

Table T11-0174
Tax Units with Zero or Negative Tax Liability, 2012-2022¹

	Calendar Year										
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Tax Units (millions)²	165.2	166.3	167.5	168.9	170.5	171.9	173.3	174.7	176.1	177.4	178.8
CURRENT LAW											
Tax Units with Zero or Negative Individual Income Tax											
Number (millions)	75.6	65.0	63.3	62.3	61.5	60.7	60.1	59.5	59.2	59.1	58.3
As percent of all tax units	45.7	39.1	37.8	36.9	36.1	35.3	34.7	34.1	33.7	33.3	32.6
Tax Units with Zero or Negative Sum of Income and Payroll Taxes											
Number (millions)	44.2	38.5	37.8	37.6	37.6	37.4	37.2	37.3	37.2	38.1	37.8
As percent of all tax units	26.7	23.2	22.6	22.3	22.1	21.8	21.5	21.3	21.1	21.5	21.1
Tax Units with Zero or Negative Income and Payroll Tax											
Number (millions)	29.8	28.4	28.0	28.3	28.5	28.3	28.3	28.4	28.3	29.0	28.7
As percent of all tax units	18.0	17.1	16.7	16.8	16.7	16.5	16.3	16.2	16.1	16.3	16.1
CURRENT POLICY³											
Tax Units with Zero or Negative Individual Income Tax											
Number (millions)	76.0	71.5	69.8	68.8	68.0	67.0	66.3	65.8	65.4	65.3	64.5
As percent of all tax units	46.0	43.0	41.7	40.7	39.9	39.0	38.3	37.7	37.2	36.8	36.1
Tax Units with Zero or Negative Sum of Income and Payroll Taxes											
Number (millions)	44.3	42.4	41.6	41.3	41.2	41.0	40.7	40.6	40.4	41.2	40.8
As percent of all tax units	26.8	25.5	24.8	24.4	24.2	23.8	23.5	23.2	23.0	23.2	22.8
Tax Units with Zero or Negative Income and Payroll Tax											
Number (millions)	29.8	29.0	28.6	28.9	29.1	29.0	28.9	28.9	28.8	29.6	29.3
As percent of all tax units	18.0	17.4	17.1	17.1	17.1	16.9	16.7	16.6	16.4	16.7	16.4
ADMINISTRATION'S FY2012 BUDGET PROPOSALS⁴											
Tax Units with Zero or Negative Individual Income Tax											
Number (millions)	76.5	72.2	70.5	69.5	68.7	67.7	67.1	66.6	66.3	66.1	65.5
As percent of all tax units	46.3	43.4	42.1	41.1	40.3	39.4	38.7	38.1	37.6	37.3	36.6
Tax Units with Zero or Negative Sum of Income and Payroll Taxes											
Number (millions)	44.4	42.5	41.7	41.4	41.4	41.1	40.9	40.8	40.7	41.5	41.1
As percent of all tax units	26.9	25.6	24.9	24.5	24.3	23.9	23.6	23.4	23.1	23.4	23.0
Tax Units with Zero or Negative Income and Payroll Tax											
Number (millions)	29.8	28.9	28.5	28.9	29.1	28.9	28.8	28.9	28.8	29.6	29.3
As percent of all tax units	18.0	17.4	17.0	17.1	17.1	16.8	16.6	16.5	16.4	16.7	16.4

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0411-2)

(1) Calendar year.

(2) Excludes those that are dependents of other tax units.

(3) Current policy assumes that all the temporary provisions in place for calendar year 2011 are extended (with the exception of the payroll tax cut), indexes the AMT exemption level after 2011, and allows non-refundable personal credits against AMT liability.

(4) Individual income tax provisions in the Administration's FY2012 Budget Proposals would a) index the parameters of the AMT to inflation after 2011 and allow refundable and non-refundable credits against tentative AMT; b) extend parts of the 2001 and 2003 tax cuts, including marriage penalty relief, the 10, 15, 25, 28 and a portion of the 33 percent brackets, and the 0%/15% rate structure on capital gains and qualified dividends for taxpayers in those brackets; c) reinstate the 39.6 percent bracket and set the threshold for the 36 percent bracket at \$200,000 (single), \$250,000 (married), or \$225,000 (head of household), indexed for inflation after 2009, less the standard deduction and one personal exemption (two if married); d) set the thresholds for PEP and Pease at \$250,000 of AGI (married) and \$200,000 (single), indexed for inflation after 2009; e) tax capital gains and qualified dividends at 20% for taxpayers in the top two brackets and repeal the 8%/18% rates for assets held more than 5 years; f) extend the \$1,000 child tax credit, \$3,000 (not indexed) refundability threshold, and allow against the AMT; g) extend the American Opportunity Tax Credit; h) extend the EITC's 45% phase-in rate for families with 3 or more children and higher phase-out thresholds for married couples; i) extend the maximum credit amount for the child and dependent care tax credit and increase the phase-out threshold to \$75,000 (not indexed); j) provide automatic enrollment in IRAs; and k) limit itemized deductions to 28% for taxpayers in the top two brackets.