

Table T10-0273
Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 as Considered by the Senate
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	68.8	0.0	3.7	3.1	-351	-3.5	1.0
Second Quintile	84.4	0.0	4.5	8.3	-1,047	-4.0	7.3
Middle Quintile	94.5	0.0	4.3	12.3	-1,713	-3.6	13.8
Fourth Quintile	99.3	0.0	4.9	19.1	-3,186	-3.8	17.6
Top Quintile	99.6	0.0	5.7	57.1	-10,887	-4.1	23.8
All	87.0	0.0	5.1	100.0	-2,823	-4.0	19.1
Addendum							
80-90	99.4	0.0	5.8	15.6	-5,906	-4.4	19.9
90-95	99.9	0.0	5.5	9.9	-7,759	-4.1	21.8
95-99	99.6	0.0	4.9	12.6	-11,983	-3.6	23.7
Top 1 Percent	99.7	0.0	6.3	19.0	-70,836	-4.3	28.0
Top 0.1 Percent	99.8	0.0	7.3	9.7	-360,491	-4.7	30.8

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0509-7).

Number of AMT Taxpayers (millions). Baseline: 17.0

Proposal: 4.3

(1) Baseline is current law. Proposal extends all 2001 and 2003 individual income tax cuts; reduces the OASDI tax rate on employees to 4.2%; increases AMT exemption to \$74,450 for joint filers (\$48,450 for others) and allows personal non-refundable credits regardless of tentative AMT; and extends the following provisions: \$3,000 unindexed threshold for the refundable child tax credit; the \$5,000 (indexed for inflation after 2009) increase in the earned income tax credit plateau and the 45-percent credit rate for families with three or more qualifying children; the American Opportunity Tax Credit for education expenses; the above the line deduction for education expenses; the educator expense deduction; and the deduction for state and local general sales taxes. The proposal sets the effective exemption for the estate tax at \$5 million with a rate of 35 percent.

(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 T10-0273
Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 as Considered by the Senate
Baseline: Current Law
Distribution of Federal Tax Change by Cash Income Percentile, 2011 ¹
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	68.8	0.0	3.7	3.1	-351	-77.0	-0.5	0.2	-3.5	1.0
Second Quintile	84.4	0.0	4.5	8.3	-1,047	-35.6	-0.9	3.1	-4.0	7.3
Middle Quintile	94.5	0.0	4.3	12.3	-1,713	-20.6	-0.4	9.8	-3.6	13.8
Fourth Quintile	99.3	0.0	4.9	19.1	-3,186	-17.9	-0.2	18.1	-3.8	17.6
Top Quintile	99.6	0.0	5.7	57.1	-10,887	-14.7	2.0	68.7	-4.1	23.8
All	87.0	0.0	5.1	100.0	-2,823	-17.1	0.0	100.0	-4.0	19.1
Addendum										
80-90	99.4	0.0	5.8	15.6	-5,906	-18.0	-0.2	14.7	-4.4	19.9
90-95	99.9	0.0	5.5	9.9	-7,759	-15.7	0.2	11.0	-4.1	21.8
95-99	99.6	0.0	4.9	12.6	-11,983	-13.1	0.8	17.3	-3.6	23.7
Top 1 Percent	99.7	0.0	6.3	19.0	-70,836	-13.3	1.2	25.7	-4.3	28.0
Top 0.1 Percent	99.8	0.0	7.3	9.7	-360,491	-13.3	0.6	13.2	-4.7	30.8

Baseline Distribution of Income and Federal Taxes
by Cash Income Percentile, 2011 ¹

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	38,677	24.9	10,093	456	9,637	4.5	3.5	4.4	0.7
Second Quintile	34,811	22.4	26,035	2,941	23,094	11.3	8.2	9.4	4.0
Middle Quintile	31,429	20.2	47,793	8,300	39,494	17.4	13.6	14.6	10.2
Fourth Quintile	26,265	16.9	83,396	17,843	65,554	21.4	19.8	20.2	18.3
Top Quintile	23,007	14.8	266,691	74,220	192,470	27.8	55.3	51.9	66.7
All	155,368	100.0	71,362	16,485	54,877	23.1	100.0	100.0	100.0
Addendum									
80-90	11,618	7.5	135,361	32,838	102,524	24.3	14.2	14.0	14.9
90-95	5,605	3.6	191,219	49,454	141,765	25.9	9.7	9.3	10.8
95-99	4,610	3.0	335,497	91,398	244,099	27.2	14.0	13.2	16.5
Top 1 Percent	1,173	0.8	1,657,313	534,813	1,122,499	32.3	17.5	15.5	24.5
Top 0.1 Percent	118	0.1	7,646,017	2,717,304	4,928,713	35.5	8.2	6.8	12.6

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0509-7).

Number of AMT Taxpayers (millions). Baseline: 17.0

Proposal: 4.3

(1) Baseline is current law. Proposal extends all 2001 and 2003 individual income tax cuts; reduces the OASDI tax rate on employees to 4.2%; increases AMT exemption to \$74,450 for joint filers (\$48,450 for others) and allows personal non-refundable credits regardless of tentative AMT; and extends the following provisions: \$3,000 unindexed threshold for the refundable child tax credit; the \$5,000 (indexed for inflation after 2009) increase in the earned income tax credit plateau and the 45-percent credit rate for families with three or more qualifying children; the American Opportunity Tax Credit for education expenses; the above the line deduction for education expenses; the educator expense deduction; and the deduction for state and local general sales taxes. The proposal sets the effective exemption for the estate tax at \$5 million with a rate of 35 percent.

(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 T10-0273
Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 as Considered by the Senate
Baseline: Current Law
Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2011 ¹
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 (%)	Under the Proposal	Change (%)	Under the Proposal
Lowest Quintile	72.4	0.0	5.4	3.7	-504	-517.2	-0.7	-0.6	-5.3	-4.3
Second Quintile	78.3	0.0	4.9	7.7	-1,050	-45.2	-1.0	1.9	-4.5	5.4
Middle Quintile	90.2	0.0	4.4	11.2	-1,576	-22.4	-0.5	8.0	-3.7	12.9
Fourth Quintile	98.7	0.0	4.7	18.3	-2,711	-18.2	-0.2	17.0	-3.7	16.8
Top Quintile	99.4	0.0	5.4	59.0	-8,895	-14.2	2.5	73.5	-3.9	23.7
All	87.0	0.0	5.1	100.0	-2,823	-17.1	0.0	100.0	-4.0	19.1
Addendum										
80-90	99.3	0.0	5.2	15.1	-4,517	-16.3	0.2	16.0	-4.0	20.3
90-95	99.5	0.0	5.2	10.5	-6,399	-15.2	0.3	12.2	-3.9	21.5
95-99	99.5	0.0	4.8	13.3	-9,993	-12.9	0.9	18.6	-3.5	23.5
Top 1 Percent	99.3	0.0	6.4	20.1	-61,894	-13.4	1.1	26.8	-4.3	27.8
Top 0.1 Percent	99.6	0.0	7.3	10.2	-315,315	-13.4	0.6	13.6	-4.7	30.7

Baseline Distribution of Income and Federal Taxes
by Cash Income Percentile Adjusted for Family Size, 2011 ¹

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	32,083	20.7	9,434	97	9,337	1.0	2.7	3.5	0.1
Second Quintile	32,342	20.8	23,612	2,323	21,289	9.8	6.9	8.1	2.9
Middle Quintile	31,090	20.0	42,531	7,043	35,487	16.6	11.9	12.9	8.6
Fourth Quintile	29,591	19.1	72,702	14,901	57,800	20.5	19.4	20.1	17.2
Top Quintile	29,084	18.7	226,416	62,541	163,875	27.6	59.4	55.9	71.0
All	155,368	100.0	71,362	16,485	54,877	23.1	100.0	100.0	100.0
Addendum									
80-90	14,619	9.4	113,942	27,696	86,246	24.3	15.0	14.8	15.8
90-95	7,214	4.6	166,326	42,226	124,100	25.4	10.8	10.5	11.9
95-99	5,825	3.8	287,803	77,693	210,110	27.0	15.1	14.4	17.7
Top 1 Percent	1,427	0.9	1,432,105	460,443	971,662	32.2	18.4	16.3	25.7
Top 0.1 Percent	142	0.1	6,661,121	2,359,316	4,301,805	35.4	8.5	7.1	13.0

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0509-7).

Number of AMT Taxpayers (millions). Baseline: 17.0

Proposal: 4.3

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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 T10-0273
Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 as Considered by the Senate
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	66.7	0.0	3.0	3.6	-198	-39.7	-0.4	1.0	-2.7	4.2
Second Quintile	68.3	0.0	2.8	7.4	-447	-22.1	-0.4	4.8	-2.5	8.7
Middle Quintile	89.5	0.0	3.5	13.4	-909	-16.3	-0.1	12.7	-2.9	14.8
Fourth Quintile	98.2	0.0	3.6	16.5	-1,446	-13.1	0.6	20.1	-2.8	18.6
Top Quintile	99.0	0.0	6.0	59.0	-6,166	-15.0	0.4	61.3	-4.3	24.2
All	80.9	0.0	4.5	100.0	-1,410	-15.5	0.0	100.0	-3.5	19.1
Addendum										
80-90	99.1	0.0	4.6	15.4	-2,773	-13.5	0.4	18.1	-3.4	21.9
90-95	98.9	0.0	5.1	7.6	-4,279	-14.5	0.1	8.2	-3.8	22.2
95-99	98.9	0.0	5.8	15.1	-8,194	-15.5	0.0	15.1	-4.2	22.9
Top 1 Percent	99.4	0.0	8.7	20.9	-52,490	-16.3	-0.2	19.8	-5.7	29.2
Top 0.1 Percent	99.1	0.0	9.1	8.7	-249,551	-14.4	0.1	9.5	-5.6	33.2

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	17,340	25.5	7,204	498	6,706	6.9	4.6	5.5	1.4	
Second Quintile	15,760	23.2	18,081	2,021	16,060	11.2	10.4	12.0	5.2	
Middle Quintile	14,098	20.8	31,593	5,582	26,011	17.7	16.3	17.4	12.8	
Fourth Quintile	10,924	16.1	51,705	11,039	40,666	21.4	20.7	21.0	19.6	
Top Quintile	9,157	13.5	144,300	41,020	103,280	28.4	48.4	44.8	60.9	
All	67,885	100.0	40,203	9,080	31,123	22.6	100.0	100.0	100.0	
Addendum										
80-90	5,319	7.8	80,931	20,517	60,414	25.4	15.8	15.2	17.7	
90-95	1,696	2.5	113,971	29,535	84,435	25.9	7.1	6.8	8.1	
95-99	1,760	2.6	195,495	52,916	142,579	27.1	12.6	11.9	15.1	
Top 1 Percent	382	0.6	926,155	322,930	603,225	34.9	13.0	10.9	20.0	
Top 0.1 Percent	33	0.1	4,471,146	1,735,298	2,735,849	38.8	5.5	4.3	9.4	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0509-7).

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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	67.0	0.0	6.3	1.7	-753	-331.9	-0.3	-0.2	-6.2	-4.3
Second Quintile	80.4	0.0	6.0	4.9	-1,627	-53.7	-0.7	0.8	-5.4	4.6
Middle Quintile	87.2	0.0	4.7	8.6	-2,194	-25.9	-0.6	4.9	-4.0	11.4
Fourth Quintile	98.9	0.0	5.1	18.8	-3,580	-20.4	-0.7	14.7	-4.1	15.9
Top Quintile	99.6	0.0	5.3	65.9	-10,444	-14.1	2.3	79.7	-3.9	23.5
All	90.5	0.0	5.3	100.0	-4,785	-16.6	0.0	100.0	-4.0	20.2
Addendum										
80-90	99.5	0.0	5.5	16.5	-5,766	-17.6	-0.2	15.3	-4.2	19.7
90-95	99.8	0.0	5.2	12.9	-7,183	-15.4	0.2	14.1	-3.9	21.4
95-99	99.7	0.0	4.5	14.5	-11,014	-12.2	1.0	20.7	-3.3	23.8
Top 1 Percent	99.3	0.0	5.9	22.0	-64,998	-12.9	1.3	29.7	-4.1	27.4
Top 0.1 Percent	99.8	0.0	7.1	11.5	-334,595	-13.3	0.6	14.9	-4.6	30.2

Baseline Distribution of Income and Federal Taxes
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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	6,593	10.8	12,215	227	11,988	1.9	1.1	1.4	0.1	
Second Quintile	8,725	14.4	30,203	3,028	27,175	10.0	3.6	4.3	1.5	
Middle Quintile	11,382	18.7	54,932	8,480	46,452	15.4	8.6	9.6	5.5	
Fourth Quintile	15,307	25.2	88,212	17,585	70,627	19.9	18.6	19.7	15.4	
Top Quintile	18,340	30.2	270,045	74,014	196,031	27.4	68.3	65.4	77.4	
All	60,792	100.0	119,264	28,849	90,415	24.2	100.0	100.0	100.0	
Addendum										
80-90	8,320	13.7	136,955	32,730	104,225	23.9	15.7	15.8	15.5	
90-95	5,211	8.6	184,374	46,662	137,711	25.3	13.3	13.1	13.9	
95-99	3,824	6.3	332,662	90,013	242,649	27.1	17.6	16.9	19.6	
Top 1 Percent	985	1.6	1,604,165	505,255	1,098,909	31.5	21.8	19.7	28.4	
Top 0.1 Percent	100	0.2	7,259,853	2,524,327	4,735,527	34.8	10.0	8.6	14.4	

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Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 as Considered by the Senate
Baseline: Current Law
Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2011 ¹
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	88.9	0.0	7.5	17.3	-979	106.5	-10.5	-15.7	-8.1	-15.7
Second Quintile	96.0	0.0	6.4	27.5	-1,652	-80.7	-7.8	3.1	-6.0	1.4
Middle Quintile	97.8	0.0	5.4	22.8	-2,057	-26.3	2.3	29.9	-4.5	12.6
Fourth Quintile	99.6	0.0	5.2	18.3	-3,010	-19.2	5.7	36.1	-4.1	17.3
Top Quintile	98.5	0.0	4.4	14.0	-5,620	-12.3	10.4	46.6	-3.2	23.0
All	94.4	0.0	5.7	100.0	-1,847	-31.8	0.0	100.0	-4.9	10.4
Addendum										
80-90	97.9	0.0	4.4	5.3	-3,475	-13.7	3.3	15.7	-3.3	21.0
90-95	99.0	0.0	4.2	2.6	-4,910	-12.7	1.9	8.5	-3.2	21.7
95-99	99.8	0.0	3.4	2.4	-6,824	-10.3	2.4	9.8	-2.5	22.1
Top 1 Percent	99.9	0.0	5.6	3.6	-49,633	-11.9	2.9	12.6	-3.8	28.2
Top 0.1 Percent	99.9	0.0	6.7	1.9	-266,978	-12.3	1.4	6.3	-4.3	30.7

Baseline Distribution of Income and Federal Taxes
by Cash Income Percentile Adjusted for Family Size, 2011 ¹

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	7,886	32.6	12,067	-919	12,986	-7.6	10.3	13.1	-5.2
Second Quintile	7,424	30.7	27,745	2,046	25,699	7.4	22.4	24.5	10.8
Middle Quintile	4,956	20.5	45,962	7,827	38,136	17.0	24.8	24.2	27.7
Fourth Quintile	2,718	11.2	73,390	15,695	57,695	21.4	21.7	20.1	30.4
Top Quintile	1,112	4.6	174,340	45,665	128,675	26.2	21.1	18.3	36.2
All	24,178	100.0	38,064	5,802	32,262	15.2	100.0	100.0	100.0
Addendum									
80-90	682	2.8	104,552	25,434	79,118	24.3	7.7	6.9	12.4
90-95	240	1.0	155,950	38,763	117,187	24.9	4.1	3.6	6.6
95-99	157	0.7	269,020	66,276	202,744	24.6	4.6	4.1	7.4
Top 1 Percent	33	0.1	1,306,109	418,046	888,063	32.0	4.7	3.7	9.8
Top 0.1 Percent	3	0.0	6,172,341	2,164,495	4,007,845	35.1	2.1	1.6	4.9

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0509-7).

(1) Baseline is current law. Proposal extends all 2001 and 2003 individual income tax cuts; reduces the OASDI tax rate on employees to 4.2%; increases AMT exemption to \$74,450 for joint filers (\$48,450 for others) and allows personal non-refundable credits regardless of tentative AMT; and extends the following provisions: \$3,000 unindexed threshold for the refundable child tax credit; the \$5,000 (indexed for inflation after 2009) increase in the earned income tax credit plateau and the 45-percent credit rate for families with three or more qualifying children; the American Opportunity Tax Credit for education expenses; the above the line deduction for education expenses; the educator expense deduction; and the deduction for state and local general sales taxes. The proposal sets the effective exemption for the estate tax at \$5 million with a rate of 35 percent.

(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 T10-0273
Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 as Considered by the Senate
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 (%)	Under the Proposal	Change (%)	Under the Proposal
Lowest Quintile	92.9	0.0	8.6	5.9	-1,210	107.5	-1.8	-3.0	-9.4	-18.1
Second Quintile	99.2	0.0	8.0	11.2	-2,316	-88.3	-2.2	0.4	-7.4	1.0
Middle Quintile	99.6	0.0	6.2	13.8	-2,921	-28.3	-1.0	9.1	-5.1	12.8
Fourth Quintile	99.9	0.0	6.5	22.0	-4,782	-22.8	-0.5	19.4	-5.0	17.1
Top Quintile	99.9	0.0	5.7	47.0	-11,913	-14.2	5.6	74.0	-4.1	24.6
All	98.1	0.0	6.3	100.0	-4,335	-20.7	0.0	100.0	-4.8	18.5
Addendum										
80-90	100.0	0.0	6.2	15.2	-7,329	-18.0	0.6	18.0	-4.6	21.0
90-95	100.0	0.0	5.6	8.3	-8,577	-15.7	0.7	11.6	-4.1	22.0
95-99	99.8	0.0	4.4	9.1	-12,447	-11.1	2.1	19.0	-3.1	25.1
Top 1 Percent	99.8	0.0	6.5	14.4	-81,244	-12.9	2.3	25.4	-4.3	29.1
Top 0.1 Percent	99.9	0.0	7.2	7.1	-416,495	-12.9	1.1	12.5	-4.6	31.3

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	10,306	21.1	12,912	-1,125	14,037	-8.7	3.0	4.3	-1.1	
Second Quintile	10,267	21.0	31,428	2,623	28,805	8.4	7.3	8.8	2.6	
Middle Quintile	9,991	20.4	57,612	10,305	47,307	17.9	13.1	14.0	10.0	
Fourth Quintile	9,734	19.9	95,095	20,997	74,098	22.1	21.0	21.4	19.9	
Top Quintile	8,367	17.1	293,544	83,987	209,557	28.6	55.8	52.0	68.4	
All	48,902	100.0	89,975	20,998	68,977	23.3	100.0	100.0	100.0	
Addendum										
80-90	4,381	9.0	159,754	40,795	118,959	25.5	15.9	15.5	17.4	
90-95	2,062	4.2	208,714	54,560	154,154	26.1	9.8	9.4	11.0	
95-99	1,547	3.2	398,499	112,589	285,910	28.3	14.0	13.1	17.0	
Top 1 Percent	377	0.8	1,882,020	629,637	1,252,382	33.5	16.1	14.0	23.1	
Top 0.1 Percent	36	0.1	8,973,155	3,223,253	5,749,902	35.9	7.4	6.2	11.4	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0509-7).

Note: Tax units with children are those claiming an exemption for children at home or away from home.

(1) Baseline is current law. Proposal extends all 2001 and 2003 individual income tax cuts; reduces the OASDI tax rate on employees to 4.2%; increases AMT exemption to \$74,450 for joint filers (\$48,450 for others) and allows personal non-refundable credits regardless of tentative AMT; and extends the following provisions: \$3,000 unindexed threshold for the refundable child tax credit; the \$5,000 (indexed for inflation after 2009) increase in the earned income tax credit plateau and the 45-percent credit rate for families with three or more qualifying children; the American Opportunity Tax Credit for education expenses; the above the line deduction for education expenses; the educator expense deduction; and the deduction for state and local general sales taxes. The proposal sets the effective exemption for the estate tax at \$5 million with a rate of 35 percent.

(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 T10-0273
Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 as Considered by the Senate
Baseline: Current Law
Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2011 ¹
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	16.9	0.0	0.6	0.3	-54	-25.4	0.0	0.2	-0.6	1.7
Second Quintile	33.6	0.0	0.8	1.7	-154	-20.5	-0.1	1.4	-0.8	3.0
Middle Quintile	59.8	0.0	1.5	4.4	-522	-22.3	-0.2	3.2	-1.4	4.9
Fourth Quintile	95.1	0.0	2.5	11.1	-1,459	-18.4	-0.1	10.3	-2.2	9.7
Top Quintile	97.9	0.0	6.0	82.4	-10,539	-16.9	0.4	84.8	-4.4	21.8
All	60.1	0.0	4.2	100.0	-2,434	-17.3	0.0	100.0	-3.4	16.1
Addendum										
80-90	97.1	0.0	4.2	11.5	-3,509	-19.2	-0.2	10.1	-3.5	14.6
90-95	98.3	0.0	4.7	11.5	-5,680	-17.2	0.0	11.6	-3.7	17.7
95-99	98.9	0.0	5.9	22.0	-11,335	-17.3	0.0	21.9	-4.4	21.0
Top 1 Percent	98.3	0.0	7.7	37.4	-65,374	-15.9	0.7	41.2	-5.2	27.5
Top 0.1 Percent	99.6	0.0	8.3	17.4	-307,560	-14.7	0.7	21.2	-5.3	30.9

Baseline Distribution of Income and Federal Taxes
by Cash Income Percentile Adjusted for Family Size, 2011 ¹

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	9,355	212	9,143	2.3	2.0	2.4	0.2
Second Quintile	7,861	26.5	20,255	754	19,501	3.7	7.4	8.9	1.4
Middle Quintile	6,119	20.6	37,501	2,339	35,162	6.2	10.7	12.5	3.4
Fourth Quintile	5,507	18.6	66,806	7,934	58,872	11.9	17.2	18.8	10.5
Top Quintile	5,645	19.0	238,417	62,510	175,907	26.2	62.8	57.6	84.4
All	29,671	100.0	72,215	14,089	58,126	19.5	100.0	100.0	100.0
Addendum									
80-90	2,371	8.0	101,072	18,279	82,794	18.1	11.2	11.4	10.4
90-95	1,461	4.9	154,874	33,025	121,849	21.3	10.6	10.3	11.6
95-99	1,399	4.7	258,236	65,483	192,753	25.4	16.9	15.6	21.9
Top 1 Percent	413	1.4	1,255,047	410,587	844,460	32.7	24.2	20.2	40.6
Top 0.1 Percent	41	0.1	5,790,160	2,098,842	3,691,318	36.3	11.1	8.8	20.6

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0509-7).

Note: Elderly tax units are those with either head or spouse (if filing jointly) age 65 or older.

(1) Baseline is current law. Proposal extends all 2001 and 2003 individual income tax cuts; reduces the OASDI tax rate on employees to 4.2%; increases AMT exemption to \$74,450 for joint filers (\$48,450 for others) and allows personal non-refundable credits regardless of tentative AMT; and extends the following provisions: \$3,000 unindexed threshold for the refundable child tax credit; the \$5,000 (indexed for inflation after 2009) increase in the earned income tax credit plateau and the 45-percent credit rate for families with three or more qualifying children; the American Opportunity Tax Credit for education expenses; the above the line deduction for education expenses; the educator expense deduction; and the deduction for state and local general sales taxes. The proposal sets the effective exemption for the estate tax at \$5 million with a rate of 35 percent.

(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.