

Table T13-0058
Current Policy Parameters for TPC Tables Created From
January 2, 2013 to Present

Note: Dollar amounts have been indexed for inflation where applicable, unless otherwise noted.

	Tax Year		
	2010	2011	2012
Ordinary income tax rates	10%, 15%, 25%, 28%, 33%, 35%	10%, 15%, 25%, 28%, 33%, 35%	10%, 15%, 25%, 28%, 33%, 35%
Rates on long-term capital gains	0%, 15%	0%, 15%	0%, 15%
Rates on capital gains held 5+ years	0%, 15%	0%, 15%	0%, 15%
Dividends taxed at capital gains rates?	Yes	Yes	Yes
Standard deduction for joint filers	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers
Ordinary income tax thresholds for the bottom two brackets for joint filers	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers
PEP and Pease? ¹	No	No	No
Child Tax Credit	\$1000 per child	\$1000 per child	\$1000 per child
Additional Child Tax Credit	15% of earnings over \$3,000 (refundable)	15% of earnings over \$3,000 (refundable)	15% of earnings over \$3,000 (refundable)
Child and Dependent Care Tax Credit	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%
AMT exemption amount	\$47,450 (single), \$72,450 (joint)	\$48,450 (single), \$74,450 (joint)	\$50,600 (single), \$78,750 (joint) ²
AMT exemption phaseout threshold	\$112,500 (single), \$150,000 (joint)	\$112,500 (single), \$150,000 (joint)	\$112,500 (single), \$150,000 (joint)
AMT bracket threshold for 28% rate	\$175,000	\$175,000	\$175,000
Allow personal credits against AMT?	Yes	Yes	Yes
Earned Income Tax Credit (EITC) Rate	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%.	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%.	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%.
EITC Phaseout Threshold Increase for Joint Filers	\$5,010	\$5,080	\$5,210
Hope Credit or American Opportunity Tax Credit (AOTC)?	AOTC	AOTC	AOTC
State and local general sales tax deduction?	Yes	Yes	Yes
Tuition and fees deduction?	Yes	Yes	Yes
Educator expense deduction?	Yes	Yes	Yes
Estate Tax	Choose 2011 law OR no estate tax but carry over basis for inherited assets over \$1.3m	\$5m exemption, 35% rate	\$5.12m exemption, 35% rate
OASDI taxable earnings maximum	\$106,800	\$106,800	\$110,100
OASDI payroll tax rate (employer)	6.2%	6.2%	6.2%
OASDI payroll tax rate (employee)	6.2%	4.2%	4.2%
Medicare payroll tax rate (employer)	1.45%	1.45%	1.45%
Medicare payroll tax rate (employee)	1.45%	1.45%	1.45%
HI surtax on earned income for high-income taxpayers ³	None	None	None
HI surtax on investment income for high-income taxpayers ³	None	None	None

(1) The personal exemption phaseout (PEP) reduces personal exemptions by 2 percent for each \$2,500 by which adjusted gross income (AGI) exceeds a specified threshold. The limitation on itemized deductions (Pease) reduces most itemized deductions by 3 percent of the amount by which AGI exceeds a specified threshold, up to a maximum of 80 percent of itemized deductions.

(2) These are the exemption levels proposed in Senate bill S. 3413.

(3) Surtax phases in beginning at modified AGI of \$200,000 for single filers and \$250,000 for joint filers.

Table T13-0058
Current Policy Parameters for TPC Tables Created From
September 12, 2012 to January 1, 2013

Note: Dollar amounts have been indexed for inflation where applicable, unless otherwise noted.

	Tax Year			
	2010	2011	2012	2013 and on
Ordinary income tax rates	10%, 15%, 25%, 28%, 33%, 35%	10%, 15%, 25%, 28%, 33%, 35%	10%, 15%, 25%, 28%, 33%, 35%	10%, 15%, 25%, 28%, 33%, 35%
Rates on long-term capital gains	0%, 15%	0%, 15%	0%, 15%	0%, 15%
Rates on capital gains held 5+ years	0%, 15%	0%, 15%	0%, 15%	0%, 15%
Dividends taxed at capital gains rates?	Yes	Yes	Yes	Yes
Standard deduction for joint filers	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers
Ordinary income tax thresholds for the bottom two brackets for joint filers	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers
PEP and Pease? ¹	No	No	No	No
Child Tax Credit	\$1000 per child	\$1000 per child	\$1000 per child	\$1000 per child
Additional Child Tax Credit	15% of earnings over \$3,000 (refundable)	15% of earnings over \$3,000 (refundable)	15% of earnings over \$3,000 (refundable)	15% of earnings over \$3,000 (refundable)
Child and Dependent Care Tax Credit	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%
AMT exemption amount	\$47,450 (single), \$72,450 (joint)	\$48,450 (single), \$74,450 (joint)	\$50,600 (single), \$78,750 (joint) ²	\$51,150 (single), \$79,850 (joint). ² Amounts indexed after 2013.
AMT exemption phaseout threshold	\$112,500 (single), \$150,000 (joint)	\$112,500 (single), \$150,000 (joint)	\$112,500 (single), \$150,000 (joint)	\$112,500 (single), \$150,000 (joint)
AMT bracket threshold for 28% rate	\$175,000	\$175,000	\$175,000	\$175,000
Allow personal credits against AMT?	Yes	Yes	Yes	Yes
Earned Income Tax Credit (EITC) Rate	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%.	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%.	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%.	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%.
EITC Phaseout Threshold Increase for Joint Filers	\$5,010	\$5,080	\$5,210	\$5,000 (indexed from 2009)
Hope Credit or American Opportunity Tax Credit (AOTC)?	AOTC	AOTC	AOTC	AOTC
State and local general sales tax deduction?	Yes	Yes	Yes	Yes
Tuition and fees deduction?	Yes	Yes	Yes	Yes
Educator expense deduction?	Yes	Yes	Yes	Yes
Estate Tax	Choose 2011 law OR no estate tax but carry over basis for inherited assets over \$1.3m	\$5m exemption, 35% rate	\$5.12m exemption, 35% rate	\$5m exemption (indexed from 2011), 35% rate
OASDI taxable earnings maximum	\$106,800	\$106,800	\$110,100	\$113,700 ³
OASDI payroll tax rate (employer)	6.2%	6.2%	6.2%	6.2%
OASDI payroll tax rate (employee)	6.2%	4.2%	4.2%	6.2%
Medicare payroll tax rate (employer)	1.45%	1.45%	1.45%	1.45%
Medicare payroll tax rate (employee)	1.45%	1.45%	1.45%	1.45%
HI surtax on earned income for high- income taxpayers ⁴	None	None	None	0.9%
HI surtax on investment income for high-income taxpayers ⁴	None	None	None	3.8%

(1) The personal exemption phaseout (PEP) reduces personal exemptions by 2 percent for each \$2,500 by which adjusted gross income (AGI) exceeds a specified threshold. The limitation on itemized deductions (Pease) reduces most itemized deductions by 3 percent of the amount by which AGI exceeds a specified threshold, up to a maximum of 80 percent of itemized deductions.

(2) These are the exemption levels proposed in Senate bill S. 3413.

(3) Estimate based on projected growth in average wage index.

(4) Surtax phases in beginning at modified AGI of \$200,000 for single filers and \$250,000 for joint filers.

Table T13-0058
Current Policy Parameters for TPC Tables Created From
January 6, 2012 to September 11, 2012

Note: Dollar amounts have been indexed for inflation where applicable, unless otherwise noted.

	Tax Year			
	2010	2011	2012	2013 and on
Ordinary income tax rates	10%, 15%, 25%, 28%, 33%, 35%	10%, 15%, 25%, 28%, 33%, 35%	10%, 15%, 25%, 28%, 33%, 35%	10%, 15%, 25%, 28%, 33%, 35%
Rates on long-term capital gains	0%, 15%	0%, 15%	0%, 15%	0%, 15%
Rates on capital gains held 5+ years	0%, 15%	0%, 15%	0%, 15%	0%, 15%
Dividends taxed at capital gains rates?	Yes	Yes	Yes	Yes
Standard deduction for joint filers	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers
Ordinary income tax thresholds for the bottom two brackets for joint filers	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers
PEP and Pease? ¹	No	No	No	No
Child Tax Credit	\$1000 per child	\$1000 per child	\$1000 per child	\$1000 per child
Additional Child Tax Credit	15% of earnings over \$3,000 (refundable)	15% of earnings over \$3,000 (refundable)	15% of earnings over \$3,000 (refundable)	15% of earnings over \$3,000 (refundable)
Child and Dependent Care Tax Credit	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%
AMT exemption amount	\$47,450 (single), \$72,450 (joint)	\$48,450 (single), \$74,450 (joint)	\$49,200 (single), \$75,600 (joint) ²	\$48,450 (single), \$74,450 (joint). Amounts indexed from 2011.
AMT exemption phaseout threshold	\$112,500 (single), \$150,000 (joint)	\$112,500 (single), \$150,000 (joint)	\$112,500 (single), \$150,000 (joint)	\$112,500 (single), \$150,000 (joint)
AMT bracket threshold for 28% rate	\$175,000	\$175,000	\$175,000	\$175,000
Allow personal credits against AMT?	Yes	Yes	Yes	Yes
Earned Income Tax Credit (EITC) Rate	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%.	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%.	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%.	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%.
EITC Phaseout Threshold Increase for Joint Filers	\$5,010	\$5,080	\$5,160 ²	\$5,000 (indexed from 2009)
Hope Credit or American Opportunity Tax Credit (AOTC)?	AOTC	AOTC	AOTC	AOTC
State and local general sales tax deduction?	Yes	Yes	Yes	Yes
Tuition and fees deduction?	Yes	Yes	Yes	Yes
Educator expense deduction?	Yes	Yes	Yes	Yes
Estate Tax	Choose 2011 law OR no estate tax but carry over basis for inherited assets over \$1.3m	\$5m exemption, 35% rate	\$5.08m exemption, ² 35% rate	\$5m exemption (indexed from 2011), 35% rate
OASDI taxable earnings maximum	\$106,800	\$106,800	\$113,700 ²	Increase based on Cost-of-Living Adjustment (COLA)
OASDI payroll tax rate (employer)	6.2%	6.2%	6.2%	6.2%
OASDI payroll tax rate (employee)	6.2%	4.2%	4.2% ⁴	6.2%
Medicare payroll tax rate (employer)	1.45%	1.45%	1.45%	1.45%
Medicare payroll tax rate (employee)	1.45%	1.45%	1.45%	1.45%
HI surtax on earned income for high-income taxpayers ³	None	None	None	0.9%
HI surtax on investment income for high-income taxpayers ³	None	None	None	3.8%

(1) The personal exemption phaseout (PEP) reduces personal exemptions by 2 percent for each \$2,500 by which adjusted gross income (AGI) exceeds a specified threshold. The limitation on itemized deductions (Pease) reduces most itemized deductions by 3 percent of the amount by which AGI exceeds a specified threshold, up to a maximum of 80 percent of itemized deductions.

(2) Estimate based on projected CPI/COLA from TPC microsimulation model.

(3) Surtax phases in beginning at modified AGI of \$200,000 for single filers and \$250,000 for joint filers.

(4) Before passage of the Middle Class Tax Relief and Job Creation Act of 2012 on Feb 22, 2012, the rate was set to be 4.2 percent for the first two months of 2012 and 6.2 percent thereafter.

Table T13-0058
Current Policy Parameters for TPC Tables Created From
April 14, 2011 to January 5, 2012

Note: Dollar amounts have been indexed for inflation where applicable, unless otherwise noted.

	Tax Year			
	2010	2011	2012	2013 and on
Ordinary income tax rates	10%, 15%, 25%, 28%, 33%, 35%	10%, 15%, 25%, 28%, 33%, 35%	10%, 15%, 25%, 28%, 33%, 35%	10%, 15%, 25%, 28%, 33%, 35%
Rates on long-term capital gains	0%, 15%	0%, 15%	0%, 15%	0%, 15%
Rates on capital gains held 5+ years	0%, 15%	0%, 15%	0%, 15%	0%, 15%
Dividends taxed at capital gains rates?	Yes	Yes	Yes	Yes
Standard deduction for joint filers	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers
Ordinary income tax thresholds for the bottom two brackets for joint filers	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers
PEP and Pease? ¹	No	No	No	No
Child Tax Credit	\$1000 per child	\$1000 per child	\$1000 per child	\$1000 per child
Additional Child Tax Credit	15% of earnings over \$3,000 (refundable)	15% of earnings over \$3,000 (refundable)	15% of earnings over \$3,000 (refundable)	15% of earnings over \$3,000 (refundable)
Child and Dependent Care Tax Credit	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%
AMT exemption amount	\$47,450 (single), \$72,450 (joint)	\$48,450 (single), \$74,450 (joint)	\$49,200 (single), \$75,600 (joint) ²	\$48,450 (single), \$74,450 (joint). Amounts indexed from 2011.
AMT exemption phaseout threshold	\$112,500 (single), \$150,000 (joint)	\$112,500 (single), \$150,000 (joint)	\$112,500 (single), \$150,000 (joint)	\$112,500 (single), \$150,000 (joint)
AMT bracket threshold for 28% rate	\$175,000	\$175,000	\$175,000	\$175,000
Allow personal credits against AMT?	Yes	Yes	Yes	Yes
Earned Income Tax Credit (EITC) Rate	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%.	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%.	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%.	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%.
EITC Phaseout Threshold Increase for Joint Filers	\$5,010	\$5,080	\$5,160 ²	\$5,000 (indexed from 2009)
Hope Credit or American Opportunity Tax Credit (AOTC)?	AOTC	AOTC	AOTC	AOTC
State and local general sales tax deduction?	Yes	Yes	Yes	Yes
Tuition and fees deduction?	Yes	Yes	Yes	Yes
Educator expense deduction?	Yes	Yes	Yes	Yes
Estate Tax	Choose 2011 law OR no estate tax but carry over basis for inherited assets over \$1.3m	\$5m exemption, 35% rate	\$5.08m exemption, ² 35% rate	\$5m exemption (indexed from 2011), 35% rate
OASDI taxable earnings maximum	\$106,800	\$106,800	\$113,700 ²	Increase based on Cost-of-Living Adjustment (COLA)
OASDI payroll tax rate (employer)	6.2%	6.2%	6.2%	6.2%
OASDI payroll tax rate (employee)	6.2%	4.2%	6.2%	6.2%
Medicare payroll tax rate (employer)	1.45%	1.45%	1.45%	1.45%
Medicare payroll tax rate (employee)	1.45%	1.45%	1.45%	1.45%
HI surtax on earned income for high- income taxpayers ³	None	None	None	0.9%
HI surtax on investment income for high-income taxpayers ³	None	None	None	3.8%

(1) The personal exemption phaseout (PEP) reduces personal exemptions by 2 percent for each \$2,500 by which adjusted gross income (AGI) exceeds a specified threshold. The limitation on itemized deductions (Pease) reduces most itemized deductions by 3 percent of the amount by which AGI exceeds a specified threshold, up to a maximum of 80 percent of itemized deductions.

(2) Estimate based on projected CPI/COLA from TPC microsimulation model.

(3) Surtax phases in beginning at modified AGI of \$200,000 for single filers and \$250,000 for joint filers.

Table T13-0058
Current Policy Parameters for TPC Tables Created From
January 3, 2011 to April 13, 2011

Note: Dollar amounts have been indexed for inflation where applicable, unless otherwise noted.

	Tax Year			
	2010	2011	2012	2013 and on
Ordinary income tax rates	10%, 15%, 25%, 28%, 33%, 35%	10%, 15%, 25%, 28%, 33%, 35%	10%, 15%, 25%, 28%, 33%, 35%	10%, 15%, 25%, 28%, 33%, 35%
Rates on long-term capital gains	0%, 15%	0%, 15%	0%, 15%	0%, 15%
Rates on capital gains held 5+ years	0%, 15%	0%, 15%	0%, 15%	0%, 15%
Dividends taxed at capital gains rates?	Yes	Yes	Yes	Yes
Standard deduction for joint filers	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers
Ordinary income tax thresholds for the bottom two brackets for joint filers	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers
PEP and Pease? ¹	No	No	No	No
Child Tax Credit	\$1000 per child	\$1000 per child	\$1000 per child	\$1000 per child
Additional Child Tax Credit	15% of earnings over \$3,000 (refundable)	15% of earnings over \$3,000 (refundable)	15% of earnings over \$3,000 (refundable)	15% of earnings over \$3,000 (refundable)
Child and Dependent Care Tax Credit	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%
AMT exemption amount	\$47,450 (single), \$72,450 (joint)	\$48,450 (single), \$74,450 (joint)	\$49,100 (single), \$75,500 (joint) ²	\$48,450 (single), \$74,450 (joint). Amounts indexed from 2011.
AMT exemption phaseout threshold	\$112,500 (single), \$150,000 (joint)	\$112,500 (single), \$150,000 (joint)	\$112,500 (single), \$150,000 (joint)	\$112,500 (single), \$150,000 (joint)
AMT bracket threshold for 28% rate	\$175,000	\$175,000	\$175,000	\$175,000
Allow personal credits against AMT?	Yes	Yes	Yes	Yes
Earned Income Tax Credit (EITC) Rate	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%.	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%.	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%.	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%.
EITC Phaseout Threshold Increase for Joint Filers	\$5,010	\$5,080	\$5,160 ²	\$5,000 (indexed from 2009)
Hope Credit or American Opportunity Tax Credit (AOTC)?	AOTC	AOTC	AOTC	AOTC
State and local general sales tax deduction?	Yes	Yes	Yes	Yes
Tuition and fees deduction?	Yes	Yes	Yes	Yes
Educator expense deduction?	Yes	Yes	Yes	Yes
Estate Tax	Choose 2011 law OR no estate tax but carry over basis for inherited assets over \$1.3m	\$5m exemption, 35% rate	\$5.07m exemption, ² 35% rate	\$5m exemption (indexed from 2011), 35% rate
OASDI taxable earnings maximum	\$106,800	\$106,800	Increase based on Cost-of-Living Adjustment (COLA)	Increase based on Cost-of-Living Adjustment (COLA)
OASDI payroll tax rate (employer)	6.2%	6.2%	6.2%	6.2%
OASDI payroll tax rate (employee)	6.2%	4.2%	6.2%	6.2%
Medicare payroll tax rate (employer)	1.45%	1.45%	1.45%	1.45%
Medicare payroll tax rate (employee)	1.45%	1.45%	1.45%	1.45%
HI surtax on earned income for high- income taxpayers ³	None	None	None	0.9%
HI surtax on investment income for high-income taxpayers ³	None	None	None	3.8%

(1) The personal exemption phaseout (PEP) reduces personal exemptions by 2 percent for each \$2,500 by which adjusted gross income (AGI) exceeds a specified threshold. The limitation on itemized deductions (Pease) reduces most itemized deductions by 3 percent of the amount by which AGI exceeds a specified threshold, up to a maximum of 80 percent of itemized deductions.

(2) Estimate based on projected CPI/COLA from TPC microsimulation model.

(3) Surtax phases in beginning at modified AGI of \$200,000 for single filers and \$250,000 for joint filers.

Table T13-0058
Current Policy Parameters for TPC Tables Created From
May 1, 2010 to January 2, 2011

Note: Dollar amounts have been indexed for inflation where applicable, unless otherwise noted.

	Tax Year			
	2010	2011	2012	2013 and on
Ordinary income tax rates	10%, 15%, 25%, 28%, 33%, 35%	10%, 15%, 25%, 28%, 33%, 35%	10%, 15%, 25%, 28%, 33%, 35%	10%, 15%, 25%, 28%, 33%, 35%
Rates on long-term capital gains	0%, 15%	0%, 15%	0%, 15%	0%, 15%
Rates on capital gains held 5+ years	0%, 15%	0%, 15%	0%, 15%	0%, 15%
Dividends taxed at capital gains rates?	Yes	Yes	Yes	Yes
Standard deduction for joint filers	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers
Ordinary income tax thresholds for the bottom two brackets for joint filers	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers
PEP and Pease? ¹	No	No	No	No
Child Tax Credit	\$1000 per child	\$1000 per child	\$1000 per child	\$1000 per child
Additional Child Tax Credit	15% of earnings over \$3,000 (refundable)	15% of earnings over \$10,000 (refundable)	15% of earnings over \$10,000 (refundable)	15% of earnings over \$10,000 (refundable)
Child and Dependent Care Tax Credit	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%
AMT exemption amount	\$46,750 (single), \$71,050 (joint) ²	\$47,500 (single), \$72,200 (joint) ²	\$48,150 (single), \$73,150 (joint) ²	\$46,700 (single), \$70,950 (joint). Amounts indexed from 2009.
AMT exemption phaseout threshold	\$112,700 (single), \$150,250 (joint) ²	\$114,500 (single), \$152,650 (joint) ²	\$116,000 (single), \$154,650 (joint) ²	\$112,500 (single), \$150,000 (joint). Amounts indexed from 2009.
AMT threshold for 28 percent rate	\$175,300 ²	\$178,100 ²	\$180,450 ²	\$175,000 (indexed from 2009)
Allow personal credits against AMT?	Yes	Yes	Yes	Yes
Earned Income Tax Credit (EITC) Rate	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%.	0 children: 7.65%, 1 child: 34%, 2+ children: 40%	0 children: 7.65%, 1 child: 34%, 2+ children: 40%	0 children: 7.65%, 1 child: 34%, 2+ children: 40%
EITC Phaseout Threshold Increase for Joint Filers	\$5,010	\$3,180 ²	\$3,230 ²	\$3,000 (indexed from 2008)
Hope Credit or American Opportunity Tax Credit (AOTC)?	AOTC	Hope	Hope	Hope
State and local general sales tax deduction?	No	No	No	No
Tuition and fees deduction?	No	No	No	No
Educator expense deduction?	No	No	No	No
Estate Tax	\$3.5m exemption, 45% rate	\$3.5m exemption, 45% rate	\$3.5m exemption, 45% rate	\$3.5m exemption, 45% rate
OASDI taxable earnings maximum	\$106,800	Increase based on Cost-of-Living Adjustment (COLA)	Increase based on Cost-of-Living Adjustment (COLA)	Increase based on Cost-of-Living Adjustment (COLA)
OASDI payroll tax rate (employer)	6.2%	6.2%	6.2%	6.2%
OASDI payroll tax rate (employee)	6.2%	6.2%	6.2%	6.2%
Medicare payroll tax rate (employer)	1.45%	1.45%	1.45%	1.45%
Medicare payroll tax rate (employee)	1.45%	1.45%	1.45%	1.45%
HI surtax on earned income for high- income taxpayers ³	None	None	None	0.9%
HI surtax on investment income for high-income taxpayers ³	None	None	None	3.8%

(1) The personal exemption phaseout (PEP) reduces personal exemptions by 2 percent for each \$2,500 by which adjusted gross income (AGI) exceeds a specified threshold. The limitation on itemized deductions (Pease) reduces most itemized deductions by 3 percent of the amount by which AGI exceeds a specified threshold, up to a maximum of 80 percent of itemized deductions.

(2) Estimate based on projected CPI/COLA from TPC microsimulation model.

(3) Surtax phases in beginning at modified AGI of \$200,000 for single filers and \$250,000 for joint filers.

Table T13-0058
Current Policy Parameters for TPC Tables Created From
March 1, 2009 to April 30, 2010

Note: Dollar amounts have been indexed for inflation where applicable, unless otherwise noted.

	Tax Year		
	2009	2010	2011 and on
Ordinary income tax rates	10%, 15%, 25%, 28%, 33%, 35%	10%, 15%, 25%, 28%, 33%, 35%	10%, 15%, 25%, 28%, 33%, 35%
Rates on long-term capital gains	0%, 15%	0%, 15%	0%, 15%
Rates on capital gains held 5+ years	0%, 15%	0%, 15%	0%, 15%
Dividends taxed at capital gains rates?	Yes	Yes	Yes
Standard deduction for joint filers	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers
Ordinary income tax thresholds for the bottom two brackets for joint filers	200% of amount for single filers	200% of amount for single filers	200% of amount for single filers
PEP and Pease? ¹	No	No	No
Child Tax Credit	\$1000 per child	\$1000 per child	\$1000 per child
Additional Child Tax Credit	15% of earnings over \$3,000 (refundable)	15% of earnings over \$3,000 (refundable)	15% of earnings over \$10,000 (refundable)
Child and Dependent Care Tax Credit	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%	Max eligible expenses of \$3,000 (1 child) or \$6,000 (2+ children), max credit rate 35%
AMT exemption amount	\$46,700 (single), \$70,950 (joint)	\$46,900 (single), \$71,300 (joint) ²	\$46,700 (single), \$70,950 (joint). Amounts indexed from 2009.
AMT exemption phaseout threshold	\$112,500 (single), \$150,000 (joint)	\$113,050 (single), \$150,750 (joint) ²	\$112,500 (single), \$150,000 (joint). Amounts indexed from 2009.
AMT threshold for 28 percent rate	\$175,000	\$175,900 ²	\$175,000 (indexed from 2009)
Allow personal credits against AMT?	Yes	Yes	Yes
Earned Income Tax Credit (EITC) Rate	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%.	0 children: 7.65%, 1 child: 34%, 2 children: 40%, 3+ children: 45%.	0 children: 7.65%, 1 child: 34%, 2+ children: 40%
EITC Phaseout Threshold Increase for Joint Filers	\$5,000	\$5,030 ²	\$3,000 (indexed from 2008)
Hope Credit or American Opportunity Tax Credit (AOTC)?	AOTC	AOTC	Hope
State and local general sales tax deduction?	Yes	No	No
Tuition and fees deduction?	Yes	No	No
Educator expense deduction?	Yes	No	No
Estate Tax	\$3.5m exemption, 45% rate	\$3.5m exemption, 45% rate	\$3.5m exemption, 45% rate
OASDI taxable earnings maximum	\$106,800	Increase based on Cost-of-Living Adjustment (COLA)	Increase based on Cost-of-Living Adjustment (COLA)
OASDI payroll tax rate (employer)	6.2%	6.2%	6.2%
OASDI payroll tax rate (employee)	6.2%	6.2%	6.2%
Medicare payroll tax rate (employer)	1.45%	1.45%	1.45%
Medicare payroll tax rate (employee)	1.45%	1.45%	1.45%

(1) The personal exemption phaseout (PEP) reduces personal exemptions by 2 percent for each \$2,500 by which adjusted gross income (AGI) exceeds a specified threshold. The limitation on itemized deductions (Pease) reduces most itemized deductions by 3 percent of the amount by which AGI exceeds a specified threshold, up to a maximum of 80 percent of itemized deductions.

(2) Estimate based on projected CPI/COLA from TPC microsimulation model.