

Table T20-0116
Senate Recovery Rebate
Baseline: Current Law
Size of Rebate Amount by Expanded Cash Income Level, 2018 ¹

| Expanded Cash Income Level (thousands of 2019 dollars) ² | Tax Units | | | | | | | |
|---|--------------------|------------------|--------------------------|----------------------|-----------------------------|----------------------|--------------------|----------------------|
| | All Tax Units | | Full Rebate ³ | | Partial Rebate ⁴ | | No Rebate | |
| | Number (thousands) | Percent of Total | Number (thousands) | Percent Within Class | Number (thousands) | Percent Within Class | Number (thousands) | Percent Within Class |
| Less than 10 | 12,716 | 7.4 | 0 | 0.0 | 6,730 | 52.9 | 5,986 | 47.1 |
| 10-20 | 22,213 | 12.9 | 397 | 1.8 | 19,599 | 88.2 | 2,217 | 10.0 |
| 20-30 | 19,118 | 11.1 | 1,663 | 8.7 | 16,960 | 88.7 | 496 | 2.6 |
| 30-40 | 15,679 | 9.1 | 4,590 | 29.3 | 10,919 | 69.6 | 170 | 1.1 |
| 40-50 | 13,233 | 7.7 | 6,590 | 49.8 | 6,542 | 49.4 | 101 | 0.8 |
| 50-75 | 24,679 | 14.3 | 16,449 | 66.7 | 8,108 | 32.9 | 122 | 0.5 |
| 75-100 | 16,235 | 9.4 | 12,317 | 75.9 | 3,911 | 24.1 | 7 | * |
| 100-200 | 30,822 | 17.9 | 21,843 | 70.9 | 6,013 | 19.5 | 2,966 | 9.6 |
| 200-500 | 13,857 | 8.0 | 2,715 | 19.6 | 4,888 | 35.3 | 6,254 | 45.1 |
| 500-1,000 | 1,772 | 1.0 | 18 | 1.0 | 29 | 1.6 | 1,726 | 97.4 |
| More than 1,000 | 760 | 0.4 | * | ** | * | ** | 760 | 100.0 |
| All | 172,378 | 100.0 | 66,583 | 38.6 | 84,646 | 49.1 | 21,149 | 12.3 |

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0319-2).

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

(1) Calendar year. Baseline is the law currently in place as of March 17, 2020. The proposal would provide a refundable tax credit of up to \$2,400 for married couples (\$1,200 for others) plus an additional \$500 per eligible child under age 17. The credit would be limited by net income tax liability, defined as regular income tax plus alternative minimum tax reduced by non-refundable credits other than the child tax credit. For those with qualified income (generally earnings plus Social Security benefits and certain veteran's pensions) greater than \$2,500 or with positive net income tax liability and gross income greater than the basic standard deduction, the minimum credit would be \$1,200 for married couples (\$600 for others) plus \$500 per eligible child. The credit would phase out at a rate of 5 percent on AGI greater than \$150,000 for married couples (\$75,000 for others). We have modeled the credit on the 2018 population and assume that non-filers would receive the credit by either filing a tax return for 2019 or 2020 or would receive the credit through other administrative means.

<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 full rebate would be \$2,400 for married couples filing jointly (\$1,200 for others) plus \$500 per eligible child under age 17.

(4) Those with a positive amount of rebate but less than the full rebate described in note (3). For many lower income tax units, this partial rebate would equal \$1,200 for married couples filing jointly (\$600 for others) plus \$500 per eligible child under age 17. For tax units at higher income levels, the partial rebate would be the result of the phaseout beginning at income of \$150,000 for married couples (\$75,000 for others).