

Table T07-0210
Integrated Payroll Tax Plan
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	56.1	0.0	3.0	-2.5	-186	-58.8	-0.1	0.1	-2.8	2.0
10-20	56.1	0.0	1.2	-4.8	-212	-22.5	-0.2	0.5	-1.1	3.8
20-30	66.4	0.0	0.9	-5.3	-253	-7.7	-0.2	1.7	-0.8	9.6
30-40	74.5	0.0	0.8	-4.7	-292	-4.5	-0.2	2.8	-0.7	14.1
40-50	81.3	0.0	0.7	-4.2	-331	-3.3	-0.2	3.4	-0.6	17.2
50-75	84.5	0.1	0.6	-8.1	-370	-2.3	-0.5	9.5	-0.5	20.5
75-100	88.2	0.1	0.5	-6.1	-435	-1.7	-0.5	9.8	-0.4	23.0
100-200	76.3	15.0	-0.1	1.9	90	0.2	-0.7	26.7	0.1	26.4
200-500	33.4	57.9	-3.1	49.4	7,810	7.4	0.8	19.6	2.2	31.3
500-1,000	24.1	64.0	-4.9	29.1	29,879	11.7	0.6	7.6	3.5	33.1
More than 1,000	23.4	64.4	-4.6	54.9	110,477	9.0	1.0	18.3	3.1	37.1
All	70.2	5.2	-0.9	100.0	661	2.8	0.0	100.0	0.7	25.3

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	316	6,261	4.8	0.6	0.8	0.1
10-20	24,924	14.9	19,117	943	18,175	4.9	3.0	3.8	0.6
20-30	23,081	13.8	31,561	3,295	28,266	10.4	4.6	5.4	1.9
30-40	17,925	10.7	44,159	6,495	37,664	14.7	5.0	5.6	3.0
40-50	14,020	8.4	56,966	10,108	46,857	17.7	5.0	5.5	3.6
50-75	24,122	14.4	78,006	16,361	61,645	21.0	11.8	12.3	10.0
75-100	15,618	9.3	110,090	25,791	84,299	23.4	10.8	10.9	10.2
100-200	23,661	14.1	172,975	45,501	127,474	26.3	25.6	25.0	27.4
200-500	7,011	4.2	361,163	105,184	255,979	29.1	15.8	14.9	18.7
500-1,000	1,078	0.6	860,075	254,607	605,468	29.6	5.8	5.4	7.0
More than 1,000	551	0.3	3,622,846	1,234,473	2,388,373	34.1	12.5	10.9	17.3
All	167,480	100.0	95,452	23,490	71,961	24.6	100.0	100.0	100.0

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 1006-2).

Number of AMT Taxpayers (millions). Baseline: 39.0 Proposal: 39.0

(1) Calendar year. Baseline is current law. Proposal exempts the first \$5,000 in wages from the employee portion of the payroll tax base and removes the cap on taxable Social Security wages.

(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.