

Table T09-0073
Reduce Child Tax Credit (CTC) Refundability Threshold to \$3,000
Baseline: \$6000 Threshold
Distribution of Tax Units with Benefit, 2009 ¹

Cash Income Level (thousands of 2008 dollars) ²	Tax Units (thousands) ³			Average Benefit (\$)	
	All	Number with Benefit	Percent with Benefit	Tax Units with Benefit	All Tax Units
Less than 10	17,204	1,679	9.8	-349	-34
10-20	24,101	2,892	12.0	-378	-45
20-30	19,493	996	5.1	-364	-19
30-40	14,384	193	1.3	-340	-5
40-50	11,749	61	0.5	-375	-2
50-75	21,662	40	0.2	-366	-1
75-100	14,107	9	0.1	-423	0
100-200	19,712	7	0.0	-356	0
200-500	5,636	1	0.0	**	**
500-1,000	989	0	0.0	**	**
More than 1,000	519	0	0.0	**	**
All	150,241	5,903	3.9	-366	-14

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

(1) Calendar year. Baseline is current law with the threshold reduced to \$6,000. Proposal reduced the unindexed earnings threshold for refundability to \$3,000. Estimates are static and do not account for any potential microeconomic behavioral response. Official estimates from the Joint Committee on Taxation would likely show a somewhat different effect on revenue. Average benefits are suppressed for income classes in which fewer than 5,000 tax units have a reduction in tax liability.

(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.