

Table T12-0426
The American Taxpayer Relief Act of 2012 (ATRA) as Passed by the Senate
Major Individual Income Tax and Estate Tax Provisions
Excludes Certain Business Extenders and other Provisions
Baseline: Current Policy
Distribution of Federal Tax Change by Cash Income Level, 2013 ¹
Summary Table

Cash Income Level (thousands of 2012 dollars) ²	Tax Units with Tax Increase or Cut ³				Percent Change in After-Tax Income ⁴	Share of Total Federal Tax Change	Average Federal Tax Change (\$)	Average Federal Tax Rate ⁵	
	With Tax Cut		With Tax Increase					Change (%) Points)	Under the Proposal
	Pct of Tax Units	Avg Tax Cut	Pct of Tax Units	Avg Tax Increase					
Less than 10	0.0	0	0.0	0	0.0	0.0	0	0.0	2.9
10-20	0.0	0	0.0	0	0.0	0.0	0	0.0	1.6
20-30	0.0	0	0.0	0	0.0	0.1	2	0.0	6.8
30-40	0.0	0	0.0	0	0.0	0.0	0	0.0	11.5
40-50	0.1	-53	0.0	0	0.0	0.0	0	0.0	13.9
50-75	1.0	-103	0.0	0	0.0	0.0	-1	0.0	17.0
75-100	1.3	-169	0.0	0	0.0	0.0	-2	0.0	19.2
100-200	1.9	-220	0.0	0	0.0	0.0	-1	0.0	21.9
200-500	47.9	-401	4.6	3,872	0.0	-0.6	-70	0.0	25.9
500-1,000	25.8	-277	72.0	9,616	-1.4	8.5	6,689	1.0	31.8
More than 1,000	1.2	-173	98.1	125,699	-5.7	92.2	122,560	3.7	37.9
All	2.1	-336	0.7	50,897	-0.7	100.0	364	0.5	21.5

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

Number of AMT Taxpayers (millions). Baseline: 4.0

Proposal: 3.4

* Less than 0.05

** Insufficient data

(1) Calendar year. Baseline is current policy. Proposal would extend the tax cuts in TPC's current policy baseline with the following exceptions and modifications: (1) raise statutory individual income tax rate to 39.6 percent on taxable income greater than \$450,000 for married couples filing a joint return (MFJ), \$400,000 for singles, and \$425,000 for heads of household (HoH), indexed for inflation after 2013; (2) reinstate the personal exemption phaseout (PEP) and the limitation on itemized deductions (Pease) for those with adjusted gross incomes greater than \$300,000 for MFJ, \$250,000 for singles, and \$275,000 for HoH, indexed for inflation after 2013; (3) raise rate on long-term capital gains and qualified dividends to 20 percent for those otherwise in the top 39.6 percent tax bracket; (4) raise estate tax rate from 35 to 40 percent; (5) set AMT exemption at \$78,750 for MFJ, \$50,600 for singles, indexed for inflation after 2012; and (6) index the AMT exemption phaseout threshold and tax bracket threshold for inflation after 2012. Includes impact of extending the sales tax deduction, the above-the-line deductions for education expenses, and the educator deduction but excludes the impact of certain business and other extenders. 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) Includes tax units with a change in federal tax burden of \$10 or more in absolute value.

(4) 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.

(5) 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 T12-0426
The American Taxpayer Relief Act of 2012 (ATRA) as Passed by the Senate
Major Individual Income Tax and Estate Tax Provisions
Excludes Certain Business Extenders and other Provisions
Baseline: Current Policy
Distribution of Federal Tax Change by Cash Income Level, 2013 ¹
Detail Table

Cash Income Level (thousands of 2012 dollars) ²	Percent of Tax Units ³		Percent Change in After-Tax Income ⁴	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁵	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (%) Under the Proposal	Under the Proposal	Change (%) Under the Proposal	Under the Proposal
Less than 10	0.0	0.0	0.0	0.0	0	0.0	0.0	0.1	0.0	2.9
10-20	0.0	0.0	0.0	0.0	0	0.0	0.0	0.3	0.0	1.6
20-30	0.0	0.0	0.0	0.1	2	0.1	0.0	1.4	0.0	6.8
30-40	0.0	0.0	0.0	0.0	0	0.0	-0.1	3.0	0.0	11.5
40-50	0.1	0.0	0.0	0.0	0	0.0	-0.1	3.7	0.0	13.9
50-75	1.0	0.0	0.0	0.0	-1	0.0	-0.3	11.5	0.0	17.0
75-100	1.3	0.0	0.0	0.0	-2	0.0	-0.3	10.5	0.0	19.2
100-200	1.9	0.0	0.0	0.0	-1	0.0	-0.6	25.0	0.0	21.9
200-500	47.9	4.6	0.0	-0.6	-70	-0.1	-0.4	14.9	0.0	25.9
500-1,000	25.8	72.0	-1.4	8.5	6,689	3.2	0.0	6.7	1.0	31.8
More than 1,000	1.2	98.1	-5.7	92.2	122,560	10.9	1.7	22.9	3.7	37.9
All	2.1	0.7	-0.7	100.0	364	2.5	0.0	100.0	0.5	21.5

Baseline Distribution of Income and Federal Taxes
by Cash Income Level, 2013 ¹

Cash Income Level (thousands of 2012 dollars) ²	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income ⁴		Average Federal Tax Rate ⁵
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	
Less than 10	16,041	10.1	5,390	0.8	155	0.1	5,235	1.0	2.9
10-20	24,243	15.3	15,105	3.3	243	0.3	14,862	4.1	1.6
20-30	19,317	12.2	25,084	4.4	1,690	1.4	23,393	5.2	6.7
30-40	17,482	11.1	35,579	5.7	4,091	3.1	31,488	6.3	11.5
40-50	13,879	8.8	45,612	5.8	6,352	3.8	39,260	6.3	13.9
50-75	25,633	16.2	62,053	14.5	10,559	11.7	51,493	15.2	17.0
75-100	14,610	9.2	88,235	11.7	16,918	10.7	71,317	12.0	19.2
100-200	20,204	12.8	133,782	24.6	29,260	25.6	104,522	24.3	21.9
200-500	4,780	3.0	283,732	12.3	73,682	15.3	210,050	11.5	26.0
500-1,000	728	0.5	683,264	4.5	210,278	6.6	472,986	4.0	30.8
More than 1,000	433	0.3	3,295,487	13.0	1,127,093	21.2	2,168,394	10.8	34.2
All	158,260	100.0	69,527	100.0	14,576	100.0	54,950	100.0	21.0

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

Number of AMT Taxpayers (millions). Baseline: 4.0 Proposal: 3.4

* Less than 0.05

(1) Calendar year. Baseline is current policy. Proposal would extend the tax cuts in TPC's current policy baseline with the following exceptions and modifications: (1) raise statutory individual income tax rate to 39.6 percent on taxable income greater than \$450,000 for married couples filing a joint return (MFJ), \$400,000 for singles, and \$425,000 for heads of household (HoH), indexed for inflation after 2013; (2) reinstate the personal exemption phaseout (PEP) and the limitation on itemized deductions (Pease) for those with adjusted gross incomes greater than \$300,000 for MFJ, \$250,000 for singles, and \$275,000 for HoH, indexed for inflation after 2013; (3) raise rate on long-term capital gains and qualified dividends to 20 percent for those otherwise in the top 39.6 percent tax bracket; (4) raise estate tax rate from 35 to 40 percent; (5) set AMT exemption at \$78,750 for MFJ, \$50,600 for singles, indexed for inflation after 2012; and (6) index the AMT exemption phaseout threshold and tax bracket threshold for inflation after 2012. Includes impact of extending the sales tax deduction, the above-the-line deductions for education expenses, and the educator deduction but excludes the impact of certain business and other extenders. 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) Includes tax units with a change in federal tax burden of \$10 or more in absolute value.

(4) 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.

(5) 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 T12-0426
The American Taxpayer Relief Act of 2012 (ATRA) as Passed by the Senate
Major Individual Income Tax and Estate Tax Provisions
Excludes Certain Business Extenders and other Provisions
Baseline: Current Policy
Distribution of Federal Tax Change by Cash Income Level, 2013 ¹
Detail Table - Single Tax Units

Cash Income Level (thousands of 2012 dollars) ²	Percent of Tax Units ³		Percent Change in After-Tax Income ⁴	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁵	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Less than 10	0.0	0.0	0.0	0.0	0	0.0	0.0	0.8	0.0	6.8
10-20	0.0	0.0	0.0	0.0	0	0.0	0.0	2.7	0.0	6.3
20-30	0.0	0.0	0.0	0.5	4	0.1	-0.1	5.6	0.0	11.6
30-40	0.0	0.0	0.0	0.0	0	0.0	-0.1	8.7	0.0	15.1
40-50	0.0	0.0	0.0	0.0	0	0.0	-0.1	9.3	0.0	18.7
50-75	*	0.0	0.0	0.0	0	0.0	-0.3	21.0	0.0	21.3
75-100	0.4	*	0.0	0.1	1	0.0	-0.2	11.2	0.0	23.7
100-200	2.3	*	0.0	0.5	15	0.1	-0.2	15.9	0.0	25.3
200-500	53.3	11.4	-0.3	3.5	515	0.6	-0.1	8.3	0.2	28.9
500-1,000	14.4	79.3	-2.1	10.1	9,713	4.4	0.1	3.5	1.4	33.4
More than 1,000	1.8	96.5	-6.2	85.2	130,706	10.8	1.1	12.9	4.0	40.7
All	0.6	0.3	-0.4	100.0	118	1.5	0.0	100.0	0.3	20.6

Baseline Distribution of Income and Federal Taxes
by Cash Income Level, 2013 ¹

Cash Income Level (thousands of 2012 dollars) ²	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income ⁴		Average Federal Tax Rate ⁵
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	
Less than 10	12,280	17.1	5,327	2.3	361	0.8	4,966	2.7	6.8
10-20	16,353	22.7	14,997	8.7	951	2.7	14,046	10.2	6.3
20-30	11,329	15.7	24,885	10.0	2,872	5.7	22,013	11.1	11.5
30-40	9,396	13.0	35,554	11.9	5,371	8.8	30,183	12.6	15.1
40-50	6,306	8.8	45,513	10.2	8,523	9.4	36,991	10.4	18.7
50-75	9,292	12.9	61,373	20.2	13,089	21.3	48,283	20.0	21.3
75-100	3,125	4.3	87,575	9.7	20,711	11.3	66,865	9.3	23.7
100-200	2,763	3.8	132,172	13.0	33,376	16.2	98,796	12.1	25.3
200-500	581	0.8	286,777	5.9	82,236	8.4	204,541	5.3	28.7
500-1,000	89	0.1	684,999	2.2	219,379	3.4	465,620	1.8	32.0
More than 1,000	56	0.1	3,307,366	6.5	1,213,782	11.8	2,093,584	5.2	36.7
All	72,035	100.0	39,146	100.0	7,927	100.0	31,219	100.0	20.3

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

* Less than 0.05

(1) Calendar year. Baseline is current policy. Proposal would extend the tax cuts in TPC's current policy baseline with the following exceptions and modifications: (1) raise statutory individual income tax rate to 39.6 percent on taxable income greater than \$450,000 for married couples filing a joint return (MFJ), \$400,000 for singles, and \$425,000 for heads of household (HoH), indexed for inflation after 2013; (2) reinstate the personal exemption phaseout (PEP) and the limitation on itemized deductions (Pease) for those with adjusted gross incomes greater than \$300,000 for MFJ, \$250,000 for singles, and \$275,000 for HoH, indexed for inflation after 2013; (3) raise rate on long-term capital gains and qualified dividends to 20 percent for those otherwise in the top 39.6 percent tax bracket; (4) raise estate tax rate from 35 to 40 percent; (4) set AMT exemption at \$78,750 for MFJ, \$50,600 for singles, indexed for inflation after 2012; and (5) index the AMT exemption phaseout threshold and tax bracket threshold for inflation after 2012. Includes impact of extending the sales tax deduction, the above-the-line deductions for education expenses, and the educator deduction but excludes the impact of certain business and other extenders. 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) Includes tax units with a change in federal tax burden of \$10 or more in absolute value.

(4) 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.

(5) 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 T12-0426
The American Taxpayer Relief Act of 2012 (ATRA) as Passed by the Senate
Major Individual Income Tax and Estate Tax Provisions
Excludes Certain Business Extenders and other Provisions
Baseline: Current Policy
Distribution of Federal Tax Change by Cash Income Level, 2013 ¹
Detail Table - Married Tax Units Filing Jointly

Cash Income Level (thousands of 2012 dollars) ²	Percent of Tax Units ³		Percent Change in After-Tax Income ⁴	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁵	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (%) Points)	Under the Proposal	Change (%) Points)	Under the Proposal
Less than 10	0.0	0.0	0.0	0.0	0	0.0	0.0	0.0	0.0	3.1
10-20	0.0	0.0	0.0	0.0	0	0.0	0.0	0.0	0.0	-1.5
20-30	0.0	0.0	0.0	0.0	0	0.0	0.0	0.1	0.0	1.2
30-40	0.0	0.0	0.0	0.0	0	0.0	0.0	0.5	0.0	5.4
40-50	0.0	0.0	0.0	0.0	0	0.0	0.0	1.0	0.0	7.7
50-75	0.0	0.0	0.0	0.0	0	0.0	-0.2	6.4	0.0	13.5
75-100	*	0.0	0.0	0.0	0	0.0	-0.3	9.7	0.0	17.6
100-200	0.5	0.0	0.0	0.0	-1	0.0	-0.9	29.0	0.0	21.2
200-500	46.1	3.1	0.1	-1.3	-153	-0.2	-0.6	17.9	-0.1	25.4
500-1,000	27.7	70.8	-1.3	8.3	6,177	3.0	0.0	8.2	0.9	31.5
More than 1,000	1.1	98.4	-5.6	93.1	119,472	10.9	1.9	27.0	3.7	37.6
All	3.5	1.5	-0.8	100.0	760	2.9	0.0	100.0	0.7	22.9

Baseline Distribution of Income and Federal Taxes
by Cash Income Level, 2013 ¹

Cash Income Level (thousands of 2012 dollars) ²	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income ⁴		Average Federal Tax Rate ⁵
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	
Less than 10	1,457	2.4	4,559	0.1	140	0.0	4,419	0.1	3.1
10-20	2,877	4.7	15,669	0.6	-238	0.0	15,908	0.8	-1.5
20-30	3,317	5.5	25,449	1.2	315	0.1	25,134	1.5	1.2
30-40	4,027	6.6	35,715	2.0	1,934	0.5	33,781	2.5	5.4
40-50	4,740	7.8	45,931	3.1	3,539	1.1	42,393	3.6	7.7
50-75	12,272	20.2	62,784	10.9	8,465	6.6	54,319	12.1	13.5
75-100	10,124	16.7	88,587	12.7	15,607	10.0	72,979	13.4	17.6
100-200	16,567	27.3	134,301	31.4	28,428	29.9	105,873	31.8	21.2
200-500	4,043	6.7	283,374	16.2	72,193	18.5	211,181	15.5	25.5
500-1,000	616	1.0	683,221	5.9	209,190	8.2	474,032	5.3	30.6
More than 1,000	360	0.6	3,245,436	16.5	1,099,522	25.1	2,145,914	14.0	33.9
All	60,744	100.0	116,746	100.0	25,963	100.0	90,783	100.0	22.2

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

* Less than 0.05

(1) Calendar year. Baseline is current policy. Proposal would extend the tax cuts in TPC's current policy baseline with the following exceptions and modifications: (1) raise statutory individual income tax rate to 39.6 percent on taxable income greater than \$450,000 for married couples filing a joint return (MFJ), \$400,000 for singles, and \$425,000 for heads of household (HoH), indexed for inflation after 2013; (2) reinstate the personal exemption phaseout (PEP) and the limitation on itemized deductions (Pease) for those with adjusted gross incomes greater than \$300,000 for MFJ, \$250,000 for singles, and \$275,000 for HoH, indexed for inflation after 2013; (3) raise rate on long-term capital gains and qualified dividends to 20 percent for those otherwise in the top 39.6 percent tax bracket; (4) raise estate tax rate from 35 to 40 percent; (5) set AMT exemption at \$78,750 for MFJ, \$50,600 for singles, indexed for inflation after 2012; and (6) index the AMT exemption phaseout threshold and tax bracket threshold for inflation after 2012. Includes impact of extending the sales tax deduction, the above-the-line deductions for education expenses, and the educator deduction but excludes the impact of certain business and other extenders. 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) Includes tax units with a change in federal tax burden of \$10 or more in absolute value.

(4) 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.

(5) 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 T12-0426
The American Taxpayer Relief Act of 2012 (ATRA) as Passed by the Senate
Major Individual Income Tax and Estate Tax Provisions
Excludes Certain Business Extenders and other Provisions
Baseline: Current Policy
Distribution of Federal Tax Change by Cash Income Level, 2013 ¹
Detail Table - Head of Household Tax Units

Cash Income Level (thousands of 2012 dollars) ²	Percent of Tax Units ³		Percent Change in After-Tax Income ⁴	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁵	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (%) Points)	Under the Proposal	Change (%) Points)	Under the Proposal
Less than 10	0.0	0.0	0.0	0.0	0	0.0	0.0	-1.9	0.0	-16.3
10-20	0.0	0.0	0.0	0.0	0	0.0	0.1	-8.3	0.0	-13.2
20-30	0.0	0.0	0.0	0.0	0	0.0	0.0	-1.8	0.0	-1.9
30-40	0.0	0.0	0.0	0.0	0	0.0	-0.1	8.8	0.0	8.0
40-50	0.0	0.0	0.0	0.0	0	0.0	-0.1	13.1	0.0	13.2
50-75	*	0.0	0.0	0.0	0	0.0	-0.3	33.1	0.0	17.5
75-100	1.2	0.0	0.0	-0.1	-1	0.0	-0.2	17.6	0.0	19.9
100-200	13.6	0.0	0.0	-1.9	-31	-0.1	-0.2	19.4	0.0	23.5
200-500	87.8	2.9	0.1	-2.2	-218	-0.3	-0.1	7.6	-0.1	26.9
500-1,000	30.5	63.7	-1.4	8.2	6,421	3.2	0.1	2.7	1.0	30.5
More than 1,000	1.0	98.4	-5.5	96.1	116,873	11.4	0.9	9.6	3.7	36.5
All	1.0	0.1	-0.1	100.0	51	1.0	0.0	100.0	0.1	12.5

Baseline Distribution of Income and Federal Taxes
by Cash Income Level, 2013 ¹

Cash Income Level (thousands of 2012 dollars) ²	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income ⁴		Average Federal Tax Rate ⁵
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	
Less than 10	2,173	9.4	6,307	1.5	-1,025	-2.0	7,332	2.0	-16.3
10-20	4,761	20.6	15,129	7.8	-1,996	-8.3	17,125	10.1	-13.2
20-30	4,367	18.9	25,305	12.0	-476	-1.8	25,781	13.9	-1.9
30-40	3,599	15.6	35,454	13.8	2,822	8.9	32,631	14.5	8.0
40-50	2,531	11.0	45,338	12.4	5,961	13.2	39,377	12.3	13.2
50-75	3,553	15.4	61,312	23.6	10,732	33.5	50,580	22.2	17.5
75-100	1,170	5.1	87,387	11.1	17,347	17.8	70,040	10.1	19.9
100-200	734	3.2	129,043	10.3	30,385	19.6	98,658	8.9	23.6
200-500	117	0.5	280,322	3.5	75,524	7.7	204,798	3.0	26.9
500-1,000	15	0.1	673,865	1.1	199,235	2.6	474,630	0.9	29.6
More than 1,000	10	0.0	3,141,640	3.3	1,029,600	8.7	2,112,040	2.5	32.8
All	23,101	100.0	40,006	100.0	4,932	100.0	35,073	100.0	12.3

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

* Less than 0.05

(1) Calendar year. Baseline is current policy. Proposal would extend the tax cuts in TPC's current policy baseline with the following exceptions and modifications: (1) raise statutory individual income tax rate to 39.6 percent on taxable income greater than \$450,000 for married couples filing a joint return (MFJ), \$400,000 for singles, and \$425,000 for heads of household (HoH), indexed for inflation after 2013; (2) reinstate the personal exemption phaseout (PEP) and the limitation on itemized deductions (Pease) for those with adjusted gross incomes greater than \$300,000 for MFJ, \$250,000 for singles, and \$275,000 for HoH, indexed for inflation after 2013; (3) raise rate on long-term capital gains and qualified dividends to 20 percent for those otherwise in the top 39.6 percent tax bracket; (4) raise estate tax rate from 35 to 40 percent; (5) set AMT exemption at \$78,750 for MFJ, \$50,600 for singles, indexed for inflation after 2012; and (6) index the AMT exemption phaseout threshold and tax bracket threshold for inflation after 2012. Includes impact of extending the sales tax deduction, the above-the-line deductions for education expenses, and the educator deduction but excludes the impact of certain business and other extenders. 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) Includes tax units with a change in federal tax burden of \$10 or more in absolute value.

(4) 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.

(5) 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 T12-0426
The American Taxpayer Relief Act of 2012 (ATRA) as Passed by the Senate
Major Individual Income Tax and Estate Tax Provisions
Excludes Certain Business Extenders and other Provisions
Baseline: Current Policy
Distribution of Federal Tax Change by Cash Income Level, 2013 ¹
Detail Table - Tax Units with Children

Cash Income Level (thousands of 2012 dollars) ²	Percent of Tax Units ³		Percent Change in After-Tax Income ⁴	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁵	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (%) Points)	Under the Proposal	Change (%) Points)	Under the Proposal
Less than 10	0.0	0.0	0.0	0.0	0	0.0	0.0	-0.3	0.0	-18.5
10-20	0.0	0.0	0.0	0.0	0	0.0	0.0	-1.6	0.0	-16.3
20-30	0.0	0.0	0.0	0.0	0	0.0	0.0	-0.7	0.0	-4.8
30-40	0.0	0.0	0.0	0.0	0	0.0	0.0	1.0	0.0	5.3
40-50	0.3	0.0	0.0	0.0	0	0.0	-0.1	2.1	0.0	10.4
50-75	1.1	0.0	0.0	0.0	-1	0.0	-0.3	9.1	0.0	15.6
75-100	0.6	0.0	0.0	0.0	-1	0.0	-0.3	10.9	0.0	18.3
100-200	2.0	0.0	0.0	-0.2	-4	0.0	-0.8	29.1	0.0	21.4
200-500	58.5	2.7	0.1	-1.8	-201	-0.3	-0.5	17.8	-0.1	25.8
500-1,000	28.8	69.3	-1.4	9.2	6,655	3.2	0.0	8.0	1.0	31.5
More than 1,000	0.7	98.8	-5.7	92.8	119,900	11.3	1.9	24.6	3.8	37.4
All	3.5	1.0	-0.7	100.0	497	2.8	0.0	100.0	0.6	21.0

Baseline Distribution of Income and Federal Taxes
by Cash Income Level, 2013 ¹

Cash Income Level (thousands of 2012 dollars) ²	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income ⁴		Average Federal Tax Rate ⁵
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	
Less than 10	2,962	5.9	5,794	0.4	-1,072	-0.4	6,866	0.6	-18.5
10-20	5,804	11.6	15,260	2.0	-2,481	-1.6	17,740	2.9	-16.3
20-30	5,335	10.6	25,332	3.1	-1,219	-0.7	26,551	4.0	-4.8
30-40	4,816	9.6	35,564	3.9	1,901	1.0	33,663	4.6	5.3
40-50	4,037	8.1	45,576	4.2	4,743	2.1	40,833	4.7	10.4
50-75	8,599	17.2	62,528	12.2	9,766	9.3	52,762	12.9	15.6
75-100	6,206	12.4	88,416	12.5	16,215	11.2	72,201	12.8	18.3
100-200	9,390	18.7	134,200	28.6	28,739	29.9	105,462	28.3	21.4
200-500	2,258	4.5	283,593	14.5	73,345	18.4	210,248	13.5	25.9
500-1,000	345	0.7	680,629	5.3	207,915	7.9	472,714	4.7	30.6
More than 1,000	193	0.4	3,158,341	13.8	1,060,441	22.7	2,097,900	11.6	33.6
All	50,150	100.0	87,888	100.0	17,985	100.0	69,903	100.0	20.5

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 policy. Proposal would extend the tax cuts in TPC's current policy baseline with the following exceptions and modifications: (1) raise statutory individual income tax rate to 39.6 percent on taxable income greater than \$450,000 for married couples filing a joint return (MFJ), \$400,000 for singles, and \$425,000 for heads of household (HoH), indexed for inflation after 2013; (2) reinstate the personal exemption phaseout (PEP) and the limitation on itemized deductions (Pease) for those with adjusted gross incomes greater than \$300,000 for MFJ, \$250,000 for singles, and \$275,000 for HoH, indexed for inflation after 2013; (3) raise rate on long-term capital gains and qualified dividends to 20 percent for those otherwise in the top 39.6 percent tax bracket; (4) raise estate tax rate from 35 to 40 percent; (5) set AMT exemption at \$78,750 for MFJ, \$50,600 for singles, indexed for inflation after 2012; and (6) index the AMT exemption phaseout threshold and tax bracket threshold for inflation after 2012. Includes impact of extending the sales tax deduction, the above-the-line deductions for education expenses, and the educator deduction but excludes the impact of certain business and other extenders. 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) Includes tax units with a change in federal tax burden of \$10 or more in absolute value.

(4) 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.

(5) 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 T12-0426
The American Taxpayer Relief Act of 2012 (ATRA) as Passed by the Senate
Major Individual Income Tax and Estate Tax Provisions
Excludes Certain Business Extenders and other Provisions
Baseline: Current Policy
Distribution of Federal Tax Change by Cash Income Level, 2013 ¹
Detail Table - Elderly Tax Units

Cash Income Level (thousands of 2012 dollars) ²	Percent of Tax Units ³		Percent Change in After-Tax Income ⁴	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁵	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (%) Points)	Under the Proposal	Change (%) Points)	Under the Proposal
Less than 10	0.0	0.0	0.0	0.0	0	0.0	0.0	0.0	0.0	1.3
10-20	0.0	0.0	0.0	0.0	0	0.0	0.0	0.2	0.0	0.7
20-30	0.0	0.0	0.0	0.3	8	1.4	0.0	0.8	0.0	2.5
30-40	0.0	0.0	0.0	0.0	1	0.0	-0.1	1.5	0.0	3.9
40-50	0.0	0.0	0.0	0.0	0	0.0	-0.1	2.2	0.0	5.5
50-75	0.3	0.0	0.0	0.0	0	0.0	-0.3	8.4	0.0	9.1
75-100	0.6	*	0.0	0.0	1	0.0	-0.3	8.4	0.0	13.0
100-200	1.1	*	0.0	0.4	12	0.1	-0.7	22.3	0.0	17.8
200-500	33.6	6.6	-0.1	2.2	265	0.4	-0.5	17.5	0.1	24.6
500-1,000	23.2	73.8	-1.4	8.3	6,651	3.1	0.0	8.4	1.0	32.1
More than 1,000	2.1	96.8	-5.4	88.7	115,301	9.9	1.8	30.2	3.5	39.0
All	1.2	0.7	-0.6	100.0	337	3.2	0.0	100.0	0.5	16.8

Baseline Distribution of Income and Federal Taxes
by Cash Income Level, 2013 ¹

Cash Income Level (thousands of 2012 dollars) ²	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income ⁴		Average Federal Tax Rate ⁵
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	
Less than 10	2,099	6.0	6,146	0.6	78	0.0	6,068	0.7	1.3
10-20	7,199	20.5	15,399	4.8	107	0.2	15,291	5.7	0.7
20-30	4,736	13.5	24,906	5.1	604	0.8	24,301	5.9	2.4
30-40	4,155	11.8	35,411	6.4	1,388	1.5	34,023	7.3	3.9
40-50	3,401	9.7	45,731	6.7	2,502	2.3	43,229	7.6	5.5
50-75	5,792	16.5	61,846	15.5	5,615	8.7	56,232	16.8	9.1
75-100	2,864	8.2	87,420	10.8	11,381	8.7	76,039	11.2	13.0
100-200	3,657	10.4	133,081	21.0	23,649	23.0	109,431	20.7	17.8
200-500	962	2.7	285,711	11.9	69,996	17.9	215,715	10.7	24.5
500-1,000	148	0.4	687,513	4.4	213,997	8.4	473,516	3.6	31.1
More than 1,000	91	0.3	3,301,216	13.0	1,170,713	28.4	2,130,504	10.0	35.5
All	35,135	100.0	65,837	100.0	10,692	100.0	55,145	100.0	16.2

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 policy. Proposal would extend the tax cuts in TPC's current policy baseline with the following exceptions and modifications: (1) raise statutory individual income tax rate to 39.6 percent on taxable income greater than \$450,000 for married couples filing a joint return (MFJ), \$400,000 for singles, and \$425,000 for heads of household (HoH), indexed for inflation after 2013; (2) reinstate the personal exemption phaseout (PEP) and the limitation on itemized deductions (Pease) for those with adjusted gross incomes greater than \$300,000 for MFJ, \$250,000 for singles, and \$275,000 for HoH, indexed for inflation after 2013; (3) raise rate on long-term capital gains and qualified dividends to 20 percent for those otherwise in the top 39.6 percent tax bracket; (4) raise estate tax rate from 35 to 40 percent; (5) set AMT exemption at \$78,750 for MFJ, \$50,600 for singles, indexed for inflation after 2012; and (6) index the AMT exemption phaseout threshold and tax bracket threshold for inflation after 2012. Includes impact of extending the sales tax deduction, the above-the-line deductions for education expenses, and the educator deduction but excludes the impact of certain business and other extenders. 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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