

Revised Estimates: January 30, 2003

Table T03-0063
\$1,000 Dividend Exemption:
Distribution of Income Tax Change by AGI Class, Non-Elderly Returns, 2003¹

AGI Class (thousands of 2001 dollars) ²	Non-Elderly Returns		Percent Change in After-Tax Income ³	Percent of Income Tax Change		Average Tax Change (\$)	Average Income Tax Rate ⁴	
	Number (thousands)	Percent of All Returns		Within Class	Total		Current Law	Proposal
Less than 10	23,901	17.9	*	95.3	0.8	-1	-7.3	-7.3
10-20	20,200	15.1	*	47.0	1.4	-2	-3.9	-3.9
20-30	16,374	12.2	*	43.6	2.1	-4	3.6	3.6
30-40	12,233	9.1	*	46.8	2.7	-6	7.0	7.0
40-50	9,241	6.9	*	49.2	3.6	-11	8.9	8.8
50-75	15,575	11.6	*	56.3	9.5	-18	10.1	10.0
75-100	9,025	6.7	*	70.0	10.7	-35	12.0	12.0
100-200	8,651	6.5	0.1	74.2	20.1	-69	15.8	15.8
200-500	2,096	1.6	0.1	83.5	11.6	-164	23.0	23.0
500-1,000	367	0.3	*	87.2	2.8	-224	28.1	28.0
More than 1,000	201	0.1	*	88.6	1.8	-263	29.3	29.3
All	118,764	88.7	*	67.0	67.0	-17	13.8	13.8

Source: Urban-Brookings Tax Policy Center Microsimulation Model.

* Less than 0.05 percent.

(1) Calendar year. Baseline is current law. Returns of individuals under age 65; for joint returns, both individuals are under 65. 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. The \$1,000 exemption would apply for all filing statuses.

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

(3) After-tax income is AGI adjusted for income excluded by the proposal, less individual income tax net of refundable credits.

(4) Average income tax, net of refundable credits, as a percentage of average AGI adjusted for income excluded by the proposal.