

February 1, 2005

**Table T05-0024**  
**Effect of 2001-2004 Tax Cuts, Extension of Expiring Provisions, and Indexing the AMT at 2005 Levels**  
**Distribution of Federal Tax Change by Cash Income Class, 2010<sup>1</sup>**

Cash Income Class (thousands of 2003 dollars) <sup>2</sup>	Tax Units <sup>3</sup>			Percent Change in After-Tax Income <sup>4</sup>	Percent of Total Tax Change	Average Tax Change (\$)	Average Federal Tax Rate <sup>5</sup>	
	Number (thousands)	Percent of Total	Percent with Tax Cut				Baseline	Proposal
<b>Less than 10</b>	20,774	13.4	5.9	0.1	0.0	-6	3.1	3.0
<b>10-20</b>	27,902	18.0	53.1	1.3	2.0	-208	6.3	5.0
<b>20-30</b>	21,378	13.8	80.0	2.3	4.1	-572	13.0	11.0
<b>30-40</b>	16,596	10.7	83.4	2.0	3.8	-676	16.5	14.8
<b>40-50</b>	12,306	7.9	89.2	2.0	3.6	-858	18.4	16.8
<b>50-75</b>	20,306	13.1	97.6	2.3	8.8	-1,283	21.1	19.3
<b>75-100</b>	12,845	8.3	99.1	3.1	10.3	-2,385	23.0	20.6
<b>100-200</b>	17,016	10.9	99.2	3.8	24.8	-4,322	25.6	22.8
<b>200-500</b>	4,600	3.0	98.9	4.1	15.0	-9,640	28.0	25.1
<b>500-1,000</b>	779	0.5	98.5	5.8	8.2	-31,210	30.2	26.2
<b>More than 1,000</b>	374	0.2	98.6	7.1	19.2	-151,993	34.0	29.3
<b>All</b>	155,433	100.0	72.8	3.5	100.0	-1,905	23.6	20.9

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

(1) Baseline is pre-EGTRRA law with the AMT indexed to 2000 levels and the personal nonrefundable credits allowed against the AMT.

(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

(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.