

**Table T08-0232**  
**Average Effective Marginal Individual Income Tax Rates by Cash Income Level, 2012<sup>1</sup>**

Cash Income Class (thousands of 2008 dollars) <sup>2</sup>	Current Law	Tax Cuts Extended <sup>3</sup>	Obama Proposal	McCain Proposal
<b>Less than 10</b>	-3.6	-4.2	-10.4	-4.2
<b>10-20</b>	9.0	4.1	3.9	3.7
<b>20-30</b>	16.8	14.3	14.4	13.3
<b>30-40</b>	19.4	18.2	19.1	17.2
<b>40-50</b>	18.9	17.3	18.2	16.7
<b>50-75</b>	22.3	19.6	20.0	19.2
<b>75-100</b>	24.8	19.4	20.6	19.2
<b>100-200</b>	28.2	25.6	26.2	25.3
<b>200-500</b>	34.0	32.1	33.0	32.3
<b>500-1,000</b>	38.9	30.2	37.7	30.1
<b>More than 1,000</b>	40.1	33.7	39.8	33.7
<b>All</b>	26.8	23.5	24.8	23.2

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

1. Calendar year. Effective marginal rate is determined by calculating individual income tax and then adding \$1,000 to wages and recomputing individual income tax. The effective marginal rate is the resulting change in tax divided by \$1,000. Values are averages, weighted by the dollar value of wages and salaries. For a detailed description of the candidates' proposals, see the Tax Policy Center's report: *An Updated Analysis of the 2008 Presidential Candidates' Tax Plans: Updated September 12, 2008* available on the Tax Policy Center website.

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. Assumes the provisions in the 2001-06 tax cuts scheduled to sunset at the end of 2010 are made permanent and the 2007 AMT patch is extended and indexed for inflation.