

Click on PDF or Excel link above for additional tables containing more detail and breakdowns by filing status and demographic groups.

**Table T12-0421**  
**The Permanent Tax Relief for Families and Small Businesses Act of 2012 (Speaker Boehner's "Plan B" Proposal)**  
**Baseline: Current Law**  
**Distribution of Federal Tax Change by Cash Income Percentile, 2013 <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					
Lowest Quintile	31.3	-223	0.1	237	0.6	0.8	-66	-0.6	3.7
Second Quintile	83.6	-752	*	**	2.4	7.2	-632	-2.1	10.0
Middle Quintile	97.1	-1,176	0.0	0	2.6	11.0	-1,118	-2.1	15.7
Fourth Quintile	99.7	-2,222	0.0	0	3.3	17.8	-2,174	-2.6	19.0
Top Quintile	99.9	-8,965	0.1	3,386	5.1	63.0	-8,653	-3.5	27.4
All	77.7	-2,662	*	**	3.8	100.0	-2,012	-2.9	21.4
<b>Addendum</b>									
80-90	100.0	-4,375	0.0	0	4.5	15.8	-4,288	-3.4	21.5
90-95	100.0	-5,702	*	**	4.6	10.1	-5,581	-3.4	23.3
95-99	99.5	-12,043	0.5	2,951	5.6	16.4	-11,289	-3.9	26.0
Top 1 Percent	99.9	-59,780	0.1	23,933	5.6	20.9	-57,914	-3.5	35.0
Top 0.1 Percent	99.7	-218,156	0.4	38,010	4.5	7.8	-212,506	-2.7	37.9

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

Number of AMT Taxpayers (millions). Baseline: 21.7

Proposal: 3.6

\* Less than 0.05

\*\* Insufficient data

(1) Calendar year. Baseline is current law. Proposal would (relative to TPC's current policy baseline): (a) increase top statutory individual income tax rate to 39.6 percent for taxable income greater than \$1 million (\$500,000 for married individuals filing a separate return), indexed for inflation after 2013; (b) tax capital gains and qualified dividends at 20 percent for those in the top 39.6 percent bracket; (c) repeal the 2009 enhancements to the child tax credit and earned income tax credit; (d) repeal the American Opportunity Tax Credit (AOTC) and reinstate the Hope scholarship tax credit; (e) patch the AMT by: (i) setting the AMT exemption amounts at \$78,750 for married couples filing jointly (\$50,600 for singles), indexed for inflation plus 0.75 percentage points after 2012; (ii) indexing the AMT tax bracket threshold and exemption phase-out threshold for inflation plus 0.75 percentage points after 2012; and (iii) allowing personal non-refundable credits regardless of tentative AMT. 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 T12-0421**  
**The Permanent Tax Relief for Families and Small Businesses Act of 2012 (Speaker Boehner's "Plan B" Proposal)**  
**Baseline: Current Law**  
**Distribution of Federal Tax Change by Cash Income Percentile, 2013 <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	31.3	0.1	0.6	0.8	-66	-13.6	0.0	0.7	-0.6	3.7
Second Quintile	83.6	*	2.4	7.2	-632	-17.3	-0.3	4.6	-2.1	10.0
Middle Quintile	97.1	0.0	2.6	11.0	-1,118	-12.0	0.0	10.9	-2.1	15.7
Fourth Quintile	99.7	0.0	3.3	17.8	-2,174	-11.9	0.0	17.7	-2.6	19.0
Top Quintile	99.9	0.1	5.1	63.0	-8,653	-11.4	0.3	65.9	-3.5	27.4
All	77.7	*	3.8	100.0	-2,012	-11.9	0.0	100.0	-2.9	21.4
<b>Addendum</b>										
80-90	100.0	0.0	4.5	15.8	-4,288	-13.7	-0.3	13.4	-3.4	21.5
90-95	100.0	*	4.6	10.1	-5,581	-12.5	-0.1	9.5	-3.4	23.3
95-99	99.5	0.5	5.6	16.4	-11,289	-13.2	-0.2	14.6	-3.9	26.0
Top 1 Percent	99.9	0.1	5.6	20.9	-57,914	-9.0	0.9	28.4	-3.5	35.0
Top 0.1 Percent	99.7	0.4	4.5	7.8	-212,506	-6.6	0.9	14.9	-2.7	37.9

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Percentile, 2013 <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	40,520	25.6	11,290	4.2	484	0.7	10,806	5.3	4.3	
Second Quintile	36,208	22.9	30,031	9.9	3,645	4.9	26,386	11.5	12.1	
Middle Quintile	31,370	19.8	52,294	14.9	9,319	10.9	42,975	16.2	17.8	
Fourth Quintile	26,062	16.5	84,355	20.0	18,206	17.7	66,149	20.7	21.6	
Top Quintile	23,189	14.7	244,576	51.5	75,673	65.5	168,903	47.0	30.9	
All	158,260	100.0	69,527	100.0	16,919	100.0	52,608	100.0	24.3	
<b>Addendum</b>										
80-90	11,692	7.4	125,820	13.4	31,353	13.7	94,467	13.3	24.9	
90-95	5,736	3.6	166,808	8.7	44,517	9.5	122,291	8.4	26.7	
95-99	4,615	2.9	287,453	12.1	85,871	14.8	201,582	11.2	29.9	
Top 1 Percent	1,147	0.7	1,671,536	17.4	642,232	27.5	1,029,305	14.2	38.4	
Top 0.1 Percent	117	0.1	7,985,826	8.5	3,236,162	14.1	4,749,663	6.7	40.5	

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

Number of AMT Taxpayers (millions). Baseline: 21.7

Proposal: 3.6

\* Less than 0.05

(1) Calendar year. Baseline is current law. Proposal would (relative to TPC's current policy baseline): (a) increase top statutory individual income tax rate to 39.6 percent for taxable income greater than \$1 million (\$500,000 for married individuals filing a separate return), indexed for inflation after 2013; (b) tax capital gains and qualified dividends at 20 percent for those in the top 39.6 percent bracket; (c) repeal the 2009 enhancements to the child tax credit and earned income tax credit; (d) repeal the American Opportunity Tax Credit (AOTC) and reinstate the Hope scholarship tax credit; (e) patch the AMT by: (i) setting the AMT exemption amounts at \$78,750 for married couples filing jointly (\$50,600 for singles), indexed for inflation plus 0.75 percentage points after 2012; (ii) indexing the AMT tax bracket threshold and exemption phase-out threshold for inflation plus 0.75 percentage points after 2012; and (iii) allowing personal non-refundable credits regardless of tentative AMT. 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 T12-0421**  
**The Permanent Tax Relief for Families and Small Businesses Act of 2012 (Speaker Boehner's "Plan B" Proposal)**  
**Baseline: Current Law**  
**Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2013 <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	31.1	*	1.2	1.3	-124	-71.6	-0.2	0.1	-1.2	0.5
Second Quintile	70.7	0.1	2.8	6.9	-671	-23.7	-0.5	3.0	-2.5	8.1
Middle Quintile	93.4	*	2.7	10.2	-1,039	-13.7	-0.2	8.7	-2.2	14.1
Fourth Quintile	99.5	0.0	3.2	17.4	-1,847	-12.0	0.0	17.2	-2.5	18.5
Top Quintile	99.8	0.1	4.7	64.1	-6,754	-10.9	0.8	70.9	-3.3	27.1
All	77.7	*	3.8	100.0	-2,012	-11.9	0.0	100.0	-2.9	21.4
<b>Addendum</b>										
80-90	99.7	0.0	3.7	14.1	-2,995	-11.6	0.1	14.6	-2.8	21.4
90-95	100.0	*	4.0	10.4	-4,199	-11.2	0.1	11.1	-2.9	23.3
95-99	99.7	0.4	5.2	16.9	-9,007	-12.6	-0.1	15.9	-3.7	25.7
Top 1 Percent	99.7	0.3	5.9	22.7	-52,627	-9.5	0.8	29.3	-3.6	34.8
Top 0.1 Percent	99.7	0.3	4.7	8.5	-194,645	-6.9	0.8	15.6	-2.8	37.8

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Percentile Adjusted for Family Size, 2013 <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	33,405	21.1	10,552	3.2	174	0.2	10,378	4.2	1.7	
Second Quintile	32,563	20.6	26,837	7.9	2,832	3.4	24,005	9.4	10.6	
Middle Quintile	31,164	19.7	46,562	13.2	7,586	8.8	38,976	14.6	16.3	
Fourth Quintile	29,985	19.0	73,219	20.0	15,402	17.3	57,816	20.8	21.0	
Top Quintile	30,233	19.1	204,490	56.2	62,081	70.1	142,409	51.7	30.4	
All	158,260	100.0	69,527	100.0	16,919	100.0	52,608	100.0	24.3	
<b>Addendum</b>										
80-90	14,991	9.5	106,847	14.6	25,901	14.5	80,946	14.6	24.2	
90-95	7,896	5.0	142,978	10.3	37,437	11.0	105,542	10.0	26.2	
95-99	5,972	3.8	244,529	13.3	71,766	16.0	172,763	12.4	29.4	
Top 1 Percent	1,374	0.9	1,448,832	18.1	556,187	28.6	892,645	14.7	38.4	
Top 0.1 Percent	139	0.1	6,989,966	8.9	2,835,396	14.8	4,154,570	7.0	40.6	

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

Number of AMT Taxpayers (millions). Baseline: 21.7

Proposal: 3.6

\* Less than 0.05

(1) Calendar year. Baseline is current law. Proposal would (relative to TPC's current policy baseline): (a) increase top statutory individual income tax rate to 39.6 percent for taxable income greater than \$1 million (\$500,000 for married individuals filing a separate return), indexed for inflation after 2013; (b) tax capital gains and qualified dividends at 20 percent for those in the top 39.6 percent bracket; (c) repeal the 2009 enhancements to the child tax credit and earned income tax credit; (d) repeal the American Opportunity Tax Credit (AOTC) and reinstate the Hope scholarship tax credit; (e) patch the AMT by: (i) setting the AMT exemption amounts at \$78,750 for married couples filing jointly (\$50,600 for singles), indexed for inflation plus 0.75 percentage points after 2012; (ii) indexing the AMT tax bracket threshold and exemption phase-out threshold for inflation plus 0.75 percentage points after 2012; and (iii) allowing personal non-refundable credits regardless of tentative AMT. 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 T12-0421**  
**The Permanent Tax Relief for Families and Small Businesses Act of 2012 (Speaker Boehner's "Plan B" Proposal)**  
**Baseline: Current Law**  
**Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2013<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	21.0	0.1	0.4	0.8	-27	-4.8	0.1	1.8	-0.3	6.6
Second Quintile	57.7	0.1	1.3	5.9	-230	-10.4	0.0	5.9	-1.1	9.7
Middle Quintile	91.8	*	1.6	9.4	-468	-8.3	0.3	12.2	-1.4	15.1
Fourth Quintile	99.5	0.0	2.0	14.0	-803	-7.0	0.8	21.5	-1.5	20.1
Top Quintile	99.7	0.0	5.5	69.8	-5,036	-12.2	-1.2	58.5	-3.8	27.3
All	66.2	*	3.1	100.0	-936	-10.4	0.0	100.0	-2.4	20.5
<b>Addendum</b>										
80-90	99.3	0.0	3.2	12.7	-1,798	-9.4	0.2	14.3	-2.4	23.0
90-95	100.0	0.0	3.8	10.2	-2,860	-10.1	0.1	10.7	-2.7	24.5
95-99	100.0	0.0	6.5	21.0	-7,642	-14.8	-0.7	14.1	-4.5	26.1
Top 1 Percent	100.0	*	9.4	26.0	-51,581	-13.5	-0.7	19.5	-5.5	35.7
Top 0.1 Percent	99.8	0.2	7.0	9.0	-196,426	-9.1	0.2	10.4	-4.0	39.6

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Percentile Adjusted for Family Size, 2013<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	19,721	27.4	8,091	5.7	560	1.7	7,532	6.8	6.9	
Second Quintile	17,211	23.9	20,316	12.4	2,210	5.9	18,107	14.3	10.9	
Middle Quintile	13,567	18.8	34,462	16.6	5,664	11.9	28,798	18.0	16.4	
Fourth Quintile	11,717	16.3	52,696	21.9	11,410	20.7	41,286	22.3	21.7	
Top Quintile	9,354	13.0	132,560	44.0	41,224	59.7	91,336	39.3	31.1	
All	72,035	100.0	39,146	100.0	8,972	100.0	30,174	100.0	22.9	
<b>Addendum</b>										
80-90	4,749	6.6	75,578	12.7	19,172	14.1	56,405	12.3	25.4	
90-95	2,416	3.4	104,552	9.0	28,447	10.6	76,105	8.5	27.2	
95-99	1,849	2.6	168,798	11.1	51,672	14.8	117,126	10.0	30.6	
Top 1 Percent	340	0.5	931,104	11.2	383,507	20.2	547,597	8.6	41.2	
Top 0.1 Percent	31	0.0	4,955,926	5.4	2,157,246	10.3	2,798,680	4.0	43.5	

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

\* Less than 0.05

(1) Calendar year. Baseline is current law. Proposal would (relative to TPC's current policy baseline): (a) increase top statutory individual income tax rate to 39.6 percent for taxable income greater than \$1 million (\$500,000 for married individuals filing a separate return), indexed for inflation after 2013; (b) tax capital gains and qualified dividends at 20 percent for those in the top 39.6 percent bracket; (c) repeal the 2009 enhancements to the child tax credit and earned income tax credit; (d) repeal the American Opportunity Tax Credit (AOTC) and reinstate the Hope scholarship tax credit; (e) patch the AMT by: (i) setting the AMT exemption amounts at \$78,750 for married couples filing jointly (\$50,600 for singles), indexed for inflation plus 0.75 percentage points after 2012; (ii) indexing the AMT tax bracket threshold and exemption phase-out threshold for inflation plus 0.75 percentage points after 2012; and (iii) allowing personal non-refundable credits regardless of tentative AMT. For a description of TPC's current law and current policy baselines, see <http://www.taxpolicycenter.org/T11-0270>

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(3) The 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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**The Permanent Tax Relief for Families and Small Businesses Act of 2012 (Speaker Boehner's "Plan B" Proposal)**  
**Baseline: Current Law**  
**Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2013 <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	46.3	0.0	2.5	0.9	-361	-120.3	-0.1	0.0	-2.5	-0.4
Second Quintile	78.5	*	3.8	4.6	-1,245	-31.1	-0.4	1.4	-3.4	7.6
Middle Quintile	93.1	0.0	3.0	8.5	-1,493	-16.5	-0.3	5.8	-2.5	12.8
Fourth Quintile	99.5	0.0	3.7	18.1	-2,605	-14.2	-0.4	14.9	-2.9	17.6
Top Quintile	100.0	0.0	4.6	67.9	-7,773	-10.7	1.2	77.7	-3.2	26.9
All	90.6	0.0	4.2	100.0	-3,621	-12.0	0.0	100.0	-3.1	22.7
<b>Addendum</b>										
80-90	100.0	0.0	3.9	15.3	-3,637	-12.3	-0.1	14.8	-2.9	20.8
90-95	100.0	0.0	4.1	11.4	-4,890	-11.7	0.0	11.7	-3.0	22.8
95-99	100.0	0.0	4.9	17.5	-9,930	-12.1	0.0	17.3	-3.5	25.4
Top 1 Percent	100.0	*	5.3	23.8	-53,526	-8.7	1.2	33.9	-3.3	34.6
Top 0.1 Percent	99.7	0.3	4.4	9.0	-196,435	-6.5	1.1	17.7	-2.6	37.5

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Percentile Adjusted for Family Size, 2013 <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	5,376	8.9	14,486	1.1	300	0.1	14,186	1.5	2.1	
Second Quintile	8,093	13.3	36,595	4.2	4,008	1.8	32,588	5.0	11.0	
Middle Quintile	12,453	20.5	58,915	10.4	9,026	6.1	49,889	11.8	15.3	
Fourth Quintile	15,271	25.1	89,679	19.3	18,362	15.3	71,316	20.7	20.5	
Top Quintile	19,208	31.6	241,961	65.5	72,941	76.5	169,020	61.7	30.2	
All	60,744	100.0	116,746	100.0	30,141	100.0	86,605	100.0	25.8	
<b>Addendum</b>										
80-90	9,257	15.2	123,947	16.2	29,461	14.9	94,487	16.6	23.8	
90-95	5,109	8.4	162,264	11.7	41,819	11.7	120,445	11.7	25.8	
95-99	3,865	6.4	282,834	15.4	81,876	17.3	200,958	14.8	29.0	
Top 1 Percent	977	1.6	1,615,663	22.3	612,502	32.7	1,003,161	18.6	37.9	
Top 0.1 Percent	101	0.2	7,547,627	10.7	3,029,607	16.7	4,518,019	8.6	40.1	

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

\* Less than 0.05

(1) Calendar year. Baseline is current law. Proposal would (relative to TPC's current policy baseline): (a) increase top statutory individual income tax rate to 39.6 percent for taxable income greater than \$1 million (\$500,000 for married individuals filing a separate return), indexed for inflation after 2013; (b) tax capital gains and qualified dividends at 20 percent for those in the top 39.6 percent bracket; (c) repeal the 2009 enhancements to the child tax credit and earned income tax credit; (d) repeal the American Opportunity Tax Credit (AOTC) and reinstate the Hope scholarship tax credit; (e) patch the AMT by: (i) setting the AMT exemption amounts at \$78,750 for married couples filing jointly (\$50,600 for singles), indexed for inflation plus 0.75 percentage points after 2012; (ii) indexing the AMT tax bracket threshold and exemption phase-out threshold for inflation plus 0.75 percentage points after 2012; and (iii) allowing personal non-refundable credits regardless of tentative AMT. 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 T12-0421**  
**The Permanent Tax Relief for Families and Small Businesses Act of 2012 (Speaker Boehner's "Plan B" Proposal)**  
**Baseline: Current Law**  
**Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2013 <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	44.7	0.0	1.4	6.9	-206	22.9	-2.3	-7.2	-1.5	-7.9
Second Quintile	92.7	0.1	3.7	30.1	-1,065	-37.2	-3.3	10.0	-3.4	5.7
Middle Quintile	98.4	0.0	3.3	25.0	-1,354	-14.9	0.5	28.0	-2.7	15.5
Fourth Quintile	99.9	0.0	3.2	18.2	-1,764	-11.2	1.7	28.3	-2.5	19.6
Top Quintile	99.3	0.0	3.4	19.8	-3,920	-8.7	3.4	40.8	-2.5	25.8
All	78.1	*	3.1	100.0	-1,046	-16.4	0.0	100.0	-2.6	13.4
<b>Addendum</b>										
80-90	99.0	0.0	2.8	6.6	-2,140	-8.5	1.2	13.8	-2.1	22.4
90-95	99.8	0.0	3.1	3.5	-3,055	-8.7	0.6	7.1	-2.3	24.1
95-99	100.0	0.0	3.7	4.4	-5,997	-9.3	0.7	8.4	-2.6	25.9
Top 1 Percent	99.9	0.1	4.8	5.4	-40,847	-8.4	1.0	11.6	-3.1	33.2
Top 0.1 Percent	99.3	0.7	3.7	1.9	-153,102	-5.9	0.7	6.0	-2.3	36.0

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Percentile Adjusted for Family Size, 2013 <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	8,034	34.8	13,983	12.2	-898	-4.9	14,881	15.4	-6.4	
Second Quintile	6,829	29.6	31,795	23.5	2,865	13.2	28,931	25.4	9.0	
Middle Quintile	4,455	19.3	49,950	24.1	9,117	27.5	40,833	23.4	18.3	
Fourth Quintile	2,489	10.8	71,792	19.3	15,804	26.6	55,988	18.0	22.0	
Top Quintile	1,222	5.3	160,037	21.2	45,200	37.4	114,837	18.1	28.2	
All	23,101	100.0	40,006	100.0	6,394	100.0	33,612	100.0	16.0	
<b>Addendum</b>										
80-90	740	3.2	102,711	8.2	25,142	12.6	77,568	7.4	24.5	
90-95	273	1.2	133,416	4.0	35,136	6.5	98,281	3.5	26.3	
95-99	176	0.8	226,780	4.3	64,671	7.7	162,109	3.7	28.5	
Top 1 Percent	32	0.1	1,339,304	4.7	485,362	10.6	853,941	3.5	36.2	
Top 0.1 Percent	3	0.0	6,750,433	2.2	2,585,799	5.3	4,164,633	1.6	38.3	

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

\* Less than 0.05

(1) Calendar year. Baseline is current law. Proposal would (relative to TPC's current policy baseline): (a) increase top statutory individual income tax rate to 39.6 percent for taxable income greater than \$1 million (\$500,000 for married individuals filing a separate return), indexed for inflation after 2013; (b) tax capital gains and qualified dividends at 20 percent for those in the top 39.6 percent bracket; (c) repeal the 2009 enhancements to the child tax credit and earned income tax credit; (d) repeal the American Opportunity Tax Credit (AOTC) and reinstate the Hope scholarship tax credit; (e) patch the AMT by: (i) setting the AMT exemption amounts at \$78,750 for married couples filing jointly (\$50,600 for singles), indexed for inflation plus 0.75 percentage points after 2012; (ii) indexing the AMT tax bracket threshold and exemption phase-out threshold for inflation plus 0.75 percentage points after 2012; and (iii) allowing personal non-refundable credits regardless of tentative AMT. 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 T12-0421**  
**The Permanent Tax Relief for Families and Small Businesses Act of 2012 (Speaker Boehner's "Plan B" Proposal)**  
**Baseline: Current Law**  
**Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2013 <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 (%)	Under the Proposal	Change (%)	Under the Proposal
Lowest Quintile	48.9	0.0	2.1	2.3	-321	31.5	-0.5	-1.6	-2.2	-9.2
Second Quintile	95.9	*	4.7	10.9	-1,539	-40.6	-1.2	2.6	-4.2	6.2
Middle Quintile	99.5	0.0	4.2	14.1	-2,088	-17.8	-0.5	10.5	-3.4	15.5
Fourth Quintile	100.0	0.0	4.7	23.1	-3,578	-15.9	-0.5	19.8	-3.7	19.4
Top Quintile	99.9	0.1	4.7	49.5	-8,912	-10.5	2.7	68.5	-3.3	27.8
All	87.7	*	4.5	100.0	-3,010	-13.9	0.0	100.0	-3.4	21.2
<b>Addendum</b>										
80-90	100.0	0.0	4.5	14.1	-4,630	-12.9	0.2	15.4	-3.3	22.4
90-95	99.9	0.1	4.5	7.2	-6,396	-11.9	0.2	8.6	-3.3	24.1
95-99	99.7	0.3	4.8	12.0	-10,851	-11.2	0.5	15.3	-3.4	26.7
Top 1 Percent	99.9	0.1	5.0	16.3	-55,935	-8.3	1.8	29.2	-3.1	34.6
Top 0.1 Percent	99.6	0.4	3.7	5.3	-199,031	-5.7	1.3	14.3	-2.3	37.4

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Percentile Adjusted for Family Size, 2013 <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	10,949	21.8	14,497	3.6	-1,019	-1.0	15,516	5.1	-7.0	
Second Quintile	10,714	21.4	36,326	8.8	3,794	3.8	32,532	10.5	10.4	
Middle Quintile	10,166	20.3	62,074	14.3	11,736	11.0	50,338	15.4	18.9	
Fourth Quintile	9,735	19.4	97,977	21.6	22,558	20.3	75,419	22.1	23.0	
Top Quintile	8,378	16.7	273,829	52.1	85,158	65.9	188,671	47.6	31.1	
All	50,150	100.0	87,888	100.0	21,606	100.0	66,283	100.0	24.6	
<b>Addendum</b>										
80-90	4,581	9.1	139,259	14.5	35,870	15.2	103,389	14.3	25.8	
90-95	1,696	3.4	196,218	7.6	53,652	8.4	142,567	7.3	27.3	
95-99	1,662	3.3	322,508	12.2	96,954	14.9	225,554	11.3	30.1	
Top 1 Percent	439	0.9	1,792,201	17.9	675,983	27.4	1,116,218	14.8	37.7	
Top 0.1 Percent	40	0.1	8,825,262	8.1	3,502,346	13.0	5,322,916	6.5	39.7	

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

\* 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 law. Proposal would (relative to TPC's current policy baseline): (a) increase top statutory individual income tax rate to 39.6 percent for taxable income greater than \$1 million (\$500,000 for married individuals filing a separate return), indexed for inflation after 2013; (b) tax capital gains and qualified dividends at 20 percent for those in the top 39.6 percent bracket; (c) repeal the 2009 enhancements to the child tax credit and earned income tax credit; (d) repeal the American Opportunity Tax Credit (AOTC) and reinstate the Hope scholarship tax credit; (e) patch the AMT by: (i) setting the AMT exemption amounts at \$78,750 for married couples filing jointly (\$50,600 for singles), indexed for inflation plus 0.75 percentage points after 2012; (ii) indexing the AMT tax bracket threshold and exemption phase-out threshold for inflation plus 0.75 percentage points after 2012; and (iii) allowing personal non-refundable credits regardless of tentative AMT. 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 T12-0421**  
**The Permanent Tax Relief for Families and Small Businesses Act of 2012 (Speaker Boehner's "Plan B" Proposal)**  
**Baseline: Current Law**  
**Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2013 <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	5.4	0.0	0.1	0.1	-12	-12.6	0.0	0.1	-0.1	0.8
Second Quintile	22.3	0.0	0.4	1.1	-96	-20.9	-0.1	0.9	-0.4	1.6
Middle Quintile	80.0	0.0	1.2	5.0	-466	-19.6	-0.2	4.1	-1.1	4.6
Fourth Quintile	98.5	0.0	2.3	11.4	-1,356	-17.0	-0.1	10.9	-2.1	10.0
Top Quintile	99.5	0.1	6.6	82.2	-9,275	-16.1	0.3	84.0	-4.7	24.4
All	61.4	*	4.0	100.0	-2,134	-16.4	0.0	100.0	-3.2	16.5
<b>Addendum</b>										
80-90	99.1	0.0	4.2	13.6	-3,330	-18.6	-0.3	11.6	-3.4	14.8
90-95	99.9	0.0	4.9	12.2	-5,129	-17.4	-0.1	11.3	-3.9	18.2
95-99	99.9	0.2	7.8	24.3	-12,423	-19.7	-0.8	19.4	-5.6	22.7
Top 1 Percent	99.7	0.3	9.1	32.3	-68,334	-13.2	1.5	41.6	-5.4	35.4
Top 0.1 Percent	99.7	0.3	7.0	11.8	-250,767	-9.4	1.8	22.5	-4.0	38.8

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Percentile Adjusted for Family Size, 2013 <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	5,152	14.7	10,284	2.3	97	0.1	10,188	2.8	0.9	
Second Quintile	8,903	25.3	22,201	8.6	459	0.9	21,742	10.4	2.1	
Middle Quintile	8,102	23.1	41,688	14.6	2,377	4.2	39,312	17.2	5.7	
Fourth Quintile	6,300	17.9	66,058	18.0	7,981	11.0	58,078	19.7	12.1	
Top Quintile	6,648	18.9	197,406	56.7	57,487	83.7	139,919	50.1	29.1	
All	35,135	100.0	65,837	100.0	13,000	100.0	52,837	100.0	19.8	
<b>Addendum</b>										
80-90	3,052	8.7	98,141	13.0	17,872	11.9	80,270	13.2	18.2	
90-95	1,778	5.1	133,313	10.3	29,449	11.5	103,864	10.0	22.1	
95-99	1,463	4.2	223,287	14.1	62,998	20.2	160,289	12.6	28.2	
Top 1 Percent	354	1.0	1,267,910	19.4	516,972	40.1	750,939	14.3	40.8	
Top 0.1 Percent	35	0.1	6,252,940	9.6	2,678,241	20.8	3,574,698	6.8	42.8	

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

\* 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 law. Proposal would (relative to TPC's current policy baseline): (a) increase top statutory individual income tax rate to 39.6 percent for taxable income greater than \$1 million (\$500,000 for married individuals filing a separate return), indexed for inflation after 2013; (b) tax capital gains and qualified dividends at 20 percent for those in the top 39.6 percent bracket; (c) repeal the 2009 enhancements to the child tax credit and earned income tax credit; (d) repeal the American Opportunity Tax Credit (AOTC) and reinstate the Hope scholarship tax credit; (e) patch the AMT by: (i) setting the AMT exemption amounts at \$78,750 for married couples filing jointly (\$50,600 for singles), indexed for inflation plus 0.75 percentage points after 2012; (ii) indexing the AMT tax bracket threshold and exemption phase-out threshold for inflation plus 0.75 percentage points after 2012; and (iii) allowing personal non-refundable credits regardless of tentative AMT. For a description of TPC's current law and current policy baselines, see <http://www.taxpolicycenter.org/T11-0270>

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(4) Includes 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.