Figure 1: Tax Increases vs Tax Decreases

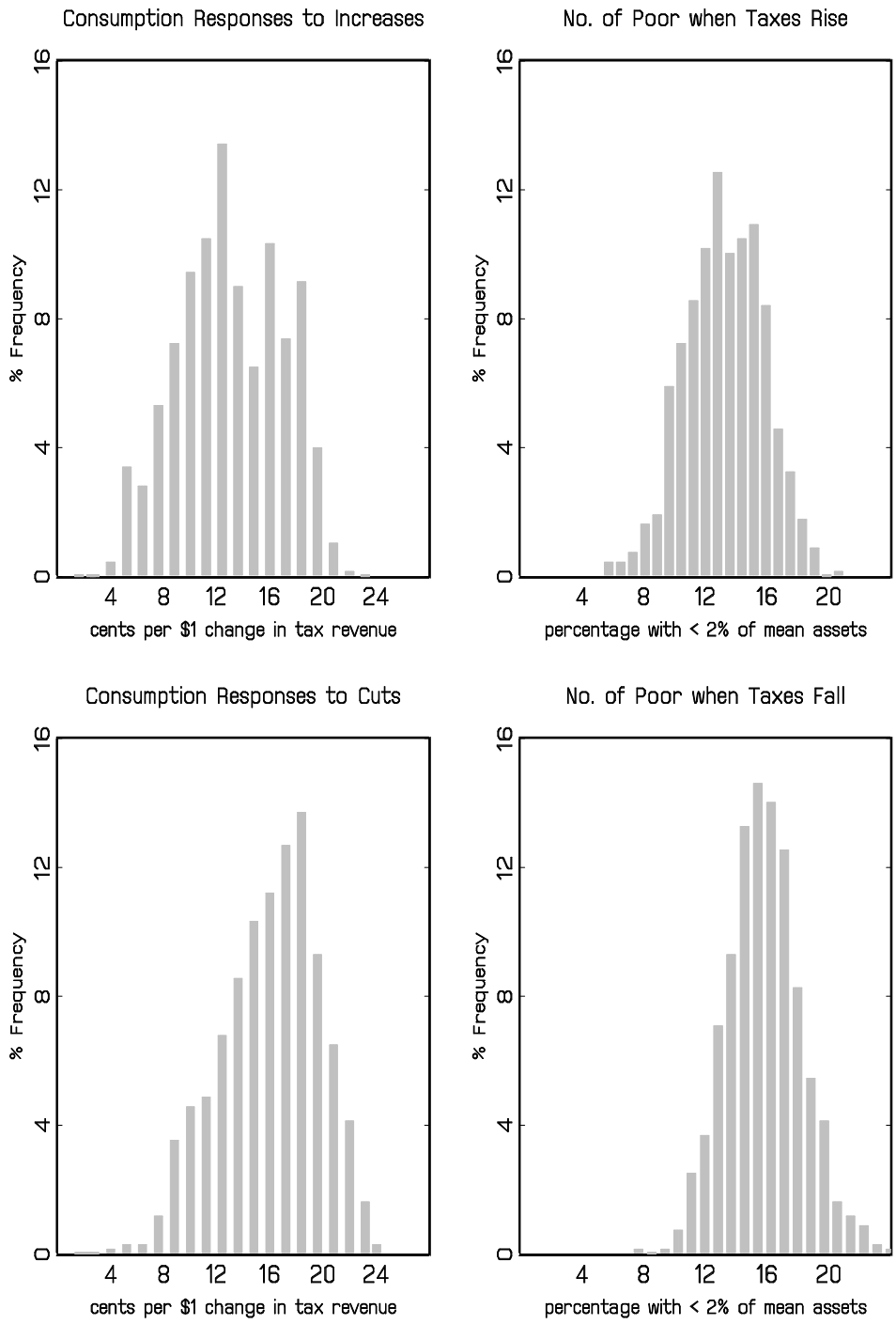


Figure 2: Variation in Debt, Capital,

Real Interest Rate and Investment

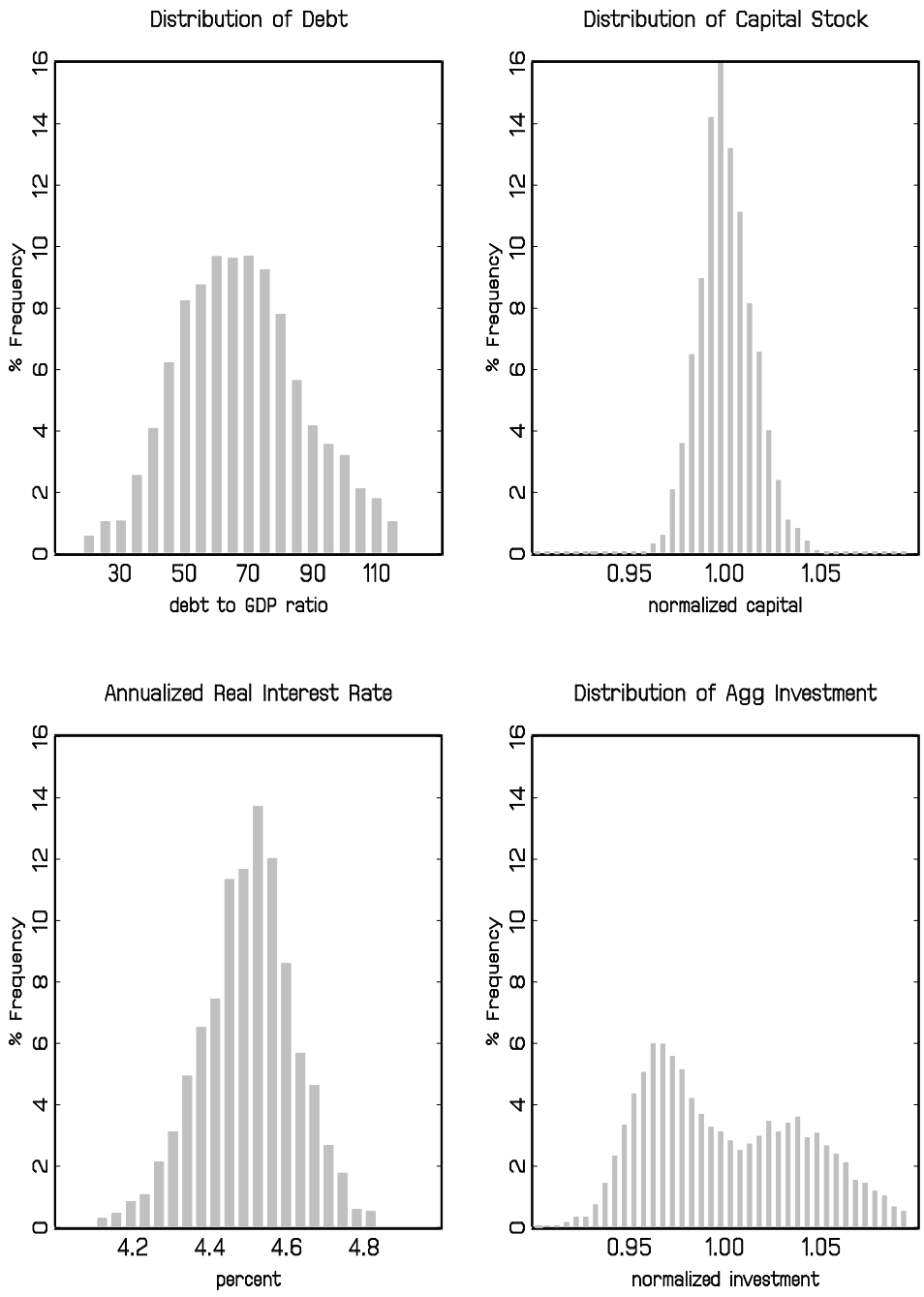


Figure 3: Variation in Consumption and Gini

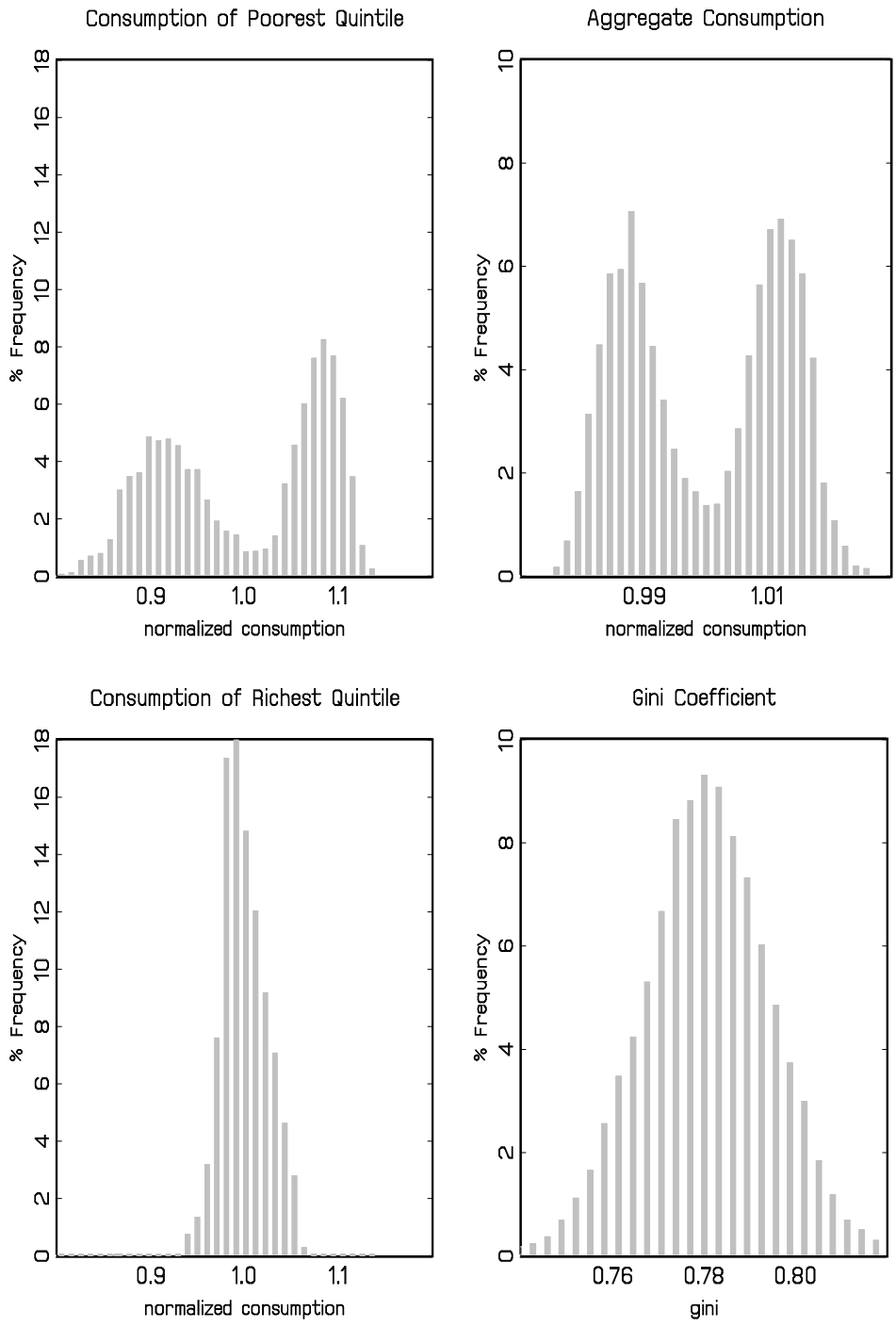


Figure 4: Tax Increase in Benchmark Experiment (1)

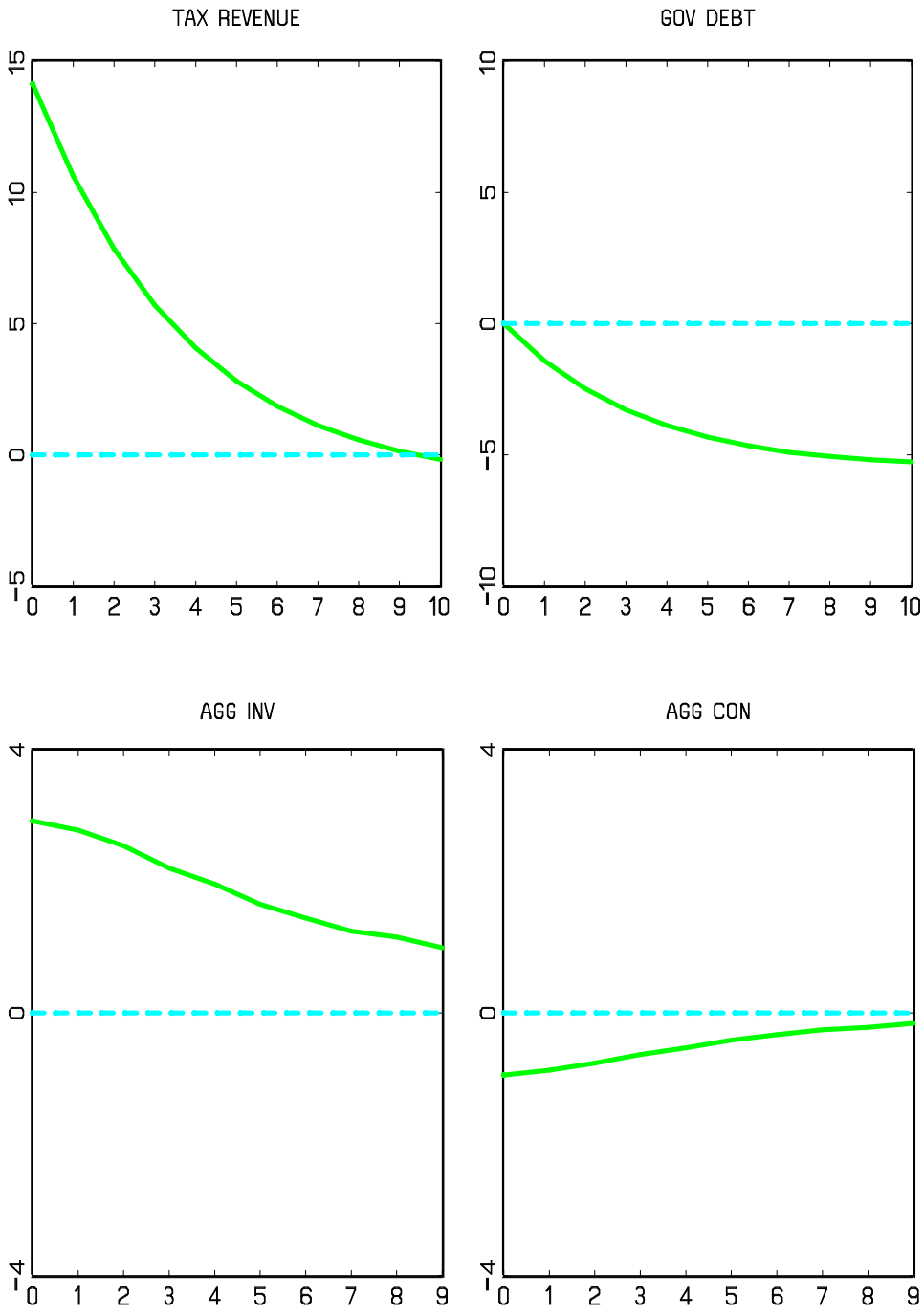


Figure 5: Tax Increase in Benchmark Experiment (2)

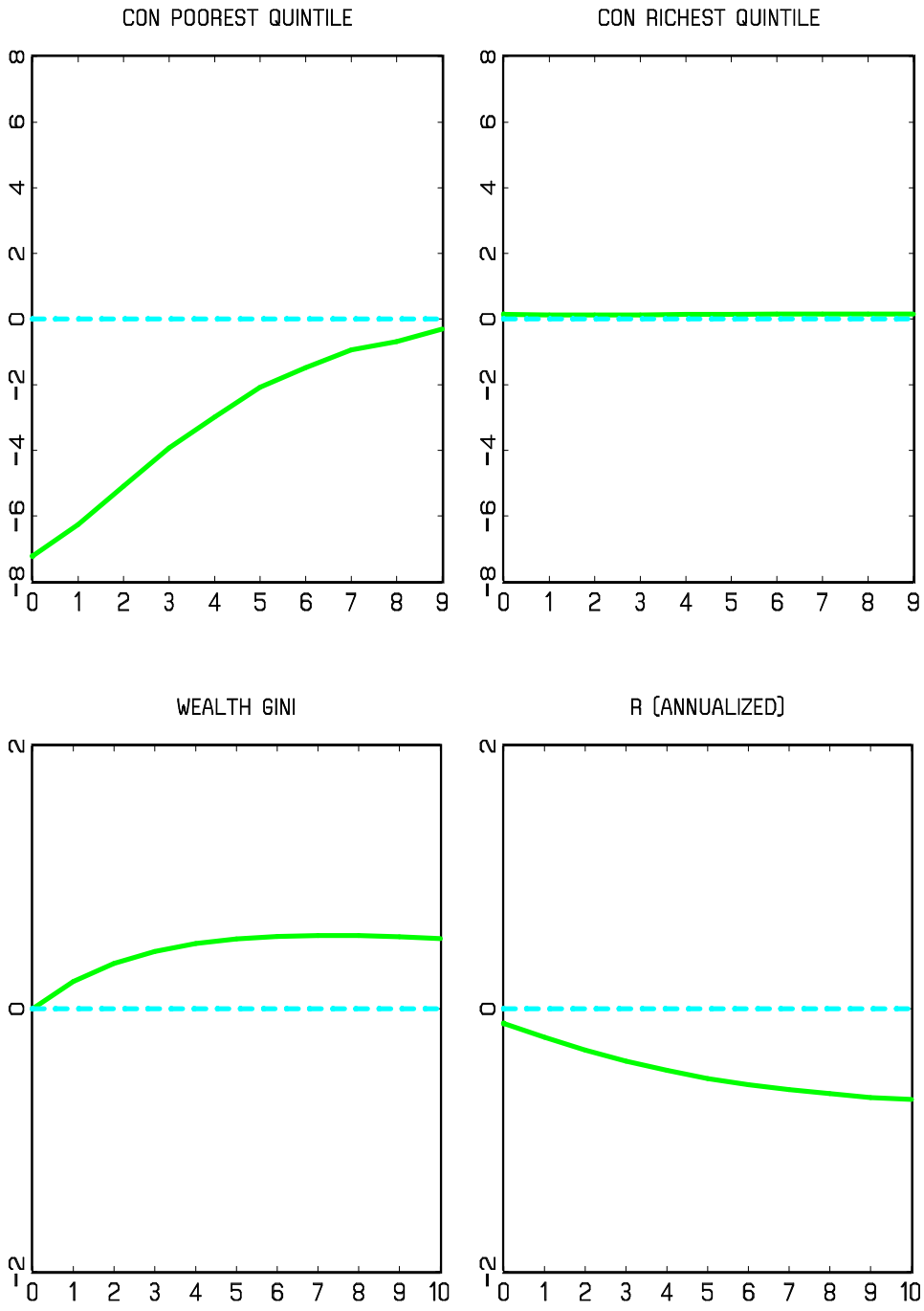


Figure 6: Change in Consumption by Asset Holding Quintile

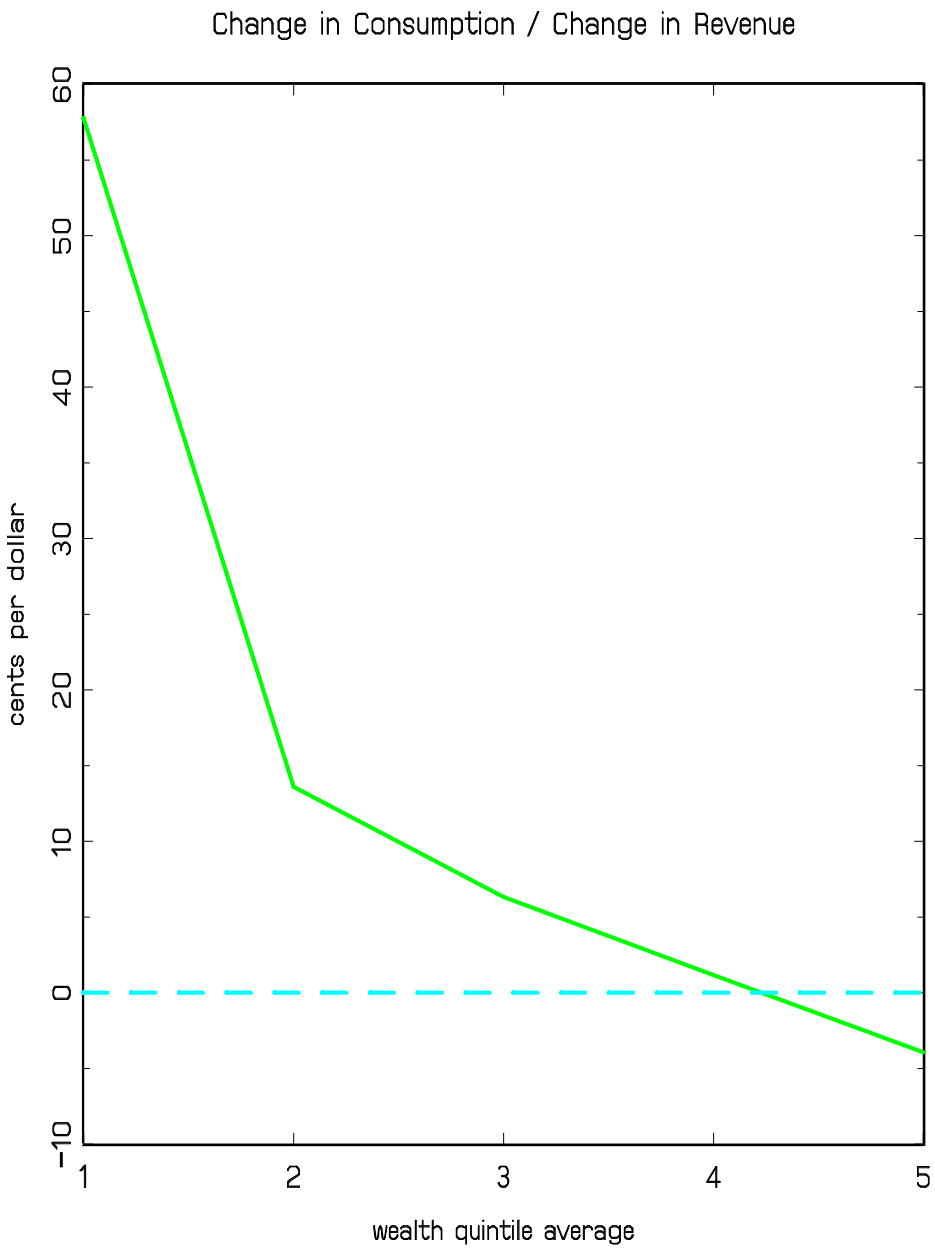


Figure 7: Tax Cut in Low Debt Experiment

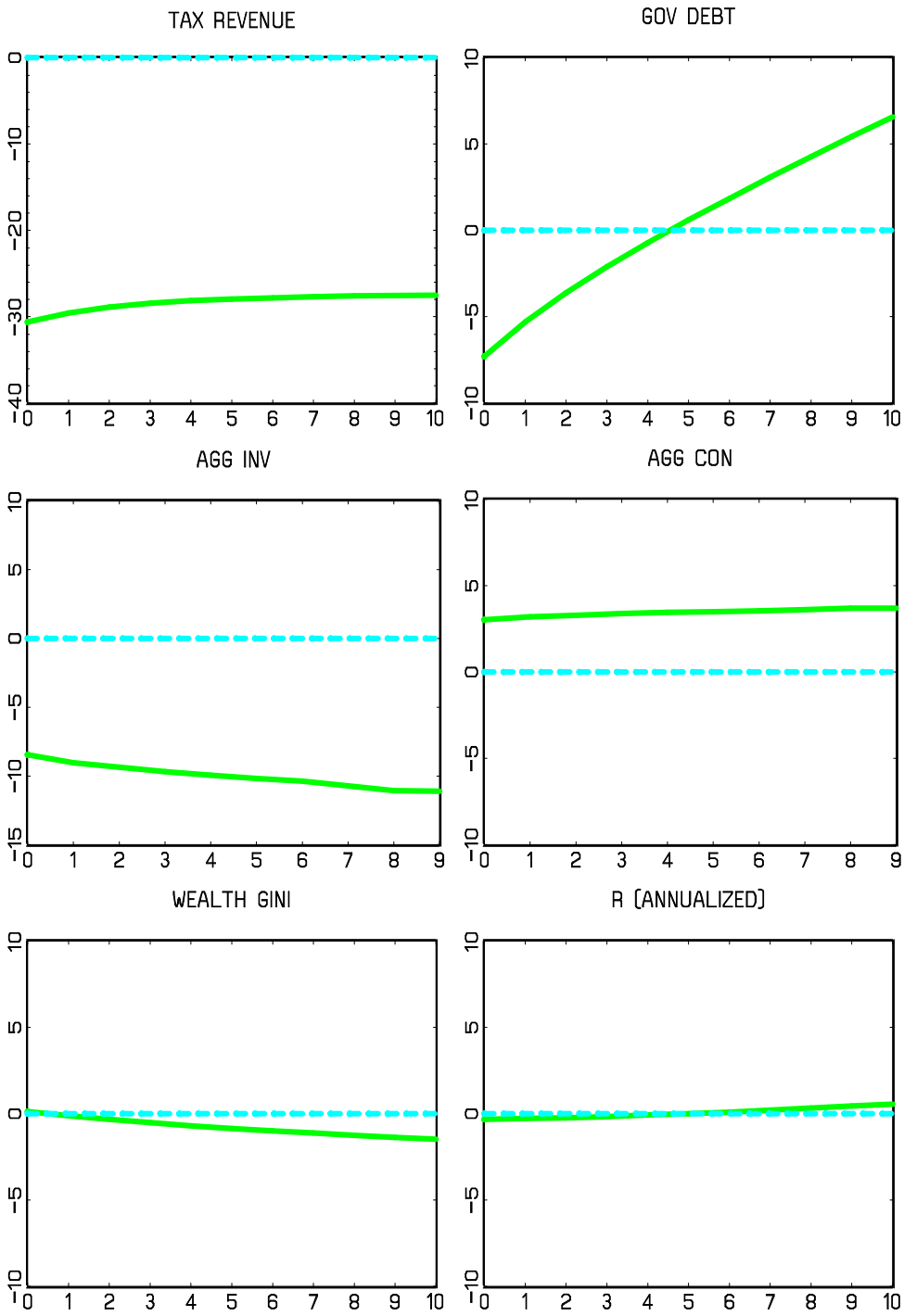


Figure 8: Tax Increase in High Debt Experiment

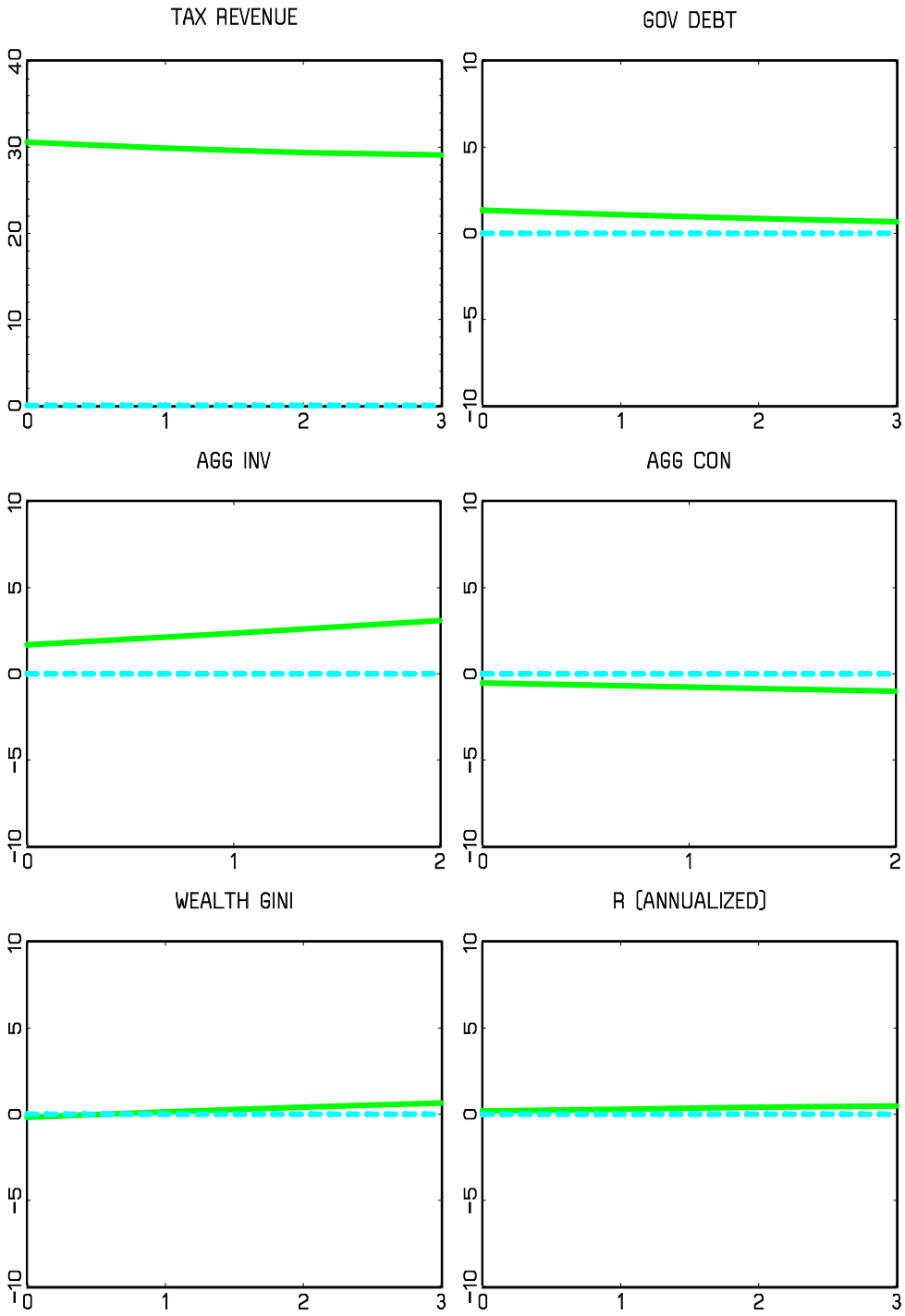


Figure 9: Forecast Errors

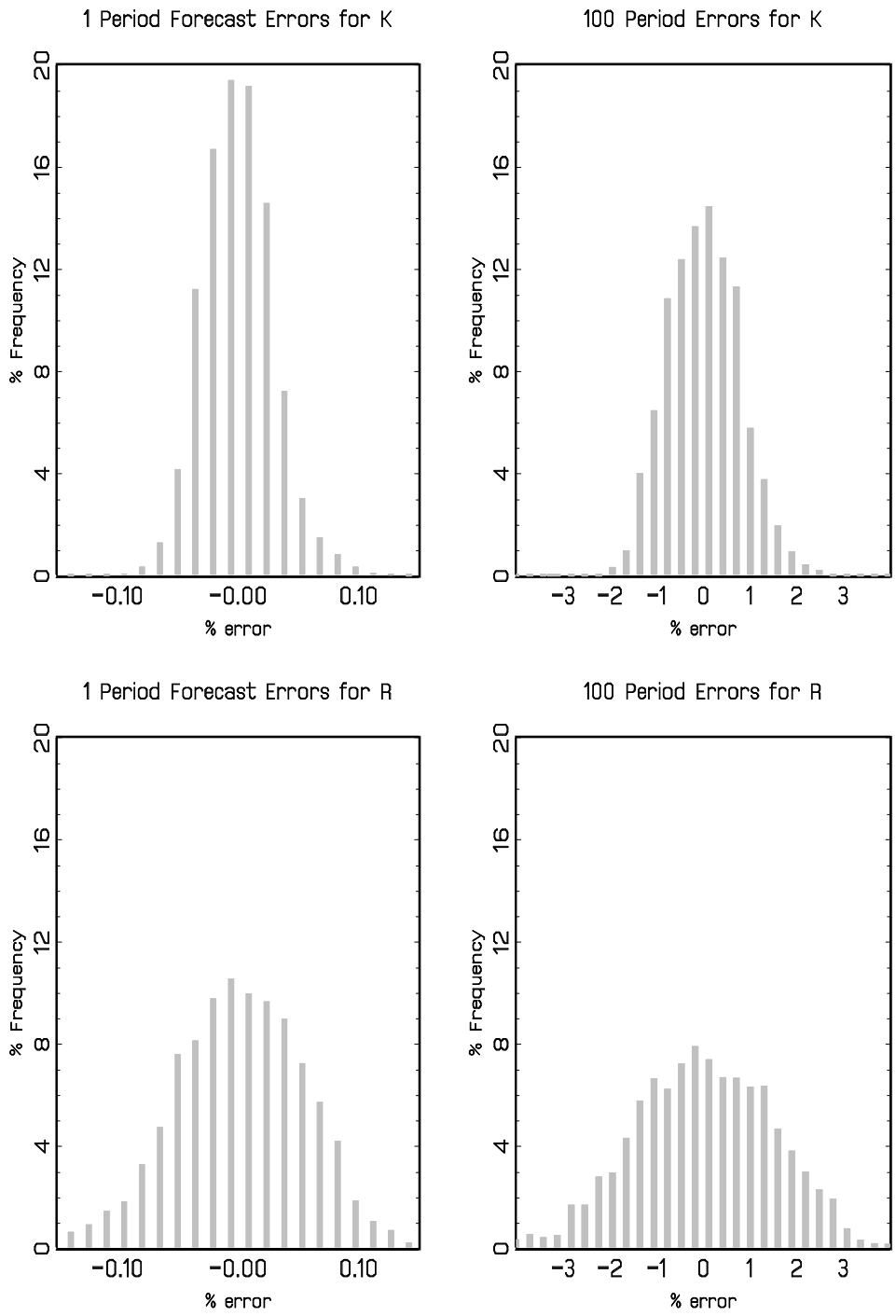


Figure 10: Savings Decision Rules

(agg. capital = 8.78, agg. debt = 2.35, mean household wealth = 11.13)

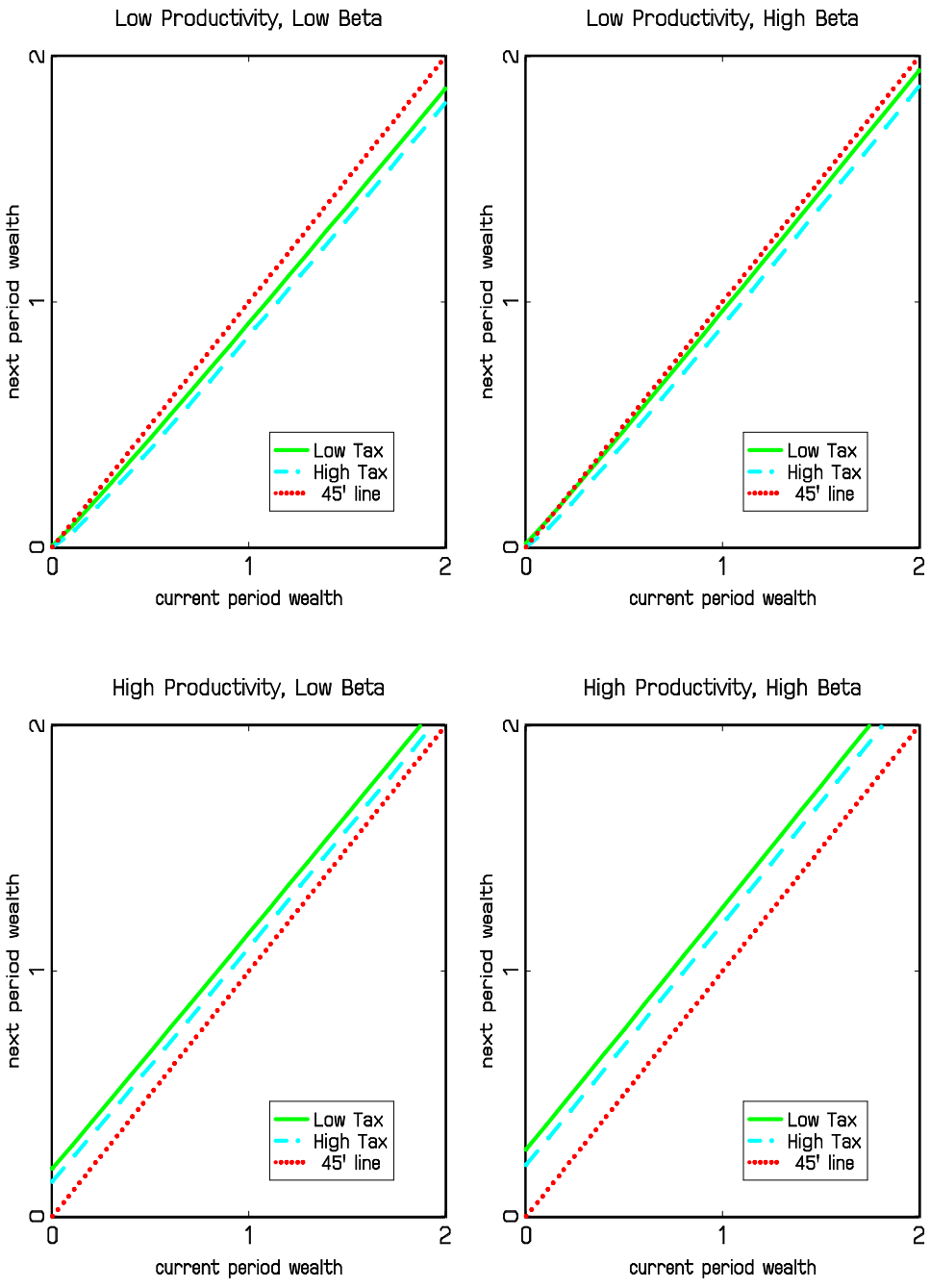
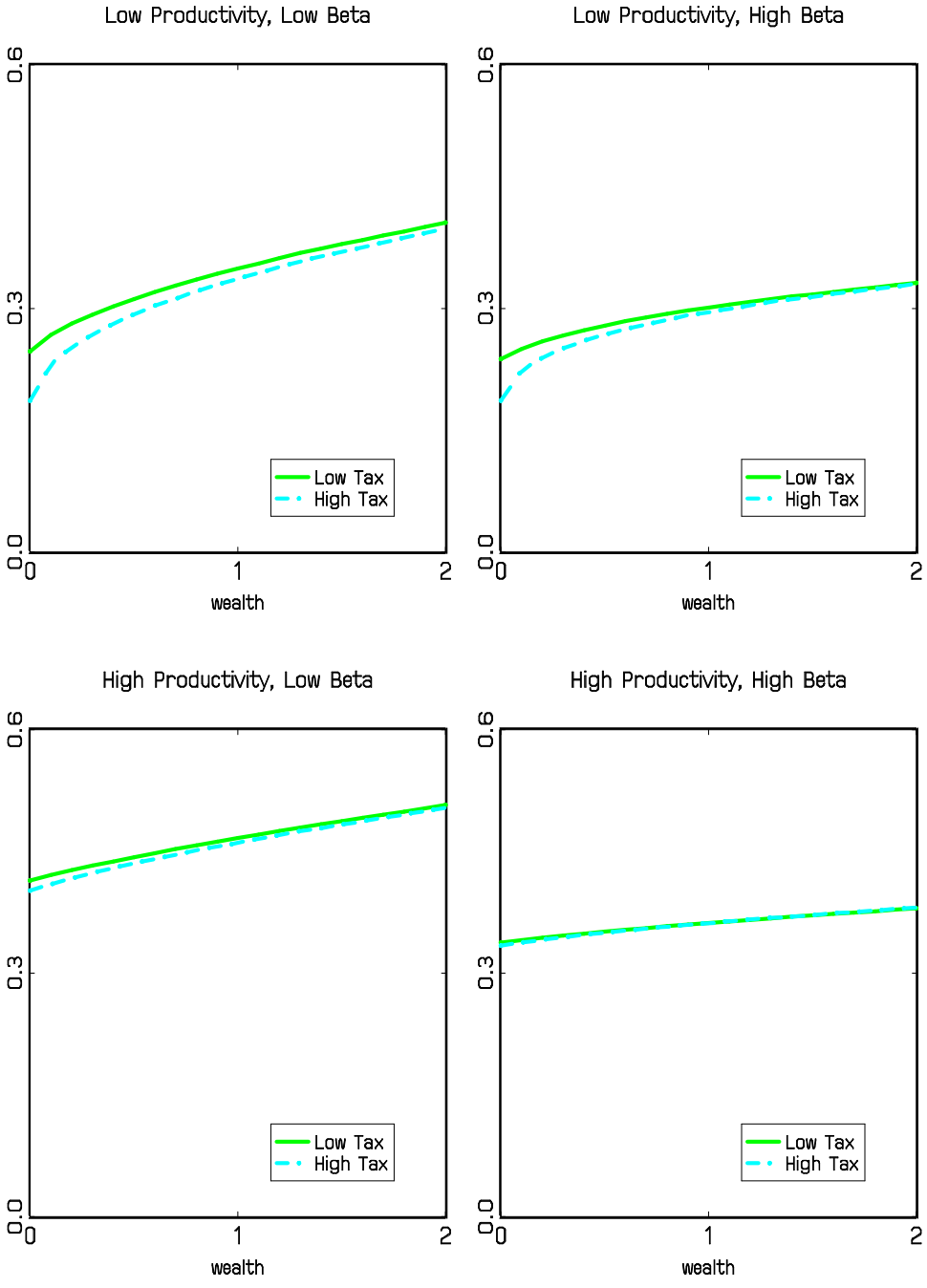


Figure 11: Consumption Decision Rules

(agg. capital = 8.78, agg. debt = 2.35, mean household wealth = 11.13)