

Table T19-0051
Working Families Tax Relief Act and Alternative Specification
Baseline: Current Law
Impact on Tax Revenue, 2019-28 ¹

	Fiscal Year										
	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2019-28
Working Families Tax Relief Act²	-8.5	-85.3	-89.6	-94.3	-99.8	-106.1	-112.1	-120.6	-167.3	-171.8	-1,055.3
Working Families Tax Relief Act with Personal Exemption Replaced by Other Dependent Credit³	-8.5	-85.3	-89.6	-94.3	-99.8	-106.1	-112.1	-105.6	-17.0	-20.1	-738.2

Source: Urban-Brookings Microsimulation Model (version 0319-1).

(1) Revenue estimates are for fiscal years and use a 10-90 split. Proposals are effective 01/01/2019.

(2) Proposal would (a) expand the EITC for childless workers by increasing the phase-in rate to 20%, the phase-out rate to 15.98%, the maximum credit to \$2,036, and the start of the phase-out to \$11,380; (b) increase the EITC phase-in rate to 42.5%, 50%, and 52.5% for families with 1, 2, and 3+ children, respectively; (c) extend the qualifying age range for the childless EITC from 19 to 67; (d) extend the \$2,000 Child Tax Credit (CTC) beyond 2025; (e) make the CTC fully refundable and allow families to qualify for the full credit without earnings; (f) increase the CTC to \$3,000 per child under 6; and (g) index the \$2,000 and \$3,000 child tax credit amounts starting in 2019. We assume that 50% of current law nonfiling childless earners would begin filing to take the expanded EITC.

(3) In addition to WFTRA, this proposal would (a) extend the \$500 non-CTC qualifying other dependent credit beyond 2025, (b) allow taxpayers and spouses to qualify for the \$500 other dependent credit; (c) continue to index the \$500 credit after 2025, and (d) make the repeal of the personal exemption permanent.