

Table T09-0048
House Republican Stimulus Proposal
Baseline: Current Law Plus Extension and Indexation of AMT Patch
Distribution of Federal Tax Change by Cash Income Percentile, 2009¹
Summary Table

Cash Income Percentile ^{2,3}	Percent of Tax Units ⁴		Percent Change in After-Tax Income ⁵	Share of Total Federal Tax Change	Average Federal Tax Change (\$)	Average Federal Tax Rate ⁶	
	With Tax Cut	With Tax Increase				Change (%) Points)	Under the Proposal
Lowest Quintile	29.7	0.7	0.4	0.8	-45	-0.4	4.2
Second Quintile	77.2	2.4	1.8	6.8	-455	-1.6	9.0
Middle Quintile	95.3	1.1	3.0	17.7	-1,295	-2.5	14.2
Fourth Quintile	98.7	0.3	3.4	27.8	-2,432	-2.8	16.5
Top Quintile	97.7	0.2	2.2	46.8	-4,627	-1.7	23.6
All	74.9	1.0	2.5	100.0	-1,465	-2.0	19.1
Addendum							
80-90	98.9	0.2	3.4	18.3	-3,568	-2.6	18.7
90-95	97.6	0.2	2.6	9.4	-3,793	-2.0	20.7
95-99	94.6	0.1	1.7	8.7	-4,278	-1.3	23.7
Top 1 Percent	99.2	0.0	1.5	10.6	-20,559	-1.1	28.4
Top 0.1 Percent	100.0	0.0	1.7	5.3	-101,233	-1.1	30.2

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

Number of AMT Taxpayers (millions). Baseline: 4.4

Proposal: 8.9

NOTE: Table shows the impact of the individual income tax measures on 2009 calendar year tax liability. Some individuals may not actually receive the benefits of the provisions until filing their 2009 tax returns in April of 2010. The business tax provisions are measured on a net present value basis.

(1) Calendar year. Baseline is current law plus extension and indexation of the 2008 AMT patch. Proposal would reduce the two lowest individual income tax rates from 10 and 15 percent to 5 and 10 percent; exclude unemployment compensation from gross income; provide a \$20,000 deduction against income from a small business; provide a special allowance for certain property acquired during 2009; allow a temporary increase in the limitation on expensing of certain depreciable business assets; and provide a 5-year carryback with 10% cutback for 2008 and 2009 NOLs with an exception for TARP recipients (these last three measures are assumed to be the same as in the House Ways and Means Committee proposal).

(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% \$18,981, 40% \$37,595, 60% \$66,354, 80% \$111,645, 90% \$160,972, 95% \$226,918, 99% \$603,402, 99.9% \$2,871,682.

(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 T09-0048
House Republican Stimulus Proposal
Baseline: Current Law Plus Extension and Indexation of AMT Patch
Distribution of Federal Tax Change by Cash Income Percentile, 2009¹
Detail Table

Cash Income Percentile ^{2,3}	Percent of Tax Units ⁴		Percent Change in After-Tax Income ⁵	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁶	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	29.7	0.7	0.4	0.8	-45	-9.1	0.0	0.8	-0.4	4.2
Second Quintile	77.2	2.4	1.8	6.8	-455	-15.3	-0.3	3.9	-1.6	9.0
Middle Quintile	95.3	1.1	3.0	17.7	-1,295	-15.0	-0.7	10.3	-2.5	14.2
Fourth Quintile	98.7	0.3	3.4	27.8	-2,432	-14.4	-1.0	16.9	-2.8	16.5
Top Quintile	97.7	0.2	2.2	46.8	-4,627	-6.6	2.0	68.1	-1.7	23.6
All	74.9	1.0	2.5	100.0	-1,465	-9.3	0.0	100.0	-2.0	19.1
Addendum										
80-90	98.9	0.2	3.4	18.3	-3,568	-12.4	-0.5	13.2	-2.6	18.7
90-95	97.6	0.2	2.6	9.4	-3,793	-8.7	0.1	10.0	-2.0	20.7
95-99	94.6	0.1	1.7	8.7	-4,278	-5.0	0.7	16.7	-1.3	23.7
Top 1 Percent	99.2	0.0	1.5	10.6	-20,559	-3.7	1.6	28.1	-1.1	28.4
Top 0.1 Percent	100.0	0.0	1.7	5.3	-101,233	-3.6	0.8	14.3	-1.1	30.2

Baseline Distribution of Income and Federal Taxes
by Cash Income Percentile, 2009¹

Cash Income Percentile ^{2,3}	Tax Units ⁴		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After-Tax Income ⁵ (Dollars)	Average Federal Tax Rate ⁶	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	39,102	26.0	10,744	501	10,243	4.7	3.7	4.5	0.8
Second Quintile	32,942	21.9	28,057	2,980	25,077	10.6	8.2	9.3	4.1
Middle Quintile	30,075	20.0	51,924	8,665	43,259	16.7	13.8	14.6	11.0
Fourth Quintile	25,152	16.7	87,992	16,912	71,080	19.2	19.6	20.0	17.9
Top Quintile	22,287	14.8	279,244	70,590	208,654	25.3	55.0	52.1	66.1
All	150,241	100.0	75,289	15,841	59,448	21.0	100.0	100.0	100.0
Addendum									
80-90	11,264	7.5	135,143	28,893	106,250	21.4	13.5	13.4	13.7
90-95	5,439	3.6	192,266	43,645	148,621	22.7	9.3	9.1	10.0
95-99	4,454	3.0	340,985	85,220	255,765	25.0	13.4	12.8	16.0
Top 1 Percent	1,131	0.8	1,889,937	557,948	1,331,989	29.5	18.9	16.9	26.5
Top 0.1 Percent	114	0.1	8,929,410	2,798,291	6,131,119	31.3	9.0	7.8	13.4

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

Number of AMT Taxpayers (millions). Baseline: 4.4 Proposal: 8.9

NOTE: Table shows the impact of the individual income tax measures on 2009 calendar year tax liability. Some individuals may not actually receive the benefits of the provisions until filing their 2009 tax returns in April of 2010. The business tax provisions are measured on a net present value basis.

(1) Calendar year. Baseline is current law plus extension and indexation of the 2008 AMT patch. Proposal would reduce the two lowest individual income tax rates from 10 and 15 percent to 5 and 10 percent; exclude unemployment compensation from gross income; provide a \$20,000 deduction against income from a small business; provide a special allowance for certain property acquired during 2009; allow a temporary increase in the limitation on expensing of certain depreciable business assets; and provide a 5-year carryback with 10% cutback for 2008 and 2009 NOLs with an exception for TARP recipients (these last three measures are assumed to be the same as in the House Ways and Means Committee proposal).

(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% \$18,981, 40% \$37,595, 60% \$66,354, 80% \$111,645, 90% \$160,972, 95% \$226,918, 99% \$603,402, 99.9% \$2,871,682.

(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 T09-0048
House Republican Stimulus Proposal
Baseline: Current Law Plus Extension and Indexation of AMT Patch
Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2009¹
Detail Table

Cash Income Percentile ^{2,3}	Percent of Tax Units ⁴		Percent Change in After-Tax Income ⁵	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁶	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	20.9	0.2	0.2	0.3	-18	-15.6	0.0	0.1	-0.2	0.9
Second Quintile	71.5	3.3	1.3	4.1	-289	-13.4	-0.1	2.7	-1.2	7.4
Middle Quintile	93.5	1.1	2.7	14.1	-1,067	-14.9	-0.6	8.2	-2.3	13.2
Fourth Quintile	98.9	0.2	3.6	28.8	-2,222	-15.5	-1.2	16.0	-2.9	15.8
Top Quintile	98.1	0.1	2.3	52.7	-4,074	-6.9	1.9	72.8	-1.7	23.5
All	74.9	1.0	2.5	100.0	-1,465	-9.3	0.0	100.0	-2.0	19.1
Addendum										
80-90	98.9	0.2	3.4	19.9	-3,062	-12.3	-0.5	14.5	-2.7	19.0
90-95	97.8	0.1	2.7	11.1	-3,395	-9.1	0.0	11.3	-2.1	20.8
95-99	96.0	0.2	1.9	10.5	-4,102	-5.7	0.7	17.7	-1.4	23.3
Top 1 Percent	99.0	0.0	1.6	11.3	-18,178	-3.8	1.7	29.3	-1.1	28.3
Top 0.1 Percent	99.9	0.0	1.7	5.5	-89,828	-3.7	0.9	14.8	-1.1	30.2

Baseline Distribution of Income and Federal Taxes
by Cash Income Percentile Adjusted for Family Size, 2009¹

Cash Income Percentile ^{2,3}	Tax Units ⁴		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After-Tax Income ⁵ (Dollars)	Average Federal Tax Rate ⁶	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	32,429	21.6	10,059	112	9,946	1.1	2.9	3.6	0.2
Second Quintile	30,972	20.6	25,261	2,156	23,105	8.5	6.9	8.0	2.8
Middle Quintile	29,186	19.4	46,073	7,144	38,929	15.5	11.9	12.7	8.8
Fourth Quintile	28,494	19.0	76,773	14,372	62,401	18.7	19.3	19.9	17.2
Top Quintile	28,475	19.0	235,357	59,299	176,058	25.2	59.3	56.1	71.0
All	150,241	100.0	75,289	15,841	59,448	21.0	100.0	100.0	100.0
Addendum									
80-90	14,316	9.5	115,555	24,969	90,585	21.6	14.6	14.5	15.0
90-95	7,191	4.8	163,422	37,374	126,048	22.9	10.4	10.2	11.3
95-99	5,606	3.7	292,160	72,293	219,867	24.7	14.5	13.8	17.0
Top 1 Percent	1,362	0.9	1,640,591	482,401	1,158,190	29.4	19.8	17.7	27.6
Top 0.1 Percent	135	0.1	7,862,950	2,460,625	5,402,325	31.3	9.4	8.2	14.0

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

Number of AMT Taxpayers (millions). Baseline: 4.4 Proposal: 8.9

NOTE: Table shows the impact of the individual income tax measures on 2009 calendar year tax liability. Some individuals may not actually receive the benefits of the provisions until filing their 2009 tax returns in April of 2010. The business tax provisions are measured on a net present value basis.

(1) Calendar year. Baseline is current law plus extension and indexation of the 2008 AMT patch. Proposal would reduce the two lowest individual income tax rates from 10 and 15 percent to 5 and 10 percent; exclude unemployment compensation from gross income; provide a \$20,000 deduction against income from a small business; provide a special allowance for certain property acquired during 2009; allow a temporary increase in the limitation on expensing of certain depreciable business assets; and provide a 5-year carryback with 10% cutback for 2008 and 2009 NOLs with an exception for TARP recipients (these last three measures are assumed to be the same as in the House Ways and Means Committee proposal).

(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% \$12,921, 40% \$24,393, 60% \$41,924, 80% \$67,748, 90% \$96,780, 95% \$137,143, 99% \$359,711, 99.9% \$1,730,730.

(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 T09-0048
House Republican Stimulus Proposal
Baseline: Current Law Plus Extension and Indexation of AMT Patch
Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2009¹
Detail Table - Single Tax Units

Cash Income Percentile ^{2,3}	Percent of Tax Units ⁴		Percent Change in After-Tax Income ⁵	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁶	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (%)	Under the Proposal	Change (%)	Under the Proposal
Lowest Quintile	23.6	0.3	0.2	0.5	-16	-3.1	0.1	1.7	-0.2	6.5
Second Quintile	69.9	2.1	1.5	6.6	-259	-12.5	-0.2	5.1	-1.4	9.5
Middle Quintile	94.2	0.7	3.3	19.8	-910	-15.3	-0.8	12.1	-2.7	15.0
Fourth Quintile	99.2	0.1	3.8	30.4	-1,662	-14.6	-1.1	19.6	-3.0	17.7
Top Quintile	98.6	0.1	2.5	42.6	-2,819	-7.1	1.9	61.3	-1.9	24.3
All	70.2	0.7	2.7	100.0	-889	-9.9	0.0	100.0	-2.1	19.2
Addendum										
80-90	99.1	0.1	3.3	16.4	-2,052	-10.7	-0.1	15.1	-2.5	20.9
90-95	98.6	0.1	2.7	9.1	-2,391	-8.5	0.2	10.8	-2.1	22.2
95-99	97.3	0.3	2.2	9.1	-3,298	-6.6	0.5	14.2	-1.6	23.2
Top 1 Percent	98.8	0.0	1.9	8.1	-13,827	-4.0	1.3	21.3	-1.3	30.3
Top 0.1 Percent	99.9	0.0	1.9	3.6	-69,883	-3.6	0.7	10.6	-1.3	33.5

Baseline Distribution of Income and Federal Taxes
by Cash Income Percentile Adjusted for Family Size, 2009¹

Cash Income Percentile ^{2,3}	Tax Units ⁴		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After-Tax Income ⁵ (Dollars)	Average Federal Tax Rate ⁶	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	17,979	27.7	7,650	516	7,135	6.7	5.0	6.0	1.6
Second Quintile	14,788	22.8	19,082	2,070	17,012	10.9	10.3	11.7	5.3
Middle Quintile	12,570	19.4	33,514	5,944	27,570	17.7	15.4	16.1	12.9
Fourth Quintile	10,552	16.2	54,870	11,394	43,476	20.8	21.2	21.3	20.7
Top Quintile	8,719	13.4	151,432	39,641	111,791	26.2	48.3	45.3	59.5
All	64,958	100.0	42,053	8,947	33,106	21.3	100.0	100.0	100.0
Addendum									
80-90	4,605	7.1	82,197	19,258	62,938	23.4	13.9	13.5	15.3
90-95	2,193	3.4	116,199	28,145	88,054	24.2	9.3	9.0	10.6
95-99	1,584	2.4	201,882	50,099	151,783	24.8	11.7	11.2	13.7
Top 1 Percent	338	0.5	1,087,643	343,174	744,469	31.6	13.5	11.7	19.9
Top 0.1 Percent	30	0.1	5,550,592	1,927,459	3,623,133	34.7	6.1	5.0	9.9

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

NOTE: Table shows the impact of the individual income tax measures on 2009 calendar year tax liability. Some individuals may not actually receive the benefits of the provisions until filing their 2009 tax returns in April of 2010. The business tax provisions are measured on a net present value basis.

(1) Calendar year. Baseline is current law plus extension and indexation of the 2008 AMT patch. Proposal would reduce the two lowest individual income tax rates from 10 and 15 percent to 5 and 10 percent; exclude unemployment compensation from gross income; provide a \$20,000 deduction against income from a small business; provide a special allowance for certain property acquired during 2009; allow a temporary increase in the limitation on expensing certain depreciable business assets; and provide a 5-year carryback with 10% cutback for 2008 and 2009 NOLs with an exception for TARP recipients (these last three measures are assumed to be the same as in the House Ways and Means Committee proposal).

(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% \$12,921, 40% \$24,393, 60% \$41,924, 80% \$67,748, 90% \$96,780, 95% \$137,143, 99% \$359,711, 99.9% \$1,730,730.

(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 T09-0048
House Republican Stimulus Proposal
Baseline: Current Law Plus Extension and Indexation of AMT Patch
Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2009¹
Detail Table - Married Tax Units Filing Jointly

Cash Income Percentile ^{2,3}	Percent of Tax Units ⁴		Percent Change in After-Tax Income ⁵	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁶	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	24.7	0.1	0.2	0.1	-27	-23.8	0.0	0.0	-0.2	0.7
Second Quintile	72.5	4.0	1.0	1.8	-293	-11.3	0.0	1.3	-0.9	7.1
Middle Quintile	92.1	1.8	2.4	9.5	-1,225	-14.7	-0.4	5.3	-2.1	12.0
Fourth Quintile	99.0	0.3	3.5	28.1	-2,705	-16.4	-1.3	13.9	-2.9	14.8
Top Quintile	98.2	0.1	2.3	60.5	-4,765	-6.9	1.7	79.3	-1.7	23.2
All	85.2	1.0	2.5	100.0	-2,404	-8.8	0.0	100.0	-1.9	19.9
Addendum										
80-90	99.2	0.1	3.5	22.6	-3,702	-13.1	-0.7	14.4	-2.8	18.2
90-95	97.8	0.1	2.7	13.0	-3,938	-9.4	-0.1	12.1	-2.1	20.3
95-99	96.1	0.0	1.8	11.9	-4,491	-5.5	0.7	19.9	-1.4	23.4
Top 1 Percent	99.3	0.0	1.5	13.1	-19,461	-3.7	1.8	33.0	-1.1	27.9
Top 0.1 Percent	100.0	0.0	1.6	6.4	-94,797	-3.7	0.9	16.4	-1.1	29.5

Baseline Distribution of Income and Federal Taxes
by Cash Income Percentile Adjusted for Family Size, 2009¹

Cash Income Percentile ^{2,3}	Tax Units ⁴		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After-Tax Income ⁵ (Dollars)	Average Federal Tax Rate ⁶	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	6,621	11.1	13,343	114	13,229	0.9	1.2	1.5	0.1
Second Quintile	8,578	14.4	32,397	2,598	29,799	8.0	3.7	4.4	1.4
Middle Quintile	11,027	18.5	59,438	8,348	51,090	14.1	8.8	9.7	5.7
Fourth Quintile	14,829	24.9	93,284	16,516	76,768	17.7	18.6	19.6	15.1
Top Quintile	18,163	30.5	278,505	69,373	209,132	24.9	68.0	65.2	77.7
All	59,479	100.0	125,155	27,271	97,884	21.8	100.0	100.0	100.0
Addendum									
80-90	8,717	14.7	134,567	28,163	106,404	20.9	15.8	15.9	15.1
90-95	4,700	7.9	186,829	41,926	144,903	22.4	11.8	11.7	12.2
95-99	3,780	6.4	332,302	82,189	250,113	24.7	16.9	16.2	19.2
Top 1 Percent	965	1.6	1,813,978	524,949	1,289,030	28.9	23.5	21.4	31.2
Top 0.1 Percent	97	0.2	8,464,842	2,593,652	5,871,189	30.6	11.1	9.8	15.5

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

NOTE: Table shows the impact of the individual income tax measures on 2009 calendar year tax liability. Some individuals may not actually receive the benefits of the provisions until filing their 2009 tax returns in April of 2010. The business tax provisions are measured on a net present value basis.

(1) Calendar year. Baseline is current law plus extension and indexation of the 2008 AMT patch. Proposal would reduce the two lowest individual income tax rates from 10 and 15 percent to 5 and 10 percent; exclude unemployment compensation from gross income; provide a \$20,000 deduction against income from a small business; provide a special allowance for certain property acquired during 2009; allow a temporary increase in the limitation on expensing certain depreciable business assets; and provide a 5-year carryback with 10% cutback for 2008 and 2009 NOLs with an exception for TARP recipients (these last three measures are assumed to be the same as in the House Ways and Means Committee proposal).

(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% \$12,921, 40% \$24,393, 60% \$41,924, 80% \$67,748, 90% \$96,780, 95% \$137,143, 99% \$359,711, 99.9% \$1,730,730.

(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 T09-0048
House Republican Stimulus Proposal
Baseline: Current Law Plus Extension and Indexation of AMT Patch
Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2009¹
Detail Table - Head of Household Tax Units

Cash Income Percentile ^{2,3}	Percent of Tax Units ⁴		Percent Change in After-Tax Income ⁵	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁶	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (%)	Under the Proposal	Change (%)	Under the Proposal
Lowest Quintile	10.6	0.1	0.1	0.6	-12	1.3	-0.8	-6.0	-0.1	-6.9
Second Quintile	72.5	4.9	1.2	15.5	-338	-19.5	-0.8	8.9	-1.1	4.7
Middle Quintile	94.4	0.8	2.7	34.3	-1,106	-14.8	-0.8	27.6	-2.2	13.0
Fourth Quintile	97.6	0.2	3.1	29.7	-1,885	-12.8	-0.2	28.2	-2.5	16.9
Top Quintile	93.2	0.8	2.1	19.9	-2,772	-6.3	2.6	41.2	-1.5	23.0
All	60.6	1.8	1.9	100.0	-675	-12.2	0.0	100.0	-1.7	12.0
Addendum										
80-90	94.5	1.2	2.6	10.4	-2,243	-9.1	0.5	14.5	-2.0	20.4
90-95	91.8	0.0	2.0	3.0	-2,264	-6.5	0.4	6.0	-1.5	21.8
95-99	88.1	0.0	1.6	3.3	-3,289	-4.9	0.7	8.9	-1.2	23.0
Top 1 Percent	97.2	0.0	1.5	3.2	-15,906	-3.6	1.1	11.8	-1.1	28.1
Top 0.1 Percent	99.9	0.0	1.6	1.5	-83,314	-3.5	0.5	5.7	-1.1	30.0

Baseline Distribution of Income and Federal Taxes
by Cash Income Percentile Adjusted for Family Size, 2009¹

Cash Income Percentile ^{2,3}	Tax Units ⁴		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After-Tax Income ⁵ (Dollars)	Average Federal Tax Rate ⁶	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	7,558	32.5	12,952	-882	13,834	-6.8	10.4	12.9	-5.2	
Second Quintile	7,198	30.9	29,592	1,733	27,859	5.9	22.7	24.7	9.7	
Middle Quintile	4,877	20.9	49,284	7,489	41,794	15.2	25.6	25.1	28.4	
Fourth Quintile	2,482	10.7	75,584	14,690	60,895	19.4	20.0	18.6	28.4	
Top Quintile	1,128	4.8	179,427	43,973	135,454	24.5	21.5	18.8	38.6	
All	23,292	100.0	40,351	5,518	34,834	13.7	100.0	100.0	100.0	
Addendum										
80-90	730	3.1	109,967	24,664	85,303	22.4	8.6	7.7	14.0	
90-95	209	0.9	149,881	34,888	114,993	23.3	3.3	3.0	5.7	
95-99	158	0.7	276,495	66,789	209,705	24.2	4.7	4.1	8.2	
Top 1 Percent	31	0.1	1,510,258	440,843	1,069,416	29.2	5.0	4.1	10.7	
Top 0.1 Percent	3	0.0	7,770,538	2,410,859	5,359,679	31.0	2.3	1.8	5.2	

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

NOTE: Table shows the impact of the individual income tax measures on 2009 calendar year tax liability. Some individuals may not actually receive the benefits of the provisions until filing their 2009 tax returns in April of 2010. The business tax provisions are measured on a net present value basis.

(1) Calendar year. Baseline is current law plus extension and indexation of the 2008 AMT patch. Proposal would reduce the two lowest individual income tax rates from 10 and 15 percent to 5 and 10 percent; exclude unemployment compensation from gross income; provide a \$20,000 deduction against income from a small business; provide a special allowance for certain property acquired during 2009; allow a temporary increase in the limitation on expensing certain depreciable business assets; and provide a 5-year carryback with 10% cutback for 2008 and 2009 NOLs with an exception for TARP recipients (these last three measures are assumed to be the same as in the House Ways and Means Committee proposal).

(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% \$12,921, 40% \$24,393, 60% \$41,924, 80% \$67,748, 90% \$96,780, 95% \$137,143, 99% \$359,711, 99.9% \$1,730,730.

(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 T09-0048
House Republican Stimulus Proposal
Baseline: Current Law Plus Extension and Indexation of AMT Patch
Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2009¹
Detail Table - Tax Units with Children

Cash Income Percentile ^{2,3}	Percent of Tax Units ⁴		Percent Change in After-Tax Income ⁵	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁶	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	12.0	0.1	0.1	0.2	-19	1.6	-0.1	-1.4	-0.1	-8.8
Second Quintile	76.0	4.8	1.3	5.0	-397	-19.6	-0.3	1.9	-1.2	4.8
Middle Quintile	95.5	1.2	2.7	17.9	-1,382	-14.9	-0.7	9.6	-2.3	12.9
Fourth Quintile	98.7	0.3	3.4	32.7	-2,765	-14.5	-1.3	18.3	-2.7	16.2
Top Quintile	96.2	0.2	1.9	44.1	-4,338	-5.5	2.4	71.5	-1.4	24.3
All	75.3	1.4	2.2	100.0	-1,676	-8.6	0.0	100.0	-1.8	18.7
Addendum										
80-90	98.0	0.3	2.9	18.7	-3,511	-10.5	-0.3	15.1	-2.3	19.6
90-95	94.3	0.2	1.9	7.9	-3,243	-6.4	0.3	10.8	-1.5	21.7
95-99	93.0	0.1	1.4	7.8	-3,976	-3.9	0.9	18.0	-1.0	24.9
Top 1 Percent	99.1	0.0	1.4	9.8	-20,852	-3.2	1.5	27.6	-1.0	29.1
Top 0.1 Percent	100.0	0.0	1.5	5.0	-109,477	-3.4	0.7	13.4	-1.1	30.0

Baseline Distribution of Income and Federal Taxes
by Cash Income Percentile Adjusted for Family Size, 2009¹

Cash Income Percentile ^{2,3}	Tax Units ⁴		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After-Tax Income ⁵ (Dollars)	Average Federal Tax Rate ⁶	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	9,648	20.1	14,150	-1,220	15,370	-8.6	3.0	4.1	-1.3
Second Quintile	10,138	21.1	33,628	2,021	31,607	6.0	7.4	8.8	2.2
Middle Quintile	10,440	21.7	61,157	9,280	51,877	15.2	13.9	14.9	10.4
Fourth Quintile	9,539	19.8	101,199	19,123	82,075	18.9	21.1	21.5	19.5
Top Quintile	8,194	17.0	306,666	78,910	227,756	25.7	54.8	51.2	69.1
All	48,094	100.0	95,281	19,454	75,826	20.4	100.0	100.0	100.0
Addendum									
80-90	4,292	8.9	153,064	33,503	119,561	21.9	14.3	14.1	15.4
90-95	1,951	4.1	218,471	50,678	167,794	23.2	9.3	9.0	10.6
95-99	1,572	3.3	392,713	101,812	290,901	25.9	13.5	12.5	17.1
Top 1 Percent	379	0.8	2,144,629	643,884	1,500,746	30.0	17.7	15.6	26.1
Top 0.1 Percent	37	0.1	10,295,847	3,201,837	7,094,010	31.1	8.3	7.2	12.6

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.

NOTE: Table shows the impact of the individual income tax measures on 2009 calendar year tax liability. Some individuals may not actually receive the benefits of the provisions until filing their 2009 tax returns in April of 2010. The business tax provisions are measured on a net present value basis.

(1) Calendar year. Baseline is current law plus extension and indexation of the 2008 AMT patch. Proposal would reduce the two lowest individual income tax rates from 10 and 15 percent to 5 and 10 percent; exclude unemployment compensation from gross income; provide a \$20,000 deduction against income from a small business; provide a special allowance for certain property acquired during 2009; allow a temporary increase in the limitation on expensing of certain depreciable business assets; and provide a 5-year carryback with 10% cutback for 2008 and 2009 NOLs with an exception for TARP recipients (these last three measures are assumed to be the same as in the House Ways and Means Committee proposal).

(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% \$12,921, 40% \$24,393, 60% \$41,924, 80% \$67,748, 90% \$96,780, 95% \$137,143, 99% \$359,711, 99.9% \$1,730,730.

(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 T09-0048
House Republican Stimulus Proposal
Baseline: Current Law Plus Extension and Indexation of AMT Patch
Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2009¹
Detail Table - Elderly Tax Units

Cash Income Percentile ^{2,3}	Percent of Tax Units ⁴		Percent Change in After-Tax Income ⁵	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁶	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	27.2	0.0	0.2	0.2	-15	-6.8	0.0	0.3	-0.2	2.1
Second Quintile	56.0	0.1	0.6	2.0	-114	-13.2	0.0	1.6	-0.5	3.5
Middle Quintile	85.4	0.2	1.3	5.2	-512	-18.5	-0.3	2.8	-1.2	5.5
Fourth Quintile	98.8	0.2	3.2	24.7	-1,990	-23.6	-1.6	9.7	-2.9	9.2
Top Quintile	99.6	0.0	2.7	67.9	-5,119	-8.7	1.9	85.6	-2.1	21.7
All	71.4	0.1	2.4	100.0	-1,499	-10.8	0.0	100.0	-2.0	16.4
Addendum										
80-90	99.6	0.0	3.8	19.3	-3,312	-19.1	-1.0	9.9	-3.1	13.4
90-95	99.5	0.0	3.3	13.7	-3,985	-14.3	-0.4	9.9	-2.7	16.2
95-99	99.6	0.0	2.5	16.2	-5,248	-8.8	0.4	20.4	-2.0	20.5
Top 1 Percent	99.8	0.0	2.0	18.7	-20,516	-4.7	2.9	45.4	-1.4	28.5
Top 0.1 Percent	100.0	0.0	2.0	8.6	-93,007	-4.3	1.6	23.3	-1.4	30.9

Baseline Distribution of Income and Federal Taxes
by Cash Income Percentile Adjusted for Family Size, 2009¹

Cash Income Percentile ^{2,3}	Tax Units ⁴		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After-Tax Income ⁵ (Dollars)	Average Federal Tax Rate ⁶	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	5,675	19.8	9,958	227	9,731	2.3	2.6	3.1	0.3
Second Quintile	7,562	26.4	21,260	867	20,393	4.1	7.4	8.7	1.7
Middle Quintile	4,371	15.3	41,175	2,767	38,407	6.7	8.3	9.5	3.0
Fourth Quintile	5,321	18.6	69,880	8,443	61,437	12.1	17.2	18.5	11.3
Top Quintile	5,689	19.9	246,281	58,572	187,708	23.8	64.6	60.3	83.7
All	28,639	100.0	75,721	13,910	61,811	18.4	100.0	100.0	100.0
Addendum									
80-90	2,500	8.7	105,353	17,386	87,967	16.5	12.1	12.4	10.9
90-95	1,471	5.1	147,862	27,953	119,909	18.9	10.0	10.0	10.3
95-99	1,329	4.6	266,234	59,703	206,532	22.4	16.3	15.5	19.9
Top 1 Percent	391	1.4	1,451,124	433,670	1,017,454	29.9	26.1	22.5	42.5
Top 0.1 Percent	40	0.1	6,768,885	2,184,145	4,584,740	32.3	12.4	10.3	21.7

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.

NOTE: Table shows the impact of the individual income tax measures on 2009 calendar year tax liability. Some individuals may not actually receive the benefits of the provisions until filing their 2009 tax returns in April of 2010. The business tax provisions are measured on a net present value basis.

(1) Calendar year. Baseline is current law plus extension and indexation of the 2008 AMT patch. Proposal would reduce the two lowest individual income tax rates from 10 and 15 percent to 5 and 10 percent; exclude unemployment compensation from gross income; provide a \$20,000 deduction against income from a small business; provide a special allowance for certain property acquired during 2009; allow a temporary increase in the limitation on expensing of certain depreciable business assets; and provide a 5-year carryback with 10% cutback for 2008 and 2009 NOLs with an exception for TARP recipients (these last three measures are assumed to be the same as in the House Ways and Means Committee proposal).

(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% \$12,921, 40% \$24,393, 60% \$41,924, 80% \$67,748, 90% \$96,780, 95% \$137,143, 99% \$359,711, 99.9% \$1,730,730.

(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.