

Table T09-0042
Reduce Child Tax Credit (CTC) Refundability Threshold to \$0
Baseline: \$6000 Threshold
Distribution of Tax Units with Benefit, 2009¹

Cash Income Level (thousands of 2008 dollars) ²	Tax Units (thousands) ³			Average Benefit (\$)	
	All	Number with Benefit	Percent with Benefit	Tax Units with Benefit	All Tax Units
Less than 10	17,204	2,107	12.2	-643	-79
10-20	24,101	2,963	12.3	-604	-74
20-30	19,493	1,009	5.2	-585	-30
30-40	14,384	201	1.4	-508	-7
40-50	11,749	63	0.5	-614	-3
50-75	21,662	49	0.2	-528	-1
75-100	14,107	13	0.1	-486	0
100-200	19,712	8	0.0	-532	0
200-500	5,636	1	0.0	**	**
500-1,000	989	0	0.0	**	**
More than 1,000	519	0	0.0	**	**
All	150,241	6,450	4.3	-610	-26

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

(1) Calendar year. Baseline is current law with the threshold reduced to \$6,000. Proposal reduced the unindexed earnings threshold for refundability to \$0. 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. Average benefits are suppressed for income classes in which fewer than 5,000 tax units have a reduction in tax liability.

(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.