

Table T03-0150
Remove All Sunsets in EGTRRA, JCWA, and JGTRRA:
Distribution of Individual and Corporate Income Tax and Estate Tax Change by Percentiles, 2011¹

Income Class ²	Percent Change in After-Tax Income ³	Percent of Tax Change	Average Tax Change (2002\$)	Effective Tax Rate (excludes payroll tax) ⁴		Share of Federal Taxes (excludes payroll tax) ⁵		Average Federal Tax (excludes payroll tax) (2002\$) ⁵	
				Pre-EGTRRA	Proposal	Pre-EGTRRA	Proposal	Pre-EGTRRA	Proposal
Lowest Quintile	0.3	0.2	-19	-5.8	-6.2	-0.7	-0.9	-345	-365
Second Quintile	2.2	3.5	-339	-0.3	-2.4	-0.1	-1.0	-57	-397
Middle Quintile	2.7	7.1	-683	7.6	5.4	4.7	4.2	2,402	1,719
Fourth Quintile	3.0	14.3	-1,370	11.9	9.6	13.9	13.8	7,055	5,686
Next 10 Percent	4.1	15.6	-2,988	15.0	11.9	14.4	14.2	14,687	11,698
Next 5 Percent	3.8	10.0	-3,841	17.6	14.9	12.2	12.7	24,764	20,923
Next 4 Percent	4.1	14.5	-6,940	22.6	19.7	21.3	22.8	54,178	47,238
Top 1 Percent	8.6	34.6	-66,208	30.5	24.7	34.1	34.0	347,543	281,335
All	4.3	100.0	-1,916	17.0	13.8	100.0	100.0	10,184	8,268

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, and estate tax, as a percentage of income as defined in note (2).

(5) Includes individual and corporate income taxes, and estate tax.