

Revised Estimates: January 27, 2003

**Table T03-0047**  
**Administration's Dividend Exclusion Proposal:**  
**Distribution of Dividends and Income Tax Change by AGI Class, 2003<sup>1</sup>**

AGI Class (thousands of 2001 dollars) <sup>2</sup>	Returns		Returns with Dividends <sup>3</sup>				Percent of Total Income Tax Change
	Number (thousands)	Percent of Total	Number (thousands)	Percent of All Returns	Amount (\$ millions)	Percent of Total Amount	
<b>Less than 10</b>	25,755	19.2	872	4.0	1,023	1.1	0.2
<b>10-20</b>	23,602	17.6	1,647	7.6	3,130	3.5	0.8
<b>20-30</b>	18,644	13.9	1,899	8.8	3,259	3.6	1.5
<b>30-40</b>	13,534	10.1	1,759	8.1	2,921	3.2	1.8
<b>40-50</b>	10,307	7.7	1,741	8.0	2,995	3.3	2.5
<b>50-75</b>	17,874	13.4	4,035	18.6	8,242	9.2	6.9
<b>75-100</b>	10,224	7.6	3,149	14.5	7,879	8.8	7.2
<b>100-200</b>	9,906	7.4	4,347	20.1	21,112	23.5	21.2
<b>200-500</b>	2,395	1.8	1,483	6.8	15,828	17.6	19.8
<b>500-1,000</b>	418	0.3	289	1.3	6,075	6.8	8.9
<b>More than 1,000</b>	226	0.2	170	0.8	16,570	18.4	29.3
<b>All</b>	133,835	100.0	21,658	100.0	89,962	100.0	100.0

Source: Urban-Brookings Tax Policy Center Microsimulation Model.

(1) Calendar year. Baseline is current law. Estimates for the dividend exclusion proposal assume that the details of the proposal effectively limit tax-sheltering activity. That assumption may turn out to be over-optimistic and the long-run revenue cost could turn out to be much greater.

(2) Returns with negative AGI are excluded from the lowest income class but are included in the totals.

(3) After adjusting for the amount of reported dividends that represent distributions of interest income from mutual funds.