

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

Table T19-0055
Working Families Tax Relief Act
Baseline: Current Law
2026
Distribution of Federal Tax Change by Expanded Cash Income Percentile, 2026 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 Change (\$)	Pct of Tax Units	Avg Tax Change (\$)					
Lowest Quintile	43.3	-2,320	0.0	0	5.4	29.9	-1,000	-5.2	-1.1
Second Quintile	33.8	-3,350	0.0	0	2.5	28.5	-1,130	-2.3	6.7
Middle Quintile	28.0	-3,270	0.0	0	1.2	21.3	-920	-1.0	13.3
Fourth Quintile	28.8	-2,890	0.0	0	0.7	16.1	-830	-0.5	17.2
Top Quintile	10.4	-2,240	0.0	0	0.1	3.8	-230	-0.1	25.2
All	30.9	-2,830	0.0	0	0.9	100.0	-870	-0.7	19.2
Addendum									
80-90	18.2	-2,260	0.0	0	0.2	3.4	-410	-0.2	20.3
90-95	4.0	-2,070	0.0	0	0.0	0.3	-80	0.0	21.9
95-99	0.3	-1,410	0.0	0	0.0	0.0	*	0.0	25.4
Top 1 Percent	*	**	0.0	0	0.0	0.0	0	0.0	31.5
Top 0.1 Percent	0.0	0	0.0	0	0.0	0.0	0	0.0	32.2

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

Number of AMT Taxpayers (millions). Baseline: 6.8

Proposal: 6.8

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

(1) Calendar year. Baseline is current law. 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.

<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 2019 dollars): 20% \$25,900; 40% \$51,300; 60% \$91,000; 80% \$162,700; 90% \$237,100; 95% \$339,200; 99% \$820,300; 99.9% \$3,812,200.

(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 T19-0055
Working Families Tax Relief Act
Baseline: Current Law
2026
Distribution of Federal Tax Change by Expanded Cash Income Percentile, 2026 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 (%) Under the Proposal	Under the Proposal	Change (%) Under the Proposal	Under the Proposal
Lowest Quintile	43.3	0.0	5.4	29.9	-1,000	-126.0	-1.0	-0.2	-5.2	-1.1
Second Quintile	33.8	0.0	2.5	28.5	-1,130	-25.6	-0.9	3.0	-2.3	6.7
Middle Quintile	28.0	0.0	1.2	21.3	-920	-7.2	-0.4	9.8	-1.0	13.3
Fourth Quintile	28.8	0.0	0.7	16.1	-830	-3.0	0.1	18.6	-0.5	17.2
Top Quintile	10.4	0.0	0.1	3.8	-230	-0.2	2.3	68.7	-0.1	25.2
All	30.9	0.0	0.9	100.0	-870	-3.5	0.0	100.0	-0.7	19.2
Addendum										
80-90	18.2	0.0	0.2	3.4	-410	-0.8	0.4	15.0	-0.2	20.3
90-95	4.0	0.0	0.0	0.3	-80	-0.1	0.4	11.2	0.0	21.9
95-99	0.3	0.0	0.0	0.0	*	0.0	0.6	17.3	0.0	25.4
Top 1 Percent	*	0.0	0.0	0.0	0	0.0	0.9	25.1	0.0	31.5
Top 0.1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.4	11.7	0.0	32.2

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile, 2026 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	47,630	26.0	19,440	4.0	800	0.8	18,650	4.8	4.1	
Second Quintile	40,390	22.0	49,360	8.6	4,420	3.9	44,940	9.7	9.0	
Middle Quintile	37,160	20.3	89,140	14.2	12,730	10.2	76,420	15.2	14.3	
Fourth Quintile	30,980	16.9	155,980	20.8	27,630	18.5	128,350	21.3	17.7	
Top Quintile	25,860	14.1	471,860	52.4	118,900	66.4	352,960	48.9	25.2	
All	#####	100.0	127,020	100.0	25,250	100.0	101,780	100.0	19.9	
Addendum										
80-90	13,310	7.3	249,060	14.2	50,890	14.6	198,170	14.1	20.4	
90-95	6,430	3.5	354,470	9.8	77,770	10.8	276,700	9.5	21.9	
95-99	4,920	2.7	619,480	13.1	157,430	16.7	462,050	12.2	25.4	
Top 1 Percent	1,200	0.7	2,973,410	15.3	937,730	24.3	2,035,690	13.1	31.5	
Top 0.1 Percent	120	0.1	13,313,040	7.0	4,288,240	11.3	9,024,800	5.9	32.2	

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

Number of AMT Taxpayers (millions). Baseline: 6.8

Proposal: 6.8

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

(1) Calendar year. Baseline is current law. 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.

<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 2019 dollars): 20% \$25,900; 40% \$51,300; 60% \$91,000; 80% \$162,700; 90% \$237,100; 95% \$339,200; 99% \$820,300; 99.9% \$3,812,200.

(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 T19-0055
Working Families Tax Relief Act
Baseline: Current Law
2026
Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2026¹
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 (%)	Under the Proposal	Change (%)	Under the Proposal
Lowest Quintile	50.2	0.0	8.2	36.2	-1,480	-649.6	-1.3	-1.1	-8.1	-6.9
Second Quintile	45.7	0.0	3.3	31.5	-1,340	-38.0	-1.0	1.9	-3.0	4.9
Middle Quintile	28.9	0.0	1.2	19.7	-840	-8.3	-0.4	7.8	-1.1	11.8
Fourth Quintile	21.9	0.0	0.5	11.4	-520	-2.2	0.2	18.1	-0.4	17.0
Top Quintile	2.6	0.0	0.0	0.7	-40	0.0	2.5	73.2	0.0	24.9
All	30.9	0.0	0.9	100.0	-870	-3.5	0.0	100.0	-0.7	19.2
Addendum										
80-90	5.0	0.0	0.0	0.7	-70	-0.2	0.5	16.1	0.0	20.1
90-95	0.3	0.0	0.0	0.0	-10	0.0	0.4	12.4	0.0	22.0
95-99	0.2	0.0	0.0	0.0	*	0.0	0.6	18.4	0.0	24.9
Top 1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.9	26.3	0.0	31.3
Top 0.1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.4	12.3	0.0	32.2

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2026¹

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	39,190	21.4	18,250	3.1	230	0.2	18,020	3.8	1.3	
Second Quintile	37,760	20.6	44,180	7.2	3,520	2.9	40,660	8.2	8.0	
Middle Quintile	37,460	20.4	79,030	12.7	10,160	8.2	68,870	13.8	12.9	
Fourth Quintile	34,980	19.1	136,220	20.5	23,610	17.9	112,610	21.1	17.3	
Top Quintile	32,640	17.8	403,100	56.5	100,230	70.7	302,880	53.0	24.9	
All	#####	100.0	127,020	100.0	25,250	100.0	101,780	100.0	19.9	
Addendum										
80-90	16,720	9.1	213,690	15.3	43,080	15.6	170,610	15.3	20.2	
90-95	8,250	4.5	305,880	10.8	67,140	12.0	238,740	10.6	22.0	
95-99	6,200	3.4	533,600	14.2	132,890	17.8	400,710	13.3	24.9	
Top 1 Percent	1,470	0.8	2,549,450	16.1	797,080	25.4	1,752,370	13.8	31.3	
Top 0.1 Percent	150	0.1	11,623,280	7.3	3,743,380	11.9	7,879,900	6.2	32.2	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0319-1).
 Number of AMT Taxpayers (millions). Baseline: 6.8 Proposal: 6.8
 * Non-zero value rounded to zero; ** Insufficient data

(1) Calendar year. Baseline is current law. 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.

<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 2019 dollars): 20% \$25,900; 40% \$51,300; 60% \$91,000; 80% \$162,700; 90% \$237,100; 95% \$339,200; 99% \$820,300; 99.9% \$3,812,200.

(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 T19-0055
Working Families Tax Relief Act
Baseline: Current Law
2026
Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2026¹
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	38.7	0.0	5.2	65.2	-700	-87.7	-1.5	0.2	-4.9	0.7
Second Quintile	28.4	0.0	1.1	28.2	-350	-11.4	-0.5	5.3	-1.0	7.9
Middle Quintile	4.1	0.0	0.1	4.9	-70	-0.9	0.2	13.9	-0.1	13.2
Fourth Quintile	1.5	0.0	0.0	1.2	-20	-0.1	0.5	24.1	0.0	18.3
Top Quintile	0.2	0.0	0.0	0.1	*	0.0	1.3	56.3	0.0	24.7
All	18.5	0.0	0.5	100.0	-290	-2.3	0.0	100.0	-0.4	17.7
Addendum										
80-90	0.2	0.0	0.0	0.1	*	0.0	0.4	16.2	0.0	20.9
90-95	0.2	0.0	0.0	0.0	*	0.0	0.2	10.5	0.0	22.2
95-99	0.0	0.0	0.0	0.0	0	0.0	0.3	12.8	0.0	24.6
Top 1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.4	16.9	0.0	32.7
Top 0.1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.2	8.2	0.0	34.1

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2026¹

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	23,900	27.3	14,250	5.6	800	1.7	13,460	6.5	5.6	
Second Quintile	20,520	23.5	34,540	11.7	3,090	5.8	31,450	13.1	8.9	
Middle Quintile	18,500	21.2	60,580	18.6	8,080	13.6	52,500	19.6	13.3	
Fourth Quintile	14,220	16.3	99,210	23.4	18,150	23.6	81,060	23.3	18.3	
Top Quintile	9,600	11.0	254,380	40.5	62,760	55.0	191,620	37.2	24.7	
All	87,480	100.0	69,040	100.0	12,520	100.0	56,520	100.0	18.1	
Addendum										
80-90	5,430	6.2	152,710	13.7	31,840	15.8	120,860	13.3	20.9	
90-95	2,320	2.7	217,420	8.4	48,160	10.2	169,260	7.9	22.2	
95-99	1,540	1.8	360,610	9.2	88,830	12.5	271,780	8.5	24.6	
Top 1 Percent	310	0.4	1,774,950	9.2	580,820	16.5	1,194,140	7.5	32.7	
Top 0.1 Percent	30	0.0	8,046,930	4.3	2,740,830	8.0	5,306,100	3.5	34.1	

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

Number of AMT Taxpayers (millions). Baseline: 6.8

Proposal: 6.8

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

(1) Calendar year. Baseline is current law. 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.

<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 2019 dollars): 20% \$25,900; 40% \$51,300; 60% \$91,000; 80% \$162,700; 90% \$237,100; 95% \$339,200; 99% \$820,300; 99.9% \$3,812,200.

(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 T19-0055
Working Families Tax Relief Act
Baseline: Current Law
2026
Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2026¹
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 (%)	Under the Proposal	Change (%)	Under the Proposal
Lowest Quintile	44.5	0.0	8.1	20.8	-1,900	-613.2	-0.4	-0.4	-8.0	-6.7
Second Quintile	48.2	0.0	3.5	25.9	-1,890	-46.7	-0.5	0.6	-3.3	3.7
Middle Quintile	45.8	0.0	1.6	27.6	-1,450	-11.8	-0.5	4.4	-1.4	10.6
Fourth Quintile	35.4	0.0	0.6	23.5	-900	-3.2	-0.2	15.0	-0.5	16.1
Top Quintile	3.6	0.0	0.0	1.5	-50	0.0	1.6	80.2	0.0	24.8
All	30.0	0.0	0.6	100.0	-980	-2.1	0.0	100.0	-0.4	20.8
Addendum										
80-90	7.3	0.0	0.1	1.5	-90	-0.2	0.3	16.2	0.0	19.8
90-95	0.3	0.0	0.0	0.0	-10	0.0	0.3	13.4	0.0	21.8
95-99	0.2	0.0	0.0	0.0	*	0.0	0.4	21.4	0.0	24.9
Top 1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.6	29.3	0.0	31.1
Top 0.1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.3	13.0	0.0	32.0

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2026¹

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	7,190	10.7	23,820	1.2	310	0.1	23,510	1.5	1.3	
Second Quintile	9,030	13.4	58,100	3.5	4,040	1.2	54,050	4.2	7.0	
Middle Quintile	12,500	18.6	102,520	8.6	12,340	4.9	90,180	9.7	12.0	
Fourth Quintile	17,080	25.3	168,080	19.3	27,990	15.1	140,090	20.5	16.7	
Top Quintile	21,150	31.4	472,160	67.3	117,280	78.6	354,880	64.3	24.8	
All	67,390	100.0	220,220	100.0	46,840	100.0	173,370	100.0	21.3	
Addendum										
80-90	10,190	15.1	248,200	17.0	49,230	15.9	198,970	17.4	19.8	
90-95	5,470	8.1	346,920	12.8	75,740	13.1	271,180	12.7	21.8	
95-99	4,420	6.6	598,710	17.8	149,300	20.9	449,410	17.0	24.9	
Top 1 Percent	1,080	1.6	2,704,380	19.7	839,610	28.7	1,864,770	17.2	31.1	
Top 0.1 Percent	100	0.2	12,374,000	8.5	3,963,470	12.7	8,410,540	7.3	32.0	

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

Number of AMT Taxpayers (millions). Baseline: 6.8

Proposal: 6.8

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

(1) Calendar year. Baseline is current law. 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.

<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 2019 dollars): 20% \$25,900; 40% \$51,300; 60% \$91,000; 80% \$162,700; 90% \$237,100; 95% \$339,200; 99% \$820,300; 99.9% \$3,812,200.

(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 T19-0055
Working Families Tax Relief Act
Baseline: Current Law
2026
Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2026¹
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 (%) Under the Proposal	Under the Proposal	Change (%) Under the Proposal	Under the Proposal
Lowest Quintile	94.2	0.0	13.1	40.5	-3,600	205.6	-17.2	-22.6	-14.0	-20.8
Second Quintile	92.6	0.0	6.8	38.3	-3,450	-89.7	-10.0	1.7	-6.4	0.7
Middle Quintile	77.9	0.0	2.8	17.2	-2,190	-18.3	3.2	29.0	-2.4	10.9
Fourth Quintile	48.2	0.0	0.8	3.6	-870	-3.4	9.3	37.6	-0.6	17.5
Top Quintile	6.8	0.0	0.0	0.2	-110	-0.1	14.8	54.3	0.0	24.3
All	80.7	0.0	4.2	100.0	-2,770	-27.3	0.0	100.0	-3.6	9.6
Addendum										
80-90	9.9	0.0	0.1	0.2	-150	-0.3	4.9	18.3	-0.1	20.8
90-95	1.1	0.0	0.0	0.0	-40	-0.1	2.8	10.4	0.0	22.2
95-99	2.9	0.0	0.0	0.0	-80	-0.1	2.2	7.9	0.0	25.1
Top 1 Percent	*	0.0	0.0	0.0	0	0.0	4.8	17.7	0.0	31.2
Top 0.1 Percent	0.0	0.0	0.0	0.0	0	0.0	3.1	11.4	0.0	31.5

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2026¹

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	7,600	31.2	25,680	10.4	-1,750	-5.4	27,430	12.8	-6.8	
Second Quintile	7,480	30.7	54,380	21.7	3,850	11.7	50,530	23.3	7.1	
Middle Quintile	5,310	21.8	90,360	25.6	12,000	25.8	78,350	25.6	13.3	
Fourth Quintile	2,760	11.3	140,430	20.7	25,410	28.3	115,020	19.5	18.1	
Top Quintile	1,180	4.9	339,250	21.4	82,700	39.6	256,550	18.7	24.4	
All	24,370	100.0	76,810	100.0	10,150	100.0	66,670	100.0	13.2	
Addendum										
80-90	750	3.1	211,190	8.5	44,050	13.4	167,140	7.7	20.9	
90-95	290	1.2	287,320	4.5	63,810	7.6	223,520	4.0	22.2	
95-99	110	0.5	505,470	3.0	127,170	5.8	378,300	2.6	25.2	
Top 1 Percent	30	0.1	3,609,700	5.5	1,125,680	12.9	2,484,020	4.3	31.2	
Top 0.1 Percent	*	0.0	20,587,570	3.5	6,491,950	8.3	14,095,620	2.7	31.5	

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

Number of AMT Taxpayers (millions). Baseline: 6.8

Proposal: 6.8

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

(1) Calendar year. Baseline is current law. 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.

<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 2019 dollars): 20% \$25,900; 40% \$51,300; 60% \$91,000; 80% \$162,700; 90% \$237,100; 95% \$339,200; 99% \$820,300; 99.9% \$3,812,200.

(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 T19-0055
Working Families Tax Relief Act
Baseline: Current Law
2026
Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2026¹
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	96.4	0.0	13.7	33.2	-3,890	229.3	-2.8	-3.8	-14.6	-21.0
Second Quintile	97.6	0.0	6.9	31.7	-3,790	-83.1	-2.3	0.5	-6.4	1.3
Middle Quintile	89.3	0.0	3.0	21.3	-2,760	-18.5	-1.0	7.5	-2.6	11.4
Fourth Quintile	72.6	0.0	1.2	12.6	-1,750	-5.2	0.5	18.5	-0.9	17.4
Top Quintile	8.6	0.0	0.0	0.8	-120	-0.1	5.7	77.2	0.0	26.1
All	75.5	0.0	1.9	100.0	-2,580	-7.4	0.0	100.0	-1.5	19.0
Addendum										
80-90	16.4	0.0	0.1	0.8	-220	-0.4	1.1	16.1	-0.1	20.9
90-95	0.7	0.0	0.0	0.0	-20	0.0	0.9	12.2	0.0	23.0
95-99	0.6	0.0	0.0	0.0	-10	0.0	1.5	20.3	0.0	26.6
Top 1 Percent	*	0.0	0.0	0.0	0	0.0	2.1	28.5	0.0	31.9
Top 0.1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.9	12.6	0.0	32.1

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2026¹

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	12,300	22.1	26,620	3.5	-1,690	-1.1	28,310	4.6	-6.4	
Second Quintile	12,050	21.6	59,290	7.6	4,560	2.8	54,730	8.8	7.7	
Middle Quintile	11,100	19.9	106,820	12.6	14,900	8.5	91,930	13.6	13.9	
Fourth Quintile	10,320	18.5	185,110	20.2	33,940	18.1	151,170	20.8	18.3	
Top Quintile	9,710	17.4	546,230	56.2	142,510	71.5	403,710	52.2	26.1	
All	55,700	100.0	169,520	100.0	34,770	100.0	134,750	100.0	20.5	
Addendum										
80-90	4,920	8.8	280,810	14.6	59,010	15.0	221,810	14.5	21.0	
90-95	2,360	4.2	402,910	10.1	92,670	11.3	310,240	9.8	23.0	
95-99	1,940	3.5	705,860	14.5	187,460	18.8	518,400	13.4	26.6	
Top 1 Percent	490	0.9	3,267,600	17.0	1,042,560	26.4	2,225,040	14.5	31.9	
Top 0.1 Percent	50	0.1	14,569,030	7.5	4,672,900	11.7	9,896,130	6.4	32.1	

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

Number of AMT Taxpayers (millions). Baseline: 6.8 Proposal: 6.8

* 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 is current law. 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.

<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 2019 dollars): 20% \$25,900; 40% \$51,300; 60% \$91,000; 80% \$162,700; 90% \$237,100; 95% \$339,200; 99% \$820,300; 99.9% \$3,812,200.

(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 T19-0055
Working Families Tax Relief Act
Baseline: Current Law
2026
Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2026¹
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	6.8	0.0	1.0	23.6	-170	-55.1	-0.1	0.1	-1.0	0.8
Second Quintile	6.2	0.0	0.4	36.5	-160	-13.9	-0.2	1.2	-0.4	2.4
Middle Quintile	6.6	0.0	0.2	26.9	-110	-2.4	-0.1	6.1	-0.2	6.7
Fourth Quintile	3.4	0.0	0.1	11.1	-60	-0.4	0.0	15.3	-0.1	12.6
Top Quintile	0.5	0.0	0.0	0.9	-10	0.0	0.4	76.9	0.0	23.7
All	4.9	0.0	0.1	100.0	-100	-0.5	0.0	100.0	-0.1	16.6
Addendum										
80-90	0.8	0.0	0.0	0.8	-10	0.0	0.1	14.1	0.0	17.3
90-95	0.1	0.0	0.0	0.0	*	0.0	0.1	11.1	0.0	19.6
95-99	0.4	0.0	0.0	0.0	0	0.0	0.1	17.7	0.0	23.1
Top 1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.2	34.0	0.0	31.0
Top 0.1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.1	18.2	0.0	32.1

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2026¹

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	7,400	14.7	17,000	2.2	300	0.2	16,700	2.6	1.8	
Second Quintile	12,240	24.4	39,600	8.4	1,120	1.4	38,480	9.8	2.8	
Middle Quintile	12,350	24.6	70,690	15.1	4,870	6.2	65,820	16.9	6.9	
Fourth Quintile	9,620	19.1	121,610	20.2	15,360	15.3	106,250	21.2	12.6	
Top Quintile	8,060	16.0	387,060	53.9	91,730	76.5	295,340	49.4	23.7	
All	50,250	100.0	115,070	100.0	19,230	100.0	95,830	100.0	16.7	
Addendum										
80-90	4,110	8.2	190,880	13.6	32,990	14.0	157,890	13.5	17.3	
90-95	1,980	3.9	275,530	9.4	53,980	11.0	221,550	9.1	19.6	
95-99	1,560	3.1	471,430	12.8	108,850	17.6	362,590	11.8	23.1	
Top 1 Percent	410	0.8	2,597,290	18.2	806,210	33.8	1,791,090	15.1	31.0	
Top 0.1 Percent	50	0.1	10,831,620	9.4	3,480,700	18.1	7,350,930	7.7	32.1	

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

Number of AMT Taxpayers (millions). Baseline: 6.8 Proposal: 6.8

* 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 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.

<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 2019 dollars): 20% \$25,900; 40% \$51,300; 60% \$91,000; 80% \$162,700; 90% \$237,100; 95% \$339,200; 99% \$820,300; 99.9% \$3,812,200.

(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.

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