



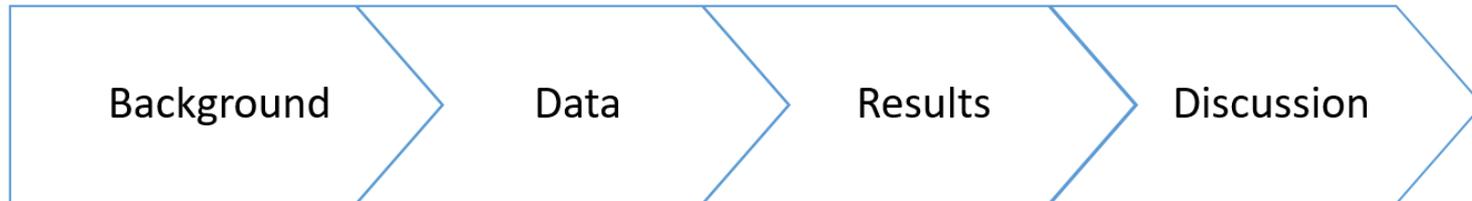
*"Working together to
fund Washington's future"*

Personal Income Tax Model: Projecting into the Future

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Research & Fiscal Analysis

Overview



Background

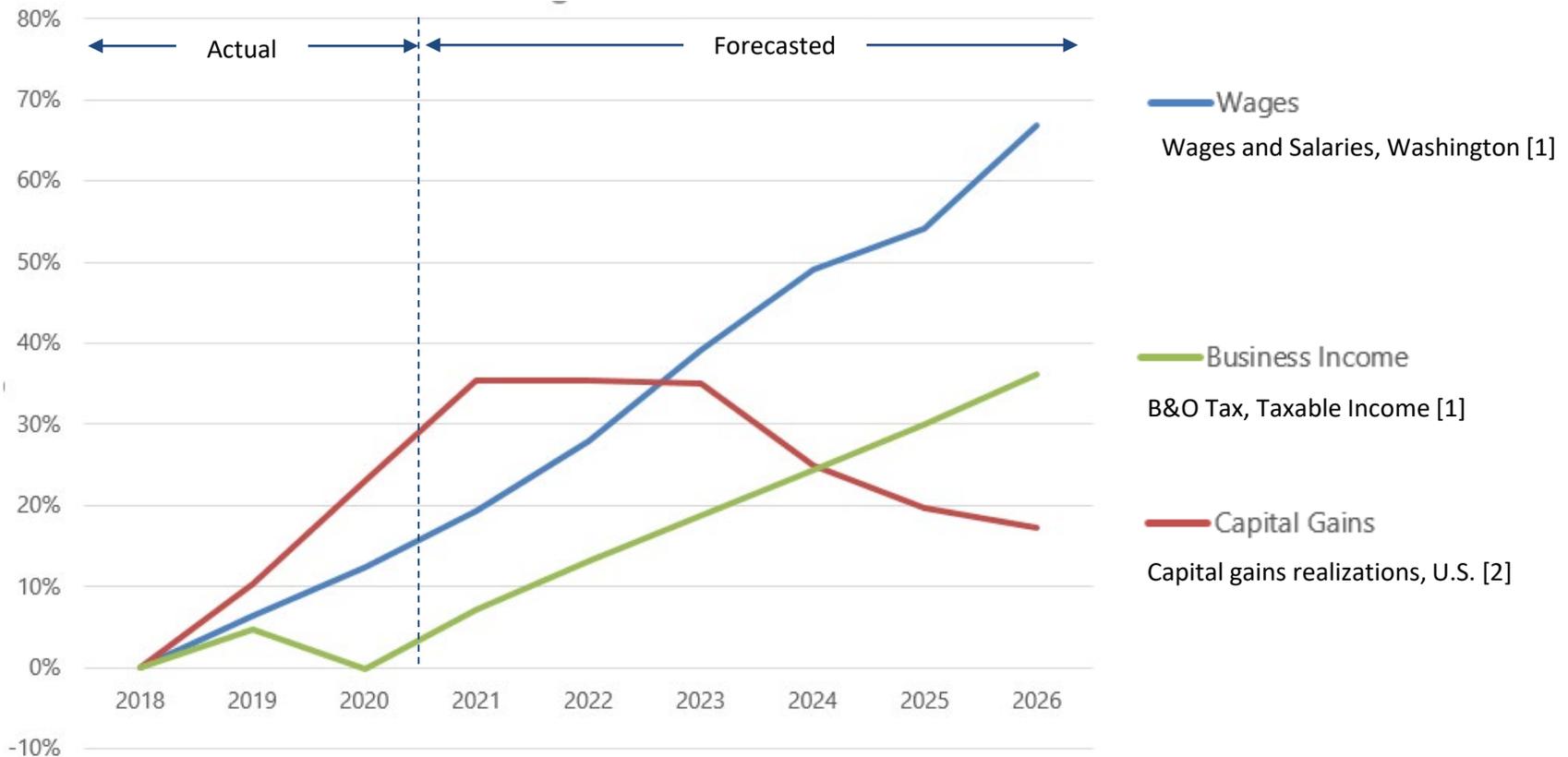
Historical data used to project revenues in future years.



Data

Wages, Capital Gains, and Business Income

Cumulative growth since TY2018



AGI for each year calculated as sum of all income types minus adjustments.

An example

ID	Wages	Capital Gains	Business
999	40,000	10,000	40,000

1. Start with TY2018 values.

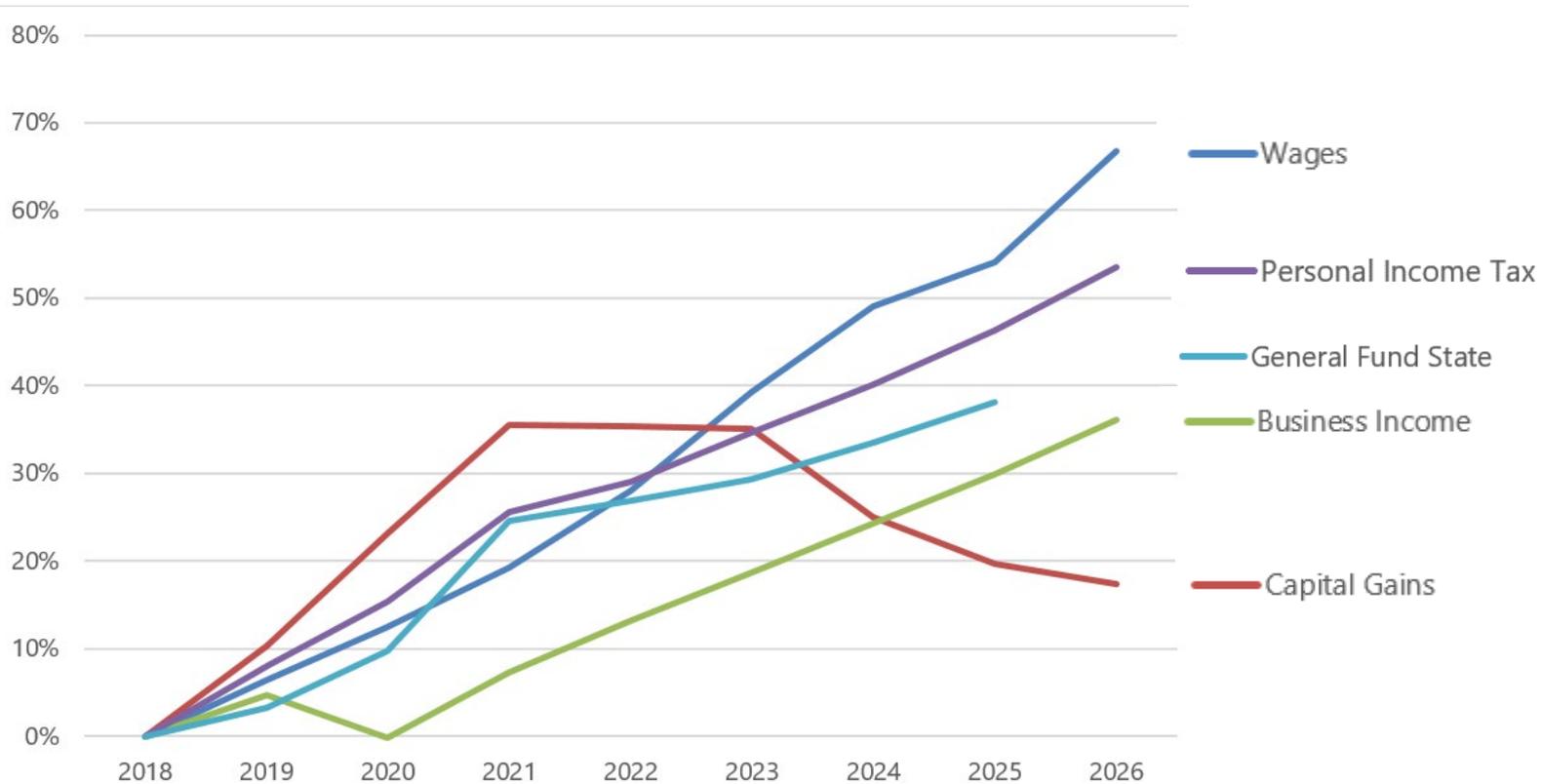
2. Multiply TY2018 amounts by growth rates.

3. Calculate taxable and tax due for each year.

Item	2018	2019	2020
Wages	40,000	42,591	47,878
Capital Gains	10,000	11,038	13,587
Business	40,000	41,880	41,805
Taxable	90,000	95,509	103,270
Tax	3,060	3,247	3,511

Results

PIT growth projected to outpace General Fund--State



Discussion
