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**Table T12-0036**  
**H.R. 3630: The Middle Class Tax Relief and Job Creation Act of 2012**  
**Baseline: Current Policy (Excluding the Temporary Payroll Tax Cut Continuation Act of 2011)**  
**Distribution of Federal Tax Change by Cash Income Percentile, 2012 <sup>1</sup>**  
**Summary Table**

Cash Income Percentile <sup>2,3</sup>	Tax Units with Tax Increase or Cut <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 (%)	Under the Proposal
	Pct of Tax Units	Avg Tax Cut	Pct of Tax Units	Avg Tax Increase					
<b>Lowest Quintile</b>	53.9	-165	0.0	0	0.9	3.4	-89	-0.9	0.7
<b>Second Quintile</b>	73.5	-420	0.0	0	1.3	10.2	-309	-1.2	6.0
<b>Middle Quintile</b>	81.2	-735	0.0	0	1.5	17.4	-597	-1.3	12.7
<b>Fourth Quintile</b>	86.3	-1,280	0.0	0	1.7	26.6	-1,105	-1.4	17.0
<b>Top Quintile</b>	89.6	-2,256	0.0	0	1.0	42.3	-2,021	-0.7	23.7
<b>All</b>	74.0	-921	0.0	0	1.2	100.0	-682	-1.0	18.8
<b>Addendum</b>									
<b>80-90</b>	88.9	-2,003	0.0	0	1.6	18.8	-1,780	-1.3	19.6
<b>90-95</b>	91.2	-2,442	0.0	0	1.5	11.4	-2,226	-1.2	21.5
<b>95-99</b>	89.7	-2,539	0.0	0	0.9	9.6	-2,278	-0.7	23.7
<b>Top 1 Percent</b>	88.6	-2,718	0.0	0	0.2	2.6	-2,407	-0.1	28.1
<b>Top 0.1 Percent</b>	87.3	-2,735	0.0	0	0.0	0.3	-2,388	0.0	30.7

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0411-3).

Number of AMT Taxpayers (millions). Baseline: 4.9

Proposal: 4.9

\* Less than 0.05

\*\* Insufficient data

(1) Calendar year. Baseline is current policy excluding the Temporary Payroll Tax Cut Continuation Act of 2011. Proposal is H.R. 3630 which includes a full year extension of the payroll tax holiday where the OASDI tax rate is reduced two percentage points to 4.2% for the entire 2012 calendar year. Table captures effects of the full twelve month extension. For a description of TPC's current law and current policy baselines, see

<http://www.taxpolicycenter.org/T11-0270>

(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 2011 dollars): 20% \$17,130; 40% \$34,174; 60% \$62,042; 80% \$104,401; 90% \$169,059; 95% \$216,085; 99% \$569,944; 99.9% \$2,474,273.

(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 T12-0036**  
**H.R. 3630: The Middle Class Tax Relief and Job Creation Act of 2012**  
**Baseline: Current Policy (Excluding the Temporary Payroll Tax Cut Continuation Act of 2011)**  
**Distribution of Federal Tax Change by Cash Income Percentile, 2012<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	53.9	0.0	0.9	3.4	-89	-57.7	-0.2	0.1	-0.9	0.7
Second Quintile	73.5	0.0	1.3	10.2	-309	-16.8	-0.4	2.6	-1.2	6.0
Middle Quintile	81.2	0.0	1.5	17.4	-597	-9.3	-0.4	8.8	-1.3	12.7
Fourth Quintile	86.3	0.0	1.7	26.6	-1,105	-7.4	-0.5	17.4	-1.4	17.0
Top Quintile	89.6	0.0	1.0	42.3	-2,021	-3.0	1.4	71.0	-0.7	23.7
All	74.0	0.0	1.2	100.0	-682	-4.9	0.0	100.0	-1.0	18.8
<b>Addendum</b>										
80-90	88.9	0.0	1.6	18.8	-1,780	-6.2	-0.2	14.7	-1.3	19.6
90-95	91.2	0.0	1.5	11.4	-2,226	-5.1	0.0	10.9	-1.2	21.5
95-99	89.7	0.0	0.9	9.6	-2,278	-2.7	0.4	17.7	-0.7	23.7
Top 1 Percent	88.6	0.0	0.2	2.6	-2,407	-0.5	1.2	27.6	-0.1	28.1
Top 0.1 Percent	87.3	0.0	0.0	0.3	-2,388	-0.1	0.7	14.7	0.0	30.7

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Percentile, 2012<sup>1</sup>**

Cash Income Percentile <sup>2,3</sup>	Tax Units <sup>4</sup>		Pre-Tax Income		Federal Tax Burden		After-Tax Income <sup>5</sup>		Average Federal Tax Rate <sup>6</sup>	
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total		
Lowest Quintile	43,663	26.4	9,572	3.6	154	0.3	9,418	4.4	1.6	
Second Quintile	37,050	22.4	25,295	8.1	1,835	3.0	23,459	9.4	7.3	
Middle Quintile	32,849	19.9	45,950	13.1	6,434	9.3	39,516	14.0	14.0	
Fourth Quintile	27,060	16.4	81,893	19.2	15,008	17.8	66,885	19.5	18.3	
Top Quintile	23,575	14.3	275,386	56.2	67,313	69.6	208,072	52.9	24.4	
All	165,201	100.0	69,939	100.0	13,808	100.0	56,131	100.0	19.7	
<b>Addendum</b>										
80-90	11,894	7.2	137,086	14.1	28,622	14.9	108,463	13.9	20.9	
90-95	5,764	3.5	191,432	9.6	43,328	11.0	148,104	9.2	22.6	
95-99	4,723	2.9	344,096	14.1	83,696	17.3	260,400	13.3	24.3	
Top 1 Percent	1,193	0.7	1,787,841	18.5	504,085	26.4	1,283,755	16.5	28.2	
Top 0.1 Percent	122	0.1	8,534,016	9.0	2,618,887	14.0	5,915,129	7.8	30.7	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0411-3).

Number of AMT Taxpayers (millions). Baseline: 4.9

Proposal: 4.9

\* Less than 0.05

(1) Calendar year. Baseline is current policy excluding the Temporary Payroll Tax Cut Continuation Act of 2011. Proposal is H.R. 3630 which includes a full year extension of the payroll tax holiday where the OASDI tax rate is reduced two percentage points to 4.2% for the entire 2012 calendar year. Table captures effects of the full twelve month extension. For a description of TPC's current law and current policy baselines, see

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(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 2011 dollars): 20% \$17,130; 40% \$34,174; 60% \$62,042; 80% \$104,401; 90% \$169,059; 95% \$216,085; 99% \$569,944; 99.9% \$2,474,273.

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(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 T12-0036**  
**H.R. 3630: The Middle Class Tax Relief and Job Creation Act of 2012**  
**Baseline: Current Policy (Excluding the Temporary Payroll Tax Cut Continuation Act of 2011)**  
**Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2012 <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
<b>Lowest Quintile</b>	61.6	0.0	1.2	3.4	-107	42.8	-0.2	-0.6	-1.2	-4.0
<b>Second Quintile</b>	64.9	0.0	1.3	8.4	-272	-23.0	-0.3	1.5	-1.2	4.0
<b>Middle Quintile</b>	77.2	0.0	1.5	15.4	-521	-9.9	-0.4	7.3	-1.3	11.6
<b>Fourth Quintile</b>	84.3	0.0	1.7	26.4	-961	-7.7	-0.5	16.5	-1.4	16.3
<b>Top Quintile</b>	86.8	0.0	1.0	46.3	-1,770	-3.1	1.4	75.3	-0.8	23.6
<b>All</b>	74.0	0.0	1.2	100.0	-682	-4.9	0.0	100.0	-1.0	18.8
<b>Addendum</b>										
<b>80-90</b>	87.2	0.0	1.7	20.1	-1,535	-6.3	-0.2	15.6	-1.3	19.9
<b>90-95</b>	86.7	0.0	1.5	12.6	-1,926	-5.1	0.0	12.1	-1.1	21.1
<b>95-99</b>	86.9	0.0	0.9	10.8	-2,076	-2.9	0.4	18.9	-0.7	23.5
<b>Top 1 Percent</b>	83.5	0.0	0.2	2.7	-2,121	-0.5	1.3	28.8	-0.1	27.9
<b>Top 0.1 Percent</b>	83.6	0.0	0.0	0.3	-2,163	-0.1	0.7	15.2	0.0	30.6

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Percentile Adjusted for Family Size, 2012 <sup>1</sup>**

Cash Income Percentile <sup>2,3</sup>	Tax Units <sup>4</sup>		Pre-Tax Income		Federal Tax Burden		After-Tax Income <sup>5</sup>		Average Federal Tax Rate <sup>6</sup>
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	
<b>Lowest Quintile</b>	35,974	21.8	8,876	2.8	-250	-0.4	9,126	3.5	-2.8
<b>Second Quintile</b>	34,567	20.9	22,590	6.8	1,181	1.8	21,409	8.0	5.2
<b>Middle Quintile</b>	33,255	20.1	40,903	11.8	5,253	7.7	35,650	12.8	12.8
<b>Fourth Quintile</b>	30,969	18.8	70,796	19.0	12,491	17.0	58,305	19.5	17.6
<b>Top Quintile</b>	29,431	17.8	235,116	59.9	57,275	73.9	177,840	56.4	24.4
<b>All</b>	165,201	100.0	69,939	100.0	13,808	100.0	56,131	100.0	19.7
<b>Addendum</b>									
<b>80-90</b>	14,735	8.9	115,382	14.7	24,480	15.8	90,902	14.4	21.2
<b>90-95</b>	7,387	4.5	169,033	10.8	37,545	12.2	131,488	10.5	22.2
<b>95-99</b>	5,859	3.6	296,436	15.0	71,824	18.5	224,612	14.2	24.2
<b>Top 1 Percent</b>	1,450	0.9	1,540,746	19.3	432,271	27.5	1,108,475	17.3	28.1
<b>Top 0.1 Percent</b>	144	0.1	7,479,092	9.3	2,288,661	14.5	5,190,431	8.1	30.6

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0411-3).

Number of AMT Taxpayers (millions). Baseline: 4.9

Proposal: 4.9

\* Less than 0.05

(1) Calendar year. Baseline is current policy excluding the Temporary Payroll Tax Cut Continuation Act of 2011. Proposal is H.R. 3630 which includes a full year extension of the payroll tax holiday where the OASDI tax rate is reduced two percentage points to 4.2% for the entire 2012 calendar year. Table captures effects of the full twelve month extension. For a description of TPC's current law and current policy baselines, see

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(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 2011 dollars): 20% \$11,888; 40% \$22,737; 60% \$38,728; 80% \$67,694; 90% \$99,454; 95% \$141,130; 99% \$361,878; 99.9% \$1,491,280.

(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 T12-0036**  
**H.R. 3630: The Middle Class Tax Relief and Job Creation Act of 2012**  
**Baseline: Current Policy (Excluding the Temporary Payroll Tax Cut Continuation Act of 2011)**  
**Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2012<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	52.2	0.0	1.0	5.5	-67	-22.4	-0.2	1.1	-1.0	3.3
Second Quintile	47.3	0.0	0.9	9.6	-141	-11.1	-0.3	4.3	-0.8	6.4
Middle Quintile	69.7	0.0	1.3	19.9	-351	-8.2	-0.4	12.3	-1.1	12.7
Fourth Quintile	79.1	0.0	1.6	28.3	-667	-6.9	-0.4	21.0	-1.3	17.9
Top Quintile	79.2	0.0	1.1	36.6	-1,191	-3.2	1.3	61.3	-0.8	24.3
All	61.4	0.0	1.2	100.0	-355	-5.2	0.0	100.0	-1.0	17.8
<b>Addendum</b>										
80-90	82.2	0.0	1.7	19.8	-1,080	-5.9	-0.1	17.5	-1.3	21.4
90-95	76.3	0.0	1.5	6.6	-1,303	-4.9	0.0	7.0	-1.1	21.8
95-99	75.4	0.0	1.0	8.6	-1,431	-3.0	0.3	15.1	-0.7	23.1
Top 1 Percent	67.7	0.0	0.2	1.7	-1,204	-0.4	1.1	21.8	-0.1	29.5
Top 0.1 Percent	67.7	0.0	0.0	0.2	-1,267	-0.1	0.6	10.9	0.0	33.3

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Percentile Adjusted for Family Size, 2012<sup>1</sup>**

Cash Income Percentile <sup>2,3</sup>	Tax Units <sup>4</sup>		Pre-Tax Income		Federal Tax Burden		After-Tax Income <sup>5</sup>		Average Federal Tax Rate <sup>6</sup>	
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total		
Lowest Quintile	23,296	28.9	7,053	5.6	301	1.3	6,752	6.6	4.3	
Second Quintile	19,542	24.2	17,555	11.7	1,273	4.5	16,282	13.4	7.3	
Middle Quintile	16,237	20.1	30,999	17.2	4,279	12.7	26,720	18.2	13.8	
Fourth Quintile	12,148	15.1	50,263	20.8	9,679	21.4	40,585	20.7	19.3	
Top Quintile	8,806	10.9	149,273	44.9	37,433	60.0	111,839	41.4	25.1	
All	80,620	100.0	36,344	100.0	6,811	100.0	29,534	100.0	18.7	
<b>Addendum</b>										
80-90	5,247	6.5	80,765	14.5	18,389	17.6	62,376	13.7	22.8	
90-95	1,450	1.8	115,538	5.7	26,473	7.0	89,065	5.4	22.9	
95-99	1,714	2.1	197,496	11.6	47,114	14.7	150,382	10.8	23.9	
Top 1 Percent	395	0.5	972,862	13.1	288,330	20.8	684,532	11.4	29.6	
Top 0.1 Percent	34	0.0	5,001,060	5.8	1,666,380	10.3	3,334,680	4.8	33.3	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0411-3).

\* Less than 0.05

(1) Calendar year. Baseline is current policy excluding the Temporary Payroll Tax Cut Continuation Act of 2011. Proposal is H.R. 3630 which includes a full year extension of the payroll tax holiday where the OASDI tax rate is reduced two percentage points to 4.2% for the entire 2012 calendar year. Table captures effects of the full twelve month extension. For a description of TPC's current law and current policy baselines, 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 2011 dollars): 20% \$11,888; 40% \$22,737; 60% \$38,728; 80% \$67,694; 90% \$99,454; 95% \$141,130; 99% \$361,878; 99.9% \$1,491,280.

(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 T12-0036**  
**H.R. 3630: The Middle Class Tax Relief and Job Creation Act of 2012**  
**Baseline: Current Policy (Excluding the Temporary Payroll Tax Cut Continuation Act of 2011)**  
**Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2012<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	76.0	0.0	1.5	1.3	-210	24.0	-0.1	-0.3	-1.6	-8.2
Second Quintile	83.6	0.0	1.5	4.4	-464	-29.6	-0.2	0.5	-1.5	3.5
Middle Quintile	80.9	0.0	1.5	11.2	-690	-11.0	-0.3	4.2	-1.3	10.4
Fourth Quintile	87.4	0.0	1.6	26.2	-1,175	-8.0	-0.6	13.8	-1.4	15.4
Top Quintile	90.1	0.0	1.0	56.7	-2,057	-3.1	1.1	81.8	-0.7	23.4
All	85.5	0.0	1.2	100.0	-1,215	-4.4	0.0	100.0	-0.9	20.2
<b>Addendum</b>										
80-90	90.0	0.0	1.7	22.6	-1,831	-6.4	-0.3	15.1	-1.3	19.3
90-95	89.0	0.0	1.5	17.1	-2,095	-5.2	-0.1	14.4	-1.1	21.0
95-99	91.9	0.0	0.9	13.4	-2,382	-2.9	0.3	20.9	-0.7	23.6
Top 1 Percent	89.5	0.0	0.2	3.6	-2,511	-0.5	1.2	31.4	-0.1	27.5
Top 0.1 Percent	89.6	0.0	0.0	0.4	-2,515	-0.1	0.7	16.5	0.0	30.0

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Percentile Adjusted for Family Size, 2012<sup>1</sup>**

Cash Income Percentile <sup>2,3</sup>	Tax Units <sup>4</sup>		Pre-Tax Income		Federal Tax Burden		After-Tax Income <sup>5</sup>		Average Federal Tax Rate <sup>6</sup>	
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total		
Lowest Quintile	4,296	7.5	13,221	0.8	-876	-0.2	14,097	1.0	-6.6	
Second Quintile	6,617	11.6	31,809	2.8	1,570	0.7	30,239	3.4	4.9	
Middle Quintile	11,298	19.8	53,751	8.1	6,290	4.5	47,461	9.1	11.7	
Fourth Quintile	15,501	27.1	87,305	18.0	14,626	14.3	72,680	19.0	16.8	
Top Quintile	19,157	33.5	276,344	70.5	66,695	80.7	209,649	67.8	24.1	
All	57,183	100.0	131,340	100.0	27,692	100.0	103,648	100.0	21.1	
<b>Addendum</b>										
80-90	8,593	15.0	138,354	15.8	28,495	15.5	109,859	15.9	20.6	
90-95	5,655	9.9	183,483	13.8	40,543	14.5	142,940	13.6	22.1	
95-99	3,914	6.9	342,206	17.8	83,230	20.6	258,976	17.1	24.3	
Top 1 Percent	995	1.7	1,736,620	23.0	480,144	30.2	1,256,476	21.1	27.7	
Top 0.1 Percent	102	0.2	8,159,559	11.0	2,453,728	15.8	5,705,831	9.8	30.1	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0411-3).

\* Less than 0.05

(1) Calendar year. Baseline is current policy excluding the Temporary Payroll Tax Cut Continuation Act of 2011. Proposal is H.R. 3630 which includes a full year extension of the payroll tax holiday where the OASDI tax rate is reduced two percentage points to 4.2% for the entire 2012 calendar year. Table captures effects of the full twelve month extension. For a description of TPC's current law and current policy baselines, see

<http://www.taxpolicycenter.org/T11-0270>

(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 2011 dollars): 20% \$11,888; 40% \$22,737; 60% \$38,728; 80% \$67,694; 90% \$99,454; 95% \$141,130; 99% \$361,878; 99.9% \$1,491,280.

(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 T12-0036**  
**H.R. 3630: The Middle Class Tax Relief and Job Creation Act of 2012**  
**Baseline: Current Policy (Excluding the Temporary Payroll Tax Cut Continuation Act of 2011)**  
**Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2012<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	80.4	0.0	1.2	10.5	-166	10.8	-3.3	-15.5	-1.4	-14.3
Second Quintile	91.2	0.0	1.6	26.7	-429	-80.1	-3.2	1.0	-1.6	0.4
Middle Quintile	90.8	0.0	1.8	26.9	-692	-11.6	0.3	29.4	-1.5	11.7
Fourth Quintile	89.5	0.0	1.9	22.9	-1,101	-8.3	1.7	36.3	-1.5	16.8
Top Quintile	92.3	0.0	1.2	12.8	-1,618	-3.6	4.5	48.8	-0.9	23.1
All	87.3	0.0	1.6	100.0	-515	-12.6	0.0	100.0	-1.4	9.7
<b>Addendum</b>										
80-90	91.0	0.0	1.8	7.1	-1,502	-6.5	1.0	14.8	-1.4	20.7
90-95	96.8	0.0	1.5	3.2	-1,855	-5.2	0.7	8.5	-1.2	21.2
95-99	90.9	0.0	0.8	2.0	-1,702	-2.6	1.1	10.8	-0.6	23.1
Top 1 Percent	91.2	0.0	0.2	0.5	-1,764	-0.5	1.8	14.6	-0.1	28.1
Top 0.1 Percent	79.4	0.0	0.0	0.0	-1,640	-0.1	0.9	7.2	0.0	30.3

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Percentile Adjusted for Family Size, 2012<sup>1</sup>**

Cash Income Percentile <sup>2,3</sup>	Tax Units <sup>4</sup>		Pre-Tax Income		Federal Tax Burden		After-Tax Income <sup>5</sup>		Average Federal Tax Rate <sup>6</sup>	
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total		
Lowest Quintile	8,142	32.8	11,820	10.5	-1,529	-12.2	13,349	13.3	-12.9	
Second Quintile	7,970	32.1	27,357	23.8	536	4.2	26,821	26.2	2.0	
Middle Quintile	4,970	20.0	44,886	24.3	5,951	29.1	38,935	23.8	13.3	
Fourth Quintile	2,665	10.7	72,171	21.0	13,242	34.7	58,929	19.3	18.4	
Top Quintile	1,013	4.1	185,283	20.5	44,469	44.3	140,815	17.5	24.0	
All	24,826	100.0	36,919	100.0	4,102	100.0	32,817	100.0	11.1	
<b>Addendum</b>										
80-90	607	2.4	105,401	7.0	23,268	13.9	82,133	6.1	22.1	
90-95	223	0.9	160,960	3.9	35,893	7.9	125,067	3.4	22.3	
95-99	151	0.6	276,308	4.5	65,506	9.7	210,802	3.9	23.7	
Top 1 Percent	34	0.1	1,383,004	5.1	390,446	12.9	992,558	4.1	28.2	
Top 0.1 Percent	3	0.0	6,783,100	2.3	2,059,782	6.3	4,723,319	1.8	30.4	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0411-3).

\* Less than 0.05

(1) Calendar year. Baseline is current policy excluding the Temporary Payroll Tax Cut Continuation Act of 2011. Proposal is H.R. 3630 which includes a full year extension of the payroll tax holiday where the OASDI tax rate is reduced two percentage points to 4.2% for the entire 2012 calendar year. Table captures effects of the full twelve month extension. For a description of TPC's current law and current policy baselines, see

<http://www.taxpolicycenter.org/T11-0270>

(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 2011 dollars): 20% \$11,888; 40% \$22,737; 60% \$38,728; 80% \$67,694; 90% \$99,454; 95% \$141,130; 99% \$361,878; 99.9% \$1,491,280.

(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 T12-0036**  
**H.R. 3630: The Middle Class Tax Relief and Job Creation Act of 2012**  
**Baseline: Current Policy (Excluding the Temporary Payroll Tax Cut Continuation Act of 2011)**  
**Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2012 <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
<b>Lowest Quintile</b>	86.1	0.0	1.4	3.8	-201	9.5	-0.4	-2.8	-1.6	-18.3
<b>Second Quintile</b>	96.3	0.0	1.7	10.4	-515	-114.1	-0.6	-0.1	-1.7	-0.2
<b>Middle Quintile</b>	95.4	0.0	1.9	16.6	-902	-11.9	-0.5	7.8	-1.6	12.0
<b>Fourth Quintile</b>	96.9	0.0	2.0	27.9	-1,541	-8.9	-0.6	18.3	-1.6	16.8
<b>Top Quintile</b>	98.2	0.0	1.1	41.3	-2,560	-3.3	2.1	76.6	-0.9	24.5
<b>All</b>	94.4	0.0	1.5	100.0	-1,088	-6.0	0.0	100.0	-1.2	18.4
<b>Addendum</b>										
<b>80-90</b>	98.1	0.0	1.9	20.8	-2,392	-6.7	-0.1	18.6	-1.5	20.7
<b>90-95</b>	98.4	0.0	1.6	9.4	-2,656	-5.4	0.1	10.5	-1.3	21.7
<b>95-99</b>	98.5	0.0	1.0	8.8	-2,814	-2.8	0.7	19.9	-0.7	25.1
<b>Top 1 Percent</b>	97.1	0.0	0.2	2.3	-2,982	-0.5	1.5	27.6	-0.2	29.0
<b>Top 0.1 Percent</b>	93.2	0.0	0.0	0.2	-2,906	-0.1	0.8	13.9	0.0	30.9

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Percentile Adjusted for Family Size, 2012 <sup>1</sup>**

Cash Income Percentile <sup>2,3</sup>	Tax Units <sup>4</sup>		Pre-Tax Income		Federal Tax Burden		After-Tax Income <sup>5</sup>		Average Federal Tax Rate <sup>6</sup>
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	
<b>Lowest Quintile</b>	9,976	20.5	12,634	2.8	-2,111	-2.4	14,744	4.1	-16.7
<b>Second Quintile</b>	10,734	22.0	31,005	7.4	451	0.6	30,554	9.1	1.5
<b>Middle Quintile</b>	9,714	19.9	55,609	12.1	7,560	8.4	48,049	13.0	13.6
<b>Fourth Quintile</b>	9,574	19.7	94,335	20.2	17,368	18.9	76,967	20.5	18.4
<b>Top Quintile</b>	8,539	17.5	302,475	57.7	76,692	74.5	225,783	53.6	25.4
<b>All</b>	48,707	100.0	91,956	100.0	18,049	100.0	73,907	100.0	19.6
<b>Addendum</b>									
<b>80-90</b>	4,612	9.5	161,129	16.6	35,780	18.8	125,349	16.1	22.2
<b>90-95</b>	1,871	3.8	212,984	8.9	48,859	10.4	164,125	8.5	22.9
<b>95-99</b>	1,657	3.4	395,702	14.6	102,209	19.3	293,494	13.5	25.8
<b>Top 1 Percent</b>	399	0.8	1,969,435	17.5	574,328	26.1	1,395,107	15.5	29.2
<b>Top 0.1 Percent</b>	38	0.1	9,819,482	8.3	3,034,455	13.1	6,785,027	7.1	30.9

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0411-3).

\* Less than 0.05

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 excluding the Temporary Payroll Tax Cut Continuation Act of 2011. Proposal is H.R. 3630 which includes a full year extension of the payroll tax holiday where the OASDI tax rate is reduced two percentage points to 4.2% for the entire 2012 calendar year. Table captures effects of the full twelve month extension. For a description of TPC's current law and current policy baselines, see <http://www.taxpolicycenter.org/T11-0270>

(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 2011 dollars): 20% \$11,888; 40% \$22,737; 60% \$38,728; 80% \$67,694; 90% \$99,454; 95% \$141,130; 99% \$361,878; 99.9% \$1,491,280.

(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 T12-0036**  
**H.R. 3630: The Middle Class Tax Relief and Job Creation Act of 2012**  
**Baseline: Current Policy (Excluding the Temporary Payroll Tax Cut Continuation Act of 2011)**  
**Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2012 <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
<b>Lowest Quintile</b>	4.3	0.0	0.1	0.4	-4	-7.3	0.0	0.1	-0.1	0.6
<b>Second Quintile</b>	10.7	0.0	0.1	2.3	-16	-7.5	0.0	0.5	-0.1	1.1
<b>Middle Quintile</b>	34.4	0.0	0.3	12.5	-92	-5.9	-0.2	3.2	-0.3	4.0
<b>Fourth Quintile</b>	47.9	0.0	0.4	27.3	-253	-3.7	-0.3	11.5	-0.4	9.9
<b>Top Quintile</b>	52.2	0.0	0.3	57.5	-552	-1.1	0.4	84.7	-0.2	21.5
<b>All</b>	29.6	0.0	0.3	100.0	-172	-1.6	0.0	100.0	-0.3	15.5
<b>Addendum</b>										
<b>80-90</b>	49.5	0.0	0.4	17.7	-381	-2.6	-0.1	10.8	-0.4	14.2
<b>90-95</b>	53.0	0.0	0.5	17.5	-613	-2.2	-0.1	12.7	-0.4	17.4
<b>95-99</b>	55.8	0.0	0.3	16.5	-724	-1.3	0.1	20.6	-0.3	20.8
<b>Top 1 Percent</b>	55.3	0.0	0.1	5.9	-892	-0.2	0.6	40.6	-0.1	27.8
<b>Top 0.1 Percent</b>	64.6	0.0	0.0	0.8	-1,209	-0.1	0.3	22.3	0.0	31.0

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Percentile Adjusted for Family Size, 2012 <sup>1</sup>**

Cash Income Percentile <sup>2,3</sup>	Tax Units <sup>4</sup>		Pre-Tax Income		Federal Tax Burden		After-Tax Income <sup>5</sup>		Average Federal Tax Rate <sup>6</sup>
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	
<b>Lowest Quintile</b>	5,424	14.9	8,807	1.9	60	0.1	8,747	2.2	0.7
<b>Second Quintile</b>	9,099	25.1	18,333	6.6	213	0.5	18,120	7.8	1.2
<b>Middle Quintile</b>	8,491	23.4	36,941	12.5	1,567	3.4	35,374	14.2	4.2
<b>Fourth Quintile</b>	6,762	18.6	66,644	18.0	6,876	11.8	59,769	19.1	10.3
<b>Top Quintile</b>	6,515	17.9	235,268	61.1	51,054	84.2	184,213	56.7	21.7
<b>All</b>	36,319	100.0	69,121	100.0	10,872	100.0	58,250	100.0	15.7
<b>Addendum</b>									
<b>80-90</b>	2,900	8.0	102,036	11.8	14,889	10.9	87,147	12.0	14.6
<b>90-95</b>	1,783	4.9	158,813	11.3	28,184	12.7	130,629	11.0	17.8
<b>95-99</b>	1,422	3.9	270,694	15.3	56,909	20.5	213,785	14.4	21.0
<b>Top 1 Percent</b>	411	1.1	1,385,408	22.7	385,463	40.1	999,945	19.4	27.8
<b>Top 0.1 Percent</b>	43	0.1	6,520,261	11.1	2,023,554	21.9	4,496,707	9.1	31.0

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0411-3).

\* Less than 0.05

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

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(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.