

Table T24-0035
Make Certain Provisions in the 2017 Tax Act Permanent
Individual Income, Estate, and Payroll Tax Provisions Only
Excludes Corporate and Excise Tax Provisions
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Percentile, 2026 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	49,790	25.7	0.5	1.4	-100	-0.5	3.6
Second Quintile	42,730	22.0	1.0	5.2	-440	-0.9	8.6
Middle Quintile	40,430	20.9	1.2	10.6	-950	-1.0	14.0
Fourth Quintile	32,550	16.8	1.4	16.4	-1,810	-1.1	17.7
Top Quintile	26,580	13.7	2.4	66.2	-8,960	-1.8	24.8
All	193,930	100.0	1.8	100.0	-1,860	-1.4	19.6
Addendum							
80-90	13,620	7.0	1.3	10.0	-2,650	-1.0	20.6
90-95	6,670	3.4	1.7	8.9	-4,810	-1.3	22.6
95-99	5,060	2.6	3.3	22.0	-15,620	-2.4	25.0
Top 1 Percent	1,230	0.6	3.5	25.3	-74,060	-2.4	30.0
Top 0.1 Percent	130	0.1	3.6	11.0	-314,190	-2.4	30.4

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0324-1).

Number of AMT Taxpayers (millions). Baseline: 7.3

Proposal: 0.2

(1) Calendar year. Baseline is the law currently in place as of July 7, 2024. Proposal would make permanent the following provisions of the 2017 Tax Act (the "Tax Cuts and Jobs Act" or TCJA): individual income tax rates of 10, 12, 22, 24, 32, 35, and 37 percent; modifications to child tax credit; increase in the individual alternative minimum tax exemption and exemption phase-out thresholds; increase in standard deduction; modifications to itemized deductions; repeal of deduction for personal exemptions; 20 percent deduction for qualified business income; repeal of deduction for moving expenses (other than members of the Armed Forces); repeal of exclusion for employer-provided qualified moving expense reimbursements (other than members of the Armed Forces); election to invest capital gains in an opportunity zone; limitation on active business losses of noncorporate taxpayers; doubling of estate tax exemption; and additional first-year depreciation with respect to qualified property for pass-through entities only. 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) 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 2024 dollars): 20% \$33,400; 40% \$64,500; 60% \$115,400; 80% \$210,400; 90% \$306,700; 95% \$444,100; 99% \$1,077,600; 99.9% \$4,832,400.

(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) 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 T24-0035
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Individual Income, Estate, and Payroll Tax Provisions Only
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Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Percentile, 2026 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	0.5	1.4	-100	-11.9	0.0	0.7	-0.5	3.6	
Second Quintile	1.0	5.2	-440	-9.3	-0.1	3.7	-0.9	8.6	
Middle Quintile	1.2	10.6	-950	-6.9	0.0	10.4	-1.0	14.0	
Fourth Quintile	1.4	16.4	-1,810	-5.9	0.2	18.8	-1.1	17.7	
Top Quintile	2.4	66.2	-8,960	-6.7	0.0	66.1	-1.8	24.8	
All	1.8	#####	-1,860	-6.7	0.0	100.0	-1.4	19.6	
Addendum									
80-90	1.3	10.0	-2,650	-4.6	0.3	14.9	-1.0	20.6	
90-95	1.7	8.9	-4,810	-5.3	0.2	11.5	-1.3	22.6	
95-99	3.3	22.0	-15,620	-8.7	-0.4	16.7	-2.4	25.0	
Top 1 Percent	3.5	25.3	-74,060	-7.4	-0.2	23.0	-2.4	30.0	
Top 0.1 Percent	3.6	11.0	-314,190	-7.3	-0.1	10.1	-2.4	30.4	

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile, 2026 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	49,790	25.7	20,750	4.1	850	0.8	19,900	4.9	4.1
Second Quintile	42,730	22.0	49,940	8.4	4,730	3.8	45,210	9.6	9.5
Middle Quintile	40,430	20.9	91,500	14.5	13,740	10.4	77,760	15.6	15.0
Fourth Quintile	32,550	16.8	163,050	20.8	30,600	18.6	132,450	21.4	18.8
Top Quintile	26,580	13.7	499,970	52.2	132,950	66.1	367,020	48.5	26.6
All	#####	#####	131,310	100.0	27,570	100.0	103,740	100.0	21.0
Addendum									
80-90	13,620	7.0	264,420	14.1	57,200	14.6	207,220	14.0	21.6
90-95	6,670	3.4	378,860	9.9	90,540	11.3	288,330	9.6	23.9
95-99	5,060	2.6	659,660	13.1	180,470	17.1	479,190	12.1	27.4
Top 1 Percent	1,230	0.6	3,110,610	15.0	1,007,100	23.1	2,103,500	12.8	32.4
Top 0.1 Percent	130	0.1	#####	6.5	4,322,590	10.2	8,846,410	5.6	32.8

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0324-1).

Number of AMT Taxpayers (millions). Baseline: 7.3 Proposal: 0.2

(1) Calendar year. Baseline is the law currently in place as of July 7, 2024. Proposal would make permanent the following provisions of the 2017 Tax Act (the "Tax Cuts and Jobs Act" or TCJA): individual income tax rates of 10, 12, 22, 24, 32, 35, and 37 percent; modifications to child tax credit; increase in the individual alternative minimum tax exemption and exemption phase-out thresholds; increase in standard deduction; modifications to itemized deductions; repeal of deduction for personal exemptions; 20 percent deduction for qualified business income; repeal of deduction for moving expenses (other than members of the Armed Forces); repeal of exclusion for employer-provided qualified moving expense reimbursements (other than members of the Armed Forces); election to invest capital gains in an opportunity zone; limitation on active business losses of noncorporate taxpayers; doubling of estate tax exemption; and additional first-year depreciation with respect to qualified property for pass-through entities only. 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) 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 2024 dollars): 20% \$33,400; 40% \$64,500; 60% \$115,400; 80% \$210,400; 90% \$306,700; 95% \$444,100; 99% \$1,077,600; 99.9% \$4,832,400.

(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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Individual Income, Estate, and Payroll Tax Provisions Only
Excludes Corporate and Excise Tax Provisions
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2026¹
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	0.8	1.8	-150	-66.0	-0.1	0.1	-0.8	0.4
Second Quintile	0.9	4.0	-350	-9.3	-0.1	2.8	-0.8	7.6
Middle Quintile	1.1	8.8	-790	-7.1	0.0	8.4	-1.0	12.8
Fourth Quintile	1.3	15.5	-1,530	-5.9	0.2	17.9	-1.1	17.2
Top Quintile	2.4	69.7	-7,430	-6.7	0.1	70.6	-1.8	24.5
All	1.8	#####	-1,860	-6.7	0.0	100.0	-1.4	19.6
Addendum								
80-90	1.3	10.7	-2,230	-4.6	0.4	15.9	-1.0	20.4
90-95	1.8	10.6	-4,470	-5.8	0.1	12.4	-1.4	22.3
95-99	3.0	22.6	-12,510	-8.2	-0.3	18.1	-2.2	24.7
Top 1 Percent	3.4	26.0	-61,480	-7.2	-0.1	24.2	-2.3	29.8
Top 0.1 Percent	3.5	11.6	-273,240	-7.3	-0.1	10.7	-2.4	30.4

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2026¹

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	41,050	21.2	19,760	3.2	230	0.2	19,520	4.0	1.2
Second Quintile	40,640	21.0	44,740	7.1	3,750	2.9	40,990	8.3	8.4
Middle Quintile	40,100	20.7	81,840	12.9	11,230	8.4	70,610	14.1	13.7
Fourth Quintile	36,500	18.8	142,090	20.4	25,930	17.7	116,170	21.1	18.3
Top Quintile	33,790	17.4	425,090	56.4	111,590	70.5	313,500	52.7	26.3
All	#####	#####	131,310	100.0	27,570	100.0	103,740	100.0	21.0
Addendum									
80-90	17,250	8.9	225,610	15.3	48,270	15.6	177,340	15.2	21.4
90-95	8,530	4.4	325,120	10.9	76,840	12.3	248,290	10.5	23.6
95-99	6,490	3.4	564,020	14.4	151,800	18.4	412,220	13.3	26.9
Top 1 Percent	1,520	0.8	2,655,370	15.9	853,110	24.3	1,802,260	13.6	32.1
Top 0.1 Percent	150	0.1	#####	6.9	3,768,030	10.7	7,723,230	5.8	32.8

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0324-1).

Number of AMT Taxpayers (millions). Baseline: 7.3 Proposal: 0.2

(1) Calendar year. Baseline is the law currently in place as of July 7, 2024. Proposal would make permanent the following provisions of the 2017 Tax Act (the "Tax Cuts and Jobs Act" or TCJA): individual income tax rates of 10, 12, 22, 24, 32, 35, and 37 percent; modifications to child tax credit; increase in the individual alternative minimum tax exemption and exemption phase-out thresholds; increase in standard deduction; modifications to itemized deductions; repeal of deduction for personal exemptions; 20 percent deduction for qualified business income; repeal of deduction for moving expenses (other than members of the Armed Forces); repeal of exclusion for employer-provided qualified moving expense reimbursements (other than members of the Armed Forces); election to invest capital gains in an opportunity zone; limitation on active business losses of noncorporate taxpayers; doubling of estate tax exemption; and additional first-year depreciation with respect to qualified property for pass-through entities only. For more information on TPC's baseline definitions, see <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 2024 dollars): 20% \$23,500; 40% \$45,600; 60% \$78,100; 80% \$130,100; 90% \$189,000; 95% \$267,600; 99% \$633,100; 99.9% \$2,792,800.

(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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Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2026 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	0.3	1.5	-50	-6.0	0.0	1.3	-0.3	4.4	
Second Quintile	0.5	4.8	-160	-4.7	0.0	5.6	-0.5	9.2	
Middle Quintile	1.1	16.0	-590	-6.3	-0.1	13.7	-0.9	13.7	
Fourth Quintile	1.4	24.0	-1,180	-5.8	-0.1	22.3	-1.1	18.2	
Top Quintile	1.8	53.4	-3,810	-5.1	0.2	56.8	-1.4	25.2	
All	1.3	#####	-800	-5.4	0.0	100.0	-1.1	18.5	
Addendum									
80-90	1.3	12.4	-1,620	-4.4	0.2	15.5	-1.0	21.6	
90-95	1.8	10.9	-3,180	-5.5	0.0	10.6	-1.4	23.0	
95-99	2.0	13.9	-5,720	-5.4	0.0	14.0	-1.5	25.6	
Top 1 Percent	2.6	16.3	-32,040	-5.3	0.0	16.7	-1.8	31.4	
Top 0.1 Percent	3.5	9.5	-195,210	-6.8	-0.1	7.6	-2.3	32.1	

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2026 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	26,540	26.4	15,960	5.6	750	1.4	15,210	6.6	4.7
Second Quintile	23,590	23.4	36,030	11.2	3,470	5.5	32,560	12.6	9.6
Middle Quintile	21,860	21.7	64,220	18.5	9,370	13.8	54,860	19.7	14.6
Fourth Quintile	16,350	16.2	105,150	22.7	20,300	22.4	84,850	22.8	19.3
Top Quintile	11,260	11.2	281,120	41.8	74,520	56.6	206,600	38.2	26.5
All	#####	#####	75,230	100.0	14,720	100.0	60,510	100.0	19.6
Addendum									
80-90	6,160	6.1	163,280	13.3	36,800	15.3	126,480	12.8	22.5
90-95	2,750	2.7	235,620	8.6	57,360	10.6	178,250	8.0	24.4
95-99	1,950	1.9	394,190	10.1	106,680	14.0	287,510	9.2	27.1
Top 1 Percent	410	0.4	1,827,590	9.8	606,230	16.7	1,221,370	8.2	33.2
Top 0.1 Percent	40	0.0	8,403,020	4.4	2,891,740	7.7	5,511,270	3.6	34.4

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0324-1).

(1) Calendar year. Baseline is the law currently in place as of July 7, 2024. Proposal would make permanent the following provisions of the 2017 Tax Act (the "Tax Cuts and Jobs Act" or TCJA): individual income tax rates of 10, 12, 22, 24, 32, 35, and 37 percent; modifications to child tax credit; increase in the individual alternative minimum tax exemption and exemption phase-out thresholds; increase in standard deduction; modifications to itemized deductions; repeal of deduction for personal exemptions; 20 percent deduction for qualified business income; repeal of deduction for moving expenses (other than members of the Armed Forces); repeal of exclusion for employer-provided qualified moving expense reimbursements (other than members of the Armed Forces); election to invest capital gains in an opportunity zone; limitation on active business losses of noncorporate taxpayers; doubling of estate tax exemption; and additional first-year depreciation with respect to qualified property for pass-through entities only. 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) 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 2024 dollars): 20% \$23,500; 40% \$45,600; 60% \$78,100; 80% \$130,100; 90% \$189,000; 95% \$267,600; 99% \$633,100; 99.9% \$2,792,800.

(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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Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2026 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	0.6	0.4	-160	-29.6	0.0	0.1	-0.6	1.4	
Second Quintile	0.6	1.2	-320	-8.1	0.0	1.0	-0.6	6.2	
Middle Quintile	1.0	4.7	-920	-6.8	0.0	4.9	-0.9	11.7	
Fourth Quintile	1.3	12.6	-1,850	-6.0	0.2	15.1	-1.0	16.4	
Top Quintile	2.6	80.9	-9,590	-7.2	-0.2	78.7	-1.9	24.3	
All	2.0	#####	-3,700	-7.1	0.0	100.0	-1.6	20.8	
Addendum									
80-90	1.3	10.8	-2,630	-4.8	0.4	16.4	-1.0	19.9	
90-95	1.8	11.4	-5,250	-6.0	0.2	13.6	-1.4	22.0	
95-99	3.4	27.7	-15,860	-9.2	-0.5	20.8	-2.5	24.4	
Top 1 Percent	3.7	31.0	-73,400	-7.8	-0.2	27.9	-2.5	29.5	
Top 0.1 Percent	3.6	12.7	-303,960	-7.4	-0.1	12.0	-2.4	30.0	

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2026 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	6,830	10.2	26,490	1.2	540	0.1	25,950	1.5	2.0
Second Quintile	9,060	13.6	58,730	3.4	3,970	1.0	54,760	4.1	6.8
Middle Quintile	12,610	18.9	107,850	8.7	13,480	4.9	94,370	9.8	12.5
Fourth Quintile	16,870	25.3	177,780	19.2	30,940	14.9	146,840	20.5	17.4
Top Quintile	20,800	31.2	506,960	67.6	132,590	78.8	374,370	64.3	26.2
All	66,730	#####	233,810	100.0	52,430	100.0	181,380	100.0	22.4
Addendum									
80-90	10,100	15.1	265,300	17.2	55,320	16.0	209,980	17.5	20.9
90-95	5,350	8.0	374,780	12.8	87,710	13.4	287,080	12.7	23.4
95-99	4,310	6.5	645,530	17.8	173,320	21.3	472,220	16.8	26.9
Top 1 Percent	1,040	1.6	2,955,380	19.7	943,640	28.1	2,011,730	17.3	31.9
Top 0.1 Percent	100	0.2	#####	8.3	4,082,950	12.0	8,498,820	7.2	32.5

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0324-1).

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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 2024 dollars): 20% \$23,500; 40% \$45,600; 60% \$78,100; 80% \$130,100; 90% \$189,000; 95% \$267,600; 99% \$633,100; 99.9% \$2,792,800.

(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 T24-0035
Make Certain Provisions in the 2017 Tax Act Permanent
Individual Income, Estate, and Payroll Tax Provisions Only
Excludes Corporate and Excise Tax Provisions
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2026 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	1.9	15.5	-540	27.1	-2.4	-8.2	-2.0	-9.3	
Second Quintile	1.9	27.9	-980	-23.7	-1.8	10.2	-1.8	5.7	
Middle Quintile	1.7	26.3	-1,400	-10.3	0.0	25.9	-1.5	12.7	
Fourth Quintile	1.5	17.5	-1,790	-6.0	1.4	31.0	-1.2	18.4	
Top Quintile	1.2	12.8	-3,060	-3.4	2.9	41.0	-0.9	24.4	
All	1.6	#####	-1,110	-10.2	0.0	100.0	-1.4	12.4	
Addendum									
80-90	1.2	5.3	-2,080	-4.0	0.9	14.3	-0.9	21.6	
90-95	0.9	2.1	-2,020	-3.0	0.6	7.7	-0.7	21.8	
95-99	0.7	1.4	-2,970	-2.0	0.6	7.5	-0.5	26.5	
Top 1 Percent	1.7	4.0	-34,600	-3.8	0.8	11.5	-1.2	30.1	
Top 0.1 Percent	2.6	2.9	-249,750	-5.4	0.3	5.7	-1.7	30.3	

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2026 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	7,380	31.8	27,250	10.9	-2,000	-5.8	29,250	13.6	-7.3
Second Quintile	7,310	31.5	55,770	22.2	4,160	12.0	51,610	23.8	7.5
Middle Quintile	4,830	20.9	95,740	25.2	13,600	26.0	82,140	25.0	14.2
Fourth Quintile	2,530	10.9	151,810	20.9	29,690	29.6	122,120	19.5	19.6
Top Quintile	1,080	4.6	355,690	20.8	89,830	38.2	265,870	18.0	25.3
All	23,180	#####	79,290	100.0	10,920	100.0	68,370	100.0	13.8
Addendum									
80-90	660	2.8	229,170	8.2	51,570	13.4	177,600	7.4	22.5
90-95	270	1.2	298,580	4.4	67,080	7.2	231,500	3.9	22.5
95-99	120	0.5	548,540	3.5	148,490	6.8	400,050	2.9	27.1
Top 1 Percent	30	0.1	2,912,990	4.7	911,290	10.7	2,001,700	3.8	31.3
Top 0.1 Percent	*	0.0	#####	2.3	4,587,060	5.4	9,740,520	1.8	32.0

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0324-1).

(1) Calendar year. Baseline is the law currently in place as of July 7, 2024. Proposal would make permanent the following provisions of the 2017 Tax Act (the "Tax Cuts and Jobs Act" or TCJA): individual income tax rates of 10, 12, 22, 24, 32, 35, and 37 percent; modifications to child tax credit; increase in the individual alternative minimum tax exemption and exemption phase-out thresholds; increase in standard deduction; modifications to itemized deductions; repeal of deduction for personal exemptions; 20 percent deduction for qualified business income; repeal of deduction for moving expenses (other than members of the Armed Forces); repeal of exclusion for employer-provided qualified moving expense reimbursements (other than members of the Armed Forces); election to invest capital gains in an opportunity zone; limitation on active business losses of noncorporate taxpayers; doubling of estate tax exemption; and additional first-year depreciation with respect to qualified property for pass-through entities only. 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) 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 2024 dollars): 20% \$23,500; 40% \$45,600; 60% \$78,100; 80% \$130,100; 90% \$189,000; 95% \$267,600; 99% \$633,100; 99.9% \$2,792,800.

(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 T24-0035
Make Certain Provisions in the 2017 Tax Act Permanent
Individual Income, Estate, and Payroll Tax Provisions Only
Excludes Corporate and Excise Tax Provisions
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2026¹
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	1.6	3.5	-490	28.4	-0.4	-1.3
Second Quintile	1.6	6.4	-910	-18.6	-0.3	2.3	-1.5	6.6	
Middle Quintile	1.5	8.8	-1,430	-8.4	-0.1	7.9	-1.3	13.7	
Fourth Quintile	1.4	13.4	-2,200	-5.6	0.4	18.4	-1.1	18.7	
Top Quintile	2.7	67.6	-11,420	-7.1	0.4	72.6	-2.0	25.6	
All	2.2	#####	-3,070	-7.6	0.0	100.0	-1.7	20.5	
Addendum									
80-90	1.3	8.9	-2,980	-4.3	0.5	16.0	-1.0	21.7	
90-95	2.3	10.6	-7,370	-6.8	0.1	11.9	-1.7	23.3	
95-99	3.5	22.5	-18,840	-8.8	-0.3	19.1	-2.5	26.0	
Top 1 Percent	3.7	25.6	-83,410	-7.6	0.0	25.5	-2.5	30.1	
Top 0.1 Percent	3.5	9.9	-336,230	-7.2	0.0	10.4	-2.4	30.3	

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2026¹

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	22.1	28,230	3.4	-1,740	-0.9	29,960	
Second Quintile	11,390	21.6	60,350	7.1	4,900	2.6	55,450	8.4	8.1
Middle Quintile	9,970	18.9	113,860	11.7	17,060	7.9	96,800	12.8	15.0
Fourth Quintile	9,880	18.7	197,540	20.1	39,100	18.0	158,440	20.7	19.8
Top Quintile	9,610	18.2	585,170	57.9	161,460	72.2	423,710	53.8	27.6
All	52,790	#####	183,970	100.0	40,700	100.0	143,270	100.0	22.1
Addendum									
80-90	4,830	9.2	302,410	15.1	68,710	15.5	233,700	14.9	22.7
90-95	2,340	4.4	434,080	10.5	108,690	11.8	325,390	10.1	25.0
95-99	1,940	3.7	754,510	15.1	214,800	19.4	539,710	13.8	28.5
Top 1 Percent	500	0.9	3,380,800	17.3	1,102,040	25.5	2,278,760	15.0	32.6
Top 0.1 Percent	50	0.1	#####	7.0	4,649,810	10.4	9,583,930	6.1	32.7

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0324-1).

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.

- Calendar year. Baseline is the law currently in place as of July 7, 2024. Proposal would make permanent the following provisions of the 2017 Tax Act (the "Tax Cuts and Jobs Act" or TCJA): individual income tax rates of 10, 12, 22, 24, 32, 35, and 37 percent; modifications to child tax credit; increase in the individual alternative minimum tax exemption and exemption phase-out thresholds; increase in standard deduction; modifications to itemized deductions; repeal of deduction for personal exemptions; 20 percent deduction for qualified business income; repeal of deduction for moving expenses (other than members of the Armed Forces); repeal of exclusion for employer-provided qualified moving expense reimbursements (other than members of the Armed Forces); election to invest capital gains in an opportunity zone; limitation on active business losses of noncorporate taxpayers; doubling of estate tax exemption; and additional first-year depreciation with respect to qualified property for pass-through entities only. For more information on TPC's baseline definitions, see <http://www.taxpolicycenter.org/taxtopics/Baseline-Definitions.cfm>
- 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>
- 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 2024 dollars): 20% \$23,500; 40% \$45,600; 60% \$78,100; 80% \$130,100; 90% \$189,000; 95% \$267,600; 99% \$633,100; 99.9% \$2,792,800.
- 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.
- 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.
- 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 T24-0035
Make Certain Provisions in the 2017 Tax Act Permanent
Individual Income, Estate, and Payroll Tax Provisions Only
Excludes Corporate and Excise Tax Provisions
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Percentile Adjusted for Family Size, 2026 ¹
Detail Table - Older Adults

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	0.1	0.1	-10	-4.4	0.0	0.2	-0.1	1.2
Second Quintile	0.1	0.8	-50	-3.8	0.1	1.7	-0.1	3.0
Middle Quintile	0.7	7.0	-480	-8.3	0.0	7.1	-0.6	7.0
Fourth Quintile	1.3	15.6	-1,410	-8.6	-0.1	15.1	-1.1	11.6
Top Quintile	2.7	76.0	-8,450	-8.4	-0.1	75.1	-2.1	22.3
All	1.7	#####	-1,600	-8.3	0.0	100.0	-1.4	15.5
Addendum								
80-90	1.4	11.2	-2,360	-6.9	0.2	13.7	-1.2	15.7
90-95	2.1	10.3	-4,900	-8.4	0.0	10.3	-1.7	18.3
95-99	3.7	24.2	-14,250	-11.3	-0.6	17.3	-2.8	22.0
Top 1 Percent	3.6	30.4	-65,730	-7.6	0.3	33.8	-2.4	29.5
Top 0.1 Percent	3.3	14.1	-243,830	-6.7	0.3	17.8	-2.2	30.6

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Percentile Adjusted for Family Size, 2026 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	9,460	17.6	19,330	3.0	240	0.2	19,090	3.5	1.2
Second Quintile	13,520	25.1	41,190	9.1	1,270	1.7	39,910	10.5	3.1
Middle Quintile	12,760	23.7	75,690	15.7	5,770	7.1	69,920	17.4	7.6
Fourth Quintile	9,580	17.8	129,200	20.1	16,340	15.1	112,870	21.1	12.6
Top Quintile	7,780	14.4	412,030	52.1	100,270	75.2	311,750	47.4	24.3
All	53,890	#####	114,180	100.0	19,240	100.0	94,940	100.0	16.9
Addendum									
80-90	4,090	7.6	203,320	13.5	34,180	13.5	169,140	13.5	16.8
90-95	1,820	3.4	293,720	8.7	58,660	10.3	235,060	8.3	20.0
95-99	1,470	2.7	511,220	12.2	126,460	17.9	384,760	11.0	24.7
Top 1 Percent	400	0.7	2,722,110	17.7	869,850	33.5	1,852,260	14.5	32.0
Top 0.1 Percent	50	0.1	#####	9.0	3,647,470	17.5	7,464,460	7.3	32.8

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0324-1).

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 July 7, 2024. Proposal would make permanent the following provisions of the 2017 Tax Act (the "Tax Cuts and Jobs Act" or TCJA): individual income tax rates of 10, 12, 22, 24, 32, 35, and 37 percent; modifications to child tax credit; increase in the individual alternative minimum tax exemption and exemption phase-out thresholds; increase in standard deduction; modifications to itemized deductions; repeal of deduction for personal exemptions; 20 percent deduction for qualified business income; repeal of deduction for moving expenses (other than members of the Armed Forces); repeal of exclusion for employer-provided qualified moving expense reimbursements (other than members of the Armed Forces); election to invest capital gains in an opportunity zone; limitation on active business losses of noncorporate taxpayers; doubling of estate tax exemption; and additional first-year depreciation with respect to qualified property for pass-through entities only. 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) 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 2024 dollars): 20% \$23,500; 40% \$45,600; 60% \$78,100; 80% \$130,100; 90% \$189,000; 95% \$267,600; 99% \$633,100; 99.9% \$2,792,800.

(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.