

**Table T09-0333**  
**Tax Units with Zero or Negative Tax Liability, 2009-2019<sup>1</sup>**

	Calendar Year										
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>Tax Units (thousands)<sup>2</sup></b>	151.5	153.5	155.4	157.3	159.7	161.8	164.0	166.0	168.0	170.0	171.9
<b>CURRENT LAW</b>											
<b>Tax Units with Zero or Negative Individual Income Tax</b>											
Number (millions)	71.0	68.9	56.9	53.5	53.8	54.2	55.1	55.9	56.7	57.5	58.4
As percent of all tax units	46.9	44.9	36.6	34.0	33.7	33.5	33.6	33.6	33.7	33.8	33.9
<b>Tax Units with Zero or Negative Sum of Income and Payroll Taxes</b>											
Number (millions)	36.2	34.9	30.2	29.0	29.6	30.3	31.4	32.2	33.2	34.1	35.0
As percent of all tax units	23.9	22.8	19.4	18.4	18.5	18.7	19.1	19.4	19.7	20.1	20.4
<b>Tax Units with Zero or Negative Income and Payroll Tax</b>											
Number (millions)	20.3	20.3	19.9	19.8	20.5	21.5	22.8	23.8	24.9	25.9	27.0
As percent of all tax units	13.4	13.2	12.8	12.6	12.9	13.3	13.9	14.4	14.8	15.2	15.7
<b>ADMINISTRATION BASELINE<sup>3</sup></b>											
<b>Tax Units with Zero or Negative Individual Income Tax</b>											
Number (millions)	71.0	69.2	62.6	59.3	59.5	60.0	60.7	61.5	62.3	63.2	64.1
As percent of all tax units	46.9	45.1	40.3	37.7	37.3	37.1	37.0	37.1	37.1	37.2	37.3
<b>Tax Units with Zero or Negative Sum of Income and Payroll Taxes</b>											
Number (millions)	36.2	35.0	32.9	31.7	32.2	32.9	33.9	34.7	35.6	36.6	37.5
As percent of all tax units	23.9	22.8	21.2	20.2	20.2	20.4	20.7	20.9	21.2	21.5	21.8
<b>Tax Units with Zero or Negative Income and Payroll Tax</b>											
Number (millions)	20.3	20.3	20.4	20.4	21.1	22.1	23.4	24.4	25.5	26.5	27.6
As percent of all tax units	13.4	13.2	13.2	13.0	13.2	13.7	14.3	14.7	15.2	15.6	16.0
<b>ADMINISTRATION BUDGET PROPOSAL<sup>4</sup></b>											
<b>Tax Units with Zero or Negative Individual Income Tax</b>											
Number (millions)	71.0	69.2	71.0	67.8	68.0	68.4	69.3	69.8	70.4	71.2	71.9
As percent of all tax units	46.9	45.1	45.7	43.1	42.6	42.3	42.2	42.1	41.9	41.9	41.8
<b>Tax Units with Zero or Negative Sum of Income and Payroll Taxes</b>											
Number (millions)	36.2	35.0	35.9	34.6	35.0	35.6	36.6	37.5	38.3	39.2	40.1
As percent of all tax units	23.9	22.8	23.1	22.0	21.9	22.0	22.3	22.6	22.8	23.1	23.3
<b>Tax Units with Zero or Negative Income and Payroll Tax</b>											
Number (millions)	20.3	20.3	20.5	20.4	21.1	22.2	23.5	24.5	25.5	26.6	27.6
As percent of all tax units	13.4	13.2	13.2	13.0	13.2	13.7	14.3	14.7	15.2	15.6	16.0

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

(1) Calendar year.

(2) Excludes those that are dependents of other tax units.

(3) The Administration baseline extends all provisions in the 2001 and 2003 tax acts that are currently scheduled to sunset on 12/31/10 (the estate tax is retained at its 2009 levels). The 2009 AMT patch is extended and the exemption, phaseout bracket threshold, and tax bracket threshold are indexed for inflation after 2009.

(4) Proposal extends the Making Work Pay Credit, the Earned Income Tax Credit expansion; the Saver's credit expansion; creates automatic 401(k)s and IRAs; and extends the American Opportunity Tax Credit; reinstates the 36 percent and 39.6 percent rates; reinstates the personal exemption phaseout and limitation on itemized deductions for those taxpayers with AGI over \$250,000 (married) and \$200,000 (single); imposes a 20 percent rate on capital gains and qualified dividends for those taxpayers with AGI over \$250,000 (married) and \$200,000 (single); and limits the tax rate at which itemized deductions reduce tax liability to 28 percent.