

Table 3: Attempt to Locate Widow's Tax Hit at Lower Income Levels

Income & Adjustments	\$75,000 Income		\$60,000 Income		\$52,460 Income	
Social Security (total)	\$28,000	\$18,667	\$28,000	\$18,667	\$28,000	\$18,667
Taxable portion SS	\$20,450	\$15,866	\$7,700	\$10,733	\$3,240	\$4,396
RMD / pension / other continuing income	\$47,000	\$47,000	\$32,000	\$32,000	\$24,460	\$24,460
Total income	\$75,000	\$65,667	\$60,000	\$50,667	\$52,460	\$43,127
Taxable income before standard deduction	\$67,450	\$62,866	\$39,700	\$42,733	\$27,700	\$28,856
Standard deduction	\$25,100	\$12,550	\$25,100	\$12,550	\$25,100	\$12,550
Age 65 deduction	\$2,600	\$1,700	\$2,600	\$1,700	\$2,600	\$1,700
Taxable income	\$39,750	\$48,616	\$12,000	\$28,483	\$0	\$15,106
Tax & Medicare Subtractions						
Income tax	\$4,372	\$6,444	\$1,200	\$3,219	\$0	\$1,554
Medicare B	\$3,564	\$1,782	\$3,564	\$1,782	\$3,564	\$1,782
Medigap / deductibles	\$3,564	\$1,782	\$3,564	\$1,782	\$3,564	\$1,782
Disposable income	\$63,500	\$55,659	\$51,672	\$43,884	\$45,332	\$38,009
Reduction for the widow/er		\$7,841		\$7,788		\$7,323
Reduction in disposable income as a % of couple income		12.3%		15.1%		16.2%
Proportion of survivor's lost disposable income due to reduced AGI		119.0%		119.8%		127.5%
Effective (average) tax rate (includes medical)	15.3%	15.2%	13.9%	13.4%	13.6%	11.9%

Note: because the taxable portion of Social Security varies in every column, this table is structured somewhat differently than Table 1.