

**Table T20-0121**  
**Distribution of Tax Units with Zero or Negative Income Tax**  
**All Tax Units**  
**by Expanded Cash Income Percentile, Current Law, 2026<sup>1</sup>**  
**Baseline: Current Law**

Expanded Cash Income Percentile <sup>2,3</sup>	Number of Tax Units (thousands)	Percent of All Tax Units	Number of Non Paying Tax Units (thousands) <sup>4</sup>	Percent of All Non Paying Tax Units	Percent of Tax Units in Class That Are Non Paying
Lowest Quintile	47,114	25.7	39,180	55.5	83.2
Second Quintile	40,420	22.0	21,303	30.2	52.7
Middle Quintile	37,496	20.5	7,405	10.5	19.7
Fourth Quintile	30,974	16.9	1,165	1.6	3.8
Top Quintile	25,952	14.2	248	0.4	1.0
All	183,323	100.0	70,649	100.0	38.5
<b>Addendum I</b>					
80-90	13,399	7.3	174	0.2	1.3
90-95	6,403	3.5	45	0.1	0.7
95-99	4,955	2.7	27	0.0	0.5
Top 1 Percent	1,195	0.7	3	0.0	0.3
Top 0.1 Percent	122	0.1	0	0.0	0.2
<b>Addendum II</b>					
<b>Dispersion of Individual Income Tax Liability for those with Liability of less than \$5</b>					
	<b>Percentile of Income Tax Liability Distribution</b>				
	<b>10th</b>	<b>25th</b>	<b>50th</b>	<b>75th</b>	<b>90th</b>
<b>Tax Liability</b>	-5,110	-2,060	0	0	0

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0319-2).

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

(1) Calendar year. Tabulations are under current law and include both filing and non-filing units but exclude those that are dependents of other tax units. Tax units are considered to have positive income tax if their tax liability is greater than \$5. Baseline is the law in place for 2026 as of March 20, 2020. For more information on TPC's baseline definitions, see

<https://www.taxpolicycenter.org/resources/tpc-baseline-definitions>

(2) 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) 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 2019 dollars): 20% \$28,400; 40% \$55,800; 60% \$98,900; 80% \$178,300; 90% \$258,100; 95% \$366,900; 99% \$889,700; 99.9% \$3,971,000.

(4) Income tax after refundable credits.

**Table T20-0121**  
**Distribution of Tax Units with Zero or Negative Income Tax**  
**Single Tax Units**  
**by Expanded Cash Income Percentile, Current Law, 2026<sup>1</sup>**  
**Baseline: Current Law**

Expanded Cash Income Percentile <sup>2,3</sup>	Number of Tax Units (thousands)	Percent of All Tax Units	Number of Non Paying Tax Units (thousands) <sup>4</sup>	Percent of All Non Paying Tax Units	Percent of Tax Units in Class That Are Non Paying
Lowest Quintile	33,752	38.6	26,560	71.7	78.7
Second Quintile	23,116	26.4	8,065	21.8	34.9
Middle Quintile	17,765	20.3	1,396	3.8	7.9
Fourth Quintile	8,719	10.0	210	0.6	2.4
Top Quintile	3,368	3.9	71	0.2	2.1
All	87,478	100.0	37,050	100.0	42.4
<b>Addendum I</b>					
80-90	1,980	2.3	52	0.1	2.6
90-95	779	0.9	11	0.0	1.4
95-99	482	0.6	7	0.0	1.5
Top 1 Percent	127	0.1	1	0.0	0.7
Top 0.1 Percent	16	0.0	0	0.0	0.8
<b>Addendum II</b>					
<b>Dispersion of Individual Income Tax Liability for those with Liability of less than \$5</b>					
	<b>Percentile of Income Tax Liability Distribution</b>				
	<b>10th</b>	<b>25th</b>	<b>50th</b>	<b>75th</b>	<b>90th</b>
<b>Tax Liability</b>	-1,000	-180	0	0	0

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0319-2).

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(2) 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) 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 incomes used are adjusted for family size by dividing by the square root of the number of people in the tax unit. The breaks are (in 2019 dollars): 20% \$19,700; 40% \$38,000; 60% \$65,400; 80% \$109,400; 90% \$157,600; 95% \$222,500; 99% \$513,700; 99.9% \$2,282,500.

(4) Income tax after refundable credits.

**Table T20-0121**  
**Distribution of Tax Units with Zero or Negative Income Tax**  
**Married Tax Units Filing Jointly**  
**by Expanded Cash Income Percentile, Current Law, 2026 <sup>1</sup>**  
**Baseline: Current Law**

Expanded Cash Income Percentile <sup>2,3</sup>	Number of Tax Units (thousands)	Percent of All Tax Units	Number of Non Paying Tax Units (thousands) <sup>4</sup>	Percent of All Non Paying Tax Units	Percent of Tax Units in Class That Are Non Paying
Lowest Quintile	6,203	9.2	5,924	32.7	95.5
Second Quintile	8,413	12.5	6,899	38.1	82.0
Middle Quintile	12,340	18.3	3,863	21.4	31.3
Fourth Quintile	18,572	27.6	790	4.4	4.3
Top Quintile	21,400	31.8	155	0.9	0.7
All	67,392	100.0	18,089	100.0	26.8
<b>Addendum I</b>					
80-90	10,635	15.8	110	0.6	1.0
90-95	5,410	8.0	26	0.1	0.5
95-99	4,338	6.4	18	0.1	0.4
Top 1 Percent	1,017	1.5	2	0.0	0.2
Top 0.1 Percent	98	0.1	0	0.0	0.0
<b>Addendum II</b>					
<b>Dispersion of Individual Income Tax Liability for those with Liability of less than \$5</b>					
	<b>Percentile of Income Tax Liability Distribution</b>				
	<b>10th</b>	<b>25th</b>	<b>50th</b>	<b>75th</b>	<b>90th</b>
<b>Tax Liability</b>	-5,110	-1,910	0	0	0

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0319-2).

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

(1) Calendar year. Tabulations are under current law and include both filing and non-filing units but exclude those that are dependents of other tax units. Tax units are considered to have positive income tax if their tax liability is greater than \$5. Baseline is the law in place for 2026 as of March 20, 2020. For more information on TPC's baseline definitions, see

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(2) 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) 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 incomes used are adjusted for family size by dividing by the square root of the number of people in the tax unit. The breaks are (in 2019 dollars): 20% \$19,700; 40% \$38,000; 60% \$65,400; 80% \$109,400; 90% \$157,600; 95% \$222,500; 99% \$513,700; 99.9% \$2,282,500.

(4) Income tax after refundable credits.

**Table T20-0121**  
**Distribution of Tax Units with Zero or Negative Income Tax**  
**Head of Household Tax Units**  
**by Expanded Cash Income Percentile, Current Law, 2026<sup>1</sup>**  
**Baseline: Current Law**

Expanded Cash Income Percentile <sup>2,3</sup>	Number of Tax Units (thousands)	Percent of All Tax Units	Number of Non Paying Tax Units (thousands) <sup>4</sup>	Percent of All Non Paying Tax Units	Percent of Tax Units in Class That Are Non Paying
Lowest Quintile	6,419	26.3	6,304	42.5	98.2
Second Quintile	7,823	32.1	6,232	42.0	79.7
Middle Quintile	6,172	25.3	2,102	14.2	34.1
Fourth Quintile	3,040	12.5	148	1.0	4.9
Top Quintile	865	3.6	17	0.1	2.0
All	24,365	100.0	14,849	100.0	60.9
<b>Addendum I</b>					
80-90	609	2.5	10	0.1	1.6
90-95	156	0.6	6	0.0	4.1
95-99	78	0.3	1	0.0	0.9
Top 1 Percent	22	0.1	0	0.0	0.6
Top 0.1 Percent	3	0.0	0	0.0	0.0
<b>Addendum II</b>					
<b>Dispersion of Individual Income Tax Liability for those with Liability of less than \$5</b>					
	<b>Percentile of Income Tax Liability Distribution</b>				
	<b>10th</b>	<b>25th</b>	<b>50th</b>	<b>75th</b>	<b>90th</b>
<b>Tax Liability</b>	-8,050	-5,720	-4,110	-2,000	-460

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0319-2).

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(2) 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) 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 incomes used are adjusted for family size by dividing by the square root of the number of people in the tax unit. The breaks are (in 2019 dollars): 20% \$19,700; 40% \$38,000; 60% \$65,400; 80% \$109,400; 90% \$157,600; 95% \$222,500; 99% \$513,700; 99.9% \$2,282,500.

(4) Income tax after refundable credits.

**Table T20-0121**  
**Distribution of Tax Units with Zero or Negative Income Tax**  
**Tax Units with Children**  
**by Expanded Cash Income Percentile, Current Law, 2026<sup>1</sup>**  
**Baseline: Current Law**

Expanded Cash Income Percentile <sup>2,3</sup>	Number of Tax Units (thousands)	Percent of All Tax Units	Number of Non Paying Tax Units (thousands) <sup>4</sup>	Percent of All Non Paying Tax Units	Percent of Tax Units in Class That Are Non Paying
Lowest Quintile	9,852	17.7	9,805	39.4	99.5
Second Quintile	11,459	20.6	9,850	39.6	86.0
Middle Quintile	10,670	19.2	4,233	17.0	39.7
Fourth Quintile	11,218	20.1	688	2.8	6.1
Top Quintile	12,269	22.0	104	0.4	0.8
All	55,695	100.0	24,901	100.0	44.7
<b>Addendum I</b>					
80-90	6,046	10.9	71	0.3	1.2
90-95	3,106	5.6	22	0.1	0.7
95-99	2,498	4.5	10	0.0	0.4
Top 1 Percent	618	1.1	1	0.0	0.2
Top 0.1 Percent	58	0.1	0	0.0	0.0

**Addendum II****Dispersion of Individual Income Tax Liability for those with Liability of less than \$5**

	Percentile of Income Tax Liability Distribution				
	10th	25th	50th	75th	90th
Tax Liability	-8,230	-5,620	-3,970	-1,810	-440

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0319-2).

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(2) 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) 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 incomes used are adjusted for family size by dividing by the square root of the number of people in the tax unit. The breaks are (in 2019 dollars): 20% \$19,700; 40% \$38,000; 60% \$65,400; 80% \$109,400; 90% \$157,600; 95% \$222,500; 99% \$513,700; 99.9% \$2,282,500.

(4) Income tax after refundable credits.



**Table T20-0121**  
**Distribution of Tax Units with Zero or Negative Income Tax**  
**Elderly Tax Units**  
**by Expanded Cash Income Percentile, Current Law, 2026<sup>1</sup>**  
**Baseline: Current Law**

Expanded Cash Income Percentile <sup>2,3</sup>	Number of Tax Units (thousands)	Percent of All Tax Units	Number of Non Paying Tax Units (thousands) <sup>4</sup>	Percent of All Non Paying Tax Units	Percent of Tax Units in Class That Are Non Paying
Lowest Quintile	11,346	22.6	10,634	46.5	93.7
Second Quintile	13,465	26.8	8,586	37.5	63.8
Middle Quintile	11,613	23.1	2,638	11.5	22.7
Fourth Quintile	7,978	15.9	322	1.4	4.0
Top Quintile	5,242	10.4	88	0.4	1.7
All	50,248	100.0	22,868	100.0	45.5
<b>Addendum I</b>					
80-90	2,719	5.4	68	0.3	2.5
90-95	1,248	2.5	7	0.0	0.6
95-99	997	2.0	11	0.0	1.1
Top 1 Percent	278	0.6	1	0.0	0.4
Top 0.1 Percent	35	0.1	0	0.0	0.2
<b>Addendum II</b>					
<b>Dispersion of Individual Income Tax Liability for those with Liability of less than \$5</b>					
	<b>Percentile of Income Tax Liability Distribution</b>				
	<b>10th</b>	<b>25th</b>	<b>50th</b>	<b>75th</b>	<b>90th</b>
<b>Tax Liability</b>	0	0	0	0	0

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0319-2).

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(3) 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 incomes used are adjusted for family size by dividing by the square root of the number of people in the tax unit. The breaks are (in 2019 dollars): 20% \$19,700; 40% \$38,000; 60% \$65,400; 80% \$109,400; 90% \$157,600; 95% \$222,500; 99% \$513,700; 99.9% \$2,282,500.

(4) Income tax after refundable credits.