STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
DEPARTMENT OF REVENUE
Office of Revenue Analysis

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MEMORANDUM

To: Gary S. Sasse, Director
Departments of Administration and Revenue

From: Paul L. Dion, Ph.D.
Chief, Office of Revenue Analysis

Date: April 17, 2009

Subject: Updated Personal Income Tax Reform Analysis

Please find attached updated personal income tax analyses based on the personal income tax reform proposal of the *Governor's Tax Policy Strategy Workgroup*. This analysis, which applies the Workgroup's personal income tax reform proposal to Tax Year (TY) 2007 resident and non-resident personal income tax returns, differs from the analysis provided to you on April 1, 2009 in two ways.

First, the federal adjusted gross income (FAGI) categories on which the April 1, 2009 analysis was based had inadvertently excluded some taxpayers. In particular, the demarcations of the FAGI classes were such that taxpayers with a FAGI greater than the upper bound of one range but less than the lower bound of the succeeding range were being excluded. For example, two of the FAGI classes included in the April 1, 2009 analysis were "1 to 12,500" and "12,501 to 20,000". Taxpayers with a FAGI between $12,500.01 and $12,500.99 were missed when the results were rolled up by FAGI class. The impact of this omission was minimal but for accuracy I thought it was important to provide you with the most complete data available.

Second, this analysis includes information on the effective tax rate paid by each aggregate class of taxpayer. That is, the effective tax rate represents the sum of the

individual tax liabilities of all taxpayers in a given FAGI class divided by the sum of the individual federal adjusted gross incomes of the same. One simplifying assumption was made in deriving the effective tax rates. Namely, taxpayers with no tax liability and a FAGI of less than zero were excluded from the sums.

The content and format of the analyses are the same as was contained in the April 1, 2009 analysis with the addition of effective tax rates for each of the FAGI ranges. The results are based on TY 2007 individual tax returns and incorporate a fully implemented alternative flat tax rate of 5.5 percent. The major findings for the effective tax rate analyses are:

(1) By Resident and Non-Resident Tax Filers

- Under the state's current income tax system, the effective tax rate for resident taxpayers was lower for FAGI ranges greater than $1,000,000 than it was for FAGI ranges between $175,000 and $1,000,000.
- Under the proposed income tax system, each FAGI range faces a progressively higher effective tax rate but that effective tax rate is less than the effective tax rate under the current income tax system until FAGI exceeds $500,000.

(2) By Resident and Non-Resident Tax Filers With Itemized Deductions

- Under the state's current income tax system, the effective tax rate for resident taxpayers with itemized deductions was lower for FAGI ranges greater than $1,000,000 than it was for FAGI ranges between $175,000 and $1,000,000.
- Under the proposed income tax system, each FAGI range faces a progressively higher effective tax rate but that effective tax rate is less than the effective tax rate under the current income tax system for FAGI ranges between $75,000 and $500,000.

(3) By Resident and Non-Resident Tax Filers With No Itemized Deductions

- Under the state's current income tax system, the effective tax rate for resident taxpayers with no itemized deductions was lower for FAGI ranges greater than $250,000 than it was for FAGI ranges between $75,000 and $250,000.
- Under the proposed income tax system, each FAGI range up to $1,000,000 faces a progressively higher effective tax rate but that effective tax rate is less than the effective tax rate under the current income tax system until FAGI is above $250,000.

(4) By Resident and Non-Resident Tax Filers With Capital Gains Income

- Under the state's current income tax system, the effective tax rate for resident taxpayers with capital gains income was lower for FAGI ranges greater than $1,000,000 than it was for FAGI ranges between $110,000 and $175,000 and for FAGI ranges between $250,000 and $1,000,000.

- Under the proposed income tax system, each FAGI range, except between $175,000 and $250,000, faces a progressively higher effective tax rate but that effective tax rate is less than the effective tax rate under the current income tax system for FAGI ranges between $75,000 and $500,000.

(5) By Resident and Non-Resident Tax Filers With No Capital Gains Income

- Under the state's current income tax system, the effective tax rate for resident taxpayers with no capital gains income was lower for FAGI ranges between $500,000 and $10,000,000 than it was for the FAGI range of $250,000 to $500,000.
- Under the proposed income tax system, each FAGI range up to $500,000 faces a progressively higher effective tax rate but that effective tax rate is less than the effective tax rate under the current income tax system until FAGI is above $1,000,000

Please do not hesitate to contact me if you have any questions.

PERSONAL INCOME TAX IMPACT SUMMARY
Tax Year 2007 Data, Fully Implemented Flat Tax at 5.5 Percent

Scenario: ***Rhode Island's Modified Personal Income Tax System***

Standard Deduction	Amount
Married Filing Joint	$ 15,000
Single	7,500
Married Filing Separate	7,500
Head of Household	11,250
Widow	15,000

Exemption	Amount
Personal & Dependent	$ 2,500

Tax Rates and Taxable Income Brackets

Start	End	Rate	Increment
$ -	$ 54,999.99	3.50%	-
55,000.00	109,999.99	4.00%	0.50%
110,000.00	174,999.99	4.50%	0.50%
175,000.00	999,999,999.99	5.50%	1.00%

State Earned Income Tax Percentage of Federal	15.0%
Alternative Flat Tax Rate	5.5%

Resident Filers

AGI Range	Tax Under Current System	Tax Under New System	Filer Count	Difference	Average Tax Change	Median Tax Change
0 and Under	$ (4,585,383.18)	$ (4,847,631.48)	22,216	$ (262,248.30)	$ (11.80)	$ -
1 to 12,500	(4,745,016.72)	(11,247,814.63)	100,258	(6,502,797.91)	(64.86)	(9.71)
12,501 to 20,000	2,836,665.15	(3,820,593.69)	55,167	(6,657,258.84)	(120.67)	(62.88)
20,001 to 30,000	17,011,937.35	13,892,904.29	61,273	(3,119,033.06)	(50.90)	(77.11)
30,001 to 40,000	30,811,109.88	30,336,276.57	49,092	(474,833.31)	(9.67)	(74.32)
40,001 to 55,000	53,912,318.28	52,021,999.46	53,874	(1,890,318.82)	(35.09)	(81.45)
55,001 to 75,000	80,403,961.95	75,538,544.70	52,737	(4,865,417.25)	(92.26)	(73.83)
75,001 to 110,000	132,596,877.00	121,081,535.00	55,105	(11,515,342.00)	(208.97)	(167.85)
110,001 to 175,000	150,420,118.00	126,269,286.00	34,021	(24,150,832.00)	(709.88)	(736.44)
175,001 to 250,000	73,362,934.39	60,684,919.05	9,362	(12,678,015.34)	(1,354.20)	(1,719.14)
250,001 to 500,000	85,106,777.86	77,401,757.83	6,127	(7,705,020.03)	(1,257.55)	(3,125.00)
500,001 to 1,000,000	44,829,620.82	49,070,446.97	1,714	4,240,826.15	2,474.23	(3,125.00)
1,000,001 to 5,000,000	53,405,846.80	69,710,599.19	838	16,304,752.39	19,456.75	(3,081.12)
5,000,001 to 10,000,000	13,717,051.64	18,602,448.09	62	4,885,396.45	78,796.72	(1,938.75)
10,000,001 and up	25,979,860.43	48,115,385.41	42	22,135,524.98	527,036.31	141,774.02
Totals	**$ 755,064,679.65**	**$ 722,810,062.76**	**501,888**	**$ (32,254,616.89)**	**$ (64.27)**	**$ (58.98)**
				-4.3%		

PERSONAL INCOME TAX IMPACT SUMMARY
Tax Year 2007 Data, Fully Implemented Flat Tax at 5.5 Percent

Scenario: ***Rhode Island's Modified Personal Income Tax System***

Standard Deduction	Amount
Married Filing Joint	$ 15,000
Single	7,500
Married Filing Separate	7,500
Head of Household	11,250
Widow	15,000

Exemption	Amount
Personal & Dependent	$ 2,500

Tax Rates and Taxable Income Brackets			
Start	End	Rate	Increment
$ -	$ 54,999.99	3.50%	-
55,000.00	109,999.99	4.00%	0.50%
110,000.00	174,999.99	4.50%	0.50%
175,000.00	999,999,999.99	5.50%	1.00%

State Earned Income Tax Percentage of Federal	15.0%
Alternative Flat Tax Rate	5.5%

Non-Resident Filers

AGI Range	Tax Under Current System	Tax Under New System	Filer Count	Difference	Average Tax Change	Median Tax Change
0 and Under	$ 14,810.54	$ 3,465.19	929	$ (11,345.35)	$ (12.21)	$ -
1 to 12,500	204,245.84	(140,297.72)	12,657	(344,543.56)	(27.22)	(2.68)
12,501 to 20,000	771,729.32	394,016.82	7,022	(377,712.50)	(53.79)	(31.72)
20,001 to 30,000	1,944,530.60	1,687,523.17	8,138	(257,007.43)	(31.58)	(28.63)
30,001 to 40,000	2,948,519.46	2,835,131.62	7,109	(113,387.84)	(15.95)	(22.69)
40,001 to 55,000	5,951,298.47	5,572,160.41	9,395	(379,138.06)	(40.36)	(24.06)
55,001 to 75,000	9,484,889.29	8,790,498.18	11,030	(694,391.11)	(62.95)	(12.27)
75,001 to 110,000	18,522,252.75	16,980,232.91	14,830	(1,542,019.84)	(103.98)	(16.60)
110,001 to 175,000	26,343,727.43	22,165,890.90	12,017	(4,177,836.53)	(347.66)	(204.95)
175,001 to 250,000	15,332,652.25	12,349,571.72	4,492	(2,983,080.53)	(664.09)	(416.35)
250,001 to 500,000	17,606,989.44	15,252,849.67	3,994	(2,354,139.77)	(589.42)	(110.37)
500,001 to 1,000,000	10,990,060.77	10,919,119.83	1,991	(70,940.94)	(35.63)	(28.18)
1,000,001 to 5,000,000	13,175,499.32	15,196,796.16	1,920	2,021,296.84	1,052.76	(3.66)
5,000,001 to 10,000,000	3,916,516.89	4,686,588.36	309	770,071.47	2,492.14	-
10,000,001 and up	9,049,388.56	11,538,018.87	447	2,488,630.31	5,567.41	-
Totals	**$ 136,257,110.93**	**$ 128,231,566.09**	**96,280**	**$ (8,025,544.84)**	**$ (83.36)**	**$ (24.66)**
				-5.9%		

PERSONAL INCOME TAX IMPACT SUMMARY
Tax Year 2007 Data, Fully Implemented Flat Tax at 5.5 Percent

Scenario: ***Rhode Island's Modified Personal Income Tax System***

Standard Deduction	Amount
Married Filing Joint	$ 15,000
Single	7,500
Married Filing Separate	7,500
Head of Household	11,250
Widow	15,000

Exemption	Amount
Personal & Dependent	$ 2,500

Tax Rates and Taxable Income Brackets

Start	End	Rate	Increment
$ -	$ 54,999.99	3.50%	-
55,000.00	109,999.99	4.00%	0.50%
110,000.00	174,999.99	4.50%	0.50%
175,000.00	999,999,999.99	5.50%	1.00%

State Earned Income Tax Percentage of Federal	15.0%
Alternative Flat Tax Rate	5.5%

All Filers

AGI Range	Tax Under Current System	Tax Under New System	Filer Count	Difference	Average Tax Change
0 and Under	$ (4,570,572.64)	$ (4,844,166.29)	23,145	$ (273,593.65)	$ (11.82)
1 to 12,500	(4,540,770.88)	(11,388,112.35)	112,915	(6,847,341.47)	(60.64)
12,501 to 20,000	3,608,394.47	(3,426,576.87)	62,189	(7,034,971.34)	(113.12)
20,001 to 30,000	18,956,467.95	15,580,427.46	69,411	(3,376,040.49)	(48.64)
30,001 to 40,000	33,759,629.34	33,171,408.19	56,201	(588,221.15)	(10.47)
40,001 to 55,000	59,863,616.75	57,594,159.87	63,269	(2,269,456.88)	(35.87)
55,001 to 75,000	89,888,851.24	84,329,042.88	63,767	(5,559,808.36)	(87.19)
75,001 to 110,000	151,119,129.75	138,061,767.91	69,935	(13,057,361.84)	(186.71)
110,001 to 175,000	176,763,845.43	148,435,176.90	46,038	(28,328,668.53)	(615.33)
175,001 to 250,000	88,695,586.64	73,034,490.77	13,854	(15,661,095.87)	(1,130.44)
250,001 to 500,000	102,713,767.30	92,654,607.50	10,121	(10,059,159.80)	(993.89)
500,001 to 1,000,000	55,819,681.59	59,989,566.80	3,705	4,169,885.21	1,125.48
1,000,001 to 5,000,000	66,581,346.12	84,907,395.35	2,758	18,326,049.23	6,644.69
5,000,001 to 10,000,000	17,633,568.53	23,289,036.45	371	5,655,467.92	15,243.85
10,000,001 and up	35,029,248.99	59,653,404.28	489	24,624,155.29	50,356.15
Totals	**$ 891,321,790.58**	**$ 851,041,628.85**	**598,168**	**$ (40,280,161.73)**	**$ (67.34)**
				-4.5%	

PERSONAL INCOME TAX EFFECTIVE TAX RATE SUMMARY
Tax Year 2007 Data, Fully Implemented Flat Tax at 5.5 Percent

Resident Filers				Non-Resident Filers				All Filers			
AGI Range	Number of Filers	Effective Tax Rate Under Current System	Effective Tax Rate Under New System	AGI Range	Number of Filers	Effective Tax Rate Under Current System	Effective Tax Rate Under New System	AGI Range	Number of Filers	Effective Tax Rate Under Current System	Effective Tax Rate Under New System
0 and Under	22,216	2.81%	2.97%	0 and Under	929	0.00%	0.00%	0 and Under	23,145	0.81%	0.86%
1 to 12,500	100,258	-0.75%	-1.77%	1 to 12,500	12,657	0.43%	-0.30%	1 to 12,500	112,915	-0.67%	-1.67%
12,501 to 20,000	55,167	0.32%	-0.43%	12,501 to 20,000	7,022	1.26%	0.64%	12,501 to 20,000	62,189	0.38%	-0.36%
20,001 to 30,000	61,273	1.12%	0.91%	20,001 to 30,000	8,138	1.71%	1.49%	20,001 to 30,000	69,411	1.16%	0.95%
30,001 to 40,000	49,092	1.81%	1.78%	30,001 to 40,000	7,109	2.16%	2.08%	30,001 to 40,000	56,201	1.83%	1.80%
40,001 to 55,000	53,874	2.13%	2.05%	40,001 to 55,000	9,395	2.51%	2.35%	40,001 to 55,000	63,269	2.16%	2.08%
55,001 to 75,000	52,737	2.37%	2.22%	55,001 to 75,000	11,030	2.72%	2.52%	55,001 to 75,000	63,767	2.40%	2.25%
75,001 to 110,000	55,105	2.66%	2.43%	75,001 to 110,000	14,830	3.03%	2.78%	75,001 to 110,000	69,935	2.70%	2.47%
110,001 to 175,000	34,021	3.29%	2.76%	110,001 to 175,000	12,017	3.75%	3.16%	110,001 to 175,000	46,038	3.35%	2.81%
175,001 to 250,000	9,362	3.83%	3.17%	175,001 to 250,000	4,492	4.31%	3.47%	175,001 to 250,000	13,854	3.91%	3.22%
250,001 to 500,000	6,127	4.15%	3.78%	250,001 to 500,000	3,994	5.02%	4.35%	250,001 to 500,000	10,121	4.28%	3.86%
500,001 to 1,000,000	1,714	3.88%	4.25%	500,001 to 1,000,000	1,991	4.97%	4.94%	500,001 to 1,000,000	3,705	4.06%	4.36%
1,000,001 to 5,000,000	838	3.43%	4.47%	1,000,001 to 5,000,000	1,920	4.63%	5.34%	1,000,001 to 5,000,000	2,758	3.61%	4.61%
5,000,001 to 10,000,000	62	3.27%	4.44%	5,000,001 to 10,000,000	309	4.59%	5.49%	5,000,001 to 10,000,000	371	3.50%	4.62%
10,000,001 and up	42	2.82%	5.21%	10,000,001 and up	447	4.33%	5.53%	10,000,001 and up	489	3.10%	5.27%
Total	**501,888**	**2.69%**	**2.57%**	**Total**	**96,280**	**4.05%**	**3.82%**	**Total**	**598,168**	**2.83%**	**2.70%**

PERSONAL INCOME TAX INCIDENCE ANALYSIS
Returns with a Tax Decrease or a Tax Increase

Scenario: *Rhode Island's Modified Personal Income Tax System*

Resident Filers Only

	Returns with a Tax Decrease				Returns with a Tax Increase				Total Tax Change		
AGI Range	Number of Returns	Tax Decrease Amount	Average Tax Decrease	Median Tax Decrease	Number of Returns	Tax Increase Amount	Average Tax Increase	Median Tax Increase	Number of Returns	Total Tax Change Amount	Average Tax Change
$0 and Under	1,154	$ (262,387.36)	$ (227.37)	$ (300.00)	1	$ 139.07	$ 139.07	$ 139.07	1,155	$ (262,248.30)	$ (227.05)
$1 to $12,500	54,568	(6,555,009.64)	(120.13)	(51.41)	1,938	52,211.73	26.94	14.16	56,506	(6,502,797.91)	(115.08)
$12,501 to $20,000	45,575	(7,189,840.05)	(157.76)	(67.76)	4,468	532,581.21	119.20	104.13	50,043	(6,657,258.84)	(133.03)
$20,001 to $30,000	46,424	(4,836,195.20)	(104.17)	(84.77)	12,601	1,717,162.13	136.27	87.10	59,025	(3,119,033.07)	(52.84)
$30,001 to $40,000	33,022	(3,269,437.39)	(99.01)	(104.60)	13,796	2,794,604.09	202.57	143.28	46,818	(474,833.30)	(10.14)
$40,001 to $55,000	33,419	(6,740,866.05)	(201.71)	(164.85)	18,059	4,850,547.23	268.59	197.99	51,478	(1,890,318.82)	(36.72)
$55,001 to $75,000	31,815	(11,115,207.35)	(349.37)	(234.46)	19,441	6,249,790.10	321.47	219.98	51,256	(4,865,417.25)	(94.92)
$75,001 to $110,000	35,078	(19,615,187.17)	(559.19)	(469.19)	19,149	8,099,844.76	422.99	286.93	54,227	(11,515,342.41)	(212.35)
$110,001 to $175,000	28,340	(28,626,229.34)	(1,010.10)	(925.75)	5,281	4,475,397.97	847.45	454.33	33,621	(24,150,831.37)	(718.33)
$175,001 to $250,000	8,114	(15,571,310.84)	(1,919.07)	(1,959.42)	1,174	2,893,295.50	2,464.48	1,681.00	9,288	(12,678,015.34)	(1,364.99)
$250,001 to $500,000	5,036	(15,044,650.86)	(2,987.42)	(3,457.66)	1,058	7,339,630.84	6,937.27	5,493.54	6,094	(7,705,020.02)	(1,264.36)
$500,001 to $1,000,000	1,242	(4,067,818.05)	(3,275.22)	(3,675.00)	464	8,308,644.19	17,906.56	16,360.98	1,706	4,240,826.14	2,485.83
$1,000,001 to $5,000,000	504	(1,713,633.48)	(3,400.07)	(3,675.00)	332	18,018,385.87	54,272.25	46,127.48	836	16,304,752.39	19,503.29
$5,000,001 to $10,000,000	36	(118,865.67)	(3,301.82)	(3,675.00)	26	5,004,262.12	192,471.62	188,537.97	62	4,885,396.45	78,796.72
$10,000,001 and up	13	(44,512.36)	(3,424.03)	(3,675.00)	29	22,180,037.34	764,828.87	472,821.04	42	22,135,524.98	527,036.31
Totals	**324,340**	**$ (124,771,150.81)**	**$ (384.69)**	**$ (121.56)**	**97,817**	**$ 92,516,534.15**	**$ 945.81**	**$ 187.60**	**422,157**	**$ (32,254,616.67)**	**$ (76.40)**

PERSONAL INCOME TAX ITEMIZERS IMPACT SUMMARY
Tax Year 2007 Data, Fully Implemented Flat Tax at 5.5 Percent

Scenario: ***Rhode Island's Modified Personal Income Tax System***

Standard Deduction	Amount
Married Filing Joint	$ 15,000
Single	7,500
Married Filing Separate	7,500
Head of Household	11,250
Widow	15,000

Exemption	Amount
Personal & Dependent	$ 2,500

Tax Rates and Taxable Income Brackets			
Start	End	Rate	Increment
$ -	$ 54,999.99	3.50%	-
55,000.00	109,999.99	4.00%	0.50%
110,000.00	174,999.99	4.50%	0.50%
175,000.00	999,999,999.99	5.50%	1.00%

State Earned Income Tax Percentage of Federal	15.0%
Alternative Flat Tax Rate	5.5%

Resident Filers With Itemized Deductions

AGI Range	Tax Under Current System	Tax Under New System	Filer Count	Difference	Average Tax Change	Median Tax Change
0 and Under	$ (197,958.87)	$ (352,252.56)	2,378	$ (154,293.69)	$ (64.88)	$ -
1 to 12,500	(2,139,484.50)	(2,441,127.83)	16,684	(301,643.33)	(18.08)	-
12,501 to 20,000	135,688.06	62,720.50	14,037	(72,967.56)	(5.20)	-
20,001 to 30,000	3,337,654.20	4,023,355.20	17,298	685,701.00	39.64	(2.01)
30,001 to 40,000	9,429,969.93	11,464,911.12	18,489	2,034,941.19	110.06	45.77
40,001 to 55,000	26,045,058.80	29,141,098.51	29,381	3,096,039.71	105.38	40.12
55,001 to 75,000	55,406,095.98	56,243,853.86	38,523	837,757.88	21.75	-
75,001 to 110,000	114,808,216.33	108,047,952.06	48,608	(6,760,264.27)	(139.08)	(97.63)
110,001 to 175,000	145,806,100.69	123,040,870.09	33,040	(22,765,230.60)	(689.02)	(719.39)
175,001 to 250,000	72,732,560.05	60,087,915.09	9,274	(12,644,644.96)	(1,363.45)	(1,721.28)
250,001 to 500,000	84,713,374.55	76,914,123.34	6,087	(7,799,251.21)	(1,281.30)	(3,125.00)
500,001 to 1,000,000	44,554,093.78	48,568,559.89	1,697	4,014,466.11	2,365.63	(3,125.00)
1,000,001 to 5,000,000	53,183,865.02	69,400,092.82	831	16,216,227.80	19,514.11	(3,109.80)
5,000,001 to 10,000,000	13,717,051.64	18,602,448.09	62	4,885,396.45	78,796.72	(1,938.75)
10,000,001 and up	25,979,860.43	48,115,385.41	42	22,135,524.98	527,036.31	141,774.02
Totals	**$ 647,512,146.09**	**$ 650,919,905.59**	**236,431**	**$ 3,407,759.50**	**$ 14.41**	**$ (13.22)**
				0.5%		

PERSONAL INCOME TAX ITEMIZERS IMPACT SUMMARY
Tax Year 2007 Data, Fully Implemented Flat Tax at 5.5 Percent

Scenario: ***Rhode Island's Modified Personal Income Tax System***

Standard Deduction	Amount
Married Filing Joint	$ 15,000
Single	7,500
Married Filing Separate	7,500
Head of Household	11,250
Widow	15,000

Exemption	Amount
Personal & Dependent	$ 2,500

Tax Rates and Taxable Income Brackets			
Start	End	Rate	Increment
$ -	$ 54,999.99	3.50%	-
55,000.00	109,999.99	4.00%	0.50%
110,000.00	174,999.99	4.50%	0.50%
175,000.00	999,999,999.99	5.50%	1.00%

State Earned Income Tax Percentage of Federal	15.0%
Alternative Flat Tax Rate	5.5%

Non-Resident Filers With Itemized Deductions

AGI Range	Tax Under Current System	Tax Under New System	Filer Count	Difference	Average Tax Change	Median Tax Change
0 and Under	$ 15,738.20	$ 3,017.05	502	$ (12,721.15)	$ (25.34)	$ -
1 to 12,500	(2,266.99)	(14,911.86)	629	(12,644.87)	(20.10)	-
12,501 to 20,000	27,773.91	28,743.46	805	969.55	1.20	-
20,001 to 30,000	185,663.92	246,116.20	1,506	60,452.28	40.14	1.34
30,001 to 40,000	557,166.57	718,767.49	2,063	161,600.92	78.33	15.42
40,001 to 55,000	2,119,446.74	2,464,594.40	4,280	345,147.66	80.64	13.32
55,001 to 75,000	5,575,080.79	5,822,562.72	7,253	247,481.93	34.12	3.78
75,001 to 110,000	15,412,051.17	14,728,397.49	12,573	(683,653.68)	(54.37)	(1.75)
110,001 to 175,000	25,175,164.96	21,347,994.43	11,443	(3,827,170.53)	(334.46)	(195.66)
175,001 to 250,000	15,145,026.35	12,196,556.36	4,412	(2,948,469.99)	(668.28)	(422.98)
250,001 to 500,000	17,464,580.93	15,076,948.67	3,938	(2,387,632.26)	(606.31)	(114.77)
500,001 to 1,000,000	10,930,900.17	10,841,445.29	1,977	(89,454.88)	(45.25)	(28.27)
1,000,001 to 5,000,000	13,150,237.96	15,149,109.43	1,909	1,998,871.47	1,047.08	(3.68)
5,000,001 to 10,000,000	3,916,269.78	4,686,343.33	308	770,073.55	2,500.24	-
10,000,001 and up	8,980,018.87	11,468,765.08	444	2,488,746.21	5,605.28	-
Totals	**$ 118,652,853.33**	**$ 114,764,449.54**	**54,042**	**$ (3,888,403.79)**	**$ (71.95)**	**$ (9.09)**
				-3.3%		

PERSONAL INCOME TAX ITEMIZERS IMPACT SUMMARY
Tax Year 2007 Data, Fully Implemented Flat Tax at 5.5 Percent

Scenario: ***Rhode Island's Modified Personal Income Tax System***

Standard Deduction	Amount
Married Filing Joint	$ 15,000
Single	7,500
Married Filing Separate	7,500
Head of Household	11,250
Widow	15,000

Exemption	Amount
Personal & Dependent	$ 2,500

Tax Rates and Taxable Income Brackets			
Start	End	Rate	Increment
$ -	$ 54,999.99	3.50%	-
55,000.00	109,999.99	4.00%	0.50%
110,000.00	174,999.99	4.50%	0.50%
175,000.00	999,999,999.99	5.50%	1.00%

State Earned Income Tax Percentage of Federal	15.0%
Alternative Flat Tax Rate	5.5%

All Filers With Itemized Deductions

AGI Range	Tax Under Current System	Tax Under New System	Filer Count	Difference	Average Tax Change
0 and Under	$ (182,220.67)	$ (349,235.51)	2,880	$ (167,014.84)	$ (57.99)
1 to 12,500	(2,141,751.49)	(2,456,039.69)	17,313	(314,288.20)	(18.15)
12,501 to 20,000	163,461.97	91,463.96	14,842	(71,998.01)	(4.85)
20,001 to 30,000	3,523,318.12	4,269,471.40	18,804	746,153.28	39.68
30,001 to 40,000	9,987,136.50	12,183,678.61	20,552	2,196,542.11	106.88
40,001 to 55,000	28,164,505.54	31,605,692.91	33,661	3,441,187.37	102.23
55,001 to 75,000	60,981,176.77	62,066,416.58	45,776	1,085,239.81	23.71
75,001 to 110,000	130,220,267.50	122,776,349.55	61,181	(7,443,917.95)	(121.67)
110,001 to 175,000	170,981,265.65	144,388,864.52	44,483	(26,592,401.13)	(597.81)
175,001 to 250,000	87,877,586.40	72,284,471.45	13,686	(15,593,114.95)	(1,139.35)
250,001 to 500,000	102,177,955.48	91,991,072.01	10,025	(10,186,883.47)	(1,016.15)
500,001 to 1,000,000	55,484,993.95	59,410,005.18	3,674	3,925,011.23	1,068.32
1,000,001 to 5,000,000	66,334,102.98	84,549,202.25	2,740	18,215,099.27	6,647.85
5,000,001 to 10,000,000	17,633,321.42	23,288,791.42	370	5,655,470.00	15,285.05
10,000,001 and up	34,959,879.30	59,584,150.49	486	24,624,271.19	50,667.22
Totals	**$ 766,164,999.42**	**$ 765,684,355.13**	**290,473**	**$ (480,644.29)**	**$ (1.65)**
				-0.1%	

PERSONAL INCOME TAX ITEMIZERS EFFECTIVE TAX RATE SUMMARY
Tax Year 2007 Data, Fully Implemented Flat Tax at 5.5 Percent

Resident Filers				Non-Resident Filers				All Filers			
AGI Range	Number of Filers	Effective Tax Rate Under Current System	Effective Tax Rate Under New System	AGI Range	Number of Filers	Effective Tax Rate Under Current System	Effective Tax Rate Under New System	AGI Range	Number of Filers	Effective Tax Rate Under Current System	Effective Tax Rate Under New System
0 and Under	2,378	0.14%	0.25%	0 and Under	502	0.00%	0.00%	0 and Under	2,880	0.03%	0.06%
1 to 12,500	16,684	-1.85%	-2.11%	1 to 12,500	629	-0.09%	-0.60%	1 to 12,500	17,313	-1.81%	-2.08%
12,501 to 20,000	14,037	0.06%	0.03%	12,501 to 20,000	805	0.39%	0.41%	12,501 to 20,000	14,842	0.07%	0.04%
20,001 to 30,000	17,298	0.77%	0.93%	20,001 to 30,000	1,506	0.88%	1.17%	20,001 to 30,000	18,804	0.78%	0.94%
30,001 to 40,000	18,489	1.46%	1.77%	30,001 to 40,000	2,063	1.51%	1.94%	30,001 to 40,000	20,552	1.46%	1.78%
40,001 to 55,000	29,381	1.86%	2.09%	40,001 to 55,000	4,280	1.97%	2.30%	40,001 to 55,000	33,661	1.87%	2.10%
55,001 to 75,000	38,523	2.22%	2.25%	55,001 to 75,000	7,253	2.40%	2.51%	55,001 to 75,000	45,776	2.23%	2.27%
75,001 to 110,000	48,608	2.60%	2.44%	75,001 to 110,000	12,573	2.91%	2.78%	75,001 to 110,000	61,181	2.63%	2.48%
110,001 to 175,000	33,040	3.28%	2.76%	110,001 to 175,000	11,443	3.73%	3.16%	110,001 to 175,000	44,483	3.33%	2.82%
175,001 to 250,000	9,274	3.84%	3.17%	175,001 to 250,000	4,412	4.31%	3.47%	175,001 to 250,000	13,686	3.91%	3.22%
250,001 to 500,000	6,087	4.16%	3.78%	250,001 to 500,000	3,938	5.03%	4.35%	250,001 to 500,000	10,025	4.29%	3.86%
500,001 to 1,000,000	1,697	3.90%	4.25%	500,001 to 1,000,000	1,977	4.98%	4.94%	500,001 to 1,000,000	3,674	4.07%	4.36%
1,000,001 to 5,000,000	831	3.44%	4.49%	1,000,001 to 5,000,000	1,909	4.64%	5.34%	1,000,001 to 5,000,000	2,740	3.62%	4.62%
5,000,001 to 10,000,000	62	3.27%	4.44%	5,000,001 to 10,000,000	308	4.59%	5.49%	5,000,001 to 10,000,000	370	3.50%	4.62%
10,000,001 and up	42	2.82%	5.21%	10,000,001 and up	444	4.33%	5.53%	10,000,001 and up	486	3.09%	5.27%
Total	**236,431**	**2.94%**	**2.96%**	**Total**	**54,042**	**4.39%**	**4.24%**	**Total**	**290,473**	**3.10%**	**3.10%**

PERSONAL INCOME TAX ITEMIZERS INCIDENCE ANALYSIS
Returns with a Tax Decrease or a Tax Increase

Scenario: *Rhode Island's Modified Personal Income Tax System*

Resident Filers Only With Itemized Deductions

	Returns with a Tax Decrease				Returns with a Tax Increase				Total Tax Change		
AGI Range	Number of Returns	Tax Decrease Amount	Average Tax Decrease	Median Tax Decrease	Number of Returns	Tax Increase Amount	Average Tax Increase	Median Tax Increase	Number of Returns	Total Tax Change Amount	Average Tax Change
$0 and Under	607	$ (154,432.75)	$ (254.42)	$ (300.00)	1	$ 139.07	$ 139.07	$ 139.07	608	$ (154,293.68)	$ (253.77)
$1 to $12,500	3,423	(351,915.90)	(102.81)	(23.20)	1,838	50,272.57	27.35	14.60	5,261	(301,643.33)	(57.34)
$12,501 to $20,000	6,959	(583,138.65)	(83.80)	(16.79)	4,035	510,171.08	126.44	111.50	10,994	(72,967.57)	(6.64)
$20,001 to $30,000	8,767	(733,839.69)	(83.70)	(61.36)	8,063	1,419,540.69	176.06	133.36	16,830	685,701.00	40.74
$30,001 to $40,000	6,857	(524,685.92)	(76.52)	(65.38)	11,133	2,559,627.11	229.91	178.99	17,990	2,034,941.19	113.12
$40,001 to $55,000	11,276	(1,669,030.27)	(148.02)	(129.91)	17,307	4,765,069.99	275.33	205.93	28,583	3,096,039.72	108.32
$55,001 to $75,000	18,558	(5,354,473.02)	(288.53)	(192.00)	19,149	6,192,230.90	323.37	222.56	37,707	837,757.88	22.22
$75,001 to $110,000	28,840	(14,799,006.87)	(513.14)	(420.34)	19,052	8,038,742.60	421.94	286.90	47,892	(6,760,264.27)	(141.16)
$110,001 to $175,000	27,420	(27,175,443.62)	(991.08)	(906.95)	5,236	4,410,213.03	842.29	449.88	32,656	(22,765,230.59)	(697.12)
$175,001 to $250,000	8,053	(15,425,629.06)	(1,915.51)	(1,957.33)	1,148	2,780,984.10	2,422.46	1,613.69	9,201	(12,644,644.96)	(1,374.27)
$250,001 to $500,000	5,015	(14,993,123.68)	(2,989.66)	(3,462.73)	1,039	7,193,872.48	6,923.84	5,487.31	6,054	(7,799,251.20)	(1,288.28)
$500,001 to $1,000,000	1,237	(4,053,622.33)	(3,276.98)	(3,675.00)	453	8,068,088.44	17,810.35	16,278.39	1,690	4,014,466.11	2,375.42
$1,000,001 to $5,000,000	501	(1,708,320.67)	(3,409.82)	(3,675.00)	328	17,924,548.48	54,648.01	46,278.01	829	16,216,227.81	19,561.19
$5,000,001 to $10,000,000	36	(118,865.67)	(3,301.82)	(3,675.00)	26	5,004,262.12	192,471.62	188,537.97	62	4,885,396.45	78,796.72
$10,000,001 and up	13	(44,512.36)	(3,424.03)	(3,675.00)	29	22,180,037.34	764,828.87	472,821.04	42	22,135,524.98	527,036.31
Totals	**127,562**	**$ (87,690,040.46)**	**$ (687.43)**	**$ (308.80)**	**88,837**	**$ 91,097,800.00**	**$ 1,025.45**	**$ 212.23**	**216,399**	**$ 3,407,759.54**	**$ 15.75**

PERSONAL INCOME TAX NON-ITEMIZERS IMPACT SUMMARY
Tax Year 2007 Data, Fully Implemented Flat Tax at 5.5 Percent

Scenario: ***Rhode Island's Modified Personal Income Tax System***

Standard Deduction	Amount
Married Filing Joint	$ 15,000
Single	7,500
Married Filing Separate	7,500
Head of Household	11,250
Widow	15,000

Exemption	Amount
Personal & Dependent	$ 2,500

Tax Rates and Taxable Income Brackets			
Start	End	Rate	Increment
$ -	$ 54,999.99	3.50%	-
55,000.00	109,999.99	4.00%	0.50%
110,000.00	174,999.99	4.50%	0.50%
175,000.00	999,999,999.99	5.50%	1.00%

State Earned Income Tax Percentage of Federal	15.0%
Alternative Flat Tax Rate	5.5%

Resident Filers With No Itemized Deductions

AGI Range	Tax Under Current System	Tax Under New System	Filer Count	Difference	Average Tax Change	Median Tax Change
0 and Under	$ (4,387,424.31)	$ (4,495,378.92)	19,838	$ (107,954.61)	$ (5.44)	$ -
1 to 12,500	(2,605,532.22)	(8,806,686.80)	83,574	(6,201,154.58)	(74.20)	(28.02)
12,501 to 20,000	2,700,977.08	(3,883,314.19)	41,130	(6,584,291.27)	(160.08)	(68.45)
20,001 to 30,000	13,674,283.15	9,869,549.09	43,975	(3,804,734.06)	(86.52)	(82.21)
30,001 to 40,000	21,381,139.95	18,871,365.46	30,603	(2,509,774.49)	(82.01)	(103.38)
40,001 to 55,000	27,867,259.49	22,880,900.95	24,493	(4,986,358.54)	(203.58)	(178.35)
55,001 to 75,000	24,997,865.96	19,294,690.83	14,214	(5,703,175.13)	(401.24)	(260.95)
75,001 to 110,000	17,788,661.10	13,033,582.96	6,497	(4,755,078.14)	(731.89)	(666.00)
110,001 to 175,000	4,614,017.00	3,228,416.23	981	(1,385,600.77)	(1,412.44)	(1,583.84)
175,001 to 250,000	630,374.35	597,003.96	88	(33,370.39)	(379.21)	(1,217.04)
250,001 to 500,000	393,403.31	487,634.48	40	94,231.17	2,355.78	(297.00)
500,001 to 1,000,000	275,527.05	501,887.07	17	226,360.02	13,315.30	14,529.02
1,000,001 to 5,000,000	221,981.78	310,506.36	7	88,524.58	12,646.37	2,470.50
5,000,001 to 10,000,000	-	-	-	-	n/a	-
10,000,001 and up	-	-	-	-	n/a	-
Totals	**$ 107,552,533.69**	**$ 71,890,157.48**	**265,457**	**$ (35,662,376.21)**	**$ (134.34)**	**$ (72.00)**
				-33.2%		

PERSONAL INCOME TAX NON-ITEMIZERS IMPACT SUMMARY
Tax Year 2007 Data, Fully Implemented Flat Tax at 5.5 Percent

Scenario: ***Rhode Island's Modified Personal Income Tax System***

Standard Deduction	Amount
Married Filing Joint	$ 15,000
Single	7,500
Married Filing Separate	7,500
Head of Household	11,250
Widow	15,000

Exemption	Amount
Personal & Dependent	$ 2,500

Tax Rates and Taxable Income Brackets			
Start	**End**	**Rate**	**Increment**
$ -	$ 54,999.99	3.50%	-
55,000.00	109,999.99	4.00%	0.50%
110,000.00	174,999.99	4.50%	0.50%
175,000.00	999,999,999.99	5.50%	1.00%

State Earned Income Tax Percentage of Federal	15.0%
Alternative Flat Tax Rate	5.5%

Non-Resident Filers With No Itemized Deductions

AGI Range	Tax Under Current System	Tax Under New System	Filer Count	Difference	Average Tax Change	Median Tax Change
0 and Under	$ (927.66)	$ 448.14	427	$ 1,375.80	$ 3.22	$ -
1 to 12,500	206,512.82	(125,385.85)	12,028	(331,898.67)	(27.59)	(3.91)
12,501 to 20,000	743,955.42	365,273.36	6,217	(378,682.06)	(60.91)	(37.94)
20,001 to 30,000	1,758,866.68	1,441,406.97	6,632	(317,459.71)	(47.87)	(41.29)
30,001 to 40,000	2,391,352.89	2,116,364.14	5,046	(274,988.75)	(54.50)	(52.44)
40,001 to 55,000	3,831,851.73	3,107,566.01	5,115	(724,285.72)	(141.60)	(104.32)
55,001 to 75,000	3,909,808.50	2,967,935.45	3,777	(941,873.05)	(249.37)	(133.56)
75,001 to 110,000	3,110,201.58	2,251,835.42	2,257	(858,366.16)	(380.31)	(268.83)
110,001 to 175,000	1,168,562.47	817,896.47	574	(350,666.00)	(610.92)	(519.04)
175,001 to 250,000	187,625.91	153,015.37	80	(34,610.54)	(432.63)	(147.71)
250,001 to 500,000	142,408.51	175,901.00	56	33,492.49	598.08	(17.54)
500,001 to 1,000,000	59,160.61	77,674.55	14	18,513.94	1,322.42	-
1,000,001 to 5,000,000	25,261.36	47,686.72	11	22,425.36	2,038.67	-
5,000,001 to 10,000,000	247.12	245.03	1	(2.09)	(2.09)	(2.08)
10,000,001 and up	69,369.69	69,253.79	3	(115.90)	(38.63)	(28.97)
Totals	**$ 17,604,257.63**	**$ 13,467,116.57**	**42,238**	**$ (4,137,141.06)**	**$ (97.95)**	**$ (36.02)**
				-23.5%		

PERSONAL INCOME TAX NON-ITEMIZERS IMPACT SUMMARY
Tax Year 2007 Data, Fully Implemented Flat Tax at 5.5 Percent

Scenario: ***Rhode Island's Modified Personal Income Tax System***

Standard Deduction	Amount
Married Filing Joint	$ 15,000
Single	7,500
Married Filing Separate	7,500
Head of Household	11,250
Widow	15,000

Exemption	Amount
Personal & Dependent	$ 2,500

Tax Rates and Taxable Income Brackets			
Start	End	Rate	Increment
$ -	$ 54,999.99	3.50%	-
55,000.00	109,999.99	4.00%	0.50%
110,000.00	174,999.99	4.50%	0.50%
175,000.00	999,999,999.99	5.50%	1.00%

State Earned Income Tax Percentage of Federal	15.0%
Alternative Flat Tax Rate	5.5%

All Filers With No Itemized Deductions

AGI Range	Tax Under Current System	Tax Under New System	Filer Count	Difference	Average Tax Change
0 and Under	$ (4,388,351.97)	$ (4,494,930.78)	20,265	$ (106,578.81)	$ (5.26)
1 to 12,500	(2,399,019.40)	(8,932,072.65)	95,602	(6,533,053.25)	(68.34)
12,501 to 20,000	3,444,932.50	(3,518,040.83)	47,347	(6,962,973.33)	(147.06)
20,001 to 30,000	15,433,149.83	11,310,956.06	50,607	(4,122,193.77)	(81.46)
30,001 to 40,000	23,772,492.84	20,987,729.60	35,649	(2,784,763.24)	(78.12)
40,001 to 55,000	31,699,111.22	25,988,466.96	29,608	(5,710,644.26)	(192.88)
55,001 to 75,000	28,907,674.46	22,262,626.28	17,991	(6,645,048.18)	(369.35)
75,001 to 110,000	20,898,862.68	15,285,418.38	8,754	(5,613,444.30)	(641.24)
110,001 to 175,000	5,782,579.47	4,046,312.70	1,555	(1,736,266.77)	(1,116.57)
175,001 to 250,000	818,000.26	750,019.33	168	(67,980.93)	(404.65)
250,001 to 500,000	535,811.82	663,535.48	96	127,723.66	1,330.45
500,001 to 1,000,000	334,687.66	579,561.62	31	244,873.96	7,899.16
1,000,001 to 5,000,000	247,243.14	358,193.08	18	110,949.94	6,163.89
5,000,001 to 10,000,000	247.12	245.03	1	(2.09)	(2.09)
10,000,001 and up	69,369.69	69,253.79	3	(115.90)	(38.63)
Totals	**$ 125,156,791.32**	**$ 85,357,274.05**	**307,695**	**$ (39,799,517.27)**	**$ (129.35)**
				-31.8%	

PERSONAL INCOME TAX NON-ITEMIZERS EFFECTIVE TAX RATE SUMMARY
Tax Year 2007 Data, Fully Implemented Flat Tax at 5.5 Percent

Resident Filers				Non-Resident Filers				All Filers			
AGI Range	Number of Filers	Effective Tax Rate Under Current System	Effective Tax Rate Under New System	AGI Range	Number of Filers	Effective Tax Rate Under Current System	Effective Tax Rate Under New System	AGI Range	Number of Filers	Effective Tax Rate Under Current System	Effective Tax Rate Under New System
0 and Under	19,838	n/a	n/a	0 and Under	427	n/a	n/a	0 and Under	20,265	21.71%	22.23%
1 to 12,500	83,574	-0.50%	-1.69%	1 to 12,500	12,028	0.46%	-0.28%	1 to 12,500	95,602	-0.42%	-1.58%
12,501 to 20,000	41,130	0.41%	-0.59%	12,501 to 20,000	6,217	1.37%	0.67%	12,501 to 20,000	47,347	0.48%	-0.49%
20,001 to 30,000	43,975	1.25%	0.90%	20,001 to 30,000	6,632	1.90%	1.56%	20,001 to 30,000	50,607	1.30%	0.96%
30,001 to 40,000	30,603	2.02%	1.78%	30,001 to 40,000	5,046	2.40%	2.12%	30,001 to 40,000	35,649	2.05%	1.81%
40,001 to 55,000	24,493	2.45%	2.01%	40,001 to 55,000	5,115	2.95%	2.40%	40,001 to 55,000	29,608	2.50%	2.05%
55,001 to 75,000	14,214	2.77%	2.14%	55,001 to 75,000	3,777	3.36%	2.55%	55,001 to 75,000	17,991	2.84%	2.19%
75,001 to 110,000	6,497	3.15%	2.31%	75,001 to 110,000	2,257	3.81%	2.76%	75,001 to 110,000	8,754	3.23%	2.37%
110,001 to 175,000	981	3.69%	2.58%	110,001 to 175,000	574	4.42%	3.10%	110,001 to 175,000	1,555	3.82%	2.67%
175,001 to 250,000	88	3.50%	3.32%	175,001 to 250,000	80	4.39%	3.58%	175,001 to 250,000	168	3.68%	3.37%
250,001 to 500,000	40	3.14%	3.89%	250,001 to 500,000	56	3.73%	4.61%	250,001 to 500,000	96	3.28%	4.06%
500,001 to 1,000,000	17	2.34%	4.26%	500,001 to 1,000,000	14	3.82%	5.02%	500,001 to 1,000,000	31	2.51%	4.35%
1,000,001 to 5,000,000	7	2.00%	2.80%	1,000,001 to 5,000,000	11	2.83%	5.35%	1,000,001 to 5,000,000	18	2.06%	2.99%
5,000,001 to 10,000,000	-	n/a	n/a	5,000,001 to 10,000,000	1	5.50%	5.45%	5,000,001 to 10,000,000	1	5.50%	5.45%
10,000,001 and up	-	n/a	n/a	10,000,001 and up	3	5.50%	5.49%	10,000,001 and up	3	5.50%	5.49%
Total	**265,457**	**1.76%**	**1.18%**	**Total**	**42,238**	**2.68%**	**2.05%**	**Total**	**307,695**	**1.85%**	**1.26%**

PERSONAL INCOME TAX NON-ITEMIZERS INCIDENCE ANALYSIS
Returns with a Tax Decrease or a Tax Increase

Scenario: *Rhode Island's Modified Personal Income Tax System*

Resident Filers Only With No Itemized Deductions

	Returns with a Tax Decrease				Returns with a Tax Increase				Total Tax Change		
AGI Range	Number of Returns	Tax Decrease Amount	Average Tax Decrease	Median Tax Decrease	Number of Returns	Tax Increase Amount	Average Tax Increase	Median Tax Increase	Number of Returns	Total Tax Change Amount	Average Tax Change
$0 and Under	547	$ (107,954.61)	$ (197.4)	$ (166.95)	-	$ -	n/a	$ -	547	$ (107,954.61)	$ (197.36)
$1 to $12,500	51,084	(6,197,028.02)	(121.31)	(52.37)	100	1,939.16	19.39	7.90	51,184	(6,195,088.86)	(121.04)
$12,501 to $20,000	38,613	(6,606,035.40)	(171.08)	(69.74)	433	22,410.14	51.76	23.94	39,046	(6,583,625.26)	(168.61)
$20,001 to $30,000	37,652	(4,101,360.48)	(108.93)	(85.75)	4,538	297,621.44	65.58	47.25	42,190	(3,803,739.04)	(90.16)
$30,001 to $40,000	26,162	(2,744,425.07)	(104.90)	(106.33)	2,663	234,976.97	88.24	68.38	28,825	(2,509,448.10)	(87.06)
$40,001 to $55,000	22,143	(5,071,835.78)	(229.05)	(196.43)	752	85,477.24	113.67	42.02	22,895	(4,986,358.54)	(217.79)
$55,001 to $75,000	13,257	(5,760,734.33)	(434.54)	(269.15)	292	57,559.20	197.12	80.46	13,549	(5,703,175.13)	(420.93)
$75,001 to $110,000	6,236	(4,814,690.98)	(772.08)	(691.38)	97	61,102.16	629.92	327.36	6,333	(4,753,588.82)	(750.61)
$110,001 to $175,000	920	(1,450,785.72)	(1,576.94)	(1,623.02)	45	65,184.94	1,448.55	1,393.18	965	(1,385,600.78)	(1,435.86)
$175,001 to $250,000	61	(145,681.78)	(2,388.23)	(2,763.26)	26	112,311.39	4,319.67	4,322.79	87	(33,370.39)	(383.57)
$250,001 to $500,000	21	(51,527.18)	(2,453.68)	(2,914.80)	19	145,758.36	7,671.49	6,577.61	40	94,231.18	2,355.78
$500,001 to $1,000,000	5	(14,195.72)	(2,839.14)	(3,125.00)	11	240,555.75	21,868.70	22,471.26	16	226,360.03	14,147.50
$1,000,001 to $5,000,000	3	(5,312.80)	(1,770.93)	(1,363.17)	4	93,837.39	23,459.35	19,907.75	7	88,524.59	12,646.37
$5,000,001 to $10,000,000	-	-	n/a	-	-	-	n/a	-	-	-	n/a
$10,000,001 and up	-	-	n/a	-	-	-	n/a	-	-	-	n/a
Totals	**196,704**	**$ (37,071,567.87)**	**$ (188.46)**	**$ (96.41)**	**8,980**	**$ 1,418,734.14**	**$ 157.99**	**$ 52.01**	**205,684**	**$ (35,652,833.73)**	**$ (173.34)**

PERSONAL INCOME TAX CAPITAL GAINS IMPACT SUMMARY
Tax Year 2007 Data, Fully Implemented Flat Tax at 5.5 Percent

Scenario: ***Rhode Island's Modified Personal Income Tax System***

Standard Deduction	Amount
Married Filing Joint	$ 15,000
Single	7,500
Married Filing Separate	7,500
Head of Household	11,250
Widow	15,000

Exemption	Amount
Personal & Dependent	$ 2,500

Tax Rates and Taxable Income Brackets			
Start	End	Rate	Increment
$ -	$ 54,999.99	3.50%	-
55,000.00	109,999.99	4.00%	0.50%
110,000.00	174,999.99	4.50%	0.50%
175,000.00	999,999,999.99	5.50%	1.00%

State Earned Income Tax Percentage of Federal	15.0%
Alternative Flat Tax Rate	5.5%

Resident Filers With Capital Gains Income

AGI Range	Tax Under Current System	Tax Under New System	Filer Count	Difference	Average Tax Change	Median Tax Change
0 and Under	$ 1,693.92	$ 1,832.99	1	$ 139.07	$ 139.07	$ 139.07
1 to 12,500	148,697.71	24,588.00	2,243	(124,109.71)	(55.33)	(33.04)
12,501 to 20,000	254,994.89	264,199.99	1,640	9,205.10	5.61	(1.79)
20,001 to 30,000	807,621.87	894,747.57	2,357	87,125.70	36.96	(3.95)
30,001 to 40,000	1,583,572.36	1,755,076.54	2,509	171,504.18	68.36	-
40,001 to 55,000	4,421,494.62	4,668,154.41	4,308	246,659.79	57.26	(1.43)
55,001 to 75,000	9,551,122.03	9,450,171.90	5,950	(100,950.13)	(16.97)	(40.75)
75,001 to 110,000	22,595,040.67	21,447,335.79	8,925	(1,147,704.88)	(128.59)	(156.75)
110,001 to 175,000	39,299,413.07	34,650,653.77	8,658	(4,648,759.30)	(536.93)	(686.86)
175,001 to 250,000	29,520,442.46	25,950,051.77	3,780	(3,570,390.69)	(944.55)	(1,465.51)
250,001 to 500,000	45,162,252.13	42,836,079.12	3,255	(2,326,173.01)	(714.65)	(2,717.21)
500,001 to 1,000,000	28,301,372.84	32,516,199.63	1,112	4,214,826.79	3,790.31	(2,792.28)
1,000,001 to 5,000,000	38,786,914.91	53,585,109.78	623	14,798,194.87	23,753.12	(1,254.79)
5,000,001 to 10,000,000	10,701,661.88	15,265,260.05	51	4,563,598.17	89,482.32	(1,280.55)
10,000,001 and up	24,999,317.35	47,142,467.33	40	22,143,149.98	553,578.75	200,155.56
Totals	**$ 256,135,612.71**	**$ 290,451,928.64**	**45,452**	**$ 34,316,315.93**	**$ 755.00**	**$ (97.02)**
				13.4%		

PERSONAL INCOME TAX CAPITAL GAINS IMPACT SUMMARY
Tax Year 2007 Data, Fully Implemented Flat Tax at 5.5 Percent

Scenario: ***Rhode Island's Modified Personal Income Tax System***

Standard Deduction	Amount
Married Filing Joint	$ 15,000
Single	7,500
Married Filing Separate	7,500
Head of Household	11,250
Widow	15,000

Exemption	Amount
Personal & Dependent	$ 2,500

Tax Rates and Taxable Income Brackets			
Start	End	Rate	Increment
$ -	$ 54,999.99	3.50%	-
55,000.00	109,999.99	4.00%	0.50%
110,000.00	174,999.99	4.50%	0.50%
175,000.00	999,999,999.99	5.50%	1.00%

State Earned Income Tax Percentage of Federal	15.0%
Alternative Flat Tax Rate	5.5%

Non-Resident Filers With Capital Gains Income

AGI Range	Tax Under Current System	Tax Under New System	Filer Count	Difference	Average Tax Change	Median Tax Change
0 and Under	$ 831.01	$ 960.74	1	$ 129.73	$ 129.73	$ 129.73
1 to 12,500	14,708.39	5,496.46	414	(9,211.93)	(22.25)	(13.22)
12,501 to 20,000	26,139.70	22,989.59	301	(3,150.11)	(10.47)	(4.13)
20,001 to 30,000	64,975.54	65,400.78	372	425.24	1.14	(1.93)
30,001 to 40,000	123,580.50	129,977.98	407	6,397.48	15.72	-
40,001 to 55,000	300,523.04	311,932.31	644	11,409.27	17.72	-
55,001 to 75,000	794,677.29	765,766.63	1,086	(28,910.66)	(26.62)	(0.99)
75,001 to 110,000	2,142,758.95	2,055,958.59	2,008	(86,800.36)	(43.23)	(4.77)
110,001 to 175,000	5,338,496.39	4,666,774.24	2,709	(671,722.15)	(247.96)	(114.20)
175,001 to 250,000	5,045,821.60	4,293,258.21	1,677	(752,563.39)	(448.76)	(211.12)
250,001 to 500,000	8,507,082.34	7,764,336.30	2,149	(742,746.04)	(345.62)	(55.49)
500,001 to 1,000,000	6,560,856.69	6,787,722.15	1,278	226,865.46	177.52	(14.98)
1,000,001 to 5,000,000	9,520,139.63	11,660,596.85	1,444	2,140,457.22	1,482.31	(1.84)
5,000,001 to 10,000,000	3,165,217.61	3,942,880.01	269	777,662.40	2,890.94	-
10,000,001 and up	8,262,258.07	10,700,727.36	414	2,438,469.29	5,890.02	-
Totals	**$ 49,868,066.75**	**$ 53,174,778.20**	**15,173**	**$ 3,306,711.45**	**$ 217.93**	**$ (17.35)**
				6.6%		

PERSONAL INCOME TAX CAPITAL GAINS IMPACT SUMMARY
Tax Year 2007 Data, Fully Implemented Flat Tax at 5.5 Percent

Scenario: ***Rhode Island's Modified Personal Income Tax System***

Standard Deduction	Amount
Married Filing Joint	$ 15,000
Single	7,500
Married Filing Separate	7,500
Head of Household	11,250
Widow	15,000

Exemption	Amount
Personal & Dependent	$ 2,500

Tax Rates and Taxable Income Brackets			
Start	End	Rate	Increment
$ -	$ 54,999.99	3.50%	-
55,000.00	109,999.99	4.00%	0.50%
110,000.00	174,999.99	4.50%	0.50%
175,000.00	999,999,999.99	5.50%	1.00%

State Earned Income Tax Percentage of Federal	15.0%
Alternative Flat Tax Rate	5.5%

All Filers With Capital Gains Income

AGI Range	Tax Under Current System	Tax Under New System	Filer Count	Difference	Average Tax Change
0 and Under	$ 2,524.93	$ 2,793.73	2	$ 268.80	$ 134.40
1 to 12,500	163,406.10	30,084.46	2,657	(133,321.64)	(50.18)
12,501 to 20,000	281,134.59	287,189.58	1,941	6,054.99	3.12
20,001 to 30,000	872,597.41	960,148.35	2,729	87,550.94	32.08
30,001 to 40,000	1,707,152.86	1,885,054.52	2,916	177,901.66	61.01
40,001 to 55,000	4,722,017.66	4,980,086.72	4,952	258,069.06	52.11
55,001 to 75,000	10,345,799.32	10,215,938.53	7,036	(129,860.79)	(18.46)
75,001 to 110,000	24,737,799.62	23,503,294.38	10,933	(1,234,505.24)	(112.92)
110,001 to 175,000	44,637,909.46	39,317,428.01	11,367	(5,320,481.45)	(468.06)
175,001 to 250,000	34,566,264.06	30,243,309.98	5,457	(4,322,954.08)	(792.19)
250,001 to 500,000	53,669,334.47	50,600,415.42	5,404	(3,068,919.05)	(567.90)
500,001 to 1,000,000	34,862,229.53	39,303,921.78	2,390	4,441,692.25	1,858.45
1,000,001 to 5,000,000	48,307,054.54	65,245,706.63	2,067	16,938,652.09	8,194.80
5,000,001 to 10,000,000	13,866,879.49	19,208,140.06	320	5,341,260.57	16,691.44
10,000,001 and up	33,261,575.42	57,843,194.69	454	24,581,619.27	54,144.54
Totals	**$ 306,003,679.46**	**$ 343,626,706.84**	**60,625**	**$ 37,623,027.38**	**$ 620.59**
				12.3%	

PERSONAL INCOME TAX CAPITAL GAINS EFFECTIVE TAX RATE SUMMARY
Tax Year 2007 Data, Fully Implemented Flat Tax at 5.5 Percent

Resident Filers				Non-Resident Filers				All Filers			
AGI Range	Number of Filers	Effective Tax Rate Under Current System	Effective Tax Rate Under New System	AGI Range	Number of Filers	Effective Tax Rate Under Current System	Effective Tax Rate Under New System	AGI Range	Number of Filers	Effective Tax Rate Under Current System	Effective Tax Rate Under New System
0 and Under	1	n/a	n/a	0 and Under	1	4.13%	4.77%	0 and Under	2	-0.11%	-0.12%
1 to 12,500	2,243	1.04%	0.17%	1 to 12,500	414	1.19%	0.45%	1 to 12,500	2,657	1.05%	0.19%
12,501 to 20,000	1,640	0.95%	0.99%	12,501 to 20,000	301	0.37%	0.33%	12,501 to 20,000	1,941	0.83%	0.85%
20,001 to 30,000	2,357	1.36%	1.51%	20,001 to 30,000	372	1.77%	1.78%	20,001 to 30,000	2,729	1.39%	1.53%
30,001 to 40,000	2,509	1.80%	2.00%	30,001 to 40,000	407	2.09%	2.20%	30,001 to 40,000	2,916	1.82%	2.01%
40,001 to 55,000	4,308	2.15%	2.28%	40,001 to 55,000	644	2.26%	2.35%	40,001 to 55,000	4,952	2.16%	2.28%
55,001 to 75,000	5,950	2.47%	2.45%	55,001 to 75,000	1,086	2.72%	2.62%	55,001 to 75,000	7,036	2.49%	2.46%
75,001 to 110,000	8,925	2.76%	2.62%	75,001 to 110,000	2,008	2.98%	2.86%	75,001 to 110,000	10,933	2.78%	2.64%
110,001 to 175,000	8,658	3.31%	2.92%	110,001 to 175,000	2,709	3.67%	3.21%	110,001 to 175,000	11,367	3.35%	2.95%
175,001 to 250,000	3,780	1.56%	1.37%	175,001 to 250,000	1,677	4.32%	3.67%	175,001 to 250,000	5,457	1.72%	1.50%
250,001 to 500,000	3,255	4.09%	3.88%	250,001 to 500,000	2,149	4.83%	4.41%	250,001 to 500,000	5,404	4.19%	3.95%
500,001 to 1,000,000	1,112	3.76%	4.31%	500,001 to 1,000,000	1,278	4.83%	5.00%	500,001 to 1,000,000	2,390	3.92%	4.42%
1,000,001 to 5,000,000	623	3.25%	4.49%	1,000,001 to 5,000,000	1,444	4.42%	5.41%	1,000,001 to 5,000,000	2,067	3.43%	4.63%
5,000,001 to 10,000,000	51	3.09%	4.41%	5,000,001 to 10,000,000	269	4.41%	5.50%	5,000,001 to 10,000,000	320	3.32%	4.60%
10,000,001 and up	40	2.78%	5.23%	10,000,001 and up	414	4.27%	5.53%	10,000,001 and up	454	3.04%	5.29%
Total	**45,452**	**2.85%**	**3.23%**	**Total**	**15,173**	**4.20%**	**4.48%**	**Total**	**60,625**	**3.01%**	**3.38%**

PERSONAL INCOME TAX CAPITAL GAINS INCIDENCE ANALYSIS
Returns with a Tax Decrease or a Tax Increase

Scenario: *Rhode Island's Modified Personal Income Tax System*

Resident Filers Only With Capital Gains

	Returns with a Tax Decrease				Returns with a Tax Increase				Total Tax Change		
AGI Range	Number of Returns	Tax Decrease Amount	Average Tax Decrease	Median Tax Decrease	Number of Returns	Tax Increase Amount	Average Tax Increase	Median Tax Increase	Number of Returns	Total Tax Change Amount	Average Tax Change
$0 and Under	-	$ -	n/a	$ -	1	$ 139.07	$ 139.07	$ 139.07	1	$ 139.07	$ 139.07
$1 to $12,500	2,000	(129,112.73)	(64.56)	(42.21)	208	5,003.03	24.05	16.10	2,208	(124,109.70)	(56.21)
$12,501 to $20,000	850	(53,365.25)	(62.78)	(43.37)	782	62,570.36	80.01	58.88	1,632	9,205.11	5.64
$20,001 to $30,000	1,234	(83,868.33)	(67.96)	(59.60)	1,110	170,994.02	154.05	113.11	2,344	87,125.69	37.17
$30,001 to $40,000	1,240	(98,892.05)	(79.75)	(76.45)	1,237	270,396.24	218.59	161.92	2,477	171,504.19	69.24
$40,001 to $55,000	2,174	(389,075.34)	(178.97)	(139.79)	2,091	635,735.13	304.03	230.69	4,265	246,659.79	57.83
$55,001 to $75,000	3,315	(1,154,636.42)	(348.31)	(237.17)	2,586	1,053,686.29	407.46	282.99	5,901	(100,950.13)	(17.11)
$75,001 to $110,000	5,507	(3,080,715.88)	(559.42)	(474.68)	3,358	1,933,011.00	575.64	386.21	8,865	(1,147,704.88)	(129.46)
$110,001 to $175,000	6,712	(6,859,955.39)	(1,022.04)	(942.97)	1,900	2,211,196.09	1,163.79	793.20	8,612	(4,648,759.30)	(539.80)
$175,001 to $250,000	2,978	(5,551,274.41)	(1,864.09)	(1,864.69)	784	1,980,883.72	2,526.64	2,024.97	3,762	(3,570,390.69)	(949.07)
$250,001 to $500,000	2,482	(7,172,755.56)	(2,889.91)	(3,264.15)	766	4,846,582.54	6,327.13	4,857.82	3,248	(2,326,173.02)	(716.19)
$500,001 to $1,000,000	725	(2,309,888.58)	(3,186.05)	(3,675.00)	382	6,524,715.36	17,080.41	15,001.16	1,107	4,214,826.78	3,807.43
$1,000,001 to $5,000,000	329	(1,101,829.41)	(3,349.03)	(3,675.00)	293	15,900,024.28	54,266.29	43,695.65	622	14,798,194.87	23,791.31
$5,000,001 to $10,000,000	28	(88,365.66)	(3,155.92)	(3,675.00)	23	4,651,963.83	202,259.30	202,918.74	51	4,563,598.17	89,482.32
$10,000,001 and up	11	(36,887.36)	(3,353.40)	(3,675.00)	29	22,180,037.34	764,828.87	472,821.04	40	22,143,149.98	553,578.75
Totals	**29,585**	**$ (28,110,622.37)**	**$ (950.16)**	**$ (499.46)**	**15,550**	**$ 62,426,938.30**	**$ 4,014.59**	**$ 325.00**	**45,135**	**$ 34,316,315.93**	**$ 760.30**

PERSONAL INCOME TAX NO CAPITAL GAINS IMPACT SUMMARY
Tax Year 2007 Data, Fully Implemented Flat Tax at 5.5 Percent

Scenario: ***Rhode Island's Modified Personal Income Tax System***

Standard Deduction	Amount
Married Filing Joint	$ 15,000
Single	7,500
Married Filing Separate	7,500
Head of Household	11,250
Widow	15,000

Exemption	Amount
Personal & Dependent	$ 2,500

Tax Rates and Taxable Income Brackets

Start	End	Rate	Increment
$ -	$ 54,999.99	3.50%	-
55,000.00	109,999.99	4.00%	0.50%
110,000.00	174,999.99	4.50%	0.50%
175,000.00	999,999,999.99	5.50%	1.00%

State Earned Income Tax Percentage of Federal	15.0%
Alternative Flat Tax Rate	5.5%

Resident Filers With No Capital Gains Income

AGI Range	Tax Under Current System	Tax Under New System	Filer Count	Difference	Average Tax Change	Median Tax Change
0 and Under	$ (4,587,077.10)	$ (4,849,464.46)	22,215	$ (262,387.36)	$ (11.81)	$ -
1 to 12,500	(4,893,714.43)	(11,272,402.63)	98,015	(6,378,688.20)	(65.08)	(8.00)
12,501 to 20,000	2,581,670.26	(4,084,793.68)	53,527	(6,666,463.94)	(124.54)	(63.44)
20,001 to 30,000	16,204,315.48	12,998,156.72	58,916	(3,206,158.76)	(54.42)	(78.00)
30,001 to 40,000	29,227,537.52	28,581,200.03	46,583	(646,337.49)	(13.87)	(80.54)
40,001 to 55,000	49,490,823.66	47,353,845.05	49,566	(2,136,978.61)	(43.11)	(89.99)
55,001 to 75,000	70,852,839.92	66,088,372.80	46,787	(4,764,467.12)	(101.83)	(78.45)
75,001 to 110,000	110,001,836.76	99,634,199.23	46,180	(10,367,637.53)	(224.50)	(170.02)
110,001 to 175,000	111,120,704.62	91,618,632.54	25,363	(19,502,072.08)	(768.92)	(753.00)
175,001 to 250,000	43,842,491.94	34,734,867.28	5,582	(9,107,624.66)	(1,631.61)	(1,874.80)
250,001 to 500,000	39,944,525.72	34,565,678.71	2,872	(5,378,847.01)	(1,872.86)	(3,362.77)
500,001 to 1,000,000	16,528,247.98	16,554,247.34	602	25,999.36	43.19	(3,675.00)
1,000,001 to 5,000,000	14,618,931.88	16,125,489.40	215	1,506,557.52	7,007.24	(3,675.00)
5,000,001 to 10,000,000	3,015,389.76	3,337,188.05	11	321,798.29	29,254.39	(3,675.00)
10,000,001 and up	980,543.08	972,918.08	2	(7,625.00)	(3,812.50)	(3,812.50)
Totals	**$ 498,929,067.05**	**$ 432,358,134.46**	**456,436**	**$ (66,570,932.59)**	**$ (145.85)**	**$ (57.32)**
				-13.3%		

PERSONAL INCOME TAX NO CAPITAL GAINS IMPACT SUMMARY
Tax Year 2007 Data, Fully Implemented Flat Tax at 5.5 Percent

Scenario: ***Rhode Island's Modified Personal Income Tax System***

Standard Deduction	Amount
Married Filing Joint	$ 15,000
Single	7,500
Married Filing Separate	7,500
Head of Household	11,250
Widow	15,000

Exemption	Amount
Personal & Dependent	$ 2,500

Tax Rates and Taxable Income Brackets			
Start	End	Rate	Increment
$ -	$ 54,999.99	3.50%	-
55,000.00	109,999.99	4.00%	0.50%
110,000.00	174,999.99	4.50%	0.50%
175,000.00	999,999,999.99	5.50%	1.00%

State Earned Income Tax Percentage of Federal	15.0%
Alternative Flat Tax Rate	5.5%

Non-Resident Filers With No Capital Gains Income

AGI Range	Tax Under Current System	Tax Under New System	Filer Count	Difference	Average Tax Change	Median Tax Change
0 and Under	$ 13,979.53	$ 2,504.45	928	$ (11,475.08)	$ (12.37)	$ -
1 to 12,500	189,537.45	(145,794.18)	12,243	(335,331.63)	(27.39)	(2.00)
12,501 to 20,000	745,589.63	371,027.23	6,721	(374,562.40)	(55.73)	(33.48)
20,001 to 30,000	1,879,555.07	1,622,122.39	7,766	(257,432.68)	(33.15)	(30.98)
30,001 to 40,000	2,824,938.96	2,705,153.64	6,702	(119,785.32)	(17.87)	(25.85)
40,001 to 55,000	5,650,775.43	5,260,228.10	8,751	(390,547.33)	(44.63)	(28.26)
55,001 to 75,000	8,690,212.00	8,024,731.55	9,944	(665,480.45)	(66.92)	(14.47)
75,001 to 110,000	16,379,493.80	14,924,274.32	12,822	(1,455,219.48)	(113.49)	(19.55)
110,001 to 175,000	21,005,231.04	17,499,116.66	9,308	(3,506,114.38)	(376.68)	(233.99)
175,001 to 250,000	10,286,830.65	8,056,313.51	2,815	(2,230,517.14)	(792.37)	(535.34)
250,001 to 500,000	9,099,907.10	7,488,513.36	1,845	(1,611,393.74)	(873.38)	(248.98)
500,001 to 1,000,000	4,429,204.08	4,131,397.68	713	(297,806.40)	(417.68)	(57.52)
1,000,001 to 5,000,000	3,655,359.68	3,536,199.31	476	(119,160.37)	(250.34)	(13.53)
5,000,001 to 10,000,000	751,299.29	743,708.36	40	(7,590.93)	(189.77)	(5.25)
10,000,001 and up	787,130.49	837,291.51	33	50,161.02	1,520.03	(2.94)
Totals	**$ 86,389,044.20**	**$ 75,056,787.89**	**81,107**	**$ (11,332,256.31)**	**$ (139.72)**	**$ (26.55)**
				-13.1%		

PERSONAL INCOME TAX NO CAPITAL GAINS IMPACT SUMMARY
Tax Year 2007 Data, Fully Implemented Flat Tax at 5.5 Percent

Scenario: ***Rhode Island's Modified Personal Income Tax System***

Standard Deduction	Amount
Married Filing Joint	$ 15,000
Single	7,500
Married Filing Separate	7,500
Head of Household	11,250
Widow	15,000

Exemption	Amount
Personal & Dependent	$ 2,500

Tax Rates and Taxable Income Brackets

Start	End	Rate	Increment
$ -	$ 54,999.99	3.50%	-
55,000.00	109,999.99	4.00%	0.50%
110,000.00	174,999.99	4.50%	0.50%
175,000.00	999,999,999.99	5.50%	1.00%

State Earned Income Tax Percentage of Federal	15.0%
Alternative Flat Tax Rate	5.5%

All Filers With No Capital Gains Income

AGI Range	Tax Under Current System	Tax Under New System	Filer Count	Difference	Average Tax Change
0 and Under	$ (4,573,097.57)	$ (4,846,960.01)	23,143	$ (273,862.44)	$ (11.83)
1 to 12,500	(4,704,176.98)	(11,418,196.81)	110,258	(6,714,019.83)	(60.89)
12,501 to 20,000	3,327,259.89	(3,713,766.45)	60,248	(7,041,026.34)	(116.87)
20,001 to 30,000	18,083,870.55	14,620,279.11	66,682	(3,463,591.44)	(51.94)
30,001 to 40,000	32,052,476.48	31,286,353.67	53,285	(766,122.81)	(14.38)
40,001 to 55,000	55,141,599.09	52,614,073.15	58,317	(2,527,525.94)	(43.34)
55,001 to 75,000	79,543,051.92	74,113,104.35	56,731	(5,429,947.57)	(95.71)
75,001 to 110,000	126,381,330.56	114,558,473.55	59,002	(11,822,857.01)	(200.38)
110,001 to 175,000	132,125,935.66	109,117,749.20	34,671	(23,008,186.46)	(663.61)
175,001 to 250,000	54,129,322.59	42,791,180.79	8,397	(11,338,141.80)	(1,350.26)
250,001 to 500,000	49,044,432.82	42,054,192.07	4,717	(6,990,240.75)	(1,481.93)
500,001 to 1,000,000	20,957,452.06	20,685,645.02	1,315	(271,807.04)	(206.70)
1,000,001 to 5,000,000	18,274,291.56	19,661,688.71	691	1,387,397.15	2,007.81
5,000,001 to 10,000,000	3,766,689.05	4,080,896.41	51	314,207.36	6,160.93
10,000,001 and up	1,767,673.57	1,810,209.59	35	42,536.02	1,215.31
Totals	**$ 585,318,111.25**	**$ 507,414,922.35**	**537,543**	**$ (77,903,188.90)**	**$ (144.92)**
				-13.3%	

PERSONAL INCOME TAX NO CAPITAL GAINS EFFECTIVE TAX RATE SUMMARY
Tax Year 2007 Data, Fully Implemented Flat Tax at 5.5 Percent

Resident Filers				Non-Resident Filers				All Filers			
AGI Range	Number of Filers	Effective Tax Rate Under Current System	Effective Tax Rate Under New System	AGI Range	Number of Filers	Effective Tax Rate Under Current System	Effective Tax Rate Under New System	AGI Range	Number of Filers	Effective Tax Rate Under Current System	Effective Tax Rate Under New System
0 and Under	22,215	n/a	n/a	0 and Under	928	n/a	n/a	0 and Under	23,143	n/a	n/a
1 to 12,500	98,015	-0.79%	-1.82%	1 to 12,500	12,243	0.41%	-0.32%	1 to 12,500	110,258	-0.71%	-1.71%
12,501 to 20,000	53,527	0.30%	-0.47%	12,501 to 20,000	6,721	1.25%	0.62%	12,501 to 20,000	60,248	0.36%	-0.40%
20,001 to 30,000	58,916	1.11%	0.89%	20,001 to 30,000	7,766	1.71%	1.48%	20,001 to 30,000	66,682	1.15%	0.93%
30,001 to 40,000	46,583	1.81%	1.77%	30,001 to 40,000	6,702	2.16%	2.07%	30,001 to 40,000	53,285	1.83%	1.79%
40,001 to 55,000	49,566	2.12%	2.03%	40,001 to 55,000	8,751	2.53%	2.35%	40,001 to 55,000	58,317	2.16%	2.06%
55,001 to 75,000	46,787	2.35%	2.19%	55,001 to 75,000	9,944	2.72%	2.51%	55,001 to 75,000	56,731	2.39%	2.22%
75,001 to 110,000	46,180	2.64%	2.39%	75,001 to 110,000	12,822	3.04%	2.77%	75,001 to 110,000	59,002	2.68%	2.43%
110,001 to 175,000	25,363	3.28%	2.70%	110,001 to 175,000	9,308	3.78%	3.14%	110,001 to 175,000	34,671	3.35%	2.77%
175,001 to 250,000	5,582	3.86%	3.06%	175,001 to 250,000	2,815	4.31%	3.37%	175,001 to 250,000	8,397	3.94%	3.11%
250,001 to 500,000	2,872	4.23%	3.66%	250,001 to 500,000	1,845	5.21%	4.29%	250,001 to 500,000	4,717	4.38%	3.75%
500,001 to 1,000,000	602	4.12%	4.13%	500,001 to 1,000,000	713	5.20%	4.85%	500,001 to 1,000,000	1,315	4.31%	4.26%
1,000,001 to 5,000,000	215	4.00%	4.42%	1,000,001 to 5,000,000	476	5.29%	5.12%	1,000,001 to 5,000,000	691	4.21%	4.53%
5,000,001 to 10,000,000	11	4.14%	4.59%	5,000,001 to 10,000,000	40	5.51%	5.45%	5,000,001 to 10,000,000	51	4.36%	4.72%
10,000,001 and up	2	4.49%	4.46%	10,000,001 and up	33	5.18%	5.51%	10,000,001 and up	35	4.78%	4.89%
Total	**456,436**	**2.46%**	**2.14%**	**Total**	**81,107**	**3.96%**	**3.44%**	**Total**	**537,543**	**2.61%**	**2.26%**

PERSONAL INCOME TAX NO CAPITAL GAINS INCIDENCE ANALYSIS
Returns with a Tax Decrease or a Tax Increase

Scenario: *Rhode Island's Modified Personal Income Tax System*

Resident Filers Only With No Capital Gains

	Returns with a Tax Decrease				Returns with a Tax Increase				Total Tax Change		
AGI Range	Number of Returns	Tax Decrease Amount	Average Tax Decrease	Median Tax Decrease	Number of Returns	Tax Increase Amount	Average Tax Increase	Median Tax Increase	Number of Returns	Total Tax Change Amount	Average Tax Change
$0 and Under	1,154	$ (262,387.36)	$ (227.37)	$ (300.00)	-	$ -	n/a	$ -	1,154	$ (262,387.36)	$ (227.37)
$1 to $12,500	52,568	(6,425,896.90)	(122.24)	(51.63)	1,730	47,208.71	27.29	13.54	54,298	(6,378,688.19)	(117.48)
$12,501 to $20,000	44,725	(7,136,474.80)	(159.56)	(67.97)	3,686	470,010.86	127.51	113.31	48,411	(6,666,463.94)	(137.71)
$20,001 to $30,000	45,190	(4,752,326.87)	(105.16)	(85.09)	11,491	1,546,168.11	134.55	85.00	56,681	(3,206,158.76)	(56.56)
$30,001 to $40,000	31,782	(3,170,545.34)	(99.76)	(105.00)	12,559	2,524,207.85	200.99	141.05	44,341	(646,337.49)	(14.58)
$40,001 to $55,000	31,245	(6,351,790.71)	(203.29)	(166.74)	15,968	4,214,812.10	263.95	194.46	47,213	(2,136,978.61)	(45.26)
$55,001 to $75,000	28,500	(9,960,570.93)	(349.49)	(234.19)	16,855	5,196,103.81	308.28	212.08	45,355	(4,764,467.12)	(105.05)
$75,001 to $110,000	29,571	(16,534,471.29)	(559.14)	(467.40)	15,791	6,166,833.76	390.53	270.15	45,362	(10,367,637.53)	(228.55)
$110,001 to $175,000	21,628	(21,766,273.95)	(1,006.39)	(920.50)	3,381	2,264,201.87	669.68	359.19	25,009	(19,502,072.08)	(779.80)
$175,001 to $250,000	5,136	(10,020,036.43)	(1,950.94)	(2,003.32)	390	912,411.78	2,339.52	1,001.82	5,526	(9,107,624.65)	(1,648.14)
$250,001 to $500,000	2,554	(7,871,895.31)	(3,082.18)	(3,607.03)	292	2,493,048.29	8,537.84	8,349.32	2,846	(5,378,847.02)	(1,889.97)
$500,001 to $1,000,000	517	(1,757,929.47)	(3,400.25)	(3,675.00)	82	1,783,928.83	21,755.23	22,072.88	599	25,999.36	43.40
$1,000,001 to $5,000,000	175	(611,804.06)	(3,496.02)	(3,675.00)	39	2,118,361.59	54,316.96	52,213.76	214	1,506,557.53	7,039.99
$5,000,001 to $10,000,000	8	(30,500.01)	(3,812.50)	(3,743.75)	3	352,298.29	117,432.76	78,420.70	11	321,798.28	29,254.39
$10,000,001 and up	2	(7,625.00)	(3,812.50)	(3,812.50)	-	-	n/a	-	2	(7,625.00)	(3,812.50)
Totals	**294,755**	**$ (96,660,528.43)**	**$ (327.94)**	**$ (113.90)**	**82,267**	**$ 30,089,595.85**	**$ 365.76**	**$ 172.47**	**377,022**	**$ (66,570,932.58)**	**$ (176.57)**