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Table T09-0507
Extend 2009 Estate Tax Law
Distribution of Federal Tax Change by Cash Income Percentile, 2019 ¹
All 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	0.1	1.1	-8	-1.0	0.0	0.8	-0.1	5.4
Second Quintile	0.0	0.0	0.1	2.3	-18	-0.5	0.0	4.1	-0.1	11.6
Middle Quintile	0.0	0.0	0.2	11.6	-104	-0.9	0.0	10.7	-0.2	18.5
Fourth Quintile	0.1	0.0	0.4	28.0	-301	-1.2	-0.1	19.3	-0.3	22.6
Top Quintile	0.2	0.0	0.3	56.7	-701	-0.7	0.1	65.0	-0.2	27.9
All	0.1	0.0	0.3	100.0	-181	-0.8	0.0	100.0	-0.2	23.5
Addendum										
80-90	0.1	0.0	0.3	16.3	-398	-0.9	0.0	15.0	-0.2	25.4
90-95	0.1	0.0	0.3	11.7	-591	-0.9	0.0	11.1	-0.2	26.9
95-99	0.2	0.0	0.4	19.8	-1,233	-1.0	0.0	16.1	-0.3	27.8
Top 1 Percent	0.5	0.0	0.1	8.9	-2,158	-0.3	0.1	22.8	-0.1	30.6
Top 0.1 Percent	0.7	0.1	0.0	0.0	67	0.0	0.1	10.9	0.0	33.0

Baseline Distribution of Income and Federal Taxes
by Cash Income Percentile, 2019 ¹

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	41,495	24.1	14,385	784	13,601	5.5	3.7	4.5	0.8
Second Quintile	38,769	22.6	35,026	4,082	30,944	11.7	8.3	9.6	4.1
Middle Quintile	34,763	20.2	63,844	11,887	51,957	18.6	13.6	14.5	10.7
Fourth Quintile	28,990	16.9	113,073	25,866	87,207	22.9	20.1	20.3	19.4
Top Quintile	25,209	14.7	354,382	99,648	254,735	28.1	54.7	51.5	64.9
All	171,915	100.0	95,056	22,511	72,545	23.7	100.0	100.0	100.0
Addendum									
80-90	12,721	7.4	178,642	45,681	132,961	25.6	13.9	13.6	15.0
90-95	6,188	3.6	255,923	69,461	186,462	27.1	9.7	9.3	11.1
95-99	5,017	2.9	441,228	124,072	317,156	28.1	13.6	12.8	16.1
Top 1 Percent	1,284	0.8	2,231,343	684,561	1,546,782	30.7	17.5	15.9	22.7
Top 0.1 Percent	131	0.1	9,692,810	3,199,035	6,493,775	33.0	7.8	6.8	10.8

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

Number of AMT Taxpayers (millions). Baseline: 38.3

Proposal: 38.3

(1) Calendar year. Baseline is current law. Proposal would extend 2009 estate tax law including: (a) maximum rate of 45 percent; (b) \$3.5 million effective exemption, not indexed for inflation; (c) replace credit for state-level wealth transfer taxes with a deduction; (d) effective repeal of Qualified Family Owned Business Interest (QFOBI) deduction; and (e) repeal of the 5-percent surtax.

(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% \$21,024, 40% \$39,958, 60% \$72,320, 80% \$127,029, 90% \$185,589, 95% \$260,396, 99% \$665,719, 99.9% \$3,053,478.

(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 T09-0507
Extend 2009 Estate Tax Law
Distribution of Federal Tax Change by Cash Income Percentile, 2019¹
Tax Units with Head Under Age 50

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	1.2	0	0.0	0.0	1.1	0.0	6.7
Second Quintile	0.0	0.0	0.0	1.8	0	0.0	0.0	5.5	0.0	14.7
Middle Quintile	0.0	0.0	0.0	4.7	-1	0.0	0.0	13.9	0.0	20.8
Fourth Quintile	0.0	0.0	0.0	13.8	-4	0.0	0.0	21.8	0.0	24.0
Top Quintile	0.0	0.0	0.0	78.4	-31	0.0	0.0	57.7	0.0	28.3
All	0.0	0.0	0.0	100.0	-5	0.0	0.0	100.0	0.0	24.2
Addendum										
80-90	0.0	0.0	0.0	10.5	-8	0.0	0.0	15.8	0.0	26.2
90-95	0.0	0.0	0.0	11.7	-19	0.0	0.0	10.9	0.0	27.9
95-99	0.0	0.0	0.0	36.5	-78	-0.1	0.0	14.5	0.0	28.6
Top 1 Percent	0.0	0.0	0.0	19.8	-195	0.0	0.0	16.6	0.0	30.9
Top 0.1 Percent	0.1	0.0	0.0	-1.9	208	0.0	0.0	7.5	0.0	33.4

Baseline Distribution of Income and Federal Taxes
by Cash Income Percentile, 2019¹

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	23,667	25.1	13,613	906	12,707	6.7	4.0	4.9	1.1	
Second Quintile	20,555	21.8	35,391	5,190	30,201	14.7	9.0	10.1	5.5	
Middle Quintile	20,373	21.6	63,791	13,293	50,498	20.8	16.1	16.8	13.9	
Fourth Quintile	15,715	16.7	112,953	27,149	85,804	24.0	22.0	22.0	21.8	
Top Quintile	12,360	13.1	321,972	91,286	230,686	28.4	49.2	46.6	57.7	
All	94,203	100.0	85,788	20,763	65,025	24.2	100.0	100.0	100.0	
Addendum										
80-90	6,605	7.0	178,274	46,627	131,647	26.2	14.6	14.2	15.7	
90-95	2,986	3.2	254,915	71,052	183,863	27.9	9.4	9.0	10.9	
95-99	2,271	2.4	435,674	124,481	311,192	28.6	12.2	11.5	14.5	
Top 1 Percent	498	0.5	2,110,116	653,122	1,456,994	31.0	13.0	11.9	16.6	
Top 0.1 Percent	44	0.1	9,984,867	3,334,067	6,650,800	33.4	5.5	4.8	7.5	

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

(1) Calendar year. Baseline is current law. Proposal would extend 2009 estate tax law including: (a) maximum rate of 45 percent; (b) \$3.5 million effective exemption, not indexed for inflation; (c) replace credit for state-level wealth transfer taxes with a deduction; (d) effective repeal of Qualified Family Owned Business Interest (QFOBI) deduction; and (e) repeal of the 5-percent surtax.

(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% \$21,024, 40% \$39,958, 60% \$72,320, 80% \$127,029, 90% \$185,589, 95% \$260,396, 99% \$665,719, 99.9% \$3,053,478.

(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 T09-0507
Extend 2009 Estate Tax Law
Distribution of Federal Tax Change by Cash Income Percentile, 2019¹
Tax Units with Head Age 50-64

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	1.4	-4	-0.4	0.0	0.6	0.0	5.9
Second Quintile	0.0	0.0	0.0	1.9	-5	-0.1	0.0	2.7	0.0	13.4
Middle Quintile	0.0	0.0	0.0	6.0	-16	-0.1	0.0	8.3	0.0	20.0
Fourth Quintile	0.0	0.0	0.0	10.5	-27	-0.1	0.0	17.5	0.0	23.9
Top Quintile	0.0	0.0	0.1	78.8	-194	-0.2	0.0	70.9	-0.1	28.4
All	0.0	0.0	0.1	100.0	-51	-0.2	0.0	100.0	0.0	25.5
Addendum										
80-90	0.0	0.0	0.0	7.9	-42	-0.1	0.0	14.9	0.0	26.5
90-95	0.0	0.0	0.1	11.0	-105	-0.2	0.0	12.4	0.0	27.6
95-99	0.1	0.0	0.1	32.4	-373	-0.3	0.0	18.0	-0.1	28.3
Top 1 Percent	0.2	0.0	0.1	27.5	-1,210	-0.2	0.0	25.6	-0.1	30.2
Top 0.1 Percent	0.3	0.0	0.0	4.0	-1,644	-0.1	0.0	12.3	0.0	32.4

Baseline Distribution of Income and Federal Taxes
by Cash Income Percentile, 2019¹

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	8,297	20.5	14,186	842	13,345	5.9	2.4	3.0	0.6	
Second Quintile	7,092	17.5	35,185	4,717	30,469	13.4	5.1	5.9	2.7	
Middle Quintile	7,973	19.7	64,607	12,952	51,654	20.1	10.5	11.3	8.3	
Fourth Quintile	8,019	19.8	113,775	27,240	86,534	23.9	18.7	19.1	17.5	
Top Quintile	8,365	20.6	371,788	105,832	265,956	28.5	63.6	61.1	70.9	
All	40,555	100.0	120,525	30,794	89,731	25.6	100.0	100.0	100.0	
Addendum										
80-90	3,933	9.7	178,913	47,409	131,504	26.5	14.4	14.2	14.9	
90-95	2,173	5.4	257,272	71,053	186,219	27.6	11.4	11.1	12.4	
95-99	1,790	4.4	441,998	125,576	316,422	28.4	16.2	15.6	18.0	
Top 1 Percent	469	1.2	2,253,738	682,135	1,571,602	30.3	21.6	20.2	25.6	
Top 0.1 Percent	49	0.1	9,551,392	3,098,091	6,453,301	32.4	9.7	8.8	12.3	

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

(1) Calendar year. Baseline is current law. Proposal would extend 2009 estate tax law including: (a) maximum rate of 45 percent; (b) \$3.5 million effective exemption, not indexed for inflation; (c) replace credit for state-level wealth transfer taxes with a deduction; (d) effective repeal of Qualified Family Owned Business Interest (QFOBI) deduction; and (e) repeal of the 5-percent surtax.

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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.

(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 T09-0507
Extend 2009 Estate Tax Law
Distribution of Federal Tax Change by Cash Income Percentile, 2019¹
Tax Units with Head Age 65 or Over

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	0.2	1.1	-32	-7.4	0.0	0.6	-0.2	2.4
Second Quintile	0.0	0.0	0.2	2.3	-59	-3.7	0.0	2.8	-0.2	4.6
Middle Quintile	0.2	0.0	1.0	12.2	-542	-8.9	-0.3	5.6	-0.9	8.8
Fourth Quintile	0.4	0.0	1.7	29.5	-1,605	-8.1	-0.6	15.1	-1.4	16.3
Top Quintile	0.8	0.0	1.2	54.7	-3,496	-3.1	0.9	75.8	-0.9	26.2
All	0.2	0.0	1.1	100.0	-771	-4.3	0.0	100.0	-0.9	18.9
Addendum										
80-90	0.6	0.0	1.6	17.0	-2,223	-5.6	-0.2	12.9	-1.2	20.9
90-95	0.7	0.0	1.7	11.8	-3,281	-5.3	-0.1	9.4	-1.3	22.7
95-99	1.1	0.0	1.7	18.7	-5,590	-4.7	-0.1	17.2	-1.2	25.3
Top 1 Percent	1.5	0.1	0.4	7.4	-6,649	-0.9	1.3	36.4	-0.3	30.6
Top 0.1 Percent	1.8	0.4	0.0	-0.3	2,160	0.1	0.8	18.7	0.0	33.3

Baseline Distribution of Income and Federal Taxes
by Cash Income Percentile, 2019¹

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	9,531	25.7	16,476	430	16,046	2.6	4.7	5.7	0.6	
Second Quintile	11,122	29.9	34,250	1,631	32,619	4.8	11.3	13.4	2.7	
Middle Quintile	6,418	17.3	63,065	6,100	56,965	9.7	12.0	13.5	5.9	
Fourth Quintile	5,256	14.2	112,362	19,933	92,430	17.7	17.5	18.0	15.8	
Top Quintile	4,483	12.1	411,261	111,162	300,099	27.0	54.7	49.7	74.9	
All	37,157	100.0	90,753	17,903	72,850	19.7	100.0	100.0	100.0	
Addendum										
80-90	2,183	5.9	179,269	39,707	139,562	22.2	11.6	11.3	13.0	
90-95	1,028	2.8	256,001	61,478	194,523	24.0	7.8	7.4	9.5	
95-99	955	2.6	452,990	120,280	332,710	26.6	12.8	11.7	17.3	
Top 1 Percent	317	0.9	2,388,989	737,626	1,651,362	30.9	22.4	19.3	35.1	
Top 0.1 Percent	37	0.1	9,535,223	3,173,136	6,362,087	33.3	10.6	8.8	17.9	

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

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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.