

**Table T05-0231. Option 7: Make CDCTC Fully Refundable; Raise Top Credit Rate to 50 Percent, Phased Out Starting at \$30,000
Number of Returns and Amount Reported Compared to Current Law, 2005 ¹**

Cash Income Class (thousands of 2005 dollars) ^{2,3}	Current Law					Proposal					Change Due to Proposal					
	Returns		Reported Credit		Average Credit (\$)	Returns		Reported Credit		Average Credit (\$)	Returns		Reported Credit		Average Credit	
	Number (thousands)	Percent Of Total	Amount (\$ millions)	Percent Of Total		Number (thousands)	Percent Of Total	Amount (\$ millions)	Percent Of Total		Number (thousands)	Percentage	Amount (\$ millions)	Percentage	Dollars	Percentage
Less than 10	0	0.0	0.0	0.0	#DIV/0!	544	6.9	547.3	8.0	1006	544	#DIV/0!	547.3	#DIV/0!	1,006	#DIV/0!
10-20	157	2.5	37.9	1.1	241	955	12.1	1,254.4	18.4	1314	797	506.5	1,216.5	3208.5	1,073	445.5
20-30	668	10.5	341.3	10.2	511	809	10.3	1,000.4	14.6	1237	140	21.0	659.1	193.1	726	142.2
30-40	843	13.3	513.3	15.3	609	861	10.9	1,029.6	15.1	1195	19	2.2	516.3	100.6	586	96.2
40-50	564	8.9	314.5	9.4	558	578	7.3	584.7	8.6	1012	14	2.5	270.2	85.9	454	81.4
50-75	1,452	22.9	760.7	22.7	524	1,472	18.7	1,002.0	14.7	681	20	1.4	241.3	31.7	157	30.0
75-100	1,061	16.7	536.7	16.0	506	1,066	13.5	546.5	8.0	513	5	0.5	9.8	1.8	7	1.3
100-200	1,312	20.7	698.1	20.8	532	1,314	16.7	704.0	10.3	536	2	0.2	5.9	0.8	3	0.7
200-500	250	3.9	133.4	4.0	533	251	3.2	133.9	2.0	534	0	0.2	0.5	0.4	1	0.2
500-1,000	25	0.4	13.3	0.4	536	25	0.3	13.4	0.2	538	0	0.4	0.1	0.6	1	0.2
More than 1,000	9	0.1	6.2	0.2	714	9	0.1	6.3	0.1	720	0	0.8	0.1	1.7	7	0.9
All	6,341	100.0	3,355.3	100.0	529	7,889	100.0	6,829.3	100.0	866	1,548	24.4	3,473.9	103.5	337	63.6

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0305-2).

(1) Calendar year. The maximum credit rate would be increased from 35 percent to 50 percent. The credit rate would be reduced by one percentage point for each \$1,000 (or fraction thereof) by which AGI exceeds \$30,000. The credit would be available regardless of tax liability.

(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.