

**Table T10-0160**  
**Incremental Effects of Allowing the 2001 and 2003 Tax Cuts to Sunset**  
**Restore Personal Exemption Phaseout and Limitation on Itemized Deductions**  
**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	0.0	0	0.0	5.3
<b>10-20</b>	0.0	0.0	0.0	0.0	0	0.0	4.6
<b>20-30</b>	0.0	0.0	0.0	0.0	0	0.0	8.8
<b>30-40</b>	0.0	0.0	0.0	0.0	0	0.0	12.9
<b>40-50</b>	0.0	0.0	0.0	0.0	0	0.0	15.7
<b>50-75</b>	0.0	0.0	0.0	0.0	0	0.0	17.8
<b>75-100</b>	0.0	0.2	0.0	0.0	0	0.0	19.5
<b>100-200</b>	0.0	4.4	0.0	0.5	4	0.0	22.0
<b>200-500</b>	0.0	44.6	-0.2	14.4	440	0.2	24.9
<b>500-1,000</b>	0.0	58.7	-0.8	25.1	4,349	0.6	27.0
<b>More than 1,000</b>	0.0	73.8	-1.0	60.1	20,526	0.7	32.0
<b>All</b>	0.0	2.9	-0.2	100.0	115	0.2	21.4

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

Number of AMT Taxpayers (millions). Baseline: 4.6

Proposal: 3.8

\*\* 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 and patching AMT using 2009 parameters indexed for inflation) plus estate tax at current law level— a 55 percent top tax rate and a \$1 million exemption, not indexed); top two tax brackets raised to 36 and 39.6 percent. Policy is restoration of the personal exemption phaseout (PEP) and the limitation on itemized deductions (Pease).

(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 T10-0160**  
**Incremental Effects of Allowing the 2001 and 2003 Tax Cuts to Sunset**  
**Restore Personal Exemption Phaseout and Limitation on Itemized Deductions**  
**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	0.0	0	0.0	0.0	0.2	0.0	5.3
10-20	0.0	0.0	0.0	0.0	0	0.0	0.0	0.7	0.0	4.6
20-30	0.0	0.0	0.0	0.0	0	0.0	0.0	1.9	0.0	8.8
30-40	0.0	0.0	0.0	0.0	0	0.0	0.0	2.9	0.0	12.9
40-50	0.0	0.0	0.0	0.0	0	0.0	0.0	3.7	0.0	15.7
50-75	0.0	0.0	0.0	0.0	0	0.0	-0.1	10.1	0.0	17.8
75-100	0.0	0.2	0.0	0.0	0	0.0	-0.1	9.9	0.0	19.5
100-200	0.0	4.4	0.0	0.5	4	0.0	-0.2	25.0	0.0	22.0
200-500	0.0	44.6	-0.2	14.4	440	0.6	0.0	17.1	0.2	24.9
500-1,000	0.0	58.7	-0.8	25.1	4,349	2.3	0.1	7.8	0.6	27.0
More than 1,000	0.0	73.8	-1.0	60.1	20,526	2.1	0.3	20.7	0.7	32.0
All	0.0	2.9	-0.2	100.0	115	0.7	0.0	100.0	0.2	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 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	305	5,418	5.3	0.8	1.0	0.2
10-20	24,305	15.5	15,533	708	14,825	4.6	3.2	3.8	0.7
20-30	21,133	13.4	25,808	2,275	23,533	8.8	4.6	5.3	1.9
30-40	16,074	10.2	36,190	4,683	31,506	12.9	4.9	5.4	3.0
40-50	12,909	8.2	46,615	7,304	39,311	15.7	5.0	5.4	3.7
50-75	22,702	14.4	64,099	11,396	52,703	17.8	12.1	12.7	10.2
75-100	14,431	9.2	90,195	17,592	72,603	19.5	10.9	11.1	10.0
100-200	20,606	13.1	141,257	30,997	110,260	21.9	24.3	24.1	25.1
200-500	5,930	3.8	296,062	73,286	222,777	24.8	14.7	14.0	17.1
500-1,000	1,048	0.7	704,969	186,116	518,854	26.4	6.2	5.8	7.7
More than 1,000	531	0.3	3,114,004	975,237	2,138,767	31.3	13.8	12.0	20.4
All	157,348	100.0	76,169	16,156	60,012	21.2	100.0	100.0	100.0

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

Number of AMT Taxpayers (millions). Baseline: 4.6

Proposal: 3.8

(1) Calendar year. Baseline is current policy (extension of the 2001-2003 tax cuts and patching AMT using 2009 parameters indexed for inflation) plus estate tax at current law level—a 55 percent top tax rate and a \$1 million exemption, not indexed; top two tax brackets raised to 36 and 39.6 percent. Policy is restoration of the personal exemption phaseout (PEP) and the limitation on itemized deductions (Pease).

(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 T10-0160**  
**Incremental Effects of Allowing the 2001 and 2003 Tax Cuts to Sunset**  
**Restore Personal Exemption Phaseout and Limitation on Itemized Deductions**  
**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	0.0	0	0.0	0.0	0.9	0.0	8.5
10-20	0.0	0.0	0.0	0.0	0	0.0	0.0	2.9	0.0	8.4
20-30	0.0	0.0	0.0	0.0	0	0.0	0.0	5.9	0.0	13.3
30-40	0.0	0.0	0.0	0.0	0	0.0	0.0	7.3	0.0	17.5
40-50	0.0	0.0	0.0	0.0	0	0.0	0.0	8.4	0.0	19.6
50-75	0.0	0.0	0.0	0.0	0	0.0	-0.1	18.6	0.0	21.9
75-100	0.0	0.0	0.0	0.0	0	0.0	0.0	11.9	0.0	24.2
100-200	0.0	2.5	0.0	0.7	4	0.0	-0.1	17.9	0.0	25.2
200-500	0.0	41.0	-0.2	20.3	491	0.6	0.0	9.8	0.2	27.2
500-1,000	0.0	53.5	-0.6	19.7	2,725	1.3	0.0	4.4	0.4	30.0
More than 1,000	0.0	64.7	-0.8	59.4	15,148	1.5	0.1	11.8	0.5	34.6
All	0.0	0.8	-0.1	100.0	28	0.3	0.0	100.0	0.1	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 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	12,161	17.6	5,710	483	5,227	8.5	2.3	2.7	0.9
10-20	14,889	21.6	15,384	1,291	14,093	8.4	7.6	8.8	3.0
20-30	11,204	16.3	25,667	3,420	22,247	13.3	9.5	10.5	5.9
30-40	7,555	11.0	36,120	6,309	29,810	17.5	9.0	9.5	7.3
40-50	6,018	8.7	46,555	9,146	37,409	19.6	9.3	9.5	8.5
50-75	8,766	12.7	63,234	13,851	49,383	21.9	18.3	18.2	18.7
75-100	3,599	5.2	89,193	21,590	67,604	24.2	10.6	10.3	11.9
100-200	3,384	4.9	137,406	34,564	102,842	25.2	15.4	14.7	18.0
200-500	787	1.1	300,163	81,033	219,130	27.0	7.8	7.3	9.8
500-1,000	138	0.2	697,814	206,664	491,150	29.6	3.2	2.9	4.4
More than 1,000	75	0.1	2,972,435	1,013,931	1,958,504	34.1	7.3	6.2	11.6
All	68,932	100.0	43,878	9,444	34,433	21.5	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 and patching AMT using 2009 parameters indexed for inflation) plus estate tax at current law level—a 55 percent top tax rate and a \$1 million exemption, not indexed; top two tax brackets raised to 36 and 39.6 percent. Policy is restoration of the personal exemption phaseout (PEP) and the limitation on itemized deductions (Pease).

(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.

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**Restore Personal Exemption Phaseout and Limitation on Itemized Deductions**  
**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	0.0	0	0.0	0.0	0.0	0.0	4.8
10-20	0.0	0.0	0.0	0.0	0	0.0	0.0	0.1	0.0	2.8
20-30	0.0	0.0	0.0	0.0	0	0.0	0.0	0.3	0.0	4.6
30-40	0.0	0.0	0.0	0.0	0	0.0	0.0	0.7	0.0	7.6
40-50	0.0	0.0	0.0	0.0	0	0.0	0.0	1.2	0.0	10.5
50-75	0.0	0.0	0.0	0.0	0	0.0	-0.1	5.4	0.0	14.2
75-100	0.0	0.0	0.0	0.0	0	0.0	-0.1	8.5	0.0	17.5
100-200	0.0	4.7	0.0	0.4	4	0.0	-0.3	28.6	0.0	21.2
200-500	0.0	46.1	-0.2	13.9	433	0.6	-0.1	20.9	0.2	24.5
500-1,000	0.0	59.4	-0.9	26.2	4,621	2.5	0.2	9.6	0.7	26.6
More than 1,000	0.0	75.5	-1.0	59.6	21,168	2.2	0.3	24.6	0.7	31.5
All	0.0	6.3	-0.3	100.0	252	0.9	0.0	100.0	0.2	22.2

**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	2,172	3.5	4,766	228	4,538	4.8	0.1	0.2	0.0
10-20	4,097	6.7	16,031	441	15,590	2.8	0.9	1.1	0.1
20-30	4,842	7.9	25,959	1,186	24,773	4.6	1.6	2.0	0.3
30-40	4,391	7.2	36,302	2,752	33,550	7.6	2.1	2.4	0.7
40-50	4,095	6.7	46,760	4,890	41,870	10.5	2.5	2.8	1.2
50-75	9,883	16.1	65,241	9,275	55,967	14.2	8.3	9.2	5.4
75-100	9,149	14.9	90,792	15,852	74,940	17.5	10.7	11.4	8.5
100-200	16,193	26.4	142,545	30,250	112,295	21.2	29.9	30.1	28.9
200-500	4,941	8.1	295,420	72,041	223,380	24.4	18.9	18.3	21.0
500-1,000	876	1.4	706,519	183,041	523,478	25.9	8.0	7.6	9.4
More than 1,000	435	0.7	3,075,014	947,672	2,127,342	30.8	17.3	15.3	24.3
All	61,357	100.0	126,020	27,671	98,349	22.0	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 and patching AMT using 2009 parameters indexed for inflation) plus estate tax at current law level—a 55 percent top tax rate and a \$1 million exemption, not indexed; top two tax brackets raised to 36 and 39.6 percent. Policy is restoration of the personal exemption phaseout (PEP) and the limitation on itemized deductions (Pease).

(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 T10-0160**  
**Incremental Effects of Allowing the 2001 and 2003 Tax Cuts to Sunset**  
**Restore Personal Exemption Phaseout and Limitation on Itemized Deductions**  
**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	0.0	0	0.0	0.0	-0.9	0.0	-7.8
10-20	0.0	0.0	0.0	0.0	0	0.0	0.0	-3.1	0.0	-5.7
20-30	0.0	0.0	0.0	0.0	0	0.0	0.0	1.8	0.0	2.1
30-40	0.0	0.0	0.0	0.0	0	0.0	0.0	9.2	0.0	9.6
40-50	0.0	0.0	0.0	0.0	0	0.0	0.0	11.3	0.0	14.1
50-75	0.0	0.0	0.0	0.0	0	0.0	-0.1	27.4	0.0	17.4
75-100	0.0	0.0	0.0	0.0	0	0.0	0.0	17.7	0.0	20.3
100-200	0.0	0.8	0.0	0.2	1	0.0	0.0	18.8	0.0	22.9
200-500	0.0	16.0	-0.1	12.6	280	0.4	0.0	7.5	0.1	24.2
500-1,000	0.0	57.9	-0.7	26.8	3,742	2.2	0.1	2.9	0.6	25.5
More than 1,000	0.0	75.7	-0.9	60.5	18,669	2.0	0.1	7.4	0.6	32.6
All	0.0	0.2	0.0	100.0	14	0.2	0.0	100.0	0.0	13.9

**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	2,483	10.1	6,647	-520	7,167	-7.8	1.6	2.0	-0.9
10-20	5,029	20.5	15,579	-890	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	3,468	32,689	9.6	13.3	14.0	9.2
40-50	2,449	10.0	46,569	6,564	40,006	14.1	11.1	11.1	11.3
50-75	3,559	14.5	63,082	10,964	52,118	17.4	21.9	21.0	27.5
75-100	1,389	5.7	89,214	18,114	71,100	20.3	12.1	11.2	17.7
100-200	877	3.6	132,993	30,472	102,521	22.9	11.4	10.2	18.8
200-500	150	0.6	294,130	71,028	223,101	24.2	4.3	3.8	7.5
500-1,000	24	0.1	686,382	171,415	514,967	25.0	1.6	1.4	2.9
More than 1,000	11	0.0	2,985,055	952,978	2,032,077	31.9	3.2	2.5	7.3
All	24,547	100.0	41,760	5,786	35,974	13.9	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 and patching AMT using 2009 parameters indexed for inflation) plus estate tax at current law level—a 55 percent top tax rate and a \$1 million exemption, not indexed; top two tax brackets raised to 36 and 39.6 percent. Policy is restoration of the personal exemption phaseout (PEP) and the limitation on itemized deductions (Pease).

(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.

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**Restore Personal Exemption Phaseout and Limitation on Itemized Deductions**  
**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	0.0	0	0.0	0.0	-0.9	0.0	-9.4
20-30	0.0	0.0	0.0	0.0	0	0.0	0.0	-0.1	0.0	-0.8
30-40	0.0	0.0	0.0	0.0	0	0.0	0.0	1.4	0.0	7.6
40-50	0.0	0.0	0.0	0.0	0	0.0	0.0	2.3	0.0	12.6
50-75	0.0	0.0	0.0	0.0	0	0.0	-0.1	7.7	0.0	15.9
75-100	0.0	0.1	0.0	0.0	0	0.0	-0.1	9.9	0.0	18.4
100-200	0.0	4.9	0.0	0.4	4	0.0	-0.3	28.8	0.0	21.5
200-500	0.0	39.9	-0.2	13.2	447	0.6	-0.1	20.6	0.2	25.2
500-1,000	0.0	68.3	-1.2	29.4	6,205	3.2	0.2	9.0	0.9	28.4
More than 1,000	0.0	84.0	-1.2	56.9	25,676	2.6	0.3	21.5	0.8	33.1
All	0.0	4.1	-0.3	100.0	189	1.0	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	2,968	6.0	6,252	-725	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	2,764	33,397	7.6	3.8	4.4	1.4
40-50	3,849	7.8	46,701	5,859	40,842	12.6	3.8	4.2	2.3
50-75	7,425	15.1	64,368	10,220	54,148	15.9	10.2	10.8	7.8
75-100	5,841	11.9	90,740	16,678	74,062	18.4	11.3	11.7	10.0
100-200	9,319	19.0	142,137	30,481	111,656	21.5	28.2	28.0	29.1
200-500	2,750	5.6	293,742	73,525	220,217	25.0	17.2	16.3	20.7
500-1,000	441	0.9	705,334	194,308	511,025	27.6	6.6	6.1	8.8
More than 1,000	206	0.4	3,105,769	1,002,880	2,102,889	32.3	13.7	11.7	21.1
All	49,155	100.0	95,419	19,886	75,533	20.8	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 and patching AMT using 2009 parameters indexed for inflation) plus estate tax at current law level— a 55 percent top tax rate and a \$1 million exemption, not indexed; top two tax brackets raised to 36 and 39.6 percent. Policy is restoration of the personal exemption phaseout (PEP) and the limitation on itemized deductions (Pease).

(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 T10-0160**  
**Incremental Effects of Allowing the 2001 and 2003 Tax Cuts to Sunset**  
**Restore Personal Exemption Phaseout and Limitation on Itemized Deductions**  
**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	0.0	0.0	0	0.0	0.0	0.1	0.0	3.1
10-20	0.0	0.0	0.0	0.0	0	0.0	0.0	0.6	0.0	2.6
20-30	0.0	0.0	0.0	0.0	0	0.0	0.0	1.4	0.0	4.5
30-40	0.0	0.0	0.0	0.0	0	0.0	0.0	1.5	0.0	5.9
40-50	0.0	0.0	0.0	0.0	0	0.0	0.0	1.9	0.0	7.5
50-75	0.0	0.0	0.0	0.0	0	0.0	-0.1	7.2	0.0	10.6
75-100	0.0	0.3	0.0	0.0	0	0.0	-0.1	7.4	0.0	14.0
100-200	0.0	2.8	0.0	0.3	3	0.0	-0.1	18.8	0.0	18.7
200-500	0.0	43.8	-0.2	14.5	357	0.5	0.0	19.3	0.1	23.7
500-1,000	0.0	42.0	-0.4	18.0	2,035	1.1	0.1	10.8	0.3	25.9
More than 1,000	0.0	61.8	-0.7	67.2	14,137	1.5	0.2	30.9	0.5	31.8
All	0.0	2.5	-0.2	100.0	91	0.7	0.0	100.0	0.1	18.2

**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	200	6,166	3.1	0.6	0.8	0.1
10-20	6,471	21.2	15,655	400	15,254	2.6	4.4	5.2	0.6
20-30	5,084	16.7	25,560	1,145	24,415	4.5	5.6	6.6	1.4
30-40	2,999	9.8	36,054	2,139	33,915	5.9	4.7	5.4	1.5
40-50	2,259	7.4	46,537	3,486	43,051	7.5	4.5	5.1	1.9
50-75	4,405	14.4	64,489	6,828	57,661	10.6	12.3	13.4	7.2
75-100	2,504	8.2	89,136	12,457	76,679	14.0	9.7	10.1	7.5
100-200	2,986	9.8	141,589	26,517	115,073	18.7	18.3	18.1	19.0
200-500	1,128	3.7	304,121	71,663	232,459	23.6	14.8	13.8	19.4
500-1,000	245	0.8	709,954	182,036	527,918	25.6	7.5	6.8	10.7
More than 1,000	132	0.4	3,095,895	971,072	2,124,822	31.4	17.7	14.8	30.7
All	30,543	100.0	75,737	13,674	62,063	18.1	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 and patching AMT using 2009 parameters indexed for inflation) plus estate tax at current law level— a 55 percent top tax rate and a \$1 million exemption, not indexed; top two tax brackets raised to 36 and 39.6 percent. Policy is restoration of the personal exemption phaseout (PEP) and the limitation on itemized deductions (Pease).

(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.