

Table T09-0434
Tax Units with a Change in Effective Marginal Individual Income Tax Rates (EMTR)
Health Surcharge versus Current Law
Distribution by Cash Income Level, 2019¹

Cash Income Class (thousands of 2009 dollars) ²	Tax Units (thousands) ³	Percent of Tax Units With ⁴			
		No Earnings	Increase in EMTR	No Change in EMTR	Decrease in EMTR
Less than 10	15,735	35.8	0.0	64.2	0.0
10-20	24,090	38.7	0.0	61.3	0.0
20-30	23,150	35.4	0.0	64.6	0.0
30-40	17,875	25.5	0.0	74.5	0.0
40-50	13,740	20.3	0.0	79.7	0.0
50-75	23,335	14.5	0.0	85.5	0.0
75-100	15,399	12.6	0.0	87.4	0.0
100-200	26,502	11.3	0.0	88.7	0.0
200-500	9,281	10.6	0.2	89.3	0.0
500-1,000	1,348	13.1	11.4	75.5	0.0
More than 1,000	714	13.8	70.0	16.1	0.1
All	171,915	23.6	0.4	76.0	0.0

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0509-4).

(1) Calendar year. Baseline is current law. Proposal is the surcharge on high income individuals described in America's Affordable Health Choices Act of 2009. Tax units pay a 5.4 percent tax on modified AGI exceeding \$1,000,000 for couples (\$500,00 for others. Modified AGI is AGI less any deduction for investment interest. Effective marginal rate is determined by calculating individual income tax and then adding \$1,000 to wages and recomputing individual income tax. The effective marginal rate is the resulting change in tax divided by \$1,000.

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

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

(4) Tax units with no earnings (defined as wages and salaries plus self-employment income) are not included in the higher, lower, and same columns.