

TABLE T03-0006
Revenue Effects of Five Child Tax Credit Options for Calendar Years 2003-12

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Total 2003-12
	In Billions										
Current Law Baseline											
Option 1: Accelerate CTC from \$600 to \$1,000 in 2003 ¹	-16.8	-16.8	-13.3	-13.3	-13.2	-13.2	-8.7	0.0	-33.0	-33.1	-161.4
Option 2: Option 1 plus 15-percent refundability rate ²	-18.8	-18.8	-13.3	-13.3	-13.2	-13.2	-8.7	0.0	-33.0	-33.1	-165.3
Option 3: Option 2 plus index \$1,000 amount for inflation after 2003 ³	-18.8	-19.7	-15.5	-16.7	-17.6	-18.8	-15.5	-8.1	-42.3	-43.7	-216.6
Option 4: Option 3 plus index high-income phaseout threshold ⁴	-18.8	-20.0	-16.2	-18.0	-19.4	-21.3	-18.8	-12.2	-47.4	-49.7	-241.8
Option 5: Index \$1,000 amount for inflation after 2010 ⁵	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-33.8	-35.2	-69.0
EGTRRA Permanent Baseline											
Option 1: Accelerate CTC from \$600 to \$1,000 in 2003	-16.8	-16.8	-13.3	-13.3	-13.2	-13.2	-8.7	0.0	0.0	0.0	-95.3
Option 2: Option 1 plus 15-percent refundability rate	-18.8	-18.8	-13.3	-13.3	-13.2	-13.2	-8.7	0.0	0.0	0.0	-99.2
Option 3: Option 2 plus index \$1,000 amount for inflation after 2003	-18.8	-19.7	-15.5	-16.7	-17.6	-18.8	-15.5	-8.1	-9.2	-10.4	-150.2
Option 4: Option 3 plus index high-income phaseout threshold	-18.8	-20.0	-16.2	-18.0	-19.4	-21.3	-18.8	-12.2	-14.3	-16.4	-175.4
Option 5: Index \$1,000 amount for inflation after 2010	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-0.8	-2.1	-2.9

Source: Urban-Brookings Tax Policy Center Microsimulation Model.

(1) The Administration's proposal. The \$1,000 per child amount currently scheduled to take effect in 2010 would take effect in 2003. All options would be permanent and the provision allowing the child tax credit regardless of AMT liability would also be made permanent.

(2) The 15-percent refundability rate currently scheduled for 2005 would take effect in 2003.

(3) The \$1,000 per child amount would be indexed for inflation after 2003, the thresholds for the phaseout would not be indexed.

(4) The thresholds for the high-income phaseout would be indexed for inflation after 2003.

(5) The \$1,000 per child amount would be indexed for inflation after 2010, the thresholds for the phaseout would not be indexed.