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Poorest 60% of Taxpayers Get No Benefit from Reduction in Alternative Minimum Tax Included in Senate Stimulus Bill

State-by-State Figures in Appendix

The economic stimulus bill that the Senate approved yesterday includes several tax cuts that are not in the stimulus bill approved by the House of Representatives two weeks ago. Among these, there is one that stands out as particularly expensive and unlikely to stimulate the economy — the Senate’s proposed one-year reduction (or “patch”) for the Alternative Minimum Tax (AMT).

This provision, which costs \$70 billion, would prevent the Alternative Minimum Tax (AMT) from expanding its reach to tens of millions of families who have previously been unaffected by it, for one year. This might sound like a nice idea for some taxpayers, but as economic stimulus it would be ineffective because almost 70 percent of the benefits would go to the best-off ten percent of taxpayers.

Economists have argued that a tax cut will not provide the immediate boost to demand for goods and services that can prevent the recession from deepening unless it is targeted to the families most likely to immediately spend any new money they receive — poor and middle-income families.

High-income families save, rather than spend, much more of their income than poor and middle-income families, who often have little left to save after they pay for necessities. So tax cuts targeted to poor and working class families are more likely to lead immediately to new spending, which would boost demand for goods and services so that companies producing them don’t have to lay off workers. Unfortunately, poor and working class families would receive almost no benefit from AMT relief.

Effects of AMT Relief Provision in Senate Stimulus Bill (increase in AMT exemptions for tax year 2009)

Income Group	Income Range	Average Income	# with tax cut	% with tax cut	Ave. tax cut for those with	Ave. tax cut for all	% of total tax cut
Lowest 20%	Less than \$18,500	\$ 12,140	—	—	\$ —	\$ —	—
Second 20%	\$18,500 to \$31,000	24,526	—	—	—	—	—
Middle 20%	\$31,000 to \$50,500	39,875	465,000	1.6%	726	12	0.5%
Fourth 20%	\$50,500 to \$84,000	65,440	4,712,000	16.5%	947	157	6.9%
Next 15%	\$84,000 to \$169,000	113,398	14,679,000	68.6%	2,195	1,506	49.6%
Next 4%	\$169,000 to \$436,000	244,172	5,277,000	92.5%	4,980	4,604	40.5%
Top 1%	Over \$436,000	1,314,582	391,000	27.4%	4,123	1,132	2.5%
ALL		\$ 67,224	25,524,000	17.7%	\$ 2,542	\$ 449	100.0%
Bottom 60%	Less than \$50,500	\$ 25,514	465,000	0.6%	\$ 723	\$ 4	0.5%

Background on the Alternative Minimum Tax (AMT)

The AMT is a backstop tax that is meant to ensure that relatively wealthy families pay some minimum amount of income tax no matter how proficient they are at finding loopholes that would otherwise reduce or even wipe out their income tax liability.

There are exemptions in the AMT that keep most of us from being affected by it, but those have not been permanently increased to keep up with income growth since the Clinton years. More important, the Bush tax cuts reduced regular income taxes for many families but made no permanent reduction in the AMT. (The Bush administration intentionally left AMT reform out of its tax cut proposals to avoid revealing their ultimate costs.) The result is that many families who are relatively well-off but not among the very rich will find themselves paying the AMT if no action is taken.

In recent years Congress has decided to enact, every year or so, a “patch,” to the AMT, which refers to legislation that increases the exemptions in the AMT to prevent it from reaching more taxpayers for one year. Any patch or permanent reduction in the AMT should, in normal circumstances, be offset by other revenue-raising provisions to prevent an increase in the budget deficit.

The AMT Patch Is Not Targeted to Families Who Need Help

The table on the previous page shows that nearly 70 percent of the benefits of AMT relief in 2009 would go to the richest 10 percent of taxpayers. The bottom 60 percent of taxpayers (the true “middle-class” and everyone below) would get a mere half a percent of the benefits.

The following appendix includes state-by-state figures that tell the same story. In most states, the poorest 60 percent of taxpayers would receive less than 1 percent of the benefits of the AMT patch and would get an average tax cut of less than \$10.

Impact of AMT Reduction in Senate Stimulus Bill in 2009			
Alabama			
Income group	Ave. Income	Ave. Tax Cut	Share of Tax Cut
Lowest 20%	\$9,900	\$ —	—
Second 20%	19,500	—	—
Middle 20%	32,900	-0	0.0%
Fourth 20%	56,700	-44	3.0%
Next 15%	96,400	-881	45.2%
Next 4%	197,400	-3,042	41.4%
Top 1%	942,600	-3,084	10.5%
ALL	\$ 54,900	\$ -291	100.0%
Bottom 60%	\$20,800	\$ -0	0.0%

Source: ITEP Microsimulation Model, February 2009

Impact of AMT Reduction in Senate Stimulus Bill in 2009			
Alaska			
Income group	Ave. Income	Ave. Tax Cut	Share of Tax Cut
Lowest 20%	\$15,100	\$ —	—
Second 20%	29,700	—	—
Middle 20%	52,300	-77	2.7%
Fourth 20%	88,400	-531	18.6%
Next 15%	145,200	-1,840	47.8%
Next 4%	252,000	-4,021	28.4%
Top 1%	1,077,600	-1,485	2.6%
ALL	\$ 78,600	\$ -567	100.0%
Bottom 60%	\$32,600	\$ -26	2.7%

Source: ITEP Microsimulation Model, February 2009

Impact of AMT Reduction in Senate Stimulus Bill in 2009			
Arizona			
Income group	Ave. Income	Ave. Tax Cut	Share of Tax Cut
Lowest 20%	\$12,400	\$ —	—
Second 20%	26,800	—	—
Middle 20%	40,500	-8	0.4%
Fourth 20%	63,300	-120	6.2%
Next 15%	106,500	-1,220	47.5%
Next 4%	227,200	-3,911	40.6%
Top 1%	1,149,900	-2,067	5.4%
ALL	\$ 64,700	\$ -383	100.0%
Bottom 60%	\$26,600	\$ -3	0.4%

Source: ITEP Microsimulation Model, February 2009

Impact of AMT Reduction in Senate Stimulus Bill in 2009			
Arkansas			
Income group	Ave. Income	Ave. Tax Cut	Share of Tax Cut
Lowest 20%	\$8,800	\$ —	—
Second 20%	20,000	—	—
Middle 20%	33,500	-0	0.0%
Fourth 20%	54,300	-44	2.8%
Next 15%	90,200	-837	41.2%
Next 4%	196,000	-3,465	43.9%
Top 1%	779,300	-3,825	12.1%
ALL	\$ 52,100	\$ -312	100.0%
Bottom 60%	\$20,800	\$ -0	0.0%

Source: ITEP Microsimulation Model, February 2009

Impact of AMT Reduction in Senate Stimulus Bill in 2009			
California			
Income group	Ave. Income	Ave. Tax Cut	Share of Tax Cut
Lowest 20%	\$13,000	\$ —	—
Second 20%	27,500	—	—
Middle 20%	44,400	-16	0.5%
Fourth 20%	71,900	-267	8.8%
Next 15%	131,600	-2,262	55.9%
Next 4%	302,800	-5,191	34.2%
Top 1%	1,791,700	-293	0.5%
ALL	\$ 80,300	\$ -601	100.0%
Bottom 60%	\$28,300	\$ -5	0.5%

Source: ITEP Microsimulation Model, February 2009

Impact of AMT Reduction in Senate Stimulus Bill in 2009			
Colorado			
Income group	Ave. Income	Ave. Tax Cut	Share of Tax Cut
Lowest 20%	\$11,400	\$ —	—
Second 20%	27,300	—	—
Middle 20%	46,800	-5	0.2%
Fourth 20%	74,400	-220	9.1%
Next 15%	128,700	-1,650	51.2%
Next 4%	279,000	-4,536	37.6%
Top 1%	1,411,100	-860	1.8%
ALL	\$ 75,700	\$ -477	100.0%
Bottom 60%	\$28,600	\$ -2	0.2%

Source: ITEP Microsimulation Model, February 2009

Impact of AMT Reduction in Senate Stimulus Bill in 2009			
Connecticut			
Income group	Ave. Income	Ave. Tax Cut	Share of Tax Cut
Lowest 20%	\$12,300	\$ —	—
Second 20%	31,000	—	—
Middle 20%	52,100	-69	1.7%
Fourth 20%	85,000	-642	15.6%
Next 15%	150,500	-3,216	59.1%
Next 4%	380,500	-5,107	23.6%
Top 1%	2,290,700	—	—
ALL	\$ 99,500	\$ -811	100.0%
Bottom 60%	\$31,700	\$ -23	1.7%

Source: ITEP Microsimulation Model, February 2009

Impact of AMT Reduction in Senate Stimulus Bill in 2009			
Delaware			
Income group	Ave. Income	Ave. Tax Cut	Share of Tax Cut
Lowest 20%	\$10,300	\$ —	—
Second 20%	24,500	—	—
Middle 20%	43,200	-43	2.1%
Fourth 20%	68,600	-98	4.8%
Next 15%	112,000	-1,228	45.8%
Next 4%	233,100	-4,337	43.1%
Top 1%	1,252,100	-1,722	4.2%
ALL	\$ 67,600	\$ -403	100.0%
Bottom 60%	\$26,200	\$ -14	2.1%

Source: ITEP Microsimulation Model, February 2009

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Impact of AMT Reduction in Senate Stimulus Bill in 2009			
the District of Columbia			
Income group	Ave. Income	Ave. Tax Cut	Share of Tax Cut
Lowest 20%	\$12,500	\$ —	—
Second 20%	27,400	—	—
Middle 20%	48,100	-56	2.2%
Fourth 20%	76,800	-417	15.4%
Next 15%	148,800	-1,861	53.6%
Next 4%	416,400	-3,834	28.7%
Top 1%	2,491,700	-1	0.0%
ALL	\$ 96,400	\$ -530	100.0%
Bottom 60%	\$29,500	\$ -19	2.2%

Source: ITEP Microsimulation Model, February 2009

Impact of AMT Reduction in Senate Stimulus Bill in 2009			
Florida			
Income group	Ave. Income	Ave. Tax Cut	Share of Tax Cut
Lowest 20%	\$10,500	\$ —	—
Second 20%	22,500	—	—
Middle 20%	36,100	-4	0.2%
Fourth 20%	58,900	-83	5.3%
Next 15%	107,500	-942	45.6%
Next 4%	266,700	-3,594	46.4%
Top 1%	1,813,800	-766	2.5%
ALL	\$ 69,800	\$ -307	100.0%
Bottom 60%	\$23,100	\$ -1	0.2%

Source: ITEP Microsimulation Model, February 2009

Impact of AMT Reduction in Senate Stimulus Bill in 2009			
Georgia			
Income group	Ave. Income	Ave. Tax Cut	Share of Tax Cut
Lowest 20%	\$9,400	\$ —	—
Second 20%	20,200	—	—
Middle 20%	35,400	-6	0.3%
Fourth 20%	58,600	-64	3.4%
Next 15%	103,700	-1,096	44.2%
Next 4%	228,600	-4,245	45.7%
Top 1%	1,049,100	-2,359	6.3%
ALL	\$ 59,100	\$ -367	100.0%
Bottom 60%	\$21,700	\$ -2	0.3%

Source: ITEP Microsimulation Model, February 2009

Impact of AMT Reduction in Senate Stimulus Bill in 2009			
Hawaii			
Income group	Ave. Income	Ave. Tax Cut	Share of Tax Cut
Lowest 20%	\$10,300	\$ —	—
Second 20%	24,800	—	—
Middle 20%	39,900	-44	2.2%
Fourth 20%	63,000	-103	5.0%
Next 15%	111,200	-1,215	45.4%
Next 4%	230,800	-3,967	39.0%
Top 1%	951,400	-3,395	8.4%
ALL	\$ 62,600	\$ -403	100.0%
Bottom 60%	\$24,900	\$ -15	2.2%

Source: ITEP Microsimulation Model, February 2009

Impact of AMT Reduction in Senate Stimulus Bill in 2009			
Idaho			
Income group	Ave. Income	Ave. Tax Cut	Share of Tax Cut
Lowest 20%	\$10,600	\$ —	—
Second 20%	23,500	—	—
Middle 20%	39,100	—	—
Fourth 20%	60,000	-48	2.8%
Next 15%	98,600	-1,000	43.3%
Next 4%	206,800	-3,922	45.4%
Top 1%	968,600	-2,959	8.5%
ALL	\$ 59,000	\$ -345	100.0%
Bottom 60%	\$24,300	\$ —	0.0%

Source: ITEP Microsimulation Model, February 2009

Impact of AMT Reduction in Senate Stimulus Bill in 2009			
Illinois			
Income group	Ave. Income	Ave. Tax Cut	Share of Tax Cut
Lowest 20%	\$10,300	\$ —	—
Second 20%	26,000	—	—
Middle 20%	45,400	-21	0.8%
Fourth 20%	70,800	-224	8.1%
Next 15%	121,800	-1,940	52.8%
Next 4%	274,000	-4,939	35.9%
Top 1%	1,487,200	-1,356	2.5%
ALL	\$ 73,900	\$ -546	100.0%
Bottom 60%	\$27,300	\$ -7	0.8%

Source: ITEP Microsimulation Model, February 2009

Impact of AMT Reduction in Senate Stimulus Bill in 2009			
Indiana			
Income group	Ave. Income	Ave. Tax Cut	Share of Tax Cut
Lowest 20%	\$10,300	\$ —	—
Second 20%	24,200	—	—
Middle 20%	40,600	-4	0.2%
Fourth 20%	61,900	-60	3.3%
Next 15%	98,900	-1,149	48.4%
Next 4%	196,500	-3,419	38.4%
Top 1%	853,500	-3,393	9.5%
ALL	\$ 58,200	\$ -353	100.0%
Bottom 60%	\$25,000	\$ -1	0.2%

Source: ITEP Microsimulation Model, February 2009

Impact of AMT Reduction in Senate Stimulus Bill in 2009			
Iowa			
Income group	Ave. Income	Ave. Tax Cut	Share of Tax Cut
Lowest 20%	\$10,900	\$ —	—
Second 20%	28,000	—	—
Middle 20%	44,700	-16	0.8%
Fourth 20%	67,200	-120	5.6%
Next 15%	103,500	-1,456	51.1%
Next 4%	197,700	-3,805	35.6%
Top 1%	849,700	-2,965	6.9%
ALL	\$ 61,500	\$ -423	100.0%
Bottom 60%	\$27,900	\$ -5	0.8%

Source: ITEP Microsimulation Model, February 2009

Impact of AMT Reduction in Senate Stimulus Bill in 2009			
Kansas			
Income group	Ave. Income	Ave. Tax Cut	Share of Tax Cut
Lowest 20%	\$10,200	\$ —	—
Second 20%	25,800	—	—
Middle 20%	42,800	-8	0.3%
Fourth 20%	68,200	-155	6.4%
Next 15%	110,100	-1,625	50.4%
Next 4%	227,100	-4,586	38.0%
Top 1%	993,100	-2,378	4.9%
ALL	\$ 64,600	\$ -481	100.0%
Bottom 60%	\$26,300	\$ -3	0.3%

Source: ITEP Microsimulation Model, February 2009

Impact of AMT Reduction in Senate Stimulus Bill in 2009			
Kentucky			
Income group	Ave. Income	Ave. Tax Cut	Share of Tax Cut
Lowest 20%	\$8,700	\$ —	—
Second 20%	21,000	—	—
Middle 20%	35,300	-1	0.1%
Fourth 20%	56,200	-58	3.6%
Next 15%	91,900	-897	41.3%
Next 4%	186,300	-3,541	43.5%
Top 1%	793,300	-3,753	11.5%
ALL	\$ 52,800	\$ -323	100.0%
Bottom 60%	\$21,700	\$ -0	0.1%

Source: ITEP Microsimulation Model, February 2009

Impact of AMT Reduction in Senate Stimulus Bill in 2009			
Louisiana			
Income group	Ave. Income	Ave. Tax Cut	Share of Tax Cut
Lowest 20%	\$10,000	\$ —	—
Second 20%	22,000	—	—
Middle 20%	37,500	-4	0.2%
Fourth 20%	60,400	-179	8.1%
Next 15%	109,300	-1,421	49.6%
Next 4%	226,400	-4,101	37.6%
Top 1%	942,000	-1,971	4.5%
ALL	\$ 60,100	\$ -430	100.0%
Bottom 60%	\$23,100	\$ -1	0.2%

Source: ITEP Microsimulation Model, February 2009

Impact of AMT Reduction in Senate Stimulus Bill in 2009			
Maine			
Income group	Ave. Income	Ave. Tax Cut	Share of Tax Cut
Lowest 20%	\$11,300	\$ —	—
Second 20%	23,500	—	—
Middle 20%	38,400	-3	0.2%
Fourth 20%	59,500	-39	2.2%
Next 15%	96,500	-1,038	44.0%
Next 4%	202,800	-3,979	45.0%
Top 1%	792,800	-3,052	8.6%
ALL	\$ 56,500	\$ -350	100.0%
Bottom 60%	\$24,400	\$ -1	0.2%

Source: ITEP Microsimulation Model, February 2009

Impact of AMT Reduction in Senate Stimulus Bill in 2009			
Maryland			
Income group	Ave. Income	Ave. Tax Cut	Share of Tax Cut
Lowest 20%	\$11,600	\$ —	—
Second 20%	29,900	—	—
Middle 20%	50,100	-46	1.3%
Fourth 20%	80,200	-423	11.4%
Next 15%	138,900	-2,680	54.3%
Next 4%	287,300	-5,733	31.0%
Top 1%	1,426,600	-1,491	2.0%
ALL	\$ 80,100	\$ -733	100.0%
Bottom 60%	\$30,500	\$ -15	1.3%

Source: ITEP Microsimulation Model, February 2009

Impact of AMT Reduction in Senate Stimulus Bill in 2009			
Massachusetts			
Income group	Ave. Income	Ave. Tax Cut	Share of Tax Cut
Lowest 20%	\$10,800	\$ —	—
Second 20%	27,700	—	—
Middle 20%	48,300	-24	0.7%
Fourth 20%	77,800	-386	11.1%
Next 15%	137,900	-2,645	56.9%
Next 4%	318,200	-5,389	31.0%
Top 1%	1,861,100	-203	0.3%
ALL	\$ 84,100	\$ -690	100.0%
Bottom 60%	\$29,000	\$ -8	0.7%

Source: ITEP Microsimulation Model, February 2009

Impact of AMT Reduction in Senate Stimulus Bill in 2009			
Michigan			
Income group	Ave. Income	Ave. Tax Cut	Share of Tax Cut
Lowest 20%	\$9,300	\$ —	—
Second 20%	22,700	—	—
Middle 20%	39,300	-4	0.2%
Fourth 20%	61,900	-83	4.4%
Next 15%	100,000	-1,143	45.0%
Next 4%	195,300	-3,893	40.9%
Top 1%	865,100	-3,636	9.5%
ALL	\$ 57,300	\$ -376	100.0%
Bottom 60%	\$23,800	\$ -1	0.2%

Source: ITEP Microsimulation Model, February 2009

Impact of AMT Reduction in Senate Stimulus Bill in 2009			
Minnesota			
Income group	Ave. Income	Ave. Tax Cut	Share of Tax Cut
Lowest 20%	\$11,700	\$ —	—
Second 20%	28,800	—	—
Middle 20%	47,500	-19	0.7%
Fourth 20%	71,500	-189	7.1%
Next 15%	115,300	-1,773	50.1%
Next 4%	252,900	-5,109	38.5%
Top 1%	1,231,800	-1,862	3.5%
ALL	\$ 71,200	\$ -528	100.0%
Bottom 60%	\$29,300	\$ -6	0.7%

Source: ITEP Microsimulation Model, February 2009

Impact of AMT Reduction in Senate Stimulus Bill in 2009			
Mississippi			
Income group	Ave. Income	Ave. Tax Cut	Share of Tax Cut
Lowest 20%	\$8,700	\$ —	—
Second 20%	17,500	—	—
Middle 20%	29,800	-6	0.4%
Fourth 20%	51,500	-37	2.7%
Next 15%	88,700	-725	39.3%
Next 4%	177,800	-3,106	44.8%
Top 1%	716,800	-3,556	12.8%
ALL	\$ 48,400	\$ -273	100.0%
Bottom 60%	\$18,800	\$ -2	0.4%

Source: ITEP Microsimulation Model, February 2009

Impact of AMT Reduction in Senate Stimulus Bill in 2009			
Missouri			
Income group	Ave. Income	Ave. Tax Cut	Share of Tax Cut
Lowest 20%	\$9,700	\$ —	—
Second 20%	22,300	—	—
Middle 20%	37,400	-1	0.1%
Fourth 20%	59,800	-73	3.9%
Next 15%	98,000	-1,152	46.1%
Next 4%	204,300	-3,917	41.7%
Top 1%	951,200	-3,122	8.3%
ALL	\$ 57,600	\$ -372	100.0%
Bottom 60%	\$23,100	\$ -0	0.1%

Source: ITEP Microsimulation Model, February 2009

Impact of AMT Reduction in Senate Stimulus Bill in 2009			
Montana			
Income group	Ave. Income	Ave. Tax Cut	Share of Tax Cut
Lowest 20%	\$9,400	\$ —	—
Second 20%	22,000	—	—
Middle 20%	36,500	—	—
Fourth 20%	58,200	-71	4.0%
Next 15%	96,800	-1,066	44.9%
Next 4%	209,600	-3,640	40.8%
Top 1%	849,300	-3,646	10.4%
ALL	\$ 56,000	\$ -353	100.0%
Bottom 60%	\$22,600	\$ —	0.0%

Source: ITEP Microsimulation Model, February 2009

Impact of AMT Reduction in Senate Stimulus Bill in 2009			
Nebraska			
Income group	Ave. Income	Ave. Tax Cut	Share of Tax Cut
Lowest 20%	\$10,900	\$ —	—
Second 20%	26,700	—	—
Middle 20%	43,200	-21	0.8%
Fourth 20%	66,400	-158	6.3%
Next 15%	109,400	-1,666	50.1%
Next 4%	214,500	-4,696	37.8%
Top 1%	1,058,600	-2,488	5.0%
ALL	\$ 65,100	\$ -500	100.0%
Bottom 60%	\$27,000	\$ -7	0.8%

Source: ITEP Microsimulation Model, February 2009

Impact of AMT Reduction in Senate Stimulus Bill in 2009			
Nevada			
Income group	Ave. Income	Ave. Tax Cut	Share of Tax Cut
Lowest 20%	\$13,900	\$ —	—
Second 20%	27,500	—	—
Middle 20%	43,800	-15	1.1%
Fourth 20%	66,800	-107	7.8%
Next 15%	109,600	-836	45.8%
Next 4%	253,700	-3,017	44.1%
Top 1%	2,122,800	-356	1.3%
ALL	\$ 77,300	\$ -271	100.0%
Bottom 60%	\$28,400	\$ -5	1.1%

Source: ITEP Microsimulation Model, February 2009

Impact of AMT Reduction in Senate Stimulus Bill in 2009			
New Hampshire			
Income group	Ave. Income	Ave. Tax Cut	Share of Tax Cut
Lowest 20%	\$14,800	\$ —	—
Second 20%	32,900	—	—
Middle 20%	51,700	-15	0.5%
Fourth 20%	80,400	-406	13.5%
Next 15%	130,300	-2,086	51.6%
Next 4%	267,700	-4,878	32.3%
Top 1%	1,193,800	-1,273	2.1%
ALL	\$ 76,900	\$ -596	100.0%
Bottom 60%	\$33,100	\$ -5	0.5%

Source: ITEP Microsimulation Model, February 2009

Impact of AMT Reduction in Senate Stimulus Bill in 2009			
New Jersey			
Income group	Ave. Income	Ave. Tax Cut	Share of Tax Cut
Lowest 20%	\$12,100	\$ —	—
Second 20%	29,000	—	—
Middle 20%	50,100	-32	0.8%
Fourth 20%	81,900	-592	14.1%
Next 15%	144,900	-3,232	57.9%
Next 4%	327,800	-5,668	27.0%
Top 1%	1,658,800	-91	0.1%
ALL	\$ 85,200	\$ -830	100.0%
Bottom 60%	\$30,400	\$ -11	0.8%

Source: ITEP Microsimulation Model, February 2009

Impact of AMT Reduction in Senate Stimulus Bill in 2009			
New Mexico			
Income group	Ave. Income	Ave. Tax Cut	Share of Tax Cut
Lowest 20%	\$10,200	\$ —	—
Second 20%	22,600	—	—
Middle 20%	36,400	-5	0.3%
Fourth 20%	59,100	-63	3.8%
Next 15%	101,500	-1,021	46.0%
Next 4%	208,000	-3,475	41.3%
Top 1%	815,900	-2,846	8.6%
ALL	\$ 56,900	\$ -332	100.0%
Bottom 60%	\$23,100	\$ -2	0.3%

Source: ITEP Microsimulation Model, February 2009

Impact of AMT Reduction in Senate Stimulus Bill in 2009			
New York			
Income group	Ave. Income	Ave. Tax Cut	Share of Tax Cut
Lowest 20%	\$9,400	\$ —	—
Second 20%	22,000	—	—
Middle 20%	39,300	-12	0.4%
Fourth 20%	65,400	-238	7.8%
Next 15%	117,100	-2,304	57.0%
Next 4%	282,700	-5,165	34.1%
Top 1%	1,990,300	-385	0.6%
ALL	\$ 74,800	\$ -597	100.0%
Bottom 60%	\$23,600	\$ -4	0.4%

Source: ITEP Microsimulation Model, February 2009

Impact of AMT Reduction in Senate Stimulus Bill in 2009			
North Carolina			
Income group	Ave. Income	Ave. Tax Cut	Share of Tax Cut
Lowest 20%	\$10,200	\$ —	—
Second 20%	22,100	—	—
Middle 20%	36,700	-3	0.2%
Fourth 20%	60,100	-57	2.8%
Next 15%	103,200	-1,249	46.0%
Next 4%	220,300	-4,474	44.0%
Top 1%	922,000	-2,891	7.1%
ALL	\$ 58,600	\$ -403	100.0%
Bottom 60%	\$23,000	\$ -1	0.2%

Source: ITEP Microsimulation Model, February 2009

Impact of AMT Reduction in Senate Stimulus Bill in 2009			
North Dakota			
Income group	Ave. Income	Ave. Tax Cut	Share of Tax Cut
Lowest 20%	\$13,400	\$ —	—
Second 20%	27,900	—	—
Middle 20%	46,500	-2	0.1%
Fourth 20%	74,400	-312	12.7%
Next 15%	114,600	-1,703	49.9%
Next 4%	230,200	-4,031	31.6%
Top 1%	920,500	-2,924	5.7%
ALL	\$ 67,900	\$ -509	100.0%
Bottom 60%	\$29,100	\$ -1	0.1%

Source: ITEP Microsimulation Model, February 2009

Impact of AMT Reduction in Senate Stimulus Bill in 2009			
Ohio			
Income group	Ave. Income	Ave. Tax Cut	Share of Tax Cut
Lowest 20%	\$10,000	\$ —	—
Second 20%	23,500	—	—
Middle 20%	39,200	-36	1.7%
Fourth 20%	59,200	-148	7.0%
Next 15%	94,300	-1,235	43.7%
Next 4%	192,700	-4,136	39.0%
Top 1%	854,800	-3,638	8.6%
ALL	\$ 56,000	\$ -418	100.0%
Bottom 60%	\$24,200	\$ -12	1.7%

Source: ITEP Microsimulation Model, February 2009

Impact of AMT Reduction in Senate Stimulus Bill in 2009			
Oklahoma			
Income group	Ave. Income	Ave. Tax Cut	Share of Tax Cut
Lowest 20%	\$9,300	\$ —	—
Second 20%	21,100	—	—
Middle 20%	36,900	-0	0.0%
Fourth 20%	60,600	-83	4.7%
Next 15%	104,300	-1,171	49.9%
Next 4%	220,700	-3,351	38.1%
Top 1%	1,061,300	-2,541	7.2%
ALL	\$ 59,900	\$ -348	100.0%
Bottom 60%	\$22,500	\$ -0	0.0%

Source: ITEP Microsimulation Model, February 2009

Impact of AMT Reduction in Senate Stimulus Bill in 2009			
Oregon			
Income group	Ave. Income	Ave. Tax Cut	Share of Tax Cut
Lowest 20%	\$10,400	\$ —	—
Second 20%	23,700	—	—
Middle 20%	40,200	-6	0.3%
Fourth 20%	64,100	-105	4.8%
Next 15%	109,800	-1,447	49.1%
Next 4%	230,500	-4,427	40.1%
Top 1%	955,500	-2,559	5.8%
ALL	\$ 62,200	\$ -437	100.0%
Bottom 60%	\$24,800	\$ -2	0.3%

Source: ITEP Microsimulation Model, February 2009

Impact of AMT Reduction in Senate Stimulus Bill in 2009			
Pennsylvania			
Income group	Ave. Income	Ave. Tax Cut	Share of Tax Cut
Lowest 20%	\$10,500	\$ —	—
Second 20%	25,000	—	—
Middle 20%	42,600	-13	0.5%
Fourth 20%	65,800	-166	6.4%
Next 15%	110,000	-1,789	51.8%
Next 4%	233,900	-4,829	37.2%
Top 1%	1,068,600	-2,135	4.1%
ALL	\$ 64,400	\$ -512	100.0%
Bottom 60%	\$26,000	\$ -4	0.5%

Source: ITEP Microsimulation Model, February 2009

Impact of AMT Reduction in Senate Stimulus Bill in 2009			
Rhode Island			
Income group	Ave. Income	Ave. Tax Cut	Share of Tax Cut
Lowest 20%	\$9,700	\$ —	—
Second 20%	22,300	—	—
Middle 20%	40,400	-4	0.2%
Fourth 20%	64,000	-59	2.6%
Next 15%	109,000	-1,449	48.7%
Next 4%	226,700	-4,757	42.4%
Top 1%	970,100	-2,741	6.1%
ALL	\$ 61,500	\$ -443	100.0%
Bottom 60%	\$24,200	\$ -1	0.2%

Source: ITEP Microsimulation Model, February 2009

Impact of AMT Reduction in Senate Stimulus Bill in 2009			
South Carolina			
Income group	Ave. Income	Ave. Tax Cut	Share of Tax Cut
Lowest 20%	\$9,800	\$ —	—
Second 20%	21,300	—	—
Middle 20%	33,700	-2	0.1%
Fourth 20%	55,600	-66	3.7%
Next 15%	96,100	-1,083	44.5%
Next 4%	202,000	-3,883	42.6%
Top 1%	843,800	-3,334	9.1%
ALL	\$ 54,300	\$ -360	100.0%
Bottom 60%	\$21,500	\$ -1	0.1%

Source: ITEP Microsimulation Model, February 2009

Impact of AMT Reduction in Senate Stimulus Bill in 2009			
South Dakota			
Income group	Ave. Income	Ave. Tax Cut	Share of Tax Cut
Lowest 20%	\$10,300	\$ —	—
Second 20%	24,500	—	—
Middle 20%	43,100	-3	0.2%
Fourth 20%	65,900	-216	11.5%
Next 15%	104,800	-1,261	49.1%
Next 4%	226,800	-3,209	33.2%
Top 1%	1,088,300	-2,343	6.1%
ALL	\$ 63,700	\$ -382	100.0%
Bottom 60%	\$25,900	\$ -1	0.2%

Source: ITEP Microsimulation Model, February 2009

Impact of AMT Reduction in Senate Stimulus Bill in 2009			
Tennessee			
Income group	Ave. Income	Ave. Tax Cut	Share of Tax Cut
Lowest 20%	\$10,200	\$ —	—
Second 20%	22,200	—	—
Middle 20%	37,200	-2	0.1%
Fourth 20%	57,200	-57	4.2%
Next 15%	96,800	-827	45.0%
Next 4%	211,600	-2,814	40.8%
Top 1%	988,400	-2,730	9.9%
ALL	\$ 57,500	\$ -273	100.0%
Bottom 60%	\$23,200	\$ -1	0.1%

Source: ITEP Microsimulation Model, February 2009

Impact of AMT Reduction in Senate Stimulus Bill in 2009			
Texas			
Income group	Ave. Income	Ave. Tax Cut	Share of Tax Cut
Lowest 20%	\$11,600	\$ —	—
Second 20%	25,400	—	—
Middle 20%	41,400	-19	0.8%
Fourth 20%	68,400	-266	10.9%
Next 15%	123,100	-1,645	50.6%
Next 4%	273,100	-4,300	35.3%
Top 1%	1,391,500	-1,193	2.4%
ALL	\$ 71,900	\$ -483	100.0%
Bottom 60%	\$26,100	\$ -6	0.8%

Source: ITEP Microsimulation Model, February 2009

Impact of AMT Reduction in Senate Stimulus Bill in 2009			
Utah			
Income group	Ave. Income	Ave. Tax Cut	Share of Tax Cut
Lowest 20%	\$11,600	\$ —	—
Second 20%	27,300	—	—
Middle 20%	43,900	-11	0.5%
Fourth 20%	69,100	-159	6.8%
Next 15%	114,300	-1,521	48.6%
Next 4%	229,400	-4,585	39.1%
Top 1%	1,084,000	-2,364	5.1%
ALL	\$ 66,800	\$ -464	100.0%
Bottom 60%	\$27,700	\$ -4	0.5%

Source: ITEP Microsimulation Model, February 2009

Impact of AMT Reduction in Senate Stimulus Bill in 2009			
Vermont			
Income group	Ave. Income	Ave. Tax Cut	Share of Tax Cut
Lowest 20%	\$11,300	\$ —	—
Second 20%	25,400	—	—
Middle 20%	40,800	—	—
Fourth 20%	61,800	-47	2.0%
Next 15%	103,400	-1,647	51.9%
Next 4%	216,500	-4,688	39.5%
Top 1%	870,200	-3,082	6.6%
ALL	\$ 60,300	\$ -471	100.0%
Bottom 60%	\$25,900	\$ —	0.0%

Source: ITEP Microsimulation Model, February 2009

Impact of AMT Reduction in Senate Stimulus Bill in 2009			
Virginia			
Income group	Ave. Income	Ave. Tax Cut	Share of Tax Cut
Lowest 20%	\$11,000	\$ —	—
Second 20%	25,900	—	—
Middle 20%	45,000	-18	0.6%
Fourth 20%	74,100	-248	8.5%
Next 15%	130,300	-1,962	50.6%
Next 4%	272,000	-5,536	38.1%
Top 1%	1,287,500	-1,227	2.1%
ALL	\$ 73,900	\$ -576	100.0%
Bottom 60%	\$27,400	\$ -6	0.6%

Source: ITEP Microsimulation Model, February 2009

Impact of AMT Reduction in Senate Stimulus Bill in 2009			
Washington			
Income group	Ave. Income	Ave. Tax Cut	Share of Tax Cut
Lowest 20%	\$11,600	\$ —	—
Second 20%	28,300	—	—
Middle 20%	48,800	-19	0.9%
Fourth 20%	76,900	-305	14.6%
Next 15%	127,600	-1,267	45.5%
Next 4%	274,000	-3,762	36.1%
Top 1%	1,372,500	-1,136	2.8%
ALL	\$ 75,600	\$ -409	100.0%
Bottom 60%	\$29,600	\$ -6	0.9%

Source: ITEP Microsimulation Model, February 2009

Impact of AMT Reduction in Senate Stimulus Bill in 2009			
West Virginia			
Income group	Ave. Income	Ave. Tax Cut	Share of Tax Cut
Lowest 20%	\$8,700	\$ —	—
Second 20%	19,000	—	—
Middle 20%	31,000	-2	0.1%
Fourth 20%	53,500	-53	3.7%
Next 15%	87,000	-778	40.7%
Next 4%	163,700	-2,843	39.7%
Top 1%	596,000	-4,528	15.8%
ALL	\$ 47,400	\$ -283	100.0%
Bottom 60%	\$19,600	\$ -1	0.1%

Source: ITEP Microsimulation Model, February 2009

Impact of AMT Reduction in Senate Stimulus Bill in 2009			
Wisconsin			
Income group	Ave. Income	Ave. Tax Cut	Share of Tax Cut
Lowest 20%	\$12,300	\$ —	—
Second 20%	25,600	—	—
Middle 20%	42,700	-12	0.5%
Fourth 20%	66,700	-88	3.9%
Next 15%	103,100	-1,541	50.9%
Next 4%	205,200	-4,333	38.2%
Top 1%	989,000	-2,961	6.5%
ALL	\$ 62,700	\$ -452	100.0%
Bottom 60%	\$26,900	\$ -4	0.5%

Source: ITEP Microsimulation Model, February 2009

Impact of AMT Reduction in Senate Stimulus Bill in 2009			
Wyoming			
Income group	Ave. Income	Ave. Tax Cut	Share of Tax Cut
Lowest 20%	\$13,700	\$ —	—
Second 20%	32,900	—	—
Middle 20%	53,200	-41	1.5%
Fourth 20%	82,200	-688	25.6%
Next 15%	129,200	-1,619	45.6%
Next 4%	284,900	-3,490	26.3%
Top 1%	2,252,200	-526	1.0%
ALL	\$ 89,500	\$ -534	100.0%
Bottom 60%	\$33,200	\$ -13	1.5%

Source: ITEP Microsimulation Model, February 2009