Revenue Effect

The revenue effect of the surcharge is to increase fiscal year 1968 receipts by $6.3 billion:

—The increase in receipts from individuals would amount to $4.0 billion.

—The increase in receipts from corporations would amount to $2.3 billion.

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TREASURY DEPARTMENT, WASHINGTON, AUGUST 4, 1967

TAX TABLES SHOWING EFFECTS OF 10 PERCENT TAX SURCHARGE

The following tables indicate, for 1967 and 1968, effects of the surcharge recommended by the President on various levels of wage income and various family situations.

COMPARISON OF 1963–66 TAX LIABILITY AND 1967–68 TAX LIABILITY UNDER PROPOSED TAX INCREASE FOR ILLUSTRATIVE TAXPAYERS [1] (SINGLE INDIVIDUAL)

Wage income	1963 tax [2]	1964 Tax Act decrease	1966 tax [2]	1967 tax [2]	Tax increase over 1966 tax [3]	1968 tax [2]	Tax increase over 1966 tax [4]
$1,000	$62	$46	$16	$16	(5)	$16	(5)
$1,900	224	77	147	151	$4	162	$15
$2,000	242	79	163	167	4	179	16
$3,000	427	94	333	341	8	366	33
$5,000	818	147	671	688	17	738	67
$7,500	1,405	237	1,168	1,197	29	1,285	117
$10,000	2,096	354	1,742	1,786	44	1,916	174
$12,500	2,887	489	2,398	2,458	60	2,638	240
$15,000	3,787	633	3,154	3,233	79	3,469	315
$20,000	5,900	982	4,918	5,041	123	5,410	492
$25,000	8,324	1,342	6,982	7,157	175	7,680	698
$35,000	13,778	2,151	11,627	11,918	291	12,790	1,163

[1] Proposed tax increase of 2.5 percent of the tax in 1967 and 10 percent in 1968 which does not apply to single returns with taxable income of $1,000 or less and joint returns with taxable income of $2,000 or less.
[2] Tax liability computations assume minimum standard deduction or deductions equal to 10 percent of income whichever is greater. Tax liability from optional tax table where income is under $5,000.
[3] 1967 tax minus 1966 tax.
[4] 1968 tax minus 1966 tax.
[5] There is no increase in 1967 or 1968 for a single person whose tax at 1966 rates is $145 or less.

TABLE 2.—COMPARISON OF 1963–66 TAX LIABILITY AND 1967–68 TAX LIABILITY UNDER PROPOSED TAX INCREASE FOR ILLUSTRATIVE TAXPAYERS [1] (MARRIED COUPLE, NO DEPENDENTS)

Wage income	1963 tax [2]	1964 Tax Act decrease	1966 tax [2]	1967 tax [2]	Tax increase over 1966 tax [3]	1968 tax [2]	Tax increase over 1966 tax [4]
$2,000	$122	$64	$58	$58	(5)	$58	(5)
$3,000	305	101	204	204	(5)	204	(5)
$3,600	413	119	294	301	$7	323	$29
$5,000	660	159	501	514	13	551	50
$7,500	1,141	227	914	937	23	1,005	91
$10,000	1,636	294	1,342	1,376	34	1,476	134
$12,500	2,213	382	1,831	1,877	46	2,014	183
$15,000	2,810	475	2,335	2,393	58	2,569	234
$20,000	4,192	708	3,484	3,571	87	3,832	348
$25,000	5,774	978	4,796	4,916	120	5,276	480
$35,000	9,601	1,604	7,997	8,197	200	8,797	800

[1] Proposed tax increase of 2.5 percent of the tax in 1967 and 10 percent in 1968 which does not apply to single returns with taxable income of $1,000 or less and joint returns with taxable income of $2,000 or less.
[2] Tax liability computations assume minimum standard deduction or deductions equal to 10 percent of income whichever is greater. Tax liability from optional tax table where income is under $5,000.
[3] 1967 tax minus 1966 tax.
[4] 1968 tax minus 1966 tax.
[5] There is no increase in 1967 or 1968 for a married couple whose tax at 1966 rates is $290 or less.