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

Table T20-0141
Eliminate Tax Expenditures for Retirement Saving Plans (Alternative Cash-Flow Method)
Baseline: Current Law with TCJA Permanently Extended
Distribution of Federal Tax Change by Expanded Cash Income Percentile, 2020 [1]
Summary Table

Expanded Cash Income Percentile [2,3]	Tax Units with Tax Increase or Cut [4]				Percent Change in After-Tax Income [5]	Share of Total Federal Tax Change	Average Federal Tax Change ($)	Average Federal Tax Rate [6]	
	With Tax Cut		With Tax Increase					Change (% Points)	Under the Proposal
	Pct of Tax Units	Avg Tax Change ($)	Pct of Tax Units	Avg Tax Change ($)					
Lowest Quintile	1.2	-370	3.6	180	0.0	0.0	*	0.0	3.3
Second Quintile	1.4	-330	27.4	480	-0.4	1.8	130	0.3	8.4
Middle Quintile	0.6	-470	55.9	1,140	-1.0	8.1	630	0.9	14.0
Fourth Quintile	0.2	-930	77.7	2,220	-1.6	18.4	1,720	1.4	18.2
Top Quintile	0.3	-4,560	91.3	8,800	-2.7	71.7	8,020	2.1	25.9
All	0.8	-610	44.2	3,570	-1.9	100.0	1,570	1.5	20.4
Addendum									
80-90	0.2	-1,260	89.6	4,350	-2.4	17.9	3,890	1.9	21.6
90-95	0.2	-1,810	93.2	7,850	-3.2	16.1	7,310	2.5	23.9
95-99	0.5	-6,160	93.9	16,510	-4.1	26.5	15,480	3.1	26.5
Top 1 Percent	1.1	-11,650	90.4	29,560	-1.5	11.1	26,600	1.1	30.7
Top 0.1 Percent	1.1	-13,170	86.8	32,520	-0.4	1.2	28,100	0.3	30.6

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 with TCJA permanently extended.
The alternative cash-flow method estimates the tax expenditures as the tax saving from deductions for qualified retirement plans, the savers' credit, and current income accrued within qualified plans minus the present value of future withdrawals attributable to current contributions (assuming TJCA individual rates are permanently extended).
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 T20-0141
Eliminate Tax Expenditures for Retirement Saving Plans (Alternative Cash-Flow Method)
Baseline: Current Law with TCJA Permanently Extended
Distribution of Federal Tax Change by Expanded Cash Income Percentile, 2020 [1]
Detail Table

Expanded Cash Income Percentile [2,3]	Percent of Tax Units [4]		Percent Change in After-Tax Income [5]	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate [6]	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	1.2	3.6	0.0	0.0	*	0.4	-0.1	0.6	0.0	3.3
Second Quintile	1.4	27.4	-0.4	1.8	130	4.1	-0.1	3.4	0.3	8.4
Middle Quintile	0.6	55.9	-1.0	8.1	630	6.8	-0.1	9.7	0.9	14.0
Fourth Quintile	0.2	77.7	-1.6	18.4	1,720	8.1	0.0	18.5	1.4	18.2
Top Quintile	0.3	91.3	-2.7	71.7	8,020	8.7	0.3	67.7	2.1	25.9
All	0.8	44.2	-1.9	100.0	1,570	8.1	0.0	100.0	1.5	20.4
Addendum										
80-90	0.2	89.6	-2.4	17.9	3,890	9.6	0.2	15.3	1.9	21.6
90-95	0.2	93.2	-3.2	16.1	7,310	11.6	0.4	11.7	2.5	23.9
95-99	0.5	93.9	-4.1	26.5	15,480	13.4	0.8	16.9	3.1	26.5
Top 1 Percent	1.1	90.4	-1.5	11.1	26,600	3.7	-1.0	23.7	1.1	30.7
Top 0.1 Percent	1.1	86.8	-0.4	1.2	28,100	0.8	-0.8	11.0	0.3	30.6

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile, 2020 [1]

Expanded Cash Income Percentile [2,3]	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income [5]		Average Federal Tax Rate [6]
	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	3,090	3.5	35,390	9.4	8.0
Middle Quintile	35,630	20.3	71,370	14.1	9,350	9.8	62,020	15.1	13.1
Fourth Quintile	29,510	16.8	126,910	20.7	21,330	18.5	105,580	21.2	16.8
Top Quintile	24,750	14.1	388,670	53.2	92,690	67.3	295,980	49.9	23.9
All	175,860	100.0	102,890	100.0	19,370	100.0	83,520	100.0	18.8
Addendum									
80-90	12,740	7.2	204,980	14.4	40,450	15.1	164,540	14.3	19.7
90-95	6,110	3.5	294,940	10.0	63,080	11.3	231,870	9.7	21.4
95-99	4,740	2.7	496,640	13.0	115,900	16.1	380,740	12.3	23.3
Top 1 Percent	1,160	0.7	2,460,610	15.8	728,230	24.8	1,732,390	13.7	29.6
Top 0.1 Percent	120	0.1	11,212,760	7.3	3,396,910	11.8	7,815,840	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 with TCJA permanently extended.
The alternative cash-flow method estimates the tax expenditures as the tax saving from deductions for qualified retirement plans, the savers' credit, and current income accrued within qualified plans minus the present value of future withdrawals attributable to current contributions (assuming TJCA individual rates are permanently extended).
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 T20-0141
Eliminate Tax Expenditures for Retirement Saving Plans (Alternative Cash-Flow Method)
Baseline: Current Law with TCJA Permanently Extended
Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2020 [1]
Detail Table

Expanded Cash Income Percentile [2,3]	Percent of Tax Units [4]		Percent Change in After-Tax Income [5]	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate [6]	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	1.5	2.4	0.0	0.0	0	-0.1	0.0	-0.1	0.0	-0.5
Second Quintile	1.7	20.4	-0.3	1.4	110	4.7	-0.1	2.4	0.3	6.9
Middle Quintile	0.5	48.1	-0.6	4.2	320	4.2	-0.3	7.7	0.5	12.6
Fourth Quintile	0.2	72.7	-1.4	15.5	1,290	7.1	-0.2	17.5	1.2	17.6
Top Quintile	0.2	89.8	-2.8	78.9	7,010	9.0	0.6	72.2	2.1	25.7
All	0.8	44.2	-1.9	100.0	1,570	8.1	0.0	100.0	1.5	20.4
Addendum										
80-90	0.1	87.5	-2.3	18.9	3,270	9.5	0.2	16.4	1.9	21.5
90-95	0.2	91.7	-3.0	16.9	6,040	11.1	0.3	12.7	2.4	23.6
95-99	0.4	93.3	-4.2	30.1	13,860	14.1	1.0	18.4	3.2	26.2
Top 1 Percent	1.0	89.6	-1.7	13.0	25,680	4.1	-1.0	24.8	1.2	30.6
Top 0.1 Percent	1.0	85.6	-0.4	1.4	26,390	0.9	-0.8	11.5	0.3	30.6

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2020 [1]

Expanded Cash Income Percentile [2,3]	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income [5]		Average Federal Tax Rate [6]
	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	-60	-0.1	14,020	3.6	-0.5
Second Quintile	36,670	20.9	34,280	7.0	2,270	2.5	32,010	8.0	6.6
Middle Quintile	35,920	20.4	63,120	12.5	7,620	8.0	55,490	13.6	12.1
Fourth Quintile	33,180	18.9	110,860	20.3	18,170	17.7	92,690	20.9	16.4
Top Quintile	31,170	17.7	332,350	57.3	78,340	71.7	254,000	53.9	23.6
All	175,860	100.0	102,890	100.0	19,370	100.0	83,520	100.0	18.8
Addendum									
80-90	16,000	9.1	175,590	15.5	34,470	16.2	141,120	15.4	19.6
90-95	7,750	4.4	254,940	10.9	54,160	12.3	200,780	10.6	21.2
95-99	6,020	3.4	429,200	14.3	98,440	17.4	330,760	13.6	22.9
Top 1 Percent	1,400	0.8	2,131,460	16.5	625,910	25.8	1,505,550	14.4	29.4
Top 0.1 Percent	140	0.1	9,773,680	7.7	2,959,020	12.3	6,814,660	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 with TCJA permanently extended.
The alternative cash-flow method estimates the tax expenditures as the tax saving from deductions for qualified retirement plans, the savers' credit, and current income accrued within qualified plans minus the present value of future withdrawals attributable to current contributions (assuming TJCA individual rates are permanently extended).
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 T20-0141
Eliminate Tax Expenditures for Retirement Saving Plans (Alternative Cash-Flow Method)
Baseline: Current Law with TCJA Permanently Extended
Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2020 [1]
Detail Table - Single Tax Units

Expanded Cash Income Percentile [2,3]	Percent of Tax Units [4]		Percent Change in After-Tax Income [5]	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate [6]	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	0.9	1.9	0.0	0.0	0	0.0	-0.1	1.4	0.0	5.0
Second Quintile	1.5	15.6	-0.2	1.2	40	1.6	-0.3	5.6	0.2	9.1
Middle Quintile	0.5	44.6	-0.6	7.1	260	4.0	-0.5	13.6	0.5	13.9
Fourth Quintile	*	67.6	-1.9	25.3	1,240	8.8	0.2	23.1	1.5	19.1
Top Quintile	0.2	85.5	-3.0	66.4	4,750	9.5	0.8	56.1	2.3	26.2
All	0.7	33.8	-1.7	100.0	770	7.9	0.0	100.0	1.4	19.1
Addendum										
80-90	*	83.7	-2.8	22.8	2,830	11.0	0.5	16.9	2.3	22.8
90-95	0.2	88.2	-3.5	16.1	4,910	12.6	0.4	10.5	2.7	24.4
95-99	0.4	88.7	-4.5	22.4	10,170	14.6	0.8	12.9	3.4	26.8
Top 1 Percent	1.2	82.6	-1.1	5.1	11,670	2.4	-0.9	15.8	0.8	32.2
Top 0.1 Percent	1.4	77.0	-0.2	0.5	10,450	0.5	-0.6	7.7	0.2	32.1

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2020 [1]

Expanded Cash Income Percentile [2,3]	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income [5]		Average Federal Tax Rate [6]
	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	2,410	5.9	24,400	12.9	9.0
Middle Quintile	18,090	21.5	48,210	18.8	6,440	14.2	41,770	19.7	13.4
Fourth Quintile	13,350	15.8	80,340	23.1	14,100	22.9	66,240	23.1	17.6
Top Quintile	9,110	10.8	208,910	40.9	49,980	55.3	158,940	37.8	23.9
All	84,330	100.0	55,150	100.0	9,760	100.0	45,390	100.0	17.7
Addendum									
80-90	5,250	6.2	125,240	14.1	25,770	16.4	99,470	13.7	20.6
90-95	2,130	2.5	179,400	8.2	38,880	10.1	140,520	7.8	21.7
95-99	1,440	1.7	297,080	9.2	69,500	12.2	227,580	8.6	23.4
Top 1 Percent	290	0.3	1,518,130	9.4	477,850	16.7	1,040,280	7.8	31.5
Top 0.1 Percent	30	0.0	6,595,650	4.6	2,103,700	8.3	4,491,950	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 with TCJA permanently extended.
The alternative cash-flow method estimates the tax expenditures as the tax saving from deductions for qualified retirement plans, the savers' credit, and current income accrued within qualified plans minus the present value of future withdrawals attributable to current contributions (assuming TJCA individual rates are permanently extended).
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 T20-0141
Eliminate Tax Expenditures for Retirement Saving Plans (Alternative Cash-Flow Method)
Baseline: Current Law with TCJA Permanently Extended
Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2020 [1]
Detail Table - Married Tax Units Filing Jointly

Expanded Cash Income Percentile [2,3]	Percent of Tax Units [4]		Percent Change in After-Tax Income [5]	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate [6]	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	1.3	1.6	0.0	0.0	*	-2.8	0.0	0.0	0.0	-0.3
Second Quintile	1.9	17.4	-0.3	0.5	110	4.4	0.0	0.9	0.2	5.7
Middle Quintile	0.5	49.2	-0.4	1.9	310	3.4	-0.2	4.4	0.4	11.4
Fourth Quintile	0.3	77.0	-1.1	10.9	1,290	6.0	-0.3	14.6	0.9	16.6
Top Quintile	0.3	92.3	-2.8	86.7	8,200	9.0	0.6	79.9	2.1	25.5
All	0.6	59.8	-2.1	100.0	2,970	8.3	0.0	100.0	1.7	21.7
Addendum										
80-90	0.2	90.1	-2.1	17.6	3,480	8.9	0.1	16.5	1.7	21.0
90-95	0.2	93.8	-2.9	17.8	6,550	10.8	0.3	14.0	2.3	23.4
95-99	0.4	95.2	-4.2	34.7	15,320	14.1	1.1	21.4	3.2	26.0
Top 1 Percent	0.9	92.4	-1.9	16.7	30,650	4.7	-0.9	28.1	1.4	30.4
Top 0.1 Percent	0.8	89.1	-0.5	1.7	33,710	1.1	-0.9	12.3	0.3	30.4

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2020 [1]

Expanded Cash Income Percentile [2,3]	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income [5]		Average Federal Tax Rate [6]
	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	-0.3
Second Quintile	8,520	13.2	45,000	3.3	2,460	0.9	42,540	3.9	5.5
Middle Quintile	11,850	18.3	82,730	8.4	9,100	4.6	73,630	9.4	11.0
Fourth Quintile	16,300	25.2	136,360	19.1	21,370	14.9	114,990	20.2	15.7
Top Quintile	20,370	31.4	388,290	68.0	90,880	79.4	297,410	65.2	23.4
All	64,790	100.0	179,430	100.0	36,000	100.0	143,430	100.0	20.1
Addendum									
80-90	9,730	15.0	204,280	17.1	39,310	16.4	164,970	17.3	19.2
90-95	5,230	8.1	288,280	13.0	60,870	13.7	227,410	12.8	21.1
95-99	4,360	6.7	476,650	17.9	108,590	20.3	368,060	17.3	22.8
Top 1 Percent	1,050	1.6	2,232,080	20.1	646,930	29.0	1,585,150	17.8	29.0
Top 0.1 Percent	100	0.2	10,379,140	8.8	3,123,680	13.2	7,255,470	7.7	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 with TCJA permanently extended.
The alternative cash-flow method estimates the tax expenditures as the tax saving from deductions for qualified retirement plans, the savers' credit, and current income accrued within qualified plans minus the present value of future withdrawals attributable to current contributions (assuming TJCA individual rates are permanently extended).
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 T20-0141
Eliminate Tax Expenditures for Retirement Saving Plans (Alternative Cash-Flow Method)
Baseline: Current Law with TCJA Permanently Extended
Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2020 [1]
Detail Table - Head of Household Tax Units

Expanded Cash Income Percentile [2,3]	Percent of Tax Units [4]		Percent Change in After-Tax Income [5]	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate [6]	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	3.4	4.9	0.0	-0.1	*	0.1	0.8	-8.2	0.0	-10.9
Second Quintile	2.0	36.7	-0.7	13.7	290	19.6	0.6	7.2	0.7	4.2
Middle Quintile	0.9	59.5	-0.9	19.1	600	7.3	-0.5	24.1	0.8	12.1
Fourth Quintile	0.1	76.6	-1.8	30.1	1,730	8.9	-0.2	31.6	1.5	18.4
Top Quintile	0.3	84.6	-2.4	37.2	5,220	7.6	-0.8	45.2	1.8	25.6
All	1.9	38.9	-1.2	100.0	680	9.4	0.0	100.0	1.1	12.6
Addendum										
80-90	0.2	85.6	-2.9	18.5	4,040	11.6	0.3	15.3	2.3	22.3
90-95	0.1	81.7	-3.2	9.8	5,980	11.7	0.2	8.1	2.5	24.1
95-99	0.8	85.4	-3.3	7.1	9,950	10.0	0.0	6.7	2.5	27.2
Top 1 Percent	1.1	81.8	-0.4	1.8	9,930	1.0	-1.3	15.1	0.3	30.5
Top 0.1 Percent	0.2	82.0	-0.1	0.2	8,480	0.1	-0.9	9.9	0.0	30.2

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2020 [1]

Expanded Cash Income Percentile [2,3]	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income [5]		Average Federal Tax Rate [6]
	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	-2,120	-9.0	21,610	11.9	-10.9
Second Quintile	7,310	31.4	42,710	21.5	1,500	6.6	41,200	23.4	3.5
Middle Quintile	5,040	21.6	72,280	25.1	8,160	24.6	64,120	25.1	11.3
Fourth Quintile	2,740	11.8	114,820	21.7	19,360	31.8	95,460	20.4	16.9
Top Quintile	1,120	4.8	287,300	22.2	68,420	46.0	218,880	19.1	23.8
All	23,320	100.0	62,280	100.0	7,170	100.0	55,120	100.0	11.5
Addendum									
80-90	720	3.1	173,510	8.6	34,710	15.0	138,800	7.8	20.0
90-95	260	1.1	237,250	4.2	51,260	8.0	185,990	3.8	21.6
95-99	110	0.5	401,240	3.1	99,240	6.6	302,000	2.6	24.7
Top 1 Percent	30	0.1	3,248,460	6.2	979,180	16.3	2,269,280	4.9	30.1
Top 0.1 Percent	*	0.0	20,795,290	4.1	6,261,340	10.8	14,533,960	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 with TCJA permanently extended.
The alternative cash-flow method estimates the tax expenditures as the tax saving from deductions for qualified retirement plans, the savers' credit, and current income accrued within qualified plans minus the present value of future withdrawals attributable to current contributions (assuming TJCA individual rates are permanently extended).
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 T20-0141
Eliminate Tax Expenditures for Retirement Saving Plans (Alternative Cash-Flow Method)
Baseline: Current Law with TCJA Permanently Extended
Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2020 [1]
Detail Table - Tax Units with Children

Expanded Cash Income Percentile [2,3]	Percent of Tax Units [4]		Percent Change in After-Tax Income [5]	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate [6]	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	3.6	4.3	0.0	-0.1	*	0.2	0.1	-1.6	0.0	-10.0
Second Quintile	2.8	35.4	-0.6	3.2	280	14.2	0.1	1.7	0.6	4.9
Middle Quintile	0.9	58.6	-0.6	5.2	480	4.6	-0.2	7.8	0.6	12.9
Fourth Quintile	0.3	79.5	-1.3	16.2	1,590	6.1	-0.2	18.4	1.1	18.5
Top Quintile	0.4	92.8	-2.4	75.4	7,920	7.2	0.1	73.6	1.8	26.6
All	1.7	51.7	-1.7	100.0	1,860	7.0	0.0	100.0	1.3	20.6
Addendum										
80-90	0.2	92.0	-2.1	18.3	3,790	7.9	0.1	16.3	1.6	22.4
90-95	0.3	93.2	-2.8	17.1	7,180	9.6	0.3	12.7	2.2	24.6
95-99	0.7	94.4	-3.6	28.4	15,400	11.1	0.7	18.5	2.7	27.3
Top 1 Percent	1.3	92.2	-1.3	11.6	24,380	3.0	-1.0	26.1	0.9	30.9
Top 0.1 Percent	1.3	89.8	-0.3	1.3	28,140	0.7	-0.7	11.6	0.2	30.4

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2020 [1]

Expanded Cash Income Percentile [2,3]	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income [5]		Average Federal Tax Rate [6]
	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	-2,040	-1.7	22,450	4.3	-10.0
Second Quintile	11,350	21.4	46,370	7.1	1,980	1.6	44,390	8.5	4.3
Middle Quintile	10,610	20.0	85,990	12.4	10,590	7.9	75,410	13.5	12.3
Fourth Quintile	10,060	19.0	149,750	20.5	26,080	18.5	123,680	20.9	17.4
Top Quintile	9,400	17.7	445,890	56.9	110,590	73.4	335,300	53.0	24.8
All	53,100	100.0	138,680	100.0	26,660	100.0	112,020	100.0	19.2
Addendum									
80-90	4,760	9.0	231,740	15.0	48,020	16.2	183,720	14.7	20.7
90-95	2,350	4.4	333,510	10.6	74,810	12.4	258,700	10.2	22.4
95-99	1,820	3.4	562,950	13.9	138,330	17.8	424,620	13.0	24.6
Top 1 Percent	470	0.9	2,720,970	17.4	815,030	27.1	1,905,950	15.1	30.0
Top 0.1 Percent	50	0.1	12,618,900	7.9	3,807,670	12.3	8,811,230	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 with TCJA permanently extended.
The alternative cash-flow method estimates the tax expenditures as the tax saving from deductions for qualified retirement plans, the savers' credit, and current income accrued within qualified plans minus the present value of future withdrawals attributable to current contributions (assuming TJCA individual rates are permanently extended).
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 T20-0141
Eliminate Tax Expenditures for Retirement Saving Plans (Alternative Cash-Flow Method)
Baseline: Current Law with TCJA Permanently Extended
Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2020 [1]
Detail Table - Elderly Tax Units

Expanded Cash Income Percentile [2,3]	Percent of Tax Units [4]		Percent Change in After-Tax Income [5]	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate [6]	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	0.1	0.6	0.0	0.0	0	-0.1	0.0	0.2	0.0	1.4
Second Quintile	0.1	7.3	-0.1	0.4	20	3.1	-0.1	1.3	0.1	2.6
Middle Quintile	*	46.4	-0.8	5.7	420	13.3	0.1	5.2	0.7	6.3
Fourth Quintile	0.2	73.3	-1.9	18.8	1,690	16.4	0.5	14.4	1.7	12.1
Top Quintile	0.1	86.1	-3.1	75.1	8,090	11.4	-0.4	78.6	2.5	24.0
All	0.1	40.2	-2.1	100.0	1,710	12.0	0.0	100.0	1.8	16.9
Addendum										
80-90	*	83.2	-2.9	18.4	3,930	16.8	0.6	13.7	2.5	17.4
90-95	0.2	88.8	-3.6	15.5	6,830	17.3	0.5	11.3	3.0	20.4
95-99	0.2	90.6	-5.0	28.5	15,490	19.8	1.2	18.4	4.0	23.9
Top 1 Percent	0.6	83.7	-1.7	12.7	25,480	4.0	-2.7	35.1	1.2	30.2
Top 0.1 Percent	0.6	78.9	-0.4	1.4	21,510	0.8	-2.1	18.7	0.2	30.5

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2020 [1]

Expanded Cash Income Percentile [2,3]	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income [5]		Average Federal Tax Rate [6]
	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	3,150	5.2	54,010	15.7	5.5
Fourth Quintile	8,300	19.0	99,370	20.1	10,320	13.8	89,050	21.2	10.4
Top Quintile	6,920	15.8	328,990	55.4	70,790	79.0	258,200	51.2	21.5
All	43,670	100.0	94,150	100.0	14,200	100.0	79,950	100.0	15.1
Addendum									
80-90	3,490	8.0	157,420	13.3	23,430	13.2	133,990	13.4	14.9
90-95	1,690	3.9	227,310	9.4	39,450	10.8	187,860	9.1	17.4
95-99	1,370	3.1	391,290	13.0	78,060	17.2	313,230	12.3	20.0
Top 1 Percent	370	0.9	2,172,920	19.6	631,290	37.8	1,541,620	16.4	29.1
Top 0.1 Percent	50	0.1	8,869,130	10.4	2,680,550	20.7	6,188,570	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 with TCJA permanently extended.
The alternative cash-flow method estimates the tax expenditures as the tax saving from deductions for qualified retirement plans, the savers' credit, and current income accrued within qualified plans minus the present value of future withdrawals attributable to current contributions (assuming TJCA individual rates are permanently extended).
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.