

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

Table T15-0094
BPC Cadillac Tax Replacement Option
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Level, 2025 ¹
Summary Table

Expanded Cash Income Level (thousands of 2015 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	0.0	0	0.2	188	0.0	0.0	0	0.0	9.2
10-20	0.6	-780	1.6	291	0.0	0.0	0	0.0	5.4
20-30	0.6	-686	2.9	374	0.0	1.5	7	0.0	6.0
30-40	1.1	-1,181	5.6	461	0.0	2.1	14	0.0	7.9
40-50	1.5	-984	8.3	542	-0.1	3.8	30	0.1	11.1
50-75	1.7	-999	14.1	563	-0.1	15.9	62	0.1	14.1
75-100	1.6	-915	17.5	589	-0.1	14.9	88	0.1	16.3
100-200	2.1	-1,272	23.2	615	-0.1	34.3	116	0.1	19.0
200-500	2.8	-882	29.8	719	-0.1	21.2	189	0.1	22.7
500-1,000	4.2	-633	26.9	962	0.0	3.0	232	0.0	27.9
More than 1,000	1.7	-1,324	28.6	1,401	0.0	3.3	379	0.0	34.3
All	1.4	-1,025	12.2	611	-0.1	100.0	60	0.1	20.8

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) Calendar Year. Proposal would repeal the excise tax on high-cost health plans in 2018 and impose a limit on the income tax exclusion for employer provided health benefits and repeal Medical Flexible Spending Accounts in 2017. The exclusion limit would apply to medical, dental, vision, and supplementary indemnity insurance premiums; contributions to Health Reimbursement Arrangements and Health Savings Accounts; and the self-employed health insurance deduction. The limits would be set at the 80th percentile of health benefits in 2017 and indexed to growth in GDP per capita between 2018 and 2025 and to growth in GDP per capita plus 0.5 percentage points after 2025. Health benefits are held constant at baseline levels.

<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) 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); estate taxes; and excise taxes.

(5) 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 T15-0094
BPC Cadillac Tax Replacement Option
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Level, 2025 ¹
Detail Table

Expanded Cash Income Level (thousands of 2015 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	0.0	0.2	0.0	0.0	0	0.1	0.0	0.2	0.0	9.2
10-20	0.6	1.6	0.0	0.0	0	0.0	0.0	0.5	0.0	5.4
20-30	0.6	2.9	0.0	1.5	7	0.4	0.0	1.0	0.0	6.0
30-40	1.1	5.6	0.0	2.1	14	0.4	0.0	1.3	0.0	7.9
40-50	1.5	8.3	-0.1	3.8	30	0.5	0.0	1.9	0.1	11.1
50-75	1.7	14.1	-0.1	15.9	62	0.6	0.0	6.8	0.1	14.1
75-100	1.6	17.5	-0.1	14.9	88	0.5	0.0	7.3	0.1	16.3
100-200	2.1	23.2	-0.1	34.3	116	0.4	0.0	23.5	0.1	19.0
200-500	2.8	29.8	-0.1	21.2	189	0.2	0.0	21.2	0.1	22.7
500-1,000	4.2	26.9	0.0	3.0	232	0.1	0.0	7.2	0.0	27.9
More than 1,000	1.7	28.6	0.0	3.3	379	0.0	-0.1	29.2	0.0	34.3
All	1.4	12.2	-0.1	100.0	60	0.2	0.0	100.0	0.1	20.8

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Level, 2025 ¹

Expanded Cash Income Level (thousands of 2015 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	12,335	6.7	7,153	0.4	659	0.2	6,495	0.5	9.2
10-20	21,429	11.6	19,222	1.9	1,028	0.5	18,195	2.2	5.4
20-30	23,617	12.8	31,437	3.4	1,892	1.0	29,545	4.0	6.0
30-40	17,137	9.3	43,934	3.4	3,468	1.3	40,466	4.0	7.9
40-50	14,035	7.6	56,804	3.6	6,268	1.9	50,536	4.0	11.0
50-75	28,431	15.4	77,938	10.0	10,896	6.7	67,043	10.9	14.0
75-100	18,825	10.2	109,758	9.3	17,840	7.3	91,917	9.9	16.3
100-200	32,905	17.8	173,505	25.8	32,809	23.4	140,696	26.4	18.9
200-500	12,503	6.8	343,510	19.4	77,908	21.2	265,602	18.9	22.7
500-1,000	1,414	0.8	835,598	5.3	233,092	7.2	602,506	4.9	27.9
More than 1,000	983	0.5	3,995,613	17.7	1,368,449	29.2	2,627,164	14.7	34.3
All	185,081	100.0	119,685	100.0	24,885	100.0	94,800	100.0	20.8

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) Calendar Year. Proposal would repeal the excise tax on high-cost health plans in 2018 and impose a limit on the income tax exclusion for employer provided health benefits and repeal Medical Flexible Spending Accounts in 2017. The exclusion limit would apply to medical, dental, vision, and supplementary indemnity insurance premiums; contributions to Health Reimbursement Arrangements and Health Savings Accounts; and the self-employed health insurance deduction. The limits would be set at the 80th percentile of health benefits in 2017 and indexed to growth in GDP per capita between 2018 and 2025 and to growth in GDP per capita plus 0.5 percentage points after 2025. Health benefits are held constant at baseline levels.

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(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); estate tax; and excise taxes.

(5) 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 T15-0094
BPC Cadillac Tax Replacement Option
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Level, 2025 ¹
Detail Table - Single Tax Units

Expanded Cash Income Level (thousands of 2015 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	0.0	0.2	0.0	0.1	0	0.1	0.0	0.7	0.0	11.1
10-20	0.7	2.2	0.0	0.5	1	0.1	0.0	2.3	0.0	8.4
20-30	0.5	3.9	0.0	5.1	10	0.4	0.0	3.8	0.0	8.3
30-40	1.2	6.6	0.0	4.5	14	0.3	0.0	3.9	0.0	9.2
40-50	1.7	9.3	-0.1	5.9	24	0.3	0.0	5.2	0.0	12.8
50-75	1.9	15.3	-0.1	27.6	62	0.5	0.0	16.7	0.1	16.6
75-100	2.2	19.1	-0.1	22.9	104	0.5	0.0	13.9	0.1	19.9
100-200	1.8	20.4	-0.1	25.3	113	0.3	0.0	23.5	0.1	22.1
200-500	1.7	25.8	-0.1	6.1	149	0.2	0.0	10.3	0.0	26.0
500-1,000	1.2	20.8	0.0	0.8	233	0.1	0.0	2.7	0.0	31.1
More than 1,000	1.4	23.3	0.0	1.2	319	0.0	-0.1	16.8	0.0	35.9
All	1.1	8.5	-0.1	100.0	35	0.3	0.0	100.0	0.1	18.7

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Level, 2025 ¹

Expanded Cash Income Level (thousands of 2015 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	10,506	11.4	7,084	1.3	785	0.8	6,299	1.4	11.1
10-20	15,830	17.2	19,089	5.1	1,597	2.3	17,491	5.7	8.4
20-30	16,267	17.6	31,391	8.6	2,580	3.8	28,811	9.7	8.2
30-40	10,597	11.5	43,862	7.8	4,040	3.9	39,822	8.7	9.2
40-50	7,909	8.6	56,707	7.6	7,254	5.2	49,453	8.1	12.8
50-75	14,462	15.7	77,160	18.8	12,712	16.6	64,449	19.3	16.5
75-100	7,122	7.7	108,955	13.1	21,554	13.9	87,401	12.9	19.8
100-200	7,192	7.8	164,073	19.9	36,076	23.5	127,997	19.1	22.0
200-500	1,318	1.4	333,761	7.4	86,574	10.3	247,187	6.8	25.9
500-1,000	113	0.1	853,782	1.6	265,650	2.7	588,132	1.4	31.1
More than 1,000	125	0.1	4,178,577	8.8	1,498,629	16.9	2,679,947	6.9	35.9
All	92,243	100.0	64,324	100.0	11,992	100.0	52,332	100.0	18.6

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

* Less than 0.05

(1) Calendar Year. Proposal would repeal the excise tax on high-cost health plans in 2018 and impose a limit on the income tax exclusion for employer provided health benefits and repeal Medical Flexible Spending Accounts in 2017. The exclusion limit would apply to medical, dental, vision, and supplementary indemnity insurance premiums; contributions to Health Reimbursement Arrangements and Health Savings Accounts; and the self-employed health insurance deduction. The limits would be set at the 80th percentile of health benefits in 2017 and indexed to growth in GDP per capita between 2018 and 2025 and to growth in GDP per capita plus 0.5 percentage points after 2025. Health benefits are held constant at baseline levels.

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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) 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); estate tax; and excise taxes.

(5) 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 T15-0094
BPC Cadillac Tax Replacement Option
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Level, 2025 ¹
Detail Table - Married Tax Units Filing Jointly

Expanded Cash Income Level (thousands of 2015 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	0.0	0.0	0.0	0.0	0	0.0	0.0	0.0	0.0	5.4
10-20	0.1	0.3	0.0	0.0	0	0.0	0.0	0.0	0.0	3.1
20-30	0.3	0.2	0.0	0.0	-1	-0.1	0.0	0.1	0.0	3.5
30-40	0.5	1.7	0.0	-0.1	-2	-0.1	0.0	0.2	0.0	5.0
40-50	0.5	2.4	0.0	0.1	2	0.1	0.0	0.4	0.0	7.6
50-75	0.8	6.3	0.0	2.7	21	0.3	0.0	2.0	0.0	10.3
75-100	1.0	12.8	-0.1	7.7	55	0.4	0.0	3.8	0.1	13.3
100-200	2.1	23.6	-0.1	42.7	112	0.4	0.0	22.5	0.1	17.9
200-500	3.0	30.6	-0.1	36.3	195	0.3	0.0	26.6	0.1	22.3
500-1,000	4.4	27.8	0.0	5.1	234	0.1	0.0	9.3	0.0	27.6
More than 1,000	1.7	29.8	0.0	5.5	386	0.0	-0.1	35.0	0.0	34.0
All	1.7	17.7	-0.1	100.0	96	0.2	0.0	100.0	0.0	22.7

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Level, 2025 ¹

Expanded Cash Income Level (thousands of 2015 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	690	1.2	6,118	0.0	332	0.0	5,786	0.0	5.4
10-20	1,497	2.5	19,816	0.2	604	0.0	19,212	0.3	3.1
20-30	2,190	3.6	31,839	0.5	1,128	0.1	30,711	0.6	3.5
30-40	2,352	3.9	44,244	0.8	2,226	0.2	42,018	0.9	5.0
40-50	2,719	4.5	56,868	1.1	4,289	0.4	52,579	1.4	7.5
50-75	7,486	12.5	79,364	4.4	8,123	2.0	71,242	5.1	10.2
75-100	8,047	13.4	110,944	6.5	14,655	3.8	96,289	7.4	13.2
100-200	21,862	36.4	178,319	28.6	31,814	22.5	146,505	30.4	17.8
200-500	10,712	17.8	345,246	27.1	76,800	26.6	268,446	27.3	22.3
500-1,000	1,253	2.1	833,087	7.7	229,331	9.3	603,757	7.2	27.5
More than 1,000	815	1.4	3,909,667	23.4	1,327,962	35.0	2,581,705	20.0	34.0
All	60,148	100.0	226,795	100.0	51,418	100.0	175,377	100.0	22.7

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

* Less than 0.05

(1) Calendar Year. Proposal would repeal the excise tax on high-cost health plans in 2018 and impose a limit on the income tax exclusion for employer provided health benefits and repeal Medical Flexible Spending Accounts in 2017. The exclusion limit would apply to medical, dental, vision, and supplementary indemnity insurance premiums; contributions to Health Reimbursement Arrangements and Health Savings Accounts; and the self-employed health insurance deduction. The limits would be set at the 80th percentile of health benefits in 2017 and indexed to growth in GDP per capita between 2018 and 2025 and to growth in GDP per capita plus 0.5 percentage points after 2025. Health benefits are held constant at baseline levels.

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(5) 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 T15-0094
BPC Cadillac Tax Replacement Option
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Level, 2025 ¹
Detail Table - Head of Household Tax Units

Expanded Cash Income Level (thousands of 2015 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	*	0.0	0.0	0.0	0	0.0	0.0	-0.2	0.0	-6.6
10-20	0.7	*	0.0	-0.9	-5	0.4	0.0	-1.6	0.0	-6.5
20-30	0.9	1.1	0.0	0.1	0	-0.1	0.0	-0.5	0.0	-1.0
30-40	1.0	5.7	-0.1	4.4	23	1.0	0.0	3.1	0.1	5.5
40-50	2.1	11.6	-0.1	11.0	73	1.4	0.0	5.3	0.1	9.1
50-75	2.3	21.9	-0.2	34.6	124	1.3	0.1	18.4	0.2	12.4
75-100	1.8	26.5	-0.2	22.5	142	0.8	0.0	18.7	0.1	16.0
100-200	2.4	27.4	-0.1	25.3	159	0.5	-0.1	34.1	0.1	19.3
200-500	2.4	20.0	-0.1	2.6	136	0.2	-0.1	9.9	0.0	23.2
500-1,000	4.1	14.6	0.0	0.3	161	0.1	0.0	2.7	0.0	29.3
More than 1,000	1.2	24.2	0.0	0.3	265	0.0	-0.1	10.1	0.0	33.3
All	1.6	12.8	-0.1	100.0	70	0.7	0.0	100.0	0.1	14.0

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Level, 2025 ¹

Expanded Cash Income Level (thousands of 2015 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	971	3.3	8,605	0.4	-567	-0.2	9,172	0.5	-6.6
10-20	3,818	13.0	19,547	3.4	-1,262	-1.6	20,809	4.2	-6.5
20-30	4,804	16.3	31,385	6.9	-298	-0.5	31,683	8.1	-1.0
30-40	3,879	13.2	43,870	7.8	2,373	3.1	41,497	8.6	5.4
40-50	3,105	10.6	56,987	8.1	5,115	5.3	51,873	8.6	9.0
50-75	5,770	19.6	78,043	20.7	9,577	18.3	68,467	21.1	12.3
75-100	3,275	11.1	108,603	16.4	17,191	18.6	91,412	16.0	15.8
100-200	3,286	11.2	163,713	24.7	31,442	34.2	132,271	23.2	19.2
200-500	391	1.3	330,542	5.9	76,531	9.9	254,011	5.3	23.2
500-1,000	33	0.1	852,218	1.3	249,686	2.7	602,532	1.1	29.3
More than 1,000	22	0.1	4,098,992	4.2	1,364,369	10.1	2,734,622	3.3	33.3
All	29,417	100.0	73,913	100.0	10,270	100.0	63,643	100.0	13.9

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, 2025 ¹
Detail Table - Tax Units with Children

Expanded Cash Income Level (thousands of 2015 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	0.0	0.0	0.0	0.0	0	0.0	0.0	0.0	0.0	-7.1
10-20	0.6	0.4	0.0	-0.5	-6	0.4	0.0	-0.3	0.0	-6.9
20-30	1.0	1.0	0.0	0.0	0	0.1	0.0	-0.1	0.0	-1.6
30-40	1.1	4.8	0.0	1.2	14	0.7	0.0	0.5	0.0	4.5
40-50	2.2	9.2	-0.1	3.1	41	0.9	0.0	1.0	0.1	8.4
50-75	1.9	17.3	-0.1	14.4	94	1.0	0.0	3.9	0.1	12.2
75-100	1.8	24.5	-0.1	13.0	117	0.7	0.0	4.9	0.1	15.0
100-200	3.0	30.5	-0.1	35.1	138	0.4	0.0	22.1	0.1	18.5
200-500	4.3	35.7	-0.1	25.4	212	0.3	0.0	24.9	0.1	22.5
500-1,000	5.9	33.3	0.0	4.0	268	0.1	0.0	9.4	0.0	28.1
More than 1,000	2.3	35.3	0.0	4.3	448	0.0	-0.1	33.7	0.0	34.1
All	2.2	18.7	-0.1	100.0	96	0.3	0.0	100.0	0.1	21.7

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Level, 2025 ¹

Expanded Cash Income Level (thousands of 2015 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	1,189	2.2	8,309	0.1	-588	0.0	8,897	0.2	-7.1
10-20	4,270	8.0	19,511	0.9	-1,343	-0.3	20,854	1.3	-6.9
20-30	5,384	10.1	31,463	1.9	-514	-0.1	31,977	2.5	-1.6
30-40	4,468	8.4	43,820	2.2	1,946	0.5	41,874	2.7	4.4
40-50	3,829	7.2	56,906	2.5	4,738	1.0	52,168	2.9	8.3
50-75	7,847	14.7	78,553	7.0	9,475	3.9	69,078	7.8	12.1
75-100	5,644	10.6	109,987	7.0	16,379	4.8	93,608	7.6	14.9
100-200	12,972	24.4	177,246	26.0	32,583	22.1	144,663	27.0	18.4
200-500	6,097	11.5	349,014	24.0	78,291	24.9	270,723	23.8	22.4
500-1,000	766	1.4	836,389	7.2	234,698	9.4	601,691	6.6	28.1
More than 1,000	488	0.9	3,884,902	21.4	1,324,844	33.8	2,560,059	18.0	34.1
All	53,254	100.0	166,283	100.0	35,942	100.0	130,341	100.0	21.6

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) Calendar Year. Proposal would repeal the excise tax on high-cost health plans in 2018 and impose a limit on the income tax exclusion for employer provided health benefits and repeal Medical Flexible Spending Accounts in 2017. The exclusion limit would apply to medical, dental, vision, and supplementary indemnity insurance premiums; contributions to Health Reimbursement Arrangements and Health Savings Accounts; and the self-employed health insurance deduction. The limits would be set at the 80th percentile of health benefits in 2017 and indexed to growth in GDP per capita between 2018 and 2025 and to growth in GDP per capita plus 0.5 percentage points after 2025. Health benefits are held constant at baseline levels.

<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) 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); estate tax; and excise taxes.

(5) 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 T15-0094
BPC Cadillac Tax Replacement Option
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Level, 2025 ¹
Detail Table - Elderly Tax Units

Expanded Cash Income Level (thousands of 2015 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	0.0	0.0	0.0	0.0	0	0.0	0.0	0.0	0.0	2.9
10-20	0.1	0.4	0.0	0.3	0	0.1	0.0	0.3	0.0	2.0
20-30	0.3	0.1	0.0	-3.5	-3	-0.4	0.0	0.7	0.0	2.3
30-40	1.1	0.6	0.0	-12.5	-14	-1.0	0.0	1.0	0.0	3.3
40-50	0.6	1.5	0.0	-1.2	-2	-0.1	0.0	1.4	0.0	5.0
50-75	1.0	2.1	0.0	-0.9	-1	0.0	0.0	5.8	0.0	8.4
75-100	0.8	5.0	0.0	15.3	21	0.2	0.0	7.6	0.0	11.8
100-200	1.0	11.0	0.0	60.1	60	0.2	0.0	21.5	0.0	15.9
200-500	1.2	17.8	0.0	29.6	109	0.2	0.0	16.2	0.0	22.0
500-1,000	2.1	14.6	0.0	4.5	141	0.1	0.0	5.8	0.0	27.4
More than 1,000	1.1	18.2	0.0	8.1	261	0.0	0.0	39.2	0.0	34.8
All	0.7	3.5	0.0	100.0	14	0.1	0.0	100.0	0.0	17.3

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Level, 2025 ¹

Expanded Cash Income Level (thousands of 2015 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	2,183	4.0	6,341	0.3	182	0.0	6,158	0.3	2.9
10-20	6,232	11.5	19,923	2.2	393	0.3	19,530	2.7	2.0
20-30	9,176	16.9	31,544	5.2	736	0.7	30,809	6.2	2.3
30-40	6,686	12.3	43,931	5.3	1,479	1.0	42,452	6.2	3.4
40-50	4,833	8.9	56,468	4.9	2,829	1.4	53,639	5.6	5.0
50-75	8,583	15.8	77,575	12.0	6,545	5.8	71,030	13.3	8.4
75-100	5,613	10.4	110,201	11.1	13,019	7.6	97,182	11.9	11.8
100-200	7,691	14.2	169,419	23.4	26,883	21.5	142,536	23.9	15.9
200-500	2,086	3.9	340,377	12.8	74,613	16.2	265,765	12.1	21.9
500-1,000	247	0.5	828,865	3.7	227,060	5.8	601,805	3.2	27.4
More than 1,000	238	0.4	4,562,700	19.5	1,586,253	39.2	2,976,447	15.4	34.8
All	54,189	100.0	102,594	100.0	17,756	100.0	84,838	100.0	17.3

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.

(1) Calendar Year. Proposal would repeal the excise tax on high-cost health plans in 2018 and impose a limit on the income tax exclusion for employer provided health benefits and repeal Medical Flexible Spending Accounts in 2017. The exclusion limit would apply to medical, dental, vision, and supplementary indemnity insurance premiums; contributions to Health Reimbursement Arrangements and Health Savings Accounts; and the self-employed health insurance deduction. The limits would be set at the 80th percentile of health benefits in 2017 and indexed to growth in GDP per capita between 2018 and 2025 and to growth in GDP per capita plus 0.5 percentage points after 2025. Health benefits are held constant at baseline levels.

<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) 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); estate tax; and excise taxes.

(5) 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.