

**Table T06-0277**  
**Combined Effect of the 2001-2006 Tax Cuts**  
**Distribution of Federal Tax Change by Cash Income Class, 2010<sup>1</sup>**

Cash Income Class (thousands of 2006 dollars) <sup>2</sup>	Percent of Tax Units <sup>3</sup>		Percent Change in After-Tax Income <sup>4</sup>	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate <sup>5</sup>	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (%) Points)	Under the Proposal	Change (%) Points)	Under the Proposal
Less than 10	3.8	0.1	0.1	0.0	-5	-2.0	0.0	0.2	-0.1	4.3
10-20	45.8	0.5	1.2	1.7	-177	-20.0	-0.1	0.7	-1.1	4.3
20-30	75.9	0.3	2.3	4.5	-557	-17.9	-0.2	2.2	-2.1	9.5
30-40	85.1	0.1	2.5	4.8	-785	-13.2	-0.1	3.3	-2.1	13.6
40-50	90.8	0.1	2.2	4.4	-871	-9.7	0.0	4.2	-1.8	16.5
50-75	96.0	0.2	2.3	10.3	-1,212	-8.7	0.1	11.3	-1.8	19.0
75-100	95.9	0.3	2.3	9.1	-1,684	-7.9	0.2	11.0	-1.8	20.8
100-200	92.9	0.1	2.3	18.2	-2,530	-6.7	0.8	26.3	-1.7	23.9
200-500	90.6	0.1	2.6	11.5	-5,686	-6.4	0.6	17.4	-1.8	26.6
500-1,000	98.9	0.0	5.6	9.1	-28,578	-12.8	-0.3	6.5	-3.9	26.5
More than 1,000	99.4	0.0	7.6	26.0	-157,418	-13.9	-0.9	16.8	-4.9	30.4
All	72.3	0.2	3.0	100.0	-1,686	-9.4	0.0	100.0	-2.3	21.8

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Class, 2010<sup>1</sup>**

Cash Income Class (thousands of 2006 dollars) <sup>2</sup>	Tax Units <sup>3</sup>		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After- Tax Income <sup>4</sup> (Dollars)	Average Federal Tax Rate <sup>5</sup>	Share of Pre- Tax Income	Share of Post- Tax Income	Share of Federal Taxes
	Number (thousands)	Percent of Total					Percent of Total	Percent of Total	
Less than 10	17,249	11.2	6,020	263	5,756	4.4	0.9	1.1	0.2
10-20	25,257	16.3	16,275	883	15,392	5.4	3.6	4.5	0.8
20-30	21,136	13.7	26,983	3,107	23,876	11.5	5.0	5.8	2.4
30-40	15,865	10.3	37,911	5,940	31,971	15.7	5.2	5.8	3.4
40-50	13,044	8.4	48,808	8,939	39,869	18.3	5.5	6.0	4.2
50-75	22,180	14.3	67,154	13,960	53,194	20.8	13.0	13.5	11.2
75-100	14,059	9.1	94,376	21,345	73,031	22.6	11.5	11.8	10.9
100-200	18,782	12.1	147,048	37,637	109,411	25.6	24.0	23.5	25.6
200-500	5,289	3.4	310,634	88,278	222,356	28.4	14.3	13.5	16.9
500-1,000	831	0.5	738,482	223,945	514,537	30.3	5.3	4.9	6.7
More than 1,000	431	0.3	3,204,623	1,131,653	2,072,970	35.3	12.0	10.2	17.7
All	154,718	100.0	74,322	17,878	56,444	24.1	100.0	100.0	100.0

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

(1) Calendar year. Baseline is pre-EGTRRA law. Tax cuts include individual income and estate tax provisions in EGTRRA, JCWA, JGTRRA, WFTRA, AJCA, TIPRA, and PPA.

(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. Tax units that are dependents of other taxpayers are excluded from the analysis.

(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.