

Table T10-0195
Extend Increases in Child Tax Credit, Child and Dependent Care Credit, and Student Loan Interest Deduction
Distribution of Federal Tax Change by Cash Income Percentile, 2012 ¹
Summary Table

Cash Income Percentile ^{2,3}	Percent of Tax Units ⁴		Percent Change in After-Tax Income ⁵	Share of Total Federal Tax Change	Average Federal Tax Change (\$)	Average Federal Tax Rate ⁶	
	With Tax Cut	With Tax Increase				Change (%)	Under the Proposal
Lowest Quintile	5.8	0.0	0.2	3.3	-25	-0.2	4.6
Second Quintile	24.3	0.0	1.0	29.9	-249	-0.9	10.3
Middle Quintile	28.5	0.0	0.6	27.4	-250	-0.5	16.6
Fourth Quintile	35.2	0.0	0.4	26.3	-287	-0.3	19.6
Top Quintile	22.0	0.0	0.1	12.7	-159	-0.1	26.6
All	21.8	0.0	0.3	100.0	-185	-0.2	21.8
Addendum							
80-90	35.9	0.0	0.3	11.4	-283	-0.2	22.1
90-95	11.6	0.0	0.0	1.0	-51	0.0	23.4
95-99	4.5	0.0	0.0	0.2	-15	0.0	25.8
Top 1 Percent	2.9	0.0	0.0	0.0	-9	0.0	32.3
Top 0.1 Percent	1.3	0.0	0.0	0.0	-4	0.0	35.5

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0509-5).

Number of AMT Taxpayers (millions). Baseline: 4.0

Proposal: 4.0

(1). Calendar year. Baseline is current law plus an AMT patch; extension of the 10, 25, and 28 percent tax rates; and extension of marriage penalty relief. Proposal would extend the EGTRRA increases in the child tax credit (\$1,000 credit amount, 15-percent refundability based on earnings in excess of \$10,000 indexed for inflation, and allowance of credit regardless of tentative AMT); the child and dependent care tax credit (allowable expenses of \$3,000 per dependent up to \$6,000 total, increase in top credit rate to 35 percent, increase in credit phasedown threshold to \$15,000); and the student loan interest deduction (increase in income phaseout range and repeal of limit on number of months during which interest paid is deductible).

(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% \$19,356, 40% \$37,493, 60% \$65,656, 80% \$111,659, 90% \$161,739, 95% \$226,402, 99% \$599,181, 99.9% \$2,727,123.

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

(5) 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.

(6) 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 T10-0195
Extend Increases in Child Tax Credit, Child and Dependent Care Credit, and Student Loan Interest Deduction
Distribution of Federal Tax Change by Cash Income Percentile, 2012¹
Detail Table

Cash Income Percentile ^{2,3}	Percent of Tax Units ⁴		Percent Change in After-Tax Income ⁵	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁶	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	5.8	0.0	0.2	3.3	-25	-4.5	0.0	0.8	-0.2	4.6
Second Quintile	24.3	0.0	1.0	29.9	-249	-7.7	-0.3	4.0	-0.9	10.3
Middle Quintile	28.5	0.0	0.6	27.4	-250	-2.8	-0.2	10.6	-0.5	16.6
Fourth Quintile	35.2	0.0	0.4	26.3	-287	-1.6	-0.1	17.8	-0.3	19.6
Top Quintile	22.0	0.0	0.1	12.7	-159	-0.2	0.6	66.7	-0.1	26.6
All	21.8	0.0	0.3	100.0	-185	-1.1	0.0	100.0	-0.2	21.8
Addendum										
80-90	35.9	0.0	0.3	11.4	-283	-0.9	0.0	13.8	-0.2	22.1
90-95	11.6	0.0	0.0	1.0	-51	-0.1	0.1	10.1	0.0	23.4
95-99	4.5	0.0	0.0	0.2	-15	0.0	0.2	15.9	0.0	25.8
Top 1 Percent	2.9	0.0	0.0	0.0	-9	0.0	0.3	26.9	0.0	32.3
Top 0.1 Percent	1.3	0.0	0.0	0.0	-4	0.0	0.2	13.7	0.0	35.5

Baseline Distribution of Income and Federal Taxes
by Cash Income Percentile, 2012¹

Cash Income Percentile ^{2,3}	Tax Units ⁴		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After-Tax Income ⁵ (Dollars)	Average Federal Tax Rate ⁶	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	Percent of Total
Lowest Quintile	38,450	24.4	11,600	562	11,038	4.9	3.7	4.5	0.8
Second Quintile	34,947	22.2	28,852	3,230	25,622	11.2	8.4	9.6	4.3
Middle Quintile	31,868	20.3	52,224	8,901	43,323	17.0	13.9	14.8	10.8
Fourth Quintile	26,646	16.9	88,978	17,704	71,273	19.9	19.8	20.3	17.9
Top Quintile	23,298	14.8	280,229	74,802	205,427	26.7	54.5	51.2	66.1
All	157,348	100.0	76,169	16,755	59,414	22.0	100.0	100.0	100.0
Addendum									
80-90	11,720	7.5	138,385	30,883	107,502	22.3	13.5	13.5	13.7
90-95	5,734	3.6	196,549	46,022	150,526	23.4	9.4	9.2	10.0
95-99	4,655	3.0	345,574	89,264	256,311	25.8	13.4	12.8	15.8
Top 1 Percent	1,190	0.8	1,825,188	589,580	1,235,608	32.3	18.1	15.7	26.6
Top 0.1 Percent	120	0.1	8,367,274	2,972,379	5,394,895	35.5	8.4	6.9	13.5

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0509-5).

Number of AMT Taxpayers (millions). Baseline: 4.0 Proposal: 4.0

(1). Calendar year. Baseline is current law plus an AMT patch; extension of the 10, 25, and 28 percent tax rates; and extension of marriage penalty relief. Proposal would extend the EGTRRA increases in the child tax credit (\$1,000 credit amount, 15-percent refundability based on earnings in excess of \$10,000 indexed for inflation, and allowance of credit regardless of tentative AMT); the child and dependent care tax credit (allowable expenses of \$3,000 per dependent up to \$6,000 total, increase in top credit rate to 35 percent, increase in credit phasedown threshold to \$15,000); and the student loan interest deduction (increase in income phaseout range and repeal of limit on number of months during which interest paid is deductible).

(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% \$19,356, 40% \$37,493, 60% \$65,656, 80% \$111,659, 90% \$161,739, 95% \$226,402, 99% \$599,181, 99.9% \$2,727,123.

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

(5) 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.

(6) 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 T10-0195
Extend Increases in Child Tax Credit, Child and Dependent Care Credit, and Student Loan Interest Deduction
Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2012 ¹
Detail Table

Cash Income Percentile ^{2,3}	Percent of Tax Units ⁴		Percent Change in After-Tax Income ⁵	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁶	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	12.2	0.0	0.9	10.1	-92	-44.6	-0.1	0.1	-0.8	1.0
Second Quintile	28.9	0.0	1.3	34.8	-313	-12.3	-0.4	2.8	-1.2	8.5
Middle Quintile	28.2	0.0	0.7	27.2	-253	-3.5	-0.2	8.4	-0.6	15.2
Fourth Quintile	29.5	0.0	0.4	23.2	-225	-1.5	-0.1	17.0	-0.3	19.0
Top Quintile	11.5	0.0	0.0	4.5	-43	-0.1	0.7	71.6	0.0	26.5
All	21.8	0.0	0.3	100.0	-185	-1.1	0.0	100.0	-0.2	21.8
Addendum										
80-90	18.5	0.0	0.1	3.9	-76	-0.3	0.1	15.0	-0.1	22.2
90-95	6.5	0.0	0.0	0.4	-14	0.0	0.1	11.4	0.0	23.5
95-99	2.5	0.0	0.0	0.2	-8	0.0	0.2	17.2	0.0	25.6
Top 1 Percent	1.8	0.0	0.0	0.0	-4	0.0	0.3	28.0	0.0	32.1
Top 0.1 Percent	0.8	0.0	0.0	0.0	-2	0.0	0.2	14.2	0.0	35.2

Baseline Distribution of Income and Federal Taxes
by Cash Income Percentile Adjusted for Family Size, 2012 ¹

Cash Income Percentile ^{2,3}	Tax Units ⁴		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After-Tax Income ⁵ (Dollars)	Average Federal Tax Rate ⁶	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	Percent of Total
Lowest Quintile	31,706	20.2	10,935	206	10,729	1.9	2.9	3.6	0.3
Second Quintile	32,349	20.6	26,208	2,539	23,669	9.7	7.1	8.2	3.1
Middle Quintile	31,237	19.9	46,322	7,274	39,048	15.7	12.1	13.1	8.6
Fourth Quintile	29,980	19.1	77,565	14,984	62,581	19.3	19.4	20.1	17.0
Top Quintile	29,936	19.0	235,547	62,384	173,164	26.5	58.8	55.5	70.8
All	157,348	100.0	76,169	16,755	59,414	22.0	100.0	100.0	100.0
Addendum									
80-90	15,019	9.6	117,658	26,177	91,481	22.3	14.7	14.7	14.9
90-95	7,540	4.8	167,170	39,367	127,803	23.6	10.5	10.3	11.3
95-99	5,940	3.8	294,212	75,404	218,808	25.6	14.6	13.9	17.0
Top 1 Percent	1,436	0.9	1,584,726	508,000	1,076,726	32.1	19.0	16.5	27.7
Top 0.1 Percent	142	0.1	7,360,192	2,593,933	4,766,259	35.2	8.7	7.3	14.0

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0509-5).

Number of AMT Taxpayers (millions). Baseline: 4.0 Proposal: 4.0

(1). Calendar year. Baseline is current law plus an AMT patch; extension of the 10, 25, and 28 percent tax rates; and extension of marriage penalty relief. Proposal would extend the EGTRRA increases in the child tax credit (\$1,000 credit amount, 15-percent refundability based on earnings in excess of \$10,000 indexed for inflation, and allowance of credit regardless of tentative AMT); the child and dependent care tax credit (allowable expenses of \$3,000 per dependent up to \$6,000 total, increase in top credit rate to 35 percent, increase in credit phasedown threshold to \$15,000); and the student loan interest deduction (increase in income phaseout range and repeal of limit on number of months during which interest paid is deductible).

(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 incomes used are adjusted for family size by dividing by the square root of the number of people in the tax unit. The resulting percentile breaks are (in 2009 dollars): 20% \$13,219, 40% \$24,782, 60% \$41,864, 80% \$68,188, 90% \$97,830, 95% \$138,709, 99% \$361,983, 99.9% \$1,670,467.

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

(5) 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.

(6) 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 T10-0195
Extend Increases in Child Tax Credit, Child and Dependent Care Credit, and Student Loan Interest Deduction
Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2012¹
Detail Table - Single Tax Units

Cash Income Percentile ^{2,3}	Percent of Tax Units ⁴		Percent Change in After-Tax Income ⁵	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁶	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	1.7	0.0	0.1	16.5	-8	-1.4	0.0	1.5	-0.1	7.1
Second Quintile	3.2	0.0	0.1	46.6	-26	-1.2	-0.1	5.0	-0.1	10.7
Middle Quintile	1.7	0.0	0.0	18.0	-11	-0.2	0.0	12.4	0.0	17.1
Fourth Quintile	6.2	0.0	0.0	14.4	-11	-0.1	0.0	20.5	0.0	21.1
Top Quintile	3.8	0.0	0.0	4.4	-4	0.0	0.1	60.5	0.0	27.5
All	3.1	0.0	0.0	100.0	-12	-0.1	0.0	100.0	0.0	21.9
Addendum										
80-90	6.9	0.0	0.0	4.2	-7	0.0	0.0	15.4	0.0	24.0
90-95	0.6	0.0	0.0	0.2	-1	0.0	0.0	10.8	0.0	25.3
95-99	0.1	0.0	0.0	0.0	0	0.0	0.0	14.5	0.0	26.3
Top 1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.0	19.8	0.0	34.2
Top 0.1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.0	9.5	0.0	38.1

Baseline Distribution of Income and Federal Taxes
by Cash Income Percentile Adjusted for Family Size, 2012¹

Cash Income Percentile ^{2,3}	Tax Units ⁴		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After-Tax Income ⁵ (Dollars)	Average Federal Tax Rate ⁶	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	Percent of Total	
Lowest Quintile	16,972	24.6	8,380	603	7,777	7.2	4.7	5.6	1.5	
Second Quintile	15,474	22.5	19,970	2,168	17,802	10.9	10.2	11.7	5.1	
Middle Quintile	14,005	20.3	34,261	5,882	28,379	17.2	15.9	16.8	12.4	
Fourth Quintile	11,543	16.8	55,833	11,793	44,040	21.1	21.3	21.5	20.5	
Top Quintile	9,596	13.9	151,979	41,826	110,153	27.5	48.2	44.8	60.4	
All	68,932	100.0	43,878	9,639	34,238	22.0	100.0	100.0	100.0	
Addendum										
80-90	5,066	7.4	84,037	20,196	63,841	24.0	14.1	13.7	15.4	
90-95	2,373	3.4	119,032	30,126	88,906	25.3	9.3	8.9	10.8	
95-99	1,795	2.6	204,548	53,746	150,802	26.3	12.1	11.5	14.5	
Top 1 Percent	361	0.5	1,060,631	362,997	697,635	34.2	12.7	10.7	19.7	
Top 0.1 Percent	32	0.1	5,243,107	1,995,548	3,247,558	38.1	5.5	4.4	9.5	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0509-5).

(1). Calendar year. Baseline is current law plus an AMT patch; extension of the 10, 25, and 28 percent tax rates; and extension of marriage penalty relief. Proposal would extend the EGTRRA increases in the child tax credit (\$1,000 credit amount, 15-percent refundability based on earnings in excess of \$10,000 indexed for inflation, and allowance of credit regardless of tentative AMT); the child and dependent care tax credit (allowable expenses of \$3,000 per dependent up to \$6,000 total, increase in top credit rate to 35 percent, increase in credit phasedown threshold to \$15,000); and the student loan interest deduction (increase in income phaseout range and repeal of limit on number of months during which interest paid is deductible).

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

(5) 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.

(6) 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 T10-0195
Extend Increases in Child Tax Credit, Child and Dependent Care Credit, and Student Loan Interest Deduction
Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2012¹
Detail Table - Married Tax Units Filing Jointly

Cash Income Percentile ^{2,3}	Percent of Tax Units ⁴		Percent Change in After-Tax Income ⁵	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁶	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	20.8	0.0	1.5	7.8	-210	-64.1	-0.1	0.0	-1.5	0.8
Second Quintile	37.5	0.0	1.6	24.0	-479	-15.4	-0.2	1.4	-1.4	7.9
Middle Quintile	44.7	0.0	0.9	29.2	-455	-5.3	-0.2	5.3	-0.8	13.6
Fourth Quintile	44.0	0.0	0.5	31.8	-377	-2.2	-0.2	14.7	-0.4	17.9
Top Quintile	15.7	0.0	0.0	6.7	-65	-0.1	0.7	78.5	0.0	26.2
All	31.7	0.0	0.3	100.0	-291	-1.0	0.0	100.0	-0.2	22.6
Addendum										
80-90	26.0	0.0	0.1	5.9	-120	-0.4	0.1	15.1	-0.1	21.5
90-95	9.5	0.0	0.0	0.5	-20	-0.1	0.1	12.2	0.0	23.0
95-99	3.4	0.0	0.0	0.2	-10	0.0	0.2	19.2	0.0	25.5
Top 1 Percent	2.3	0.0	0.0	0.0	-6	0.0	0.3	32.0	0.0	31.5
Top 0.1 Percent	1.0	0.0	0.0	0.0	-3	0.0	0.2	16.0	0.0	34.7

Baseline Distribution of Income and Federal Taxes
by Cash Income Percentile Adjusted for Family Size, 2012¹

Cash Income Percentile ^{2,3}	Tax Units ⁴		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After-Tax Income ⁵ (Dollars)	Average Federal Tax Rate ⁶	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	Percent of Total
Lowest Quintile	6,622	10.8	14,526	328	14,198	2.3	1.2	1.6	0.1
Second Quintile	8,956	14.6	33,405	3,110	30,295	9.3	3.9	4.6	1.6
Middle Quintile	11,470	18.7	59,671	8,557	51,114	14.3	8.9	9.8	5.6
Fourth Quintile	15,032	24.5	95,023	17,408	77,615	18.3	18.5	19.6	14.8
Top Quintile	18,609	30.3	281,842	73,757	208,086	26.2	67.8	64.9	77.8
All	61,357	100.0	126,020	28,765	97,255	22.8	100.0	100.0	100.0
Addendum									
80-90	8,860	14.4	138,312	29,809	108,503	21.6	15.9	16.1	15.0
90-95	4,843	7.9	192,091	44,180	147,911	23.0	12.0	12.0	12.1
95-99	3,890	6.3	337,723	86,076	251,646	25.5	17.0	16.4	19.0
Top 1 Percent	1,015	1.7	1,748,464	551,177	1,197,287	31.5	23.0	20.4	31.7
Top 0.1 Percent	102	0.2	7,890,377	2,736,571	5,153,806	34.7	10.5	8.8	15.9

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0509-5).

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(6) 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 T10-0195
Extend Increases in Child Tax Credit, Child and Dependent Care Credit, and Student Loan Interest Deduction
Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2012¹
Detail Table - Head of Household Tax Units

Cash Income Percentile ^{2,3}	Percent of Tax Units ⁴		Percent Change in After-Tax Income ⁵	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁶	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	27.8	0.0	1.2	13.7	-176	22.3	-1.3	-5.3	-1.3	-7.2
Second Quintile	71.8	0.0	2.5	53.0	-714	-28.0	-2.9	9.6	-2.3	6.0
Middle Quintile	64.4	0.0	1.1	23.9	-473	-5.8	0.2	27.3	-0.9	15.3
Fourth Quintile	51.3	0.0	0.5	8.8	-319	-2.1	1.4	29.4	-0.4	19.7
Top Quintile	12.9	0.0	0.0	0.6	-47	-0.1	2.5	39.0	0.0	25.2
All	50.7	0.0	1.2	100.0	-411	-6.6	0.0	100.0	-1.0	14.0
Addendum										
80-90	15.8	0.0	0.1	0.5	-61	-0.2	0.9	14.5	-0.1	22.9
90-95	7.1	0.0	0.0	0.0	-13	0.0	0.4	5.9	0.0	23.5
95-99	8.9	0.0	0.0	0.1	-37	-0.1	0.5	8.1	0.0	24.0
Top 1 Percent	4.6	0.0	0.0	0.0	-8	0.0	0.7	10.5	0.0	32.1
Top 0.1 Percent	3.9	0.0	0.0	0.0	-7	0.0	0.3	5.0	0.0	35.2

Baseline Distribution of Income and Federal Taxes
by Cash Income Percentile Adjusted for Family Size, 2012¹

Cash Income Percentile ^{2,3}	Tax Units ⁴		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After-Tax Income ⁵ (Dollars)	Average Federal Tax Rate ⁶	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	Percent of Total	
Lowest Quintile	7,840	31.9	13,490	-789	14,279	-5.9	10.3	12.8	-4.0	
Second Quintile	7,497	30.5	30,617	2,545	28,072	8.3	22.4	24.2	12.4	
Middle Quintile	5,095	20.8	50,275	8,160	42,115	16.2	25.0	24.6	27.1	
Fourth Quintile	2,777	11.3	76,881	15,476	61,405	20.1	20.8	19.6	28.0	
Top Quintile	1,242	5.1	178,521	45,043	133,478	25.2	21.6	19.0	36.4	
All	24,547	100.0	41,760	6,253	35,507	15.0	100.0	100.0	100.0	
Addendum										
80-90	805	3.3	112,763	25,909	86,854	23.0	8.9	8.0	13.6	
90-95	232	0.9	154,893	36,474	118,419	23.6	3.5	3.2	5.5	
95-99	173	0.7	278,418	66,930	211,488	24.0	4.7	4.2	7.5	
Top 1 Percent	33	0.1	1,423,600	456,702	966,898	32.1	4.6	3.7	9.8	
Top 0.1 Percent	3	0.0	6,950,503	2,445,624	4,504,880	35.2	2.0	1.5	4.6	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0509-5).

(1). Calendar year. Baseline is current law plus an AMT patch; extension of the 10, 25, and 28 percent tax rates; and extension of marriage penalty relief. Proposal would extend the EGTRRA increases in the child tax credit (\$1,000 credit amount, 15-percent refundability based on earnings in excess of \$10,000 indexed for inflation, and allowance of credit regardless of tentative AMT); the child and dependent care tax credit (allowable expenses of \$3,000 per dependent up to \$6,000 total, increase in top credit rate to 35 percent, increase in credit phasedown threshold to \$15,000); and the student loan interest deduction (increase in income phaseout range and repeal of limit on number of months during which interest paid is deductible).

(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 incomes used are adjusted for family size by dividing by the square root of the number of people in the tax unit. The resulting percentile breaks are (in 2009 dollars): 20% \$13,219, 40% \$24,782, 60% \$41,864, 80% \$68,188, 90% \$97,830, 95% \$138,709, 99% \$361,983, 99.9% \$1,670,467.

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

(5) 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.

(6) 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 T10-0195
Extend Increases in Child Tax Credit, Child and Dependent Care Credit, and Student Loan Interest Deduction
Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2012 ¹
Detail Table - Tax Units with Children

Cash Income Percentile ^{2,3}	Percent of Tax Units ⁴		Percent Change in After-Tax Income ⁵	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁶	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	35.4	0.0	1.8	10.0	-276	26.9	-0.3	-1.3	-1.9	-8.9
Second Quintile	84.3	0.0	2.9	34.3	-923	-30.5	-0.9	2.2	-2.7	6.1
Middle Quintile	83.1	0.0	1.5	27.6	-751	-7.2	-0.5	9.9	-1.2	15.4
Fourth Quintile	80.3	0.0	0.8	23.7	-673	-3.3	-0.1	19.7	-0.7	19.4
Top Quintile	28.3	0.0	0.1	4.1	-137	-0.2	1.8	69.5	0.0	27.3
All	63.3	0.0	0.8	100.0	-567	-2.7	0.0	100.0	-0.6	21.3
Addendum										
80-90	43.9	0.0	0.2	3.6	-230	-0.6	0.3	15.8	-0.2	22.7
90-95	13.3	0.0	0.0	0.3	-36	-0.1	0.3	10.7	0.0	24.0
95-99	8.7	0.0	0.0	0.2	-29	0.0	0.5	16.9	0.0	26.9
Top 1 Percent	5.6	0.0	0.0	0.0	-16	0.0	0.7	26.2	0.0	33.5
Top 0.1 Percent	3.2	0.0	0.0	0.0	-9	0.0	0.3	12.7	0.0	35.7

Baseline Distribution of Income and Federal Taxes
by Cash Income Percentile Adjusted for Family Size, 2012 ¹

Cash Income Percentile ^{2,3}	Tax Units ⁴		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After-Tax Income ⁵ (Dollars)	Average Federal Tax Rate ⁶	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	Percent of Total	
Lowest Quintile	10,133	20.6	14,723	-1,027	15,750	-7.0	3.2	4.4	-1.0	
Second Quintile	10,359	21.1	34,672	3,027	31,645	8.7	7.7	9.0	3.1	
Middle Quintile	10,251	20.9	62,298	10,370	51,928	16.7	13.6	14.5	10.4	
Fourth Quintile	9,800	19.9	103,142	20,723	82,418	20.1	21.6	22.1	19.8	
Top Quintile	8,315	16.9	306,063	83,644	222,419	27.3	54.3	50.5	67.7	
All	49,155	100.0	95,419	20,896	74,523	21.9	100.0	100.0	100.0	
Addendum										
80-90	4,398	9.0	157,496	36,016	121,480	22.9	14.8	14.6	15.4	
90-95	1,976	4.0	224,546	53,993	170,552	24.1	9.5	9.2	10.4	
95-99	1,567	3.2	400,356	107,638	292,717	26.9	13.4	12.5	16.4	
Top 1 Percent	374	0.8	2,088,455	699,762	1,388,693	33.5	16.7	14.2	25.5	
Top 0.1 Percent	36	0.1	9,839,694	3,513,573	6,326,121	35.7	7.6	6.2	12.3	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0509-5).

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

(1). Calendar year. Baseline is current law plus an AMT patch; extension of the 10, 25, and 28 percent tax rates; and extension of marriage penalty relief. Proposal would extend the EGTRRA increases in the child tax credit (\$1,000 credit amount, 15-percent refundability based on earnings in excess of \$10,000 indexed for inflation, and allowance of credit regardless of tentative AMT); the child and dependent care tax credit (allowable expenses of \$3,000 per dependent up to \$6,000 total, increase in top credit rate to 35 percent, increase in credit phasedown threshold to \$15,000); and the student loan interest deduction (increase in income phaseout range and repeal of limit on number of months during which interest paid is deductible).

(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 incomes used are adjusted for family size by dividing by the square root of the number of people in the tax unit. The resulting percentile breaks are (in 2009 dollars): 20% \$13,219, 40% \$24,782, 60% \$41,864, 80% \$68,188, 90% \$97,830, 95% \$138,709, 99% \$361,983, 99.9% \$1,670,467.

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

(5) 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.

(6) 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 T10-0192
Extend Increases in Child Tax Credit, Child and Dependent Care Credit, and Student Loan Interest Deduction
Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2012 ¹
Detail Table - Elderly Tax Units

Cash Income Percentile ^{2,3}	Percent of Tax Units ⁴		Percent Change in After-Tax Income ⁵	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁶	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	0.9	0.0	0.1	11.7	-6	-2.1	0.0	0.3	-0.1	2.5
Second Quintile	0.6	0.0	0.0	19.2	-6	-0.7	0.0	1.6	0.0	3.9
Middle Quintile	2.5	0.0	0.1	43.8	-18	-0.7	0.0	3.4	0.0	6.2
Fourth Quintile	1.7	0.0	0.0	19.8	-9	-0.1	0.0	10.2	0.0	11.6
Top Quintile	0.8	0.0	0.0	5.3	-2	0.0	0.0	84.4	0.0	25.7
All	1.3	0.0	0.0	100.0	-8	-0.1	0.0	100.0	0.0	19.0
Addendum										
80-90	1.4	0.0	0.0	4.0	-4	0.0	0.0	9.8	0.0	16.9
90-95	0.7	0.0	0.0	0.9	-2	0.0	0.0	9.4	0.0	19.9
95-99	0.1	0.0	0.0	0.3	-1	0.0	0.0	20.6	0.0	24.3
Top 1 Percent	0.2	0.0	0.0	0.1	-1	0.0	0.0	44.5	0.0	32.3
Top 0.1 Percent	0.1	0.0	0.0	0.0	0	0.0	0.0	22.5	0.0	35.8

Baseline Distribution of Income and Federal Taxes
by Cash Income Percentile Adjusted for Family Size, 2012 ¹

Cash Income Percentile ^{2,3}	Tax Units ⁴		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After-Tax Income ⁵ (Dollars)	Average Federal Tax Rate ⁶	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	Percent of Total	
Lowest Quintile	5,016	16.4	10,899	277	10,622	2.5	2.4	2.8	0.3	
Second Quintile	8,213	26.9	22,528	877	21,651	3.9	8.0	9.5	1.6	
Middle Quintile	5,981	19.6	41,094	2,552	38,542	6.2	10.6	12.3	3.5	
Fourth Quintile	5,495	18.0	70,238	8,142	62,096	11.6	16.7	18.2	10.2	
Top Quintile	5,617	18.4	257,048	66,094	190,954	25.7	62.4	57.3	84.3	
All	30,543	100.0	75,737	14,412	61,325	19.0	100.0	100.0	100.0	
Addendum										
80-90	2,427	8.0	105,444	17,817	87,627	16.9	11.1	11.4	9.8	
90-95	1,362	4.5	153,103	30,409	122,693	19.9	9.0	8.9	9.4	
95-99	1,394	4.6	267,882	65,112	202,769	24.3	16.1	15.1	20.6	
Top 1 Percent	434	1.4	1,396,961	451,459	945,502	32.3	26.2	21.9	44.5	
Top 0.1 Percent	42	0.1	6,520,091	2,333,598	4,186,493	35.8	12.0	9.5	22.5	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0509-5).

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

(1). Calendar year. Baseline is current law plus an AMT patch; extension of the 10, 25, and 28 percent tax rates; and extension of marriage penalty relief. Proposal would extend the EGTRRA increases in the child tax credit (\$1,000 credit amount, 15-percent refundability based on earnings in excess of \$10,000 indexed for inflation, and allowance of credit regardless of tentative AMT); the child and dependent care tax credit (allowable expenses of \$3,000 per dependent up to \$6,000 total, increase in top credit rate to 35 percent, increase in credit phasedown threshold to \$15,000); and the student loan interest deduction (increase in income phaseout range and repeal of limit on number of months during which interest paid is deductible).

(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

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(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 incomes used are adjusted for family size by dividing by the square root of the number of people in the tax unit. The resulting percentile breaks are (in 2009 dollars): 20% \$13,219, 40% \$24,782, 60% \$41,864, 80% \$68,188, 90% \$97,830, 95% \$138,709, 99% \$361,983, 99.9% \$1,670,467.

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

(5) 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.

(6) 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.