

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

Table T15-0017
Limit the Tax Value of Individual Retirement Arrangements and Defined Contribution Retirement Plans'
Individual Deductions or Employer Exclusions from AGI to 25 Percent
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Percentile, 2025 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	0.0	0	0.0	0	0.0	0.0	0	0.0	5.7	
Second Quintile	0.0	0	0.0	0	0.0	0.0	0	0.0	9.1	
Middle Quintile	0.0	0	0.0	0	0.0	0.0	0	0.0	14.5	
Fourth Quintile	0.0	0	1.6	341	0.0	0.9	5	0.0	17.4	
Top Quintile	0.0	0	28.1	2,589	-0.2	99.1	727	0.2	26.7	
All	0.0	0	4.1	2,445	-0.1	100.0	101	0.1	20.7	
Addendum										
80-90	0.0	0	7.0	568	0.0	2.8	40	0.0	20.2	
90-95	0.0	0	35.9	742	-0.1	9.1	267	0.1	21.8	
95-99	0.0	0	66.8	3,128	-0.5	53.1	2,089	0.4	25.6	
Top 1 Percent	0.0	0	65.3	8,195	-0.2	34.1	5,351	0.2	34.2	
Top 0.1 Percent	0.0	0	58.9	18,268	-0.1	7.1	10,757	0.1	35.1	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0515-1).

Number of AMT Taxpayers (millions). Baseline: 4.8

Proposal: 4.8

* Less than 0.05

** Insufficient data

(1) The proposal would limit the federal income tax value of specified deductions or exclusions from AGI. This limitation would reduce the value of these exclusions and deductions otherwise reduce taxable income in the 28-percent, 33-percent, 35-percent, or 39.6-percent tax brackets under the current law to 25 percent. A similar limitation also would apply under the alternative minimum tax. The income exclusions and deductions limited by this provision would include individual and employer contributions to Individual Retirement Arrangements and defined contribution retirement plans. The proposal would be effective for taxable years beginning after December 31, 2015.

<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 2015 dollars): 20% \$26,106; 40% \$51,109; 60% \$87,706; 80% \$148,149; 90% \$217,364; 95% \$289,948; 99% \$848,445; 99.9% \$5,233,860.

(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); estate tax; and excise taxes.

(6) Average federal tax (includes individual and corporate income tax, payroll taxes for Social Security and Medicare, the estate tax, and excise taxes) as a percentage of average expanded cash income

Table T15-0017
Limit the Tax Value of Individual Retirement Arrangements and Defined Contribution Retirement Plans'
Individual Deductions or Employer Exclusions from AGI to 25 Percent
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Percentile, 2025 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	0.0	0.0	0.0	0.0	0	0.0	0.0	1.2	0.0	5.7
Second Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	3.9	0.0	9.1
Middle Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	10.0	0.0	14.5
Fourth Quintile	0.0	1.6	0.0	0.9	5	0.0	-0.1	16.8	0.0	17.4
Top Quintile	0.0	28.1	-0.2	99.1	727	0.6	0.1	68.0	0.2	26.7
All	0.0	4.1	-0.1	100.0	101	0.4	0.0	100.0	0.1	20.7
Addendum										
80-90	0.0	7.0	0.0	2.8	40	0.1	0.0	13.1	0.0	20.2
90-95	0.0	35.9	-0.1	9.1	267	0.4	0.0	9.4	0.1	21.8
95-99	0.0	66.8	-0.5	53.1	2,089	1.5	0.2	14.3	0.4	25.6
Top 1 Percent	0.0	65.3	-0.2	34.1	5,351	0.5	0.0	31.2	0.2	34.2
Top 0.1 Percent	0.0	58.9	-0.1	7.1	10,757	0.2	0.0	14.1	0.1	35.1

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile, 2025 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	48,669	26.3	19,190	4.2	1,094	1.2	18,096	5.0	5.7	
Second Quintile	41,351	22.3	47,219	8.8	4,313	3.9	42,905	10.1	9.1	
Middle Quintile	37,234	20.1	85,283	14.3	12,320	10.0	72,963	15.5	14.5	
Fourth Quintile	30,885	16.7	143,389	20.0	24,913	16.8	118,477	20.8	17.4	
Top Quintile	25,475	13.8	459,244	52.8	121,699	67.9	337,545	48.9	26.5	
All	185,081	100.0	119,685	100.0	24,686	100.0	94,999	100.0	20.6	
Addendum										
80-90	13,166	7.1	226,014	13.4	45,658	13.2	180,356	13.5	20.2	
90-95	6,361	3.4	312,306	9.0	67,708	9.4	244,598	8.9	21.7	
95-99	4,754	2.6	538,991	11.6	135,806	14.1	403,185	10.9	25.2	
Top 1 Percent	1,193	0.6	3,500,010	18.8	1,192,963	31.1	2,307,047	15.7	34.1	
Top 0.1 Percent	123	0.1	14,927,152	8.3	5,227,663	14.1	9,699,489	6.8	35.0	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0515-1).

Number of AMT Taxpayers (millions). Baseline: 4.8

Proposal: 4.8

* Less than 0.05

(1) The proposal would limit the federal income tax value of specified deductions or exclusions from AGI. This limitation would reduce the value of these exclusions and deductions otherwise reduce taxable income in the 28-percent, 33-percent, 35-percent, or 39.6-percent tax brackets under the current law to 25 percent. A similar limitation also would apply under the alternative minimum tax. The income exclusions and deductions limited by this provision would include individual and employer contributions to Individual Retirement Arrangements and defined contribution retirement plans. The proposal would be effective for taxable years beginning after December 31, 2015.

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Table T15-0017
Limit the Tax Value of Individual Retirement Arrangements and Defined Contribution Retirement Plans'
Individual Deductions or Employer Exclusions from AGI to 25 Percent
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2025 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	0.0	0.0	0.0	0.0	0	0.0	0.0	0.6	0.0	3.6
Second Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	3.0	0.0	8.3
Middle Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	7.9	0.0	12.9
Fourth Quintile	0.0	*	0.0	0.0	0	0.0	-0.1	16.2	0.0	16.9
Top Quintile	0.0	23.3	-0.2	100.0	570	0.6	0.1	72.2	0.2	26.2
All	0.0	4.1	-0.1	100.0	101	0.4	0.0	100.0	0.1	20.7
Addendum										
80-90	0.0	3.9	0.0	1.6	17	0.1	-0.1	14.0	0.0	19.9
90-95	0.0	29.3	-0.1	9.9	226	0.4	0.0	10.4	0.1	21.7
95-99	0.0	58.5	-0.4	51.4	1,514	1.3	0.2	15.9	0.3	25.3
Top 1 Percent	0.0	64.8	-0.2	37.1	5,103	0.5	0.0	31.8	0.2	34.1
Top 0.1 Percent	0.0	55.1	-0.1	7.5	9,660	0.2	0.0	14.9	0.1	35.1

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2025 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	39,505	21.3	17,971	3.2	642	0.6	17,329	3.9	3.6	
Second Quintile	39,387	21.3	42,068	7.5	3,501	3.0	38,567	8.6	8.3	
Middle Quintile	36,886	19.9	76,069	12.7	9,789	7.9	66,280	13.9	12.9	
Fourth Quintile	35,060	18.9	125,307	19.8	21,143	16.2	104,164	20.8	16.9	
Top Quintile	32,777	17.7	385,137	57.0	100,509	72.1	284,628	53.1	26.1	
All	185,081	100.0	119,685	100.0	24,686	100.0	94,999	100.0	20.6	
Addendum										
80-90	16,913	9.1	191,297	14.6	37,997	14.1	153,300	14.8	19.9	
90-95	8,150	4.4	270,963	10.0	58,487	10.4	212,475	9.9	21.6	
95-99	6,354	3.4	455,153	13.1	113,573	15.8	341,580	12.3	25.0	
Top 1 Percent	1,360	0.7	3,152,919	19.4	1,068,722	31.8	2,084,198	16.1	33.9	
Top 0.1 Percent	146	0.1	13,310,828	8.8	4,664,221	14.9	8,646,607	7.2	35.0	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0515-1).

Number of AMT Taxpayers (millions). Baseline: 4.8

Proposal: 4.8

* Less than 0.05

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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 2015 dollars): 20% \$18,634; 40% \$34,593; 60% \$57,576; 80% \$92,404; 90% \$131,891; 95% \$177,584; 99% \$473,266; 99.9% \$2,972,922.

(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); estate tax; and excise taxes.

(6) Average federal tax (includes individual and corporate income tax, payroll taxes for Social Security and Medicare, the estate tax, and excise taxes) as a percentage of average expanded cash income.

Table T15-0017
Limit the Tax Value of Individual Retirement Arrangements and Defined Contribution Retirement Plans'
Individual Deductions or Employer Exclusions from AGI to 25 Percent
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2025 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	0.0	0.0	0.0	0.0	0	0.0	0.0	2.7	0.0	8.6
Second Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	6.0	0.0	8.2
Middle Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	12.7	0.0	13.0
Fourth Quintile	0.0	*	0.0	0.0	0	0.0	0.0	21.5	0.0	17.9
Top Quintile	0.0	17.2	-0.1	100.0	222	0.4	0.1	56.9	0.1	25.9
All	0.0	1.9	-0.1	100.0	25	0.2	0.0	100.0	0.0	18.5
Addendum										
80-90	0.0	3.0	0.0	2.2	8	0.0	0.0	16.3	0.0	21.0
90-95	0.0	29.9	-0.1	12.4	134	0.3	0.0	8.1	0.1	22.1
95-99	0.0	47.0	-0.3	46.6	611	0.8	0.1	12.3	0.2	25.3
Top 1 Percent	0.0	51.1	-0.2	38.8	3,483	0.4	0.0	20.2	0.1	35.4
Top 0.1 Percent	0.0	44.8	-0.1	9.9	6,926	0.2	0.0	10.8	0.1	35.7

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2025 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	24,763	26.9	13,760	5.7	1,187	2.7	12,573	6.4	8.6	
Second Quintile	23,726	25.7	33,423	13.4	2,753	6.0	30,670	15.0	8.2	
Middle Quintile	18,406	20.0	58,019	18.0	7,554	12.7	50,465	19.2	13.0	
Fourth Quintile	14,331	15.5	91,899	22.2	16,465	21.6	75,433	22.3	17.9	
Top Quintile	10,215	11.1	235,986	40.6	60,811	56.8	175,175	37.0	25.8	
All	92,243	100.0	64,324	100.0	11,858	100.0	52,466	100.0	18.4	
Addendum										
80-90	6,134	6.7	138,785	14.4	29,124	16.3	109,661	13.9	21.0	
90-95	2,096	2.3	191,685	6.8	42,279	8.1	149,406	6.5	22.1	
95-99	1,732	1.9	307,092	9.0	77,098	12.2	229,994	8.2	25.1	
Top 1 Percent	253	0.3	2,474,272	10.5	871,625	20.2	1,602,646	8.4	35.2	
Top 0.1 Percent	33	0.0	10,175,986	5.6	3,627,106	10.8	6,548,880	4.4	35.6	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0515-1).

* Less than 0.05

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(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); estate tax; and excise taxes.

(6) Average federal tax (includes individual and corporate income tax, payroll taxes for Social Security and Medicare, the estate tax, and excise taxes) as a percentage of average expanded cash income.

Table T15-0017
Limit the Tax Value of Individual Retirement Arrangements and Defined Contribution Retirement Plans'
Individual Deductions or Employer Exclusions from AGI to 25 Percent
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2025 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	0.0	0.0	0.0	0.0	0	0.0	0.0	0.1	0.0	2.9
Second Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	1.2	0.0	8.8
Middle Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	4.5	0.0	12.3
Fourth Quintile	0.0	*	0.0	0.0	0	0.0	-0.1	13.2	0.0	16.1
Top Quintile	0.0	27.1	-0.2	100.0	772	0.6	0.1	80.9	0.2	26.3
All	0.0	9.2	-0.2	100.0	261	0.5	0.0	100.0	0.1	22.7
Addendum										
80-90	0.0	4.1	0.0	1.3	22	0.1	-0.1	13.4	0.0	19.4
90-95	0.0	29.2	-0.1	8.9	251	0.4	0.0	11.8	0.1	21.5
95-99	0.0	64.8	-0.5	52.5	1,914	1.5	0.2	18.4	0.4	25.3
Top 1 Percent	0.0	69.5	-0.3	37.3	5,643	0.5	0.0	37.4	0.2	33.8
Top 0.1 Percent	0.0	60.9	-0.1	7.2	11,043	0.2	-0.1	16.6	0.1	34.9

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2025 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	4,803	8.0	26,256	0.9	760	0.1	25,495	1.2	2.9	
Second Quintile	6,793	11.3	59,727	3.0	5,280	1.2	54,448	3.5	8.8	
Middle Quintile	11,346	18.9	99,658	8.3	12,217	4.5	87,441	9.4	12.3	
Fourth Quintile	16,388	27.3	154,257	18.5	24,867	13.3	129,390	20.1	16.1	
Top Quintile	20,294	33.7	467,478	69.6	122,361	80.8	345,117	66.3	26.2	
All	60,148	100.0	226,795	100.0	51,107	100.0	175,688	100.0	22.5	
Addendum										
80-90	9,402	15.6	227,834	15.7	44,067	13.5	183,767	16.4	19.3	
90-95	5,561	9.3	303,680	12.4	65,018	11.8	238,662	12.6	21.4	
95-99	4,295	7.1	521,692	16.4	130,073	18.2	391,619	15.9	24.9	
Top 1 Percent	1,036	1.7	3,297,315	25.0	1,108,922	37.4	2,188,393	21.5	33.6	
Top 0.1 Percent	103	0.2	14,303,111	10.8	4,985,832	16.7	9,317,279	9.1	34.9	

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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 2015 dollars): 20% \$18,634; 40% \$34,593; 60% \$57,576; 80% \$92,404; 90% \$131,891; 95% \$177,584; 99% \$473,266; 99.9% \$2,972,922.

(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); estate tax; and excise taxes.

(6) Average federal tax (includes individual and corporate income tax, payroll taxes for Social Security and Medicare, the estate tax, and excise taxes) as a percentage of average expanded cash income.

Table T15-0017
Limit the Tax Value of Individual Retirement Arrangements and Defined Contribution Retirement Plans'
Individual Deductions or Employer Exclusions from AGI to 25 Percent
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2025 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	0.0	0.0	0.0	0.0	0	0.0	0.0	-2.9	0.0	-3.6
Second Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	11.2	0.0	7.7
Middle Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	25.1	0.0	13.4
Fourth Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	28.4	0.0	17.6
Top Quintile	0.0	11.6	-0.1	100.0	232	0.3	0.1	38.1	0.1	24.3
All	0.0	0.6	0.0	100.0	13	0.1	0.0	100.0	0.0	13.7
Addendum										
80-90	0.0	2.3	0.0	2.6	10	0.0	0.0	12.6	0.0	20.1
90-95	0.0	22.4	-0.1	25.8	275	0.5	0.0	6.8	0.1	22.9
95-99	0.0	31.1	-0.2	43.4	721	0.8	0.0	7.0	0.2	24.2
Top 1 Percent	0.0	44.1	-0.2	28.2	2,933	0.3	0.0	11.7	0.1	33.2
Top 0.1 Percent	0.0	31.3	0.0	3.4	3,557	0.1	0.0	5.4	0.0	34.5

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2025 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	9,490	32.3	24,889	10.9	-903	-2.9	25,791	13.0	-3.6	
Second Quintile	8,291	28.2	52,634	20.1	4,033	11.3	48,601	21.5	7.7	
Middle Quintile	6,327	21.5	87,729	25.5	11,782	25.1	75,946	25.6	13.4	
Fourth Quintile	3,656	12.4	131,333	22.1	23,104	28.4	108,229	21.1	17.6	
Top Quintile	1,590	5.4	293,197	21.4	71,140	38.1	222,057	18.8	24.3	
All	29,417	100.0	73,913	100.0	10,103	100.0	63,810	100.0	13.7	
Addendum										
80-90	988	3.4	188,440	8.6	37,917	12.6	150,523	7.9	20.1	
90-95	345	1.2	257,001	4.1	58,512	6.8	198,490	3.7	22.8	
95-99	221	0.8	390,809	4.0	93,994	7.0	296,815	3.5	24.1	
Top 1 Percent	35	0.1	2,957,083	4.8	977,815	11.7	1,979,268	3.7	33.1	
Top 0.1 Percent	3	0.0	13,410,797	2.1	4,625,606	5.4	8,785,191	1.6	34.5	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0515-1).

* Less than 0.05

(1) The proposal would limit the federal income tax value of specified deductions or exclusions from AGI. This limitation would reduce the value of these exclusions and deductions otherwise reduce taxable income in the 28-percent, 33-percent, 35-percent, or 39.6-percent tax brackets under the current law to 25 percent. A similar limitation also would apply under the alternative minimum tax. The income exclusions and deductions limited by this provision would include individual and employer contributions to Individual Retirement Arrangements and defined contribution retirement plans. The proposal would be effective for taxable years beginning after December 31, 2015.

<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 2015 dollars): 20% \$18,634; 40% \$34,593; 60% \$57,576; 80% \$92,404; 90% \$131,891; 95% \$177,584; 99% \$473,266; 99.9% \$2,972,922.

(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); estate tax; and excise taxes.

(6) Average federal tax (includes individual and corporate income tax, payroll taxes for Social Security and Medicare, the estate tax, and excise taxes) as a percentage of average expanded cash income.

Table T15-0017
Limit the Tax Value of Individual Retirement Arrangements and Defined Contribution Retirement Plans'
Individual Deductions or Employer Exclusions from AGI to 25 Percent
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2025 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	0.0	0.0	0.0	0.0	0	0.0	0.0	-0.5	0.0	-3.2
Second Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	2.8	0.0	8.4
Middle Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	8.2	0.0	14.0
Fourth Quintile	0.0	0.1	0.0	0.0	0	0.0	-0.1	15.8	0.0	17.8
Top Quintile	0.0	35.5	-0.3	100.0	1,088	0.7	0.1	73.6	0.2	27.3
All	0.0	6.4	-0.2	100.0	194	0.6	0.0	100.0	0.1	21.5
Addendum										
80-90	0.0	8.8	0.0	2.3	48	0.1	-0.1	13.4	0.0	20.3
90-95	0.0	51.1	-0.2	12.7	576	0.8	0.0	9.3	0.2	22.1
95-99	0.0	76.0	-0.7	53.5	3,021	1.9	0.2	16.0	0.5	26.7
Top 1 Percent	0.0	74.4	-0.3	31.5	6,167	0.5	0.0	34.9	0.2	34.2
Top 0.1 Percent	0.0	70.2	-0.1	5.7	12,432	0.2	-0.1	14.4	0.1	34.8

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2025 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	11,683	21.9	26,023	3.4	-820	-0.5	26,843	4.5	-3.2	
Second Quintile	10,902	20.5	58,305	7.2	4,910	2.8	53,394	8.4	8.4	
Middle Quintile	10,865	20.4	102,986	12.6	14,372	8.3	88,614	13.8	14.0	
Fourth Quintile	10,010	18.8	168,855	19.1	29,965	15.9	138,890	20.0	17.8	
Top Quintile	9,494	17.8	540,305	57.9	146,295	73.4	394,010	53.7	27.1	
All	53,254	100.0	166,283	100.0	35,523	100.0	130,760	100.0	21.4	
Addendum										
80-90	4,860	9.1	257,594	14.1	52,270	13.4	205,323	14.3	20.3	
90-95	2,276	4.3	349,509	9.0	76,819	9.2	272,690	8.9	22.0	
95-99	1,830	3.4	623,119	12.9	163,261	15.8	459,859	12.1	26.2	
Top 1 Percent	528	1.0	3,679,009	21.9	1,252,798	35.0	2,426,211	18.4	34.1	
Top 0.1 Percent	47	0.1	16,718,307	8.9	5,803,962	14.5	10,914,345	7.4	34.7	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0515-1).

* Less than 0.05

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

(1) The proposal would limit the federal income tax value of specified deductions or exclusions from AGI. This limitation would reduce the value of these exclusions and deductions otherwise reduce taxable income in the 28-percent, 33-percent, 35-percent, or 39.6-percent tax brackets under the current law to 25 percent. A similar limitation also would apply under the alternative minimum tax. The income exclusions and deductions limited by this provision would include individual and employer contributions to Individual Retirement Arrangements and defined contribution retirement plans. The proposal would be effective for taxable years beginning after December 31, 2015.

<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 2015 dollars): 20% \$18,634; 40% \$34,593; 60% \$57,576; 80% \$92,404; 90% \$131,891; 95% \$177,584; 99% \$473,266; 99.9% \$2,972,922.

(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); estate tax; and excise taxes.

(6) Average federal tax (includes individual and corporate income tax, payroll taxes for Social Security and Medicare, the estate tax, and excise taxes) as a percentage of average expanded cash income.

Table T15-0017
Limit the Tax Value of Individual Retirement Arrangements and Defined Contribution Retirement Plans'
Individual Deductions or Employer Exclusions from AGI to 25 Percent
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2025 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	0.0	0.0	0.0	0.0	0	0.0	0.0	0.3	0.0	2.3
Second Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	1.5	0.0	2.6
Middle Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	5.4	0.0	6.3
Fourth Quintile	0.0	*	0.0	0.0	0	0.0	0.0	14.1	0.0	12.0
Top Quintile	0.0	11.1	-0.1	100.0	333	0.3	0.1	78.4	0.1	25.9
All	0.0	1.6	-0.1	100.0	48	0.3	0.0	100.0	0.1	17.5
Addendum										
80-90	0.0	0.3	0.0	0.3	2	0.0	0.0	12.4	0.0	17.0
90-95	0.0	10.7	0.0	3.4	45	0.1	0.0	10.1	0.0	20.0
95-99	0.0	36.3	-0.3	39.5	777	0.8	0.1	13.6	0.2	24.1
Top 1 Percent	0.0	48.3	-0.2	56.8	4,341	0.4	0.0	42.2	0.1	34.6
Top 0.1 Percent	0.0	42.0	-0.1	19.5	9,568	0.2	0.0	24.0	0.1	35.6

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2025 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	7,996	14.8	16,472	2.4	375	0.3	16,096	2.8	2.3	
Second Quintile	15,002	27.7	36,325	9.8	946	1.5	35,378	11.6	2.6	
Middle Quintile	12,609	23.3	66,071	15.0	4,130	5.4	61,941	17.0	6.3	
Fourth Quintile	10,122	18.7	112,380	20.5	13,519	14.1	98,861	21.8	12.0	
Top Quintile	7,840	14.5	374,299	52.8	96,716	78.3	277,582	47.4	25.8	
All	54,189	100.0	102,594	100.0	17,868	100.0	84,726	100.0	17.4	
Addendum										
80-90	4,211	7.8	168,626	12.8	28,684	12.5	139,942	12.8	17.0	
90-95	1,959	3.6	249,900	8.8	49,822	10.1	200,078	8.5	19.9	
95-99	1,328	2.5	413,692	9.9	98,861	13.6	314,831	9.1	23.9	
Top 1 Percent	342	0.6	3,464,931	21.3	1,194,196	42.2	2,270,735	16.9	34.5	
Top 0.1 Percent	53	0.1	12,336,093	11.8	4,376,526	24.0	7,959,567	9.2	35.5	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0515-1).

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

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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 2015 dollars): 20% \$18,634; 40% \$34,593; 60% \$57,576; 80% \$92,404; 90% \$131,891; 95% \$177,584; 99% \$473,266; 99.9% \$2,972,922.

(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); estate tax; and excise taxes.

(6) Average federal tax (includes individual and corporate income tax, payroll taxes for Social Security and Medicare, the estate tax, and excise taxes) as a percentage of average expanded cash income.