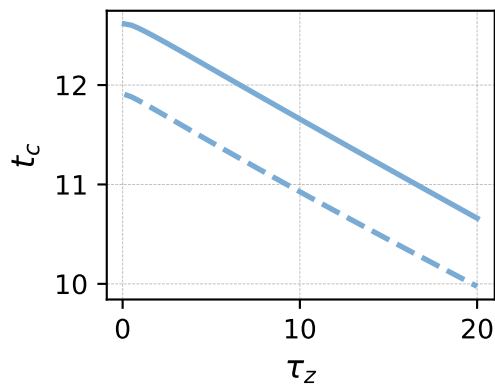
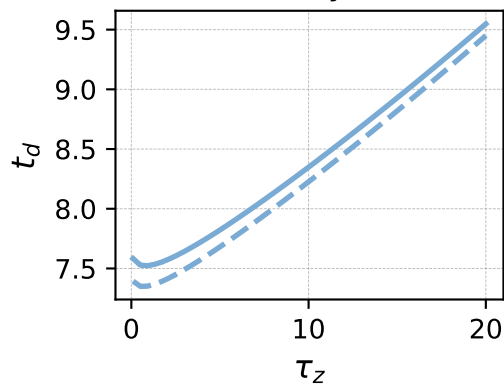


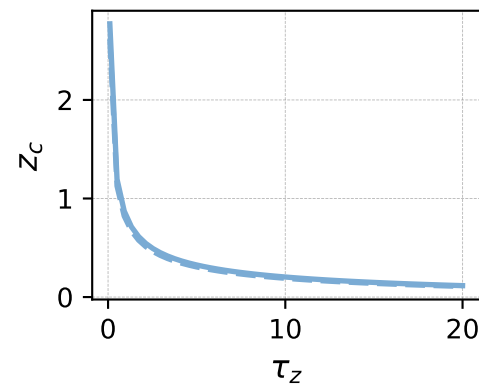
Labor, clean sector



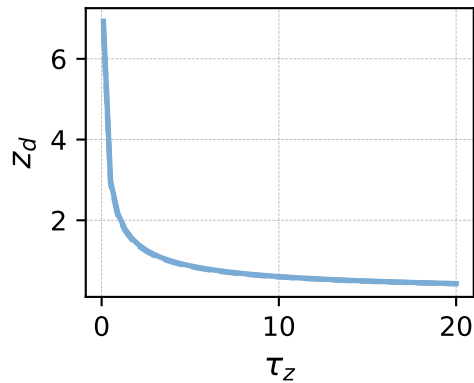
Labor, dirty sector



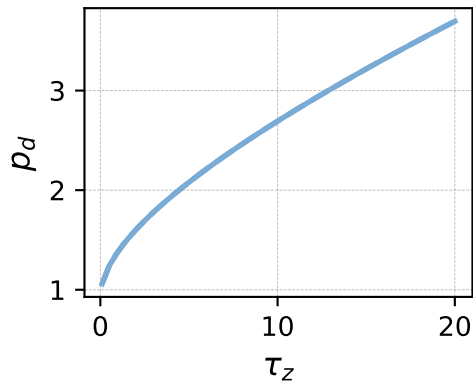
Pollution, clean sector



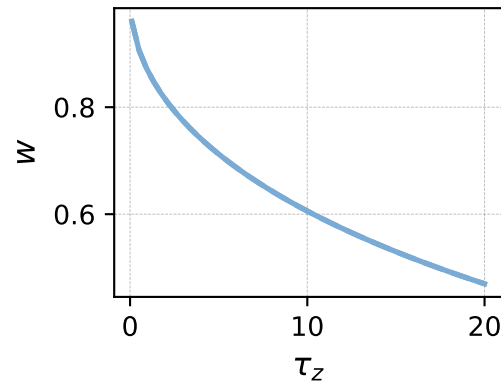
Pollution, dirty sector



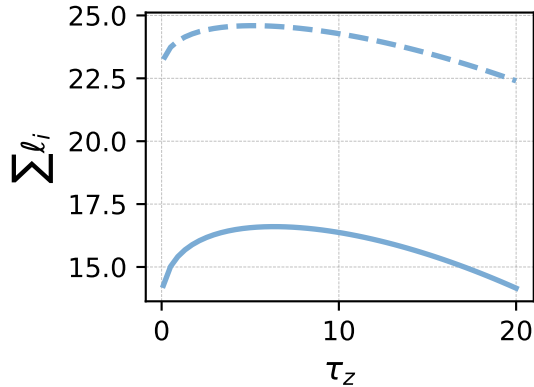
Price, dirty good



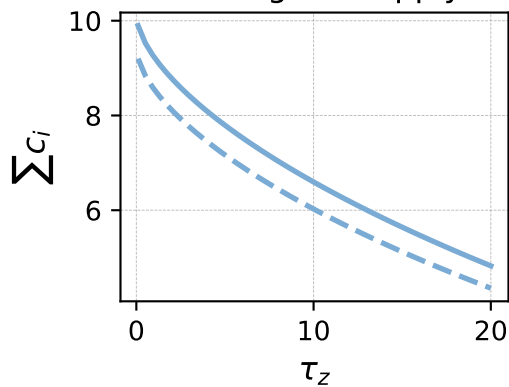
Wage



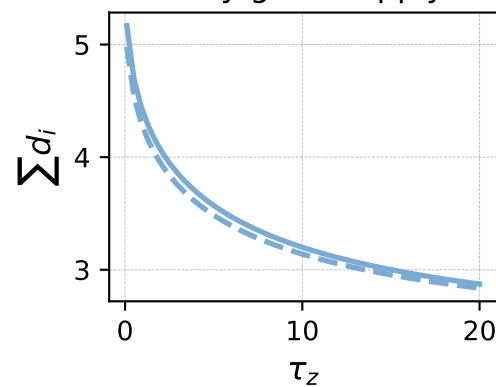
Total leisure



Clean good supply



Dirty good supply



— Pre-existing income tax ( $\tau_{w,i}^0$ )

- - - Baseline optimal income tax ( $\tau_{w,i}^{opt}$ )