

Table T23-0085
Tax Benefit of the Itemized Deduction for State and Local Taxes
Baseline: Current Law Plus Higher Standard Deduction in the Tax Cuts for Working Families Act
Distribution of Federal Tax Change by Expanded Cash Income Percentile, 2024 ¹
Detail Table

Expanded Cash Income Percentile ^{2,3}	Percent of Tax Units ⁴		Benefit as a Percent of After- Tax Income ⁵	Share of Total Benefit	Average Benefit		Share of Federal Taxes		Average Federal Tax Rate ⁷	
	With Benefit	Without Benefit			Dollars	Percent of Federal Taxes ⁶	With Provision	Without Provision	With Provision	Without Provision
Lowest Quintile	0.1	99.9	0.0	0.0	0	0.0	0.7	0.7	3.5	3.5
Second Quintile	1.3	98.7	0.0	0.8	*	0.1	3.3	3.3	8.0	8.0
Middle Quintile	5.4	94.6	0.1	6.7	40	0.3	9.9	9.9	13.7	13.8
Fourth Quintile	12.0	88.0	0.1	19.6	130	0.5	18.5	18.5	17.6	17.7
Top Quintile	28.5	71.6	0.2	72.8	570	0.5	67.3	67.3	25.2	25.3
All	7.3	92.7	0.1	100.0	110	0.5	100.0	100.0	19.7	19.8
Addendum										
80-90	18.6	81.4	0.1	17.2	270	0.5	14.8	14.8	20.7	20.8
90-95	26.0	74.0	0.2	14.4	460	0.6	11.4	11.4	22.8	22.9
95-99	46.1	54.0	0.3	27.1	1,110	0.7	16.6	16.7	25.2	25.4
Top 1 Percent	77.4	22.6	0.1	14.1	2,390	0.3	24.6	24.5	30.6	30.7
Top 0.1 Percent	88.2	11.8	0.0	1.7	2,760	0.1	12.1	12.0	31.2	31.2

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile, 2024 ¹

Expanded Cash Income Percentile ^{2,3}	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income ⁵		Average Federal Tax Rate ⁶
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	
Lowest Quintile	48,250	26.0	18,900	4.0	660	0.7	18,240	4.8	3.5
Second Quintile	40,810	22.0	45,700	8.2	3,640	3.3	42,060	9.4	8.0
Middle Quintile	38,220	20.6	85,000	14.3	11,660	9.9	73,340	15.4	13.7
Fourth Quintile	30,860	16.7	152,080	20.7	26,810	18.5	125,280	21.2	17.6
Top Quintile	25,430	13.7	471,570	52.8	118,620	67.3	352,960	49.2	25.2
All	#####	100.0	122,650	100.0	24,190	100.0	98,460	100.0	19.7
Addendum									
80-90	13,020	7.0	246,000	14.1	50,810	14.8	195,190	13.9	20.7
90-95	6,360	3.4	352,110	9.9	80,150	11.4	271,960	9.5	22.8
95-99	4,870	2.6	606,090	13.0	152,800	16.6	453,290	12.1	25.2
Top 1 Percent	1,180	0.6	3,050,320	15.8	933,390	24.6	2,116,940	13.7	30.6
Top 0.1 Percent	120	0.1	14,319,000	7.6	4,470,020	12.1	9,848,980	6.5	31.2

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0323-2).

Number of AMT Taxpayers (millions). Baseline: 0.2

Proposal: 0.3

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

(1) Calendar year. Baseline is the law currently in place as of Sep 6, 2023 plus enactment of the following provisions in the Tax Cuts for Working Families Act: Rename the standard deduction the "guaranteed deduction" and for taxable years 2024 and 2025 provide a bonus guaranteed deduction of \$4,000 for married couples filing jointly; \$3,000 for heads of household; and \$2,000 for singles and married individuals filing a separate return. The bonus amount would be indexed for inflation after 2024. The bonus amount would be reduced, but not below 0, by 5 percent of the amount by which modified adjusted gross income exceeds \$400,000 for married couples filing jointly; \$300,000 for heads of household, and \$200,000 for singles and married individuals filing a separate return. Table shows the tax benefit of the itemized deduction for state and local taxes. 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 2023 dollars): 20% \$30,300; 40% \$59,100; 60% \$106,600; 80% \$194,700; 90% \$283,400; 95% \$409,500; 99% \$974,300; 99.9% \$4,331,000.

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

(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 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.

(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 T23-0085
Tax Benefit of the Itemized Deduction for State and Local Taxes
Baseline: Current Law Plus Higher Standard Deduction in the Tax Cuts for Working Families Act
Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2024 ¹
Detail Table

Expanded Cash Income Percentile ^{2,3}	Percent of Tax Units ⁴		Benefit as a Percent of After- Tax Income ⁵	Share of Total Benefit	Average Benefit		Share of Federal Taxes		Average Federal Tax Rate ⁷	
	With Benefit	Without Benefit			Dollars	Percent of Federal Taxes ⁶	With Provision	Without Provision	With Provision	Without Provision
Lowest Quintile	*	**	0.0	0.0	0	0.1	0.0	0.0	0.2	0.2
Second Quintile	0.6	99.5	0.0	0.3	*	0.1	2.5	2.5	7.0	7.0
Middle Quintile	3.3	96.7	0.0	2.9	20	0.2	7.9	7.9	12.4	12.4
Fourth Quintile	9.5	90.5	0.1	14.8	90	0.4	17.5	17.5	17.1	17.2
Top Quintile	27.3	72.7	0.2	81.9	510	0.5	71.8	71.8	24.9	25.0
All	7.3	92.7	0.1	100.0	110	0.5	100.0	100.0	19.7	19.8
Addendum										
80-90	17.0	83.0	0.1	17.5	210	0.5	15.8	15.8	20.5	20.6
90-95	26.9	73.1	0.2	16.7	410	0.6	12.3	12.3	22.4	22.6
95-99	44.3	55.7	0.3	31.7	1,020	0.8	17.9	18.0	24.8	25.0
Top 1 Percent	73.5	26.5	0.1	16.1	2,200	0.3	25.7	25.7	30.4	30.5
Top 0.1 Percent	86.9	13.1	0.0	1.9	2,630	0.1	12.6	12.6	31.2	31.2

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2024 ¹

Expanded Cash Income Percentile ^{2,3}	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income ⁵		Average Federal Tax Rate ⁶
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	
Lowest Quintile	39,880	21.5	18,000	3.2	40	0.0	17,960	3.9	0.2
Second Quintile	39,090	21.1	40,970	7.1	2,880	2.5	38,090	8.2	7.0
Middle Quintile	37,770	20.4	75,930	12.6	9,410	7.9	66,520	13.8	12.4
Fourth Quintile	34,570	18.7	132,550	20.2	22,660	17.5	109,890	20.8	17.1
Top Quintile	32,260	17.4	401,160	56.9	99,710	71.8	301,450	53.3	24.9
All	#####	100.0	122,650	100.0	24,190	100.0	98,460	100.0	19.7
Addendum									
80-90	16,440	8.9	210,280	15.2	43,090	15.8	167,200	15.1	20.5
90-95	8,120	4.4	302,590	10.8	67,910	12.3	234,680	10.5	22.4
95-99	6,230	3.4	519,210	14.2	128,870	17.9	390,340	13.3	24.8
Top 1 Percent	1,460	0.8	2,588,110	16.7	787,590	25.7	1,800,520	14.5	30.4
Top 0.1 Percent	150	0.1	12,447,950	8.0	3,885,460	12.6	8,562,490	6.8	31.2

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0323-2).

Number of AMT Taxpayers (millions). Baseline: 0.2

Proposal: 0.3

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

(1) Calendar year. Baseline is the law currently in place as of Sep 6, 2023 plus enactment of the following provisions in the Tax Cuts for Working Families Act: Rename the standard deduction the "guaranteed deduction" and for taxable years 2024 and 2025 provide a bonus guaranteed deduction of \$4,000 for married couples filing jointly; \$3,000 for heads of household; and \$2,000 for singles and married individuals filing a separate return. The bonus amount would be indexed for inflation after 2024. The bonus amount would be reduced, but not below 0, by 5 percent of the amount by which modified adjusted gross income exceeds \$400,000 for married couples filing jointly; \$300,000 for heads of household, and \$200,000 for singles and married individuals filing a separate return. Table shows the tax benefit of the itemized deduction for state and local taxes. 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 2023 dollars): 20% \$21,400; 40% \$41,400; 60% \$71,600; 80% \$119,800; 90% \$173,800; 95% \$245,800; 99% \$568,300; 99.9% \$2,504,300.

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

(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 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.

(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 T23-0085
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Baseline: Current Law Plus Higher Standard Deduction in the Tax Cuts for Working Families Act
Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2024 ¹
Detail Table - Single Tax Units

Expanded Cash Income Percentile ^{2,3}	Percent of Tax Units ⁴		Benefit as a Percent of After- Tax Income ⁵	Share of Total Benefit	Average Benefit		Share of Federal Taxes		Average Federal Tax Rate ⁷	
	With Benefit	Without Benefit			Dollars	Percent of Federal Taxes ⁶	With Provision	Without Provision	With Provision	Without Provision
Lowest Quintile	*	**	0.0	0.0	0	0.0	1.4	1.4	4.5	4.5
Second Quintile	0.6	99.4	0.0	0.5	*	0.1	5.5	5.5	8.9	8.9
Middle Quintile	3.4	96.6	0.0	3.5	10	0.2	13.1	13.1	13.4	13.5
Fourth Quintile	11.2	88.8	0.1	17.6	90	0.5	22.2	22.2	18.2	18.3
Top Quintile	35.9	64.1	0.3	78.4	590	0.9	57.4	57.6	25.5	25.7
All	6.6	93.4	0.2	100.0	80	0.7	100.0	100.0	18.5	18.7
Addendum										
80-90	25.1	74.9	0.3	21.9	300	0.9	15.5	15.5	21.8	22.0
90-95	41.0	59.0	0.4	19.3	600	1.2	10.6	10.6	23.1	23.4
95-99	54.8	45.2	0.4	27.4	1,180	1.3	14.0	14.1	25.7	26.1
Top 1 Percent	74.4	25.6	0.2	9.9	2,040	0.4	17.4	17.3	32.2	32.4
Top 0.1 Percent	85.8	14.2	0.0	1.2	2,530	0.1	8.3	8.2	33.2	33.3

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2024 ¹

Expanded Cash Income Percentile ^{2,3}	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income ⁵		Average Federal Tax Rate ⁶
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	
Lowest Quintile	25,840	27.4	14,590	5.9	660	1.4	13,930	6.9	4.5
Second Quintile	22,370	23.7	32,860	11.4	2,930	5.5	29,930	12.8	8.9
Middle Quintile	19,820	21.0	58,780	18.1	7,890	13.1	50,890	19.3	13.4
Fourth Quintile	14,930	15.8	97,200	22.6	17,720	22.2	79,490	22.7	18.2
Top Quintile	10,280	10.9	260,920	41.7	66,580	57.4	194,340	38.2	25.5
All	94,250	100.0	68,180	100.0	12,640	100.0	55,540	100.0	18.5
Addendum									
80-90	5,610	6.0	150,970	13.2	32,930	15.5	118,030	12.6	21.8
90-95	2,500	2.7	217,560	8.5	50,300	10.6	167,260	8.0	23.1
95-99	1,790	1.9	361,900	10.1	93,110	14.0	268,790	9.2	25.7
Top 1 Percent	370	0.4	1,715,580	10.0	552,870	17.4	1,162,710	8.3	32.2
Top 0.1 Percent	40	0.0	8,496,190	4.6	2,823,150	8.3	5,673,040	3.8	33.2

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0323-2).

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

(1) Calendar year. Baseline is the law currently in place as of Sep 6, 2023 plus enactment of the following provisions in the Tax Cuts for Working Families Act: Rename the standard deduction the "guaranteed deduction" and for taxable years 2024 and 2025 provide a bonus guaranteed deduction of \$4,000 for married couples filing jointly; \$3,000 for heads of household; and \$2,000 for singles and married individuals filing a separate return. The bonus amount would be indexed for inflation after 2024. The bonus amount would be reduced, but not below 0, by 5 percent of the amount by which modified adjusted gross income exceeds \$400,000 for married couples filing jointly; \$300,000 for heads of household, and \$200,000 for singles and married individuals filing a separate return. Table shows the tax benefit of the itemized deduction for state and local taxes. 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 2023 dollars): 20% \$21,400; 40% \$41,400; 60% \$71,600; 80% \$119,800; 90% \$173,800; 95% \$245,800; 99% \$568,300; 99.9% \$2,504,300.

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

(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 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.

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Table T23-0085
Tax Benefit of the Itemized Deduction for State and Local Taxes
Baseline: Current Law Plus Higher Standard Deduction in the Tax Cuts for Working Families Act
Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2024 ¹
Detail Table - Married Tax Units Filing Jointly

Expanded Cash Income Percentile ^{2,3}	Percent of Tax Units ⁴		Benefit as a Percent of After- Tax Income ⁵	Share of Total Benefit	Average Benefit		Share of Federal Taxes		Average Federal Tax Rate ⁷	
	With Benefit	Without Benefit			Dollars	Percent of Federal Taxes ⁶	With Provision	Without Provision	With Provision	Without Provision
Lowest Quintile	0.0	100.0	0.0	0.0	0	0.0	0.1	0.1	1.2	1.2
Second Quintile	0.3	99.7	0.0	0.1	*	0.0	0.9	0.9	5.7	5.7
Middle Quintile	2.8	97.2	0.0	1.7	20	0.1	4.7	4.7	11.3	11.3
Fourth Quintile	7.5	92.5	0.1	10.8	70	0.3	14.8	14.8	16.3	16.3
Top Quintile	22.8	77.2	0.1	87.4	470	0.4	79.3	79.3	24.6	24.7
All	9.5	90.5	0.1	100.0	170	0.4	100.0	100.0	21.0	21.1
Addendum										
80-90	12.0	88.0	0.1	14.2	160	0.3	16.2	16.2	19.9	20.0
90-95	19.4	80.7	0.1	15.1	320	0.4	13.5	13.5	22.2	22.3
95-99	39.8	60.2	0.2	36.8	960	0.7	20.5	20.6	24.5	24.7
Top 1 Percent	73.5	26.5	0.1	21.4	2,300	0.3	29.1	29.0	30.0	30.1
Top 0.1 Percent	87.6	12.4	0.0	2.5	2,770	0.1	13.7	13.6	30.8	30.9

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2024 ¹

Expanded Cash Income Percentile ^{2,3}	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income ⁵		Average Federal Tax Rate ⁶
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	
Lowest Quintile	6,810	10.4	23,970	1.2	290	0.1	23,670	1.4	1.2
Second Quintile	8,950	13.7	53,460	3.4	3,070	0.9	50,390	4.0	5.7
Middle Quintile	12,370	19.0	99,380	8.7	11,200	4.7	88,180	9.8	11.3
Fourth Quintile	16,340	25.0	164,940	19.1	26,840	14.8	138,100	20.2	16.3
Top Quintile	20,260	31.0	472,720	67.7	116,190	79.3	356,530	64.6	24.6
All	65,280	100.0	216,640	100.0	45,470	100.0	171,170	100.0	21.0
Addendum									
80-90	9,840	15.1	245,770	17.1	48,920	16.2	196,860	17.3	19.9
90-95	5,200	8.0	346,880	12.7	77,070	13.5	269,820	12.5	22.2
95-99	4,200	6.4	590,850	17.6	144,960	20.5	445,890	16.8	24.5
Top 1 Percent	1,020	1.6	2,820,790	20.3	847,350	29.1	1,973,440	18.0	30.0
Top 0.1 Percent	100	0.2	13,182,330	9.3	4,064,940	13.7	9,117,390	8.1	30.8

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0323-2).

* 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>

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(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.

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Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2024 ¹
Detail Table - Head of Household Tax Units

Expanded Cash Income Percentile ^{2,3}	Percent of Tax Units ⁴		Benefit as a Percent of After- Tax Income ⁵	Share of Total Benefit	Average Benefit		Share of Federal Taxes		Average Federal Tax Rate ⁷	
	With Benefit	Without Benefit			Dollars	Percent of Federal Taxes ⁶	With Provision	Without Provision	With Provision	Without Provision
Lowest Quintile	0.0	100.0	0.0	0.0	0	0.0	-8.3	-8.3	-10.5	-10.5
Second Quintile	0.4	99.6	0.0	0.8	*	0.1	7.4	7.4	4.5	4.5
Middle Quintile	3.5	96.5	0.0	10.0	20	0.2	24.0	24.0	12.3	12.3
Fourth Quintile	11.4	88.6	0.1	34.8	140	0.6	29.8	29.9	18.2	18.3
Top Quintile	30.8	69.2	0.2	54.3	520	0.6	47.0	47.0	25.5	25.6
All	3.6	96.4	0.1	100.0	50	0.5	100.0	100.0	12.7	12.7
Addendum										
80-90	22.7	77.3	0.2	20.6	320	0.7	14.2	14.2	21.6	21.8
90-95	38.4	61.6	0.3	13.7	550	0.9	7.5	7.6	22.2	22.4
95-99	50.4	49.7	0.3	13.4	1,240	0.9	6.8	6.8	26.3	26.5
Top 1 Percent	69.1	30.9	0.1	6.7	2,120	0.2	18.4	18.4	31.4	31.5
Top 0.1 Percent	85.6	14.5	0.0	0.8	2,730	0.0	12.6	12.5	31.8	31.8

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2024 ¹

Expanded Cash Income Percentile ^{2,3}	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income ⁵		Average Federal Tax Rate ⁶
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	
Lowest Quintile	6,910	30.8	24,930	10.1	-2,610	-8.3	27,540	12.7	-10.5
Second Quintile	7,080	31.5	51,070	21.1	2,270	7.4	48,800	23.1	4.5
Middle Quintile	4,790	21.3	88,240	24.7	10,870	24.0	77,370	24.8	12.3
Fourth Quintile	2,530	11.3	140,510	20.8	25,500	29.8	115,010	19.5	18.2
Top Quintile	1,080	4.8	369,800	23.3	94,270	47.0	275,530	19.9	25.5
All	22,450	100.0	76,260	100.0	9,650	100.0	66,610	100.0	12.7
Addendum									
80-90	670	3.0	210,760	8.3	45,570	14.2	165,190	7.4	21.6
90-95	260	1.2	282,730	4.3	62,690	7.5	220,030	3.8	22.2
95-99	110	0.5	501,980	3.3	131,800	6.8	370,190	2.8	26.3
Top 1 Percent	30	0.2	3,880,150	7.4	1,218,400	18.4	2,661,750	5.8	31.4
Top 0.1 Percent	*	0.0	28,600,480	5.0	9,098,460	12.6	19,502,020	3.9	31.8

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0323-2).

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

(1) Calendar year. Baseline is the law currently in place as of Sep 6, 2023 plus enactment of the following provisions in the Tax Cuts for Working Families Act: Rename the standard deduction the "guaranteed deduction" and for taxable years 2024 and 2025 provide a bonus guaranteed deduction of \$4,000 for married couples filing jointly; \$3,000 for heads of household; and \$2,000 for singles and married individuals filing a separate return. The bonus amount would be indexed for inflation after 2024. The bonus amount would be reduced, but not below 0, by 5 percent of the amount by which modified adjusted gross income exceeds \$400,000 for married couples filing jointly; \$300,000 for heads of household, and \$200,000 for singles and married individuals filing a separate return. Table shows the tax benefit of the itemized deduction for state and local taxes. 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 2023 dollars): 20% \$21,400; 40% \$41,400; 60% \$71,600; 80% \$119,800; 90% \$173,800; 95% \$245,800; 99% \$568,300; 99.9% \$2,504,300.

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

(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 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.

(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 T23-0085
Tax Benefit of the Itemized Deduction for State and Local Taxes
Baseline: Current Law Plus Higher Standard Deduction in the Tax Cuts for Working Families Act
Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2024 ¹
Detail Table - Tax Units with Children

Expanded Cash Income Percentile ^{2,3}	Percent of Tax Units ⁴		Benefit as a Percent of After- Tax Income ⁵	Share of Total Benefit	Average Benefit		Share of Federal Taxes		Average Federal Tax Rate ⁷	
	With Benefit	Without Benefit			Dollars	Percent of Federal Taxes ⁶	With Provision	Without Provision	With Provision	Without Provision
Lowest Quintile	0.0	100.0	0.0	0.0	0	0.0	-1.4	-1.4	-8.8	-8.8
Second Quintile	0.6	99.4	0.0	0.3	*	0.1	1.8	1.8	5.4	5.4
Middle Quintile	3.8	96.2	0.0	3.2	30	0.2	7.6	7.6	13.3	13.3
Fourth Quintile	10.9	89.1	0.1	16.0	130	0.4	18.1	18.1	18.4	18.5
Top Quintile	31.4	68.6	0.2	80.6	680	0.5	73.7	73.7	26.0	26.1
All	8.7	91.3	0.1	100.0	160	0.4	100.0	100.0	20.5	20.6
Addendum										
80-90	18.1	81.9	0.1	15.0	250	0.4	15.9	15.9	21.8	21.9
90-95	29.6	70.4	0.2	15.5	530	0.6	12.0	12.0	23.7	23.8
95-99	54.6	45.4	0.3	34.3	1,450	0.8	18.6	18.7	26.1	26.3
Top 1 Percent	80.9	19.1	0.1	15.7	2,610	0.3	27.2	27.1	30.7	30.8
Top 0.1 Percent	90.8	9.2	0.0	1.8	3,000	0.1	12.8	12.7	31.0	31.0

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2024 ¹

Expanded Cash Income Percentile ^{2,3}	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income ⁵		Average Federal Tax Rate ⁶
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	
Lowest Quintile	11,050	21.5	25,790	3.2	-2,280	-1.4	28,070	4.4	-8.8
Second Quintile	10,890	21.2	55,350	6.8	3,010	1.8	52,340	8.1	5.4
Middle Quintile	9,910	19.3	104,820	11.7	13,930	7.6	90,890	12.8	13.3
Fourth Quintile	9,820	19.1	182,790	20.2	33,710	18.1	149,080	20.7	18.4
Top Quintile	9,410	18.3	549,910	58.2	143,010	73.7	406,890	54.2	26.0
All	51,340	100.0	173,110	100.0	35,560	100.0	137,550	100.0	20.5
Addendum									
80-90	4,740	9.2	280,430	15.0	61,140	15.9	219,290	14.7	21.8
90-95	2,320	4.5	400,830	10.5	94,790	12.0	306,050	10.0	23.7
95-99	1,880	3.7	693,040	14.6	181,120	18.6	511,920	13.6	26.1
Top 1 Percent	480	0.9	3,387,740	18.2	1,040,600	27.2	2,347,130	15.9	30.7
Top 0.1 Percent	50	0.1	16,182,000	8.5	5,017,150	12.8	11,164,860	7.4	31.0

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0323-2).

* 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 the law currently in place as of Sep 6, 2023 plus enactment of the following provisions in the Tax Cuts for Working Families Act: Rename the standard deduction the "guaranteed deduction" and for taxable years 2024 and 2025 provide a bonus guaranteed deduction of \$4,000 for married couples filing jointly; \$3,000 for heads of household; and \$2,000 for singles and married individuals filing a separate return. The bonus amount would be indexed for inflation after 2024. The bonus amount would be reduced, but not below 0, by 5 percent of the amount by which modified adjusted gross income exceeds \$400,000 for married couples filing jointly; \$300,000 for heads of household, and \$200,000 for singles and married individuals filing a separate return. Table shows the tax benefit of the itemized deduction for state and local taxes. 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 2023 dollars): 20% \$21,400; 40% \$41,400; 60% \$71,600; 80% \$119,800; 90% \$173,800; 95% \$245,800; 99% \$568,300; 99.9% \$2,504,300.

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

(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 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.

(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 T23-0085
Tax Benefit of the Itemized Deduction for State and Local Taxes
Baseline: Current Law Plus Higher Standard Deduction in the Tax Cuts for Working Families Act
Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2024 ¹
Detail Table - Older Adults

Expanded Cash Income Percentile ^{2,3}	Percent of Tax Units ⁴		Benefit as a Percent of After- Tax Income ⁵	Share of Total Benefit	Average Benefit		Share of Federal Taxes		Average Federal Tax Rate ⁷	
	With Benefit	Without Benefit			Dollars	Percent of Federal Taxes ⁶	With Provision	Without Provision	With Provision	Without Provision
Lowest Quintile	*	**	0.0	0.0	0	0.0	0.2	0.2	1.2	1.2
Second Quintile	0.4	99.7	0.0	0.4	*	0.1	1.8	1.8	3.0	3.0
Middle Quintile	3.0	97.0	0.0	4.1	10	0.3	6.4	6.4	6.5	6.5
Fourth Quintile	8.9	91.1	0.1	16.3	60	0.5	14.2	14.2	11.4	11.4
Top Quintile	22.0	78.0	0.1	79.2	380	0.4	76.7	76.7	22.7	22.8
All	5.4	94.6	0.1	100.0	70	0.4	100.0	100.0	15.6	15.7
Addendum										
80-90	13.5	86.5	0.1	16.9	160	0.5	13.2	13.2	15.6	15.7
90-95	20.0	80.0	0.1	13.7	280	0.6	10.1	10.1	18.2	18.3
95-99	34.7	65.3	0.2	27.7	690	0.7	17.1	17.1	21.9	22.1
Top 1 Percent	68.4	31.6	0.1	20.8	1,890	0.2	36.4	36.3	30.3	30.3
Top 0.1 Percent	84.3	15.7	0.0	3.3	2,390	0.1	20.6	20.5	31.5	31.5

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2024 ¹

Expanded Cash Income Percentile ^{2,3}	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income ⁵		Average Federal Tax Rate ⁶
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	
Lowest Quintile	9,160	18.3	17,680	3.1	210	0.2	17,470	3.6	1.2
Second Quintile	12,870	25.7	37,860	9.2	1,140	1.8	36,720	10.6	3.0
Middle Quintile	11,640	23.2	70,050	15.4	4,560	6.4	65,490	17.0	6.5
Fourth Quintile	8,590	17.2	120,170	19.5	13,670	14.2	106,500	20.5	11.4
Top Quintile	7,110	14.2	392,740	52.7	89,110	76.7	303,630	48.3	22.7
All	50,090	100.0	105,810	100.0	16,490	100.0	89,320	100.0	15.6
Addendum									
80-90	3,700	7.4	188,990	13.2	29,470	13.2	159,520	13.2	15.6
90-95	1,680	3.4	272,710	8.6	49,590	10.1	223,130	8.4	18.2
95-99	1,360	2.7	474,020	12.1	103,920	17.1	370,100	11.2	21.9
Top 1 Percent	380	0.8	2,649,910	18.7	801,960	36.4	1,847,950	15.5	30.3
Top 0.1 Percent	50	0.1	11,561,320	10.2	3,636,340	20.6	7,924,980	8.3	31.5

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0323-2).

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

Note: Tax units in which either the primary individual (or secondary individual in a married couple) is age 65 or older.

(1) Calendar year. Baseline is the law currently in place as of Sep 6, 2023 plus enactment of the following provisions in the Tax Cuts for Working Families Act: Rename the standard deduction the "guaranteed deduction" and for taxable years 2024 and 2025 provide a bonus guaranteed deduction of \$4,000 for married couples filing jointly; \$3,000 for heads of household; and \$2,000 for singles and married individuals filing a separate return. The bonus amount would be indexed for inflation after 2024. The bonus amount would be reduced, but not below 0, by 5 percent of the amount by which modified adjusted gross income exceeds \$400,000 for married couples filing jointly; \$300,000 for heads of household, and \$200,000 for singles and married individuals filing a separate return. Table shows the tax benefit of the itemized deduction for state and local taxes. 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 2023 dollars): 20% \$21,400; 40% \$41,400; 60% \$71,600; 80% \$119,800; 90% \$173,800; 95% \$245,800; 99% \$568,300; 99.9% \$2,504,300.

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

(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 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.

(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.