

Table T09-0061
"The American Recovery and Reinvestment Tax Act of 2009"
As Reported by Senate Finance
Distribution of Federal Tax Change by Cash Income Level, 2009 ¹
Summary Table

Cash Income Level (thousands of 2008 dollars) ²	Percent of Tax Units ³		Percent Change in After-Tax Income ⁴	Share of Total Federal Tax Change	Average Federal Tax Change (\$)	Average Federal Tax Rate ⁵	
	With Tax Cut	With Tax Increase				Change (%) Points)	Under the Proposal
Less than 10	70.3	0.0	4.8	2.3	-257	-4.5	0.8
10-20	75.1	0.0	3.5	6.3	-505	-3.3	1.3
20-30	90.8	0.0	2.8	6.5	-652	-2.6	6.8
30-40	95.8	0.0	2.3	5.2	-701	-2.0	11.3
40-50	97.0	0.0	1.9	4.5	-740	-1.6	14.3
50-75	98.3	0.0	1.7	9.6	-859	-1.4	16.6
75-100	98.1	0.0	1.9	9.7	-1,331	-1.5	18.2
100-200	97.0	0.0	2.6	28.4	-2,807	-2.0	20.7
200-500	99.2	0.2	2.6	16.5	-5,703	-2.0	24.1
500-1,000	94.9	0.3	0.9	2.3	-4,522	-0.7	26.2
More than 1,000	98.3	0.0	1.5	8.6	-32,362	-1.0	29.3
All	89.7	0.0	2.2	100.0	-1,295	-1.7	20.0

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.

Number of AMT Taxpayers (millions). Baseline: 30.3

Proposal: 4.6

(1) Calendar year. Baseline is current law. For a description of "The American Recovery and Reinvestment Tax Act of 2009" see <http://jct.gov/x-12-09.pdf>.

Provisions include the Making Work Pay Credit equal to 6.2% of earned income up to a maximum credit of \$500 (\$1,000 for joint filers) phased out above AGI \$75,000 (\$150,000 for joint filers). The earned income tax credit percentage for families with three or more qualifying children is increased to 45 percent and the threshold phase-out amount for joint filers is increased to \$5,000 above the phase-out threshold for single and head of household tax units. The child tax credit refundability threshold is reduced to \$6,000. The HOPE credit is made available for four years at a rate of 100% of the first \$2,000 of qualified expenses and 25% of the next \$2,000. The phase-out thresholds are increased to AGI \$80,000 (\$160,000 for joint filers), textbooks are made a qualifying expense and thirty percent of the credit is made refundable. Up to \$2,400 of unemployment benefits are excludable from gross income. The AMT exemptions for 2009 are increased to \$46,700 (\$70,950 for joint filers) and personal credits are made allowable

against AMT liability. Tax incentives for businesses include special allowance for certain property acquired during 2009, temporary increase in limitation on expensing of certain depreciable business assets, and a 5 year carryback of 2008 and 2009 NOLs with exception for TARP recipients.

(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 T09-0061
"The American Recovery and Reinvestment Tax Act of 2009"
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Distribution of Federal Tax Change by Cash Income Level, 2009 ¹
Detail Table

Cash Income Level (thousands of 2008 dollars) ²	Percent of Tax Units ³		Percent Change in After-Tax Income ⁴	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁵	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Less than 10	70.3	0.0	4.8	2.3	-257	-84.8	-0.2	0.0	-4.5	0.8
10-20	75.1	0.0	3.5	6.3	-505	-71.5	-0.5	0.2	-3.3	1.3
20-30	90.8	0.0	2.8	6.5	-652	-27.6	-0.4	1.5	-2.6	6.8
30-40	95.8	0.0	2.3	5.2	-701	-14.8	-0.2	2.6	-2.0	11.3
40-50	97.0	0.0	1.9	4.5	-740	-10.2	-0.1	3.4	-1.6	14.3
50-75	98.3	0.0	1.7	9.6	-859	-7.6	0.0	10.0	-1.4	16.6
75-100	98.1	0.0	1.9	9.7	-1,331	-7.6	0.0	10.1	-1.5	18.2
100-200	97.0	0.0	2.6	28.4	-2,807	-8.9	-0.3	25.0	-2.0	20.7
200-500	99.2	0.2	2.6	16.5	-5,703	-7.5	0.1	17.5	-2.0	24.1
500-1,000	94.9	0.3	0.9	2.3	-4,522	-2.4	0.5	8.0	-0.7	26.2
More than 1,000	98.3	0.0	1.5	8.6	-32,362	-3.3	1.0	21.6	-1.0	29.3
All	89.7	0.0	2.2	100.0	-1,295	-7.9	0.0	100.0	-1.7	20.0

**Baseline Distribution of Income and Federal Taxes
by Cash Income Level, 2009 ¹**

Cash Income Level (thousands of 2008 dollars)	Tax Units ³	Average Income	Average Federal Tax	Average After-Tax Income	Average Federal Tax	Share of Fed. Tax	Share of Post- Tax Income Percent of Total	Share of Federal Taxes Percent of Total
							1.1	0.2
							3.9	0.7
							5.1	1.9
							5.0	2.8
							5.1	3.5
							12.7	10.0
							11.4	10.1
200-500	5,636	3.8	291,886	75,924	215,962	26.0	14.5	13.7
500-1,000	989	0.7	695,069	186,351	508,717	26.8	6.1	5.7
More than 1,000	519	0.4	3,199,967	970,745	2,229,222	30.3	14.7	13.1
All	150,241	100.0	75,289	16,327	58,962	21.7	100.0	100.0

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0308-07).

Number of AMT Taxpayers (millions). Baseline: 30.3 Proposal: 4.6

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. For a description of "The American Recovery and Reinvestment Tax Act of 2009" see <http://jct.gov/x-12-09.pdf>. Provisions include the Making Work Pay Credit equal to 6.2% of earned income up to a maximum credit of \$500 (\$1,000 for joint filers) phased out above AGI \$75,000 (\$150,000 for joint filers). The earned income tax credit percentage for families with three or more qualifying children is increased to 45 percent and the threshold phase-out amount for joint filers is increased to \$5,000 above the phase-out threshold for single and head of household tax units. The child tax credit refundability threshold is reduced to \$6,000. The HOPE credit is made available for four years at a rate of 100% of the first \$2,000 of qualified expenses and 25% of the next \$2,000. The phase-out thresholds are increased to AGI \$80,000 (\$160,000 for joint filers), textbooks are made a qualifying expense and thirty percent of the credit is made refundable. Up to \$2,400 of unemployment benefits are excludable from gross income. The AMT exemptions for 2009 are increased to \$46,700 (\$70,950 for joint filers) and personal credits are made allowable against AMT liability. Tax incentives for businesses include special allowance for certain property acquired during 2009, temporary increase in limitation on expens carryback of 2008 and 2009 NOLs with exception for TARP recipients.

(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 T09-0061
"The American Recovery and Reinvestment Tax Act of 2009"
As Reported by Senate Finance
Distribution of Federal Tax Change by Cash Income Level, 2009¹
Detail Table - Single Tax Units

Cash Income Level (thousands of 2008 dollars) ²	Percent of Tax Units ³		Percent Change in After-Tax Income ⁴	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁵	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Less than 10	69.1	0.0	4.6	8.9	-240	-53.0	-0.5	0.5	-4.2	3.7
10-20	69.2	0.0	2.4	14.3	-325	-26.0	-0.7	2.5	-2.2	6.2
20-30	90.4	0.0	2.1	13.3	-457	-12.6	-0.4	5.7	-1.8	12.6
30-40	96.6	0.0	1.8	10.1	-527	-8.2	-0.2	7.0	-1.5	16.7
40-50	97.3	0.0	1.4	8.3	-519	-5.8	0.0	8.3	-1.1	18.4
50-75	98.2	0.0	1.2	13.7	-572	-4.2	0.3	19.2	-0.9	20.8
75-100	94.4	0.0	0.9	5.6	-587	-2.8	0.4	12.0	-0.7	23.0
100-200	81.5	0.3	0.9	7.9	-913	-2.8	0.5	17.3	-0.7	23.9
200-500	95.9	0.5	1.6	7.5	-3,506	-4.5	0.1	9.9	-1.2	25.3
500-1,000	95.0	0.1	1.3	2.4	-6,311	-3.2	0.1	4.5	-0.9	27.6
More than 1,000	97.9	0.0	1.9	7.8	-38,681	-3.6	0.3	13.0	-1.2	32.8
All	83.3	0.0	1.6	100.0	-524	-5.8	0.0	100.0	-1.3	20.1

**Baseline Distribution of Income and Federal Taxes
by Cash Income Level, 2009¹**

Cash Income Level (thousands of 2008 dollars)	Tax Units ³		Average Income	Average Federal Income	Average After-Tax Income	Average Federal Income	Share of Fed. Tax	Share of Post- Tax Income Percent of Total	Share of Federal Taxes Percent of Total
	Number (thousands)	Percent							
								3.1	1.0
								9.6	3.2
								9.9	6.1
								8.9	7.2
								9.3	8.3
								18.5	18.9
								10.2	11.6
200-500	730	1.1	295,280	78,268	217,012	26.5	7.9	7.4	9.8
500-1,000	130	0.2	694,203	197,542	496,661	28.5	3.3	3.0	4.4
More than 1,000	69	0.1	3,156,727	1,074,887	2,081,839	34.1	7.9	6.7	12.7
All	64,958	100.0	42,053	8,992	33,060	21.4	100.0	100.0	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0308-07).

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. For a description of "The American Recovery and Reinvestment Tax Act of 2009" see <http://jct.gov/x-12-09.pdf>. Provisions include the Making Work Pay Credit equal to 6.2% of earned income up to a maximum credit of \$500 (\$1,000 for joint filers) phased out above AGI \$75,000 (\$150,000 for joint filers). The earned income tax credit percentage for families with three or more qualifying children is increased to 45 percent and the threshold phase-out amount for joint filers is increased to \$5,000 above the phase-out threshold for single and head of household tax units. The child tax credit refundability threshold is reduced to \$6,000. The HOPE credit is made available for four years at a rate of 100% of the first \$2,000 of qualified expenses and 25% of the next \$2,000. The phase-out thresholds are increased to AGI \$80,000 (\$160,000 for joint filers). textbooks are made a qualifying expense and thirty percent of the credit is made refundable. Up to \$2,400 of unemployment benefits are excludable from gross income. The AMT exemptions for 2009 are increased to \$46,700 (\$70,950 for joint filers) and personal credits are made allowable against AMT liability. Tax incentives for businesses include special allowance for certain property acquired during 2009, temporary increase in limitation on expens carryback of 2008 and 2009 NOLs with exception for TARP recipients.

(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 T09-0061
"The American Recovery and Reinvestment Tax Act of 2009"
As Reported by Senate Finance
Distribution of Federal Tax Change by Cash Income Level, 2009¹
Detail Table - Married Tax Units Filing Jointly

Cash Income Level (thousands of 2008 dollars) ²	Percent of Tax Units ³		Percent Change in After-Tax Income ⁴	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁵	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Less than 10	64.3	0.0	4.9	0.4	-229	-87.5	0.0	0.0	-4.7	0.7
10-20	76.7	0.0	4.7	2.1	-719	-155.6	-0.2	-0.1	-4.6	-1.6
20-30	85.6	0.0	3.9	3.2	-931	-74.7	-0.3	0.1	-3.7	1.3
30-40	91.7	0.0	3.1	2.9	-1,014	-35.5	-0.2	0.5	-2.9	5.2
40-50	95.1	0.0	2.7	2.9	-1,086	-21.0	-0.2	1.0	-2.4	8.9
50-75	98.0	0.0	1.9	7.3	-1,032	-11.0	-0.2	5.2	-1.6	13.1
75-100	99.3	0.1	2.1	10.6	-1,556	-9.7	-0.2	8.8	-1.7	16.3
100-200	99.9	0.0	3.0	37.0	-3,201	-10.3	-0.7	28.5	-2.3	20.1
200-500	99.8	0.1	2.8	21.1	-6,111	-8.1	0.0	21.2	-2.1	23.9
500-1,000	95.5	0.0	0.8	2.6	-4,270	-2.3	0.6	9.6	-0.6	25.9
More than 1,000	98.5	0.0	1.4	9.6	-30,587	-3.3	1.3	25.1	-1.0	28.8
All	94.6	0.0	2.4	100.0	-2,298	-8.1	0.0	100.0	-1.8	20.8

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

Cash Income Level (thousands of 2008 dollars)	Tax Units ³	Average Income	Average Federal Income	Average After-Tax Income	Average Federal Income	Share of Fed. Tax	Share of Post-	Share of
							Tax Income Percent of Total	Federal Taxes Percent of Total
							0.2	0.0
							1.0	0.1
							2.0	0.4
							2.3	0.7
							2.6	1.1
							9.2	5.4
							11.9	8.9
200-500	4,725	7.9	291,151	75,559	215,592	26.0	18.5	17.7
500-1,000	827	1.4	695,396	184,513	510,883	26.5	7.7	7.3
More than 1,000	430	0.7	3,148,057	936,412	2,211,645	29.8	18.2	16.5
All	59,479	100.0	125,155	28,353	96,802	22.7	100.0	100.0

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0308-07).

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. For a description of "The American Recovery and Reinvestment Tax Act of 2009" see <http://jct.gov/x-12-09.pdf>. Provisions include the Making Work Pay Credit equal to 6.2% of earned income up to a maximum credit of \$500 (\$1,000 for joint filers) phased out above AGI \$75,000 (\$150,000 for joint filers). The earned income tax credit percentage for families with three or more qualifying children is increased to 45 percent and the threshold phase-out amount for joint filers is increased to \$5,000 above the phase-out threshold for single and head of household tax units. The child tax credit refundability threshold is reduced to \$6,000. The HOPE credit is made available for four years at a rate of 100% of the first \$2,000 of qualified expenses and 25% of the next \$2,000. The phase-out thresholds are increased to AGI \$80,000 (\$160,000 for joint filers). textbooks are made a qualifying expense and thirty percent of the credit is made refundable. Up to \$2,400 of unemployment benefits are excludable from gross income. The AMT exemptions for 2009 are increased to \$46,700 (\$70,950 for joint filers) and personal credits are made allowable against AMT liability. Tax incentives for businesses include special allowance for certain property acquired during 2009, temporary increase in limitation on expense carryback of 2008 and 2009 NOLs with exception for TARP recipients.

(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 T09-0061
"The American Recovery and Reinvestment Tax Act of 2009"
As Reported by Senate Finance
Distribution of Federal Tax Change by Cash Income Level, 2009¹
Detail Table - Head of Household Tax Units

Cash Income Level (thousands of 2008 dollars) ²	Percent of Tax Units ³		Percent Change in After-Tax Income ⁴	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁵	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Less than 10	81.1	0.0	5.5	4.4	-375	82.3	-1.0	-1.8	-5.8	-13.0
10-20	90.2	0.0	5.5	21.3	-877	106.7	-4.4	-7.5	-5.8	-11.1
20-30	96.7	0.0	3.2	17.6	-798	-132.9	-2.8	-0.8	-3.1	-0.8
30-40	98.6	0.0	2.1	11.9	-685	-20.1	-0.5	8.6	-1.9	7.7
40-50	99.2	0.0	1.8	7.8	-688	-10.6	0.6	11.9	-1.5	12.6
50-75	99.2	0.0	1.9	15.7	-973	-8.9	2.1	29.3	-1.6	16.2
75-100	98.4	0.0	2.2	9.2	-1,502	-8.1	1.5	19.0	-1.7	19.5
100-200	97.0	0.0	2.0	7.7	-2,004	-6.4	2.0	20.6	-1.5	22.6
200-500	98.6	0.0	1.6	2.4	-3,652	-4.9	0.9	8.4	-1.2	23.8
500-1,000	84.6	0.0	0.7	0.4	-3,616	-2.0	0.5	3.3	-0.5	26.2
More than 1,000	95.9	0.0	1.4	1.6	-30,419	-3.3	1.1	8.9	-1.0	29.4
All	94.6	0.0	2.5	100.0	-878	-15.4	0.0	100.0	-2.2	12.0

**Baseline Distribution of Income and Federal Taxes
by Cash Income Level, 2009¹**

Cash Income Level (thousands of 2008)	Tax Units ³		Average Income	Average Federal Expend	Average After-Tax Income	Average Federal Expend	Share of Fed. Tax	Share of Post- Tax Income Percent of Total	Share of Federal Taxes Percent of Total
								2.1	-0.8
								9.9	-3.1
								13.9	2.0
								14.1	9.1
								11.3	11.3
								20.8	27.2
								10.7	17.5
200-500	132	0.6	298,070	74,443	223,627	25.0	4.2	3.7	7.4
500-1,000	21	0.1	683,864	182,444	501,421	26.7	1.5	1.3	2.8
More than 1,000	11	0.1	3,070,023	932,848	2,137,175	30.4	3.6	2.9	7.8
All	23,292	100.0	40,351	5,702	34,650	14.1	100.0	100.0	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0308-07).

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. For a description of "The American Recovery and Reinvestment Tax Act of 2009" see <http://jct.gov/x-12-09.pdf>. Provisions include the Making Work Pay Credit equal to 6.2% of earned income up to a maximum credit of \$500 (\$1,000 for joint filers) phased out above AGI \$75,000 (\$150,000 for joint filers). The earned income tax credit percentage for families with three or more qualifying children is increased to 45 percent and the threshold phase-out amount for joint filers is increased to \$5,000 above the phase-out threshold for single and head of household tax units. The child tax credit refundability threshold is reduced to \$6,000. The HOPE credit is made available for four years at a rate of 100% of the first \$2,000 of qualified expenses and 25% of the next \$2,000. The phase-out thresholds are increased to AGI \$80,000 (\$160,000 for joint filers). textbooks are made a qualifying expense and thirty percent of the credit is made refundable. Up to \$2,400 of unemployment benefits are excludable from gross income. The AMT exemptions for 2009 are increased to \$46,700 (\$70,950 for joint filers) and personal credits are made allowable against AMT liability. Tax incentives for businesses include special allowance for certain property acquired during 2009, temporary increase in limitation on expense carryback of 2008 and 2009 NOLs with exception for TARP recipients.

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(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 T09-0061
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As Reported by Senate Finance
Distribution of Federal Tax Change by Cash Income Level, 2009 ¹
Detail Table - Tax Units with Children

Cash Income Level (thousands of 2008 dollars) ²	Percent of Tax Units ³		Percent Change in After-Tax Income ⁴	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁵	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Less than 10	83.0	0.0	6.3	1.1	-421	61.9	-0.2	-0.3	-7.0	-18.4
10-20	96.9	0.0	6.5	5.9	-1,089	77.7	-0.8	-1.6	-7.0	-16.1
20-30	99.1	0.0	4.4	6.2	-1,117	1,264.5	-0.7	-0.8	-4.4	-4.8
30-40	99.5	0.0	3.1	4.8	-1,028	-36.7	-0.4	1.0	-2.9	5.0
40-50	99.6	0.0	2.7	4.0	-1,086	-18.8	-0.2	2.0	-2.4	10.3
50-75	99.6	0.0	2.2	8.7	-1,189	-11.8	-0.1	7.5	-1.9	14.1
75-100	99.6	0.0	2.5	10.6	-1,830	-10.9	-0.1	9.9	-2.1	16.8
100-200	99.5	0.0	3.6	34.8	-3,863	-12.2	-0.6	28.8	-2.8	20.1
200-500	99.7	0.1	3.0	16.7	-6,269	-8.2	0.5	21.5	-2.2	24.4
500-1,000	92.9	0.2	0.6	1.4	-3,095	-1.6	0.8	9.4	-0.5	27.0
More than 1,000	97.6	0.0	1.2	5.8	-27,439	-2.8	1.7	22.6	-0.9	29.6
All	98.2	0.0	2.8	100.0	-2,104	-10.3	0.0	100.0	-2.2	19.3

**Baseline Distribution of Income and Federal Taxes
by Cash Income Level, 2009 ¹**

Cash Income Level (thousands of 2008 dollars)	Tax Units ³		Average Income	Average Federal Tax	Average After-Tax Income	Average Federal Tax	Share of Fed. Tax	Share of Post- Tax Income Percent of Total	Share of Federal Taxes Percent of Total
	Number (thousands)	Percent							
								0.5	-0.2
								2.6	-0.8
								4.0	-0.1
								4.3	1.4
								4.2	2.2
								10.9	7.6
								11.7	10.0
200-500	2,690	5.6	288,713	76,663	212,050	26.6	17.0	15.9	21.0
500-1,000	442	0.9	693,043	189,988	503,055	27.4	6.7	6.2	8.5
More than 1,000	212	0.4	3,179,388	969,934	2,209,454	30.5	14.7	13.0	20.9
All	48,094	100.0	95,281	20,453	74,827	21.5	100.0	100.0	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0308-07).

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. For a description of "The American Recovery and Reinvestment Tax Act of 2009" see <http://jct.gov/x-12-09.pdf>. Provisions include the Making Work Pay Credit equal to 6.2% of earned income up to a maximum credit of \$500 (\$1,000 for joint filers) phased out above AGI \$75,000 (\$150,000 for joint filers). The earned income tax credit percentage for families with three or more qualifying children is increased to 45 percent and the threshold phase-out amount for joint filers is increased to \$5,000 above the phase-out threshold for single and head of household tax units. The child tax credit refundability threshold is reduced to \$6,000. The HOPE credit is made available for four years at a rate of 100% of the first \$2,000 of qualified expenses and 25% of the next \$2,000. The phase-out thresholds are increased to AGI \$80,000 (\$160,000 for joint filers), textbooks are made a qualifying expense and thirty percent of the credit is made refundable. Up to \$2,400 of unemployment benefits are excludable from gross income. The AMT exemptions for 2009 are increased to \$46,700 (\$70,950 for joint filers) and personal credits are made allowable against AMT liability. Tax incentives for businesses include special allowance for certain property acquired during 2009, temporary increase in limitation on expens carryback of 2008 and 2009 NOLs with exception for TARP recipients.

(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 T09-0061
"The American Recovery and Reinvestment Tax Act of 2009"
As Reported by Senate Finance
Distribution of Federal Tax Change by Cash Income Level, 2009 ¹
Detail Table - Elderly Tax Units

Cash Income Level (thousands of 2008 dollars) ²	Percent of Tax Units ³		Percent Change in After-Tax Income ⁴	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁵	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Less than 10	35.4	0.0	0.8	0.5	-53	-29.5	0.0	0.1	-0.8	1.9
10-20	42.0	0.0	0.6	2.0	-80	-20.2	-0.1	0.6	-0.5	2.1
20-30	69.7	0.0	0.8	3.0	-199	-15.7	-0.1	1.1	-0.8	4.3
30-40	82.2	0.0	0.8	2.1	-263	-12.5	-0.1	1.0	-0.8	5.2
40-50	85.9	0.0	0.8	2.1	-332	-9.4	0.0	1.5	-0.7	7.0
50-75	93.6	0.0	1.0	8.1	-536	-7.4	-0.1	7.3	-0.9	10.6
75-100	96.5	0.1	1.3	8.8	-944	-7.3	-0.1	8.0	-1.1	13.5
100-200	98.4	0.0	1.8	23.8	-2,027	-7.8	-0.2	20.1	-1.5	17.4
200-500	99.5	0.1	2.6	23.3	-5,864	-8.2	-0.3	18.8	-2.0	22.0
500-1,000	99.2	0.2	1.6	6.8	-8,357	-4.4	0.3	10.5	-1.2	25.8
More than 1,000	99.6	0.1	2.0	19.6	-42,303	-4.3	0.8	31.0	-1.4	29.7
All	72.3	0.0	1.6	100.0	-951	-6.7	0.0	100.0	-1.3	17.5

**Baseline Distribution of Income and Federal Taxes
by Cash Income Level, 2009 ¹**

Cash Income Level (thousands of 2008 dollars)	Tax Units ³		Average Income	Average Federal Tax	Average After-Tax Income	Average Federal Tax	Share of Fed. Tax	Share of Post- Tax Income Percent of Total	Share of Federal Taxes Percent of Total
									1.0
								5.6	0.7
								5.4	1.3
								4.0	1.1
								4.1	1.5
								13.1	7.3
								10.9	8.1
200-500	1,082	3.8	298,445	71,508	226,937	24.0	14.9	13.9	19.1
500-1,000	221	0.8	696,175	188,052	508,123	27.0	7.1	6.4	10.2
More than 1,000	126	0.4	3,134,426	974,445	2,159,981	31.1	18.2	15.5	30.3
All	28,639	100.0	75,721	14,178	61,543	18.7	100.0	100.0	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0308-07).

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. For a description of "The American Recovery and Reinvestment Tax Act of 2009" see <http://jct.gov/x-12-09.pdf>. Provisions include the Making Work Pay Credit equal to 6.2% of earned income up to a maximum credit of \$500 (\$1,000 for joint filers) phased out above AGI \$75,000 (\$150,000 for joint filers). The earned income tax credit percentage for families with three or more qualifying children is increased to 45 percent and the threshold phase-out amount for joint filers is increased to \$5,000 above the phase-out threshold for single and head of household tax units. The child tax credit refundability threshold is reduced to \$6,000. The HOPE credit is made available for four years at a rate of 100% of the first \$2,000 of qualified expenses and 25% of the next \$2,000. The phase-out thresholds are increased to AGI \$80,000 (\$160,000 for joint filers), textbooks are made a qualifying expense and thirty percent of the credit is made refundable. Up to \$2,400 of unemployment benefits are excludable from gross income. The AMT exemptions for 2009 are increased to \$46,700 (\$70,950 for joint filers) and personal credits are made allowable against AMT liability. Tax incentives for businesses include special allowance for certain property acquired during 2009, temporary increase in limitation on expens carryback of 2008 and 2009 NOLs with exception for TARP recipients.

(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

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(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.