

T04-0138

Percentage of Taxpayers with Tax Increase Greater Than One Percent of Cash Income Under Revenue-Neutral AMT Repeal and Income Tax Reform Options, 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	12.5	0.0	0.0	0.0	0.0	16.6	25.8	18.3	14.2	5.4	47.5	62.9
Proportional Rate Increase for Tax Rates Above 25%	2.6	0.0	0.0	0.0	0.0	0.0	0.0	0.2	5.4	17.4	65.3	71.3
Distributionally Neutral Rate Increase	13.2	0.0	0.0	0.0	0.0	7.4	25.6	18.0	18.6	28.2	59.2	9.4
Extend Tax Cuts Legislated to Expire³												
Proportional Rate Increase	13.1	0.0	0.0	0.0	0.1	20.0	26.5	18.9	14.2	5.3	46.9	62.3
Proportional Rate Increase for Tax Rates Above 25%	2.6	0.0	0.0	0.0	0.0	0.0	0.0	0.4	5.4	18.0	64.7	70.7
Distributionally Neutral Rate Increase	13.7	0.0	0.0	0.0	0.0	10.3	26.4	18.3	18.6	28.6	59.2	10.7
Repeal Tax Cuts from 2001-2003												
Proportional Rate Increase	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Proportional Rate Increase for Tax Rates Above 25%	1.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.4	20.7	63.5	64.8
Distributionally Neutral Rate Increase	0.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	6.3	0.0	0.0

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

(1) Calendar year. Taxpayers are defined as returns with positive income tax liability net of refundable credits.

(2) Taxpayers 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>. Taxpayers 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.