

Table T08-0221

**Senator Obama's Tax Proposals of August 14, 2008, Advisers' Version (No Payroll Surtax): Tax Units with a Change in Effective Marginal Individual Income Tax Rates (EMTR) by Cash Income Level, 2012<sup>1</sup>**

Cash Income Class (thousands of 2008 dollars) <sup>2</sup>	Tax Units (thousands) <sup>3</sup>	Percent of Tax Units With		
		Increase in EMTR	No Change in EMTR	Decrease in EMTR
Less than 10	16,546	0.4	1.3	98.3
10-20	24,287	12.5	4.1	83.4
20-30	19,994	12.6	18.2	69.2
30-40	15,128	24.1	24.8	51.1
40-50	12,063	21.0	25.0	54.1
50-75	22,213	11.8	15.6	72.6
75-100	14,729	21.6	7.3	71.2
100-200	22,218	19.6	4.5	75.9
200-500	6,499	10.4	34.9	54.8
500-1,000	1,087	7.0	61.9	31.1
More than 1,000	546	2.3	76.0	21.6
All	156,009	14.6	13.2	72.2

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0308-6).

1. Calendar year. Baseline is current law. Effective marginal rate is determined by calculating individual income tax and then adding \$1,000 to wages and recomputing individual income tax. The effective marginal rate is the resulting change in tax divided by \$1,000. For a detailed description of Senator Obama's proposal, see the Tax Policy Center's report: *An Updated Analysis of the 2008 Presidential Candidates' Tax Plans: Updated September 12, 2008* available on the Tax Policy Center website.

2. Tax units with negative cash income are excluded from the lowest income class but are included in the totals. For a description of cash income, see <http://www.taxpolicycenter.org/TaxModel/income.cfm>

3. Includes both filing and non-filing units but excludes those that are dependents of other tax units.