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Table T14-0081
Sen. Shaheen's Child and Dependent Care Tax Credit (CDCTC) Proposal: The "Helping Working Families Afford Child Care Act"
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Level, 2023 ¹
Summary Table

Expanded Cash Income Level (thousands of 2013 dollars) ²	Tax Units with Tax Increase or Cut ³				Percent Change in After-Tax Income ⁴	Share of Total Federal Tax Change	Average Federal Tax Change (\$)	Average Federal Tax Rate ⁵	
	With Tax Cut		With Tax Increase					Change (% Points)	Under the Proposal
	Pct of Tax Units	Avg Tax Cut	Pct of Tax Units	Avg Tax Increase					
Less than 10	1.1	-1,040	0.0	0	0.2	2.1	-12	-0.2	5.3
10-20	3.3	-866	*	**	0.2	11.9	-29	-0.2	3.8
20-30	3.9	-801	0.5	117	0.1	12.6	-31	-0.1	5.1
30-40	3.0	-838	0.7	74	0.1	7.1	-24	-0.1	6.8
40-50	2.8	-843	0.4	77	0.1	5.5	-23	0.0	9.3
50-75	3.1	-806	0.1	60	0.0	13.0	-25	0.0	13.6
75-100	3.4	-950	0.0	0	0.0	11.0	-32	0.0	15.7
100-200	4.9	-967	0.0	0	0.0	32.6	-48	0.0	17.8
200-500	3.8	-850	3.8	365	0.0	5.0	-18	0.0	21.8
500-1,000	0.0	0	4.8	614	0.0	-0.9	30	0.0	27.1
More than 1,000	0.0	0	3.1	743	0.0	-0.4	23	0.0	33.8
All	3.5	-885	0.5	310	0.0	100.0	-29	0.0	20.2

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0613-5b).

Number of AMT Taxpayers (millions). Baseline: 6.1

Proposal: 6.1

* Less than 0.05

** Insufficient data

(1) Calendar year. Baseline current law. Proposal makes CDCTC fully refundable; indexes the phasedown threshold and maximum expense limits for inflation after 2015; increases expense limit to \$8,000 for one qualifying individual and \$16,000 for two or more qualified individuals; and decreases the maximum credit rate to 20 percent. The credit rate would phase down by one percentage point for each \$5,000 (or fraction thereof) that AGI exceeds the phasedown threshold of \$200,000, from a maximum of 20% down to 0. We assume that 80 percent of tax units with childcare expenses in the baseline who receive a benefit under a refundable CDCTC but not under current law would claim that benefit. After 2015, we assume that the participation rate would increase annually by 1 percentage point with a maximum of 90 percent. For a description of TPC's current law baseline, 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. Our estimates do not include any potential interactions with dependent care flexible spending accounts (FSA). For a description of expanded cash income, see:

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

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

(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); and estate tax.

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

Table T14-0081
Sen. Shaheen's Child and Dependent Care Tax Credit (CDCTC) Proposal: The "Helping Working Families Afford Child Care Act"
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Level, 2023 ¹
Detail Table

Expanded Cash Income Level (thousands of 2013 dollars) ²	Percent of Tax Units 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 ⁵	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Less than 10	1.1	0.0	0.2	2.1	-12	-3.0	0.0	0.1	-0.2	5.3
10-20	3.3	*	0.2	11.9	-29	-3.9	0.0	0.3	-0.2	3.8
20-30	3.9	0.5	0.1	12.6	-31	-1.9	0.0	0.7	-0.1	5.1
30-40	3.0	0.7	0.1	7.1	-24	-0.8	0.0	1.0	-0.1	6.8
40-50	2.8	0.4	0.1	5.5	-23	-0.4	0.0	1.4	0.0	9.3
50-75	3.1	0.1	0.0	13.0	-25	-0.2	0.0	6.1	0.0	13.6
75-100	3.4	0.0	0.0	11.0	-32	-0.2	0.0	6.6	0.0	15.7
100-200	4.9	0.0	0.0	32.6	-48	-0.2	0.0	23.8	0.0	17.8
200-500	3.8	3.8	0.0	5.0	-18	0.0	0.0	23.4	0.0	21.8
500-1,000	0.0	4.8	0.0	-0.9	30	0.0	0.0	7.4	0.0	27.1
More than 1,000	0.0	3.1	0.0	-0.4	23	0.0	0.0	29.0	0.0	33.8
All	3.5	0.5	0.0	100.0	-29	-0.1	0.0	100.0	0.0	20.2

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Level, 2023 ¹

Expanded Cash Income Level (thousands of 2013 dollars) ²	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income ⁴		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	9,043	5.2	7,220	0.3	394	0.1	6,827	0.4	5.5
10-20	20,697	12.0	19,022	1.8	745	0.4	18,277	2.2	3.9
20-30	20,458	11.9	30,788	2.9	1,598	0.7	29,190	3.4	5.2
30-40	14,732	8.5	43,225	2.9	2,955	1.0	40,271	3.4	6.8
40-50	12,189	7.1	55,778	3.1	5,227	1.4	50,550	3.5	9.4
50-75	25,931	15.0	77,001	9.1	10,500	6.1	66,501	9.9	13.6
75-100	17,156	9.9	107,916	8.4	17,003	6.6	90,913	8.9	15.8
100-200	34,475	20.0	172,158	27.1	30,625	23.8	141,534	27.9	17.8
200-500	13,749	8.0	346,733	21.7	75,551	23.4	271,182	21.3	21.8
500-1,000	1,460	0.9	829,544	5.5	225,145	7.4	604,399	5.0	27.1
More than 1,000	974	0.6	3,904,345	17.3	1,319,554	28.9	2,584,791	14.4	33.8
All	172,542	100.0	127,158	100.0	25,735	100.0	101,424	100.0	20.2

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0613-5b).

Number of AMT Taxpayers (millions). Baseline: 6.1

Proposal: 6.1

* Less than 0.05

(1) Calendar year. Baseline current law. Proposal makes CDCTC fully refundable; indexes the phasedown threshold and maximum expense limits for inflation after 2015; increases expense limit to \$8,000 for one qualifying individual and \$16,000 for two or more qualified individuals; and decreases the maximum credit rate to 20 percent. The credit rate would phase down by one percentage point for each \$5,000 (or fraction thereof) that AGI exceeds the phasedown threshold of \$200,000, from a maximum of 20% down to 0. We assume that 80 percent of tax units with childcare expenses in the baseline who receive a benefit under a refundable CDCTC but not under current law would claim that benefit. After 2015, we assume that the participation rate would increase annually by 1 percentage point with a maximum of 90 percent. For a description of TPC's current law baseline, 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. Our estimates do not include any potential interactions with dependent care flexible spending accounts (FSA). For a description of expanded cash income, see: <http://www.taxpolicycenter.org/TaxModel/income.cfm>

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

(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); and estate tax.

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

Table T14-0081
Sen. Shaheen's Child and Dependent Care Tax Credit (CDCTC) Proposal: The "Helping Working Families Afford Child Care Act"
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Level, 2023 ¹
Detail Table - Single Tax Units

Expanded Cash Income Level (thousands of 2013 dollars) ²	Percent of Tax Units 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 ⁵	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (%) Points	Under the Proposal	Change (%) Points	Under the Proposal
Less than 10	0.5	0.0	0.1	11.4	-5	-0.8	0.0	0.5	-0.1	8.0
10-20	0.9	*	0.0	30.5	-6	-0.5	0.0	2.1	0.0	7.2
20-30	0.9	*	0.0	41.2	-10	-0.4	0.0	3.4	0.0	8.4
30-40	0.3	0.1	0.0	5.5	-2	-0.1	0.0	3.2	0.0	9.3
40-50	0.1	0.0	0.0	1.4	-1	0.0	0.0	4.1	0.0	11.5
50-75	0.3	*	0.0	6.2	-2	0.0	0.0	16.0	0.0	16.6
75-100	0.1	0.0	0.0	1.5	-1	0.0	0.0	13.3	0.0	18.8
100-200	0.1	0.0	0.0	2.3	-1	0.0	0.0	22.5	0.0	20.9
200-500	0.1	0.1	0.0	0.1	0	0.0	0.0	12.6	0.0	24.6
500-1,000	0.0	0.1	0.0	0.0	0	0.0	0.0	4.3	0.0	30.2
More than 1,000	0.0	*	0.0	0.0	0	0.0	0.0	17.8	0.0	36.5
All	0.5	*	0.0	100.0	-4	0.0	0.0	100.0	0.0	18.7

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Level, 2023 ¹

Expanded Cash Income Level (thousands of 2013 dollars) ²	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income ⁴		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	7,214	9.8	7,176	1.0	578	0.5	6,598	1.2	8.1
10-20	14,528	19.7	18,983	5.6	1,364	2.1	17,619	6.4	7.2
20-30	12,246	16.6	30,614	7.6	2,580	3.4	28,035	8.5	8.4
30-40	7,448	10.1	43,173	6.5	4,023	3.2	39,150	7.2	9.3
40-50	5,959	8.1	55,642	6.7	6,411	4.1	49,231	7.3	11.5
50-75	11,719	15.9	76,640	18.1	12,684	16.0	63,956	18.6	16.6
75-100	6,150	8.3	107,044	13.3	20,144	13.3	86,900	13.3	18.8
100-200	6,173	8.4	161,676	20.1	33,792	22.5	127,884	19.6	20.9
200-500	1,388	1.9	342,529	9.6	84,170	12.6	258,359	8.9	24.6
500-1,000	158	0.2	826,036	2.6	249,359	4.3	576,677	2.3	30.2
More than 1,000	115	0.2	3,920,654	9.1	1,429,338	17.8	2,491,316	7.1	36.5
All	73,898	100.0	67,134	100.0	12,566	100.0	54,568	100.0	18.7

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0613-5b).

* Less than 0.05

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(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); and estate tax.

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

Table T14-0081
Sen. Shaheen's Child and Dependent Care Tax Credit (CDCTC) Proposal: The "Helping Working Families Afford Child Care Act"
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Level, 2023 ¹
Detail Table - Married Tax Units Filing Jointly

Expanded Cash Income Level (thousands of 2013 dollars) ²	Percent of Tax Units 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 ⁵	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Less than 10	0.2	0.0	0.0	0.0	-1	-0.9	0.0	0.0	0.0	1.3
10-20	0.8	0.0	0.0	0.3	-4	-1.9	0.0	0.0	0.0	1.0
20-30	2.2	0.0	0.0	1.5	-10	-1.1	0.0	0.1	0.0	2.9
30-40	2.4	0.1	0.0	2.4	-15	-0.7	0.0	0.2	0.0	4.9
40-50	1.5	0.0	0.0	1.1	-7	-0.2	0.0	0.4	0.0	7.1
50-75	1.8	0.0	0.0	4.5	-11	-0.1	0.0	2.1	0.0	10.2
75-100	2.9	0.0	0.0	9.4	-23	-0.2	0.0	3.6	0.0	13.2
100-200	5.8	0.0	0.0	71.4	-55	-0.2	0.0	23.8	0.0	16.9
200-500	4.2	4.2	0.0	12.4	-20	0.0	0.0	27.9	0.0	21.4
500-1,000	0.0	5.4	0.0	-2.1	33	0.0	0.0	8.8	0.0	26.8
More than 1,000	0.0	3.5	0.0	-1.1	26	0.0	0.0	33.0	0.0	33.5
All	3.8	0.9	0.0	100.0	-29	-0.1	0.0	100.0	0.0	21.6

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Level, 2023 ¹

Expanded Cash Income Level (thousands of 2013 dollars) ²	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income ⁴		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	658	1.0	6,508	0.0	84	0.0	6,424	0.0	1.3
10-20	1,536	2.3	19,447	0.2	195	0.0	19,252	0.3	1.0
20-30	2,938	4.3	31,308	0.6	912	0.1	30,396	0.8	2.9
30-40	3,135	4.6	43,462	0.9	2,133	0.2	41,329	1.1	4.9
40-50	3,151	4.6	56,221	1.2	4,007	0.4	52,214	1.4	7.1
50-75	8,426	12.3	77,720	4.4	7,929	2.1	69,792	5.1	10.2
75-100	7,974	11.7	108,767	5.8	14,339	3.6	94,428	6.5	13.2
100-200	25,696	37.6	175,988	30.5	29,733	23.8	146,255	32.3	16.9
200-500	12,036	17.6	347,257	28.1	74,220	27.9	273,037	28.2	21.4
500-1,000	1,263	1.9	829,977	7.1	221,995	8.8	607,982	6.6	26.8
More than 1,000	820	1.2	3,852,077	21.3	1,289,084	33.0	2,562,993	18.1	33.5
All	68,289	100.0	217,498	100.0	46,929	100.0	170,569	100.0	21.6

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0613-5b).

* Less than 0.05

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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. Our estimates do not include any potential interactions with dependent care flexible spending accounts (FSA). For a description of expanded cash income, see: <http://www.taxpolicycenter.org/TaxModel/income.cfm>

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

(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); and estate tax.

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

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Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Level, 2023 ¹
Detail Table - Head of Household Tax Units

Expanded Cash Income Level (thousands of 2013 dollars) ²	Percent of Tax Units 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 ⁵	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (%) Points)	Under the Proposal	Change (%) Points)	Under the Proposal
Less than 10	6.5	0.0	0.8	2.6	-69	9.5	0.0	-0.4	-0.9	-9.9
10-20	12.8	0.0	0.6	18.1	-115	9.5	-0.3	-2.8	-0.6	-7.0
20-30	13.0	1.9	0.3	17.3	-98	14.7	-0.3	-1.8	-0.3	-2.5
30-40	9.0	2.7	0.2	10.7	-78	-6.1	-0.1	2.2	-0.2	2.8
40-50	10.6	1.6	0.2	9.2	-95	-2.7	-0.1	4.5	-0.2	6.2
50-75	12.7	0.6	0.2	19.8	-110	-1.2	0.0	22.4	-0.1	12.1
75-100	13.7	0.0	0.2	13.3	-146	-0.9	0.1	20.5	-0.1	15.6
100-200	9.4	0.0	0.1	8.2	-106	-0.4	0.3	31.4	-0.1	19.0
200-500	8.5	6.2	0.0	0.4	-40	-0.1	0.1	9.6	0.0	24.1
500-1,000	0.0	11.4	0.0	-0.1	73	0.0	0.0	2.9	0.0	27.3
More than 1,000	*	7.4	0.0	0.0	58	0.0	0.2	11.5	0.0	33.6
All	11.5	1.1	0.2	100.0	-103	-1.3	0.0	100.0	-0.2	11.9

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Level, 2023 ¹

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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	1,049	3.9	8,026	0.5	-726	-0.4	8,751	0.6	-9.0
10-20	4,354	16.3	19,029	4.8	-1,208	-2.5	20,237	5.8	-6.4
20-30	4,876	18.2	30,883	8.8	-670	-1.6	31,553	10.2	-2.2
30-40	3,775	14.1	43,104	9.5	1,281	2.3	41,824	10.5	3.0
40-50	2,687	10.0	55,526	8.7	3,531	4.6	51,995	9.3	6.4
50-75	4,965	18.5	76,564	22.2	9,349	22.4	67,215	22.1	12.2
75-100	2,516	9.4	107,140	15.7	16,805	20.4	90,335	15.1	15.7
100-200	2,130	8.0	158,980	19.7	30,267	31.1	128,713	18.2	19.0
200-500	240	0.9	338,370	4.7	81,408	9.4	256,963	4.1	24.1
500-1,000	26	0.1	816,986	1.3	223,176	2.8	593,810	1.0	27.3
More than 1,000	18	0.1	3,890,226	4.1	1,306,964	11.3	2,583,263	3.1	33.6
All	26,775	100.0	64,081	100.0	7,745	100.0	56,336	100.0	12.1

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0613-5b).

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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. Our estimates do not include any potential interactions with dependent care flexible spending accounts (FSA). For a description of expanded cash income, see: <http://www.taxpolicycenter.org/TaxModel/income.cfm>

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

(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); and estate tax.

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

Table T14-0081
Sen. Shaheen's Child and Dependent Care Tax Credit (CDCTC) Proposal: The "Helping Working Families Afford Child Care Act"
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Level, 2023 ¹
Detail Table - Tax Units with Children

Expanded Cash Income Level (thousands of 2013 dollars) ²	Percent of Tax Units 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 ⁵	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Less than 10	6.9	0.0	0.8	2.0	-73	7.1	0.0	-0.1	-0.9	-14.0
10-20	12.3	0.1	0.5	10.5	-106	5.7	0.0	-0.5	-0.6	-10.3
20-30	12.7	1.5	0.3	11.7	-95	7.5	0.0	-0.5	-0.3	-4.4
30-40	8.9	2.4	0.2	7.1	-72	-14.5	0.0	0.1	-0.2	1.0
40-50	8.5	1.1	0.1	5.5	-70	-2.3	0.0	0.6	-0.1	5.3
50-75	10.2	0.4	0.1	13.2	-81	-1.0	0.0	3.6	-0.1	10.6
75-100	10.0	0.0	0.1	11.1	-95	-0.6	0.0	4.7	-0.1	13.6
100-200	11.6	0.0	0.1	34.5	-112	-0.4	0.0	24.3	-0.1	16.6
200-500	7.8	7.8	0.0	5.3	-38	-0.1	0.1	28.6	0.0	21.2
500-1,000	*	10.7	0.0	-0.9	65	0.0	0.0	8.4	0.0	26.6
More than 1,000	0.0	7.3	0.0	-0.5	54	0.0	0.1	30.6	0.0	33.9
All	10.2	1.6	0.1	100.0	-84	-0.3	0.0	100.0	-0.1	19.6

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Level, 2023 ¹

Expanded Cash Income Level (thousands of 2013 dollars) ²	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income ⁴		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	1,301	2.3	7,817	0.1	-1,023	-0.1	8,840	0.2	-13.1
10-20	4,676	8.4	19,092	1.0	-1,859	-0.5	20,951	1.4	-9.7
20-30	5,795	10.4	30,842	2.0	-1,266	-0.4	32,107	2.6	-4.1
30-40	4,608	8.3	43,190	2.3	496	0.1	42,694	2.8	1.2
40-50	3,694	6.6	55,793	2.3	3,016	0.7	52,778	2.8	5.4
50-75	7,622	13.7	76,771	6.7	8,189	3.6	68,583	7.4	10.7
75-100	5,505	9.9	108,189	6.8	14,785	4.7	93,404	7.3	13.7
100-200	14,467	25.9	174,355	28.7	29,004	24.3	145,351	29.8	16.6
200-500	6,664	11.9	347,917	26.4	73,830	28.5	274,088	25.9	21.2
500-1,000	660	1.2	826,053	6.2	220,033	8.4	606,020	5.7	26.6
More than 1,000	408	0.7	3,807,688	17.7	1,292,060	30.5	2,515,628	14.5	33.9
All	55,806	100.0	157,550	100.0	30,936	100.0	126,614	100.0	19.6

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0613-5b).

* Less than 0.05

Note: Tax units with children are those claiming an exemption for children at home or away from home.

(1) Calendar year. Baseline current law. Proposal makes CDCTC fully refundable; indexes the phasedown threshold and maximum expense limits for inflation after 2015; increases expense limit to \$8,000 for one qualifying individual and \$16,000 for two or more qualified individuals; and decreases the maximum credit rate to 20 percent. The credit rate would phase down by one percentage point for each \$5,000 (or fraction thereof) that AGI exceeds the phasedown threshold of \$200,000, from a maximum of 20% down to 0. We assume that 80 percent of tax units with childcare expenses in the baseline who receive a benefit under a refundable CDCTC but not under current law would claim that benefit. After 2015, we assume that the participation rate would increase annually by 1 percentage point with a maximum of 90 percent. For a description of TPC's current law baseline, 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. Our estimates do not include any potential interactions with dependent care flexible spending accounts (FSA). For a description of expanded cash income, see: <http://www.taxpolicycenter.org/TaxModel/income.cfm>

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

(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); and estate tax.

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

Table T14-0081
Sen. Shaheen's Child and Dependent Care Tax Credit (CDCTC) Proposal: The "Helping Working Families Afford Child Care Act"
Baseline: Current Law
Distribution of Federal Tax Change by Expanded Cash Income Level, 2023 ¹
Detail Table - Elderly Tax Units

Expanded Cash Income Level (thousands of 2013 dollars) ²	Percent of Tax Units 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 ⁵	
	With Tax Cut	With Tax Increase			Dollars	Percent	Change (% Points)	Under the Proposal	Change (% Points)	Under the Proposal
Less than 10	0.0	0.0	0.0	0.0	0	0.0	0.0	0.0	0.0	1.2
10-20	*	0.0	0.0	3.7	0	-0.1	0.0	0.1	0.0	0.7
20-30	0.0	0.0	0.0	0.0	0	0.0	0.0	0.3	0.0	1.7
30-40	*	0.0	0.0	2.7	0	0.0	0.0	0.9	0.0	4.0
40-50	0.1	0.0	0.0	12.3	-1	0.0	0.0	1.7	0.0	6.4
50-75	0.1	*	0.0	7.1	0	0.0	0.0	6.2	0.0	9.9
75-100	0.1	0.0	0.0	44.6	-2	0.0	0.0	7.4	0.0	13.0
100-200	0.1	0.0	0.0	19.1	0	0.0	0.0	22.8	0.0	16.0
200-500	0.2	*	0.0	13.7	-1	0.0	0.0	19.8	0.0	21.2
500-1,000	0.0	0.3	0.0	-2.7	2	0.0	0.0	7.6	0.0	27.4
More than 1,000	0.0	0.1	0.0	-0.4	0	0.0	0.0	33.1	0.0	33.3
All	0.1	*	0.0	100.0	0	0.0	0.0	100.0	0.0	17.8

Baseline Distribution of Income and Federal Taxes
by Expanded Cash Income Level, 2023 ¹

Expanded Cash Income Level (thousands of 2013 dollars) ²	Tax Units		Pre-Tax Income		Federal Tax Burden		After-Tax Income ⁴		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	1,121	2.6	7,256	0.2	88	0.0	7,168	0.2	1.2
10-20	5,192	11.8	19,551	2.0	144	0.1	19,407	2.4	0.7
20-30	5,584	12.7	30,743	3.4	508	0.3	30,235	4.0	1.7
30-40	4,616	10.5	43,563	3.9	1,720	0.9	41,843	4.6	4.0
40-50	4,279	9.7	55,638	4.6	3,584	1.7	52,054	5.3	6.4
50-75	7,408	16.9	76,775	11.1	7,602	6.2	69,173	12.2	9.9
75-100	4,804	10.9	108,175	10.1	14,085	7.4	94,090	10.7	13.0
100-200	7,684	17.5	169,773	25.4	27,092	22.8	142,681	26.0	16.0
200-500	2,456	5.6	346,522	16.6	73,331	19.8	273,191	15.9	21.2
500-1,000	306	0.7	830,105	5.0	227,035	7.6	603,071	4.4	27.4
More than 1,000	242	0.6	3,756,619	17.7	1,250,589	33.1	2,506,030	14.4	33.3
All	43,929	100.0	116,739	100.0	20,764	100.0	95,974	100.0	17.8

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0613-5b).

* Less than 0.05

Note: Elderly tax units are those with either head or spouse (if filing jointly) age 65 or older.

(1) Calendar year. Baseline current law. Proposal makes CDCTC fully refundable; indexes the phasedown threshold and maximum expense limits for inflation after 2015; increases expense limit to \$8,000 for one qualifying individual and \$16,000 for two or more qualified individuals; and decreases the maximum credit rate to 20 percent. The credit rate would phase down by one percentage point for each \$5,000 (or fraction thereof) that AGI exceeds the phasedown threshold of \$200,000, from a maximum of 20% down to 0. We assume that 80 percent of tax units with childcare expenses in the baseline who receive a benefit under a refundable CDCTC but not under current law would claim that benefit. After 2015, we assume that the participation rate would increase annually by 1 percentage point with a maximum of 90 percent. For a description of TPC's current law baseline, 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. Our estimates do not include any potential interactions with dependent care flexible spending accounts (FSA). For a description of expanded cash income, see: <http://www.taxpolicycenter.org/TaxModel/income.cfm>

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