

T04-0136
Percentage Change in After-Tax Income Among Tax Units Under
AMT Reform Plan 5 with Income-Tax Financing, by Cash Income Class, 2010¹

	Cash Income Class (thousands of 2003\$) ²											
	All	< 10	10-20	20-30	30-40	40-50	50-75	75-100	100-200	200-500	500-1,000	> 1,000
Current Law Baseline												
Proportional Rate Increase	0.0	0.0	-0.1	-0.3	-0.5	-0.6	-0.6	0.0	0.4	1.6	-0.7	-1.4
Proportional Rate Increase for Tax Rates Above 25%	-0.1	0.0	0.0	0.0	0.0	0.1	0.3	1.0	1.4	0.7	-3.3	-4.9
Distributionally Neutral Rate Increase	-0.1	0.0	0.0	-0.2	-0.3	-0.4	-0.5	0.0	0.1	-0.1	-0.9	1.1
Extend Tax Cuts Legislated to Expire³												
Proportional Rate Increase	-0.1	0.0	-0.1	-0.3	-0.5	-0.6	-0.6	0.0	0.4	1.6	-0.7	-1.5
Proportional Rate Increase for Tax Rates Above 25%	-0.1	0.0	0.0	0.0	0.0	0.1	0.3	1.0	1.4	0.6	-3.3	-4.9
Distributionally Neutral Rate Increase	-0.1	0.0	0.0	-0.2	-0.3	-0.4	-0.5	0.1	0.1	-0.2	-1.0	1.1
Repeal Tax Cuts from 2001-2003												
Proportional Rate Increase	0.0	0.0	0.0	-0.1	-0.1	-0.1	0.0	0.2	0.0	0.2	-0.2	-0.3
Proportional Rate Increase for Tax Rates Above 25%	0.0	0.0	0.0	0.0	0.0	0.1	0.2	0.5	0.3	0.0	-1.0	-1.4
Distributionally Neutral Rate Increase	0.0	0.0	-0.1	-0.1	-0.2	-0.2	-0.1	0.1	0.0	0.1	-0.1	0.3

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0304-3).

(1) Calendar year. See table 9 footnotes for a description of reform option 5. 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.

(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>. Includes both filing and non-filing units. Tax units that are dependents of other taxpayers are excluded from the analysis.

(3) Includes all 2010 sunset provisions in EGTRRA and all non-AMT provisions in JGTRRA.