

Table T24-0012
Major Provisions in H.R.7024, The Tax Relief for American Families and Workers Act of 2024
House Ways and Means Committee
Tax Units with a Tax Increase or Tax Cut, by Expanded Cash Income Percentile, 2025¹
Baseline: Current Law

Expanded Cash Income Percentile ^{2,3}	Tax Units		Tax Units with Tax Increase or Cut ⁴				Average Tax Change (Dollars) For all Tax Units	
	Number (thousands)	Percent of Total	With Tax Cut		With Tax Increase		All Provisions ⁵	Major Provisions Included Here ⁶
			Pct of Tax Units	Avg Tax Change (\$)	Pct of Tax Units	Avg Tax Change (\$)		
Lowest Quintile	48,440	26.0	36.2	-230	0.0	0	-90	-90
Second Quintile	41,170	22.1	87.9	-130	0.0	0	-110	-110
Middle Quintile	38,500	20.6	98.3	-90	0.0	0	-90	-90
Fourth Quintile	31,100	16.7	99.9	-140	0.0	0	-150	-140
Top Quintile	25,580	13.7	100.0	-430	0.0	0	-580	-430
All	186,530	100.0	80.0	-190	0.0	0	-170	-150
Addendum								
80-90	13,120	7.0	100.0	-230	0.0	0	-240	-230
90-95	6,400	3.4	100.0	-300	0.0	0	-330	-300
95-99	4,880	2.6	100.0	-500	0.0	0	-660	-500
Top 1 Percent	1,180	0.6	100.0	-3,030	0.0	0	-5,410	-3,030
Top 0.1 Percent	120	0.1	99.9	-15,470	0.0	0	-25,740	-15,450

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0323-2).

* Non-zero value rounded to zero; ** Insufficient data

(1) Calendar year. Baseline is the law currently in place as of January 18, 2024.

<http://www.taxpolicycenter.org/taxtopics/Baseline-Definitions.cfm>

(2) Includes both filing and non-filing units but excludes those that are dependents of other tax units. Tax units with negative adjusted gross income are excluded from their respective income class but are included in the totals. For a description of expanded cash income, see

<http://www.taxpolicycenter.org/TaxModel/income.cfm>

(3) The income percentile classes used in this table are based on the income distribution for the entire population and contain an equal number of people, not tax units. The breaks are (in 2023 dollars): 20% \$31,100; 40% \$60,500; 60% \$108,700; 80% \$197,800; 90% \$288,000; 95% \$415,400; 99% \$990,100; 99.9% \$4,423,900.

(4) Includes tax units with a change in federal tax burden of \$10 or more in absolute value.

(5) Includes following proposals: (1) modifications to child tax credit (does not include impact of earnings "lookback"); (2) deduction for R&E expenditures; (3) extension of allowance for depreciation, amortization, or depletion in determining the limitation on business interest; (4) extension of 100-percent bonus depreciation; (5) increase in limitations on expensing of depreciable business assets; (6) extension of rules for treatment of certain disaster-related personal casualty losses; (7) exclusion from gross income for compensation for losses or damages resulting from certain wildfires; (8) state housing credit ceiling increase for low-income housing credit; and (9) tax-exempt bond financing requirement.

(6) Due to data limitations, we exclude the following provisions listed in note (5): extension of rules for treatment of certain disaster-related personal casualty losses; and exclusion from gross income for compensation for losses or damages resulting from certain wildfires. Also excludes pass-through portion of: extension of 100-percent bonus depreciation; increase in limitations on expensing of depreciable business assets; and deduction for R&E expenditures.