

Table T12-0131
Allow 2013 Current Law to Take Effect as Scheduled
Baseline: 2012 Current Law with AMT Patch
Distribution of Federal Tax Change by Cash Income Percentile, 2013 ¹
Summary Table

Cash Income Percentile ^{2,3}	Tax Units with Tax Increase or Cut ⁴				Percent Change in After-Tax Income ⁵	Share of Total Federal Tax Change	Average Federal Tax Change (\$)	Average Federal Tax Rate ⁶	
	With Tax Cut		With Tax Increase					Change (% Points)	Under the Proposal
	Pct of Tax Units	Avg Tax Cut	Pct of Tax Units	Avg Tax Increase					
Lowest Quintile	0.0	0	56.5	512	-2.9	2.5	289	2.9	3.8
Second Quintile	0.0	0	80.8	1,281	-4.0	7.8	1,037	3.8	10.8
Middle Quintile	0.0	0	95.9	1,843	-4.0	11.4	1,749	3.5	17.4
Fourth Quintile	0.0	0	99.2	3,429	-4.7	18.3	3,370	3.9	21.4
Top Quintile	0.0	0	99.7	12,819	-6.1	59.8	12,452	4.6	29.2
All	0.0	0	82.9	3,701	-5.2	100.0	3,012	4.2	23.7
Addendum									
80-90	0.0	0	99.7	6,208	-5.6	14.7	6,084	4.5	24.7
90-95	0.0	0	99.7	8,062	-5.3	9.4	7,935	4.1	25.9
95-99	0.0	0	99.6	14,066	-5.2	12.8	13,313	3.9	28.0
Top 1 Percent	0.0	0	99.8	97,134	-7.7	23.0	94,792	5.4	35.4
Top 0.1 Percent	0.0	0	99.9	486,069	-9.2	11.9	480,928	6.1	39.5

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

Number of AMT Taxpayers (millions). Baseline: 4.8

Proposal: 21.0

* Less than 0.05

** Insufficient data

(1) Calendar year. Baseline is 2012 current law with the alternative minimum tax exemption amount set to 2011 levels, indexed for inflation, and with nonrefundable credits allowed against AMT liability. The proposal is 2013 current law, which allows the 2001-10 tax cuts to expire, allows the employee payroll tax cut to expire, allows AMT parameters to revert to unpatched levels, implements the 3.8 percent surtax on unearned income and and 0.9 percent surtax on earned income for high-income taxpayers enacted in the health reform law, and implements the 2.5 percentage point increase in the AGI floor for the medical expense deduction enacted in the health reform law. Estimates use 2013 income levels for both the baseline and the proposal. 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% \$16,812; 40% \$33,542; 60% \$59,486; 80% \$103,465; 90% \$163,173; 95% \$210,998; 99% \$532,613; 99.9% \$2,178,886.

(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 T12-0131
Allow 2013 Current Law to Take Effect as Scheduled
Baseline: 2012 Current Law with AMT Patch
Distribution of Federal Tax Change by Cash Income Percentile, 2013¹
Detail Table

Cash Income Percentile ^{2,3}	Percent of Tax Units ⁴		Percent Change in After-Tax Income ⁵	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁶	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	0.0	56.5	-2.9	2.5	289	318.0	0.4	0.6	2.9	3.8
Second Quintile	0.0	80.8	-4.0	7.8	1,037	53.7	0.8	3.9	3.8	10.8
Middle Quintile	0.0	95.9	-4.0	11.4	1,749	24.8	0.3	10.1	3.5	17.4
Fourth Quintile	0.0	99.2	-4.7	18.3	3,370	22.1	0.1	17.8	3.9	21.4
Top Quintile	0.0	99.7	-6.1	59.8	12,452	18.5	-1.6	67.4	4.6	29.2
All	0.0	82.9	-5.2	100.0	3,012	21.4	0.0	100.0	4.2	23.7
Addendum										
80-90	0.0	99.7	-5.6	14.7	6,084	22.2	0.1	14.3	4.5	24.7
90-95	0.0	99.7	-5.3	9.4	7,935	18.8	-0.2	10.4	4.1	25.9
95-99	0.0	99.6	-5.2	12.8	13,313	16.3	-0.7	16.0	3.9	28.0
Top 1 Percent	0.0	99.8	-7.7	23.0	94,792	17.8	-0.8	26.7	5.4	35.4
Top 0.1 Percent	0.0	99.9	-9.2	11.9	480,928	18.3	-0.4	13.6	6.1	39.5

Baseline Distribution of Income and Federal Taxes
by Cash Income Percentile, 2013¹

Cash Income Percentile ^{2,3}	Tax Units ⁴		Pre-Tax Income		Federal Tax Burden		After-Tax Income ⁵		Average Federal Tax Rate ⁶	
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total		
Lowest Quintile	43,362	26.1	10,122	3.7	91	0.2	10,031	4.5	0.9	
Second Quintile	37,681	22.7	27,586	8.6	1,929	3.1	25,657	10.0	7.0	
Middle Quintile	32,699	19.7	50,739	13.8	7,066	9.9	43,673	14.7	13.9	
Fourth Quintile	27,208	16.4	87,197	19.7	15,265	17.7	71,933	20.2	17.5	
Top Quintile	24,067	14.5	272,779	54.6	67,247	69.0	205,532	51.1	24.7	
All	166,272	100.0	72,381	100.0	14,105	100.0	58,276	100.0	19.5	
Addendum										
80-90	12,130	7.3	136,031	13.7	27,442	14.2	108,589	13.6	20.2	
90-95	5,919	3.6	193,370	9.5	42,108	10.6	151,262	9.2	21.8	
95-99	4,805	2.9	338,609	13.5	81,507	16.7	257,103	12.8	24.1	
Top 1 Percent	1,213	0.7	1,767,267	17.8	531,572	27.5	1,235,694	15.5	30.1	
Top 0.1 Percent	124	0.1	7,871,135	8.1	2,625,421	13.9	5,245,714	6.7	33.4	

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

Number of AMT Taxpayers (millions). Baseline: 4.8

Proposal: 21.0

* Less than 0.05

(1) Calendar year. Baseline is 2012 current law with the alternative minimum tax exemption amount set to 2011 levels, indexed for inflation, and with nonrefundable credits allowed against AMT liability. The proposal is 2013 current law, which allows the 2001-10 tax cuts to expire, allows the employee payroll tax cut to expire, allows AMT parameters to revert to unpatched levels, implements the 3.8 percent surtax on unearned income and 0.9 percent surtax on earned income for high-income taxpayers enacted in the health reform law, and implements the 2.5 percentage point increase in the AGI floor for the medical expense deduction enacted in the health reform law. Estimates use 2013 income levels for both the baseline and the proposal. For a description of TPC's current law and current policy baselines, see <http://www.taxpolicycenter.org/T11-0270>

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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% \$16,812; 40% \$33,542; 60% \$59,486; 80% \$103,465; 90% \$163,173; 95% \$210,998; 99% \$532,613; 99.9% \$2,178,886.

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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 T12-0131
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Baseline: 2012 Current Law with AMT Patch
Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2013¹
Detail Table

Cash Income Percentile ^{2,3}	Percent of Tax Units ⁴		Percent Change in After-Tax Income ⁵	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁶	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	0.0	62.7	-4.6	3.3	452	-130.4	0.7	0.1	4.8	1.1
Second Quintile	0.0	69.6	-4.4	7.1	1,029	80.5	0.9	2.8	4.2	9.4
Middle Quintile	0.0	90.5	-4.0	10.3	1,556	28.0	0.4	8.3	3.5	15.9
Fourth Quintile	0.0	98.6	-4.6	17.7	2,908	22.5	0.2	17.0	3.8	20.8
Top Quintile	0.0	99.4	-5.8	61.5	10,042	17.8	-2.2	71.7	4.4	28.8
All	0.0	82.9	-5.2	100.0	3,012	21.4	0.0	100.0	4.2	23.7
Addendum										
80-90	0.0	99.3	-5.0	14.1	4,593	19.6	-0.2	15.2	4.0	24.2
90-95	0.0	99.4	-5.0	9.9	6,440	17.8	-0.4	11.5	3.9	25.7
95-99	0.0	99.7	-5.0	13.3	10,947	15.8	-0.8	17.1	3.8	27.7
Top 1 Percent	0.0	99.4	-7.7	24.2	82,490	18.1	-0.8	27.8	5.4	35.2
Top 0.1 Percent	0.0	99.8	-9.2	12.6	424,659	18.4	-0.4	14.2	6.1	39.5

Baseline Distribution of Income and Federal Taxes
by Cash Income Percentile Adjusted for Family Size, 2013¹

Cash Income Percentile ^{2,3}	Tax Units ⁴		Pre-Tax Income		Federal Tax Burden		After-Tax Income ⁵		Average Federal Tax Rate ⁶	
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total		
Lowest Quintile	36,065	21.7	9,430	2.8	-347	-0.5	9,777	3.6	-3.7	
Second Quintile	34,713	20.9	24,668	7.1	1,279	1.9	23,389	8.4	5.2	
Middle Quintile	33,034	19.9	44,764	12.3	5,551	7.8	39,214	13.4	12.4	
Fourth Quintile	30,538	18.4	76,122	19.3	12,928	16.8	63,194	19.9	17.0	
Top Quintile	30,666	18.4	230,715	58.8	56,460	73.8	174,255	55.2	24.5	
All	166,272	100.0	72,381	100.0	14,105	100.0	58,276	100.0	19.5	
Addendum										
80-90	15,414	9.3	115,967	14.9	23,468	15.4	92,500	14.7	20.2	
90-95	7,701	4.6	165,716	10.6	36,217	11.9	129,499	10.3	21.9	
95-99	6,085	3.7	289,779	14.7	69,202	18.0	220,577	13.9	23.9	
Top 1 Percent	1,466	0.9	1,533,122	18.7	456,685	28.6	1,076,437	16.3	29.8	
Top 0.1 Percent	148	0.1	6,917,786	8.5	2,304,906	14.6	4,612,881	7.1	33.3	

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

Number of AMT Taxpayers (millions). Baseline: 4.8

Proposal: 21.0

* Less than 0.05

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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% \$11,688; 40% \$22,351; 60% \$38,055; 80% \$65,353; 90% \$95,935; 95% \$134,201; 99% \$335,779; 99.9% \$1,350,445.

(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 T12-0131
Allow 2013 Current Law to Take Effect as Scheduled
Baseline: 2012 Current Law with AMT Patch
Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2013¹
Detail Table - Single Tax Units

Cash Income Percentile ^{2,3}	Percent of Tax Units ⁴		Percent Change in After-Tax Income ⁵	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁶	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	0.0	52.7	-2.3	3.5	166	64.8	0.4	1.4	2.2	5.7
Second Quintile	0.0	53.3	-2.1	6.6	368	26.8	0.3	4.9	1.9	9.1
Middle Quintile	0.0	87.0	-2.9	12.0	831	18.4	0.0	12.1	2.5	15.9
Fourth Quintile	0.0	97.9	-3.4	16.3	1,522	14.8	-0.7	19.8	2.8	21.6
Top Quintile	0.0	99.0	-6.2	61.5	7,010	18.6	0.0	61.6	4.7	29.8
All	0.0	71.5	-4.3	100.0	1,358	18.6	0.0	100.0	3.5	22.1
Addendum										
80-90	0.0	98.7	-4.5	13.5	2,899	16.0	-0.4	15.4	3.5	25.3
90-95	0.0	99.3	-5.1	9.9	4,626	16.8	-0.2	10.8	3.9	27.1
95-99	0.0	99.5	-5.9	14.8	9,051	18.8	0.0	14.7	4.5	28.3
Top 1 Percent	0.0	99.3	-9.9	23.3	69,863	21.5	0.5	20.7	6.8	38.2
Top 0.1 Percent	0.0	99.5	-11.3	10.9	356,371	19.7	0.1	10.4	7.2	43.6

Baseline Distribution of Income and Federal Taxes
by Cash Income Percentile Adjusted for Family Size, 2013¹

Cash Income Percentile ^{2,3}	Tax Units ⁴		Pre-Tax Income		Federal Tax Burden		After-Tax Income ⁵		Average Federal Tax Rate ⁶	
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total		
Lowest Quintile	23,198	28.8	7,467	5.5	256	1.0	7,211	6.5	3.4	
Second Quintile	19,587	24.3	19,069	11.9	1,372	4.6	17,697	13.5	7.2	
Middle Quintile	15,802	19.6	33,699	16.9	4,517	12.2	29,182	18.0	13.4	
Fourth Quintile	11,719	14.5	54,610	20.3	10,269	20.5	44,341	20.3	18.8	
Top Quintile	9,604	11.9	150,063	45.8	37,674	61.6	112,389	42.2	25.1	
All	80,622	100.0	39,043	100.0	7,285	100.0	31,758	100.0	18.7	
Addendum										
80-90	5,116	6.4	83,160	13.5	18,109	15.8	65,050	13.0	21.8	
90-95	2,332	2.9	118,552	8.8	27,544	10.9	91,007	8.3	23.2	
95-99	1,790	2.2	202,277	11.5	48,197	14.7	154,080	10.8	23.8	
Top 1 Percent	365	0.5	1,033,246	12.0	325,074	20.2	708,172	10.1	31.5	
Top 0.1 Percent	33	0.0	4,968,941	5.3	1,810,426	10.3	3,158,515	4.1	36.4	

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

* Less than 0.05

(1) Calendar year. Baseline is 2012 current law with the alternative minimum tax exemption amount set to 2011 levels, indexed for inflation, and with nonrefundable credits allowed against AMT liability. The proposal is 2013 current law, which allows the 2001-10 tax cuts to expire, allows the employee payroll tax cut to expire, allows AMT parameters to revert to unpatched levels, implements the 3.8 percent surtax on unearned income and 0.9 percent surtax on earned income for high-income taxpayers enacted in the health reform law, and implements the 2.5 percentage point increase in the AGI floor for the medical expense deduction enacted in the health reform law. Estimates use 2013 income levels for both the baseline and the proposal. For a description of TPC's current law and current policy baselines, see <http://www.taxpolicycenter.org/T11-0270>

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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% \$11,688; 40% \$22,351; 60% \$38,055; 80% \$65,353; 90% \$95,935; 95% \$134,201; 99% \$335,779; 99.9% \$1,350,445.

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

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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.

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Baseline: 2012 Current Law with AMT Patch
Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2013¹
Detail Table - Married Tax Units Filing Jointly

Cash Income Percentile ^{2,3}	Percent of Tax Units ⁴		Percent Change in After-Tax Income ⁵	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁶	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	0.0	76.4	-7.4	1.5	1,110	-107.3	0.3	0.0	7.9	0.5
Second Quintile	0.0	85.1	-6.4	4.3	2,143	128.8	0.6	1.3	6.1	10.8
Middle Quintile	0.0	91.8	-4.4	7.9	2,265	34.5	0.5	5.3	3.9	15.2
Fourth Quintile	0.0	99.2	-5.1	18.3	3,952	26.4	0.7	15.1	4.2	20.3
Top Quintile	0.0	99.7	-5.7	68.0	11,757	17.7	-2.1	78.1	4.3	28.5
All	0.0	94.2	-5.5	100.0	5,773	20.9	0.0	100.0	4.4	25.2
Addendum										
80-90	0.0	99.7	-5.2	15.6	5,646	21.3	0.1	15.3	4.2	23.8
90-95	0.0	99.5	-5.0	11.2	7,371	18.2	-0.3	12.5	3.9	25.3
95-99	0.0	99.7	-4.8	14.5	12,013	15.2	-0.9	19.0	3.6	27.5
Top 1 Percent	0.0	99.4	-7.2	26.8	85,920	17.4	-0.9	31.3	5.1	34.4
Top 0.1 Percent	0.0	99.9	-8.8	14.1	442,388	18.2	-0.4	15.8	6.0	38.6

Baseline Distribution of Income and Federal Taxes
by Cash Income Percentile Adjusted for Family Size, 2013¹

Cash Income Percentile ^{2,3}	Tax Units ⁴		Pre-Tax Income		Federal Tax Burden		After-Tax Income ⁵		Average Federal Tax Rate ⁶	
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total		
Lowest Quintile	4,398	7.6	14,027	0.8	-1,034	-0.3	15,061	1.1	-7.4	
Second Quintile	6,664	11.5	35,110	3.1	1,664	0.7	33,445	3.7	4.7	
Middle Quintile	11,624	20.1	58,324	8.8	6,571	4.8	51,752	9.9	11.3	
Fourth Quintile	15,415	26.7	93,246	18.7	14,948	14.4	78,298	19.9	16.0	
Top Quintile	19,298	33.4	274,004	68.9	66,440	80.2	207,564	65.9	24.3	
All	57,802	100.0	132,789	100.0	27,647	100.0	105,142	100.0	20.8	
Addendum										
80-90	9,190	15.9	135,542	16.2	26,564	15.3	108,977	16.5	19.6	
90-95	5,048	8.7	188,768	12.4	40,458	12.8	148,310	12.3	21.4	
95-99	4,018	7.0	331,401	17.4	79,219	19.9	252,181	16.7	23.9	
Top 1 Percent	1,042	1.8	1,686,659	22.9	494,682	32.3	1,191,978	20.4	29.3	
Top 0.1 Percent	106	0.2	7,429,691	10.3	2,424,887	16.1	5,004,804	8.7	32.6	

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

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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% \$11,688; 40% \$22,351; 60% \$38,055; 80% \$65,353; 90% \$95,935; 95% \$134,201; 99% \$335,779; 99.9% \$1,350,445.

(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 T12-0131
Allow 2013 Current Law to Take Effect as Scheduled
Baseline: 2012 Current Law with AMT Patch
Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2013¹
Detail Table - Head of Household Tax Units

Cash Income Percentile ^{2,3}	Percent of Tax Units ⁴		Percent Change in After-Tax Income ⁵	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁶	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	0.0	82.8	-6.4	15.5	913	-53.3	8.6	-4.1	7.3	-6.4
Second Quintile	0.0	95.1	-5.9	28.4	1,715	264.8	7.2	11.9	5.8	8.0
Middle Quintile	0.0	97.9	-5.2	22.2	2,211	34.9	-1.7	26.1	4.5	17.4
Fourth Quintile	0.0	99.0	-4.9	17.5	3,066	23.2	-4.7	28.3	4.1	21.6
Top Quintile	0.0	98.7	-4.7	16.3	6,243	15.0	-9.4	37.8	3.6	27.3
All	0.0	92.0	-5.4	100.0	1,920	43.7	0.0	100.0	4.8	15.8
Addendum										
80-90	0.0	98.4	-4.3	6.4	3,788	15.9	-3.4	14.1	3.4	24.8
90-95	0.0	98.7	-4.3	2.4	5,112	14.9	-1.4	5.7	3.3	25.6
95-99	0.0	99.8	-3.5	2.8	7,272	11.9	-2.3	8.0	2.7	25.7
Top 1 Percent	0.0	99.8	-7.2	4.7	68,105	16.5	-2.4	10.1	5.0	35.4
Top 0.1 Percent	0.0	100.0	-8.9	2.3	382,303	17.5	-1.1	4.8	5.9	39.7

Baseline Distribution of Income and Federal Taxes
by Cash Income Percentile Adjusted for Family Size, 2013¹

Cash Income Percentile ^{2,3}	Tax Units ⁴		Pre-Tax Income		Federal Tax Burden		After-Tax Income ⁵		Average Federal Tax Rate ⁶	
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total		
Lowest Quintile	8,232	32.6	12,526	10.2	-1,713	-12.7	14,239	13.0	-13.7	
Second Quintile	8,034	31.8	29,745	23.7	648	4.7	29,097	26.0	2.2	
Middle Quintile	4,869	19.3	49,199	23.7	6,327	27.8	42,872	23.2	12.9	
Fourth Quintile	2,769	11.0	75,439	20.7	13,217	33.0	62,222	19.2	17.5	
Top Quintile	1,263	5.0	175,207	21.9	41,524	47.2	133,682	18.8	23.7	
All	25,256	100.0	39,986	100.0	4,396	100.0	35,589	100.0	11.0	
Addendum										
80-90	814	3.2	111,657	9.0	23,849	17.5	87,807	8.0	21.4	
90-95	230	0.9	154,037	3.5	34,278	7.1	119,759	3.1	22.3	
95-99	186	0.7	266,330	4.9	61,039	10.2	205,291	4.2	22.9	
Top 1 Percent	33	0.1	1,361,869	4.5	413,303	12.4	948,566	3.5	30.4	
Top 0.1 Percent	3	0.0	6,471,563	1.9	2,184,521	5.8	4,287,042	1.4	33.8	

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

* Less than 0.05

(1) Calendar year. Baseline is 2012 current law with the alternative minimum tax exemption amount set to 2011 levels, indexed for inflation, and with nonrefundable credits allowed against AMT liability. The proposal is 2013 current law, which allows the 2001-10 tax cuts to expire, allows the employee payroll tax cut to expire, allows AMT parameters to revert to unpatched levels, implements the 3.8 percent surtax on unearned income and 0.9 percent surtax on earned income for high-income taxpayers enacted in the health reform law, and implements the 2.5 percentage point increase in the AGI floor for the medical expense deduction enacted in the health reform law. Estimates use 2013 income levels for both the baseline and the proposal. 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% \$11,688; 40% \$22,351; 60% \$38,055; 80% \$65,353; 90% \$95,935; 95% \$134,201; 99% \$335,779; 99.9% \$1,350,445.

(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 T12-0131
Allow 2013 Current Law to Take Effect as Scheduled
Baseline: 2012 Current Law with AMT Patch
Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2013¹
Detail Table - Tax Units with Children

Cash Income Percentile ^{2,3}	Percent of Tax Units ⁴		Percent Change in After-Tax Income ⁵	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁶	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	0.0	88.9	-7.8	5.3	1,223	-52.7	1.7	-1.0	9.2	-8.2
Second Quintile	0.0	99.2	-7.2	11.1	2,407	373.5	2.2	3.0	7.1	9.0
Middle Quintile	0.0	99.6	-5.8	13.1	3,072	38.7	0.8	10.0	5.1	18.1
Fourth Quintile	0.0	99.9	-6.4	22.6	5,324	30.3	0.5	20.6	5.3	22.6
Top Quintile	0.0	99.9	-6.0	47.9	13,461	17.8	-5.2	67.3	4.5	29.8
All	0.0	97.3	-6.3	100.0	4,750	27.0	0.0	100.0	5.1	24.0
Addendum										
80-90	0.0	100.0	-5.9	13.4	7,177	22.2	-0.6	15.7	4.6	25.5
90-95	0.0	100.0	-5.5	7.9	9,394	18.9	-0.7	10.6	4.2	26.7
95-99	0.0	99.8	-4.7	9.4	13,879	14.0	-1.9	16.3	3.5	28.8
Top 1 Percent	0.0	99.9	-7.7	17.1	105,055	17.3	-2.1	24.7	5.3	36.3
Top 0.1 Percent	0.0	99.9	-8.9	8.1	543,708	17.6	-0.9	11.6	5.9	39.7

Baseline Distribution of Income and Federal Taxes
by Cash Income Percentile Adjusted for Family Size, 2013¹

Cash Income Percentile ^{2,3}	Tax Units ⁴		Pre-Tax Income		Federal Tax Burden		After-Tax Income ⁵		Average Federal Tax Rate ⁶	
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total		
Lowest Quintile	10,088	20.4	13,356	2.9	-2,323	-2.7	15,678	4.2	-17.4	
Second Quintile	10,789	21.8	33,957	8.0	644	0.8	33,312	9.6	1.9	
Middle Quintile	10,009	20.3	60,740	13.2	7,931	9.1	52,809	14.2	13.1	
Fourth Quintile	9,950	20.1	101,182	21.9	17,548	20.1	83,634	22.3	17.3	
Top Quintile	8,349	16.9	298,935	54.3	75,592	72.6	223,342	50.0	25.3	
All	49,418	100.0	93,026	100.0	17,601	100.0	75,424	100.0	18.9	
Addendum										
80-90	4,396	8.9	154,877	14.8	32,330	16.3	122,547	14.5	20.9	
90-95	1,981	4.0	221,864	9.6	49,810	11.3	172,054	9.1	22.5	
95-99	1,589	3.2	392,402	13.6	99,209	18.1	293,192	12.5	25.3	
Top 1 Percent	382	0.8	1,966,324	16.4	608,507	26.7	1,357,817	13.9	31.0	
Top 0.1 Percent	35	0.1	9,174,185	7.0	3,095,453	12.5	6,078,732	5.7	33.7	

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 2012 current law with the alternative minimum tax exemption amount set to 2011 levels, indexed for inflation, and with nonrefundable credits allowed against AMT liability. The proposal is 2013 current law, which allows the 2001-10 tax cuts to expire, allows the employee payroll tax cut to expire, allows AMT parameters to revert to unpatched levels, implements the 3.8 percent surtax on unearned income and 0.9 percent surtax on earned income for high-income taxpayers enacted in the health reform law, and implements the 2.5 percentage point increase in the AGI floor for the medical expense deduction enacted in the health reform law. Estimates use 2013 income levels for both the baseline and the proposal. 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% \$11,688; 40% \$22,351; 60% \$38,055; 80% \$65,353; 90% \$95,935; 95% \$134,201; 99% \$335,779; 99.9% \$1,350,445.

(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 T12-0131
Allow 2013 Current Law to Take Effect as Scheduled
Baseline: 2012 Current Law with AMT Patch
Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2013¹
Detail Table - Elderly Tax Units

Cash Income Percentile ^{2,3}	Percent of Tax Units ⁴		Percent Change in After-Tax Income ⁵	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁶	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	0.0	4.8	-0.1	0.1	13	21.6	0.0	0.1	0.1	0.8
Second Quintile	0.0	14.8	-0.4	0.7	70	23.8	0.0	0.7	0.4	1.8
Middle Quintile	0.0	69.8	-1.3	4.4	499	26.5	0.2	3.8	1.3	6.0
Fourth Quintile	0.0	95.8	-2.5	10.6	1,553	20.7	-0.1	10.9	2.2	13.0
Top Quintile	0.0	98.5	-6.3	84.1	11,376	21.4	-0.1	84.5	4.9	27.8
All	0.0	55.1	-4.3	100.0	2,524	21.5	0.0	100.0	3.6	20.1
Addendum										
80-90	0.0	98.1	-4.1	12.4	3,665	22.7	0.1	11.9	3.5	18.8
90-95	0.0	98.4	-4.7	11.0	5,883	21.0	0.0	11.2	3.9	22.2
95-99	0.0	99.5	-5.9	20.5	12,299	21.4	0.0	20.6	4.6	26.2
Top 1 Percent	0.0	98.5	-9.1	40.1	87,808	21.0	-0.2	40.8	6.4	36.5
Top 0.1 Percent	0.0	99.8	-10.5	20.3	432,240	20.1	-0.2	21.4	6.9	41.1

Baseline Distribution of Income and Federal Taxes
by Cash Income Percentile Adjusted for Family Size, 2013¹

Cash Income Percentile ^{2,3}	Tax Units ⁴		Pre-Tax Income		Federal Tax Burden		After-Tax Income ⁵		Average Federal Tax Rate ⁶	
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total		
Lowest Quintile	5,988	16.2	9,531	2.2	62	0.1	9,469	2.6	0.7	
Second Quintile	9,396	25.4	20,198	7.2	296	0.6	19,902	8.5	1.5	
Middle Quintile	8,334	22.5	40,053	12.7	1,885	3.6	38,168	14.5	4.7	
Fourth Quintile	6,402	17.3	69,759	17.0	7,490	11.0	62,269	18.1	10.7	
Top Quintile	6,913	18.7	232,751	61.1	53,295	84.6	179,457	56.4	22.9	
All	37,068	100.0	71,055	100.0	11,751	100.0	59,304	100.0	16.5	
Addendum										
80-90	3,175	8.6	105,683	12.7	16,164	11.8	89,519	12.9	15.3	
90-95	1,753	4.7	152,604	10.2	27,973	11.3	124,630	9.9	18.3	
95-99	1,557	4.2	266,474	15.8	57,563	20.6	208,911	14.8	21.6	
Top 1 Percent	427	1.2	1,382,440	22.4	417,389	41.0	965,050	18.8	30.2	
Top 0.1 Percent	44	0.1	6,274,992	10.4	2,148,107	21.6	4,126,885	8.2	34.2	

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.

(1) Calendar year. Baseline is 2012 current law with the alternative minimum tax exemption amount set to 2011 levels, indexed for inflation, and with nonrefundable credits allowed against AMT liability. The proposal is 2013 current law, which allows the 2001-10 tax cuts to expire, allows the employee payroll tax cut to expire, allows AMT parameters to revert to unpatched levels, implements the 3.8 percent surtax on unearned income and 0.9 percent surtax on earned income for high-income taxpayers enacted in the health reform law, and implements the 2.5 percentage point increase in the AGI floor for the medical expense deduction enacted in the health reform law. Estimates use 2013 income levels for both the baseline and the proposal. 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% \$11,688; 40% \$22,351; 60% \$38,055; 80% \$65,353; 90% \$95,935; 95% \$134,201; 99% \$335,779; 99.9% \$1,350,445.

(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.