

Six popular tax provisions accounted for a large majority of annual tax expenditures for individuals

Major Individual Tax Expenditures	Budgetary Costs (2019)
Exclusion of pension contributions and earnings*	\$250 billion
Reduced rates of tax on dividends and long-term capital gains	\$177 billion
Exclusion of employer contributions for medical insurance and care**	\$153 billion
Child Tax Credit	\$118 billion
Earned Income Tax Credit (EITC)	\$70 billion
Tax credits for health insurance purchased through marketplaces	\$53 billion
Total	\$821 billion

SOURCE: The Joint Committee on Taxation, *Estimates of Federal Tax Expenditures for Fiscal Years 2019–2023*, December 2019.

NOTE: *Includes defined benefit plans, defined contribution plans, plans covering partners and sole proprietors, and IRAs. **Estimate includes employer-provided health insurance purchased through cafeteria plans and TRICARE medical insurance.