How a given reduction in taxes would be distributed among various income classes under alternative methods

[In cumulative percentages]

Income class	Number of taxable returns	Cut in new 1st bracket[1]	Increased exemption	Cut in present 1st bracket	Cut in all brackets[2]	Increased corporate dividends[3]
Under—						
$5,000	39	25	25	20	13	8
$10,000	88	85	81	82	60	22
$20,000	98	97	95	97	84	42
$50,000	99	99	99	99	94	67
Over $50,000	100	100	100	100	100	100

[1] Assumes new 1st bracket would be from $0 to $1,000.
[2] Assumes equal percentage point cut in all brackets.
[3] Assumes that a cut in corporate income taxes or an increase in capital consumption allowances would result in some increase in dividends.

Percentage increase in taxable incomes, after taxes, of the different income classes under various methods of making a $6,000,000,000 reduction in individual income taxes[1]

Adjusted gross income classes	Reduce rate in half 1st bracket 7.5 percentage points	Increase personal exemption $200	Reduce 1st bracket rate 4.6 percentage points	Reduce each individual rate 3 percentage points
	Percent	*Percent*	*Percent*	*Percent*
$0 to $5,000	3.0	2.8	2.3	1.5
$5,000 to $10,000	2.2	2.2	2.3	1.8
$10,000 to $20,000	1.5	1.4	1.4	2.4
$20,000 to $50,000	.8	1.2	.9	3.0
Over $50,000	.1	.6	.5	3.3
Total revenue loss (billions)	$6	$6	$6	$6

[1] Estimated for 1962 on basis of 1960 data of Internal Revenue Service.

Average tax savings per individual under various methods of making a $6,000,000,000 reduction in individual income taxes[1]

Adjusted gross income classes	Reduce rate in half 1st bracket 7.5 percentage points	Increase personal exemption $200	Reduce 1st bracket rate 4.6 percentage points	Reduce each individual rate 3 percentage points
$0 to $5,000	$75	$76	$60	$42
$5,000 to $10,000	142	132	148	114
$10,000 to $20,000	142	168	175	288
$20,000 to $50,000	150	300	185	762
Over $50,000	112	300	138	1,680
Total revenue loss (billions)	6	6	6	6

[1] Estimated for 1962 on basis of 1960 data of Internal Revenue Service.