABLE H-1

## DEFINITION OF PROPOSED REFORMS BY CATEGORY

1. Changes in Tax Rates

- 1.1 Lowering the rate schedule for all taxpayers to the proposed schedule for individuals.
- 1.2 Additional reduction in the rate schedule for families.
- 1.3 Use of a tax credit rather than an exemption to allow for the first child in each family.
- 1.4 Use of credits rather than exemptions to allow for additional dependent children.

2. Taxation of the Family as a Unit

- 2.1 Aggregation of the income of husbands and wives, assuming that income is taxed at the rates of the proposed schedule for individuals. a/
- 2.2 Effect of taxing the aggregated income of husbands and wives, under the family rate schedule. a/
- 2.3 Aggregation of income of parents and children. a/
- 2.4 Effect of elimination of taxes on transfers of wealth between members of a family unit.

3. Changes in the Taxation of Corporate Source Income

- 3.1 Integration of corporation and personal income taxes. b/
- 3.2 Widening the corporation tax base.
- 3.3 Taxation of capital gains and allowance of capital losses on corporate stock.
- 3.4 Disallowance of shareholder depletion deductions.
- 3.5 Deferral of taxes on cash distributions out of untaxed surplus.

4. Changes in the Taxation of Other Business and Property Income

- 4.1 Deferral of taxes on the investment income of Registered Retirement Income Plans.
- 4.2 Taxation of capital gains and allowance of capital losses of unincorporated businesses.
- 4.3 Acceleration of capital cost allowances for unincorporated businesses.
- 4.4 Extension of loss carry-over provisions for unincorporated businesses.
- 4.5 Extension of reporting controls to bring unreported interest into the tax base.
- 4.6 Attribution of life insurance policyholder investment income.
- 4.7 Attribution of participating dividends paid by credit unions, co-operatives and mutual life insurance companies.
- 4.8 Taxation of non-business capital gains and allowance of non-business capital losses.

5. Changes in the Taxation of Employment Income

- 5.1 Liberalization of the definition of deductible employment expenses.
- 5.2 Optional standard expense allowance.
- 5.3 Attribution of employee benefits.
- 5.4 Working mother credit.
- 5.5 Deductibility of unemployment insurance.

6. Other Changes Resulting from Adoption of the Comprehensive Tax Base

- 6.1 Inclusion of gifts and bequests.
- 6.2 Inclusion of family allowances and other transfer payments.

7. Changes in Concessionary Allowances

- 7.1 Elimination of the old age exemption.
- 7.2 Changed definition of medical expenses.
- 7.3 Improvements in the control of charitable donations.
- 7.4 Change in the standard deduction.
- 7.5 Provision of additional educational allowances in the form of a tax credit.
- 7.6 Allowance of credits rather than exemptions for dependants other than dependent children.

Note: a/ The first three proposed reforms in the "taxation of the family as a unit" category have no figures listed under them in subsequent tables. They are included here as "reserved" elements of the table and are included on that basis in the RVTAB2 subroutine so that they can be shown, given subsequent allocation of the effects of the family unit definition.

b/ Including the effects of the consequent inclusion in the tax base of currently unreported dividends.

TABLE H-2

PRORATION OF EFFECTS OF REFORMS ON TAX REVENUES FROM ALL CANADIAN  
RESIDENTS: TOTAL CHANGES IN TAX BASE AND TAXES  
(THOUSAND OF DOLLARS)

REFORM	PERSONAL INCOME TAX BASE	PERSONAL INCOME TAX TAX	CORPORATE INCOME TAX BASE	CORPORATE INCOME TAX TAX	GIFT TAX
<b>1. REFORM CATEGORY 1 -- CHANGES IN TAX RATES</b>					
REFORM( 1, 1)	6662835.	-203553.	0.	0.	0.
REFORM( 1, 2)	2560662.	-213504.	0.	0.	0.
REFORM( 1, 3)	896905.	-72211.	0.	0.	0.
REFORM( 1, 4)	1197345.	14463.	0.	0.	0.
TOTAL IN CLASS	11317746.	-474804.	0.	0.	0.
<b>2. REFORM CATEGORY 2 -- TAXATION OF THE FAMILY AS A UNIT</b>					
REFORM( 2, 1)	0.	0.	0.	0.	0.
REFORM( 2, 2)	0.	0.	0.	0.	0.
REFORM( 2, 3)	0.	0.	0.	0.	0.
REFORM( 2, 4)	0.	0.	0.	0.	0.
TOTAL IN CLASS	0.	0.	0.	0.	-78652.
<b>3. REFORM CATEGORY 3 -- CHANGES IN TAXATION OF CORPORATE SOURCE INCOME</b>					
REFORM( 3, 1)	1464980.	-360375.	0.	167782.	0.
REFORM( 3, 2)	171422.	-27721.	176726.	88363.	0.
REFORM( 3, 3)	471199.	157178.	0.	0.	0.
REFORM( 3, 4)	4317.	2006.	0.	0.	0.
REFORM( 3, 5)	-28281.	-9434.	0.	0.	0.
TOTAL IN CLASS	2083637.	-238346.	176726.	256145.	0.
<b>4. REFORM CATEGORY 4 -- CHANGES IN TAXATION OF OTHER PROPERTY INCOME</b>					
REFORM( 4, 1)	0.	0.	0.	-45017.	0.
REFORM( 4, 2)	47508.	9147.	0.	0.	0.
REFORM( 4, 3)	-49177.	-7493.	0.	0.	0.
REFORM( 4, 4)	-6567.	-912.	0.	0.	0.
REFORM( 4, 5)	376597.	83449.	0.	0.	0.
REFORM( 4, 6)	325893.	79703.	0.	0.	0.
REFORM( 4, 7)	17400.	42653.	0.	0.	0.
REFORM( 4, 8)	155206.	42198.	0.	0.	0.
TOTAL IN CLASS	1023860.	248744.	0.	-45017.	0.
<b>5. REFORM CATEGORY 5 -- CHANGES IN TAXATION OF EMPLOYMENT INCOME</b>					
REFORM( 5, 1)	-197848.	-46156.	0.	0.	0.



TABLE H-2 (continued)

REFORM	PERSONAL INCOME TAX BASE	PERSONAL INCOME TAX TAX	CORPORATE INCOME TAX BASE	CORPORATE INCOME TAX TAX	GIFT TAX
REFORM( 5, 2)	-424826.	-67069.	0.	0.	0.
REFORM( 5, 3)	530424.	109820.	0.	0.	0.
REFORM( 5, 4)	0.	-41067.	0.	0.	0.
REFORM( 5, 5)	-150082.	-23941.	0.	0.	0.
TOTAL IN CLASS	-242333.	-68412.	0.	0.	0.
6. REFORM CATEGORY 6 -- OTHER ASPECTS OF COMPREHENSIVE BASE					
REFORM( 6, 1)	1200040.	362834.	0.	0.	-64351.
REFORM( 6, 2)	471249.	67112.	0.	0.	0.
TOTAL IN CLASS	1671289.	429946.	0.	0.	-64351.
7. REFORM CATEGORY 7 -- CHANGES IN CONCESSIONARY ALLOWANCES					
REFORM( 7, 1)	141610.	23642.	0.	0.	0.
REFORM( 7, 2)	11778.	2845.	0.	0.	0.
REFORM( 7, 3)	38094.	4021.	0.	0.	0.
REFORM( 7, 4)	228283.	28000.	0.	0.	0.
REFORM( 7, 5)	176669.	-91142.	0.	0.	0.
REFORM( 7, 6)	239326.	3384.	0.	0.	0.
TOTAL IN CLASS	835760.	-29249.	0.	0.	0.
UNDISTRIBUTED AMOUNTS	0.	-1003.	0.	0.	0.
TOTAL CHANGES	16689959.	-133125.	176726.	211128.	-143003.
CURRENT TOTAL	13314893.	2776222.	1926319.	795378.	143003.
NEW TOTAL	30004852.	2643097.	2103045.	1006505.	-0.
PERCENT CHANGE	125.3	-4.8	9.2	26.5	-100.0

TABLE H-3

PRORATION OF EFFECTS OF REFORMS ON TAX REVENUES FROM ALL CANADIAN  
RESIDENTS: CHANGES IN PERSONAL INCOME TAXES BY INCOME CLASS  
(THOUSANDS OF DOLLARS)

REFORM	INCOME CLASSES									
	1	2	3	4	5	6	7	8	9	10
1. REFORM CATEGORY 1 -- CHANGES IN TAX RATES										
REFORM( 1, 1)	-754.	-2483.	-186.	-4523.	-7929.	-8751.	-18680.	-13512.	-6364.	-8489.
REFORM( 1, 2)	-90.	-1363.	-5436.	-14104.	-24162.	-21999.	-39807.	-22346.	-10557.	-14812.
REFORM( 1, 3)	2.	-583.	-3067.	-11944.	-19484.	-15798.	-14681.	-4474.	-1137.	-1171.
REFORM( 1, 4)	0.	-0.	28.	48.	-789.	1110.	3888.	2145.	924.	1360.
TOTAL IN CLASS	-843.	-4429.	-8661.	-30522.	-52365.	-45437.	-69281.	-38187.	-17134.	-23113.
2. REFORM CATEGORY 2 -- TAXATION OF THE FAMILY AS A UNIT										
REFORM( 2, 1)	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
REFORM( 2, 2)	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
REFORM( 2, 3)	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
REFORM( 2, 4)	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
TOTAL IN CLASS	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
3. REFORM CATEGORY 3 -- CHANGES IN TAXATION OF CORPORATE SOURCE INCOME										
REFORM( 3, 1)	-9310.	-10576.	-15999.	-14651.	-18514.	-16274.	-26677.	-21515.	-19541.	-24452.
REFORM( 3, 2)	-854.	-964.	-1442.	-1317.	-1650.	-1446.	-2378.	-1916.	-1729.	-2147.
REFORM( 3, 3)	0.	411.	1095.	1627.	2728.	2740.	5006.	4405.	4361.	6216.
REFORM( 3, 4)	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
REFORM( 3, 5)	0.	-25.	-66.	-98.	-164.	-164.	-300.	-264.	-262.	-373.
TOTAL IN CLASS	-10164.	-11153.	-16411.	-14438.	-17599.	-15145.	-24350.	-19290.	-17171.	-20756.
4. REFORM CATEGORY 4 -- CHANGES IN TAXATION OF OTHER PROPERTY INCOME										
REFORM( 4, 1)	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
REFORM( 4, 2)	0.	126.	284.	636.	810.	826.	1328.	916.	541.	772.
REFORM( 4, 3)	0.	-148.	-325.	-585.	-876.	-756.	-1070.	-662.	-358.	-490.
REFORM( 4, 4)	0.	-20.	-27.	-56.	-42.	-73.	-83.	-39.	-47.	-63.
REFORM( 4, 5)	0.	984.	3517.	5354.	7510.	7071.	11042.	6926.	5301.	6038.
REFORM( 4, 6)	0.	132.	454.	2937.	7610.	8113.	13063.	7088.	3512.	4733.
REFORM( 4, 7)	0.	70.	243.	1572.	4072.	4342.	6991.	3793.	1879.	2533.
REFORM( 4, 8)	0.	282.	1003.	1390.	2035.	1962.	3338.	2441.	2022.	2394.
TOTAL IN CLASS	0.	1426.	5149.	11248.	21120.	21483.	34609.	20463.	12850.	15917.
5. REFORM CATEGORY 5 -- CHANGES IN TAXATION OF EMPLOYMENT INCOME										
REFORM( 5, 1)	0.	-0.	-0.	-130.	-3463.	-6052.	-11750.	-6416.	-2620.	-3382.
REFORM( 5, 2)	0.	-2068.	-6099.	-15401.	-17182.	-10528.	-9715.	-2708.	-797.	-692.

TABLE H-3 (continued)

REFORM	INCOME CLASSES									
	1	2	3	4	5	6	7	8	9	10
REFORM( 5, 3)	0.	244.	3421.	11685.	15974.	13286.	17996.	8569.	3792.	6047.
REFORM( 5, 4)	0.	-7867.	-14395.	-11764.	-3968.	-1492.	-1005.	-230.	-107.	-101.
REFORM( 5, 5)	0.	-1014.	-2143.	-4780.	-5269.	-3588.	-3839.	-1325.	-452.	-476.
TOTAL IN CLASS	0.	-11305.	-19215.	-20391.	-13909.	-8374.	-8313.	-2111.	-184.	1396.
6. REFORM CATEGORY 6 -- OTHER ASPECTS OF COMPREHENSIVE BASE										
REFORM( 6, 1)	0.	1103.	3943.	6003.	8496.	8515.	17305.	14818.	16098.	27476.
REFORM( 6, 2)	0.	35.	777.	4240.	13771.	15201.	16846.	6245.	2100.	2424.
TOTAL IN CLASS	0.	1138.	4721.	10243.	22267.	23716.	34151.	21063.	18198.	29900.
7. REFORM CATEGORY 7 -- CHANGES IN CONCESSIONARY ALLOWANCES										
REFORM( 7, 1)	0.	975.	3819.	3652.	3727.	2555.	2624.	1187.	1016.	871.
REFORM( 7, 2)	0.	86.	86.	126.	164.	155.	297.	157.	71.	100.
REFORM( 7, 3)	0.	373.	501.	763.	770.	506.	529.	194.	77.	86.
REFORM( 7, 4)	0.	2787.	3699.	5891.	5626.	3650.	3595.	1173.	441.	403.
REFORM( 7, 5)	0.	-6007.	-7806.	-8409.	-10772.	-9221.	-17945.	-8687.	-3551.	-4210.
REFORM( 7, 6)	0.	1.	-7.	-360.	-239.	315.	819.	452.	222.	356.
TOTAL IN CLASS	0.	-2385.	290.	1662.	-724.	-2039.	-10080.	-5524.	-1725.	-2394.
UNDISTRIBUTED AMOUNTS										
	-76.	-165.	-729.	-18.	-1.	-0.	-15.	-0.	0.	-0.
TOTAL CHANGES	-11082.	-26872.	-34857.	-42217.	-41211.	-25796.	-43278.	-23586.	-5167.	950.
CURRENT TOTAL	919.	32412.	138021.	260170.	347935.	297525.	456548.	240170.	106816.	138495.
NEW TOTAL	-10164.	5540.	103163.	217953.	306723.	271728.	413270.	216584.	101649.	139445.
PERCENT CHANGE	-1206.3	-82.9	-25.3	-16.2	-11.8	-8.7	-9.5	-9.8	-4.8	.7

6. REFORM CATEGORY 6 -- OTHER ASPECTS OF COMPREHENSIVE BASE

TABLE H-3 (continued)

REFORM	INCOME CLASSES									
	11	12	13	14	15	16	17	18	19	20
REFORM( 6, 1)	31016.	20820.	31907.	40701.	35361.	23337.	26185.	12405.	14861.	22483.
REFORM( 6, 2)	1972.	956.	1145.	729.	379.	150.	93.	23.	15.	11.
TOTAL IN CLASS	32988.	21775.	33051.	41430.	35740.	23487.	26279.	12429.	14876.	22493.
7. REFORM CATEGORY 7 -- CHANGES IN CONCESSIONARY ALLOWANCES										
REFORM( 7, 1)	891.	505.	527.	507.	323.	165.	145.	46.	57.	49.
REFORM( 7, 2)	115.	105.	173.	220.	243.	132.	176.	89.	122.	228.
REFORM( 7, 3)	73.	37.	41.	31.	20.	8.	7.	2.	2.	2.
REFORM( 7, 4)	312.	137.	129.	84.	45.	15.	10.	3.	2.	1.
REFORM( 7, 5)	-4148.	-3211.	-4048.	-3387.	-1542.	-270.	301.	345.	603.	1423.
REFORM( 7, 6)	402.	262.	389.	341.	229.	83.	73.	22.	16.	8.
TOTAL IN CLASS	-2354.	-2164.	-2788.	-2204.	-683.	133.	711.	508.	802.	1710.
UNDISTRIBUTED AMOUNTS	0.	0.	0.	0.	0.	0.	0.	-0.	-0.	0.
TOTAL CHANGES	146.	-2067.	-2682.	10189.	16154.	16965.	24135.	13191.	16939.	27021.
CURRENT TOTAL	144071.	88048.	127520.	113036.	95044.	51039.	52544.	22609.	24912.	38389.
NEW TOTAL	144217.	85981.	124838.	123225.	111198.	68004.	76679.	35801.	41851.	65410.
PERCENT CHANGE	.1	-2.3	-2.1	9.0	17.0	33.2	45.9	58.3	68.0	70.4

TABLE H-4

PROPORTION OF EFFECTS OF REFORMS ON TAX REVENUES FROM ALL CANADIAN  
RESIDENTS: CHANGES IN ALL DIRECT TAXES BY INCOME CLASS  
(THOUSANDS OF DOLLARS)

REFORM	INCOME CLASSES									
	1	2	3	4	5	6	7	8	9	10
1. REFORM CATEGORY 1 -- CHANGES IN TAX RATES										
REFORM( 1, 1)	-754.	-2483.	-186.	-4523.	-7929.	-8751.	-18680.	-13512.	-6364.	-8489.
REFORM( 1, 2)	-90.	-1363.	-5436.	-14104.	-24162.	-21999.	-39807.	-22346.	-10557.	-14812.
REFORM( 1, 3)	2.	-583.	-3067.	-11944.	-19484.	-15798.	-14681.	-4474.	-1137.	-1171.
REFORM( 1, 4)	0.	-0.	28.	48.	-789.	1110.	3888.	2145.	924.	1360.
TOTAL IN CLASS	-843.	-4429.	-8661.	-30522.	-52365.	-45437.	-69281.	-38187.	-17134.	-23113.
2. REFORM CATEGORY 2 -- TAXATION OF THE FAMILY AS A UNIT										
REFORM( 2, 1)	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
REFORM( 2, 2)	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
REFORM( 2, 3)	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
REFORM( 2, 4)	-290.	-790.	-1993.	-2218.	-2718.	-2359.	-4520.	-4004.	-4634.	-7831.
TOTAL IN CLASS	-290.	-790.	-1993.	-2218.	-2718.	-2359.	-4520.	-4004.	-4634.	-7831.
3. REFORM CATEGORY 3 -- CHANGES IN TAXATION OF CORPORATE SOURCE INCOME										
REFORM( 3, 1)	-7578.	-8329.	-12297.	-10824.	-13227.	-11392.	-18292.	-14495.	-12931.	-15676.
REFORM( 3, 2)	26.	179.	441.	629.	1038.	1036.	1885.	1653.	1632.	2316.
REFORM( 3, 3)	0.	411.	1095.	1627.	2728.	2740.	5006.	4405.	4361.	6216.
REFORM( 3, 4)	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
REFORM( 3, 5)	0.	-25.	-66.	-98.	-164.	-164.	-300.	-264.	-262.	-373.
TOTAL IN CLASS	-7551.	-7764.	-10827.	-8665.	-9624.	-7781.	-11702.	-8701.	-7200.	-7517.
4. REFORM CATEGORY 4 -- CHANGES IN TAXATION OF OTHER PROPERTY INCOME										
REFORM( 4, 1)	-101.	-430.	-1871.	-4933.	-7936.	-6369.	-8775.	-4144.	-1653.	-2089.
REFORM( 4, 2)	0.	126.	284.	636.	810.	826.	1328.	916.	541.	772.
REFORM( 4, 3)	0.	-148.	-325.	-585.	-876.	-756.	-1070.	-662.	-358.	-490.
REFORM( 4, 4)	0.	-20.	-27.	-56.	-42.	-73.	-83.	-39.	-47.	-63.
REFORM( 4, 5)	0.	984.	3517.	5354.	7510.	7071.	11042.	6926.	5301.	6038.
REFORM( 4, 6)	0.	132.	454.	2937.	7610.	8113.	13063.	7088.	3512.	4733.
REFORM( 4, 7)	0.	70.	243.	1572.	4072.	4342.	6991.	3793.	1879.	2533.
REFORM( 4, 8)	0.	282.	1003.	1390.	2035.	1962.	3338.	2441.	2022.	2394.
TOTAL IN CLASS	-101.	996.	3278.	6314.	13184.	15115.	25834.	16319.	11197.	13828.
5. REFORM CATEGORY 5 -- CHANGES IN TAXATION OF EMPLOYMENT INCOME										
REFORM( 5, 1)	0.	-0.	-0.	-130.	-3463.	-6052.	-11750.	-6416.	-2620.	-3382.
REFORM( 5, 2)	0.	-2668.	-6099.	-15401.	-17182.	-10528.	-9715.	-2708.	-797.	-692.

TABLE H-4 (continued)

REFORM	INCOME CLASSES									
	1	2	3	4	5	6	7	8	9	10
REFORM( 5, 3)	0.	244.	3421.	11685.	15974.	13286.	17996.	8569.	3792.	6047.
REFORM( 5, 4)	0.	-7867.	-14395.	-11764.	-3968.	-1492.	-1005.	-230.	-107.	-101.
REFORM( 5, 5)	0.	-1014.	-2143.	-4780.	-5269.	-3588.	-3839.	-1325.	-452.	-476.
TOTAL IN CLASS	0.	-11305.	-19215.	-20391.	-13909.	-8374.	-8313.	-2111.	-184.	1396.
6. REFORM CATEGORY 6 -- OTHER ASPECTS OF COMPREHENSIVE BASE										
REFORM( 6, 1)	-238.	457.	2313.	4188.	6272.	6586.	13607.	11542.	12307.	21069.
REFORM( 6, 2)	0.	35.	777.	4240.	13771.	15201.	16846.	6245.	2100.	2424.
TOTAL IN CLASS	-238.	492.	3090.	8428.	20042.	21787.	30453.	17787.	14406.	23493.
7. REFORM CATEGORY 7 -- CHANGES IN CONCESSIONARY ALLOWANCES										
REFORM( 7, 1)	0.	975.	3819.	3652.	3727.	2555.	2624.	1187.	1016.	871.
REFORM( 7, 2)	0.	86.	86.	126.	164.	155.	297.	157.	71.	100.
REFORM( 7, 3)	0.	373.	501.	763.	770.	506.	529.	194.	77.	86.
REFORM( 7, 4)	0.	2787.	3699.	5891.	5626.	3650.	3595.	1173.	441.	403.
REFORM( 7, 5)	0.	-6607.	-7806.	-8409.	-10772.	-9221.	-17945.	-8687.	-3551.	-4210.
REFORM( 7, 6)	0.	1.	-7.	-360.	-239.	315.	819.	452.	222.	356.
TOTAL IN CLASS	0.	-2385.	290.	1662.	-724.	-2039.	-10080.	-5524.	-1725.	-2394.
UNDISTRIBUTED AMOUNTS										
	-76.	-165.	-729.	-18.	-1.	-0.	-15.	-0.	0.	-0.
TOTAL CHANGES										
CURRENT TOTAL	-9099.	-25350.	-34768.	-45410.	-46115.	-29089.	-47623.	-24420.	-5274.	-2137.
NEW TOTAL	9313.	44052.	158461.	281587.	376893.	323990.	502853.	279338.	145264.	192600.
PERCENT CHANGE	213.	18702.	123693.	236176.	330778.	294901.	455230.	254919.	139990.	190462.
	-97.7	-57.5	-21.9	-16.1	-12.2	-9.0	-9.5	-8.7	-3.6	-1.1

TABLE H-4 (continued)

REFORM	INCOME CLASSES										18	19	20
	11	12	13	14	15	16	17						
1. REFORM CATEGORY 1 -- CHANGES IN TAX RATES													
REFORM( 1, 1)	-11510.	-10255.	-20539.	-21421.	-20246.	-11557.	-12396.	-5591.	-6397.	-11967.			
REFORM( 1, 2)	-16646.	-9883.	-13399.	-9488.	-5475.	-1965.	-1230.	-344.	-229.	-168.			
REFORM( 1, 3)	-606.	-75.	88.	236.	236.	103.	83.	29.	21.	13.			
REFORM( 1, 4)	1468.	940.	1238.	982.	597.	242.	184.	47.	33.	21.			
TOTAL IN CLASS	-27294.	-19274.	-32614.	-29691.	-24889.	-13179.	-13358.	-5859.	-6573.	-12102.			
2. REFORM CATEGORY 2 -- TAXATION OF THE FAMILY AS A UNIT													
REFORM( 2, 1)	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.			
REFORM( 2, 2)	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.			
REFORM( 2, 3)	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.			
REFORM( 2, 4)	-7989.	-4818.	-6616.	-7564.	-5904.	-3636.	-3850.	-1756.	-2081.	-3080.			
TOTAL IN CLASS	-7989.	-4818.	-6616.	-7564.	-5904.	-3636.	-3850.	-1756.	-2081.	-3080.			
3. REFORM CATEGORY 3 -- CHANGES IN TAXATION OF CORPORATE SOURCE INCOME													
REFORM( 3, 1)	-18623.	-12966.	-16236.	-15374.	-8894.	-2372.	-158.	855.	1675.	4541.			
REFORM( 3, 2)	3252.	2740.	4626.	6675.	6898.	4346.	5639.	3072.	4113.	8445.			
REFORM( 3, 3)	8705.	7415.	12565.	17734.	18195.	11021.	14012.	7637.	10232.	21014.			
REFORM( 3, 4)	0.	5.	26.	84.	211.	181.	390.	212.	282.	614.			
REFORM( 3, 5)	-526.	-445.	-754.	-1064.	-1092.	-661.	-841.	-458.	-614.	-1261.			
TOTAL IN CLASS	-7132.	-3251.	227.	8055.	15318.	12514.	19041.	11318.	15688.	33352.			
4. REFORM CATEGORY 4 -- CHANGES IN TAXATION OF OTHER PROPERTY INCOME													
REFORM( 4, 1)	-1980.	-1063.	-1427.	-1055.	-653.	-255.	-177.	-46.	-38.	-23.			
REFORM( 4, 2)	920.	539.	553.	344.	212.	87.	140.	37.	53.	22.			
REFORM( 4, 3)	-545.	-334.	-415.	-340.	-231.	-117.	-120.	-45.	-37.	-40.			
REFORM( 4, 4)	-62.	-43.	-75.	-60.	-57.	-32.	-51.	-10.	-57.	-13.			
REFORM( 4, 5)	6507.	4430.	5547.	5227.	3851.	1619.	1367.	453.	406.	298.			
REFORM( 4, 6)	5172.	3391.	4966.	4914.	4234.	2351.	2552.	1189.	1315.	1978.			
REFORM( 4, 7)	2768.	1814.	2657.	2630.	2266.	1258.	1366.	636.	704.	1058.			
REFORM( 4, 8)	3098.	2262.	3382.	3852.	3680.	2232.	2638.	1242.	1252.	1695.			
TOTAL IN CLASS	15878.	10997.	15188.	15511.	13302.	7143.	7715.	3456.	3598.	4975.			
5. REFORM CATEGORY 5 -- CHANGES IN TAXATION OF EMPLOYMENT INCOME													
REFORM( 5, 1)	-3186.	-1624.	-2207.	-1874.	-1761.	-621.	-628.	-183.	-149.	-108.			
REFORM( 5, 2)	-406.	-216.	-237.	-197.	-122.	-47.	-32.	-9.	-7.	-7.			
REFORM( 5, 3)	7400.	4440.	6304.	4692.	3244.	1189.	931.	257.	212.	133.			
REFORM( 5, 4)	-57.	-26.	-28.	-11.	-9.	-4.	-2.	-0.	-1.	0.			
REFORM( 5, 5)	-361.	-174.	-198.	-141.	-94.	-34.	-30.	-9.	-8.	-5.			
TOTAL IN CLASS	3389.	2403.	3635.	2469.	1258.	483.	240.	55.	48.	13.			
6. REFORM CATEGORY 6 -- OTHER ASPECTS OF COMPREHENSIVE BASE													



TABLE H-4 (continued)

REFORM	INCOME CLASSES									
	11	12	13	14	15	16	17	18	19	20
REFORM( 6, 1)	24479.	16878.	26494.	34513.	30531.	20362.	23035.	10969.	13158.	19963.
REFORM( 6, 2)	1972.	956.	1145.	729.	379.	150.	93.	23.	15.	11.
TOTAL IN CLASS	26451.	17834.	27639.	35241.	30909.	20512.	23129.	10992.	13174.	19973.
7. REFORM CATEGORY 7 -- CHANGES IN CONCESSIONARY ALLOWANCES										
REFORM( 7, 1)	891.	505.	527.	507.	323.	165.	145.	46.	57.	49.
REFORM( 7, 2)	115.	105.	173.	220.	243.	132.	176.	89.	122.	228.
REFORM( 7, 3)	73.	37.	41.	31.	20.	8.	7.	2.	2.	2.
REFORM( 7, 4)	312.	137.	129.	84.	45.	15.	10.	3.	2.	1.
REFORM( 7, 5)	-4148.	-3211.	-4048.	-3387.	-1542.	-270.	301.	345.	603.	1423.
REFORM( 7, 6)	402.	262.	389.	341.	229.	83.	73.	22.	16.	8.
TOTAL IN CLASS	-2354.	-2164.	-2788.	-2204.	-683.	133.	711.	508.	802.	1710.
UNDISTRIBUTED AMOUNTS										
	0.	0.	0.	0.	0.	0.	0.	-0.	-0.	0.
TOTAL CHANGES	950.	1727.	4670.	21817.	29312.	23971.	33627.	18714.	24656.	44841.
CURRENT TOTAL	210718.	137811.	202266.	208257.	182113.	102384.	114340.	54621.	66645.	121099.
NEW TOTAL	211667.	139538.	206937.	230074.	211424.	126354.	147966.	73335.	91301.	165940.
PERCENT CHANGE	.5	1.3	2.3	10.5	16.1	23.4	29.4	34.3	37.0	37.0

TABLE H-5

## SUMMARY OF TAX CHANGES FROM ALL RESIDENT INDIVIDUALS

INCOME CLASS	NUMBER OF DATA RECORDS	NUMBER OF TAX UNITS	TAXABLE INCOME		PERSONAL INCOME		INCOME TAX		TOTAL DIRECT TAXES	
			CURRENT	PROPOSED	CURRENT	PROPOSED	CURRENT	PROPOSED	CURRENT	PROPOSED
1	994	755445	-486149.5	364791.9	918.7	-10163.6			9312.6	314.3
2	1694	874179	93364.2	1268952.2	32411.6	5540.0			44051.8	19131.9
3	1619	1129374	882539.2	2728166.9	138020.8	103163.3			158460.4	125563.7
4	1482	1116119	1647125.7	3813374.1	260169.9	217953.3			281586.3	241109.1
5	1272	1003708	2105952.7	4450921.6	347934.9	306723.5			376892.8	338713.7
6	1066	632793	1718742.7	3425337.3	297524.8	271728.4			323989.5	301269.3
7	1642	649670	2449096.6	4394477.5	456548.0	413270.3			502852.8	464004.6
8	1252	225262	1185675.0	1996569.7	240170.1	216584.5			279338.2	259062.0
9	776	84375	517230.8	930024.1	106816.1	101649.5			145264.3	141643.5
10	1181	85157	642095.5	1149422.4	138494.6	139444.8			192599.6	192551.0
11	1407	64984	621422.8	1121980.3	144070.6	144216.7			210717.5	213646.7
12	785	29402	349240.5	654813.5	88048.0	85980.9			137811.4	140601.4
13	951	29726	452842.0	856963.9	127520.4	124838.2			202266.1	208363.7
14	1015	19183	372701.1	798088.4	113036.0	123225.0			208257.2	231129.1
15	802	10663	283930.2	636735.6	95044.2	111197.9			182112.7	212077.1
16	398	139881.9	137434.1	337789.3	51039.4	68003.9			102383.8	126609.3
17	421	3039	56973.4	362406.2	52543.8	76679.2			114339.5	148143.3
18	206	981	60593.6	168235.7	22609.4	35800.5			54621.3	73381.7
19	170	848		200814.1	24911.8	41851.1			66645.2	91339.2
20	237	625	84201.8	345517.7	38389.2	65410.0			121098.6	165962.5
TOTAL	19370	6719445	13314893.4	30005381.0	2776222.0	2643097.2			3714601.2	3694616.9

TABLE H-6

## CHANGES IN DIRECT TAXES FOR THE AVERAGE TAXPAYER IN EACH INCOME CLASS

REFORM	INCOME CLASSES									
	1	2	3	4	5	6	7	8	9	10
1. REFORM CATEGORY 1 -- CHANGES IN TAX RATES										
REFORM( 1, 1)	-1.	-3.	-0.	-4.	-8.	-14.	-29.	-60.	-75.	-100.
REFORM( 1, 2)	-0.	-2.	-5.	-13.	-24.	-35.	-61.	-99.	-125.	-174.
REFORM( 1, 3)	0.	-1.	-3.	-11.	-19.	-25.	-23.	-20.	-13.	-14.
REFORM( 1, 4)	0.	-0.	0.	0.	-1.	2.	6.	10.	11.	16.
TOTAL IN CLASS	-1.	-5.	-8.	-27.	-52.	-72.	-107.	-170.	-203.	-271.
2. REFORM CATEGORY 2 -- TAXATION OF THE FAMILY AS A UNIT										
REFORM( 2, 1)	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
REFORM( 2, 2)	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
REFORM( 2, 3)	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
REFORM( 2, 4)	-0.	-1.	-2.	-2.	-3.	-4.	-7.	-18.	-55.	-92.
TOTAL IN CLASS	-0.	-1.	-2.	-2.	-3.	-4.	-7.	-18.	-55.	-92.
3. REFORM CATEGORY 3 -- CHANGES IN TAXATION OF CORPORATE SOURCE INCOME										
REFORM( 3, 1)	-10.	-10.	-11.	-10.	-13.	-18.	-28.	-64.	-153.	-184.
REFORM( 3, 2)	0.	0.	0.	1.	1.	2.	3.	7.	19.	27.
REFORM( 3, 3)	0.	0.	1.	1.	3.	4.	8.	20.	52.	73.
REFORM( 3, 4)	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
REFORM( 3, 5)	0.	-0.	-0.	-0.	-0.	-0.	-0.	-1.	-3.	-4.
TOTAL IN CLASS	-10.	-9.	-10.	-8.	-10.	-12.	-18.	-39.	-85.	-88.
4. REFORM CATEGORY 4 -- CHANGES IN TAXATION OF OTHER PROPERTY INCOME										
REFORM( 4, 1)	-0.	-0.	-2.	-4.	-8.	-10.	-14.	-18.	-20.	-25.
REFORM( 4, 2)	0.	0.	0.	1.	1.	1.	2.	4.	6.	9.
REFORM( 4, 3)	0.	-0.	-0.	-1.	-1.	-1.	-2.	-3.	-4.	-6.
REFORM( 4, 4)	0.	-0.	-0.	-0.	-0.	-0.	-0.	-0.	-1.	-1.
REFORM( 4, 5)	0.	1.	3.	5.	7.	11.	17.	31.	63.	71.
REFORM( 4, 6)	0.	0.	0.	3.	8.	13.	20.	31.	42.	56.
REFORM( 4, 7)	0.	0.	0.	1.	4.	7.	11.	17.	22.	30.
REFORM( 4, 8)	0.	0.	1.	1.	2.	3.	5.	11.	24.	28.
TOTAL IN CLASS	-0.	1.	3.	6.	13.	24.	40.	72.	133.	162.
5. REFORM CATEGORY 5 -- CHANGES IN TAXATION OF EMPLOYMENT INCOME										
REFORM( 5, 1)	0.	-0.	-0.	-0.	-3.	-10.	-18.	-28.	-31.	-40.
REFORM( 5, 2)	0.	-3.	-5.	-14.	-17.	-17.	-15.	-12.	-9.	-8.
REFORM( 5, 3)	0.	0.	3.	10.	16.	21.	28.	38.	45.	71.

TABLE H-6 (continued)

	INCOME CLASSES									
	1	2	3	4	5	6	7	8	9	10
REFORM										
REFORM( 5, 4)	0.	-9.	-13.	-11.	-4.	-2.	-2.	-1.	-1.	-1.
REFORM( 5, 5)	0.	-1.	-2.	-4.	-5.	-6.	-6.	-6.	-5.	-6.
TOTAL IN CLASS	0.	-13.	-17.	-18.	-14.	-13.	-13.	-9.	-2.	16.
6. REFORM CATEGORY 6 -- OTHER ASPECTS OF COMPREHENSIVE BASE										
REFORM( 6, 1)	-0.	1.	2.	4.	6.	10.	21.	51.	146.	247.
REFORM( 6, 2)	0.	0.	1.	4.	14.	24.	26.	28.	25.	28.
TOTAL IN CLASS	-0.	1.	3.	8.	20.	34.	47.	79.	171.	276.
7. REFORM CATEGORY 7 -- CHANGES IN CONCESSIONARY ALLOWANCES										
REFORM( 7, 1)	0.	1.	3.	3.	4.	4.	4.	5.	12.	10.
REFORM( 7, 2)	0.	0.	0.	0.	0.	0.	0.	1.	1.	1.
REFORM( 7, 3)	0.	0.	0.	1.	1.	1.	1.	1.	1.	1.
REFORM( 7, 4)	0.	3.	3.	5.	6.	6.	6.	5.	5.	5.
REFORM( 7, 5)	0.	-8.	-7.	-8.	-11.	-15.	-28.	-39.	-42.	-49.
REFORM( 7, 6)	0.	0.	-0.	-0.	-0.	0.	1.	2.	3.	4.
TOTAL IN CLASS	0.	-3.	0.	1.	-1.	-3.	-16.	-25.	-20.	-28.
UNDISTRIBUTED AMOUNTS										
	-0.	-0.	-1.	-0.	-0.	-0.	-0.	-0.	0.	-0.
TOTAL CHANGES										
CURRENT TOTAL	-12.	-29.	-31.	-41.	-46.	-46.	-73.	-108.	-63.	-25.
NEW TOTAL	12.	50.	140.	252.	376.	512.	774.	1240.	1722.	2262.
PERCENT CHANGE	0.	21.	110.	212.	330.	466.	701.	1132.	1659.	2237.
	-97.7	-57.5	-21.9	-16.1	-12.2	-9.0	-9.5	-8.7	-3.6	-1.1

TABLE H-6 (continued)

REFORM	INCOME CLASSES									
	11	12	13	14	15	16	17	18	19	20
1. REFORM CATEGORY 1 -- CHANGES IN TAX RATES										
REFORM( 1, 1)	-177.	-349.	-691.	-1117.	-1899.	-2954.	-4079.	-5699.	-7544.	-19148.
REFORM( 1, 2)	-256.	-336.	-451.	-495.	-513.	-502.	-405.	-350.	-270.	-269.
REFORM( 1, 3)	-9.	-3.	3.	12.	22.	26.	27.	30.	25.	20.
REFORM( 1, 4)	23.	32.	42.	51.	56.	62.	61.	47.	38.	34.
TOTAL IN CLASS	-420.	-656.	-1097.	-1548.	-2334.	-3369.	-4396.	-5972.	-7751.	-19362.
2. REFORM CATEGORY 2 -- TAXATION OF THE FAMILY AS A UNIT										
REFORM( 2, 1)	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
REFORM( 2, 2)	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
REFORM( 2, 3)	0.	0.	0.	0.	0.	0.	0.	0.	0.	0.
REFORM( 2, 4)	-123.	-164.	-223.	-394.	-554.	-929.	-1267.	-1790.	-2454.	-4928.
TOTAL IN CLASS	-123.	-164.	-223.	-394.	-554.	-929.	-1267.	-1790.	-2454.	-4928.
3. REFORM CATEGORY 3 -- CHANGES IN TAXATION OF CORPORATE SOURCE INCOME										
REFORM( 3, 1)	-287.	-441.	-546.	-801.	-834.	-606.	-52.	872.	1976.	7265.
REFORM( 3, 2)	50.	93.	156.	348.	647.	1111.	1855.	3131.	4850.	13512.
REFORM( 3, 3)	135.	252.	423.	924.	1706.	2817.	4611.	7785.	12065.	33622.
REFORM( 3, 4)	0.	0.	1.	4.	20.	46.	128.	217.	333.	982.
REFORM( 3, 5)	-8.	-15.	-25.	-55.	-102.	-169.	-277.	-467.	-724.	-2018.
TOTAL IN CLASS	-110.	-111.	8.	420.	1437.	3199.	6266.	11538.	18501.	53363.
4. REFORM CATEGORY 4 -- CHANGES IN TAXATION OF OTHER PROPERTY INCOME										
REFORM( 4, 1)	-30.	-36.	-48.	-55.	-61.	-65.	-58.	-47.	-45.	-36.
REFORM( 4, 2)	14.	18.	19.	18.	20.	22.	46.	38.	63.	35.
REFORM( 4, 3)	-8.	-11.	-14.	-18.	-22.	-30.	-39.	-46.	-43.	-64.
REFORM( 4, 4)	-1.	-1.	-3.	-3.	-5.	-8.	-17.	-10.	-68.	-21.
REFORM( 4, 5)	100.	151.	187.	272.	361.	414.	450.	462.	479.	477.
REFORM( 4, 6)	80.	115.	167.	256.	397.	601.	840.	1212.	1551.	3165.
REFORM( 4, 7)	43.	62.	89.	137.	213.	322.	449.	649.	830.	1694.
REFORM( 4, 8)	48.	77.	114.	201.	345.	571.	868.	1266.	1476.	2711.
TOTAL IN CLASS	244.	374.	511.	809.	1248.	1826.	2539.	3522.	4243.	7960.
5. REFORM CATEGORY 5 -- CHANGES IN TAXATION OF EMPLOYMENT INCOME										
REFORM( 5, 1)	-49.	-55.	-74.	-98.	-165.	-159.	-207.	-186.	-175.	-173.
REFORM( 5, 2)	-6.	-7.	-8.	-10.	-11.	-12.	-10.	-9.	-8.	-11.
REFORM( 5, 3)	114.	151.	212.	245.	304.	304.	306.	262.	250.	213.
REFORM( 5, 4)	-1.	-1.	-1.	-1.	-1.	-1.	-1.	-0.	-1.	0.
REFORM( 5, 5)	-6.	-6.	-7.	-7.	-9.	-9.	-10.	-9.	-9.	-8.
TOTAL IN CLASS	52.	82.	122.	129.	118.	123.	79.	56.	57.	20.
6. REFORM CATEGORY 6 -- OTHER ASPECTS OF COMPREHENSIVE BASE										

TABLE H-6 (continued)

REFORM	INCOME CLASSES									
	11	12	13	14	15	16	17	18	19	20
REFORM( 6, 1)	377.	574.	891.	1799.	2863.	5205.	7580.	11181.	15517.	31940.
REFORM( 6, 2)	30.	33.	39.	38.	36.	38.	31.	24.	18.	17.
TOTAL IN CLASS	407.	607.	930.	1837.	2899.	5243.	7611.	11205.	15535.	31957.
7. REFORM CATEGORY 7 -- CHANGES IN CONCESSIONARY ALLOWANCES										
REFORM( 7, 1)	14.	17.	18.	26.	30.	42.	48.	47.	67.	78.
REFORM( 7, 2)	2.	4.	6.	11.	23.	34.	58.	91.	144.	365.
REFORM( 7, 3)	1.	1.	1.	2.	2.	2.	2.	2.	2.	2.
REFORM( 7, 4)	5.	5.	4.	4.	4.	4.	3.	3.	2.	1.
REFORM( 7, 5)	-64.	-109.	-136.	-177.	-145.	-69.	99.	352.	711.	2277.
REFORM( 7, 6)	6.	9.	13.	18.	21.	21.	24.	23.	18.	13.
TOTAL IN CLASS	-36.	-74.	-94.	-115.	-64.	34.	234.	518.	945.	2736.
UNDISTRIBUTED AMOUNTS	0.	0.	0.	0.	0.	0.	0.	-0.	-0.	0.
TOTAL CHANGES	15.	59.	157.	1137.	2749.	6127.	11065.	19077.	29075.	71746.
CURRENT TOTAL	3243.	4687.	6804.	10856.	17079.	26172.	37624.	55679.	78591.	193758.
NEW TOTAL	3257.	4746.	6961.	11994.	19828.	32299.	48689.	74756.	107667.	265504.
PERCENT CHANGE	.5	1.3	2.3	10.5	16.1	23.4	29.4	34.3	37.0	37.0

## APPENDIX I

### ESTIMATES OF THE INCIDENCE OF THE CHANGE IN SALES TAX REVENUES ON FAMILIES IN DIFFERENT INCOME CLASSES

The analyses reported in this appendix update the calculations presented in Appendix E to Volume 6 of the Report to allow for the increase in current sales tax rates announced in the December 1966 Supplementary Budget. In addition, those calculations are extended to provide estimates of the incidence of sales tax changes on a more detailed breakdown of families with incomes over \$10,000.

The estimates of sales tax changes for income classes over \$10,000 are obtained by prorating the total revenue raised in 1961 from families with incomes over \$10,000 as projected in Appendix E to Volume 6 over detailed income classes within the "over \$10,000" range in accordance with the estimated 1964 distribution of taxable spending by taxpayers in each income class. The estimates of total taxable spending in each class are based on estimates of disposable income calculated from data presented in Table H-5 and on assumptions regarding the fraction of disposable income allocated to taxable spending by taxpayers in each class. These assumptions are arbitrary, though believed to reflect the relative pattern of spending in the different classes. The relative distributions of families and family incomes over income classes above are assumed to be the same as those of taxpayers and taxpayers' incomes.

As in Appendix E to Volume 6, estimates are provided of the total combined change in direct taxes and sales tax. As in that appendix, these estimates are based on an assumption that average direct taxes paid by families in each income class are equal to average direct taxes paid by individual taxpayers falling in each class.

TABLE I-1

REVISED ESTIMATES OF THE AVERAGE CHANGE IN SALES  
TAXES FOR UNATTACHED INDIVIDUALS AND FAMILIES  
IN DIFFERENT INCOME CLASSES

<u>Income</u>	<u>Average Sales Taxes Paid</u>		<u>Average Change in Sales Taxes</u>
	<u>Current</u>	<u>Proposed</u>	
	\$	\$	\$
Less than \$2,000	87	78	-9
\$ 2,000 - 2,999	157	131	-26
3,000 - 3,999	231	187	-44
4,000 - 4,999	275	218	-57
5,000 - 6,999	379	303	-76
7,000 - 9,999	549	435	-114
10,000 and over	788	856	68
ALL CLASSES	293	248	-45

Note: Income is defined as taxable income under the comprehensive tax base.

Source: Table E-2 of Appendix E to Volume 6 of the Report. Current average sales taxes paid have been multiplied by 12/11 to reflect the increase in sales tax rate announced in the December 1966 Supplementary Budget.



TABLE I-2

ESTIMATES OF THE DISTRIBUTION OF SALES TAX REVENUES  
FROM TAX UNITS WITH INCOMES OVER \$10,000

<u>Income</u>	<u>Total Disposable Income</u> (millions of dollars)	<u>Assumed Fraction Spent on Taxable Goods and Services</u>	<u>Estimated Taxable Spending Amount</u> (millions of dollars)	<u>Per Cent of Total</u>	<u>Revenue from Sales Tax</u> (millions of dollars)
<b>1. Under the Current Tax System</b>					
\$10,000 - \$11,999	768.1	.70	537.7	17.6	36.5
12,000 - 14,999	932.1	.65	605.9	19.8	41.0
15,000 - 19,999	909.0	.60	545.4	17.8	36.9
20,000 - 24,999	507.8	.50	253.9	8.3	17.2
25,000 - 49,999	1,231.4	.45	554.1	18.0	37.3
50,000 and over	<u>1,420.2</u>	.40	<u>568.1</u>	<u>18.5</u>	<u>38.4</u>
<b>TOTAL</b>	<u>5,768.6</u>		<u>3,065.1</u>	<u>100.0</u>	<u>207.3</u>
<b>2. Under the Proposed Tax System</b>					
\$10,000 - \$11,999	773.0	.65	502.5	15.5	34.9
12,000 - 14,999	933.2	.65	606.6	18.6	41.8
15,000 - 19,999	906.7	.60	544.0	16.8	37.8
20,000 - 24,999	506.0	.60	303.6	9.4	21.2
25,000 - 49,999	1,205.5	.55	663.0	20.4	45.9
50,000 and over	<u>1,249.9</u>	.50	<u>625.0</u>	<u>19.3</u>	<u>43.4</u>
<b>TOTAL</b>	<u>5,574.3</u>		<u>3,244.7</u>	<u>100.0</u>	<u>225.0</u>

Notes: Total disposable income is estimated as comprehensive income less personal deductions allowed under the Commission's proposals and total direct taxes paid by or attributable to tax units in each class; data are obtained from Table H-5 in Appendix H to this study. Total sales tax revenue from tax units with incomes over \$10,000 is obtained from Table E-1 of Appendix E to Volume 6 of the Report; the current tax revenue shown in that table has been multiplied by 12/11 to adjust for the increase in tax rate announced in the December 1966 Supplementary Budget.

TABLE I-3

ESTIMATES OF THE AVERAGE CHANGE IN SALES  
TAXES FOR UNATTACHED INDIVIDUALS AND  
FAMILIES IN DIFFERENT INCOME CLASSES

<u>Income</u>	Number of Unattached Individuals and Families (thousands)	Average Sales Taxes Paid		Average Change In Sales Taxes
		<u>Current</u>	<u>Proposed</u>	
		\$	\$	\$
\$10,000 - 11,999	66.0	553	529	-24
12,000 - 14,999	66.8	614	626	8
15,000 - 19,999	52.2	707	724	17
20,000 - 24,999	23.1	745	918	173
25,000 - 49,999	38.9	959	1,180	221
50,000 and over	<u>16.0</u>	2,400	2,713	313
TOTAL	<u>263.0</u>			

Note: Total numbers of unattached individuals and families are from Table E-2 in Appendix E to Volume 6 of the Report; the relative distribution of unattached individuals and families over the income classes is assumed to be the same as that of individuals filing 1964 personal income tax returns over these classes, as shown in Table H-5 above. Averages are computed from totals shown in Table I-2.

TABLE I-4

ESTIMATED CHANGE IN AVERAGE SALES TAXES AND DIRECT  
TAXES COMBINED FOR FAMILIES IN EACH INCOME CLASS

Income	Average Changes in Taxes		
	Direct Taxes	Sales Taxes	Total
Less than \$ 2,000	-22	-9	-31
\$ 2,000 - 2,999	-30	-26	-56
3,000 - 3,999	-40	-44	-84
4,000 - 4,999	-46	-57	-113
5,000 - 5,999	-46)	-76	-130
6,000 - 6,999 )	)		
7,000 - 7,999 )	-73)		
8,000 - 9,999	-108)	-89	-203
10,000 - 11,999	-63	-24	-87
12,000 - 14,999	-25	8	-17
15,000 - 19,999	14	17	31
20,000 - 24,999	59	173	232
25,000 - 49,999	565	221	786
50,000 and over	8,706	313	9,019
ALL CLASSES	-10	-45	-55

Note: Average direct taxes of families in each income class have been assumed to be the same as the average taxes attributable to all taxpayers in the income class. Direct taxes of taxpayers with incomes between \$6,000 and \$7,999 have been allocated on the assumption that 45 per cent of these taxpayers have incomes between \$7,000 and \$7,999.

Source: Tables 14, I-1, I-3.

## APPENDIX J

### UPDATED COMPARISONS OF TAX LIABILITIES FOR WAGE EARNERS UNDER THE CURRENT AND PROPOSED TAX SYSTEMS

The tables in this appendix give a detailed comparison of the tax liabilities of different families earning income from employment under the current tax system and the proposed tax system in four cases reflecting different family situations. The tables are an updated form of the examples provided in Appendix I to Volume 3 of the Report, revised to allow for the increases in old age security tax announced in the December 1966 Supplementary Budget.

These cases are as follows:

1. An unattached individual or a family unit with one income recipient.
2. A family unit with 20 per cent of its income earned by a working wife and the balance by the husband.
3. A family unit with 35 per cent of its income earned by a working wife and the balance by the husband.
4. A family unit in which the husband and wife each earn 50 per cent of the income.

In all cases, it is assumed that all of the income is from employment and that the children are qualified for family allowances, each at the rate of \$72 a year.

For each case, three tables of computer-generated output are presented. The first table lists the total federal income taxes, before the deduction of the provincial tax abatements, that are payable by unattached individuals and by family units composed of married couples with different numbers of children, given different levels of employment income. The second table shows the effective average tax rate for taxpayers in each situation. The effective average tax rate is the ratio of taxes paid to income. The third table presents estimates of the effective marginal rates applicable to taxpayers in each situation. These estimates are based on the assumption that, currently, tax is imposed on the same proportion of the additional income as the taxpayer's entire income. The marginal rates are computed as the effective rate of tax on an additional \$500 of income.

The four cases analyzed in this fashion show the effect of different proportions of income being earned by husbands and wives. In the last three cases, it is assumed that families with dependent children are eligible for the \$80 working mother credit but not for the additional \$120 credit for families with children younger than seven, although it is unlikely that families with many children would not be eligible for the latter credit.

In all these tables, in calculating tax liabilities under the proposed system, income is determined under the comprehensive definition, and is assumed, for illustrative purposes, to be employment income only, apart from family allowances, which are also taken into account. It is assumed that the \$50 standard deduction and the 3 per cent optional standard employment expense deduction are claimed and that no additional allowable deductions are itemized. Alternatively, it may be assumed that any additional deductions beyond these amounts are offset by the attribution

of fringe benefits and other components of the comprehensive tax base which at present are untaxed. Current tax includes both income tax and old age security tax. Parents of dependent children are assumed to be receiving family allowances of \$6 per month per child.

The way in which the taxes are computed under the first table for each case can best be described by reference to several examples. Example 1 (a single individual earning \$3,500) shows the method of calculation of the two tax figures which are presented in Table J-4, Column 1, in the row shown for gross employment income of \$3,500. Example 2 (a family with a wife and three children with one income recipient earning \$6,500) gives the calculations underlying the tax figures shown in Table J-4, Column 5, in the row for gross employment income of \$6,500. Example 3 (a family with two school-age children in which both spouses work, the husband earning \$5,200 and the wife \$2,800) gives the calculations underlying the tax figures shown in Table J-10, Column 3, in the row for gross employment income of \$8,000.

TABLE J-1

## CALCULATION OF TAXES UNDER THE CURRENT AND PROPOSED SYSTEMS

## EXAMPLE 1: SINGLE INDIVIDUAL

EARNING \$3,500

	<u>Current Tax Calculation</u> \$	<u>Tax Calculation Under the Proposed System</u> \$
1. <u>Income Received</u>		
Income earned from employment	3,500	3,500
Family allowances	<u>N.A.</u>	<u>0</u>
	<u>3,500</u>	<u>3,500</u>
2. <u>Deductions</u>		
Employment expense deduction	N.A.	105
Personal exemption	1,000	N.A.
Dependant allowances	0	N.A.
Standard deduction	<u>100</u>	<u>50</u>
	<u>1,100</u>	<u>155</u>
3. <u>Net Taxable Income</u>	<u>2,400</u>	<u>3,345</u>
4. <u>Gross Tax</u>		
Income tax (1966 rates for current tax calculation)	298	374
Old age security tax	<u>96</u>	<u>N.A.</u>
	<u>394</u>	<u>374</u>
5. <u>Tax Credits</u>		
Tax credit for first child	N.A.	0
Tax credit for additional children	N.A.	0
Tax credit for working mothers	N.A.	0
Additional tax credit for working mothers with pre-school children	<u>N.A.</u>	<u>0</u>
	<u>0</u>	<u>0</u>
6. <u>Net Tax Paid</u>	<u>394</u>	<u>374</u>

Note: "N.A." means that the item is not applicable.

TABLE J-2

## CALCULATION OF TAXES UNDER THE CURRENT AND PROPOSED SYSTEMS

## EXAMPLE 2: FAMILY WITH WIFE AND THREE CHILDREN

HUSBAND EARNING \$6,500

	Current Tax Calculation \$	Tax Calculation Under the Proposed System \$
1. <u>Income Received</u>		
Income earned from employment	6,500	6,500
Family allowances (\$6 per month per child)	<u>N.A.</u>	<u>216</u>
	<u>6,500</u>	<u>6,716</u>
2. <u>Deductions</u>		
Employment expense deduction	N.A.	195
Personal exemptions	2,000	N.A.
Dependant allowances	900	N.A.
Standard deduction	<u>100</u>	<u>50</u>
	<u>3,000</u>	<u>245</u>
3. <u>Net Taxable Income</u>	<u>3,500</u>	<u>6,471</u>
4. <u>Gross Tax</u>		
Income tax (1966 rates for current tax calculation)	495	741
Old age security tax	<u>140</u>	<u>N.A.</u>
	<u>635</u>	<u>741</u>
5. <u>Tax Credits</u>		
Tax credit for first child	N.A.	100
Tax credit for additional children	N.A.	120
Tax credit for working mothers	N.A.	0
Additional tax credit for working mothers with pre-school children	<u>N.A.</u>	<u>0</u>
	<u>0</u>	<u>220</u>
6. <u>Net Tax Paid</u>	<u>635</u>	<u>521</u>

Note: "N.A." means that the item is not applicable.



TABLE J-3

## CALCULATION OF TAXES UNDER THE CURRENT AND PROPOSED SYSTEMS

EXAMPLE 3: FAMILY WITH TWO SCHOOL-AGE CHILDREN,  
BOTH HUSBAND AND WIFE WORKING, HUSBAND EARNING  
\$5,200, WIFE EARNING \$2,800

	<u>Current Tax Calculation</u>		<u>Tax Calculation Under the Proposed System</u>
	<u>Husband's Return</u>	<u>Wife's Return</u>	
1. <u>Income Received</u>	\$	\$	\$
Income earned from employment	5,200	2,800	8,000
Family allowances (\$6 per month per child)	<u>N.A.</u>	<u>N.A.</u>	<u>144</u>
	<u>5,200</u>	<u>2,800</u>	<u>8,144</u>
2. <u>Deductions</u>			
Employment expense deduction	N.A.	N.A.	240
Personal exemptions	1,000	1,000	N.A.
Dependant allowances	600	0	N.A.
Standard deduction	<u>100</u>	<u>100</u>	<u>50</u>
	<u>1,700</u>	<u>1,100</u>	<u>290</u>
3. <u>Net Taxable Income</u>	<u>3,500</u>	<u>1,700</u>	<u>7,854</u>
4. <u>Gross Tax</u>			
Income tax (1966 rates for current tax calculation)	495	188	1,018
Old age security tax	<u>140</u>	<u>68</u>	<u>N.A.</u>
	<u>635</u>	<u>256</u>	<u>1,018</u>
	<u>\$891</u>		
5. <u>Tax Credits</u>			
Tax credit for first child	N.A.		100
Tax credit for additional children	N.A.		60
Tax credit for working mothers	N.A.		80
Additional tax credit for working mothers with pre-school children	<u>N.A.</u>		<u>0</u>
	<u>0</u>		<u>240</u>
6. <u>Net Tax Paid</u>	<u>\$891</u>		<u>778</u>

Note: "N.A." means that the item is not applicable.

TABLE J-4

CHANGES IN TAX LIABILITIES RESULTING FROM THE COMMISSION'S PROPOSALS FOR  
AN UNATTACHED INDIVIDUAL AND A FAMILY UNIT WITH ONE INCOME RECIPIENT

GROSS EMPLOYMENT INCOME		STATUS OF TAXPAYER		NUMBER OF CHILDREN						
		UNAT- TACHED INDIVI- DUAL	MARRIED COUPLE	0	1	2	3	5	8	
1500	CURRENT TAX (1966 RATES) TAX UNDER OUR PROPOSALS INCREASE OR DECREASE IN TAX	51. 49. -3.		0. 0. 0.	0. 0. 0.	0. 0. 0.	0. 0. 0.	0. 0. 0.	0. 0. 0.	
2000	CURRENT TAX (1966 RATES) TAX UNDER OUR PROPOSALS INCREASE OR DECREASE IN TAX	115. 119. 3.		0. 0. 0.	0. 0. 0.	0. 0. 0.	0. 0. 0.	0. 0. 0.	0. 0. 0.	
2500	CURRENT TAX (1966 RATES) TAX UNDER OUR PROPOSALS INCREASE OR DECREASE IN TAX	202. 199. -3.		51. 36. -15.	13. 0. -13.	0. 0. 0.	0. 0. 0.	0. 0. 0.	0. 0. 0.	
3000	CURRENT TAX (1966 RATES) TAX UNDER OUR PROPOSALS INCREASE OR DECREASE IN TAX	292. 281. -11.		115. 99. -16.	77. 8. -69.	38. 0. -38.	0. 0. 0.	0. 0. 0.	0. 0. 0.	
3500	CURRENT TAX (1966 RATES) TAX UNDER OUR PROPOSALS INCREASE OR DECREASE IN TAX	394. 374. -20.		202. 172. -30.	148. 84. -64.	102. 35. -67.	64. 0. -64.	0. 0. 0.	0. 0. 0.	
4000	CURRENT TAX (1966 RATES) TAX UNDER OUR PROPOSALS INCREASE OR DECREASE IN TAX	499. 471. -28.		292. 250. -42.	238. 161. -77.	184. 113. -71.	130. 65. -65.	51. 0. -51.	0. 0. 0.	
5000	CURRENT TAX (1966 RATES) TAX UNDER OUR PROPOSALS INCREASE OR DECREASE IN TAX	727. 681. -46.		499. 421. -78.	436. 334. -102.	373. 287. -86.	310. 240. -70.	202. 147. -55.	64. 8. -56.	
6500	CURRENT TAX (1966 RATES) TAX UNDER OUR PROPOSALS INCREASE OR DECREASE IN TAX	1114. 1016. -98.		854. 698. -156.	776. 612. -164.	704. 567. -137.	635. 521. -114.	499. 430. -69.	310. 293. -17.	

TABLE J-4 (continued)

GROSS EMPLOYMENT INCOME	UNAT- TACHED INDIVI- DUAL	STATUS OF TAXPAYER		NUMBER OF CHILDREN					
		MARRIED COUPLE							
		0	1	2	3	5	8		
8000	CURRENT TAX (1966 RATES)	1504.	1244.	1166.	1088.	1010.	854.	635.	
	TAX UNDER OUR PROPOSALS	1365.	989.	903.	858.	812.	722.	587.	
	INCREASE OR DECREASE IN TAX	-139.	-255.	-263.	-230.	-198.	-132.	-48.	
10000	CURRENT TAX (1966 RATES)	2060.	1764.	1686.	1608.	1530.	1374.	1140.	
	TAX UNDER OUR PROPOSALS	1864.	1393.	1309.	1264.	1219.	1129.	997.	
	INCREASE OR DECREASE IN TAX	-196.	-371.	-377.	-344.	-311.	-245.	-143.	
12000	CURRENT TAX (1966 RATES)	2705.	2360.	2270.	2180.	2090.	1910.	1660.	
	TAX UNDER OUR PROPOSALS	2400.	1817.	1733.	1688.	1644.	1556.	1427.	
	INCREASE OR DECREASE IN TAX	-305.	-543.	-537.	-492.	-446.	-354.	-233.	
15000	CURRENT TAX (1966 RATES)	3850.	3450.	3330.	3210.	3090.	2880.	2565.	
	TAX UNDER OUR PROPOSALS	3265.	2507.	2424.	2382.	2339.	2253.	2128.	
	INCREASE OR DECREASE IN TAX	-585.	-943.	-906.	-828.	-751.	-627.	-437.	
20000	CURRENT TAX (1966 RATES)	6045.	5595.	5460.	5325.	5190.	4920.	4515.	
	TAX UNDER OUR PROPOSALS	4839.	3828.	3748.	3707.	3667.	3586.	3465.	
	INCREASE OR DECREASE IN TAX	-1206.	-1767.	-1712.	-1618.	-1523.	-1334.	-1050.	
25000	CURRENT TAX (1966 RATES)	8295.	7845.	7710.	7575.	7440.	7170.	6765.	
	TAX UNDER OUR PROPOSALS	6572.	5356.	5279.	5241.	5203.	5128.	5016.	
	INCREASE OR DECREASE IN TAX	-1722.	-2489.	-2431.	-2334.	-2237.	-2042.	-1749.	
30000	CURRENT TAX (1966 RATES)	10740.	10240.	10090.	9940.	9790.	9490.	9040.	
	TAX UNDER OUR PROPOSALS	8411.	7084.	7010.	6975.	6940.	6870.	6767.	
	INCREASE OR DECREASE IN TAX	-2329.	-3156.	-3080.	-2965.	-2850.	-2620.	-2273.	
40000	CURRENT TAX (1966 RATES)	15740.	15240.	15090.	14940.	14790.	14490.	14040.	
	TAX UNDER OUR PROPOSALS	12300.	10868.	10795.	10763.	10730.	10665.	10568.	
	INCREASE OR DECREASE IN TAX	-3440.	-4372.	-4295.	-4177.	-4060.	-3825.	-3472.	
50000	CURRENT TAX (1966 RATES)	21185.	20635.	20470.	20305.	20140.	19810.	19315.	
	TAX UNDER OUR PROPOSALS	16484.	15046.	14976.	14946.	14917.	14857.	14768.	
	INCREASE OR DECREASE IN TAX	-4701.	-5589.	-5494.	-5359.	-5223.	-4953.	-4547.	

TABLE J-4 (continued)

GROSS EMPLOYMENT INCOME	STATUS OF TAXPAYER		NUMBER OF CHILDREN					
	UNAT- TACHED INDIVI- DUAL	MARRIED COUPLE	0	1	2	3	5	8
70000	CURRENT TAX (1966 RATES)		32030.	31850.	31670.	31490.	31130.	30590.
	TAX UNDER OUR PROPOSALS		24024.	23957.	23930.	23903.	23850.	23769.
	INCREASE OR DECREASE IN TAX		-8006.	-7893.	-7740.	-7587.	-7280.	-6821.
100000	CURRENT TAX (1966 RATES)		50425.	50230.	50035.	49840.	49450.	48865.
	TAX UNDER OUR PROPOSALS		38407.	38343.	38318.	38293.	38244.	38170.
	INCREASE OR DECREASE IN TAX		-12018.	-11887.	-11717.	-11547.	-11206.	-10695.
200000	CURRENT TAX (1966 RATES)		119070.	118860.	118650.	118440.	118020.	117390.
	TAX UNDER OUR PROPOSALS		88402.	88338.	88314.	88290.	88242.	88170.
	INCREASE OR DECREASE IN TAX		-30668.	-30522.	-30336.	-30150.	-29778.	-29220.
350000	CURRENT TAX (1966 RATES)		230215.	229990.	229765.	229540.	229090.	228415.
	TAX UNDER OUR PROPOSALS		163402.	163338.	163314.	163290.	163242.	163170.
	INCREASE OR DECREASE IN TAX		-66813.	-66652.	-66451.	-66250.	-65848.	-65245.
600000	CURRENT TAX (1966 RATES)		427610.	427370.	427130.	426890.	426410.	425690.
	TAX UNDER OUR PROPOSALS		288402.	288338.	288314.	288290.	288242.	288170.
	INCREASE OR DECREASE IN TAX		-139208.	-139032.	-138816.	-138600.	-138168.	-137520.

TABLE J-5

EFFECTIVE AVERAGE TAX RATES UNDER THE CURRENT AND PROPOSED TAX SYSTEM FOR  
AN UNATTACHED INDIVIDUAL AND A FAMILY UNIT WITH ONE INCOME RECIPIENT

GROSS EMPLOYMENT INCOME	STATUS OF TAXPAYER		NUMBER OF CHILDREN					
	UNAT- TACHED INDIVI- DUAL	MARRIED COUPLE	0	1	2	3	5	8
1500	CURRENT TAX (1966 RATES)		0.034	0.000	0.000	0.000	0.000	0.000
	TAX UNDER OUR PROPOSALS		0.032	0.000	0.000	0.000	0.000	0.000
	CHANGE IN EFFECTIVE RATE		-0.002	0.000	0.000	0.000	0.000	0.000
2000	CURRENT TAX (1966 RATES)		0.058	0.000	0.000	0.000	0.000	0.000
	TAX UNDER OUR PROPOSALS		0.059	0.000	0.000	0.000	0.000	0.000
	CHANGE IN EFFECTIVE RATE		0.002	0.000	0.000	0.000	0.000	0.000
2500	CURRENT TAX (1966 RATES)		0.081	0.005	0.000	0.000	0.000	0.000
	TAX UNDER OUR PROPOSALS		0.079	0.000	0.000	0.000	0.000	0.000
	CHANGE IN EFFECTIVE RATE		-0.001	-0.005	0.000	0.000	0.000	0.000
3000	CURRENT TAX (1966 RATES)		0.097	0.026	0.013	0.000	0.000	0.000
	TAX UNDER OUR PROPOSALS		0.094	0.003	0.000	0.000	0.000	0.000
	CHANGE IN EFFECTIVE RATE		-0.004	-0.023	-0.013	0.000	0.000	0.000
3500	CURRENT TAX (1966 RATES)		0.113	0.042	0.029	0.018	0.000	0.000
	TAX UNDER OUR PROPOSALS		0.107	0.024	0.010	0.000	0.000	0.000
	CHANGE IN EFFECTIVE RATE		-0.006	-0.018	-0.019	-0.018	0.000	0.000
4000	CURRENT TAX (1966 RATES)		0.125	0.059	0.046	0.032	0.013	0.000
	TAX UNDER OUR PROPOSALS		0.118	0.040	0.028	0.016	0.000	0.000
	CHANGE IN EFFECTIVE RATE		-0.007	-0.019	-0.018	-0.016	-0.013	0.000
5000	CURRENT TAX (1966 RATES)		0.145	0.087	0.075	0.062	0.040	0.013
	TAX UNDER OUR PROPOSALS		0.136	0.067	0.057	0.048	0.029	0.002
	CHANGE IN EFFECTIVE RATE		-0.009	-0.020	-0.017	-0.014	-0.011	-0.011
6500	CURRENT TAX (1966 RATES)		0.171	0.119	0.108	0.098	0.077	0.048
	TAX UNDER OUR PROPOSALS		0.156	0.094	0.087	0.080	0.066	0.045
	CHANGE IN EFFECTIVE RATE		-0.015	-0.025	-0.021	-0.018	-0.011	-0.003

TABLE J-5 (continued)

GROSS EMPLOYMENT INCOME	STATUS OF TAXPAYER		NUMBER OF CHILDREN					
	UNAT- TACHED INDIVI- DUAL	MARRIED COUPLE	0	1	2	3	5	8
8000	CURRENT TAX (1966 RATES)		0.188	0.155	0.146	0.136	0.126	0.107
	TAX UNDER OUR PROPOSALS		0.171	0.124	0.113	0.107	0.102	0.073
	CHANGE IN EFFECTIVE RATE		-0.017	-0.032	-0.033	-0.029	-0.025	-0.006
10000	CURRENT TAX (1966 RATES)		0.206	0.176	0.169	0.161	0.153	0.114
	TAX UNDER OUR PROPOSALS		0.186	0.139	0.131	0.126	0.122	0.100
	CHANGE IN EFFECTIVE RATE		-0.020	-0.037	-0.038	-0.034	-0.031	-0.014
12000	CURRENT TAX (1966 RATES)		0.225	0.197	0.189	0.182	0.174	0.138
	TAX UNDER OUR PROPOSALS		0.200	0.151	0.144	0.141	0.137	0.119
	CHANGE IN EFFECTIVE RATE		-0.025	-0.045	-0.045	-0.041	-0.037	-0.019
15000	CURRENT TAX (1966 RATES)		0.257	0.230	0.222	0.214	0.206	0.171
	TAX UNDER OUR PROPOSALS		0.218	0.167	0.162	0.159	0.156	0.142
	CHANGE IN EFFECTIVE RATE		-0.039	-0.063	-0.060	-0.055	-0.050	-0.029
20000	CURRENT TAX (1966 RATES)		0.302	0.280	0.273	0.266	0.259	0.226
	TAX UNDER OUR PROPOSALS		0.242	0.191	0.187	0.185	0.183	0.173
	CHANGE IN EFFECTIVE RATE		-0.060	-0.088	-0.086	-0.081	-0.076	-0.052
25000	CURRENT TAX (1966 RATES)		0.332	0.314	0.308	0.303	0.298	0.271
	TAX UNDER OUR PROPOSALS		0.263	0.214	0.211	0.210	0.208	0.201
	CHANGE IN EFFECTIVE RATE		-0.069	-0.100	-0.097	-0.093	-0.089	-0.070
30000	CURRENT TAX (1966 RATES)		0.358	0.341	0.336	0.331	0.326	0.301
	TAX UNDER OUR PROPOSALS		0.280	0.236	0.234	0.232	0.231	0.226
	CHANGE IN EFFECTIVE RATE		-0.078	-0.105	-0.103	-0.099	-0.095	-0.076
40000	CURRENT TAX (1966 RATES)		0.393	0.381	0.377	0.373	0.370	0.351
	TAX UNDER OUR PROPOSALS		0.308	0.272	0.270	0.269	0.268	0.264
	CHANGE IN EFFECTIVE RATE		-0.086	-0.109	-0.107	-0.104	-0.101	-0.087
50000	CURRENT TAX (1966 RATES)		0.424	0.413	0.409	0.406	0.403	0.386
	TAX UNDER OUR PROPOSALS		0.330	0.301	0.300	0.299	0.298	0.295
	CHANGE IN EFFECTIVE RATE		-0.094	-0.112	-0.110	-0.107	-0.104	-0.091

TABLE J-5 (continued)

GROSS EMPLOYMENT INCOME	STATUS OF TAXPAYER		NUMBER OF CHILDREN							
	UNAT- TACHED INDIVI- DUAL	MARRIED COUPLE								
			0	1	2	3	5	8		
70000	CURRENT TAX (1966 RATES)		0.466	0.458	0.455	0.452	0.450	0.445	0.437	
	TAX UNDER OUR PROPOSALS		0.364	0.343	0.342	0.342	0.341	0.341	0.340	
	CHANGE IN EFFECTIVE RATE		-0.102	-0.114	-0.113	-0.111	-0.108	-0.104	-0.097	
100000	CURRENT TAX (1966 RATES)		0.511	0.504	0.502	0.500	0.498	0.494	0.489	
	TAX UNDER OUR PROPOSALS		0.398	0.384	0.383	0.383	0.383	0.382	0.382	
	CHANGE IN EFFECTIVE RATE		-0.112	-0.120	-0.119	-0.117	-0.115	-0.112	-0.107	
200000	CURRENT TAX (1966 RATES)		0.599	0.595	0.594	0.593	0.592	0.590	0.587	
	TAX UNDER OUR PROPOSALS		0.449	0.442	0.442	0.442	0.441	0.441	0.441	
	CHANGE IN EFFECTIVE RATE		-0.150	-0.153	-0.153	-0.152	-0.151	-0.149	-0.146	
350000	CURRENT TAX (1966 RATES)		0.660	0.658	0.657	0.656	0.656	0.655	0.653	
	TAX UNDER OUR PROPOSALS		0.471	0.467	0.467	0.467	0.467	0.466	0.466	
	CHANGE IN EFFECTIVE RATE		-0.189	-0.191	-0.190	-0.190	-0.189	-0.188	-0.186	
600000	CURRENT TAX (1966 RATES)		0.714	0.713	0.712	0.712	0.711	0.711	0.709	
	TAX UNDER OUR PROPOSALS		0.483	0.481	0.481	0.481	0.480	0.480	0.480	
	CHANGE IN EFFECTIVE RATE		-0.231	-0.232	-0.232	-0.231	-0.231	-0.230	-0.229	

TABLE J-6

EFFECTIVE MARGINAL TAX RATES UNDER THE CURRENT AND PROPOSED TAX SYSTEMS FOR  
AN UNATTACHED INDIVIDUAL AND A FAMILY UNIT WITH ONE INCOME RECIPIENT

GROSS EMPLOYMENT INCOME	STATUS OF TAXPAYER		NUMBER OF CHILDREN							
	UNAT- TACHED INDIVI- DUAL	MARRIED COUPLE	0	1	2	3	5	8		
1500	CURRENT TAX (1966 RATES)		0.128	0.000	0.000	0.000	0.000	0.000	0.000	0.000
	TAX UNDER OUR PROPOSALS		0.140	0.000	0.000	0.000	0.000	0.000	0.000	0.000
	CHANGE IN MARGINAL RATE		0.012	0.000	0.000	0.000	0.000	0.000	0.000	0.000
2000	CURRENT TAX (1966 RATES)		0.174	0.102	0.026	0.000	0.000	0.000	0.000	0.000
	TAX UNDER OUR PROPOSALS		0.160	0.071	0.000	0.000	0.000	0.000	0.000	0.000
	CHANGE IN MARGINAL RATE		-0.013	-0.031	-0.026	0.000	0.000	0.000	0.000	0.000
2500	CURRENT TAX (1966 RATES)		0.180	0.128	0.077	0.000	0.000	0.000	0.000	0.000
	TAX UNDER OUR PROPOSALS		0.165	0.016	0.000	0.000	0.000	0.000	0.000	0.000
	CHANGE IN MARGINAL RATE		-0.015	-0.112	-0.077	0.000	0.000	0.000	0.000	0.000
3000	CURRENT TAX (1966 RATES)		0.204	0.174	0.128	0.128	0.000	0.000	0.000	0.000
	TAX UNDER OUR PROPOSALS		0.186	0.147	0.070	0.000	0.000	0.000	0.000	0.000
	CHANGE IN MARGINAL RATE		-0.018	-0.027	-0.058	-0.128	0.000	0.000	0.000	0.000
3500	CURRENT TAX (1966 RATES)		0.210	0.180	0.163	0.132	0.102	0.000	0.000	0.000
	TAX UNDER OUR PROPOSALS		0.194	0.155	0.155	0.131	0.000	0.000	0.000	0.000
	CHANGE IN MARGINAL RATE		-0.016	-0.025	-0.008	-0.001	-0.102	0.000	0.000	0.000
4000	CURRENT TAX (1966 RATES)		0.226	0.204	0.180	0.180	0.128	0.000	0.000	0.000
	TAX UNDER OUR PROPOSALS		0.207	0.168	0.174	0.175	0.117	0.000	0.000	0.000
	CHANGE IN MARGINAL RATE		-0.019	-0.036	-0.006	-0.005	-0.011	0.000	0.000	0.000
5000	CURRENT TAX (1966 RATES)		0.254	0.226	0.214	0.210	0.180	0.132	0.132	0.132
	TAX UNDER OUR PROPOSALS		0.219	0.180	0.183	0.184	0.184	0.184	0.184	0.184
	CHANGE IN MARGINAL RATE		-0.035	-0.046	-0.032	-0.026	0.004	0.052	0.052	0.052
6500	CURRENT TAX (1966 RATES)		0.260	0.260	0.248	0.230	0.226	0.210	0.210	0.210
	TAX UNDER OUR PROPOSALS		0.233	0.194	0.194	0.194	0.194	0.194	0.194	0.194
	CHANGE IN MARGINAL RATE		-0.027	-0.066	-0.054	-0.036	-0.032	-0.016	-0.016	-0.016



TABLE J-6 (continued)

GROSS EMPLOYMENT INCOME	STATUS OF TAXPAYER		NUMBER OF CHILDREN					
	UNAT- TACHED INDIVI- DUAL	MARRIED COUPLE						
			0	1	2	3	5	8
8000	CURRENT TAX (1966 RATES)		0.260	0.260	0.260	0.260	0.260	0.230
	TAX UNDER OUR PROPOSALS		0.241	0.198	0.201	0.202	0.204	0.204
	CHANGE IN MARGINAL RATE		-0.019	-0.062	-0.059	-0.058	-0.056	-0.026
10000	CURRENT TAX (1966 RATES)		0.300	0.292	0.268	0.260	0.260	0.260
	TAX UNDER OUR PROPOSALS		0.258	0.206	0.208	0.211	0.213	0.213
	CHANGE IN MARGINAL RATE		-0.042	-0.086	-0.060	-0.049	-0.047	-0.047
12000	CURRENT TAX (1966 RATES)		0.350	0.340	0.310	0.300	0.300	0.260
	TAX UNDER OUR PROPOSALS		0.275	0.216	0.219	0.222	0.231	0.233
	CHANGE IN MARGINAL RATE		-0.075	-0.124	-0.091	-0.078	-0.069	-0.027
15000	CURRENT TAX (1966 RATES)		0.400	0.400	0.400	0.400	0.350	0.350
	TAX UNDER OUR PROPOSALS		0.291	0.233	0.236	0.241	0.253	0.262
	CHANGE IN MARGINAL RATE		-0.109	-0.167	-0.164	-0.159	-0.096	-0.088
20000	CURRENT TAX (1966 RATES)		0.450	0.450	0.450	0.450	0.450	0.450
	TAX UNDER OUR PROPOSALS		0.320	0.270	0.272	0.278	0.295	0.310
	CHANGE IN MARGINAL RATE		-0.130	-0.180	-0.178	-0.172	-0.155	-0.140
25000	CURRENT TAX (1966 RATES)		0.450	0.450	0.450	0.450	0.450	0.450
	TAX UNDER OUR PROPOSALS		0.350	0.310	0.312	0.318	0.335	0.350
	CHANGE IN MARGINAL RATE		-0.100	-0.140	-0.138	-0.132	-0.115	-0.100
30000	CURRENT TAX (1966 RATES)		0.500	0.500	0.500	0.500	0.500	0.500
	TAX UNDER OUR PROPOSALS		0.370	0.350	0.351	0.356	0.369	0.380
	CHANGE IN MARGINAL RATE		-0.130	-0.150	-0.149	-0.144	-0.131	-0.120
40000	CURRENT TAX (1966 RATES)		0.500	0.500	0.500	0.500	0.500	0.500
	TAX UNDER OUR PROPOSALS		0.390	0.380	0.382	0.388	0.405	0.420
	CHANGE IN MARGINAL RATE		-0.110	-0.120	-0.118	-0.112	-0.095	-0.080
50000	CURRENT TAX (1966 RATES)		0.550	0.550	0.550	0.550	0.550	0.550
	TAX UNDER OUR PROPOSALS		0.420	0.420	0.421	0.424	0.432	0.440
	CHANGE IN MARGINAL RATE		-0.130	-0.130	-0.129	-0.126	-0.118	-0.110

TABLE J-6 (continued)

GROSS EMPLOYMENT INCOME	STATUS OF TAXPAYER		NUMBER OF CHILDREN					
	UNAT- TACHED INDIVI- DUAL	MARRIED COUPLE						
			0	1	2	3	5	8
70000	CURRENT TAX (1966 RATES)		0.600	0.600	0.600	0.600	0.600	0.600
	TAX UNDER OUR PROPOSALS		0.460	0.460	0.460	0.460	0.460	0.460
	CHANGE IN MARGINAL RATE		-0.140	-0.140	-0.140	-0.140	-0.140	-0.140
100000	CURRENT TAX (1966 RATES)		0.650	0.650	0.650	0.650	0.650	0.650
	TAX UNDER OUR PROPOSALS		0.490	0.490	0.492	0.493	0.496	0.500
	CHANGE IN MARGINAL RATE		-0.160	-0.160	-0.158	-0.157	-0.154	-0.150
200000	CURRENT TAX (1966 RATES)		0.700	0.700	0.700	0.700	0.700	0.700
	TAX UNDER OUR PROPOSALS		0.500	0.500	0.500	0.500	0.500	0.500
	CHANGE IN MARGINAL RATE		-0.200	-0.200	-0.200	-0.200	-0.200	-0.200
350000	CURRENT TAX (1966 RATES)		0.750	0.750	0.750	0.750	0.750	0.750
	TAX UNDER OUR PROPOSALS		0.500	0.500	0.500	0.500	0.500	0.500
	CHANGE IN MARGINAL RATE		-0.250	-0.250	-0.250	-0.250	-0.250	-0.250
600000	CURRENT TAX (1966 RATES)		0.800	0.800	0.800	0.800	0.800	0.800
	TAX UNDER OUR PROPOSALS		0.500	0.500	0.500	0.500	0.500	0.500
	CHANGE IN MARGINAL RATE		-0.300	-0.300	-0.300	-0.300	-0.300	-0.300

TABLE J-7

CHANGES IN TAX LIABILITIES RESULTING FROM THE COMMISSION'S PROPOSALS FOR  
A FAMILY WITH 20 PER CENT OF ITS INCOME FROM A WORKING WIFE

GROSS EMPLOYMENT INCOME	STATUS OF TAXPAYER		NUMBER OF CHILDREN					
	UNAT- TACHED INDIVI- DUAL	MARRIED COUPLE	0	1	2	3	5	8
1500	CURRENT TAX (1966 RATES) TAX UNDER OUR PROPOSALS INCREASE OR DECREASE IN TAX	51. 49. -3.	0. 0. 0.	0. 0. 0.	0. 0. 0.	0. 0. 0.	0. 0. 0.	0. 0. 0.
2000	CURRENT TAX (1966 RATES) TAX UNDER OUR PROPOSALS INCREASE OR DECREASE IN TAX	115. 119. 3.	0. 0. 0.	0. 0. 0.	0. 0. 0.	0. 0. 0.	0. 0. 0.	0. 0. 0.
2500	CURRENT TAX (1966 RATES) TAX UNDER OUR PROPOSALS INCREASE OR DECREASE IN TAX	202. 199. -3.	19. 36. 17.	0. 0. 0.	0. 0. 0.	0. 0. 0.	0. 0. 0.	0. 0. 0.
3000	CURRENT TAX (1966 RATES) TAX UNDER OUR PROPOSALS INCREASE OR DECREASE IN TAX	292. 281. -11.	83. 99. 16.	45. 0. -45.	6. 0. -6.	0. 0. 0.	0. 0. 0.	0. 0. 0.
3500	CURRENT TAX (1966 RATES) TAX UNDER OUR PROPOSALS INCREASE OR DECREASE IN TAX	394. 374. -20.	157. 172. 15.	109. 4. -105.	70. 0. -70.	32. 0. -32.	0. 0. 0.	0. 0. 0.
4000	CURRENT TAX (1966 RATES) TAX UNDER OUR PROPOSALS INCREASE OR DECREASE IN TAX	499. 471. -28.	247. 250. 3.	193. 81. -112.	139. 33. -106.	96. 0. -96.	19. 0. -19.	0. 0. 0.
5000	CURRENT TAX (1966 RATES) TAX UNDER OUR PROPOSALS INCREASE OR DECREASE IN TAX	727. 681. -46.	446. 421. -25.	383. 254. -130.	320. 207. -114.	265. 160. -105.	157. 67. -90.	32. 0. -32.
6500	CURRENT TAX (1966 RATES) TAX UNDER OUR PROPOSALS INCREASE OR DECREASE IN TAX	1114. 1016. -98.	802. 698. -104.	730. 532. -197.	661. 487. -174.	592. 441. -150.	462. 350. -112.	282. 213. -68.

TABLE J-7 (continued)

GROSS EMPLOYMENT INCOME	STATUS OF TAXPAYER		NUMBER OF CHILDREN					
	UNAT- TACHED INDIVT- DUAL	MARRIED COUPLE	0	1	2	3	5	8
8000	CURRENT TAX (1966 RATES)		1504.	1152.	1074.	996.	918.	768.
	TAX UNDER OUR PROPOSALS		1365.	989.	823.	778.	732.	642.
	INCREASE OR DECREASE IN TAX		-139.	-163.	-251.	-218.	-186.	-126.
10000	CURRENT TAX (1966 RATES)		2060.	1619.	1541.	1463.	1385.	1229.
	TAX UNDER OUR PROPOSALS		1864.	1393.	1229.	1184.	1139.	1049.
	INCREASE OR DECREASE IN TAX		-196.	-226.	-313.	-279.	-246.	-180.
12000	CURRENT TAX (1966 RATES)		2705.	2124.	2034.	1948.	1870.	1714.
	TAX UNDER OUR PROPOSALS		2400.	1817.	1653.	1608.	1564.	1476.
	INCREASE OR DECREASE IN TAX		-305.	-307.	-381.	-340.	-306.	-238.
15000	CURRENT TAX (1966 RATES)		3850.	2997.	2892.	2787.	2682.	2502.
	TAX UNDER OUR PROPOSALS		3265.	2507.	2344.	2302.	2259.	2173.
	INCREASE OR DECREASE IN TAX		-585.	-490.	-548.	-485.	-423.	-329.
20000	CURRENT TAX (1966 RATES)		6045.	4749.	4629.	4509.	4389.	4149.
	TAX UNDER OUR PROPOSALS		4839.	3828.	3668.	3627.	3587.	3506.
	INCREASE OR DECREASE IN TAX		-1206.	-920.	-961.	-882.	-802.	-643.
25000	CURRENT TAX (1966 RATES)		8295.	6772.	6637.	6502.	6367.	6097.
	TAX UNDER OUR PROPOSALS		6572.	5356.	5199.	5161.	5123.	5048.
	INCREASE OR DECREASE IN TAX		-1722.	-1416.	-1438.	-1341.	-1244.	-1049.
30000	CURRENT TAX (1966 RATES)		10740.	8829.	8694.	8559.	8424.	8154.
	TAX UNDER OUR PROPOSALS		8411.	7084.	6930.	6895.	6860.	6790.
	INCREASE OR DECREASE IN TAX		-2329.	-1745.	-1764.	-1664.	-1564.	-1364.
40000	CURRENT TAX (1966 RATES)		15740.	13244.	13094.	12944.	12794.	12494.
	TAX UNDER OUR PROPOSALS		12300.	10868.	10715.	10683.	10650.	10585.
	INCREASE OR DECREASE IN TAX		-3440.	-2376.	-2379.	-2261.	-2144.	-1909.
50000	CURRENT TAX (1966 RATES)		21185.	17800.	17650.	17500.	17350.	17050.
	TAX UNDER OUR PROPOSALS		16484.	15046.	14896.	14866.	14837.	14777.
	INCREASE OR DECREASE IN TAX		-4701.	-2754.	-2754.	-2634.	-2513.	-2273.

TABLE J-7 (continued)

GROSS EMPLOYMENT INCOME	STATUS OF TAXPAYER		NUMBER OF CHILDREN					
	UNAT- TACHED INDIVI- DUAL	MARRIED COUPLE	0	1	2	3	5	8
70000	CURRENT TAX (1966 RATES)		32630.	27935.	27770.	27605.	27440.	27110.
	TAX UNDER OUR PROPOSALS		25462.	24024.	23877.	23850.	23823.	23770.
	INCREASE OR DECREASE IN TAX		-7168.	-3911.	-3893.	-3755.	-3617.	-3340.
100000	CURRENT TAX (1966 RATES)		51075.	44675.	44495.	44315.	44135.	43775.
	TAX UNDER OUR PROPOSALS		39845.	38407.	38263.	38238.	38213.	38164.
	INCREASE OR DECREASE IN TAX		-11230.	-6268.	-6232.	-6077.	-5922.	-5611.
200000	CURRENT TAX (1966 RATES)		119770.	107510.	107300.	107090.	106880.	106460.
	TAX UNDER OUR PROPOSALS		89840.	88402.	88258.	88234.	88210.	88162.
	INCREASE OR DECREASE IN TAX		-29930.	-19108.	-19042.	-18856.	-18670.	-18298.
350000	CURRENT TAX (1966 RATES)		230965.	211095.	210870.	210645.	210420.	209970.
	TAX UNDER OUR PROPOSALS		164840.	163402.	163258.	163234.	163210.	163162.
	INCREASE OR DECREASE IN TAX		-66125.	-47693.	-47612.	-47411.	-47210.	-46808.
600000	CURRENT TAX (1966 RATES)		428410.	396485.	396245.	396005.	395765.	395285.
	TAX UNDER OUR PROPOSALS		289840.	288402.	288258.	288234.	288210.	288162.
	INCREASE OR DECREASE IN TAX		-138570.	-108083.	-107987.	-107771.	-107555.	-107123.

TABLE J-8

EFFECTIVE AVERAGE TAX RATES UNDER THE CURRENT AND PROPOSED TAX SYSTEMS  
FOR A FAMILY WITH 20 PER CENT OF ITS INCOME FROM A WORKING WIFE

GROSS EMPLOYMENT INCOME	STATUS OF TAXPAYER		NUMBER OF CHILDREN							
	UNAT- TACHED INDIVI- DUAL	MARRIED COUPLE	0	1	2	3	5	8		
1500	CURRENT TAX (1966 RATES)		0.034	0.000	0.000	0.000	0.000	0.000	0.000	0.000
	TAX UNDER OUR PROPOSALS		0.032	0.000	0.000	0.000	0.000	0.000	0.000	0.000
	CHANGE IN EFFECTIVE RATE		-0.002	0.000	0.000	0.000	0.000	0.000	0.000	0.000
2000	CURRENT TAX (1966 RATES)		0.058	0.000	0.000	0.000	0.000	0.000	0.000	0.000
	TAX UNDER OUR PROPOSALS		0.059	0.000	0.000	0.000	0.000	0.000	0.000	0.000
	CHANGE IN EFFECTIVE RATE		0.002	0.000	0.000	0.000	0.000	0.000	0.000	0.000
2500	CURRENT TAX (1966 RATES)		0.081	0.008	0.000	0.000	0.000	0.000	0.000	0.000
	TAX UNDER OUR PROPOSALS		0.079	0.014	0.000	0.000	0.000	0.000	0.000	0.000
	CHANGE IN EFFECTIVE RATE		-0.001	0.007	0.000	0.000	0.000	0.000	0.000	0.000
3000	CURRENT TAX (1966 RATES)		0.097	0.028	0.015	0.002	0.000	0.000	0.000	0.000
	TAX UNDER OUR PROPOSALS		0.094	0.033	0.000	0.000	0.000	0.000	0.000	0.000
	CHANGE IN EFFECTIVE RATE		-0.004	0.005	-0.015	-0.002	0.000	0.000	0.000	0.000
3500	CURRENT TAX (1966 RATES)		0.113	0.045	0.031	0.020	0.009	0.000	0.000	0.000
	TAX UNDER OUR PROPOSALS		0.107	0.049	0.001	0.000	0.000	0.000	0.000	0.000
	CHANGE IN EFFECTIVE RATE		-0.006	0.004	-0.030	-0.020	-0.009	0.000	0.000	0.000
4000	CURRENT TAX (1966 RATES)		0.125	0.062	0.048	0.035	0.024	0.005	0.000	0.000
	TAX UNDER OUR PROPOSALS		0.118	0.062	0.020	0.008	0.000	0.000	0.000	0.000
	CHANGE IN EFFECTIVE RATE		-0.007	0.001	-0.028	-0.027	-0.024	-0.005	0.000	0.000
5000	CURRENT TAX (1966 RATES)		0.145	0.089	0.077	0.064	0.053	0.031	0.006	0.006
	TAX UNDER OUR PROPOSALS		0.136	0.084	0.051	0.041	0.032	0.013	0.000	0.000
	CHANGE IN EFFECTIVE RATE		-0.009	-0.005	-0.026	-0.023	-0.021	-0.018	-0.006	-0.006
6500	CURRENT TAX (1966 RATES)		0.171	0.123	0.112	0.102	0.091	0.071	0.043	0.043
	TAX UNDER OUR PROPOSALS		0.156	0.107	0.082	0.075	0.068	0.054	0.033	0.033
	CHANGE IN EFFECTIVE RATE		-0.015	-0.016	-0.030	-0.027	-0.023	-0.017	-0.011	-0.011

TABLE J-8 (continued)

GROSS EMPLOYMENT INCOME	UNAT- TACHED INDIVI- DUAL	STATUS OF TAXPAYER		NUMBER OF CHILDREN					
		MARRIED COUPLE							
		0	1	2	3	5	8		
8000	CURRENT TAX (1966 RATES)	0.188	0.144	0.134	0.124	0.115	0.096	0.070	
	TAX UNDER OUR PROPOSALS	0.171	0.124	0.103	0.097	0.092	0.080	0.063	
	CHANGE IN EFFECTIVE RATE	-0.017	-0.020	-0.031	-0.027	-0.023	-0.016	-0.007	
10000	CURRENT TAX (1966 RATES)	0.206	0.162	0.154	0.146	0.139	0.123	0.100	
	TAX UNDER OUR PROPOSALS	0.186	0.139	0.123	0.118	0.114	0.105	0.092	
	CHANGE IN EFFECTIVE RATE	-0.020	-0.023	-0.031	-0.028	-0.025	-0.018	-0.008	
12000	CURRENT TAX (1966 RATES)	0.225	0.177	0.169	0.162	0.156	0.143	0.123	
	TAX UNDER OUR PROPOSALS	0.200	0.151	0.138	0.134	0.130	0.123	0.112	
	CHANGE IN EFFECTIVE RATE	-0.025	-0.026	-0.032	-0.028	-0.025	-0.020	-0.011	
15000	CURRENT TAX (1966 RATES)	0.257	0.200	0.193	0.186	0.179	0.167	0.149	
	TAX UNDER OUR PROPOSALS	0.218	0.167	0.156	0.153	0.151	0.145	0.137	
	CHANGE IN EFFECTIVE RATE	-0.039	-0.033	-0.037	-0.032	-0.028	-0.022	-0.012	
20000	CURRENT TAX (1966 RATES)	0.302	0.237	0.231	0.225	0.219	0.207	0.189	
	TAX UNDER OUR PROPOSALS	0.242	0.191	0.183	0.181	0.179	0.175	0.169	
	CHANGE IN EFFECTIVE RATE	-0.060	-0.046	-0.048	-0.044	-0.040	-0.032	-0.020	
25000	CURRENT TAX (1966 RATES)	0.332	0.271	0.265	0.260	0.255	0.244	0.228	
	TAX UNDER OUR PROPOSALS	0.263	0.214	0.208	0.206	0.205	0.202	0.197	
	CHANGE IN EFFECTIVE RATE	-0.069	-0.057	-0.058	-0.054	-0.050	-0.042	-0.030	
30000	CURRENT TAX (1966 RATES)	0.358	0.294	0.290	0.285	0.281	0.272	0.258	
	TAX UNDER OUR PROPOSALS	0.280	0.236	0.231	0.230	0.229	0.226	0.223	
	CHANGE IN EFFECTIVE RATE	-0.078	-0.058	-0.059	-0.055	-0.052	-0.045	-0.035	
40000	CURRENT TAX (1966 RATES)	0.393	0.331	0.327	0.324	0.320	0.312	0.301	
	TAX UNDER OUR PROPOSALS	0.308	0.272	0.268	0.267	0.266	0.265	0.262	
	CHANGE IN EFFECTIVE RATE	-0.086	-0.059	-0.059	-0.057	-0.054	-0.048	-0.039	
50000	CURRENT TAX (1966 RATES)	0.424	0.356	0.353	0.350	0.347	0.341	0.332	
	TAX UNDER OUR PROPOSALS	0.330	0.301	0.298	0.297	0.297	0.296	0.294	
	CHANGE IN EFFECTIVE RATE	-0.094	-0.055	-0.055	-0.053	-0.050	-0.045	-0.038	

TABLE J-8 (continued)

GROSS EMPLOYMENT INCOME	STATUS OF TAXPAYER	UNAT- TACHED INDIVI- DUAL	NUMBER OF CHILDREN							
			0	1	2	3	5	8		
70000	CURRENT TAX (1966 RATES)	0.466	0.399	0.397	0.394	0.392	0.387	0.380		
	TAX UNDER OUR PROPOSALS	0.364	0.343	0.341	0.341	0.340	0.340	0.338		
	CHANGE IN EFFECTIVE RATE	-0.102	-0.056	-0.056	-0.054	-0.052	-0.048	-0.042		
100000	CURRENT TAX (1966 RATES)	0.511	0.447	0.445	0.443	0.441	0.438	0.432		
	TAX UNDER OUR PROPOSALS	0.398	0.384	0.383	0.382	0.382	0.382	0.381		
	CHANGE IN EFFECTIVE RATE	-0.112	-0.063	-0.062	-0.061	-0.059	-0.056	-0.051		
200000	CURRENT TAX (1966 RATES)	0.599	0.538	0.536	0.535	0.534	0.532	0.529		
	TAX UNDER OUR PROPOSALS	0.449	0.442	0.441	0.441	0.441	0.441	0.440		
	CHANGE IN EFFECTIVE RATE	-0.150	-0.096	-0.095	-0.094	-0.093	-0.091	-0.089		
350000	CURRENT TAX (1966 RATES)	0.660	0.603	0.602	0.602	0.601	0.600	0.598		
	TAX UNDER OUR PROPOSALS	0.471	0.467	0.466	0.466	0.466	0.466	0.466		
	CHANGE IN EFFECTIVE RATE	-0.189	-0.136	-0.136	-0.135	-0.135	-0.134	-0.132		
600000	CURRENT TAX (1966 RATES)	0.714	0.661	0.660	0.660	0.660	0.659	0.658		
	TAX UNDER OUR PROPOSALS	0.483	0.481	0.480	0.480	0.480	0.480	0.480		
	CHANGE IN EFFECTIVE RATE	-0.231	-0.180	-0.180	-0.180	-0.179	-0.179	-0.177		



TABLE J-9

EFFECTIVE MARGINAL TAX RATES UNDER THE CURRENT AND PROPOSED TAX SYSTEMS  
FOR A FAMILY WITH 20 PER CENT OF ITS INCOME FROM A WORKING WIFE

GROSS EMPLOYMENT INCOME	STATUS OF TAXPAYER		NUMBER OF CHILDREN					
	UNAT- TACHED INDIVI- DUAL	MARRIED COUPLE						
			0	1	2	3	5	8
1500	CURRENT TAX (1966 RATES)		0.128	0.000	0.000	0.000	0.000	0.000
	TAX UNDER OUR PROPOSALS		0.140	0.000	0.000	0.000	0.000	0.000
	CHANGE IN MARGINAL RATE		0.012	0.000	0.000	0.000	0.000	0.000
2000	CURRENT TAX (1966 RATES)		0.174	0.000	0.000	0.000	0.000	0.000
	TAX UNDER OUR PROPOSALS		0.160	0.000	0.000	0.000	0.000	0.000
	CHANGE IN MARGINAL RATE		-0.013	0.000	0.000	0.000	0.000	0.000
2500	CURRENT TAX (1966 RATES)		0.180	0.090	0.013	0.000	0.000	0.000
	TAX UNDER OUR PROPOSALS		0.165	0.000	0.000	0.000	0.000	0.000
	CHANGE IN MARGINAL RATE		-0.015	-0.090	-0.013	0.000	0.000	0.000
3000	CURRENT TAX (1966 RATES)		0.204	0.128	0.128	0.064	0.000	0.000
	TAX UNDER OUR PROPOSALS		0.186	0.007	0.000	0.000	0.000	0.000
	CHANGE IN MARGINAL RATE		-0.018	-0.121	-0.128	-0.064	0.000	0.000
3500	CURRENT TAX (1966 RATES)		0.210	0.168	0.137	0.128	0.038	0.000
	TAX UNDER OUR PROPOSALS		0.194	0.155	0.066	0.000	0.000	0.000
	CHANGE IN MARGINAL RATE		-0.016	-0.013	-0.072	-0.128	-0.038	0.000
4000	CURRENT TAX (1966 RATES)		0.226	0.180	0.180	0.158	0.128	0.000
	TAX UNDER OUR PROPOSALS		0.207	0.171	0.174	0.145	0.000	0.000
	CHANGE IN MARGINAL RATE		-0.019	-0.009	-0.006	-0.013	-0.128	0.000
5000	CURRENT TAX (1966 RATES)		0.254	0.210	0.210	0.195	0.180	0.128
	TAX UNDER OUR PROPOSALS		0.219	0.180	0.183	0.184	0.184	0.041
	CHANGE IN MARGINAL RATE		-0.035	-0.028	-0.027	-0.011	0.004	-0.087
6500	CURRENT TAX (1966 RATES)		0.260	0.222	0.210	0.210	0.194	0.176
	TAX UNDER OUR PROPOSALS		0.233	0.194	0.194	0.194	0.194	0.194
	CHANGE IN MARGINAL RATE		-0.027	-0.028	-0.016	-0.016	0.000	0.018

TABLE J-9 (continued)

GROSS EMPLOYMENT INCOME	STATUS OF TAXPAYER		NUMBER OF CHILDREN					
	UNAT- TACHED INDIVI- DUAL	MARRIED COUPLE						
			0	1	2	3	5	8
8000	CURRENT TAX (1966 RATES)		0.260	0.234	0.234	0.234	0.222	0.206
	TAX UNDER OUR PROPOSALS		0.241	0.199	0.201	0.202	0.204	0.204
	CHANGE IN MARGINAL RATE		-0.019	-0.036	-0.033	-0.031	-0.018	-0.002
10000	CURRENT TAX (1966 RATES)		0.300	0.238	0.238	0.238	0.238	0.238
	TAX UNDER OUR PROPOSALS		0.258	0.208	0.209	0.211	0.213	0.213
	CHANGE IN MARGINAL RATE		-0.042	-0.030	-0.028	-0.027	-0.024	-0.024
12000	CURRENT TAX (1966 RATES)		0.350	0.276	0.268	0.244	0.244	0.244
	TAX UNDER OUR PROPOSALS		0.275	0.219	0.222	0.225	0.231	0.233
	CHANGE IN MARGINAL RATE		-0.075	-0.057	-0.046	-0.019	-0.013	-0.011
15000	CURRENT TAX (1966 RATES)		0.400	0.316	0.316	0.316	0.276	0.276
	TAX UNDER OUR PROPOSALS		0.291	0.236	0.241	0.245	0.253	0.262
	CHANGE IN MARGINAL RATE		-0.109	-0.080	-0.075	-0.071	-0.022	-0.014
20000	CURRENT TAX (1966 RATES)		0.450	0.362	0.362	0.362	0.362	0.362
	TAX UNDER OUR PROPOSALS		0.320	0.272	0.278	0.283	0.295	0.310
	CHANGE IN MARGINAL RATE		-0.130	-0.090	-0.084	-0.079	-0.067	-0.052
25000	CURRENT TAX (1966 RATES)		0.450	0.406	0.406	0.406	0.406	0.406
	TAX UNDER OUR PROPOSALS		0.350	0.310	0.318	0.323	0.335	0.350
	CHANGE IN MARGINAL RATE		-0.100	-0.096	-0.088	-0.083	-0.071	-0.056
30000	CURRENT TAX (1966 RATES)		0.500	0.412	0.412	0.412	0.412	0.412
	TAX UNDER OUR PROPOSALS		0.370	0.351	0.356	0.360	0.369	0.380
	CHANGE IN MARGINAL RATE		-0.130	-0.061	-0.056	-0.052	-0.043	-0.032
40000	CURRENT TAX (1966 RATES)		0.500	0.452	0.452	0.452	0.452	0.452
	TAX UNDER OUR PROPOSALS		0.390	0.382	0.388	0.393	0.405	0.420
	CHANGE IN MARGINAL RATE		-0.110	-0.070	-0.064	-0.059	-0.047	-0.032
50000	CURRENT TAX (1966 RATES)		0.550	0.460	0.460	0.460	0.460	0.460
	TAX UNDER OUR PROPOSALS		0.420	0.421	0.424	0.427	0.432	0.440
	CHANGE IN MARGINAL RATE		-0.130	-0.039	-0.036	-0.033	-0.028	-0.020

TABLE J-2 (continued)

GROSS EMPLOYMENT INCOME	STATUS OF TAXPAYER		NUMBER OF CHILDREN					
	UNAT- TACHED INDIVI- DUAL	MARRIED COUPLE	0	1	2	3	5	8
70000	CURRENT TAX (1966 RATES)		0.600	0.520	0.520	0.520	0.520	0.520
	TAX UNDER OUR PROPOSALS		0.460	0.460	0.460	0.460	0.460	0.460
	CHANGE IN MARGINAL RATE		-0.140	-0.060	-0.060	-0.060	-0.060	-0.060
100000	CURRENT TAX (1966 RATES)		0.650	0.570	0.570	0.570	0.570	0.570
	TAX UNDER OUR PROPOSALS		0.490	0.490	0.492	0.493	0.496	0.500
	CHANGE IN MARGINAL RATE		-0.160	-0.080	-0.078	-0.077	-0.074	-0.070
200000	CURRENT TAX (1966 RATES)		0.700	0.660	0.660	0.660	0.660	0.660
	TAX UNDER OUR PROPOSALS		0.500	0.500	0.500	0.500	0.500	0.500
	CHANGE IN MARGINAL RATE		-0.200	-0.160	-0.160	-0.160	-0.160	-0.160
350000	CURRENT TAX (1966 RATES)		0.750	0.720	0.720	0.720	0.720	0.720
	TAX UNDER OUR PROPOSALS		0.500	0.500	0.500	0.500	0.500	0.500
	CHANGE IN MARGINAL RATE		-0.250	-0.220	-0.220	-0.220	-0.220	-0.220
600000	CURRENT TAX (1966 RATES)		0.800	0.770	0.770	0.770	0.770	0.770
	TAX UNDER OUR PROPOSALS		0.500	0.500	0.500	0.500	0.500	0.500
	CHANGE IN MARGINAL RATE		-0.300	-0.270	-0.270	-0.270	-0.270	-0.270

TABLE J-10

CHANGES IN TAX LIABILITIES RESULTING FROM THE COMMISSION'S PROPOSALS FOR  
A FAMILY WITH 35 PER CENT OF ITS INCOME FROM A WORKING WIFE

GROSS EMPLOYMENT INCOME	STATUS OF TAXPAYER		NUMBER OF CHILDREN					
	UNAT- TACHED INDIVI- DUAL	MARRIED COUPLE						
			0	1	2	3	5	8
1500	CURRENT TAX (1966 RATES)		51.	0.	0.	0.	0.	0.
	TAX UNDER OUR PROPOSALS		49.	0.	0.	0.	0.	0.
	INCREASE OR DECREASE IN TAX		-3.	0.	0.	0.	0.	0.
2000	CURRENT TAX (1966 RATES)		115.	0.	0.	0.	0.	0.
	TAX UNDER OUR PROPOSALS		119.	0.	0.	0.	0.	0.
	INCREASE OR DECREASE IN TAX		3.	0.	0.	0.	0.	0.
2500	CURRENT TAX (1966 RATES)		202.	19.	0.	0.	0.	0.
	TAX UNDER OUR PROPOSALS		199.	36.	0.	0.	0.	0.
	INCREASE OR DECREASE IN TAX		-3.	17.	0.	0.	0.	0.
3000	CURRENT TAX (1966 RATES)		292.	83.	45.	6.	0.	0.
	TAX UNDER OUR PROPOSALS		281.	99.	0.	0.	0.	0.
	INCREASE OR DECREASE IN TAX		-11.	16.	-45.	-6.	0.	0.
3500	CURRENT TAX (1966 RATES)		394.	173.	125.	86.	48.	0.
	TAX UNDER OUR PROPOSALS		374.	172.	4.	0.	0.	0.
	INCREASE OR DECREASE IN TAX		-20.	-1.	-121.	-86.	-48.	0.
4000	CURRENT TAX (1966 RATES)		499.	258.	204.	154.	115.	38.
	TAX UNDER OUR PROPOSALS		471.	250.	81.	33.	0.	0.
	INCREASE OR DECREASE IN TAX		-28.	-9.	-123.	-121.	-115.	-38.
5000	CURRENT TAX (1966 RATES)		727.	425.	366.	312.	258.	166.
	TAX UNDER OUR PROPOSALS		681.	421.	254.	207.	160.	67.
	INCREASE OR DECREASE IN TAX		-46.	-4.	-112.	-105.	-98.	-99.
6500	CURRENT TAX (1966 RATES)		1114.	710.	645.	582.	519.	404.
	TAX UNDER OUR PROPOSALS		1016.	698.	532.	487.	441.	350.
	INCREASE OR DECREASE IN TAX		-98.	-12.	-112.	-95.	-78.	-54.

51.  
0.  
-51.  
247.  
213.  
-33.

TABLE J-10 (continued)

GROSS EMPLOYMENT INCOME	UNAT- TACHED INDIVI- DUAL	STATUS OF TAXPAYER							
		MARRIED COUPLE							
		NUMBER OF CHILDREN							
		0	1	2	3	5	8		
8000	CURRENT TAX (1966 RATES)	1504.	1032.	960.	891.	822.	692.	512.	
	TAX UNDER OUR PROPOSALS	1365.	989.	823.	778.	732.	642.	507.	
	INCREASE OR DECREASE IN TAX	-139.	-43.	-137.	-113.	-90.	-50.	-5.	
10000	CURRENT TAX (1966 RATES)	2060.	1508.	1430.	1352.	1274.	1121.	914.	
	TAX UNDER OUR PROPOSALS	1864.	1393.	1229.	1184.	1139.	1049.	917.	
	INCREASE OR DECREASE IN TAX	-196.	-115.	-201.	-168.	-135.	-72.	3.	
12000	CURRENT TAX (1966 RATES)	2705.	1995.	1917.	1839.	1761.	1605.	1371.	
	TAX UNDER OUR PROPOSALS	2400.	1817.	1653.	1608.	1564.	1476.	1347.	
	INCREASE OR DECREASE IN TAX	-305.	-178.	-264.	-231.	-197.	-129.	-24.	
15000	CURRENT TAX (1966 RATES)	3850.	2774.	2684.	2594.	2514.	2358.	2124.	
	TAX UNDER OUR PROPOSALS	3265.	2507.	2344.	2302.	2259.	2173.	2048.	
	INCREASE OR DECREASE IN TAX	-585.	-267.	-340.	-292.	-255.	-185.	-76.	
20000	CURRENT TAX (1966 RATES)	6045.	4299.	4194.	4089.	3984.	3774.	3484.	
	TAX UNDER OUR PROPOSALS	4839.	3828.	3668.	3627.	3587.	3506.	3385.	
	INCREASE OR DECREASE IN TAX	-1206.	-471.	-526.	-462.	-397.	-268.	-99.	
25000	CURRENT TAX (1966 RATES)	8295.	6056.	5929.	5809.	5689.	5449.	5089.	
	TAX UNDER OUR PROPOSALS	6572.	5356.	5199.	5161.	5123.	5048.	4936.	
	INCREASE OR DECREASE IN TAX	-1722.	-700.	-730.	-648.	-566.	-401.	-153.	
30000	CURRENT TAX (1966 RATES)	10740.	8030.	7895.	7760.	7625.	7355.	6950.	
	TAX UNDER OUR PROPOSALS	8411.	7084.	6930.	6895.	6860.	6790.	6687.	
	INCREASE OR DECREASE IN TAX	-2329.	-946.	-965.	-865.	-765.	-565.	-263.	
40000	CURRENT TAX (1966 RATES)	15740.	12195.	12060.	11925.	11790.	11520.	11115.	
	TAX UNDER OUR PROPOSALS	12300.	10868.	10715.	10683.	10650.	10585.	10488.	
	INCREASE OR DECREASE IN TAX	-3440.	-1327.	-1345.	-1242.	-1140.	-935.	-627.	
50000	CURRENT TAX (1966 RATES)	21185.	16910.	16760.	16610.	16460.	16160.	15710.	
	TAX UNDER OUR PROPOSALS	16484.	15046.	14896.	14866.	14837.	14777.	14688.	
	INCREASE OR DECREASE IN TAX	-4701.	-1864.	-1864.	-1744.	-1623.	-1383.	-1022.	

TABLE J-10 (continued)

GROSS EMPLOYMENT INCOME	STATUS OF TAXPAYER		NUMBER OF CHILDREN								
	UNAT- TACHED INDIVI- DUAL	MARRIED COUPLE									
			0	1	2	3	5	8			
70000	CURRENT TAX (1966 RATES)		26780.	26615.	26450.	26285.	25955.	25460.			
	TAX UNDER OUR PROPOSALS		24024.	23877.	23850.	23823.	23770.	23689.			
	INCREASE OR DECREASE IN TAX		-2756.	-2738.	-2600.	-2462.	-2185.	-1771.			
100000	CURRENT TAX (1966 RATES)		42870.	42690.	42510.	42330.	41970.	41430.			
	TAX UNDER OUR PROPOSALS		38407.	38263.	38238.	38213.	38164.	38090.			
	INCREASE OR DECREASE IN TAX		-4463.	-4427.	-4272.	-4117.	-3806.	-3340.			
200000	CURRENT TAX (1966 RATES)		103400.	103190.	102980.	102770.	102350.	101720.			
	TAX UNDER OUR PROPOSALS		88402.	88258.	88234.	88210.	88162.	88090.			
	INCREASE OR DECREASE IN TAX		-14998.	-14932.	-14746.	-14560.	-14188.	-13630.			
350000	CURRENT TAX (1966 RATES)		204790.	204565.	204340.	204115.	203670.	203040.			
	TAX UNDER OUR PROPOSALS		163402.	163258.	163234.	163210.	163162.	163090.			
	INCREASE OR DECREASE IN TAX		-41388.	-41307.	-41106.	-40905.	-40508.	-39950.			
600000	CURRENT TAX (1966 RATES)		387735.	387510.	387285.	387060.	386610.	385935.			
	TAX UNDER OUR PROPOSALS		288402.	288258.	288234.	288210.	288162.	288090.			
	INCREASE OR DECREASE IN TAX		-99333.	-99252.	-99051.	-98850.	-98448.	-97845.			

TABLE J-11

EFFECTIVE AVERAGE TAX RATES UNDER THE CURRENT AND PROPOSED TAX SYSTEMS  
FOR A FAMILY WITH 35 PER CENT OF ITS INCOME FROM A WORKING WIFE

GROSS EMPLOYMENT INCOME	STATUS OF TAXPAYER		NUMBER OF CHILDREN					
	UNAT- TACHED INDIVL- DUAL	MARRIED COUPLE	0	1	2	3	5	8
1500	CURRENT TAX (1966 RATES)	0.034	0.000	0.000	0.000	0.000	0.000	0.000
	TAX UNDER OUR PROPOSALS	0.032	0.000	0.000	0.000	0.000	0.000	0.000
	CHANGE IN EFFECTIVE RATE	-0.002	0.000	0.000	0.000	0.000	0.000	0.000
2000	CURRENT TAX (1966 RATES)	0.058	0.000	0.000	0.000	0.000	0.000	0.000
	TAX UNDER OUR PROPOSALS	0.059	0.000	0.000	0.000	0.000	0.000	0.000
	CHANGE IN EFFECTIVE RATE	0.002	0.000	0.000	0.000	0.000	0.000	0.000
2500	CURRENT TAX (1966 RATES)	0.081	0.008	0.000	0.000	0.000	0.000	0.000
	TAX UNDER OUR PROPOSALS	0.079	0.014	0.000	0.000	0.000	0.000	0.000
	CHANGE IN EFFECTIVE RATE	-0.001	0.007	0.000	0.000	0.000	0.000	0.000
3000	CURRENT TAX (1966 RATES)	0.097	0.028	0.015	0.002	0.000	0.000	0.000
	TAX UNDER OUR PROPOSALS	0.094	0.033	0.000	0.000	0.000	0.000	0.000
	CHANGE IN EFFECTIVE RATE	-0.004	0.005	-0.015	-0.002	0.000	0.000	0.000
3500	CURRENT TAX (1966 RATES)	0.113	0.049	0.036	0.025	0.014	0.000	0.000
	TAX UNDER OUR PROPOSALS	0.107	0.049	0.001	0.000	0.000	0.000	0.000
	CHANGE IN EFFECTIVE RATE	-0.006	0.000	-0.035	-0.025	-0.014	0.000	0.000
4000	CURRENT TAX (1966 RATES)	0.125	0.065	0.051	0.038	0.029	0.010	0.000
	TAX UNDER OUR PROPOSALS	0.118	0.062	0.020	0.008	0.000	0.000	0.000
	CHANGE IN EFFECTIVE RATE	-0.007	-0.002	-0.031	-0.030	-0.029	-0.010	0.000
5000	CURRENT TAX (1966 RATES)	0.145	0.085	0.073	0.062	0.052	0.033	0.010
	TAX UNDER OUR PROPOSALS	0.136	0.084	0.051	0.041	0.032	0.013	0.000
	CHANGE IN EFFECTIVE RATE	-0.009	-0.001	-0.022	-0.021	-0.020	-0.020	-0.010
6500	CURRENT TAX (1966 RATES)	0.171	0.109	0.099	0.089	0.080	0.062	0.038
	TAX UNDER OUR PROPOSALS	0.156	0.107	0.082	0.075	0.068	0.054	0.033
	CHANGE IN EFFECTIVE RATE	-0.015	-0.002	-0.017	-0.015	-0.012	-0.008	-0.005

TABLE J-11 (continued)

GROSS EMPLOYMENT INCOME	STATUS OF TAXPAYER		NUMBER OF CHILDREN							
	UNAT- TACHED INDIVI- DUAL	MARRIED COUPLE		0	1	2	3	5	8	
8000	CURRENT TAX (1966 RATES)			0.188	0.129	0.120	0.111	0.103	0.086	0.064
	TAX UNDER OUR PROPOSALS			0.171	0.124	0.103	0.097	0.092	0.080	0.063
	CHANGE IN EFFECTIVE RATE			-0.017	-0.005	-0.017	-0.014	-0.011	-0.006	-0.001
10000	CURRENT TAX (1966 RATES)			0.206	0.151	0.143	0.135	0.127	0.112	0.091
	TAX UNDER OUR PROPOSALS			0.186	0.139	0.123	0.118	0.114	0.105	0.092
	CHANGE IN EFFECTIVE RATE			-0.020	-0.011	-0.020	-0.017	-0.014	-0.007	0.000
12000	CURRENT TAX (1966 RATES)			0.225	0.166	0.160	0.153	0.147	0.134	0.114
	TAX UNDER OUR PROPOSALS			0.200	0.151	0.138	0.134	0.130	0.123	0.112
	CHANGE IN EFFECTIVE RATE			-0.025	-0.015	-0.022	-0.019	-0.016	-0.011	-0.002
15000	CURRENT TAX (1966 RATES)			0.257	0.185	0.179	0.173	0.168	0.157	0.142
	TAX UNDER OUR PROPOSALS			0.218	0.167	0.156	0.153	0.151	0.145	0.137
	CHANGE IN EFFECTIVE RATE			-0.039	-0.018	-0.023	-0.019	-0.017	-0.012	-0.005
20000	CURRENT TAX (1966 RATES)			0.302	0.215	0.210	0.204	0.199	0.189	0.174
	TAX UNDER OUR PROPOSALS			0.242	0.191	0.183	0.181	0.179	0.175	0.169
	CHANGE IN EFFECTIVE RATE			-0.060	-0.024	-0.026	-0.023	-0.020	-0.013	-0.005
25000	CURRENT TAX (1966 RATES)			0.332	0.242	0.237	0.232	0.228	0.218	0.204
	TAX UNDER OUR PROPOSALS			0.263	0.214	0.208	0.206	0.205	0.202	0.197
	CHANGE IN EFFECTIVE RATE			-0.069	-0.028	-0.029	-0.026	-0.023	-0.016	-0.006
30000	CURRENT TAX (1966 RATES)			0.358	0.268	0.263	0.259	0.254	0.245	0.232
	TAX UNDER OUR PROPOSALS			0.280	0.236	0.231	0.230	0.229	0.226	0.223
	CHANGE IN EFFECTIVE RATE			-0.078	-0.032	-0.032	-0.029	-0.025	-0.019	-0.009
40000	CURRENT TAX (1966 RATES)			0.393	0.305	0.301	0.298	0.295	0.288	0.278
	TAX UNDER OUR PROPOSALS			0.308	0.272	0.268	0.267	0.266	0.265	0.262
	CHANGE IN EFFECTIVE RATE			-0.086	-0.033	-0.034	-0.031	-0.028	-0.023	-0.016
50000	CURRENT TAX (1966 RATES)			0.424	0.338	0.335	0.332	0.329	0.323	0.314
	TAX UNDER OUR PROPOSALS			0.330	0.301	0.298	0.297	0.297	0.296	0.294
	CHANGE IN EFFECTIVE RATE			-0.094	-0.037	-0.037	-0.035	-0.032	-0.028	-0.020



TABLE J-11 (continued)

GROSS EMPLOYMENT INCOME	STATUS OF TAXPAYER		NUMBER OF CHILDREN							
	UNAT- TACHED INDIVI- DUAL	MARRIED COUPLE								
			0	1	2	3	5	8		
70000	CURRENT TAX (1966 RATES)		0.466	0.383	0.380	0.378	0.375	0.371	0.364	
	TAX UNDER OUR PROPOSALS		0.364	0.343	0.341	0.341	0.340	0.340	0.338	
	CHANGE IN EFFECTIVE RATE		-0.102	-0.039	-0.039	-0.037	-0.035	-0.031	-0.025	
100000	CURRENT TAX (1966 RATES)		0.511	0.429	0.427	0.425	0.423	0.420	0.414	
	TAX UNDER OUR PROPOSALS		0.398	0.384	0.383	0.382	0.382	0.382	0.381	
	CHANGE IN EFFECTIVE RATE		-0.112	-0.045	-0.044	-0.043	-0.041	-0.038	-0.033	
200000	CURRENT TAX (1966 RATES)		0.599	0.517	0.516	0.515	0.514	0.512	0.509	
	TAX UNDER OUR PROPOSALS		0.449	0.442	0.441	0.441	0.441	0.441	0.440	
	CHANGE IN EFFECTIVE RATE		-0.150	-0.075	-0.075	-0.074	-0.073	-0.071	-0.068	
350000	CURRENT TAX (1966 RATES)		0.660	0.585	0.584	0.584	0.583	0.582	0.580	
	TAX UNDER OUR PROPOSALS		0.471	0.467	0.466	0.466	0.466	0.466	0.466	
	CHANGE IN EFFECTIVE RATE		-0.189	-0.118	-0.118	-0.117	-0.117	-0.116	-0.114	
600000	CURRENT TAX (1966 RATES)		0.714	0.646	0.646	0.645	0.645	0.644	0.643	
	TAX UNDER OUR PROPOSALS		0.483	0.481	0.480	0.480	0.480	0.480	0.480	
	CHANGE IN EFFECTIVE RATE		-0.231	-0.166	-0.165	-0.165	-0.165	-0.164	-0.163	

TABLE J-12

EFFECTIVE MARGINAL TAX RATES UNDER THE CURRENT AND PROPOSED TAX SYSTEMS  
FOR A FAMILY WITH 35 PER CENT OF ITS INCOME FROM A WORKING WIFE

GROSS EMPLOYMENT INCOME	STATUS OF TAXPAYER		NUMBER OF CHILDREN					
	UNAT- TACHED INDIVI- DUAL	MARRIED COUPLE	0	1	2	3	5	8
1500	CURRENT TAX (1966 RATES)		0.128	0.000	0.000	0.000	0.000	0.000
	TAX UNDER OUR PROPOSALS		0.140	0.000	0.000	0.000	0.000	0.000
	CHANGE IN MARGINAL RATE		0.012	0.000	0.000	0.000	0.000	0.000
2000	CURRENT TAX (1966 RATES)		0.174	0.000	0.000	0.000	0.000	0.000
	TAX UNDER OUR PROPOSALS		0.160	0.000	0.000	0.000	0.000	0.000
	CHANGE IN MARGINAL RATE		-0.013	0.000	0.000	0.000	0.000	0.000
2500	CURRENT TAX (1966 RATES)		0.180	0.090	0.013	0.000	0.000	0.000
	TAX UNDER OUR PROPOSALS		0.165	0.000	0.000	0.000	0.000	0.000
	CHANGE IN MARGINAL RATE		-0.015	-0.090	-0.013	0.000	0.000	0.000
3000	CURRENT TAX (1966 RATES)		0.204	0.160	0.160	0.096	0.000	0.000
	TAX UNDER OUR PROPOSALS		0.186	0.007	0.000	0.000	0.000	0.000
	CHANGE IN MARGINAL RATE		-0.018	-0.153	-0.160	-0.096	0.000	0.000
3500	CURRENT TAX (1966 RATES)		0.210	0.159	0.134	0.134	0.077	0.000
	TAX UNDER OUR PROPOSALS		0.194	0.155	0.066	0.000	0.000	0.000
	CHANGE IN MARGINAL RATE		-0.016	-0.004	-0.069	-0.134	-0.077	0.000
4000	CURRENT TAX (1966 RATES)		0.226	0.162	0.155	0.129	0.128	0.006
	TAX UNDER OUR PROPOSALS		0.207	0.171	0.174	0.145	0.000	0.000
	CHANGE IN MARGINAL RATE		-0.019	0.009	0.018	0.016	-0.128	-0.006
5000	CURRENT TAX (1966 RATES)		0.254	0.172	0.162	0.162	0.131	0.128
	TAX UNDER OUR PROPOSALS		0.219	0.182	0.183	0.184	0.184	0.041
	CHANGE IN MARGINAL RATE		-0.035	-0.001	0.021	0.022	0.053	-0.087
6500	CURRENT TAX (1966 RATES)		0.260	0.205	0.199	0.199	0.180	0.171
	TAX UNDER OUR PROPOSALS		0.233	0.194	0.194	0.194	0.194	0.194
	CHANGE IN MARGINAL RATE		-0.027	-0.012	-0.005	-0.005	0.014	0.023

TABLE J-12 (continued)

GROSS EMPLOYMENT INCOME	UNAT- TACHED INDIVI- DUAL	STATUS OF TAXPAYER					
		MARRIED COUPLE					
		NUMBER OF CHILDREN					
		0	1	2	3	5	8
8000	CURRENT TAX (1966 RATES)	0.260	0.232	0.220	0.212	0.212	0.199
	TAX UNDER OUR PROPOSALS	0.241	0.198	0.199	0.201	0.202	0.204
	CHANGE IN MARGINAL RATE	-0.019	-0.034	-0.021	-0.012	-0.010	0.004
10000	CURRENT TAX (1966 RATES)	0.300	0.242	0.242	0.242	0.242	0.236
	TAX UNDER OUR PROPOSALS	0.258	0.206	0.208	0.209	0.211	0.213
	CHANGE IN MARGINAL RATE	-0.042	-0.036	-0.035	-0.033	-0.032	-0.010
12000	CURRENT TAX (1966 RATES)	0.350	0.249	0.249	0.249	0.249	0.249
	TAX UNDER OUR PROPOSALS	0.275	0.216	0.219	0.222	0.225	0.233
	CHANGE IN MARGINAL RATE	-0.075	-0.033	-0.030	-0.027	-0.024	-0.019
15000	CURRENT TAX (1966 RATES)	0.400	0.286	0.286	0.286	0.266	0.260
	TAX UNDER OUR PROPOSALS	0.291	0.233	0.236	0.241	0.245	0.262
	CHANGE IN MARGINAL RATE	-0.109	-0.053	-0.050	-0.045	-0.021	0.002
20000	CURRENT TAX (1966 RATES)	0.450	0.341	0.318	0.318	0.318	0.286
	TAX UNDER OUR PROPOSALS	0.320	0.270	0.272	0.278	0.283	0.310
	CHANGE IN MARGINAL RATE	-0.130	-0.071	-0.047	-0.041	-0.035	0.024
25000	CURRENT TAX (1966 RATES)	0.450	0.383	0.368	0.351	0.351	0.351
	TAX UNDER OUR PROPOSALS	0.350	0.310	0.312	0.318	0.323	0.350
	CHANGE IN MARGINAL RATE	-0.100	-0.073	-0.057	-0.033	-0.028	-0.001
30000	CURRENT TAX (1966 RATES)	0.500	0.397	0.397	0.397	0.397	0.397
	TAX UNDER OUR PROPOSALS	0.370	0.350	0.351	0.356	0.360	0.380
	CHANGE IN MARGINAL RATE	-0.130	-0.047	-0.046	-0.042	-0.038	-0.017
40000	CURRENT TAX (1966 RATES)	0.500	0.455	0.432	0.432	0.432	0.432
	TAX UNDER OUR PROPOSALS	0.390	0.380	0.382	0.388	0.393	0.420
	CHANGE IN MARGINAL RATE	-0.110	-0.075	-0.051	-0.045	-0.039	-0.012
50000	CURRENT TAX (1966 RATES)	0.550	0.482	0.482	0.482	0.482	0.482
	TAX UNDER OUR PROPOSALS	0.420	0.420	0.421	0.424	0.427	0.440
	CHANGE IN MARGINAL RATE	-0.130	-0.063	-0.062	-0.059	-0.056	-0.043

TABLE J-12 (continued)

GROSS EMPLOYMENT INCOME	STATUS OF TAXPAYER		NUMBER OF CHILDREN					
	UNAT- TACHED INDIVI- DUAL	MARRIED COUPLE						
			0	1	2	3	5	8
70000	CURRENT TAX (1966 RATES)		0.600	0.515	0.515	0.515	0.515	0.515
	TAX UNDER OUR PROPOSALS		0.460	0.460	0.460	0.460	0.460	0.460
	CHANGE IN MARGINAL RATE		-0.140	-0.055	-0.055	-0.055	-0.055	-0.055
100000	CURRENT TAX (1966 RATES)		0.650	0.565	0.565	0.565	0.565	0.565
	TAX UNDER OUR PROPOSALS		0.490	0.490	0.492	0.493	0.496	0.500
	CHANGE IN MARGINAL RATE		-0.160	-0.075	-0.073	-0.072	-0.069	-0.065
200000	CURRENT TAX (1966 RATES)		0.700	0.665	0.665	0.665	0.665	0.665
	TAX UNDER OUR PROPOSALS		0.500	0.500	0.500	0.500	0.500	0.500
	CHANGE IN MARGINAL RATE		-0.200	-0.165	-0.165	-0.165	-0.165	-0.165
350000	CURRENT TAX (1966 RATES)		0.750	0.715	0.715	0.715	0.705	0.682
	TAX UNDER OUR PROPOSALS		0.500	0.500	0.500	0.500	0.500	0.500
	CHANGE IN MARGINAL RATE		-0.250	-0.215	-0.215	-0.215	-0.205	-0.182
600000	CURRENT TAX (1966 RATES)		0.800	0.732	0.732	0.732	0.732	0.732
	TAX UNDER OUR PROPOSALS		0.500	0.500	0.500	0.500	0.500	0.500
	CHANGE IN MARGINAL RATE		-0.300	-0.232	-0.232	-0.232	-0.232	-0.232

TABLE J-13

CHANGES IN TAX LIABILITIES RESULTING FROM THE COMMISSION'S PROPOSALS FOR  
A FAMILY WITH 50 PER CENT OF ITS INCOME FROM A WORKING WIFE

GROSS EMPLOYMENT INCOME	STATUS OF TAXPAYER		NUMBER OF CHILDREN					
	UNAT- TACHED INDIVI- DUAL	MARRIED COUPLE	0	1	2	3	5	8
1500	CURRENT TAX (1966 RATES)		0.	0.	0.	0.	0.	0.
	TAX UNDER OUR PROPOSALS		0.	0.	0.	0.	0.	0.
	INCREASE OR DECREASE IN TAX		0.	0.	0.	0.	0.	0.
2000	CURRENT TAX (1966 RATES)		115.	0.	0.	0.	0.	0.
	TAX UNDER OUR PROPOSALS		119.	0.	0.	0.	0.	0.
	INCREASE OR DECREASE IN TAX		3.	0.	0.	0.	0.	0.
2500	CURRENT TAX (1966 RATES)		202.	19.	0.	0.	0.	0.
	TAX UNDER OUR PROPOSALS		199.	0.	0.	0.	0.	0.
	INCREASE OR DECREASE IN TAX		-3.	-19.	0.	0.	0.	0.
3000	CURRENT TAX (1966 RATES)		292.	64.	26.	13.	0.	0.
	TAX UNDER OUR PROPOSALS		281.	0.	0.	0.	0.	0.
	INCREASE OR DECREASE IN TAX		-11.	-64.	-26.	-13.	0.	0.
3500	CURRENT TAX (1966 RATES)		394.	128.	90.	51.	6.	0.
	TAX UNDER OUR PROPOSALS		374.	4.	0.	0.	0.	0.
	INCREASE OR DECREASE IN TAX		-20.	-124.	-90.	-51.	-6.	0.
4000	CURRENT TAX (1966 RATES)		499.	192.	154.	115.	38.	0.
	TAX UNDER OUR PROPOSALS		471.	81.	33.	0.	0.	0.
	INCREASE OR DECREASE IN TAX		-28.	-111.	-121.	-115.	-38.	0.
5000	CURRENT TAX (1966 RATES)		727.	350.	296.	250.	166.	51.
	TAX UNDER OUR PROPOSALS		681.	254.	207.	160.	67.	0.
	INCREASE OR DECREASE IN TAX		-46.	-96.	-89.	-90.	-99.	-51.
6500	CURRENT TAX (1966 RATES)		1114.	624.	566.	512.	404.	245.
	TAX UNDER OUR PROPOSALS		1016.	532.	487.	441.	350.	213.
	INCREASE OR DECREASE IN TAX		-98.	-92.	-79.	-71.	-54.	-32.

TABLE J-13 (continued)

GROSS EMPLOYMENT INCOME	STATUS OF TAXPAYER		NUMBER OF CHILDREN					
	UNAT- TACHED INDIVT- DUAL	MARRIED COUPLE	0	1	2	3	5	8
8000	CURRENT TAX (1966 RATES)		1504.	998.	935.	872.	809.	683.
	TAX UNDER OUR PROPOSALS		1365.	989.	823.	778.	732.	642.
	INCREASE OR DECREASE IN TAX		-139.	-9.	-112.	-94.	-77.	-41.
10000	CURRENT TAX (1966 RATES)		2060.	1454.	1385.	1316.	1247.	1109.
	TAX UNDER OUR PROPOSALS		1864.	1393.	1229.	1184.	1139.	1049.
	INCREASE OR DECREASE IN TAX		-196.	-61.	-156.	-132.	-108.	-60.
12000	CURRENT TAX (1966 RATES)		2705.	1968.	1890.	1812.	1734.	1578.
	TAX UNDER OUR PROPOSALS		2400.	1817.	1653.	1608.	1564.	1476.
	INCREASE OR DECREASE IN TAX		-305.	-151.	-237.	-204.	-170.	-102.
15000	CURRENT TAX (1966 RATES)		3850.	2748.	2670.	2592.	2514.	2358.
	TAX UNDER OUR PROPOSALS		3265.	2507.	2344.	2302.	2259.	2173.
	INCREASE OR DECREASE IN TAX		-585.	-241.	-326.	-290.	-255.	-185.
20000	CURRENT TAX (1966 RATES)		6045.	4120.	4030.	3940.	3850.	3670.
	TAX UNDER OUR PROPOSALS		4839.	3828.	3668.	3627.	3587.	3506.
	INCREASE OR DECREASE IN TAX		-1206.	-292.	-362.	-313.	-263.	-164.
25000	CURRENT TAX (1966 RATES)		8295.	5760.	5655.	5550.	5445.	5235.
	TAX UNDER OUR PROPOSALS		6572.	5356.	5199.	5161.	5123.	5048.
	INCREASE OR DECREASE IN TAX		-1722.	-404.	-456.	-389.	-322.	-187.
30000	CURRENT TAX (1966 RATES)		10740.	7700.	7580.	7460.	7340.	7100.
	TAX UNDER OUR PROPOSALS		8411.	7084.	6930.	6895.	6860.	6790.
	INCREASE OR DECREASE IN TAX		-2329.	-616.	-650.	-565.	-480.	-310.
40000	CURRENT TAX (1966 RATES)		15740.	12090.	11955.	11820.	11685.	11415.
	TAX UNDER OUR PROPOSALS		12300.	10868.	10715.	10683.	10650.	10585.
	INCREASE OR DECREASE IN TAX		-3440.	-1222.	-1240.	-1137.	-1035.	-830.
50000	CURRENT TAX (1966 RATES)		21185.	16590.	16455.	16320.	16185.	15915.
	TAX UNDER OUR PROPOSALS		16484.	15046.	14896.	14866.	14837.	14777.
	INCREASE OR DECREASE IN TAX		-4701.	-1544.	-1559.	-1454.	-1348.	-1138.

TABLE J-13 (continued)

GROSS EMPLOYMENT INCOME	UNAT- TACHED INDIVI- DUAL	STATUS OF TAXPAYER	NUMBER OF CHILDREN					
			MARRIED COUPLE					
			0	1	2	3	5	8
70000	CURRENT TAX (1966 RATES) TAX UNDER OUR PROPOSALS INCREASE OR DECREASE IN TAX	32630. 25462. -7168.	26480. 24024. -2456.	26330. 23877. -2453.	26180. 23850. -2330.	26030. 23823. -2207.	25730. 23770. -1960.	25280. 23689. -1591.
100000	CURRENT TAX (1966 RATES) TAX UNDER OUR PROPOSALS INCREASE OR DECREASE IN TAX	51075. 39845. -11230.	42370. 38407. -3963.	42205. 38263. -3942.	42040. 38238. -3802.	41875. 38213. -3662.	41545. 38164. -3381.	41050. 38090. -2960.
200000	CURRENT TAX (1966 RATES) TAX UNDER OUR PROPOSALS INCREASE OR DECREASE IN TAX	119770. 89840. -29930.	102150. 88402. -13748.	101955. 88258. -13697.	101760. 88234. -13526.	101565. 88210. -13355.	101175. 88162. -13013.	100590. 88090. -12500.
350000	CURRENT TAX (1966 RATES) TAX UNDER OUR PROPOSALS INCREASE OR DECREASE IN TAX	230965. 164840. -66125.	204540. 163402. -41138.	204330. 163258. -41072.	204120. 163234. -40886.	203910. 163210. -40700.	203490. 163162. -40328.	202860. 163090. -39770.
600000	CURRENT TAX (1966 RATES) TAX UNDER OUR PROPOSALS INCREASE OR DECREASE IN TAX	428410. 289840. -138570.	386930. 288402. -98528.	386705. 288258. -98447.	386480. 288234. -98246.	386255. 288210. -98045.	385805. 288162. -97643.	385130. 288090. -97040.

TABLE J-14

EFFECTIVE AVERAGE TAX RATES UNDER THE CURRENT AND PROPOSED TAX SYSTEMS  
FOR A FAMILY WITH 50 PER CENT OF ITS INCOME FROM A WORKING WIFE

GROSS EMPLOYMENT INCOME	STATUS OF TAXPAYER		NUMBER OF CHILDREN					
	UNAT- TACHED INDIVI- DUAL	MARRIED COUPLE						
			0	1	2	3	5	8
1500	CURRENT TAX (1966 RATES)		0.034	0.000	0.000	0.000	0.000	0.000
	TAX UNDER OUR PROPOSALS		0.032	0.000	0.000	0.000	0.000	0.000
	CHANGE IN EFFECTIVE RATE		-0.002	0.000	0.000	0.000	0.000	0.000
2000	CURRENT TAX (1966 RATES)		0.058	0.000	0.000	0.000	0.000	0.000
	TAX UNDER OUR PROPOSALS		0.059	0.000	0.000	0.000	0.000	0.000
	CHANGE IN EFFECTIVE RATE		0.002	0.000	0.000	0.000	0.000	0.000
2500	CURRENT TAX (1966 RATES)		0.081	0.015	0.008	0.000	0.000	0.000
	TAX UNDER OUR PROPOSALS		0.079	0.014	0.000	0.000	0.000	0.000
	CHANGE IN EFFECTIVE RATE		-0.001	-0.001	0.000	0.000	0.000	0.000
3000	CURRENT TAX (1966 RATES)		0.097	0.034	0.021	0.004	0.000	0.000
	TAX UNDER OUR PROPOSALS		0.094	0.033	0.000	0.000	0.000	0.000
	CHANGE IN EFFECTIVE RATE		-0.004	-0.001	-0.021	-0.004	0.000	0.000
3500	CURRENT TAX (1966 RATES)		0.113	0.048	0.037	0.015	0.002	0.000
	TAX UNDER OUR PROPOSALS		0.107	0.049	0.001	0.000	0.000	0.000
	CHANGE IN EFFECTIVE RATE		-0.006	0.002	-0.036	-0.015	-0.002	0.000
4000	CURRENT TAX (1966 RATES)		0.125	0.058	0.048	0.029	0.010	0.000
	TAX UNDER OUR PROPOSALS		0.118	0.062	0.020	0.000	0.000	0.000
	CHANGE IN EFFECTIVE RATE		-0.007	0.005	-0.028	-0.029	-0.010	0.000
5000	CURRENT TAX (1966 RATES)		0.145	0.081	0.070	0.050	0.033	0.010
	TAX UNDER OUR PROPOSALS		0.136	0.084	0.051	0.032	0.013	0.000
	CHANGE IN EFFECTIVE RATE		-0.009	0.003	-0.019	-0.018	-0.020	-0.010
6500	CURRENT TAX (1966 RATES)		0.171	0.105	0.096	0.079	0.062	0.038
	TAX UNDER OUR PROPOSALS		0.156	0.107	0.082	0.068	0.054	0.033
	CHANGE IN EFFECTIVE RATE		-0.015	0.002	-0.014	-0.011	-0.008	-0.005



TABLE J-14 (continued)

GROSS EMPLOYMENT INCOME	UNAT- TACHED INDIVI- DUAL	STATUS OF TAXPAYER	NUMBER OF CHILDREN					
			MARRIED COUPLE					
			0	1	2	3	5	8
8000	CURRENT TAX (1966 RATES)	0.188	0.125	0.117	0.109	0.101	0.085	0.064
	TAX UNDER OUR PROPOSALS	0.171	0.124	0.103	0.097	0.092	0.080	0.063
	CHANGE IN EFFECTIVE RATE	-0.017	-0.001	-0.014	-0.012	-0.010	-0.005	-0.001
10000	CURRENT TAX (1966 RATES)	0.206	0.145	0.138	0.132	0.125	0.111	0.091
	TAX UNDER OUR PROPOSALS	0.186	0.139	0.123	0.118	0.114	0.105	0.092
	CHANGE IN EFFECTIVE RATE	-0.020	-0.006	-0.016	-0.013	-0.011	-0.006	0.000
12000	CURRENT TAX (1966 RATES)	0.225	0.164	0.157	0.151	0.144	0.131	0.113
	TAX UNDER OUR PROPOSALS	0.200	0.151	0.138	0.134	0.130	0.123	0.112
	CHANGE IN EFFECTIVE RATE	-0.025	-0.013	-0.020	-0.017	-0.014	-0.008	-0.001
15000	CURRENT TAX (1966 RATES)	0.257	0.183	0.178	0.173	0.168	0.157	0.142
	TAX UNDER OUR PROPOSALS	0.218	0.167	0.156	0.153	0.151	0.145	0.137
	CHANGE IN EFFECTIVE RATE	-0.039	-0.016	-0.022	-0.019	-0.017	-0.012	-0.005
20000	CURRENT TAX (1966 RATES)	0.302	0.206	0.201	0.197	0.192	0.183	0.171
	TAX UNDER OUR PROPOSALS	0.242	0.191	0.183	0.181	0.179	0.175	0.169
	CHANGE IN EFFECTIVE RATE	-0.060	-0.015	-0.018	-0.016	-0.013	-0.008	-0.002
25000	CURRENT TAX (1966 RATES)	0.332	0.230	0.226	0.222	0.218	0.209	0.197
	TAX UNDER OUR PROPOSALS	0.263	0.214	0.208	0.206	0.205	0.202	0.197
	CHANGE IN EFFECTIVE RATE	-0.069	-0.016	-0.018	-0.016	-0.013	-0.007	0.001
30000	CURRENT TAX (1966 RATES)	0.358	0.257	0.253	0.249	0.245	0.237	0.225
	TAX UNDER OUR PROPOSALS	0.280	0.236	0.231	0.230	0.229	0.226	0.223
	CHANGE IN EFFECTIVE RATE	-0.078	-0.021	-0.022	-0.019	-0.016	-0.010	-0.002
40000	CURRENT TAX (1966 RATES)	0.393	0.302	0.299	0.295	0.292	0.285	0.275
	TAX UNDER OUR PROPOSALS	0.308	0.272	0.268	0.267	0.266	0.265	0.262
	CHANGE IN EFFECTIVE RATE	-0.086	-0.031	-0.031	-0.028	-0.026	-0.021	-0.013
50000	CURRENT TAX (1966 RATES)	0.424	0.332	0.329	0.326	0.324	0.318	0.310
	TAX UNDER OUR PROPOSALS	0.330	0.301	0.298	0.297	0.297	0.296	0.294
	CHANGE IN EFFECTIVE RATE	-0.094	-0.031	-0.031	-0.029	-0.027	-0.023	-0.016

TABLE J-14 (continued)

GROSS EMPLOYMENT INCOME	STATUS OF TAXPAYER		NUMBER OF CHILDREN							
	UNAT- TACHED INDIVI- DUAL	MARRIED COUPLE	0	1	2	3	5	8		
8000	CURRENT TAX (1966 RATES)		0.260	0.222	0.216	0.210	0.210	0.210	0.180	
	TAX UNDER OUR PROPOSALS		0.241	0.198	0.199	0.201	0.202	0.204	0.204	
	CHANGE IN MARGINAL RATE		-0.019	-0.024	-0.017	-0.009	-0.008	-0.006	0.024	
10000	CURRENT TAX (1966 RATES)		0.300	0.248	0.239	0.230	0.230	0.230	0.210	
	TAX UNDER OUR PROPOSALS		0.258	0.206	0.208	0.209	0.211	0.213	0.213	
	CHANGE IN MARGINAL RATE		-0.042	-0.042	-0.031	-0.021	-0.019	-0.017	0.003	
12000	CURRENT TAX (1966 RATES)		0.350	0.260	0.260	0.260	0.260	0.260	0.230	
	TAX UNDER OUR PROPOSALS		0.275	0.216	0.219	0.222	0.225	0.231	0.233	
	CHANGE IN MARGINAL RATE		-0.075	-0.044	-0.041	-0.038	-0.035	-0.029	0.003	
15000	CURRENT TAX (1966 RATES)		0.400	0.260	0.260	0.260	0.260	0.260	0.260	
	TAX UNDER OUR PROPOSALS		0.291	0.233	0.236	0.241	0.245	0.253	0.262	
	CHANGE IN MARGINAL RATE		-0.109	-0.027	-0.024	-0.019	-0.015	-0.006	0.002	
20000	CURRENT TAX (1966 RATES)		0.450	0.300	0.300	0.300	0.300	0.300	0.260	
	TAX UNDER OUR PROPOSALS		0.320	0.270	0.272	0.278	0.283	0.295	0.310	
	CHANGE IN MARGINAL RATE		-0.130	-0.030	-0.028	-0.022	-0.017	-0.005	0.050	
25000	CURRENT TAX (1966 RATES)		0.450	0.350	0.350	0.350	0.350	0.350	0.350	
	TAX UNDER OUR PROPOSALS		0.350	0.310	0.312	0.318	0.323	0.335	0.350	
	CHANGE IN MARGINAL RATE		-0.100	-0.040	-0.038	-0.032	-0.027	-0.015	0.000	
30000	CURRENT TAX (1966 RATES)		0.500	0.400	0.400	0.400	0.400	0.400	0.400	
	TAX UNDER OUR PROPOSALS		0.370	0.350	0.351	0.356	0.360	0.369	0.380	
	CHANGE IN MARGINAL RATE		-0.130	-0.050	-0.049	-0.044	-0.040	-0.031	-0.020	
40000	CURRENT TAX (1966 RATES)		0.500	0.450	0.450	0.450	0.450	0.450	0.450	
	TAX UNDER OUR PROPOSALS		0.390	0.380	0.382	0.388	0.393	0.405	0.420	
	CHANGE IN MARGINAL RATE		-0.110	-0.070	-0.068	-0.062	-0.057	-0.045	-0.030	
50000	CURRENT TAX (1966 RATES)		0.550	0.450	0.450	0.450	0.450	0.450	0.450	
	TAX UNDER OUR PROPOSALS		0.420	0.420	0.421	0.424	0.427	0.432	0.440	
	CHANGE IN MARGINAL RATE		-0.130	-0.030	-0.029	-0.026	-0.023	-0.018	-0.010	

TABLE J-14 (continued)

GROSS EMPLOYMENT INCOME	STATUS OF TAXPAYER		NUMBER OF CHILDREN							
	UNAT- TACHED INDIVI- DUAL	MARRIED COUPLE								
			0	1	2	3	5	8		
70000	CURRENT TAX (1966 RATES)		0.466	0.378	0.376	0.374	0.372	0.368	0.361	
	TAX UNDER OUR PROPOSALS		0.364	0.343	0.341	0.341	0.340	0.340	0.338	
	CHANGE IN EFFECTIVE RATE		-0.102	-0.035	-0.035	-0.033	-0.032	-0.028	-0.023	
100000	CURRENT TAX (1966 RATES)		0.511	0.424	0.422	0.420	0.419	0.415	0.410	
	TAX UNDER OUR PROPOSALS		0.398	0.384	0.383	0.382	0.382	0.382	0.381	
	CHANGE IN EFFECTIVE RATE		-0.112	-0.040	-0.039	-0.038	-0.037	-0.034	-0.030	
200000	CURRENT TAX (1966 RATES)		0.599	0.511	0.510	0.509	0.508	0.506	0.503	
	TAX UNDER OUR PROPOSALS		0.449	0.442	0.441	0.441	0.441	0.441	0.440	
	CHANGE IN EFFECTIVE RATE		-0.150	-0.069	-0.068	-0.068	-0.067	-0.065	-0.063	
350000	CURRENT TAX (1966 RATES)		0.660	0.584	0.584	0.583	0.583	0.581	0.580	
	TAX UNDER OUR PROPOSALS		0.471	0.467	0.466	0.466	0.466	0.466	0.466	
	CHANGE IN EFFECTIVE RATE		-0.189	-0.118	-0.117	-0.117	-0.116	-0.115	-0.114	
600000	CURRENT TAX (1966 RATES)		0.714	0.645	0.645	0.644	0.644	0.643	0.642	
	TAX UNDER OUR PROPOSALS		0.483	0.481	0.480	0.480	0.480	0.480	0.480	
	CHANGE IN EFFECTIVE RATE		-0.231	-0.164	-0.164	-0.164	-0.163	-0.163	-0.162	

TABLE J-15

**EFFECTIVE MARGINAL TAX RATES UNDER THE CURRENT AND PROPOSED TAX SYSTEMS  
FOR A FAMILY WITH 50 PER CENT OF ITS INCOME FROM A WORKING WIFE**

GROSS EMPLOYMENT INCOME	STATUS OF TAXPAYER		NUMBER OF CHILDREN					
	UNAT- TACHED INDIVI- DUAL	MARRIED COUPLE	0	1	2	3	5	8
1500	CURRENT TAX (1966 RATES)		0.128	0.000	0.000	0.000	0.000	0.000
	TAX UNDER OUR PROPOSALS		0.140	0.000	0.000	0.000	0.000	0.000
	CHANGE IN MARGINAL RATE		0.012	0.000	0.000	0.000	0.000	0.000
2000	CURRENT TAX (1966 RATES)		0.174	0.077	0.000	0.000	0.000	0.000
	TAX UNDER OUR PROPOSALS		0.160	0.071	0.000	0.000	0.000	0.000
	CHANGE IN MARGINAL RATE		-0.013	-0.005	0.000	0.000	0.000	0.000
2500	CURRENT TAX (1966 RATES)		0.180	0.128	0.090	0.051	0.000	0.000
	TAX UNDER OUR PROPOSALS		0.165	0.126	0.000	0.000	0.000	0.000
	CHANGE IN MARGINAL RATE		-0.015	-0.002	-0.090	-0.051	0.000	0.000
3000	CURRENT TAX (1966 RATES)		0.204	0.128	0.128	0.077	0.013	0.000
	TAX UNDER OUR PROPOSALS		0.186	0.147	0.007	0.000	0.000	0.000
	CHANGE IN MARGINAL RATE		-0.018	0.019	-0.121	-0.077	-0.013	0.000
3500	CURRENT TAX (1966 RATES)		0.210	0.128	0.128	0.128	0.064	0.000
	TAX UNDER OUR PROPOSALS		0.194	0.155	0.066	0.000	0.000	0.000
	CHANGE IN MARGINAL RATE		-0.016	0.027	-0.062	-0.128	-0.064	0.000
4000	CURRENT TAX (1966 RATES)		0.226	0.167	0.148	0.128	0.128	0.000
	TAX UNDER OUR PROPOSALS		0.207	0.168	0.171	0.145	0.000	0.000
	CHANGE IN MARGINAL RATE		-0.019	0.001	0.023	0.017	-0.128	0.000
5000	CURRENT TAX (1966 RATES)		0.254	0.180	0.180	0.163	0.137	0.128
	TAX UNDER OUR PROPOSALS		0.219	0.180	0.183	0.184	0.184	0.041
	CHANGE IN MARGINAL RATE		-0.035	0.000	0.003	0.021	0.047	-0.087
6500	CURRENT TAX (1966 RATES)		0.260	0.210	0.201	0.186	0.180	0.174
	TAX UNDER OUR PROPOSALS		0.233	0.194	0.194	0.194	0.194	0.194
	CHANGE IN MARGINAL RATE		-0.027	-0.016	-0.007	0.002	0.014	0.020



## APPENDIX K

### UPDATED COMPARISONS OF TAX LIABILITIES ON CORPORATE SOURCE INCOME UNDER THE CURRENT AND PROPOSED TAX SYSTEMS

Revised comparisons of the tax payable by, or on behalf of, resident individuals and families with only Canadian corporate source income from shares (plus family allowances where applicable) under the current and proposed systems are shown in the tables provided in this appendix. The examples update the comparisons shown in Appendix M to Volume 4 of the Report to show the effect of the tax changes proposed in the December 1966 Supplementary Budget. In addition, comparisons are made based on the distribution of corporate source income components assumed in making revenue estimates.

Four comparisons are made. These comparisons are based on the following sources of income:

- Case 1: A typical public company distributing one half of its after-tax income as dividends.
- Case 2: A typical private company distributing one half of its after-tax income as dividends.
- Case 3: A typical private company distributing one half of its after-tax income as dividends and the balance under section 105.
- Case 4: Corporate source income distributed in accordance with the average relationship among the components of comprehensive-base corporate source income attributable to Canadian residents in 1964.

Under the comprehensive definition of income a resident tax unit's income from holding equities would consist of four components:

1. dividends;
2. undistributed income of the corporation;
3. realized goodwill gains; and
4. corporation taxes paid.

In each of the cases referred to in the tables which follow, assumptions are made about the relative importance of each of these components. These assumptions are specified in Table K-1 for the first three cases and in Table K-5 for the last case.

Goodwill gains under the Commission's proposals would be taxable only upon realization, but as it is not practical to estimate when they would be realized tax liabilities have been computed as though such gains were realized annually. For public companies goodwill gains are assumed to be equal to cash dividends, with cash dividends to be one half of profits after taxes. 1/ Primarily because of the limited marketability of the shares of private companies, their goodwill gains have been assumed to be one half of those of public companies. 2/

Examples of the calculations made for a tax unit with given income and family characteristics for each of the first three cases are presented in Tables K-2 to K-4 inclusive. The example in Table K-2 corresponds to the result given in Table K-7, column 1, in the row for a gross corporate source income of \$10,000. The example given in Table K-3 corresponds to the result given in Table K-10, column 4, in the row for a gross corporate

TABLE K-1

ASSUMED PRESENT COMPOSITION OF A SHAREHOLDER'S CORPORATE SOURCE  
INCOME DERIVED FROM TYPICAL PUBLIC AND PRIVATE COMPANIES

	Expressed as Fractions of After-Tax Corporate Income	Expressed as Fractions of Comprehensive Corporate Source Income
Case 1: <u>Typical Public Company</u>		
Dividends	.5	.20192
Undistributed corporate income	.5	.20191
Goodwill gains on corporate stock held by the taxpayer	.5	.20192
Corporation tax paid	—	<u>.39425</u>
TOTAL		<u>1.00000</u>
Cases 2 and 3: <u>Typical Private Company</u>		
Dividends	.5	.27957
Undistributed corporate income (section 105 distributions for Case 3)	.5	.27957
Goodwill gains on corporate stock held by the taxpayer	.25	.13978
Corporation tax paid	—	<u>.30108</u>
TOTAL		<u>1.00000</u>

Note: The relationship between before-tax and after-tax corporate income shown in these figures is based on an assumed current average corporation tax rate on before-tax corporate income of 49.4 per cent for a typical public company and 35 per cent for a typical private company. The exact relationship between the ratio of a particular income component to total comprehensive corporate source income and the ratio of the component to after-tax corporate income may be determined under the formula set out below. Let  $r$  be the ratio of after-tax corporate income to total comprehensive corporate source income; let  $d$ ,  $g$  and  $s$  be the ratios of dividends, goodwill gains and section 105 capitalizations respectively to after-tax corporate income; let  $f$  be the fraction of dividends and section 105 capitalizations carrying credit for corporation tax under the integration proposals; and let  $c$  be the average corporation tax rate. Then

$$r = \frac{1 - c}{1 + [1 - c] [g + (1 - f) (s + d)]}$$

The ratio to comprehensive income of any component expressed as a fraction of after-tax corporate income can be obtained by multiplying that fraction by  $r$ . The fraction of dividends and section 105 capitalizations carrying attribution of corporate income under the integration proposals is assumed to be unity in all three cases.



TABLE K-2

## CASE 1 EXAMPLE:

CALCULATION OF TAXES UNDER THE CURRENT AND PROPOSED SYSTEMS FOR AN UNATTACHED INDIVIDUAL WITH \$10,000 OF COMPREHENSIVE TAX BASE INCOME DERIVED EXCLUSIVELY FROM SHARES IN A TYPICAL PUBLIC COMPANY

Tax Base	Tax Base and Taxes Under the Current System		Tax Base and Taxes Under the Proposed System	
	At Corporate Level \$	At Personal Level \$	At Corporate Level \$	At Personal Level \$
Income from corporate sources:				
Dividends	2,019.15	2,019.15	2,019.15	2,019.15
Other corporate income, before corporation tax	5,961.70	N.A.	5,961.70	5,961.70
Goodwill gains on corporate stock held by taxpayer	—	N.A.	—	2,019.15
TOTAL CORPORATE SOURCE BASE	7,980.85	2,019.15	7,980.85	10,000.00
Family allowances	—	N.A.	—	—
TOTAL INCOME	7,980.85	2,019.15	7,980.85	10,000.00
Deductions:				
Family exemptions	—	1,000.00	—	N.A.
Standard deduction	—	100.00	—	50.00
TOTAL DEDUCTIONS	—	1,100.00	—	50.00
NET TAX BASE	7,980.85	919.15	7,980.85	9,950.00
Taxes				
Gross tax (before credits)	3,942.54	101.11	3,990.43	1,942.00
Non-refundable tax credits:				
Credits for dependants	—	N.A.	—	—
Dividend tax credit	—	403.83	—	N.A.
		403.83		—
Tax after credits	—	—	—	1,942.00
Refundable credit on corporation taxes	—	N.A.	—	3,990.43
Personal income tax	—	—	—	(2,048.43)
Old age security tax	—	36.77	—	N.A.
TOTAL TAX	3,942.54	36.77	3,990.43	(2,048.43)
TOTAL TAXES		3,979.31		1,942.00

Note: Numbers enclosed in parentheses are negative. "N.A." means non-applicable. The relationship among the components of corporate source income is that specified in Table K-1.

TABLE K-2

## CASE 2 EXAMPLE:

CALCULATION OF TAXES UNDER THE CURRENT AND PROPOSED SYSTEMS FOR A  
MARRIED COUPLE WITH TWO CHILDREN WITH A COMPREHENSIVE TAX BASE  
INCOME OF \$8,000 DERIVED EXCLUSIVELY FROM SHARES IN A TYPICAL  
PRIVATE COMPANY NOT MAKING USE OF SECTION 105

<u>Tax Base</u>	<u>Tax Base and Taxes Under the Current System</u>		<u>Tax Base and Taxes Under the Proposed System</u>	
	<u>At Corporate Level</u> \$	<u>At Personal Level</u> \$	<u>At Corporate Level</u> \$	<u>At Personal Level</u> \$
Income from corporate sources:				
Dividends	2,236.56	2,236.56	2,236.56	2,236.56
Other corporate income, before corporation tax	4,645.16	N.A.	4,645.16	4,645.16
Goodwill gains on corporate stock held by taxpayer	—	N.A.	—	1,118.28
TOTAL CORPORATE SOURCE BASE	6,881.72	2,236.56	6,881.72	8,000.00
Family allowances	—	N.A.	—	144.00
TOTAL INCOME	6,881.72	2,236.56	6,881.72	8,144.00
Deductions:				
Family exemptions	—	2,600.00	—	N.A.
Standard deduction	—	100.00	—	50.00
TOTAL DEDUCTIONS	—	2,700.00	—	50.00
NET TAX BASE	6,881.72	—	6,881.72	8,094.00
<u>Taxes</u>				
Gross tax (before credits)	2,408.60	—	3,440.86	1,066.74
Non-refundable tax credits:				
Credits for dependants	—	N.A.	—	160.00
Dividend tax credit	—	447.31	—	N.A.
	—	447.31	—	160.00
Tax after credits	—	—	—	906.74
Refundable credit on corporation taxes	—	N.A.	—	3,440.86
Personal income tax	—	—	—	(2,534.12)
Old age security tax	—	—	—	N.A.
TOTAL TAX	2,408.60	—	3,440.86	(2,534.12)
TOTAL TAXES		2,408.60		906.74

Note: As in Table K-2.

TABLE K-4

## CASE 3 EXAMPLE:

CALCULATION OF TAXES UNDER THE CURRENT AND PROPOSED SYSTEMS FOR A MARRIED COUPLE WITH THREE CHILDREN WITH A COMPREHENSIVE TAX BASE INCOME OF \$100,000 DERIVED EXCLUSIVELY FROM SHARES IN A TYPICAL PRIVATE COMPANY CAPITALIZING EARNED SURPLUS UNDER SECTION 105

<u>Tax Base</u>	<u>Tax Base and Taxes Under the Current System</u>		<u>Tax Base and Taxes Under the Proposed System</u>	
	<u>At Corporate Level</u> \$	<u>At Personal Level</u> \$	<u>At Corporate Level</u> \$	<u>At Personal Level</u> \$
Income from corporate sources:				
Dividends	27,956.99	27,956.99	27,956.99	27,956.99
Section 105 distributions	27,956.99	N.A.	27,956.99	27,956.99
Other corporate income, before corporation tax	30,107.53	N.A.	30,107.53	30,107.53
Goodwill gains on stock held by taxpayer	—	N.A.	—	13,978.49
TOTAL CORPORATE SOURCE BASE	86,021.51	27,956.99	86,021.51	100,000.00
Family allowances	—	N.A.	—	216.00
TOTAL INCOME	86,021.51	27,956.99	86,021.51	100,216.00
Deductions:				
Family exemptions	—	2,900.00	—	N.A.
Standard deduction	—	100.00	—	50.00
TOTAL DEDUCTIONS	—	3,000.00	—	50.00
NET TAX BASE	86,021.51	24,956.99	86,021.51	100,166.00
<u>Taxes</u>				
Gross tax (before credits)	30,107.53	8,530.65	43,010.76	38,760.00
Additional tax on section 105 distributions	4,193.55	—	N.A.	—
Non-refundable tax credits:				
Credits for dependants	—	N.A.	—	220.00
Dividend tax credit	—	5,591.40	—	N.A.
		5,591.40		220.00
Tax after credits	—	2,939.25	—	38,540.00
Refundable credit for corporation taxes	—	N.A.	—	43,010.76
Personal income tax	—	2,939.25	—	(4,470.76)
Old age security tax	—	240.00	—	N.A.
TOTAL TAX	34,301.08	3,179.25	43,010.76	(4,470.76)
TOTAL TAXES		37,480.33		38,540.00

Note: As in Table K-2.

TABLE K-5

ESTIMATED AVERAGE BREAKDOWN OF CORPORATE  
SOURCE INCOME IN 1964

<u>Taxpayers With Income Under \$25,000</u>	<u>Fraction of After-Tax Corporate Income</u>	<u>Fraction of Comprehensive Corporate Source Income</u>
Dividends carrying credit for corporate tax	.38297	.18085
Dividends not carrying credit	.02016	.00952
Section 105 distributions	—	—
Undistributed taxed corporate income	.61703	.29138
Capital gains on corporate stock held by the investor	.40313	.19037
Corporate tax paid	—	<u>.32788</u>
TOTAL		<u>1.00000</u>
<u>Taxpayers With Income Over \$25,000</u>		
Dividends carrying credit for corporate tax	.34697	.16699
Dividends not carrying credit	.01826	.00879
Section 105 distributions	.09401	.04524
Undistributed taxed corporate income	.55902	.26904
Capital gains on corporate stock held by the investor	.36523	.17578
Corporate tax paid	—	<u>.33416</u>
TOTAL		<u>1.00000</u>

Note: The relationship between before-tax and after-tax corporate income is based on an assumed average corporate tax rate of 40.979% on before-tax corporate income attributable to Canadian residents. Of total dividends 5 per cent are assumed not to carry credit for corporate tax. For other notes, see Table K-1.

For purposes of dividing taxpayers into these two groups, "income" is defined as currently taxable income.

TABLE K-6

COMPARISON OF CURRENT AND PROPOSED TAXES FOR A MARRIED TAXPAYER  
WITH 1 DEPENDENT CHILD EARNING \$200,000 EXCLUSIVELY  
FROM CORPORATE INCOME DISTRIBUTED IN ACCORDANCE  
WITH THE ESTIMATED 1964 AVERAGE

	Tax Base and Tax Under Current Tax Law		Tax Base and Tax Under Our Proposals	
	At Personal Level	At Corporate Level	At Personal Level	At Corporate Level
	\$	\$	\$	\$
<u>Income From Corporate Sources</u>				
Dividends	35,155.74	35,155.74	35,155.74	35,155.74
Section 105 distributions	N.A.	9,049.07	9,049.07	9,049.07
Other corporate income, before corporate tax	N.A.	120,639.45	120,639.45	120,639.45
Capital gains on stock held by taxpayer	N.A.	—	35,155.74	—
Total corporate source income	35,155.74	164,844.26	200,000.00	164,844.26
Family allowances	N.A.	—	72.00	—
TOTAL INCOME	35,155.74	164,844.26	200,072.00	164,844.26
<u>Deductions</u>				
Family exemptions	2,300.00	—	N.A.	—
Standard deduction	100.00	—	50.00	—
Total deductions	2,400.00	—	50.00	—
NET TAX BASE	32,755.74	164,844.26	200,000.00	164,844.26
GROSS TAX (before credits)	12,427.87	66,830.54	88,688.00	82,422.13
Additional tax on section 105 distributions	—	1,357.36	—	N.A.
<u>Non-Refundable Tax Credits</u>				
Credit for dependants	N.A.	—	100.00	—
Dividend tax credit	7,031.15	—	N.A.	—
	7,031.15	—	100.00	—
Tax after credits	5,396.72	—	88,588.00	—
Refundable credit for corporate tax	N.A.	—	82,422.13	—
PERSONAL INCOME TAX	0	—	6,165.87	—
OLD AGE SECURITY TAX	240.00	—	N.A.	—
TOTAL TAX	5,636.72	68,187.90	6,165.87	82,422.13
TOTAL DIRECT TAXES		\$73,825		\$88,588

Note: As in Table K-2.

source income of \$8,000. The example given in Table K-4 corresponds to the result given in Table K-13, column 5, in the row for a gross corporate source income of \$100,000. Because of the income levels involved in these three examples, only the last comparison is affected by the old age security tax increase announced in the December 1966 Budget.

An additional set of comparisons is based on estimates of the average relationship among the different components of comprehensive corporate source income for Canadian residents in 1964. These estimates, presented in Table K-5, underlie estimates of the effects on tax revenues of the Commission's recommendations regarding the taxation of corporate source income (apart from recommendations regarding the definition of the corporate base, which is assumed here to be unchanged). The basis for these estimates is discussed in Appendix A to Volume 6 of the Report.

An example of the calculations underlying the tax comparisons based on the estimate of average 1964 relationships presented in Table K-5 is shown in Table K-6, which provides the calculations underlying the comparison for a married taxpayer with one child earning \$200,000 exclusively from corporate income distributed as indicated in Table K-5. The resultant comparisons are shown in Table K-16 of the computer-generated tables in column 5 in the row for a gross corporate source income of \$200,000.

For each of the four cases, three computer tables are provided. The first table shows the difference in taxes under the current and proposed systems. The second shows the effective average rates under the current and proposed systems. The effective average rate is simply the ratio of taxes paid to income. The third provides estimates of the effective marginal rates under the current and proposed systems. The

effective marginal rates are computed as the rate of tax on an additional \$500 of income assuming that the rate of tax paid by the corporation on this income is 50 per cent.

All of the comparisons given in this appendix are based on the assumption that the full corporation tax is borne by the shareholders and that no part of any reduction in the tax on corporate source income would be shifted in the form of lower prices for goods and services sold or higher prices for goods and services purchased. In addition, the comparisons assume that the shareholder is a resident with only Canadian corporate source income from shares.

#### REFERENCES

- 1/ Evidence substantiating this assumption is presented in J. Bossons, Rates of Return on Canadian Common Stocks: Dividends, Retentions, and Goodwill Gains, a study published by the Commission.
- 2/ In Cases 1 and 2, it is assumed that one half of the after-tax corporate income is undistributed. This undistributed income would be subject to further tax under the current tax law if subsequently distributed. However, this tax may be indefinitely deferred, and shareholders may avoid it by the sale of their shares. In Case 3, it is assumed that a full distribution of income has been made through section 105 capitalizations under current law so that no further taxes are payable under any circumstances. Because section 105 capitalizations are only attractive to shareholders with marginal rates in excess of 35 per cent, that is, with taxable incomes in excess of \$12,000 under the current system (corresponding to corporate source income of over \$50,000 under the comprehensive tax base), the results of Case 3 should be interpreted with caution for individuals with lesser incomes.

TABLE K-7

CHANGES IN TAX LIABILITIES (INCLUDING TAXES PAID BY CORPORATIONS) RESULTING FROM THE  
COMMISSION'S PROPOSALS FOR A TAX UNIT WITH INCOME FROM A TYPICAL PUBLIC COMPANY

GROSS CORPORATE SOURCE INCOME		STATUS OF TAXPAYER		NUMBER OF CHILDREN							
		UNAT- TACHED INDIVI- DUAL	MARRIED COUPLE	0	1	2	3	5	8		
1500	CURRENT TAX (1966 RATES)	591.		591.	591.	591.	591.	591.	591.	591.	591.
	TAX UNDER OUR PROPOSALS	54.		-0.	-0.	-0.	-0.	-0.	-0.	-0.	-0.
	INCREASE OR DECREASE IN TAX	-537.		-591.	-591.	-591.	-591.	-591.	-591.	-591.	-591.
2000	CURRENT TAX (1966 RATES)	789.		789.	789.	789.	789.	789.	789.	789.	789.
	TAX UNDER OUR PROPOSALS	128.		-0.	-0.	-0.	-0.	-0.	-0.	-0.	-0.
	INCREASE OR DECREASE IN TAX	-661.		-789.	-789.	-789.	-789.	-789.	-789.	-789.	-789.
2500	CURRENT TAX (1966 RATES)	986.		986.	986.	986.	986.	986.	986.	986.	986.
	TAX UNDER OUR PROPOSALS	212.		46.	-0.	-0.	-0.	-0.	-0.	-0.	-0.
	INCREASE OR DECREASE IN TAX	-774.		-940.	-986.	-986.	-986.	-986.	-986.	-986.	-986.
3000	CURRENT TAX (1966 RATES)	1183.		1183.	1183.	1183.	1183.	1183.	1183.	1183.	1183.
	TAX UNDER OUR PROPOSALS	297.		111.	21.	-0.	-0.	-0.	-0.	-0.	-0.
	INCREASE OR DECREASE IN TAX	-886.		-1072.	-1162.	-1183.	-1183.	-1183.	-1183.	-1183.	-1183.
3500	CURRENT TAX (1966 RATES)	1380.		1380.	1380.	1380.	1380.	1380.	1380.	1380.	1380.
	TAX UNDER OUR PROPOSALS	395.		189.	101.	52.	4.	-0.	-0.	-0.	-0.
	INCREASE OR DECREASE IN TAX	-985.		-1191.	-1279.	-1328.	-1376.	-1380.	-1380.	-1380.	-1380.
4000	CURRENT TAX (1966 RATES)	1577.		1577.	1577.	1577.	1577.	1577.	1577.	1577.	1577.
	TAX UNDER OUR PROPOSALS	495.		269.	181.	134.	87.	-0.	-0.	-0.	-0.
	INCREASE OR DECREASE IN TAX	-1082.		-1308.	-1396.	-1443.	-1490.	-1577.	-1577.	-1577.	-1577.
5000	CURRENT TAX (1966 RATES)	1971.		1971.	1971.	1971.	1971.	1971.	1971.	1971.	1971.
	TAX UNDER OUR PROPOSALS	714.		448.	361.	315.	269.	176.	37.	37.	37.
	INCREASE OR DECREASE IN TAX	-1257.		-1523.	-1610.	-1656.	-1703.	-1795.	-1934.	-1934.	-1934.
6500	CURRENT TAX (1966 RATES)	2571.		2563.	2563.	2563.	2563.	2563.	2563.	2563.	2563.
	TAX UNDER OUR PROPOSALS	1063.		737.	651.	606.	560.	469.	332.	332.	332.
	INCREASE OR DECREASE IN TAX	-1508.		-1826.	-1911.	-1957.	-2002.	-2094.	-2230.	-2230.	-2230.



TABLE K-7 (continued)

GROSS CORPORATE SOURCE INCOME	STATUS OF TAXPAYER		NUMBER OF CHILDREN							
	UNAT- TACHED INDIVI- DUAL	MARRIED COUPLE	0	1	2	3	5	8		
8000	CURRENT TAX (1966 RATES)		3175.	3154.	3154.	3154.	3154.	3154.	3154.	3154.
	TAX UNDER OUR PROPOSALS		1423.	1037.	952.	862.	772.	637.	637.	637.
	INCREASE OR DECREASE IN TAX		-1752.	-2117.	-2202.	-2292.	-2382.	-2517.	-2517.	-2517.
10000	CURRENT TAX (1966 RATES)		3979.	3943.	3943.	3943.	3943.	3943.	3943.	3943.
	TAX UNDER OUR PROPOSALS		1942.	1457.	1372.	1284.	1195.	1063.	1063.	1063.
	INCREASE OR DECREASE IN TAX		-2037.	-2486.	-2571.	-2659.	-2747.	-2880.	-2880.	-2880.
12000	CURRENT TAX (1966 RATES)		4784.	4744.	4732.	4731.	4731.	4731.	4731.	4731.
	TAX UNDER OUR PROPOSALS		2501.	1896.	1812.	1770.	1727.	1641.	1513.	1513.
	INCREASE OR DECREASE IN TAX		-2283.	-2848.	-2920.	-3004.	-3090.	-3218.	-3218.	-3218.
15000	CURRENT TAX (1966 RATES)		5991.	5951.	5939.	5927.	5915.	5914.	5914.	5914.
	TAX UNDER OUR PROPOSALS		3400.	2615.	2533.	2492.	2452.	2371.	2249.	2249.
	INCREASE OR DECREASE IN TAX		-2591.	-3336.	-3406.	-3435.	-3463.	-3543.	-3665.	-3665.
20000	CURRENT TAX (1966 RATES)		8003.	7963.	7951.	7939.	7927.	7903.	7885.	7885.
	TAX UNDER OUR PROPOSALS		4999.	3963.	3884.	3846.	3808.	3733.	3620.	3620.
	INCREASE OR DECREASE IN TAX		-3004.	-3999.	-4067.	-4092.	-4118.	-4170.	-4265.	-4265.
25000	CURRENT TAX (1966 RATES)		10014.	9974.	9962.	9950.	9938.	9914.	9878.	9878.
	TAX UNDER OUR PROPOSALS		6747.	5511.	5435.	5400.	5365.	5295.	5191.	5191.
	INCREASE OR DECREASE IN TAX		-3267.	-4463.	-4528.	-4550.	-4573.	-4619.	-4687.	-4687.
30000	CURRENT TAX (1966 RATES)		12026.	11986.	11974.	11962.	11950.	11926.	11890.	11890.
	TAX UNDER OUR PROPOSALS		8596.	7259.	7185.	7153.	7120.	7055.	6957.	6957.
	INCREASE OR DECREASE IN TAX		-3429.	-4726.	-4789.	-4809.	-4830.	-4871.	-4933.	-4933.
40000	CURRENT TAX (1966 RATES)		16010.	16009.	15997.	15985.	15973.	15949.	15913.	15913.
	TAX UNDER OUR PROPOSALS		12495.	11058.	10986.	10956.	10927.	10867.	10778.	10778.
	INCREASE OR DECREASE IN TAX		-3515.	-4951.	-5011.	-5029.	-5046.	-5082.	-5135.	-5135.
50000	CURRENT TAX (1966 RATES)		19953.	19953.	19953.	19953.	19953.	19953.	19937.	19937.
	TAX UNDER OUR PROPOSALS		16694.	15256.	15187.	15158.	15130.	15073.	14988.	14988.
	INCREASE OR DECREASE IN TAX		-3259.	-4697.	-4766.	-4794.	-4823.	-4879.	-4948.	-4948.

TABLE K-7 (continued)

GROSS CORPORATE SOURCE INCOME	STATUS OF TAXPAYER		NUMBER OF CHILDREN					
	UNAT- TACHED INDIVI- DUAL	MARRIED COUPLE						
			0	1	2	3	5	8
70000	CURRENT TAX (1966 RATES)		28275.	27838.	27838.	27838.	27838.	27838.
	TAX UNDER OUR PROPOSALS		25692.	24187.	24160.	24133.	24080.	23999.
	INCREASE OR DECREASE IN TAX		-2583.	-3651.	-3678.	-3704.	-3758.	-3839.
100000	CURRENT TAX (1966 RATES)		41518.	40933.	40798.	40663.	40393.	39988.
	TAX UNDER OUR PROPOSALS		40090.	38588.	38564.	38540.	38492.	38420.
	INCREASE OR DECREASE IN TAX		-1428.	-2345.	-2234.	-2123.	-1901.	-1568.
200000	CURRENT TAX (1966 RATES)		86706.	86056.	85906.	85756.	85456.	85006.
	TAX UNDER OUR PROPOSALS		90090.	88588.	88564.	88540.	88492.	88420.
	INCREASE OR DECREASE IN TAX		3384.	2532.	2658.	2784.	3036.	3414.
350000	CURRENT TAX (1966 RATES)		156887.	156107.	155927.	155747.	155387.	154847.
	TAX UNDER OUR PROPOSALS		165090.	163588.	163564.	163540.	163492.	163420.
	INCREASE OR DECREASE IN TAX		8203.	7481.	7637.	7793.	8105.	8573.
600000	CURRENT TAX (1966 RATES)		277144.	276299.	276104.	275909.	275519.	274934.
	TAX UNDER OUR PROPOSALS		290090.	288588.	288564.	288540.	288492.	288420.
	INCREASE OR DECREASE IN TAX		12946.	12289.	12460.	12631.	12973.	13486.

TABLE K-8

EFFECTIVE AVERAGE TAX RATES UNDER THE CURRENT AND PROPOSED TAX SYSTEMS (INCLUDING TAXES PAID BY CORPORATIONS) FOR A TAX UNIT WITH INCOME FROM A TYPICAL PUBLIC COMPANY

GROSS CORPORATE SOURCE INCOME	STATUS OF TAXPAYER		NUMBER OF CHILDREN							
	UNAT- TACHED INDIVI- DUAL	MARRIED COUPLE								
			0	1	2	3	5	8		
1500	CURRENT TAX (1966 RATES) TAX UNDER OUR PROPOSALS CHANGE IN EFFECTIVE RATE		0.394 0.036 -0.358	0.394 0.000 -0.394	0.394 0.000 -0.394	0.394 0.000 -0.394	0.394 0.000 -0.394	0.394 0.000 -0.394	0.394 0.000 -0.394	
2000	CURRENT TAX (1966 RATES) TAX UNDER OUR PROPOSALS CHANGE IN EFFECTIVE RATE		0.394 0.064 -0.331	0.394 0.000 -0.394	0.394 0.000 -0.394	0.394 0.000 -0.394	0.394 0.000 -0.394	0.394 0.000 -0.394	0.394 0.000 -0.394	
2500	CURRENT TAX (1966 RATES) TAX UNDER OUR PROPOSALS CHANGE IN EFFECTIVE RATE		0.394 0.085 -0.310	0.394 0.018 -0.376	0.394 0.000 -0.394	0.394 0.000 -0.394	0.394 0.000 -0.394	0.394 0.000 -0.394	0.394 0.000 -0.394	
3000	CURRENT TAX (1966 RATES) TAX UNDER OUR PROPOSALS CHANGE IN EFFECTIVE RATE		0.394 0.099 -0.295	0.394 0.037 -0.357	0.394 0.007 -0.387	0.394 0.000 -0.394	0.394 0.000 -0.394	0.394 0.000 -0.394	0.394 0.000 -0.394	
3500	CURRENT TAX (1966 RATES) TAX UNDER OUR PROPOSALS CHANGE IN EFFECTIVE RATE		0.394 0.113 -0.281	0.394 0.054 -0.340	0.394 0.029 -0.366	0.394 0.015 -0.379	0.394 0.001 -0.393	0.394 0.000 -0.394	0.394 0.000 -0.394	
4000	CURRENT TAX (1966 RATES) TAX UNDER OUR PROPOSALS CHANGE IN EFFECTIVE RATE		0.394 0.124 -0.271	0.394 0.067 -0.327	0.394 0.045 -0.349	0.394 0.033 -0.361	0.394 0.022 -0.373	0.394 0.000 -0.394	0.394 0.000 -0.394	
5000	CURRENT TAX (1966 RATES) TAX UNDER OUR PROPOSALS CHANGE IN EFFECTIVE RATE		0.394 0.143 -0.251	0.394 0.090 -0.305	0.394 0.072 -0.322	0.394 0.063 -0.331	0.394 0.054 -0.341	0.394 0.035 -0.359	0.394 0.007 -0.387	
6500	CURRENT TAX (1966 RATES) TAX UNDER OUR PROPOSALS CHANGE IN EFFECTIVE RATE		0.396 0.164 -0.232	0.394 0.113 -0.281	0.394 0.100 -0.294	0.394 0.093 -0.301	0.394 0.086 -0.308	0.394 0.072 -0.322	0.394 0.051 -0.343	

TABLE K-8 (continued)

GROSS CORPORATE SOURCE INCOME	STATUS OF TAXPAYER		NUMBER OF CHILDREN							
	UNAT- TACHED INDIVI- DUAL	MARRIED COUPLES								
			0	1	2	3	5	8		
8000	CURRENT TAX (1966 RATES)		0.397	0.394	0.394	0.394	0.394	0.394	0.394	0.394
	TAX UNDER OUR PROPOSALS		0.178	0.130	0.119	0.113	0.108	0.097	0.080	0.080
	CHANGE IN EFFECTIVE RATE		-0.219	-0.265	-0.275	-0.281	-0.287	-0.298	-0.315	-0.315
10000	CURRENT TAX (1966 RATES)		0.398	0.394	0.394	0.394	0.394	0.394	0.394	0.394
	TAX UNDER OUR PROPOSALS		0.194	0.146	0.137	0.133	0.128	0.120	0.106	0.106
	CHANGE IN EFFECTIVE RATE		-0.204	-0.249	-0.257	-0.261	-0.266	-0.275	-0.288	-0.288
12000	CURRENT TAX (1966 RATES)		0.399	0.395	0.394	0.394	0.394	0.394	0.394	0.394
	TAX UNDER OUR PROPOSALS		0.208	0.158	0.151	0.147	0.144	0.137	0.126	0.126
	CHANGE IN EFFECTIVE RATE		-0.190	-0.237	-0.243	-0.247	-0.250	-0.257	-0.268	-0.268
15000	CURRENT TAX (1966 RATES)		0.399	0.397	0.396	0.395	0.394	0.394	0.394	0.394
	TAX UNDER OUR PROPOSALS		0.227	0.174	0.169	0.166	0.163	0.158	0.150	0.150
	CHANGE IN EFFECTIVE RATE		-0.173	-0.222	-0.227	-0.229	-0.231	-0.236	-0.244	-0.244
20000	CURRENT TAX (1966 RATES)		0.400	0.398	0.398	0.397	0.396	0.395	0.394	0.394
	TAX UNDER OUR PROPOSALS		0.250	0.198	0.194	0.192	0.190	0.187	0.181	0.181
	CHANGE IN EFFECTIVE RATE		-0.150	-0.200	-0.203	-0.205	-0.206	-0.208	-0.213	-0.213
25000	CURRENT TAX (1966 RATES)		0.401	0.399	0.398	0.398	0.398	0.397	0.395	0.395
	TAX UNDER OUR PROPOSALS		0.270	0.220	0.217	0.216	0.215	0.212	0.208	0.208
	CHANGE IN EFFECTIVE RATE		-0.131	-0.179	-0.181	-0.182	-0.183	-0.185	-0.187	-0.187
30000	CURRENT TAX (1966 RATES)		0.401	0.400	0.399	0.399	0.398	0.398	0.396	0.396
	TAX UNDER OUR PROPOSALS		0.287	0.242	0.240	0.238	0.237	0.235	0.232	0.232
	CHANGE IN EFFECTIVE RATE		-0.114	-0.158	-0.160	-0.160	-0.161	-0.162	-0.164	-0.164
40000	CURRENT TAX (1966 RATES)		0.400	0.400	0.400	0.400	0.399	0.399	0.398	0.398
	TAX UNDER OUR PROPOSALS		0.312	0.276	0.275	0.274	0.273	0.272	0.269	0.269
	CHANGE IN EFFECTIVE RATE		-0.088	-0.124	-0.125	-0.126	-0.126	-0.127	-0.128	-0.128
50000	CURRENT TAX (1966 RATES)		0.399	0.399	0.399	0.399	0.399	0.399	0.399	0.399
	TAX UNDER OUR PROPOSALS		0.334	0.305	0.304	0.303	0.303	0.301	0.300	0.300
	CHANGE IN EFFECTIVE RATE		-0.065	-0.094	-0.095	-0.096	-0.096	-0.098	-0.099	-0.099

TABLE K-8 (continued)

GROSS CORPORATE SOURCE INCOME	STATUS OF TAXPAYER		NUMBER OF CHILDREN							
			0	1	2	3	5	8		
		UNAT- TACHED INDIVI- DUAL								
70000	CURRENT TAX (1966 RATES)	0.404	0.398	0.398	0.398	0.398	0.398	0.398	0.398	0.398
	TAX UNDER OUR PROPOSALS	0.367	0.346	0.346	0.345	0.345	0.344	0.343	0.344	0.343
	CHANGE IN EFFECTIVE RATE	-0.037	-0.052	-0.052	-0.053	-0.053	-0.054	-0.055	-0.054	-0.055
100000	CURRENT TAX (1966 RATES)	0.415	0.411	0.409	0.408	0.407	0.404	0.400	0.404	0.400
	TAX UNDER OUR PROPOSALS	0.401	0.387	0.386	0.386	0.385	0.385	0.384	0.385	0.384
	CHANGE IN EFFECTIVE RATE	-0.014	-0.024	-0.023	-0.022	-0.021	-0.019	-0.016	-0.019	-0.016
200000	CURRENT TAX (1966 RATES)	0.434	0.431	0.430	0.430	0.429	0.427	0.425	0.427	0.425
	TAX UNDER OUR PROPOSALS	0.450	0.443	0.443	0.443	0.443	0.442	0.442	0.442	0.442
	CHANGE IN EFFECTIVE RATE	0.017	0.012	0.013	0.013	0.014	0.015	0.017	0.015	0.017
350000	CURRENT TAX (1966 RATES)	0.448	0.447	0.446	0.446	0.445	0.444	0.442	0.444	0.442
	TAX UNDER OUR PROPOSALS	0.472	0.468	0.467	0.467	0.467	0.467	0.467	0.467	0.467
	CHANGE IN EFFECTIVE RATE	0.023	0.021	0.021	0.022	0.022	0.023	0.024	0.023	0.024
600000	CURRENT TAX (1966 RATES)	0.462	0.461	0.460	0.460	0.460	0.459	0.458	0.459	0.458
	TAX UNDER OUR PROPOSALS	0.483	0.481	0.481	0.481	0.481	0.481	0.481	0.481	0.481
	CHANGE IN EFFECTIVE RATE	0.022	0.020	0.020	0.021	0.021	0.022	0.022	0.022	0.022



TABLE K-2 (continued)

GROSS CORPORATE SOURCE INCOME	STATUS OF TAXPAYER		NUMBER OF CHILDREN							
	UNAT- TACHED INDIVI- DUAL	MARRIED COUPLE								
			0	1	2	3	5	8		
8000	CURRENT TAX (1966 RATES) TAX UNDER OUR PROPOSALS CHANGE IN MARGINAL RATE		0.407 0.258 -0.149	0.399 0.210 -0.189	0.399 0.210 -0.189	0.399 0.210 -0.189	0.399 0.210 -0.189	0.399 0.210 -0.189		
10000	CURRENT TAX (1966 RATES) TAX UNDER OUR PROPOSALS CHANGE IN MARGINAL RATE		0.407 0.278 -0.129	0.399 0.220 -0.179	0.399 0.220 -0.179	0.399 0.220 -0.179	0.399 0.220 -0.179	0.399 0.220 -0.179		
12000	CURRENT TAX (1966 RATES) TAX UNDER OUR PROPOSALS CHANGE IN MARGINAL RATE		0.407 0.298 -0.109	0.407 0.240 -0.167	0.399 0.240 -0.159	0.399 0.240 -0.159	0.399 0.240 -0.159	0.399 0.240 -0.159		
15000	CURRENT TAX (1966 RATES) TAX UNDER OUR PROPOSALS CHANGE IN MARGINAL RATE		0.407 0.318 -0.089	0.407 0.270 -0.137	0.407 0.270 -0.137	0.407 0.270 -0.137	0.399 0.270 -0.129	0.399 0.270 -0.129		
20000	CURRENT TAX (1966 RATES) TAX UNDER OUR PROPOSALS CHANGE IN MARGINAL RATE		0.407 0.347 -0.060	0.407 0.310 -0.097	0.407 0.310 -0.097	0.407 0.310 -0.097	0.407 0.310 -0.097	0.399 0.310 -0.089		
25000	CURRENT TAX (1966 RATES) TAX UNDER OUR PROPOSALS CHANGE IN MARGINAL RATE		0.407 0.368 -0.039	0.407 0.350 -0.057	0.407 0.350 -0.057	0.407 0.350 -0.057	0.407 0.350 -0.057	0.407 0.350 -0.057		
30000	CURRENT TAX (1966 RATES) TAX UNDER OUR PROPOSALS CHANGE IN MARGINAL RATE		0.407 0.388 -0.019	0.407 0.380 -0.030	0.407 0.380 -0.027	0.407 0.380 -0.027	0.407 0.380 -0.027	0.407 0.380 -0.027		
40000	CURRENT TAX (1966 RATES) TAX UNDER OUR PROPOSALS CHANGE IN MARGINAL RATE		0.399 0.417 0.018	0.407 0.420 0.013	0.407 0.420 0.013	0.407 0.420 0.013	0.407 0.420 0.013	0.407 0.420 0.013		
50000	CURRENT TAX (1966 RATES) TAX UNDER OUR PROPOSALS CHANGE IN MARGINAL RATE		0.399 0.438 0.039	0.399 0.440 0.039	0.399 0.440 0.041	0.399 0.440 0.041	0.399 0.440 0.041	0.399 0.440 0.041		





TABLE K-10

CHANGES IN TAX LIABILITIES (INCLUDING TAXES PAID BY CORPORATIONS) RESULTING  
FROM THE COMMISSION'S PROPOSALS FOR A TAX UNIT WITH INCOME FROM A TYPICAL  
PRIVATE COMPANY NOT MAKING USE OF SECTION 105 CAPITALIZATIONS

GROSS CORPORATE SOURCE INCOME	STATUS OF TAXPAYER		NUMBER OF CHILDREN							
			UNAT- TACHED INDIV- DUAL		MARRIED COUPLE					
			0	1	2	3	5	8		
1500	CURRENT TAX (1966 RATES)	452.	452.	452.	452.	452.	452.	452.	452.	452.
	TAX UNDER OUR PROPOSALS	54.	-0.	-0.	-0.	-0.	-0.	-0.	-0.	-0.
	INCREASE OR DECREASE IN TAX	-398.	-452.	-452.	-452.	-452.	-452.	-452.	-452.	-452.
2000	CURRENT TAX (1966 RATES)	602.	602.	602.	602.	602.	602.	602.	602.	602.
	TAX UNDER OUR PROPOSALS	128.	-0.	-0.	-0.	-0.	-0.	-0.	-0.	-0.
	INCREASE OR DECREASE IN TAX	-475.	-602.	-602.	-602.	-602.	-602.	-602.	-602.	-602.
2500	CURRENT TAX (1966 RATES)	753.	753.	753.	753.	753.	753.	753.	753.	753.
	TAX UNDER OUR PROPOSALS	212.	46.	-0.	-0.	-0.	-0.	-0.	-0.	-0.
	INCREASE OR DECREASE IN TAX	-541.	-707.	-753.	-753.	-753.	-753.	-753.	-753.	-753.
3000	CURRENT TAX (1966 RATES)	903.	903.	903.	903.	903.	903.	903.	903.	903.
	TAX UNDER OUR PROPOSALS	297.	111.	21.	-0.	-0.	-0.	-0.	-0.	-0.
	INCREASE OR DECREASE IN TAX	-607.	-793.	-883.	-903.	-903.	-903.	-903.	-903.	-903.
3500	CURRENT TAX (1966 RATES)	1054.	1054.	1054.	1054.	1054.	1054.	1054.	1054.	1054.
	TAX UNDER OUR PROPOSALS	395.	189.	101.	52.	4.	-0.	-0.	-0.	-0.
	INCREASE OR DECREASE IN TAX	-659.	-865.	-953.	-1002.	-1050.	-1054.	-1054.	-1054.	-1054.
4000	CURRENT TAX (1966 RATES)	1205.	1204.	1204.	1204.	1204.	1204.	1204.	1204.	1204.
	TAX UNDER OUR PROPOSALS	495.	269.	181.	134.	87.	-0.	-0.	-0.	-0.
	INCREASE OR DECREASE IN TAX	-710.	-935.	-1023.	-1070.	-1117.	-1204.	-1204.	-1204.	-1204.
5000	CURRENT TAX (1966 RATES)	1517.	1505.	1505.	1505.	1505.	1505.	1505.	1505.	1505.
	TAX UNDER OUR PROPOSALS	714.	448.	361.	315.	269.	176.	37.	37.	37.
	INCREASE OR DECREASE IN TAX	-803.	-1057.	-1144.	-1191.	-1237.	-1329.	-1468.	-1468.	-1468.
6500	CURRENT TAX (1966 RATES)	1986.	1957.	1957.	1957.	1957.	1957.	1957.	1957.	1957.
	TAX UNDER OUR PROPOSALS	1063.	737.	651.	606.	560.	469.	332.	332.	332.
	INCREASE OR DECREASE IN TAX	-923.	-1220.	-1306.	-1351.	-1397.	-1488.	-1625.	-1625.	-1625.

TABLE K-10 (continued)

GROSS CORPORATE SOURCE INCOME	STATUS OF TAXPAYER		NUMBER OF CHILDREN							
	UNAT- TACHED INDIVI- DUAL	MARRIED COUPLE		0	1	2	3	5	8	
8000	CURRENT TAX (1966 RATES)			2454.	2414.	2409.	2409.	2409.	2409.	2409.
	TAX UNDER OUR PROPOSALS			1423.	1037.	952.	907.	862.	772.	637.
	INCREASE OR DECREASE IN TAX			-1031.	-1377.	-1457.	-1502.	-1547.	-1637.	-1771.
10000	CURRENT TAX (1966 RATES)			3079.	3039.	3027.	3015.	3011.	3011.	3011.
	TAX UNDER OUR PROPOSALS			1942.	1456.	1372.	1328.	1284.	1195.	1063.
	INCREASE OR DECREASE IN TAX			-1137.	-1582.	-1655.	-1687.	-1727.	-1816.	-1948.
12000	CURRENT TAX (1966 RATES)			3703.	3663.	3651.	3639.	3627.	3613.	3613.
	TAX UNDER OUR PROPOSALS			2501.	1896.	1812.	1770.	1727.	1641.	1513.
	INCREASE OR DECREASE IN TAX			-1202.	-1767.	-1839.	-1870.	-1900.	-1972.	-2100.
15000	CURRENT TAX (1966 RATES)			4640.	4600.	4588.	4576.	4564.	4540.	4516.
	TAX UNDER OUR PROPOSALS			3400.	2615.	2533.	2492.	2452.	2371.	2249.
	INCREASE OR DECREASE IN TAX			-1240.	-1985.	-2055.	-2083.	-2112.	-2169.	-2267.
20000	CURRENT TAX (1966 RATES)			6201.	6161.	6149.	6137.	6125.	6101.	6065.
	TAX UNDER OUR PROPOSALS			4999.	3963.	3884.	3846.	3808.	3733.	3620.
	INCREASE OR DECREASE IN TAX			-1202.	-2198.	-2265.	-2291.	-2317.	-2368.	-2445.
25000	CURRENT TAX (1966 RATES)			7762.	7722.	7710.	7698.	7686.	7662.	7626.
	TAX UNDER OUR PROPOSALS			6747.	5511.	5435.	5400.	5365.	5295.	5191.
	INCREASE OR DECREASE IN TAX			-1015.	-2211.	-2276.	-2299.	-2321.	-2367.	-2435.
30000	CURRENT TAX (1966 RATES)			9272.	9272.	9272.	9260.	9248.	9224.	9188.
	TAX UNDER OUR PROPOSALS			8596.	7259.	7185.	7153.	7120.	7055.	6957.
	INCREASE OR DECREASE IN TAX			-676.	-2013.	-2086.	-2107.	-2128.	-2169.	-2231.
40000	CURRENT TAX (1966 RATES)			12283.	12283.	12283.	12283.	12283.	12283.	12283.
	TAX UNDER OUR PROPOSALS			12495.	11058.	10986.	10956.	10927.	10867.	10778.
	INCREASE OR DECREASE IN TAX			212.	-1225.	-1297.	-1327.	-1356.	-1416.	-1505.
50000	CURRENT TAX (1966 RATES)			15699.	15306.	15294.	15294.	15294.	15294.	15294.
	TAX UNDER OUR PROPOSALS			16694.	15256.	15187.	15158.	15130.	15073.	14988.
	INCREASE OR DECREASE IN TAX			995.	-50.	-107.	-135.	-164.	-220.	-305.

TABLE K-10 (continued)

GROSS CORPORATE SOURCE INCOME	UNAT- TACHED INDIVI- DUAL	STATUS OF TAXPAYER					
		MARRIED COUPLE					
		NUMBER OF CHILDREN					
		0	1	2	3	5	8
70000	CURRENT TAX (1966 RATES)	23013.	22563.	22428.	22293.	22158.	21888.
	TAX UNDER OUR PROPOSALS	25692.	24254.	24187.	24133.	24080.	23999.
	INCREASE OR DECREASE IN TAX	2679.	1691.	1759.	1867.	1976.	2192.
100000	CURRENT TAX (1966 RATES)	34235.	33735.	33585.	33435.	33287.	33017.
	TAX UNDER OUR PROPOSALS	40090.	38652.	38588.	38564.	38540.	38492.
	INCREASE OR DECREASE IN TAX	5856.	4918.	5003.	5129.	5253.	5475.
200000	CURRENT TAX (1966 RATES)	73470.	72920.	72755.	72590.	72425.	72095.
	TAX UNDER OUR PROPOSALS	90090.	88652.	88588.	88564.	88540.	88492.
	INCREASE OR DECREASE IN TAX	16620.	15732.	15833.	15974.	16115.	16397.
350000	CURRENT TAX (1966 RATES)	135484.	134834.	134639.	134444.	134249.	133859.
	TAX UNDER OUR PROPOSALS	165090.	163652.	163588.	163564.	163540.	163492.
	INCREASE OR DECREASE IN TAX	29606.	28818.	28949.	29120.	29291.	29633.
600000	CURRENT TAX (1966 RATES)	244286.	243586.	243376.	243166.	242956.	242536.
	TAX UNDER OUR PROPOSALS	290390.	288652.	288588.	288564.	288540.	288492.
	INCREASE OR DECREASE IN TAX	45804.	45066.	45212.	45398.	45584.	45956.
							46514.

TABLE K-11

EFFECTIVE AVERAGE TAX RATES UNDER THE CURRENT AND PROPOSED TAX SYSTEMS  
(INCLUDING TAXES PAID BY CORPORATIONS) FOR A TAX UNIT WITH INCOME FROM  
A TYPICAL PRIVATE COMPANY NOT MAKING USE OF SECTION 105 CAPITALIZATIONS

GROSS CORPORATE SOURCE INCOME	STATUS OF TAXPAYER		NUMBER OF CHILDREN							
	UNAT- TACHED INDIVI- DUAL	MARRIED COUPLE								
			0	1	2	3	5	8		
1500	CURRENT TAX (1966 RATES)		0.301	0.301	0.301	0.301	0.301	0.301	0.301	0.301
	TAX UNDER OUR PROPOSALS		0.036	0.000	0.000	0.000	0.000	0.000	0.000	0.000
	CHANGE IN EFFECTIVE RATE		-0.265	-0.301	-0.301	-0.301	-0.301	-0.301	-0.301	-0.301
2000	CURRENT TAX (1966 RATES)		0.301	0.301	0.301	0.301	0.301	0.301	0.301	0.301
	TAX UNDER OUR PROPOSALS		0.064	0.000	0.000	0.000	0.000	0.000	0.000	0.000
	CHANGE IN EFFECTIVE RATE		-0.237	-0.301	-0.301	-0.301	-0.301	-0.301	-0.301	-0.301
2500	CURRENT TAX (1966 RATES)		0.301	0.301	0.301	0.301	0.301	0.301	0.301	0.301
	TAX UNDER OUR PROPOSALS		0.085	0.000	0.000	0.000	0.000	0.000	0.000	0.000
	CHANGE IN EFFECTIVE RATE		-0.216	-0.301	-0.301	-0.301	-0.301	-0.301	-0.301	-0.301
3000	CURRENT TAX (1966 RATES)		0.301	0.301	0.301	0.301	0.301	0.301	0.301	0.301
	TAX UNDER OUR PROPOSALS		0.099	0.037	0.007	0.000	0.000	0.000	0.000	0.000
	CHANGE IN EFFECTIVE RATE		-0.202	-0.264	-0.294	-0.301	-0.301	-0.301	-0.301	-0.301
3500	CURRENT TAX (1966 RATES)		0.301	0.301	0.301	0.301	0.301	0.301	0.301	0.301
	TAX UNDER OUR PROPOSALS		0.113	0.054	0.029	0.015	0.001	0.000	0.000	0.000
	CHANGE IN EFFECTIVE RATE		-0.188	-0.247	-0.272	-0.286	-0.300	-0.301	-0.301	-0.301
4000	CURRENT TAX (1966 RATES)		0.301	0.301	0.301	0.301	0.301	0.301	0.301	0.301
	TAX UNDER OUR PROPOSALS		0.124	0.067	0.045	0.033	0.022	0.000	0.000	0.000
	CHANGE IN EFFECTIVE RATE		-0.178	-0.234	-0.256	-0.268	-0.279	-0.301	-0.301	-0.301
5000	CURRENT TAX (1966 RATES)		0.303	0.301	0.301	0.301	0.301	0.301	0.301	0.301
	TAX UNDER OUR PROPOSALS		0.143	0.090	0.072	0.063	0.054	0.035	0.007	0.007
	CHANGE IN EFFECTIVE RATE		-0.161	-0.211	-0.229	-0.238	-0.247	-0.266	-0.294	-0.294
6500	CURRENT TAX (1966 RATES)		0.305	0.301	0.301	0.301	0.301	0.301	0.301	0.301
	TAX UNDER OUR PROPOSALS		0.164	0.113	0.100	0.093	0.086	0.072	0.051	0.051
	CHANGE IN EFFECTIVE RATE		-0.142	-0.188	-0.201	-0.208	-0.215	-0.229	-0.250	-0.250

TABLE K-11 (continued)

GROSS CORPORATE SOURCE INCOME	UNAT- TACHED INDIVI- DUAL	STATUS OF TAXPAYER		NUMBER OF CHILDREN							
		MARRIED COUPLE									
		0	1	2	3	5	8				
8000	CURRENT TAX (1966 RATES)	0.307	0.302	0.301	0.301	0.301	0.301	0.301	0.301	0.301	0.301
	TAX UNDER OUR PROPOSALS	0.178	0.136	0.119	0.113	0.108	0.108	0.097	0.097	0.080	0.080
	CHANGE IN EFFECTIVE RATE	-0.129	-0.172	-0.182	-0.188	-0.193	-0.193	-0.205	-0.205	-0.221	-0.221
10000	CURRENT TAX (1966 RATES)	0.308	0.304	0.303	0.301	0.301	0.301	0.301	0.301	0.301	0.301
	TAX UNDER OUR PROPOSALS	0.194	0.146	0.137	0.133	0.128	0.128	0.120	0.120	0.106	0.106
	CHANGE IN EFFECTIVE RATE	-0.114	-0.158	-0.165	-0.169	-0.173	-0.173	-0.182	-0.182	-0.195	-0.195
12000	CURRENT TAX (1966 RATES)	0.309	0.305	0.304	0.303	0.302	0.302	0.301	0.301	0.301	0.301
	TAX UNDER OUR PROPOSALS	0.208	0.158	0.151	0.147	0.144	0.144	0.137	0.137	0.126	0.126
	CHANGE IN EFFECTIVE RATE	-0.100	-0.147	-0.153	-0.156	-0.158	-0.158	-0.164	-0.164	-0.175	-0.175
15000	CURRENT TAX (1966 RATES)	0.309	0.307	0.306	0.305	0.304	0.304	0.303	0.303	0.301	0.301
	TAX UNDER OUR PROPOSALS	0.227	0.174	0.169	0.166	0.163	0.163	0.158	0.158	0.150	0.150
	CHANGE IN EFFECTIVE RATE	-0.083	-0.132	-0.137	-0.139	-0.141	-0.141	-0.145	-0.145	-0.151	-0.151
20000	CURRENT TAX (1966 RATES)	0.310	0.308	0.307	0.307	0.306	0.306	0.305	0.305	0.303	0.303
	TAX UNDER OUR PROPOSALS	0.250	0.198	0.194	0.192	0.190	0.190	0.187	0.187	0.181	0.181
	CHANGE IN EFFECTIVE RATE	-0.060	-0.110	-0.113	-0.115	-0.116	-0.116	-0.118	-0.118	-0.122	-0.122
25000	CURRENT TAX (1966 RATES)	0.310	0.309	0.308	0.308	0.307	0.307	0.306	0.306	0.305	0.305
	TAX UNDER OUR PROPOSALS	0.270	0.220	0.217	0.216	0.215	0.215	0.212	0.212	0.208	0.208
	CHANGE IN EFFECTIVE RATE	-0.041	-0.088	-0.091	-0.092	-0.093	-0.093	-0.095	-0.095	-0.097	-0.097
30000	CURRENT TAX (1966 RATES)	0.309	0.309	0.309	0.309	0.308	0.308	0.307	0.307	0.306	0.306
	TAX UNDER OUR PROPOSALS	0.287	0.242	0.240	0.238	0.237	0.237	0.235	0.235	0.232	0.232
	CHANGE IN EFFECTIVE RATE	-0.023	-0.067	-0.070	-0.070	-0.071	-0.071	-0.072	-0.072	-0.074	-0.074
40000	CURRENT TAX (1966 RATES)	0.307	0.307	0.307	0.307	0.307	0.307	0.307	0.307	0.307	0.307
	TAX UNDER OUR PROPOSALS	0.312	0.276	0.275	0.274	0.273	0.273	0.272	0.272	0.269	0.269
	CHANGE IN EFFECTIVE RATE	0.005	-0.031	-0.032	-0.033	-0.034	-0.034	-0.035	-0.035	-0.038	-0.038
50000	CURRENT TAX (1966 RATES)	0.314	0.306	0.306	0.306	0.306	0.306	0.306	0.306	0.306	0.306
	TAX UNDER OUR PROPOSALS	0.334	0.305	0.304	0.303	0.303	0.303	0.301	0.301	0.300	0.300
	CHANGE IN EFFECTIVE RATE	0.020	-0.001	-0.002	-0.003	-0.003	-0.003	-0.004	-0.004	-0.006	-0.006

TABLE K-11 (continued)

GROSS CORPORATE SOURCE INCOME	UNAT- TACHED INDIVI- DUAL	STATUS OF TAXPAYER						
		MARRIED COUPLE						
		NUMBER OF CHILDREN						
		0	1	2	3	5	8	
70000	CURRENT TAX (1966 RATES)	0.329	0.322	0.320	0.318	0.317	0.313	0.307
	TAX UNDER OUR PROPOSALS	0.367	0.346	0.346	0.345	0.345	0.344	0.343
	CHANGE IN EFFECTIVE RATE	0.038	0.024	0.025	0.027	0.028	0.031	0.036
100000	CURRENT TAX (1966 RATES)	0.342	0.337	0.336	0.334	0.333	0.330	0.326
	TAX UNDER OUR PROPOSALS	0.401	0.387	0.386	0.386	0.385	0.385	0.384
	CHANGE IN EFFECTIVE RATE	0.059	0.049	0.050	0.051	0.053	0.055	0.058
200000	CURRENT TAX (1966 RATES)	0.367	0.365	0.364	0.363	0.362	0.360	0.358
	TAX UNDER OUR PROPOSALS	0.450	0.443	0.443	0.443	0.443	0.442	0.442
	CHANGE IN EFFECTIVE RATE	0.083	0.079	0.079	0.080	0.081	0.082	0.084
350000	CURRENT TAX (1966 RATES)	0.387	0.385	0.385	0.384	0.384	0.382	0.381
	TAX UNDER OUR PROPOSALS	0.472	0.468	0.467	0.467	0.467	0.467	0.467
	CHANGE IN EFFECTIVE RATE	0.085	0.082	0.083	0.083	0.084	0.085	0.086
600000	CURRENT TAX (1966 RATES)	0.407	0.406	0.406	0.405	0.405	0.404	0.403
	TAX UNDER OUR PROPOSALS	0.483	0.481	0.481	0.481	0.481	0.481	0.481
	CHANGE IN EFFECTIVE RATE	0.076	0.075	0.075	0.076	0.076	0.077	0.078



TABLE K-12 (continued)

GROSS CORPORATE SOURCE INCOME		STATUS OF TAXPAYER								
		UNAT- TACHED INDIVI- DUAL	MARRIED COUPLE							
			NUMBER OF CHILDREN							
			0	1	2	3	5	8		
8000	CURRENT TAX (1966 RATES)	0.441	0.441	0.430	0.430	0.430	0.430	0.430	0.430	
	TAX UNDER OUR PROPOSALS	0.258	0.209	0.210	0.210	0.210	0.210	0.210	0.210	
	CHANGE IN MARGINAL RATE	-0.183	-0.232	-0.220	-0.220	-0.220	-0.220	-0.220	-0.220	
10000	CURRENT TAX (1966 RATES)	0.441	0.441	0.441	0.441	0.430	0.430	0.430	0.430	
	TAX UNDER OUR PROPOSALS	0.278	0.219	0.220	0.220	0.220	0.220	0.220	0.220	
	CHANGE IN MARGINAL RATE	-0.163	-0.222	-0.221	-0.221	-0.210	-0.210	-0.210	-0.210	
12000	CURRENT TAX (1966 RATES)	0.441	0.441	0.441	0.441	0.441	0.441	0.430	0.430	
	TAX UNDER OUR PROPOSALS	0.298	0.238	0.240	0.240	0.240	0.240	0.240	0.240	
	CHANGE IN MARGINAL RATE	-0.143	-0.203	-0.201	-0.201	-0.201	-0.201	-0.190	-0.190	
15000	CURRENT TAX (1966 RATES)	0.441	0.441	0.441	0.441	0.441	0.441	0.441	0.430	
	TAX UNDER OUR PROPOSALS	0.318	0.267	0.270	0.270	0.270	0.270	0.270	0.270	
	CHANGE IN MARGINAL RATE	-0.123	-0.174	-0.171	-0.171	-0.171	-0.171	-0.171	-0.160	
20000	CURRENT TAX (1966 RATES)	0.441	0.441	0.441	0.441	0.441	0.441	0.441	0.441	
	TAX UNDER OUR PROPOSALS	0.347	0.306	0.310	0.310	0.310	0.310	0.310	0.310	
	CHANGE IN MARGINAL RATE	-0.094	-0.135	-0.131	-0.131	-0.131	-0.131	-0.131	-0.131	
25000	CURRENT TAX (1966 RATES)	0.439	0.441	0.441	0.441	0.441	0.441	0.441	0.441	
	TAX UNDER OUR PROPOSALS	0.368	0.346	0.350	0.350	0.350	0.350	0.350	0.350	
	CHANGE IN MARGINAL RATE	-0.071	-0.095	-0.091	-0.091	-0.091	-0.091	-0.091	-0.091	
30000	CURRENT TAX (1966 RATES)	0.430	0.430	0.431	0.441	0.441	0.441	0.441	0.441	
	TAX UNDER OUR PROPOSALS	0.388	0.377	0.380	0.380	0.380	0.380	0.380	0.380	
	CHANGE IN MARGINAL RATE	-0.042	-0.053	-0.051	-0.061	-0.061	-0.061	-0.061	-0.061	
40000	CURRENT TAX (1966 RATES)	0.430	0.430	0.430	0.430	0.430	0.430	0.430	0.430	
	TAX UNDER OUR PROPOSALS	0.417	0.416	0.420	0.420	0.420	0.420	0.420	0.420	
	CHANGE IN MARGINAL RATE	-0.013	-0.014	-0.010	-0.010	-0.010	-0.010	-0.010	-0.010	
50000	CURRENT TAX (1966 RATES)	0.486	0.474	0.430	0.430	0.430	0.430	0.430	0.430	
	TAX UNDER OUR PROPOSALS	0.438	0.438	0.440	0.440	0.440	0.440	0.440	0.440	
	CHANGE IN MARGINAL RATE	-0.048	-0.036	0.010	0.010	0.010	0.010	0.010	0.010	





TABLE K-13

CHANGES IN TAX LIABILITIES (INCLUDING TAXES PAID BY CORPORATIONS) RESULTING  
FROM THE COMMISSION'S PROPOSALS FOR A TAX UNIT WITH INCOME FROM A TYPICAL  
PRIVATE COMPANY CAPITALIZING HALF ITS EARNINGS UNDER SECTION 105

GROSS CORPORATE SOURCE INCOME	STATUS OF TAXPAYER		NUMBER OF CHILDREN							
	UNAT- TACHED INDIVI- DUAL	MARRIED COUPLE	0	1	2	3	5	8		
1500	CURRENT TAX (1966 RATES)		515.	515.	515.	515.	515.	515.	515.	515.
	TAX UNDER OUR PROPOSALS		54.	-0.	-0.	-0.	-0.	-0.	-0.	-0.
	INCREASE OR DECREASE IN TAX		-461.	-515.	-515.	-515.	-515.	-515.	-515.	-515.
2000	CURRENT TAX (1966 RATES)		686.	686.	686.	686.	686.	686.	686.	686.
	TAX UNDER OUR PROPOSALS		128.	-0.	-0.	-0.	-0.	-0.	-0.	-0.
	INCREASE OR DECREASE IN TAX		-559.	-686.	-686.	-686.	-686.	-686.	-686.	-686.
2500	CURRENT TAX (1966 RATES)		858.	858.	858.	858.	858.	858.	858.	858.
	TAX UNDER OUR PROPOSALS		212.	46.	-0.	-0.	-0.	-0.	-0.	-0.
	INCREASE OR DECREASE IN TAX		-646.	-812.	-858.	-858.	-858.	-858.	-858.	-858.
3000	CURRENT TAX (1966 RATES)		1029.	1029.	1029.	1029.	1029.	1029.	1029.	1029.
	TAX UNDER OUR PROPOSALS		297.	111.	21.	-0.	-0.	-0.	-0.	-0.
	INCREASE OR DECREASE IN TAX		-733.	-919.	-1009.	-1029.	-1029.	-1029.	-1029.	-1029.
3500	CURRENT TAX (1966 RATES)		1201.	1201.	1201.	1201.	1201.	1201.	1201.	1201.
	TAX UNDER OUR PROPOSALS		395.	189.	101.	52.	4.	-0.	-0.	-0.
	INCREASE OR DECREASE IN TAX		-806.	-1012.	-1100.	-1148.	-1197.	-1201.	-1201.	-1201.
4000	CURRENT TAX (1966 RATES)		1373.	1372.	1372.	1372.	1372.	1372.	1372.	1372.
	TAX UNDER OUR PROPOSALS		495.	269.	181.	134.	87.	-0.	-0.	-0.
	INCREASE OR DECREASE IN TAX		-878.	-1103.	-1191.	-1238.	-1285.	-1372.	-1372.	-1372.
5000	CURRENT TAX (1966 RATES)		1727.	1715.	1715.	1715.	1715.	1715.	1715.	1715.
	TAX UNDER OUR PROPOSALS		714.	448.	361.	315.	269.	176.	37.	37.
	INCREASE OR DECREASE IN TAX		-1013.	-1267.	-1354.	-1400.	-1447.	-1539.	-1678.	-1678.
6500	CURRENT TAX (1966 RATES)		2258.	2230.	2230.	2230.	2230.	2230.	2230.	2230.
	TAX UNDER OUR PROPOSALS		1063.	737.	651.	606.	560.	469.	332.	332.
	INCREASE OR DECREASE IN TAX		-1195.	-1493.	-1578.	-1624.	-1669.	-1761.	-1897.	-1897.

TABLE K-13 (continued)

GROSS CORPORATE SOURCE INCOME	STATUS OF TAXPAYER		NUMBER OF CHILDREN							
			0	1	2	3	5	8		
8000	UNAT- TACHED INDIVI- DUAL	CURRENT TAX (1966 RATES)	2790.	2750.	2744.	2744.	2744.	2744.	2744.	2744.
		TAX UNDER OUR PROPOSALS	1423.	1037.	952.	907.	862.	772.	637.	637.
		INCREASE OR DECREASE IN TAX	-1367.	-1713.	-1792.	-1837.	-1882.	-1972.	-2107.	-2107.
10000		CURRENT TAX (1966 RATES)	3498.	3458.	3446.	3434.	3430.	3430.	3430.	3430.
		TAX UNDER OUR PROPOSALS	1942.	1456.	1372.	1328.	1284.	1195.	1063.	1063.
		INCREASE OR DECREASE IN TAX	-1556.	-2001.	-2074.	-2106.	-2147.	-2235.	-2367.	-2367.
12000		CURRENT TAX (1966 RATES)	4206.	4166.	4154.	4142.	4130.	4116.	4116.	4116.
		TAX UNDER OUR PROPOSALS	2501.	1896.	1812.	1770.	1727.	1641.	1513.	1513.
		INCREASE OR DECREASE IN TAX	-1705.	-2270.	-2342.	-2373.	-2403.	-2475.	-2603.	-2603.
15000		CURRENT TAX (1966 RATES)	5269.	5229.	5217.	5205.	5193.	5169.	5145.	5145.
		TAX UNDER OUR PROPOSALS	3400.	2615.	2533.	2492.	2452.	2371.	2249.	2249.
		INCREASE OR DECREASE IN TAX	-1869.	-2614.	-2684.	-2713.	-2741.	-2798.	-2896.	-2896.
20000		CURRENT TAX (1966 RATES)	7040.	7000.	6988.	6976.	6964.	6940.	6904.	6904.
		TAX UNDER OUR PROPOSALS	4999.	3963.	3884.	3846.	3808.	3733.	3620.	3620.
		INCREASE OR DECREASE IN TAX	-2041.	-3036.	-3104.	-3130.	-3155.	-3207.	-3284.	-3284.
25000		CURRENT TAX (1966 RATES)	8811.	8771.	8759.	8747.	8735.	8711.	8675.	8675.
		TAX UNDER OUR PROPOSALS	6747.	5511.	5435.	5400.	5365.	5295.	5191.	5191.
		INCREASE OR DECREASE IN TAX	-2063.	-3259.	-3324.	-3347.	-3370.	-3415.	-3484.	-3484.
30000		CURRENT TAX (1966 RATES)	10530.	10530.	10530.	10518.	10506.	10482.	10446.	10446.
		TAX UNDER OUR PROPOSALS	8596.	7259.	7185.	7153.	7120.	7055.	6957.	6957.
		INCREASE OR DECREASE IN TAX	-1934.	-3271.	-3344.	-3365.	-3386.	-3427.	-3489.	-3489.
40000		CURRENT TAX (1966 RATES)	13960.	13960.	13960.	13960.	13960.	13960.	13960.	13960.
		TAX UNDER OUR PROPOSALS	12495.	11058.	10986.	10956.	10927.	10867.	10778.	10778.
		INCREASE OR DECREASE IN TAX	-1465.	-2902.	-2974.	-3004.	-3034.	-3093.	-3183.	-3183.
50000		CURRENT TAX (1966 RATES)	17796.	17402.	17391.	17391.	17391.	17391.	17391.	17391.
		TAX UNDER OUR PROPOSALS	16694.	15256.	15187.	15158.	15130.	15073.	14988.	14988.
		INCREASE OR DECREASE IN TAX	-1102.	-2146.	-2204.	-2232.	-2260.	-2317.	-2402.	-2402.

TABLE K-13 (continued)

GROSS CORPORATE SOURCE INCOME	STATUS OF TAXPAYER		NUMBER OF CHILDREN							
			0	1	2	3	5	8		
70000	UNAT- TACHED INDIVI- DUAL	CURRENT TAX (1966 RATES) TAX UNDER OUR PROPOSALS INCREASE OR DECREASE IN TAX	25498. 25692. -256.	25363. 24187. -1176.	25228. 24160. -1068.	25093. 24133. -960.	24823. 24080. -744.	24418. 23999. -419.		
	MARRIED COUPLE	CURRENT TAX (1966 RATES) TAX UNDER OUR PROPOSALS INCREASE OR DECREASE IN TAX	37928. 38428. 40090. 1662.	37778. 38588. 810.	37628. 38564. 936.	37480. 38540. 1060.	37210. 38492. 1282.	36805. 38420. 1615.		
		CURRENT TAX (1966 RATES) TAX UNDER OUR PROPOSALS INCREASE OR DECREASE IN TAX	81307. 88652. 7345.	81142. 88588. 7446.	80977. 88564. 7587.	80812. 88540. 7728.	80482. 88492. 8010.	79987. 88420. 8433.		
100000	UNAT- TACHED INDIVI- DUAL	CURRENT TAX (1966 RATES) TAX UNDER OUR PROPOSALS INCREASE OR DECREASE IN TAX	150161. 165090. 14929.	149316. 163588. 14141.	149121. 163564. 14443.	148926. 163540. 14614.	148536. 163492. 14956.	147951. 163420. 15469.		
	MARRIED COUPLE	CURRENT TAX (1966 RATES) TAX UNDER OUR PROPOSALS INCREASE OR DECREASE IN TAX	269447. 290090. 20643.	268537. 288588. 20051.	268327. 288564. 20237.	268117. 288540. 20423.	267697. 288492. 20795.	267067. 288420. 21353.		
		CURRENT TAX (1966 RATES) TAX UNDER OUR PROPOSALS INCREASE OR DECREASE IN TAX	269447. 290090. 20643.	268537. 288588. 20051.	268327. 288564. 20237.	268117. 288540. 20423.	267697. 288492. 20795.	267067. 288420. 21353.		
200000	UNAT- TACHED INDIVI- DUAL	CURRENT TAX (1966 RATES) TAX UNDER OUR PROPOSALS INCREASE OR DECREASE IN TAX	150161. 165090. 14929.	149316. 163588. 14141.	149121. 163564. 14443.	148926. 163540. 14614.	148536. 163492. 14956.	147951. 163420. 15469.		
	MARRIED COUPLE	CURRENT TAX (1966 RATES) TAX UNDER OUR PROPOSALS INCREASE OR DECREASE IN TAX	269447. 290090. 20643.	268537. 288588. 20051.	268327. 288564. 20237.	268117. 288540. 20423.	267697. 288492. 20795.	267067. 288420. 21353.		
		CURRENT TAX (1966 RATES) TAX UNDER OUR PROPOSALS INCREASE OR DECREASE IN TAX	269447. 290090. 20643.	268537. 288588. 20051.	268327. 288564. 20237.	268117. 288540. 20423.	267697. 288492. 20795.	267067. 288420. 21353.		
350000	UNAT- TACHED INDIVI- DUAL	CURRENT TAX (1966 RATES) TAX UNDER OUR PROPOSALS INCREASE OR DECREASE IN TAX	150161. 165090. 14929.	149316. 163588. 14141.	149121. 163564. 14443.	148926. 163540. 14614.	148536. 163492. 14956.	147951. 163420. 15469.		
	MARRIED COUPLE	CURRENT TAX (1966 RATES) TAX UNDER OUR PROPOSALS INCREASE OR DECREASE IN TAX	269447. 290090. 20643.	268537. 288588. 20051.	268327. 288564. 20237.	268117. 288540. 20423.	267697. 288492. 20795.	267067. 288420. 21353.		
		CURRENT TAX (1966 RATES) TAX UNDER OUR PROPOSALS INCREASE OR DECREASE IN TAX	269447. 290090. 20643.	268537. 288588. 20051.	268327. 288564. 20237.	268117. 288540. 20423.	267697. 288492. 20795.	267067. 288420. 21353.		
600000	UNAT- TACHED INDIVI- DUAL	CURRENT TAX (1966 RATES) TAX UNDER OUR PROPOSALS INCREASE OR DECREASE IN TAX	150161. 165090. 14929.	149316. 163588. 14141.	149121. 163564. 14443.	148926. 163540. 14614.	148536. 163492. 14956.	147951. 163420. 15469.		
	MARRIED COUPLE	CURRENT TAX (1966 RATES) TAX UNDER OUR PROPOSALS INCREASE OR DECREASE IN TAX	269447. 290090. 20643.	268537. 288588. 20051.	268327. 288564. 20237.	268117. 288540. 20423.	267697. 288492. 20795.	267067. 288420. 21353.		
		CURRENT TAX (1966 RATES) TAX UNDER OUR PROPOSALS INCREASE OR DECREASE IN TAX	269447. 290090. 20643.	268537. 288588. 20051.	268327. 288564. 20237.	268117. 288540. 20423.	267697. 288492. 20795.	267067. 288420. 21353.		

TABLE K-14

EFFECTIVE AVERAGE TAX RATES UNDER THE CURRENT AND PROPOSED TAX SYSTEMS  
(INCLUDING TAXES PAID BY CORPORATIONS) FOR A TAX UNIT WITH INCOME FROM  
A TYPICAL PRIVATE COMPANY CAPITALIZING HALF ITS EARNINGS UNDER SECTION 105

GROSS CORPORATE SOURCE INCOME	STATUS OF TAXPAYER		NUMBER OF CHILDREN							
	UNAT- TACHED INDIVI- DUAL	MARRIED COUPLE								
			0	1	2	3	5	8		
1500	CURRENT TAX (1966 RATES)	0.343	0.343	0.343	0.343	0.343	0.343	0.343	0.343	0.343
	TAX UNDER OUR PROPOSALS	0.036	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
	CHANGE IN EFFECTIVE RATE	-0.307	-0.343	-0.343	-0.343	-0.343	-0.343	-0.343	-0.343	-0.343
2000	CURRENT TAX (1966 RATES)	0.343	0.343	0.343	0.343	0.343	0.343	0.343	0.343	0.343
	TAX UNDER OUR PROPOSALS	0.064	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
	CHANGE IN EFFECTIVE RATE	-0.279	-0.343	-0.343	-0.343	-0.343	-0.343	-0.343	-0.343	-0.343
2500	CURRENT TAX (1966 RATES)	0.343	0.343	0.343	0.343	0.343	0.343	0.343	0.343	0.343
	TAX UNDER OUR PROPOSALS	0.085	0.018	0.000	0.000	0.000	0.000	0.000	0.000	0.000
	CHANGE IN EFFECTIVE RATE	-0.258	-0.325	-0.343	-0.343	-0.343	-0.343	-0.343	-0.343	-0.343
3000	CURRENT TAX (1966 RATES)	0.343	0.343	0.343	0.343	0.343	0.343	0.343	0.343	0.343
	TAX UNDER OUR PROPOSALS	0.099	0.037	0.007	0.000	0.000	0.000	0.000	0.000	0.000
	CHANGE IN EFFECTIVE RATE	-0.244	-0.306	-0.336	-0.343	-0.343	-0.343	-0.343	-0.343	-0.343
3500	CURRENT TAX (1966 RATES)	0.343	0.343	0.343	0.343	0.343	0.343	0.343	0.343	0.343
	TAX UNDER OUR PROPOSALS	0.113	0.054	0.029	0.015	0.001	0.001	0.000	0.000	0.000
	CHANGE IN EFFECTIVE RATE	-0.230	-0.289	-0.314	-0.328	-0.342	-0.342	-0.343	-0.343	-0.343
4000	CURRENT TAX (1966 RATES)	0.343	0.343	0.343	0.343	0.343	0.343	0.343	0.343	0.343
	TAX UNDER OUR PROPOSALS	0.124	0.067	0.045	0.033	0.022	0.022	0.000	0.000	0.000
	CHANGE IN EFFECTIVE RATE	-0.219	-0.276	-0.298	-0.310	-0.321	-0.321	-0.343	-0.343	-0.343
5000	CURRENT TAX (1966 RATES)	0.345	0.343	0.343	0.343	0.343	0.343	0.343	0.343	0.343
	TAX UNDER OUR PROPOSALS	0.143	0.090	0.072	0.063	0.054	0.054	0.035	0.007	0.007
	CHANGE IN EFFECTIVE RATE	-0.203	-0.253	-0.271	-0.280	-0.289	-0.289	-0.308	-0.336	-0.336
6500	CURRENT TAX (1966 RATES)	0.347	0.343	0.343	0.343	0.343	0.343	0.343	0.343	0.343
	TAX UNDER OUR PROPOSALS	0.164	0.113	0.100	0.093	0.086	0.086	0.072	0.051	0.051
	CHANGE IN EFFECTIVE RATE	-0.184	-0.230	-0.243	-0.250	-0.257	-0.257	-0.271	-0.292	-0.292

TABLE K-14 (continued)

GROSS CORPORATE SOURCE INCOME	STATUS OF TAXPAYER		NUMBER OF CHILDREN							
	UNAT- TACHED INDIVI- DUAL	MARRIED COUPLE								
			0	1	2	3	5	8		
8000	CURRENT TAX (1966 RATES)		0.349	0.344	0.343	0.343	0.343	0.343	0.343	
	TAX UNDER OUR PROPOSALS		0.178	0.130	0.119	0.113	0.108	0.097	0.080	
	CHANGE IN EFFECTIVE RATE		-0.171	-0.214	-0.224	-0.230	-0.235	-0.246	-0.263	
10000	CURRENT TAX (1966 RATES)		0.350	0.346	0.345	0.343	0.343	0.343	0.343	
	TAX UNDER OUR PROPOSALS		0.194	0.146	0.137	0.133	0.128	0.120	0.106	
	CHANGE IN EFFECTIVE RATE		-0.156	-0.200	-0.207	-0.211	-0.215	-0.223	-0.237	
12000	CURRENT TAX (1966 RATES)		0.351	0.347	0.346	0.345	0.344	0.343	0.343	
	TAX UNDER OUR PROPOSALS		0.208	0.158	0.151	0.147	0.144	0.137	0.126	
	CHANGE IN EFFECTIVE RATE		-0.142	-0.189	-0.195	-0.198	-0.200	-0.206	-0.217	
15000	CURRENT TAX (1966 RATES)		0.351	0.349	0.348	0.347	0.346	0.345	0.343	
	TAX UNDER OUR PROPOSALS		0.227	0.174	0.169	0.166	0.163	0.158	0.150	
	CHANGE IN EFFECTIVE RATE		-0.125	-0.174	-0.179	-0.181	-0.183	-0.187	-0.193	
20000	CURRENT TAX (1966 RATES)		0.352	0.350	0.349	0.349	0.348	0.347	0.345	
	TAX UNDER OUR PROPOSALS		0.250	0.198	0.194	0.192	0.190	0.187	0.181	
	CHANGE IN EFFECTIVE RATE		-0.102	-0.152	-0.155	-0.156	-0.158	-0.160	-0.164	
25000	CURRENT TAX (1966 RATES)		0.352	0.351	0.350	0.350	0.349	0.348	0.347	
	TAX UNDER OUR PROPOSALS		0.270	0.220	0.217	0.216	0.215	0.212	0.208	
	CHANGE IN EFFECTIVE RATE		-0.083	-0.130	-0.133	-0.134	-0.135	-0.137	-0.139	
30000	CURRENT TAX (1966 RATES)		0.351	0.351	0.351	0.351	0.350	0.349	0.348	
	TAX UNDER OUR PROPOSALS		0.287	0.242	0.240	0.238	0.237	0.235	0.232	
	CHANGE IN EFFECTIVE RATE		-0.064	-0.109	-0.111	-0.112	-0.113	-0.114	-0.116	
40000	CURRENT TAX (1966 RATES)		0.349	0.349	0.349	0.349	0.349	0.349	0.349	
	TAX UNDER OUR PROPOSALS		0.312	0.276	0.275	0.274	0.273	0.272	0.269	
	CHANGE IN EFFECTIVE RATE		-0.037	-0.073	-0.074	-0.075	-0.076	-0.077	-0.080	
50000	CURRENT TAX (1966 RATES)		0.356	0.348	0.348	0.348	0.348	0.348	0.348	
	TAX UNDER OUR PROPOSALS		0.334	0.305	0.304	0.303	0.303	0.301	0.300	
	CHANGE IN EFFECTIVE RATE		-0.022	-0.043	-0.044	-0.045	-0.045	-0.046	-0.048	

TABLE K-14 (continued)

GROSS CORPORATE SOURCE INCOME	UNAT- TACHED INDIVI- DUAL	STATUS OF TAXPAYER						
		MARRIED COUPLE						
		NUMBER OF CHILDREN						
		0	1	2	3	5	8	
70000	CURRENT TAX (1966 RATES)	0.371	0.364	0.362	0.358	0.355	0.349	
	TAX UNDER OUR PROPOSALS	0.367	0.346	0.345	0.345	0.344	0.343	
	CHANGE IN EFFECTIVE RATE	-0.004	-0.018	-0.017	-0.014	-0.011	-0.006	
100000	CURRENT TAX (1966 RATES)	0.384	0.379	0.378	0.375	0.372	0.368	
	TAX UNDER OUR PROPOSALS	0.401	0.387	0.386	0.385	0.385	0.384	
	CHANGE IN EFFECTIVE RATE	0.017	0.007	0.008	0.011	0.013	0.016	
200000	CURRENT TAX (1966 RATES)	0.409	0.407	0.406	0.404	0.402	0.400	
	TAX UNDER OUR PROPOSALS	0.450	0.443	0.443	0.443	0.442	0.442	
	CHANGE IN EFFECTIVE RATE	0.041	0.037	0.037	0.039	0.040	0.042	
350000	CURRENT TAX (1966 RATES)	0.429	0.427	0.426	0.426	0.424	0.423	
	TAX UNDER OUR PROPOSALS	0.472	0.468	0.467	0.467	0.467	0.467	
	CHANGE IN EFFECTIVE RATE	0.043	0.040	0.041	0.042	0.043	0.044	
600000	CURRENT TAX (1966 RATES)	0.449	0.448	0.447	0.447	0.446	0.445	
	TAX UNDER OUR PROPOSALS	0.483	0.481	0.481	0.481	0.481	0.481	
	CHANGE IN EFFECTIVE RATE	0.034	0.033	0.034	0.034	0.035	0.036	





TABLE K-15 (continued)

GROSS CORPORATE SOURCE INCOME	STATUS OF TAXPAYER		NUMBER OF CHILDREN							
	UNAT- TACHED INDIVI- DUAL	MARRIED COUPLE	0	1	2	3	5	8		
8000	CURRENT TAX (1966 RATES)		0.483	0.483	0.472	0.472	0.472	0.472	0.472	0.472
	TAX UNDER OUR PROPOSALS		0.258	0.209	0.210	0.210	0.210	0.210	0.210	0.210
	CHANGE IN MARGINAL RATE		-0.225	-0.274	-0.262	-0.262	-0.262	-0.262	-0.262	-0.262
10000	CURRENT TAX (1966 RATES)		0.483	0.483	0.483	0.472	0.472	0.472	0.472	0.472
	TAX UNDER OUR PROPOSALS		0.278	0.219	0.220	0.220	0.220	0.220	0.220	0.220
	CHANGE IN MARGINAL RATE		-0.205	-0.264	-0.263	-0.263	-0.252	-0.252	-0.252	-0.252
12000	CURRENT TAX (1966 RATES)		0.483	0.483	0.483	0.483	0.483	0.472	0.472	0.472
	TAX UNDER OUR PROPOSALS		0.298	0.238	0.240	0.240	0.240	0.240	0.240	0.240
	CHANGE IN MARGINAL RATE		-0.185	-0.245	-0.243	-0.243	-0.243	-0.232	-0.232	-0.232
15000	CURRENT TAX (1966 RATES)		0.483	0.483	0.483	0.483	0.483	0.483	0.483	0.483
	TAX UNDER OUR PROPOSALS		0.318	0.267	0.270	0.270	0.270	0.270	0.270	0.270
	CHANGE IN MARGINAL RATE		-0.165	-0.216	-0.213	-0.213	-0.213	-0.213	-0.213	-0.213
20000	CURRENT TAX (1966 RATES)		0.483	0.483	0.483	0.483	0.483	0.483	0.483	0.483
	TAX UNDER OUR PROPOSALS		0.347	0.306	0.310	0.310	0.310	0.310	0.310	0.310
	CHANGE IN MARGINAL RATE		-0.136	-0.177	-0.173	-0.173	-0.173	-0.173	-0.173	-0.173
25000	CURRENT TAX (1966 RATES)		0.481	0.483	0.483	0.483	0.483	0.483	0.483	0.483
	TAX UNDER OUR PROPOSALS		0.368	0.346	0.350	0.350	0.350	0.350	0.350	0.350
	CHANGE IN MARGINAL RATE		-0.113	-0.137	-0.133	-0.133	-0.133	-0.133	-0.133	-0.133
30000	CURRENT TAX (1966 RATES)		0.472	0.472	0.473	0.483	0.483	0.483	0.483	0.483
	TAX UNDER OUR PROPOSALS		0.388	0.377	0.380	0.380	0.380	0.380	0.380	0.380
	CHANGE IN MARGINAL RATE		-0.084	-0.095	-0.093	-0.103	-0.103	-0.103	-0.103	-0.103
40000	CURRENT TAX (1966 RATES)		0.472	0.472	0.472	0.472	0.472	0.472	0.472	0.472
	TAX UNDER OUR PROPOSALS		0.417	0.416	0.420	0.420	0.420	0.420	0.420	0.420
	CHANGE IN MARGINAL RATE		-0.055	-0.056	-0.052	-0.052	-0.052	-0.052	-0.052	-0.052
50000	CURRENT TAX (1966 RATES)		0.528	0.516	0.472	0.472	0.472	0.472	0.472	0.472
	TAX UNDER OUR PROPOSALS		0.438	0.438	0.440	0.440	0.440	0.440	0.440	0.440
	CHANGE IN MARGINAL RATE		-0.090	-0.078	-0.032	-0.032	-0.032	-0.032	-0.032	-0.032



TABLE K-16

CHANGES IN TAX LIABILITIES (INCLUDING TAXES PAID BY CORPORATIONS) RESULTING  
FROM THE COMMISSION'S PROPOSALS FOR A TAX UNIT WITH INCOME FROM CORPORATE  
SOURCES DISTRIBUTED IN ACCORDANCE WITH THE ESTIMATED 1964 AVERAGE

GROSS CORPORATE SOURCE INCOME	STATUS OF TAXPAYER		NUMBER OF CHILDREN							
	UNAT- TACHED INDIVI- DUAL	MARRIED COUPLE	0	1	2	3	5	8		
1500	CURRENT TAX (1966 RATES)		492.	492.	492.	492.	492.	492.	492.	492.
	TAX UNDER OUR PROPOSALS		54.	-0.	-0.	-0.	-0.	-0.	-0.	-0.
	INCREASE OR DECREASE IN TAX		-438.	-492.	-492.	-492.	-492.	-492.	-492.	-492.
2000	CURRENT TAX (1966 RATES)		656.	656.	656.	656.	656.	656.	656.	656.
	TAX UNDER OUR PROPOSALS		128.	-0.	-0.	-0.	-0.	-0.	-0.	-0.
	INCREASE OR DECREASE IN TAX		-528.	-656.	-656.	-656.	-656.	-656.	-656.	-656.
2500	CURRENT TAX (1966 RATES)		820.	820.	820.	820.	820.	820.	820.	820.
	TAX UNDER OUR PROPOSALS		212.	46.	-0.	-0.	-0.	-0.	-0.	-0.
	INCREASE OR DECREASE IN TAX		-608.	-820.	-820.	-820.	-820.	-820.	-820.	-820.
3000	CURRENT TAX (1966 RATES)		984.	984.	984.	984.	984.	984.	984.	984.
	TAX UNDER OUR PROPOSALS		297.	111.	21.	-0.	-0.	-0.	-0.	-0.
	INCREASE OR DECREASE IN TAX		-687.	-873.	-963.	-984.	-984.	-984.	-984.	-984.
3500	CURRENT TAX (1966 RATES)		1148.	1148.	1148.	1148.	1148.	1148.	1148.	1148.
	TAX UNDER OUR PROPOSALS		395.	189.	101.	52.	4.	-0.	-0.	-0.
	INCREASE OR DECREASE IN TAX		-753.	-959.	-1047.	-1096.	-1144.	-1148.	-1148.	-1148.
4000	CURRENT TAX (1966 RATES)		1311.	1311.	1311.	1311.	1311.	1311.	1311.	1311.
	TAX UNDER OUR PROPOSALS		495.	269.	181.	134.	87.	-0.	-0.	-0.
	INCREASE OR DECREASE IN TAX		-816.	-1042.	-1131.	-1178.	-1225.	-1311.	-1311.	-1311.
5000	CURRENT TAX (1966 RATES)		1639.	1639.	1639.	1639.	1639.	1639.	1639.	1639.
	TAX UNDER OUR PROPOSALS		714.	448.	361.	315.	269.	176.	37.	37.
	INCREASE OR DECREASE IN TAX		-925.	-1191.	-1278.	-1325.	-1371.	-1463.	-1602.	-1602.
6500	CURRENT TAX (1966 RATES)		2137.	2137.	2137.	2137.	2137.	2137.	2137.	2137.
	TAX UNDER OUR PROPOSALS		1063.	737.	651.	606.	560.	469.	332.	332.
	INCREASE OR DECREASE IN TAX		-1074.	-1394.	-1480.	-1525.	-1571.	-1662.	-1799.	-1799.

TABLE K-16 (continued)

GROSS CORPORATE SOURCE INCOME		STATUS OF TAXPAYER		NUMBER OF CHILDREN							
		UNAT- TACHED INDIVI- DUAL	MARRIED COUPLE	0	1	2	3	5	8		
8000	CURRENT TAX (1966 RATES)	2640.		2623.	2623.	2623.	2623.	2623.	2623.	2623.	2623.
	TAX UNDER OUR PROPOSALS	1423.		1037.	952.	907.	862.	772.	637.		
	INCREASE OR DECREASE IN TAX	-1217.		-1586.	-1671.	-1716.	-1761.	-1851.	-1986.		
10000	CURRENT TAX (1966 RATES)	3311.		3279.	3279.	3279.	3279.	3279.	3279.	3279.	3279.
	TAX UNDER OUR PROPOSALS	1942.		1456.	1372.	1328.	1284.	1195.	1063.		
	INCREASE OR DECREASE IN TAX	-1369.		-1822.	-1907.	-1951.	-1995.	-2084.	-2216.		
12000	CURRENT TAX (1966 RATES)	3982.		3942.	3934.	3934.	3934.	3934.	3934.	3934.	3934.
	TAX UNDER OUR PROPOSALS	2501.		1896.	1812.	1770.	1727.	1641.	1513.		
	INCREASE OR DECREASE IN TAX	-1481.		-2046.	-2122.	-2165.	-2208.	-2293.	-2421.		
15000	CURRENT TAX (1966 RATES)	4988.		4948.	4936.	4924.	4918.	4918.	4918.	4918.	4918.
	TAX UNDER OUR PROPOSALS	3400.		2615.	2533.	2492.	2452.	2371.	2249.		
	INCREASE OR DECREASE IN TAX	-1588.		-2333.	-2403.	-2432.	-2466.	-2547.	-2669.		
20000	CURRENT TAX (1966 RATES)	6666.		6626.	6614.	6602.	6590.	6566.	6557.	6557.	6557.
	TAX UNDER OUR PROPOSALS	4999.		3963.	3884.	3846.	3808.	3733.	3620.		
	INCREASE OR DECREASE IN TAX	-1667.		-2662.	-2730.	-2756.	-2781.	-2833.	-2937.		
25000	CURRENT TAX (1966 RATES)	8343.		8303.	8291.	8279.	8267.	8243.	8207.	8207.	8207.
	TAX UNDER OUR PROPOSALS	6747.		5511.	5435.	5400.	5365.	5295.	5191.		
	INCREASE OR DECREASE IN TAX	-1596.		-2792.	-2857.	-2879.	-2902.	-2948.	-3016.		
30000	CURRENT TAX (1966 RATES)	10021.		9981.	9969.	9957.	9945.	9921.	9885.	9885.	9885.
	TAX UNDER OUR PROPOSALS	8596.		7259.	7185.	7153.	7120.	7055.	6957.		
	INCREASE OR DECREASE IN TAX	-1424.		-2721.	-2783.	-2804.	-2825.	-2866.	-2928.		
40000	CURRENT TAX (1966 RATES)	13355.		13336.	13324.	13312.	13300.	13276.	13240.	13240.	13240.
	TAX UNDER OUR PROPOSALS	12495.		11058.	10986.	10956.	10927.	10867.	10778.		
	INCREASE OR DECREASE IN TAX	-859.		-2278.	-2337.	-2355.	-2373.	-2408.	-2462.		
50000	CURRENT TAX (1966 RATES)	16634.		16634.	16634.	16634.	16634.	16634.	16594.	16594.	16594.
	TAX UNDER OUR PROPOSALS	16694.		15256.	15187.	15158.	15130.	15073.	14988.		
	INCREASE OR DECREASE IN TAX	60.		-1378.	-1447.	-1475.	-1504.	-1557.	-1606.		

TABLE K-16 (continued)

GROSS CORPORATE SOURCE INCOME	STATUS OF TAXPAYER		NUMBER OF CHILDREN							
	UNAT- TACHED INDIVI- DUAL	MARRIED COUPLE								
			0	1	2	3	5	8		
70000	CURRENT TAX (1966 RATES) TAX UNDER OUR PROPOSALS INCREASE OR DECREASE IN TAX		23466. 24254. 1063.	23191. 24187. 996.	23191. 24160. 969.	23191. 24133. 942.	23191. 24080. 888.	23191. 23999. 808.		
100000	CURRENT TAX (1966 RATES) TAX UNDER OUR PROPOSALS INCREASE OR DECREASE IN TAX		34592. 40090. 5499.	34007. 38588. 4511.	33872. 38564. 4692.	33737. 38540. 4803.	33467. 38492. 5025.	33085. 38420. 5335.		
200000	CURRENT TAX (1966 RATES) TAX UNDER OUR PROPOSALS INCREASE OR DECREASE IN TAX		74475. 90090. 15615.	73825. 88588. 14763.	73675. 88564. 14889.	73525. 88540. 15015.	73225. 88492. 15267.	72775. 88420. 15645.		
350000	CURRENT TAX (1966 RATES) TAX UNDER OUR PROPOSALS INCREASE OR DECREASE IN TAX		134568. 165090. 30522.	133832. 163588. 29756.	133667. 163564. 29897.	133502. 163540. 30038.	133172. 163492. 30320.	132677. 163420. 30743.		
600000	CURRENT TAX (1966 RATES) TAX UNDER OUR PROPOSALS INCREASE OR DECREASE IN TAX		238099. 290090. 51991.	237254. 288588. 51334.	237059. 288564. 51505.	236864. 288540. 51676.	236474. 288492. 52018.	235889. 288420. 52531.		

TABLE K-17

EFFECTIVE AVERAGE TAX RATES UNDER THE CURRENT AND PROPOSED TAX SYSTEMS  
(INCLUDING TAXES PAID BY CORPORATIONS) FOR A TAX UNIT WITH INCOME FROM  
CORPORATE SOURCES DISTRIBUTED IN ACCORDANCE WITH THE ESTIMATED 1964 AVERAGE

GROSS CORPORATE SOURCE INCOME	STATUS OF TAXPAYER		NUMBER OF CHILDREN							
	UNAT- TACHED INDIVL- DUAL	MARRIED COUPLE								
			0	1	2	3	5	8		
1500	CURRENT TAX (1966 RATES)		0.328	0.328	0.328	0.328	0.328	0.328	0.328	
	TAX UNDER OUR PROPOSALS		0.036	0.000	0.000	0.000	0.000	0.000	0.000	
	CHANGE IN EFFECTIVE RATE		-0.292	-0.328	-0.328	-0.328	-0.328	-0.328	-0.328	
2000	CURRENT TAX (1966 RATES)		0.328	0.328	0.328	0.328	0.328	0.328	0.328	
	TAX UNDER OUR PROPOSALS		0.064	0.000	0.000	0.000	0.000	0.000	0.000	
	CHANGE IN EFFECTIVE RATE		-0.264	-0.328	-0.328	-0.328	-0.328	-0.328	-0.328	
2500	CURRENT TAX (1966 RATES)		0.328	0.328	0.328	0.328	0.328	0.328	0.328	
	TAX UNDER OUR PROPOSALS		0.085	0.018	0.000	0.000	0.000	0.000	0.000	
	CHANGE IN EFFECTIVE RATE		-0.243	-0.310	-0.328	-0.328	-0.328	-0.328	-0.328	
3000	CURRENT TAX (1966 RATES)		0.328	0.328	0.328	0.328	0.328	0.328	0.328	
	TAX UNDER OUR PROPOSALS		0.099	0.037	0.007	0.000	0.000	0.000	0.000	
	CHANGE IN EFFECTIVE RATE		-0.229	-0.291	-0.321	-0.328	-0.328	-0.328	-0.328	
3500	CURRENT TAX (1966 RATES)		0.328	0.328	0.328	0.328	0.328	0.328	0.328	
	TAX UNDER OUR PROPOSALS		0.113	0.054	0.029	0.015	0.001	0.000	0.000	
	CHANGE IN EFFECTIVE RATE		-0.215	-0.274	-0.299	-0.313	-0.327	-0.328	-0.328	
4000	CURRENT TAX (1966 RATES)		0.328	0.328	0.328	0.328	0.328	0.328	0.328	
	TAX UNDER OUR PROPOSALS		0.124	0.067	0.045	0.033	0.022	0.000	0.000	
	CHANGE IN EFFECTIVE RATE		-0.204	-0.261	-0.283	-0.294	-0.306	-0.328	-0.328	
5000	CURRENT TAX (1966 RATES)		0.328	0.328	0.328	0.328	0.328	0.328	0.328	
	TAX UNDER OUR PROPOSALS		0.143	0.090	0.072	0.063	0.054	0.035	0.007	
	CHANGE IN EFFECTIVE RATE		-0.185	-0.238	-0.256	-0.265	-0.274	-0.293	-0.320	
6500	CURRENT TAX (1966 RATES)		0.329	0.328	0.328	0.328	0.328	0.328	0.328	
	TAX UNDER OUR PROPOSALS		0.164	0.113	0.100	0.093	0.086	0.072	0.051	
	CHANGE IN EFFECTIVE RATE		-0.165	-0.214	-0.228	-0.235	-0.242	-0.256	-0.277	

TABLE K-17 (continued)

GROSS CORPORATE SOURCE INCOME	STATUS OF TAXPAYER		NUMBER OF CHILDREN							
	UNAT- TACHED INDIVI- DUAL	MARRIED COUPLE								
			0	1	2	3	5	8		
8000	CURRENT TAX (1966 RATES)		0.330	0.328	0.328	0.328	0.328	0.328	0.328	0.328
	TAX UNDER OUR PROPOSALS		0.178	0.130	0.119	0.113	0.108	0.097	0.080	0.080
	CHANGE IN EFFECTIVE RATE		-0.152	-0.198	-0.209	-0.215	-0.220	-0.231	-0.248	-0.248
10000	CURRENT TAX (1966 RATES)		0.331	0.328	0.328	0.328	0.328	0.328	0.328	0.328
	TAX UNDER OUR PROPOSALS		0.194	0.146	0.137	0.133	0.128	0.120	0.106	0.106
	CHANGE IN EFFECTIVE RATE		-0.137	-0.182	-0.191	-0.195	-0.200	-0.208	-0.222	-0.222
12000	CURRENT TAX (1966 RATES)		0.332	0.328	0.328	0.328	0.328	0.328	0.328	0.328
	TAX UNDER OUR PROPOSALS		0.208	0.158	0.151	0.147	0.144	0.137	0.126	0.126
	CHANGE IN EFFECTIVE RATE		-0.123	-0.170	-0.177	-0.180	-0.184	-0.191	-0.202	-0.202
15000	CURRENT TAX (1966 RATES)		0.333	0.330	0.329	0.328	0.328	0.328	0.328	0.328
	TAX UNDER OUR PROPOSALS		0.227	0.174	0.169	0.166	0.163	0.158	0.150	0.150
	CHANGE IN EFFECTIVE RATE		-0.106	-0.156	-0.160	-0.162	-0.164	-0.170	-0.178	-0.178
20000	CURRENT TAX (1966 RATES)		0.333	0.331	0.331	0.330	0.329	0.328	0.328	0.328
	TAX UNDER OUR PROPOSALS		0.250	0.198	0.194	0.192	0.190	0.187	0.181	0.181
	CHANGE IN EFFECTIVE RATE		-0.083	-0.133	-0.136	-0.138	-0.139	-0.142	-0.147	-0.147
25000	CURRENT TAX (1966 RATES)		0.334	0.332	0.332	0.331	0.331	0.330	0.328	0.328
	TAX UNDER OUR PROPOSALS		0.270	0.220	0.217	0.216	0.215	0.212	0.208	0.208
	CHANGE IN EFFECTIVE RATE		-0.064	-0.112	-0.114	-0.115	-0.116	-0.118	-0.121	-0.121
30000	CURRENT TAX (1966 RATES)		0.334	0.333	0.332	0.332	0.331	0.331	0.329	0.329
	TAX UNDER OUR PROPOSALS		0.287	0.242	0.240	0.238	0.237	0.235	0.232	0.232
	CHANGE IN EFFECTIVE RATE		-0.047	-0.091	-0.093	-0.093	-0.094	-0.096	-0.098	-0.098
40000	CURRENT TAX (1966 RATES)		0.334	0.333	0.333	0.333	0.332	0.332	0.331	0.331
	TAX UNDER OUR PROPOSALS		0.312	0.276	0.275	0.274	0.273	0.272	0.269	0.269
	CHANGE IN EFFECTIVE RATE		-0.021	-0.057	-0.058	-0.059	-0.059	-0.060	-0.062	-0.062
50000	CURRENT TAX (1966 RATES)		0.333	0.333	0.333	0.333	0.333	0.333	0.332	0.332
	TAX UNDER OUR PROPOSALS		0.334	0.305	0.304	0.303	0.303	0.303	0.301	0.300
	CHANGE IN EFFECTIVE RATE		0.001	-0.028	-0.029	-0.030	-0.030	-0.031	-0.032	-0.032

TABLE K-17 (continued)

GROSS CORPORATE SOURCE INCOME	STATUS OF TAXPAYER		NUMBER OF CHILDREN							
	UNAT- TACHED INDIVI- DUAL	MARRIED COUPLE								
			0	1	2	3	5	8		
70000	CURRENT TAX (1966 RATES)		0.331	0.331	0.331	0.331	0.331	0.331	0.331	0.331
	TAX UNDER OUR PROPOSALS		0.346	0.346	0.345	0.345	0.344	0.343	0.343	0.343
	CHANGE IN EFFECTIVE RATE		0.015	0.014	0.014	0.013	0.013	0.013	0.012	0.012
100000	CURRENT TAX (1966 RATES)		0.341	0.340	0.339	0.337	0.335	0.331	0.331	0.331
	TAX UNDER OUR PROPOSALS		0.387	0.386	0.386	0.385	0.385	0.384	0.384	0.384
	CHANGE IN EFFECTIVE RATE		0.045	0.046	0.047	0.048	0.050	0.053	0.053	0.053
200000	CURRENT TAX (1966 RATES)		0.370	0.369	0.368	0.368	0.366	0.364	0.364	0.364
	TAX UNDER OUR PROPOSALS		0.443	0.443	0.443	0.443	0.442	0.442	0.442	0.442
	CHANGE IN EFFECTIVE RATE		0.073	0.074	0.074	0.075	0.076	0.078	0.078	0.078
350000	CURRENT TAX (1966 RATES)		0.383	0.382	0.382	0.381	0.380	0.379	0.379	0.379
	TAX UNDER OUR PROPOSALS		0.472	0.467	0.467	0.467	0.467	0.467	0.467	0.467
	CHANGE IN EFFECTIVE RATE		0.085	0.085	0.085	0.086	0.087	0.088	0.088	0.088
600000	CURRENT TAX (1966 RATES)		0.396	0.395	0.395	0.395	0.394	0.393	0.393	0.393
	TAX UNDER OUR PROPOSALS		0.483	0.481	0.481	0.481	0.481	0.481	0.481	0.481
	CHANGE IN EFFECTIVE RATE		0.087	0.086	0.086	0.086	0.087	0.088	0.088	0.088





TABLE K-18 (continued)

GROSS CORPORATE SOURCE INCOME	STATUS OF TAXPAYER		NUMBER OF CHILDREN							
	UNAT- TACHED INDIV- DUAL	MARRIED COUPLE	0	1	2	3	5	8		
8000	CURRENT TAX (1966 RATES)	0.408	0.400	0.400	0.400	0.400	0.400	0.400	0.400	0.400
	TAX UNDER OUR PROPOSALS	0.258	0.209	0.210	0.210	0.210	0.210	0.210	0.210	0.210
	CHANGE IN MARGINAL RATE	-0.150	-0.191	-0.190	-0.190	-0.190	-0.190	-0.190	-0.190	-0.190
10000	CURRENT TAX (1966 RATES)	0.408	0.400	0.400	0.400	0.400	0.400	0.400	0.400	0.400
	TAX UNDER OUR PROPOSALS	0.278	0.219	0.220	0.220	0.220	0.220	0.220	0.220	0.220
	CHANGE IN MARGINAL RATE	-0.130	-0.181	-0.180	-0.180	-0.180	-0.180	-0.180	-0.180	-0.180
12000	CURRENT TAX (1966 RATES)	0.408	0.408	0.400	0.400	0.400	0.400	0.400	0.400	0.400
	TAX UNDER OUR PROPOSALS	0.298	0.238	0.240	0.240	0.240	0.240	0.240	0.240	0.240
	CHANGE IN MARGINAL RATE	-0.110	-0.170	-0.160	-0.160	-0.160	-0.160	-0.160	-0.160	-0.160
15000	CURRENT TAX (1966 RATES)	0.408	0.408	0.408	0.408	0.400	0.400	0.400	0.400	0.400
	TAX UNDER OUR PROPOSALS	0.318	0.267	0.270	0.270	0.270	0.270	0.270	0.270	0.270
	CHANGE IN MARGINAL RATE	-0.090	-0.141	-0.138	-0.138	-0.130	-0.130	-0.130	-0.130	-0.130
20000	CURRENT TAX (1966 RATES)	0.408	0.408	0.408	0.408	0.408	0.408	0.408	0.408	0.400
	TAX UNDER OUR PROPOSALS	0.347	0.306	0.310	0.310	0.310	0.310	0.310	0.310	0.310
	CHANGE IN MARGINAL RATE	-0.061	-0.102	-0.098	-0.098	-0.098	-0.098	-0.098	-0.098	-0.090
25000	CURRENT TAX (1966 RATES)	0.408	0.408	0.408	0.408	0.408	0.408	0.408	0.408	0.408
	TAX UNDER OUR PROPOSALS	0.368	0.346	0.350	0.350	0.350	0.350	0.350	0.350	0.350
	CHANGE IN MARGINAL RATE	-0.040	-0.062	-0.058	-0.058	-0.058	-0.058	-0.058	-0.058	-0.058
30000	CURRENT TAX (1966 RATES)	0.408	0.408	0.408	0.408	0.408	0.408	0.408	0.408	0.408
	TAX UNDER OUR PROPOSALS	0.388	0.377	0.380	0.380	0.380	0.380	0.380	0.380	0.380
	CHANGE IN MARGINAL RATE	-0.020	-0.031	-0.028	-0.028	-0.028	-0.028	-0.028	-0.028	-0.028
40000	CURRENT TAX (1966 RATES)	0.400	0.408	0.408	0.408	0.408	0.408	0.408	0.408	0.408
	TAX UNDER OUR PROPOSALS	0.417	0.416	0.420	0.420	0.420	0.420	0.420	0.420	0.420
	CHANGE IN MARGINAL RATE	0.017	0.008	0.012	0.012	0.012	0.012	0.012	0.012	0.012
50000	CURRENT TAX (1966 RATES)	0.400	0.400	0.400	0.400	0.400	0.400	0.400	0.400	0.408
	TAX UNDER OUR PROPOSALS	0.438	0.438	0.440	0.440	0.440	0.440	0.440	0.440	0.440
	CHANGE IN MARGINAL RATE	0.038	0.038	0.040	0.040	0.040	0.040	0.040	0.040	0.032



## APPENDIX L

### DISTRIBUTION OF THE 1964 PERSONAL INCOME TAX BASE AND DIRECT TAXES AMONG RESIDENT INDIVIDUALS IN DIFFERENT INCOME CLASSES UNDER THE CURRENT AND PROPOSED TAX SYSTEMS

The purpose of this appendix is to provide estimates of each component of the personal income tax base and of direct taxes attributable to residents under the current and proposed tax systems for individuals classified by income. The income classification is defined in Table 4 above; the basis for the classification is each individual's comprehensive-basis income as estimated in the tax return analyzer.

Estimates of the total personal income tax base associated with different income components and of direct taxes attributable to individuals under the present tax system are presented in Table L-1 for individuals classified by income. As in Appendix H to this study, corporation income taxes and gift and estate taxes are attributed to shareholders and to recipients of gifts and bequests; the basis for this attribution is described in Appendix A to Volume 6 of the Report. Elements of the personal income tax base are as reported on personal income tax returns filed; the source of this data is described in Appendices B and F to this study.

Estimates of the components of the proposed personal income tax base and of personal and corporation income taxes attributable to individuals in each income class are presented in Table L-2. The total personal income tax base and total direct taxes attributed to each income class under both tax systems can be reconciled to the corresponding figures presented in Table H-5 in Appendix H to this study.

All figures shown in these tables are in thousands of dollars. Some figures do not add to totals because of rounding.

TABLE L-1

TAXABLE INCOME AND AGGREGATE DIRECT TAXES UNDER THE CURRENT  
TAX SYSTEM IN INCOME CLASS FOR CANADIAN RESIDENT INDIVIDUALS  
(thousands of dollars)

INCOME CLASS	1	2	3	4	5	6	7
1. WAGES AND SALARIES	414421.	1150972.	2365864.	3448591.	4059679.	3044081.	3768358.
2. EMPLOYMENT EXPENSE DEDUCTIONS	-70.	-441.	-1752.	-3696.	-6823.	-5754.	-7081.
3. PROFESSIONAL INCOME	565.	3324.	7785.	11578.	9478.	10247.	24216.
4. COMMISSION INCOME	1988.	7209.	18407.	30924.	41276.	41517.	64132.
5. ATTRIBUTABLE BENEFITS	0.	0.	0.	0.	0.	0.	0.
6. FARMING AND FISHING INCOME	-21067.	39227.	110872.	86234.	84298.	60021.	80458.
TOTAL, LABOR INCOME	395837.	1200290.	2501177.	3573631.	4187907.	3150112.	3930084.
7. DIVIDENDS FROM RESIDENT COMPANIES	1494.	2991.	6743.	8791.	13311.	12827.	22227.
8. OTHER CORPORATE INCOME	0.	0.	0.	0.	0.	0.	0.
9. CAPITAL GAINS ON EQUITY INVESTMENTS	0.	0.	0.	0.	0.	0.	0.
TOTAL, CORPORATE INCOME	1494.	2991.	6743.	8791.	13311.	12827.	22227.
10. UNINCORPORATED BUSINESS INCOME	-19687.	46725.	107666.	161514.	133097.	113212.	163417.
TOTAL, BUSINESS INCOME	-18193.	49716.	114409.	170305.	146408.	126039.	185644.
11. RENTAL INCOME	-6978.	2644.	8134.	7005.	9656.	8777.	14392.
12. OTHER CANADIAN INVESTMENT INCOME	6345.	17493.	44848.	49061.	61204.	52723.	79261.
13. NON-BUSINESS CAPITAL GAINS	0.	0.	0.	0.	0.	0.	0.
14. FOREIGN INVESTMENT INCOME	39.	172.	432.	454.	875.	839.	1302.
15. DEDUCTIONS FROM INVESTMENT INCOME	-62.	-109.	-185.	-310.	-538.	-452.	-1458.
TOTAL, OTHER INVESTMENT INCOME	-656.	20199.	53229.	56211.	71198.	61887.	93497.
16. GIFTS AND BEQUESTS	0.	0.	0.	0.	0.	0.	0.
17. TRANSFER PAYMENTS RECEIVED	4990.	31189.	86747.	57290.	52146.	32497.	33794.
18. INSURANCE PROCEEDS	0.	0.	0.	0.	0.	0.	0.
19. ALIMONY RECEIVED	255.	1220.	2278.	4386.	3280.	3055.	1868.
20. MISCELLANEOUS INCOME	-16418.	-7912.	-3636.	-3960.	-1149.	2009.	8007.
TOTAL, OTHER INCOME	-11173.	24497.	85390.	57715.	54278.	37561.	43668.
TOTAL INCOME	365816.	1294702.	2754204.	3857861.	4459790.	3375599.	4252893.
21. PENSION CONTRIBUTIONS	1141.	4918.	21301.	56703.	90970.	72729.	98451.
22. RETIREMENT SAVINGS	1639.	14344.	38297.	59631.	71528.	51350.	56223.

TABLE L-1 (continued)

	INCOME CLASS						
	1	2	3	4	5	6	7
23. MEDICAL EXPENSES (NET)	1157.	7663.	19849.	29567.	38234.	28708.	34662.
24. CHARITABLE DONATIONS	-18480.	-6526.	8813.	29397.	43871.	33572.	44178.
25. STANDARD DEDUCTIONS	74288.	80257.	94751.	85031.	68654.	40670.	38383.
26. ALIMONY PAID	666.	381.	1105.	2268.	3139.	3100.	5110.
27. OTHER DEDUCTIONS	9771.	31129.	44485.	37472.	36016.	26381.	36905.
TOTAL CONCESSIONARY ALLOWANCES	70183.	132165.	228601.	300069.	352412.	256509.	313912.
FAMILY EXEMPTIONS	781782.	1069173.	1643065.	1910666.	2001424.	1400344.	1489873.
NET TAX BASE	-486149.	93364.	882538.	1647126.	2105956.	1718746.	2449109.
GROSS TAX BEFORE CREDITS	942.	32590.	138612.	261446.	350230.	299754.	461302.
28. CREDITS FOR DEPENDENTS	0.	0.	0.	0.	0.	0.	0.
29. DIVIDEND TAX CREDITS	36.	180.	501.	996.	1712.	1799.	3477.
30. CREDIT FOR CORPORATE TAX	0.	0.	0.	0.	0.	0.	0.
31. OTHER TAX CREDITS	6.	27.	147.	358.	708.	504.	1417.
TOTAL CREDITS	42.	207.	648.	1355.	2420.	2303.	4894.
PERSONAL INCOME TAXES	919.	32412.	138021.	260170.	347935.	297525.	456548.
CORPORATE INCOME TAX	7866.	10204.	16816.	17383.	24015.	22177.	38086.
TAXES ON GIFTS AND BEQUESTS	528.	1437.	3624.	4033.	4943.	4288.	8218.
TOTAL DIRECT TAXES	9313.	44052.	158461.	281587.	376893.	323990.	502853.

TABLE L-1 (continued)

INCOME CLASS		8	9	10	11	12	13	14
1.	WAGES AND SALARIES	1508323.	550468.	610293.	489036.	223023.	253410.	181167.
2.	EMPLOYMENT EXPENSE DEDUCTIONS	-2518.	-780.	-855.	-537.	-267.	-267.	-130.
3.	PROFESSIONAL INCOME	27675.	15244.	46162.	79829.	70261.	132851.	111698.
4.	COMMISSION INCOME	46656.	25024.	36241.	36317.	16741.	19766.	11101.
5.	ATTRIBUTABLE BENEFITS	0.	0.	0.	0.	0.	0.	0.
6.	FARMING AND FISHING INCOME	51328.	23371.	34527.	26366.	12222.	7794.	4195.
	TOTAL, LABOR INCOME	1631465.	613326.	726369.	630011.	321980.	413554.	308030.
7.	DIVIDENDS FROM RESIDENT COMPANIES	18749.	17772.	23948.	31414.	24758.	38211.	48440.
8.	OTHER CORPORATE INCOME	0.	0.	0.	0.	0.	0.	0.
9.	CAPITAL GAINS ON EQUITY INVESTMENTS	0.	0.	0.	0.	0.	0.	0.
	TOTAL, CORPORATE INCOME	18749.	17772.	23948.	31414.	24758.	38211.	48440.
10.	UNINCORPORATED BUSINESS INCOME	108368.	60959.	81830.	87614.	46580.	41915.	22680.
	TOTAL, BUSINESS INCOME	127117.	78731.	105778.	119028.	71338.	80126.	71120.
11.	RENTAL INCOME	11195.	8249.	8754.	11632.	7469.	10850.	10410.
12.	OTHER CANADIAN INVESTMENT INCOME	49063.	41274.	47556.	51923.	36906.	46196.	47961.
13.	NON-BUSINESS CAPITAL GAINS	0.	0.	0.	0.	0.	0.	0.
14.	FOREIGN INVESTMENT INCOME	1244.	1267.	1764.	2670.	1833.	3060.	3999.
15.	DEDUCTIONS FROM INVESTMENT INCOME	-1112.	-1050.	-1524.	-2387.	-1989.	-3237.	-3839.
	TOTAL, OTHER INVESTMENT INCOME	60390.	49739.	56550.	63838.	44218.	56868.	58531.
16.	GIFTS AND BEQUESTS	0.	0.	0.	0.	0.	0.	0.
17.	TRANSFER PAYMENTS RECEIVED	15136.	12348.	9682.	8911.	4795.	4523.	3999.
18.	INSURANCE PROCEEDS	0.	0.	0.	0.	0.	0.	0.
19.	ALIMONY RECEIVED	972.	97.	314.	441.	71.	384.	155.
20.	MISCELLANEOUS INCOME	5464.	6126.	5850.	8665.	7424.	10506.	10002.
	TOTAL, OTHER INCOME	21571.	18571.	15846.	18016.	12290.	15412.	14157.
	TOTAL INCOME	1840543.	760367.	904543.	830892.	449825.	565961.	451838.
21.	PENSION CONTRIBUTIONS	44615.	17094.	20362.	16447.	7332.	7870.	4990.
22.	RETIREMENT SAVINGS	22428.	8766.	11240.	12215.	7579.	11358.	8799.

TABLE L-1 (continued)

INCOME CLASS		8	9	10	11	12	13	14
23.	MEDICAL EXPENSES (NET)	12800.	5868.	6248.	5014.	2500.	3071.	3079.
24.	CHARITABLE DONATIONS	21698.	9963.	13236.	13343.	8006.	10732.	9142.
25.	STANDARD DEDUCTIONS	11916.	4273.	3670.	2600.	1034.	881.	506.
26.	ALIMONY PAID	2846.	991.	1874.	1331.	884.	1724.	999.
27.	OTHER DEDUCTIONS	17481.	9607.	10465.	10566.	7896.	10677.	11418.
	TOTAL CONCESSIONARY ALLOWANCES	133785.	56562.	67096.	61517.	35230.	46315.	38933.
	FAMILY EXEMPTIONS	521080.	186573.	195350.	147949.	65354.	66803.	40204.
	NET TAX BASE	1185678.	517232.	642097.	621425.	349242.	452843.	372702.
	GROSS TAX BEFORE CREDITS	244293.	110631.	143776.	150670.	93178.	135420.	123065.
28.	CREDITS FOR DEPENDENTS	0.	0.	0.	0.	0.	0.	0.
29.	DIVIDEND TAX CREDITS	3121.	3045.	4361.	5716.	4668.	7220.	9257.
30.	CREDIT FOR CORPORATE TAX	0.	0.	0.	0.	0.	0.	0.
31.	OTHER TAX CREDITS	1057.	800.	942.	895.	465.	680.	774.
	TOTAL CREDITS	4178.	3846.	5303.	6611.	5133.	7900.	10030.
	PERSONAL INCOME TAXES	240170.	106816.	138495.	144071.	88048.	127520.	113036.
	CORPORATE INCOME TAX	31888.	30024.	39867.	52121.	41004.	62717.	81468.
	TAXES ON GIFTS AND BEQUESTS	7280.	8425.	14238.	14526.	8760.	12029.	13753.
	TOTAL DIRECT TAXES	279338.	145264.	192600.	210718.	137811.	202266.	208257.



TABLE I-1 (continued)

INCOME CLASS		15	16	17	18	19	20	TOTAL
1.	WAGES AND SALARIES	144701.	53673.	58759.	20757.	19777.	17554.	22382905.
2.	EMPLOYMENT EXPENSE DEDUCTIONS	-59.	-16.	-16.	-5.	-3.	-2.	-31072.
3.	PROFESSIONAL INCOME	64260.	38850.	19311.	6677.	4318.	2113.	686443.
4.	COMMISSION INCOME	6237.	4549.	2510.	611.	496.	195.	410899.
5.	ATTRIBUTABLE BENEFITS	0.	0.	0.	0.	0.	0.	0.
6.	FARMING AND FISHING INCOME	773.	216.	321.	54.	37.	-77.	601171.
	TOTAL, LABOR INCOME	215912.	97273.	80885.	28095.	24625.	19783.	24050344.
7.	DIVIDENDS FROM RESIDENT COMPANIES							
8.	OTHER CORPORATE INCOME	44617.	24707.	29085.	15287.	20132.	40836.	446340.
9.	CAPITAL GAINS ON EQUITY INVESTMENTS	0.	0.	0.	0.	0.	0.	0.
	TOTAL, CORPORATE INCOME	44617.	24707.	29085.	15287.	20132.	40836.	446340.
10.	UNINCORPORATED BUSINESS INCOME							
	TOTAL, BUSINESS INCOME	12605.	4746.	7226.	1884.	2651.	1078.	1186079.
		57222.	29453.	36312.	17171.	22783.	41914.	1632420.
11.	RENTAL INCOME	9492.	5044.	5495.	2253.	1661.	1032.	137165.
12.	OTHER CANADIAN INVESTMENT INCOME	38679.	22479.	25172.	12420.	14853.	25035.	770451.
13.	NON-BUSINESS CAPITAL GAINS	0.	0.	0.	0.	0.	0.	0.
14.	FOREIGN INVESTMENT INCOME	4168.	2658.	3625.	2259.	2432.	4759.	39851.
15.	DEDUCTIONS FROM INVESTMENT INCOME	-3903.	-1887.	-2043.	-982.	-1309.	-2518.	-30896.
	TOTAL, OTHER INVESTMENT INCOME	48437.	28293.	32249.	15950.	17636.	28307.	916570.
16.	GIFTS AND BEQUESTS	0.	0.	0.	0.	0.	0.	0.
17.	TRANSFER PAYMENTS RECEIVED	2229.	1077.	885.	254.	333.	267.	363091.
18.	INSURANCE PROCEEDS	0.	0.	0.	0.	0.	0.	0.
19.	ALIMONY RECEIVED	127.	94.	64.	5.	0.	0.	19066.
20.	MISCELLANEOUS INCOME	10403.	5227.	6585.	3183.	4154.	7917.	68446.
	TOTAL, OTHER INCOME	12759.	6398.	7534.	3442.	4487.	8184.	450603.
	TOTAL INCOME	334330.	161417.	156980.	64659.	69532.	98188.	27049937.
21.	PENSION CONTRIBUTIONS	3433.	1160.	993.	307.	270.	199.	471288.
22.	RETIREMENT SAVINGS	4953.	2093.	1262.	285.	222.	96.	384309.

TABLE L-1 (continued)

INCOME CLASS		15	16	17	18	19	20	TOTAL
23.	MEDICAL EXPENSES (NET)	1812.	1050.	820.	323.	311.	369.	203105.
24.	CHARITABLE DONATIONS	7149.	3760.	4175.	1903.	2404.	4563.	244897.
25.	STANDARD DEDUCTIONS	246.	73.	48.	12.	8.	4.	507306.
26.	ALIMONY PAID	1004.	460.	385.	102.	197.	144.	28711.
27.	OTHER DEDUCTIONS	10650.	5356.	6559.	3130.	4253.	7702.	337921.
	TOTAL CONCESSIONARY ALLOWANCES	29247.	13953.	14243.	6062.	7666.	13077.	2177537.
	FAMILY EXEMPTIONS	21152.	7582.	5302.	1623.	1272.	909.	11557481.
	NET TAX BASE	283931.	139882.	137434.	56973.	60594.	84202.	13314926.
	GROSS TAX BEFORE CREDITS	104573.	56534.	59253.	26313.	29492.	48279.	2870352.
28.	CREDITS FOR DEPENDENTS	0.	0.	0.	0.	0.	0.	0.
29.	DIVIDEND TAX CREDITS	8626.	4911.	5789.	3067.	4003.	8516.	81004.
30.	CREDIT FOR CORPORATE TAX	0.	0.	0.	0.	0.	0.	0.
31.	OTHER TAX CREDITS	903.	584.	920.	637.	578.	1373.	13772.
	TOTAL CREDITS	9529.	5494.	6709.	3704.	4580.	9889.	94776.
	PERSUJAL INCOME TAXES							
	CORPORATE INCOME TAX	95044.	51039.	52544.	22609.	24912.	38389.	2776222.
	TAXES ON GIFTS AND BEQUESTS	76334.	44734.	54795.	28819.	37950.	77109.	795378.
		10734.	6611.	7000.	3193.	3783.	5600.	143003.
	TOTAL DIRECT TAXES	182113.	102384.	114340.	54621.	66645.	121099.	3714603.

TABLE 1-2

COMPREHENSIVE TAX BASE AND AGGREGATE DIRECT TAXES UNDER THE PROPOSED  
SYSTEM BY INCOME CLASS FOR CANADIAN RESIDENT INDIVIDUALS  
(thousands of dollars)

INCOME CLASS	1	2	3	4	5	6	7
1. WAGES AND SALARIES	414421.	1150972.	2365864.	3448591.	4059679.	3044081.	3768358.
2. EMPLOYMENT EXPENSE DEDUCTIONS	-17680.	-46713.	-91881.	-130378.	-147172.	-106947.	-129373.
3. PROFESSIONAL INCOME	565.	3324.	7785.	11578.	9478.	10247.	24216.
4. COMMISSION INCOME	1988.	7209.	18407.	30924.	41276.	41517.	64132.
5. ATTRIBUTABLE BENEFITS	5714.	3939.	32546.	75843.	87850.	67283.	87301.
6. FARMING AND FISHING INCOME	-21067.	39227.	110872.	86234.	84298.	60021.	80458.
TOTAL, LABOR INCOME	383941.	1157958.	2443594.	3522791.	4135408.	3116202.	3895093.
7. DIVIDENDS FROM RESIDENT COMPANIES	4576.	5936.	9783.	10113.	13971.	12901.	22157.
8. OTHER CORPORATE INCOME	15946.	20685.	34091.	35241.	48685.	44957.	77211.
9. CAPITAL GAINS ON EQUITY INVESTMENTS	4867.	6313.	10404.	10755.	14858.	13721.	23564.
TOTAL, CORPORATE INCOME	25389.	32934.	54278.	56109.	77515.	71580.	122932.
10. UNINCORPORATED BUSINESS INCOME	-26655.	44528.	105390.	161226.	132391.	113164.	164187.
TOTAL, BUSINESS INCOME	-1267.	77462.	159668.	217335.	209906.	184743.	287119.
11. RENTAL INCOME	-10467.	3966.	12201.	10508.	14484.	13166.	21589.
12. OTHER CANADIAN INVESTMENT INCOME	11612.	31912.	81087.	110323.	165229.	150982.	228977.
13. NON-BUSINESS CAPITAL GAINS	715.	1973.	4977.	5539.	6788.	5889.	8912.
14. FOREIGN INVESTMENT INCOME	39.	172.	432.	454.	875.	839.	1302.
15. DEDUCTIONS FROM INVESTMENT INCOME	-62.	-109.	-185.	-310.	-538.	-452.	-1458.
TOTAL, OTHER INVESTMENT INCOME	1837.	37913.	98512.	126514.	186838.	170424.	259321.
16. GIFTS AND REQUESTS	4921.	13425.	33861.	37688.	46418.	42904.	83120.
17. TRANSFER PAYMENTS RECEIVED	10782.	48631.	129222.	127961.	151839.	115735.	118077.
18. INSURANCE PROCEEDS	0.	0.	0.	0.	0.	0.	0.
19. ALIMONY RECEIVED	255.	1220.	2278.	4386.	3280.	3055.	1868.
20. MISCELLANEOUS INCOME	-16418.	-7912.	-3636.	-3960.	-1149.	2009.	8007.
TOTAL, OTHER INCOME	-459.	55364.	161727.	166074.	200389.	163704.	211071.
TOTAL INCOME	384052.	1328697.	2863501.	4032715.	4732542.	3635072.	4652605.
21. PENSION CONTRIBUTIONS	1141.	4918.	21301.	56703.	90970.	72729.	94451.
22. RETIREMENT SAVINGS	1639.	14344.	38297.	59631.	71528.	51350.	56223.

TABLE I-2 (continued)

INCOME CLASS		1	2	3	4	5	6	7
23.	MEDICAL EXPENSES (NET)	754.	6639.	19085.	28709.	37322.	27902.	33207.
24.	CHARITABLE DONATIONS	-26470.	-12388.	2152.	23826.	39376.	30939.	41595.
25.	STANDARD DEDUCTIONS	40859.	44141.	52113.	46767.	37759.	22368.	21111.
26.	ALIMONY PAID	666.	381.	1105.	2268.	3139.	3100.	5110.
27.	OTHER DEDUCTIONS	671.	1706.	1274.	1431.	1520.	1344.	2425.
	TOTAL CONCESSIONARY ALLOWANCES	19260.	59741.	135327.	219335.	281614.	209732.	258121.
	FAMILY EXEMPTIONS	0.	0.	0.	0.	0.	0.	0.
	NET TAX BASE	364792.	1268956.	2728174.	3813381.	4450928.	3425341.	4394484.
	GROSS TAX BEFORE CREDITS	0.	38359.	171795.	329822.	460297.	401298.	577456.
28.	CREDITS FOR DEPENDENTS	6226.	20523.	49126.	79487.	107921.	87669.	90190.
29.	DIVIDEND TAX CREDITS	0.	0.	0.	0.	0.	0.	0.
30.	CREDIT FOR CORPORATE TAX	10478.	13592.	22401.	23156.	31991.	29541.	50735.
31.	OTHER TAX CREDITS	5451.	29390.	27127.	25517.	18833.	14063.	24974.
	TOTAL CREDITS	22155.	63505.	98654.	128161.	158746.	131273.	165899.
	PERSONAL INCOME TAXES	-10164.	5540.	103163.	217953.	306723.	271728.	413270.
	CORPORATE INCOME TAX	10478.	13592.	22401.	23156.	31991.	29541.	50735.
	TAXES ON GIFTS AND BEQUESTS	0.	0.	0.	0.	0.	0.	0.
	TOTAL DIRECT TAXES	314.	19132.	125564.	241110.	338714.	301270.	464005.

TABLE L-2 (continued)

INCOME CLASS		8	9	10	11	12	13	14
1.	WAGES AND SALARIES	1508323.	550468.	610293.	489036.	223023.	253410.	181167.
2.	EMPLOYMENT EXPENSE DEDUCTIONS	-50513.	-17881.	-19711.	-15505.	-7132.	-8277.	-5971.
3.	PROFESSIONAL INCOME	27675.	15244.	46162.	79829.	70261.	132851.	111698.
4.	COMMISSION INCOME	46656.	25024.	36241.	35317.	16741.	19766.	11101.
5.	ATTRIBUTABLE BENEFITS	39686.	16934.	25274.	28085.	15210.	19021.	12342.
6.	FARMING AND FISHING INCOME	51328.	23371.	34527.	26366.	12222.	7794.	4195.
	TOTAL, LABOR INCOME	1623155.	613159.	732787.	643128.	330325.	424566.	314531.
7.	DIVIDENDS FROM RESIDENT COMPANIES	18551.	17466.	23193.	30322.	23854.	36439.	45874.
8.	OTHER CORPORATE INCOME	64645.	60865.	80821.	105663.	83125.	127152.	165412.
9.	CAPITAL GAINS ON EQUITY INVESTMENTS	19729.	18576.	24666.	32248.	25369.	38753.	48788.
	TOTAL, CORPORATE INCOME	102925.	96907.	128679.	168233.	132348.	202343.	260074.
10.	UNINCORPORATED BUSINESS INCOME	109352.	61566.	82732.	88778.	47105.	42031.	22485.
	TOTAL, BUSINESS INCOME	212277.	158474.	211412.	257010.	179453.	244374.	282558.
11.	RENTAL INCOME	16792.	12373.	13131.	17448.	11203.	16275.	15615.
12.	OTHER CANADIAN INVESTMENT INCOME	130310.	87659.	101861.	105924.	69905.	86396.	82356.
13.	NON-BUSINESS CAPITAL GAINS	5527.	4624.	5302.	5836.	4146.	5137.	5439.
14.	FOREIGN INVESTMENT INCOME	1244.	1267.	1764.	2670.	1833.	3060.	3999.
15.	DEDUCTIONS FROM INVESTMENT INCOME	-1112.	-1050.	-1524.	-2387.	-1989.	-3237.	-3839.
	TOTAL, OTHER INVESTMENT INCOME	152761.	104874.	120533.	129490.	85097.	107631.	103572.
16.	GIFTS AND BEQUESTS	67575.	70211.	113345.	116520.	71311.	96984.	108949.
17.	TRANSFER PAYMENTS RECEIVED	44895.	21990.	20084.	16524.	8123.	7997.	5926.
18.	INSURANCE PROCEEDS	0.	0.	0.	0.	0.	0.	0.
19.	ALIMONY RECEIVED	972.	97.	314.	441.	71.	384.	155.
20.	MISCELLANEOUS INCOME	5464.	6126.	5850.	8665.	7424.	10506.	10002.
	TOTAL, OTHER INCOME	118904.	98423.	139594.	142149.	86929.	115870.	125033.
	TOTAL INCOME	2107097.	974930.	1204325.	1171776.	681804.	892441.	825694.
21.	PENSION CONTRIBUTIONS	44615.	17094.	20362.	16447.	7332.	7870.	4990.
22.	RETIREMENT SAVINGS	22428.	8766.	11240.	12215.	7579.	11358.	8799.

TABLE I-2 (continued)

INCOME CLASS		8	9	10	11	12	13	14
23.	MEDICAL EXPENSES (NET)	12077.	5552.	5831.	4580.	2130.	2529.	2478.
24.	CHARITABLE DONATIONS	20798.	9624.	12881.	13066.	7879.	10604.	9059.
25.	STANDARD DEDUCTIONS	6554.	2350.	2019.	1430.	569.	485.	278.
26.	ALIMONY PAID	2846.	991.	1874.	1331.	884.	1724.	999.
27.	OTHER DEDUCTIONS	1206.	527.	695.	724.	617.	904.	1001.
	TOTAL CONCESSIONARY ALLOWANCES	110524.	44905.	54901.	49793.	26989.	35475.	27604.
	FAMILY EXEMPTIONS	0.	0.	0.	0.	0.	0.	0.
	NET TAX BASE	1996573.	930026.	1149424.	1121983.	654815.	856965.	798089.
	GROSS TAX BEFORE CREDITS	301733.	156397.	209145.	226837.	147988.	217181.	237652.
28.	CREDITS FOR DEPENDENTS	31643.	10435.	11438.	8445.	3743.	3968.	2282.
29.	DIVIDEND TAX CREDITS	0.	0.	0.	0.	0.	0.	0.
30.	CREDIT FOR CORPORATE TAX	42478.	39994.	53106.	69430.	54621.	83526.	107904.
31.	OTHER TAX CREDITS	12369.	5547.	6801.	6855.	5305.	7384.	7487.
	TOTAL CREDITS	86490.	55976.	71345.	84731.	63669.	94877.	117673.
	PERSONAL INCOME TAXES	216584.	101649.	139445.	144217.	85981.	124838.	123225.
	CORPORATE INCOME TAX	42478.	39994.	53106.	69430.	54621.	83526.	107904.
	TAXES ON GIFTS AND REQUESTS	0.	0.	0.	0.	0.	0.	0.
	TOTAL DIRECT TAXES	259062.	141644.	192551.	213647.	140601.	208364.	231129.

TABLE L-2(continued)

INCOME CLASS		15	16	17	18	19	20	TOTAL
1.	WAGES AND SALARIES	144701.	53673.	58759.	20757.	19777.	17554.	22382905.
2.	EMPLOYMENT EXPENSE DEDUCTIONS	-4733.	-1548.	-1459.	-411.	-331.	-243.	-803857.
3.	PROFESSIONAL INCOME	64260.	38850.	19311.	6677.	4318.	2113.	686443.
4.	COMMISSION INCOME	6237.	4549.	2510.	611.	496.	195.	410899.
5.	ATTRIBUTABLE BENEFITS	7668.	2593.	1942.	518.	426.	266.	530441.
6.	FARMING AND FISHING INCOME	773.	216.	321.	54.	37.	-77.	601171.
	TOTAL, LABOR INCOME	218906.	98334.	81385.	28207.	24724.	19808.	23808000.
7.	DIVIDENDS FROM RESIDENT COMPANIES	42429.	23605.	28121.	14778.	19460.	39540.	443071.
8.	OTHER CORPORATE INCOME	155082.	91093.	111716.	58758.	77375.	157214.	1615737.
9.	CAPITAL GAINS ON EQUITY INVESTMENTS	45124.	25105.	29907.	15717.	20696.	42052.	471211.
	TOTAL, CORPORATE INCOME	242635.	139804.	169744.	89253.	117531.	238806.	2530019.
10.	UNINCORPORATED BUSINESS INCOME	12400.	4591.	7147.	1848.	2561.	1014.	1177841.
	TOTAL, BUSINESS INCOME	255035.	144395.	176891.	91101.	120093.	239821.	3707860.
11.	RENTAL INCOME	14234.	7566.	8243.	3380.	2491.	1548.	205748.
12.	OTHER CANADIAN INVESTMENT INCOME	63772.	34181.	36354.	17078.	19748.	31707.	1647373.
13.	NON-BUSINESS CAPITAL GAINS	4389.	2566.	2876.	1418.	1698.	2875.	86626.
14.	FOREIGN INVESTMENT INCOME	4168.	2658.	3625.	2259.	2432.	4759.	39851.
15.	DEDUCTIONS FROM INVESTMENT INCOME	-3903.	-1887.	-2043.	-982.	-1309.	-2518.	-30896.
	TOTAL, OTHER INVESTMENT INCOME	82664.	45083.	49055.	23153.	25060.	38371.	1948701.
16.	GIFTS AND BEQUESTS	85300.	51996.	55245.	25328.	29990.	44987.	1200077.
17.	TRANSFER PAYMENTS RECEIVED	3134.	1407.	1080.	302.	364.	289.	834363.
18.	INSURANCE PROCEEDS	0.	0.	0.	0.	0.	0.	0.
19.	ALIMONY RECEIVED	127.	94.	64.	5.	0.	0.	19066.
20.	MISCELLANEOUS INCOME	10403.	5227.	6585.	3183.	4154.	7916.	68446.
	TOTAL, OTHER INCOME	98964.	58723.	62974.	28818.	34508.	53192.	2121952.
	TOTAL INCOME	655568.	346535.	370305.	171279.	204385.	351191.	31586513.
21.	PENSION CONTRIBUTIONS	3433.	1160.	993.	307.	270.	199.	471288.
22.	RETIREMENT SAVINGS	4953.	2093.	1262.	285.	222.	96.	384309.

TABLE L-2 (continued)

INCOME CLASS		15	16	17	18	19	20	TOTAL
23.	MEDICAL EXPENSES (NET)	1222.	751.	445.	141.	63.	-88.	191327.
24.	CHARITABLE DONATIONS	7101.	3743.	4161.	1898.	2400.	4560.	206803.
25.	STANDARD DEDUCTIONS	136.	40.	27.	7.	5.	2.	279018.
26.	ALIMONY PAID	1004.	460.	385.	102.	197.	144.	28711.
27.	OTHER DEDUCTIONS	984.	498.	625.	303.	414.	760.	19631.
	TOTAL CONCESSIONARY ALLOWANCES	18832.	8746.	7899.	3043.	3570.	5673.	1581086.
	FAMILY EXEMPTIONS	0.	0.	0.	0.	0.	0.	0.
	NET TAX BASE	636736.	337789.	362406.	168236.	200814.	345518.	30005430.
	GROSS TAX BEFORE CREDITS	216283.	128091.	149525.	73953.	91713.	166345.	4301869.
28.	CREDITS FOR DEPENDENTS	1137.	398.	267.	72.	48.	30.	515051.
29.	DIVIDEND TAX CREDITS	0.	0.	0.	0.	0.	0.	0.
30.	CREDIT FOR CORPORATE TAX	100879.	58605.	71464.	37581.	49488.	100552.	1051523.
31.	OTHER TAX CREDITS	6095.	2842.	3258.	1627.	1810.	3369.	216104.
	TOTAL CREDITS	108111.	61846.	74989.	39280.	51346.	103951.	1782677.
	PERSONAL INCOME TAXES	111198.	68004.	76679.	35801.	41851.	65410.	2643097.
	CORPORATE INCOME TAX	100879.	58605.	71464.	37581.	49488.	100552.	1051523.
	TAXES ON GIFTS AND REQUESTS	0.	0.	0.	0.	0.	0.	0.
	TOTAL DIRECT TAXES	212077.	126609.	148143.	73382.	91339.	165963.	3694620.



## APPENDIX M

### EXAMPLES OF CALCULATIONS AND LISTING OF SAMPLE INPUT

The purpose of this appendix is twofold: to provide some examples of the calculations defined by the programs presented in this study, and to provide a listing of the input required to generate this example output. This appendix consequently not only provides detailed examples, but also provides test input and output for use in debugging the implementation of the GITAN computer programs on different machines.

The examples are specified as the average individual in each of seven of the 19,370 groups of individual tax returns defined in Appendix B to this study. The examples used are those presented in Appendix B to Volume 6 of the Report. The input data read in are listed in the latter portion of Table M-6. These data correspond to the figures shown in Table B-2 of Appendix B to Volume 6 of the Report; averages for each individual are presented in Table M-1.

The sample input listed in Table M-6 includes all input necessary to produce the output generated by the DBUG1, BASKLS, and RVTAB2 subroutines. The variables calculated in the data analysis loop of the tax return analyzer are listed for each record analyzed by DBUG1; the values of these variables for each example are presented in Table M-2. The output of the BASKLS and RVTAB2 subroutines is summarized in Tables M-3, M-4, and M-5. The reforms shown in Table M-5 are defined in Table D-5 in this study.

TABLE M-1

INPUT VARIABLES FOR THE AVERAGE INDIVIDUAL  
IN EACH EXAMPLE GROUP

	Example Group						
	1	2	3	4	5	6	7
<u>Classification data</u>							
KLAS(1)	1	1	1	1	1	6	7
KLAS(2)	16	27	34	34	37	11	7
KLAS(3)	1	1	1	1	1	1	1
KLAS(4)	5	5	8	18	5	1	25
KLAS(5)	4	1	13	13	7	1	1
<u>Average value of accumulated data</u>							
SUM(1)	1	1.0	1.0	1.0	1.0	1.0	1.0
SUM(2)	2	2.0	2.0	1.7	1.9	1.0	1.0
SUM(3)	—	—	—	—	—	—	—
SUM(4)	1	—	5.5	5.0	2.0	—	—
SUM(5)	—	—	—	—	—	—	1.0
SUM(6)	2,299.9	1,991.9	3,647.5	3,166.7	2,544.4	1,000.0	1,494.2
SUM(7)	0.6	0.6	0.1	0.2	0.4	0.9	1.0
SUM(8)	0.2	—	—	—	0.1	—	—
SUM(9)	81.9	4.8	19.5	—	58.3	8.4	5.4
SUM(10)	43.9	1.8	4.3	—	3.9	6.2	3.6
SUM(11)	0.3	0.2	—	—	—	—	—
SUM(12)	12.5	6.1	11.0	—	—	0.3	0.2
SUM(13)	0.1	—	—	—	—	—	—
SUM(14)	0.4	0.4	0.9	0.8	0.6	0.1	0.1
SUM(15)	76.1	163.5	786.9	750.0	576.7	21.0	10.3
SUM(16)	5,716.0	11,318.0	1,460.7	6,235.0	52,034.4	2,774.9	427.8
SUM(17)	0.9	-1.4	1,718.7	—	152.8	354.5	—
SUM(18)	0.3	37.2	27,765.2	—	—	2.7	2.6
SUM(19)	8.6	612.8	1,020.0	—	363.9	19.1	1.2
SUM(20)	-1.7	—	-149.2	361.7	—	59.3	7.2
SUM(21)	-9.6	0.6	18.0	2,176.7	1,218.9	20.9	1.9
SUM(22)	17.8	26.0	962.5	605.0	1,202.8	209.9	—
SUM(23)	11.1	15.4	20,764.8	—	986.1	4,260.2	—
SUM(24)	—	—	—	—	—	—	—
SUM(25)	3.7	19.4	123.9	13,133.3	3,607.2	3.7	17.6
SUM(26)	—	—	5.1	—	—	—	9.3
SUM(27)	5.5	479.4	219.3	10,101.7	1,610.0	23.4	374.3
SUM(28)	—	3.0	3.4	108.3	8.3	—	—
SUM(29)	0.8	13.3	47.9	2,401.7	1,711.7	0.1	—
SUM(30)	0.7	3.8	17.7	2,402.3	619.1	0.7	0.2
SUM(31)	0.5	39.7	0.3	16.0	4.5	—	—
SUM(32)	—	—	—	—	—	—	807.5
SUM(33)	—	—	—	—	—	—	—
SUM(34)	15.1	0.7	2.8	—	33.9	4.7	34.7
SUM(35)	—	—	—	—	—	—	—
SUM(36)	134.0	351.8	146.2	93.3	673.9	31.8	—
SUM(37)	0.5	10.1	1,105.9	250.0	86.7	—	—
SUM(38)	3.5	—	—	—	—	17.0	—
SUM(39)	19.5	67.2	97.4	4,803.3	3,423.3	14.8	—
SUM(40)	5,738.7	12,469.8	2,188.0	32,116.7	5,929.4	3,263.2	1,684.0
SUM(41)	2,647.5	2,640.0	5,759.5	6,678.3	5,636.1	1,178.7	1,599.2
SUM(42)	359.9	1,704.6	7,639.1	5,268.7	18,767.8	218.2	7.9
SUM(43)	53.6	170.4	1,142.2	1,218.7	2,583.2	34.1	0.9
SUM(44)	116.9	120.0	120.0	120.0	120.0	83.0	3.0
SUM(45)	0.4	0.5	0.3	—	0.4	0.3	0.4

TABLE M-2

VARIABLES ESTIMATED FOR THE AVERAGE INDIVIDUAL  
IN EACH EXAMPLE GROUP

	Example Group						
	1	2	3	4	5	6	7
<u>Family Status Parameters</u>							
MARTAL	2	1	2	2	2	0	0
IWWIFE	0	0	0	0	0	0	0
DEPCN	1	—	5	5	2	—	—
ODEP	—	—	—	—	—	—	—
<u>Income Classification Indices</u>							
INCKL(1)	6	10	14	17	16	4	3
INCKL(2)	6	10	13	13	15	4	2
INCKL(3)	6	10	14	17	17	4	3
<u>Changes in the Personal Tax Base</u>							
BASE(1)	1,000.0	1,000.0	1,000.0	1,000.0	1,000.0	1,000.0	994.2
BASE(2)	988.1	976.2	988.9	662.5	932.1	-10.8	-13.6
BASE(3)	11.4	56.6	414.9	43,967.3	12,076.1	11.7	54.9
BASE(4)	1.3	6.8	48.3	5,118.1	1,405.7	1.4	6.5
BASE(5)	3.8	19.3	123.9	13,129.4	3,606.1	73.9	18.5
BASE(6)	—	—	—	792.6	564.9	—	—
BASE(7)	—	-0.1	68.7	—	6.1	14.2	—
BASE(8)	-0.9	-1.3	-48.1	-30.3	-60.1	-10.5	—
BASE(9)	—	—	—	—	—	—	—
BASE(10)	3.8	335.6	153.5	1,000.0	1,000.0	16.4	262.0
BASE(11)	68.1	281.0	741.9	1,715.5	1,541.4	8.8	25.9
BASE(12)	36.5	150.4	397.0	918.0	824.9	4.7	13.8
BASE(13)	-68.6	-292.7	—	-89.4	-1,500.0	—	—
BASE(14)	-90.4	-40.7	-41.7	-97.7	—	-82.9	0.5
BASE(15)	114.8	306.2	985.6	124.7	1,500.0	87.9	—
BASE(16)	—	—	—	—	—	—	—
BASE(17)	-32.3	-32.3	-17.4	-32.3	-32.3	-27.1	-3.8
BASE(18)	11.6	1,613.9	6,131.4	13,873.2	16,614.1	18.4	293.8
BASE(19)	80.6	—	442.6	403.0	161.2	—	—
BASE(20)	—	—	—	—	—	—	—
BASE(21)	—	—	—	—	—	—	310.5
BASE(22)	1.2	4.0	5.8	288.2	205.4	0.9	—
BASE(23)	5.1	6.7	4.8	1.8	5.3	4.6	5.8
BASE(24)	26.3	27.4	3.7	7.5	17.5	39.5	40.9
BASE(25)	17.5	60.4	87.6	4,323.0	3,081.0	13.3	—
BASE(26)	—	—	—	—	—	—	—
BASE(27)	—	—	—	—	—	—	—
BASE(28)	—	—	—	—	—	—	—
BASE(29)	300.0	—	300.0	300.0	300.0	—	—
BASE(30)	—	—	1,347.5	1,200.0	300.0	—	—
BASE(31)	—	—	—	—	—	—	—
BASE(32)	-4.2	55.6	34.3	2,253.6	795.2	13.1	44.1
BASE(33)	—	—	—	—	—	—	—
BASE(34)	-0.2	-1.2	-7.4	-788.0	-216.4	-0.2	-1.1
BASE(35)	—	—	—	—	—	—	—
<u>Changes in Tax Credits</u>							
CRED(1)	—	—	269.5	240.0	60.0	—	—
CRED(2)	-0.7	-3.8	-17.7	-2,402.3	-619.1	-0.7	-0.7
CRED(3)	—	—	—	—	—	—	—
CRED(4)	18.7	64.5	93.5	1,453.2	1,121.9	14.2	—
CRED(5)	—	—	—	—	—	—	—
CRED(6)	—	—	—	—	—	—	—
CRED(7)	100.0	—	100.0	100.0	100.0	—	—
CRED(8)	7.3	37.0	263.2	27,893.6	7,661.3	7.5	35.3
CRED(9)	0.7	3.4	24.1	2,559.0	702.9	0.7	3.2
<u>Current Personal Income Tax Base and Taxes</u>							
OLDPTX(1)	3,024.2	9,766.7	26,297.4	25,363.7	53,326.9	2,040.7	629.0
OLDPTX(2)	1.2	43.5	17.9	2,418.3	623.6	0.7	0.2
OLDPTX(3)	524.4	2,276.5	9,420.8	6,553.5	22,996.2	317.8	80.3
OLDPTX(4)	15.1	76.3	542.7	57,512.6	15,796.5	15.5	72.9

(continued)

TABLE M-2 (continued)

	Example Groups						
	1	2	3	4	5	6	7
<u>Corporate Income Tax</u>							
CORTAX(1)	6.2	31.3	227.2	24,075.0	6,612.5	6.4	29.9
CORTAX(2)	1.4	6.9	44.2	4,681.4	1,285.8	1.4	6.6
CORTAX(3)	0.7	3.5	24.9	2,638.2	724.6	0.7	3.3
CORTAX(4)	-11.4	-30.8	-106.6	-29.2	-64.7	-2.7	—
<u>Taxes on Gifts and Bequests</u>							
GIFTAX(1)	0.5	206.7	832.2	1,660.3	2,254.1	2.0	31.4
GIFTAX(2)	-0.3	-113.7	-457.7	-913.2	-1,239.7	-1.1	-17.3
GIFTAX(3)	-0.2	-93.0	-374.5	-747.1	-1,014.3	-0.9	-14.1
<u>Proposed Personal Income Tax Base and Taxes</u>							
REFTAX(1)	5,497.8	14,298.6	39,463.4	115,404.4	97,455.0	3,148.0	2,680.9
REFTAX(2)	119.2	104.2	463.3	1,809.2	1,286.4	14.2	—
REFTAX(3)	424.3	2,314.1	10,122.4	14,117.3	27,779.4	312.2	212.2
REFTAX(4)	8.3	41.6	296.3	31,394.5	8,622.9	8.5	39.8
REFTAX(5)	8.0	40.4	287.4	30,452.7	8,364.2	8.2	38.6
<u>Adjustments Required to Obtain the Current Tax Base From Reported Data</u>							
DELTA(1)	11.8	15.6	11.1	4.2	12.4	10.8	13.6
DELTA(2)	-78.8	-78.8	-142.2	-78.8	-78.8	-54.6	—
DELTA(3)	—	—	—	—	—	—	341.1
DELTA(4)	—	—	—	—	—	—	189.5
<u>Miscellaneous Variables</u>							
OTHER(1)	-4.8	0.3	9.0	1,088.3	609.4	10.4	1.0
OTHER(2)	8.4	168.4	311.8	2,262.6	851.4	4.6	73.9
OTHER(3)	—	—	—	—	—	—	—
OTHER(4)	—	—	—	—	—	—	—
OTHER(5)	—	79.1	—	—	1,500.0	—	—
OTHER(6)	0.5	0.8	979.7	—	—	12.4	—
OTHER(7)	114.3	226.4	—	124.7	300.0	55.5	—
OTHER(8)	—	—	4.8	507.1	139.3	—	—
OTHER(9)	—	—	5.9	—	—	20.1	—
OTHER(10)	0.4	2.0	12.4	1,313.3	360.7	0.4	1.8
OTHER(11)	0.2	—	—	—	—	0.2	0.9
OTHER(12)	—	—	—	—	—	—	—
OTHER(13)	—	—	—	—	—	—	—
OTHER(14)	—	—	—	—	—	—	—
OTHER(15)	—	—	—	—	—	—	—
OTHER(16)	3.7	—	—	—	—	3.7	17.6
<u>Elements of Income Not Brought Into Comprehensive Personal Tax Base</u>							
UNTAIXD(1)	1.1	5.4	38.7	4,105.1	1,127.5	1.1	5.2
UNTAIXD(2)	0.1	0.5	3.9	410.5	112.8	0.1	0.5
UNTAIXD(3)	0.6	2.9	20.7	2,189.4	601.3	0.6	2.8
UNTAIXD(4)	0.2	0.9	6.5	684.2	187.9	0.2	0.9
UNTAIXD(5)	0.5	2.3	16.3	1,725.4	473.9	0.5	2.2
UNTAIXD(6)	1.2	5.8	37.2	3,943.9	1,083.2	1.2	5.6
UNTAIXD(7)	0.1	-0.1	171.9	—	15.3	35.5	—
UNTAIXD(8)	0.9	1.3	48.1	302.3	60.1	10.5	—
UNTAIXD(9)	0.1	-0.1	137.5	—	12.2	28.4	—
UNTAIXD(10)	-4.8	0.3	9.0	1,088.3	609.4	10.4	1.0
UNTAIXD(11)	1.9	16.6	7.6	350.0	55.8	0.8	13.0

TABLE M-3

TAX BASE AND TAXES ATTRIBUTABLE TO THE AVERAGE INDIVIDUAL  
IN EACH EXAMPLE GROUP UNDER THE CURRENT TAX SYSTEM

	Example Group						
	1	2	3	4	5	6	7
<u>Income</u>							
1. Wages and salaries	5,716	11,318	1,461	6,235	52,034	2,775	428
2. Employment expense deductions	-12	-6	-11	-	-	-	-
3. Professional income	-	37	27,765	-	-	3	3
4. Commission income	9	613	1,020	-	364	19	1
5. Attributable benefits	-	-	-	-	-	-	-
6. Farming and fishing income	-2	-	-149	362	-	59	7
7. Dividends	4	19	124	12,341	3,042	4	18
8. Other corporate income	-	-	-	-	-	-	-
9. Capital gains on shares	-	-	-	-	-	-	-
10. Unincorporated business income	1	-1	1,719	-	153	355	-
11. Net rental income	-10	1	18	2,177	1,219	21	2
12. Other Canadian investment income	5	479	224	10,102	1,610	23	384
13. Non-business capital gains	-	-	-	-	-	-	-
14. Foreign investment income	-	3	3	108	8	-	-
15. Deductions from investment income	-1	-13	-48	-1,609	1,147	-	-
16. Gifts and bequests	-	-	-	-	-	-	-
17. Transfer payments	-	-	-	-	-	-	1,149
18. Insurance proceeds	-	-	-	-	-	-	-
19. Alimony received	-	-	-	-	-	-	-
20. Miscellaneous income	5	12	87	4,799	3,445	-6	21
<u>Deductions</u>							
1. Pension contributions	134	352	146	93	674	32	-
2. Retirement savings	79	89	1,248	329	165	55	-
3. Net medical expenses	44	2	4	-	4	6	4
4. Charitable donations	64	148	776	746	564	10	-3
5. Standard deductions	58	61	8	17	39	88	91
6. Alimony paid	4	-	-	-	-	17	-
7. Other deductions	19	67	97	4,803	3,423	15	310
8. Family exemptions	2,288	1,976	3,636	3,162	2,532	989	981
<u>Non-refundable tax credits</u>							
1. Credits for dependants	-	-	-	-	-	-	-
2. Dividend tax credits	1	4	18	2,402	619	1	-
3. Other tax credits	1	40	-	16	4	-	-
<u>Taxable income</u>							
Total income	5,715	12,461	32,214	34,514	60,729	3,252	2,011
Less: Deductions	<u>2,691</u>	<u>2,694</u>	<u>5,916</u>	<u>9,150</u>	<u>7,402</u>	<u>1,211</u>	<u>1,383</u>
Taxable income	3,024	9,767	26,297	25,364	53,327	2,041	629
<u>Tax calculation</u>							
Personal income tax before tax credits	526	2,320	9,439	8,972	23,620	319	81
Less: Non-refundable tax credits	<u>1</u>	<u>44</u>	<u>18</u>	<u>2,418</u>	<u>624</u>	<u>1</u>	<u>-</u>
	524	2,276	9,421	6,554	22,996	318	80
Less: Refundable credit for allocated corporate tax	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Personal income tax including old age security tax	524	2,276	9,421	6,554	22,996	318	80
Corporation income tax	6	31	227	24,075	6,612	6	30
Taxes on gifts and bequests received	<u>-</u>	<u>207</u>	<u>832</u>	<u>1,660</u>	<u>2,254</u>	<u>2</u>	<u>31</u>
Total direct taxes	<u>531</u>	<u>2,514</u>	<u>10,480</u>	<u>32,289</u>	<u>31,863</u>	<u>326</u>	<u>142</u>

TABLE M-4

TAX BASE AND TAXES ATTRIBUTABLE TO THE AVERAGE  
INDIVIDUAL IN EACH EXAMPLE GROUP UNDER  
THE PROPOSED TAX SYSTEM

	Example Group						
	1	2	3	4	5	6	7
<u>Income</u>							
1. Wages and Salaries	5,716	11,318	1,461	6,235	52,034	2,775	428
2. Employment expense deductions	-204	-372	-70	-219	-1,532	-110	-5
3. Professional income	—	37	27,765	—	—	3	3
4. Commission income	9	613	1,020	—	364	19	1
5. Attributable benefits	115	306	986	125	1,500	88	0
6. Farming and fishing income	-2	—	-149	362	—	59	7
7. Dividends	4	18	116	12,345	3,391	4	17
8. Other corporate income	13	63	463	49,085	13,482	13	61
9. Capital gains on shares	4	19	124	13,129	3,606	4	18
10. Unincorporated business income	—	-3	1,739	-30	99	358	—
11. Net rental income	-14	1	27	3,265	1,828	31	3
12. Other Canadian investment income	114	1,246	1,517	13,735	4,976	53	685
13. Non-business capital gains	1	55	25	1,165	186	3	43
14. Foreign investment income	-1	3	3	108	8	—	—
15. Deductions from investment income	12	-13	-48	-1,609	-1,147	—	—
16. Gifts and bequests	81	1,614	6,131	13,873	16,614	18	294
17. Transfer payments	—	—	443	403	161	—	1,149
18. Insurance proceeds	—	—	—	—	—	—	—
19. Alimony received	—	—	—	—	—	—	—
20. Miscellaneous income	5	12	87	4,799	3,445	-6	21
<u>Deductions</u>							
1. Pension contributions	134	352	146	93	674	32	—
2. Retirement savings	79	89	1,248	329	165	55	—
3. Net medical expenses	43	-2	-2	-288	-202	5	4
4. Charitable donations	59	141	771	744	559	6	-9
5. Standard deductions	32	34	5	9	21	48	50
6. Alimony paid	4	—	—	—	—	17	—
7. Other deductions	2	7	10	480	342	1	—
8. Family exemptions	—	—	—	—	—	—	—
<u>Non-refundable tax credits</u>							
1. Credits for dependants	100	—	370	340	160	—	—
2. Dividend tax credits	—	—	—	—	—	—	—
3. Other tax credits	19	104	94	1,469	1,126	14	—
<u>Taxable income</u>							
Total income	5,851	14,918	41,641	116,772	99,016	3,312	2,725
Less: Deductions	353	620	2,178	1,367	1,561	164	44
Taxable income	5,498	14,299	39,463	115,404	97,455	3,148	2,681
<u>Tax calculation</u>							
Personal income tax before tax credits	552	2,459	10,873	46,379	37,430	335	251
Less: Non-refundable tax credits	119	104	464	1,809	1,286	14	—
	431	2,356	10,418	45,512	36,402	320	252
Less: Refundable credit for allocated corporate tax	8	42	296	31,395	8,623	8	40
Personal income tax including old age security tax	424	2,314	10,122	14,117	27,779	312	212
Corporation income tax	8	42	296	31,395	8,623	8	40
Taxes on gifts and bequests received	—	—	—	—	—	—	—
	433	2,356	10,419	45,512	36,402	321	252

TABLE M-5

PROBATED ESTIMATES OF THE CHANGES IN DIRECT TAXES RESULTING FROM THE  
PROPOSED REFORMS FOR THE AVERAGE INDIVIDUAL IN EACH EXAMPLE GROUP

	Example Group						
	1	2	3	4	5	6	7
<u>Reform Category 1 - Changes in tax rates</u>							
Reform (1,1)	-15	-150	-1,824	-1,702	-5,001	-5	-2
Reform (1,2)	-51	-319	-938	-1,033	-1,028	-2	-2
Reform (1,3)	-43	—	5	5	32	—	—
Reform (1,4)	—	—	202	180	72	—	—
Total in class	-109	-410	-2,554	-2,551	-5,925	-8	-4
<u>Reform category 2 - Taxation of the family as a unit</u>							
Reform (2,1)	—	—	—	—	—	—	—
Reform (2,2)	—	—	—	—	—	—	—
Reform (2,3)	—	—	—	—	—	—	—
Reform (2,4)	—	-114	-458	-913	-1,240	-1	-17
Total in class	—	-114	-458	-913	-1,240	-1	-17
<u>Reform category 3 - Changes in taxation of corporate service income</u>							
Reform (3,1)	-3	-13	-44	-760	-73	-3	-20
Reform (3,2)	—	+ 2	19	2,413	683	—	1
Reform (3,3)	1	+ 5	47	5,987	1,697	1	3
Reform (3,4)	—	—	—	361	266	—	—
Reform (3,5)	—	—	-3	-359	-102	—	—
Total in class	-2	-7	20	7,642	2,471	-2	-16
<u>Reform category 4 - Changes in taxation of other property income</u>							
Reform (4,1)	-11	-31	-107	-29	-65	-3	—
Reform (4,2)	—	—	26	—	3	3	—
Reform (4,3)	—	—	-18	-14	-28	-2	—
Reform (4,4)	—	—	—	—	—	—	—
Reform (4,5)	1	80	58	456	471	3	43
Reform (4,6)	13	67	282	782	725	2	4
Reform (4,7)	7	36	151	419	388	1	2
Reform (4,8)	-1	13	13	1,028	374	3	7
Total in class	8	165	405	2,642	1,868	7	56
<u>Reform category 5 - Changes in taxation of employment income</u>							
Reform (5,1)	-13	-70	—	-41	-706	—	—
Reform (5,2)	-17	-10	-16	-45	—	-17	—
Reform (5,3)	22	73	374	57	706	18	—
Reform (5,4)	—	—	—	—	—	—	—
Reform (5,5)	-6	-8	-7	-15	-15	-5	-1
Total in class	-15	-14	352	-43	-15	-4	-1
<u>Reform category 6 - Other aspects of the comprehensive base</u>							
Reform (6,1)	2	291	1,954	5,579	6,804	3	34
Reform (6,2)	15	—	168	184	76	—	—
Total in class	17	291	2,122	5,763	6,880	3	34
<u>Reform category 7 - Changes in concessionary allowances</u>							
Reform (7,1)	—	—	—	—	—	—	51
Reform (7,2)	—	1	2	131	97	—	—
Reform (7,3)	1	2	2	1	2	1	1
Reform (7,4)	5	7	1	3	8	8	7
Reform (7,5)	-15	-50	-60	518	328	-12	—
Reform (7,6)	—	—	—	—	—	—	—
Total in class	-9	-41	-55	654	435	-3	58
Undistributed amounts	—	—	—	—	—	—	—
TOTAL CHANGES	-110	-190	-168	13,194	4,475	-8	110
Current total	531	2,514	10,480	32,289	31,863	326	142
New total	421	2,325	10,312	45,483	36,338	318	252
Percentage change	-20.7	-7.5	-1.6	40.9	14.0	-2.5	77.9

TABLE M-6

### SAMPLE INPUT DATA SET

[illegible]



TABLE M-6 (continued)

1	43	.7246
1	44	.0851
1	45	200.
1	46	0.10
1	47	6000000
1	48	155400000
1	49	25000
1	50	1500.
1	51	0.58733
1	52	0.49350
1	53	0.44016
1	54	1.9748
1	55	.05
1	56	.60
1	57	.10
1	58	0.005
1	59	2500.
1	60	2000.
1	61	1.
1	62	0.06
1	63	0.90
1	64	1.067
1	65	400.
1	66	0.005
1	67	500.
1	68	2500.
1	69	0.7
1	70	0
1	71	0
1	72	0
1	73	0
1	74	0
1	75	0
1	76	0
1	77	1199000000
1	78	502000000
1	79	261000000
1	80	597000000
1	81	108000000
1	82	99000000
1	83	0.40
1	84	29700000.
1	85	0.3
1	86	0.10
1	87	10000.
1	88	0.05
1	89	500.
1	90	0.97
1	91	0.40
1	92	140000000.
1	93	15000000.
1	94	80000000.
1	95	55000000.
1	96	0.68966
1	97	0.50
1	98	0.1
1	99	2.0
1	100	15000000.
1	101	0.5
1	102	0.08
1	103	0.0
1	104	0.5
1	105	1.0
1	106	20.
1	109	0.769

TABLE M-6 (continued)

CASE	28	19	40	120	1000	2100	2100
0	0	0	0	0	0	0	0
1	0	0	0	0	0	0	0
2	1.5	0	0	0	0	0	0
3	2	13	13	13	13	13	13
4	3	16	16	16	16	16	16
5	4	18	18	18	18	18	18
6	5	19	19	19	19	19	19
7	6	20	20	20	20	20	20
8	8	21	21	21	21	21	21
9	10	22	22	22	22	22	22
10	12	24	24	24	24	24	24
11	15	27	27	27	27	27	27
12	20	31	31	31	31	31	31
13	25	35	35	35	35	35	35
14	30	38	38	38	38	38	38
15	40	42	42	42	42	42	42
16	50	44	44	44	44	44	44
17	60	46	46	46	46	46	46
18	80	49	49	49	49	49	49
19	100	50	50	50	50	50	50

1	2	3	4	5	6	7	1
10434.	20867.	0.	10434.	0.	23997200.	6102.	1/1
2392.	854680.	458150.	2655.	130230.	1210.	3860.	1/2
794180.	59641090.	8940.	3000.	89960.	-17520.	-100480.	1/3
184760.	115450.	0.	38120.	0.	57300.	0.	1/4
8660.	7080.	5520.	0.	0.	157390.	0.	1/5
1398220.	4800.	36800.	203330.	59877800.	27624450.	3755581.	1/6
559385.	1220193.	3779.	408.	0.	0.	0.	1/7
123.	245.	0.	0.	0.	245000.	75.	1/8
1.	590.	220.	25.	750.	0.	47.	2/1
20110.	1392120.	-170.	4580.	75380.	0.	70.	2/2
3200.	1890.	0.	2380.	0.	58970.	370.	2/3
1630.	469.	4882.	0.	0.	90.	0.	2/4
43270.	1240.	0.	8260.	1533790.	324720.	209669.	2/5
20959.	14760.	67.	28.	0.	0.	0.	2/6
61.	122.	0.	335.	0.	222500.	5.	2/7
1.	1190.	260.	3.	670.	0.	56.	2/8
48000.	89100.	104840.	1693680.	62220.	-9100.	1100.	3/1
58710.	1266650.	0.	7560.	310.	13380.	210.	3/2
2920.	1078.	16.	0.	0.	170.	0.	3/3
8920.	67460.	0.	5940.	1963470.	351330.	465984.	3/4
69672.	7320.	20.	61.	0.	0.	0.	3/5
6.	10.	0.	30.	0.	19000.	1.	3/6
0.	0.	0.	0.	0.	0.	5.	3/7
4500.	37410.	0.	0.	0.	2170.	13060.	3/8
3630.	0.	0.	78800.	0.	60610.	650.	4/1
14410.	14414.	96.	0.	0.	0.	0.	4/2

TABLE M-6 (continued)

560.	1500.	0.	28820.	192700.	40070.	31612.	4/7
7312.	720.	0.	6.	0.	0.	0.	4/8
1 37	1 5 7						5/1
18.	35.	0.	36.	0.	45800.	7.	5/2
1.	1050.	70.	0.	0.	0.	11.	5/3
10380.	936620.	2750.	0.	6550.	0.	21940.	5/4
21650.	17750.	0.	64930.	0.	28980.	150.	5/5
30810.	11143.	81.	0.	0.	610.	0.	5/6
12130.	1560.	0.	61620.	1062530.	101450.	337820.	5/7
46498.	2160.	7.	18.	0.	0.	0.	5/8
6 11	1 1 1						7/1
3214.	60.	0.	0.	0.	3214000.	2823.	7/2
81.	26990.	19800.	40.	1100.	20.	370.	7/3
67400.	8918470.	1139460.	8680.	61480.	190550.	67080.	7/4
674550.	13692170.	0.	12030.	0.	75250.	0.	7/5
480.	2275.	0.	0.	0.	15000.	0.	7/6
102240.	80.	54520.	47500.	10488000.	3788460.	701211.	7/7
109740.	266703.	1005.	149.	0.	0.	0.	7/8
7 7	1 25 1						8/1
1735.	10.	0.	0.	1735.	2592500.	1575.	8/2
60.	9300.	6300.	20.	400.	20.	140.	8/3
17940.	742230.	0.	4520.	2020.	12480.	3320.	8/4
0.	0.	0.	30540.	16140.	649420.	0.	8/5
0.	320.	0.	1401000.	0.	60130.	0.	8/6
0.	0.	0.	0.	2921800.	2774640.	13670.	8/7
1580.	5205.	775.	68.	0.	0.	0.	8/8
-1 47	1 24 1						-1/1
0.	0.	0.	0.	0.	0.	0.	-1/2
0.	0.	0.	0.	0.	0.	0.	-1/3
0.	0.	0.	0.	0.	0.	0.	-1/4
0.	0.	0.	0.	0.	0.	0.	-1/5
0.	0.	0.	0.	0.	0.	0.	-1/6
0.	0.	0.	0.	0.	0.	0.	-1/7
0.	0.	0.	0.	0.	0.	0.	-1/8
1							

STOP CARD