MARRIAGE PENALTY CONFERENCE AGREEMENT: BENEFITS GO PRIMARILY TO HIGH-INCOME TAXPAYERS

On July 20, the House passed a conference agreement version of marriage penalty tax relief that would cost $292 billion over the next 10 years. The Senate is expected to take up the conference agreement soon.

An analysis prepared by the Joint Committee on Taxation shows that higher-income taxpayers would be the primary beneficiaries of that tax relief. According to the JCT analysis:

- Over half the benefits of the marriage penalty relief bill when fully in effect would go to taxpayers with incomes over $100,000.

- Some 79 percent of the benefits of the conference version would go to taxpayers with incomes exceeding $75,000 — approximately the top quarter of all taxpayers.

- The lower-income three-quarters of all taxpayers, those with incomes below $75,000, would share just 21 percent of the marriage penalty relief provided by the conference agreement.

Source: Joint Committee on Taxation, JCX-80-00