

**Table T09-0255**  
**Impose a Cap on the Employer Sponsored Insurance Exclusion**  
**Cap is Indexed by Projected Growth of Medical Expenses and Based on the 90th Percentile of Premium Levels**  
**Distribution of Federal Tax Change by Cash Income Level, 2019 <sup>1</sup>**  
**Summary Table**

Cash Income Level (thousands of 2009 dollars) <sup>2</sup>	Percent of Tax Units <sup>3</sup>		Percent Change in After-Tax Income <sup>4</sup>	Share of Total Federal Tax Change	Average Federal Tax Change (\$)	Average Federal Tax Rate <sup>5</sup>	
	With Tax Cut	With Tax Increase				Change (% Points)	Under the Proposal
Less than 10	0.1	0.6	0.0	0.1	0	0.0	3.1
10-20	0.1	1.3	0.0	1.2	3	0.0	4.1
20-30	0.0	2.5	0.0	3.3	9	0.0	8.4
30-40	0.0	3.8	0.0	4.0	13	0.0	12.7
40-50	0.0	5.0	0.0	3.9	18	0.0	16.2
50-75	0.0	7.1	-0.1	11.8	29	0.0	19.3
75-100	0.0	8.3	-0.1	14.1	51	0.1	22.0
100-200	0.0	10.4	-0.1	39.6	84	0.1	24.7
200-500	0.0	11.7	-0.1	18.3	118	0.0	27.8
500-1,000	0.0	9.9	0.0	2.4	107	0.0	28.3
More than 1,000	0.0	9.6	0.0	1.2	104	0.0	31.9
All	0.0	5.5	0.0	100.0	34	0.0	23.5

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0309-2).

Number of AMT Taxpayers (millions). Baseline: 43.0

Proposal: 43.0

(1) Calendar year. Baseline is current law. Proposal imposes a cap on the employer sponsored insurance exclusion. The cap levels are based on the 90th percentile of premiums and are indexed by the projected growth of medical expenses after 2009. Their 2009 values are \$6,004 for single coverage, \$11,974 for single-plus-one coverage, and \$15,290 for family coverage.

(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) Includes both filing and non-filing units but excludes those that are dependents of other tax units.

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

(5) Average federal tax (includes individual and corporate income tax, payroll taxes for Social Security and Medicare, and the estate tax) as a percentage of average cash income.

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**Distribution of Federal Tax Change by Cash Income Level, 2019<sup>1</sup>**  
**Detail Table**

Cash Income Level (thousands of 2009 dollars) <sup>2</sup>	Percent of Tax Units <sup>3</sup>		Percent Change in After-Tax Income <sup>4</sup>	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate <sup>5</sup>	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Less than 10	0.1	0.6	0.0	0.1	0	0.2	0.0	0.1	0.0	3.1
10-20	0.1	1.3	0.0	1.2	3	0.4	0.0	0.4	0.0	4.1
20-30	0.0	2.5	0.0	3.3	9	0.3	0.0	1.5	0.0	8.4
30-40	0.0	3.8	0.0	4.0	13	0.2	0.0	2.5	0.0	12.7
40-50	0.0	5.0	0.0	3.9	18	0.2	0.0	2.9	0.0	16.2
50-75	0.0	7.1	-0.1	11.8	29	0.2	0.0	8.4	0.0	19.3
75-100	0.0	8.3	-0.1	14.1	51	0.2	0.0	9.2	0.1	22.0
100-200	0.0	10.4	-0.1	39.6	84	0.2	0.0	28.0	0.1	24.7
200-500	0.0	11.7	-0.1	18.3	118	0.1	0.0	21.5	0.0	27.8
500-1,000	0.0	9.9	0.0	2.4	107	0.1	0.0	7.7	0.0	28.3
More than 1,000	0.0	9.6	0.0	1.2	104	0.0	0.0	17.8	0.0	31.9
All	0.0	5.5	0.0	100.0	34	0.1	0.0	100.0	0.0	23.5

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Level, 2019<sup>1</sup>**

Cash Income Level (thousands of 2009 dollars) <sup>2</sup>	Tax Units <sup>3</sup>		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After- Tax Income <sup>4</sup> (Dollars)	Average Federal Tax Rate <sup>5</sup>	Share of Pre- Tax Income Percent of Total	Share of Post- Tax Income Percent of Total	Share of Federal Taxes Percent of Total
	Number (thousands)	Percent of Total							
Less than 10	15,216	8.9	6,340	196	6,144	3.1	0.6	0.7	0.1
10-20	22,318	13.0	18,629	761	17,868	4.1	2.4	3.0	0.4
20-30	23,036	13.5	30,736	2,570	28,166	8.4	4.1	4.9	1.5
30-40	18,537	10.8	42,822	5,410	37,411	12.6	4.6	5.2	2.5
40-50	13,113	7.7	55,035	8,868	46,167	16.1	4.2	4.6	2.9
50-75	23,535	13.8	75,739	14,562	61,177	19.2	10.3	10.8	8.4
75-100	16,057	9.4	106,668	23,395	83,272	21.9	9.9	10.1	9.2
100-200	27,562	16.1	168,288	41,435	126,853	24.6	26.7	26.3	28.0
200-500	9,079	5.3	347,637	96,589	251,048	27.8	18.2	17.2	21.5
500-1,000	1,336	0.8	831,071	234,777	596,294	28.3	6.4	6.0	7.7
More than 1,000	656	0.4	3,459,830	1,104,543	2,355,287	31.9	13.1	11.6	17.8
All	171,212	100.0	101,380	23,804	77,576	23.5	100.0	100.0	100.0

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0309-2).

Number of AMT Taxpayers (millions). Baseline: 43.0 Proposal: 43.0

(1) Calendar year. Baseline is current law. Proposal imposes a cap on the employer sponsored insurance exclusion. The cap levels are based on the 90th percentile of premiums and are indexed by the projected growth of medical expenses after 2009. Their 2009 values are \$6,004 for single coverage, \$11,974 for single-plus-one coverage, and \$15,290 for family coverage.

(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

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(3) Includes both filing and non-filing units but excludes those that are dependents of other tax units.

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

(5) Average federal tax (includes individual and corporate income tax, payroll taxes for Social Security and Medicare, and the estate tax) as a percentage of average cash income.

**Table T09-0255**  
**Impose a Cap on the Employer Sponsored Insurance Exclusion**  
**Cap is Indexed by Projected Growth of Medical Expenses and Based on the 90th Percentile of Premium Levels**  
**Distribution of Federal Tax Change by Cash Income Level, 2019 <sup>1</sup>**  
**Detail Table - Single Tax Units**

Cash Income Level (thousands of 2009 dollars) <sup>2</sup>	Percent of Tax Units <sup>3</sup>		Percent Change in After-Tax Income <sup>4</sup>	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate <sup>5</sup>	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (%) Points)	Under the Proposal	Change (%) Points)	Under the Proposal
Less than 10	0.0	0.5	0.0	0.5	0	0.1	0.0	0.4	0.0	6.0
10-20	0.0	1.2	0.0	4.0	3	0.2	0.0	2.1	0.0	8.3
20-30	0.0	2.4	0.0	8.4	5	0.2	0.0	4.4	0.0	10.7
30-40	0.0	4.2	0.0	9.5	9	0.1	0.0	5.7	0.0	14.3
40-50	0.0	5.8	0.0	9.7	14	0.1	0.0	6.1	0.0	18.2
50-75	0.0	8.6	0.0	27.0	23	0.1	0.0	17.0	0.0	22.6
75-100	0.0	9.4	0.0	19.2	32	0.1	0.0	14.4	0.0	25.9
100-200	0.0	8.7	0.0	17.6	30	0.1	0.0	22.8	0.0	27.4
200-500	0.0	7.8	0.0	3.5	25	0.0	0.0	12.3	0.0	29.5
500-1,000	0.0	6.5	0.0	0.4	17	0.0	0.0	4.4	0.0	30.0
More than 1,000	0.0	5.2	0.0	0.2	16	0.0	0.0	10.4	0.0	35.0
All	0.0	4.3	0.0	100.0	11	0.1	0.0	100.0	0.0	22.5

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Level, 2019 <sup>1</sup>**

Cash Income Level (thousands of 2009 dollars) <sup>2</sup>	Tax Units <sup>3</sup>		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After- Tax Income <sup>4</sup> (Dollars)	Average Federal Tax Rate <sup>5</sup>	Share of Pre- Tax Income	Share of Post- Tax Income	Share of Federal Taxes
	Number (thousands)	Percent of Total					Percent of Total	Percent of Total	
Less than 10	10,898	14.2	6,340	382	5,958	6.0	1.5	1.8	0.4
10-20	13,747	17.9	18,508	1,524	16,984	8.2	5.6	6.6	2.1
20-30	13,575	17.7	30,687	3,269	27,418	10.7	9.2	10.6	4.4
30-40	9,599	12.5	42,672	6,076	36,596	14.2	9.0	10.0	5.7
40-50	6,219	8.1	55,020	10,019	45,000	18.2	7.5	8.0	6.1
50-75	10,179	13.3	75,275	16,989	58,286	22.6	16.9	16.9	17.0
75-100	5,356	7.0	105,607	27,328	78,279	25.9	12.5	11.9	14.4
100-200	5,192	6.8	163,607	44,849	118,758	27.4	18.7	17.5	22.8
200-500	1,217	1.6	350,420	103,194	247,226	29.5	9.4	8.5	12.3
500-1,000	184	0.2	811,418	243,358	568,061	30.0	3.3	3.0	4.4
More than 1,000	89	0.1	3,403,318	1,190,280	2,213,038	35.0	6.7	5.6	10.4
All	76,642	100.0	59,235	13,309	45,926	22.5	100.0	100.0	100.0

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version0309-2).

(1) Calendar year. Baseline is current law. Proposal imposes a cap on the employer sponsored insurance exclusion. The cap levels are based on the 90th percentile of premiums and are indexed by the projected growth of medical expenses after 2009. Their 2009 values are \$6,004 for single coverage, \$11,974 for single-plus-one coverage, and \$15,290 for family coverage.

(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) Includes both filing and non-filing units but excludes those that are dependents of other tax units.

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

(5) Average federal tax (includes individual and corporate income tax, payroll taxes for Social Security and Medicare, and the estate tax) as a percentage of average cash income.

**Table T09-0255**  
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**Cap is Indexed by Projected Growth of Medical Expenses and Based on the 90th Percentile of Premium Levels**  
**Distribution of Federal Tax Change by Cash Income Level, 2019 <sup>1</sup>**  
**Detail Table - Married Tax Units Filing Jointly**

Cash Income Level (thousands of 2009 dollars) <sup>2</sup>	Percent of Tax Units <sup>3</sup>		Percent Change in After-Tax Income <sup>4</sup>	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate <sup>5</sup>	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (%) Points)	Under the Proposal	Change (%) Points)	Under the Proposal
Less than 10	0.7	1.1	0.0	0.0	1	0.4	0.0	0.0	0.0	3.5
10-20	0.3	2.4	0.0	0.5	7	2.0	0.0	0.0	0.0	1.9
20-30	0.0	2.4	-0.1	1.5	15	0.9	0.0	0.3	0.1	5.9
30-40	0.0	2.7	0.0	1.4	15	0.4	0.0	0.6	0.0	9.2
40-50	0.0	3.9	-0.1	1.9	23	0.4	0.0	0.8	0.0	11.6
50-75	0.0	5.7	-0.1	6.4	34	0.3	0.0	3.4	0.0	14.7
75-100	0.0	8.2	-0.1	12.9	68	0.3	0.0	6.3	0.1	19.1
100-200	0.0	11.1	-0.1	47.8	102	0.3	0.0	30.8	0.1	23.9
200-500	0.0	12.5	-0.1	23.0	134	0.1	0.0	26.7	0.0	27.6
500-1,000	0.0	10.8	0.0	3.1	124	0.1	0.0	9.5	0.0	28.0
More than 1,000	0.0	10.5	0.0	1.5	121	0.0	0.0	21.4	0.0	31.4
All	0.0	7.9	-0.1	100.0	69	0.2	0.0	100.0	0.0	24.7

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Level, 2019 <sup>1</sup>**

Cash Income Level (thousands of 2009 dollars) <sup>2</sup>	Tax Units <sup>3</sup>		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After- Tax Income <sup>4</sup> (Dollars)	Average Federal Tax Rate <sup>5</sup>	Share of Pre- Tax Income	Share of Post- Tax Income	Share of Federal Taxes
	Number (thousands)	Percent of Total					Percent of Total	Percent of Total	
Less than 10	2,017	3.2	5,266	182	5,084	3.5	0.1	0.1	0.0
10-20	3,019	4.7	18,993	352	18,642	1.9	0.5	0.7	0.0
20-30	4,259	6.7	30,922	1,804	29,117	5.8	1.2	1.5	0.3
30-40	4,182	6.6	43,101	3,967	39,134	9.2	1.6	2.0	0.6
40-50	3,579	5.6	55,177	6,370	48,807	11.5	1.8	2.1	0.8
50-75	8,282	13.0	76,619	11,200	65,419	14.6	5.8	6.5	3.4
75-100	8,356	13.1	107,732	20,491	87,240	19.0	8.2	8.8	6.3
100-200	20,595	32.3	170,416	40,598	129,818	23.8	31.9	32.3	30.8
200-500	7,584	11.9	346,930	95,560	251,369	27.5	23.9	23.0	26.7
500-1,000	1,106	1.7	834,311	233,855	600,456	28.0	8.4	8.0	9.5
More than 1,000	542	0.9	3,418,069	1,073,709	2,344,360	31.4	16.8	15.3	21.4
All	63,816	100.0	172,338	42,570	129,769	24.7	100.0	100.0	100.0

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version0309-2).

(1) Calendar year. Baseline is current law. Proposal imposes a cap on the employer sponsored insurance exclusion. The cap levels are based on the 90th percentile of premiums and are indexed by the projected growth of medical expenses after 2009. Their 2009 values are \$6,004 for single coverage, \$11,974 for single-plus-one coverage, and \$15,290 for family coverage.

(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) Includes both filing and non-filing units but excludes those that are dependents of other tax units.

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

(5) Average federal tax (includes individual and corporate income tax, payroll taxes for Social Security and Medicare, and the estate tax) as a percentage of average cash income.

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**Cap is Indexed by Projected Growth of Medical Expenses and Based on the 90th Percentile of Premium Levels**  
**Distribution of Federal Tax Change by Cash Income Level, 2019 <sup>1</sup>**  
**Detail Table - Head of Household Tax Units**

Cash Income Level (thousands of 2009 dollars) <sup>2</sup>	Percent of Tax Units <sup>3</sup>		Percent Change in After-Tax Income <sup>4</sup>	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate <sup>5</sup>	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (%) Points)	Under the Proposal	Change (%) Points)	Under the Proposal
Less than 10	0.1	0.4	0.0	0.1	0	0.0	0.0	-0.6	0.0	-10.1
10-20	0.1	0.9	0.0	3.0	3	-0.2	0.0	-2.1	0.0	-5.7
20-30	0.1	2.6	0.0	12.0	11	1.0	0.0	2.1	0.0	3.8
30-40	0.0	3.6	0.0	16.4	17	0.3	0.0	8.6	0.0	12.0
40-50	0.0	4.4	0.0	12.0	18	0.2	0.0	10.1	0.0	16.6
50-75	0.0	6.2	-0.1	30.8	31	0.2	0.0	25.0	0.0	19.7
75-100	0.0	5.4	0.0	13.6	31	0.1	0.0	18.3	0.0	23.1
100-200	0.0	6.1	0.0	10.5	31	0.1	0.0	22.9	0.0	25.8
200-500	0.0	2.6	0.0	1.3	28	0.0	0.0	7.3	0.0	26.8
500-1,000	0.0	2.6	0.0	0.2	29	0.0	0.0	2.6	0.0	25.8
More than 1,000	0.0	3.9	0.0	0.1	26	0.0	0.0	5.7	0.0	32.4
All	0.1	3.4	0.0	100.0	16	0.2	0.0	100.0	0.0	17.2

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Level, 2019 <sup>1</sup>**

Cash Income Level (thousands of 2009 dollars) <sup>2</sup>	Tax Units <sup>3</sup>		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After- Tax Income <sup>4</sup> (Dollars)	Average Federal Tax Rate <sup>5</sup>	Share of Pre- Tax Income	Share of Post- Tax Income	Share of Federal Taxes
	Number (thousands)	Percent of Total					Percent of Total	Percent of Total	
Less than 10	2,183	7.7	7,344	-741	8,085	-10.1	1.0	1.4	-0.6
10-20	5,310	18.8	18,744	-1,064	19,808	-5.7	6.4	8.2	-2.1
20-30	4,952	17.5	30,697	1,146	29,551	3.7	9.8	11.3	2.1
30-40	4,473	15.8	42,878	5,148	37,731	12.0	12.3	13.1	8.6
40-50	2,986	10.6	54,861	9,060	45,802	16.5	10.5	10.6	10.1
50-75	4,521	16.0	75,156	14,805	60,351	19.7	21.8	21.1	25.0
75-100	2,018	7.1	105,144	24,288	80,856	23.1	13.6	12.6	18.3
100-200	1,518	5.4	157,302	40,516	116,786	25.8	15.3	13.7	23.0
200-500	208	0.7	353,325	94,701	258,624	26.8	4.7	4.2	7.4
500-1,000	32	0.1	832,114	214,208	617,907	25.7	1.7	1.6	2.6
More than 1,000	14	0.1	3,377,088	1,094,351	2,282,736	32.4	3.0	2.5	5.7
All	28,273	100.0	55,137	9,476	45,661	17.2	100.0	100.0	100.0

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version0309-2).

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(5) Average federal tax (includes individual and corporate income tax, payroll taxes for Social Security and Medicare, and the estate tax) as a percentage of average cash income.

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**Distribution of Federal Tax Change by Cash Income Level, 2019<sup>1</sup>**  
**Detail Table - Tax Units with Children**

Cash Income Level (thousands of 2009 dollars) <sup>2</sup>	Percent of Tax Units <sup>3</sup>		Percent Change in After-Tax Income <sup>4</sup>	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate <sup>5</sup>	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (%) Points)	Under the Proposal	Change (%) Points)	Under the Proposal
Less than 10	0.7	0.2	0.0	0.0	0	0.0	0.0	-0.2	0.0	-14.3
10-20	0.2	1.2	0.0	0.7	4	-0.2	0.0	-0.6	0.0	-10.0
20-30	0.1	2.8	-0.1	3.0	15	2.5	0.0	0.2	0.1	2.1
30-40	0.0	3.4	-0.1	3.6	20	0.4	0.0	1.6	0.1	11.2
40-50	0.0	4.4	-0.1	3.3	24	0.3	0.0	2.2	0.0	15.9
50-75	0.0	5.7	-0.1	9.2	35	0.3	0.0	6.8	0.1	18.6
75-100	0.0	7.1	-0.1	13.1	66	0.3	0.0	8.3	0.1	21.6
100-200	0.0	10.6	-0.1	42.3	109	0.3	0.0	29.9	0.1	25.3
200-500	0.0	12.0	-0.1	20.6	147	0.2	0.0	25.0	0.0	28.5
500-1,000	0.0	11.4	0.0	2.9	146	0.1	0.0	8.9	0.0	29.7
More than 1,000	0.0	11.3	0.0	1.2	139	0.0	0.0	17.9	0.0	33.1
All	0.1	6.1	-0.1	100.0	55	0.2	0.0	100.0	0.0	24.4

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Level, 2019<sup>1</sup>**

Cash Income Level (thousands of 2009 dollars) <sup>2</sup>	Tax Units <sup>3</sup>		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After- Tax Income <sup>4</sup> (Dollars)	Average Federal Tax Rate <sup>5</sup>	Share of Pre- Tax Income Percent of Total	Share of Post- Tax Income Percent of Total	Share of Federal Taxes Percent of Total
	Number (thousands)	Percent of Total							
Less than 10	2,546	4.9	7,027	-1,007	8,034	-14.3	0.3	0.4	-0.2
10-20	5,377	10.4	18,656	-1,876	20,532	-10.1	1.6	2.3	-0.6
20-30	5,600	10.8	30,657	614	30,043	2.0	2.7	3.4	0.2
30-40	5,184	10.0	42,987	4,783	38,205	11.1	3.4	4.0	1.6
40-50	3,885	7.5	55,138	8,730	46,408	15.8	3.3	3.7	2.2
50-75	7,565	14.6	75,999	14,083	61,916	18.5	8.9	9.6	6.8
75-100	5,696	11.0	107,089	23,007	84,082	21.5	9.4	9.8	8.3
100-200	11,048	21.3	169,242	42,699	126,543	25.2	28.9	28.5	29.9
200-500	3,997	7.7	346,789	98,691	248,098	28.5	21.4	20.2	25.0
500-1,000	567	1.1	831,182	246,974	584,208	29.7	7.3	6.8	8.9
More than 1,000	253	0.5	3,382,075	1,118,022	2,264,052	33.1	13.2	11.7	17.9
All	51,871	100.0	124,878	30,418	94,459	24.4	100.0	100.0	100.0

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version0309-2).

Note: Tax units with children are those claiming an exemption for children at home or away from home.

(1) Calendar year. Baseline is current law. Proposal imposes a cap on the employer sponsored insurance exclusion. The cap levels are based on the 90th percentile of premiums and are indexed by the projected growth of medical expenses after 2009. Their 2009 values are \$6,004 for single coverage, \$11,974 for single-plus-one coverage, and \$15,290 for family coverage.

(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) Includes both filing and non-filing units but excludes those that are dependents of other tax units.

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

(5) Average federal tax (includes individual and corporate income tax, payroll taxes for Social Security and Medicare, and the estate tax) as a percentage of average cash income.

**Table T09-0255**  
**Impose a Cap on the Employer Sponsored Insurance Exclusion**  
**Cap is Indexed by Projected Growth of Medical Expenses and Based on the 90th Percentile of Premium Levels**  
**Distribution of Federal Tax Change by Cash Income Level, 2019 <sup>1</sup>**  
**Detail Table - Elderly Tax Units**

Cash Income Level (thousands of 2009 dollars) <sup>2</sup>	Percent of Tax Units <sup>3</sup>		Percent Change in After-Tax Income <sup>4</sup>	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate <sup>5</sup>	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Less than 10	0.4	0.2	0.0	-0.1	0	-0.1	0.0	0.1	0.0	3.2
10-20	0.0	0.3	0.0	1.2	1	0.2	0.0	0.4	0.0	2.9
20-30	0.0	0.4	0.0	1.9	2	0.2	0.0	0.9	0.0	3.2
30-40	0.0	0.6	0.0	1.7	2	0.1	0.0	1.2	0.0	4.7
40-50	0.0	0.8	0.0	1.1	2	0.1	0.0	0.9	0.0	5.3
50-75	0.0	1.6	0.0	5.8	8	0.1	0.0	3.6	0.0	9.7
75-100	0.0	3.5	0.0	13.6	22	0.1	0.0	7.8	0.0	16.8
100-200	0.0	5.1	0.0	49.2	43	0.1	0.0	27.9	0.0	20.5
200-500	0.0	5.9	0.0	21.5	56	0.1	0.0	24.1	0.0	25.8
500-1,000	0.0	5.2	0.0	2.6	46	0.0	0.0	8.9	0.0	26.7
More than 1,000	0.0	4.4	0.0	1.6	52	0.0	0.0	24.4	0.0	31.7
All	0.0	2.0	0.0	100.0	15	0.1	0.0	100.0	0.0	19.8

**Baseline Distribution of Income and Federal Taxes**  
**by Cash Income Level, 2019 <sup>1</sup>**

Cash Income Level (thousands of 2009 dollars) <sup>2</sup>	Tax Units <sup>3</sup>		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After- Tax Income <sup>4</sup> (Dollars)	Average Federal Tax Rate <sup>5</sup>	Share of Pre- Tax Income Percent of Total	Share of Post- Tax Income Percent of Total	Share of Federal Taxes Percent of Total
	Number (thousands)	Percent of Total							
Less than 10	1,881	5.1	6,274	200	6,074	3.2	0.3	0.4	0.1
10-20	5,216	14.1	19,399	566	18,832	2.9	2.6	3.1	0.4
20-30	6,858	18.5	30,858	993	29,866	3.2	5.4	6.5	0.9
30-40	4,723	12.7	42,480	1,978	40,502	4.7	5.1	6.0	1.2
40-50	2,385	6.4	54,463	2,867	51,597	5.3	3.3	3.9	0.9
50-75	3,763	10.1	76,385	7,390	68,995	9.7	7.3	8.2	3.6
75-100	3,384	9.1	107,102	18,007	89,095	16.8	9.2	9.5	7.8
100-200	6,294	17.0	168,679	34,535	134,144	20.5	26.9	26.6	27.8
200-500	2,092	5.6	348,365	89,959	258,407	25.8	18.4	17.0	24.1
500-1,000	313	0.8	830,018	221,237	608,781	26.7	6.6	6.0	8.9
More than 1,000	170	0.5	3,548,849	1,123,265	2,425,584	31.7	15.2	13.0	24.4
All	37,096	100.0	106,595	21,048	85,547	19.8	100.0	100.0	100.0

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version0309-2).

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. Proposal imposes a cap on the employer sponsored insurance exclusion. The cap levels are based on the 90th percentile of premiums and are indexed by the projected growth of medical expenses after 2009. Their 2009 values are \$6,004 for single coverage, \$11,974 for single-plus-one coverage, and \$15,290 for family coverage.

(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

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(3) Includes both filing and non-filing units but excludes those that are dependents of other tax units.

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

(5) Average federal tax (includes individual and corporate income tax, payroll taxes for Social Security and Medicare, and the estate tax) as a percentage of average cash income.