

T06-0326
Tax Benefits of the Lifetime Learning Credit:
By Adjusted Gross Income Class, 2005¹

Adjusted Gross Income Class (thousands of current dollars) ²	All Tax Units ³		Tax Units with Benefit ⁴			Tax Benefits		Benefit as Percent of After- Tax Income ⁶		Average Tax Benefit	
	Number (thousands)	Percent of Total	Number (thousands)	Percent of Total	Percent within Class ⁵	Dollars (millions)	Percent of Total	All Tax Units	Tax Units with Benefit	All Tax Units	Tax Units with Benefit
Less than 10	35,016	24.1	24	0.6	0.1	2	0.0	0.00	1.0	0	79
10-20	23,171	15.9	665	16.3	2.9	423	10.6	0.13	4.6	18	636
20-30	18,169	12.5	815	20.0	4.5	802	20.1	0.21	4.6	44	985
30-40	13,599	9.4	720	17.7	5.3	761	19.1	0.20	3.7	56	1,056
40-50	10,747	7.4	446	10.9	4.1	508	12.7	0.13	3.0	47	1,140
50-75	18,350	12.6	930	22.8	5.1	939	23.5	0.11	2.0	51	1,010
75-100	10,839	7.5	468	11.5	4.3	550	13.8	0.08	1.8	51	1,174
100-200	11,036	7.6	9	0.2	0.1	3	0.1	0.00	0.4	0	292
200-500	2,675	1.8	0	0.0	0.0	0	0.0	0.00	0.0	0	0
500-1,000	423	0.3	0	0.0	0.0	0	0.0	0.00	0.0	0	0
More than 1,000	216	0.1	0	0.0	0.0	0	0.0	0.00	0.0	0	0
All	145,321	100.0	4,077	100.0	2.8	3,987	100.0	0.08	2.8	27	978

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0304-5).

- (1) Calendar year. Benefits of the lifetime learning credit are measured as the reduction in tax liability on returns claiming the credit.
- (2) Tax units with negative adjusted gross income are excluded from the lowest income class but are included in the totals.
- (3) Includes both filing and non-filing units. Tax units that are dependents of other taxpayers are excluded from the analysis.
- (4) Tax units with benefit includes only those tax units that claim the lifetime learning credit.
- (5) Percent of tax units within each adjusted gross income class that receives a tax benefit from the lifetime learning credit.
- (6) After-tax income is adjusted gross income less: individual income tax net of refundable credits; corporate income tax; payroll taxes (Social Security and Medicare); and estate tax.