

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

Table T21-0235
Ways and Means Committee Budget Reconciliation Legislative Recommendations
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Level, 2022 ¹
Summary Table

| Expanded Cash Income Level (thousands of 2020 dollars) ² | Tax Units | | Percent Change in After-Tax Income ³ | Share of Total Federal Tax Change | Average Federal Tax Change (\$) | Average Federal Tax Rate ⁴ | |
|---|--------------------|------------------|---|-----------------------------------|---------------------------------|---------------------------------------|--------------------|
| | Number (thousands) | Percent of Total | | | | Change (%) | Under the Proposal |
| Less than 10 | 10,480 | 5.8 | 7.3 | -3.9 | -420 | -6.9 | -2.5 |
| 10-20 | 22,180 | 12.4 | 4.3 | -13.3 | -660 | -4.2 | -1.5 |
| 20-30 | 19,840 | 11.1 | 3.8 | -17.4 | -970 | -3.7 | 0.1 |
| 30-40 | 16,080 | 9.0 | 2.7 | -13.5 | -930 | -2.5 | 4.1 |
| 40-50 | 13,340 | 7.4 | 1.8 | -9.1 | -760 | -1.6 | 7.7 |
| 50-75 | 24,900 | 13.9 | 1.2 | -15.3 | -680 | -1.0 | 11.4 |
| 75-100 | 18,160 | 10.1 | 0.7 | -9.2 | -560 | -0.6 | 14.2 |
| 100-200 | 32,870 | 18.3 | 0.4 | -13.2 | -450 | -0.3 | 17.4 |
| 200-500 | 16,970 | 9.5 | -0.4 | 13.9 | 900 | 0.3 | 22.2 |
| 500-1,000 | 2,270 | 1.3 | -1.9 | 20.6 | 10,030 | 1.4 | 27.3 |
| More than 1,000 | 940 | 0.5 | -8.1 | 160.1 | 189,240 | 5.7 | 36.2 |
| All | 179,520 | 100.0 | -0.7 | 100.0 | 620 | 0.6 | 20.1 |

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0721-2).

Number of AMT Taxpayers (millions). Baseline: 0.3

Proposal: 0.2

(1) Calendar Year. Baseline is the law currently in place as of September 26, 2021. Includes provisions contained in JCX-42-21 except: provisions related to expanding access to health coverage; Subtitle F: Part 7; Subtitle I: Part 4, item 4; Subtitle I: Part 5, item 7; Subtitle J; and most provisions with a revenue change of less than \$50 million in the years of our analysis. Also includes the following provisions from JCX-35-21: Subtitle B: Part A, item 3 and Subtitle B: Part B, item 1.

<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) 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.

(4) 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 T21-0235
Ways and Means Committee Budget Reconciliation Legislative Recommendations
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Level, 2022 ¹
Detail Table

| Expanded Cash Income Level (thousands of 2020 dollars) ² | Percent Change in After-Tax Income ³ | Share of Total Federal Tax Change | Average Federal Tax Change | | Share of Federal Taxes | | Average Federal Tax Rate ⁵ | |
|---|---|-----------------------------------|----------------------------|----------------------|------------------------|--------------------|---------------------------------------|--------------------|
| | | | Dollars | Percent ⁴ | Change (% Points) | Under the Proposal | Change (% Points) | Under the Proposal |
| Less than 10 | 7.3 | -3.9 | -420 | -157.3 | -0.1 | 0.0 | -6.9 | -2.5 |
| 10-20 | 4.3 | -13.3 | -660 | -156.2 | -0.4 | -0.1 | -4.2 | -1.5 |
| 20-30 | 3.8 | -17.4 | -970 | -96.7 | -0.5 | 0.0 | -3.7 | 0.1 |
| 30-40 | 2.7 | -13.5 | -930 | -37.9 | -0.4 | 0.6 | -2.5 | 4.1 |
| 40-50 | 1.8 | -9.1 | -760 | -17.2 | -0.3 | 1.2 | -1.6 | 7.7 |
| 50-75 | 1.2 | -15.3 | -680 | -8.3 | -0.6 | 4.6 | -1.0 | 11.4 |
| 75-100 | 0.7 | -9.2 | -560 | -4.1 | -0.4 | 5.8 | -0.6 | 14.2 |
| 100-200 | 0.4 | -13.2 | -450 | -1.7 | -1.0 | 20.9 | -0.3 | 17.4 |
| 200-500 | -0.4 | 13.9 | 900 | 1.4 | -0.4 | 28.1 | 0.3 | 22.2 |
| 500-1,000 | -1.9 | 20.6 | 10,030 | 5.5 | 0.3 | 10.8 | 1.4 | 27.3 |
| More than 1,000 | -8.1 | 160.1 | 189,240 | 18.5 | 3.7 | 28.0 | 5.7 | 36.2 |
| All | -0.7 | 100.0 | 620 | 2.8 | 0.0 | 100.0 | 0.6 | 20.1 |

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Level, 2022 ¹

| Expanded Cash Income Level (thousands of 2019 dollars) ² | Tax Units | | Pre-Tax Income | | Federal Tax Burden | | After-Tax Income ³ | | 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 | 10,480 | 5.8 | 6,010 | 0.3 | 270 | 0.1 | 5,740 | 0.4 | 4.4 |
| 10-20 | 22,180 | 12.4 | 15,920 | 1.8 | 420 | 0.2 | 15,490 | 2.1 | 2.7 |
| 20-30 | 19,840 | 11.1 | 26,290 | 2.6 | 1,000 | 0.5 | 25,290 | 3.1 | 3.8 |
| 30-40 | 16,080 | 9.0 | 36,890 | 2.9 | 2,440 | 1.0 | 34,440 | 3.4 | 6.6 |
| 40-50 | 13,340 | 7.4 | 47,440 | 3.1 | 4,390 | 1.5 | 43,050 | 3.5 | 9.3 |
| 50-75 | 24,900 | 13.9 | 65,490 | 8.1 | 8,130 | 5.1 | 57,360 | 8.8 | 12.4 |
| 75-100 | 18,160 | 10.1 | 91,870 | 8.3 | 13,570 | 6.3 | 78,300 | 8.8 | 14.8 |
| 100-200 | 32,870 | 18.3 | 148,340 | 24.1 | 26,200 | 21.8 | 122,150 | 24.7 | 17.7 |
| 200-500 | 16,970 | 9.5 | 302,100 | 25.4 | 66,220 | 28.5 | 235,880 | 24.6 | 21.9 |
| 500-1,000 | 2,270 | 1.3 | 703,260 | 7.9 | 181,920 | 10.5 | 521,340 | 7.3 | 25.9 |
| More than 1,000 | 940 | 0.5 | 3,345,750 | 15.5 | 1,021,690 | 24.3 | 2,324,070 | 13.4 | 30.5 |
| All | 179,520 | 100.0 | 112,520 | 100.0 | 21,970 | 100.0 | 90,550 | 100.0 | 19.5 |

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0721-2).

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

(1) Calendar Year. Baseline is the law currently in place as of September 26, 2021. Includes provisions contained in JCX-42-21 except: provisions related to expanding access to health coverage; Subtitle F: Part 7; Subtitle I: Part 4, item 4; Subtitle I: Part 5, item 7; Subtitle J; and most provisions with a revenue change of less than \$50 million in the years of our analysis. Also includes the following provisions from JCX-35-21: Subtitle B: Part A, item 3 and Subtitle B: Part B, item 1.

<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) 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.

(4) For income categories for which the baseline tax burden is negative, a positive percent change in average federal tax indicates a net increase in federal subsidies, and a negative percent change indicates a net decrease in federal subsidies.

(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 T21-0235
Ways and Means Committee Budget Reconciliation Legislative Recommendations
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Level, 2022 ¹
Detail Table - Single Tax Units

| Expanded Cash Income Level (thousands of 2020 dollars) ² | Percent Change in After-Tax Income ³ | Share of Total Federal Tax Change | Average Federal Tax Change | | Share of Federal Taxes | | Average Federal Tax Rate ⁵ | |
|---|---|-----------------------------------|----------------------------|----------------------|------------------------|--------------------|---------------------------------------|--------------------|
| | | | Dollars | Percent ⁴ | Change (% Points) | Under the Proposal | Change (% Points) | Under the Proposal |
| Less than 10 | 4.3 | -6.7 | -250 | -70.0 | -0.2 | 0.1 | -4.1 | 1.8 |
| 10-20 | 2.4 | -19.8 | -360 | -47.1 | -0.7 | 0.7 | -2.3 | 2.6 |
| 20-30 | 1.3 | -12.4 | -320 | -16.1 | -0.5 | 2.1 | -1.2 | 6.5 |
| 30-40 | 0.5 | -5.0 | -180 | -4.7 | -0.3 | 3.3 | -0.5 | 9.7 |
| 40-50 | 0.0 | 0.1 | 10 | 0.1 | -0.1 | 4.3 | 0.0 | 12.1 |
| 50-75 | -0.1 | 1.8 | 40 | 0.4 | -0.4 | 13.2 | 0.1 | 15.3 |
| 75-100 | -0.3 | 5.1 | 210 | 1.2 | -0.3 | 13.5 | 0.2 | 18.7 |
| 100-200 | -0.7 | 21.4 | 780 | 2.6 | -0.2 | 27.0 | 0.6 | 22.1 |
| 200-500 | -1.7 | 25.9 | 3,880 | 5.3 | 0.3 | 16.4 | 1.3 | 26.0 |
| 500-1,000 | -3.8 | 13.3 | 18,510 | 8.9 | 0.3 | 5.2 | 2.6 | 32.3 |
| More than 1,000 | -10.0 | 75.6 | 237,310 | 20.4 | 2.0 | 14.1 | 6.7 | 39.5 |
| All | -0.7 | 100.0 | 360 | 3.3 | 0.0 | 100.0 | 0.6 | 18.9 |

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Level, 2022 ¹

| Expanded Cash Income Level (thousands of 2019 dollars) ² | Tax Units | | Pre-Tax Income | | Federal Tax Burden | | After-Tax Income ³ | | 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 | 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 | 770 | 1.4 | 15,000 | 6.0 | 4.9 |
| 20-30 | 12,260 | 13.8 | 26,090 | 6.0 | 2,010 | 2.5 | 24,080 | 6.8 | 7.7 |
| 30-40 | 9,210 | 10.4 | 36,790 | 6.3 | 3,750 | 3.5 | 33,040 | 7.0 | 10.2 |
| 40-50 | 7,570 | 8.5 | 47,500 | 6.7 | 5,720 | 4.4 | 41,780 | 7.2 | 12.0 |
| 50-75 | 13,430 | 15.1 | 65,180 | 16.4 | 9,900 | 13.6 | 55,280 | 17.0 | 15.2 |
| 75-100 | 7,950 | 9.0 | 91,450 | 13.6 | 16,890 | 13.7 | 74,550 | 13.6 | 18.5 |
| 100-200 | 8,790 | 9.9 | 140,440 | 23.1 | 30,230 | 27.2 | 110,210 | 22.2 | 21.5 |
| 200-500 | 2,140 | 2.4 | 297,940 | 11.9 | 73,540 | 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 | 11,030 | 100.0 | 49,290 | 100.0 | 18.3 |

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0721-2).

(1) Calendar Year. Baseline is the law currently in place as of September 26, 2021. Includes provisions contained in JCX-42-21 except: provisions related to expanding access to health coverage; Subtitle F: Part 7; Subtitle I: Part 4, item 4; Subtitle I: Part 5, item 7; Subtitle J; and most provisions with a revenue change of less than \$50 million in the years of our analysis. Also includes the following provisions from JCX-35-21: Subtitle B: Part A, item 3 and Subtitle B: Part B, item 1.

<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) 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.

(4) For income categories for which the baseline tax burden is negative, a positive percent change in average federal tax indicates a net increase in federal subsidies, and a negative percent change indicates a net decrease in federal subsidies.

(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 T21-0235
Ways and Means Committee Budget Reconciliation Legislative Recommendations
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Level, 2022 ¹
Detail Table - Married Tax Units Filing Jointly

| Expanded Cash Income Level (thousands of 2020 dollars) ² | Percent Change in After-Tax Income ³ | Share of Total Federal Tax Change | Average Federal Tax Change | | Share of Federal Taxes | | Average Federal Tax Rate ⁵ | |
|---|---|-----------------------------------|----------------------------|----------------------|------------------------|--------------------|---------------------------------------|--------------------|
| | | | Dollars | Percent ⁴ | Change (% Points) | Under the Proposal | Change (% Points) | Under the Proposal |
| Less than 10 | 11.8 | -0.6 | -610 | -325.2 | 0.0 | 0.0 | -11.4 | -7.9 |
| 10-20 | 5.7 | -1.8 | -920 | -351.3 | -0.1 | -0.1 | -5.6 | -4.0 |
| 20-30 | 4.5 | -3.7 | -1,170 | -270.0 | -0.2 | -0.1 | -4.4 | -2.8 |
| 30-40 | 3.5 | -3.5 | -1,250 | -158.9 | -0.2 | -0.1 | -3.4 | -1.3 |
| 40-50 | 2.7 | -3.1 | -1,240 | -63.2 | -0.1 | 0.1 | -2.6 | 1.5 |
| 50-75 | 1.8 | -6.0 | -1,080 | -20.5 | -0.3 | 1.0 | -1.6 | 6.3 |
| 75-100 | 1.1 | -5.5 | -890 | -8.7 | -0.3 | 2.4 | -1.0 | 10.0 |
| 100-200 | 0.7 | -15.3 | -850 | -3.5 | -1.4 | 17.5 | -0.6 | 15.4 |
| 200-500 | -0.2 | 5.5 | 450 | 0.7 | -1.2 | 33.4 | 0.2 | 21.6 |
| 500-1,000 | -1.7 | 15.5 | 8,930 | 5.0 | 0.1 | 13.4 | 1.3 | 26.6 |
| More than 1,000 | -7.6 | 118.3 | 169,170 | 17.6 | 3.7 | 32.4 | 5.3 | 35.6 |
| All | -1.1 | 100.0 | 1,770 | 4.3 | 0.0 | 100.0 | 0.9 | 21.7 |

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Level, 2022 ¹

| Expanded Cash Income Level (thousands of 2019 dollars) ² | Tax Units | | Pre-Tax Income | | Federal Tax Burden | | After-Tax Income ³ | | 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 | 1,050 | 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 | 260 | 0.0 | 16,130 | 0.4 | 1.6 |
| 20-30 | 3,620 | 5.6 | 26,490 | 0.8 | 430 | 0.1 | 26,050 | 0.9 | 1.6 |
| 30-40 | 3,220 | 5.0 | 36,990 | 0.9 | 790 | 0.1 | 36,210 | 1.2 | 2.1 |
| 40-50 | 2,830 | 4.4 | 47,270 | 1.0 | 1,960 | 0.2 | 45,310 | 1.3 | 4.2 |
| 50-75 | 6,340 | 9.9 | 66,440 | 3.3 | 5,250 | 1.3 | 61,190 | 3.8 | 7.9 |
| 75-100 | 7,040 | 10.9 | 92,660 | 5.1 | 10,190 | 2.7 | 82,470 | 5.7 | 11.0 |
| 100-200 | 20,540 | 31.9 | 153,160 | 24.6 | 24,500 | 18.9 | 128,660 | 26.0 | 16.0 |
| 200-500 | 14,130 | 22.0 | 303,540 | 33.5 | 65,070 | 34.5 | 238,460 | 33.2 | 21.4 |
| 500-1,000 | 1,980 | 3.1 | 703,570 | 10.9 | 178,440 | 13.3 | 525,120 | 10.2 | 25.4 |
| More than 1,000 | 800 | 1.2 | 3,173,900 | 19.7 | 960,130 | 28.7 | 2,213,770 | 17.4 | 30.3 |
| All | 64,340 | 100.0 | 199,170 | 100.0 | 41,370 | 100.0 | 157,800 | 100.0 | 20.8 |

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0721-2).

(1) Calendar Year. Baseline is the law currently in place as of September 26, 2021. Includes provisions contained in JCX-42-21 except: provisions related to expanding access to health coverage; Subtitle F: Part 7; Subtitle I: Part 4, item 4; Subtitle I: Part 5, item 7; Subtitle J; and most provisions with a revenue change of less than \$50 million in the years of our analysis. Also includes the following provisions from JCX-35-21: Subtitle B: Part A, item 3 and Subtitle B: Part B, item 1.

<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) 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.

(4) For income categories for which the baseline tax burden is negative, a positive percent change in average federal tax indicates a net increase in federal subsidies, and a negative percent change indicates a net decrease in federal subsidies.

(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 T21-0235
Ways and Means Committee Budget Reconciliation Legislative Recommendations
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Level, 2022 ¹
Detail Table - Head of Household Tax Units

| Expanded Cash Income Level (thousands of 2020 dollars) ² | Percent Change in After-Tax Income ³ | Share of Total Federal Tax Change | Average Federal Tax Change | | Share of Federal Taxes | | Average Federal Tax Rate ⁵ | |
|---|---|-----------------------------------|----------------------------|----------------------|------------------------|--------------------|---------------------------------------|--------------------|
| | | | Dollars | Percent ⁴ | Change (% Points) | Under the Proposal | Change (% Points) | Under the Proposal |
| Less than 10 | 35.0 | 3.4 | -2,870 | 267.8 | -1.1 | -1.4 | -40.2 | -55.2 |
| 10-20 | 15.0 | 13.5 | -2,830 | 124.5 | -5.0 | -7.6 | -17.1 | -30.8 |
| 20-30 | 10.4 | 23.5 | -3,010 | 145.5 | -8.5 | -12.3 | -11.2 | -19.0 |
| 30-40 | 7.6 | 19.7 | -2,820 | -8,583.3 | -6.1 | -6.0 | -7.6 | -7.5 |
| 40-50 | 5.6 | 14.0 | -2,520 | -93.9 | -3.3 | 0.3 | -5.3 | 0.4 |
| 50-75 | 4.0 | 22.5 | -2,340 | -36.1 | -2.4 | 12.4 | -3.6 | 6.4 |
| 75-100 | 2.7 | 11.7 | -2,110 | -18.0 | 1.2 | 16.6 | -2.3 | 10.5 |
| 100-200 | 1.3 | 9.0 | -1,440 | -5.8 | 8.6 | 45.5 | -1.0 | 16.8 |
| 200-500 | -0.2 | -0.5 | 500 | 0.8 | 5.2 | 21.2 | 0.2 | 23.1 |
| 500-1,000 | -2.1 | -0.8 | 10,290 | 5.1 | 1.5 | 5.3 | 1.5 | 30.2 |
| More than 1,000 | -10.6 | -16.2 | 430,000 | 23.8 | 10.0 | 26.1 | 7.3 | 38.1 |
| All | 3.4 | 100.0 | -2,040 | -23.7 | 0.0 | 100.0 | -2.9 | 9.5 |

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Level, 2022 ¹

| Expanded Cash Income Level (thousands of 2019 dollars) ² | Tax Units | | Pre-Tax Income | | Federal Tax Burden | | After-Tax Income ³ | | 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 | 540 | 2.4 | 7,140 | 0.2 | -1,070 | -0.3 | 8,210 | 0.3 | -15.0 |
| 10-20 | 2,210 | 9.8 | 16,600 | 2.3 | -2,270 | -2.6 | 18,870 | 3.0 | -13.7 |
| 20-30 | 3,610 | 15.9 | 26,730 | 6.1 | -2,070 | -3.8 | 28,790 | 7.6 | -7.7 |
| 30-40 | 3,220 | 14.2 | 37,040 | 7.6 | 30 | 0.1 | 37,000 | 8.7 | 0.1 |
| 40-50 | 2,570 | 11.4 | 47,470 | 7.8 | 2,690 | 3.5 | 44,780 | 8.4 | 5.7 |
| 50-75 | 4,450 | 19.7 | 65,080 | 18.4 | 6,470 | 14.8 | 58,610 | 19.0 | 9.9 |
| 75-100 | 2,580 | 11.4 | 91,120 | 14.9 | 11,700 | 15.5 | 79,420 | 14.9 | 12.8 |
| 100-200 | 2,880 | 12.7 | 139,690 | 25.6 | 24,900 | 36.8 | 114,800 | 24.1 | 17.8 |
| 200-500 | 490 | 2.2 | 280,980 | 8.7 | 64,260 | 16.1 | 216,720 | 7.7 | 22.9 |
| 500-1,000 | 40 | 0.2 | 701,210 | 1.7 | 201,670 | 3.9 | 499,540 | 1.4 | 28.8 |
| More than 1,000 | 20 | 0.1 | 5,872,500 | 6.5 | 1,805,620 | 16.1 | 4,066,870 | 5.1 | 30.8 |
| All | 22,650 | 100.0 | 69,380 | 100.0 | 8,610 | 100.0 | 60,770 | 100.0 | 12.4 |

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0721-2).

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(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 T21-0235
Ways and Means Committee Budget Reconciliation Legislative Recommendations
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Level, 2022 ¹
Detail Table - Tax Units with Children

| Expanded Cash Income Level (thousands of 2020 dollars) ² | Percent Change in After-Tax Income ³ | Share of Total Federal Tax Change | Average Federal Tax Change | | Share of Federal Taxes | | Average Federal Tax Rate ⁵ | |
|---|---|-----------------------------------|----------------------------|----------------------|------------------------|--------------------|---------------------------------------|--------------------|
| | | | Dollars | Percent ⁴ | Change (% Points) | Under the Proposal | Change (% Points) | Under the Proposal |
| Less than 10 | 41.7 | 12.0 | -3,450 | 306.9 | -0.2 | -0.3 | -48.3 | -64.0 |
| 10-20 | 15.8 | 39.1 | -2,980 | 127.9 | -0.6 | -1.1 | -18.0 | -32.2 |
| 20-30 | 11.4 | 66.0 | -3,250 | 161.1 | -1.1 | -1.7 | -12.2 | -19.8 |
| 30-40 | 8.2 | 55.9 | -3,050 | 4,984.4 | -0.9 | -0.9 | -8.3 | -8.4 |
| 40-50 | 6.4 | 40.0 | -2,900 | -130.6 | -0.6 | -0.2 | -6.1 | -1.4 |
| 50-75 | 4.7 | 71.6 | -2,760 | -44.4 | -1.1 | 1.5 | -4.2 | 5.3 |
| 75-100 | 3.2 | 50.0 | -2,590 | -22.6 | -0.8 | 2.8 | -2.8 | 9.6 |
| 100-200 | 1.8 | 101.7 | -2,220 | -8.6 | -1.3 | 17.7 | -1.5 | 15.6 |
| 200-500 | 0.1 | 7.2 | -230 | -0.4 | 0.4 | 33.7 | -0.1 | 22.0 |
| 500-1,000 | -1.6 | -37.6 | 8,220 | 4.5 | 0.8 | 14.2 | 1.2 | 27.2 |
| More than 1,000 | -7.5 | ##### | 163,570 | 17.1 | 5.5 | 34.3 | 5.2 | 35.8 |
| All | 0.4 | 100.0 | -500 | -1.6 | 0.0 | 100.0 | -0.3 | 19.8 |

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Level, 2022 ¹

| Expanded Cash Income Level (thousands of 2019 dollars) ² | Tax Units | | Pre-Tax Income | | Federal Tax Burden | | After-Tax Income ³ | | 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 | 900 | 1.8 | 7,150 | 0.1 | -1,130 | -0.1 | 8,270 | 0.1 | -15.7 |
| 10-20 | 3,400 | 6.6 | 16,510 | 0.7 | -2,330 | -0.5 | 18,840 | 1.0 | -14.1 |
| 20-30 | 5,250 | 10.2 | 26,650 | 1.7 | -2,020 | -0.7 | 28,670 | 2.3 | -7.6 |
| 30-40 | 4,750 | 9.2 | 36,950 | 2.2 | -60 | 0.0 | 37,010 | 2.7 | -0.2 |
| 40-50 | 3,570 | 7.0 | 47,410 | 2.1 | 2,220 | 0.5 | 45,190 | 2.5 | 4.7 |
| 50-75 | 6,720 | 13.1 | 65,400 | 5.5 | 6,220 | 2.6 | 59,180 | 6.2 | 9.5 |
| 75-100 | 5,000 | 9.7 | 92,070 | 5.7 | 11,460 | 3.5 | 80,620 | 6.3 | 12.4 |
| 100-200 | 11,860 | 23.1 | 152,150 | 22.4 | 25,960 | 19.0 | 126,180 | 23.3 | 17.1 |
| 200-500 | 8,030 | 15.6 | 303,960 | 30.3 | 67,070 | 33.2 | 236,890 | 29.6 | 22.1 |
| 500-1,000 | 1,180 | 2.3 | 705,100 | 10.4 | 183,560 | 13.4 | 521,540 | 9.6 | 26.0 |
| More than 1,000 | 490 | 1.0 | 3,132,560 | 19.0 | 957,400 | 28.8 | 2,175,160 | 16.5 | 30.6 |
| All | 51,400 | 100.0 | 156,600 | 100.0 | 31,540 | 100.0 | 125,060 | 100.0 | 20.1 |

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0721-2).

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 26, 2021. Includes provisions contained in JCX-42-21 except: provisions related to expanding access to health coverage; Subtitle F: Part 7; Subtitle I: Part 4, item 4; Subtitle I: Part 5, item 7; Subtitle J; and most provisions with a revenue change of less than \$50 million in the years of our analysis. Also includes the following provisions from JCX-35-21: Subtitle B: Part A, item 3 and Subtitle B: Part B, item 1.

<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) 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.

(4) For income categories for which the baseline tax burden is negative, a positive percent change in average federal tax indicates a net increase in federal subsidies, and a negative percent change indicates a net decrease in federal subsidies.

(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 T21-0235
Ways and Means Committee Budget Reconciliation Legislative Recommendations
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Level, 2022 ¹
Detail Table - Elderly Tax Units

| Expanded Cash Income Level (thousands of 2020 dollars) ² | Percent Change in After-Tax Income ³ | Share of Total Federal Tax Change | Average Federal Tax Change | | Share of Federal Taxes | | Average Federal Tax Rate ⁵ | |
|---|---|-----------------------------------|----------------------------|----------------------|------------------------|--------------------|---------------------------------------|--------------------|
| | | | Dollars | Percent ⁴ | Change (% Points) | Under the Proposal | Change (% Points) | Under the Proposal |
| Less than 10 | 0.8 | -0.1 | -50 | -99.2 | 0.0 | 0.0 | -0.8 | 0.0 |
| 10-20 | 0.3 | -0.4 | -40 | -24.4 | -0.1 | 0.1 | -0.3 | 0.8 |
| 20-30 | 0.1 | -0.3 | -30 | -5.4 | -0.1 | 0.4 | -0.1 | 2.2 |
| 30-40 | 0.2 | -0.4 | -70 | -5.9 | -0.1 | 0.6 | -0.2 | 2.9 |
| 40-50 | 0.1 | -0.1 | -20 | -1.1 | -0.1 | 1.0 | -0.1 | 4.5 |
| 50-75 | 0.0 | 0.2 | 20 | 0.4 | -0.4 | 3.5 | 0.0 | 6.7 |
| 75-100 | -0.3 | 1.7 | 280 | 3.2 | -0.4 | 5.4 | 0.3 | 9.6 |
| 100-200 | -0.8 | 9.3 | 940 | 4.9 | -1.1 | 19.5 | 0.7 | 14.0 |
| 200-500 | -1.6 | 14.2 | 3,800 | 6.5 | -0.9 | 22.6 | 1.3 | 20.4 |
| 500-1,000 | -3.1 | 8.3 | 16,200 | 9.5 | -0.1 | 9.4 | 2.3 | 26.7 |
| More than 1,000 | -9.4 | 66.9 | 254,190 | 21.6 | 3.3 | 36.8 | 6.6 | 36.9 |
| All | -2.0 | 100.0 | 1,670 | 10.8 | 0.0 | 100.0 | 1.7 | 17.4 |

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Level, 2022 ¹

| Expanded Cash Income Level (thousands of 2019 dollars) ² | Tax Units | | Pre-Tax Income | | Federal Tax Burden | | After-Tax Income ³ | | 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 | 1,880 | 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 | 2,130 | 1.2 | 45,280 | 4.6 | 4.5 |
| 50-75 | 6,570 | 13.8 | 65,430 | 9.2 | 4,330 | 3.9 | 61,090 | 10.2 | 6.6 |
| 75-100 | 4,940 | 10.4 | 91,930 | 9.7 | 8,590 | 5.8 | 83,350 | 10.5 | 9.3 |
| 100-200 | 7,790 | 16.4 | 144,700 | 24.2 | 19,340 | 20.6 | 125,360 | 24.9 | 13.4 |
| 200-500 | 2,960 | 6.2 | 303,550 | 19.3 | 58,220 | 23.5 | 245,320 | 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 | 15,410 | 100.0 | 82,670 | 100.0 | 15.7 |

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0721-2).

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 26, 2021. Includes provisions contained in JCX-42-21 except: provisions related to expanding access to health coverage; Subtitle F: Part 7; Subtitle I: Part 4, item 4; Subtitle I: Part 5, item 7; Subtitle J; and most provisions with a revenue change of less than \$50 million in the years of our analysis. Also includes the following provisions from JCX-35-21: Subtitle B: Part A, item 3 and Subtitle B: Part B, item 1.

<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) 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.

(4) For income categories for which the baseline tax burden is negative, a positive percent change in average federal tax indicates a net increase in federal subsidies, and a negative percent change indicates a net decrease in federal subsidies.

(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.