Table T07-0028
Extend Marriage Penalty Relief, Pre-EGTRRA Baseline with AMT Fix
Distribution of Federal Tax Change by Cash Income Percentile, 2010[1]

Cash Income Percentile[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
Lowest Quintile	1.1	0.0	0.0	0.2	-2	-0.7	0.0	0.4	0.0	4.0
Second Quintile	10.3	0.1	0.2	2.9	-39	-1.7	0.0	2.6	-0.2	9.6
Middle Quintile	19.5	0.0	0.2	6.2	-83	-1.2	0.0	8.0	-0.2	16.6
Fourth Quintile	31.6	0.0	0.3	11.1	-148	-1.0	0.1	17.4	-0.2	20.8
Top Quintile	71.5	0.1	0.7	79.6	-1,064	-1.7	-0.1	71.5	-0.5	27.7
All	26.8	0.0	0.5	100.0	-267	-1.5	0.0	100.0	-0.4	23.5
Addendum										
Top 10 Percent	77.8	0.0	0.5	43.1	-1,151	-1.2	0.2	56.2	-0.3	29.3
Top 5 Percent	76.0	0.0	0.3	20.7	-1,106	-0.7	0.4	44.1	-0.2	30.7
Top 1 Percent	71.7	0.0	0.1	3.9	-1,050	-0.2	0.3	26.5	-0.1	33.4
Top 0.5 Percent	73.9	0.0	0.1	2.0	-1,091	-0.1	0.3	21.5	-0.1	34.5
Top 0.1 Percent	75.7	0.0	0.0	0.4	-1,114	-0.1	0.2	13.2	0.0	36.3

Baseline Distribution of Income and Federal Taxes
by Cash Income Percentile, 2010[1]

Cash Income Percentile[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
Lowest Quintile	30,349.0	19.6	9,317.0	375.0	8,942	4.0	2.5	3.1	0.4
Second Quintile	30,951.0	20.0	23,511.0	2,289.0	21,222	9.7	6.3	7.5	2.6
Middle Quintile	30,935.0	20.0	41,886.0	7,020.0	34,867	16.8	11.3	12.3	7.9
Fourth Quintile	30,943.0	20.0	72,976.0	15,353.0	57,622	21.0	19.6	20.4	17.3
Top Quintile	30,945.0	20.0	225,458.0	63,407.0	162,051	28.1	60.7	57.3	71.6
All	154,718.0	100.0	74,322.0	17,718.0	56,604	23.8	100.0	100.0	100.0
Addendum									
Top 10 Percent	15,472.0	10.0	334,549.0	99,145.0	235,403	29.6	45.0	41.6	56.0
Top 5 Percent	7,734.0	5.0	502,540.0	155,176.0	347,364	30.9	33.8	30.7	43.8
Top 1 Percent	1,547.0	1.0	1,384,540.0	463,781.0	920,759	33.5	18.6	16.3	26.2
Top 0.5 Percent	774.0	0.5	2,181,481.0	752,564.0	1,428,917	34.5	14.7	12.6	21.2
Top 0.1 Percent	155.0	0.1	6,319,084.0	2,297,187.0	4,021,896	36.4	8.5	7.1	13.0

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 1006-1).
(1) Calendar year. Baseline is pre-EGTRRA law plus indexation of the AMT exemption at 2006 levels and allowance of personal credits against the AMT. Proposal includes the use of AGI for the EITC phase-out, the $3,000 addition to the second kink point for joint filers, indexation of the addition to the second kink point for joint filers, the $1,000 increase in the standard deduction for joint filers, and the increase in the 15 percent bracket amount for joint filers.
(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) For the income levels at each quintile and the top income percentiles used in this table, see
http://www.taxpolicycenter.org/TaxModel/percentiles.cfm
(4) Includes both filing and non-filing units. Tax units that are dependents of other taxpayers are excluded from the analysis.
(5) 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.
(6) 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.