





















<sup>1</sup> The filing and dependency statuses are defined as follows: Nonfilers are included as returns and are categorized by the filing status that they would use if they filed. "All families" are all nondependent returns. "MFJ w/child" are nondependent returns filed as married filing jointly with a dependent under the age of 25. "MFJ w/o child" are nondependent returns filed as married filing jointly without a dependent under the age of 25. "HoH w/child" are returns filed as head of household with a dependent under the age of 25. "Single w/o child" are returns filed as single without a dependent. All other filings statuses (6% of all families) are not shown separately but are included with all families.

<sup>2</sup> For Hispanic, Black, and Asian families, shares (averages) that are statistically different from shares (averages) of White families are marked with an asterisk.

<sup>3</sup> After-tax income in the table is adjusted gross income plus nontaxable social security benefits minus the individual income tax (including refundable credits).

Source: Office of Tax Analysis

## **Conclusion**

The tax proposals in the Administration's Fiscal Year 2025 Budget would ensure that the wealthy and large corporations pay their fair share, reduce poverty, and expand opportunity. As discussed above, over time these proposals would also increase income and wealth accumulation by low- and middle-income families and reduce the racial wealth gaps. The Budget would tax long-term capital gains and dividends at ordinary rates for taxpayers with more than \$1 million in income, curtailing a tax expenditure the benefits of which accrue disproportionately to White families. It would also treat transfers of appreciated property as realization events and impose a minimum tax on the wealthiest families, while expanding tax credits that improve equity.

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