

Table T08-0135
Change in Tax Liability Under the Presidential Candidate Tax Plans Fully Phased In
for Representative Nonelderly Single and Head of Household Families
Assuming Current-Law Nonitemizers Do Not Have Mortgages, 2009

AGI	Individual Income Tax (\$)					Corporate
	Single	Head of Household				Tax (\$)
	0	1	2	3	6	All
# of children	0	1	2	3	6	
# of tax units	48.6 mil	9.9 mil	5.7 mil	1.2 mil	0.01 mil	
McCain Plan						
\$10,000	0	0	0	0	0	(13)
\$15,000	0	0	0	0	0	(17)
\$25,000	0	(240)	(406)	0	0	(23)
\$35,000	0	(361)	(678)	(738)	0	(23)
\$50,000	0	(361)	(721)	(1,082)	(2,127)	(36)
\$75,000	0	(869)	(2,345)	(3,229)	(3,393)	(73)
\$100,000	0	(1,584)	(3,085)	(3,393)	(3,569)	(105)
\$125,000	0	(2,288)	(3,393)	(3,393)	(3,393)	(205)
\$150,000	(533)	(3,393)	(3,393)	(3,393)	(3,393)	(321)
\$200,000	(3,393)	(3,393)	(3,393)	(3,393)	(3,393)	(666)
\$500,000	0	0	0	0	0	(3,832)
\$1,000,000	0	0	0	0	0	(11,003)
\$1,500,000	0	(561)	(1,122)	(1,682)	(1,727)	(20,141)
\$2,000,000	0	(561)	(1,122)	(1,682)	(3,365)	(29,695)
Obama Plan						
\$10,000	(769)	(502)	(502)	(991)	(991)	12
\$15,000	(912)	(502)	(502)	(1,124)	(1,124)	16
\$25,000	(502)	(502)	(502)	(1,124)	(1,124)	21
\$35,000	(502)	(502)	(502)	(1,124)	(1,124)	21
\$50,000	(502)	(647)	(647)	(647)	(1,649)	33
\$75,000	(502)	(770)	(1,670)	(2,559)	(3,895)	68
\$100,000	0	(983)	(1,883)	(2,783)	(3,393)	97
\$125,000	20	(1,652)	(2,534)	(3,393)	(3,393)	190
\$150,000	(331)	(3,294)	(3,393)	(3,393)	(3,393)	297
\$200,000	(3,123)	(3,393)	(3,393)	(3,393)	(3,393)	617
\$500,000	8,546	6,727	6,727	6,727	6,727	3,553
\$1,000,000	43,319	42,715	42,715	42,715	42,715	10,200
\$1,500,000	74,960	75,246	76,086	76,926	79,447	18,671
\$2,000,000	107,291	107,577	108,418	109,258	111,778	27,528

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0308-5).

Notes: Due to rounding, the AGI for tax calculations may not precisely equal the AGI shown. Families on the AMT under the proposal are indicated by a dark background. Number of tax units excludes dependent returns. Kids includes only children in the home for whom an exemption may be claimed. For a detailed discussion of the proposals see the Tax Policy Center's report *A Preliminary Analysis of the 2008 Presidential Candidates' Tax Plans* available on the TPC website.

Assumptions:

- (1) All children qualify for the dependency exemption, the EITC, and the child tax credit.
- (2) Households do not claim the dependent care credit, education tax credits, or saver's credit.
- (3) Itemized deductions are assumed to be 20 percent of adjusted gross income (AGI), of which 40% is for state and local taxes, 40% for mortgage interest, and 20% for charitable contributions. Tax units are assumed to have itemizable expenses beginning at \$50,000 for unmarried households and \$75,000 for married households.
- (4) Nonelderly households are assumed to have income in the form of wages, interest, qualifying dividends, and long-term capital gains. The fraction of non-wage income is determined based on tabulations from the Tax Policy Center Microsimulation Model. The residual is assigned as wages.