

A more detailed version of this table including baseline values and additional distribution measures is available on the second worksheet in the Excel file and second page of the pdf.

5-Nov-07

PRELIMINARY RESULTS

<http://www.taxpolicycenter.org>

Table T07-0323
Include Dividends and Capital Gains Above \$50,000 (\$100,000 Joint) as an AMT Preference
Baseline is Current Law Plus the AMT Patch in H.R. 3996
Distribution of Federal Tax Change by Cash Income Level, 2007 ¹
Summary Table

Cash Income Level (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 (\$)	Average Federal Tax Rate ⁵	
	With Tax Cut	With Tax Increase				Change (%) Points)	Under the Proposal
Less than 10	0.0	0.0	0.0	0.0	0	0.0	4.1
10-20	0.0	0.0	0.0	0.0	0	0.0	4.4
20-30	0.0	0.0	0.0	0.0	0	0.0	9.6
30-40	0.0	0.0	0.0	0.0	0	0.0	13.9
40-50	0.0	0.0	0.0	0.0	0	0.0	16.5
50-75	0.0	0.0	0.0	0.0	0	0.0	18.5
75-100	0.0	0.0	0.0	0.0	0	0.0	20.0
100-200	0.0	0.2	0.0	0.2	5	0.0	22.4
200-500	0.0	7.0	-0.3	6.4	667	0.2	25.7
500-1,000	0.1	22.1	-1.3	10.2	6,347	0.9	28.3
More than 1,000	0.1	34.6	-4.6	83.2	98,296	3.2	35.1
All	0.0	0.4	-0.6	100.0	314	0.5	21.7

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

Number of AMT Taxpayers (millions). Baseline: 3.5 Proposal: 3.7

(1) Calendar year. Baseline is current law plus: allow personal non-refundable credits regardless of tentative AMT; increase the 2007 AMT exemption to \$44,350 for singles and \$66,250 for married couples filing a joint return. Proposal: for AMT purposes, qualified dividends and long-term capital gains in excess of \$50,000 (\$100,000 for joint returns) are taxed at ordinary AMT rates.

(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.

Table T07-0323
Include Dividends and Capital Gains Above \$50,000 (\$100,000 Joint) as an AMT Preference, Baseline is Current Law Plus the AMT Patch in H.R. 3996
Distribution of Federal Tax Change by Cash Income Level, 2007 ¹
Detail Table

Cash Income Level (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	4.1
10-20	0.0	0.0	0.0	0.0	0	0.0	0.0	0.8	0.0	4.4
20-30	0.0	0.0	0.0	0.0	0	0.0	-0.1	2.3	0.0	9.6
30-40	0.0	0.0	0.0	0.0	0	0.0	-0.1	3.5	0.0	13.9
40-50	0.0	0.0	0.0	0.0	0	0.0	-0.1	4.3	0.0	16.5
50-75	0.0	0.0	0.0	0.0	0	0.0	-0.3	11.5	0.0	18.5
75-100	0.0	0.0	0.0	0.0	0	0.0	-0.2	10.7	0.0	20.0
100-200	0.0	0.2	0.0	0.2	5	0.0	-0.5	23.9	0.0	22.4
200-500	0.0	7.0	-0.3	6.4	667	0.9	-0.2	15.7	0.2	25.7
500-1,000	0.1	22.1	-1.3	10.2	6,347	3.4	0.1	6.9	0.9	28.3
More than 1,000	0.1	34.6	-4.6	83.2	98,296	9.9	1.4	20.1	3.2	35.1
All	0.0	0.4	-0.6	100.0	314	2.2	0.0	100.0	0.5	21.7

Baseline Distribution of Income and Federal Taxes
by Cash Income Level, 2007 ¹

Cash Income Level (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	18,608	12.5	5,699	231	5,468	4.1	1.1	1.3	0.2
10-20	25,761	17.3	15,189	660	14,529	4.4	3.9	4.8	0.8
20-30	20,224	13.5	25,240	2,428	22,812	9.6	5.1	5.9	2.3
30-40	15,244	10.2	35,555	4,950	30,605	13.9	5.5	6.0	3.6
40-50	12,157	8.1	45,638	7,516	38,123	16.5	5.6	5.9	4.3
50-75	21,294	14.3	62,764	11,638	51,127	18.5	13.5	13.9	11.8
75-100	13,139	8.8	88,142	17,599	70,543	20.0	11.7	11.9	11.0
100-200	16,685	11.2	137,212	30,781	106,430	22.4	23.1	22.7	24.4
200-500	4,475	3.0	293,234	74,637	218,597	25.5	13.2	12.5	15.9
500-1,000	756	0.5	692,259	189,481	502,778	27.4	5.3	4.9	6.8
More than 1,000	396	0.3	3,113,319	995,004	2,118,315	32.0	12.4	10.7	18.7
All	149,332	100.0	66,439	14,099	52,340	21.2	100.0	100.0	100.0

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

Number of AMT Taxpayers (millions). Baseline: 3.5 Proposal: 3.7

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