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**Table T10-0197**  
**Extend Lower Rates on Capital Gains and Qualified Dividends for Taxpayers Not in Top Two Brackets**  
**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>	2.1	0.0	0.0	0.2	-2	0.0	4.6
<b>20-30</b>	4.7	0.0	0.0	0.7	-8	0.0	8.8
<b>30-40</b>	7.6	0.0	0.1	1.0	-17	-0.1	12.9
<b>40-50</b>	9.5	0.0	0.1	1.3	-28	-0.1	15.7
<b>50-75</b>	17.1	0.0	0.1	4.3	-52	-0.1	17.8
<b>75-100</b>	24.3	0.0	0.1	5.3	-101	-0.1	19.5
<b>100-200</b>	38.2	0.0	0.2	18.7	-248	-0.2	22.0
<b>200-500</b>	64.6	1.6	0.5	22.5	-1,036	-0.4	24.9
<b>500-1,000</b>	75.7	7.6	0.6	10.8	-2,821	-0.4	27.3
<b>More than 1,000</b>	75.0	15.6	0.9	35.2	-18,081	-0.6	33.1
<b>All</b>	15.4	0.2	0.3	100.0	-173	-0.2	21.5

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

Number of AMT Taxpayers (millions). Baseline: 4.0

Proposal: 4.0

(1). Calendar year. Baseline is current law plus an AMT patch; extension of the 10, 25, and 28 percent tax rates, marriage penalty relief, child tax credit, child and dependent care credit, and student loan interest deduction. Proposal would extend the 15 percent rate on capital gains and qualified dividends (0 percent for those in the bottom two tax brackets) but would retain a 20 percent rate for those in the top two tax brackets. Proposal would also repeal the 8 and 18 percent rate for gains on assets held for five years or more (which could result in a tax increase for high-income taxpayers).

(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 T10-0197**  
**Extend Lower Rates on Capital Gains and Qualified Dividends for Taxpayers Not in Top Two Brackets**  
**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	2.1	0.0	0.0	0.2	-2	-0.3	0.0	0.7	0.0	4.6
20-30	4.7	0.0	0.0	0.7	-8	-0.4	0.0	1.9	0.0	8.8
30-40	7.6	0.0	0.1	1.0	-17	-0.4	0.0	2.9	-0.1	12.9
40-50	9.5	0.0	0.1	1.3	-28	-0.4	0.0	3.7	-0.1	15.7
50-75	17.1	0.0	0.1	4.3	-52	-0.5	0.1	10.0	-0.1	17.8
75-100	24.3	0.0	0.1	5.3	-101	-0.6	0.1	9.8	-0.1	19.5
100-200	38.2	0.0	0.2	18.7	-248	-0.8	0.1	24.8	-0.2	22.0
200-500	64.6	1.6	0.5	22.5	-1,036	-1.4	-0.1	16.9	-0.4	24.9
500-1,000	75.7	7.6	0.6	10.8	-2,821	-1.5	0.0	7.8	-0.4	27.3
More than 1,000	75.0	15.6	0.9	35.2	-18,081	-1.7	-0.2	21.2	-0.6	33.1
All	15.4	0.2	0.3	100.0	-173	-1.1	0.0	100.0	-0.2	21.5

**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	Share of Post- Tax Income	Share of Federal Taxes
	Number (thousands)	Percent of 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	74,763	221,300	25.3	14.7	14.0	17.0
500-1,000	1,048	0.7	704,969	195,026	509,943	27.7	6.2	5.7	7.8
More than 1,000	531	0.3	3,114,004	1,047,367	2,066,637	33.6	13.8	11.7	21.3
All	157,348	100.0	76,169	16,570	59,599	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: 4.0

Proposal: 4.0

(1). Calendar year. Baseline is current law plus an AMT patch; extension of the 10, 25, and 28 percent tax rates, marriage penalty relief, child tax credit, child and dependent care credit, and student loan interest deduction.

Proposal would extend the 15 percent rate on capital gains and qualified dividends (0 percent for those in the bottom two tax brackets) but would retain a 20 percent rate for those in the top two tax brackets. Proposal would also repeal the 8 and 18 percent rate for gains on assets held for five years or more (which could result in a tax increase for high-income taxpayers).

(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 T10-0197**  
**Extend Lower Rates on Capital Gains and Qualified Dividends for Taxpayers Not in Top Two Brackets**  
**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	3.3	0.0	0.0	0.7	-3	-0.3	0.0	2.9	0.0	8.4
20-30	6.8	0.0	0.1	2.0	-13	-0.4	0.0	5.8	-0.1	13.3
30-40	10.9	0.0	0.1	2.7	-27	-0.4	0.1	7.3	-0.1	17.5
40-50	13.6	0.0	0.1	3.6	-45	-0.5	0.1	8.4	-0.1	19.6
50-75	20.5	0.0	0.2	9.2	-78	-0.6	0.1	18.5	-0.1	21.9
75-100	30.4	0.0	0.2	7.3	-152	-0.7	0.1	11.8	-0.2	24.2
100-200	46.5	0.0	0.5	24.3	-534	-1.5	-0.1	17.8	-0.4	25.2
200-500	70.7	2.3	0.9	20.0	-1,891	-2.3	-0.1	9.8	-0.6	27.2
500-1,000	75.8	7.4	1.0	8.6	-4,645	-2.1	-0.1	4.5	-0.7	30.5
More than 1,000	75.4	15.7	1.1	21.6	-21,509	-2.0	-0.1	12.1	-0.7	35.8
All	11.7	0.1	0.3	100.0	-108	-1.1	0.0	100.0	-0.3	21.7

**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	Share of Post- Tax Income	Share of Federal Taxes
	Number (thousands)	Percent of 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	83,542	216,621	27.8	7.8	7.2	9.9
500-1,000	138	0.2	697,814	217,242	480,571	31.1	3.2	2.8	4.5
More than 1,000	75	0.1	2,972,435	1,086,595	1,885,840	36.6	7.3	6.0	12.2
All	68,932	100.0	43,878	9,627	34,251	21.9	100.0	100.0	100.0

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

(1). Calendar year. Baseline is current law plus an AMT patch; extension of the 10, 25, and 28 percent tax rates, marriage penalty relief, child tax credit, child and dependent care credit, and student loan interest deduction. Proposal would extend the 15 percent rate on capital gains and qualified dividends (0 percent for those in the bottom two tax brackets) but would retain a 20 percent rate for those in the top two tax brackets. Proposal would also repeal the 8 and 18 percent rate for gains on assets held for five years or more (which could result in a tax increase for high-income taxpayers).

(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 T10-0197**  
**Extend Lower Rates on Capital Gains and Qualified Dividends for Taxpayers Not in Top Two Brackets**  
**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	4.0	0.0	0.0	0.1	-4	-0.4	0.0	0.3	0.0	4.6
30-40	6.9	0.0	0.0	0.3	-13	-0.5	0.0	0.7	0.0	7.6
40-50	7.2	0.0	0.0	0.4	-16	-0.3	0.0	1.2	0.0	10.5
50-75	17.4	0.0	0.1	2.2	-42	-0.5	0.0	5.3	-0.1	14.2
75-100	23.9	0.0	0.1	4.4	-90	-0.6	0.0	8.4	-0.1	17.5
100-200	37.2	0.0	0.2	16.7	-193	-0.6	0.1	28.3	-0.1	21.2
200-500	63.9	1.4	0.4	23.4	-883	-1.2	0.0	20.7	-0.3	24.5
500-1,000	76.2	7.5	0.5	11.9	-2,545	-1.3	0.0	9.6	-0.4	26.8
More than 1,000	75.4	15.3	0.8	40.5	-17,378	-1.7	-0.2	25.2	-0.6	32.6
All	24.3	0.3	0.3	100.0	-304	-1.1	0.0	100.0	-0.2	22.4

**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	Share of Post- Tax Income	Share of Federal Taxes
	Number (thousands)	Percent of 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	11.4	8.4
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	73,327	222,093	24.8	18.9	18.3	20.7
500-1,000	876	1.4	706,519	191,699	514,820	27.1	8.0	7.5	9.6
More than 1,000	435	0.7	3,075,014	1,018,301	2,056,713	33.1	17.3	15.0	25.4
All	61,357	100.0	126,020	28,474	97,546	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 law plus an AMT patch; extension of the 10, 25, and 28 percent tax rates, marriage penalty relief, child tax credit, child and dependent care credit, and student loan interest deduction. Proposal would extend the 15 percent rate on capital gains and qualified dividends (0 percent for those in the bottom two tax brackets) but would retain a 20 percent rate for those in the top two tax brackets. Proposal would also repeal the 8 and 18 percent rate for gains on assets held for five years or more (which could result in a tax increase for high-income taxpayers).

(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 T10-0197**  
**Extend Lower Rates on Capital Gains and Qualified Dividends for Taxpayers Not in Top Two Brackets**  
**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	0.1	0.0	0.0	0.1	0	0.0	0.0	-3.1	0.0	-5.7
20-30	0.6	0.0	0.0	0.3	0	-0.1	0.0	1.8	0.0	2.1
30-40	2.1	0.0	0.0	1.4	-2	-0.1	0.0	9.2	0.0	9.6
40-50	4.3	0.0	0.0	2.9	-7	-0.1	0.0	11.3	0.0	14.1
50-75	7.6	0.0	0.0	9.2	-16	-0.2	0.1	27.3	0.0	17.4
75-100	11.3	0.0	0.1	11.8	-54	-0.3	0.0	17.6	-0.1	20.3
100-200	24.3	0.1	0.1	18.9	-136	-0.4	0.0	18.7	-0.1	22.9
200-500	54.5	1.6	0.5	28.1	-1,184	-1.6	-0.1	7.5	-0.4	24.3
500-1,000	60.4	9.2	0.5	8.8	-2,321	-1.3	0.0	3.0	-0.3	25.8
More than 1,000	65.1	19.9	0.6	18.6	-10,854	-1.1	-0.1	7.6	-0.4	33.6
All	3.9	0.0	0.1	100.0	-26	-0.4	0.0	100.0	-0.1	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	Share of Post- Tax Income	Share of Federal Taxes
	Number (thousands)	Percent of 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	27.3
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	72,531	221,599	24.7	4.3	3.8	7.6
500-1,000	24	0.1	686,382	179,118	507,264	26.1	1.6	1.4	3.0
More than 1,000	11	0.0	2,985,055	1,015,128	1,969,927	34.0	3.2	2.4	7.7
All	24,547	100.0	41,760	5,841	35,918	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 law plus an AMT patch; extension of the 10, 25, and 28 percent tax rates, marriage penalty relief, child tax credit, child and dependent care credit, and student loan interest deduction. Proposal would extend the 15 percent rate on capital gains and qualified dividends (0 percent for those in the bottom two tax brackets) but would retain a 20 percent rate for those in the top two tax brackets. Proposal would also repeal the 8 and 18 percent rate for gains on assets held for five years or more (which could result in a tax increase for high-income taxpayers).

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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 T10-0197**  
**Extend Lower Rates on Capital Gains and Qualified Dividends for Taxpayers Not in Top Two Brackets**  
**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	-0.8	0.0	-9.4
20-30	0.3	0.0	0.0	0.0	0	0.1	0.0	-0.1	0.0	-0.8
30-40	1.6	0.0	0.0	0.1	-1	0.0	0.0	1.4	0.0	7.6
40-50	4.2	0.0	0.0	0.3	-5	-0.1	0.0	2.3	0.0	12.6
50-75	9.2	0.0	0.0	1.9	-16	-0.2	0.0	7.6	0.0	15.9
75-100	15.6	0.0	0.1	4.0	-42	-0.3	0.0	9.8	-0.1	18.4
100-200	31.6	0.0	0.1	16.2	-109	-0.4	0.1	28.6	-0.1	21.5
200-500	59.1	1.5	0.3	23.7	-540	-0.7	0.0	20.5	-0.2	25.2
500-1,000	72.9	8.1	0.4	12.3	-1,739	-0.9	0.0	8.9	-0.3	28.5
More than 1,000	73.4	16.6	0.6	41.6	-12,620	-1.2	-0.1	22.0	-0.4	34.1
All	14.0	0.2	0.2	100.0	-127	-0.6	0.0	100.0	-0.1	21.2

**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	Share of Post- Tax Income	Share of Federal Taxes
	Number (thousands)	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	111,544	21.5	28.2	28.2	28.5
200-500	2,750	5.6	293,742	74,454	219,288	25.4	17.2	16.3	20.5
500-1,000	441	0.9	705,334	202,914	502,420	28.8	6.6	6.0	9.0
More than 1,000	206	0.4	3,105,769	1,070,707	2,035,062	34.5	13.7	11.4	22.1
All	49,155	100.0	95,419	20,329	75,090	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 law plus an AMT patch; extension of the 10, 25, and 28 percent tax rates, marriage penalty relief, child tax credit, child and dependent care credit, and student loan interest deduction.

Proposal would extend the 15 percent rate on capital gains and qualified dividends (0 percent for those in the bottom two tax brackets) but would retain a 20 percent rate for those in the top two tax brackets. Proposal would also repeal the 8 and 18 percent rate for gains on assets held for five years or more (which could result in a tax increase for high-income taxpayers).

(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 T10-0197**  
**Extend Lower Rates on Capital Gains and Qualified Dividends for Taxpayers Not in Top Two Brackets**  
**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	3.6	0.0	0.0	0.2	-4	-1.0	0.0	0.6	0.0	2.6
20-30	9.1	0.0	0.1	0.7	-18	-1.6	0.0	1.4	-0.1	4.5
30-40	17.8	0.0	0.1	1.1	-47	-2.1	0.0	1.5	-0.1	5.9
40-50	17.7	0.0	0.1	1.0	-57	-1.6	0.0	1.8	-0.1	7.5
50-75	36.0	0.0	0.3	5.2	-150	-2.2	0.1	7.0	-0.2	10.6
75-100	49.3	0.0	0.4	6.1	-307	-2.4	0.0	7.3	-0.3	14.0
100-200	68.3	0.1	0.7	20.1	-851	-3.1	0.0	18.5	-0.6	18.7
200-500	80.1	1.1	1.2	23.9	-2,676	-3.6	-0.1	19.1	-0.9	23.8
500-1,000	80.3	7.0	1.1	10.5	-5,403	-2.8	0.0	10.8	-0.8	26.5
More than 1,000	79.7	14.8	1.5	31.2	-29,934	-2.8	0.0	31.7	-1.0	33.2
All	25.2	0.2	0.7	100.0	-414	-2.9	0.0	100.0	-0.6	18.5

**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	Share of Post- Tax Income	Share of Federal Taxes
	Number (thousands)	Percent of 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	27,371	114,218	19.3	18.3	18.2	18.6
200-500	1,128	3.7	304,121	74,951	229,170	24.7	14.8	13.8	19.2
500-1,000	245	0.8	709,954	193,574	516,380	27.3	7.5	6.8	10.8
More than 1,000	132	0.4	3,095,895	1,057,244	2,038,650	34.2	17.7	14.4	31.7
All	30,543	100.0	75,737	14,404	61,333	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 law plus an AMT patch; extension of the 10, 25, and 28 percent tax rates, marriage penalty relief, child tax credit, child and dependent care credit, and student loan interest deduction.

Proposal would extend the 15 percent rate on capital gains and qualified dividends (0 percent for those in the bottom two tax brackets) but would retain a 20 percent rate for those in the top two tax brackets. Proposal would also repeal the 8 and 18 percent rate for gains on assets held for five years or more (which could result in a tax increase for high-income taxpayers).

(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>

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(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.