

Table T11-0040
Administration's FY2012 Budget Proposals
Limit Itemized Deductions to 28 Percent
Baseline: Current Law
Distribution of Federal Tax Change by Cash Income Level, 2012 ¹
Summary Table

Cash Income Level (thousands of 2009 dollars) ²	Percent of Tax Units ³		Percent Change in After-Tax Income ⁴	Share of Total Federal Tax Change	Average Federal Tax Change (\$)	Average Federal Tax Rate ⁵	
	With Tax Cut	With Tax Increase				Change (%) Points)	Under the Proposal
Less than 10	0.0	0.0	0.0	0.0	0	0.0	2.7
10-20	0.0	0.0	0.0	0.0	0	0.0	2.9
20-30	0.0	0.0	0.0	0.0	0	0.0	8.0
30-40	0.0	0.0	0.0	0.0	0	0.0	12.5
40-50	0.0	0.0	0.0	0.0	0	0.0	15.4
50-75	0.0	0.0	0.0	0.0	0	0.0	18.0
75-100	0.0	0.0	0.0	0.0	0	0.0	20.3
100-200	0.0	0.1	0.0	0.1	0	0.0	23.5
200-500	0.0	23.3	-0.1	11.6	266	0.1	26.2
500-1,000	0.0	78.5	-0.5	19.4	2,473	0.4	26.0
More than 1,000	0.1	87.4	-0.8	68.9	17,322	0.6	30.4
All	0.0	1.7	-0.1	100.0	84	0.1	21.5

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

Number of AMT Taxpayers (millions). Baseline: 37.1

Proposal: 37.0

(1) Calendar year. Baseline is current law. Proposal would limit the value of itemized deductions to 28 percent and apply a similar limitation to the alternative minimum tax. Limitation would apply only to taxpayers with taxable income above \$200,000 (single), \$250,000 (married), or \$225,000 (head of household), indexed for inflation after 2009, less the standard deduction and one personal exemption (two if married).

(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 T11-0040
Administration's FY2012 Budget Proposals
Limit Itemized Deductions to 28 Percent
Baseline: Current Law
Distribution of Federal Tax Change by Cash Income Level, 2012 ¹
Detail Table

Cash Income Level (thousands of 2009 dollars) ²	Percent of Tax Units ³		Percent Change in After-Tax Income ⁴	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁵	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Less than 10	0.0	0.0	0.0	0.0	0	0.0	0.0	0.1	0.0	2.7
10-20	0.0	0.0	0.0	0.0	0	0.0	0.0	0.4	0.0	2.9
20-30	0.0	0.0	0.0	0.0	0	0.0	0.0	1.8	0.0	8.0
30-40	0.0	0.0	0.0	0.0	0	0.0	0.0	2.9	0.0	12.5
40-50	0.0	0.0	0.0	0.0	0	0.0	0.0	3.6	0.0	15.4
50-75	0.0	0.0	0.0	0.0	0	0.0	-0.1	10.3	0.0	18.0
75-100	0.0	0.0	0.0	0.0	0	0.0	-0.1	10.2	0.0	20.3
100-200	0.0	0.1	0.0	0.1	0	0.0	-0.1	25.6	0.0	23.5
200-500	0.0	23.3	-0.1	11.6	266	0.3	0.0	17.7	0.1	26.2
500-1,000	0.0	78.5	-0.5	19.4	2,473	1.4	0.1	7.5	0.4	26.0
More than 1,000	0.1	87.4	-0.8	68.9	17,322	1.9	0.3	19.7	0.6	30.4
All	0.0	1.7	-0.1	100.0	84	0.5	0.0	100.0	0.1	21.5

Baseline Distribution of Income and Federal Taxes
by Cash Income Level, 2012 ¹

Cash Income Level (thousands of 2009 dollars) ²	Tax Units ³		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After- Tax Income ⁴ (Dollars)	Average Federal Tax Rate ⁵	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	17,312	11.0	5,740	156	5,584	2.7	0.8	1.0	0.1
10-20	24,697	15.7	15,548	446	15,102	2.9	3.3	4.0	0.4
20-30	21,652	13.8	25,815	2,065	23,749	8.0	4.7	5.6	1.8
30-40	16,234	10.3	36,228	4,543	31,685	12.5	5.0	5.6	2.9
40-50	12,917	8.2	46,559	7,148	39,411	15.4	5.1	5.5	3.7
50-75	22,699	14.4	64,055	11,500	52,555	18.0	12.3	12.9	10.3
75-100	14,156	9.0	90,186	18,348	71,838	20.3	10.8	11.0	10.3
100-200	19,612	12.5	141,017	33,164	107,853	23.5	23.5	22.8	25.8
200-500	5,778	3.7	297,117	77,435	219,682	26.1	14.6	13.7	17.7
500-1,000	1,040	0.7	704,874	180,518	524,356	25.6	6.2	5.9	7.4
More than 1,000	527	0.3	3,114,806	928,825	2,185,981	29.8	13.9	12.4	19.4
All	157,348	100.0	74,905	16,040	58,865	21.4	100.0	100.0	100.0

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

Number of AMT Taxpayers (millions). Baseline: 37.1

Proposal: 37.1

(1) Calendar year. Baseline is current law. Proposal would limit the value of itemized deductions to 28 percent and apply a similar limitation to the alternative minimum tax. Limitation would apply only to taxpayers with taxable income above \$200,000 (single), \$250,000 (married), or \$225,000 (head of household), indexed for inflation after 2009, less the standard deduction and one personal exemption (two if married).

(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 T11-0040
Administration's FY2012 Budget Proposals
Limit Itemized Deductions to 28 Percent
Baseline: Current Law
Distribution of Federal Tax Change by Cash Income Level, 2012¹
Detail Table - Single Tax Units

Cash Income Level (thousands of 2009 dollars) ²	Percent of Tax Units ³		Percent Change in After-Tax Income ⁴	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁵	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Less than 10	0.0	0.0	0.0	0.0	0	0.0	0.0	0.8	0.0	6.9
10-20	0.0	0.0	0.0	0.0	0	0.0	0.0	2.9	0.0	7.8
20-30	0.0	0.0	0.0	0.0	0	0.0	0.0	6.2	0.0	13.1
30-40	0.0	0.0	0.0	0.0	0	0.0	0.0	7.7	0.0	17.1
40-50	0.0	0.0	0.0	0.0	0	0.0	0.0	8.7	0.0	19.1
50-75	0.0	0.0	0.0	0.0	0	0.0	-0.1	19.1	0.0	21.5
75-100	0.0	0.0	0.0	0.0	0	0.0	0.0	11.6	0.0	23.8
100-200	0.0	0.0	0.0	0.0	0	0.0	-0.1	17.4	0.0	24.4
200-500	0.0	34.0	-0.1	13.1	289	0.4	0.0	9.7	0.1	25.4
500-1,000	0.0	73.1	-0.5	18.8	2,372	1.3	0.0	4.2	0.3	27.0
More than 1,000	0.1	82.9	-0.8	68.1	15,581	1.7	0.2	11.6	0.5	32.2
All	0.0	0.6	-0.1	100.0	25	0.3	0.0	100.0	0.1	20.7

Baseline Distribution of Income and Federal Taxes
by Cash Income Level, 2012¹

Cash Income Level (thousands of 2009 dollars) ²	Tax Units ³		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After- Tax Income ⁴ (Dollars)	Average Federal Tax Rate ⁵	Share of Pre- Tax Income	Share of Post- Tax Income	Share of Federal Taxes
	Number (thousands)	Percent of Total					Percent of Total	Percent of Total	Percent of Total
Less than 10	12,339	17.9	5,702	395	5,307	6.9	2.4	2.8	0.8
10-20	15,074	21.9	15,388	1,192	14,196	7.8	7.8	9.1	2.9
20-30	11,420	16.6	25,653	3,347	22,306	13.1	9.9	10.8	6.3
30-40	7,675	11.1	36,154	6,189	29,965	17.1	9.3	9.8	7.8
40-50	5,979	8.7	46,529	8,886	37,643	19.1	9.4	9.5	8.7
50-75	8,606	12.5	63,176	13,595	49,581	21.5	18.3	18.1	19.1
75-100	3,332	4.8	89,421	21,265	68,156	23.8	10.0	9.6	11.6
100-200	3,161	4.6	138,347	33,756	104,592	24.4	14.7	14.0	17.4
200-500	777	1.1	301,624	76,359	225,265	25.3	7.9	7.4	9.7
500-1,000	135	0.2	699,552	186,739	512,813	26.7	3.2	2.9	4.1
More than 1,000	75	0.1	2,969,061	941,733	2,027,328	31.7	7.5	6.4	11.5
All	68,932	100.0	43,096	8,875	34,221	20.6	100.0	100.0	100.0

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

(1) Calendar year. Baseline is current law. Proposal would limit the value of itemized deductions to 28 percent and apply a similar limitation to the alternative minimum tax. Limitation would apply only to taxpayers with taxable income above \$200,000 (single), \$250,000 (married), or \$225,000 (head of household), indexed for inflation after 2009, less the standard deduction and one personal exemption (two if married).

(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 T11-0040
Administration's FY2012 Budget Proposals
Limit Itemized Deductions to 28 Percent
Baseline: Current Law
Distribution of Federal Tax Change by Cash Income Level, 2012¹
Detail Table - Married Tax Units Filing Jointly

Cash Income Level (thousands of 2009 dollars) ²	Percent of Tax Units ³		Percent Change in After-Tax Income ⁴	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁵	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Less than 10	0.0	0.0	0.0	0.0	0	0.0	0.0	0.0	0.0	2.0
10-20	0.0	0.0	0.0	0.0	0	0.0	0.0	0.0	0.0	0.9
20-30	0.0	0.0	0.0	0.0	0	0.0	0.0	0.3	0.0	3.5
30-40	0.0	0.0	0.0	0.0	0	0.0	0.0	0.7	0.0	7.0
40-50	0.0	0.0	0.0	0.0	0	0.0	0.0	1.1	0.0	9.9
50-75	0.0	0.0	0.0	0.0	0	0.0	0.0	5.6	0.0	14.6
75-100	0.0	0.0	0.0	0.0	0	0.0	-0.1	9.1	0.0	18.8
100-200	0.0	0.0	0.0	0.0	0	0.0	-0.2	29.5	0.0	23.3
200-500	0.0	21.1	-0.1	11.5	258	0.3	-0.1	21.6	0.1	26.3
500-1,000	0.0	79.2	-0.5	20.1	2,490	1.4	0.1	9.2	0.4	25.8
More than 1,000	0.1	88.2	-0.8	68.5	17,147	1.9	0.3	22.9	0.6	30.0
All	0.0	3.4	-0.2	100.0	176	0.6	0.0	100.0	0.1	22.8

Baseline Distribution of Income and Federal Taxes
by Cash Income Level, 2012¹

Cash Income Level (thousands of 2009 dollars) ²	Tax Units ³		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After- Tax Income ⁴ (Dollars)	Average Federal Tax Rate ⁵	Share of Pre- Tax Income	Share of Post- Tax Income	Share of Federal Taxes
	Number (thousands)	Percent of Total					Percent of Total	Percent of Total	Percent of Total
Less than 10	2,234	3.6	4,855	97	4,758	2.0	0.1	0.2	0.0
10-20	4,170	6.8	16,049	140	15,909	0.9	0.9	1.1	0.0
20-30	4,955	8.1	25,947	898	25,049	3.5	1.7	2.1	0.3
30-40	4,507	7.4	36,385	2,529	33,855	7.0	2.2	2.6	0.7
40-50	4,093	6.7	46,670	4,636	42,034	9.9	2.5	2.9	1.1
50-75	10,218	16.7	65,116	9,486	55,629	14.6	8.7	9.7	5.6
75-100	9,299	15.2	90,700	17,038	73,662	18.8	11.1	11.6	9.2
100-200	15,488	25.2	142,026	33,030	108,996	23.3	28.9	28.7	29.6
200-500	4,807	7.8	296,329	77,657	218,672	26.2	18.7	17.9	21.6
500-1,000	872	1.4	705,965	179,674	526,290	25.5	8.1	7.8	9.1
More than 1,000	432	0.7	3,076,442	906,168	2,170,274	29.5	17.4	15.9	22.7
All	61,357	100.0	124,139	28,132	96,007	22.7	100.0	100.0	100.0

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

(1) Calendar year. Baseline is current law. Proposal would limit the value of itemized deductions to 28 percent and apply a similar limitation to the alternative minimum tax. Limitation would apply only to taxpayers with taxable income above \$200,000 (single), \$250,000 (married), or \$225,000 (head of household), indexed for inflation after 2009, less the standard deduction and one personal exemption (two if married).

(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 T11-0040
Administration's FY2012 Budget Proposals
Limit Itemized Deductions to 28 Percent
Baseline: Current Law
Distribution of Federal Tax Change by Cash Income Level, 2012¹
Detail Table - Head of Household Tax Units

Cash Income Level (thousands of 2009 dollars) ²	Percent of Tax Units ³		Percent Change in After-Tax Income ⁴	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁵	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Less than 10	0.0	0.0	0.0	0.0	0	0.0	0.0	-1.9	0.0	-14.4
10-20	0.0	0.0	0.0	0.0	0	0.0	0.0	-6.1	0.0	-10.2
20-30	0.0	0.0	0.0	0.0	0	0.0	0.0	0.4	0.0	0.4
30-40	0.0	0.0	0.0	0.0	0	0.0	0.0	9.0	0.0	9.1
40-50	0.0	0.0	0.0	0.0	0	0.0	0.0	12.6	0.0	14.5
50-75	0.0	0.0	0.0	0.0	0	0.0	-0.1	29.5	0.0	18.6
75-100	0.0	0.0	0.0	0.0	0	0.0	0.0	18.5	0.0	22.1
100-200	0.0	0.0	0.0	0.0	0	0.0	0.0	19.8	0.0	24.6
200-500	0.0	22.9	-0.1	13.6	231	0.3	0.0	7.9	0.1	24.9
500-1,000	0.0	78.1	-0.4	21.3	2,289	1.4	0.0	2.9	0.3	24.6
More than 1,000	0.0	88.5	-0.7	65.1	14,697	1.6	0.1	7.3	0.5	30.8
All	0.0	0.3	0.0	100.0	10	0.2	0.0	100.0	0.0	13.5

Baseline Distribution of Income and Federal Taxes
by Cash Income Level, 2012¹

Cash Income Level (thousands of 2009 dollars) ²	Tax Units ³		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After- Tax Income ⁴ (Dollars)	Average Federal Tax Rate ⁵	Share of Pre- Tax Income	Share of Post- Tax Income	Share of Federal Taxes
	Number (thousands)	Percent of Total					Percent of Total	Percent of Total	Percent of Total
Less than 10	2,591	10.6	6,700	-963	7,663	-14.4	1.7	2.3	-1.9
10-20	5,154	21.0	15,615	-1,588	17,203	-10.2	8.1	10.3	-6.1
20-30	4,929	20.1	26,048	109	25,938	0.4	12.9	14.8	0.4
30-40	3,666	14.9	36,129	3,296	32,834	9.1	13.3	13.9	9.0
40-50	2,515	10.3	46,554	6,758	39,796	14.5	11.7	11.6	12.6
50-75	3,380	13.8	63,109	11,766	51,343	18.6	21.4	20.1	29.6
75-100	1,265	5.2	88,944	19,661	69,283	22.1	11.3	10.1	18.5
100-200	815	3.3	133,109	32,732	100,377	24.6	10.9	9.5	19.8
200-500	144	0.6	297,557	73,897	223,660	24.8	4.3	3.7	7.9
500-1,000	23	0.1	690,153	167,328	522,825	24.3	1.6	1.4	2.8
More than 1,000	11	0.0	2,968,549	899,093	2,069,456	30.3	3.2	2.6	7.2
All	24,547	100.0	40,709	5,481	35,228	13.5	100.0	100.0	100.0

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

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Limit Itemized Deductions to 28 Percent
Baseline: Current Law
Distribution of Federal Tax Change by Cash Income Level, 2012 ¹
Detail Table - Tax Units with Children

Cash Income Level (thousands of 2009 dollars) ²	Percent of Tax Units ³		Percent Change in After-Tax Income ⁴	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁵	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Less than 10	0.0	0.0	0.0	0.0	0	0.0	0.0	-0.4	0.0	-19.0
10-20	0.0	0.0	0.0	0.0	0	0.0	0.0	-1.4	0.0	-14.6
20-30	0.0	0.0	0.0	0.0	0	0.0	0.0	-0.5	0.0	-3.0
30-40	0.0	0.0	0.0	0.0	0	0.0	0.0	1.2	0.0	6.8
40-50	0.0	0.0	0.0	0.0	0	0.0	0.0	2.2	0.0	12.3
50-75	0.0	0.0	0.0	0.0	0	0.0	-0.1	8.2	0.0	16.9
75-100	0.0	0.0	0.0	0.0	0	0.0	-0.1	10.7	0.0	20.4
100-200	0.0	0.0	0.0	0.0	0	0.0	-0.2	30.3	0.0	24.1
200-500	0.0	21.7	-0.1	13.6	292	0.4	0.0	21.2	0.1	27.1
500-1,000	0.0	87.2	-0.6	22.0	2,854	1.5	0.1	8.5	0.4	27.3
More than 1,000	0.0	93.3	-0.8	64.4	18,043	1.9	0.3	19.8	0.6	31.2
All	0.0	2.3	-0.2	100.0	116	0.6	0.0	100.0	0.1	21.7

Baseline Distribution of Income and Federal Taxes
by Cash Income Level, 2012 ¹

Cash Income Level (thousands of 2009 dollars) ²	Tax Units ³		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After- Tax Income ⁴ (Dollars)	Average Federal Tax Rate ⁵	Share of Pre- Tax Income	Share of Post- Tax Income	Share of Federal Taxes
	Number (thousands)	Percent of Total					Percent of Total	Percent of Total	
Less than 10	3,083	6.3	6,320	-1,200	7,520	-19.0	0.4	0.6	-0.4
10-20	5,815	11.8	15,806	-2,311	18,118	-14.6	2.0	2.9	-1.4
20-30	5,901	12.0	26,013	-769	26,782	-3.0	3.3	4.4	-0.5
30-40	4,869	9.9	36,200	2,451	33,748	6.8	3.8	4.6	1.2
40-50	3,878	7.9	46,599	5,745	40,854	12.3	3.9	4.4	2.2
50-75	7,541	15.3	64,350	10,840	53,510	16.9	10.6	11.2	8.2
75-100	5,764	11.7	90,504	18,459	72,045	20.4	11.4	11.5	10.7
100-200	8,849	18.0	141,489	34,139	107,350	24.1	27.3	26.4	30.4
200-500	2,661	5.4	294,315	79,382	214,934	27.0	17.0	15.9	21.3
500-1,000	441	0.9	703,453	189,156	514,298	26.9	6.8	6.3	8.4
More than 1,000	204	0.4	3,108,044	952,100	2,155,944	30.6	13.8	12.2	19.6
All	49,155	100.0	93,484	20,195	73,289	21.6	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) Calendar year. Baseline is current law. Proposal would limit the value of itemized deductions to 28 percent and apply a similar limitation to the alternative minimum tax. Limitation would apply only to taxpayers with taxable income above \$200,000 (single), \$250,000 (married), or \$225,000 (head of household), indexed for inflation after 2009, less the standard deduction and one personal exemption (two if married).

(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 T11-0040
Administration's FY2012 Budget Proposals
Limit Itemized Deductions to 28 Percent
Baseline: Current Law
Distribution of Federal Tax Change by Cash Income Level, 2012 ¹
Detail Table - Elderly Tax Units

Cash Income Level (thousands of 2009 dollars) ²	Percent of Tax Units ³		Percent Change in After-Tax Income ⁴	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁵	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Less than 10	0.0	0.0	0.0	0.0	0	0.0	0.0	0.1	0.0	2.9
10-20	0.0	0.0	0.0	0.0	0	0.0	0.0	0.6	0.0	2.5
20-30	0.0	0.0	0.0	0.0	0	0.0	0.0	1.4	0.0	4.3
30-40	0.0	0.0	0.0	0.0	0	0.0	0.0	1.6	0.0	5.9
40-50	0.0	0.0	0.0	0.0	0	0.0	0.0	1.7	0.0	6.6
50-75	0.0	0.0	0.0	0.0	0	0.0	-0.1	7.1	0.0	10.1
75-100	0.0	0.0	0.0	0.0	0	0.0	-0.1	7.3	0.0	13.4
100-200	0.0	0.1	0.0	0.0	0	0.0	-0.1	19.2	0.0	18.5
200-500	0.0	22.3	-0.1	7.1	191	0.3	-0.1	19.7	0.1	23.5
500-1,000	0.1	67.8	-0.3	14.0	1,730	1.0	0.0	10.6	0.2	24.7
More than 1,000	0.1	85.4	-0.8	78.9	18,072	2.0	0.4	30.7	0.6	30.6
All	0.0	1.7	-0.2	100.0	99	0.8	0.0	100.0	0.1	17.6

Baseline Distribution of Income and Federal Taxes
by Cash Income Level, 2012 ¹

Cash Income Level (thousands of 2009 dollars) ²	Tax Units ³		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After- Tax Income ⁴ (Dollars)	Average Federal Tax Rate ⁵	Share of Pre- Tax Income	Share of Post- Tax Income	Share of Federal Taxes
	Number (thousands)	Percent of Total					Percent of Total	Percent of Total	
Less than 10	2,320	7.6	6,373	185	6,189	2.9	0.6	0.8	0.1
10-20	6,471	21.2	15,653	390	15,263	2.5	4.4	5.2	0.6
20-30	5,095	16.7	25,549	1,107	24,442	4.3	5.6	6.5	1.4
30-40	2,996	9.8	36,070	2,133	33,937	5.9	4.7	5.3	1.6
40-50	2,253	7.4	46,527	3,054	43,473	6.6	4.5	5.1	1.7
50-75	4,442	14.5	64,493	6,510	57,983	10.1	12.4	13.5	7.2
75-100	2,467	8.1	89,209	11,950	77,259	13.4	9.5	10.0	7.3
100-200	2,980	9.8	141,614	26,147	115,468	18.5	18.3	18.1	19.3
200-500	1,119	3.7	304,594	71,350	233,245	23.4	14.8	13.7	19.8
500-1,000	244	0.8	710,007	173,918	536,089	24.5	7.5	6.9	10.5
More than 1,000	132	0.4	3,095,739	927,763	2,167,976	30.0	17.7	15.0	30.3
All	30,543	100.0	75,561	13,196	62,365	17.5	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) Calendar year. Baseline is current law. Proposal would limit the value of itemized deductions to 28 percent and apply a similar limitation to the alternative minimum tax. Limitation would apply only to taxpayers with taxable income above \$200,000 (single), \$250,000 (married), or \$225,000 (head of household), indexed for inflation after 2009, less the standard deduction and one personal exemption (two if married).

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(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.