



- Blue loss (pre-existing inc. tax)
- ... Blue loss (optimal inc. tax at $\xi = 0.1$)
- Green benefit, pre-existing inc. tax ($\xi = 0.1$)
- - Green benefit, baseline opt. inc tax ($\xi = 0.1$)
- Green benefit, pre-existing inc. tax ($\xi = 0.55$)
- - Green benefit, baseline opt. inc tax ($\xi = 0.55$)
- Green benefit, pre-existing inc. tax ($\xi = 1.0$)
- - Green benefit, baseline opt. inc tax ($\xi = 1.0$)