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**Table T12-0275**  
**Effect of Doubling Child Tax Credit from \$500 Per Child to \$1,000 Per Child, Relative to 2000 Law**  
**Distribution of Federal Tax Change by Cash Income Percentile, 2012 <sup>1</sup>**  
**Summary Table**

| Cash Income Percentile <sup>2,3</sup> | Tax Units with Tax Increase or Cut <sup>4</sup> |             |                   |                  | Percent Change in After-Tax Income <sup>5</sup> | Share of Total Federal Tax Change | Average Federal Tax Change (\$) | Average Federal Tax Rate <sup>6</sup> |                    |
|---------------------------------------|---|-------------|-------------------|------------------|---|-----------------------------------|---------------------------------|---------------------------------------|--------------------|
|                                       | With Tax Cut                                    |             | With Tax Increase |                  |   |                                   |                                 | Change (%)                            | Under the Proposal |
|                                       | Pct of Tax Units                                | Avg Tax Cut | Pct of Tax Units  | Avg Tax Increase |   |                                   |                                 |                                       |                    |
| <b>Lowest Quintile</b>                | *   | **          | 0.0               | 0                | 0.0   | 0.0                               | 0                               | 0.0                                   | 2.2                |
| <b>Second Quintile</b>                | 6.0   | -379        | 0.0               | 0                | 0.1   | 4.9                               | -23                             | -0.1                                  | 8.7                |
| <b>Middle Quintile</b>                | 20.0  | -697        | 0.0               | 0                | 0.3   | 26.4                              | -140                            | -0.3                                  | 14.1               |
| <b>Fourth Quintile</b>                | 32.1  | -866        | 0.0               | 0                | 0.4   | 43.8                              | -278                            | -0.3                                  | 17.4               |
| <b>Top Quintile</b>                   | 20.3  | -887        | 0.0               | 0                | 0.1   | 24.9                              | -180                            | -0.1                                  | 25.0               |
| <b>All</b>                            | 13.6  | -773        | 0.0               | 0                | 0.2   | 100.0                             | -105                            | -0.2                                  | 19.5               |
| <b>Addendum</b>                       |   |             |                   |                  |   |                                   |                                 |                                       |                    |
| <b>80-90</b>                          | 33.7  | -909        | 0.0               | 0                | 0.3   | 21.4                              | -307                            | -0.2                                  | 20.0               |
| <b>90-95</b>                          | 13.2  | -771        | 0.0               | 0                | 0.1   | 3.5                               | -102                            | -0.1                                  | 22.0               |
| <b>95-99</b>                          | 0.2   | -869        | 0.0               | 0                | 0.0   | 0.1                               | -2                              | 0.0                                   | 24.8               |
| <b>Top 1 Percent</b>                  | 0.1   | -1,331      | 0.0               | 0                | 0.0   | 0.0                               | -1                              | 0.0                                   | 30.2               |
| <b>Top 0.1 Percent</b>                | 0.1   | -962        | 0.0               | 0                | 0.0   | 0.0                               | -1                              | 0.0                                   | 31.2               |

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

Number of AMT Taxpayers (millions). Baseline: 4.0

Proposal: 4.0

\* Less than 0.05

\*\* Insufficient data

(1) Calendar year. Baseline is current policy with the child tax credit amount set at \$500 and the refundability rate set at 0%. Proposal has the child tax credit amount set at \$1000 and the refundability rate set at 0%. 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% \$19,738; 40% \$39,096; 60% \$64,828; 80% \$107,628; 90% \$148,688; 95% \$208,810; 99% \$521,411; 99.9% \$2,749,437.

(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 T12-0275**  
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**Distribution of Federal Tax Change by Cash Income Percentile, 2012 <sup>1</sup>**  
**Detail Table**

| Cash Income Percentile <sup>2,3</sup> | Percent of Tax Units <sup>4</sup> |                   | Percent Change in After-Tax Income <sup>5</sup> | Share of Total Federal Tax Change | Average Federal Tax Change |         | Share of Federal Taxes |                    | Average Federal Tax Rate <sup>6</sup> |                    |
|---------------------------------------|-----------------------------------|-------------------|---|-----------------------------------|----------------------------|---------|------------------------|--------------------|---------------------------------------|--------------------|
|                                       | With Tax Cut                      | With Tax Increase |   |                                   | Dollars                    | Percent | Change (% Points)      | Under the Proposal | Change (% Points)                     | Under the Proposal |
| Lowest Quintile                       | *                                 | 0.0               | 0.0   | 0.0                               | 0                          | 0.0     | 0.0                    | 0.5                | 0.0                                   | 2.2                |
| Second Quintile                       | 6.0                               | 0.0               | 0.1   | 4.9                               | -23                        | -0.9    | 0.0                    | 4.2                | -0.1                                  | 8.7                |
| Middle Quintile                       | 20.0                              | 0.0               | 0.3   | 26.4                              | -140                       | -1.9    | -0.1                   | 10.5               | -0.3                                  | 14.1               |
| Fourth Quintile                       | 32.1                              | 0.0               | 0.4   | 43.8                              | -278                       | -1.9    | -0.2                   | 17.7               | -0.3                                  | 17.4               |
| Top Quintile                          | 20.3                              | 0.0               | 0.1   | 24.9                              | -180                       | -0.3    | 0.3                    | 67.1               | -0.1                                  | 25.0               |
| All                                   | 13.6                              | 0.0               | 0.2   | 100.0                             | -105                       | -0.8    | 0.0                    | 100.0              | -0.2                                  | 19.5               |
| <b>Addendum</b>                       |                                   |                   |   |                                   |                            |         |                        |                    |                                       |                    |
| 80-90                                 | 33.7                              | 0.0               | 0.3   | 21.4                              | -307                       | -1.2    | -0.1                   | 13.5               | -0.2                                  | 20.0               |
| 90-95                                 | 13.2                              | 0.0               | 0.1   | 3.5                               | -102                       | -0.3    | 0.1                    | 10.0               | -0.1                                  | 22.0               |
| 95-99                                 | 0.2                               | 0.0               | 0.0   | 0.1                               | -2                         | 0.0     | 0.1                    | 15.6               | 0.0                                   | 24.8               |
| Top 1 Percent                         | 0.1                               | 0.0               | 0.0   | 0.0                               | -1                         | 0.0     | 0.2                    | 28.0               | 0.0                                   | 30.2               |
| Top 0.1 Percent                       | 0.1                               | 0.0               | 0.0   | 0.0                               | -1                         | 0.0     | 0.1                    | 14.2               | 0.0                                   | 31.2               |

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Percentile, 2012 <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                       | 40,798             | 25.9             | 11,002            | 4.1              | 246                | 0.5              | 10,756                        | 5.0              | 2.2                                   |  |
| Second Quintile                       | 35,670             | 22.7             | 28,965            | 9.5              | 2,542              | 4.2              | 26,422                        | 10.7             | 8.8                                   |  |
| Middle Quintile                       | 31,258             | 19.9             | 50,863            | 14.6             | 7,304              | 10.6             | 43,559                        | 15.5             | 14.4                                  |  |
| Fourth Quintile                       | 26,010             | 16.5             | 83,216            | 19.8             | 14,777             | 17.9             | 68,439                        | 20.3             | 17.8                                  |  |
| Top Quintile                          | 22,827             | 14.5             | 251,138           | 52.5             | 62,935             | 66.8             | 188,203                       | 48.9             | 25.1                                  |  |
| All                                   | 157,370            | 100.0            | 69,454            | 100.0            | 13,677             | 100.0            | 55,777                        | 100.0            | 19.7                                  |  |
| <b>Addendum</b>                       |                    |                  |                   |                  |                    |                  |                               |                  |                                       |  |
| 80-90                                 | 11,524             | 7.3              | 125,289           | 13.2             | 25,401             | 13.6             | 99,888                        | 13.1             | 20.3                                  |  |
| 90-95                                 | 5,598              | 3.6              | 172,864           | 8.9              | 38,125             | 9.9              | 134,739                       | 8.6              | 22.1                                  |  |
| 95-99                                 | 4,556              | 2.9              | 294,044           | 12.3             | 72,919             | 15.4             | 221,124                       | 11.5             | 24.8                                  |  |
| Top 1 Percent                         | 1,149              | 0.7              | 1,724,365         | 18.1             | 520,596            | 27.8             | 1,203,769                     | 15.8             | 30.2                                  |  |
| Top 0.1 Percent                       | 117                | 0.1              | 8,316,831         | 8.9              | 2,590,355          | 14.1             | 5,726,477                     | 7.6              | 31.2                                  |  |

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

Number of AMT Taxpayers (millions). Baseline: 4.0 Proposal: 4.0

\* Less than 0.05

(1) Calendar year. Baseline is current policy with the child tax credit amount set at \$500 and the refundability rate set at 0%. Proposal has the child tax credit amount set at \$1000 and the refundability rate set at 0%. For a description of TPC's current law and current policy baselines, see

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(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

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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 breaks are (in 2012 dollars): 20% \$19,738; 40% \$39,096; 60% \$64,828; 80% \$107,628; 90% \$148,688; 95% \$208,810; 99% \$521,411; 99.9% \$2,749,437.

(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 T12-0275**  
**Effect of Doubling Child Tax Credit from \$500 Per Child to \$1,000 Per Child, Relative to 2000 Law**  
**Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2012 <sup>1</sup>**  
**Detail Table**

| Cash Income Percentile <sup>2,3</sup> | Percent of Tax Units <sup>4</sup> |                      | Percent Change<br>in After-Tax<br>Income <sup>5</sup> | Share of Total<br>Federal Tax<br>Change | Average Federal Tax Change |         | Share of Federal Taxes |                       | Average Federal Tax Rate <sup>6</sup> |                       |
|---------------------------------------|-----------------------------------|----------------------|---|---|----------------------------|---------|------------------------|-----------------------|---------------------------------------|-----------------------|
|                                       | With Tax Cut                      | With Tax<br>Increase |   |   | Dollars                    | Percent | Change (%<br>Points)   | Under the<br>Proposal | Change (%<br>Points)                  | Under the<br>Proposal |
| <b>Lowest Quintile</b>                | 0.1                               | 0.0                  | 0.0   | 0.1                                     | -1                         | 0.6     | 0.0                    | -0.2                  | 0.0                                   | -1.1                  |
| <b>Second Quintile</b>                | 11.0                              | 0.0                  | 0.3   | 12.4                                    | -63                        | -3.4    | -0.1                   | 2.8                   | -0.2                                  | 7.0                   |
| <b>Middle Quintile</b>                | 24.7                              | 0.0                  | 0.5   | 39.1                                    | -207                       | -3.6    | -0.2                   | 8.2                   | -0.5                                  | 12.4                  |
| <b>Fourth Quintile</b>                | 25.8                              | 0.0                  | 0.4   | 38.9                                    | -217                       | -1.8    | -0.2                   | 16.9                  | -0.3                                  | 16.8                  |
| <b>Top Quintile</b>                   | 8.2                               | 0.0                  | 0.0   | 9.5                                     | -52                        | -0.1    | 0.5                    | 72.3                  | 0.0                                   | 24.8                  |
| <b>All</b>                            | 13.6                              | 0.0                  | 0.2   | 100.0                                   | -105                       | -0.8    | 0.0                    | 100.0                 | -0.2                                  | 19.5                  |
| <b>Addendum</b>                       |                                   |                      |   |   |                            |         |                        |                       |                                       |                       |
| <b>80-90</b>                          | 16.1                              | 0.0                  | 0.1   | 9.4                                     | -103                       | -0.5    | 0.0                    | 14.9                  | -0.1                                  | 20.0                  |
| <b>90-95</b>                          | 0.4                               | 0.0                  | 0.0   | 0.1                                     | -2                         | 0.0     | 0.1                    | 11.4                  | 0.0                                   | 22.0                  |
| <b>95-99</b>                          | *                                 | 0.0                  | 0.0   | 0.0                                     | 0                          | 0.0     | 0.1                    | 16.9                  | 0.0                                   | 24.5                  |
| <b>Top 1 Percent</b>                  | *                                 | 0.0                  | 0.0   | 0.0                                     | 0                          | 0.0     | 0.2                    | 29.1                  | 0.0                                   | 30.1                  |
| <b>Top 0.1 Percent</b>                | *                                 | 0.0                  | 0.0   | 0.0                                     | 0                          | 0.0     | 0.1                    | 14.8                  | 0.0                                   | 31.1                  |

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

| Cash Income Percentile <sup>2,3</sup> | Tax Units             |                     | Pre-Tax Income    |                     | Federal Tax Burden |                     | After-Tax Income <sup>5</sup> |                     | Average<br>Federal Tax<br>Rate <sup>6</sup> |  |
|---------------------------------------|-----------------------|---------------------|-------------------|---------------------|--------------------|---------------------|-------------------------------|---------------------|---|--|
|                                       | Number<br>(thousands) | Percent of<br>Total | Average (dollars) | Percent of<br>Total | Average (dollars)  | Percent of<br>Total | Average (dollars)             | Percent of<br>Total |   |  |
| <b>Lowest Quintile</b>                | 33,507                | 21.3                | 10,260            | 3.2                 | -109               | -0.2                | 10,369                        | 4.0                 | -1.1  |  |
| <b>Second Quintile</b>                | 32,422                | 20.6                | 25,845            | 7.7                 | 1,872              | 2.8                 | 23,973                        | 8.9                 | 7.2   |  |
| <b>Middle Quintile</b>                | 31,148                | 19.8                | 45,181            | 12.9                | 5,812              | 8.4                 | 39,369                        | 14.0                | 12.9  |  |
| <b>Fourth Quintile</b>                | 29,682                | 18.9                | 72,260            | 19.6                | 12,353             | 17.0                | 59,907                        | 20.3                | 17.1  |  |
| <b>Top Quintile</b>                   | 29,804                | 18.9                | 209,208           | 57.1                | 51,847             | 71.8                | 157,361                       | 53.4                | 24.8  |  |
| <b>All</b>                            | #####                 | 100.0               | 69,454            | 100.0               | 13,677             | 100.0               | 55,777                        | 100.0               | 19.7  |  |
| <b>Addendum</b>                       |                       |                     |                   |                     |                    |                     |                               |                     |   |  |
| <b>80-90</b>                          | 14,959                | 9.5                 | 106,226           | 14.5                | 21,367             | 14.9                | 84,860                        | 14.5                | 20.1  |  |
| <b>90-95</b>                          | 7,574                 | 4.8                 | 146,467           | 10.2                | 32,275             | 11.4                | 114,192                       | 9.9                 | 22.0  |  |
| <b>95-99</b>                          | 5,885                 | 3.7                 | 250,209           | 13.5                | 61,205             | 16.7                | 189,004                       | 12.7                | 24.5  |  |
| <b>Top 1 Percent</b>                  | 1,386                 | 0.9                 | 1,489,805         | 18.9                | 448,149            | 28.9                | 1,041,657                     | 16.4                | 30.1  |  |
| <b>Top 0.1 Percent</b>                | 139                   | 0.1                 | 7,288,508         | 9.3                 | 2,268,238          | 14.7                | 5,020,270                     | 8.0                 | 31.1  |  |

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

Number of AMT Taxpayers (millions). Baseline: 4.0 Proposal: 4.0

\* Less than 0.05

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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% \$13,702; 40% \$25,625; 60% \$40,991; 80% \$64,430; 90% \$90,165; 95% \$125,044; 99% \$309,682; 99.9% \$1,633,545.

(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.

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**Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2012 <sup>1</sup>**  
**Detail Table - Single Tax Units**

| Cash Income Percentile <sup>2,3</sup> | Percent of Tax Units <sup>4</sup> |                   | Percent Change in After-Tax Income <sup>5</sup> | Share of Total Federal Tax Change | Average Federal Tax Change |         | Share of Federal Taxes |                    | Average Federal Tax Rate <sup>6</sup> |                    |
|---------------------------------------|-----------------------------------|-------------------|---|-----------------------------------|----------------------------|---------|------------------------|--------------------|---------------------------------------|--------------------|
|                                       | With Tax Cut                      | With Tax Increase |   |                                   | Dollars                    | Percent | Change (% Points)      | Under the Proposal | Change (% Points)                     | Under the Proposal |
| Lowest Quintile                       | 0.0                               | 0.0               | 0.0   | 0.0                               | 0                          | 0.0     | 0.0                    | 1.4                | 0.0                                   | 4.5                |
| Second Quintile                       | 1.6                               | 0.0               | 0.0   | 36.7                              | -7                         | -0.5    | 0.0                    | 5.3                | 0.0                                   | 8.2                |
| Middle Quintile                       | 1.5                               | 0.0               | 0.0   | 39.1                              | -10                        | -0.2    | 0.0                    | 11.9               | 0.0                                   | 13.5               |
| Fourth Quintile                       | 1.0                               | 0.0               | 0.0   | 20.5                              | -6                         | -0.1    | 0.0                    | 20.9               | 0.0                                   | 18.5               |
| Top Quintile                          | 0.3                               | 0.0               | 0.0   | 3.8                               | -1                         | 0.0     | 0.0                    | 60.5               | 0.0                                   | 25.0               |
| All                                   | 0.9                               | 0.0               | 0.0   | 100.0                             | -5                         | -0.1    | 0.0                    | 100.0              | 0.0                                   | 18.7               |
| <b>Addendum</b>                       |                                   |                   |   |                                   |                            |         |                        |                    |                                       |                    |
| 80-90                                 | 0.5                               | 0.0               | 0.0   | 3.0                               | -2                         | 0.0     | 0.0                    | 15.4               | 0.0                                   | 21.5               |
| 90-95                                 | 0.3                               | 0.0               | 0.0   | 0.7                               | -1                         | 0.0     | 0.0                    | 11.0               | 0.0                                   | 22.9               |
| 95-99                                 | 0.0                               | 0.0               | 0.0   | 0.0                               | 0                          | 0.0     | 0.0                    | 14.2               | 0.0                                   | 24.6               |
| Top 1 Percent                         | 0.0                               | 0.0               | 0.0   | 0.0                               | 0                          | 0.0     | 0.0                    | 19.8               | 0.0                                   | 30.9               |
| Top 0.1 Percent                       | *                                 | 0.0               | 0.0   | 0.0                               | 0                          | 0.0     | 0.0                    | 10.1               | 0.0                                   | 32.8               |

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

| Cash Income Percentile <sup>2,3</sup> | Tax Units          |                  | 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                       | 20,008             | 27.8             | 7,853             | 5.6              | 352                | 1.4              | 7,501                         | 6.6              | 4.5                                   |
| Second Quintile                       | 17,123             | 23.8             | 19,563            | 12.0             | 1,612              | 5.3              | 17,951                        | 13.6             | 8.2                                   |
| Middle Quintile                       | 13,753             | 19.1             | 33,496            | 16.5             | 4,525              | 11.9             | 28,971                        | 17.6             | 13.5                                  |
| Fourth Quintile                       | 11,375             | 15.8             | 51,800            | 21.1             | 9,586              | 20.9             | 42,215                        | 21.2             | 18.5                                  |
| Top Quintile                          | 9,391              | 13.0             | 134,073           | 45.1             | 33,562             | 60.4             | 100,511                       | 41.6             | 25.0                                  |
| All                                   | 72,079             | 100.0            | 38,707            | 100.0            | 7,237              | 100.0            | 31,469                        | 100.0            | 18.7                                  |
| <b>Addendum</b>                       |                    |                  |                   |                  |                    |                  |                               |                  |                                       |
| 80-90                                 | 4,934              | 6.9              | 75,793            | 13.4             | 16,302             | 15.4             | 59,491                        | 12.9             | 21.5                                  |
| 90-95                                 | 2,380              | 3.3              | 105,118           | 9.0              | 24,117             | 11.0             | 81,001                        | 8.5              | 22.9                                  |
| 95-99                                 | 1,732              | 2.4              | 173,602           | 10.8             | 42,741             | 14.2             | 130,860                       | 10.0             | 24.6                                  |
| Top 1 Percent                         | 345                | 0.5              | 969,358           | 12.0             | 299,645            | 19.8             | 669,713                       | 10.2             | 30.9                                  |
| Top 0.1 Percent                       | 31                 | 0.0              | 5,166,364         | 5.8              | 1,696,541          | 10.1             | 3,469,823                     | 4.8              | 32.8                                  |

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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.

**Table T12-0275**  
**Effect of Doubling Child Tax Credit from \$500 Per Child to \$1,000 Per Child, Relative to 2000 Law**  
**Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2012 <sup>1</sup>**  
**Detail Table - Married Tax Units Filing Jointly**

| Cash Income Percentile <sup>2,3</sup> | Percent of Tax Units <sup>4</sup> |                   | Percent Change<br>in After-Tax<br>Income <sup>5</sup> | Share of Total<br>Federal Tax<br>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 (%<br>Points)   | Under the<br>Proposal | Change (%<br>Points)                  | Under the<br>Proposal |
| Lowest Quintile                       | 0.2                               | 0.0               | 0.0   | 0.1                                     | -3                         | 1.5     | 0.0                    | -0.1                  | 0.0                                   | -1.5                  |
| Second Quintile                       | 17.3                              | 0.0               | 0.4   | 8.2                                     | -131                       | -5.4    | -0.1                   | 1.3                   | -0.4                                  | 6.6                   |
| Middle Quintile                       | 39.4                              | 0.0               | 0.7   | 36.3                                    | -376                       | -5.6    | -0.3                   | 5.4                   | -0.7                                  | 11.2                  |
| Fourth Quintile                       | 41.0                              | 0.0               | 0.5   | 43.6                                    | -364                       | -2.5    | -0.3                   | 14.5                  | -0.4                                  | 15.8                  |
| Top Quintile                          | 12.1                              | 0.0               | 0.0   | 11.7                                    | -79                        | -0.1    | 0.6                    | 78.8                  | 0.0                                   | 24.7                  |
| All                                   | 24.5                              | 0.0               | 0.2   | 100.0                                   | -212                       | -0.9    | 0.0                    | 100.0                 | -0.2                                  | 20.7                  |
| <b>Addendum</b>                       |                                   |                   |   |   |                            |         |                        |                       |                                       |                       |
| 80-90                                 | 24.8                              | 0.0               | 0.2   | 11.6                                    | -164                       | -0.7    | 0.0                    | 14.8                  | -0.1                                  | 19.4                  |
| 90-95                                 | 0.4                               | 0.0               | 0.0   | 0.1                                     | -2                         | 0.0     | 0.1                    | 12.0                  | 0.0                                   | 21.7                  |
| 95-99                                 | *                                 | 0.0               | 0.0   | 0.0                                     | 0                          | 0.0     | 0.2                    | 18.6                  | 0.0                                   | 24.3                  |
| Top 1 Percent                         | *                                 | 0.0               | 0.0   | 0.0                                     | 0                          | 0.0     | 0.3                    | 33.4                  | 0.0                                   | 30.0                  |
| Top 0.1 Percent                       | *                                 | 0.0               | 0.0   | 0.0                                     | 0                          | 0.0     | 0.1                    | 16.7                  | 0.0                                   | 30.9                  |

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

| Cash Income Percentile <sup>2,3</sup> | Tax Units             |                     | Pre-Tax Income    |                     | Federal Tax Burden |                     | After-Tax Income <sup>5</sup> |                     | Average<br>Federal Tax<br>Rate <sup>6</sup> |
|---------------------------------------|-----------------------|---------------------|-------------------|---------------------|--------------------|---------------------|-------------------------------|---------------------|---|
|                                       | Number<br>(thousands) | Percent of<br>Total | Average (dollars) | Percent of<br>Total | Average (dollars)  | Percent of<br>Total | Average (dollars)             | Percent of<br>Total |   |
| Lowest Quintile                       | 5,654                 | 9.4                 | 14,125            | 1.1                 | -210               | -0.1                | 14,335                        | 1.5                 | -1.5  |
| Second Quintile                       | 8,013                 | 13.3                | 35,067            | 4.0                 | 2,441              | 1.3                 | 32,625                        | 4.7                 | 7.0   |
| Middle Quintile                       | 12,295                | 20.4                | 57,336            | 10.0                | 6,782              | 5.7                 | 50,554                        | 11.1                | 11.8  |
| Fourth Quintile                       | 15,236                | 25.3                | 88,185            | 19.0                | 14,332             | 14.8                | 73,852                        | 20.1                | 16.3  |
| Top Quintile                          | 18,717                | 31.1                | 249,870           | 66.2                | 61,679             | 78.2                | 188,191                       | 63.1                | 24.7  |
| All                                   | 60,207                | 100.0               | 117,292           | 100.0               | 24,519             | 100.0               | 92,773                        | 100.0               | 20.9  |
| <b>Addendum</b>                       |                       |                     |                   |                     |                    |                     |                               |                     |   |
| 80-90                                 | 8,992                 | 14.9                | 124,067           | 15.8                | 24,193             | 14.7                | 99,874                        | 16.1                | 19.5  |
| 90-95                                 | 4,842                 | 8.0                 | 168,021           | 11.5                | 36,383             | 11.9                | 131,638                       | 11.4                | 21.7  |
| 95-99                                 | 3,897                 | 6.5                 | 286,245           | 15.8                | 69,674             | 18.4                | 216,571                       | 15.1                | 24.3  |
| Top 1 Percent                         | 984                   | 1.6                 | 1,657,627         | 23.1                | 496,874            | 33.1                | 1,160,754                     | 20.5                | 30.0  |
| Top 0.1 Percent                       | 101                   | 0.2                 | 7,879,154         | 11.2                | 2,433,927          | 16.6                | 5,445,226                     | 9.8                 | 30.9  |

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

\* Less than 0.05

(1) Calendar year. Baseline is current policy with the child tax credit amount set at \$500 and the refundability rate set at 0%. Proposal has the child tax credit amount set at \$1000 and the refundability rate set at 0%. 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% \$13,702; 40% \$25,625; 60% \$40,991; 80% \$64,430; 90% \$90,165; 95% \$125,044; 99% \$309,682; 99.9% \$1,633,545.

(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 T12-0275**  
**Effect of Doubling Child Tax Credit from \$500 Per Child to \$1,000 Per Child, Relative to 2000 Law**  
**Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2012 <sup>1</sup>**  
**Detail Table - Head of Household Tax Units**

| Cash Income Percentile <sup>2,3</sup> | Percent of Tax Units <sup>4</sup> |                   | Percent Change<br>in After-Tax<br>Income <sup>5</sup> | Share of Total<br>Federal Tax<br>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 (%<br>Points)   | Under the<br>Proposal | Change (%<br>Points)                  | Under the<br>Proposal |
| Lowest Quintile                       | 0.1                               | 0.0               | 0.0   | 0.1                                     | 0                          | 0.0     | -0.3                   | -8.8                  | 0.0                                   | -9.4                  |
| Second Quintile                       | 26.5                              | 0.0               | 0.4   | 25.0                                    | -119                       | -6.8    | -0.4                   | 10.2                  | -0.4                                  | 5.3                   |
| Middle Quintile                       | 56.5                              | 0.0               | 0.9   | 49.2                                    | -361                       | -5.2    | -0.7                   | 26.5                  | -0.7                                  | 13.6                  |
| Fourth Quintile                       | 47.9                              | 0.0               | 0.5   | 23.6                                    | -302                       | -2.3    | 0.2                    | 29.2                  | -0.4                                  | 17.7                  |
| Top Quintile                          | 11.9                              | 0.0               | 0.0   | 2.0                                     | -52                        | -0.1    | 1.2                    | 42.9                  | 0.0                                   | 23.8                  |
| All                                   | 25.1                              | 0.0               | 0.4   | 100.0                                   | -143                       | -2.9    | 0.0                    | 100.0                 | -0.4                                  | 12.2                  |
| <b>Addendum</b>                       |                                   |                   |   |   |                            |         |                        |                       |                                       |                       |
| 80-90                                 | 19.1                              | 0.0               | 0.1   | 2.0                                     | -83                        | -0.4    | 0.4                    | 15.0                  | -0.1                                  | 21.2                  |
| 90-95                                 | 0.4                               | 0.0               | 0.0   | 0.0                                     | -2                         | 0.0     | 0.2                    | 7.1                   | 0.0                                   | 22.7                  |
| 95-99                                 | *                                 | 0.0               | 0.0   | 0.0                                     | 0                          | 0.0     | 0.3                    | 9.1                   | 0.0                                   | 24.2                  |
| Top 1 Percent                         | 0.2                               | 0.0               | 0.0   | 0.0                                     | -2                         | 0.0     | 0.3                    | 11.6                  | 0.0                                   | 28.9                  |
| Top 0.1 Percent                       | 0.1                               | 0.0               | 0.0   | 0.0                                     | 0                          | 0.0     | 0.2                    | 5.6                   | 0.0                                   | 29.8                  |

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

| Cash Income Percentile <sup>2,3</sup> | Tax Units             |                     | Pre-Tax Income    |                     | Federal Tax Burden |                     | After-Tax Income <sup>5</sup> |                     | Average<br>Federal Tax<br>Rate <sup>6</sup> |  |
|---------------------------------------|-----------------------|---------------------|-------------------|---------------------|--------------------|---------------------|-------------------------------|---------------------|---|--|
|                                       | Number<br>(thousands) | Percent of<br>Total | Average (dollars) | Percent of<br>Total | Average (dollars)  | Percent of<br>Total | Average (dollars)             | Percent of<br>Total |   |  |
| Lowest Quintile                       | 7,596                 | 33.3                | 13,741            | 11.4                | -1,287             | -8.6                | 15,028                        | 14.3                | -9.4  |  |
| Second Quintile                       | 6,873                 | 30.2                | 30,835            | 23.2                | 1,761              | 10.6                | 29,075                        | 25.0                | 5.7   |  |
| Middle Quintile                       | 4,458                 | 19.6                | 48,655            | 23.7                | 6,974              | 27.2                | 41,680                        | 23.2                | 14.3  |  |
| Fourth Quintile                       | 2,561                 | 11.2                | 71,361            | 20.0                | 12,957             | 29.0                | 58,405                        | 18.7                | 18.2  |  |
| Top Quintile                          | 1,241                 | 5.5                 | 161,246           | 21.9                | 38,428             | 41.7                | 122,819                       | 19.1                | 23.8  |  |
| All                                   | 22,789                | 100.0               | 40,125            | 100.0               | 5,019              | 100.0               | 35,105                        | 100.0               | 12.5  |  |
| <b>Addendum</b>                       |                       |                     |                   |                     |                    |                     |                               |                     |   |  |
| 80-90                                 | 771                   | 3.4                 | 102,104           | 8.6                 | 21,766             | 14.7                | 80,337                        | 7.7                 | 21.3  |  |
| 90-95                                 | 258                   | 1.1                 | 135,692           | 3.8                 | 30,738             | 6.9                 | 104,954                       | 3.4                 | 22.7  |  |
| 95-99                                 | 181                   | 0.8                 | 232,109           | 4.6                 | 56,099             | 8.9                 | 176,010                       | 4.0                 | 24.2  |  |
| Top 1 Percent                         | 32                    | 0.1                 | 1,379,305         | 4.9                 | 398,301            | 11.3                | 981,004                       | 4.0                 | 28.9  |  |
| Top 0.1 Percent                       | 3                     | 0.0                 | 7,060,550         | 2.3                 | 2,106,065          | 5.4                 | 4,954,485                     | 1.8                 | 29.8  |  |

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

\* Less than 0.05

(1) Calendar year. Baseline is current policy with the child tax credit amount set at \$500 and the refundability rate set at 0%. Proposal has the child tax credit amount set at \$1000 and the refundability rate set at 0%. 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% \$13,702; 40% \$25,625; 60% \$40,991; 80% \$64,430; 90% \$90,165; 95% \$125,044; 99% \$309,682; 99.9% \$1,633,545.

(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 T12-0275**  
**Effect of Doubling Child Tax Credit from \$500 Per Child to \$1,000 Per Child, Relative to 2000 Law**  
**Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2012 <sup>1</sup>**  
**Detail Table - Tax Units with Children**

| Cash Income Percentile <sup>2,3</sup> | Percent of Tax Units <sup>4</sup> |                   | Percent Change in After-Tax Income <sup>5</sup> | Share of Total Federal Tax Change | Average Federal Tax Change |         | Share of Federal Taxes |                    | Average Federal Tax Rate <sup>6</sup> |                    |
|---------------------------------------|-----------------------------------|-------------------|---|-----------------------------------|----------------------------|---------|------------------------|--------------------|---------------------------------------|--------------------|
|                                       | With Tax Cut                      | With Tax Increase |   |                                   | Dollars                    | Percent | Change (% Points)      | Under the Proposal | Change (% Points)                     | Under the Proposal |
| <b>Lowest Quintile</b>                | 0.2                               | 0.0               | 0.0   | 0.1                               | -2                         | 0.1     | 0.0                    | -1.9               | 0.0                                   | -10.4              |
| <b>Second Quintile</b>                | 31.5                              | 0.0               | 0.6   | 11.9                              | -181                       | -8.5    | -0.2                   | 2.4                | -0.5                                  | 5.6                |
| <b>Middle Quintile</b>                | 75.0                              | 0.0               | 1.2   | 39.0                              | -632                       | -7.1    | -0.6                   | 9.7                | -1.0                                  | 13.6               |
| <b>Fourth Quintile</b>                | 77.6                              | 0.0               | 0.8   | 39.3                              | -652                       | -3.7    | -0.4                   | 19.3               | -0.7                                  | 17.5               |
| <b>Top Quintile</b>                   | 28.5                              | 0.0               | 0.1   | 9.6                               | -183                       | -0.3    | 1.1                    | 70.4               | -0.1                                  | 25.4               |
| <b>All</b>                            | 41.9                              | 0.0               | 0.5   | 100.0                             | -326                       | -1.9    | 0.0                    | 100.0              | -0.4                                  | 19.3               |
| <b>Addendum</b>                       |                                   |                   |   |                                   |                            |         |                        |                    |                                       |                    |
| <b>80-90</b>                          | 53.8                              | 0.0               | 0.3   | 9.5                               | -347                       | -1.2    | 0.1                    | 15.2               | -0.3                                  | 20.7               |
| <b>90-95</b>                          | 1.4                               | 0.0               | 0.0   | 0.1                               | -6                         | 0.0     | 0.2                    | 10.4               | 0.0                                   | 22.7               |
| <b>95-99</b>                          | 0.1                               | 0.0               | 0.0   | 0.0                               | -1                         | 0.0     | 0.3                    | 16.6               | 0.0                                   | 25.7               |
| <b>Top 1 Percent</b>                  | 0.1                               | 0.0               | 0.0   | 0.0                               | -1                         | 0.0     | 0.5                    | 28.1               | 0.0                                   | 30.3               |
| <b>Top 0.1 Percent</b>                | 0.1                               | 0.0               | 0.0   | 0.0                               | -1                         | 0.0     | 0.3                    | 13.3               | 0.0                                   | 31.0               |

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

| Cash Income Percentile <sup>2,3</sup> | Tax Units          |                  | 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>                | 10,714             | 21.5             | 14,275            | 3.5              | -1,487             | -1.8             | 15,762                        | 4.8              | -10.4                                 |  |
| <b>Second Quintile</b>                | 10,605             | 21.3             | 35,079            | 8.4              | 2,127              | 2.6              | 32,952                        | 9.9              | 6.1                                   |  |
| <b>Middle Quintile</b>                | 10,013             | 20.1             | 60,604            | 13.7             | 8,888              | 10.2             | 51,715                        | 14.6             | 14.7                                  |  |
| <b>Fourth Quintile</b>                | 9,766              | 19.6             | 96,254            | 21.3             | 17,487             | 19.7             | 78,767                        | 21.7             | 18.2                                  |  |
| <b>Top Quintile</b>                   | 8,509              | 17.1             | 277,459           | 53.4             | 70,724             | 69.2             | 206,735                       | 49.6             | 25.5                                  |  |
| <b>All</b>                            | 49,780             | 100.0            | 88,755            | 100.0            | 17,458             | 100.0            | 71,297                        | 100.0            | 19.7                                  |  |
| <b>Addendum</b>                       |                    |                  |                   |                  |                    |                  |                               |                  |                                       |  |
| <b>80-90</b>                          | 4,450              | 8.9              | 140,675           | 14.2             | 29,514             | 15.1             | 111,161                       | 13.9             | 21.0                                  |  |
| <b>90-95</b>                          | 1,994              | 4.0              | 196,930           | 8.9              | 44,656             | 10.2             | 152,273                       | 8.6              | 22.7                                  |  |
| <b>95-99</b>                          | 1,647              | 3.3              | 334,890           | 12.5             | 85,977             | 16.3             | 248,913                       | 11.6             | 25.7                                  |  |
| <b>Top 1 Percent</b>                  | 418                | 0.8              | 1,889,954         | 17.9             | 573,206            | 27.6             | 1,316,748                     | 15.5             | 30.3                                  |  |
| <b>Top 0.1 Percent</b>                | 39                 | 0.1              | 9,283,969         | 8.3              | 2,881,615          | 13.0             | 6,402,354                     | 7.1              | 31.0                                  |  |

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 the child tax credit amount set at \$500 and the refundability rate set at 0%. Proposal has the child tax credit amount set at \$1000 and the refundability rate set at 0%. 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% \$13,702; 40% \$25,625; 60% \$40,991; 80% \$64,430; 90% \$90,165; 95% \$125,044; 99% \$309,682; 99.9% \$1,633,545.

(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 T12-0275**  
**Effect of Doubling Child Tax Credit from \$500 Per Child to \$1,000 Per Child, Relative to 2000 Law**  
**Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2012 <sup>1</sup>**  
**Detail Table - Elderly Tax Units**

| Cash Income Percentile <sup>2,3</sup> | Percent of Tax Units <sup>4</sup> |                   | Percent Change in After-Tax Income <sup>5</sup> | Share of Total Federal Tax Change | Average Federal Tax Change |         | Share of Federal Taxes |                    | Average Federal Tax Rate <sup>6</sup> |                    |
|---------------------------------------|-----------------------------------|-------------------|---|-----------------------------------|----------------------------|---------|------------------------|--------------------|---------------------------------------|--------------------|
|                                       | With Tax Cut                      | With Tax Increase |   |                                   | Dollars                    | Percent | Change (% Points)      | Under the Proposal | Change (% Points)                     | Under the Proposal |
| Lowest Quintile                       | 0.0                               | 0.0               | 0.0   | 0.0                               | 0                          | 0.0     | 0.0                    | 0.1                | 0.0                                   | 0.6                |
| Second Quintile                       | 0.2                               | 0.0               | 0.0   | 3.1                               | -1                         | -0.2    | 0.0                    | 0.7                | 0.0                                   | 1.3                |
| Middle Quintile                       | 1.8                               | 0.0               | 0.0   | 48.8                              | -10                        | -0.6    | 0.0                    | 3.9                | 0.0                                   | 4.0                |
| Fourth Quintile                       | 1.5                               | 0.0               | 0.0   | 36.3                              | -10                        | -0.2    | 0.0                    | 11.6               | 0.0                                   | 9.4                |
| Top Quintile                          | 0.5                               | 0.0               | 0.0   | 11.9                              | -3                         | 0.0     | 0.0                    | 83.6               | 0.0                                   | 22.3               |
| All                                   | 0.8                               | 0.0               | 0.0   | 100.0                             | -5                         | -0.1    | 0.0                    | 100.0              | 0.0                                   | 15.0               |
| <b>Addendum</b>                       |                                   |                   |   |                                   |                            |         |                        |                    |                                       |                    |
| 80-90                                 | 1.0                               | 0.0               | 0.0   | 11.7                              | -7                         | -0.1    | 0.0                    | 11.6               | 0.0                                   | 13.9               |
| 90-95                                 | 0.1                               | 0.0               | 0.0   | 0.2                               | 0                          | 0.0     | 0.0                    | 10.4               | 0.0                                   | 17.4               |
| 95-99                                 | 0.0                               | 0.0               | 0.0   | 0.0                               | 0                          | 0.0     | 0.0                    | 19.3               | 0.0                                   | 21.4               |
| Top 1 Percent                         | *                                 | 0.0               | 0.0   | 0.0                               | 0                          | 0.0     | 0.0                    | 42.4               | 0.0                                   | 29.7               |
| Top 0.1 Percent                       | *                                 | 0.0               | 0.0   | 0.0                               | 0                          | 0.0     | 0.0                    | 22.2               | 0.0                                   | 31.3               |

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

| Cash Income Percentile <sup>2,3</sup> | Tax Units          |                  | 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                       | 5,146              | 14.9             | 10,014            | 2.3              | 60                 | 0.1              | 9,953                         | 2.7              | 0.6                                   |  |
| Second Quintile                       | 8,664              | 25.2             | 21,497            | 8.3              | 273                | 0.7              | 21,224                        | 9.6              | 1.3                                   |  |
| Middle Quintile                       | 8,103              | 23.5             | 40,629            | 14.7             | 1,630              | 3.9              | 38,999                        | 16.5             | 4.0                                   |  |
| Fourth Quintile                       | 6,410              | 18.6             | 65,279            | 18.6             | 6,125              | 11.7             | 59,153                        | 19.8             | 9.4                                   |  |
| Top Quintile                          | 6,098              | 17.7             | 207,422           | 56.3             | 46,188             | 83.6             | 161,234                       | 51.5             | 22.3                                  |  |
| All                                   | 34,450             | 100.0            | 65,248            | 100.0            | 9,783              | 100.0            | 55,465                        | 100.0            | 15.0                                  |  |
| <b>Addendum</b>                       |                    |                  |                   |                  |                    |                  |                               |                  |                                       |  |
| 80-90                                 | 2,899              | 8.4              | 96,300            | 12.4             | 13,432             | 11.6             | 82,868                        | 12.6             | 14.0                                  |  |
| 90-95                                 | 1,516              | 4.4              | 133,171           | 9.0              | 23,105             | 10.4             | 110,066                       | 8.7              | 17.4                                  |  |
| 95-99                                 | 1,322              | 3.8              | 229,671           | 13.5             | 49,155             | 19.3             | 180,516                       | 12.5             | 21.4                                  |  |
| Top 1 Percent                         | 360                | 1.1              | 1,331,956         | 21.4             | 395,873            | 42.3             | 936,083                       | 17.7             | 29.7                                  |  |
| Top 0.1 Percent                       | 37                 | 0.1              | 6,520,643         | 10.6             | 2,040,624          | 22.2             | 4,480,019                     | 8.6              | 31.3                                  |  |

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 the child tax credit amount set at \$500 and the refundability rate set at 0%. Proposal has the child tax credit amount set at \$1000 and the refundability rate set at 0%. 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% \$13,702; 40% \$25,625; 60% \$40,991; 80% \$64,430; 90% \$90,165; 95% \$125,044; 99% \$309,682; 99.9% \$1,633,545.

(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.