

**Table T07-0141**  
**Repeal AMT and Implement 4% Surtax on AGI Above \$100,000/\$200,000**  
**Distribution of Federal Tax Change by Cash Income Class, 2010<sup>1</sup>**

Cash Income Class (thousands of 2006 dollars) <sup>2</sup>	Percent of Tax Units <sup>3</sup>		Percent Change in After-Tax Income <sup>4</sup>	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate <sup>5</sup>	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (%) Points)	Under the Proposal	Change (%) Points)	Under the Proposal
Less than 10	0.0	0.0	0.0	0.0	0	0.0	0.0	0.2	0.0	4.3
10-20	0.0	0.0	0.0	0.0	0	0.0	0.0	0.7	0.0	4.3
20-30	0.1	0.0	0.0	0.1	-3	-0.1	0.0	2.2	0.0	9.4
30-40	1.5	0.0	0.0	0.2	-6	-0.1	0.1	3.3	0.0	13.6
40-50	5.1	0.0	0.1	1.0	-32	-0.4	0.1	4.3	-0.1	16.5
50-75	17.1	0.1	0.3	7.8	-148	-1.2	0.1	11.4	-0.2	18.8
75-100	49.6	0.2	0.9	22.8	-684	-3.5	-0.2	10.8	-0.7	20.1
100-200	77.9	9.1	1.8	87.9	-1,977	-5.6	-1.1	25.3	-1.3	22.5
200-500	83.9	12.6	2.4	67.9	-5,420	-6.6	-0.9	16.6	-1.7	24.8
500-1,000	31.1	66.1	-1.1	-11.5	5,844	3.0	0.3	6.8	0.8	27.3
More than 1,000	13.8	84.9	-3.4	-76.3	74,699	7.7	1.6	18.4	2.3	32.7
All	20.1	2.2	0.5	100.0	-273	-1.7	0.0	100.0	-0.4	21.4

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Class, 2010<sup>1</sup>**

Cash Income Class (thousands of 2006 dollars) <sup>2</sup>	Tax Units <sup>3</sup>		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After- Tax Income <sup>4</sup> (Dollars)	Average Federal Tax Rate <sup>5</sup>	Share of Pre- Tax Income Percent of Total	Share of Post- Tax Income Percent of Total	Share of Federal Taxes Percent of Total
	Number (thousands)	Percent of Total							
Less than 10	17,249	11.2	6,020	258	5,762	4.3	0.9	1.1	0.2
10-20	25,257	16.3	16,275	706	15,569	4.3	3.6	4.4	0.7
20-30	21,136	13.7	26,983	2,550	24,433	9.5	5.0	5.7	2.2
30-40	15,865	10.3	37,911	5,155	32,756	13.6	5.2	5.8	3.3
40-50	13,044	8.4	48,808	8,068	40,739	16.5	5.5	5.9	4.2
50-75	22,180	14.3	67,154	12,748	54,406	19.0	13.0	13.4	11.3
75-100	14,059	9.1	94,376	19,660	74,715	20.8	11.5	11.7	11.0
100-200	18,782	12.1	147,048	35,107	111,940	23.9	24.0	23.4	26.3
200-500	5,289	3.4	310,634	82,593	228,041	26.6	14.3	13.4	17.4
500-1,000	831	0.5	738,482	195,367	543,115	26.5	5.3	5.0	6.5
More than 1,000	431	0.3	3,204,623	974,236	2,230,388	30.4	12.0	10.7	16.8
All	154,718	100.0	74,322	16,192	58,130	21.8	100.0	100.0	100.0

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

Number of AMT Taxpayers (millions). Baseline: 32.4 Proposal: 0.0

(1) Calendar year. Baseline is current law. Proposal repeals the individual alternative minimum tax and implements a 4 percent surtax on adjusted gross incomes above \$200,000 for joint tax units and \$100,000 for other filing statuses. Values are presented in 2007 dollars and indexed for inflation.

(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.