

**Table T21-0226**  
**Tax Benefit of the Child Tax Credit (CTC)**  
**Baseline: Current Law Plus Extend the American Rescue Plan (ARP) Act's Increase in the CTC Credit Amount and Modification of Age Requirements**  
**but Retain Current-Law Partial Refundability Rules**  
**Distribution of Federal Tax Change by Expanded Cash Income Level, 2022 <sup>1</sup>**  
**Detail Table**

| Expanded Cash Income Level (thousands of 2020 dollars) <sup>2</sup> | Percent of Tax Units <sup>3</sup> |                 | Benefit as a Percent of After-Tax Income <sup>4</sup> | Share of Total Benefit | Average Benefit |                                       | Share of Federal Taxes |                   | Average Federal Tax Rate <sup>6</sup> |                   |
|---|-----------------------------------|-----------------|---|------------------------|-----------------|---------------------------------------|------------------------|-------------------|---------------------------------------|-------------------|
|   | With Benefit                      | Without Benefit |   |                        | Dollars         | Percent of Federal Taxes <sup>5</sup> | With Provision         | Without Provision | With Provision                        | Without Provision |
| Less than 10  | 4.8                               | 95.2            | 0.5   | 0.2                    | 30              | 10.2                                  | 0.1                    | 0.1               | 4.4                                   | 4.8               |
| 10-20   | 11.1                              | 88.9            | 0.9   | 1.9                    | 150             | 35.3                                  | 0.2                    | 0.3               | 2.6                                   | 3.5               |
| 20-30   | 22.9                              | 77.1            | 1.8   | 5.3                    | 450             | 46.2                                  | 0.5                    | 0.7               | 3.7                                   | 5.4               |
| 30-40   | 27.8                              | 72.2            | 2.1   | 7.0                    | 740             | 31.1                                  | 1.0                    | 1.2               | 6.4                                   | 8.4               |
| 40-50   | 26.3                              | 73.7            | 1.9   | 6.4                    | 810             | 19.0                                  | 1.5                    | 1.7               | 9.0                                   | 10.7              |
| 50-75   | 27.7                              | 72.3            | 1.8   | 15.4                   | 1,050           | 13.3                                  | 5.0                    | 5.5               | 12.0                                  | 13.6              |
| 75-100  | 29.0                              | 71.0            | 1.5   | 13.0                   | 1,210           | 9.2                                   | 6.1                    | 6.4               | 14.4                                  | 15.7              |
| 100-200   | 37.5                              | 62.5            | 1.4   | 34.0                   | 1,750           | 6.8                                   | 21.5                   | 22.1              | 17.2                                  | 18.4              |
| 200-500   | 47.1                              | 52.9            | 0.7   | 16.1                   | 1,610           | 2.4                                   | 28.7                   | 28.2              | 21.8                                  | 22.4              |
| 500-1,000   | 16.2                              | 83.8            | 0.1   | 0.5                    | 370             | 0.2                                   | 10.6                   | 10.2              | 25.9                                  | 25.9              |
| More than 1,000   | *                                 | **              | 0.0   | 0.0                    | 0               | 0.0                                   | 24.5                   | 23.5              | 30.5                                  | 30.5              |
| All   | 27.0                              | 73.0            | 1.0   | 100.0                  | 940             | 4.3                                   | 100.0                  | 100.0             | 19.3                                  | 20.2              |

**Baseline Distribution of Income and Federal Taxes**  
**by Expanded Cash Income Level, 2022 <sup>1</sup>**

| Expanded Cash Income Level (thousands of 2019 dollars) <sup>2</sup> | Tax Units          |                  | Pre-Tax Income    |                  | Federal Tax Burden |                  | After-Tax Income <sup>4</sup> |                  | Average Federal Tax Rate <sup>5</sup> |
|---|--------------------|------------------|-------------------|------------------|--------------------|------------------|-------------------------------|------------------|---------------------------------------|
|   | Number (thousands) | Percent of Total | Average (dollars) | Percent of Total | Average (dollars)  | Percent of Total | Average (dollars)             | Percent of Total |                                       |
| Less than 10  | 10,480             | 5.8              | 6,010             | 0.3              | 260                | 0.1              | 5,740                         | 0.4              | 4.4                                   |
| 10-20   | 22,180             | 12.4             | 15,920            | 1.8              | 410                | 0.2              | 15,500                        | 2.1              | 2.6                                   |
| 20-30   | 19,840             | 11.1             | 26,290            | 2.6              | 980                | 0.5              | 25,320                        | 3.1              | 3.7                                   |
| 30-40   | 16,080             | 9.0              | 36,890            | 2.9              | 2,370              | 1.0              | 34,520                        | 3.4              | 6.4                                   |
| 40-50   | 13,340             | 7.4              | 47,440            | 3.1              | 4,250              | 1.5              | 43,180                        | 3.5              | 9.0                                   |
| 50-75   | 24,900             | 13.9             | 65,490            | 8.1              | 7,870              | 5.0              | 57,630                        | 8.8              | 12.0                                  |
| 75-100  | 18,160             | 10.1             | 91,870            | 8.3              | 13,180             | 6.1              | 78,690                        | 8.8              | 14.4                                  |
| 100-200   | 32,870             | 18.3             | 148,340           | 24.1             | 25,560             | 21.5             | 122,790                       | 24.8             | 17.2                                  |
| 200-500   | 16,970             | 9.5              | 302,100           | 25.4             | 65,920             | 28.7             | 236,180                       | 24.6             | 21.8                                  |
| 500-1,000   | 2,270              | 1.3              | 703,260           | 7.9              | 181,890            | 10.6             | 521,370                       | 7.3              | 25.9                                  |
| More than 1,000   | 940                | 0.5              | 3,345,750         | 15.5             | 1,021,690          | 24.5             | 2,324,070                     | 13.4             | 30.5                                  |
| All   | 179,520            | 100.0            | 112,520           | 100.0            | 21,730             | 100.0            | 90,800                        | 100.0            | 19.3                                  |

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0721-1).

Number of AMT Taxpayers (millions). Baseline: 0.3 Proposal: 0.2

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

(1) Calendar year. Baseline is the law currently in place as of September 8, 2021 with the following modifications to the CTC: the maximum credit amount would be increased to \$3,000 and to \$3,600 for qualifying children under the age of 6. The credit amounts would not be indexed for inflation. The definition of a qualifying child would be extended to include 17 year olds. The credit increase amount of \$1,000/\$1,600 per child would be phased down by \$50 for each \$1,000 (or fraction thereof) by which AGI exceeds \$150,000 for married couples filing a joint return, \$112,500 for heads of household, and \$75,000 for others. The thresholds would not be indexed for inflation. Current law refundability rules would continue to apply. For a description of the current law CTC, see Table T21-0223.

<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) Tax units with benefit are tax units with a net benefit of \$10 or more.

(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) For income categories for which the baseline tax burden is negative, a negative value for the tax benefit as a percent of federal tax indicates a net increase in federal subsidies, and a positive value indicates a net decrease in federal subsidies.

(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 T21-0226**  
**Tax Benefit of the Child Tax Credit (CTC)**  
**Baseline: Current Law Plus Extend the American Rescue Plan (ARP) Act's Increase in the CTC Credit Amount and Modification of Age Requirements**  
**but Retain Current-Law Partial Refundability Rules**  
**Distribution of Federal Tax Change by Expanded Cash Income Level, 2022 <sup>1</sup>**  
**Detail Table - Single Tax Units**

| Expanded Cash Income Level (thousands of 2020 dollars) <sup>2</sup> | Percent of Tax Units <sup>3</sup> |                 | Benefit as a Percent of After-Tax Income <sup>4</sup> | Share of Total Benefit | Average Benefit |                                       | Share of Federal Taxes |                   | Average Federal Tax Rate <sup>6</sup> |                   |
|---|-----------------------------------|-----------------|---|------------------------|-----------------|---------------------------------------|------------------------|-------------------|---------------------------------------|-------------------|
|   | With Benefit                      | Without Benefit |   |                        | Dollars         | Percent of Federal Taxes <sup>5</sup> | With Provision         | Without Provision | With Provision                        | Without Provision |
| Less than 10  | 2.2                               | 97.8            | 0.2   | 1.3                    | 10              | 3.5                                   | 0.3                    | 0.3               | 5.8                                   | 6.0               |
| 10-20   | 4.3                               | 95.7            | 0.4   | 12.1                   | 60              | 7.3                                   | 1.4                    | 1.5               | 4.9                                   | 5.2               |
| 20-30   | 6.3                               | 93.7            | 0.5   | 19.1                   | 130             | 6.3                                   | 2.5                    | 2.7               | 7.7                                   | 8.2               |
| 30-40   | 6.5                               | 93.5            | 0.5   | 18.5                   | 160             | 4.3                                   | 3.5                    | 3.6               | 10.1                                  | 10.6              |
| 40-50   | 3.1                               | 96.9            | 0.2   | 7.5                    | 80              | 1.4                                   | 4.4                    | 4.4               | 12.0                                  | 12.2              |
| 50-75   | 3.8                               | 96.2            | 0.2   | 20.6                   | 120             | 1.3                                   | 13.6                   | 13.6              | 15.1                                  | 15.3              |
| 75-100  | 3.4                               | 96.6            | 0.1   | 10.2                   | 100             | 0.6                                   | 13.7                   | 13.7              | 18.4                                  | 18.5              |
| 100-200   | 3.3                               | 96.8            | 0.1   | 8.6                    | 80              | 0.3                                   | 27.2                   | 27.0              | 21.5                                  | 21.6              |
| 200-500   | 3.5                               | 96.5            | 0.0   | 1.9                    | 70              | 0.1                                   | 16.1                   | 16.0              | 24.7                                  | 24.7              |
| 500-1,000   | 0.0                               | 100.0           | 0.0   | 0.0                    | 0               | 0.0                                   | 4.9                    | 4.9               | 29.7                                  | 29.7              |
| More than 1,000   | 0.0                               | 100.0           | 0.0   | 0.0                    | 0               | 0.0                                   | 12.1                   | 12.0              | 32.8                                  | 32.8              |
| All   | 4.2                               | 95.8            | 0.2   | 100.0                  | 90              | 0.8                                   | 100.0                  | 100.0             | 18.3                                  | 18.4              |

**Baseline Distribution of Income and Federal Taxes**  
**by Expanded Cash Income Level, 2022 <sup>1</sup>**

| Expanded Cash Income Level (thousands of 2019 dollars) <sup>2</sup> | Tax Units          |                  | Pre-Tax Income    |                  | Federal Tax Burden |                  | After-Tax Income <sup>4</sup> |                  | Average Federal Tax Rate <sup>5</sup> |
|---|--------------------|------------------|-------------------|------------------|--------------------|------------------|-------------------------------|------------------|---------------------------------------|
|   | Number (thousands) | Percent of Total | Average (dollars) | Percent of Total | Average (dollars)  | Percent of Total | Average (dollars)             | Percent of Total |                                       |
| Less than 10  | 8,760              | 9.9              | 6,010             | 1.0              | 350                | 0.3              | 5,660                         | 1.1              | 5.8                                   |
| 10-20   | 17,470             | 19.7             | 15,770            | 5.2              | 760                | 1.4              | 15,000                        | 6.0              | 4.9                                   |
| 20-30   | 12,260             | 13.8             | 26,090            | 6.0              | 2,000              | 2.5              | 24,090                        | 6.8              | 7.7                                   |
| 30-40   | 9,210              | 10.4             | 36,790            | 6.3              | 3,720              | 3.5              | 33,070                        | 7.0              | 10.1                                  |
| 40-50   | 7,570              | 8.5              | 47,500            | 6.7              | 5,700              | 4.4              | 41,800                        | 7.2              | 12.0                                  |
| 50-75   | 13,430             | 15.1             | 65,180            | 16.4             | 9,860              | 13.6             | 55,320                        | 17.0             | 15.1                                  |
| 75-100  | 7,950              | 9.0              | 91,450            | 13.6             | 16,850             | 13.7             | 74,590                        | 13.6             | 18.4                                  |
| 100-200   | 8,790              | 9.9              | 140,440           | 23.1             | 30,220             | 27.2             | 110,220                       | 22.2             | 21.5                                  |
| 200-500   | 2,140              | 2.4              | 297,940           | 11.9             | 73,530             | 16.1             | 224,400                       | 11.0             | 24.7                                  |
| 500-1,000   | 230                | 0.3              | 700,480           | 3.0              | 207,850            | 4.9              | 492,640                       | 2.6              | 29.7                                  |
| More than 1,000   | 100                | 0.1              | 3,544,800         | 6.8              | 1,163,250          | 12.1             | 2,381,550                     | 5.6              | 32.8                                  |
| All   | 88,710             | 100.0            | 60,330            | 100.0            | 11,010             | 100.0            | 49,310                        | 100.0            | 18.3                                  |

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0721-1).

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

(1) Calendar year. Baseline is the law currently in place as of September 8, 2021 with the following modifications to the CTC: the maximum credit amount would be increased to \$3,000 and to \$3,600 for qualifying children under the age of 6. The credit amounts would not be indexed for inflation. The definition of a qualifying child would be extended to include 17 year olds. The credit increase amount of \$1,000/\$1,600 per child would be phased down by \$50 for each \$1,000 (or fraction thereof) by which AGI exceeds \$150,000 for married couples filing a joint return, \$112,500 for heads of household, and \$75,000 for others. The thresholds would not be indexed for inflation. Current law refundability rules would continue to apply. For a description of the current law CTC, see Table T21-0223.

<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) Tax units with benefit are tax units with a net benefit of \$10 or more.

(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) For income categories for which the baseline tax burden is negative, a negative value for the tax benefit as a percent of federal tax indicates a net increase in federal subsidies, and a positive value indicates a net decrease in federal subsidies.

(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 T21-0226**  
**Tax Benefit of the Child Tax Credit (CTC)**  
**Baseline: Current Law Plus Extend the American Rescue Plan (ARP) Act's Increase in the CTC Credit Amount and Modification of Age Requirements**  
**but Retain Current-Law Partial Refundability Rules**  
**Distribution of Federal Tax Change by Expanded Cash Income Level, 2022 <sup>1</sup>**  
**Detail Table - Married Tax Units Filing Jointly**

| Expanded Cash Income Level (thousands of 2020 dollars) <sup>2</sup> | Percent of Tax Units <sup>3</sup> |                 | Benefit as a Percent of After-Tax Income <sup>4</sup> | Share of Total Benefit | Average Benefit |                                       | Share of Federal Taxes |                   | Average Federal Tax Rate <sup>6</sup> |                   |
|---|-----------------------------------|-----------------|---|------------------------|-----------------|---------------------------------------|------------------------|-------------------|---------------------------------------|-------------------|
|   | With Benefit                      | Without Benefit |   |                        | Dollars         | Percent of Federal Taxes <sup>5</sup> | With Provision         | Without Provision | With Provision                        | Without Provision |
| Less than 10  | 3.5                               | 96.5            | 0.5   | 0.0                    | 20              | 13.0                                  | 0.0                    | 0.0               | 3.5                                   | 3.9               |
| 10-20   | 9.7                               | 90.3            | 0.8   | 0.3                    | 140             | 54.3                                  | 0.0                    | 0.0               | 1.5                                   | 2.4               |
| 20-30   | 17.1                              | 82.9            | 1.4   | 1.3                    | 360             | 85.5                                  | 0.1                    | 0.1               | 1.6                                   | 2.9               |
| 30-40   | 25.6                              | 74.4            | 1.9   | 2.2                    | 680             | 90.3                                  | 0.1                    | 0.2               | 2.0                                   | 3.9               |
| 40-50   | 28.2                              | 71.8            | 2.1   | 2.7                    | 960             | 51.2                                  | 0.2                    | 0.3               | 4.0                                   | 6.0               |
| 50-75   | 32.7                              | 67.3            | 2.3   | 8.8                    | 1,410           | 28.6                                  | 1.2                    | 1.5               | 7.4                                   | 9.5               |
| 75-100  | 34.8                              | 65.2            | 2.0   | 11.7                   | 1,700           | 17.6                                  | 2.6                    | 2.9               | 10.4                                  | 12.2              |
| 100-200   | 44.9                              | 55.1            | 1.8   | 46.3                   | 2,300           | 9.7                                   | 18.4                   | 19.5              | 15.4                                  | 16.9              |
| 200-500   | 53.2                              | 46.8            | 0.8   | 25.8                   | 1,860           | 2.9                                   | 34.7                   | 34.4              | 21.3                                  | 21.9              |
| 500-1,000   | 18.6                              | 81.4            | 0.1   | 0.8                    | 420             | 0.2                                   | 13.4                   | 12.9              | 25.4                                  | 25.4              |
| More than 1,000   | *                                 | **              | 0.0   | 0.0                    | *               | 0.0                                   | 29.0                   | 28.0              | 30.3                                  | 30.3              |
| All   | 37.7                              | 62.3            | 1.0   | 100.0                  | 1,590           | 3.9                                   | 100.0                  | 100.0             | 20.5                                  | 21.3              |

**Baseline Distribution of Income and Federal Taxes**  
**by Expanded Cash Income Level, 2022 <sup>1</sup>**

| Expanded Cash Income Level (thousands of 2019 dollars) <sup>2</sup> | Tax Units          |                  | Pre-Tax Income    |                  | Federal Tax Burden |                  | After-Tax Income <sup>4</sup> |                  | Average Federal Tax Rate <sup>5</sup> |
|---|--------------------|------------------|-------------------|------------------|--------------------|------------------|-------------------------------|------------------|---------------------------------------|
|   | Number (thousands) | Percent of Total | Average (dollars) | Percent of Total | Average (dollars)  | Percent of Total | Average (dollars)             | Percent of Total |                                       |
| Less than 10  | 1,050              | 1.6              | 5,390             | 0.0              | 190                | 0.0              | 5,210                         | 0.1              | 3.5                                   |
| 10-20   | 2,260              | 3.5              | 16,390            | 0.3              | 250                | 0.0              | 16,140                        | 0.4              | 1.5                                   |
| 20-30   | 3,620              | 5.6              | 26,490            | 0.8              | 420                | 0.1              | 26,070                        | 0.9              | 1.6                                   |
| 30-40   | 3,220              | 5.0              | 36,990            | 0.9              | 760                | 0.1              | 36,240                        | 1.2              | 2.0                                   |
| 40-50   | 2,830              | 4.4              | 47,270            | 1.0              | 1,880              | 0.2              | 45,390                        | 1.3              | 4.0                                   |
| 50-75   | 6,340              | 9.9              | 66,440            | 3.3              | 4,930              | 1.2              | 61,510                        | 3.8              | 7.4                                   |
| 75-100  | 7,040              | 10.9             | 92,660            | 5.1              | 9,640              | 2.6              | 83,020                        | 5.7              | 10.4                                  |
| 100-200   | 20,540             | 31.9             | 153,160           | 24.6             | 23,640             | 18.4             | 129,530                       | 26.1             | 15.4                                  |
| 200-500   | 14,130             | 22.0             | 303,540           | 33.5             | 64,720             | 34.7             | 238,810                       | 33.1             | 21.3                                  |
| 500-1,000   | 1,980              | 3.1              | 703,570           | 10.9             | 178,410            | 13.4             | 525,150                       | 10.2             | 25.4                                  |
| More than 1,000   | 800                | 1.2              | 3,173,900         | 19.7             | 960,130            | 29.0             | 2,213,770                     | 17.3             | 30.3                                  |
| All   | 64,340             | 100.0            | 199,170           | 100.0            | 40,920             | 100.0            | 158,250                       | 100.0            | 20.5                                  |

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0721-1).

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

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<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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(5) For income categories for which the baseline tax burden is negative, a negative value for the tax benefit as a percent of federal tax indicates a net increase in federal subsidies, and a positive value indicates a net decrease in federal subsidies.

(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.

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**Tax Benefit of the Child Tax Credit (CTC)**  
**Baseline: Current Law Plus Extend the American Rescue Plan (ARP) Act's Increase in the CTC Credit Amount and Modification of Age Requirements**  
**but Retain Current-Law Partial Refundability Rules**  
**Distribution of Federal Tax Change by Expanded Cash Income Level, 2022 <sup>1</sup>**  
**Detail Table - Head of Household Tax Units**

| Expanded Cash Income Level (thousands of 2020 dollars) <sup>2</sup> | Percent of Tax Units <sup>3</sup> |                 | Benefit as a Percent of After-Tax Income <sup>4</sup> | Share of Total Benefit | Average Benefit |                                       | Share of Federal Taxes |                   | Average Federal Tax Rate <sup>6</sup> |                   |
|---|-----------------------------------|-----------------|---|------------------------|-----------------|---------------------------------------|------------------------|-------------------|---------------------------------------|-------------------|
|   | With Benefit                      | Without Benefit |   |                        | Dollars         | Percent of Federal Taxes <sup>5</sup> | With Provision         | Without Provision | With Provision                        | Without Provision |
| Less than 10  | 49.8                              | 50.2            | 3.3   | 0.3                    | 280             | -25.4                                 | -0.3                   | -0.2              | -15.2                                 | -11.3             |
| 10-20   | 66.7                              | 33.3            | 4.7   | 3.4                    | 880             | -37.7                                 | -2.8                   | -1.3              | -14.1                                 | -8.8              |
| 20-30   | 85.7                              | 14.3            | 5.7   | 10.5                   | 1,660           | -76.9                                 | -4.3                   | -0.8              | -8.1                                  | -1.9              |
| 30-40   | 91.5                              | 8.5             | 6.6   | 13.8                   | 2,440           | -1,207.5                              | -0.4                   | 3.0               | -0.6                                  | 6.0               |
| 40-50   | 93.2                              | 6.8             | 6.2   | 12.7                   | 2,820           | 130.0                                 | 3.1                    | 5.4               | 4.6                                   | 10.5              |
| 50-75   | 93.7                              | 6.3             | 5.7   | 26.2                   | 3,360           | 60.0                                  | 13.7                   | 16.6              | 8.6                                   | 13.8              |
| 75-100  | 94.0                              | 6.0             | 4.2   | 15.5                   | 3,420           | 32.2                                  | 15.0                   | 15.1              | 11.7                                  | 15.4              |
| 100-200   | 92.0                              | 8.0             | 2.7   | 16.1                   | 3,180           | 13.3                                  | 37.6                   | 32.5              | 17.0                                  | 19.3              |
| 200-500   | 74.7                              | 25.3            | 0.8   | 1.4                    | 1,670           | 2.6                                   | 17.1                   | 13.4              | 22.8                                  | 23.4              |
| 500-1,000   | 0.4                               | 99.6            | 0.0   | 0.0                    | 10              | 0.0                                   | 4.1                    | 3.2               | 28.8                                  | 28.8              |
| More than 1,000   | 0.0                               | 100.0           | 0.0   | 0.0                    | 0               | 0.0                                   | 17.2                   | 13.1              | 30.8                                  | 30.8              |
| All   | 87.5                              | 12.5            | 4.1   | 100.0                  | 2,520           | 31.2                                  | 100.0                  | 100.0             | 11.6                                  | 15.2              |

**Baseline Distribution of Income and Federal Taxes**  
**by Expanded Cash Income Level, 2022 <sup>1</sup>**

| Expanded Cash Income Level (thousands of 2019 dollars) <sup>2</sup> | Tax Units          |                  | Pre-Tax Income    |                  | Federal Tax Burden |                  | After-Tax Income <sup>4</sup> |                  | Average Federal Tax Rate <sup>5</sup> |
|---|--------------------|------------------|-------------------|------------------|--------------------|------------------|-------------------------------|------------------|---------------------------------------|
|   | Number (thousands) | Percent of Total | Average (dollars) | Percent of Total | Average (dollars)  | Percent of Total | Average (dollars)             | Percent of Total |                                       |
| Less than 10  | 540                | 2.4              | 7,140             | 0.2              | -1,080             | -0.3             | 8,230                         | 0.3              | -15.2                                 |
| 10-20   | 2,210              | 9.8              | 16,600            | 2.3              | -2,340             | -2.8             | 18,930                        | 3.0              | -14.1                                 |
| 20-30   | 3,610              | 15.9             | 26,730            | 6.1              | -2,160             | -4.3             | 28,880                        | 7.5              | -8.1                                  |
| 30-40   | 3,220              | 14.2             | 37,040            | 7.6              | -200               | -0.4             | 37,240                        | 8.6              | -0.6                                  |
| 40-50   | 2,570              | 11.4             | 47,470            | 7.8              | 2,170              | 3.1              | 45,300                        | 8.4              | 4.6                                   |
| 50-75   | 4,450              | 19.7             | 65,080            | 18.4             | 5,600              | 13.7             | 59,480                        | 19.1             | 8.6                                   |
| 75-100  | 2,580              | 11.4             | 91,120            | 14.9             | 10,610             | 15.0             | 80,510                        | 14.9             | 11.7                                  |
| 100-200   | 2,880              | 12.7             | 139,690           | 25.6             | 23,810             | 37.6             | 115,880                       | 24.1             | 17.0                                  |
| 200-500   | 490                | 2.2              | 280,980           | 8.7              | 64,040             | 17.1             | 216,940                       | 7.6              | 22.8                                  |
| 500-1,000   | 40                 | 0.2              | 701,210           | 1.7              | 201,660            | 4.1              | 499,540                       | 1.4              | 28.8                                  |
| More than 1,000   | 20                 | 0.1              | 5,872,500         | 6.5              | 1,805,620          | 17.2             | 4,066,870                     | 5.1              | 30.8                                  |
| All   | 22,650             | 100.0            | 69,380            | 100.0            | 8,060              | 100.0            | 61,320                        | 100.0            | 11.6                                  |

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0721-1).

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

(1) Calendar year. Baseline is the law currently in place as of September 8, 2021 with the following modifications to the CTC: the maximum credit amount would be increased to \$3,000 and to \$3,600 for qualifying children under the age of 6. The credit amounts would not be indexed for inflation. The definition of a qualifying child would be extended to include 17 year olds. The credit increase amount of \$1,000/\$1,600 per child would be phased down by \$50 for each \$1,000 (or fraction thereof) by which AGI exceeds \$150,000 for married couples filing a joint return, \$112,500 for heads of household, and \$75,000 for others. The thresholds would not be indexed for inflation. Current law refundability rules would continue to apply. For a description of the current law CTC, see Table T21-0223.

<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) Tax units with benefit are tax units with a net benefit of \$10 or more.

(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) For income categories for which the baseline tax burden is negative, a negative value for the tax benefit as a percent of federal tax indicates a net increase in federal subsidies, and a positive value indicates a net decrease in federal subsidies.

(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 T21-0226**  
**Tax Benefit of the Child Tax Credit (CTC)**  
**Baseline: Current Law Plus Extend the American Rescue Plan (ARP) Act's Increase in the CTC Credit Amount and Modification of Age Requirements**  
**but Retain Current-Law Partial Refundability Rules**  
**Distribution of Federal Tax Change by Expanded Cash Income Level, 2022 <sup>1</sup>**  
**Detail Table - Tax Units with Children**

| Expanded Cash Income Level (thousands of 2020 dollars) <sup>2</sup> | Percent of Tax Units <sup>3</sup> |                 | Benefit as a Percent of After-Tax Income <sup>4</sup> | Share of Total Benefit | Average Benefit |                                       | Share of Federal Taxes |                   | Average Federal Tax Rate <sup>6</sup> |                   |
|---|-----------------------------------|-----------------|---|------------------------|-----------------|---------------------------------------|------------------------|-------------------|---------------------------------------|-------------------|
|   | With Benefit                      | Without Benefit |   |                        | Dollars         | Percent of Federal Taxes <sup>5</sup> | With Provision         | Without Provision | With Provision                        | Without Provision |
| Less than 10  | 56.0                              | 44.0            | 3.8   | 0.2                    | 310             | -27.7                                 | -0.1                   | 0.0               | -15.9                                 | -11.5             |
| 10-20   | 71.7                              | 28.3            | 5.0   | 1.9                    | 950             | -39.6                                 | -0.5                   | -0.3              | -14.5                                 | -8.8              |
| 20-30   | 84.5                              | 15.5            | 5.9   | 5.3                    | 1,690           | -79.9                                 | -0.7                   | -0.1              | -8.0                                  | -1.6              |
| 30-40   | 91.7                              | 8.3             | 6.7   | 7.0                    | 2,480           | -778.2                                | -0.1                   | 0.6               | -0.9                                  | 5.9               |
| 40-50   | 93.6                              | 6.4             | 6.6   | 6.4                    | 3,000           | 174.4                                 | 0.4                    | 1.0               | 3.6                                   | 10.0              |
| 50-75   | 97.5                              | 2.5             | 6.4   | 15.4                   | 3,860           | 73.7                                  | 2.2                    | 3.5               | 8.0                                   | 13.9              |
| 75-100  | 98.6                              | 1.4             | 5.3   | 13.0                   | 4,360           | 43.4                                  | 3.2                    | 4.1               | 10.9                                  | 15.6              |
| 100-200   | 99.7                              | 0.3             | 3.8   | 34.0                   | 4,820           | 19.9                                  | 18.2                   | 19.7              | 15.9                                  | 19.1              |
| 200-500   | 97.5                              | 2.5             | 1.4   | 16.2                   | 3,390           | 5.1                                   | 33.8                   | 32.1              | 21.9                                  | 23.0              |
| 500-1,000   | 31.0                              | 69.0            | 0.1   | 0.5                    | 700             | 0.4                                   | 13.8                   | 12.5              | 26.0                                  | 26.1              |
| More than 1,000   | 0.1                               | 99.9            | 0.0   | 0.0                    | *               | 0.0                                   | 29.6                   | 26.7              | 30.6                                  | 30.6              |
| All   | 91.0                              | 9.1             | 2.6   | 100.0                  | 3,270           | 10.7                                  | 100.0                  | 100.0             | 19.6                                  | 21.7              |

**Baseline Distribution of Income and Federal Taxes**  
**by Expanded Cash Income Level, 2022 <sup>1</sup>**

| Expanded Cash Income Level (thousands of 2019 dollars) <sup>2</sup> | Tax Units          |                  | Pre-Tax Income    |                  | Federal Tax Burden |                  | After-Tax Income <sup>4</sup> |                  | Average Federal Tax Rate <sup>5</sup> |
|---|--------------------|------------------|-------------------|------------------|--------------------|------------------|-------------------------------|------------------|---------------------------------------|
|   | Number (thousands) | Percent of Total | Average (dollars) | Percent of Total | Average (dollars)  | Percent of Total | Average (dollars)             | Percent of Total |                                       |
| Less than 10  | 900                | 1.8              | 7,150             | 0.1              | -1,130             | -0.1             | 8,280                         | 0.1              | -15.9                                 |
| 10-20   | 3,400              | 6.6              | 16,510            | 0.7              | -2,400             | -0.5             | 18,910                        | 1.0              | -14.5                                 |
| 20-30   | 5,250              | 10.2             | 26,650            | 1.7              | -2,120             | -0.7             | 28,770                        | 2.3              | -8.0                                  |
| 30-40   | 4,750              | 9.2              | 36,950            | 2.2              | -320               | -0.1             | 37,270                        | 2.7              | -0.9                                  |
| 40-50   | 3,570              | 7.0              | 47,410            | 2.1              | 1,720              | 0.4              | 45,690                        | 2.5              | 3.6                                   |
| 50-75   | 6,720              | 13.1             | 65,400            | 5.5              | 5,230              | 2.2              | 60,160                        | 6.3              | 8.0                                   |
| 75-100  | 5,000              | 9.7              | 92,070            | 5.7              | 10,040             | 3.2              | 82,040                        | 6.3              | 10.9                                  |
| 100-200   | 11,860             | 23.1             | 152,150           | 22.4             | 24,190             | 18.2             | 127,960                       | 23.5             | 15.9                                  |
| 200-500   | 8,030              | 15.6             | 303,960           | 30.3             | 66,440             | 33.8             | 237,520                       | 29.5             | 21.9                                  |
| 500-1,000   | 1,180              | 2.3              | 705,100           | 10.4             | 183,510            | 13.8             | 521,590                       | 9.5              | 26.0                                  |
| More than 1,000   | 490                | 1.0              | 3,132,560         | 19.0             | 957,400            | 29.6             | 2,175,160                     | 16.4             | 30.6                                  |
| All   | 51,400             | 100.0            | 156,600           | 100.0            | 30,690             | 100.0            | 125,910                       | 100.0            | 19.6                                  |

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0721-1).

\* 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 as of September 8, 2021 with the following modifications to the CTC: the maximum credit amount would be increased to \$3,000 and to \$3,600 for qualifying children under the age of 6. The credit amounts would not be indexed for inflation. The definition of a qualifying child would be extended to include 17 year olds. The credit increase amount of \$1,000/\$1,600 per child would be phased down by \$50 for each \$1,000 (or fraction thereof) by which AGI exceeds \$150,000 for married couples filing a joint return, \$112,500 for heads of household, and \$75,000 for others. The thresholds would not be indexed for inflation. Current law refundability rules would continue to apply. For a description of the current law CTC, see Table T21-0223.

<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) Tax units with benefit are tax units with a net benefit of \$10 or more.

(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) For income categories for which the baseline tax burden is negative, a negative value for the tax benefit as a percent of federal tax indicates a net increase in federal subsidies, and a positive value indicates a net decrease in federal subsidies.

(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 T21-0226**  
**Tax Benefit of the Child Tax Credit (CTC)**  
**Baseline: Current Law Plus Extend the American Rescue Plan (ARP) Act's Increase in the CTC Credit Amount and Modification of Age Requirements**  
**but Retain Current-Law Partial Refundability Rules**  
**Distribution of Federal Tax Change by Expanded Cash Income Level, 2022 <sup>1</sup>**  
**Detail Table - Elderly Tax Units**

| Expanded Cash Income Level (thousands of 2020 dollars) <sup>2</sup> | Percent of Tax Units <sup>3</sup> |                 | Benefit as a Percent of After-Tax Income <sup>4</sup> | Share of Total Benefit | Average Benefit |                                       | Share of Federal Taxes |                   | Average Federal Tax Rate <sup>6</sup> |                   |
|---|-----------------------------------|-----------------|---|------------------------|-----------------|---------------------------------------|------------------------|-------------------|---------------------------------------|-------------------|
|   | With Benefit                      | Without Benefit |   |                        | Dollars         | Percent of Federal Taxes <sup>5</sup> | With Provision         | Without Provision | With Provision                        | Without Provision |
| Less than 10  | 0.5                               | 99.5            | 0.1   | 0.2                    | *               | 6.2                                   | 0.0                    | 0.0               | 0.8                                   | 0.8               |
| 10-20   | 0.7                               | 99.3            | 0.1   | 1.7                    | 10              | 4.7                                   | 0.2                    | 0.2               | 1.1                                   | 1.1               |
| 20-30   | 0.8                               | 99.2            | 0.0   | 1.8                    | 10              | 1.7                                   | 0.5                    | 0.5               | 2.4                                   | 2.4               |
| 30-40   | 2.3                               | 97.7            | 0.1   | 5.1                    | 40              | 3.2                                   | 0.8                    | 0.8               | 3.0                                   | 3.1               |
| 40-50   | 2.6                               | 97.4            | 0.1   | 5.0                    | 40              | 2.0                                   | 1.2                    | 1.2               | 4.5                                   | 4.6               |
| 50-75   | 4.5                               | 95.5            | 0.2   | 17.3                   | 90              | 2.1                                   | 3.9                    | 3.9               | 6.6                                   | 6.7               |
| 75-100  | 5.1                               | 94.9            | 0.2   | 20.9                   | 150             | 1.7                                   | 5.8                    | 5.8               | 9.3                                   | 9.5               |
| 100-200   | 5.4                               | 94.7            | 0.1   | 35.1                   | 160             | 0.8                                   | 20.6                   | 20.6              | 13.3                                  | 13.4              |
| 200-500   | 6.1                               | 93.9            | 0.1   | 11.9                   | 140             | 0.2                                   | 23.5                   | 23.5              | 19.2                                  | 19.2              |
| 500-1,000   | 2.3                               | 97.7            | 0.0   | 0.6                    | 50              | 0.0                                   | 9.5                    | 9.5               | 24.4                                  | 24.4              |
| More than 1,000   | 0.0                               | 100.0           | 0.0   | 0.0                    | 0               | 0.0                                   | 33.6                   | 33.4              | 30.4                                  | 30.4              |
| All   | 3.1                               | 96.9            | 0.1   | 100.0                  | 70              | 0.5                                   | 100.0                  | 100.0             | 15.7                                  | 15.8              |

**Baseline Distribution of Income and Federal Taxes**  
**by Expanded Cash Income Level, 2022 <sup>1</sup>**

| Expanded Cash Income Level (thousands of 2019 dollars) <sup>2</sup> | Tax Units          |                  | Pre-Tax Income    |                  | Federal Tax Burden |                  | After-Tax Income <sup>4</sup> |                  | Average Federal Tax Rate <sup>5</sup> |
|---|--------------------|------------------|-------------------|------------------|--------------------|------------------|-------------------------------|------------------|---------------------------------------|
|   | Number (thousands) | Percent of Total | Average (dollars) | Percent of Total | Average (dollars)  | Percent of Total | Average (dollars)             | Percent of Total |                                       |
| Less than 10  | 1,880              | 4.0              | 6,330             | 0.3              | 50                 | 0.0              | 6,280                         | 0.3              | 0.8                                   |
| 10-20   | 7,360              | 15.5             | 16,070            | 2.5              | 170                | 0.2              | 15,900                        | 3.0              | 1.1                                   |
| 20-30   | 5,870              | 12.4             | 26,200            | 3.3              | 620                | 0.5              | 25,580                        | 3.8              | 2.4                                   |
| 30-40   | 4,890              | 10.3             | 36,870            | 3.9              | 1,120              | 0.8              | 35,750                        | 4.5              | 3.0                                   |
| 40-50   | 3,980              | 8.4              | 47,410            | 4.1              | 2,120              | 1.2              | 45,280                        | 4.6              | 4.5                                   |
| 50-75   | 6,570              | 13.8             | 65,430            | 9.2              | 4,310              | 3.9              | 61,120                        | 10.2             | 6.6                                   |
| 75-100  | 4,940              | 10.4             | 91,930            | 9.7              | 8,540              | 5.8              | 83,390                        | 10.5             | 9.3                                   |
| 100-200   | 7,790              | 16.4             | 144,700           | 24.2             | 19,290             | 20.6             | 125,410                       | 24.9             | 13.3                                  |
| 200-500   | 2,960              | 6.2              | 303,550           | 19.3             | 58,200             | 23.5             | 245,350                       | 18.5             | 19.2                                  |
| 500-1,000   | 410                | 0.9              | 699,360           | 6.1              | 170,330            | 9.5              | 529,030                       | 5.5              | 24.4                                  |
| More than 1,000   | 210                | 0.4              | 3,880,470         | 17.4             | 1,177,660          | 33.6             | 2,702,800                     | 14.4             | 30.4                                  |
| All   | 47,490             | 100.0            | 98,080            | 100.0            | 15,390             | 100.0            | 82,690                        | 100.0            | 15.7                                  |

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0721-1).

\* 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 as of September 8, 2021 with the following modifications to the CTC: the maximum credit amount would be increased to \$3,000 and to \$3,600 for qualifying children under the age of 6. The credit amounts would not be indexed for inflation. The definition of a qualifying child would be extended to include 17 year olds. The credit increase amount of \$1,000/\$1,600 per child would be phased down by \$50 for each \$1,000 (or fraction thereof) by which AGI exceeds \$150,000 for married couples filing a joint return, \$112,500 for heads of household, and \$75,000 for others. The thresholds would not be indexed for inflation. Current law refundability rules would continue to apply. For a description of the current law CTC, see Table T21-0223.

<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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