

Table T06-0031
Make EGTRRA, JGTRRA, and WFTRA Permanent With Extension of 2005 AMT Relief, Indexed for Inflation
Baseline is Current Law With Extension of 2000 AMT Exemption, Indexed for Inflation After 2000
Distribution of Federal Tax Change by Cash Income Class, 2011¹

Cash Income Class (thousands of 2005 dollars) ²	Percent of Tax Units ³		Percent Change in After-Tax Income ⁴	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁵	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (%) Points)	Under the Proposal	Change (%) Points)	Under the Proposal
Less than 10	5.2	0.2	0.1	0.0	-7	-2.7	0.0	0.2	-0.1	4.2
10-20	51.4	0.7	1.2	1.5	-197	-19.2	-0.1	0.8	-1.2	4.9
20-30	78.1	0.2	2.3	4.0	-577	-16.9	-0.2	2.5	-2.1	10.1
30-40	86.1	0.1	2.3	4.1	-770	-12.1	0.0	3.7	-2.0	14.2
40-50	91.4	0.1	2.2	3.7	-894	-9.5	0.1	4.5	-1.8	16.8
50-75	97.6	0.0	2.3	8.9	-1,245	-8.6	0.3	12.0	-1.8	19.0
75-100	99.2	0.0	2.8	9.4	-2,114	-9.6	0.2	11.2	-2.2	20.2
100-200	99.5	0.0	3.7	24.8	-4,187	-10.8	0.1	25.8	-2.7	22.6
200-500	99.4	0.0	3.8	14.4	-8,768	-9.7	0.3	16.8	-2.7	25.2
500-1,000	98.8	0.1	5.4	7.7	-29,344	-12.9	-0.1	6.5	-3.8	25.8
More than 1,000	99.1	0.2	7.3	21.1	-157,699	-14.3	-0.6	15.9	-4.8	28.9
All	75.8	0.2	3.5	100.0	-2,024	-11.2	0.0	100.0	-2.6	21.0

Baseline Distribution of Income and Federal Taxes
by Cash Income Class, 2011¹

Cash Income Class (thousands of 2005 dollars) ²	Tax Units ³		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After-Tax Income ⁴ (Dollars)	Average Federal Tax Rate ⁵	Share of Pre- Tax Income	Share of Post- Tax Income	Share of Federal Taxes
	Number (thousands)	Percent of Total					Percent of Total	Percent of Total	Percent of Total
Less than 10	17,076	11.0	6,303	272	6,031	4.3	0.9	1.1	0.2
10-20	24,604	15.8	17,000	1,028	15,972	6.1	3.5	4.3	0.9
20-30	22,025	14.1	28,090	3,407	24,683	12.1	5.2	6.0	2.7
30-40	16,710	10.7	39,487	6,364	33,123	16.1	5.5	6.1	3.8
40-50	13,168	8.4	50,814	9,414	41,401	18.5	5.6	6.0	4.4
50-75	22,575	14.5	69,796	14,526	55,270	20.8	13.2	13.7	11.6
75-100	14,102	9.0	98,049	21,940	76,109	22.4	11.6	11.8	11.0
100-200	18,722	12.0	152,864	38,722	114,141	25.3	24.0	23.4	25.7
200-500	5,166	3.3	324,098	90,360	233,737	27.9	14.0	13.2	16.5
500-1,000	825	0.5	769,080	227,631	541,450	29.6	5.3	4.9	6.7
More than 1,000	423	0.3	3,274,032	1,102,436	2,171,596	33.7	11.6	10.1	16.5
All	155,984	100.0	76,577	18,095	58,482	23.6	100.0	100.0	100.0

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0305-3A).

Number of AMT Taxpayers (millions). Baseline: 2.6 Proposal: 6.5

(1) Calendar year. Baseline is current law plus extension of 2000 AMT exemption levels (\$45,000 for married couples and \$33,750 for singles and heads of household), indexed for inflation after 2000; and allowance of personal non-refundable credits regardless of tentative AMT. Provisions include extending provisions in EGTRRA, JGTRRA, and WFTRA affecting the following: marginal tax rates; 10-percent bracket; the child tax credit; the child and dependent care credit; the standard deduction, 15-percent bracket, and EITC for married couples; tax rates on long-term capital gains and dividends; pension and IRA provisions (excludes the saver's credit); expansion of student loan interest deduction (excludes other education provisions); and estate tax exemption, rates, and state death tax credit.

Provisions also include extending the 2005 AMT exemption levels (\$58,000 for married couples and \$40,250 for singles and heads of household), indexed for inflation after 2005; and allowance of personal non-refundable credits regardless of tentative AMT.

(2) Tax units with negative cash income are excluded from the lowest income class but are included in the totals. For a description of cash income, see

<http://www.taxpolicycenter.org/TaxModel/income.cfm>

(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 cash income less: individual income tax net of refundable credits; corporate income tax; payroll taxes (Social Security and Medicare); and estate tax.

(5) Average federal tax (includes individual and corporate income tax, payroll taxes for Social Security and Medicare, and the estate tax) as a percentage of average cash income.