

Table T21-0073
Major Individual Income and Payroll Tax Provisions in the Administration's FY2022 Budget Proposal
Excluding Corporate Income Tax and Excise Tax Provisions
Tax Units with a Tax Increase or Tax Cut, by Expanded Cash Income Percentile, 2022 ¹
Baseline: Current Law

Expanded Cash Income Percentile ^{2,3}	Tax Units		Tax Units with Tax Increase or Cut ⁴				Average Tax Change (Dollars) For all Tax Units	
	Number (thousands)	Percent of Total	With Tax Cut		With Tax Increase		All Individual Income and Payroll Tax Provisions ⁵	Major Provisions Included Here ⁶
			Pct of Tax Units	Avg Tax Change (\$)	Pct of Tax Units	Avg Tax Change (\$)		
Lowest Quintile	47,290	26.3	35.7	-1,850	0.0	0	-660	-660
Second Quintile	39,070	21.7	32.1	-2,500	*	**	-800	-800
Middle Quintile	36,820	20.5	25.0	-2,570	*	**	-640	-640
Fourth Quintile	30,270	16.8	30.1	-2,570	*	**	-760	-760
Top Quintile	24,890	13.8	23.3	-2,040	7.8	106,200	7,780	7,820
All	179,880	100.0	30.0	-2,270	1.1	106,530	470	480
Addendum								
80-90	12,750	7.1	34.8	-2,210	*	**	-760	-750
90-95	6,230	3.5	17.5	-1,510	0.1	99,740	-150	-120
95-99	4,760	2.7	6.0	-1,420	18.2	7,690	1,230	1,310
Top 1 Percent	1,140	0.6	*	**	93.3	186,260	173,530	173,690
Top 0.1 Percent	120	0.1	0.0	n/a	100.0	1,305,090	1,307,080	1,304,420

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0521-1).

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

(1) Calendar year. Baseline is the law currently in place as of 8 June 2021.

<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 2020 dollars): 20% \$25,700; 40% \$51,600; 60% \$91,800; 80% \$165,600; 90% \$243,000; 95% \$343,800; 99% \$817,100; 99.9% \$3,598,700.

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

(5) Includes provisions as described in Treasury's General Explanations of the Administration's Fiscal Year 2022 Revenue Proposals (the "Green Book") with the exception of: corporate income tax provisions; excise tax provisions; provisions related to tax compliance, tax administration, and the premium tax credit.

(6) Due to data limitations, in addition to the provisions outlined in note (5), we also exclude the following provisions: extend and modify the nonbusiness energy property credit; extend and modify the residential energy efficient credit; tax carried interest as ordinary income; and repeal deferral of gain from like-kind exchanges.