

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

Table T15-0078
Enact a Financial Transactions Tax with a Base Rate of 0.1 Percent
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Level, 2016 ¹
Summary Table

Expanded Cash Income Level (thousands of 2015 dollars) ²	Tax Units		Percent Change in After-Tax Income ³	Share of Total Federal Tax Change	Average Federal Tax Change (\$)	Average Federal Tax Rate ⁴	
	Number (thousands)	Percent of Total				Change (%)	Under the Proposal
Less than 10	14,724	8.5	-0.5	0.2	29	0.5	8.1
10-20	26,039	15.1	-0.4	0.8	64	0.4	3.9
20-30	21,906	12.7	-0.5	1.2	118	0.5	5.9
30-40	16,072	9.3	-0.6	1.4	184	0.5	9.4
40-50	13,205	7.7	-0.6	1.6	259	0.6	12.0
50-75	23,789	13.8	-0.8	4.7	413	0.7	14.4
75-100	15,880	9.2	-1.0	5.5	727	0.8	17.2
100-200	27,265	15.8	-1.2	17.7	1,364	1.0	20.1
200-500	10,362	6.0	-1.9	20.6	4,161	1.4	24.9
500-1,000	1,317	0.8	-2.9	9.1	14,448	2.1	30.7
More than 1,000	705	0.4	-5.4	36.2	107,520	3.5	38.3
All	172,532	100.0	-1.8	100.0	1,215	1.4	21.8

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

Number of AMT Taxpayers (millions). Baseline: 4.3

Proposal: 4.2

(1) Calendar year. Baseline is current law. The financial transactions tax (FTT) would impose a “base” tax rate of 0.1 percent on stock trades, option premiums, foreign exchange spot transactions, the underlying notional values of futures and the underlying notional values of swaps (times number of years to maturity). Rates on options, foreign exchange, futures and swaps would be 1/10th the “base” rate, or 0.01 percent. Both government and private bonds would be taxed, at a rate of ½ of the base rate for a one-year bond and that rate times number of years to maturity for longer-term bonds. (Assuming the average years to maturity of traded bonds is two years, the rate on bonds averages out to the same 0.1 percent that applies to stock.) A similar adjustment is made to swaps so that the average rate across maturities would average out to 0.001 percent. The long-run incidence of the FTT is assumed to be the same as the long-run incidence of an increase in the corporate income tax rate, with 80 percent of the burden assumed to fall on capital owners and 20 percent on labor. Included in the distribution is the (approximately) 25 percent excise tax offset to the FTT, which falls on labor income (reducing individual income taxes on labor income and payroll taxes) and on business profits (reducing corporate income taxes and individual income taxes on profits of pass-through entities). By convention, the distributional estimates do not take behavioral responses into account.

<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) 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.

(4) 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 T15-0078
Enact a Financial Transactions Tax with a Base Rate of 0.1 Percent
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Level, 2016 ¹
Detail Table

Expanded Cash Income Level (thousands of 2015 dollars) ²	Percent Change in After-Tax Income ³	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁴	
			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Less than 10	-0.5	0.2	29	6.5	0.0	0.2	0.5	8.1
10-20	-0.4	0.8	64	11.8	0.0	0.5	0.4	3.9
20-30	-0.5	1.2	118	8.6	0.0	1.0	0.5	5.9
30-40	-0.6	1.4	184	5.9	0.0	1.6	0.5	9.4
40-50	-0.6	1.6	259	4.9	0.0	2.2	0.6	12.0
50-75	-0.8	4.7	413	4.8	-0.1	6.6	0.7	14.4
75-100	-1.0	5.5	727	5.0	-0.1	7.4	0.8	17.2
100-200	-1.2	17.7	1,364	5.0	-0.4	23.7	1.0	20.1
200-500	-1.9	20.6	4,161	6.2	-0.2	22.7	1.4	24.9
500-1,000	-2.9	9.1	14,448	7.4	0.0	8.5	2.1	30.7
More than 1,000	-5.4	36.2	107,520	10.1	0.7	25.3	3.5	38.3
All	-1.8	100.0	1,215	6.9	0.0	100.0	1.4	21.8

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Level, 2016 ¹

Expanded Cash Income Level (thousands of 2015 dollars) ²	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income ³		Average Federal Tax Rate ⁴
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	
Less than 10	14,724	8.5	5,753	0.6	439	0.2	5,313	0.7	7.6
10-20	26,039	15.1	15,359	2.7	539	0.5	14,820	3.2	3.5
20-30	21,906	12.7	25,245	3.7	1,382	1.0	23,863	4.4	5.5
30-40	16,072	9.3	35,565	3.8	3,153	1.7	32,412	4.4	8.9
40-50	13,205	7.7	45,784	4.0	5,244	2.3	40,540	4.5	11.5
50-75	23,789	13.8	62,910	10.0	8,655	6.7	54,255	10.8	13.8
75-100	15,880	9.2	88,631	9.4	14,527	7.5	74,103	9.9	16.4
100-200	27,265	15.8	141,622	25.7	27,050	24.1	114,572	26.2	19.1
200-500	10,362	6.0	288,418	19.9	67,568	22.9	220,849	19.2	23.4
500-1,000	1,317	0.8	686,585	6.0	195,971	8.4	490,614	5.4	28.5
More than 1,000	705	0.4	3,064,525	14.4	1,066,076	24.6	1,998,449	11.8	34.8
All	172,532	100.0	86,987	100.0	17,747	100.0	69,241	100.0	20.4

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

Number of AMT Taxpayers (millions). Baseline: 4.3

Proposal: 4.2

(1) Calendar year. Baseline is current law. The financial transactions tax (FTT) would impose a "base" tax rate of 0.1 percent on stock trades, option premiums, foreign exchange spot transactions, the underlying notional values of futures and the underlying notional values of swaps (times number of years to maturity). Rates on options, foreign exchange, futures and swaps would be 1/10th the "base" rate, or 0.01 percent. Both government and private bonds would be taxed, at a rate of ½ of the base rate for a one-year bond and that rate times number of years to maturity for longer-term bonds. (Assuming the average years to maturity of traded bonds is two years, the rate on bonds averages out to the same 0.1 percent that applies to stock.) A similar adjustment is made to swaps so that the average rate across maturities would average out to 0.001 percent. The long-run incidence of the FTT is assumed to be the same as the long-run incidence of an increase in the corporate income tax rate, with 80 percent of the burden assumed to fall on capital owners and 20 percent on labor. Included in the distribution is the (approximately) 25 percent excise tax offset to the FTT, which falls on labor income (reducing individual income taxes on labor income and payroll taxes) and on business profits (reducing corporate income taxes and individual income taxes on profits of pass-through entities). By convention, the distributional estimates do not take behavioral responses into account.

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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

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(3) 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.

(4) 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 T15-0078
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Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Level, 2016 ¹
Detail Table - Single Tax Units

Expanded Cash Income Level (thousands of 2015 dollars) ²	Percent Change in After-Tax Income ³	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁴	
			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Less than 10	-0.5	0.7	26	4.9	0.0	0.9	0.5	9.9
10-20	-0.4	2.2	56	5.8	0.0	2.7	0.4	6.8
20-30	-0.6	4.0	146	6.4	0.0	4.5	0.6	9.8
30-40	-0.9	4.8	269	6.2	-0.1	5.6	0.8	13.0
40-50	-0.9	5.3	367	5.5	-0.1	6.7	0.8	15.3
50-75	-1.1	12.0	562	5.2	-0.3	16.1	0.9	18.2
75-100	-1.5	11.0	1,029	5.8	-0.2	13.4	1.2	21.5
100-200	-2.1	22.5	2,207	7.4	0.1	21.7	1.7	24.0
200-500	-2.8	10.8	5,589	7.6	0.0	10.2	2.0	28.7
500-1,000	-3.2	3.3	14,980	6.7	0.0	3.5	2.2	34.3
More than 1,000	-7.0	22.4	138,473	11.6	0.6	14.4	4.4	42.0
All	-1.6	100.0	590	7.1	0.0	100.0	1.3	19.9

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Level, 2016 ¹

Expanded Cash Income Level (thousands of 2015 dollars) ²	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income ³		Average Federal Tax Rate ⁴
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	
Less than 10	12,809	14.7	5,712	1.9	540	1.0	5,171	2.1	9.5
10-20	20,058	23.0	15,217	7.9	971	2.7	14,246	9.0	6.4
20-30	14,163	16.3	25,106	9.2	2,305	4.5	22,801	10.2	9.2
30-40	9,258	10.6	35,513	8.5	4,363	5.6	31,150	9.1	12.3
40-50	7,373	8.5	45,789	8.7	6,653	6.8	39,137	9.1	14.5
50-75	10,972	12.6	62,354	17.6	10,769	16.4	51,585	17.9	17.3
75-100	5,479	6.3	87,830	12.4	17,880	13.6	69,951	12.1	20.4
100-200	5,238	6.0	133,711	18.0	29,832	21.7	103,879	17.2	22.3
200-500	994	1.1	276,795	7.1	73,900	10.2	202,896	6.4	26.7
500-1,000	112	0.1	694,692	2.0	223,500	3.5	471,193	1.7	32.2
More than 1,000	83	0.1	3,180,472	6.8	1,197,912	13.8	1,982,560	5.2	37.7
All	87,180	100.0	44,584	100.0	8,266	100.0	36,317	100.0	18.5

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

(1) Calendar year. Baseline is current law. The financial transactions tax (FTT) would impose a "base" tax rate of 0.1 percent on stock trades, option premiums, foreign exchange spot transactions, the underlying notional values of futures and the underlying notional values of swaps (times number of years to maturity). Rates on options, foreign exchange, futures and swaps would be 1/10th the "base" rate, or 0.01 percent. Both government and private bonds would be taxed, at a rate of ½ of the base rate for a one-year bond and that rate times number of years to maturity for longer-term bonds. (Assuming the average years to maturity of traded bonds is two years, the rate on bonds averages out to the same 0.1 percent that applies to stock.) A similar adjustment is made to swaps so that the average rate across maturities would average out to 0.001 percent. The long-run incidence of the FTT is assumed to be the same as the long-run incidence of an increase in the corporate income tax rate, with 80 percent of the burden assumed to fall on capital owners and 20 percent on labor. Included in the distribution is the (approximately) 25 percent excise tax offset to the FTT, which falls on labor income (reducing individual income taxes on labor income and payroll taxes) and on business profits (reducing corporate income taxes and individual income taxes on profits of pass-through entities). By convention, the distributional estimates do not take behavioral responses into account.

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(3) 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.

(4) 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 T15-0078
Enact a Financial Transactions Tax with a Base Rate of 0.1 Percent
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Level, 2016 ¹
Detail Table - Married Tax Units Filing Jointly

Expanded Cash Income Level (thousands of 2015 dollars) ²	Percent Change in After-Tax Income ³	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁴	
			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Less than 10	-0.7	0.0	32	28.2	0.0	0.0	0.6	2.9
10-20	-0.5	0.1	85	51.3	0.0	0.0	0.5	1.6
20-30	-0.5	0.2	115	47.4	0.0	0.1	0.5	1.4
30-40	-0.4	0.3	146	10.8	0.0	0.2	0.4	4.2
40-50	-0.5	0.4	206	6.6	0.0	0.4	0.5	7.3
50-75	-0.6	2.0	365	5.7	0.0	2.4	0.6	10.6
75-100	-0.8	3.4	632	5.1	-0.1	4.5	0.7	14.5
100-200	-1.0	16.0	1,199	4.6	-0.5	23.9	0.8	19.0
200-500	-1.8	24.9	4,045	6.1	-0.2	28.2	1.4	24.4
500-1,000	-3.0	11.5	14,504	7.5	0.1	10.7	2.1	30.3
More than 1,000	-5.1	40.3	99,797	9.8	0.8	29.4	3.4	37.7
All	-2.0	100.0	2,524	6.9	0.0	100.0	1.5	23.7

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Level, 2016 ¹

Expanded Cash Income Level (thousands of 2015 dollars) ²	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income ³		Average Federal Tax Rate ⁴
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	
Less than 10	825	1.4	4,990	0.0	114	0.0	4,876	0.1	2.3
10-20	1,902	3.3	15,969	0.3	165	0.0	15,804	0.4	1.0
20-30	2,948	5.1	25,619	0.8	243	0.0	25,376	1.0	1.0
30-40	2,940	5.0	35,768	1.1	1,355	0.2	34,412	1.4	3.8
40-50	2,904	5.0	45,927	1.4	3,124	0.4	42,803	1.7	6.8
50-75	7,878	13.5	63,892	5.3	6,395	2.4	57,497	6.1	10.0
75-100	7,909	13.6	89,407	7.4	12,363	4.6	77,045	8.2	13.8
100-200	19,667	33.7	144,686	29.7	26,354	24.4	118,332	31.2	18.2
200-500	9,043	15.5	290,037	27.4	66,805	28.5	223,232	27.1	23.0
500-1,000	1,165	2.0	685,362	8.3	192,911	10.6	492,451	7.7	28.2
More than 1,000	594	1.0	2,981,946	18.5	1,023,566	28.6	1,958,379	15.6	34.3
All	58,288	100.0	164,217	100.0	36,401	100.0	127,815	100.0	22.2

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

(1) Calendar year. Baseline is current law. The financial transactions tax (FTT) would impose a "base" tax rate of 0.1 percent on stock trades, option premiums, foreign exchange spot transactions, the underlying notional values of futures and the underlying notional values of swaps (times number of years to maturity). Rates on options, foreign exchange, futures and swaps would be 1/10th the "base" rate, or 0.01 percent. Both government and private bonds would be taxed, at a rate of ½ of the base rate for a one-year bond and that rate times number of years to maturity for longer-term bonds. (Assuming the average years to maturity of traded bonds is two years, the rate on bonds averages out to the same 0.1 percent that applies to stock.) A similar adjustment is made to swaps so that the average rate across maturities would average out to 0.001 percent. The long-run incidence of the FTT is assumed to be the same as the long-run incidence of an increase in the corporate income tax rate, with 80 percent of the burden assumed to fall on capital owners and 20 percent on labor. Included in the distribution is the (approximately) 25 percent excise tax offset to the FTT, which falls on labor income (reducing individual income taxes on labor income and payroll taxes) and on business profits (reducing corporate income taxes and individual income taxes on profits of pass-through entities). By convention, the distributional estimates do not take behavioral responses into account.

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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

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(3) 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.

(4) 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 T15-0078
Enact a Financial Transactions Tax with a Base Rate of 0.1 Percent
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Level, 2016¹
Detail Table - Head of Household Tax Units

Expanded Cash Income Level (thousands of 2015 dollars) ²	Percent Change in After-Tax Income ³	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁴	
			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Less than 10	-0.7	0.9	57	-8.0	0.1	-0.4	0.8	-9.4
10-20	-0.5	5.7	92	-5.5	0.4	-3.8	0.6	-10.0
20-30	-0.1	2.5	34	-3.5	0.2	-2.7	0.1	-3.7
30-40	0.0	0.2	4	0.3	-0.1	2.7	0.0	3.4
40-50	-0.1	1.2	28	0.8	-0.2	5.5	0.1	7.3
50-75	-0.3	10.4	146	2.1	-0.4	19.7	0.2	11.5
75-100	-0.5	12.1	341	2.5	-0.3	18.9	0.4	15.7
100-200	-0.8	26.3	825	3.2	-0.3	32.7	0.6	20.0
200-500	-1.3	11.1	2,621	4.0	0.0	11.2	1.0	25.2
500-1,000	-1.6	3.1	7,938	3.9	0.0	3.2	1.1	30.9
More than 1,000	-4.5	26.0	112,595	8.4	0.5	12.9	2.9	37.7
All	-0.5	100.0	253	4.0	0.0	100.0	0.5	12.3

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Level, 2016¹

Expanded Cash Income Level (thousands of 2015 dollars) ²	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income ³		Average Federal Tax Rate ⁴
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	
Less than 10	944	3.9	6,963	0.5	-711	-0.4	7,674	0.6	-10.2
10-20	3,778	15.7	15,795	4.6	-1,677	-4.2	17,473	5.8	-10.6
20-30	4,451	18.4	25,430	8.8	-986	-2.9	26,416	10.4	-3.9
30-40	3,522	14.6	35,527	9.7	1,194	2.8	34,333	10.7	3.4
40-50	2,630	10.9	45,596	9.3	3,301	5.7	42,295	9.8	7.2
50-75	4,350	18.0	62,486	21.1	7,017	20.0	55,469	21.3	11.2
75-100	2,175	9.0	87,734	14.8	13,431	19.2	74,303	14.2	15.3
100-200	1,950	8.1	132,812	20.1	25,725	32.9	107,087	18.4	19.4
200-500	258	1.1	274,070	5.5	66,325	11.2	207,744	4.7	24.2
500-1,000	24	0.1	693,999	1.3	206,307	3.2	487,692	1.0	29.7
More than 1,000	14	0.1	3,840,137	4.2	1,333,715	12.4	2,506,422	3.1	34.7
All	24,145	100.0	53,332	100.0	6,313	100.0	47,020	100.0	11.8

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

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Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Level, 2016¹
Detail Table - Tax Units with Children

Expanded Cash Income Level (thousands of 2015 dollars) ²	Percent Change in After-Tax Income ³	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁴	
			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Less than 10	-0.8	0.1	60	-7.7	0.0	-0.1	0.9	-10.9
10-20	-0.6	0.7	100	-5.5	0.1	-0.6	0.6	-10.9
20-30	-0.2	0.6	64	-5.3	0.1	-0.5	0.3	-4.5
30-40	-0.1	0.3	44	6.2	0.0	0.3	0.1	2.1
40-50	-0.2	0.4	63	2.2	0.0	0.8	0.1	6.5
50-75	-0.3	1.6	153	2.3	-0.1	3.6	0.2	10.9
75-100	-0.4	2.6	323	2.5	-0.1	5.1	0.4	14.8
100-200	-0.6	11.7	661	2.5	-0.6	23.2	0.5	18.6
200-500	-1.3	22.7	2,814	4.2	-0.3	27.7	1.0	24.0
500-1,000	-2.0	10.8	9,948	5.1	0.0	10.8	1.5	29.8
More than 1,000	-4.5	47.7	87,582	8.5	0.9	29.6	2.9	37.4
All	-1.3	100.0	1,305	5.1	0.0	100.0	1.1	21.7

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Level, 2016¹

Expanded Cash Income Level (thousands of 2015 dollars) ²	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income ³		Average Federal Tax Rate ⁴
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	
Less than 10	1,246	2.5	6,635	0.1	-782	-0.1	7,417	0.2	-11.8
10-20	4,675	9.3	15,763	1.2	-1,818	-0.7	17,580	1.7	-11.5
20-30	5,672	11.3	25,471	2.3	-1,218	-0.5	26,689	3.1	-4.8
30-40	4,492	8.9	35,564	2.6	705	0.3	34,858	3.2	2.0
40-50	3,628	7.2	45,644	2.7	2,881	0.8	42,763	3.1	6.3
50-75	7,050	14.0	63,024	7.1	6,717	3.7	56,307	8.0	10.7
75-100	5,198	10.3	89,122	7.4	12,820	5.2	76,302	8.0	14.4
100-200	11,657	23.2	144,292	27.0	26,147	23.8	118,145	27.9	18.1
200-500	5,301	10.5	293,122	25.0	67,624	27.9	225,499	24.2	23.1
500-1,000	712	1.4	683,288	7.8	193,863	10.8	489,426	7.0	28.4
More than 1,000	357	0.7	2,994,529	17.2	1,031,349	28.7	1,963,181	14.2	34.4
All	50,272	100.0	123,886	100.0	25,527	100.0	98,359	100.0	20.6

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

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. The financial transactions tax (FTT) would impose a "base" tax rate of 0.1 percent on stock trades, option premiums, foreign exchange spot transactions, the underlying notional values of futures and the underlying notional values of swaps (times number of years to maturity). Rates on options, foreign exchange, futures and swaps would be 1/10th the "base" rate, or 0.01 percent. Both government and private bonds would be taxed, at a rate of 1/2 of the base rate for a one-year bond and that rate times number of years to maturity for longer-term bonds. (Assuming the average years to maturity of traded bonds is two years, the rate on bonds averages out to the same 0.1 percent that applies to stock.) A similar adjustment is made to swaps so that the average rate across maturities would average out to 0.001 percent. The long-run incidence of the FTT is assumed to be the same as the long-run incidence of an increase in the corporate income tax rate, with 80 percent of the burden assumed to fall on capital owners and 20 percent on labor. Included in the distribution is the (approximately) 25 percent excise tax offset to the FTT, which falls on labor income (reducing individual income taxes on labor income and payroll taxes) and on business profits (reducing corporate income taxes and individual income taxes on profits of pass-through entities). By convention, the distributional estimates do not take behavioral responses into account.

<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) 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.

(4) 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 T15-0078
Enact a Financial Transactions Tax with a Base Rate of 0.1 Percent
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Level, 2016¹
Detail Table - Elderly Tax Units

Expanded Cash Income Level (thousands of 2015 dollars) ²	Percent Change in After-Tax Income ³	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁴	
			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Less than 10	-0.7	0.1	37	28.1	0.0	0.1	0.7	3.1
10-20	-0.4	0.7	67	25.3	0.0	0.4	0.4	2.1
20-30	-0.9	1.8	214	29.8	0.1	1.0	0.9	3.7
30-40	-1.4	2.6	472	29.9	0.2	1.4	1.3	5.8
40-50	-1.6	2.9	681	24.5	0.2	1.8	1.5	7.6
50-75	-1.8	7.7	1,033	19.1	0.3	5.9	1.7	10.3
75-100	-2.2	8.4	1,717	15.7	0.1	7.7	1.9	14.3
100-200	-2.6	19.6	3,010	12.8	-0.3	21.4	2.2	19.1
200-500	-3.7	15.7	8,029	12.1	-0.3	18.0	2.8	26.2
500-1,000	-5.3	7.5	26,909	13.0	-0.1	8.1	3.8	32.8
More than 1,000	-7.4	31.9	158,194	13.2	-0.3	33.8	4.7	40.5
All	-3.1	100.0	1,915	14.1	0.0	100.0	2.5	20.3

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Level, 2016¹

Expanded Cash Income Level (thousands of 2015 dollars) ²	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income ³		Average Federal Tax Rate ⁴
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	
Less than 10	1,889	4.6	5,514	0.3	131	0.0	5,383	0.4	2.4
10-20	7,909	19.2	15,610	3.9	265	0.4	15,344	4.7	1.7
20-30	6,516	15.8	25,150	5.2	721	0.8	24,429	6.2	2.9
30-40	4,256	10.3	35,561	4.8	1,580	1.2	33,981	5.6	4.4
40-50	3,361	8.2	45,754	4.9	2,786	1.7	42,968	5.6	6.1
50-75	5,868	14.3	62,781	11.7	5,408	5.7	57,373	13.0	8.6
75-100	3,871	9.4	88,361	10.9	10,948	7.6	77,413	11.6	12.4
100-200	5,135	12.5	138,547	22.6	23,508	21.6	115,039	22.9	17.0
200-500	1,539	3.7	285,155	14.0	66,530	18.3	218,626	13.0	23.3
500-1,000	220	0.5	710,712	5.0	206,407	8.1	504,305	4.3	29.0
More than 1,000	159	0.4	3,339,288	16.9	1,195,134	34.0	2,144,154	13.2	35.8
All	41,164	100.0	76,347	100.0	13,565	100.0	62,782	100.0	17.8

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

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. The financial transactions tax (FTT) would impose a "base" tax rate of 0.1 percent on stock trades, option premiums, foreign exchange spot transactions, the underlying notional values of futures and the underlying notional values of swaps (times number of years to maturity). Rates on options, foreign exchange, futures and swaps would be 1/10th the "base" rate, or 0.01 percent. Both government and private bonds would be taxed, at a rate of 1/2 of the base rate for a one-year bond and that rate times number of years to maturity for longer-term bonds. (Assuming the average years to maturity of traded bonds is two years, the rate on bonds averages out to the same 0.1 percent that applies to stock.) A similar adjustment is made to swaps so that the average rate across maturities would average out to 0.001 percent. The long-run incidence of the FTT is assumed to be the same as the long-run incidence of an increase in the corporate income tax rate, with 80 percent of the burden assumed to fall on capital owners and 20 percent on labor. Included in the distribution is the (approximately) 25 percent excise tax offset to the FTT, which falls on labor income (reducing individual income taxes on labor income and payroll taxes) and on business profits (reducing corporate income taxes and individual income taxes on profits of pass-through entities). By convention, the distributional estimates do not take behavioral responses into account.

<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) 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.

(4) 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.