

Three Options for Capping Itemized Deductions

**OPTION #1 Eliminate SLINC; Cap Remaining Itemized Deductions at 2.5 X Standard**

AGI category	AGI	# Filers	Current Law Tax	Option #1	# Decrease	\$ Decrease	Ave Decrease	# Increase	\$ Increase	Ave Increase	Total \$ change
Neg/None/Missing	(249,578,950)	5,491	105,853	374,635				741	268,780	363	268,782
Under 25,000	1,350,295,658	113,353	12,277,833	13,364,879				6,252	1,087,032	174	1,087,045
25,000 - 49,999	2,697,186,456	74,615	54,089,468	55,649,206				15,937	1,559,727	98	1,559,737
50,000 - 74,999	2,634,014,667	42,748	65,778,876	68,464,875				18,502	2,685,993	145	2,686,000
75,000 - 99,999	2,341,287,390	27,122	66,544,830	69,869,556				16,275	3,324,721	204	3,324,725
100,000 - 124,999	1,610,889,877	14,495	54,322,958	57,885,813				11,487	3,562,852	310	3,562,856
125,000 - 149,999	997,354,454	7,327	38,239,582	40,889,660				6,412	2,650,077	413	2,650,077
150,000 - 199,999	1,110,700,296	6,506	47,746,506	51,004,788				5,977	3,258,281	545	3,258,282
200,000 - 299,999	960,552,605	4,031	48,674,698	52,360,603				3,807	3,685,905	968	3,685,905
300,000 - 499,999	699,305,972	1,876	43,805,283	46,715,430				1,790	2,910,147	1,626	2,910,147
500,000 - 999,999	529,896,300	796	37,933,498	40,290,426				761	2,356,928	3,097	2,356,928
1,000,000 +	990,374,878	317	76,746,663	81,515,455				291	4,768,792	16,388	4,768,792
<b>Resident Total</b>	<b>15,672,279,603</b>	<b>298,677</b>	<b>546,266,049</b>	<b>578,385,325</b>				<b>88,232</b>	<b>32,119,235</b>	<b>364</b>	<b>32,119,276</b>

**OPTION #2 Current Law \$5K SLINC; Cap Remaining Itemized Deductions at 2.5 X Standard**

AGI category	AGI	# Filers	Current Law Tax	Option #2	# Decrease	\$ Decrease	Ave Decrease	# Increase	\$ Increase	Ave Increase	Total \$ change
Neg/None/Missing	(249,578,950)	5,491	105,853	364,074				256	258,221	1,009	258,221
Under 25,000	1,350,295,658	113,353	12,277,833	13,273,015				943	995,181	1,055	995,182
25,000 - 49,999	2,697,186,456	74,615	54,089,468	55,084,659				2,110	995,186	472	995,191
50,000 - 74,999	2,634,014,667	42,748	65,778,876	67,060,691				3,031	1,281,814	423	1,281,816
75,000 - 99,999	2,341,287,390	27,122	66,544,830	67,874,266				2,533	1,329,434	525	1,329,435
100,000 - 124,999	1,610,889,877	14,495	54,322,958	55,648,127				1,843	1,325,169	719	1,325,169
125,000 - 149,999	997,354,454	7,327	38,239,582	39,450,000				1,468	1,210,418	825	1,210,418
150,000 - 199,999	1,110,700,296	6,506	47,746,506	49,606,968				1,923	1,860,461	967	1,860,463
200,000 - 299,999	960,552,605	4,031	48,674,698	51,559,179				1,821	2,884,480	1,584	2,884,481
300,000 - 499,999	699,305,972	1,876	43,805,283	46,388,313				1,074	2,583,030	2,405	2,583,030
500,000 - 999,999	529,896,300	796	37,933,498	40,185,996				534	2,252,497	4,218	2,252,498
1,000,000 +	990,374,878	317	76,746,663	81,485,551				227	4,738,888	20,876	4,738,888
<b>Resident Total</b>	<b>15,672,279,603</b>	<b>298,677</b>	<b>546,266,049</b>	<b>567,980,838</b>				<b>17,763</b>	<b>21,714,779</b>	<b>1,222</b>	<b>21,714,789</b>

**OPTION #3 Cap ALL Itemized Deductions at 2.5 X Standard (eliminate addback of SLINC)**

AGI category	AGI	# Filers	Current Law Tax	Option #3	# Decrease	\$ Decrease	Ave Decrease	# Increase	\$ Increase	Ave Increase	Total \$ change
Neg/None/Missing	(249,578,950)	5,491	105,853	363,427	6	(647)	(108)	256	258,221	1,009	257,574
Under 25,000	1,350,295,658	113,353	12,277,833	13,268,281	30	(4,733)	(158)	943	995,181	1,055	990,448
25,000 - 49,999	2,697,186,456	74,615	54,089,468	55,072,929	120	(11,730)	(98)	2,110	995,186	472	983,460
50,000 - 74,999	2,634,014,667	42,748	65,778,876	67,033,959	234	(26,731)	(114)	3,031	1,281,814	423	1,255,083
75,000 - 99,999	2,341,287,390	27,122	66,544,830	67,821,243	587	(53,020)	(90)	2,533	1,329,434	525	1,276,412
100,000 - 124,999	1,610,889,877	14,495	54,322,958	55,503,408	1,741	(144,714)	(83)	1,843	1,325,169	719	1,180,450
125,000 - 149,999	997,354,454	7,327	38,239,582	39,156,692	3,216	(293,301)	(91)	1,468	1,210,418	825	917,110
150,000 - 199,999	1,110,700,296	6,506	47,746,506	48,843,058	3,885	(763,909)	(197)	1,923	1,860,461	967	1,096,552
200,000 - 299,999	960,552,605	4,031	48,674,698	50,686,327	2,006	(872,852)	(435)	1,821	2,884,480	1,584	2,011,629
300,000 - 499,999	699,305,972	1,876	43,805,283	45,959,795	709	(428,517)	(604)	1,074	2,583,030	2,405	2,154,512
500,000 - 999,999	529,896,300	796	37,933,498	40,039,007	228	(146,988)	(645)	534	2,252,497	4,218	2,105,510
1,000,000 +	990,374,878	317	76,746,663	81,433,841	74	(51,710)	(699)	227	4,738,888	20,876	4,687,178
<b>Resident Total</b>	<b>15,672,279,603</b>	<b>298,677</b>	<b>546,266,049</b>	<b>565,181,969</b>	<b>12,836</b>	<b>(2,798,852)</b>	<b>(218)</b>	<b>17,763</b>	<b>21,714,779</b>	<b>1,222</b>	<b>18,915,920</b>

TY 2011 Matched Federal/State Data

Prepared by JFO/st