

Table T03-0180
Raise Top Personal Income Tax Rate to 37.5 Percent:
Distribution of Income Tax Change by Percentiles, 2004¹

AGI Class ²	Percent of Tax Units with Tax Change	Percent Change in After-Tax Income ³	Percent of Total Income Tax Change	Average Tax Change (\$)	Average Income Tax Rate ⁴	
					Current Law	Proposal
Lowest Quintile	0.0	0.0	0.0	0	-10.5	-10.5
Second Quintile	0.0	0.0	0.0	0	-5.4	-5.4
Middle Quintile	0.0	0.0	0.0	0	3.8	3.8
Fourth Quintile	0.0	0.0	0.0	0	8.1	8.1
Next 10 Percent	0.0	0.0	0.0	0	10.0	10.0
Next 5 Percent	0.0	0.0	0.0	0	12.6	12.6
Next 4 Percent	0.2	*	0.1	1	17.1	17.1
Top 1 Percent	48.0	-1.2	99.9	7,672	25.1	26.0
All	0.5	-0.2	100.0	77	12.0	12.2

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0503-1).

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

(1) Calendar year. Baseline is current law. Under current law, the top rate is 35 percent.

(2) Tax units with negative AGI are excluded from the lowest quintile but are included in the totals. Includes both filing and non-filing units. Tax units that are dependents of other taxpayers are excluded from the analysis.

(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.