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**Table T12-0260**  
**Cap Itemized Deductions at \$17,000**  
**Baseline: Current Policy with 20% Rate Reduction and Repealed AMT**  
**Distribution of Federal Tax Change by Cash Income Percentile, 2015 <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 (%) Points)	Under the Proposal
	Pct of Tax Units	Avg Tax Cut	Pct of Tax Units	Avg Tax Increase					
<b>Lowest Quintile</b>	0.0	0	0.9	258	0.0	0.1	2	0.0	2.3
<b>Second Quintile</b>	0.0	0	6.7	563	-0.1	1.0	38	0.1	9.8
<b>Middle Quintile</b>	0.0	0	22.2	886	-0.4	4.5	196	0.4	15.3
<b>Fourth Quintile</b>	0.0	0	42.3	1,432	-0.8	11.5	606	0.7	18.3
<b>Top Quintile</b>	0.0	0	71.4	6,869	-2.3	82.9	4,907	1.7	26.1
<b>All</b>	0.0	0	23.7	3,676	-1.4	100.0	870	1.1	20.6
<b>Addendum</b>									
<b>80-90</b>	0.0	0	60.6	2,063	-1.2	10.6	1,250	0.9	21.0
<b>90-95</b>	0.0	0	76.3	3,406	-1.8	10.9	2,600	1.4	22.6
<b>95-99</b>	0.0	0	87.6	7,331	-2.6	21.6	6,418	2.0	24.8
<b>Top 1 Percent</b>	0.0	0	91.9	51,487	-3.2	39.8	47,307	2.3	31.8
<b>Top 0.1 Percent</b>	0.0	0	94.5	245,011	-3.3	19.9	231,529	2.3	33.8

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0412-7).

Number of AMT Taxpayers (millions). Baseline: 0

Proposal: 0

\* Less than 0.05

\*\* Insufficient data

(1) Calendar year. Baseline is current policy with tax rates reduced by 20% and no AMT. Proposal caps itemized deductions at \$8500 for single tax units, \$17,000 for joint tax units, and \$12,750 for head of household tax units. The cap is effective 01/01/13, and the dollar values are indexed for inflation after 2013. For a description of TPC's current law and current policy baselines, see

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

(2) Includes both filing and non-filing units but excludes those that are dependents of other tax units. 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 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% \$22,008; 40% \$42,597; 60% \$67,608; 80% \$112,412; 90% \$147,742; 95% \$227,595; 99% \$573,930; 99.9% \$3,274,341.

(4) Includes tax units with a change in federal tax burden of \$10 or more in absolute value.

(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 T12-0260**  
**Cap Itemized Deductions at \$17,000**  
**Baseline: Current Policy with 20% Rate Reduction and Repealed AMT**  
**Distribution of Federal Tax Change by Cash Income Percentile, 2015<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	0.0	0.9	0.0	0.1	2	0.8	0.0	0.5	0.0	2.3
Second Quintile	0.0	6.7	-0.1	1.0	38	1.2	-0.2	4.6	0.1	9.8
Middle Quintile	0.0	22.2	-0.4	4.5	196	2.3	-0.4	10.7	0.4	15.3
Fourth Quintile	0.0	42.3	-0.8	11.5	606	3.7	-0.3	17.2	0.7	18.3
Top Quintile	0.0	71.4	-2.3	82.9	4,907	7.1	0.9	66.9	1.7	26.1
All	0.0	23.7	-1.4	100.0	870	5.7	0.0	100.0	1.1	20.6
<b>Addendum</b>										
80-90	0.0	60.6	-1.2	10.6	1,250	4.7	-0.1	12.8	0.9	21.0
90-95	0.0	76.3	-1.8	10.9	2,600	6.5	0.1	9.6	1.4	22.6
95-99	0.0	87.6	-2.6	21.6	6,418	8.7	0.4	14.5	2.0	24.8
Top 1 Percent	0.0	91.9	-3.2	39.8	47,307	7.7	0.6	30.1	2.3	31.8
Top 0.1 Percent	0.0	94.5	-3.3	19.9	231,529	7.2	0.2	15.9	2.3	33.8

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Percentile, 2015<sup>1</sup>**

Cash Income Percentile <sup>2,3</sup>	Tax Units		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	40,970	25.6	12,881	4.2	295	0.5	12,586	5.1	2.3	
Second Quintile	36,414	22.7	33,491	9.7	3,247	4.8	30,244	10.9	9.7	
Middle Quintile	31,949	19.9	56,816	14.4	8,499	11.1	48,317	15.2	15.0	
Fourth Quintile	26,517	16.5	91,848	19.3	16,238	17.5	75,610	19.8	17.7	
Top Quintile	23,568	14.7	282,330	52.8	68,826	66.0	213,504	49.6	24.4	
All	160,282	100.0	78,595	100.0	15,337	100.0	63,258	100.0	19.5	
<b>Addendum</b>										
80-90	11,852	7.4	133,354	12.6	26,748	12.9	106,606	12.5	20.1	
90-95	5,855	3.7	187,816	8.7	39,874	9.5	147,943	8.5	21.2	
95-99	4,687	2.9	323,122	12.0	73,817	14.1	249,305	11.5	22.8	
Top 1 Percent	1,174	0.7	2,095,258	19.5	618,218	29.5	1,477,040	17.1	29.5	
Top 0.1 Percent	120	0.1	10,186,310	9.7	3,206,420	15.6	6,979,891	8.3	31.5	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0412-7).

Number of AMT Taxpayers (millions). Baseline: 0 Proposal: 0

\* Less than 0.05

(1) Calendar year. Baseline is current policy with tax rates reduced by 20% and no AMT. Proposal caps itemized deductions at \$8500 for single tax units, \$17,000 for joint tax units, and \$12,750 for head of household tax units. The cap is effective 01/01/13, and the dollar values are indexed for inflation after 2013. For a description of TPC's current law and current policy baselines, see <http://www.taxpolicycenter.org/T11-0270>

(2) Includes both filing and non-filing units but excludes those that are dependents of other tax units. 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 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% \$22,008; 40% \$42,597; 60% \$67,608; 80% \$112,412; 90% \$147,742; 95% \$227,595; 99% \$573,930; 99.9% \$3,274,341.

(4) Includes tax units with a change in federal tax burden of \$10 or more in absolute value.

(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 T12-0260**  
**Cap Itemized Deductions at \$17,000**  
**Baseline: Current Policy with 20% Rate Reduction and Repealed AMT**  
**Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2015 <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>	0.0	0.2	0.0	0.0	0	-0.1	0.0	-0.3	0.0	-1.9
<b>Second Quintile</b>	0.0	4.7	-0.1	0.4	18	0.7	-0.2	3.1	0.1	8.3
<b>Middle Quintile</b>	0.0	16.0	-0.3	2.8	121	1.8	-0.3	8.5	0.2	13.7
<b>Fourth Quintile</b>	0.0	36.3	-0.6	9.1	413	3.0	-0.4	16.8	0.5	18.0
<b>Top Quintile</b>	0.0	65.0	-2.2	87.7	3,951	7.0	0.9	71.8	1.7	25.8
<b>All</b>	0.0	23.7	-1.4	100.0	870	5.7	0.0	100.0	1.1	20.6
<b>Addendum</b>										
<b>80-90</b>	0.0	53.8	-1.2	12.0	1,066	4.8	-0.1	14.2	0.9	20.6
<b>90-95</b>	0.0	68.9	-1.7	12.0	2,122	6.3	0.1	10.9	1.3	22.8
<b>95-99</b>	0.0	83.5	-2.4	22.4	5,270	8.4	0.4	15.6	1.9	24.5
<b>Top 1 Percent</b>	0.0	91.2	-3.2	41.3	41,426	7.7	0.6	31.0	2.3	31.7
<b>Top 0.1 Percent</b>	0.0	94.0	-3.3	20.8	205,216	7.2	0.2	16.5	2.3	33.8

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Percentile Adjusted for Family Size, 2015 <sup>1</sup>**

Cash Income Percentile <sup>2,3</sup>	Tax Units		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>	33,614	21.0	12,018	3.2	-228	-0.3	12,246	4.1	-1.9
<b>Second Quintile</b>	32,295	20.2	30,079	7.7	2,478	3.3	27,601	8.8	8.2
<b>Middle Quintile</b>	31,931	19.9	50,569	12.8	6,795	8.8	43,774	13.8	13.4
<b>Fourth Quintile</b>	30,611	19.1	79,008	19.2	13,797	17.2	65,210	19.7	17.5
<b>Top Quintile</b>	30,967	19.3	233,903	57.5	56,280	70.9	177,623	54.3	24.1
<b>All</b>	160,282	100.0	78,595	100.0	15,337	100.0	63,258	100.0	19.5
<b>Addendum</b>									
<b>80-90</b>	15,742	9.8	113,815	14.2	22,419	14.4	91,397	14.2	19.7
<b>90-95</b>	7,908	4.9	158,022	9.9	33,825	10.9	124,198	9.7	21.4
<b>95-99</b>	5,928	3.7	279,236	13.1	63,035	15.2	216,201	12.6	22.6
<b>Top 1 Percent</b>	1,389	0.9	1,832,986	20.2	538,919	30.5	1,294,067	17.7	29.4
<b>Top 0.1 Percent</b>	141	0.1	9,004,987	10.1	2,835,399	16.3	6,169,588	8.6	31.5

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0412-7).

Number of AMT Taxpayers (millions). Baseline: 0 Proposal: 0

\* Less than 0.05

(1) Calendar year. Baseline is current policy with tax rates reduced by 20% and no AMT. Proposal caps itemized deductions at \$8500 for single tax units, \$17,000 for joint tax units, and \$12,750 for head of household tax units. The cap is effective 01/01/13, and the dollar values are indexed for inflation after 2013. For a description of TPC's current law and current policy baselines, see <http://www.taxpolicycenter.org/T11-0270>

(2) Includes both filing and non-filing units but excludes those that are dependents of other tax units. 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 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% \$15,083; 40% \$27,759; 60% \$43,363; 80% \$66,672; 90% \$93,083; 95% \$132,523; 99% \$330,442; 99.9% \$1,955,988.

(4) Includes tax units with a change in federal tax burden of \$10 or more in absolute value.

(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 T12-0260**  
**Cap Itemized Deductions at \$17,000**  
**Baseline: Current Policy with 20% Rate Reduction and Repealed AMT**  
**Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2015 <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	0.0	0.2	0.0	0.0	0	0.0	-0.1	1.6	0.0	5.7
Second Quintile	0.0	4.0	-0.1	0.8	15	0.7	-0.3	5.6	0.1	9.6
Middle Quintile	0.0	11.7	-0.3	3.6	80	1.5	-0.4	11.8	0.2	14.3
Fourth Quintile	0.0	31.3	-0.7	12.3	313	2.9	-0.5	21.2	0.6	19.3
Top Quintile	0.0	63.1	-2.4	83.4	2,697	7.4	1.2	59.7	1.8	26.5
All	0.0	17.0	-1.2	100.0	433	5.2	0.0	100.0	1.0	20.0
<b>Addendum</b>										
80-90	0.0	52.7	-1.5	15.8	995	5.7	0.1	14.5	1.2	22.4
90-95	0.0	68.4	-2.0	16.3	1,815	7.0	0.2	12.3	1.6	24.0
95-99	0.0	81.5	-2.8	21.1	4,190	9.0	0.4	12.6	2.1	25.8
Top 1 Percent	0.0	90.1	-3.6	30.2	30,446	7.9	0.5	20.3	2.5	33.6
Top 0.1 Percent	0.0	93.8	-3.6	14.9	153,600	7.0	0.2	11.2	2.4	36.3

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Percentile Adjusted for Family Size, 2015 <sup>1</sup>**

Cash Income Percentile <sup>2,3</sup>	Tax Units		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	19,590	27.2	9,230	5.7	524	1.7	8,706	6.6	5.7	
Second Quintile	16,277	22.6	22,487	11.5	2,152	5.8	20,335	12.9	9.6	
Middle Quintile	13,877	19.3	37,464	16.4	5,286	12.2	32,178	17.4	14.1	
Fourth Quintile	12,236	17.0	56,833	21.9	10,666	21.7	46,167	22.0	18.8	
Top Quintile	9,642	13.4	147,922	44.9	36,512	58.5	111,410	41.8	24.7	
All	72,071	100.0	44,035	100.0	8,354	100.0	35,681	100.0	19.0	
<b>Addendum</b>										
80-90	4,969	6.9	82,466	12.9	17,495	14.4	64,971	12.6	21.2	
90-95	2,794	3.9	115,861	10.2	25,958	12.1	89,903	9.8	22.4	
95-99	1,570	2.2	197,740	9.8	46,738	12.2	151,002	9.2	23.6	
Top 1 Percent	309	0.4	1,236,900	12.1	385,678	19.8	851,222	10.2	31.2	
Top 0.1 Percent	30	0.0	6,446,848	6.2	2,185,258	11.0	4,261,590	5.0	33.9	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0412-7).

\* Less than 0.05

(1) Calendar year. Baseline is current policy with tax rates reduced by 20% and no AMT. Proposal caps itemized deductions at \$8500 for single tax units, \$17,000 for joint tax units, and \$12,750 for head of household tax units. The cap is effective 01/01/13, and the dollar values are indexed for inflation after 2013. For a description of TPC's current law and current policy baselines, see <http://www.taxpolicycenter.org/T11-0270>

(2) Includes both filing and non-filing units but excludes those that are dependents of other tax units. 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 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% \$15,083; 40% \$27,759; 60% \$43,363; 80% \$66,672; 90% \$93,083; 95% \$132,523; 99% \$330,442; 99.9% \$1,955,988.

(4) Includes tax units with a change in federal tax burden of \$10 or more in absolute value.

(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 T12-0260**  
**Cap Itemized Deductions at \$17,000**  
**Baseline: Current Policy with 20% Rate Reduction and Repealed AMT**  
**Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2015<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	0.0	0.0	0.0	0.0	0	0.0	0.0	-0.2	0.0	-3.2
Second Quintile	0.0	5.6	-0.1	0.2	20	0.6	-0.1	1.5	0.1	7.8
Middle Quintile	0.0	17.3	-0.2	1.8	136	1.7	-0.2	5.8	0.2	12.6
Fourth Quintile	0.0	38.4	-0.6	7.1	457	2.8	-0.4	14.3	0.5	17.1
Top Quintile	0.0	65.6	-2.2	91.0	4,564	6.8	0.7	78.4	1.6	25.5
All	0.0	34.6	-1.5	100.0	1,587	5.8	0.0	100.0	1.2	21.8
<b>Addendum</b>										
80-90	0.0	53.2	-1.0	10.3	1,039	4.2	-0.2	14.2	0.8	19.9
90-95	0.0	69.0	-1.6	10.9	2,266	5.9	0.0	10.9	1.2	22.2
95-99	0.0	84.4	-2.3	23.8	5,663	8.1	0.4	17.4	1.8	24.1
Top 1 Percent	0.0	91.8	-3.1	46.0	44,230	7.6	0.6	35.9	2.2	31.3
Top 0.1 Percent	0.0	94.1	-3.3	22.9	218,575	7.3	0.3	18.7	2.3	33.4

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Percentile Adjusted for Family Size, 2015<sup>1</sup>**

Cash Income Percentile <sup>2,3</sup>	Tax Units		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	5,398	8.7	16,672	1.1	-529	-0.2	17,201	1.4	-3.2	
Second Quintile	8,532	13.8	40,462	4.2	3,144	1.6	37,319	4.9	7.8	
Middle Quintile	12,816	20.7	63,803	10.0	7,918	6.0	55,885	11.0	12.4	
Fourth Quintile	15,264	24.7	97,544	18.2	16,254	14.7	81,290	19.1	16.7	
Top Quintile	19,577	31.6	279,324	66.9	66,752	77.7	212,572	64.1	23.9	
All	61,905	100.0	132,067	100.0	27,186	100.0	104,881	100.0	20.6	
<b>Addendum</b>										
80-90	9,693	15.7	130,931	15.5	25,018	14.4	105,913	15.8	19.1	
90-95	4,737	7.7	184,515	10.7	38,768	10.9	145,747	10.6	21.0	
95-99	4,126	6.7	311,974	15.7	69,633	17.1	242,341	15.4	22.3	
Top 1 Percent	1,021	1.7	1,995,138	24.9	580,874	35.3	1,414,264	22.3	29.1	
Top 0.1 Percent	103	0.2	9,678,541	12.2	3,013,944	18.4	6,664,597	10.6	31.1	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0412-7).

\* Less than 0.05

(1) Calendar year. Baseline is current policy with tax rates reduced by 20% and no AMT. Proposal caps itemized deductions at \$8500 for single tax units, \$17,000 for joint tax units, and \$12,750 for head of household tax units. The cap is effective 01/01/13, and the dollar values are indexed for inflation after 2013. For a description of TPC's current law and current policy baselines, see <http://www.taxpolicycenter.org/T11-0270>

(2) Includes both filing and non-filing units but excludes those that are dependents of other tax units. 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 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% \$15,083; 40% \$27,759; 60% \$43,363; 80% \$66,672; 90% \$93,083; 95% \$132,523; 99% \$330,442; 99.9% \$1,955,988.

(4) Includes tax units with a change in federal tax burden of \$10 or more in absolute value.

(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 T12-0260**  
**Cap Itemized Deductions at \$17,000**  
**Baseline: Current Policy with 20% Rate Reduction and Repealed AMT**  
**Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2015<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	0.0	*	0.0	0.0	0	0.0	0.6	-11.8	0.0	-11.9
Second Quintile	0.0	5.0	-0.1	2.3	21	0.9	-0.5	12.5	0.1	6.6
Middle Quintile	0.0	23.1	-0.4	11.9	169	2.1	-0.9	28.6	0.3	15.2
Fourth Quintile	0.0	45.8	-0.9	22.8	580	4.0	-0.3	28.8	0.7	19.1
Top Quintile	0.0	68.4	-2.4	63.1	3,236	8.0	1.1	41.8	1.8	24.7
All	0.0	14.4	-0.7	100.0	271	5.2	0.0	100.0	0.6	12.6
<b>Addendum</b>										
80-90	0.0	62.6	-1.9	20.5	1,650	7.2	0.3	15.0	1.5	22.3
90-95	0.0	75.0	-2.3	10.7	2,631	8.3	0.2	6.9	1.8	23.7
95-99	0.0	82.9	-2.8	14.6	5,831	10.2	0.4	7.7	2.2	24.0
Top 1 Percent	0.0	83.3	-2.9	17.3	34,387	7.5	0.3	12.2	2.1	29.8
Top 0.1 Percent	0.0	89.7	-2.7	7.4	171,995	6.5	0.1	5.9	1.9	31.3

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Percentile Adjusted for Family Size, 2015<sup>1</sup>**

Cash Income Percentile <sup>2,3</sup>	Tax Units		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	8,337	35.1	15,594	12.5	-1,855	-12.4	17,448	15.9	-11.9	
Second Quintile	7,034	29.6	35,197	23.8	2,317	13.1	32,880	25.2	6.6	
Middle Quintile	4,529	19.1	54,445	23.7	8,109	29.5	46,336	22.9	14.9	
Fourth Quintile	2,526	10.6	78,014	18.9	14,352	29.1	63,663	17.6	18.4	
Top Quintile	1,253	5.3	177,302	21.3	40,511	40.7	136,790	18.7	22.9	
All	23,746	100.0	43,843	100.0	5,252	100.0	38,591	100.0	12.0	
<b>Addendum</b>										
80-90	798	3.4	110,663	8.5	23,034	14.7	87,629	7.6	20.8	
90-95	262	1.1	144,804	3.7	31,688	6.7	113,116	3.2	21.9	
95-99	161	0.7	262,401	4.1	57,018	7.4	205,383	3.6	21.7	
Top 1 Percent	32	0.1	1,662,893	5.2	461,510	12.0	1,201,382	4.2	27.8	
Top 0.1 Percent	3	0.0	9,076,864	2.4	2,664,415	5.9	6,412,449	1.9	29.4	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0412-7).

\* Less than 0.05

(1) Calendar year. Baseline is current policy with tax rates reduced by 20% and no AMT. Proposal caps itemized deductions at \$8500 for single tax units, \$17,000 for joint tax units, and \$12,750 for head of household tax units. The cap is effective 01/01/13, and the dollar values are indexed for inflation after 2013. For a description of TPC's current law and current policy baselines, see <http://www.taxpolicycenter.org/T11-0270>

(2) Includes both filing and non-filing units but excludes those that are dependents of other tax units. 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 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% \$15,083; 40% \$27,759; 60% \$43,363; 80% \$66,672; 90% \$93,083; 95% \$132,523; 99% \$330,442; 99.9% \$1,955,988.

(4) Includes tax units with a change in federal tax burden of \$10 or more in absolute value.

(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 T12-0260**  
**Cap Itemized Deductions at \$17,000**  
**Baseline: Current Policy with 20% Rate Reduction and Repealed AMT**  
**Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2015 <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>	0.0	*	0.0	0.0	0	0.0	0.2	-2.4	0.0	-13.3
<b>Second Quintile</b>	0.0	6.5	-0.1	0.5	26	1.0	-0.2	3.1	0.1	6.9
<b>Middle Quintile</b>	0.0	27.5	-0.4	3.9	230	2.3	-0.4	10.4	0.3	15.3
<b>Fourth Quintile</b>	0.0	53.0	-0.8	11.6	693	3.6	-0.5	19.8	0.7	18.9
<b>Top Quintile</b>	0.0	80.5	-2.5	84.0	6,045	7.7	0.9	69.1	1.9	26.4
<b>All</b>	0.0	30.3	-1.5	100.0	1,169	6.3	0.0	100.0	1.2	20.2
<b>Addendum</b>										
<b>80-90</b>	0.0	72.0	-1.6	13.0	1,824	5.9	0.0	13.7	1.2	22.1
<b>90-95</b>	0.0	86.1	-2.2	12.5	3,832	7.9	0.2	10.0	1.7	23.6
<b>95-99</b>	0.0	92.5	-2.9	22.4	8,017	9.6	0.5	15.1	2.2	25.2
<b>Top 1 Percent</b>	0.0	91.6	-3.1	36.1	49,389	7.6	0.4	30.2	2.2	31.1
<b>Top 0.1 Percent</b>	0.0	94.6	-3.1	16.6	246,086	7.1	0.1	14.8	2.2	32.9

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Percentile Adjusted for Family Size, 2015 <sup>1</sup>**

Cash Income Percentile <sup>2,3</sup>	Tax Units		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>	11,303	22.2	16,419	3.7	-2,179	-2.6	18,598	5.2	-13.3
<b>Second Quintile</b>	11,085	21.7	40,298	8.9	2,771	3.2	37,527	10.3	6.9
<b>Middle Quintile</b>	10,124	19.9	67,628	13.7	10,134	10.8	57,494	14.3	15.0
<b>Fourth Quintile</b>	10,007	19.6	106,219	21.2	19,393	20.4	86,826	21.4	18.3
<b>Top Quintile</b>	8,281	16.2	320,350	52.9	78,457	68.1	241,893	49.4	24.5
<b>All</b>	50,995	100.0	98,292	100.0	18,703	100.0	79,589	100.0	19.0
<b>Addendum</b>									
<b>80-90</b>	4,240	8.3	148,065	12.5	30,837	13.7	117,228	12.3	20.8
<b>90-95</b>	1,937	3.8	222,265	8.6	48,689	9.9	173,576	8.3	21.9
<b>95-99</b>	1,668	3.3	364,979	12.1	83,885	14.7	281,094	11.6	23.0
<b>Top 1 Percent</b>	436	0.9	2,261,028	19.7	653,095	29.9	1,607,933	17.3	28.9
<b>Top 0.1 Percent</b>	40	0.1	11,311,786	9.1	3,476,887	14.6	7,834,899	7.8	30.7

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0412-7).

\* 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 with tax rates reduced by 20% and no AMT. Proposal caps itemized deductions at \$8500 for single tax units, \$17,000 for joint tax units, and \$12,750 for head of household tax units. The cap is effective 01/01/13, and the dollar values are indexed for inflation after 2013. For a description of TPC's current law and current policy baselines, see <http://www.taxpolicycenter.org/T11-0270>

(2) Includes both filing and non-filing units but excludes those that are dependents of other tax units. 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 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% \$15,083; 40% \$27,759; 60% \$43,363; 80% \$66,672; 90% \$93,083; 95% \$132,523; 99% \$330,442; 99.9% \$1,955,988.

(4) Includes tax units with a change in federal tax burden of \$10 or more in absolute value.

(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 T12-0260**  
**Cap Itemized Deductions at \$17,000**  
**Baseline: Current Policy with 20% Rate Reduction and Repealed AMT**  
**Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2015 <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
Lowest Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	0.1	0.0	0.8
Second Quintile	0.0	0.1	0.0	0.0	0	0.1	-0.1	0.9	0.0	1.8
Middle Quintile	0.0	4.7	-0.1	0.7	21	1.0	-0.2	4.2	0.1	4.8
Fourth Quintile	0.0	23.7	-0.4	6.0	246	3.7	-0.3	10.2	0.4	9.9
Top Quintile	0.0	51.5	-2.0	93.3	3,515	7.0	0.6	84.5	1.6	23.7
All	0.0	15.2	-1.2	100.0	723	6.3	0.0	100.0	1.0	16.4
<b>Addendum</b>										
80-90	0.0	39.2	-0.7	8.8	662	4.7	-0.2	11.7	0.6	14.0
90-95	0.0	49.3	-1.1	8.2	1,314	5.5	-0.1	9.3	0.9	17.6
95-99	0.0	72.7	-1.8	20.5	3,619	7.0	0.1	18.7	1.4	21.8
Top 1 Percent	0.0	92.0	-3.6	55.8	40,226	8.0	0.7	44.9	2.5	33.2
Top 0.1 Percent	0.0	96.7	-4.0	31.0	216,887	8.1	0.4	24.7	2.7	36.0

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Percentile Adjusted for Family Size, 2015 <sup>1</sup>**

Cash Income Percentile <sup>2,3</sup>	Tax Units		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	5,586	15.4	11,672	2.4	98	0.1	11,574	2.8	0.8	
Second Quintile	8,682	23.9	24,869	8.0	456	1.0	24,413	9.3	1.8	
Middle Quintile	8,619	23.7	45,325	14.5	2,138	4.4	43,187	16.3	4.7	
Fourth Quintile	6,421	17.7	70,447	16.8	6,733	10.4	63,714	17.9	9.6	
Top Quintile	6,964	19.2	226,302	58.5	50,041	84.0	176,260	53.8	22.1	
All	36,302	100.0	74,274	100.0	11,433	100.0	62,841	100.0	15.4	
<b>Addendum</b>										
80-90	3,483	9.6	106,013	13.7	14,157	11.9	91,856	14.0	13.4	
90-95	1,632	4.5	142,767	8.6	23,747	9.3	119,019	8.5	16.6	
95-99	1,485	4.1	254,316	14.0	51,926	18.6	202,391	13.2	20.4	
Top 1 Percent	364	1.0	1,636,544	22.1	503,280	44.2	1,133,264	18.1	30.8	
Top 0.1 Percent	38	0.1	8,065,763	11.2	2,689,906	24.3	5,375,857	8.8	33.4	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0412-7).

\* 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 current policy with tax rates reduced by 20% and no AMT. Proposal caps itemized deductions at \$8500 for single tax units, \$17,000 for joint tax units, and \$12,750 for head of household tax units. The cap is effective 01/01/13, and the dollar values are indexed for inflation after 2013. For a description of TPC's current law and current policy baselines, see <http://www.taxpolicycenter.org/T11-0270>

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

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(4) Includes tax units with a change in federal tax burden of \$10 or more in absolute value.

(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.