

Click on PDF or Excel link above for additional tables containing more detail and breakdowns by filing status and demographic groups.

Table T12-0107
Health Reform Act's 3.8 Percent Unearned Income Medicare Contribution
Baseline: Current Policy
Distribution of Federal Tax Change by Cash Income Percentile, 2015 ¹
Summary Table

Cash Income Percentile ^{2,3}	Tax Units with Tax Increase or Cut ⁴				Percent Change in After-Tax Income ⁵	Share of Total Federal Tax Change	Average Federal Tax Change (\$)	Average Federal Tax Rate ⁶		
	With Tax Cut		With Tax Increase					Change (%)	Under the Proposal	
	Pct of Tax Units	Avg Tax Cut	Pct of Tax Units	Avg Tax Increase						
Lowest Quintile	0.0	0	0.0	0	0.0	0.0	0	0.0	2.0	
Second Quintile	0.0	0	0.0	0	0.0	0.0	0	0.0	9.2	
Middle Quintile	0.0	0	0.0	0	0.0	0.0	0	0.0	15.9	
Fourth Quintile	0.0	0	0.0	0	0.0	0.0	0	0.0	19.4	
Top Quintile	0.0	0	18.9	6,446	-0.5	100.0	1,217	0.4	25.9	
All	0.0	0	2.8	6,446	-0.3	100.0	177	0.2	21.0	
Addendum										
80-90	0.0	0	0.3	153	0.0	0.0	0	0.0	22.0	
90-95	0.0	0	3.1	335	0.0	0.2	10	0.0	23.3	
95-99	0.0	0	66.8	1,226	-0.3	13.5	819	0.2	25.4	
Top 1 Percent	0.0	0	89.4	23,053	-1.5	86.3	20,606	1.1	30.6	
Top 0.1 Percent	0.0	0	96.1	129,424	-2.2	53.5	124,423	1.5	33.6	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0411-3).

Number of AMT Taxpayers (millions). Baseline: 6.0

Proposal: 6.0

* Less than 0.05

** Insufficient data

(1) Calendar year. Baseline is current policy without the proposal. Proposal is the 3.8 percent unearned income Medicare contribution enacted by the health reform legislation.

For a description of TPC's current law and current policy baselines, see

<http://www.taxpolicycenter.org/T11-0270>

(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) The cash 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 2011 dollars): 20% \$19,342; 40% \$39,862; 60% \$69,074; 80% \$119,546; 90% \$169,987; 95% \$242,597; 99% \$629,809; 99.9% \$2,868,534.

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

(5) 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.

(6) 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 T12-0107
Health Reform Act's 3.8 Percent Unearned Income Medicare Contribution
Baseline: Current Policy
Distribution of Federal Tax Change by Cash Income Percentile, 2015 ¹
Detail Table

Cash Income Percentile ^{2,3}	Percent of Tax Units ⁴		Percent Change in After-Tax Income ⁵	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁶	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	0.4	0.0	2.0
Second Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	3.8	0.0	9.2
Middle Quintile	0.0	0.0	0.0	0.0	0	0.0	-0.1	10.4	0.0	15.9
Fourth Quintile	0.0	0.0	0.0	0.0	0	0.0	-0.2	18.3	0.0	19.4
Top Quintile	0.0	18.9	-0.5	100.0	1,217	1.6	0.4	67.0	0.4	25.9
All	0.0	2.8	-0.3	100.0	177	1.1	0.0	100.0	0.2	21.0
Addendum										
80-90	0.0	0.3	0.0	0.0	0	0.0	-0.2	14.4	0.0	22.0
90-95	0.0	3.1	0.0	0.2	10	0.0	-0.1	10.5	0.0	23.3
95-99	0.0	66.8	-0.3	13.5	819	0.9	0.0	16.5	0.2	25.4
Top 1 Percent	0.0	89.4	-1.5	86.3	20,606	3.6	0.6	25.7	1.1	30.6
Top 0.1 Percent	0.0	96.1	-2.2	53.5	124,423	4.6	0.4	12.6	1.5	33.6

Baseline Distribution of Income and Federal Taxes
by Cash Income Percentile, 2015 ¹

Cash Income Percentile ^{2,3}	Tax Units ⁴		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	43,801	25.9	11,368	3.7	227	0.4	11,141	4.5	2.0	
Second Quintile	38,297	22.7	30,850	8.7	2,825	3.8	28,025	10.0	9.2	
Middle Quintile	33,246	19.7	56,491	13.8	8,969	10.5	47,522	14.7	15.9	
Fourth Quintile	27,764	16.4	97,100	19.8	18,817	18.5	78,283	20.2	19.4	
Top Quintile	24,598	14.6	301,089	54.4	76,687	66.7	224,403	51.2	25.5	
All	168,946	100.0	80,584	100.0	16,745	100.0	63,839	100.0	20.8	
Addendum										
80-90	12,369	7.3	150,582	13.7	33,160	14.5	117,422	13.5	22.0	
90-95	6,040	3.6	213,273	9.5	49,647	10.6	163,625	9.2	23.3	
95-99	4,936	2.9	375,241	13.6	94,496	16.5	280,746	12.9	25.2	
Top 1 Percent	1,253	0.7	1,918,232	17.7	566,604	25.1	1,351,629	15.7	29.5	
Top 0.1 Percent	129	0.1	8,360,965	7.9	2,683,271	12.2	5,677,694	6.8	32.1	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0411-3).

Number of AMT Taxpayers (millions). Baseline: 6.0

Proposal: 6.0

* Less than 0.05

(1) Calendar year. Baseline is current policy without the proposal. Proposal is the 3.8 percent unearned income Medicare contribution enacted by the health reform legislation. For a description of TPC's current law and current policy baselines, see

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(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) The cash 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 2011 dollars): 20% \$19,342; 40% \$39,862; 60% \$69,074; 80% \$119,546; 90% \$169,987; 95% \$242,597; 99% \$629,809; 99.9% \$2,868,534.

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

(5) 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.

(6) 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 T12-0107
Health Reform Act's 3.8 Percent Unearned Income Medicare Contribution
Baseline: Current Policy
Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2015 ¹
Detail Table

Cash Income Percentile ^{2,3}	Percent of Tax Units ⁴		Percent Change in After-Tax Income ⁵	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁶	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	-0.3	0.0	-2.0
Second Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	2.6	0.0	7.6
Middle Quintile	0.0	0.0	0.0	0.0	0	0.0	-0.1	8.3	0.0	14.2
Fourth Quintile	0.0	0.0	0.0	0.0	0	0.0	-0.2	17.5	0.0	19.0
Top Quintile	0.0	14.8	-0.5	100.0	953	1.5	0.3	71.8	0.4	25.7
All	0.0	2.8	-0.3	100.0	177	1.1	0.0	100.0	0.2	21.0
Addendum										
80-90	0.0	0.1	0.0	0.0	0	0.0	-0.2	15.6	0.0	22.0
90-95	0.0	4.2	0.0	0.2	8	0.0	-0.1	11.8	0.0	23.4
95-99	0.0	48.0	-0.2	10.9	521	0.7	-0.1	17.6	0.2	25.1
Top 1 Percent	0.0	86.0	-1.5	88.9	17,597	3.6	0.7	26.8	1.1	30.4
Top 0.1 Percent	0.0	95.8	-2.2	55.9	110,506	4.6	0.5	13.2	1.5	33.6

Baseline Distribution of Income and Federal Taxes
by Cash Income Percentile Adjusted for Family Size, 2015 ¹

Cash Income Percentile ^{2,3}	Tax Units ⁴		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	36,457	21.6	10,602	2.8	-208	-0.3	10,810	3.7	-2.0	
Second Quintile	35,217	20.9	27,635	7.2	2,096	2.6	25,538	8.3	7.6	
Middle Quintile	33,605	19.9	49,901	12.3	7,078	8.4	42,823	13.3	14.2	
Fourth Quintile	31,021	18.4	84,761	19.3	16,084	17.6	68,676	19.8	19.0	
Top Quintile	31,406	18.6	254,525	58.7	64,385	71.5	190,140	55.4	25.3	
All	168,946	100.0	80,584	100.0	16,745	100.0	63,839	100.0	20.8	
Addendum										
80-90	15,725	9.3	128,613	14.9	28,308	15.7	100,305	14.6	22.0	
90-95	7,925	4.7	182,258	10.6	42,664	12.0	139,594	10.3	23.4	
95-99	6,244	3.7	320,925	14.7	80,021	17.7	240,904	14.0	24.9	
Top 1 Percent	1,512	0.9	1,668,229	18.5	488,754	26.1	1,179,475	16.5	29.3	
Top 0.1 Percent	151	0.1	7,425,020	8.3	2,380,611	12.7	5,044,409	7.1	32.1	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0411-3).

Number of AMT Taxpayers (millions). Baseline: 6.0

Proposal: 6.0

* Less than 0.05

(1) Calendar year. Baseline is current policy without the proposal. Proposal is the 3.8 percent unearned income Medicare contribution enacted by the health reform legislation. For a description of TPC's current law and current policy baselines, see

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(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) The cash 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 2011 dollars): 20% \$13,687; 40% \$26,567; 60% \$44,163; 80% \$72,423; 90% \$104,181; 95% \$147,975; 99% \$384,375; 99.9% \$1,764,281.

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

(5) 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.

(6) 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 T12-0107
Health Reform Act's 3.8 Percent Unearned Income Medicare Contribution
Baseline: Current Policy
Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2015 ¹
Detail Table - Single Tax Units

Cash Income Percentile ^{2,3}	Percent of Tax Units ⁴		Percent Change in After-Tax Income ⁵	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁶	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	1.2	0.0	4.5
Second Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	4.9	0.0	8.4
Middle Quintile	0.0	0.0	0.0	0.0	0	0.0	-0.1	12.4	0.0	14.9
Fourth Quintile	0.0	0.0	0.0	0.0	0	0.0	-0.2	20.8	0.0	20.6
Top Quintile	0.0	7.7	-0.4	100.0	530	1.2	0.3	60.6	0.3	26.1
All	0.0	1.0	-0.2	100.0	65	0.7	0.0	100.0	0.2	20.0
Addendum										
80-90	0.0	0.0	0.0	0.0	0	0.0	-0.1	15.5	0.0	23.4
90-95	0.0	*	0.0	0.0	0	0.0	-0.1	11.2	0.0	24.4
95-99	0.0	24.0	-0.1	7.7	216	0.4	-0.1	14.5	0.1	24.6
Top 1 Percent	0.0	82.5	-1.6	92.3	12,649	3.6	0.5	19.3	1.1	31.9
Top 0.1 Percent	0.0	96.0	-2.4	56.2	86,069	4.6	0.4	9.3	1.6	36.2

Baseline Distribution of Income and Federal Taxes
by Cash Income Percentile Adjusted for Family Size, 2015 ¹

Cash Income Percentile ^{2,3}	Tax Units ⁴		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	23,196	28.5	8,395	5.4	378	1.2	8,017	6.5	4.5	
Second Quintile	19,667	24.2	21,310	11.7	1,791	4.9	19,519	13.4	8.4	
Middle Quintile	15,891	19.5	37,519	16.6	5,588	12.5	31,930	17.7	14.9	
Fourth Quintile	11,931	14.7	60,761	20.2	12,521	20.9	48,240	20.0	20.6	
Top Quintile	9,954	12.2	167,534	46.5	43,220	60.3	124,314	43.1	25.8	
All	81,336	100.0	44,116	100.0	8,772	100.0	35,344	100.0	19.9	
Addendum										
80-90	5,175	6.4	92,340	13.3	21,564	15.6	70,776	12.7	23.4	
90-95	2,512	3.1	131,560	9.2	32,157	11.3	99,404	8.7	24.4	
95-99	1,882	2.3	225,150	11.8	55,112	14.5	170,038	11.1	24.5	
Top 1 Percent	385	0.5	1,132,088	12.1	348,599	18.8	783,489	10.5	30.8	
Top 0.1 Percent	34	0.0	5,399,109	5.2	1,865,447	9.0	3,533,661	4.2	34.6	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0411-3).

* Less than 0.05

(1) Calendar year. Baseline is current policy without the proposal. Proposal is the 3.8 percent unearned income Medicare contribution enacted by the health reform legislation. For a description of TPC's current law and current policy baselines, see

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

(5) 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.

(6) 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 T12-0107
Health Reform Act's 3.8 Percent Unearned Income Medicare Contribution
Baseline: Current Policy
Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2015 ¹
Detail Table - Married Tax Units Filing Jointly

Cash Income Percentile ^{2,3}	Percent of Tax Units ⁴		Percent Change in After-Tax Income ⁵	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁶	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	-0.2	0.0	-4.7
Second Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	1.1	0.0	7.6
Middle Quintile	0.0	0.0	0.0	0.0	0	0.0	-0.1	5.2	0.0	13.0
Fourth Quintile	0.0	0.0	0.0	0.0	0	0.0	-0.2	15.2	0.0	18.1
Top Quintile	0.0	18.4	-0.5	100.0	1,165	1.5	0.3	78.6	0.4	25.5
All	0.0	6.1	-0.3	100.0	388	1.2	0.0	100.0	0.3	22.3
Addendum										
80-90	0.0	0.1	0.0	0.0	0	0.0	-0.2	15.7	0.0	21.4
90-95	0.0	5.8	0.0	0.2	10	0.0	-0.2	12.7	0.0	23.1
95-99	0.0	58.4	-0.2	11.7	654	0.7	-0.1	19.7	0.2	25.2
Top 1 Percent	0.0	86.9	-1.4	88.1	18,922	3.6	0.7	30.5	1.0	29.9
Top 0.1 Percent	0.0	95.6	-2.1	55.0	116,147	4.6	0.5	14.8	1.5	33.0

Baseline Distribution of Income and Federal Taxes
by Cash Income Percentile Adjusted for Family Size, 2015 ¹

Cash Income Percentile ^{2,3}	Tax Units ⁴		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	4,463	7.6	15,631	0.8	-737	-0.2	16,368	1.1	-4.7	
Second Quintile	6,865	11.7	39,057	3.1	2,975	1.1	36,082	3.7	7.6	
Middle Quintile	11,932	20.3	64,653	8.9	8,423	5.3	56,230	10.0	13.0	
Fourth Quintile	15,574	26.5	104,032	18.8	18,784	15.4	85,248	19.7	18.1	
Top Quintile	19,635	33.4	302,339	68.7	75,925	78.3	226,413	66.0	25.1	
All	58,870	100.0	146,762	100.0	32,334	100.0	114,427	100.0	22.0	
Addendum										
80-90	9,415	16.0	149,979	16.3	32,148	15.9	117,832	16.5	21.4	
90-95	5,079	8.6	208,633	12.3	48,111	12.8	160,521	12.1	23.1	
95-99	4,077	6.9	367,942	17.4	92,230	19.8	275,711	16.7	25.1	
Top 1 Percent	1,065	1.8	1,845,234	22.7	533,235	29.8	1,311,998	20.7	28.9	
Top 0.1 Percent	108	0.2	7,994,782	10.0	2,518,640	14.3	5,476,141	8.8	31.5	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0411-3).

* Less than 0.05

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

(5) 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.

(6) 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 T12-0107
Health Reform Act's 3.8 Percent Unearned Income Medicare Contribution
Baseline: Current Policy
Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2015 ¹
Detail Table - Head of Household Tax Units

Cash Income Percentile ^{2,3}	Percent of Tax Units ⁴		Percent Change in After-Tax Income ⁵	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁶	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	-8.5	0.0	-11.2
Second Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	10.4	0.0	6.0
Middle Quintile	0.0	0.0	0.0	0.0	0	0.0	-0.1	26.9	0.0	15.3
Fourth Quintile	0.0	0.0	0.0	0.0	0	0.0	-0.1	30.4	0.0	19.8
Top Quintile	0.0	11.2	-0.3	100.0	489	1.0	0.2	40.7	0.3	25.2
All	0.0	0.6	-0.1	100.0	24	0.4	0.0	100.0	0.1	13.5
Addendum										
80-90	0.0	0.1	0.0	0.0	0	0.0	-0.1	15.4	0.0	23.3
90-95	0.0	5.5	0.0	0.3	9	0.0	0.0	6.1	0.0	23.7
95-99	0.0	51.7	-0.2	13.5	445	0.6	0.0	8.9	0.2	24.6
Top 1 Percent	0.0	92.3	-1.5	86.1	15,706	3.5	0.3	10.3	1.1	30.9
Top 0.1 Percent	0.0	99.0	-2.2	50.6	107,234	4.5	0.2	4.7	1.5	34.2

Baseline Distribution of Income and Federal Taxes
by Cash Income Percentile Adjusted for Family Size, 2015 ¹

Cash Income Percentile ^{2,3}	Tax Units ⁴		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	8,554	32.8	13,984	10.3	-1,562	-8.5	15,546	13.2	-11.2
Second Quintile	8,234	31.5	33,302	23.5	1,997	10.5	31,305	25.6	6.0
Middle Quintile	5,041	19.3	54,971	23.8	8,428	27.0	46,543	23.3	15.3
Fourth Quintile	2,893	11.1	83,770	20.8	16,589	30.5	67,181	19.3	19.8
Top Quintile	1,307	5.0	194,776	21.8	48,625	40.4	146,151	18.9	25.0
All	26,121	100.0	44,620	100.0	6,019	100.0	38,601	100.0	13.5
Addendum									
80-90	840	3.2	124,047	8.9	28,901	15.4	95,146	7.9	23.3
90-95	238	0.9	171,264	3.5	40,635	6.1	130,629	3.1	23.7
95-99	194	0.7	293,736	4.9	71,712	8.9	222,024	4.3	24.4
Top 1 Percent	35	0.1	1,501,783	4.5	447,874	10.0	1,053,910	3.7	29.8
Top 0.1 Percent	3	0.0	7,219,902	1.9	2,359,988	4.5	4,859,914	1.5	32.7

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0411-3).

* Less than 0.05

(1) Calendar year. Baseline is current policy without the proposal. Proposal is the 3.8 percent unearned income Medicare contribution enacted by the health reform legislation. For a description of TPC's current law and current policy baselines, see

<http://www.taxpolicycenter.org/T11-0270>

(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) The cash 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 2011 dollars): 20% \$13,687; 40% \$26,567; 60% \$44,163; 80% \$72,423; 90% \$104,181; 95% \$147,975; 99% \$384,375; 99.9% \$1,764,281.

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

(5) 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.

(6) 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 T12-0107
Health Reform Act's 3.8 Percent Unearned Income Medicare Contribution
Baseline: Current Policy
Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2015 ¹
Detail Table - Tax Units with Children

Cash Income Percentile ^{2,3}	Percent of Tax Units ⁴		Percent Change in After-Tax Income ⁵	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁶	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	-2.1	0.0	-14.4
Second Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	2.3	0.0	6.0
Middle Quintile	0.0	0.0	0.0	0.0	0	0.0	-0.1	9.9	0.0	15.5
Fourth Quintile	0.0	*	0.0	0.0	0	0.0	-0.2	21.0	0.0	19.7
Top Quintile	0.0	23.8	-0.5	100.0	1,098	1.3	0.3	68.7	0.3	26.7
All	0.0	4.0	-0.2	100.0	183	0.9	0.0	100.0	0.2	20.8
Addendum										
80-90	0.0	0.3	0.0	0.0	0	0.0	-0.1	16.2	0.0	23.0
90-95	0.0	15.7	0.0	0.7	30	0.1	-0.1	11.1	0.0	24.2
95-99	0.0	82.4	-0.3	15.3	883	0.8	0.0	17.3	0.2	26.8
Top 1 Percent	0.0	94.8	-1.4	84.1	20,597	3.1	0.5	24.1	0.9	31.6
Top 0.1 Percent	0.0	99.0	-2.1	53.2	139,322	4.3	0.4	11.2	1.4	34.0

Baseline Distribution of Income and Federal Taxes
by Cash Income Percentile Adjusted for Family Size, 2015 ¹

Cash Income Percentile ^{2,3}	Tax Units ⁴		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	10,299	20.5	14,919	3.0	-2,146	-2.1	17,065	4.3	-14.4	
Second Quintile	10,995	21.9	37,962	8.1	2,259	2.3	35,703	9.6	6.0	
Middle Quintile	10,131	20.2	67,712	13.3	10,478	10.0	57,234	14.2	15.5	
Fourth Quintile	10,153	20.2	112,761	22.3	22,188	21.2	90,573	22.5	19.7	
Top Quintile	8,372	16.7	329,225	53.6	86,783	68.4	242,442	49.8	26.4	
All	50,185	100.0	102,460	100.0	21,161	100.0	81,299	100.0	20.7	
Addendum										
80-90	4,416	8.8	171,499	14.7	39,398	16.4	132,101	14.3	23.0	
90-95	1,992	4.0	245,849	9.5	59,431	11.2	186,418	9.1	24.2	
95-99	1,588	3.2	434,482	13.4	115,516	17.3	318,966	12.4	26.6	
Top 1 Percent	375	0.8	2,183,049	15.9	668,176	23.6	1,514,872	13.9	30.6	
Top 0.1 Percent	35	0.1	10,034,824	6.9	3,274,742	10.8	6,760,082	5.8	32.6	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0411-3).

* Less than 0.05

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

(1) Calendar year. Baseline is current policy without the proposal. Proposal is the 3.8 percent unearned income Medicare contribution enacted by the health reform legislation. For a description of TPC's current law and current policy baselines, see

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(3) The cash 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 2011 dollars): 20% \$13,687; 40% \$26,567; 60% \$44,163; 80% \$72,423; 90% \$104,181; 95% \$147,975; 99% \$384,375; 99.9% \$1,764,281.

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

(5) 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.

(6) 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 T12-0107
Health Reform Act's 3.8 Percent Unearned Income Medicare Contribution
Baseline: Current Policy
Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2015 ¹
Detail Table - Elderly Tax Units

Cash Income Percentile ^{2,3}	Percent of Tax Units ⁴		Percent Change in After-Tax Income ⁵	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁶	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	0.1	0.0	0.7
Second Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	0.7	0.0	1.7
Middle Quintile	0.0	0.0	0.0	0.0	0	0.0	-0.1	4.0	0.0	5.4
Fourth Quintile	0.0	0.0	0.0	0.0	0	0.0	-0.2	10.9	0.0	11.7
Top Quintile	0.0	14.2	-0.8	100.0	1,512	2.5	0.3	84.2	0.6	23.7
All	0.0	2.6	-0.4	100.0	276	2.1	0.0	100.0	0.4	17.3
Addendum										
80-90	0.0	0.0	0.0	0.0	0	0.0	-0.2	11.4	0.0	16.0
90-95	0.0	0.6	0.0	0.0	2	0.0	-0.2	10.7	0.0	19.0
95-99	0.0	36.8	-0.3	9.3	612	0.9	-0.2	20.5	0.2	22.2
Top 1 Percent	0.0	82.3	-1.9	90.6	20,410	4.7	1.0	41.6	1.4	30.7
Top 0.1 Percent	0.0	96.2	-2.6	52.9	118,505	5.5	0.7	20.7	1.8	34.3

Baseline Distribution of Income and Federal Taxes
by Cash Income Percentile Adjusted for Family Size, 2015 ¹

Cash Income Percentile ^{2,3}	Tax Units ⁴		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	6,748	17.4	10,638	2.4	72	0.1	10,565	2.8	0.7	
Second Quintile	9,924	25.5	22,647	7.4	388	0.8	22,259	8.7	1.7	
Middle Quintile	8,724	22.4	44,646	12.8	2,423	4.1	42,224	14.6	5.4	
Fourth Quintile	6,359	16.4	77,029	16.1	8,994	11.1	68,035	17.1	11.7	
Top Quintile	7,090	18.2	263,589	61.4	60,897	83.9	202,692	56.9	23.1	
All	38,882	100.0	78,233	100.0	13,241	100.0	64,993	100.0	16.9	
Addendum										
80-90	3,205	8.2	117,227	12.4	18,752	11.7	98,475	12.5	16.0	
90-95	1,775	4.6	166,728	9.7	31,743	10.9	134,985	9.5	19.0	
95-99	1,634	4.2	296,750	15.9	65,295	20.7	231,455	15.0	22.0	
Top 1 Percent	476	1.2	1,495,891	23.4	438,119	40.5	1,057,771	19.9	29.3	
Top 0.1 Percent	48	0.1	6,639,891	10.5	2,155,346	20.0	4,484,545	8.5	32.5	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0411-3).

* Less than 0.05

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

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