

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

**Table T20-0139**  
**Eliminate Deductions for New Contributions to Retirement Saving Plans**  
**Baseline: Current Law**  
**Distribution of Federal Tax Change by Expanded Cash Income Percentile, 2020<sup>1</sup>**  
**Summary Table**

Expanded Cash Income Percentile <sup>2,3</sup>	Tax Units with Tax Increase or Cut <sup>4</sup>				Percent Change in After-Tax Income <sup>5</sup>	Share of Total Federal Tax Change	Average Federal Tax Change (\$)	Average Federal Tax Rate <sup>6</sup>	
	With Tax Cut		With Tax Increase					Change (% Points)	Under the Proposal
	Pct of Tax Units	Avg Tax Change (\$)	Pct of Tax Units	Avg Tax Change (\$)					
<b>Lowest Quintile</b>	1.8	-310	1.8	150	0.0	-0.6	*	0.0	3.3
<b>Second Quintile</b>	4.4	-230	9.5	510	-0.1	7.0	40	0.1	8.2
<b>Middle Quintile</b>	9.1	-250	19.9	670	-0.2	18.3	110	0.2	13.4
<b>Fourth Quintile</b>	18.1	-340	30.2	870	-0.2	27.8	200	0.2	17.1
<b>Top Quintile</b>	29.9	-930	43.3	1,590	-0.1	47.4	410	0.1	24.1
<b>All</b>	10.5	-550	17.8	1,010	-0.2	100.0	120	0.1	19.1
<b>Addendum</b>									
<b>80-90</b>	26.9	-530	43.6	1,170	-0.2	21.8	370	0.2	20.1
<b>90-95</b>	32.6	-850	44.8	1,450	-0.2	10.7	370	0.1	21.7
<b>95-99</b>	33.4	-1,560	42.6	2,460	-0.1	11.7	530	0.1	23.7
<b>Top 1 Percent</b>	33.2	-2,370	35.7	3,910	0.0	3.3	610	0.0	29.7
<b>Top 0.1 Percent</b>	30.8	-2,720	30.1	5,080	0.0	0.4	690	0.0	30.3

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

Number of AMT Taxpayers (millions). Baseline: 0.2 Proposal: 0

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

(1) Calendar year. Baseline is the law currently in place for 2020 as of 2019.

The proposal would repeal tax deductions for new contributions to retirement saving plans. These contributions remain eligible for the savers' credit

Tax burden changes include the resulting change in current tax liabilities and the change in the net present value of future tax liabilities from withdrawals of accumulated asset from these contributions in retirement.

<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 2019 dollars): 20% \$25,700; 40% \$51,300; 60% \$92,300; 80% \$167,000; 90% \$245,000; 95% \$348,000; 99% \$828,000; 99.9% \$3,708,100.

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

(5) 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.

(6) 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 T20-0139**  
**Eliminate Deductions for New Contributions to Retirement Saving Plans**  
**Baseline: Current Law**  
**Distribution of Federal Tax Change by Expanded Cash Income Percentile, 2020 <sup>1</sup>**  
**Detail Table**

Expanded Cash Income Percentile <sup>2,3</sup>	Percent of Tax Units <sup>4</sup>		Percent Change in After-Tax Income <sup>5</sup>	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate <sup>6</sup>	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	1.8	1.8	0.0	-0.6	*	-0.6	0.0	0.7	0.0	3.3
Second Quintile	4.4	9.5	-0.1	7.0	40	1.3	0.0	3.5	0.1	8.2
Middle Quintile	9.1	19.9	-0.2	18.3	110	1.2	0.1	9.8	0.2	13.4
Fourth Quintile	18.1	30.2	-0.2	27.8	200	0.9	0.1	18.6	0.2	17.1
Top Quintile	29.9	43.3	-0.1	47.4	410	0.4	-0.1	67.2	0.1	24.1
All	10.5	17.8	-0.2	100.0	120	0.6	0.0	100.0	0.1	19.1
<b>Addendum</b>										
80-90	26.9	43.6	-0.2	21.8	370	0.9	0.0	15.2	0.2	20.1
90-95	32.6	44.8	-0.2	10.7	370	0.6	0.0	11.4	0.1	21.7
95-99	33.4	42.6	-0.1	11.7	530	0.5	0.0	16.2	0.1	23.7
Top 1 Percent	33.2	35.7	0.0	3.3	610	0.1	-0.1	24.5	0.0	29.7
Top 0.1 Percent	30.8	30.1	0.0	0.4	690	0.0	-0.1	11.7	0.0	30.3

**Baseline Distribution of Income and Federal Taxes**  
**by Expanded Cash Income Percentile, 2020 <sup>1</sup>**

Expanded Cash Income Percentile <sup>2,3</sup>	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income <sup>5</sup>		Average Federal Tax Rate <sup>6</sup>	
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total		
Lowest Quintile	45,770	26.0	14,870	3.8	490	0.7	14,370	4.5	3.3	
Second Quintile	38,940	22.1	38,480	8.3	3,100	3.5	35,380	9.4	8.1	
Middle Quintile	35,630	20.3	71,370	14.1	9,420	9.8	61,950	15.1	13.2	
Fourth Quintile	29,510	16.8	126,910	20.7	21,520	18.5	105,390	21.2	17.0	
Top Quintile	24,750	14.1	388,670	53.2	93,300	67.3	295,370	49.9	24.0	
All	175,860	100.0	102,890	100.0	19,510	100.0	83,380	100.0	19.0	
<b>Addendum</b>										
80-90	12,740	7.2	204,980	14.4	40,800	15.2	164,180	14.3	19.9	
90-95	6,110	3.5	294,940	10.0	63,740	11.4	231,200	9.6	21.6	
95-99	4,740	2.7	496,640	13.0	117,050	16.2	379,590	12.3	23.6	
Top 1 Percent	1,160	0.7	2,460,610	15.8	729,120	24.6	1,731,500	13.7	29.6	
Top 0.1 Percent	120	0.1	11,212,760	7.3	3,397,370	11.7	7,815,390	6.3	30.3	

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

Number of AMT Taxpayers (millions). Baseline: 0.2 Proposal: 0.2

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

(1) Calendar year. Baseline is the law currently in place for 2020 as of 2019.

Proposal would repeal tax deductions for new contributions to retirement saving plans. These contributions remain eligible for the savers' credit.

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(5) 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.

(6) 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 T20-0139**  
**Eliminate Deductions for New Contributions to Retirement Saving Plans**  
**Baseline: Current Law**  
**Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2020 <sup>1</sup>**  
**Detail Table**

Expanded Cash Income Percentile <sup>2,3</sup>	Percent of Tax Units <sup>4</sup>		Percent Change in After-Tax Income <sup>5</sup>	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate <sup>6</sup>	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	1.7	1.5	0.0	-0.3	*	2.5	0.0	-0.1	0.0	-0.5
Second Quintile	3.4	11.1	-0.2	10.3	60	2.7	0.1	2.5	0.2	6.8
Middle Quintile	8.3	12.1	-0.1	10.7	60	0.8	0.0	8.1	0.1	12.3
Fourth Quintile	14.1	29.5	-0.2	29.8	190	1.1	0.1	17.8	0.2	16.7
Top Quintile	28.7	40.0	-0.1	49.5	340	0.4	-0.1	71.5	0.1	23.8
All	10.5	17.8	-0.2	100.0	120	0.6	0.0	100.0	0.1	19.1
<b>Addendum</b>										
80-90	25.2	40.5	-0.2	21.4	290	0.8	0.0	16.3	0.2	20.0
90-95	34.2	37.8	-0.1	7.3	200	0.4	0.0	12.3	0.1	21.6
95-99	30.5	42.7	-0.2	16.6	590	0.6	0.0	17.4	0.1	23.3
Top 1 Percent	30.2	36.2	0.0	4.2	640	0.1	-0.1	25.5	0.0	29.4
Top 0.1 Percent	30.7	26.4	0.0	0.4	540	0.0	-0.1	12.2	0.0	30.3

**Baseline Distribution of Income and Federal Taxes**  
**by Expanded Cash Income Percentile Adjusted for Family Size, 2020 <sup>1</sup>**

Expanded Cash Income Percentile <sup>2,3</sup>	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income <sup>5</sup>		Average Federal Tax Rate <sup>6</sup>	
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total		
Lowest Quintile	37,670	21.4	13,950	2.9	-70	-0.1	14,020	3.6	-0.5	
Second Quintile	36,670	20.9	34,280	7.0	2,270	2.4	32,010	8.0	6.6	
Middle Quintile	35,920	20.4	63,120	12.5	7,670	8.0	55,450	13.6	12.2	
Fourth Quintile	33,180	18.9	110,860	20.3	18,310	17.7	92,540	20.9	16.5	
Top Quintile	31,170	17.7	332,350	57.3	78,890	71.7	253,460	53.9	23.7	
All	175,860	100.0	102,890	100.0	19,510	100.0	83,380	100.0	19.0	
<b>Addendum</b>										
80-90	16,000	9.1	175,590	15.5	34,820	16.2	140,770	15.4	19.8	
90-95	7,750	4.4	254,940	10.9	54,780	12.4	200,170	10.6	21.5	
95-99	6,020	3.4	429,200	14.3	99,370	17.4	329,840	13.5	23.2	
Top 1 Percent	1,400	0.8	2,131,460	16.5	626,630	25.6	1,504,830	14.4	29.4	
Top 0.1 Percent	140	0.1	9,773,680	7.7	2,959,450	12.3	6,814,230	6.6	30.3	

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

Number of AMT Taxpayers (millions). Baseline: 0.2 Proposal: 0.2

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

(1) Calendar year. Baseline is the law currently in place for 2020 as of 2019.

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<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 incomes used are adjusted for family size by dividing by the square root of the number of people in the tax unit. The resulting percentile breaks are (in 2019 dollars): 20% \$17,900; 40% \$35,000; 60% \$60,400; 80% \$102,100; 90% \$148,300; 95% \$208,500; 99% \$478,500; 99.9% \$2,151,900.

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

(5) 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.

(6) 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 T20-0139**  
**Eliminate Deductions for New Contributions to Retirement Saving Plans**  
**Baseline: Current Law**  
**Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2020 <sup>1</sup>**  
**Detail Table - Single Tax Units**

Expanded Cash Income Percentile <sup>2,3</sup>	Percent of Tax Units <sup>4</sup>		Percent Change in After-Tax Income <sup>5</sup>	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate <sup>6</sup>	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	1.3	0.8	0.0	-1.0	*	-0.4	0.0	1.5	0.0	5.0
Second Quintile	3.8	5.5	0.0	3.1	10	0.3	0.0	5.9	0.0	9.0
Middle Quintile	6.9	7.2	0.0	4.9	20	0.2	-0.1	14.1	0.0	13.5
Fourth Quintile	12.1	27.5	-0.2	30.4	120	0.9	0.1	23.0	0.2	17.9
Top Quintile	21.9	38.2	-0.2	62.7	370	0.7	0.1	55.3	0.2	24.2
All	7.0	11.6	-0.1	100.0	60	0.7	0.0	100.0	0.1	17.9
<b>Addendum</b>										
80-90	21.7	36.1	-0.2	23.0	240	0.9	0.0	16.6	0.2	21.0
90-95	29.5	35.3	-0.2	8.5	220	0.6	0.0	10.1	0.1	22.0
95-99	11.6	50.7	-0.5	27.6	1,040	1.5	0.1	12.2	0.4	23.8
Top 1 Percent	20.6	35.2	-0.1	3.6	680	0.1	-0.1	16.5	0.0	31.5
Top 0.1 Percent	28.0	20.6	0.0	0.1	240	0.0	-0.1	8.2	0.0	31.9

**Baseline Distribution of Income and Federal Taxes**  
**by Expanded Cash Income Percentile Adjusted for Family Size, 2020 <sup>1</sup>**

Expanded Cash Income Percentile <sup>2,3</sup>	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income <sup>5</sup>		Average Federal Tax Rate <sup>6</sup>
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	
Lowest Quintile	22,900	27.2	10,940	5.4	550	1.5	10,400	6.2	5.0
Second Quintile	20,200	24.0	26,810	11.6	2,420	5.9	24,400	12.9	9.0
Middle Quintile	18,090	21.5	48,210	18.8	6,480	14.2	41,730	19.7	13.4
Fourth Quintile	13,350	15.8	80,340	23.1	14,240	23.0	66,100	23.1	17.7
Top Quintile	9,110	10.8	208,910	40.9	50,240	55.3	158,670	37.8	24.1
All	84,330	100.0	55,150	100.0	9,820	100.0	45,330	100.0	17.8
<b>Addendum</b>									
80-90	5,250	6.2	125,240	14.1	26,030	16.5	99,210	13.6	20.8
90-95	2,130	2.5	179,400	8.2	39,260	10.1	140,140	7.8	21.9
95-99	1,440	1.7	297,080	9.2	69,620	12.1	227,460	8.6	23.4
Top 1 Percent	290	0.3	1,518,130	9.4	478,070	16.6	1,040,060	7.8	31.5
Top 0.1 Percent	30	0.0	6,595,650	4.6	2,104,060	8.2	4,491,590	3.8	31.9

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 for 2020 as of 2019.

Proposal would repeal tax deductions for new contributions to retirement saving plans. These contributions remain eligible for the savers' credit.

Tax burden changes include the resulting change in current tax liabilities and the change in the net present value of future tax liabilities from withdrawals of accumulated assets from these contributions in retirement.

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(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 incomes used are adjusted for family size by dividing by the square root of the number of people in the tax unit. The resulting percentile breaks are (in 2019 dollars): 20% \$17,900; 40% \$35,000; 60% \$60,400; 80% \$102,100; 90% \$148,300; 95% \$208,500; 99% \$478,500; 99.9% \$2,151,900.

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

(5) 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.

(6) 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 T20-0139**  
**Eliminate Deductions for New Contributions to Retirement Saving Plans**  
**Baseline: Current Law**  
**Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2020 <sup>1</sup>**  
**Detail Table - Married Tax Units Filing Jointly**

Expanded Cash Income Percentile <sup>2,3</sup>	Percent of Tax Units <sup>4</sup>		Percent Change in After-Tax Income <sup>5</sup>	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate <sup>6</sup>	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	1.0	1.1	0.0	0.0	0	0.1	0.0	0.0	0.0	-0.4
Second Quintile	2.9	9.0	-0.1	4.9	60	2.5	0.0	0.9	0.1	5.6
Middle Quintile	11.0	10.9	-0.1	4.7	40	0.5	0.0	4.6	0.1	11.1
Fourth Quintile	16.1	28.7	-0.2	32.2	210	1.0	0.1	15.0	0.2	15.9
Top Quintile	32.3	40.5	-0.1	58.2	300	0.3	-0.1	79.3	0.1	23.7
All	16.7	23.2	-0.1	100.0	160	0.5	0.0	100.0	0.1	20.3
<b>Addendum</b>										
80-90	27.3	42.2	-0.2	27.3	300	0.7	0.1	16.5	0.1	19.6
90-95	37.3	38.8	-0.1	7.5	150	0.3	0.0	13.7	0.1	21.4
95-99	37.4	39.6	-0.1	17.2	420	0.4	0.0	20.4	0.1	23.1
Top 1 Percent	33.4	36.8	0.0	6.3	630	0.1	-0.1	28.7	0.0	29.1
Top 0.1 Percent	32.5	28.7	0.0	0.6	650	0.0	-0.1	13.0	0.0	30.1

**Baseline Distribution of Income and Federal Taxes**  
**by Expanded Cash Income Percentile Adjusted for Family Size, 2020 <sup>1</sup>**

Expanded Cash Income Percentile <sup>2,3</sup>	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income <sup>5</sup>		Average Federal Tax Rate <sup>6</sup>	
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total		
Lowest Quintile	7,310	11.3	18,100	1.1	-60	0.0	18,160	1.4	-0.4	
Second Quintile	8,520	13.2	45,000	3.3	2,450	0.9	42,550	3.9	5.4	
Middle Quintile	11,850	18.3	82,730	8.4	9,150	4.6	73,570	9.4	11.1	
Fourth Quintile	16,300	25.2	136,360	19.1	21,520	14.9	114,840	20.2	15.8	
Top Quintile	20,370	31.4	388,290	68.0	91,570	79.4	296,720	65.2	23.6	
All	64,790	100.0	179,430	100.0	36,260	100.0	143,170	100.0	20.2	
<b>Addendum</b>										
80-90	9,730	15.0	204,280	17.1	39,720	16.5	164,560	17.3	19.4	
90-95	5,230	8.1	288,280	13.0	61,610	13.7	226,670	12.8	21.4	
95-99	4,360	6.7	476,650	17.9	109,820	20.4	366,830	17.2	23.0	
Top 1 Percent	1,050	1.6	2,232,080	20.1	647,800	28.8	1,584,270	17.9	29.0	
Top 0.1 Percent	100	0.2	10,379,140	8.8	3,124,180	13.1	7,254,970	7.7	30.1	

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

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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) 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 incomes used are adjusted for family size by dividing by the square root of the number of people in the tax unit. The resulting percentile breaks are (in 2019 dollars): 20% \$17,900; 40% \$35,000; 60% \$60,400; 80% \$102,100; 90% \$148,300; 95% \$208,500; 99% \$478,500; 99.9% \$2,151,900.

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

(5) 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.

(6) 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 T20-0139**  
**Eliminate Deductions for New Contributions to Retirement Saving Plans**  
**Baseline: Current Law**  
**Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2020 <sup>1</sup>**  
**Detail Table - Head of Household Tax Units**

Expanded Cash Income Percentile <sup>2,3</sup>	Percent of Tax Units <sup>4</sup>		Percent Change in After-Tax Income <sup>5</sup>	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate <sup>6</sup>	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	3.3	4.1	0.0	-0.1	*	0.0	0.3	-8.7	0.0	-10.9
Second Quintile	2.9	29.5	-0.5	29.5	210	13.9	0.7	7.2	0.5	4.0
Middle Quintile	7.4	32.4	-0.5	29.0	300	3.6	0.1	24.8	0.4	11.8
Fourth Quintile	13.4	46.2	-0.5	23.7	450	2.3	-0.2	31.7	0.4	17.4
Top Quintile	18.8	49.3	-0.4	17.9	820	1.2	-0.8	45.0	0.3	24.2
All	6.0	25.3	-0.4	100.0	220	3.1	0.0	100.0	0.4	11.9
<b>Addendum</b>										
80-90	22.7	49.7	-0.4	8.1	580	1.7	-0.2	14.9	0.3	20.5
90-95	12.7	44.9	-0.6	5.9	1,170	2.3	-0.1	7.9	0.5	22.2
95-99	7.8	58.4	-0.5	3.3	1,520	1.5	-0.1	6.5	0.4	25.0
Top 1 Percent	16.3	44.1	-0.1	0.6	1,080	0.1	-0.5	15.8	0.0	30.2
Top 0.1 Percent	14.4	36.6	0.0	0.1	1,000	0.0	-0.3	10.5	0.0	30.1

**Baseline Distribution of Income and Federal Taxes**  
**by Expanded Cash Income Percentile Adjusted for Family Size, 2020 <sup>1</sup>**

Expanded Cash Income Percentile <sup>2,3</sup>	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income <sup>5</sup>		Average Federal Tax Rate <sup>6</sup>	
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total		
Lowest Quintile	7,060	30.3	19,490	9.5	-2,130	-8.9	21,620	11.9	-10.9	
Second Quintile	7,310	31.4	42,710	21.5	1,500	6.5	41,210	23.5	3.5	
Middle Quintile	5,040	21.6	72,280	25.1	8,230	24.7	64,050	25.1	11.4	
Fourth Quintile	2,740	11.8	114,820	21.7	19,560	31.9	95,260	20.4	17.0	
Top Quintile	1,120	4.8	287,300	22.2	68,610	45.8	218,690	19.1	23.9	
All	23,320	100.0	62,280	100.0	7,210	100.0	55,070	100.0	11.6	
<b>Addendum</b>										
80-90	720	3.1	173,510	8.6	35,000	15.1	138,510	7.8	20.2	
90-95	260	1.1	237,250	4.2	51,390	7.9	185,860	3.8	21.7	
95-99	110	0.5	401,240	3.1	98,820	6.6	302,430	2.6	24.6	
Top 1 Percent	30	0.1	3,248,460	6.2	979,650	16.2	2,268,800	4.9	30.2	
Top 0.1 Percent	*	0.0	20,795,290	4.1	6,261,350	10.8	14,533,940	3.3	30.1	

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 for 2020 as of 2019.

Proposal would repeal tax deductions for new contributions to retirement saving plans. These contributions remain eligible for the savers' credit.

Tax burden changes include the resulting change in current tax liabilities and the change in the net present value of future tax liabilities from withdrawals of accumulated assets from these contributions in retirement.

<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 incomes used are adjusted for family size by dividing by the square root of the number of people in the tax unit. The resulting percentile breaks are (in 2019 dollars): 20% \$17,900; 40% \$35,000; 60% \$60,400; 80% \$102,100; 90% \$148,300; 95% \$208,500; 99% \$478,500; 99.9% \$2,151,900.

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

(5) 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.

(6) 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 T20-0139**  
**Eliminate Deductions for New Contributions to Retirement Saving Plans**  
**Baseline: Current Law**  
**Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2020 <sup>1</sup>**  
**Detail Table - Tax Units with Children**

Expanded Cash Income Percentile <sup>2,3</sup>	Percent of Tax Units <sup>4</sup>		Percent Change in After-Tax Income <sup>5</sup>	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate <sup>6</sup>	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	3.4	3.4	0.0	-0.4	-10	0.2	0.0	-1.6	0.0	-10.1
Second Quintile	3.6	26.9	-0.4	15.9	200	9.9	0.1	1.7	0.4	4.7
Middle Quintile	11.4	24.4	-0.3	14.9	200	1.8	0.1	8.0	0.2	12.6
Fourth Quintile	15.8	44.8	-0.3	30.4	420	1.6	0.1	18.7	0.3	17.8
Top Quintile	29.7	52.1	-0.2	39.1	580	0.5	-0.3	73.1	0.1	25.1
All	12.1	29.1	-0.2	100.0	260	1.0	0.0	100.0	0.2	19.6
<b>Addendum</b>										
80-90	26.5	54.7	-0.3	16.2	470	1.0	0.0	16.2	0.2	21.2
90-95	35.9	47.3	-0.1	5.0	300	0.4	-0.1	12.4	0.1	22.8
95-99	29.2	53.2	-0.3	14.6	1,110	0.8	0.0	17.8	0.2	25.0
Top 1 Percent	33.7	45.8	-0.1	3.3	980	0.1	-0.2	26.7	0.0	30.0
Top 0.1 Percent	29.1	43.6	0.0	0.4	1,280	0.0	-0.1	12.1	0.0	30.2

**Baseline Distribution of Income and Federal Taxes**  
**by Expanded Cash Income Percentile Adjusted for Family Size, 2020 <sup>1</sup>**

Expanded Cash Income Percentile <sup>2,3</sup>	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income <sup>5</sup>		Average Federal Tax Rate <sup>6</sup>	
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total		
Lowest Quintile	11,450	21.6	20,410	3.2	-2,050	-1.6	22,460	4.3	-10.0	
Second Quintile	11,350	21.4	46,370	7.1	1,980	1.6	44,400	8.5	4.3	
Middle Quintile	10,610	20.0	85,990	12.4	10,670	7.9	75,320	13.5	12.4	
Fourth Quintile	10,060	19.0	149,750	20.5	26,270	18.5	123,480	20.9	17.5	
Top Quintile	9,400	17.7	445,890	56.9	111,430	73.4	334,460	53.0	25.0	
All	53,100	100.0	138,680	100.0	26,860	100.0	111,820	100.0	19.4	
<b>Addendum</b>										
80-90	4,760	9.0	231,740	15.0	48,540	16.2	183,200	14.7	21.0	
90-95	2,350	4.4	333,510	10.6	75,830	12.5	257,680	10.2	22.7	
95-99	1,820	3.4	562,950	13.9	139,690	17.8	423,260	13.0	24.8	
Top 1 Percent	470	0.9	2,720,970	17.4	816,110	26.9	1,904,870	15.1	30.0	
Top 0.1 Percent	50	0.1	12,618,900	7.9	3,808,260	12.2	8,810,650	6.8	30.2	

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

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

Note: Tax units with children are those claiming an exemption for children at home or away from home or with children qualifying for the Child Tax Credit or EITC.

(1) Calendar year. Baseline is the law currently in place for 2020 as of 2019.

Proposal would repeal tax deductions for new contributions to retirement saving plans. These contributions remain eligible for the savers' credit.

Tax burden changes include the resulting change in current tax liabilities and the change in the net present value of future tax liabilities from withdrawals of accumulated assets from these contributions in retirement.

<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 incomes used are adjusted for family size by dividing by the square root of the number of people in the tax unit. The resulting percentile breaks are (in 2019 dollars): 20% \$17,900; 40% \$35,000; 60% \$60,400; 80% \$102,100; 90% \$148,300; 95% \$208,500; 99% \$478,500; 99.9% \$2,151,900.

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

(5) 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.

(6) 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 T20-0139**  
**Eliminate Deductions for New Contributions to Retirement Saving Plans**  
**Baseline: Current Law**  
**Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2020 <sup>1</sup>**  
**Detail Table - Elderly Tax Units**

Expanded Cash Income Percentile <sup>2,3</sup>	Percent of Tax Units <sup>4</sup>		Percent Change in After-Tax Income <sup>5</sup>	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate <sup>6</sup>	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	0.1	0.0	0.0	-0.9	*	-0.4	0.0	0.2	0.0	1.4
Second Quintile	0.2	0.5	0.0	2.2	*	0.2	0.0	1.4	0.0	2.5
Middle Quintile	1.4	4.2	0.0	23.6	20	0.5	0.0	5.2	0.0	5.6
Fourth Quintile	9.1	9.4	-0.1	53.6	40	0.4	0.0	13.9	0.0	10.5
Top Quintile	28.5	11.8	0.0	20.9	20	0.0	-0.1	78.9	0.0	21.6
All	6.6	4.7	0.0	100.0	20	0.1	0.0	100.0	0.0	15.1
<b>Addendum</b>										
80-90	23.6	11.5	-0.1	43.2	80	0.3	0.0	13.2	0.1	15.0
90-95	34.8	8.2	0.0	-7.7	-30	-0.1	0.0	10.8	0.0	17.4
95-99	32.3	16.7	0.0	-7.5	-40	0.0	0.0	17.3	0.0	20.0
Top 1 Percent	31.1	13.7	0.0	-7.1	-120	0.0	-0.1	37.7	0.0	29.1
Top 0.1 Percent	31.6	8.1	0.0	-1.1	-150	0.0	0.0	20.7	0.0	30.2

**Baseline Distribution of Income and Federal Taxes**  
**by Expanded Cash Income Percentile Adjusted for Family Size, 2020 <sup>1</sup>**

Expanded Cash Income Percentile <sup>2,3</sup>	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income <sup>5</sup>		Average Federal Tax Rate <sup>6</sup>	
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total		
Lowest Quintile	6,910	15.8	13,260	2.2	180	0.2	13,070	2.6	1.4	
Second Quintile	10,920	25.0	30,880	8.2	770	1.4	30,100	9.4	2.5	
Middle Quintile	10,120	23.2	57,160	14.1	3,160	5.1	54,000	15.7	5.5	
Fourth Quintile	8,300	19.0	99,370	20.1	10,360	13.8	89,010	21.2	10.4	
Top Quintile	6,920	15.8	328,990	55.4	70,990	79.0	258,000	51.2	21.6	
All	43,670	100.0	94,150	100.0	14,240	100.0	79,910	100.0	15.1	
<b>Addendum</b>										
80-90	3,490	8.0	157,420	13.3	23,540	13.2	133,880	13.4	15.0	
90-95	1,690	3.9	227,310	9.4	39,660	10.8	187,650	9.1	17.5	
95-99	1,370	3.1	391,290	13.0	78,460	17.3	312,830	12.3	20.1	
Top 1 Percent	370	0.9	2,172,920	19.6	631,620	37.7	1,541,290	16.4	29.1	
Top 0.1 Percent	50	0.1	8,869,130	10.4	2,680,760	20.7	6,188,370	8.5	30.2	

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

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

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

(1) Calendar year. Baseline is the law currently in place for 2020 as of 2019.

Proposal would repeal tax deductions for new contributions to retirement saving plans. These contributions remain eligible for the savers' credit.

Tax burden changes include the resulting change in current tax liabilities and the change in the net present value of future tax liabilities from withdrawals of accumulated assets from these contributions in retirement.

<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 incomes used are adjusted for family size by dividing by the square root of the number of people in the tax unit. The resulting percentile breaks are (in 2019 dollars): 20% \$17,900; 40% \$35,000; 60% \$60,400; 80% \$102,100; 90% \$148,300; 95% \$208,500; 99% \$478,500; 99.9% \$2,151,900.

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

(5) 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.

(6) 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.