

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

Table T21-0192
Extend \$3,000 CTC with ARP Phase-Outs
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Level, 2026 ¹
Summary Table

Expanded Cash Income Level (thousands of 2020 dollars) ²	Tax Units with Tax Increase or Cut ³				Percent Change in After-Tax Income ⁴	Share of Total Federal Tax Change	Average Federal Tax Change (\$)	Average Federal Tax Rate ⁵	
	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 (\$)					
Less than 10	7.5	-4,060	0.3	660	4.8	2.0	-300	-4.6	-0.7
10-20	12.5	-3,540	0.6	1,200	2.6	5.8	-440	-2.5	0.0
20-30	22.6	-3,700	1.0	1,330	3.0	10.3	-820	-2.9	1.5
30-40	27.1	-3,630	1.4	1,320	2.6	9.9	-970	-2.4	4.9
40-50	25.5	-3,480	1.1	1,280	1.9	7.4	-870	-1.7	8.0
50-75	25.8	-3,570	0.9	1,080	1.5	14.5	-910	-1.3	12.0
75-100	26.0	-3,460	0.9	940	1.1	10.6	-890	-0.9	14.9
100-200	34.8	-3,950	0.3	820	1.0	28.8	-1,370	-0.8	17.9
200-500	26.3	-3,580	*	**	0.4	10.3	-940	-0.3	23.3
500-1,000	0.3	-3,710	0.0	0	0.0	0.0	-10	0.0	28.5
More than 1,000	0.0	0	0.0	0	0.0	0.0	0	0.0	32.8
All	24.1	-3,680	0.7	1,160	0.9	100.0	-880	-0.7	20.2

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0721-1).

Number of AMT Taxpayers (millions). Baseline: 7.2

Proposal: 7.2

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

(1) Calendar year. Baseline is the law in place for 2026 as of Sept 1, 2021. Proposal would: increase the per child amount from \$1,000 to \$3,000 (\$3,600 for qualified children under age 6); extend eligibility to qualified 17 year olds; make the CTC fully refundable regardless of income; make permanent the Social Security Number (SSN) requirements; and make permanent the \$500 non-refundable credit for other dependents. The proposal would repeal the phase-down of the credit increase enacted by the American Rescue Plan (ARP) and change the phase-out thresholds for the entire credit amount from \$110,000 for married couples (\$75,000 for singles and \$55,000 for married individuals filing separate returns) to \$150,000 for married couples, \$112,500 for heads of household, and \$75,000 for others. The credit would be reduced, but not below zero, by \$50 for each \$1,000 (or fraction thereof) by which adjusted gross income (AGI) exceeds the applicable threshold. Proposal would be effective 01/01/2022.

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

(4) 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 taxes; and excise taxes.

(5) 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 T21-0192
Extend \$3,000 CTC with ARP Phase-Outs
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Level, 2026 ¹
Detail Table

Expanded Cash Income Level (thousands of 2020 dollars) ²	Percent of Tax Units ³		Percent Change in After-Tax Income ⁴	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 ⁵	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Less than 10	7.5	0.3	4.8	2.0	-300	-117.4	-0.1	0.0	-4.6	-0.7
10-20	12.5	0.6	2.6	5.8	-440	-101.0	-0.2	0.0	-2.5	0.0
20-30	22.6	1.0	3.0	10.3	-820	-66.2	-0.3	0.2	-2.9	1.5
30-40	27.1	1.4	2.6	9.9	-970	-33.0	-0.3	0.7	-2.4	4.9
40-50	25.5	1.1	1.9	7.4	-870	-17.3	-0.2	1.2	-1.7	8.0
50-75	25.8	0.9	1.5	14.5	-910	-9.6	-0.3	4.8	-1.3	12.0
75-100	26.0	0.9	1.1	10.6	-890	-5.6	-0.2	6.2	-0.9	14.9
100-200	34.8	0.3	1.0	28.8	-1,370	-4.5	-0.3	21.5	-0.8	17.9
200-500	26.3	*	0.4	10.3	-940	-1.2	0.7	29.8	-0.3	23.3
500-1,000	0.3	0.0	0.0	0.0	-10	0.0	0.4	11.6	0.0	28.5
More than 1,000	0.0	0.0	0.0	0.0	0	0.0	0.8	23.7	0.0	32.8
All	24.1	0.7	0.9	100.0	-880	-3.4	0.0	100.0	-0.7	20.2

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Level, 2026 ¹

Expanded Cash Income Level (thousands of 2019 dollars) ²	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income ⁴		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	
Less than 10	10,520	5.7	6,550	0.3	260	0.1	6,290	0.4	3.9
10-20	21,830	11.8	17,510	1.7	430	0.2	17,080	2.0	2.5
20-30	20,420	11.0	28,910	2.6	1,250	0.5	27,670	3.1	4.3
30-40	16,660	9.0	40,480	2.9	2,930	1.0	37,550	3.4	7.2
40-50	13,730	7.4	52,060	3.1	5,040	1.4	47,020	3.5	9.7
50-75	25,810	13.9	71,870	8.0	9,510	5.1	62,350	8.8	13.2
75-100	19,300	10.4	100,870	8.4	15,870	6.4	85,000	9.0	15.7
100-200	34,190	18.5	163,580	24.3	30,620	21.7	132,960	24.9	18.7
200-500	17,870	9.7	333,420	25.8	78,600	29.2	254,820	25.0	23.6
500-1,000	2,460	1.3	770,820	8.2	220,040	11.2	550,790	7.4	28.6
More than 1,000	950	0.5	3,534,560	14.6	1,157,520	22.9	2,377,040	12.4	32.8
All	185,260	100.0	124,480	100.0	26,010	100.0	98,470	100.0	20.9

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0721-1).

Number of AMT Taxpayers (millions). Baseline: 7.2

Proposal: 7.2

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

(1) Calendar year. Baseline is the law in place for 2026 as of Sept 1, 2021. Proposal would: increase the per child amount from \$1,000 to \$3,000 (\$3,600 for qualified children under age 6); extend eligibility to qualified 17 year olds; make the CTC fully refundable regardless of income; make permanent the Social Security Number (SSN) requirements; and make permanent the \$500 non-refundable credit for other dependents. The proposal would repeal the phase-down of the credit increase enacted by the American Rescue Plan (ARP) and change the phase-out thresholds for the entire credit amount from \$110,000 for married couples (\$75,000 for singles and \$55,000 for married individuals filing separate returns) to \$150,000 for married couples, \$112,500 for heads of household, and \$75,000 for others. The credit would be reduced, but not below zero, by \$50 for each \$1,000 (or fraction thereof) by which adjusted gross income (AGI) exceeds the applicable threshold. Proposal would be effective 01/01/2022.

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

(4) 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.

(5) For income categories for which the baseline tax burden is negative, a positive percent change in average federal tax indicates a net increase in federal subsidies, and a negative percent change indicates a net decrease in federal subsidies.

(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 T21-0192
Extend \$3,000 CTC with ARP Phase-Outs
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Level, 2026 ¹
Detail Table - Single Tax Units

Expanded Cash Income Level (thousands of 2020 dollars) ²	Percent of Tax Units ³		Percent Change in After-Tax Income ⁴	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 ⁵	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Less than 10	2.8	0.1	1.7	9.3	-110	-29.0	-0.1	0.2	-1.6	4.0
10-20	4.0	0.2	0.7	19.2	-110	-14.0	-0.2	1.0	-0.7	4.0
20-30	5.8	0.2	0.7	24.5	-190	-8.8	-0.2	2.2	-0.7	6.9
30-40	6.4	0.2	0.5	16.7	-170	-4.3	-0.1	3.2	-0.4	9.6
40-50	3.2	0.1	0.2	5.8	-80	-1.2	0.0	4.1	-0.1	11.9
50-75	3.3	0.1	0.2	12.4	-90	-0.8	0.0	13.2	-0.1	15.5
75-100	3.0	0.1	0.1	7.0	-80	-0.4	0.1	14.3	-0.1	19.3
100-200	2.1	*	0.0	4.3	-50	-0.1	0.2	27.8	0.0	22.6
200-500	0.8	0.0	0.0	0.3	-10	0.0	0.1	17.2	0.0	26.8
500-1,000	0.0	0.0	0.0	0.0	0	0.0	0.0	5.1	0.0	30.8
More than 1,000	0.0	0.0	0.0	0.0	0	0.0	0.1	11.7	0.0	35.1
All	3.8	0.1	0.2	100.0	-110	-0.8	0.0	100.0	-0.2	19.0

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Level, 2026 ¹

Expanded Cash Income Level (thousands of 2019 dollars) ²	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income ⁴		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	
Less than 10	8,690	9.6	6,550	0.9	370	0.3	6,190	1.1	5.6
10-20	17,010	18.7	17,330	4.8	810	1.2	16,520	5.7	4.7
20-30	12,690	14.0	28,670	5.9	2,180	2.3	26,490	6.8	7.6
30-40	9,590	10.6	40,380	6.3	4,050	3.3	36,330	7.0	10.0
40-50	7,680	8.4	52,080	6.5	6,250	4.1	45,830	7.1	12.0
50-75	13,930	15.3	71,600	16.2	11,200	13.2	60,400	16.9	15.6
75-100	8,640	9.5	100,330	14.1	19,390	14.2	80,940	14.1	19.3
100-200	9,280	10.2	154,840	23.4	35,030	27.6	119,810	22.4	22.6
200-500	2,280	2.5	328,370	12.2	88,010	17.0	240,360	11.0	26.8
500-1,000	250	0.3	777,070	3.1	239,570	5.0	537,500	2.7	30.8
More than 1,000	110	0.1	3,618,430	6.3	1,270,200	11.6	2,348,230	5.1	35.1
All	90,980	100.0	67,570	100.0	12,970	100.0	54,600	100.0	19.2

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0721-1).

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

(1) Calendar year. Baseline is the law in place for 2026 as of Sept 1, 2021. Proposal would: increase the per child amount from \$1,000 to \$3,000 (\$3,600 for qualified children under age 6); extend eligibility to qualified 17 year olds; make the CTC fully refundable regardless of income; make permanent the Social Security Number (SSN) requirements; and make permanent the \$500 non-refundable credit for other dependents. The proposal would repeal the phase-down of the credit increase enacted by the American Rescue Plan (ARP) and change the phase-out thresholds for the entire credit amount from \$110,000 for married couples (\$75,000 for singles and \$55,000 for married individuals filing separate returns) to \$150,000 for married couples, \$112,500 for heads of household, and \$75,000 for others. The credit would be reduced, but not below zero, by \$50 for each \$1,000 (or fraction thereof) by which adjusted gross income (AGI) exceeds the applicable threshold. Proposal would be effective 01/01/2022.

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

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

(4) 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.

(5) For income categories for which the baseline tax burden is negative, a positive percent change in average federal tax indicates a net increase in federal subsidies, and a negative percent change indicates a net decrease in federal subsidies.

(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 T21-0192
Extend \$3,000 CTC with ARP Phase-Outs
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Level, 2026 ¹
Detail Table - Married Tax Units Filing Jointly

Expanded Cash Income Level (thousands of 2020 dollars) ²	Percent of Tax Units ³		Percent Change in After-Tax Income ⁴	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 ⁵	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Less than 10	11.8	0.3	11.0	0.8	-620	-359.5	0.0	0.0	-10.7	-7.7
10-20	16.2	0.6	4.4	2.0	-780	-247.7	-0.1	0.0	-4.4	-2.6
20-30	20.8	0.6	3.7	4.5	-1,050	-203.2	-0.1	-0.1	-3.6	-1.8
30-40	26.7	1.2	3.1	4.7	-1,220	-115.0	-0.1	0.0	-3.0	-0.4
40-50	27.0	1.5	2.4	4.2	-1,200	-52.5	-0.1	0.1	-2.3	2.1
50-75	30.0	1.3	2.0	10.0	-1,300	-20.8	-0.2	1.0	-1.8	6.8
75-100	30.1	1.1	1.3	10.0	-1,200	-10.1	-0.2	2.4	-1.2	10.4
100-200	42.9	0.3	1.3	44.1	-1,810	-6.3	-0.7	17.8	-1.1	15.9
200-500	30.6	*	0.4	19.1	-1,110	-1.4	0.4	35.7	-0.3	22.7
500-1,000	0.3	0.0	0.0	0.0	-10	0.0	0.4	14.8	0.0	28.3
More than 1,000	0.0	0.0	0.0	0.0	0	0.0	0.7	28.0	0.0	32.5
All	31.3	0.5	0.8	100.0	-1,300	-2.7	0.0	100.0	-0.6	21.7

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Level, 2026 ¹

Expanded Cash Income Level (thousands of 2019 dollars) ²	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income ⁴		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	
Less than 10	1,070	1.6	5,760	0.0	170	0.0	5,580	0.1	3.0
10-20	2,230	3.4	18,000	0.3	320	0.0	17,680	0.4	1.8
20-30	3,670	5.6	29,290	0.7	520	0.1	28,770	0.9	1.8
30-40	3,270	4.9	40,640	0.9	1,060	0.1	39,580	1.2	2.6
40-50	2,980	4.5	52,030	1.1	2,290	0.2	49,740	1.3	4.4
50-75	6,590	10.0	72,780	3.3	6,240	1.3	66,540	3.9	8.6
75-100	7,200	10.9	101,720	5.1	11,800	2.6	89,920	5.7	11.6
100-200	20,900	31.6	169,090	24.4	28,630	18.5	140,460	26.1	16.9
200-500	14,780	22.3	335,200	34.2	77,140	35.2	258,070	33.9	23.0
500-1,000	2,130	3.2	770,200	11.3	217,720	14.4	552,480	10.5	28.3
More than 1,000	800	1.2	3,389,160	18.7	1,100,750	27.3	2,288,410	16.3	32.5
All	66,160	100.0	219,250	100.0	48,920	100.0	170,330	100.0	22.3

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0721-1).

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

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

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

(4) 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.

(5) For income categories for which the baseline tax burden is negative, a positive percent change in average federal tax indicates a net increase in federal subsidies, and a negative percent change indicates a net decrease in federal subsidies.

(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 T21-0192
Extend \$3,000 CTC with ARP Phase-Outs
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Level, 2026 ¹
Detail Table - Head of Household Tax Units

Expanded Cash Income Level (thousands of 2020 dollars) ²	Percent of Tax Units ³		Percent Change in After-Tax Income ⁴	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 ⁵	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Less than 10	68.0	2.9	28.7	2.4	-2,600	206.1	-0.9	-1.2	-33.3	-49.5
10-20	72.2	3.5	12.1	8.9	-2,510	104.7	-3.8	-6.0	-13.7	-26.8
20-30	84.2	4.4	9.2	15.8	-2,840	180.3	-6.2	-8.4	-9.7	-15.0
30-40	88.5	5.0	7.8	15.6	-3,070	-275.8	-4.9	-3.4	-7.6	-4.8
40-50	90.7	3.4	6.1	11.8	-2,920	-71.9	-2.6	1.6	-5.6	2.2
50-75	90.3	3.0	4.7	20.3	-2,940	-34.6	-1.8	13.2	-4.1	7.8
75-100	90.7	3.0	3.2	11.5	-2,760	-19.2	1.3	16.6	-2.8	11.6
100-200	83.3	0.9	2.1	12.9	-2,650	-9.1	8.1	44.3	-1.7	17.2
200-500	28.1	0.5	0.4	0.7	-850	-1.2	5.2	21.0	-0.3	23.6
500-1,000	0.4	0.0	0.0	0.0	-20	0.0	1.2	4.8	0.0	29.0
More than 1,000	0.0	0.0	0.0	0.0	0	0.0	4.5	17.6	0.0	32.2
All	84.2	3.2	4.2	100.0	-2,770	-25.6	0.0	100.0	-3.6	10.5

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Level, 2026 ¹

Expanded Cash Income Level (thousands of 2019 dollars) ²	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income ⁴		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	
Less than 10	610	2.6	7,800	0.3	-1,260	-0.3	9,060	0.4	-16.2
10-20	2,320	9.9	18,290	2.3	-2,390	-2.2	20,680	3.1	-13.1
20-30	3,630	15.4	29,340	5.9	-1,570	-2.2	30,910	7.2	-5.4
30-40	3,310	14.1	40,540	7.4	1,110	1.4	39,430	8.4	2.7
40-50	2,630	11.2	51,980	7.5	4,050	4.2	47,920	8.1	7.8
50-75	4,510	19.2	71,360	17.7	8,480	15.0	62,880	18.2	11.9
75-100	2,720	11.5	100,440	15.0	14,360	15.3	86,080	15.0	14.3
100-200	3,160	13.4	154,460	26.9	29,250	36.3	125,210	25.4	18.9
200-500	550	2.3	309,380	9.3	73,780	15.8	235,600	8.3	23.9
500-1,000	40	0.2	773,970	1.7	224,730	3.6	549,230	1.4	29.0
More than 1,000	20	0.1	5,545,940	5.7	1,787,270	13.1	3,758,680	4.5	32.2
All	23,540	100.0	77,010	100.0	10,830	100.0	66,180	100.0	14.1

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0721-1).

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

(1) Calendar year. Baseline is the law in place for 2026 as of Sept 1, 2021. Proposal would: increase the per child amount from \$1,000 to \$3,000 (\$3,600 for qualified children under age 6); extend eligibility to qualified 17 year olds; make the CTC fully refundable regardless of income; make permanent the Social Security Number (SSN) requirements; and make permanent the \$500 non-refundable credit for other dependents. The proposal would repeal the phase-down of the credit increase enacted by the American Rescue Plan (ARP) and change the phase-out thresholds for the entire credit amount from \$110,000 for married couples (\$75,000 for singles and \$55,000 for married individuals filing separate returns) to \$150,000 for married couples, \$112,500 for heads of household, and \$75,000 for others. The credit would be reduced, but not below zero, by \$50 for each \$1,000 (or fraction thereof) by which adjusted gross income (AGI) exceeds the applicable threshold. Proposal would be effective 01/01/2022.

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

(4) 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.

(5) For income categories for which the baseline tax burden is negative, a positive percent change in average federal tax indicates a net increase in federal subsidies, and a negative percent change indicates a net decrease in federal subsidies.

(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 T21-0192
Extend \$3,000 CTC with ARP Phase-Outs
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Level, 2026 ¹
Detail Table - Tax Units with Children

Expanded Cash Income Level (thousands of 2020 dollars) ²	Percent of Tax Units ³		Percent Change in After-Tax Income ⁴	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 ⁵	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Less than 10	76.0	3.0	34.0	2.0	-3,060	239.2	-0.2	-0.2	-39.6	-56.1
10-20	76.0	3.6	13.0	5.9	-2,670	112.1	-0.6	-1.0	-14.7	-27.8
20-30	84.8	3.9	10.2	10.3	-3,130	196.0	-0.9	-1.4	-10.7	-16.2
30-40	90.0	4.7	8.3	9.9	-3,270	-342.0	-0.9	-0.6	-8.1	-5.7
40-50	91.8	4.1	6.7	7.4	-3,240	-89.0	-0.6	0.1	-6.2	0.8
50-75	93.9	3.4	5.5	14.4	-3,470	-42.3	-1.0	1.7	-4.8	6.6
75-100	94.5	3.5	3.9	10.5	-3,430	-24.4	-0.6	2.8	-3.4	10.4
100-200	95.9	0.7	2.8	28.8	-3,890	-12.7	-0.9	17.4	-2.3	16.0
200-500	54.4	*	0.8	10.4	-1,950	-2.5	2.1	36.1	-0.6	23.1
500-1,000	0.5	0.0	0.0	0.0	-20	0.0	1.3	15.5	0.0	28.7
More than 1,000	0.0	0.0	0.0	0.0	0	0.0	2.4	29.4	0.0	32.7
All	81.7	2.4	2.3	100.0	-3,070	-8.1	0.0	100.0	-1.8	20.2

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Level, 2026 ¹

Expanded Cash Income Level (thousands of 2019 dollars) ²	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income ⁴		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	
Less than 10	1,040	2.0	7,740	0.1	-1,280	-0.1	9,020	0.1	-16.6
10-20	3,570	6.7	18,160	0.7	-2,380	-0.4	20,540	1.0	-13.1
20-30	5,360	10.1	29,240	1.7	-1,600	-0.4	30,840	2.3	-5.5
30-40	4,900	9.3	40,510	2.2	960	0.2	39,550	2.7	2.4
40-50	3,680	7.0	52,050	2.1	3,640	0.7	48,410	2.5	7.0
50-75	6,740	12.7	71,730	5.3	8,200	2.8	63,520	6.0	11.4
75-100	4,970	9.4	101,420	5.5	14,020	3.5	87,400	6.1	13.8
100-200	12,020	22.7	167,920	22.0	30,690	18.3	137,230	23.0	18.3
200-500	8,630	16.3	335,530	31.6	79,340	34.0	256,190	30.9	23.7
500-1,000	1,300	2.5	769,950	10.9	220,950	14.2	549,000	9.9	28.7
More than 1,000	500	0.9	3,336,340	18.1	1,091,100	27.0	2,245,240	15.6	32.7
All	52,930	100.0	173,370	100.0	38,040	100.0	135,330	100.0	21.9

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0721-1).

* 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 the law in place for 2026 as of Sept 1, 2021. Proposal would: increase the per child amount from \$1,000 to \$3,000 (\$3,600 for qualified children under age 6); extend eligibility to qualified 17 year olds; make the CTC fully refundable regardless of income; make permanent the Social Security Number (SSN) requirements; and make permanent the \$500 non-refundable credit for other dependents. The proposal would repeal the phase-down of the credit increase enacted by the American Rescue Plan (ARP) and change the phase-out thresholds for the entire credit amount from \$110,000 for married couples (\$75,000 for singles and \$55,000 for married individuals filing separate returns) to \$150,000 for married couples, \$112,500 for heads of household, and \$75,000 for others. The credit would be reduced, but not below zero, by \$50 for each \$1,000 (or fraction thereof) by which adjusted gross income (AGI) exceeds the applicable threshold. Proposal would be effective 01/01/2022.

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

(4) 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.

(5) For income categories for which the baseline tax burden is negative, a positive percent change in average federal tax indicates a net increase in federal subsidies, and a negative percent change indicates a net decrease in federal subsidies.

(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 T21-0192
Extend \$3,000 CTC with ARP Phase-Outs
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Level, 2026 ¹
Detail Table - Elderly Tax Units

Expanded Cash Income Level (thousands of 2020 dollars) ²	Percent of Tax Units ³		Percent Change in After-Tax Income ⁴	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 ⁵	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Less than 10	1.0	0.1	0.4	1.3	-30	-49.8	0.0	0.0	-0.4	0.4
10-20	1.0	*	0.2	5.4	-30	-15.5	0.0	0.1	-0.2	0.9
20-30	1.0	0.0	0.1	5.1	-30	-4.6	0.0	0.5	-0.1	2.4
30-40	2.8	0.1	0.2	11.1	-80	-6.4	-0.1	0.8	-0.2	3.0
40-50	3.2	*	0.2	9.6	-90	-3.7	0.0	1.2	-0.2	4.4
50-75	4.2	0.3	0.2	20.0	-110	-2.1	-0.1	4.4	-0.2	7.2
75-100	4.5	0.2	0.1	15.6	-120	-1.1	0.0	6.4	-0.1	10.2
100-200	4.9	*	0.1	26.1	-130	-0.6	0.0	21.8	-0.1	14.5
200-500	2.2	0.0	0.0	4.5	-60	-0.1	0.1	23.5	0.0	21.4
500-1,000	0.1	0.0	0.0	0.0	*	0.0	0.1	9.9	0.0	27.6
More than 1,000	*	0.0	0.0	0.0	0	0.0	0.1	30.8	0.0	32.7
All	3.0	0.1	0.1	100.0	-80	-0.5	0.0	100.0	-0.1	16.6

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Level, 2026 ¹

Expanded Cash Income Level (thousands of 2019 dollars) ²	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income ⁴		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	
Less than 10	1,820	3.5	7,010	0.2	60	0.0	6,950	0.3	0.9
10-20	7,440	14.3	17,750	2.4	200	0.2	17,550	2.9	1.1
20-30	6,570	12.6	28,860	3.5	730	0.5	28,130	4.1	2.5
30-40	5,570	10.7	40,530	4.1	1,310	0.8	39,230	4.8	3.2
40-50	4,610	8.8	51,900	4.4	2,390	1.2	49,510	5.0	4.6
50-75	7,730	14.8	71,650	10.2	5,300	4.5	66,350	11.3	7.4
75-100	5,600	10.7	100,710	10.3	10,410	6.4	90,300	11.1	10.3
100-200	8,560	16.4	159,140	25.0	23,220	21.8	135,920	25.6	14.6
200-500	2,970	5.7	334,680	18.2	71,770	23.4	262,910	17.2	21.4
500-1,000	420	0.8	774,520	6.0	213,560	9.9	560,960	5.2	27.6
More than 1,000	210	0.4	4,053,130	15.6	1,325,710	30.7	2,727,410	12.6	32.7
All	52,130	100.0	104,680	100.0	17,470	100.0	87,210	100.0	16.7

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0721-1).

* 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 the law in place for 2026 as of Sept 1, 2021. Proposal would: increase the per child amount from \$1,000 to \$3,000 (\$3,600 for qualified children under age 6); extend eligibility to qualified 17 year olds; make the CTC fully refundable regardless of income; make permanent the Social Security Number (SSN) requirements; and make permanent the \$500 non-refundable credit for other dependents. The proposal would repeal the phase-down of the credit increase enacted by the American Rescue Plan (ARP) and change the phase-out thresholds for the entire credit amount from \$110,000 for married couples (\$75,000 for singles and \$55,000 for married individuals filing separate returns) to \$150,000 for married couples, \$112,500 for heads of household, and \$75,000 for others. The credit would be reduced, but not below zero, by \$50 for each \$1,000 (or fraction thereof) by which adjusted gross income (AGI) exceeds the applicable threshold. Proposal would be effective 01/01/2022.

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(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.