

**Table T09-0006**  
**Repeal Age Limitations on Childless EITC Under Current Law, Tax Units 25-64 Years of Age**  
**Distribution of Federal Tax Change by Cash Income Level, 2009<sup>1</sup>**  
**Summary Table**

Cash Income Level (thousands of 2008 dollars) <sup>2</sup>	Percent of Tax Units <sup>3</sup>		Percent Change in After-Tax Income <sup>4</sup>	Share of Total Federal Tax Change	Average Federal Tax Change (\$)	Average Federal Tax Rate <sup>5</sup>	
	With Tax Cut	With Tax Increase				Change (%) Points)	Under the Proposal
<b>Less than 10</b>	0.0	0.0	0.0	0.4	0	0.0	4.1
<b>10-20</b>	0.0	0.3	0.0	39.5	1	0.0	4.3
<b>20-30</b>	0.0	0.5	0.0	45.1	1	0.0	9.6
<b>30-40</b>	0.0	0.1	0.0	4.7	0	0.0	14.0
<b>40-50</b>	0.0	0.1	0.0	5.6	0	0.0	17.0
<b>50-75</b>	0.0	0.0	0.0	4.7	0	0.0	19.2
<b>75-100</b>	0.0	0.0	0.0	0.0	0	0.0	20.6
<b>100-200</b>	0.0	0.0	0.0	0.0	0	0.0	23.4
<b>200-500</b>	0.0	0.0	0.0	0.0	0	0.0	26.4
<b>500-1,000</b>	0.0	0.0	0.0	0.0	0	0.0	26.7
<b>More than 1,000</b>	0.0	0.0	0.0	0.0	0	0.0	30.0
<b>All</b>	0.0	0.1	0.0	100.0	0	0.0	22.5

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0308-7).

Support for these estimates was provided by the AARP Public Policy Institute.

(1) Calendar year. Baseline is current law. The proposal removes the age limits on childless EITC eligibility and assumes that non-taxable social security benefits are included in AGI for the purposes of determining the phase-out of the childless EITC. Tax units under the age of 25 are ineligible for the childless EITC if they are full time students. Married filing joint tax units are ineligible if both are under the age of 25 and both are full time students. Age refers to the age of the head of the tax unit.

(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.

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

(5) Average federal tax (includes individual and corporate income tax, payroll taxes for Social Security and Medicare, and the estate tax) as a percentage of average cash income.

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**Detail Table**

Cash Income Level (thousands of 2008 dollars) <sup>2</sup>	Percent of Tax Units <sup>3</sup>		Percent Change in After-Tax Income <sup>4</sup>	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate <sup>5</sup>	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Less than 10	0.0	0.0	0.0	0.4	0	0.0	0.0	0.1	0.0	4.1
10-20	0.0	0.3	0.0	39.5	1	0.1	0.0	0.5	0.0	4.3
20-30	0.0	0.5	0.0	45.1	1	0.0	0.0	1.6	0.0	9.6
30-40	0.0	0.1	0.0	4.7	0	0.0	0.0	2.7	0.0	14.0
40-50	0.0	0.1	0.0	5.6	0	0.0	0.0	3.6	0.0	17.0
50-75	0.0	0.0	0.0	4.7	0	0.0	0.0	10.3	0.0	19.2
75-100	0.0	0.0	0.0	0.0	0	0.0	0.0	10.7	0.0	20.6
100-200	0.0	0.0	0.0	0.0	0	0.0	0.0	27.0	0.0	23.4
200-500	0.0	0.0	0.0	0.0	0	0.0	0.0	17.7	0.0	26.4
500-1,000	0.0	0.0	0.0	0.0	0	0.0	0.0	7.1	0.0	26.7
More than 1,000	0.0	0.0	0.0	0.0	0	0.0	0.0	18.7	0.0	30.0
All	0.0	0.1	0.0	100.0	0	0.0	0.0	100.0	0.0	22.5

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Level, 2009<sup>1</sup>**

Cash Income Level (thousands of 2008 dollars) <sup>2</sup>	Tax Units <sup>3</sup>		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After- Tax Income <sup>4</sup> (Dollars)	Average Federal Tax Rate <sup>5</sup>	Share of Pre- Tax Income	Share of Post- Tax Income	Share of Federal Taxes
	Number (thousands)	Percent of Total					Percent of Total	Percent of Total	
Less than 10	9,930	9.2	5,451	221	5,231	4.1	0.6	0.8	0.1
10-20	13,554	12.6	15,239	656	14,583	4.3	2.3	2.9	0.5
20-30	12,669	11.8	25,468	2,440	23,029	9.6	3.6	4.2	1.6
30-40	10,738	10.0	35,649	5,000	30,648	14.0	4.3	4.8	2.7
40-50	9,186	8.5	45,838	7,778	38,060	17.0	4.7	5.1	3.6
50-75	16,972	15.8	63,095	12,101	50,993	19.2	12.1	12.6	10.3
75-100	11,600	10.8	88,954	18,316	70,638	20.6	11.6	11.9	10.7
100-200	16,662	15.5	138,276	32,336	105,940	23.4	26.0	25.7	27.0
200-500	4,598	4.3	290,021	76,491	213,530	26.4	15.0	14.3	17.7
500-1,000	765	0.7	694,801	185,482	509,320	26.7	6.0	5.7	7.1
More than 1,000	387	0.4	3,211,157	964,222	2,246,935	30.0	14.0	12.6	18.7
All	107,627	100.0	82,458	18,518	63,941	22.5	100.0	100.0	100.0

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0308-7).

Support for these estimates was provided by the AARP Public Policy Institute.

(1) Calendar year. Baseline is current law. The proposal removes the age limits on childless EITC eligibility and assumes that non-taxable social security benefits are included in AGI for the purposes of determining the phase-out of the childless EITC. Tax units under the age of 25 are ineligible for the childless EITC if they are full time students. Married filing joint tax units are ineligible if both are under the age of 25 and both are full time students. Age refers to the age of the head of the tax unit.

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