

Click on PDF or Excel link above for additional tables containing more detail and breakdowns by filing status and demographic groups.

**Table T10-0200**  
**Repeal Pease and PEP for Taxpayers with Income Less than \$250,000/\$200,000**  
**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 (%)	Under the Proposal
Lowest Quintile	0.0	0.0	0.0	0.0	0	0.0	4.6
Second Quintile	0.0	0.0	0.0	0.0	0	0.0	10.3
Middle Quintile	0.0	0.0	0.0	0.0	0	0.0	16.5
Fourth Quintile	0.2	0.0	0.0	0.1	0	0.0	19.5
Top Quintile	18.9	0.0	0.0	99.9	-75	0.0	26.3
All	2.8	0.0	0.0	100.0	-11	0.0	21.5
<b>Addendum</b>							
80-90	0.3	0.0	0.0	0.4	-1	0.0	22.0
90-95	30.4	0.0	0.0	14.0	-43	0.0	23.1
95-99	40.2	0.0	0.1	50.2	-189	-0.1	25.4
Top 1 Percent	64.1	0.0	0.0	35.3	-519	0.0	31.7
Top 0.1 Percent	63.6	0.0	0.0	3.8	-560	0.0	34.9

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

Number of AMT Taxpayers (millions). Baseline: 4.0

Proposal: 4.3

(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, student loan interest deduction; and 0%/15% rate on capital gains and qualified dividends except for taxpayers in the top two brackets. Proposal would repeal the limitation on itemized deductions (Pease) and the personal exemption phaseout (PEP) for taxpayers with adjusted gross income less than \$250,000 for married couples, and \$200,000 for others, indexed for inflation after 2009.

(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 T10-0200**  
**Repeal Pease and PEP for Taxpayers with Income Less than \$250,000/\$200,000**  
**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	4.0	0.0	10.3
Middle Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	10.7	0.0	16.5
Fourth Quintile	0.2	0.0	0.0	0.1	0	0.0	0.0	17.9	0.0	19.5
Top Quintile	18.9	0.0	0.0	99.9	-75	-0.1	0.0	66.5	0.0	26.3
All	2.8	0.0	0.0	100.0	-11	-0.1	0.0	100.0	0.0	21.5
<b>Addendum</b>										
80-90	0.3	0.0	0.0	0.4	-1	0.0	0.0	13.8	0.0	22.0
90-95	30.4	0.0	0.0	14.0	-43	-0.1	0.0	10.1	0.0	23.1
95-99	40.2	0.0	0.1	50.2	-189	-0.2	0.0	15.9	-0.1	25.4
Top 1 Percent	64.1	0.0	0.0	35.3	-519	-0.1	0.0	26.7	0.0	31.7
Top 0.1 Percent	63.6	0.0	0.0	3.8	-560	0.0	0.0	13.6	0.0	34.9

**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	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	38,450	24.4	11,600	536	11,064	4.6	3.7	4.5	0.8
Second Quintile	34,947	22.2	28,852	2,970	25,882	10.3	8.4	9.6	4.0
Middle Quintile	31,868	20.3	52,224	8,617	43,606	16.5	13.9	14.8	10.6
Fourth Quintile	26,646	16.9	88,978	17,314	71,663	19.5	19.8	20.3	17.9
Top Quintile	23,298	14.8	280,229	73,655	206,574	26.3	54.5	51.2	66.5
All	157,348	100.0	76,169	16,396	59,772	21.5	100.0	100.0	100.0
<b>Addendum</b>									
80-90	11,720	7.5	138,385	30,374	108,011	22.0	13.5	13.5	13.8
90-95	5,734	3.6	196,549	45,492	151,056	23.2	9.4	9.2	10.1
95-99	4,655	3.0	345,574	87,968	257,606	25.5	13.4	12.8	15.9
Top 1 Percent	1,190	0.8	1,825,188	579,740	1,245,448	31.8	18.1	15.8	26.7
Top 0.1 Percent	120	0.1	8,367,274	2,919,488	5,447,786	34.9	8.4	7.0	13.6

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

Number of AMT Taxpayers (millions). Baseline: 4.0

Proposal: 4.3

(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, student loan interest deduction; and 0%/15% rate on capital gains and qualified dividends except for taxpayers in the top two brackets. Proposal would repeal the limitation on itemized deductions (Pease) and the personal exemption phaseout (PEP) for taxpayers with adjusted gross income less than \$250,000 for married couples, and \$200,000 for others, indexed for inflation after 2009.

(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 T10-0200**  
**Repeal Pease and PEP for Taxpayers with Income Less than \$250,000/\$200,000**  
**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	2.8	0.0	8.5
Middle Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	8.5	0.0	15.1
Fourth Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	17.1	0.0	18.9
Top Quintile	14.9	0.0	0.0	100.0	-58	-0.1	0.0	71.4	0.0	26.1
All	2.8	0.0	0.0	100.0	-11	-0.1	0.0	100.0	0.0	21.5
<b>Addendum</b>										
80-90	2.3	0.0	0.0	1.6	-2	0.0	0.0	15.1	0.0	22.0
90-95	14.1	0.0	0.0	10.4	-24	-0.1	0.0	11.4	0.0	23.3
95-99	36.7	0.0	0.1	52.7	-155	-0.2	0.0	17.1	-0.1	25.2
Top 1 Percent	59.7	0.0	0.0	35.3	-430	-0.1	0.0	27.8	0.0	31.5
Top 0.1 Percent	61.5	0.0	0.0	4.1	-500	0.0	0.0	14.1	0.0	34.6

**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	114	10,821	1.0	2.9	3.7	0.1	
Second Quintile	32,349	20.6	26,208	2,221	23,987	8.5	7.1	8.3	2.8	
Middle Quintile	31,237	19.9	46,322	7,000	39,322	15.1	12.1	13.1	8.5	
Fourth Quintile	29,980	19.1	77,565	14,691	62,875	18.9	19.4	20.0	17.1	
Top Quintile	29,936	19.0	235,547	61,526	174,021	26.1	58.8	55.4	71.4	
All	157,348	100.0	76,169	16,396	59,772	21.5	100.0	100.0	100.0	
<b>Addendum</b>										
80-90	15,019	9.6	117,658	25,939	91,718	22.1	14.7	14.7	15.1	
90-95	7,540	4.8	167,170	38,997	128,173	23.3	10.5	10.3	11.4	
95-99	5,940	3.8	294,212	74,261	219,951	25.2	14.6	13.9	17.1	
Top 1 Percent	1,436	0.9	1,584,726	499,277	1,085,448	31.5	19.0	16.6	27.8	
Top 0.1 Percent	142	0.1	7,360,192	2,546,860	4,813,333	34.6	8.7	7.3	14.1	

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

Number of AMT Taxpayers (millions). Baseline: 4.0 Proposal: 4.3

(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, student loan interest deduction; and 0%/15% rate on capital gains and qualified dividends except for taxpayers in the top two brackets. Proposal would repeal the limitation on itemized deductions (Pease) and the personal exemption phaseout (PEP) for taxpayers with adjusted gross income less than \$250,000 for married couples, and \$200,000 for others, indexed for inflation after 2009.

(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 T10-0200**  
**Repeal Pease and PEP for Taxpayers with Income Less than \$250,000/\$200,000**  
**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	1.5	0.0	7.1
Second Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	5.0	0.0	10.7
Middle Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	12.5	0.0	17.1
Fourth Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	20.6	0.0	21.0
Top Quintile	5.7	0.0	0.0	100.0	-18	0.0	0.0	60.2	0.0	27.1
All	0.8	0.0	0.0	100.0	-2	0.0	0.0	100.0	0.0	21.7
<b>Addendum</b>										
80-90	0.0	0.0	0.0	0.0	0	0.0	0.0	15.5	0.0	23.9
90-95	0.2	0.0	0.0	0.2	0	0.0	0.0	10.8	0.0	25.0
95-99	19.2	0.0	0.0	64.0	-60	-0.1	0.0	14.4	0.0	25.7
Top 1 Percent	53.5	0.0	0.0	35.8	-168	-0.1	0.0	19.6	0.0	33.5
Top 0.1 Percent	57.7	0.0	0.0	3.9	-211	0.0	0.0	9.4	0.0	37.3

**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	16,972	24.6	8,380	595	7,786	7.1	4.7	5.6	1.5	
Second Quintile	15,474	22.5	19,970	2,136	17,834	10.7	10.2	11.7	5.0	
Middle Quintile	14,005	20.3	34,261	5,846	28,416	17.1	15.9	16.8	12.5	
Fourth Quintile	11,543	16.8	55,833	11,723	44,110	21.0	21.3	21.5	20.6	
Top Quintile	9,596	13.9	151,979	41,165	110,814	27.1	48.2	44.9	60.2	
All	68,932	100.0	43,878	9,519	34,359	21.7	100.0	100.0	100.0	
<b>Addendum</b>										
80-90	5,066	7.4	84,037	20,048	63,990	23.9	14.1	13.7	15.5	
90-95	2,373	3.4	119,032	29,751	89,280	25.0	9.3	9.0	10.8	
95-99	1,795	2.6	204,548	52,594	151,954	25.7	12.1	11.5	14.4	
Top 1 Percent	361	0.5	1,060,631	355,707	704,925	33.5	12.7	10.8	19.6	
Top 0.1 Percent	32	0.1	5,243,107	1,956,308	3,286,799	37.3	5.5	4.4	9.4	

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, student loan interest deduction; and 0%/15% rate on capital gains and qualified dividends except for taxpayers in the top two brackets. Proposal would repeal the limitation on itemized deductions (Pease) and the personal exemption phaseout (PEP) for taxpayers with adjusted gross income less than \$250,000 for married couples, and \$200,000 for others, indexed for inflation after 2009.

(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 T10-0200**  
**Repeal Pease and PEP for Taxpayers with Income Less than \$250,000/\$200,000**  
**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	7.9
Middle Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	5.4	0.0	13.5
Fourth Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	14.8	0.0	17.8
Top Quintile	20.2	0.0	0.0	100.0	-83	-0.1	0.0	78.3	0.0	25.8
All	6.1	0.0	0.0	100.0	-25	-0.1	0.0	100.0	0.0	22.3
<b>Addendum</b>										
80-90	3.5	0.0	0.0	1.7	-3	0.0	0.0	15.1	0.0	21.3
90-95	21.0	0.0	0.0	11.2	-36	-0.1	0.0	12.3	0.0	22.8
95-99	46.1	0.0	0.1	51.9	-207	-0.2	0.0	19.1	-0.1	25.1
Top 1 Percent	62.3	0.0	0.0	35.2	-537	-0.1	0.0	31.8	0.0	31.0
Top 0.1 Percent	63.1	0.0	0.0	4.0	-610	0.0	0.0	15.9	0.0	34.0

**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	6,622	10.8	14,526	118	14,408	0.8	1.2	1.6	0.1
Second Quintile	8,956	14.6	33,405	2,624	30,780	7.9	3.9	4.6	1.4
Middle Quintile	11,470	18.7	59,671	8,078	51,593	13.5	8.9	9.9	5.4
Fourth Quintile	15,032	24.5	95,023	16,945	78,078	17.8	18.5	19.6	14.7
Top Quintile	18,609	30.3	281,842	72,777	209,065	25.8	67.8	64.8	78.4
All	61,357	100.0	126,020	28,170	97,850	22.4	100.0	100.0	100.0
<b>Addendum</b>									
80-90	8,860	14.4	138,312	29,509	108,803	21.3	15.9	16.1	15.1
90-95	4,843	7.9	192,091	43,816	148,275	22.8	12.0	12.0	12.3
95-99	3,890	6.3	337,723	84,927	252,795	25.2	17.0	16.4	19.1
Top 1 Percent	1,015	1.7	1,748,464	541,974	1,206,491	31.0	23.0	20.4	31.8
Top 0.1 Percent	102	0.2	7,890,377	2,686,557	5,203,821	34.1	10.5	8.9	15.9

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, student loan interest deduction; and 0%/15% rate on capital gains and qualified dividends except for taxpayers in the top two brackets. Proposal would repeal the limitation on itemized deductions (Pease) and the personal exemption phaseout (PEP) for taxpayers with adjusted gross income less than \$250,000 for married couples, and \$200,000 for others, indexed for inflation after 2009.

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(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 T10-0200**  
**Repeal Pease and PEP for Taxpayers with Income Less than \$250,000/\$200,000**  
**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	-5.3	0.0	-7.2
Second Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	9.6	0.0	6.0
Middle Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	27.4	0.0	15.3
Fourth Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	29.4	0.0	19.7
Top Quintile	3.7	0.0	0.0	100.0	-8	0.0	0.0	38.8	0.0	25.0
All	0.2	0.0	0.0	100.0	0	0.0	0.0	100.0	0.0	13.9
<b>Addendum</b>										
80-90	0.0	0.0	0.0	0.0	0	0.0	0.0	14.5	0.0	22.8
90-95	3.2	0.0	0.0	6.6	-3	0.0	0.0	5.9	0.0	23.3
95-99	11.9	0.0	0.0	35.5	-21	0.0	0.0	8.0	0.0	23.7
Top 1 Percent	52.6	0.0	0.0	58.0	-180	0.0	0.0	10.5	0.0	31.7
Top 0.1 Percent	54.8	0.0	0.0	6.0	-211	0.0	0.0	4.9	0.0	34.8

**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	7,840	31.9	13,490	-966	14,455	-7.2	10.3	12.8	-5.3	
Second Quintile	7,497	30.5	30,617	1,831	28,786	6.0	22.4	24.5	9.6	
Middle Quintile	5,095	20.8	50,275	7,680	42,595	15.3	25.0	24.6	27.4	
Fourth Quintile	2,777	11.3	76,881	15,125	61,756	19.7	20.8	19.4	29.4	
Top Quintile	1,242	5.1	178,521	44,589	133,932	25.0	21.6	18.9	38.8	
All	24,547	100.0	41,760	5,816	35,944	13.9	100.0	100.0	100.0	
<b>Addendum</b>										
80-90	805	3.3	112,763	25,734	87,028	22.8	8.9	7.9	14.5	
90-95	232	0.9	154,893	36,088	118,805	23.3	3.5	3.1	5.9	
95-99	173	0.7	278,418	66,011	212,407	23.7	4.7	4.2	8.0	
Top 1 Percent	33	0.1	1,423,600	451,403	972,197	31.7	4.6	3.6	10.5	
Top 0.1 Percent	3	0.0	6,950,503	2,421,110	4,529,393	34.8	2.0	1.5	4.9	

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, student loan interest deduction; and 0%/15% rate on capital gains and qualified dividends except for taxpayers in the top two brackets. Proposal would repeal the limitation on itemized deductions (Pease) and the personal exemption phaseout (PEP) for taxpayers with adjusted gross income less than \$250,000 for married couples, and \$200,000 for others, indexed for inflation after 2009.

(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 T10-0200**  
**Repeal Pease and PEP for Taxpayers with Income Less than \$250,000/\$200,000**  
**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	-1.3	0.0	-8.9
Second Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	2.2	0.0	6.1
Middle Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	9.9	0.0	15.4
Fourth Quintile	0.1	0.0	0.0	0.0	0	0.0	0.0	19.8	0.0	19.4
Top Quintile	23.5	0.0	0.0	100.0	-97	-0.1	0.0	69.3	0.0	27.0
All	4.0	0.0	0.0	100.0	-16	-0.1	0.0	100.0	0.0	21.2
<b>Addendum</b>										
80-90	7.3	0.0	0.0	3.4	-6	0.0	0.0	15.8	0.0	22.6
90-95	38.9	0.0	0.1	18.9	-77	-0.1	0.0	10.7	0.0	23.9
95-99	37.7	0.0	0.1	46.5	-240	-0.2	0.0	16.8	-0.1	26.6
Top 1 Percent	73.1	0.0	0.1	31.1	-673	-0.1	0.0	26.1	0.0	33.1
Top 0.1 Percent	68.0	0.0	0.0	2.9	-645	0.0	0.0	12.6	0.0	35.3

**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	10,133	20.6	14,723	-1,303	16,026	-8.9	3.2	4.4	-1.3	
Second Quintile	10,359	21.1	34,672	2,103	32,569	6.1	7.7	9.1	2.2	
Middle Quintile	10,251	20.9	62,298	9,603	52,695	15.4	13.6	14.6	9.9	
Fourth Quintile	9,800	19.9	103,142	19,996	83,146	19.4	21.6	22.0	19.7	
Top Quintile	8,315	16.9	306,063	82,841	223,222	27.1	54.3	50.2	69.4	
All	49,155	100.0	95,419	20,202	75,217	21.2	100.0	100.0	100.0	
<b>Addendum</b>										
80-90	4,398	9.0	157,496	35,656	121,840	22.6	14.8	14.5	15.8	
90-95	1,976	4.0	224,546	53,659	170,887	23.9	9.5	9.1	10.7	
95-99	1,567	3.2	400,356	106,723	293,633	26.7	13.4	12.5	16.9	
Top 1 Percent	374	0.8	2,088,455	691,745	1,396,710	33.1	16.7	14.1	26.1	
Top 0.1 Percent	36	0.1	9,839,694	3,468,895	6,370,799	35.3	7.6	6.2	12.6	

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, student loan interest deduction; and 0%/15% rate on capital gains and qualified dividends except for taxpayers in the top two brackets. Proposal would repeal the limitation on itemized deductions (Pease) and the personal exemption phaseout (PEP) for taxpayers with adjusted gross income less than \$250,000 for married couples, and \$200,000 for others, indexed for inflation after 2009.

(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 T10-0200**  
**Repeal Pease and PEP for Taxpayers with Income Less than \$250,000/\$200,000**  
**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	2.5
Second Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	1.7	0.0	3.8
Middle Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	3.5	0.0	6.1
Fourth Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	10.3	0.0	11.3
Top Quintile	14.4	0.0	0.0	100.0	-53	-0.1	0.0	84.2	0.0	24.9
All	2.7	0.0	0.0	100.0	-10	-0.1	0.0	100.0	0.0	18.5
<b>Addendum</b>										
80-90	0.4	0.0	0.0	0.1	0	0.0	0.0	9.8	0.0	16.4
90-95	5.1	0.0	0.0	2.6	-6	0.0	0.0	9.4	0.0	19.2
95-99	36.4	0.0	0.1	57.1	-123	-0.2	0.0	20.4	-0.1	23.4
Top 1 Percent	51.6	0.0	0.0	40.2	-278	-0.1	0.0	44.5	0.0	31.4
Top 0.1 Percent	55.9	0.0	0.0	6.0	-423	0.0	0.0	22.5	0.0	34.8

**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	5,016	16.4	10,899	271	10,628	2.5	2.4	2.8	0.3	
Second Quintile	8,213	26.9	22,528	860	21,668	3.8	8.0	9.4	1.7	
Middle Quintile	5,981	19.6	41,094	2,493	38,601	6.1	10.6	12.2	3.5	
Fourth Quintile	5,495	18.0	70,238	7,965	62,273	11.3	16.7	18.1	10.2	
Top Quintile	5,617	18.4	257,048	64,064	192,984	24.9	62.4	57.5	84.2	
All	30,543	100.0	75,737	13,990	61,748	18.5	100.0	100.0	100.0	
<b>Addendum</b>										
80-90	2,427	8.0	105,444	17,322	88,122	16.4	11.1	11.3	9.8	
90-95	1,362	4.5	153,103	29,425	123,678	19.2	9.0	8.9	9.4	
95-99	1,394	4.6	267,882	62,705	205,177	23.4	16.1	15.2	20.5	
Top 1 Percent	434	1.4	1,396,961	438,755	958,206	31.4	26.2	22.0	44.5	
Top 0.1 Percent	42	0.1	6,520,091	2,267,357	4,252,734	34.8	12.0	9.6	22.5	

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, student loan interest deduction; and 0%/15% rate on capital gains and qualified dividends except for taxpayers in the top two brackets. Proposal would repeal the limitation on itemized deductions (Pease) and the personal exemption phaseout (PEP) for taxpayers with adjusted gross income less than \$250,000 for married couples, and \$200,000 for others, indexed for inflation after 2009.

(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.