

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

Table T15-0011
Sen. Mike Lee (R-UT)'s Tax Reform Plan: The Family Fairness and Opportunity Tax Reform Act
Baseline: Current Policy
Distribution of Federal Tax Change by Expanded Cash Income Level, 2018 ¹
Summary Table

Expanded Cash Income Level (thousands of 2013 dollars) ²	Tax Units with Tax Increase or Cut ³				Percent Change in After-Tax Income ⁴	Share of Total Federal Tax Change	Average Federal Tax Change (\$)	Average Federal Tax Rate ⁵	
	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					
Less than 10	3.6	-292	12.6	668	-1.2	-0.3	73	1.1	5.6
10-20	26.1	-296	23.2	858	-0.7	-1.0	121	0.7	3.3
20-30	42.9	-424	27.5	883	-0.2	-0.4	60	0.2	5.2
30-40	58.5	-706	27.1	831	0.5	1.1	-188	-0.5	6.9
40-50	61.9	-1,050	29.7	699	1.0	2.0	-442	-0.9	8.8
50-75	74.2	-1,705	23.2	1,033	1.7	9.5	-1,026	-1.5	12.1
75-100	78.6	-2,867	20.2	1,366	2.5	12.0	-1,978	-2.1	14.1
100-200	81.2	-4,048	18.6	2,327	2.3	31.5	-2,857	-1.9	16.5
200-500	82.8	-7,782	17.2	6,679	2.2	22.4	-5,328	-1.7	20.8
500-1,000	68.4	-11,703	31.5	12,488	0.8	2.0	-4,160	-0.6	27.2
More than 1,000	83.5	-101,159	16.5	77,707	3.1	20.6	-72,305	-2.0	32.3
All	59.3	-3,412	22.3	1,831	2.0	100.0	-1,622	-1.6	18.6

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0613-2).

Number of AMT Taxpayers (millions). Baseline: 5.4

Proposal: 0

* Less than 0.05

** Insufficient data

(1) Baseline is current policy. Proposal would: implement two-rate structure of 15 percent on taxable income up to \$87,850 (\$175,700 for married couples filing a joint return) and 35 percent on taxable income above that threshold; threshold would be indexed for inflation after 2013; repeal head of household filing status; repeal individual and corporate AMT; repeal standard deduction and all itemized deductions other than those for home mortgage interest and charitable contributions; restrict mortgage interest deduction to interest on first \$300,000 (unindexed) of acquisition debt; repeal personal exemption for the primary taxpayer and spouse; repeal ACA surtaxes of 0.9 percent on wages and 3.8 percent on net investment income; implement a personal credit of \$2,000 for singles (\$4,000 for married couples filing a joint return), indexed for inflation after 2013; implement an additional child tax credit of \$2,500 per child, which could offset individual income tax liability plus any Social Security and Medicare taxes in excess of the earned income tax credit; the \$2,500 per child amount would be indexed for inflation after 2013 and the credit would not phase out at higher incomes. Proposal would be effective 01/01/14.

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

(4) 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.

(5) 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 T15-0011
Sen. Mike Lee (R-UT)'s Tax Reform Plan: The Family Fairness and Opportunity Tax Reform Act
Baseline: Current Policy
Distribution of Federal Tax Change by Expanded Cash Income Level, 2018 ¹
Detail Table

Expanded Cash Income Level (thousands of 2013 dollars) ²	Percent of Tax Units ³		Percent Change in After-Tax Income ⁴	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁵	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Less than 10	3.6	12.6	-1.2	-0.3	73	25.1	0.0	0.1	1.1	5.6
10-20	26.1	23.2	-0.7	-1.0	121	27.3	0.1	0.4	0.7	3.3
20-30	42.9	27.5	-0.2	-0.4	60	4.4	0.1	0.9	0.2	5.2
30-40	58.5	27.1	0.5	1.1	-188	-6.6	0.0	1.3	-0.5	6.9
40-50	61.9	29.7	1.0	2.0	-442	-9.2	0.0	1.7	-0.9	8.8
50-75	74.2	23.2	1.7	9.5	-1,026	-11.0	-0.2	6.4	-1.5	12.1
75-100	78.6	20.2	2.5	12.0	-1,978	-12.7	-0.4	7.0	-2.1	14.1
100-200	81.2	18.6	2.3	31.5	-2,857	-10.1	-0.6	23.5	-1.9	16.5
200-500	82.8	17.2	2.2	22.4	-5,328	-7.6	0.0	22.9	-1.7	20.8
500-1,000	68.4	31.5	0.8	2.0	-4,160	-2.0	0.5	8.2	-0.6	27.2
More than 1,000	83.5	16.5	3.1	20.6	-72,305	-6.0	0.5	27.3	-2.0	32.3
All	59.3	22.3	2.0	100.0	-1,622	-7.8	0.0	100.0	-1.6	18.6

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Level, 2018 ¹

Expanded Cash Income Level (thousands of 2013 dollars) ²	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income ⁴		Average Federal Tax Rate ⁵
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	
Less than 10	10,379	6.2	6,476	0.4	290	0.1	6,186	0.5	4.5
10-20	21,604	12.9	16,932	2.1	442	0.3	16,489	2.6	2.6
20-30	19,956	12.0	27,645	3.2	1,365	0.8	26,281	3.8	4.9
30-40	15,926	9.5	38,694	3.6	2,872	1.3	35,822	4.1	7.4
40-50	12,495	7.5	49,749	3.6	4,801	1.7	44,948	4.1	9.7
50-75	24,957	15.0	68,654	9.9	9,297	6.6	59,357	10.7	13.5
75-100	16,490	9.9	96,237	9.1	15,580	7.4	80,658	9.6	16.2
100-200	29,893	17.9	153,589	26.4	28,231	24.2	125,359	27.0	18.4
200-500	11,374	6.8	312,598	20.5	70,227	22.9	242,371	19.9	22.5
500-1,000	1,317	0.8	741,291	5.6	205,564	7.8	535,727	5.1	27.7
More than 1,000	771	0.5	3,545,702	15.7	1,215,887	26.8	2,329,815	12.9	34.3
All	166,908	100.0	104,112	100.0	20,936	100.0	83,176	100.0	20.1

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0613-2).

Number of AMT Taxpayers (millions). Baseline: 5.4

Proposal: 0

* Less than 0.05

(1) Baseline is current policy. Proposal would: implement two-rate structure of 15 percent on taxable income up to \$87,850 (\$175,700 for married couples filing a joint return) and 35 percent on taxable income above that threshold; threshold would be indexed for inflation after 2013; repeal head of household filing status; repeal individual and corporate AMT; repeal standard deduction and all itemized deductions other than those for home mortgage interest and charitable contributions; restrict mortgage interest deduction to interest on first \$300,000 (unindexed) of acquisition debt; repeal personal exemption for the primary taxpayer and spouse; repeal ACA surtaxes of 0.9 percent on wages and 3.8 percent on net investment income; implement a personal credit of \$2,000 for singles (\$4,000 for married couples filing a joint return), indexed for inflation after 2013; implement an additional child tax credit of \$2,500 per child, which could offset individual income tax liability plus any Social Security and Medicare taxes in excess of the earned income tax credit; the \$2,500 per child amount would be indexed for inflation after 2013 and the credit would not phase out at higher incomes. Proposal would be effective 01/01/14.

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

(4) 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.

(5) 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 T15-0011
Sen. Mike Lee (R-UT)'s Tax Reform Plan: The Family Fairness and Opportunity Tax Reform Act
Baseline: Current Policy
Distribution of Federal Tax Change by Expanded Cash Income Level, 2018¹
Detail Table - Single Tax Units

Expanded Cash Income Level (thousands of 2013 dollars) ²	Percent of Tax Units ³		Percent Change in After-Tax Income ⁴	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁵	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Less than 10	1.9	8.4	-1.0	-2.8	58	13.3	0.1	0.6	0.9	7.7
10-20	30.9	10.3	-0.1	-0.7	8	0.8	0.1	2.1	0.1	6.1
20-30	49.2	13.3	0.1	0.9	-13	-0.6	0.1	3.9	-0.1	8.8
30-40	65.4	20.2	0.1	2.0	-43	-1.0	0.1	4.8	-0.1	10.9
40-50	62.6	32.6	0.0	0.3	-10	-0.2	0.1	5.2	0.0	13.2
50-75	74.6	23.8	0.6	20.7	-353	-2.9	-0.1	16.4	-0.5	16.9
75-100	83.2	15.9	2.2	52.5	-1,642	-8.6	-0.9	13.5	-1.7	18.4
100-200	73.4	26.4	1.0	32.1	-1,137	-3.5	-0.3	21.0	-0.8	21.4
200-500	18.1	81.8	-2.2	-32.8	5,172	6.6	1.1	12.8	1.7	26.9
500-1,000	40.4	59.5	-0.9	-3.5	4,352	1.9	0.2	4.4	0.6	31.1
More than 1,000	76.9	23.2	2.7	30.9	-61,488	-4.7	-0.4	15.1	-1.7	35.1
All	49.9	18.1	0.6	100.0	-243	-2.3	0.0	100.0	-0.4	18.4

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Level, 2018¹

Expanded Cash Income Level (thousands of 2013 dollars) ²	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income ⁴		Average Federal Tax Rate ⁵
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	
Less than 10	8,590	11.6	6,464	1.4	438	0.5	6,026	1.6	6.8
10-20	15,693	21.1	16,883	6.5	1,015	2.1	15,869	7.5	6.0
20-30	12,047	16.2	27,457	8.1	2,424	3.8	25,033	9.1	8.8
30-40	8,483	11.4	38,690	8.1	4,247	4.7	34,443	8.8	11.0
40-50	5,929	8.0	49,627	7.2	6,566	5.1	43,061	7.7	13.2
50-75	10,570	14.2	68,703	17.8	11,988	16.5	56,715	18.1	17.5
75-100	5,761	7.8	95,436	13.5	19,213	14.4	76,223	13.3	20.1
100-200	5,093	6.9	145,167	18.1	32,169	21.3	112,998	17.4	22.2
200-500	1,142	1.5	312,757	8.8	78,819	11.7	233,938	8.1	25.2
500-1,000	145	0.2	740,138	2.6	225,519	4.3	514,618	2.3	30.5
More than 1,000	91	0.1	3,559,107	7.9	1,310,757	15.4	2,248,350	6.2	36.8
All	74,338	100.0	54,810	100.0	10,344	100.0	44,466	100.0	18.9

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0613-2).

* Less than 0.05

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

(4) 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.

(5) 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 T15-0011
Sen. Mike Lee (R-UT)'s Tax Reform Plan: The Family Fairness and Opportunity Tax Reform Act
Baseline: Current Policy
Distribution of Federal Tax Change by Expanded Cash Income Level, 2018 ¹
Detail Table - Married Tax Units Filing Jointly

Expanded Cash Income Level (thousands of 2013 dollars) ²	Percent of Tax Units ³		Percent Change in After-Tax Income ⁴	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁵	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Less than 10	7.8	12.2	-1.1	0.0	63	634.2	0.0	0.0	1.1	1.3
10-20	14.5	32.3	-1.5	-0.2	257	-424.2 [~]	0.0	0.0	1.5	1.1
20-30	36.0	30.7	-0.4	-0.1	103	18.3	0.0	0.1	0.4	2.4
30-40	52.8	21.8	0.8	0.4	-314	-20.8	0.0	0.2	-0.8	3.1
40-50	64.4	15.8	1.7	1.2	-819	-27.9	-0.1	0.3	-1.6	4.2
50-75	79.0	16.0	2.5	6.2	-1,587	-24.0	-0.4	2.0	-2.3	7.3
75-100	79.1	19.4	2.7	7.8	-2,253	-17.5	-0.4	3.8	-2.3	11.0
100-200	84.0	15.7	2.5	32.0	-3,273	-12.0	-0.7	24.1	-2.1	15.3
200-500	91.7	8.3	2.8	28.7	-6,702	-9.7	-0.1	27.4	-2.1	19.9
500-1,000	72.9	26.9	1.1	2.8	-5,637	-2.8	0.7	9.9	-0.8	26.6
More than 1,000	84.5	15.5	3.2	20.8	-74,389	-6.3	1.0	31.9	-2.1	31.8
All	75.7	16.6	2.6	100.0	-3,604	-9.3	0.0	100.0	-2.0	19.5

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Level, 2018 ¹

Expanded Cash Income Level (thousands of 2013 dollars) ²	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income ⁴		Average Federal Tax Rate ⁵
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	
Less than 10	728	1.1	5,754	0.0	10	0.0	5,745	0.1	0.2
10-20	1,686	2.6	17,361	0.3	-61	0.0	17,421	0.3	-0.4
20-30	3,047	4.7	28,056	0.7	562	0.1	27,494	0.9	2.0
30-40	3,275	5.1	38,879	1.1	1,514	0.2	37,365	1.4	3.9
40-50	3,485	5.4	50,097	1.5	2,940	0.4	47,156	1.8	5.9
50-75	9,052	14.1	69,064	5.4	6,615	2.4	62,449	6.2	9.6
75-100	7,986	12.4	97,056	6.7	12,882	4.1	84,174	7.4	13.3
100-200	22,675	35.3	156,559	30.7	27,254	24.9	129,305	32.3	17.4
200-500	9,918	15.4	312,708	26.8	68,978	27.5	243,730	26.6	22.1
500-1,000	1,134	1.8	741,438	7.3	202,938	9.3	538,500	6.7	27.4
More than 1,000	649	1.0	3,477,354	19.5	1,180,952	30.9	2,296,402	16.4	34.0
All	64,328	100.0	179,821	100.0	38,627	100.0	141,194	100.0	21.5

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0613-2).

* Less than 0.05

[~] Because baseline federal tax is negative for this income class, percentage change in tax can be misleading.

(1) Baseline is current policy. Proposal would: implement two-rate structure of 15 percent on taxable income up to \$87,850 (\$175,700 for married couples filing a joint return) and 35 percent on taxable income above that threshold; threshold would be indexed for inflation after 2013; repeal head of household filing status; repeal individual and corporate AMT; repeal standard deduction and all itemized deductions other than those for home mortgage interest and charitable contributions; restrict mortgage interest deduction to interest on first \$300,000 (unindexed) of acquisition debt; repeal personal exemption for the primary taxpayer and spouse; repeal ACA surtaxes of 0.9 percent on wages and 3.8 percent on net investment income; implement a personal credit of \$2,000 for singles (\$4,000 for married couples filing a joint return), indexed for inflation after 2013; implement an additional child tax credit of \$2,500 per child, which could offset individual income tax liability plus any Social Security and Medicare taxes in excess of the earned income tax credit; the \$2,500 per child amount would be indexed for inflation after 2013 and the credit would not phase out at higher incomes. Proposal would be effective 01/01/14.

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

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(5) 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 T15-0011
Sen. Mike Lee (R-UT)'s Tax Reform Plan: The Family Fairness and Opportunity Tax Reform Act
Baseline: Current Policy
Distribution of Federal Tax Change by Expanded Cash Income Level, 2018 ¹
Detail Table - Head of Household Tax Units

Expanded Cash Income Level (thousands of 2013 dollars) ²	Percent of Tax Units ³		Percent Change in After-Tax Income ⁴	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁵	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Less than 10	9.6	53.0	-3.1	-2.1	253	-28.32 [~]	0.1	-0.4	3.5	-8.9
10-20	9.6	71.4	-2.9	-18.5	537	-31.98 [~]	1.1	-3.1	3.2	-6.7
20-30	26.1	65.8	-1.0	-11.3	292	-25.78 [~]	0.6	-2.6	1.1	-3.0
30-40	44.9	49.2	0.9	11.1	-337	-46.0	-0.7	1.0	-0.9	1.0
40-50	53.3	44.3	1.8	19.6	-831	-28.3	-1.2	4.0	-1.7	4.3
50-75	62.0	37.4	2.4	56.1	-1,405	-17.4	-2.6	21.3	-2.1	9.9
75-100	62.9	36.5	1.9	29.3	-1,513	-10.1	-0.6	20.9	-1.6	14.2
100-200	63.9	35.7	1.0	17.2	-1,149	-4.2	1.1	31.6	-0.8	18.6
200-500	17.8	82.1	-2.1	-9.8	4,867	6.7	1.7	12.5	1.6	25.4
500-1,000	19.3	80.7	-2.3	-2.6	11,969	5.9	0.5	3.7	1.6	29.2
More than 1,000	75.7	24.3	2.8	8.2	-63,692	-5.5	0.2	11.2	-1.9	31.8
All	41.3	51.3	0.9	100.0	-464	-7.4	0.0	100.0	-0.8	10.4

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Level, 2018 ¹

Expanded Cash Income Level (thousands of 2013 dollars) ²	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income ⁴		Average Federal Tax Rate ⁵
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	
Less than 10	947	3.8	7,160	0.5	-893	-0.5	8,053	0.6	-12.5
10-20	3,990	16.0	16,965	4.8	-1,678	-4.3	18,643	6.0	-9.9
20-30	4,486	17.9	27,819	8.9	-1,131	-3.2	28,951	10.5	-4.1
30-40	3,803	15.2	38,526	10.5	732	1.8	37,794	11.6	1.9
40-50	2,729	10.9	49,600	9.7	2,939	5.1	46,661	10.3	5.9
50-75	4,625	18.5	67,850	22.4	8,095	23.9	59,755	22.2	11.9
75-100	2,240	9.0	95,483	15.3	15,038	21.5	80,445	14.5	15.8
100-200	1,732	6.9	142,055	17.6	27,604	30.5	114,451	16.0	19.4
200-500	234	0.9	303,559	5.1	72,312	10.8	231,246	4.4	23.8
500-1,000	25	0.1	733,405	1.3	202,135	3.2	531,270	1.1	27.6
More than 1,000	15	0.1	3,434,692	3.7	1,155,752	11.0	2,278,941	2.7	33.7
All	25,002	100.0	55,968	100.0	6,264	100.0	49,704	100.0	11.2

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0613-2).

* Less than 0.05

[~] Because baseline federal tax is negative for this income class, percentage change in tax can be misleading.

(1) Baseline is current policy. Proposal would: implement two-rate structure of 15 percent on taxable income up to \$87,850 (\$175,700 for married couples filing a joint return) and 35 percent on taxable income above that threshold; threshold would be indexed for inflation after 2013; repeal head of household filing status; repeal individual and corporate AMT; repeal standard deduction and all itemized deductions other than those for home mortgage interest and charitable contributions; restrict mortgage interest deduction to interest on first \$300,000 (unindexed) of acquisition debt; repeal personal exemption for the primary taxpayer and spouse; repeal ACA surtaxes of 0.9 percent on wages and 3.8 percent on net investment income; implement a personal credit of \$2,000 for singles (\$4,000 for married couples filing a joint return), indexed for inflation after 2013; implement an additional child tax credit of \$2,500 per child, which could offset individual income tax liability plus any Social Security and Medicare taxes in excess of the earned income tax credit; the \$2,500 per child amount would be indexed for inflation after 2013 and the credit would not phase out at higher incomes. Proposal would be effective 01/01/14.

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

(4) 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.

(5) 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 T15-0011
Sen. Mike Lee (R-UT)'s Tax Reform Plan: The Family Fairness and Opportunity Tax Reform Act
Baseline: Current Policy
Distribution of Federal Tax Change by Expanded Cash Income Level, 2018 ¹
Detail Table - Tax Units with Children

Expanded Cash Income Level (thousands of 2013 dollars) ²	Percent of Tax Units ³		Percent Change in After-Tax Income ⁴	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁵	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Less than 10	3.1	60.4	-4.0	-0.2	325	-26.89~	0.0	-0.1	4.7	-12.7
10-20	3.4	80.0	-3.6	-1.8	703	-30.78~	0.2	-0.6	4.1	-9.2
20-30	25.1	66.9	-1.3	-1.1	369	-20.81~	0.1	-0.7	1.3	-5.1
30-40	47.2	46.1	1.1	1.1	-427	400.96~	-0.2	-0.2	-1.1	-1.4
40-50	61.0	35.4	2.8	2.8	-1,312	-60.3	-0.3	0.3	-2.6	1.7
50-75	77.0	22.0	4.4	11.6	-2,723	-39.2	-1.2	2.7	-4.0	6.2
75-100	81.9	17.9	4.6	12.1	-3,845	-29.1	-1.0	4.4	-4.0	9.7
100-200	84.9	15.0	3.6	34.5	-4,622	-17.4	-1.3	24.7	-3.0	14.0
200-500	91.0	9.0	3.3	25.0	-7,969	-11.7	0.4	28.4	-2.6	19.2
500-1,000	73.3	26.5	1.0	1.9	-5,341	-2.7	1.1	10.3	-0.7	26.3
More than 1,000	84.2	15.8	3.2	13.5	-70,998	-6.2	2.3	30.7	-2.1	31.9
All	63.6	32.1	3.1	100.0	-3,337	-13.1	0.0	100.0	-2.5	16.7

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Level, 2018 ¹

Expanded Cash Income Level (thousands of 2013 dollars) ²	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income ⁴		Average Federal Tax Rate ⁵
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	
Less than 10	1,279	2.4	6,945	0.1	-1,210	-0.1	8,155	0.2	-17.4
10-20	4,525	8.6	17,116	1.1	-2,282	-0.8	19,398	1.6	-13.3
20-30	5,375	10.2	27,787	2.1	-1,776	-0.7	29,562	2.8	-6.4
30-40	4,689	8.9	38,534	2.6	-107	0.0	38,641	3.2	-0.3
40-50	3,739	7.1	49,700	2.7	2,177	0.6	47,524	3.1	4.4
50-75	7,471	14.2	68,516	7.3	6,944	3.9	61,572	8.1	10.1
75-100	5,515	10.5	96,569	7.6	13,227	5.4	83,342	8.1	13.7
100-200	13,116	24.9	156,105	29.3	26,516	25.9	129,589	30.1	17.0
200-500	5,518	10.5	312,341	24.6	67,865	27.9	244,475	23.9	21.7
500-1,000	616	1.2	737,069	6.5	199,228	9.2	537,842	5.9	27.0
More than 1,000	333	0.6	3,368,435	16.1	1,145,080	28.5	2,223,355	13.1	34.0
All	52,638	100.0	132,898	100.0	25,466	100.0	107,432	100.0	19.2

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0613-2).

* Less than 0.05

~ Because baseline federal tax is negative for this income class, percentage change in tax can be misleading.

Note: Tax units with children are those claiming an exemption for children at home or away from home.

(1) Baseline is current policy. Proposal would: implement two-rate structure of 15 percent on taxable income up to \$87,850 (\$175,700 for married couples filing a joint return) and 35 percent on taxable income above that threshold; threshold would be indexed for inflation after 2013; repeal head of household filing status; repeal individual and corporate AMT; repeal standard deduction and all itemized deductions other than those for home mortgage interest and charitable contributions; restrict mortgage interest deduction to interest on first \$300,000 (unindexed) of acquisition debt; repeal personal exemption for the primary taxpayer and spouse; repeal ACA surtaxes of 0.9 percent on wages and 3.8 percent on net investment income; implement a personal credit of \$2,000 for singles (\$4,000 for married couples filing a joint return), indexed for inflation after 2013; implement an additional child tax credit of \$2,500 per child, which could offset individual income tax liability plus any Social Security and Medicare taxes in excess of the earned income tax credit; the \$2,500 per child amount would be indexed for inflation after 2013 and the credit would not phase out at higher incomes. Proposal would be effective 01/01/14.

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

(4) 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.

(5) 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 T15-0011
Sen. Mike Lee (R-UT)'s Tax Reform Plan: The Family Fairness and Opportunity Tax Reform Act
Baseline: Current Policy
Distribution of Federal Tax Change by Expanded Cash Income Level, 2018¹
Detail Table - Elderly Tax Units

Expanded Cash Income Level (thousands of 2013 dollars) ²	Percent of Tax Units ³		Percent Change in After-Tax Income ⁴	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁵	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Less than 10	0.8	2.9	-0.3	-0.1	22	36.6	0.0	0.0	0.3	1.3
10-20	2.8	3.5	-0.2	-0.6	26	25.1	0.0	0.1	0.2	0.8
20-30	14.2	8.7	-0.1	-0.6	33	6.0	0.1	0.5	0.1	2.1
30-40	42.8	22.4	0.0	0.0	-2	-0.2	0.1	1.2	0.0	4.3
40-50	39.1	41.7	-0.1	-0.5	33	1.1	0.1	1.8	0.1	6.0
50-75	60.3	33.0	0.2	2.6	-105	-1.6	0.2	6.9	-0.2	9.3
75-100	62.8	34.2	0.8	9.1	-632	-5.1	-0.1	7.6	-0.7	12.3
100-200	69.1	30.3	0.8	20.2	-980	-4.0	0.1	21.4	-0.7	15.7
200-500	76.0	23.9	1.3	21.3	-3,152	-4.5	-0.1	20.3	-1.0	21.4
500-1,000	75.3	24.7	1.5	7.3	-8,196	-3.8	0.0	8.1	-1.1	27.6
More than 1,000	86.3	13.7	2.8	41.1	-64,818	-5.4	-0.4	32.0	-1.9	32.8
All	42.0	23.0	0.9	100.0	-700	-4.2	0.0	100.0	-0.8	16.9

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Level, 2018¹

Expanded Cash Income Level (thousands of 2013 dollars) ²	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income ⁴		Average Federal Tax Rate ⁵
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	
Less than 10	1,281	3.3	6,501	0.2	60	0.0	6,441	0.3	0.9
10-20	5,940	15.2	17,292	2.8	105	0.1	17,188	3.4	0.6
20-30	5,122	13.1	27,406	3.8	548	0.4	26,859	4.6	2.0
30-40	4,308	11.0	38,941	4.6	1,658	1.1	37,282	5.3	4.3
40-50	3,665	9.4	49,784	5.0	2,957	1.7	46,827	5.7	5.9
50-75	6,750	17.2	68,255	12.6	6,454	6.7	61,800	13.8	9.5
75-100	3,969	10.1	96,598	10.5	12,524	7.7	84,075	11.1	13.0
100-200	5,651	14.4	148,852	23.0	24,413	21.3	124,439	23.3	16.4
200-500	1,857	4.7	316,066	16.0	70,774	20.3	245,292	15.1	22.4
500-1,000	245	0.6	745,185	5.0	213,652	8.1	531,532	4.3	28.7
More than 1,000	174	0.4	3,487,043	16.5	1,207,163	32.4	2,279,880	13.1	34.6
All	39,179	100.0	93,562	100.0	16,526	100.0	77,036	100.0	17.7

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0613-2).

* Less than 0.05

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

(1) Baseline is current policy. Proposal would: implement two-rate structure of 15 percent on taxable income up to \$87,850 (\$175,700 for married couples filing a joint return) and 35 percent on taxable income above that threshold; threshold would be indexed for inflation after 2013; repeal head of household filing status; repeal individual and corporate AMT; repeal standard deduction and all itemized deductions other than those for home mortgage interest and charitable contributions; restrict mortgage interest deduction to interest on first \$300,000 (unindexed) of acquisition debt; repeal personal exemption for the primary taxpayer and spouse; repeal ACA surtaxes of 0.9 percent on wages and 3.8 percent on net investment income; implement a personal credit of \$2,000 for singles (\$4,000 for married couples filing a joint return), indexed for inflation after 2013; implement an additional child tax credit of \$2,500 per child, which could offset individual income tax liability plus any Social Security and Medicare taxes in excess of the earned income tax credit; the \$2,500 per child amount would be indexed for inflation after 2013 and the credit would not phase out at higher incomes. Proposal would be effective 01/01/14.

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