

Revised Estimates: January 14, 2003

**Table T03-0027**  
**Administration Stimulus Proposal:**  
**Head of Household Filers, Distribution of Income Tax Change by AGI Class, 2003<sup>1</sup>**

AGI Class (thousands of 2001 dollars) <sup>2</sup>	Head of Household Returns		Percent Change in After-Tax Income <sup>3</sup>	Percent of Total Income Tax Change	Average Tax Change (\$)	Average Income Tax Rate <sup>4</sup>	
	Number (thousands)	Percent of all Returns				Current Law	Proposal
<b>Less than 10</b>	4,254	3.2	*	*	**	-29.5	-29.5
<b>10-20</b>	6,452	4.8	0.4	0.4	-78	-16.2	-16.7
<b>20-30</b>	4,139	3.1	1.3	1.2	-327	-2.2	-3.5
<b>30-40</b>	2,204	1.6	1.2	0.8	-419	4.5	3.3
<b>40-50</b>	1,334	1.0	0.9	0.5	-388	6.8	5.9
<b>50-75</b>	1,421	1.1	1.0	0.7	-588	9.7	8.7
<b>75-100</b>	255	0.2	1.4	0.2	-1,055	14.1	12.9
<b>100-200</b>	175	0.1	1.4	0.2	-1,587	17.8	16.6
<b>200-500</b>	38	*	2.1	0.2	-4,738	24.4	22.8
<b>500-1,000</b>	7	*	3.1	0.1	-15,908	27.7	25.4
<b>More than 1,000</b>	3	*	3.9	0.3	-89,728	29.2	26.4
<b>All</b>	20,327	15.2	1.0	4.7	-260	0.9	-0.1

Source: Urban-Brookings Tax Policy Center Microsimulation Model.

\* Less than 0.05 percent. \*\* Less than \$1 in absolute value.

(1) Calendar year. Includes the following provisions: accelerate 2006 rate cuts; dividend exclusion; accelerate marriage-penalty relief; accelerate child tax credit increase; accelerate expansion of 10-percent bracket; increase AMT exemption. Estimates for the dividend exclusion portion of the proposal assume that the details of the proposal effectively limit tax-sheltering activity. That assumption may turn out to be over-optimistic and the long-run revenue cost could turn out to be much greater.

(2) Returns with negative AGI are excluded from the lowest income class but are included in the totals.

(3) After-tax income is AGI less individual income tax net of refundable credits.

(4) Average income tax, net of refundable credits, as a percentage of average AGI.