

**Table T09-0109**  
**"The American Recovery and Reinvestment Tax Act of 2009"**  
**Conference Report: Major Individual and Corporate Tax Provisions**  
**Distribution of Federal Tax Change by Cash Income Level, 2009<sup>1</sup>**  
**Summary Table**

| Cash Income Level<br>(thousands of 2008<br>dollars) <sup>2</sup> | Percent of Tax Units <sup>3</sup> |                      | Percent Change<br>in After-Tax<br>Income <sup>4</sup> | Share of Total<br>Federal Tax<br>Change | Average<br>Federal Tax<br>Change (\$) | Average Federal Tax Rate <sup>5</sup> |                       |
|--|-----------------------------------|----------------------|---|---|---------------------------------------|---------------------------------------|-----------------------|
|  | With Tax Cut                      | With Tax<br>Increase |   |   |                                       | Change (%)<br>Points)                 | Under the<br>Proposal |
| <b>Less than 10</b>  | 85.8                              | 0.0                  | 6.3   | 3.3                                     | -339                                  | -5.9                                  | -0.6                  |
| <b>10-20</b>   | 97.6                              | 0.0                  | 4.1   | 8.0                                     | -587                                  | -3.9                                  | 0.8                   |
| <b>20-30</b>   | 97.8                              | 0.0                  | 2.8   | 7.1                                     | -645                                  | -2.6                                  | 6.8                   |
| <b>30-40</b>   | 99.1                              | 0.0                  | 2.2   | 5.5                                     | -681                                  | -1.9                                  | 11.4                  |
| <b>40-50</b>   | 99.4                              | 0.0                  | 1.9   | 4.9                                     | -745                                  | -1.6                                  | 14.3                  |
| <b>50-75</b>   | 99.6                              | 0.0                  | 1.7   | 10.7                                    | -873                                  | -1.4                                  | 16.6                  |
| <b>75-100</b>  | 99.7                              | 0.0                  | 1.8   | 10.2                                    | -1,282                                | -1.4                                  | 18.3                  |
| <b>100-200</b>   | 97.4                              | 0.1                  | 2.4   | 28.9                                    | -2,594                                | -1.9                                  | 20.9                  |
| <b>200-500</b>   | 99.2                              | 0.2                  | 2.4   | 16.4                                    | -5,145                                | -1.8                                  | 24.3                  |
| <b>500-1,000</b>   | 94.5                              | 0.5                  | 0.4   | 1.3                                     | -2,252                                | -0.3                                  | 26.5                  |
| <b>More than 1,000</b>   | 98.3                              | 0.1                  | 0.6   | 3.7                                     | -12,446                               | -0.4                                  | 30.0                  |
| <b>All</b>   | 96.9                              | 0.0                  | 2.0   | 100.0                                   | -1,179                                | -1.6                                  | 20.1                  |

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

NOTE: Table shows the impact of the individual income tax measures on 2009 calendar year tax liability. Some individuals may not actually receive the benefits of the provisions until filing their 2009 tax returns in April of 2010. For more discussion of the proposals, see the TPC's Tax Stimulus Report Card: Conference Agreement, available at [http://www.taxpolicycenter.org/taxtopics/conference\\_stimulus.cfm](http://www.taxpolicycenter.org/taxtopics/conference_stimulus.cfm).

Number of AMT Taxpayers (millions). Baseline: 30.3

Proposal: 4.6

(1) Calendar year. Baseline is current law. For a description of "The American Recovery and Reinvestment Tax Act of 2009" see

<http://waysandmeans.house.gov/media/pdf/111/arra.pdf>. Proposal includes the Making Work Pay Credit equal to 6.2% of earned income up to a maximum credit of \$400 (\$800 for joint filers) phased out at a rate of 2 percent of AGI exceeding \$75,000 (\$150,000 for joint filers). Economic Recovery Payments, which are a one-time payment of \$250 to tax units receiving social security, SSI or veterans benefits. The one-time payment is a reduction to any allowable Making Work Pay credit. The Earned Income Tax Credit percentage for families with three or more qualifying children is increased to 45 percent and the threshold phase-out amount for joint filers is increased to \$5,000 above the phase-out threshold for single and head of household tax units. The Child Tax Credit refundability earnings threshold is reduced to \$3,000. The HOPE credit is made available for four years at a rate of 100% of the first \$2,000 of qualified expenses and 25% of the next \$2,000.

The phase-out thresholds are increased to AGI \$80,000 (\$160,000 for joint filers), textbooks are made a qualifying expense and forty percent of the credit is made refundable. Up to \$2,400 of unemployment benefits are excluded from gross income. The AMT exemptions for 2009 are increased to \$46,700 (\$70,950 for joint filers) and personal credits are made allowable against AMT liability. Tax incentives for businesses include special allowance for certain property acquired during 2009, temporary increase in limitation on expensing of certain depreciable business assets, and a 5 year carryback of 2008 and 2009 NOLs with exception for TARP recipients. The Home Buyers Credit is equal to 10% of house value up to a maximum of \$8,000 (\$4,000 for couples filing separate) for first time homebuyers. Credit is phased out for AGI in excess of \$75,000 (\$150,000 for couple filing jointly).

(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.

**Table T09-0109**  
**"The American Recovery and Reinvestment Tax Act of 2009"**  
**Conference Report: Major Individual and Corporate Tax Provisions**  
**Distribution of Federal Tax Change by Cash Income Level, 2009<sup>1</sup>**  
**Detail Table**

| Cash Income Level<br>(thousands of 2008<br>dollars) <sup>2</sup> | Percent of Tax Units <sup>3</sup> |                   | Percent Change<br>in After-Tax<br>Income <sup>4</sup> | Share of Total<br>Federal Tax<br>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 (%<br>Points)   | Under the<br>Proposal | Change (%<br>Points)                  | Under the<br>Proposal |
| Less than 10   | 85.8                              | 0.0               | 6.3   | 3.3                                     | -339                       | -111.8  | -0.2                   | 0.0                   | -5.9                                  | -0.6                  |
| 10-20  | 97.6                              | 0.0               | 4.1   | 8.0                                     | -587                       | -83.0   | -0.6                   | 0.1                   | -3.9                                  | 0.8                   |
| 20-30  | 97.8                              | 0.0               | 2.8   | 7.1                                     | -645                       | -27.3   | -0.4                   | 1.5                   | -2.6                                  | 6.8                   |
| 30-40  | 99.1                              | 0.0               | 2.2   | 5.5                                     | -681                       | -14.4   | -0.2                   | 2.6                   | -1.9                                  | 11.4                  |
| 40-50  | 99.4                              | 0.0               | 1.9   | 4.9                                     | -745                       | -10.2   | -0.1                   | 3.4                   | -1.6                                  | 14.3                  |
| 50-75  | 99.6                              | 0.0               | 1.7   | 10.7                                    | -873                       | -7.7    | -0.1                   | 9.9                   | -1.4                                  | 16.6                  |
| 75-100   | 99.7                              | 0.0               | 1.8   | 10.2                                    | -1,282                     | -7.3    | 0.0                    | 10.1                  | -1.4                                  | 18.3                  |
| 100-200  | 97.4                              | 0.1               | 2.4   | 28.9                                    | -2,594                     | -8.2    | -0.3                   | 25.0                  | -1.9                                  | 20.9                  |
| 200-500  | 99.2                              | 0.2               | 2.4   | 16.4                                    | -5,145                     | -6.8    | 0.1                    | 17.5                  | -1.8                                  | 24.3                  |
| 500-1,000  | 94.5                              | 0.5               | 0.4   | 1.3                                     | -2,252                     | -1.2    | 0.5                    | 8.0                   | -0.3                                  | 26.5                  |
| More than 1,000  | 98.3                              | 0.1               | 0.6   | 3.7                                     | -12,446                    | -1.3    | 1.3                    | 21.9                  | -0.4                                  | 30.0                  |
| All  | 96.9                              | 0.0               | 2.0   | 100.0                                   | -1,179                     | -7.2    | 0.0                    | 100.0                 | -1.6                                  | 20.1                  |

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

| Cash Income Level<br>(thousands of 2008<br>dollars) <sup>2</sup> | Tax Units <sup>3</sup> |                     | Average<br>Income<br>(Dollars) | Average<br>Federal Tax<br>Burden<br>(Dollars) | Average After-<br>Tax Income <sup>4</sup><br>(Dollars) | Average<br>Federal Tax<br>Rate <sup>5</sup> | Share of Pre-                     | Share of Post-                    | Share of                             |
|--|------------------------|---------------------|--------------------------------|---|--|---|-----------------------------------|-----------------------------------|--------------------------------------|
|  | Number<br>(thousands)  | Percent of<br>Total |                                |   |  |   | Tax Income<br>Percent of<br>Total | Tax Income<br>Percent of<br>Total | Federal Taxes<br>Percent of<br>Total |
| Less than 10   | 17,204                 | 11.5                | 5,704                          | 303   | 5,401  | 5.3   | 0.9                               | 1.1                               | 0.2                                  |
| 10-20  | 24,101                 | 16.0                | 15,181                         | 707   | 14,474   | 4.7   | 3.2                               | 3.9                               | 0.7                                  |
| 20-30  | 19,493                 | 13.0                | 25,314                         | 2,361   | 22,953   | 9.3   | 4.4                               | 5.1                               | 1.9                                  |
| 30-40  | 14,384                 | 9.6                 | 35,555                         | 4,726   | 30,828   | 13.3  | 4.5                               | 5.0                               | 2.8                                  |
| 40-50  | 11,749                 | 7.8                 | 45,838                         | 7,290   | 38,547   | 15.9  | 4.8                               | 5.1                               | 3.5                                  |
| 50-75  | 21,662                 | 14.4                | 63,039                         | 11,304  | 51,734   | 17.9  | 12.1                              | 12.7                              | 10.0                                 |
| 75-100   | 14,107                 | 9.4                 | 88,790                         | 17,494  | 71,296   | 19.7  | 11.1                              | 11.4                              | 10.1                                 |
| 100-200  | 19,712                 | 13.1                | 138,154                        | 31,466  | 106,688  | 22.8  | 24.1                              | 23.7                              | 25.3                                 |
| 200-500  | 5,636                  | 3.8                 | 291,886                        | 75,924  | 215,962  | 26.0  | 14.5                              | 13.7                              | 17.4                                 |
| 500-1,000  | 989                    | 0.7                 | 695,069                        | 186,351                                       | 508,717  | 26.8  | 6.1                               | 5.7                               | 7.5                                  |
| More than 1,000  | 519                    | 0.4                 | 3,199,967                      | 970,745                                       | 2,229,222  | 30.3  | 14.7                              | 13.1                              | 20.6                                 |
| All  | 150,241                | 100.0               | 75,289                         | 16,327  | 58,962   | 21.7  | 100.0                             | 100.0                             | 100.0                                |

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0308-07).

Number of AMT Taxpayers (millions). Baseline: 30.3 Proposal: 4.6

NOTE: Table shows the impact of the individual income tax measures on 2009 calendar year tax liability. Some individuals may not actually receive the benefits of the provisions until filing their 2009 tax returns in April of 2010. For more discussion of the proposals, see the TPC's Tax Stimulus Report Card: Conference Agreement, available at [http://www.taxpolicycenter.org/taxtopics/conference\\_stimulus.cfm](http://www.taxpolicycenter.org/taxtopics/conference_stimulus.cfm).

(1) Calendar year. Baseline is current law. For description of proposals, see summary table.

(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 - Single Tax Units**

| Cash Income Level<br>(thousands of 2008<br>dollars) <sup>2</sup> | Percent of Tax Units <sup>3</sup> |                      | Percent Change<br>in After-Tax<br>Income <sup>4</sup> | Share of Total<br>Federal Tax<br>Change | Average Federal Tax Change |         | Share of Federal Taxes |                       | Average Federal Tax Rate <sup>5</sup> |                       |
|--|-----------------------------------|----------------------|---|---|----------------------------|---------|------------------------|-----------------------|---------------------------------------|-----------------------|
|  | With Tax Cut                      | With Tax<br>Increase |   |   | Dollars                    | Percent | Change (%)<br>Points)  | Under the<br>Proposal | Change (%)<br>Points)                 | Under the<br>Proposal |
| Less than 10   | 86.3                              | 0.0                  | 5.8   | 11.5                                    | -303                       | -66.9   | -0.6                   | 0.3                   | -5.3                                  | 2.6                   |
| 10-20  | 97.4                              | 0.0                  | 2.9   | 18.0                                    | -397                       | -31.8   | -0.9                   | 2.3                   | -2.7                                  | 5.7                   |
| 20-30  | 97.8                              | 0.0                  | 2.1   | 13.6                                    | -453                       | -12.5   | -0.5                   | 5.7                   | -1.8                                  | 12.6                  |
| 30-40  | 98.9                              | 0.0                  | 1.8   | 10.3                                    | -519                       | -8.0    | -0.2                   | 7.0                   | -1.5                                  | 16.7                  |
| 40-50  | 99.3                              | 0.0                  | 1.5   | 9.0                                     | -547                       | -6.1    | 0.0                    | 8.3                   | -1.2                                  | 18.4                  |
| 50-75  | 99.4                              | 0.0                  | 1.3   | 15.5                                    | -626                       | -4.6    | 0.2                    | 19.1                  | -1.0                                  | 20.7                  |
| 75-100   | 99.4                              | 0.0                  | 0.9   | 6.2                                     | -631                       | -3.0    | 0.3                    | 12.0                  | -0.7                                  | 23.0                  |
| 100-200  | 83.1                              | 0.3                  | 0.7   | 6.3                                     | -706                       | -2.1    | 0.6                    | 17.3                  | -0.5                                  | 24.0                  |
| 200-500  | 96.0                              | 0.5                  | 1.1   | 5.4                                     | -2,423                     | -3.1    | 0.3                    | 10.1                  | -0.8                                  | 25.7                  |
| 500-1,000  | 94.6                              | 0.1                  | 0.5   | 1.0                                     | -2,613                     | -1.3    | 0.2                    | 4.6                   | -0.4                                  | 28.1                  |
| More than 1,000  | 97.9                              | 0.0                  | 0.7   | 3.1                                     | -14,736                    | -1.4    | 0.6                    | 13.2                  | -0.5                                  | 33.6                  |
| All  | 95.1                              | 0.0                  | 1.5   | 100.0                                   | -508                       | -5.7    | 0.0                    | 100.0                 | -1.2                                  | 20.2                  |

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

| Cash Income Level<br>(thousands of 2008<br>dollars) <sup>2</sup> | Tax Units <sup>3</sup> |                     | Average<br>Income<br>(Dollars) | Average<br>Federal Tax<br>Burden<br>(Dollars) | Average After-<br>Tax Income <sup>4</sup><br>(Dollars) | Average<br>Federal Tax<br>Rate <sup>5</sup> | Share of Pre-<br>Tax Income<br>Percent of<br>Total | Share of Post-<br>Tax Income<br>Percent of<br>Total | Share of<br>Federal Taxes<br>Percent of<br>Total |
|--|------------------------|---------------------|--------------------------------|---|--|---|--|---|--|
|  | Number<br>(thousands)  | Percent of<br>Total |                                |   |  |   |  |   |  |
| Less than 10   | 12,556                 | 19.3                | 5,704                          | 452   | 5,252  | 7.9   | 2.6  | 3.1   | 1.0  |
| 10-20  | 14,909                 | 23.0                | 15,017                         | 1,251   | 13,766   | 8.3   | 8.2  | 9.6   | 3.2  |
| 20-30  | 9,879                  | 15.2                | 25,243                         | 3,629   | 21,614   | 14.4  | 9.1  | 9.9   | 6.1  |
| 30-40  | 6,530                  | 10.1                | 35,566                         | 6,456   | 29,110   | 18.2  | 8.5  | 8.9   | 7.2  |
| 40-50  | 5,421                  | 8.4                 | 45,797                         | 8,954   | 36,843   | 19.6  | 9.1  | 9.3   | 8.3  |
| 50-75  | 8,162                  | 12.6                | 62,150                         | 13,504  | 48,646   | 21.7  | 18.6   | 18.5  | 18.9   |
| 75-100   | 3,264                  | 5.0                 | 87,974                         | 20,826  | 67,147   | 23.7  | 10.5   | 10.2  | 11.6   |
| 100-200  | 2,958                  | 4.6                 | 134,418                        | 32,997  | 101,421  | 24.6  | 14.6   | 14.0  | 16.7   |
| 200-500  | 730                    | 1.1                 | 295,280                        | 78,268  | 217,012  | 26.5  | 7.9  | 7.4   | 9.8  |
| 500-1,000  | 130                    | 0.2                 | 694,203                        | 197,542                                       | 496,661  | 28.5  | 3.3  | 3.0   | 4.4  |
| More than 1,000  | 69                     | 0.1                 | 3,156,727                      | 1,074,887                                     | 2,081,839  | 34.1  | 7.9  | 6.7   | 12.7   |
| All  | 64,958                 | 100.0               | 42,053                         | 8,992   | 33,060   | 21.4  | 100.0  | 100.0   | 100.0  |

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0308-07).

NOTE: Table shows the impact of the individual income tax measures on 2009 calendar year tax liability. Some individuals may not actually receive the benefits of the provisions until filing their 2009 tax returns in April of 2010. For more discussion of the proposals, see the TPC's Tax Stimulus Report Card: Conference Agreement, available at [http://www.taxpolicycenter.org/taxtopics/conference\\_stimulus.cfm](http://www.taxpolicycenter.org/taxtopics/conference_stimulus.cfm).

(1) Calendar year. Baseline is current law. For description of proposals, see summary table.

(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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**Distribution of Federal Tax Change by Cash Income Level, 2009<sup>1</sup>**  
**Detail Table - Married Tax Units Filing Jointly**

| Cash Income Level<br>(thousands of 2008<br>dollars) <sup>2</sup> | Percent of Tax Units <sup>3</sup> |                      | Percent Change<br>in After-Tax<br>Income <sup>4</sup> | Share of Total<br>Federal Tax<br>Change | Average Federal Tax Change |         | Share of Federal Taxes |                       | Average Federal Tax Rate <sup>5</sup> |                       |
|--|-----------------------------------|----------------------|---|---|----------------------------|---------|------------------------|-----------------------|---------------------------------------|-----------------------|
|  | With Tax Cut                      | With Tax<br>Increase |   |   | Dollars                    | Percent | Change (%)<br>Points)  | Under the<br>Proposal | Change (%)<br>Points)                 | Under the<br>Proposal |
| Less than 10   | 72.8                              | 0.0                  | 6.3   | 0.5                                     | -293                       | -111.7  | 0.0                    | 0.0                   | -6.0                                  | -0.6                  |
| 10-20  | 96.2                              | 0.0                  | 5.2   | 2.6                                     | -785                       | -169.7  | -0.2                   | -0.1                  | -5.0                                  | -2.1                  |
| 20-30  | 96.9                              | 0.0                  | 3.8   | 3.6                                     | -905                       | -72.5   | -0.3                   | 0.1                   | -3.6                                  | 1.4                   |
| 30-40  | 99.0                              | 0.0                  | 3.0   | 3.2                                     | -973                       | -34.0   | -0.2                   | 0.5                   | -2.7                                  | 5.3                   |
| 40-50  | 99.6                              | 0.0                  | 2.6   | 3.2                                     | -1,042                     | -20.1   | -0.2                   | 1.0                   | -2.3                                  | 9.0                   |
| 50-75  | 99.8                              | 0.0                  | 1.8   | 8.0                                     | -991                       | -10.5   | -0.2                   | 5.2                   | -1.5                                  | 13.1                  |
| 75-100   | 99.8                              | 0.1                  | 2.0   | 11.4                                    | -1,457                     | -9.1    | -0.2                   | 8.7                   | -1.6                                  | 16.4                  |
| 100-200  | 100.0                             | 0.0                  | 2.8   | 39.3                                    | -2,978                     | -9.6    | -0.8                   | 28.4                  | -2.1                                  | 20.2                  |
| 200-500  | 99.8                              | 0.1                  | 2.6   | 22.3                                    | -5,645                     | -7.5    | -0.1                   | 21.1                  | -1.9                                  | 24.0                  |
| 500-1,000  | 95.2                              | 0.0                  | 0.4   | 1.5                                     | -2,235                     | -1.2    | 0.6                    | 9.6                   | -0.3                                  | 26.2                  |
| More than 1,000  | 98.5                              | 0.0                  | 0.5   | 4.2                                     | -11,812                    | -1.3    | 1.5                    | 25.4                  | -0.4                                  | 29.4                  |
| All  | 98.2                              | 0.0                  | 2.1   | 100.0                                   | -2,013                     | -7.1    | 0.0                    | 100.0                 | -1.6                                  | 21.1                  |

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

| Cash Income Level<br>(thousands of 2008<br>dollars) <sup>2</sup> | Tax Units <sup>3</sup> |                     | Average<br>Income<br>(Dollars) | Average<br>Federal Tax<br>Burden<br>(Dollars) | Average After-<br>Tax Income <sup>4</sup><br>(Dollars) | Average<br>Federal Tax<br>Rate <sup>5</sup> | Share of Pre-<br>Tax Income<br>Percent of<br>Total | Share of Post-<br>Tax Income<br>Percent of<br>Total | Share of<br>Federal Taxes<br>Percent of<br>Total |
|--|------------------------|---------------------|--------------------------------|---|--|---|--|---|--|
|  | Number<br>(thousands)  | Percent of<br>Total |                                |   |  |   |  |   |  |
| Less than 10   | 2,093                  | 3.5                 | 4,904                          | 262   | 4,642  | 5.3   | 0.1  | 0.2   | 0.0  |
| 10-20  | 3,937                  | 6.6                 | 15,709                         | 462   | 15,247   | 2.9   | 0.8  | 1.0   | 0.1  |
| 20-30  | 4,757                  | 8.0                 | 25,357                         | 1,248   | 24,109   | 4.9   | 1.6  | 2.0   | 0.4  |
| 30-40  | 3,946                  | 6.6                 | 35,641                         | 2,859   | 32,782   | 8.0   | 1.9  | 2.3   | 0.7  |
| 40-50  | 3,659                  | 6.2                 | 45,966                         | 5,177   | 40,790   | 11.3  | 2.3  | 2.6   | 1.1  |
| 50-75  | 9,688                  | 16.3                | 64,204                         | 9,420   | 54,784   | 14.7  | 8.4  | 9.2   | 5.4  |
| 75-100   | 9,341                  | 15.7                | 89,292                         | 16,090  | 73,202   | 18.0  | 11.2   | 11.9  | 8.9  |
| 100-200  | 15,817                 | 26.6                | 139,272                        | 31,134  | 108,138  | 22.4  | 29.6   | 29.7  | 29.2   |
| 200-500  | 4,725                  | 7.9                 | 291,151                        | 75,559  | 215,592  | 26.0  | 18.5   | 17.7  | 21.2   |
| 500-1,000  | 827                    | 1.4                 | 695,396                        | 184,513                                       | 510,883  | 26.5  | 7.7  | 7.3   | 9.1  |
| More than 1,000  | 430                    | 0.7                 | 3,148,057                      | 936,412                                       | 2,211,645  | 29.8  | 18.2   | 16.5  | 23.9   |
| All  | 59,479                 | 100.0               | 125,155                        | 28,353  | 96,802   | 22.7  | 100.0  | 100.0   | 100.0  |

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0308-07).

NOTE: Table shows the impact of the individual income tax measures on 2009 calendar year tax liability. Some individuals may not actually receive the benefits of the provisions until filing their 2009 tax returns in April of 2010. For more discussion of the proposals, see the TPC's Tax Stimulus Report Card: Conference Agreement, available at [http://www.taxpolicycenter.org/taxtopics/conference\\_stimulus.cfm](http://www.taxpolicycenter.org/taxtopics/conference_stimulus.cfm).

(1) Calendar year. Baseline is current law. For description of proposals, see summary table.

(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.

**Table T09-0109**  
**"The American Recovery and Reinvestment Tax Act of 2009"**  
**Conference Report: Major Individual and Corporate Tax Provisions**  
**Distribution of Federal Tax Change by Cash Income Level, 2009<sup>1</sup>**  
**Detail Table - Head of Household Tax Units**

| Cash Income Level<br>(thousands of 2008<br>dollars) <sup>2</sup> | Percent of Tax Units <sup>3</sup> |                      | Percent Change<br>in After-Tax<br>Income <sup>4</sup> | Share of Total<br>Federal Tax<br>Change | Average Federal Tax Change |         | Share of Federal Taxes |                       | Average Federal Tax Rate <sup>5</sup> |                       |
|--|-----------------------------------|----------------------|---|---|----------------------------|---------|------------------------|-----------------------|---------------------------------------|-----------------------|
|  | With Tax Cut                      | With Tax<br>Increase |   |   | Dollars                    | Percent | Change (%)<br>Points)  | Under the<br>Proposal | Change (%)<br>Points)                 | Under the<br>Proposal |
| Less than 10   | 94.5                              | 0.0                  | 8.4   | 6.4                                     | -576                       | 126.4   | -1.4                   | -2.2                  | -9.0                                  | -16.1                 |
| 10-20  | 98.9                              | 0.0                  | 6.3   | 23.1                                    | -1,005                     | 122.2   | -5.1                   | -8.2                  | -6.6                                  | -12.0                 |
| 20-30  | 98.6                              | 0.0                  | 3.2   | 16.8                                    | -802                       | -133.6  | -2.9                   | -0.8                  | -3.2                                  | -0.8                  |
| 30-40  | 99.3                              | 0.0                  | 2.1   | 11.0                                    | -670                       | -19.6   | -0.4                   | 8.8                   | -1.9                                  | 7.8                   |
| 40-50  | 99.4                              | 0.0                  | 1.8   | 7.7                                     | -714                       | -11.1   | 0.7                    | 12.0                  | -1.6                                  | 12.5                  |
| 50-75  | 99.8                              | 0.0                  | 2.1   | 16.1                                    | -1,053                     | -9.6    | 2.2                    | 29.4                  | -1.7                                  | 16.0                  |
| 75-100   | 99.9                              | 0.0                  | 2.3   | 9.2                                     | -1,574                     | -8.5    | 1.6                    | 19.1                  | -1.8                                  | 19.4                  |
| 100-200  | 98.5                              | 0.0                  | 2.0   | 7.1                                     | -1,943                     | -6.2    | 2.2                    | 20.9                  | -1.5                                  | 22.6                  |
| 200-500  | 97.9                              | 0.0                  | 1.3   | 1.8                                     | -2,975                     | -4.0    | 1.1                    | 8.5                   | -1.0                                  | 24.0                  |
| 500-1,000  | 84.1                              | 0.0                  | 0.3   | 0.2                                     | -1,575                     | -0.9    | 0.5                    | 3.4                   | -0.2                                  | 26.5                  |
| More than 1,000  | 96.4                              | 0.0                  | 0.5   | 0.6                                     | -11,571                    | -1.2    | 1.4                    | 9.2                   | -0.4                                  | 30.0                  |
| All  | 98.6                              | 0.0                  | 2.7   | 100.0                                   | -926                       | -16.2   | 0.0                    | 100.0                 | -2.3                                  | 11.8                  |

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

| Cash Income Level<br>(thousands of 2008<br>dollars) <sup>2</sup> | Tax Units <sup>3</sup> |                     | Average<br>Income<br>(Dollars) | Average<br>Federal Tax<br>Burden<br>(Dollars) | Average After-<br>Tax Income <sup>4</sup><br>(Dollars) | Average<br>Federal Tax<br>Rate <sup>5</sup> | Share of Pre-<br>Tax Income<br>Percent of<br>Total | Share of Post-<br>Tax Income<br>Percent of<br>Total | Share of<br>Federal Taxes<br>Percent of<br>Total |
|--|------------------------|---------------------|--------------------------------|---|--|---|--|---|--|
|  | Number<br>(thousands)  | Percent of<br>Total |                                |   |  |   |  |   |  |
| Less than 10   | 2,406                  | 10.3                | 6,412                          | -455  | 6,867  | -7.1  | 1.6  | 2.1   | -0.8   |
| 10-20  | 4,961                  | 21.3                | 15,257                         | -822  | 16,079   | -5.4  | 8.1  | 9.9   | -3.1   |
| 20-30  | 4,512                  | 19.4                | 25,403                         | 600   | 24,803   | 2.4   | 12.2   | 13.9  | 2.0  |
| 30-40  | 3,554                  | 15.3                | 35,401                         | 3,417   | 31,984   | 9.7   | 13.4   | 14.1  | 9.1  |
| 40-50  | 2,315                  | 9.9                 | 45,811                         | 6,460   | 39,351   | 14.1  | 11.3   | 11.3  | 11.3   |
| 50-75  | 3,290                  | 14.1                | 61,934                         | 10,986  | 50,948   | 17.7  | 21.7   | 20.8  | 27.2   |
| 75-100   | 1,254                  | 5.4                 | 87,576                         | 18,549  | 69,027   | 21.2  | 11.7   | 10.7  | 17.5   |
| 100-200  | 786                    | 3.4                 | 130,519                        | 31,459  | 99,060   | 24.1  | 10.9   | 9.7   | 18.6   |
| 200-500  | 132                    | 0.6                 | 298,070                        | 74,443  | 223,627  | 25.0  | 4.2  | 3.7   | 7.4  |
| 500-1,000  | 21                     | 0.1                 | 683,864                        | 182,444                                       | 501,421  | 26.7  | 1.5  | 1.3   | 2.8  |
| More than 1,000  | 11                     | 0.1                 | 3,070,023                      | 932,848                                       | 2,137,175  | 30.4  | 3.6  | 2.9   | 7.8  |
| All  | 23,292                 | 100.0               | 40,351                         | 5,702   | 34,650   | 14.1  | 100.0  | 100.0   | 100.0  |

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0308-07).

NOTE: Table shows the impact of the individual income tax measures on 2009 calendar year tax liability. Some individuals may not actually receive the benefits of the provisions until filing their 2009 tax returns in April of 2010. For more discussion of the proposals, see the TPC's Tax Stimulus Report Card: Conference Agreement, available at [http://www.taxpolicycenter.org/taxtopics/conference\\_stimulus.cfm](http://www.taxpolicycenter.org/taxtopics/conference_stimulus.cfm).

(1) Calendar year. Baseline is current law. For description of proposals, see summary table.

(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.

**Table T09-0109**  
**"The American Recovery and Reinvestment Tax Act of 2009"**  
**Conference Report: Major Individual and Corporate Tax Provisions**  
**Distribution of Federal Tax Change by Cash Income Level, 2009<sup>1</sup>**  
**Detail Table - Tax Units with Children**

| Cash Income Level<br>(thousands of 2008<br>dollars) <sup>2</sup> | Percent of Tax Units <sup>3</sup> |                      | Percent Change<br>in After-Tax<br>Income <sup>4</sup> | Share of Total<br>Federal Tax<br>Change | Average Federal Tax Change |         | Share of Federal Taxes |                       | Average Federal Tax Rate <sup>5</sup> |                       |
|--|-----------------------------------|----------------------|---|---|----------------------------|---------|------------------------|-----------------------|---------------------------------------|-----------------------|
|  | With Tax Cut                      | With Tax<br>Increase |   |   | Dollars                    | Percent | Change (%)<br>Points)  | Under the<br>Proposal | Change (%)<br>Points)                 | Under the<br>Proposal |
| Less than 10   | 87.0                              | 0.0                  | 9.3   | 1.8                                     | -622                       | 91.4    | -0.2                   | -0.4                  | -10.4                                 | -21.8                 |
| 10-20  | 99.0                              | 0.0                  | 7.2   | 7.1                                     | -1,219                     | 86.9    | -0.8                   | -1.6                  | -7.9                                  | -16.9                 |
| 20-30  | 99.4                              | 0.0                  | 4.4   | 6.6                                     | -1,116                     | 1,263.4 | -0.7                   | -0.8                  | -4.4                                  | -4.7                  |
| 30-40  | 99.8                              | 0.0                  | 3.0   | 4.9                                     | -980                       | -35.0   | -0.4                   | 1.0                   | -2.8                                  | 5.1                   |
| 40-50  | 99.6                              | 0.1                  | 2.7   | 4.2                                     | -1,064                     | -18.4   | -0.2                   | 2.0                   | -2.3                                  | 10.3                  |
| 50-75  | 99.8                              | 0.0                  | 2.2   | 9.2                                     | -1,187                     | -11.8   | -0.2                   | 7.4                   | -1.9                                  | 14.1                  |
| 75-100   | 99.9                              | 0.0                  | 2.5   | 10.9                                    | -1,769                     | -10.5   | -0.1                   | 9.9                   | -2.0                                  | 16.9                  |
| 100-200  | 99.6                              | 0.0                  | 3.4   | 35.3                                    | -3,684                     | -11.6   | -0.6                   | 28.8                  | -2.7                                  | 20.2                  |
| 200-500  | 99.7                              | 0.1                  | 2.8   | 16.9                                    | -5,960                     | -7.8    | 0.4                    | 21.4                  | -2.1                                  | 24.5                  |
| 500-1,000  | 92.1                              | 0.3                  | 0.3   | 0.8                                     | -1,638                     | -0.9    | 0.8                    | 9.4                   | -0.2                                  | 27.2                  |
| More than 1,000  | 97.5                              | 0.0                  | 0.5   | 2.3                                     | -10,443                    | -1.1    | 2.0                    | 22.9                  | -0.3                                  | 30.2                  |
| All  | 98.8                              | 0.0                  | 2.6   | 100.0                                   | -1,975                     | -9.7    | 0.0                    | 100.0                 | -2.1                                  | 19.4                  |

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

| Cash Income Level<br>(thousands of 2008<br>dollars) <sup>2</sup> | Tax Units <sup>3</sup> |                     | Average<br>Income<br>(Dollars) | Average<br>Federal Tax<br>Burden<br>(Dollars) | Average After-<br>Tax Income <sup>4</sup><br>(Dollars) | Average<br>Federal Tax<br>Rate <sup>5</sup> | Share of Pre-                             | Share of Post-                    | Share of                             |
|--|------------------------|---------------------|--------------------------------|---|--|---|---|-----------------------------------|--------------------------------------|
|  | Number<br>(thousands)  | Percent of<br>Total |                                |   |  |   | Pre-<br>Tax Income<br>Percent of<br>Total | Tax Income<br>Percent of<br>Total | Federal Taxes<br>Percent of<br>Total |
| Less than 10   | 2,701                  | 5.6                 | 5,981                          | -680  | 6,662  | -11.4                                       | 0.4                                       | 0.5                               | -0.2                                 |
| 10-20  | 5,494                  | 11.4                | 15,478                         | -1,402  | 16,880   | -9.1  | 1.9                                       | 2.6                               | -0.8                                 |
| 20-30  | 5,603                  | 11.7                | 25,399                         | -88   | 25,487   | -0.4  | 3.1                                       | 4.0                               | -0.1                                 |
| 30-40  | 4,726                  | 9.8                 | 35,550                         | 2,801   | 32,748   | 7.9   | 3.7                                       | 4.3                               | 1.4                                  |
| 40-50  | 3,756                  | 7.8                 | 45,850                         | 5,790   | 40,061   | 12.6  | 3.8                                       | 4.2                               | 2.2                                  |
| 50-75  | 7,394                  | 15.4                | 63,220                         | 10,090  | 53,131   | 16.0  | 10.2                                      | 10.9                              | 7.6                                  |
| 75-100   | 5,839                  | 12.1                | 89,123                         | 16,800  | 72,323   | 18.9  | 11.4                                      | 11.7                              | 10.0                                 |
| 100-200  | 9,103                  | 18.9                | 139,015                        | 31,765  | 107,250  | 22.9  | 27.6                                      | 27.1                              | 29.4                                 |
| 200-500  | 2,690                  | 5.6                 | 288,713                        | 76,663  | 212,050  | 26.6  | 17.0                                      | 15.9                              | 21.0                                 |
| 500-1,000  | 442                    | 0.9                 | 693,043                        | 189,988                                       | 503,055  | 27.4  | 6.7                                       | 6.2                               | 8.5                                  |
| More than 1,000  | 212                    | 0.4                 | 3,179,388                      | 969,934                                       | 2,209,454  | 30.5  | 14.7                                      | 13.0                              | 20.9                                 |
| All  | 48,094                 | 100.0               | 95,281                         | 20,453  | 74,827   | 21.5  | 100.0                                     | 100.0                             | 100.0                                |

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0308-07).

Note: Tax units with children are those claiming an exemption for children at home or away from home.

NOTE: Table shows the impact of the individual income tax measures on 2009 calendar year tax liability. Some individuals may not actually receive the benefits of the provisions until filing their 2009 tax returns in April of 2010. For more discussion of the proposals, see the TPC's Tax Stimulus Report Card: Conference Agreement, available at [http://www.taxpolicycenter.org/taxtopics/conference\\_stimulus.cfm](http://www.taxpolicycenter.org/taxtopics/conference_stimulus.cfm).

(1) Calendar year. Baseline is current law. For description of proposals, see summary table.

(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.

**Table T09-0109**  
**"The American Recovery and Reinvestment Tax Act of 2009"**  
**Conference Report: Major Individual and Corporate Tax Provisions**  
**Distribution of Federal Tax Change by Cash Income Level, 2009<sup>1</sup>**  
**Detail Table - Elderly Tax Units**

| Cash Income Level<br>(thousands of 2008<br>dollars) <sup>2</sup> | Percent of Tax Units <sup>3</sup> |                      | Percent Change<br>in After-Tax<br>Income <sup>4</sup> | Share of Total<br>Federal Tax<br>Change | Average Federal Tax Change |         | Share of Federal Taxes |                       | Average Federal Tax Rate <sup>5</sup> |                       |
|--|-----------------------------------|----------------------|---|---|----------------------------|---------|------------------------|-----------------------|---------------------------------------|-----------------------|
|  | With Tax Cut                      | With Tax<br>Increase |   |   | Dollars                    | Percent | Change (%<br>Points)   | Under the<br>Proposal | Change (%<br>Points)                  | Under the<br>Proposal |
| Less than 10   | 84.9                              | 0.0                  | 3.0   | 2.4                                     | -195                       | -107.6  | -0.1                   | 0.0                   | -3.0                                  | -0.2                  |
| 10-20  | 96.1                              | 0.0                  | 1.7   | 7.5                                     | -251                       | -63.2   | -0.4                   | 0.3                   | -1.7                                  | 1.0                   |
| 20-30  | 95.2                              | 0.0                  | 1.2   | 5.3                                     | -289                       | -22.9   | -0.2                   | 1.0                   | -1.2                                  | 3.9                   |
| 30-40  | 98.1                              | 0.0                  | 1.1   | 3.3                                     | -347                       | -16.5   | -0.1                   | 1.0                   | -1.0                                  | 5.0                   |
| 40-50  | 99.4                              | 0.0                  | 1.0   | 3.2                                     | -409                       | -11.6   | -0.1                   | 1.4                   | -0.9                                  | 6.8                   |
| 50-75  | 99.9                              | 0.0                  | 0.9   | 9.6                                     | -522                       | -7.2    | -0.1                   | 7.2                   | -0.8                                  | 10.6                  |
| 75-100   | 99.9                              | 0.1                  | 1.1   | 9.4                                     | -824                       | -6.4    | -0.1                   | 8.0                   | -0.9                                  | 13.6                  |
| 100-200  | 99.8                              | 0.1                  | 1.5   | 23.6                                    | -1,650                     | -6.4    | -0.2                   | 20.2                  | -1.2                                  | 17.6                  |
| 200-500  | 99.8                              | 0.1                  | 2.0   | 22.4                                    | -4,605                     | -6.4    | -0.2                   | 18.9                  | -1.5                                  | 22.4                  |
| 500-1,000  | 99.5                              | 0.5                  | 0.8   | 4.0                                     | -4,023                     | -2.1    | 0.4                    | 10.6                  | -0.6                                  | 26.4                  |
| More than 1,000  | 99.8                              | 0.2                  | 0.8   | 9.3                                     | -16,435                    | -1.7    | 1.2                    | 31.5                  | -0.5                                  | 30.6                  |
| All  | 96.7                              | 0.0                  | 1.3   | 100.0                                   | -778                       | -5.5    | 0.0                    | 100.0                 | -1.0                                  | 17.7                  |

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

| Cash Income Level<br>(thousands of 2008<br>dollars) <sup>2</sup> | Tax Units <sup>3</sup> |                     | Average<br>Income<br>(Dollars) | Average<br>Federal Tax<br>Burden<br>(Dollars) | Average After-<br>Tax Income <sup>4</sup><br>(Dollars) | Average<br>Federal Tax<br>Rate <sup>5</sup> | Share of Pre-<br>Tax Income | Share of Post-<br>Tax Income | Share of<br>Federal Taxes |
|--|------------------------|---------------------|--------------------------------|---|--|---|-----------------------------|------------------------------|---------------------------|
|  | Number<br>(thousands)  | Percent of<br>Total |                                |   |  |   | Percent of<br>Total         | Percent of<br>Total          |                           |
| Less than 10   | 2,765                  | 9.7                 | 6,577                          | 181   | 6,396  | 2.8   | 0.8                         | 1.0                          | 0.1                       |
| 10-20  | 6,689                  | 23.4                | 15,129                         | 398   | 14,731   | 2.6   | 4.7                         | 5.6                          | 0.7                       |
| 20-30  | 4,053                  | 14.2                | 24,891                         | 1,264   | 23,627   | 5.1   | 4.7                         | 5.4                          | 1.3                       |
| 30-40  | 2,142                  | 7.5                 | 35,242                         | 2,108   | 33,134   | 6.0   | 3.5                         | 4.0                          | 1.1                       |
| 40-50  | 1,714                  | 6.0                 | 46,021                         | 3,537   | 42,483   | 7.7   | 3.6                         | 4.1                          | 1.5                       |
| 50-75  | 4,095                  | 14.3                | 63,445                         | 7,255   | 56,190   | 11.4  | 12.0                        | 13.1                         | 7.3                       |
| 75-100   | 2,542                  | 8.9                 | 88,251                         | 12,856  | 75,395   | 14.6  | 10.3                        | 10.9                         | 8.1                       |
| 100-200  | 3,191                  | 11.1                | 137,801                        | 25,941  | 111,860  | 18.8  | 20.3                        | 20.3                         | 20.4                      |
| 200-500  | 1,082                  | 3.8                 | 298,445                        | 71,508  | 226,937  | 24.0  | 14.9                        | 13.9                         | 19.1                      |
| 500-1,000  | 221                    | 0.8                 | 696,175                        | 188,052                                       | 508,123  | 27.0  | 7.1                         | 6.4                          | 10.2                      |
| More than 1,000  | 126                    | 0.4                 | 3,134,426                      | 974,445                                       | 2,159,981  | 31.1  | 18.2                        | 15.5                         | 30.3                      |
| All  | 28,639                 | 100.0               | 75,721                         | 14,178  | 61,543   | 18.7  | 100.0                       | 100.0                        | 100.0                     |

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0308-07).

Note: Elderly tax units are those with either head or spouse (if filing jointly) age 65 or older.

NOTE: Table shows the impact of the individual income tax measures on 2009 calendar year tax liability. Some individuals may not actually receive the benefits of the provisions until filing their 2009 tax returns in April of 2010. For more discussion of the proposals, see the TPC's Tax Stimulus Report Card: Conference Agreement, available at [http://www.taxpolicycenter.org/taxtopics/conference\\_stimulus.cfm](http://www.taxpolicycenter.org/taxtopics/conference_stimulus.cfm).

(1) Calendar year. Baseline is current law. For description of proposals, see summary table.

(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.