

**Table T05-0247. Option 3: Increase Point at Which EITC is Phased Out by 10 Percent, For Married Couples Only
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	5,176	23.7	6,002.2	14.3	1,160	5,176	22.9	6,003.4	13.9	1,160	0	0.0	1.2	0.0	0	0.0
10-20	6,912	31.6	19,216.3	45.9	2,780	6,939	30.7	19,243.0	44.4	2,773	27	0.4	26.6	0.1	-7	-0.3
20-30	5,734	26.2	12,504.6	29.8	2,181	5,749	25.4	12,820.6	29.6	2,230	15	0.3	316.0	2.5	49	2.3
30-40	3,422	15.7	3,517.1	8.4	1,028	3,642	16.1	4,271.3	9.9	1,173	220	6.4	754.2	21.4	145	14.1
40-50	422	1.9	423.0	1.0	1,002	889	3.9	686.4	1.6	772	467	110.6	263.4	62.3	-230	-22.9
50-75	97	0.4	131.7	0.3	1,361	127	0.6	161.1	0.4	1,264	31	31.7	29.4	22.3	-97	-7.1
75-100	13	0.1	10.8	0.0	829	14	0.1	13.6	0.0	956	1	9.3	2.8	25.9	126	15.2
100-200	4	0.0	3.9	0.0	1,092	4	0.0	4.0	0.0	1,009	0	10.2	0.1	1.9	-82	-7.6
200-500	4	0.0	8.3	0.0	2,220	4	0.0	8.4	0.0	2,236	0	0.0	0.1	0.7	16	0.7
500-1,000	0	0.0	0.0	0.0	4,769	0	0.0	0.0	0.0	4,769	0	0.0	0.0	0.0	0	0.0
More than 1,000	0	0.0	0.0	0.0	2,100	0	0.0	0.0	0.0	2,434	0	0.0	0.0	15.9	334	15.9
All	21,850	100.0	41,908.2	100.0	1,918	22,614	100.0	43,304.8	100.0	1,915	764	3.5	1,396.6	3.3	-3	-0.2

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

(1) Calendar year. Proposal reduces the EITC phasedown rates to ensure the credit is completely phased out at an income level that is 10 percent higher than under current law, for married couples filing a joint return only. The rates would be 6.05, 13.34, and 17.87 percent for 0 children, 1 child, and 2 or more children, respectively.

(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.