

Table T07-0029. Income Tax Liability of Sample Families by Type of Filer for Tax Year 2006

AGI	Single		Head of Household			Married Filing Joint				
# of kids	0	1	2	3	6	0	1	2	3	6
# of filers	48.3 mil	10.2 mil	5.6 mil	1.3 mil	0.01 mil	25.4 mil	10.1 mil	10.9 mil	4.3 mil	0.10 mil
Tax Liability (in Dollars)										
\$10,000	(7)	(2,747)	(4,000)	(4,000)	(4,000)	(315)	(2,747)	(4,000)	(4,000)	(4,000)
\$15,000	655	(3,272)	(5,051)	(5,051)	(5,051)	0	(3,302)	(5,091)	(5,091)	(5,091)
\$25,000	2,090	(1,029)	(3,635)	(4,445)	(4,445)	810	(1,958)	(4,661)	(4,866)	(4,866)
\$35,000	3,275	1,590	(189)	(1,684)	(3,839)	1,960	480	(1,555)	(2,885)	(4,260)
\$50,000	5,518	3,308	1,813	318	(4,167)	4,090	2,595	1,100	(395)	(4,735)
\$75,000	10,388	7,363	5,538	3,713	(338)	6,985	5,490	3,995	2,500	(1,985)
\$100,000	15,203	13,178	11,603	9,778	6,616	10,935	9,110	7,285	5,460	855
\$125,000	20,391	17,883	17,058	16,291	13,291	15,640	14,565	12,740	10,915	6,328
\$150,000	25,593	23,404	23,404	23,404	21,154	20,325	19,500	18,675	16,850	12,982
\$200,000	36,798	36,798	36,798	36,798	36,798	30,123	29,199	29,147	29,147	27,647
\$500,000	108,525	108,525	108,525	108,525	108,525	108,525	108,525	108,525	108,525	108,525
\$1,000,000	220,722	217,341	216,956	216,571	215,416	214,440	214,440	214,440	214,440	214,440
\$1,500,000	325,073	321,691	321,306	320,921	319,766	318,078	317,693	317,308	316,923	315,768
\$2,000,000	436,623	433,241	432,856	432,471	431,316	429,628	429,243	428,858	428,473	427,318
Average Tax Rates (in Percent)										
\$10,000	(0.1)	(27.5)	(40.0)	(40.0)	(40.0)	(3.2)	(27.5)	(40.0)	(40.0)	(40.0)
\$15,000	4.4	(21.8)	(33.7)	(33.7)	(33.7)	0.0	(22.0)	(33.9)	(33.9)	(33.9)
\$25,000	8.4	(4.1)	(14.5)	(17.8)	(17.8)	3.2	(7.8)	(18.6)	(19.5)	(19.5)
\$35,000	9.4	4.5	(0.5)	(4.8)	(11.0)	5.6	1.4	(4.4)	(8.2)	(12.2)
\$50,000	11.0	6.6	3.6	0.6	(8.3)	8.2	5.2	2.2	(0.8)	(9.5)
\$75,000	13.9	9.8	7.4	5.0	(0.5)	9.3	7.3	5.3	3.3	(2.6)
\$100,000	15.2	13.2	11.6	9.8	6.6	10.9	9.1	7.3	5.5	0.9
\$125,000	16.3	14.3	13.6	13.0	10.6	12.5	11.7	10.2	8.7	5.1
\$150,000	17.1	15.6	15.6	15.6	14.1	13.6	13.0	12.5	11.2	8.7
\$200,000	18.4	18.4	18.4	18.4	18.4	15.1	14.6	14.6	14.6	13.8
\$500,000	21.7	21.7	21.7	21.7	21.7	21.7	21.7	21.7	21.7	21.7
\$1,000,000	22.1	21.7	21.7	21.7	21.5	21.4	21.4	21.4	21.4	21.4
\$1,500,000	21.7	21.4	21.4	21.4	21.3	21.2	21.2	21.2	21.1	21.1
\$2,000,000	21.8	21.7	21.6	21.6	21.6	21.5	21.5	21.4	21.4	21.4

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 1006-1).

Notes: Households on the AMT are indicated by a dark background. Number of filers excludes dependent returns. Kids includes only children in the home for whom an exemption may be claimed.

Assumptions:

- (1) All children qualify for the dependency exemption, the earned income tax credit, and the child tax credit.
- (2) Households do not claim any other tax credits (such as the dependent care credit, adoption credit, or education tax credits).
- (3) Itemized deductions are assumed to be 21 percent of adjusted gross income (AGI), which was the average ratio for itemizers in 2004. For purposes of calculating the AMT, tax preference items are assumed to be 40% of itemized deductions.
- (4) The fraction of AGI composed of capital gains and dividends at each AGI level is based on current law tabulations from the TPC tax model. AGI under \$50,000 is assumed to be wages only. The fractions are as follows (the first percentage is for capital gains and the second is for dividends): \$50,000: 0.8% and 1.0%; \$75,000: 1.1% and 1.0%; \$100,000: 1.7% and 1.1%; \$125,000: 2.7% and 1.4%; \$150,000: 3.5% and 1.6%; \$200,000: 5.4% and 2.1%; \$500,000: 13.8% and 2.1%; \$1,000,000: 17.6% and 3.0%; \$1,500,000: 22.6% and 3.6%; \$2,000,000: 23.6% and 3.6%. All capital gains are assumed to be long-term gains and all dividends qualifying dividends.