

Table T24-0024
Make Certain Provisions in the 2017 Tax Act Permanent
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Level, 2027 ¹
Summary Table

Expanded Cash Income Level (thousands of 2024 dollars) ²	Tax Units		Percent Change in After-Tax Income ³	Share of Total Federal Tax Change	Average Federal Tax Change (\$)	Average Federal Tax Rate ⁴	
	Number (thousands)	Percent of Total				Change (%)	Under the Proposal
Less than 10	6,250	3.2	0.1	0.0	-10	-0.1	5.5
10-20	17,690	9.0	0.4	0.3	-60	-0.4	2.8
20-30	19,430	9.9	0.6	0.9	-160	-0.6	3.0
30-40	17,030	8.7	0.9	1.5	-320	-0.9	5.2
40-50	14,820	7.6	1.0	1.7	-430	-0.9	7.4
50-75	28,100	14.4	1.2	5.1	-680	-1.0	11.0
75-100	20,520	10.5	1.3	5.6	-1,020	-1.1	13.8
100-200	40,640	20.8	1.4	19.0	-1,740	-1.2	17.0
200-500	24,320	12.4	1.5	23.7	-3,620	-1.2	21.4
500-1,000	3,710	1.9	3.4	17.4	-17,420	-2.5	25.1
More than 1,000	1,430	0.7	3.2	24.6	-64,100	-2.2	30.0
All	195,790	100.0	1.8	100.0	-1,900	-1.4	19.6

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; additional first-year depreciation with respect to qualified property; rate on modified taxable income and treatment of credits in the calculation of base erosion minimum tax amount; deduction percentages for foreign-derived intangible income and global intangible low-taxed income; and deductibility of employer de minimis meals and related eating facility, and meals for the convenience of the employer. 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) After-tax income is expanded cash income less: individual income tax net of refundable credits; corporate income tax; payroll taxes (Social Security and Medicare); estate tax; and excise taxes.

(4) Average federal tax (includes individual and corporate income tax, payroll taxes for Social Security and Medicare, the estate tax, and excise taxes) as a percentage of average expanded cash income.

Table T24-0024
Make Certain Provisions in the 2017 Tax Act Permanent
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Level, 2027 ¹
Detail Table

Expanded Cash Income Level (thousands of 2024 dollars) ²	Percent Change in After-Tax Income ³	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁵	
			Dollars	Percent ⁴	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Less than 10	0.1	0.0	-10	-2.1	0.0	0.0	-0.1	5.5
10-20	0.4	0.3	-60	-12.0	0.0	0.2	-0.4	2.8
20-30	0.6	0.9	-160	-16.8	0.0	0.3	-0.6	3.0
30-40	0.9	1.5	-320	-14.3	-0.1	0.6	-0.9	5.2
40-50	1.0	1.7	-430	-10.8	-0.1	1.0	-0.9	7.4
50-75	1.2	5.1	-680	-8.5	-0.1	3.9	-1.0	11.0
75-100	1.3	5.6	-1,020	-7.4	0.0	5.1	-1.1	13.8
100-200	1.4	19.0	-1,740	-6.4	0.1	20.1	-1.2	17.0
200-500	1.5	23.7	-3,620	-5.2	0.5	31.2	-1.2	21.4
500-1,000	3.4	17.4	-17,420	-8.9	-0.3	12.8	-2.5	25.1
More than 1,000	3.2	24.6	-64,100	-6.7	0.0	24.5	-2.2	30.0
All	1.8	100.0	-1,900	-6.7	0.0	100.0	-1.4	19.6

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Level, 2027 ¹

Expanded Cash Income Level (thousands of 2024 dollars) ²	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income ³		Average Federal Tax Rate ⁵
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	
Less than 10	6,250	3.2	5,850	0.1	330	0.0	5,520	0.2	5.7
10-20	17,690	9.0	16,530	1.1	520	0.2	16,010	1.4	3.2
20-30	19,430	9.9	26,790	2.0	980	0.3	25,810	2.4	3.7
30-40	17,030	8.7	37,460	2.4	2,250	0.7	35,210	2.9	6.0
40-50	14,820	7.6	48,160	2.7	4,000	1.1	44,150	3.1	8.3
50-75	28,100	14.4	66,140	7.0	7,920	4.0	58,230	7.8	12.0
75-100	20,520	10.5	93,050	7.2	13,820	5.1	79,230	7.7	14.9
100-200	40,640	20.8	150,980	23.1	27,430	20.0	123,550	23.9	18.2
200-500	24,320	12.4	311,150	28.5	70,150	30.7	241,000	27.9	22.5
500-1,000	3,710	1.9	712,460	9.9	196,360	13.1	516,100	9.1	27.6
More than 1,000	1,430	0.7	2,967,140	16.0	953,870	24.5	2,013,260	13.7	32.2
All	#####	100.0	135,740	100.0	28,430	100.0	107,300	100.0	21.0

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; additional first-year depreciation with respect to qualified property; rate on modified taxable income and treatment of credits in the calculation of base erosion minimum tax amount; deduction percentages for foreign-derived intangible income and global intangible low-taxed income; and deductibility of employer de minimis meals and related eating facility, and meals for the convenience of the employer. 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) After-tax income is expanded cash income less: individual income tax net of refundable credits; corporate income tax; payroll taxes (Social Security and Medicare); estate tax; and excise taxes.

(4) For income categories for which the baseline tax burden is negative, a positive percent change in average federal tax indicates a net increase in federal subsidies, and a negative percent change indicates a net decrease in federal subsidies.

(5) Average federal tax (includes individual and corporate income tax, payroll taxes for Social Security and Medicare, the estate tax, and excise taxes) as a percentage of average expanded cash income.

Table T24-0024
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Distribution of Federal Tax Change by Expanded Cash Income Level, 2027 ¹
Detail Table - Single Tax Units

Expanded Cash Income Level (thousands of 2024 dollars) ²	Percent Change in After-Tax Income ³	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁵	
			Dollars	Percent ⁴	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Less than 10	0.1	0.0	-10	-1.3	0.0	0.2	-0.1	6.9
10-20	0.3	0.8	-50	-5.6	0.0	0.8	-0.3	4.6
20-30	0.4	1.6	-100	-5.7	0.0	1.5	-0.4	5.9
30-40	0.6	2.5	-200	-5.8	0.0	2.4	-0.5	8.8
40-50	0.8	3.4	-330	-6.2	0.0	3.0	-0.7	10.4
50-75	1.2	12.9	-660	-7.0	-0.2	10.1	-1.0	13.2
75-100	1.5	14.5	-1,130	-6.9	-0.2	11.6	-1.2	16.4
100-200	1.6	29.9	-1,750	-5.6	0.0	30.0	-1.2	20.5
200-500	1.7	17.4	-3,760	-4.9	0.1	19.9	-1.3	24.0
500-1,000	1.3	3.6	-6,410	-3.1	0.2	6.7	-0.9	28.3
More than 1,000	2.8	13.1	-58,500	-5.4	0.0	13.5	-1.9	32.4
All	1.4	100.0	-850	-5.6	0.0	100.0	-1.1	18.4

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Level, 2027 ¹

Expanded Cash Income Level (thousands of 2024 dollars) ²	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income ³		Average Federal Tax Rate ⁵
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	
Less than 10	5,220	5.1	5,890	0.4	410	0.1	5,470	0.5	7.0
10-20	14,510	14.3	16,440	3.0	800	0.8	15,640	3.6	4.9
20-30	14,010	13.8	26,620	4.7	1,680	1.5	24,950	5.5	6.3
30-40	10,680	10.5	37,490	5.1	3,500	2.4	33,990	5.7	9.3
40-50	8,850	8.7	48,170	5.4	5,320	3.1	42,850	6.0	11.1
50-75	16,800	16.5	66,050	14.1	9,400	10.3	56,650	15.0	14.2
75-100	11,060	10.9	92,400	13.0	16,270	11.7	76,130	13.2	17.6
100-200	14,710	14.5	144,300	26.9	31,330	30.0	112,970	26.1	21.7
200-500	3,980	3.9	302,210	15.2	76,270	19.8	225,940	14.2	25.2
500-1,000	490	0.5	706,480	4.4	206,600	6.6	499,880	3.8	29.2
More than 1,000	190	0.2	3,142,590	7.7	1,075,930	13.5	2,066,660	6.3	34.2
All	#####	100.0	77,710	100.0	15,120	100.0	62,580	100.0	19.5

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

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- (2) Includes both filing and non-filing units but excludes those that are dependents of other tax units. Tax units with negative adjusted gross income are excluded from their respective income class but are included in the totals. For a description of expanded cash income, see <http://www.taxpolicycenter.org/TaxModel/income.cfm>
- (3) After-tax income is expanded cash income less: individual income tax net of refundable credits; corporate income tax; payroll taxes (Social Security and Medicare); estate tax; and excise taxes.
- (4) For income categories for which the baseline tax burden is negative, a positive percent change in average federal tax indicates a net increase in federal subsidies, and a negative percent change indicates a net decrease in federal subsidies.
- (5) Average federal tax (includes individual and corporate income tax, payroll taxes for Social Security and Medicare, the estate tax, and excise taxes) as a percentage of average expanded cash income.

Table T24-0024
Make Certain Provisions in the 2017 Tax Act Permanent
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Level, 2027 ¹
Detail Table - Married Tax Units Filing Jointly

Expanded Cash Income Level (thousands of 2024 dollars) ²	Percent Change in After-Tax Income ³	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁵	
			Dollars	Percent ⁴	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Less than 10	0.1	0.0	-10	-2.7	0.0	0.0	-0.1	4.3
10-20	0.2	0.0	-40	-7.5	0.0	0.0	-0.2	2.8
20-30	0.3	0.1	-90	-13.6	0.0	0.0	-0.3	2.1
30-40	0.6	0.2	-200	-25.1	0.0	0.1	-0.5	1.6
40-50	0.5	0.3	-240	-16.3	0.0	0.1	-0.5	2.6
50-75	0.6	0.9	-390	-8.7	0.0	0.7	-0.6	6.1
75-100	0.8	1.6	-680	-7.0	0.0	1.6	-0.7	9.6
100-200	1.3	14.3	-1,720	-7.0	0.0	14.2	-1.1	14.6
200-500	1.5	27.5	-3,610	-5.2	0.7	36.9	-1.2	20.8
500-1,000	3.7	24.1	-19,380	-10.0	-0.6	16.2	-2.7	24.6
More than 1,000	3.3	30.7	-65,130	-7.1	-0.1	29.9	-2.3	29.6
All	2.0	100.0	-3,740	-6.9	0.0	100.0	-1.6	20.9

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Level, 2027 ¹

Expanded Cash Income Level (thousands of 2024 dollars) ²	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income ³		Average Federal Tax Rate ⁵
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	
Less than 10	630	0.9	4,840	0.0	210	0.0	4,620	0.0	4.4
10-20	1,410	2.1	16,510	0.1	510	0.0	16,010	0.2	3.1
20-30	2,400	3.6	27,400	0.4	660	0.0	26,740	0.5	2.4
30-40	2,860	4.3	37,420	0.7	800	0.1	36,620	0.8	2.1
40-50	2,980	4.4	48,160	0.9	1,490	0.1	46,670	1.1	3.1
50-75	6,050	9.0	66,640	2.5	4,430	0.7	62,210	3.0	6.7
75-100	5,970	8.9	94,320	3.5	9,680	1.6	84,630	4.0	10.3
100-200	20,930	31.1	157,120	20.2	24,690	14.2	132,430	22.0	15.7
200-500	19,150	28.5	314,210	37.0	68,930	36.2	245,290	37.2	21.9
500-1,000	3,130	4.7	713,090	13.7	194,560	16.7	518,530	12.9	27.3
More than 1,000	1,190	1.8	2,891,640	21.1	920,260	30.0	1,971,380	18.5	31.8
All	67,250	100.0	241,930	100.0	54,180	100.0	187,750	100.0	22.4

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

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(2) Includes both filing and non-filing units but excludes those that are dependents of other tax units. Tax units with negative adjusted gross income are excluded from their respective income class but are included in the totals. For a description of expanded cash income, see <http://www.taxpolicycenter.org/TaxModel/income.cfm>

(3) After-tax income is expanded cash income less: individual income tax net of refundable credits; corporate income tax; payroll taxes (Social Security and Medicare); estate tax; and excise taxes.

(4) For income categories for which the baseline tax burden is negative, a positive percent change in average federal tax indicates a net increase in federal subsidies, and a negative percent change indicates a net decrease in federal subsidies.

(5) Average federal tax (includes individual and corporate income tax, payroll taxes for Social Security and Medicare, the estate tax, and excise taxes) as a percentage of average expanded cash income.

Table T24-0024
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Detail Table - Head of Household Tax Units

Expanded Cash Income Level (thousands of 2024 dollars) ²	Percent Change in After-Tax Income ³	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁵	
			Dollars	Percent ⁴	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Less than 10	0.4	0.0	-30	3.7	0.0	-0.1	-0.5	-13.1
10-20	1.3	1.5	-250	11.9	-0.3	-1.6	-1.4	-13.5
20-30	1.9	5.8	-570	23.7	-1.0	-3.5	-2.1	-11.0
30-40	2.2	9.8	-830	96.6	-1.2	-2.3	-2.2	-4.5
40-50	2.1	9.4	-970	-48.1	-0.9	1.2	-2.0	2.2
50-75	1.9	18.7	-1,100	-16.7	-0.8	10.7	-1.7	8.4
75-100	1.7	14.7	-1,360	-11.1	-0.1	13.6	-1.5	11.8
100-200	1.6	28.7	-1,890	-7.2	1.4	42.4	-1.3	16.9
200-500	1.0	7.3	-2,170	-3.3	1.7	24.2	-0.8	22.0
500-1,000	0.5	0.5	-2,310	-1.2	0.4	4.5	-0.3	27.8
More than 1,000	1.7	3.6	-36,720	-3.7	0.8	10.9	-1.1	29.9
All	1.7	100.0	-1,170	-10.3	0.0	100.0	-1.4	12.4

Baseline Distribution of Income and Federal Taxes
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	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	
Less than 10	350	1.5	7,030	0.1	-890	-0.1	7,910	0.2	-12.6
10-20	1,620	6.9	17,240	1.5	-2,080	-1.3	19,320	1.9	-12.0
20-30	2,790	11.9	27,030	3.9	-2,410	-2.5	29,440	5.0	-8.9
30-40	3,220	13.8	37,380	6.3	-860	-1.0	38,230	7.4	-2.3
40-50	2,650	11.3	48,050	6.6	2,010	2.0	46,040	7.4	4.2
50-75	4,640	19.8	65,830	15.9	6,610	11.5	59,220	16.6	10.0
75-100	2,960	12.6	92,790	14.3	12,310	13.7	80,480	14.4	13.3
100-200	4,160	17.7	144,710	31.2	26,270	41.0	118,440	29.7	18.2
200-500	920	3.9	286,160	13.7	65,060	22.5	221,100	12.2	22.7
500-1,000	50	0.2	711,060	2.0	200,260	4.0	510,800	1.7	28.2
More than 1,000	30	0.1	3,212,040	4.5	996,890	10.2	2,215,150	3.6	31.0
All	23,460	100.0	82,080	100.0	11,350	100.0	70,730	100.0	13.8

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

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Table T24-0024
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Detail Table - Tax Units with Children

Expanded Cash Income Level (thousands of 2024 dollars) ²	Percent Change in After-Tax Income ³	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁵	
			Dollars	Percent ⁴	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Less than 10	0.4	0.0	-40	3.5	0.0	0.0	-0.5	-14.8
10-20	1.4	0.4	-270	11.8	-0.1	-0.3	-1.6	-15.0
20-30	1.8	1.3	-520	23.0	-0.1	-0.6	-1.9	-10.2
30-40	1.9	2.0	-710	98.2	-0.2	-0.3	-1.9	-3.8
40-50	1.9	2.1	-870	-48.0	-0.1	0.2	-1.8	2.0
50-75	1.7	4.1	-1,000	-16.1	-0.2	1.7	-1.5	7.9
75-100	1.4	3.3	-1,170	-9.8	-0.1	2.4	-1.3	11.5
100-200	1.5	14.5	-1,940	-7.1	0.0	14.9	-1.3	16.3
200-500	1.4	22.9	-3,420	-4.8	1.0	35.9	-1.1	21.6
500-1,000	3.6	21.3	-18,750	-9.4	-0.4	16.2	-2.6	25.3
More than 1,000	3.3	27.9	-63,040	-6.9	0.1	29.7	-2.2	30.0
All	2.1	100.0	-3,080	-7.3	0.0	100.0	-1.6	20.5

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Level, 2027 ¹

Expanded Cash Income Level (thousands of 2024 dollars) ²	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income ³		Average Federal Tax Rate ⁵
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	
Less than 10	530	1.0	7,200	0.0	-1,030	0.0	8,230	0.1	-14.3
10-20	2,490	4.7	17,120	0.4	-2,300	-0.3	19,420	0.6	-13.4
20-30	4,140	7.8	27,140	1.1	-2,240	-0.4	29,390	1.5	-8.3
30-40	4,700	8.9	37,480	1.7	-720	-0.2	38,200	2.3	-1.9
40-50	3,890	7.3	47,960	1.8	1,810	0.3	46,150	2.3	3.8
50-75	6,700	12.6	66,140	4.4	6,250	1.9	59,880	5.1	9.5
75-100	4,690	8.8	93,100	4.3	11,870	2.5	81,230	4.8	12.8
100-200	12,240	23.0	155,440	18.8	27,230	14.9	128,220	19.9	17.5
200-500	10,960	20.6	314,800	34.1	71,430	34.9	243,370	33.8	22.7
500-1,000	1,860	3.5	716,530	13.1	199,940	16.6	516,600	12.2	27.9
More than 1,000	720	1.4	2,836,950	20.3	914,810	29.6	1,922,140	17.6	32.3
All	53,170	100.0	190,420	100.0	42,120	100.0	148,300	100.0	22.1

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.

(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; additional first-year depreciation with respect to qualified property; rate on modified taxable income and treatment of credits in the calculation of base erosion minimum tax amount; deduction percentages for foreign-derived intangible income and global intangible low-taxed income; and deductibility of employer de minimis meals and related eating facility, and meals for the convenience of the employer. 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) After-tax income is expanded cash income less: individual income tax net of refundable credits; corporate income tax; payroll taxes (Social Security and Medicare); estate tax; and excise taxes.

(4) For income categories for which the baseline tax burden is negative, a positive percent change in average federal tax indicates a net increase in federal subsidies, and a negative percent change indicates a net decrease in federal subsidies.

(5) Average federal tax (includes individual and corporate income tax, payroll taxes for Social Security and Medicare, the estate tax, and excise taxes) as a percentage of average expanded cash income.

Table T24-0024
Make Certain Provisions in the 2017 Tax Act Permanent
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Level, 2027 ¹
Detail Table - Older Adults

Expanded Cash Income Level (thousands of 2024 dollars) ²	Percent Change in After-Tax Income ³	Share of Total Federal Tax Change	Average Federal Tax Change		Share of Federal Taxes		Average Federal Tax Rate ⁵	
			Dollars	Percent ⁴	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Less than 10	0.2	0.0	-10	-6.0	0.0	0.0	-0.2	2.5
10-20	0.1	0.1	-10	-6.1	0.0	0.1	-0.1	0.8
20-30	0.1	0.2	-20	-4.6	0.0	0.3	-0.1	1.8
30-40	0.2	0.4	-60	-6.0	0.0	0.5	-0.2	2.7
40-50	0.3	0.8	-140	-7.4	0.0	0.9	-0.3	3.5
50-75	0.6	4.0	-390	-9.4	0.0	3.5	-0.6	5.7
75-100	1.0	5.4	-810	-9.5	-0.1	4.8	-0.9	8.3
100-200	1.5	24.3	-1,960	-9.7	-0.3	20.9	-1.3	12.4
200-500	2.0	24.2	-5,060	-8.4	0.0	24.3	-1.6	17.9
500-1,000	3.8	14.9	-19,840	-10.8	-0.3	11.4	-2.8	23.3
More than 1,000	3.1	25.3	-72,250	-6.7	0.6	32.6	-2.1	30.0
All	1.7	100.0	-1,640	-8.4	0.0	100.0	-1.4	15.3

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Level, 2027 ¹

Expanded Cash Income Level (thousands of 2024 dollars) ²	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income ³		Average Federal Tax Rate ⁵
	Number (thousands)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	Average (dollars)	Percent of Total	
Less than 10	870	1.6	5,370	0.1	150	0.0	5,220	0.1	2.7
10-20	4,770	8.7	17,200	1.3	150	0.1	17,050	1.5	0.9
20-30	6,440	11.7	26,700	2.7	490	0.3	26,210	3.2	1.9
30-40	5,280	9.6	37,610	3.1	1,060	0.5	36,540	3.6	2.8
40-50	5,260	9.5	48,060	3.9	1,820	0.9	46,240	4.5	3.8
50-75	9,170	16.6	65,850	9.4	4,160	3.6	61,690	10.6	6.3
75-100	6,040	10.9	93,460	8.8	8,590	4.8	84,880	9.6	9.2
100-200	11,220	20.3	148,060	25.8	20,270	21.1	127,790	26.7	13.7
200-500	4,340	7.9	308,310	20.8	60,160	24.3	248,150	20.1	19.5
500-1,000	680	1.2	706,410	7.5	184,520	11.7	521,890	6.6	26.1
More than 1,000	320	0.6	3,384,600	16.7	1,086,270	32.0	2,298,330	13.6	32.1
All	55,200	100.0	116,670	100.0	19,490	100.0	97,190	100.0	16.7

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; additional first-year depreciation with respect to qualified property; rate on modified taxable income and treatment of credits in the calculation of base erosion minimum tax amount; deduction percentages for foreign-derived intangible income and global intangible low-taxed income; and deductibility of employer de minimis meals and related eating facility, and meals for the convenience of the employer. 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) After-tax income is expanded cash income less: individual income tax net of refundable credits; corporate income tax; payroll taxes (Social Security and Medicare); estate tax; and excise taxes.

(4) For income categories for which the baseline tax burden is negative, a positive percent change in average federal tax indicates a net increase in federal subsidies, and a negative percent change indicates a net decrease in federal subsidies.

(5) Average federal tax (includes individual and corporate income tax, payroll taxes for Social Security and Medicare, the estate tax, and excise taxes) as a percentage of average expanded cash income.