

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

Table T20-0255
Repeal Net Investment Income Tax (NIIT) Enacted by the Affordable Care Act (ACA), Updated Analysis
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Percentile, 2022 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	0.0	0	0.0	0	0.0	0.0	0	0.0	2.8
Second Quintile	0.0	0	0.0	0	0.0	0.0	0	0.0	7.3
Middle Quintile	0.0	0	0.0	0	0.0	0.0	0	0.0	12.5
Fourth Quintile	0.1	-690	0.0	0	0.0	0.0	0	0.0	16.3
Top Quintile	19.5	-5,840	0.0	0	0.4	99.5	-1,140	-0.3	23.7
All	2.8	-5,850	0.0	0	0.2	100.0	-160	-0.2	18.4
Addendum									
80-90	0.8	-740	0.0	0	0.0	0.3	-10	0.0	19.5
90-95	14.4	-700	0.0	0	0.0	2.2	-100	0.0	21.5
95-99	58.9	-1,520	0.0	0	0.2	15.0	-900	-0.2	23.7
Top 1 Percent	91.6	-22,110	0.0	0	1.2	82.1	-20,250	-0.9	29.2
Top 0.1 Percent	97.3	-137,120	0.0	0	1.8	55.5	-133,460	-1.3	29.4

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0920-1).

Number of AMT Taxpayers (millions). Baseline: 0.1

Proposal: 0.2

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

(1) Calendar year. Baseline is the law currently in place for 2022 as of March 17, 2020. Proposal would repeal the Affordable Care Act's 3.8 percent net investment income tax (NIIT), which applies to the lesser of net investment income or the excess of modified adjusted gross income over \$200,000 for individuals (\$250,000 for married couples filing jointly).

<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% \$24,800; 40% \$49,800; 60% \$88,500; 80% \$159,800; 90% \$234,300; 95% \$331,500; 99% \$788,100; 99.9% \$3,472,100.

(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 T20-0255
Repeal Net Investment Income Tax (NIIT) Enacted by the Affordable Care Act (ACA), Updated Analysis
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Percentile, 2022 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	0.0	0.0	0.0	0.0	0	0.0	0.0	0.6	0.0	2.8
Second Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	3.3	0.0	7.3
Middle Quintile	0.0	0.0	0.0	0.0	0	0.0	0.1	9.7	0.0	12.5
Fourth Quintile	0.1	0.0	0.0	0.0	0	0.0	0.2	18.4	0.0	16.3
Top Quintile	19.5	0.0	0.4	99.5	-1,140	-1.2	-0.3	67.8	-0.3	23.7
All	2.8	0.0	0.2	100.0	-160	-0.8	0.0	100.0	-0.2	18.4
Addendum										
80-90	0.8	0.0	0.0	0.3	-10	0.0	0.1	15.4	0.0	19.5
90-95	14.4	0.0	0.0	2.2	-100	-0.2	0.1	11.6	0.0	21.5
95-99	58.9	0.0	0.2	15.0	-900	-0.8	0.0	16.8	-0.2	23.7
Top 1 Percent	91.6	0.0	1.2	82.1	-20,250	-2.8	-0.5	24.0	-0.9	29.2
Top 0.1 Percent	97.3	0.0	1.8	55.5	-133,460	-4.1	-0.4	11.0	-1.3	29.4

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile, 2022 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	45,610	25.8	14,880	3.7	420	0.6	14,460	4.5	2.8	
Second Quintile	39,280	22.3	39,140	8.5	2,840	3.3	36,300	9.6	7.3	
Middle Quintile	35,760	20.3	72,540	14.3	9,060	9.6	63,480	15.3	12.5	
Fourth Quintile	29,550	16.7	127,700	20.8	20,780	18.2	106,920	21.4	16.3	
Top Quintile	24,840	14.1	385,310	52.7	92,360	68.1	292,960	49.2	24.0	
All	176,490	100.0	102,940	100.0	19,100	100.0	83,840	100.0	18.6	
Addendum										
80-90	12,830	7.3	206,010	14.6	40,120	15.3	165,890	14.4	19.5	
90-95	6,110	3.5	296,180	10.0	63,720	11.5	232,470	9.6	21.5	
95-99	4,750	2.7	499,270	13.1	118,960	16.8	380,310	12.2	23.8	
Top 1 Percent	1,150	0.7	2,385,620	15.1	716,550	24.5	1,669,080	13.0	30.0	
Top 0.1 Percent	120	0.1	10,563,960	6.9	3,237,820	11.3	7,326,140	5.8	30.7	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0920-1).

Number of AMT Taxpayers (millions). Baseline: 0.1

Proposal: 0.2

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

(1) Calendar year. Baseline is the law currently in place for 2022 as of March 17, 2020. Proposal would repeal the Affordable Care Act's 3.8 percent net investment income tax (NIIT), which applies to the lesser of net investment income or the excess of modified adjusted gross income over \$200,000 for individuals (\$250,000 for married couples filing jointly).

<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% \$24,800; 40% \$49,800; 60% \$88,500; 80% \$159,800; 90% \$234,300; 95% \$331,500; 99% \$788,100; 99.9% \$3,472,100.

(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 T20-0255
Repeal Net Investment Income Tax (NIIT) Enacted by the Affordable Care Act (ACA), Updated Analysis
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2022 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	0.0	0.0	0.0	0.0	0	0.0	0.0	-0.1	0.0	-0.9
Second Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	2.3	0.0	6.1
Middle Quintile	0.0	0.0	0.0	0.0	0	0.0	0.1	7.8	0.0	11.3
Fourth Quintile	*	0.0	0.0	0.1	0	0.0	0.2	17.7	0.0	15.9
Top Quintile	15.5	0.0	0.4	99.5	-910	-1.2	-0.2	72.1	-0.3	23.4
All	2.8	0.0	0.2	100.0	-160	-0.8	0.0	100.0	-0.2	18.4
Addendum										
80-90	0.4	0.0	0.0	0.2	*	0.0	0.1	16.3	0.0	19.3
90-95	8.1	0.0	0.0	1.1	-40	-0.1	0.1	12.6	0.0	21.2
95-99	48.0	0.0	0.2	12.8	-600	-0.6	0.0	18.1	-0.1	23.2
Top 1 Percent	88.9	0.0	1.2	85.4	-17,270	-2.8	-0.5	25.1	-0.8	28.9
Top 0.1 Percent	97.1	0.0	1.8	58.4	-116,340	-4.1	-0.4	11.5	-1.3	29.3

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2022 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	37,490	21.2	13,910	2.9	-130	-0.1	14,030	3.6	-0.9	
Second Quintile	36,960	20.9	34,860	7.1	2,110	2.3	32,750	8.2	6.1	
Middle Quintile	35,920	20.4	64,230	12.7	7,270	7.8	56,950	13.8	11.3	
Fourth Quintile	33,460	19.0	111,460	20.5	17,670	17.5	93,800	21.2	15.9	
Top Quintile	31,200	17.7	330,360	56.7	78,120	72.3	252,240	53.2	23.7	
All	#####	100.0	102,940	100.0	19,100	100.0	83,840	100.0	18.6	
Addendum										
80-90	15,960	9.0	176,920	15.5	34,170	16.2	142,750	15.4	19.3	
90-95	7,790	4.4	255,660	11.0	54,270	12.5	201,390	10.6	21.2	
95-99	6,050	3.4	429,700	14.3	100,460	18.0	329,240	13.5	23.4	
Top 1 Percent	1,400	0.8	2,059,800	15.9	613,470	25.6	1,446,330	13.7	29.8	
Top 0.1 Percent	140	0.1	9,173,270	7.2	2,808,160	11.9	6,365,110	6.1	30.6	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0920-1).

Number of AMT Taxpayers (millions). Baseline: 0.1 Proposal: 0.2

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

(1) Calendar year. Baseline is the law currently in place for 2022 as of March 17, 2020. Proposal would repeal the Affordable Care Act's 3.8 percent net investment income tax (NIIT), which applies to the lesser of net investment income or the excess of modified adjusted gross income over \$200,000 for individuals (\$250,000 for married couples filing jointly).

<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% \$17,200; 40% \$33,900; 60% \$58,200; 80% \$97,800; 90% \$141,600; 95% \$198,600; 99% \$455,900; 99.9% \$1,998,400.

(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 T20-0255
Repeal Net Investment Income Tax (NIIT) Enacted by the Affordable Care Act (ACA), Updated Analysis
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2022 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	0.0	0.0	0.0	0.0	0	0.0	0.0	1.4	0.0	4.5
Second Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	5.8	0.0	8.3
Middle Quintile	0.0	0.0	0.0	0.0	0	0.0	0.1	13.3	0.0	12.3
Fourth Quintile	0.0	0.0	0.0	0.2	*	0.0	0.1	23.2	0.0	16.9
Top Quintile	8.7	0.0	0.3	99.4	-530	-1.1	-0.3	56.1	-0.3	23.6
All	0.9	0.0	0.1	100.0	-60	-0.6	0.0	100.0	-0.1	17.1
Addendum										
80-90	0.1	0.0	0.0	0.0	0	0.0	0.1	16.4	0.0	20.2
90-95	0.8	0.0	0.0	0.1	*	0.0	0.1	10.4	0.0	21.5
95-99	35.0	0.0	0.2	12.9	-420	-0.6	0.0	13.0	-0.1	23.7
Top 1 Percent	84.0	0.0	1.4	86.4	-14,260	-3.1	-0.4	16.3	-1.0	30.6
Top 0.1 Percent	96.1	0.0	2.0	57.8	-85,810	-4.3	-0.3	7.8	-1.4	30.7

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2022 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	22,680	26.9	10,830	5.2	490	1.4	10,340	6.0	4.5	
Second Quintile	20,430	24.2	27,230	11.8	2,260	5.7	24,970	13.1	8.3	
Middle Quintile	17,850	21.1	49,010	18.6	6,010	13.3	43,010	19.7	12.3	
Fourth Quintile	13,550	16.1	81,100	23.4	13,720	23.0	67,370	23.5	16.9	
Top Quintile	9,140	10.8	209,060	40.7	49,800	56.4	159,260	37.4	23.8	
All	84,450	100.0	55,660	100.0	9,570	100.0	46,090	100.0	17.2	
Addendum										
80-90	5,200	6.2	125,750	13.9	25,350	16.3	100,410	13.4	20.2	
90-95	2,150	2.6	180,200	8.3	38,670	10.3	141,530	7.8	21.5	
95-99	1,500	1.8	294,420	9.4	70,080	13.0	224,340	8.7	23.8	
Top 1 Percent	290	0.4	1,459,830	9.1	460,890	16.7	998,940	7.5	31.6	
Top 0.1 Percent	30	0.0	6,213,900	4.3	1,995,980	8.1	4,217,930	3.5	32.1	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0920-1).

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

(1) Calendar year. Baseline is the law currently in place for 2022 as of March 17, 2020. Proposal would repeal the Affordable Care Act's 3.8 percent net investment income tax (NIIT), which applies to the lesser of net investment income or the excess of modified adjusted gross income over \$200,000 for individuals (\$250,000 for married couples filing jointly).

<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% \$17,200; 40% \$33,900; 60% \$58,200; 80% \$97,800; 90% \$141,600; 95% \$198,600; 99% \$455,900; 99.9% \$1,998,400.

(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 T20-0255
Repeal Net Investment Income Tax (NIIT) Enacted by the Affordable Care Act (ACA), Updated Analysis
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2022 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	0.0	0.0	0.0	0.0	0	0.0	0.0	-0.1	0.0	-0.9
Second Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	0.9	0.0	5.0
Middle Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	4.6	0.0	10.5
Fourth Quintile	*	0.0	0.0	0.0	0	0.0	0.1	14.8	0.0	15.1
Top Quintile	18.8	0.0	0.3	99.5	-990	-1.1	-0.2	79.6	-0.3	23.3
All	5.9	0.0	0.2	100.0	-310	-0.9	0.0	100.0	-0.2	19.7
Addendum										
80-90	0.6	0.0	0.0	0.2	*	0.0	0.1	16.6	0.0	19.0
90-95	10.6	0.0	0.0	1.3	-50	-0.1	0.1	13.9	0.0	21.1
95-99	52.5	0.0	0.2	13.9	-650	-0.6	0.1	20.9	-0.1	23.1
Top 1 Percent	90.8	0.0	1.1	84.0	-16,480	-2.6	-0.5	28.1	-0.8	28.7
Top 0.1 Percent	97.8	0.0	1.7	55.3	-115,310	-3.9	-0.4	12.2	-1.2	29.3

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2022 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	7,080	10.9	18,280	1.1	-160	-0.1	18,450	1.4	-0.9	
Second Quintile	8,630	13.3	46,150	3.4	2,310	0.9	43,840	4.1	5.0	
Middle Quintile	12,040	18.5	83,670	8.7	8,780	4.6	74,900	9.7	10.5	
Fourth Quintile	16,350	25.2	137,160	19.3	20,770	14.7	116,390	20.4	15.1	
Top Quintile	20,370	31.4	385,280	67.5	90,650	79.7	294,630	64.4	23.5	
All	64,970	100.0	179,000	100.0	35,650	100.0	143,350	100.0	19.9	
Addendum										
80-90	9,770	15.0	205,540	17.3	38,970	16.4	166,570	17.5	19.0	
90-95	5,230	8.1	289,240	13.0	61,180	13.8	228,060	12.8	21.2	
95-99	4,340	6.7	479,750	17.9	111,470	20.9	368,280	17.1	23.2	
Top 1 Percent	1,040	1.6	2,170,630	19.3	639,930	28.6	1,530,700	17.0	29.5	
Top 0.1 Percent	100	0.2	9,838,220	8.2	2,996,350	12.6	6,841,880	7.2	30.5	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0920-1).

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

(1) Calendar year. Baseline is the law currently in place for 2022 as of March 17, 2020. Proposal would repeal the Affordable Care Act's 3.8 percent net investment income tax (NIIT), which applies to the lesser of net investment income or the excess of modified adjusted gross income over \$200,000 for individuals (\$250,000 for married couples filing jointly).

<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% \$17,200; 40% \$33,900; 60% \$58,200; 80% \$97,800; 90% \$141,600; 95% \$198,600; 99% \$455,900; 99.9% \$1,998,400.

(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 T20-0255
Repeal Net Investment Income Tax (NIIT) Enacted by the Affordable Care Act (ACA), Updated Analysis
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2022 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	0.0	0.0	0.0	0.0	0	0.0	-0.1	-9.6	0.0	-10.8
Second Quintile	0.0	0.0	0.0	0.0	0	0.0	0.1	5.7	0.0	2.9
Middle Quintile	0.0	0.0	0.0	0.0	0	0.0	0.2	25.1	0.0	10.8
Fourth Quintile	0.0	0.0	0.0	0.0	0	0.0	0.3	32.5	0.0	16.4
Top Quintile	9.7	0.0	0.6	100.0	-1,210	-1.8	-0.4	46.2	-0.4	23.2
All	0.5	0.0	0.1	100.0	-60	-0.8	0.0	100.0	-0.1	10.9
Addendum										
80-90	0.6	0.0	0.0	0.0	*	0.0	0.1	15.4	0.0	19.8
90-95	10.2	0.0	0.1	1.8	-90	-0.2	0.1	8.5	0.0	21.2
95-99	50.7	0.0	0.3	6.3	-820	-0.8	0.0	6.9	-0.2	25.2
Top 1 Percent	78.9	0.0	2.0	91.8	-41,850	-4.7	-0.6	15.5	-1.4	28.5
Top 0.1 Percent	95.4	0.0	2.8	80.4	-326,510	-6.5	-0.6	9.6	-2.0	28.0

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2022 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	7,300	31.1	19,290	9.6	-2,090	-9.5	21,380	12.0	-10.8	
Second Quintile	7,240	30.8	43,300	21.5	1,250	5.7	42,050	23.4	2.9	
Middle Quintile	5,060	21.6	73,430	25.5	7,890	24.9	65,540	25.5	10.8	
Fourth Quintile	2,720	11.6	115,750	21.6	19,000	32.2	96,760	20.3	16.4	
Top Quintile	1,100	4.7	288,420	21.7	68,140	46.7	220,280	18.6	23.6	
All	23,480	100.0	62,160	100.0	6,830	100.0	55,320	100.0	11.0	
Addendum										
80-90	700	3.0	175,660	8.5	34,820	15.3	140,840	7.6	19.8	
90-95	260	1.1	241,540	4.4	51,340	8.5	190,210	3.9	21.3	
95-99	100	0.4	420,760	3.0	106,710	6.8	314,050	2.5	25.4	
Top 1 Percent	30	0.1	2,974,080	5.9	890,550	16.1	2,083,530	4.7	29.9	
Top 0.1 Percent	*	0.0	16,734,050	3.7	5,012,220	10.2	11,721,830	2.9	30.0	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0920-1).

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

(1) Calendar year. Baseline is the law currently in place for 2022 as of March 17, 2020. Proposal would repeal the Affordable Care Act's 3.8 percent net investment income tax (NIIT), which applies to the lesser of net investment income or the excess of modified adjusted gross income over \$200,000 for individuals (\$250,000 for married couples filing jointly).

<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% \$17,200; 40% \$33,900; 60% \$58,200; 80% \$97,800; 90% \$141,600; 95% \$198,600; 99% \$455,900; 99.9% \$1,998,400.

(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 T20-0255
Repeal Net Investment Income Tax (NIIT) Enacted by the Affordable Care Act (ACA), Updated Analysis
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2022 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	0.0	0.0	0.0	0.0	0	0.0	0.0	-1.7	0.0	-10.1
Second Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	1.4	0.0	3.7
Middle Quintile	0.0	0.0	0.0	0.0	0	0.0	0.1	7.8	0.0	11.8
Fourth Quintile	*	0.0	0.0	0.0	0	0.0	0.1	18.3	0.0	17.0
Top Quintile	22.9	0.0	0.3	99.5	-1,110	-1.0	-0.2	74.0	-0.3	24.8
All	4.0	0.0	0.2	100.0	-200	-0.7	0.0	100.0	-0.1	19.0
Addendum										
80-90	1.3	0.0	0.0	0.3	-10	0.0	0.1	16.5	0.0	20.6
90-95	21.8	0.0	0.0	2.5	-110	-0.2	0.1	12.7	0.0	22.7
95-99	62.9	0.0	0.2	11.4	-660	-0.5	0.1	18.4	-0.1	25.0
Top 1 Percent	90.8	0.0	1.0	85.4	-18,660	-2.4	-0.4	26.4	-0.7	29.6
Top 0.1 Percent	97.5	0.0	1.7	60.8	-136,580	-3.9	-0.4	11.3	-1.2	29.3

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2022 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	11,770	22.0	20,220	3.2	-2,040	-1.7	22,260	4.4	-10.1	
Second Quintile	11,330	21.1	47,270	7.2	1,770	1.4	45,510	8.6	3.7	
Middle Quintile	10,710	20.0	87,170	12.6	10,250	7.7	76,920	13.7	11.8	
Fourth Quintile	10,040	18.7	150,780	20.4	25,630	18.2	125,150	20.9	17.0	
Top Quintile	9,460	17.7	444,250	56.7	111,110	74.2	333,140	52.5	25.0	
All	53,600	100.0	138,440	100.0	26,440	100.0	112,000	100.0	19.1	
Addendum										
80-90	4,800	9.0	233,600	15.1	48,220	16.3	185,370	14.8	20.6	
90-95	2,360	4.4	335,020	10.7	76,040	12.7	258,980	10.2	22.7	
95-99	1,830	3.4	569,260	14.0	142,820	18.4	426,440	13.0	25.1	
Top 1 Percent	480	0.9	2,607,260	16.9	790,180	26.8	1,817,090	14.6	30.3	
Top 0.1 Percent	50	0.1	11,613,480	7.3	3,535,960	11.7	8,077,510	6.3	30.5	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0920-1).

* 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 2022 as of March 17, 2020. Proposal would repeal the Affordable Care Act's 3.8 percent net investment income tax (NIIT), which applies to the lesser of net investment income or the excess of modified adjusted gross income over \$200,000 for individuals (\$250,000 for married couples filing jointly).

<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% \$17,200; 40% \$33,900; 60% \$58,200; 80% \$97,800; 90% \$141,600; 95% \$198,600; 99% \$455,900; 99.9% \$1,998,400.

(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 T20-0255
Repeal Net Investment Income Tax (NIIT) Enacted by the Affordable Care Act (ACA), Updated Analysis
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2022 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	0.0	0.0	0.0	0.0	0	0.0	0.0	0.1	0.0	1.0
Second Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	1.2	0.0	2.1
Middle Quintile	0.0	0.0	0.0	0.0	0	0.0	0.1	5.1	0.0	5.0
Fourth Quintile	0.0	0.0	0.0	0.1	*	0.0	0.2	13.9	0.0	9.7
Top Quintile	15.9	0.0	0.6	99.4	-1,450	-2.2	-0.4	79.1	-0.5	20.8
All	2.6	0.0	0.3	100.0	-240	-1.7	0.0	100.0	-0.3	14.3
Addendum										
80-90	*	0.0	0.0	0.2	-10	0.0	0.2	14.1	0.0	14.4
90-95	4.8	0.0	0.0	0.6	-30	-0.1	0.2	11.8	0.0	17.1
95-99	53.5	0.0	0.3	13.5	-1,030	-1.3	0.1	18.1	-0.3	20.0
Top 1 Percent	92.4	0.0	1.7	85.1	-25,470	-4.1	-0.9	35.1	-1.2	28.3
Top 0.1 Percent	97.4	0.0	2.3	57.4	-134,580	-5.1	-0.7	18.9	-1.6	29.2

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2022 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	6,340	14.0	13,320	2.0	140	0.1	13,190	2.3	1.0	
Second Quintile	11,220	24.7	31,620	8.2	660	1.2	30,960	9.4	2.1	
Middle Quintile	10,970	24.2	57,740	14.7	2,880	5.1	54,860	16.4	5.0	
Fourth Quintile	8,830	19.5	99,520	20.4	9,690	13.7	89,840	21.6	9.7	
Top Quintile	7,470	16.5	314,000	54.5	66,600	79.4	247,390	50.2	21.2	
All	45,400	100.0	94,830	100.0	13,790	100.0	81,040	100.0	14.5	
Addendum										
80-90	3,820	8.4	157,790	14.0	22,720	13.8	135,080	14.0	14.4	
90-95	1,860	4.1	227,990	9.9	39,030	11.6	188,960	9.6	17.1	
95-99	1,430	3.2	388,820	12.9	78,930	18.0	309,890	12.0	20.3	
Top 1 Percent	360	0.8	2,100,760	17.7	620,250	36.0	1,480,520	14.6	29.5	
Top 0.1 Percent	50	0.1	8,585,830	9.2	2,641,080	19.6	5,944,750	7.5	30.8	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0920-1).

* 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 2022 as of March 17, 2020. Proposal would repeal the Affordable Care Act's 3.8 percent net investment income tax (NIIT), which applies to the lesser of net investment income or the excess of modified adjusted gross income over \$200,000 for individuals (\$250,000 for married couples filing jointly).

<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% \$17,200; 40% \$33,900; 60% \$58,200; 80% \$97,800; 90% \$141,600; 95% \$198,600; 99% \$455,900; 99.9% \$1,998,400.

(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.