

Table T05-0269
EGTRRA, JGTRRA, and WFTRA Made Permanent
Distribution of Federal Tax Change by Cash Income Class, 2010¹

Cash Income Class (thousands of 2005 dollars) ²	Percent of Tax Units ³		Percent Change in After-Tax Income ⁴	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁵	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (%) Points)	Under the Proposal	Change (%) Points)	Under the Proposal
Less than 10	5.3	0.0	0.1	0.1	-7	-2.7	0.0	0.2	-0.1	4.2
10-20	51.2	0.0	1.2	1.9	-195	-19.2	-0.1	0.8	-1.2	4.9
20-30	79.1	0.0	2.4	4.9	-572	-17.0	-0.2	2.5	-2.1	10.2
30-40	86.7	0.0	2.4	5.0	-765	-12.2	-0.1	3.7	-2.0	14.3
40-50	91.9	0.0	2.2	4.5	-886	-9.6	0.0	4.4	-1.8	16.8
50-75	95.9	0.0	2.2	10.6	-1,187	-8.3	0.1	12.0	-1.7	19.2
75-100	95.7	0.0	2.2	9.1	-1,655	-7.6	0.2	11.4	-1.7	20.9
100-200	93.0	0.0	2.3	18.6	-2,593	-6.8	0.7	26.3	-1.7	23.9
200-500	90.8	0.0	2.5	11.1	-5,721	-6.4	0.5	16.7	-1.8	26.4
500-1,000	98.1	0.0	5.3	8.9	-28,145	-12.6	-0.2	6.3	-3.7	25.9
More than 1,000	99.0	0.0	7.3	25.0	-154,515	-14.3	-0.9	15.5	-4.8	29.0
All	74.0	0.0	2.9	100.0	-1,635	-9.3	0.0	100.0	-2.2	21.5

Baseline Distribution of Income and Federal Taxes
by Cash Income Class, 2010¹

Cash Income Class (thousands of 2005 dollars) ²	Tax Units ³		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After-Tax Income ⁴ (Dollars)	Average Federal Tax Rate ⁵	Share of Pre-	Share of Post-	Share of
	Number (thousands)	Percent of Total					Tax Income Percent of Total	Tax Income Percent of Total	Federal Taxes Percent of Total
Less than 10	17,298	11.2	6,190	264	5,926	4.3	0.9	1.2	0.2
10-20	24,828	16.1	16,653	1,015	15,638	6.1	3.6	4.5	0.9
20-30	21,679	14.1	27,490	3,367	24,123	12.3	5.3	6.0	2.7
30-40	16,440	10.7	38,628	6,282	32,346	16.3	5.6	6.1	3.8
40-50	12,893	8.4	49,638	9,247	40,391	18.6	5.6	6.0	4.4
50-75	22,442	14.6	68,192	14,275	53,917	20.9	13.5	14.0	11.9
75-100	13,870	9.0	95,865	21,729	74,136	22.7	11.7	11.9	11.2
100-200	18,051	11.7	149,322	38,222	111,100	25.6	23.7	23.2	25.6
200-500	4,875	3.2	317,752	89,504	228,248	28.2	13.6	12.8	16.2
500-1,000	794	0.5	752,123	223,207	528,916	29.7	5.3	4.8	6.6
More than 1,000	408	0.3	3,203,897	1,084,191	2,119,706	33.8	11.5	10.0	16.4
All	154,170	100.0	73,696	17,497	56,199	23.7	100.0	100.0	100.0

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

(1) Calendar year. Baseline is pre-EGTRRA law. Includes provisions in the Economic Growth and Tax Relief Reconciliation Act of 2001 (EGTRRA), the Jobs and Growth Tax Relief Reconciliation Act of 2003 (JGTRRA), and the Working Families Tax Relief Act of 2004 (WFTRA) affecting the following: marginal tax rates; the 10-percent bracket; the child tax credit; the child and dependent care credit; the AMT; the personal exemption phaseout (PEP); the limitation on itemized deductions (Pease); the standard deduction, 15-percent bracket, and EITC for married couples; tax rates on long-term capital gains and dividends; pension and IRA provisions; student loan interest deduction (excludes other education provisions); and estate tax exemption, rates, and state death tax credit. Assumes all non-AMT provisions, other than the saver's credit, are made permanent, as outlined in the Administration's FY2006 budget proposal.

(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 income.