

**Table T07-0067**  
**Proposal Tax Benefits for Health Insurance**  
**Distribution of Subsidies by Cash Income Percentile, 2017<sup>1</sup>**  
**Nondependent Tax Units with Head or Spouse Under 65**

Cash Income Class (thousands of 2006 dollars) <sup>2,3</sup>	Percent with Priv. Health Insurance <sup>4</sup>	Average Premium (\$)			Average Subsidy (\$)			Subsidy as a Percent of Premium			Premium as a Percent of Income <sup>5</sup>			After-Tax Premium as a Percent of Income <sup>6</sup>		
		All Insured Tax Units	Tax Units with ESI Only	Tax Units with PNG Only	All Insured Tax Units	Tax Units with ESI Only	Tax Units with PNG Only	All Insured Tax Units	Tax Units with ESI Only	Tax Units with PNG Only	All Insured Tax Units	Tax Units with ESI Only	Tax Units with PNG Only	All Insured Tax Units	Tax Units with ESI Only	Tax Units with PNG Only
<b>Lowest Quintile</b>	28.4	8,293	7,771	9,269	1,514	1,703	676	18.3	21.9	7.3	46.9	40.9	77.5	38.3	31.9	71.9
<b>Second Quintile</b>	55.3	11,376	11,040	11,565	2,860	3,004	1,610	25.1	27.2	13.9	29.0	27.4	37.8	21.7	19.9	32.5
<b>Middle Quintile</b>	74.9	13,189	12,812	12,328	3,931	4,012	2,453	29.8	31.3	19.9	20.5	19.7	23.3	14.4	13.5	18.7
<b>Fourth Quintile</b>	89.0	16,279	15,788	13,325	5,230	5,259	4,026	32.1	33.3	30.2	15.2	14.7	14.3	10.3	9.8	10.0
<b>Top Quintile</b>	94.8	20,333	19,887	14,830	6,131	6,161	5,088	30.2	31.0	34.3	6.8	6.6	4.7	4.7	4.6	3.1
<b>All</b>	69.8	15,506	15,194	12,199	4,592	4,710	2,698	29.6	31.0	22.1	11.2	10.7	12.3	7.9	7.4	9.6
<b>Addendum</b>																
<b>Top 10 Percent</b>	96.1	21,037	20,634	15,212	6,224	6,254	5,260	29.6	30.3	34.6	4.9	4.8	3.2	3.5	3.4	2.1
<b>Top 5 Percent</b>	96.0	21,004	20,612	14,879	6,209	6,237	5,426	29.6	30.3	36.5	3.3	3.3	2.1	2.3	2.3	1.4
<b>Top 1 Percent</b>	95.0	19,498	19,201	14,949	6,470	6,471	6,279	33.2	33.7	42.0	1.1	1.1	0.9	0.8	0.7	0.5
<b>Top 0.5 Percent</b>	94.8	19,519	19,211	15,627	6,474	6,485	6,215	33.2	33.8	39.8	0.7	0.7	0.6	0.5	0.5	0.4
<b>Top 0.1 Percent</b>	93.8	19,451	19,036	16,985	6,343	6,328	6,393	32.6	33.2	37.6	0.3	0.2	0.2	0.2	0.2	0.2

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 1006-1).

(1) Calendar year. Benefits are calculated as the change in tax liability between a baseline of current law modified to include pre-tax employer sponsored health insurance premiums in taxable compensation, to disallow the self-employed health insurance deduction, and to disallow the itemized deduction for medical expenses for all except Medicare beneficiaries, and an alternative consisting of law under the proposed standard deduction for health insurance excluding changes in the EITC provisions. Following convention, the estimates are static and do not incorporate behavioral responses. In particular, they do not account for the gains of those who newly obtain health insurance, the losses of those who lose coverage due to the proposal, or the potential reductions in both premiums and comprehensiveness of health insurance.

(2) Tax units with negative cash income are excluded from the lowest income class but are included in the totals. For a description of cash income, see

<http://www.taxpolicycenter.org/TaxModel/income.cfm>

(3) For the income levels at each quintile and the top income percentiles used in this table, see

<http://www.taxpolicycenter.org/TaxModel/percentiles.cfm>

(4) Includes both filing and non-filing units. Tax units that are dependents of other taxpayers are excluded from the analysis.

(5) Income used to calculate premium as a percent of income and after-tax premium as a percent of income is cash income plus the value of pre-tax employer sponsored health insurance premiums.

(6) After-tax premium is the average premium less the average subsidy.