

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

Table T23-0088
Make CTC Fully Refundable
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Percentile, 2023 ¹
Summary Table

Expanded Cash Income Percentile ^{2,3}	Tax Units with Tax Increase or Cut ⁴				Percent Change in After-Tax Income ⁵	Share of Total Federal Tax Change	Average Federal Tax Change (\$)	Average Federal Tax Rate ⁶	
	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 (\$)					
Lowest Quintile	11.7	-1,420	0.0	0	1.0	54.2	-170	-0.9	2.8
Second Quintile	11.0	-1,220	0.0	0	0.3	36.6	-130	-0.3	8.0
Middle Quintile	2.1	-1,070	0.0	0	0.0	5.9	-20	0.0	14.2
Fourth Quintile	0.3	-1,280	0.0	0	0.0	0.9	*	0.0	18.0
Top Quintile	0.3	-1,090	0.0	0	0.0	0.5	*	0.0	25.5
All	6.1	-1,320	0.0	0	0.1	100.0	-80	-0.1	20.1
Addendum									
80-90	0.2	-1,090	0.0	0	0.0	0.2	*	0.0	21.0
90-95	0.3	-1,450	0.0	0	0.0	0.2	-10	0.0	23.0
95-99	0.5	-790	*	**	0.0	0.1	*	0.0	25.4
Top 1 Percent	0.0	0	0.0	0	0.0	0.0	0	0.0	30.9
Top 0.1 Percent	0.0	0	0.0	0	0.0	0.0	0	0.0	31.5

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0323-2).

Number of AMT Taxpayers (millions). Baseline: 0.2

Proposal: 0.2

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

(1) Calendar Year. Baseline is the law currently in place as of June 19, 2023. Provision(s) would make the Child Tax Credit (CTC) fully refundable regardless of income tax liability or earned income. The Other Dependent Tax Credit (ODTC) would remain nonrefundable.

<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 2023 dollars): 20% \$29,800; 40% \$58,000; 60% \$104,600; 80% \$192,700; 90% \$281,000; 95% \$409,600; 99% \$978,900; 99.9% \$4,344,100.

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

(5) 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.

(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 T23-0088
Make CTC Fully Refundable
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Percentile, 2023¹
Detail Table

Expanded Cash Income Percentile ^{2,3}	Percent of Tax Units ⁴		Percent Change in After-Tax Income ⁵	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁷	
	With Tax Cut	With Tax Increase			Dollars	Percent ⁶	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	11.7	0.0	1.0	54.2	-170	-24.4	-0.2	0.6	-0.9	2.8
Second Quintile	11.0	0.0	0.3	36.6	-130	-3.7	-0.1	3.2	-0.3	8.0
Middle Quintile	2.1	0.0	0.0	5.9	-20	-0.2	0.0	10.0	0.0	14.2
Fourth Quintile	0.3	0.0	0.0	0.9	*	0.0	0.1	18.3	0.0	18.0
Top Quintile	0.3	0.0	0.0	0.5	*	0.0	0.2	67.7	0.0	25.5
All	6.1	0.0	0.1	100.0	-80	-0.3	0.0	100.0	-0.1	20.1
Addendum										
80-90	0.2	0.0	0.0	0.2	*	0.0	0.1	14.7	0.0	21.0
90-95	0.3	0.0	0.0	0.2	-10	0.0	0.0	11.3	0.0	23.0
95-99	0.5	*	0.0	0.1	*	0.0	0.1	16.5	0.0	25.4
Top 1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.1	25.2	0.0	30.9
Top 0.1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.0	12.6	0.0	31.5

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile, 2023¹

Expanded Cash Income Percentile ^{2,3}	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income ⁵		Average Federal Tax Rate ⁷	
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total		
Lowest Quintile	48,170	26.2	18,150	4.0	680	0.7	17,470	4.8	3.8	
Second Quintile	40,300	21.9	43,870	8.1	3,650	3.3	40,230	9.3	8.3	
Middle Quintile	37,910	20.6	81,510	14.1	11,580	9.9	69,930	15.2	14.2	
Fourth Quintile	30,590	16.6	146,280	20.4	26,360	18.3	119,920	21.0	18.0	
Top Quintile	25,280	13.7	462,470	53.3	117,900	67.5	344,570	49.8	25.5	
All	183,980	100.0	119,110	100.0	24,010	100.0	95,090	100.0	20.2	
Addendum										
80-90	12,930	7.0	237,960	14.0	50,050	14.7	187,910	13.9	21.0	
90-95	6,330	3.4	342,940	9.9	78,830	11.3	264,100	9.6	23.0	
95-99	4,840	2.6	590,870	13.1	150,040	16.4	440,830	12.2	25.4	
Top 1 Percent	1,170	0.6	3,050,660	16.3	943,540	25.1	2,107,120	14.1	30.9	
Top 0.1 Percent	120	0.1	14,650,660	8.1	4,611,450	12.6	10,039,210	6.9	31.5	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0323-2).

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

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(1) Calendar Year. Baseline is the law currently in place as of June 19, 2023. Provision(s) would make the Child Tax Credit (CTC) fully refundable regardless of income tax liability or earned income. The Other Dependent Tax Credit (ODTC) would remain nonrefundable.

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

(5) 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.

(6) 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.

(7) 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 T23-0088
Make CTC Fully Refundable
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2023 ¹
Detail Table

Expanded Cash Income Percentile ^{2,3}	Percent of Tax Units ⁴		Percent Change in After-Tax Income ⁵	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁷	
	With Tax Cut	With Tax Increase			Dollars	Percent ⁶	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	19.1	0.0	1.7	77.6	-290	-380.4	-0.3	-0.2	-1.7	-1.2
Second Quintile	7.6	0.0	0.2	17.4	-70	-2.3	-0.1	2.5	-0.2	7.1
Middle Quintile	1.0	0.0	0.0	2.3	-10	-0.1	0.0	7.9	0.0	12.8
Fourth Quintile	0.2	0.0	0.0	0.5	*	0.0	0.1	17.5	0.0	17.6
Top Quintile	0.2	0.0	0.0	0.4	*	0.0	0.2	72.1	0.0	25.2
All	6.1	0.0	0.1	100.0	-80	-0.3	0.0	100.0	-0.1	20.1
Addendum										
80-90	0.1	0.0	0.0	0.1	*	0.0	0.1	15.7	0.0	20.9
90-95	0.3	*	0.0	0.2	*	0.0	0.0	12.2	0.0	22.7
95-99	0.2	0.0	0.0	0.1	*	0.0	0.1	17.8	0.0	25.0
Top 1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.1	26.3	0.0	30.8
Top 0.1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.0	13.2	0.0	31.5

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2023 ¹

Expanded Cash Income Percentile ^{2,3}	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income ⁵		Average Federal Tax Rate ⁷	
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total		
Lowest Quintile	39,830	21.7	17,280	3.1	80	0.1	17,210	3.9	0.4	
Second Quintile	38,560	21.0	39,320	6.9	2,870	2.5	36,450	8.0	7.3	
Middle Quintile	37,470	20.4	72,720	12.4	9,340	7.9	63,390	13.6	12.8	
Fourth Quintile	34,430	18.7	127,190	20.0	22,330	17.4	104,860	20.6	17.6	
Top Quintile	31,970	17.4	393,800	57.4	99,260	71.8	294,540	53.8	25.2	
All	183,980	100.0	119,110	100.0	24,010	100.0	95,090	100.0	20.2	
Addendum										
80-90	16,300	8.9	203,580	15.1	42,520	15.7	161,060	15.0	20.9	
90-95	8,030	4.4	295,070	10.8	67,080	12.2	228,000	10.5	22.7	
95-99	6,190	3.4	506,900	14.3	126,670	17.7	380,230	13.4	25.0	
Top 1 Percent	1,460	0.8	2,588,810	17.2	795,940	26.2	1,792,870	14.9	30.8	
Top 0.1 Percent	150	0.1	12,718,640	8.4	4,004,030	13.1	8,714,600	7.2	31.5	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0323-2).

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

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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 2023 dollars): 20% \$21,000; 40% \$40,500; 60% \$70,200; 80% \$118,300; 90% \$172,800; 95% \$245,400; 99% \$569,600; 99.9% \$2,515,200.

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

(5) 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.

(6) 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.

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Table T23-0088
Make CTC Fully Refundable
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2023 ¹
Detail Table - Single Tax Units

Expanded Cash Income Percentile ^{2,3}	Percent of Tax Units ⁴		Percent Change in After-Tax Income ⁵	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁷	
	With Tax Cut	With Tax Increase			Dollars	Percent ⁶	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	4.3	0.0	0.4	90.7	-50	-7.4	-0.1	1.3	-0.3	4.3
Second Quintile	0.7	0.0	0.0	7.6	-10	-0.2	0.0	5.5	0.0	9.3
Middle Quintile	*	0.0	0.0	0.1	0	0.0	0.0	13.2	0.0	13.9
Fourth Quintile	0.0	0.0	0.0	0.0	0	0.0	0.0	22.5	0.0	18.7
Top Quintile	0.0	0.0	0.0	0.0	0	0.0	0.1	57.2	0.0	25.8
All	1.4	0.0	0.0	100.0	-20	-0.1	0.0	100.0	0.0	18.9
Addendum										
80-90	*	0.0	0.0	0.0	0	0.0	0.0	15.3	0.0	22.1
90-95	0.0	0.0	0.0	0.0	0	0.0	0.0	10.5	0.0	23.4
95-99	0.0	0.0	0.0	0.0	0	0.0	0.0	13.8	0.0	25.6
Top 1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.0	17.7	0.0	32.3
Top 0.1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.0	8.7	0.0	33.3

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2023 ¹

Expanded Cash Income Percentile ^{2,3}	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income ⁵		Average Federal Tax Rate ⁷	
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total		
Lowest Quintile	25,940	27.7	14,020	5.9	650	1.4	13,370	6.9	4.6	
Second Quintile	21,890	23.4	31,460	11.2	2,920	5.5	28,540	12.5	9.3	
Middle Quintile	19,660	21.0	56,280	17.9	7,840	13.2	48,440	19.0	13.9	
Fourth Quintile	15,040	16.1	93,350	22.7	17,490	22.5	75,860	22.8	18.7	
Top Quintile	10,150	10.8	256,210	42.1	65,990	57.2	190,220	38.6	25.8	
All	93,680	100.0	65,950	100.0	12,500	100.0	53,440	100.0	19.0	
Addendum										
80-90	5,540	5.9	146,070	13.1	32,330	15.3	113,740	12.6	22.1	
90-95	2,460	2.6	211,790	8.4	49,650	10.4	162,130	8.0	23.4	
95-99	1,770	1.9	354,110	10.2	90,800	13.8	263,300	9.3	25.6	
Top 1 Percent	380	0.4	1,707,850	10.4	551,850	17.7	1,156,000	8.7	32.3	
Top 0.1 Percent	40	0.0	8,664,960	4.9	2,883,500	8.6	5,781,450	4.1	33.3	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0323-2).

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

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

(5) 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.

(6) 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.

(7) 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 T23-0088
Make CTC Fully Refundable
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2023 ¹
Detail Table - Married Tax Units Filing Jointly

Expanded Cash Income Percentile ^{2,3}	Percent of Tax Units ⁴		Percent Change in After-Tax Income ⁵	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁷	
	With Tax Cut	With Tax Increase			Dollars	Percent ⁶	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	25.3	0.0	2.6	72.1	-590	-202.8	-0.1	-0.1	-2.6	-1.3
Second Quintile	10.2	0.0	0.3	20.2	-130	-4.2	0.0	0.9	-0.3	5.7
Middle Quintile	1.3	0.0	0.0	3.1	-10	-0.1	0.0	4.7	0.0	11.7
Fourth Quintile	0.3	0.0	0.0	0.8	*	0.0	0.0	14.6	0.0	16.7
Top Quintile	0.2	0.0	0.0	0.7	*	0.0	0.2	79.6	0.0	25.0
All	4.6	0.0	0.1	100.0	-90	-0.2	0.0	100.0	0.0	21.4
Addendum										
80-90	0.2	0.0	0.0	0.3	*	0.0	0.0	16.2	0.0	20.4
90-95	0.4	*	0.0	0.3	*	0.0	0.0	13.4	0.0	22.5
95-99	0.3	*	0.0	0.2	*	0.0	0.0	20.4	0.0	24.8
Top 1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.1	29.6	0.0	30.4
Top 0.1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.0	14.2	0.0	31.2

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2023 ¹

Expanded Cash Income Percentile ^{2,3}	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income ⁵		Average Federal Tax Rate ⁷	
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total		
Lowest Quintile	6,880	10.6	22,990	1.2	290	0.1	22,700	1.5	1.3	
Second Quintile	8,910	13.7	51,200	3.3	3,070	0.9	48,130	4.0	6.0	
Middle Quintile	12,210	18.9	95,230	8.5	11,130	4.6	84,100	9.6	11.7	
Fourth Quintile	16,090	24.8	158,940	18.7	26,580	14.6	132,360	19.9	16.7	
Top Quintile	20,150	31.1	462,520	68.2	115,460	79.5	347,070	65.2	25.0	
All	64,810	100.0	210,720	100.0	45,160	100.0	165,560	100.0	21.4	
Addendum										
80-90	9,800	15.1	237,610	17.1	48,370	16.2	189,250	17.3	20.4	
90-95	5,160	8.0	338,010	12.8	76,050	13.4	261,950	12.6	22.5	
95-99	4,180	6.5	575,740	17.6	142,630	20.4	433,110	16.9	24.8	
Top 1 Percent	1,010	1.6	2,819,840	20.8	857,610	29.5	1,962,230	18.4	30.4	
Top 0.1 Percent	100	0.2	13,410,120	9.7	4,179,070	14.1	9,231,060	8.5	31.2	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0323-2).

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Make CTC Fully Refundable
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2023 ¹
Detail Table - Head of Household Tax Units

Expanded Cash Income Percentile ^{2,3}	Percent of Tax Units ⁴		Percent Change in After-Tax Income ⁵	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁷	
	With Tax Cut	With Tax Increase			Dollars	Percent ⁶	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	70.9	0.0	3.4	79.6	-910	37.2	-3.2	-10.8	-3.8	-13.8
Second Quintile	26.1	0.0	0.4	17.1	-190	-8.1	-0.4	7.1	-0.4	4.3
Middle Quintile	3.9	0.0	0.1	2.1	-30	-0.3	0.8	24.6	0.0	12.6
Fourth Quintile	0.6	0.0	0.0	0.3	-10	0.0	1.1	30.2	0.0	18.5
Top Quintile	0.8	0.0	0.0	0.2	-10	0.0	1.7	48.8	0.0	25.8
All	30.8	0.0	0.5	100.0	-340	-3.5	0.0	100.0	-0.5	12.6
Addendum										
80-90	0.8	0.0	0.0	0.1	-10	0.0	0.5	14.0	0.0	21.8
90-95	1.2	0.0	0.0	0.1	-40	-0.1	0.3	7.5	0.0	22.3
95-99	*	0.0	0.0	0.0	0	0.0	0.3	7.1	0.0	26.5
Top 1 Percent	*	0.0	0.0	0.0	0	0.0	0.7	20.2	0.0	31.5
Top 0.1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.5	14.3	0.0	31.9

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2023 ¹

Expanded Cash Income Percentile ^{2,3}	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income ⁵		Average Federal Tax Rate ⁷	
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total		
Lowest Quintile	6,710	30.2	24,120	9.8	-2,430	-7.6	26,550	12.4	-10.1	
Second Quintile	7,090	31.9	48,890	21.0	2,270	7.5	46,620	23.1	4.6	
Middle Quintile	4,810	21.6	84,520	24.7	10,700	23.8	73,820	24.8	12.7	
Fourth Quintile	2,520	11.3	134,820	20.6	25,000	29.1	109,820	19.3	18.6	
Top Quintile	1,060	4.8	372,350	23.9	96,230	47.1	276,120	20.4	25.8	
All	22,250	100.0	74,110	100.0	9,710	100.0	64,400	100.0	13.1	
Addendum										
80-90	660	3.0	204,390	8.2	44,500	13.5	159,890	7.3	21.8	
90-95	250	1.1	275,000	4.2	61,380	7.2	213,620	3.8	22.3	
95-99	120	0.5	489,420	3.4	129,690	6.9	359,730	2.9	26.5	
Top 1 Percent	30	0.1	4,171,490	8.1	1,314,100	19.5	2,857,380	6.4	31.5	
Top 0.1 Percent	*	0.0	31,281,850	5.7	9,965,580	13.8	21,316,270	4.5	31.9	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0323-2).

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

(1) Calendar Year. Baseline is the law currently in place as of June 19, 2023. Provision(s) would make the Child Tax Credit (CTC) fully refundable regardless of income tax liability or earned income. The Other Dependent Tax Credit (ODTC) would remain nonrefundable.

<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 2023 dollars): 20% \$21,000; 40% \$40,500; 60% \$70,200; 80% \$118,300; 90% \$172,800; 95% \$245,400; 99% \$569,600; 99.9% \$2,515,200.

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

(5) 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.

(6) 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.

(7) 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 T23-0088
Make CTC Fully Refundable
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2023 ¹
Detail Table - Tax Units with Children

Expanded Cash Income Percentile ^{2,3}	Percent of Tax Units ⁴		Percent Change in After-Tax Income ⁵	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁷	
	With Tax Cut	With Tax Increase			Dollars	Percent ⁶	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	70.5	0.0	3.9	77.6	-1,060	50.1	-0.7	-1.9	-4.2	-12.7
Second Quintile	26.8	0.0	0.5	17.4	-230	-7.8	-0.1	1.7	-0.4	5.2
Middle Quintile	3.6	0.0	0.0	2.3	-30	-0.3	0.0	7.6	0.0	13.6
Fourth Quintile	0.6	0.0	0.0	0.5	-10	0.0	0.1	18.1	0.0	18.8
Top Quintile	0.6	*	0.0	0.4	-10	0.0	0.6	74.4	0.0	26.3
All	21.9	0.0	0.2	100.0	-290	-0.8	0.0	100.0	-0.2	20.8
Addendum										
80-90	0.5	0.0	0.0	0.1	*	0.0	0.1	15.9	0.0	22.1
90-95	1.0	*	0.0	0.2	-10	0.0	0.1	12.0	0.0	23.8
95-99	0.6	*	0.0	0.1	-10	0.0	0.2	18.5	0.0	26.4
Top 1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.2	28.0	0.0	31.1
Top 0.1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.1	13.5	0.0	31.3

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2023 ¹

Expanded Cash Income Percentile ^{2,3}	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income ⁵		Average Federal Tax Rate ⁷	
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total		
Lowest Quintile	10,810	21.1	24,950	3.1	-2,110	-1.3	27,060	4.3	-8.5	
Second Quintile	10,930	21.4	53,030	6.7	3,010	1.8	50,020	8.0	5.7	
Middle Quintile	9,950	19.5	100,250	11.6	13,640	7.5	86,610	12.7	13.6	
Fourth Quintile	9,770	19.1	175,980	20.0	33,120	17.9	142,860	20.5	18.8	
Top Quintile	9,410	18.4	537,670	58.7	141,500	73.8	396,170	54.7	26.3	
All	51,140	100.0	168,530	100.0	35,290	100.0	133,240	100.0	20.9	
Addendum										
80-90	4,750	9.3	270,740	14.9	59,780	15.7	210,960	14.7	22.1	
90-95	2,310	4.5	391,180	10.5	93,120	11.9	298,070	10.1	23.8	
95-99	1,870	3.7	673,270	14.6	177,510	18.4	495,760	13.6	26.4	
Top 1 Percent	480	0.9	3,377,260	18.7	1,049,580	27.7	2,327,690	16.3	31.1	
Top 0.1 Percent	50	0.1	16,759,910	8.9	5,244,440	13.3	11,515,470	7.8	31.3	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0323-2).

* 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 the law currently in place as of June 19, 2023. Provision(s) would make the Child Tax Credit (CTC) fully refundable regardless of income tax liability or earned income. The Other Dependent Tax Credit (ODTC) would remain nonrefundable.

<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 2023 dollars): 20% \$21,000; 40% \$40,500; 60% \$70,200; 80% \$118,300; 90% \$172,800; 95% \$245,400; 99% \$569,600; 99.9% \$2,515,200.

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

(5) 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.

(6) 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.

(7) 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 T23-0088
Make CTC Fully Refundable
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2023 ¹
Detail Table - Older Adults

Expanded Cash Income Percentile ^{2,3}	Percent of Tax Units ⁴		Percent Change in After-Tax Income ⁵	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁷	
	With Tax Cut	With Tax Increase			Dollars	Percent ⁶	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Lowest Quintile	1.8	0.0	0.2	33.3	-30	-14.2	0.0	0.2	-0.2	1.0
Second Quintile	2.1	0.0	0.1	54.2	-30	-3.1	-0.1	1.7	-0.1	3.0
Middle Quintile	0.4	0.0	0.0	9.7	-10	-0.2	0.0	6.3	0.0	6.8
Fourth Quintile	*	0.0	0.0	0.3	0	0.0	0.0	13.8	0.0	11.7
Top Quintile	*	0.0	0.0	0.1	0	0.0	0.1	77.4	0.0	23.2
All	1.0	0.0	0.0	100.0	-20	-0.1	0.0	100.0	0.0	16.1
Addendum										
80-90	*	0.0	0.0	0.1	0	0.0	0.0	13.1	0.0	16.1
90-95	*	0.0	0.0	0.0	0	0.0	0.0	9.9	0.0	18.6
95-99	*	0.0	0.0	0.0	0	0.0	0.0	17.2	0.0	22.1
Top 1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.0	37.3	0.0	30.5
Top 0.1 Percent	0.0	0.0	0.0	0.0	0	0.0	0.0	21.5	0.0	31.6

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2023 ¹

Expanded Cash Income Percentile ^{2,3}	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income ⁵		Average Federal Tax Rate ⁷	
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total		
Lowest Quintile	9,300	19.0	16,950	3.1	200	0.2	16,750	3.7	1.2	
Second Quintile	12,460	25.5	36,240	9.0	1,120	1.7	35,130	10.3	3.1	
Middle Quintile	11,200	22.9	67,090	14.9	4,590	6.3	62,500	16.5	6.9	
Fourth Quintile	8,290	16.9	115,170	18.9	13,500	13.7	101,670	19.9	11.7	
Top Quintile	6,980	14.3	389,600	53.9	90,200	77.4	299,400	49.4	23.2	
All	48,940	100.0	103,090	100.0	16,630	100.0	86,460	100.0	16.1	
Addendum										
80-90	3,610	7.4	182,790	13.1	29,420	13.1	153,380	13.1	16.1	
90-95	1,620	3.3	266,000	8.6	49,420	9.9	216,570	8.3	18.6	
95-99	1,370	2.8	462,200	12.6	102,190	17.2	360,010	11.7	22.1	
Top 1 Percent	370	0.8	2,668,830	19.7	813,900	37.2	1,854,930	16.3	30.5	
Top 0.1 Percent	50	0.1	11,766,560	11.0	3,714,610	21.4	8,051,940	8.9	31.6	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0323-2).

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

Note: Tax units in which either the primary individual (or secondary individual in a married couple) is age 65 or older.

(1) Calendar Year. Baseline is the law currently in place as of June 19, 2023. Provision(s) would make the Child Tax Credit (CTC) fully refundable regardless of income tax liability or earned income. The Other Dependent Tax Credit (ODTC) would remain nonrefundable.

<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 2023 dollars): 20% \$21,000; 40% \$40,500; 60% \$70,200; 80% \$118,300; 90% \$172,800; 95% \$245,400; 99% \$569,600; 99.9% \$2,515,200.

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

(5) 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.

(6) 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.

(7) 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.