

**DISTRIBUTIONAL EFFECTS OF A PROPOSAL TO
PROVIDE EXCHANGE PLAN CREDITS AND SUBSIDIES TO CERTAIN LOW-INCOME TAXPAYERS**
[Returns in Thousands; Dollars in Millions]

Calendar Year 2019

INCOME CATEGORY (2)	CHANGE IN FEDERAL TAXES (3)							
	All Returns		Single Filers		Joint Filers		Head of Household	
	Returns	Dollars	Returns	Dollars	Returns	Dollars	Returns	Dollars
Less than \$10,000.....	12	-\$95	4	-\$26	(4)	(\$)	9	-\$68
\$10,000 to \$20,000.....	1,269	-\$8,157	902	-\$5,136	82	-\$753	285	-\$2,268
\$20,000 to \$30,000.....	3,500	-\$24,124	1,534	-\$7,245	330	-\$4,662	1,637	-\$12,218
\$30,000 to \$40,000.....	3,278	-\$24,835	1,142	-\$4,273	578	-\$8,466	1,558	-\$12,096
\$40,000 to \$50,000.....	2,060	-\$19,145	477	-\$1,944	535	-\$7,559	1,048	-\$9,643
\$50,000 to \$75,000.....	2,291	-\$25,747	115	-\$380	1,162	-\$15,736	1,014	-\$9,630
\$75,000 to \$100,000.....	662	-\$7,015	9	-\$6	574	-\$6,381	78	-\$627
\$100,000 to \$200,000.....	159	-\$1,059	4	-\$6	151	-\$1,019	4	-\$34
\$200,000 to \$500,000.....	6	-\$25	(4)	(5)	6	-\$25	(4)	(5)
\$500,000 to \$1,000,000.....	1	-\$3	(4)	(5)	1	-\$3	(4)	(5)
\$1,000,000 and over.....	1	-\$5	(4)	(5)	1	-\$5	(4)	(5)
Total, All Taxpayers.....	13,239	-\$110,210	4,187	-\$19,016	3,419	-\$44,609	5,632	-\$46,585

Source: Joint Committee on Taxation

Detail may not add to total due to rounding.

(1) The proposal would provide refundable tax credits would be provided to taxpayers who enroll in exchange plans with income between 100 percent and 400 percent of FPL. The proposal provides for outlays in the form of cost-sharing subsidies for out-of-pocket medical expenses or exchange participants between 100% and 200% of FPL. The analysis is a stand-alone estimate of the effects of the subsidies and credits and does not include interaction with other part of the broader package.

(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, and

[8] excluded income of U.S. citizens living abroad. Categories are measured at 2009 levels.

(3) Federal taxes are equal to individual income tax (including the outlay portion of refundable credits), employment tax (attributed to employees), and excise taxes (attributed to consumers). Corporate income tax is not included due to uncertainty concerning the incidence of the tax.

Individuals who are dependents of other taxpayers and taxpayers with negative income are excluded from the analysis.

(4) Less than 500.

(5) Less than \$500,000.