

Table T20-0085
Livable Incomes for Families Today (LIFT) the Middle Class Act
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Percentile, 2019¹
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	29.2	-3,210	0.0	0	6.8	41.5	-940	-6.6	-3.5
Second Quintile	24.4	-3,630	0.0	0	2.6	33.3	-890	-2.4	5.4
Middle Quintile	15.4	-4,090	0.0	0	1.1	21.7	-630	-0.9	12.1
Fourth Quintile	2.0	-4,740	0.0	0	0.1	2.7	-90	-0.1	16.7
Top Quintile	0.1	-4,850	0.0	0	0.0	0.1	-10	0.0	23.9
All	16.6	-3,550	0.0	0	0.7	100.0	-590	-0.6	18.2
Addendum									
80-90	0.2	-4,780	0.0	0	0.0	0.1	-10	0.0	19.6
90-95	0.0	0	0.0	0	0.0	0.0	0	0.0	21.5
95-99	*	**	0.0	0	0.0	0.0	*	0.0	23.3
Top 1 Percent	0.0	0	0.0	0	0.0	0.0	0	0.0	29.5
Top 0.1 Percent	0.0	0	0.0	0	0.0	0.0	0	0.0	30.1

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0319-2).

Number of AMT Taxpayers (millions). Baseline: 0.2

Proposal: 0.2

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

(1) Calendar year. Baseline is the law currently in place as of January 1, 2019. The LIFT Act would enact a fully refundable credit equal to the lesser of \$3,000 or earned income (\$6,000 for married couples filing jointly). Credit would phase out rateably between adjusted gross income (AGI), or earned income if greater, of \$30,000 and \$50,000 for singles; \$60,000 and \$100,000 for married couples filing jointly; and \$60,000 and \$80,000 for heads of household (based on a preliminary version of the bill, earlier TPC estimates assumed the head of household phase-out began at \$80,000). All dollar amounts would be indexed for inflation after 2019 using the chain-weighted consumer price index. Earned income would include any amounts received by the taxpayer as a Federal Pell Grant. Eligible individuals must be at least 18 years of age (for married couples, at least one spouse must be at least 18 years of age). The investment income for purposes of the EITC would apply to the LIFT credit. Assumes the following take-up rates for 2019 (2024 and thereafter); take-up rates are assumed to rise between 2019 and 2023. Current law non-filing married couples: 70.0 (80.0); current law non-filing singles and heads of household: 60.0 (70.0); non-filing tax units with Pell Grants (additional 10.0 percentage points); filers eligible for EITC under current law who do not claim EITC: 50.0 (60.0); filers ineligible for current-law EITC: singles 92.5 (95.0) and married couples 95.0 (97.5); fraction of current law non-filers who file to claim the LIFT credit and then also claim the EITC and/or refundable CTC: 0.75 (0.80). Also assumes that some tax units would report additional self-employment income to claim the credit.

<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% \$25,300; 40% \$50,700; 60% \$91,200; 80% \$163,600; 90% \$239,600; 95% \$339,200; 99% \$818,700; 99.9% \$3,803,800.

(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 T20-0085
Livable Incomes for Families Today (LIFT) the Middle Class Act
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Percentile, 2019 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	Change (%) Under the Proposal		
Lowest Quintile	29.2	0.0	6.8	41.5	-940	-210.8	-1.3	-0.7	-6.6	-3.5
Second Quintile	24.4	0.0	2.6	33.3	-890	-30.6	-1.0	2.5	-2.4	5.4
Middle Quintile	15.4	0.0	1.1	21.7	-630	-7.1	-0.4	9.3	-0.9	12.1
Fourth Quintile	2.0	0.0	0.1	2.7	-90	-0.5	0.5	18.9	-0.1	16.7
Top Quintile	0.1	0.0	0.0	0.1	-10	0.0	2.2	69.9	0.0	23.9
All	16.6	0.0	0.7	100.0	-590	-3.2	0.0	100.0	-0.6	18.2
Addendum										
80-90	0.2	0.0	0.0	0.1	-10	0.0	0.5	15.4	0.0	19.6
90-95	0.0	0.0	0.0	0.0	0	0.0	0.4	11.6	0.0	21.5
95-99	*	0.0	0.0	0.0	*	0.0	0.5	16.4	0.0	23.3
Top 1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.8	26.5	0.0	29.5
Top 0.1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.4	12.9	0.0	30.1

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile, 2019 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	45,510	26.1	14,230	3.7	450	0.6	13,790	4.5	3.1	
Second Quintile	38,660	22.1	37,040	8.3	2,900	3.4	34,140	9.4	7.8	
Middle Quintile	35,420	20.3	68,690	14.0	8,940	9.7	59,760	15.0	13.0	
Fourth Quintile	29,260	16.8	122,090	20.6	20,510	18.4	101,580	21.1	16.8	
Top Quintile	24,600	14.1	376,170	53.4	89,820	67.7	286,350	50.1	23.9	
All	#####	#####	99,280	100.0	18,700	100.0	80,590	100.0	18.8	
Addendum										
80-90	12,660	7.3	195,480	14.3	38,380	14.9	157,100	14.1	19.6	
90-95	6,070	3.5	281,420	9.9	60,500	11.3	220,920	9.5	21.5	
95-99	4,720	2.7	473,040	12.9	110,150	15.9	362,890	12.2	23.3	
Top 1 Percent	1,160	0.7	2,460,110	16.4	725,110	25.6	1,735,000	14.2	29.5	
Top 0.1 Percent	120	0.1	#####	7.8	3,451,950	12.5	8,022,110	6.7	30.1	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0319-2).

Number of AMT Taxpayers (millions). Baseline: 0.2 Proposal: 0.2

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

(1) Calendar year. Baseline is the law currently in place as of January 1, 2019. The LIFT Act would enact a fully refundable credit equal to the lesser of \$3,000 or earned income (\$6,000 for married couples filing jointly). Credit would phase out ratably between adjusted gross income (AGI), or earned income if greater, of \$30,000 and \$50,000 for singles; \$60,000 and \$100,000 for married couples filing jointly; and \$60,000 and \$80,000 for heads of household (based on a preliminary version of the bill, earlier TPC estimates assumed the head of household phase-out began at \$80,000). All dollar amounts would be indexed for inflation after 2019 using the chain-weighted consumer price index. Earned income would include any amounts received by the taxpayer as a Federal Pell Grant. Eligible individuals must be at least 18 years of age (for married couples, at least one spouse must be at least 18 years of age). The investment income for purposes of the EITC would apply to the LIFT credit. Assumes the following take-up rates for 2019 (2024 and thereafter); take-up rates are assumed to rise between 2019 and 2023. Current law non-filing married couples: 70.0 (80.0); current law non-filing singles and heads of household: 60.0 (70.0); non-filing tax units with Pell Grants (additional 10.0 percentage points); filers eligible for EITC under current law who do not claim EITC: 50.0 (60.0); filers ineligible for current-law EITC: singles 92.5 (95.0) and married couples 95.0 (97.5); fraction of current law non-filers who file to claim the LIFT credit and then also claim the EITC and/or refundable CTC: 0.75 (0.80). Also assumes that some tax units would report additional self-employment income to claim the credit.

<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% \$25,300; 40% \$50,700; 60% \$91,200; 80% \$163,600; 90% \$239,600; 95% \$339,200; 99% \$818,700; 99.9% \$3,803,800.

(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 T20-0085
Livable Incomes for Families Today (LIFT) the Middle Class Act
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2019 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	Change (%) Under the Proposal		
Lowest Quintile	36.7	0.0	9.2	45.2	-1,240	1,277.4	-1.5	-1.6	-9.3	-10.0
Second Quintile	29.5	0.0	3.5	38.0	-1,080	-51.8	-1.2	1.2	-3.3	3.0
Middle Quintile	11.1	0.0	0.8	14.7	-420	-5.8	-0.2	7.7	-0.7	11.3
Fourth Quintile	1.1	0.0	0.1	1.3	-40	-0.2	0.5	18.0	0.0	16.3
Top Quintile	0.1	0.0	0.0	0.1	*	0.0	2.3	74.5	0.0	23.6
All	16.6	0.0	0.7	100.0	-590	-3.2	0.0	100.0	-0.6	18.2
Addendum										
80-90	0.1	0.0	0.0	0.1	-10	0.0	0.5	16.6	0.0	19.7
90-95	0.1	0.0	0.0	0.0	*	0.0	0.4	12.6	0.0	21.3
95-99	0.0	0.0	0.0	0.0	0	0.0	0.6	17.8	0.0	22.9
Top 1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.9	27.5	0.0	29.3
Top 0.1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.4	13.4	0.0	30.1

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2019 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	37,530	21.5	13,360	2.9	-100	-0.1	13,460	3.6	-0.7	
Second Quintile	36,320	20.8	32,990	6.9	2,080	2.3	30,910	8.0	6.3	
Middle Quintile	35,680	20.4	60,760	12.5	7,280	8.0	53,490	13.6	12.0	
Fourth Quintile	32,850	18.8	106,640	20.2	17,410	17.5	89,230	20.8	16.3	
Top Quintile	31,070	17.8	320,850	57.5	75,810	72.1	245,040	54.1	23.6	
All	#####	#####	99,280	100.0	18,700	100.0	80,590	100.0	18.8	
Addendum										
80-90	15,940	9.1	167,490	15.4	32,910	16.1	134,570	15.2	19.7	
90-95	7,710	4.4	242,810	10.8	51,740	12.2	191,070	10.5	21.3	
95-99	6,040	3.5	407,300	14.2	93,390	17.3	313,910	13.5	22.9	
Top 1 Percent	1,390	0.8	2,142,400	17.1	626,540	26.6	1,515,850	14.9	29.3	
Top 0.1 Percent	140	0.1	#####	8.1	3,013,690	13.0	7,009,620	7.0	30.1	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0319-2).

Number of AMT Taxpayers (millions). Baseline: 0.2 Proposal: 0.2

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

(1) Calendar year. Baseline is the law currently in place as of January 1, 2019. The LIFT Act would enact a fully refundable credit equal to the lesser of \$3,000 or earned income (\$6,000 for married couples filing jointly). Credit would phase out ratably between adjusted gross income (AGI), or earned income if greater, of \$30,000 and \$50,000 for singles; \$60,000 and \$100,000 for married couples filing jointly; and \$60,000 and \$80,000 for heads of household (based on a preliminary version of the bill, earlier TPC estimates assumed the head of household phase-out began at \$80,000). All dollar amounts would be indexed for inflation after 2019 using the chain-weighted consumer price index. Earned income would include any amounts received by the taxpayer as a Federal Pell Grant. Eligible individuals must be at least 18 years of age (for married couples, at least one spouse must be at least 18 years of age). The investment income for purposes of the EITC would apply to the LIFT credit. Assumes the following take-up rates for 2019 (2024 and thereafter): take-up rates are assumed to rise between 2019 and 2023. Current law non-filing married couples: 70.0 (80.0); current law non-filing singles and heads of household: 60.0 (70.0); non-filing tax units with Pell Grants (additional 10.0 percentage points); filers eligible for EITC under current law who do not claim EITC: 50.0 (60.0); filers ineligible for current-law EITC: singles 92.5 (95.0) and married couples 95.0 (97.5); fraction of current law non-filers who file to claim the LIFT credit and then also claim the EITC and/or refundable CTC: 0.75 (0.80). Also assumes that some tax units would report additional self-employment income to claim the credit.

<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% \$17,600; 40% \$34,500; 60% \$59,600; 80% \$100,200; 90% \$145,100; 95% \$203,500; 99% \$472,700; 99.9% \$2,217,700.

(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 T20-0085
Livable Incomes for Families Today (LIFT) the Middle Class Act
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2019 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 (%) Under the Proposal	Change (%) Under the Proposal		
Lowest Quintile	26.2	0.0	7.6	67.9	-760	-151.9	-2.2	-0.8	-7.3	-2.5
Second Quintile	11.8	0.0	1.5	26.8	-340	-15.1	-0.7	5.1	-1.3	7.5
Middle Quintile	2.1	0.0	0.1	3.8	-50	-0.9	0.4	14.6	-0.1	13.3
Fourth Quintile	0.4	0.0	0.0	0.5	-10	-0.1	0.7	23.3	0.0	17.6
Top Quintile	*	0.0	0.0	0.0	*	0.0	1.9	57.6	0.0	24.0
All	10.6	0.0	0.7	100.0	-310	-3.2	0.0	100.0	-0.6	17.2
Addendum										
80-90	0.1	0.0	0.0	0.0	*	0.0	0.6	17.2	0.0	20.8
90-95	0.0	0.0	0.0	0.0	0	0.0	0.3	10.4	0.0	21.7
95-99	0.0	0.0	0.0	0.0	0	0.0	0.4	12.7	0.0	23.4
Top 1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.6	17.4	0.0	31.2
Top 0.1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.3	8.9	0.0	31.5

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2019 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	22,850	27.3	10,490	5.4	500	1.5	9,990	6.2	4.8	
Second Quintile	19,960	23.8	25,770	11.5	2,280	5.8	23,490	12.8	8.9	
Middle Quintile	18,020	21.5	46,460	18.8	6,250	14.2	40,220	19.8	13.4	
Fourth Quintile	13,160	15.7	77,080	22.8	13,560	22.6	63,530	22.8	17.6	
Top Quintile	9,180	11.0	200,460	41.3	48,060	55.8	152,410	38.2	24.0	
All	83,830	#####	53,160	100.0	9,430	100.0	43,730	100.0	17.7	
Addendum										
80-90	5,270	6.3	119,780	14.2	24,930	16.6	94,850	13.7	20.8	
90-95	2,150	2.6	170,260	8.2	36,970	10.1	133,290	7.8	21.7	
95-99	1,480	1.8	281,630	9.3	65,800	12.3	215,840	8.7	23.4	
Top 1 Percent	270	0.3	1,551,190	9.6	483,930	16.8	1,067,260	8.0	31.2	
Top 0.1 Percent	30	0.0	6,714,230	4.9	2,115,340	8.6	4,598,880	4.0	31.5	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0319-2).

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

(1) Calendar year. Baseline is the law currently in place as of January 1, 2019. The LIFT Act would enact a fully refundable credit equal to the lesser of \$3,000 or earned income (\$6,000 for married couples filing jointly). Credit would phase out rateably between adjusted gross income (AGI), or earned income if greater, of \$30,000 and \$50,000 for singles; \$60,000 and \$100,000 for married couples filing jointly; and \$60,000 and \$80,000 for heads of household (based on a preliminary version of the bill, earlier TPC estimates assumed the head of household phase-out began at \$80,000). All dollar amounts would be indexed for inflation after 2019 using the chain-weighted consumer price index. Earned income would include any amounts received by the taxpayer as a Federal Pell Grant. Eligible individuals must be at least 18 years of age (for married couples, at least one spouse must be at least 18 years of age). The investment income for purposes of the EITC would apply to the LIFT credit. Assumes the following take-up rates for 2019 (2024 and thereafter): take-up rates are assumed to rise between 2019 and 2023. Current law non-filing married couples: 70.0 (80.0); current law non-filing singles and heads of household: 60.0 (70.0); non-filing tax units with Pell Grants (additional 10.0 percentage points); filers eligible for EITC under current law who do not claim EITC: 50.0 (60.0); filers ineligible for current-law EITC: singles 92.5 (95.0) and married couples 95.0 (97.5); fraction of current law non-filers who file to claim the LIFT credit and then also claim the EITC and/or refundable CTC: 0.75 (0.80). Also assumes that some tax units would report additional self-employment income to claim the credit.

<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% \$17,600; 40% \$34,500; 60% \$59,600; 80% \$100,200; 90% \$145,100; 95% \$203,500; 99% \$472,700; 99.9% \$2,217,700.

(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 T20-0085
Livable Incomes for Families Today (LIFT) the Middle Class Act
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2019 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 (%) Under the Proposal	Change (%) Under the Proposal		
Lowest Quintile	28.4	0.0	9.5	34.8	-1,660	1,564.7	-0.6	-0.6	-9.6	-10.2
Second Quintile	28.8	0.0	4.2	41.6	-1,710	-77.5	-0.6	0.2	-4.0	1.1
Middle Quintile	10.2	0.0	0.8	20.2	-600	-6.9	-0.3	4.3	-0.8	10.1
Fourth Quintile	0.9	0.0	0.0	2.3	-50	-0.2	0.2	15.0	0.0	15.5
Top Quintile	0.1	*	0.0	0.3	-10	0.0	1.3	80.9	0.0	23.5
All	9.2	0.0	0.4	100.0	-540	-1.6	0.0	100.0	-0.3	19.8
Addendum										
80-90	0.2	*	0.0	0.3	-10	0.0	0.3	16.4	0.0	19.2
90-95	0.1	0.0	0.0	0.0	*	0.0	0.2	13.7	0.0	21.2
95-99	0.0	0.0	0.0	0.0	0	0.0	0.3	20.4	0.0	22.8
Top 1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.5	30.5	0.0	28.9
Top 0.1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.2	14.1	0.0	29.9

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2019 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	11.4	17,320	1.1	-110	0.0	17,430	1.4	-0.6	
Second Quintile	8,470	13.2	43,280	3.3	2,200	0.8	41,080	3.9	5.1	
Middle Quintile	11,720	18.2	79,750	8.4	8,610	4.5	71,130	9.4	10.8	
Fourth Quintile	16,220	25.2	131,120	19.1	20,400	14.8	110,720	20.2	15.6	
Top Quintile	20,200	31.4	375,860	68.2	88,190	79.7	287,670	65.3	23.5	
All	64,370	#####	173,090	100.0	34,730	100.0	138,360	100.0	20.1	
Addendum										
80-90	9,640	15.0	194,930	16.9	37,400	16.1	157,530	17.1	19.2	
90-95	5,180	8.0	275,400	12.8	58,360	13.5	217,040	12.6	21.2	
95-99	4,340	6.7	453,720	17.7	103,370	20.1	350,350	17.1	22.8	
Top 1 Percent	1,040	1.6	2,222,510	20.8	642,370	30.0	1,580,140	18.5	28.9	
Top 0.1 Percent	100	0.2	#####	9.3	3,175,840	13.9	7,434,940	8.1	29.9	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0319-2).

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

(1) Calendar year. Baseline is the law currently in place as of January 1, 2019. The LIFT Act would enact a fully refundable credit equal to the lesser of \$3,000 or earned income (\$6,000 for married couples filing jointly). Credit would phase out rateably between adjusted gross income (AGI), or earned income if greater, of \$30,000 and \$50,000 for singles; \$60,000 and \$100,000 for married couples filing jointly; and \$60,000 and \$80,000 for heads of household (based on a preliminary version of the bill, earlier TPC estimates assumed the head of household phase-out began at \$80,000). All dollar amounts would be indexed for inflation after 2019 using the chain-weighted consumer price index. Earned income would include any amounts received by the taxpayer as a Federal Pell Grant. Eligible individuals must be at least 18 years of age (for married couples, at least one spouse must be at least 18 years of age). The investment income for purposes of the EITC would apply to the LIFT credit. Assumes the following take-up rates for 2019 (2024 and thereafter): take-up rates are assumed to rise between 2019 and 2023. Current law non-filing married couples: 70.0 (80.0); current law non-filing singles and heads of household: 60.0 (70.0); non-filing tax units with Pell Grants (additional 10.0 percentage points); filers eligible for EITC under current law who do not claim EITC: 50.0 (60.0); filers ineligible for current-law EITC: singles 92.5 (95.0) and married couples 95.0 (97.5); fraction of current law non-filers who file to claim the LIFT credit and then also claim the EITC and/or refundable CTC: 0.75 (0.80). Also assumes that some tax units would report additional self-employment income to claim the credit.

<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% \$17,600; 40% \$34,500; 60% \$59,600; 80% \$100,200; 90% \$145,100; 95% \$203,500; 99% \$472,700; 99.9% \$2,217,700.

(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 T20-0085
Livable Incomes for Families Today (LIFT) the Middle Class Act
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2019 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 (%) Under the Proposal	Change (%) Under the Proposal		
Lowest Quintile	81.5	0.0	11.7	39.9	-2,430	114.8	-18.2	-27.5	-13.0	-24.3
Second Quintile	81.8	0.0	6.1	41.9	-2,450	-201.0	-13.4	-7.8	-6.0	-3.0
Middle Quintile	47.7	0.0	2.3	16.9	-1,430	-18.7	2.8	27.2	-2.1	9.0
Fourth Quintile	5.8	0.0	0.2	1.1	-170	-0.9	11.3	43.2	-0.2	16.7
Top Quintile	0.3	0.0	0.0	0.0	-10	0.0	17.5	64.9	0.0	23.8
All	61.4	0.0	3.4	100.0	-1,830	-26.9	0.0	100.0	-3.1	8.3
Addendum										
80-90	0.5	0.0	0.0	0.0	-10	0.0	5.7	21.1	0.0	19.9
90-95	0.0	0.0	0.0	0.0	0	0.0	2.9	10.6	0.0	21.4
95-99	0.0	0.0	0.0	0.0	0	0.0	2.4	8.8	0.0	24.3
Top 1 Percent	0.0	0.0	0.0	0.0	0	0.0	6.6	24.4	0.0	30.0
Top 0.1 Percent	0.0	0.0	0.0	0.0	0	0.0	4.5	16.6	0.0	30.0

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2019 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	6,990	30.2	18,700	9.4	-2,120	-9.4	20,810	11.8	-11.3	
Second Quintile	7,270	31.4	41,080	21.5	1,220	5.6	39,860	23.5	3.0	
Middle Quintile	5,020	21.7	69,480	25.1	7,660	24.4	61,820	25.2	11.0	
Fourth Quintile	2,710	11.7	110,260	21.4	18,570	31.9	91,690	20.1	16.8	
Top Quintile	1,130	4.9	279,460	22.6	66,430	47.5	213,030	19.4	23.8	
All	23,150	#####	60,140	100.0	6,810	100.0	53,330	100.0	11.3	
Addendum										
80-90	740	3.2	166,080	8.8	33,140	15.5	132,940	7.9	20.0	
90-95	250	1.1	226,300	4.1	48,420	7.8	177,880	3.7	21.4	
95-99	110	0.5	378,480	3.0	92,070	6.4	286,410	2.6	24.3	
Top 1 Percent	30	0.1	3,340,980	6.7	1,000,540	17.8	2,340,440	5.3	30.0	
Top 0.1 Percent	*	0.0	#####	4.6	6,459,820	12.1	#####	3.6	30.0	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0319-2).

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

(1) Calendar year. Baseline is the law currently in place as of January 1, 2019. The LIFT Act would enact a fully refundable credit equal to the lesser of \$3,000 or earned income (\$6,000 for married couples filing jointly). Credit would phase out rateably between adjusted gross income (AGI), or earned income if greater, of \$30,000 and \$50,000 for singles; \$60,000 and \$100,000 for married couples filing jointly; and \$60,000 and \$80,000 for heads of household (based on a preliminary version of the bill, earlier TPC estimates assumed the head of household phase-out began at \$80,000). All dollar amounts would be indexed for inflation after 2019 using the chain-weighted consumer price index. Earned income would include any amounts received by the taxpayer as a Federal Pell Grant. Eligible individuals must be at least 18 years of age (for married couples, at least one spouse must be at least 18 years of age). The investment income for purposes of the EITC would apply to the LIFT credit. Assumes the following take-up rates for 2019 (2024 and thereafter): take-up rates are assumed to rise between 2019 and 2023. Current law non-filing married couples: 70.0 (80.0); current law non-filing singles and heads of household: 60.0 (70.0); non-filing tax units with Pell Grants (additional 10.0 percentage points); filers eligible for EITC under current law who do not claim EITC: 50.0 (60.0); filers ineligible for current-law EITC: singles 92.5 (95.0) and married couples 95.0 (97.5); fraction of current law non-filers who file to claim the LIFT credit and then also claim the EITC and/or refundable CTC: 0.75 (0.80). Also assumes that some tax units would report additional self-employment income to claim the credit.

<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% \$17,600; 40% \$34,500; 60% \$59,600; 80% \$100,200; 90% \$145,100; 95% \$203,500; 99% \$472,700; 99.9% \$2,217,700.

(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 T20-0085
Livable Incomes for Families Today (LIFT) the Middle Class Act
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2019 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 (%) Under the Proposal	Change (%) Under the Proposal		
Lowest Quintile	78.4	0.0	12.8	39.4	-2,770	135.0	-2.6	-4.3	-14.1	-24.6
Second Quintile	78.4	0.0	6.8	41.6	-2,920	-175.5	-2.5	-1.1	-6.5	-2.8
Middle Quintile	34.1	0.0	1.8	17.4	-1,300	-13.0	-0.6	7.2	-1.6	10.5
Fourth Quintile	2.5	0.0	0.1	1.2	-100	-0.4	1.1	19.6	-0.1	17.2
Top Quintile	0.1	0.0	0.0	0.1	-10	0.0	4.6	78.5	0.0	24.9
All	41.0	0.0	1.4	100.0	-1,500	-5.9	0.0	100.0	-1.1	18.1
Addendum										
80-90	0.2	0.0	0.0	0.1	-10	0.0	1.0	16.9	0.0	20.7
90-95	0.1	0.0	0.0	0.0	*	0.0	0.8	13.2	0.0	22.6
95-99	0.0	0.0	0.0	0.0	0	0.0	1.1	18.4	0.0	24.6
Top 1 Percent	0.0	*	0.0	0.0	0	0.0	1.8	29.9	0.0	29.9
Top 0.1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.8	13.9	0.0	30.0

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2019 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	11,280	21.4	19,610	3.1	-2,050	-1.7	21,660	4.3	-10.5	
Second Quintile	11,280	21.4	44,660	7.1	1,670	1.4	43,000	8.5	3.7	
Middle Quintile	10,560	20.0	82,740	12.4	10,020	7.8	72,730	13.5	12.1	
Fourth Quintile	10,070	19.1	143,570	20.5	24,810	18.5	118,760	21.0	17.3	
Top Quintile	9,280	17.6	432,700	56.9	107,660	73.9	325,040	52.9	24.9	
All	52,690	#####	133,830	100.0	25,670	100.0	108,170	100.0	19.2	
Addendum										
80-90	4,700	8.9	221,300	14.8	45,820	15.9	175,480	14.5	20.7	
90-95	2,330	4.4	318,560	10.5	71,980	12.4	246,580	10.1	22.6	
95-99	1,780	3.4	537,770	13.6	132,020	17.3	405,750	12.6	24.6	
Top 1 Percent	470	0.9	2,725,070	18.1	813,900	28.2	1,911,170	15.7	29.9	
Top 0.1 Percent	50	0.1	#####	8.4	3,887,860	13.1	9,061,070	7.3	30.0	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0319-2).

* 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 is the law currently in place as of January 1, 2019. The LIFT Act would enact a fully refundable credit equal to the lesser of \$3,000 or earned income (\$6,000 for married couples filing jointly). Credit would phase out ratably between adjusted gross income (AGI), or earned income if greater, of \$30,000 and \$50,000 for singles; \$60,000 and \$100,000 for married couples filing jointly; and \$60,000 and \$80,000 for heads of household (based on a preliminary version of the bill, earlier TPC estimates assumed the head of household phase-out began at \$80,000). All dollar amounts would be indexed for inflation after 2019 using the chain-weighted consumer price index. Earned income would include any amounts received by the taxpayer as a Federal Pell Grant. Eligible individuals must be at least 18 years of age (for married couples, at least one spouse must be at least 18 years of age). The investment income for purposes of the EITC would apply to the LIFT credit. Assumes the following take-up rates for 2019 (2024 and thereafter); take-up rates are assumed to rise between 2019 and 2023. Current law non-filing married couples: 70.0 (80.0); current law non-filing singles and heads of household: 60.0 (70.0); non-filing tax units with Pell Grants (additional 10.0 percentage points); filers eligible for EITC under current law who do not claim EITC: 50.0 (60.0); filers ineligible for current-law EITC: singles 92.5 (95.0) and married couples 95.0 (97.5); fraction of current law non-filers who file to claim the LIFT credit and then also claim the EITC and/or refundable CTC: 0.75 (0.80). Also assumes that some tax units would report additional self-employment income to claim the credit.

<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% \$17,600; 40% \$34,500; 60% \$59,600; 80% \$100,200; 90% \$145,100; 95% \$203,500; 99% \$472,700; 99.9% \$2,217,700.

(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 T20-0085
Livable Incomes for Families Today (LIFT) the Middle Class Act
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2019 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 (%) Under the Proposal	Under the Proposal	Change (%) Under the Proposal	Under the Proposal
Lowest Quintile	3.0	0.0	1.1	28.1	-140	-100.7	-0.2	0.0	-1.1	0.0
Second Quintile	2.8	0.0	0.4	40.3	-130	-19.1	-0.2	1.0	-0.4	1.8
Middle Quintile	1.8	0.0	0.2	24.5	-80	-2.9	-0.1	4.7	-0.2	5.1
Fourth Quintile	0.5	0.0	0.0	5.6	-20	-0.2	0.0	13.3	0.0	10.1
Top Quintile	*	0.0	0.0	0.2	*	0.0	0.5	80.5	0.0	21.6
All	1.7	0.0	0.1	100.0	-80	-0.6	0.0	100.0	-0.1	15.0
Addendum										
80-90	*	0.0	0.0	0.2	*	0.0	0.1	13.0	0.0	14.7
90-95	0.0	0.0	0.0	0.0	0	0.0	0.1	10.5	0.0	17.2
95-99	0.0	0.0	0.0	0.0	0	0.0	0.1	16.9	0.0	19.8
Top 1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.2	40.1	0.0	28.9
Top 0.1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.1	22.3	0.0	30.0

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2019 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	6,930	16.3	12,770	2.3	140	0.2	12,630	2.7	1.1	
Second Quintile	10,670	25.1	29,690	8.2	670	1.2	29,020	9.4	2.3	
Middle Quintile	9,820	23.1	55,150	14.0	2,880	4.8	52,270	15.6	5.2	
Fourth Quintile	7,960	18.7	95,830	19.7	9,740	13.3	86,090	20.8	10.2	
Top Quintile	6,730	15.8	321,490	55.9	69,310	80.0	252,180	51.6	21.6	
All	42,590	#####	90,980	100.0	13,700	100.0	77,280	100.0	15.1	
Addendum										
80-90	3,410	8.0	150,350	13.2	22,130	12.9	128,220	13.3	14.7	
90-95	1,630	3.8	216,040	9.1	37,240	10.4	178,800	8.8	17.2	
95-99	1,330	3.1	373,320	12.8	74,030	16.8	299,290	12.1	19.8	
Top 1 Percent	370	0.9	2,176,670	20.8	628,280	39.8	1,548,380	17.4	28.9	
Top 0.1 Percent	50	0.1	9,099,240	11.1	2,726,540	22.1	6,372,700	9.2	30.0	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0319-2).

* 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 is the law currently in place as of January 1, 2019. The LIFT Act would enact a fully refundable credit equal to the lesser of \$3,000 or earned income (\$6,000 for married couples filing jointly). Credit would phase out ratably between adjusted gross income (AGI), or earned income if greater, of \$30,000 and \$50,000 for singles; \$60,000 and \$100,000 for married couples filing jointly; and \$60,000 and \$80,000 for heads of household (based on a preliminary version of the bill, earlier TPC estimates assumed the head of household phase-out began at \$80,000). All dollar amounts would be indexed for inflation after 2019 using the chain-weighted consumer price index. Earned income would include any amounts received by the taxpayer as a Federal Pell Grant. Eligible individuals must be at least 18 years of age (for married couples, at least one spouse must be at least 18 years of age). The investment income for purposes of the EITC would apply to the LIFT credit. Assumes the following take-up rates for 2019 (2024 and thereafter); take-up rates are assumed to rise between 2019 and 2023. Current law non-filing married couples: 70.0 (80.0); current law non-filing singles and heads of household: 60.0 (70.0); non-filing tax units with Pell Grants (additional 10.0 percentage points); filers eligible for EITC under current law who do not claim EITC: 50.0 (60.0); filers ineligible for current-law EITC: singles 92.5 (95.0) and married couples 95.0 (97.5); fraction of current law non-filers who file to claim the LIFT credit and then also claim the EITC and/or refundable CTC: 0.75 (0.80). Also assumes that some tax units would report additional self-employment income to claim the credit.

<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% \$17,600; 40% \$34,500; 60% \$59,600; 80% \$100,200; 90% \$145,100; 95% \$203,500; 99% \$472,700; 99.9% \$2,217,700.

(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.