

Table T09-0350
America's Affordable Health Choices Act of 2009 Surcharge on High Income Individuals
Baseline: Administration Baseline
Distribution of Federal Tax Change by Cash Income Percentile, 2011¹
Summary Table

Cash Income Percentile ^{2,3}	Percent of Tax Units ⁴		Percent Change in After-Tax Income ⁵	Share of Total Federal Tax Change	Average Federal Tax Change (\$)	Average Federal Tax Rate ⁶	
	With Tax Cut	With Tax Increase				Change (%)	Under the Proposal
Lowest Quintile	0.0	0.0	0.0	0.0	0	0.0	4.3
Second Quintile	0.0	0.0	0.0	0.0	0	0.0	9.4
Middle Quintile	0.0	0.0	0.0	0.0	0	0.0	15.3
Fourth Quintile	0.0	0.0	0.0	0.0	0	0.0	18.9
Top Quintile	0.0	9.4	-0.9	100.0	1,873	0.7	25.3
All	0.0	1.4	-0.5	100.0	277	0.4	20.8
Addendum							
80-90	0.0	0.0	0.0	0.0	0	0.0	21.1
90-95	0.0	0.2	0.0	0.0	0	0.0	23.0
95-99	0.0	25.2	-0.1	1.9	175	0.1	24.7
Top 1 Percent	0.0	84.2	-3.0	98.1	35,941	2.2	30.5
Top 0.1 Percent	0.0	94.5	-5.3	77.0	279,508	3.6	34.6

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0509-2).

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

(1) Calendar year. Baseline is an Administration baseline, which extends all of the individual income tax provisions included in 2001 EGTRRA and 2003 JGTRRA; maintains the estate tax at its 2009 parameters; extends the 2009 AMT Patch and indexes the AMT exemption, rate bracket threshold, and phase-out exemption threshold for inflation. Proposal is the surcharge on high income individuals described in America's Affordable Health Choices Act of 2009. Tax units pay a 1 percent tax on modified AGI between \$350,000 and \$500,000 for couples (\$280,000 and \$400,000 for others), a 1.5 percent tax on modified AGI between \$500,000 and \$1,000,000 for couples (\$400,000 and \$800,000 for others), and a 5.4 percent tax on modified AGI exceeding \$1,000,000 (\$800,000 for others). Modified AGI is AGI less any deduction for investment interest.

(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% \$17,769, 40% \$34,786, 60% \$64,064, 80% \$104,744, 90% \$167,715, 95% \$210,968, 99% \$556,929, 99.9% \$2,359,664.

(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.

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America's Affordable Health Choices Act of 2009 Surcharge on High Income Individuals
Baseline: Administration Baseline
Distribution of Federal Tax Change by Cash Income Percentile, 2011¹
Detail Table

Cash Income Percentile ^{2,3}	Percent of Tax Units ⁴		Percent Change in After-Tax Income ⁵	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁶	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	0.7	0.0	4.3
Second Quintile	0.0	0.0	0.0	0.0	0	0.0	-0.1	3.7	0.0	9.4
Middle Quintile	0.0	0.0	0.0	0.0	0	0.0	-0.2	10.1	0.0	15.3
Fourth Quintile	0.0	0.0	0.0	0.0	0	0.0	-0.3	18.1	0.0	18.9
Top Quintile	0.0	9.4	-0.9	100.0	1,873	2.9	0.6	67.2	0.7	25.3
All	0.0	1.4	-0.5	100.0	277	1.9	0.0	100.0	0.4	20.8
Addendum										
80-90	0.0	0.0	0.0	0.0	0	0.0	-0.3	14.5	0.0	21.1
90-95	0.0	0.2	0.0	0.0	0	0.0	-0.2	10.6	0.0	23.0
95-99	0.0	25.2	-0.1	1.9	175	0.2	-0.3	16.4	0.1	24.7
Top 1 Percent	0.0	84.2	-3.0	98.1	35,941	7.7	1.4	25.7	2.2	30.5
Top 0.1 Percent	0.0	94.5	-5.3	77.0	279,508	11.8	1.2	13.6	3.6	34.6

Baseline Distribution of Income and Federal Taxes
by Cash Income Percentile, 2011¹

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	37,292	24.0	10,481	445	10,035	4.3	3.5	4.2	0.7
Second Quintile	34,806	22.4	26,186	2,453	23,733	9.4	8.2	9.3	3.8
Middle Quintile	31,498	20.3	48,373	7,409	40,965	15.3	13.7	14.6	10.3
Fourth Quintile	26,231	16.9	84,329	15,956	68,373	18.9	19.9	20.2	18.5
Top Quintile	22,974	14.8	267,017	65,690	201,326	24.6	55.1	52.2	66.6
All	155,368	100.0	71,667	14,590	57,076	20.4	100.0	100.0	100.0
Addendum									
80-90	11,625	7.5	136,507	28,822	107,685	21.1	14.3	14.1	14.8
90-95	5,563	3.6	191,223	44,057	147,165	23.0	9.6	9.2	10.8
95-99	4,611	3.0	333,276	81,971	251,305	24.6	13.8	13.1	16.7
Top 1 Percent	1,175	0.8	1,657,137	469,003	1,188,134	28.3	17.5	15.7	24.3
Top 0.1 Percent	119	0.1	7,672,765	2,373,891	5,298,873	30.9	8.2	7.1	12.4

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0509-2).

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

(1) Calendar year. Baseline is an Administration baseline, which extends all of the individual income tax provisions included in 2001 EGTRRA and 2003 JGTRRA; maintains the estate tax at its 2009 parameters; extends the 2009 AMT Patch and indexes the AMT exemption, rate bracket threshold, and phase-out exemption threshold for inflation. Proposal is the surcharge on high income individuals described in America's Affordable Health Choices Act of 2009. Tax units pay a 1 percent tax on modified AGI between \$350,000 and \$500,000 for couples (\$280,000 and \$400,000 for others), a 1.5 percent tax on modified AGI between \$500,000 and \$1,000,000 for couples (\$400,000 and \$800,000 for others), and a 5.4 percent tax on modified AGI exceeding \$1,000,000 (\$800,000 for others). Modified AGI is AGI less any deduction for investment interest.

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(4) Includes both filing and non-filing units but excludes those that are dependents of other tax units.

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Table T09-0350
America's Affordable Health Choices Act of 2009 Surcharge on High Income Individuals
Baseline: Administration Baseline
Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2011¹
Detail Table

Cash Income Percentile ^{2,3}	Percent of Tax Units ⁴		Percent Change in After-Tax Income ⁵	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁶	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	0.1	0.0	0.4
Second Quintile	0.0	0.0	0.0	0.0	0	0.0	-0.1	2.5	0.0	7.6
Middle Quintile	0.0	0.0	0.0	0.0	0	0.0	-0.2	8.3	0.0	14.3
Fourth Quintile	0.0	0.0	0.0	0.0	0	0.0	-0.3	17.0	0.0	18.0
Top Quintile	0.0	7.4	-0.9	100.0	1,480	2.7	0.5	72.0	0.7	25.3
All	0.0	1.4	-0.5	100.0	277	1.9	0.0	100.0	0.4	20.8
Addendum										
80-90	0.0	0.0	0.0	0.0	0	0.0	-0.3	15.7	0.0	21.7
90-95	0.0	0.0	0.0	0.0	0	0.0	-0.2	11.9	0.0	22.8
95-99	0.0	17.3	-0.1	1.8	135	0.2	-0.3	17.7	0.1	24.5
Top 1 Percent	0.0	80.8	-2.9	98.2	29,581	7.3	1.4	26.8	2.1	30.2
Top 0.1 Percent	0.0	94.0	-5.1	78.1	237,112	11.5	1.2	14.1	3.6	34.4

Baseline Distribution of Income and Federal Taxes
by Cash Income Percentile Adjusted for Family Size, 2011¹

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	30,760	19.8	9,877	42	9,835	0.4	2.7	3.4	0.1
Second Quintile	32,347	20.8	23,756	1,801	21,954	7.6	6.9	8.0	2.6
Middle Quintile	31,060	20.0	42,993	6,136	36,857	14.3	12.0	12.9	8.4
Fourth Quintile	29,561	19.0	73,609	13,280	60,328	18.0	19.5	20.1	17.3
Top Quintile	29,073	18.7	226,631	55,733	170,898	24.6	59.2	56.0	71.5
All	155,368	100.0	71,667	14,590	57,076	20.4	100.0	100.0	100.0
Addendum									
80-90	14,540	9.4	115,046	24,939	90,107	21.7	15.0	14.8	16.0
90-95	7,282	4.7	165,470	37,639	127,832	22.8	10.8	10.5	12.1
95-99	5,823	3.8	286,103	69,972	216,132	24.5	15.0	14.2	18.0
Top 1 Percent	1,428	0.9	1,431,804	403,389	1,028,415	28.2	18.4	16.6	25.4
Top 0.1 Percent	142	0.1	6,683,662	2,061,886	4,621,776	30.9	8.5	7.4	12.9

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0509-2).

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

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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% \$11,979, 40% \$23,105, 60% \$39,715, 80% \$67,082, 90% \$96,886, 95% \$135,936, 99% \$348,933, 99.9% \$1,418,012.

(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 T09-0350
America's Affordable Health Choices Act of 2009 Surcharge on High Income Individuals
Baseline: Administration Baseline
Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2011¹
Detail Table - Single Tax Units

Cash Income Percentile ^{2,3}	Percent of Tax Units ⁴		Percent Change in After-Tax Income ⁵	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁶	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	1.6	0.0	7.0
Second Quintile	0.0	0.0	0.0	0.0	0	0.0	-0.1	5.2	0.0	10.2
Middle Quintile	0.0	0.0	0.0	0.0	0	0.0	-0.1	12.8	0.0	16.2
Fourth Quintile	0.0	0.0	0.0	0.0	0	0.0	-0.2	20.0	0.0	19.9
Top Quintile	0.0	3.8	-0.6	100.0	626	1.7	0.4	60.3	0.4	25.8
All	0.0	0.5	-0.3	100.0	85	1.0	0.0	100.0	0.2	20.7
Addendum										
80-90	0.0	0.0	0.0	0.0	0	0.0	-0.2	17.5	0.0	23.2
90-95	0.0	0.0	0.0	0.0	0	0.0	-0.1	8.4	0.0	23.3
95-99	0.0	3.4	0.0	0.4	13	0.0	-0.1	14.4	0.0	23.9
Top 1 Percent	0.0	76.2	-2.3	99.6	14,934	5.3	0.8	20.0	1.6	32.1
Top 0.1 Percent	0.0	94.5	-4.9	84.4	144,641	9.4	0.8	9.9	3.2	37.6

Baseline Distribution of Income and Federal Taxes
by Cash Income Percentile Adjusted for Family Size, 2011¹

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	16,453	24.2	7,653	538	7,115	7.0	4.6	5.4	1.6
Second Quintile	15,785	23.3	18,188	1,853	16,335	10.2	10.5	11.8	5.2
Middle Quintile	14,027	20.7	31,881	5,172	26,708	16.2	16.3	17.2	12.9
Fourth Quintile	10,881	16.0	52,390	10,440	41,950	19.9	20.8	20.9	20.2
Top Quintile	9,172	13.5	144,769	36,684	108,085	25.3	48.4	45.4	59.9
All	67,885	100.0	40,448	8,274	32,174	20.5	100.0	100.0	100.0
Addendum									
80-90	5,247	7.7	81,466	18,884	62,583	23.2	15.6	15.0	17.6
90-95	1,793	2.6	114,230	26,649	87,581	23.3	7.5	7.2	8.5
95-99	1,749	2.6	195,211	46,697	148,514	23.9	12.4	11.9	14.5
Top 1 Percent	383	0.6	924,978	281,903	643,075	30.5	12.9	11.3	19.2
Top 0.1 Percent	34	0.1	4,473,332	1,538,218	2,935,114	34.4	5.5	4.5	9.2

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0509-2).

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(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.

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Table T09-0350
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Baseline: Administration Baseline
Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2011¹
Detail Table - Married Tax Units Filing Jointly

Cash Income Percentile ^{2,3}	Percent of Tax Units ⁴		Percent Change in After-Tax Income ⁵	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁶	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	0.0	0.0	0.2
Second Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	1.2	0.0	6.9
Middle Quintile	0.0	0.0	0.0	0.0	0	0.0	-0.1	5.1	0.0	12.8
Fourth Quintile	0.0	0.0	0.0	0.0	0	0.0	-0.3	14.8	0.0	17.0
Top Quintile	0.0	9.3	-0.9	100.0	1,863	2.8	0.5	78.8	0.7	25.1
All	0.0	2.8	-0.6	100.0	561	2.2	0.0	100.0	0.5	21.7
Addendum										
80-90	0.0	0.0	0.0	0.0	0	0.0	-0.3	15.4	0.0	21.1
90-95	0.0	0.0	0.0	0.0	0	0.0	-0.3	13.7	0.0	22.6
95-99	0.0	23.1	-0.1	2.1	187	0.2	-0.4	19.9	0.1	24.7
Top 1 Percent	0.0	81.8	-2.9	97.9	33,873	7.7	1.5	29.8	2.1	29.7
Top 0.1 Percent	0.0	93.6	-5.1	76.4	261,397	11.9	1.4	15.6	3.6	33.7

Baseline Distribution of Income and Federal Taxes
by Cash Income Percentile Adjusted for Family Size, 2011¹

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	6,220	10.2	12,978	29	12,949	0.2	1.1	1.4	0.0
Second Quintile	8,746	14.4	30,404	2,106	28,298	6.9	3.7	4.3	1.2
Middle Quintile	11,392	18.7	55,534	7,087	48,446	12.8	8.7	9.6	5.2
Fourth Quintile	15,301	25.2	89,245	15,196	74,049	17.0	18.8	19.8	15.1
Top Quintile	18,311	30.1	270,238	65,864	204,374	24.4	68.1	65.3	78.3
All	60,792	100.0	119,608	25,341	94,268	21.2	100.0	100.0	100.0
Addendum									
80-90	8,308	13.7	138,140	29,105	109,035	21.1	15.8	15.8	15.7
90-95	5,185	8.5	184,120	41,620	142,500	22.6	13.1	12.9	14.0
95-99	3,832	6.3	329,973	81,418	248,554	24.7	17.4	16.6	20.3
Top 1 Percent	986	1.6	1,603,838	442,595	1,161,243	27.6	21.8	20.0	28.3
Top 0.1 Percent	100	0.2	7,292,608	2,197,807	5,094,802	30.1	10.0	8.9	14.2

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Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2011¹
Detail Table - Head of Household Tax Units

Cash Income Percentile ^{2,3}	Percent of Tax Units ⁴		Percent Change in After-Tax Income ⁵	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁶	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	0.0	0.0	0.0	0.0	0	0.0	0.1	-6.6	0.0	-8.4
Second Quintile	0.0	0.0	0.0	0.0	0	0.0	-0.1	7.6	0.0	4.5
Middle Quintile	0.0	0.0	0.0	0.0	0	0.0	-0.2	27.3	0.0	14.2
Fourth Quintile	0.0	0.0	0.0	0.0	0	0.0	-0.3	32.3	0.0	19.1
Top Quintile	0.0	5.6	-0.7	100.0	887	2.1	0.5	39.3	0.5	24.3
All	0.0	0.3	-0.1	100.0	41	0.8	0.0	100.0	0.1	13.0
Addendum										
80-90	0.0	0.0	0.0	0.0	0	0.0	-0.1	13.4	0.0	22.1
90-95	0.0	0.0	0.0	0.0	0	0.0	-0.1	7.3	0.0	23.3
95-99	0.0	20.4	-0.1	3.0	188	0.3	0.0	7.8	0.1	22.4
Top 1 Percent	0.0	92.9	-3.1	97.0	29,642	7.9	0.7	10.9	2.2	30.7
Top 0.1 Percent	0.0	98.0	-5.4	73.9	230,897	12.1	0.6	5.6	3.7	34.6

Baseline Distribution of Income and Federal Taxes
by Cash Income Percentile Adjusted for Family Size, 2011¹

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	7,828	32.4	12,145	-1,020	13,164	-8.4	10.2	12.7	-6.7
Second Quintile	7,381	30.5	27,927	1,245	26,683	4.5	22.2	24.3	7.7
Middle Quintile	4,991	20.6	46,364	6,592	39,772	14.2	24.9	24.5	27.6
Fourth Quintile	2,741	11.3	74,093	14,157	59,936	19.1	21.9	20.3	32.5
Top Quintile	1,111	4.6	175,378	41,712	133,666	23.8	21.0	18.3	38.8
All	24,178	100.0	38,406	4,937	33,469	12.9	100.0	100.0	100.0
Addendum									
80-90	682	2.8	106,498	23,557	82,941	22.1	7.8	7.0	13.5
90-95	241	1.0	155,730	36,252	119,479	23.3	4.1	3.6	7.3
95-99	155	0.6	269,959	60,395	209,564	22.4	4.5	4.0	7.9
Top 1 Percent	32	0.1	1,323,451	376,460	946,991	28.5	4.6	3.8	10.2
Top 0.1 Percent	3	0.0	6,199,747	1,912,846	4,286,902	30.9	2.1	1.7	5.1

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0509-2).

(1) Calendar year. Baseline is an Administration baseline, which extends all of the individual income tax provisions included in 2001 EGTRRA and 2003 JGTRRA; maintains the estate tax at its 2009 parameters; extends the 2009 AMT Patch and indexes the AMT exemption, rate bracket threshold, and phase-out exemption threshold for inflation. Proposal is the surcharge on high income individuals described in America's Affordable Health Choices Act of 2009. Tax units pay a 1 percent tax on modified AGI between \$350,000 and \$500,000 for couples (\$280,000 and \$400,000 for others), a 1.5 percent tax on modified AGI between \$500,000 and \$1,000,000 for couples (\$400,000 and \$800,000 for others), and a 5.4 percent tax on modified AGI exceeding \$1,000,000 (\$800,000 for others). Modified AGI is AGI less any deduction for investment interest.

(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% \$11,979, 40% \$23,105, 60% \$39,715, 80% \$67,082, 90% \$96,886, 95% \$135,936, 99% \$348,933, 99.9% \$1,418,012.

(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 T09-0350
America's Affordable Health Choices Act of 2009 Surcharge on High Income Individuals
Baseline: Administration Baseline
Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2011¹
Detail Table - Tax Units with Children

Cash Income Percentile ^{2,3}	Percent of Tax Units ⁴		Percent Change in After-Tax Income ⁵	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁶	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	-1.5	0.0	-10.2
Second Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	1.5	0.0	4.3
Middle Quintile	0.0	0.0	0.0	0.0	0	0.0	-0.2	9.4	0.0	14.5
Fourth Quintile	0.0	0.0	0.0	0.0	0	0.0	-0.4	19.1	0.0	18.4
Top Quintile	0.0	11.8	-1.0	100.0	2,156	2.9	0.6	71.3	0.7	26.2
All	0.0	2.0	-0.5	100.0	371	2.1	0.0	100.0	0.4	20.4
Addendum										
80-90	0.0	0.0	0.0	0.0	0	0.0	-0.4	17.8	0.0	22.5
90-95	0.0	0.1	0.0	0.0	0	0.0	-0.2	11.0	0.0	23.3
95-99	0.0	42.1	-0.1	3.4	404	0.4	-0.3	17.6	0.1	26.1
Top 1 Percent	0.0	92.1	-3.5	96.6	46,603	8.5	1.5	24.9	2.5	31.7
Top 0.1 Percent	0.0	98.6	-5.7	69.9	350,611	12.5	1.2	12.7	3.9	35.1

Baseline Distribution of Income and Federal Taxes
by Cash Income Percentile Adjusted for Family Size, 2011¹

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	10,146	20.8	13,131	-1,334	14,465	-10.2	3.0	4.2	-1.5	
Second Quintile	10,182	20.8	31,660	1,362	30,299	4.3	7.3	8.7	1.6	
Middle Quintile	10,047	20.5	58,167	8,444	49,723	14.5	13.2	14.1	9.6	
Fourth Quintile	9,721	19.9	96,287	17,738	78,549	18.4	21.2	21.6	19.5	
Top Quintile	8,416	17.2	292,032	74,324	217,707	25.5	55.6	51.8	70.7	
All	48,902	100.0	90,398	18,086	72,313	20.0	100.0	100.0	100.0	
Addendum										
80-90	4,474	9.2	160,074	35,929	124,145	22.5	16.2	15.7	18.2	
90-95	2,031	4.2	208,849	48,683	160,167	23.3	9.6	9.2	11.2	
95-99	1,536	3.1	396,436	103,195	293,240	26.0	13.8	12.7	17.9	
Top 1 Percent	376	0.8	1,884,947	551,737	1,333,210	29.3	16.0	14.2	23.5	
Top 0.1 Percent	36	0.1	9,014,245	2,812,404	6,201,841	31.2	7.4	6.4	11.5	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0509-2).

Note: Tax units with children are those claiming an exemption for children at home or away from home.

(1) Calendar year. Baseline is an Administration baseline, which extends all of the individual income tax provisions included in 2001 EGTRRA and 2003 JGTRRA; maintains the estate tax at its 2009 parameters; extends the 2009 AMT Patch and indexes the AMT exemption, rate bracket threshold, and phase-out exemption threshold for inflation. Proposal is the surcharge on high income individuals described in America's Affordable Health Choices Act of 2009. Tax units pay a 1 percent tax on modified AGI between \$350,000 and \$500,000 for couples (\$280,000 and \$400,000 for others), a 1.5 percent tax on modified AGI between \$500,000 and \$1,000,000 for couples (\$400,000 and \$800,000 for others), and a 5.4 percent tax on modified AGI exceeding \$1,000,000 (\$800,000 for others). Modified AGI is AGI less any deduction for investment interest.

(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% \$11,979, 40% \$23,105, 60% \$39,715, 80% \$67,082, 90% \$96,886, 95% \$135,936, 99% \$348,933, 99.9% \$1,418,012.

(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 T09-0350
America's Affordable Health Choices Act of 2009 Surcharge on High Income Individuals
Baseline: Administration Baseline
Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2011¹
Detail Table - Elderly Tax Units

Cash Income Percentile ^{2,3}	Percent of Tax Units ⁴		Percent Change in After-Tax Income ⁵	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁶	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	0.3	0.0	2.2
Second Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	1.5	0.0	3.3
Middle Quintile	0.0	0.0	0.0	0.0	0	0.0	-0.1	3.3	0.0	5.2
Fourth Quintile	0.0	0.0	0.0	0.0	0	0.0	-0.3	10.3	0.0	10.3
Top Quintile	0.0	7.3	-0.9	100.0	1,581	2.9	0.4	84.6	0.7	23.1
All	0.0	1.4	-0.5	100.0	296	2.5	0.0	100.0	0.4	17.1
Addendum										
80-90	0.0	0.0	0.0	0.0	0	0.0	-0.2	9.7	0.0	15.3
90-95	0.0	0.0	0.0	0.0	0	0.0	-0.3	11.1	0.0	18.2
95-99	0.0	7.4	0.0	0.5	33	0.1	-0.5	21.2	0.0	21.4
Top 1 Percent	0.0	72.1	-2.3	99.5	20,882	5.9	1.4	42.7	1.7	30.0
Top 0.1 Percent	0.0	93.6	-4.6	85.1	181,861	9.9	1.5	22.6	3.1	34.8

Baseline Distribution of Income and Federal Taxes
by Cash Income Percentile Adjusted for Family Size, 2011¹

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	4,348	14.7	9,801	214	9,588	2.2	2.0	2.3	0.3	
Second Quintile	7,946	26.8	20,388	678	19,709	3.3	7.6	8.8	1.5	
Middle Quintile	6,155	20.7	38,029	1,959	36,069	5.2	10.9	12.4	3.4	
Fourth Quintile	5,447	18.4	67,549	6,945	60,604	10.3	17.2	18.5	10.6	
Top Quintile	5,552	18.7	241,246	54,246	187,000	22.5	62.5	58.1	84.2	
All	29,671	100.0	72,264	12,053	60,211	16.7	100.0	100.0	100.0	
Addendum										
80-90	2,283	7.7	101,663	15,506	86,157	15.3	10.8	11.0	9.9	
90-95	1,440	4.9	154,504	28,106	126,398	18.2	10.4	10.2	11.3	
95-99	1,410	4.8	256,863	54,927	201,936	21.4	16.9	15.9	21.7	
Top 1 Percent	418	1.4	1,249,575	353,535	896,040	28.3	24.4	21.0	41.3	
Top 0.1 Percent	41	0.1	5,802,387	1,835,795	3,966,592	31.6	11.1	9.1	21.1	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0509-2).

Note: Elderly tax units are those with either head or spouse (if filing jointly) age 65 or older.

(1) Calendar year. Baseline is an Administration baseline, which extends all of the individual income tax provisions included in 2001 EGTRRA and 2003 JGTRRA; maintains the estate tax at its 2009 parameters; extends the 2009 AMT Patch and indexes the AMT exemption, rate bracket threshold, and phase-out exemption threshold for inflation. Proposal is the surcharge on high income individuals described in America's Affordable Health Choices Act of 2009. Tax units pay a 1 percent tax on modified AGI between \$350,000 and \$500,000 for couples (\$280,000 and \$400,000 for others), a 1.5 percent tax on modified AGI between \$500,000 and \$1,000,000 for couples (\$400,000 and \$800,000 for others), and a 5.4 percent tax on modified AGI exceeding \$1,000,000 (\$800,000 for others). Modified AGI is AGI less any deduction for investment interest.

(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>

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(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.