

Table T22-0265
Tax Benefit of Retirement Savings Incentives (Present Value Approach)
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Level, 2026¹
Detail Table

Expanded Cash Income Level (thousands of 2022 dollars) ²	Percent of Tax Units ³		Benefit as a Percent of After-Tax Income ⁴	Share of Total Benefit	Average Benefit		Share of Federal Taxes		Average Federal Tax Rate ⁶	
	With Benefit	Without Benefit			Dollars	Percent of Federal Taxes ⁵	With Provision	Without Provision	With Provision	Without Provision
Less than 10	*	**	-0.1	0.0	*	-1.3	0.1	0.0	4.9	4.8
10-20	3.6	96.4	0.0	0.0	10	1.1	0.2	0.2	3.1	3.1
20-30	12.0	88.0	0.2	0.4	60	4.5	0.5	0.5	4.5	4.7
30-40	23.0	77.0	0.5	1.0	180	6.7	0.8	0.8	6.9	7.4
40-50	31.2	68.8	0.6	1.4	280	5.9	1.3	1.3	9.5	10.1
50-75	43.2	56.8	0.9	4.8	520	5.9	4.5	4.5	12.9	13.7
75-100	53.2	46.8	1.2	6.6	970	6.6	5.5	5.6	15.3	16.3
100-200	65.8	34.2	1.5	24.9	1,910	6.6	20.8	21.1	18.7	19.9
200-500	80.8	19.2	2.4	42.6	5,740	7.7	30.3	31.0	23.3	25.1
500-1,000	82.6	17.4	2.1	11.9	11,250	5.4	12.1	12.1	28.3	29.9
More than 1,000	77.8	22.2	0.7	6.5	15,570	1.5	23.6	22.7	32.6	33.1
All	41.8	58.2	1.5	100.0	1,530	5.5	100.0	100.0	21.3	22.4

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Level, 2026¹

Expanded Cash Income Level (thousands of 2022 dollars) ²	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income ⁴		Average Federal Tax Rate ⁵
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	
Less than 10	8,090	4.4	5,950	0.2	290	0.1	5,660	0.2	4.9
10-20	18,970	10.2	16,860	1.3	520	0.2	16,340	1.6	3.1
20-30	18,950	10.2	27,500	2.2	1,240	0.5	26,260	2.6	4.5
30-40	16,070	8.7	38,500	2.6	2,670	0.8	35,840	3.0	6.9
40-50	14,000	7.6	49,580	2.9	4,720	1.3	44,860	3.3	9.5
50-75	26,260	14.2	68,230	7.4	8,820	4.5	59,410	8.2	12.9
75-100	19,390	10.5	95,980	7.7	14,720	5.5	81,260	8.3	15.3
100-200	36,970	19.9	155,790	23.7	29,080	20.8	126,710	24.5	18.7
200-500	21,080	11.4	318,450	27.7	74,220	30.3	244,230	26.9	23.3
500-1,000	3,010	1.6	733,090	9.1	207,560	12.1	525,530	8.3	28.3
More than 1,000	1,190	0.6	3,140,910	15.4	1,024,630	23.6	2,116,270	13.2	32.6
All	185,520	100.0	130,790	100.0	27,800	100.0	102,990	100.0	21.3

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

Number of AMT Taxpayers (millions). Baseline: 7.6

Proposal: 8.4

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

(1) Calendar Year. Baseline is current law as of December 21, 2022. Does not include the impact of provisions in the Secure 2.0 Act of 2022, passed by Congress on December 23, 2022. Table shows the tax benefit from retirement savings tax incentives, measured by a present-value method. The present value method estimates the tax benefits as the difference between the present value of future retirement benefits from current year contributions to retirement saving plans and the present value of those retirement benefits if the same amounts were saved outside of qualified retirement plans and were not eligible for the savers' credit. The benefit of future taxes as a share of income are adjusted to account for a measure of additional future income from current year saving. 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) 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 T22-0265
Tax Benefit of Retirement Savings Incentives (Present Value Approach)
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Level, 2026 ¹
Detail Table - Single Tax Units

Expanded Cash Income Level (thousands of 2022 dollars) ²	Percent of Tax Units ³		Benefit as a Percent of After-Tax Income ⁴	Share of Total Benefit	Average Benefit		Share of Federal Taxes		Average Federal Tax Rate ⁶	
	With Benefit	Without Benefit			Dollars	Percent of Federal Taxes ⁵	With Provision	Without Provision	With Provision	Without Provision
Less than 10	*	**	-0.1	0.0	*	-0.8	0.2	0.2	6.6	6.6
10-20	4.3	95.7	0.1	0.2	10	1.3	1.0	0.9	4.9	4.9
20-30	14.6	85.4	0.3	1.3	70	3.6	2.0	2.0	7.3	7.6
30-40	25.1	74.9	0.5	2.5	190	4.9	2.9	2.8	10.0	10.4
40-50	34.3	65.7	0.6	3.0	270	4.5	3.7	3.7	12.0	12.6
50-75	45.2	54.8	0.9	10.8	520	5.1	11.9	11.8	15.2	16.0
75-100	59.5	40.5	1.6	16.1	1,260	7.2	12.4	12.6	18.4	19.7
100-200	65.8	34.2	2.1	37.0	2,370	7.2	28.7	29.2	22.3	23.9
200-500	71.8	28.2	2.4	22.7	5,440	6.7	18.8	19.0	26.1	27.9
500-1,000	70.1	29.9	1.7	4.2	8,730	4.0	5.9	5.8	30.3	31.5
More than 1,000	60.8	39.2	0.5	2.1	11,220	1.0	12.3	11.8	35.3	35.6
All	32.3	67.7	1.4	100.0	780	5.6	100.0	100.0	19.6	20.7

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Level, 2026 ¹

Expanded Cash Income Level (thousands of 2022 dollars) ²	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income ⁴		Average Federal Tax Rate ⁵
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	
Less than 10	6,650	7.2	5,940	0.6	390	0.2	5,550	0.7	6.6
10-20	15,260	16.5	16,770	3.9	820	1.0	15,950	4.6	4.9
20-30	13,010	14.1	27,280	5.4	2,000	2.0	25,290	6.2	7.3
30-40	9,630	10.4	38,520	5.6	3,830	2.9	34,680	6.3	10.0
40-50	8,080	8.8	49,600	6.1	5,950	3.7	43,650	6.6	12.0
50-75	14,820	16.1	68,070	15.3	10,350	11.9	57,730	16.1	15.2
75-100	9,180	10.0	95,240	13.2	17,520	12.4	77,720	13.4	18.4
100-200	11,250	12.2	147,940	25.2	33,040	28.7	114,900	24.3	22.3
200-500	3,000	3.3	310,320	14.1	81,010	18.8	229,320	12.9	26.1
500-1,000	340	0.4	730,570	3.8	221,280	5.9	509,290	3.3	30.3
More than 1,000	140	0.2	3,321,570	6.8	1,171,590	12.3	2,149,980	5.5	35.3
All	92,220	100.0	71,730	100.0	14,030	100.0	57,700	100.0	19.6

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

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

(1) Calendar Year. Baseline is current law as of December 21, 2022. Does not include the impact of provisions in the Secure 2.0 Act of 2022, passed by Congress on December 23, 2022. Table shows the tax benefit from retirement savings tax incentives, measured by a present-value method. The present value method estimates the tax benefits as the difference between the present value of future retirement benefits from current year contributions to retirement saving plans and the present value of those retirement benefits if the same amounts were saved outside of qualified retirement plans and were not eligible for the savers' credit. The benefit of future taxes as a share of income are adjusted to account for a measure of additional future income from current year saving. 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) 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 T22-0265
Tax Benefit of Retirement Savings Incentives (Present Value Approach)
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Level, 2026 ¹
Detail Table - Married Tax Units Filing Jointly

Expanded Cash Income Level (thousands of 2022 dollars) ²	Percent of Tax Units ³		Benefit as a Percent of After-Tax Income ⁴	Share of Total Benefit	Average Benefit		Share of Federal Taxes		Average Federal Tax Rate ⁶	
	With Benefit	Without Benefit			Dollars	Percent of Federal Taxes ⁵	With Provision	Without Provision	With Provision	Without Provision
Less than 10	*	**	0.0	0.0	0	-0.2	0.0	0.0	3.7	3.7
10-20	0.2	99.8	0.0	0.0	*	-0.7	0.0	0.0	2.8	2.7
20-30	0.9	99.1	0.0	0.0	*	-0.1	0.1	0.1	2.4	2.4
30-40	6.0	94.0	0.1	0.0	30	2.8	0.1	0.1	2.5	2.6
40-50	10.8	89.2	0.1	0.1	70	3.5	0.2	0.2	3.9	4.1
50-75	25.4	74.7	0.4	0.8	240	4.4	0.9	0.9	7.9	8.2
75-100	38.7	61.3	0.5	1.6	440	4.0	2.0	2.0	11.1	11.6
100-200	63.8	36.2	1.1	17.5	1,510	5.6	16.4	16.4	16.6	17.5
200-500	82.6	17.4	2.3	54.2	5,740	7.9	36.2	37.1	22.7	24.5
500-1,000	84.8	15.2	2.2	16.7	11,680	5.7	15.5	15.6	28.0	29.6
More than 1,000	80.8	19.2	0.8	9.1	16,360	1.7	28.4	27.4	32.3	32.9
All	53.7	46.4	1.5	100.0	2,770	5.3	100.0	100.0	22.7	23.9

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Level, 2026 ¹

Expanded Cash Income Level (thousands of 2022 dollars) ²	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income ⁴		Average Federal Tax Rate ⁵
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	
Less than 10	780	1.2	5,050	0.0	190	0.0	4,870	0.0	3.7
10-20	1,540	2.4	16,890	0.2	470	0.0	16,420	0.2	2.8
20-30	2,670	4.1	28,060	0.5	660	0.1	27,400	0.6	2.4
30-40	2,900	4.5	38,510	0.7	970	0.1	37,540	0.9	2.5
40-50	2,780	4.3	49,590	0.9	1,950	0.2	47,640	1.1	3.9
50-75	5,880	9.1	68,790	2.7	5,410	0.9	63,390	3.2	7.9
75-100	6,470	10.0	96,960	4.2	10,770	2.0	86,190	4.8	11.1
100-200	20,890	32.2	161,450	22.3	26,810	16.4	134,640	24.1	16.6
200-500	16,990	26.2	320,910	36.1	72,950	36.2	247,950	36.1	22.7
500-1,000	2,580	4.0	733,100	12.5	205,540	15.5	527,550	11.7	28.0
More than 1,000	1,000	1.5	3,012,610	19.9	973,460	28.4	2,039,160	17.4	32.3
All	64,970	100.0	232,360	100.0	52,660	100.0	179,700	100.0	22.7

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

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

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

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

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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.

Table T22-0265
Tax Benefit of Retirement Savings Incentives (Present Value Approach)
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Level, 2026 ¹
Detail Table - Head of Household Tax Units

Expanded Cash Income Level (thousands of 2022 dollars) ²	Percent of Tax Units ³		Benefit as a Percent of After-Tax Income ⁴	Share of Total Benefit	Average Benefit		Share of Federal Taxes		Average Federal Tax Rate ⁶	
	With Benefit	Without Benefit			Dollars	Percent of Federal Taxes ⁵	With Provision	Without Provision	With Provision	Without Provision
Less than 10	0.0	100.0	-0.2	0.0	-20	2.0	-0.2	-0.2	-13.8	-14.1
10-20	0.1	99.9	-0.1	-0.2	-30	1.4	-1.3	-1.2	-11.3	-11.4
20-30	10.6	89.4	0.1	0.5	40	-2.1	-1.9	-1.7	-6.7	-6.6
30-40	31.8	68.2	0.8	3.6	300	128.8	0.3	0.5	0.6	1.4
40-50	44.0	56.0	1.2	5.4	540	16.5	3.0	3.2	6.6	7.7
50-75	59.2	40.8	1.5	15.8	880	11.5	12.6	12.9	11.3	12.5
75-100	65.3	34.7	1.5	13.9	1,200	8.8	14.4	14.3	14.1	15.4
100-200	76.1	23.9	2.2	39.2	2,650	9.4	38.3	38.4	19.0	20.8
200-500	79.7	20.3	2.9	19.0	6,600	9.4	18.5	18.6	23.8	26.0
500-1,000	77.3	22.7	1.7	1.7	8,650	4.1	3.8	3.7	28.9	30.0
More than 1,000	68.7	31.3	0.4	1.3	13,780	0.9	12.5	11.5	32.0	32.3
All	45.8	54.2	1.6	100.0	1,110	9.2	100.0	100.0	14.8	16.2

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Level, 2026 ¹

Expanded Cash Income Level (thousands of 2022 dollars) ²	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income ⁴		Average Federal Tax Rate ⁵
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	
Less than 10	520	2.2	7,270	0.2	-1,000	-0.2	8,280	0.3	-13.8
10-20	1,910	8.1	17,490	1.7	-1,970	-1.3	19,460	2.3	-11.3
20-30	2,920	12.4	27,860	4.2	-1,880	-1.9	29,740	5.3	-6.7
30-40	3,130	13.3	38,460	6.3	230	0.3	38,230	7.3	0.6
40-50	2,620	11.1	49,520	6.8	3,280	3.0	46,240	7.4	6.6
50-75	4,690	19.9	67,900	16.6	7,640	12.6	60,260	17.3	11.3
75-100	3,020	12.8	95,760	15.1	13,530	14.4	82,230	15.2	14.1
100-200	3,840	16.3	149,160	29.9	28,340	38.3	120,820	28.4	19.0
200-500	750	3.2	295,250	11.5	70,120	18.5	225,130	10.3	23.8
500-1,000	50	0.2	734,680	2.0	212,070	3.8	522,610	1.6	28.9
More than 1,000	20	0.1	4,672,930	5.8	1,493,720	12.5	3,179,210	4.6	32.0
All	23,520	100.0	81,630	100.0	12,080	100.0	69,550	100.0	14.8

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

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Tax Benefit of Retirement Savings Incentives (Present Value Approach)
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Level, 2026 ¹
Detail Table - Tax Units with Children

Expanded Cash Income Level (thousands of 2022 dollars) ²	Percent of Tax Units ³		Benefit as a Percent of After-Tax Income ⁴	Share of Total Benefit	Average Benefit		Share of Federal Taxes		Average Federal Tax Rate ⁶	
	With Benefit	Without Benefit			Dollars	Percent of Federal Taxes ⁵	With Provision	Without Provision	With Provision	Without Provision
Less than 10	0.0	100.0	-0.4	0.0	-30	3.1	0.0	0.0	-14.7	-15.2
10-20	0.4	99.7	-0.2	-0.1	-30	1.4	-0.3	-0.3	-12.2	-12.4
20-30	10.9	89.1	0.1	0.1	40	-2.3	-0.3	-0.3	-6.2	-6.1
30-40	28.0	72.1	0.7	0.8	260	96.7	0.1	0.1	0.7	1.4
40-50	40.1	59.9	1.0	1.1	450	15.0	0.5	0.6	6.1	7.0
50-75	54.6	45.4	1.3	3.5	780	10.6	2.3	2.4	10.8	11.9
75-100	62.6	37.4	1.3	3.6	1,090	8.3	3.0	3.0	13.6	14.8
100-200	78.5	21.6	1.9	20.2	2,430	8.3	16.8	17.0	18.3	19.8
200-500	90.5	9.5	2.9	47.2	7,180	9.5	34.4	35.2	23.6	25.8
500-1,000	90.1	10.0	2.7	15.0	14,210	6.7	15.4	15.3	28.7	30.6
More than 1,000	87.3	12.7	1.0	8.6	20,690	2.1	28.1	26.8	32.7	33.4
All	58.5	41.5	2.0	100.0	2,870	6.9	100.0	100.0	22.5	24.1

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Level, 2026 ¹

Expanded Cash Income Level (thousands of 2022 dollars) ²	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income ⁴		Average Federal Tax Rate ⁵
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	
Less than 10	780	1.5	7,360	0.1	-1,080	0.0	8,450	0.1	-14.7
10-20	2,740	5.3	17,360	0.5	-2,120	-0.3	19,470	0.7	-12.2
20-30	4,160	8.1	27,910	1.2	-1,740	-0.3	29,650	1.7	-6.2
30-40	4,370	8.5	38,600	1.8	270	0.1	38,330	2.3	0.7
40-50	3,610	7.0	49,450	1.9	3,020	0.5	46,430	2.3	6.1
50-75	6,610	12.8	68,250	4.8	7,370	2.3	60,880	5.5	10.8
75-100	4,840	9.4	96,170	4.9	13,110	3.0	83,070	5.5	13.6
100-200	12,320	23.9	159,940	20.7	29,210	16.8	130,730	21.9	18.3
200-500	9,730	18.9	321,120	32.9	75,650	34.4	245,470	32.4	23.6
500-1,000	1,560	3.0	735,820	12.1	210,910	15.4	524,920	11.1	28.7
More than 1,000	620	1.2	2,987,510	19.4	976,380	28.1	2,011,130	16.8	32.7
All	51,570	100.0	184,240	100.0	41,500	100.0	142,740	100.0	22.5

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

* 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 current law as of December 21, 2022. Does not include the impact of provisions in the Secure 2.0 Act of 2022, passed by Congress on December 23, 2022. Table shows the tax benefit from retirement savings tax incentives, measured by a present-value method. The present value method estimates the tax benefits as the difference between the present value of future retirement benefits from current year contributions to retirement saving plans and the present value of those retirement benefits if the same amounts were saved outside of qualified retirement plans and were not eligible for the savers' credit. The benefit of future taxes as a share of income are adjusted to account for a measure of additional future income from current year saving. 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) 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 T22-0265
Tax Benefit of Retirement Savings Incentives (Present Value Approach)
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Level, 2026¹
Detail Table - Elderly Tax Units

Expanded Cash Income Level (thousands of 2022 dollars) ²	Percent of Tax Units ³		Benefit as a Percent of After-Tax Income ⁴	Share of Total Benefit	Average Benefit		Share of Federal Taxes		Average Federal Tax Rate ⁶	
	With Benefit	Without Benefit			Dollars	Percent of Federal Taxes ⁵	With Provision	Without Provision	With Provision	Without Provision
Less than 10	0.0	100.0	0.0	0.0	0	-0.1	0.0	0.0	2.4	2.4
10-20	0.2	99.8	0.0	0.0	0	-0.1	0.1	0.1	1.1	1.1
20-30	0.5	99.5	0.0	0.0	*	0.1	0.4	0.4	2.4	2.4
30-40	2.0	98.0	0.0	0.3	10	0.5	0.6	0.6	3.0	3.0
40-50	3.8	96.2	0.0	0.8	20	0.8	1.0	1.0	4.4	4.4
50-75	8.8	91.2	0.1	4.1	50	1.1	3.9	3.9	7.1	7.2
75-100	16.7	83.3	0.1	6.0	110	1.2	5.4	5.4	9.8	9.9
100-200	30.3	69.7	0.2	24.5	260	1.2	21.5	21.5	14.3	14.5
200-500	43.9	56.1	0.4	39.1	1,070	1.7	24.9	25.1	20.5	20.8
500-1,000	54.9	45.1	0.6	15.4	2,980	1.5	10.7	10.7	26.9	27.4
More than 1,000	52.1	47.9	0.2	9.7	3,890	0.3	30.8	30.6	32.7	32.8
All	13.7	86.4	0.2	100.0	200	1.1	100.0	100.0	17.0	17.2

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Level, 2026¹

Expanded Cash Income Level (thousands of 2022 dollars) ²	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income ⁴		Average Federal Tax Rate ⁵
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	
Less than 10	1,180	2.3	5,820	0.1	140	0.0	5,680	0.1	2.4
10-20	5,680	11.0	17,490	1.7	190	0.1	17,300	2.0	1.1
20-30	6,100	11.8	27,360	2.9	650	0.4	26,700	3.4	2.4
30-40	5,260	10.2	38,640	3.5	1,160	0.6	37,480	4.1	3.0
40-50	4,710	9.1	49,620	4.0	2,180	1.0	47,430	4.6	4.4
50-75	7,920	15.4	67,910	9.3	4,820	3.9	63,090	10.4	7.1
75-100	5,670	11.0	96,020	9.4	9,400	5.4	86,620	10.2	9.8
100-200	9,800	19.0	151,870	25.6	21,680	21.5	130,190	26.5	14.3
200-500	3,800	7.4	316,780	20.7	64,930	24.9	251,850	19.8	20.5
500-1,000	540	1.0	727,290	6.7	195,910	10.7	531,380	5.9	26.9
More than 1,000	260	0.5	3,610,250	16.1	1,178,650	30.8	2,431,600	13.0	32.7
All	51,570	100.0	112,670	100.0	19,170	100.0	93,500	100.0	17.0

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

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

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

(1) Calendar Year. Baseline is current law as of December 21, 2022. Does not include the impact of provisions in the Secure 2.0 Act of 2022, passed by Congress on December 23, 2022. Table shows the tax benefit from retirement savings tax incentives, measured by a present-value method. The present value method estimates the tax benefits as the difference between the present value of future retirement benefits from current year contributions to retirement saving plans and the present value of those retirement benefits if the same amounts were saved outside of qualified retirement plans and were not eligible for the savers' credit. The benefit of future taxes as a share of income are adjusted to account for a measure of additional future income from current year saving. 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>

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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.