

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

Table T21-0030
Child Tax Credit (CTC) Enhancement in
House Ways and Means Committee Budget Reconciliation Legislative Recommendations
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Level, 2021 ¹
Summary Table

Expanded Cash Income Level (thousands of 2020 dollars) ²	Tax Units with Tax Increase or Cut ³				Percent Change in After-Tax Income ⁴	Share of Total Federal Tax Change	Average Federal Tax Change (\$)	Average Federal Tax Rate ⁵	
	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 (\$)					
Less than 10	8.5	-4,220	0.0	0	7.1	4.1	-360	-6.8	-2.2
10-20	16.7	-3,810	0.0	0	4.3	12.1	-640	-4.2	-2.1
20-30	23.6	-3,520	0.0	0	3.4	14.6	-830	-3.3	0.1
30-40	23.8	-3,110	0.0	0	2.2	10.6	-740	-2.1	4.1
40-50	23.3	-2,730	0.0	0	1.5	7.6	-640	-1.4	7.0
50-75	24.5	-2,560	0.0	0	1.1	14.2	-630	-1.0	10.0
75-100	27.1	-2,290	0.0	0	0.8	9.8	-620	-0.7	13.0
100-200	33.6	-2,200	0.0	0	0.6	21.2	-740	-0.5	16.2
200-500	21.2	-1,730	0.0	0	0.2	4.9	-370	-0.1	21.0
500-1,000	1.7	-1,530	0.0	0	0.0	0.1	-30	0.0	25.0
More than 1,000	*	**	0.0	0	0.0	0.0	0	0.0	29.5
All	23.1	-2,700	0.0	0	0.8	100.0	-630	-0.6	17.3

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0920-2).

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 as of Feb 9, 2021. Proposal would: increase the CTC amount to \$3,000 (\$3,600 for eligible children under age 6); extend eligibility to 17 year olds; and make the credit fully refundable regardless of income. The \$500 credit for other dependents would remain non-refundable and would now apply to eligible dependents age 18 and older. The increase in the credit due to the higher per child amounts would phase out by \$50 for each \$1,000 (or fraction thereof) by which adjusted gross income (AGI) exceeds \$150,000 for married couples filing jointly, \$112,500 for heads of household, and \$75,000 for singles. We do not model provisions related to the advance payment of the credit.

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

(4) 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 taxes; and excise taxes.

(5) 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 T21-0030
Child Tax Credit (CTC) Enhancement in
House Ways and Means Committee Budget Reconciliation Legislative Recommendations
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Level, 2021 ¹
Detail Table

Expanded Cash Income Level (thousands of 2020 dollars) ²	Percent of Tax Units ³		Percent Change in After-Tax Income ⁴	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁵	
	With Tax cut	With Tax Increase			Dollars	Percent	Change (%) Points)	Under the Proposal	Change (%) Points)	Under the Proposal
Less than 10	8.5	0.0	7.1	4.1	-360	-148.4	-0.2	-0.1	-6.8	-2.2
10-20	16.7	0.0	4.3	12.1	-640	-204.9	-0.4	-0.2	-4.2	-2.1
20-30	23.6	0.0	3.4	14.6	-830	-97.9	-0.5	0.0	-3.3	0.1
30-40	23.8	0.0	2.2	10.6	-740	-34.0	-0.4	0.8	-2.1	4.1
40-50	23.3	0.0	1.5	7.6	-640	-16.7	-0.2	1.4	-1.4	7.0
50-75	24.5	0.0	1.1	14.2	-630	-9.1	-0.3	5.2	-1.0	10.0
75-100	27.1	0.0	0.8	9.8	-620	-5.2	-0.1	6.6	-0.7	13.0
100-200	33.6	0.0	0.6	21.2	-740	-3.1	0.1	24.0	-0.5	16.2
200-500	21.2	0.0	0.2	4.9	-370	-0.6	0.9	29.4	-0.1	21.0
500-1,000	1.7	0.0	0.0	0.1	-30	0.0	0.4	10.5	0.0	25.0
More than 1,000	*	0.0	0.0	0.0	0	0.0	0.8	22.3	0.0	29.5
All	23.1	0.0	0.8	100.0	-630	-3.5	0.0	100.0	-0.6	17.3

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Level, 2021 ¹

Expanded Cash Income Level (thousands of 2019 dollars) ²	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income ⁴		Average Federal Tax Rate ⁵
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	
Less than 10	12,510	7.1	5,330	0.4	240	0.1	5,080	0.5	4.6
10-20	20,870	11.9	15,260	1.8	310	0.2	14,950	2.2	2.0
20-30	19,290	11.0	25,140	2.8	850	0.5	24,290	3.3	3.4
30-40	15,710	9.0	35,350	3.2	2,180	1.1	33,170	3.7	6.2
40-50	13,070	7.4	45,440	3.4	3,810	1.6	41,630	3.8	8.4
50-75	24,860	14.2	62,280	8.9	6,880	5.5	55,410	9.7	11.0
75-100	17,380	9.9	87,770	8.8	12,010	6.7	75,770	9.3	13.7
100-200	31,460	17.9	142,000	25.7	23,740	23.9	118,260	26.1	16.7
200-500	14,570	8.3	289,850	24.3	61,110	28.5	228,740	23.4	21.1
500-1,000	1,860	1.1	677,440	7.3	169,390	10.1	508,060	6.6	25.0
More than 1,000	790	0.5	2,877,060	13.1	847,800	21.5	2,029,270	11.3	29.5
All	#####	100.0	98,930	100.0	17,780	100.0	81,150	100.0	18.0

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0920-2).

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 as of Feb 9, 2021. Proposal would: increase the CTC amount to \$3,000 (\$3,600 for eligible children under age 6); extend eligibility to 17 year olds; and make the credit fully refundable regardless of income. The \$500 credit for other dependents would remain non-refundable and would now apply to eligible dependents age 18 and older. The increase in the credit due to the higher per child amounts would phase out by \$50 for each \$1,000 (or fraction thereof) by which adjusted gross income (AGI) exceeds \$150,000 for married couples filing jointly, \$112,500 for heads of household, and \$75,000 for singles. We do not model provisions related to the advance payment of the credit.

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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

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(4) 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.

(5) 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.

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House Ways and Means Committee Budget Reconciliation Legislative Recommendations
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Level, 2021 ¹
Detail Table - Single Tax Units

Expanded Cash Income Level (thousands of 2020 dollars) ²	Percent of Tax Units ³		Percent Change in After-Tax Income ⁴	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁵	
	With Tax cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Less than 10	2.8	0.0	2.3	15.5	-110	-32.1	-0.2	0.3	-2.1	4.5
10-20	4.6	0.0	1.1	32.3	-160	-19.3	-0.3	1.3	-1.0	4.3
20-30	4.8	0.0	0.6	22.7	-140	-7.4	-0.2	2.8	-0.5	6.8
30-40	3.3	0.0	0.3	10.1	-80	-2.4	-0.1	4.1	-0.2	9.4
40-50	2.1	0.0	0.1	4.5	-50	-0.9	0.0	5.1	-0.1	11.4
50-75	2.5	0.0	0.1	8.2	-50	-0.5	0.1	14.8	-0.1	14.0
75-100	2.5	0.0	0.1	3.6	-40	-0.3	0.1	13.7	0.0	17.2
100-200	1.6	0.0	0.0	2.2	-20	-0.1	0.2	26.6	0.0	19.9
200-500	0.2	0.0	0.0	0.1	*	0.0	0.1	14.5	0.0	23.2
500-1,000	0.0	0.0	0.0	0.0	0	0.0	0.1	4.7	0.0	29.3
More than 1,000	0.0	0.0	0.0	0.0	0	0.0	0.1	11.8	0.0	31.6
All	3.1	0.0	0.2	100.0	-90	-1.0	0.0	100.0	-0.2	16.5

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Level, 2021 ¹

Expanded Cash Income Level (thousands of 2019 dollars) ²	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income ⁴		Average Federal Tax Rate ⁵
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	
Less than 10	10,060	12.0	5,320	1.2	350	0.5	4,970	1.3	6.6
10-20	14,940	17.8	15,190	5.1	820	1.6	14,380	5.8	5.4
20-30	12,110	14.4	25,070	6.8	1,840	3.0	23,240	7.5	7.3
30-40	9,180	10.9	35,300	7.2	3,390	4.2	31,920	7.9	9.6
40-50	7,310	8.7	45,400	7.4	5,210	5.1	40,180	7.9	11.5
50-75	12,600	15.0	61,910	17.4	8,710	14.7	53,200	18.0	14.1
75-100	6,750	8.0	87,160	13.1	15,070	13.6	72,090	13.0	17.3
100-200	7,390	8.8	133,660	22.1	26,650	26.4	107,020	21.2	19.9
200-500	1,640	2.0	280,390	10.3	65,080	14.3	215,310	9.5	23.2
500-1,000	170	0.2	680,450	2.6	199,180	4.6	481,270	2.2	29.3
More than 1,000	90	0.1	2,976,620	6.2	939,210	11.7	2,037,400	5.1	31.6
All	84,040	100.0	53,300	100.0	8,880	100.0	44,430	100.0	16.7

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0920-2).

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

(1) Calendar year. Baseline is the law currently in place as of Feb 9, 2021. Proposal would: increase the CTC amount to \$3,000 (\$3,600 for eligible children under age 6); extend eligibility to 17 year olds; and make the credit fully refundable regardless of income. The \$500 credit for other dependents would remain non-refundable and would now apply to eligible dependents age 18 and older. The increase in the credit due to the higher per child amounts would phase out by \$50 for each \$1,000 (or fraction thereof) by which adjusted gross income (AGI) exceeds \$150,000 for married couples filing jointly, \$112,500 for heads of household, and \$75,000 for singles. We do not model provisions related to the advance payment of the credit.

<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

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

(4) 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.

(5) 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 T21-0030
Child Tax Credit (CTC) Enhancement in
House Ways and Means Committee Budget Reconciliation Legislative Recommendations
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Level, 2021 ¹
Detail Table - Married Tax Units Filing Jointly

Expanded Cash Income Level (thousands of 2020 dollars) ²	Percent of Tax Units ³		Percent Change in After-Tax Income ⁴	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁵	
	With Tax cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Less than 10	13.2	0.0	14.9	1.7	-670	-544.9	0.0	0.0	-14.5	-11.8
10-20	20.8	0.0	6.6	4.8	-1,010	-1,013.3	-0.1	-0.1	-6.5	-5.9
20-30	31.2	0.0	5.9	8.3	-1,480	-939.7	-0.2	-0.2	-5.8	-5.2
30-40	31.2	0.0	3.7	7.5	-1,290	-226.0	-0.2	-0.1	-3.7	-2.0
40-50	29.5	0.0	2.4	5.4	-1,030	-61.4	-0.1	0.1	-2.3	1.4
50-75	32.1	0.0	1.7	12.6	-970	-21.5	-0.3	1.2	-1.5	5.6
75-100	34.7	0.0	1.1	12.4	-890	-9.4	-0.2	3.1	-1.0	9.7
100-200	41.7	0.0	0.8	36.7	-960	-4.2	-0.4	21.8	-0.7	14.9
200-500	24.3	0.0	0.2	9.6	-420	-0.7	0.7	35.6	-0.1	20.6
500-1,000	2.0	0.0	0.0	0.1	-30	0.0	0.3	12.9	0.0	24.5
More than 1,000	*	0.0	0.0	0.0	0	0.0	0.7	25.5	0.0	29.3
All	31.5	0.0	0.6	100.0	-850	-2.5	0.0	100.0	-0.5	18.8

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Level, 2021 ¹

Expanded Cash Income Level (thousands of 2019 dollars) ²	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income ⁴		Average Federal Tax Rate ⁵
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	
Less than 10	1,350	2.1	4,600	0.1	120	0.0	4,470	0.1	2.7
10-20	2,570	4.0	15,590	0.4	100	0.0	15,490	0.4	0.6
20-30	3,080	4.8	25,390	0.7	160	0.0	25,230	0.9	0.6
30-40	3,160	4.9	35,340	1.0	570	0.1	34,770	1.2	1.6
40-50	2,870	4.4	45,550	1.2	1,680	0.2	43,870	1.4	3.7
50-75	7,110	11.0	63,260	4.0	4,500	1.5	58,760	4.7	7.1
75-100	7,640	11.8	88,620	6.1	9,440	3.4	79,180	6.7	10.7
100-200	20,960	32.4	146,110	27.5	22,750	22.2	123,360	28.8	15.6
200-500	12,400	19.2	291,980	32.5	60,650	35.0	231,330	32.0	20.8
500-1,000	1,630	2.5	677,550	10.0	165,860	12.6	511,690	9.3	24.5
More than 1,000	660	1.0	2,758,470	16.4	807,700	24.8	1,950,770	14.4	29.3
All	64,640	100.0	172,110	100.0	33,270	100.0	138,840	100.0	19.3

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0920-2).

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

(1) Calendar year. Baseline is the law currently in place as of Feb 9, 2021. Proposal would: increase the CTC amount to \$3,000 (\$3,600 for eligible children under age 6); extend eligibility to 17 year olds; and make the credit fully refundable regardless of income. The \$500 credit for other dependents would remain non-refundable and would now apply to eligible dependents age 18 and older. The increase in the credit due to the higher per child amounts would phase out by \$50 for each \$1,000 (or fraction thereof) by which adjusted gross income (AGI) exceeds \$150,000 for married couples filing jointly, \$112,500 for heads of household, and \$75,000 for singles. We do not model provisions related to the advance payment of the credit.

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

(4) 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.

(5) 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 T21-0030
Child Tax Credit (CTC) Enhancement in
House Ways and Means Committee Budget Reconciliation Legislative Recommendations
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Level, 2021 ¹
Detail Table - Head of Household Tax Units

Expanded Cash Income Level (thousands of 2020 dollars) ²	Percent of Tax Units ³		Percent Change in After-Tax Income ⁴	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁵	
	With Tax cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Less than 10	64.2	0.0	36.5	5.2	-2,610	329.5 ***	-2.7	-3.2	-41.0	-53.4
10-20	72.8	0.0	15.4	17.6	-2,680	129.8 ***	-10.3	-14.6	-17.5	-30.9
20-30	78.9	0.0	9.5	20.8	-2,580	132.3 ***	-12.1	-17.1	-10.3	-18.0
30-40	79.8	0.0	6.3	14.3	-2,230	1,714.7	-6.8	-7.1	-6.3	-6.7
40-50	79.3	0.0	4.5	10.5	-1,960	-111.4	-3.5	-0.5	-4.3	-0.4
50-75	76.2	0.0	3.1	16.9	-1,780	-35.7	-0.8	14.2	-2.9	5.2
75-100	71.3	0.0	1.9	7.7	-1,440	-13.5	5.0	23.4	-1.7	10.7
100-200	63.3	0.0	1.0	6.3	-1,140	-5.1	15.7	55.4	-0.9	16.0
200-500	16.9	0.0	0.1	0.2	-280	-0.5	7.3	23.1	-0.1	21.7
500-1,000	0.3	0.0	0.0	0.0	*	0.0	1.8	5.8	0.0	27.7
More than 1,000	0.0	0.0	0.0	0.0	0	0.0	6.6	20.8	0.0	28.7
All	73.3	0.0	3.7	100.0	-2,000	-31.9	0.0	100.0	-3.3	7.1

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Level, 2021 ¹

Expanded Cash Income Level (thousands of 2019 dollars) ²	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income ⁴		Average Federal Tax Rate ⁵
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	
Less than 10	940	4.0	6,350	0.4	-790	-0.5	7,140	0.5	-12.4
10-20	3,080	13.2	15,330	3.4	-2,060	-4.3	17,390	4.3	-13.5
20-30	3,770	16.1	25,180	6.7	-1,950	-5.0	27,130	8.1	-7.8
30-40	3,000	12.8	35,460	7.6	-130	-0.3	35,590	8.5	-0.4
40-50	2,520	10.8	45,430	8.1	1,760	3.0	43,670	8.7	3.9
50-75	4,430	19.0	61,750	19.4	4,980	15.1	56,770	20.0	8.1
75-100	2,510	10.8	86,940	15.5	10,710	18.4	76,230	15.2	12.3
100-200	2,590	11.1	133,640	24.6	22,480	39.8	111,160	22.8	16.8
200-500	400	1.7	265,400	7.5	57,990	15.8	207,410	6.6	21.9
500-1,000	30	0.1	669,730	1.5	185,650	3.9	484,080	1.2	27.7
More than 1,000	20	0.1	4,535,190	5.1	1,299,850	14.1	3,235,340	4.1	28.7
All	23,380	100.0	60,200	100.0	6,270	100.0	53,940	100.0	10.4

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0920-2).

* Non-zero value rounded to zero; ** Insufficient data; *** Since baseline tax burden is negative, positive change indicates a net increase in federal subsidies.

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

(4) 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.

(5) 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 T21-0030
Child Tax Credit (CTC) Enhancement in
House Ways and Means Committee Budget Reconciliation Legislative Recommendations
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Level, 2021 ¹
Detail Table - Tax Units with Children

Expanded Cash Income Level (thousands of 2020 dollars) ²	Percent of Tax Units ³		Percent Change in After-Tax Income ⁴	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁵	
	With Tax cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Less than 10	73.9	0.0	42.2	4.1	-3,110	338.0 ***	-0.4	-0.5	-48.2	-62.5
10-20	76.1	0.0	16.6	12.1	-2,900	133.9 ***	-1.2	-1.9	-18.9	-33.1
20-30	82.3	0.0	10.7	14.6	-2,900	145.9 ***	-1.4	-2.3	-11.5	-19.4
30-40	84.8	0.0	7.4	10.6	-2,640	496.3 ***	-1.0	-1.2	-7.5	-9.0
40-50	85.1	0.0	5.3	7.6	-2,330	-153.9	-0.7	-0.2	-5.1	-1.8
50-75	86.2	0.0	3.8	14.2	-2,200	-46.3	-1.1	1.5	-3.5	4.1
75-100	86.9	0.0	2.6	9.8	-1,990	-19.3	-0.5	3.8	-2.3	9.5
100-200	85.9	0.0	1.6	21.2	-1,890	-8.0	0.1	22.3	-1.3	15.0
200-500	43.5	0.0	0.3	4.9	-750	-1.2	2.7	36.5	-0.3	21.3
500-1,000	3.3	0.0	0.0	0.1	-50	0.0	1.2	14.1	0.0	25.6
More than 1,000	*	0.0	0.0	0.0	0	0.0	2.3	27.8	0.0	29.7
All	76.4	0.0	1.9	100.0	-2,070	-8.4	0.0	100.0	-1.6	17.0

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Level, 2021 ¹

Expanded Cash Income Level (thousands of 2019 dollars) ²	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income ⁴		Average Federal Tax Rate ⁵
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	
Less than 10	1,450	2.7	6,460	0.1	-920	-0.1	7,380	0.2	-14.3
10-20	4,570	8.6	15,320	1.0	-2,170	-0.8	17,480	1.4	-14.1
20-30	5,540	10.4	25,230	2.0	-1,990	-0.8	27,210	2.6	-7.9
30-40	4,420	8.3	35,340	2.2	-530	-0.2	35,870	2.8	-1.5
40-50	3,580	6.7	45,490	2.3	1,510	0.4	43,980	2.7	3.3
50-75	7,060	13.3	62,370	6.2	4,760	2.6	57,610	7.1	7.6
75-100	5,420	10.2	87,990	6.7	10,340	4.3	77,650	7.3	11.8
100-200	12,300	23.2	144,920	25.2	23,660	22.2	121,270	25.9	16.3
200-500	7,080	13.3	291,700	29.2	62,750	33.9	228,960	28.1	21.5
500-1,000	980	1.8	677,510	9.3	173,390	12.9	504,120	8.5	25.6
More than 1,000	410	0.8	2,767,590	15.9	822,030	25.5	1,945,560	13.7	29.7
All	53,110	100.0	133,330	100.0	24,700	100.0	108,630	100.0	18.5

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0920-2).

* Non-zero value rounded to zero; ** Insufficient data; *** Since baseline tax burden is negative, positive change indicates a net increase in federal subsidies.

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 as of Feb 9, 2021. Proposal would: increase the CTC amount to \$3,000 (\$3,600 for eligible children under age 6); extend eligibility to 17 year olds; and make the credit fully refundable regardless of income. The \$500 credit for other dependents would remain non-refundable and would now apply to eligible dependents age 18 and older. The increase in the credit due to the higher per child amounts would phase out by \$50 for each \$1,000 (or fraction thereof) by which adjusted gross income (AGI) exceeds \$150,000 for married couples filing jointly, \$112,500 for heads of household, and \$75,000 for singles. We do not model provisions related to the advance payment of the credit.

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

(4) 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.

(5) 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 T21-0030
Child Tax Credit (CTC) Enhancement in
House Ways and Means Committee Budget Reconciliation Legislative Recommendations
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Level, 2021 ¹
Detail Table - Elderly Tax Units

Expanded Cash Income Level (thousands of 2020 dollars) ²	Percent of Tax Units ³		Percent Change in After-Tax Income ⁴	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁵	
	With Tax cut	With Tax Increase			Dollars	Percent	Change (%) Points)	Under the Proposal	Change (%) Points)	Under the Proposal
Less than 10	1.9	0.0	1.2	2.9	-60	-101.7	0.0	0.0	-1.2	0.0
10-20	1.8	0.0	0.4	9.8	-60	-40.1	-0.1	0.1	-0.4	0.6
20-30	1.4	0.0	0.2	6.7	-40	-8.5	0.0	0.4	-0.2	1.7
30-40	2.3	0.0	0.2	11.3	-80	-8.7	-0.1	0.7	-0.2	2.3
40-50	3.1	0.0	0.2	11.4	-90	-6.1	-0.1	1.0	-0.2	3.0
50-75	3.5	0.0	0.2	21.1	-90	-2.7	-0.1	4.2	-0.2	5.2
75-100	4.0	0.0	0.1	12.6	-80	-1.1	0.0	6.1	-0.1	8.0
100-200	4.3	0.0	0.1	17.8	-80	-0.4	0.0	22.8	-0.1	12.3
200-500	2.7	0.0	0.0	4.1	-50	-0.1	0.1	24.1	0.0	18.0
500-1,000	0.2	0.0	0.0	0.1	*	0.0	0.1	9.6	0.0	23.1
More than 1,000	0.0	0.0	0.0	0.0	0	0.0	0.2	30.5	0.0	29.1
All	2.8	0.0	0.1	100.0	-70	-0.6	0.0	100.0	-0.1	13.7

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Level, 2021 ¹

Expanded Cash Income Level (thousands of 2019 dollars) ²	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income ⁴		Average Federal Tax Rate ⁵
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	
Less than 10	1,570	3.5	4,780	0.2	60	0.0	4,730	0.2	1.2
10-20	4,750	10.7	15,820	1.9	160	0.1	15,660	2.1	1.0
20-30	5,250	11.8	25,200	3.3	460	0.4	24,740	3.7	1.8
30-40	4,590	10.4	35,390	4.0	870	0.7	34,510	4.6	2.5
40-50	3,990	9.0	45,400	4.5	1,460	1.1	43,940	5.1	3.2
50-75	7,190	16.2	62,110	11.1	3,340	4.3	58,770	12.2	5.4
75-100	4,800	10.8	87,710	10.5	7,090	6.1	80,630	11.2	8.1
100-200	7,300	16.5	139,060	25.2	17,230	22.7	121,830	25.6	12.4
200-500	2,530	5.7	291,510	18.3	52,420	24.0	239,090	17.4	18.0
500-1,000	340	0.8	677,480	5.7	156,320	9.5	521,160	5.1	23.1
More than 1,000	190	0.4	3,128,020	14.4	909,260	30.4	2,218,760	11.8	29.1
All	44,350	100.0	90,750	100.0	12,490	100.0	78,260	100.0	13.8

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0920-2).

* 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 as of Feb 9, 2021. Proposal would: increase the CTC amount to \$3,000 (\$3,600 for eligible children under age 6); extend eligibility to 17 year olds; and make the credit fully refundable regardless of income. The \$500 credit for other dependents would remain non-refundable and would now apply to eligible dependents age 18 and older. The increase in the credit due to the higher per child amounts would phase out by \$50 for each \$1,000 (or fraction thereof) by which adjusted gross income (AGI) exceeds \$150,000 for married couples filing jointly, \$112,500 for heads of household, and \$75,000 for singles. We do not model provisions related to the advance payment of the credit.

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

(4) 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.

(5) 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.