

**Table T12-0368**  
**Limit Tax Benefit of Itemized Deductions Other Than Charitable Contributions to 2 Percent of Adjusted Gross Income (AGI)**  
**Effective Marginal Individual Income Tax Rates (EMTR) On Capital Income and Wage and Salaries**  
**By Cash Income Level, 2013<sup>1</sup>**

Cash Income Level (thousands of 2012 dollars) <sup>2</sup>	Tax Units (thousands)	Wage and Salaries		Long-term Capital Gains		Qualified Dividends		Interest Income	
		Baseline	Proposal	Baseline	Proposal	Baseline	Proposal	Baseline	Proposal
<b>Less than 10</b>	16,041	-9.9	-9.9	0.3	0.3	0.1	0.1	0.3	0.3
<b>10-20</b>	24,243	1.6	1.7	1.4	1.4	1.4	1.4	3.3	3.4
<b>20-30</b>	19,317	14.7	14.9	0.5	0.5	1.0	0.9	4.9	5.2
<b>30-40</b>	17,482	18.2	18.5	0.7	0.8	0.6	0.7	8.8	9.9
<b>40-50</b>	13,879	17.7	18.2	1.0	1.3	2.1	2.5	13.4	14.4
<b>50-75</b>	25,633	19.0	19.7	4.9	5.6	7.9	8.7	19.5	19.5
<b>75-100</b>	14,610	18.2	18.2	5.7	5.9	8.7	9.2	20.5	19.5
<b>100-200</b>	20,204	24.4	25.1	12.0	12.2	12.2	12.8	24.1	21.5
<b>200-500</b>	4,780	31.7	29.8	18.7	17.5	19.9	18.4	32.0	28.4
<b>500-1,000</b>	728	30.1	31.5	18.6	18.2	20.4	19.7	32.0	31.5
<b>More than 1,000</b>	433	34.0	33.3	18.2	17.8	18.8	18.2	30.9	32.8
<b>All</b>	158,260	22.3	22.4	16.4	16.0	16.1	15.7	23.0	22.5
<b>Addendum<sup>3</sup></b>									
<b>AGI above \$250K</b>	2,846	33.4	32.8	18.9	18.4	19.9	19.2	32.5	33.1
<b>AGI above \$500K</b>	965	32.9	32.9	18.3	18.0	18.9	18.3	31.5	32.9
<b>AGI above \$1M</b>	368	34.2	33.3	18.4	18.0	18.8	18.2	31.3	33.2

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0412-8).

(1) Calendar year. Effective marginal tax rates are weighted by the appropriate income source. Baseline is current policy. Proposal limits the tax benefit of itemized deductions other than charitable contributions to 2 percent of AGI. For a description of TPC's current policy baseline, see:

<http://taxpolicycenter.org/numbers/displayatab.cfm?Docid=3131>

(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) Adjusted gross income (AGI) values shown are for married couples filing a joint return (MFJ); the thresholds for single tax units are 80 percent of the MFJ amounts and the thresholds for heads of household are 90 percent of the MFJ amounts. The AGI thresholds are expressed in 2009 dollars.