

Table T07-0060
Current Law Tax Benefits for Health Insurance Excluding Social Security Tax
Distribution of Subsidies by Cash Income Class, 2017¹
Nondependent Tax Units with Head or Spouse Under 65

Cash Income Class (thousands of 2006 dollars) ²	Percent with Priv. Health Insurance ³	Average Premium (\$)			Average Subsidy (\$)			Subsidy as a Percent of Premium			Premium as a Percent of Income ⁴			After-Tax Premium as a Percent of Income ⁵		
		All Insured Tax Units	Tax Units with ESI Only	Tax Units with PNG Only	All Insured Tax Units	Tax Units with ESI Only	Tax Units with PNG Only	All Insured Tax Units	Tax Units with ESI Only	Tax Units with PNG Only	All Insured Tax Units	Tax Units with ESI Only	Tax Units with PNG Only	All Insured Tax Units	Tax Units with ESI Only	Tax Units with PNG Only
Less than 10	24.1	7,529	6,852	9,062	109	145	3	1.4	2.1	0.0	70.5	57.6	145.7	69.5	56.4	145.7
10-20	37.4	9,626	9,252	9,754	1,109	1,307	18	11.5	14.1	0.2	37.2	34.3	50.1	32.9	29.4	50.0
20-30	55.7	11,460	11,143	11,757	1,944	2,175	71	17.0	19.5	0.6	28.8	27.3	37.2	23.9	21.9	37.0
30-40	69.5	12,565	12,142	12,435	2,258	2,406	173	18.0	19.8	1.4	23.4	22.3	28.2	19.2	17.9	27.8
40-50	75.5	13,113	12,785	12,604	2,654	2,822	158	20.2	22.1	1.3	19.5	18.8	22.2	15.6	14.7	22.0
50-75	86.1	15,029	14,538	12,440	3,482	3,618	318	23.2	24.9	2.6	16.6	16.0	15.9	12.8	12.0	15.5
75-100	91.9	17,627	17,159	13,912	4,473	4,663	523	25.4	27.2	3.8	14.1	13.7	12.7	10.5	9.9	12.2
100-200	94.5	20,194	19,731	14,924	5,757	6,018	277	28.5	30.5	1.9	10.5	10.3	8.6	7.5	7.1	8.4
200-500	96.2	21,334	20,906	14,825	7,196	7,503	708	33.7	35.9	4.8	5.7	5.5	4.0	3.7	3.5	3.8
500-1,000	95.1	19,555	19,268	14,575	7,231	7,606	1,893	37.0	39.5	13.0	2.2	2.2	1.7	1.4	1.3	1.5
More than 1,000	94.6	19,415	19,085	15,790	7,343	7,686	2,440	37.8	40.3	15.5	0.5	0.5	0.5	0.3	0.3	0.4
All	69.8	15,506	15,194	12,199	3,742	3,996	226	24.1	26.3	1.9	11.2	10.7	12.3	8.5	7.9	12.1

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 1006-1).

(1) Calendar year. Benefits are calculated as the change in tax liability (excluding the change in Social Security tax) between a baseline of current law modified to include pre-tax employer sponsored health insurance premiums in taxable compensation, to disallow the self-employed health insurance deduction, and to disallow the itemized deduction for medical expenses for all except Medicare beneficiaries, and an alternative consisting of current law. Following convention, the estimates are static and do not incorporate behavioral responses. In particular, they do not account for the gains of those who newly obtain health insurance, the losses of those who lose coverage due to the proposal, or the potential reductions in both premiums and comprehensiveness of health insurance.

(2) Tax units with negative cash income are excluded from the lowest income class but are included in the totals. For a description of cash income, see

<http://www.taxpolicycenter.org/TaxModel/income.cfm>

(3) Includes both filing and non-filing units. Tax units that are dependents of other taxpayers are excluded from the analysis.

(4) Income used to calculate premium as a percent of income and after-tax premium as a percent of income is cash income plus the value of pre-tax employer sponsored health insurance premiums.

(5) After-tax premium is the average premium less the average subsidy.