

**Table T09-0164**  
**Tax Units with a Change in Effective Marginal Individual Income Tax Rates (EMTR)**  
**Administration's Fiscal Year 2010 Budget Proposal versus Current Law**  
**Distribution by Cash Income Percentile, 2012 <sup>1</sup>**

Cash Income Percentile <sup>2,3</sup>	Tax Units (thousands) <sup>4</sup>	Percent of Tax Units With		
		Increase in EMTR	No Change in EMTR	Decrease in EMTR
Lowest Quintile	27,758	4.1	24.0	71.9
Second Quintile	27,228	10.7	54.7	34.6
Third Quintile	27,471	11.0	43.7	45.3
Fourth Quintile	23,532	11.2	17.3	71.5
Top Quintile	20,942	19.9	9.2	70.8
All	127,238	10.9	31.2	57.9
<b>Addendum</b>				
80-90	10,617	20.8	4.2	75.0
90-95	5,132	19.9	8.9	71.2
95-99	4,162	21.1	20.9	58.0
Top 1 Percent	1,030	5.4	16.6	78.0
Top 0.1 Percent	104	3.7	22.2	74.0

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0309-1).

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. The proposal is the Administration's Fiscal Year 2010 Budget Proposal.

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. The cash income percentile classes used in this table are based on the income distribution for the entire population and contain an equal number of people, not tax units. The breaks are (in 2009 dollars): 20% \$19,957, 40% \$37,919, 60% \$65,635, 80% \$111,847, 90% \$160,851, 95% \$224,521, 99% \$590,626, 99.9% \$2,706,133.

4. Includes both filing and non-filing units but excludes those that are dependents of other tax units. Excludes tax units with zero earnings.