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Health Care Reform Financing Options: Millionaires' Surcharge in the House-Passed Health Care Reform Bill

(State-by-State Figures in Appendix)

The House Surcharge Proposal

H.R. 3962, the health care reform bill approved by the U.S. House of Representatives on November 7, includes a 5.4 percent surcharge on adjusted gross income (AGI) above \$1 million for married couples and \$500,000 for singles. Our calculations confirm statements from the House Ways and Means Committee that this would affect only the richest 0.3 percent of taxpayers in 2011, the first year the surcharge would take effect.¹

Surcharge Would Have No Impact on the Poor and Middle Class

In other words, we estimate that 99.7 percent of taxpayers would be unaffected by the surcharge in 2011. The percentage of taxpayers impacted varies by state, but not by much. The state with the largest percentage of taxpayers affected is Connecticut, with 1.2 percent receiving a tax increase as a result of this reform. At

Percentage of Taxpayers Who Would Pay the 5.4 Percent Surcharge in H.R. 3962 in 2011 (listed by state, in alphabetical order)			
Alabama	0.1%	Montana	0.1%
Alaska	0.3%	Nebraska	0.2%
Arizona	0.1%	Nevada	0.3%
Arkansas	0.1%	New Hampshire	0.2%
California	0.3%	New Jersey	0.5%
Colorado	0.4%	New Mexico	0.1%
Connecticut	1.2%	New York	0.7%
Delaware	0.2%	North Carolina	0.1%
District of Columbia	0.9%	North Dakota	0.2%
Florida	0.4%	Ohio	0.2%
Georgia	0.1%	Oklahoma	0.3%
Hawaii	0.1%	Oregon	0.2%
Idaho	0.1%	Pennsylvania	0.2%
Illinois	0.4%	Rhode Island	0.2%
Indiana	0.1%	South Carolina	0.2%
Iowa	0.1%	South Dakota	0.1%
Kansas	0.1%	Tennessee	0.1%
Kentucky	0.1%	Texas	0.3%
Louisiana	0.2%	Utah	0.1%
Maine	0.1%	Vermont	0.2%
Maryland	0.4%	Virginia	0.3%
Massachusetts	0.6%	Washington	0.3%
Michigan	0.2%	West Virginia	0.1%
Minnesota	0.2%	Wisconsin	0.2%
Mississippi	0.1%	Wyoming	0.4%
Missouri	0.1%	United States	0.3%

Source: ITEP Microsimulation Tax Model, November 2009

¹ Committee on Ways and Means, "Health Care Surcharge Would Not Affect 99.7% of All Households," October 29, 2009.

http://waysandmeans.house.gov/media/pdf/111/hcare/HCSURCHARGE_HOUSEHOLDS.pdf

the other end of the spectrum are twenty states with only 0.1 percent of taxpayers receiving a tax increase.

Some observers have criticized the fact that the AGI thresholds for the surcharge (\$1 million for couples and \$500,000 for singles) are not indexed for inflation. It is generally better policy to have such parameters indexed for inflation so that they do not reach more taxpayers than originally intended, but in this case, the lack of indexing makes little difference. The share of taxpayers affected by the surcharge is likely to remain less than one percent even after it has been in effect for a decade.²

Why a Surcharge Is Simpler than Other Types of Tax Increases

Since the surcharge would be applied to AGI, it would be relatively simple. Calculating AGI is the first step in filling out a federal income tax return. The computation of AGI comes before deductions and exemptions are subtracted to calculate taxable income, before a taxpayer looks up her taxable income on a table to determine what her tax would be in the absence of any credits. In the case of someone with capital gains and dividends, it comes before the more complicated calculations made to account for the special preferential tax rates available for investment income. And it comes before any credits are subtracted to determine actual tax liability.

A surcharge would not add to all this complexity. After calculating federal income tax under the existing rules, a married high-income taxpayer would simply subtract \$1 million from her AGI and multiply whatever is left by 5.4 percent.

Why a Surcharge Applied to AGI Is Fairer than Some Other Types of Tax Increases

One problem with our federal tax system is that it taxes income from work at higher rates than income from wealth. A surcharge applied to AGI does not suffer from this problem.

Most investment income like capital gains and stock dividends is received by the wealthiest Americans, and yet we tax these forms of income at lower rates than income from work. In addition, investment income is not subject to the payroll taxes of around 15 percent that fund Social Security and Medicare.

Surcharge on AGI > \$500k / \$1 million, Impact in 2011 in the U.S.				
Income Group	Average Income	Average Tax Increase	Share of Tax Increase	Tax Increase as % Income
Lowest 20%	\$ 11,750	\$ —	—	—
Second 20%	26,769	—	—	—
Middle 20%	44,681	—	—	—
Fourth 20%	71,331	—	—	—
Next 15%	122,128	—	—	—
Next 4%	265,766	2	0.0%	0.0%
Top 1%	1,369,551	25,768	100.0%	1.9%
ALL	\$ 72,804	\$ 256	100.0%	0.4%
Bottom 60%	\$ 27,740	\$ —	—	—

Source: ITEP Microsimulation Model, November 2009

² The Tax Policy Center estimates that by 2019, the share of taxpayers affected by the surcharge will have risen to just 0.5 percent.

<http://www.taxpolicycenter.org/numbers/displayatab.cfm?Docid=2497&DocTypeID=2>

So an increase in the existing income tax rates would not solve this problem if the preferential rates for capital gains and dividends are left in place. And an increase in payroll taxes on wages would obviously make the problem worse, because that would put wage-earners at an even greater disadvantage compared to investors.

But AGI includes both income from work and investment income like capital gains and dividends, so a surcharge on AGI avoids this unfairness.

Small Businesses Not Significantly Affected by Surcharge

The original version of the health care reform bill introduced by House Democratic leaders, H.R. 3200, included a surcharge that would affect a larger share (albeit just 1.3 percent) of taxpayers. Some lawmakers claimed that this or any tax increase on high-income people would hurt small businesses, since income of small businesses is often reported on the tax returns of the wealthy individuals who own them. This, it is sometimes argued, would hurt job creation and weigh down our economy.

This claim is not valid for two reasons. First, very few small business owners would pay the surcharge. Second, even for those who must pay it, the surcharge would usually not affect their ability or incentive to hire workers or expand their operations.

The Surcharge Would Only Impact Around One Percent of Small Businesses.

There is no commonly accepted way to define a small business owner. Some analysts take the number of people who receive certain types of income (such as income reported to the IRS on “schedule C” for sole proprietorships) as the number of small business owners. But this definition could be too expansive, since it includes people who have only small amounts of “business” income and whose primary source of income is not from running a business, but rather from wages or other types of income.

For the purposes of this analysis, we define small business owners as taxpayers for whom small business income makes up at least half of their adjusted gross income (AGI) and include only those with positive AGI. We define small business income as only non-passive income (since “passive” income basically refers to income you receive from a business that you’re not involved in running) from schedule C businesses, partnerships, family farms, and “Subchapter S” corporations.

Most taxpayers who meet these conditions might be thought of as “true” small business people, in the sense that they are actually running businesses that generate the majority of their income.

Only around one percent of the taxpayers who meet this definition will have AGI high enough to be impacted by the proposed surcharge in H.R. 3962, the health care bill just approved by the House of Representatives.

Even for Those Paying the Surcharge, It Will Have Little or No Impact on Business.

The claim that small business owners paying the surcharge will have less incentive or ability to sustain or create jobs ignores some basic aspects of our tax system. A small business owner deducts any money that she paid to employees as compensation, as well as any other operating costs. In other words, it is only business *profits* that are taxed.

Imagine a married couple whose income comes entirely from a small business that they own. They would have to have more than \$1 million in business profits, after paying all the expenses of operating the business, before the surcharge would affect them at all. And if they earn more than that, the surcharge would not reduce their incentive to hire more employees, since they pay employees with before-tax income (i.e., wages paid are deductible in computing net profit).

Even purchases of equipment to expand business operations would not be affected for most small business owners because they can write off up to \$125,000 of the costs of such equipment immediately.

Surcharge on AGI > \$500k / \$1 million, Impact in 2011 in the U.S.				
Income Group	Average Income	Average Tax Increase	Share of Tax Increase	Tax Increase as % Income
Lowest 20%	\$ 11,750	\$ —	—	—
Second 20%	26,769	—	—	—
Middle 20%	44,681	—	—	—
Fourth 20%	71,331	—	—	—
Next 15%	122,128	—	—	—
Next 4%	265,766	2	0.0%	0.0%
Top 1%	1,369,551	25,768	100.0%	1.9%
ALL	\$ 72,804	\$ 256	100.0%	0.4%
Bottom 60%	\$ 27,740	\$ —	—	—

Surcharge on AGI > \$500k / \$1 million, Impact in 2011 in Alabama				
Income Group	Average Income	Average Tax Increase	Share of Tax Increase	Tax Increase as % Income
Lowest 20%	\$ 10,860	\$ —	—	—
Second 20%	21,256	—	—	—
Middle 20%	36,076	—	—	—
Fourth 20%	61,612	—	—	—
Next 15%	105,127	—	—	—
Next 4%	215,406	—	—	—
Top 1%	982,750	12,961	100.0%	1.3%
ALL	\$ 59,412	\$ 128	100.0%	0.2%
Bottom 60%	\$ 22,757	\$ —	—	—

Surcharge on AGI > \$500k / \$1 million, Impact in 2011 in Alaska				
Income Group	Average Income	Average Tax Increase	Share of Tax Increase	Tax Increase as % Income
Lowest 20%	\$ 17,171	\$ —	—	—
Second 20%	33,645	—	—	—
Middle 20%	57,653	—	—	—
Fourth 20%	97,112	—	—	—
Next 15%	159,335	—	—	—
Next 4%	274,533	—	—	—
Top 1%	1,070,665	11,313	100.0%	1.1%
ALL	\$ 85,261	\$ 112	100.0%	0.1%
Bottom 60%	\$ 36,197	\$ —	—	—

Surcharge on AGI > \$500k / \$1 million, Impact in 2011 in Arizona				
Income Group	Average Income	Average Tax Increase	Share of Tax Increase	Tax Increase as % Income
Lowest 20%	\$ 12,348	\$ —	—	—
Second 20%	26,410	—	—	—
Middle 20%	40,196	—	—	—
Fourth 20%	62,645	—	—	—
Next 15%	104,036	—	—	—
Next 4%	217,286	—	—	—
Top 1%	1,059,121	14,301	100.0%	1.4%
ALL	\$ 62,666	\$ 142	100.0%	0.2%
Bottom 60%	\$ 26,411	\$ —	—	—

Surcharge on AGI > \$500k / \$1 million, Impact in 2011 in Arkansas				
Income Group	Average Income	Average Tax Increase	Share of Tax Increase	Tax Increase as % Income
Lowest 20%	\$ 9,635	\$ —	—	—
Second 20%	21,941	—	—	—
Middle 20%	36,586	—	—	—
Fourth 20%	59,459	—	—	—
Next 15%	97,802	—	—	—
Next 4%	209,841	—	—	—
Top 1%	836,426	11,391	100.0%	1.4%
ALL	\$ 56,230	\$ 112	100.0%	0.2%
Bottom 60%	\$ 22,722	\$ —	—	—

Surcharge on AGI > \$500k / \$1 million, Impact in 2011 in California				
Income Group	Average Income	Average Tax Increase	Share of Tax Increase	Tax Increase as % Income
Lowest 20%	\$ 13,868	\$ —	—	—
Second 20%	29,280	—	—	—
Middle 20%	47,235	—	—	—
Fourth 20%	75,952	—	—	—
Next 15%	137,205	—	—	—
Next 4%	310,753	0	0.0%	0.0%
Top 1%	1,753,096	35,204	100.0%	2.0%
ALL	\$ 83,028	\$ 350	100.0%	0.4%
Bottom 60%	\$ 30,130	\$ —	—	—

Surcharge on AGI > \$500k / \$1 million, Impact in 2011 in Colorado				
Income Group	Average Income	Average Tax Increase	Share of Tax Increase	Tax Increase as % Income
Lowest 20%	\$ 12,406	\$ —	—	—
Second 20%	29,705	—	—	—
Middle 20%	50,489	—	—	—
Fourth 20%	79,840	—	—	—
Next 15%	137,408	—	—	—
Next 4%	294,870	—	—	—
Top 1%	1,457,514	23,774	100.0%	1.6%
ALL	\$ 80,461	\$ 235	100.0%	0.3%
Bottom 60%	\$ 30,880	\$ —	—	—

Surcharge on AGI > \$500k / \$1 million, Impact in 2011 in Connecticut				
Income Group	Average Income	Average Tax Increase	Share of Tax Increase	Tax Increase as % Income
Lowest 20%	\$ 13,640	\$ —	—	—
Second 20%	34,265	—	—	—
Middle 20%	57,240	—	—	—
Fourth 20%	93,410	—	—	—
Next 15%	164,556	—	—	—
Next 4%	412,788	141	0.7%	0.0%
Top 1%	2,482,370	67,802	99.3%	2.7%
ALL	\$ 108,061	\$ 793	100.0%	0.7%
Bottom 60%	\$ 35,043	\$ —	—	—

Surcharge on AGI > \$500k / \$1 million, Impact in 2011 in Delaware				
Income Group	Average Income	Average Tax Increase	Share of Tax Increase	Tax Increase as % Income
Lowest 20%	\$ 11,279	\$ —	—	—
Second 20%	26,073	—	—	—
Middle 20%	45,461	—	—	—
Fourth 20%	72,555	—	—	—
Next 15%	117,800	—	—	—
Next 4%	239,493	—	—	—
Top 1%	1,199,636	20,596	100.0%	1.7%
ALL	\$ 70,245	\$ 207	100.0%	0.3%
Bottom 60%	\$ 27,610	\$ —	—	—

Surcharge on AGI > \$500k / \$1 million, Impact in 2011 in District of Columbia				
Income Group	Average Income	Average Tax Increase	Share of Tax Increase	Tax Increase as % Income
Lowest 20%	\$ 13,927	\$ —	—	—
Second 20%	31,335	—	—	—
Middle 20%	54,196	—	—	—
Fourth 20%	85,228	—	—	—
Next 15%	163,948	—	—	—
Next 4%	484,177	84	0.5%	0.0%
Top 1%	2,708,641	61,135	99.5%	2.3%
ALL	\$ 107,993	\$ 611	100.0%	0.6%
Bottom 60%	\$ 32,987	\$ —	—	—

Surcharge on AGI > \$500k / \$1 million, Impact in 2011 in Florida				
Income Group	Average Income	Average Tax Increase	Share of Tax Increase	Tax Increase as % Income
Lowest 20%	\$ 11,390	\$ —	—	—
Second 20%	24,528	—	—	—
Middle 20%	39,235	—	—	—
Fourth 20%	63,484	—	—	—
Next 15%	114,474	—	—	—
Next 4%	271,905	—	—	—
Top 1%	1,709,207	36,603	100.0%	2.1%
ALL	\$ 72,074	\$ 362	100.0%	0.5%
Bottom 60%	\$ 25,051	\$ —	—	—

Surcharge on AGI > \$500k / \$1 million, Impact in 2011 in Georgia				
Income Group	Average Income	Average Tax Increase	Share of Tax Increase	Tax Increase as % Income
Lowest 20%	\$ 9,861	\$ —	—	—
Second 20%	21,121	—	—	—
Middle 20%	36,692	—	—	—
Fourth 20%	61,037	—	—	—
Next 15%	106,586	—	—	—
Next 4%	232,556	—	—	—
Top 1%	1,032,992	14,282	100.0%	1.4%
ALL	\$ 60,639	\$ 141	100.0%	0.2%
Bottom 60%	\$ 22,605	\$ —	—	—

Surcharge on AGI > \$500k / \$1 million, Impact in 2011 in Hawaii				
Income Group	Average Income	Average Tax Increase	Share of Tax Increase	Tax Increase as % Income
Lowest 20%	\$ 11,097	\$ —	—	—
Second 20%	27,216	—	—	—
Middle 20%	44,420	—	—	—
Fourth 20%	69,516	—	—	—
Next 15%	122,902	—	—	—
Next 4%	246,937	—	—	—
Top 1%	943,087	13,554	100.0%	1.4%
ALL	\$ 67,797	\$ 135	100.0%	0.2%
Bottom 60%	\$ 27,709	\$ —	—	—

Surcharge on AGI > \$500k / \$1 million, Impact in 2011 in Idaho				
Income Group	Average Income	Average Tax Increase	Share of Tax Increase	Tax Increase as % Income
Lowest 20%	\$ 11,263	\$ —	—	—
Second 20%	24,850	—	—	—
Middle 20%	42,099	—	—	—
Fourth 20%	63,057	—	—	—
Next 15%	102,477	—	—	—
Next 4%	213,745	—	—	—
Top 1%	971,319	12,908	100.0%	1.3%
ALL	\$ 61,491	\$ 128	100.0%	0.2%
Bottom 60%	\$ 26,146	\$ —	—	—

Surcharge on AGI > \$500k / \$1 million, Impact in 2011 in Illinois				
Income Group	Average Income	Average Tax Increase	Share of Tax Increase	Tax Increase as % Income
Lowest 20%	\$ 11,116	\$ —	—	—
Second 20%	28,080	—	—	—
Middle 20%	48,436	—	—	—
Fourth 20%	75,431	—	—	—
Next 15%	127,955	—	—	—
Next 4%	286,754	—	—	—
Top 1%	1,537,369	32,263	100.0%	2.1%
ALL	\$ 77,957	\$ 320	100.0%	0.4%
Bottom 60%	\$ 29,218	\$ —	—	—

Surcharge on AGI > \$500k / \$1 million, Impact in 2011 in Indiana				
Income Group	Average Income	Average Tax Increase	Share of Tax Increase	Tax Increase as % Income
Lowest 20%	\$ 10,980	\$ —	—	—
Second 20%	25,505	—	—	—
Middle 20%	42,850	—	—	—
Fourth 20%	64,731	—	—	—
Next 15%	101,876	—	—	—
Next 4%	203,167	—	—	—
Top 1%	866,565	10,623	100.0%	1.2%
ALL	\$ 60,392	\$ 105	100.0%	0.2%
Bottom 60%	\$ 26,456	\$ —	—	—

Surcharge on AGI > \$500k / \$1 million, Impact in 2011 in Iowa				
Income Group	Average Income	Average Tax Increase	Share of Tax Increase	Tax Increase as % Income
Lowest 20%	\$ 12,027	\$ —	—	—
Second 20%	30,848	—	—	—
Middle 20%	49,309	—	—	—
Fourth 20%	73,139	—	—	—
Next 15%	112,628	—	—	—
Next 4%	211,712	—	—	—
Top 1%	872,860	9,459	100.0%	1.1%
ALL	\$ 66,662	\$ 94	100.0%	0.1%
Bottom 60%	\$ 30,828	\$ —	—	—

Surcharge on AGI > \$500k / \$1 million, Impact in 2011 in Kansas				
Income Group	Average Income	Average Tax Increase	Share of Tax Increase	Tax Increase as % Income
Lowest 20%	\$ 11,189	\$ —	—	—
Second 20%	28,152	—	—	—
Middle 20%	46,447	—	—	—
Fourth 20%	73,927	—	—	—
Next 15%	118,132	—	—	—
Next 4%	242,850	—	—	—
Top 1%	1,060,565	15,722	100.0%	1.5%
ALL	\$ 69,703	\$ 157	100.0%	0.2%
Bottom 60%	\$ 28,640	\$ —	—	—

Surcharge on AGI > \$500k / \$1 million, Impact in 2011 in Kentucky				
Income Group	Average Income	Average Tax Increase	Share of Tax Increase	Tax Increase as % Income
Lowest 20%	\$ 9,528	\$ —	—	—
Second 20%	22,845	—	—	—
Middle 20%	38,143	—	—	—
Fourth 20%	60,989	—	—	—
Next 15%	98,329	—	—	—
Next 4%	196,195	—	—	—
Top 1%	798,810	9,306	100.0%	1.2%
ALL	\$ 56,277	\$ 93	100.0%	0.2%
Bottom 60%	\$ 23,499	\$ —	—	—

Surcharge on AGI > \$500k / \$1 million, Impact in 2011 in Louisiana				
Income Group	Average Income	Average Tax Increase	Share of Tax Increase	Tax Increase as % Income
Lowest 20%	\$ 10,932	\$ —	—	—
Second 20%	23,690	—	—	—
Middle 20%	40,507	—	—	—
Fourth 20%	65,552	—	—	—
Next 15%	116,748	—	—	—
Next 4%	234,400	—	—	—
Top 1%	937,501	9,086	100.0%	1.0%
ALL	\$ 63,444	\$ 90	100.0%	0.1%
Bottom 60%	\$ 25,044	\$ —	—	—

Surcharge on AGI > \$500k / \$1 million, Impact in 2011 in Maine				
Income Group	Average Income	Average Tax Increase	Share of Tax Increase	Tax Increase as % Income
Lowest 20%	\$ 12,609	\$ —	—	—
Second 20%	26,111	—	—	—
Middle 20%	42,523	—	—	—
Fourth 20%	65,578	—	—	—
Next 15%	105,790	—	—	—
Next 4%	218,121	—	—	—
Top 1%	818,346	8,558	100.0%	1.0%
ALL	\$ 61,586	\$ 85	100.0%	0.1%
Bottom 60%	\$ 27,049	\$ —	—	—

Surcharge on AGI > \$500k / \$1 million, Impact in 2011 in Maryland				
Income Group	Average Income	Average Tax Increase	Share of Tax Increase	Tax Increase as % Income
Lowest 20%	\$ 12,923	\$ —	—	—
Second 20%	32,960	—	—	—
Middle 20%	54,923	—	—	—
Fourth 20%	88,373	—	—	—
Next 15%	151,864	—	—	—
Next 4%	312,859	—	—	—
Top 1%	1,490,064	27,569	100.0%	1.9%
ALL	\$ 87,195	\$ 273	100.0%	0.3%
Bottom 60%	\$ 33,662	\$ —	—	—

Surcharge on AGI > \$500k / \$1 million, Impact in 2011 in Massachusetts				
Income Group	Average Income	Average Tax Increase	Share of Tax Increase	Tax Increase as % Income
Lowest 20%	\$ 12,082	\$ —	—	—
Second 20%	30,941	—	—	—
Middle 20%	54,063	—	—	—
Fourth 20%	86,129	—	—	—
Next 15%	151,181	—	—	—
Next 4%	344,707	4	0.0%	0.0%
Top 1%	1,902,420	40,923	100.0%	2.2%
ALL	\$ 91,203	\$ 405	100.0%	0.4%
Bottom 60%	\$ 32,378	\$ —	—	—

Surcharge on AGI > \$500k / \$1 million, Impact in 2011 in Michigan				
Income Group	Average Income	Average Tax Increase	Share of Tax Increase	Tax Increase as % Income
Lowest 20%	\$ 10,175	\$ —	—	—
Second 20%	25,257	—	—	—
Middle 20%	43,404	—	—	—
Fourth 20%	68,271	—	—	—
Next 15%	109,787	—	—	—
Next 4%	214,399	—	—	—
Top 1%	957,066	15,114	100.0%	1.6%
ALL	\$ 63,213	\$ 149	100.0%	0.2%
Bottom 60%	\$ 26,283	\$ —	—	—

Surcharge on AGI > \$500k / \$1 million, Impact in 2011 in Minnesota				
Income Group	Average Income	Average Tax Increase	Share of Tax Increase	Tax Increase as % Income
Lowest 20%	\$ 13,014	\$ —	—	—
Second 20%	32,027	—	—	—
Middle 20%	52,595	—	—	—
Fourth 20%	78,518	—	—	—
Next 15%	125,765	—	—	—
Next 4%	272,290	—	—	—
Top 1%	1,283,867	21,381	100.0%	1.7%
ALL	\$ 77,362	\$ 213	100.0%	0.3%
Bottom 60%	\$ 32,570	\$ —	—	—

Surcharge on AGI > \$500k / \$1 million, Impact in 2011 in Mississippi				
Income Group	Average Income	Average Tax Increase	Share of Tax Increase	Tax Increase as % Income
Lowest 20%	\$ 9,766	\$ —	—	—
Second 20%	19,713	—	—	—
Middle 20%	33,295	—	—	—
Fourth 20%	57,482	—	—	—
Next 15%	98,006	—	—	—
Next 4%	192,398	—	—	—
Top 1%	743,756	6,260	100.0%	0.8%
ALL	\$ 53,179	\$ 62	100.0%	0.1%
Bottom 60%	\$ 20,950	\$ —	—	—

Surcharge on AGI > \$500k / \$1 million, Impact in 2011 in Missouri				
Income Group	Average Income	Average Tax Increase	Share of Tax Increase	Tax Increase as % Income
Lowest 20%	\$ 11,034	\$ —	—	—
Second 20%	25,303	—	—	—
Middle 20%	42,215	—	—	—
Fourth 20%	67,586	—	—	—
Next 15%	110,095	—	—	—
Next 4%	225,584	—	—	—
Top 1%	1,022,014	14,998	100.0%	1.5%
ALL	\$ 64,243	\$ 149	100.0%	0.2%
Bottom 60%	\$ 26,181	\$ —	—	—

Surcharge on AGI > \$500k / \$1 million, Impact in 2011 in Montana				
Income Group	Average Income	Average Tax Increase	Share of Tax Increase	Tax Increase as % Income
Lowest 20%	\$ 10,414	\$ —	—	—
Second 20%	24,201	—	—	—
Middle 20%	39,631	—	—	—
Fourth 20%	62,905	—	—	—
Next 15%	104,228	—	—	—
Next 4%	219,534	—	—	—
Top 1%	881,503	10,316	100.0%	1.2%
ALL	\$ 60,119	\$ 104	100.0%	0.2%
Bottom 60%	\$ 24,767	\$ —	—	—

Surcharge on AGI > \$500k / \$1 million, Impact in 2011 in Nebraska				
Income Group	Average Income	Average Tax Increase	Share of Tax Increase	Tax Increase as % Income
Lowest 20%	\$ 11,781	\$ —	—	—
Second 20%	28,447	—	—	—
Middle 20%	45,980	—	—	—
Fourth 20%	70,493	—	—	—
Next 15%	115,773	—	—	—
Next 4%	226,892	—	—	—
Top 1%	1,097,392	16,553	100.0%	1.5%
ALL	\$ 68,956	\$ 169	100.0%	0.2%
Bottom 60%	\$ 28,686	\$ —	—	—

Surcharge on AGI > \$500k / \$1 million, Impact in 2011 in Nevada				
Income Group	Average Income	Average Tax Increase	Share of Tax Increase	Tax Increase as % Income
Lowest 20%	\$ 14,219	\$ —	—	—
Second 20%	28,392	—	—	—
Middle 20%	45,525	—	—	—
Fourth 20%	69,208	—	—	—
Next 15%	112,332	—	—	—
Next 4%	247,034	—	—	—
Top 1%	1,834,867	43,493	100.0%	2.4%
ALL	\$ 75,764	\$ 430	100.0%	0.6%
Bottom 60%	\$ 29,368	\$ —	—	—

Surcharge on AGI > \$500k / \$1 million, Impact in 2011 in New Hampshire				
Income Group	Average Income	Average Tax Increase	Share of Tax Increase	Tax Increase as % Income
Lowest 20%	\$ 15,362	\$ —	—	—
Second 20%	35,133	—	—	—
Middle 20%	55,800	—	—	—
Fourth 20%	86,526	—	—	—
Next 15%	138,572	—	—	—
Next 4%	284,068	—	—	—
Top 1%	1,255,197	22,213	100.0%	1.8%
ALL	\$ 82,217	\$ 220	100.0%	0.3%
Bottom 60%	\$ 35,447	\$ —	—	—

Surcharge on AGI > \$500k / \$1 million, Impact in 2011 in New Jersey				
Income Group	Average Income	Average Tax Increase	Share of Tax Increase	Tax Increase as % Income
Lowest 20%	\$ 13,399	\$ —	—	—
Second 20%	32,500	—	—	—
Middle 20%	56,168	—	—	—
Fourth 20%	91,042	—	—	—
Next 15%	160,387	—	—	—
Next 4%	358,416	2	0.0%	0.0%
Top 1%	1,799,279	41,378	100.0%	2.3%
ALL	\$ 94,202	\$ 410	100.0%	0.4%
Bottom 60%	\$ 34,025	\$ —	—	—

Surcharge on AGI > \$500k / \$1 million, Impact in 2011 in New Mexico				
Income Group	Average Income	Average Tax Increase	Share of Tax Increase	Tax Increase as % Income
Lowest 20%	\$ 11,219	\$ —	—	—
Second 20%	25,197	—	—	—
Middle 20%	40,696	—	—	—
Fourth 20%	66,090	—	—	—
Next 15%	112,768	—	—	—
Next 4%	231,577	—	—	—
Top 1%	884,229	9,258	100.0%	1.0%
ALL	\$ 63,036	\$ 92	100.0%	0.1%
Bottom 60%	\$ 25,721	\$ —	—	—

Surcharge on AGI > \$500k / \$1 million, Impact in 2011 in New York				
Income Group	Average Income	Average Tax Increase	Share of Tax Increase	Tax Increase as % Income
Lowest 20%	\$ 10,358	\$ —	—	—
Second 20%	24,579	—	—	—
Middle 20%	43,524	—	—	—
Fourth 20%	72,350	—	—	—
Next 15%	129,330	—	—	—
Next 4%	312,690	0	0.0%	0.0%
Top 1%	2,227,384	58,809	100.0%	2.6%
ALL	\$ 83,118	\$ 580	100.0%	0.7%
Bottom 60%	\$ 26,159	\$ —	—	—

Surcharge on AGI > \$500k / \$1 million, Impact in 2011 in North Carolina				
Income Group	Average Income	Average Tax Increase	Share of Tax Increase	Tax Increase as % Income
Lowest 20%	\$ 10,831	\$ —	—	—
Second 20%	23,154	—	—	—
Middle 20%	38,414	—	—	—
Fourth 20%	62,920	—	—	—
Next 15%	106,389	—	—	—
Next 4%	226,058	—	—	—
Top 1%	920,569	11,993	100.0%	1.3%
ALL	\$ 60,648	\$ 119	100.0%	0.2%
Bottom 60%	\$ 24,083	\$ —	—	—

Surcharge on AGI > \$500k / \$1 million, Impact in 2011 in North Dakota				
Income Group	Average Income	Average Tax Increase	Share of Tax Increase	Tax Increase as % Income
Lowest 20%	\$ 15,241	\$ —	—	—
Second 20%	31,773	—	—	—
Middle 20%	52,889	—	—	—
Fourth 20%	84,262	—	—	—
Next 15%	128,503	—	—	—
Next 4%	251,465	—	—	—
Top 1%	956,885	11,337	100.0%	1.2%
ALL	\$ 75,662	\$ 113	100.0%	0.1%
Bottom 60%	\$ 33,379	\$ —	—	—

Surcharge on AGI > \$500k / \$1 million, Impact in 2011 in Ohio				
Income Group	Average Income	Average Tax Increase	Share of Tax Increase	Tax Increase as % Income
Lowest 20%	\$ 10,768	\$ —	—	—
Second 20%	25,159	—	—	—
Middle 20%	41,951	—	—	—
Fourth 20%	63,456	—	—	—
Next 15%	100,177	—	—	—
Next 4%	204,728	—	—	—
Top 1%	894,217	13,355	100.0%	1.5%
ALL	\$ 59,686	\$ 132	100.0%	0.2%
Bottom 60%	\$ 25,971	\$ —	—	—

Surcharge on AGI > \$500k / \$1 million, Impact in 2011 in Oklahoma				
Income Group	Average Income	Average Tax Increase	Share of Tax Increase	Tax Increase as % Income
Lowest 20%	\$ 10,006	\$ —	—	—
Second 20%	22,818	—	—	—
Middle 20%	39,907	—	—	—
Fourth 20%	64,543	—	—	—
Next 15%	111,657	—	—	—
Next 4%	235,020	—	—	—
Top 1%	1,130,114	17,935	100.0%	1.6%
ALL	\$ 64,254	\$ 178	100.0%	0.3%
Bottom 60%	\$ 24,180	\$ —	—	—

Surcharge on AGI > \$500k / \$1 million, Impact in 2011 in Oregon				
Income Group	Average Income	Average Tax Increase	Share of Tax Increase	Tax Increase as % Income
Lowest 20%	\$ 11,176	\$ —	—	—
Second 20%	25,154	—	—	—
Middle 20%	42,135	—	—	—
Fourth 20%	67,166	—	—	—
Next 15%	113,239	—	—	—
Next 4%	235,257	—	—	—
Top 1%	942,360	12,097	100.0%	1.3%
ALL	\$ 64,222	\$ 120	100.0%	0.2%
Bottom 60%	\$ 26,175	\$ —	—	—

Surcharge on AGI > \$500k / \$1 million, Impact in 2011 in Pennsylvania				
Income Group	Average Income	Average Tax Increase	Share of Tax Increase	Tax Increase as % Income
Lowest 20%	\$ 11,592	\$ —	—	—
Second 20%	27,676	—	—	—
Middle 20%	46,773	—	—	—
Fourth 20%	71,895	—	—	—
Next 15%	118,825	—	—	—
Next 4%	253,481	—	—	—
Top 1%	1,164,526	20,067	100.0%	1.7%
ALL	\$ 70,299	\$ 198	100.0%	0.3%
Bottom 60%	\$ 28,689	\$ —	—	—

Surcharge on AGI > \$500k / \$1 million, Impact in 2011 in Rhode Island				
Income Group	Average Income	Average Tax Increase	Share of Tax Increase	Tax Increase as % Income
Lowest 20%	\$ 10,824	\$ —	—	—
Second 20%	25,378	—	—	—
Middle 20%	46,165	—	—	—
Fourth 20%	73,166	—	—	—
Next 15%	123,596	—	—	—
Next 4%	254,256	—	—	—
Top 1%	1,066,438	15,316	100.0%	1.4%
ALL	\$ 69,558	\$ 151	100.0%	0.2%
Bottom 60%	\$ 27,459	\$ —	—	—

Surcharge on AGI > \$500k / \$1 million, Impact in 2011 in South Carolina				
Income Group	Average Income	Average Tax Increase	Share of Tax Increase	Tax Increase as % Income
Lowest 20%	\$ 10,440	\$ —	—	—
Second 20%	22,839	—	—	—
Middle 20%	36,202	—	—	—
Fourth 20%	59,478	—	—	—
Next 15%	101,955	—	—	—
Next 4%	214,200	—	—	—
Top 1%	869,181	9,348	100.0%	1.1%
ALL	\$ 57,679	\$ 93	100.0%	0.2%
Bottom 60%	\$ 23,117	\$ —	—	—

Surcharge on AGI > \$500k / \$1 million, Impact in 2011 in South Dakota				
Income Group	Average Income	Average Tax Increase	Share of Tax Increase	Tax Increase as % Income
Lowest 20%	\$ 11,376	\$ —	—	—
Second 20%	26,496	—	—	—
Middle 20%	45,870	—	—	—
Fourth 20%	70,049	—	—	—
Next 15%	110,486	—	—	—
Next 4%	228,532	—	—	—
Top 1%	1,069,530	15,228	100.0%	1.4%
ALL	\$ 66,280	\$ 151	100.0%	0.2%
Bottom 60%	\$ 27,922	\$ —	—	—

Surcharge on AGI > \$500k / \$1 million, Impact in 2011 in Tennessee				
Income Group	Average Income	Average Tax Increase	Share of Tax Increase	Tax Increase as % Income
Lowest 20%	\$ 10,851	\$ —	—	—
Second 20%	23,709	—	—	—
Middle 20%	39,309	—	—	—
Fourth 20%	60,712	—	—	—
Next 15%	101,509	—	—	—
Next 4%	221,951	—	—	—
Top 1%	1,030,086	14,949	100.0%	1.5%
ALL	\$ 60,632	\$ 148	100.0%	0.2%
Bottom 60%	\$ 24,599	\$ —	—	—

Surcharge on AGI > \$500k / \$1 million, Impact in 2011 in Texas				
Income Group	Average Income	Average Tax Increase	Share of Tax Increase	Tax Increase as % Income
Lowest 20%	\$ 12,190	\$ —	—	—
Second 20%	26,547	—	—	—
Middle 20%	43,282	—	—	—
Fourth 20%	71,125	—	—	—
Next 15%	126,932	—	—	—
Next 4%	279,749	—	—	—
Top 1%	1,410,077	24,351	100.0%	1.7%
ALL	\$ 74,158	\$ 241	100.0%	0.3%
Bottom 60%	\$ 27,339	\$ —	—	—

Surcharge on AGI > \$500k / \$1 million, Impact in 2011 in Utah				
Income Group	Average Income	Average Tax Increase	Share of Tax Increase	Tax Increase as % Income
Lowest 20%	\$ 11,897	\$ —	—	—
Second 20%	27,448	—	—	—
Middle 20%	44,502	—	—	—
Fourth 20%	69,436	—	—	—
Next 15%	114,961	—	—	—
Next 4%	231,819	—	—	—
Top 1%	1,115,912	18,014	100.0%	1.6%
ALL	\$ 67,558	\$ 178	100.0%	0.3%
Bottom 60%	\$ 27,960	\$ —	—	—

Surcharge on AGI > \$500k / \$1 million, Impact in 2011 in Vermont				
Income Group	Average Income	Average Tax Increase	Share of Tax Increase	Tax Increase as % Income
Lowest 20%	\$ 12,668	\$ —	—	—
Second 20%	28,630	—	—	—
Middle 20%	46,079	—	—	—
Fourth 20%	68,610	—	—	—
Next 15%	114,878	—	—	—
Next 4%	236,350	—	—	—
Top 1%	933,644	11,397	100.0%	1.2%
ALL	\$ 66,913	\$ 115	100.0%	0.2%
Bottom 60%	\$ 29,099	\$ —	—	—

Surcharge on AGI > \$500k / \$1 million, Impact in 2011 in Virginia				
Income Group	Average Income	Average Tax Increase	Share of Tax Increase	Tax Increase as % Income
Lowest 20%	\$ 12,071	\$ —	—	—
Second 20%	28,428	—	—	—
Middle 20%	49,131	—	—	—
Fourth 20%	80,387	—	—	—
Next 15%	140,380	—	—	—
Next 4%	292,147	—	—	—
Top 1%	1,314,194	21,126	100.0%	1.6%
ALL	\$ 79,359	\$ 210	100.0%	0.3%
Bottom 60%	\$ 29,874	\$ —	—	—

Surcharge on AGI > \$500k / \$1 million, Impact in 2011 in Washington				
Income Group	Average Income	Average Tax Increase	Share of Tax Increase	Tax Increase as % Income
Lowest 20%	\$ 12,578	\$ —	—	—
Second 20%	30,722	—	—	—
Middle 20%	52,675	—	—	—
Fourth 20%	82,374	—	—	—
Next 15%	135,839	—	—	—
Next 4%	290,062	—	—	—
Top 1%	1,448,413	26,991	100.0%	1.9%
ALL	\$ 80,698	\$ 267	100.0%	0.3%
Bottom 60%	\$ 32,006	\$ —	—	—

Surcharge on AGI > \$500k / \$1 million, Impact in 2011 in West Virginia				
Income Group	Average Income	Average Tax Increase	Share of Tax Increase	Tax Increase as % Income
Lowest 20%	\$ 9,468	\$ —	—	—
Second 20%	21,046	—	—	—
Middle 20%	34,471	—	—	—
Fourth 20%	58,551	—	—	—
Next 15%	95,053	—	—	—
Next 4%	177,823	—	—	—
Top 1%	618,730	5,022	100.0%	0.8%
ALL	\$ 51,664	\$ 50	100.0%	0.1%
Bottom 60%	\$ 21,739	\$ —	—	—

Surcharge on AGI > \$500k / \$1 million, Impact in 2011 in Wisconsin				
Income Group	Average Income	Average Tax Increase	Share of Tax Increase	Tax Increase as % Income
Lowest 20%	\$ 13,483	\$ —	—	—
Second 20%	28,095	—	—	—
Middle 20%	46,365	—	—	—
Fourth 20%	71,864	—	—	—
Next 15%	110,467	—	—	—
Next 4%	219,325	—	—	—
Top 1%	1,017,374	16,350	100.0%	1.6%
ALL	\$ 67,178	\$ 163	100.0%	0.2%
Bottom 60%	\$ 29,258	\$ —	—	—

Surcharge on AGI > \$500k / \$1 million, Impact in 2011 in Wyoming				
Income Group	Average Income	Average Tax Increase	Share of Tax Increase	Tax Increase as % Income
Lowest 20%	\$ 14,250	\$ —	—	—
Second 20%	33,720	—	—	—
Middle 20%	54,735	—	—	—
Fourth 20%	84,076	—	—	—
Next 15%	129,755	—	—	—
Next 4%	279,251	—	—	—
Top 1%	2,182,614	53,336	100.0%	2.4%
ALL	\$ 90,416	\$ 555	100.0%	0.6%
Bottom 60%	\$ 34,223	\$ —	—	—