

**Table T12-0273**  
**Options to Repeal or Limit Itemized Deductions**  
**Impact on Tax Revenue (billions of current dollars), 2013-2022 <sup>1</sup>**

Proposal and Baseline	Fiscal Year										Total 2013-22
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	
Option 1: Repeal all itemized deductions											
Current Law	146	200	216	236	255	274	293	312	332	353	2,617
Current Policy	125	170	183	201	218	232	247	261	274	289	2,200
20 Percent Rate Cut and AMT Repeal <sup>2</sup>	112	152	164	180	194	207	220	232	244	257	1,964
Option 2: Cap itemized deductions at \$17,000 <sup>3</sup>											
Current Law	94	126	135	148	158	167	176	184	193	202	1,583
Current Policy	98	133	144	159	172	184	197	208	220	232	1,747
20 Percent Rate Cut and AMT Repeal	92	126	137	151	164	175	187	198	208	220	1,659
Option 3: Cap itemized deductions at \$25,000											
Current Law	67	90	98	108	117	124	132	139	147	155	1,177
Current Policy	70	95	104	116	126	136	146	155	164	175	1,286
20 Percent Rate Cut and AMT Repeal	68	94	103	115	125	134	144	153	161	172	1,269
Option 4: Cap itemized deductions at \$50,000											
Current Law	39	53	58	65	71	76	83	88	94	101	727
Current Policy	39	54	59	66	72	78	86	91	98	106	749
20 Percent Rate Cut and AMT Repeal	40	55	61	68	74	80	87	93	99	106	763

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0412-7).

(1) Fiscal years. Proposals are effective 01/01/13. Estimates assume a 75-25 fiscal split; the actual effect on fiscal year receipts could differ. Estimates assume a microdynamic behavioral response. Estimates also assume that in response to a reduction in the tax benefit for mortgage interest, taxpayers will pay down outstanding mortgage balances.

(2) The 20 percent rate reduction is relative to current policy. The resulting statutory tax rates would be 8, 12, 20, 22.4, 26.4, and 28 percent.

(3) All deduction cap dollar amounts are indexed for inflation after 2013. The values given are for married couples filing jointly. The values for singles are half those for married couples and the values for head of household filers are three-fourths those for married couples.