

**Table T17-0248**  
**Effective Marginal Individual Income Tax Rates (EMTR) On Capital Income**  
**Under Current Law and Chairman's Amendment in the Nature of a Substitute to H.R. 1, The Tax Cuts and Jobs Act**  
**By Expanded Cash Income Percentile, 2027<sup>1</sup>**

Expanded Cash Income Percentiles <sup>2,3</sup>	Tax Units (thousands)	Long-term Capital Gains			Qualified Dividends			Interest Income		
		Current Law	Tax Cuts and Jobs Act	Change (Percentage Points)	Current Law	Tax Cuts and Jobs Act	Change (Percentage Points)	Current Law	Tax Cuts and Jobs Act	Change (Percentage Points)
<b>Lowest Quintile</b>	50,190	1.8	1.9	0.0	0.5	0.5	0.0	3.4	3.8	0.4
<b>Second Quintile</b>	42,290	1.6	1.9	0.3	1.2	1.6	0.5	8.8	9.3	0.5
<b>Third Quintile</b>	36,880	9.4	9.8	0.4	11.4	11.5	0.2	20.5	18.8	-1.7
<b>Fourth Quintile</b>	30,280	10.7	12.4	1.8	11.0	12.2	1.2	22.8	20.7	-2.1
<b>Top Quintile</b>	25,810	22.9	22.4	-0.5	22.7	22.2	-0.6	35.4	35.3	-0.1
<b>All</b>	186,640	20.6	20.2	-0.4	20.3	20.0	-0.3	29.4	29.0	-0.4
<b>Addendum</b>										
<b>80-90</b>	13,370	14.5	15.0	0.5	14.6	15.3	0.7	25.4	24.2	-1.2
<b>90-95</b>	6,290	17.6	17.0	-0.6	18.1	17.8	-0.3	29.9	27.7	-2.2
<b>95-99</b>	4,930	22.5	19.3	-3.2	23.0	19.6	-3.3	35.7	33.0	-2.8
<b>Top 1 Percent</b>	1,220	24.0	23.8	-0.1	24.0	23.9	-0.1	37.6	38.5	0.9
<b>Top 0.1 Percent</b>	120	24.0	23.6	-0.4	24.0	23.6	-0.4	36.5	37.7	1.2

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0217-1).

(1) Calendar year. Baseline is current law. We calculate effective marginal tax rates by adding \$1,000 to the income source and recomputing tax liability. Our computation includes the impact of the alternative minimum tax and the phase-in and phase-out of credits and other tax provisions. We assume that the increase in income does not change the reported amount of any deductions, exclusions, or other forms of income. Effective marginal tax rates are weighted by the appropriate income source.

(2) Includes both filing and non-filing units but excludes those that are dependents of other tax units. Tax units with negative adjusted gross income are excluded from their respective income class but are included in the totals. For a description of expanded cash income, see

<http://www.taxpolicycenter.org/TaxModel/income.cfm>

(3) The income percentile classes used in this table are based on the income distribution for the entire population and contain an equal number of people, not tax units. The breaks are (in 2017 dollars): 20% \$25,000; 40% \$48,600; 60% \$86,100; 80% \$149,400; 90% \$216,800; 95% \$307,900; 99% \$732,800; 99.9% \$3,439,900.