

Table T12-0050
Effective Marginal Individual Income Tax Rates (EMTR)
Administration's FY2013 Budget Proposals
Individual Income Tax Provisions
Distribution by Cash Income Level, 2013¹

Cash Income Class (thousands of 2011 dollars) ²	Tax Units (thousands) ³	Average Effective Marginal Individual Income Tax Rates			Percent of Tax Units with a Change in Effective Marginal Individual Income Tax Rates				<i>Memo :</i> Percent of Tax Units with No Earnings ⁴
		Current Law	Current Policy	Budget Proposal	Relative to Current Law		Relative to Current Policy		
					Increase in EMTR	Decrease in EMTR	Increase in EMTR	Decrease in EMTR	
Less than 10	21,065	-4.6	-7.2	-7.3	0.6	14.1	1.2	1.5	42.1
10-20	27,359	7.5	3.5	3.2	2.5	33.0	1.5	6.3	43.7
20-30	20,377	16.7	15.2	14.9	6.0	29.8	1.1	13.1	24.5
30-40	16,959	19.1	18.7	18.5	5.6	29.7	1.3	14.2	19.4
40-50	13,305	18.2	17.9	17.7	8.6	31.7	1.1	15.1	15.0
50-75	22,765	21.7	18.9	18.8	2.7	53.3	0.7	11.9	14.2
75-100	14,636	24.1	18.7	18.8	3.7	65.3	3.4	10.9	11.9
100-200	20,881	27.8	24.9	24.8	12.4	73.6	1.5	8.3	9.5
200-500	6,084	33.7	31.5	34.2	23.2	53.0	25.8	9.6	10.0
500-1,000	1,051	38.4	30.1	38.0	21.8	55.5	61.9	11.8	11.5
More than 1,000	534	40.0	33.7	40.5	12.9	62.7	77.2	3.5	12.0
All	166,272	26.1	22.9	24.0	5.8	41.3	2.9	9.6	23.8

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

(1) Calendar year. The proposal contains all the individual income tax provisions in the Administration's FY2013 Budget Proposal. Effective marginal rate is determined by calculating individual income tax and then adding \$1,000 to wages and recomputing individual income tax. Values are averages, weighted by the dollar value of wages and salaries.

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

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

(4) Tax units with no earnings (defined as wages and salaries plus self-employment income) are not included in the higher and lower columns.