

Distributional Effects of the
Revenue Provisions Contained in the
Omnibus Budget Reconciliation Act of 1993
as Agreed to by the Conferees
(1993 Income Levels)

Expanded Income Class (1)	Present-Law Federal Taxes (2)	Present-Law Average Tax Rate (3)	Proposed Change In Tax Burden (4)	Burden Change as a Share of Income
	Billions	Percent	Millions	Percent
Less than \$10,000.....	\$9	10.4%	-\$1,152	-1.28%
10,000 to 20,000.....	39	11.9%	-893	-0.30%
20,000 to 30,000.....	72	17.0%	94	0.02%
30,000 to 40,000.....	86	19.1%	949	0.21%
40,000 to 50,000.....	93	20.9%	1,271	0.29%
50,000 to 75,000.....	201	22.3%	3,517	0.39%
75,000 to 100,000.....	120	24.6%	2,653	0.54%
100,000 to 200,000.....	142	26.6%	4,598	0.86%
200,000 and over.....	168	30.2%	29,663	5.39%
Total, All Taxpayers	\$930	22.1%	\$40,800	0.97%

Joint Committee on Taxation
August 3, 1993

- (1) The income concept used to place tax returns into income categories is adjusted gross income (AGI) plus: [1] tax-exempt interest, [2] employer contributions for health plans and life insurance, [3] employer share of FICA tax, [4] workers' compensation, [5] nontaxable Social Security benefits, [6] insurance value of Medicare benefits, [7] corporate income tax liability attributed to stockholders, [8] alternative minimum tax preference items, and [9] excluded income of U.S. citizens living abroad.
- (2) Includes individual income tax, FICA and SECA tax, excise taxes, estate and gift taxes, and corporate income tax.
- (3) Present-law Federal taxes as a share of expanded income.
- (4) Includes all revenue provisions except: individual and corporate estimated tax changes, information reporting for discharge of indebtedness, targeted jobs credit, capital gains incentives, provisions affecting qualified pension plans, mortgage revenue bonds, low-income housing credit, luxury tax provisions, excise tax on diesel fuel used in noncommercial motorboats, empowerment zones and enterprise communities, vaccine excise tax, GSP and FUTA extensions, transfer of Federal Reserve funds, deduction disallowance for certain health plans, orphan drug credit, and diesel fuel compliance.