

Table T10-0182
Bipartisan Tax Fairness and Simplification Act of 2010 vs. Current Law
Number of Tax Units with a Change in Effective Marginal Tax Rate
on Wage Income by Cash Income Percentile, 2014¹

Cash Income Percentile ^{2,3}	Tax Units with Wages and Salaries (thousands) ⁴	Tax Units with a Change in Effective Marginal Rate on Wages Relative to Current Law		
		Percent with Increase	Percent with Decrease	Percent with No Change
Lowest Quintile	23,743	4.6	39.0	56.3
Second Quintile	25,802	2.0	43.1	54.9
Middle Quintile	26,964	3.0	57.0	40.0
Fourth Quintile	23,764	8.7	76.8	14.5
Top Quintile	20,775	29.4	60.7	9.9
All	121,293	8.8	54.9	36.3
Addendum				
80-90	10,695	26.8	70.5	2.7
90-95	5,129	40.7	53.4	5.9
95-99	3,993	25.5	38.7	35.8
Top 1 Percent	958	14.3	81.9	3.8
Top 0.1 Percent	97	11.6	86.3	2.2

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

(1) Calendar year. Baseline is current law. Effective marginal rate is determined by calculating individual income tax, and then adding \$1,000 to wages and salaries and recomputing individual income tax. The effective marginal rate is the resulting change in tax divided by \$1,000. Tax units reporting zero wages and salaries are eliminated from the analysis. 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 quintile 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% \$19,925, 40% \$38,371, 60% \$67,991, 80% \$116,859, 90% \$169,290, 95% \$237,098, 99% \$632,966, 99.9% \$2,923,051.

(4) Includes both filing and nonfiling units but excludes those that are dependents of other tax units.