

Table T08-0017
Tax Rebate of up to \$400 (\$800 For Couples) Plus \$200 Per Dependent
Distribution of Federal Tax Change by Cash Income Level, 2007 Income Levels 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	53.2	0.0	4.3	5.1	-237	-4.2	-0.1
10-20	62.2	0.0	2.4	10.6	-354	-2.3	1.9
20-30	81.0	0.0	2.1	11.3	-480	-1.9	7.6
30-40	88.4	0.0	1.8	9.8	-554	-1.6	12.3
40-50	93.6	0.0	1.6	8.6	-604	-1.3	15.1
50-75	98.2	0.0	1.4	18.0	-726	-1.2	17.4
75-100	99.2	0.0	1.2	12.9	-840	-1.0	19.0
100-200	99.7	0.0	0.9	17.5	-903	-0.7	21.8
200-500	99.6	0.0	0.4	4.8	-916	-0.3	25.0
500-1,000	99.7	0.0	0.2	0.8	-908	-0.1	27.0
More than 1,000	99.8	0.0	0.0	0.4	-901	0.0	31.9
All	82.8	0.0	1.1	100.0	-575	-0.9	20.3

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

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

(1) Calendar year. Baseline is 2008 current law assuming extension and indexation for inflation of the 2007 AMT patch. Proposal provides a tax rebate of up to \$400 (\$800 for married couples filing a joint return) plus \$200 per dependent. The rebate would be limited by the sum of individual income tax liability (if positive) and 15 percent of earnings (defined as wages plus self-employment income, if positive).

(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 T08-0017
Tax Rebate of up to \$400 (\$800 For Couples) Plus \$200 Per Dependent
Distribution of Federal Tax Change by Cash Income Level, 2007 Income Levels 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	53.2	0.0	4.3	5.1	-237	-103.2	-0.2	0.0	-4.2	-0.1
10-20	62.2	0.0	2.4	10.6	-354	-54.9	-0.4	0.4	-2.3	1.9
20-30	81.0	0.0	2.1	11.3	-480	-20.1	-0.4	1.9	-1.9	7.6
30-40	88.4	0.0	1.8	9.8	-554	-11.3	-0.3	3.3	-1.6	12.3
40-50	93.6	0.0	1.6	8.6	-604	-8.1	-0.2	4.2	-1.3	15.1
50-75	98.2	0.0	1.4	18.0	-726	-6.3	-0.3	11.5	-1.2	17.4
75-100	99.2	0.0	1.2	12.9	-840	-4.8	-0.1	11.0	-1.0	19.0
100-200	99.7	0.0	0.9	17.5	-903	-2.9	0.3	24.7	-0.7	21.8
200-500	99.6	0.0	0.4	4.8	-916	-1.2	0.5	16.3	-0.3	25.0
500-1,000	99.7	0.0	0.2	0.8	-908	-0.5	0.3	7.0	-0.1	27.0
More than 1,000	99.8	0.0	0.0	0.4	-901	-0.1	0.8	19.5	0.0	31.9
All	82.8	0.0	1.1	100.0	-575	-4.1	0.0	100.0	-0.9	20.3

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					Pre- Tax Income Percent of Total	Tax Income Percent of Total	Federal Taxes Percent of Total
Less than 10	18,608	12.5	5,699	230	5,469	4.0	1.1	1.3	0.2
10-20	25,761	17.3	15,189	645	14,544	4.3	3.9	4.8	0.8
20-30	20,224	13.5	25,240	2,389	22,851	9.5	5.1	5.9	2.3
30-40	15,244	10.2	35,555	4,911	30,645	13.8	5.5	6.0	3.6
40-50	12,157	8.1	45,638	7,506	38,132	16.5	5.6	5.9	4.4
50-75	21,294	14.3	62,764	11,625	51,140	18.5	13.5	13.9	11.8
75-100	13,139	8.8	88,142	17,624	70,518	20.0	11.7	11.8	11.0
100-200	16,685	11.2	137,212	30,754	106,458	22.4	23.1	22.7	24.5
200-500	4,475	3.0	293,234	74,091	219,143	25.3	13.2	12.5	15.8
500-1,000	756	0.5	692,259	187,849	504,410	27.1	5.3	4.9	6.8
More than 1,000	396	0.3	3,113,319	992,950	2,120,369	31.9	12.4	10.7	18.8
All	149,332	100.0	66,439	14,054	52,385	21.2	100.0	100.0	100.0

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

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

(1) Calendar year. Baseline is 2008 current law assuming extension and indexation for inflation of the 2007 AMT patch. Proposal provides a tax rebate of up to \$400 (\$800 for married couples filing a joint return) plus \$200 per dependent. The rebate would be limited by the sum of individual income tax liability (if positive) and 15 percent of earnings (defined as wages plus self-employment income, if positive).

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(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.