

**Prepared By** Douglas Farnham, Policy Director Vermont Department of Taxes  
**Reviewed By** Andrew Stein, Research Economist, Vermont Department of Taxes  
**Last Updated** 07/27/2018  
**Status** Final

**Context**

Analysis of how current Adjusted Gross Income (AGI) and exemptions counts would convert to federal poverty levels (FPL) in Vermont. This analysis is being conducted to inform the discussions around implementation of an individual insurance mandate enforcement mechanism and what a potential affordability exemption might look like.

**Methodology**

Data was first pulled from access database which was constructed from VTax extract for income tax year 2016. Unnecessary fields were eliminated and FPL titled columns were inserted in the dataset using 2016 federal poverty levels; 0 exemptions claimed is assumed to be a dependent and not subject to penalty but measured against 1 FPL. School code of 999 represents a non-resident which may need to be excluded from the enforcement mechanism.

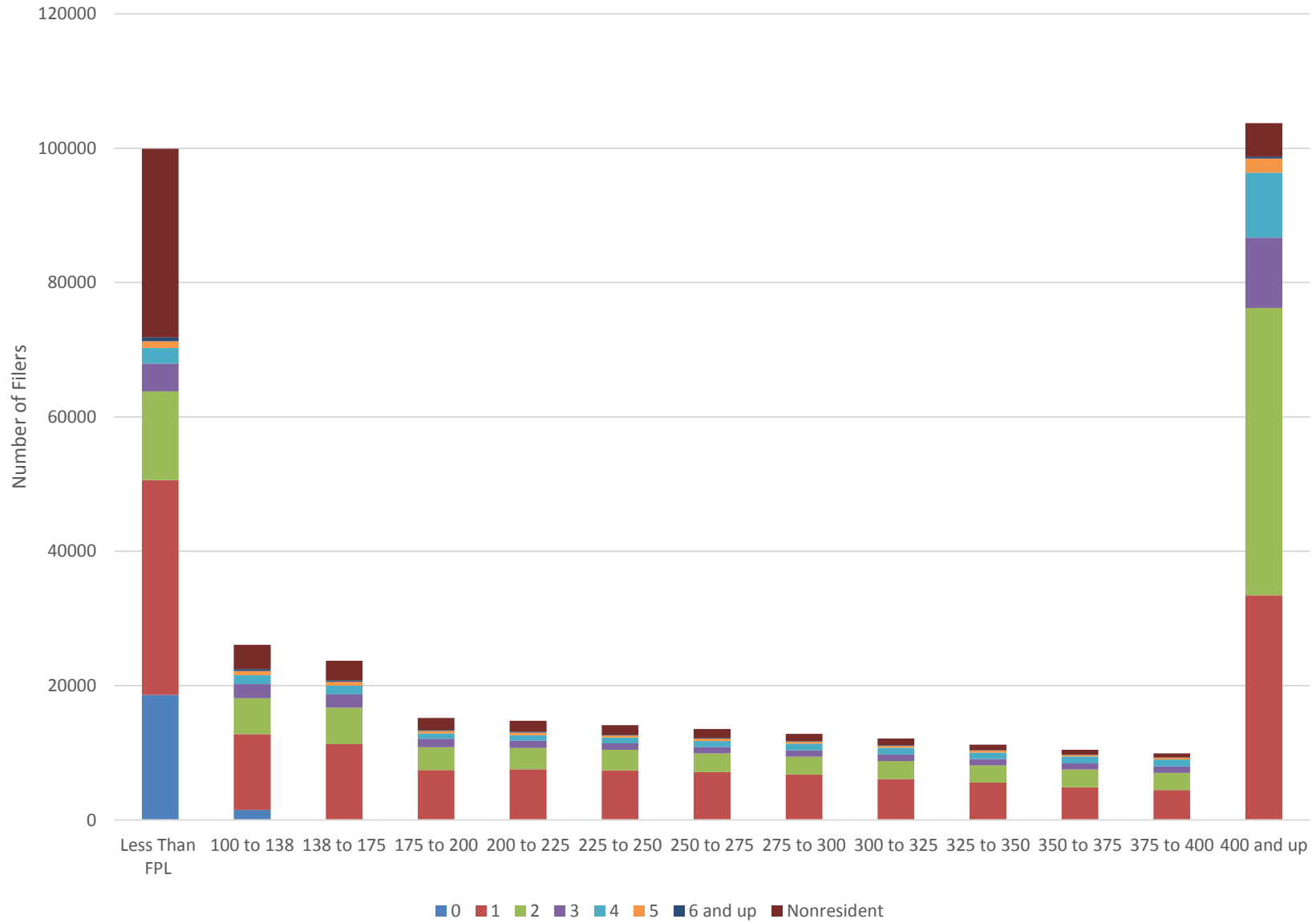
**Summary**

Data indicates a large percentage of the filing population (27%) at or below the federal poverty level (FPL). It is important to note that this is Adjusted Gross Income and not household income and includes the 0 exemption population. 72% of the population is at or below 400% of the FPL which is relevant due to insurance tax subsidies halting at that threshold. Single exemption filers are noticeably over-represented at lower FPLs when compared to all other filing types.

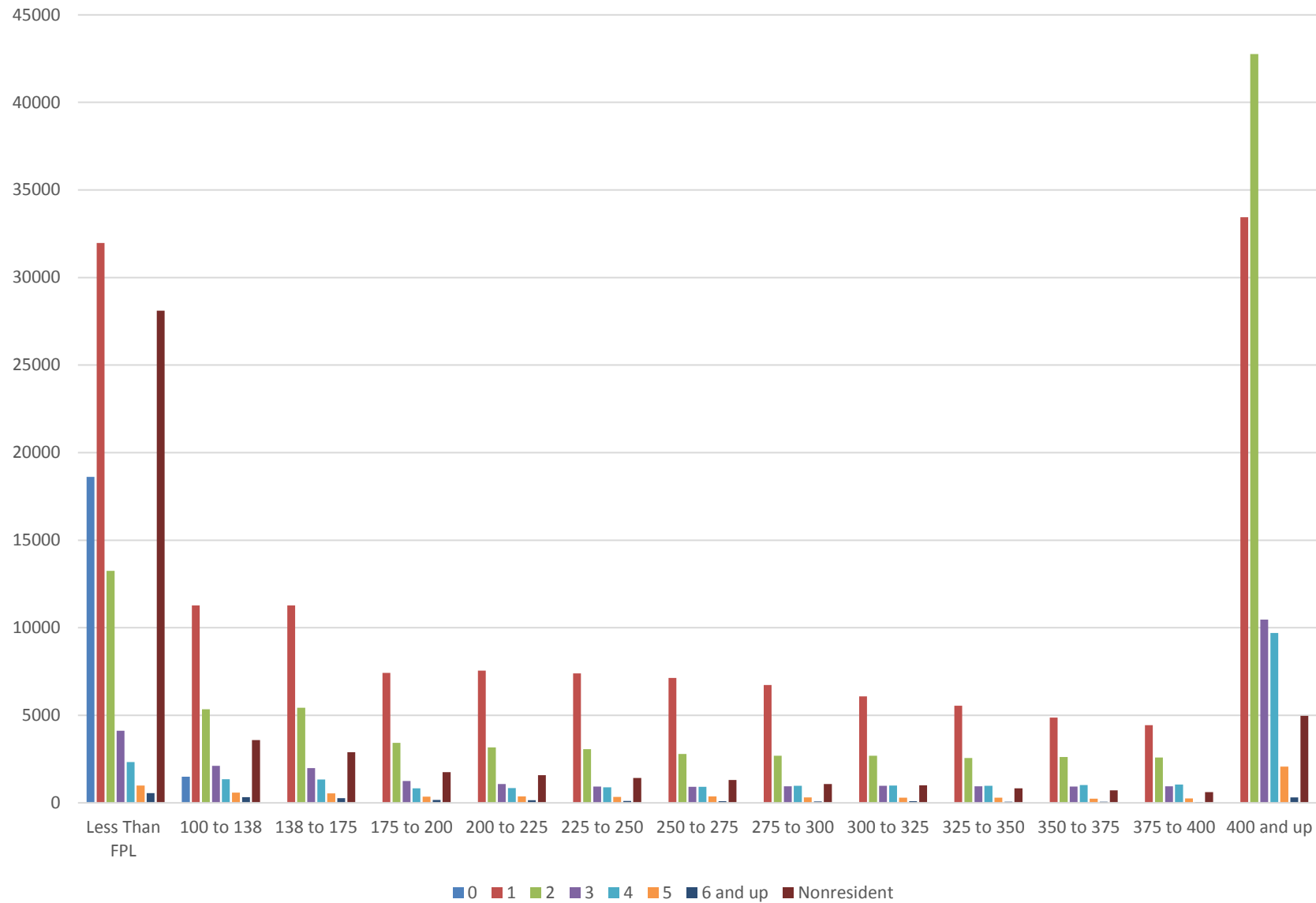
**Analysis**

	Total Filers												367589
Exemption < FPL	100 - 138	138 - 175	175 - 200	200 - 225	225 - 250	250 - 275	275 - 300	300 - 325	325 - 350	350 - 375	375 - 400	400 <	
0	18609	1493	0	0	0	0	0	0	0	0	0	0	0
1	31969	11276	11279	7417	7545	7397	7134	6736	6087	5541	4867	4434	33444
2	13250	5344	5426	3425	3172	3061	2790	2685	2688	2564	2624	2583	42768
3	4114	2108	1981	1242	1079	928	916	949	976	951	925	949	10466
4	2329	1356	1329	826	848	884	916	979	994	980	1021	1044	9698
5	992	590	542	360	371	334	371	314	289	289	236	247	2072
6 and up	553	326	262	159	152	105	100	85	88	69	60	52	314
NR	28112	3591	2899	1751	1583	1420	1302	1077	1000	836	711	614	4965
Res.	71816	22493	20819	13429	13167	12709	12227	11748	11122	10394	9733	9309	98762
Total	99928	26084	23718	15180	14750	14129	13529	12825	12122	11230	10444	9923	103727
%	27%	7%	6%	4%	4%	4%	4%	3%	3%	3%	3%	3%	28%

### Vermont Adjusted Gross Income by Federal Poverty Level



## Vermont Adjusted Gross Income by Federal Poverty Level



Income Tax Filers % of Federal Poverty Level

