

Table T11-0323
Social Security OASDI Tax Rate Reduced to 3.1%
Baseline: Current Law
Distribution of Benefits by Cash Income Level, 2012 ¹

Cash Income Level (thousands of 2011 dollars) ²	Tax Units (thousands) ³	Units Benefiting from Social Security Tax Cut		Average Benefit, Among Units Benefiting (Dollars)	Percent Change in After-Tax Income, Among Units Benefiting
		Number (thousands)	Percent (%)		
Less than 10	23,654	13,814	58.4	185	2.9
10-20	28,341	15,384	54.3	403	2.6
20-30	20,820	15,337	73.7	644	2.8
30-40	17,491	13,810	79.0	889	2.9
40-50	13,844	11,443	82.7	1,129	3.0
50-75	20,187	16,847	83.5	1,543	3.0
75-100	13,838	11,988	86.6	2,092	3.0
100-200	18,707	16,719	89.4	3,178	2.9
200-500	5,808	5,258	90.5	3,916	1.8
500-1,000	1,003	878	87.5	4,148	0.8
More than 1,000	503	439	87.2	4,201	0.2
All	165,201	122,292	74.0	1,426	2.3

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0411-2).

(1) Calendar year. Baseline is current law; proposal reduces the OASDI tax rate on employees from 6.2 percent to 3.1 percent. Unit is defined as benefiting if tax cut is at least \$1. For a description of TPC's current law and current policy baselines, see

<http://www.taxpolicycenter.org/T11-0270>

(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.