

T04-0139
Average Tax Change (\$) Among Taxpayers 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
Maintain Current Law												
Proportional Rate Increase	43	1	60	168	253	321	407	34	-392	-4,078	2,368	28,832
Proportional Rate Increase for Tax Rates Above 25%	63	-9	0	-1	-11	-46	-160	-801	-1,640	-1,667	17,980	111,757
Distributionally Neutral Rate Increase	58	-8	14	80	147	221	324	-40	-60	336	4,753	-24,753
Extend Tax Cuts Legislated to Expire³												
Proportional Rate Increase	40	2	60	169	256	324	407	19	-407	-4,112	2,337	29,373
Proportional Rate Increase for Tax Rates Above 25%	76	-9	0	-1	-12	-48	-168	-827	-1,674	-1,576	18,638	115,620
Distributionally Neutral Rate Increase	64	-8	12	79	150	225	327	-45	-59	423	5,003	-24,993
Repeal Tax Cuts from 2001-2003												
Proportional Rate Increase	18	-5	24	59	77	77	56	-87	68	-692	-89	3,676
Proportional Rate Increase for Tax Rates Above 25%	22	-9	0	-2	-11	-42	-125	-367	-347	108	5,030	30,653
Distributionally Neutral Rate Increase	5	-4	27	64	84	82	55	-99	54	-84	-275	-6,558

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.