

T08-0070
Set Dependent Exemption Amount to Double the Personal Exemption Amount
Static Impact on Individual Income Tax Liability and Revenue (\$ billions), 2009-18¹

	Year										
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2009-18
Fiscal Year Revenue²											
Set dependent exemption to double personal exemption											
Against current law baseline	-9.4	-12.3	-14.5	-14.6	-13.9	-13.3	-12.6	-11.9	-11.3	-10.6	-124.2
Against current law baseline with AMT patch extended	-23.3	-32.0	-39.2	-42.8	-44.5	-45.9	-47.5	-49.1	-50.9	-52.8	-428.2
Against current law baseline with AMT repealed	-28.2	-39.8	-43.0	-45.4	-47.3	-49.0	-50.8	-52.8	-54.9	-57.3	-468.5
Against tax cuts extended baseline with no AMT	-28.2	-39.8	-41.2	-43.1	-45.0	-46.6	-48.4	-50.4	-52.5	-54.8	-449.9
Calendar Year Liability											
Set dependent exemption to double personal exemption											
Against current law baseline	-12.5	-12.2	-15.2	-14.4	-13.7	-13.1	-12.4	-11.8	-11.1	-10.4	-126.8
Against current law baseline with AMT patch extended	-31.1	-32.3	-41.5	-43.3	-44.9	-46.3	-47.9	-49.6	-51.4	-53.3	-441.5
Against current law baseline with AMT repealed	-37.6	-40.5	-43.9	-45.9	-47.8	-49.4	-51.3	-53.3	-55.5	-57.9	-482.9
Against tax cuts extended baseline with no AMT	-37.6	-40.5	-41.5	-43.6	-45.5	-47.0	-48.9	-50.9	-53.1	-55.4	-463.8

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0308-2).

(1) The 2007 AMT patch allowed personal nonrefundable credits against the AMT and increased the exemption amounts to \$44,350 (\$66,250 for joint filers). Extension of the patch continues these provisions and indexes the exemption amounts for inflation. Estimates are static and do not account for any potential microeconomic behavioral response. Official estimates from the Joint Committee on Taxation would likely show a somewhat different effect on revenue.

(2) Fiscal-year revenue numbers assume a 75-25 split. The actual effect on receipts could differ.