

Table T10-0179
Bipartisan Tax Fairness and Simplification Act of 2010 ("Wyden-Gregg")
Change in Effective Marginal Individual Income Tax Rates by Cash Income Level, 2014¹

Cash Income Class (thousands of 2009 dollars) ²	Tax Units (thousands) ³	Change in Average Effective Marginal Tax Rates (Percentage Points) Under Wyden-Gregg On:			
		Wages and Salaries Relative to:		Capital Gains Relative to:	
		Current Law	Current Policy	Current Law	Current Policy
Less than 10	16,395	-1.0	-0.5	-1.8	-1.7
10-20	24,950	-9.2	-4.2	-2.9	-0.4
20-30	21,464	-6.0	-3.3	-4.3	0.0
30-40	16,563	-4.3	-3.0	-3.9	2.4
40-50	13,107	-4.5	-3.0	-3.9	4.1
50-75	22,796	-5.1	-2.2	-6.0	0.6
75-100	14,829	-6.0	-0.7	-4.1	3.8
100-200	22,547	-3.4	-0.7	-4.8	0.8
200-500	6,681	-0.5	1.8	-3.0	1.8
500-1,000	1,152	-4.5	4.0	1.7	5.5
More than 1,000	598	-5.5	0.9	2.1	6.9
All	161,771	-4.0	-0.7	0.6	5.4

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

(1) Calendar year. Effective marginal rate is determined by calculating individual income tax, and then adding \$1,000 to the appropriate income source (wages and salaries or long-term capital gains) and recomputing individual income tax. The effective marginal rate is the resulting change in tax divided by \$1,000. The averages are weighted by the appropriate income source. Average for capital gains is restricted to those with net positive long-term gains. Estimates do not include the Medicare surtax enacted as part of the health reform legislation.

(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 nonfiling units but excludes those that are dependents of other tax units.