

Table T03-0147
Remove All Sunsets in EGTRRA, JCWA, and JGTRRA:
Distribution of Tax Change by Percentiles, 2011¹

Income Class ²	Average Income (2002\$)	Percent Change in After-Tax Income ³	Percent of Total Tax Change	Average Tax Change (2002\$)	Effective Tax Rate ⁴		Share of Federal Taxes ⁵		Average Federal Tax (2002\$) ⁵	
					Pre-EGTRRA	Proposal	Pre-EGTRRA	Proposal	Pre-EGTRRA	Proposal
Lowest Quintile	5,923	0.3	0.2	-19	2.8	2.5	0.2	0.2	167	147
Second Quintile	16,749	2.2	3.5	-339	9.9	7.9	2.2	2.0	1,656	1,316
Middle Quintile	31,597	2.7	7.1	-683	19.0	16.9	7.8	7.9	6,017	5,333
Fourth Quintile	59,121	3.0	14.3	-1,370	23.0	20.6	17.7	18.2	13,578	12,208
Next 10 Percent	97,920	4.1	15.6	-2,988	25.9	22.9	16.5	16.7	25,368	22,380
Next 5 Percent	140,838	3.8	10.0	-3,841	27.6	24.8	12.6	13.0	38,828	34,988
Next 4 Percent	239,195	4.1	14.5	-6,940	29.5	26.6	18.4	19.0	70,656	63,717
Top 1 Percent	1,139,339	8.6	34.6	-66,208	32.7	26.9	24.3	22.8	373,027	306,819
All	59,945	4.3	100.0	-1,916	25.6	22.4	100.0	100.0	15,347	13,432

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0503-1) and TPC calculations based on Treasury, CBO, and JCT data.

(1) Calendar year. Baseline is current law. Includes removing sunsets for the tax provisions in EGTRRA, the Job Creation and Worker Assistance Act of 2002 and the Jobs and Growth Tax Relief Reconciliation Act of 2003 affecting: marginal tax rate reductions; the 10-percent bracket; the child tax credit; the child and dependent care credit; the AMT exemption; the allowance of personal nonrefundable credits regardless of AMT liability; the personal exemption phaseout (PEP); the limitation on itemized deductions (Pease); the standard deduction, 15-percent bracket, and EITC expansion for married couples; tax rates on long-term capital gains and dividends (15 percent; 0 percent for those in the 10- and 15-percent tax brackets); 50-percent bonus depreciation; repeal of estate and generation-skipping transfer taxes and modification of gift tax. Excludes pension and IRA provisions.

(2) Income concept is AGI plus the nontaxable portion of social security and pension income, tax-exempt interest, corporate tax liability, and employer share of payroll tax (social security and medicare). Tax units with negative income are excluded from the lowest quintile but are included in the totals. Includes both filing and non-filing units. Tax units that are dependents of other taxpayers are excluded from the analysis. Percentiles begin at income (in 2002\$) of: second quintile \$11,350; middle quintile \$22,955; fourth quintile \$42,013; next 10 percent \$80,904; next 5 percent \$120,634; next 4 percent \$168,216; and top 1 percent \$416,388.

(3) After-tax income is income as defined in note (2) less individual income tax net of refundable credits, corporate income tax, payroll tax, and estate tax.

(4) Individual income tax (net of refundable credits), corporate income tax, payroll tax, and estate tax, as a percentage of income as defined in note (2).

(5) Includes individual and corporate income taxes, payroll taxes for social security and medicare, and estate tax.