Firstly, we will discuss about the Assertion and then Reason. In the Assertion, progressive tax rate has been called stabilizer. It is true because we know that progressive tax rate means a tax rate which increases ~~the~~ with the level of incomes. In other words, higher the income, higher the tax rate. With such characteristic of progressive rate, it is called as stabilizer because it stabilizes the income inequality gap by raising the tax rate as the income of individuals go up.

Now, we will discuss about the reason. It is true that if there exists progressive tax rate then if the income level increases then the amount of taxes will also increase but it is not necessary that the taxes may increase in the same proportion as the income. But in most of the cases taxes increase more than proportionately change in Income. For example:

Income	Taxation	Tax rate
100	10	10%
200	20	10%
Double	Double	No change in tax

Income and tax gets doubled i.e., rate in the same proportion but no progressive