

Table T03-0111
Conference Agreement on the Jobs and Growth Tax Relief Reconciliation Act of 2003:
Distribution of Income Tax Change by AGI Class, 2005¹

AGI Class (thousands of 2002 dollars) ²	Tax Units ³			Percent Change in After-Tax Income ³	Percent of Total Income Tax Change	Average Tax Change (\$)	Average Income Tax Rate ⁴	
	Number (thousands)	Percent of Total	Percent with Tax Cut				Current Law	Proposal
Less than 10	33,996	23.7	0.4	*	*	**	-10.0	-10.0
10-20	23,559	16.4	6.9	*	0.4	-7	-4.4	-4.4
20-30	18,596	13.0	12.9	0.1	0.8	-19	3.4	3.3
30-40	13,801	9.6	28.3	0.1	1.0	-30	7.0	6.9
40-50	10,591	7.4	50.2	0.2	1.9	-79	8.7	8.6
50-75	18,383	12.8	54.0	0.2	5.6	-132	10.0	9.8
75-100	10,218	7.1	78.9	0.3	6.7	-283	12.1	11.8
100-200	10,288	7.2	79.0	0.5	14.5	-608	16.0	15.5
200-500	2,447	1.7	80.8	0.9	12.5	-2,195	23.0	22.3
500-1,000	404	0.3	98.3	2.6	12.8	-13,658	27.5	25.6
More than 1,000	210	0.1	98.8	4.0	43.7	-89,595	28.6	25.8
All	143,413	100.0	29.3	0.7	100.0	-300	13.5	12.9

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0503-1).

* Less than 0.05 percent. ** Less than \$1 in absolute value.

- (1) Calendar year. Baseline is current law. Includes the following provisions: reduce top four tax rates to 25, 28, 33, and 35 percent; reduce the tax rate on qualifying dividends and long-term capital gains to 15 percent (the rate for individuals in the 10 and 15-percent tax brackets would be 5 percent; preferential rates would not apply to income that, under current law, is reported as dividends on tax returns but represents distributions of interest income from mutual funds).
- (2) Tax units with negative AGI are excluded from the lowest income class but are included in the totals.
- (3) Includes both filing and non-filing units. Tax units that are dependents of other taxpayers are excluded from the analysis.
- (4) After-tax income is AGI less individual income tax net of refundable credits.
- (5) Average income tax, net of refundable credits, as a percentage of average AGI.