

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

Table T20-0209
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, 2023 ¹
Summary Table

Expanded Cash Income Percentile ^{2,3}	Tax Units with Tax Increase or Cut ⁴				Percent Change in After-Tax Income ⁵	Share of Total Federal Tax Change	Average Federal Tax Change (\$)	Average Federal Tax Rate ⁶	
	With Tax Cut		With Tax Increase					Change (%) Points)	Under the Proposal
	Pct of Tax Units	Avg Tax Change (\$)	Pct of Tax Units	Avg Tax Change (\$)					
Lowest Quintile	61.1	-5,760	15.0	480	20.4	5,056.6	-3,450	-19.6	-15.7
Second Quintile	66.5	-5,190	25.7	1,130	7.9	3,821.6	-3,160	-7.3	0.5
Middle Quintile	73.8	-3,850	24.8	2,710	3.1	2,282.5	-2,170	-2.7	10.1
Fourth Quintile	44.3	-4,790	55.3	3,290	0.3	263.1	-300	-0.2	15.8
Top Quintile	15.5	-2,230	84.4	18,370	-4.9	-11,302.9	15,150	3.7	28.0
All	55.6	-4,850	35.6	7,520	0.0	100.0	-20	0.0	18.7
Addendum									
80-90	28.3	-2,210	71.5	5,570	-2.0	-1,289.8	3,360	1.6	20.5
90-95	3.2	-2,440	96.8	9,630	-3.9	-1,706.2	9,250	3.1	24.1
95-99	0.7	-3,150	99.3	22,230	-5.6	-3,139.7	22,040	4.3	27.5
Top 1 Percent	0.3	-2,980	99.7	149,170	-7.6	-5,167.2	148,670	5.2	36.8
Top 0.1 Percent	0.1	-2,440	99.9	667,530	-7.7	-2,363.5	666,900	5.2	37.8

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 2023 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% \$27,000; 40% \$53,500; 60% \$95,100; 80% \$172,500; 90% \$251,600; 95% \$357,700; 99% \$864,000; 99.9% \$3,751,100.

(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 T20-0209
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, 2023 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 (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	61.1	15.0	20.4	5,056.6	-3,450	-500.8	-4.6	-3.7	-19.6	-15.7
Second Quintile	66.5	25.7	7.9	3,821.6	-3,160	-93.4	-3.5	0.3	-7.3	0.5
Middle Quintile	73.8	24.8	3.1	2,282.5	-2,170	-21.3	-2.1	7.7	-2.7	10.1
Fourth Quintile	44.3	55.3	0.3	263.1	-300	-1.4	-0.2	17.0	-0.2	15.8
Top Quintile	15.5	84.4	-4.9	-11,302.9	15,150	15.1	10.4	78.5	3.7	28.0
All	55.6	35.6	0.0	100.0	-20	-0.1	0.0	100.0	0.0	18.7
Addendum										
80-90	28.3	71.5	-2.0	-1,289.8	3,360	8.5	1.2	15.0	1.6	20.5
90-95	3.2	96.8	-3.9	-1,706.2	9,250	14.7	1.6	12.1	3.1	24.1
95-99	0.7	99.3	-5.6	-3,139.7	22,040	18.7	2.9	18.2	4.3	27.5
Top 1 Percent	0.3	99.7	-7.6	-5,167.2	148,670	16.6	4.7	33.2	5.2	36.8
Top 0.1 Percent	0.1	99.9	-7.7	-2,363.5	666,900	16.0	2.2	15.6	5.2	37.8

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile, 2023 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	49,540	27.2	17,610	4.4	690	0.9	16,920	5.2	3.9	
Second Quintile	40,840	22.5	43,510	9.0	3,390	3.7	40,120	10.2	7.8	
Middle Quintile	35,530	19.5	79,420	14.3	10,220	9.8	69,210	15.3	12.9	
Fourth Quintile	29,590	16.3	134,840	20.2	21,550	17.2	113,290	20.8	16.0	
Top Quintile	25,220	13.9	411,500	52.4	100,170	68.1	311,320	48.8	24.3	
All	181,850	100.0	108,880	100.0	20,400	100.0	88,480	100.0	18.7	
Addendum										
80-90	12,990	7.1	209,620	13.8	39,540	13.9	170,080	13.7	18.9	
90-95	6,240	3.4	298,870	9.4	62,720	10.6	236,150	9.2	21.0	
95-99	4,820	2.7	508,360	12.4	117,720	15.3	390,640	11.7	23.2	
Top 1 Percent	1,180	0.7	2,843,970	16.9	897,340	28.4	1,946,630	14.2	31.6	
Top 0.1 Percent	120	0.1	12,786,600	7.7	4,160,280	13.4	8,626,310	6.4	32.5	

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 2023 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% \$27,000; 40% \$53,500; 60% \$95,100; 80% \$172,500; 90% \$251,600; 95% \$357,700; 99% \$864,000; 99.9% \$3,751,100.

(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 T20-0209
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, 2023 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 (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	70.0	9.6	24.1	4,596.4	-3,910	-2,416.3	-4.2	-4.0	-23.8	-22.8
Second Quintile	60.9	23.3	9.3	3,842.8	-3,330	-126.4	-3.5	-0.7	-8.7	-1.8
Middle Quintile	69.3	27.6	4.5	2,991.1	-2,810	-35.0	-2.7	5.1	-4.0	7.5
Fourth Quintile	59.5	39.9	0.6	636.2	-640	-3.5	-0.6	15.9	-0.5	14.9
Top Quintile	12.8	87.0	-4.7	-11,945.6	12,540	15.0	11.0	83.5	3.6	27.6
All	55.6	35.6	0.0	100.0	-20	-0.1	0.0	100.0	0.0	18.7
Addendum										
80-90	22.0	77.7	-2.0	-1,387.2	2,860	8.5	1.3	16.1	1.6	20.2
90-95	5.2	94.6	-3.7	-1,783.2	7,430	14.1	1.6	13.2	2.9	23.6
95-99	1.2	98.8	-5.6	-3,444.8	18,570	18.6	3.2	20.0	4.3	27.3
Top 1 Percent	0.3	99.6	-7.6	-5,330.4	128,710	16.6	4.9	34.2	5.2	36.5
Top 0.1 Percent	0.1	99.9	-7.7	-2,455.9	588,040	16.0	2.3	16.3	5.2	37.8

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2023 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	39,750	21.9	16,410	3.3	160	0.2	16,250	4.0	1.0	
Second Quintile	38,980	21.4	38,460	7.6	2,640	2.8	35,820	8.7	6.9	
Middle Quintile	35,940	19.8	69,960	12.7	8,040	7.8	61,930	13.8	11.5	
Fourth Quintile	33,840	18.6	117,010	20.0	18,070	16.5	98,940	20.8	15.4	
Top Quintile	32,190	17.7	348,260	56.6	83,550	72.5	264,710	53.0	24.0	
All	181,850	100.0	108,880	100.0	20,400	100.0	88,480	100.0	18.7	
Addendum										
80-90	16,410	9.0	179,500	14.9	33,460	14.8	146,040	14.9	18.6	
90-95	8,110	4.5	255,250	10.5	52,740	11.5	202,510	10.2	20.7	
95-99	6,270	3.5	433,690	13.7	99,660	16.9	334,030	13.0	23.0	
Top 1 Percent	1,400	0.8	2,482,760	17.6	776,990	29.3	1,705,770	14.8	31.3	
Top 0.1 Percent	140	0.1	11,322,140	8.1	3,686,310	14.0	7,635,830	6.7	32.6	

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 2023 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% \$18,700; 40% \$36,400; 60% \$62,700; 80% \$105,600; 90% \$152,800; 95% \$215,300; 99% \$497,600; 99.9% \$2,171,100.

(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 T20-0209
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, 2023 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 (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	60.3	12.3	27.6	73.8	-3,280	-400.0	-10.7	-8.3	-25.8	-19.3
Second Quintile	46.5	31.9	9.2	54.1	-2,600	-114.2	-7.2	-1.0	-8.5	-1.1
Middle Quintile	61.7	34.1	4.6	33.2	-2,140	-34.3	-3.1	9.5	-4.1	7.8
Fourth Quintile	63.9	35.0	0.4	2.9	-250	-1.8	2.7	23.6	-0.3	16.2
Top Quintile	6.5	93.2	-4.5	-63.8	7,410	14.4	18.1	75.9	3.4	27.3
All	51.5	34.0	2.6	100.0	-1,260	-13.0	0.0	100.0	-2.2	14.6
Addendum										
80-90	9.6	90.2	-2.5	-12.5	2,610	10.2	4.2	20.1	2.0	21.8
90-95	4.1	95.4	-4.0	-12.2	5,690	14.9	3.4	14.1	3.1	24.3
95-99	0.9	99.0	-5.6	-18.3	12,810	18.1	4.7	17.8	4.3	28.0
Top 1 Percent	0.4	99.3	-7.2	-20.8	83,460	15.0	5.8	23.8	4.9	37.3
Top 0.1 Percent	0.2	99.6	-7.2	-9.8	361,040	14.3	2.8	11.7	4.8	38.3

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2023 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	25,970	28.3	12,720	6.3	820	2.4	11,900	7.0	6.4	
Second Quintile	24,040	26.2	30,600	13.9	2,270	6.2	28,330	15.5	7.4	
Middle Quintile	17,910	19.5	52,670	17.9	6,230	12.6	46,440	18.9	11.8	
Fourth Quintile	13,260	14.5	84,620	21.3	13,970	20.9	70,660	21.3	16.5	
Top Quintile	9,930	10.8	216,270	40.7	51,600	57.7	164,670	37.2	23.9	
All	91,750	100.0	57,560	100.0	9,680	100.0	47,880	100.0	16.8	
Addendum										
80-90	5,520	6.0	129,350	13.5	25,540	15.9	103,800	13.0	19.8	
90-95	2,470	2.7	181,000	8.5	38,270	10.7	142,730	8.0	21.1	
95-99	1,650	1.8	298,690	9.3	70,680	13.1	228,010	8.6	23.7	
Top 1 Percent	290	0.3	1,717,710	9.3	557,720	18.0	1,159,990	7.6	32.5	
Top 0.1 Percent	30	0.0	7,523,340	4.5	2,518,680	8.9	5,004,660	3.6	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 2023 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% \$18,700; 40% \$36,400; 60% \$62,700; 80% \$105,600; 90% \$152,800; 95% \$215,300; 99% \$497,600; 99.9% \$2,171,100.

(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 T20-0209
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, 2023 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 (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	76.3	6.9	22.5	-17.1	-5,480	4,136.9	-1.1	-1.1	-22.7	-23.2
Second Quintile	73.8	13.1	10.2	-22.2	-5,210	-133.8	-1.5	-0.4	-9.5	-2.4
Middle Quintile	72.0	25.2	4.9	-28.6	-4,000	-39.4	-2.1	2.8	-4.3	6.7
Fourth Quintile	59.3	40.4	1.0	-12.0	-1,210	-5.7	-1.6	12.4	-0.9	13.9
Top Quintile	16.5	83.4	-4.8	179.4	15,050	15.1	6.3	86.0	3.6	27.6
All	50.9	45.4	-1.7	100.0	2,730	6.7	0.0	100.0	1.4	21.7
Addendum										
80-90	30.6	69.2	-1.7	16.5	2,870	7.6	0.1	14.7	1.4	19.5
90-95	5.8	94.2	-3.5	24.8	8,140	13.6	0.8	13.0	2.8	23.2
95-99	1.1	98.9	-5.5	53.2	20,980	18.8	2.2	21.2	4.3	27.1
Top 1 Percent	0.3	99.7	-7.6	85.0	139,020	16.9	3.2	37.1	5.2	36.3
Top 0.1 Percent	*	100.0	-7.8	38.0	653,990	16.3	1.4	17.1	5.3	37.7

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2023 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	5,310	8.5	24,190	1.0	-130	0.0	24,320	1.3	-0.6	
Second Quintile	7,270	11.7	55,160	3.2	3,900	1.1	51,270	3.7	7.1	
Middle Quintile	12,180	19.5	92,110	9.0	10,160	4.9	81,950	10.0	11.0	
Fourth Quintile	16,920	27.1	142,810	19.4	21,130	14.1	121,680	20.7	14.8	
Top Quintile	20,340	32.6	415,940	67.7	99,610	79.7	316,330	64.7	24.0	
All	62,390	100.0	200,190	100.0	40,720	100.0	159,470	100.0	20.3	
Addendum										
80-90	9,780	15.7	209,450	16.4	38,010	14.6	171,440	16.8	18.2	
90-95	5,200	8.3	292,370	12.2	59,720	12.2	232,650	12.2	20.4	
95-99	4,320	6.9	491,310	17.0	111,920	19.0	379,390	16.5	22.8	
Top 1 Percent	1,040	1.7	2,653,770	22.2	824,410	33.9	1,829,370	19.2	31.1	
Top 0.1 Percent	100	0.2	12,407,360	9.8	4,021,850	15.7	8,385,520	8.3	32.4	

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 2023 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% \$18,700; 40% \$36,400; 60% \$62,700; 80% \$105,600; 90% \$152,800; 95% \$215,300; 99% \$497,600; 99.9% \$2,171,100.

(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 T20-0209
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, 2023 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 (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	96.3	2.5	19.3	64.9	-4,840	260.4	-33.0	-40.8	-20.8	-28.8
Second Quintile	94.2	5.5	8.2	43.9	-3,760	-158.4	-16.0	-7.4	-7.8	-2.9
Middle Quintile	87.5	12.4	3.3	19.4	-2,340	-25.7	1.9	25.6	-2.9	8.5
Fourth Quintile	37.7	62.1	-0.9	-4.3	900	4.7	15.0	43.7	0.7	16.6
Top Quintile	5.9	93.8	-5.0	-24.2	10,780	16.2	32.2	78.8	3.8	27.5
All	82.0	17.5	4.1	100.0	-2,470	-31.2	0.0	100.0	-3.6	8.0
Addendum										
80-90	6.8	93.2	-3.2	-6.1	4,510	13.0	9.4	24.1	2.6	22.1
90-95	4.7	94.5	-5.1	-5.3	9,840	17.9	6.6	15.7	3.9	26.0
95-99	4.9	94.3	-5.9	-5.1	16,580	18.8	6.1	14.6	4.5	28.5
Top 1 Percent	0.2	99.8	-7.8	-7.7	162,470	16.7	10.1	24.5	5.3	37.1
Top 0.1 Percent	0.9	99.2	-7.6	-4.2	829,660	15.9	5.6	13.9	5.2	37.6

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2023 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	8,020	33.1	23,310	11.4	-1,860	-7.8	25,170	13.9	-8.0	
Second Quintile	7,000	28.9	48,440	20.6	2,370	8.7	46,070	22.2	4.9	
Middle Quintile	4,980	20.6	79,630	24.1	9,110	23.7	70,530	24.1	11.4	
Fourth Quintile	2,850	11.8	121,530	21.0	19,330	28.7	102,200	20.0	15.9	
Top Quintile	1,340	5.5	281,280	22.9	66,640	46.7	214,640	19.8	23.7	
All	24,220	100.0	67,960	100.0	7,910	100.0	60,050	100.0	11.6	
Addendum										
80-90	810	3.4	176,780	8.7	34,590	14.6	142,200	7.9	19.6	
90-95	320	1.3	249,950	4.9	55,050	9.2	194,900	4.3	22.0	
95-99	180	0.8	367,350	4.1	88,110	8.4	279,230	3.5	24.0	
Top 1 Percent	30	0.1	3,053,640	5.3	970,950	14.4	2,082,700	4.1	31.8	
Top 0.1 Percent	*	0.0	16,122,860	3.0	5,227,990	8.2	10,894,860	2.3	32.4	

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 2023 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% \$18,700; 40% \$36,400; 60% \$62,700; 80% \$105,600; 90% \$152,800; 95% \$215,300; 99% \$497,600; 99.9% \$2,171,100.

(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 T20-0209
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, 2023 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 (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	97.6	2.1	20.6	-699.3	-5,400	290.3	-4.2	-5.6	-22.1	-29.8
Second Quintile	95.1	4.8	9.7	-595.3	-4,910	-162.4	-3.6	-1.4	-9.1	-3.5
Middle Quintile	88.0	11.9	4.9	-489.7	-4,140	-35.9	-3.0	5.2	-4.3	7.8
Fourth Quintile	59.3	40.5	0.7	-100.4	-920	-3.6	-0.7	16.2	-0.6	15.7
Top Quintile	8.1	91.8	-5.4	1,988.7	19,330	16.1	11.4	85.4	4.1	29.1
All	72.1	27.7	-0.1	100.0	170	0.6	0.0	100.0	0.1	19.2
Addendum										
80-90	15.1	84.8	-2.3	227.5	4,420	9.5	1.3	15.6	1.9	21.4
90-95	1.6	98.3	-4.1	283.8	10,820	15.2	1.6	12.9	3.2	24.6
95-99	0.6	99.3	-6.3	551.5	27,820	19.8	3.2	19.9	4.8	28.9
Top 1 Percent	0.1	99.9	-8.2	925.9	171,740	17.5	5.3	37.1	5.6	37.4
Top 0.1 Percent	0.1	99.9	-8.2	403.2	747,670	17.1	2.3	16.5	5.5	37.9

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2023 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	12,170	22.2	24,390	3.6	-1,860	-1.5	26,250	4.8	-7.6	
Second Quintile	11,380	20.8	53,820	7.5	3,030	2.2	50,790	8.7	5.6	
Middle Quintile	11,100	20.2	95,450	13.0	11,540	8.2	83,910	14.1	12.1	
Fourth Quintile	10,310	18.8	157,350	19.8	25,590	16.9	131,760	20.5	16.3	
Top Quintile	9,670	17.6	477,470	56.4	119,700	74.0	357,770	52.3	25.1	
All	54,840	100.0	149,170	100.0	28,510	100.0	120,660	100.0	19.1	
Addendum										
80-90	4,830	8.8	237,800	14.1	46,370	14.3	191,430	14.0	19.5	
90-95	2,470	4.5	333,670	10.1	71,190	11.2	262,470	9.8	21.3	
95-99	1,860	3.4	581,690	13.2	140,400	16.7	441,290	12.4	24.1	
Top 1 Percent	510	0.9	3,081,390	19.1	979,530	31.7	2,101,860	16.1	31.8	
Top 0.1 Percent	50	0.1	13,526,530	8.4	4,380,270	14.2	9,146,250	7.0	32.4	

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 2023 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 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% \$18,700; 40% \$36,400; 60% \$62,700; 80% \$105,600; 90% \$152,800; 95% \$215,300; 99% \$497,600; 99.9% \$2,171,100.

(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 T20-0209
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, 2023 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 (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	14.3	27.2	3.9	-5.0	-590	-237.4	-0.6	-0.3	-3.9	-2.2
Second Quintile	12.8	49.8	1.1	-5.6	-360	-49.7	-0.8	0.6	-1.1	1.1
Middle Quintile	24.7	67.5	-0.1	0.4	30	0.9	-0.5	4.6	0.1	5.4
Fourth Quintile	32.6	66.3	-1.3	12.1	1,250	11.6	-0.1	13.1	1.2	11.5
Top Quintile	13.9	85.8	-4.5	97.0	11,810	15.6	2.0	81.4	3.5	26.1
All	19.4	58.6	-2.3	100.0	1,830	12.8	0.0	100.0	2.0	17.2
Addendum										
80-90	21.9	77.9	-2.6	14.7	3,530	14.7	0.2	13.0	2.2	17.1
90-95	10.2	89.1	-3.6	13.6	6,770	16.5	0.4	10.9	2.9	20.7
95-99	1.6	98.3	-4.6	22.9	13,900	17.2	0.7	17.6	3.6	24.5
Top 1 Percent	0.6	99.2	-6.7	45.9	113,470	14.9	0.8	39.9	4.6	35.7
Top 0.1 Percent	0.0	100.0	-7.1	24.4	519,140	14.7	0.4	21.6	4.8	37.3

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2023 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	7,960	15.6	15,310	2.5	250	0.3	15,060	2.9	1.6	
Second Quintile	14,480	28.4	32,850	9.9	730	1.4	32,120	11.4	2.2	
Middle Quintile	11,410	22.4	61,120	14.5	3,280	5.1	57,840	16.2	5.4	
Fourth Quintile	9,050	17.7	104,560	19.7	10,730	13.2	93,830	20.9	10.3	
Top Quintile	7,690	15.1	335,750	53.7	75,750	79.4	260,000	49.1	22.6	
All	51,020	100.0	94,160	100.0	14,380	100.0	79,790	100.0	15.3	
Addendum										
80-90	3,890	7.6	161,540	13.1	24,040	12.8	137,490	13.1	14.9	
90-95	1,880	3.7	230,450	9.0	41,030	10.5	189,420	8.8	17.8	
95-99	1,540	3.0	385,850	12.4	80,770	16.9	305,090	11.5	20.9	
Top 1 Percent	380	0.7	2,447,470	19.3	759,850	39.2	1,687,620	15.7	31.1	
Top 0.1 Percent	40	0.1	10,890,540	10.0	3,537,490	21.2	7,353,050	8.0	32.5	

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.

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(4) Includes tax units with a change in federal tax burden of \$10 or more in absolute value.

(5) After-tax income is expanded cash income less: individual income tax net of refundable credits; corporate income tax; payroll taxes (Social Security and Medicare); estate tax; and excise taxes.

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