

Table T03-0068
Chairman Thomas' Economic Growth and Jobs Plan:
Distribution of Income Tax Change by AGI Class, 2003¹

AGI Class (thousands of 2002 dollars) ²	Tax Units ³			Percent Change in After-Tax Income ³	Percent of Total Income Tax Change	Average Tax Change (\$)	Average Income Tax Rate ⁴	
	Number (thousands)	Percent of Total	Percent with Tax Cut				Current Law	Proposal
Less than 10	32,978	23.7	0.7	*	*	-1	-9.7	-9.7
10-20	23,022	16.6	45.2	0.3	1.2	-53	-3.9	-4.3
20-30	18,524	13.3	87.8	0.8	3.4	-189	3.5	2.8
30-40	13,431	9.7	92.6	1.0	4.3	-323	6.9	6.0
40-50	10,627	7.6	95.2	1.1	4.7	-452	8.6	7.6
50-75	18,039	13.0	98.9	1.2	12.5	-705	9.9	8.8
75-100	9,518	6.8	99.9	2.1	15.2	-1,619	12.4	10.5
100-200	9,196	6.6	99.8	2.3	23.4	-2,589	16.1	14.2
200-500	2,174	1.6	99.4	2.5	12.1	-5,631	23.2	21.3
500-1,000	359	0.3	98.5	3.5	6.1	-17,324	28.1	25.6
More than 1,000	184	0.1	98.7	4.4	17.0	-93,537	29.2	26.0
All	138,959	100.0	63.9	1.8	100.0	-731	13.3	11.8

Source: Urban-Brookings Tax Policy Center Microsimulation Model.

* Less than 0.05 percent. ** Less than \$1 in absolute value.

- (1) Calendar year. Baseline is current law. Includes the following provisions: increase child tax credit to \$1,000; expand size of the 10-percent bracket to \$7,000 for singles and \$14,000 for married couples; expand 15-percent bracket for married couples to twice that for singles; increase standard deduction for married couples to twice that for singles; reduce top four tax rates to 25, 28, 33, and 35 percent; increase AMT exemption by \$15,000 for married couples and \$7,500 for others; reduce the tax rate on dividends and long-term capital gains to 15 percent (the rate for individuals in the 10 and 15-percent tax brackets would be 5 percent; preferential rates would not apply to income that, under current law, is reported as dividends on tax returns but represents distributions of interest income from mutual funds; applies to qualifying assets sold on or
- (2) Tax units with negative AGI are excluded from the lowest income class but are included in the totals.
- (3) Includes both filing and non-filing units. Tax units that are dependents of other taxpayers are excluded from the analysis.
- (4) After-tax income is AGI less individual income tax net of refundable credits.
- (5) Average income tax, net of refundable credits, as a percentage of average AGI.