

Table T02-0028
\$10,000 Exemption for Employee Portion of Payroll Taxes:
Distribution of Tax Change by Percentiles, 2003¹

AGI Class ²	Tax Change		Average Tax Change (\$)	Percent Change in After-Tax Income ³
	Dollars (millions)	Percent of Total		
Lowest Quintile	-8,654	8.6	-335	6.5
Second Quintile	-17,415	17.2	-651	4.2
Middle Quintile	-19,806	19.6	-740	2.8
Fourth Quintile	-24,720	24.5	-924	2.0
Next 10 Percent	-15,084	14.9	-1,127	1.6
Next 4 Percent	-6,073	6.0	-1,134	0.8
Top 1 Percent	-1,520	1.5	-1,135	0.2
All	-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 quintile 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.

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