

Table T08-0030
Individual Income Tax Measures in House Stimulus Proposal
Beneficiaries (thousands) by Individual Characteristics, 2008 ^{1,2}

	Individual Income Tax Filers	Non-filers	Earners ³	Non- earners	Positive AGI	Zero/ negative AGI	Aged ⁴	Non-Aged
Zero benefit	16,700	22,411	12,730	26,381	25,431	13,680	18,150	20,961
Partial benefit ⁵	44,015	0	41,735	2,281	43,387	628	3,890	40,125
Full benefit	67,741	0	62,039	5,702	67,741	0	9,156	58,585
Total	128,456	22,411	116,504	34,363	136,559	14,308	31,196	119,672

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

(1) Calendar year. Baseline is 2008 current law assuming extension and indexation for inflation of the 2007 AMT patch. The proposal provides an income tax rebate equal to 10 percent of taxable income, up to a maximum of \$600 (\$1,200 for married couples filing a joint return). The rebate is limited by individual income tax after non-refundable credits. But if the tax unit has at least \$3,000 of earned income (defined as the sum of wages and salaries plus any positive amount of self-employment income net of the deduction for self-employment tax), the minimum payment is \$300 (\$600 for married couples filing a joint return). This minimum payment is not limited by income tax liability and is thus fully refundable. For any tax unit with at least \$1 of income tax rebate, the proposal provides an additional, fully refundable, \$300 rebate for each qualifying child. A qualifying child is one that is eligible for the child tax credit. The total value of the income tax rebate and the child rebate would be phased out at a rate of 5 percent of AGI in excess of \$75,000 for singles, \$150,000 for couples.

(2) Tax units that are dependents of other tax units are excluded from the analysis. Our estimates are based on 2008 incomes; the proposal actually allows the rebate to be based on 2007 income if it results in a higher amount.

(3) Includes tax units reporting a positive amount of wages and salaries or self-employment income.

(4) Includes tax units in which the primary (or secondary taxpayer in the case of joint returns) is age 65 or older.

(5) Tax units with a partial benefit are those with a rebate that is greater than \$0 but less than the maximum amount of \$600 plus \$300 per qualifying child (\$1,200 plus \$300 per qualifying child for married couples filing a joint return).