



Distributional Effects of House Budget Reconciliation as of Thursday, May 15

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<https://budgetmodel.wharton.upenn.edu/estimates/2025/5/16/distributional-effects-of-house-budget-reconciliation-as-of-thursday-may-15>

Summary: The effects of the U.S. House budget reconciliation package as of Thursday, May 15, on the distribution of after-tax-and-transfer income.

(Note that these numbers are likely to change with additional amendments.)

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Table 1: Conventional Distributional Effects of the 2025 House Reconciliation Bill Proposals

Income group	2026				2030				2033			
	Lower cutoff for income group	Average change in after-tax-and-transfer income	Percent change in after-tax-and-transfer income	Median percent change in after-tax-and-transfer income	Lower cutoff for income group	Average change in after-tax-and-transfer income	Percent change in after-tax-and-transfer income	Median percent change in after-tax-and-transfer income	Lower cutoff for income group	Average change in after-tax-and-transfer income	Percent change in after-tax-and-transfer income	Median percent change in after-tax-and-transfer income
First	0	-1,035	-10.8%	-6.8%	0	-1,100	-6.2%	-4.8%	0	-1,405	-9.7%	-7.1%
Second quintile	17,000	-705	-1.5%	-1.0%	20,000	-860	-1.5%	-0.9%	22,000	-1,200	-2.0%	-1.4%
Middle quintile	51,000	845	1.1%	1.3%	58,000	200	0.3%	0.5%	63,000	45	0.1%	0.4%
Fourth quintile	93,000	3,245	2.4%	2.3%	105,000	2,340	1.5%	1.7%	115,000	2,480	1.5%	1.6%
80-90%	174,000	6,050	2.9%	2.7%	195,000	4,720	2.0%	2.1%	214,000	4,920	1.9%	1.9%
90-95%	263,000	8,835	2.8%	2.5%	296,000	8,105	2.2%	2.2%	324,000	8,845	2.2%	2.2%
95-99%	388,000	19,965	3.5%	3.5%	436,000	17,760	2.8%	3.0%	477,000	19,300	2.8%	2.9%
99-99.9%	988,000	44,365	2.6%	2.2%	1,101,000	30,560	1.7%	1.3%	1,205,000	36,125	1.8%	1.4%
Top 0.1%	4,325,000	389,280	3.0%	2.8%	4,763,000	43,740	1.0%	0.5%	5,194,000	114,295	1.3%	0.9%

Source: Penn Wharton Budget Model