

Table T07-0203
Repeal State and Local Tax Deduction and Repeal AMT Against Tax Cuts Extended Baseline
Distribution of Federal Tax Change by Cash Income Percentile for Single Tax Units, 2011¹

Cash Income Percentile ^{2,3}	Percent of Tax Units ⁴		Percent Change in After-Tax Income ⁵	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁶	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	0.0	0.3	0.0	0.1	0	0.1	0.0	2.2	0.0	7.4
Second Quintile	0.1	4.8	0.0	1.3	8	0.3	-0.1	7.8	0.0	13.5
Middle Quintile	0.3	16.7	-0.2	9.7	70	0.8	-0.1	18.1	0.2	19.9
Fourth Quintile	2.0	40.0	-0.7	42.4	384	2.3	0.2	28.5	0.5	23.7
Top Quintile	14.6	63.1	-0.6	46.5	908	1.6	0.1	43.3	0.4	27.0
All	1.5	16.1	-0.4	100.0	149	1.5	0.0	100.0	0.3	21.9
Addendum										
Top 10 Percent	28.4	61.1	-0.4	18.5	865	1.0	-0.2	29.5	0.3	27.5
Top 5 Percent	39.2	52.5	-0.2	8.7	856	0.6	-0.2	21.9	0.2	27.9
Top 1 Percent	28.2	62.0	-0.8	16.6	8,098	2.0	0.1	12.8	0.6	29.7
Top 0.5 Percent	27.3	65.7	-1.0	15.2	14,786	2.3	0.1	10.4	0.7	30.7
Top 0.1 Percent	27.0	67.7	-1.0	9.0	45,062	2.2	0.0	6.2	0.7	32.6

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

Cash Income Percentile ^{2,3}	Tax Units ⁴		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After-Tax Income ⁵ (Dollars)	Average Federal Tax Rate ⁶	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								
Lowest Quintile	20,568	30.9	9,634	712	8,921	7.4	6.5	7.7	2.2	
Second Quintile	15,837	23.8	24,075	3,241	20,834	13.5	12.6	13.9	7.9	
Middle Quintile	13,820	20.8	43,629	8,607	35,021	19.7	19.9	20.3	18.2	
Fourth Quintile	10,938	16.4	72,937	16,923	56,014	23.2	26.3	25.7	28.3	
Top Quintile	5,079	7.6	209,885	55,749	154,136	26.6	35.1	32.9	43.3	
All	66,537	100.0	45,615	9,829	35,786	21.6	100.0	100.0	100.0	
Addendum										
Top 10 Percent	2,124	3.2	336,118	91,411	244,707	27.2	23.5	21.8	29.7	
Top 5 Percent	1,005	1.5	518,836	143,905	374,930	27.7	17.2	15.8	22.1	
Top 1 Percent	204	0.3	1,402,577	408,390	994,186	29.1	9.4	8.5	12.7	
Top 0.5 Percent	102	0.2	2,192,126	657,584	1,534,543	30.0	7.4	6.6	10.3	
Top 0.1 Percent	20	0.0	6,453,381	2,056,662	4,396,719	31.9	4.2	3.6	6.2	

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

Number of married AMT Taxpayers (millions). Baseline: 2.4 Proposal: 0.0

(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 individual AMT and the state and local tax deduction. Taxation of state tax refunds is unaffected. Single tax units include all tax units filing a single return and non-filing units who would file a single return if they filed. Tax units eligible for head of household status are not included.

(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) The cash income percentile breaks used in this table are (in 2006 dollars): 20% \$15,384, 40% \$29,083, 60% \$50,348, 80% \$89,737, 90% \$132,504, 95% \$186,771, 99% \$447,567, 99.5% \$697,094, 99.9% \$1,996,728.

(4) Includes both filing and non-filing units but excludes those that are dependents of other tax units.

(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.