

**DISTRIBUTION EFFECTS OF THE CHAIRMAN'S AMENDMENT IN THE NATURE OF A SUBSTITUTE TO H.R.1,  
THE "TAX CUTS AND JOBS ACT,"  
SCHEDULED FOR MARKUP BY THE COMMITTEE ON WAYS AND MEANS ON NOVEMBER 6, 2017**

Calendar Year 2019

INCOME CATEGORY (2)	CHANGE IN FEDERAL TAXES (3)		FEDERAL TAXES (3) UNDER PRESENT LAW		FEDERAL TAXES (3) UNDER PROPOSAL		Average Tax Rate (4)	
	Millions	Percent	Billions	Percent	Billions	Percent	Present Law	Proposal
							Percent	Percent
Less than \$10,000.....	-\$557	-7.9%	\$7.0	0.2%	\$6.5	0.2%	9.1%	8.4%
\$10,000 to \$20,000.....	-\$2,435	(5)	-\$2.4	-0.1%	-\$4.8	-0.2%	-0.7%	-1.4%
\$20,000 to \$30,000.....	-\$3,001	-13.6%	\$22.1	0.7%	\$19.1	0.6%	3.9%	3.4%
\$30,000 to \$40,000.....	-\$4,181	-8.9%	\$47.0	1.5%	\$42.8	1.4%	7.9%	7.2%
\$40,000 to \$50,000.....	-\$5,532	-8.2%	\$67.3	2.1%	\$61.7	2.0%	10.9%	10.0%
\$50,000 to \$75,000.....	-\$20,921	-7.9%	\$265.3	8.2%	\$244.4	8.0%	14.8%	13.6%
\$75,000 to \$100,000.....	-\$19,483	-7.0%	\$279.5	8.7%	\$260.1	8.6%	17.0%	15.8%
\$100,000 to \$200,000.....	-\$57,066	-6.1%	\$939.8	29.1%	\$882.7	29.1%	20.9%	19.6%
\$200,000 to \$500,000.....	-\$26,446	-3.7%	\$724.3	22.4%	\$697.8	23.0%	26.4%	25.3%
\$500,000 to \$1,000,000...	-\$10,912	-4.3%	\$254.7	7.9%	\$243.8	8.0%	30.9%	29.4%
\$1,000,000 and over.....	-\$41,557	-6.7%	\$624.1	19.3%	\$582.5	19.2%	32.5%	29.9%
<b>Total, All Taxpayers.....</b>	<b>-\$192,092</b>	<b>-5.9%</b>	<b>\$3,228.7</b>	<b>100.0%</b>	<b>\$3,036.7</b>	<b>100.0%</b>	<b>20.7%</b>	<b>19.4%</b>

Source: Joint Committee on Taxation

Detail may not add to total due to rounding.

- 
- (1) This table is a distributional analysis of the proposal in revenue table JCX-47-17, excluding the following sections under I. Tax Reform for Individuals: B.2.c., C.2., C.3., E.1.- E.6., F.1 - F.6., and H.
  - (2) The income concept used to place tax returns into income categories is adjusted gross income (AGI) plus: [1] tax-exempt interest, [2] employer contributions for health plans and life insurance, [3] employer share of FICA tax, [4] worker's compensation, [5] nontaxable Social Security benefits, [6] insurance value of Medicare benefits, [7] alternative minimum tax preference items, [8] individual share of business taxes, and [9] excluded income of U.S. citizens living abroad. Categories are measured at 2017 levels.
  - (3) Federal taxes are equal to individual income tax (including the outlay portion of refundable credits), employment tax (attributed to employees), excise taxes (attributed to consumers), and corporate income taxes. The estimates of Federal taxes are preliminary and subject to change. Individuals who are dependents of other taxpayers and taxpayers with negative income are excluded from the analysis. Does not include indirect effects.
  - (4) The average tax rate is equal to Federal taxes described in footnote (3) divided by income described in footnote (2).
  - (5) For returns in the \$10,000 to \$20,000 income category, Federal taxes would decrease from -\$2.412 billion to -\$4.848 billion.

**DISTRIBUTION EFFECTS OF THE CHAIRMAN'S AMENDMENT IN THE NATURE OF A SUBSTITUTE TO H.R.1,  
THE "TAX CUTS AND JOBS ACT,"  
SCHEDULED FOR MARKUP BY THE COMMITTEE ON WAYS AND MEANS ON NOVEMBER 6, 2017**

Calendar Year 2021

INCOME CATEGORY (2)	CHANGE IN FEDERAL TAXES (3)		FEDERAL TAXES (3) UNDER PRESENT LAW		FEDERAL TAXES (3) UNDER PROPOSAL		Average Tax Rate (4)	
	Millions	Percent	Billions	Percent	Billions	Percent	Present Law	Proposal
							Percent	Percent
Less than \$10,000.....	-\$422	-6.1%	\$6.9	0.2%	\$6.5	0.2%	8.2%	7.7%
\$10,000 to \$20,000.....	-\$2,084	(5)	-\$4.9	-0.1%	-\$7.0	-0.2%	-1.4%	-1.9%
\$20,000 to \$30,000.....	-\$2,636	-11.7%	\$22.5	0.6%	\$19.9	0.6%	3.7%	3.3%
\$30,000 to \$40,000.....	-\$3,695	-7.7%	\$47.7	1.4%	\$44.0	1.3%	7.6%	7.0%
\$40,000 to \$50,000.....	-\$5,281	-7.2%	\$73.7	2.1%	\$68.4	2.1%	10.9%	10.1%
\$50,000 to \$75,000.....	-\$20,189	-7.1%	\$283.4	8.1%	\$263.3	7.9%	14.7%	13.6%
\$75,000 to \$100,000.....	-\$18,029	-6.0%	\$300.3	8.6%	\$282.3	8.5%	16.8%	15.8%
\$100,000 to \$200,000.....	-\$51,751	-5.1%	\$1,017.6	29.1%	\$965.8	29.0%	20.9%	19.8%
\$200,000 to \$500,000.....	-\$18,670	-2.3%	\$799.8	22.9%	\$781.1	23.4%	26.5%	25.8%
\$500,000 to \$1,000,000...	-\$7,806	-2.8%	\$279.4	8.0%	\$271.6	8.1%	31.0%	30.1%
\$1,000,000 and over.....	-\$33,346	-5.0%	\$671.8	19.2%	\$638.5	19.1%	32.4%	30.7%
<b>Total, All Taxpayers.....</b>	<b>-\$163,909</b>	<b>-4.7%</b>	<b>\$3,498.3</b>	<b>100.0%</b>	<b>\$3,334.4</b>	<b>100.0%</b>	<b>20.7%</b>	<b>19.7%</b>

Source: Joint Committee on Taxation

Detail may not add to total due to rounding.

- 
- (1) This table is a distributional analysis of the proposal in revenue table JCX-47-17, excluding the following sections under I. Tax Reform for Individuals: B.2.c., C.2., C.3., E.1.- E.6., F.1 - F.6., and H.
- (2) The income concept used to place tax returns into income categories is adjusted gross income (AGI) plus: [1] tax-exempt interest, [2] employer contributions for health plans and life insurance, [3] employer share of FICA tax, [4] worker's compensation, [5] nontaxable Social Security benefits, [6] insurance value of Medicare benefits, [7] alternative minimum tax preference items, [8] individual share of business taxes, and [9] excluded income of U.S. citizens living abroad. Categories are measured at 2017 levels.
- (3) Federal taxes are equal to individual income tax (including the outlay portion of refundable credits), employment tax (attributed to employees), excise taxes (attributed to consumers), and corporate income taxes. The estimates of Federal taxes are preliminary and subject to change. Individuals who are dependents of other taxpayers and taxpayers with negative income are excluded from the analysis. Does not include indirect effects.
- (4) The average tax rate is equal to Federal taxes described in footnote (3) divided by income described in footnote (2).
- (5) For returns in the \$10,000 to \$20,000 income category, Federal taxes would decrease from -\$4.888 billion to -\$6.972 billion.

**DISTRIBUTION EFFECTS OF THE CHAIRMAN'S AMENDMENT IN THE NATURE OF A SUBSTITUTE TO H.R.1,  
THE "TAX CUTS AND JOBS ACT,"  
SCHEDULED FOR MARKUP BY THE COMMITTEE ON WAYS AND MEANS ON NOVEMBER 6, 2017**

Calendar Year 2023

INCOME CATEGORY (2)	CHANGE IN FEDERAL TAXES (3)		FEDERAL TAXES (3) UNDER PRESENT LAW		FEDERAL TAXES (3) UNDER PROPOSAL		Average Tax Rate (4)	
	Millions	Percent	Billions	Percent	Billions	Percent	Present Law	Proposal
							Percent	Percent
Less than \$10,000.....	\$100	1.6%	\$6.4	0.2%	\$6.5	0.2%	7.0%	7.1%
\$10,000 to \$20,000.....	\$638	(5)	-\$5.0	-0.1%	-\$4.4	-0.1%	-1.3%	-1.1%
\$20,000 to \$30,000.....	\$1,170	4.7%	\$24.7	0.7%	\$25.8	0.7%	3.7%	3.9%
\$30,000 to \$40,000.....	\$653	1.3%	\$51.0	1.4%	\$51.7	1.4%	7.6%	7.7%
\$40,000 to \$50,000.....	-\$300	-0.4%	\$80.9	2.1%	\$80.6	2.2%	10.8%	10.8%
\$50,000 to \$75,000.....	-\$6,359	-2.1%	\$305.2	8.1%	\$298.8	8.0%	14.6%	14.3%
\$75,000 to \$100,000.....	-\$4,475	-1.4%	\$325.9	8.6%	\$321.4	8.6%	16.6%	16.4%
\$100,000 to \$200,000.....	-\$17,442	-1.6%	\$1,103.4	29.3%	\$1,086.0	29.0%	20.8%	20.5%
\$200,000 to \$500,000.....	\$3,405	0.4%	\$863.6	22.9%	\$867.0	23.2%	26.5%	26.5%
\$500,000 to \$1,000,000...	\$744	0.3%	\$297.6	7.9%	\$298.3	8.0%	30.8%	30.8%
\$1,000,000 and over.....	-\$8,885	-1.2%	\$717.5	19.0%	\$708.7	18.9%	32.2%	31.7%
<b>Total, All Taxpayers.....</b>	<b>-\$30,752</b>	<b>-0.8%</b>	<b>\$3,771.1</b>	<b>100.0%</b>	<b>\$3,740.3</b>	<b>100.0%</b>	<b>20.5%</b>	<b>20.3%</b>

Source: Joint Committee on Taxation

Detail may not add to total due to rounding.

- 
- (1) This table is a distributional analysis of the proposal in revenue table JCX-47-17, excluding the following sections under I. Tax Reform for Individuals: B.2.c., C.2., C.3., E.1.- E.6., F.1 - F.6., and H.
  - (2) The income concept used to place tax returns into income categories is adjusted gross income (AGI) plus: [1] tax-exempt interest, [2] employer contributions for health plans and life insurance, [3] employer share of FICA tax, [4] worker's compensation, [5] nontaxable Social Security benefits, [6] insurance value of Medicare benefits, [7] alternative minimum tax preference items, [8] individual share of business taxes, and [9] excluded income of U.S. citizens living abroad. Categories are measured at 2017 levels.
  - (3) Federal taxes are equal to individual income tax (including the outlay portion of refundable credits), employment tax (attributed to employees), excise taxes (attributed to consumers), and corporate income taxes. The estimates of Federal taxes are preliminary and subject to change. Individuals who are dependents of other taxpayers and taxpayers with negative income are excluded from the analysis. Does not include indirect effects.
  - (4) The average tax rate is equal to Federal taxes described in footnote (3) divided by income described in footnote (2).
  - (5) For returns in the \$10,000 to \$20,000 income category, Federal taxes would increase from -\$5.044 billion to -\$4.406 billion.

**DISTRIBUTION EFFECTS OF THE CHAIRMAN'S AMENDMENT IN THE NATURE OF A SUBSTITUTE TO H.R.1,  
THE "TAX CUTS AND JOBS ACT,"  
SCHEDULED FOR MARKUP BY THE COMMITTEE ON WAYS AND MEANS ON NOVEMBER 6, 2017**

Calendar Year 2025

INCOME CATEGORY (2)	CHANGE IN FEDERAL TAXES (3)		FEDERAL TAXES (3) UNDER PRESENT LAW		FEDERAL TAXES (3) UNDER PROPOSAL		Average Tax Rate (4)	
	Millions	Percent	Billions	Percent	Billions	Percent	Present Law	Proposal
							Percent	Percent
Less than \$10,000.....	-\$80	-1.4%	\$5.9	0.1%	\$5.8	0.1%	5.8%	5.7%
\$10,000 to \$20,000.....	\$268	(5)	-\$4.7	-0.1%	-\$4.4	-0.1%	-1.1%	-1.1%
\$20,000 to \$30,000.....	\$1,070	3.9%	\$27.2	0.7%	\$28.3	0.7%	3.8%	4.0%
\$30,000 to \$40,000.....	\$388	0.7%	\$53.7	1.3%	\$54.1	1.3%	7.5%	7.6%
\$40,000 to \$50,000.....	-\$679	-0.8%	\$88.0	2.2%	\$87.3	2.2%	10.9%	10.8%
\$50,000 to \$75,000.....	-\$8,103	-2.5%	\$328.1	8.0%	\$320.0	7.9%	14.5%	14.1%
\$75,000 to \$100,000.....	-\$6,128	-1.7%	\$350.6	8.6%	\$344.4	8.6%	16.5%	16.2%
\$100,000 to \$200,000.....	-\$23,309	-1.9%	\$1,197.4	29.3%	\$1,174.1	29.1%	20.7%	20.3%
\$200,000 to \$500,000.....	-\$2,228	-0.2%	\$943.3	23.1%	\$941.0	23.4%	26.5%	26.4%
\$500,000 to \$1,000,000...	-\$2,883	-0.9%	\$321.5	7.9%	\$318.6	7.9%	30.8%	30.5%
\$1,000,000 and over.....	-\$21,694	-2.8%	\$780.2	19.1%	\$758.5	18.8%	32.1%	31.2%
<b>Total, All Taxpayers.....</b>	<b>-\$63,379</b>	<b>-1.5%</b>	<b>\$4,091.1</b>	<b>100.0%</b>	<b>\$4,027.7</b>	<b>100.0%</b>	<b>20.5%</b>	<b>20.2%</b>

Source: Joint Committee on Taxation

Detail may not add to total due to rounding.

- 
- (1) This table is a distributional analysis of the proposal in revenue table JCX-47-17, excluding the following sections under I. Tax Reform for Individuals: B.2.c., C.2., C.3., E.1.- E.6., F.1 - F.6., and H.
- (2) The income concept used to place tax returns into income categories is adjusted gross income (AGI) plus: [1] tax-exempt interest, [2] employer contributions for health plans and life insurance, [3] employer share of FICA tax, [4] worker's compensation, [5] nontaxable Social Security benefits, [6] insurance value of Medicare benefits, [7] alternative minimum tax preference items, [8] individual share of business taxes, and [9] excluded income of U.S. citizens living abroad. Categories are measured at 2017 levels.
- (3) Federal taxes are equal to individual income tax (including the outlay portion of refundable credits), employment tax (attributed to employees), excise taxes (attributed to consumers), and corporate income taxes. The estimates of Federal taxes are preliminary and subject to change. Individuals who are dependents of other taxpayers and taxpayers with negative income are excluded from the analysis. Does not include indirect effects.
- (4) The average tax rate is equal to Federal taxes described in footnote (3) divided by income described in footnote (2).
- (5) For returns in the \$10,000 to \$20,000 income category, Federal taxes would increase from -\$4.664 billion to -\$4.397 billion.

**DISTRIBUTION EFFECTS OF THE CHAIRMAN'S AMENDMENT IN THE NATURE OF A SUBSTITUTE TO H.R.1,  
THE "TAX CUTS AND JOBS ACT,"  
SCHEDULED FOR MARKUP BY THE COMMITTEE ON WAYS AND MEANS ON NOVEMBER 6, 2017**

Calendar Year 2027

INCOME CATEGORY (2)	CHANGE IN FEDERAL TAXES (3)		FEDERAL TAXES (3) UNDER PRESENT LAW		FEDERAL TAXES (3) UNDER PROPOSAL		Average Tax Rate (4)	
	Millions	Percent	Billions	Percent	Billions	Percent	Present Law	Proposal
							Percent	Percent
Less than \$10,000.....	-\$518	-9.9%	\$5.2	0.1%	\$4.7	0.1%	4.7%	4.2%
\$10,000 to \$20,000.....	-\$726	(5)	-\$3.4	-0.1%	-\$4.1	-0.1%	-0.8%	-1.0%
\$20,000 to \$30,000.....	\$431	1.4%	\$31.4	0.7%	\$31.8	0.7%	4.1%	4.1%
\$30,000 to \$40,000.....	-\$443	-0.7%	\$59.4	1.3%	\$59.0	1.4%	7.6%	7.6%
\$40,000 to \$50,000.....	-\$1,902	-1.9%	\$98.0	2.2%	\$96.1	2.2%	11.0%	10.8%
\$50,000 to \$75,000.....	-\$11,501	-3.3%	\$352.2	7.9%	\$340.7	7.9%	14.5%	14.0%
\$75,000 to \$100,000.....	-\$9,545	-2.5%	\$380.3	8.6%	\$370.8	8.6%	16.3%	15.9%
\$100,000 to \$200,000.....	-\$34,747	-2.7%	\$1,302.4	29.3%	\$1,267.6	29.3%	20.7%	20.1%
\$200,000 to \$500,000.....	-\$12,881	-1.3%	\$1,026.5	23.1%	\$1,013.6	23.4%	26.6%	26.2%
\$500,000 to \$1,000,000...	-\$7,337	-2.1%	\$345.7	7.8%	\$338.3	7.8%	30.8%	30.1%
\$1,000,000 and over.....	-\$36,617	-4.3%	\$848.7	19.1%	\$812.0	18.8%	32.1%	30.6%
<b>Total, All Taxpayers.....</b>	<b>-\$115,787</b>	<b>-2.6%</b>	<b>\$4,446.4</b>	<b>100.0%</b>	<b>\$4,330.6</b>	<b>100.0%</b>	<b>20.5%</b>	<b>20.0%</b>

Source: Joint Committee on Taxation

Detail may not add to total due to rounding.

- 
- (1) This table is a distributional analysis of the proposal in revenue table JCX-47-17, excluding the following sections under I. Tax Reform for Individuals: B.2.c., C.2., C.3., E.1.- E.6., F.1 - F.6., and H.
  - (2) The income concept used to place tax returns into income categories is adjusted gross income (AGI) plus: [1] tax-exempt interest, [2] employer contributions for health plans and life insurance, [3] employer share of FICA tax, [4] worker's compensation, [5] nontaxable Social Security benefits, [6] insurance value of Medicare benefits, [7] alternative minimum tax preference items, [8] individual share of business taxes, and [9] excluded income of U.S. citizens living abroad. Categories are measured at 2017 levels.
  - (3) Federal taxes are equal to individual income tax (including the outlay portion of refundable credits), employment tax (attributed to employees), excise taxes (attributed to consumers), and corporate income taxes. The estimates of Federal taxes are preliminary and subject to change. Individuals who are dependents of other taxpayers and taxpayers with negative income are excluded from the analysis. Does not include indirect effects.
  - (4) The average tax rate is equal to Federal taxes described in footnote (3) divided by income described in footnote (2).
  - (5) For returns in the \$10,000 to \$20,000 income category, Federal taxes would decrease from -\$3.415 billion to -\$4.141 billion.
  - (6) Less than 0.05%.

**COMPONENTS OF THE DISTRIBUTION EFFECTS OF  
THE CHAIRMAN'S AMENDMENT IN THE NATURE OF A SUBSTITUTE TO H.R.1,  
THE "TAX CUTS AND JOBS ACT,"**

**Distribution of Individual Income Tax Side of the Proposal**

INCOME CATEGORY	CHANGE IN FEDERAL TAXES (\$ millions)				
	2019	2021	2023	2025	2027
Less than \$10,000.....	-\$287	-\$252	-\$118	-\$120	-\$315
\$10,000 to \$20,000.....	-\$1,817	-\$1,731	-\$134	\$111	-\$189
\$20,000 to \$30,000.....	-\$2,314	-\$2,136	\$782	\$1,235	\$1,444
\$30,000 to \$40,000.....	-\$3,278	-\$3,027	\$347	\$699	\$857
\$40,000 to \$50,000.....	-\$4,393	-\$4,383	-\$496	-\$158	-\$106
\$50,000 to \$75,000.....	-\$17,046	-\$17,139	-\$6,622	-\$6,151	-\$5,607
\$75,000 to \$100,000.....	-\$14,690	-\$14,377	-\$4,642	-\$3,853	-\$2,930
\$100,000 to \$200,000.....	-\$39,491	-\$38,341	-\$17,695	-\$14,944	-\$11,179
\$200,000 to \$500,000.....	-\$8,643	-\$5,738	\$1,076	\$4,183	\$7,190
\$500,000 to \$1,000,000.....	-\$2,794	-\$2,280	-\$1,687	-\$1,150	-\$74
\$1,000,000 and over.....	-\$18,914	-\$19,379	-\$18,877	-\$19,916	-\$20,550
<b>Total, All Taxpayers.....</b>	<b>-\$113,667</b>	<b>-\$108,784</b>	<b>-\$48,068</b>	<b>-\$40,065</b>	<b>-\$31,460</b>

**Distribution of Business Side of the Proposal**

INCOME CATEGORY	CHANGE IN FEDERAL TAXES (\$ millions)				
	2019	2021	2023	2025	2027
Less than \$10,000.....	-\$270	-\$170	\$218	\$40	-\$203
\$10,000 to \$20,000.....	-\$618	-\$353	\$773	\$156	-\$538
\$20,000 to \$30,000.....	-\$687	-\$500	\$388	-\$165	-\$1,013
\$30,000 to \$40,000.....	-\$903	-\$668	\$307	-\$310	-\$1,300
\$40,000 to \$50,000.....	-\$1,139	-\$898	\$196	-\$521	-\$1,795
\$50,000 to \$75,000.....	-\$3,875	-\$3,050	\$263	-\$1,952	-\$5,894
\$75,000 to \$100,000.....	-\$4,794	-\$3,652	\$167	-\$2,275	-\$6,615
\$100,000 to \$200,000.....	-\$17,575	-\$13,410	\$253	-\$8,365	-\$23,568
\$200,000 to \$500,000.....	-\$17,803	-\$12,933	\$2,329	-\$6,412	-\$20,071
\$500,000 to \$1,000,000.....	-\$8,118	-\$5,526	\$2,431	-\$1,732	-\$7,263
\$1,000,000 and over.....	-\$22,643	-\$13,966	\$9,992	-\$1,778	-\$16,067
<b>Total, All Taxpayers.....</b>	<b>-\$78,425</b>	<b>-\$55,125</b>	<b>\$17,316</b>	<b>-\$23,314</b>	<b>-\$84,327</b>

**Distribution of the Proposal**

INCOME CATEGORY	CHANGE IN FEDERAL TAXES (\$ millions)				
	2019	2021	2023	2025	2027
Less than \$10,000.....	-\$557	-\$422	\$100	-\$80	-\$518
\$10,000 to \$20,000.....	-\$2,435	-\$2,084	\$638	\$268	-\$726
\$20,000 to \$30,000.....	-\$3,001	-\$2,636	\$1,170	\$1,070	\$431
\$30,000 to \$40,000.....	-\$4,181	-\$3,695	\$653	\$388	-\$443
\$40,000 to \$50,000.....	-\$5,532	-\$5,281	-\$300	-\$679	-\$1,902
\$50,000 to \$75,000.....	-\$20,921	-\$20,189	-\$6,359	-\$8,103	-\$11,501
\$75,000 to \$100,000.....	-\$19,483	-\$18,029	-\$4,475	-\$6,128	-\$9,545
\$100,000 to \$200,000.....	-\$57,066	-\$51,751	-\$17,442	-\$23,309	-\$34,747
\$200,000 to \$500,000.....	-\$26,446	-\$18,670	\$3,405	-\$2,228	-\$12,881
\$500,000 to \$1,000,000.....	-\$10,912	-\$7,806	\$744	-\$2,883	-\$7,337
\$1,000,000 and over.....	-\$41,557	-\$33,346	-\$8,885	-\$21,694	-\$36,617
<b>Total, All Taxpayers.....</b>	<b>-\$192,092</b>	<b>-\$163,909</b>	<b>-\$30,752</b>	<b>-\$63,379</b>	<b>-\$115,787</b>

Source: Joint Committee on Taxation