

Table T08-0162
2001-06 Tax Cuts with AMT Patch Extended: Financing Proportional to Individual Income Tax
Distribution of Federal Tax Change by Cash Income Level, 2010 ¹
Summary Table

| Cash Income Level (thousands of 2008 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 | 1.0 | 32.5 | -1.4 | n/a | 77 | 1.3 | 6.6 |
| 10-20 | 33.0 | 24.1 | -0.8 | n/a | 119 | 0.8 | 6.3 |
| 20-30 | 50.9 | 30.0 | 0.5 | n/a | -110 | -0.4 | 11.0 |
| 30-40 | 53.2 | 37.3 | 0.9 | n/a | -271 | -0.8 | 14.8 |
| 40-50 | 47.8 | 46.5 | 0.6 | n/a | -226 | -0.5 | 17.6 |
| 50-75 | 45.2 | 52.7 | 0.4 | n/a | -189 | -0.3 | 19.8 |
| 75-100 | 45.4 | 53.6 | 0.4 | n/a | -310 | -0.3 | 21.6 |
| 100-200 | 46.1 | 53.4 | 0.5 | n/a | -496 | -0.4 | 24.4 |
| 200-500 | 23.8 | 75.8 | -1.1 | n/a | 2,355 | 0.8 | 28.4 |
| 500-1,000 | 15.9 | 83.5 | -1.7 | n/a | 8,257 | 1.2 | 30.6 |
| More than 1,000 | 24.6 | 75.2 | -0.1 | n/a | 1,710 | 0.1 | 33.7 |
| All | 38.9 | 42.3 | 0.0 | n/a | 0 | 0.0 | 24.0 |

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0308-5).

Number of AMT Taxpayers (millions). Baseline: 18.2 Proposal: 5.5

(1) Calendar year. Baseline is pre-EGTRRA law. Includes major individual income and estate tax provisions in EGTRRA 2001, JGTRRA 2003, WFTRA 2004, TIPRA 2006, PPA 2006, TIPA 2007, and ESA 2008. Assumes that the AMT exemption is \$62,550 for married couples filing jointly and \$42,500 for unmarried individuals, indexed for inflation after 2007, and that personal non-refundable credits are allowed regardless of tentative AMT. Cost of the tax cuts is financed with a 28.1 percent levy on the individual income tax of all non-dependent tax units.

(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 T08-0162
2001-06 Tax Cuts with AMT Patch Extended: Financing Proportional to Individual Income Tax
Distribution of Federal Tax Change by Cash Income Level, 2010¹
Detail Table

| Cash Income Level (thousands of 2008 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 | 1.0 | 32.5 | -1.4 | n/a | 77 | 25.3 | 0.1 | 0.2 | 1.3 | 6.6 |
| 10-20 | 33.0 | 24.1 | -0.8 | n/a | 119 | 14.0 | 0.1 | 0.8 | 0.8 | 6.3 |
| 20-30 | 50.9 | 30.0 | 0.5 | n/a | -110 | -3.7 | -0.1 | 1.9 | -0.4 | 11.0 |
| 30-40 | 53.2 | 37.3 | 0.9 | n/a | -271 | -4.8 | -0.1 | 2.8 | -0.8 | 14.8 |
| 40-50 | 47.8 | 46.5 | 0.6 | n/a | -226 | -2.7 | -0.1 | 3.4 | -0.5 | 17.6 |
| 50-75 | 45.2 | 52.7 | 0.4 | n/a | -189 | -1.5 | -0.1 | 9.7 | -0.3 | 19.8 |
| 75-100 | 45.4 | 53.6 | 0.4 | n/a | -310 | -1.6 | -0.2 | 9.7 | -0.3 | 21.6 |
| 100-200 | 46.1 | 53.4 | 0.5 | n/a | -496 | -1.4 | -0.4 | 25.0 | -0.4 | 24.4 |
| 200-500 | 23.8 | 75.8 | -1.1 | n/a | 2,355 | 2.9 | 0.5 | 17.6 | 0.8 | 28.4 |
| 500-1,000 | 15.9 | 83.5 | -1.7 | n/a | 8,257 | 4.0 | 0.3 | 7.8 | 1.2 | 30.6 |
| More than 1,000 | 24.6 | 75.2 | -0.1 | n/a | 1,710 | 0.2 | 0.0 | 21.0 | 0.1 | 33.7 |
| All | 38.9 | 42.3 | 0.0 | n/a | 0 | 0.0 | 0.0 | 100.0 | 0.0 | 24.0 |

Baseline Distribution of Income and Federal Taxes
by Cash Income Level, 2010¹

| Cash Income Level (thousands of 2008 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- Tax Income Percent of Total | Share of Post- Tax Income Percent of Total | Share of Federal Taxes Percent of Total |
|--|------------------------|---------------------|--------------------------------|---|--|---|--|---|--|
| | Number (thousands) | Percent of Total | | | | | | | |
| Less than 10 | 16,869 | 11.1 | 5,791 | 304 | 5,487 | 5.3 | 0.8 | 1.0 | 0.2 |
| 10-20 | 24,210 | 15.9 | 15,525 | 851 | 14,674 | 5.5 | 3.1 | 3.9 | 0.7 |
| 20-30 | 19,551 | 12.9 | 25,891 | 2,956 | 22,935 | 11.4 | 4.2 | 4.9 | 2.0 |
| 30-40 | 14,651 | 9.6 | 36,328 | 5,663 | 30,664 | 15.6 | 4.4 | 4.9 | 2.9 |
| 40-50 | 11,772 | 7.7 | 46,879 | 8,460 | 38,419 | 18.1 | 4.6 | 5.0 | 3.5 |
| 50-75 | 21,849 | 14.4 | 64,443 | 12,965 | 51,478 | 20.1 | 11.8 | 12.4 | 9.8 |
| 75-100 | 14,261 | 9.4 | 90,653 | 19,849 | 70,805 | 21.9 | 10.8 | 11.1 | 9.8 |
| 100-200 | 20,780 | 13.7 | 141,322 | 35,041 | 106,281 | 24.8 | 24.5 | 24.2 | 25.3 |
| 200-500 | 5,991 | 3.9 | 298,058 | 82,257 | 215,800 | 27.6 | 14.9 | 14.2 | 17.1 |
| 500-1,000 | 1,037 | 0.7 | 709,945 | 209,164 | 500,781 | 29.5 | 6.1 | 5.7 | 7.5 |
| More than 1,000 | 549 | 0.4 | 3,271,258 | 1,100,278 | 2,170,979 | 33.6 | 15.0 | 13.1 | 21.0 |
| All | 152,206 | 100.0 | 78,753 | 18,905 | 59,848 | 24.0 | 100.0 | 100.0 | 100.0 |

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0308-5).

Number of AMT Taxpayers (millions). Baseline:

18.2

Proposal:

5.5

1) Calendar year. Baseline is pre-EGTRRA law. Includes major individual income and estate tax provisions in EGTRRA 2001, JGTRRA 2003, WFTRA 2004, TIPRA 2006, PPA 2006, TIPA 2007, and ESA 2008. Assumes that the AMT exemption is \$62,550 for married couples filing jointly and \$42,500 for unmarried individuals, indexed for inflation after 2007, and that personal non-refundable credits are allowed regardless of tentative AMT. Cost of the tax cuts is financed with a 28.1 percent levy on the individual income tax of all non-dependent tax units.

(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 T08-0162
2001-06 Tax Cuts with AMT Patch Extended: Financing Proportional to Individual Income Tax
Distribution of Federal Tax Change by Cash Income Level, 2010¹
Detail Table - Single Tax Units

| Cash Income Level (thousands of 2008 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 | 0.9 | 28.1 | -0.6 | -16.3 | 33 | 7.5 | 0.1 | 0.9 | 0.6 | 8.2 |
| 10-20 | 44.3 | 8.4 | 0.3 | 21.9 | -36 | -2.6 | -0.1 | 3.0 | -0.2 | 8.7 |
| 20-30 | 42.1 | 37.3 | 0.3 | 22.9 | -58 | -1.4 | -0.1 | 5.8 | -0.2 | 15.4 |
| 30-40 | 23.2 | 71.0 | -0.5 | -42.3 | 159 | 2.3 | 0.2 | 7.1 | 0.4 | 19.8 |
| 40-50 | 11.5 | 86.3 | -1.2 | -95.0 | 438 | 4.5 | 0.4 | 8.2 | 0.9 | 21.9 |
| 50-75 | 11.7 | 86.9 | -1.2 | -191.2 | 569 | 3.8 | 0.8 | 19.3 | 0.9 | 24.5 |
| 75-100 | 11.4 | 87.5 | -1.2 | -111.2 | 802 | 3.4 | 0.5 | 12.4 | 0.9 | 27.0 |
| 100-200 | 14.3 | 84.6 | -0.6 | -74.5 | 587 | 1.6 | 0.3 | 17.9 | 0.4 | 27.8 |
| 200-500 | 22.2 | 77.2 | 1.8 | 120.2 | -3,893 | -4.3 | -0.4 | 9.8 | -1.3 | 28.5 |
| 500-1,000 | 28.0 | 69.4 | 4.2 | 111.1 | -20,433 | -9.1 | -0.4 | 4.1 | -2.9 | 28.8 |
| More than 1,000 | 34.4 | 65.0 | 6.0 | 350.1 | -120,462 | -10.1 | -1.2 | 11.6 | -3.7 | 33.5 |
| All | 23.1 | 48.2 | 0.1 | 100.0 | -38 | -0.4 | 0.0 | 100.0 | -0.1 | 23.5 |

Baseline Distribution of Income and Federal Taxes
by Cash Income Level, 2010¹

| Cash Income Level (thousands of 2008 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- Tax Income Percent of Total | Share of Post- Tax Income Percent of Total | Share of Federal Taxes Percent of Total |
|--|------------------------|---------------------|--------------------------------|---|--|---|--|---|--|
| | Number (thousands) | Percent of Total | | | | | | | |
| Less than 10 | 12,329 | 18.7 | 5,808 | 443 | 5,365 | 7.6 | 2.5 | 3.0 | 0.8 |
| 10-20 | 15,065 | 22.9 | 15,372 | 1,378 | 13,994 | 9.0 | 8.0 | 9.5 | 3.0 |
| 20-30 | 9,973 | 15.1 | 25,806 | 4,032 | 21,774 | 15.6 | 8.9 | 9.8 | 5.9 |
| 30-40 | 6,679 | 10.1 | 36,304 | 7,042 | 29,262 | 19.4 | 8.4 | 8.8 | 6.9 |
| 40-50 | 5,440 | 8.3 | 46,834 | 9,828 | 37,006 | 21.0 | 8.8 | 9.1 | 7.8 |
| 50-75 | 8,438 | 12.8 | 63,483 | 14,991 | 48,492 | 23.6 | 18.5 | 18.5 | 18.5 |
| 75-100 | 3,482 | 5.3 | 89,596 | 23,399 | 66,197 | 26.1 | 10.8 | 10.4 | 11.9 |
| 100-200 | 3,187 | 4.8 | 136,971 | 37,545 | 99,426 | 27.4 | 15.1 | 14.3 | 17.5 |
| 200-500 | 775 | 1.2 | 301,048 | 89,599 | 211,449 | 29.8 | 8.1 | 7.4 | 10.2 |
| 500-1,000 | 137 | 0.2 | 706,590 | 223,668 | 482,922 | 31.7 | 3.3 | 3.0 | 4.5 |
| More than 1,000 | 73 | 0.1 | 3,221,367 | 1,199,047 | 2,022,320 | 37.2 | 8.1 | 6.7 | 12.8 |
| All | 65,926 | 100.0 | 43,953 | 10,357 | 33,597 | 23.6 | 100.0 | 100.0 | 100.0 |

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0308-5).

Number of AMT Taxpayers (millions). Baseline:

18.2

Proposal:

5.5

1) Calendar year. Baseline is pre-EGTRRA law. Includes major individual income and estate tax provisions in EGTRRA 2001, JGTRRA 2003, WFTRA 2004, TIPRA 2006, PPA 2006, TIPA 2007, and ESA 2008. Assumes that the AMT exemption is \$62,550 for married couples filing jointly and \$42,500 for unmarried individuals, indexed for inflation after 2007, and that personal non-refundable credits are allowed regardless of tentative AMT. Cost of the tax cuts is financed with a 28.1 percent levy on the individual income tax of all non-dependent tax units.

(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 T08-0162
2001-06 Tax Cuts with AMT Patch Extended: Financing Proportional to Individual Income Tax
Distribution of Federal Tax Change by Cash Income Level, 2010¹
Detail Table - Married Tax Units Filing Jointly

| Cash Income Level (thousands of 2008 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 | 1.7 | 26.6 | -1.7 | 7.8 | 80 | 27.7 | 0.0 | 0.0 | 1.6 | 7.5 |
| 10-20 | 17.9 | 24.1 | -1.1 | 29.4 | 163 | 26.7 | 0.0 | 0.2 | 1.0 | 4.8 |
| 20-30 | 62.6 | 7.6 | 1.2 | -60.5 | -277 | -14.1 | -0.1 | 0.4 | -1.1 | 6.5 |
| 30-40 | 75.3 | 2.0 | 2.2 | -131.6 | -697 | -17.2 | -0.1 | 0.7 | -1.9 | 9.3 |
| 40-50 | 83.2 | 2.4 | 2.2 | -152.4 | -901 | -13.6 | -0.2 | 1.1 | -1.9 | 12.2 |
| 50-75 | 69.2 | 27.8 | 1.3 | -322.2 | -730 | -6.5 | -0.4 | 5.0 | -1.1 | 15.9 |
| 75-100 | 58.5 | 40.7 | 1.1 | -330.0 | -769 | -4.2 | -0.4 | 8.1 | -0.8 | 19.2 |
| 100-200 | 53.6 | 46.1 | 0.8 | -631.1 | -813 | -2.4 | -0.7 | 28.4 | -0.6 | 23.7 |
| 200-500 | 24.2 | 75.4 | -1.5 | 751.7 | 3,199 | 3.9 | 0.8 | 21.5 | 1.1 | 28.4 |
| 500-1,000 | 13.9 | 85.8 | -2.5 | 510.5 | 12,597 | 6.1 | 0.5 | 9.6 | 1.8 | 30.9 |
| More than 1,000 | 22.7 | 77.1 | -0.9 | 432.1 | 20,320 | 1.9 | 0.4 | 25.0 | 0.6 | 33.7 |
| All | 53.2 | 34.8 | 0.0 | 100.0 | 36 | 0.1 | 0.0 | 100.0 | 0.0 | 25.1 |

Baseline Distribution of Income and Federal Taxes
by Cash Income Level, 2010¹

| Cash Income Level (thousands of 2008 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- Tax Income Percent of Total | Share of Post- Tax Income Percent of Total | Share of Federal Taxes Percent of Total |
|--|------------------------|---------------------|--------------------------------|---|--|---|--|---|--|
| | Number (thousands) | Percent of Total | | | | | | | |
| Less than 10 | 2,074 | 3.5 | 4,959 | 289 | 4,669 | 5.8 | 0.1 | 0.2 | 0.0 |
| 10-20 | 3,858 | 6.4 | 16,077 | 609 | 15,468 | 3.8 | 0.8 | 1.0 | 0.1 |
| 20-30 | 4,668 | 7.8 | 25,882 | 1,963 | 23,919 | 7.6 | 1.5 | 1.9 | 0.5 |
| 30-40 | 4,033 | 6.7 | 36,342 | 4,059 | 32,283 | 11.2 | 1.9 | 2.2 | 0.8 |
| 40-50 | 3,611 | 6.0 | 47,049 | 6,618 | 40,432 | 14.1 | 2.2 | 2.5 | 1.2 |
| 50-75 | 9,428 | 15.7 | 65,728 | 11,205 | 54,523 | 17.1 | 7.9 | 8.7 | 5.4 |
| 75-100 | 9,159 | 15.3 | 91,242 | 18,315 | 72,926 | 20.1 | 10.6 | 11.3 | 8.5 |
| 100-200 | 16,573 | 27.6 | 142,634 | 34,618 | 108,016 | 24.3 | 30.0 | 30.3 | 29.1 |
| 200-500 | 5,019 | 8.4 | 297,518 | 81,143 | 216,375 | 27.3 | 19.0 | 18.4 | 20.7 |
| 500-1,000 | 866 | 1.4 | 710,981 | 207,132 | 503,849 | 29.1 | 7.8 | 7.4 | 9.1 |
| More than 1,000 | 454 | 0.8 | 3,218,936 | 1,064,804 | 2,154,133 | 33.1 | 18.6 | 16.6 | 24.5 |
| All | 60,003 | 100.0 | 131,312 | 32,861 | 98,451 | 25.0 | 100.0 | 100.0 | 100.0 |

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0308-5).

Number of AMT Taxpayers (millions). Baseline:

18.2

Proposal:

5.5

1) Calendar year. Baseline is pre-EGTRRA law. Includes major individual income and estate tax provisions in EGTRRA 2001, JGTRRA 2003, WFTRA 2004, TIPRA 2006, PPA 2006, TIPA 2007, and ESA 2008. Assumes that the AMT exemption is \$62,550 for married couples filing jointly and \$42,500 for unmarried individuals, indexed for inflation after 2007, and that personal non-refundable credits are allowed regardless of tentative AMT. Cost of the tax cuts is financed with a 28.1 percent levy on the individual income tax of all non-dependent tax units.

(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

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(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 T08-0162
2001-06 Tax Cuts with AMT Patch Extended: Financing Proportional to Individual Income Tax
Distribution of Federal Tax Change by Cash Income Level, 2010¹
Detail Table - Head of Household Tax Units

| Cash Income Level (thousands of 2008 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 | 0.4 | 62.8 | -4.5 | -240.8 | 310 | -70.0 | 0.4 | -0.2 | 4.8 | -2.1 |
| 10-20 | 7.7 | 72.6 | -3.5 | -960.9 | 574 | -88.2 | 1.7 | -0.2 | 3.7 | -0.5 |
| 20-30 | 56.6 | 37.4 | 0.2 | 70.3 | -46 | -3.1 | -0.1 | 3.9 | -0.2 | 5.4 |
| 30-40 | 86.0 | 11.7 | 2.0 | 741.0 | -615 | -13.0 | -1.3 | 8.9 | -1.7 | 11.3 |
| 40-50 | 77.7 | 21.3 | 1.8 | 567.3 | -718 | -9.2 | -1.0 | 10.2 | -1.5 | 15.2 |
| 50-75 | 61.3 | 37.5 | 1.0 | 605.5 | -523 | -4.2 | -1.1 | 25.0 | -0.8 | 18.8 |
| 75-100 | 48.4 | 50.9 | 0.3 | 97.2 | -215 | -1.1 | -0.2 | 16.5 | -0.2 | 22.6 |
| 100-200 | 24.3 | 75.3 | -1.2 | -350.8 | 1,217 | 3.7 | 0.7 | 18.0 | 0.9 | 25.9 |
| 200-500 | 15.3 | 84.5 | -2.6 | -284.4 | 5,817 | 7.3 | 0.5 | 7.6 | 1.9 | 28.6 |
| 500-1,000 | 18.1 | 81.7 | -2.6 | -100.1 | 12,930 | 6.7 | 0.2 | 2.9 | 1.9 | 29.9 |
| More than 1,000 | 26.0 | 73.8 | -0.6 | -46.1 | 11,829 | 1.1 | 0.1 | 7.5 | 0.4 | 33.9 |
| All | 46.0 | 44.3 | 0.0 | 100.0 | -13 | -0.2 | 0.0 | 100.0 | 0.0 | 16.5 |

Baseline Distribution of Income and Federal Taxes
by Cash Income Level, 2010¹

| Cash Income Level (thousands of 2008 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- Tax Income Percent of Total | Share of Post- Tax Income Percent of Total | Share of Federal Taxes Percent of Total |
|--|------------------------|---------------------|--------------------------------|---|--|---|--|---|--|
| | Number (thousands) | Percent of Total | | | | | | | |
| Less than 10 | 2,322 | 9.8 | 6,457 | -443 | 6,900 | -6.9 | 1.5 | 1.9 | -0.6 |
| 10-20 | 4,998 | 21.0 | 15,560 | -651 | 16,211 | -4.2 | 7.8 | 9.7 | -2.0 |
| 20-30 | 4,576 | 19.3 | 26,059 | 1,464 | 24,595 | 5.6 | 11.9 | 13.5 | 4.0 |
| 30-40 | 3,596 | 15.1 | 36,319 | 4,720 | 31,598 | 13.0 | 13.0 | 13.6 | 10.2 |
| 40-50 | 2,360 | 9.9 | 46,775 | 7,845 | 38,930 | 16.8 | 11.0 | 11.0 | 11.2 |
| 50-75 | 3,458 | 14.6 | 63,384 | 12,463 | 50,921 | 19.7 | 21.9 | 21.0 | 26.0 |
| 75-100 | 1,350 | 5.7 | 89,702 | 20,480 | 69,222 | 22.8 | 12.1 | 11.2 | 16.7 |
| 100-200 | 861 | 3.6 | 133,083 | 33,299 | 99,785 | 25.0 | 11.4 | 10.3 | 17.3 |
| 200-500 | 146 | 0.6 | 299,845 | 79,890 | 219,956 | 26.6 | 4.4 | 3.8 | 7.0 |
| 500-1,000 | 23 | 0.1 | 688,183 | 192,740 | 495,443 | 28.0 | 1.6 | 1.4 | 2.7 |
| More than 1,000 | 12 | 0.1 | 3,150,036 | 1,054,382 | 2,095,653 | 33.5 | 3.7 | 2.9 | 7.4 |
| All | 23,751 | 100.0 | 42,212 | 6,981 | 35,231 | 16.5 | 100.0 | 100.0 | 100.0 |

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0308-5).

Number of AMT Taxpayers (millions). Baseline:

18.2

Proposal:

5.5

1) Calendar year. Baseline is pre-EGTRRA law. Includes major individual income and estate tax provisions in EGTRRA 2001, JGTRRA 2003, WFTRA 2004, TIPRA 2006, PPA 2006, TIPA 2007, and ESA 2008. Assumes that the AMT exemption is \$62,550 for married couples filing jointly and \$42,500 for unmarried individuals, indexed for inflation after 2007, and that personal non-refundable credits are allowed regardless of tentative AMT. Cost of the tax cuts is financed with a 28.1 percent levy on the individual income tax of all non-dependent tax units.

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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.

Table T08-0162
2001-06 Tax Cuts with AMT Patch Extended: Financing Proportional to Individual Income Tax
Distribution of Federal Tax Change by Cash Income Level, 2010¹
Detail Table - Tax Units with Children

| Cash Income Level (thousands of 2008 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 | 0.8 | 71.2 | -5.8 | -13.8 | 387 | -59.6 | 0.1 | -0.1 | 6.4 | -4.3 |
| 10-20 | 2.2 | 87.5 | -4.4 | -54.8 | 741 | -62.5 | 0.4 | -0.2 | 4.7 | -2.8 |
| 20-30 | 57.6 | 38.2 | 0.4 | 7.2 | -95 | -9.3 | 0.0 | 0.5 | -0.4 | 3.6 |
| 30-40 | 91.6 | 7.2 | 2.6 | 53.1 | -828 | -18.9 | -0.3 | 1.5 | -2.3 | 9.7 |
| 40-50 | 91.9 | 7.3 | 2.9 | 58.3 | -1,141 | -15.0 | -0.4 | 2.1 | -2.4 | 13.8 |
| 50-75 | 84.7 | 14.6 | 2.2 | 117.5 | -1,168 | -9.7 | -0.7 | 7.0 | -1.8 | 16.9 |
| 75-100 | 77.0 | 22.7 | 1.9 | 105.4 | -1,357 | -7.0 | -0.6 | 9.0 | -1.5 | 19.8 |
| 100-200 | 67.1 | 32.8 | 1.3 | 178.7 | -1,387 | -4.0 | -1.0 | 27.8 | -1.0 | 23.6 |
| 200-500 | 22.4 | 77.4 | -1.8 | -151.0 | 3,925 | 4.8 | 1.1 | 21.1 | 1.3 | 29.0 |
| 500-1,000 | 10.5 | 89.3 | -3.1 | -95.8 | 15,275 | 7.1 | 0.7 | 9.2 | 2.2 | 32.5 |
| More than 1,000 | 16.9 | 83.1 | -1.6 | -105.4 | 34,825 | 3.2 | 0.8 | 22.1 | 1.1 | 35.1 |
| All | 59.8 | 36.5 | 0.2 | 100.0 | -152 | -0.6 | 0.0 | 100.0 | -0.2 | 23.9 |

Baseline Distribution of Income and Federal Taxes
by Cash Income Level, 2010¹

| Cash Income Level (thousands of 2008 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- Tax Income Percent of Total | Share of Post- Tax Income Percent of Total | Share of Federal Taxes Percent of Total |
|--|------------------------|---------------------|--------------------------------|---|--|---|--|---|--|
| | Number (thousands) | Percent of Total | | | | | | | |
| Less than 10 | 2,622 | 5.4 | 6,059 | -649 | 6,708 | -10.7 | 0.3 | 0.5 | -0.2 |
| 10-20 | 5,438 | 11.3 | 15,808 | -1,186 | 16,993 | -7.5 | 1.8 | 2.5 | -0.6 |
| 20-30 | 5,576 | 11.5 | 25,990 | 1,020 | 24,970 | 3.9 | 3.0 | 3.8 | 0.5 |
| 30-40 | 4,721 | 9.8 | 36,356 | 4,370 | 31,986 | 12.0 | 3.6 | 4.1 | 1.8 |
| 40-50 | 3,754 | 7.8 | 46,865 | 7,590 | 39,275 | 16.2 | 3.7 | 4.0 | 2.5 |
| 50-75 | 7,400 | 15.3 | 64,701 | 12,076 | 52,624 | 18.7 | 10.0 | 10.7 | 7.7 |
| 75-100 | 5,710 | 11.8 | 91,138 | 19,356 | 71,782 | 21.2 | 10.8 | 11.2 | 9.6 |
| 100-200 | 9,472 | 19.6 | 142,281 | 35,015 | 107,266 | 24.6 | 28.0 | 27.8 | 28.7 |
| 200-500 | 2,828 | 5.9 | 295,238 | 81,826 | 213,412 | 27.7 | 17.4 | 16.5 | 20.0 |
| 500-1,000 | 461 | 1.0 | 707,684 | 214,684 | 492,999 | 30.3 | 6.8 | 6.2 | 8.6 |
| More than 1,000 | 223 | 0.5 | 3,240,318 | 1,102,591 | 2,137,727 | 34.0 | 15.0 | 13.0 | 21.3 |
| All | 48,340 | 100.0 | 99,549 | 23,900 | 75,649 | 24.0 | 100.0 | 100.0 | 100.0 |

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0308-5).

Number of AMT Taxpayers (millions). Baseline: 18.2 Proposal: 5.5

Note: Tax units with children are those claiming an exemption for children at home or away from home.

1) Calendar year. Baseline is pre-EGTRRA law. Includes major individual income and estate tax provisions in EGTRRA 2001, JGTRRA 2003, WFTRA 2004, TIPRA 2006, PPA 2006, TIPA 2007, and ESA 2008. Assumes that the AMT exemption is \$62,550 for married couples filing jointly and \$42,500 for unmarried individuals, indexed for inflation after 2007, and that personal non-refundable credits are allowed regardless of tentative AMT. Cost of the tax cuts is financed with a 28.1 percent levy on the individual income tax of all non-dependent tax units.

(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 T08-0162
2001-06 Tax Cuts with AMT Patch Extended: Financing Proportional to Individual Income Tax
Distribution of Federal Tax Change by Cash Income Level, 2010¹
Detail Table - Elderly Tax Units

| Cash Income Level (thousands of 2008 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 | 0.1 | 4.4 | 0.0 | 0.0 | 0 | -0.2 | 0.0 | 0.1 | 0.0 | 2.9 |
| 10-20 | 13.9 | 1.4 | 0.2 | 0.6 | -24 | -5.5 | 0.0 | 0.6 | -0.2 | 2.6 |
| 20-30 | 38.0 | 5.9 | 0.6 | 2.1 | -138 | -9.3 | -0.1 | 1.2 | -0.5 | 5.3 |
| 30-40 | 45.7 | 11.6 | 0.8 | 2.3 | -283 | -11.0 | -0.1 | 1.1 | -0.8 | 6.4 |
| 40-50 | 36.0 | 34.9 | 0.7 | 1.9 | -317 | -7.4 | 0.0 | 1.4 | -0.7 | 8.5 |
| 50-75 | 42.0 | 51.6 | 0.9 | 7.6 | -518 | -5.7 | 0.0 | 7.6 | -0.8 | 13.2 |
| 75-100 | 29.6 | 68.5 | 0.7 | 4.6 | -487 | -3.2 | 0.2 | 8.5 | -0.5 | 16.4 |
| 100-200 | 33.4 | 65.5 | 1.0 | 13.7 | -1,137 | -3.8 | 0.4 | 20.9 | -0.8 | 20.6 |
| 200-500 | 37.0 | 62.0 | 2.1 | 19.3 | -4,622 | -5.7 | 0.0 | 19.1 | -1.5 | 25.1 |
| 500-1,000 | 29.1 | 70.5 | 2.1 | 8.8 | -10,522 | -5.0 | 0.1 | 10.0 | -1.5 | 28.0 |
| More than 1,000 | 42.0 | 57.7 | 3.8 | 38.8 | -80,698 | -7.3 | -0.5 | 29.4 | -2.5 | 31.6 |
| All | 28.6 | 28.7 | 1.5 | 100.0 | -953 | -5.7 | 0.0 | 100.0 | -1.2 | 20.0 |

Baseline Distribution of Income and Federal Taxes
by Cash Income Level, 2010¹

| Cash Income Level (thousands of 2008 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- Tax Income Percent of Total | Share of Post- Tax Income Percent of Total | Share of Federal Taxes Percent of Total |
|--|------------------------|---------------------|--------------------------------|---|--|---|--|---|--|
| | Number (thousands) | Percent of Total | | | | | | | |
| Less than 10 | 2,624 | 9.0 | 6,599 | 188 | 6,410 | 2.9 | 0.8 | 0.9 | 0.1 |
| 10-20 | 6,801 | 23.3 | 15,491 | 427 | 15,063 | 2.8 | 4.6 | 5.6 | 0.6 |
| 20-30 | 4,213 | 14.5 | 25,543 | 1,485 | 24,058 | 5.8 | 4.7 | 5.6 | 1.3 |
| 30-40 | 2,230 | 7.7 | 36,101 | 2,580 | 33,521 | 7.2 | 3.5 | 4.1 | 1.2 |
| 40-50 | 1,665 | 5.7 | 47,123 | 4,307 | 42,816 | 9.1 | 3.4 | 3.9 | 1.5 |
| 50-75 | 4,090 | 14.0 | 64,954 | 9,058 | 55,897 | 13.9 | 11.5 | 12.6 | 7.6 |
| 75-100 | 2,642 | 9.1 | 90,263 | 15,270 | 74,993 | 16.9 | 10.3 | 10.9 | 8.2 |
| 100-200 | 3,340 | 11.5 | 140,671 | 30,040 | 110,631 | 21.4 | 20.3 | 20.3 | 20.5 |
| 200-500 | 1,159 | 4.0 | 303,912 | 80,907 | 223,005 | 26.6 | 15.3 | 14.2 | 19.1 |
| 500-1,000 | 232 | 0.8 | 713,164 | 210,201 | 502,963 | 29.5 | 7.2 | 6.4 | 10.0 |
| More than 1,000 | 134 | 0.5 | 3,222,371 | 1,099,335 | 2,123,036 | 34.1 | 18.6 | 15.6 | 30.0 |
| All | 29,149 | 100.0 | 79,238 | 16,813 | 62,425 | 21.2 | 100.0 | 100.0 | 100.0 |

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0308-5).

Number of AMT Taxpayers (millions). Baseline: 18.2 Proposal: 5.5

Note: Elderly tax units are those with either head or spouse (if filing jointly) age 65 or older.

(1) Calendar year. Baseline is pre-EGTRRA law. Includes major individual income and estate tax provisions in EGTRRA 2001, JGTRRA 2003, WFTRA 2004, TIPRA 2006, PPA 2006, TIPA 2007, and ESA 2008. Assumes that the AMT exemption is \$62,550 for married couples filing jointly and \$42,500 for unmarried individuals, indexed for inflation after 2007, and that personal non-refundable credits are allowed regardless of tentative AMT. Cost of the tax cuts is financed with a 28.1 percent levy on the individual income tax of all non-dependent tax units.

(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.