University of California, Davis
Department of Economics
ECONOMICS 1A

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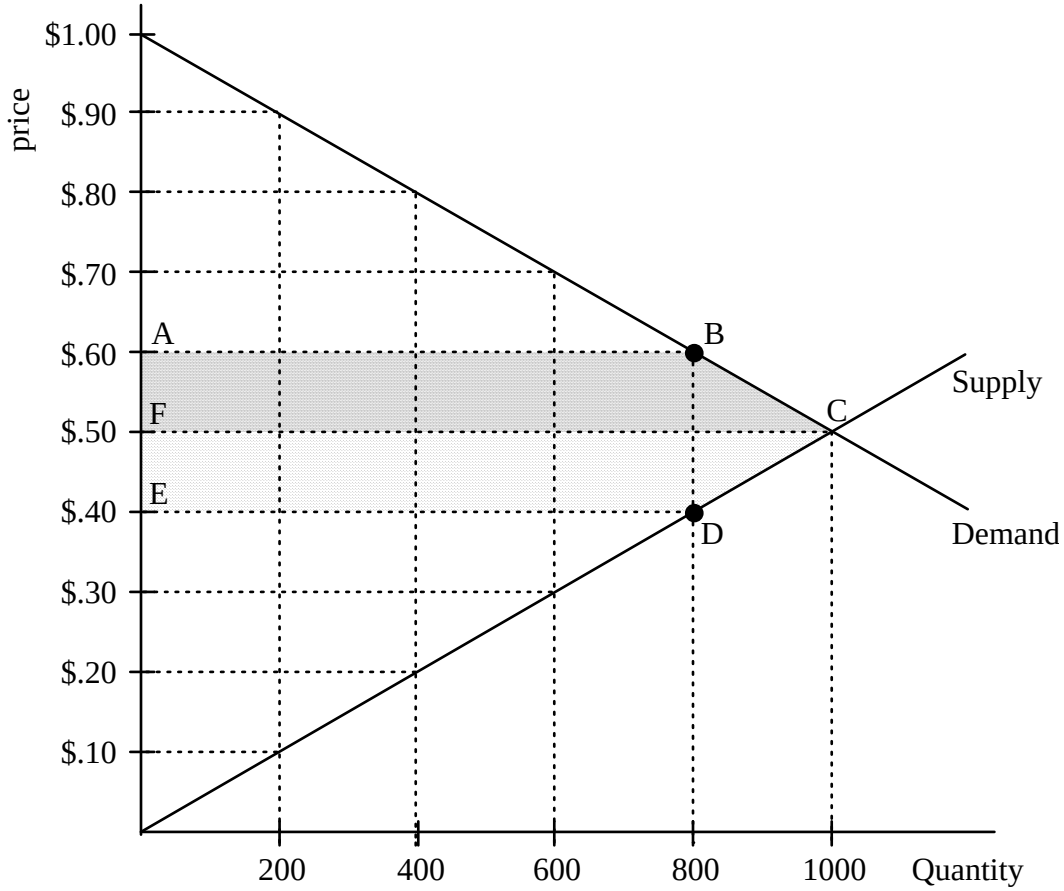
Tax Rates, Deadweight Loss, and Tax Revenue



Tax Per Unit	Consumers Pay (p_G)	Sellers Receive	Quantity Exchanged	Loss in Cons Surp	Loss in Prod Surp	Total Tax Revenue	Deadweight Loss
0	$.50	$.50	1000	0	0	0	0
$.20	$.60	$.40	800	$90	$90	$160	$20
$.40	$.70	$.30	600	$160	$160	$240	$80
$.60	$.80	$.20	400	$210	$210	$240	$180
$.80	$.90	$.10	200	$240	$240	$160	$320
$1.00	$1.00	0	0	$250	$250	0	$500