

**Table T10-0155**  
**Incremental Effects of Allowing the 2001 and 2003 Tax Cuts to Sunset**  
**Extend 2001-2003 Tax Cuts, Patch AMT, and 2009 Estate Tax**  
**Distribution of Federal Tax Change by Cash Income Percentile, 2012<sup>1</sup>**  
**Summary Table**

Cash Income Percentile <sup>2,3</sup>	Percent of Tax Units <sup>4</sup>		Percent Change in After-Tax Income <sup>5</sup>	Share of Total Federal Tax Change	Average Federal Tax Change (\$)	Average Federal Tax Rate <sup>6</sup>	
	With Tax Cut	With Tax Increase				Change (%) Points)	Under the Proposal
<b>Lowest Quintile</b>	0.0	0.0	0.0	0.0	0	0.0	4.6
<b>Second Quintile</b>	0.0	0.0	0.0	0.0	0	0.0	10.3
<b>Middle Quintile</b>	0.0	0.0	0.0	0.0	0	0.0	16.4
<b>Fourth Quintile</b>	0.0	0.0	0.0	0.0	0	0.0	19.3
<b>Top Quintile</b>	0.0	0.0	0.0	0.0	0	0.0	25.0
<b>All</b>	0.0	0.0	0.0	0.0	0	0.0	20.8
<b>Addendum</b>							
<b>80-90</b>	0.0	0.0	0.0	0.0	0	0.0	21.8
<b>90-95</b>	0.0	0.0	0.0	0.0	0	0.0	23.0
<b>95-99</b>	0.0	0.0	0.0	0.0	0	0.0	24.9
<b>Top 1 Percent</b>	0.0	0.0	0.0	0.0	0	0.0	28.7
<b>Top 0.1 Percent</b>	0.0	0.0	0.0	0.0	0	0.0	31.2

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).

(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) 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% \$19,356, 40% \$37,493, 60% \$65,656, 80% \$111,659, 90% \$161,739, 95% \$226,402, 99% \$599,181, 99.9% \$2,727,123.

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

(5) 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.

(6) 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 T10-0155**  
**Incremental Effects of Allowing the 2001 and 2003 Tax Cuts to Sunset**  
**Extend 2001-2003 Tax Cuts, Patch AMT, and 2009 Estate Tax**  
**Distribution of Federal Tax Change by Cash Income Percentile, 2012<sup>1</sup>**  
**Detail Table**

Cash Income Percentile <sup>2,3</sup>	Percent of Tax Units <sup>4</sup>		Percent Change in After-Tax Income <sup>5</sup>	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate <sup>6</sup>	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	0.8	0.0	4.6
Second Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	4.2	0.0	10.3
Middle Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	10.9	0.0	16.4
Fourth Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	18.4	0.0	19.3
Top Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	65.6	0.0	25.0
All	0.0	0.0	0.0	0.0	0	0.0	0.0	100.0	0.0	20.8
<b>Addendum</b>										
80-90	0.0	0.0	0.0	0.0	0	0.0	0.0	14.2	0.0	21.8
90-95	0.0	0.0	0.0	0.0	0	0.0	0.0	10.4	0.0	23.0
95-99	0.0	0.0	0.0	0.0	0	0.0	0.0	16.0	0.0	24.9
Top 1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.0	25.0	0.0	28.7
Top 0.1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.0	12.5	0.0	31.2

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

Cash Income Percentile <sup>2,3</sup>	Tax Units <sup>4</sup>		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After-Tax Income <sup>5</sup> (Dollars)	Average Federal Tax Rate <sup>6</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								
Lowest Quintile	38,450	24.4	11,600	533	11,067	4.6	3.7	4.5	0.8	
Second Quintile	34,947	22.2	28,852	2,962	25,890	10.3	8.4	9.5	4.2	
Middle Quintile	31,868	20.3	52,224	8,560	43,664	16.4	13.9	14.7	10.9	
Fourth Quintile	26,646	16.9	88,978	17,195	71,783	19.3	19.8	20.2	18.4	
Top Quintile	23,298	14.8	280,229	70,153	210,076	25.0	54.5	51.6	65.6	
All	157,348	100.0	76,169	15,843	60,325	20.8	100.0	100.0	100.0	
<b>Addendum</b>										
80-90	11,720	7.5	138,385	30,137	108,248	21.8	13.5	13.4	14.2	
90-95	5,734	3.6	196,549	45,107	151,441	23.0	9.4	9.2	10.4	
95-99	4,655	3.0	345,574	85,929	259,645	24.9	13.4	12.7	16.0	
Top 1 Percent	1,190	0.8	1,825,188	523,337	1,301,851	28.7	18.1	16.3	25.0	
Top 0.1 Percent	120	0.1	8,367,274	2,607,385	5,759,889	31.2	8.4	7.3	12.5	

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).

(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) 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% \$19,356, 40% \$37,493, 60% \$65,656, 80% \$111,659, 90% \$161,739, 95% \$226,402, 99% \$599,181, 99.9% \$2,727,123.

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

(5) 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.

(6) 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 T10-0155**  
**Incremental Effects of Allowing the 2001 and 2003 Tax Cuts to Sunset**  
**Extend 2001-2003 Tax Cuts, Patch AMT, and 2009 Estate Tax**  
**Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2012<sup>1</sup>**  
**Detail Table**

Cash Income Percentile <sup>2,3</sup>	Percent of Tax Units <sup>4</sup>		Percent Change in After-Tax Income <sup>5</sup>	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate <sup>6</sup>	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	0.1	0.0	1.0
Second Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	2.9	0.0	8.5
Middle Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	8.7	0.0	15.1
Fourth Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	17.6	0.0	18.9
Top Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	70.5	0.0	24.9
All	0.0	0.0	0.0	0.0	0	0.0	0.0	100.0	0.0	20.8
<b>Addendum</b>										
80-90	0.0	0.0	0.0	0.0	0	0.0	0.0	15.5	0.0	21.9
90-95	0.0	0.0	0.0	0.0	0	0.0	0.0	11.7	0.0	23.2
95-99	0.0	0.0	0.0	0.0	0	0.0	0.0	17.3	0.0	24.6
Top 1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.0	26.0	0.0	28.5
Top 0.1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.0	13.0	0.0	30.9

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Percentile Adjusted for Family Size, 2012<sup>1</sup>**

Cash Income Percentile <sup>2,3</sup>	Tax Units <sup>4</sup>		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After-Tax Income <sup>5</sup> (Dollars)	Average Federal Tax Rate <sup>6</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	Percent of Total	
Lowest Quintile	31,706	20.2	10,935	112	10,823	1.0	2.9	3.6	0.1	
Second Quintile	32,349	20.6	26,208	2,216	23,991	8.5	7.1	8.2	2.9	
Middle Quintile	31,237	19.9	46,322	6,970	39,352	15.1	12.1	13.0	8.7	
Fourth Quintile	29,980	19.1	77,565	14,640	62,925	18.9	19.4	19.9	17.6	
Top Quintile	29,936	19.0	235,547	58,708	176,839	24.9	58.8	55.8	70.5	
All	157,348	100.0	76,169	15,843	60,325	20.8	100.0	100.0	100.0	
<b>Addendum</b>										
80-90	15,019	9.6	117,658	25,783	91,875	21.9	14.7	14.5	15.5	
90-95	7,540	4.8	167,170	38,695	128,475	23.2	10.5	10.2	11.7	
95-99	5,940	3.8	294,212	72,481	221,730	24.6	14.6	13.9	17.3	
Top 1 Percent	1,436	0.9	1,584,726	451,133	1,133,593	28.5	19.0	17.2	26.0	
Top 0.1 Percent	142	0.1	7,360,192	2,276,318	5,083,874	30.9	8.7	7.6	13.0	

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).

(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) 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 incomes used are adjusted for family size by dividing by the square root of the number of people in the tax unit. The resulting percentile breaks are (in 2009 dollars): 20% \$13,219, 40% \$24,782, 60% \$41,864, 80% \$68,188, 90% \$97,830, 95% \$138,709, 99% \$361,983, 99.9% \$1,670,467.

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

(5) 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.

(6) 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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**Incremental Effects of Allowing the 2001 and 2003 Tax Cuts to Sunset**  
**Extend 2001-2003 Tax Cuts, Patch AMT, and 2009 Estate Tax**  
**Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2012<sup>1</sup>**  
**Detail Table - Single Tax Units**

Cash Income Percentile <sup>2,3</sup>	Percent of Tax Units <sup>4</sup>		Percent Change in After-Tax Income <sup>5</sup>	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate <sup>6</sup>	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	1.6	0.0	7.1
Second Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	5.2	0.0	10.7
Middle Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	12.8	0.0	16.9
Fourth Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	21.2	0.0	20.8
Top Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	59.1	0.0	25.6
All	0.0	0.0	0.0	0.0	0	0.0	0.0	100.0	0.0	20.9
<b>Addendum</b>										
80-90	0.0	0.0	0.0	0.0	0	0.0	0.0	15.7	0.0	23.3
90-95	0.0	0.0	0.0	0.0	0	0.0	0.0	10.9	0.0	24.3
95-99	0.0	0.0	0.0	0.0	0	0.0	0.0	14.1	0.0	24.3
Top 1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.0	18.4	0.0	30.3
Top 0.1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.0	8.9	0.0	33.8

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Percentile Adjusted for Family Size, 2012<sup>1</sup>**

Cash Income Percentile <sup>2,3</sup>	Tax Units <sup>4</sup>		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After-Tax Income <sup>5</sup> (Dollars)	Average Federal Tax Rate <sup>6</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	Percent of Total
Lowest Quintile	16,972	24.6	8,380	592	7,788	7.1	4.7	5.5	1.6
Second Quintile	15,474	22.5	19,970	2,132	17,838	10.7	10.2	11.5	5.2
Middle Quintile	14,005	20.3	34,261	5,784	28,478	16.9	15.9	16.7	12.8
Fourth Quintile	11,543	16.8	55,833	11,609	44,224	20.8	21.3	21.3	21.2
Top Quintile	9,596	13.9	151,979	38,919	113,060	25.6	48.2	45.4	59.1
All	68,932	100.0	43,878	9,173	34,705	20.9	100.0	100.0	100.0
<b>Addendum</b>									
80-90	5,066	7.4	84,037	19,610	64,427	23.3	14.1	13.6	15.7
90-95	2,373	3.4	119,032	28,948	90,083	24.3	9.3	8.9	10.9
95-99	1,795	2.6	204,548	49,724	154,824	24.3	12.1	11.6	14.1
Top 1 Percent	361	0.5	1,060,631	321,696	738,936	30.3	12.7	11.2	18.4
Top 0.1 Percent	32	0.1	5,243,107	1,772,780	3,470,327	33.8	5.5	4.6	8.9

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).

(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) 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 incomes used are adjusted for family size by dividing by the square root of the number of people in the tax unit. The resulting percentile breaks are (in 2009 dollars): 20% \$13,219, 40% \$24,782, 60% \$41,864, 80% \$68,188, 90% \$97,830, 95% \$138,709, 99% \$361,983, 99.9% \$1,670,467.

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

(5) 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.

(6) 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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**Incremental Effects of Allowing the 2001 and 2003 Tax Cuts to Sunset**  
**Extend 2001-2003 Tax Cuts, Patch AMT, and 2009 Estate Tax**  
**Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2012<sup>1</sup>**  
**Detail Table - Married Tax Units Filing Jointly**

Cash Income Percentile <sup>2,3</sup>	Percent of Tax Units <sup>4</sup>		Percent Change in After-Tax Income <sup>5</sup>	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate <sup>6</sup>	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	0.1	0.0	0.8
Second Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	1.4	0.0	7.8
Middle Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	5.6	0.0	13.5
Fourth Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	15.3	0.0	17.8
Top Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	77.6	0.0	24.7
All	0.0	0.0	0.0	0.0	0	0.0	0.0	100.0	0.0	21.6
<b>Addendum</b>										
80-90	0.0	0.0	0.0	0.0	0	0.0	0.0	15.7	0.0	21.3
90-95	0.0	0.0	0.0	0.0	0	0.0	0.0	12.7	0.0	22.8
95-99	0.0	0.0	0.0	0.0	0	0.0	0.0	19.5	0.0	24.8
Top 1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.0	29.8	0.0	28.0
Top 0.1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.0	14.7	0.0	30.3

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Percentile Adjusted for Family Size, 2012<sup>1</sup>**

Cash Income Percentile <sup>2,3</sup>	Tax Units <sup>4</sup>		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After-Tax Income <sup>5</sup> (Dollars)	Average Federal Tax Rate <sup>6</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	Percent of Total	
Lowest Quintile	6,622	10.8	14,526	115	14,411	0.8	1.2	1.6	0.1	
Second Quintile	8,956	14.6	33,405	2,616	30,789	7.8	3.9	4.6	1.4	
Middle Quintile	11,470	18.7	59,671	8,074	51,597	13.5	8.9	9.8	5.6	
Fourth Quintile	15,032	24.5	95,023	16,935	78,088	17.8	18.5	19.4	15.3	
Top Quintile	18,609	30.3	281,842	69,621	212,221	24.7	67.8	65.1	77.6	
All	61,357	100.0	126,020	27,207	98,813	21.6	100.0	100.0	100.0	
<b>Addendum</b>										
80-90	8,860	14.4	138,312	29,497	108,815	21.3	15.9	15.9	15.7	
90-95	4,843	7.9	192,091	43,749	148,341	22.8	12.0	11.9	12.7	
95-99	3,890	6.3	337,723	83,600	254,123	24.8	17.0	16.3	19.5	
Top 1 Percent	1,015	1.7	1,748,464	489,638	1,258,827	28.0	23.0	21.1	29.8	
Top 0.1 Percent	102	0.2	7,890,377	2,393,662	5,496,716	30.3	10.5	9.3	14.7	

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).

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

(5) 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.

(6) 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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**Extend 2001-2003 Tax Cuts, Patch AMT, and 2009 Estate Tax**  
**Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2012<sup>1</sup>**  
**Detail Table - Head of Household Tax Units**

Cash Income Percentile <sup>2,3</sup>	Percent of Tax Units <sup>4</sup>		Percent Change in After-Tax Income <sup>5</sup>	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate <sup>6</sup>	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	-5.4	0.0	-7.2
Second Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	9.7	0.0	6.0
Middle Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	27.7	0.0	15.3
Fourth Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	29.7	0.0	19.7
Top Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	38.1	0.0	24.2
All	0.0	0.0	0.0	0.0	0	0.0	0.0	100.0	0.0	13.8
<b>Addendum</b>										
80-90	0.0	0.0	0.0	0.0	0	0.0	0.0	14.7	0.0	22.8
90-95	0.0	0.0	0.0	0.0	0	0.0	0.0	5.9	0.0	23.2
95-99	0.0	0.0	0.0	0.0	0	0.0	0.0	8.0	0.0	23.4
Top 1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.0	9.6	0.0	28.7
Top 0.1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.0	4.5	0.0	31.0

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Percentile Adjusted for Family Size, 2012<sup>1</sup>**

Cash Income Percentile <sup>2,3</sup>	Tax Units <sup>4</sup>		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After-Tax Income <sup>5</sup> (Dollars)	Average Federal Tax Rate <sup>6</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	Percent of Total	
Lowest Quintile	7,840	31.9	13,490	-966	14,455	-7.2	10.3	12.8	-5.4	
Second Quintile	7,497	30.5	30,617	1,830	28,787	6.0	22.4	24.4	9.7	
Middle Quintile	5,095	20.8	50,275	7,677	42,598	15.3	25.0	24.6	27.7	
Fourth Quintile	2,777	11.3	76,881	15,107	61,774	19.7	20.8	19.4	29.7	
Top Quintile	1,242	5.1	178,521	43,278	135,243	24.2	21.6	19.0	38.1	
All	24,547	100.0	41,760	5,746	36,014	13.8	100.0	100.0	100.0	
<b>Addendum</b>										
80-90	805	3.3	112,763	25,698	87,064	22.8	8.9	7.9	14.7	
90-95	232	0.9	154,893	35,894	118,999	23.2	3.5	3.1	5.9	
95-99	173	0.7	278,418	65,092	213,326	23.4	4.7	4.2	8.0	
Top 1 Percent	33	0.1	1,423,600	409,158	1,014,441	28.7	4.6	3.8	9.6	
Top 0.1 Percent	3	0.0	6,950,503	2,157,222	4,793,281	31.0	2.0	1.6	4.5	

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).

(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) 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 incomes used are adjusted for family size by dividing by the square root of the number of people in the tax unit. The resulting percentile breaks are (in 2009 dollars): 20% \$13,219, 40% \$24,782, 60% \$41,864, 80% \$68,188, 90% \$97,830, 95% \$138,709, 99% \$361,983, 99.9% \$1,670,467.

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

(5) 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.

(6) 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 T10-0155**  
**Incremental Effects of Allowing the 2001 and 2003 Tax Cuts to Sunset**  
**Extend 2001-2003 Tax Cuts, Patch AMT, and 2009 Estate Tax**  
**Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2012<sup>1</sup>**  
**Detail Table - Tax Units with Children**

Cash Income Percentile <sup>2,3</sup>	Percent of Tax Units <sup>4</sup>		Percent Change in After-Tax Income <sup>5</sup>	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate <sup>6</sup>	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	-1.4	0.0	-8.9
Second Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	2.3	0.0	6.1
Middle Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	10.2	0.0	15.4
Fourth Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	20.4	0.0	19.4
Top Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	68.4	0.0	25.9
All	0.0	0.0	0.0	0.0	0	0.0	0.0	100.0	0.0	20.5
<b>Addendum</b>										
80-90	0.0	0.0	0.0	0.0	0	0.0	0.0	16.3	0.0	22.6
90-95	0.0	0.0	0.0	0.0	0	0.0	0.0	11.0	0.0	23.9
95-99	0.0	0.0	0.0	0.0	0	0.0	0.0	17.0	0.0	26.1
Top 1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.0	24.1	0.0	29.7
Top 0.1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.0	11.5	0.0	31.3

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Percentile Adjusted for Family Size, 2012<sup>1</sup>**

Cash Income Percentile <sup>2,3</sup>	Tax Units <sup>4</sup>		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After-Tax Income <sup>5</sup> (Dollars)	Average Federal Tax Rate <sup>6</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		
Lowest Quintile	10,133	20.6	14,723	-1,303	16,026	-8.9	3.2	4.4	-1.4	
Second Quintile	10,359	21.1	34,672	2,102	32,570	6.1	7.7	9.1	2.3	
Middle Quintile	10,251	20.9	62,298	9,601	52,697	15.4	13.6	14.5	10.2	
Fourth Quintile	9,800	19.9	103,142	19,985	83,157	19.4	21.6	21.9	20.4	
Top Quintile	8,315	16.9	306,063	79,143	226,919	25.9	54.3	50.6	68.4	
All	49,155	100.0	95,419	19,574	75,845	20.5	100.0	100.0	100.0	
<b>Addendum</b>										
80-90	4,398	9.0	157,496	35,641	121,855	22.6	14.8	14.4	16.3	
90-95	1,976	4.0	224,546	53,557	170,988	23.9	9.5	9.1	11.0	
95-99	1,567	3.2	400,356	104,577	295,779	26.1	13.4	12.4	17.0	
Top 1 Percent	374	0.8	2,088,455	619,243	1,469,211	29.7	16.7	14.7	24.1	
Top 0.1 Percent	36	0.1	9,839,694	3,078,231	6,761,463	31.3	7.6	6.5	11.5	

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).

(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) 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 incomes used are adjusted for family size by dividing by the square root of the number of people in the tax unit. The resulting percentile breaks are (in 2009 dollars): 20% \$13,219, 40% \$24,782, 60% \$41,864, 80% \$68,188, 90% \$97,830, 95% \$138,709, 99% \$361,983, 99.9% \$1,670,467.

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

(5) 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.

(6) 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 T10-0155**  
**Incremental Effects of Allowing the 2001 and 2003 Tax Cuts to Sunset**  
**Extend 2001-2003 Tax Cuts, Patch AMT, and 2009 Estate Tax**  
**Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2012<sup>1</sup>**  
**Detail Table - Elderly Tax Units**

Cash Income Percentile <sup>2,3</sup>	Percent of Tax Units <sup>4</sup>		Percent Change in After-Tax Income <sup>5</sup>	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate <sup>6</sup>	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	0.3	0.0	2.4
Second Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	1.8	0.0	3.8
Middle Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	3.5	0.0	5.7
Fourth Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	10.7	0.0	11.0
Top Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	83.6	0.0	23.0
All	0.0	0.0	0.0	0.0	0	0.0	0.0	100.0	0.0	17.2
<b>Addendum</b>										
80-90	0.0	0.0	0.0	0.0	0	0.0	0.0	10.0	0.0	15.6
90-95	0.0	0.0	0.0	0.0	0	0.0	0.0	9.6	0.0	18.3
95-99	0.0	0.0	0.0	0.0	0	0.0	0.0	20.6	0.0	21.9
Top 1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.0	43.4	0.0	28.5
Top 0.1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.0	21.9	0.0	31.5

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Percentile Adjusted for Family Size, 2012<sup>1</sup>**

Cash Income Percentile <sup>2,3</sup>	Tax Units <sup>4</sup>		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After-Tax Income <sup>5</sup> (Dollars)	Average Federal Tax Rate <sup>6</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	Percent of Total	
Lowest Quintile	5,016	16.4	10,899	262	10,637	2.4	2.4	2.8	0.3	
Second Quintile	8,213	26.9	22,528	846	21,682	3.8	8.0	9.3	1.8	
Middle Quintile	5,981	19.6	41,094	2,355	38,739	5.7	10.6	12.1	3.5	
Fourth Quintile	5,495	18.0	70,238	7,727	62,511	11.0	16.7	17.9	10.7	
Top Quintile	5,617	18.4	257,048	59,230	197,818	23.0	62.4	58.0	83.6	
All	30,543	100.0	75,737	13,025	62,713	17.2	100.0	100.0	100.0	
<b>Addendum</b>										
80-90	2,427	8.0	105,444	16,426	89,018	15.6	11.1	11.3	10.0	
90-95	1,362	4.5	153,103	28,074	125,029	18.3	9.0	8.9	9.6	
95-99	1,394	4.6	267,882	58,678	209,204	21.9	16.1	15.2	20.6	
Top 1 Percent	434	1.4	1,396,961	398,360	998,601	28.5	26.2	22.6	43.4	
Top 0.1 Percent	42	0.1	6,520,091	2,055,295	4,464,796	31.5	12.0	9.9	21.9	

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).

(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) 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 incomes used are adjusted for family size by dividing by the square root of the number of people in the tax unit. The resulting percentile breaks are (in 2009 dollars): 20% \$13,219, 40% \$24,782, 60% \$41,864, 80% \$68,188, 90% \$97,830, 95% \$138,709, 99% \$361,983, 99.9% \$1,670,467.

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

(5) 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.

(6) 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.