

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

Table T14-0047
Eliminate Income Threshold for the Refundable Child Tax Credit
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Percentile, 2023 ¹
Summary Table

Expanded 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	18.2	-1,030	0.0	0	1.0	67.3	-187	-0.9	3.5
Second Quintile	8.3	-1,119	0.0	0	0.2	28.3	-93	-0.2	8.3
Middle Quintile	0.9	-1,151	0.0	0	0.0	2.8	-10	0.0	14.8
Fourth Quintile	0.1	-1,298	0.0	0	0.0	0.2	-1	0.0	17.2
Top Quintile	0.0	0	0.0	0	0.0	0.0	0	0.0	25.8
All	6.8	-1,060	0.0	0	0.1	100.0	-72	-0.1	20.2
Addendum									
80-90	0.0	0	0.0	0	0.0	0.0	0	0.0	19.4
90-95	0.0	0	0.0	0	0.0	0.0	0	0.0	21.3
95-99	0.0	0	0.0	0	0.0	0.0	0	0.0	24.3
Top 1 Percent	0.0	0	0.0	0	0.0	0.0	0	0.0	33.3
Top 0.1 Percent	0.0	0	0.0	0	0.0	0.0	0	0.0	35.3

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0613-4).

Number of AMT Taxpayers (millions). Baseline: 6.1

Proposal: 6.1

* Less than 0.05

** Insufficient data

(1) Calendar year. Baseline is current law. Proposal would reduce the threshold for refundability of the additional child tax credit from a projected \$16,550 to \$0. For a description of TPC's current law baseline, see:

<http://www.taxpolicycenter.org/taxtopics/Baseline-Definitions.cfm>

(2) Includes both filing and non-filing units but excludes those that are dependents of other tax units. Tax units with negative adjusted gross income are excluded from their respective income class but are included in the totals. For a description of expanded cash income, see

<http://www.taxpolicycenter.org/TaxModel/income.cfm>

(3) The 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 2013 dollars): 20% \$26,827; 40% \$54,460; 60% \$95,241; 80% \$156,821; 90% \$230,152; 95% \$304,802; 99% \$779,814; 99.9% \$4,723,866.

(4) Includes tax units with a change in federal tax burden of \$10 or more in absolute value.

(5) After-tax income is expanded 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 expanded cash income.

Table T14-0047
Eliminate Income Threshold for the Refundable Child Tax Credit
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Percentile, 2023 ¹
Detail Table

Expanded 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	18.2	0.0	1.0	67.3	-187	-21.2	-0.2	0.7	-0.9	3.5
Second Quintile	8.3	0.0	0.2	28.3	-93	-2.2	-0.1	3.5	-0.2	8.3
Middle Quintile	0.9	0.0	0.0	2.8	-10	-0.1	0.0	10.6	0.0	14.8
Fourth Quintile	0.1	0.0	0.0	0.2	-1	0.0	0.1	16.7	0.0	17.2
Top Quintile	0.0	0.0	0.0	0.0	0	0.0	0.2	68.3	0.0	25.8
All	6.8	0.0	0.1	100.0	-72	-0.3	0.0	100.0	-0.1	20.2
Addendum										
80-90	0.0	0.0	0.0	0.0	0	0.0	0.0	13.1	0.0	19.4
90-95	0.0	0.0	0.0	0.0	0	0.0	0.0	9.6	0.0	21.3
95-99	0.0	0.0	0.0	0.0	0	0.0	0.0	14.4	0.0	24.3
Top 1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.1	31.2	0.0	33.3
Top 0.1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.0	14.8	0.0	35.3

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile, 2023 ¹

Expanded Cash Income Percentile ^{2,3}	Tax Units		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	44,500	25.8	19,943	4.0	884	0.9	19,059	4.9	4.4	
Second Quintile	37,598	21.8	48,962	8.4	4,178	3.5	44,783	9.6	8.5	
Middle Quintile	35,272	20.4	90,176	14.5	13,311	10.6	76,864	15.5	14.8	
Fourth Quintile	28,346	16.4	152,357	19.7	26,137	16.7	126,220	20.4	17.2	
Top Quintile	25,147	14.6	466,904	53.5	120,228	68.1	346,676	49.8	25.8	
All	172,542	100.0	127,159	100.0	25,730	100.0	101,429	100.0	20.2	
Addendum										
80-90	12,783	7.4	232,985	13.6	45,239	13.0	187,745	13.7	19.4	
90-95	6,110	3.5	326,077	9.1	69,584	9.6	256,493	9.0	21.3	
95-99	4,968	2.9	528,443	12.0	128,534	14.4	399,909	11.4	24.3	
Top 1 Percent	1,286	0.8	3,222,717	18.9	1,073,901	31.1	2,148,816	15.8	33.3	
Top 0.1 Percent	130	0.1	14,263,796	8.5	5,029,683	14.7	9,234,113	6.9	35.3	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0613-4).

Number of AMT Taxpayers (millions). Baseline: 6.1

Proposal: 6.1

* Less than 0.05

(1) Calendar year. Baseline is current law. Proposal would reduce the threshold for refundability of the additional child tax credit from a projected \$16,550 to \$0. For a description of TPC's current law baseline, see:

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(2) Includes both filing and non-filing units but excludes those that are dependents of other tax units. Tax units with negative adjusted gross income are excluded from their respective income class but are included in the totals. For a description of expanded cash income, see

<http://www.taxpolicycenter.org/TaxModel/income.cfm>

(3) The 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 2013 dollars): 20% \$26,827; 40% \$54,460; 60% \$95,241; 80% \$156,821; 90% \$230,152; 95% \$304,802; 99% \$779,814; 99.9% \$4,723,866.

(4) Includes tax units with a change in federal tax burden of \$10 or more in absolute value.

(5) After-tax income is expanded 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 expanded cash income.

Table T14-0047
Eliminate Income Threshold for the Refundable Child Tax Credit
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2023 ¹
Detail Table

Expanded 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	26.0	0.0	1.5	81.0	-277	-101.9	-0.2	0.0	-1.5	0.0
Second Quintile	5.5	0.0	0.1	16.6	-57	-1.7	0.0	2.7	-0.1	7.7
Middle Quintile	0.3	0.0	0.0	0.9	-3	0.0	0.0	8.1	0.0	13.0
Fourth Quintile	0.0	0.0	0.0	0.0	0	0.0	0.1	16.6	0.0	16.9
Top Quintile	0.0	0.0	0.0	0.0	0	0.0	0.2	72.4	0.0	25.4
All	6.8	0.0	0.1	100.0	-72	-0.3	0.0	100.0	-0.1	20.2
Addendum										
80-90	0.0	0.0	0.0	0.0	0	0.0	0.0	14.1	0.0	19.5
90-95	0.0	0.0	0.0	0.0	0	0.0	0.0	10.3	0.0	21.0
95-99	0.0	0.0	0.0	0.0	0	0.0	0.0	15.9	0.0	24.0
Top 1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.1	32.0	0.0	33.2
Top 0.1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.0	15.5	0.0	35.3

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2023 ¹

Expanded Cash Income Percentile ^{2,3}	Tax Units		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	36,160	21.0	18,975	3.1	272	0.2	18,703	3.9	1.4	
Second Quintile	36,291	21.0	43,302	7.2	3,395	2.8	39,906	8.3	7.8	
Middle Quintile	33,999	19.7	81,191	12.6	10,546	8.1	70,645	13.7	13.0	
Fourth Quintile	32,725	19.0	132,960	19.8	22,413	16.5	110,547	20.7	16.9	
Top Quintile	31,689	18.4	397,610	57.4	101,144	72.2	296,466	53.7	25.4	
All	172,542	100.0	127,159	100.0	25,730	100.0	101,429	100.0	20.2	
Addendum										
80-90	16,056	9.3	199,688	14.6	38,880	14.1	160,808	14.8	19.5	
90-95	7,679	4.5	283,721	9.9	59,554	10.3	224,167	9.8	21.0	
95-99	6,472	3.8	454,467	13.4	108,989	15.9	345,478	12.8	24.0	
Top 1 Percent	1,482	0.9	2,883,797	19.5	956,970	32.0	1,926,827	16.3	33.2	
Top 0.1 Percent	152	0.1	12,799,934	8.9	4,511,854	15.4	8,288,080	7.2	35.3	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0613-4).

Number of AMT Taxpayers (millions). Baseline: 6.1

Proposal: 6.1

* Less than 0.05

(1) Calendar year. Baseline is current law. Proposal would reduce the threshold for refundability of the additional child tax credit from a projected \$16,550 to \$0. For a description of TPC's current law baseline, see:

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<http://www.taxpolicycenter.org/TaxModel/income.cfm>

(3) The 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 2013 dollars): 20% \$18,678; 40% \$35,821; 60% \$60,717; 80% \$95,966; 90% \$135,210; 95% \$184,371; 99% \$473,923; 99.9% \$2,793,265.

(4) Includes tax units with a change in federal tax burden of \$10 or more in absolute value.

(5) After-tax income is expanded 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 expanded cash income.

Table T14-0047
Eliminate Income Threshold for the Refundable Child Tax Credit
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2023 ¹
Detail Table - Single Tax Units

Expanded 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	5.7	0.0	0.4	88.7	-56	-5.6	-0.1	2.1	-0.4	6.5
Second Quintile	0.6	0.0	0.0	10.2	-7	-0.2	0.0	5.8	0.0	8.8
Middle Quintile	0.1	0.0	0.0	0.7	-1	0.0	0.0	12.0	0.0	13.1
Fourth Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	21.1	0.0	18.2
Top Quintile	0.0	0.0	0.0	0.0	0	0.0	0.1	58.8	0.0	25.5
All	1.7	0.0	0.0	100.0	-17	-0.1	0.0	100.0	0.0	18.7
Addendum										
80-90	0.0	0.0	0.0	0.0	0	0.0	0.0	14.9	0.0	20.5
90-95	0.0	0.0	0.0	0.0	0	0.0	0.0	7.7	0.0	21.2
95-99	0.0	0.0	0.0	0.0	0	0.0	0.0	13.7	0.0	24.1
Top 1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.0	22.5	0.0	34.9
Top 0.1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.0	11.5	0.0	37.4

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2023 ¹

Expanded Cash Income Percentile ^{2,3}	Tax Units		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	20,234	27.4	14,557	5.9	1,004	2.2	13,554	6.8	6.9	
Second Quintile	18,704	25.3	32,828	12.4	2,903	5.9	29,926	13.9	8.8	
Middle Quintile	14,241	19.3	59,609	17.1	7,788	12.0	51,821	18.3	13.1	
Fourth Quintile	11,410	15.4	94,226	21.7	17,164	21.1	77,062	21.8	18.2	
Top Quintile	8,509	11.5	251,068	43.1	64,019	58.7	187,049	39.5	25.5	
All	73,898	100.0	67,132	100.0	12,564	100.0	54,568	100.0	18.7	
Addendum										
80-90	4,827	6.5	140,001	13.6	28,651	14.9	111,350	13.3	20.5	
90-95	1,749	2.4	193,289	6.8	40,990	7.7	152,299	6.6	21.2	
95-99	1,636	2.2	321,231	10.6	77,396	13.6	243,836	9.9	24.1	
Top 1 Percent	296	0.4	2,015,244	12.0	702,696	22.4	1,312,548	9.6	34.9	
Top 0.1 Percent	30	0.0	9,446,746	5.7	3,533,200	11.5	5,913,546	4.4	37.4	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0613-4).

* Less than 0.05

(1) Calendar year. Baseline is current law. Proposal would reduce the threshold for refundability of the additional child tax credit from a projected \$16,550 to \$0. For a description of TPC's current law baseline, see:

<http://www.taxpolicycenter.org/taxtopics/Baseline-Definitions.cfm>

(2) Includes both filing and non-filing units but excludes those that are dependents of other tax units. Tax units with negative adjusted gross income are excluded from their respective income class but are included in the totals. For a description of expanded cash income, see

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(3) The 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 2013 dollars): 20% \$18,678; 40% \$35,821; 60% \$60,717; 80% \$95,966; 90% \$135,210; 95% \$184,371; 99% \$473,923; 99.9% \$2,793,265.

(4) Includes tax units with a change in federal tax burden of \$10 or more in absolute value.

(5) After-tax income is expanded 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 expanded cash income.

Table T14-0047
Eliminate Income Threshold for the Refundable Child Tax Credit
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2023 ¹
Detail Table - Married Tax Units Filing Jointly

Expanded 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	28.8	0.0	1.3	74.1	-355	-268.3	-0.1	0.0	-1.3	-0.8
Second Quintile	5.7	0.0	0.1	20.2	-57	-1.2	0.0	1.3	-0.1	7.9
Middle Quintile	0.3	0.0	0.0	1.5	-3	0.0	0.0	5.5	0.0	12.6
Fourth Quintile	*	0.0	0.0	0.0	0	0.0	0.0	14.3	0.0	16.1
Top Quintile	0.0	0.0	0.0	0.0	0	0.0	0.1	78.7	0.0	25.3
All	3.2	0.0	0.0	100.0	-38	-0.1	0.0	100.0	0.0	21.6
Addendum										
80-90	0.0	0.0	0.0	0.0	0	0.0	0.0	14.2	0.0	19.0
90-95	0.0	0.0	0.0	0.0	0	0.0	0.0	11.5	0.0	20.8
95-99	0.0	0.0	0.0	0.0	0	0.0	0.0	17.4	0.0	23.9
Top 1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.0	35.6	0.0	32.9
Top 0.1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.0	16.7	0.0	35.0

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2023 ¹

Expanded Cash Income Percentile ^{2,3}	Tax Units		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	5,436	8.0	26,576	1.0	132	0.0	26,444	1.2	0.5	
Second Quintile	9,236	13.5	58,765	3.7	4,700	1.4	54,065	4.3	8.0	
Middle Quintile	13,569	19.9	103,303	9.4	13,022	5.5	90,281	10.5	12.6	
Fourth Quintile	17,691	25.9	160,423	19.1	25,891	14.3	134,532	20.4	16.1	
Top Quintile	21,701	31.8	458,255	67.0	116,091	78.6	342,164	63.7	25.3	
All	68,289	100.0	217,501	100.0	46,923	100.0	170,579	100.0	21.6	
Addendum										
80-90	10,343	15.2	230,259	16.0	43,844	14.2	186,415	16.6	19.0	
90-95	5,634	8.3	314,419	11.9	65,468	11.5	248,950	12.0	20.8	
95-99	4,605	6.7	505,519	15.7	120,747	17.4	384,771	15.2	23.9	
Top 1 Percent	1,119	1.6	3,094,371	23.3	1,019,267	35.6	2,075,103	19.9	32.9	
Top 0.1 Percent	111	0.2	13,726,125	10.3	4,801,501	16.7	8,924,624	8.5	35.0	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0613-4).

* Less than 0.05

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Table T14-0047
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Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2023 ¹
Detail Table - Head of Household Tax Units

Expanded 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	66.2	0.0	2.8	82.0	-688	58.4	-3.7	-9.5	-2.9	-7.8
Second Quintile	17.9	0.0	0.4	16.4	-183	-6.4	-0.3	10.2	-0.4	5.3
Middle Quintile	1.1	0.0	0.0	0.8	-13	-0.1	1.2	30.8	0.0	13.6
Fourth Quintile	0.0	0.0	0.0	0.0	0	0.0	1.3	31.7	0.0	17.9
Top Quintile	0.0	0.0	0.0	0.0	0	0.0	1.5	36.7	0.0	25.3
All	30.4	0.0	0.6	100.0	-316	-4.1	0.0	100.0	-0.5	11.6
Addendum										
80-90	0.0	0.0	0.0	0.0	0	0.0	0.5	11.0	0.0	20.8
90-95	0.0	0.0	0.0	0.0	0	0.0	0.2	4.9	0.0	23.0
95-99	0.0	0.0	0.0	0.0	0	0.0	0.3	7.3	0.0	24.4
Top 1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.6	13.6	0.0	32.8
Top 0.1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.3	6.3	0.0	35.0

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2023 ¹

Expanded Cash Income Percentile ^{2,3}	Tax Units		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	10,087	37.7	23,866	14.0	-1,178	-5.7	25,044	16.8	-4.9	
Second Quintile	7,600	28.4	50,782	22.5	2,854	10.5	47,928	24.1	5.6	
Middle Quintile	5,258	19.6	85,209	26.1	11,640	29.6	73,570	25.6	13.7	
Fourth Quintile	2,767	10.3	127,009	20.5	22,721	30.4	104,288	19.1	17.9	
Top Quintile	923	3.5	312,466	16.8	78,995	35.2	233,471	14.3	25.3	
All	26,775	100.0	64,080	100.0	7,735	100.0	56,345	100.0	12.1	
Addendum										
80-90	577	2.2	180,975	6.1	37,689	10.5	143,287	5.5	20.8	
90-95	161	0.6	261,097	2.5	60,094	4.7	201,003	2.2	23.0	
95-99	153	0.6	391,241	3.5	95,254	7.0	295,987	3.0	24.4	
Top 1 Percent	32	0.1	2,574,380	4.8	844,101	13.0	1,730,279	3.7	32.8	
Top 0.1 Percent	3	0.0	13,287,094	2.1	4,644,955	6.0	8,642,139	1.5	35.0	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0613-4).

* Less than 0.05

(1) Calendar year. Baseline is current law. Proposal would reduce the threshold for refundability of the additional child tax credit from a projected \$16,550 to \$0. For a description of TPC's current law baseline, see:

<http://www.taxpolicycenter.org/taxtopics/Baseline-Definitions.cfm>

(2) Includes both filing and non-filing units but excludes those that are dependents of other tax units. Tax units with negative adjusted gross income are excluded from their respective income class but are included in the totals. For a description of expanded cash income, see

<http://www.taxpolicycenter.org/TaxModel/income.cfm>

(3) The 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 2013 dollars): 20% \$18,678; 40% \$35,821; 60% \$60,717; 80% \$95,966; 90% \$135,210; 95% \$184,371; 99% \$473,923; 99.9% \$2,793,265.

(4) Includes tax units with a change in federal tax burden of \$10 or more in absolute value.

(5) After-tax income is expanded 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 expanded cash income.

Table T14-0047
Eliminate Income Threshold for the Refundable Child Tax Credit
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2023 ¹
Detail Table - Tax Units with Children

Expanded 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	65.4	0.0	2.6	80.5	-703	45.5	-0.5	-1.7	-2.8	-8.8
Second Quintile	16.1	0.0	0.3	17.0	-164	-4.4	-0.1	2.4	-0.3	6.1
Middle Quintile	0.8	0.0	0.0	0.9	-9	-0.1	0.1	9.6	0.0	13.5
Fourth Quintile	*	0.0	0.0	0.0	0	0.0	0.1	18.5	0.0	16.9
Top Quintile	0.0	0.0	0.0	0.0	0	0.0	0.5	71.1	0.0	25.9
All	18.7	0.0	0.2	100.0	-200	-0.7	0.0	100.0	-0.1	19.5
Addendum										
80-90	0.0	0.0	0.0	0.0	0	0.0	0.1	14.2	0.0	19.8
90-95	0.0	0.0	0.0	0.0	0	0.0	0.1	10.9	0.0	21.4
95-99	0.0	0.0	0.0	0.0	0	0.0	0.1	14.6	0.0	24.9
Top 1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.2	31.5	0.0	33.8
Top 0.1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.1	14.0	0.0	35.5

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2023 ¹

Expanded Cash Income Percentile ^{2,3}	Tax Units		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	12,783	22.9	25,475	3.7	-1,544	-1.1	27,020	4.9	-6.1	
Second Quintile	11,562	20.7	58,693	7.7	3,730	2.5	54,962	9.0	6.4	
Middle Quintile	11,260	20.2	108,192	13.9	14,564	9.5	93,628	14.9	13.5	
Fourth Quintile	10,716	19.2	175,109	21.3	29,577	18.4	145,532	22.1	16.9	
Top Quintile	9,078	16.3	518,134	53.5	134,245	70.6	383,889	49.3	25.9	
All	55,806	100.0	157,555	100.0	30,928	100.0	126,626	100.0	19.6	
Addendum										
80-90	4,587	8.2	267,619	14.0	52,935	14.1	214,683	13.9	19.8	
90-95	2,398	4.3	364,164	9.9	77,845	10.8	286,318	9.7	21.4	
95-99	1,642	2.9	611,192	11.4	151,954	14.5	459,238	10.7	24.9	
Top 1 Percent	450	0.8	3,551,559	18.2	1,198,616	31.3	2,352,943	15.0	33.8	
Top 0.1 Percent	43	0.1	15,743,917	7.7	5,594,628	13.9	10,149,289	6.2	35.5	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0613-4).

* 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. Proposal would reduce the threshold for refundability of the additional child tax credit from a projected \$16,550 to \$0. For a description of TPC's current law baseline, see:

<http://www.taxpolicycenter.org/taxtopics/Baseline-Definitions.cfm>

(2) Includes both filing and non-filing units but excludes those that are dependents of other tax units. Tax units with negative adjusted gross income are excluded from their respective income class but are included in the totals. For a description of expanded cash income, see

<http://www.taxpolicycenter.org/TaxModel/income.cfm>

(3) The 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 2013 dollars): 20% \$18,678; 40% \$35,821; 60% \$60,717; 80% \$95,966; 90% \$135,210; 95% \$184,371; 99% \$473,923; 99.9% \$2,793,265.

(4) Includes tax units with a change in federal tax burden of \$10 or more in absolute value.

(5) After-tax income is expanded 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 expanded cash income.

Table T14-0047
Eliminate Income Threshold for the Refundable Child Tax Credit
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2023 ¹
Detail Table - Elderly Tax Units

Expanded 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	0.3	0.0	0.0	16.1	-3	-2.0	0.0	0.1	0.0	0.9
Second Quintile	0.9	0.0	0.0	73.3	-8	-0.8	0.0	1.2	0.0	2.8
Middle Quintile	0.1	0.0	0.0	9.7	-1	0.0	0.0	6.4	0.0	8.0
Fourth Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	14.1	0.0	13.4
Top Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	78.2	0.0	24.2
All	0.3	0.0	0.0	100.0	-3	0.0	0.0	100.0	0.0	17.8
Addendum										
80-90	0.0	0.0	0.0	0.0	0	0.0	0.0	12.9	0.0	16.6
90-95	0.0	0.0	0.0	0.0	0	0.0	0.0	10.3	0.0	19.0
95-99	0.0	0.0	0.0	0.0	0	0.0	0.0	17.0	0.0	22.6
Top 1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.0	38.0	0.0	32.6
Top 0.1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.0	18.0	0.0	34.8

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2023 ¹

Expanded Cash Income Percentile ^{2,3}	Tax Units		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	5,833	13.3	17,250	2.0	153	0.1	17,097	2.4	0.9	
Second Quintile	10,414	23.7	36,841	7.5	1,035	1.2	35,806	8.8	2.8	
Middle Quintile	10,781	24.5	67,748	14.2	5,408	6.4	62,340	15.9	8.0	
Fourth Quintile	8,405	19.1	114,203	18.7	15,242	14.1	98,961	19.7	13.4	
Top Quintile	8,262	18.8	357,289	57.6	86,277	78.2	271,012	53.1	24.2	
All	43,929	100.0	116,731	100.0	20,762	100.0	95,969	100.0	17.8	
Addendum										
80-90	4,122	9.4	171,828	13.8	28,572	12.9	143,257	14.0	16.6	
90-95	2,025	4.6	243,653	9.6	46,234	10.3	197,419	9.5	19.0	
95-99	1,704	3.9	403,624	13.4	91,035	17.0	312,589	12.6	22.6	
Top 1 Percent	410	0.9	2,590,079	20.7	844,292	38.0	1,745,788	17.0	32.6	
Top 0.1 Percent	42	0.1	11,326,380	9.2	3,935,989	18.0	7,390,391	7.3	34.8	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0613-4).

* Less than 0.05

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

(1) Calendar year. Baseline is current law. Proposal would reduce the threshold for refundability of the additional child tax credit from a projected \$16,550 to \$0. For a description of TPC's current law baseline, see:

<http://www.taxpolicycenter.org/taxtopics/Baseline-Definitions.cfm>

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