

**Table T05-0260. Option 6: Make CDCTC Fully Refundable; Raise Top Credit Rate to 50 Percent, Phased Out Starting at \$15,000  
Number of Returns and Amount Reported Compared to Current Law, 2005 <sup>1</sup>  
For Tax Units in Cities Only**

Cash Income Class (thousands of 2005 dollars) <sup>2,3</sup>	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
<b>Less than 10</b>	0	0.0	0.0	0.0	N/A	162	10.3	148.5	10.3	915	162	N/A	148.5	N/A	915	N/A
<b>10-20</b>	56	4.8	13.3	2.2	239	253	16.0	329.5	22.8	1,305	197	352.2	316.2	2,371.7	1,066	446.6
<b>20-30</b>	153	13.0	79.8	12.9	522	188	11.9	217.0	15.0	1,153	35	23.2	137.3	172.1	631	120.9
<b>30-40</b>	222	18.9	135.2	21.8	609	226	14.3	234.8	16.3	1,040	4	1.8	99.6	73.7	431	70.7
<b>40-50</b>	121	10.3	68.9	11.1	569	127	8.0	122.6	8.5	968	6	4.6	53.7	77.9	399	70.0
<b>50-75</b>	242	20.6	123.5	20.0	510	244	15.4	186.5	12.9	766	1	0.5	63.0	51.0	256	50.3
<b>75-100</b>	182	15.5	89.5	14.5	492	182	11.5	92.8	6.4	510	0	0.1	3.3	3.7	18	3.6
<b>100-200</b>	161	13.7	87.1	14.1	541	162	10.2	88.4	6.1	546	1	0.7	1.4	1.6	5	0.9
<b>200-500</b>	35	3.0	19.1	3.1	543	35	2.2	19.1	1.3	543	0	0.0	0.0	0.1	1	0.1
<b>500-1,000</b>	3	0.2	1.8	0.3	648	3	0.2	1.8	0.1	645	0	1.4	0.0	1.1	-2	-0.3
<b>More than 1,000</b>	1	0.1	0.6	0.1	732	1	0.1	0.7	0.0	746	0	1.7	0.0	3.6	14	1.9
<b>All</b>	1,176	100.0	618.9	100.0	526	1,583	100.0	1,442.9	100.0	912	407	34.6	824.0	133.1	385	73.2

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 \$2,000 (or fraction thereof) by which AGI exceeds \$15,000. 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.