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Table T22-0026
Individual Income Tax and Payroll Tax Provisions in H.R.5376, The Inflation Reduction Act of 2022
As Passed by the Senate
Excludes Corporate and Excise Tax Provisions
Note: Also Excludes Premium Tax Credit
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Percentile, 2031 ¹
Summary Table

Expanded Cash Income Percentile ^{2,3}	Tax Units		Percent Change in After-Tax Income ⁴	Share of Total Federal Tax Change	Average Federal Tax Change (\$)	Average Federal Tax Rate ⁵	
	Number (thousands)	Percent of Total				Change (%) Points)	Under the Proposal
Lowest Quintile	49,730	25.9	0.0	0.8	*	0.0	4.2
Second Quintile	42,690	22.2	0.0	5.1	-10	0.0	10.0
Middle Quintile	39,920	20.8	0.0	14.7	-30	0.0	15.4
Fourth Quintile	32,020	16.7	0.0	21.2	-60	0.0	19.1
Top Quintile	26,160	13.6	0.0	57.9	-190	0.0	26.4
All	192,120	100.0	0.0	100.0	-40	0.0	20.9
Addendum							
80-90	13,440	7.0	0.0	14.9	-90	0.0	22.1
90-95	6,540	3.4	0.0	10.8	-140	0.0	24.4
95-99	4,970	2.6	0.1	14.8	-250	0.0	27.5
Top 1 Percent	1,220	0.6	0.1	17.4	-1,210	0.0	31.3
Top 0.1 Percent	120	0.1	0.1	6.9	-4,720	0.0	31.6

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0722-1).

Number of AMT Taxpayers (millions). Baseline: 9.3 Proposal: 9.3

(1) Calendar year. Baseline is the law currently in place as of August 10, 2022. Includes provisions in JCT Table JCX-18-22, except: corporate income tax provisions; excise tax provisions; Subtitle A, Part 3 (IRS Funding); Subtitle B (Prescription Drug Pricing Reform); Subtitle C (Affordable Care Act Subsidies); and other provisions with an annual revenue change of less than \$100 million in the years of our analysis.

<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 2022 dollars): 20% \$33,800; 40% \$66,400; 60% \$118,600; 80% \$215,500; 90% \$312,700; 95% \$444,900; 99% \$1,020,100; 99.9% \$4,861,000.

(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) 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.

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As Passed by the Senate
Excludes Corporate and Excise Tax Provisions
Note: Also Excludes Premium Tax Credit
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Percentile, 2031 ¹
Detail Table

Expanded Cash Income Percentile ^{2,3}	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	
			Dollars	Percent ⁵	Change (%) Points)	Under the Proposal	Change (%) Points)	Under the Proposal
Lowest Quintile	0.0	0.8	*	-0.1	0.0	0.8	0.0	4.2
Second Quintile	0.0	5.1	-10	-0.2	0.0	4.1	0.0	10.0
Middle Quintile	0.0	14.7	-30	-0.2	0.0	11.0	0.0	15.4
Fourth Quintile	0.0	21.2	-60	-0.2	0.0	19.4	0.0	19.1
Top Quintile	0.0	57.9	-190	-0.1	0.0	64.4	0.0	26.4
All	0.0	100.0	-40	-0.1	0.0	100.0	0.0	20.9
Addendum								
80-90	0.0	14.9	-90	-0.1	0.0	15.2	0.0	22.1
90-95	0.0	10.8	-140	-0.1	0.0	11.6	0.0	24.4
95-99	0.1	14.8	-250	-0.1	0.0	16.6	0.0	27.5
Top 1 Percent	0.1	17.4	-1,210	-0.1	0.0	21.0	0.0	31.3
Top 0.1 Percent	0.1	6.9	-4,720	-0.1	0.0	8.9	0.0	31.6

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile, 2031 ¹

Expanded Cash Income Percentile ^{2,3}	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	
Lowest Quintile	49,730	25.9	24,450	4.1	1,030	0.8	23,420	4.9	4.2
Second Quintile	42,690	22.2	60,440	8.6	6,060	4.1	54,380	9.8	10.0
Middle Quintile	39,920	20.8	111,520	14.9	17,250	11.0	94,270	15.9	15.5
Fourth Quintile	32,020	16.7	198,380	21.3	37,960	19.4	160,420	21.8	19.1
Top Quintile	26,160	13.6	582,670	51.0	154,120	64.4	428,550	47.5	26.5
All	#####	100.0	155,520	100.0	32,590	100.0	122,930	100.0	21.0
Addendum									
80-90	13,440	7.0	319,760	14.4	70,830	15.2	248,930	14.2	22.2
90-95	6,540	3.4	455,240	10.0	111,290	11.6	343,950	9.5	24.5
95-99	4,970	2.6	761,670	12.7	209,520	16.6	552,160	11.6	27.5
Top 1 Percent	1,220	0.6	3,435,230	14.0	1,076,290	21.0	2,358,940	12.2	31.3
Top 0.1 Percent	120	0.1	14,327,270	5.9	4,527,500	8.9	9,799,780	5.1	31.6

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0722-1).

Number of AMT Taxpayers (millions). Baseline: 9.3 Proposal: 9.3

(1) Calendar year. Baseline is the law currently in place as of August 10, 2022. Includes provisions in JCT Table JCX-18-22, except: corporate income tax provisions; excise tax provisions; Subtitle A, Part 3 (IRS Funding); Subtitle B (Prescription Drug Pricing Reform); Subtitle C (Affordable Care Act Subsidies); and other provisions with an annual revenue change of less than \$100 million in the years of our analysis.

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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) 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 2022 dollars): 20% \$33,800; 40% \$66,400; 60% \$118,600; 80% \$215,500; 90% \$312,700; 95% \$444,900; 99% \$1,020,100; 99.9% \$4,861,000.

(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 T22-0026
Individual Income Tax and Payroll Tax Provisions in H.R.5376, The Inflation Reduction Act of 2022
As Passed by the Senate
Excludes Corporate and Excise Tax Provisions
Note: Also Excludes Premium Tax Credit
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2031 ¹
Detail Table

Expanded Cash Income Percentile ^{2,3}	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	
			Dollars	Percent ⁵	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	0.0	0.4	*	-0.2	0.0	0.3	0.0	1.9
Second Quintile	0.0	3.4	-10	-0.1	0.0	3.3	0.0	9.2
Middle Quintile	0.0	13.4	-30	-0.2	0.0	8.9	0.0	14.0
Fourth Quintile	0.0	21.7	-50	-0.2	0.0	18.5	0.0	18.7
Top Quintile	0.0	60.6	-160	-0.1	0.0	68.8	0.0	26.1
All	0.0	100.0	-40	-0.1	0.0	100.0	0.0	20.9
Addendum								
80-90	0.0	15.7	-80	-0.1	0.0	16.2	0.0	21.9
90-95	0.0	10.8	-110	-0.1	0.0	12.4	0.0	24.0
95-99	0.0	15.9	-210	-0.1	0.0	18.1	0.0	27.0
Top 1 Percent	0.1	18.3	-1,030	-0.1	0.0	22.1	0.0	31.1
Top 0.1 Percent	0.1	7.2	-4,100	-0.1	0.0	9.4	0.0	31.5

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2031 ¹

Expanded Cash Income Percentile ^{2,3}	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	
Lowest Quintile	41,600	21.7	23,210	3.2	450	0.3	22,760	4.0	1.9
Second Quintile	40,770	21.2	54,500	7.4	5,020	3.3	49,490	8.5	9.2
Middle Quintile	39,520	20.6	100,460	13.3	14,070	8.9	86,390	14.5	14.0
Fourth Quintile	35,670	18.6	174,030	20.8	32,530	18.5	141,510	21.4	18.7
Top Quintile	32,970	17.2	499,880	55.2	130,650	68.8	369,230	51.5	26.1
All	#####	100.0	155,520	100.0	32,590	100.0	122,930	100.0	21.0
Addendum									
80-90	16,740	8.7	275,320	15.4	60,420	16.2	214,900	15.2	22.0
90-95	8,270	4.3	391,720	10.8	94,180	12.4	297,540	10.4	24.0
95-99	6,450	3.4	650,490	14.0	175,810	18.1	474,690	13.0	27.0
Top 1 Percent	1,510	0.8	2,938,040	14.9	915,900	22.1	2,022,140	12.9	31.2
Top 0.1 Percent	150	0.1	12,577,510	6.3	3,970,780	9.4	8,606,730	5.4	31.6

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0722-1).

Number of AMT Taxpayers (millions). Baseline: 9.3 Proposal: 9.3

(1) Calendar year. Baseline is the law currently in place as of August 10, 2022. Includes provisions in JCT Table JCX-18-22, except: corporate income tax provisions; excise tax provisions; Subtitle A, Part 3 (IRS Funding); Subtitle B (Prescription Drug Pricing Reform); Subtitle C (Affordable Care Act Subsidies); and other provisions with an annual revenue change of less than \$100 million in the years of our analysis. <http://www.taxpolicycenter.org/taxtopics/Baseline-Definitions.cfm>

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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 2022 dollars): 20% \$24,300; 40% \$47,300; 60% \$80,500; 80% \$133,000; 90% \$192,300; 95% \$266,600; 99% \$608,600; 99.9% \$2,695,400.

(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.

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As Passed by the Senate
Excludes Corporate and Excise Tax Provisions
Note: Also Excludes Premium Tax Credit
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2031 ¹
Detail Table - Single Tax Units

Expanded Cash Income Percentile ^{2,3}	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	
			Dollars	Percent ⁵	Change (%) Points)	Under the Proposal	Change (%) Points)	Under the Proposal
Lowest Quintile	0.0	1.0	*	-0.1	0.0	1.5	0.0	4.7
Second Quintile	0.0	6.0	-10	-0.1	0.0	6.0	0.0	9.5
Middle Quintile	0.0	21.3	-20	-0.2	0.0	14.3	0.0	14.5
Fourth Quintile	0.0	26.4	-30	-0.1	0.0	22.8	0.0	19.7
Top Quintile	0.0	45.0	-80	-0.1	0.0	55.2	0.0	26.7
All	0.0	100.0	-20	-0.1	0.0	100.0	0.0	19.4
Addendum								
80-90	0.0	12.9	-50	-0.1	0.0	15.4	0.0	23.3
90-95	0.0	8.1	-60	-0.1	0.0	10.4	0.0	24.4
95-99	0.0	11.5	-120	-0.1	0.0	14.5	0.0	27.8
Top 1 Percent	0.1	12.6	-630	-0.1	0.0	14.8	0.0	32.5
Top 0.1 Percent	0.1	4.9	-2,730	-0.1	0.0	6.2	0.0	33.4

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2031 ¹

Expanded Cash Income Percentile ^{2,3}	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	
Lowest Quintile	26,600	28.0	18,670	6.0	880	1.5	17,800	7.1	4.7
Second Quintile	23,000	24.2	43,960	12.3	4,200	6.0	39,760	13.8	9.5
Middle Quintile	20,080	21.1	78,530	19.1	11,390	14.3	67,140	20.3	14.5
Fourth Quintile	14,470	15.2	127,490	22.4	25,150	22.8	102,330	22.3	19.7
Top Quintile	9,930	10.5	332,140	40.0	88,760	55.1	243,370	36.3	26.7
All	94,980	100.0	86,850	100.0	16,820	100.0	70,030	100.0	19.4
Addendum									
80-90	5,340	5.6	197,430	12.8	46,090	15.4	151,340	12.1	23.4
90-95	2,410	2.5	281,330	8.2	68,790	10.4	212,540	7.7	24.5
95-99	1,810	1.9	460,830	10.1	128,090	14.5	332,740	9.1	27.8
Top 1 Percent	370	0.4	1,991,020	8.8	646,840	14.8	1,344,180	7.4	32.5
Top 0.1 Percent	30	0.0	9,028,680	3.6	3,022,240	6.2	6,006,440	3.0	33.5

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0722-1).

(1) Calendar year. Baseline is the law currently in place as of August 10, 2022. Includes provisions in JCT Table JCX-18-22, except: corporate income tax provisions; excise tax provisions; Subtitle A, Part 3 (IRS Funding); Subtitle B (Prescription Drug Pricing Reform); Subtitle C (Affordable Care Act Subsidies); and other provisions with an annual revenue change of less than \$100 million in the years of our analysis.

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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) 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 2022 dollars): 20% \$24,300; 40% \$47,300; 60% \$80,500; 80% \$133,000; 90% \$192,300; 95% \$266,600; 99% \$608,600; 99.9% \$2,695,400.

(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 T22-0026
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As Passed by the Senate
Excludes Corporate and Excise Tax Provisions
Note: Also Excludes Premium Tax Credit
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2031 ¹
Detail Table - Married Tax Units Filing Jointly

Expanded Cash Income Percentile ^{2,3}	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	
			Dollars	Percent ⁵	Change (%) Points)	Under the Proposal	Change (%) Points)	Under the Proposal
Lowest Quintile	0.0	0.2	*	-0.2	0.0	0.1	0.0	2.3
Second Quintile	0.0	2.0	-10	-0.3	0.0	1.2	0.0	7.4
Middle Quintile	0.0	10.2	-50	-0.3	0.0	5.3	0.0	12.8
Fourth Quintile	0.0	19.9	-70	-0.2	0.0	16.0	0.0	17.8
Top Quintile	0.1	67.3	-200	-0.1	0.0	77.3	0.0	25.9
All	0.0	100.0	-90	-0.2	0.0	100.0	0.0	22.2
Addendum								
80-90	0.0	17.0	-100	-0.2	0.0	17.0	0.0	21.3
90-95	0.0	12.1	-140	-0.1	0.0	13.9	0.0	23.9
95-99	0.1	17.9	-250	-0.1	0.0	20.8	0.0	26.8
Top 1 Percent	0.1	20.2	-1,170	-0.1	0.0	25.7	0.0	31.0
Top 0.1 Percent	0.1	7.7	-4,580	-0.1	0.0	10.6	0.0	31.4

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2031 ¹

Expanded Cash Income Percentile ^{2,3}	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	
Lowest Quintile	6,590	9.8	31,420	1.1	720	0.1	30,700	1.4	2.3
Second Quintile	9,050	13.5	70,880	3.5	5,230	1.2	65,650	4.2	7.4
Middle Quintile	12,910	19.3	129,860	9.1	16,680	5.3	113,180	10.2	12.8
Fourth Quintile	17,070	25.5	214,800	19.9	38,320	16.0	176,480	21.1	17.8
Top Quintile	20,810	31.1	586,130	66.3	152,050	77.3	434,090	63.2	25.9
All	66,930	100.0	274,940	100.0	61,180	100.0	213,760	100.0	22.3
Addendum									
80-90	10,180	15.2	319,950	17.7	68,240	17.0	251,710	17.9	21.3
90-95	5,290	7.9	449,130	12.9	107,300	13.9	341,840	12.7	23.9
95-99	4,300	6.4	739,550	17.3	198,150	20.8	541,410	16.3	26.8
Top 1 Percent	1,050	1.6	3,237,710	18.4	1,004,150	25.7	2,233,560	16.3	31.0
Top 0.1 Percent	100	0.2	13,639,370	7.5	4,280,420	10.6	9,358,960	6.6	31.4

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0722-1).

(1) Calendar year. Baseline is the law currently in place as of August 10, 2022. Includes provisions in JCT Table JCX-18-22, except: corporate income tax provisions; excise tax provisions; Subtitle A, Part 3 (IRS Funding); Subtitle B (Prescription Drug Pricing Reform); Subtitle C (Affordable Care Act Subsidies); and other provisions with an annual revenue change of less than \$100 million in the years of our analysis. <http://www.taxpolicycenter.org/taxtopics/Baseline-Definitions.cfm>

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(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.

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Note: Also Excludes Premium Tax Credit
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2031 ¹
Detail Table - Head of Household Tax Units

Expanded Cash Income Percentile ^{2,3}	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	
			Dollars	Percent ⁵	Change (%) Points)	Under the Proposal	Change (%) Points)	Under the Proposal
Lowest Quintile	0.0	1.5	*	0.1	0.0	-3.0	0.0	-4.3
Second Quintile	0.0	11.6	-10	-0.1	0.0	14.6	0.0	10.2
Middle Quintile	0.0	26.8	-20	-0.1	0.0	25.2	0.0	15.0
Fourth Quintile	0.0	28.5	-40	-0.1	0.0	29.2	0.0	20.2
Top Quintile	0.0	31.5	-110	-0.1	0.0	34.0	0.0	25.1
All	0.0	100.0	-20	-0.1	0.0	100.0	0.0	15.1
Addendum								
80-90	0.0	11.5	-60	-0.1	0.0	12.7	0.0	22.9
90-95	0.0	5.8	-80	-0.1	0.0	6.6	0.0	22.8
95-99	0.0	6.4	-200	-0.1	0.0	6.0	0.0	26.7
Top 1 Percent	0.0	7.8	-970	-0.1	0.0	8.7	0.0	30.4
Top 0.1 Percent	0.0	3.6	-4,720	-0.1	0.0	4.4	0.0	30.5

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2031 ¹

Expanded Cash Income Percentile ^{2,3}	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	
Lowest Quintile	7,770	31.9	32,000	10.6	-1,380	-3.0	33,390	13.0	-4.3
Second Quintile	7,490	30.7	67,840	21.6	6,910	14.6	60,930	22.9	10.2
Middle Quintile	5,110	21.0	116,490	25.3	17,540	25.2	98,950	25.4	15.1
Fourth Quintile	2,790	11.4	184,180	21.8	37,280	29.2	146,910	20.5	20.2
Top Quintile	1,170	4.8	412,560	20.5	103,660	34.0	308,900	18.1	25.1
All	24,380	100.0	96,360	100.0	14,590	100.0	81,770	100.0	15.1
Addendum									
80-90	710	2.9	275,290	8.4	63,120	12.7	212,170	7.6	22.9
90-95	290	1.2	352,630	4.4	80,470	6.6	272,160	4.0	22.8
95-99	130	0.5	621,090	3.4	166,070	6.0	455,020	2.9	26.7
Top 1 Percent	30	0.1	3,159,890	4.3	961,580	8.7	2,198,310	3.6	30.4
Top 0.1 Percent	*	0.0	16,908,590	2.2	5,163,990	4.4	11,744,600	1.8	30.5

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0722-1).

(1) Calendar year. Baseline is the law currently in place as of August 10, 2022. Includes provisions in JCT Table JCX-18-22, except: corporate income tax provisions; excise tax provisions; Subtitle A, Part 3 (IRS Funding); Subtitle B (Prescription Drug Pricing Reform); Subtitle C (Affordable Care Act Subsidies); and other provisions with an annual revenue change of less than \$100 million in the years of our analysis.

<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 2022 dollars): 20% \$24,300; 40% \$47,300; 60% \$80,500; 80% \$133,000; 90% \$192,300; 95% \$266,600; 99% \$608,600; 99.9% \$2,695,400.

(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 T22-0026
Individual Income Tax and Payroll Tax Provisions in H.R.5376, The Inflation Reduction Act of 2022
As Passed by the Senate
Excludes Corporate and Excise Tax Provisions
Note: Also Excludes Premium Tax Credit
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2031 ¹
Detail Table - Tax Units with Children

Expanded Cash Income Percentile ^{2,3}	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	
			Dollars	Percent ⁵	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	0.0	0.3	*	0.1	0.0	-0.6	0.0	-3.8
Second Quintile	0.0	3.0	-10	-0.1	0.0	3.4	0.0	10.5
Middle Quintile	0.0	10.1	-30	-0.2	0.0	8.4	0.0	15.7
Fourth Quintile	0.0	19.9	-70	-0.1	0.0	18.9	0.0	20.4
Top Quintile	0.1	66.2	-230	-0.1	0.0	69.7	0.0	27.4
All	0.0	100.0	-60	-0.1	0.0	100.0	0.0	22.4
Addendum								
80-90	0.0	16.8	-110	-0.1	0.0	16.2	0.0	23.2
90-95	0.0	11.5	-160	-0.1	0.0	12.4	0.0	25.7
95-99	0.1	17.2	-300	-0.1	0.0	18.3	0.0	28.4
Top 1 Percent	0.1	20.8	-1,460	-0.1	0.0	22.8	0.0	31.8
Top 0.1 Percent	0.1	7.6	-5,290	-0.1	0.0	9.3	0.0	31.6

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2031 ¹

Expanded Cash Income Percentile ^{2,3}	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	
Lowest Quintile	11,670	22.2	32,940	3.4	-1,250	-0.6	34,190	4.5	-3.8
Second Quintile	11,190	21.3	73,200	7.2	7,700	3.4	65,490	8.3	10.5
Middle Quintile	9,860	18.8	137,750	11.9	21,720	8.4	116,030	12.9	15.8
Fourth Quintile	9,900	18.9	238,480	20.7	48,820	18.9	189,660	21.2	20.5
Top Quintile	9,660	18.4	672,420	56.9	184,600	69.7	487,820	53.2	27.5
All	52,500	100.0	217,430	100.0	48,690	100.0	168,740	100.0	22.4
Addendum									
80-90	4,900	9.3	363,950	15.6	84,600	16.2	279,350	15.5	23.3
90-95	2,380	4.5	519,180	10.8	133,410	12.4	385,760	10.4	25.7
95-99	1,910	3.6	862,200	14.4	245,200	18.3	617,000	13.3	28.4
Top 1 Percent	470	0.9	3,876,090	16.1	1,234,430	22.8	2,641,660	14.1	31.9
Top 0.1 Percent	50	0.1	15,553,170	6.6	4,913,910	9.3	10,639,260	5.8	31.6

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0722-1).

Note: Tax units with children are those claiming an exemption for children at home or away from home or with children qualifying for the Child Tax Credit or EITC.

(1) Calendar year. Baseline is the law currently in place as of August 10, 2022. Includes provisions in JCT Table JCX-18-22, except: corporate income tax provisions; excise tax provisions; Subtitle A, Part 3 (IRS Funding); Subtitle B (Prescription Drug Pricing Reform); Subtitle C (Affordable Care Act Subsidies); and other provisions with an annual revenue change of less than \$100 million in the years of our analysis.

<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 2022 dollars): 20% \$24,300; 40% \$47,300; 60% \$80,500; 80% \$133,000; 90% \$192,300; 95% \$266,600; 99% \$608,600; 99.9% \$2,695,400.

(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 T22-0026
Individual Income Tax and Payroll Tax Provisions in H.R.5376, The Inflation Reduction Act of 2022
As Passed by the Senate
Excludes Corporate and Excise Tax Provisions
Note: Also Excludes Premium Tax Credit
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2031 ¹
Detail Table - Elderly Tax Units

Expanded Cash Income Percentile ^{2,3}	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	
			Dollars	Percent ⁵	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	0.0	0.2	0	-0.1	0.0	0.2	0.0	1.2
Second Quintile	0.0	3.8	-10	-0.4	0.0	2.0	0.0	3.3
Middle Quintile	0.0	20.2	-40	-0.5	0.0	8.6	0.0	8.2
Fourth Quintile	0.1	25.7	-70	-0.3	0.0	16.4	0.0	13.0
Top Quintile	0.0	49.6	-170	-0.1	0.1	72.3	0.0	24.1
All	0.0	100.0	-40	-0.2	0.0	100.0	0.0	16.3
Addendum								
80-90	0.0	13.1	-90	-0.2	0.0	13.4	0.0	17.4
90-95	0.0	8.4	-120	-0.2	0.0	9.7	0.0	19.5
95-99	0.1	12.4	-220	-0.2	0.0	17.5	0.0	24.8
Top 1 Percent	0.0	15.7	-890	-0.1	0.0	31.8	0.0	30.7
Top 0.1 Percent	0.0	6.8	-3,320	-0.1	0.0	15.4	0.0	31.5

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2031 ¹

Expanded Cash Income Percentile ^{2,3}	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	
Lowest Quintile	10,270	18.3	23,170	3.2	280	0.2	22,890	3.8	1.2
Second Quintile	14,500	25.8	50,370	9.9	1,650	2.0	48,710	11.4	3.3
Middle Quintile	13,720	24.4	92,690	17.1	7,590	8.6	85,090	18.8	8.2
Fourth Quintile	9,670	17.2	158,100	20.6	20,590	16.4	137,510	21.4	13.0
Top Quintile	7,310	13.0	497,940	49.0	120,030	72.3	377,910	44.5	24.1
All	56,170	100.0	132,080	100.0	21,590	100.0	110,480	100.0	16.4
Addendum									
80-90	3,730	6.6	248,900	12.5	43,480	13.4	205,420	12.3	17.5
90-95	1,710	3.1	351,150	8.1	68,670	9.7	282,480	7.8	19.6
95-99	1,430	2.5	596,770	11.5	148,140	17.4	448,630	10.3	24.8
Top 1 Percent	440	0.8	2,860,630	16.9	877,910	31.8	1,982,720	14.0	30.7
Top 0.1 Percent	50	0.1	11,654,770	8.0	3,672,190	15.4	7,982,580	6.5	31.5

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0722-1).

Note: Elderly tax units are those with either head or spouse (if filing jointly) age 65 or older.

(1) Calendar year. Baseline is the law currently in place as of August 10, 2022. Includes provisions in JCT Table JCX-18-22, except: corporate income tax provisions; excise tax provisions; Subtitle A, Part 3 (IRS Funding); Subtitle B (Prescription Drug Pricing Reform); Subtitle C (Affordable Care Act Subsidies); and other provisions with an annual revenue change of less than \$100 million in the years of our analysis. <http://www.taxpolicycenter.org/taxtopics/Baseline-Definitions.cfm>

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(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.