

**Table T05-0102**  
**Option #2: 15% refundability above \$10,000 and no indexing**  
**Distribution of Federal Tax Benefits by Cash Income Class, 2005 <sup>1</sup>**

Cash Income Class (thousands of 2005 dollars) <sup>2</sup>	Percent of Tax Units <sup>3</sup>		Percent Change in After-Tax Income <sup>4</sup>	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate <sup>5</sup>	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Less than 10	0.1	0.0	0.0	0.3	0	-0.1	0.0	0.2	0.0	3.6
10-20	14.7	0.0	0.1	59.4	-20	-2.8	0.0	1.0	-0.1	4.6
20-30	9.5	0.0	0.1	31.3	-14	-0.5	0.0	2.7	-0.1	10.0
30-40	2.7	0.0	0.0	6.8	-4	-0.1	0.0	4.2	0.0	14.4
40-50	0.7	0.0	0.0	1.4	-1	0.0	0.0	4.9	0.0	16.7
50-75	0.2	0.0	0.0	0.6	0	0.0	0.0	12.9	0.0	18.4
75-100	0.0	0.0	0.0	0.1	0	0.0	0.0	11.4	0.0	20.0
100-200	0.0	0.0	0.0	0.0	0	0.0	0.0	23.7	0.0	22.3
200-500	0.0	0.0	0.0	0.0	0	0.0	0.0	15.3	0.0	25.5
500-1,000	0.0	0.0	0.0	0.0	0	0.0	0.0	6.6	0.0	27.4
More than 1,000	0.0	0.0	0.0	0.0	0	0.0	0.0	17.0	0.0	31.3
All	4.3	0.0	0.0	100.0	-6	-0.1	0.0	100.0	0.0	20.8

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Class, 2005 <sup>1</sup>**

Cash Income Class (thousands of 2005 dollars) <sup>2</sup>	Tax Units <sup>3</sup>		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After-Tax Income <sup>4</sup> (Dollars)	Average Federal Tax Rate <sup>5</sup>	Share of Pre- Tax Income Percent of Total	Share of Post-Tax Percent of Total	Share of Federal Percent of Total
	Number (thousands)	Percent of Total							
Less than 10	19,560	13.5	5,618	200	5,418	3.6	1.3	1.5	0.2
10-20	25,611	17.7	14,885	708	14,177	4.8	4.4	5.2	1.0
20-30	19,953	13.8	24,715	2,488	22,227	10.1	5.6	6.4	2.7
30-40	15,289	10.6	34,863	5,025	29,839	14.4	6.1	6.6	4.2
40-50	11,738	8.1	44,824	7,502	37,322	16.7	6.0	6.3	4.8
50-75	20,700	14.3	61,482	11,339	50,143	18.4	14.5	15.0	12.9
75-100	11,936	8.3	86,246	17,272	68,974	20.0	11.8	11.9	11.3
100-200	14,432	10.0	133,489	29,799	103,689	22.3	22.0	21.6	23.7
200-500	3,797	2.6	287,471	73,298	214,173	25.5	12.5	11.7	15.3
500-1,000	642	0.4	678,426	185,603	492,823	27.4	5.0	4.6	6.6
More than 1,000	335	0.2	2,943,745	922,460	2,021,284	31.3	11.3	9.8	17.0
All	144,573	100.0	60,566	12,575	47,991	20.8	100.0	100.0	100.0

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

(1) Baseline is current law.

(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. Tax units that are dependents of other taxpayers are excluded from the analysis.

(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