

**Table T16-0169**  
**Repeal 3.8 Percent Surtax on Net Investment Income**  
**Baseline: Current Law**  
**Distribution of Federal Tax Change by Expanded Cash Income Percentile, 2016 <sup>1</sup>**  
**Detail Table**

Expanded Cash Income Percentile <sup>2,3</sup>	Percent of Tax Units <sup>4</sup>		Benefit as a Percent of After-Tax Income <sup>5</sup>	Share of Total Benefit	Average Benefit		Share of Federal Taxes		Average Federal Tax Rate <sup>6</sup>	
	With Benefit	Without Benefit			Dollars	Percent of Federal Taxes	With Provision	Without Provision	With Provision	Without Provision
Lowest Quintile	0.0	100.0	0.0	0.0	0	0.0	0.8	0.8	3.5	3.5
Second Quintile	0.0	100.0	0.0	0.0	0	0.0	3.7	3.7	8.2	8.2
Middle Quintile	0.0	100.0	0.0	0.0	0	0.0	9.7	9.6	13.4	13.4
Fourth Quintile	*	**	0.0	0.0	0	0.0	18.1	17.9	17.3	17.3
Top Quintile	18.1	81.9	0.5	100.0	1,260	1.5	67.5	67.9	25.4	25.7
All	2.5	97.5	0.3	100.0	170	1.0	100.0	100.0	19.6	19.8
<b>Addendum</b>										
80-90	0.3	99.7	0.0	0.1	*	0.0	14.3	14.1	20.0	20.0
90-95	6.6	93.4	0.0	0.5	30	0.1	10.6	10.5	21.9	21.9
95-99	62.9	37.1	0.2	9.3	620	0.6	15.4	15.3	25.0	25.2
Top 1 Percent	95.1	4.9	1.6	90.2	23,890	3.4	27.3	27.9	31.9	33.0
Top 0.1 Percent	98.6	1.4	2.2	59.3	153,910	4.5	13.4	13.9	32.7	34.2

**Baseline Distribution of Income and Federal Taxes**  
**by Expanded Cash Income Percentile, 2016 <sup>1</sup>**

Expanded Cash Income Percentile <sup>2,3</sup>	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income <sup>5</sup>		Average Federal Tax Rate <sup>6</sup>	
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total		
Lowest Quintile	48,030	27.7	13,910	4.5	490	0.8	13,420	5.3	3.5	
Second Quintile	38,040	21.9	35,050	8.9	2,880	3.7	32,160	10.1	8.2	
Middle Quintile	33,680	19.4	63,040	14.1	8,460	9.7	54,580	15.2	13.4	
Fourth Quintile	28,580	16.5	107,980	20.5	18,640	18.1	89,340	21.1	17.3	
Top Quintile	23,850	13.8	328,790	52.2	83,330	67.5	245,460	48.5	25.4	
All	173,400	100.0	86,670	100.0	16,980	100.0	69,690	100.0	19.6	
<b>Addendum</b>										
80-90	12,350	7.1	169,640	13.9	33,990	14.3	135,650	13.9	20.0	
90-95	5,880	3.4	242,220	9.5	53,070	10.6	189,150	9.2	21.9	
95-99	4,480	2.6	403,150	12.0	100,930	15.4	302,220	11.2	25.0	
Top 1 Percent	1,140	0.7	2,214,130	16.7	707,100	27.3	1,507,030	14.2	31.9	
Top 0.1 Percent	120	0.1	10,399,270	8.0	3,403,270	13.4	6,995,990	6.7	32.7	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0516-1).

Number of AMT Taxpayers (millions). Baseline: 4.7

Proposal: 4.9

\* Non-zero value rounded to zero; \*\* Insufficient data

(1) Calendar year. Baseline is current law. Proposal is current law without deduction for charitable contributions. For a description of TPC's current law baseline, see

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

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

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

(3) The income percentile classes used in this table are based on the income distribution for the entire population and contain an equal number of people, not tax units. The breaks are (in 2016 dollars): 20% \$24,400; 40% \$47,700; 60% \$82,300; 80% \$142,200; 90% \$206,800; 95% \$291,700; 99% \$693,500; 99.9% \$3,646,300.

(4) Tax units with benefit are tax units with a net benefit of \$10 or more.

(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 T16-0169**  
**Repeal 3.8 Percent Surtax on Net Investment Income**  
**Baseline: Current Law**  
**Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2016 <sup>1</sup>**  
**Detail Table**

Expanded Cash Income Percentile <sup>2,3</sup>	Percent of Tax Units <sup>4</sup>		Benefit as a Percent of After- Tax Income <sup>5</sup>	Share of Total Benefit	Average Benefit		Share of Federal Taxes		Average Federal Tax Rate <sup>6</sup>	
	With Benefit	Without Benefit			Dollars	Percent of Federal Taxes	With Provision	Without Provision	With Provision	Without Provision
Lowest Quintile	0.0	100.0	0.0	0.0	0	-0.1	0.0	0.0	0.1	0.1
Second Quintile	0.0	100.0	0.0	0.0	0	0.0	2.4	2.4	6.4	6.4
Middle Quintile	0.0	100.0	0.0	0.0	0	0.0	7.9	7.8	12.2	12.2
Fourth Quintile	0.0	100.0	0.0	0.0	0	0.0	17.2	17.0	16.6	16.6
Top Quintile	14.1	85.9	0.5	100.0	980	1.4	72.4	72.6	25.1	25.4
All	2.5	97.5	0.3	100.0	170	1.0	100.0	100.0	19.6	19.8
<b>Addendum</b>										
80-90	0.1	99.9	0.0	0.0	0	0.0	15.4	15.3	19.9	19.9
90-95	5.2	94.8	0.0	0.5	20	0.0	11.9	11.8	22.0	22.0
95-99	45.5	54.5	0.2	7.4	380	0.5	16.9	16.8	24.6	24.7
Top 1 Percent	93.9	6.1	1.6	92.1	20,830	3.3	28.2	28.8	31.8	32.9
Top 0.1 Percent	98.4	1.6	2.2	62.3	137,910	4.6	14.0	14.4	32.7	34.2

**Baseline Distribution of Income and Federal Taxes**  
**by Expanded Cash Income Percentile Adjusted for Family Size, 2016 <sup>1</sup>**

Expanded Cash Income Percentile <sup>2,3</sup>	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income <sup>5</sup>		Average Federal Tax Rate <sup>6</sup>	
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total		
Lowest Quintile	38,760	22.4	12,970	3.4	10	0.0	12,960	4.2	0.1	
Second Quintile	35,900	20.7	30,900	7.4	1,970	2.4	28,920	8.6	6.4	
Middle Quintile	34,380	19.8	55,220	12.6	6,750	7.9	48,470	13.8	12.2	
Fourth Quintile	32,470	18.7	93,650	20.2	15,550	17.2	78,110	21.0	16.6	
Top Quintile	30,680	17.7	277,080	56.6	69,430	72.4	207,660	52.7	25.1	
All	173,400	100.0	86,670	100.0	16,980	100.0	69,690	100.0	19.6	
<b>Addendum</b>										
80-90	15,770	9.1	144,700	15.2	28,800	15.4	115,900	15.1	19.9	
90-95	7,730	4.5	205,880	10.6	45,260	11.9	160,620	10.3	22.0	
95-99	5,840	3.4	345,310	13.4	84,910	16.9	260,410	12.6	24.6	
Top 1 Percent	1,330	0.8	1,960,070	17.4	623,310	28.2	1,336,760	14.7	31.8	
Top 0.1 Percent	140	0.1	9,240,520	8.4	3,023,230	14.0	6,217,300	7.0	32.7	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0516-1).

Number of AMT Taxpayers (millions). Baseline: 4.7 Proposal: 4.9

\* Non-zero value rounded to zero; \*\* Insufficient data

(1) Calendar year. Baseline is current law. Proposal is current law without deduction for charitable contributions. For a description of TPC's current law baseline, see

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

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

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

(3) The income percentile classes used in this table are based on the income distribution for the entire population and contain an equal number of people, not tax units. The incomes used are adjusted for family size by dividing by the square root of the number of people in the tax unit. The resulting percentile breaks are (in 2016 dollars): 20% \$17,000; 40% \$31,500; 60% \$52,700; 80% \$87,100; 90% \$124,400; 95% \$173,200; 99% \$398,800; 99.9% \$2,084,600.

(4) Tax units with benefit are tax units with a net benefit of \$10 or more.

(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 T16-0169**  
**Repeal 3.8 Percent Surtax on Net Investment Income**  
**Baseline: Current Law**  
**Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2016 <sup>1</sup>**  
**Detail Table - Single Tax Units**

Expanded Cash Income Percentile <sup>2,3</sup>	Percent of Tax Units <sup>4</sup>		Benefit as a Percent of After-Tax Income <sup>5</sup>	Share of Total Benefit	Average Benefit		Share of Federal Taxes		Average Federal Tax Rate <sup>6</sup>	
	With Benefit	Without Benefit			Dollars	Percent of Federal Taxes	With Provision	Without Provision	With Provision	Without Provision
Lowest Quintile	0.0	100.0	0.0	0.0	0	0.0	2.0	2.0	5.3	5.3
Second Quintile	0.0	100.0	0.0	0.0	0	0.0	5.9	5.9	8.1	8.1
Middle Quintile	0.0	100.0	0.0	0.0	0	0.0	13.8	13.7	13.4	13.4
Fourth Quintile	0.0	100.0	0.0	-0.1	0	0.0	22.4	22.3	17.8	17.8
Top Quintile	6.3	93.7	0.4	100.1	480	1.2	55.7	56.0	24.9	25.2
All	0.7	99.3	0.1	100.0	50	0.6	100.0	100.0	17.7	17.8
<b>Addendum</b>										
80-90	0.0	100.0	0.0	0.0	0	0.0	16.8	16.7	20.9	20.9
90-95	0.1	99.9	0.0	0.0	0	0.0	10.9	10.8	22.7	22.7
95-99	27.2	72.8	0.1	5.5	180	0.3	11.4	11.4	24.5	24.6
Top 1 Percent	89.4	10.6	1.9	94.7	18,610	3.7	16.6	17.1	33.9	35.1
Top 0.1 Percent	97.4	2.6	2.5	67.2	108,860	4.9	8.9	9.2	34.1	35.8

**Baseline Distribution of Income and Federal Taxes**  
**by Expanded Cash Income Percentile Adjusted for Family Size, 2016 <sup>1</sup>**

Expanded Cash Income Percentile <sup>2,3</sup>	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income <sup>5</sup>		Average Federal Tax Rate <sup>6</sup>	
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total		
Lowest Quintile	26,420	29.9	10,210	6.8	540	2.0	9,670	7.8	5.3	
Second Quintile	21,360	24.2	24,240	13.0	1,960	5.9	22,280	14.5	8.1	
Middle Quintile	17,360	19.6	41,910	18.2	5,620	13.8	36,290	19.2	13.4	
Fourth Quintile	13,190	14.9	67,670	22.3	12,030	22.4	55,630	22.3	17.8	
Top Quintile	9,440	10.7	167,830	39.7	41,770	55.7	126,060	36.2	24.9	
All	88,420	100.0	45,190	100.0	8,010	100.0	37,180	100.0	17.7	
<b>Addendum</b>										
80-90	5,470	6.2	104,100	14.3	21,790	16.8	82,310	13.7	20.9	
90-95	2,330	2.6	145,150	8.5	32,950	10.9	112,200	8.0	22.7	
95-99	1,410	1.6	234,040	8.3	57,430	11.4	176,610	7.6	24.5	
Top 1 Percent	230	0.3	1,499,740	8.7	507,750	16.6	992,000	7.0	33.9	
Top 0.1 Percent	30	0.0	6,560,440	4.6	2,237,610	8.9	4,322,830	3.7	34.1	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0516-1).

\* Non-zero value rounded to zero; \*\* Insufficient data

(1) Calendar year. Baseline is current law. Proposal is current law without deduction for charitable contributions. For a description of TPC's current law baseline, see

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

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

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

(3) The income percentile classes used in this table are based on the income distribution for the entire population and contain an equal number of people, not tax units. The incomes used are adjusted for family size by dividing by the square root of the number of people in the tax unit. The resulting percentile breaks are (in 2016 dollars): 20% \$17,000; 40% \$31,500; 60% \$52,700; 80% \$87,100; 90% \$124,400; 95% \$173,200; 99% \$398,800; 99.9% \$2,084,600.

(4) Tax units with benefit are tax units with a net benefit of \$10 or more.

(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 T16-0169**  
**Repeal 3.8 Percent Surtax on Net Investment Income**  
**Baseline: Current Law**  
**Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2016 <sup>1</sup>**  
**Detail Table - Married Tax Units Filing Jointly**

Expanded Cash Income Percentile <sup>2,3</sup>	Percent of Tax Units <sup>4</sup>		Benefit as a Percent of After-Tax Income <sup>5</sup>	Share of Total Benefit	Average Benefit		Share of Federal Taxes		Average Federal Tax Rate <sup>6</sup>	
	With Benefit	Without Benefit			Dollars	Percent of Federal Taxes	With Provision	Without Provision	With Provision	Without Provision
Lowest Quintile	0.0	100.0	0.0	0.0	0	0.0	-0.1	-0.1	-1.6	-1.6
Second Quintile	0.0	100.0	0.0	0.0	0	0.0	0.9	0.9	5.9	5.9
Middle Quintile	0.0	100.0	0.0	0.0	0	0.0	4.5	4.5	11.3	11.3
Fourth Quintile	0.0	100.0	0.0	0.0	0	0.0	14.3	14.2	15.9	15.9
Top Quintile	18.1	81.9	0.5	100.0	1,220	1.5	80.2	80.4	25.1	25.4
All	6.0	94.0	0.3	100.0	400	1.2	100.0	100.0	21.3	21.6
<b>Addendum</b>										
80-90	0.1	99.9	0.0	0.0	0	0.0	15.0	14.9	19.4	19.4
90-95	7.1	92.9	0.0	0.5	20	0.0	12.6	12.4	21.8	21.8
95-99	51.5	48.5	0.2	7.9	450	0.5	19.7	19.5	24.6	24.7
Top 1 Percent	95.2	4.8	1.5	91.6	20,790	3.3	33.0	33.6	31.4	32.5
Top 0.1 Percent	98.8	1.2	2.2	60.4	144,620	4.5	15.7	16.2	32.4	33.9

**Baseline Distribution of Income and Federal Taxes**  
**by Expanded Cash Income Percentile Adjusted for Family Size, 2016 <sup>1</sup>**

Expanded Cash Income Percentile <sup>2,3</sup>	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income <sup>5</sup>		Average Federal Tax Rate <sup>6</sup>	
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total		
Lowest Quintile	5,000	8.5	19,650	1.0	-320	-0.1	19,970	1.3	-1.6	
Second Quintile	6,870	11.7	43,450	3.1	2,550	0.9	40,900	3.8	5.9	
Middle Quintile	11,150	19.0	72,790	8.6	8,220	4.5	64,570	9.6	11.3	
Fourth Quintile	15,860	27.0	115,330	19.3	18,310	14.3	97,020	20.6	15.9	
Top Quintile	19,420	33.1	333,670	68.3	83,600	80.2	250,060	65.0	25.1	
All	58,760	100.0	161,550	100.0	34,460	100.0	127,090	100.0	21.3	
<b>Addendum</b>										
80-90	9,240	15.7	169,920	16.5	32,940	15.0	136,980	16.9	19.4	
90-95	4,940	8.4	236,610	12.3	51,480	12.6	185,120	12.2	21.8	
95-99	4,200	7.2	385,470	17.1	94,680	19.7	290,790	16.4	24.6	
Top 1 Percent	1,040	1.8	2,035,790	22.4	640,130	33.0	1,395,670	19.5	31.4	
Top 0.1 Percent	100	0.2	9,925,560	10.3	3,218,910	15.7	6,706,650	8.9	32.4	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0516-1).

\* Non-zero value rounded to zero; \*\* Insufficient data

(1) Calendar year. Baseline is current law. Proposal is current law without deduction for charitable contributions. For a description of TPC's current law baseline, see

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

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(4) Tax units with benefit are tax units with a net benefit of \$10 or more.

(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 T16-0169**  
**Repeal 3.8 Percent Surtax on Net Investment Income**  
**Baseline: Current Law**  
**Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2016 <sup>1</sup>**  
**Detail Table - Head of Household Tax Units**

Expanded Cash Income Percentile <sup>2,3</sup>	Percent of Tax Units <sup>4</sup>		Benefit as a Percent of After-Tax Income <sup>5</sup>	Share of Total Benefit	Average Benefit		Share of Federal Taxes		Average Federal Tax Rate <sup>6</sup>	
	With Benefit	Without Benefit			Dollars	Percent of Federal Taxes	With Provision	Without Provision	With Provision	Without Provision
Lowest Quintile	0.0	100.0	0.0	0.0	0	0.0	-8.4	-8.3	-9.6	-9.6
Second Quintile	0.0	100.0	0.0	0.0	0	0.0	6.4	6.3	3.4	3.4
Middle Quintile	0.0	100.0	0.0	0.0	0	0.0	24.7	24.6	11.5	11.5
Fourth Quintile	0.0	100.0	0.0	0.0	0	0.0	30.8	30.7	17.1	17.1
Top Quintile	8.9	91.1	0.3	100.0	570	1.0	46.4	46.7	24.5	24.8
All	0.5	99.5	0.1	100.0	30	0.5	100.0	100.0	11.7	11.7
<b>Addendum</b>										
80-90	0.1	99.9	0.0	0.0	0	0.0	15.7	15.6	21.1	21.1
90-95	7.0	93.0	0.0	1.1	20	0.1	9.5	9.5	22.1	22.2
95-99	48.1	52.0	0.2	9.3	490	0.6	7.4	7.4	25.2	25.4
Top 1 Percent	86.1	14.0	1.5	89.7	23,360	3.1	13.8	14.2	32.2	33.2
Top 0.1 Percent	96.6	3.4	2.0	66.3	156,710	3.9	8.2	8.5	33.5	34.8

**Baseline Distribution of Income and Federal Taxes**  
**by Expanded Cash Income Percentile Adjusted for Family Size, 2016 <sup>1</sup>**

Expanded Cash Income Percentile <sup>2,3</sup>	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income <sup>5</sup>		Average Federal Tax Rate <sup>6</sup>	
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total		
Lowest Quintile	6,990	30.0	18,700	10.2	-1,800	-8.4	20,500	12.6	-9.6	
Second Quintile	7,150	30.6	38,930	21.6	1,340	6.4	37,600	23.6	3.4	
Middle Quintile	5,130	22.0	63,180	25.2	7,240	24.7	55,950	25.2	11.5	
Fourth Quintile	2,760	11.8	97,930	21.0	16,780	30.8	81,150	19.7	17.1	
Top Quintile	1,270	5.4	225,100	22.1	55,150	46.4	169,950	18.9	24.5	
All	23,340	100.0	55,170	100.0	6,440	100.0	48,740	100.0	11.7	
<b>Addendum</b>										
80-90	770	3.3	144,230	8.7	30,490	15.7	113,740	7.7	21.1	
90-95	330	1.4	197,600	5.0	43,740	9.5	153,860	4.4	22.1	
95-99	140	0.6	322,190	3.4	81,320	7.4	240,880	2.9	25.2	
Top 1 Percent	30	0.1	2,329,400	5.0	749,410	13.8	1,579,990	3.8	32.2	
Top 0.1 Percent	*	0.0	12,112,490	2.9	4,062,960	8.2	8,049,540	2.2	33.5	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0516-1).

\* Non-zero value rounded to zero; \*\* Insufficient data

(1) Calendar year. Baseline is current law. Proposal is current law without deduction for charitable contributions. For a description of TPC's current law baseline, see

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

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

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

(3) The income percentile classes used in this table are based on the income distribution for the entire population and contain an equal number of people, not tax units. The incomes used are adjusted for family size by dividing by the square root of the number of people in the tax unit. The resulting percentile breaks are (in 2016 dollars): 20% \$17,000; 40% \$31,500; 60% \$52,700; 80% \$87,100; 90% \$124,400; 95% \$173,200; 99% \$398,800; 99.9% \$2,084,600.

(4) Tax units with benefit are tax units with a net benefit of \$10 or more.

(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 T16-0169**  
**Repeal 3.8 Percent Surtax on Net Investment Income**  
**Baseline: Current Law**  
**Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2016 <sup>1</sup>**  
**Detail Table - Tax Units with Children**

Expanded Cash Income Percentile <sup>2,3</sup>	Percent of Tax Units <sup>4</sup>		Benefit as a Percent of After-Tax Income <sup>5</sup>	Share of Total Benefit	Average Benefit		Share of Federal Taxes		Average Federal Tax Rate <sup>6</sup>	
	With Benefit	Without Benefit			Dollars	Percent of Federal Taxes	With Provision	Without Provision	With Provision	Without Provision
Lowest Quintile	0.0	100.0	0.0	0.0	0	0.0	-1.4	-1.4	-8.9	-8.9
Second Quintile	0.0	100.0	0.0	0.0	0	0.0	1.5	1.4	4.0	4.0
Middle Quintile	0.0	100.0	0.0	0.0	0	0.0	7.8	7.7	12.4	12.4
Fourth Quintile	*	**	0.0	0.0	0	0.0	17.2	17.1	17.2	17.2
Top Quintile	22.7	77.4	0.5	100.0	1,280	1.3	74.8	75.1	26.0	26.3
All	4.3	95.8	0.2	100.0	240	1.0	100.0	100.0	19.9	20.1
<b>Addendum</b>										
80-90	0.3	99.7	0.0	0.0	*	0.0	14.8	14.7	20.4	20.4
90-95	15.8	84.2	0.0	1.1	50	0.1	11.6	11.5	22.6	22.6
95-99	67.9	32.1	0.2	9.5	600	0.5	17.7	17.6	25.7	25.9
Top 1 Percent	95.0	5.0	1.4	89.5	22,280	2.8	30.7	31.3	32.3	33.2
Top 0.1 Percent	98.8	1.2	2.0	62.7	159,580	4.2	14.6	15.0	32.8	34.2

**Baseline Distribution of Income and Federal Taxes**  
**by Expanded Cash Income Percentile Adjusted for Family Size, 2016 <sup>1</sup>**

Expanded Cash Income Percentile <sup>2,3</sup>	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income <sup>5</sup>		Average Federal Tax Rate <sup>6</sup>	
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total		
Lowest Quintile	9,930	19.9	19,870	3.2	-1,770	-1.4	21,640	4.3	-8.9	
Second Quintile	10,260	20.6	43,260	7.2	1,750	1.5	41,510	8.6	4.0	
Middle Quintile	10,260	20.6	75,460	12.5	9,320	7.8	66,140	13.7	12.4	
Fourth Quintile	9,750	19.6	126,790	20.0	21,760	17.2	105,030	20.7	17.2	
Top Quintile	9,350	18.8	379,540	57.4	98,600	74.8	280,940	53.1	26.0	
All	49,800	100.0	124,060	100.0	24,740	100.0	99,320	100.0	19.9	
<b>Addendum</b>										
80-90	4,660	9.4	192,550	14.5	39,200	14.8	153,360	14.5	20.4	
90-95	2,330	4.7	272,030	10.3	61,400	11.6	210,640	9.9	22.6	
95-99	1,880	3.8	450,700	13.7	116,010	17.7	334,690	12.7	25.7	
Top 1 Percent	480	1.0	2,439,220	18.9	788,090	30.7	1,651,130	16.0	32.3	
Top 0.1 Percent	50	0.1	11,644,640	8.9	3,818,340	14.6	7,826,300	7.4	32.8	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0516-1).

\* Non-zero value rounded to zero; \*\* Insufficient data

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

(1) Calendar year. Baseline is current law. Proposal is current law without deduction for charitable contributions. For a description of TPC's current law baseline, see

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

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

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

(3) The income percentile classes used in this table are based on the income distribution for the entire population and contain an equal number of people, not tax units. The incomes used are adjusted for family size by dividing by the square root of the number of people in the tax unit. The resulting percentile breaks are (in 2016 dollars): 20% \$17,000; 40% \$31,500; 60% \$52,700; 80% \$87,100; 90% \$124,400; 95% \$173,200; 99% \$398,800; 99.9% \$2,084,600.

(4) Tax units with benefit are tax units with a net benefit of \$10 or more.

(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 T16-0169**  
**Repeal 3.8 Percent Surtax on Net Investment Income**  
**Baseline: Current Law**  
**Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2016 <sup>1</sup>**  
**Detail Table - Elderly Tax Units**

Expanded Cash Income Percentile <sup>2,3</sup>	Percent of Tax Units <sup>4</sup>		Benefit as a Percent of After-Tax Income <sup>5</sup>	Share of Total Benefit	Average Benefit		Share of Federal Taxes		Average Federal Tax Rate <sup>6</sup>	
	With Benefit	Without Benefit			Dollars	Percent of Federal Taxes	With Provision	Without Provision	With Provision	Without Provision
Lowest Quintile	0.0	100.0	0.0	0.0	0	0.0	0.3	0.3	1.4	1.4
Second Quintile	0.0	100.0	0.0	0.0	0	0.0	1.4	1.4	2.5	2.5
Middle Quintile	0.0	100.0	0.0	0.0	0	0.0	4.7	4.6	5.6	5.6
Fourth Quintile	0.0	100.0	0.0	0.0	0	0.0	13.5	13.2	11.1	11.1
Top Quintile	12.2	87.8	0.8	100.0	1,670	2.5	79.7	80.1	24.4	25.0
All	1.8	98.2	0.4	100.0	250	2.0	100.0	100.0	16.5	16.9
<b>Addendum</b>										
80-90	*	**	0.0	0.0	0	0.0	13.7	13.4	16.5	16.5
90-95	1.0	99.1	0.0	0.1	10	0.0	9.8	9.7	19.4	19.4
95-99	38.8	61.2	0.2	4.4	410	0.6	15.2	15.0	23.2	23.4
Top 1 Percent	95.9	4.1	2.2	95.5	30,760	4.6	41.0	42.0	32.0	33.5
Top 0.1 Percent	99.2	0.8	2.7	64.9	155,500	5.5	23.5	24.3	32.7	34.4

**Baseline Distribution of Income and Federal Taxes**  
**by Expanded Cash Income Percentile Adjusted for Family Size, 2016 <sup>1</sup>**

Expanded Cash Income Percentile <sup>2,3</sup>	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income <sup>5</sup>		Average Federal Tax Rate <sup>6</sup>	
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total		
Lowest Quintile	7,720	18.6	12,510	3.1	170	0.3	12,340	3.7	1.4	
Second Quintile	10,910	26.3	26,130	9.1	660	1.4	25,470	10.7	2.5	
Middle Quintile	8,900	21.5	49,070	14.0	2,740	4.7	46,330	15.8	5.6	
Fourth Quintile	7,420	17.9	84,300	20.0	9,380	13.5	74,920	21.3	11.1	
Top Quintile	6,140	14.8	275,160	54.0	67,060	79.7	208,110	49.0	24.4	
All	41,510	100.0	75,260	100.0	12,430	100.0	62,830	100.0	16.5	
<b>Addendum</b>										
80-90	3,300	8.0	129,760	13.7	21,430	13.7	108,340	13.7	16.5	
90-95	1,420	3.4	184,850	8.4	35,900	9.8	148,950	8.1	19.4	
95-99	1,100	2.7	306,730	10.8	71,210	15.2	235,520	10.0	23.2	
Top 1 Percent	320	0.8	2,082,080	21.1	666,700	41.0	1,415,370	17.2	32.0	
Top 0.1 Percent	40	0.1	8,715,180	11.9	2,845,570	23.5	5,869,610	9.6	32.7	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0516-1).

\* Non-zero value rounded to zero; \*\* Insufficient data

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

(1) Calendar year. Baseline is current law. Proposal is current law without deduction for charitable contributions. For a description of TPC's current law baseline, see

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

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

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

(3) The income percentile classes used in this table are based on the income distribution for the entire population and contain an equal number of people, not tax units. The incomes used are adjusted for family size by dividing by the square root of the number of people in the tax unit. The resulting percentile breaks are (in 2016 dollars): 20% \$17,000; 40% \$31,500; 60% \$52,700; 80% \$87,100; 90% \$124,400; 95% \$173,200; 99% \$398,800; 99.9% \$2,084,600.

(4) Tax units with benefit are tax units with a net benefit of \$10 or more.

(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.