

**T06-0328**  
**Tax Benefits of the Student Loan Interest Deduction:**  
**By Adjusted Gross Income Class, 2005<sup>1</sup>**

Adjusted Gross Income Class (thousands of current dollars) <sup>2</sup>	All Tax Units <sup>3</sup>		Tax Units with Benefit <sup>4</sup>			Tax Benefits		Benefit as Percent of After- Tax Income <sup>6</sup>		Average Tax Benefit	
	Number (thousands)	Percent of Total	Number (thousands)	Percent of Total	Percent within Class <sup>5</sup>	Dollars (millions)	Percent of Total	All Tax Units	Tax Units with Benefit	All Tax Units	Tax Units with Benefit
<b>Less than 10</b>	35,016	24.1	261	4.1	0.7	3	0.3	0.00	0.2	0	10
<b>10-20</b>	23,171	15.9	706	11.1	3.0	37	4.2	0.01	0.4	2	52
<b>20-30</b>	18,169	12.5	957	15.0	5.3	113	12.9	0.03	0.6	6	118
<b>30-40</b>	13,599	9.4	988	15.5	7.3	138	15.8	0.04	0.5	10	139
<b>40-50</b>	10,747	7.4	731	11.4	6.8	132	15.1	0.03	0.5	12	180
<b>50-75</b>	18,350	12.6	1,306	20.5	7.1	169	19.4	0.02	0.3	9	130
<b>75-100</b>	10,839	7.5	916	14.3	8.5	194	22.2	0.03	0.3	18	212
<b>100-200</b>	11,036	7.6	430	6.7	3.9	90	10.2	0.01	0.2	8	208
<b>200-500</b>	2,675	1.8	0	0.0	0.0	0	0.0	0.00	0.0	0	0
<b>500-1,000</b>	423	0.3	0	0.0	0.0	0	0.0	0.00	0.0	0	0
<b>More than 1,000</b>	216	0.1	0	0.0	0.0	0	0.0	0.00	0.0	0	0
<b>All</b>	145,321	100.0	6,386	100.0	4.4	874	100.0	0.02	0.4	6	137

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0304-5).

(1) Calendar year. Benefits of the student loan interest deduction are measured as the interest deducted multiplied by the marginal rate in the taxpayer's current tax bracket.

(2) Tax units with negative adjusted gross income are excluded from the lowest income class but are included in the totals.

(3) Includes both filing and non-filing units. Tax units that are dependents of other taxpayers are excluded from the analysis.

(4) Tax units with benefit includes only those tax units that deduct student loan interest.

(5) Percent of tax units within each adjusted gross income class that receives a tax benefit from the student loan interest deduction.

(6) After-tax income is adjusted gross income less: individual income tax net of refundable credits; corporate income tax; payroll taxes (Social Security and Medicare); and estate tax.