

Table T07-0196
Repeal State and Local Tax Deduction Against Tax Cuts Extended Baseline
Distribution of Federal Tax Change by Cash Income Class, 2011¹

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	0.0	0.0	0.0	0.0	0	0.0	0.0	0.2	0.0	4.4
10-20	0.0	0.8	0.0	0.1	1	0.2	0.0	0.7	0.0	4.3
20-30	0.1	4.6	-0.1	0.5	12	0.5	0.0	2.1	0.0	9.4
30-40	0.1	11.4	-0.1	1.2	36	0.7	0.0	3.2	0.1	13.6
40-50	0.1	20.6	-0.2	2.3	85	1.0	0.0	4.1	0.2	16.8
50-75	0.4	38.9	-0.5	11.7	254	1.9	0.0	11.2	0.4	19.5
75-100	2.7	56.7	-0.6	13.4	456	2.3	0.0	11.0	0.5	21.5
100-200	3.0	46.8	-0.4	18.1	455	1.3	-0.2	26.4	0.3	24.4
200-500	0.7	16.7	-0.1	3.6	311	0.4	-0.3	17.5	0.1	26.8
500-1,000	1.2	65.7	-1.2	12.2	6,850	3.4	0.1	6.6	0.9	27.3
More than 1,000	0.7	75.4	-1.8	36.9	40,450	4.1	0.4	16.9	1.2	31.4
All	0.7	21.4	-0.5	100.0	310	1.8	0.0	100.0	0.4	22.3

Baseline Distribution of Income and Federal Taxes
by Cash Income Class, 2011¹

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- 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	16,811	10.7	6,086	269	5,817	4.4	0.9	1.0	0.2
10-20	25,284	16.2	16,631	715	15,916	4.3	3.5	4.3	0.7
20-30	21,596	13.8	27,636	2,597	25,039	9.4	5.0	5.8	2.1
30-40	16,032	10.2	38,799	5,257	33,542	13.6	5.2	5.7	3.2
40-50	13,218	8.5	49,940	8,279	41,661	16.6	5.5	5.9	4.1
50-75	22,444	14.3	68,652	13,116	55,536	19.1	12.8	13.2	11.1
75-100	14,300	9.1	96,522	20,295	76,228	21.0	11.5	11.6	11.0
100-200	19,360	12.4	150,400	36,185	114,216	24.1	24.2	23.5	26.5
200-500	5,551	3.6	317,079	84,709	232,370	26.7	14.6	13.7	17.8
500-1,000	865	0.6	755,020	199,095	555,925	26.4	5.4	5.1	6.5
More than 1,000	443	0.3	3,272,093	987,898	2,284,195	30.2	12.0	10.8	16.6
All	156,502	100.0	77,021	16,880	60,141	21.9	100.0	100.0	100.0

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

Number of AMT Taxpayers (millions). Baseline: 35.1 Proposal: 30.1

(1) Calendar year. Baseline is current law plus extension of all provisions of the 2001-2006 tax cuts due to sunset after 2010. Proposal repeals the state and local tax deduction. Taxation of state tax refunds is unaffected.

(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.