

**Table T16-0182**  
**Distribution of Tax Units with Business Income by Statutory Marginal Tax Rate, 2016**

Statutory Marginal Income Tax Rate <sup>1</sup>	All Tax Units		Tax Units with Business Income <sup>2</sup>			Percent of Tax Units with Business Income					Tax Units with Business Income		Business Income as Percent of Total AGI of Bracket
	Number (thousands)	Percent of Total	Number (thousands)	Percent of Total	Percent of Bracket	Less than 0	Greater than 0	Greater than 10% of AGI	Greater than 25% of AGI	Greater than 50% of AGI	Amount (\$Billions)	Average (\$)	
<b>Non-filers</b>	30,570	17.6	**	**	**	**	**	**	**	**	**	**	**
<b>0%</b>	30,550	17.6	9,750	25.9	31.9	7.5	24.4	24.2	22.0	19.7	-9.4	-970	-4.7
<b>10%</b>	25,130	14.5	4,780	12.7	19.0	5.6	13.4	10.8	8.7	6.6	36.1	7,550	5.5
<b>15%</b>	51,290	29.6	11,060	29.4	21.6	8.0	13.6	7.8	5.5	3.5	90.3	8,160	3.2
<b>25%</b>	26,330	15.2	6,970	18.5	26.5	10.3	16.1	8.4	5.7	3.6	109.3	15,690	3.9
<b>26% (AMT)</b>	2,000	1.2	1,000	2.7	50.0	20.0	30.0	16.5	11.8	7.5	6.7	6,670	1.2
<b>28% (Regular)</b>	3,790	2.2	1,420	3.8	37.5	13.9	23.4	14.4	10.7	6.5	49.2	34,770	7.2
<b>28% (AMT)</b>	2,420	1.4	1,400	3.7	57.9	18.7	39.2	24.3	17.5	11.7	129.8	92,540	12.2
<b>33%</b>	420	0.2	240	0.6	57.1	16.6	39.2	25.9	21.5	16.9	22.0	93,180	16.1
<b>35%</b>	40	*	20	0.1	50.0	12.2	54.4	41.9	34.8	27.4	4.9	199,380	24.5
<b>39.6%</b>	860	0.5	650	1.7	75.6	14.6	60.9	44.5	38.0	29.6	490.3	752,160	29.1
<b>All</b>	173,400	100.0	37,660	100.0	21.7	7.0	14.7	10.7	8.7	6.7	930.9	24,720	8.8

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0516-1).

Note: Calendar year. Baseline is current law. Tax units that are dependents of other tax units are excluded from the analysis.

\* Non-zero value rounded to zero; \*\* Insufficient data.

(1) Statutory rate is based on taxable income net of capital gains and qualified dividends.

(2) Includes all tax units reporting non-zero business income. Business income includes income or loss from a) non-farm sole proprietors (Schedule C); b) farming (Schedule F); c) rental real estate (Schedule E Part I); d) partnerships (Schedule E Part II); and e) S corporations (Schedule E Part II).