

**Table T05-0216. Option 4: Index CDCTC For Inflation and Make Fully Refundable
Number of Returns and Amount Reported Compared to Current Law, 2015 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	N/A	567	6.2	504.8	7.1	890	567	N/A	504.8	N/A	890	N/A
10-20	144	3.7	41.2	2.5	285	1,140	12.6	1,381.6	19.4	1,212	995	688.7	1,340.4	3,253.1	927	325.1
20-30	645	16.3	294.3	18.0	456	882	9.7	858.6	12.1	973	237	36.8	564.3	191.7	517	113.3
30-40	835	21.1	373.7	22.8	448	899	9.9	677.1	9.5	753	64	7.7	303.3	81.2	305	68.2
40-50	701	17.7	289.6	17.7	413	812	8.9	528.6	7.4	651	111	15.8	239.0	82.5	238	57.6
50-75	689	17.4	281.7	17.2	409	1,395	15.4	912.1	12.8	654	705	102.3	630.4	223.8	246	60.1
75-100	381	9.6	143.0	8.7	376	1,095	12.1	722.9	10.2	660	715	187.8	580.0	405.7	284	75.7
100-200	439	11.1	152.6	9.3	347	1,842	20.3	1,209.0	17.0	656	1,403	319.4	1,056.4	692.3	309	88.9
200-500	76	1.9	38.3	2.3	504	391	4.3	272.7	3.8	697	315	414.6	234.4	611.9	193	38.3
500-1,000	29	0.7	16.7	1.0	569	37	0.4	24.9	0.4	682	7	24.8	8.2	49.4	112	19.7
More than 1,000	12	0.3	7.6	0.5	620	13	0.1	11.3	0.2	883	1	5.3	3.8	49.9	262	42.3
All	3,952	100.0	1,638.5	100.0	415	9,078	100.0	7,109.1	100.0	783	5,126	129.7	5,470.6	333.9	369	88.9

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

(1) Calendar year. Baseline is current law. The maximum eligible expenses and the AGI level at which the credit rate begins to phase down would be indexed for inflation starting 01/01/06. The rounding factor for indexation would be the nearest multiple of \$10, the same as for the Earned Income Tax Credit. Proposal also includes allowing the CDCTC regardless of AMT liability and extending the EGTRRA provisions.

(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.