

Table T03-0085
Senate Finance Committee's Modified Jobs and Growth Tax Act:
Distribution of Income Tax Change by Percentiles, 2003¹

AGI Class ²	Percent of Tax Units with Tax Cut	Percent Change in After-Tax Income ³	Percent of Total Income Tax Change	Average Tax Change (\$)	Average Income Tax Rate ⁴	
					Current Law	Proposal
Lowest Quintile	0.3	0.1	*	-1	-10.1	-10.2
Second Quintile	45.9	0.5	2.2	-68	-4.9	-5.4
Middle Quintile	89.9	0.9	7.4	-233	4.4	3.6
Fourth Quintile	95.2	1.0	14.1	-445	8.9	8.0
Next 10 Percent	99.5	1.7	18.8	-1,185	11.4	9.9
Next 5 Percent	99.8	2.1	15.6	-1,974	14.2	12.4
Next 4 Percent	99.6	1.9	17.8	-2,809	18.6	17.1
Top 1 Percent	91.2	2.6	24.0	-15,159	27.8	25.9
All	66.1	1.6	100.0	-631	13.3	12.0

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; increase refundability rate for additional child tax credit to 15 percent; 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 \$12,000 for married couples and \$6,000 for others.

(2) Tax units with negative AGI are excluded from the lowest quintile but are included in the totals. Includes both filing and non-filing units. Tax units that are dependents of other taxpayers are excluded from the analysis.

(3) After-tax income is AGI less individual income tax net of refundable credits.

(4) Average income tax, net of refundable credits, as a percentage of average AGI.