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**Table T08-0239**  
**Elimination of Income Tax on Unemployment Benefits**  
**Distribution of Federal Tax Change by Cash Income Level, 2008 <sup>1</sup>**  
**Summary Table**

Cash Income Level (thousands of 2008 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 (\$)	Average Federal Tax Rate <sup>5</sup>	
	With Tax Cut	With Tax Increase				Change (%) Points)	Under the Proposal
<b>Less than 10</b>	0.5	0.0	0.0	0.2	0	0.0	0.7
<b>10-20</b>	4.9	0.2	0.1	6.1	-12	-0.1	1.2
<b>20-30</b>	8.2	0.2	0.1	12.5	-30	-0.1	6.7
<b>30-40</b>	8.2	0.1	0.1	13.1	-42	-0.1	11.3
<b>40-50</b>	6.6	0.1	0.1	9.1	-36	-0.1	14.0
<b>50-75</b>	7.2	0.0	0.1	19.3	-41	-0.1	16.2
<b>75-100</b>	7.5	0.0	0.1	13.0	-43	-0.1	17.9
<b>100-200</b>	5.6	0.0	0.1	20.7	-50	0.0	20.7
<b>200-500</b>	3.4	0.0	0.0	5.2	-44	0.0	24.6
<b>500-1,000</b>	2.4	0.0	0.0	0.7	-31	0.0	27.0
<b>More than 1,000</b>	1.0	0.0	0.0	0.2	-18	0.0	30.7
<b>All</b>	5.8	0.1	0.1	100.0	-31	0.0	20.2

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0308-7).

Number of AMT Taxpayers (millions). Baseline: 4.1

Proposal: 4.1

(1) Calendar year. Baseline is current law. The proposal excludes unemployment benefits from AGI, but assumes that the 2008 stimulus payment remains constant.

(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 T08-0239**  
**Elimination of Income Tax on Unemployment Benefits**  
**Distribution of Federal Tax Change by Cash Income Level, 2008 <sup>1</sup>**  
**Detail Table**

Cash Income Level (thousands of 2008 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	0.5	0.0	0.0	0.2	0	-1.0	0.0	0.0	0.0	0.7
10-20	4.9	0.2	0.1	6.1	-12	-6.4	0.0	0.2	-0.1	1.2
20-30	8.2	0.2	0.1	12.5	-30	-1.8	0.0	1.4	-0.1	6.7
30-40	8.2	0.1	0.1	13.1	-42	-1.1	0.0	2.6	-0.1	11.3
40-50	6.6	0.1	0.1	9.1	-36	-0.6	0.0	3.3	-0.1	14.0
50-75	7.2	0.0	0.1	19.3	-41	-0.4	0.0	9.7	-0.1	16.2
75-100	7.5	0.0	0.1	13.0	-43	-0.3	0.0	9.9	-0.1	17.9
100-200	5.6	0.0	0.1	20.7	-50	-0.2	0.0	24.3	0.0	20.7
200-500	3.4	0.0	0.0	5.2	-44	-0.1	0.0	17.4	0.0	24.6
500-1,000	2.4	0.0	0.0	0.7	-31	0.0	0.0	8.1	0.0	27.0
More than 1,000	1.0	0.0	0.0	0.2	-18	0.0	0.1	22.9	0.0	30.7
All	5.8	0.1	0.1	100.0	-31	-0.2	0.0	100.0	0.0	20.2

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Level, 2008 <sup>1</sup>**

Cash Income Level (thousands of 2008 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	Percent of Total
Less than 10	17,702	11.9	5,646	39	5,607	0.7	0.9	1.2	0.0
10-20	23,850	16.1	14,889	184	14,705	1.2	3.3	4.1	0.2
20-30	19,060	12.8	24,753	1,686	23,067	6.8	4.3	5.1	1.5
30-40	14,270	9.6	34,784	3,962	30,822	11.4	4.6	5.1	2.6
40-50	11,634	7.8	44,854	6,327	38,527	14.1	4.8	5.2	3.4
50-75	21,361	14.4	61,599	10,024	51,575	16.3	12.1	12.7	9.7
75-100	13,920	9.4	86,725	15,588	71,137	18.0	11.1	11.4	9.9
100-200	19,094	12.9	134,972	28,003	106,969	20.8	23.7	23.6	24.3
200-500	5,424	3.7	286,202	70,447	215,755	24.6	14.3	13.5	17.4
500-1,000	967	0.7	679,484	183,630	495,854	27.0	6.1	5.5	8.1
More than 1,000	517	0.4	3,169,574	973,461	2,196,113	30.7	15.1	13.1	22.9
All	148,478	100.0	73,156	14,805	58,350	20.2	100.0	100.0	100.0

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0308-7).

Number of AMT Taxpayers (millions). Baseline: 4.1

Proposal: 4.1

(1) Calendar year. Baseline is current law. The proposal excludes unemployment benefits from AGI, but assumes that the 2008 stimulus payment remains constant.

(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 T08-0239**  
**Elimination of Income Tax on Unemployment Benefits**  
**Distribution of Federal Tax Change by Cash Income Level, 2008 <sup>1</sup>**  
**Detail Table - Single Tax Units**

Cash Income Level (thousands of 2008 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	0.6	0.0	0.0	0.5	-1	-0.2	0.0	0.6	0.0	4.2
10-20	5.9	0.1	0.1	16.0	-15	-1.7	0.0	2.4	-0.1	5.9
20-30	7.4	0.0	0.1	19.2	-27	-0.9	0.0	5.5	-0.1	12.5
30-40	7.2	0.0	0.1	17.5	-37	-0.6	0.0	7.0	-0.1	16.7
40-50	5.1	0.0	0.1	11.5	-29	-0.4	0.0	8.1	-0.1	18.3
50-75	4.4	0.0	0.1	19.0	-33	-0.3	0.0	18.6	-0.1	20.9
75-100	3.8	0.0	0.1	8.9	-38	-0.2	0.0	11.7	0.0	23.2
100-200	2.7	0.0	0.0	5.8	-28	-0.1	0.0	17.0	0.0	24.7
200-500	1.5	0.0	0.0	1.5	-27	0.0	0.0	10.5	0.0	27.2
500-1,000	1.2	0.0	0.0	0.2	-16	0.0	0.0	4.7	0.0	29.1
More than 1,000	0.3	0.0	0.0	0.0	-2	0.0	0.0	13.9	0.0	34.5
All	4.6	0.0	0.1	100.0	-21	-0.3	0.0	100.0	-0.1	20.6

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Level, 2008 <sup>1</sup>**

Cash Income Level (thousands of 2008 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	Percent of Total
Less than 10	12,955	20.2	5,641	236	5,405	4.2	2.8	3.4	0.6
10-20	14,600	22.7	14,704	887	13,817	6.0	8.2	9.7	2.4
20-30	9,674	15.1	24,648	3,101	21,547	12.6	9.1	10.0	5.5
30-40	6,480	10.1	34,824	5,849	28,975	16.8	8.6	9.0	7.0
40-50	5,356	8.3	44,816	8,219	36,597	18.3	9.2	9.4	8.1
50-75	7,912	12.3	60,701	12,696	48,005	20.9	18.3	18.3	18.6
75-100	3,172	4.9	85,935	19,963	65,971	23.2	10.4	10.1	11.7
100-200	2,833	4.4	131,136	32,441	98,695	24.7	14.2	13.5	17.0
200-500	722	1.1	288,214	78,481	209,733	27.2	7.9	7.3	10.5
500-1,000	128	0.2	676,848	197,206	479,642	29.1	3.3	3.0	4.7
More than 1,000	70	0.1	3,103,832	1,070,785	2,033,047	34.5	8.3	6.8	13.8
All	64,251	100.0	40,773	8,421	32,352	20.7	100.0	100.0	100.0

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0308-7).

(1) Calendar year. Baseline is current law. The proposal excludes unemployment benefits from AGI, but assumes that the 2008 stimulus payment remains constant.

(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 T08-0239**  
**Elimination of Income Tax on Unemployment Benefits**  
**Distribution of Federal Tax Change by Cash Income Level, 2008 <sup>1</sup>**  
**Detail Table - Married Tax Units Filing Jointly**

Cash Income Level (thousands of 2008 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	0.0	0.0	0.0	0.0	0	0.0	0.0	0.0	0.0	-1.3
10-20	1.9	0.0	0.0	0.6	-4	1.3	0.0	-0.1	0.0	-1.8
20-30	7.7	0.2	0.1	4.7	-25	-5.8	0.0	0.1	-0.1	1.6
30-40	10.4	0.1	0.1	7.3	-46	-2.4	0.0	0.5	-0.1	5.4
40-50	9.6	0.2	0.1	6.5	-44	-1.1	0.0	1.0	-0.1	8.7
50-75	10.5	0.1	0.1	19.8	-50	-0.6	0.0	5.1	-0.1	12.5
75-100	9.3	0.0	0.1	17.2	-46	-0.3	0.0	8.6	-0.1	15.9
100-200	6.3	0.0	0.1	33.8	-55	-0.2	0.0	27.7	0.0	19.9
200-500	3.7	0.0	0.0	8.7	-48	-0.1	0.0	20.8	0.0	24.2
500-1,000	2.6	0.0	0.0	1.1	-34	0.0	0.0	9.7	0.0	26.7
More than 1,000	1.1	0.0	0.0	0.4	-22	0.0	0.0	26.6	0.0	30.1
All	7.2	0.1	0.0	100.0	-42	-0.2	0.0	100.0	0.0	21.0

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Level, 2008 <sup>1</sup>**

Cash Income Level (thousands of 2008 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	Percent of Total
Less than 10	2,097	3.6	4,837	-61	4,898	-1.3	0.1	0.2	0.0
10-20	4,051	6.9	15,431	-279	15,711	-1.8	0.9	1.1	-0.1
20-30	4,643	7.9	24,834	432	24,402	1.7	1.6	2.0	0.1
30-40	3,924	6.7	34,857	1,927	32,930	5.5	1.9	2.3	0.5
40-50	3,647	6.2	44,948	3,945	41,003	8.8	2.3	2.7	1.0
50-75	9,762	16.6	62,665	7,871	54,795	12.6	8.5	9.5	5.1
75-100	9,336	15.9	87,166	13,901	73,266	16.0	11.4	12.1	8.6
100-200	15,384	26.1	136,073	27,106	108,967	19.9	29.2	29.7	27.7
200-500	4,527	7.7	285,667	69,086	216,581	24.2	18.1	17.3	20.7
500-1,000	808	1.4	679,937	181,322	498,615	26.7	7.7	7.1	9.7
More than 1,000	426	0.7	3,121,378	939,590	2,181,788	30.1	18.6	16.4	26.6
All	58,860	100.0	121,659	25,611	96,047	21.1	100.0	100.0	100.0

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0308-7).

(1) Calendar year. Baseline is current law. The proposal excludes unemployment benefits from AGI, but assumes that the 2008 stimulus payment remains constant.

(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 T08-0239**  
**Elimination of Income Tax on Unemployment Benefits**  
**Distribution of Federal Tax Change by Cash Income Level, 2008 <sup>1</sup>**  
**Detail Table - Head of Household Tax Units**

Cash Income Level (thousands of 2008 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	0.0	0.1	0.0	0.0	0	0.0	0.0	-2.2	0.0	-14.6
10-20	4.0	0.5	0.0	5.3	-7	0.4	-0.1	-7.7	-0.1	-10.8
20-30	10.4	0.7	0.2	26.4	-40	15.6	-0.2	-1.3	-0.2	-1.2
30-40	7.4	0.2	0.2	25.8	-49	-1.9	-0.1	8.4	-0.1	7.2
40-50	5.3	0.0	0.1	13.5	-39	-0.7	0.0	12.0	-0.1	12.1
50-75	4.9	0.1	0.1	18.2	-38	-0.4	0.1	29.4	-0.1	15.8
75-100	4.4	0.0	0.1	6.2	-35	-0.2	0.1	18.9	0.0	19.2
100-200	2.2	0.0	0.0	3.8	-35	-0.1	0.1	20.3	0.0	22.5
200-500	2.7	0.0	0.0	0.7	-33	-0.1	0.1	8.9	0.0	24.3
500-1,000	0.2	0.0	0.0	0.0	-1	0.0	0.0	3.4	0.0	26.8
More than 1,000	0.5	0.0	0.0	0.0	-5	0.0	0.1	9.9	0.0	30.6
All	5.5	0.3	0.1	100.0	-29	-0.6	0.0	100.0	-0.1	11.6

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Level, 2008 <sup>1</sup>**

Cash Income Level (thousands of 2008 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	Percent of Total
Less than 10	2,489	10.9	6,356	-927	7,284	-14.6	1.8	2.3	-2.2
10-20	4,914	21.5	14,990	-1,616	16,606	-10.8	8.3	10.4	-7.6
20-30	4,397	19.2	24,884	-255	25,140	-1.0	12.3	14.0	-1.1
30-40	3,489	15.3	34,573	2,525	32,048	7.3	13.5	14.2	8.5
40-50	2,285	10.0	44,845	5,447	39,398	12.2	11.5	11.4	12.0
50-75	3,168	13.9	60,613	9,641	50,972	15.9	21.5	20.5	29.4
75-100	1,185	5.2	85,666	16,509	69,157	19.3	11.4	10.4	18.8
100-200	732	3.2	127,507	28,743	98,764	22.5	10.5	9.2	20.2
200-500	129	0.6	292,846	71,164	221,681	24.3	4.2	3.6	8.8
500-1,000	19	0.1	672,753	180,265	492,488	26.8	1.5	1.2	3.3
More than 1,000	11	0.1	3,045,089	932,916	2,112,173	30.6	3.8	3.0	9.9
All	22,867	100.0	38,999	4,550	34,449	11.7	100.0	100.0	100.0

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0308-7).

(1) Calendar year. Baseline is current law. The proposal excludes unemployment benefits from AGI, but assumes that the 2008 stimulus payment remains constant.

(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 T08-0239**  
**Elimination of Income Tax on Unemployment Benefits**  
**Distribution of Federal Tax Change by Cash Income Level, 2008 <sup>1</sup>**  
**Detail Table - Tax Units with Children**

Cash Income Level (thousands of 2008 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	0.0	0.0	0.0	0.0	0	0.0	0.0	-0.4	0.0	-19.8
10-20	2.8	0.5	0.0	1.3	-5	0.2	0.0	-1.5	0.0	-15.4
20-30	11.1	0.6	0.2	12.0	-44	4.1	0.0	-0.7	-0.2	-4.5
30-40	10.2	0.2	0.2	14.9	-64	-3.7	0.0	0.9	-0.2	4.8
40-50	9.2	0.1	0.1	9.7	-52	-1.2	0.0	1.9	-0.1	9.8
50-75	9.6	0.1	0.1	18.5	-51	-0.6	0.0	7.2	-0.1	13.4
75-100	8.8	0.0	0.1	12.8	-44	-0.3	0.0	9.6	-0.1	16.2
100-200	6.3	0.0	0.1	24.7	-56	-0.2	0.0	28.2	0.0	19.7
200-500	3.0	0.0	0.0	5.1	-40	-0.1	0.0	21.1	0.0	24.5
500-1,000	2.9	0.0	0.0	0.7	-34	0.0	0.0	9.5	0.0	27.5
More than 1,000	1.1	0.0	0.0	0.2	-19	0.0	0.1	24.1	0.0	30.7
All	7.3	0.2	0.1	100.0	-42	-0.2	0.0	100.0	-0.1	19.2

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Level, 2008 <sup>1</sup>**

Cash Income Level (thousands of 2008 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	Percent of Total
Less than 10	2,776	5.8	5,898	-1,170	7,068	-19.8	0.4	0.6	-0.4
10-20	5,557	11.6	15,197	-2,331	17,528	-15.3	1.9	2.7	-1.5
20-30	5,511	11.5	24,900	-1,083	25,983	-4.4	3.1	4.0	-0.7
30-40	4,690	9.8	34,744	1,736	33,007	5.0	3.7	4.3	1.0
40-50	3,752	7.9	44,854	4,449	40,405	9.9	3.8	4.2	2.0
50-75	7,363	15.4	61,821	8,339	53,481	13.5	10.3	11.0	7.2
75-100	5,827	12.2	87,024	14,116	72,908	16.2	11.4	11.9	9.6
100-200	8,962	18.7	135,841	26,830	109,011	19.8	27.5	27.3	28.2
200-500	2,595	5.4	282,902	69,396	213,507	24.5	16.6	15.5	21.1
500-1,000	436	0.9	676,229	185,693	490,536	27.5	6.7	6.0	9.5
More than 1,000	212	0.4	3,150,935	968,396	2,182,539	30.7	15.1	12.9	24.1
All	47,814	100.0	92,771	17,867	74,905	19.3	100.0	100.0	100.0

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0308-7).

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. The proposal excludes unemployment benefits from AGI, but assumes that the 2008 stimulus payment remains constant.

(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 T08-0239**  
**Elimination of Income Tax on Unemployment Benefits**  
**Distribution of Federal Tax Change by Cash Income Level, 2008 <sup>1</sup>**  
**Detail Table - Elderly Tax Units**

Cash Income Level (thousands of 2008 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	0.3	0.0	0.0	0.6	-1	1.2	0.0	0.0	0.0	-0.8
10-20	1.4	0.0	0.0	5.5	-3	-3.4	0.0	0.1	0.0	0.5
20-30	2.7	0.0	0.0	8.9	-7	-0.8	0.0	0.9	0.0	3.5
30-40	2.7	0.1	0.0	5.9	-9	-0.5	0.0	0.9	0.0	4.7
40-50	2.1	0.0	0.0	6.8	-12	-0.4	0.0	1.4	0.0	6.7
50-75	3.4	0.0	0.0	28.1	-21	-0.3	0.0	6.8	0.0	10.3
75-100	3.8	0.0	0.0	18.2	-22	-0.2	0.0	7.7	0.0	13.5
100-200	2.3	0.0	0.0	17.7	-18	-0.1	0.0	19.7	0.0	18.2
200-500	1.5	0.0	0.0	7.2	-21	0.0	0.0	19.3	0.0	23.9
500-1,000	1.1	0.0	0.0	0.7	-10	0.0	0.0	10.8	0.0	27.4
More than 1,000	0.6	0.0	0.0	0.4	-10	0.0	0.0	32.5	0.0	31.8
All	2.2	0.0	0.0	100.0	-11	-0.1	0.0	100.0	0.0	18.2

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Level, 2008 <sup>1</sup>**

Cash Income Level (thousands of 2008 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	2,972	10.6	6,620	-49	6,670	-0.8	1.0	1.2	0.0
10-20	6,525	23.2	14,858	74	14,783	0.5	4.7	5.7	0.1
20-30	3,880	13.8	24,363	870	23,494	3.6	4.6	5.4	0.9
30-40	2,027	7.2	34,496	1,621	32,875	4.7	3.4	3.9	0.9
40-50	1,758	6.3	44,970	3,030	41,940	6.7	3.8	4.4	1.4
50-75	4,029	14.3	61,893	6,393	55,501	10.3	12.0	13.2	6.8
75-100	2,494	8.9	86,278	11,629	74,649	13.5	10.4	11.0	7.7
100-200	3,021	10.8	135,091	24,593	110,498	18.2	19.7	19.7	19.7
200-500	1,039	3.7	292,533	70,012	222,521	23.9	14.7	13.7	19.2
500-1,000	218	0.8	682,870	186,989	495,881	27.4	7.2	6.4	10.8
More than 1,000	124	0.4	3,120,404	990,932	2,129,472	31.8	18.7	15.6	32.5
All	28,106	100.0	73,692	13,454	60,238	18.3	100.0	100.0	100.0

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0308-7).

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. The proposal excludes unemployment benefits from AGI, but assumes that the 2008 stimulus payment remains constant.

(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.