

**Table T22-0201**  
**Tax Benefit of the Exclusion of Employer-Sponsored Health Benefits and Deduction for Self-Employed Health Insurance Premiums**  
**Baseline: Current Law**  
**Distribution of Federal Tax Change by Expanded Cash Income Level, 2022 <sup>1</sup>**  
**Detail Table**

Expanded Cash Income Level (thousands of 2022 dollars) <sup>2</sup>	Percent of Tax Units <sup>3</sup>		Benefit as a Percent of After-Tax Income <sup>4</sup>	Share of Total Benefit	Average Benefit		Share of Federal Taxes		Average Federal Tax Rate <sup>6</sup>	
	With Benefit	Without Benefit			Dollars	Percent of Federal Taxes <sup>5</sup>	With Provision	Without Provision	With Provision	Without Provision
Less than 10	0.0	100.0	-0.1	0.0	-10	-2.6	0.1	0.1	4.7	4.6
10-20	7.0	93.0	0.1	0.2	20	4.3	0.2	0.2	2.9	3.0
20-30	14.1	85.9	0.4	0.8	90	9.5	0.4	0.5	4.0	4.3
30-40	19.5	80.5	0.5	1.3	170	7.8	0.9	0.9	6.4	6.9
40-50	35.1	64.9	1.0	2.7	410	10.0	1.4	1.5	9.3	10.2
50-75	51.7	48.3	1.5	9.8	820	10.8	4.7	4.9	12.3	13.7
75-100	63.7	36.3	1.8	11.2	1,300	10.0	5.8	6.1	14.9	16.4
100-200	70.4	29.6	1.7	31.5	1,970	7.8	20.9	21.4	17.9	19.3
200-500	77.7	22.3	1.6	30.5	3,490	5.5	28.9	29.0	22.2	23.4
500-1,000	79.8	20.2	1.4	8.4	6,750	3.9	11.0	10.9	26.0	27.0
More than 1,000	77.7	22.4	0.3	3.8	7,290	0.8	25.5	24.4	31.0	31.2
All	43.9	56.1	1.3	100.0	1,200	5.2	100.0	100.0	20.2	21.2

**Baseline Distribution of Income and Federal Taxes**  
**by Expanded Cash Income Level, 2022 <sup>1</sup>**

Expanded Cash Income Level (thousands of 2022 dollars) <sup>2</sup>	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income <sup>4</sup>		Average Federal Tax Rate <sup>5</sup>
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	
Less than 10	8,740	4.8	5,640	0.2	260	0.1	5,380	0.3	4.7
10-20	20,170	11.2	15,230	1.5	440	0.2	14,790	1.8	2.9
20-30	18,590	10.3	24,860	2.2	980	0.4	23,880	2.7	4.0
30-40	15,890	8.8	34,900	2.7	2,230	0.9	32,670	3.1	6.4
40-50	13,960	7.7	44,910	3.0	4,160	1.4	40,750	3.4	9.3
50-75	25,660	14.2	61,750	7.7	7,610	4.7	54,140	8.4	12.3
75-100	18,690	10.4	86,890	7.8	12,960	5.8	73,930	8.4	14.9
100-200	34,630	19.2	140,390	23.5	25,190	20.9	115,200	24.1	17.9
200-500	18,900	10.5	287,110	26.2	63,740	28.9	223,370	25.5	22.2
500-1,000	2,680	1.5	661,640	8.6	171,800	11.0	489,840	7.9	26.0
More than 1,000	1,110	0.6	3,077,920	16.6	952,820	25.5	2,125,100	14.3	31.0
All	180,540	100.0	114,660	100.0	23,110	100.0	91,560	100.0	20.2

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0722-2).

Number of AMT Taxpayers (millions). Baseline: 0.2

Proposal: 0.3

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

(1) Calendar year. Baseline is current law as of December 19, 2022. Table shows the tax benefit of the exclusion from income for employer-sponsored health, dental, and vision insurance premiums; and contributions to Health Savings Accounts, Health Reimbursement Arrangements, and Medical Flexible Spending Accounts. Tax benefits include the deduction for self-employed health insurance premiums. Assumes that taxable health benefits and premiums could potentially be claimed as itemized deductions subject to the current percent of AGI limitation on medical expenses. The average tax benefit can be negative for low-income tax units because excluding health benefits from taxable compensation reduces earnings-related tax credits for a small number of units. Additionally, tax units with health benefits and no earnings-related credits in this income range do not gain from the exclusion because their taxable income is already too low to owe any tax before credits. For more information on TPC's baseline definitions, see <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) Tax units with benefit are tax units with a net benefit of \$10 or more.

(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 negative value for the tax benefit as a percent of federal tax indicates a net increase in federal subsidies, and a positive value 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 T22-0201**  
**Tax Benefit of the Exclusion of Employer-Sponsored Health Benefits and Deduction for Self-Employed Health Insurance Premiums**  
**Baseline: Current Law**  
**Distribution of Federal Tax Change by Expanded Cash Income Level, 2022 <sup>1</sup>**  
**Detail Table - Single Tax Units**

Expanded Cash Income Level (thousands of 2022 dollars) <sup>2</sup>	Percent of Tax Units <sup>3</sup>		Benefit as a Percent of After-Tax Income <sup>4</sup>	Share of Total Benefit	Average Benefit		Share of Federal Taxes		Average Federal Tax Rate <sup>6</sup>	
	With Benefit	Without Benefit			Dollars	Percent of Federal Taxes <sup>5</sup>	With Provision	Without Provision	With Provision	Without Provision
Less than 10	0.0	100.0	-0.2	-0.1	-10	-2.4	0.2	0.2	6.1	6.0
10-20	8.5	91.5	0.2	0.7	30	3.4	1.1	1.1	4.7	4.9
20-30	20.3	79.7	0.6	3.0	140	7.8	2.1	2.1	7.2	7.8
30-40	29.1	71.0	0.8	4.2	260	7.2	3.1	3.2	10.2	10.9
40-50	49.4	50.6	1.3	7.4	520	9.3	4.2	4.4	12.4	13.6
50-75	64.6	35.4	1.7	22.8	880	9.5	12.6	13.1	15.0	16.5
75-100	73.1	26.9	2.0	21.8	1,400	8.9	13.0	13.4	18.3	20.0
100-200	74.8	25.2	1.4	27.4	1,490	5.1	28.1	28.0	21.8	22.9
200-500	75.1	24.9	1.1	10.3	2,210	3.2	17.0	16.6	24.7	25.5
500-1,000	75.1	24.9	0.7	1.8	3,140	1.6	5.6	5.4	29.4	29.9
More than 1,000	69.7	30.3	0.1	0.7	3,130	0.3	12.9	12.2	33.4	33.5
All	40.1	59.9	1.2	100.0	620	5.3	100.0	100.0	18.9	19.9

**Baseline Distribution of Income and Federal Taxes**  
**by Expanded Cash Income Level, 2022 <sup>1</sup>**

Expanded Cash Income Level (thousands of 2022 dollars) <sup>2</sup>	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income <sup>4</sup>		Average Federal Tax Rate <sup>5</sup>
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	
Less than 10	7,290	8.1	5,650	0.7	350	0.2	5,310	0.9	6.1
10-20	16,210	17.9	15,140	4.4	710	1.1	14,420	5.1	4.7
20-30	12,250	13.6	24,660	5.4	1,780	2.1	22,880	6.1	7.2
30-40	9,310	10.3	34,890	5.8	3,540	3.1	31,350	6.4	10.2
40-50	8,020	8.9	44,980	6.4	5,590	4.2	39,390	6.9	12.4
50-75	14,470	16.0	61,570	15.8	9,260	12.6	52,310	16.5	15.0
75-100	8,710	9.6	86,560	13.4	15,860	13.0	70,700	13.5	18.3
100-200	10,290	11.4	133,430	24.3	29,040	28.1	104,380	23.5	21.8
200-500	2,610	2.9	280,180	13.0	69,190	17.0	210,990	12.0	24.7
500-1,000	310	0.4	653,770	3.6	192,200	5.6	461,570	3.1	29.4
More than 1,000	120	0.1	3,293,060	7.3	1,100,900	12.9	2,192,170	6.0	33.4
All	90,420	100.0	62,430	100.0	11,780	100.0	50,650	100.0	18.9

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0722-2).

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

(1) Calendar year. Baseline is current law as of December 19, 2022. Table shows the tax benefit of the exclusion from income for employer-sponsored health, dental, and vision insurance premiums; and contributions to Health Savings Accounts, Health Reimbursement Arrangements, and Medical Flexible Spending Accounts. Tax benefits include the deduction for self-employed health insurance premiums. Assumes that taxable health benefits and premiums could potentially be claimed as itemized deductions subject to the current percent of AGI limitation on medical expenses. The average tax benefit can be negative for low-income tax units because excluding health benefits from taxable compensation reduces earnings-related tax credits for a small number of units. Additionally, tax units with health benefits and no earnings-related credits in this income range do not gain from the exclusion because their taxable income is already too low to owe any tax before credits. For more information on TPC's baseline definitions, see <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) Tax units with benefit are tax units with a net benefit of \$10 or more.

(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 negative value for the tax benefit as a percent of federal tax indicates a net increase in federal subsidies, and a positive value 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 T22-0201**  
**Tax Benefit of the Exclusion of Employer-Sponsored Health Benefits and Deduction for Self-Employed Health Insurance Premiums**  
**Baseline: Current Law**  
**Distribution of Federal Tax Change by Expanded Cash Income Level, 2022 <sup>1</sup>**  
**Detail Table - Married Tax Units Filing Jointly**

Expanded Cash Income Level (thousands of 2022 dollars) <sup>2</sup>	Percent of Tax Units <sup>3</sup>		Benefit as a Percent of After-Tax Income <sup>4</sup>	Share of Total Benefit	Average Benefit		Share of Federal Taxes		Average Federal Tax Rate <sup>6</sup>	
	With Benefit	Without Benefit			Dollars	Percent of Federal Taxes <sup>5</sup>	With Provision	Without Provision	With Provision	Without Provision
Less than 10	0.0	100.0	0.0	0.0	0	-0.2	0.0	0.0	2.7	2.6
10-20	0.2	99.8	0.0	0.0	*	0.2	0.0	0.0	2.4	2.4
20-30	1.0	99.0	0.0	0.0	*	-0.2	0.1	0.1	2.2	2.2
30-40	2.8	97.2	0.0	0.0	10	1.7	0.1	0.1	2.3	2.4
40-50	7.4	92.6	0.2	0.1	70	3.8	0.2	0.2	4.0	4.1
50-75	23.1	76.9	0.7	1.9	420	9.1	1.0	1.0	7.4	8.1
75-100	49.6	50.4	1.3	5.0	1,020	10.7	2.3	2.4	11.0	12.2
100-200	67.6	32.4	1.8	32.2	2,150	9.2	16.9	17.6	16.0	17.5
200-500	78.6	21.4	1.7	42.8	3,740	6.0	34.9	35.3	21.7	23.0
500-1,000	80.9	19.1	1.5	12.4	7,320	4.3	13.9	13.8	25.4	26.5
More than 1,000	79.2	20.8	0.4	5.6	7,970	0.9	30.4	29.2	30.6	30.9
All	52.6	47.4	1.3	100.0	2,130	4.9	100.0	100.0	21.4	22.5

**Baseline Distribution of Income and Federal Taxes**  
**by Expanded Cash Income Level, 2022 <sup>1</sup>**

Expanded Cash Income Level (thousands of 2022 dollars) <sup>2</sup>	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income <sup>4</sup>		Average Federal Tax Rate <sup>5</sup>
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	
Less than 10	850	1.3	5,010	0.0	130	0.0	4,870	0.0	2.7
10-20	1,780	2.8	15,370	0.2	370	0.0	15,000	0.3	2.4
20-30	3,050	4.8	25,300	0.6	550	0.1	24,750	0.7	2.2
30-40	3,020	4.8	35,030	0.8	810	0.1	34,220	1.0	2.3
40-50	2,810	4.4	44,920	1.0	1,770	0.2	43,150	1.2	4.0
50-75	5,930	9.4	62,510	2.9	4,650	1.0	57,860	3.4	7.4
75-100	6,580	10.4	87,620	4.5	9,620	2.3	78,000	5.0	11.0
100-200	20,200	31.9	145,290	22.7	23,280	16.9	122,010	24.2	16.0
200-500	15,440	24.3	289,090	34.5	62,820	34.9	226,270	34.3	21.7
500-1,000	2,290	3.6	662,500	11.7	168,500	13.9	493,990	11.1	25.4
More than 1,000	950	1.5	2,916,450	21.3	893,120	30.4	2,023,330	18.8	30.6
All	63,440	100.0	204,210	100.0	43,790	100.0	160,420	100.0	21.4

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0722-2).

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

(1) Calendar year. Baseline is current law as of December 19, 2022. Table shows the tax benefit of the exclusion from income for employer-sponsored health, dental, and vision insurance premiums; and contributions to Health Savings Accounts, Health Reimbursement Arrangements, and Medical Flexible Spending Accounts. Tax benefits include the deduction for self-employed health insurance premiums. Assumes that taxable health benefits and premiums could potentially be claimed as itemized deductions subject to the current percent of AGI limitation on medical expenses. The average tax benefit can be negative for low-income tax units because excluding health benefits from taxable compensation reduces earnings-related tax credits for a small number of units. Additionally, tax units with health benefits and no earnings-related credits in this income range do not gain from the exclusion because their taxable income is already too low to owe any tax before credits. For more information on TPC's baseline definitions, see <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) Tax units with benefit are tax units with a net benefit of \$10 or more.

(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 negative value for the tax benefit as a percent of federal tax indicates a net increase in federal subsidies, and a positive value 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 T22-0201**  
**Tax Benefit of the Exclusion of Employer-Sponsored Health Benefits and Deduction for Self-Employed Health Insurance Premiums**  
**Baseline: Current Law**  
**Distribution of Federal Tax Change by Expanded Cash Income Level, 2022 <sup>1</sup>**  
**Detail Table - Head of Household Tax Units**

Expanded Cash Income Level (thousands of 2022 dollars) <sup>2</sup>	Percent of Tax Units <sup>3</sup>		Benefit as a Percent of After-Tax Income <sup>4</sup>	Share of Total Benefit	Average Benefit		Share of Federal Taxes		Average Federal Tax Rate <sup>6</sup>	
	With Benefit	Without Benefit			Dollars	Percent of Federal Taxes <sup>5</sup>	With Provision	Without Provision	With Provision	Without Provision
Less than 10	0.0	100.0	0.0	0.0	*	0.1	-0.2	-0.2	-13.2	-13.2
10-20	0.1	100.0	-0.1	-0.1	-10	0.6	-1.7	-1.6	-11.8	-11.9
20-30	1.5	98.5	0.0	0.0	*	-0.1	-2.8	-2.6	-8.0	-8.0
30-40	7.3	92.7	0.3	1.3	90	-16.1	-0.8	-0.6	-1.6	-1.3
40-50	21.5	78.5	1.1	6.0	480	23.6	2.6	2.9	4.5	5.6
50-75	48.5	51.5	2.1	25.0	1,190	20.5	12.4	13.6	9.5	11.4
75-100	66.4	33.6	2.1	20.5	1,600	14.7	14.2	14.8	12.7	14.5
100-200	73.8	26.2	2.2	37.3	2,390	10.0	38.1	38.0	17.9	19.7
200-500	69.0	31.0	1.4	8.4	2,960	4.9	17.5	16.7	22.9	24.0
500-1,000	63.6	36.4	1.0	1.0	4,840	2.6	4.2	3.9	28.7	29.4
More than 1,000	67.0	33.0	0.2	0.5	5,500	0.3	16.6	15.1	31.2	31.3
All	34.5	65.5	1.5	100.0	950	10.2	100.0	100.0	13.1	14.5

**Baseline Distribution of Income and Federal Taxes**  
**by Expanded Cash Income Level, 2022 <sup>1</sup>**

Expanded Cash Income Level (thousands of 2022 dollars) <sup>2</sup>	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income <sup>4</sup>		Average Federal Tax Rate <sup>5</sup>
	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	6,430	0.2	-850	-0.2	7,270	0.3	-13.2
10-20	1,960	8.6	15,790	1.9	-1,860	-1.7	17,650	2.5	-11.8
20-30	3,000	13.2	25,210	4.7	-2,010	-2.8	27,210	5.8	-8.0
30-40	3,190	14.0	34,800	6.9	-560	-0.8	35,360	8.0	-1.6
40-50	2,710	11.9	44,760	7.5	2,020	2.6	42,740	8.3	4.5
50-75	4,560	20.0	61,320	17.3	5,800	12.4	55,520	18.0	9.5
75-100	2,770	12.1	85,970	14.7	10,890	14.2	75,090	14.8	12.7
100-200	3,390	14.8	133,330	27.9	23,910	38.1	109,420	26.4	17.9
200-500	610	2.7	266,430	10.1	60,880	17.5	205,550	9.0	22.9
500-1,000	50	0.2	660,470	1.9	189,250	4.2	471,220	1.6	28.7
More than 1,000	20	0.1	5,314,450	7.0	1,659,870	16.6	3,654,580	5.5	31.2
All	22,800	100.0	70,970	100.0	9,320	100.0	61,650	100.0	13.1

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0722-2).

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

(1) Calendar year. Baseline is current law as of December 19, 2022. Table shows the tax benefit of the exclusion from income for employer-sponsored health, dental, and vision insurance premiums; and contributions to Health Savings Accounts, Health Reimbursement Arrangements, and Medical Flexible Spending Accounts. Tax benefits include the deduction for self-employed health insurance premiums. Assumes that taxable health benefits and premiums could potentially be claimed as itemized deductions subject to the current percent of AGI limitation on medical expenses. The average tax benefit can be negative for low-income tax units because excluding health benefits from taxable compensation reduces earnings-related tax credits for a small number of units. Additionally, tax units with health benefits and no earnings-related credits in this income range do not gain from the exclusion because their taxable income is already too low to owe any tax before credits. For more information on TPC's baseline definitions, see <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 negative value for the tax benefit as a percent of federal tax indicates a net increase in federal subsidies, and a positive value 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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**Baseline: Current Law**  
**Distribution of Federal Tax Change by Expanded Cash Income Level, 2022 <sup>1</sup>**  
**Detail Table - Tax Units with Children**

Expanded Cash Income Level (thousands of 2022 dollars) <sup>2</sup>	Percent of Tax Units <sup>3</sup>		Benefit as a Percent of After-Tax Income <sup>4</sup>	Share of Total Benefit	Average Benefit		Share of Federal Taxes		Average Federal Tax Rate <sup>6</sup>	
	With Benefit	Without Benefit			Dollars	Percent of Federal Taxes <sup>5</sup>	With Provision	Without Provision	With Provision	Without Provision
Less than 10	0.0	100.0	-0.5	0.0	-40	4.0	-0.1	-0.1	-15.0	-15.6
10-20	0.3	99.8	-0.3	-0.1	-50	2.2	-0.4	-0.3	-13.0	-13.3
20-30	2.5	97.5	-0.1	-0.1	-30	1.4	-0.5	-0.5	-7.4	-7.5
30-40	7.2	92.8	0.3	0.5	100	-23.4	-0.1	-0.1	-1.2	-0.9
40-50	18.4	81.6	1.0	1.6	410	22.8	0.4	0.5	4.0	4.9
50-75	41.0	59.0	1.9	7.2	1,060	19.0	2.2	2.5	9.1	10.8
75-100	60.5	39.6	2.0	7.4	1,500	13.9	3.1	3.3	12.4	14.2
100-200	72.9	27.1	2.1	30.6	2,520	10.2	17.4	18.1	17.2	18.9
200-500	82.3	17.7	1.8	36.3	4,070	6.3	33.4	33.5	22.4	23.8
500-1,000	86.1	13.9	1.7	11.5	8,300	4.8	14.0	13.8	26.1	27.4
More than 1,000	85.0	15.0	0.5	5.3	9,100	1.0	30.4	29.0	30.9	31.3
All	48.2	51.8	1.5	100.0	1,940	5.8	100.0	100.0	20.9	22.1

**Baseline Distribution of Income and Federal Taxes**  
**by Expanded Cash Income Level, 2022 <sup>1</sup>**

Expanded Cash Income Level (thousands of 2022 dollars) <sup>2</sup>	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income <sup>4</sup>		Average Federal Tax Rate <sup>5</sup>
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	
Less than 10	790	1.5	6,640	0.1	-1,000	-0.1	7,640	0.1	-15.0
10-20	2,910	5.7	15,720	0.6	-2,050	-0.4	17,770	0.8	-13.0
20-30	4,360	8.5	25,210	1.3	-1,860	-0.5	27,070	1.8	-7.4
30-40	4,630	9.0	34,900	2.0	-410	-0.1	35,320	2.5	-1.2
40-50	3,790	7.4	44,770	2.1	1,800	0.4	42,970	2.5	4.0
50-75	6,720	13.1	61,740	5.0	5,610	2.2	56,130	5.8	9.1
75-100	4,910	9.6	86,960	5.2	10,810	3.1	76,150	5.7	12.4
100-200	12,110	23.6	143,860	21.1	24,700	17.4	119,160	22.1	17.2
200-500	8,900	17.3	288,410	31.2	64,470	33.4	223,940	30.6	22.4
500-1,000	1,380	2.7	665,410	11.2	173,840	14.0	491,580	10.4	26.1
More than 1,000	580	1.1	2,931,320	20.5	906,940	30.4	2,024,380	17.9	30.9
All	51,320	100.0	160,580	100.0	33,520	100.0	127,060	100.0	20.9

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0722-2).

\* 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 as of December 19, 2022. Table shows the tax benefit of the exclusion from income for employer-sponsored health, dental, and vision insurance premiums; and contributions to Health Savings Accounts, Health Reimbursement Arrangements, and Medical Flexible Spending Accounts. Tax benefits include the deduction for self-employed health insurance premiums. Assumes that taxable health benefits and premiums could potentially be claimed as itemized deductions subject to the current percent of AGI limitation on medical expenses. The average tax benefit can be negative for low-income tax units because excluding health benefits from taxable compensation reduces earnings-related tax credits for a small number of units. Additionally, tax units with health benefits and no earnings-related credits in this income range do not gain from the exclusion because their taxable income is already too low to owe any tax before credits. For more information on TPC's baseline definitions, see <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) Tax units with benefit are tax units with a net benefit of \$10 or more.

(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 negative value for the tax benefit as a percent of federal tax indicates a net increase in federal subsidies, and a positive value 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 T22-0201**  
**Tax Benefit of the Exclusion of Employer-Sponsored Health Benefits and Deduction for Self-Employed Health Insurance Premiums**  
**Baseline: Current Law**  
**Distribution of Federal Tax Change by Expanded Cash Income Level, 2022 <sup>1</sup>**  
**Detail Table - Elderly Tax Units**

Expanded Cash Income Level (thousands of 2022 dollars) <sup>2</sup>	Percent of Tax Units <sup>3</sup>		Benefit as a Percent of After-Tax Income <sup>4</sup>	Share of Total Benefit	Average Benefit		Share of Federal Taxes		Average Federal Tax Rate <sup>6</sup>	
	With Benefit	Without Benefit			Dollars	Percent of Federal Taxes <sup>5</sup>	With Provision	Without Provision	With Provision	Without Provision
Less than 10	*	**	0.0	0.0	0	0.2	0.0	0.0	1.9	1.9
10-20	0.3	99.7	0.0	0.0	0	0.2	0.1	0.1	1.1	1.1
20-30	1.9	98.1	0.0	0.1	10	1.0	0.4	0.4	2.2	2.2
30-40	8.9	91.2	0.1	0.8	40	3.8	0.7	0.7	3.2	3.3
40-50	16.4	83.6	0.4	2.4	160	8.0	1.0	1.1	4.4	4.7
50-75	32.6	67.4	0.7	11.0	430	10.5	3.7	3.9	6.6	7.3
75-100	48.7	51.4	1.1	15.9	850	10.3	5.4	5.8	9.5	10.5
100-200	53.8	46.2	0.9	34.7	1,120	6.1	20.0	20.5	13.5	14.3
200-500	60.1	39.9	0.9	24.4	2,040	3.7	23.4	23.4	19.3	20.0
500-1,000	63.2	36.8	0.8	6.8	3,750	2.4	10.1	10.0	24.3	24.8
More than 1,000	63.5	36.5	0.2	4.0	4,400	0.4	34.6	33.5	31.0	31.1
All	27.3	72.8	0.7	100.0	570	3.5	100.0	100.0	16.3	16.9

**Baseline Distribution of Income and Federal Taxes**  
**by Expanded Cash Income Level, 2022 <sup>1</sup>**

Expanded Cash Income Level (thousands of 2022 dollars) <sup>2</sup>	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income <sup>4</sup>		Average Federal Tax Rate <sup>5</sup>
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	
Less than 10	1,290	2.7	5,830	0.2	110	0.0	5,720	0.2	1.9
10-20	6,260	13.3	15,600	2.1	170	0.1	15,430	2.5	1.1
20-30	5,740	12.2	24,780	3.0	540	0.4	24,250	3.5	2.2
30-40	4,820	10.2	34,970	3.6	1,130	0.7	33,850	4.1	3.2
40-50	4,040	8.6	44,930	3.9	1,970	1.0	42,960	4.4	4.4
50-75	6,930	14.7	61,460	9.0	4,050	3.7	57,410	10.1	6.6
75-100	5,060	10.8	86,880	9.3	8,230	5.4	78,660	10.1	9.5
100-200	8,330	17.7	137,310	24.2	18,480	20.0	118,840	25.1	13.5
200-500	3,230	6.9	289,040	19.8	55,640	23.4	233,410	19.1	19.3
500-1,000	490	1.0	654,280	6.8	158,720	10.1	495,560	6.1	24.3
More than 1,000	240	0.5	3,544,620	18.2	1,099,470	34.6	2,445,150	15.0	31.0
All	47,030	100.0	100,280	100.0	16,340	100.0	83,940	100.0	16.3

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0722-2).

\* 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 as of December 19, 2022. Table shows the tax benefit of the exclusion from income for employer-sponsored health, dental, and vision insurance premiums; and contributions to Health Savings Accounts, Health Reimbursement Arrangements, and Medical Flexible Spending Accounts. Tax benefits include the deduction for self-employed health insurance premiums. Assumes that taxable health benefits and premiums could potentially be claimed as itemized deductions subject to the current percent of AGI limitation on medical expenses. The average tax benefit can be negative for low-income tax units because excluding health benefits from taxable compensation reduces earnings-related tax credits for a small number of units. Additionally, tax units with health benefits and no earnings-related credits in this income range do not gain from the exclusion because their taxable income is already too low to owe any tax before credits. For more information on TPC's baseline definitions, see <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) Tax units with benefit are tax units with a net benefit of \$10 or more.

(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 negative value for the tax benefit as a percent of federal tax indicates a net increase in federal subsidies, and a positive value 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.