

**Table T05-0108**  
**Option #3: 15% refundability above \$7,500 indexed**  
**Distribution of Federal Tax Benefits by Cash Income Class, 2010 <sup>1</sup>**

Cash Income Class (thousands of 2005 dollars) <sup>2</sup>	Percent of Tax Units <sup>3</sup>		Percent Change in After-Tax Income <sup>4</sup>	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate <sup>5</sup>	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (%) Under the Points)	Under the Proposal	Change (%) Under the Points)	Under the Proposal
Less than 10	3.1	0.0	0.1	2.4	-4	-1.6	0.0	0.2	-0.1	4.1
10-20	17.9	0.0	0.5	67.9	-82	-9.9	-0.1	0.8	-0.5	4.5
20-30	7.3	0.0	0.1	23.8	-33	-1.2	0.0	2.5	-0.1	10.2
30-40	1.8	0.0	0.0	4.3	-8	-0.1	0.0	3.7	0.0	14.4
40-50	0.5	0.0	0.0	1.1	-2	0.0	0.0	4.4	0.0	17.0
50-75	0.1	0.0	0.0	0.2	0	0.0	0.0	12.0	0.0	19.4
75-100	0.0	0.0	0.0	0.1	0	0.0	0.0	11.3	0.0	21.1
100-200	0.0	0.0	0.0	0.0	0	0.0	0.0	26.1	0.0	24.0
200-500	0.0	0.0	0.0	0.0	0	0.0	0.0	16.7	0.0	26.7
500-1,000	0.0	0.0	0.0	0.0	0	0.0	0.0	6.4	0.0	26.4
More than 1,000	0.0	0.0	0.0	0.0	0	0.0	0.0	15.9	0.0	30.2
All	4.5	0.0	0.0	100.0	-19	-0.1	0.0	100.0	0.0	21.8

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Class, 2010 <sup>1</sup>**

Cash Income Class (thousands of 2005 dollars) <sup>2</sup>	Tax Units <sup>3</sup>		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After-Tax Income <sup>4</sup> (Dollars)	Average Federal Tax Rate <sup>5</sup>	Share of Pre- Tax Income Percent of Total	Share of Post-Tax Percent of Total	Share of Federal Percent of Total
	Number (thousands)	Percent of Total							
Less than 10	17,298	11.2	6,190	257	5,933	4.2	0.9	1.2	0.2
10-20	24,828	16.1	16,653	831	15,822	5.0	3.6	4.4	0.8
20-30	21,679	14.1	27,490	2,835	24,655	10.3	5.3	6.0	2.5
30-40	16,440	10.7	38,628	5,575	33,053	14.4	5.6	6.1	3.7
40-50	12,893	8.4	49,638	8,449	41,189	17.0	5.6	6.0	4.4
50-75	22,442	14.6	68,192	13,199	54,993	19.4	13.5	13.9	11.9
75-100	13,870	9.0	95,865	20,227	75,638	21.1	11.7	11.8	11.3
100-200	18,051	11.7	149,322	35,879	113,443	24.0	23.7	23.1	26.1
200-500	4,875	3.2	317,752	84,858	232,894	26.7	13.6	12.8	16.7
500-1,000	794	0.5	752,123	198,874	553,249	26.4	5.3	4.9	6.4
More than 1,000	408	0.3	3,203,897	966,312	2,237,585	30.2	11.5	10.3	15.9
All	154,170	100.0	73,696	16,094	57,602	21.8	100.0	100.0	100.0

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0305-3a).

(1) Baseline is current law.

(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 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