Georgians' Stake in President-Elect Biden's Tax and Social Security Reforms

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In addition to Coronavirus' terrible human toil, our economy is in shambles – indeed, the stock market aside, it's arguably in worse shape today than at any point in the Great Recession. Consequently, President-Elect Biden has a very tall order when it comes to securing not just our lives, but our livelihoods. A key question is whether and how the new President should modify the 2017 tax reform, called the Tax Cut and Jobs Act (TCJA). The TCJA is the signature domestic policy initiative of the Trump Administration. The current Georgia Senate races will greatly influence whether the TCJA is retained or modified. The Georgia races will also influence the passage of President-Elect Biden's proposed Social Security, environmental, infrastructure, and other reforms.

This short study, funded by the Goodman Institute for Public Policy Research, provides Georgia's voters a careful assessment of their personal stake, not just in TCJA, but also in the President-Elect's proposed tax and Social Security reforms. The Goodman Institute has long supported development of (The Fiscal Analyzer (TFA) – the research tool used in this analysis. Other funders of TFA include Boston University, the National Institute of Aging, the Federal Reserve Bank of Atlanta, and the Sloan Foundation.

1 The Fiscal Analyzer

The Fiscal Analyzer (TFA) is a detailed life-cycle consumption-smoothing program that incorporates borrowing constraints, lifespan uncertainty, and 17 major federal and state tax and transfer programs.[1] In process a given household's data, TFA calculates it remaining lifetime net taxes as well as the annual as well as remaining lifetime spending arising from the household's assumed desire

[1] TFA relies on MaxiFi Planner's computation engine. MaxiFi Planner is a personal financial planning tool developed by Laurence Kotlikoff's software company – Economic Security Planning, Inc. Although the computation engines are the same, MaxiFi Planner considers a far smaller set of benefit policies than does TFA.

to enjoy a stable living standard per household member through time. TFA makes these calculations for all survival trajectories the household may experience. It's lifetime calculations represent expected present values of spending and taxes along each potential survival trajectory. The program can be used to analyze inequality in remaining lifetime spending within and across cohorts, fiscal progressivity, effective marginal net taxation on working, effective marginal net taxation on saving, the adequacy of saving, the adequacy of life insurance, state differences in taxation, the progressivity and revenue impacts of different tax reforms, the incentive to enter the work force, and a host of other economic issues.[2]

Table 1 lists the 17 tax and benefit programs included in TFA.

Table 1: List of Tax and Transfer Programs Included in TFA

Taxes	Personal Income Tax (federal and state)
	Corporate Income Tax (federal and state)
	FICA Tax (federal)
	Sales Taxes (state)
	Medicare Part B Premiums (federal)
	Estate and Gift Tax (federal)
Transfer Programs	Earned Income Tax Credit (federal and state)
	Child Tax Credit (federal)
	Social Security Benefits (federal)
	Supplemental Security Income (SSI) (federal)
	Supplemental Nutritional Assistance Program (SNAP) (federal and state)
	Temporary Assistance for Needy Families (TANF) (federal and state)
	Medicaid (federal and state)
	Medicare (federal)
	The Affordable Care Act (ACA) (federal and state)
	Section 8 Housing Vouchers (state and county)
	Childcare Assistance (state and county)

2 The Tax Cut and Jobs Act

At the time of TCJA's passage, Kotlikoff, together with University of California Berkeley economist, Alan Auerbach, and economists at the Federal Reserve Bank of Atlanta, studied its lifetime spending impact on different resource and age groups in red and blue states. In their study, they showed that the TCJA represented a net tax cut for Americans as a whole. The average cut was small, but not insignificant, raising Americans' average living standards by roughly 1.5

[2]See kotlikoff.net/articles for TFA-based research on these topics.

percent. For those in red states, the percentage was closer to 2 percent. For those in blue states it was roughly 1 percent.

A separate study, conducted by Kotlikoff, Auerbach, and Darryl Koehler, a software engineer at Kotlikoff's personal financial planning software company, showed that the TCJA did not materially alter the relative tax burdens or spending capacities of the poor, middle class and rich. In absolute terms, however, the rich, particularly the super rich, enjoyed a dramatically larger net tax cut. Economists measure fiscal progressivity in relative terms.[3] Hence, economists would judge TCJA as essentially neutral on grounds of fiscal progressivity as well as inequality in remaining lifetime spending – the ultimate concern underlying analyses of net tax progressivity. But others focus on absolute, not relative changes. TCJA provided the rich, on average, with hundreds of thousands of dollars in additional lifetime spending capacity. For the poor, the average absolute gain was dramatically smaller. But even this means of assessing the fairness of TCJA is, arguably, partial as it ignores the potential impact of TCJA on workers' wages.

TCJA not only lowered most household's personal taxes. It significantly reduced the effective marginal corporate income tax. Many view corporate taxes as paid by the rich and, therefore, consider this feature of TCJA as an additional bonus to the wealthy. But this ignores America's role in the world capital market, which has been declining for decades in line with its share of world output. As this study, sponsored by The Gaidar Institute (Russian's premiere liberal-economics think tank) and conducted by Kotlikoff and a team of American, Russian, Chinese, and Mexican co-authors shows, a much higher than average U.S. corporate income will discourage investment in the U.S. as capital flows to countries with far lower marginal effective corporate tax rates (METRs). Overtime, this leaves U.S. worker with less capital with which to work. This, in turn, makes them less productive, which spells lower wages. Undoubtedly, TCJA's reduction in the U.S. METR has made investing in the U.S. far more attractive. Simulating TCJA in the researchers' Global Gaidar Model (GGM) – a global model that aggregates all countries in the world into 17 regions, in which capital flows freely to achieve the highest after-tax return, suggests a long-run increase in American workers' wages of 5.5 percent.

As Auerbach, Kotlikoff, and Koehler's study shows, this potential general equilibrium dynamic feedback effect can, over time, make TCJA progressive as measured by economists. I.e., it can produce a larger percentage increase in the lifetime spending of the poor than in the lifetime spending of the rich. But it can also narrow the gap between the absolute lifetime spending gains of the rich and poor. The reason is that compared to the rich, the poor depend far more on labor income to finance their future spending than do the poor.

Large economies don't turn on a dime. And since TCJA's 2017 passage, our economy has been impacted by a global trade war, not to mention its ongoing partial shutdown due to COVID-19. Hence, it may prove impossible

[3] This includes within-cohort shares of lifetime net taxes paid by different resource groups, within-cohort shares of remaining lifetime spending of different resource groups, and cohort-specific differences across resource groups in lifetime net tax rates.

for economists to distill TCJA's specific impact on the time path of Americans' wages. Moreover, the GGM is just one model of international capital flows. An alternative influential model, developed by econonomists Jane Gravelle and Kent Smetters, suggests TCJA has a minor impact on U.S. wages. The Gravelle-Smetters model is far less detailed than the GGM. But it incorporates non-corporate as well as corporate production. This matters since only corporations (C corporations to be precise) face the corporate income tax. The non-C-corporate share of U.S. production appears to be roughly one third, which is large enough to limit TCJA's impact on U.S. domestic investment as well as wages. In addition to different approaches to modeling international capital flows, economists differ on how to measure METR and, consequently, the magnitude of TCJA's METR reduction.

Whatever the true gains to current generations from TCJA's tax cuts, they need to be set against the reform's increased future tax burden on our posterity. Net tax cuts, unless they are met with reductions in government discretionary spending (consumption) or increase the efficiency of the economy's operation – something TCJA may well have done, represent zero-sum intergenerational games. Giving rich, middle-class, and poor current generations net tax (taxes paid net of benefits received) cuts, forces future rich, middle-class, and poor generations to pay more.[4]

President-Elect Biden's Proposed Reforms

President-elected Biden would leave much of the TCJA in place, raise the corporate tax rate, raise the top personal income tax rate, tax dividends and capital gains as ordinary income, and subject labor income above $400,000 to the Social Security payroll tax. His plan would also increase the child tax credit and provide higher Social Security benefits to seniors over age 77.[5] As for the corporate income tax, the President Elect would raise the rate from TCJA's 21 percent level to 28 percent.

To his credit, President-Elect Biden's proposes to help finance his additional spending with additional taxes. In so doing, he is recognizing that someone, either today's or tomorrow's generations, must pay for what the government spends. But his Social Security tax hike will leave top earners in upwards of 70 percent marginal tax brackets. This may lead this small segment of the

[4]Some economists argue that with the current negative inflation-adjusted government borrowing rates, Uncle Sam can tax less and spend more with no adverse consequences for future generations. This view seems very wide of the mark. The low U.S. government borrowing rate reflects, in the main, the Federal Reserve's implicit commitment to print whatever amount of money is needed to keep rates low. It does not change the fact that another dollar of spending by the public, induced by net tax cuts, or expended directly by the government, could otherwise be invested domestically or globally at the average 6.5 real (inflation-adjusted) postwar return earned on U.S. national wealth. I.e., there is a real and major opportunity cost in increased current U.S. spending. Additionally, the Federal Reserve's decision to make investing in Treasuries ultra safe does not eliminate the underlying risk in the economy. Indeed, in making Treasuries safer, Uncle Sam is making net taxes riskier.

[5]The extra benefit provided poor, long-lived seniors would represent a far larger share of their remaining lifetime spending than that provided middle- and high-income long-lived seniors.

population, which includes our nation's top entrepreneurs, to work less, move to lower-tax countries, or seek ways to evade or avoid taxes. As this recent TFA-based study makes clear, Americans, at all ages and of all income levels, already face very high marginal remaining lifetime net tax rates. This is particularly true of poor Americans, a quarter of whom are in 70 percent or higher marginal net tax brackets once one accounts for their loss of benefits associated with higher earnings.

The second concern is the potential negative impact on wages of raising the corporate income tax and reducing the attractiveness of investing in the U.S. According to simulations of the GGM, raising the corporate tax rate to 28 percent from 21 percent would, over time, reduce U.S. wages by 2 percent. To be fair to the President Elect, he has not spelled out all details of his desired corporate-tax reform. Were he, for example, to extend immediate expensing to all forms of capital, the rise in the nominal and, thus, average corporate tax rate could occur concommitant with a decline in the METR, which would enhance the attractiveness of the U.S. as an investment destination while collecting more revenue. As always, the devil is in the details. For this study, however, we focus on the details of which we're aware – the specific corporate tax proposal laid out in the President-Elect's platform. Consequently, we consider cases in which his reform lowers overall wages by 2 percent.

3 Methodology

Our analysis is based on running all 6,173 of the 2016 SCF-respondent households through TFA, with all inputs adjusted to 2020 dollars and 2020 taken as our base year. Our results are weighted using the SCF's household weights. We consider the following elements of the President-Elect's proposed tax and Social Security reforms with and without the assumed 2 percent decline in real wages.[6]

Biden Tax and Social Security Reforms

- 12.4% OASDI tax on individuals with taxable incomes over $400,000, split equally between employers and employees.
- Increasing the top income tax bracket for individuals earning over $400,000 from 37% to 39.6%
- Reinstating the Pease limitation on itemized deductions for households with taxable incomes above $400,000.
- Benefits from itemized deductions are capped at 28% of the value of the deduction for households with taxable incomes above $400,000.
- Childless individuals younger than 65 now also qualify for EITC.

[6] When wages are assumed fixed, we assume that the corporate tax falls on, i.e., is borne by, owners of corporate equity.

- Replacing TCJA Child Tax Credit with a new CTC of $3,000 per child for children ages 6 to 17 and $3,600 per child for children younger than 6 as outlines in Subtitle D of the HEROS act.[7]
- For workers with at least 30 years of covered earnings, Social Security Special Minimum Benefit is set at 125% of Federal poverty line.
- Uniform PIA increase starting from the 16th year of eligibility as outlined in section 3 of https://www.ssa.gov/OACT/solvency/GMoore_20191211.pdf.
- Raising the marginal corporate tax to 28 percent.

We perform the following comparisons in addition to an overall comparison of net taxes across different tax plans. This list includes reforms, such as simply returning to the pre-TCJA tax system, which the President-Elect is neither proposing nor endorsing. We present these results for comparison purposes. All calculations assume all SCF households live in Georgia and, thus, confront Georgia income and sales taxation.

- Section 5: TCJA to Pre-TCJA .
- Section 6: TCJA to Pre-TCJA assuming a 5.5 percent permanent decrease in wages.
- Section 7: TCJA to the Biden tax plan.
- Section 8: TCJA to the Biden Plan assuming a 2 percent decrease to all future wages.
- Section 9: Returning from TCJA to Pre-TCJA with a 2 percent decrease to all future wages.

4 Findings

Tables 2 through 5 show the loss in lifetime spending to Georgians were we to revert to the pre-TCJA tax system, assuming no change in wages. Across all age and resource groups, the average net decline, as indicated in table 4, is $27,700. As shown in table 5, this represents a 1.6 average pecentage decrease. Restoring the pre-TCJA tax code would reduce remaining lifetime spending by 1.8 percent for the third quintile, compared to 0.4 percent for the bottom quintile, and by 1.7 percent for the top quintile.

Tables 6 through 8 also consider reverting to the pre-TCJA tax code, but include a 5.5 percent decline in wages. Now the average remaining lifetime spending loss, shown in table 7, from reverting to TCJA is $58,800 – more than twice the $27,700 average loss recorded in table 4. For the second through fifth quintiles, the percentage spending decline ranges from 2.7 percent to 4.0 percent. In the first quintile, it's 1 percent. Hence, reversion to the pre-TCJA tax system with a potential 5.5 percent associated decline in real wages would

[7] https://www.congress.gov/116/bills/hr6800/BILLS-116hr6800pcs.pdf

harm the poor the least, but entail an important loss to middle- and upper-income households.

Tables 9 through 11 consider the Biden reforms, assuming no change in wages. As table 10 makes clear, there is a $13,200 percent average reduction, across all households, in lifetime spending. But the fact that the overall average impact is negative is solely due to the major loss incurred by high-income households – those in the top 20 percent. Their average spending cut is $108,400. For those in the top 5 percent, the average cut is $384,000. And for the top 1 percent, it's $1,434,400.

In contrast, as indicated in table 10, the Biden reforms raise the lifetime spending of the bottom 60 percent of households by roughly $13,000. Hence, the reforms are progressive. Indeed, as table 11 shows, they are quite progressive, with the poorest 20 percent of Georgians experiencing a 3.3 percent increase in lifetime spending and the richest 20 percent experiencing a 2.2 percent decrease. For the top 1 percent the decrease is 5.1 percent.

How do things change if wages fall by 2 percent due to the planned increase in the corporate income tax rate? Tables 12 through 14 provide the answer. The losses to rich and upper-income households are larger and the gains to poor and middle-income households are smaller. Across all households, the wage decline in combination with the Biden reforms leads to an average lifetime spending decline of $18,200 compared to $13,200 when wages don't fall.

5 Summary

TCJA lowered lifetime net taxes of all age and income groups. It may also be materially raising domestic investment and wages, although the verdict on this is still out. That's the TCJA pros. The con is that it may be leaving our children and theirs with substantially higher net tax bills than would otherwise have been the case. Hence, Georgians need to factor in not just their stake in fiscal reforms, past and future, but also that of their progeny.

Ignoring induced increases in wages from the reform's corporate tax reduction, TCJA generally maintained our fiscal system's overall degree of progressivity as conventionally measured by shares of net taxes paid, the structure of net tax rates, and remaining lifetime spending inequality. But the absolute gains to the rich exceeded those to the poor by an extremely wide margin. On that metric, many Americans view TCJA as a massive giveaway to the rich. Yet, if TCJA raises real wages over time by 5.5 percent, as the GGM predicts, current generations stand to gain more from TCJA with the bottom quintiles gaining disproportionately because more of their lifetime spending is financed from wage income.

President-Elect Biden's proposed tax and Social Security reforms are highly progressive. As he indicated in his campaign, only upper-income and rich households will face higher net taxes. But his policies would place many, if not most of those with very high labor earnings in 60 to 70 percent marginal net tax brackets. Such high marginal taxation may lead top earners to significantly curtail their labor supply or actively seek to evade or avoid taxes. In the extreme, it could lead highly compensated Americans, many of whom are entrepreneurs, to relocate to a more tax-friendly country. Moreover,the President Elect's plan could, depending on its precise corporate-tax implementation, reduce U.S. wages by 2 percent.

Some final observations. When it comes the fiscal policy, our country faces three major problems. First, we are quickly going broke. Our country's fiscal gap – the present value of projected outlays less receipts – is already roughly eight times annual GDP. Meanwhile, our on- and off-the-books federal as well as state liabilities are growing at an accelerating and alarming rate. Thanks to our underlying failure to pay for what we spend and the massive borrowing associated with COVID-19, federal debt in the hands of the public now exceeds 100 percent of GDP. The Congressional Budget Office projects official debt to exceed 200 percent of GDP by 2050. The situation with unofficial debt is even worse. Consider just Social Security. According to table VIF1 in its 2020 Trustees Report, the system's unfunded liability already exceeds 200 percent of GDP.

Second, our tax system provides ample opportunity for the super rich to legally avoid paying their fair share of net taxes. One need only look at President Trump's history of tax payments to confirm this point. President-Elect Biden's proposed reduction in estate and gift tax exemptions, elimination of step up in basis at death, and taxation of capital gains at ordinary rates for those with incomes over $1 million would dramatically alter this picture. On the other hand, "soaking the rich" may discourage wealth accumulation, entrepreneurship, and residence in the U.S.

Third, our fiscal system has terrible work disincentives. Placing top earners in extremely high marginal tax brackets, as we've done to a significant share of the poor, would add to this problem.

The challenge for Georgian voters is to decide whether unified or divided government is more conducive to best addressing these three challenges in a lasting and reasonable manner that will support, not undermine the golden goose laying our net taxes, namely the economy.

6 From TCJA to Pre-TCJA, Georgia

Table 2: Average PV Total Spending By Age and Resource Group in Thousand Dollars, TCJA

	Lowest	Second	Third	Fourth	Highest	Top 5%	Top 1%	All
20 - 29	374.4	702.6	1,042.7	1,492.3	3,080.7	5,576.4	12,840.9	1,340.5
30 - 39	508.8	796.9	1,139.2	1,655.0	3,575.5	6,818.7	16,390.6	1,536.2
40 - 49	468.3	796.8	1,206.6	1,756.4	4,706.8	9,338.5	23,215.7	1,789.8
50 - 59	420.1	656.0	972.3	1,555.9	6,444.4	16,289.1	39,718.2	2,011.0
60 - 69	376.8	603.7	919.6	1,499.4	5,935.2	14,414.3	37,249.0	1,868.7
70 - 79	383.8	543.1	804.2	1,339.4	5,210.4	13,101.9	36,681.0	1,662.4
80+	291.1	466.6	670.1	1,091.7	4,776.4	11,579.8	27,964.8	1,467.9
All	418.6	676.3	1,003.6	1,537.4	4,951.7	11,263.6	28,159.9	1,720.2

Table 3: Average PV Total Spending By Age and Resource Group in Thousand Dollars, pre-TCJA

	Lowest	Second	Third	Fourth	Highest	Top 5%	Top 1%	All
20 - 29	370.7	687.0	1,013.7	1,453.2	3,019.4	5,468.8	12,663.4	1,310.7
30 - 39	503.9	782.3	1,112.5	1,613.0	3,482.5	6,636.8	16,022.1	1,500.0
40 - 49	466.1	784.5	1,181.9	1,721.4	4,606.6	9,134.8	22,867.4	1,754.8
50 - 59	419.7	650.7	958.7	1,530.9	6,337.3	16,035.1	39,130.9	1,980.7
60 - 69	376.7	601.9	913.4	1,481.6	5,851.6	14,221.9	36,807.1	1,846.7
70 - 79	383.8	542.4	800.3	1,327.8	5,153.6	12,953.3	36,258.4	1,647.7
80+	291.0	466.3	668.4	1,084.9	4,728.4	11,434.7	27,506.9	1,456.4
All	416.8	668.4	987.2	1,510.1	4,866.6	11,076.4	27,752.4	1,692.5

Table 4: Change to Average PV Total Spending in Thousand Dollars, From TCJA to pre-TCJA

	Lowest	Second	Third	Fourth	Highest	Top 5%	Top 1%	All
20 - 29	-3.8	-15.6	-29.0	-39.1	-61.3	-107.6	-177.5	-29.8
30 - 39	-4.8	-14.6	-26.7	-42.0	-93.0	-181.9	-368.5	-36.3
40 - 49	-2.2	-12.3	-24.7	-35.0	-100.2	-203.7	-348.3	-34.9
50 - 59	-0.5	-5.4	-13.6	-25.0	-107.0	-254.0	-587.3	-30.3
60 - 69	-0.1	-1.9	-6.2	-17.8	-83.7	-192.5	-441.9	-22.0
70 - 79	-0.1	-0.7	-3.9	-11.6	-56.8	-148.5	-422.6	-14.7
80+	-0.1	-0.3	-1.7	-6.9	-48.0	-145.1	-457.9	-11.5
All	-1.7	-7.9	-16.4	-27.3	-85.1	-187.2	-407.5	-27.7

Table 5: Percentage Change to Average PV Total Spending, From TCJA to pre-TCJA

	Lowest	Second	Third	Fourth	Highest	Top 5%	Top 1%	All
20 - 29	-1.0	-2.2	-2.8	-2.6	-2.0	-1.9	-1.4	-2.2
30 - 39	-0.9	-1.8	-2.3	-2.5	-2.6	-2.7	-2.2	-2.4
40 - 49	-0.5	-1.5	-2.0	-2.0	-2.1	-2.2	-1.5	-2.0
50 - 59	-0.1	-0.8	-1.4	-1.6	-1.7	-1.6	-1.5	-1.5
60 - 69	0.0	-0.3	-0.7	-1.2	-1.4	-1.3	-1.2	-1.2
70 - 79	0.0	-0.1	-0.5	-0.9	-1.1	-1.1	-1.2	-0.9
80+	0.0	-0.1	-0.3	-0.6	-1.0	-1.3	-1.6	-0.8
All	-0.4	-1.2	-1.6	-1.8	-1.7	-1.7	-1.4	-1.6

7 From TCJA to Pre-TCJA With 5.5 Percent Decrease to Wages, Georgia

Table 6: Average PV Total Spending By Age and Resource Group in Thousand Dollars, pre-TCJA With 5.5% Decrease to Wages

	Lowest	Second	Third	Fourth	Highest	Top 5%	Top 1%	All
20 - 29	365.6	668.5	975.1	1,393.4	2,884.8	5,231.5	12,162.4	1,259.3
30 - 39	497.8	762.7	1,074.9	1,552.2	3,348.4	6,395.4	15,483.7	1,448.3
40 - 49	462.5	765.9	1,145.3	1,667.3	4,475.2	8,900.2	22,362.9	1,705.9
50 - 59	418.2	642.9	941.2	1,500.5	6,238.8	15,825.8	38,550.1	1,949.5
60 - 69	376.5	600.0	909.7	1,471.1	5,819.9	14,162.2	36,657.9	1,837.1
70 - 79	383.7	542.0	799.8	1,326.6	5,148.5	12,937.9	36,208.3	1,646.3
80+	291.4	466.2	667.9	1,084.6	4,727.9	11,432.8	27,500.1	1,456.2
All	414.3	657.9	965.9	1,475.7	4,780.3	10,913.9	27,370.9	1,661.4

Table 7: Change to Average PV Total Spending in Thousand Dollars, From TCJA to pre-TCJA With 5.5% Decrease to Wages

	Lowest	Second	Third	Fourth	Highest	Top 5%	Top 1%	All
20 - 29	-8.8	-34.1	-67.5	-98.9	-195.9	-344.9	-678.5	-81.2
30 - 39	-11.0	-34.2	-64.3	-102.8	-227.1	-423.3	-906.9	-88.0
40 - 49	-5.8	-30.9	-61.3	-89.1	-231.6	-438.4	-852.7	-83.9
50 - 59	-2.0	-13.2	-31.1	-55.4	-205.6	-463.4	-1,168.1	-61.5
60 - 69	-0.3	-3.8	-9.8	-28.4	-115.3	-252.1	-591.1	-31.6
70 - 79	-0.2	-1.0	-4.4	-12.8	-61.9	-163.9	-472.7	-16.1
80+	0.3	-0.4	-2.2	-7.1	-48.6	-147.0	-464.7	-11.7
All	-4.3	-18.4	-37.7	-61.7	-171.3	-349.8	-789.0	-58.8

Table 8: Percentage Change to Average PV Total Spending, From TCJA to pre-TCJA With 5.5% Decrease to Wages

	Lowest	Second	Third	Fourth	Highest	Top 5%	Top 1%	All
20 - 29	-2.4	-4.9	-6.5	-6.6	-6.4	-6.2	-5.3	-6.1
30 - 39	-2.2	-4.3	-5.6	-6.2	-6.4	-6.2	-5.5	-5.7
40 - 49	-1.2	-3.9	-5.1	-5.1	-4.9	-4.7	-3.7	-4.7
50 - 59	-0.5	-2.0	-3.2	-3.6	-3.2	-2.8	-2.9	-3.1
60 - 69	-0.1	-0.6	-1.1	-1.9	-1.9	-1.7	-1.6	-1.7
70 - 79	0.0	-0.2	-0.5	-1.0	-1.2	-1.3	-1.3	-1.0
80+	0.1	-0.1	-0.3	-0.7	-1.0	-1.3	-1.7	-0.8
All	-1.0	-2.7	-3.8	-4.0	-3.5	-3.1	-2.8	-3.4

8 From TCJA to Biden Plan, Georgia

Table 9: Average PV Total Spending By Age and Resource Group in Thousand Dollars, Biden Plan

	Lowest	Second	Third	Fourth	Highest	Top 5%	Top 1%	All
20 - 29	403.9	724.4	1,064.9	1,502.6	2,967.5	5,193.1	11,407.7	1,334.6
30 - 39	542.8	826.9	1,170.9	1,662.0	3,444.9	6,369.8	14,517.9	1,530.6
40 - 49	483.5	808.4	1,220.6	1,756.9	4,563.8	8,856.0	21,395.0	1,769.3
50 - 59	423.4	661.6	976.3	1,556.8	6,260.5	15,600.1	37,233.5	1,977.0
60 - 69	381.4	608.9	925.9	1,501.7	5,881.0	14,220.9	36,573.6	1,861.5
70 - 79	388.7	548.7	808.4	1,342.9	5,188.8	13,022.8	36,399.5	1,661.7
80+	293.7	472.3	676.1	1,096.2	4,767.2	11,542.7	27,840.0	1,469.8
All	432.4	688.7	1,016.6	1,541.0	4,843.2	10,879.6	26,725.5	1,707.1

Table 10: Change to Average PV Total Spending in Thousand Dollars, From TCJA to Biden Plan

	Lowest	Second	Third	Fourth	Highest	Top 5%	Top 1%	All
20 - 29	29.5	21.8	22.3	10.3	-113.2	-383.3	-1,433.2	-5.9
30 - 39	34.0	29.9	31.8	7.0	-130.7	-448.9	-1,872.6	-5.6
40 - 49	15.2	11.6	13.9	0.6	-143.0	-482.6	-1,820.6	-20.5
50 - 59	3.2	5.5	4.0	0.8	-183.8	-689.0	-2,484.8	-34.1
60 - 69	4.6	5.2	6.4	2.3	-54.2	-193.4	-675.4	-7.2
70 - 79	4.9	5.6	4.2	3.5	-21.7	-79.0	-281.5	-0.7
80+	2.6	5.7	6.0	4.5	-9.2	-37.1	-124.8	1.9
All	13.8	12.5	13.0	3.6	-108.4	-384.0	-1,434.4	-13.2

Table 11: Percentage Change to Average PV Total Spending, From TCJA to Biden Plan

	Lowest	Second	Third	Fourth	Highest	Top 5%	Top 1%	All
20 - 29	7.9	3.1	2.1	0.7	-3.7	-6.9	-11.2	-0.4
30 - 39	6.7	3.8	2.8	0.4	-3.7	-6.6	-11.4	-0.4
40 - 49	3.3	1.5	1.2	0.0	-3.0	-5.2	-7.8	-1.1
50 - 59	0.8	0.8	0.4	0.1	-2.9	-4.2	-6.3	-1.7
60 - 69	1.2	0.9	0.7	0.2	-0.9	-1.3	-1.8	-0.4
70 - 79	1.3	1.0	0.5	0.3	-0.4	-0.6	-0.8	0.0
80+	0.9	1.2	0.9	0.4	-0.2	-0.3	-0.4	0.1
All	3.3	1.8	1.3	0.2	-2.2	-3.4	-5.1	-0.8

9 From TCJA to Biden Plan with 2 Percent Decrease in Wages, Georgia

Table 12: Average PV Total Spending By Age and Resource Group in Thousand Dollars, Biden Plan W/O Corp Tax Change, 2% Decrease to Wages

	Lowest	Second	Third	Fourth	Highest	Top 5%	Top 1%	All
20 - 29	402.8	717.6	1,051.7	1,483.3	2,929.0	5,131.7	11,302.8	1,318.8
30 - 39	541.5	819.8	1,158.2	1,644.2	3,412.7	6,327.9	14,456.2	1,516.4
40 - 49	482.2	802.7	1,209.5	1,743.4	4,542.1	8,835.9	21,383.3	1,758.6
50 - 59	423.3	659.3	971.2	1,550.0	6,266.2	15,646.4	37,347.0	1,975.2
60 - 69	381.4	608.6	925.4	1,500.8	5,902.5	14,293.2	36,781.9	1,865.5
70 - 79	388.7	548.7	808.9	1,344.4	5,208.3	13,079.5	36,562.3	1,666.0
80+	293.6	472.5	676.4	1,097.9	4,780.6	11,580.4	27,943.8	1,472.9
All	431.8	685.3	1,010.0	1,532.3	4,837.5	10,892.0	26,782.6	1,702.0

Table 13: Change to Average PV Total Spending in Thousand Dollars, From TCJA to Biden Plan with 2 Percent Decrease in Wages

	Lowest	Second	Third	Fourth	Highest	Top 5%	Top 1%	All
20 - 29	28.4	15.0	9.0	-9.0	-151.7	-444.7	-1,538.1	-21.7
30 - 39	32.8	22.8	19.1	-10.8	-162.8	-490.8	-1,934.4	-19.9
40 - 49	14.0	5.9	2.9	-13.0	-164.7	-502.6	-1,832.4	-31.1
50 - 59	3.2	3.2	-1.1	-5.9	-178.1	-642.7	-2,371.3	-35.8
60 - 69	4.6	4.9	5.9	1.4	-32.8	-121.1	-467.1	-3.2
70 - 79	4.9	5.7	4.7	5.0	-2.2	-22.4	-118.7	3.6
80+	2.5	5.9	6.3	6.2	4.2	0.5	-21.0	5.0
All	13.3	9.0	6.4	-5.1	-114.1	-371.7	-1,377.3	-18.2

Table 14: Percentage Change to Average PV Total Spending, From TCJA to Biden Plan with 2 percent Decrease in Wages

	Lowest	Second	Third	Fourth	Highest	Top 5%	Top 1%	All
20 - 29	7.6	2.1	0.9	-0.6	-4.9	-8.0	-12.0	-1.6
30 - 39	6.4	2.9	1.7	-0.7	-4.6	-7.2	-11.8	-1.3
40 - 49	3.0	0.7	0.2	-0.7	-3.5	-5.4	-7.9	-1.7
50 - 59	0.8	0.5	-0.1	-0.4	-2.8	-3.9	-6.0	-1.8
60 - 69	1.2	0.8	0.6	0.1	-0.6	-0.8	-1.3	-0.2
70 - 79	1.3	1.0	0.6	0.4	0.0	-0.2	-0.3	0.2
80+	0.9	1.3	0.9	0.6	0.1	0.0	-0.1	0.3
All	3.2	1.3	0.6	-0.3	-2.3	-3.3	-4.9	-1.1