

Table T10-0166
Incremental Effects of Allowing the 2001 and 2003 Tax Cuts to Sunset
Repeal Expansions of EITC, Child Credit, Child and Dependent Care Tax Credit, and Tuition Deduction
Distribution of Federal Tax Change by Cash Income Level, 2012¹
Summary Table

Cash Income Level (thousands of 2009 dollars) ²	Percent of Tax Units ³		Percent Change in After-Tax Income ⁴	Share of Total Federal Tax Change	Average Federal Tax Change (\$)	Average Federal Tax Rate ⁵	
	With Tax Cut	With Tax Increase				Change (%) Points)	Under the Proposal
Less than 10	0.0	0.4	-0.1	0.2	3	0.1	5.4
10-20	0.0	9.9	-0.3	3.8	45	0.3	4.9
20-30	0.0	22.9	-1.0	16.6	229	0.9	9.7
30-40	0.0	27.3	-0.9	16.0	290	0.8	13.8
40-50	0.0	26.1	-0.6	10.9	246	0.5	16.3
50-75	0.0	31.4	-0.5	19.6	251	0.4	18.3
75-100	0.0	35.9	-0.4	14.7	295	0.3	19.9
100-200	0.0	31.7	-0.2	17.4	245	0.2	22.3
200-500	0.0	5.2	0.0	0.4	17	0.0	25.3
500-1,000	0.0	3.2	0.0	0.1	13	0.0	27.8
More than 1,000	0.0	2.1	0.0	0.0	4	0.0	33.7
All	0.0	21.8	-0.3	100.0	185	0.2	22.0

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

Number of AMT Taxpayers (millions). Baseline: 3.7

Proposal: 3.7

** 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; restoration of the personal exemption phaseout (PEP) and the limitation on itemized deductions (Pease); increased tax rates on long-term capital gains (10 percent for tax units in 15 percent bracket, 20 percent for rest) and reduced rates for gains on assets held 5 years or longer; taxation of all dividends as ordinary income. Policy is repeal of expansions of the student loan interest deduction, the Earned Income Tax Credit (EITC), the Child and Dependent Care Tax Credit (CDCTC), and the Child Tax Credit (CTC).

(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 T10-0166
Incremental Effects of Allowing the 2001 and 2003 Tax Cuts to Sunset
Repeal Expansions of EITC, Child Credit, Child and Dependent Care Tax Credit, and Tuition Deduction
Distribution of Federal Tax Change by Cash Income Level, 2012¹
Detail Table

Cash Income Level (thousands of 2009 dollars) ²	Percent of Tax Units ³		Percent Change in After-Tax Income ⁴	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁵	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (%) Points)	Under the Proposal	Change (%) Points)	Under the Proposal
Less than 10	0.0	0.4	-0.1	0.2	3	1.1	0.0	0.2	0.1	5.4
10-20	0.0	9.9	-0.3	3.8	45	6.4	0.0	0.7	0.3	4.9
20-30	0.0	22.9	-1.0	16.6	229	10.0	0.2	2.0	0.9	9.7
30-40	0.0	27.3	-0.9	16.0	290	6.2	0.1	3.0	0.8	13.8
40-50	0.0	26.1	-0.6	10.9	246	3.4	0.1	3.7	0.5	16.3
50-75	0.0	31.4	-0.5	19.6	251	2.2	0.1	10.1	0.4	18.3
75-100	0.0	35.9	-0.4	14.7	295	1.7	0.1	9.8	0.3	19.9
100-200	0.0	31.7	-0.2	17.4	245	0.8	-0.1	24.6	0.2	22.3
200-500	0.0	5.2	0.0	0.4	17	0.0	-0.2	16.9	0.0	25.3
500-1,000	0.0	3.2	0.0	0.1	13	0.0	-0.1	7.8	0.0	27.8
More than 1,000	0.0	2.1	0.0	0.0	4	0.0	-0.2	21.1	0.0	33.7
All	0.0	21.8	-0.3	100.0	185	1.1	0.0	100.0	0.2	22.0

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

Cash Income Level (thousands of 2009 dollars) ²	Tax Units ³		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After- Tax Income ⁴ (Dollars)	Average Federal Tax Rate ⁵	Share of Pre- Tax Income	Share of Post- Tax Income	Share of Federal Taxes
	Number (thousands)	Percent Total					Percent of Total	Percent of Total	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	710	14,823	4.6	3.2	3.8	0.7
20-30	21,133	13.4	25,808	2,283	23,524	8.9	4.6	5.3	1.9
30-40	16,074	10.2	36,190	4,700	31,489	13.0	4.9	5.4	2.9
40-50	12,909	8.2	46,615	7,332	39,283	15.7	5.0	5.4	3.6
50-75	22,702	14.4	64,099	11,448	52,651	17.9	12.1	12.8	10.0
75-100	14,431	9.2	90,195	17,693	72,502	19.6	10.9	11.2	9.8
100-200	20,606	13.1	141,257	31,249	110,008	22.1	24.3	24.2	24.7
200-500	5,930	3.8	296,062	74,971	221,091	25.3	14.7	14.0	17.0
500-1,000	1,048	0.7	704,969	195,993	508,976	27.8	6.2	5.7	7.9
More than 1,000	531	0.3	3,114,004	1,048,644	2,065,360	33.7	13.8	11.7	21.3
All	157,348	100.0	76,169	16,589	59,580	21.8	100.0	100.0	100.0

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

Number of AMT Taxpayers (millions). Baseline: 3.7

Proposal: 3.7

(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; restoration of the personal exemption phaseout (PEP) and the limitation on itemized deductions (Pease); increased tax rates on long-term capital gains (10 percent for tax units in 15 percent bracket, 20 percent for rest) and reduced rates for gains on assets held 5 years or longer; taxation of all dividends as ordinary income. Policy is repeal of expansions of the student loan interest deduction, the Earned Income Tax Credit (EITC), the Child and Dependent Care Tax Credit (CDCTC), and the Child Tax Credit (CTC).

(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 T10-0166
Incremental Effects of Allowing the 2001 and 2003 Tax Cuts to Sunset
Repeal Expansions of EITC, Child Credit, Child and Dependent Care Tax Credit, and Tuition Deduction
Distribution of Federal Tax Change by Cash Income Level, 2012¹
Detail Table - Single Tax Units

Cash Income Level (thousands of 2009 dollars) ²	Percent of Tax Units ³		Percent Change in After-Tax Income ⁴	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁵	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (%) Points)	Under the Proposal	Change (%) Points)	Under the Proposal
Less than 10	0.0	0.3	0.0	0.5	0	0.1	0.0	0.9	0.0	8.5
10-20	0.0	1.6	-0.1	11.1	6	0.5	0.0	2.9	0.0	8.5
20-30	0.0	3.2	-0.1	34.5	26	0.8	0.0	5.8	0.1	13.5
30-40	0.0	2.6	-0.1	17.5	20	0.3	0.0	7.2	0.1	17.6
40-50	0.0	2.0	0.0	9.6	14	0.2	0.0	8.3	0.0	19.8
50-75	0.0	10.7	0.0	19.5	19	0.1	0.0	18.4	0.0	22.1
75-100	0.0	5.3	0.0	5.7	14	0.1	0.0	11.8	0.0	24.4
100-200	0.0	1.0	0.0	1.4	4	0.0	0.0	17.9	0.0	25.6
200-500	0.0	0.1	0.0	0.0	0	0.0	0.0	9.9	0.0	27.9
500-1,000	0.0	0.1	0.0	0.0	0	0.0	0.0	4.5	0.0	31.2
More than 1,000	0.0	0.0	0.0	0.0	0	0.0	0.0	12.2	0.0	36.6
All	0.0	3.1	0.0	100.0	12	0.1	0.0	100.0	0.0	22.0

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

Cash Income Level (thousands of 2009 dollars) ²	Tax Units ³		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After- Tax Income ⁴ (Dollars)	Average Federal Tax Rate ⁵	Share of Pre- Tax Income	Share of Post- Tax Income	Share of Federal Taxes
	Number (thousands)	Percent Total					Percent of Total	Percent of Total	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	1,295	14,089	8.4	7.6	8.9	2.9
20-30	11,204	16.3	25,667	3,433	22,234	13.4	9.5	10.6	5.8
30-40	7,555	11.0	36,120	6,336	29,784	17.5	9.0	9.5	7.2
40-50	6,018	8.7	46,555	9,191	37,364	19.7	9.3	9.5	8.3
50-75	8,766	12.7	63,234	13,929	49,305	22.0	18.3	18.3	18.4
75-100	3,599	5.2	89,193	21,741	67,452	24.4	10.6	10.3	11.8
100-200	3,384	4.9	137,406	35,102	102,304	25.6	15.4	14.7	17.9
200-500	787	1.1	300,163	83,874	216,289	27.9	7.8	7.2	9.9
500-1,000	138	0.2	697,814	218,009	479,804	31.2	3.2	2.8	4.5
More than 1,000	75	0.1	2,972,435	1,087,577	1,884,858	36.6	7.3	6.0	12.2
All	68,932	100.0	43,878	9,633	34,244	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; restoration of the personal exemption phaseout (PEP) and the limitation on itemized deductions (Pease); increased tax rates on long-term capital gains (10 percent for tax units in 15 percent bracket, 20 percent for rest) and reduced rates for gains on assets held 5 years or longer; taxation of all dividends as ordinary income. Policy is repeal of expansions of the student loan interest deduction, the Earned Income Tax Credit (EITC), the Child and Dependent Care Tax Credit (CDC/TC), and the Child Tax Credit (CTC).

(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 T10-0166
Incremental Effects of Allowing the 2001 and 2003 Tax Cuts to Sunset
Repeal Expansions of EITC, Child Credit, Child and Dependent Care Tax Credit, and Tuition Deduction
Distribution of Federal Tax Change by Cash Income Level, 2012¹
Detail Table - Married Tax Units Filing Jointly

Cash Income Level (thousands of 2009 dollars) ²	Percent of Tax Units ³		Percent Change in After-Tax Income ⁴	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁵	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (%) Points)	Under the Proposal	Change (%) Points)	Under the Proposal
Less than 10	0.0	1.5	-0.4	0.2	17	7.6	0.0	0.0	0.4	5.2
10-20	0.0	13.1	-0.4	1.6	68	15.4	0.0	0.1	0.4	3.2
20-30	0.0	25.3	-1.2	8.2	303	25.5	0.1	0.4	1.2	5.8
30-40	0.0	32.1	-1.3	10.5	425	15.4	0.1	0.8	1.2	8.8
40-50	0.0	37.2	-1.0	9.4	408	8.3	0.1	1.2	0.9	11.4
50-75	0.0	38.8	-0.7	21.3	384	4.1	0.2	5.4	0.6	14.9
75-100	0.0	45.7	-0.5	20.3	396	2.5	0.1	8.5	0.4	18.0
100-200	0.0	39.0	-0.3	27.6	304	1.0	0.0	28.2	0.2	21.6
200-500	0.0	6.0	0.0	0.6	20	0.0	-0.2	20.6	0.0	24.9
500-1,000	0.0	3.4	0.0	0.1	13	0.0	-0.1	9.6	0.0	27.3
More than 1,000	0.0	2.4	0.0	0.0	5	0.0	-0.3	25.1	0.0	33.2
All	0.0	31.7	-0.3	100.0	291	1.0	0.0	100.0	0.2	22.9

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

Cash Income Level (thousands of 2009 dollars) ²	Tax Units ³		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After- Tax Income ⁴ (Dollars)	Average Federal Tax Rate ⁵	Share of Pre- Tax Income	Share of Post- Tax Income	Share of Federal Taxes
	Number (thousands)	Percent Total					Percent of Total	Percent of Total	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	1,190	24,769	4.6	1.6	2.0	0.3
30-40	4,391	7.2	36,302	2,765	33,537	7.6	2.1	2.5	0.7
40-50	4,095	6.7	46,760	4,905	41,854	10.5	2.5	2.9	1.2
50-75	9,883	16.1	65,241	9,317	55,924	14.3	8.3	9.2	5.3
75-100	9,149	14.9	90,792	15,942	74,850	17.6	10.7	11.5	8.3
100-200	16,193	26.4	142,545	30,447	112,099	21.4	29.9	30.3	28.2
200-500	4,941	8.1	295,420	73,518	221,903	24.9	18.9	18.3	20.8
500-1,000	876	1.4	706,519	192,704	513,815	27.3	8.0	7.5	9.7
More than 1,000	435	0.7	3,075,014	1,019,645	2,055,369	33.2	17.3	15.0	25.4
All	61,357	100.0	126,020	28,513	97,507	22.6	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 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; restoration of the personal exemption phaseout (PEP) and the limitation on itemized deductions (Pease); increased tax rates on long-term capital gains (10 percent for tax units in 15 percent bracket, 20 percent for rest) and reduced rates for gains on assets held 5 years or longer; taxation of all dividends as ordinary income. Policy is repeal of expansions of the student loan interest deduction, the Earned Income Tax Credit (EITC), the Child and Dependent Care Tax Credit (CDC/TC), and the Child Tax Credit (CTC).

(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 T10-0166
Incremental Effects of Allowing the 2001 and 2003 Tax Cuts to Sunset
Repeal Expansions of EITC, Child Credit, Child and Dependent Care Tax Credit, and Tuition Deduction
Distribution of Federal Tax Change by Cash Income Level, 2012¹
Detail Table - Head of Household Tax Units

Cash Income Level (thousands of 2009 dollars) ²	Percent of Tax Units ³		Percent Change in After-Tax Income ⁴	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁵	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (%) Points)	Under the Proposal	Change (%) Points)	Under the Proposal
Less than 10	0.0	0.5	-0.1	0.1	6	-1.1	0.1	-0.8	0.1	-7.7
10-20	0.0	32.0	-0.9	7.2	145	-16.3	0.7	-2.4	0.9	-4.8
20-30	0.0	67.8	-2.5	30.2	640	118.6	1.9	3.7	2.5	4.5
30-40	0.0	71.8	-2.1	25.7	688	19.8	1.1	10.2	1.9	11.5
40-50	0.0	67.5	-1.4	13.5	555	8.4	0.2	11.4	1.2	15.3
50-75	0.0	63.0	-0.9	16.5	467	4.3	-0.7	26.5	0.7	18.2
75-100	0.0	55.6	-0.6	5.6	407	2.2	-0.8	16.8	0.5	20.8
100-200	0.0	20.7	-0.1	1.1	129	0.4	-1.2	17.6	0.1	23.1
200-500	0.0	8.6	0.0	0.0	23	0.0	-0.5	7.1	0.0	24.7
500-1,000	0.0	14.5	0.0	0.0	91	0.1	-0.2	2.8	0.0	26.2
More than 1,000	0.0	5.6	0.0	0.0	10	0.0	-0.5	7.2	0.0	34.1
All	0.0	50.7	-1.2	100.0	411	7.0	0.0	100.0	1.0	15.0

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

Cash Income Level (thousands of 2009 dollars) ²	Tax Units ³		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After- Tax Income ⁴ (Dollars)	Average Federal Tax Rate ⁵	Share of Pre- Tax Income	Share of Post- Tax Income	Share of Federal Taxes
	Number (thousands)	Percent Total					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	-890	16,469	-5.7	7.6	9.4	-3.1
20-30	4,757	19.4	25,971	540	25,432	2.1	12.1	13.7	1.8
30-40	3,767	15.4	36,157	3,470	32,687	9.6	13.3	14.0	9.1
40-50	2,449	10.0	46,569	6,571	39,998	14.1	11.1	11.1	11.2
50-75	3,559	14.5	63,082	10,981	52,102	17.4	21.9	21.0	27.2
75-100	1,389	5.7	89,214	18,168	71,046	20.4	12.1	11.2	17.6
100-200	877	3.6	132,993	30,609	102,385	23.0	11.4	10.2	18.7
200-500	150	0.6	294,130	72,657	221,473	24.7	4.3	3.8	7.6
500-1,000	24	0.1	686,382	180,005	506,377	26.2	1.6	1.4	3.0
More than 1,000	11	0.0	2,985,055	1,016,338	1,968,718	34.1	3.2	2.4	7.7
All	24,547	100.0	41,760	5,844	35,916	14.0	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; restoration of the personal exemption phaseout (PEP) and the limitation on itemized deductions (Pease); increased tax rates on long-term capital gains (10 percent for tax units in 15 percent bracket, 20 percent for rest) and reduced rates for gains on assets held 5 years or longer; taxation of all dividends as ordinary income. Policy is repeal of expansions of the student loan interest deduction, the Earned Income Tax Credit (EITC), the Child and Dependent Care Tax Credit (CDCTC), and the Child Tax Credit (CTC).

(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 T10-0166
Incremental Effects of Allowing the 2001 and 2003 Tax Cuts to Sunset
Repeal Expansions of EITC, Child Credit, Child and Dependent Care Tax Credit, and Tuition Deduction
Distribution of Federal Tax Change by Cash Income Level, 2012¹
Detail Table - Tax Units with Children

Cash Income Level (thousands of 2009 dollars) ²	Percent of Tax Units ³		Percent Change in After-Tax Income ⁴	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁵	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (%) Points)	Under the Proposal	Change (%) Points)	Under the Proposal
Less than 10	0.0	1.2	-0.3	0.2	17	-2.4	0.0	-0.2	0.3	-11.3
10-20	0.0	38.8	-1.1	3.7	182	-12.2	0.1	-0.7	1.2	-8.3
20-30	0.0	79.0	-3.0	16.2	794	-405.7	0.4	0.3	3.1	2.3
30-40	0.0	84.5	-2.7	15.9	908	32.8	0.4	1.8	2.5	10.2
40-50	0.0	83.1	-1.9	10.9	790	13.5	0.2	2.5	1.7	14.3
50-75	0.0	82.6	-1.4	19.7	740	7.2	0.3	7.9	1.2	17.1
75-100	0.0	80.9	-1.0	15.0	718	4.3	0.1	9.9	0.8	19.2
100-200	0.0	62.5	-0.5	17.6	527	1.7	-0.3	28.2	0.4	21.9
200-500	0.0	10.8	0.0	0.4	37	0.1	-0.6	20.0	0.0	25.4
500-1,000	0.0	7.4	0.0	0.1	30	0.0	-0.2	8.8	0.0	28.9
More than 1,000	0.0	3.7	0.0	0.0	10	0.0	-0.6	21.5	0.0	34.5
All	0.0	63.3	-0.8	100.0	567	2.8	0.0	100.0	0.6	21.9

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

Cash Income Level (thousands of 2009 dollars) ²	Tax Units ³		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After- Tax Income ⁴ (Dollars)	Average Federal Tax Rate ⁵	Share of Pre- Tax Income	Share of Post- Tax Income	Share of Federal Taxes
	Number (thousands)	Percent Total					Percent of Total	Percent of Total	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	-0.8
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	2,765	33,396	7.7	3.8	4.4	1.4
40-50	3,849	7.8	46,701	5,864	40,836	12.6	3.8	4.3	2.3
50-75	7,425	15.1	64,368	10,235	54,132	15.9	10.2	10.9	7.6
75-100	5,841	11.9	90,740	16,720	74,020	18.4	11.3	11.7	9.8
100-200	9,319	19.0	142,137	30,594	111,543	21.5	28.2	28.2	28.5
200-500	2,750	5.6	293,742	74,631	219,111	25.4	17.2	16.3	20.5
500-1,000	441	0.9	705,334	204,113	501,221	28.9	6.6	6.0	9.0
More than 1,000	206	0.4	3,105,769	1,072,212	2,033,557	34.5	13.7	11.4	22.1
All	49,155	100.0	95,419	20,356	75,063	21.3	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; restoration of the personal exemption phaseout (PEP) and the limitation on itemized deductions (Pease); increased tax rates on long-term capital gains (10 percent for tax units in 15 percent bracket, 20 percent for rest) and reduced rates for gains on assets held 5 years or longer; taxation of all dividends as ordinary income. Policy is repeal of expansions of the student loan interest deduction, the Earned Income Tax Credit (EITC), the Child and Dependent Care Tax Credit (CDCTC), and the Child Tax Credit (CTC).

(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 T10-0166
Incremental Effects of Allowing the 2001 and 2003 Tax Cuts to Sunset
Repeal Expansions of EITC, Child Credit, Child and Dependent Care Tax Credit, and Tuition Deduction
Distribution of Federal Tax Change by Cash Income Level, 2012¹
Detail Table - Elderly Tax Units

Cash Income Level (thousands of 2009 dollars) ²	Percent of Tax Units ³		Percent Change in After-Tax Income ⁴	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁵	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (%) Points)	Under the Proposal	Change (%) Points)	Under the Proposal
Less than 10	0.0	0.1	0.0	0.6	1	0.3	0.0	0.1	0.0	3.2
10-20	0.0	0.4	0.0	2.2	1	0.2	0.0	0.6	0.0	2.6
20-30	0.0	0.9	0.0	16.1	8	0.7	0.0	1.4	0.0	4.6
30-40	0.0	0.5	0.0	6.6	5	0.3	0.0	1.5	0.0	6.1
40-50	0.0	1.7	0.0	11.8	13	0.4	0.0	1.8	0.0	7.6
50-75	0.0	2.7	0.0	34.0	19	0.3	0.0	7.0	0.0	10.9
75-100	0.0	2.4	0.0	14.2	14	0.1	0.0	7.3	0.0	14.3
100-200	0.0	2.6	0.0	13.2	11	0.0	0.0	18.6	0.0	19.3
200-500	0.0	0.4	0.0	1.0	2	0.0	0.0	19.2	0.0	24.7
500-1,000	0.0	0.3	0.0	0.1	1	0.0	0.0	10.8	0.0	27.4
More than 1,000	0.0	0.1	0.0	0.0	0	0.0	0.0	31.7	0.0	34.2
All	0.0	1.3	0.0	100.0	8	0.1	0.0	100.0	0.0	19.1

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

Cash Income Level (thousands of 2009 dollars) ²	Tax Units ³		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After- Tax Income ⁴ (Dollars)	Average Federal Tax Rate ⁵	Share of Pre- Tax Income	Share of Post- Tax Income	Share of Federal Taxes
	Number (thousands)	Percent Total					Percent of Total	Percent of Total	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	405	15,250	2.6	4.4	5.3	0.6
20-30	5,084	16.7	25,560	1,163	24,397	4.6	5.6	6.6	1.3
30-40	2,999	9.8	36,054	2,186	33,868	6.1	4.7	5.4	1.5
40-50	2,259	7.4	46,537	3,543	42,994	7.6	4.5	5.2	1.8
50-75	4,405	14.4	64,489	6,978	57,511	10.8	12.3	13.5	7.0
75-100	2,504	8.2	89,136	12,764	76,371	14.3	9.7	10.2	7.3
100-200	2,986	9.8	141,589	27,372	114,218	19.3	18.3	18.2	18.6
200-500	1,128	3.7	304,121	75,147	228,974	24.7	14.8	13.8	19.2
500-1,000	245	0.8	709,954	194,181	515,773	27.4	7.5	6.8	10.8
More than 1,000	132	0.4	3,095,895	1,058,279	2,037,615	34.2	17.7	14.4	31.7
All	30,543	100.0	75,737	14,421	61,317	19.0	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; restoration of the personal exemption phaseout (PEP) and the limitation on itemized deductions (Pease); increased tax rates on long-term capital gains (10 percent for tax units in 15 percent bracket, 20 percent for rest) and reduced rates for gains on assets held 5 years or longer; taxation of all dividends as ordinary income. Policy is repeal of expansions of the student loan interest deduction, the Earned Income Tax Credit (EITC), the Child and Dependent Care Tax Credit (CDCTC), and the Child Tax Credit (CTC).

(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.