

Table T19-0137
Tax Benefit of Self-Employed Health Insurance Deduction
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Percentile, 2020 ¹
Detail Table

Expanded Cash Income Percentile ^{2,3}	Percent of Tax Units ⁴		Benefit as a Percent of After-Tax Income ⁵	Share of Total Benefit	Average Benefit		Share of Federal Taxes		Average Federal Tax Rate ⁶	
	With Benefit	Without Benefit			Dollars	Percent of Federal Taxes	With Provision	Without Provision	With Provision	Without Provision
Lowest Quintile	0.3	99.7	0.0	0.4	*	0.2	0.7	0.7	3.2	3.2
Second Quintile	1.1	98.9	0.0	2.5	10	0.2	3.6	3.6	7.8	7.8
Middle Quintile	1.9	98.1	0.0	6.3	20	0.2	9.8	9.8	12.5	12.5
Fourth Quintile	2.7	97.3	0.0	12.6	40	0.2	18.3	18.2	15.8	15.8
Top Quintile	6.5	93.5	0.1	78.1	270	0.3	67.5	67.5	22.8	22.8
All	2.1	97.9	0.1	100.0	50	0.3	100.0	100.0	17.9	18.0
Addendum										
80-90	4.0	96.0	0.1	14.4	100	0.3	14.8	14.8	18.4	18.4
90-95	5.8	94.2	0.1	14.1	200	0.3	11.0	11.0	19.8	19.9
95-99	10.1	89.9	0.1	25.9	470	0.4	16.0	16.0	22.0	22.1
Top 1 Percent	23.5	76.6	0.1	23.7	1,750	0.2	25.7	25.7	29.3	29.4
Top 0.1 Percent	25.3	74.7	0.0	3.1	2,240	0.1	12.4	12.4	30.3	30.3

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile, 2020 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	45,770	26.0	14,860	3.8	480	0.7	14,390	4.4	3.2	
Second Quintile	38,950	22.2	38,480	8.3	2,990	3.6	35,490	9.3	7.8	
Middle Quintile	35,630	20.3	71,370	14.1	8,910	9.8	62,460	15.0	12.5	
Fourth Quintile	29,510	16.8	126,900	20.7	20,060	18.3	106,840	21.2	15.8	
Top Quintile	24,750	14.1	388,630	53.2	88,450	67.5	300,180	50.0	22.8	
All	#####	100.0	102,890	100.0	18,450	100.0	84,440	100.0	17.9	
Addendum										
80-90	12,740	7.2	204,960	14.4	37,640	14.8	167,330	14.4	18.4	
90-95	6,110	3.5	294,940	10.0	58,390	11.0	236,550	9.7	19.8	
95-99	4,740	2.7	496,640	13.0	109,280	16.0	387,360	12.4	22.0	
Top 1 Percent	1,160	0.7	2,460,620	15.8	720,540	25.7	1,740,080	13.6	29.3	
Top 0.1 Percent	120	0.1	11,211,020	7.3	3,398,450	12.4	7,812,570	6.2	30.3	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0319-1h) with health module based on coverage from Health Insurance Policy Simulation Model.

Number of AMT Taxpayers (millions). Baseline: 0.2

Proposa: 0.2

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

(1) Calendar year. Table shows the tax benefit under the law in place for 2020 as of 11/19/2019 of the self-employed health insurance deduction.

For more information on TPC's baseline definitions, 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 2019 dollars): 20% \$25,800; 40% \$51,500; 60% \$92,700; 80% \$167,600; 90% \$246,000; 95% \$349,300; 99% \$831,200; 99.9% \$3,722,500.

(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 T19-0137
Tax Benefit of Self-Employed Health Insurance Deduction
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2020 ¹
Detail Table

Expanded Cash Income Percentile ^{2,3}	Percent of Tax Units ⁴		Benefit as a Percent of After-Tax Income ⁵	Share of Total Benefit	Average Benefit		Share of Federal Taxes		Average Federal Tax Rate ⁶	
	With Benefit	Without Benefit			Dollars	Percent of Federal Taxes	With Provision	Without Provision	With Provision	Without Provision
Lowest Quintile	0.2	99.8	0.0	0.2	0	-0.5	-0.1	-0.1	-0.5	-0.5
Second Quintile	1.0	99.0	0.0	2.3	10	0.2	2.5	2.5	6.5	6.5
Middle Quintile	1.7	98.3	0.0	5.8	10	0.2	8.0	8.0	11.5	11.5
Fourth Quintile	2.5	97.5	0.0	12.4	30	0.2	17.5	17.5	15.4	15.5
Top Quintile	5.7	94.3	0.1	79.2	220	0.3	71.8	71.8	22.5	22.6
All	2.1	97.9	0.1	100.0	50	0.3	100.0	100.0	17.9	18.0
Addendum										
80-90	3.4	96.6	0.1	14.0	80	0.2	15.8	15.8	18.2	18.3
90-95	4.8	95.2	0.1	12.7	140	0.3	12.0	12.0	19.7	19.8
95-99	9.1	90.9	0.1	28.0	400	0.4	17.3	17.3	21.7	21.8
Top 1 Percent	21.6	78.5	0.1	24.6	1,500	0.2	26.7	26.7	29.0	29.1
Top 0.1 Percent	24.8	75.2	0.0	3.3	1,970	0.1	13.0	13.0	30.3	30.4

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2020 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	37,670	21.4	13,950	2.9	-70	-0.1	14,020	3.6	-0.5	
Second Quintile	36,660	20.8	34,270	6.9	2,220	2.5	32,050	7.9	6.5	
Middle Quintile	35,930	20.4	63,110	12.5	7,270	8.0	55,850	13.5	11.5	
Fourth Quintile	33,190	18.9	110,860	20.3	17,120	17.5	93,740	21.0	15.4	
Top Quintile	31,160	17.7	332,370	57.2	74,740	71.8	257,630	54.1	22.5	
All	175,860	100.0	102,890	100.0	18,450	100.0	84,440	100.0	17.9	
Addendum										
80-90	15,990	9.1	175,580	15.5	32,000	15.8	143,580	15.5	18.2	
90-95	7,750	4.4	254,920	10.9	50,230	12.0	204,690	10.7	19.7	
95-99	6,020	3.4	429,190	14.3	93,220	17.3	335,980	13.6	21.7	
Top 1 Percent	1,400	0.8	2,130,900	16.5	617,720	26.7	1,513,180	14.3	29.0	
Top 0.1 Percent	140	0.1	9,772,120	7.7	2,963,420	13.0	6,808,700	6.5	30.3	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0319-1h) with health module based on coverage from Health Insurance Policy Simulation Model.

Number of AMT Taxpayers (millions). Baseline: 0.2

Proposal: 0.2

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

(1) Calendar year. Table shows the tax benefit under the law in place for 2020 as of 11/19/2019 of the self-employed health insurance deduction.

For more information on TPC's baseline definitions, 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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(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 2019 dollars): 20% \$18,000; 40% \$35,100; 60% \$60,700; 80% \$102,500; 90% \$148,900; 95% \$209,300; 99% \$480,300; 99.9% \$2,160,200.

(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 T19-0137
Tax Benefit of Self-Employed Health Insurance Deduction
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2020 ¹
Detail Table - Single Tax Units

Expanded Cash Income Percentile ^{2,3}	Percent of Tax Units ⁴		Benefit as a Percent of After-Tax Income ⁵	Share of Total Benefit	Average Benefit		Share of Federal Taxes		Average Federal Tax Rate ⁶	
	With Benefit	Without Benefit			Dollars	Percent of Federal Taxes	With Provision	Without Provision	With Provision	Without Provision
Lowest Quintile	0.2	99.8	0.0	0.7	0	0.1	1.6	1.6	4.9	4.9
Second Quintile	1.0	99.1	0.0	6.8	*	0.2	6.1	6.1	8.8	8.8
Middle Quintile	1.3	98.7	0.0	11.0	10	0.1	14.2	14.2	12.8	12.8
Fourth Quintile	1.5	98.5	0.0	14.6	10	0.1	22.7	22.6	16.5	16.5
Top Quintile	3.8	96.2	0.1	67.0	80	0.2	55.2	55.3	22.7	22.8
All	1.2	98.8	0.0	100.0	10	0.1	100.0	100.0	16.8	16.9
Addendum										
80-90	2.4	97.6	0.0	13.7	30	0.1	16.0	16.0	19.0	19.0
90-95	3.9	96.1	0.1	16.4	90	0.2	9.8	9.8	20.0	20.0
95-99	7.1	92.9	0.1	22.8	180	0.3	12.2	12.2	22.3	22.3
Top 1 Percent	12.3	87.7	0.1	14.2	550	0.1	17.3	17.3	31.2	31.2
Top 0.1 Percent	18.0	82.1	0.0	2.3	770	0.0	8.9	8.9	32.7	32.7

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2020 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	22,900	27.2	10,940	5.4	540	1.6	10,400	6.2	4.9	
Second Quintile	20,190	23.9	26,790	11.6	2,350	6.1	24,440	12.8	8.8	
Middle Quintile	18,100	21.5	48,220	18.8	6,160	14.2	42,060	19.7	12.8	
Fourth Quintile	13,350	15.8	80,340	23.1	13,280	22.7	67,060	23.2	16.5	
Top Quintile	9,110	10.8	208,930	40.9	47,450	55.2	161,480	38.0	22.7	
All	84,330	100.0	55,150	100.0	9,280	100.0	45,870	100.0	16.8	
Addendum										
80-90	5,250	6.2	125,250	14.1	23,790	16.0	101,450	13.8	19.0	
90-95	2,130	2.5	179,400	8.2	35,840	9.8	143,560	7.9	20.0	
95-99	1,440	1.7	297,080	9.2	66,210	12.2	230,880	8.6	22.3	
Top 1 Percent	290	0.3	1,518,130	9.4	472,860	17.3	1,045,280	7.8	31.2	
Top 0.1 Percent	30	0.0	6,595,650	4.6	2,157,130	8.9	4,438,520	3.7	32.7	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0319-1h) with health module based on coverage from Health Insurance Policy Simulation Model.

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(1) Calendar year. Table shows the tax benefit under the law in place for 2020 as of 11/19/2019 of the self-employed health insurance deduction.

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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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(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 2019 dollars): 20% \$18,000; 40% \$35,100; 60% \$60,700; 80% \$102,500; 90% \$148,900; 95% \$209,300; 99% \$480,300; 99.9% \$2,160,200.

(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 T19-0137
Tax Benefit of Self-Employed Health Insurance Deduction
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2020 ¹
Detail Table - Married Tax Units Filing Jointly

Expanded Cash Income Percentile ^{2,3}	Percent of Tax Units ⁴		Benefit as a Percent of After-Tax Income ⁵	Share of Total Benefit	Average Benefit		Share of Federal Taxes		Average Federal Tax Rate ⁶	
	With Benefit	Without Benefit			Dollars	Percent of Federal Taxes	With Provision	Without Provision	With Provision	Without Provision
Lowest Quintile	0.2	99.8	0.0	0.1	*	-1.2	0.0	0.0	-0.4	-0.4
Second Quintile	1.6	98.5	0.0	1.4	10	0.5	0.9	0.9	5.4	5.4
Middle Quintile	2.8	97.2	0.0	4.7	30	0.3	4.6	4.6	10.5	10.5
Fourth Quintile	3.6	96.4	0.1	12.0	50	0.3	14.8	14.8	14.8	14.9
Top Quintile	6.7	93.3	0.1	81.7	290	0.3	79.4	79.4	22.3	22.4
All	3.8	96.3	0.1	100.0	110	0.3	100.0	100.0	19.1	19.2
Addendum										
80-90	4.1	95.9	0.1	14.1	100	0.3	16.0	16.0	17.9	18.0
90-95	5.3	94.8	0.1	12.2	170	0.3	13.3	13.3	19.6	19.7
95-99	9.9	90.1	0.1	29.0	470	0.5	20.1	20.2	21.5	21.6
Top 1 Percent	24.5	75.5	0.1	26.5	1,800	0.3	30.0	30.0	28.6	28.7
Top 0.1 Percent	27.3	72.7	0.0	3.3	2,420	0.1	13.8	13.7	30.0	30.0

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2020 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	7,310	11.3	18,100	1.1	-70	0.0	18,170	1.4	-0.4	
Second Quintile	8,520	13.2	45,000	3.3	2,410	0.9	42,590	3.9	5.4	
Middle Quintile	11,850	18.3	82,730	8.4	8,700	4.6	74,030	9.3	10.5	
Fourth Quintile	16,300	25.2	136,380	19.1	20,210	14.8	116,170	20.1	14.8	
Top Quintile	20,360	31.4	388,320	68.0	86,750	79.4	301,570	65.3	22.3	
All	64,790	100.0	179,430	100.0	34,320	100.0	145,110	100.0	19.1	
Addendum										
80-90	9,730	15.0	204,260	17.1	36,600	16.0	167,670	17.4	17.9	
90-95	5,230	8.1	288,240	13.0	56,500	13.3	231,740	12.9	19.6	
95-99	4,360	6.7	476,640	17.9	102,690	20.1	373,950	17.3	21.5	
Top 1 Percent	1,050	1.6	2,231,270	20.1	637,640	30.0	1,593,630	17.7	28.6	
Top 0.1 Percent	100	0.2	10,376,670	8.8	3,112,400	13.8	7,264,270	7.6	30.0	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0319-1h) with health module based on coverage from Health Insurance Policy Simulation Model.

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

(1) Calendar year. Table shows the tax benefit under the law in place for 2020 as of 11/19/2019 of the self-employed health insurance deduction.

For more information on TPC's baseline definitions, 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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(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 T19-0137
Tax Benefit of Self-Employed Health Insurance Deduction
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2020 ¹
Detail Table - Head of Household Tax Units

Expanded Cash Income Percentile ^{2,3}	Percent of Tax Units ⁴		Benefit as a Percent of After-Tax Income ⁵	Share of Total Benefit	Average Benefit		Share of Federal Taxes		Average Federal Tax Rate ⁶	
	With Benefit	Without Benefit			Dollars	Percent of Federal Taxes	With Provision	Without Provision	With Provision	Without Provision
Lowest Quintile	0.1	100.0	0.0	0.5	0	0.0	-9.7	-9.7	-11.0	-11.0
Second Quintile	0.6	99.5	0.0	10.3	*	0.2	6.9	6.9	3.5	3.5
Middle Quintile	0.7	99.3	0.0	11.6	10	0.1	24.6	24.6	10.6	10.6
Fourth Quintile	1.2	98.8	0.0	20.6	20	0.1	31.4	31.3	15.6	15.6
Top Quintile	2.6	97.4	0.1	57.0	110	0.2	46.8	46.8	22.8	22.8
All	0.6	99.4	0.0	100.0	10	0.1	100.0	100.0	10.8	10.8
Addendum										
80-90	1.0	99.0	0.0	6.9	20	0.1	14.7	14.7	18.3	18.3
90-95	2.5	97.5	0.0	9.6	80	0.2	8.0	8.0	20.3	20.3
95-99	10.2	89.8	0.2	27.5	540	0.6	6.8	6.9	23.8	24.0
Top 1 Percent	16.2	83.8	0.1	13.0	1,030	0.1	17.3	17.3	30.0	30.0
Top 0.1 Percent	24.4	75.6	0.0	2.3	1,740	0.0	11.6	11.6	30.2	30.2

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2020 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	7,060	30.3	19,490	9.5	-2,140	-9.7	21,630	11.8	-11.0	
Second Quintile	7,310	31.4	42,700	21.5	1,480	6.9	41,230	23.3	3.5	
Middle Quintile	5,030	21.6	72,250	25.0	7,660	24.6	64,600	25.1	10.6	
Fourth Quintile	2,750	11.8	114,730	21.8	17,850	31.4	96,880	20.6	15.6	
Top Quintile	1,120	4.8	287,300	22.2	65,360	46.8	221,940	19.2	22.8	
All	23,320	100.0	62,280	100.0	6,720	100.0	55,560	100.0	10.8	
Addendum										
80-90	720	3.1	173,510	8.6	31,810	14.7	141,700	7.9	18.3	
90-95	260	1.1	237,260	4.2	48,100	8.0	189,160	3.8	20.3	
95-99	110	0.5	401,240	3.1	95,660	6.8	305,580	2.6	23.8	
Top 1 Percent	30	0.1	3,248,460	6.2	974,890	17.3	2,273,560	4.9	30.0	
Top 0.1 Percent	*	0.0	20,795,300	4.1	6,271,760	11.6	14,523,530	3.2	30.2	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0319-1h) with health module based on coverage from Health Insurance Policy Simulation Model.

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

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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 2019 dollars): 20% \$18,000; 40% \$35,100; 60% \$60,700; 80% \$102,500; 90% \$148,900; 95% \$209,300; 99% \$480,300; 99.9% \$2,160,200.

(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 T19-0137
Tax Benefit of Self-Employed Health Insurance Deduction
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2020 ¹
Detail Table - Tax Units with Children

Expanded Cash Income Percentile ^{2,3}	Percent of Tax Units ⁴		Benefit as a Percent of After-Tax Income ⁵	Share of Total Benefit	Average Benefit		Share of Federal Taxes		Average Federal Tax Rate ⁶	
	With Benefit	Without Benefit			Dollars	Percent of Federal Taxes	With Provision	Without Provision	With Provision	Without Provision
Lowest Quintile	0.1	99.9	0.0	0.2	*	0.0	-1.8	-1.8	-10.1	-10.1
Second Quintile	1.1	98.9	0.0	2.2	10	0.4	1.7	1.7	4.2	4.2
Middle Quintile	2.0	98.0	0.0	5.0	20	0.2	7.9	7.9	11.6	11.6
Fourth Quintile	2.9	97.1	0.1	13.7	60	0.2	18.3	18.3	16.1	16.2
Top Quintile	6.8	93.2	0.1	78.8	370	0.4	73.8	73.8	23.4	23.5
All	2.4	97.6	0.1	100.0	80	0.3	100.0	100.0	18.1	18.1
Addendum										
80-90	3.5	96.5	0.1	13.1	120	0.3	15.6	15.6	18.8	18.8
90-95	5.8	94.3	0.1	12.9	240	0.4	12.0	12.0	20.4	20.5
95-99	12.0	88.0	0.2	29.2	700	0.5	17.7	17.8	23.0	23.1
Top 1 Percent	25.7	74.3	0.1	23.6	2,180	0.3	28.4	28.4	29.6	29.6
Top 0.1 Percent	27.9	72.1	0.0	2.9	2,750	0.1	13.1	13.1	30.1	30.2

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2020 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	11,450	21.6	20,410	3.2	-2,060	-1.8	22,470	4.3	-10.1	
Second Quintile	11,330	21.3	46,350	7.1	1,940	1.7	44,410	8.3	4.2	
Middle Quintile	10,620	20.0	85,960	12.4	9,940	7.9	76,030	13.4	11.6	
Fourth Quintile	10,070	19.0	149,710	20.5	24,130	18.3	125,580	21.0	16.1	
Top Quintile	9,400	17.7	445,980	56.9	104,440	73.8	341,540	53.2	23.4	
All	53,100	100.0	138,670	100.0	25,050	100.0	113,620	100.0	18.1	
Addendum										
80-90	4,760	9.0	231,740	15.0	43,540	15.6	188,200	14.9	18.8	
90-95	2,340	4.4	333,450	10.6	68,120	12.0	265,330	10.3	20.4	
95-99	1,820	3.4	562,850	13.9	129,550	17.7	433,300	13.1	23.0	
Top 1 Percent	470	0.9	2,720,960	17.4	804,060	28.4	1,916,890	15.0	29.6	
Top 0.1 Percent	50	0.1	12,618,900	7.9	3,803,050	13.1	8,815,850	6.7	30.1	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0319-1h) with health module based on coverage from Health Insurance Policy Simulation Model.

* 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. Table shows the tax benefit under the law in place for 2020 as of 11/19/2019 of the self-employed health insurance deduction.

For more information on TPC's baseline definitions, 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 2019 dollars): 20% \$18,000; 40% \$35,100; 60% \$60,700; 80% \$102,500; 90% \$148,900; 95% \$209,300; 99% \$480,300; 99.9% \$2,160,200.

(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 T19-0137
Tax Benefit of Self-Employed Health Insurance Deduction
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2020 ¹
Detail Table - Elderly Tax Units

Expanded Cash Income Percentile ^{2,3}	Percent of Tax Units ⁴		Benefit as a Percent of After-Tax Income ⁵	Share of Total Benefit	Average Benefit		Share of Federal Taxes		Average Federal Tax Rate ⁶	
	With Benefit	Without Benefit			Dollars	Percent of Federal Taxes	With Provision	Without Provision	With Provision	Without Provision
Lowest Quintile	*	**	0.0	0.0	0	0.0	0.2	0.2	1.4	1.4
Second Quintile	0.3	99.7	0.0	0.9	*	0.2	1.4	1.4	2.5	2.5
Middle Quintile	1.4	98.7	0.0	4.6	10	0.3	5.2	5.2	5.5	5.5
Fourth Quintile	2.6	97.4	0.0	10.7	30	0.3	13.9	13.9	10.4	10.4
Top Quintile	7.4	92.6	0.1	83.6	250	0.4	78.9	78.9	21.4	21.5
All	2.1	98.0	0.1	100.0	50	0.3	100.0	100.0	15.0	15.1
Addendum										
80-90	5.0	95.0	0.1	15.1	90	0.4	13.3	13.3	14.9	15.0
90-95	6.4	93.6	0.1	13.9	170	0.4	10.7	10.7	17.1	17.2
95-99	10.4	89.7	0.1	27.4	420	0.5	17.3	17.3	19.9	20.0
Top 1 Percent	23.4	76.7	0.1	27.1	1,520	0.2	37.7	37.7	28.8	28.9
Top 0.1 Percent	23.8	76.2	0.0	3.8	1,640	0.1	21.0	21.0	30.5	30.5

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2020 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	6,910	15.8	13,260	2.2	180	0.2	13,070	2.6	1.4	
Second Quintile	10,920	25.0	30,880	8.2	770	1.4	30,100	9.4	2.5	
Middle Quintile	10,120	23.2	57,160	14.1	3,150	5.2	54,010	15.6	5.5	
Fourth Quintile	8,300	19.0	99,370	20.1	10,330	13.9	89,050	21.1	10.4	
Top Quintile	6,920	15.8	329,000	55.4	70,310	78.9	258,690	51.2	21.4	
All	43,670	100.0	94,150	100.0	14,120	100.0	80,030	100.0	15.0	
Addendum										
80-90	3,490	8.0	157,420	13.3	23,470	13.3	133,960	13.4	14.9	
90-95	1,690	3.9	227,310	9.4	38,840	10.7	188,460	9.1	17.1	
95-99	1,370	3.1	391,180	13.0	77,740	17.3	313,440	12.3	19.9	
Top 1 Percent	370	0.9	2,170,760	19.6	625,110	37.7	1,545,650	16.5	28.8	
Top 0.1 Percent	50	0.1	8,865,100	10.4	2,703,090	21.0	6,162,020	8.5	30.5	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0319-1h) with health module based on coverage from Health Insurance Policy Simulation Model.

* 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. Table shows the tax benefit under the law in place for 2020 as of 11/19/2019 of the self-employed health insurance deduction.

For more information on TPC's baseline definitions, 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

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