Table T03-0129

Combined Effect of EGTRRA and Conference Agreement on Jobs and Growth Tax Relief Reconciliation Act of 2003:

Distribution of Income Tax Change by AGI Class, 2006[1]

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				Pre-EGTRRA	Proposal
Less than 10	34,424	23.6	7.0	0.2	0.2	-8	-9.9	-10.1
10-20	23,804	16.4	85.5	1.9	5.0	-326	-2.4	-4.4
20-30	18,774	12.9	98.6	2.2	6.7	-554	5.5	3.4
30-40	13,883	9.5	99.4	1.8	5.5	-612	8.7	7.0
40-50	10,669	7.3	99.2	1.7	5.2	-751	10.2	8.7
50-75	18,508	12.7	98.6	1.8	12.8	-1,069	11.5	9.9
75-100	10,540	7.2	98.0	2.2	12.1	-1,774	13.8	11.9
100-200	10,805	7.4	95.2	1.9	15.8	-2,270	17.2	15.7
200-500	2,592	1.8	92.7	2.2	8.6	-5,138	24.0	22.3
500-1,000	430	0.3	99.2	5.2	7.5	-27,131	29.1	25.4
More than 1,000	228	0.2	99.2	6.3	20.6	-140,369	30.1	25.7
All	145,591	100.0	73.9	2.4	100.0	-1,065	15.2	13.2

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 pre-EGTRRA law. Includes provisions affecting the following: marginal tax rates; the 10-percent bracket; the child tax credit; the child and dependent care credit; the AMT; the personal exemption phaseout (PEP); the limitation on itemized deductions (Pease); the standard deduction, 15-percent bracket, and EITC for married couples; tax rates on long-term capital gains and dividends. Excludes pension and IRA provisions, and phaseout of the estate tax.

(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.