

Click on PDF or Excel link above for additional tables containing more detail and breakdowns by filing status and demographic groups.

**Table T15-0145**  
**Extend American Opportunity Tax Credit (AOTC)**  
**Baseline: Current Law**  
**Distribution of Federal Tax Change by Expanded Cash Income Level, 2025 <sup>1</sup>**  
**Summary Table**

Expanded Cash Income Level (thousands of 2015 dollars) <sup>2</sup>	Tax Units with Tax Increase or Cut <sup>3</sup>				Percent Change in After-Tax Income <sup>4</sup>	Share of Total Federal Tax Change	Average Federal Tax Change (\$)	Average Federal Tax Rate <sup>5</sup>	
	With Tax Cut		With Tax Increase					Change (%) Points)	Under the Proposal
	Pct of Tax Units	Avg Tax Cut	Pct of Tax Units	Avg Tax Increase					
Less than 10	7.4	-933	0.0	0	1.1	10.3	-69	-1.0	8.2
10-20	6.8	-941	0.0	0	0.4	16.7	-64	-0.3	5.0
20-30	5.4	-931	*	**	0.2	14.3	-50	-0.2	5.8
30-40	4.9	-902	0.5	49	0.1	9.1	-43	-0.1	7.7
40-50	4.7	-904	0.9	50	0.1	7.2	-42	-0.1	10.9
50-75	4.5	-952	1.2	50	0.1	14.8	-43	-0.1	13.7
75-100	3.9	-1,023	1.1	50	0.0	8.9	-39	0.0	15.9
100-200	4.4	-1,038	1.3	50	0.0	18.2	-45	0.0	18.6
200-500	0.2	-939	*	**	0.0	0.3	-2	0.0	22.5
500-1,000	*	**	*	**	0.0	0.0	0	0.0	28.0
More than 1,000	*	**	0.0	0	0.0	0.0	0	0.0	34.3
All	4.7	-957	0.7	50	0.1	100.0	-44	0.0	20.6

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0515-2).

Number of AMT Taxpayers (millions). Baseline: 4.8

Proposal: 4.8

\* Less than 0.05

\*\* Insufficient data

(1) Calendar year. Baseline is current law. Proposal would replace the Hope Scholarship Credit with the American Opportunity Tax Credit, which is currently set to expire on 12/31/17. For a description of TPC's current law baseline, see:

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

(4) After-tax income is expanded cash income less: individual income tax net of refundable credits; corporate income tax; payroll taxes (Social Security and Medicare); estate taxes; and excise taxes.

(5) Average federal tax (includes individual and corporate income tax, payroll taxes for Social Security and Medicare, the estate tax, and excise taxes) as a percentage of average expanded cash income.

**Table T15-0145**  
**Extend American Opportunity Tax Credit (AOTC)**  
**Baseline: Current Law**  
**Distribution of Federal Tax Change by Expanded Cash Income Level, 2025 <sup>1</sup>**  
**Detail Table**

Expanded Cash Income Level (thousands of 2015 dollars) <sup>2</sup>	Percent of Tax Units <sup>3</sup>		Percent Change in After-Tax Income <sup>4</sup>	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate <sup>5</sup>	
	With Tax cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Less than 10	7.4	0.0	1.1	10.3	-69	-10.5	0.0	0.2	-1.0	8.2
10-20	6.8	0.0	0.4	16.7	-64	-6.3	0.0	0.5	-0.3	5.0
20-30	5.4	*	0.2	14.3	-50	-2.7	0.0	0.9	-0.2	5.8
30-40	4.9	0.5	0.1	9.1	-43	-1.3	0.0	1.3	-0.1	7.7
40-50	4.7	0.9	0.1	7.2	-42	-0.7	0.0	1.9	-0.1	10.9
50-75	4.5	1.2	0.1	14.8	-43	-0.4	0.0	6.7	-0.1	13.7
75-100	3.9	1.1	0.0	8.9	-39	-0.2	0.0	7.2	0.0	15.9
100-200	4.4	1.3	0.0	18.2	-45	-0.1	0.0	23.2	0.0	18.6
200-500	0.2	*	0.0	0.3	-2	0.0	0.0	21.2	0.0	22.5
500-1,000	*	*	0.0	0.0	0	0.0	0.0	7.3	0.0	28.0
More than 1,000	*	0.0	0.0	0.0	0	0.0	0.1	29.6	0.0	34.3
All	4.7	0.7	0.1	100.0	-44	-0.2	0.0	100.0	0.0	20.6

**Baseline Distribution of Income and Federal Taxes**  
**by Expanded Cash Income Level, 2025 <sup>1</sup>**

Expanded Cash Income Level (thousands of 2015 dollars) <sup>2</sup>	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income <sup>4</sup>		Average Federal Tax Rate <sup>5</sup>
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	
Less than 10	12,335	6.7	7,153	0.4	657	0.2	6,495	0.5	9.2
10-20	21,437	11.6	19,220	1.9	1,019	0.5	18,201	2.2	5.3
20-30	23,630	12.8	31,435	3.4	1,869	1.0	29,566	4.0	6.0
30-40	17,124	9.3	43,933	3.4	3,430	1.3	40,504	4.0	7.8
40-50	14,031	7.6	56,799	3.6	6,210	1.9	50,589	4.0	10.9
50-75	28,428	15.4	77,931	10.0	10,725	6.7	67,206	10.9	13.8
75-100	18,829	10.2	109,753	9.3	17,520	7.2	92,233	9.9	16.0
100-200	32,899	17.8	173,508	25.8	32,234	23.2	141,274	26.4	18.6
200-500	12,502	6.8	343,512	19.4	77,277	21.2	266,235	18.9	22.5
500-1,000	1,414	0.8	835,589	5.3	233,752	7.2	601,837	4.8	28.0
More than 1,000	983	0.5	3,995,602	17.7	1,370,796	29.5	2,624,806	14.7	34.3
All	185,081	100.0	119,676	100.0	24,685	100.0	94,991	100.0	20.6

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0515-2).

Number of AMT Taxpayers (millions). Baseline: 4.8

Proposal: 4.8

\* Less than 0.05

(1) Calendar year. Baseline is current law. Proposal would replace the Hope Scholarship Credit with the American Opportunity Tax Credit, which is currently set to expire on 12/31/17. For a description of TPC's current law baseline, see:

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

(4) After-tax income is expanded cash income less: individual income tax net of refundable credits; corporate income tax; payroll taxes (Social Security and Medicare); estate tax; and excise taxes.

(5) Average federal tax (includes individual and corporate income tax, payroll taxes for Social Security and Medicare, the estate tax, and excise taxes) as a percentage of average expanded cash income.

**Table T15-0145**  
**Extend American Opportunity Tax Credit (AOTC)**  
**Baseline: Current Law**  
**Distribution of Federal Tax Change by Expanded Cash Income Level, 2025 <sup>1</sup>**  
**Detail Table - Single Tax Units**

Expanded Cash Income Level (thousands of 2015 dollars) <sup>2</sup>	Percent of Tax Units <sup>3</sup>		Percent Change in After-Tax Income <sup>4</sup>	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate <sup>5</sup>	
	With Tax cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Less than 10	7.8	0.0	1.2	20.7	-72	-9.2	-0.1	0.7	-1.0	10.0
10-20	6.9	0.0	0.4	28.3	-66	-4.2	-0.1	2.2	-0.4	8.0
20-30	5.1	0.1	0.2	20.9	-47	-1.9	-0.1	3.7	-0.2	8.0
30-40	3.6	0.8	0.1	9.0	-31	-0.8	0.0	3.8	-0.1	9.0
40-50	3.0	1.1	0.1	5.6	-26	-0.4	0.0	5.2	-0.1	12.6
50-75	2.8	1.0	0.1	11.6	-29	-0.2	0.0	16.6	0.0	16.2
75-100	1.4	*	0.0	3.6	-18	-0.1	0.0	13.8	0.0	19.4
100-200	0.1	*	0.0	0.2	-1	0.0	0.1	23.4	0.0	21.6
200-500	*	0.0	0.0	0.0	0	0.0	0.0	10.4	0.0	25.8
500-1,000	0.0	0.0	0.0	0.0	0	0.0	0.0	2.8	0.0	31.2
More than 1,000	0.0	0.0	0.0	0.0	0	0.0	0.1	17.1	0.0	35.9
All	4.2	0.4	0.1	100.0	-40	-0.3	0.0	100.0	-0.1	18.4

**Baseline Distribution of Income and Federal Taxes**  
**by Expanded Cash Income Level, 2025 <sup>1</sup>**

Expanded Cash Income Level (thousands of 2015 dollars) <sup>2</sup>	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income <sup>4</sup>		Average Federal Tax Rate <sup>5</sup>
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	
Less than 10	10,506	11.4	7,083	1.3	784	0.8	6,300	1.4	11.1
10-20	15,838	17.2	19,086	5.1	1,588	2.3	17,498	5.7	8.3
20-30	16,280	17.7	31,389	8.6	2,553	3.8	28,836	9.7	8.1
30-40	10,583	11.5	43,862	7.8	3,990	3.9	39,872	8.7	9.1
40-50	7,902	8.6	56,698	7.6	7,172	5.2	49,526	8.1	12.7
50-75	14,462	15.7	77,150	18.8	12,505	16.5	64,645	19.3	16.2
75-100	7,123	7.7	108,947	13.1	21,191	13.8	87,757	12.9	19.5
100-200	7,192	7.8	164,072	19.9	35,427	23.3	128,644	19.1	21.6
200-500	1,318	1.4	333,775	7.4	86,127	10.4	247,647	6.7	25.8
500-1,000	113	0.1	853,774	1.6	266,366	2.8	587,408	1.4	31.2
More than 1,000	125	0.1	4,178,565	8.8	1,500,295	17.1	2,678,270	6.9	35.9
All	92,243	100.0	64,314	100.0	11,857	100.0	52,457	100.0	18.4

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0515-2).

\* Less than 0.05

(1) Calendar year. Baseline is current law. Proposal would replace the Hope Scholarship Credit with the American Opportunity Tax Credit, which is currently set to expire on 12/31/17. For a description of TPC's current law baseline, see:

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

(4) After-tax income is expanded cash income less: individual income tax net of refundable credits; corporate income tax; payroll taxes (Social Security and Medicare); estate tax; and excise taxes.

(5) Average federal tax (includes individual and corporate income tax, payroll taxes for Social Security and Medicare, the estate tax, and excise taxes) as a percentage of average expanded cash income.

**Table T15-0145**  
**Extend American Opportunity Tax Credit (AOTC)**  
**Baseline: Current Law**  
**Distribution of Federal Tax Change by Expanded Cash Income Level, 2025 <sup>1</sup>**  
**Detail Table - Married Tax Units Filing Jointly**

Expanded Cash Income Level (thousands of 2015 dollars) <sup>2</sup>	Percent of Tax Units <sup>3</sup>		Percent Change in After-Tax Income <sup>4</sup>	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate <sup>5</sup>	
	With Tax cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Less than 10	4.8	0.0	0.8	1.1	-47	-14.0	0.0	0.0	-0.8	4.7
10-20	9.4	0.0	0.5	4.5	-87	-14.6	0.0	0.0	-0.4	2.6
20-30	7.8	0.0	0.2	5.5	-72	-6.5	0.0	0.1	-0.2	3.3
30-40	8.7	0.0	0.2	6.7	-82	-3.7	0.0	0.2	-0.2	4.8
40-50	7.8	0.2	0.1	6.6	-70	-1.7	0.0	0.4	-0.1	7.4
50-75	6.5	1.3	0.1	14.5	-56	-0.7	0.0	1.9	-0.1	10.0
75-100	4.6	2.3	0.0	9.8	-35	-0.2	0.0	3.8	0.0	13.0
100-200	6.4	2.0	0.0	49.9	-66	-0.2	0.0	22.2	0.0	17.5
200-500	0.3	*	0.0	0.9	-2	0.0	0.0	26.6	0.0	22.1
500-1,000	*	*	0.0	0.0	0	0.0	0.0	9.4	0.0	27.6
More than 1,000	*	0.0	0.0	0.0	0	0.0	0.0	35.3	0.0	34.0
All	5.1	1.2	0.0	100.0	-48	-0.1	0.0	100.0	0.0	22.5

**Baseline Distribution of Income and Federal Taxes**  
**by Expanded Cash Income Level, 2025 <sup>1</sup>**

Expanded Cash Income Level (thousands of 2015 dollars) <sup>2</sup>	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income <sup>4</sup>		Average Federal Tax Rate <sup>5</sup>
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	
Less than 10	690	1.2	6,117	0.0	331	0.0	5,786	0.0	5.4
10-20	1,497	2.5	19,814	0.2	598	0.0	19,216	0.3	3.0
20-30	2,191	3.6	31,836	0.5	1,118	0.1	30,718	0.6	3.5
30-40	2,354	3.9	44,240	0.8	2,204	0.2	42,036	0.9	5.0
40-50	2,720	4.5	56,865	1.1	4,255	0.4	52,610	1.4	7.5
50-75	7,484	12.4	79,357	4.4	8,009	2.0	71,348	5.1	10.1
75-100	8,052	13.4	110,941	6.6	14,404	3.8	96,537	7.4	13.0
100-200	21,857	36.3	178,325	28.6	31,295	22.3	147,030	30.4	17.6
200-500	10,711	17.8	345,247	27.1	76,136	26.5	269,111	27.3	22.1
500-1,000	1,253	2.1	833,078	7.7	230,018	9.4	603,060	7.2	27.6
More than 1,000	815	1.4	3,909,656	23.4	1,330,527	35.3	2,579,130	19.9	34.0
All	60,148	100.0	226,783	100.0	51,106	100.0	175,677	100.0	22.5

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0515-2).

\* Less than 0.05

(1) Calendar year. Baseline is current law. Proposal would replace the Hope Scholarship Credit with the American Opportunity Tax Credit, which is currently set to expire on 12/31/17. For a description of TPC's current law baseline, see:

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

(4) After-tax income is expanded cash income less: individual income tax net of refundable credits; corporate income tax; payroll taxes (Social Security and Medicare); estate tax; and excise taxes.

(5) Average federal tax (includes individual and corporate income tax, payroll taxes for Social Security and Medicare, the estate tax, and excise taxes) as a percentage of average expanded cash income.

**Table T15-0145**  
**Extend American Opportunity Tax Credit (AOTC)**  
**Baseline: Current Law**  
**Distribution of Federal Tax Change by Expanded Cash Income Level, 2025 <sup>1</sup>**  
**Detail Table - Head of Household Tax Units**

Expanded Cash Income Level (thousands of 2015 dollars) <sup>2</sup>	Percent of Tax Units <sup>3</sup>		Percent Change in After-Tax Income <sup>4</sup>	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate <sup>5</sup>	
	With Tax cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Less than 10	5.9	0.0	0.6	3.3	-56	9.8	0.0	-0.2	-0.7	-7.3
10-20	5.7	0.0	0.3	12.0	-52	4.1	-0.1	-1.7	-0.3	-6.8
20-30	5.6	0.0	0.2	15.2	-52	16.7	-0.1	-0.6	-0.2	-1.2
30-40	6.3	*	0.1	13.3	-57	-2.4	-0.1	3.0	-0.1	5.3
40-50	7.1	1.1	0.1	11.8	-63	-1.2	0.0	5.3	-0.1	8.8
50-75	7.0	1.7	0.1	22.3	-64	-0.7	0.0	18.2	-0.1	12.0
75-100	7.8	0.8	0.1	19.3	-97	-0.6	0.0	18.5	-0.1	15.4
100-200	1.6	0.0	0.0	2.7	-13	0.0	0.2	34.2	0.0	18.8
200-500	0.1	0.0	0.0	0.0	-1	0.0	0.1	10.1	0.0	23.0
500-1,000	0.0	0.0	0.0	0.0	0	0.0	0.0	2.8	0.0	29.3
More than 1,000	0.0	0.0	0.0	0.0	0	0.0	0.1	10.4	0.0	33.3
All	5.8	0.6	0.1	100.0	-56	-0.6	0.0	100.0	-0.1	13.6

**Baseline Distribution of Income and Federal Taxes**  
**by Expanded Cash Income Level, 2025 <sup>1</sup>**

Expanded Cash Income Level (thousands of 2015 dollars) <sup>2</sup>	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income <sup>4</sup>		Average Federal Tax Rate <sup>5</sup>
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	
Less than 10	971	3.3	8,605	0.4	-570	-0.2	9,175	0.5	-6.6
10-20	3,819	13.0	19,548	3.4	-1,269	-1.6	20,816	4.2	-6.5
20-30	4,803	16.3	31,385	6.9	-312	-0.5	31,697	8.1	-1.0
30-40	3,879	13.2	43,870	7.8	2,359	3.1	41,510	8.6	5.4
40-50	3,105	10.6	56,988	8.1	5,093	5.3	51,895	8.6	8.9
50-75	5,769	19.6	78,044	20.7	9,410	18.3	68,634	21.1	12.1
75-100	3,275	11.1	108,601	16.4	16,801	18.5	91,800	16.0	15.5
100-200	3,286	11.2	163,711	24.7	30,761	34.0	132,950	23.3	18.8
200-500	391	1.3	330,537	5.9	76,088	10.0	254,448	5.3	23.0
500-1,000	33	0.1	852,217	1.3	249,279	2.8	602,939	1.1	29.3
More than 1,000	22	0.1	4,098,991	4.2	1,364,104	10.3	2,734,887	3.3	33.3
All	29,417	100.0	73,912	100.0	10,103	100.0	63,808	100.0	13.7

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0515-2).

\* Less than 0.05

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

(4) After-tax income is expanded cash income less: individual income tax net of refundable credits; corporate income tax; payroll taxes (Social Security and Medicare); estate tax; and excise taxes.

(5) Average federal tax (includes individual and corporate income tax, payroll taxes for Social Security and Medicare, the estate tax, and excise taxes) as a percentage of average expanded cash income.

**Table T15-0145**  
**Extend American Opportunity Tax Credit (AOTC)**  
**Baseline: Current Law**  
**Distribution of Federal Tax Change by Expanded Cash Income Level, 2025 <sup>1</sup>**  
**Detail Table - Tax Units with Children**

Expanded Cash Income Level (thousands of 2015 dollars) <sup>2</sup>	Percent of Tax Units <sup>3</sup>		Percent Change in After-Tax Income <sup>4</sup>	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate <sup>5</sup>	
	With Tax cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Less than 10	7.0	0.0	0.8	2.1	-69	11.6	0.0	0.0	-0.8	-8.0
10-20	6.6	0.0	0.3	6.9	-62	4.6	0.0	-0.3	-0.3	-7.3
20-30	6.3	0.0	0.2	8.3	-59	11.2	0.0	-0.2	-0.2	-1.9
30-40	7.7	0.1	0.2	8.4	-72	-3.7	0.0	0.4	-0.2	4.3
40-50	9.1	0.8	0.2	8.3	-83	-1.8	0.0	0.9	-0.2	8.1
50-75	8.6	1.9	0.1	15.4	-75	-0.8	0.0	3.8	-0.1	11.7
75-100	9.3	3.1	0.1	13.7	-93	-0.6	0.0	4.7	-0.1	14.4
100-200	10.4	3.1	0.1	35.9	-106	-0.3	0.0	21.8	-0.1	17.9
200-500	0.4	*	0.0	0.7	-4	0.0	0.1	24.9	0.0	22.1
500-1,000	*	*	0.0	0.0	0	0.0	0.0	9.5	0.0	28.0
More than 1,000	*	0.0	0.0	0.0	0	0.0	0.1	34.3	0.0	34.1
All	7.5	1.4	0.1	100.0	-72	-0.2	0.0	100.0	0.0	21.3

**Baseline Distribution of Income and Federal Taxes**  
**by Expanded Cash Income Level, 2025 <sup>1</sup>**

Expanded Cash Income Level (thousands of 2015 dollars) <sup>2</sup>	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income <sup>4</sup>		Average Federal Tax Rate <sup>5</sup>
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	
Less than 10	1,189	2.2	8,309	0.1	-593	0.0	8,903	0.2	-7.1
10-20	4,270	8.0	19,511	0.9	-1,352	-0.3	20,863	1.3	-6.9
20-30	5,384	10.1	31,462	1.9	-525	-0.2	31,987	2.5	-1.7
30-40	4,468	8.4	43,819	2.2	1,934	0.5	41,885	2.7	4.4
40-50	3,830	7.2	56,906	2.5	4,714	1.0	52,192	2.9	8.3
50-75	7,847	14.7	78,554	7.0	9,294	3.9	69,259	7.8	11.8
75-100	5,644	10.6	109,987	7.0	15,956	4.8	94,031	7.6	14.5
100-200	12,972	24.4	177,251	26.0	31,792	21.8	145,459	27.1	17.9
200-500	6,096	11.5	349,027	24.0	76,959	24.8	272,068	23.8	22.1
500-1,000	766	1.4	836,388	7.2	234,331	9.5	602,057	6.6	28.0
More than 1,000	488	0.9	3,884,902	21.4	1,325,929	34.2	2,558,973	18.0	34.1
All	53,254	100.0	166,281	100.0	35,523	100.0	130,758	100.0	21.4

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0515-2).

\* Less than 0.05

Note: Tax units with children are those claiming an exemption for children at home or away from home.

(1) Calendar year. Baseline is current law. Proposal would replace the Hope Scholarship Credit with the American Opportunity Tax Credit, which is currently set to expire on 12/31/17. For a description of TPC's current law baseline, see:

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

(4) After-tax income is expanded cash income less: individual income tax net of refundable credits; corporate income tax; payroll taxes (Social Security and Medicare); estate tax; and excise taxes.

(5) Average federal tax (includes individual and corporate income tax, payroll taxes for Social Security and Medicare, the estate tax, and excise taxes) as a percentage of average expanded cash income.



**Table T15-0145**  
**Extend American Opportunity Tax Credit (AOTC)**  
**Baseline: Current Law**  
**Distribution of Federal Tax Change by Expanded Cash Income Level, 2025 <sup>1</sup>**  
**Detail Table - Elderly Tax Units**

Expanded Cash Income Level (thousands of 2015 dollars) <sup>2</sup>	Percent of Tax Units <sup>3</sup>		Percent Change in After-Tax Income <sup>4</sup>	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate <sup>5</sup>	
	With Tax cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Less than 10	0.1	0.0	0.0	0.8	-1	-0.4	0.0	0.0	0.0	2.9
10-20	0.3	0.0	0.0	11.7	-3	-0.9	0.0	0.3	0.0	2.0
20-30	0.2	0.0	0.0	7.8	-2	-0.2	0.0	0.7	0.0	2.3
30-40	0.2	0.1	0.0	5.8	-2	-0.1	0.0	1.0	0.0	3.4
40-50	0.4	0.0	0.0	9.8	-4	-0.1	0.0	1.4	0.0	5.0
50-75	0.5	0.1	0.0	17.0	-4	-0.1	0.0	5.8	0.0	8.4
75-100	0.7	0.3	0.0	18.4	-6	0.0	0.0	7.6	0.0	11.9
100-200	0.6	0.3	0.0	28.5	-7	0.0	0.0	21.5	0.0	16.0
200-500	*	*	0.0	0.2	0	0.0	0.0	16.3	0.0	22.3
500-1,000	*	0.0	0.0	0.0	0	0.0	0.0	5.9	0.0	27.8
More than 1,000	0.0	0.0	0.0	0.0	0	0.0	0.0	39.1	0.0	34.9
All	0.4	0.1	0.0	100.0	-3	0.0	0.0	100.0	0.0	17.4

**Baseline Distribution of Income and Federal Taxes**  
**by Expanded Cash Income Level, 2025 <sup>1</sup>**

Expanded Cash Income Level (thousands of 2015 dollars) <sup>2</sup>	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income <sup>4</sup>		Average Federal Tax Rate <sup>5</sup>
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	
Less than 10	2,183	4.0	6,339	0.3	182	0.0	6,157	0.3	2.9
10-20	6,240	11.5	19,917	2.2	392	0.3	19,525	2.7	2.0
20-30	9,189	17.0	31,541	5.2	735	0.7	30,806	6.2	2.3
30-40	6,675	12.3	43,931	5.3	1,478	1.0	42,452	6.2	3.4
40-50	4,828	8.9	56,456	4.9	2,829	1.4	53,627	5.6	5.0
50-75	8,580	15.8	77,553	12.0	6,541	5.8	71,012	13.3	8.4
75-100	5,618	10.4	110,189	11.1	13,060	7.6	97,128	11.9	11.9
100-200	7,685	14.2	169,421	23.4	27,094	21.5	142,327	23.8	16.0
200-500	2,086	3.9	340,351	12.8	75,812	16.3	264,539	12.0	22.3
500-1,000	247	0.5	828,837	3.7	230,452	5.9	598,385	3.2	27.8
More than 1,000	238	0.4	4,562,675	19.5	1,590,456	39.1	2,972,219	15.4	34.9
All	54,189	100.0	102,568	100.0	17,866	100.0	84,702	100.0	17.4

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0515-2).

\* Less than 0.05

Note: Elderly tax units are those with either head or spouse (if filing jointly) age 65 or older.

(1) Calendar year. Baseline is current law. Proposal would replace the Hope Scholarship Credit with the American Opportunity Tax Credit, which is currently set to expire on 12/31/17. For a description of TPC's current law baseline, see:

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

(4) After-tax income is expanded cash income less: individual income tax net of refundable credits; corporate income tax; payroll taxes (Social Security and Medicare); estate tax; and excise taxes.

(5) Average federal tax (includes individual and corporate income tax, payroll taxes for Social Security and Medicare, the estate tax, and excise taxes) as a percentage of average expanded cash income.