

Table T07-0083
Combined Effect of 2001-2006 Tax Cuts Made Permanent with Extension of 2006 AMT Exemption, Indexed for Inflation After 2006
Baseline is pre-EGTRRA Law with Extension of 2000 AMT Exemption, Indexed for Inflation After 2000
Distribution of Federal Tax Change by Cash Income Class, 2017¹

Cash Income Class (thousands of 2006 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	3.3	0.1	0.1	0.0	-9	-2.8	0.0	0.1	-0.1	4.6
10-20	44.1	0.6	1.1	1.1	-196	-20.2	-0.1	0.6	-1.0	4.0
20-30	70.5	0.2	2.0	3.1	-576	-17.2	-0.1	1.9	-1.8	8.8
30-40	80.8	0.1	2.2	3.3	-808	-12.4	0.0	3.0	-1.8	12.9
40-50	86.7	0.0	2.0	3.0	-928	-9.3	0.1	3.7	-1.6	16.0
50-75	93.6	0.0	2.1	7.3	-1,303	-8.1	0.3	10.3	-1.7	18.9
75-100	99.0	0.0	2.7	8.2	-2,273	-9.1	0.2	10.3	-2.1	20.6
100-200	99.6	0.0	3.8	26.5	-4,852	-10.9	0.1	27.2	-2.8	22.9
200-500	99.7	0.0	4.0	16.6	-10,245	-9.9	0.3	19.0	-2.8	25.8
500-1,000	99.4	0.0	5.6	8.3	-33,474	-13.1	-0.2	7.0	-3.9	25.9
More than 1,000	99.7	0.0	7.4	22.4	-176,462	-14.3	-0.6	17.0	-4.9	29.3
All	74.4	0.1	3.6	100.0	-2,590	-11.2	0.0	100.0	-2.7	21.6

Baseline Distribution of Income and Federal Taxes
by Cash Income Class, 2017¹

Cash Income Class (thousands of 2006 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-	Share of Post-	Share of
	Number (thousands)	Percent of Total					Tax Income Percent of Total	Tax Income Percent of Total	Federal Taxes Percent of Total
Less than 10	14,896	8.9	6,577	311	6,266	4.7	0.6	0.8	0.1
10-20	24,924	14.9	19,117	968	18,149	5.1	3.0	3.7	0.6
20-30	23,081	13.8	31,561	3,338	28,223	10.6	4.6	5.4	2.0
30-40	17,925	10.7	44,159	6,511	37,648	14.7	5.0	5.6	3.0
40-50	14,020	8.4	56,966	10,020	46,945	17.6	5.0	5.4	3.6
50-75	24,122	14.4	78,006	16,011	61,995	20.5	11.8	12.4	10.0
75-100	15,618	9.3	110,090	24,929	85,161	22.6	10.8	11.0	10.0
100-200	23,661	14.1	172,975	44,441	128,535	25.7	25.6	25.1	27.1
200-500	7,011	4.2	361,163	103,446	257,717	28.6	15.8	14.9	18.7
500-1,000	1,078	0.6	860,075	256,587	603,489	29.8	5.8	5.4	7.1
More than 1,000	551	0.3	3,622,846	1,237,753	2,385,094	34.2	12.5	10.9	17.6
All	167,480	100.0	95,452	23,164	72,287	24.3	100.0	100.0	100.0

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

Number of AMT Taxpayers (millions). Baseline: 4.2 Proposal: 8.7

(1) Calendar year. The 2001-2006 tax cuts include provisions affecting the following: marginal tax rates; the 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 (including the saver's credit); expansion of student loan interest deduction (excludes other education provisions); and estate tax exemption, rates, and state death tax credit. Both the baseline and the proposal also include extension of the 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 but excludes those that are dependents of other tax units.

(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.