

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

Table T17-0032
Increase Earned Income Tax Credit (EITC) Phase-In Rates and 0 and 1 Child EITC Parameters
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Percentile, 2017 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	30.3	-3,860	0.0	0	8.4	31.2	-1,170	-8.1	-4.4
Second Quintile	50.0	-4,140	0.0	0	6.2	44.1	-2,070	-5.7	2.7
Middle Quintile	43.9	-2,690	0.0	0	2.1	22.1	-1,180	-1.8	11.8
Fourth Quintile	6.4	-2,160	0.0	0	0.2	2.2	-140	-0.1	17.2
Top Quintile	0.1	-3,210	0.0	0	0.0	0.1	-10	0.0	26.1
All	29.1	-3,560	0.0	0	1.4	100.0	-1,040	-1.2	18.9
Addendum									
80-90	0.3	-3,280	0.0	0	0.0	0.1	-10	0.0	20.2
90-95	*	**	0.0	0	0.0	0.0	*	0.0	22.2
95-99	*	**	0.0	0	0.0	0.0	0	0.0	25.4
Top 1 Percent	0.0	0	0.0	0	0.0	0.0	0	0.0	33.4
Top 0.1 Percent	0.0	0	0.0	0	0.0	0.0	0	0.0	34.5

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0516-2).

Number of AMT Taxpayers (millions). Baseline: 4.8

Proposal: 4.8

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

(1) Calendar year. Baseline current law. Proposal increases the credit phase-in rates to 60%, 65.28%, 76.80%, and 86.40% for those with 0, 1, 2, and 3 children, respectively. Proposal also increases end of phase-in and beginning of phase-out income thresholds, and phase-out rate of 0 child workers to 15.98%, same as 1 child workers. 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% \$24,800; 40% \$48,400; 60% \$83,300; 80% \$143,100; 90% \$208,800; 95% \$292,100; 99% \$699,000; 99.9% \$3,749,600.

(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 T17-0032
Increase Earned Income Tax Credit (EITC) Phase-In Rates and 0 and 1 Child EITC Parameters
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Percentile, 2017 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	30.3	0.0	8.4	31.2	-1,170	-217.6	-1.9	-1.0	-8.1	-4.4
Second Quintile	50.0	0.0	6.2	44.1	-2,070	-67.9	-2.5	1.3	-5.7	2.7
Middle Quintile	43.9	0.0	2.1	22.1	-1,180	-13.2	-0.8	8.8	-1.8	11.8
Fourth Quintile	6.4	0.0	0.2	2.2	-140	-0.7	0.9	18.6	-0.1	17.2
Top Quintile	0.1	0.0	0.0	0.1	-10	0.0	4.2	72.2	0.0	26.1
All	29.1	0.0	1.4	100.0	-1,040	-5.8	0.0	100.0	-1.2	18.9
Addendum										
80-90	0.3	0.0	0.0	0.1	-10	0.0	0.8	14.7	0.0	20.2
90-95	*	0.0	0.0	0.0	*	0.0	0.6	11.0	0.0	22.2
95-99	*	0.0	0.0	0.0	0	0.0	0.9	16.0	0.0	25.4
Top 1 Percent	0.0	0.0	0.0	0.0	0	0.0	1.8	30.4	0.0	33.4
Top 0.1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.9	15.5	0.0	34.5

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile, 2017 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	48,340	27.7	14,430	4.4	540	0.8	13,900	5.4	3.7	
Second Quintile	38,630	22.1	36,300	8.9	3,050	3.7	33,260	10.2	8.4	
Middle Quintile	33,890	19.4	65,510	14.1	8,920	9.6	56,590	15.3	13.6	
Fourth Quintile	28,660	16.4	111,590	20.4	19,360	17.6	92,230	21.1	17.4	
Top Quintile	23,960	13.7	342,890	52.3	89,490	68.1	253,400	48.4	26.1	
All	174,680	100.0	89,920	100.0	18,040	100.0	71,880	100.0	20.1	
Addendum										
80-90	12,390	7.1	174,830	13.8	35,340	13.9	139,490	13.8	20.2	
90-95	5,910	3.4	249,700	9.4	55,330	10.4	194,370	9.1	22.2	
95-99	4,530	2.6	413,100	11.9	105,070	15.1	308,030	11.1	25.4	
Top 1 Percent	1,130	0.7	2,385,290	17.2	797,230	28.7	1,588,060	14.3	33.4	
Top 0.1 Percent	120	0.1	11,429,560	8.5	3,941,790	14.6	7,487,780	7.0	34.5	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0516-2).

Number of AMT Taxpayers (millions). Baseline: 4.8 Proposal: 4.8

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(1) Calendar year. Baseline current law. Proposal increases the credit phase-in rates to 60%, 65.28%, 76.80%, and 86.40% for those with 0, 1, 2, and 3 children, respectively. Proposal also increases end of phase-in and beginning of phase-out income thresholds, and phase-out rate of 0 child workers to 15.98%, same as 1 child workers. For a description of TPC's current law baseline, see <http://www.taxpolicycenter.org/taxtopics/Baseline-Definitions.cfm>

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(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 T17-0032
Increase Earned Income Tax Credit (EITC) Phase-In Rates and 0 and 1 Child EITC Parameters
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2017¹
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	36.5	0.0	10.2	29.5	-1,370	-2,026.0	-1.8	-1.7	-10.1	-9.6
Second Quintile	43.7	0.0	6.7	40.3	-2,000	-93.2	-2.3	0.2	-6.2	0.5
Middle Quintile	46.1	0.0	2.8	26.6	-1,400	-19.7	-1.2	6.6	-2.4	9.9
Fourth Quintile	13.8	0.0	0.2	3.2	-170	-1.1	0.8	17.6	-0.2	16.6
Top Quintile	0.3	0.0	0.0	0.2	-10	0.0	4.4	77.1	0.0	25.8
All	29.1	0.0	1.4	100.0	-1,040	-5.8	0.0	100.0	-1.2	18.9
Addendum										
80-90	0.5	0.0	0.0	0.1	-10	-0.1	0.9	16.0	0.0	20.0
90-95	0.2	0.0	0.0	0.0	-10	0.0	0.7	12.3	0.0	22.2
95-99	*	0.0	0.0	0.0	0	0.0	1.0	17.6	0.0	24.9
Top 1 Percent	0.0	0.0	0.0	0.0	0	0.0	1.8	31.4	0.0	33.3
Top 0.1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.9	16.1	0.0	34.5

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2017¹

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	39,090	22.4	13,480	3.4	70	0.1	13,410	4.2	0.5	
Second Quintile	36,460	20.9	32,070	7.4	2,150	2.5	29,920	8.7	6.7	
Middle Quintile	34,410	19.7	57,450	12.6	7,090	7.7	50,360	13.8	12.3	
Fourth Quintile	32,700	18.7	96,770	20.2	16,190	16.8	80,590	21.0	16.7	
Top Quintile	30,800	17.6	288,820	56.6	74,370	72.7	214,440	52.6	25.8	
All	174,680	100.0	89,920	100.0	18,040	100.0	71,880	100.0	20.1	
Addendum										
80-90	15,850	9.1	149,140	15.1	29,900	15.0	119,240	15.1	20.1	
90-95	7,720	4.4	212,620	10.5	47,140	11.6	165,480	10.2	22.2	
95-99	5,910	3.4	354,010	13.3	88,220	16.5	265,800	12.5	24.9	
Top 1 Percent	1,330	0.8	2,106,880	17.8	701,190	29.6	1,405,690	14.9	33.3	
Top 0.1 Percent	140	0.1	10,124,860	8.8	3,491,980	15.2	6,632,880	7.2	34.5	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0516-2).

Number of AMT Taxpayers (millions). Baseline: 4.8 Proposal: 4.8

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

(3) 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% \$17,300; 40% \$32,100; 60% \$53,300; 80% \$87,800; 90% \$125,100; 95% \$173,800; 99% \$401,900; 99.9% \$2,144,900.

(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 T17-0032
Increase Earned Income Tax Credit (EITC) Phase-In Rates and 0 and 1 Child EITC Parameters
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2017 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	22.1	0.0	7.9	25.3	-790	-134.3	-2.9	-0.8	-7.4	-1.9
Second Quintile	28.5	0.0	6.2	37.8	-1,430	-70.2	-4.0	2.0	-5.7	2.4
Middle Quintile	45.8	0.0	4.0	31.2	-1,500	-25.8	-2.2	11.3	-3.5	9.9
Fourth Quintile	27.4	0.0	0.6	5.2	-330	-2.6	2.2	24.6	-0.5	17.5
Top Quintile	0.4	0.0	0.0	0.1	-10	0.0	7.0	62.7	0.0	25.4
All	26.7	0.0	2.4	100.0	-930	-11.2	0.0	100.0	-2.0	15.9
Addendum										
80-90	0.6	0.0	0.0	0.1	-10	-0.1	2.1	18.8	0.0	21.1
90-95	0.2	0.0	0.0	0.0	-10	0.0	1.3	11.9	0.0	22.8
95-99	0.0	0.0	0.0	0.0	0	0.0	1.4	12.8	0.0	24.9
Top 1 Percent	0.0	0.0	0.0	0.0	0	0.0	2.2	19.2	0.0	35.5
Top 0.1 Percent	0.0	0.0	0.0	0.0	0	0.0	1.2	10.5	0.0	36.0

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2017 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	26,560	29.9	10,600	6.8	590	2.1	10,010	7.8	5.5	
Second Quintile	21,870	24.6	25,250	13.4	2,040	6.0	23,210	15.0	8.1	
Middle Quintile	17,230	19.4	43,480	18.1	5,810	13.5	37,670	19.1	13.4	
Fourth Quintile	13,210	14.9	70,000	22.4	12,560	22.4	57,440	22.4	18.0	
Top Quintile	9,390	10.6	172,900	39.3	43,920	55.7	128,970	35.7	25.4	
All	88,910	100.0	46,490	100.0	8,330	100.0	38,160	100.0	17.9	
Addendum										
80-90	5,460	6.1	107,330	14.2	22,610	16.7	84,720	13.6	21.1	
90-95	2,300	2.6	149,140	8.3	34,020	10.6	115,120	7.8	22.8	
95-99	1,400	1.6	241,710	8.2	60,210	11.4	181,500	7.5	24.9	
Top 1 Percent	230	0.3	1,576,130	8.6	560,170	17.0	1,015,960	6.7	35.5	
Top 0.1 Percent	30	0.0	6,909,280	4.7	2,489,230	9.4	4,420,050	3.6	36.0	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0516-2).

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

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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 T17-0032
Increase Earned Income Tax Credit (EITC) Phase-In Rates and 0 and 1 Child EITC Parameters
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2017 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	44.9	0.0	9.5	26.4	-1,940	813.3	-0.5	-0.5	-9.6	-10.8
Second Quintile	48.0	0.0	5.2	41.0	-2,190	-77.4	-0.7	0.2	-4.9	1.4
Middle Quintile	36.4	0.0	1.4	28.7	-940	-10.8	-0.4	4.1	-1.2	10.2
Fourth Quintile	3.4	0.0	0.1	2.7	-60	-0.3	0.2	14.2	-0.1	15.9
Top Quintile	0.3	0.0	0.0	0.4	-10	0.0	1.4	81.9	0.0	25.8
All	17.4	0.0	0.5	100.0	-620	-1.7	0.0	100.0	-0.4	21.5
Addendum										
80-90	0.5	0.0	0.0	0.4	-10	0.0	0.2	14.8	0.0	19.5
90-95	0.2	0.0	0.0	0.1	-10	0.0	0.2	12.4	0.0	22.0
95-99	*	0.0	0.0	0.0	0	0.0	0.3	19.5	0.0	24.9
Top 1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.6	35.2	0.0	32.9
Top 0.1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.3	17.4	0.0	34.2

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2017 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	5,000	8.5	20,290	1.0	-240	-0.1	20,530	1.3	-1.2	
Second Quintile	6,880	11.6	45,190	3.1	2,830	0.9	42,350	3.8	6.3	
Middle Quintile	11,270	19.0	75,560	8.6	8,680	4.5	66,890	9.7	11.5	
Fourth Quintile	16,010	27.0	118,930	19.1	19,010	14.0	99,920	20.6	16.0	
Top Quintile	19,580	33.1	347,810	68.4	89,690	80.6	258,120	65.0	25.8	
All	59,210	100.0	168,110	100.0	36,820	100.0	131,290	100.0	21.9	
Addendum										
80-90	9,290	15.7	174,910	16.3	34,190	14.6	140,730	16.8	19.5	
90-95	4,970	8.4	243,880	12.2	53,550	12.2	190,320	12.2	22.0	
95-99	4,270	7.2	393,920	16.9	98,050	19.2	295,880	16.3	24.9	
Top 1 Percent	1,050	1.8	2,182,330	23.0	717,960	34.6	1,464,370	19.8	32.9	
Top 0.1 Percent	100	0.2	10,913,450	10.9	3,730,900	17.1	7,182,560	9.2	34.2	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0516-2).

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Table T17-0032
Increase Earned Income Tax Credit (EITC) Phase-In Rates and 0 and 1 Child EITC Parameters
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2017 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	85.9	0.0	15.0	37.1	-3,180	185.5	-26.8	-34.3	-16.3	-25.1
Second Quintile	89.2	0.0	9.5	43.2	-3,700	-222.0	-21.6	-14.3	-9.1	-5.0
Middle Quintile	74.9	0.0	3.9	19.0	-2,260	-29.3	3.2	27.5	-3.4	8.3
Fourth Quintile	12.0	0.0	0.2	0.7	-150	-0.8	17.7	47.8	-0.2	17.2
Top Quintile	0.6	0.0	0.0	0.0	-20	0.0	27.5	73.2	0.0	24.9
All	71.0	0.0	5.2	100.0	-2,600	-37.6	0.0	100.0	-4.5	7.6
Addendum										
80-90	1.0	0.0	0.0	0.0	-30	-0.1	9.3	24.8	0.0	21.2
90-95	0.0	0.0	0.0	0.0	0	0.0	5.5	14.5	0.0	22.6
95-99	0.0	0.0	0.0	0.0	0	0.0	4.4	11.8	0.0	25.4
Top 1 Percent	0.0	0.0	0.0	0.0	0	0.0	8.3	22.2	0.0	33.5
Top 0.1 Percent	0.0	0.0	0.0	0.0	0	0.0	5.0	13.4	0.0	35.1

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2017 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	7,180	30.3	19,440	10.3	-1,710	-7.5	21,150	12.8	-8.8	
Second Quintile	7,170	30.3	40,510	21.5	1,670	7.3	38,850	23.4	4.1	
Middle Quintile	5,160	21.8	65,700	25.1	7,710	24.3	57,990	25.2	11.7	
Fourth Quintile	2,810	11.9	101,180	21.0	17,530	30.1	83,650	19.8	17.3	
Top Quintile	1,300	5.5	231,460	22.2	57,740	45.7	173,720	18.9	25.0	
All	23,660	100.0	57,170	100.0	6,910	100.0	50,260	100.0	12.1	
Addendum										
80-90	800	3.4	148,580	8.8	31,560	15.5	117,020	7.9	21.2	
90-95	320	1.4	205,850	4.9	46,420	9.1	159,420	4.3	22.6	
95-99	150	0.6	320,980	3.5	81,650	7.3	239,330	3.0	25.4	
Top 1 Percent	30	0.1	2,504,900	5.0	837,850	13.9	1,667,040	3.8	33.5	
Top 0.1 Percent	*	0.0	13,027,130	2.9	4,569,510	8.4	8,457,620	2.1	35.1	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0516-2).

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

(1) Calendar year. Baseline current law. Proposal increases the credit phase-in rates to 60%, 65.28%, 76.80%, and 86.40% for those with 0, 1, 2, and 3 children, respectively. Proposal also increases end of phase-in and beginning of phase-out income thresholds, and phase-out rate of 0 child workers to 15.98%, same as 1 child workers. 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% \$17,300; 40% \$32,100; 60% \$53,300; 80% \$87,800; 90% \$125,100; 95% \$173,800; 99% \$401,900; 99.9% \$2,144,900.

(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 T17-0032
Increase Earned Income Tax Credit (EITC) Phase-In Rates and 0 and 1 Child EITC Parameters
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2017 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	81.5	0.0	13.7	36.2	-3,040	182.1	-2.9	-4.3	-14.8	-23.0
Second Quintile	83.1	0.0	8.3	42.8	-3,520	-170.9	-3.1	-1.4	-7.9	-3.3
Middle Quintile	59.5	0.0	2.5	20.0	-1,710	-17.6	-0.9	7.1	-2.2	10.3
Fourth Quintile	4.1	0.0	0.1	0.6	-60	-0.3	1.2	18.3	0.0	17.3
Top Quintile	0.1	0.0	0.0	0.0	*	0.0	5.6	80.1	0.0	26.6
All	48.0	0.0	1.8	100.0	-1,760	-7.0	0.0	100.0	-1.4	18.8
Addendum										
80-90	0.2	0.0	0.0	0.0	-10	0.0	1.1	15.5	0.0	20.5
90-95	0.1	0.0	0.0	0.0	*	0.0	0.9	12.4	0.0	22.8
95-99	0.0	0.0	0.0	0.0	0	0.0	1.3	18.4	0.0	26.2
Top 1 Percent	0.0	0.0	0.0	0.0	0	0.0	2.4	33.8	0.0	33.5
Top 0.1 Percent	0.0	0.0	0.0	0.0	0	0.0	1.1	16.3	0.0	34.4

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2017 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	11,200	21.0	20,490	3.5	-1,670	-1.4	22,150	4.7	-8.1	
Second Quintile	11,400	21.4	44,490	7.7	2,060	1.8	42,430	9.2	4.6	
Middle Quintile	11,000	20.6	77,760	13.0	9,730	8.0	68,030	14.2	12.5	
Fourth Quintile	10,020	18.8	130,320	19.8	22,600	17.0	107,720	20.5	17.3	
Top Quintile	9,500	17.8	392,380	56.5	104,390	74.5	287,990	51.9	26.6	
All	53,400	100.0	123,700	100.0	24,950	100.0	98,750	100.0	20.2	
Addendum										
80-90	4,740	8.9	197,820	14.2	40,570	14.4	157,250	14.1	20.5	
90-95	2,400	4.5	279,570	10.2	63,830	11.5	215,740	9.8	22.8	
95-99	1,880	3.5	463,720	13.2	121,310	17.1	342,410	12.2	26.2	
Top 1 Percent	490	0.9	2,564,450	18.9	859,310	31.5	1,705,140	15.8	33.5	
Top 0.1 Percent	50	0.1	12,420,500	8.9	4,270,450	15.1	8,150,040	7.3	34.4	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0516-2).

* 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 or with children qualifying for the Child Tax Credit or EITC.

(1) Calendar year. Baseline current law. Proposal increases the credit phase-in rates to 60%, 65.28%, 76.80%, and 86.40% for those with 0, 1, 2, and 3 children, respectively. Proposal also increases end of phase-in and beginning of phase-out income thresholds, and phase-out rate of 0 child workers to 15.98%, same as 1 child workers. 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% \$17,300; 40% \$32,100; 60% \$53,300; 80% \$87,800; 90% \$125,100; 95% \$173,800; 99% \$401,900; 99.9% \$2,144,900.

(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 T17-0032
Increase Earned Income Tax Credit (EITC) Phase-In Rates and 0 and 1 Child EITC Parameters
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2017 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	2.2	0.0	0.6	17.5	-70	-44.1	-0.1	0.1	-0.5	0.7
Second Quintile	2.4	0.0	0.4	34.4	-100	-14.6	-0.2	1.2	-0.4	2.1
Middle Quintile	4.5	0.0	0.3	35.7	-130	-4.5	-0.2	4.4	-0.3	5.4
Fourth Quintile	1.8	0.0	0.1	10.5	-40	-0.4	0.0	13.4	-0.1	11.3
Top Quintile	0.3	0.0	0.0	1.5	-10	0.0	0.5	80.6	0.0	25.4
All	2.4	0.0	0.1	100.0	-80	-0.6	0.0	100.0	-0.1	17.0
Addendum										
80-90	0.5	0.0	0.0	1.5	-10	-0.1	0.1	13.3	0.0	16.8
90-95	0.0	0.0	0.0	0.0	0	0.0	0.1	9.5	0.0	19.7
95-99	0.1	0.0	0.0	0.0	0	0.0	0.1	15.4	0.0	23.6
Top 1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.2	42.5	0.0	34.0
Top 0.1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.1	25.3	0.0	34.6

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2017 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	8,000	18.7	12,950	3.1	160	0.2	12,790	3.7	1.2	
Second Quintile	11,440	26.8	27,160	9.4	660	1.3	26,490	11.0	2.4	
Middle Quintile	9,010	21.1	50,780	13.8	2,860	4.6	47,920	15.7	5.6	
Fourth Quintile	7,620	17.8	87,250	20.1	9,930	13.4	77,320	21.4	11.4	
Top Quintile	6,230	14.6	286,990	53.9	72,870	80.1	214,110	48.5	25.4	
All	42,730	100.0	77,610	100.0	13,260	100.0	64,340	100.0	17.1	
Addendum										
80-90	3,330	7.8	134,050	13.4	22,480	13.2	111,580	13.5	16.8	
90-95	1,430	3.4	189,830	8.2	37,460	9.5	152,370	7.9	19.7	
95-99	1,170	2.7	314,120	11.1	74,020	15.3	240,090	10.2	23.6	
Top 1 Percent	310	0.7	2,295,300	21.2	780,230	42.2	1,515,080	16.9	34.0	
Top 0.1 Percent	40	0.1	9,571,000	12.4	3,312,200	25.2	6,258,800	9.8	34.6	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0516-2).

* 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 current law. Proposal increases the credit phase-in rates to 60%, 65.28%, 76.80%, and 86.40% for those with 0, 1, 2, and 3 children, respectively. Proposal also increases end of phase-in and beginning of phase-out income thresholds, and phase-out rate of 0 child workers to 15.98%, same as 1 child workers. For a description of TPC's current law baseline, see <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 2016 dollars): 20% \$17,300; 40% \$32,100; 60% \$53,300; 80% \$87,800; 90% \$125,100; 95% \$173,800; 99% \$401,900; 99.9% \$2,144,900.

(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.