

Table T12-0153
Extend 2001-10 Tax Cuts Except for Certain High-Income Provisions
Individual Income and Estate Tax Provisions
Baseline: Current Policy
Distribution of Federal Tax Change by Income Percentile, 2013 ¹
Summary Table

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 (%)	Under the Proposal	
	Pct of Tax Units	Avg Tax Cut	Pct of Tax Units	Avg Tax Increase						
Lowest Quintile	0.0	0	0.0	0	0.0	0.0	0	0.0	2.5	
Second Quintile	0.0	0	0.0	0	0.0	0.0	0	0.0	8.6	
Middle Quintile	0.0	0	0.0	0	0.0	0.0	0	0.0	13.7	
Fourth Quintile	0.0	0	0.0	0	0.0	0.4	13	0.0	16.2	
Top Quintile	0.0	0	9.3	40,686	-1.6	99.5	3,653	1.3	23.5	
All	0.0	0	1.4	40,902	-0.8	100.0	530	0.6	18.2	
Addendum										
80-90	0.0	0	*	**	0.0	0.6	46	0.0	18.2	
90-95	0.0	0	0.5	25,836	-0.1	0.8	121	0.1	19.2	
95-99	0.0	0	21.8	5,765	-0.4	5.5	1,005	0.3	22.1	
Top 1 Percent	0.0	0	95.7	72,111	-5.1	92.6	67,524	3.7	31.4	
Top 0.1 Percent	0.0	0	99.5	402,999	-6.6	55.2	395,254	4.7	33.4	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0412-3).

Number of AMT Taxpayers (millions). Baseline: 4.3

Proposal: 3.6

* Less than 0.05

** Insufficient data

(1) Calendar year. Baseline is current policy. Proposal would a) index the parameters of the AMT to inflation after 2011 and allow non-refundable credits against tentative AMT; b) extend parts of the 2001 and 2003 tax cuts, including marriage penalty relief, the 10, 15, 25, 28 and a portion of the 33 percent brackets, and the 0%/15% rate structure on capital gains and qualified dividends for taxpayers in those brackets; c) set the threshold for the 36 percent bracket at \$200,000 (single), \$250,000 (married), or \$225,000 (head of household), indexed for inflation after 2009, less the standard deduction and one personal exemption (two if married); d) set the thresholds for PEP and Pease at \$250,000 of AGI (married) and \$200,000 (single), indexed for inflation after 2009; e) tax capital gains at 20% and qualified dividends at ordinary rates for taxpayers in the top two brackets and repeal the 8%/18% rates for assets held more than 5 years; f) extend the \$1,000 child tax credit, \$3,000 (not indexed) refundability threshold, and allow against the AMT; g) extend the American Opportunity Tax Credit; h) extend the EITC's 45% phase-in rate for families with 3 or more children and higher phase-out thresholds for married couples; i) extend the maximum credit amount for the child and dependent care tax credit; j) set the estate tax at its 2009 level (\$3.5M exemption, 45% rate) and modify certain valuation discount rules; and k) continue certain expiring provisions through 2013. For a description of TPC's current law and current policy baselines, see <http://www.taxpolicycenter.org/T11-0270>

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

(3) The 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 2012 dollars): 20% \$24,125; 40% \$48,424; 60% \$80,181; 80% \$133,185; 90% \$180,192; 95% \$252,055; 99% \$596,998; 99.9% \$2,858,701.

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

(5) After-tax income is 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 income.

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Distribution of Federal Tax Change by Income Percentile, 2013 ¹
Detail Table

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	0.0	0.0	0.0	0	0.1	0.0	0.6	0.0	2.5
Second Quintile	0.0	0.0	0.0	0.0	0	0.0	-0.2	4.7	0.0	8.6
Middle Quintile	0.0	0.0	0.0	0.0	0	0.0	-0.4	11.5	0.0	13.7
Fourth Quintile	0.0	0.0	0.0	0.4	13	0.1	-0.6	17.7	0.0	16.2
Top Quintile	0.0	9.3	-1.6	99.5	3,653	5.6	1.2	65.4	1.3	23.5
All	0.0	1.4	-0.8	100.0	530	3.6	0.0	100.0	0.6	18.2
Addendum										
80-90	0.0	*	0.0	0.6	46	0.2	-0.5	13.6	0.0	18.2
90-95	0.0	0.5	-0.1	0.8	121	0.3	-0.3	9.6	0.1	19.2
95-99	0.0	21.8	-0.4	5.5	1,005	1.3	-0.3	14.8	0.3	22.1
Top 1 Percent	0.0	95.7	-5.1	92.6	67,524	13.4	2.4	27.5	3.7	31.4
Top 0.1 Percent	0.0	99.5	-6.6	55.2	395,254	16.4	1.5	13.7	4.7	33.4

Baseline Distribution of Income and Federal Taxes
by Income Percentile, 2013 ¹

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	41,971	26.5	13,406	4.3	340	0.6	13,066	5.1	2.5
Second Quintile	35,970	22.7	36,245	9.9	3,121	4.9	33,124	11.0	8.6
Middle Quintile	31,622	20.0	63,644	15.3	8,727	11.9	54,916	16.0	13.7
Fourth Quintile	25,162	15.9	104,502	20.0	16,866	18.3	87,637	20.4	16.1
Top Quintile	22,869	14.5	292,311	50.9	64,910	64.2	227,401	48.0	22.2
All	158,260	100.0	83,068	100.0	14,621	100.0	68,447	100.0	17.6
Addendum									
80-90	11,472	7.3	155,802	13.6	28,341	14.1	127,461	13.5	18.2
90-95	5,670	3.6	210,881	9.1	40,452	9.9	170,429	8.9	19.2
95-99	4,576	2.9	351,008	12.2	76,380	15.1	274,629	11.6	21.8
Top 1 Percent	1,151	0.7	1,820,417	15.9	504,205	25.1	1,316,212	14.0	27.7
Top 0.1 Percent	117	0.1	8,392,360	7.5	2,407,287	12.2	5,985,073	6.5	28.7

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0412-3).

Number of AMT Taxpayers (millions). Baseline: 4.3 Proposal: 3.6

* Less than 0.05

(1) Calendar year. Baseline is current policy. Proposal would a) index the parameters of the AMT to inflation after 2011 and allow non-refundable credits against tentative AMT; b) extend parts of the 2001 and 2003 tax cuts, including marriage penalty relief, the 10, 15, 25, 28 and a portion of the 33 percent brackets, and the 0%/15% rate structure on capital gains and qualified dividends for taxpayers in those brackets; c) set the threshold for the 36 percent bracket at \$200,000 (single), \$250,000 (married), or \$225,000 (head of household), indexed for inflation after 2009, less the standard deduction and one personal exemption (two if married); d) set the thresholds for PEP and Pease at \$250,000 of AGI (married) and \$200,000 (single), indexed for inflation after 2009; e) tax capital gains at 20% and qualified dividends at ordinary rates for taxpayers in the top two brackets and repeal the 8%/18% rates for assets held more than 5 years; f) extend the \$1,000 child tax credit, \$3,000 (not indexed) refundability threshold, and allow against the AMT; g) extend the American Opportunity Tax Credit; h) extend the EITC's 45% phase-in rate for families with 3 or more children and higher phase-out thresholds for married couples; i) extend the maximum credit amount for the child and dependent care tax credit; j) set the estate tax at its 2009 level (\$3.5M exemption, 45% rate) and modify certain valuation discount rules; and k) continue certain expiring provisions through 2013. For a description of TPC's current law and current policy baselines, see <http://www.taxpolicycenter.org/T11-0270>

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(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 income.

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Individual Income and Estate Tax Provisions
Baseline: Current Policy
Distribution of Federal Tax Change by Income Percentile Adjusted for Family Size, 2013¹
Detail Table

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 (%) Under the Proposal	Under the Proposal	Change (%) Under the Proposal	Under the Proposal
Lowest Quintile	0.0	0.0	0.0	0.0	0	-0.1	0.0	-0.2	0.0	-1.2
Second Quintile	0.0	0.0	0.0	0.0	0	0.0	-0.1	2.9	0.0	6.5
Middle Quintile	0.0	0.0	0.0	0.0	0	0.0	-0.3	8.9	0.0	12.2
Fourth Quintile	0.0	0.0	0.0	0.0	0	0.0	-0.7	17.8	0.0	16.0
Top Quintile	0.0	7.3	-1.5	99.9	2,853	5.2	1.1	70.5	1.2	23.3
All	0.0	1.4	-0.8	100.0	530	3.6	0.0	100.0	0.6	18.2
Addendum										
80-90	0.0	0.0	0.0	0.2	10	0.0	-0.5	14.8	0.0	18.2
90-95	0.0	0.1	0.0	0.5	52	0.1	-0.4	11.2	0.0	19.7
95-99	0.0	15.0	-0.3	4.7	670	1.0	-0.4	16.1	0.2	21.8
Top 1 Percent	0.0	90.9	-5.0	94.6	57,834	13.2	2.4	28.3	3.6	31.1
Top 0.1 Percent	0.0	99.3	-6.6	57.8	349,091	16.5	1.6	14.3	4.7	33.4

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

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	34,769	22.0	12,518	3.3	-151	-0.2	12,669	4.1	-1.2	
Second Quintile	32,569	20.6	32,468	8.0	2,106	3.0	30,362	9.1	6.5	
Middle Quintile	31,107	19.7	56,462	13.4	6,881	9.3	49,581	14.2	12.2	
Fourth Quintile	29,758	18.8	89,808	20.3	14,357	18.5	75,451	20.7	16.0	
Top Quintile	29,391	18.6	247,408	55.3	54,664	69.4	192,744	52.3	22.1	
All	158,260	100.0	83,068	100.0	14,621	100.0	68,447	100.0	17.6	
Addendum										
80-90	14,652	9.3	133,237	14.9	24,284	15.4	108,953	14.7	18.2	
90-95	7,515	4.8	181,507	10.4	35,747	11.6	145,760	10.1	19.7	
95-99	5,851	3.7	302,672	13.5	65,312	16.5	237,361	12.8	21.6	
Top 1 Percent	1,373	0.9	1,590,841	16.6	437,001	25.9	1,153,840	14.6	27.5	
Top 0.1 Percent	139	0.1	7,397,802	7.8	2,122,002	12.7	5,275,800	6.8	28.7	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0412-3).

Number of AMT Taxpayers (millions). Baseline: 4.3 Proposal: 3.6

* Less than 0.05

(1) Calendar year. Baseline is current policy. Proposal would a) index the parameters of the AMT to inflation after 2011 and allow non-refundable credits against tentative AMT; b) extend parts of the 2001 and 2003 tax cuts, including marriage penalty relief, the 10, 15, 25, 28 and a portion of the 33 percent brackets, and the 0%/15% rate structure on capital gains and qualified dividends for taxpayers in those brackets; c) set the threshold for the 36 percent bracket at \$200,000 (single), \$250,000 (married), or \$225,000 (head of household), indexed for inflation after 2009, less the standard deduction and one personal exemption (two if married); d) set the thresholds for PEP and Pease at \$250,000 of AGI (married) and \$200,000 (single), indexed for inflation after 2009; e) tax capital gains at 20% and qualified dividends at ordinary rates for taxpayers in the top two brackets and repeal the 8%/18% rates for assets held more than 5 years; f) extend the \$1,000 child tax credit, \$3,000 (not indexed) refundability threshold, and allow against the AMT; g) extend the American Opportunity Tax Credit; h) extend the EITC's 45% phase-in rate for families with 3 or more children and higher phase-out thresholds for married couples; i) extend the maximum credit amount for the child and dependent care tax credit; j) set the estate tax at its 2009 level (\$3.5M exemption, 45% rate) and modify certain valuation discount rules; and k) continue certain expiring provisions through 2013. For a description of TPC's current law and current policy baselines, see

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(3) The 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 2012 dollars): 20% \$16,596; 40% \$31,921; 60% \$50,160; 80% \$78,784; 90% \$109,140; 95% \$150,645; 99% \$349,271; 99.9% \$1,697,732.

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

(5) After-tax income is income less: individual income tax net of refundable credits; corporate income tax; payroll taxes (Social Security and Medicare); and estate tax.

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Baseline: Current Policy
Distribution of Federal Tax Change by Income Percentile Adjusted for Family Size, 2013 ¹
Detail Table - Single Tax Units

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	0.0	0.0	0.0	0	0.0	-0.1	1.7	0.0	4.7
Second Quintile	0.0	0.0	0.0	0.1	1	0.0	-0.2	6.5	0.0	9.0
Middle Quintile	0.0	0.0	0.0	0.0	0	0.0	-0.4	13.6	0.0	14.2
Fourth Quintile	0.0	0.0	0.0	0.0	0	0.0	-0.7	23.1	0.0	18.3
Top Quintile	0.0	5.0	-1.7	99.7	2,075	5.6	1.4	55.0	1.3	24.5
All	0.0	0.6	-0.6	100.0	236	3.0	0.0	100.0	0.5	18.1
Addendum										
80-90	0.0	*	0.0	0.8	31	0.2	-0.4	14.1	0.0	20.4
90-95	0.0	0.1	-0.2	2.1	178	0.6	-0.2	9.9	0.1	21.8
95-99	0.0	10.1	-0.7	10.7	1,193	2.6	-0.1	12.5	0.6	22.8
Top 1 Percent	0.0	84.7	-6.5	86.0	49,464	15.9	2.0	18.4	4.6	33.5
Top 0.1 Percent	0.0	99.3	-8.2	51.6	300,284	18.5	1.3	9.7	5.7	36.5

Baseline Distribution of Income and Federal Taxes
by Income Percentile Adjusted for Family Size, 2013 ¹

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	21,632	30.0	9,749	6.6	458	1.8	9,291	7.6	4.7
Second Quintile	17,103	23.7	24,450	13.1	2,189	6.7	22,260	14.4	9.0
Middle Quintile	13,372	18.6	41,483	17.3	5,900	14.0	35,583	18.0	14.2
Fourth Quintile	11,409	15.8	64,084	22.8	11,733	23.8	52,351	22.6	18.3
Top Quintile	8,154	11.3	159,695	40.7	36,984	53.6	122,711	37.9	23.2
All	72,035	100.0	44,475	100.0	7,807	100.0	36,668	100.0	17.6
Addendum									
80-90	4,293	6.0	93,366	12.5	18,996	14.5	74,370	12.1	20.4
90-95	2,037	2.8	129,733	8.3	28,064	10.2	101,669	7.8	21.6
95-99	1,529	2.1	208,423	9.9	46,280	12.6	162,143	9.4	22.2
Top 1 Percent	295	0.4	1,078,755	9.9	311,997	16.4	766,758	8.6	28.9
Top 0.1 Percent	29	0.0	5,264,934	4.8	1,622,341	8.4	3,642,593	4.0	30.8

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0412-3).

* Less than 0.05

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

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Detail Table - Married Tax Units Filing Jointly

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	0.0	0.0	0.0	0	-0.1	0.0	-0.1	0.0	-2.0
Second Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	1.1	0.0	5.3
Middle Quintile	0.0	0.0	0.0	0.0	0	0.0	-0.2	5.7	0.0	10.5
Fourth Quintile	0.0	0.0	0.0	0.0	0	0.0	-0.6	15.1	0.0	14.8
Top Quintile	0.0	8.3	-1.4	100.0	3,194	5.1	0.9	78.2	1.1	22.9
All	0.0	2.7	-0.9	100.0	1,039	4.0	0.0	100.0	0.7	19.2
Addendum										
80-90	0.0	0.0	0.0	0.0	0	0.0	-0.6	15.3	0.0	17.5
90-95	0.0	0.1	0.0	0.0	4	0.0	-0.5	12.1	0.0	19.1
95-99	0.0	16.7	-0.2	3.2	486	0.7	-0.6	18.1	0.1	21.5
Top 1 Percent	0.0	92.9	-4.8	96.8	59,738	12.7	2.5	32.7	3.5	30.7
Top 0.1 Percent	0.0	99.4	-6.4	58.6	361,388	16.1	1.7	16.1	4.6	32.9

Baseline Distribution of Income and Federal Taxes
by Income Percentile Adjusted for Family Size, 2013 ¹

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	5,058	8.3	18,078	1.1	-354	-0.1	18,432	1.3	-2.0
Second Quintile	7,907	13.0	44,396	4.1	2,336	1.2	42,060	4.7	5.3
Middle Quintile	12,517	20.6	71,333	10.3	7,514	5.9	63,819	11.3	10.5
Fourth Quintile	15,281	25.2	110,309	19.5	16,307	15.7	94,002	20.4	14.8
Top Quintile	19,753	32.5	286,327	65.4	62,315	77.3	224,012	62.7	21.8
All	60,744	100.0	142,360	100.0	26,217	100.0	116,142	100.0	18.4
Addendum									
80-90	9,475	15.6	152,668	16.7	26,688	15.9	125,980	16.9	17.5
90-95	5,151	8.5	203,608	12.1	38,843	12.6	164,765	12.0	19.1
95-99	4,104	6.8	340,075	16.1	72,518	18.7	267,557	15.6	21.3
Top 1 Percent	1,022	1.7	1,726,181	20.4	469,830	30.2	1,256,351	18.2	27.2
Top 0.1 Percent	102	0.2	7,928,538	9.4	2,247,246	14.5	5,681,292	8.2	28.3

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0412-3).

* Less than 0.05

(1) Calendar year. Baseline is current policy. Proposal would a) index the parameters of the AMT to inflation after 2011 and allow non-refundable credits against tentative AMT; b) extend parts of the 2001 and 2003 tax cuts, including marriage penalty relief, the 10, 15, 25, 28 and a portion of the 33 percent brackets, and the 0%/15% rate structure on capital gains and qualified dividends for taxpayers in those brackets; c) set the threshold for the 36 percent bracket at \$200,000 (single), \$250,000 (married), or \$225,000 (head of household), indexed for inflation after 2009, less the standard deduction and one personal exemption (two if married); d) set the thresholds for PEP and Pease at \$250,000 of AGI (married) and \$200,000 (single), indexed for inflation after 2009; e) tax capital gains at 20% and qualified dividends at ordinary rates for taxpayers in the top two brackets and repeal the 8%/18% rates for assets held more than 5 years; f) extend the \$1,000 child tax credit, \$3,000 (not indexed) refundability threshold, and allow against the AMT; g) extend the American Opportunity Tax Credit; h) extend the EITC's 45% phase-in rate for families with 3 or more children and higher phase-out thresholds for married couples; i) extend the maximum credit amount for the child and dependent care tax credit; j) set the estate tax at its 2009 level (\$3.5M exemption, 45% rate) and modify certain valuation discount rules; and k) continue certain expiring provisions through 2013. For a description of TPC's current law and current policy baselines, see

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

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

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(3) The 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 2012 dollars): 20% \$16,596; 40% \$31,921; 60% \$50,160; 80% \$78,784; 90% \$109,140; 95% \$150,645; 99% \$349,271; 99.9% \$1,697,732.

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

(5) After-tax income is 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 income.

Table T12-0153
Extend 2001-10 Tax Cuts Except for Certain High-Income Provisions
Individual Income and Estate Tax Provisions
Baseline: Current Policy
Distribution of Federal Tax Change by Income Percentile Adjusted for Family Size, 2013 ¹
Detail Table - Head of Household Tax Units

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	0.0	0.0	0.0	0	0.0	0.2	-11.7	0.0	-10.5
Second Quintile	0.0	0.0	0.0	0.0	0	0.0	-0.1	9.4	0.0	4.0
Middle Quintile	0.0	0.0	0.0	0.0	0	0.0	-0.4	31.3	0.0	13.1
Fourth Quintile	0.0	0.0	0.0	0.2	1	0.0	-0.4	31.0	0.0	17.0
Top Quintile	0.0	4.1	-1.1	99.8	1,582	3.6	0.9	39.9	0.8	23.3
All	0.0	0.2	-0.2	100.0	71	1.4	0.0	100.0	0.2	10.7
Addendum										
80-90	0.0	0.0	0.0	0.2	5	0.0	-0.2	14.1	0.0	20.1
90-95	0.0	*	0.0	0.3	23	0.1	-0.1	5.9	0.0	20.9
95-99	0.0	11.4	-0.2	4.2	444	0.7	-0.1	8.3	0.2	23.3
Top 1 Percent	0.0	87.2	-5.0	95.1	55,533	13.0	1.2	11.5	3.6	31.4
Top 0.1 Percent	0.0	99.0	-6.4	57.0	338,947	15.9	0.7	5.8	4.6	33.2

Baseline Distribution of Income and Federal Taxes
by Income Percentile Adjusted for Family Size, 2013 ¹

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	7,853	34.0	16,583	11.9	-1,737	-11.8	18,320	14.7	-10.5
Second Quintile	7,113	30.8	38,657	25.1	1,550	9.6	37,107	26.9	4.0
Middle Quintile	4,602	19.9	60,601	25.5	7,943	31.7	52,658	24.7	13.1
Fourth Quintile	2,452	10.6	86,842	19.4	14,799	31.5	72,043	18.0	17.0
Top Quintile	1,028	4.5	194,442	18.3	43,790	39.0	150,653	15.8	22.5
All	23,101	100.0	47,399	100.0	4,991	100.0	42,408	100.0	10.5
Addendum									
80-90	652	2.8	126,141	7.5	25,349	14.3	100,792	6.7	20.1
90-95	193	0.8	171,752	3.0	35,930	6.0	135,822	2.7	20.9
95-99	156	0.7	268,596	3.8	62,156	8.4	206,440	3.3	23.1
Top 1 Percent	28	0.1	1,532,857	3.9	426,344	10.3	1,106,514	3.2	27.8
Top 0.1 Percent	3	0.0	7,432,229	1.9	2,129,106	5.1	5,303,123	1.5	28.7

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0412-3).

* Less than 0.05

(1) Calendar year. Baseline is current policy. Proposal would a) index the parameters of the AMT to inflation after 2011 and allow non-refundable credits against tentative AMT; b) extend parts of the 2001 and 2003 tax cuts, including marriage penalty relief, the 10, 15, 25, 28 and a portion of the 33 percent brackets, and the 0%/15% rate structure on capital gains and qualified dividends for taxpayers in those brackets; c) set the threshold for the 36 percent bracket at \$200,000 (single), \$250,000 (married), or \$225,000 (head of household), indexed for inflation after 2009, less the standard deduction and one personal exemption (two if married); d) set the thresholds for PEP and Pease at \$250,000 of AGI (married) and \$200,000 (single), indexed for inflation after 2009; e) tax capital gains at 20% and qualified dividends at ordinary rates for taxpayers in the top two brackets and repeal the 8%/18% rates for assets held more than 5 years; f) extend the \$1,000 child tax credit, \$3,000 (not indexed) refundability threshold, and allow against the AMT; g) extend the American Opportunity Tax Credit; h) extend the EITC's 45% phase-in rate for families with 3 or more children and higher phase-out thresholds for married couples; i) extend the maximum credit amount for the child and dependent care tax credit; j) set the estate tax at its 2009 level (\$3.5M exemption, 45% rate) and modify certain valuation discount rules; and k) continue certain expiring provisions through 2013. For a description of TPC's current law and current policy baselines, see

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

(5) After-tax income is income less: individual income tax net of refundable credits; corporate income tax; payroll taxes (Social Security and Medicare); and estate tax.

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Table T12-0153
Extend 2001-10 Tax Cuts Except for Certain High-Income Provisions
Individual Income and Estate Tax Provisions
Baseline: Current Policy
Distribution of Federal Tax Change by Income Percentile Adjusted for Family Size, 2013¹
Detail Table - Tax Units with Children

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 (%) Under the Proposal	Under the Proposal	Change (%) Under the Proposal	Under the Proposal
Lowest Quintile	0.0	0.0	0.0	0.0	0	0.0	0.1	-2.3	0.0	-11.7
Second Quintile	0.0	0.0	0.0	0.0	0	0.0	-0.1	2.0	0.0	3.9
Middle Quintile	0.0	0.0	0.0	0.0	0	0.0	-0.4	10.2	0.0	12.5
Fourth Quintile	0.0	0.0	0.0	0.0	0	0.0	-0.7	20.4	0.0	16.0
Top Quintile	0.0	10.2	-1.5	100.0	3,779	5.2	1.1	69.6	1.2	23.9
All	0.0	1.7	-0.7	100.0	644	3.6	0.0	100.0	0.6	17.5
Addendum										
80-90	0.0	0.0	0.0	0.0	1	0.0	-0.6	15.6	0.0	18.4
90-95	0.0	0.3	0.0	0.0	5	0.0	-0.4	9.9	0.0	20.1
95-99	0.0	28.1	-0.3	5.0	988	1.1	-0.4	15.8	0.3	23.0
Top 1 Percent	0.0	97.3	-5.1	95.0	72,817	13.1	2.4	28.4	3.7	31.8
Top 0.1 Percent	0.0	99.7	-6.4	51.6	420,734	15.7	1.4	13.1	4.6	33.5

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

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	10,614	21.2	17,423	3.5	-2,031	-2.4	19,455	4.7	-11.7
Second Quintile	10,772	21.5	44,074	8.9	1,737	2.1	42,336	10.3	3.9
Middle Quintile	10,131	20.2	75,908	14.4	9,447	10.6	66,460	15.2	12.5
Fourth Quintile	9,943	19.8	120,141	22.4	19,174	21.1	100,967	22.6	16.0
Top Quintile	8,545	17.0	319,974	51.2	72,546	68.6	247,428	47.7	22.7
All	50,150	100.0	106,480	100.0	18,031	100.0	88,448	100.0	16.9
Addendum									
80-90	4,601	9.2	172,811	14.9	31,751	16.2	141,060	14.6	18.4
90-95	1,899	3.8	242,779	8.6	48,759	10.2	194,021	8.3	20.1
95-99	1,624	3.2	396,122	12.1	90,030	16.2	306,092	11.2	22.7
Top 1 Percent	421	0.8	1,981,464	15.6	557,868	26.0	1,423,597	13.5	28.2
Top 0.1 Percent	40	0.1	9,255,195	6.9	2,675,849	11.7	6,579,346	5.9	28.9

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0412-3).

* 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. Proposal would a) index the parameters of the AMT to inflation after 2011 and allow non-refundable credits against tentative AMT; b) extend parts of the 2001 and 2003 tax cuts, including marriage penalty relief, the 10, 15, 25, 28 and a portion of the 33 percent brackets, and the 0%/15% rate structure on capital gains and qualified dividends for taxpayers in those brackets; c) set the threshold for the 36 percent bracket at \$200,000 (single), \$250,000 (married), or \$225,000 (head of household), indexed for inflation after 2009, less the standard deduction and one personal exemption (two if married); d) set the thresholds for PEP and Pease at \$250,000 of AGI (married) and \$200,000 (single), indexed for inflation after 2009; e) tax capital gains at 20% and qualified dividends at ordinary rates for taxpayers in the top two brackets and repeal the 8%/18% rates for assets held more than 5 years; f) extend the \$1,000 child tax credit, \$3,000 (not indexed) refundability threshold, and allow against the AMT; g) extend the American Opportunity Tax Credit; h) extend the EITC's 45% phase-in rate for families with 3 or more children and higher phase-out thresholds for married couples; i) extend the maximum credit amount for the child and dependent care tax credit; j) set the estate tax at its 2009 level (\$3.5M exemption, 45% rate) and modify certain valuation discount rules; and k) continue certain expiring provisions through 2013. For a description of TPC's current law and current policy baselines, see

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

(5) After-tax income is income less: individual income tax net of refundable credits; corporate income tax; payroll taxes (Social Security and Medicare); and estate tax.

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Table T12-0153
Extend 2001-10 Tax Cuts Except for Certain High-Income Provisions
Individual Income and Estate Tax Provisions
Baseline: Current Policy
Distribution of Federal Tax Change by Income Percentile Adjusted for Family Size, 2013¹
Detail Table - Elderly Tax Units

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 (%) Under the Proposal	Under the Proposal	Change (%) Under the Proposal	Under the Proposal
Lowest Quintile	0.0	0.0	0.0	0.0	0	0.2	0.0	0.2	0.0	1.0
Second Quintile	0.0	0.0	0.0	0.0	1	0.1	-0.1	1.2	0.0	2.1
Middle Quintile	0.0	0.0	0.0	0.0	0	0.0	-0.3	5.1	0.0	5.2
Fourth Quintile	0.0	0.0	0.0	0.0	1	0.0	-0.8	12.0	0.0	9.9
Top Quintile	0.0	7.7	-1.9	99.8	3,622	7.8	1.2	81.4	1.5	21.0
All	0.0	1.4	-1.0	100.0	669	6.3	0.0	100.0	0.9	14.7
Addendum										
80-90	0.0	*	0.0	0.4	33	0.2	-0.8	12.5	0.0	13.6
90-95	0.0	0.1	-0.2	1.6	228	0.9	-0.6	10.9	0.1	16.0
95-99	0.0	12.3	-0.6	8.1	1,333	2.6	-0.7	19.1	0.5	19.2
Top 1 Percent	0.0	87.0	-5.6	89.6	57,173	15.7	3.2	39.0	4.1	30.4
Top 0.1 Percent	0.0	99.2	-7.4	54.1	359,201	18.9	2.1	20.0	5.3	33.5

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

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	6,267	17.8	12,469	2.9	127	0.2	12,342	3.3	1.0	
Second Quintile	8,703	24.8	26,837	8.6	564	1.3	26,273	9.7	2.1	
Middle Quintile	7,722	22.0	50,187	14.2	2,619	5.4	47,568	15.6	5.2	
Fourth Quintile	5,946	16.9	81,150	17.7	8,060	12.8	73,091	18.5	9.9	
Top Quintile	6,478	18.4	238,690	56.8	46,560	80.3	192,130	53.0	19.5	
All	35,135	100.0	77,552	100.0	10,694	100.0	66,857	100.0	13.8	
Addendum										
80-90	3,034	8.6	120,467	13.4	16,358	13.2	104,109	13.5	13.6	
90-95	1,643	4.7	165,797	10.0	26,311	11.5	139,486	9.8	15.9	
95-99	1,433	4.1	276,973	14.6	51,768	19.7	225,205	13.7	18.7	
Top 1 Percent	369	1.1	1,387,789	18.8	365,138	35.8	1,022,651	16.1	26.3	
Top 0.1 Percent	35	0.1	6,729,710	8.7	1,896,221	17.9	4,833,489	7.3	28.2	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0412-3).

* 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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