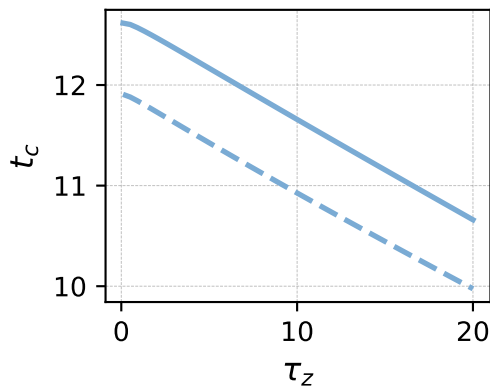
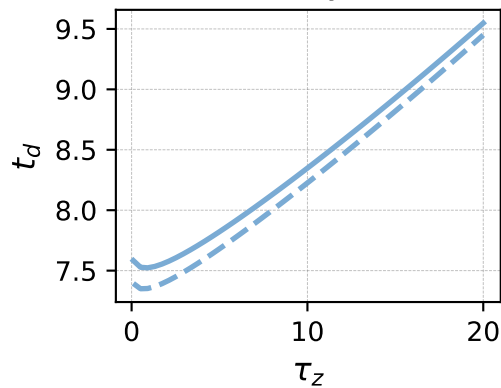


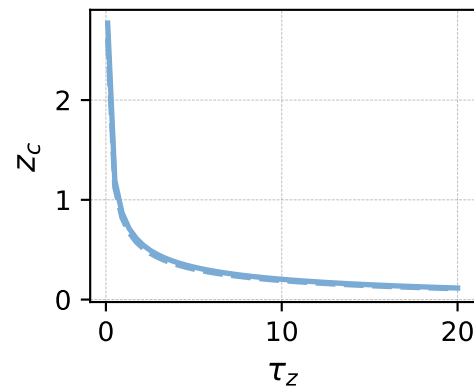
Labor, clean sector



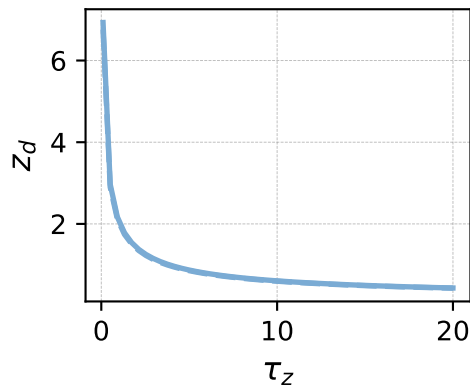
Labor, dirty sector



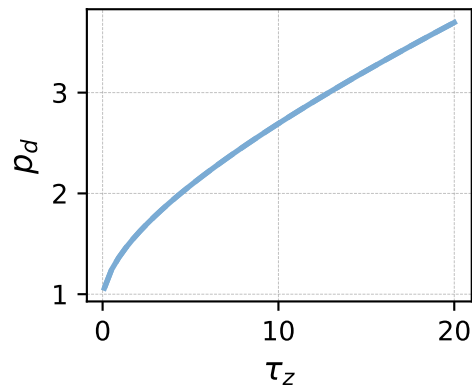
Pollution, clean sector



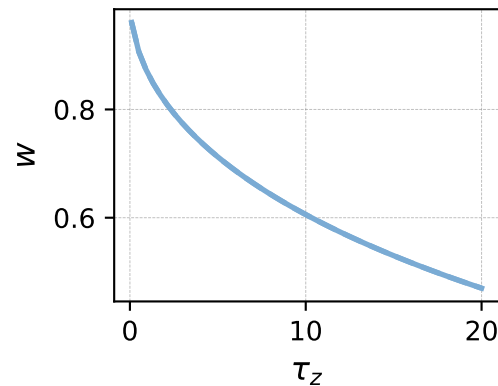
Pollution, dirty sector



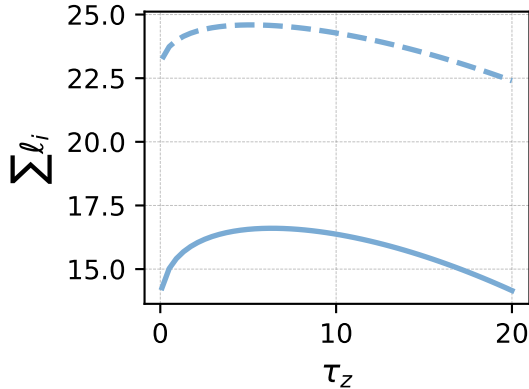
Price, dirty good



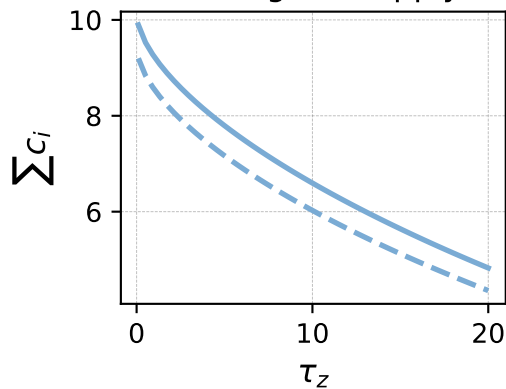
Wage



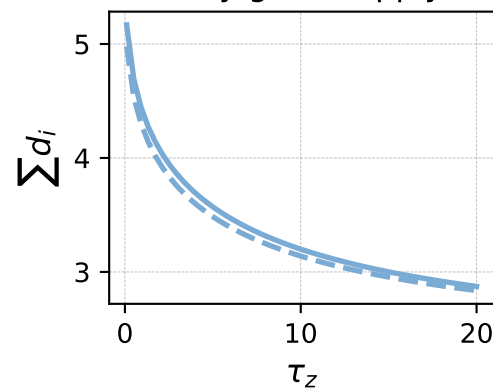
Total leisure



Clean good supply



Dirty good supply



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

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