

**Table T10-0275**  
**Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 as Considered by the Senate**  
**Baseline: Current Policy**  
**Distribution of Federal Tax Change by Cash Income Percentile, 2011<sup>1</sup>**  
**Summary Table**

Cash Income Percentile <sup>2,3</sup>	Percent of Tax Units <sup>4</sup>		Percent Change in After-Tax Income <sup>5</sup>	Share of Total Federal Tax Change	Average Federal Tax Change (\$)	Average Federal Tax Rate <sup>6</sup>	
	With Tax Cut	With Tax Increase				Change (%)	Under the Proposal
Lowest Quintile	67.0	0.0	3.2	8.0	-307	-3.0	1.0
Second Quintile	76.1	0.0	2.2	12.4	-524	-2.0	7.3
Middle Quintile	83.7	0.0	1.9	16.4	-772	-1.6	13.8
Fourth Quintile	90.2	0.0	1.9	23.1	-1,296	-1.6	17.6
Top Quintile	92.1	0.3	1.3	39.9	-2,556	-1.0	23.8
All	79.9	0.0	1.7	100.0	-950	-1.3	19.1
<b>Addendum</b>							
80-90	91.1	0.0	1.9	16.3	-2,068	-1.5	19.9
90-95	93.3	0.0	1.7	9.7	-2,544	-1.3	21.8
95-99	93.7	0.4	1.2	9.1	-2,903	-0.9	23.7
Top 1 Percent	89.3	3.3	0.5	4.9	-6,095	-0.4	28.0
Top 0.1 Percent	87.7	4.8	0.4	1.6	-19,892	-0.3	30.8

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0509-7).

Number of AMT Taxpayers (millions). Baseline: 4.6

Proposal: 4.3

(1) Baseline is current policy, which extends the 2001 and 2003 individual income tax cuts, indexes the AMT exemption, tax bracket threshold, and exemption phase-out threshold for inflation, allows personal nonrefundable credits regardless of tentative AMT, and extends 2009 estate tax law (\$3.5 million exemption and 45 percent rate). Proposal reduces the OASDI tax rate on employees to 4.2%; sets the AMT exemption at \$74,450 for joint filers (\$48,450 for others); and extends the following provisions: \$3,000 unindexed threshold for the refundable child tax credit; the \$5,000 (indexed for inflation after 2009) increase in the earned income tax credit plateau and the 45-percent credit rate for families with three or more qualifying children; the American Opportunity Tax Credit for education expenses; the above the line deduction for education expenses; the educator expense deduction; and the deduction for state and local general sales taxes. The proposal sets the effective exemption for the estate tax at \$5 million with a rate of 35 percent.

(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% 17878, 40% 34929, 60% 64051, 80% 104588, 90% 168991, 95% 212858, 99% 564605, 99.9% 2378493.

(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 T10-0275**  
**Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 as Considered by the Senate**  
**Baseline: Current Policy**  
**Distribution of Federal Tax Change by Cash Income Percentile, 2011 <sup>1</sup>**  
**Detail Table**

Cash Income Percentile <sup>2,3</sup>	Percent of Tax Units <sup>4</sup>		Percent Change in After-Tax Income <sup>5</sup>	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate <sup>6</sup>	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
<b>Lowest Quintile</b>	67.0	0.0	3.2	8.0	-307	-74.5	-0.5	0.2	-3.0	1.0
<b>Second Quintile</b>	76.1	0.0	2.2	12.4	-524	-21.7	-0.6	3.1	-2.0	7.3
<b>Middle Quintile</b>	83.7	0.0	1.9	16.4	-772	-10.5	-0.4	9.8	-1.6	13.8
<b>Fourth Quintile</b>	90.2	0.0	1.9	23.1	-1,296	-8.1	-0.3	18.1	-1.6	17.6
<b>Top Quintile</b>	92.1	0.3	1.3	39.9	-2,556	-3.9	1.9	68.7	-1.0	23.8
<b>All</b>	79.9	0.0	1.7	100.0	-950	-6.5	0.0	100.0	-1.3	19.1
<b>Addendum</b>										
<b>80-90</b>	91.1	0.0	1.9	16.3	-2,068	-7.1	-0.1	14.7	-1.5	19.9
<b>90-95</b>	93.3	0.0	1.7	9.7	-2,544	-5.8	0.1	11.0	-1.3	21.8
<b>95-99</b>	93.7	0.4	1.2	9.1	-2,903	-3.5	0.5	17.3	-0.9	23.7
<b>Top 1 Percent</b>	89.3	3.3	0.5	4.9	-6,095	-1.3	1.4	25.7	-0.4	28.0
<b>Top 0.1 Percent</b>	87.7	4.8	0.4	1.6	-19,892	-0.8	0.8	13.2	-0.3	30.8

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Percentile, 2011 <sup>1</sup>**

Cash Income Percentile <sup>2,3</sup>	Tax Units <sup>4</sup>		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After-Tax Income <sup>5</sup> (Dollars)	Average Federal Tax Rate <sup>6</sup>	Share of Pre-Tax Income	Share of Post-Tax Income	Share of Federal Taxes	
	Number (thousands)	Percent of Total					Percent of Total	Percent of Total		
<b>Lowest Quintile</b>	38,677	24.9	10,093	411	9,682	4.1	3.5	4.3	0.7	
<b>Second Quintile</b>	34,811	22.4	26,035	2,417	23,617	9.3	8.2	9.3	3.7	
<b>Middle Quintile</b>	31,429	20.2	47,793	7,358	40,435	15.4	13.6	14.4	10.2	
<b>Fourth Quintile</b>	26,265	16.9	83,396	15,953	67,443	19.1	19.8	20.1	18.5	
<b>Top Quintile</b>	23,007	14.8	266,691	65,890	200,800	24.7	55.3	52.4	66.8	
<b>All</b>	155,368	100.0	71,362	14,611	56,751	20.5	100.0	100.0	100.0	
<b>Addendum</b>										
<b>80-90</b>	11,618	7.5	135,361	28,999	106,362	21.4	14.2	14.0	14.8	
<b>90-95</b>	5,605	3.6	191,219	44,239	146,980	23.1	9.7	9.3	10.9	
<b>95-99</b>	4,610	3.0	335,497	82,317	253,180	24.5	14.0	13.2	16.7	
<b>Top 1 Percent</b>	1,173	0.8	1,657,313	470,073	1,187,240	28.4	17.5	15.8	24.3	
<b>Top 0.1 Percent</b>	118	0.1	7,646,017	2,376,705	5,269,312	31.1	8.2	7.1	12.4	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0509-7).

Number of AMT Taxpayers (millions). Baseline: 4.6

Proposal: 4.3

(1) Baseline is current policy, which extends the 2001 and 2003 individual income tax cuts, indexes the AMT exemption, tax bracket threshold, and exemption phase-out threshold for inflation, allows personal nonrefundable credits regardless of tentative AMT, and extends 2009 estate tax law (\$3.5 million exemption and 45 percent rate). Proposal reduces the OASDI tax rate on employees to 4.2%; sets the AMT exemption at \$74,450 for joint filers (\$48,450 for others); and extends the following provisions: \$3,000 unindexed threshold for the refundable child tax credit; the \$5,000 (indexed for inflation after 2009) increase in the earned income tax credit plateau and the 45-percent credit rate for families with three or more qualifying children; the American Opportunity Tax Credit for education expenses; the above the line deduction for education expenses; the educator expense deduction; and the deduction for state and local general sales taxes. The proposal sets the effective exemption for the estate tax at \$5 million with a rate of 35 percent.

(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% 17878, 40% 34929, 60% 64051, 80% 104588, 90% 168991, 95% 212858, 99% 564605, 99.9% 2378493.

(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 T10-0275**  
**Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 as Considered by the Senate**  
**Baseline: Current Policy**  
**Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2011 <sup>1</sup>**  
**Detail Table**

Cash Income Percentile <sup>2,3</sup>	Percent of Tax Units <sup>4</sup>		Percent Change in After-Tax Income <sup>5</sup>	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate <sup>6</sup>	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	72.0	0.0	4.5	9.1	-419	-3,385.4	-0.6	-0.6	-4.4	-4.3
Second Quintile	72.2	0.0	2.2	10.4	-475	-27.2	-0.6	1.9	-2.0	5.4
Middle Quintile	80.8	0.0	1.9	14.2	-674	-11.0	-0.4	8.0	-1.6	12.9
Fourth Quintile	87.5	0.0	1.9	22.9	-1,141	-8.6	-0.4	17.0	-1.6	16.8
Top Quintile	89.9	0.2	1.3	43.2	-2,191	-3.9	2.0	73.5	-1.0	23.7
All	79.9	0.0	1.7	100.0	-950	-6.5	0.0	100.0	-1.3	19.1
<b>Addendum</b>										
80-90	90.5	0.0	2.0	17.6	-1,773	-7.1	-0.1	16.0	-1.6	20.3
90-95	89.3	0.0	1.7	10.6	-2,165	-5.7	0.1	12.2	-1.3	21.5
95-99	89.9	0.1	1.1	9.3	-2,355	-3.4	0.6	18.6	-0.8	23.5
Top 1 Percent	86.8	3.7	0.6	5.7	-5,935	-1.5	1.4	26.8	-0.4	27.8
Top 0.1 Percent	84.3	5.7	0.4	1.9	-20,068	-1.0	0.8	13.6	-0.3	30.7

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Percentile Adjusted for Family Size, 2011 <sup>1</sup>**

Cash Income Percentile <sup>2,3</sup>	Tax Units <sup>4</sup>		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After-Tax Income <sup>5</sup> (Dollars)	Average Federal Tax Rate <sup>6</sup>	Share of Pre-Tax Income Percent of Total	Share of Post-Tax Income Percent of Total	Share of Federal Taxes Percent of Total	
	Number (thousands)	Percent of Total								
Lowest Quintile	32,083	20.7	9,434	12	9,422	0.1	2.7	3.4	0.0	
Second Quintile	32,342	20.8	23,612	1,748	21,864	7.4	6.9	8.0	2.5	
Middle Quintile	31,090	20.0	42,531	6,142	36,389	14.4	11.9	12.8	8.4	
Fourth Quintile	29,591	19.1	72,702	13,331	59,371	18.3	19.4	19.9	17.4	
Top Quintile	29,084	18.7	226,416	55,836	170,579	24.7	59.4	56.3	71.5	
All	155,368	100.0	71,362	14,611	56,751	20.5	100.0	100.0	100.0	
<b>Addendum</b>										
80-90	14,619	9.4	113,942	24,951	88,990	21.9	15.0	14.8	16.1	
90-95	7,214	4.6	166,326	37,992	128,334	22.8	10.8	10.5	12.1	
95-99	5,825	3.8	287,803	70,054	217,748	24.3	15.1	14.4	18.0	
Top 1 Percent	1,427	0.9	1,432,105	404,484	1,027,621	28.2	18.4	16.6	25.4	
Top 0.1 Percent	142	0.1	6,661,121	2,064,069	4,597,052	31.0	8.5	7.4	12.9	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0509-7).

Number of AMT Taxpayers (millions). Baseline: 4.6

Proposal: 4.3

(1) Baseline is current policy, which extends the 2001 and 2003 individual income tax cuts, indexes the AMT exemption, tax bracket threshold, and exemption phase-out threshold for inflation, allows personal nonrefundable credits regardless of tentative AMT, and extends 2009 estate tax law (\$3.5 million exemption and 45 percent rate). Proposal reduces the OASDI tax rate on employees to 4.2%; sets the AMT exemption at \$74,450 for joint filers (\$48,450 for others); and extends the following provisions: \$3,000 unindexed threshold for the refundable child tax credit; the \$5,000 (indexed for inflation after 2009) increase in the earned income tax credit plateau and the 45-percent credit rate for families with three or more qualifying children; the American Opportunity Tax Credit for education expenses; the above the line deduction for education expenses; the educator expense deduction; and the deduction for state and local general sales taxes. The proposal sets the effective exemption for the estate tax at \$5 million with a rate of 35 percent.

(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% 12032, 40% 23094, 60% 39707, 80% 67084, 90% 97696, 95% 137553, 99% 353093, 99.9% 1429554.

(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 T10-0275**  
**Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 as Considered by the Senate**  
**Baseline: Current Policy**  
**Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2011<sup>1</sup>**  
**Detail Table - Single Tax Units**

Cash Income Percentile <sup>2,3</sup>	Percent of Tax Units <sup>4</sup>		Percent Change in After-Tax Income <sup>5</sup>	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate <sup>6</sup>	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (%)	Under the Proposal	Change (%)	Under the Proposal
<b>Lowest Quintile</b>	66.2	0.0	2.8	8.2	-186	-38.2	-0.5	1.0	-2.6	4.2
<b>Second Quintile</b>	60.7	0.0	1.5	9.9	-246	-13.5	-0.4	4.8	-1.4	8.7
<b>Middle Quintile</b>	76.4	0.0	1.8	16.9	-472	-9.2	-0.3	12.7	-1.5	14.8
<b>Fourth Quintile</b>	82.8	0.0	1.9	21.4	-768	-7.4	-0.1	20.1	-1.5	18.6
<b>Top Quintile</b>	82.9	0.3	1.7	43.4	-1,864	-5.1	1.3	61.3	-1.3	24.2
<b>All</b>	71.7	0.0	1.8	100.0	-579	-7.0	0.0	100.0	-1.4	19.1
<b>Addendum</b>										
<b>80-90</b>	85.6	0.0	2.0	16.5	-1,218	-6.4	0.1	18.1	-1.5	21.9
<b>90-95</b>	80.0	0.0	1.7	6.3	-1,451	-5.4	0.1	8.2	-1.3	22.2
<b>95-99</b>	79.0	0.1	1.2	8.0	-1,788	-3.8	0.5	15.1	-0.9	22.9
<b>Top 1 Percent</b>	74.9	6.4	2.0	12.7	-13,056	-4.6	0.5	19.8	-1.4	29.2
<b>Top 0.1 Percent</b>	69.3	8.5	2.0	5.0	-59,202	-3.8	0.3	9.5	-1.3	33.2

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Percentile Adjusted for Family Size, 2011<sup>1</sup>**

Cash Income Percentile <sup>2,3</sup>	Tax Units <sup>4</sup>		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After-Tax Income <sup>5</sup> (Dollars)	Average Federal Tax Rate <sup>6</sup>	Share of Pre-Tax Income	Share of Post-Tax Income	Share of Federal Taxes
	Number (thousands)	Percent of Total					Percent of Total	Percent of Total	
<b>Lowest Quintile</b>	17,340	25.5	7,204	486	6,717	6.8	4.6	5.4	1.5
<b>Second Quintile</b>	15,760	23.2	18,081	1,820	16,261	10.1	10.4	11.8	5.1
<b>Middle Quintile</b>	14,098	20.8	31,593	5,145	26,448	16.3	16.3	17.2	13.0
<b>Fourth Quintile</b>	10,924	16.1	51,705	10,361	41,344	20.0	20.7	20.8	20.2
<b>Top Quintile</b>	9,157	13.5	144,300	36,718	107,582	25.5	48.4	45.4	60.0
<b>All</b>	67,885	100.0	40,203	8,250	31,953	20.5	100.0	100.0	100.0
<b>Addendum</b>									
<b>80-90</b>	5,319	7.8	80,931	18,962	61,969	23.4	15.8	15.2	18.0
<b>90-95</b>	1,696	2.5	113,971	26,707	87,263	23.4	7.1	6.8	8.1
<b>95-99</b>	1,760	2.6	195,495	46,510	148,985	23.8	12.6	12.1	14.6
<b>Top 1 Percent</b>	382	0.6	926,155	283,496	642,659	30.6	13.0	11.3	19.3
<b>Top 0.1 Percent</b>	33	0.1	4,471,146	1,544,948	2,926,198	34.6	5.5	4.5	9.2

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0509-7).

(1) Baseline is current policy, which extends the 2001 and 2003 individual income tax cuts, indexes the AMT exemption, tax bracket threshold, and exemption phase-out threshold for inflation, allows personal nonrefundable credits regardless of tentative AMT, and extends 2009 estate tax law (\$3.5 million exemption and 45 percent rate). Proposal reduces the OASDI tax rate on employees to 4.2%; sets the AMT exemption at \$74,450 for joint filers (\$48,450 for others); and extends the following provisions: \$3,000 unindexed threshold for the refundable child tax credit; the \$5,000 (indexed for inflation after 2009) increase in the earned income tax credit plateau and the 45-percent credit rate for families with three or more qualifying children; the American Opportunity Tax Credit for education expenses; the above the line deduction for education expenses; the educator expense deduction; and the deduction for state and local general sales taxes. The proposal sets the effective exemption for the estate tax at \$5 million with a rate of 35 percent.

(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% 12032, 40% 23094, 60% 39707, 80% 67084, 90% 97696, 95% 137553, 99% 353093, 99.9% 1429554.

(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 T10-0275**  
**Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 as Considered by the Senate**  
**Baseline: Current Policy**  
**Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2011<sup>1</sup>**  
**Detail Table - Married Tax Units Filing Jointly**

Cash Income Percentile <sup>2,3</sup>	Percent of Tax Units <sup>4</sup>		Percent Change in After-Tax Income <sup>5</sup>	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate <sup>6</sup>	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
<b>Lowest Quintile</b>	66.7	0.0	4.3	4.1	-525	35,593.0	-0.2	-0.2	-4.3	-4.3
<b>Second Quintile</b>	74.1	0.0	2.4	6.9	-670	-32.3	-0.3	0.8	-2.2	4.6
<b>Middle Quintile</b>	80.2	0.0	1.8	11.4	-845	-11.8	-0.4	4.9	-1.5	11.4
<b>Fourth Quintile</b>	89.9	0.0	1.9	25.0	-1,376	-8.9	-0.6	14.7	-1.6	15.9
<b>Top Quintile</b>	93.1	0.1	1.2	52.2	-2,399	-3.6	1.5	79.7	-0.9	23.5
<b>All</b>	84.0	0.0	1.5	100.0	-1,386	-5.4	0.0	100.0	-1.2	20.2
<b>Addendum</b>										
<b>80-90</b>	93.2	0.0	2.0	21.4	-2,162	-7.4	-0.3	15.3	-1.6	19.7
<b>90-95</b>	92.2	0.0	1.7	15.0	-2,423	-5.8	-0.1	14.1	-1.3	21.4
<b>95-99</b>	94.6	0.0	1.1	12.0	-2,642	-3.2	0.5	20.7	-0.8	23.8
<b>Top 1 Percent</b>	91.4	2.5	0.3	3.9	-3,331	-0.8	1.4	29.7	-0.2	27.4
<b>Top 0.1 Percent</b>	89.8	4.1	0.2	0.9	-7,808	-0.4	0.8	14.9	-0.1	30.2

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Percentile Adjusted for Family Size, 2011<sup>1</sup>**

Cash Income Percentile <sup>2,3</sup>	Tax Units <sup>4</sup>		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After-Tax Income <sup>5</sup> (Dollars)	Average Federal Tax Rate <sup>6</sup>	Share of Pre-Tax Income	Share of Post-Tax Income	Share of Federal Taxes
	Number (thousands)	Percent of Total					Percent of Total	Percent of Total	
<b>Lowest Quintile</b>	6,593	10.8	12,215	-1	12,216	0.0	1.1	1.4	0.0
<b>Second Quintile</b>	8,725	14.4	30,203	2,071	28,132	6.9	3.6	4.3	1.2
<b>Middle Quintile</b>	11,382	18.7	54,932	7,131	47,802	13.0	8.6	9.5	5.3
<b>Fourth Quintile</b>	15,307	25.2	88,212	15,381	72,831	17.4	18.6	19.6	15.2
<b>Top Quintile</b>	18,340	30.2	270,045	65,969	204,076	24.4	68.3	65.6	78.2
<b>All</b>	60,792	100.0	119,264	25,450	93,814	21.3	100.0	100.0	100.0
<b>Addendum</b>									
<b>80-90</b>	8,320	13.7	136,955	29,127	107,828	21.3	15.7	15.7	15.7
<b>90-95</b>	5,211	8.6	184,374	41,903	142,471	22.7	13.3	13.0	14.1
<b>95-99</b>	3,824	6.3	332,662	81,640	251,022	24.5	17.6	16.8	20.2
<b>Top 1 Percent</b>	985	1.6	1,604,165	443,588	1,160,577	27.7	21.8	20.1	28.2
<b>Top 0.1 Percent</b>	100	0.2	7,259,853	2,197,540	5,062,314	30.3	10.0	8.9	14.2

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0509-7).

(1) Baseline is current policy, which extends the 2001 and 2003 individual income tax cuts, indexes the AMT exemption, tax bracket threshold, and exemption phase-out threshold for inflation, allows personal nonrefundable credits regardless of tentative AMT, and extends 2009 estate tax law (\$3.5 million exemption and 45 percent rate). Proposal reduces the OASDI tax rate on employees to 4.2%; sets the AMT exemption at \$74,450 for joint filers (\$48,450 for others); and extends the following provisions: \$3,000 unindexed threshold for the refundable child tax credit; the \$5,000 (indexed for inflation after 2009) increase in the earned income tax credit plateau and the 45-percent credit rate for families with three or more qualifying children; the American Opportunity Tax Credit for education expenses; the above the line deduction for education expenses; the educator expense deduction; and the deduction for state and local general sales taxes. The proposal sets the effective exemption for the estate tax at \$5 million with a rate of 35 percent.

(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% 12032, 40% 23094, 60% 39707, 80% 67084, 90% 97696, 95% 137553, 99% 353093, 99.9% 1429554.

(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 T10-0275**  
**Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 as Considered by the Senate**  
**Baseline: Current Policy**  
**Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2011<sup>1</sup>**  
**Detail Table - Head of Household Tax Units**

Cash Income Percentile <sup>2,3</sup>	Percent of Tax Units <sup>4</sup>		Percent Change in After-Tax Income <sup>5</sup>	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate <sup>6</sup>	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
<b>Lowest Quintile</b>	88.9	0.0	6.5	30.2	-851	81.2	-8.7	-15.7	-7.1	-15.7
<b>Second Quintile</b>	93.1	0.0	2.8	24.6	-738	-65.2	-4.1	3.1	-2.7	1.4
<b>Middle Quintile</b>	92.9	0.0	2.2	19.3	-866	-13.1	2.0	29.9	-1.9	12.6
<b>Fourth Quintile</b>	92.6	0.0	2.3	16.7	-1,370	-9.7	3.7	36.1	-1.9	17.3
<b>Top Quintile</b>	95.0	0.2	1.4	9.0	-1,804	-4.3	7.1	46.6	-1.0	23.0
<b>All</b>	91.5	0.0	2.8	100.0	-920	-18.9	0.0	100.0	-2.4	10.4
<b>Addendum</b>										
<b>80-90</b>	95.4	0.0	2.0	5.0	-1,623	-6.9	2.0	15.7	-1.6	21.0
<b>90-95</b>	96.2	0.0	1.6	2.0	-1,863	-5.2	1.2	8.5	-1.2	21.7
<b>95-99</b>	92.4	1.2	1.0	1.5	-2,071	-3.4	1.6	9.8	-0.8	22.1
<b>Top 1 Percent</b>	90.4	2.5	0.4	0.6	-3,867	-1.0	2.3	12.6	-0.3	28.2
<b>Top 0.1 Percent</b>	82.2	4.8	0.4	0.2	-15,379	-0.8	1.1	6.3	-0.3	30.7

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Percentile Adjusted for Family Size, 2011<sup>1</sup>**

Cash Income Percentile <sup>2,3</sup>	Tax Units <sup>4</sup>		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After-Tax Income <sup>5</sup> (Dollars)	Average Federal Tax Rate <sup>6</sup>	Share of Pre-Tax Income	Share of Post-Tax Income	Share of Federal Taxes
	Number (thousands)	Percent of Total					Percent of Total	Percent of Total	Percent of Total
<b>Lowest Quintile</b>	7,886	32.6	12,067	-1,047	13,114	-8.7	10.3	12.9	-7.0
<b>Second Quintile</b>	7,424	30.7	27,745	1,133	26,613	4.1	22.4	24.6	7.1
<b>Middle Quintile</b>	4,956	20.5	45,962	6,635	39,327	14.4	24.8	24.3	27.9
<b>Fourth Quintile</b>	2,718	11.2	73,390	14,054	59,336	19.2	21.7	20.1	32.4
<b>Top Quintile</b>	1,112	4.6	174,340	41,849	132,491	24.0	21.1	18.4	39.5
<b>All</b>	24,178	100.0	38,064	4,875	33,189	12.8	100.0	100.0	100.0
<b>Addendum</b>									
<b>80-90</b>	682	2.8	104,552	23,581	80,971	22.6	7.7	6.9	13.6
<b>90-95</b>	240	1.0	155,950	35,716	120,234	22.9	4.1	3.6	7.3
<b>95-99</b>	157	0.7	269,020	61,524	207,496	22.9	4.6	4.1	8.2
<b>Top 1 Percent</b>	33	0.1	1,306,109	372,281	933,828	28.5	4.7	3.8	10.4
<b>Top 0.1 Percent</b>	3	0.0	6,172,341	1,912,897	4,259,444	31.0	2.1	1.7	5.1

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0509-7).

(1) Baseline is current policy, which extends the 2001 and 2003 individual income tax cuts, indexes the AMT exemption, tax bracket threshold, and exemption phase-out threshold for inflation, allows personal nonrefundable credits regardless of tentative AMT, and extends 2009 estate tax law (\$3.5 million exemption and 45 percent rate). Proposal reduces the OASDI tax rate on employees to 4.2%; sets the AMT exemption at \$74,450 for joint filers (\$48,450 for others); and extends the following provisions: \$3,000 unindexed threshold for the refundable child tax credit; the \$5,000 (indexed for inflation after 2009) increase in the earned income tax credit plateau and the 45-percent credit rate for families with three or more qualifying children; the American Opportunity Tax Credit for education expenses; the above the line deduction for education expenses; the educator expense deduction; and the deduction for state and local general sales taxes. The proposal sets the effective exemption for the estate tax at \$5 million with a rate of 35 percent.

(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% 12032, 40% 23094, 60% 39707, 80% 67084, 90% 97696, 95% 137553, 99% 353093, 99.9% 1429554.

(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 T10-0275**  
**Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 as Considered by the Senate**  
**Baseline: Current Policy**  
**Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2011<sup>1</sup>**  
**Detail Table - Tax Units with Children**

Cash Income Percentile <sup>2,3</sup>	Percent of Tax Units <sup>4</sup>		Percent Change in After-Tax Income <sup>5</sup>	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate <sup>6</sup>	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	92.9	0.0	6.8	13.5	-970	71.1	-1.4	-3.0	-7.5	-18.1
Second Quintile	97.4	0.0	3.2	13.4	-964	-75.9	-1.1	0.4	-3.1	1.0
Middle Quintile	96.9	0.0	2.3	15.1	-1,118	-13.2	-0.5	9.1	-1.9	12.8
Fourth Quintile	97.9	0.0	2.4	23.9	-1,816	-10.1	-0.4	19.4	-1.9	17.1
Top Quintile	98.9	0.1	1.4	33.7	-2,977	-4.0	3.4	74.0	-1.0	24.6
All	96.6	0.0	2.1	100.0	-1,510	-8.3	0.0	100.0	-1.7	18.5
<b>Addendum</b>										
80-90	98.9	0.0	2.3	17.1	-2,876	-7.9	0.1	18.0	-1.8	21.0
90-95	99.3	0.0	1.9	8.5	-3,033	-6.2	0.3	11.6	-1.5	22.0
95-99	99.0	0.2	1.1	6.5	-3,100	-3.0	1.0	19.0	-0.8	25.1
Top 1 Percent	97.0	1.1	0.3	1.7	-3,331	-0.6	2.0	25.4	-0.2	29.1
Top 0.1 Percent	93.4	2.6	0.1	0.3	-5,363	-0.2	1.0	12.5	-0.1	31.3

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Percentile Adjusted for Family Size, 2011<sup>1</sup>**

Cash Income Percentile <sup>2,3</sup>	Tax Units <sup>4</sup>		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After-Tax Income <sup>5</sup> (Dollars)	Average Federal Tax Rate <sup>6</sup>	Share of Pre-Tax Income Percent of Total	Share of Post-Tax Income Percent of Total	Share of Federal Taxes Percent of Total	
	Number (thousands)	Percent of Total								
Lowest Quintile	10,306	21.1	12,912	-1,365	14,276	-10.6	3.0	4.2	-1.6	
Second Quintile	10,267	21.0	31,428	1,271	30,157	4.0	7.3	8.8	1.5	
Middle Quintile	9,991	20.4	57,612	8,503	49,109	14.8	13.1	14.0	9.6	
Fourth Quintile	9,734	19.9	95,095	18,032	77,064	19.0	21.0	21.4	19.8	
Top Quintile	8,367	17.1	293,544	75,051	218,494	25.6	55.8	52.1	70.7	
All	48,902	100.0	89,975	18,173	71,802	20.2	100.0	100.0	100.0	
<b>Addendum</b>										
80-90	4,381	9.0	159,754	36,342	123,412	22.8	15.9	15.4	17.9	
90-95	2,062	4.2	208,714	49,016	159,698	23.5	9.8	9.4	11.4	
95-99	1,547	3.2	398,499	103,241	295,257	25.9	14.0	13.0	18.0	
Top 1 Percent	377	0.8	1,882,020	551,724	1,330,296	29.3	16.1	14.3	23.4	
Top 0.1 Percent	36	0.1	8,973,155	2,812,121	6,161,034	31.3	7.4	6.4	11.5	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0509-7).

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

(1) Baseline is current policy, which extends the 2001 and 2003 individual income tax cuts, indexes the AMT exemption, tax bracket threshold, and exemption phase-out threshold for inflation, allows personal nonrefundable credits regardless of tentative AMT, and extends 2009 estate tax law (\$3.5 million exemption and 45 percent rate). Proposal reduces the OASDI tax rate on employees to 4.2%; sets the AMT exemption at \$74,450 for joint filers (\$48,450 for others); and extends the following provisions: \$3,000 unindexed threshold for the refundable child tax credit; the \$5,000 (indexed for inflation after 2009) increase in the earned income tax credit plateau and the 45-percent credit rate for families with three or more qualifying children; the American Opportunity Tax Credit for education expenses; the above the line deduction for education expenses; the educator expense deduction; and the deduction for state and local general sales taxes. The proposal sets the effective exemption for the estate tax at \$5 million with a rate of 35 percent.

(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% 12032, 40% 23094, 60% 39707, 80% 67084, 90% 97696, 95% 137553, 99% 353093, 99.9% 1429554.

(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 T10-0275**  
**Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 as Considered by the Senate**  
**Baseline: Current Policy**  
**Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2011<sup>1</sup>**  
**Detail Table - Elderly Tax Units**

Cash Income Percentile <sup>2,3</sup>	Percent of Tax Units <sup>4</sup>		Percent Change in After-Tax Income <sup>5</sup>	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate <sup>6</sup>	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	16.4	0.0	0.5	1.6	-41	-20.5	0.0	0.2	-0.4	1.7
Second Quintile	18.2	0.0	0.3	3.3	-48	-7.5	-0.1	1.4	-0.2	3.0
Middle Quintile	29.6	0.0	0.3	5.2	-99	-5.2	-0.1	3.2	-0.3	4.9
Fourth Quintile	51.9	0.0	0.5	12.6	-268	-4.0	-0.1	10.3	-0.4	9.7
Top Quintile	60.7	0.6	0.9	77.2	-1,599	-3.0	0.3	84.8	-0.7	21.8
All	34.6	0.1	0.7	100.0	-394	-3.3	0.0	100.0	-0.6	16.1
<b>Addendum</b>										
80-90	58.3	0.0	0.6	10.0	-492	-3.2	0.0	10.1	-0.5	14.6
90-95	56.9	0.0	0.6	10.0	-798	-2.8	0.1	11.6	-0.5	17.7
95-99	66.4	0.0	0.6	15.3	-1,274	-2.3	0.2	21.9	-0.5	21.0
Top 1 Percent	68.0	8.8	1.3	42.0	-11,890	-3.3	0.0	41.2	-1.0	27.5
Top 0.1 Percent	66.9	11.8	1.3	17.6	-50,263	-2.7	0.1	21.2	-0.9	30.9

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Percentile Adjusted for Family Size, 2011<sup>1</sup>**

Cash Income Percentile <sup>2,3</sup>	Tax Units <sup>4</sup>		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After-Tax Income <sup>5</sup> (Dollars)	Average Federal Tax Rate <sup>6</sup>	Share of Pre-Tax Income Percent of Total	Share of Post-Tax Income Percent of Total	Share of Federal Taxes Percent of Total	
	Number (thousands)	Percent of Total								
Lowest Quintile	4,506	15.2	9,355	199	9,156	2.1	2.0	2.3	0.3	
Second Quintile	7,861	26.5	20,255	648	19,607	3.2	7.4	8.6	1.4	
Middle Quintile	6,119	20.6	37,501	1,916	35,585	5.1	10.7	12.2	3.3	
Fourth Quintile	5,507	18.6	66,806	6,743	60,063	10.1	17.2	18.5	10.4	
Top Quintile	5,645	19.0	238,417	53,570	184,847	22.5	62.8	58.5	84.6	
All	29,671	100.0	72,215	12,048	60,167	16.7	100.0	100.0	100.0	
<b>Addendum</b>										
80-90	2,371	8.0	101,072	15,261	85,811	15.1	11.2	11.4	10.1	
90-95	1,461	4.9	154,874	28,143	126,731	18.2	10.6	10.4	11.5	
95-99	1,399	4.7	258,236	55,421	202,815	21.5	16.9	15.9	21.7	
Top 1 Percent	413	1.4	1,255,047	357,104	897,944	28.5	24.2	20.8	41.3	
Top 0.1 Percent	41	0.1	5,790,160	1,841,545	3,948,615	31.8	11.1	9.1	21.1	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0509-7).

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

(1) Baseline is current policy, which extends the 2001 and 2003 individual income tax cuts, indexes the AMT exemption, tax bracket threshold, and exemption phase-out threshold for inflation, allows personal nonrefundable credits regardless of tentative AMT, and extends 2009 estate tax law (\$3.5 million exemption and 45 percent rate). Proposal reduces the OASDI tax rate on employees to 4.2%; sets the AMT exemption at \$74,450 for joint filers (\$48,450 for others); and extends the following provisions: \$3,000 unindexed threshold for the refundable child tax credit; the \$5,000 (indexed for inflation after 2009) increase in the earned income tax credit plateau and the 45-percent credit rate for families with three or more qualifying children; the American Opportunity Tax Credit for education expenses; the above the line deduction for education expenses; the educator expense deduction; and the deduction for state and local general sales taxes. The proposal sets the effective exemption for the estate tax at \$5 million with a rate of 35 percent.

(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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