

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

Table T12-0111
Health Reform Act's Additional 0.9 Percent HI Tax on Earnings
Baseline: Current Law
Distribution of Federal Tax Change by Cash Income Percentile, 2022 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 (% Points)	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	4.6	
Second Quintile	0.0	0	0.0	0	0.0	0.0	0	0.0	12.9	
Middle Quintile	0.0	0	0.0	0	0.0	0.0	0	0.0	20.3	
Fourth Quintile	0.0	0	0.2	130	0.0	0.1	0	0.0	24.6	
Top Quintile	0.0	0	20.5	2,306	-0.2	99.7	472	0.1	31.1	
All	0.0	0	3.0	2,280	-0.1	100.0	68	0.1	25.7	
Addendum										
80-90	0.0	0	2.1	175	0.0	0.4	4	0.0	27.6	
90-95	0.0	0	19.2	243	0.0	2.5	47	0.0	28.4	
95-99	0.0	0	56.7	1,409	-0.2	33.8	799	0.2	30.5	
Top 1 Percent	0.0	0	65.4	9,151	-0.4	63.1	5,987	0.3	36.3	
Top 0.1 Percent	0.0	0	72.0	31,374	-0.4	24.0	22,578	0.2	40.2	

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

Number of AMT Taxpayers (millions). Baseline: 54.9

Proposal: 54.9

* Less than 0.05

** Insufficient data

(1) Calendar year. Baseline is current law without the proposal. Proposal is the additional 0.9 percent HI tax on earnings 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% \$22,282; 40% \$45,752; 60% \$78,322; 80% \$138,418; 90% \$185,450; 95% \$272,946; 99% \$714,348; 99.9% \$3,133,996.

(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 T12-0111
Health Reform Act's Additional 0.9 Percent HI Tax on Earnings
Baseline: Current Law
Distribution of Federal Tax Change by Cash Income Percentile, 2022 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	0.7	0.0	4.6
Second Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	4.7	0.0	12.9
Middle Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	11.6	0.0	20.3
Fourth Quintile	0.0	0.2	0.0	0.1	0	0.0	-0.1	19.6	0.0	24.6
Top Quintile	0.0	20.5	-0.2	99.7	472	0.4	0.1	63.2	0.1	31.1
All	0.0	3.0	-0.1	100.0	68	0.3	0.0	100.0	0.1	25.7
Addendum										
80-90	0.0	2.1	0.0	0.4	4	0.0	0.0	15.0	0.0	27.6
90-95	0.0	19.2	0.0	2.5	47	0.1	0.0	10.0	0.0	28.4
95-99	0.0	56.7	-0.2	33.8	799	0.6	0.1	15.5	0.2	30.5
Top 1 Percent	0.0	65.4	-0.4	63.1	5,987	0.7	0.1	22.7	0.3	36.3
Top 0.1 Percent	0.0	72.0	-0.4	24.0	22,578	0.6	0.0	10.3	0.2	40.2

Baseline Distribution of Income and Federal Taxes
by Cash Income Percentile, 2022 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	45,051	25.2	16,303	4.0	745	0.7	15,557	5.1	4.6	
Second Quintile	41,671	23.3	41,574	9.3	5,369	4.7	36,205	10.9	12.9	
Middle Quintile	35,526	19.9	76,666	14.7	15,556	11.6	61,110	15.7	20.3	
Fourth Quintile	29,306	16.4	129,798	20.5	31,908	19.7	97,890	20.8	24.6	
Top Quintile	25,593	14.3	377,519	52.1	117,092	63.1	260,426	48.3	31.0	
All	178,798	100.0	103,787	100.0	26,565	100.0	77,222	100.0	25.6	
Addendum										
80-90	12,832	7.2	201,121	13.9	55,524	15.0	145,597	13.5	27.6	
90-95	6,360	3.6	263,571	9.0	74,914	10.0	188,656	8.7	28.4	
95-99	5,125	2.9	473,893	13.1	143,573	15.5	330,320	12.3	30.3	
Top 1 Percent	1,275	0.7	2,333,770	16.0	840,662	22.6	1,493,108	13.8	36.0	
Top 0.1 Percent	129	0.1	9,454,596	6.6	3,776,226	10.2	5,678,371	5.3	39.9	

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

Number of AMT Taxpayers (millions). Baseline: 54.9

Proposal: 54.9

* Less than 0.05

(1) Calendar year. Baseline is current law without the proposal. Proposal is the additional 0.9 percent HI tax on earnings 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% \$22,282; 40% \$45,752; 60% \$78,322; 80% \$138,418; 90% \$185,450; 95% \$272,946; 99% \$714,348; 99.9% \$3,133,996.

(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 T12-0111
Health Reform Act's Additional 0.9 Percent HI Tax on Earnings
Baseline: Current Law
Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2022 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	2.8
Second Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	3.6	0.0	12.0
Middle Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	9.3	0.0	18.3
Fourth Quintile	0.0	0.1	0.0	0.0	0	0.0	-0.1	19.0	0.0	24.1
Top Quintile	0.0	16.2	-0.2	99.8	371	0.4	0.1	67.6	0.1	30.7
All	0.0	3.0	-0.1	100.0	68	0.3	0.0	100.0	0.1	25.7
Addendum										
80-90	0.0	2.0	0.0	0.4	3	0.0	0.0	15.4	0.0	26.9
90-95	0.0	11.3	0.0	4.2	58	0.1	0.0	11.9	0.0	28.3
95-99	0.0	47.3	-0.2	32.9	610	0.5	0.0	16.8	0.2	30.5
Top 1 Percent	0.0	57.4	-0.4	62.3	4,939	0.7	0.1	23.5	0.2	35.8
Top 0.1 Percent	0.0	67.0	-0.4	24.6	19,127	0.6	0.0	10.9	0.2	40.3

Baseline Distribution of Income and Federal Taxes
by Cash Income Percentile Adjusted for Family Size, 2022 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	37,209	20.8	15,382	3.1	433	0.3	14,949	4.0	2.8	
Second Quintile	38,632	21.6	37,376	7.8	4,490	3.7	32,886	9.2	12.0	
Middle Quintile	35,752	20.0	67,536	13.0	12,339	9.3	55,198	14.3	18.3	
Fourth Quintile	32,958	18.4	113,958	20.2	27,499	19.1	86,460	20.6	24.1	
Top Quintile	32,595	18.2	321,197	56.4	98,321	67.5	222,876	52.6	30.6	
All	178,798	100.0	103,787	100.0	26,565	100.0	77,222	100.0	25.6	
Addendum										
80-90	15,775	8.8	172,921	14.7	46,491	15.4	126,431	14.5	26.9	
90-95	8,770	4.9	227,793	10.8	64,442	11.9	163,351	10.4	28.3	
95-99	6,522	3.7	402,401	14.1	122,008	16.8	280,392	13.3	30.3	
Top 1 Percent	1,527	0.9	2,042,383	16.8	727,086	23.4	1,315,297	14.6	35.6	
Top 0.1 Percent	156	0.1	8,292,771	7.0	3,325,431	10.9	4,967,340	5.6	40.1	

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

Number of AMT Taxpayers (millions). Baseline: 54.9

Proposal: 54.9

* Less than 0.05

(1) Calendar year. Baseline is current law without the proposal. Proposal is the additional 0.9 percent HI tax on earnings 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% \$16,414; 40% \$30,982; 60% \$50,893; 80% \$82,426; 90% \$113,847; 95% \$159,996; 99% \$402,820; 99.9% \$1,874,628.

(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 T12-0111
Health Reform Act's Additional 0.9 Percent HI Tax on Earnings
Baseline: Current Law
Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2022 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	1.4	0.0	6.4
Second Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	5.4	0.0	9.8
Middle Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	12.3	0.0	17.2
Fourth Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	22.4	0.0	24.9
Top Quintile	0.0	8.9	-0.1	99.8	137	0.2	0.1	58.3	0.1	32.4
All	0.0	1.0	0.0	100.0	16	0.1	0.0	100.0	0.0	24.0
Addendum										
80-90	0.0	0.2	0.0	0.2	1	0.0	0.0	12.4	0.0	27.6
90-95	0.0	0.7	0.0	0.4	2	0.0	0.0	11.4	0.0	29.8
95-99	0.0	31.8	-0.1	28.6	178	0.2	0.0	16.4	0.1	32.5
Top 1 Percent	0.0	41.0	-0.3	70.6	2,447	0.4	0.1	18.1	0.2	39.3
Top 0.1 Percent	0.0	52.9	-0.3	33.0	11,856	0.4	0.0	8.9	0.2	44.4

Baseline Distribution of Income and Federal Taxes
by Cash Income Percentile Adjusted for Family Size, 2022 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	21,821	25.9	12,083	5.4	770	1.4	11,313	6.6	6.4	
Second Quintile	22,271	26.4	29,350	13.3	2,881	5.4	26,469	15.7	9.8	
Middle Quintile	16,677	19.8	50,676	17.2	8,691	12.3	41,985	18.7	17.2	
Fourth Quintile	12,876	15.3	82,876	21.7	20,599	22.4	62,277	21.4	24.9	
Top Quintile	9,653	11.5	220,495	43.2	71,352	58.3	149,144	38.5	32.4	
All	84,243	100.0	58,478	100.0	14,034	100.0	44,444	100.0	24.0	
Addendum										
80-90	4,438	5.3	120,186	10.8	33,138	12.4	87,048	10.3	27.6	
90-95	2,700	3.2	167,862	9.2	50,004	11.4	117,858	8.5	29.8	
95-99	2,131	2.5	280,166	12.1	90,908	16.4	189,258	10.8	32.5	
Top 1 Percent	383	0.5	1,421,176	11.1	555,551	18.0	865,625	8.9	39.1	
Top 0.1 Percent	37	0.0	6,424,331	4.8	2,842,034	8.9	3,582,297	3.5	44.2	

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 T12-0111
Health Reform Act's Additional 0.9 Percent HI Tax on Earnings
Baseline: Current Law
Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2022 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	0.1	0.0	3.9
Second Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	1.7	0.0	13.9
Middle Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	6.3	0.0	17.9
Fourth Quintile	0.0	0.1	0.0	0.0	0	0.0	-0.1	17.2	0.0	23.7
Top Quintile	0.0	19.0	-0.2	99.8	484	0.4	0.1	74.7	0.1	30.2
All	0.0	6.4	-0.1	100.0	164	0.3	0.0	100.0	0.1	27.2
Addendum										
80-90	0.0	2.3	0.0	0.3	3	0.0	-0.1	17.0	0.0	26.6
90-95	0.0	14.8	0.0	4.5	81	0.1	0.0	12.8	0.0	27.8
95-99	0.0	55.3	-0.3	33.4	837	0.6	0.1	18.1	0.2	29.9
Top 1 Percent	0.0	62.9	-0.4	61.6	5,836	0.8	0.1	26.8	0.3	35.0
Top 0.1 Percent	0.0	71.8	-0.4	23.5	21,798	0.6	0.0	12.1	0.3	39.3

Baseline Distribution of Income and Federal Taxes
by Cash Income Percentile Adjusted for Family Size, 2022 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	4,620	7.4	21,651	0.9	846	0.1	20,805	1.1	3.9	
Second Quintile	7,157	11.5	53,060	3.3	7,373	1.7	45,687	3.8	13.9	
Middle Quintile	12,718	20.4	87,213	9.5	15,603	6.3	71,610	10.7	17.9	
Fourth Quintile	16,394	26.2	140,184	19.7	33,210	17.2	106,973	20.6	23.7	
Top Quintile	21,091	33.8	371,838	67.2	111,920	74.6	259,918	64.4	30.1	
All	62,499	100.0	186,765	100.0	50,640	100.0	136,125	100.0	27.1	
Addendum										
80-90	10,251	16.4	197,456	17.3	52,548	17.0	144,908	17.5	26.6	
90-95	5,680	9.1	257,704	12.5	71,560	12.8	186,143	12.4	27.8	
95-99	4,080	6.5	470,795	16.5	139,858	18.0	330,937	15.9	29.7	
Top 1 Percent	1,080	1.7	2,253,463	20.9	782,179	26.7	1,471,284	18.7	34.7	
Top 0.1 Percent	110	0.2	8,891,021	8.4	3,468,575	12.1	5,422,446	7.0	39.0	

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

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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 T12-0111
Health Reform Act's Additional 0.9 Percent HI Tax on Earnings
Baseline: Current Law
Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2022 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	-1.6	0.0	-2.6
Second Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	16.3	0.0	13.5
Middle Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	26.8	0.0	21.0
Fourth Quintile	0.0	0.1	0.0	0.1	0	0.0	0.0	25.5	0.0	24.5
Top Quintile	0.0	18.2	-0.1	99.8	256	0.3	0.1	32.9	0.1	30.0
All	0.0	0.9	0.0	100.0	12	0.1	0.0	100.0	0.0	19.1
Addendum										
80-90	0.0	4.2	0.0	2.2	9	0.0	0.0	12.0	0.0	27.9
90-95	0.0	32.1	-0.1	7.0	86	0.1	0.0	5.5	0.0	28.9
95-99	0.0	45.6	-0.2	35.7	593	0.6	0.0	6.8	0.2	28.6
Top 1 Percent	0.0	64.2	-0.4	54.9	4,678	0.7	0.1	8.5	0.3	36.0
Top 0.1 Percent	0.0	65.4	-0.4	20.4	20,937	0.6	0.0	3.8	0.2	41.1

Baseline Distribution of Income and Federal Taxes
by Cash Income Percentile Adjusted for Family Size, 2022 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	10,465	35.7	19,525	12.0	-502	-1.6	20,027	15.2	-2.6	
Second Quintile	8,708	29.7	45,103	23.1	6,078	16.3	39,025	24.7	13.5	
Middle Quintile	5,571	19.0	74,368	24.4	15,596	26.8	58,772	23.8	21.0	
Fourth Quintile	3,097	10.6	109,128	19.9	26,715	25.6	82,412	18.6	24.5	
Top Quintile	1,386	4.7	256,613	20.9	76,608	32.8	180,005	18.1	29.9	
All	29,354	100.0	57,903	100.0	11,031	100.0	46,871	100.0	19.1	
Addendum										
80-90	843	2.9	166,102	8.2	46,305	12.1	119,797	7.3	27.9	
90-95	288	1.0	216,482	3.7	62,396	5.5	154,086	3.2	28.8	
95-99	214	0.7	360,979	4.6	102,569	6.8	258,411	4.0	28.4	
Top 1 Percent	42	0.1	1,823,813	4.5	652,692	8.4	1,171,121	3.6	35.8	
Top 0.1 Percent	3	0.0	8,551,029	1.7	3,496,222	3.7	5,054,806	1.3	40.9	

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

* Less than 0.05

(1) Calendar year. Baseline is current law without the proposal. Proposal is the additional 0.9 percent HI tax on earnings 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 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% \$16,414; 40% \$30,982; 60% \$50,893; 80% \$82,426; 90% \$113,847; 95% \$159,996; 99% \$402,820; 99.9% \$1,874,628.

(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 T12-0111
Health Reform Act's Additional 0.9 Percent HI Tax on Earnings
Baseline: Current Law
Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2022 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	-0.5	0.0	-4.0
Second Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	4.4	0.0	14.6
Middle Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	11.2	0.0	21.8
Fourth Quintile	0.0	0.3	0.0	0.1	0	0.0	-0.1	21.6	0.0	26.2
Top Quintile	0.0	31.1	-0.3	99.8	763	0.6	0.1	63.2	0.2	31.9
All	0.0	5.5	-0.1	100.0	132	0.4	0.0	100.0	0.1	26.9
Addendum										
80-90	0.0	5.5	0.0	0.7	9	0.0	-0.1	17.1	0.0	28.6
90-95	0.0	47.3	-0.1	6.7	279	0.3	0.0	8.0	0.1	29.4
95-99	0.0	76.6	-0.4	35.8	1,363	0.9	0.1	15.5	0.3	31.0
Top 1 Percent	0.0	80.8	-0.5	56.7	8,683	0.9	0.1	22.5	0.3	37.2
Top 0.1 Percent	0.0	84.1	-0.5	19.4	33,289	0.8	0.0	9.5	0.3	40.7

Baseline Distribution of Income and Federal Taxes
by Cash Income Percentile Adjusted for Family Size, 2022 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	11,454	21.3	20,883	3.3	-826	-0.5	21,709	4.7	-4.0	
Second Quintile	11,288	21.0	51,488	8.0	7,513	4.4	43,975	9.4	14.6	
Middle Quintile	10,923	20.3	91,303	13.8	19,918	11.2	71,385	14.7	21.8	
Fourth Quintile	10,554	19.6	152,768	22.2	39,986	21.7	112,782	22.4	26.2	
Top Quintile	9,307	17.3	414,883	53.2	131,653	63.1	283,230	49.6	31.7	
All	53,847	100.0	134,720	100.0	36,083	100.0	98,637	100.0	26.8	
Addendum										
80-90	5,278	9.8	221,619	16.1	63,280	17.2	158,339	15.7	28.6	
90-95	1,696	3.2	313,970	7.3	92,138	8.0	221,832	7.1	29.4	
95-99	1,868	3.5	522,691	13.5	160,417	15.4	362,274	12.7	30.7	
Top 1 Percent	465	0.9	2,545,464	16.3	937,043	22.4	1,608,421	14.1	36.8	
Top 0.1 Percent	42	0.1	11,001,478	6.3	4,441,448	9.5	6,560,030	5.1	40.4	

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 law without the proposal. Proposal is the additional 0.9 percent HI tax on earnings 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% \$16,414; 40% \$30,982; 60% \$50,893; 80% \$82,426; 90% \$113,847; 95% \$159,996; 99% \$402,820; 99.9% \$1,874,628.

(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 T12-0111
Health Reform Act's Additional 0.9 Percent HI Tax on Earnings
Baseline: Current Law
Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2022 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	0.2	0.0	1.1
Second Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	1.1	0.0	2.5
Middle Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	5.5	0.0	8.4
Fourth Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	14.6	0.0	17.8
Top Quintile	0.0	2.6	0.0	99.8	83	0.1	0.0	78.5	0.0	29.9
All	0.0	0.4	0.0	100.0	14	0.1	0.0	100.0	0.0	21.3
Addendum										
80-90	0.0	0.0	0.0	0.0	0	0.0	0.0	13.1	0.0	22.2
90-95	0.0	0.2	0.0	0.1	0	0.0	0.0	13.4	0.0	25.6
95-99	0.0	6.4	0.0	13.2	50	0.0	0.0	21.0	0.0	30.5
Top 1 Percent	0.0	22.3	-0.1	86.5	1,322	0.2	0.0	31.0	0.1	37.8
Top 0.1 Percent	0.0	40.1	-0.2	45.1	7,052	0.2	0.0	14.5	0.1	43.2

Baseline Distribution of Income and Federal Taxes
by Cash Income Percentile Adjusted for Family Size, 2022 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	8,770	18.9	14,874	3.1	161	0.2	14,713	3.9	1.1	
Second Quintile	12,942	27.9	31,170	9.6	793	1.2	30,377	11.9	2.5	
Middle Quintile	9,813	21.2	59,886	14.0	5,055	5.5	54,831	16.3	8.4	
Fourth Quintile	7,152	15.4	102,673	17.5	18,289	14.6	84,384	18.3	17.8	
Top Quintile	7,674	16.5	306,360	56.0	91,598	78.5	214,762	49.9	29.9	
All	46,392	100.0	90,561	100.0	19,307	100.0	71,253	100.0	21.3	
Addendum										
80-90	3,390	7.3	155,804	12.6	34,511	13.1	121,293	12.4	22.2	
90-95	2,205	4.8	213,356	11.2	54,563	13.4	158,793	10.6	25.6	
95-99	1,662	3.6	370,708	14.7	113,136	21.0	257,572	13.0	30.5	
Top 1 Percent	417	0.9	1,766,109	17.5	665,874	31.0	1,100,235	13.9	37.7	
Top 0.1 Percent	41	0.1	7,377,022	7.2	3,179,639	14.5	4,197,383	5.2	43.1	

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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