

Table T06-0133
Kyl Estate Tax Compromise
Distribution of Federal Tax Change by Cash Income Class, 2011 ¹

Cash Income Class (thousands of 2005 dollars) ²	Percent of Tax Units 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	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Less than 10	0.0	0.0	0.0	0.1	-2	-0.8	0.0	0.2	0.0	4.3
10-20	0.0	0.0	0.0	0.5	-6	-0.6	0.0	0.9	0.0	6.0
20-30	0.0	0.0	0.1	0.9	-14	-0.4	0.0	2.7	-0.1	12.1
30-40	0.0	0.0	0.1	0.8	-15	-0.2	0.0	3.8	0.0	16.1
40-50	0.0	0.0	0.1	1.4	-36	-0.4	0.0	4.4	-0.1	18.5
50-75	0.0	0.0	0.1	2.0	-30	-0.2	0.1	11.8	0.0	21.0
75-100	0.0	0.0	0.1	2.1	-52	-0.2	0.1	11.2	-0.1	22.7
100-200	0.1	0.0	0.5	29.7	-550	-1.4	-0.1	25.7	-0.4	25.3
200-500	0.2	0.0	0.8	28.3	-1,895	-2.1	-0.1	16.4	-0.6	27.6
500-1,000	0.4	0.0	0.9	11.5	-4,814	-2.1	-0.1	6.5	-0.6	29.0
More than 1,000	0.7	0.0	0.8	21.3	-17,479	-1.6	-0.1	16.3	-0.5	33.1
All	0.0	0.0	0.4	100.0	-222	-1.2	0.0	100.0	-0.3	23.5

Baseline Distribution of Income and Federal Taxes
by Cash Income Class, 2011 ¹

Cash Income Class (thousands of 2005 dollars) ²	Tax Units ³		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After-Tax Income ⁴ (Dollars)	Average Federal Tax Rate ⁵	Share of Pre-	Share of Post-	Share of
	Number (thousands)	Percent of Total					Tax Income Percent of Total	Tax Income Percent of Total	Federal Taxes Percent of Total
Less than 10	17,076	11.0	6,303	272	6,031	4.3	0.9	1.1	0.2
10-20	24,604	15.8	17,000	1,028	15,972	6.1	3.5	4.3	0.9
20-30	22,025	14.1	28,090	3,408	24,682	12.1	5.2	6.0	2.6
30-40	16,710	10.7	39,487	6,374	33,113	16.1	5.5	6.1	3.7
40-50	13,168	8.4	50,814	9,459	41,355	18.6	5.6	6.0	4.4
50-75	22,575	14.5	69,796	14,682	55,114	21.0	13.2	13.7	11.6
75-100	14,102	9.0	98,049	22,331	75,718	22.8	11.6	11.7	11.1
100-200	18,722	12.0	152,864	39,201	113,663	25.6	24.0	23.4	25.8
200-500	5,166	3.3	324,098	91,378	232,719	28.2	14.0	13.2	16.6
500-1,000	825	0.5	769,080	227,763	541,317	29.6	5.3	4.9	6.6
More than 1,000	423	0.3	3,274,032	1,102,484	2,171,547	33.7	11.6	10.1	16.4
All	155,984	100.0	76,577	18,250	58,327	23.8	100.0	100.0	100.0

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

(1) Calendar year. Baseline is current law. Provisions include: \$5 million effective exemption; statutory rate of 15 percent from \$5 million to \$30 million, 30 percent above \$30 million; replace the state death tax credit with a deduction for state estate taxes paid; and repeal the 5-percent surtax.

(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 income.