

Table T07-0121
Options for a Two-Year Extension of the AMT Patch
Static Impact on Individual Income Tax Liability and Revenue (\$ billions), 2007-17 ¹

	Year											
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2007-17
Fiscal Year Revenue²												
Extend patch with exemption at 2006 level	-16.6	-44.7	-29.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-90.9
Extend patch and index exemption at 2006 level	-17.4	-47.4	-31.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-96.7
Calendar Year Liability												
Extend patch with exemption at 2006 level	-41.5	-49.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-90.9
Extend patch and index exemption at 2006 level	-43.5	-53.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-96.7
Addendum: Number of AMT Taxpayers												
Current law	23.4	26.5	29.3	32.4	18.5	20.9	24.0	27.2	31.0	35.1	39.1	
Extend patch with exemption at 2006 level	4.3	5.5	29.3	32.4	18.5	20.9	24.0	27.2	31.0	35.1	39.1	
Extend patch and index exemption at 2006 level	3.8	4.4	29.3	32.4	18.5	20.9	24.0	27.2	31.0	35.1	39.1	

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

(1) Proposal is effective 01/01/07. Baseline is current law. Proposals allow personal nonrefundable credits against the AMT and increase the AMT exemption as specified in the table. The 2006 exemption was \$62,550 for joint returns, \$42,500 for single and head of household returns, and \$31,275 for married individuals filing separate returns.

Congress has enacted a temporary patch of the AMT for every year since 2000. In some years the patch has included an ad hoc inflation adjustment to the exemption and in other years it has not. Estimates are static and do not account for any potential microeconomic behavioral response. Official estimates from the Joint Committee on Taxation would likely show a somewhat different effect on revenue.

(2) Fiscal-year revenue numbers assume a 40-60 split. The actual effect on receipts could differ.