

Table T10-0135
Incremental Effects of Extending the 2001 and 2003 Tax Cuts
Current Law Baseline
Distribution of Federal Tax Change by Cash Income Percentile, 2012 ¹
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 (%) Points)	Under the Proposal
Lowest Quintile	0.0	0.0	0.0	0.0	0	0.0	5.2
Second Quintile	0.0	0.0	0.0	0.0	0	0.0	12.3
Middle Quintile	0.0	0.0	0.0	0.0	0	0.0	18.3
Fourth Quintile	0.0	0.0	0.0	0.0	0	0.0	21.7
Top Quintile	0.0	0.0	0.0	0.0	0	0.0	28.3
All	0.0	0.0	0.0	0.0	0	0.0	23.5
Addendum							
80-90	0.0	0.0	0.0	0.0	0	0.0	24.7
90-95	0.0	0.0	0.0	0.0	0	0.0	25.8
95-99	0.0	0.0	0.0	0.0	0	0.0	27.7
Top 1 Percent	0.0	0.0	0.0	0.0	0	0.0	32.6
Top 0.1 Percent	0.0	0.0	0.0	0.0	0	0.0	35.6

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0509-5).

Number of AMT Taxpayers (millions). Baseline: 19.7

Proposal: 19.7

** This table is part of a series of tables showing the distributional effects of moving incrementally from current law to current policy. For definitions and further information, see "Related Tables: Moving Incrementally from Current Law to Current Policy" at

<http://taxpolicycenter.org/numbers/displayatab.cfm?template=simulation&SimID=366>

(1) Calendar year. Baseline is current law.

(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% \$19,356, 40% \$37,493, 60% \$65,656, 80% \$111,659, 90% \$161,739, 95% \$226,402, 99% \$599,181, 99.9% \$2,727,123.

(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 T10-0135
Incremental Effects of Extending the 2001 and 2003 Tax Cuts
Current Law Baseline
Distribution of Federal Tax Change by Cash Income Percentile, 2012¹
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	0.8	0.0	5.2
Second Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	4.4	0.0	12.3
Middle Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	10.8	0.0	18.3
Fourth Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	18.3	0.0	21.7
Top Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	65.5	0.0	28.3
All	0.0	0.0	0.0	0.0	0	0.0	0.0	100.0	0.0	23.5
Addendum										
80-90	0.0	0.0	0.0	0.0	0	0.0	0.0	14.2	0.0	24.7
90-95	0.0	0.0	0.0	0.0	0	0.0	0.0	10.3	0.0	25.8
95-99	0.0	0.0	0.0	0.0	0	0.0	0.0	15.8	0.0	27.7
Top 1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.0	25.2	0.0	32.6
Top 0.1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.0	12.7	0.0	35.6

Baseline Distribution of Income and Federal Taxes
by Cash Income Percentile, 2012¹

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	38,450	24.4	11,600	602	10,998	5.2	3.7	4.6	0.8
Second Quintile	34,947	22.2	28,852	3,545	25,307	12.3	8.4	9.6	4.4
Middle Quintile	31,868	20.3	52,224	9,576	42,648	18.3	13.9	14.8	10.8
Fourth Quintile	26,646	16.9	88,978	19,319	69,658	21.7	19.8	20.2	18.3
Top Quintile	23,298	14.8	280,229	79,171	201,058	28.3	54.5	51.1	65.5
All	157,348	100.0	76,169	17,891	58,277	23.5	100.0	100.0	100.0
Addendum									
80-90	11,720	7.5	138,385	34,168	104,217	24.7	13.5	13.3	14.2
90-95	5,734	3.6	196,549	50,617	145,932	25.8	9.4	9.1	10.3
95-99	4,655	3.0	345,574	95,612	249,962	27.7	13.4	12.7	15.8
Top 1 Percent	1,190	0.8	1,825,188	595,782	1,229,406	32.6	18.1	16.0	25.2
Top 0.1 Percent	120	0.1	8,367,274	2,979,035	5,388,239	35.6	8.4	7.1	12.7

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0509-5).

Number of AMT Taxpayers (millions). Baseline: 19.7

Proposal: 19.7

(1) Calendar year. Baseline is current law.

(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% \$19,356, 40% \$37,493, 60% \$65,656, 80% \$111,659, 90% \$161,739, 95% \$226,402, 99% \$599,181, 99.9% \$2,727,123.

(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 T10-0135
Incremental Effects of Extending the 2001 and 2003 Tax Cuts
Current Law Baseline
Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2012¹
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	0.3	0.0	2.1
Second Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	3.3	0.0	10.9
Middle Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	8.8	0.0	17.2
Fourth Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	17.5	0.0	21.1
Top Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	70.1	0.0	28.0
All	0.0	0.0	0.0	0.0	0	0.0	0.0	100.0	0.0	23.5
Addendum										
80-90	0.0	0.0	0.0	0.0	0	0.0	0.0	15.3	0.0	24.4
90-95	0.0	0.0	0.0	0.0	0	0.0	0.0	11.5	0.0	25.7
95-99	0.0	0.0	0.0	0.0	0	0.0	0.0	17.0	0.0	27.4
Top 1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.0	26.2	0.0	32.4
Top 0.1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.0	13.2	0.0	35.3

Baseline Distribution of Income and Federal Taxes
by Cash Income Percentile Adjusted for Family Size, 2012¹

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	31,706	20.2	10,935	233	10,702	2.1	2.9	3.7	0.3	
Second Quintile	32,349	20.6	26,208	2,849	23,359	10.9	7.1	8.2	3.3	
Middle Quintile	31,237	19.9	46,322	7,961	38,362	17.2	12.1	13.1	8.8	
Fourth Quintile	29,980	19.1	77,565	16,390	61,176	21.1	19.4	20.0	17.5	
Top Quintile	29,936	19.0	235,547	65,872	169,676	28.0	58.8	55.4	70.1	
All	157,348	100.0	76,169	17,891	58,277	23.5	100.0	100.0	100.0	
Addendum										
80-90	15,019	9.6	117,658	28,659	88,999	24.4	14.7	14.6	15.3	
90-95	7,540	4.8	167,170	43,024	124,146	25.7	10.5	10.2	11.5	
95-99	5,940	3.8	294,212	80,705	213,506	27.4	14.6	13.8	17.0	
Top 1 Percent	1,436	0.9	1,584,726	513,625	1,071,100	32.4	19.0	16.8	26.2	
Top 0.1 Percent	142	0.1	7,360,192	2,600,259	4,759,933	35.3	8.7	7.4	13.2	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0509-5).

Number of AMT Taxpayers (millions). Baseline: 19.7 Proposal: 19.7

(1) Calendar year. Baseline is current law.

(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% \$13,219, 40% \$24,782, 60% \$41,864, 80% \$68,188, 90% \$97,830, 95% \$138,709, 99% \$361,983, 99.9% \$1,670,467.

(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 T10-0135
Incremental Effects of Extending the 2001 and 2003 Tax Cuts
Current Law Baseline
Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2012¹
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	1.5	0.0	7.3
Second Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	5.3	0.0	11.8
Middle Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	12.6	0.0	18.2
Fourth Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	20.5	0.0	22.1
Top Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	60.1	0.0	28.6
All	0.0	0.0	0.0	0.0	0	0.0	0.0	100.0	0.0	23.0
Addendum										
80-90	0.0	0.0	0.0	0.0	0	0.0	0.0	15.5	0.0	25.3
90-95	0.0	0.0	0.0	0.0	0	0.0	0.0	10.9	0.0	26.8
95-99	0.0	0.0	0.0	0.0	0	0.0	0.0	14.6	0.0	27.7
Top 1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.0	19.0	0.0	34.6
Top 0.1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.0	9.1	0.0	38.2

Baseline Distribution of Income and Federal Taxes
by Cash Income Percentile Adjusted for Family Size, 2012¹

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	16,972	24.6	8,380	613	7,768	7.3	4.7	5.7	1.5
Second Quintile	15,474	22.5	19,970	2,364	17,606	11.8	10.2	11.7	5.3
Middle Quintile	14,005	20.3	34,261	6,243	28,019	18.2	15.9	16.9	12.6
Fourth Quintile	11,543	16.8	55,833	12,343	43,490	22.1	21.3	21.6	20.5
Top Quintile	9,596	13.9	151,979	43,522	108,457	28.6	48.2	44.7	60.1
All	68,932	100.0	43,878	10,087	33,791	23.0	100.0	100.0	100.0
Addendum									
80-90	5,066	7.4	84,037	21,287	62,750	25.3	14.1	13.7	15.5
90-95	2,373	3.4	119,032	31,904	87,128	26.8	9.3	8.9	10.9
95-99	1,795	2.6	204,548	56,631	147,916	27.7	12.1	11.4	14.6
Top 1 Percent	361	0.5	1,060,631	366,744	693,887	34.6	12.7	10.8	19.0
Top 0.1 Percent	32	0.1	5,243,107	2,000,114	3,242,992	38.2	5.5	4.4	9.1

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0509-5).

(1) Calendar year. Baseline is current law.

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<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% \$13,219, 40% \$24,782, 60% \$41,864, 80% \$68,188, 90% \$97,830, 95% \$138,709, 99% \$361,983, 99.9% \$1,670,467.

(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 T10-0135
Incremental Effects of Extending the 2001 and 2003 Tax Cuts
Current Law Baseline
Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2012¹
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	0.2	0.0	2.9
Second Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	1.7	0.0	10.8
Middle Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	5.8	0.0	16.0
Fourth Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	15.4	0.0	20.5
Top Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	76.8	0.0	27.8
All	0.0	0.0	0.0	0.0	0	0.0	0.0	100.0	0.0	24.5
Addendum										
80-90	0.0	0.0	0.0	0.0	0	0.0	0.0	15.5	0.0	24.0
90-95	0.0	0.0	0.0	0.0	0	0.0	0.0	12.5	0.0	25.4
95-99	0.0	0.0	0.0	0.0	0	0.0	0.0	19.0	0.0	27.4
Top 1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.0	29.8	0.0	31.9
Top 0.1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.0	14.8	0.0	34.8

Baseline Distribution of Income and Federal Taxes
by Cash Income Percentile Adjusted for Family Size, 2012¹

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-	Share of Post-	Share of
	Number (thousands)	Percent of Total					Tax Income Percent of Total	Tax Income Percent of Total	Federal Taxes Percent of Total
Lowest Quintile	6,622	10.8	14,526	428	14,098	2.9	1.2	1.6	0.2
Second Quintile	8,956	14.6	33,405	3,613	29,791	10.8	3.9	4.6	1.7
Middle Quintile	11,470	18.7	59,671	9,569	50,102	16.0	8.9	9.9	5.8
Fourth Quintile	15,032	24.5	95,023	19,486	75,537	20.5	18.5	19.5	15.4
Top Quintile	18,609	30.3	281,842	78,271	203,571	27.8	67.8	64.9	76.8
All	61,357	100.0	126,020	30,917	95,103	24.5	100.0	100.0	100.0
Addendum									
80-90	8,860	14.4	138,312	33,151	105,160	24.0	15.9	16.0	15.5
90-95	4,843	7.9	192,091	48,821	143,270	25.4	12.0	11.9	12.5
95-99	3,890	6.3	337,723	92,607	245,116	27.4	17.0	16.3	19.0
Top 1 Percent	1,015	1.7	1,748,464	557,591	1,190,874	31.9	23.0	20.7	29.8
Top 0.1 Percent	102	0.2	7,890,377	2,743,674	5,146,703	34.8	10.5	9.0	14.8

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0509-5).

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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 T10-0135
Incremental Effects of Extending the 2001 and 2003 Tax Cuts
Current Law Baseline
Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2012¹
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	0.0	-3.7	0.0	-5.9
Second Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	12.8	0.0	9.3
Middle Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	27.5	0.0	17.9
Fourth Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	28.0	0.0	21.8
Top Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	35.3	0.0	26.5
All	0.0	0.0	0.0	0.0	0	0.0	0.0	100.0	0.0	16.2
Addendum										
80-90	0.0	0.0	0.0	0.0	0	0.0	0.0	13.4	0.0	24.6
90-95	0.0	0.0	0.0	0.0	0	0.0	0.0	5.5	0.0	25.3
95-99	0.0	0.0	0.0	0.0	0	0.0	0.0	7.3	0.0	25.3
Top 1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.0	9.2	0.0	32.4
Top 0.1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.0	4.3	0.0	35.3

Baseline Distribution of Income and Federal Taxes
by Cash Income Percentile Adjusted for Family Size, 2012¹

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	7,840	31.9	13,490	-789	14,279	-5.9	10.3	13.0	-3.7
Second Quintile	7,497	30.5	30,617	2,845	27,772	9.3	22.4	24.3	12.8
Middle Quintile	5,095	20.8	50,275	8,985	41,290	17.9	25.0	24.5	27.5
Fourth Quintile	2,777	11.3	76,881	16,783	60,099	21.8	20.8	19.4	28.0
Top Quintile	1,242	5.1	178,521	47,356	131,165	26.5	21.6	19.0	35.3
All	24,547	100.0	41,760	6,781	34,979	16.2	100.0	100.0	100.0
Addendum									
80-90	805	3.3	112,763	27,789	84,974	24.6	8.9	8.0	13.4
90-95	232	0.9	154,893	39,119	115,775	25.3	3.5	3.1	5.5
95-99	173	0.7	278,418	70,393	208,025	25.3	4.7	4.2	7.3
Top 1 Percent	33	0.1	1,423,600	461,226	962,374	32.4	4.6	3.7	9.2
Top 0.1 Percent	3	0.0	6,950,503	2,450,721	4,499,782	35.3	2.0	1.5	4.3

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0509-5).

(1) Calendar year. Baseline is current law.

(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% \$13,219, 40% \$24,782, 60% \$41,864, 80% \$68,188, 90% \$97,830, 95% \$138,709, 99% \$361,983, 99.9% \$1,670,467.

(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 T10-0135
Incremental Effects of Extending the 2001 and 2003 Tax Cuts
Current Law Baseline
Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2012¹
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	-0.9	0.0	-6.6
Second Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	3.3	0.0	10.2
Middle Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	10.6	0.0	18.6
Fourth Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	20.6	0.0	22.6
Top Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	66.3	0.0	29.0
All	0.0	0.0	0.0	0.0	0	0.0	0.0	100.0	0.0	23.8
Addendum										
80-90	0.0	0.0	0.0	0.0	0	0.0	0.0	15.8	0.0	25.4
90-95	0.0	0.0	0.0	0.0	0	0.0	0.0	10.6	0.0	26.7
95-99	0.0	0.0	0.0	0.0	0	0.0	0.0	16.1	0.0	28.7
Top 1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.0	23.7	0.0	33.8
Top 0.1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.0	11.4	0.0	35.8

Baseline Distribution of Income and Federal Taxes
by Cash Income Percentile Adjusted for Family Size, 2012¹

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	10,133	20.6	14,723	-967	15,690	-6.6	3.2	4.5	-0.9	
Second Quintile	10,359	21.1	34,672	3,535	31,137	10.2	7.7	9.0	3.3	
Middle Quintile	10,251	20.9	62,298	11,567	50,731	18.6	13.6	14.5	10.6	
Fourth Quintile	9,800	19.9	103,142	23,356	79,785	22.6	21.6	21.9	20.6	
Top Quintile	8,315	16.9	306,063	88,803	217,260	29.0	54.3	50.5	66.3	
All	49,155	100.0	95,419	22,663	72,756	23.8	100.0	100.0	100.0	
Addendum										
80-90	4,398	9.0	157,496	40,023	117,473	25.4	14.8	14.5	15.8	
90-95	1,976	4.0	224,546	59,858	164,688	26.7	9.5	9.1	10.6	
95-99	1,567	3.2	400,356	114,689	285,667	28.7	13.4	12.5	16.1	
Top 1 Percent	374	0.8	2,088,455	706,818	1,381,637	33.8	16.7	14.5	23.7	
Top 0.1 Percent	36	0.1	9,839,694	3,520,731	6,318,963	35.8	7.6	6.4	11.4	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0509-5).

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.

(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% \$13,219, 40% \$24,782, 60% \$41,864, 80% \$68,188, 90% \$97,830, 95% \$138,709, 99% \$361,983, 99.9% \$1,670,467.

(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 T10-0135
Incremental Effects of Extending the 2001 and 2003 Tax Cuts
Current Law Baseline
Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2012¹
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	2.6
Second Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	1.8	0.0	4.4
Middle Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	3.7	0.0	6.9
Fourth Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	10.7	0.0	12.8
Top Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	83.6	0.0	26.9
All	0.0	0.0	0.0	0.0	0	0.0	0.0	100.0	0.0	20.1
Addendum										
80-90	0.0	0.0	0.0	0.0	0	0.0	0.0	10.3	0.0	18.7
90-95	0.0	0.0	0.0	0.0	0	0.0	0.0	9.8	0.0	21.7
95-99	0.0	0.0	0.0	0.0	0	0.0	0.0	20.9	0.0	26.0
Top 1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.0	42.6	0.0	32.7
Top 0.1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.0	21.4	0.0	35.9

Baseline Distribution of Income and Federal Taxes
by Cash Income Percentile Adjusted for Family Size, 2012¹

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	5,016	16.4	10,899	283	10,616	2.6	2.4	2.9	0.3	
Second Quintile	8,213	26.9	22,528	992	21,536	4.4	8.0	9.6	1.8	
Middle Quintile	5,981	19.6	41,094	2,840	38,254	6.9	10.6	12.4	3.7	
Fourth Quintile	5,495	18.0	70,238	9,009	61,229	12.8	16.7	18.2	10.7	
Top Quintile	5,617	18.4	257,048	69,078	187,970	26.9	62.4	57.1	83.6	
All	30,543	100.0	75,737	15,205	60,532	20.1	100.0	100.0	100.0	
Addendum										
80-90	2,427	8.0	105,444	19,712	85,732	18.7	11.1	11.3	10.3	
90-95	1,362	4.5	153,103	33,255	119,848	21.7	9.0	8.8	9.8	
95-99	1,394	4.6	267,882	69,630	198,252	26.0	16.1	15.0	20.9	
Top 1 Percent	434	1.4	1,396,961	456,038	940,923	32.7	26.2	22.1	42.6	
Top 0.1 Percent	42	0.1	6,520,091	2,339,269	4,180,822	35.9	12.0	9.6	21.4	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0509-5).

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.

(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% \$13,219, 40% \$24,782, 60% \$41,864, 80% \$68,188, 90% \$97,830, 95% \$138,709, 99% \$361,983, 99.9% \$1,670,467.

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