

NON-LABOR INCOME MODELS

AUTHOR YEAR	MILTON FRIEDMAN 1962	RICHARD NIXON 1970	GEORGE MCGOVERN 1972	STATE OF ALASKA 1982	ACKERMAN & ALLSTOT 1999	CHARLES MURRAY 2006	DWIGHT MURPHEY 2007	JULIAN LEGRANDE 2005	ENNO SCHMIDT 2014	PETER BARNES 2014
WHAT IS IT?	Negative income tax	Family Assistance Plan	"Demogrant"	Permanent Fund capitalized by oil	Stakeholder grants	Guaranteed minimum income	National index fund of corporate stock	Child Trust Fund	Basic income initiative	Dividends from co-owned wealth
WHO'S IT FOR?	Workers earning < poverty level	Poor families	All US citizens	All persons with >1 year residency	All US citizens with 11 yrs + of residency	All US citizens age 21+	All US citizens	All UK citizens at birth	All Swiss citizens	All legal US residents with SSN
HOW MUCH?	Variable by income	\$1,600/year for family of 4	\$1,000/year per person	Dividends vary; highest \$3,200	\$80,000 onetime grant	\$10,000 per year	Variable, depends on markets	500 pounds sterling; 1000 pounds for low-income children	30,000 Swiss francs per year	Variable, depends on markets
PURPOSE	Dismantle welfare state	Quiet urban unrest	Reduce poverty, boost incomes	Share natural resource wealth	Equalize opportunity	Dismantle welfare state	Sustain middle class, stimulate economy	Encourage asset-based wealth building	Make it possible not to work for wages	Sustain middle class, stimulate economy
CONDITIONS	Benefit diminishes as labor income rises	Benefit diminishes as labor income rises	None	None	None, but recipient must repay grant at death	None up to \$25,000 of income	Cannot be withdrawn until age 18	None, but withdrawals restricted until age 18	None	None
FUNDING SOURCE	Federal taxes	Federal taxes, cuts to AFDC	Federal taxes	Oil royal-ties and investments	2% federal wealth tax	Eliminate Medicare, Social Security	Financed by Federal Reserve	UK Taxpayers	Increase value added tax and cut safety net	Fees for use of atmosphere, financial markets, etc.
STRENGTHS	Administered by IRS	States can contribute	Universal	Universal, easy to administer	Asset-based	Easy to administer; requires a SSN and a bank account	Universal, market-based, retains safety net; firewall separates fund & politics	Universal; tax exempt; parents and others could also pay into it	Universal	Universal, market-based, retains safety net

LEGEND	
□	Tax and transfer
■	Co-ownership

WEAKNESSES	Possible disincentive to work, eviscerates safety net	Disincentive to work	Disincentive to work	Payments are steady but relatively small	Funded by wealth tax, sure to raise opposition	Eliminates social safety net		Abolished in 2011 with low political support	Revenue sources are regressive	
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TAX & TRANSFER

FRIEDMAN: Negative income tax
 NIXON: Family Assistance Plan
 McGOVERN: Demogrant
 ACKERMAN: Stakeholder grants
 MURRAY: Guaranteed minimum income
 SWITZERLAND: Basic income

CO-OWNERSHIP

ALASKA: Permanent Fund with dividends
 MURPHEY: Co-owned stock index fund
 BARNES: Dividends from co-owned wealth