

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

**Table T20-0207**  
**Implement a Universal Earned Income Tax Credit (UEITC), Expand the Child Tax Credit (CTC), and Institute an 11 Percent Broad Base VAT**  
**Baseline: Current Law**  
**Distribution of Federal Tax Change by Expanded Cash Income Percentile, 2020 <sup>1</sup>**  
**Summary Table**

Expanded Cash Income Percentile <sup>2,3</sup>	Tax Units with Tax Increase or Cut <sup>4</sup>				Percent Change in After-Tax Income <sup>5</sup>	Share of Total Federal Tax Change	Average Federal Tax Change (\$)	Average Federal Tax Rate <sup>6</sup>	
	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 (\$)					
<b>Lowest Quintile</b>	60.0	-2,380	11.5	190	9.3	75.2	-1,400	-8.9	-4.9
<b>Second Quintile</b>	68.5	-1,890	23.3	390	3.3	52.1	-1,200	-3.1	4.9
<b>Middle Quintile</b>	76.4	-1,430	21.7	780	1.5	34.9	-930	-1.3	11.5
<b>Fourth Quintile</b>	53.8	-1,770	45.5	840	0.6	18.1	-570	-0.5	15.6
<b>Top Quintile</b>	28.5	-1,280	71.2	4,730	-1.1	-80.9	3,000	0.8	25.0
<b>All</b>	59.6	-1,860	30.1	1,970	0.6	100.0	-510	-0.5	18.1
<b>Addendum</b>									
<b>80-90</b>	44.7	-1,240	54.8	1,440	-0.2	-3.2	230	0.1	19.1
<b>90-95</b>	18.6	-1,420	81.1	2,220	-0.7	-10.3	1,540	0.6	21.4
<b>95-99</b>	4.9	-1,290	95.1	5,070	-1.3	-24.5	4,750	1.0	24.0
<b>Top 1 Percent</b>	0.3	-1,960	99.6	34,130	-2.0	-42.9	34,000	1.4	32.9
<b>Top 0.1 Percent</b>	0.1	-1,040	99.9	156,230	-2.1	-20.1	156,090	1.4	34.3

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

Number of AMT Taxpayers (millions). Baseline: 0.2

Proposal: 0.3

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

(1) Calendar year. Baseline is current law in place for 2020 as of January 1st, 2018. This proposal institutes a Universal Earned Income Tax Credit (UEITC) of 100% on earned income up to \$10,000; raises the Child Tax Credit (CTC) from \$2,000 to \$2,500 and makes it fully refundable; and adds an 11 percent broad base Value Added Tax (VAT). These proposals would begin phasing in on January 1, 2020, and would be fully phased in on January 1, 2023. The maximum UEITC is indexed to per capita GDP after 2023. These estimates are based on an economic forecast that does not include the potential effects of the economic disruption caused by COVID-19.

<http://www.taxpolicycenter.org/taxtopics/Baseline-Definitions.cfm>

(2) Includes both filing and non-filing units but excludes those that are dependents of other tax units. Tax units with negative adjusted gross income are excluded from their respective income class but are included in the totals. For a description of expanded cash income, see

<http://www.taxpolicycenter.org/TaxModel/income.cfm>

(3) The income percentile classes used in this table are based on the income distribution for the entire population and contain an equal number of people, not tax units. The breaks are (in 2017 dollars): 20% \$25,700; 40% \$51,300; 60% \$92,300; 80% \$167,000; 90% \$245,000; 95% \$348,000; 99% \$828,000; 99.9% \$3,708,100.

(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 T20-0207**  
**Implement a Universal Earned Income Tax Credit (UEITC), Expand the Child Tax Credit (CTC), and Institute an 11 Percent Broad Base VAT**  
**Baseline: Current Law**  
**Distribution of Federal Tax Change by Expanded Cash Income Percentile, 2020<sup>1</sup>**  
**Detail Table**

Expanded Cash Income Percentile <sup>2,3</sup>	Percent of Tax Units <sup>4</sup>		Percent Change in After-Tax Income <sup>5</sup>	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate <sup>6</sup>	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	60.0	11.5	9.3	75.2	-1,400	-224.1	-2.1	-1.2	-8.9	-4.9
Second Quintile	68.5	23.3	3.3	52.1	-1,200	-38.7	-1.4	2.4	-3.1	4.9
Middle Quintile	76.4	21.7	1.5	34.9	-930	-10.0	-0.7	9.0	-1.3	11.5
Fourth Quintile	53.8	45.5	0.6	18.1	-570	-2.9	0.0	17.5	-0.5	15.6
Top Quintile	28.5	71.2	-1.1	-80.9	3,000	3.3	4.3	72.0	0.8	25.0
All	59.6	30.1	0.6	100.0	-510	-2.8	0.0	100.0	-0.5	18.1
<b>Addendum</b>										
80-90	44.7	54.8	-0.2	-3.2	230	0.6	0.5	14.6	0.1	19.1
90-95	18.6	81.1	-0.7	-10.3	1,540	2.7	0.6	11.4	0.6	21.4
95-99	4.9	95.1	-1.3	-24.5	4,750	4.4	1.2	16.7	1.0	24.0
Top 1 Percent	0.3	99.6	-2.0	-42.9	34,000	4.4	2.0	29.4	1.4	32.9
Top 0.1 Percent	0.1	99.9	-2.1	-20.1	156,090	4.2	1.0	14.4	1.4	34.3

**Baseline Distribution of Income and Federal Taxes**  
**by Expanded Cash Income Percentile, 2020<sup>1</sup>**

Expanded Cash Income Percentile <sup>2,3</sup>	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income <sup>5</sup>		Average Federal Tax Rate <sup>6</sup>	
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total		
Lowest Quintile	49,140	27.6	15,800	4.4	630	0.9	15,170	5.2	4.0	
Second Quintile	39,750	22.3	39,260	8.9	3,110	3.8	36,160	10.1	7.9	
Middle Quintile	34,590	19.4	72,180	14.2	9,220	9.7	62,960	15.2	12.8	
Fourth Quintile	29,050	16.3	123,410	20.4	19,810	17.6	103,600	21.0	16.1	
Top Quintile	24,700	13.9	372,350	52.3	89,950	67.7	282,400	48.8	24.2	
All	178,370	100.0	98,580	100.0	18,390	100.0	80,190	100.0	18.7	
<b>Addendum</b>										
80-90	12,670	7.1	192,910	13.9	36,510	14.1	156,400	13.9	18.9	
90-95	6,140	3.4	276,050	9.6	57,540	10.8	218,510	9.4	20.8	
95-99	4,730	2.7	467,120	12.6	107,370	15.5	359,750	11.9	23.0	
Top 1 Percent	1,160	0.7	2,460,950	16.2	775,910	27.4	1,685,040	13.6	31.5	
Top 0.1 Percent	120	0.1	11,319,570	7.6	3,729,290	13.4	7,590,270	6.3	33.0	

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

Number of AMT Taxpayers (millions). Baseline: 0.2

Proposal: 0.3

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

(1) Calendar year. Baseline is current law in place for 2020 as of January 1st, 2018. This proposal institutes a Universal Earned Income Tax Credit (UEITC) of 100% on earned income up to \$10,000; raises the Child Tax Credit (CTC) from \$2,000 to \$2,500 and makes it fully refundable; and adds an 11 percent broad base Value Added Tax (VAT). These proposals would begin phasing in on January 1, 2020, and would be fully phased in on January 1, 2023. The maximum UEITC is indexed to per capita GDP after 2023. These estimates are based on an economic forecast that does not include the potential effects of the economic disruption caused by COVID-19.

<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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(3) The income percentile classes used in this table are based on the income distribution for the entire population and contain an equal number of people, not tax units. The breaks are (in 2017 dollars): 20% \$25,700; 40% \$51,300; 60% \$92,300; 80% \$167,000; 90% \$245,000; 95% \$348,000; 99% \$828,000; 99.9% \$3,708,100.

(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 T20-0207**  
**Implement a Universal Earned Income Tax Credit (UEITC), Expand the Child Tax Credit (CTC), and Institute an 11 Percent Broad Base VAT**  
**Baseline: Current Law**  
**Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2020 <sup>1</sup>**  
**Detail Table**

Expanded Cash Income Percentile <sup>2,3</sup>	Percent of Tax Units <sup>4</sup>		Percent Change in After-Tax Income <sup>5</sup>	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate <sup>6</sup>	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	67.4	7.6	12.1	76.5	-1,770	-1,497.0	-2.2	-2.1	-12.0	-11.2
Second Quintile	62.4	20.1	3.7	49.9	-1,210	-52.8	-1.4	1.3	-3.5	3.1
Middle Quintile	73.9	23.0	2.0	42.2	-1,100	-15.1	-1.0	6.8	-1.7	9.8
Fourth Quintile	68.7	30.1	0.6	20.9	-580	-3.5	-0.1	16.6	-0.5	15.0
Top Quintile	21.8	77.8	-1.1	-90.1	2,620	3.5	4.7	77.0	0.8	24.7
All	59.6	30.1	0.6	100.0	-510	-2.8	0.0	100.0	-0.5	18.1
<b>Addendum</b>										
80-90	35.3	64.0	-0.2	-5.1	290	0.9	0.6	15.7	0.2	18.9
90-95	13.4	86.3	-0.7	-12.1	1,390	2.9	0.7	12.5	0.6	21.3
95-99	1.9	98.0	-1.4	-28.6	4,290	4.7	1.3	18.3	1.1	23.9
Top 1 Percent	0.3	99.6	-2.0	-44.4	29,190	4.4	2.1	30.5	1.4	32.6
Top 0.1 Percent	0.1	99.8	-2.0	-20.9	135,480	4.2	1.0	15.0	1.4	34.3

**Baseline Distribution of Income and Federal Taxes**  
**by Expanded Cash Income Percentile Adjusted for Family Size, 2020 <sup>1</sup>**

Expanded Cash Income Percentile <sup>2,3</sup>	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income <sup>5</sup>		Average Federal Tax Rate <sup>6</sup>	
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total		
Lowest Quintile	39,550	22.2	14,740	3.3	120	0.1	14,620	4.0	0.8	
Second Quintile	37,890	21.2	34,650	7.5	2,290	2.6	32,360	8.6	6.6	
Middle Quintile	35,140	19.7	63,220	12.6	7,300	7.8	55,920	13.7	11.5	
Fourth Quintile	33,060	18.5	107,200	20.2	16,630	16.8	90,580	20.9	15.5	
Top Quintile	31,600	17.7	315,010	56.6	75,090	72.4	239,920	53.0	23.8	
All	178,370	100.0	98,580	100.0	18,390	100.0	80,190	100.0	18.7	
<b>Addendum</b>										
80-90	16,130	9.0	164,850	15.1	30,810	15.2	134,040	15.1	18.7	
90-95	7,970	4.5	235,270	10.7	48,680	11.8	186,590	10.4	20.7	
95-99	6,110	3.4	399,950	13.9	91,330	17.0	308,620	13.2	22.8	
Top 1 Percent	1,400	0.8	2,131,470	16.9	665,770	28.4	1,465,690	14.3	31.2	
Top 0.1 Percent	140	0.1	9,887,740	7.9	3,258,930	14.0	6,628,800	6.5	33.0	

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

Number of AMT Taxpayers (millions). Baseline: 0.2

Proposal: 0.3

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

(1) Calendar year. Baseline is current law in place for 2020 as of January 1st, 2018. This proposal institutes a Universal Earned Income Tax Credit (UEITC) of 100% on earned income up to \$10,000; raises the Child Tax Credit (CTC) from \$2,000 to \$2,500 and makes it fully refundable; and adds an 11 percent broad base Value Added Tax (VAT). These proposals would begin phasing in on January 1, 2020, and would be fully phased in on January 1, 2023. The maximum UEITC is indexed to per capita GDP after 2023. These estimates are based on an economic forecast that does not include the potential effects of the economic disruption caused by COVID-19.

<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 2017 dollars): 20% \$17,900; 40% \$35,000; 60% \$60,400; 80% \$102,100; 90% \$148,300; 95% \$208,500; 99% \$478,500; 99.9% \$2,151,900.

(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 T20-0207**  
**Implement a Universal Earned Income Tax Credit (UEITC), Expand the Child Tax Credit (CTC), and Institute an 11 Percent Broad Base VAT**  
**Baseline: Current Law**  
**Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2020 <sup>1</sup>**  
**Detail Table - Single Tax Units**

Expanded Cash Income Percentile <sup>2,3</sup>	Percent of Tax Units <sup>4</sup>		Percent Change in After-Tax Income <sup>5</sup>	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate <sup>6</sup>	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	58.1	8.5	11.1	69.4	-1,200	-168.9	-4.1	-1.7	-10.4	-4.2
Second Quintile	49.5	26.2	3.1	38.9	-770	-35.8	-2.0	4.2	-2.8	5.0
Middle Quintile	65.5	30.0	1.6	25.0	-650	-11.1	-0.7	12.2	-1.4	11.0
Fourth Quintile	66.7	31.1	0.2	3.7	-130	-1.0	1.1	22.1	-0.2	16.5
Top Quintile	7.5	91.9	-1.2	-37.3	1,750	3.7	5.7	62.9	0.9	24.8
All	52.9	29.7	1.2	100.0	-510	-5.7	0.0	100.0	-1.0	16.0
<b>Addendum</b>										
80-90	11.2	88.1	-0.6	-6.9	580	2.5	1.4	17.3	0.5	20.3
90-95	4.4	95.1	-1.1	-7.4	1,390	3.9	1.1	12.1	0.8	22.2
95-99	1.2	98.6	-1.5	-11.1	3,200	4.9	1.5	14.5	1.2	24.9
Top 1 Percent	0.4	99.3	-1.9	-11.8	18,700	3.9	1.8	19.0	1.3	34.2
Top 0.1 Percent	0.2	99.7	-2.0	-5.6	80,930	3.7	0.9	9.6	1.3	36.0

**Baseline Distribution of Income and Federal Taxes**  
**by Expanded Cash Income Percentile Adjusted for Family Size, 2020 <sup>1</sup>**

Expanded Cash Income Percentile <sup>2,3</sup>	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income <sup>5</sup>		Average Federal Tax Rate <sup>6</sup>	
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total		
Lowest Quintile	26,510	29.2	11,550	6.5	710	2.4	10,840	7.4	6.2	
Second Quintile	23,130	25.5	27,490	13.5	2,160	6.2	25,340	15.0	7.8	
Middle Quintile	17,660	19.5	47,500	17.8	5,860	12.9	41,640	18.8	12.3	
Fourth Quintile	13,020	14.4	77,530	21.5	12,950	21.1	64,580	21.5	16.7	
Top Quintile	9,770	10.8	195,740	40.7	46,800	57.1	148,930	37.3	23.9	
All	90,720	100.0	51,860	100.0	8,830	100.0	43,030	100.0	17.0	
<b>Addendum</b>										
80-90	5,430	6.0	118,370	13.7	23,470	15.9	94,910	13.2	19.8	
90-95	2,460	2.7	166,710	8.7	35,660	10.9	131,060	8.3	21.4	
95-99	1,590	1.8	276,570	9.4	65,520	13.0	211,050	8.6	23.7	
Top 1 Percent	290	0.3	1,443,430	8.9	474,470	17.2	968,960	7.2	32.9	
Top 0.1 Percent	30	0.0	6,306,250	4.3	2,189,940	8.7	4,116,310	3.4	34.7	

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

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

(1) Calendar year. Baseline is current law in place for 2020 as of January 1st, 2018. This proposal institutes a Universal Earned Income Tax Credit (UEITC) of 100% on earned income up to \$10,000; raises the Child Tax Credit (CTC) from \$2,000 to \$2,500 and makes it fully refundable; and adds an 11 percent broad base Value Added Tax (VAT). These proposals would begin phasing in on January 1, 2020, and would be fully phased in on January 1, 2023. The maximum UEITC is indexed to per capita GDP after 2023. These estimates are based on an economic forecast that does not include the potential effects of the economic disruption caused by COVID-19.

<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 2017 dollars): 20% \$17,900; 40% \$35,000; 60% \$60,400; 80% \$102,100; 90% \$148,300; 95% \$208,500; 99% \$478,500; 99.9% \$2,151,900.

(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 T20-0207**  
**Implement a Universal Earned Income Tax Credit (UEITC), Expand the Child Tax Credit (CTC), and Institute an 11 Percent Broad Base VAT**  
**Baseline: Current Law**  
**Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2020 <sup>1</sup>**  
**Detail Table - Married Tax Units Filing Jointly**

Expanded Cash Income Percentile <sup>2,3</sup>	Percent of Tax Units <sup>4</sup>		Percent Change in After-Tax Income <sup>5</sup>	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate <sup>6</sup>	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	75.3	6.4	14.1	211.6	-3,120	1,740.4	-0.7	-0.8	-14.2	-15.0
Second Quintile	73.4	13.0	4.7	204.3	-2,180	-69.9	-0.7	0.3	-4.4	1.9
Middle Quintile	78.7	19.0	2.3	274.8	-1,750	-19.1	-0.9	3.9	-2.1	8.8
Fourth Quintile	70.1	29.2	0.9	216.7	-980	-5.1	-0.7	13.7	-0.8	14.1
Top Quintile	29.2	70.5	-1.1	-811.5	3,030	3.4	3.0	82.6	0.8	24.5
All	59.0	37.1	0.1	100.0	-120	-0.3	0.0	100.0	-0.1	20.1
<b>Addendum</b>										
80-90	50.0	49.4	-0.1	-13.9	110	0.3	0.1	15.2	0.1	18.2
90-95	18.2	81.6	-0.6	-91.9	1,360	2.5	0.4	12.9	0.5	20.9
95-99	2.0	97.9	-1.4	-268.4	4,700	4.6	1.0	20.3	1.1	23.6
Top 1 Percent	0.3	99.7	-2.0	-437.3	31,430	4.5	1.6	34.3	1.4	32.3
Top 0.1 Percent	0.1	99.9	-2.1	-198.2	150,690	4.3	0.7	16.3	1.4	34.0

**Baseline Distribution of Income and Federal Taxes**  
**by Expanded Cash Income Percentile Adjusted for Family Size, 2020 <sup>1</sup>**

Expanded Cash Income Percentile <sup>2,3</sup>	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income <sup>5</sup>		Average Federal Tax Rate <sup>6</sup>	
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total		
Lowest Quintile	5,070	8.4	21,990	1.0	-180	0.0	22,170	1.3	-0.8	
Second Quintile	7,010	11.5	49,470	3.1	3,120	1.0	46,350	3.7	6.3	
Middle Quintile	11,750	19.4	83,760	8.9	9,130	4.8	74,620	9.9	10.9	
Fourth Quintile	16,510	27.2	131,020	19.5	19,420	14.3	111,600	20.8	14.8	
Top Quintile	20,010	33.0	375,260	67.8	89,000	79.7	286,250	64.7	23.7	
All	60,750	100.0	182,490	100.0	36,820	100.0	145,670	100.0	20.2	
<b>Addendum</b>										
80-90	9,650	15.9	192,360	16.7	34,990	15.1	157,370	17.2	18.2	
90-95	5,060	8.3	270,510	12.4	55,270	12.5	215,240	12.3	20.4	
95-99	4,270	7.0	449,680	17.3	101,470	19.4	348,210	16.8	22.6	
Top 1 Percent	1,040	1.7	2,275,150	21.4	702,740	32.7	1,572,410	18.5	30.9	
Top 0.1 Percent	100	0.2	10,860,700	9.6	3,543,580	15.6	7,317,120	8.1	32.6	

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

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

(1) Calendar year. Baseline is current law in place for 2020 as of January 1st, 2018. This proposal institutes a Universal Earned Income Tax Credit (UEITC) of 100% on earned income up to \$10,000; raises the Child Tax Credit (CTC) from \$2,000 to \$2,500 and makes it fully refundable; and adds an 11 percent broad base Value Added Tax (VAT). These proposals would begin phasing in on January 1, 2020, and would be fully phased in on January 1, 2023. The maximum UEITC is indexed to per capita GDP after 2023. These estimates are based on an economic forecast that does not include the potential effects of the economic disruption caused by COVID-19.

<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 2017 dollars): 20% \$17,900; 40% \$35,000; 60% \$60,400; 80% \$102,100; 90% \$148,300; 95% \$208,500; 99% \$478,500; 99.9% \$2,151,900.

(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 T20-0207**  
**Implement a Universal Earned Income Tax Credit (UEITC), Expand the Child Tax Credit (CTC), and Institute an 11 Percent Broad Base VAT**  
**Baseline: Current Law**  
**Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2020 <sup>1</sup>**  
**Detail Table - Head of Household Tax Units**

Expanded Cash Income Percentile <sup>2,3</sup>	Percent of Tax Units <sup>4</sup>		Percent Change in After-Tax Income <sup>5</sup>	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate <sup>6</sup>	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	93.6	5.0	12.4	57.3	-2,860	155.1	-19.4	-27.8	-13.5	-22.3
Second Quintile	91.4	8.1	3.9	31.1	-1,650	-94.9	-7.0	0.5	-3.8	0.2
Middle Quintile	90.7	9.2	1.9	15.5	-1,190	-15.1	2.3	25.7	-1.7	9.3
Fourth Quintile	67.1	32.2	0.4	2.9	-400	-2.3	7.8	37.3	-0.4	15.5
Top Quintile	20.8	78.5	-1.1	-7.1	2,110	3.4	16.3	64.3	0.8	24.8
All	85.3	13.9	2.9	100.0	-1,590	-22.8	0.0	100.0	-2.6	8.7
<b>Addendum</b>										
80-90	29.6	69.7	-0.3	-0.9	410	1.3	4.7	19.6	0.3	19.9
90-95	8.4	90.7	-1.0	-1.6	1,820	3.8	3.3	12.8	0.8	22.2
95-99	5.4	93.5	-1.6	-1.7	4,610	4.9	2.9	11.0	1.2	26.3
Top 1 Percent	0.2	99.7	-2.1	-2.9	38,620	4.3	5.4	20.8	1.4	33.7
Top 0.1 Percent	0.8	99.2	-2.0	-1.6	203,390	4.0	3.2	12.6	1.3	34.8

**Baseline Distribution of Income and Federal Taxes**  
**by Expanded Cash Income Percentile Adjusted for Family Size, 2020 <sup>1</sup>**

Expanded Cash Income Percentile <sup>2,3</sup>	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income <sup>5</sup>		Average Federal Tax Rate <sup>6</sup>	
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total		
Lowest Quintile	7,550	31.9	21,130	10.9	-1,840	-8.4	22,980	13.4	-8.7	
Second Quintile	7,120	30.1	43,570	21.2	1,740	7.5	41,830	23.0	4.0	
Middle Quintile	4,890	20.7	72,170	24.1	7,890	23.3	64,280	24.2	10.9	
Fourth Quintile	2,780	11.8	110,960	21.1	17,560	29.5	93,400	20.0	15.8	
Top Quintile	1,260	5.4	262,410	22.7	62,860	48.0	199,550	19.4	24.0	
All	23,640	100.0	61,870	100.0	7,000	100.0	54,870	100.0	11.3	
<b>Addendum</b>										
80-90	770	3.3	163,110	8.6	32,110	14.9	131,000	7.8	19.7	
90-95	330	1.4	226,900	5.0	48,620	9.6	178,290	4.5	21.4	
95-99	140	0.6	379,010	3.7	95,120	8.1	283,890	3.1	25.1	
Top 1 Percent	30	0.1	2,766,150	5.4	894,290	15.4	1,871,860	4.1	32.3	
Top 0.1 Percent	*	0.0	15,324,570	3.2	5,131,590	9.3	10,192,980	2.4	33.5	

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

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

(1) Calendar year. Baseline is current law in place for 2020 as of January 1st, 2018. This proposal institutes a Universal Earned Income Tax Credit (UEITC) of 100% on earned income up to \$10,000; raises the Child Tax Credit (CTC) from \$2,000 to \$2,500 and makes it fully refundable; and adds an 11 percent broad base Value Added Tax (VAT). These proposals would begin phasing in on January 1, 2020, and would be fully phased in on January 1, 2023. The maximum UEITC is indexed to per capita GDP after 2023. These estimates are based on an economic forecast that does not include the potential effects of the economic disruption caused by COVID-19.

<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 2017 dollars): 20% \$17,900; 40% \$35,000; 60% \$60,400; 80% \$102,100; 90% \$148,300; 95% \$208,500; 99% \$478,500; 99.9% \$2,151,900.

(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 T20-0207**  
**Implement a Universal Earned Income Tax Credit (UEITC), Expand the Child Tax Credit (CTC), and Institute an 11 Percent Broad Base VAT**  
**Baseline: Current Law**  
**Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2020 <sup>1</sup>**  
**Detail Table - Tax Units with Children**

Expanded Cash Income Percentile <sup>2,3</sup>	Percent of Tax Units <sup>4</sup>		Percent Change in After-Tax Income <sup>5</sup>	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate <sup>6</sup>	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	95.1	4.3	13.8	57.7	-3,310	182.6	-3.1	-4.6	-15.0	-23.2
Second Quintile	93.2	6.6	4.7	37.2	-2,170	-98.8	-1.8	0.0	-4.5	0.1
Middle Quintile	94.1	5.9	2.6	32.7	-2,000	-19.7	-1.3	6.9	-2.3	9.4
Fourth Quintile	82.2	17.5	1.1	20.7	-1,350	-5.8	-0.2	17.2	-0.9	15.2
Top Quintile	33.4	66.2	-1.1	-49.2	3,460	3.3	6.4	80.3	0.8	25.5
All	81.2	18.5	1.1	100.0	-1,240	-4.9	0.0	100.0	-0.9	17.8
<b>Addendum</b>										
80-90	53.5	45.9	0.1	0.8	-120	-0.3	0.7	15.4	-0.1	19.3
90-95	24.4	75.3	-0.5	-4.7	1,310	2.0	0.8	12.4	0.4	21.6
95-99	2.4	97.5	-1.5	-16.5	5,930	4.7	1.7	18.9	1.1	24.9
Top 1 Percent	0.1	99.9	-2.2	-28.8	39,810	4.6	3.1	33.6	1.5	33.1
Top 0.1 Percent	0.1	99.9	-2.2	-12.7	175,790	4.4	1.4	15.5	1.5	34.2

**Baseline Distribution of Income and Federal Taxes**  
**by Expanded Cash Income Percentile Adjusted for Family Size, 2020 <sup>1</sup>**

Expanded Cash Income Percentile <sup>2,3</sup>	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income <sup>5</sup>		Average Federal Tax Rate <sup>6</sup>	
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total		
Lowest Quintile	11,650	21.6	22,140	3.5	-1,810	-1.6	23,960	4.7	-8.2	
Second Quintile	11,450	21.2	48,190	7.6	2,200	1.9	45,990	8.9	4.6	
Middle Quintile	10,960	20.3	86,480	13.0	10,120	8.1	76,370	14.1	11.7	
Fourth Quintile	10,220	18.9	144,050	20.2	23,210	17.4	120,840	20.8	16.1	
Top Quintile	9,500	17.6	429,390	56.0	106,030	74.0	323,360	51.9	24.7	
All	54,010	100.0	134,950	100.0	25,230	100.0	109,720	100.0	18.7	
<b>Addendum</b>										
80-90	4,760	8.8	218,210	14.3	42,140	14.7	176,080	14.2	19.3	
90-95	2,400	4.4	310,410	10.2	65,750	11.6	244,660	9.9	21.2	
95-99	1,860	3.5	529,730	13.5	125,750	17.2	403,990	12.7	23.7	
Top 1 Percent	480	0.9	2,708,060	18.0	857,560	30.5	1,850,500	15.1	31.7	
Top 0.1 Percent	50	0.1	12,160,860	8.1	3,977,980	14.2	8,182,880	6.7	32.7	

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

\* 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 in place for 2020 as of January 1st, 2018. This proposal institutes a Universal Earned Income Tax Credit (UEITC) of 100% on earned income up to \$10,000; raises the Child Tax Credit (CTC) from \$2,000 to \$2,500 and makes it fully refundable; and adds an 11 percent broad base Value Added Tax (VAT). These proposals would begin phasing in on January 1, 2020, and would be fully phased in on January 1, 2023. The maximum UEITC is indexed to per capita GDP after 2023. These estimates are based on an economic forecast that does not include the potential effects of the economic disruption caused by COVID-19.

<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 2017 dollars): 20% \$17,900; 40% \$35,000; 60% \$60,400; 80% \$102,100; 90% \$148,300; 95% \$208,500; 99% \$478,500; 99.9% \$2,151,900.

(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 T20-0207**  
**Implement a Universal Earned Income Tax Credit (UEITC), Expand the Child Tax Credit (CTC), and Institute an 11 Percent Broad Base VAT**  
**Baseline: Current Law**  
**Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2020 <sup>1</sup>**  
**Detail Table - Elderly Tax Units**

Expanded Cash Income Percentile <sup>2,3</sup>	Percent of Tax Units <sup>4</sup>		Percent Change in After-Tax Income <sup>5</sup>	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate <sup>6</sup>	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	12.7	18.9	2.1	-15.7	-280	-131.3	-0.4	-0.1	-2.0	-0.5
Second Quintile	13.6	43.3	0.8	-19.9	-220	-31.3	-0.5	1.0	-0.7	1.6
Middle Quintile	28.1	63.7	0.3	-12.4	-170	-5.6	-0.4	4.6	-0.3	5.2
Fourth Quintile	36.1	61.8	-0.2	9.0	150	1.5	-0.1	13.0	0.2	10.6
Top Quintile	17.7	81.8	-1.2	137.7	2,710	3.9	1.3	80.9	0.9	23.6
All	21.3	53.0	-0.4	100.0	300	2.3	0.0	100.0	0.4	15.9
<b>Addendum</b>										
80-90	26.5	72.9	-0.6	18.8	730	3.3	0.1	13.2	0.5	15.6
90-95	15.1	84.3	-0.9	19.5	1,550	4.0	0.2	11.1	0.7	18.8
95-99	2.2	97.4	-1.2	32.8	3,320	4.3	0.4	17.4	0.9	22.2
Top 1 Percent	0.8	99.0	-1.8	66.7	25,780	3.9	0.6	39.2	1.2	32.5
Top 0.1 Percent	0.1	99.9	-1.9	36.5	119,040	3.8	0.3	22.0	1.3	34.4

**Baseline Distribution of Income and Federal Taxes**  
**by Expanded Cash Income Percentile Adjusted for Family Size, 2020 <sup>1</sup>**

Expanded Cash Income Percentile <sup>2,3</sup>	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income <sup>5</sup>		Average Federal Tax Rate <sup>6</sup>	
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total		
Lowest Quintile	7,770	16.7	13,970	2.7	220	0.3	13,760	3.2	1.6	
Second Quintile	12,890	27.6	29,390	9.4	700	1.4	28,700	10.9	2.4	
Middle Quintile	10,170	21.8	55,410	14.0	3,070	5.0	52,340	15.7	5.5	
Fourth Quintile	8,230	17.6	95,760	19.6	9,970	13.1	85,790	20.8	10.4	
Top Quintile	7,180	15.4	305,050	54.5	69,380	79.6	235,670	49.9	22.7	
All	46,670	100.0	86,090	100.0	13,410	100.0	72,680	100.0	15.6	
<b>Addendum</b>										
80-90	3,640	7.8	148,180	13.4	22,440	13.1	125,740	13.5	15.1	
90-95	1,780	3.8	211,430	9.4	38,230	10.9	173,200	9.1	18.1	
95-99	1,390	3.0	361,100	12.5	76,730	17.1	284,370	11.7	21.3	
Top 1 Percent	370	0.8	2,112,820	19.2	661,550	38.6	1,451,270	15.6	31.3	
Top 0.1 Percent	40	0.1	9,440,040	10.2	3,131,600	21.7	6,308,450	8.1	33.2	

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

\* 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 in place for 2020 as of January 1st, 2018. This proposal institutes a Universal Earned Income Tax Credit (UEITC) of 100% on earned income up to \$10,000; raises the Child Tax Credit (CTC) from \$2,000 to \$2,500 and makes it fully refundable; and adds an 11 percent broad base Value Added Tax (VAT). These proposals would begin phasing in on January 1, 2020, and would be fully phased in on January 1, 2023. The maximum UEITC is indexed to per capita GDP after 2023. These estimates are based on an economic forecast that does not include the potential effects of the economic disruption caused by COVID-19.

<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 2017 dollars): 20% \$17,900; 40% \$35,000; 60% \$60,400; 80% \$102,100; 90% \$148,300; 95% \$208,500; 99% \$478,500; 99.9% \$2,151,900.

(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.