

**Table T16-0185**  
**Sources of Flow-Through Business Income by Statutory Marginal Tax Rate, 2016**  
**Baseline: Current Law**

Statutory Marginal Income Tax Rate (Percent) <sup>1</sup>	Tax Units Reporting Net Income/Loss From:											
	Sole Proprietor <sup>2</sup>				Partnership Income and S Corporation Income				Business Income <sup>3</sup>			
	Number of Units		Net Income/Loss		Number of Units		Net Income/Loss		Number of Units		Net Income/Loss	
	Number (thousands)	Percent of Total	Amount (\$billions)	Percent of Total	Number (thousands)	Percent of Total	Amount (\$billions)	Percent of Total	Number (thousands)	Percent of Total	Amount (\$billions)	Percent of Total
<b>Non-filers</b>	**	**	**	**	**	**	**	**	**	**	**	**
<b>0%</b>	8,130	31.4	42.8	12.8	1,050	12.3	-45.8	-7.8	9,750	25.9	-9.4	-1.0
<b>10%</b>	3,660	14.1	32.8	9.8	690	8.1	5.2	0.9	4,780	12.7	36.1	3.9
<b>15%</b>	7,630	29.5	70.0	21.0	2,210	26.0	24.3	4.1	11,060	29.4	90.3	9.7
<b>25%</b>	4,030	15.6	63.4	19.0	1,950	23.0	45.4	7.7	6,970	18.5	109.3	11.7
<b>26% (AMT)</b>	420	1.6	15.6	4.7	520	6.1	-6.2	-1.0	1,000	2.7	6.7	0.7
<b>28% (Regular)</b>	650	2.5	18.9	5.7	590	7.0	25.9	4.4	1,420	3.8	49.2	5.3
<b>28% (AMT)</b>	630	2.4	35.7	10.7	830	9.8	88.2	15.0	1,400	3.7	129.8	13.9
<b>33%</b>	120	0.5	9.1	2.7	120	1.4	12.5	2.1	240	0.6	22.0	2.4
<b>35%</b>	10	*	1.1	0.3	20	0.2	3.8	0.6	20	0.1	4.9	0.5
<b>39.6%</b>	230	0.9	42.5	12.7	530	6.2	435.6	73.9	650	1.7	490.3	52.7
<b>All</b>	<b>25,880</b>	<b>100.0</b>	<b>333.5</b>	<b>100.0</b>	<b>8,500</b>	<b>100.0</b>	<b>589.1</b>	<b>100.0</b>	<b>37,660</b>	<b>100.0</b>	<b>930.9</b>	<b>100.0</b>

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) Sole proprietor income includes Schedule C and Schedule F income.

(3) 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).

**Table T16-0185**  
**Sources of Flow-Through Business Income by Statutory Marginal Tax Rate, 2016**  
**Baseline: Current Law**

Statutory Marginal Income Tax Rate (Percent) <sup>1</sup>	Tax Units Reporting Net Positive Income From:											
	Sole Proprietor <sup>2</sup>				Partnership Income and S Corporation Income				Business Income <sup>3</sup>			
	Number of Units		Net Income/Loss		Number of Units		Net Income/Loss		Number of Units		Net Income/Loss	
	Number (thousands)	Percent of Total	Amount (\$billions)	Percent of Total	Number (thousands)	Percent of Total	Amount (\$billions)	Percent of Total	Number (thousands)	Percent of Total	Amount (\$billions)	Percent of Total
<b>Non-filers</b>	**	**	**	**	**	**	**	**	**	**	**	**
<b>0%</b>	6,740	35.4	71.1	17.0	460	8.3	11.2	1.6	7,460	29.2	80.9	6.9
<b>10%</b>	2,750	14.4	40.9	9.8	460	8.2	7.9	1.1	3,360	13.2	51.3	4.4
<b>15%</b>	5,100	26.8	90.4	21.6	1,450	26.0	32.2	4.5	6,960	27.2	132.7	11.3
<b>25%</b>	2,680	14.1	75.0	18.0	1,340	23.9	51.2	7.2	4,250	16.6	138.1	11.7
<b>26% (AMT)</b>	270	1.4	19.2	4.6	330	5.8	18.8	2.6	600	2.3	39.5	3.4
<b>28% (Regular)</b>	430	2.3	21.4	5.1	410	7.4	27.8	3.9	890	3.5	55.6	4.7
<b>28% (AMT)</b>	420	2.2	39.7	9.5	610	10.8	101.3	14.2	950	3.7	148.0	12.6
<b>33%</b>	90	0.5	9.7	2.3	90	1.5	13.3	1.9	170	0.6	23.6	2.0
<b>35%</b>	10	*	1.2	0.3	20	0.3	3.8	0.5	20	0.1	5.1	0.4
<b>39.6%</b>	160	0.9	47.2	11.3	430	7.8	444.9	62.5	530	2.1	501.9	42.6
<b>All</b>	<b>19,020</b>	<b>100.0</b>	<b>417.5</b>	<b>100.0</b>	<b>5,580</b>	<b>100.0</b>	<b>712.4</b>	<b>100.0</b>	<b>25,560</b>	<b>100.0</b>	<b>1,178.4</b>	<b>100.0</b>

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) Sole proprietor income includes Schedule C and Schedule F income.

(3) 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).