

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

Table T20-0212
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, 2028 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	61.6	-6,400	15.2	600	19.0	-797.0	-3,850	-18.2	-13.8
Second Quintile	63.7	-6,040	27.7	1,390	7.3	-607.2	-3,470	-6.6	2.4
Middle Quintile	72.6	-4,450	25.9	3,170	3.0	-367.8	-2,410	-2.6	11.3
Fourth Quintile	43.6	-5,420	56.1	3,540	0.3	-46.9	-370	-0.2	16.7
Top Quintile	14.9	-2,460	85.0	21,600	-4.9	1,914.8	17,990	3.6	29.7
All	54.7	-5,520	36.6	8,610	-0.1	100.0	130	0.1	20.2
Addendum									
80-90	26.8	-2,420	72.9	6,290	-2.0	217.9	3,940	1.6	21.4
90-95	2.8	-2,940	97.1	10,370	-3.8	257.7	9,990	3.0	24.6
95-99	1.3	-3,650	98.7	25,320	-5.7	506.1	24,940	4.2	29.8
Top 1 Percent	0.4	-2,940	99.6	186,280	-7.4	933.1	185,460	4.9	37.9
Top 0.1 Percent	*	**	99.9	820,280	-7.3	415.4	819,750	4.9	37.9

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

Number of AMT Taxpayers (millions). Baseline: 6

Proposal: 6.1

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

(1) Calendar year. Baseline is current law in place for 2028 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% \$29,300; 40% \$57,600; 60% \$101,200; 80% \$180,500; 90% \$260,300; 95% \$373,600; 99% \$898,900; 99.9% \$4,085,100.

(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 T20-0212
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, 2028¹
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	61.6	15.2	19.0	-797.0	-3,850	-416.1	-4.0	-3.0	-18.2	-13.8
Second Quintile	63.7	27.7	7.3	-607.2	-3,470	-73.3	-3.0	1.1	-6.6	2.4
Middle Quintile	72.6	25.9	3.0	-367.8	-2,410	-18.6	-1.9	8.0	-2.6	11.3
Fourth Quintile	43.6	56.1	0.3	-46.9	-370	-1.4	-0.3	16.1	-0.2	16.7
Top Quintile	14.9	85.0	-4.9	1,914.8	17,990	13.9	9.1	77.7	3.6	29.7
All	54.7	36.6	-0.1	100.0	130	0.5	0.0	100.0	0.1	20.2
Addendum										
80-90	26.8	72.9	-2.0	217.9	3,940	8.3	1.0	14.1	1.6	21.4
90-95	2.8	97.1	-3.8	257.7	9,990	13.9	1.2	10.5	3.0	24.6
95-99	1.3	98.7	-5.7	506.1	24,940	16.5	2.4	17.7	4.2	29.8
Top 1 Percent	0.4	99.6	-7.4	933.1	185,460	15.0	4.5	35.5	4.9	37.9
Top 0.1 Percent	*	99.9	-7.3	415.4	819,750	15.0	2.0	15.8	4.9	37.9

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile, 2028¹

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	50,420	26.8	21,150	4.4	930	1.0	20,220	5.3	4.4	
Second Quintile	42,640	22.7	52,420	9.2	4,730	4.1	47,690	10.5	9.0	
Middle Quintile	37,130	19.8	93,750	14.3	12,990	9.9	80,770	15.4	13.9	
Fourth Quintile	30,560	16.3	155,040	19.5	26,240	16.4	128,800	20.3	16.9	
Top Quintile	25,930	13.8	495,740	52.8	129,410	68.6	366,330	48.9	26.1	
All	187,860	100.0	129,470	100.0	26,050	100.0	103,430	100.0	20.1	
Addendum										
80-90	13,480	7.2	240,900	13.4	47,580	13.1	193,310	13.4	19.8	
90-95	6,280	3.3	332,410	8.6	71,910	9.2	260,500	8.4	21.6	
95-99	4,940	2.6	589,450	12.0	150,820	15.2	438,640	11.2	25.6	
Top 1 Percent	1,230	0.7	3,758,630	18.9	1,238,000	31.0	2,520,620	15.9	32.9	
Top 0.1 Percent	120	0.1	16,646,460	8.4	5,482,390	13.8	11,164,070	7.1	32.9	

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

Number of AMT Taxpayers (millions). Baseline: 6 Proposal: 6.1

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

(1) Calendar year. Baseline is current law in place for 2028 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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(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 T20-0212
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, 2028 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	71.1	9.5	22.7	-726.5	-4,360	-944.6	-3.6	-3.2	-22.1	-19.8
Second Quintile	59.0	24.5	8.8	-624.8	-3,770	-101.2	-3.1	0.0	-8.1	-0.1
Middle Quintile	67.5	29.1	4.2	-466.5	-3,040	-29.0	-2.4	5.7	-3.7	8.9
Fourth Quintile	57.0	42.4	0.5	-78.1	-540	-2.5	-0.5	15.3	-0.4	15.9
Top Quintile	13.4	86.4	-4.7	1,991.8	14,580	13.6	9.5	82.1	3.5	29.2
All	54.7	36.6	-0.1	100.0	130	0.5	0.0	100.0	0.1	20.2
Addendum										
80-90	22.0	77.8	-2.0	229.3	3,300	8.3	1.1	14.8	1.6	21.1
90-95	7.0	92.7	-3.4	262.0	7,540	12.4	1.3	11.8	2.7	24.0
95-99	1.9	98.0	-5.5	545.7	20,530	16.4	2.6	19.2	4.1	29.3
Top 1 Percent	0.4	99.5	-7.3	954.7	165,820	15.0	4.6	36.3	4.9	37.7
Top 0.1 Percent	0.1	99.9	-7.3	434.9	727,570	14.8	2.1	16.7	4.9	37.9

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2028 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	40,610	21.6	19,680	3.3	460	0.4	19,220	4.0	2.3	
Second Quintile	40,390	21.5	46,470	7.7	3,720	3.1	42,750	8.9	8.0	
Middle Quintile	37,380	19.9	83,160	12.8	10,470	8.0	72,690	14.0	12.6	
Fourth Quintile	35,040	18.7	135,630	19.5	22,050	15.8	113,580	20.5	16.3	
Top Quintile	33,260	17.7	415,970	56.9	106,870	72.6	309,100	52.9	25.7	
All	187,860	100.0	129,470	100.0	26,050	100.0	103,430	100.0	20.1	
Addendum										
80-90	16,920	9.0	204,430	14.2	39,850	13.8	164,590	14.3	19.5	
90-95	8,470	4.5	284,220	9.9	60,740	10.5	223,480	9.7	21.4	
95-99	6,470	3.5	498,100	13.3	125,390	16.6	372,710	12.4	25.2	
Top 1 Percent	1,400	0.8	3,385,430	19.5	1,108,770	31.8	2,276,660	16.4	32.8	
Top 0.1 Percent	150	0.1	14,859,010	8.9	4,905,840	14.6	9,953,180	7.5	33.0	

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

Number of AMT Taxpayers (millions). Baseline: 6 Proposal: 6.1

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

(1) Calendar year. Baseline is current law in place for 2028 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.

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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% \$20,300; 40% \$39,200; 60% \$67,000; 80% \$111,200; 90% \$159,500; 95% \$226,200; 99% \$521,400; 99.9% \$2,325,700.

(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 T20-0212
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, 2028 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	60.9	12.7	27.1	76.7	-3,800	-355.6	-9.5	-7.1	-25.2	-18.1
Second Quintile	43.0	34.0	8.1	53.3	-2,770	-102.8	-6.1	-0.2	-7.5	-0.2
Middle Quintile	59.3	36.3	4.1	32.5	-2,240	-28.1	-2.5	10.7	-3.5	9.1
Fourth Quintile	63.5	35.6	0.3	2.6	-250	-1.5	2.3	22.3	-0.3	16.9
Top Quintile	8.3	91.4	-4.2	-64.8	7,810	12.7	15.8	74.0	3.1	27.9
All	50.1	35.4	2.4	100.0	-1,370	-11.4	0.0	100.0	-2.0	15.5
Addendum										
80-90	12.1	87.6	-2.2	-12.3	2,580	8.6	3.7	19.9	1.8	22.2
90-95	4.4	95.0	-3.5	-10.7	5,600	12.5	2.6	12.3	2.8	24.8
95-99	2.0	97.9	-5.4	-19.7	13,730	16.5	4.3	17.8	4.1	28.9
Top 1 Percent	0.4	99.0	-6.7	-22.2	112,710	13.6	5.3	23.9	4.5	37.6
Top 0.1 Percent	0.3	99.5	-6.7	-10.5	494,490	13.5	2.5	11.4	4.5	37.4

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2028 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	25,740	27.5	15,110	6.1	1,070	2.5	14,040	6.8	7.1	
Second Quintile	24,580	26.3	36,850	14.1	2,690	5.9	34,160	15.9	7.3	
Middle Quintile	18,560	19.9	63,120	18.3	7,950	13.2	55,170	19.4	12.6	
Fourth Quintile	13,320	14.3	98,680	20.5	16,890	20.1	81,790	20.6	17.1	
Top Quintile	10,590	11.3	248,410	41.0	61,540	58.2	186,870	37.4	24.8	
All	93,490	100.0	68,580	100.0	11,980	100.0	56,600	100.0	17.5	
Addendum										
80-90	6,090	6.5	146,380	13.9	29,850	16.2	116,530	13.4	20.4	
90-95	2,430	2.6	203,760	7.7	44,860	9.7	158,900	7.3	22.0	
95-99	1,830	2.0	335,870	9.6	83,180	13.6	252,700	8.7	24.8	
Top 1 Percent	250	0.3	2,509,500	9.9	830,960	18.7	1,678,540	8.0	33.1	
Top 0.1 Percent	30	0.0	11,096,100	4.7	3,660,140	8.9	7,435,960	3.8	33.0	

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 2028 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% \$20,300; 40% \$39,200; 60% \$67,000; 80% \$111,200; 90% \$159,500; 95% \$226,200; 99% \$521,400; 99.9% \$2,325,700.

(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 T20-0212
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, 2028 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	75.8	7.7	20.0	-15.1	-5,700	-1,481.0	-0.9	-0.9	-19.7	-18.4
Second Quintile	73.6	14.3	9.9	-21.8	-5,990	-103.9	-1.4	-0.1	-9.1	-0.3
Middle Quintile	69.7	26.9	4.5	-25.5	-4,330	-33.0	-1.9	3.1	-4.0	8.1
Fourth Quintile	56.7	43.0	0.8	-9.3	-1,140	-4.4	-1.4	12.1	-0.7	15.0
Top Quintile	16.6	83.3	-4.8	171.3	18,090	13.8	5.5	85.6	3.6	29.5
All	50.3	46.0	-1.8	100.0	3,330	6.4	0.0	100.0	1.4	23.4
Addendum										
80-90	29.9	70.1	-1.8	16.0	3,600	7.8	0.2	13.4	1.5	20.5
90-95	8.6	91.4	-3.2	20.9	8,150	12.1	0.6	11.7	2.5	23.6
95-99	1.6	98.4	-5.5	47.1	23,660	16.4	1.7	20.3	4.1	29.4
Top 1 Percent	0.4	99.6	-7.4	87.4	176,100	15.2	3.0	40.2	5.0	37.7
Top 0.1 Percent	0.0	100.0	-7.4	38.7	783,530	15.1	1.3	17.9	5.0	38.0

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2028 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	5,770	8.9	28,930	1.1	390	0.1	28,540	1.4	1.3	
Second Quintile	7,900	12.1	66,020	3.4	5,770	1.4	60,250	4.0	8.7	
Middle Quintile	12,830	19.7	108,810	9.1	13,130	5.0	95,680	10.2	12.1	
Fourth Quintile	17,770	27.2	163,700	18.9	25,600	13.5	138,100	20.4	15.6	
Top Quintile	20,600	31.6	506,870	67.8	131,190	80.0	375,680	64.4	25.9	
All	65,250	100.0	235,910	100.0	51,750	100.0	184,160	100.0	21.9	
Addendum										
80-90	9,620	14.8	243,250	15.2	46,330	13.2	196,920	15.8	19.1	
90-95	5,570	8.5	321,030	11.6	67,620	11.2	253,410	11.7	21.1	
95-99	4,330	6.6	573,240	16.1	144,660	18.6	428,580	15.4	25.2	
Top 1 Percent	1,080	1.7	3,548,900	24.9	1,161,340	37.1	2,387,560	21.5	32.7	
Top 0.1 Percent	110	0.2	15,741,470	11.0	5,205,170	16.6	10,536,300	9.4	33.1	

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 2028 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% \$20,300; 40% \$39,200; 60% \$67,000; 80% \$111,200; 90% \$159,500; 95% \$226,200; 99% \$521,400; 99.9% \$2,325,700.

(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 T20-0212
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, 2028 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	98.0	1.3	17.6	64.3	-5,050	360.0	-22.6	-27.1	-18.5	-23.6
Second Quintile	95.0	4.6	8.5	48.6	-4,550	-95.8	-11.9	0.7	-7.8	0.3
Middle Quintile	89.3	10.5	3.3	19.8	-2,680	-21.2	1.1	24.3	-2.9	10.6
Fourth Quintile	29.0	70.3	-1.3	-7.0	1,540	6.4	11.3	38.5	1.1	18.2
Top Quintile	6.2	93.5	-5.0	-25.7	12,150	15.4	22.1	63.6	3.8	28.4
All	81.9	17.6	3.9	100.0	-2,670	-24.8	0.0	100.0	-3.4	10.2
Addendum										
80-90	7.2	92.8	-3.4	-7.1	5,460	13.2	6.7	20.1	2.7	23.1
90-95	1.4	98.3	-5.3	-5.7	11,570	17.5	4.6	12.7	4.1	27.3
95-99	10.7	87.6	-5.6	-5.1	18,370	16.2	4.2	12.0	4.1	29.7
Top 1 Percent	0.2	99.8	-7.6	-7.8	175,580	15.8	6.6	18.9	5.1	37.4
Top 0.1 Percent	1.0	99.0	-7.3	-3.9	846,870	15.1	3.4	9.8	4.9	37.6

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2028 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	8,560	34.0	27,360	11.7	-1,400	-4.4	28,770	14.2	-5.1	
Second Quintile	7,170	28.4	58,460	20.9	4,750	12.6	53,710	22.2	8.1	
Middle Quintile	4,980	19.7	93,920	23.2	12,640	23.2	81,280	23.3	13.5	
Fourth Quintile	3,050	12.1	141,850	21.5	24,280	27.2	117,580	20.6	17.1	
Top Quintile	1,430	5.7	321,190	22.8	78,990	41.5	242,200	19.9	24.6	
All	25,230	100.0	79,710	100.0	10,770	100.0	68,940	100.0	13.5	
Addendum										
80-90	880	3.5	202,550	8.8	41,260	13.3	161,280	8.1	20.4	
90-95	330	1.3	283,960	4.7	66,030	8.1	217,930	4.2	23.3	
95-99	190	0.7	444,950	4.1	113,690	7.8	331,260	3.5	25.6	
Top 1 Percent	30	0.1	3,436,360	5.1	1,110,720	12.3	2,325,640	4.0	32.3	
Top 0.1 Percent	*	0.0	17,145,630	2.7	5,592,540	6.4	11,553,090	2.1	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 2028 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.

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

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

(3) The income percentile classes used in this table are based on the income distribution for the entire population and contain an equal number of people, not tax units. The incomes used are adjusted for family size by dividing by the square root of the number of people in the tax unit. The resulting percentile breaks are (in 2017 dollars): 20% \$20,300; 40% \$39,200; 60% \$67,000; 80% \$111,200; 90% \$159,500; 95% \$226,200; 99% \$521,400; 99.9% \$2,325,700.

(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 T20-0212
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, 2028 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	98.7	1.1	18.4	-165.7	-5,580	409.2	-3.3	-4.1	-19.3	-24.0
Second Quintile	96.3	3.6	10.1	-161.6	-5,960	-105.4	-3.3	-0.2	-9.2	-0.5
Middle Quintile	88.0	11.9	4.7	-120.7	-4,600	-29.1	-2.5	5.8	-4.1	9.9
Fourth Quintile	52.4	47.4	0.2	-8.3	-340	-1.1	-0.5	15.1	-0.2	17.3
Top Quintile	6.1	93.8	-5.6	556.9	23,670	15.2	9.5	83.3	4.1	31.2
All	70.9	29.0	-0.5	100.0	760	2.0	0.0	100.0	0.4	21.6
Addendum										
80-90	11.3	88.6	-2.7	71.1	5,890	10.6	1.1	14.7	2.2	22.6
90-95	0.8	99.2	-4.3	69.7	12,310	14.9	1.2	10.6	3.3	25.8
95-99	0.7	99.2	-6.5	147.1	32,570	17.6	2.6	19.3	4.8	31.8
Top 1 Percent	0.1	99.9	-8.0	269.0	211,670	15.9	4.6	38.7	5.3	38.6
Top 0.1 Percent	0.1	99.9	-7.9	113.3	973,570	16.0	2.0	16.2	5.3	38.3

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2028 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	12,650	22.6	28,900	3.7	-1,360	-0.8	30,270	4.9	-4.7	
Second Quintile	11,550	20.6	64,870	7.5	5,650	3.1	59,220	8.7	8.7	
Middle Quintile	11,180	20.0	113,490	12.7	15,780	8.3	97,700	13.8	13.9	
Fourth Quintile	10,390	18.6	181,200	18.8	31,650	15.5	149,550	19.7	17.5	
Top Quintile	10,020	17.9	575,660	57.6	155,910	73.8	419,750	53.3	27.1	
All	56,010	100.0	178,650	100.0	37,800	100.0	140,850	100.0	21.2	
Addendum										
80-90	5,140	9.2	273,200	14.0	55,810	13.6	217,390	14.2	20.4	
90-95	2,410	4.3	368,100	8.9	82,540	9.4	285,560	8.7	22.4	
95-99	1,920	3.4	682,220	13.1	184,610	16.8	497,610	12.1	27.1	
Top 1 Percent	540	1.0	3,995,550	21.6	1,331,880	34.1	2,663,670	18.3	33.3	
Top 0.1 Percent	50	0.1	18,402,970	9.1	6,080,330	14.2	12,322,630	7.7	33.0	

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 2028 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% \$20,300; 40% \$39,200; 60% \$67,000; 80% \$111,200; 90% \$159,500; 95% \$226,200; 99% \$521,400; 99.9% \$2,325,700.

(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 T20-0212
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, 2028 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	15.0	27.2	3.8	-5.2	-680	-207.6	-0.6	-0.3	-3.7	-1.9
Second Quintile	13.2	50.3	1.0	-5.5	-380	-40.6	-0.7	0.8	-1.0	1.4
Middle Quintile	23.5	68.0	-0.2	1.6	150	3.4	-0.4	5.0	0.2	6.2
Fourth Quintile	31.5	67.5	-1.3	13.0	1,440	10.6	-0.1	13.6	1.2	12.4
Top Quintile	16.4	83.2	-4.4	95.1	13,600	13.4	1.6	80.5	3.3	27.8
All	19.6	58.4	-2.2	100.0	2,010	11.2	0.0	100.0	1.8	18.2
Addendum										
80-90	24.1	75.6	-2.4	13.1	3,750	12.8	0.2	11.6	2.1	18.1
90-95	14.1	85.2	-3.0	11.6	6,400	13.1	0.2	10.1	2.4	21.2
95-99	3.8	96.1	-4.3	19.8	14,680	14.4	0.5	15.8	3.3	26.4
Top 1 Percent	0.9	98.8	-6.4	50.6	146,020	13.4	0.8	43.0	4.3	36.6
Top 0.1 Percent	0.0	100.0	-6.6	27.2	620,830	13.6	0.5	22.8	4.4	37.0

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2028 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	9,040	15.6	18,300	2.6	330	0.3	17,980	3.0	1.8	
Second Quintile	16,890	29.1	40,080	10.6	940	1.5	39,140	12.3	2.3	
Middle Quintile	13,020	22.4	72,770	14.8	4,340	5.4	68,430	16.6	6.0	
Fourth Quintile	10,510	18.1	121,480	19.9	13,620	13.7	107,850	21.1	11.2	
Top Quintile	8,170	14.1	412,190	52.5	101,150	78.9	311,040	47.4	24.5	
All	58,120	100.0	110,330	100.0	18,020	100.0	92,310	100.0	16.3	
Addendum										
80-90	4,080	7.0	183,180	11.6	29,360	11.4	153,830	11.7	16.0	
90-95	2,110	3.6	262,120	8.6	49,090	9.9	213,030	8.4	18.7	
95-99	1,580	2.7	441,700	10.9	102,080	15.4	339,630	10.0	23.1	
Top 1 Percent	400	0.7	3,386,880	21.4	1,092,420	42.2	2,294,460	17.3	32.3	
Top 0.1 Percent	50	0.1	14,028,840	11.2	4,565,780	22.3	9,463,060	9.0	32.6	

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 2028 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.

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