

**Table T06-0024**  
**EGTRRA Estate Tax Provisions**  
**Distribution of Federal Tax Change by Cash Income Class, 2006<sup>1</sup>**

Cash Income Class (thousands of 2005 dollars) <sup>2</sup>	Percent of Tax Units <sup>3</sup>		Percent Change in After-Tax Income <sup>4</sup>	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate <sup>5</sup>	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Less than 10	0.0	0.0	0.0	0.2	-1	-0.4	0.0	0.2	0.0	3.8
10-20	0.0	0.0	0.0	1.6	-5	-0.7	0.0	1.0	0.0	4.7
20-30	0.0	0.0	0.0	1.8	-7	-0.3	0.0	2.7	0.0	10.0
30-40	0.0	0.0	0.1	3.4	-17	-0.3	0.0	4.1	-0.1	14.4
40-50	0.0	0.0	0.1	2.8	-18	-0.2	0.0	4.7	0.0	16.7
50-75	0.0	0.0	0.0	3.8	-14	-0.1	0.0	12.7	0.0	18.6
75-100	0.0	0.0	0.1	9.1	-56	-0.3	0.0	11.5	-0.1	20.3
100-200	0.1	0.0	0.2	35.8	-180	-0.6	0.0	24.6	-0.1	23.1
200-500	0.2	0.0	0.3	27.6	-529	-0.7	-0.1	15.7	-0.2	26.1
500-1,000	0.4	0.0	0.2	8.2	-940	-0.5	0.0	6.4	-0.1	26.9
More than 1,000	0.6	0.0	0.1	5.2	-1,151	-0.1	0.0	16.4	0.0	30.8
All	0.0	0.0	0.1	100.0	-52	-0.4	0.0	100.0	-0.1	21.0

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Class, 2006<sup>1</sup>**

Cash Income Class (thousands of 2005 dollars) <sup>2</sup>	Tax Units <sup>3</sup>		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After-Tax Income <sup>4</sup> (Dollars)	Average Federal Tax Rate <sup>5</sup>	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	18,886	12.9	5,743	218	5,526	3.8	1.2	1.4	0.2
10-20	25,413	17.4	15,208	726	14,482	4.8	4.2	5.1	1.0
20-30	20,374	13.9	25,206	2,528	22,679	10.0	5.6	6.4	2.6
30-40	15,429	10.5	35,525	5,123	30,402	14.4	5.9	6.5	4.1
40-50	11,963	8.2	45,636	7,647	37,989	16.8	5.9	6.3	4.7
50-75	21,121	14.4	62,649	11,642	51,007	18.6	14.4	14.8	12.6
75-100	12,455	8.5	87,930	17,908	70,022	20.4	11.9	12.0	11.5
100-200	15,196	10.4	136,287	31,611	104,676	23.2	22.5	21.9	24.7
200-500	3,988	2.7	292,415	76,791	215,624	26.3	12.7	11.8	15.7
500-1,000	668	0.5	690,594	186,893	503,701	27.1	5.0	4.6	6.4
More than 1,000	345	0.2	2,994,463	922,989	2,071,474	30.8	11.2	9.8	16.4
All	146,417	100.0	62,970	13,297	49,673	21.1	100.0	100.0	100.0

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

Number of AMT Taxpayers (millions). Baseline: 18.9 Proposal: 18.9

(1) Calendar year. Baseline is pre-EGTRRA law. Provisions include: repeal estate tax rates in excess of 46 percent; increase the effective exemption to \$2 million; repeal the 5-percent "bubble" that phases out the lower rates; and repeal the state death tax credit and replace with a deduction for state estate taxes actually paid.

(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.