

**Table T02-0027**  
**\$10,000 Exemption for Employee Portion of Payroll Taxes:**  
**Distribution of Tax Burden by Income Class, 2003<sup>1</sup>**

AGI Class (thousands of 2001 dollars) <sup>2</sup>	Returns		Tax Change		Average Tax Change (\$)	Percent Change in After-Tax Income <sup>3</sup>
	Number (thousands)	Percent of Total	Dollars (millions)	Percent of Total		
<b>Less than 10</b>	25,755	19.2	-8,610	8.5	-334	6.5
<b>10-20</b>	23,602	17.6	-15,248	15.1	-646	4.3
<b>20-30</b>	18,644	13.9	-13,105	13.0	-703	3.0
<b>30-40</b>	13,534	10.1	-10,663	10.5	-788	2.5
<b>40-50</b>	10,307	7.7	-8,872	8.8	-861	2.2
<b>50-75</b>	17,875	13.4	-17,936	17.7	-1,003	1.9
<b>75-100</b>	10,223	7.6	-11,769	11.6	-1,151	1.6
<b>100-200</b>	9,907	7.4	-11,102	11.0	-1,121	1.0
<b>200-500</b>	2,394	1.8	-2,727	2.7	-1,139	0.5
<b>500-1,000</b>	418	0.3	-474	0.5	-1,135	0.2
<b>More than 1,000</b>	226	0.2	-257	0.3	-1,137	0.1
<b>All</b>	133,835	100.0	-101,070	100.0	-755	1.8

Source: Urban-Brookings Tax Policy Center Microsimulation Model.

(1) Calendar year. Applies to social security (OASDI) and medicare (HI) taxes on wages and self-employment income.

(2) Returns with negative AGI are excluded from the lowest income class but are included in the totals.

(3) After-tax income is AGI less (1) income tax net of refundable credits; (2) the employee portion of social security and medicare taxes; and (3) self-employment tax.

16-Dec-02