

**Table T05-0081: Economic Growth and Tax Relief Reconciliation Act of 2001 (EGTRRA)
Distribution of Federal Tax Change by Cash Income Percentile, 2001¹**

Cash Income Percentile ²	Percent of Tax Units ³		Percent Change in After-Tax Income ⁴	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁵	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (%) Under the Proposal	Change (%) Under the Proposal		
Lowest Quintile	11.3	0.0	0.2	0.5	-10	-4.4	0.0	0.4	-0.1	3.2
Second Quintile	66.8	0.0	1.3	10.1	-211	-13.0	-0.3	2.4	-1.2	8.1
Middle Quintile	89.5	0.0	1.5	18.8	-392	-7.5	-0.4	8.2	-1.2	15.4
Fourth Quintile	97.8	0.0	1.3	26.1	-545	-5.0	-0.3	17.6	-1.0	19.1
80-90	98.9	0.0	1.1	16.8	-700	-3.6	0.0	15.9	-0.8	22.0
90-95	99.3	0.0	0.9	10.3	-861	-2.9	0.1	12.3	-0.7	23.9
95-99	98.7	0.0	0.7	10.4	-1,088	-2.0	0.3	17.7	-0.5	25.7
99-99.5	91.1	0.0	0.5	2.0	-1,627	-1.4	0.1	4.9	-0.4	27.8
99.5-99.9	85.9	0.0	0.5	2.6	-2,661	-1.1	0.2	8.1	-0.3	30.1
99.9-100	83.3	0.0	0.4	2.6	-10,721	-0.7	0.3	12.3	-0.3	33.4
All	72.7	0.0	1.0	100.0	-418	-3.4	0.0	100.0	-0.8	21.8
Addendum										
Top 20 Percent	98.4	0.0	0.8	44.5	-930	-2.2	0.9	71.3	-0.6	26.0
Top 1 Percent	88.2	0.0	0.5	7.1	-2,950	-1.0	0.6	25.3	-0.3	31.1

**Baseline Distribution of Income and Federal Taxes
by Cash Income Percentile, 2001¹**

Cash Income Percentile ²	Tax Units ³		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After-Tax Income ³ (Dollars)	Average Federal Tax Rate ⁴	Share of Pre-Tax Income Percent of Total	Share of Post-Tax Income Percent of Total	Share of Federal Taxes Percent of Total
	Number (thousands)	Percent of Total							
Lowest Quintile	27,062	19.6	6,817	225	6,592	3.3	2.5	3.1	0.4
Second Quintile	27,602	20.0	17,480	1,623	15,858	9.3	6.4	7.5	2.6
Middle Quintile	27,603	20.0	31,699	5,261	26,438	16.6	11.7	12.5	8.6
Fourth Quintile	27,606	20.0	54,648	10,995	43,653	20.1	20.1	20.7	17.9
80-90	13,799	10.0	86,003	19,599	66,405	22.8	15.8	15.8	16.0
90-95	6,901	5.0	122,181	30,064	92,118	24.6	11.2	10.9	12.3
95-99	5,521	4.0	204,119	53,539	150,580	26.2	15.0	14.3	17.5
99-99.5	690	0.5	418,078	117,780	300,298	28.2	3.8	3.6	4.8
99.5-99.9	552	0.4	797,883	242,816	555,067	30.4	5.9	5.3	7.9
99.9-100	138	0.1	4,358,319	1,466,151	2,892,168	33.6	8.0	6.9	12.0
All	138,015	100.0	54,430	12,268	42,162	22.5	100.0	100.0	100.0
Addendum									
Top 20 Percent	27,601	20.0	162,578	43,156	119,422	26.6	59.7	56.6	70.4
Top 1 Percent	1,380	1.0	963,963	302,611	661,352	31.4	17.7	15.7	24.7

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0305-1).

(1) Baseline is pre-EGTRRA law. Includes provisions in EGTRRA affecting the following: marginal tax rates; the 10-percent bracket; the child tax credit; the child and dependent care credit; the AMT; the standard deduction, 15-percent bracket, and EITC for married couples; pension and IRA provisions; and expansion of student loan interest deduction (excludes other education provisions).

(2) Tax units with negative cash income are excluded from the lowest quintile 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 tax.

(5) Average federal tax (includes individual and corporate income tax, payroll taxes for Social Security and Medicare, and the estate tax) as a percentage of average cash income.