

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

Table T22-0027
H.R.5376, The Inflation Reduction Act of 2022
As Passed by the Senate
Includes Premium Tax Credit
Baseline: Current Law

Distribution of Federal Tax Change by Expanded Cash Income Level, 2023 ¹
Summary Table

Expanded Cash Income Level (thousands of 2022 dollars) ²	Tax Units		Percent Change in After-Tax Income ³	Share of Total Federal Tax Change	Average Federal Tax Change (\$)	Average Federal Tax Rate ⁴	
	Number (thousands)	Percent of Total				Change (%)	Under the Proposal
Less than 10	8,460	4.7	0.0	-0.1	0	0.0	4.0
10-20	19,770	10.9	0.0	13.1	-10	0.0	1.5
20-30	18,780	10.3	0.3	166.4	-90	-0.3	0.4
30-40	15,990	8.8	0.4	247.0	-150	-0.4	3.6
40-50	13,940	7.7	0.4	227.4	-160	-0.3	7.1
50-75	25,790	14.2	0.2	319.6	-120	-0.2	11.3
75-100	19,050	10.5	0.1	168.8	-90	-0.1	14.4
100-200	34,910	19.2	0.0	86.6	-20	0.0	17.7
200-500	19,620	10.8	-0.1	-252.1	130	0.0	22.3
500-1,000	2,830	1.6	-0.1	-144.4	500	0.1	26.1
More than 1,000	1,140	0.6	-0.3	-717.8	6,140	0.2	31.3
All	181,810	100.0	0.0	100.0	-10	0.0	19.9

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

Number of AMT Taxpayers (millions). Baseline: 0.2

Proposal: 0.2

(1) Calendar year. Baseline is the law currently in place as of August 10, 2022, including the Premium Tax Credit (PTC). TPC's baseline does not generally include the impact of the PTC. Estimate includes provisions in JCT Table JCX-18-22, except Subtitle A, Part 3 (IRS Funding); Subtitle B (Prescription Drug Pricing Reform); and other provisions with an annual revenue change of less than \$100 million in the years of our analysis. Consistent with TPC's conventions for distributional analysis, estimate of Subtitle C (Affordable Care Act Subsidies) holds health insurance coverage and premiums constant at current-law levels. Thus, the estimate of the enhanced PTC does not include the impact of increased coverage on credits received.

<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) 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.

(4) 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 T22-0027
H.R.5376, The Inflation Reduction Act of 2022
As Passed by the Senate
Includes Premium Tax Credit
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Level, 2023 ¹
Detail Table

Expanded Cash Income Level (thousands of 2022 dollars) ²	Percent Change in After-Tax Income ³	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁵	
			Dollars	Percent ⁴	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Less than 10	0.0	-0.1	0	0.0	0.0	0.0	0.0	4.0
10-20	0.0	13.1	-10	-2.6	0.0	0.1	0.0	1.5
20-30	0.3	166.4	-90	-47.9	0.0	0.0	-0.3	0.4
30-40	0.4	247.0	-150	-10.5	-0.1	0.5	-0.4	3.6
40-50	0.4	227.4	-160	-4.6	-0.1	1.1	-0.3	7.1
50-75	0.2	319.6	-120	-1.6	-0.1	4.3	-0.2	11.3
75-100	0.1	168.8	-90	-0.7	0.0	5.7	-0.1	14.4
100-200	0.0	86.6	-20	-0.1	0.0	20.8	0.0	17.7
200-500	-0.1	#####	130	0.2	0.1	30.1	0.0	22.3
500-1,000	-0.1	#####	500	0.3	0.0	11.7	0.1	26.1
More than 1,000	-0.3	#####	6,140	0.6	0.2	25.4	0.2	31.3
All	0.0	100.0	-10	0.0	0.0	100.0	0.0	19.9

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Level, 2023 ¹

Expanded Cash Income Level (thousands of 2022 dollars) ²	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income ³		Average Federal Tax Rate ⁵
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	
Less than 10	8,460	4.7	5,690	0.2	230	0.0	5,470	0.3	4.0
10-20	19,770	10.9	15,710	1.4	250	0.1	15,460	1.8	1.6
20-30	18,780	10.3	25,630	2.2	180	0.1	25,450	2.7	0.7
30-40	15,990	8.8	35,960	2.7	1,440	0.5	34,520	3.2	4.0
40-50	13,940	7.7	46,210	3.0	3,450	1.1	42,770	3.4	7.5
50-75	25,790	14.2	63,610	7.6	7,330	4.4	56,280	8.3	11.5
75-100	19,050	10.5	89,560	7.9	12,940	5.7	76,620	8.4	14.5
100-200	34,910	19.2	145,180	23.3	25,730	20.8	119,450	23.9	17.7
200-500	19,620	10.8	296,750	26.8	66,080	30.1	230,670	26.0	22.3
500-1,000	2,830	1.6	680,290	8.9	177,110	11.6	503,180	8.2	26.0
More than 1,000	1,140	0.6	3,075,140	16.1	957,620	25.3	2,117,530	13.8	31.1
All	181,810	100.0	119,530	100.0	23,730	100.0	95,800	100.0	19.9

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

Number of AMT Taxpayers (millions). Baseline: 0.2 Proposal: 0.2

(1) Calendar year. Baseline is the law currently in place as of August 10, 2022, including the Premium Tax Credit (PTC). TPC's baseline does not generally include the impact of the PTC. Estimate includes provisions in JCT Table JCX-18-22, except Subtitle A, Part 3 (IRS Funding); Subtitle B (Prescription Drug Pricing Reform); and other provisions with an annual revenue change of less than \$100 million in the years of our analysis. Consistent with TPC's conventions for distributional analysis, estimate of Subtitle C (Affordable Care Act Subsidies) holds health insurance coverage and premiums constant at current-law levels. Thus, the estimate of the enhanced PTC does not include the impact of increased coverage on credits received.

<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) 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.

(4) 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.

(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 T22-0027
H.R.5376, The Inflation Reduction Act of 2022
As Passed by the Senate
Includes Premium Tax Credit
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Level, 2023 ¹
Detail Table - Single Tax Units

Expanded Cash Income Level (thousands of 2022 dollars) ²	Percent Change in After-Tax Income ³	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁵	
			Dollars	Percent ⁴	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Less than 10	0.0	-0.1	0	0.0	0.0	0.2	0.0	5.8
10-20	0.0	9.1	-10	-1.3	0.0	0.8	0.0	3.4
20-30	0.4	104.4	-100	-9.2	-0.1	1.1	-0.4	3.8
30-40	0.5	123.0	-150	-5.1	-0.1	2.5	-0.4	7.9
40-50	0.3	69.8	-100	-1.9	-0.1	3.8	-0.2	11.2
50-75	0.1	47.2	-40	-0.4	0.0	12.4	-0.1	14.5
75-100	0.0	-2.3	*	0.0	0.0	13.1	0.0	17.9
100-200	-0.1	-64.8	70	0.3	0.1	28.3	0.1	21.6
200-500	-0.1	-63.7	280	0.4	0.1	18.2	0.1	25.1
500-1,000	-0.2	-23.6	840	0.4	0.0	6.0	0.1	29.4
More than 1,000	-0.4	-94.6	8,410	0.8	0.1	13.4	0.3	34.1
All	0.0	100.0	-10	-0.1	0.0	100.0	0.0	18.4

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Level, 2023 ¹

Expanded Cash Income Level (thousands of 2022 dollars) ²	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income ³		Average Federal Tax Rate ⁵
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	
Less than 10	7,000	7.7	5,700	0.7	330	0.2	5,370	0.8	5.8
10-20	15,900	17.5	15,610	4.2	540	0.8	15,080	5.0	3.4
20-30	12,600	13.9	25,420	5.4	1,050	1.2	24,370	6.4	4.1
30-40	9,530	10.5	35,970	5.8	2,990	2.6	32,990	6.5	8.3
40-50	8,000	8.8	46,280	6.3	5,290	3.9	40,990	6.8	11.4
50-75	14,530	16.0	63,450	15.7	9,260	12.4	54,190	16.4	14.6
75-100	8,830	9.7	89,180	13.4	15,980	13.0	73,200	13.5	17.9
100-200	10,270	11.3	138,050	24.1	29,780	28.2	108,280	23.1	21.6
200-500	2,700	3.0	289,860	13.3	72,330	18.1	217,540	12.2	25.0
500-1,000	330	0.4	669,920	3.7	195,860	5.9	474,060	3.2	29.2
More than 1,000	130	0.1	3,229,330	7.2	1,094,020	13.3	2,135,320	5.8	33.9
All	90,650	100.0	64,930	100.0	11,940	100.0	52,980	100.0	18.4

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, including the Premium Tax Credit (PTC). TPC's baseline does not generally include the impact of the PTC. Estimate includes provisions in JCT Table JCX-18-22, except Subtitle A, Part 3 (IRS Funding); Subtitle B (Prescription Drug Pricing Reform); and other provisions with an annual revenue change of less than \$100 million in the years of our analysis. Consistent with TPC's conventions for distributional analysis, estimate of Subtitle C (Affordable Care Act Subsidies) holds health insurance coverage and premiums constant at current-law levels. Thus, the estimate of the enhanced PTC does not include the impact of increased coverage on credits received.

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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) 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.

(4) 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.

(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 T22-0027
H.R.5376, The Inflation Reduction Act of 2022
As Passed by the Senate
Includes Premium Tax Credit
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Level, 2023 ¹
Detail Table - Married Tax Units Filing Jointly

Expanded Cash Income Level (thousands of 2022 dollars) ²	Percent Change in After-Tax Income ³	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁵	
			Dollars	Percent ⁴	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Less than 10	0.0	0.0	*	3.0	0.0	0.0	0.0	-0.6
10-20	0.0	-0.5	-10	-19.3	0.0	0.0	0.0	0.2
20-30	0.3	-8.6	-70	8.3	0.0	-0.1	-0.3	-3.4
30-40	0.3	-13.5	-110	17.9	0.0	-0.1	-0.3	-2.0
40-50	0.5	-28.6	-230	556.1	0.0	0.0	-0.5	-0.6
50-75	0.4	-63.9	-250	-6.9	-0.1	0.7	-0.4	5.2
75-100	0.3	-59.9	-210	-2.2	-0.1	2.1	-0.2	10.0
100-200	0.1	-64.3	-70	-0.3	-0.1	16.6	-0.1	15.7
200-500	0.0	69.9	100	0.2	0.0	36.0	0.0	21.8
500-1,000	-0.1	47.5	450	0.3	0.0	14.6	0.1	25.6
More than 1,000	-0.3	218.4	5,220	0.6	0.2	29.9	0.2	30.9
All	0.0	100.0	40	0.1	0.0	100.0	0.0	21.3

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Level, 2023 ¹

Expanded Cash Income Level (thousands of 2022 dollars) ²	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income ³		Average Federal Tax Rate ⁵
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	
Less than 10	830	1.3	5,010	0.0	-30	0.0	5,040	0.0	-0.5
10-20	1,670	2.6	15,850	0.2	40	0.0	15,820	0.3	0.2
20-30	2,880	4.5	26,180	0.6	-830	-0.1	27,000	0.7	-3.2
30-40	2,900	4.6	36,030	0.8	-600	-0.1	36,630	1.0	-1.7
40-50	2,800	4.4	46,200	1.0	-40	0.0	46,240	1.2	-0.1
50-75	5,910	9.3	64,290	2.8	3,610	0.7	60,680	3.4	5.6
75-100	6,600	10.3	90,280	4.4	9,250	2.1	81,030	5.0	10.3
100-200	20,340	31.9	150,180	22.5	23,710	16.7	126,470	24.0	15.8
200-500	16,000	25.1	298,740	35.2	65,000	36.0	233,740	34.9	21.8
500-1,000	2,420	3.8	681,500	12.1	174,090	14.6	507,410	11.5	25.6
More than 1,000	960	1.5	2,923,050	20.6	898,930	29.8	2,024,120	18.1	30.8
All	63,830	100.0	212,990	100.0	45,260	100.0	167,730	100.0	21.3

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, including the Premium Tax Credit (PTC). TPC's baseline does not generally include the impact of the PTC. Estimate includes provisions in JCT Table JCX-18-22, except Subtitle A, Part 3 (IRS Funding); Subtitle B (Prescription Drug Pricing Reform); and other provisions with an annual revenue change of less than \$100 million in the years of our analysis. Consistent with TPC's conventions for distributional analysis, estimate of Subtitle C (Affordable Care Act Subsidies) holds health insurance coverage and premiums constant at current-law levels. Thus, the estimate of the enhanced PTC does not include the impact of increased coverage on credits received.

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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) 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.

(4) 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.

(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 T22-0027
H.R.5376, The Inflation Reduction Act of 2022
As Passed by the Senate
Includes Premium Tax Credit
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Level, 2023 ¹
Detail Table - Head of Household Tax Units

Expanded Cash Income Level (thousands of 2022 dollars) ²	Percent Change in After-Tax Income ³	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁵	
			Dollars	Percent ⁴	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Less than 10	0.0	0.0	*	-0.1	0.0	-0.2	0.0	-14.2
10-20	0.0	0.0	0	0.0	0.0	-1.8	0.0	-12.2
20-30	0.2	5.5	-40	1.6	-0.1	-3.8	-0.2	-10.4
30-40	0.5	23.9	-170	10.1	-0.3	-2.8	-0.5	-5.2
40-50	0.6	29.4	-250	-22.6	-0.3	1.1	-0.5	1.8
50-75	0.4	43.3	-210	-3.9	-0.3	11.3	-0.3	8.3
75-100	0.1	12.2	-90	-0.9	0.0	15.2	-0.1	12.4
100-200	0.0	5.3	-30	-0.1	0.4	40.1	0.0	17.7
200-500	0.0	-2.0	70	0.1	0.2	19.6	0.0	23.0
500-1,000	-0.1	-0.9	400	0.2	0.1	4.5	0.1	28.7
More than 1,000	-0.5	-16.6	16,690	1.1	0.4	16.8	0.3	31.8
All	0.2	100.0	-100	-1.1	0.0	100.0	-0.1	12.5

Baseline Distribution of Income and Federal Taxes by Expanded Cash Income Level, 2023 ¹

Expanded Cash Income Level (thousands of 2022 dollars) ²	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income ³		Average Federal Tax Rate ⁵
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	
Less than 10	500	2.2	6,600	0.2	-940	-0.2	7,540	0.3	-14.2
10-20	1,960	8.5	16,300	1.9	-1,990	-1.8	18,280	2.4	-12.2
20-30	2,980	12.9	25,980	4.5	-2,670	-3.7	28,650	5.7	-10.3
30-40	3,150	13.6	35,870	6.6	-1,710	-2.5	37,570	7.9	-4.8
40-50	2,680	11.6	46,130	7.3	1,090	1.4	45,030	8.1	2.4
50-75	4,570	19.8	63,190	16.9	5,490	11.7	57,700	17.7	8.7
75-100	2,930	12.7	88,830	15.2	11,120	15.1	77,720	15.3	12.5
100-200	3,500	15.2	138,100	28.3	24,490	39.8	113,620	26.6	17.7
200-500	660	2.8	276,020	10.6	63,470	19.3	212,550	9.3	23.0
500-1,000	50	0.2	680,880	1.9	194,920	4.4	485,960	1.6	28.6
More than 1,000	20	0.1	5,007,400	6.6	1,576,730	16.5	3,430,670	5.2	31.5
All	23,050	100.0	74,130	100.0	9,340	100.0	64,790	100.0	12.6

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

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(3) 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.

(4) 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.

(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 T22-0027
H.R.5376, The Inflation Reduction Act of 2022
As Passed by the Senate
Includes Premium Tax Credit
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Level, 2023 ¹
Detail Table - Tax Units with Children

Expanded Cash Income Level (thousands of 2022 dollars) ²	Percent Change in After-Tax Income ³	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁵	
			Dollars	Percent ⁴	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Less than 10	0.0	0.0	0	0.0	0.0	-0.1	0.0	-16.2
10-20	0.0	0.4	*	0.1	0.0	-0.4	0.0	-13.8
20-30	0.1	5.9	-30	1.2	0.0	-0.6	-0.1	-9.9
30-40	0.4	29.3	-140	8.4	0.0	-0.5	-0.4	-5.0
40-50	0.5	39.9	-230	-43.8	-0.1	0.1	-0.5	0.7
50-75	0.5	82.0	-270	-5.5	-0.1	1.7	-0.4	7.2
75-100	0.2	43.5	-190	-1.8	-0.1	2.9	-0.2	11.7
100-200	0.1	55.4	-100	-0.4	-0.1	17.0	-0.1	16.9
200-500	0.0	-7.6	20	0.0	0.1	34.6	0.0	22.4
500-1,000	-0.1	-16.6	240	0.1	0.0	14.8	0.0	26.3
More than 1,000	-0.2	#####	4,790	0.5	0.2	30.2	0.2	31.2
All	0.0	100.0	-40	-0.1	0.0	100.0	0.0	20.7

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Level, 2023 ¹

Expanded Cash Income Level (thousands of 2022 dollars) ²	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income ³		Average Federal Tax Rate ⁵
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	
Less than 10	780	1.5	6,850	0.1	-1,110	-0.1	7,960	0.1	-16.2
10-20	2,830	5.5	16,250	0.5	-2,240	-0.4	18,490	0.8	-13.8
20-30	4,240	8.3	26,020	1.3	-2,550	-0.6	28,570	1.8	-9.8
30-40	4,520	8.8	36,020	1.9	-1,660	-0.4	37,670	2.5	-4.6
40-50	3,650	7.1	46,130	2.0	540	0.1	45,600	2.4	1.2
50-75	6,640	13.0	63,590	4.9	4,820	1.8	58,770	5.7	7.6
75-100	5,010	9.8	89,680	5.2	10,640	3.0	79,050	5.8	11.9
100-200	12,040	23.5	148,750	20.8	25,280	17.1	123,470	21.8	17.0
200-500	9,200	18.0	298,420	31.9	66,880	34.5	231,540	31.2	22.4
500-1,000	1,460	2.9	683,840	11.6	179,400	14.8	504,440	10.8	26.2
More than 1,000	590	1.1	2,938,770	20.0	912,560	30.0	2,026,210	17.4	31.1
All	51,200	100.0	168,190	100.0	34,790	100.0	133,410	100.0	20.7

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, including the Premium Tax Credit (PTC). TPC's baseline does not generally include the impact of the PTC. Estimate includes provisions in JCT Table JCX-18-22, except Subtitle A, Part 3 (IRS Funding); Subtitle B (Prescription Drug Pricing Reform); and other provisions with an annual revenue change of less than \$100 million in the years of our analysis. Consistent with TPC's conventions for distributional analysis, estimate of Subtitle C (Affordable Care Act Subsidies) holds health insurance coverage and premiums constant at current-law levels. Thus, the estimate of the enhanced PTC does not include the impact of increased coverage on credits received.

<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) 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.

(4) 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.

(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 T22-0027
H.R.5376, The Inflation Reduction Act of 2022
As Passed by the Senate
Includes Premium Tax Credit
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Level, 2023 ¹
Detail Table - Elderly Tax Units

Expanded Cash Income Level (thousands of 2022 dollars) ²	Percent Change in After-Tax Income ³	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁵	
			Dollars	Percent ⁴	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Less than 10	0.0	0.0	*	0.8	0.0	0.0	0.0	2.0
10-20	0.0	0.0	0	0.1	0.0	0.1	0.0	1.0
20-30	0.0	-0.1	*	-0.1	0.0	0.3	0.0	1.7
30-40	0.0	0.5	10	0.6	0.0	0.6	0.0	2.8
40-50	0.0	-0.5	-10	-0.4	0.0	0.9	0.0	3.8
50-75	0.0	0.0	0	0.0	0.0	3.6	0.0	6.5
75-100	0.0	2.1	20	0.3	0.0	5.3	0.0	9.2
100-200	-0.1	17.7	120	0.6	0.0	20.4	0.1	13.4
200-500	-0.2	26.6	470	0.8	0.0	24.2	0.2	19.5
500-1,000	-0.2	9.7	1,150	0.7	0.0	10.1	0.2	24.4
More than 1,000	-0.4	42.6	10,190	0.9	0.1	33.7	0.3	31.6
All	-0.1	100.0	120	0.7	0.0	100.0	0.1	16.2

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Level, 2023 ¹

Expanded Cash Income Level (thousands of 2022 dollars) ²	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income ³		Average Federal Tax Rate ⁵
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	
Less than 10	1,220	2.5	5,710	0.1	110	0.0	5,590	0.2	2.0
10-20	6,040	12.5	16,100	1.9	160	0.1	15,940	2.3	1.0
20-30	5,820	12.1	25,470	3.0	430	0.3	25,040	3.5	1.7
30-40	4,910	10.2	35,970	3.5	1,010	0.6	34,960	4.1	2.8
40-50	4,270	8.9	46,160	3.9	1,780	0.9	44,380	4.5	3.9
50-75	7,200	14.9	63,250	9.1	4,100	3.7	59,160	10.1	6.5
75-100	5,250	10.9	89,480	9.4	8,220	5.3	81,260	10.1	9.2
100-200	8,720	18.1	141,790	24.7	18,900	20.4	122,890	25.5	13.3
200-500	3,400	7.1	297,700	20.2	57,490	24.2	240,210	19.4	19.3
500-1,000	500	1.0	673,450	6.7	163,450	10.1	510,010	6.1	24.3
More than 1,000	250	0.5	3,494,630	17.4	1,092,210	33.7	2,402,420	14.2	31.3
All	48,190	100.0	104,020	100.0	16,770	100.0	87,250	100.0	16.1

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, including the Premium Tax Credit (PTC). TPC's baseline does not generally include the impact of the PTC. Estimate includes provisions in JCT Table JCX-18-22, except Subtitle A, Part 3 (IRS Funding); Subtitle B (Prescription Drug Pricing Reform); and other provisions with an annual revenue change of less than \$100 million in the years of our analysis. Consistent with TPC's conventions for distributional analysis, estimate of Subtitle C (Affordable Care Act Subsidies) holds health insurance coverage and premiums constant at current-law levels. Thus, the estimate of the enhanced PTC does not include the impact of increased coverage on credits received.

<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) 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.

(4) 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.

(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.