

Table T18-0027
The Tax Cuts and Jobs Act (TCJA): All Provisions and Individual Income Tax Provisions
Tax Units with a Tax Increase or Tax Cut, by Expanded Cash Income Percentile, 2018¹

All Provisions								
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	Major Provisions Included Here
			Pct of Tax Units	Avg Tax Change (\$)	Pct of Tax Units	Avg Tax Change (\$)		
Lowest Quintile	48,780	27.7	53.9	-130	1.2	810	-60	-60
Second Quintile	38,760	22.0	86.8	-480	4.6	740	-380	-380
Middle Quintile	34,290	19.5	91.3	-1,090	7.3	910	-930	-930
Fourth Quintile	28,870	16.4	92.5	-2,070	7.3	1,360	-1,810	-1,810
Top Quintile	24,300	13.8	93.7	-8,510	6.2	8,800	-7,640	-7,430
All	176,100	100.0	80.4	-2,140	4.8	2,770	-1,610	-1,590
Addendum								
80-90	12,490	7.1	92.3	-3,370	7.6	1,800	-2,970	-2,970
90-95	6,020	3.4	94.4	-4,910	5.5	1,890	-4,550	-4,530
95-99	4,650	2.6	97.3	-13,890	2.7	8,260	-13,480	-13,280
Top 1 Percent	1,140	0.7	90.7	-61,940	9.3	93,910	-51,140	-47,550
Top 0.1 Percent	120	0.1	83.7	-285,490	16.2	387,610	-193,380	-176,070

Individual Income Tax Provisions								
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	Major Provisions Included Here
			Pct of Tax Units	Avg Tax Change (\$)	Pct of Tax Units	Avg Tax Change (\$)		
Lowest Quintile	48,780	27.7	27.0	-190	1.4	750	-40	-40
Second Quintile	38,760	22.0	64.9	-550	5.6	660	-320	-320
Middle Quintile	34,290	19.5	82.2	-1,050	9.1	850	-780	-790
Fourth Quintile	28,870	16.4	88.9	-1,810	9.8	1,280	-1,480	-1,490
Top Quintile	24,300	13.8	89.8	-7,170	9.6	8,120	-5,790	-5,660
All	176,100	100.0	64.8	-2,180	6.3	2,760	-1,260	-1,240
Addendum								
80-90	12,490	7.1	89.0	-2,950	10.5	1,770	-2,430	-2,440
90-95	6,020	3.4	89.6	-4,100	9.8	1,830	-3,500	-3,500
95-99	4,650	2.6	93.9	-12,130	5.6	5,630	-11,190	-11,080
Top 1 Percent	1,140	0.7	83.1	-51,310	16.1	77,320	-32,650	-30,230
Top 0.1 Percent	120	0.1	68.4	-247,020	30.8	297,750	-89,060	-77,310

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0217-1).

(1) Calendar year. Baseline is pre-TCJA law. Estimates for individual income tax provisions includes provisions with non-negligible revenue effects listed in JCX-67-17, Section I. Individual Tax Reform with the exception of increase in estate tax exemption level. All estimates exclude reduction in ACA Individual Shared Responsibility Payment amount to zero. Due to data limitations, estimates also exclude the following provisions: repeal of exclusion for employer-provided qualified moving expense reimbursements; repeal of deduction for moving expenses (other than members of the Armed Forces); retirement plan and casualty loss relief for certain disaster areas; repeal of deduction for alimony payments and corresponding inclusion in income; simplified accounting for small business; modify treatment of S corporation conversions into C corporations; limitation and repeal of deduction by employers of expenses for certain fringe benefits; modification of limitation on excessive employee remuneration; tax gain on the sale of a partnership interest on look-thru basis; craft beverage modernization and tax reform; and individual income tax portion of certain business provisions.

<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 2017 dollars): 20% \$25,000; 40% \$48,600; 60% \$86,100; 80% \$149,400; 90% \$216,800; 95% \$307,900; 99% \$732,800; 99.9% \$3,439,900.

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