

Table T10-0260
Middle Class Tax Relief Act of 2010 as Passed by the House
Baseline: Current Law
Distribution of Federal Tax Change by Cash Income Percentile, 2011¹
Summary Table

Cash Income Percentile ^{2,3}	Percent of Tax Units ⁴		Percent Change in After-Tax Income ⁵	Share of Total Federal Tax Change	Average Federal Tax Change (\$)	Average Federal Tax Rate ⁶	
	With Tax Cut	With Tax Increase				Change (%)	Under the Proposal
Lowest Quintile	31.6	0.0	1.8	3.1	-168	-1.7	3.0
Second Quintile	75.9	0.0	2.7	10.4	-626	-2.4	9.0
Middle Quintile	91.4	0.0	2.3	13.7	-913	-1.9	15.7
Fourth Quintile	98.5	0.0	2.7	22.5	-1,797	-2.2	19.4
Top Quintile	98.2	0.8	2.4	50.2	-4,576	-1.7	26.1
All	74.6	0.1	2.5	100.0	-1,350	-1.9	21.3
Addendum							
80-90	99.0	0.0	3.5	20.1	-3,616	-2.7	21.6
90-95	99.5	0.0	3.5	13.2	-4,951	-2.6	23.3
95-99	97.9	0.9	2.7	14.6	-6,634	-2.0	25.3
Top 1 Percent	86.4	11.4	0.4	2.4	-4,230	-0.3	32.0
Top 0.1 Percent	70.2	27.9	-0.2	-0.5	8,880	0.1	35.7

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0509-6).

Number of AMT Taxpayers (millions). Baseline: 17.0

Proposal: 3.7

(1) Calendar year. Baseline is current law. Proposal is the Middle Class Tax Relief Act of 2010 as passed by the House. This includes extending the 10, 25, 28 and 33% brackets; extending the \$1,000 child tax credit and refundability with an unindexed \$3,000 threshold; expansion of the dependent care tax credit; setting the standard deduction and 15% rate bracket for joint returns at twice that of singles; extending the expansion of the student loan interest deduction; for units making under \$200,000 (\$250,000 for married filing jointly) repealing PEP and Pease as well as extending the 0% and 15% rates on capital gains and dividends; capital gains rate of 20% and dividends taxed as ordinary income for those above these thresholds; the use of AGI instead of modified AGI for the EITC; increasing the EITC beginning and ending income phaseout by \$5,000 indexed after 2008 for joint returns; AMT exemption level of \$47,750 (\$72,450 for joint units) and allowing personal non-refundable credits regardless of tentative AMT.

(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% 17878, 40% 34929, 60% 64051, 80% 104588, 90% 168991, 95% 212858, 99% 564605, 99.9% 2378493.

(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 T10-0260
Middle Class Tax Relief Act of 2010 as Passed by the House
Baseline: Current Law
Distribution of Federal Tax Change by Cash Income Percentile, 2011¹
Detail Table

Cash Income Percentile ^{2,3}	Percent of Tax Units ⁴		Percent Change in After-Tax Income ⁵	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁶	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (%) Points)	Under the Proposal	Change (%) Points)	Under the Proposal
Lowest Quintile	31.6	0.0	1.8	3.1	-168	-35.6	-0.2	0.5	-1.7	3.0
Second Quintile	75.9	0.0	2.7	10.4	-626	-21.0	-0.6	3.5	-2.4	9.0
Middle Quintile	91.4	0.0	2.3	13.7	-913	-10.9	-0.3	10.0	-1.9	15.7
Fourth Quintile	98.5	0.0	2.7	22.5	-1,797	-10.0	-0.4	18.0	-2.2	19.4
Top Quintile	98.2	0.8	2.4	50.2	-4,576	-6.2	1.4	67.9	-1.7	26.1
All	74.6	0.1	2.5	100.0	-1,350	-8.2	0.0	100.0	-1.9	21.3
Addendum										
80-90	99.0	0.0	3.5	20.1	-3,616	-11.0	-0.5	14.4	-2.7	21.6
90-95	99.5	0.0	3.5	13.2	-4,951	-10.0	-0.2	10.6	-2.6	23.3
95-99	97.9	0.9	2.7	14.6	-6,634	-7.3	0.2	16.5	-2.0	25.3
Top 1 Percent	86.4	11.4	0.4	2.4	-4,230	-0.8	2.0	26.4	-0.3	32.0
Top 0.1 Percent	70.2	27.9	-0.2	-0.5	8,880	0.3	1.2	13.7	0.1	35.7

Baseline Distribution of Income and Federal Taxes
by Cash Income Percentile, 2011¹

Cash Income Percentile ^{2,3}	Tax Units ⁴		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After- Tax Income ⁵ (Dollars)	Average Federal Tax Rate ⁶	Share of Pre-	Share of Post-	Share of
	Number (thousands)	Percent of Total					Tax Income Percent of Total	Tax Income Percent of Total	Federal Taxes Percent of Total
Lowest Quintile	38,689	24.9	10,104	472	9,631	4.7	3.5	4.4	0.7
Second Quintile	34,791	22.4	26,055	2,979	23,076	11.4	8.2	9.4	4.0
Middle Quintile	31,468	20.3	47,861	8,412	39,449	17.6	13.6	14.6	10.3
Fourth Quintile	26,224	16.9	83,492	18,006	65,486	21.6	19.7	20.2	18.4
Top Quintile	23,017	14.8	266,653	74,236	192,416	27.8	55.3	52.0	66.4
All	155,368	100.0	71,397	16,551	54,845	23.2	100.0	100.0	100.0
Addendum									
80-90	11,632	7.5	135,387	32,902	102,485	24.3	14.2	14.0	14.9
90-95	5,600	3.6	191,302	49,539	141,764	25.9	9.7	9.3	10.8
95-99	4,610	3.0	335,472	91,333	244,139	27.2	13.9	13.2	16.4
Top 1 Percent	1,173	0.8	1,657,208	534,709	1,122,499	32.3	17.5	15.5	24.4
Top 0.1 Percent	118	0.1	7,645,482	2,717,030	4,928,452	35.5	8.2	6.9	12.5

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0509-6).

Number of AMT Taxpayers (millions). Baseline: 17.0

Proposal: 3.7

(1) Calendar year. Baseline is current law. Proposal is the Middle Class Tax Relief Act of 2010 as passed by the House. This includes extending the 10, 25, 28 and 33% brackets; extending the \$1,000 child tax credit and refundability with an unindexed \$3,000 threshold; expansion of the dependent care tax credit; setting the standard deduction and 15% rate bracket for joint returns at twice that of singles; extending the expansion of the student loan interest deduction; for units making under \$200,000 (\$250,000 for married filing jointly) repealing PEP and Pease as well as extending the 0% and 15% rates on capital gains and dividends; capital gains rate of 20% and dividends taxed as ordinary income for those above these thresholds; the use of AGI instead of modified AGI for the EITC; increasing the EITC beginning and ending income phaseout by \$5,000 indexed after 2008 for joint returns; AMT exemption level of \$47,750 (\$72,450 for joint units) and allowing personal non-refundable credits regardless of tentative AMT.

(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% 17878, 40% 34929, 60% 64051, 80% 104588, 90% 168991, 95% 212858, 99% 564605, 99.9% 2378493.

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Table T10-0260
Middle Class Tax Relief Act of 2010 as Passed by the House
Baseline: Current Law
Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2011¹
Detail Table

Cash Income Percentile ^{2,3}	Percent of Tax Units ⁴		Percent Change in After-Tax Income ⁵	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁶	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	30.1	0.0	3.2	4.5	-294	-255.7	-0.4	-0.2	-3.1	-1.9
Second Quintile	68.3	0.0	3.1	10.1	-656	-27.7	-0.6	2.3	-2.8	7.2
Middle Quintile	85.6	0.0	2.5	13.0	-881	-12.3	-0.4	8.2	-2.1	14.7
Fourth Quintile	97.8	0.0	2.6	21.5	-1,521	-10.1	-0.4	16.9	-2.1	18.6
Top Quintile	98.1	0.6	2.2	50.8	-3,658	-5.9	1.8	72.6	-1.6	26.0
All	74.6	0.1	2.5	100.0	-1,350	-8.2	0.0	100.0	-1.9	21.3
Addendum										
80-90	98.6	0.0	3.0	18.1	-2,597	-9.3	-0.2	15.6	-2.3	22.1
90-95	99.1	0.0	3.2	13.8	-4,003	-9.5	-0.2	11.7	-2.4	23.0
95-99	98.3	0.4	2.8	16.0	-5,778	-7.4	0.1	17.7	-2.0	25.0
Top 1 Percent	86.2	10.7	0.4	2.8	-4,150	-0.9	2.0	27.6	-0.3	31.9
Top 0.1 Percent	70.7	27.1	-0.2	-0.5	7,265	0.3	1.2	14.2	0.1	35.5

Baseline Distribution of Income and Federal Taxes
by Cash Income Percentile Adjusted for Family Size, 2011¹

Cash Income Percentile ^{2,3}	Tax Units ⁴		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After-Tax Income ⁵ (Dollars)	Average Federal Tax Rate ⁶	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	32,088	20.7	9,444	115	9,329	1.2	2.7	3.5	0.1
Second Quintile	32,356	20.8	23,627	2,365	21,262	10.0	6.9	8.1	3.0
Middle Quintile	31,037	20.0	42,612	7,135	35,476	16.7	11.9	12.9	8.6
Fourth Quintile	29,612	19.1	72,730	15,024	57,707	20.7	19.4	20.1	17.3
Top Quintile	29,097	18.7	226,371	62,582	163,789	27.7	59.4	55.9	70.8
All	155,368	100.0	71,397	16,551	54,845	23.2	100.0	100.0	100.0
Addendum									
80-90	14,625	9.4	113,950	27,800	86,150	24.4	15.0	14.8	15.8
90-95	7,225	4.7	166,290	42,212	124,078	25.4	10.8	10.5	11.9
95-99	5,819	3.8	287,908	77,762	210,146	27.0	15.1	14.4	17.6
Top 1 Percent	1,427	0.9	1,431,713	460,268	971,445	32.2	18.4	16.3	25.5
Top 0.1 Percent	142	0.1	6,661,061	2,359,219	4,301,842	35.4	8.5	7.2	13.0

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0509-6).

Number of AMT Taxpayers (millions). Baseline: 17.0

Proposal: 3.7

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(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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(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% 12032, 40% 23094, 60% 39707, 80% 67084, 90% 97696, 95% 137553, 99% 353093, 99.9% 1429554.

(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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Middle Class Tax Relief Act of 2010 as Passed by the House
Baseline: Current Law
Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2011¹
Detail Table - Single Tax Units

Cash Income Percentile ^{2,3}	Percent of Tax Units ⁴		Percent Change in After-Tax Income ⁵	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁶	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (%) Points)	Under the Proposal	Change (%) Points)	Under the Proposal
Lowest Quintile	13.4	0.0	0.8	2.9	-55	-10.7	-0.1	1.4	-0.8	6.3
Second Quintile	57.1	0.1	1.3	9.8	-206	-10.1	-0.3	4.9	-1.1	10.2
Middle Quintile	85.5	0.1	1.4	15.8	-371	-6.6	-0.2	12.6	-1.2	16.7
Fourth Quintile	97.3	0.0	1.4	18.5	-558	-5.0	0.1	19.7	-1.1	20.5
Top Quintile	97.5	0.4	1.9	53.1	-1,916	-4.7	0.4	61.2	-1.3	27.2
All	63.3	0.1	1.6	100.0	-488	-5.3	0.0	100.0	-1.2	21.5
Addendum										
80-90	98.0	0.0	2.0	18.9	-1,176	-5.7	-0.1	17.6	-1.5	24.0
90-95	97.9	0.0	2.4	10.3	-1,993	-6.7	-0.1	8.0	-1.8	24.2
95-99	98.1	0.1	2.7	20.1	-3,776	-7.1	-0.3	14.8	-1.9	25.3
Top 1 Percent	86.2	9.6	0.6	3.8	-3,329	-1.0	0.9	20.8	-0.4	34.5
Top 0.1 Percent	69.4	27.7	-0.2	-0.6	5,943	0.3	0.6	9.9	0.1	38.9

Baseline Distribution of Income and Federal Taxes
by Cash Income Percentile Adjusted for Family Size, 2011¹

Cash Income Percentile ^{2,3}	Tax Units ⁴		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After-Tax Income ⁵ (Dollars)	Average Federal Tax Rate ⁶	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	17,342	25.6	7,211	511	6,699	7.1	4.6	5.5	1.4
Second Quintile	15,774	23.2	18,097	2,045	16,052	11.3	10.5	12.0	5.2
Middle Quintile	14,041	20.7	31,607	5,643	25,965	17.9	16.3	17.3	12.8
Fourth Quintile	10,941	16.1	51,701	11,162	40,539	21.6	20.7	21.0	19.7
Top Quintile	9,181	13.5	144,174	41,083	103,091	28.5	48.5	44.8	60.8
All	67,885	100.0	40,235	9,143	31,092	22.7	100.0	100.0	100.0
Addendum									
80-90	5,333	7.9	80,855	20,596	60,259	25.5	15.8	15.2	17.7
90-95	1,706	2.5	114,052	29,555	84,497	25.9	7.1	6.8	8.1
95-99	1,760	2.6	195,574	53,190	142,383	27.2	12.6	11.9	15.1
Top 1 Percent	382	0.6	925,225	322,567	602,658	34.9	13.0	10.9	19.9
Top 0.1 Percent	33	0.1	4,471,123	1,735,249	2,735,875	38.8	5.5	4.3	9.3

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0509-6).

(1) Calendar year. Baseline is current law. Proposal is the Middle Class Tax Relief Act of 2010 as passed by the House. This includes extending the 10, 25, 28 and 33% brackets; extending the \$1,000 child tax credit and refundability with an unindexed \$3,000 threshold; expansion of the dependent care tax credit; setting the standard deduction and 15% rate bracket for joint returns at twice that of singles; extending the expansion of the student loan interest deduction; for units making under \$200,000 (\$250,000 for married filing jointly) repealing PEP and Pease as well as extending the 0% and 15% rates on capital gains and dividends; capital gains rate of 20% and dividends taxed as ordinary income for those above these thresholds; the use of AGI instead of modified AGI for the EITC; increasing the EITC beginning and ending income phaseout by \$5,000 indexed after 2008 for joint returns; AMT exemption level of \$47,750 (\$72,450 for joint units) and allowing personal non-refundable credits regardless of tentative AMT.

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

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(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 T10-0260
Middle Class Tax Relief Act of 2010 as Passed by the House
Baseline: Current Law
Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2011¹
Detail Table - Married Tax Units Filing Jointly

Cash Income Percentile ^{2,3}	Percent of Tax Units ⁴		Percent Change in After-Tax Income ⁵	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁶	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (%) Points)	Under the Proposal	Change (%) Points)	Under the Proposal
Lowest Quintile	33.4	0.0	4.1	2.2	-492	-204.4	-0.2	-0.1	-4.0	-2.1
Second Quintile	69.2	0.0	4.2	6.6	-1,124	-36.7	-0.5	1.1	-3.7	6.4
Middle Quintile	80.6	0.0	2.9	10.6	-1,366	-15.9	-0.5	5.1	-2.5	13.1
Fourth Quintile	97.9	0.0	3.1	22.8	-2,196	-12.4	-0.7	14.7	-2.5	17.6
Top Quintile	98.4	0.7	2.4	57.7	-4,650	-6.3	1.8	79.0	-1.7	25.7
All	83.2	0.2	2.7	100.0	-2,428	-8.4	0.0	100.0	-2.0	22.2
Addendum										
80-90	99.1	0.0	3.5	20.2	-3,594	-10.9	-0.4	15.1	-2.6	21.4
90-95	99.6	0.0	3.4	16.7	-4,726	-10.1	-0.3	13.6	-2.6	22.7
95-99	98.4	0.5	2.8	17.7	-6,834	-7.6	0.2	19.7	-2.1	25.0
Top 1 Percent	86.8	10.7	0.4	3.1	-4,675	-0.9	2.3	30.6	-0.3	31.2
Top 0.1 Percent	71.8	26.2	-0.2	-0.5	7,241	0.3	1.4	15.7	0.1	34.9

Baseline Distribution of Income and Federal Taxes
by Cash Income Percentile Adjusted for Family Size, 2011¹

Cash Income Percentile ^{2,3}	Tax Units ⁴		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After-Tax Income ⁵ (Dollars)	Average Federal Tax Rate ⁶	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	6,595	10.9	12,228	241	11,987	2.0	1.1	1.4	0.1
Second Quintile	8,716	14.3	30,188	3,068	27,120	10.2	3.6	4.3	1.5
Middle Quintile	11,411	18.8	55,037	8,598	46,438	15.6	8.7	9.6	5.6
Fourth Quintile	15,305	25.2	88,301	17,694	70,607	20.0	18.6	19.7	15.4
Top Quintile	18,319	30.1	270,257	74,106	196,151	27.4	68.3	65.4	77.2
All	60,792	100.0	119,298	28,912	90,386	24.2	100.0	100.0	100.0
Addendum									
80-90	8,305	13.7	137,135	32,886	104,249	24.0	15.7	15.8	15.5
90-95	5,212	8.6	184,390	46,656	137,734	25.3	13.3	13.1	13.8
95-99	3,817	6.3	332,882	90,016	242,866	27.0	17.5	16.9	19.6
Top 1 Percent	985	1.6	1,604,062	505,160	1,098,901	31.5	21.8	19.7	28.3
Top 0.1 Percent	100	0.2	7,259,778	2,524,212	4,735,566	34.8	10.0	8.6	14.3

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0509-6).

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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% 12032, 40% 23094, 60% 39707, 80% 67084, 90% 97696, 95% 137553, 99% 353093, 99.9% 1429554.

(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 T10-0260
Middle Class Tax Relief Act of 2010 as Passed by the House
Baseline: Current Law
Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2011¹
Detail Table - Head of Household Tax Units

Cash Income Percentile ^{2,3}	Percent of Tax Units ⁴		Percent Change in After-Tax Income ⁵	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁶	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (%) Points)	Under the Proposal	Change (%) Points)	Under the Proposal
Lowest Quintile	64.0	0.0	5.1	20.0	-660	74.3	-5.6	-10.5	-5.5	-12.8
Second Quintile	89.4	0.0	4.1	30.3	-1,060	-49.8	-4.3	6.8	-3.8	3.8
Middle Quintile	95.8	0.0	3.2	22.7	-1,200	-15.1	1.1	28.6	-2.6	14.6
Fourth Quintile	99.4	0.0	2.8	17.0	-1,625	-10.2	3.0	33.5	-2.2	19.5
Top Quintile	97.5	0.4	1.8	9.9	-2,305	-5.1	5.8	41.6	-1.3	24.8
All	83.7	0.0	3.3	100.0	-1,077	-18.3	0.0	100.0	-2.8	12.6
Addendum										
80-90	97.8	0.0	2.3	4.8	-1,813	-7.2	1.7	14.0	-1.7	22.5
90-95	98.7	0.0	2.4	2.6	-2,821	-7.3	0.9	7.4	-1.8	23.0
95-99	97.2	0.4	1.8	2.2	-3,551	-5.4	1.2	8.5	-1.3	23.3
Top 1 Percent	82.1	10.2	0.3	0.4	-2,902	-0.7	2.1	11.7	-0.2	31.8
Top 0.1 Percent	73.5	24.4	-0.1	-0.1	5,635	0.3	1.1	5.9	0.1	35.2

Baseline Distribution of Income and Federal Taxes
by Cash Income Percentile Adjusted for Family Size, 2011¹

Cash Income Percentile ^{2,3}	Tax Units ⁴		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After-Tax Income ⁵ (Dollars)	Average Federal Tax Rate ⁶	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	7,887	32.6	12,078	-889	12,967	-7.4	10.3	13.1	-4.9
Second Quintile	7,431	30.7	27,805	2,128	25,676	7.7	22.4	24.5	11.1
Middle Quintile	4,933	20.4	45,998	7,926	38,072	17.2	24.6	24.1	27.5
Fourth Quintile	2,725	11.3	73,336	15,896	57,440	21.7	21.7	20.1	30.5
Top Quintile	1,120	4.6	173,732	45,439	128,293	26.2	21.1	18.5	35.8
All	24,178	100.0	38,105	5,883	32,222	15.4	100.0	100.0	100.0
Addendum									
80-90	690	2.9	104,431	25,352	79,079	24.3	7.8	7.0	12.3
90-95	240	1.0	155,901	38,694	117,208	24.8	4.1	3.6	6.5
95-99	158	0.7	269,398	66,367	203,032	24.6	4.6	4.1	7.4
Top 1 Percent	33	0.1	1,312,435	420,114	892,322	32.0	4.6	3.7	9.6
Top 0.1 Percent	3	0.0	6,172,273	2,164,356	4,007,916	35.1	2.1	1.6	4.8

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0509-6).

(1) Calendar year. Baseline is current law. Proposal is the Middle Class Tax Relief Act of 2010 as passed by the House. This includes extending the 10, 25, 28 and 33% brackets; extending the \$1,000 child tax credit and refundability with an unindexed \$3,000 threshold; expansion of the dependent care tax credit; setting the standard deduction and 15% rate bracket for joint returns at twice that of singles; extending the expansion of the student loan interest deduction; for units making under \$200,000 (\$250,000 for married filing jointly) repealing PEP and Pease as well as extending the 0% and 15% rates on capital gains and dividends; capital gains rate of 20% and dividends taxed as ordinary income for those above these thresholds; the use of AGI instead of modified AGI for the EITC; increasing the EITC beginning and ending income phaseout by \$5,000 indexed after 2008 for joint returns; AMT exemption level of \$47,750 (\$72,450 for joint units) and allowing personal non-refundable credits regardless of tentative AMT.

(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% 12032, 40% 23094, 60% 39707, 80% 67084, 90% 97696, 95% 137553, 99% 353093, 99.9% 1429554.

(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 T10-0260
Middle Class Tax Relief Act of 2010 as Passed by the House
Baseline: Current Law
Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2011¹
Detail Table - Tax Units with Children

Cash Income Percentile ^{2,3}	Percent of Tax Units ⁴		Percent Change in After-Tax Income ⁵	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁶	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	69.1	0.0	6.0	7.4	-835	76.3	-1.1	-2.2	-6.5	-14.9
Second Quintile	95.1	0.0	5.6	14.2	-1,608	-59.7	-1.5	1.2	-5.1	3.5
Middle Quintile	98.2	0.0	3.9	15.8	-1,828	-17.5	-0.7	9.5	-3.2	15.0
Fourth Quintile	99.6	0.0	4.0	24.8	-2,955	-14.0	-0.6	19.3	-3.1	19.1
Top Quintile	99.0	0.6	2.5	37.6	-5,211	-6.2	3.9	72.1	-1.8	26.9
All	91.6	0.1	3.4	100.0	-2,371	-11.2	0.0	100.0	-2.6	20.8
Addendum										
80-90	99.8	0.0	3.7	16.8	-4,445	-10.9	0.1	17.5	-2.8	22.9
90-95	99.9	0.0	3.6	9.8	-5,504	-10.1	0.1	11.0	-2.6	23.5
95-99	98.0	1.0	2.5	9.4	-7,027	-6.2	1.0	17.8	-1.8	26.5
Top 1 Percent	89.2	8.8	0.4	1.7	-5,067	-0.8	2.7	25.7	-0.3	33.2
Top 0.1 Percent	71.1	27.7	-0.2	-0.3	9,136	0.3	1.5	12.8	0.1	36.0

Baseline Distribution of Income and Federal Taxes
by Cash Income Percentile Adjusted for Family Size, 2011¹

Cash Income Percentile ^{2,3}	Tax Units ⁴		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After-Tax Income ⁵ (Dollars)	Average Federal Tax Rate ⁶	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	10,310	21.1	12,926	-1,094	14,020	-8.5	3.0	4.3	-1.1
Second Quintile	10,241	20.9	31,439	2,692	28,747	8.6	7.3	8.7	2.7
Middle Quintile	10,011	20.5	57,698	10,471	47,227	18.2	13.1	14.0	10.2
Fourth Quintile	9,734	19.9	95,141	21,134	74,008	22.2	21.0	21.4	19.9
Top Quintile	8,370	17.1	293,509	84,043	209,466	28.6	55.8	52.0	68.2
All	48,902	100.0	90,027	21,098	68,929	23.4	100.0	100.0	100.0
Addendum									
80-90	4,384	9.0	159,819	40,982	118,838	25.6	15.9	15.5	17.4
90-95	2,061	4.2	208,624	54,453	154,171	26.1	9.8	9.4	10.9
95-99	1,548	3.2	398,512	112,614	285,898	28.3	14.0	13.1	16.9
Top 1 Percent	377	0.8	1,883,158	629,950	1,253,208	33.5	16.1	14.0	23.0
Top 0.1 Percent	36	0.1	8,972,972	3,223,022	5,749,950	35.9	7.4	6.2	11.3

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0509-6).

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. Proposal is the Middle Class Tax Relief Act of 2010 as passed by the House. This includes extending the 10, 25, 28 and 33% brackets; extending the \$1,000 child tax credit and refundability with an unindexed \$3,000 threshold; expansion of the dependent care tax credit; setting the standard deduction and 15% rate bracket for joint returns at twice that of singles; extending the expansion of the student interest deduction; for units making under \$200,000 (\$250,000 for married filing jointly) repealing PEP and Pease as well as extending the 0% and 15% rates on capital gains and dividends; capital gains rate of 20% and dividends taxed as ordinary income for those above these thresholds; the use of AGI instead of modified AGI for the EITC; increasing the EITC beginning and ending income phaseout by \$5,000 indexed after 2008 for joint returns; AMT exemption level of \$47,750 (\$72,450 for joint units) and allowing personal non-refundable credits regardless of tentative AMT.

(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% 12032, 40% 23094, 60% 39707, 80% 67084, 90% 97696, 95% 137553, 99% 353093, 99.9% 1429554.

(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 T10-0260
Middle Class Tax Relief Act of 2010 as Passed by the House
Baseline: Current Law
Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2011¹
Detail Table - Elderly Tax Units

Cash Income Percentile ^{2,3}	Percent of Tax Units ⁴		Percent Change in After-Tax Income ⁵	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁶	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	3.7	0.0	0.2	0.3	-19	-8.8	0.0	0.2	-0.2	2.1
Second Quintile	25.3	0.0	0.5	2.9	-105	-13.7	-0.1	1.3	-0.5	3.3
Middle Quintile	49.7	0.0	0.8	6.0	-283	-12.0	-0.2	3.3	-0.8	5.5
Fourth Quintile	93.9	0.0	1.6	18.2	-949	-11.9	-0.6	9.9	-1.4	10.5
Top Quintile	96.3	1.3	2.1	72.6	-3,692	-5.9	0.9	85.2	-1.6	24.7
All	53.2	0.2	1.7	100.0	-967	-6.9	0.0	100.0	-1.3	18.2
Addendum										
80-90	96.7	0.0	2.7	18.2	-2,210	-12.1	-0.6	9.8	-2.2	15.9
90-95	98.1	0.0	3.2	19.9	-3,903	-11.8	-0.6	10.9	-2.5	18.8
95-99	98.3	0.3	3.2	29.9	-6,123	-9.3	-0.6	21.3	-2.4	23.0
Top 1 Percent	81.1	16.1	0.4	4.6	-3,196	-0.8	2.6	43.2	-0.3	32.5
Top 0.1 Percent	63.4	34.9	-0.3	-1.7	11,599	0.6	1.6	22.2	0.2	36.5

Baseline Distribution of Income and Federal Taxes
by Cash Income Percentile Adjusted for Family Size, 2011¹

Cash Income Percentile ^{2,3}	Tax Units ⁴		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After-Tax Income ⁵ (Dollars)	Average Federal Tax Rate ⁶	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	4,506	15.2	9,360	214	9,146	2.3	2.0	2.4	0.2
Second Quintile	7,883	26.6	20,279	765	19,514	3.8	7.5	8.9	1.4
Middle Quintile	6,115	20.6	37,583	2,355	35,228	6.3	10.7	12.5	3.4
Fourth Quintile	5,492	18.5	66,892	7,974	58,918	11.9	17.1	18.8	10.5
Top Quintile	5,641	19.0	238,549	62,608	175,941	26.3	62.8	57.6	84.4
All	29,671	100.0	72,226	14,110	58,116	19.5	100.0	100.0	100.0
Addendum									
80-90	2,365	8.0	101,108	18,330	82,778	18.1	11.2	11.4	10.4
90-95	1,463	4.9	154,859	33,072	121,787	21.4	10.6	10.3	11.6
95-99	1,400	4.7	258,158	65,533	192,625	25.4	16.9	15.6	21.9
Top 1 Percent	414	1.4	1,253,756	410,250	843,506	32.7	24.2	20.2	40.5
Top 0.1 Percent	41	0.1	5,790,192	2,098,902	3,691,289	36.3	11.1	8.8	20.5

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0509-6).

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. Proposal is the Middle Class Tax Relief Act of 2010 as passed by the House. This includes extending the 10, 25, 28 and 33% brackets; extending the \$1,000 child tax credit and refundability with an unindexed \$3,000 threshold; expansion of the dependent care tax credit; setting the standard deduction and 15% rate bracket for joint returns at twice that of singles; extending the expansion of the student interest deduction; for units making under \$200,000 (\$250,000 for married filing jointly) repealing PEP and Pease as well as extending the 0% and 15% rates on capital gains and dividends; capital gains rate of 20% and dividends taxed as ordinary income for those above these thresholds; the use of AGI instead of modified AGI for the EITC; increasing the EITC beginning and ending income phaseout by \$5,000 indexed after 2008 for joint returns; AMT exemption level of \$47,750 (\$72,450 for joint units) and allowing personal non-refundable credits regardless of tentative AMT.

(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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(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.