

**Table T10-0274**  
**Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 as Considered by the Senate**  
**Baseline: Current Policy**  
**Distribution of Federal Tax Change by Cash Income Level, 2011 <sup>1</sup>**  
**Summary Table**

Cash Income Level (thousands of 2009 dollars) <sup>2</sup>	Percent of Tax Units <sup>3</sup>		Percent Change in After-Tax Income <sup>4</sup>	Share of Total Federal Tax Change	Average Federal Tax Change (\$)	Average Federal Tax Rate <sup>5</sup>	
	With Tax Cut	With Tax Increase				Change (%) Points)	Under the Proposal
<b>Less than 10</b>	69.0	0.0	4.0	3.0	-226	-3.8	0.6
<b>10-20</b>	66.7	0.0	2.8	7.2	-412	-2.7	1.8
<b>20-30</b>	76.0	0.0	2.2	7.1	-510	-2.0	6.9
<b>30-40</b>	81.3	0.0	2.0	7.1	-637	-1.8	11.3
<b>40-50</b>	84.5	0.0	2.0	6.5	-776	-1.7	13.8
<b>50-75</b>	86.1	0.0	1.8	13.6	-979	-1.5	15.9
<b>75-100</b>	90.9	0.0	1.9	13.5	-1,378	-1.6	17.8
<b>100-200</b>	91.9	0.0	1.9	26.3	-2,147	-1.5	20.4
<b>200-500</b>	94.1	0.3	1.2	10.2	-2,853	-0.9	23.4
<b>500-1,000</b>	90.2	2.6	0.7	2.5	-3,859	-0.5	24.8
<b>More than 1,000</b>	88.4	4.1	0.4	2.8	-9,192	-0.3	29.3
<b>All</b>	79.9	0.0	1.7	100.0	-950	-1.3	19.1

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

Number of AMT Taxpayers (millions). Baseline: 4.6

Proposal: 4.3

(1) Baseline is current policy, which extends the 2001 and 2003 individual income tax cuts, indexes the AMT exemption, tax bracket threshold, and exemption phase-out threshold for inflation, allows personal nonrefundable credits regardless of tentative AMT, and extends 2009 estate tax law (\$3.5 million exemption and 45 percent rate). Proposal reduces the OASDI tax rate on employees to 4.2%; sets the AMT exemption at \$74,450 for joint filers (\$48,450 for others); 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) Includes both filing and non-filing units but excludes those that are dependents of other tax units.

(4) After-tax income is cash income less: individual income tax net of refundable credits; corporate income tax; payroll taxes (Social Security and Medicare); and estate tax.

(5) Average federal tax (includes individual and corporate income tax, payroll taxes for Social Security and Medicare, and the estate tax) as a percentage of average cash income.

**Table T10-0274**  
**Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 as Considered by the Senate**  
**Baseline: Current Policy**  
**Distribution of Federal Tax Change by Cash Income Level, 2011<sup>1</sup>**  
**Detail Table**

Cash Income Level (thousands of 2009 dollars) <sup>2</sup>	Percent of Tax Units <sup>3</sup>		Percent Change in After-Tax Income <sup>4</sup>	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate <sup>5</sup>	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (%) Points)	Under the Proposal	Change (%) Points)	Under the Proposal
<b>Less than 10</b>	69.0	0.0	4.0	3.0	-226	-86.8	-0.2	0.0	-3.8	0.6
<b>10-20</b>	66.7	0.0	2.8	7.2	-412	-59.4	-0.5	0.3	-2.7	1.8
<b>20-30</b>	76.0	0.0	2.2	7.1	-510	-22.4	-0.4	1.7	-2.0	6.9
<b>30-40</b>	81.3	0.0	2.0	7.1	-637	-13.6	-0.3	3.1	-1.8	11.3
<b>40-50</b>	84.5	0.0	2.0	6.5	-776	-10.9	-0.2	3.7	-1.7	13.8
<b>50-75</b>	86.1	0.0	1.8	13.6	-979	-8.8	-0.2	9.9	-1.5	15.9
<b>75-100</b>	90.9	0.0	1.9	13.5	-1,378	-8.0	-0.2	10.8	-1.6	17.8
<b>100-200</b>	91.9	0.0	1.9	26.3	-2,147	-6.7	-0.1	25.3	-1.5	20.4
<b>200-500</b>	94.1	0.3	1.2	10.2	-2,853	-3.9	0.5	17.8	-0.9	23.4
<b>500-1,000</b>	90.2	2.6	0.7	2.5	-3,859	-2.2	0.4	8.0	-0.5	24.8
<b>More than 1,000</b>	88.4	4.1	0.4	2.8	-9,192	-1.0	1.1	19.2	-0.3	29.3
<b>All</b>	79.9	0.0	1.7	100.0	-950	-6.5	0.0	100.0	-1.3	19.1

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Level, 2011<sup>1</sup>**

Cash Income Level (thousands of 2009 dollars) <sup>2</sup>	Tax Units <sup>3</sup>		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After- Tax Income <sup>4</sup> (Dollars)	Average Federal Tax Rate <sup>5</sup>	Share of Pre-	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
<b>Less than 10</b>	19,483	12.5	5,992	261	5,731	4.4	1.1	1.3	0.2
<b>10-20</b>	25,829	16.6	15,575	694	14,881	4.5	3.6	4.4	0.8
<b>20-30</b>	20,502	13.2	25,561	2,275	23,286	8.9	4.7	5.4	2.1
<b>30-40</b>	16,325	10.5	35,910	4,697	31,213	13.1	5.3	5.8	3.4
<b>40-50</b>	12,320	7.9	46,013	7,106	38,907	15.4	5.1	5.4	3.9
<b>50-75</b>	20,494	13.2	64,345	11,191	53,154	17.4	11.9	12.4	10.1
<b>75-100</b>	14,456	9.3	89,138	17,220	71,919	19.3	11.6	11.8	11.0
<b>100-200</b>	18,064	11.6	145,784	31,918	113,866	21.9	23.8	23.3	25.4
<b>200-500</b>	5,300	3.4	304,160	74,091	230,069	24.4	14.5	13.8	17.3
<b>500-1,000</b>	966	0.6	708,702	179,767	528,935	25.4	6.2	5.8	7.7
<b>More than 1,000</b>	451	0.3	3,086,398	912,163	2,174,235	29.6	12.6	11.1	18.1
<b>All</b>	155,368	100.0	71,362	14,611	56,751	20.5	100.0	100.0	100.0

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

Number of AMT Taxpayers (millions). Baseline: 4.6

Proposal: 4.3

(1) Baseline is current policy, which extends the 2001 and 2003 individual income tax cuts, indexes the AMT exemption, tax bracket threshold, and exemption phase-out threshold for inflation, allows personal nonrefundable credits regardless of tentative AMT, and extends 2009 estate tax law (\$3.5 million exemption and 45 percent rate). Proposal reduces the OASDI tax rate on employees to 4.2%; sets the AMT exemption at \$74,450 for joint filers (\$48,450 for others); 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) Includes both filing and non-filing units but excludes those that are dependents of other tax units.

(4) After-tax income is cash income less: individual income tax net of refundable credits; corporate income tax; payroll taxes (Social Security and Medicare); and estate tax.

(5) Average federal tax (includes individual and corporate income tax, payroll taxes for Social Security and Medicare, and the estate tax) as a percentage of average cash income.

**Table T10-0274**  
**Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 as Considered by the Senate**  
**Baseline: Current Policy**  
**Distribution of Federal Tax Change by Cash Income Level, 2011 <sup>1</sup>**  
**Detail Table - Single Tax Units**

Cash Income Level (thousands of 2009 dollars) <sup>2</sup>	Percent of Tax Units <sup>3</sup>		Percent Change in After-Tax Income <sup>4</sup>	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate <sup>5</sup>	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (%) Points)	Under the Proposal	Change (%) Points)	Under the Proposal
<b>Less than 10</b>	67.5	0.0	2.9	5.4	-155	-31.8	-0.3	0.9	-2.6	5.6
<b>10-20</b>	58.4	0.0	1.6	9.2	-231	-17.5	-0.4	3.3	-1.5	7.1
<b>20-30</b>	71.8	0.0	1.7	9.9	-365	-10.6	-0.3	6.3	-1.4	12.2
<b>30-40</b>	79.8	0.0	1.9	11.1	-561	-9.0	-0.2	8.5	-1.6	15.9
<b>40-50</b>	84.1	0.0	1.9	9.9	-704	-7.9	-0.1	8.7	-1.5	17.8
<b>50-75</b>	83.2	0.0	1.9	17.7	-956	-7.0	0.0	17.7	-1.5	20.0
<b>75-100</b>	85.6	0.0	1.9	10.5	-1,267	-6.1	0.1	12.3	-1.4	22.2
<b>100-200</b>	78.8	0.0	1.4	10.3	-1,516	-4.6	0.4	16.3	-1.1	22.5
<b>200-500</b>	79.6	1.6	1.5	6.1	-3,366	-4.3	0.3	10.2	-1.1	24.3
<b>500-1,000</b>	72.0	6.4	2.2	3.7	-11,432	-5.8	0.1	4.5	-1.6	25.9
<b>More than 1,000</b>	68.2	9.9	2.0	6.0	-40,039	-3.9	0.4	11.2	-1.3	32.3
<b>All</b>	71.7	0.0	1.8	100.0	-579	-7.0	0.0	100.0	-1.4	19.1

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Level, 2011 <sup>1</sup>**

Cash Income Level (thousands of 2009 dollars) <sup>2</sup>	Tax Units <sup>3</sup>		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After- Tax Income <sup>4</sup> (Dollars)	Average Federal Tax Rate <sup>5</sup>	Share of Pre- Tax Income	Share of Post- Tax Income	Share of Federal Taxes
	Number (thousands)	Percent of Total					Percent of Total	Percent of Total	Percent of Total
<b>Less than 10</b>	13,628	20.1	5,912	486	5,427	8.2	3.0	3.4	1.2
<b>10-20</b>	15,563	22.9	15,417	1,321	14,096	8.6	8.8	10.1	3.7
<b>20-30</b>	10,674	15.7	25,425	3,454	21,971	13.6	9.9	10.8	6.6
<b>30-40</b>	7,763	11.4	35,888	6,265	29,623	17.5	10.2	10.6	8.7
<b>40-50</b>	5,522	8.1	45,996	8,883	37,113	19.3	9.3	9.5	8.8
<b>50-75</b>	7,277	10.7	63,477	13,648	49,829	21.5	16.9	16.7	17.7
<b>75-100</b>	3,271	4.8	88,141	20,867	67,273	23.7	10.6	10.2	12.2
<b>100-200</b>	2,681	4.0	140,986	33,179	107,807	23.5	13.9	13.3	15.9
<b>200-500</b>	715	1.1	305,431	77,481	227,950	25.4	8.0	7.5	9.9
<b>500-1,000</b>	127	0.2	710,485	195,733	514,752	27.6	3.3	3.0	4.5
<b>More than 1,000</b>	59	0.1	3,061,313	1,028,809	2,032,504	33.6	6.6	5.5	10.8
<b>All</b>	67,885	100.0	40,203	8,250	31,953	20.5	100.0	100.0	100.0

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

(1) Baseline is current policy, which extends the 2001 and 2003 individual income tax cuts, indexes the AMT exemption, tax bracket threshold, and exemption phase-out threshold for inflation, allows personal nonrefundable credits regardless of tentative AMT, and extends 2009 estate tax law (\$3.5 million exemption and 45 percent rate). Proposal reduces the OASDI tax rate on employees to 4.2%; sets the AMT exemption at \$74,450 for joint filers (\$48,450 for others); 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) Includes both filing and non-filing units but excludes those that are dependents of other tax units.

(4) After-tax income is cash income less: individual income tax net of refundable credits; corporate income tax; payroll taxes (Social Security and Medicare); and estate tax.

(5) Average federal tax (includes individual and corporate income tax, payroll taxes for Social Security and Medicare, and the estate tax) as a percentage of average cash income.

**Table T10-0274**  
**Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 as Considered by the Senate**  
**Baseline: Current Policy**  
**Distribution of Federal Tax Change by Cash Income Level, 2011 <sup>1</sup>**  
**Detail Table - Married Tax Units Filing Jointly**

Cash Income Level (thousands of 2009 dollars) <sup>2</sup>	Percent of Tax Units <sup>3</sup>		Percent Change in After-Tax Income <sup>4</sup>	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate <sup>5</sup>	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (%) Points)	Under the Proposal	Change (%) Points)	Under the Proposal
<b>Less than 10</b>	54.8	0.0	4.1	0.6	-202	-112.8	0.0	0.0	-3.9	-0.5
<b>10-20</b>	66.9	0.0	3.0	2.5	-460	-109.3	-0.1	0.0	-2.9	-0.2
<b>20-30</b>	68.5	0.0	2.3	3.4	-571	-48.1	-0.2	0.2	-2.2	2.4
<b>30-40</b>	72.8	0.0	2.0	3.6	-662	-23.7	-0.2	0.7	-1.8	5.9
<b>40-50</b>	78.6	0.0	2.0	4.0	-812	-16.6	-0.2	1.2	-1.8	8.9
<b>50-75</b>	86.2	0.0	1.7	11.0	-935	-10.0	-0.3	5.7	-1.4	12.9
<b>75-100</b>	92.1	0.0	1.9	16.1	-1,389	-8.8	-0.4	9.7	-1.6	16.2
<b>100-200</b>	94.0	0.0	2.0	39.4	-2,278	-7.2	-0.6	29.3	-1.6	20.0
<b>200-500</b>	96.4	0.0	1.2	14.7	-2,800	-3.8	0.4	21.4	-0.9	23.3
<b>500-1,000</b>	93.2	1.8	0.5	2.6	-2,738	-1.5	0.4	9.6	-0.4	24.6
<b>More than 1,000</b>	92.0	2.9	0.2	2.0	-4,480	-0.5	1.1	22.1	-0.2	28.7
<b>All</b>	84.0	0.0	1.5	100.0	-1,386	-5.4	0.0	100.0	-1.2	20.2

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Level, 2011 <sup>1</sup>**

Cash Income Level (thousands of 2009 dollars) <sup>2</sup>	Tax Units <sup>3</sup>		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After- Tax Income <sup>4</sup> (Dollars)	Average Federal Tax Rate <sup>5</sup>	Share of Pre- Tax Income	Share of Post- Tax Income	Share of Federal Taxes
	Number (thousands)	Percent of Total					Percent of Total	Percent of Total	Percent of Total
<b>Less than 10</b>	2,458	4.0	5,127	179	4,949	3.5	0.2	0.2	0.0
<b>10-20</b>	4,484	7.4	15,988	421	15,567	2.6	1.0	1.2	0.1
<b>20-30</b>	4,950	8.1	25,691	1,187	24,503	4.6	1.8	2.1	0.4
<b>30-40</b>	4,548	7.5	36,079	2,790	33,289	7.7	2.3	2.7	0.8
<b>40-50</b>	4,111	6.8	46,138	4,905	41,233	10.6	2.6	3.0	1.3
<b>50-75</b>	9,868	16.2	65,232	9,324	55,908	14.3	8.9	9.7	6.0
<b>75-100</b>	9,751	16.0	89,728	15,881	73,847	17.7	12.1	12.6	10.0
<b>100-200</b>	14,579	24.0	147,153	31,713	115,440	21.6	29.6	29.5	29.9
<b>200-500</b>	4,418	7.3	304,072	73,680	230,393	24.2	18.5	17.9	21.0
<b>500-1,000</b>	807	1.3	708,944	177,412	531,532	25.0	7.9	7.5	9.3
<b>More than 1,000</b>	373	0.6	3,020,335	872,158	2,148,176	28.9	15.6	14.1	21.0
<b>All</b>	60,792	100.0	119,264	25,450	93,814	21.3	100.0	100.0	100.0

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

(1) Baseline is current policy, which extends the 2001 and 2003 individual income tax cuts, indexes the AMT exemption, tax bracket threshold, and exemption phase-out threshold for inflation, allows personal nonrefundable credits regardless of tentative AMT, and extends 2009 estate tax law (\$3.5 million exemption and 45 percent rate). Proposal reduces the OASDI tax rate on employees to 4.2%; sets the AMT exemption at \$74,450 for joint filers (\$48,450 for others); 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

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

(4) After-tax income is cash income less: individual income tax net of refundable credits; corporate income tax; payroll taxes (Social Security and Medicare); and estate tax.

(5) Average federal tax (includes individual and corporate income tax, payroll taxes for Social Security and Medicare, and the estate tax) as a percentage of average cash income.

**Table T10-0274**  
**Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 as Considered by the Senate**  
**Baseline: Current Policy**  
**Distribution of Federal Tax Change by Cash Income Level, 2011 <sup>1</sup>**  
**Detail Table - Head of Household Tax Units**

Cash Income Level (thousands of 2009 dollars) <sup>2</sup>	Percent of Tax Units <sup>3</sup>		Percent Change in After-Tax Income <sup>4</sup>	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate <sup>5</sup>	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (%) Points)	Under the Proposal	Change (%) Points)	Under the Proposal
Less than 10	86.1	0.0	7.3	8.0	-556	84.9	-2.3	-4.1	-8.0	-17.3
10-20	88.9	0.0	5.4	22.0	-895	93.3	-6.2	-10.6	-5.7	-11.8
20-30	92.9	0.0	3.1	16.1	-789	-145.5	-3.3	-1.2	-3.1	-1.0
30-40	93.9	0.0	2.4	12.5	-773	-22.3	-0.5	10.1	-2.2	7.5
40-50	94.6	0.0	2.2	9.4	-883	-13.5	0.9	13.9	-1.9	12.3
50-75	93.1	0.0	2.3	15.5	-1,194	-10.8	2.7	29.7	-1.9	15.6
75-100	95.6	0.0	2.3	8.7	-1,605	-9.1	2.2	20.1	-1.8	18.3
100-200	97.2	0.0	1.9	6.0	-1,938	-6.3	2.8	20.8	-1.4	21.3
200-500	93.7	1.3	1.0	1.2	-2,220	-3.2	1.4	8.8	-0.7	22.7
500-1,000	92.3	2.5	0.4	0.2	-2,212	-1.4	0.6	3.6	-0.3	23.6
More than 1,000	82.6	4.7	0.4	0.3	-7,417	-0.8	1.6	8.7	-0.3	29.8
All	91.5	0.0	2.8	100.0	-920	-18.9	0.0	100.0	-2.4	10.4

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Level, 2011 <sup>1</sup>**

Cash Income Level (thousands of 2009 dollars) <sup>2</sup>	Tax Units <sup>3</sup>		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After- Tax Income <sup>4</sup> (Dollars)	Average Federal Tax Rate <sup>5</sup>	Share of Pre- Tax Income	Share of Post- Tax Income	Share of Federal Taxes
	Number (thousands)	Percent of Total					Percent of Total	Percent of Total	Percent of Total
Less than 10	3,210	13.3	6,992	-655	7,647	-9.4	2.4	3.1	-1.8
10-20	5,467	22.6	15,684	-959	16,643	-6.1	9.3	11.3	-4.5
20-30	4,540	18.8	25,742	542	25,200	2.1	12.7	14.3	2.1
30-40	3,604	14.9	35,672	3,464	32,208	9.7	14.0	14.5	10.6
40-50	2,355	9.7	45,878	6,540	39,338	14.3	11.7	11.5	13.1
50-75	2,878	11.9	63,396	11,052	52,344	17.4	19.8	18.8	27.0
75-100	1,203	5.0	87,509	17,583	69,927	20.1	11.4	10.5	17.9
100-200	686	2.8	135,910	30,904	105,006	22.7	10.1	9.0	18.0
200-500	123	0.5	300,576	70,528	230,048	23.5	4.0	3.5	7.4
500-1,000	21	0.1	685,462	163,938	521,525	23.9	1.6	1.4	3.0
More than 1,000	9	0.0	3,016,510	907,299	2,109,211	30.1	3.0	2.4	7.1
All	24,178	100.0	38,064	4,875	33,189	12.8	100.0	100.0	100.0

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

(1) Baseline is current policy, which extends the 2001 and 2003 individual income tax cuts, indexes the AMT exemption, tax bracket threshold, and exemption phase-out threshold for inflation, allows personal nonrefundable credits regardless of tentative AMT, and extends 2009 estate tax law (\$3.5 million exemption and 45 percent rate). Proposal reduces the OASDI tax rate on employees to 4.2%; sets the AMT exemption at \$74,450 for joint filers (\$48,450 for others); 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) Includes both filing and non-filing units but excludes those that are dependents of other tax units.

(4) After-tax income is cash income less: individual income tax net of refundable credits; corporate income tax; payroll taxes (Social Security and Medicare); and estate tax.

(5) Average federal tax (includes individual and corporate income tax, payroll taxes for Social Security and Medicare, and the estate tax) as a percentage of average cash income.

**Table T10-0274**  
**Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 as Considered by the Senate**  
**Baseline: Current Policy**  
**Distribution of Federal Tax Change by Cash Income Level, 2011<sup>1</sup>**  
**Detail Table - Tax Units with Children**

Cash Income Level (thousands of 2009 dollars) <sup>2</sup>	Percent of Tax Units <sup>3</sup>		Percent Change in After-Tax Income <sup>4</sup>	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate <sup>5</sup>	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (%) Points)	Under the Proposal	Change (%) Points)	Under the Proposal
<b>Less than 10</b>	86.9	0.0	7.7	3.0	-580	64.7	-0.3	-0.7	-8.8	-22.3
<b>10-20</b>	96.1	0.0	6.0	8.9	-1,045	68.7	-0.9	-2.0	-6.6	-16.2
<b>20-30</b>	97.1	0.0	3.8	7.4	-980	663.7	-0.7	-0.8	-3.8	-4.4
<b>30-40</b>	97.2	0.0	2.9	6.3	-967	-34.3	-0.4	1.1	-2.7	5.2
<b>40-50</b>	97.0	0.0	2.7	5.7	-1,091	-18.9	-0.3	2.2	-2.4	10.2
<b>50-75</b>	96.5	0.0	2.3	11.7	-1,243	-12.1	-0.3	7.7	-1.9	14.0
<b>75-100</b>	98.4	0.0	2.3	13.7	-1,678	-10.3	-0.2	10.8	-1.9	16.4
<b>100-200</b>	99.1	0.0	2.3	30.1	-2,681	-8.3	0.0	30.1	-1.8	20.1
<b>200-500</b>	99.1	0.1	1.4	10.4	-3,101	-4.1	1.0	21.9	-1.0	23.9
<b>500-1,000</b>	98.6	0.6	0.6	1.7	-3,039	-1.6	0.6	9.4	-0.4	26.0
<b>More than 1,000</b>	96.1	1.4	0.2	0.9	-3,650	-0.4	1.6	20.1	-0.1	30.1
<b>All</b>	96.6	0.0	2.1	100.0	-1,510	-8.3	0.0	100.0	-1.7	18.5

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Level, 2011<sup>1</sup>**

Cash Income Level (thousands of 2009 dollars) <sup>2</sup>	Tax Units <sup>3</sup>		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After- Tax Income <sup>4</sup> (Dollars)	Average Federal Tax Rate <sup>5</sup>	Share of Pre- Tax Income	Share of Post- Tax Income	Share of Federal Taxes
	Number (thousands)	Percent of Total					Percent of Total	Percent of Total	
<b>Less than 10</b>	3,802	7.8	6,626	-897	7,522	-13.5	0.6	0.8	-0.4
<b>10-20</b>	6,286	12.9	15,820	-1,521	17,341	-9.6	2.3	3.1	-1.1
<b>20-30</b>	5,585	11.4	25,751	-148	25,898	-0.6	3.3	4.1	-0.1
<b>30-40</b>	4,840	9.9	35,828	2,818	33,010	7.9	3.9	4.6	1.5
<b>40-50</b>	3,830	7.8	45,994	5,766	40,228	12.5	4.0	4.4	2.5
<b>50-75</b>	6,945	14.2	64,798	10,285	54,512	15.9	10.2	10.8	8.0
<b>75-100</b>	6,016	12.3	89,302	16,299	73,003	18.3	12.2	12.5	11.0
<b>100-200</b>	8,298	17.0	147,100	32,263	114,837	21.9	27.7	27.1	30.1
<b>200-500</b>	2,472	5.1	302,766	75,342	227,424	24.9	17.0	16.0	21.0
<b>500-1,000</b>	414	0.9	710,942	187,621	523,321	26.4	6.7	6.2	8.7
<b>More than 1,000</b>	178	0.4	3,059,211	923,482	2,135,729	30.2	12.4	10.8	18.5
<b>All</b>	48,902	100.0	89,975	18,173	71,802	20.2	100.0	100.0	100.0

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 policy, which extends the 2001 and 2003 individual income tax cuts, indexes the AMT exemption, tax bracket threshold, and exemption phase-out threshold for inflation, allows personal nonrefundable credits regardless of tentative AMT, and extends 2009 estate tax law (\$3.5 million exemption and 45 percent rate). Proposal reduces the OASDI tax rate on employees to 4.2%; sets the AMT exemption at \$74,450 for joint filers (\$48,450 for others); 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) Includes both filing and non-filing units but excludes those that are dependents of other tax units.

(4) After-tax income is cash income less: individual income tax net of refundable credits; corporate income tax; payroll taxes (Social Security and Medicare); and estate tax.

(5) Average federal tax (includes individual and corporate income tax, payroll taxes for Social Security and Medicare, and the estate tax) as a percentage of average cash income.

**Table T10-0274**  
**Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 as Considered by the Senate**  
**Baseline: Current Policy**  
**Distribution of Federal Tax Change by Cash Income Level, 2011<sup>1</sup>**  
**Detail Table - Elderly Tax Units**

Cash Income Level (thousands of 2009 dollars) <sup>2</sup>	Percent of Tax Units <sup>3</sup>		Percent Change in After-Tax Income <sup>4</sup>	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate <sup>5</sup>	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (%) Points)	Under the Proposal	Change (%) Points)	Under the Proposal
<b>Less than 10</b>	16.9	0.0	0.5	0.7	-33	-18.2	0.0	0.1	-0.5	2.3
<b>10-20</b>	13.8	0.0	0.2	1.8	-31	-8.3	0.0	0.7	-0.2	2.2
<b>20-30</b>	22.2	0.0	0.2	2.2	-54	-5.3	0.0	1.3	-0.2	3.8
<b>30-40</b>	28.4	0.0	0.2	1.9	-77	-4.0	0.0	1.6	-0.2	5.2
<b>40-50</b>	34.2	0.0	0.4	2.6	-150	-5.2	0.0	1.6	-0.3	5.9
<b>50-75</b>	51.8	0.0	0.5	9.3	-262	-4.3	-0.1	7.0	-0.4	9.2
<b>75-100</b>	59.9	0.0	0.5	7.5	-371	-3.2	0.0	7.5	-0.4	12.6
<b>100-200</b>	59.6	0.0	0.6	18.6	-732	-2.9	0.1	21.4	-0.5	17.1
<b>200-500</b>	76.6	0.7	1.0	21.3	-2,402	-3.5	0.0	19.9	-0.8	21.8
<b>500-1,000</b>	70.4	7.6	1.2	12.1	-6,224	-3.6	0.0	10.9	-0.9	23.7
<b>More than 1,000</b>	68.7	11.1	1.1	21.9	-23,892	-2.6	0.2	27.9	-0.8	29.5
<b>All</b>	34.6	0.1	0.7	100.0	-394	-3.3	0.0	100.0	-0.6	16.1

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Level, 2011<sup>1</sup>**

Cash Income Level (thousands of 2009 dollars) <sup>2</sup>	Tax Units <sup>3</sup>		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After- Tax Income <sup>4</sup> (Dollars)	Average Federal Tax Rate <sup>5</sup>	Share of Pre-	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
<b>Less than 10</b>	2,517	8.5	6,521	179	6,342	2.8	0.8	0.9	0.1
<b>10-20</b>	6,646	22.4	15,554	379	15,175	2.4	4.8	5.7	0.7
<b>20-30</b>	4,645	15.7	25,360	1,024	24,336	4.0	5.5	6.3	1.3
<b>30-40</b>	2,955	10.0	35,803	1,931	33,872	5.4	4.9	5.6	1.6
<b>40-50</b>	2,048	6.9	46,230	2,886	43,343	6.2	4.4	5.0	1.7
<b>50-75</b>	4,138	14.0	63,797	6,112	57,685	9.6	12.3	13.4	7.1
<b>75-100</b>	2,347	7.9	88,272	11,476	76,796	13.0	9.7	10.1	7.5
<b>100-200</b>	2,969	10.0	145,766	25,677	120,089	17.6	20.2	20.0	21.3
<b>200-500</b>	1,035	3.5	305,561	68,917	236,643	22.6	14.8	13.7	20.0
<b>500-1,000</b>	228	0.8	698,096	171,507	526,590	24.6	7.4	6.7	10.9
<b>More than 1,000</b>	107	0.4	3,050,579	923,279	2,127,300	30.3	15.3	12.8	27.7
<b>All</b>	29,671	100.0	72,215	12,048	60,167	16.7	100.0	100.0	100.0

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 policy, which extends the 2001 and 2003 individual income tax cuts, indexes the AMT exemption, tax bracket threshold, and exemption phase-out threshold for inflation, allows personal nonrefundable credits regardless of tentative AMT, and extends 2009 estate tax law (\$3.5 million exemption and 45 percent rate). Proposal reduces the OASDI tax rate on employees to 4.2%; sets the AMT exemption at \$74,450 for joint filers (\$48,450 for others); 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.

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