

**Table T11-0051**  
**Administration's FY2012 Budget Proposals**  
**Estate Tax Provisions**  
**Baseline: Current Policy**  
**Distribution of Federal Tax Change by Cash Income Percentile, 2013<sup>1</sup>**  
**Summary Table**

Cash Income Percentile <sup>2,3</sup>	Percent of Tax Units <sup>4</sup>		Percent Change in After-Tax Income <sup>5</sup>	Share of Total Federal Tax Change	Average Federal Tax Change (\$)	Average Federal Tax Rate <sup>6</sup>	
	With Tax Cut	With Tax Increase				Change (%) Points)	Under the Proposal
Lowest Quintile	0.0	0.0	0.0	0.1	0	0.0	2.9
Second Quintile	0.0	0.0	0.0	0.0	0	0.0	9.8
Middle Quintile	0.0	0.0	0.0	1.3	3	0.0	16.3
Fourth Quintile	0.0	0.0	0.0	3.5	11	0.0	19.4
Top Quintile	0.0	0.0	-0.2	94.5	344	0.1	26.1
All	0.0	0.0	-0.1	100.0	54	0.1	21.4
<b>Addendum</b>							
80-90	0.0	0.0	0.0	3.5	25	0.0	22.0
90-95	0.0	0.0	0.0	4.2	63	0.0	23.4
95-99	0.0	0.1	-0.2	22.9	419	0.1	25.6
Top 1 Percent	0.0	0.3	-0.3	63.8	4,603	0.2	30.7
Top 0.1 Percent	0.0	0.5	-0.4	30.6	21,729	0.2	33.8

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

Number of AMT Taxpayers (millions). Baseline: 5.2

Proposal: 5.2

(1) Calendar year. Baseline is current policy, which assumes that all the temporary provisions in place for calendar year 2011 are extended, with the exception of the payroll tax cut, and indexes the AMT exemption level after 2011. Proposal would set the estate tax at its 2009 level (\$3.5M exemption, 45% rate) and modify certain valuation discount rules.

(2) Tax units with negative cash income are excluded from the lowest income class but are included in the totals. For a description of cash income, see <http://www.taxpolicycenter.org/TaxModel/income.cfm>

(3) The cash income percentile classes used in this table are based on the income distribution for the entire population and contain an equal number of people, not tax units. The breaks are (in 2009 dollars): 20% \$19,829, 40% \$38,180, 60% \$66,963, 80% \$114,669, 90% \$167,030, 95% \$236,580, 99% \$643,739, 99.9% \$2,961,299.

(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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**Estate Tax Provisions**  
**Baseline: Current Policy**  
**Distribution of Federal Tax Change by Cash Income Percentile, 2013 <sup>1</sup>**  
**Detail Table**

Cash Income Percentile <sup>2,3</sup>	Percent of Tax Units <sup>4</sup>		Percent Change in After-Tax Income <sup>5</sup>	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate <sup>6</sup>	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (%) Points)	Under the Proposal	Change (%) Points)	Under the Proposal
Lowest Quintile	0.0	0.0	0.0	0.1	0	0.1	0.0	0.5	0.0	2.9
Second Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	3.8	0.0	9.8
Middle Quintile	0.0	0.0	0.0	1.3	3	0.0	0.0	10.4	0.0	16.3
Fourth Quintile	0.0	0.0	0.0	3.5	11	0.1	-0.1	17.7	0.0	19.4
Top Quintile	0.0	0.0	-0.2	94.5	344	0.5	0.1	67.5	0.1	26.1
All	0.0	0.0	-0.1	100.0	54	0.3	0.0	100.0	0.1	21.4
<b>Addendum</b>										
80-90	0.0	0.0	0.0	3.5	25	0.1	0.0	13.9	0.0	22.0
90-95	0.0	0.0	0.0	4.2	63	0.1	0.0	10.3	0.0	23.4
95-99	0.0	0.1	-0.2	22.9	419	0.5	0.0	16.3	0.1	25.6
Top 1 Percent	0.0	0.3	-0.3	63.8	4,603	0.8	0.1	27.0	0.2	30.7
Top 0.1 Percent	0.0	0.5	-0.4	30.6	21,729	0.7	0.1	13.7	0.2	33.8

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Percentile, 2013 <sup>1</sup>**

Cash Income Percentile <sup>2,3</sup>	Tax Units <sup>4</sup>		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After- Tax Income <sup>5</sup> (Dollars)	Average Federal Tax Rate <sup>6</sup>	Share of Pre- Tax Income	Share of Post- Tax Income	Share of Federal Taxes
	Number (thousands)	Percent of Total					Percent of Total	Percent of Total	Percent of Total
Lowest Quintile	40,401	25.3	11,561	332	11,229	2.9	3.7	4.6	0.5
Second Quintile	35,545	22.3	29,518	2,882	26,636	9.8	8.3	9.5	3.8
Middle Quintile	32,339	20.3	53,265	8,701	44,564	16.3	13.6	14.4	10.4
Fourth Quintile	27,031	16.9	91,335	17,715	73,620	19.4	19.5	20.0	17.8
Top Quintile	23,705	14.9	295,351	76,701	218,650	26.0	55.2	52.0	67.4
All	159,683	100.0	79,379	16,896	62,484	21.3	100.0	100.0	100.0
<b>Addendum</b>									
80-90	11,940	7.5	142,598	31,381	111,217	22.0	13.4	13.3	13.9
90-95	5,860	3.7	204,431	47,703	156,728	23.3	9.5	9.2	10.4
95-99	4,707	3.0	366,652	93,396	273,256	25.5	13.6	12.9	16.3
Top 1 Percent	1,197	0.8	1,983,475	604,992	1,378,483	30.5	18.7	16.5	26.9
Top 0.1 Percent	122	0.1	9,019,082	3,028,181	5,990,901	33.6	8.7	7.3	13.7

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

Number of AMT Taxpayers (millions). Baseline: 5.2 Proposal: 5.2

(1) Calendar year. Baseline is current policy, which assumes that all the temporary provisions in place for calendar year 2011 are extended, with the exception of the payroll tax cut, and indexes the AMT exemption level after 2011. Proposal would set the estate tax at its 2009 level (\$3.5M exemption, 45% rate) and modify certain valuation discount rules.

(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 breaks are (in 2009 dollars): 20% \$19,829, 40% \$38,180, 60% \$66,963, 80% \$114,669, 90% \$167,030, 95% \$236,580, 99% \$643,739, 99.9% \$2,961,299.

(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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**Estate Tax Provisions**  
**Baseline: Current Policy**  
**Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2013 <sup>1</sup>**  
**Detail Table**

Cash Income Percentile <sup>2,3</sup>	Percent of Tax Units <sup>4</sup>		Percent Change in After-Tax Income <sup>5</sup>	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate <sup>6</sup>	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (%) Points)	Under the Proposal	Change (%) Points)	Under the Proposal
Lowest Quintile	0.0	0.0	0.0	0.0	0	-0.1	0.0	-0.2	0.0	-1.5
Second Quintile	0.0	0.0	0.0	0.1	0	0.0	0.0	2.6	0.0	7.9
Middle Quintile	0.0	0.0	0.0	0.1	0	0.0	0.0	8.3	0.0	14.9
Fourth Quintile	0.0	0.0	0.0	1.6	5	0.0	-0.1	16.9	0.0	18.9
Top Quintile	0.0	0.0	-0.2	97.6	278	0.4	0.1	72.3	0.1	26.0
All	0.0	0.0	-0.1	100.0	54	0.3	0.0	100.0	0.1	21.4
<b>Addendum</b>										
80-90	0.0	0.0	0.0	2.6	15	0.1	0.0	15.2	0.0	22.2
90-95	0.0	0.0	0.0	2.8	32	0.1	0.0	11.6	0.0	23.5
95-99	0.0	0.1	-0.1	14.2	204	0.3	0.0	17.5	0.1	25.3
Top 1 Percent	0.0	0.4	-0.4	78.0	4,662	0.9	0.2	28.0	0.3	30.5
Top 0.1 Percent	0.0	0.7	-0.4	36.5	21,835	0.8	0.1	14.2	0.3	33.5

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Percentile Adjusted for Family Size, 2013 <sup>1</sup>**

Cash Income Percentile <sup>2,3</sup>	Tax Units <sup>4</sup>		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After- Tax Income <sup>5</sup> (Dollars)	Average Federal Tax Rate <sup>6</sup>	Share of Pre- Tax Income	Share of Post- Tax Income	Share of Federal Taxes
	Number (thousands)	Percent of Total					Percent of Total	Percent of Total	Percent of Total
Lowest Quintile	33,459	21.0	10,833	-166	11,000	-1.5	2.9	3.7	-0.2
Second Quintile	32,885	20.6	26,816	2,127	24,689	7.9	7.0	8.1	2.6
Middle Quintile	31,869	20.0	47,152	7,039	40,113	14.9	11.9	12.8	8.3
Fourth Quintile	30,496	19.1	79,522	15,026	64,497	18.9	19.1	19.7	17.0
Top Quintile	30,312	19.0	248,646	64,245	184,401	25.8	59.5	56.0	72.2
All	159,683	100.0	79,379	16,896	62,484	21.3	100.0	100.0	100.0
<b>Addendum</b>									
80-90	15,281	9.6	121,325	26,925	94,399	22.2	14.6	14.5	15.3
90-95	7,600	4.8	174,872	41,114	133,758	23.5	10.5	10.2	11.6
95-99	5,988	3.8	311,732	78,767	232,965	25.3	14.7	14.0	17.5
Top 1 Percent	1,444	0.9	1,722,207	520,552	1,201,655	30.2	19.6	17.4	27.9
Top 0.1 Percent	144	0.1	7,944,556	2,639,794	5,304,762	33.2	9.0	7.7	14.1

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

Number of AMT Taxpayers (millions). Baseline: 5.2 Proposal: 5.2

(1) Calendar year. Baseline is current policy, which assumes that all the temporary provisions in place for calendar year 2011 are extended, with the exception of the payroll tax cut, and indexes the AMT exemption level after 2011. Proposal would set the estate tax at its 2009 level (\$3.5M exemption, 45% rate) and modify certain valuation discount rules.

(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% \$13,627, 40% \$25,365, 60% \$42,896, 80% \$70,063, 90% \$101,583, 95% \$145,293, 99% \$386,366, 99.9% \$1,826,435.

(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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**Estate Tax Provisions**  
**Baseline: Current Policy**  
**Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2013 <sup>1</sup>**  
**Detail Table - Single Tax Units**

Cash Income Percentile <sup>2,3</sup>	Percent of Tax Units <sup>4</sup>		Percent Change in After-Tax Income <sup>5</sup>	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate <sup>6</sup>	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (%) Points)	Under the Proposal	Change (%) Points)	Under the Proposal
Lowest Quintile	0.0	0.0	0.0	0.1	0	0.0	0.0	1.3	0.0	5.8
Second Quintile	0.0	0.0	0.0	0.1	0	0.0	-0.1	4.8	0.0	10.0
Middle Quintile	0.0	0.0	0.0	0.1	0	0.0	-0.1	12.5	0.0	16.6
Fourth Quintile	0.0	0.0	0.0	1.7	10	0.1	-0.2	20.9	0.0	20.9
Top Quintile	0.0	0.1	-0.6	97.7	670	1.6	0.4	60.4	0.4	26.6
All	0.0	0.0	-0.3	100.0	94	1.0	0.0	100.0	0.2	21.3
<b>Addendum</b>										
80-90	0.0	0.0	-0.1	3.2	41	0.2	-0.1	15.7	0.1	23.8
90-95	0.0	0.0	-0.1	3.2	90	0.3	-0.1	10.6	0.1	24.7
95-99	0.0	0.1	-0.3	15.0	548	1.0	0.0	14.3	0.3	25.0
Top 1 Percent	0.0	0.9	-1.8	76.3	14,064	3.9	0.6	19.8	1.2	32.4
Top 0.1 Percent	0.0	1.5	-1.8	32.0	66,526	3.3	0.2	9.7	1.2	36.6

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Percentile Adjusted for Family Size, 2013 <sup>1</sup>**

Cash Income Percentile <sup>2,3</sup>	Tax Units <sup>4</sup>		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After- Tax Income <sup>5</sup> (Dollars)	Average Federal Tax Rate <sup>6</sup>	Share of Pre-	Share of Post-	Share of Federal	
	Number (thousands)	Percent of Total					Pre-	Post-	Taxes	
							Percent of Total	Percent of Total	Percent of Total	
Lowest Quintile	18,053	25.6	8,179	471	7,709	5.8	4.6	5.5	1.3	
Second Quintile	16,001	22.7	20,442	2,051	18,391	10.0	10.2	11.6	4.9	
Middle Quintile	14,578	20.7	35,077	5,831	29,247	16.6	16.0	16.9	12.6	
Fourth Quintile	11,876	16.8	57,277	11,979	45,298	20.9	21.2	21.3	21.1	
Top Quintile	9,681	13.7	159,815	41,829	117,986	26.2	48.3	45.2	60.1	
All	70,516	100.0	45,439	9,563	35,876	21.1	100.0	100.0	100.0	
<b>Addendum</b>										
80-90	5,163	7.3	87,005	20,688	66,317	23.8	14.0	13.5	15.8	
90-95	2,344	3.3	124,519	30,684	93,835	24.6	9.1	8.7	10.7	
95-99	1,814	2.6	215,516	53,290	162,226	24.7	12.2	11.6	14.3	
Top 1 Percent	360	0.5	1,152,428	359,594	792,834	31.2	13.0	11.3	19.2	
Top 0.1 Percent	32	0.1	5,673,795	2,010,746	3,663,049	35.4	5.7	4.6	9.5	

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

(1) Calendar year. Baseline is current policy, which assumes that all the temporary provisions in place for calendar year 2011 are extended, with the exception of the payroll tax cut, and indexes the AMT exemption level after 2011. Proposal would set the estate tax at its 2009 level (\$3.5M exemption, 45% rate) and modify certain valuation discount rules.

(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% \$13,627, 40% \$25,365, 60% \$42,896, 80% \$70,063, 90% \$101,583, 95% \$145,293, 99% \$386,366, 99.9% \$1,826,435.

(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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**Administration's FY2012 Budget Proposals**  
**Estate Tax Provisions**  
**Baseline: Current Policy**  
**Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2013 <sup>1</sup>**  
**Detail Table - Married Tax Units Filing Jointly**

Cash Income Percentile <sup>2,3</sup>	Percent of Tax Units <sup>4</sup>		Percent Change in After-Tax Income <sup>5</sup>	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate <sup>6</sup>	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (%) Points)	Under the Proposal	Change (%) Points)	Under the Proposal
Lowest Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	-0.1	0.0	-1.4
Second Quintile	0.0	0.0	0.0	0.1	0	0.0	0.0	1.2	0.0	7.4
Middle Quintile	0.0	0.0	0.0	0.2	0	0.0	0.0	5.2	0.0	13.5
Fourth Quintile	0.0	0.0	0.0	0.6	1	0.0	0.0	14.4	0.0	17.8
Top Quintile	0.0	0.0	0.0	97.9	90	0.1	0.0	79.2	0.0	25.7
All	0.0	0.0	0.0	100.0	28	0.1	0.0	100.0	0.0	22.3
<b>Addendum</b>										
80-90	0.0	0.0	0.0	0.8	2	0.0	0.0	15.2	0.0	21.6
90-95	0.0	0.0	0.0	1.4	5	0.0	0.0	12.5	0.0	23.2
95-99	0.0	0.0	0.0	9.8	44	0.1	0.0	19.6	0.0	25.5
Top 1 Percent	0.0	0.2	-0.1	85.9	1,463	0.3	0.1	31.9	0.1	30.0
Top 0.1 Percent	0.0	0.4	-0.2	52.6	8,799	0.3	0.0	15.9	0.1	32.9

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Percentile Adjusted for Family Size, 2013 <sup>1</sup>**

Cash Income Percentile <sup>2,3</sup>	Tax Units <sup>4</sup>		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After- Tax Income <sup>5</sup> (Dollars)	Average Federal Tax Rate <sup>6</sup>	Share of Pre-	Share of Post-	Share of Federal
	Number (thousands)	Percent of Total					Pre- Tax Income Percent of Total	Tax Income Percent of Total	Taxes Percent of Total
Lowest Quintile	7,024	11.4	14,231	-195	14,425	-1.4	1.2	1.6	-0.1
Second Quintile	8,856	14.4	34,357	2,532	31,825	7.4	3.7	4.4	1.2
Middle Quintile	11,443	18.6	60,965	8,208	52,757	13.5	8.5	9.5	5.2
Fourth Quintile	15,130	24.6	97,772	17,380	80,392	17.8	18.1	19.2	14.4
Top Quintile	18,854	30.6	297,727	76,516	221,212	25.7	68.7	65.7	79.1
All	61,567	100.0	132,758	29,611	103,147	22.3	100.0	100.0	100.0
<b>Addendum</b>									
80-90	9,003	14.6	142,540	30,715	111,824	21.6	15.7	15.9	15.2
90-95	4,921	8.0	200,289	46,376	153,912	23.2	12.1	11.9	12.5
95-99	3,909	6.4	359,028	91,326	267,702	25.4	17.2	16.5	19.6
Top 1 Percent	1,021	1.7	1,900,519	568,762	1,331,756	29.9	23.8	21.4	31.9
Top 0.1 Percent	104	0.2	8,491,806	2,780,595	5,711,212	32.7	10.8	9.4	15.9

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

(1) Calendar year. Baseline is current policy, which assumes that all the temporary provisions in place for calendar year 2011 are extended, with the exception of the payroll tax cut, and indexes the AMT exemption level after 2011. Proposal would set the estate tax at its 2009 level (\$3.5M exemption, 45% rate) and modify certain valuation discount rules.

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(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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**Baseline: Current Policy**  
**Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2013 <sup>1</sup>**  
**Detail Table - Head of Household Tax Units**

Cash Income Percentile <sup>2,3</sup>	Percent of Tax Units <sup>4</sup>		Percent Change in After-Tax Income <sup>5</sup>	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate <sup>6</sup>	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (%) Points)	Under the Proposal	Change (%) Points)	Under the Proposal
Lowest Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	-9.0	0.0	-11.6
Second Quintile	0.0	0.0	0.0	0.2	0	0.0	0.0	9.1	0.0	5.5
Middle Quintile	0.0	0.0	0.0	0.2	0	0.0	0.0	27.8	0.0	15.1
Fourth Quintile	0.0	0.0	0.0	6.6	4	0.0	0.0	30.6	0.0	19.6
Top Quintile	0.0	0.0	-0.1	92.5	139	0.3	0.1	41.3	0.1	25.1
All	0.0	0.0	0.0	100.0	8	0.1	0.0	100.0	0.0	13.4
<b>Addendum</b>										
80-90	0.0	0.0	0.0	-0.2	0	0.0	0.0	14.9	0.0	23.0
90-95	0.0	0.0	0.0	4.2	33	0.1	0.0	6.6	0.0	23.8
95-99	0.0	0.0	-0.1	29.1	308	0.4	0.0	8.8	0.1	24.2
Top 1 Percent	0.0	0.2	-0.3	59.3	3,285	0.7	0.1	11.0	0.2	30.6
Top 0.1 Percent	0.0	0.3	-0.5	33.6	22,621	0.9	0.0	5.0	0.3	33.6

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Percentile Adjusted for Family Size, 2013 <sup>1</sup>**

Cash Income Percentile <sup>2,3</sup>	Tax Units <sup>4</sup>		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After- Tax Income <sup>5</sup> (Dollars)	Average Federal Tax Rate <sup>6</sup>	Share of Pre-	Share of Post-	Share of Federal
	Number (thousands)	Percent of Total					Pre-	Post-	Taxes
							Percent of Total	Percent of Total	Percent of Total
Lowest Quintile	8,120	32.4	13,842	-1,598	15,440	-11.6	10.4	13.4	-9.0
Second Quintile	7,619	30.4	31,582	1,734	29,847	5.5	22.2	24.3	9.2
Middle Quintile	5,177	20.6	51,476	7,774	43,702	15.1	24.6	24.1	27.9
Fourth Quintile	2,860	11.4	78,894	15,492	63,402	19.6	20.9	19.3	30.7
Top Quintile	1,273	5.1	187,085	46,775	140,310	25.0	22.0	19.1	41.2
All	25,098	100.0	43,104	5,755	37,349	13.4	100.0	100.0	100.0
<b>Addendum</b>									
80-90	808	3.2	115,728	26,659	89,069	23.0	8.7	7.7	14.9
90-95	249	1.0	161,060	38,229	122,831	23.7	3.7	3.3	6.6
95-99	182	0.7	289,763	69,945	219,818	24.1	4.9	4.3	8.8
Top 1 Percent	35	0.1	1,499,445	455,718	1,043,727	30.4	4.8	3.9	10.9
Top 0.1 Percent	3	0.0	7,613,791	2,534,186	5,079,605	33.3	2.0	1.5	5.0

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

(1) Calendar year. Baseline is current policy, which assumes that all the temporary provisions in place for calendar year 2011 are extended, with the exception of the payroll tax cut, and indexes the AMT exemption level after 2011. Proposal would set the estate tax at its 2009 level (\$3.5M exemption, 45% rate) and modify certain valuation discount rules.

(2) Tax units with negative cash income are excluded from the lowest income class but are included in the totals. For a description of cash income, see

<http://www.taxpolicycenter.org/TaxModel/income.cfm>

(3) The cash income percentile classes used in this table are based on the income distribution for the entire population and contain an equal number of people, not tax units. The incomes used are adjusted for family size by dividing by the square root of the number of people in the tax unit. The resulting percentile breaks are (in 2009 dollars): 20% \$13,627, 40% \$25,365, 60% \$42,896, 80% \$70,063, 90% \$101,583, 95% \$145,293, 99% \$386,366, 99.9% \$1,826,435.

(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 T11-0051**  
**Administration's FY2012 Budget Proposals**  
**Estate Tax Provisions**  
**Baseline: Current Policy**  
**Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2013 <sup>1</sup>**  
**Detail Table - Tax Units with Children**

Cash Income Percentile <sup>2,3</sup>	Percent of Tax Units <sup>4</sup>		Percent Change in After-Tax Income <sup>5</sup>	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate <sup>6</sup>	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	-2.1	0.0	-13.5
Second Quintile	0.0	0.0	0.0	0.1	0	0.0	0.0	1.9	0.0	5.3
Middle Quintile	0.0	0.0	0.0	0.7	0	0.0	0.0	9.7	0.0	15.3
Fourth Quintile	0.0	0.0	0.0	3.9	1	0.0	0.0	19.6	0.0	19.4
Top Quintile	0.0	0.0	0.0	93.5	41	0.1	0.0	70.6	0.0	26.8
All	0.0	0.0	0.0	100.0	7	0.0	0.0	100.0	0.0	20.9
<b>Addendum</b>										
80-90	0.0	0.0	0.0	0.6	1	0.0	0.0	15.7	0.0	22.8
90-95	0.0	0.0	0.0	2.1	4	0.0	0.0	11.0	0.0	24.1
95-99	0.0	0.0	0.0	17.1	39	0.0	0.0	17.8	0.0	26.7
Top 1 Percent	0.0	0.0	-0.1	73.7	707	0.1	0.0	26.2	0.0	31.5
Top 0.1 Percent	0.0	0.1	-0.1	42.7	4,357	0.1	0.0	12.6	0.0	33.8

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Percentile Adjusted for Family Size, 2013 <sup>1</sup>**

Cash Income Percentile <sup>2,3</sup>	Tax Units <sup>4</sup>		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After- Tax Income <sup>5</sup> (Dollars)	Average Federal Tax Rate <sup>6</sup>	Share of Pre- Tax Income	Share of Post- Tax Income	Share of Federal Taxes
	Number (thousands)	Percent of Total					Percent of Total	Percent of Total	
Lowest Quintile	10,404	21.1	15,026	-2,032	17,059	-13.5	3.2	4.6	-2.1
Second Quintile	10,419	21.1	35,671	1,902	33,770	5.3	7.6	9.0	1.9
Middle Quintile	10,279	20.8	63,686	9,717	53,969	15.3	13.3	14.3	9.7
Fourth Quintile	9,803	19.9	106,014	20,556	85,458	19.4	21.1	21.5	19.6
Top Quintile	8,309	16.8	325,807	87,211	238,595	26.8	55.1	51.0	70.6
All	49,348	100.0	99,630	20,790	78,840	20.9	100.0	100.0	100.0
<b>Addendum</b>									
80-90	4,326	8.8	162,746	37,146	125,600	22.8	14.3	14.0	15.7
90-95	1,997	4.1	233,966	56,436	177,530	24.1	9.5	9.1	11.0
95-99	1,604	3.3	425,182	113,583	311,600	26.7	13.9	12.9	17.8
Top 1 Percent	382	0.8	2,235,730	704,488	1,531,242	31.5	17.4	15.0	26.2
Top 0.1 Percent	36	0.1	10,656,644	3,599,390	7,057,255	33.8	7.8	6.5	12.6

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 policy, which assumes that all the temporary provisions in place for calendar year 2011 are extended, with the exception of the payroll tax cut, and indexes the AMT exemption level after 2011. Proposal would set the estate tax at its 2009 level (\$3.5M exemption, 45% rate) and modify certain valuation discount rules.

(2) Tax units with negative cash income are excluded from the lowest income class but are included in the totals. For a description of cash income, see

<http://www.taxpolicycenter.org/TaxModel/income.cfm>

(3) The cash income percentile classes used in this table are based on the income distribution for the entire population and contain an equal number of people, not tax units. The incomes used are adjusted for family size by dividing by the square root of the number of people in the tax unit. The resulting percentile breaks are (in 2009 dollars): 20% \$13,627, 40% \$25,365, 60% \$42,896, 80% \$70,063, 90% \$101,583, 95% \$145,293, 99% \$386,366, 99.9% \$1,826,435.

(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 T11-0051**  
**Administration's FY2012 Budget Proposals**  
**Estate Tax Provisions**  
**Baseline: Current Policy**  
**Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2013 <sup>1</sup>**  
**Detail Table - Elderly Tax Units**

Cash Income Percentile <sup>2,3</sup>	Percent of Tax Units <sup>4</sup>		Percent Change in After-Tax Income <sup>5</sup>	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate <sup>6</sup>	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (%) Points)	Under the Proposal	Change (%) Points)	Under the Proposal
Lowest Quintile	0.0	0.0	0.0	0.0	0	0.2	0.0	0.3	0.0	2.3
Second Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	1.7	0.0	3.8
Middle Quintile	0.0	0.0	0.0	0.1	1	0.0	-0.1	3.4	0.0	5.9
Fourth Quintile	0.0	0.0	0.0	1.1	14	0.2	-0.1	10.0	0.0	11.0
Top Quintile	0.0	0.2	-0.6	98.4	1,174	1.8	0.2	84.5	0.4	24.6
All	0.0	0.0	-0.3	100.0	216	1.6	0.0	100.0	0.3	18.2
<b>Addendum</b>										
80-90	0.0	0.0	-0.1	3.1	85	0.5	-0.1	9.9	0.1	15.8
90-95	0.0	0.1	-0.1	2.8	138	0.5	-0.1	9.5	0.1	18.8
95-99	0.0	0.2	-0.3	14.0	699	1.1	-0.1	19.5	0.3	22.8
Top 1 Percent	0.0	1.1	-1.2	78.5	13,028	2.7	0.5	45.7	0.8	31.3
Top 0.1 Percent	0.0	1.7	-1.2	35.5	54,729	2.3	0.2	24.0	0.8	34.5

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Percentile Adjusted for Family Size, 2013 <sup>1</sup>**

Cash Income Percentile <sup>2,3</sup>	Tax Units <sup>4</sup>		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After- Tax Income <sup>5</sup> (Dollars)	Average Federal Tax Rate <sup>6</sup>	Share of Pre-	Share of Post-	Share of Federal
	Number (thousands)	Percent of Total					Pre-Tax	Tax Income	Taxes
							Percent of Total	Percent of Total	Percent of Total
Lowest Quintile	5,313	17.0	10,822	248	10,575	2.3	2.4	2.8	0.3
Second Quintile	8,515	27.2	22,986	876	22,110	3.8	8.0	9.4	1.7
Middle Quintile	6,190	19.8	41,540	2,448	39,092	5.9	10.5	12.0	3.5
Fourth Quintile	5,603	17.9	72,670	7,944	64,726	10.9	16.6	18.1	10.2
Top Quintile	5,686	18.2	269,484	64,972	204,512	24.1	62.6	57.9	84.3
All	31,333	100.0	78,111	13,985	64,126	17.9	100.0	100.0	100.0
<b>Addendum</b>									
80-90	2,520	8.0	109,880	17,299	92,581	15.7	11.3	11.6	10.0
90-95	1,400	4.5	159,960	29,890	130,070	18.7	9.2	9.1	9.6
95-99	1,357	4.3	281,390	63,345	218,045	22.5	15.6	14.7	19.6
Top 1 Percent	409	1.3	1,589,526	484,596	1,104,930	30.5	26.5	22.5	45.2
Top 0.1 Percent	44	0.1	7,053,610	2,377,828	4,675,782	33.7	12.7	10.2	23.9

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 policy, which assumes that all the temporary provisions in place for calendar year 2011 are extended, with the exception of the payroll tax cut, and indexes the AMT exemption level after 2011. Proposal would set the estate tax at its 2009 level (\$3.5M exemption, 45% rate) and modify certain valuation discount rules.

(2) Tax units with negative cash income are excluded from the lowest income class but are included in the totals. For a description of cash income, see

<http://www.taxpolicycenter.org/TaxModel/income.cfm>

(3) The cash income percentile classes used in this table are based on the income distribution for the entire population and contain an equal number of people, not tax units. The incomes used are adjusted for family size by dividing by the square root of the number of people in the tax unit. The resulting percentile breaks are (in 2009 dollars): 20% \$13,627, 40% \$25,365, 60% \$42,896, 80% \$70,063, 90% \$101,583, 95% \$145,293, 99% \$386,366, 99.9% \$1,826,435.

(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.