

Beneficiaries of the Individual Tax Rebate Portion of the Senate Passed Stimulus Bill
February 7, 2008

Revenue Cost	Senate Passed Bill	
	<i>[in billions of dollars]</i>	
Total		\$112.0
Outlay increase		\$37.6
Tax reduction		\$74.4

	Universe of Tax Filers/Households	Beneficiaries Under the Senate Passed Bill
	<i>[counts in millions]</i>	
Tax Filing Units	157.0	131.8
Singles	68.8	56.2
Joint/HH	88.2	75.6
Returns with children	45.4	38.0
Number of children	75.3	62.7
Earned Income (returns)	120.9	107.0
Singles	47.3	41.9
Joint/HH	73.6	65.1
Taxpaying Units	91.9	82.1
Singles	39.8	36.4
Joint/HH without children	32.3	28.6
Joint/HH with children	19.8	17.2
Earned Income but No Tax (returns)	39.4	34.3
Singles	13.2	10.6
Joint/HH without children	5.8	5.4
Joint/HH with children	20.4	18.3
Taxpayer Over Age 64 (returns)	31.2	27.7

Non-taxpayers receiving a benefit	49.7
Singles	19.9
Joint/HH without children	10.8
Joint/HH with children	19.0

Notes:

1/ Under the proposal, nondependent taxpayers would receive an income tax rebate equal to the lesser of net income tax liability (defined as regular income tax liability including AMT less nonrefundable credits other than the allowable child tax credit) or \$600 (\$1,200 for joint filers). This rebate is subject to a floor of \$300 (\$600 for joints), so long as the taxpayer has a positive net income tax liability or at least \$3,000 of earned income. Social Security and Veteran's disability payments are treated as earned income. In addition, taxpayers who received an income tax rebate would also be eligible to receive an additional rebate of \$300 per child. A valid social security number would be required to receive these rebates. The rebate would be phased out beginning at \$75,000 of AGI (\$150,000 for joint filers). Taxpayers would be sent checks as advance payment of the benefit of the rebates based on 2007 taxable income and earnings, and reconciliation will occur on 2008 tax returns, subject to hold-harmless rules.

2/ Estimate excludes the impact on U.S. Possessions