

Bush Tax Cuts Would Save George & Laura Almost \$100,000 a Year

President George W. Bush has proposed a tax cut plan that would give some 43 percent of its tax cuts to the best-off one percent of all taxpayers. Recently, Bush cheerfully characterized himself as a member of that elite group. That's certainly true. In fact, based on the non-wage income the Bushes reported on their 1999 tax returns plus the \$400,000 presidential salary, the Bushes are likely to report total adjusted gross income in each of the next several years in excess of \$2 million annually.

So how would the Bush tax cut plan affect the President and his wife?

The following table looks at the likely effects of the Bush income tax cuts on George W. and Laura Bush, from 2002 when the plan begins to be phased in through 2006 when the income tax cuts are fully in place. The figures show that by the time the tax cuts are fully in place, the Bushes can expect a reduction in their federal income tax bill of almost \$100,000 a year.

Effects of the Bush Income Tax Cuts on George W. & Laura Bush

Year by Year Estimates as the Tax Plan is Phased In

(Non-wage income & deductions are based on what the Bushes reported in 1999)

	2002	2003	2004	2005	2006
Salary	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000
Capital gains	669,000	716,000	766,000	820,000	877,000
Interest	957,000	1,024,000	1,096,000	1,173,000	1,255,000
Dividends	106,000	113,000	121,000	129,000	138,000
Adjusted gross income	2,132,000	2,253,000	2,383,000	2,522,000	2,670,000
Deductions—					
Gross deductions	93,000	98,000	103,000	108,000	113,000
Deduction disallowed	-60,000	-63,000	-67,000	-71,000	-76,000
Net deductions	33,000	35,000	36,000	37,000	37,000
Taxable income	2,039,000	2,155,000	2,280,000	2,414,000	2,557,000
Taxable w/o capital gains	1,370,000	1,439,000	1,514,000	1,594,000	1,680,000
Income tax					
Current law	647,400	683,400	722,400	764,100	808,800
Bush plan	627,700	650,600	673,000	698,600	709,000
Tax Cut Each Year	\$ -19,700	\$ -32,800	\$ -49,400	\$ -65,500	\$ -99,800

Note: figures do not include the effects of the Bush estate tax repeal or corporate tax breaks.