

Table T20-0128
Distribution of Tax Units with Business Income by Expanded Cash Income Percentile, 2019

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	45,510	26.1	6,740	17.2	14.8	1.5	13.3	12.5	11.7	10.8	48.7	7,220	14.1
Second Quintile	38,660	22.1	5,540	14.1	14.3	3.5	10.8	9.0	7.5	6.3	48.5	8,760	5.7
Middle Quintile	35,420	20.3	6,690	17.1	18.9	6.9	12.0	7.7	5.4	3.6	48.7	7,280	3.0
Fourth Quintile	29,260	16.8	8,370	21.3	28.6	12.0	16.6	8.1	5.1	2.9	68.1	8,130	2.7
Top Quintile	24,600	14.1	10,850	27.7	44.1	16.6	27.5	14.8	10.4	6.4	883.8	81,460	12.6
All	174,690	100.0	39,230	100.0	22.5	7.4	15.1	10.6	8.4	6.6	1030.0	26,250	8.5
Addendum													
80-90	12,660	7.3	4,740	12.1	37.5	15.4	22.1	10.8	6.9	3.7	68.0	14,330	4.0
90-95	6,070	3.5	2,600	6.6	42.9	17.0	25.9	13.1	8.5	4.9	63.6	24,450	5.4
95-99	4,720	2.7	2,630	6.7	55.7	18.7	37.0	21.8	16.4	10.6	191.8	72,990	12.1
Top 1 Percent	1,160	0.7	880	2.2	76.1	19.2	56.9	39.3	33.0	25.9	560.5	637,740	22.5
Top 0.1 Percent	120	0.1	110	0.3	89.8	27.9	62.0	41.0	34.6	27.1	247.7	2,341,290	19.8

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

Note: Calendar year. Baseline is the law in place for 2019 as of March 17, 2020. 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 2019 dollars): 20% \$25,300; 40% \$50,700; 60% \$91,200; 80% \$163,600; 90% \$239,600; 95% \$339,200; 99% \$818,700; 99.9% \$3,803,800. 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).