

Revised Estimates: January 30, 2003

Table T03-0054
Tax Dividends at Long-Term Capital Gains Rates:
Distribution of Income Tax Change by AGI Class, 2003¹

| AGI Class (thousands of 2001 dollars) ² | Returns | | Percent Change in After-Tax Income ³ | Percent of Total Income Tax Change | Average Tax Change (\$) | Average Income Tax Rate ⁴ | |
|---|-----------------------|---------------------|---|--|----------------------------|--------------------------------------|----------|
| | Number (thousands) | Percent of Total | | | | Current Law | Proposal |
| Less than 10 | 25,755 | 19.2 | * | * | ** | -6.7 | -6.7 |
| 10-20 | 23,602 | 17.6 | * | 0.3 | -1 | -3.0 | -3.0 |
| 20-30 | 18,644 | 13.9 | * | 1.1 | -4 | 3.8 | 3.8 |
| 30-40 | 13,534 | 10.1 | * | 1.6 | -9 | 7.0 | 7.0 |
| 40-50 | 10,307 | 7.7 | * | 1.9 | -14 | 9.0 | 9.0 |
| 50-75 | 17,874 | 13.4 | * | 6.1 | -26 | 10.3 | 10.2 |
| 75-100 | 10,224 | 7.6 | 0.1 | 6.7 | -50 | 12.3 | 12.2 |
| 100-200 | 9,906 | 7.4 | 0.1 | 20.4 | -158 | 16.0 | 15.9 |
| 200-500 | 2,395 | 1.8 | 0.3 | 20.1 | -647 | 23.0 | 22.8 |
| 500-1,000 | 418 | 0.3 | 0.4 | 11.0 | -2,014 | 27.7 | 27.4 |
| More than 1,000 | 226 | 0.2 | 0.5 | 30.7 | -10,440 | 28.8 | 28.5 |
| All | 133,835 | 100.0 | 0.1 | 100.0 | -57 | 13.9 | 13.8 |

Source: Urban-Brookings Tax Policy Center Microsimulation Model.

* Less than 0.05 percent. ** Less than \$1 in absolute value.

(1) Calendar year. Would not apply to income that, under current law, is reported as dividends on tax returns but represents distributions of interest income from mutual funds.

(2) Returns with negative AGI are excluded from the lowest income class but are included in the totals.

(3) After-tax income is AGI less individual income tax net of refundable credits.

(4) Average income tax, net of refundable credits, as a percentage of average AGI.