### Table T09-0242

Impose a Cap, Indexed by Projected Growth of Medical Expenses, on the Employer Sponsored Insurance Exclusion

#### Distribution of Federal Tax Change by Cash Income Percentile, 2010

<table>
<thead>
<tr>
<th>Cash Income Percentile</th>
<th>Percent of Tax Units&lt;sup&gt;4&lt;/sup&gt;</th>
<th>Percent Change in After-Tax Income&lt;sup&gt;4&lt;/sup&gt;</th>
<th>Share of Total Federal Tax Change</th>
<th>Average Federal Tax Change ($)</th>
<th>Average Federal Tax Rate&lt;sup&gt;4&lt;/sup&gt;</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>With Tax Cut</td>
<td>With Tax Increase</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lowest Quintile</td>
<td>0.8</td>
<td>6.6</td>
<td>0.0</td>
<td>1.7</td>
<td>5</td>
</tr>
<tr>
<td>Second Quintile</td>
<td>0.1</td>
<td>19.9</td>
<td>-0.1</td>
<td>10.5</td>
<td>31</td>
</tr>
<tr>
<td>Middle Quintile</td>
<td>0.1</td>
<td>32.1</td>
<td>-0.2</td>
<td>20.1</td>
<td>67</td>
</tr>
<tr>
<td>Fourth Quintile</td>
<td>0.1</td>
<td>34.9</td>
<td>-0.2</td>
<td>28.0</td>
<td>113</td>
</tr>
<tr>
<td>Top Quintile</td>
<td>0.0</td>
<td>36.4</td>
<td>-0.1</td>
<td>39.7</td>
<td>177</td>
</tr>
<tr>
<td>All</td>
<td>0.3</td>
<td>23.9</td>
<td>-0.1</td>
<td>100.0</td>
<td>67</td>
</tr>
</tbody>
</table>

**Addendum**

- **80-90**: 0.0, 37.8, -0.2, 19.7, 175, 0.1, 20.9
- **90-95**: 0.0, 37.1, -0.1, 10.1, 183, 0.1, 22.9
- **95-99**: 0.0, 34.0, -0.1, 8.2, 182, 0.1, 24.2
- **Top 1 Percent**: 0.0, 29.4, 0.0, 1.7, 146, 0.0, 26.2
- **Top 0.1 Percent**: 0.0, 27.6, 0.0, 0.2, 138, 0.0, 28.3


Number of AMT Taxpayers (millions). Baseline: 29.8 Proposal: 30.1

1. Calendar year. Baseline is current law. Proposal imposes a cap, indexed by the projected growth of medical expenses, on the employer sponsored insurance exclusion. The caps are based on average premiums; their 2009 values are $5,370 for single coverage, $10,277 for single-plus-one coverage, and $13,226 for family coverage.

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](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 2009 dollars): 20% $20,986, 40% $40,343, 60% $67,722, 80% $103,623, 90% $148,058, 95% $202,764, 99% $522,842, 99.9% $2,211,666.

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 T09-0242

**Impose a Cap, Indexed by Projected Growth of Medical Expenses, on the Employer Sponsored Insurance Exclusion**

**Distribution of Federal Tax Change by Cash Income Percentile, 2010**

<table>
<thead>
<tr>
<th>Cash Income Percentile</th>
<th>Percent of Tax Units</th>
<th>Percent Change in After-Tax Income</th>
<th>Share of Total Federal Tax Change</th>
<th>Average Federal Tax Change</th>
<th>Share of Federal Taxes</th>
<th>Average Federal Tax Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>With Tax Cut</td>
<td>With Tax Increase</td>
<td>Dollars</td>
<td>Percent</td>
<td>Change (% Points)</td>
<td>Under the Proposal</td>
</tr>
<tr>
<td>Lowest Quintile</td>
<td>0.8</td>
<td>6.6</td>
<td>0.0</td>
<td>1.7</td>
<td>5</td>
<td>2.6</td>
</tr>
<tr>
<td>Second Quintile</td>
<td>0.1</td>
<td>19.9</td>
<td>-0.1</td>
<td>10.5</td>
<td>31</td>
<td>1.1</td>
</tr>
<tr>
<td>Middle Quintile</td>
<td>0.1</td>
<td>32.1</td>
<td>-0.2</td>
<td>20.1</td>
<td>67</td>
<td>0.8</td>
</tr>
<tr>
<td>Fourth Quintile</td>
<td>0.1</td>
<td>34.9</td>
<td>-0.2</td>
<td>28.0</td>
<td>113</td>
<td>0.7</td>
</tr>
<tr>
<td>Top Quintile</td>
<td>0.0</td>
<td>36.4</td>
<td>-0.1</td>
<td>39.7</td>
<td>177</td>
<td>0.3</td>
</tr>
<tr>
<td>All</td>
<td>0.3</td>
<td>23.9</td>
<td>-0.1</td>
<td>100.0</td>
<td>67</td>
<td>0.5</td>
</tr>
</tbody>
</table>

**Addendum**

<p>| | | | | | | | |</p>
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<tr>
<th></th>
<th></th>
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<th></th>
<th></th>
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<th></th>
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</thead>
<tbody>
<tr>
<td>80-90</td>
<td>0.0</td>
<td>37.8</td>
<td>-0.2</td>
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<td>90-95</td>
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<td>10.1</td>
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<td>95-99</td>
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<td>-0.1</td>
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<td>0.3</td>
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<tr>
<td>Top 1 Percent</td>
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<td>29.4</td>
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<td>1.7</td>
<td>146</td>
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<td>-0.1</td>
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<tr>
<td>Top 0.1 Percent</td>
<td>0.0</td>
<td>27.6</td>
<td>0.0</td>
<td>0.2</td>
<td>138</td>
<td>0.0</td>
<td>-0.1</td>
</tr>
</tbody>
</table>

### Baseline Distribution of Income and Federal Taxes by Cash Income Percentile, 2010

<table>
<thead>
<tr>
<th>Cash Income Percentile</th>
<th>Tax Units</th>
<th>Average Income</th>
<th>Average Federal Tax Burden (Dollars)</th>
<th>Average After-Tax Income</th>
<th>Average Federal Tax Change (Dollars)</th>
<th>Average Federal Tax Rate (Dollars)</th>
<th>Share of Pre-Tax Income</th>
<th>Share of Post-Tax Income</th>
<th>Share of Federal Taxes</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>(thousands)</td>
<td>Total</td>
<td>Total</td>
<td>Total</td>
<td>Total</td>
<td>Total</td>
<td>Total</td>
<td>Total</td>
</tr>
<tr>
<td>Lowest Quintile</td>
<td>38,629</td>
<td>25.2</td>
<td>12,010</td>
<td>177</td>
<td>11,834</td>
<td>1.5</td>
<td>4.3</td>
<td>5.2</td>
<td>0.3</td>
</tr>
<tr>
<td>Second Quintile</td>
<td>34,448</td>
<td>22.5</td>
<td>30,261</td>
<td>2,903</td>
<td>27,358</td>
<td>9.6</td>
<td>9.6</td>
<td>10.8</td>
<td>4.8</td>
</tr>
<tr>
<td>Middle Quintile</td>
<td>30,669</td>
<td>20.0</td>
<td>54,014</td>
<td>8,514</td>
<td>45,500</td>
<td>15.8</td>
<td>15.3</td>
<td>15.9</td>
<td>12.6</td>
</tr>
<tr>
<td>Fourth Quintile</td>
<td>25,643</td>
<td>16.7</td>
<td>85,507</td>
<td>15,674</td>
<td>69,834</td>
<td>18.3</td>
<td>20.2</td>
<td>20.4</td>
<td>19.3</td>
</tr>
<tr>
<td>Top Quintile</td>
<td>23,114</td>
<td>15.1</td>
<td>70,800</td>
<td>15,368</td>
<td>55,432</td>
<td>23.7</td>
<td>50.9</td>
<td>48.1</td>
<td>62.9</td>
</tr>
<tr>
<td>All</td>
<td>153,231</td>
<td>100.0</td>
<td>16,220</td>
<td>15,368</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
</tr>
</tbody>
</table>

**Addendum**

<p>| | | | | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>80-90</td>
<td>11,591</td>
<td>7.6</td>
<td>123,471</td>
<td>25,667</td>
<td>97,804</td>
<td>20.8</td>
<td>13.2</td>
</tr>
<tr>
<td>90-95</td>
<td>17,901</td>
<td>3.7</td>
<td>39,804</td>
<td>135,097</td>
<td>22.8</td>
<td>9.2</td>
<td>8.8</td>
</tr>
<tr>
<td>95-99</td>
<td>202,764</td>
<td>1.7</td>
<td>202,764</td>
<td>1,171,697</td>
<td>26.2</td>
<td>15.8</td>
<td>14.4</td>
</tr>
<tr>
<td>Top 1 Percent</td>
<td>1,178</td>
<td>0.8</td>
<td>1,451,896</td>
<td>1,071,697</td>
<td>26.2</td>
<td>15.8</td>
<td>14.4</td>
</tr>
<tr>
<td>Top 0.1 Percent</td>
<td>118</td>
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<td>6,359,855</td>
<td>4,563,317</td>
<td>28.3</td>
<td>6.9</td>
<td>6.1</td>
</tr>
</tbody>
</table>


(1) Calendar year. Baseline is current law. Proposal imposes a cap, indexed by the projected growth of medical expenses, on the employer sponsored insurance exclusion. The caps are based on average premiums; their 2009 values are $5,370 for single coverage, $10,277 for single-plus-one coverage, and $13,226 for family coverage.

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### Table T09-0242

#### Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2010

<table>
<thead>
<tr>
<th>Cash Income Percentile</th>
<th>Percent of Tax Units</th>
<th>Percent Change in After-Tax Income</th>
<th>Share of Total Federal Tax Change</th>
<th>Average Federal Tax Change</th>
<th>Share of Federal Taxes</th>
<th>Average Federal Tax Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>With Tax Cut</td>
<td>With Tax Increase</td>
<td>Dollars</td>
<td>Percent</td>
<td>Change (% Points)</td>
<td>Under the Proposal</td>
</tr>
<tr>
<td>Lowest Quintile</td>
<td>1.0</td>
<td>5.9</td>
<td>0.0</td>
<td>1.6</td>
<td>5</td>
<td>-1.3</td>
</tr>
<tr>
<td>Second Quintile</td>
<td>0.1</td>
<td>15.5</td>
<td>-0.1</td>
<td>9.5</td>
<td>31</td>
<td>1.5</td>
</tr>
<tr>
<td>Middle Quintile</td>
<td>0.1</td>
<td>27.0</td>
<td>-0.2</td>
<td>17.2</td>
<td>60</td>
<td>0.9</td>
</tr>
<tr>
<td>Fourth Quintile</td>
<td>0.0</td>
<td>36.2</td>
<td>-0.2</td>
<td>30.4</td>
<td>107</td>
<td>0.8</td>
</tr>
<tr>
<td>Top Quintile</td>
<td>0.0</td>
<td>37.1</td>
<td>-0.1</td>
<td>41.3</td>
<td>139</td>
<td>0.3</td>
</tr>
<tr>
<td>All</td>
<td>0.3</td>
<td>23.9</td>
<td>-0.1</td>
<td>100.0</td>
<td>67</td>
<td>0.5</td>
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</table>

**Addendum**

<table>
<thead>
<tr>
<th>Percent of Total</th>
<th>Share of Pre-Tax Income</th>
<th>Share of Post-Tax Income</th>
<th>Share of Federal Taxes</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Percent of Total</td>
<td>Percent of Total</td>
<td></td>
</tr>
<tr>
<td>80-90</td>
<td>0.0</td>
<td>38.6</td>
<td>-0.2</td>
</tr>
<tr>
<td>90-95</td>
<td>0.0</td>
<td>38.2</td>
<td>-0.4</td>
</tr>
<tr>
<td>95-99</td>
<td>0.0</td>
<td>34.0</td>
<td>-0.1</td>
</tr>
<tr>
<td>Top 1 Percent</td>
<td>0.0</td>
<td>28.3</td>
<td>0.0</td>
</tr>
<tr>
<td>Top 0.1 Percent</td>
<td>0.0</td>
<td>26.0</td>
<td>0.0</td>
</tr>
</tbody>
</table>

**Baseline Distribution of Income and Federal Taxes**

<table>
<thead>
<tr>
<th>Cash Income Percentile</th>
<th>Tax Units</th>
<th>Average Income</th>
<th>Average Federal Tax Burden</th>
<th>Average After-Tax Income</th>
<th>Average Federal Tax Rate</th>
<th>Share of Pre-Tax Income</th>
<th>Share of Post-Tax Income</th>
<th>Share of Federal Taxes</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number (thousands)</td>
<td>Percent of Total</td>
<td>(Dollars)</td>
<td>(Dollars)</td>
<td>(Dollars)</td>
<td>(Dollars)</td>
<td>Percent of Total</td>
<td>Percent of Total</td>
</tr>
<tr>
<td>Lowest Quintile</td>
<td>31,830</td>
<td>20.8</td>
<td>11,250</td>
<td>-405</td>
<td>11,655</td>
<td>-3.6</td>
<td>3.3</td>
<td>4.2</td>
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<td>Second Quintile</td>
<td>31,446</td>
<td>20.5</td>
<td>27,404</td>
<td>2,104</td>
<td>25,301</td>
<td>7.7</td>
<td>7.9</td>
<td>9.1</td>
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<tr>
<td>Middle Quintile</td>
<td>29,288</td>
<td>19.1</td>
<td>48,065</td>
<td>6,963</td>
<td>41,102</td>
<td>14.5</td>
<td>13.0</td>
<td>13.7</td>
</tr>
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<td>Fourth Quintile</td>
<td>29,391</td>
<td>19.2</td>
<td>74,458</td>
<td>13,457</td>
<td>61,001</td>
<td>18.1</td>
<td>20.2</td>
<td>20.4</td>
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<tr>
<td>Top Quintile</td>
<td>30,538</td>
<td>19.9</td>
<td>198,493</td>
<td>46,623</td>
<td>151,870</td>
<td>23.5</td>
<td>55.9</td>
<td>52.9</td>
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<tr>
<td>All</td>
<td>153,231</td>
<td>100.0</td>
<td>70,800</td>
<td>15,368</td>
<td>57,232</td>
<td>19.2</td>
<td>100.0</td>
<td>100.0</td>
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</table>

**Addendum**

<table>
<thead>
<tr>
<th>Percent of Total</th>
<th>Share of Pre-Tax Income</th>
<th>Share of Post-Tax Income</th>
<th>Share of Federal Taxes</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Percent of Total</td>
<td>Percent of Total</td>
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</tr>
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<td>80-90</td>
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<td>90-95</td>
<td>7.95</td>
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<tr>
<td>95-99</td>
<td>5.993</td>
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<tr>
<td>Top 0.1 Percent</td>
<td>141</td>
<td>0.1</td>
<td>5,569,131</td>
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**Source:** Urban-Brookings Tax Policy Center Microsimulation Model (version 0309-2).

1. Calendar year. Baseline is current law. Proposal imposes a cap, indexed by the projected growth of medical expenses, on the employer sponsored insurance exclusion. The caps are based on average premiums; their 2009 values are $5,370 for single coverage, $10,277 for single-plus-one coverage, and $13,226 for family coverage.

2. 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 2009 dollars): 20% $14,360, 40% $26,282, 60% $42,360, 80% $64,720, 90% $90,216, 95% $125,349, 99% $320,382, 99.9% $1,352,100.

3. 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.

4. 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 T09-0242

#### Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2010

**Detail Table - Single Tax Units**

<table>
<thead>
<tr>
<th>Cash Income Percentile</th>
<th>Percent of Tax Units</th>
<th>Percent Change in After-Tax Income</th>
<th>Share of Total Federal Tax Change</th>
<th>Average Federal Tax Change</th>
<th>Share of Federal Taxes Under the Proposal</th>
<th>Average Federal Tax Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>With Tax Cut</td>
<td>With Tax Increase</td>
<td>Dollars</td>
<td>Percent</td>
<td>Change (% Points)</td>
<td>Under the Proposal</td>
</tr>
<tr>
<td>Lowest Quintile</td>
<td>0.1</td>
<td>4.8</td>
<td>0.0</td>
<td>3.0</td>
<td>0.9</td>
<td>1.1</td>
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<tr>
<td>Second Quintile</td>
<td>0.0</td>
<td>13.1</td>
<td>-0.1</td>
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<td>0.6</td>
<td>0.0</td>
</tr>
<tr>
<td>Middle Quintile</td>
<td>0.0</td>
<td>27.3</td>
<td>-0.1</td>
<td>19.3</td>
<td>0.5</td>
<td>0.0</td>
</tr>
<tr>
<td>Fourth Quintile</td>
<td>0.0</td>
<td>39.2</td>
<td>-0.1</td>
<td>31.3</td>
<td>0.5</td>
<td>0.0</td>
</tr>
<tr>
<td>Top Quintile</td>
<td>0.0</td>
<td>39.7</td>
<td>-0.1</td>
<td>36.0</td>
<td>0.2</td>
<td>-0.1</td>
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<tr>
<td>All</td>
<td>0.0</td>
<td>22.2</td>
<td>-0.1</td>
<td>100.0</td>
<td>0.3</td>
<td>0.0</td>
</tr>
</tbody>
</table>

**Addendum**

| 80-90                  | 0.0                  | 41.8                              | -0.1                              | 20.8                      | 0.4                                        | 0.0                      | 17.6                     | 0.1                      | 22.1                     |
| 90-95                  | 0.1                  | 43.2                              | -0.1                              | 9.9                       | 0.3                                        | 0.0                      | 11.9                     | 0.1                      | 23.2                     |
| 95-99                  | 0.0                  | 31.4                              | 0.0                               | 4.6                       | 0.1                                        | 0.0                      | 14.2                     | 0.0                      | 22.8                     |
| Top 1 Percent          | 0.0                  | 24.5                              | 0.0                               | 0.8                       | 0.0                                        | -0.1                     | 14.7                     | 0.0                      | 24.8                     |
| Top 0.1 Percent        | 0.0                  | 23.7                              | 0.0                               | 0.1                       | 0.0                                        | 0.0                      | 6.7                      | 0.0                      | 27.8                     |

**Baseline Distribution of Income and Federal Taxes by Cash Income Percentile Adjusted for Family Size, 2010**

| Cash Income Percentile | Tax Units | Number (thousands) | Percent of Total | Average Income (Dollars) | Average Federal Tax Burden (Dollars) | Average After-Tax Income (Dollars) | Average Federal Tax Rate | Share of Pre-Tax Income | Share of Post-Tax Income | Share of Federal Taxes | Share of Federal Taxes |
|------------------------|-----------|--------------------|------------------|--------------------------|--------------------------------------|-----------------------------------|--------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| Lowest Quintile        |           | 16,716             | 25.1             | 8,315                    | 344                                  | 7,970                             | 4.1                      | 4.9                    | 5.8                    | 1.1                    | 1.1                    |
| Second Quintile        |           | 15,339             | 23.0             | 20,852                   | 2,119                                | 18,733                            | 10.2                     | 11.2                   | 12.4                   | 6.0                    | 6.0                    |
| Middle Quintile        |           | 12,559             | 18.9             | 34,633                   | 5,516                                | 29,117                            | 15.9                     | 15.2                   | 15.8                   | 12.8                   | 12.8                   |
| Fourth Quintile        |           | 11,060             | 16.6             | 53,881                   | 10,511                               | 43,370                            | 19.5                     | 20.8                   | 20.4                   | 21.5                   | 21.5                   |
| Top Quintile           |           | 10,501             | 15.8             | 130,745                  | 50,164                               | 100,581                           | 23.1                     | 48.1                   | 45.7                   | 58.5                   | 58.5                   |
| All                    |           | 66,570             | 100.0            | 38,820                   | 34,752                               | 4,068                             | 27.8                     | 4.6                    | 4.1                    | 6.7                    | 6.7                    |

**Addendum**

| 80-90                  |           | 5,602              | 8.4               | 77,279                   | 16,986                               | 60,293                           | 22.0                     | 15.2                   | 14.6                   | 17.6                   | 17.6                   |
| 90-95                  |           | 2,645              | 4.0               | 105,590                  | 24,447                               | 81,143                           | 23.2                     | 9.8                    | 9.3                    | 12.0                   | 12.0                   |
| 95-99                  |           | 1,877              | 2.8               | 180,688                  | 41,099                               | 139,599                          | 22.8                     | 11.9                   | 11.3                   | 14.3                   | 14.3                   |
| Top 1 Percent          |           | 378                | 0.6               | 852,030                  | 211,396                              | 640,634                          | 24.8                     | 11.3                   | 10.5                   | 14.8                   | 14.8                   |
| Top 0.1 Percent        |           | 34                 | 0.1               | 3,807,598                | 1,056,848                            | 2,750,750                        | 27.8                     | 4.6                    | 4.1                    | 6.7                    | 6.7                    |


(1) Calendar year. Baseline is current law. Proposal imposes a cap, indexed by the projected growth of medical expenses, on the employer sponsored insurance exclusion. The caps are based on average premiums; their 2009 values are $5,370 for single coverage, $10,277 for single-plus-one coverage, and $13,226 for family coverage.

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(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 2009 dollars): 20% $14,360, 40% $26,282, 60% $42,360, 80% $64,720, 90% $90,216, 95% $125,349, 99% $320,382, 99.9% $1,352,100.

(4) 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.

(5) Average federal tax change includes individual and corporate income tax, payroll taxes for Social Security and Medicare, and the estate tax as a percentage of average cash income.

(6) Average federal tax change 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 T09-0242

**Baseline Distribution of Income and Federal Taxes by Cash Income Percentile Adjusted for Family Size, 2010**

<table>
<thead>
<tr>
<th>Cash Income Percentile</th>
<th>Percent of Tax Units</th>
<th>Percent Change in After-Tax Income</th>
<th>Share of Total Federal Tax Change</th>
<th>Average Federal Tax Change</th>
<th>Share of Federal Taxes</th>
<th>Average Federal Tax Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>With Tax Cut</td>
<td>With Tax Increase</td>
<td></td>
<td>Dollars</td>
<td>Percent</td>
<td>Change (% Points)</td>
</tr>
<tr>
<td>Lowest Quintile</td>
<td>1.5</td>
<td>8.3</td>
<td>-0.1</td>
<td>1.0</td>
<td>-1.6</td>
<td>0.0</td>
</tr>
<tr>
<td>Second Quintile</td>
<td>0.1</td>
<td>17.1</td>
<td>-0.2</td>
<td>6.2</td>
<td>2.3</td>
<td>0.0</td>
</tr>
<tr>
<td>Middle Quintile</td>
<td>0.1</td>
<td>26.2</td>
<td>-0.2</td>
<td>14.5</td>
<td>1.1</td>
<td>0.0</td>
</tr>
<tr>
<td>Fourth Quintile</td>
<td>0.1</td>
<td>34.6</td>
<td>-0.2</td>
<td>31.1</td>
<td>1.0</td>
<td>0.1</td>
</tr>
<tr>
<td>Top Quintile</td>
<td>0.0</td>
<td>36.5</td>
<td>-0.1</td>
<td>47.2</td>
<td>0.3</td>
<td>0.2</td>
</tr>
<tr>
<td>All</td>
<td>0.2</td>
<td>28.1</td>
<td>-0.1</td>
<td>100.0</td>
<td>0.5</td>
<td>0.0</td>
</tr>
</tbody>
</table>

**Addendum**

<table>
<thead>
<tr>
<th></th>
<th>With Tax Cut</th>
<th>With Tax Increase</th>
<th></th>
<th>Dollars</th>
<th>Percent</th>
<th>Change (% Points)</th>
<th>Under the Proposal</th>
<th>Change (% Points)</th>
<th>Under the Proposal</th>
</tr>
</thead>
<tbody>
<tr>
<td>80-90</td>
<td>0.0</td>
<td>38.0</td>
<td>-0.2</td>
<td>22.8</td>
<td>0.8</td>
<td>0.0</td>
<td>16.0</td>
<td>0.2</td>
<td>20.5</td>
</tr>
<tr>
<td>90-95</td>
<td>0.0</td>
<td>35.8</td>
<td>-0.1</td>
<td>11.7</td>
<td>0.5</td>
<td>0.0</td>
<td>13.0</td>
<td>0.1</td>
<td>22.6</td>
</tr>
<tr>
<td>95-99</td>
<td>0.0</td>
<td>35.5</td>
<td>-0.1</td>
<td>10.5</td>
<td>0.3</td>
<td>-0.1</td>
<td>19.7</td>
<td>0.1</td>
<td>24.4</td>
</tr>
<tr>
<td>Top 1 Percent</td>
<td>0.0</td>
<td>30.3</td>
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</tr>
<tr>
<td>Top 0.1 Percent</td>
<td>0.0</td>
<td>27.5</td>
<td>0.0</td>
<td>0.2</td>
<td>0.0</td>
<td>-0.1</td>
<td>12.2</td>
<td>0.0</td>
<td>28.1</td>
</tr>
</tbody>
</table>

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

1. Calendar year. Baseline is current law. Proposal imposes a cap, indexed by the projected growth of medical expenses, on the employer sponsored insurance exclusion. The caps are based on average premiums; their 2009 values are $5,370 for single coverage, $10,277 for single-plus-one coverage, and $13,226 for family coverage.

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 https://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 2009 dollars): 20% $14,360, 40% $26,282, 60% $42,360, 80% $64,720, 90% $90,216, 95% $125,349, 99% $320,382, 99.9% $1,352,100.

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 T09-0242

#### Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2010

<table>
<thead>
<tr>
<th>Cash Income Percentile</th>
<th>Percent of Tax Unitsa</th>
<th>Percent Change in After-Tax Incomec</th>
<th>Share of Total Federal Tax Change</th>
<th>Average Federal Tax Change</th>
<th>Share of Federal Taxes Change (% Points)</th>
<th>Under the Proposal</th>
<th>Average Federal Tax Rate (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>With Tax Cut</td>
<td>With Tax Increase</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lowest Quintile</td>
<td>2.6</td>
<td>6.1</td>
<td>0.0</td>
<td>3.8</td>
<td>5</td>
<td>-0.3</td>
<td>0.1</td>
</tr>
<tr>
<td>Second Quintile</td>
<td>0.3</td>
<td>18.4</td>
<td>-0.2</td>
<td>32.7</td>
<td>44</td>
<td>2.6</td>
<td>0.2</td>
</tr>
<tr>
<td>Middle Quintile</td>
<td>0.1</td>
<td>27.7</td>
<td>-0.2</td>
<td>31.3</td>
<td>65</td>
<td>0.8</td>
<td>0.0</td>
</tr>
<tr>
<td>Fourth Quintile</td>
<td>0.0</td>
<td>34.1</td>
<td>-0.1</td>
<td>23.0</td>
<td>85</td>
<td>0.6</td>
<td>-0.1</td>
</tr>
<tr>
<td>Top Quintile</td>
<td>0.0</td>
<td>26.5</td>
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<td>9.2</td>
<td>72</td>
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<td>-0.2</td>
</tr>
<tr>
<td>All</td>
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<td>18.2</td>
<td>-0.1</td>
<td>100.0</td>
<td>41</td>
<td>0.8</td>
<td>0.0</td>
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</tbody>
</table>

Addendum

<table>
<thead>
<tr>
<th>Percent of Tax Unitsa</th>
<th>Percent Change in After-Tax Incomec</th>
<th>Share of Total Federal Tax Change</th>
<th>Average Federal Tax Change</th>
<th>Share of Federal Taxes Change (% Points)</th>
<th>Under the Proposal</th>
<th>Average Federal Tax Rate (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>80-90</td>
<td>0.0</td>
<td>25.7</td>
<td>-0.1</td>
<td>6.8</td>
<td>82</td>
<td>0.4</td>
</tr>
<tr>
<td>90-95</td>
<td>0.0</td>
<td>31.5</td>
<td>-0.1</td>
<td>1.1</td>
<td>48</td>
<td>0.2</td>
</tr>
<tr>
<td>95-99</td>
<td>0.0</td>
<td>26.0</td>
<td>0.0</td>
<td>1.0</td>
<td>61</td>
<td>0.1</td>
</tr>
<tr>
<td>Top 1 Percent</td>
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<td>15.0</td>
<td>0.0</td>
<td>0.2</td>
<td>56</td>
<td>0.0</td>
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<tr>
<td>Top 0.1 Percent</td>
<td>0.0</td>
<td>14.0</td>
<td>0.0</td>
<td>0.0</td>
<td>48</td>
<td>0.0</td>
</tr>
</tbody>
</table>

Baseline Distribution of Income and Federal Taxes by Cash Income Percentile Adjusted for Family Size, 2010

<table>
<thead>
<tr>
<th>Cash Income Percentile</th>
<th>Tax Unitsa</th>
<th>Average Income (Dollars)</th>
<th>Average Federal Tax Burden (Dollars)</th>
<th>Average After-Tax Incomea</th>
<th>Average Federal Tax Rate (%)</th>
<th>Share of Pre-Tax Income</th>
<th>Share of Post-Tax Income</th>
<th>Share of Federal Taxes</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>Percent of Total</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lowest Quintile</td>
<td>8,055</td>
<td>33.7</td>
<td>14,269</td>
<td>-1,802</td>
<td>16,071</td>
<td>-12.6</td>
<td>11.9</td>
<td>15.2</td>
</tr>
<tr>
<td>Second Quintile</td>
<td>7,226</td>
<td>30.2</td>
<td>31,520</td>
<td>1,686</td>
<td>29,834</td>
<td>5.4</td>
<td>23.6</td>
<td>25.3</td>
</tr>
<tr>
<td>Middle Quintile</td>
<td>4,714</td>
<td>19.7</td>
<td>51,250</td>
<td>7,771</td>
<td>43,479</td>
<td>15.2</td>
<td>25.0</td>
<td>24.1</td>
</tr>
<tr>
<td>Fourth Quintile</td>
<td>2,621</td>
<td>11.0</td>
<td>73,741</td>
<td>14,246</td>
<td>59,495</td>
<td>19.3</td>
<td>20.0</td>
<td>18.8</td>
</tr>
<tr>
<td>Top Quintile</td>
<td>1,238</td>
<td>5.2</td>
<td>154,432</td>
<td>36,351</td>
<td>118,081</td>
<td>23.5</td>
<td>19.8</td>
<td>17.2</td>
</tr>
<tr>
<td>All</td>
<td>23,905</td>
<td>100.0</td>
<td>23,905</td>
<td>4,881</td>
<td>23,024</td>
<td>12.1</td>
<td>100.0</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Addendum

<table>
<thead>
<tr>
<th>Tax Unitsa</th>
<th>Average Income (Dollars)</th>
<th>Average Federal Tax Burden (Dollars)</th>
<th>Average After-Tax Incomea</th>
<th>Average Federal Tax Rate (%)</th>
<th>Share of Pre-Tax Income</th>
<th>Share of Post-Tax Income</th>
<th>Share of Federal Taxes</th>
</tr>
</thead>
<tbody>
<tr>
<td>80-90</td>
<td>813</td>
<td>3.4</td>
<td>101,814</td>
<td>22,998</td>
<td>78,816</td>
<td>22.6</td>
<td>8.6</td>
</tr>
<tr>
<td>90-95</td>
<td>229</td>
<td>1.0</td>
<td>136,253</td>
<td>32,292</td>
<td>103,961</td>
<td>23.7</td>
<td>3.2</td>
</tr>
<tr>
<td>95-99</td>
<td>164</td>
<td>0.7</td>
<td>242,819</td>
<td>54,399</td>
<td>188,421</td>
<td>22.4</td>
<td>4.1</td>
</tr>
<tr>
<td>Top 1 Percent</td>
<td>32</td>
<td>0.1</td>
<td>1,171,450</td>
<td>313,063</td>
<td>858,387</td>
<td>26.7</td>
<td>3.9</td>
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<tr>
<td>Top 0.1 Percent</td>
<td>5</td>
<td>0.0</td>
<td>5,203,211</td>
<td>1,479,701</td>
<td>3,723,509</td>
<td>28.4</td>
<td>1.6</td>
</tr>
</tbody>
</table>


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(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 T09-0242

Impose a Cap, Indexed by Projected Growth of Medical Expenses, on the Employer Sponsored Insurance Exclusion

Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2010

Detail Table - Tax Units with Children

<table>
<thead>
<tr>
<th>Cash Income Percentile</th>
<th>Percent of Tax Units</th>
<th>Percent Change in After-Tax Income</th>
<th>Share of Total Federal Tax Change</th>
<th>Average Federal Tax Change</th>
<th>Share of Federal Taxes</th>
<th>Average Federal Tax Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>With Tax Cut</td>
<td>With Tax Increase</td>
<td>Dollars</td>
<td>Percent</td>
<td>Change (% Points)</td>
<td>Under the Proposal</td>
</tr>
<tr>
<td>Lowest Quintile</td>
<td>2.9</td>
<td>6.9</td>
<td>0.0</td>
<td>1.3</td>
<td>7</td>
<td>-0.3</td>
</tr>
<tr>
<td>Second Quintile</td>
<td>0.3</td>
<td>19.4</td>
<td>-0.2</td>
<td>12.6</td>
<td>64</td>
<td>3.3</td>
</tr>
<tr>
<td>Middle Quintile</td>
<td>0.1</td>
<td>29.0</td>
<td>-0.2</td>
<td>20.4</td>
<td>101</td>
<td>1.1</td>
</tr>
<tr>
<td>Fourth Quintile</td>
<td>0.1</td>
<td>38.0</td>
<td>-0.2</td>
<td>33.0</td>
<td>181</td>
<td>1.0</td>
</tr>
<tr>
<td>Top Quintile</td>
<td>0.0</td>
<td>39.5</td>
<td>-0.1</td>
<td>32.7</td>
<td>231</td>
<td>0.3</td>
</tr>
<tr>
<td>All</td>
<td>0.7</td>
<td>25.6</td>
<td>-0.2</td>
<td>100.0</td>
<td>108</td>
<td>0.7</td>
</tr>
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</table>

Addendum

- 80-90: 0.0, 40.9, -0.2, 16.3, 227, 0.7, 0.0, 15.6, 0.2, 22.8
- 90-95: 0.0, 38.9, -0.2, 8.4, 250, 0.5, 0.0, 11.8, 0.1, 24.4
- 95-99: 0.0, 37.8, -0.1, 6.6, 247, 0.3, -0.1, 16.3, 0.1, 25.9
- Top 1 Percent: 0.0, 34.5, 0.0, 1.4, 205, 0.0, -0.1, 21.1, 0.0, 27.9
- Top 0.1 Percent: 0.0, 31.9, 0.0, 0.1, 191, 0.0, -0.1, 9.8, 0.0, 29.4

Baseline Distribution of Income and Federal Taxes by Cash Income Percentile Adjusted for Family Size, 2010

<table>
<thead>
<tr>
<th>Cash Income Percentile</th>
<th>Number (thousands)</th>
<th>Percent of Total</th>
<th>Average Income (Dollars)</th>
<th>Average Federal Tax Burden (Dollars)</th>
<th>Average After-Tax Income (Dollars)</th>
<th>Average Federal Tax Rate (Percent)</th>
<th>Share of Pre-Tax Income</th>
<th>Share of Post-Tax Income</th>
<th>Share of Federal Taxes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lowest Quintile</td>
<td>10,443</td>
<td>21.3</td>
<td>15,423</td>
<td>-2,337</td>
<td>17,760</td>
<td>-15.2</td>
<td>3.8</td>
<td>5.4</td>
<td>-3.1</td>
</tr>
<tr>
<td>Second Quintile</td>
<td>10,511</td>
<td>21.5</td>
<td>36,450</td>
<td>1,921</td>
<td>34,529</td>
<td>5.3</td>
<td>9.1</td>
<td>10.7</td>
<td>2.6</td>
</tr>
<tr>
<td>Middle Quintile</td>
<td>10,705</td>
<td>21.8</td>
<td>64,053</td>
<td>9,470</td>
<td>54,583</td>
<td>14.8</td>
<td>16.3</td>
<td>17.2</td>
<td>12.8</td>
</tr>
<tr>
<td>Fourth Quintile</td>
<td>9,689</td>
<td>19.8</td>
<td>97,306</td>
<td>18,482</td>
<td>78,823</td>
<td>19.0</td>
<td>22.5</td>
<td>22.2</td>
<td>22.6</td>
</tr>
<tr>
<td>Top Quintile</td>
<td>7,527</td>
<td>15.4</td>
<td>270,797</td>
<td>202,293</td>
<td>68,505</td>
<td>25.3</td>
<td>48.5</td>
<td>44.7</td>
<td>65.0</td>
</tr>
<tr>
<td>All</td>
<td>49,010</td>
<td>100.0</td>
<td>75,705</td>
<td>69,529</td>
<td>16,176</td>
<td>18.9</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Addendum

- 80-90: 3,798, 7.8, 143,251, 32,495, 110,756, 22.7, 13.0, 12.4, 15.6
- 90-95: 1,938, 4.0, 199,087, 48,341, 150,747, 24.3, 9.2, 8.6, 11.8
- 95-99: 1,431, 2.9, 351,828, 90,754, 261,075, 25.8, 12.0, 11.0, 16.4
- Top 1 Percent: 359, 0.7, 1,685,391, 469,953, 1,215,438, 27.9, 14.4, 12.8, 21.3
- Top 0.1 Percent: 35, 0.1, 7,514,841, 2,208,582, 5,306,259, 29.4, 6.4, 5.5, 9.9


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. Proposal imposes a cap, indexed by the projected growth of medical expenses, on the employer sponsored insurance exclusion. The caps are based on average premiums; their 2009 values are $5,370 for single coverage, $10,277 for single-plus-one coverage, and $13,226 for family coverage.

(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 2009 dollars): 20% $14,360, 40% $26,282, 60% $42,360, 80% $64,720, 90% $90,216, 95% $125,349, 99% $320,382, 99.9% $1,352,100.

(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.

(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>
<thead>
<tr>
<th>Cash Income Percentile</th>
<th>Percent of Tax Units</th>
<th>Percent Change in After-Tax Income</th>
<th>Share of Total Federal Tax Change</th>
<th>Average Federal Tax Change</th>
<th>Share of Federal Taxes Change (%)</th>
<th>Under the Proposal</th>
<th>Share of Federal Taxes Change (%)</th>
<th>Under the Proposal</th>
<th>Average Federal Tax Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>With Tax Cut</td>
<td>With Tax Increase</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lowest Quintile</td>
<td>0.1</td>
<td>2.1</td>
<td>0.0</td>
<td>1.4</td>
<td>2</td>
<td>1.0</td>
<td>0.0</td>
<td>0.3</td>
<td>0.0</td>
</tr>
<tr>
<td>Second Quintile</td>
<td>0.0</td>
<td>1.9</td>
<td>0.0</td>
<td>2.5</td>
<td>3</td>
<td>0.4</td>
<td>0.0</td>
<td>1.4</td>
<td>0.0</td>
</tr>
<tr>
<td>Middle Quintile</td>
<td>0.0</td>
<td>5.7</td>
<td>0.0</td>
<td>8.0</td>
<td>14</td>
<td>0.8</td>
<td>0.0</td>
<td>2.5</td>
<td>0.0</td>
</tr>
<tr>
<td>Fourth Quintile</td>
<td>0.0</td>
<td>12.1</td>
<td>-0.1</td>
<td>32.7</td>
<td>47</td>
<td>0.7</td>
<td>0.1</td>
<td>10.9</td>
<td>0.1</td>
</tr>
<tr>
<td>Top Quintile</td>
<td>0.0</td>
<td>14.6</td>
<td>0.0</td>
<td>55.4</td>
<td>60</td>
<td>0.2</td>
<td>0.1</td>
<td>84.9</td>
<td>0.0</td>
</tr>
<tr>
<td>All</td>
<td>0.0</td>
<td>7.6</td>
<td>0.0</td>
<td>100.0</td>
<td>27</td>
<td>0.2</td>
<td>0.0</td>
<td>100.0</td>
<td>0.0</td>
</tr>
</tbody>
</table>

Addendum

<table>
<thead>
<tr>
<th>Cash Income Percentile</th>
<th>Percent of Tax Units</th>
<th>Percent Change in After-Tax Income</th>
<th>Share of Total Federal Tax Change</th>
<th>Average Federal Tax Change</th>
<th>Share of Federal Taxes Change (%)</th>
<th>Under the Proposal</th>
<th>Share of Federal Taxes Change (%)</th>
<th>Under the Proposal</th>
<th>Average Federal Tax Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>80-90</td>
<td>0.0</td>
<td>15.9</td>
<td>-0.1</td>
<td>25.7</td>
<td>61</td>
<td>0.4</td>
<td>0.0</td>
<td>13.4</td>
<td>0.1</td>
</tr>
<tr>
<td>90-95</td>
<td>0.0</td>
<td>13.3</td>
<td>-0.1</td>
<td>11.4</td>
<td>51</td>
<td>0.2</td>
<td>0.0</td>
<td>12.0</td>
<td>0.0</td>
</tr>
<tr>
<td>95-99</td>
<td>0.0</td>
<td>14.0</td>
<td>0.0</td>
<td>14.8</td>
<td>66</td>
<td>0.1</td>
<td>0.0</td>
<td>24.1</td>
<td>0.0</td>
</tr>
<tr>
<td>Top 1 Percent</td>
<td>0.0</td>
<td>12.6</td>
<td>0.0</td>
<td>3.5</td>
<td>61</td>
<td>0.0</td>
<td>0.1</td>
<td>35.4</td>
<td>0.0</td>
</tr>
<tr>
<td>Top 0.1 Percent</td>
<td>0.0</td>
<td>10.8</td>
<td>0.0</td>
<td>0.3</td>
<td>55</td>
<td>0.0</td>
<td>0.0</td>
<td>16.3</td>
<td>0.0</td>
</tr>
</tbody>
</table>

Baseline Distribution of Income and Federal Taxes by Cash Income Percentile Adjusted for Family Size, 2010

<table>
<thead>
<tr>
<th>Cash Income Percentile</th>
<th>Tax Units</th>
<th>Average Income (Dollars)</th>
<th>Average Federal Tax Burden (Dollars)</th>
<th>Average After-Tax Income (Dollars)</th>
<th>Average Federal Tax Rate</th>
<th>Share of Pre-Tax Income</th>
<th>Share of Post-Tax Income</th>
<th>Share of Federal Taxes</th>
<th>Share of Federal Taxes Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number (thousands)</td>
<td>Percent of Total</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lowest Quintile</td>
<td>4,951</td>
<td>17.1</td>
<td>11,173</td>
<td>215</td>
<td>10,958</td>
<td>19.9</td>
<td>2.5</td>
<td>2.9</td>
<td>0.3</td>
</tr>
<tr>
<td>Second Quintile</td>
<td>6,980</td>
<td>24.2</td>
<td>23,058</td>
<td>694</td>
<td>22,363</td>
<td>3.0</td>
<td>7.3</td>
<td>8.3</td>
<td>1.4</td>
</tr>
<tr>
<td>Middle Quintile</td>
<td>4,477</td>
<td>15.5</td>
<td>41,813</td>
<td>1,848</td>
<td>39,965</td>
<td>4.4</td>
<td>8.4</td>
<td>9.5</td>
<td>2.4</td>
</tr>
<tr>
<td>Fourth Quintile</td>
<td>5,339</td>
<td>18.5</td>
<td>69,198</td>
<td>6,869</td>
<td>62,329</td>
<td>9.9</td>
<td>16.7</td>
<td>17.7</td>
<td>10.8</td>
</tr>
<tr>
<td>Top Quintile</td>
<td>7,138</td>
<td>24.7</td>
<td>202,900</td>
<td>40,349</td>
<td>162,551</td>
<td>19.9</td>
<td>65.3</td>
<td>61.7</td>
<td>84.9</td>
</tr>
<tr>
<td>All</td>
<td>28,907</td>
<td>100.0</td>
<td>76,779</td>
<td>11,729</td>
<td>65,050</td>
<td>15.3</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Addendum

<table>
<thead>
<tr>
<th>Cash Income Percentile</th>
<th>Tax Units</th>
<th>Average Income (Dollars)</th>
<th>Average Federal Tax Burden (Dollars)</th>
<th>Average After-Tax Income (Dollars)</th>
<th>Average Federal Tax Rate</th>
<th>Share of Pre-Tax Income</th>
<th>Share of Post-Tax Income</th>
<th>Share of Federal Taxes</th>
<th>Share of Federal Taxes Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>80-90</td>
<td>3,254</td>
<td>11.3</td>
<td>97,204</td>
<td>13,957</td>
<td>83,247</td>
<td>14.3</td>
<td>14.3</td>
<td>14.3</td>
<td>14.3</td>
</tr>
<tr>
<td>90-95</td>
<td>1,705</td>
<td>5.9</td>
<td>137,094</td>
<td>23,843</td>
<td>113,250</td>
<td>17.4</td>
<td>10.5</td>
<td>10.5</td>
<td>12.0</td>
</tr>
<tr>
<td>95-99</td>
<td>1,729</td>
<td>6.0</td>
<td>231,394</td>
<td>47,287</td>
<td>184,107</td>
<td>20.4</td>
<td>18.0</td>
<td>16.9</td>
<td>24.1</td>
</tr>
<tr>
<td>Top 1 Percent</td>
<td>450</td>
<td>1.6</td>
<td>1,107,290</td>
<td>267,279</td>
<td>840,011</td>
<td>24.1</td>
<td>22.5</td>
<td>20.1</td>
<td>35.5</td>
</tr>
<tr>
<td>Top 0.1 Percent</td>
<td>45</td>
<td>0.2</td>
<td>4,840,556</td>
<td>1,284,068</td>
<td>3,556,488</td>
<td>26.5</td>
<td>9.4</td>
<td>8.2</td>
<td>16.4</td>
</tr>
</tbody>
</table>


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. Proposal imposes a cap, indexed by the projected growth of medical expenses, on the employer sponsored insurance exclusion. The caps are based on average premiums; their 2009 values are $5,370 for single coverage, $10,277 for single-plus-one coverage, and $13,226 for family coverage.

(2) 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 2009 dollars): 20% $14,360, 40% $26,282, 60% $42,360, 80% $64,720, 90% $90,216, 95% $125,349, 99% $320,382, 99.9% $1,352,100.

(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 2009 dollars): 20% $14,360, 40% $26,282, 60% $42,360, 80% $64,720, 90% $90,216, 95% $125,349, 99% $320,382, 99.9% $1,352,100.

(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.