

Table T18-0023
Major Individual Income Tax Provisions in The Tax Cuts and Jobs Act (TCJA)
Tax Units with a Tax Increase or Tax Cut, by Expanded Cash Income Percentile, 2018 ¹
Baseline: Pre-TCJA Law

Expanded Cash Income Percentile ^{2,3}	Tax Units		Tax Units with Tax Increase or Cut ⁴				Average Tax Change (Dollars) For all Tax Units	
	Number (thousands)	Percent of Total	With Tax Cut		With Tax Increase		All Provisions	Major Provisions Included Here
			Pct of Tax Units	Avg Tax Change (\$)	Pct of Tax Units	Avg Tax Change (\$)		
Lowest Quintile	48,780	27.7	27.0	-190	1.4	750	-40	-40
Second Quintile	38,760	22.0	64.9	-550	5.6	660	-320	-320
Middle Quintile	34,290	19.5	82.2	-1,050	9.1	850	-780	-790
Fourth Quintile	28,870	16.4	88.9	-1,810	9.8	1,280	-1,480	-1,490
Top Quintile	24,300	13.8	89.8	-7,170	9.6	8,120	-5,790	-5,660
All	176,100	100.0	64.8	-2,180	6.3	2,760	-1,260	-1,240
Addendum								
80-90	12,490	7.1	89.0	-2,950	10.5	1,770	-2,430	-2,440
90-95	6,020	3.4	89.6	-4,100	9.8	1,830	-3,500	-3,500
95-99	4,650	2.6	93.9	-12,130	5.6	5,630	-11,190	-11,080
Top 1 Percent	1,140	0.7	83.1	-51,310	16.1	77,320	-32,650	-30,230
Top 0.1 Percent	120	0.1	68.4	-247,020	30.8	297,750	-89,060	-77,310

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0217-1).

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

(1) Calendar year. Baseline is pre-TCJA law. Includes provisions with non-negligible revenue effects listed in JCX-67-17, Section I. Individual Tax Reform with the exception of: increase in estate tax exemption level; reduce ACA individual shared responsibility payment to zero; repeal of exclusion for employer-provided qualified moving expense reimbursements; repeal of deduction for moving expenses (other than members of the Armed Forces); retirement plan and casualty loss relief for certain disaster areas; repeal of deduction for alimony payments and corresponding inclusion in income; simplified accounting for small business; modify treatment of S corporation conversions into C corporations; limitation and repeal of deduction by employers of expenses for certain fringe benefits; modification of limitation on excessive employee remuneration; tax gain on the sale of a partnership interest on look-thru basis. Also includes certain certain non-corporate business provisions.

<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 2017 dollars): 20% \$25,000; 40% \$48,600; 60% \$86,100; 80% \$149,400; 90% \$216,800; 95% \$307,900; 99% \$732,800; 99.9% \$3,439,900.

(4) Includes tax units with a change in federal tax burden of \$10 or more in absolute value.