

Table T05-0078
AMT Reform Options¹

	AMT Taxpayers, 2010 (millions)	Percentage Change in AMT Taxpayers, by Cash Income (2005\$)			Change in Revenue, 2006-2015 (\$ billions)	High-Income Filers Owning No Tax, 2010 ²
		All	50K-75K	500K - 1 million		
Index the AMT after 2005	5.4	-82.5	-97.8	-12.0	-431	2,000
+ Remove Middle-Class Exemption Preferences³	4.2	-86.5	-99.4	-15.9	-457	2,000
+ Remove Other Major Exemption Preferences⁴	0.3	-99.2	-99.8	-93.6	-614	3,700
Repeal	0.0	-100.0	-100.0	-100.0	-670	9,100
Revenue-Neutral Retargeting⁵	3.1	-90.1	-99.3	-8.1	9	2,000

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0305-3).

(1) Change in revenue in fiscal years, other tabulations in calendar years. All plans are effective 01/01/06. Baseline is current law.

(2) High-income filers are defined as having cash income greater than \$1 million in 2005 dollars. Numbers of returns have been rounded to the nearest hundred.

(3) Indexes and allows dependent exemptions and personal nonrefundable credits.

(4) Takes steps in the previous plan, repeals the AMT exemption phaseout, and allows deductions for miscellaneous expenses; medical expenses allowed under the regular tax; and state and local taxes.

(5) Allows dependent exemptions and personal non-refundable credits. The preferential rates for capital gains and dividends under the AMT would be repealed; the 28 percent AMT rate would be increased to 33.5 percent; and the AMT exemption phaseout would be repealed. The sunset of the AMT exemption increase would be repealed and the exemption and rate bracket threshold would be indexed after 2005.