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Special Edition: State Funding Reform in the Australian Federation

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1. INTRODUCTION

United States

The Congress shall have Power to lay and collect Taxes, Duties, Imposts and Excises, to pay the Debts and provide for the common Defence and general Welfare of the United States; but all Duties, Imposts and Excises shall be uniform throughout the United States *No*
Capitation, or other direct, Tax shall be laid, unless in Proportion to the Census or Enumeration herein before directed to be taken.

The Congress shall have

power to lay and collect taxes on incomes, from whatever source derived, without apportionment among the several States, and without regard to any census or enumeration⁹.

2.3 An assessment

Figure 1 Relationship between levels of government and tax bases

Level of government

Canada

-
-
-

United States

3.3 An evaluation

4.2 The practice for the PIT

Belgium

-
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Table 2: Rates per bracket, progressivity of rates, income threshold for the 2nd and last bracket, and effective tax burden as % of income, provincial PITs, Canada, 2008

2008-Marginal tax rate (%) rate per bracket	First bracket	Second	Third	Fourth	Progressivity highest/lowest rate	Income threshold for 2 nd bracket	Income threshold for top bracket	PIT for 25000\$
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