

Table T23-0076
Combined Impact of H.R. 3936, The Tax Cuts for Working Families Act;
H.R. 3937, The Small Business Jobs Act; and H.R. 3938, The Build It In America Act
As Reported to the House by the Ways and Means Committee
Tax Units with a Tax Increase or Tax Cut, by Expanded Cash Income Level, 2027¹
Baseline: Current Law

| Expanded Cash Income Level (thousands of 2023 dollars) ² | Tax Units | | Tax Units with Tax Increase or Cut ³ | | | | Average Tax Change (Dollars) For all Tax Units | |
|---|--------------------|------------------|---|---------------------|-------------------|---------------------|--|---|
| | Number (thousands) | Percent of Total | With Tax Cut | | With Tax Increase | | All Provisions ⁴ | Major Provisions Included Here ⁵ |
| | | | Pct of Tax Units | Avg Tax Change (\$) | Pct of Tax Units | Avg Tax Change (\$) | | |
| Less than 10 | 6,270 | 3.3 | 0.0 | 0 | 1.1 | 20 | * | * |
| 10-20 | 17,590 | 9.3 | 0.0 | 0 | 9.5 | 20 | 10 | * |
| 20-30 | 19,080 | 10.1 | 0.0 | 0 | 30.9 | 20 | 10 | 10 |
| 30-40 | 16,700 | 8.8 | 0.0 | 0 | 65.0 | 20 | 20 | 10 |
| 40-50 | 14,350 | 7.6 | 0.0 | 0 | 77.8 | 20 | 30 | 20 |
| 50-75 | 26,900 | 14.2 | 0.0 | 0 | 90.9 | 30 | 50 | 20 |
| 75-100 | 19,650 | 10.4 | 0.0 | 0 | 97.5 | 40 | 90 | 40 |
| 100-200 | 39,040 | 20.7 | 0.0 | 0 | 99.5 | 70 | 140 | 70 |
| 200-500 | 22,880 | 12.1 | 0.0 | 0 | 100.0 | 160 | 210 | 160 |
| 500-1,000 | 3,400 | 1.8 | 0.0 | 0 | 100.0 | 420 | 390 | 420 |
| More than 1,000 | 1,300 | 0.7 | 0.0 | 0 | 100.0 | 2,430 | 1,400 | 2,430 |
| All | 188,880 | 100.0 | 0.0 | 0 | 74.5 | 90 | 90 | 70 |

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0323-1).

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

(1) Calendar year. Baseline is the law currently in place as of June 19, 2023.

<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) Includes following proposals: bonus "guaranteed deduction" (sunset 12/31/25); modifications to exclusion for gain from qualified small business stock; increase in limitations on expensing of depreciable business assets; establishment of special rules for capital gains invested in rural opportunity zones; deduction for research and experimental expenditures (sunset 12/31/25); extension of allowance for depreciation, amortization, or depletion in determining the limitation on business interest (sunset 12/31/25); extension of 100 percent bonus depreciation (sunset 12/31/25); termination of Hazardous Substance Superfund financing rate and repayable advance authority; election to determine foreign income taxes paid or accrued to certain Western Hemisphere countries without regard to certain regulations; repeal of clean electricity production and investment credits; modification of clean vehicle credit; and repeal of credits for previously-owned clean vehicles and qualified commercial clean vehicles.

(5) Due to data limitations, we exclude the following provisions listed in note (4): modifications to exclusion for gain from qualified small business stock; establishment of special rules for capital gains invested in rural opportunity zones; modification of clean vehicle credit; and repeal of credit for previously-owned clean vehicles. Also excludes pass-through portion of: increase in limitations on expensing of depreciable business assets; deduction for research and experimental expenditures (sunset 12/31/25); extension of 100 percent bonus depreciation (sunset 12/31/25); repeal of credit for qualified commercial clean vehicles; and repeal of clean electricity investment credit.