

## Treasury Press Release Confirms CTJ Estimates of Bush Tax Plan's Demographics—But Leaves Out What Taxpayers Really Need to Know

An April 24, 2001 press release from the Bush Treasury Department confirms previous estimates by Citizens for Tax Justice about the aggregate effects of the Bush tax proposals on various demographic groups. But the Bush release fails to tell average taxpayers what the Bush plan will actually mean for them.

Treasury offers summary statistics about the fully-phased-in size of the Bush income tax cuts and the number of taxpayers who would receive tax reductions—for all taxpayers and selected subgroups, including families with children, single parents, and seniors. Treasury's findings are similar to figures released by CTJ earlier this year.

Unlike CTJ's estimates, however, Treasury does not provide information about the large number of taxpayers who would receive no benefit from the Bush tax proposals. Treasury also fails to provide information on the median, or typical, tax cuts under the Bush plan for taxpayers in the various demographic groups.

- For example, while Treasury says that 13 million seniors would get an average income tax cut of \$892 each under the Bush plan, it fails to note that almost half of all seniors would get nothing, and that the typical senior would get a tax cut of only \$150.
- Likewise, Treasury says that 8 million “single moms” would get a tax cut of \$712, but does not disclose that 48 percent of single parents would get nothing, and that the median tax cut for single parents would be only \$326.

**Treasury & CTJ Estimates of the Effects of the Bush Income Tax Cuts**

Demographic Group	Treasury says (2002 levels)				CTJ says (2001 levels)					
	# with (mill.)	Average with	\$-bill.	% with	Typical tax cut	# with (mill.)	Average with	\$-bill.	% with	Typical tax cut
All taxpayers	103	\$1,117	\$115.1	not available		97	\$1,233	\$119.1	74%	\$500
Families with children	36	1,617	58.2	not available		34	1,836	61.5	73%	1,114
Single parents*	8	712	5.8	not available		8	826	7.0	52%	326
Seniors	13	892	12.0	not available		12	1,076	12.9	51%	150
Single, non-elderly, without kids		not available		not available		32	535	17.1	80%	283

\*Treasury says its figures are for “single moms”; CTJ's figures include all single parents.

Notes: Both set of estimates include the President's proposed income tax rate cuts, increased child credit, second-earner deduction and charitable deduction for non-itemizers, fully phased in. The “Average with” figures show the average tax cuts only for those with tax cuts—they exclude taxpayers who get no benefit from the Bush proposals and are heavily weighted by the very large tax cuts at the top of the income scale. In contrast, the “Typical” figures show what the *median* taxpayer in each group would get from the Bush income tax proposals.

Sources: U.S. Treasury Department, 4/24/2001. ITEP Tax Model, Feb. 2001.