

**Table T18-0114**  
**Effective Marginal Tax Rates on Wages, Salaries, and Capital Income**  
**By Expanded Cash Income Level, 2028<sup>1</sup>**  
**Baseline: Current Law**

Expanded Cash Income Level (thousands of 2018 dollars) <sup>2</sup>	Tax Units (thousands)	Individual Income Tax <sup>3</sup>				Individual Income Tax plus Payroll Tax <sup>4</sup>
		Wages and Salaries	Long-term Capital Gains	Qualified Dividends	Interest Income	Wages and Salaries
<b>Less than 10</b>	10,670	-7.5	0.0	*	0.1	6.2
<b>10-20</b>	17,690	1.5	0.3	1.4	3.1	15.4
<b>20-30</b>	19,530	12.7	1.0	0.1	6.1	26.5
<b>30-40</b>	16,990	18.1	1.1	0.8	6.1	32.0
<b>40-50</b>	14,090	18.7	1.2	1.8	11.9	32.4
<b>50-75</b>	28,410	19.8	5.8	8.9	20.4	33.4
<b>75-100</b>	18,960	20.6	10.1	12.0	21.6	34.3
<b>100-200</b>	36,510	23.3	12.5	12.9	24.4	36.4
<b>200-500</b>	16,170	29.5	19.6	19.8	31.7	37.8
<b>500-1,000</b>	2,380	35.0	22.7	22.5	35.7	39.6
<b>More than 1,000</b>	890	38.9	22.8	23.7	35.2	42.8
<b>All</b>	183,490	26.1	19.9	19.1	27.4	36.5

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0718-1).

(1) Calendar year. Baseline is the law in place for year 2028 as of August 23, 2018. Effective marginal tax rates are weighted by the appropriate income source. For more information on TPC's baseline definitions, 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) We calculate each tax unit's effective marginal individual income tax rate by adding \$1,000 to the income source and dividing the resulting tax change by that \$1,000. We then calculate the averages by weighting by the initial value of the appropriate income source.

(4) We calculate each tax unit's effective marginal individual plus payroll tax rate by adding \$1,000 to wages and salaries. We then divide the resulting change in individual income tax plus the resulting change in the employer and employee portions of payroll taxes for Social Security and Medicare by that \$1,000. We then calculate the averages by weighting by the initial value of wages and salaries. For married couples filing jointly, we assign a portion of the \$1,000 increase to each spouse based on their initial shares of the household's total wages and salaries.