

Average Federal Tax Rates for All Households, by Comprehensive Household Income Quintile, 1979-2017

Table with columns: Year, Lowest Quintile, Second Quintile, Middle Quintile, Fourth Quintile, Highest Quintile, All Quintiles, 1st-10th Percentiles, 11th-50th Percentiles, 51st-90th Percentiles, 91st-99th Percentiles, Top 1%. Rows show data from 1979 to 2017 for Average Total Federal Tax Rate (percent).

Table with columns: Year, Lowest Quintile, Second Quintile, Middle Quintile, Fourth Quintile, Highest Quintile, All Quintiles, 1st-10th Percentiles, 11th-50th Percentiles, 51st-90th Percentiles, 91st-99th Percentiles, Top 1%. Rows show data from 1979 to 2017 for Average Individual Income Tax Rate (percent).

Table with columns: Year, Lowest Quintile, Second Quintile, Middle Quintile, Fourth Quintile, Highest Quintile, All Quintiles, 1st-10th Percentiles, 11th-50th Percentiles, 51st-90th Percentiles, 91st-99th Percentiles, Top 1%. Rows show data from 1979 to 2017 for Average Payroll Tax Rate (percent).

Table with columns: Year, Lowest Quintile, Second Quintile, Middle Quintile, Fourth Quintile, Highest Quintile, All Quintiles, 1st-10th Percentiles, 11th-50th Percentiles, 51st-90th Percentiles, 91st-99th Percentiles, Top 1%. Rows show data from 1979 to 2017 for Average Corporate Income Tax Rate (percent).

Table with columns: Year, Lowest Quintile, Second Quintile, Middle Quintile, Fourth Quintile, Highest Quintile, All Quintiles, 1st-10th Percentiles, 11th-50th Percentiles, 51st-90th Percentiles, 91st-99th Percentiles, Top 1%. Rows show data from 1979 to 2017 for Average Excise Tax Rate (percent).

Source: Congressional Budget Office, https://www.cbo.gov/publication/56575

Notes: Effective tax rates are calculated by dividing taxes by comprehensive household income. * between -0.05 and 0.05 percent.

Comprehensive household income equals gross cash income plus income from other sources. Proxies cash income as the sum of wages, salaries, self-employment income, Social Security, Medicare, Medicaid, and federal unemployment insurance (FUTA) benefits, plus income from other sources.

Income categories are defined by netting all people by their comprehensive household income adjusted for household size—that is, divided by the square root of the household size (A household consists of the people who share a housing unit, regardless of their relationship). Quintiles, by their relative number of people.

Households with negative income (business or investment losses larger than other income) are excluded from the lowest income category, but are included in totals.

Individual income taxes are defined by direct taxes on individuals plus taxes on estates. Social insurance, or payroll, taxes are attributed to households based on total disability or self-paying them retroactively through their employers. Corporate income taxes are attributed to households according to their share of capital income. Federal excise taxes are attributed to them according to their consumption of the taxed good or service.