

Revised Estimates: January 14, 2003

**Table T03-0021**  
**Administration Stimulus Proposal:**  
**Distribution of Income Tax Change by AGI Class, 2010<sup>1</sup>**

AGI Class (thousands of 2001 dollars) <sup>2</sup>	Returns		Percent Change in After-Tax Income <sup>3</sup>	Percent of Total Income Tax Change	Average Tax Change (\$)	Average Income Tax Rate <sup>4</sup>	
	Number (thousands)	Percent of Total				Current Law	Proposal
<b>Less than 10</b>	28,558	19.4	*	0.2	-3	-8.0	-8.1
<b>10-20</b>	25,545	17.4	0.1	1.4	-27	-4.2	-4.4
<b>20-30</b>	19,337	13.1	0.2	2.4	-62	3.4	3.2
<b>30-40</b>	14,426	9.8	0.3	3.0	-102	7.1	6.8
<b>40-50</b>	10,975	7.5	0.3	3.2	-142	9.1	8.9
<b>50-75</b>	18,082	12.3	0.3	6.7	-182	10.8	10.6
<b>75-100</b>	11,364	7.7	0.3	6.1	-265	13.0	12.7
<b>100-200</b>	13,861	9.4	0.6	21.2	-757	16.9	16.5
<b>200-500</b>	3,157	2.1	1.1	18.8	-2,942	23.4	22.6
<b>500-1,000</b>	531	0.4	1.2	8.3	-7,719	25.5	24.6
<b>More than 1,000</b>	267	0.2	1.9	28.8	-53,263	26.5	25.1
<b>All</b>	147,114	100.0	0.6	100.0	-336	14.5	14.0

Source: Urban-Brookings Tax Policy Center Microsimulation Model.

\* Less than 0.05 percent.

(1) Calendar year. Table measures the impact of the dividend exclusion provision and the acceleration of the increase in, and indexing of, the ten-percent bracket. Estimates for the dividend exclusion portion of the proposal assume that the details of the proposal effectively limit tax-sheltering activity. That assumption may turn out to be over-optimistic and the long-run revenue cost could turn out to be much greater.

(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.