Table T22-0144
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Percentile, 2026 ¹
Summary Table

<table>
<thead>
<tr>
<th>Expanded Cash Income Percentile²,³</th>
<th>Tax Units with Tax Increase or Cut ⁴</th>
<th>Percent Change in After-Tax Income ⁵</th>
<th>Share of Total Federal Tax Change</th>
<th>Average Federal Tax Change ($)</th>
<th>Average Federal Tax Rate ⁶</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Pct of Tax Units</td>
<td>Avg Tax Change ($)</td>
<td>Pct of Tax Units</td>
<td>Avg Tax Change ($)</td>
<td>Pct of Tax Units</td>
</tr>
<tr>
<td>----------------------------------</td>
<td>------------------</td>
<td>--------------------</td>
<td>------------------</td>
<td>--------------------</td>
<td>------------------</td>
</tr>
<tr>
<td>Lowest Quintile</td>
<td>27.6</td>
<td>-380</td>
<td>1.1</td>
<td>810</td>
<td>0.5</td>
</tr>
<tr>
<td>Second Quintile</td>
<td>67.9</td>
<td>-750</td>
<td>6.2</td>
<td>860</td>
<td>1.0</td>
</tr>
<tr>
<td>Middle Quintile</td>
<td>81.4</td>
<td>-1,410</td>
<td>12.1</td>
<td>1,360</td>
<td>1.3</td>
</tr>
<tr>
<td>Fourth Quintile</td>
<td>82.2</td>
<td>-2,680</td>
<td>16.2</td>
<td>2,060</td>
<td>1.4</td>
</tr>
<tr>
<td>Top Quintile</td>
<td>82.8</td>
<td>-10,490</td>
<td>16.7</td>
<td>5,720</td>
<td>2.1</td>
</tr>
<tr>
<td>All</td>
<td>64.0</td>
<td>-3,020</td>
<td>9.1</td>
<td>2,570</td>
<td>1.7</td>
</tr>
<tr>
<td>Addendum</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>80-90</td>
<td>80.8</td>
<td>-4,100</td>
<td>18.5</td>
<td>2,760</td>
<td>1.4</td>
</tr>
<tr>
<td>90-95</td>
<td>82.7</td>
<td>-6,600</td>
<td>16.8</td>
<td>2,900</td>
<td>1.7</td>
</tr>
<tr>
<td>95-99</td>
<td>89.5</td>
<td>-17,090</td>
<td>10.2</td>
<td>6,400</td>
<td>3.1</td>
</tr>
<tr>
<td>Top 1 Percent</td>
<td>76.7</td>
<td>-76,140</td>
<td>22.9</td>
<td>42,180</td>
<td>2.3</td>
</tr>
<tr>
<td>Top 0.1 Percent</td>
<td>66.4</td>
<td>-342,810</td>
<td>33.4</td>
<td>156,130</td>
<td>1.9</td>
</tr>
</tbody>
</table>

Number of AMT Taxpayers (millions). Baseline: 7.6 Proposal: 0.2

* Non-zero value rounded to zero; ** Insufficient data
(1) Calendar year. Baseline is the law currently in place as of November 15, 2022. Proposal would make the individual income tax and estate tax provisions in the 2017 Tax Act ("The Tax Cuts and Jobs Act") permanent. Includes provisions affecting: individual income tax rates; alternative minimum tax (AMT); standard deduction; personal exemptions; qualified business income; child tax credit; credit for other dependents; SSN requirements; itemized deductions; moving expenses; and estate tax. For more information on TPC's baseline definitions, see 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 2022 dollars): 20% $31,500; 40% $62,000; 60% $110,100; 80% $199,500; 90% $289,900; 95% $416,700; 99% $1,008,900; 99.9% $4,536,000.
(4) Includes tax units with a change in federal tax burden of $10 or more in absolute value.
(5) After-tax income is expanded cash income less: individual income tax net of refundable credits; corporate income tax; payroll taxes (Social Security and Medicare); estate tax; and excise taxes.
(6) Average federal tax (includes individual and corporate income tax, payroll taxes for Social Security and Medicare, the estate tax, and excise taxes) as a percentage of average expanded cash income.
### Preliminary Results

<table>
<thead>
<tr>
<th></th>
<th>66.1</th>
<th>1.4</th>
<th>-0.4</th>
<th>206,010</th>
<th>-450</th>
<th>0.0</th>
<th>9.9</th>
<th>22.9</th>
<th>13.1</th>
<th>4,980</th>
<th>67.9</th>
<th>-1.3</th>
<th>30,920</th>
<th>3,168,390</th>
<th>11.6</th>
<th>15.3</th>
<th>-9.1</th>
<th>2,134,490</th>
<th>45,260</th>
<th>120</th>
<th>33.4</th>
<th>31.7</th>
<th>91,000</th>
<th>20.9</th>
<th>-0.9</th>
<th>6.9</th>
<th>-0.1</th>
</tr>
</thead>
</table>

### Table T22-0144

**Make Individual Income Tax and Estate Tax Provisions in the 2017 Tax Act Permanent**

**Baseline: Current Law**

**Distribution of Federal Tax Change by Expanded Cash Income Percentile, 2026**

#### Detail Table

<table>
<thead>
<tr>
<th>Expanded Cash Income Percentile</th>
<th>Percent of Tax Units</th>
<th>Percent Change in After-Tax Income</th>
<th>Share of Total Federal Tax Change</th>
<th>Average Federal Tax Change</th>
<th>Share of Federal Taxes</th>
<th>Average Federal Tax Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>With Tax Cut</td>
<td>With Tax Increase</td>
<td></td>
<td>Dollars</td>
<td>Percent</td>
<td>Points</td>
</tr>
<tr>
<td>Lowest Quintile</td>
<td>27.6</td>
<td>1.1</td>
<td>0.5</td>
<td>1.5</td>
<td>-100</td>
<td>-1.15</td>
</tr>
<tr>
<td>Second Quintile</td>
<td>67.9</td>
<td>6.2</td>
<td>1.0</td>
<td>5.9</td>
<td>-450</td>
<td>-9.1</td>
</tr>
<tr>
<td>Middle Quintile</td>
<td>81.4</td>
<td>12.1</td>
<td>1.3</td>
<td>11.9</td>
<td>-990</td>
<td>-7.0</td>
</tr>
<tr>
<td>Fourth Quintile</td>
<td>82.2</td>
<td>16.2</td>
<td>1.4</td>
<td>18.3</td>
<td>-1,870</td>
<td>-6.1</td>
</tr>
<tr>
<td>Top Quintile</td>
<td>82.8</td>
<td>16.7</td>
<td>2.1</td>
<td>62.2</td>
<td>-7,730</td>
<td>-5.8</td>
</tr>
<tr>
<td>All</td>
<td>64.0</td>
<td>9.1</td>
<td>1.7</td>
<td>100.0</td>
<td>-1,700</td>
<td>-6.1</td>
</tr>
</tbody>
</table>

**Addendum**

<table>
<thead>
<tr>
<th></th>
<th>80-90</th>
<th>90-95</th>
<th>95-99</th>
<th>95-99</th>
<th>95-99</th>
<th>99-99</th>
<th>99.9</th>
<th>99.9</th>
<th>99.9</th>
<th>99.9</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>80.8</td>
<td>18.5</td>
<td>1.4</td>
<td>11.6</td>
<td>-2,800</td>
<td>-4.8</td>
<td>0.2</td>
<td>14.8</td>
<td>-1.1</td>
<td>20.9</td>
</tr>
<tr>
<td></td>
<td>82.7</td>
<td>16.8</td>
<td>1.7</td>
<td>10.0</td>
<td>-4,970</td>
<td>-5.5</td>
<td>0.1</td>
<td>11.3</td>
<td>-1.3</td>
<td>22.9</td>
</tr>
<tr>
<td></td>
<td>89.5</td>
<td>10.2</td>
<td>3.1</td>
<td>22.5</td>
<td>-14,660</td>
<td>-8.2</td>
<td>-0.4</td>
<td>16.5</td>
<td>-2.3</td>
<td>25.4</td>
</tr>
<tr>
<td></td>
<td>76.7</td>
<td>22.9</td>
<td>2.3</td>
<td>18.1</td>
<td>-48,690</td>
<td>-4.7</td>
<td>0.4</td>
<td>23.8</td>
<td>-1.5</td>
<td>31.1</td>
</tr>
<tr>
<td></td>
<td>66.4</td>
<td>33.4</td>
<td>1.9</td>
<td>6.7</td>
<td>-175,710</td>
<td>-3.8</td>
<td>0.3</td>
<td>11.0</td>
<td>-1.3</td>
<td>31.7</td>
</tr>
</tbody>
</table>


Number of AMT Taxpayers (millions). Baseline: 7.6 Proposal: 0.2

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

[1] Calendar year. Baseline is the law currently in place as of November 15, 2022. Proposal would make the individual income tax and estate tax provisions in the 2017 Tax Act ("The Tax Cuts and Jobs Act") permanent. Includes provisions affecting: individual income tax rates; alternative minimum tax (AMT); standard deduction; personal exemptions; qualified business income; child tax credit; credit for other dependents; SSN requirements; itemized deductions; moving expenses; and estate tax. For more information on TPC’s baseline definitions, see [http://www.taxpolicycenter.org/taxtopics/Baseline-Definitions.cfm](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](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 2022 dollars): 20% $31,500; 40% $62,000; 60% $110,100; 80% $199,500; 90% $289,900; 95% $416,700; 99% $1,008,900; 99.9% $4,536,000.

[4] Includes tax units with a change in federal tax burden of $10 or more in absolute value.

[5] After-tax income is expanded cash income less: individual income tax net of refundable credits; corporate income tax; payroll taxes (Social Security and Medicare); estate tax; and excise taxes.

[6] For income categories for which the baseline tax burden is negative, a positive percent change in after-tax income indicates a net increase in federal subsidies, and a negative percent change indicates a net decrease in federal subsidies.

[7] 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.

---

**Baseline Distribution of Income and Federal Taxes by Expanded Cash Income Percentile, 2026**

<table>
<thead>
<tr>
<th>Expanded Cash Income Percentile</th>
<th>Number of Tax Units (thousands)</th>
<th>Number of Pre-Tax Income</th>
<th>Federal Tax Burden</th>
<th>After-Tax Income</th>
<th>Average Federal Tax Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Percent of Total</td>
<td>Average (dollars)</td>
<td>Percent of Total</td>
<td>Average (dollars)</td>
<td>Percent of Total</td>
</tr>
<tr>
<td>Lowest Quintile</td>
<td>48,590</td>
<td>20,110</td>
<td>0.4</td>
<td>840</td>
<td>0.8</td>
</tr>
<tr>
<td>Second Quintile</td>
<td>41,180</td>
<td>50,240</td>
<td>8.5</td>
<td>4,980</td>
<td>4.0</td>
</tr>
<tr>
<td>Middle Quintile</td>
<td>38,100</td>
<td>92,420</td>
<td>14.5</td>
<td>14,060</td>
<td>10.4</td>
</tr>
<tr>
<td>Fourth Quintile</td>
<td>30,730</td>
<td>163,500</td>
<td>20.7</td>
<td>30,320</td>
<td>18.4</td>
</tr>
<tr>
<td>Top Quintile</td>
<td>25,380</td>
<td>499,290</td>
<td>52.2</td>
<td>134,390</td>
<td>66.1</td>
</tr>
<tr>
<td>All</td>
<td>110,000</td>
<td>1,368,390</td>
<td>15.3</td>
<td>1,033,890</td>
<td>23.5</td>
</tr>
</tbody>
</table>

**Addendum**

<table>
<thead>
<tr>
<th></th>
<th>80-90</th>
<th>90-95</th>
<th>95-99</th>
<th>99-99</th>
<th>99.9</th>
<th>99.9</th>
<th>99.9</th>
<th>99.9</th>
<th>99.9</th>
<th>99.9</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>13,010</td>
<td>7.0</td>
<td>263,870</td>
<td>14.2</td>
<td>57,850</td>
<td>14.6</td>
<td>206,010</td>
<td>14.0</td>
<td>21.9</td>
<td></td>
</tr>
<tr>
<td></td>
<td>6,360</td>
<td>3.4</td>
<td>376,090</td>
<td>9.9</td>
<td>91,000</td>
<td>11.2</td>
<td>285,090</td>
<td>9.5</td>
<td>24.2</td>
<td></td>
</tr>
<tr>
<td></td>
<td>4,840</td>
<td>2.6</td>
<td>647,790</td>
<td>12.9</td>
<td>179,340</td>
<td>16.8</td>
<td>468,450</td>
<td>11.9</td>
<td>27.7</td>
<td></td>
</tr>
<tr>
<td></td>
<td>1,170</td>
<td>0.6</td>
<td>3,168,390</td>
<td>15.3</td>
<td>1,033,890</td>
<td>23.5</td>
<td>2,334,490</td>
<td>33.1</td>
<td>32.6</td>
<td></td>
</tr>
<tr>
<td></td>
<td>120</td>
<td>0.1</td>
<td>13,949,660</td>
<td>6.9</td>
<td>4,600,360</td>
<td>10.8</td>
<td>9,349,310</td>
<td>5.9</td>
<td>33.0</td>
<td></td>
</tr>
</tbody>
</table>

### Table T22-0144

**Baseline: Current Law**

**Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2026**

#### Expandable Table

<table>
<thead>
<tr>
<th>Expanded Cash Income Percentile ¹, ²</th>
<th>Percent of Tax Units ³</th>
<th>Percent Change in After-Tax Income ⁴</th>
<th>Share of Total Federal Tax Change</th>
<th>Average Federal Tax Change</th>
<th>Share of Total Federal Taxes</th>
<th>Average Federal Tax Rate ⁷</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>With Tax Cut</td>
<td>With Tax Increase</td>
<td></td>
<td>Dollars</td>
<td>Percent</td>
<td>Change (% Points) Under the Proposal</td>
</tr>
<tr>
<td>Low Quintile</td>
<td>27.9</td>
<td>1.4</td>
<td>0.7</td>
<td>1.8</td>
<td>-140</td>
<td>-48.7</td>
</tr>
<tr>
<td>Second Quintile</td>
<td>57.1</td>
<td>4.3</td>
<td>0.9</td>
<td>4.6</td>
<td>-370</td>
<td>-9.3</td>
</tr>
<tr>
<td>Middle Quintile</td>
<td>80.5</td>
<td>10.1</td>
<td>1.2</td>
<td>10.2</td>
<td>-840</td>
<td>-7.3</td>
</tr>
<tr>
<td>Fourth Quintile</td>
<td>82.2</td>
<td>15.2</td>
<td>1.4</td>
<td>17.6</td>
<td>-1,600</td>
<td>-6.1</td>
</tr>
<tr>
<td>Top Quintile</td>
<td>81.8</td>
<td>17.3</td>
<td>2.1</td>
<td>65.8</td>
<td>-6,460</td>
<td>-5.7</td>
</tr>
<tr>
<td>All</td>
<td>64.0</td>
<td>9.1</td>
<td>1.7</td>
<td>100.0</td>
<td>-1,700</td>
<td>-6.1</td>
</tr>
</tbody>
</table>

**Addendum**

<table>
<thead>
<tr>
<th>Addendum</th>
<th>Percent of Tax Units ³</th>
<th>Percent Change in After-Tax Income ⁴</th>
<th>Share of Total Federal Tax Change</th>
<th>Average Federal Tax Change</th>
<th>Share of Total Federal Taxes</th>
<th>Average Federal Tax Rate ⁷</th>
</tr>
</thead>
<tbody>
<tr>
<td>80-90</td>
<td>81.1</td>
<td>17.9</td>
<td>1.3</td>
<td>12.4</td>
<td>-2,380</td>
<td>-4.9</td>
</tr>
<tr>
<td>90-95</td>
<td>82.7</td>
<td>16.4</td>
<td>1.9</td>
<td>11.7</td>
<td>-4,570</td>
<td>-5.9</td>
</tr>
<tr>
<td>95-99</td>
<td>84.7</td>
<td>14.8</td>
<td>2.9</td>
<td>22.9</td>
<td>-11,640</td>
<td>-7.7</td>
</tr>
<tr>
<td>Top 1 Percent</td>
<td>72.7</td>
<td>26.6</td>
<td>2.2</td>
<td>18.8</td>
<td>-41,160</td>
<td>-4.7</td>
</tr>
<tr>
<td>Top 0.1 Percent</td>
<td>64.2</td>
<td>35.5</td>
<td>1.9</td>
<td>7.0</td>
<td>-151,860</td>
<td>-3.8</td>
</tr>
</tbody>
</table>

#### Baseline Distribution of Income and Federal Taxes

by Expanded Cash Income Percentile Adjusted for Family Size, 2026

<table>
<thead>
<tr>
<th>Expanded Cash Income Percentile ¹, ²</th>
<th>Number of Tax Units (thousands)</th>
<th>Pre-Tax Income</th>
<th>Federal Tax Burden</th>
<th>After-Tax Income ³</th>
<th>Average Federal Tax Rate ⁷</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Average (dollars)</td>
<td>Percent of Total</td>
<td>Average (dollars)</td>
<td>Percent of Total</td>
</tr>
<tr>
<td>Low Quintile</td>
<td>40,590</td>
<td>19,090</td>
<td>3.2</td>
<td>280</td>
<td>0.2</td>
</tr>
<tr>
<td>Second Quintile</td>
<td>38,900</td>
<td>45,150</td>
<td>7.2</td>
<td>4,000</td>
<td>3.0</td>
</tr>
<tr>
<td>Middle Quintile</td>
<td>37,870</td>
<td>82,720</td>
<td>12.9</td>
<td>11,530</td>
<td>8.5</td>
</tr>
<tr>
<td>Fourth Quintile</td>
<td>34,560</td>
<td>142,720</td>
<td>20.3</td>
<td>26,320</td>
<td>17.6</td>
</tr>
<tr>
<td>Top Quintile</td>
<td>32,060</td>
<td>426,290</td>
<td>56.3</td>
<td>113,220</td>
<td>70.4</td>
</tr>
<tr>
<td>All</td>
<td>100,000</td>
<td>130,790</td>
<td>100.0</td>
<td>27,800</td>
<td>100.0</td>
</tr>
</tbody>
</table>

**Addendum**

<table>
<thead>
<tr>
<th>Addendum</th>
<th>Number of Tax Units (thousands)</th>
<th>Pre-Tax Income</th>
<th>Federal Tax Burden</th>
<th>After-Tax Income ³</th>
<th>Average Federal Tax Rate ⁷</th>
</tr>
</thead>
<tbody>
<tr>
<td>80-90</td>
<td>16,340</td>
<td>226,030</td>
<td>15.2</td>
<td>48,990</td>
<td>15.5</td>
</tr>
<tr>
<td>90-95</td>
<td>8,090</td>
<td>324,260</td>
<td>10.8</td>
<td>77,490</td>
<td>12.2</td>
</tr>
<tr>
<td>95-99</td>
<td>6,190</td>
<td>356,370</td>
<td>14.2</td>
<td>151,080</td>
<td>18.1</td>
</tr>
<tr>
<td>Top 1 Percent</td>
<td>1,440</td>
<td>2,716,130</td>
<td>16.1</td>
<td>881,130</td>
<td>24.6</td>
</tr>
<tr>
<td>Top 0.1 Percent</td>
<td>150</td>
<td>12,160,540</td>
<td>7.3</td>
<td>4,009,120</td>
<td>11.3</td>
</tr>
</tbody>
</table>

**Source:** Urban-Brookings Tax Policy Center Microsimulation Model (version 0722-2).

- **Number of AMT Taxpayers (millions): Baseline: 7.6 Proposal: 0.2**
- **Non-zero value rounded to zero; ** Insufficient data

1. Calendar year. Baseline is the law currently in place as of November 15, 2022. Proposal would make the individual income tax and estate tax provisions in the 2017 Tax Act ("The Tax Cuts and Jobs Act") permanent. Includes provisions affecting: individual income tax rates; alternative minimum tax (AMT); standard deduction; personal exemptions; qualified business income; child tax credit; credit for other dependents; SSN requirements; itemized deductions; moving expenses; and estate tax. For more information on TPC's baseline definitions, see 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/taxtopics/Expanded-Cash-Income.cfm

3. The income percentile classes used in this table are based on the income distribution for the entire population and contain an equal number of people, not tax units. The incomes used are adjusted for family size by dividing by the square root of the number of people in the tax unit. The resulting percentile breaks are (in 2022 dollars): 20% $22,400; 40% $43,500; 60% $73,900; 80% $122,700; 90% $177,900; 95% $250,200; 99% $587,100; 99.9% $2,614,500.

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

5. After-tax income is expanded cash income less: individual income tax net of refundable credits; corporate income tax; payroll taxes (Social Security and Medicare); estate tax; and excise taxes.

6. 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.

7. 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 T22-0144

**Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2026**

#### Baseline: Current Law

<table>
<thead>
<tr>
<th>Expanded Cash Income Percentile</th>
<th>With Tax Cut</th>
<th>With Tax Increase</th>
<th>Percent Change in After-Tax Income</th>
<th>Share of Total Federal Tax Change</th>
<th>Average Federal Tax Change</th>
<th>Share of Total Federal Taxes</th>
<th>Average Federal Tax Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Dollars</td>
<td>Percent</td>
<td></td>
<td>Dollars</td>
<td>Percent</td>
<td>Change (% of Total)</td>
<td></td>
</tr>
<tr>
<td>Lowest Quintile</td>
<td>-40</td>
<td>-5.0</td>
<td>0.0</td>
<td>0.0</td>
<td>-0.2</td>
<td>4.6</td>
<td></td>
</tr>
<tr>
<td>Second Quintile</td>
<td>0.0</td>
<td>1.5</td>
<td>0.0</td>
<td>0.0</td>
<td>6.0</td>
<td>9.3</td>
<td></td>
</tr>
<tr>
<td>Middle Quintile</td>
<td>-170</td>
<td>-4.9</td>
<td>0.0</td>
<td>0.0</td>
<td>-0.5</td>
<td>13.8</td>
<td></td>
</tr>
<tr>
<td>Fourth Quintile</td>
<td>-1,180</td>
<td>-5.8</td>
<td>-0.2</td>
<td>0.4</td>
<td>-1.1</td>
<td>18.3</td>
<td></td>
</tr>
<tr>
<td>Top Quintile</td>
<td>-2,150</td>
<td>-4.9</td>
<td>0.0</td>
<td>0.0</td>
<td>-1.2</td>
<td>25.7</td>
<td></td>
</tr>
<tr>
<td>All</td>
<td>-700</td>
<td>-5.0</td>
<td>0.0</td>
<td>0.0</td>
<td>-1.0</td>
<td>18.6</td>
<td></td>
</tr>
<tr>
<td>Addendum 80-90</td>
<td>-1,620</td>
<td>-4.4</td>
<td>0.1</td>
<td>0.1</td>
<td>-1.0</td>
<td>21.8</td>
<td></td>
</tr>
<tr>
<td>90-95</td>
<td>-3,040</td>
<td>-5.3</td>
<td>0.0</td>
<td>0.0</td>
<td>-1.3</td>
<td>23.3</td>
<td></td>
</tr>
<tr>
<td>Top 1 Percent</td>
<td>-20,000</td>
<td>-3.2</td>
<td>0.3</td>
<td>0.3</td>
<td>-1.1</td>
<td>32.9</td>
<td></td>
</tr>
<tr>
<td>Top 0.1 Percent</td>
<td>-108,620</td>
<td>-3.6</td>
<td>0.1</td>
<td>0.1</td>
<td>-1.3</td>
<td>33.8</td>
<td></td>
</tr>
</tbody>
</table>

#### Addendum

<table>
<thead>
<tr>
<th>Expanded Cash Income Percentile</th>
<th>Tax Units</th>
<th>Pre-Tax Income</th>
<th>Federal Tax Burden</th>
<th>After-Tax Income</th>
<th>Average Federal Tax Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number (thousands)</td>
<td>Percent of Total</td>
<td>Average (dollars)</td>
<td>Percent of Total</td>
<td>Average (dollars)</td>
</tr>
<tr>
<td>Lowest Quintile</td>
<td>26,230</td>
<td>28.4</td>
<td>15,380</td>
<td>6.1</td>
<td>740</td>
</tr>
<tr>
<td>Second Quintile</td>
<td>21,750</td>
<td>23.6</td>
<td>36,030</td>
<td>11.9</td>
<td>3,530</td>
</tr>
<tr>
<td>Middle Quintile</td>
<td>19,350</td>
<td>21.0</td>
<td>64,130</td>
<td>18.8</td>
<td>9,430</td>
</tr>
<tr>
<td>Fourth Quintile</td>
<td>14,340</td>
<td>15.6</td>
<td>104,540</td>
<td>22.7</td>
<td>20,340</td>
</tr>
<tr>
<td>Top Quintile</td>
<td>9,690</td>
<td>10.5</td>
<td>276,350</td>
<td>40.5</td>
<td>74,330</td>
</tr>
<tr>
<td>All</td>
<td>92,220</td>
<td>100.0</td>
<td>717,300</td>
<td>100.0</td>
<td>14,030</td>
</tr>
</tbody>
</table>

### Source


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

1. Calendar year. Baseline is the law currently in place as of November 15, 2022. Proposal would make the individual income tax and estate tax provisions in the 2017 Tax Act ("The Tax Cuts and Jobs Act") permanent. Includes provisions affecting: individual income tax rates; alternative minimum tax (AMT); standard deduction; personal exemptions; qualified business income; child tax credit; credit for other dependents; SSN requirements; itemized deductions; moving expenses; and estate tax. For more information on TPC's baseline definitions, see http://www.taxpolicycenter.org/taxtopics/Baseline-Definitions.cfm

2. Includes both filing and non-filing units but excludes those that are dependents of other tax units. Tax units with negative adjusted gross income are excluded from their respective income class but are included in the totals. For a description of expanded cash income, see http://www.taxpolicycenter.org/TaxModel/income.cfm

3. The income percentile classes used in this table are based on the income distribution for the entire population and contain an equal number of people, not tax units. The incomes used are adjusted for family size by dividing by the square root of the number of people in the tax unit. The resulting percentile breaks are in 2022 dollars: 20% $22,400; 40% $43,500; 60% $73,900; 80% $122,700; 90% $177,900; 95% $250,200; 99% $587,300; 99.9% $2,614,500.

4. Percent of Total Federal Tax Burden is the percentage of total federal tax burden of each family size group that is generated by families in that group. Percent of Total Federal Taxes is the proportion of federal taxes paid by families in that group.

5. 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

6. The income percentile classes used in this table are based on the income distribution for the entire population and contain an equal number of people, not tax units. The incomes used are adjusted for family size by dividing by the square root of the number of people in the tax unit. The resulting percentile breaks are in 2022 dollars: 20% $22,400; 40% $43,500; 60% $73,900; 80% $122,700; 90% $177,900; 95% $250,200; 99% $587,300; 99.9% $2,614,500.

7. 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

8. Percent of Total Federal Tax Burden is the percentage of total federal tax burden of each family size group that is generated by families in that group. Percent of Total Federal Taxes is the proportion of federal taxes paid by families in that group.

9. 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

10. The income percentile classes used in this table are based on the income distribution for the entire population and contain an equal number of people, not tax units. The incomes used are adjusted for family size by dividing by the square root of the number of people in the tax unit. The resulting percentile breaks are in 2022 dollars: 20% $22,400; 40% $43,500; 60% $73,900; 80% $122,700; 90% $177,900; 95% $250,200; 99% $587,300; 99.9% $2,614,500.

11. 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

12. The income percentile classes used in this table are based on the income distribution for the entire population and contain an equal number of people, not tax units. The incomes used are adjusted for family size by dividing by the square root of the number of people in the tax unit. The resulting percentile breaks are in 2022 dollars: 20% $22,400; 40% $43,500; 60% $73,900; 80% $122,700; 90% $177,900; 95% $250,200; 99% $587,300; 99.9% $2,614,500.

13. 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

14. The income percentile classes used in this table are based on the income distribution for the entire population and contain an equal number of people, not tax units. The incomes used are adjusted for family size by dividing by the square root of the number of people in the tax unit. The resulting percentile breaks are in 2022 dollars: 20% $22,400; 40% $43,500; 60% $73,900; 80% $122,700; 90% $177,900; 95% $250,200; 99% $587,300; 99.9% $2,614,500.

15. 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

16. The income percentile classes used in this table are based on the income distribution for the entire population and contain an equal number of people, not tax units. The incomes used are adjusted for family size by dividing by the square root of the number of people in the tax unit. The resulting percentile breaks are in 2022 dollars: 20% $22,400; 40% $43,500; 60% $73,900; 80% $122,700; 90% $177,900; 95% $250,200; 99% $587,300; 99.9% $2,614,500.
## Table T22-0144

### Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2026

#### Detail Table - Married Tax Units Filing Jointly

<table>
<thead>
<tr>
<th>Expanded Cash Income Percentile</th>
<th>Percent of Tax Units</th>
<th>Percent Change in After-Tax Income</th>
<th>Share of Total Federal Tax Change</th>
<th>Average Federal Tax Change</th>
<th>Share of Federal Taxes</th>
<th>Average Federal Tax Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>With Tax Cut</td>
<td>With Tax Increase</td>
<td>Dollars</td>
<td>Percent</td>
<td>Change (% Points)</td>
<td>Under the Proposal</td>
</tr>
<tr>
<td>Lowest Quintile</td>
<td>21.5</td>
<td>2.8</td>
<td>0.6</td>
<td>0.4</td>
<td>-140</td>
<td>-27.3</td>
</tr>
<tr>
<td>Second Quintile</td>
<td>42.6</td>
<td>5.1</td>
<td>0.6</td>
<td>1.4</td>
<td>-340</td>
<td>-8.0</td>
</tr>
<tr>
<td>Middle Quintile</td>
<td>77.5</td>
<td>11.3</td>
<td>1.0</td>
<td>5.6</td>
<td>-980</td>
<td>-7.1</td>
</tr>
<tr>
<td>Fourth Quintile</td>
<td>82.7</td>
<td>15.2</td>
<td>1.3</td>
<td>14.9</td>
<td>-1,950</td>
<td>-6.3</td>
</tr>
<tr>
<td>Top Quintile</td>
<td>86.1</td>
<td>18.5</td>
<td>2.2</td>
<td>77.6</td>
<td>-8,210</td>
<td>-6.2</td>
</tr>
<tr>
<td>All</td>
<td>70.7</td>
<td>11.2</td>
<td>1.8</td>
<td>100.0</td>
<td>-3,310</td>
<td>-6.3</td>
</tr>
</tbody>
</table>

#### Addendum

<table>
<thead>
<tr>
<th>Quintile</th>
<th>Percent of Tax Units</th>
<th>Percent Change in After-Tax Income</th>
<th>Share of Total Federal Tax Change</th>
<th>Average Federal Tax Change</th>
<th>Share of Federal Taxes</th>
<th>Average Federal Tax Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>80-90</td>
<td>82.8</td>
<td>16.7</td>
<td>1.4</td>
<td>12.9</td>
<td>-2,830</td>
<td>-5.1</td>
</tr>
<tr>
<td>90-95</td>
<td>87.1</td>
<td>12.4</td>
<td>1.9</td>
<td>13.1</td>
<td>5,400</td>
<td>-6.2</td>
</tr>
<tr>
<td>95-99</td>
<td>93.3</td>
<td>6.4</td>
<td>3.2</td>
<td>28.4</td>
<td>-14,490</td>
<td>-8.5</td>
</tr>
<tr>
<td>Top 1</td>
<td>82.6</td>
<td>17.1</td>
<td>2.5</td>
<td>23.1</td>
<td>-49,130</td>
<td>-5.2</td>
</tr>
<tr>
<td>0.1</td>
<td>67.6</td>
<td>32.2</td>
<td>1.9</td>
<td>7.8</td>
<td>-170,440</td>
<td>-4.0</td>
</tr>
</tbody>
</table>


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

1. Calendar year. Baseline is the law currently in place as of November 15, 2022. Proposal would make the individual income tax and estate tax provisions in the 2017 Tax Act ("The Tax Cuts and Jobs Act") permanent. Includes provisions affecting: individual income tax rates; alternative minimum tax (AMT); standard deduction; personal exemptions; qualified business income; child tax credit; credit for other dependents; SSN requirements; itemized deductions; moving expenses; and estate tax. For more information on TPC's baseline definitions, see http://www.taxpolicycenter.org/taxtopics/Baseline-Definitions.cfm

2. Includes both filing and non-filing units but excludes those that are dependents of other tax units. Tax units with negative adjusted gross income are excluded from their respective income class but are included in the totals. For a description of expanded cash income, see http://www.taxpolicycenter.org/TaxModel/income.cfm

3. The income percentile classes used in this table are based on the income distribution for the entire population and contain an equal number of people, not tax units. The incomes used are adjusted for family size by dividing by the square root of the number of people in the tax unit. The resulting percentile breaks are (in 2022 dollars): 20% $22,400; 40% $43,500; 60% $73,900; 80% $122,700; 90% $177,900; 95% $250,200; 99% $587,300; 99.9% $2,614,500.

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

5. After-tax income is expanded cash income less: individual income tax net of refundable credits; corporate income tax; payroll taxes (Social Security and Medicare); estate tax; and excise taxes.

6. 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.

7. 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.

---

### Expanded Cash Income Percentiles

<table>
<thead>
<tr>
<th>Expanded Cash Income Percentile</th>
<th>Number (thousands)</th>
<th>Percent of Total</th>
<th>Average (dollars)</th>
<th>Percent of Total</th>
<th>Average (dollars)</th>
<th>Percent of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lowest Quintile</td>
<td>6,600</td>
<td>10.2</td>
<td>25,760</td>
<td>1.1</td>
<td>510</td>
<td>0.1</td>
</tr>
<tr>
<td>Second Quintile</td>
<td>8,700</td>
<td>13.4</td>
<td>59,030</td>
<td>3.4</td>
<td>4,240</td>
<td>1.1</td>
</tr>
<tr>
<td>Middle Quintile</td>
<td>12,370</td>
<td>19.1</td>
<td>107,610</td>
<td>8.8</td>
<td>13,690</td>
<td>5.0</td>
</tr>
<tr>
<td>Fourth Quintile</td>
<td>16,460</td>
<td>25.3</td>
<td>176,570</td>
<td>19.3</td>
<td>31,110</td>
<td>15.0</td>
</tr>
<tr>
<td>Top Quintile</td>
<td>20,330</td>
<td>31.3</td>
<td>500,730</td>
<td>67.5</td>
<td>132,300</td>
<td>78.6</td>
</tr>
<tr>
<td>All</td>
<td>64,970</td>
<td>100.0</td>
<td>232,360</td>
<td>100.0</td>
<td>52,660</td>
<td>100.0</td>
</tr>
</tbody>
</table>

#### Addendum

<table>
<thead>
<tr>
<th>Quintile</th>
<th>Number (thousands)</th>
<th>Percent of Total</th>
<th>Average (dollars)</th>
<th>Percent of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>80-90</td>
<td>9,860</td>
<td>15.2</td>
<td>263,300</td>
<td>17.2</td>
</tr>
<tr>
<td>90-95</td>
<td>5,240</td>
<td>8.1</td>
<td>369,770</td>
<td>12.8</td>
</tr>
<tr>
<td>95-99</td>
<td>4,220</td>
<td>6.5</td>
<td>630,170</td>
<td>17.6</td>
</tr>
<tr>
<td>Top 1 Percent</td>
<td>1,010</td>
<td>1.6</td>
<td>2,954,060</td>
<td>19.8</td>
</tr>
<tr>
<td>0.1</td>
<td>100</td>
<td>0.2</td>
<td>13,032,920</td>
<td>8.5</td>
</tr>
</tbody>
</table>

---

### Baseline Distribution of Income and Federal Taxes

by Expanded Cash Income Percentile Adjusted for Family Size, 2026

---

**Note:** This table presents data on the distribution of income and federal taxes by expanded cash income percentile, adjusted for family size. It includes information on average tax rates, income categories, and changes in tax burden. The data are derived from the Urban-Brookings Tax Policy Center Microsimulation Model and are updated as of November 15, 2022. For more detailed information and methodology, please visit the Tax Policy Center's website at http://www.taxpolicycenter.org.
### Table T22-0144

**Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2026**

<table>
<thead>
<tr>
<th>Expanded Cash Income</th>
<th>Percent of Tax Units</th>
<th>Percent Change in After-Tax Income</th>
<th>Share of Total Federal Tax Change</th>
<th>Average Federal Tax Change</th>
<th>Share of Federal Taxes</th>
<th>Average Federal Tax Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>With Tax Cut</td>
<td>With Tax Increase</td>
<td>$\text{dollars}$</td>
<td>$%$</td>
<td>Under the Proposal</td>
<td>$%$</td>
</tr>
<tr>
<td>Lowest Quintile</td>
<td>73.2</td>
<td>2.3</td>
<td>1.8</td>
<td>13.9</td>
<td>-510</td>
<td>30.3</td>
</tr>
<tr>
<td>Second Quintile</td>
<td>90.3</td>
<td>5.2</td>
<td>2.0</td>
<td>28.1</td>
<td>-1,000</td>
<td>-20.9</td>
</tr>
<tr>
<td>Middle Quintile</td>
<td>90.3</td>
<td>8.6</td>
<td>1.8</td>
<td>27.5</td>
<td>-1,450</td>
<td>-10.4</td>
</tr>
<tr>
<td>Fourth Quintile</td>
<td>81.8</td>
<td>17.9</td>
<td>1.5</td>
<td>19.0</td>
<td>-1,870</td>
<td>-6.2</td>
</tr>
<tr>
<td>Top Quintile</td>
<td>74.5</td>
<td>24.9</td>
<td>1.0</td>
<td>11.4</td>
<td>-2,680</td>
<td>-2.7</td>
</tr>
<tr>
<td>All</td>
<td>83.2</td>
<td>7.4</td>
<td>1.6</td>
<td>100.0</td>
<td>-1,120</td>
<td>-9.3</td>
</tr>
</tbody>
</table>

**Addendum**

<table>
<thead>
<tr>
<th></th>
<th>Percent of Tax Units</th>
<th>Percent Change in After-Tax Income</th>
<th>Share of Total Federal Tax Change</th>
<th>Average Federal Tax Change</th>
<th>Share of Federal Taxes</th>
<th>Average Federal Tax Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>80-90</td>
<td>77.6</td>
<td>22.0</td>
<td>1.3</td>
<td>5.9</td>
<td>-2,240</td>
<td>-4.3</td>
</tr>
<tr>
<td>90-95</td>
<td>74.4</td>
<td>24.8</td>
<td>0.9</td>
<td>2.1</td>
<td>-1,990</td>
<td>-2.9</td>
</tr>
<tr>
<td>95-99</td>
<td>62.4</td>
<td>36.5</td>
<td>0.6</td>
<td>1.0</td>
<td>-2,280</td>
<td>-1.6</td>
</tr>
<tr>
<td>Top 1 Percent</td>
<td>54.5</td>
<td>44.9</td>
<td>0.8</td>
<td>2.4</td>
<td>-19,020</td>
<td>-1.7</td>
</tr>
<tr>
<td>Top 0.1 Percent</td>
<td>65.6</td>
<td>34.3</td>
<td>1.1</td>
<td>2.1</td>
<td>-176,570</td>
<td>-2.4</td>
</tr>
</tbody>
</table>

### Baseline Distribution of Income and Federal Taxes by Expanded Cash Income Percentile Adjusted for Family Size, 2026

<table>
<thead>
<tr>
<th>Expanded Cash Income Percentile</th>
<th>Percent of Total</th>
<th>Average Federal Tax Burden (dollars)</th>
<th>Percent of Total</th>
<th>Average Federal Tax Rate (points)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lowest Quintile</td>
<td>30.8</td>
<td>-6,680</td>
<td>12.5</td>
<td>-6.3</td>
</tr>
<tr>
<td>Second Quintile</td>
<td>21.3</td>
<td>-1,990</td>
<td>23.3</td>
<td>8.5</td>
</tr>
<tr>
<td>Middle Quintile</td>
<td>21.2</td>
<td>-2,280</td>
<td>25.1</td>
<td>14.5</td>
</tr>
<tr>
<td>Fourth Quintile</td>
<td>21.2</td>
<td>-19,020</td>
<td>25.1</td>
<td>14.5</td>
</tr>
<tr>
<td>Top Quintile</td>
<td>22.1</td>
<td>-176,570</td>
<td>26.0</td>
<td></td>
</tr>
<tr>
<td>All</td>
<td>100.0</td>
<td>69,550</td>
<td>100.0</td>
<td>14.8</td>
</tr>
</tbody>
</table>

**Addendum**

<table>
<thead>
<tr>
<th></th>
<th>Number (thousands)</th>
<th>Average (dollars)</th>
<th>Percent of Total</th>
<th>Average (dollars)</th>
<th>Percent of Total</th>
<th>Average Federal Tax Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>80-90</td>
<td>690</td>
<td>327,310</td>
<td>8.3</td>
<td>57,110</td>
<td>12.6</td>
<td>175,600</td>
</tr>
<tr>
<td>90-95</td>
<td>290</td>
<td>297,130</td>
<td>4.4</td>
<td>68,420</td>
<td>6.9</td>
<td>228,710</td>
</tr>
<tr>
<td>95-99</td>
<td>120</td>
<td>533,400</td>
<td>3.5</td>
<td>144,010</td>
<td>6.1</td>
<td>389,400</td>
</tr>
<tr>
<td>Top 1 Percent</td>
<td>30</td>
<td>3,542,900</td>
<td>6.2</td>
<td>1,132,540</td>
<td>13.4</td>
<td>3,410,250</td>
</tr>
<tr>
<td>Top 0.1 Percent</td>
<td>0</td>
<td>22,983,060</td>
<td>3.8</td>
<td>7,495,970</td>
<td>8.3</td>
<td>15,487,090</td>
</tr>
</tbody>
</table>

*Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0722-2).*

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

1. Calendar year. Baseline is the law currently in place as of November 15, 2022. Proposal would make the individual income tax and estate tax provisions in the 2017 Tax Act permanent. Includes provisions affecting: individual income tax rates; alternative minimum tax (AMT); standard deduction; personal exemptions; qualified business income; child tax credit; credit for other dependents; SSN requirements; itemized deductions; moving expenses; and estate tax. For more information on TPC's baseline definitions, see 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/taxtopics/Income-Definitions.cfm

3. The income percentile classes used in this table are based on the income distribution for the entire population and contain an equal number of people, not tax units. The incomes used are adjusted for family size by dividing by the square root of the number of people in the tax unit. The resulting percentile breaks are (in 2022 dollars): 20% $22,400; 40% $43,500; 60% $73,900; 80% $122,700; 90% $177,900; 95% $250,200; 99% $587,300; 99.9% $2,614,500.

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

5. Federal tax is expanded cash income less: individual income tax net of refundable credits; corporate income tax; payroll taxes (Social Security and Medicare); estate tax; and excise taxes.

6. Federal tax 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. 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 T22-0144

Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2026

<table>
<thead>
<tr>
<th>Expanded Cash Income Percentile</th>
<th>Percent Change in After-Tax Income</th>
<th>Share of Total Federal Tax Change</th>
<th>Average Federal Tax Change</th>
<th>Share of Total Federal Taxes</th>
<th>Average Federal Tax Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Dollars</td>
<td>Percent</td>
<td>Change (% Points)</td>
<td>Under the Proposal</td>
<td>Change (% Points)</td>
</tr>
<tr>
<td>Lowest Quintile</td>
<td>1.6</td>
<td>3.4</td>
<td>-460</td>
<td>31.0</td>
<td>-0.3</td>
</tr>
<tr>
<td>Second Quintile</td>
<td>2.1</td>
<td>7.2</td>
<td>-940</td>
<td>16.9</td>
<td>-0.3</td>
</tr>
<tr>
<td>Middle Quintile</td>
<td>2.1</td>
<td>10.3</td>
<td>-1,510</td>
<td>4.7</td>
<td>-0.2</td>
</tr>
<tr>
<td>Fourth Quintile</td>
<td>3.0</td>
<td>16.0</td>
<td>-2,830</td>
<td>6.1</td>
<td>0.2</td>
</tr>
<tr>
<td>Top Quintile</td>
<td>4.0</td>
<td>63.0</td>
<td>-8,760</td>
<td>6.0</td>
<td>0.6</td>
</tr>
<tr>
<td>All</td>
<td>2.0</td>
<td>100.0</td>
<td>-2,810</td>
<td>-6.8</td>
<td>0.0</td>
</tr>
</tbody>
</table>

| Addendum                        |                                  |                                  |                           |                             |                         |                         |                         |
| 80-90                           | 1.4                               | 10.8                             | -3,310                    | 4.8                         | 0.3                     | 15.7                    | -1.1                    | 22.0                    |
| 90-95                           | 2.4                               | 12.2                             | -7,730                    | 7.1                         | 0.0                     | 11.7                    | -1.8                    | 23.7                    |
| 95-99                           | 3.3                               | 22.0                             | -17,140                   | 8.1                         | -1.3                    | 18.4                    | -2.3                    | 26.5                    |
| Top 1 Percent                   | 2.3                               | 18.0                             | -53,540                   | 4.8                         | 0.6                     | 26.4                    | -1.6                    | 31.3                    |
| Top 0.1 Percent                 | 1.7                               | 5.7                              | -176,280                  | -3.5                        | 0.4                     | 11.4                    | -1.2                    | 31.7                    |

### Baseline Distribution of Income and Federal Taxes

by Expanded Cash Income Percentile Adjusted for Family Size, 2026

<table>
<thead>
<tr>
<th>Expanded Cash Income Percentile</th>
<th>Tax Units</th>
<th>Pre-Tax Income</th>
<th>Federal Tax Burden</th>
<th>After-Tax Income</th>
<th>Average Federal Tax Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number (thousands)</td>
<td>Average (dollars)</td>
<td>Percent of Total</td>
<td>Average (dollars)</td>
<td>Percent of Total</td>
</tr>
<tr>
<td>Lowest Quintile</td>
<td>10,960</td>
<td>21.3</td>
<td>27,510</td>
<td>3.2</td>
<td>-1,480</td>
</tr>
<tr>
<td>Second Quintile</td>
<td>11,190</td>
<td>21.7</td>
<td>60,840</td>
<td>7.2</td>
<td>5,550</td>
</tr>
<tr>
<td>Middle Quintile</td>
<td>9,960</td>
<td>19.3</td>
<td>113,570</td>
<td>11.9</td>
<td>17,130</td>
</tr>
<tr>
<td>Fourth Quintile</td>
<td>9,800</td>
<td>19.0</td>
<td>195,660</td>
<td>20.2</td>
<td>39,200</td>
</tr>
<tr>
<td>Top Quintile</td>
<td>9,420</td>
<td>18.3</td>
<td>582,040</td>
<td>57.7</td>
<td>162,720</td>
</tr>
<tr>
<td>All</td>
<td>51,570</td>
<td>100.0</td>
<td>884,240</td>
<td>100.0</td>
<td>41,500</td>
</tr>
</tbody>
</table>

| Addendum                        |          |                |                   |                 |                         |                 |
| 80-90                           | 4,760    | 9.2            | 300,020           | 15.0            | 69,290                 | 15.4            | 230,740 | 14.9 | 23.1 |
| 90-95                           | 2,300    | 4.5            | 428,340           | 10.4            | 109,200                | 11.7            | 319,140 | 10.0 | 25.5 |
| 95-99                           | 1,870    | 3.6            | 739,420           | 14.6            | 212,680                | 18.6            | 526,740 | 13.4 | 28.8 |
| Top 1 Percent                   | 490      | 1.0            | 3,430,800         | 17.7            | 1,127,010              | 25.9            | 3,503,800 | 15.4 | 32.9 |
| Top 0.1 Percent                 | 50       | 0.1            | 15,269,160        | 7.6             | 5,011,610              | 11.0            | 10,257,550 | 6.6  | 32.8 |


* 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 November 15, 2022. Proposal would make the individual income tax and estate tax provisions in the 2017 Tax Act ("The Tax Cuts and Jobs Act") permanent. Includes provisions affecting: individual income tax rates; alternative minimum tax (AMT); standard deduction; personal exemptions; qualified business income; child tax credit; credit for other dependents; SSN requirements; itemized deductions; moving expenses; and estate tax. For more information on TPC's baseline definitions, see 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 total. For a description of expanded cash income, see http://www.taxpolicycenter.org/taxtopics/Expanded-Cash-Income.cfm

(3) The income percentile classes used in this table are based on the income distribution for the entire population and contain an equal number of people, not tax units. The incomes used are adjusted for family size by dividing by the square root of the number of people in the tax unit. The resulting percentile breaks are (in 2022 dollars): 20% $22,400; 40% $43,500; 60% $73,900; 80% $122,700; 90% $177,900; 95% $250,200; 99% $587,300; 99.9% $2,614,500.

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

(5) After-tax income is expanded cash income less: individual income tax net of refundable credits; corporate income tax; payroll taxes (Social Security and Medicare); estate tax; and excise taxes.

(6) 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.

(7) 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.
Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2026

Table T22-0144

Baseline: Current Law

<table>
<thead>
<tr>
<th>Expanded Cash Income Percentile</th>
<th>Percent of Tax Units</th>
<th>Percent Change in After-Tax Income</th>
<th>Share of Total Federal Tax Change</th>
<th>Average Federal Tax Change</th>
<th>Share of Federal Taxes</th>
<th>Average Federal Tax Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>With Tax Cut</td>
<td>With Tax Increase</td>
<td>Dollars</td>
<td>Percent</td>
<td>Change (% Points)</td>
<td>Under the Proposal</td>
</tr>
<tr>
<td>--------------------------------</td>
<td>----------------------</td>
<td>-----------------------------------</td>
<td>----------------------------------</td>
<td>---------------------------</td>
<td>------------------------</td>
<td>-------------------------</td>
</tr>
<tr>
<td>Lowest Quintile</td>
<td>3.0</td>
<td>0.3</td>
<td>0.1</td>
<td>0.1</td>
<td>-10</td>
<td>-3.9</td>
</tr>
<tr>
<td>Second Quintile</td>
<td>19.2</td>
<td>2.5</td>
<td>0.2</td>
<td>1.2</td>
<td>-60</td>
<td>-4.7</td>
</tr>
<tr>
<td>Middle Quintile</td>
<td>67.3</td>
<td>10.7</td>
<td>0.7</td>
<td>8.6</td>
<td>-510</td>
<td>-8.4</td>
</tr>
<tr>
<td>Fourth Quintile</td>
<td>78.3</td>
<td>14.5</td>
<td>1.2</td>
<td>17.9</td>
<td>-1,400</td>
<td>-8.5</td>
</tr>
<tr>
<td>Top Quintile</td>
<td>77.4</td>
<td>20.3</td>
<td>2.2</td>
<td>71.9</td>
<td>-7,000</td>
<td>-6.9</td>
</tr>
<tr>
<td>All</td>
<td>45.6</td>
<td>8.6</td>
<td>1.5</td>
<td>100.0</td>
<td>-1,370</td>
<td>-7.2</td>
</tr>
<tr>
<td>Addendum</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>80-90</td>
<td>77.6</td>
<td>19.9</td>
<td>1.4</td>
<td>12.6</td>
<td>-2,360</td>
<td>-6.8</td>
</tr>
<tr>
<td>90-95</td>
<td>74.8</td>
<td>22.4</td>
<td>1.9</td>
<td>10.9</td>
<td>-4,470</td>
<td>-7.6</td>
</tr>
<tr>
<td>95-99</td>
<td>81.4</td>
<td>17.6</td>
<td>3.4</td>
<td>25.4</td>
<td>-12,980</td>
<td>-10.3</td>
</tr>
<tr>
<td>Top 1 Percent</td>
<td>72.6</td>
<td>25.6</td>
<td>2.3</td>
<td>23.0</td>
<td>-44,300</td>
<td>-4.9</td>
</tr>
<tr>
<td>Top 0.1 Percent</td>
<td>59.7</td>
<td>40.1</td>
<td>1.6</td>
<td>8.0</td>
<td>-122,140</td>
<td>-3.2</td>
</tr>
</tbody>
</table>

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2026

<table>
<thead>
<tr>
<th>Expanded Cash Income Percentile</th>
<th>Tax Units</th>
<th>Pre-Tax Income</th>
<th>Federal Tax Burden</th>
<th>After-Tax Income</th>
<th>Average Federal Tax Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number (thousands)</td>
<td>Average (dollars)</td>
<td>Average (dollars)</td>
<td>Average (dollars)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Percent of Total</td>
<td>Percent of Total</td>
<td>Percent of Total</td>
<td>Percent of Total</td>
<td></td>
</tr>
<tr>
<td>Lowest Quintile</td>
<td>9,870</td>
<td>19.1</td>
<td>19,000</td>
<td>3.2</td>
<td>240</td>
</tr>
<tr>
<td>Second Quintile</td>
<td>12,800</td>
<td>24.8</td>
<td>41,270</td>
<td>9.1</td>
<td>1,370</td>
</tr>
<tr>
<td>Middle Quintile</td>
<td>11,940</td>
<td>23.2</td>
<td>76,370</td>
<td>15.7</td>
<td>6,030</td>
</tr>
<tr>
<td>Fourth Quintile</td>
<td>9,040</td>
<td>17.5</td>
<td>129,980</td>
<td>20.2</td>
<td>16,540</td>
</tr>
<tr>
<td>Top Quintile</td>
<td>7,260</td>
<td>14.1</td>
<td>414,090</td>
<td>51.8</td>
<td>101,930</td>
</tr>
<tr>
<td>All</td>
<td>51,570</td>
<td>100.0</td>
<td>112,670</td>
<td>100.0</td>
<td>19,170</td>
</tr>
<tr>
<td>Addendum</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>80-90</td>
<td>3,800</td>
<td>7.4</td>
<td>204,040</td>
<td>13.3</td>
<td>34,790</td>
</tr>
<tr>
<td>90-95</td>
<td>1,720</td>
<td>3.3</td>
<td>292,730</td>
<td>8.7</td>
<td>58,460</td>
</tr>
<tr>
<td>95-99</td>
<td>1,380</td>
<td>2.7</td>
<td>506,310</td>
<td>12.0</td>
<td>126,240</td>
</tr>
<tr>
<td>Top 1 Percent</td>
<td>370</td>
<td>0.7</td>
<td>2,856,300</td>
<td>17.7</td>
<td>907,970</td>
</tr>
<tr>
<td>Top 0.1 Percent</td>
<td>50</td>
<td>0.1</td>
<td>116,870,100</td>
<td>9.3</td>
<td>3,855,950</td>
</tr>
</tbody>
</table>


Note: Elderly tax units are those with either head or spouse (if filing jointly) age 65 or older.

Calendar year. Baseline is the law currently in place as of November 15, 2022. Proposal would make the individual income tax and estate tax provisions in the 2017 Tax Act ("The Tax Cuts and Jobs Act") permanent. Includes provisions affecting: individual income tax rates; alternative minimum tax (AMT); standard deduction; personal exemptions; qualified business income; child tax credit; credit for other dependents; SSN requirements; itemized deductions; moving expenses; and estate tax. For more information on TPC's baseline definitions, see http://www.taxpolicycenter.org/taxtopics/Baseline-Definitions.cfm

(1) Large family size by dividing by the square root of the number of people in the tax unit. The resulting percentile breaks are (in 2022 dollars): 20% $22,400; 40% $43,500; 60% $73,900; 80% $122,700; 90% $177,900; 95% $250,200; 99% $587,300; 99.9% $2,614,500.

(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/taxtopics/Expanded-Cash-Income.cfm

(3) The income percentile classes used in this table are based on the income distribution for the entire population and contain an equal number of people, not tax units. The incomes used are adjusted for family size by dividing the square root of the number of people in the tax unit. The resulting percentile breaks are (in 2022 dollars): 20% $22,400; 40% $43,500; 60% $73,900; 80% $122,700; 90% $177,900; 95% $250,200; 99% $587,300; 99.9% $2,614,500.

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

(5) After-tax income is expanded cash income less: individual income tax net of refundable credits; corporate income tax; payroll taxes (Social Security and Medicare); estate tax; and excise taxes.

(6) 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.

(7) 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.