

**Table T10-0156**  
**Incremental Effects of Allowing the 2001 and 2003 Tax Cuts to Sunset**  
**Maintain Current Law Estate Tax**  
**Distribution of Federal Tax Change by Cash Income Level, 2012 <sup>1</sup>**  
**Summary Table**

Cash Income Level (thousands of 2009 dollars) <sup>2</sup>	Percent of Tax Units <sup>3</sup>		Percent Change in After-Tax Income <sup>4</sup>	Share of Total Federal Tax Change	Average Federal Tax Change (\$)	Average Federal Tax Rate <sup>5</sup>	
	With Tax Cut	With Tax Increase				Change (%) Points)	Under the Proposal
<b>Less than 10</b>	0.0	0.0	0.0	0.1	1	0.0	5.3
<b>10-20</b>	0.0	0.0	0.0	0.5	4	0.0	4.6
<b>20-30</b>	0.0	0.0	0.0	1.2	10	0.0	8.8
<b>30-40</b>	0.0	0.0	0.0	0.6	7	0.0	12.9
<b>40-50</b>	0.0	0.0	-0.2	5.4	74	0.2	15.7
<b>50-75</b>	0.0	0.0	-0.2	9.8	77	0.1	17.8
<b>75-100</b>	0.0	0.1	-0.2	10.3	126	0.1	19.5
<b>100-200</b>	0.0	0.1	-0.2	26.2	225	0.2	21.9
<b>200-500</b>	0.0	0.2	-0.4	26.2	780	0.3	24.7
<b>500-1,000</b>	0.0	0.3	-0.3	10.1	1,703	0.2	25.8
<b>More than 1,000</b>	0.0	0.5	-0.1	9.3	3,094	0.1	29.7
<b>All</b>	0.0	0.0	-0.2	100.0	112	0.2	21.0

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

Number of AMT Taxpayers (millions). Baseline: 5.0

Proposal: 5.0

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

<http://taxpolicycenter.org/numbers/displayatab.cfm?template=simulation&SimID=367>

(1) Calendar year. Baseline is current policy (extension of the 2001-2003 tax cuts, patching AMT using 2009 parameters indexed for inflation, and estate tax at 2009 levels—a 45 percent tax rate and a \$3.5 million exemption, not indexed). Policy estate tax at current law level— a 55 percent top tax rate and a \$1 million exemption, not indexed).

(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) 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.

(5) 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 T10-0156**  
**Incremental Effects of Allowing the 2001 and 2003 Tax Cuts to Sunset**  
**Maintain Current Law Estate Tax**  
**Distribution of Federal Tax Change by Cash Income Level, 2012<sup>1</sup>**  
**Detail Table**

Cash Income Level (thousands of 2009 dollars) <sup>2</sup>	Percent of Tax Units <sup>3</sup>		Percent Change in After-Tax Income <sup>4</sup>	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate <sup>5</sup>	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Less than 10	0.0	0.0	0.0	0.1	1	0.3	0.0	0.2	0.0	5.3
10-20	0.0	0.0	0.0	0.5	4	0.5	0.0	0.7	0.0	4.6
20-30	0.0	0.0	0.0	1.2	10	0.5	0.0	1.9	0.0	8.8
30-40	0.0	0.0	0.0	0.6	7	0.1	0.0	3.0	0.0	12.9
40-50	0.0	0.0	-0.2	5.4	74	1.0	0.0	3.8	0.2	15.7
50-75	0.0	0.0	-0.2	9.8	77	0.7	0.0	10.3	0.1	17.8
75-100	0.0	0.1	-0.2	10.3	126	0.7	0.0	10.1	0.1	19.5
100-200	0.0	0.1	-0.2	26.2	225	0.7	0.0	25.4	0.2	21.9
200-500	0.0	0.2	-0.4	26.2	780	1.1	0.1	17.3	0.3	24.7
500-1,000	0.0	0.3	-0.3	10.1	1,703	1.0	0.0	7.6	0.2	25.8
More than 1,000	0.0	0.5	-0.1	9.3	3,094	0.3	-0.1	19.6	0.1	29.7
All	0.0	0.0	-0.2	100.0	112	0.7	0.0	100.0	0.2	21.0

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Level, 2012<sup>1</sup>**

Cash Income Level (thousands of 2009 dollars) <sup>2</sup>	Tax Units <sup>3</sup>		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After- Tax Income <sup>4</sup> (Dollars)	Average Federal Tax Rate <sup>5</sup>	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							
Less than 10	16,958	10.8	5,723	304	5,419	5.3	0.8	1.0	0.2
10-20	24,305	15.5	15,533	704	14,829	4.5	3.2	3.8	0.7
20-30	21,133	13.4	25,808	2,265	23,543	8.8	4.6	5.2	1.9
30-40	16,074	10.2	36,190	4,677	31,513	12.9	4.9	5.3	3.0
40-50	12,909	8.2	46,615	7,231	39,384	15.5	5.0	5.4	3.7
50-75	22,702	14.4	64,099	11,320	52,780	17.7	12.1	12.6	10.3
75-100	14,431	9.2	90,195	17,466	72,729	19.4	10.9	11.1	10.1
100-200	20,606	13.1	141,257	30,771	110,485	21.8	24.3	24.0	25.4
200-500	5,930	3.8	296,062	72,402	223,660	24.5	14.7	14.0	17.2
500-1,000	1,048	0.7	704,969	180,069	524,900	25.5	6.2	5.8	7.6
More than 1,000	531	0.3	3,114,004	921,771	2,192,233	29.6	13.8	12.3	19.6
All	157,348	100.0	76,169	15,841	60,327	20.8	100.0	100.0	100.0

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

Number of AMT Taxpayers (millions). Baseline: 5.0

Proposal: 5.0

(1) Calendar year. Baseline is current policy (extension of the 2001-2003 tax cuts, patching AMT using 2009 parameters indexed for inflation, and estate tax at 2009 levels—a 45 percent tax rate and a \$3.5 million exemption, not indexed). Policy estate tax at current law level—a 55 percent top tax rate and a \$1 million exemption, not indexed).

(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) 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.

(5) 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 T10-0156**  
**Incremental Effects of Allowing the 2001 and 2003 Tax Cuts to Sunset**  
**Maintain Current Law Estate Tax**  
**Distribution of Federal Tax Change by Cash Income Level, 2012 <sup>1</sup>**  
**Detail Table - Single Tax Units**

Cash Income Level (thousands of 2009 dollars) <sup>2</sup>	Percent of Tax Units <sup>3</sup>		Percent Change in After-Tax Income <sup>4</sup>	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate <sup>5</sup>	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (%) Points)	Under the Proposal	Change (%) Points)	Under the Proposal
Less than 10	0.0	0.0	0.0	0.1	1	0.2	0.0	0.9	0.0	8.5
10-20	0.0	0.0	0.0	0.5	5	0.4	-0.1	3.0	0.0	8.4
20-30	0.0	0.0	-0.1	1.2	15	0.5	-0.1	5.9	0.1	13.3
30-40	0.0	0.0	0.0	0.4	9	0.1	-0.2	7.4	0.0	17.5
40-50	0.0	0.1	-0.4	6.2	153	1.7	-0.1	8.5	0.3	19.6
50-75	0.0	0.1	-0.4	11.2	190	1.4	-0.2	18.8	0.3	21.9
75-100	0.0	0.2	-0.7	11.4	473	2.2	0.0	12.0	0.5	24.2
100-200	0.0	0.4	-1.2	28.8	1,271	3.8	0.3	18.1	0.9	25.2
200-500	0.0	1.0	-2.1	25.4	4,810	6.3	0.4	9.8	1.6	26.9
500-1,000	0.0	1.2	-1.9	8.6	9,359	4.9	0.1	4.3	1.3	28.9
More than 1,000	0.0	1.6	-0.6	6.1	12,117	1.3	-0.1	11.2	0.4	32.7
All	0.0	0.1	-0.6	100.0	217	2.4	0.0	100.0	0.5	21.4

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Level, 2012 <sup>1</sup>**

Cash Income Level (thousands of 2009 dollars) <sup>2</sup>	Tax Units <sup>3</sup>		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After- Tax Income <sup>4</sup> (Dollars)	Average Federal Tax Rate <sup>5</sup>	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	
Less than 10	12,161	17.6	5,710	482	5,228	8.5	2.3	2.7	0.9
10-20	14,889	21.6	15,384	1,286	14,097	8.4	7.6	8.8	3.0
20-30	11,204	16.3	25,667	3,405	22,262	13.3	9.5	10.4	6.0
30-40	7,555	11.0	36,120	6,301	29,819	17.4	9.0	9.4	7.5
40-50	6,018	8.7	46,555	8,993	37,562	19.3	9.3	9.5	8.6
50-75	8,766	12.7	63,234	13,661	49,573	21.6	18.3	18.2	19.0
75-100	3,599	5.2	89,193	21,116	68,077	23.7	10.6	10.2	12.0
100-200	3,384	4.9	137,406	33,293	104,113	24.2	15.4	14.7	17.8
200-500	787	1.1	300,163	75,869	224,294	25.3	7.8	7.4	9.5
500-1,000	138	0.2	697,814	192,498	505,316	27.6	3.2	2.9	4.2
More than 1,000	75	0.1	2,972,435	960,015	2,012,419	32.3	7.3	6.3	11.4
All	68,932	100.0	43,878	9,169	34,709	20.9	100.0	100.0	100.0

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

(1) Calendar year. Baseline is current policy (extension of the 2001-2003 tax cuts, patching AMT using 2009 parameters indexed for inflation, and estate tax at 2009 levels—a 45 percent tax rate and a \$3.5 million exemption, not indexed). Policy estate tax at current law level—a 55 percent top tax rate and a \$1 million exemption, not indexed).

(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) 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.

(5) 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 T10-0156**  
**Incremental Effects of Allowing the 2001 and 2003 Tax Cuts to Sunset**  
**Maintain Current Law Estate Tax**  
**Distribution of Federal Tax Change by Cash Income Level, 2012 <sup>1</sup>**  
**Detail Table - Married Tax Units Filing Jointly**

Cash Income Level (thousands of 2009 dollars) <sup>2</sup>	Percent of Tax Units <sup>3</sup>		Percent Change in After-Tax Income <sup>4</sup>	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate <sup>5</sup>	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (%) Points)	Under the Proposal	Change (%) Points)	Under the Proposal
Less than 10	0.0	0.0	0.0	0.2	2	0.9	0.0	0.0	0.0	4.8
10-20	0.0	0.0	0.0	0.6	4	0.8	0.0	0.1	0.0	2.8
20-30	0.0	0.0	0.0	1.9	9	0.8	0.0	0.3	0.0	4.6
30-40	0.0	0.0	0.0	1.6	9	0.3	0.0	0.7	0.0	7.6
40-50	0.0	0.0	0.0	1.0	6	0.1	0.0	1.2	0.0	10.5
50-75	0.0	0.0	0.0	2.0	5	0.1	0.0	5.5	0.0	14.2
75-100	0.0	0.0	0.0	3.3	9	0.1	0.0	8.7	0.0	17.5
100-200	0.0	0.0	0.0	10.8	16	0.1	0.0	29.3	0.0	21.2
200-500	0.0	0.1	-0.1	30.4	151	0.2	0.0	21.3	0.1	24.4
500-1,000	0.0	0.2	-0.1	19.3	542	0.3	0.0	9.4	0.1	25.3
More than 1,000	0.0	0.3	-0.1	28.1	1,582	0.2	0.0	23.4	0.1	29.2
All	0.0	0.0	0.0	100.0	40	0.2	0.0	100.0	0.0	21.6

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Level, 2012 <sup>1</sup>**

Cash Income Level (thousands of 2009 dollars) <sup>2</sup>	Tax Units <sup>3</sup>		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After- Tax Income <sup>4</sup> (Dollars)	Average Federal Tax Rate <sup>5</sup>	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	
Less than 10	2,172	3.5	4,766	226	4,540	4.8	0.1	0.2	0.0
10-20	4,097	6.7	16,031	437	15,593	2.7	0.9	1.1	0.1
20-30	4,842	7.9	25,959	1,176	24,783	4.5	1.6	2.0	0.3
30-40	4,391	7.2	36,302	2,743	33,559	7.6	2.1	2.4	0.7
40-50	4,095	6.7	46,760	4,884	41,876	10.4	2.5	2.8	1.2
50-75	9,883	16.1	65,241	9,270	55,971	14.2	8.3	9.1	5.5
75-100	9,149	14.9	90,792	15,843	74,949	17.5	10.7	11.3	8.7
100-200	16,193	26.4	142,545	30,234	112,311	21.2	29.9	30.0	29.3
200-500	4,941	8.1	295,420	71,829	223,591	24.3	18.9	18.2	21.3
500-1,000	876	1.4	706,519	178,277	528,242	25.2	8.0	7.6	9.4
More than 1,000	435	0.7	3,075,014	895,392	2,179,622	29.1	17.3	15.6	23.3
All	61,357	100.0	126,020	27,206	98,814	21.6	100.0	100.0	100.0

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

(1) Calendar year. Baseline is current policy (extension of the 2001-2003 tax cuts, patching AMT using 2009 parameters indexed for inflation, and estate tax at 2009 levels—a 45 percent tax rate and a \$3.5 million exemption, not indexed). Policy estate tax at current law level—a 55 percent top tax rate and a \$1 million exemption, not indexed).

(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) 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.

(5) 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 T10-0156**  
**Incremental Effects of Allowing the 2001 and 2003 Tax Cuts to Sunset**  
**Maintain Current Law Estate Tax**  
**Distribution of Federal Tax Change by Cash Income Level, 2012 <sup>1</sup>**  
**Detail Table - Head of Household Tax Units**

Cash Income Level (thousands of 2009 dollars) <sup>2</sup>	Percent of Tax Units <sup>3</sup>		Percent Change in After-Tax Income <sup>4</sup>	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate <sup>5</sup>	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (%) Points)	Under the Proposal	Change (%) Points)	Under the Proposal
Less than 10	0.0	0.0	0.0	0.1	0	0.0	0.0	-0.9	0.0	-7.8
10-20	0.0	0.0	0.0	0.3	0	0.0	0.0	-3.2	0.0	-5.7
20-30	0.0	0.0	0.0	0.3	0	0.0	0.0	1.8	0.0	2.1
30-40	0.0	0.0	0.0	1.7	1	0.0	0.0	9.2	0.0	9.6
40-50	0.0	0.0	0.0	2.2	2	0.0	0.0	11.4	0.0	14.1
50-75	0.0	0.0	0.0	9.0	7	0.1	0.0	27.6	0.0	17.4
75-100	0.0	0.0	0.0	14.5	29	0.2	0.0	17.8	0.0	20.3
100-200	0.0	0.0	-0.1	25.7	81	0.3	0.0	18.9	0.1	22.9
200-500	0.0	0.1	-0.2	27.4	506	0.7	0.0	7.5	0.2	24.1
500-1,000	0.0	0.1	-0.1	6.5	752	0.5	0.0	2.8	0.1	24.3
More than 1,000	0.0	0.4	-0.2	12.1	3,092	0.3	0.0	6.9	0.1	30.1
All	0.0	0.0	0.0	100.0	11	0.2	0.0	100.0	0.0	13.8

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Level, 2012 <sup>1</sup>**

Cash Income Level (thousands of 2009 dollars) <sup>2</sup>	Tax Units <sup>3</sup>		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After- Tax Income <sup>4</sup> (Dollars)	Average Federal Tax Rate <sup>5</sup>	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	
Less than 10	2,483	10.1	6,647	-520	7,167	-7.8	1.6	2.0	-0.9
10-20	5,029	20.5	15,579	-891	16,470	-5.7	7.6	9.4	-3.2
20-30	4,757	19.4	25,971	539	25,432	2.1	12.1	13.7	1.8
30-40	3,767	15.4	36,157	3,466	32,691	9.6	13.3	13.9	9.3
40-50	2,449	10.0	46,569	6,561	40,008	14.1	11.1	11.1	11.4
50-75	3,559	14.5	63,082	10,957	52,125	17.4	21.9	21.0	27.7
75-100	1,389	5.7	89,214	18,085	71,128	20.3	12.1	11.2	17.8
100-200	877	3.6	132,993	30,391	102,602	22.9	11.4	10.2	18.9
200-500	150	0.6	294,130	70,440	223,690	24.0	4.3	3.8	7.5
500-1,000	24	0.1	686,382	165,953	520,429	24.2	1.6	1.4	2.8
More than 1,000	11	0.0	2,985,055	896,363	2,088,692	30.0	3.2	2.6	6.9
All	24,547	100.0	41,760	5,746	36,014	13.8	100.0	100.0	100.0

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

(1) Calendar year. Baseline is current policy (extension of the 2001-2003 tax cuts, patching AMT using 2009 parameters indexed for inflation, and estate tax at 2009 levels—a 45 percent tax rate and a \$3.5 million exemption, not indexed). Policy estate tax at current law level—a 55 percent top tax rate and a \$1 million exemption, not indexed).

(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

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

(4) 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.

(5) 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 T10-0156**  
**Incremental Effects of Allowing the 2001 and 2003 Tax Cuts to Sunset**  
**Maintain Current Law Estate Tax**  
**Distribution of Federal Tax Change by Cash Income Level, 2012<sup>1</sup>**  
**Detail Table - Tax Units with Children**

Cash Income Level (thousands of 2009 dollars) <sup>2</sup>	Percent of Tax Units <sup>3</sup>		Percent Change in After-Tax Income <sup>4</sup>	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate <sup>5</sup>	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Less than 10	0.0	0.0	0.0	0.0	0	0.0	0.0	-0.2	0.0	-11.6
10-20	0.0	0.0	0.0	0.1	0	0.0	0.0	-0.9	0.0	-9.4
20-30	0.0	0.0	0.0	0.3	0	-0.1	0.0	-0.1	0.0	-0.8
30-40	0.0	0.0	0.0	1.2	1	0.1	0.0	1.4	0.0	7.6
40-50	0.0	0.0	0.0	0.9	1	0.0	0.0	2.3	0.0	12.6
50-75	0.0	0.0	0.0	4.0	3	0.0	0.0	7.9	0.0	15.9
75-100	0.0	0.0	0.0	10.7	11	0.1	0.0	10.1	0.0	18.4
100-200	0.0	0.0	0.0	13.7	9	0.0	0.0	29.5	0.0	21.4
200-500	0.0	0.0	0.0	29.8	66	0.1	0.0	21.0	0.0	25.0
500-1,000	0.0	0.1	-0.1	17.7	246	0.1	0.0	8.7	0.0	26.8
More than 1,000	0.0	0.1	0.0	21.0	626	0.1	0.0	20.2	0.0	30.3
All	0.0	0.0	0.0	100.0	12	0.1	0.0	100.0	0.0	20.5

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Level, 2012<sup>1</sup>**

Cash Income Level (thousands of 2009 dollars) <sup>2</sup>	Tax Units <sup>3</sup>		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After- Tax Income <sup>4</sup> (Dollars)	Average Federal Tax Rate <sup>5</sup>	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							
Less than 10	2,968	6.0	6,252	-726	6,978	-11.6	0.4	0.6	-0.2
10-20	5,639	11.5	15,769	-1,488	17,257	-9.4	1.9	2.6	-0.9
20-30	5,683	11.6	25,918	-196	26,114	-0.8	3.1	4.0	-0.1
30-40	4,891	10.0	36,161	2,763	33,398	7.6	3.8	4.4	1.4
40-50	3,849	7.8	46,701	5,858	40,843	12.5	3.8	4.2	2.3
50-75	7,425	15.1	64,368	10,216	54,152	15.9	10.2	10.8	7.9
75-100	5,841	11.9	90,740	16,666	74,073	18.4	11.3	11.6	10.1
100-200	9,319	19.0	142,137	30,472	111,665	21.4	28.2	27.9	29.5
200-500	2,750	5.6	293,742	73,422	220,320	25.0	17.2	16.3	21.0
500-1,000	441	0.9	705,334	189,064	516,270	26.8	6.6	6.1	8.7
More than 1,000	206	0.4	3,105,769	941,730	2,164,039	30.3	13.7	12.0	20.2
All	49,155	100.0	95,419	19,573	75,846	20.5	100.0	100.0	100.0

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 policy (extension of the 2001-2003 tax cuts, patching AMT using 2009 parameters indexed for inflation, and estate tax at 2009 levels—a 45 percent tax rate and a \$3.5 million exemption, not indexed). Policy estate tax at current law level—a 55 percent top tax rate and a \$1 million exemption, not indexed).

(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) 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.

(5) 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 T10-0156**  
**Incremental Effects of Allowing the 2001 and 2003 Tax Cuts to Sunset**  
**Maintain Current Law Estate Tax**  
**Distribution of Federal Tax Change by Cash Income Level, 2012<sup>1</sup>**  
**Detail Table - Elderly Tax Units**

Cash Income Level (thousands of 2009 dollars) <sup>2</sup>	Percent of Tax Units <sup>3</sup>		Percent Change in After-Tax Income <sup>4</sup>	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate <sup>5</sup>	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Less than 10	0.0	0.0	-0.1	0.1	3	1.8	0.0	0.1	0.1	3.1
10-20	0.0	0.0	-0.1	0.5	11	2.9	0.0	0.6	0.1	2.6
20-30	0.0	0.0	-0.1	1.1	34	3.1	0.0	1.4	0.1	4.5
30-40	0.0	0.0	-0.1	0.4	22	1.0	0.0	1.6	0.1	5.9
40-50	0.0	0.1	-0.9	5.9	398	12.9	0.2	1.9	0.9	7.5
50-75	0.0	0.2	-0.6	10.3	356	5.5	0.1	7.3	0.6	10.6
75-100	0.0	0.3	-0.9	11.2	677	5.8	0.1	7.6	0.8	14.0
100-200	0.0	0.5	-1.2	26.9	1,370	5.5	0.3	19.2	1.0	18.7
200-500	0.0	0.9	-1.5	26.5	3,567	5.3	0.3	19.6	1.2	23.5
500-1,000	0.0	1.1	-1.0	9.0	5,578	3.2	-0.1	10.7	0.8	25.3
More than 1,000	0.0	1.5	-0.4	7.9	9,145	1.0	-0.9	30.0	0.3	30.3
All	0.0	0.2	-0.8	100.0	498	3.8	0.0	100.0	0.7	17.8

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Level, 2012<sup>1</sup>**

Cash Income Level (thousands of 2009 dollars) <sup>2</sup>	Tax Units <sup>3</sup>		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After- Tax Income <sup>4</sup> (Dollars)	Average Federal Tax Rate <sup>5</sup>	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							
Less than 10	2,305	7.6	6,366	196	6,170	3.1	0.6	0.7	0.1
10-20	6,471	21.2	15,655	389	15,265	2.5	4.4	5.2	0.6
20-30	5,084	16.7	25,560	1,111	24,449	4.4	5.6	6.5	1.4
30-40	2,999	9.8	36,054	2,118	33,937	5.9	4.7	5.3	1.6
40-50	2,259	7.4	46,537	3,088	43,449	6.6	4.5	5.1	1.8
50-75	4,405	14.4	64,489	6,472	58,017	10.0	12.3	13.3	7.2
75-100	2,504	8.2	89,136	11,780	77,356	13.2	9.7	10.1	7.4
100-200	2,986	9.8	141,589	25,146	116,443	17.8	18.3	18.2	18.9
200-500	1,128	3.7	304,121	67,973	236,148	22.4	14.8	13.9	19.3
500-1,000	245	0.8	709,954	174,183	535,771	24.5	7.5	6.9	10.8
More than 1,000	132	0.4	3,095,895	930,286	2,165,609	30.1	17.7	14.9	30.9
All	30,543	100.0	75,737	13,017	62,720	17.2	100.0	100.0	100.0

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 policy (extension of the 2001-2003 tax cuts, patching AMT using 2009 parameters indexed for inflation, and estate tax at 2009 levels—a 45 percent tax rate and a \$3.5 million exemption, not indexed). Policy estate tax at current law level—a 55 percent top tax rate and a \$1 million exemption, not indexed).

(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

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

(4) 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.

(5) 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.