

Table T04-0051
EGTRRA, JCWA, and JGTRRA:

Distribution of Individual Income, Corporate, and Estate Tax Change by Cash Income Class, 2004¹

Cash Income Class (thousands of 2003 dollars) ²	Tax Units ³			Percent Change in After-Tax Income ⁴	Percent of Total Tax Change	Average Tax Change (\$)	Average Federal Tax Rate ⁵	
	Number (thousands)	Percent of Total	Percent with Income Tax Cut				Pre-EGTRRA	Current Law
Less than 10	20,428	14.2	20.4	0.2	0.1	-11	3.6	3.4
10-20	26,467	18.4	67.0	1.4	2.4	-192	6.6	5.3
20-30	20,379	14.2	90.7	2.3	5.0	-510	12.8	10.8
30-40	15,377	10.7	95.5	2.3	5.0	-674	16.6	14.7
40-50	11,446	8.0	98.2	2.5	5.0	-910	18.7	16.7
50-75	20,054	14.0	99.6	2.6	12.4	-1,287	20.6	18.6
75-100	11,395	7.9	99.8	3.3	12.4	-2,264	22.7	20.1
100-200	13,281	9.3	99.9	3.8	24.5	-3,826	25.1	22.2
200-500	3,339	2.3	100.0	3.6	12.3	-7,637	27.6	25.0
500-1,000	527	0.4	100.0	4.5	5.5	-21,470	29.7	26.6
More than 1,000	257	0.2	100.0	6.4	15.3	-123,592	33.8	29.6
All	143,509	100.0	80.4	3.3	100.0	-1,448	22.6	20.0

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0304-2).

(1) Calendar year. Baseline is pre-EGTRRA law. Includes provisions in the Economic Growth and Tax Relief Reconciliation Act of 2001 (EGTRRA), and the Jobs and Growth Tax Relief Reconciliation Act of 2003 (JGTRRA) affecting the following: marginal tax rates; the 10-percent bracket; the child tax credit; the child and dependent care credit; the AMT; the standard deduction, 15-percent bracket, and EITC for married couples; tax rates on long-term capital gains and dividends; pension and IRA provisions; and estate tax exemption, rates, and state death tax credit. Excludes education provisions.

(2) Tax units with negative cash income are excluded from the lowest income class but are included in the totals. For a description of cash income, see <http://www.taxpolicycenter.org/TaxModel/income.cfm>

(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 cash income less: individual income tax net of refundable credits; corporate income tax; payroll taxes (Social Security and Medicare); and estate tax.

(5) Average federal tax (individual income tax, net of refundable credits; corporate income tax; payroll taxes (Social Security and Medicare); and estate tax) as a percentage of average cash income.