

Table T13-0195
Expansion of Child and Dependent Care Tax Credit (CDCTC)
Returns and Amount Reported Compared to Current Law, 2014¹

Expanded Cash Income Class (thousands of 2013 dollars) ^{2,3}	Current Law					Expanded CDCTC					Change Due to Expansion					
	Returns		Reported Credit		Average Credit (\$)	Returns		Reported Credit		Average Credit (\$)	Returns		Reported Credit		Average Credit	
	Number (thousands)	Percent Of Total	Amount (\$ millions)	Percent Of Total		Number (thousands)	Percent Of Total	Amount (\$ millions)	Percent Of Total		Number (thousands)	Percent Change	Amount (\$ millions)	Percent Change	Dollars	Percent Change
Less than 10	0	0.0	0.0	0.0	n/a	129	1.3	205.5	2.0	1,591	129	n/a	205.5	n/a	1,591	n/a
10-20	53	0.7	8.6	0.2	162	731	7.6	1,007.5	9.7	1,378	679	1285.5	999.0	11675.5	1,216	749.9
20-30	430	5.8	154.7	3.9	360	1,088	11.2	1,386.5	13.3	1,274	658	152.9	1,231.8	796.1	915	254.4
30-40	591	8.0	288.3	7.2	488	973	10.1	1,351.5	13.0	1,389	382	64.6	1,063.3	368.9	901	184.8
40-50	559	7.5	292.3	7.3	523	730	7.5	987.5	9.5	1,352	172	30.8	695.2	237.9	829	158.4
50-75	1,294	17.4	719.0	17.9	556	1,466	15.1	1,854.8	17.8	1,265	172	13.3	1,135.8	158.0	710	127.7
75-100	1,111	15.0	663.4	16.5	597	1,154	11.9	1,135.4	10.9	984	42	3.8	472.1	71.2	387	64.9
100-200	2,709	36.5	1,504.0	37.5	555	2,730	28.2	1,986.7	19.1	728	21	0.8	482.8	32.1	172	31.1
200-500	613	8.3	348.3	8.7	568	615	6.4	450.0	4.3	731	2	0.3	101.7	29.2	163	28.8
500-1,000	44	0.6	24.9	0.6	561	45	0.5	33.5	0.3	748	0	0.8	8.6	34.5	188	33.4
More than 1,000	17	0.2	11.3	0.3	679	17	0.2	15.0	0.1	903	0	0.0	3.7	33.0	224	33.0
All	7,421	100.0	4,014.6	100.0	541	9,701	100.0	10,453.0	100.0	1,078	2,279	30.7	6,438.4	160.4	537	99.2

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0613-1b).

(1) Calendar year. Proposal makes CDCTC fully refundable; indexes the phasedown threshold and maximum expense limits for inflation after 2014; increases expense limit to \$5,000 for one qualifying individual and \$10,000 for two or more qualified individuals; and increases the maximum credit rate to 50 percent. The credit rate would phase down by one percentage point for each \$1,000 (or fraction thereof) that AGI exceeds the phasedown threshold of \$35,000. The minimum credit rate would be 20 percent. Estimates assume a 90 percent participation rate for newly eligible tax units.

(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) Includes both filing and non-filing units. Tax units that are dependents of other taxpayers are excluded from the analysis.