

Table T09-0328
Deduction for Medical and Dental Expenses Under Current Law
Distribution of Federal Tax Benefits by Cash Income Percentile, 2009 ¹
Summary Table

Cash Income Percentile ^{2,3}	Percent of Tax Units ⁴		Benefit as Percent of After-Tax Income ⁴	Share of Total Federal Tax Benefits	Average Federal Tax Benefit (\$)	Average Federal Tax Rate (Percent) ⁵	
	With Tax Benefit	Without Tax Benefit				Change due to Deduction	With Deduction
Lowest Quintile	0.8	99.2	0.0	0.7	2	0.0	-0.2
Second Quintile	3.5	96.5	0.1	5.4	13	-0.1	7.9
Middle Quintile	8.1	91.9	0.1	16.8	46	-0.1	14.5
Fourth Quintile	10.6	89.4	0.1	30.5	98	-0.1	17.2
Top Quintile	8.0	92.0	0.1	46.6	172	-0.1	22.5
All	5.6	94.4	0.1	100.0	55	-0.1	18.0
Addendum							
80-90	9.4	90.6	0.2	20.1	147	-0.1	19.3
90-95	7.4	92.6	0.1	11.0	167	-0.1	20.9
95-99	6.0	94.0	0.1	11.6	213	-0.1	22.7
Top 1 Percent	5.0	95.1	0.0	3.9	285	0.0	26.0
Top 0.1 Percent	3.9	96.1	0.0	0.7	471	0.0	28.2

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

Number of AMT Taxpayers (millions). Baseline: 3.8

Proposal: 3.8

(1) Calendar year. Baseline is current law without the deduction for medical and dental expenses.

(2) Tax units with negative cash income are excluded from the lowest income class but are included in the totals. For a description of cash income, see <http://www.taxpolicycenter.org/TaxModel/income.cfm>

(3) The cash income percentile classes used in this table are based on the income distribution for the entire population and contain an equal number of people, not tax units. The breaks are (in 2009 dollars): 20% \$19,792, 40% \$38,213, 60% \$65,692, 80% \$104,318, 90% \$150,433, 95% \$203,190, 99% \$522,025, 99.9% \$2,131,606.

(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 T09-0328
Deduction for Medical and Dental Expenses Under Current Law
Distribution of Federal Tax Benefits by Cash Income Percentile, 2009¹
Detail Table

Cash Income Percentile ^{2,3}	Percent of Tax Units ⁴		Benefit as Percent of After-Tax Income ⁴	Share of Total Federal Tax Benefits	Average Federal Tax Benefits		Share of Federal Taxes		Average Federal Tax Rate ⁶	
	With Tax Benefit	Without Tax Benefit			Dollars	Percent	Change due to Deduction	With Deduction	Change due to Deduction	With Deduction
Lowest Quintile	0.8	99.2	0.0	0.7	2	-6.7	0.0	-0.1	0.0	-0.2
Second Quintile	3.5	96.5	0.1	5.4	13	0.6	0.0	4.0	-0.1	7.9
Middle Quintile	8.1	91.9	0.1	16.8	46	0.6	0.0	12.0	-0.1	14.5
Fourth Quintile	10.6	89.4	0.1	30.5	98	0.7	-0.1	19.9	-0.1	17.2
Top Quintile	8.0	92.0	0.1	46.6	172	0.3	0.1	64.0	-0.1	22.5
All	5.6	94.4	0.1	100.0	55	0.5	0.0	100.0	-0.1	18.0
Addendum										
80-90	9.4	90.6	0.2	20.1	147	0.6	0.0	14.6	-0.1	19.3
90-95	7.4	92.6	0.1	11.0	167	0.5	0.0	10.7	-0.1	20.9
95-99	6.0	94.0	0.1	11.6	213	0.3	0.0	16.5	-0.1	22.7
Top 1 Percent	5.0	95.1	0.0	3.9	285	0.1	0.1	22.2	0.0	26.0
Top 0.1 Percent	3.9	96.1	0.0	0.7	471	0.0	0.0	10.2	0.0	28.2

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

Cash Income Percentile ^{2,3}	Tax Units ⁴		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After-Tax Income ⁵ (Dollars)	Average Federal Tax Rate ⁶	Share of Pre-Tax Income Percent of Total	Share of Post-Tax Income Percent of Total	Share of Federal Taxes Percent of Total
	Number (thousands)	Percent of Total							
Lowest Quintile	37,398	24.8	11,139	-24	11,163	-0.2	4.0	4.9	-0.1
Second Quintile	33,701	22.3	28,130	2,239	25,891	8.0	9.2	10.3	4.0
Middle Quintile	30,402	20.1	50,928	7,423	43,505	14.6	14.9	15.6	12.0
Fourth Quintile	25,999	17.2	83,030	14,386	68,644	17.3	20.8	21.0	19.9
Top Quintile	22,729	15.1	234,071	52,742	181,330	22.5	51.3	48.6	63.9
All	150,979	100.0	68,631	12,423	56,208	18.1	100.0	100.0	100.0
Addendum									
80-90	11,510	7.6	122,728	23,775	98,952	19.4	13.6	13.4	14.6
90-95	5,519	3.7	173,553	36,423	137,130	21.0	9.2	8.9	10.7
95-99	4,546	3.0	298,384	67,941	230,443	22.8	13.1	12.3	16.5
Top 1 Percent	1,154	0.8	1,380,494	359,768	1,020,726	26.1	15.4	13.9	22.1
Top 0.1 Percent	116	0.1	5,859,810	1,650,506	4,209,305	28.2	6.6	5.8	10.2

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

Number of AMT Taxpayers (millions). Baseline: 3.8

Proposal: 3.8

(1) Calendar year. Baseline is current law without the deduction for medical and dental expenses.

(2) Tax units with negative cash income are excluded from the lowest income class but are included in the totals. For a description of cash income, see

<http://www.taxpolicycenter.org/TaxModel/income.cfm>

(3) The cash income percentile classes used in this table are based on the income distribution for the entire population and contain an equal number of people, not tax units. The breaks are (in 2009 dollars): 20% \$19,792, 40% \$38,213, 60% \$65,692, 80% \$104,318, 90% \$150,433, 95% \$203,190, 99% \$522,025, 99.9% \$2,131,606.

(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 T09-0328
Deduction for Medical and Dental Expenses Under Current Law
Distribution of Federal Tax Benefits by Cash Income Percentile Adjusted for Family Size, 2009¹
Detail Table

Cash Income Percentile ^{2,3}	Percent of Tax Units ⁴		Benefit as Percent of After- Tax Income ⁴	Share of Total Federal Tax Benefits	Average Federal Tax Benefits		Share of Federal Taxes		Average Federal Tax Rate ⁶	
	With Tax Benefit	Without Tax Benefit			Dollars	Percent	Change due to Deduction	With Deduction	Change due to Deduction	With Deduction
Lowest Quintile	0.1	99.9	0.0	0.1	0	0.0	0.0	-1.0	0.0	-5.7
Second Quintile	3.0	97.0	0.0	3.1	8	0.6	0.0	2.4	0.0	5.8
Middle Quintile	6.6	93.4	0.1	11.0	31	0.5	0.0	9.5	-0.1	13.2
Fourth Quintile	9.8	90.2	0.1	24.4	70	0.6	0.0	18.9	-0.1	16.7
Top Quintile	9.0	91.0	0.1	61.4	172	0.4	0.0	70.0	-0.1	22.4
All	5.6	94.4	0.1	100.0	55	0.5	0.0	100.0	-0.1	18.0
Addendum										
80-90	9.8	90.2	0.2	22.4	124	0.6	0.0	16.5	-0.1	19.5
90-95	8.7	91.3	0.2	16.5	183	0.6	0.0	12.4	-0.1	21.2
95-99	8.0	92.0	0.1	16.4	235	0.4	0.0	17.9	-0.1	22.5
Top 1 Percent	6.0	94.0	0.0	6.2	372	0.1	0.1	23.3	0.0	25.9
Top 0.1 Percent	4.6	95.4	0.0	0.9	519	0.0	0.0	10.7	0.0	28.1

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

Cash Income Percentile ^{2,3}	Tax Units ⁴		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After- Tax Income ⁵ (Dollars)	Average Federal Tax Rate ⁶	Share of Pre- Tax Income Percent of Total	Share of Post- Tax Income Percent of Total	Share of Federal Taxes Percent of Total
	Number (thousands)	Percent of Total							
Lowest Quintile	30,811	20.4	10,429	-595	11,024	-5.7	3.1	4.0	-1.0
Second Quintile	30,805	20.4	25,498	1,486	24,012	5.8	7.6	8.7	2.4
Middle Quintile	29,640	19.6	45,048	5,993	39,056	13.3	12.9	13.6	9.5
Fourth Quintile	29,116	19.3	72,752	12,193	60,559	16.8	20.4	20.8	18.9
Top Quintile	29,857	19.8	195,312	43,973	151,340	22.5	56.3	53.3	70.0
All	150,979	100.0	68,631	12,423	56,208	18.1	100.0	100.0	100.0
Addendum									
80-90	15,099	10.0	104,284	20,496	83,788	19.7	15.2	14.9	16.5
90-95	7,518	5.0	145,101	30,975	114,126	21.4	10.5	10.1	12.4
95-99	5,846	3.9	254,000	57,308	196,692	22.6	14.3	13.6	17.9
Top 1 Percent	1,395	0.9	1,205,141	312,216	892,925	25.9	16.2	14.7	23.2
Top 0.1 Percent	138	0.1	5,155,011	1,447,850	3,707,161	28.1	6.9	6.0	10.7

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

Number of AMT Taxpayers (millions). Baseline: 3.8

Proposal: 3.8

(1) Calendar year. Baseline is current law without the deduction for medical and dental expenses.

(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% \$13,452, 40% \$24,939, 60% \$41,565, 80% \$64,974, 90% \$90,586, 95% \$126,051, 99% \$321,606, 99.9% \$1,307,820.

(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 T09-0328
Deduction for Medical and Dental Expenses Under Current Law
Distribution of Federal Tax Benefits by Cash Income Percentile Adjusted for Family Size, 2009¹
Detail Table - Single Tax Units

Cash Income Percentile ^{2,3}	Percent of Tax Units ⁴		Benefit as Percent of After-Tax Income ⁴	Share of Total Federal Tax Benefits	Average Federal Tax Benefits		Share of Federal Taxes		Average Federal Tax Rate ⁵	
	With Tax Benefit	Without Tax Benefit			Dollars	Percent	Change due to Deduction	With Deduction	Change due to Deduction	With Deduction
Lowest Quintile	0.2	99.8	0.0	0.1	0	0.2	0.0	0.6	0.0	2.6
Second Quintile	3.1	96.9	0.1	3.7	9	0.5	0.0	5.0	-0.1	8.8
Middle Quintile	5.4	94.6	0.1	9.0	25	0.5	0.0	12.8	-0.1	14.9
Fourth Quintile	9.0	91.0	0.2	20.7	69	0.7	0.0	21.3	-0.1	18.7
Top Quintile	10.3	89.7	0.2	66.6	238	0.8	-0.1	60.1	-0.2	23.1
All	4.9	95.1	0.2	100.0	56	0.7	0.0	100.0	-0.1	18.5
Addendum										
80-90	10.0	90.0	0.2	19.5	132	0.8	0.0	17.5	-0.2	21.3
90-95	9.7	90.3	0.3	19.4	269	1.1	-0.1	12.4	-0.3	22.6
95-99	12.0	88.0	0.3	20.1	406	1.0	0.0	14.1	-0.2	22.1
Top 1 Percent	9.5	90.5	0.1	7.6	765	0.3	0.1	16.1	-0.1	27.4
Top 0.1 Percent	6.7	93.3	0.0	0.8	899	0.1	0.1	7.2	0.0	31.2

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

Cash Income Percentile ^{2,3}	Tax Units ⁴		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After-Tax Income ⁵ (Dollars)	Average Federal Tax Rate ⁶	Share of Pre-Tax Income Percent of Total	Share of Post-Tax Income Percent of Total	Share of Federal Taxes Percent of Total
	Number (thousands)	Percent of Total							
Lowest Quintile	15,928	24.4	7,691	197	7,495	2.6	4.5	5.4	0.6
Second Quintile	14,749	22.6	19,388	1,717	17,670	8.9	10.6	11.9	5.0
Middle Quintile	13,104	20.1	32,811	4,921	27,889	15.0	15.9	16.6	12.8
Fourth Quintile	10,889	16.7	52,452	9,877	42,576	18.8	21.1	21.1	21.3
Top Quintile	10,176	15.6	127,722	29,794	97,927	23.3	48.1	45.4	60.1
All	65,239	100.0	41,404	7,729	33,675	18.7	100.0	100.0	100.0
Addendum									
80-90	5,386	8.3	76,418	16,404	60,015	21.5	15.2	14.7	17.5
90-95	2,627	4.0	104,693	23,941	80,752	22.9	10.2	9.7	12.5
95-99	1,804	2.8	177,218	39,540	137,679	22.3	11.8	11.3	14.2
Top 1 Percent	359	0.6	817,131	224,531	592,600	27.5	10.9	9.7	16.0
Top 0.1 Percent	33	0.1	3,560,360	1,112,409	2,447,951	31.2	4.3	3.6	7.2

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

(1) Calendar year. Baseline is current law without the deduction for medical and dental expenses.

(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% \$13,452, 40% \$24,939, 60% \$41,565, 80% \$64,974, 90% \$90,586, 95% \$126,051, 99% \$321,606, 99.9% \$1,307,820.

(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 T09-0328
Deduction for Medical and Dental Expenses Under Current Law
Distribution of Federal Tax Benefits by Cash Income Percentile Adjusted for Family Size, 2009¹
Detail Table - Married Tax Units Filing Jointly

Cash Income Percentile ^{2,3}	Percent of Tax Units ⁴		Benefit as Percent of After-Tax Income ⁴	Share of Total Federal Tax Benefits	Average Federal Tax Benefits		Share of Federal Taxes		Average Federal Tax Rate ⁵	
	With Tax Benefit	Without Tax Benefit			Dollars	Percent	Change due to Deduction	With Deduction	Change due to Deduction	With Deduction
Lowest Quintile	0.0	100.0	0.0	0.0	0	0.0	0.0	-0.5	0.0	-6.8
Second Quintile	3.4	96.6	0.0	1.7	9	0.6	0.0	1.0	0.0	4.6
Middle Quintile	7.9	92.1	0.1	10.2	38	0.6	0.0	6.2	-0.1	11.8
Fourth Quintile	11.0	89.0	0.1	27.4	76	0.6	0.0	16.8	-0.1	15.6
Top Quintile	8.5	91.5	0.1	60.7	141	0.3	0.1	76.3	-0.1	22.2
All	7.3	92.7	0.1	100.0	70	0.3	0.0	100.0	-0.1	18.7
Addendum										
80-90	10.1	89.9	0.1	26.2	127	0.6	0.0	16.1	-0.1	18.7
90-95	8.3	91.7	0.1	15.3	140	0.4	0.0	13.0	-0.1	20.7
95-99	6.2	93.8	0.1	13.7	151	0.2	0.0	20.4	-0.1	22.6
Top 1 Percent	4.7	95.3	0.0	5.4	232	0.1	0.1	26.9	0.0	25.5
Top 0.1 Percent	3.9	96.1	0.0	0.9	405	0.0	0.0	12.1	0.0	27.4

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

Cash Income Percentile ^{2,3}	Tax Units ⁴		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After-Tax Income ⁵ (Dollars)	Average Federal Tax Rate ⁶	Share of Pre-Tax Income	Share of Post-Tax Income	Share of Federal Taxes
	Number (thousands)	Percent of Total					Percent of Total	Percent of Total	Percent of Total
Lowest Quintile	6,690	11.2	13,760	-937	14,697	-6.8	1.4	1.8	-0.5
Second Quintile	8,457	14.2	32,925	1,517	31,408	4.6	4.2	5.0	1.0
Middle Quintile	11,153	18.7	58,474	6,940	51,534	11.9	9.9	10.7	6.3
Fourth Quintile	15,150	25.4	88,068	13,794	74,274	15.7	20.3	21.0	16.9
Top Quintile	18,010	30.2	236,078	52,439	183,639	22.2	64.5	61.8	76.2
All	59,744	100.0	110,299	20,742	89,556	18.8	100.0	100.0	100.0
Addendum									
80-90	8,649	14.5	122,710	23,040	99,670	18.8	16.1	16.1	16.1
90-95	4,572	7.7	169,474	35,167	134,308	20.8	11.8	11.5	13.0
95-99	3,811	6.4	292,035	66,177	225,858	22.7	16.9	16.1	20.4
Top 1 Percent	979	1.6	1,330,820	339,335	991,485	25.5	19.8	18.1	26.8
Top 0.1 Percent	97	0.2	5,602,474	1,535,159	4,067,315	27.4	8.3	7.4	12.1

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

(1) Calendar year. Baseline is current law without the deduction for medical and dental expenses.

(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% \$13,452, 40% \$24,939, 60% \$41,565, 80% \$64,974, 90% \$90,586, 95% \$126,051, 99% \$321,606, 99.9% \$1,307,820.

(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 T09-0328
Deduction for Medical and Dental Expenses Under Current Law
Distribution of Federal Tax Benefits by Cash Income Percentile Adjusted for Family Size, 2009¹
Detail Table - Head of Household Tax Units

Cash Income Percentile ^{2,3}	Percent of Tax Units ⁴		Benefit as Percent of After-Tax Income ⁴	Share of Total Federal Tax Benefits	Average Federal Tax Benefits		Share of Federal Taxes		Average Federal Tax Rate ⁵	
	With Tax Benefit	Without Tax Benefit			Dollars	Percent	Change due to Deduction	With Deduction	Change due to Deduction	With Deduction
Lowest Quintile	0.1	100.0	0.0	0.0	0	0.0	-0.1	-16.3	0.0	-14.8
Second Quintile	2.4	97.6	0.0	11.2	7	0.8	0.0	6.5	0.0	2.9
Middle Quintile	7.0	93.0	0.1	35.2	32	0.5	0.0	32.7	-0.1	13.7
Fourth Quintile	6.5	93.5	0.1	29.5	49	0.4	0.0	33.9	-0.1	17.7
Top Quintile	6.5	93.5	0.1	24.1	86	0.3	0.1	43.2	-0.1	22.5
All	3.2	96.8	0.1	100.0	18	0.5	0.0	100.0	-0.1	10.5
Addendum										
80-90	6.4	93.6	0.1	9.5	51	0.2	0.0	17.8	-0.1	21.2
90-95	6.5	93.5	0.1	3.4	63	0.2	0.0	7.4	-0.1	22.4
95-99	6.9	93.1	0.2	9.6	284	0.5	0.0	8.0	-0.1	21.7
Top 1 Percent	7.0	93.0	0.0	1.6	209	0.1	0.0	10.0	0.0	26.3
Top 0.1 Percent	5.5	94.5	0.0	0.3	481	0.0	0.0	4.3	0.0	28.3

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

Cash Income Percentile ^{2,3}	Tax Units ⁴		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After-Tax Income ⁵ (Dollars)	Average Federal Tax Rate ⁶	Share of Pre-Tax Income	Share of Post-Tax Income	Share of Federal Taxes	
	Number (thousands)	Percent of Total					Percent of Total	Percent of Total	Percent of Total	
Lowest Quintile	7,886	33.7	13,176	-1,956	15,132	-14.8	11.5	14.8	-16.2	
Second Quintile	7,129	30.4	29,467	870	28,597	3.0	23.3	25.3	6.5	
Middle Quintile	4,664	19.9	48,386	6,654	41,732	13.8	25.1	24.2	32.7	
Fourth Quintile	2,524	10.8	71,741	12,760	58,981	17.8	20.1	18.5	33.9	
Top Quintile	1,185	5.1	153,000	34,525	118,475	22.6	20.1	17.4	43.1	
All	23,435	100.0	38,440	4,054	34,386	10.6	100.0	100.0	100.0	
Addendum										
80-90	781	3.3	101,698	21,630	80,069	21.3	8.8	7.8	17.8	
90-95	229	1.0	135,764	30,434	105,330	22.4	3.5	3.0	7.3	
95-99	144	0.6	243,422	53,130	190,292	21.8	3.9	3.4	8.0	
Top 1 Percent	32	0.1	1,118,475	293,946	824,528	26.3	4.0	3.3	9.9	
Top 0.1 Percent	3	0.0	4,909,652	1,389,928	3,519,724	28.3	1.6	1.3	4.3	

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

(1) Calendar year. Baseline is current law without the deduction for medical and dental expenses.

(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% \$13,452, 40% \$24,939, 60% \$41,565, 80% \$64,974, 90% \$90,586, 95% \$126,051, 99% \$321,606, 99.9% \$1,307,820.

(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 T09-0328
Deduction for Medical and Dental Expenses Under Current Law
Distribution of Federal Tax Benefits by Cash Income Percentile Adjusted for Family Size, 2009¹
Detail Table - Tax Units with Children

Cash Income Percentile ^{2,3}	Percent of Tax Units ⁴		Benefit as Percent of After- Tax Income ⁴	Share of Total Federal Tax Benefits	Average Federal Tax Benefits		Share of Federal Taxes		Average Federal Tax Rate ⁶	
	With Tax Benefit	Without Tax Benefit			Dollars	Percent	Change due to Deduction	With Deduction	Change due to Deduction	With Deduction
Lowest Quintile	0.0	100.0	0.0	0.0	0	0.0	0.0	-3.8	0.0	-17.5
Second Quintile	2.6	97.4	0.0	3.9	6	0.7	0.0	1.3	0.0	2.6
Middle Quintile	7.9	92.1	0.1	23.1	35	0.4	0.0	11.9	-0.1	13.3
Fourth Quintile	7.4	92.6	0.1	34.3	58	0.4	0.0	21.9	-0.1	17.1
Top Quintile	4.4	95.6	0.0	38.7	80	0.1	0.1	68.6	0.0	23.7
All	4.4	95.6	0.1	100.0	33	0.2	0.0	100.0	0.0	17.3
Addendum										
80-90	5.4	94.6	0.1	18.2	74	0.3	0.0	16.2	-0.1	20.3
90-95	4.1	95.9	0.1	8.7	71	0.2	0.0	11.9	0.0	21.8
95-99	2.7	97.4	0.0	8.8	97	0.1	0.0	17.8	0.0	24.4
Top 1 Percent	2.8	97.2	0.0	3.1	134	0.0	0.0	22.7	0.0	27.5
Top 0.1 Percent	3.3	96.7	0.0	0.9	386	0.0	0.0	10.1	0.0	28.8

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

Cash Income Percentile ^{2,3}	Tax Units ⁴		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After- Tax Income ⁵ (Dollars)	Average Federal Tax Rate ⁶	Share of Pre- Tax Income Percent of Total	Share of Post- Tax Income Percent of Total	Share of Federal Taxes Percent of Total
	Number (thousands)	Percent of Total							
Lowest Quintile	10,679	21.9	14,136	-2,477	16,613	-17.5	3.7	5.3	-3.8
Second Quintile	10,452	21.4	33,788	867	32,921	2.6	8.7	10.3	1.3
Middle Quintile	10,394	21.3	60,328	8,037	52,291	13.3	15.5	16.2	11.9
Fourth Quintile	9,395	19.3	95,703	16,418	79,285	17.2	22.2	22.2	21.9
Top Quintile	7,700	15.8	264,258	62,610	201,649	23.7	50.2	46.4	68.5
All	48,765	100.0	83,132	14,426	68,706	17.4	100.0	100.0	100.0
Addendum									
80-90	3,928	8.1	142,540	28,968	113,572	20.3	13.8	13.3	16.2
90-95	1,955	4.0	195,504	42,729	152,775	21.9	9.4	8.9	11.9
95-99	1,451	3.0	353,516	86,388	267,129	24.4	12.7	11.6	17.8
Top 1 Percent	366	0.8	1,583,826	435,541	1,148,285	27.5	14.3	12.6	22.7
Top 0.1 Percent	36	0.1	6,844,819	1,973,996	4,870,823	28.8	6.1	5.2	10.1

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 without the deduction for medical and dental expenses.

(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% \$13,452, 40% \$24,939, 60% \$41,565, 80% \$64,974, 90% \$90,586, 95% \$126,051, 99% \$321,606, 99.9% \$1,307,820.

(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 T09-0328
Deduction for Medical and Dental Expenses Under Current Law
Distribution of Federal Tax Benefits by Cash Income Percentile Adjusted for Family Size, 2009¹
Detail Table - Elderly Tax Units

Cash Income Percentile ^{2,3}	Percent of Tax Units ⁴		Benefit as Percent of After- Tax Income ⁴	Share of Total Federal Tax Benefits	Average Federal Tax Benefits		Share of Federal Taxes		Average Federal Tax Rate ⁶	
	With Tax Benefit	Without Tax Benefit			Dollars	Percent	Change due to Deduction	With Deduction	Change due to Deduction	With Deduction
Lowest Quintile	0.0	100.0	0.0	0.0	0	0.0	0.0	0.0	0.0	0.2
Second Quintile	0.0	100.0	0.0	0.0	0	0.0	0.0	0.9	0.0	1.8
Middle Quintile	5.5	94.6	0.1	2.2	22	1.7	0.0	2.1	-0.1	3.3
Fourth Quintile	22.7	77.4	0.3	23.0	194	3.2	-0.2	11.3	-0.3	8.7
Top Quintile	23.7	76.3	0.3	74.8	534	1.4	0.2	85.5	-0.3	19.1
All	10.9	89.1	0.3	100.0	167	1.6	0.0	100.0	-0.2	14.1
Addendum										
80-90	27.6	72.5	0.5	23.3	367	2.9	-0.2	12.7	-0.4	12.9
90-95	23.9	76.1	0.5	20.7	598	2.7	-0.1	12.1	-0.5	16.0
95-99	19.1	80.9	0.4	22.3	679	1.6	0.0	22.9	-0.3	18.7
Top 1 Percent	12.3	87.7	0.1	8.4	947	0.4	0.5	37.9	-0.1	24.9
Top 0.1 Percent	6.6	93.4	0.0	0.7	844	0.1	0.3	17.6	0.0	28.2

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

Cash Income Percentile ^{2,3}	Tax Units ⁴		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After- Tax Income ⁵ (Dollars)	Average Federal Tax Rate ⁶	Share of Pre- Tax Income Percent of Total	Share of Post- Tax Income Percent of Total	Share of Federal Taxes Percent of Total
	Number (thousands)	Percent of Total							
Lowest Quintile	4,518	15.9	10,241	17	10,225	0.2	2.2	2.6	0.0
Second Quintile	6,908	24.3	21,365	392	20,973	1.8	7.2	8.2	0.9
Middle Quintile	4,712	16.6	39,436	1,323	38,113	3.4	9.0	10.2	2.1
Fourth Quintile	5,606	19.8	67,390	6,081	61,309	9.0	18.3	19.5	11.5
Top Quintile	6,619	23.3	197,494	38,215	159,279	19.4	63.4	59.7	85.4
All	28,390	100.0	72,658	10,436	62,221	14.4	100.0	100.0	100.0
Addendum									
80-90	3,007	10.6	95,095	12,668	82,427	13.3	13.9	14.0	12.9
90-95	1,640	5.8	133,885	22,015	111,870	16.4	10.7	10.4	12.2
95-99	1,554	5.5	230,630	43,707	186,923	19.0	17.4	16.4	22.9
Top 1 Percent	418	1.5	1,059,787	264,944	794,843	25.0	21.5	18.8	37.4
Top 0.1 Percent	40	0.1	4,494,318	1,266,713	3,227,605	28.2	8.8	7.4	17.3

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 without the deduction for medical and dental expenses.

(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% \$13,452, 40% \$24,939, 60% \$41,565, 80% \$64,974, 90% \$90,586, 95% \$126,051, 99% \$321,606, 99.9% \$1,307,820.

(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.