

**Table T09-0224**  
**Index Individual Income Tax Parameters to CPI Less 1 Percentage Point: Current Law Baseline**  
**Distribution of Federal Tax Change by Cash Income Level, 2012 <sup>1</sup>**  
**Summary Table**

Cash Income Level (thousands of 2009 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>	0.0	9.9	-0.1	0.3	3	0.1	1.9
<b>10-20</b>	0.1	54.0	-0.3	5.4	43	0.3	4.1
<b>20-30</b>	0.1	74.1	-0.4	10.0	83	0.3	9.8
<b>30-40</b>	0.1	84.1	-0.3	8.9	101	0.3	14.2
<b>40-50</b>	0.1	86.8	-0.2	6.2	90	0.2	16.7
<b>50-75</b>	0.2	86.7	-0.2	15.1	121	0.2	19.0
<b>75-100</b>	0.6	79.8	-0.2	12.9	153	0.2	20.7
<b>100-200</b>	2.3	73.0	-0.2	25.3	216	0.2	24.0
<b>200-500</b>	6.8	59.0	-0.1	9.4	290	0.1	27.2
<b>500-1,000</b>	2.5	82.4	-0.2	4.2	751	0.1	29.0
<b>More than 1,000</b>	2.5	87.3	0.0	2.3	817	0.0	34.0
<b>All</b>	0.7	68.1	-0.2	100.0	116	0.2	23.0

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0309-2).

Number of AMT Taxpayers (millions). Baseline: 19.5

Proposal: 17.6

(1) Calendar year. Baseline is current law. Under the proposal, all individual income tax parameters that are currently indexed to inflation using the Consumer Price Index for All Urban Consumers (CPI-U) would instead be indexed using the CPI-U less 1 percentage point. All unindexed parameters would remain unindexed.

(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 T09-0224**  
**Index Individual Income Tax Parameters to CPI Less 1 Percentage Point: Current Law Baseline**  
**Distribution of Federal Tax Change by Cash Income Level, 2012 <sup>1</sup>**  
**Detail Table**

Cash Income Level (thousands of 2009 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	9.9	-0.1	0.3	3	3.1	0.0	0.1	0.1	1.9
10-20	0.1	54.0	-0.3	5.4	43	7.0	0.0	0.5	0.3	4.1
20-30	0.1	74.1	-0.4	10.0	83	3.3	0.1	2.0	0.3	9.8
30-40	0.1	84.1	-0.3	8.9	101	2.0	0.0	3.0	0.3	14.2
40-50	0.1	86.8	-0.2	6.2	90	1.2	0.0	3.5	0.2	16.7
50-75	0.2	86.7	-0.2	15.1	121	1.0	0.0	10.0	0.2	19.0
75-100	0.6	79.8	-0.2	12.9	153	0.8	0.0	10.3	0.2	20.7
100-200	2.3	73.0	-0.2	25.3	216	0.6	0.0	26.0	0.2	24.0
200-500	6.8	59.0	-0.1	9.4	290	0.4	-0.1	17.1	0.1	27.2
500-1,000	2.5	82.4	-0.2	4.2	751	0.4	0.0	7.5	0.1	29.0
More than 1,000	2.5	87.3	0.0	2.3	817	0.1	-0.1	19.9	0.0	34.0
All	0.7	68.1	-0.2	100.0	116	0.7	0.0	100.0	0.2	23.0

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Level, 2012 <sup>1</sup>**

Cash Income Level (thousands of 2009 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-	Share of Post-	Share of
	Number (thousands)	Percent of Total					Tax Income Percent of Total	Tax Income Percent of Total	Federal Taxes Percent of Total
Less than 10	16,013	10.2	5,740	107	5,634	1.9	0.8	1.0	0.1
10-20	23,194	14.7	15,900	609	15,291	3.8	3.0	3.8	0.5
20-30	22,014	14.0	26,173	2,483	23,689	9.5	4.7	5.5	2.0
30-40	16,088	10.2	36,651	5,090	31,561	13.9	4.8	5.4	2.9
40-50	12,539	8.0	47,251	7,813	39,438	16.5	4.8	5.2	3.5
50-75	22,724	14.4	65,018	12,223	52,795	18.8	12.1	12.7	10.0
75-100	15,284	9.7	91,616	18,849	72,766	20.6	11.4	11.8	10.3
100-200	21,316	13.6	142,730	33,993	108,737	23.8	24.8	24.5	26.0
200-500	5,894	3.8	300,152	81,229	218,923	27.1	14.5	13.7	17.2
500-1,000	1,021	0.7	714,940	206,438	508,501	28.9	6.0	5.5	7.6
More than 1,000	519	0.3	3,165,609	1,075,089	2,090,519	34.0	13.4	11.5	20.0
All	157,316	100.0	77,851	17,748	60,103	22.8	100.0	100.0	100.0

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0309-2).

Number of AMT Taxpayers (millions). Baseline: 19.5

Proposal: 17.6

(1) Calendar year. Baseline is current law. Under the proposal, all individual income tax parameters that are currently indexed to inflation using the Consumer Price Index for All Urban Consumers (CPI-U) would instead be indexed using the CPI-U less 1 percentage point. All unindexed parameters would remain unindexed.

(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 T09-0224**  
**Index Individual Income Tax Parameters to CPI Less 1 Percentage Point: Current Law Baseline**  
**Distribution of Federal Tax Change by Cash Income Level, 2012 <sup>1</sup>**  
**Detail Table - Single Tax Units**

Cash Income Level (thousands of 2009 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	0.1	11.1	-0.1	0.6	3	0.9	0.0	0.5	0.1	5.6
10-20	0.1	57.4	-0.2	8.3	30	2.3	0.0	2.7	0.2	8.7
20-30	0.1	71.1	-0.2	8.3	35	1.0	0.0	6.0	0.1	13.3
30-40	0.1	86.9	-0.1	6.6	44	0.7	0.0	7.1	0.1	17.4
40-50	0.1	96.0	-0.2	8.7	75	0.8	0.0	8.0	0.2	19.9
50-75	0.1	96.7	-0.4	32.9	185	1.3	0.1	18.9	0.3	22.4
75-100	0.1	95.2	-0.3	14.0	189	0.8	0.0	12.4	0.2	25.4
100-200	0.8	90.7	-0.2	13.9	211	0.6	0.0	18.2	0.2	27.0
200-500	2.5	72.7	-0.1	4.5	293	0.3	0.0	10.1	0.1	29.7
500-1,000	1.1	77.9	-0.2	1.9	728	0.3	0.0	4.4	0.1	32.2
More than 1,000	0.9	82.2	0.0	0.4	309	0.0	-0.1	11.7	0.0	37.2
All	0.1	67.7	-0.2	100.0	75	0.7	0.0	100.0	0.2	22.5

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Level, 2012 <sup>1</sup>**

Cash Income Level (thousands of 2009 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	11,322	16.5	5,679	315	5,364	5.6	2.1	2.5	0.5
10-20	13,927	20.3	15,797	1,344	14,453	8.5	7.1	8.4	2.7
20-30	12,005	17.5	26,047	3,437	22,609	13.2	10.1	11.3	6.0
30-40	7,758	11.3	36,609	6,306	30,302	17.2	9.2	9.8	7.1
40-50	5,890	8.6	47,203	9,336	37,867	19.8	9.0	9.3	7.9
50-75	9,119	13.3	64,298	14,242	50,056	22.2	18.9	19.0	18.8
75-100	3,769	5.5	90,691	22,816	67,875	25.2	11.0	10.6	12.4
100-200	3,371	4.9	139,363	37,364	101,999	26.8	15.2	14.3	18.2
200-500	777	1.1	304,627	90,054	214,573	29.6	7.6	6.9	10.1
500-1,000	136	0.2	706,682	226,797	479,885	32.1	3.1	2.7	4.4
More than 1,000	72	0.1	3,061,513	1,138,385	1,923,128	37.2	7.1	5.7	11.8
All	68,506	100.0	45,237	10,105	35,132	22.3	100.0	100.0	100.0

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0309-2).

(1) Calendar year. Baseline is current law. Under the proposal, all individual income tax parameters that are currently indexed to inflation using the Consumer Price Index for All Urban Consumers (CPI-U) would instead be indexed using the CPI-U less 1 percentage point. All unindexed parameters would remain unindexed.

(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 T09-0224**  
**Index Individual Income Tax Parameters to CPI Less 1 Percentage Point: Current Law Baseline**  
**Distribution of Federal Tax Change by Cash Income Level, 2012 <sup>1</sup>**  
**Detail Table - Married Tax Units Filing Jointly**

Cash Income Level (thousands of 2009 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	5.7	-0.1	0.1	4	4.8	0.0	0.0	0.1	1.7
10-20	0.1	33.2	-0.3	1.6	43	37.7	0.0	0.0	0.3	1.0
20-30	0.2	66.5	-0.4	4.7	98	6.8	0.0	0.4	0.4	5.9
30-40	0.3	69.9	-0.3	4.7	113	3.3	0.0	0.8	0.3	9.7
40-50	0.3	74.3	-0.2	3.7	96	1.7	0.0	1.2	0.2	12.0
50-75	0.2	85.4	-0.1	7.6	80	0.8	0.0	5.1	0.1	15.5
75-100	0.6	78.4	-0.2	14.7	148	0.9	0.0	9.0	0.2	18.7
100-200	2.5	71.2	-0.2	38.0	224	0.7	0.0	29.9	0.2	23.3
200-500	7.6	57.5	-0.1	14.5	294	0.4	0.0	20.8	0.1	26.8
500-1,000	2.7	83.4	-0.2	6.5	758	0.4	0.0	9.2	0.1	28.5
More than 1,000	2.9	88.6	0.0	3.9	913	0.1	-0.1	23.5	0.0	33.5
All	1.5	68.7	-0.2	100.0	163	0.5	0.0	100.0	0.1	24.0

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Level, 2012 <sup>1</sup>**

Cash Income Level (thousands of 2009 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	2,080	3.4	4,968	80	4,888	1.6	0.1	0.2	0.0
10-20	3,744	6.1	16,339	113	16,226	0.7	0.8	1.0	0.0
20-30	4,757	7.8	26,344	1,449	24,896	5.5	1.6	2.0	0.4
30-40	4,142	6.8	36,758	3,434	33,324	9.3	1.9	2.3	0.8
40-50	3,865	6.3	47,359	5,606	41,753	11.8	2.3	2.7	1.2
50-75	9,499	15.5	66,123	10,173	55,950	15.4	7.9	8.8	5.1
75-100	9,889	16.1	92,185	17,102	75,083	18.6	11.5	12.3	9.0
100-200	16,942	27.6	143,802	33,305	110,497	23.2	30.8	31.1	29.9
200-500	4,932	8.0	299,285	79,817	219,468	26.7	18.7	18.0	20.9
500-1,000	852	1.4	716,602	203,378	513,223	28.4	7.7	7.3	9.2
More than 1,000	427	0.7	3,123,239	1,043,672	2,079,567	33.4	16.9	14.7	23.6
All	61,400	100.0	128,766	30,752	98,014	23.9	100.0	100.0	100.0

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0309-2).

(1) Calendar year. Baseline is current law. Under the proposal, all individual income tax parameters that are currently indexed to inflation using the Consumer Price Index for All Urban Consumers (CPI-U) would instead be indexed using the CPI-U less 1 percentage point. All unindexed parameters would remain unindexed.

(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 T09-0224**  
**Index Individual Income Tax Parameters to CPI Less 1 Percentage Point: Current Law Baseline**  
**Distribution of Federal Tax Change by Cash Income Level, 2012 <sup>1</sup>**  
**Detail Table - Head of Household Tax Units**

Cash Income Level (thousands of 2009 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	7.1	-0.1	0.4	5	-0.6	0.0	-1.3	0.1	-12.6
10-20	0.2	58.3	-0.5	13.6	76	-7.1	0.3	-3.3	0.5	-6.3
20-30	0.1	87.2	-0.7	31.3	187	18.9	0.5	3.6	0.7	4.5
30-40	0.1	93.5	-0.7	27.6	211	5.0	0.3	10.6	0.6	12.1
40-50	0.1	86.0	-0.3	9.3	111	1.5	0.0	11.4	0.2	15.8
50-75	0.6	67.9	-0.1	8.8	72	0.6	-0.4	27.4	0.1	19.0
75-100	1.6	49.2	-0.1	4.4	95	0.5	-0.2	17.0	0.1	22.1
100-200	3.7	44.3	-0.1	3.0	103	0.3	-0.3	17.8	0.1	24.8
200-500	5.9	42.2	-0.1	0.8	159	0.2	-0.1	6.9	0.1	26.2
500-1,000	0.3	74.0	-0.1	0.6	722	0.4	0.0	2.7	0.1	27.5
More than 1,000	0.9	83.4	0.0	0.3	754	0.1	-0.1	7.0	0.0	34.2
All	0.4	67.3	-0.3	100.0	118	1.9	0.0	100.0	0.3	15.3

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Level, 2012 <sup>1</sup>**

Cash Income Level (thousands of 2009 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	2,467	9.9	6,689	-849	7,538	-12.7	1.6	2.1	-1.3
10-20	5,224	21.0	15,879	-1,082	16,961	-6.8	8.0	10.1	-3.6
20-30	4,903	19.7	26,283	992	25,291	3.8	12.4	14.1	3.1
30-40	3,826	15.4	36,558	4,208	32,350	11.5	13.5	14.0	10.3
40-50	2,437	9.8	47,271	7,352	39,919	15.6	11.1	11.0	11.5
50-75	3,581	14.4	63,957	12,102	51,855	18.9	22.1	21.1	27.7
75-100	1,358	5.5	90,406	19,874	70,532	22.0	11.8	10.9	17.3
100-200	845	3.4	135,286	33,498	101,788	24.8	11.0	9.8	18.1
200-500	139	0.6	302,335	79,127	223,208	26.2	4.1	3.5	7.0
500-1,000	23	0.1	696,822	191,052	505,770	27.4	1.5	1.3	2.8
More than 1,000	11	0.0	2,985,224	1,018,821	1,966,403	34.1	3.1	2.4	7.1
All	24,862	100.0	41,756	6,285	35,471	15.1	100.0	100.0	100.0

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0309-2).

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(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 T09-0224**  
**Index Individual Income Tax Parameters to CPI Less 1 Percentage Point: Current Law Baseline**  
**Distribution of Federal Tax Change by Cash Income Level, 2012 <sup>1</sup>**  
**Detail Table - Tax Units with Children**

Cash Income Level (thousands of 2009 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	5.5	-0.1	0.2	6	-0.6	0.0	-0.3	0.1	-16.2
10-20	0.2	65.8	-0.5	7.9	97	-5.6	0.1	-0.9	0.6	-10.3
20-30	0.2	91.3	-0.8	17.8	217	53.6	0.1	0.3	0.8	2.4
30-40	0.3	92.9	-0.7	16.1	235	6.3	0.1	1.8	0.6	10.9
40-50	0.3	85.8	-0.3	7.1	134	2.0	0.0	2.5	0.3	14.8
50-75	0.4	76.4	-0.2	9.1	87	0.8	0.0	8.0	0.1	17.6
75-100	1.1	56.4	-0.1	7.0	85	0.5	0.0	10.1	0.1	20.2
100-200	4.4	49.8	-0.1	17.9	141	0.4	-0.1	29.1	0.1	23.9
200-500	10.1	47.3	-0.1	9.0	244	0.3	-0.1	20.0	0.1	27.4
500-1,000	2.3	86.9	-0.2	5.2	863	0.4	0.0	8.6	0.1	30.1
More than 1,000	2.3	92.4	-0.1	2.7	948	0.1	-0.1	20.6	0.0	34.7
All	1.7	66.1	-0.2	100.0	146	0.7	0.0	100.0	0.2	23.0

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Level, 2012 <sup>1</sup>**

Cash Income Level (thousands of 2009 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-	Share of Post-	Share of
	Number (thousands)	Percent of Total					Tax Income Percent of Total	Tax Income Percent of Total	Federal Taxes Percent of Total
Less than 10	2,972	6.0	6,433	-1,050	7,483	-16.3	0.4	0.6	-0.3
10-20	5,814	11.8	16,048	-1,747	17,795	-10.9	2.0	2.9	-1.0
20-30	5,867	11.9	26,305	406	25,899	1.5	3.3	4.2	0.2
30-40	4,921	10.0	36,655	3,743	32,911	10.2	3.8	4.5	1.7
40-50	3,825	7.8	47,340	6,885	40,455	14.5	3.9	4.3	2.5
50-75	7,471	15.2	65,217	11,404	53,812	17.5	10.4	11.1	8.0
75-100	5,897	12.0	91,884	18,461	73,422	20.1	11.5	12.0	10.2
100-200	9,105	18.5	143,825	34,260	109,565	23.8	27.9	27.5	29.1
200-500	2,642	5.4	298,516	81,432	217,084	27.3	16.8	15.8	20.1
500-1,000	433	0.9	715,609	214,246	501,363	29.9	6.6	6.0	8.7
More than 1,000	204	0.4	3,148,106	1,090,980	2,057,126	34.7	13.7	11.6	20.7
All	49,293	100.0	95,214	21,731	73,483	22.8	100.0	100.0	100.0

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0309-2).

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. Under the proposal, all individual income tax parameters that are currently indexed to inflation using the Consumer Price Index for All Urban Consumers (CPI-U) would instead be indexed using the CPI-U less 1 percentage point. All unindexed parameters would remain unindexed.

(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 T09-0224**  
**Index Individual Income Tax Parameters to CPI Less 1 Percentage Point: Current Law Baseline**  
**Distribution of Federal Tax Change by Cash Income Level, 2012 <sup>1</sup>**  
**Detail Table - Elderly Tax Units**

Cash Income Level (thousands of 2009 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	1.2	0.0	0.0	0	0.2	0.0	0.1	0.0	3.5
10-20	0.0	20.6	-0.1	1.8	11	2.4	0.0	0.5	0.1	3.0
20-30	0.1	36.1	-0.1	3.5	21	1.9	0.0	1.2	0.1	4.5
30-40	0.0	46.8	-0.1	2.7	31	1.5	0.0	1.1	0.1	5.7
40-50	0.0	59.5	-0.1	2.4	41	1.2	0.0	1.2	0.1	7.3
50-75	0.0	83.7	-0.2	13.7	105	1.4	0.1	6.2	0.2	11.8
75-100	0.1	95.0	-0.2	18.5	179	1.3	0.1	9.0	0.2	15.7
100-200	0.2	92.5	-0.2	37.1	276	1.0	0.1	24.1	0.2	20.7
200-500	1.0	69.5	-0.1	12.8	305	0.4	-0.1	20.3	0.1	26.1
500-1,000	0.7	69.1	-0.1	4.8	624	0.3	0.0	9.7	0.1	28.9
More than 1,000	0.4	79.5	0.0	2.8	675	0.1	-0.2	26.6	0.0	34.4
All	0.1	56.7	-0.2	100.0	105	0.6	0.0	100.0	0.1	20.2

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Level, 2012 <sup>1</sup>**

Cash Income Level (thousands of 2009 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-	Share of Post-	Share of
	Number (thousands)	Percent of Total					Tax Income Percent of Total	Tax Income Percent of Total	Federal Taxes Percent of Total
Less than 10	1,848	6.1	5,990	210	5,780	3.5	0.4	0.5	0.1
10-20	5,108	16.9	16,184	479	15,704	3.0	3.2	3.9	0.5
20-30	5,158	17.0	25,829	1,148	24,682	4.4	5.2	6.2	1.1
30-40	2,815	9.3	36,231	2,048	34,183	5.7	3.9	4.7	1.1
40-50	1,850	6.1	47,206	3,417	43,789	7.2	3.4	3.9	1.2
50-75	4,184	13.8	65,731	7,626	58,104	11.6	10.6	11.8	6.1
75-100	3,301	10.9	91,141	14,099	77,042	15.5	11.6	12.3	9.0
100-200	4,291	14.2	142,313	29,109	113,204	20.5	23.6	23.5	24.0
200-500	1,343	4.4	303,063	78,825	224,238	26.0	15.7	14.6	20.4
500-1,000	244	0.8	717,151	206,675	510,476	28.8	6.8	6.0	9.7
More than 1,000	130	0.4	3,111,488	1,068,617	2,042,871	34.3	15.7	12.9	26.8
All	30,291	100.0	85,420	17,160	68,260	20.1	100.0	100.0	100.0

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0309-2).

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. Under the proposal, all individual income tax parameters that are currently indexed to inflation using the Consumer Price Index for All Urban Consumers (CPI-U) would instead be indexed using the CPI-U less 1 percentage point. All unindexed parameters would remain unindexed.

(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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(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.