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**Table T08-0186**  
**Senator McCain's Tax Proposals as Described by his Economic Advisors**  
**Distribution of Federal Tax Change by Cash Income Percentile, 2012<sup>1</sup>**  
**Summary Table**

| Cash Income Percentile <sup>2,3</sup> | Percent of Tax Units <sup>4</sup> |                   | Percent Change in After-Tax Income <sup>5</sup> | Share of Total Federal Tax Change | Average Federal Tax Change (\$) | Average Federal Tax Rate <sup>6</sup> |                    |
|---------------------------------------|-----------------------------------|-------------------|---|-----------------------------------|---------------------------------|---------------------------------------|--------------------|
|                                       | With Tax Cut                      | With Tax Increase |   |                                   |                                 | Change (%) Points)                    | Under the Proposal |
| Lowest Quintile                       | 38.6                              | 1.8               | 0.9   | 0.9                               | -101                            | -0.8                                  | 4.5                |
| Second Quintile                       | 88.9                              | 1.1               | 2.8   | 5.5                               | -763                            | -2.5                                  | 10.6               |
| Middle Quintile                       | 98.1                              | 0.2               | 3.1   | 9.4                               | -1,441                          | -2.5                                  | 16.7               |
| Fourth Quintile                       | 99.6                              | 0.1               | 4.1   | 17.1                              | -3,110                          | -3.2                                  | 19.1               |
| Top Quintile                          | 99.9                              | 0.1               | 6.4   | 67.0                              | -13,909                         | -4.6                                  | 24.1               |
| All                                   | 81.0                              | 0.8               | 4.9   | 100.0                             | -3,069                          | -3.7                                  | 20.3               |
| <b>Addendum</b>                       |                                   |                   |   |                                   |                                 |                                       |                    |
| 80-90                                 | 99.9                              | 0.1               | 4.8   | 13.4                              | -5,478                          | -3.6                                  | 21.4               |
| 90-95                                 | 100.0                             | 0.1               | 4.8   | 9.1                               | -7,692                          | -3.6                                  | 22.5               |
| 95-99                                 | 99.9                              | 0.0               | 5.3   | 13.8                              | -14,395                         | -3.8                                  | 24.3               |
| Top 1 Percent                         | 99.9                              | 0.1               | 9.5   | 30.8                              | -126,902                        | -6.4                                  | 26.8               |
| Top 0.1 Percent                       | 100.0                             | 0.0               | 11.6  | 16.7                              | -680,157                        | -7.4                                  | 28.2               |

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0308-6).

Number of AMT Taxpayers (millions). Baseline: 22.6 Proposal: 7.2

(1) Calendar year. Baseline is current law. For a detailed discussion of the proposals see the Tax Policy Center's report A Preliminary Analysis of the 2008 Presidential Candidates' Tax Plans available on the TPC website. Assumes all proposals are fully phased in.

(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) The cash income percentile classes used in this table are based on the income distribution for the entire population and contain an equal number of people, not tax units. The breaks are (in 2008 dollars): 20% \$19,740, 40% \$38,980, 60% \$69,490, 80% \$117,535, 90% \$169,480, 95% \$237,040, 99% \$619,561, 99.9% \$2,832,449.

(4) Includes both filing and non-filing units but excludes those that are dependents of other tax units.

(5) 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.

(6) 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 T08-0186**  
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**Distribution of Federal Tax Change by Cash Income Percentile, 2012<sup>1</sup>**  
**Detail Table**

| Cash Income Percentile <sup>2,3</sup> | Percent of Tax Units <sup>4</sup> |                   | Percent Change in After-Tax Income <sup>5</sup> | Share of Total Federal Tax Change | Average Federal Tax Change |         | Share of Federal Taxes |                    | Average Federal Tax Rate <sup>6</sup> |                    |
|---------------------------------------|-----------------------------------|-------------------|---|-----------------------------------|----------------------------|---------|------------------------|--------------------|---------------------------------------|--------------------|
|                                       | With Tax Cut                      | With Tax Increase |   |                                   | Dollars                    | Percent | Change (% Points)      | Under the Proposal | Change (% Points)                     | Under the Proposal |
| Lowest Quintile                       | 38.6                              | 1.8               | 0.9   | 0.9                               | -101                       | -15.7   | 0.0                    | 0.8                | -0.8                                  | 4.5                |
| Second Quintile                       | 88.9                              | 1.1               | 2.8   | 5.5                               | -763                       | -18.7   | -0.2                   | 4.3                | -2.5                                  | 10.6               |
| Middle Quintile                       | 98.1                              | 0.2               | 3.1   | 9.4                               | -1,441                     | -13.0   | 0.3                    | 11.5               | -2.5                                  | 16.7               |
| Fourth Quintile                       | 99.6                              | 0.1               | 4.1   | 17.1                              | -3,110                     | -14.2   | 0.3                    | 18.8               | -3.2                                  | 19.1               |
| Top Quintile                          | 99.9                              | 0.1               | 6.4   | 67.0                              | -13,909                    | -15.9   | -0.4                   | 64.4               | -4.6                                  | 24.1               |
| All                                   | 81.0                              | 0.8               | 4.9   | 100.0                             | -3,069                     | -15.4   | 0.0                    | 100.0              | -3.7                                  | 20.3               |
| <b>Addendum</b>                       |                                   |                   |   |                                   |                            |         |                        |                    |                                       |                    |
| 80-90                                 | 99.9                              | 0.1               | 4.8   | 13.4                              | -5,478                     | -14.4   | 0.2                    | 14.4               | -3.6                                  | 21.4               |
| 90-95                                 | 100.0                             | 0.1               | 4.8   | 9.1                               | -7,692                     | -13.7   | 0.2                    | 10.4               | -3.6                                  | 22.5               |
| 95-99                                 | 99.9                              | 0.0               | 5.3   | 13.8                              | -14,395                    | -13.6   | 0.3                    | 16.0               | -3.8                                  | 24.3               |
| Top 1 Percent                         | 99.9                              | 0.1               | 9.5   | 30.8                              | -126,902                   | -19.2   | -1.1                   | 23.6               | -6.4                                  | 26.8               |
| Top 0.1 Percent                       | 100.0                             | 0.0               | 11.6  | 16.7                              | -680,157                   | -20.9   | -0.8                   | 11.6               | -7.4                                  | 28.2               |

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Percentile, 2012<sup>1</sup>**

| Cash Income Percentile <sup>2,3</sup> | Tax Units <sup>4</sup> |                  | Average Income (Dollars) | Average Federal Tax Burden (Dollars) | Average After-Tax Income <sup>5</sup> (Dollars) | Average Federal Tax Rate <sup>6</sup> | 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 |                          |                                      |   |                                       |  |   |   |
| Lowest Quintile                       | 40,338                 | 25.9             | 11,993                   | 645                                  | 11,348  | 5.4                                   | 3.7                                      | 4.7                                       | 0.8                                     |
| Second Quintile                       | 34,253                 | 22.0             | 31,130                   | 4,068                                | 27,062  | 13.1                                  | 8.2                                      | 9.4                                       | 4.5                                     |
| Middle Quintile                       | 31,371                 | 20.1             | 57,716                   | 11,099                               | 46,616  | 19.2                                  | 14.0                                     | 14.9                                      | 11.2                                    |
| Fourth Quintile                       | 26,273                 | 16.8             | 98,626                   | 21,948                               | 76,679  | 22.3                                  | 20.0                                     | 20.5                                      | 18.5                                    |
| Top Quintile                          | 23,076                 | 14.8             | 305,124                  | 87,367                               | 217,757   | 28.6                                  | 54.3                                     | 51.0                                      | 64.8                                    |
| All                                   | 156,009                | 100.0            | 83,049                   | 19,934                               | 63,115  | 24.0                                  | 100.0                                    | 100.0                                     | 100.0                                   |
| <b>Addendum</b>                       |                        |                  |                          |                                      |   |                                       |  |   |   |
| 80-90                                 | 11,675                 | 7.5              | 152,072                  | 38,030                               | 114,042   | 25.0                                  | 13.7                                     | 13.5                                      | 14.3                                    |
| 90-95                                 | 5,645                  | 3.6              | 215,559                  | 56,250                               | 159,309   | 26.1                                  | 9.4                                      | 9.1                                       | 10.2                                    |
| 95-99                                 | 4,594                  | 2.9              | 377,269                  | 106,112                              | 271,158   | 28.1                                  | 13.4                                     | 12.7                                      | 15.7                                    |
| Top 1 Percent                         | 1,162                  | 0.7              | 1,992,972                | 660,194                              | 1,332,778                                       | 33.1                                  | 17.9                                     | 15.7                                      | 24.7                                    |
| Top 0.1 Percent                       | 118                    | 0.1              | 9,136,646                | 3,259,532                            | 5,877,114                                       | 35.7                                  | 8.3                                      | 7.0                                       | 12.4                                    |

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0308-6).

Number of AMT Taxpayers (millions). Baseline: 22.6 Proposal: 7.2

(1) Calendar year. Baseline is current law. For a detailed discussion of the proposals see the Tax Policy Center's report A Preliminary Analysis of the 2008 Presidential Candidates' Tax Plans available on the TPC website. Assumes all proposals are fully phased in.

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(3) The cash income percentile classes used in this table are based on the income distribution for the entire population and contain an equal number of people, not tax units. The breaks are (in 2008 dollars): 20% \$19,740, 40% \$38,980, 60% \$69,490, 80% \$117,535, 90% \$169,480, 95% \$237,040, 99% \$619,561, 99.9% \$2,832,449.

(4) Includes both filing and non-filing units but excludes those that are dependents of other tax units.

(5) 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.

(6) 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 T08-0186**  
**Senator McCain's Tax Proposals as Described by his Economic Advisors**  
**Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2012<sup>1</sup>**  
**Detail Table**

| Cash Income Percentile <sup>2,3</sup> | Percent of Tax Units <sup>4</sup> |                   | Percent Change in After-Tax Income <sup>5</sup> | Share of Total Federal Tax Change | Average Federal Tax Change |         | Share of Federal Taxes |                    | Average Federal Tax Rate <sup>6</sup> |                    |
|---------------------------------------|-----------------------------------|-------------------|---|-----------------------------------|----------------------------|---------|------------------------|--------------------|---------------------------------------|--------------------|
|                                       | With Tax Cut                      | With Tax Increase |   |                                   | Dollars                    | Percent | Change (% Points)      | Under the Proposal | Change (% Points)                     | Under the Proposal |
| Lowest Quintile                       | 35.3                              | 1.7               | 1.4   | 1.1                               | -151                       | -52.0   | -0.1                   | 0.2                | -1.3                                  | 1.2                |
| Second Quintile                       | 80.9                              | 1.6               | 3.3   | 5.5                               | -819                       | -25.4   | -0.4                   | 3.0                | -2.9                                  | 8.5                |
| Middle Quintile                       | 96.1                              | 0.3               | 3.3   | 8.9                               | -1,399                     | -15.2   | 0.0                    | 9.1                | -2.7                                  | 15.3               |
| Fourth Quintile                       | 99.5                              | 0.1               | 3.7   | 15.6                              | -2,522                     | -13.4   | 0.4                    | 18.3               | -2.9                                  | 18.8               |
| Top Quintile                          | 99.8                              | 0.1               | 6.1   | 68.8                              | -11,185                    | -15.3   | 0.1                    | 69.4               | -4.3                                  | 24.1               |
| All                                   | 81.0                              | 0.8               | 4.9   | 100.0                             | -3,069                     | -15.4   | 0.0                    | 100.0              | -3.7                                  | 20.3               |
| <b>Addendum</b>                       |                                   |                   |   |                                   |                            |         |                        |                    |                                       |                    |
| 80-90                                 | 99.7                              | 0.1               | 4.1   | 12.4                              | -4,009                     | -12.4   | 0.5                    | 15.9               | -3.1                                  | 21.7               |
| 90-95                                 | 99.7                              | 0.1               | 4.4   | 9.3                               | -6,005                     | -12.5   | 0.4                    | 11.8               | -3.3                                  | 22.8               |
| 95-99                                 | 99.9                              | 0.0               | 5.2   | 14.6                              | -12,081                    | -13.4   | 0.4                    | 17.2               | -3.7                                  | 24.2               |
| Top 1 Percent                         | 99.8                              | 0.1               | 9.6   | 32.4                              | -110,666                   | -19.4   | -1.2                   | 24.5               | -6.4                                  | 26.6               |
| Top 0.1 Percent                       | 100.0                             | 0.0               | 11.6  | 17.6                              | -602,250                   | -21.1   | -0.9                   | 12.0               | -7.5                                  | 28.0               |

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Percentile Adjusted for Family Size, 2012<sup>1</sup>**

| Cash Income Percentile <sup>2,3</sup> | Tax Units <sup>4</sup> |                  | Average Income (Dollars) | Average Federal Tax Burden (Dollars) | Average After-Tax Income <sup>5</sup> (Dollars) | Average Federal Tax Rate <sup>6</sup> | 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 |                          |                                      |   |                                       |  |   |   |
| Lowest Quintile                       | 33,519                 | 21.5             | 11,234                   | 290                                  | 10,943  | 2.6                                   | 2.9                                      | 3.7                                       | 0.3                                     |
| Second Quintile                       | 32,264                 | 20.7             | 28,140                   | 3,223                                | 24,917  | 11.5                                  | 7.0                                      | 8.2                                       | 3.3                                     |
| Middle Quintile                       | 30,508                 | 19.6             | 51,184                   | 9,221                                | 41,963  | 18.0                                  | 12.1                                     | 13.0                                      | 9.1                                     |
| Fourth Quintile                       | 29,582                 | 19.0             | 86,263                   | 18,758                               | 67,506  | 21.7                                  | 19.7                                     | 20.3                                      | 17.8                                    |
| Top Quintile                          | 29,439                 | 18.9             | 257,999                  | 73,249                               | 184,750   | 28.4                                  | 58.6                                     | 55.2                                      | 69.3                                    |
| All                                   | 156,009                | 100.0            | 83,049                   | 19,934                               | 63,115  | 24.0                                  | 100.0                                    | 100.0                                     | 100.0                                   |
| <b>Addendum</b>                       |                        |                  |                          |                                      |   |                                       |  |   |   |
| 80-90                                 | 14,815                 | 9.5              | 130,199                  | 32,227                               | 97,972  | 24.8                                  | 14.9                                     | 14.7                                      | 15.4                                    |
| 90-95                                 | 7,431                  | 4.8              | 183,801                  | 47,931                               | 135,870   | 26.1                                  | 10.5                                     | 10.3                                      | 11.5                                    |
| 95-99                                 | 5,789                  | 3.7              | 323,569                  | 90,285                               | 233,285   | 27.9                                  | 14.5                                     | 13.7                                      | 16.8                                    |
| Top 1 Percent                         | 1,403                  | 0.9              | 1,729,454                | 570,047                              | 1,159,407                                       | 33.0                                  | 18.7                                     | 16.5                                      | 25.7                                    |
| Top 0.1 Percent                       | 140                    | 0.1              | 8,053,010                | 2,856,235                            | 5,196,775                                       | 35.5                                  | 8.7                                      | 7.4                                       | 12.8                                    |

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0308-6).

Number of AMT Taxpayers (millions). Baseline: 22.6 Proposal: 7.2

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(4) Includes both filing and non-filing units but excludes those that are dependents of other tax units.

(5) 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.

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**Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2012<sup>1</sup>**  
**Detail Table - Single Tax Units**

| Cash Income Percentile <sup>2,3</sup> | Percent of Tax Units <sup>4</sup> |                   | Percent Change in After-Tax Income <sup>5</sup> | Share of Total Federal Tax Change | Average Federal Tax Change |         | Share of Federal Taxes |                    | Average Federal Tax Rate <sup>6</sup> |                    |
|---------------------------------------|-----------------------------------|-------------------|---|-----------------------------------|----------------------------|---------|------------------------|--------------------|---------------------------------------|--------------------|
|                                       | With Tax Cut                      | With Tax Increase |   |                                   | Dollars                    | Percent | Change (% Points)      | Under the Proposal | Change (% Points)                     | Under the Proposal |
| Lowest Quintile                       | 28.5                              | 1.3               | 0.5   | 0.7                               | -39                        | -6.6    | 0.1                    | 1.6                | -0.5                                  | 6.5                |
| Second Quintile                       | 72.0                              | 1.7               | 1.6   | 4.5                               | -302                       | -11.8   | 0.1                    | 5.5                | -1.4                                  | 10.6               |
| Middle Quintile                       | 95.3                              | 0.3               | 1.9   | 7.3                               | -573                       | -8.0    | 0.9                    | 13.7               | -1.5                                  | 17.5               |
| Fourth Quintile                       | 99.4                              | 0.1               | 2.4   | 12.3                              | -1,158                     | -8.2    | 1.4                    | 22.6               | -1.9                                  | 21.0               |
| Top Quintile                          | 99.5                              | 0.1               | 7.4   | 75.0                              | -8,732                     | -17.8   | -2.6                   | 56.5               | -5.3                                  | 24.3               |
| All                                   | 72.6                              | 0.8               | 4.3   | 100.0                             | -1,539                     | -14.0   | 0.0                    | 100.0              | -3.3                                  | 20.3               |
| <b>Addendum</b>                       |                                   |                   |   |                                   |                            |         |                        |                    |                                       |                    |
| 80-90                                 | 99.5                              | 0.1               | 3.7   | 11.7                              | -2,556                     | -10.5   | 0.6                    | 16.2               | -2.8                                  | 23.4               |
| 90-95                                 | 99.4                              | 0.1               | 4.8   | 9.9                               | -4,597                     | -12.9   | 0.2                    | 10.9               | -3.5                                  | 23.8               |
| 95-99                                 | 99.9                              | 0.1               | 7.6   | 18.8                              | -12,170                    | -18.8   | -0.8                   | 13.2               | -5.4                                  | 23.4               |
| Top 1 Percent                         | 99.7                              | 0.0               | 14.3  | 34.6                              | -105,709                   | -25.8   | -2.6                   | 16.2               | -9.2                                  | 26.4               |
| Top 0.1 Percent                       | 100.0                             | 0.0               | 17.2  | 17.3                              | -602,989                   | -26.5   | -1.3                   | 7.8                | -10.4                                 | 28.9               |

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Percentile Adjusted for Family Size, 2012<sup>1</sup>**

| Cash Income Percentile <sup>2,3</sup> | Tax Units <sup>4</sup> |                  | Average Income (Dollars) | Average Federal Tax Burden (Dollars) | Average After-Tax Income <sup>5</sup> (Dollars) | Average Federal Tax Rate <sup>6</sup> | 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 |                          |                                      |   |                                       |  |   |   |  |
| Lowest Quintile                       | 18,528                 | 27.3             | 8,584                    | 597                                  | 7,987   | 7.0                                   | 5.0                                      | 6.1                                       | 1.5                                     |  |
| Second Quintile                       | 15,492                 | 22.9             | 21,338                   | 2,557                                | 18,781  | 12.0                                  | 10.5                                     | 12.1                                      | 5.3                                     |  |
| Middle Quintile                       | 13,373                 | 19.7             | 37,507                   | 7,140                                | 30,367  | 19.0                                  | 15.9                                     | 16.8                                      | 12.8                                    |  |
| Fourth Quintile                       | 11,093                 | 16.4             | 61,944                   | 14,173                               | 47,770  | 22.9                                  | 21.8                                     | 21.9                                      | 21.1                                    |  |
| Top Quintile                          | 8,952                  | 13.2             | 166,465                  | 49,099                               | 117,366   | 29.5                                  | 47.2                                     | 43.5                                      | 59.1                                    |  |
| All                                   | 67,788                 | 100.0            | 46,595                   | 10,972                               | 35,623  | 23.6                                  | 100.0                                    | 100.0                                     | 100.0                                   |  |
| <b>Addendum</b>                       |                        |                  |                          |                                      |   |                                       |  |   |   |  |
| 80-90                                 | 4,758                  | 7.0              | 92,893                   | 24,273                               | 68,620  | 26.1                                  | 14.0                                     | 13.5                                      | 15.5                                    |  |
| 90-95                                 | 2,242                  | 3.3              | 131,093                  | 35,737                               | 95,355  | 27.3                                  | 9.3                                      | 8.9                                       | 10.8                                    |  |
| 95-99                                 | 1,611                  | 2.4              | 224,327                  | 64,676                               | 159,652   | 28.8                                  | 11.4                                     | 10.7                                      | 14.0                                    |  |
| Top 1 Percent                         | 341                    | 0.5              | 1,150,729                | 409,206                              | 741,523   | 35.6                                  | 12.4                                     | 10.5                                      | 18.8                                    |  |
| Top 0.1 Percent                       | 30                     | 0.0              | 5,787,688                | 2,274,691                            | 3,512,997                                       | 39.3                                  | 5.5                                      | 4.4                                       | 9.1                                     |  |

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0308-6).

Number of AMT Taxpayers (millions). Baseline: 22.6 Proposal: 7.2

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**Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2012<sup>1</sup>**  
**Detail Table - Married Tax Units Filing Jointly**

| Cash Income Percentile <sup>2,3</sup> | Percent of Tax Units <sup>4</sup> |                   | Percent Change in After-Tax Income <sup>5</sup> | Share of Total Federal Tax Change | Average Federal Tax Change |         | Share of Federal Taxes |                    | Average Federal Tax Rate <sup>6</sup> |                    |
|---------------------------------------|-----------------------------------|-------------------|---|-----------------------------------|----------------------------|---------|------------------------|--------------------|---------------------------------------|--------------------|
|                                       | With Tax Cut                      | With Tax Increase |   |                                   | Dollars                    | Percent | Change (% Points)      | Under the Proposal | Change (% Points)                     | Under the Proposal |
| Lowest Quintile                       | 49.4                              | 2.2               | 2.6   | 0.8                               | -374                       | -67.7   | -0.1                   | 0.1                | -2.5                                  | 1.2                |
| Second Quintile                       | 85.6                              | 1.7               | 3.9   | 3.4                               | -1,253                     | -30.2   | -0.3                   | 1.4                | -3.5                                  | 8.1                |
| Middle Quintile                       | 95.7                              | 0.5               | 3.9   | 7.3                               | -2,161                     | -19.2   | -0.3                   | 5.7                | -3.3                                  | 13.8               |
| Fourth Quintile                       | 99.7                              | 0.1               | 4.3   | 16.4                              | -3,553                     | -16.0   | -0.1                   | 15.8               | -3.4                                  | 17.7               |
| Top Quintile                          | 99.9                              | 0.1               | 5.7   | 72.0                              | -12,585                    | -14.7   | 0.8                    | 76.9               | -4.1                                  | 24.0               |
| All                                   | 91.2                              | 0.6               | 5.2   | 100.0                             | -5,391                     | -15.5   | 0.0                    | 100.0              | -3.9                                  | 21.1               |
| <b>Addendum</b>                       |                                   |                   |   |                                   |                            |         |                        |                    |                                       |                    |
| 80-90                                 | 99.9                              | 0.1               | 4.3   | 13.4                              | -4,896                     | -13.3   | 0.4                    | 16.0               | -3.2                                  | 21.0               |
| 90-95                                 | 99.9                              | 0.0               | 4.3   | 10.0                              | -6,754                     | -12.5   | 0.4                    | 12.9               | -3.2                                  | 22.5               |
| 95-99                                 | 100.0                             | 0.0               | 4.6   | 14.7                              | -12,266                    | -12.1   | 0.8                    | 19.6               | -3.3                                  | 24.4               |
| Top 1 Percent                         | 99.9                              | 0.1               | 8.6   | 33.9                              | -111,268                   | -18.0   | -0.9                   | 28.4               | -5.8                                  | 26.6               |
| Top 0.1 Percent                       | 100.0                             | 0.0               | 10.7  | 18.5                              | -597,593                   | -20.0   | -0.8                   | 13.6               | -7.0                                  | 27.8               |

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Percentile Adjusted for Family Size, 2012<sup>1</sup>**

| Cash Income Percentile <sup>2,3</sup> | Tax Units <sup>4</sup> |                  | Average Income (Dollars) | Average Federal Tax Burden (Dollars) | Average After-Tax Income <sup>5</sup> (Dollars) | Average Federal Tax Rate <sup>6</sup> | 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 |                          |                                      |   |                                       |  |   |   |
| Lowest Quintile                       | 6,761                  | 11.1             | 14,790                   | 553                                  | 14,237  | 3.7                                   | 1.2                                      | 1.5                                       | 0.2                                     |
| Second Quintile                       | 8,813                  | 14.5             | 36,067                   | 4,155                                | 31,911  | 11.5                                  | 3.8                                      | 4.4                                       | 1.7                                     |
| Middle Quintile                       | 11,162                 | 18.3             | 66,221                   | 11,270                               | 54,951  | 17.0                                  | 8.7                                      | 9.7                                       | 6.0                                     |
| Fourth Quintile                       | 15,151                 | 24.9             | 105,103                  | 22,172                               | 82,932  | 21.1                                  | 18.8                                     | 19.8                                      | 15.9                                    |
| Top Quintile                          | 18,797                 | 30.8             | 305,001                  | 85,702                               | 219,299   | 28.1                                  | 67.8                                     | 65.0                                      | 76.2                                    |
| All                                   | 60,954                 | 100.0            | 138,787                  | 34,706                               | 104,081   | 25.0                                  | 100.0                                    | 100.0                                     | 100.0                                   |
| <b>Addendum</b>                       |                        |                  |                          |                                      |   |                                       |  |   |   |
| 80-90                                 | 8,999                  | 14.8             | 151,491                  | 36,732                               | 114,759   | 24.3                                  | 16.1                                     | 16.3                                      | 15.6                                    |
| 90-95                                 | 4,873                  | 8.0              | 209,583                  | 53,893                               | 155,690   | 25.7                                  | 12.1                                     | 12.0                                      | 12.4                                    |
| 95-99                                 | 3,924                  | 6.4              | 367,042                  | 101,730                              | 265,312   | 27.7                                  | 17.0                                     | 16.4                                      | 18.9                                    |
| Top 1 Percent                         | 1,002                  | 1.6              | 1,904,894                | 617,468                              | 1,287,426                                       | 32.4                                  | 22.6                                     | 20.3                                      | 29.2                                    |
| Top 0.1 Percent                       | 101                    | 0.2              | 8,600,122                | 2,989,009                            | 5,611,112                                       | 34.8                                  | 10.3                                     | 9.0                                       | 14.3                                    |

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0308-6).

Number of AMT Taxpayers (millions). Baseline: 22.6 Proposal: 7.2

(1) Calendar year. Baseline is current law. For a detailed discussion of the proposals see the Tax Policy Center's report A Preliminary Analysis of the 2008 Presidential Candidates' Tax Plans available on the TPC website. Assumes all proposals are fully phased in.

(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) The cash income percentile classes used in this table are based on the income distribution for the entire population and contain an equal number of people, not tax units. The incomes used are adjusted for family size by dividing by the square root of the number of people in the tax unit. The resulting percentile breaks are (in 2008 dollars): 20% \$13,571, 40% \$25,564, 60% \$44,195, 80% \$71,797, 90% \$102,543, 95% \$144,171, 99% \$370,252, 99.9% \$1,726,142.

(4) Includes both filing and non-filing units but excludes those that are dependents of other tax units.

(5) 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.

(6) 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 T08-0186**  
**Senator McCain's Tax Proposals as Described by his Economic Advisors**  
**Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2012<sup>1</sup>**  
**Detail Table - Head of Household Tax Units**

| Cash Income Percentile <sup>2,3</sup> | Percent of Tax Units <sup>4</sup> |                   | Percent Change in After-Tax Income <sup>5</sup> | Share of Total Federal Tax Change | Average Federal Tax Change |         | Share of Federal Taxes |                    | Average Federal Tax Rate <sup>6</sup> |                    |
|---------------------------------------|-----------------------------------|-------------------|---|-----------------------------------|----------------------------|---------|------------------------|--------------------|---------------------------------------|--------------------|
|                                       | With Tax Cut                      | With Tax Increase |   |                                   | Dollars                    | Percent | Change (% Points)      | Under the Proposal | Change (% Points)                     | Under the Proposal |
| Lowest Quintile                       | 38.5                              | 2.1               | 1.5   | 4.8                               | -222                       | 32.7    | -1.8                   | -4.7               | -1.5                                  | -6.2               |
| Second Quintile                       | 92.5                              | 1.1               | 4.6   | 28.2                              | -1,367                     | -40.0   | -3.5                   | 10.2               | -4.1                                  | 6.2                |
| Middle Quintile                       | 98.3                              | 0.2               | 4.2   | 27.2                              | -1,894                     | -18.7   | 0.2                    | 28.3               | -3.4                                  | 14.9               |
| Fourth Quintile                       | 99.4                              | 0.0               | 3.8   | 18.2                              | -2,471                     | -13.0   | 2.1                    | 29.2               | -2.9                                  | 19.5               |
| Top Quintile                          | 99.6                              | 0.0               | 4.6   | 21.6                              | -6,590                     | -12.3   | 3.0                    | 36.9               | -3.3                                  | 23.8               |
| All                                   | 77.3                              | 1.1               | 4.0   | 100.0                             | -1,482                     | -19.4   | 0.0                    | 100.0              | -3.3                                  | 13.7               |
| <b>Addendum</b>                       |                                   |                   |   |                                   |                            |         |                        |                    |                                       |                    |
| 80-90                                 | 99.8                              | 0.0               | 3.4   | 6.6                               | -3,123                     | -10.0   | 1.5                    | 14.3               | -2.5                                  | 22.6               |
| 90-95                                 | 99.1                              | 0.0               | 3.5   | 2.7                               | -4,406                     | -10.0   | 0.6                    | 5.8                | -2.6                                  | 23.5               |
| 95-99                                 | 99.6                              | 0.1               | 3.9   | 3.9                               | -8,594                     | -10.9   | 0.7                    | 7.7                | -2.9                                  | 23.4               |
| Top 1 Percent                         | 99.8                              | 0.1               | 8.7   | 8.3                               | -90,639                    | -18.0   | 0.2                    | 9.2                | -5.9                                  | 26.7               |
| Top 0.1 Percent                       | 99.9                              | 0.0               | 10.9  | 4.4                               | -553,411                   | -20.1   | 0.0                    | 4.2                | -7.1                                  | 28.2               |

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Percentile Adjusted for Family Size, 2012<sup>1</sup>**

| Cash Income Percentile <sup>2,3</sup> | Tax Units <sup>4</sup> |                  | Average Income (Dollars) | Average Federal Tax Burden (Dollars) | Average After-Tax Income <sup>5</sup> (Dollars) | Average Federal Tax Rate <sup>6</sup> | 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 |                          |                                      |   |                                       |  |   |   |
| Lowest Quintile                       | 7,961                  | 32.2             | 14,430                   | -679                                 | 15,109  | -4.7                                  | 10.3                                     | 13.0                                      | -2.9                                    |
| Second Quintile                       | 7,556                  | 30.6             | 32,988                   | 3,417                                | 29,571  | 10.4                                  | 22.3                                     | 24.1                                      | 13.7                                    |
| Middle Quintile                       | 5,252                  | 21.3             | 55,112                   | 10,118                               | 44,994  | 18.4                                  | 25.9                                     | 25.5                                      | 28.1                                    |
| Fourth Quintile                       | 2,696                  | 10.9             | 84,953                   | 19,012                               | 65,940  | 22.4                                  | 20.5                                     | 19.2                                      | 27.1                                    |
| Top Quintile                          | 1,198                  | 4.9              | 197,502                  | 53,637                               | 143,864   | 27.2                                  | 21.2                                     | 18.6                                      | 34.0                                    |
| All                                   | 24,714                 | 100.0            | 45,216                   | 7,655                                | 37,561  | 16.9                                  | 100.0                                    | 100.0                                     | 100.0                                   |
| <b>Addendum</b>                       |                        |                  |                          |                                      |   |                                       |  |   |   |
| 80-90                                 | 774                    | 3.1              | 124,547                  | 31,285                               | 93,262  | 25.1                                  | 8.6                                      | 7.8                                       | 12.8                                    |
| 90-95                                 | 222                    | 0.9              | 169,438                  | 44,182                               | 125,256   | 26.1                                  | 3.4                                      | 3.0                                       | 5.2                                     |
| 95-99                                 | 168                    | 0.7              | 299,897                  | 78,727                               | 221,171   | 26.3                                  | 4.5                                      | 4.0                                       | 7.0                                     |
| Top 1 Percent                         | 34                     | 0.1              | 1,548,845                | 504,591                              | 1,044,254                                       | 32.6                                  | 4.7                                      | 3.8                                       | 9.0                                     |
| Top 0.1 Percent                       | 3                      | 0.0              | 7,820,896                | 2,760,631                            | 5,060,265                                       | 35.3                                  | 2.0                                      | 1.6                                       | 4.2                                     |

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0308-6).

Number of AMT Taxpayers (millions). Baseline: 22.6 Proposal: 7.2

(1) Calendar year. Baseline is current law. For a detailed discussion of the proposals see the Tax Policy Center's report A Preliminary Analysis of the 2008 Presidential Candidates' Tax Plans available on the TPC website. Assumes all proposals are fully phased in.

(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) The cash income percentile classes used in this table are based on the income distribution for the entire population and contain an equal number of people, not tax units. The incomes used are adjusted for family size by dividing by the square root of the number of people in the tax unit. The resulting percentile breaks are (in 2008 dollars): 20% \$13,571, 40% \$25,564, 60% \$44,195, 80% \$71,797, 90% \$102,543, 95% \$144,171, 99% \$370,252, 99.9% \$1,726,142.

(4) Includes both filing and non-filing units but excludes those that are dependents of other tax units.

(5) 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.

(6) 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 T08-0186**  
**Senator McCain's Tax Proposals as Described by his Economic Advisors**  
**Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2012<sup>1</sup>**  
**Detail Table - Tax Units with Children**

| Cash Income Percentile <sup>2,3</sup> | Percent of Tax Units <sup>4</sup> |                   | Percent Change in After-Tax Income <sup>5</sup> | Share of Total Federal Tax Change | Average Federal Tax Change |         | Share of Federal Taxes |                    | Average Federal Tax Rate <sup>6</sup> |                    |
|---------------------------------------|-----------------------------------|-------------------|---|-----------------------------------|----------------------------|---------|------------------------|--------------------|---------------------------------------|--------------------|
|                                       | With Tax Cut                      | With Tax Increase |   |                                   | Dollars                    | Percent | Change (% Points)      | Under the Proposal | Change (% Points)                     | Under the Proposal |
| Lowest Quintile                       | 46.3                              | 2.2               | 2.4   | 1.9                               | -406                       | 48.2    | -0.5                   | -1.2               | -2.6                                  | -7.9               |
| Second Quintile                       | 96.6                              | 0.9               | 5.4   | 8.8                               | -1,809                     | -43.0   | -1.1                   | 2.4                | -4.8                                  | 6.4                |
| Middle Quintile                       | 99.4                              | 0.1               | 5.0   | 13.8                              | -2,755                     | -21.4   | -0.6                   | 10.5               | -4.0                                  | 14.9               |
| Fourth Quintile                       | 99.9                              | 0.0               | 5.4   | 21.7                              | -4,714                     | -18.0   | -0.2                   | 20.4               | -4.1                                  | 18.9               |
| Top Quintile                          | 100.0                             | 0.0               | 5.8   | 53.6                              | -13,756                    | -14.0   | 2.4                    | 67.9               | -4.1                                  | 25.1               |
| All                                   | 88.2                              | 0.7               | 5.4   | 100.0                             | -4,321                     | -17.1   | 0.0                    | 100.0              | -4.1                                  | 20.0               |
| <b>Addendum</b>                       |                                   |                   |   |                                   |                            |         |                        |                    |                                       |                    |
| 80-90                                 | 100.0                             | 0.0               | 4.7   | 12.3                              | -6,027                     | -13.6   | 0.6                    | 16.1               | -3.5                                  | 22.1               |
| 90-95                                 | 100.0                             | 0.0               | 4.6   | 7.6                               | -8,201                     | -12.5   | 0.6                    | 11.0               | -3.3                                  | 23.4               |
| 95-99                                 | 99.9                              | 0.0               | 4.3   | 9.9                               | -13,166                    | -10.5   | 1.3                    | 17.3               | -3.0                                  | 25.8               |
| Top 1 Percent                         | 99.9                              | 0.1               | 8.9   | 23.9                              | -132,308                   | -17.3   | -0.1                   | 23.5               | -5.9                                  | 28.1               |
| Top 0.1 Percent                       | 100.0                             | 0.0               | 10.5  | 12.4                              | -716,791                   | -19.1   | -0.3                   | 10.8               | -6.8                                  | 28.8               |

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Percentile Adjusted for Family Size, 2012<sup>1</sup>**

| Cash Income Percentile <sup>2,3</sup> | Tax Units <sup>4</sup> |                  | Average Income (Dollars) | Average Federal Tax Burden (Dollars) | Average After-Tax Income <sup>5</sup> (Dollars) | Average Federal Tax Rate <sup>6</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         | Percent of Total       |  |
| Lowest Quintile                       | 9,871                  | 20.2             | 15,772                   | -842                                 | 16,614  | -5.3                                  | 3.0                     | 4.2                      | -0.7                   |  |
| Second Quintile                       | 10,311                 | 21.1             | 37,449                   | 4,209                                | 33,240  | 11.2                                  | 7.5                     | 8.8                      | 3.5                    |  |
| Middle Quintile                       | 10,593                 | 21.7             | 68,197                   | 12,879                               | 55,318  | 18.9                                  | 14.1                    | 15.1                     | 11.0                   |  |
| Fourth Quintile                       | 9,721                  | 19.9             | 113,901                  | 26,216                               | 87,684  | 23.0                                  | 21.6                    | 21.9                     | 20.6                   |  |
| Top Quintile                          | 8,230                  | 16.8             | 336,992                  | 98,354                               | 238,639   | 29.2                                  | 54.1                    | 50.4                     | 65.4                   |  |
| All                                   | 48,864                 | 100.0            | 105,014                  | 25,317                               | 79,697  | 24.1                                  | 100.0                   | 100.0                    | 100.0                  |  |
| <b>Addendum</b>                       |                        |                  |                          |                                      |   |                                       |                         |                          |                        |  |
| 80-90                                 | 4,312                  | 8.8              | 173,044                  | 44,246                               | 128,798   | 25.6                                  | 14.5                    | 14.3                     | 15.4                   |  |
| 90-95                                 | 1,958                  | 4.0              | 245,817                  | 65,819                               | 179,998   | 26.8                                  | 9.4                     | 9.1                      | 10.4                   |  |
| 95-99                                 | 1,579                  | 3.2              | 435,654                  | 125,648                              | 310,005   | 28.8                                  | 13.4                    | 12.6                     | 16.0                   |  |
| Top 1 Percent                         | 381                    | 0.8              | 2,253,531                | 765,288                              | 1,488,244                                       | 34.0                                  | 16.7                    | 14.6                     | 23.6                   |  |
| Top 0.1 Percent                       | 37                     | 0.1              | 10,557,678               | 3,752,988                            | 6,804,690                                       | 35.6                                  | 7.5                     | 6.4                      | 11.1                   |  |

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0308-6).

Number of AMT Taxpayers (millions). Baseline: 22.6 Proposal: 7.2

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

(1) Calendar year. Baseline is current law. For a detailed discussion of the proposals see the Tax Policy Center's report A Preliminary Analysis of the 2008 Presidential Candidates' Tax Plans available on the TPC website. Assumes all proposals are fully phased in.

(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) The cash income percentile classes used in this table are based on the income distribution for the entire population and contain an equal number of people, not tax units. The incomes used are adjusted for family size by dividing by the square root of the number of people in the tax unit. The resulting percentile breaks are (in 2008 dollars): 20% \$13,571, 40% \$25,564, 60% \$44,195, 80% \$71,797, 90% \$102,543, 95% \$144,171, 99% \$370,252, 99.9% \$1,726,142.

(4) Includes both filing and non-filing units but excludes those that are dependents of other tax units.

(5) 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.

(6) 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 T08-0186**  
**Senator McCain's Tax Proposals as Described by his Economic Advisors**  
**Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2012<sup>1</sup>**  
**Detail Table - Elderly Tax Units**

| Cash Income Percentile <sup>2,3</sup> | Percent of Tax Units <sup>4</sup> |                   | Percent Change in After-Tax Income <sup>5</sup> | Share of Total Federal Tax Change | Average Federal Tax Change |         | Share of Federal Taxes |                    | Average Federal Tax Rate <sup>6</sup> |                    |
|---------------------------------------|-----------------------------------|-------------------|---|-----------------------------------|----------------------------|---------|------------------------|--------------------|---------------------------------------|--------------------|
|                                       | With Tax Cut                      | With Tax Increase |   |                                   | Dollars                    | Percent | Change (% Points)      | Under the Proposal | Change (% Points)                     | Under the Proposal |
| Lowest Quintile                       | 30.2                              | 0.2               | 0.5   | 0.3                               | -59                        | -21.7   | 0.0                    | 0.3                | -0.5                                  | 1.9                |
| Second Quintile                       | 59.0                              | 0.2               | 1.2   | 1.8                               | -271                       | -23.8   | 0.0                    | 1.7                | -1.1                                  | 3.6                |
| Middle Quintile                       | 86.8                              | 0.2               | 2.1   | 3.3                               | -856                       | -23.0   | 0.0                    | 3.3                | -1.9                                  | 6.3                |
| Fourth Quintile                       | 99.0                              | 0.1               | 3.4   | 10.1                              | -2,286                     | -19.4   | 0.6                    | 12.8               | -2.9                                  | 12.0               |
| Top Quintile                          | 99.8                              | 0.0               | 9.0   | 84.4                              | -17,440                    | -23.9   | -0.6                   | 81.8               | -6.5                                  | 20.8               |
| All                                   | 73.0                              | 0.2               | 6.3   | 100.0                             | -4,083                     | -23.3   | 0.0                    | 100.0              | -4.9                                  | 16.2               |
| <b>Addendum</b>                       |                                   |                   |   |                                   |                            |         |                        |                    |                                       |                    |
| 80-90                                 | 99.8                              | 0.0               | 5.4   | 11.1                              | -5,095                     | -21.3   | 0.3                    | 12.4               | -4.3                                  | 15.8               |
| 90-95                                 | 99.5                              | 0.0               | 6.5   | 10.3                              | -8,371                     | -21.9   | 0.2                    | 11.1               | -5.0                                  | 17.8               |
| 95-99                                 | 100.0                             | 0.0               | 8.5   | 20.5                              | -18,417                    | -23.4   | 0.0                    | 20.4               | -6.2                                  | 20.3               |
| Top 1 Percent                         | 100.0                             | 0.0               | 12.8  | 42.5                              | -131,701                   | -25.4   | -1.1                   | 37.9               | -8.5                                  | 25.0               |
| Top 0.1 Percent                       | 100.0                             | 0.0               | 14.8  | 21.9                              | -668,896                   | -25.9   | -0.7                   | 19.1               | -9.4                                  | 27.0               |

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Percentile Adjusted for Family Size, 2012<sup>1</sup>**

| Cash Income Percentile <sup>2,3</sup> | Tax Units <sup>4</sup> |                  | Average Income (Dollars) | Average Federal Tax Burden (Dollars) | Average After-Tax Income <sup>5</sup> (Dollars) | Average Federal Tax Rate <sup>6</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         | Percent of Total       |
| Lowest Quintile                       | 5,982                  | 19.6             | 11,174                   | 271                                  | 10,904  | 2.4                                   | 2.6                     | 3.3                      | 0.3                    |
| Second Quintile                       | 8,200                  | 26.9             | 23,916                   | 1,141                                | 22,775  | 4.8                                   | 7.8                     | 9.4                      | 1.8                    |
| Middle Quintile                       | 4,773                  | 15.6             | 45,520                   | 3,726                                | 41,794  | 8.2                                   | 8.6                     | 10.0                     | 3.3                    |
| Fourth Quintile                       | 5,522                  | 18.1             | 79,079                   | 11,760                               | 67,319  | 14.9                                  | 17.3                    | 18.7                     | 12.1                   |
| Top Quintile                          | 6,034                  | 19.8             | 267,452                  | 73,098                               | 194,353   | 27.3                                  | 63.8                    | 58.8                     | 82.4                   |
| All                                   | 30,530                 | 100.0            | 82,817                   | 17,527                               | 65,289  | 21.2                                  | 100.0                   | 100.0                    | 100.0                  |
| <b>Addendum</b>                       |                        |                  |                          |                                      |   |                                       |                         |                          |                        |
| 80-90                                 | 2,713                  | 8.9              | 118,899                  | 23,874                               | 95,025  | 20.1                                  | 12.8                    | 12.9                     | 12.1                   |
| 90-95                                 | 1,529                  | 5.0              | 168,044                  | 38,204                               | 129,839   | 22.7                                  | 10.2                    | 10.0                     | 10.9                   |
| 95-99                                 | 1,389                  | 4.6              | 295,666                  | 78,566                               | 217,100   | 26.6                                  | 16.3                    | 15.1                     | 20.4                   |
| Top 1 Percent                         | 403                    | 1.3              | 1,548,708                | 518,468                              | 1,030,241                                       | 33.5                                  | 24.7                    | 20.8                     | 39.0                   |
| Top 0.1 Percent                       | 41                     | 0.1              | 7,103,107                | 2,586,974                            | 4,516,133                                       | 36.4                                  | 11.5                    | 9.2                      | 19.7                   |

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0308-6).

Number of AMT Taxpayers (millions). Baseline: 22.6 Proposal: 7.2

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

(1) Calendar year. Baseline is current law. For a detailed discussion of the proposals see the Tax Policy Center's report A Preliminary Analysis of the 2008 Presidential Candidates' Tax Plans available on the TPC website. Assumes all proposals are fully phased in.

(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) The cash income percentile classes used in this table are based on the income distribution for the entire population and contain an equal number of people, not tax units. The incomes used are adjusted for family size by dividing by the square root of the number of people in the tax unit. The resulting percentile breaks are (in 2008 dollars): 20% \$13,571, 40% \$25,564, 60% \$44,195, 80% \$71,797, 90% \$102,543, 95% \$144,171, 99% \$370,252, 99.9% \$1,726,142.

(4) Includes both filing and non-filing units but excludes those that are dependents of other tax units.

(5) 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.

(6) 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.