

**Table T12-0017**  
**Current Law and Current Policy Parameters for TPC Tables Created From**  
**September 12, 2012 to Present**

*Note: Dollar amounts have been indexed for inflation where applicable, unless otherwise noted.*

	Tax Year							
	2010		2011		2012		2013 and on	
	Current Law	Current Policy	Current Law	Current Policy	Current Law	Current Policy	Current Law	Current Policy
<b>Ordinary income tax rates</b>	10%, 15%, 25%, 28%, 33%, 35%	10%, 15%, 25%, 28%, 33%, 35%	10%, 15%, 25%, 28%, 33%, 35%	10%, 15%, 25%, 28%, 33%, 35%	10%, 15%, 25%, 28%, 33%, 35%	10%, 15%, 25%, 28%, 33%, 35%	15%, 28%, 31%, 36%, 39.6%	10%, 15%, 25%, 28%, 33%, 35%
<b>Rates on long-term capital gains</b>	0%, 15%	0%, 15%	0%, 15%	0%, 15%	0%, 15%	0%, 15%	10%, 20%	0%, 15%
<b>Rates on capital gains held 5+ years</b>	0%, 15%	0%, 15%	0%, 15%	0%, 15%	0%, 15%	0%, 15%	8%, 18%	0%, 15%
<b>Dividends taxed at capital gains rates?</b>	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes
<b>Standard deduction for joint filers</b>	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers	167% of amount for single filers	200% of amount for single filers
<b>Ordinary income tax thresholds for the bottom two brackets for joint filers</b>	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers	167% of amount for single filers	200% of amount for single filers
<b>PEP and Pease? <sup>1</sup></b>	No	No	No	No	No	No	Yes	No
<b>Child Tax Credit</b>	\$1000 per child	\$1000 per child	\$1000 per child	\$1000 per child	\$1000 per child	\$1000 per child	\$500 per child	\$1000 per child
<b>Additional Child Tax Credit</b>	15% of earnings over \$3,000 (refundable)	15% of earnings over \$3,000 (refundable)	15% of earnings over \$3,000 (refundable)	15% of earnings over \$3,000 (refundable)	15% of earnings over \$3,000 (refundable)	15% of earnings over \$3,000 (refundable)	Only for large families with payroll taxes exceeding EITC	15% of earnings over \$3,000 (refundable)
<b>Child and Dependent Care Tax Credit</b>	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%	Max eligible expenses of \$2,400 (1 child) or \$4,800 (2+ children), max credit rate 30%	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%
<b>AMT exemption amount</b>	\$47,450 (single), \$72,450 (joint)	\$47,450 (single), \$72,450 (joint)	\$48,450 (single), \$74,450 (joint)	\$48,450 (single), \$74,450 (joint)	\$33,750 (single), \$45,000 (joint)	\$50,600 (single), \$78,750 (joint) <sup>2</sup>	\$33,750 (single), \$45,000 (joint)	\$51,150 (single), \$79,850 (joint). <sup>2</sup> Amounts indexed after 2013.
<b>AMT exemption phaseout threshold</b>	\$112,500 (single), \$150,000 (joint)	\$112,500 (single), \$150,000 (joint)	\$112,500 (single), \$150,000 (joint)	\$112,500 (single), \$150,000 (joint)	\$112,500 (single), \$150,000 (joint)	\$112,500 (single), \$150,000 (joint)	\$112,500 (single), \$150,000 (joint)	\$112,500 (single), \$150,000 (joint)
<b>AMT bracket threshold for 28% rate</b>	\$175,000	\$175,000	\$175,000	\$175,000	\$175,000	\$175,000	\$175,000	\$175,000
<b>Allow personal credits against AMT?</b>	Yes	Yes	Yes	Yes	EITC and CTC only	Yes	No	Yes
<b>Earned Income Tax Credit (EITC) Rate</b>	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%.	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%.	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%.	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%.	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%.	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%.	0 children: 7.65%, 1 child: 34%, 2+ children: 40%	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%.
<b>EITC Phaseout Threshold Increase for Joint Filers</b>	\$5,010	\$5,010	\$5,080	\$5,080	\$5,210	\$5,210	None	\$5,000 (indexed from 2009)
<b>Hope Credit or American Opportunity Tax Credit (AOTC)?</b>	AOTC	AOTC	AOTC	AOTC	AOTC	AOTC	Hope	AOTC
<b>State and local general sales tax deduction?</b>	Yes	Yes	Yes	Yes	No	Yes	No	Yes
<b>Tuition and fees deduction?</b>	Yes	Yes	Yes	Yes	No	Yes	No	Yes
<b>Educator expense deduction?</b>	Yes	Yes	Yes	Yes	No	Yes	No	Yes
<b>Estate Tax</b>	Choose 2011 law OR no estate tax but carry over basis for inherited assets over \$1.3m	Choose 2011 law OR no estate tax but carry over basis for inherited assets over \$1.3m	\$5m exemption, 35% rate	\$5m exemption, 35% rate	\$5.12m exemption, 35% rate	\$5.12m exemption, 35% rate	\$1m exemption, 55% top rate	\$5m exemption (indexed from 2011), 35% rate
<b>OASDI taxable earnings maximum</b>	\$106,800	\$106,800	\$106,800	\$106,800	\$110,100	\$110,100	\$113,700 <sup>3</sup>	\$113,700 <sup>3</sup>
<b>OASDI payroll tax rate (employer)</b>	6.2%	6.2%	6.2%	6.2%	6.2%	6.2%	6.2%	6.2%
<b>OASDI payroll tax rate (employee)</b>	6.2%	6.2%	4.2%	4.2%	4.2%	4.2%	6.2%	6.2%
<b>Medicare payroll tax rate (employer)</b>	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%
<b>Medicare payroll tax rate (employee)</b>	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%
<b>HI surtax on earned income for high-income taxpayers <sup>4</sup></b>	None	None	None	None	None	None	0.9%	0.9%
<b>HI surtax on investment income for high-income taxpayers <sup>4</sup></b>	None	None	None	None	None	None	3.8%	3.8%

(1) The personal exemption phaseout (PEP) reduces personal exemptions by 2 percent for each \$2,500 by which adjusted gross income (AGI) exceeds a specified threshold. The limitation on itemized deductions (Pease) reduces most itemized deductions by 3 percent of the amount by which AGI exceeds a specified threshold, up to a maximum of 80 percent of itemized deductions.

(2) These are the exemption levels proposed in Senate bill S. 3413.

(3) Estimate based on projected growth in average wage index.

(4) Surtax phases in beginning at modified AGI of \$200,000 for single filers and \$250,000 for joint filers.

**Table T12-0017**  
**Current Law and Current Policy Parameters for TPC Tables Created From**  
**January 6, 2012 to September 11, 2012**

*Note: Dollar amounts have been indexed for inflation where applicable, unless otherwise noted.*

	Tax Year							
	2010		2011		2012		2013 and on	
	Current Law	Current Policy	Current Law	Current Policy	Current Law	Current Policy	Current Law	Current Policy
<b>Ordinary income tax rates</b>	10%, 15%, 25%, 28%, 33%, 35%	10%, 15%, 25%, 28%, 33%, 35%	10%, 15%, 25%, 28%, 33%, 35%	10%, 15%, 25%, 28%, 33%, 35%	10%, 15%, 25%, 28%, 33%, 35%	10%, 15%, 25%, 28%, 33%, 35%	15%, 28%, 31%, 36%, 39.6%	10%, 15%, 25%, 28%, 33%, 35%
<b>Rates on long-term capital gains</b>	0%, 15%	0%, 15%	0%, 15%	0%, 15%	0%, 15%	0%, 15%	10%, 20%	0%, 15%
<b>Rates on capital gains held 5+ years</b>	0%, 15%	0%, 15%	0%, 15%	0%, 15%	0%, 15%	0%, 15%	8%, 18%	0%, 15%
<b>Dividends taxed at capital gains rates?</b>	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes
<b>Standard deduction for joint filers</b>	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers	167% of amount for single filers	200% of amount for single filers
<b>Ordinary income tax thresholds for the bottom two brackets for joint filers</b>	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers	167% of amount for single filers	200% of amount for single filers
<b>PEP and Pease? <sup>1</sup></b>	No	No	No	No	No	No	Yes	No
<b>Child Tax Credit</b>	\$1000 per child	\$1000 per child	\$1000 per child	\$1000 per child	\$1000 per child	\$1000 per child	\$500 per child	\$1000 per child
<b>Additional Child Tax Credit</b>	15% of earnings over \$3,000 (refundable)	15% of earnings over \$3,000 (refundable)	15% of earnings over \$3,000 (refundable)	15% of earnings over \$3,000 (refundable)	15% of earnings over \$3,000 (refundable)	15% of earnings over \$3,000 (refundable)	Only for large families with payroll taxes exceeding EITC	15% of earnings over \$3,000 (refundable)
<b>Child and Dependent Care Tax Credit</b>	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%	Max eligible expenses of \$2,400 (1 child) or \$4,800 (2+ children), max credit rate 30%	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%
<b>AMT exemption amount</b>	\$47,450 (single), \$72,450 (joint)	\$47,450 (single), \$72,450 (joint)	\$48,450 (single), \$74,450 (joint)	\$48,450 (single), \$74,450 (joint)	\$33,750 (single), \$45,000 (joint)	\$49,200 (single), \$75,600 (joint) <sup>2</sup>	\$33,750 (single), \$45,000 (joint)	\$48,450 (single), \$74,450 (joint). Amounts indexed from 2011.
<b>AMT exemption phaseout threshold</b>	\$112,500 (single), \$150,000 (joint)	\$112,500 (single), \$150,000 (joint)	\$112,500 (single), \$150,000 (joint)	\$112,500 (single), \$150,000 (joint)	\$112,500 (single), \$150,000 (joint)	\$112,500 (single), \$150,000 (joint)	\$112,500 (single), \$150,000 (joint)	\$112,500 (single), \$150,000 (joint)
<b>AMT bracket threshold for 28% rate</b>	\$175,000	\$175,000	\$175,000	\$175,000	\$175,000	\$175,000	\$175,000	\$175,000
<b>Allow personal credits against AMT?</b>	Yes	Yes	Yes	Yes	EITC and CTC only	Yes	No	Yes
<b>Earned Income Tax Credit (EITC) Rate</b>	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%.	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%.	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%.	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%.	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%.	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%.	0 children: 7.65%, 1 child: 34%, 2+ children: 40%	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%.
<b>EITC Phaseout Threshold Increase for Joint Filers</b>	\$5,010	\$5,010	\$5,080	\$5,080	\$5,160 <sup>2</sup>	\$5,160 <sup>2</sup>	None	\$5,000 (indexed from 2009)
<b>Hope Credit or American Opportunity Tax Credit (AOTC)?</b>	AOTC	AOTC	AOTC	AOTC	AOTC	AOTC	Hope	AOTC
<b>State and local general sales tax deduction?</b>	Yes	Yes	Yes	Yes	No	Yes	No	Yes
<b>Tuition and fees deduction?</b>	Yes	Yes	Yes	Yes	No	Yes	No	Yes
<b>Educator expense deduction?</b>	Yes	Yes	Yes	Yes	No	Yes	No	Yes
<b>Estate Tax</b>	Choose 2011 law OR no estate tax but carry over basis for inherited assets over \$1.3m	Choose 2011 law OR no estate tax but carry over basis for inherited assets over \$1.3m	\$5m exemption, 35% rate	\$5m exemption, 35% rate	\$5.08m exemption, <sup>2</sup> 35% rate	\$5.08m exemption, <sup>2</sup> 35% rate	\$1m exemption, 55% top rate	\$5m exemption (indexed from 2011), 35% rate
<b>OASDI taxable earnings maximum</b>	\$106,800	\$106,800	\$106,800	\$106,800	113,700 <sup>2</sup>	\$113,700 <sup>2</sup>	Increase based on Cost-of-Living Adjustment (COLA)	Increase based on Cost-of-Living Adjustment (COLA)
<b>OASDI payroll tax rate (employer)</b>	6.2%	6.2%	6.2%	6.2%	6.2%	6.2%	6.2%	6.2%
<b>OASDI payroll tax rate (employee)</b>	6.2%	6.2%	4.2%	4.2%	4.2% <sup>4</sup>	4.2% <sup>4</sup>	6.2%	6.2%
<b>Medicare payroll tax rate (employer)</b>	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%
<b>Medicare payroll tax rate (employee)</b>	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%
<b>HI surtax on earned income for high-income taxpayers <sup>3</sup></b>	None	None	None	None	None	None	0.9%	0.9%
<b>HI surtax on investment income for high-income taxpayers <sup>3</sup></b>	None	None	None	None	None	None	3.8%	3.8%

(1) The personal exemption phaseout (PEP) reduces personal exemptions by 2 percent for each \$2,500 by which adjusted gross income (AGI) exceeds a specified threshold. The limitation on itemized deductions (Pease) reduces most itemized deductions by 3 percent of the amount by which AGI exceeds a specified threshold, up to a maximum of 80 percent of itemized deductions.

(2) Estimate based on projected CPI/COLA from TPC microsimulation model.

(3) Surtax phases in beginning at modified AGI of \$200,000 for single filers and \$250,000 for joint filers.

(4) Before passage of the Middle Class Tax Relief and Job Creation Act of 2012 on Feb 22, 2012, the rate was set to be 4.2 percent for the first two months of 2012 and 6.2 percent thereafter.

**Table T12-0017**  
**Current Law and Current Policy Parameters for TPC Tables Created From**  
**April 14, 2011 to January 5, 2012**

*Note: Dollar amounts have been indexed for inflation where applicable, unless otherwise noted.*

	Tax Year							
	2010		2011		2012		2013 and on	
	Current Law	Current Policy	Current Law	Current Policy	Current Law	Current Policy	Current Law	Current Policy
<b>Ordinary income tax rates</b>	10%, 15%, 25%, 28%, 33%, 35%	10%, 15%, 25%, 28%, 33%, 35%	10%, 15%, 25%, 28%, 33%, 35%	10%, 15%, 25%, 28%, 33%, 35%	10%, 15%, 25%, 28%, 33%, 35%	10%, 15%, 25%, 28%, 33%, 35%	15%, 28%, 31%, 36%, 39.6%	10%, 15%, 25%, 28%, 33%, 35%
<b>Rates on long-term capital gains</b>	0%, 15%	0%, 15%	0%, 15%	0%, 15%	0%, 15%	0%, 15%	10%, 20%	0%, 15%
<b>Rates on capital gains held 5+ years</b>	0%, 15%	0%, 15%	0%, 15%	0%, 15%	0%, 15%	0%, 15%	8%, 18%	0%, 15%
<b>Dividends taxed at capital gains rates?</b>	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes
<b>Standard deduction for joint filers</b>	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers	167% of amount for single filers	200% of amount for single filers
<b>Ordinary income tax thresholds for the bottom two brackets for joint filers</b>	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers	167% of amount for single filers	200% of amount for single filers
<b>PEP and Pease? <sup>1</sup></b>	No	No	No	No	No	No	Yes	No
<b>Child Tax Credit</b>	\$1000 per child	\$1000 per child	\$1000 per child	\$1000 per child	\$1000 per child	\$1000 per child	\$500 per child	\$1000 per child
<b>Additional Child Tax Credit</b>	15% of earnings over \$3,000 (refundable)	15% of earnings over \$3,000 (refundable)	15% of earnings over \$3,000 (refundable)	15% of earnings over \$3,000 (refundable)	15% of earnings over \$3,000 (refundable)	15% of earnings over \$3,000 (refundable)	Only for large families with payroll taxes exceeding EITC	15% of earnings over \$3,000 (refundable)
<b>Child and Dependent Care Tax Credit</b>	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%	Max eligible expenses of \$2,400 (1 child) or \$4,800 (2+ children), max credit rate 30%	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%
<b>AMT exemption amount</b>	\$47,450 (single), \$72,450 (joint)	\$47,450 (single), \$72,450 (joint)	\$48,450 (single), \$74,450 (joint)	\$48,450 (single), \$74,450 (joint)	\$33,750 (single), \$45,000 (joint)	\$49,200 (single), \$75,600 (joint) <sup>2</sup>	\$33,750 (single), \$45,000 (joint)	\$48,450 (single), \$74,450 (joint). Amounts indexed from 2011.
<b>AMT exemption phaseout threshold</b>	\$112,500 (single), \$150,000 (joint)	\$112,500 (single), \$150,000 (joint)	\$112,500 (single), \$150,000 (joint)	\$112,500 (single), \$150,000 (joint)	\$112,500 (single), \$150,000 (joint)	\$112,500 (single), \$150,000 (joint)	\$112,500 (single), \$150,000 (joint)	\$112,500 (single), \$150,000 (joint)
<b>AMT bracket threshold for 28% rate</b>	\$175,000	\$175,000	\$175,000	\$175,000	\$175,000	\$175,000	\$175,000	\$175,000
<b>Allow personal credits against AMT?</b>	Yes	Yes	Yes	Yes	EITC and CTC only	Yes	No	Yes
<b>Earned Income Tax Credit (EITC) Rate</b>	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%	0 children: 7.65%, 1 child: 34%, 2+ children: 40%	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%
<b>EITC Phaseout Threshold Increase for Joint Filers</b>	\$5,010	\$5,010	\$5,080	\$5,080	\$5,160 <sup>2</sup>	\$5,160 <sup>2</sup>	None	\$5,000 (indexed from 2009)
<b>Hope Credit or American Opportunity Tax Credit (AOTC)?</b>	AOTC	AOTC	AOTC	AOTC	AOTC	AOTC	Hope	AOTC
<b>State and local general sales tax deduction?</b>	Yes	Yes	Yes	Yes	No	Yes	No	Yes
<b>Tuition and fees deduction?</b>	Yes	Yes	Yes	Yes	No	Yes	No	Yes
<b>Educator expense deduction?</b>	Yes	Yes	Yes	Yes	No	Yes	No	Yes
<b>Estate Tax</b>	Choose 2011 law OR no estate tax but carry over basis for inherited assets over \$1.3m	Choose 2011 law OR no estate tax but carry over basis for inherited assets over \$1.3m	\$5m exemption, 35% rate	\$5m exemption, 35% rate	\$5.08m exemption, <sup>2</sup> 35% rate	\$5.08m exemption, <sup>2</sup> 35% rate	\$1m exemption, 55% top rate	\$5m exemption (indexed from 2011), 35% rate
<b>OASDI taxable earnings maximum</b>	\$106,800	\$106,800	\$106,800	\$106,800	113,700 <sup>2</sup>	\$113,700 <sup>2</sup>	Increase based on Cost-of-Living Adjustment (COLA)	Increase based on Cost-of-Living Adjustment (COLA)
<b>OASDI payroll tax rate (employer)</b>	6.2%	6.2%	6.2%	6.2%	6.2%	6.2%	6.2%	6.2%
<b>OASDI payroll tax rate (employee)</b>	6.2%	6.2%	4.2%	4.2%	6.2%	6.2%	6.2%	6.2%
<b>Medicare payroll tax rate (employer)</b>	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%
<b>Medicare payroll tax rate (employee)</b>	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%
<b>HI surtax on earned income for high-income taxpayers <sup>3</sup></b>	None	None	None	None	None	None	0.9%	0.9%
<b>HI surtax on investment income for high-income taxpayers <sup>3</sup></b>	None	None	None	None	None	None	3.8%	3.8%

(1) The personal exemption phaseout (PEP) reduces personal exemptions by 2 percent for each \$2,500 by which adjusted gross income (AGI) exceeds a specified threshold. The limitation on itemized deductions (Pease) reduces most itemized deductions by 3 percent of the amount by which AGI exceeds a specified threshold, up to a maximum of 80 percent of itemized deductions.

(2) Estimate based on projected CPI/COLA from TPC microsimulation model.

(3) Surtax phases in beginning at modified AGI of \$200,000 for single filers and \$250,000 for joint filers.

**Table T12-0017**  
**Current Law and Current Policy Parameters for TPC Tables Created From**  
**January 3, 2011 to April 13, 2011**

*Note: Dollar amounts have been indexed for inflation where applicable, unless otherwise noted.*

	Tax Year							
	2010		2011		2012		2013 and on	
	Current Law	Current Policy	Current Law	Current Policy	Current Law	Current Policy	Current Law	Current Policy
<b>Ordinary income tax rates</b>	10%, 15%, 25%, 28%, 33%, 35%	10%, 15%, 25%, 28%, 33%, 35%	10%, 15%, 25%, 28%, 33%, 35%	10%, 15%, 25%, 28%, 33%, 35%	10%, 15%, 25%, 28%, 33%, 35%	10%, 15%, 25%, 28%, 33%, 35%	15%, 28%, 31%, 36%, 39.6%	10%, 15%, 25%, 28%, 33%, 35%
<b>Rates on long-term capital gains</b>	0%, 15%	0%, 15%	0%, 15%	0%, 15%	0%, 15%	0%, 15%	10%, 20%	0%, 15%
<b>Rates on capital gains held 5+ years</b>	0%, 15%	0%, 15%	0%, 15%	0%, 15%	0%, 15%	0%, 15%	8%, 18%	0%, 15%
<b>Dividends taxed at capital gains rates?</b>	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes
<b>Standard deduction for joint filers</b>	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers	167% of amount for single filers	200% of amount for single filers
<b>Ordinary income tax thresholds for the bottom two brackets for joint filers</b>	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers	167% of amount for single filers	200% of amount for single filers
<b>PEP and Pease? <sup>1</sup></b>	No	No	No	No	No	No	Yes	No
<b>Child Tax Credit</b>	\$1000 per child	\$1000 per child	\$1000 per child	\$1000 per child	\$1000 per child	\$1000 per child	\$500 per child	\$1000 per child
<b>Additional Child Tax Credit</b>	15% of earnings over \$3,000 (refundable)	15% of earnings over \$3,000 (refundable)	15% of earnings over \$3,000 (refundable)	15% of earnings over \$3,000 (refundable)	15% of earnings over \$3,000 (refundable)	15% of earnings over \$3,000 (refundable)	Only for large families with payroll taxes exceeding EITC	15% of earnings over \$3,000 (refundable)
<b>Child and Dependent Care Tax Credit</b>	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%	Max eligible expenses of \$2,400 (1 child) or \$4,800 (2+ children), max credit rate 30%	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%
<b>AMT exemption amount</b>	\$47,450 (single), \$72,450 (joint)	\$47,450 (single), \$72,450 (joint)	\$48,450 (single), \$74,450 (joint)	\$48,450 (single), \$74,450 (joint)	\$33,750 (single), \$45,000 (joint)	\$49,100 (single), \$75,500 (joint) <sup>2</sup>	\$33,750 (single), \$45,000 (joint)	\$48,450 (single), \$74,450 (joint). Amounts indexed from 2011.
<b>AMT exemption phaseout threshold</b>	\$112,500 (single), \$150,000 (joint)	\$112,500 (single), \$150,000 (joint)	\$112,500 (single), \$150,000 (joint)	\$112,500 (single), \$150,000 (joint)	\$112,500 (single), \$150,000 (joint)	\$112,500 (single), \$150,000 (joint)	\$112,500 (single), \$150,000 (joint)	\$112,500 (single), \$150,000 (joint)
<b>AMT bracket threshold for 28% rate</b>	\$175,000	\$175,000	\$175,000	\$175,000	\$175,000	\$175,000	\$175,000	\$175,000
<b>Allow personal credits against AMT?</b>	Yes	Yes	Yes	Yes	EITC and CTC only	Yes	No	Yes
<b>Earned Income Tax Credit (EITC) Rate</b>	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%	0 children: 7.65%, 1 child: 34%, 2+ children: 40%	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%
<b>EITC Phaseout Threshold Increase for Joint Filers</b>	\$5,010	\$5,010	\$5,080	\$5,080	\$5,160 <sup>2</sup>	\$5,160 <sup>2</sup>	None	\$5,000 (indexed from 2009)
<b>Hope Credit or American Opportunity Tax Credit (AOTC)?</b>	AOTC	AOTC	AOTC	AOTC	AOTC	AOTC	Hope	AOTC
<b>State and local general sales tax deduction?</b>	Yes	Yes	Yes	Yes	No	Yes	No	Yes
<b>Tuition and fees deduction?</b>	Yes	Yes	Yes	Yes	No	Yes	No	Yes
<b>Educator expense deduction?</b>	Yes	Yes	Yes	Yes	No	Yes	No	Yes
<b>Estate Tax</b>	Choose 2011 law OR no estate tax but carry over basis for inherited assets over \$1.3m	Choose 2011 law OR no estate tax but carry over basis for inherited assets over \$1.3m	\$5m exemption, 35% rate	\$5m exemption, 35% rate	\$5.07m exemption, <sup>2</sup> 35% rate	\$5.07m exemption, <sup>2</sup> 35% rate	\$1m exemption, 55% top rate	\$5m exemption (indexed from 2011), 35% rate
<b>OASDI taxable earnings maximum</b>	\$106,800	\$106,800	\$106,800	\$106,800	Increase based on Cost-of-Living Adjustment (COLA)	Increase based on Cost-of-Living Adjustment (COLA)	Increase based on Cost-of-Living Adjustment (COLA)	Increase based on Cost-of-Living Adjustment (COLA)
<b>OASDI payroll tax rate (employer)</b>	6.2%	6.2%	6.2%	6.2%	6.2%	6.2%	6.2%	6.2%
<b>OASDI payroll tax rate (employee)</b>	6.2%	6.2%	4.2%	4.2%	6.2%	6.2%	6.2%	6.2%
<b>Medicare payroll tax rate (employer)</b>	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%
<b>Medicare payroll tax rate (employee)</b>	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%
<b>HI surtax on earned income for high-income taxpayers <sup>3</sup></b>	None	None	None	None	None	None	0.9%	0.9%
<b>HI surtax on investment income for high-income taxpayers <sup>3</sup></b>	None	None	None	None	None	None	3.8%	3.8%

(1) The personal exemption phaseout (PEP) reduces personal exemptions by 2 percent for each \$2,500 by which adjusted gross income (AGI) exceeds a specified threshold. The limitation on itemized deductions (Pease) reduces most itemized deductions by 3 percent of the amount by which AGI exceeds a specified threshold, up to a maximum of 80 percent of itemized deductions.

(2) Estimate based on projected CPI/COLA from TPC microsimulation model.

(3) Surtax phases in beginning at modified AGI of \$200,000 for single filers and \$250,000 for joint filers.

**Table T12-0017**  
**Current Law and Current Policy Parameters for TPC Tables Created From**  
**May 1, 2010 to January 2, 2011**

*Note: Dollar amounts have been indexed for inflation where applicable, unless otherwise noted.*

	Tax Year							
	2010		2011		2012		2013 and on	
	Current Law	Current Policy	Current Law	Current Policy	Current Law	Current Policy	Current Law	Current Policy
<b>Ordinary income tax rates</b>	10%, 15%, 25%, 28%, 33%, 35%	10%, 15%, 25%, 28%, 33%, 35%	15%, 28%, 31%, 36%, 39.6%	10%, 15%, 25%, 28%, 33%, 35%	15%, 28%, 31%, 36%, 39.6%	10%, 15%, 25%, 28%, 33%, 35%	15%, 28%, 31%, 36%, 39.6%	10%, 15%, 25%, 28%, 33%, 35%
<b>Rates on long-term capital gains</b>	0%, 15%	0%, 15%	10%, 20%	0%, 15%	10%, 20%	0%, 15%	10%, 20%	0%, 15%
<b>Rates on capital gains held 5+ years</b>	0%, 15%	0%, 15%	8%, 18%	0%, 15%	8%, 18%	0%, 15%	8%, 18%	0%, 15%
<b>Dividends taxed at capital gains rates?</b>	Yes	Yes	No	Yes	No	Yes	No	Yes
<b>Standard deduction for joint filers</b>	200% of amount for single filers	200% of amount for single filers	167% of amount for single filers	200% of amount for single filers	167% of amount for single filers	200% of amount for single filers	167% of amount for single filers	200% of amount for single filers
<b>Ordinary income tax thresholds for the bottom two brackets for joint filers</b>	200% of amount for single filers	200% of amount for single filers	167% of amount for single filers	200% of amount for single filers	167% of amount for single filers	200% of amount for single filers	167% of amount for single filers	200% of amount for single filers
<b>PEP and Pease? <sup>1</sup></b>	No	No	Yes	No	Yes	No	Yes	No
<b>Child Tax Credit</b>	\$1000 per child	\$1000 per child	\$500 per child	\$1000 per child	\$500 per child	\$1000 per child	\$500 per child	\$1000 per child
<b>Additional Child Tax Credit</b>	15% of earnings over \$3,000 (refundable)	15% of earnings over \$3,000 (refundable)	Only for large families with payroll taxes exceeding EITC	15% of earnings over \$10,000 (refundable)	Only for large families with payroll taxes exceeding EITC	15% of earnings over \$10,000 (refundable)	Only for large families with payroll taxes exceeding EITC	15% of earnings over \$10,000 (refundable)
<b>Child and Dependent Care Tax Credit</b>	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%	Max eligible expenses of \$2,400 (1 child) or \$4,800 (2+ children), max credit rate 30%	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%	Max eligible expenses of \$2,400 (1 child) or \$4,800 (2+ children), max credit rate 30%	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%	Max eligible expenses of \$2,400 (1 child) or \$4,800 (2+ children), max credit rate 30%	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%
<b>AMT exemption amount</b>	\$33,750 (single), \$45,000 (joint)	\$46,750 (single), \$71,050 (joint) <sup>2</sup>	\$33,750 (single), \$45,000 (joint)	\$47,500 (single), \$72,200 (joint) <sup>2</sup>	\$33,750 (single), \$45,000 (joint)	\$48,150 (single), \$73,150 (joint) <sup>2</sup>	\$33,750 (single), \$45,000 (joint)	\$46,700 (single), \$70,950 (joint). Amounts indexed from 2009.
<b>AMT exemption phaseout threshold</b>	\$112,500 (single), \$150,000 (joint)	\$112,700 (single), \$150,250 (joint) <sup>2</sup>	\$112,500 (single), \$150,000 (joint)	\$114,500 (single), \$152,650 (joint) <sup>2</sup>	\$112,500 (single), \$150,000 (joint)	\$116,000 (single), \$154,650 (joint) <sup>2</sup>	\$112,500 (single), \$150,000 (joint)	\$112,500 (single), \$150,000 (joint). Amounts indexed from 2009.
<b>AMT threshold for 28 percent rate</b>	\$175,000	\$175,300 <sup>2</sup>	\$175,000	\$178,100 <sup>2</sup>	\$175,000	\$180,450 <sup>2</sup>	\$175,000	\$175,000 (indexed from 2009)
<b>Allow personal credits against AMT?</b>	EITC and CTC only	Yes	No	Yes	No	Yes	No	Yes
<b>Earned Income Tax Credit (EITC) Rate</b>	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%.	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%.	0 children: 7.65%, 1 child: 34%, 2+ children: 40%	0 children: 7.65%, 1 child: 34%, 2+ children: 40%	0 children: 7.65%, 1 child: 34%, 2+ children: 40%	0 children: 7.65%, 1 child: 34%, 2+ children: 40%	0 children: 7.65%, 1 child: 34%, 2+ children: 40%	0 children: 7.65%, 1 child: 34%, 2+ children: 40%
<b>EITC Phaseout Threshold Increase for Joint Filers</b>	\$5,010	\$5,010	None	\$3,180 <sup>2</sup>	None	\$3,230 <sup>2</sup>	None	\$3,000 (indexed from 2008)
<b>Hope Credit or American Opportunity Tax Credit (AOTC)?</b>	AOTC	AOTC	Hope	Hope	Hope	Hope	Hope	Hope
<b>State and local general sales tax deduction?</b>	No	No	No	No	No	No	No	No
<b>Tuition and fees deduction?</b>	No	No	No	No	No	No	No	No
<b>Educator expense deduction?</b>	No	No	No	No	No	No	No	No
<b>Estate Tax</b>	No estate tax but carry over basis for inherited assets over \$1.3m	\$3.5m exemption, 45% rate	\$1m exemption, 55% top rate	\$3.5m exemption, 45% rate	\$1m exemption, 55% top rate	\$3.5m exemption, 45% rate	\$1m exemption, 55% top rate	\$3.5m exemption, 45% rate
<b>OASDI taxable earnings maximum</b>	\$106,800	\$106,800	Increase based on Cost-of-Living Adjustment (COLA)	Increase based on Cost-of-Living Adjustment (COLA)	Increase based on Cost-of-Living Adjustment (COLA)	Increase based on Cost-of-Living Adjustment (COLA)	Increase based on Cost-of-Living Adjustment (COLA)	Increase based on Cost-of-Living Adjustment (COLA)
<b>OASDI payroll tax rate (employer)</b>	6.2%	6.2%	6.2%	6.2%	6.2%	6.2%	6.2%	6.2%
<b>OASDI payroll tax rate (employee)</b>	6.2%	6.2%	6.2%	6.2%	6.2%	6.2%	6.2%	6.2%
<b>Medicare payroll tax rate (employer)</b>	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%
<b>Medicare payroll tax rate (employee)</b>	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%
<b>HI surtax on earned income for high-income taxpayers <sup>3</sup></b>	None	None	None	None	None	None	0.9%	0.9%
<b>HI surtax on investment income for high-income taxpayers <sup>3</sup></b>	None	None	None	None	None	None	3.8%	3.8%

(1) The personal exemption phaseout (PEP) reduces personal exemptions by 2 percent for each \$2,500 by which adjusted gross income (AGI) exceeds a specified threshold. The limitation on itemized deductions (Pease) reduces most itemized deductions by 3 percent of the amount by which AGI exceeds a specified threshold, up to a maximum of 80 percent of itemized deductions.

(2) Estimate based on projected CPI/COLA from TPC microsimulation model.

(3) Surtax phases in beginning at modified AGI of \$200,000 for single filers and \$250,000 for joint filers.

**Table T12-0017**  
**Current Law and Current Policy Parameters for TPC Tables Created From**  
**March 1, 2009 to April 30, 2010**

*Note: Dollar amounts have been indexed for inflation where applicable, unless otherwise noted.*

	Tax Year					
	2009		2010		2011 and on	
	Current Law	Current Policy	Current Law	Current Policy	Current Law	Current Policy
<b>Ordinary income tax rates</b>	10%, 15%, 25%, 28%, 33%, 35%	10%, 15%, 25%, 28%, 33%, 35%	10%, 15%, 25%, 28%, 33%, 35%	10%, 15%, 25%, 28%, 33%, 35%	15%, 28%, 31%, 36%, 39.6%	10%, 15%, 25%, 28%, 33%, 35%
<b>Rates on long-term capital gains</b>	0%, 15%	0%, 15%	0%, 15%	0%, 15%	10%, 20%	0%, 15%
<b>Rates on capital gains held 5+ years</b>	0%, 15%	0%, 15%	0%, 15%	0%, 15%	8%, 18%	0%, 15%
<b>Dividends taxed at capital gains rates?</b>	Yes	Yes	Yes	Yes	No	Yes
<b>Standard deduction for joint filers</b>	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers	167% of amount for single filers	200% of amount for single filers
<b>Ordinary income tax thresholds for the bottom two brackets for joint filers</b>	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers	167% of amount for single filers	200% of amount for single filers
<b>PEP and Pease? <sup>1</sup></b>	No	No	No	No	Yes	No
<b>Child Tax Credit</b>	\$1000 per child	\$1000 per child	\$1000 per child	\$1000 per child	\$500 per child	\$1000 per child
<b>Additional Child Tax Credit</b>	15% of earnings over \$3,000 (refundable)	15% of earnings over \$3,000 (refundable)	15% of earnings over \$3,000 (refundable)	15% of earnings over \$3,000 (refundable)	Only for large families with payroll taxes exceeding EITC	15% of earnings over \$10,000 (refundable)
<b>Child and Dependent Care Tax Credit</b>	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%	Max eligible expenses of \$2,400 (1 child) or \$4,800 (2+ children), max credit rate 30%	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%
<b>AMT exemption amount</b>	\$46,700 (single), \$70,950(joint)	\$46,700 (single), \$70,950 (joint)	\$33,750 (single), \$45,000 (joint)	\$46,900 (single), \$71,300 (joint) <sup>2</sup>	\$33,750 (single), \$45,000 (joint)	\$46,700 (single), \$70,950 (joint). Amounts indexed from 2009.
<b>AMT exemption phaseout threshold</b>	\$112,500 (single), \$150,000 (joint)	\$112,500 (single), \$150,000 (joint)	\$112,500 (single), \$150,000 (joint)	\$113,050 (single), \$150,750 (joint) <sup>2</sup>	\$112,500 (single), \$150,000 (joint)	\$112,500 (single), \$150,000 (joint). Amounts indexed from 2009.
<b>AMT threshold for 28 percent rate</b>	\$175,000	\$175,000	\$175,000	\$175,900 <sup>2</sup>	\$175,000	\$175,000 (indexed from 2009)
<b>Allow personal credits against AMT?</b>	Yes	Yes	EITC and CTC only	Yes	No	Yes
<b>Earned Income Tax Credit (EITC) Rate</b>	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%.	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%.	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%.	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%.	0 children: 7.65%, 1 child: 34%, 2+ children: 40%	0 children: 7.65%, 1 child: 34%, 2+ children: 40%
<b>EITC Phaseout Threshold Increase for Joint Filers</b>	\$5,000	\$5,000	\$5,030 <sup>2</sup>	\$5,030 <sup>2</sup>	None	\$3,000 (indexed from 2008)
<b>Hope Credit or American Opportunity Tax Credit (AOTC)?</b>	AOTC	AOTC	AOTC	AOTC	Hope	Hope
<b>State and local general sales tax deduction?</b>	Yes	Yes	No	No	No	No
<b>Tuition and fees deduction?</b>	Yes	Yes	No	No	No	No
<b>Educator expense deduction?</b>	Yes	Yes	No	No	No	No
<b>Estate Tax</b>	\$3.5m exemption, 45% rate	\$3.5m exemption, 45% rate	No estate tax but carry over basis for inherited assets over \$1.3m	\$3.5m exemption, 45% rate	\$1m exemption, 55% top rate	\$3.5m exemption, 45% rate
<b>OASDI taxable earnings maximum</b>	\$106,800	\$106,800	Increase based on Cost-of-Living Adjustment (COLA)	Increase based on Cost-of-Living Adjustment (COLA)	Increase based on Cost-of-Living Adjustment (COLA)	Increase based on Cost-of-Living Adjustment (COLA)
<b>OASDI payroll tax rate (employer)</b>	6.2%	6.2%	6.2%	6.2%	6.2%	6.2%
<b>OASDI payroll tax rate (employee)</b>	6.2%	6.2%	6.2%	6.2%	6.2%	6.2%
<b>Medicare payroll tax rate (employer)</b>	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%
<b>Medicare payroll tax rate (employee)</b>	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%

(1) The personal exemption phaseout (PEP) reduces personal exemptions by 2 percent for each \$2,500 by which adjusted gross income (AGI) exceeds a specified threshold. The limitation on itemized deductions (Pease) reduces most itemized deductions by 3 percent of the amount by which AGI exceeds a specified threshold, up to a maximum of 80 percent of itemized deductions.

(2) Estimate based on projected CPI/COLA from TPC microsimulation model.