13-Nov-06 PRELIMINARY RESULTS http://www.taxpolicycenter.org

Table T06-0284

Combined Effect of the 2001-2006 Tax Cuts Assuming Permanent Extension
Distribution of Federal Tax Change by Cash Income Percentile, 2011

Cash Income Percentile <sup>2</sup>	Percent of Tax Units <sup>3</sup>		Percent Change in	Share of Total	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate <sup>5</sup>	
	With Tax Cut	With Tax Increase	After-Tax Income <sup>4</sup>	Federal Tax Change	Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	18.3	0.3	0.4	0.5	-41	-10.2	0.0	0.4	-0.4	3.7
Second Quintile	69.0	0.3	2.1	5.3	-456	-18.9	-0.3	2.3	-1.9	8.0
Middle Quintile	86.8	0.1	2.3	9.7	-828	-11.3	-0.2	7.7	-1.9	15.0
Fourth Quintile	95.6	0.3	2.2	15.3	-1,309	-8.1	0.2	17.6	-1.7	19.7
Top Quintile	92.1	0.1	3.5	68.9	-5,904	-8.9	0.3	71.8	-2.5	25.9
All	72.3	0.2	2.9	100.0	-1,713	-9.2	0.0	100.0	-2.2	21.9
Addendum										
Top 10 Percent	89.5	0.1	4.0	56.5	-9,673	-9.3	-0.1	55.7	-2.8	27.1
Top 5 Percent	90.1	0.1	4.7	48.7	-16,686	-10.3	-0.5	42.9	-3.2	27.9
Top 1 Percent	98.9	0.1	6.7	37.4	-64,154	-13.5	-1.2	24.5	-4.5	28.9
Top 0.5 Percent	99.0	0.0	7.3	31.6	-108,227	-14.0	-1.1	19.7	-4.8	29.5
Top 0.1 Percent	99.5	0.0	7.8	18.9	-323,621	-13.8	-0.6	12.0	-5.0	31.2

## Baseline Distribution of Income and Federal Taxes by Cash Income Percentile, 2011<sup>1</sup>

Tax Units <sup>3</sup>		Average	Average Federal Tax	Average After-	Average Federal Tox	Share of Pre- Tax Income	Share of Post- Tax Income	Share of Federal Taxes
Number	Percent of	(Dollars)	Burden (Dollars)	(Dollars)	Rate <sup>5</sup>	Percent of	Percent of	Percent of
(thousands)	Total					Total	Total	Total
30 704 0	19.6	9.721.0	398.0	9 323	4.1	2.5	3.1	0.4
,		. ,		,			7.6	2.6
31,297.0	20.0	43,383.0	7,334.0	36,049	16.9	11.3	12.3	7.9
31,305.0	20.0	75,537.0	16,185.0	59,351	21.4	19.6	20.3	17.4
31,299.0	20.0	233,599.0	66,486.0	167,113	28.5	60.7	57.2	71.5
156,502.0	100.0	77,021.0	18,594.0	58,428	24.1	100.0	100.0	100.0
15,650.0	10.0	346,579.0	103,613.0	242,967	29.9	45.0	41.6	55.7
7,825.0	5.0	520,288.0	161,608.0	358,680	31.1	33.8	30.7	43.5
1,565.0	1.0	1,430,531.0	477,002.0	953,528	33.3	18.6	16.3	25.7
783.0	0.5	2,252,206.0	772,800.0	1,479,405	34.3	14.6	12.7	20.8
157.0	0.1	6,508,651.0	2,351,566.0	4,157,085	36.1	8.5	7.1	12.7
	Number (thousands) 30,704.0 31,300.0 31,297.0 31,305.0 31,299.0 156,502.0 15,650.0 7,825.0 1,565.0 783.0	Number (thousands)         Percent of Total           30,704.0         19.6           31,300.0         20.0           31,297.0         20.0           31,305.0         20.0           31,299.0         20.0           156,502.0         100.0           15,650.0         10.0           7,825.0         5.0           1,565.0         1.0           783.0         0.5	Number (thousands)         Percent of Total         Income (Dollars)           30,704.0         19.6         9,721.0           31,300.0         20.0         24,460.0           31,297.0         20.0         43,383.0           31,305.0         20.0         75,537.0           31,299.0         20.0         233,599.0           156,502.0         100.0         77,021.0           15,650.0         10.0         346,579.0           7,825.0         5.0         520,288.0           1,565.0         1.0         1,430,531.0           783.0         0.5         2,252,206.0	Number (thousands)         Percent of (thousands)         Average (Dollars)         Federal Tax Burden (Dollars)           30,704.0         19.6         9,721.0         398.0           31,300.0         20.0         24,460.0         2,415.0           31,297.0         20.0         43,383.0         7,334.0           31,395.0         20.0         75,537.0         16,185.0           31,299.0         20.0         233,599.0         66,486.0           156,502.0         100.0         77,021.0         18,594.0           15,650.0         10.0         346,579.0         103,613.0           7,825.0         5.0         520,288.0         161,608.0           1,565.0         1.0         1,430,531.0         477,002.0           783.0         0.5         2,252,206.0         772,800.0	Number (thousands)         Percent of (thousands)         Average (thousands)         Federal Tax (Dollars)         Average (Dollars)         Federal Tax Burden (Dollars)         Average (Dollars)           30,704.0         19.6         9,721.0         398.0         9,323           31,300.0         20.0         24,460.0         2,415.0         22,045           31,297.0         20.0         43,383.0         7,334.0         36,049           31,299.0         20.0         233,599.0         66,486.0         167,113           156,502.0         100.0         77,021.0         18,594.0         58,428           15,650.0         10.0         346,579.0         103,613.0         242,967           7,825.0         5.0         520,288.0         161,608.0         358,680           1,565.0         1.0         1,430,531.0         477,002.0         953,528           783.0         0.5         2,252,206.0         772,800.0         1,479,405	Number (thousands)         Percent of (thousands)         Income (Dollars)         Federal Tax Burden (Dollars)         Average Burden (Dollars)         Tax Income (Dollars)         Federal Tax Rate S           30,704.0         19.6         9,721.0         398.0         9,323         4.1           31,300.0         20.0         24,460.0         2,415.0         22,045         9.9           31,297.0         20.0         43,383.0         7,334.0         36,049         16.9           31,305.0         20.0         75,537.0         16,185.0         59,351         21.4           31,299.0         20.0         233,599.0         66,486.0         167,113         28.5           156,502.0         100.0         77,021.0         18,594.0         58,428         24.1           15,650.0         10.0         346,579.0         103,613.0         242,967         29.9           7,825.0         5.0         520,288.0         161,608.0         358,680         31.1           1,565.0         1.0         1,430,531.0         477,002.0         953,528         33.3           783.0         0.5         2,252,206.0         772,800.0         1,479,405         34.3	Tax Units³         Average Income (thousands)         Federal Tax Income (Dollars)         Average After-Tax Income (Dollars)         Average After-Tax Income (Dollars)         Average Federal Tax Rat Income (Dollars)         Average Federal Tax Rat Income (Dollars)         Average Federal Tax Rat Income (Dollars)         Tax Income (Percent of Total)           30,704.0         19.6         9,721.0         398.0         9,323         4.1         2.5           31,300.0         20.0         24,460.0         2,415.0         22,045         9.9         6.4           31,297.0         20.0         43,383.0         7,334.0         36,049         16.9         11.3           31,299.0         20.0         233,599.0         66,486.0         167,113         28.5         60.7           156,502.0         100.0         77,021.0         18,594.0         58,428         24.1         100.0           15,650.0         10.0         346,579.0         103,613.0         242,967         29.9         45.0           7,825.0         5.0         520,288.0         161,608.0         358,680         31.1         33.8           1,565.0         1.0         1,430,531.0         477,002.0         953,528         33.3         18.6           783.0         0.5         2,252,206.0	Tax Units

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 1006-1).

<sup>(1)</sup> Calendar year. Baseline is pre-EGTRRA law. Tax cuts include individual income and estate tax provisions in EGTRRA, JCWA, JGTRRA, WFTRA, AJCA, TIPRA, and PPA.

<sup>(2)</sup> Tax units with negative cash income are excluded from the lowest quintile but are included in the totals. For a description of cash income, see http://www.taxpolicycenter.org/TaxModel/income.cfm

<sup>(3)</sup> Includes both filing and non-filing units. Tax units that are dependents of other taxpayers are excluded from the analysis.

<sup>(4)</sup> 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.

<sup>(5)</sup> 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.