

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

Table T12-0113
Health Reform Act's 3.8 Percent Unearned Income Medicare Contribution
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 (%)	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	80	0.0	0.0	0	0.0	24.6	
Top Quintile	0.0	0	28.5	6,072	-0.7	100.0	1,731	0.5	31.1	
All	0.0	0	4.1	6,019	-0.3	100.0	248	0.2	25.7	
Addendum										
80-90	0.0	0	2.5	294	0.0	0.2	7	0.0	27.6	
90-95	0.0	0	23.3	562	-0.1	1.9	131	0.1	28.4	
95-99	0.0	0	84.6	2,102	-0.5	20.6	1,779	0.4	30.5	
Top 1 Percent	0.0	0	90.5	29,694	-1.8	77.3	26,867	1.2	36.3	
Top 0.1 Percent	0.0	0	97.1	152,591	-2.6	43.1	148,206	1.6	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 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% \$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 T12-0113
Health Reform Act's 3.8 Percent Unearned Income Medicare Contribution
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	-0.1	11.6	0.0	20.3
Fourth Quintile	0.0	0.2	0.0	0.0	0	0.0	-0.2	19.6	0.0	24.6
Top Quintile	0.0	28.5	-0.7	100.0	1,731	1.5	0.4	63.2	0.5	31.1
All	0.0	4.1	-0.3	100.0	248	0.9	0.0	100.0	0.2	25.7
Addendum										
80-90	0.0	2.5	0.0	0.2	7	0.0	-0.1	15.0	0.0	27.6
90-95	0.0	23.3	-0.1	1.9	131	0.2	-0.1	10.0	0.1	28.4
95-99	0.0	84.6	-0.5	20.6	1,779	1.3	0.1	15.5	0.4	30.5
Top 1 Percent	0.0	90.5	-1.8	77.3	26,867	3.3	0.5	22.7	1.2	36.3
Top 0.1 Percent	0.0	97.1	-2.6	43.1	148,206	4.1	0.3	10.3	1.6	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	11.7	61,110	15.7	20.3	
Fourth Quintile	29,306	16.4	129,798	20.5	31,908	19.8	97,890	20.7	24.6	
Top Quintile	25,593	14.3	377,519	52.1	115,833	62.8	261,686	48.4	30.7	
All	178,798	100.0	103,787	100.0	26,385	100.0	77,402	100.0	25.4	
Addendum										
80-90	12,832	7.2	201,121	13.9	55,520	15.1	145,600	13.5	27.6	
90-95	6,360	3.6	263,571	9.0	74,830	10.1	188,740	8.7	28.4	
95-99	5,125	2.9	473,893	13.1	142,593	15.5	331,300	12.3	30.1	
Top 1 Percent	1,275	0.7	2,333,770	16.0	819,781	22.2	1,513,989	14.0	35.1	
Top 0.1 Percent	129	0.1	9,454,596	6.6	3,650,598	10.0	5,803,998	5.4	38.6	

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 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 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 T12-0113
Health Reform Act's 3.8 Percent Unearned Income Medicare Contribution
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	-0.1	9.3	0.0	18.3
Fourth Quintile	0.0	*	0.0	0.0	0	0.0	-0.2	19.0	0.0	24.1
Top Quintile	0.0	22.6	-0.6	100.0	1,359	1.4	0.3	67.6	0.4	30.7
All	0.0	4.1	-0.3	100.0	248	0.9	0.0	100.0	0.2	25.7
Addendum										
80-90	0.0	1.2	0.0	0.1	3	0.0	-0.1	15.4	0.0	26.9
90-95	0.0	12.4	0.0	1.2	63	0.1	-0.1	11.9	0.0	28.3
95-99	0.0	72.8	-0.4	18.3	1,244	1.0	0.0	16.8	0.3	30.5
Top 1 Percent	0.0	86.5	-1.8	80.4	23,314	3.3	0.5	23.5	1.1	35.8
Top 0.1 Percent	0.0	97.0	-2.6	46.2	131,510	4.1	0.3	10.9	1.6	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	9.4	55,198	14.3	18.3	
Fourth Quintile	32,958	18.4	113,958	20.2	27,499	19.2	86,460	20.6	24.1	
Top Quintile	32,595	18.2	321,197	56.4	97,332	67.3	223,865	52.7	30.3	
All	178,798	100.0	103,787	100.0	26,385	100.0	77,402	100.0	25.4	
Addendum										
80-90	15,775	8.8	172,921	14.7	46,491	15.6	126,430	14.4	26.9	
90-95	8,770	4.9	227,793	10.8	64,437	12.0	163,357	10.4	28.3	
95-99	6,522	3.7	402,401	14.1	121,374	16.8	281,026	13.2	30.2	
Top 1 Percent	1,527	0.9	2,042,383	16.8	708,712	22.9	1,333,672	14.7	34.7	
Top 0.1 Percent	156	0.1	8,292,771	7.0	3,213,047	10.6	5,079,723	5.7	38.8	

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 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% \$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 T12-0113
Health Reform Act's 3.8 Percent Unearned Income Medicare Contribution
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	-0.1	12.3	0.0	17.2
Fourth Quintile	0.0	0.0	0.0	0.0	0	0.0	-0.2	22.4	0.0	24.9
Top Quintile	0.0	15.9	-0.6	100.0	891	1.3	0.3	58.3	0.4	32.4
All	0.0	1.8	-0.2	100.0	102	0.7	0.0	100.0	0.2	24.0
Addendum										
80-90	0.0	0.2	0.0	0.0	0	0.0	-0.1	12.4	0.0	27.6
90-95	0.0	0.8	0.0	0.1	4	0.0	-0.1	11.4	0.0	29.8
95-99	0.0	55.3	-0.4	18.3	739	0.8	0.0	16.4	0.3	32.5
Top 1 Percent	0.0	83.8	-2.1	81.5	18,290	3.4	0.5	18.1	1.3	39.3
Top 0.1 Percent	0.0	97.7	-3.1	48.5	112,732	4.1	0.3	8.9	1.8	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	5.5	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	22.6	62,277	21.4	24.9	
Top Quintile	9,653	11.5	220,495	43.2	70,598	58.0	149,897	38.6	32.0	
All	84,243	100.0	58,478	100.0	13,948	100.0	44,530	100.0	23.9	
Addendum										
80-90	4,438	5.3	120,186	10.8	33,139	12.5	87,048	10.3	27.6	
90-95	2,700	3.2	167,862	9.2	50,002	11.5	117,860	8.5	29.8	
95-99	2,131	2.5	280,166	12.1	90,347	16.4	189,820	10.8	32.3	
Top 1 Percent	383	0.5	1,421,176	11.1	539,709	17.6	881,467	9.0	38.0	
Top 0.1 Percent	37	0.0	6,424,331	4.8	2,741,158	8.6	3,683,173	3.6	42.7	

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 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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(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 T12-0113
Health Reform Act's 3.8 Percent Unearned Income Medicare Contribution
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	-0.1	6.3	0.0	17.9
Fourth Quintile	0.0	0.0	0.0	0.0	0	0.0	-0.2	17.2	0.0	23.7
Top Quintile	0.0	25.3	-0.6	100.0	1,575	1.4	0.3	74.7	0.4	30.2
All	0.0	8.5	-0.4	100.0	531	1.1	0.0	100.0	0.3	27.2
Addendum										
80-90	0.0	1.2	0.0	0.1	3	0.0	-0.2	17.0	0.0	26.6
90-95	0.0	15.9	0.0	1.4	80	0.1	-0.1	12.8	0.0	27.8
95-99	0.0	82.3	-0.5	18.6	1,513	1.1	0.0	18.1	0.3	29.9
Top 1 Percent	0.0	87.3	-1.7	80.0	24,585	3.2	0.6	26.8	1.1	35.0
Top 0.1 Percent	0.0	96.7	-2.5	45.1	135,836	4.1	0.4	12.1	1.5	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	17.3	106,973	20.6	23.7	
Top Quintile	21,091	33.8	371,838	67.2	110,829	74.4	261,009	64.5	29.8	
All	62,499	100.0	186,765	100.0	50,272	100.0	136,493	100.0	26.9	
Addendum										
80-90	10,251	16.4	197,456	17.3	52,549	17.1	144,908	17.4	26.6	
90-95	5,680	9.1	257,704	12.5	71,561	12.9	186,143	12.4	27.8	
95-99	4,080	6.5	470,795	16.5	139,182	18.1	331,613	15.9	29.6	
Top 1 Percent	1,080	1.7	2,253,463	20.9	763,431	26.2	1,490,033	18.9	33.9	
Top 0.1 Percent	110	0.2	8,891,021	8.4	3,354,536	11.8	5,536,484	7.2	37.7	

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 T12-0113
Health Reform Act's 3.8 Percent Unearned Income Medicare Contribution
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	-0.1	16.3	0.0	13.5
Middle Quintile	0.0	0.0	0.0	0.0	0	0.0	-0.1	26.8	0.0	21.0
Fourth Quintile	0.0	0.1	0.0	0.0	0	0.0	-0.1	25.5	0.0	24.5
Top Quintile	0.0	22.2	-0.5	100.0	809	1.1	0.2	32.9	0.3	30.0
All	0.0	1.1	-0.1	100.0	38	0.4	0.0	100.0	0.1	19.1
Addendum										
80-90	0.0	3.9	0.0	0.6	8	0.0	0.0	12.0	0.0	27.9
90-95	0.0	34.0	-0.1	3.6	139	0.2	0.0	5.5	0.1	28.9
95-99	0.0	64.9	-0.4	18.0	940	0.9	0.0	6.8	0.3	28.6
Top 1 Percent	0.0	90.2	-1.8	77.9	20,902	3.3	0.2	8.5	1.2	36.0
Top 0.1 Percent	0.0	99.4	-2.5	40.2	129,982	3.8	0.1	3.8	1.5	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	16.4	39,025	24.7	13.5
Middle Quintile	5,571	19.0	74,368	24.4	15,596	26.9	58,772	23.8	21.0
Fourth Quintile	3,097	10.6	109,128	19.9	26,715	25.6	82,412	18.5	24.5
Top Quintile	1,386	4.7	256,613	20.9	76,055	32.6	180,558	18.2	29.6
All	29,354	100.0	57,903	100.0	11,005	100.0	46,897	100.0	19.0
Addendum									
80-90	843	2.9	166,102	8.2	46,306	12.1	119,796	7.3	27.9
90-95	288	1.0	216,482	3.7	62,343	5.6	154,139	3.2	28.8
95-99	214	0.7	360,979	4.6	102,222	6.8	258,757	4.0	28.3
Top 1 Percent	42	0.1	1,823,813	4.5	636,467	8.2	1,187,346	3.6	34.9
Top 0.1 Percent	3	0.0	8,551,029	1.7	3,387,177	3.6	5,163,852	1.3	39.6

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 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 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 T12-0113
Health Reform Act's 3.8 Percent Unearned Income Medicare Contribution
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	-0.1	11.2	0.0	21.8
Fourth Quintile	0.0	0.1	0.0	0.0	0	0.0	-0.2	21.6	0.0	26.2
Top Quintile	0.0	33.8	-0.6	100.0	1,615	1.2	0.3	63.2	0.4	31.9
All	0.0	5.9	-0.3	100.0	279	0.8	0.0	100.0	0.2	26.9
Addendum										
80-90	0.0	3.2	0.0	0.3	7	0.0	-0.1	17.1	0.0	28.6
90-95	0.0	50.6	-0.1	3.3	296	0.3	0.0	8.0	0.1	29.4
95-99	0.0	90.0	-0.4	17.8	1,434	0.9	0.0	15.5	0.3	31.0
Top 1 Percent	0.0	94.9	-1.6	78.6	25,412	2.8	0.4	22.5	1.0	37.2
Top 0.1 Percent	0.0	99.7	-2.4	44.3	160,140	3.7	0.3	9.5	1.5	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	9.3	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	21.8	112,782	22.4	26.2	
Top Quintile	9,307	17.3	414,883	53.2	130,801	62.9	284,081	49.7	31.5	
All	53,847	100.0	134,720	100.0	35,937	100.0	98,783	100.0	26.7	
Addendum										
80-90	5,278	9.8	221,619	16.1	63,281	17.3	158,338	15.7	28.6	
90-95	1,696	3.2	313,970	7.3	92,121	8.1	221,849	7.1	29.3	
95-99	1,868	3.5	522,691	13.5	160,346	15.5	362,346	12.7	30.7	
Top 1 Percent	465	0.9	2,545,464	16.3	920,314	22.1	1,625,150	14.2	36.2	
Top 0.1 Percent	42	0.1	11,001,478	6.3	4,314,597	9.3	6,686,881	5.2	39.2	

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 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% \$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 T12-0113
Health Reform Act's 3.8 Percent Unearned Income Medicare Contribution
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	-0.1	5.5	0.0	8.4
Fourth Quintile	0.0	0.0	0.0	0.0	0	0.0	-0.3	14.6	0.0	17.8
Top Quintile	0.0	21.1	-0.9	100.0	1,940	2.2	0.4	78.5	0.6	29.9
All	0.0	3.5	-0.5	100.0	321	1.7	0.0	100.0	0.4	21.3
Addendum										
80-90	0.0	0.2	0.0	0.0	0	0.0	-0.2	13.1	0.0	22.2
90-95	0.0	4.8	0.0	0.3	22	0.0	-0.2	13.4	0.0	25.6
95-99	0.0	70.0	-0.7	21.0	1,878	1.7	0.0	21.0	0.5	30.5
Top 1 Percent	0.0	82.1	-2.5	78.7	28,112	4.4	0.8	31.0	1.6	37.8
Top 0.1 Percent	0.0	98.1	-3.5	41.8	152,746	5.0	0.5	14.5	2.1	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	11.8	2.5	
Middle Quintile	9,813	21.2	59,886	14.0	5,055	5.6	54,831	16.2	8.4	
Fourth Quintile	7,152	15.4	102,673	17.5	18,289	14.8	84,384	18.2	17.8	
Top Quintile	7,674	16.5	306,360	56.0	89,741	78.1	216,619	50.1	29.3	
All	46,392	100.0	90,561	100.0	19,000	100.0	71,561	100.0	21.0	
Addendum										
80-90	3,390	7.3	155,804	12.6	34,510	13.3	121,293	12.4	22.2	
90-95	2,205	4.8	213,356	11.2	54,541	13.7	158,815	10.6	25.6	
95-99	1,662	3.6	370,708	14.7	111,309	21.0	259,399	13.0	30.0	
Top 1 Percent	417	0.9	1,766,109	17.5	639,084	30.2	1,127,025	14.2	36.2	
Top 0.1 Percent	41	0.1	7,377,022	7.2	3,033,945	14.0	4,343,077	5.3	41.1	

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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