

**Table T18-0051**  
**Current Law Parameters for TPC Tables Created From**  
**January 11, 2018 to Present**

*Note: Dollar amounts have been indexed for inflation where applicable, unless otherwise noted.*

	Tax Year			
	2011-2012	2013 - 2017	2018-2025	2026 and on
<b>Ordinary income tax rates</b>	10%, 15%, 25%, 28%, 33%, 35%	10%, 15%, 25%, 28%, 33%, 35%, 39.6%	10%, 12%, 22%, 24%, 32%, 35%, 37%	10%, 15%, 25%, 28%, 33%, 35%, 39.6%
<b>Rates on long-term capital gains</b>	0%, 15%	0%, 15%, 20%	0%, 15%, 20%	0%, 15%, 20%
<b>Dividends taxed at capital gains rates?</b>	Yes	Yes	Yes	Yes
<b>Capital gains tax bracket threshold(s)</b>	Same as ordinary 15% bracket	Same as ordinary brackets	2017 law 15% and 39.6% brackets, indexed by chained CPI	Same as ordinary 15% and 39.6% brackets
<b>Inflation indexing: CPI or chain-weighted CPI (C-CPI)</b>	CPI	CPI	C-CPI	C-CPI
<b>Personal Exemption</b>	\$3,700*	\$3,900*	\$0	\$4,900**
<b>Standard deduction for single/head of household/married filing jointly</b>	\$5,800/\$8,500/ \$11,600*	\$6,100/\$8,950/ \$12,200*	\$12,000/\$18,000/ \$24,000*	\$7,650/\$11,250/ \$15,300**
<b>Standard deduction for joint filers</b>	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers
<b>Ordinary income tax bracket thresholds for joint filers</b>	200% of amount for single filers for bottom two brackets	200% of amount for single filers for bottom two brackets	200% of amount for single filers for all but top bracket	200% of amount for single filers for bottom two brackets
<b>PEP and Pease? <sup>1</sup></b>	No	Yes	No	Yes
<b>Child Tax Credit (CTC)</b>	\$1,000 per child	\$1,000 per child	\$2,000 per child	\$1,000 per child
<b>CTC phase-out thresholds</b>	\$75,000 (single), \$110,000 (joint)	\$75,000 (single), \$110,000 (joint)	\$200,000 (single), \$400,000 (joint)	\$75,000 (single), \$110,000 (joint)
<b>Additional Child Tax Credit</b>	15% of earnings over \$3,000 (refundable)	15% of earnings over \$3,000 (refundable)	15% of earnings over \$2,500 (refundable up to \$1,400* per child)	15% of earnings over \$3,000 (refundable)
<b>Social Security number of child required to claim CTC</b>	No	No	Yes	No
<b>Credit for non-CTC eligible dependents (non-refundable)</b>	\$0	\$0	\$500	\$0
<b>Child and Dependent Care Tax Credit</b>	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%
<b>Alternative Minimum Tax (AMT) exemption amount</b>	\$48,450 (single), \$74,450 (joint) <sup>2</sup>	\$51,900 (single), \$80,800 (joint)*	\$70,300 (single), \$109,400 (joint)*	\$65,300 (single), \$101,600 (joint)**
<b>AMT exemption phaseout threshold</b>	\$112,500 (single), \$150,000 (joint)	\$115,400 (single), \$153,900 (joint)*	\$500,000 (single), \$1,000,000 (joint)*	\$145,200 (single), \$193,700 (joint)**
<b>AMT bracket threshold for 28% rate</b>	\$175,000	\$179,500*	\$191,000*	\$225,900**
<b>Allow personal credits against AMT?</b>	Yes	Yes	Yes	Yes
<b>Earned Income Tax Credit (EITC) Rate</b>	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%.	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%.	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%.	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%.
<b>EITC Phaseout Threshold Increase for Joint Filers</b>	\$5,080*	\$5,340*	\$5,690*	\$6,720**
<b>Limit on itemized deduction for state and local real estate plus income or sales taxes</b>	None	None	\$10,000	None
<b>Itemized deduction for state and local general sales taxes?</b>	Yes	Yes	Yes, but limited	Yes
<b>Itemized deduction for miscellaneous expenses above 2% of AGI floor?</b>	Yes	Yes	No	Yes
<b>Itemized deduction for theft and casualty losses?</b>	Yes	Yes	Certain disaster losses only	Yes
<b>Limit on mortgage debt for home mortgage interest deduction</b>	\$1,000,000	\$1,000,000	\$750,000 for new mortgages	\$1,000,000
<b>Itemized deduction for interest on non- acquisition debt (home equity loans)?</b>	Yes, on debt up to \$100,000	Yes, on debt up to \$100,000	No	Yes, on debt up to \$100,000
<b>AGI floor on itemized deduction for medical expenses</b>	7.5% (ordinary) 10% (AMT)	Through 2016: 10% (under age 65) 7.5% (65 or over) 2017: 7.5% (all)	7.5% through 2018; 10% thereafter	10%
<b>Limit on active pass-through losses</b>	None	None	\$250,000 (single), \$500,000 (joint)*	None
<b>Tuition and fees deduction?</b>	Yes	Yes	No	No
<b>Educator expense deduction?</b>	Yes	Yes	Yes	Yes
<b>Deduction for domestic qualified business income (Section 199A)</b>	None	None	20%	None
<b>Domestic production activities deduction? (Section 199)</b>	Yes	Yes	No	Yes
<b>Estate Tax</b>	\$5m exemption*, 35% rate	\$5.25m exemption*, 40% top rate	\$11.18m exemption*, 40% top rate	\$6.6m exemption**, 40% top rate
<b>OASDI taxable earnings maximum</b>	\$106,800 <sup>3</sup>	\$113,700 <sup>3</sup>	\$128,400 <sup>3</sup>	\$178,200 <sup>3</sup>
<b>OASDI payroll tax rate (employer)</b>	6.2%	6.2%	6.2%	6.2%
<b>OASDI payroll tax rate (employee)</b>	4.2%	6.2%	6.2%	6.2%
<b>Medicare payroll tax rate (employer)</b>	1.45%	1.45%	1.45%	1.45%
<b>Medicare payroll tax rate (employee)</b>	1.45%	1.45%	1.45%	1.45%
<b>Additional HI tax on earned income for high-income taxpayers <sup>4</sup></b>	None	0.9%	0.9%	0.9%
<b>Net investment income tax rate <sup>5</sup></b>	None	3.8%	3.8%	3.8%

\* Parameter is indexed for inflation (value given is for the first year of the applicable range)

\*\* Projection for an indexed parameter (value given is for the first year of the applicable range)

(1) The personal exemption phaseout (PEP) reduces personal exemptions by 2 percent for each \$2,500 by which adjusted gross income (AGI) exceeds the specified threshold. The limitation on itemized deductions (Pease) reduces most itemized deductions by 3 percent of the amount by which AGI exceeds the specified threshold, up to a maximum of 80 percent of itemized deductions. The specified thresholds are \$300,000 for married couples filing jointly, \$250,000 for singles, and \$275,000 for heads of household; the values are indexed for inflation after 2013.

(2) Values shown are for 2011. For 2012, the exemption was \$50,600 for singles and \$78,750 for married couples filing jointly.

(3) The limit is indexed in future years based on changes in the national average wage index. Value for 2026 is a projection from the Social Security Actuaries report.

(4) Applies to earnings in excess of \$200,000 single (\$250,000 married filing jointly).

(5) Applies to the lesser of net investment income and modified AGI in excess of \$200,000 single (\$250,000 married filing jointly).

**Table T15-0245**  
**Current Law Parameters for TPC Tables Created From**  
**December 22, 2015 to December 21, 2017**

*Note: Dollar amounts have been indexed for inflation where applicable, unless otherwise noted.*

	Tax Year			
	2010	2011	2012	2013 and on
<b>Ordinary income tax rates</b>	10%, 15%, 25%, 28%, 33%, 35%	10%, 15%, 25%, 28%, 33%, 35%	10%, 15%, 25%, 28%, 33%, 35%	10%, 15%, 25%, 28%, 33%, 35%, 39.6%
<b>Rates on long-term capital gains</b>	0%, 15%	0%, 15%	0%, 15%	0%, 15%, 20%
<b>Rates on capital gains held 5+ years</b>	0%, 15%	0%, 15%	0%, 15%	0%, 15%, 20%
<b>Dividends taxed at capital gains rates?</b>	Yes	Yes	Yes	Yes
<b>Standard deduction for joint filers</b>	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers
<b>Ordinary income tax thresholds for the bottom two brackets for joint filers</b>	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers
<b>PEP and Pease? <sup>1</sup></b>	No	No	No	Yes
<b>Child Tax Credit</b>	\$1000 per child	\$1000 per child	\$1000 per child	\$1000 per child
<b>Additional Child Tax Credit</b>	15% of earnings over \$3,000 (refundable)	15% of earnings over \$3,000 (refundable)	15% of earnings over \$3,000 (refundable)	15% of earnings over \$3,000 (refundable)
<b>Child and Dependent Care Tax Credit</b>	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%
<b>AMT exemption amount*</b>	\$47,450 (single), \$72,450 (joint)	\$48,450 (single), \$74,450 (joint)	\$50,600 (single), \$78,750 (joint)	\$51,900 (single), \$80,800 (joint)
<b>AMT exemption phaseout threshold*</b>	\$112,500 (single), \$150,000 (joint)	\$112,500 (single), \$150,000 (joint)	\$112,500 (single), \$150,000 (joint)	\$115,400 (single), \$153,900 (joint)
<b>AMT bracket threshold for 28% rate*</b>	\$175,000	\$175,000	\$175,000	\$179,500
<b>Allow personal credits against AMT?</b>	Yes	Yes	Yes	Yes
<b>Earned Income Tax Credit (EITC) Rate</b>	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%.	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%.	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%.	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%.
<b>EITC Phaseout Threshold Increase for Joint Filers*</b>	\$5,010	\$5,080	\$5,210	\$5,340
<b>Hope Credit or American Opportunity Tax Credit (AOTC)?</b>	AOTC	AOTC	AOTC	AOTC
<b>State and local general sales tax deduction?</b>	Yes	Yes	Yes	Yes
<b>Tuition and fees deduction?</b>	Yes	Yes	Yes	Yes, through 2016.
<b>Educator expense deduction?</b>	Yes	Yes	Yes	Yes
<b>Estate Tax</b>	Choose 2011 law OR no estate tax but carry over basis for inherited assets over \$1.3m	\$5m exemption*, 35% rate	\$5.12m exemption, 35% rate	\$5.25m exemption, 40% top rate
<b>OASDI taxable earnings maximum</b>	\$106,800	\$106,800	\$110,100	\$113,700 <sup>2</sup>
<b>OASDI payroll tax rate (employer)</b>	6.2%	6.2%	6.2%	6.2%
<b>OASDI payroll tax rate (employee)</b>	6.2%	4.2%	4.2%	6.2%
<b>Medicare payroll tax rate (employer)</b>	1.45%	1.45%	1.45%	1.45%
<b>Medicare payroll tax rate (employee)</b>	1.45%	1.45%	1.45%	1.45%
<b>Additional HI tax on earned income for high-income taxpayers <sup>3</sup></b>	None	None	None	0.9%
<b>Net investment income tax rate <sup>4</sup></b>	None	None	None	3.8%

\* Parameter is indexed for inflation.

(1) The personal exemption phaseout (PEP) reduces personal exemptions by 2 percent for each \$2,500 by which adjusted gross income (AGI) exceeds the specified threshold. The limitation on itemized deductions (Pease) reduces most itemized deductions by 3 percent of the amount by which AGI exceeds the specified threshold, up to a maximum of 80 percent of itemized deductions. The specified thresholds are \$300,000 for married couples filing jointly, \$250,000 for singles, and \$275,000 for heads of household; the values are indexed for inflation after 2013.

(2) OASDI taxable earnings maximum was \$117,000 in 2014, \$118,500 in 2015, and is \$118,500 in 2016. The limit is index in future years based on changes in the national average wage index.

(3) Applies to earnings in excess of \$200,000 single (\$250,000 married filing jointly).

(4) Applies to the lesser of net investment income and modified AGI in excess of \$200,000 single (\$250,000 married filing jointly).

**Table T15-0245**  
**Current Law Parameters for TPC Tables Created From**  
**January 2, 2013 to December 18, 2015**

*Note: Dollar amounts have been indexed for inflation where applicable, unless otherwise noted.*

	Tax Year			
	2010	2011	2012	2013 and on
<b>Ordinary income tax rates</b>	10%, 15%, 25%, 28%, 33%, 35%	10%, 15%, 25%, 28%, 33%, 35%	10%, 15%, 25%, 28%, 33%, 35%	10%, 15%, 25%, 28%, 33%, 35%, 39.6%
<b>Rates on long-term capital gains</b>	0%, 15%	0%, 15%	0%, 15%	0%, 15%, 20%
<b>Rates on capital gains held 5+ years</b>	0%, 15%	0%, 15%	0%, 15%	0%, 15%, 20%
<b>Dividends taxed at capital gains rates?</b>	Yes	Yes	Yes	Yes
<b>Standard deduction for joint filers</b>	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers
<b>Ordinary income tax thresholds for the bottom two brackets for joint filers</b>	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers
<b>PEP and Pease?</b> <sup>1</sup>	No	No	No	Yes
<b>Child Tax Credit</b>	\$1000 per child	\$1000 per child	\$1000 per child	\$1000 per child
<b>Additional Child Tax Credit</b>	15% of earnings over \$3,000 (refundable)	15% of earnings over \$3,000 (refundable)	15% of earnings over \$3,000 (refundable)	15% of earnings over \$3,000 (refundable) <sup>2</sup>
<b>Child and Dependent Care Tax Credit</b>	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%
<b>AMT exemption phaseout threshold*</b>	\$47,450 (single), \$72,450 (joint)	\$48,450 (single), \$74,450 (joint)	\$50,600 (single), \$78,750 (joint)	\$51,900 (single), \$80,800 (joint)
<b>AMT exemption phaseout threshold</b>	\$112,500 (single), \$150,000 (joint)	\$112,500 (single), \$150,000 (joint)	\$112,500 (single), \$150,000 (joint)	\$115,400 (single), \$153,900 (joint)
<b>AMT bracket threshold for 28% rate*</b>	\$175,000	\$175,000	\$175,000	\$179,500
<b>Allow personal credits against AMT?</b>	Yes	Yes	Yes	Yes
<b>Earned Income Tax Credit (EITC) Rate</b>	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%.	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%.	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%.	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%. <sup>3</sup>
<b>EITC Phaseout Threshold Increase for Joint Filers</b>	\$5,010	\$5,080	\$5,210	\$5,340 <sup>4</sup>
<b>Hope Credit or American Opportunity Tax Credit (AOTC)?</b>	AOTC	AOTC	AOTC	AOTC <sup>5</sup>
<b>State and local general sales tax deduction?</b>	Yes	Yes	Yes	Yes, for 2013 only.
<b>Tuition and fees deduction?</b>	Yes	Yes	Yes	Yes, for 2013 only.
<b>Educator expense deduction?</b>	Yes	Yes	Yes	Yes, for 2013 only.
<b>Estate Tax</b>	Choose 2011 law OR no estate tax but carry over basis for inherited assets over \$1.3m	\$5m exemption, 35% rate	\$5.12m exemption, 35% rate	\$5.25m exemption, 40% top rate
<b>OASDI taxable earnings maximum</b>	\$106,800	\$106,800	\$110,100	\$113,700 <sup>6</sup>
<b>OASDI payroll tax rate (employer)</b>	6.2%	6.2%	6.2%	6.2%
<b>OASDI payroll tax rate (employee)</b>	6.2%	4.2%	4.2%	6.2%
<b>Medicare payroll tax rate (employer)</b>	1.45%	1.45%	1.45%	1.45%
<b>Medicare payroll tax rate (employee)</b>	1.45%	1.45%	1.45%	1.45%
<b>Additional HI tax on earned income for high-income taxpayers<sup>7</sup></b>	None	None	None	0.9%
<b>Net investment income tax rate<sup>8</sup></b>	None	None	None	3.8%

\* Parameter is indexed for inflation.

(1) The personal exemption phaseout (PEP) reduces personal exemptions by 2 percent for each \$2,500 by which adjusted gross income (AGI) exceeds the specified threshold. The limitation on itemized deductions (Pease) reduces most itemized deductions by 3 percent of the amount by which AGI exceeds the specified threshold, up to a maximum of 80 percent of itemized deductions. The specified thresholds are \$300,000 for married couples filing jointly, \$250,000 for singles, and \$275,000 for heads of household; the values are indexed for inflation after 2013.

(2) Provision expires at the end of 2017. For 2018 and thereafter, the threshold will be \$10,000, indexed for inflation after 2001.

(3) The 45 percent rate for three or more children expires at the end of 2017. For 2018 and thereafter, the rate reverts to 40 percent.

(4) For 2018 and thereafter, the threshold increase reverts to \$3,000, indexed for inflation after 2008.

(5) AOTC expires at the end of 2017 and is replaced by the Hope Credit for 2018 and thereafter.

(6) Estimate based on projected growth in average wage index.

(7) Applies to earnings in excess of \$200,000 single (\$250,000 married filing jointly).

(8) Applies to the lesser of net investment income and modified AGI in excess of \$200,000 single (\$250,000 married filing jointly).

**Table T15-0245**  
**Current Law Parameters for TPC Tables Created From**  
**September 12, 2012 to January 1, 2013**

*Note: Dollar amounts have been indexed for inflation where applicable, unless otherwise noted.*

	Tax Year			
	2010	2011	2012	2013 and on
<b>Ordinary income tax rates</b>	10%, 15%, 25%, 28%, 33%, 35%	10%, 15%, 25%, 28%, 33%, 35%	10%, 15%, 25%, 28%, 33%, 35%	10%, 15%, 25%, 28%, 33%, 35%, 39.6%
<b>Rates on long-term capital gains</b>	0%, 15%	0%, 15%	0%, 15%	10%, 20%
<b>Rates on capital gains held 5+ years</b>	0%, 15%	0%, 15%	0%, 15%	8%, 18%
<b>Dividends taxed at capital gains rates?</b>	Yes	Yes	Yes	No
<b>Standard deduction for joint filers</b>	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers	167% of amount for single filers
<b>Ordinary income tax thresholds for the bottom two brackets for joint filers</b>	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers	167% of amount for single filers
<b>PEP and Pease? <sup>1</sup></b>	No	No	No	Yes
<b>Child Tax Credit</b>	\$1000 per child	\$1000 per child	\$1000 per child	\$500 per child
<b>Additional Child Tax Credit</b>	15% of earnings over \$3,000 (refundable)	15% of earnings over \$3,000 (refundable)	15% of earnings over \$3,000 (refundable)	Only for large families with payroll taxes exceeding EITC
<b>Child and Dependent Care Tax Credit</b>	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%	Max eligible expenses of \$2,400 (1 child) or \$4,800 (2+ children), max credit rate 30%
<b>AMT exemption phaseout threshold*</b>	\$47,450 (single), \$72,450 (joint)	\$48,450 (single), \$74,450 (joint)	\$33,750 (single), \$45,000 (joint)	\$33,750 (single), \$45,000 (joint)
<b>AMT exemption phaseout threshold</b>	\$112,500 (single), \$150,000 (joint)	\$112,500 (single), \$150,000 (joint)	\$112,500 (single), \$150,000 (joint)	\$112,500 (single), \$150,000 (joint)
<b>AMT bracket threshold for 28% rate</b>	\$175,000	\$175,000	\$175,000	\$175,000
<b>Allow personal credits against AMT?</b>	Yes	Yes	EITC and CTC only	No
<b>Earned Income Tax Credit (EITC) Rate</b>	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%.	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%.	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%.	0 children: 7.65%, 1 child: 34%, 2+ children: 40%
<b>EITC Phaseout Threshold Increase for Joint Filers*</b>	\$5,010	\$5,080	\$5,210	None
<b>Hope Credit or American Opportunity Tax Credit (AOTC)?</b>	AOTC	AOTC	AOTC	Hope
<b>State and local general sales tax deduction?</b>	Yes	Yes	No	No
<b>Tuition and fees deduction?</b>	Yes	Yes	No	No
<b>Educator expense deduction?</b>	Yes	Yes	No	No
<b>Estate Tax</b>	Choose 2011 law OR no estate tax but carry over basis for inherited assets over \$1.3m	\$5m exemption, 35% rate	\$5.12m exemption, 35% rate	\$1m exemption, 55% top rate
<b>OASDI taxable earnings maximum</b>	\$106,800	\$106,800	\$110,100	\$113,700 <sup>2</sup>
<b>OASDI payroll tax rate (employer)</b>	6.2%	6.2%	6.2%	6.2%
<b>OASDI payroll tax rate (employee)</b>	6.2%	4.2%	4.2%	6.2%
<b>Medicare payroll tax rate (employer)</b>	1.45%	1.45%	1.45%	1.45%
<b>Medicare payroll tax rate (employee)</b>	1.45%	1.45%	1.45%	1.45%
<b>Additional HI tax on earned income for high-income taxpayers <sup>3</sup></b>	None	None	None	0.9%
<b>Net investment income tax rate <sup>4</sup></b>	None	None	None	3.8%

\* Parameter is indexed for inflation.

(1) The personal exemption phaseout (PEP) reduces personal exemptions by 2 percent for each \$2,500 by which adjusted gross income (AGI) exceeds a specified threshold. The limitation on itemized deductions (Pease) reduces most itemized deductions by 3 percent of the amount by which AGI exceeds a specified threshold, up to a maximum of 80 percent of itemized deductions.

(2) Estimate based on projected growth in average wage index.

(3) Applies to earnings in excess of \$200,000 single (\$250,000 married filing jointly).

(4) Applies to the lesser of net investment income and modified AGI in excess of \$200,000 single (\$250,000 married filing jointly).

**Table T15-0245**  
**Current Law Parameters for TPC Tables Created From**  
**January 6, 2012 to September 11, 2012**

*Note: Dollar amounts have been indexed for inflation where applicable, unless otherwise noted.*

	Tax Year			
	2010	2011	2012	2013 and on
<b>Ordinary income tax rates</b>	10%, 15%, 25%, 28%, 33%, 35%	10%, 15%, 25%, 28%, 33%, 35%	10%, 15%, 25%, 28%, 33%, 35%	10%, 15%, 25%, 28%, 33%, 35%, 39.6%
<b>Rates on long-term capital gains</b>	0%, 15%	0%, 15%	0%, 15%	10%, 20%
<b>Rates on capital gains held 5+ years</b>	0%, 15%	0%, 15%	0%, 15%	8%, 18%
<b>Dividends taxed at capital gains rates?</b>	Yes	Yes	Yes	No
<b>Standard deduction for joint filers</b>	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers	167% of amount for single filers
<b>Ordinary income tax thresholds for the bottom two brackets for joint filers</b>	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers	167% of amount for single filers
<b>PEP and Pease? <sup>1</sup></b>	No	No	No	Yes
<b>Child Tax Credit</b>	\$1000 per child	\$1000 per child	\$1000 per child	\$500 per child
<b>Additional Child Tax Credit</b>	15% of earnings over \$3,000 (refundable)	15% of earnings over \$3,000 (refundable)	15% of earnings over \$3,000 (refundable)	Only for large families with payroll taxes exceeding EITC
<b>Child and Dependent Care Tax Credit</b>	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%	Max eligible expenses of \$2,400 (1 child) or \$4,800 (2+ children), max credit rate 30%
<b>AMT exemption phaseout threshold*</b>	\$47,450 (single), \$72,450 (joint)	\$48,450 (single), \$74,450 (joint)	\$33,750 (single), \$45,000 (joint)	\$33,750 (single), \$45,000 (joint)
<b>AMT exemption phaseout threshold</b>	\$112,500 (single), \$150,000 (joint)	\$112,500 (single), \$150,000 (joint)	\$112,500 (single), \$150,000 (joint)	\$112,500 (single), \$150,000 (joint)
<b>AMT bracket threshold for 28% rate</b>	\$175,000	\$175,000	\$175,000	\$175,000
<b>Allow personal credits against AMT?</b>	Yes	Yes	EITC and CTC only	No
<b>Earned Income Tax Credit (EITC) Rate</b>	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%.	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%.	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%.	0 children: 7.65%, 1 child: 34%, 2+ children: 40%
<b>EITC Phaseout Threshold Increase for Joint Filers*</b>	\$5,010	\$5,080	\$5,160 <sup>2</sup>	None
<b>Hope Credit or American Opportunity Tax Credit (AOTC)?</b>	AOTC	AOTC	AOTC	Hope
<b>State and local general sales tax deduction?</b>	Yes	Yes	No	No
<b>Tuition and fees deduction?</b>	Yes	Yes	No	No
<b>Educator expense deduction?</b>	Yes	Yes	No	No
<b>Estate Tax</b>	Choose 2011 law OR no estate tax but carry over basis for inherited assets over \$1.3m	\$5m exemption, 35% rate	\$5.08m exemption, <sup>2</sup> 35% rate	\$1m exemption, 55% top rate
<b>OASDI taxable earnings maximum</b>	\$106,800	\$106,800	113,700 <sup>2</sup>	Increase based on Cost-of-Living Adjustment (COLA)
<b>OASDI payroll tax rate (employer)</b>	6.2%	6.2%	6.2%	6.2%
<b>OASDI payroll tax rate (employee)</b>	6.2%	4.2%	4.2% <sup>3</sup>	6.2%
<b>Medicare payroll tax rate (employer)</b>	1.45%	1.45%	1.45%	1.45%
<b>Medicare payroll tax rate (employee)</b>	1.45%	1.45%	1.45%	1.45%
<b>Additional HI tax on earned income for high-income taxpayers <sup>4</sup></b>	None	None	None	0.9%
<b>Net investment income tax rate <sup>5</sup></b>	None	None	None	3.8%

\* Parameter is indexed for inflation.

(1) The personal exemption phaseout (PEP) reduces personal exemptions by 2 percent for each \$2,500 by which adjusted gross income (AGI) exceeds a specified threshold. The limitation on itemized deductions (Pease) reduces most itemized deductions by 3 percent of the amount by which AGI exceeds a specified threshold, up to a maximum of 80 percent of itemized deductions.

(2) Estimate based on projected CPI/COLA from TPC microsimulation model.

(3) Before passage of the Middle Class Tax Relief and Job Creation Act of 2012 on Feb 22, 2012, the rate was set to be 4.2 percent for the first two months of 2012 and 6.2 percent thereafter.

**Table T15-0245**  
**Current Law Parameters for TPC Tables Created From**  
**April 14, 2011 to January 5, 2012**

*Note: Dollar amounts have been indexed for inflation where applicable, unless otherwise noted.*

	Tax Year			
	2010	2011	2012	2013 and on
<b>Ordinary income tax rates</b>	10%, 15%, 25%, 28%, 33%, 35%	10%, 15%, 25%, 28%, 33%, 35%	10%, 15%, 25%, 28%, 33%, 35%	10%, 15%, 25%, 28%, 33%, 35%, 39.6%
<b>Rates on long-term capital gains</b>	0%, 15%	0%, 15%	0%, 15%	10%, 20%
<b>Rates on capital gains held 5+ years</b>	0%, 15%	0%, 15%	0%, 15%	8%, 18%
<b>Dividends taxed at capital gains rates?</b>	Yes	Yes	Yes	No
<b>Standard deduction for joint filers</b>	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers	167% of amount for single filers
<b>Ordinary income tax thresholds for the bottom two brackets for joint filers</b>	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers	167% of amount for single filers
<b>PEP and Pease? <sup>1</sup></b>	No	No	No	Yes
<b>Child Tax Credit</b>	\$1000 per child	\$1000 per child	\$1000 per child	\$500 per child
<b>Additional Child Tax Credit</b>	15% of earnings over \$3,000 (refundable)	15% of earnings over \$3,000 (refundable)	15% of earnings over \$3,000 (refundable)	Only for large families with payroll taxes exceeding EITC
<b>Child and Dependent Care Tax Credit</b>	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%	Max eligible expenses of \$2,400 (1 child) or \$4,800 (2+ children), max credit rate 30%
<b>AMT exemption phaseout threshold*</b>	\$47,450 (single), \$72,450 (joint)	\$48,450 (single), \$74,450 (joint)	\$33,750 (single), \$45,000 (joint)	\$33,750 (single), \$45,000 (joint)
<b>AMT exemption phaseout threshold</b>	\$112,500 (single), \$150,000 (joint)	\$112,500 (single), \$150,000 (joint)	\$112,500 (single), \$150,000 (joint)	\$112,500 (single), \$150,000 (joint)
<b>AMT bracket threshold for 28% rate</b>	\$175,000	\$175,000	\$175,000	\$175,000
<b>Allow personal credits against AMT?</b>	Yes	Yes	EITC and CTC only	No
<b>Earned Income Tax Credit (EITC) Rate</b>	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%.	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%.	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%.	0 children: 7.65%, 1 child: 34%, 2+ children: 40%
<b>EITC Phaseout Threshold Increase for Joint Filers*</b>	\$5,010	\$5,080	\$5,160 <sup>2</sup>	None
<b>Hope Credit or American Opportunity Tax Credit (AOTC)?</b>	AOTC	AOTC	AOTC	Hope
<b>State and local general sales tax deduction?</b>	Yes	Yes	No	No
<b>Tuition and fees deduction?</b>	Yes	Yes	No	No
<b>Educator expense deduction?</b>	Yes	Yes	No	No
<b>Estate Tax</b>	Choose 2011 law OR no estate tax but carry over basis for inherited assets over \$1.3m	\$5m exemption, 35% rate	\$5.08m exemption, <sup>2</sup> 35% rate	\$1m exemption, 55% top rate
<b>OASDI taxable earnings maximum</b>	\$106,800	\$106,800	113,700 <sup>2</sup>	Increase based on Cost-of-Living Adjustment (COLA)
<b>OASDI payroll tax rate (employer)</b>	6.2%	6.2%	6.2%	6.2%
<b>OASDI payroll tax rate (employee)</b>	6.2%	4.2%	6.2%	6.2%
<b>Medicare payroll tax rate (employer)</b>	1.45%	1.45%	1.45%	1.45%
<b>Medicare payroll tax rate (employee)</b>	1.45%	1.45%	1.45%	1.45%
<b>Additional HI tax on earned income for high-income taxpayers <sup>3</sup></b>	None	None	None	0.9%
<b>Net investment income tax rate <sup>4</sup></b>	None	None	None	3.8%

\* Parameter is indexed for inflation.

(1) The personal exemption phaseout (PEP) reduces personal exemptions by 2 percent for each \$2,500 by which adjusted gross income (AGI) exceeds a specified threshold. The limitation on itemized deductions (Pease) reduces most itemized deductions by 3 percent of the amount by which AGI exceeds a specified threshold, up to a maximum of 80 percent of itemized deductions.

(2) Estimate based on projected CPI/COLA from TPC microsimulation model.

(3) Applies to earnings in excess of \$200,000 single (\$250,000 married filing jointly).

(4) Applies to the lesser of net investment income and modified AGI in excess of \$200,000 single (\$250,000 married filing jointly).

**Table T15-0245**  
**Current Law Parameters for TPC Tables Created From**  
**January 3, 2011 to April 13, 2011**

*Note: Dollar amounts have been indexed for inflation where applicable, unless otherwise noted.*

	Tax Year			
	2010	2011	2012	2013 and on
<b>Ordinary income tax rates</b>	10%, 15%, 25%, 28%, 33%, 35%	10%, 15%, 25%, 28%, 33%, 35%	10%, 15%, 25%, 28%, 33%, 35%	10%, 15%, 25%, 28%, 33%, 35%, 39.6%
<b>Rates on long-term capital gains</b>	0%, 15%	0%, 15%	0%, 15%	10%, 20%
<b>Rates on capital gains held 5+ years</b>	0%, 15%	0%, 15%	0%, 15%	8%, 18%
<b>Dividends taxed at capital gains rates?</b>	Yes	Yes	Yes	No
<b>Standard deduction for joint filers</b>	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers	167% of amount for single filers
<b>Ordinary income tax thresholds for the bottom two brackets for joint filers</b>	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers	167% of amount for single filers
<b>PEP and Pease? <sup>1</sup></b>	No	No	No	Yes
<b>Child Tax Credit</b>	\$1000 per child	\$1000 per child	\$1000 per child	\$500 per child
<b>Additional Child Tax Credit</b>	15% of earnings over \$3,000 (refundable)	15% of earnings over \$3,000 (refundable)	15% of earnings over \$3,000 (refundable)	Only for large families with payroll taxes exceeding EITC
<b>Child and Dependent Care Tax Credit</b>	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%	Max eligible expenses of \$2,400 (1 child) or \$4,800 (2+ children), max credit rate 30%
<b>AMT exemption phaseout threshold*</b>	\$47,450 (single), \$72,450 (joint)	\$48,450 (single), \$74,450 (joint)	\$33,750 (single), \$45,000 (joint)	\$33,750 (single), \$45,000 (joint)
<b>AMT exemption phaseout threshold</b>	\$112,500 (single), \$150,000 (joint)	\$112,500 (single), \$150,000 (joint)	\$112,500 (single), \$150,000 (joint)	\$112,500 (single), \$150,000 (joint)
<b>AMT bracket threshold for 28% rate*</b>	\$175,000	\$175,000	\$175,000	\$175,000
<b>Allow personal credits against AMT?</b>	Yes	Yes	EITC and CTC only	No
<b>Earned Income Tax Credit (EITC) Rate</b>	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%.	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%.	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%.	0 children: 7.65%, 1 child: 34%, 2+ children: 40%
<b>EITC Phaseout Threshold Increase for Joint Filers*</b>	\$5,010	\$5,080	\$5,160 <sup>2</sup>	None
<b>Hope Credit or American Opportunity Tax Credit (AOTC)?</b>	AOTC	AOTC	AOTC	Hope
<b>State and local general sales tax deduction?</b>	Yes	Yes	No	No
<b>Tuition and fees deduction?</b>	Yes	Yes	No	No
<b>Educator expense deduction?</b>	Yes	Yes	No	No
<b>Estate Tax</b>	Choose 2011 law OR no estate tax but carry over basis for inherited assets over \$1.3m	\$5m exemption, 35% rate	\$5.07m exemption, <sup>2</sup> 35% rate	\$1m exemption, 55% top rate
<b>OASDI taxable earnings maximum</b>	\$106,800	\$106,800	Increase based on Cost-of-Living Adjustment (COLA)	Increase based on Cost-of-Living Adjustment (COLA)
<b>OASDI payroll tax rate (employer)</b>	6.2%	6.2%	6.2%	6.2%
<b>OASDI payroll tax rate (employee)</b>	6.2%	4.2%	6.2%	6.2%
<b>Medicare payroll tax rate (employer)</b>	1.45%	1.45%	1.45%	1.45%
<b>Medicare payroll tax rate (employee)</b>	1.45%	1.45%	1.45%	1.45%
<b>Additional HI tax on earned income for high-income taxpayers <sup>3</sup></b>	None	None	None	0.9%
<b>Net investment income tax rate <sup>4</sup></b>	None	None	None	3.8%

\* Parameter is indexed for inflation.

(1) The personal exemption phaseout (PEP) reduces personal exemptions by 2 percent for each \$2,500 by which adjusted gross income (AGI) exceeds a specified threshold. The limitation on itemized deductions (Pease) reduces most itemized deductions by 3 percent of the amount by which AGI exceeds a specified threshold, up to a maximum of 80 percent of itemized deductions.

(2) Estimate based on projected CPI/COLA from TPC microsimulation model.



(3) Applies to earnings in excess of \$200,000 single (\$250,000 married filing jointly).

(4) Applies to the lesser of net investment income and modified AGI in excess of \$200,000 single (\$250,000 married filing jointly).

**Table T15-0245**  
**Current Law Parameters for TPC Tables Created From**  
**May 1, 2010 to January 2, 2011**

*Note: Dollar amounts have been indexed for inflation where applicable, unless otherwise noted.*

	Tax Year			
	2010	2011	2012	2013 and on
<b>Ordinary income tax rates</b>	10%, 15%, 25%, 28%, 33%, 35%	15%, 28%, 31%, 36%, 39.6%	15%, 28%, 31%, 36%, 39.6%	10%, 15%, 25%, 28%, 33%, 35%, 39.6%
<b>Rates on long-term capital gains</b>	0%, 15%	10%, 20%	10%, 20%	10%, 20%
<b>Rates on capital gains held 5+ years</b>	0%, 15%	8%, 18%	8%, 18%	8%, 18%
<b>Dividends taxed at capital gains rates?</b>	Yes	No	No	No
<b>Standard deduction for joint filers</b>	200% of amount for single filers	167% of amount for single filers	167% of amount for single filers	167% of amount for single filers
<b>Ordinary income tax thresholds for the bottom two brackets for joint filers</b>	200% of amount for single filers	167% of amount for single filers	167% of amount for single filers	167% of amount for single filers
<b>PEP and Pease? <sup>1</sup></b>	No	Yes	Yes	Yes
<b>Child Tax Credit</b>	\$1000 per child	\$500 per child	\$500 per child	\$500 per child
<b>Additional Child Tax Credit</b>	15% of earnings over \$3,000 (refundable)	Only for large families with payroll taxes exceeding EITC	Only for large families with payroll taxes exceeding EITC	Only for large families with payroll taxes exceeding EITC
<b>Child and Dependent Care Tax Credit</b>	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%	Max eligible expenses of \$2,400 (1 child) or \$4,800 (2+ children), max credit rate 30%	Max eligible expenses of \$2,400 (1 child) or \$4,800 (2+ children), max credit rate 30%	Max eligible expenses of \$2,400 (1 child) or \$4,800 (2+ children), max credit rate 30%
<b>AMT exemption phaseout threshold</b>	\$33,750 (single), \$45,000 (joint)	\$33,750 (single), \$45,000 (joint)	\$33,750 (single), \$45,000 (joint)	\$33,750 (single), \$45,000 (joint)
<b>AMT exemption phaseout threshold</b>	\$112,500 (single), \$150,000 (joint)	\$112,500 (single), \$150,000 (joint)	\$112,500 (single), \$150,000 (joint)	\$112,500 (single), \$150,000 (joint)
<b>AMT bracket threshold for 28% rate</b>	\$175,000	\$175,000	\$175,000	\$175,000
<b>Allow personal credits against AMT?</b>	EITC and CTC only	No	No	No
<b>Earned Income Tax Credit (EITC) Rate</b>	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%.	0 children: 7.65%, 1 child: 34%, 2+ children: 40%	0 children: 7.65%, 1 child: 34%, 2+ children: 40%	0 children: 7.65%, 1 child: 34%, 2+ children: 40%
<b>EITC Phaseout Threshold Increase for Joint Filers</b>	\$5,010	None	None	None
<b>Hope Credit or American Opportunity Tax Credit (AOTC)?</b>	AOTC	Hope	Hope	Hope
<b>State and local general sales tax deduction?</b>	No	No	No	No
<b>Tuition and fees deduction?</b>	No	No	No	No
<b>Educator expense deduction?</b>	No	No	No	No
<b>Estate Tax</b>	No estate tax but carry over basis for inherited assets over \$1.3m	\$1m exemption, 55% top rate	\$1m exemption, 55% top rate	\$1m exemption, 55% top rate
<b>OASDI taxable earnings maximum</b>	\$106,800	Increase based on Cost-of-Living Adjustment (COLA)	Increase based on Cost-of-Living Adjustment (COLA)	Increase based on Cost-of-Living Adjustment (COLA)
<b>OASDI payroll tax rate (employer)</b>	6.2%	6.2%	6.2%	6.2%
<b>OASDI payroll tax rate (employee)</b>	6.2%	6.2%	6.2%	6.2%
<b>Medicare payroll tax rate (employer)</b>	1.45%	1.45%	1.45%	1.45%
<b>Medicare payroll tax rate (employee)</b>	1.45%	1.45%	1.45%	1.45%
<b>Additional HI tax on earned income for high-income taxpayers <sup>3</sup></b>	None	None	None	0.9%
<b>Net investment income tax rate <sup>4</sup></b>	None	None	None	3.8%

\* Parameter is indexed for inflation.

(1) The personal exemption phaseout (PEP) reduces personal exemptions by 2 percent for each \$2,500 by which adjusted gross income (AGI) exceeds a specified threshold. The limitation on itemized deductions (Pease) reduces most itemized deductions by 3 percent of the amount by which AGI exceeds a specified threshold, up to a maximum of 80 percent of itemized deductions.

(2) Estimate based on projected CPI/COLA from TPC microsimulation model.

(3) Applies to earnings in excess of \$200,000 single (\$250,000 married filing jointly).

(4) Applies to the lesser of net investment income and modified AGI in excess of \$200,000 single (\$250,000 married filing jointly).

**Table T15-0245**  
**Current Law Parameters for TPC Tables Created From**  
**March 1, 2009 to April 30, 2010**

*Note: Dollar amounts have been indexed for inflation where applicable, unless otherwise noted.*

	Tax Year		
	2009	2010	2011 and on
<b>Ordinary income tax rates</b>	10%, 15%, 25%, 28%, 33%, 35%	10%, 15%, 25%, 28%, 33%, 35%	15%, 28%, 31%, 36%, 39.6%
<b>Rates on long-term capital gains</b>	0%, 15%	0%, 15%	10%, 20%
<b>Rates on capital gains held 5+ years</b>	0%, 15%	0%, 15%	8%, 18%
<b>Dividends taxed at capital gains rates?</b>	Yes	Yes	No
<b>Standard deduction for joint filers</b>	200% of amount for single filers	200% of amount for single filers	167% of amount for single filers
<b>Ordinary income tax thresholds for the bottom two brackets for joint filers</b>	200% of amount for single filers	200% of amount for single filers	167% of amount for single filers
<b>PEP and Pease? <sup>1</sup></b>	No	No	Yes
<b>Child Tax Credit</b>	\$1000 per child	\$1000 per child	\$500 per child
<b>Additional Child Tax Credit</b>	15% of earnings over \$3,000 (refundable)	15% of earnings over \$3,000 (refundable)	Only for large families with payroll taxes exceeding EITC
<b>Child and Dependent Care Tax Credit</b>	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%	Max eligible expenses of \$2,400 (1 child) or \$4,800 (2+ children), max credit rate 30%
<b>AMT exemption phaseout threshold</b>	\$46,700 (single), \$70,950(joint)	\$33,750 (single), \$45,000 (joint)	\$33,750 (single), \$45,000 (joint)
<b>AMT exemption phaseout threshold</b>	\$112,500 (single), \$150,000 (joint)	\$112,500 (single), \$150,000 (joint)	\$112,500 (single), \$150,000 (joint)
<b>AMT bracket threshold for 28% rate</b>	\$175,000	\$175,000	\$175,000
<b>Allow personal credits against AMT?</b>	Yes	EITC and CTC only	No
<b>Earned Income Tax Credit (EITC) Rate</b>	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%.	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%.	0 children: 7.65%, 1 child: 34%, 2+ children: 40%
<b>EITC Phaseout Threshold Increase for Joint Filers*</b>	\$5,000	\$5,030 <sup>2</sup>	None
<b>Hope Credit or American Opportunity Tax Credit (AOTC)?</b>	AOTC	AOTC	Hope
<b>State and local general sales tax deduction?</b>	Yes	No	No
<b>Tuition and fees deduction?</b>	Yes	No	No
<b>Educator expense deduction?</b>	Yes	No	No
<b>Estate Tax</b>	\$3.5m exemption, 45% rate	No estate tax but carry over basis for inherited assets over \$1.3m	\$1m exemption, 55% top rate
<b>OASDI taxable earnings maximum</b>	\$106,800	Increase based on Cost-of-Living Adjustment (COLA)	Increase based on Cost-of-Living Adjustment (COLA)
<b>OASDI payroll tax rate (employer)</b>	6.2%	6.2%	6.2%
<b>OASDI payroll tax rate (employee)</b>	6.2%	6.2%	6.2%
<b>Medicare payroll tax rate (employer)</b>	1.45%	1.45%	1.45%
<b>Medicare payroll tax rate (employee)</b>	1.45%	1.45%	1.45%

\* Parameter is indexed for inflation.

(1) The personal exemption phaseout (PEP) reduces personal exemptions by 2 percent for each \$2,500 by which adjusted gross income (AGI) exceeds a specified threshold. The limitation on itemized deductions (Pease) reduces most itemized deductions by 3 percent of the amount by which AGI exceeds a specified threshold, up to a maximum of 80 percent of itemized deductions.

(2) Estimate based on projected CPI/COLA from TPC microsimulation model.