

Table T05-0301
Make EGTRRA, JGTRRA, and WFTRA Permanent With Extension of 2005 AMT Relief, Indexed for Inflation
Baseline is Current Law
Distribution of Federal Tax Change by Cash Income Class, 2015 ¹

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	5.6	0.2	0.1	0.0	-9	-2.9	0.0	0.2	-0.1	4.6
10-20	51.6	0.6	1.2	1.2	-212	-19.2	-0.1	0.7	-1.1	4.8
20-30	76.7	0.1	2.2	3.2	-599	-16.3	-0.1	2.3	-2.0	10.0
30-40	84.0	0.1	2.3	3.4	-827	-12.2	0.0	3.4	-1.9	13.8
40-50	88.8	0.1	2.2	3.3	-1,010	-9.8	0.1	4.2	-1.8	16.7
50-75	96.2	0.0	2.7	9.0	-1,642	-10.1	0.3	11.2	-2.2	19.1
75-100	99.2	0.0	3.6	10.5	-2,989	-12.0	0.0	10.8	-2.8	20.5
100-200	99.5	0.0	4.4	27.2	-5,502	-12.5	-0.1	26.6	-3.3	23.0
200-500	99.5	0.0	4.4	15.9	-11,148	-10.9	0.3	18.0	-3.2	25.7
500-1,000	99.1	0.1	5.3	7.0	-31,655	-12.9	-0.1	6.6	-3.8	25.5
More than 1,000	99.1	0.2	7.2	19.1	-169,677	-14.4	-0.4	15.9	-4.8	28.5
All	76.5	0.2	4.0	100.0	-2,644	-12.3	0.0	100.0	-3.0	21.4

Baseline Distribution of Income and Federal Taxes
by Cash Income Class, 2015 ¹

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	15,853	9.7	6,645	316	6,328	4.8	0.7	0.9	0.1
10-20	24,587	15.1	18,558	1,102	17,456	5.9	3.2	3.9	0.8
20-30	22,795	14.0	30,772	3,680	27,092	12.0	4.9	5.7	2.4
30-40	17,610	10.8	43,040	6,767	36,273	15.7	5.2	5.8	3.4
40-50	13,922	8.5	55,387	10,270	45,117	18.5	5.3	5.8	4.1
50-75	23,689	14.5	76,043	16,190	59,853	21.3	12.5	13.0	10.9
75-100	15,212	9.3	107,254	24,983	82,271	23.3	11.3	11.5	10.8
100-200	21,328	13.1	168,033	44,077	123,955	26.2	24.8	24.2	26.7
200-500	6,135	3.8	353,439	101,883	251,556	28.8	15.0	14.1	17.8
500-1,000	948	0.6	839,707	246,065	593,642	29.3	5.5	5.2	6.6
More than 1,000	486	0.3	3,555,482	1,181,729	2,373,753	33.2	12.0	10.6	16.3
All	163,160	100.0	88,578	21,570	67,007	24.4	100.0	100.0	100.0

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

Number of AMT Taxpayers (millions). Baseline: 28.5 Proposal: 8.7

(1) Calendar year. Baseline is current law. Provisions include extending provisions in EGTRRA, JGTRRA, and WFTRA affecting the following: marginal tax rates; the 10-percent bracket; the child tax credit; the child and dependent care credit; the standard deduction, 15-percent bracket, and EITC for married couples; tax rates on long-term capital gains and dividends; pension and IRA provisions (excludes the saver's credit); expansion of student loan interest deduction (excludes other education provisions); and estate tax exemption, rates, and state death tax credit. Provisions also include extending the 2005 AMT exemption levels, indexed for inflation after 2005; and allowance of personal non-refundable credits regardless of tentative AMT.

(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.