

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

**Table T13-0024**  
**The American Taxpayer Relief Act of 2012 (ATRA)**  
**Major Individual Income Tax and Estate Tax Provisions**  
**Excludes Certain Business Extenders and Other Provisions**  
**Baseline: Pre-ATRA Current Policy**  
**Distribution of Federal Tax Change by Cash Income Level, 2018<sup>1</sup>**  
**Summary Table**

Cash Income Level (thousands of 2012 dollars) <sup>2</sup>	Tax Units with Tax Increase or Cut <sup>3</sup>				Percent Change in After-Tax Income <sup>4</sup>	Share of Total Federal Tax Change	Average Federal Tax Change (\$)	Average Federal Tax Rate <sup>5</sup>	
	With Tax Cut		With Tax Increase					Change (% Points)	Under the Proposal
	Pct of Tax Units	Avg Tax Cut	Pct of Tax Units	Avg Tax Increase					
<b>Less than 10</b>	0.0	0	21.3	742	-2.7	1.5	158	2.6	5.4
<b>10-20</b>	0.0	0	27.7	1,076	-1.8	4.8	298	1.8	3.7
<b>20-30</b>	0.0	0	23.1	935	-0.8	3.2	216	0.8	7.6
<b>30-40</b>	0.0	0	20.9	719	-0.4	2.2	150	0.4	11.6
<b>40-50</b>	0.1	-91	21.9	616	-0.3	1.6	135	0.3	14.4
<b>50-75</b>	1.2	-258	19.3	491	-0.2	2.0	91	0.1	17.2
<b>75-100</b>	2.0	-577	23.5	481	-0.1	1.4	101	0.1	19.6
<b>100-200</b>	2.4	-674	28.7	769	-0.2	3.8	205	0.1	22.3
<b>200-500</b>	50.2	-1,274	15.7	1,370	0.2	-2.5	-453	-0.2	26.0
<b>500-1,000</b>	36.6	-1,026	61.9	11,496	-1.3	5.0	6,521	0.9	31.5
<b>More than 1,000</b>	1.1	-709	98.5	144,594	-5.7	77.1	141,504	3.8	37.4
<b>All</b>	3.2	-1,074	23.6	3,488	-1.1	100.0	781	0.9	23.1

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

Number of AMT Taxpayers (millions). Baseline: 6.1

Proposal: 4.6

\* Less than 0.05

\*\* Insufficient data

(1) Calendar year. Baseline is current policy before the passage of ATRA. 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 phase-out (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; (6) index the AMT exemption phase-out threshold and tax bracket threshold for inflation after 2012; (7) allow the American Opportunity Tax Credit to expire at the end of 2017 and reinstate the Hope Scholarship Credit for 2018 and thereafter; (8) allow the enhancements to the earned income tax credit and the child tax credit originally enacted in the 2009 stimulus legislation to expire at the end of 2017; (9) allow the sales tax deduction, the above-the-line deductions for education expenses, and the educator deduction to expire at the end of 2013. The analysis 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 T13-0024**  
**The American Taxpayer Relief Act of 2012 (ATRA)**  
**Major Individual Income Tax and Estate Tax Provisions**  
**Excludes Certain Business Extenders and Other Provisions**  
**Baseline: Pre-ATRA Current Policy**  
**Distribution of Federal Tax Change by Cash Income Level, 2018 <sup>1</sup>**  
**Detail Table**

Cash Income Level (thousands of 2012 dollars) <sup>2</sup>	Percent of Tax Units <sup>3</sup>		Percent Change in After-Tax Income <sup>4</sup>	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate <sup>5</sup>	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Less than 10	0.0	21.3	-2.7	1.5	158	92.2	0.1	0.1	2.6	5.4
10-20	0.0	27.7	-1.8	4.8	298	93.6	0.2	0.4	1.8	3.7
20-30	0.0	23.1	-0.8	3.2	216	11.4	0.1	1.2	0.8	7.6
30-40	0.0	20.9	-0.4	2.2	150	3.4	0.0	2.4	0.4	11.6
40-50	0.1	21.9	-0.3	1.6	135	1.9	-0.1	3.2	0.3	14.4
50-75	1.2	19.3	-0.2	2.0	91	0.8	-0.3	9.7	0.1	17.2
75-100	2.0	23.5	-0.1	1.4	101	0.5	-0.3	9.5	0.1	19.6
100-200	2.4	28.7	-0.2	3.8	205	0.6	-0.7	22.6	0.1	22.3
200-500	50.2	15.7	0.2	-2.5	-453	-0.6	-0.7	16.0	-0.2	26.0
500-1,000	36.6	61.9	-1.3	5.0	6,521	2.9	-0.1	6.6	0.9	31.5
More than 1,000	1.1	98.5	-5.7	77.1	141,504	11.3	1.9	28.3	3.8	37.4
All	3.2	23.6	-1.1	100.0	781	3.9	0.0	100.0	0.9	23.1

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Level, 2018 <sup>1</sup>**

Cash Income Level (thousands of 2012 dollars) <sup>2</sup>	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income <sup>4</sup>		Average Federal Tax Rate <sup>5</sup>
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	
Less than 10	11,790	7.2	6,064	0.5	172	0.1	5,893	0.6	2.8
10-20	20,578	12.6	16,785	2.3	319	0.2	16,466	2.9	1.9
20-30	18,961	11.6	27,694	3.5	1,892	1.1	25,802	4.2	6.8
30-40	18,349	11.2	38,936	4.8	4,366	2.4	34,571	5.5	11.2
40-50	15,154	9.3	50,004	5.1	7,066	3.2	42,938	5.6	14.1
50-75	28,421	17.3	68,031	13.0	11,572	10.0	56,458	13.9	17.0
75-100	17,150	10.5	96,588	11.2	18,851	9.8	77,737	11.5	19.5
100-200	23,958	14.6	144,860	23.4	32,084	23.3	112,775	23.4	22.2
200-500	7,079	4.3	298,889	14.3	78,200	16.8	220,689	13.5	26.2
500-1,000	973	0.6	736,743	4.8	225,764	6.7	510,979	4.3	30.6
More than 1,000	698	0.4	3,722,878	17.5	1,250,748	26.4	2,472,130	14.9	33.6
All	163,891	100.0	90,617	100.0	20,148	100.0	70,470	100.0	22.2

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

Number of AMT Taxpayers (millions). Baseline: 6.1 Proposal: 4.6

\* Less than 0.05

(1) Calendar year. Baseline is current policy before the passage of ATRA. 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 phase-out (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; (6) allow the American Opportunity Tax Credit to expire at the end of 2017 and reinstate the Hope Scholarship Credit for 2018 and thereafter; (7) allow the enhancements to the earned income tax credit and the child tax credit originally enacted in the 2009 stimulus legislation to expire at the end of 2017; (8) allow the sales tax deduction, the above-the-line deductions for education expenses, and the educator deduction to expire at the end of 2013. The analysis 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 T13-0024**  
**The American Taxpayer Relief Act of 2012 (ATRA)**  
**Major Individual Income Tax and Estate Tax Provisions**  
**Excludes Certain Business Extenders and Other Provisions**  
**Baseline: Pre-ATRA Current Policy**  
**Distribution of Federal Tax Change by Cash Income Level, 2018<sup>1</sup>**  
**Detail Table - Single Tax Units**

Cash Income Level (thousands of 2012 dollars) <sup>2</sup>	Percent of Tax Units <sup>3</sup>		Percent Change in After-Tax Income <sup>4</sup>	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate <sup>5</sup>	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Less than 10	0.0	11.2	-1.6	3.9	86	19.4	0.1	0.6	1.4	8.9
10-20	0.0	11.0	-0.6	6.6	95	8.2	0.1	2.2	0.6	7.5
20-30	0.0	10.0	-0.3	3.9	68	2.3	0.0	4.4	0.3	11.1
30-40	0.0	11.1	-0.2	2.8	56	1.0	-0.1	6.8	0.1	14.4
40-50	*	11.2	-0.1	1.6	43	0.5	-0.2	7.9	0.1	17.3
50-75	0.1	17.6	-0.1	4.1	73	0.5	-0.4	20.1	0.1	21.3
75-100	0.3	19.1	-0.1	2.0	88	0.4	-0.3	13.0	0.1	23.8
100-200	2.2	16.6	-0.1	1.8	90	0.3	-0.4	16.9	0.1	25.3
200-500	58.6	19.0	0.0	0.4	92	0.1	-0.2	8.4	0.0	28.3
500-1,000	19.5	76.0	-2.0	6.0	10,311	4.5	0.1	3.5	1.4	32.7
More than 1,000	1.4	97.8	-6.2	66.9	150,983	11.3	1.3	16.3	4.0	39.6
All	0.8	13.0	-0.7	100.0	274	2.5	0.0	100.0	0.5	21.6

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Level, 2018<sup>1</sup>**

Cash Income Level (thousands of 2012 dollars) <sup>2</sup>	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income <sup>4</sup>		Average Federal Tax Rate <sup>5</sup>
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	
Less than 10	8,885	12.3	5,991	1.4	446	0.5	5,545	1.7	7.4
10-20	13,828	19.1	16,684	6.2	1,163	2.1	15,521	7.3	7.0
20-30	11,423	15.8	27,550	8.5	3,000	4.4	24,550	9.6	10.9
30-40	9,759	13.5	38,915	10.2	5,554	6.9	33,361	11.1	14.3
40-50	7,420	10.3	49,753	9.9	8,551	8.1	41,201	10.4	17.2
50-75	11,268	15.6	67,332	20.4	14,244	20.5	53,088	20.4	21.2
75-100	4,606	6.4	95,115	11.8	22,537	13.2	72,578	11.4	23.7
100-200	3,843	5.3	139,762	14.4	35,278	17.3	104,484	13.7	25.2
200-500	779	1.1	304,792	6.4	86,146	8.6	218,646	5.8	28.3
500-1,000	115	0.2	739,068	2.3	231,588	3.4	507,480	2.0	31.3
More than 1,000	88	0.1	3,761,824	8.9	1,339,392	15.0	2,422,433	7.3	35.6
All	72,413	100.0	51,364	100.0	10,828	100.0	40,535	100.0	21.1

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

\* Less than 0.05

(1) Calendar year. Baseline is current policy before the passage of ATRA. 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 phase-out (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; (6) index the AMT exemption phase-out threshold and tax bracket threshold for inflation after 2012; (7) allow the American Opportunity Tax Credit to expire at the end of 2017 and reinstate the Hope Scholarship Credit for 2018 and thereafter; (8) allow the enhancements to the earned income tax credit and the child tax credit originally enacted in the 2009 stimulus legislation to expire at the end of 2017; (9) allow the sales tax deduction, the above-the-line deductions for education expenses, and the educator deduction to expire at the end of 2013. The analysis 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

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

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(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 T13-0024**  
**The American Taxpayer Relief Act of 2012 (ATRA)**  
**Major Individual Income Tax and Estate Tax Provisions**  
**Excludes Certain Business Extenders and Other Provisions**  
**Baseline: Pre-ATRA Current Policy**  
**Distribution of Federal Tax Change by Cash Income Level, 2018<sup>1</sup>**  
**Detail Table - Married Tax Units Filing Jointly**

Cash Income Level (thousands of 2012 dollars) <sup>2</sup>	Percent of Tax Units <sup>3</sup>		Percent Change in After-Tax Income <sup>4</sup>	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate <sup>5</sup>	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Less than 10	0.0	22.7	-3.7	0.2	186	151.3	0.0	0.0	3.6	5.9
10-20	0.0	40.7	-2.7	1.1	478	-103.4	0.1	0.0	2.8	0.1
20-30	0.0	39.6	-1.5	1.3	412	73.4	0.1	0.1	1.5	3.5
30-40	0.0	40.1	-0.9	1.4	326	13.9	0.0	0.5	0.8	6.8
40-50	0.0	38.4	-0.6	1.3	277	6.1	0.0	0.9	0.6	9.6
50-75	0.0	19.6	-0.2	1.2	93	1.1	-0.1	4.6	0.1	13.0
75-100	0.0	26.2	-0.1	1.2	111	0.7	-0.3	7.5	0.1	17.4
100-200	0.6	32.4	-0.2	5.1	253	0.8	-0.8	25.1	0.2	21.5
200-500	48.0	15.5	0.2	-3.3	-514	-0.7	-1.0	19.7	-0.2	25.6
500-1,000	39.4	59.6	-1.2	5.2	5,903	2.6	-0.1	8.1	0.8	31.4
More than 1,000	1.0	98.6	-5.7	85.3	138,072	11.3	2.2	33.5	3.8	37.1
All	5.3	29.6	-1.3	100.0	1,475	4.2	0.0	100.0	1.0	24.5

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Level, 2018<sup>1</sup>**

Cash Income Level (thousands of 2012 dollars) <sup>2</sup>	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income <sup>4</sup>		Average Federal Tax Rate <sup>5</sup>
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	
Less than 10	1,041	1.6	5,203	0.1	123	0.0	5,080	0.1	2.4
10-20	2,146	3.4	17,366	0.4	-463	0.0	17,829	0.5	-2.7
20-30	3,064	4.8	27,914	0.9	561	0.1	27,353	1.1	2.0
30-40	3,986	6.2	39,197	1.6	2,348	0.4	36,848	2.0	6.0
40-50	4,417	6.9	50,456	2.3	4,547	0.9	45,909	2.8	9.0
50-75	12,129	19.0	68,837	8.7	8,845	4.7	59,992	9.9	12.9
75-100	10,454	16.4	97,425	10.6	16,878	7.8	80,547	11.4	17.3
100-200	18,810	29.5	146,308	28.6	31,246	25.9	115,061	29.4	21.4
200-500	6,106	9.6	297,858	18.9	76,847	20.7	221,011	18.3	25.8
500-1,000	829	1.3	736,359	6.3	225,180	8.2	511,179	5.8	30.6
More than 1,000	582	0.9	3,663,912	22.1	1,222,088	31.3	2,441,824	19.3	33.4
All	63,854	100.0	150,965	100.0	35,563	100.0	115,402	100.0	23.6

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

\* Less than 0.05

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

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**Excludes Certain Business Extenders and Other Provisions**  
**Baseline: Pre-ATRA Current Policy**  
**Distribution of Federal Tax Change by Cash Income Level, 2018<sup>1</sup>**  
**Detail Table - Head of Household Tax Units**

Cash Income Level (thousands of 2012 dollars) <sup>2</sup>	Percent of Tax Units <sup>3</sup>		Percent Change in After-Tax Income <sup>4</sup>	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate <sup>5</sup>	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Less than 10	0.0	72.7	-6.3	8.1	514	-42.1	0.6	-0.7	7.4	-10.1
10-20	0.0	76.1	-4.6	34.0	871	-41.3	2.3	-2.9	5.2	-7.4
20-30	0.0	48.1	-1.7	18.5	493	-140.8	1.2	0.3	1.8	0.5
30-40	0.0	26.6	-0.6	8.1	216	6.7	0.0	7.7	0.6	8.9
40-50	0.0	26.2	-0.4	4.4	171	2.6	-0.4	10.5	0.3	13.7
50-75	0.1	24.2	-0.3	6.5	166	1.4	-1.4	27.9	0.3	17.7
75-100	1.0	22.9	-0.3	3.2	206	1.1	-1.0	18.4	0.2	20.7
100-200	16.5	13.8	0.0	-0.4	-38	-0.1	-1.3	19.6	0.0	23.7
200-500	90.7	4.7	0.4	-1.2	-898	-1.1	-0.5	6.8	-0.3	27.3
500-1,000	30.6	64.4	-1.3	1.2	6,561	3.1	-0.1	2.4	0.9	30.1
More than 1,000	1.7	97.6	-5.6	17.4	130,145	11.7	0.5	9.9	3.8	36.0
All	1.4	40.8	-1.1	100.0	449	6.3	0.0	100.0	0.9	15.2

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Level, 2018<sup>1</sup>**

Cash Income Level (thousands of 2012 dollars) <sup>2</sup>	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income <sup>4</sup>		Average Federal Tax Rate <sup>5</sup>
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	
Less than 10	1,753	7.1	6,987	1.0	-1,221	-1.2	8,208	1.4	-17.5
10-20	4,333	17.5	16,825	5.9	-2,112	-5.2	18,937	7.8	-12.6
20-30	4,173	16.9	27,908	9.5	-350	-0.8	28,258	11.2	-1.3
30-40	4,175	16.9	38,694	13.1	3,214	7.6	35,480	14.0	8.3
40-50	2,874	11.6	50,025	11.7	6,670	10.9	43,355	11.8	13.3
50-75	4,364	17.6	67,560	23.9	11,768	29.2	55,792	23.0	17.4
75-100	1,735	7.0	95,685	13.5	19,612	19.4	76,073	12.5	20.5
100-200	1,113	4.5	138,789	12.5	32,992	20.9	105,797	11.2	23.8
200-500	151	0.6	305,921	3.8	84,259	7.3	221,662	3.2	27.5
500-1,000	20	0.1	730,634	1.2	213,433	2.5	517,202	1.0	29.2
More than 1,000	15	0.1	3,459,203	4.2	1,116,478	9.4	2,342,726	3.3	32.3
All	24,767	100.0	49,759	100.0	7,095	100.0	42,664	100.0	14.3

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

\* Less than 0.05

(1) Calendar year. Baseline is current policy before the passage of ATRA. 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 phase-out (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; (6) index the AMT exemption phase-out threshold and tax bracket threshold for inflation after 2012; (7) allow the American Opportunity Tax Credit to expire at the end of 2017 and reinstate the Hope Scholarship Credit for 2018 and thereafter; (8) allow the enhancements to the earned income tax credit and the child tax credit originally enacted in the 2009 stimulus legislation to expire at the end of 2017; (9) allow the sales tax deduction, the above-the-line deductions for education expenses, and the educator deduction to expire at the end of 2013. The analysis 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 T13-0024**  
**The American Taxpayer Relief Act of 2012 (ATRA)**  
**Major Individual Income Tax and Estate Tax Provisions**  
**Excludes Certain Business Extenders and Other Provisions**  
**Baseline: Pre-ATRA Current Policy**  
**Distribution of Federal Tax Change by Cash Income Level, 2018 <sup>1</sup>**  
**Detail Table - Tax Units with Children**

Cash Income Level (thousands of 2012 dollars) <sup>2</sup>	Percent of Tax Units <sup>3</sup>		Percent Change in After-Tax Income <sup>4</sup>	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate <sup>5</sup>	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Less than 10	0.0	69.4	-6.3	1.9	500	-37.2	0.1	-0.1	7.6	-12.9
10-20	0.0	79.6	-4.9	8.0	955	-34.8	0.4	-0.7	5.7	-10.6
20-30	0.0	59.9	-2.2	5.4	649	-54.9	0.3	-0.2	2.3	-1.9
30-40	0.0	47.8	-1.1	3.5	405	17.2	0.1	1.1	1.0	7.1
40-50	0.4	51.0	-0.9	2.6	380	6.5	0.0	1.9	0.8	12.4
50-75	1.3	29.8	-0.3	2.5	180	1.7	-0.2	7.0	0.3	16.1
75-100	1.1	31.7	-0.2	1.9	175	1.0	-0.3	8.9	0.2	18.8
100-200	2.7	36.1	-0.3	5.8	329	1.0	-1.0	25.8	0.2	22.1
200-500	61.0	13.0	0.3	-3.8	-698	-0.9	-1.1	19.3	-0.2	26.2
500-1,000	40.4	58.7	-1.2	4.7	6,324	2.8	-0.2	7.7	0.9	31.5
More than 1,000	0.9	98.7	-5.8	67.5	138,980	11.7	1.8	29.1	3.9	37.1
All	5.2	44.0	-1.3	100.0	1,171	4.7	0.0	100.0	1.1	23.1

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Level, 2018 <sup>1</sup>**

Cash Income Level (thousands of 2012 dollars) <sup>2</sup>	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income <sup>4</sup>		Average Federal Tax Rate <sup>5</sup>
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	
Less than 10	2,279	4.3	6,559	0.3	-1,345	-0.2	7,903	0.4	-20.5
10-20	5,132	9.8	16,871	1.5	-2,744	-1.1	19,615	2.2	-16.3
20-30	5,133	9.8	27,779	2.4	-1,182	-0.5	28,962	3.3	-4.3
30-40	5,304	10.1	38,861	3.5	2,352	1.0	36,509	4.2	6.1
40-50	4,228	8.1	50,223	3.6	5,829	1.9	44,394	4.1	11.6
50-75	8,604	16.4	68,715	10.1	10,868	7.2	57,847	10.9	15.8
75-100	6,647	12.7	97,259	11.0	18,102	9.3	79,157	11.5	18.6
100-200	10,887	20.7	146,066	27.1	31,889	26.7	114,177	27.2	21.8
200-500	3,365	6.4	298,634	17.1	78,811	20.4	219,823	16.2	26.4
500-1,000	452	0.9	736,703	5.7	226,005	7.9	510,698	5.0	30.7
More than 1,000	299	0.6	3,574,862	18.2	1,188,376	27.3	2,386,486	15.6	33.2
All	52,505	100.0	111,923	100.0	24,727	100.0	87,196	100.0	22.1

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 before the passage of ATRA. 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 phase-out (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; (6) index the AMT exemption phase-out threshold and tax bracket threshold for inflation after 2012; (7) allow the American Opportunity Tax Credit to expire at the end of 2017 and reinstate the Hope Scholarship Credit for 2018 and thereafter; (8) allow the enhancements to the earned income tax credit and the child tax credit originally enacted in the 2009 stimulus legislation to expire at the end of 2017; (9) allow the sales tax deduction, the above-the-line deductions for education expenses, and the educator deduction to expire at the end of 2013. The analysis 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 T13-0024**  
**The American Taxpayer Relief Act of 2012 (ATRA)**  
**Major Individual Income Tax and Estate Tax Provisions**  
**Excludes Certain Business Extenders and Other Provisions**  
**Baseline: Pre-ATRA Current Policy**  
**Distribution of Federal Tax Change by Cash Income Level, 2018 <sup>1</sup>**  
**Detail Table - Elderly Tax Units**

Cash Income Level (thousands of 2012 dollars) <sup>2</sup>	Percent of Tax Units <sup>3</sup>		Percent Change in After-Tax Income <sup>4</sup>	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate <sup>5</sup>	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Less than 10	0.0	0.3	0.0	0.0	1	0.9	0.0	0.0	0.0	1.5
10-20	0.0	0.3	0.0	0.1	3	2.4	0.0	0.1	0.0	0.6
20-30	0.0	1.2	0.0	0.1	6	1.1	0.0	0.5	0.0	2.2
30-40	0.0	3.1	0.0	0.3	13	0.8	-0.1	1.4	0.0	4.3
40-50	0.0	6.5	-0.1	0.4	24	0.8	-0.1	2.1	0.1	6.2
50-75	0.5	12.7	-0.1	1.1	35	0.6	-0.3	7.8	0.1	9.2
75-100	0.7	21.6	-0.1	0.8	52	0.4	-0.3	8.3	0.1	13.4
100-200	1.4	24.1	-0.1	2.0	116	0.5	-0.7	17.8	0.1	17.5
200-500	34.1	21.6	0.0	0.1	14	0.0	-0.7	16.3	0.0	23.6
500-1,000	31.9	65.6	-1.3	5.6	6,677	3.0	-0.1	7.7	0.9	31.0
More than 1,000	1.6	97.9	-5.4	89.6	132,079	10.5	2.2	38.1	3.6	37.7
All	1.7	10.1	-0.9	100.0	630	4.2	0.0	100.0	0.7	18.2

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Level, 2018 <sup>1</sup>**

Cash Income Level (thousands of 2012 dollars) <sup>2</sup>	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income <sup>4</sup>		Average Federal Tax Rate <sup>5</sup>
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	
Less than 10	1,522	4.0	6,252	0.3	93	0.0	6,159	0.4	1.5
10-20	5,777	15.1	17,192	3.0	106	0.1	17,086	3.7	0.6
20-30	5,052	13.2	27,377	4.2	601	0.5	26,776	5.0	2.2
30-40	4,784	12.5	39,218	5.8	1,687	1.4	37,532	6.7	4.3
40-50	3,964	10.4	50,026	6.1	3,067	2.1	46,959	6.9	6.1
50-75	7,386	19.3	67,780	15.3	6,223	8.1	61,557	16.9	9.2
75-100	3,819	10.0	96,299	11.3	12,801	8.6	83,498	11.8	13.3
100-200	4,184	10.9	144,598	18.5	25,133	18.4	119,465	18.6	17.4
200-500	1,376	3.6	298,886	12.6	70,450	17.0	228,436	11.7	23.6
500-1,000	201	0.5	733,928	4.5	221,040	7.8	512,888	3.8	30.1
More than 1,000	163	0.4	3,686,708	18.5	1,256,584	36.0	2,430,124	14.8	34.1
All	38,257	100.0	85,313	100.0	14,928	100.0	70,384	100.0	17.5

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 before the passage of ATRA. 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 phase-out (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; (6) index the AMT exemption phase-out threshold and tax bracket threshold for inflation after 2012; (7) allow the American Opportunity Tax Credit to expire at the end of 2017 and reinstate the Hope Scholarship Credit for 2018 and thereafter; (8) allow the enhancements to the earned income tax credit and the child tax credit originally enacted in the 2009 stimulus legislation to expire at the end of 2017; (9) allow the sales tax deduction, the above-the-line deductions for education expenses, and the educator deduction to expire at the end of 2013. The analysis 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>

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