

Table T04-0116
Extend Expiring AMT Provisions and Index the AMT for Inflation:
Static Revenue Impact (\$ billions) Under Alternative Baselines, 2005-14¹

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	Total 2005-14
Calendar Year Liability											
Current Law Baseline	-19.7	-26.9	-34.7	-48.4	-59.5	-72.4	-25.6	-30.4	-36.8	-43.6	-397.9
Extend Tax Cuts Legislated to Expire ²	-26.5	-33.2	-40.3	-50.4	-60.7	-73.7	-87.4	-102.0	-119.5	-137.6	-731.4
Kerry Plan Baseline ³	-23.4	-29.3	-36.0	-44.7	-54.6	-66.1	-79.1	-93.0	-109.6	-126.8	-662.5
Fiscal Year Receipts⁴											
Current Law Baseline	-7.9	-22.6	-30.0	-40.2	-52.8	-64.6	-53.6	-27.5	-33.0	-39.6	-371.7
Extend Tax Cuts Legislated to Expire	-10.6	-29.2	-36.0	-44.3	-54.5	-65.9	-79.2	-93.3	-109.0	-126.8	-648.8
Kerry Plan Baseline	-9.4	-25.7	-32.0	-39.5	-48.6	-59.2	-71.3	-84.7	-99.6	-116.5	-586.4

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

(1) Provisions include: allow the use of personal non-refundable credits against both regular tax and AMT liability regardless of tentative AMT; extend AMT exemption of \$58,000 for married couples filing a joint return (\$29,000 for married individuals filing a separate return and \$40,250 for others), indexed for inflation after 2004; index the AMT rate bracket thresholds and exemption phaseout thresholds for inflation after 2004. Figures for the Kerry plan include the revenue effect of allowing the College Opportunity Tax Credit regardless of tentative AMT for all years.

(2) Baseline includes extending all 2010 sunset provisions in the Economic Growth and Tax Relief Reconciliation Act of 2001 (EGTRRA); and all non-AMT provisions in the Jobs and Growth Tax Relief Reconciliation Act of 2003 (JGTRRA).

(3) Baseline includes extending all 2010 sunset provisions in the Economic Growth and Tax Relief Reconciliation Act of 2001 (EGTRRA); and all non-AMT provisions in the Jobs and Growth Tax Relief Reconciliation Act of 2003 (JGTRRA) with the following additional provisions: increase top two marginal tax rates to 36 and 39.6 percent; increase tax rate on capital gains to 20 percent for taxpayers in the top two tax brackets; increase tax rate on dividends to 36 and 39.6 percent for taxpayers in the top two tax brackets; eliminate the repeal of the limitation on itemized deductions (Pease) and the personal exemption phaseout (PEP); all effective 01/01/05.

(4) Fiscal-year estimates assume a 40-60 split. The actual effect on receipts could differ.