

Table T18-0247
Distribution of Tax Units with Business Income by Expanded Cash Income Percentile, 2018

Expanded Cash Income Percentile ¹	All Tax Units		Tax Units with Business Income ²			Percent of Tax Units with Business Income					Tax Units with Business Income		Business Income as Percentage of Total AGI
	Number (thousands)	Percent of Total	Number (thousands)	Percent of Total	Percent of Income Class	Less than 0	Greater than 0	Greater than 10% of AGI	Greater than 25% of AGI	Greater than 50% of AGI	Amount (\$Billions)	Average (\$)	
Lowest Quintile	45,210	26.3	6,870	17.7	15.2	1.5	13.7	12.9	12.1	11.1	48.5	7,060	14.4
Second Quintile	37,820	22.0	5,500	14.1	14.5	3.5	11.0	9.2	7.8	6.5	47.8	8,700	5.7
Middle Quintile	34,460	20.0	6,610	17.0	19.2	6.8	12.4	8.1	5.8	3.9	45.8	6,930	3.0
Fourth Quintile	28,920	16.8	8,250	21.2	28.5	11.6	16.9	8.4	5.5	3.3	70.1	8,500	3.0
Top Quintile	24,350	14.2	10,640	27.4	43.7	16.4	27.3	14.9	10.5	6.5	826.3	77,690	12.5
All	172,000	100.0	38,870	100.0	22.6	7.2	15.4	10.9	8.8	6.9	975.3	25,090	8.5
Addendum													
80-90	12,570	7.3	4,600	11.8	36.6	14.9	21.7	10.9	7.0	3.9	66.4	14,410	3.9
90-95	6,020	3.5	2,600	6.7	43.1	17.1	26.0	13.6	9.0	5.3	62.9	24,210	5.5
95-99	4,640	2.7	2,590	6.7	55.9	19.0	37.0	22.0	16.5	11.0	183.5	70,730	11.8
Top 1 Percent	1,130	0.7	840	2.2	74.5	18.4	56.1	38.0	31.8	24.6	513.5	610,280	22.9
Top 0.1 Percent	120	0.1	100	0.3	87.5	25.3	62.2	40.9	34.6	27.5	246.9	2,461,570	21.5

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

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

(1) 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 2018 dollars): 20% \$25,100; 40% \$49,300; 60% \$85,900; 80% \$153,300; 90% \$222,900; 95% \$319,100; 99% \$754,800; 99.9% \$3,318,600. 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>.

(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).