

**DISTRIBUTIONAL EFFECTS OF TITLE I - COMMITTEE ON FINANCE  
OF AN AMENDMENT IN THE NATURE OF A SUBSTITUTE TO  
H.R. 5376, THE "INFLATION REDUCTION ACT OF 2022"**

Calendar Year 2023

INCOME CATEGORY (2)	Percentage of Returns				
	Tax Decrease		Tax Change Less than \$100	Tax Increase	
	Greater Than \$500	\$100-\$500		\$100-\$500	Greater Than \$500
Less than \$10,000.....	(4)	(4)	86.7%	4.5%	8.8%
\$10,000 to \$20,000.....	(4)	(4)	75.4%	3.5%	21.1%
\$20,000 to \$30,000.....	(4)	(4)	81.2%	7.9%	10.9%
\$30,000 to \$40,000.....	(4)	(4)	70.2%	18.3%	11.5%
\$40,000 to \$50,000.....	(4)	(4)	38.3%	45.9%	15.8%
\$50,000 to \$75,000.....	(4)	(4)	19.3%	57.2%	23.5%
\$75,000 to \$100,000.....	(4)	(4)	8.8%	49.2%	42.1%
\$100,000 to \$200,000.....	(4)	(4)	2.8%	23.8%	73.4%
\$200,000 to \$500,000.....	(4)	(4)	0.5%	1.8%	97.7%
\$500,000 to \$1,000,000.....	(4)	(4)	0.2%	0.2%	99.6%
\$1,000,000 and over.....	(4)	(4)	0.1%	0.2%	99.6%
<b>Total, All Taxpayers.....</b>	<b>(4)</b>	<b>(4)</b>	<b>36.9%</b>	<b>26.1%</b>	<b>37.1%</b>

Source: Joint Committee on Taxation

Detail may not add to total due to rounding.

(1) This table is a distributional analysis of the proposals in revenue table 22-2027R4, except the following:

**Subtitle A:** Part 2 and Part 3; **Subtitle B;** **Subtitle C;** and **Subtitle D:** Part 3 items 1 and 2, Part 4 items 1 and 2, and Part 6.

For an explanation of the distribution methodology used in this table, see JCX-15-12 and JCX-14-13.

(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] workers' 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 2021 levels.

(3) The categories reflecting the size of tax change are indexed for inflation.

(4) Less than 0.05%.

**DISTRIBUTIONAL EFFECTS OF TITLE I - COMMITTEE ON FINANCE  
OF AN AMENDMENT IN THE NATURE OF A SUBSTITUTE TO  
H.R. 5376, THE "INFLATION REDUCTION ACT OF 2022"**

Calendar Year 2025

INCOME CATEGORY (2)	Percentage of Returns				
	Tax Decrease		Tax Change Less than \$100	Tax Increase	
	Greater Than \$500	\$100-\$500		\$100-\$500	Greater Than \$500
Less than \$10,000.....	(4)	(4)	86.1%	4.7%	9.2%
\$10,000 to \$20,000.....	(4)	(4)	73.4%	5.2%	21.3%
\$20,000 to \$30,000.....	(4)	(4)	51.5%	37.9%	10.6%
\$30,000 to \$40,000.....	(4)	(4)	31.4%	57.4%	11.2%
\$40,000 to \$50,000.....	(4)	(4)	23.0%	61.2%	15.9%
\$50,000 to \$75,000.....	(4)	(4)	17.6%	57.2%	25.2%
\$75,000 to \$100,000.....	(4)	(4)	8.5%	41.7%	49.9%
\$100,000 to \$200,000.....	(4)	(4)	2.7%	9.5%	87.8%
\$200,000 to \$500,000.....	(4)	(4)	0.5%	0.7%	98.8%
\$500,000 to \$1,000,000.....	(4)	(4)	0.2%	0.2%	99.7%
\$1,000,000 and over.....	(4)	(4)	0.1%	0.2%	99.6%
<b>Total, All Taxpayers.....</b>	<b>(4)</b>	<b>(4)</b>	<b>27.8%</b>	<b>30.8%</b>	<b>41.4%</b>

Source: Joint Committee on Taxation

Detail may not add to total due to rounding.

(1) This table is a distributional analysis of the proposals in revenue table 22-2027R4, except the following:

**Subtitle A:** Part 2 and Part 3; **Subtitle B;** **Subtitle C;** and **Subtitle D:** Part 3 items 1 and 2, Part 4 items 1 and 2, and Part 6.

For an explanation of the distribution methodology used in this table, see JCX-15-12 and JCX-14-13.

(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] workers' 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 2021 levels.

(3) The categories reflecting the size of tax change are indexed for inflation.

(4) Less than 0.05%.

**DISTRIBUTIONAL EFFECTS OF TITLE I - COMMITTEE ON FINANCE  
OF AN AMENDMENT IN THE NATURE OF A SUBSTITUTE TO  
H.R. 5376, THE "INFLATION REDUCTION ACT OF 2022"**

Calendar Year 2027

INCOME CATEGORY (2)	Percentage of Returns				
	Tax Decrease		Tax Change Less than \$100	Tax Increase	
	Greater Than \$500	\$100-\$500		\$100-\$500	Greater Than \$500
Less than \$10,000.....	(4)	(4)	85.4%	4.9%	9.7%
\$10,000 to \$20,000.....	(4)	(4)	56.7%	21.8%	21.5%
\$20,000 to \$30,000.....	(4)	(4)	31.6%	58.0%	10.4%
\$30,000 to \$40,000.....	(4)	(4)	30.4%	58.6%	11.0%
\$40,000 to \$50,000.....	(4)	(4)	22.1%	61.8%	16.1%
\$50,000 to \$75,000.....	(4)	(4)	17.1%	53.4%	29.5%
\$75,000 to \$100,000.....	(4)	(4)	8.4%	20.6%	71.0%
\$100,000 to \$200,000.....	(4)	(4)	2.8%	4.8%	92.4%
\$200,000 to \$500,000.....	(4)	(4)	0.5%	0.7%	98.8%
\$500,000 to \$1,000,000.....	(4)	(4)	0.2%	0.2%	99.6%
\$1,000,000 and over.....	(4)	(4)	0.1%	0.1%	99.8%
<b>Total, All Taxpayers.....</b>	<b>(4)</b>	<b>(4)</b>	<b>23.6%</b>	<b>30.7%</b>	<b>45.6%</b>

Source: Joint Committee on Taxation

Detail may not add to total due to rounding.

(1) This table is a distributional analysis of the proposals in revenue table 22-2027R4, except the following:

**Subtitle A:** Part 2 and Part 3; **Subtitle B;** **Subtitle C;** and **Subtitle D:** Part 3 items 1 and 2, Part 4 items 1 and 2, and Part 6.

For an explanation of the distribution methodology used in this table, see JCX-15-12 and JCX-14-13.

(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] workers' 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 2021 levels.

(3) The categories reflecting the size of tax change are indexed for inflation.

(4) Less than 0.05%.

**DISTRIBUTIONAL EFFECTS OF TITLE I - COMMITTEE ON FINANCE  
OF AN AMENDMENT IN THE NATURE OF A SUBSTITUTE TO  
H.R. 5376, THE "INFLATION REDUCTION ACT OF 2022"**

Calendar Year 2029

INCOME CATEGORY (2)	Percentage of Returns				
	Tax Decrease		Tax Change Less than \$100	Tax Increase	
	Greater Than \$500	\$100-\$500		\$100-\$500	Greater Than \$500
Less than \$10,000.....	(4)	(4)	84.5%	5.1%	10.4%
\$10,000 to \$20,000.....	(4)	(4)	35.7%	42.6%	21.7%
\$20,000 to \$30,000.....	(4)	(4)	30.3%	59.7%	10.0%
\$30,000 to \$40,000.....	(4)	(4)	30.3%	58.3%	11.3%
\$40,000 to \$50,000.....	(4)	(4)	22.0%	60.5%	17.5%
\$50,000 to \$75,000.....	(4)	(4)	17.2%	37.9%	44.9%
\$75,000 to \$100,000.....	(4)	(4)	8.7%	10.0%	81.3%
\$100,000 to \$200,000.....	(4)	(4)	3.0%	4.6%	92.4%
\$200,000 to \$500,000.....	(4)	(4)	0.5%	0.7%	98.8%
\$500,000 to \$1,000,000.....	(4)	(4)	0.2%	0.2%	99.6%
\$1,000,000 and over.....	(4)	(4)	0.1%	0.2%	99.6%
<b>Total, All Taxpayers.....</b>	<b>(4)</b>	<b>(4)</b>	<b>21.6%</b>	<b>28.8%</b>	<b>49.7%</b>

Source: Joint Committee on Taxation

Detail may not add to total due to rounding.

(1) This table is a distributional analysis of the proposals in revenue table 22-2027R4, except the following:

**Subtitle A:** Part 2 and Part 3; **Subtitle B;** **Subtitle C;** and **Subtitle D:** Part 3 items 1 and 2, Part 4 items 1 and 2, and Part 6.

For an explanation of the distribution methodology used in this table, see JCX-15-12 and JCX-14-13.

(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] workers' 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 2021 levels.

(3) The categories reflecting the size of tax change are indexed for inflation.

(4) Less than 0.05%.

**DISTRIBUTIONAL EFFECTS OF TITLE I - COMMITTEE ON FINANCE  
OF AN AMENDMENT IN THE NATURE OF A SUBSTITUTE TO  
H.R. 5376, THE "INFLATION REDUCTION ACT OF 2022"**

Calendar Year 2031

INCOME CATEGORY (2)	Percentage of Returns				
	Tax Decrease		Tax Change Less than \$100	Tax Increase	
	Greater Than \$500	\$100-\$500		\$100-\$500	Greater Than \$500
Less than \$10,000.....	(4)	(4)	82.9%	5.4%	11.6%
\$10,000 to \$20,000.....	(4)	(4)	22.0%	56.1%	21.9%
\$20,000 to \$30,000.....	(4)	(4)	29.0%	60.8%	10.3%
\$30,000 to \$40,000.....	(4)	(4)	30.3%	57.5%	12.2%
\$40,000 to \$50,000.....	(4)	(4)	21.9%	57.1%	21.0%
\$50,000 to \$75,000.....	(4)	(4)	17.4%	19.7%	62.9%
\$75,000 to \$100,000.....	(4)	(4)	8.9%	9.6%	81.4%
\$100,000 to \$200,000.....	(4)	(4)	3.1%	4.7%	92.2%
\$200,000 to \$500,000.....	(4)	(4)	0.5%	0.8%	98.7%
\$500,000 to \$1,000,000.....	(4)	(4)	0.2%	0.2%	99.6%
\$1,000,000 and over.....	(4)	(4)	0.1%	0.2%	99.6%
<b>Total, All Taxpayers.....</b>	<b>(4)</b>	<b>(4)</b>	<b>20.2%</b>	<b>26.6%</b>	<b>53.2%</b>

Source: Joint Committee on Taxation

Detail may not add to total due to rounding.

(1) This table is a distributional analysis of the proposals in revenue table 22-2027R4, except the following:

**Subtitle A:** Part 2 and Part 3; **Subtitle B;** **Subtitle C;** and **Subtitle D:** Part 3 items 1 and 2, Part 4 items 1 and 2, and Part 6.

For an explanation of the distribution methodology used in this table, see JCX-15-12 and JCX-14-13.

(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] workers' 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 2021 levels.

(3) The categories reflecting the size of tax change are indexed for inflation.

(4) Less than 0.05%.

**PROVISIONS FROM #22-2027R4 INCLUDED IN DISTRIBUTION TABLE #D-10-22**

**SUBTITLE A - DEFICIT REDUCTION**

**Part 1 - Corporate Tax Reform - Corporate alternative minimum tax**

**SUBTITLE D - ENERGY SECURITY**

**Part 1 - Clean Electricity and Reducing Carbon Emissions**

1. Extension and modification of credit for electricity produced from certain renewable resources (sunset 12/31/24)
2. Extension and modification of energy credit (sunset 12/31/24)
3. Increase in energy credit for solar facilities placed in service in connection with low-income communities
4. Extension and modification of credit for carbon oxide sequestration (sunset 12/31/24)
5. Zero-emission nuclear power production credit

**Part 2 - Clean Fuels**

1. Extension of incentives for biodiesel, renewable diesel and alternative fuels (sunset 12/31/24)
2. Extension of second generation biofuel incentives (sunset 12/31/24)
3. Sustainable aviation fuel credit (sunset 12/31/24)
4. Credit for production of clean hydrogen (sunset 12/31/24)

**Part 3 - Green Energy and Efficiency Incentives for Individuals**

3. Energy efficient commercial buildings deduction
4. Extension, increase, and modifications of new energy efficient home credit (sunset 12/31/32)

**Part 4 - Clean Vehicles**

3. Qualified commercial electric vehicles (sunset 12/31/32)
4. Alternative fuel refueling property credit (sunset 12/31/32)

**Part 5 - Investment in Clean Energy Manufacturing and Energy Security**

1. Extension of the advanced energy project credit
2. Advanced manufacturing production credit (sunset 12/31/32)

**Part 7 - Incentives for Clean Electricity and Clean Transportation**

1. Clean electricity production credit
2. Clean electricity investment credit
4. Cost recovery for qualified facilities, qualified property, and energy storage technology
5. Clean fuel production credit (sunset 12/31/27)

**Part 8 - Credit Monetization and Appropriations - Elective Payment for Energy Property and Electricity Produced from Certain Renewable Resources, etc., and Transfer of Credits**

**Part 9 - Other Provisions**

1. Permanent extension of tax rate to fund Black Lung Disability Trust Fund
2. Increase in research credit against payroll tax for small businesses