Table T18-0052
Individual Income Tax on Long-Term Capital Gains
Baseline: Current Law
Distribution of Federal Tax Change by Cash Income Level, 2018 [1]
Summary Table

Expanded Cash Income Level (thousands of 2017 dollars) [2]	All Tax Units (thousands)	Tax Units Reporting Positive Gains[3]						
		Percent Within Class	Average Tax Paid on Gains	Share of Positive Individual Income Tax on Gains	Average Individual Income Tax Rate		Addendum	
					On Gains[4]	On All Other Income[5]	Share of All Returns with Tax on Gains[6]	Share of All Gains That are Taxable[7]
Less than 10	13,260	0.9	*	*	0.1	***	*	*
10-20	23,850	1.0	130	*	3.2	***	0.4	*
20-30	22,230	2.0	120	*	3.3	***	0.4	*
30-40	16,640	2.8	60	*	1.7	2.4	0.5	*
40-50	13,220	5.3	130	0.1	2.6	5.1	1.7	0.1
50-75	24,450	7.2	200	0.3	3.6	8.0	8.2	0.7
75-100	16,650	11.4	470	0.7	7.2	10.5	11.7	1.4
100-200	30,850	15.3	990	3.6	9.6	12.4	34.9	6.5
200-500	11,630	29.0	3,870	9.9	15.0	17.3	31.0	13.2
500-1,000	1,530	44.7	14,540	7.6	19.2	24.2	6.6	8.0
More than 1,000	670	65.6	228,410	76.6	22.7	31.9	4.3	68.5
All	176,100	8.6	8,750	100.0	19.3	23.0	100.0	100.0

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0217-1).
* Non-zero value rounded to zero; ** Insufficient data
(1) Calendar year. Individual income tax on long-term capital gains is calculated by comparing liability under current law to liability when net long term gains in excess of net short-term losses are excluded from income and excluded from the base of the 3.8 percent net investment surtax enacted by the Affordable Care Act (ACA). Baseline is current law as of March 22, 2018. For a description of TPC's current law and current policy baselines, see
http://www.taxpolicycenter.org/taxtopics/Baseline-Definitions.cfm
(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) Tax units reporting long-term positive gains.
(4) Average individual income tax on long-term positive capital gains as a percentage of gains. The tax on long term gains is calculated as the difference in liability between the two scenarios outlined in footnote 1.

(5) Average individual income tax as a percentage of nongain taxable income. Individual income tax on all other income is calculated as income tax liability under the second scenario outlined in footnote 1. For those that report positive gains, the aggregate amount of other income is close to $0 within the bottom three classes. We therefore do not report a value for those classes.
(6) Distribution of returns with tax on long-term capital gains among income classes.
(7) Distribution of long-term positive capital gains reported by taxpayers with tax on positive long-term capital gains among income classes.