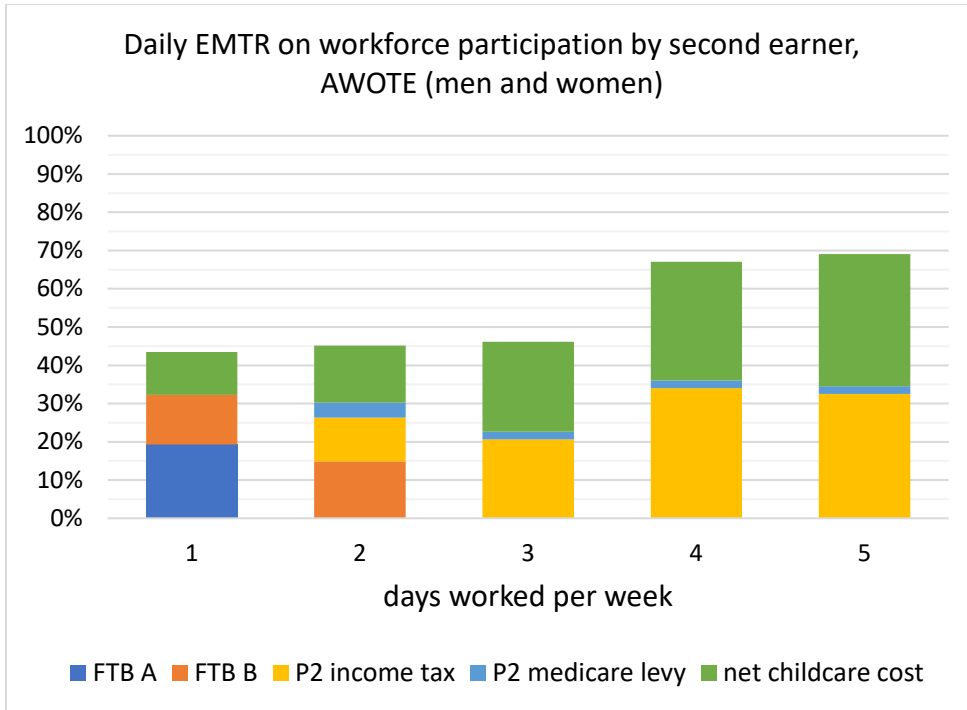


CHILDCARE CAMEOS: EFFECTIVE MARGINAL TAX RATES, MAY 2022

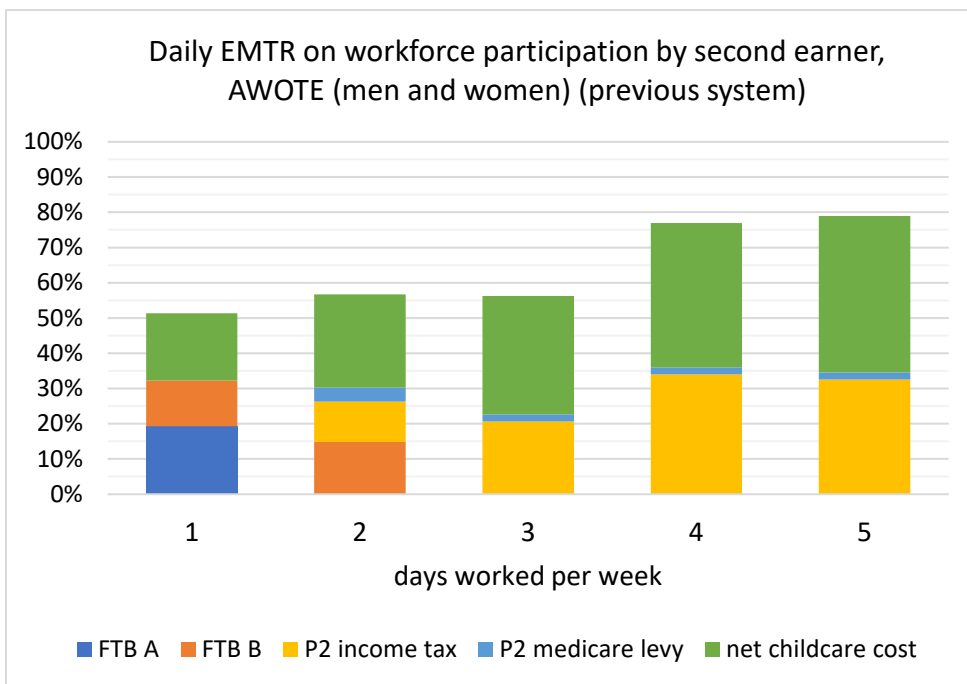
Miranda Stewart and David Plunkett

1. Couple, Average weekly earnings



Parameters: where EMTR is measured on increment of one day's wage and incorporates net childcare cost. May also be referred to as as the effective average tax rate on the daily increment. P1 income is \$95,500 per year; P2 income is 16,600 per year, per day worked. Childcare is \$10.50 per hour, per child. Two children, ages 2 & 3.

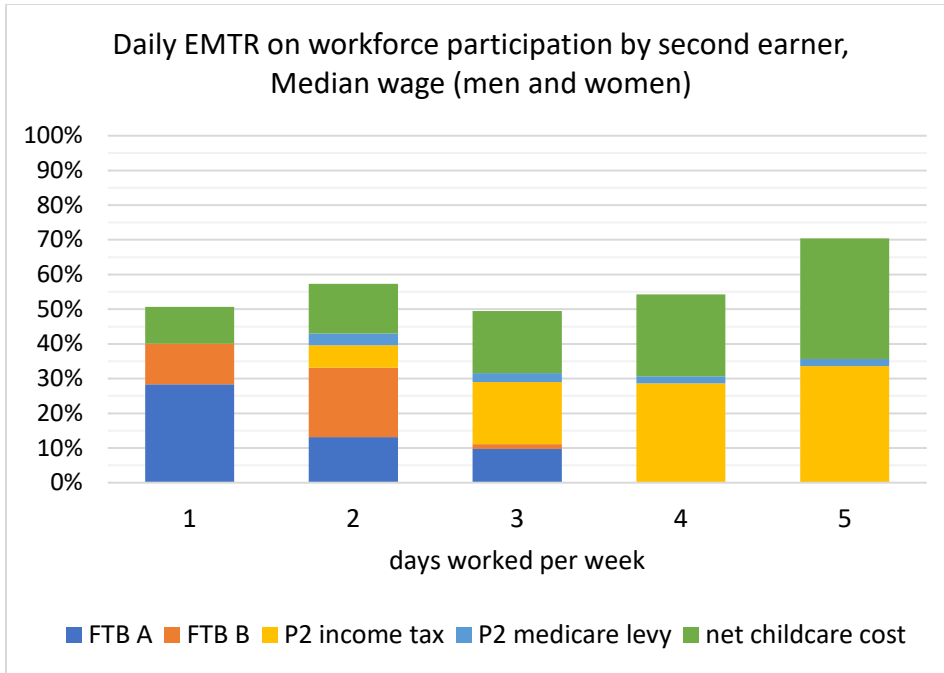
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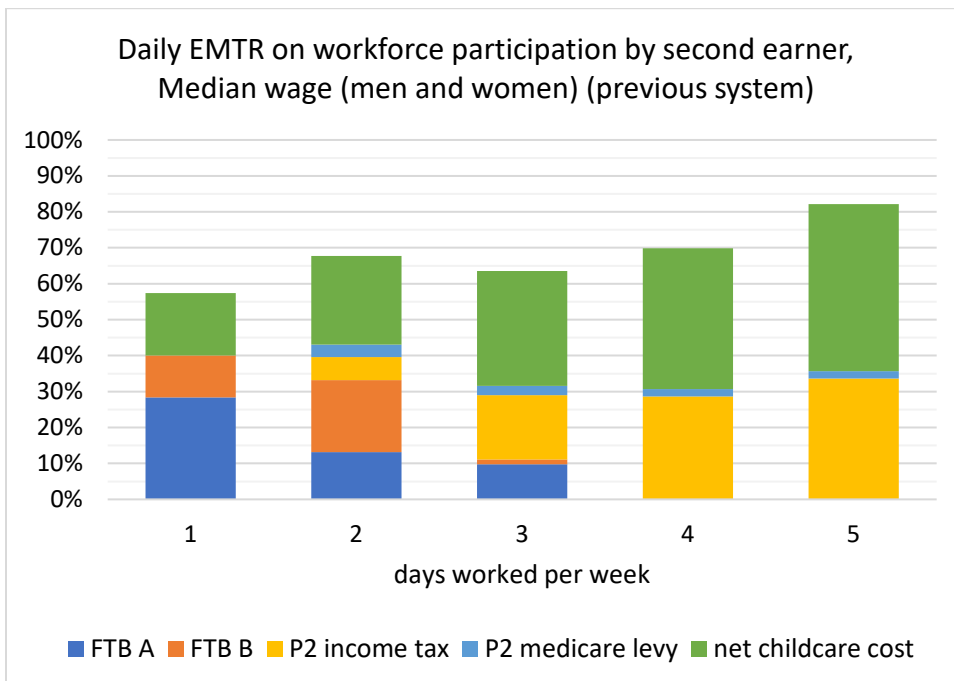
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2. Couple, Median weekly earnings



Parameters: EMTR is measured on increment of one day's wage and incorporates net childcare cost. May also be referred to as the effective average tax rate on the daily increment. P1 income is \$78,000 per year (F/T male median wage); P2 income is \$14,000 per year, per day worked (F/T female median wage). Childcare is \$10.50 per hour, per child. Two children, ages 2 & 3

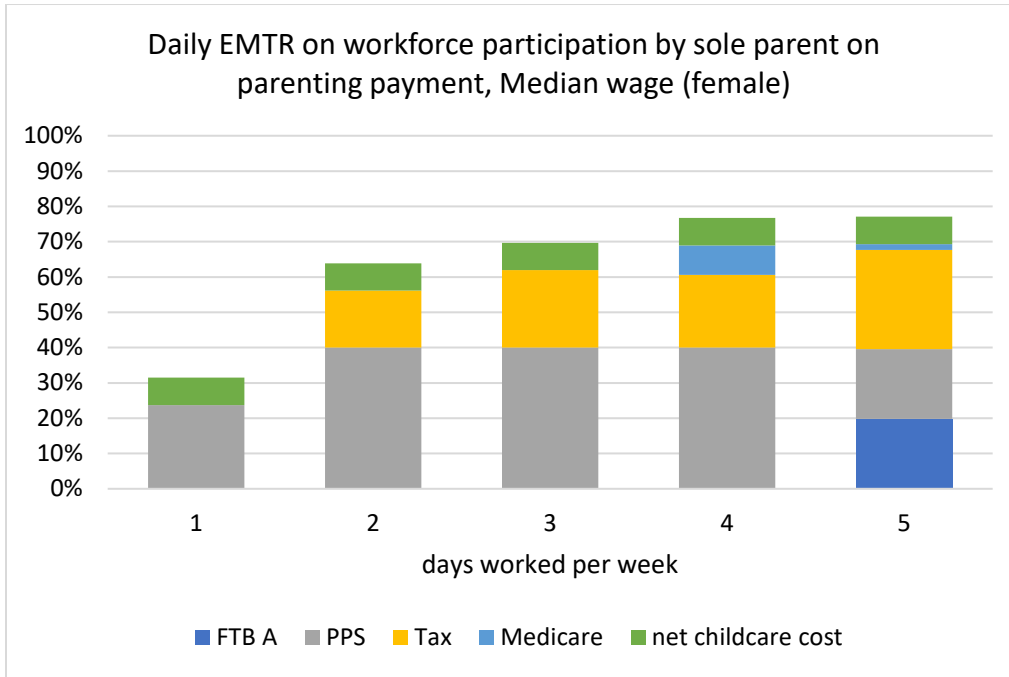
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Miranda Stewart and David Plunkett

3. Sole Parent, Median weekly earnings



Parameters: EMTR is measured on increment of one day's wage and incorporates net childcare cost. May also be referred to as the effective average tax rate on the daily increment. Income is \$14,000 per year, per day worked. Full time is \$70,000. Childcare is \$10.50 per hour, per child. Two children ages 2 & 3.

Under previous settings:

