

Table T13-0010
The American Taxpayer Relief Act of 2012 (ATRA) as Passed by the Senate
Step 7 of 7: Alternative Minimum Tax Patch
Distribution of Federal Tax Change by Cash Income Percentile, 2013 ¹
Summary Table

| Cash Income Percentile ^{2,3} | Tax Units | | Percent Change in After-Tax Income ⁴ | Share of Total Federal Tax Change | Average Federal Tax Change (\$) | Average Federal Tax Rate ⁵ | |
|---------------------------------------|--------------------|------------------|---|-----------------------------------|---------------------------------|---------------------------------------|--------------------|
| | Number (thousands) | Percent of Total | | | | Change (%) | Under the Proposal |
| Lowest Quintile | 40,520 | 25.6 | 0.0 | 0.0 | 0 | 0.0 | 1.7 |
| Second Quintile | 36,208 | 22.9 | 0.0 | 0.0 | 0 | 0.0 | 9.3 |
| Middle Quintile | 31,370 | 19.8 | 0.0 | 0.9 | 0 | 0.0 | 15.3 |
| Fourth Quintile | 26,062 | 16.5 | 0.0 | 4.6 | -2 | 0.0 | 18.8 |
| Top Quintile | 23,189 | 14.7 | 0.0 | 94.5 | -46 | 0.0 | 27.5 |
| All | 158,260 | 100.0 | 0.0 | 100.0 | -7 | 0.0 | 21.2 |
| Addendum | | | | | | | |
| 80-90 | 11,692 | 7.4 | 0.0 | 3.1 | -3 | 0.0 | 21.3 |
| 90-95 | 5,736 | 3.6 | 0.0 | 4.2 | -8 | 0.0 | 23.0 |
| 95-99 | 4,615 | 2.9 | 0.1 | 81.4 | -201 | -0.1 | 25.7 |
| Top 1 Percent | 1,147 | 0.7 | 0.0 | 5.9 | -58 | 0.0 | 35.7 |
| Top 0.1 Percent | 117 | 0.1 | 0.0 | 0.1 | -7 | 0.0 | 38.2 |

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0412-8).

Number of AMT Taxpayers (millions). Baseline: 3.7 Proposal: 3.4

(1) Calendar year. Initial baseline is current policy with the following modifications: extension of 2 percent payroll tax cut; repeal of the health care legislation taxes on earnings, and investment income; repeal of the 10 percent limitation on the deductibility of medical expenses.

Baseline for this step is that modified form of current policy plus steps 1 through 6 of the analysis. For a description of TPC's current law and current policy baselines, see

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

For a description of ATRA provisions, see:

<http://www.taxpolicycenter.org/taxtopics/American-Taxpayer-Relief-Act.cfm>

(2) Includes both filing and non-filing units but excludes those that are dependents of other tax units. 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 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 2012 dollars): 20% \$20,113; 40% \$39,790; 60% \$64,484; 80% \$108,266; 90% \$143,373; 95% \$204,296; 99% \$506,210; 99.9% \$2,655,675.

(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 T13-0010
The American Taxpayer Relief Act of 2012 (ATRA) as Passed by the Senate
Step 7 of 7: Alternative Minimum Tax Patch
Distribution of Federal Tax Change by Cash Income Percentile, 2013 ¹
Detail Table

| Cash Income Percentile ^{2,3} | Percent Change in After-Tax Income ⁴ | Share of Total Federal Tax Change | Average Federal Tax Change | | Share of Federal Taxes | | Average Federal Tax Rate ⁵ | |
|---------------------------------------|---|-----------------------------------|----------------------------|---------|------------------------|--------------------|---------------------------------------|--------------------|
| | | | Dollars | Percent | Change (% Points) | Under the Proposal | Change (% Points) | Under the Proposal |
| Lowest Quintile | 0.0 | 0.0 | 0 | 0.0 | 0.0 | 0.3 | 0.0 | 1.7 |
| Second Quintile | 0.0 | 0.0 | 0 | 0.0 | 0.0 | 4.3 | 0.0 | 9.3 |
| Middle Quintile | 0.0 | 0.9 | 0 | 0.0 | 0.0 | 10.8 | 0.0 | 15.3 |
| Fourth Quintile | 0.0 | 4.6 | -2 | 0.0 | 0.0 | 17.7 | 0.0 | 18.8 |
| Top Quintile | 0.0 | 94.5 | -46 | -0.1 | 0.0 | 66.7 | 0.0 | 27.5 |
| All | 0.0 | 100.0 | -7 | -0.1 | 0.0 | 100.0 | 0.0 | 21.2 |
| Addendum | | | | | | | | |
| 80-90 | 0.0 | 3.1 | -3 | 0.0 | 0.0 | 13.4 | 0.0 | 21.3 |
| 90-95 | 0.0 | 4.2 | -8 | 0.0 | 0.0 | 9.4 | 0.0 | 23.0 |
| 95-99 | 0.1 | 81.4 | -201 | -0.3 | 0.0 | 14.6 | -0.1 | 25.7 |
| Top 1 Percent | 0.0 | 5.9 | -58 | 0.0 | 0.0 | 29.3 | 0.0 | 35.7 |
| Top 0.1 Percent | 0.0 | 0.1 | -7 | 0.0 | 0.0 | 15.3 | 0.0 | 38.2 |

Baseline Distribution of Income and Federal Taxes
by Cash Income Percentile, 2013 ¹

| Cash Income Percentile ^{2,3} | Tax Units | | Pre-Tax Income | | Federal Tax Burden | | After-Tax Income ⁴ | | Average Federal Tax Rate ⁵ |
|---------------------------------------|--------------------|------------------|-------------------|------------------|--------------------|------------------|-------------------------------|------------------|---------------------------------------|
| | Number (thousands) | Percent of Total | Average (dollars) | Percent of Total | Average (dollars) | Percent of Total | Average (dollars) | Percent of Total | |
| Lowest Quintile | 40,520 | 25.6 | 11,290 | 4.2 | 192 | 0.3 | 11,097 | 5.2 | 1.7 |
| Second Quintile | 36,208 | 22.9 | 30,031 | 9.9 | 2,784 | 4.3 | 27,247 | 11.4 | 9.3 |
| Middle Quintile | 31,370 | 19.8 | 52,294 | 14.9 | 8,021 | 10.8 | 44,272 | 16.0 | 15.3 |
| Fourth Quintile | 26,062 | 16.5 | 84,355 | 20.0 | 15,826 | 17.7 | 68,529 | 20.6 | 18.8 |
| Top Quintile | 23,189 | 14.7 | 244,576 | 51.5 | 67,212 | 66.8 | 177,364 | 47.5 | 27.5 |
| All | 158,260 | 100.0 | 69,527 | 100.0 | 14,754 | 100.0 | 54,772 | 100.0 | 21.2 |
| Addendum | | | | | | | | | |
| 80-90 | 11,692 | 7.4 | 125,820 | 13.4 | 26,735 | 13.4 | 99,086 | 13.4 | 21.3 |
| 90-95 | 5,736 | 3.6 | 166,808 | 8.7 | 38,387 | 9.4 | 128,421 | 8.5 | 23.0 |
| 95-99 | 4,615 | 2.9 | 287,453 | 12.1 | 74,035 | 14.6 | 213,418 | 11.4 | 25.8 |
| Top 1 Percent | 1,147 | 0.7 | 1,671,536 | 17.4 | 596,521 | 29.3 | 1,075,016 | 14.2 | 35.7 |
| Top 0.1 Percent | 117 | 0.1 | 7,985,826 | 8.5 | 3,052,708 | 15.2 | 4,933,118 | 6.6 | 38.2 |

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0412-8).

Number of AMT Taxpayers (millions). Baseline: 3.7 Proposal: 3.4

(1) Calendar year. Initial baseline is current policy with the following modifications: extension of 2 percent payroll tax cut; repeal of the health care legislation taxes on earnings, and investment income; repeal of the 10 percent limitation on the deductibility of medical expenses. Baseline for this step is that modified form of current policy plus steps 1 through 6 of the analysis. For a description of TPC's current law and current policy baselines, see

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

For a description of ATRA provisions, see:

<http://www.taxpolicycenter.org/taxtopics/American-Taxpayer-Relief-Act.cfm>

(2) Includes both filing and non-filing units but excludes those that are dependents of other tax units. 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 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 2012 dollars): 20% \$20,113; 40% \$39,790; 60% \$64,484; 80% \$108,266; 90% \$143,373; 95% \$204,296; 99% \$506,210; 99.9% \$2,655,675.

(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 T13-0010
The American Taxpayer Relief Act of 2012 (ATRA) as Passed by the Senate
Step 7 of 7: Alternative Minimum Tax Patch
Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2013 ¹
Detail Table

| Cash Income Percentile ^{2,3} | Percent Change in After-Tax Income ⁴ | Share of Total Federal Tax Change | Average Federal Tax Change | | Share of Federal Taxes | | Average Federal Tax Rate ⁵ | | |
|---------------------------------------|---|-----------------------------------|----------------------------|---------|------------------------|--------------------|---------------------------------------|--------------------|--|
| | | | Dollars | Percent | Change (% Points) | Under the Proposal | Change (% Points) | Under the Proposal | |
| Lowest Quintile | 0.0 | 0.0 | 0 | 0.0 | 0.0 | -0.4 | 0.0 | -2.8 | |
| Second Quintile | 0.0 | 0.0 | 0 | 0.0 | 0.0 | 2.7 | 0.0 | 7.3 | |
| Middle Quintile | 0.0 | 0.5 | 0 | 0.0 | 0.0 | 8.6 | 0.0 | 13.8 | |
| Fourth Quintile | 0.0 | 2.3 | -1 | 0.0 | 0.0 | 17.2 | 0.0 | 18.3 | |
| Top Quintile | 0.0 | 97.2 | -37 | -0.1 | 0.0 | 71.8 | 0.0 | 27.1 | |
| All | 0.0 | 100.0 | -7 | -0.1 | 0.0 | 100.0 | 0.0 | 21.2 | |
| Addendum | | | | | | | | | |
| 80-90 | 0.0 | 4.2 | -3 | 0.0 | 0.0 | 14.5 | 0.0 | 21.2 | |
| 90-95 | 0.0 | 11.1 | -16 | -0.1 | 0.0 | 11.1 | 0.0 | 23.0 | |
| 95-99 | 0.1 | 70.4 | -134 | -0.2 | 0.0 | 15.9 | -0.1 | 25.4 | |
| Top 1 Percent | 0.0 | 11.5 | -95 | 0.0 | 0.0 | 30.2 | 0.0 | 35.5 | |
| Top 0.1 Percent | 0.0 | 0.1 | -7 | 0.0 | 0.0 | 15.9 | 0.0 | 38.2 | |

Baseline Distribution of Income and Federal Taxes
by Cash Income Percentile Adjusted for Family Size, 2013 ¹

| Cash Income Percentile ^{2,3} | Tax Units | | Pre-Tax Income | | Federal Tax Burden | | After-Tax Income ⁴ | | Average Federal Tax Rate ⁵ |
|---------------------------------------|--------------------|------------------|-------------------|------------------|--------------------|------------------|-------------------------------|------------------|---------------------------------------|
| | Number (thousands) | Percent of Total | Average (dollars) | Percent of Total | Average (dollars) | Percent of Total | Average (dollars) | Percent of Total | |
| Lowest Quintile | 33,405 | 21.1 | 10,552 | 3.2 | -292 | -0.4 | 10,844 | 4.2 | -2.8 |
| Second Quintile | 32,563 | 20.6 | 26,837 | 7.9 | 1,952 | 2.7 | 24,885 | 9.4 | 7.3 |
| Middle Quintile | 31,164 | 19.7 | 46,562 | 13.2 | 6,410 | 8.6 | 40,152 | 14.4 | 13.8 |
| Fourth Quintile | 29,985 | 19.0 | 73,219 | 20.0 | 13,374 | 17.2 | 59,845 | 20.7 | 18.3 |
| Top Quintile | 30,233 | 19.1 | 204,490 | 56.2 | 55,460 | 71.8 | 149,030 | 52.0 | 27.1 |
| All | 158,260 | 100.0 | 69,527 | 100.0 | 14,754 | 100.0 | 54,772 | 100.0 | 21.2 |
| Addendum | | | | | | | | | |
| 80-90 | 14,991 | 9.5 | 106,847 | 14.6 | 22,626 | 14.5 | 84,221 | 14.6 | 21.2 |
| 90-95 | 7,896 | 5.0 | 142,978 | 10.3 | 32,909 | 11.1 | 110,070 | 10.0 | 23.0 |
| 95-99 | 5,972 | 3.8 | 244,529 | 13.3 | 62,241 | 15.9 | 182,288 | 12.6 | 25.5 |
| Top 1 Percent | 1,374 | 0.9 | 1,448,832 | 18.1 | 513,639 | 30.2 | 935,193 | 14.8 | 35.5 |
| Top 0.1 Percent | 139 | 0.1 | 6,989,966 | 8.9 | 2,669,458 | 15.9 | 4,320,508 | 6.9 | 38.2 |

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0412-8).

Number of AMT Taxpayers (millions). Baseline: 3.7

Proposal: 3.4

(1) Calendar year. Initial baseline is current policy with the following modifications: extension of 2 percent payroll tax cut; repeal of the health care legislation taxes on earnings, and investment income; repeal of the 10 percent limitation on the deductibility of medical expenses. Baseline for this step is that modified form of current policy plus steps 1 through 6 of the analysis. For a description of TPC's current law and current policy baselines, see

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For a description of cash income, see

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(3) The 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 2012 dollars): 20% \$13,941; 40% \$26,136; 60% \$41,226; 80% \$64,003; 90% \$88,398; 95% \$122,605; 99% \$295,996; 99.9% \$1,565,087.

(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 T13-0010
The American Taxpayer Relief Act of 2012 (ATRA) as Passed by the Senate
Step 7 of 7: Alternative Minimum Tax Patch
Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2013 ¹
Detail Table - Single Tax Units

| Cash Income Percentile ^{2,3} | Percent Change in After-Tax Income ⁴ | Share of Total Federal Tax Change | Average Federal Tax Change | | Share of Federal Taxes | | Average Federal Tax Rate ⁵ | |
|---------------------------------------|---|-----------------------------------|----------------------------|---------|------------------------|--------------------|---------------------------------------|--------------------|
| | | | Dollars | Percent | Change (% Points) | Under the Proposal | Change (% Points) | Under the Proposal |
| Lowest Quintile | 0.0 | 0.0 | 0 | 0.0 | 0.0 | 1.4 | 0.0 | 5.1 |
| Second Quintile | 0.0 | 0.0 | 0 | 0.0 | 0.0 | 5.7 | 0.0 | 9.4 |
| Middle Quintile | 0.0 | 0.0 | 0 | 0.0 | 0.0 | 12.1 | 0.0 | 14.8 |
| Fourth Quintile | 0.0 | 0.6 | 0 | 0.0 | 0.0 | 21.5 | 0.0 | 19.9 |
| Top Quintile | 0.0 | 99.3 | -13 | 0.0 | 0.0 | 59.1 | 0.0 | 27.3 |
| All | 0.0 | 100.0 | -2 | 0.0 | 0.0 | 100.0 | 0.0 | 20.3 |
| Addendum | | | | | | | | |
| 80-90 | 0.0 | 1.1 | 0 | 0.0 | 0.0 | 14.3 | 0.0 | 22.8 |
| 90-95 | 0.0 | 1.9 | -1 | 0.0 | 0.0 | 10.7 | 0.0 | 24.2 |
| 95-99 | 0.0 | 58.6 | -39 | -0.1 | 0.0 | 14.1 | 0.0 | 25.8 |
| Top 1 Percent | 0.0 | 37.8 | -135 | 0.0 | 0.0 | 20.1 | 0.0 | 36.4 |
| Top 0.1 Percent | 0.0 | 0.2 | -8 | 0.0 | 0.0 | 10.8 | 0.0 | 40.4 |

Baseline Distribution of Income and Federal Taxes
by Cash Income Percentile Adjusted for Family Size, 2013 ¹

| Cash Income Percentile ^{2,3} | Tax Units | | Pre-Tax Income | | Federal Tax Burden | | After-Tax Income ⁴ | | Average Federal Tax Rate ⁵ |
|---------------------------------------|--------------------|------------------|-------------------|------------------|--------------------|------------------|-------------------------------|------------------|---------------------------------------|
| | Number (thousands) | Percent of Total | Average (dollars) | Percent of Total | Average (dollars) | Percent of Total | Average (dollars) | Percent of Total | |
| Lowest Quintile | 19,721 | 27.4 | 8,091 | 5.7 | 416 | 1.4 | 7,675 | 6.7 | 5.1 |
| Second Quintile | 17,211 | 23.9 | 20,316 | 12.4 | 1,911 | 5.7 | 18,405 | 14.1 | 9.4 |
| Middle Quintile | 13,567 | 18.8 | 34,462 | 16.6 | 5,102 | 12.1 | 29,360 | 17.7 | 14.8 |
| Fourth Quintile | 11,717 | 16.3 | 52,696 | 21.9 | 10,497 | 21.5 | 42,199 | 22.0 | 19.9 |
| Top Quintile | 9,354 | 13.0 | 132,560 | 44.0 | 36,207 | 59.1 | 96,353 | 40.1 | 27.3 |
| All | 72,035 | 100.0 | 39,146 | 100.0 | 7,954 | 100.0 | 31,193 | 100.0 | 20.3 |
| Addendum | | | | | | | | | |
| 80-90 | 4,749 | 6.6 | 75,578 | 12.7 | 17,208 | 14.3 | 58,370 | 12.3 | 22.8 |
| 90-95 | 2,416 | 3.4 | 104,552 | 9.0 | 25,336 | 10.7 | 79,216 | 8.5 | 24.2 |
| 95-99 | 1,849 | 2.6 | 168,798 | 11.1 | 43,580 | 14.1 | 125,218 | 10.3 | 25.8 |
| Top 1 Percent | 340 | 0.5 | 931,104 | 11.2 | 339,004 | 20.1 | 592,100 | 9.0 | 36.4 |
| Top 0.1 Percent | 31 | 0.0 | 4,955,926 | 5.4 | 2,003,779 | 10.8 | 2,952,147 | 4.0 | 40.4 |

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0412-8).

(1) Calendar year. Initial baseline is current policy with the following modifications: extension of 2 percent payroll tax cut; repeal of the health care legislation taxes on earnings, and investment income; repeal of the 10 percent limitation on the deductibility of medical expenses. Baseline for this step is that modified form of current policy plus steps 1 through 6 of the analysis. For a description of TPC's current law and current policy baselines, see

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(3) The 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 2012 dollars): 20% \$13,941; 40% \$26,136; 60% \$41,226; 80% \$64,003; 90% \$88,398; 95% \$122,605; 99% \$295,996; 99.9% \$1,565,087.

(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 T13-0010
The American Taxpayer Relief Act of 2012 (ATRA) as Passed by the Senate
Step 7 of 7: Alternative Minimum Tax Patch
Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2013 ¹
Detail Table - Married Tax Units Filing Jointly

| Cash Income Percentile ^{2,3} | Percent Change in After-Tax Income ⁴ | Share of Total Federal Tax Change | Average Federal Tax Change | | Share of Federal Taxes | | Average Federal Tax Rate ⁵ | | |
|---------------------------------------|---|-----------------------------------|----------------------------|---------|------------------------|--------------------|---------------------------------------|--------------------|--|
| | | | Dollars | Percent | Change (% Points) | Under the Proposal | Change (% Points) | Under the Proposal | |
| Lowest Quintile | 0.0 | 0.0 | 0 | 0.0 | 0.0 | -0.2 | 0.0 | -4.0 | |
| Second Quintile | 0.0 | 0.0 | 0 | 0.0 | 0.0 | 1.2 | 0.0 | 6.4 | |
| Middle Quintile | 0.0 | 0.0 | 0 | 0.0 | 0.0 | 5.7 | 0.0 | 12.5 | |
| Fourth Quintile | 0.0 | 0.3 | 0 | 0.0 | 0.0 | 14.8 | 0.0 | 17.3 | |
| Top Quintile | 0.0 | 99.7 | -45 | -0.1 | 0.0 | 78.3 | 0.0 | 27.0 | |
| All | 0.0 | 100.0 | -14 | -0.1 | 0.0 | 100.0 | 0.0 | 22.6 | |
| Addendum | | | | | | | | | |
| 80-90 | 0.0 | 1.3 | -1 | 0.0 | 0.0 | 14.7 | 0.0 | 20.6 | |
| 90-95 | 0.0 | 10.9 | -19 | -0.1 | 0.0 | 11.7 | 0.0 | 22.5 | |
| 95-99 | 0.1 | 78.0 | -176 | -0.3 | 0.0 | 17.2 | -0.1 | 25.2 | |
| Top 1 Percent | 0.0 | 9.5 | -85 | 0.0 | 0.0 | 34.8 | 0.0 | 35.3 | |
| Top 0.1 Percent | 0.0 | 0.1 | -8 | 0.0 | 0.0 | 18.0 | 0.0 | 37.9 | |

Baseline Distribution of Income and Federal Taxes
by Cash Income Percentile Adjusted for Family Size, 2013 ¹

| Cash Income Percentile ^{2,3} | Tax Units | | Pre-Tax Income | | Federal Tax Burden | | After-Tax Income ⁴ | | Average Federal Tax Rate ⁵ |
|---------------------------------------|--------------------|------------------|-------------------|------------------|--------------------|------------------|-------------------------------|------------------|---------------------------------------|
| | Number (thousands) | Percent of Total | Average (dollars) | Percent of Total | Average (dollars) | Percent of Total | Average (dollars) | Percent of Total | |
| Lowest Quintile | 5,376 | 8.9 | 14,486 | 1.1 | -573 | -0.2 | 15,059 | 1.5 | -4.0 |
| Second Quintile | 8,093 | 13.3 | 36,595 | 4.2 | 2,343 | 1.2 | 34,253 | 5.1 | 6.4 |
| Middle Quintile | 12,453 | 20.5 | 58,915 | 10.4 | 7,362 | 5.7 | 51,553 | 11.7 | 12.5 |
| Fourth Quintile | 15,271 | 25.1 | 89,679 | 19.3 | 15,522 | 14.8 | 74,156 | 20.6 | 17.3 |
| Top Quintile | 19,208 | 31.6 | 241,961 | 65.5 | 65,362 | 78.3 | 176,599 | 61.8 | 27.0 |
| All | 60,744 | 100.0 | 116,746 | 100.0 | 26,382 | 100.0 | 90,364 | 100.0 | 22.6 |
| Addendum | | | | | | | | | |
| 80-90 | 9,257 | 15.2 | 123,947 | 16.2 | 25,469 | 14.7 | 98,479 | 16.6 | 20.6 |
| 90-95 | 5,109 | 8.4 | 162,264 | 11.7 | 36,550 | 11.7 | 125,714 | 11.7 | 22.5 |
| 95-99 | 3,865 | 6.4 | 282,834 | 15.4 | 71,389 | 17.2 | 211,444 | 14.9 | 25.2 |
| Top 1 Percent | 977 | 1.6 | 1,615,663 | 22.3 | 570,345 | 34.8 | 1,045,319 | 18.6 | 35.3 |
| Top 0.1 Percent | 101 | 0.2 | 7,547,627 | 10.7 | 2,858,833 | 18.0 | 4,688,793 | 8.6 | 37.9 |

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0412-8).

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(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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Step 7 of 7: Alternative Minimum Tax Patch
Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2013 ¹
Detail Table - Head of Household Tax Units

| Cash Income Percentile ^{2,3} | Percent Change in After-Tax Income ⁴ | Share of Total Federal Tax Change | Average Federal Tax Change | | Share of Federal Taxes | | Average Federal Tax Rate ⁵ | | |
|---------------------------------------|---|-----------------------------------|----------------------------|---------|------------------------|--------------------|---------------------------------------|--------------------|--|
| | | | Dollars | Percent | Change (% Points) | Under the Proposal | Change (% Points) | Under the Proposal | |
| Lowest Quintile | 0.0 | 0.0 | 0 | 0.0 | 0.0 | -13.4 | 0.0 | -13.5 | |
| Second Quintile | 0.0 | 0.0 | 0 | 0.0 | 0.0 | 8.9 | 0.0 | 4.6 | |
| Middle Quintile | 0.0 | 1.0 | 0 | 0.0 | 0.0 | 29.7 | 0.0 | 15.2 | |
| Fourth Quintile | 0.0 | 7.7 | -2 | 0.0 | 0.0 | 30.3 | 0.0 | 19.2 | |
| Top Quintile | 0.0 | 91.4 | -45 | -0.1 | 0.0 | 44.4 | 0.0 | 25.8 | |
| All | 0.0 | 100.0 | -3 | -0.1 | 0.0 | 100.0 | 0.0 | 12.3 | |
| Addendum | | | | | | | | | |
| 80-90 | 0.0 | 10.0 | -8 | 0.0 | 0.0 | 14.9 | 0.0 | 22.2 | |
| 90-95 | 0.0 | 16.8 | -37 | -0.1 | 0.0 | 7.7 | 0.0 | 23.9 | |
| 95-99 | 0.1 | 60.7 | -208 | -0.4 | 0.0 | 9.0 | -0.1 | 25.6 | |
| Top 1 Percent | 0.0 | 3.9 | -73 | 0.0 | 0.0 | 12.9 | 0.0 | 33.8 | |
| Top 0.1 Percent | 0.0 | 0.0 | -6 | 0.0 | 0.0 | 6.6 | 0.0 | 36.5 | |

Baseline Distribution of Income and Federal Taxes
by Cash Income Percentile Adjusted for Family Size, 2013 ¹

| Cash Income Percentile ^{2,3} | Tax Units | | Pre-Tax Income | | Federal Tax Burden | | After-Tax Income ⁴ | | Average Federal Tax Rate ⁵ |
|---------------------------------------|--------------------|------------------|-------------------|------------------|--------------------|------------------|-------------------------------|------------------|---------------------------------------|
| | Number (thousands) | Percent of Total | Average (dollars) | Percent of Total | Average (dollars) | Percent of Total | Average (dollars) | Percent of Total | |
| Lowest Quintile | 8,034 | 34.8 | 13,983 | 12.2 | -1,889 | -13.4 | 15,872 | 15.7 | -13.5 |
| Second Quintile | 6,829 | 29.6 | 31,795 | 23.5 | 1,476 | 8.9 | 30,319 | 25.5 | 4.6 |
| Middle Quintile | 4,455 | 19.3 | 49,950 | 24.1 | 7,571 | 29.7 | 42,379 | 23.3 | 15.2 |
| Fourth Quintile | 2,489 | 10.8 | 71,792 | 19.3 | 13,817 | 30.3 | 57,975 | 17.8 | 19.3 |
| Top Quintile | 1,222 | 5.3 | 160,037 | 21.2 | 41,309 | 44.4 | 118,728 | 17.9 | 25.8 |
| All | 23,101 | 100.0 | 40,006 | 100.0 | 4,918 | 100.0 | 35,088 | 100.0 | 12.3 |
| Addendum | | | | | | | | | |
| 80-90 | 740 | 3.2 | 102,711 | 8.2 | 22,841 | 14.9 | 79,869 | 7.3 | 22.2 |
| 90-95 | 273 | 1.2 | 133,416 | 4.0 | 31,859 | 7.7 | 101,558 | 3.4 | 23.9 |
| 95-99 | 176 | 0.8 | 226,780 | 4.3 | 58,333 | 9.0 | 168,447 | 3.7 | 25.7 |
| Top 1 Percent | 32 | 0.1 | 1,339,304 | 4.7 | 453,071 | 12.8 | 886,233 | 3.5 | 33.8 |
| Top 0.1 Percent | 3 | 0.0 | 6,750,433 | 2.2 | 2,462,982 | 6.6 | 4,287,451 | 1.6 | 36.5 |

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0412-8).

(1) Calendar year. Initial baseline is current policy with the following modifications: extension of 2 percent payroll tax cut; repeal of the health care legislation taxes on earnings, and investment income; repeal of the 10 percent limitation on the deductibility of medical expenses. Baseline for this step is that modified form of current policy plus steps 1 through 6 of the analysis. For a description of TPC's current law and current policy baselines, see

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

For a description of ATRA provisions, see:

<http://www.taxpolicycenter.org/taxtopics/American-Taxpayer-Relief-Act.cfm>

(2) Includes both filing and non-filing units but excludes those that are dependents of other tax units. 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 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 2012 dollars): 20% \$13,941; 40% \$26,136; 60% \$41,226; 80% \$64,003; 90% \$88,398; 95% \$122,605; 99% \$295,996; 99.9% \$1,565,087.

(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 T13-0010
The American Taxpayer Relief Act of 2012 (ATRA) as Passed by the Senate
Step 7 of 7: Alternative Minimum Tax Patch
Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2013 ¹
Detail Table - Tax Units with Children

| Cash Income Percentile ^{2,3} | Percent Change in After-Tax Income ⁴ | Share of Total Federal Tax Change | Average Federal Tax Change | | Share of Federal Taxes | | Average Federal Tax Rate ⁵ | |
|---------------------------------------|---|-----------------------------------|----------------------------|---------|------------------------|--------------------|---------------------------------------|--------------------|
| | | | Dollars | Percent | Change (% Points) | Under the Proposal | Change (% Points) | Under the Proposal |
| Lowest Quintile | 0.0 | 0.0 | 0 | 0.0 | 0.0 | -2.6 | 0.0 | -15.1 |
| Second Quintile | 0.0 | 0.0 | 0 | 0.0 | 0.0 | 2.1 | 0.0 | 4.9 |
| Middle Quintile | 0.0 | 0.9 | -1 | 0.0 | 0.0 | 10.5 | 0.0 | 15.2 |
| Fourth Quintile | 0.0 | 2.8 | -2 | 0.0 | 0.0 | 19.9 | 0.0 | 19.1 |
| Top Quintile | 0.0 | 96.3 | -73 | -0.1 | 0.0 | 70.1 | 0.0 | 28.0 |
| All | 0.0 | 100.0 | -13 | -0.1 | 0.0 | 100.0 | 0.0 | 20.8 |
| Addendum | | | | | | | | |
| 80-90 | 0.0 | 3.1 | -4 | 0.0 | 0.0 | 15.4 | 0.0 | 22.1 |
| 90-95 | 0.0 | 16.3 | -61 | -0.1 | 0.0 | 8.7 | 0.0 | 23.8 |
| 95-99 | 0.1 | 74.5 | -285 | -0.3 | 0.0 | 15.5 | -0.1 | 26.5 |
| Top 1 Percent | 0.0 | 2.4 | -35 | 0.0 | 0.0 | 30.6 | 0.0 | 35.5 |
| Top 0.1 Percent | 0.0 | 0.0 | -6 | 0.0 | 0.0 | 14.7 | 0.0 | 37.8 |

Baseline Distribution of Income and Federal Taxes
by Cash Income Percentile Adjusted for Family Size, 2013 ¹

| Cash Income Percentile ^{2,3} | Tax Units | | Pre-Tax Income | | Federal Tax Burden | | After-Tax Income ⁴ | | Average Federal Tax Rate ⁵ |
|---------------------------------------|--------------------|------------------|-------------------|------------------|--------------------|------------------|-------------------------------|------------------|---------------------------------------|
| | Number (thousands) | Percent of Total | Average (dollars) | Percent of Total | Average (dollars) | Percent of Total | Average (dollars) | Percent of Total | |
| Lowest Quintile | 10,949 | 21.8 | 14,497 | 3.6 | -2,188 | -2.6 | 16,686 | 5.2 | -15.1 |
| Second Quintile | 10,714 | 21.4 | 36,326 | 8.8 | 1,763 | 2.1 | 34,564 | 10.6 | 4.9 |
| Middle Quintile | 10,166 | 20.3 | 62,074 | 14.3 | 9,415 | 10.5 | 52,659 | 15.3 | 15.2 |
| Fourth Quintile | 9,735 | 19.4 | 97,977 | 21.6 | 18,668 | 19.9 | 79,309 | 22.1 | 19.1 |
| Top Quintile | 8,378 | 16.7 | 273,829 | 52.1 | 76,622 | 70.1 | 197,207 | 47.3 | 28.0 |
| All | 50,150 | 100.0 | 87,888 | 100.0 | 18,258 | 100.0 | 69,631 | 100.0 | 20.8 |
| Addendum | | | | | | | | | |
| 80-90 | 4,581 | 9.1 | 139,259 | 14.5 | 30,737 | 15.4 | 108,522 | 14.2 | 22.1 |
| 90-95 | 1,696 | 3.4 | 196,218 | 7.6 | 46,753 | 8.7 | 149,466 | 7.3 | 23.8 |
| 95-99 | 1,662 | 3.3 | 322,508 | 12.2 | 85,658 | 15.6 | 236,850 | 11.3 | 26.6 |
| Top 1 Percent | 439 | 0.9 | 1,792,201 | 17.9 | 636,098 | 30.5 | 1,156,102 | 14.6 | 35.5 |
| Top 0.1 Percent | 40 | 0.1 | 8,825,262 | 8.1 | 3,335,884 | 14.7 | 5,489,379 | 6.3 | 37.8 |

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0412-8).

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

(1) Calendar year. Initial baseline is current policy with the following modifications: extension of 2 percent payroll tax cut; repeal of the health care legislation taxes on earnings, and investment income; repeal of the 10 percent limitation on the deductibility of medical expenses. Baseline for this step is that modified form of current policy plus steps 1 through 6 of the analysis. For a description of TPC's current law and current policy baselines, see

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

For a description of ATRA provisions, see:

<http://www.taxpolicycenter.org/taxtopics/American-Taxpayer-Relief-Act.cfm>

(2) Includes both filing and non-filing units but excludes those that are dependents of other tax units. 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 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 2012 dollars): 20% \$13,941; 40% \$26,136; 60% \$41,226; 80% \$64,003; 90% \$88,398; 95% \$122,605; 99% \$295,996; 99.9% \$1,565,087.

(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 T13-0010
The American Taxpayer Relief Act of 2012 (ATRA) as Passed by the Senate
Step 7 of 7: Alternative Minimum Tax Patch
Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2013 ¹
Detail Table - Elderly Tax Units

| Cash Income Percentile ^{2,3} | Percent Change in After-Tax Income ⁴ | Share of Total Federal Tax Change | Average Federal Tax Change | | Share of Federal Taxes | | Average Federal Tax Rate ⁵ | |
|---------------------------------------|---|-----------------------------------|----------------------------|---------|------------------------|--------------------|---------------------------------------|--------------------|
| | | | Dollars | Percent | Change (% Points) | Under the Proposal | Change (% Points) | Under the Proposal |
| Lowest Quintile | 0.0 | 0.0 | 0 | 0.0 | 0.0 | 0.1 | 0.0 | 0.7 |
| Second Quintile | 0.0 | 0.0 | 0 | 0.0 | 0.0 | 0.8 | 0.0 | 1.5 |
| Middle Quintile | 0.0 | 0.0 | 0 | 0.0 | 0.0 | 3.9 | 0.0 | 4.4 |
| Fourth Quintile | 0.0 | 0.6 | 0 | 0.0 | 0.0 | 10.8 | 0.0 | 9.9 |
| Top Quintile | 0.0 | 99.3 | -23 | -0.1 | 0.0 | 84.3 | 0.0 | 24.4 |
| All | 0.0 | 100.0 | -4 | 0.0 | 0.0 | 100.0 | 0.0 | 16.4 |
| Addendum | | | | | | | | |
| 80-90 | 0.0 | 1.6 | -1 | 0.0 | 0.0 | 11.5 | 0.0 | 14.6 |
| 90-95 | 0.0 | 3.2 | -3 | 0.0 | 0.0 | 11.2 | 0.0 | 18.0 |
| 95-99 | 0.0 | 65.8 | -70 | -0.1 | 0.0 | 19.2 | 0.0 | 22.3 |
| Top 1 Percent | 0.0 | 28.8 | -127 | 0.0 | 0.0 | 42.4 | 0.0 | 35.9 |
| Top 0.1 Percent | 0.0 | 0.3 | -12 | 0.0 | 0.0 | 22.9 | 0.0 | 39.3 |

Baseline Distribution of Income and Federal Taxes
by Cash Income Percentile Adjusted for Family Size, 2013 ¹

| Cash Income Percentile ^{2,3} | Tax Units | | Pre-Tax Income | | Federal Tax Burden | | After-Tax Income ⁴ | | Average Federal Tax Rate ⁵ |
|---------------------------------------|--------------------|------------------|-------------------|------------------|--------------------|------------------|-------------------------------|------------------|---------------------------------------|
| | Number (thousands) | Percent of Total | Average (dollars) | Percent of Total | Average (dollars) | Percent of Total | Average (dollars) | Percent of Total | |
| Lowest Quintile | 5,152 | 14.7 | 10,284 | 2.3 | 75 | 0.1 | 10,209 | 2.7 | 0.7 |
| Second Quintile | 8,903 | 25.3 | 22,201 | 8.6 | 334 | 0.8 | 21,867 | 10.1 | 1.5 |
| Middle Quintile | 8,102 | 23.1 | 41,688 | 14.6 | 1,846 | 3.9 | 39,843 | 16.7 | 4.4 |
| Fourth Quintile | 6,300 | 17.9 | 66,058 | 18.0 | 6,506 | 10.8 | 59,552 | 19.4 | 9.9 |
| Top Quintile | 6,648 | 18.9 | 197,406 | 56.7 | 48,209 | 84.3 | 149,198 | 51.3 | 24.4 |
| All | 35,135 | 100.0 | 65,837 | 100.0 | 10,820 | 100.0 | 55,017 | 100.0 | 16.4 |
| Addendum | | | | | | | | | |
| 80-90 | 3,052 | 8.7 | 98,141 | 13.0 | 14,327 | 11.5 | 83,814 | 13.2 | 14.6 |
| 90-95 | 1,778 | 5.1 | 133,313 | 10.3 | 23,928 | 11.2 | 109,385 | 10.1 | 18.0 |
| 95-99 | 1,463 | 4.2 | 223,287 | 14.1 | 49,851 | 19.2 | 173,436 | 13.1 | 22.3 |
| Top 1 Percent | 354 | 1.0 | 1,267,910 | 19.4 | 455,396 | 42.4 | 812,514 | 14.9 | 35.9 |
| Top 0.1 Percent | 35 | 0.1 | 6,252,940 | 9.6 | 2,454,038 | 22.8 | 3,798,902 | 7.0 | 39.3 |

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0412-8).

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

(1) Calendar year. Initial baseline is current policy with the following modifications: extension of 2 percent payroll tax cut; repeal of the health care legislation taxes on earnings, and investment income; repeal of the 10 percent limitation on the deductibility of medical expenses. Baseline for this step is that modified form of current policy plus steps 1 through 6 of the analysis. For a description of TPC's current law and current policy baselines, see

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For a description of ATRA provisions, see:

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(2) Includes both filing and non-filing units but excludes those that are dependents of other tax units. 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 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 2012 dollars): 20% \$13,941; 40% \$26,136; 60% \$41,226; 80% \$64,003; 90% \$88,398; 95% \$122,605; 99% \$295,996; 99.9% \$1,565,087.

(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.