

Table T21-0163
Distribution of Tax Units That Pay No Individual Income Tax
All Tax Units
by Expanded Cash Income Percentile, Current Law, 2021 ¹

| Expanded Cash Income Percentile ^{2,3} | Number of Tax Units (thousands) | Percent of All Tax Units | Number of Non Paying Tax Units (thousands) ⁴ | Percent of All Non Paying Tax Units | Percent of Tax Units in Class That Are Non Paying |
|---|---------------------------------------|-----------------------------|--|---|---|
| Lowest Quintile | 47,360 | 26.6 | 47,320 | 46.6 | 99.9 |
| Second Quintile | 38,780 | 21.8 | 28,900 | 28.4 | 74.5 |
| Middle Quintile | 36,130 | 20.3 | 15,600 | 15.3 | 43.2 |
| Fourth Quintile | 29,780 | 16.7 | 7,420 | 7.3 | 24.9 |
| Top Quintile | 24,560 | 13.8 | 890 | 0.9 | 3.6 |
| All | 178,140 | 100.0 | 101,650 | 100.0 | 57.1 |
| Addendum I | | | | | |
| 80-90 | 12,570 | 7.1 | 790 | 0.8 | 6.3 |
| 90-95 | 6,150 | 3.5 | 60 | 0.1 | 1.0 |
| 95-99 | 4,710 | 2.6 | 40 | 0.0 | 0.8 |
| Top 1 Percent | 1,140 | 0.6 | * | * | * |
| Top 0.1 Percent | 120 | 0.1 | * | * | * |

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

| Tax Liability | Percentile of Income Tax Liability Distribution | | | | |
|---------------|---|--------|--------|--------|------|
| | 10th | 25th | 50th | 75th | 90th |
| | -11,300 | -5,370 | -2,370 | -1,400 | -980 |

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0721-1).

* 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.

(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 2020 dollars): 20% \$27,900; 40% \$55,100; 60% \$97,700; 80% \$178,100; 90% \$259,000; 95% \$372,600; 99% \$882,500; 99.9% \$4,052,100.

(4) Income tax after refundable credits.

Table T21-0163
Distribution of Tax Units That Pay No Individual Income Tax
All Tax Units

by Expanded Cash Income Percentile Adjusted for Family Size, Current Law, 2021 ¹

| Expanded Cash Income Percentile ^{2,3} | Number of Tax Units (thousands) | Percent of All Tax Units | Number of Non Paying Tax Units (thousands) ⁴ | Percent of All Non Paying Tax Units | Percent of Tax Units in Class That Are Non Paying |
|---|---------------------------------------|-----------------------------|--|---|---|
| Lowest Quintile | 39,490 | 22.2 | 39,480 | 38.8 | 100.0 |
| Second Quintile | 36,580 | 20.5 | 34,470 | 33.9 | 94.2 |
| Middle Quintile | 35,820 | 20.1 | 20,010 | 19.7 | 55.9 |
| Fourth Quintile | 33,730 | 18.9 | 5,680 | 5.6 | 16.8 |
| Top Quintile | 31,000 | 17.4 | 490 | 0.5 | 1.6 |
| All | 178,140 | 100.0 | 101,650 | 100.0 | 57.1 |
| Addendum I | | | | | |
| 80-90 | 15,870 | 8.9 | 350 | 0.3 | 2.2 |
| 90-95 | 7,740 | 4.3 | 90 | 0.1 | 1.2 |
| 95-99 | 5,990 | 3.4 | 50 | 0.0 | 0.8 |
| Top 1 Percent | 1,390 | 0.8 | * | * | * |
| Top 0.1 Percent | 140 | 0.1 | * | * | * |

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 | -11,300 | -5,370 | -2,370 | -1,400 | -980 |

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0721-1).

* 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.

(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 2020 dollars): 20% \$19,400; 40% \$37,900; 60% \$65,000; 80% \$108,900; 90% \$158,000; 95% \$222,200; 99% \$512,600; 99.9% \$2,279,200.

(4) Income tax after refundable credits.

Table T21-0163
Distribution of Tax Units That Pay No Individual Income Tax
Single Tax Units
by Expanded Cash Income Percentile Adjusted for Family Size, Current Law, 2021 ¹

| Expanded Cash Income Percentile ^{2,3} | Number of Tax Units (thousands) | Percent of All Tax Units | Number of Non Paying Tax Units (thousands) ⁴ | Percent of All Non Paying Tax Units | Percent of Tax Units in Class That Are Non Paying |
|---|---------------------------------------|-----------------------------|--|---|---|
| Lowest Quintile | 25,870 | 29.3 | 25,860 | 49.8 | 100.0 |
| Second Quintile | 20,080 | 22.8 | 18,110 | 34.9 | 90.2 |
| Middle Quintile | 17,950 | 20.4 | 6,120 | 11.8 | 34.1 |
| Fourth Quintile | 14,270 | 16.2 | 830 | 1.6 | 5.8 |
| Top Quintile | 9,180 | 10.4 | 170 | 0.3 | 1.9 |
| All | 88,160 | 100.0 | 51,900 | 100.0 | 58.9 |
| Addendum I | | | | | |
| 80-90 | 5,200 | 5.9 | 110 | 0.2 | 2.1 |
| 90-95 | 2,140 | 2.4 | 40 | * | 1.9 |
| 95-99 | 1,530 | 1.7 | * | * | * |
| Top 1 Percent | 300 | 0.3 | * | * | * |
| Top 0.1 Percent | ** | * | * | * | * |

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

| Tax Liability | Percentile of Income Tax Liability Distribution | | | | |
|---------------|---|--------|--------|--------|------|
| | 10th | 25th | 50th | 75th | 90th |
| | -2,820 | -1,780 | -1,400 | -1,400 | -700 |

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0721-1).

* 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.

(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 2020 dollars): 20% \$19,400; 40% \$37,900; 60% \$65,000; 80% \$108,900; 90% \$158,000; 95% \$222,200; 99% \$512,600; 99.9% \$2,279,200.

(4) Income tax after refundable credits.

Table T21-0163
Distribution of Tax Units That Pay No Individual Income Tax
Joint Tax Units

by Expanded Cash Income Percentile Adjusted for Family Size, Current Law, 2021 ¹

| Expanded Cash Income Percentile ^{2,3} | Number of Tax Units (thousands) | Percent of All Tax Units | Number of Non Paying Tax Units (thousands) ⁴ | Percent of All Non Paying Tax Units | Percent of Tax Units in Class That Are Non Paying |
|---|---------------------------------------|-----------------------------|--|---|---|
| Lowest Quintile | 7,070 | 11.1 | 7,070 | 24.0 | 100.0 |
| Second Quintile | 8,420 | 13.2 | 8,410 | 28.5 | 99.9 |
| Middle Quintile | 11,740 | 18.4 | 9,110 | 30.9 | 77.6 |
| Fourth Quintile | 16,000 | 25.0 | 4,060 | 13.8 | 25.4 |
| Top Quintile | 20,100 | 31.5 | 280 | 0.9 | 1.4 |
| All | 63,890 | 100.0 | 29,490 | 100.0 | 46.2 |
| Addendum I | | | | | |
| 80-90 | 9,670 | 15.1 | 200 | 0.7 | 2.1 |
| 90-95 | 5,190 | 8.1 | 50 | 0.2 | 1.0 |
| 95-99 | 4,220 | 6.6 | 30 | 0.1 | 0.7 |
| Top 1 Percent | 1,010 | 1.6 | * | * | * |
| Top 0.1 Percent | 100 | 0.2 | * | * | * |

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 | -12,600 | -7,180 | -2,800 | -2,800 | -1,380 |

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0721-1).

* 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.

(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 2020 dollars): 20% \$19,400; 40% \$37,900; 60% \$65,000; 80% \$108,900; 90% \$158,000; 95% \$222,200; 99% \$512,600; 99.9% \$2,279,200.

(4) Income tax after refundable credits.

Table T21-0163
Distribution of Tax Units That Pay No Individual Income Tax
Head of Household Tax Units
by Expanded Cash Income Percentile Adjusted for Family Size, Current Law, 2021 ¹

| Expanded Cash Income Percentile ^{2,3} | Number of Tax Units (thousands) | Percent of All Tax Units | Number of Non Paying Tax Units (thousands) ⁴ | Percent of All Non Paying Tax Units | Percent of Tax Units in Class That Are Non Paying |
|---|---------------------------------------|-----------------------------|--|---|---|
| Lowest Quintile | 6,180 | 27.5 | 6,180 | 32.6 | 100.0 |
| Second Quintile | 7,370 | 32.8 | 7,360 | 38.9 | 99.9 |
| Middle Quintile | 5,250 | 23.4 | 4,550 | 24.0 | 86.7 |
| Fourth Quintile | 2,600 | 11.6 | 760 | 4.0 | 29.2 |
| Top Quintile | 1,020 | 4.5 | 30 | 0.2 | 2.9 |
| All | 22,470 | 100.0 | 18,930 | 100.0 | 84.2 |
| Addendum I | | | | | |
| 80-90 | 630 | 2.8 | 20 | 0.1 | 3.2 |
| 90-95 | 250 | 1.1 | * | * | * |
| 95-99 | 110 | 0.5 | * | * | * |
| Top 1 Percent | 30 | 0.1 | * | * | * |
| Top 0.1 Percent | ** | ** | ** | ** | ** |

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 | -16,180 | -12,300 | -8,320 | -4,670 | -2,390 |

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0721-1).

* 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.

(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 2020 dollars): 20% \$19,400; 40% \$37,900; 60% \$65,000; 80% \$108,900; 90% \$158,000; 95% \$222,200; 99% \$512,600; 99.9% \$2,279,200.

(4) Income tax after refundable credits.

Table T21-0163
Distribution of Tax Units That Pay No Individual Income Tax
All Tax Units with Children
by Expanded Cash Income Percentile Adjusted for Family Size, Current Law, 2021 ¹

| Expanded Cash Income Percentile ^{2,3} | Number of Tax Units (thousands) | Percent of All Tax Units | Number of Non Paying Tax Units (thousands) ⁴ | Percent of All Non Paying Tax Units | Percent of Tax Units in Class That Are Non Paying |
|---|---------------------------------------|-----------------------------|--|---|---|
| Lowest Quintile | 10,090 | 19.8 | 10,090 | 28.5 | 100.0 |
| Second Quintile | 11,380 | 22.3 | 11,350 | 32.0 | 99.7 |
| Middle Quintile | 10,440 | 20.5 | 9,710 | 27.4 | 93.0 |
| Fourth Quintile | 9,570 | 18.8 | 3,850 | 10.9 | 40.2 |
| Top Quintile | 9,270 | 18.2 | 170 | 0.5 | 1.8 |
| All | 51,000 | 100.0 | 35,420 | 100.0 | 69.5 |
| Addendum I | | | | | |
| 80-90 | 4,690 | 9.2 | 130 | 0.4 | 2.8 |
| 90-95 | 2,270 | 4.5 | 30 | 0.1 | 1.3 |
| 95-99 | 1,840 | 3.6 | 20 | 0.1 | 1.1 |
| Top 1 Percent | 480 | 0.9 | * | * | * |
| Top 0.1 Percent | 50 | 0.1 | * | * | * |

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

| Tax Liability | Percentile of Income Tax Liability Distribution | | | | |
|---------------|---|---------|--------|--------|--------|
| | 10th | 25th | 50th | 75th | 90th |
| | -16,380 | -12,160 | -8,240 | -4,820 | -2,350 |

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0721-1).

* 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.

(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 2020 dollars): 20% \$19,400; 40% \$37,900; 60% \$65,000; 80% \$108,900; 90% \$158,000; 95% \$222,200; 99% \$512,600; 99.9% \$2,279,200.

(4) Income tax after refundable credits.

Table T21-0163
Distribution of Tax Units That Pay No Individual Income Tax
All Tax Units Aged 65+
by Expanded Cash Income Percentile Adjusted for Family Size, Current Law, 2021 ¹

| Expanded Cash Income Percentile ^{2,3} | Number of Tax Units (thousands) | Percent of All Tax Units | Number of Non Paying Tax Units (thousands) ⁴ | Percent of All Non Paying Tax Units | Percent of Tax Units in Class That Are Non Paying |
|---|---------------------------------------|-----------------------------|--|---|---|
| Lowest Quintile | 10,150 | 21.9 | 10,150 | 34.6 | 100.0 |
| Second Quintile | 10,840 | 23.4 | 10,750 | 36.7 | 99.2 |
| Middle Quintile | 9,840 | 21.2 | 6,370 | 21.7 | 64.7 |
| Fourth Quintile | 8,130 | 17.6 | 1,240 | 4.2 | 15.3 |
| Top Quintile | 6,730 | 14.5 | 200 | 0.7 | 3.0 |
| All | 46,310 | 100.0 | 29,330 | 100.0 | 63.3 |
| Addendum I | | | | | |
| 80-90 | 3,470 | 7.5 | 160 | 0.5 | 4.6 |
| 90-95 | 1,590 | 3.4 | 30 | * | 1.9 |
| 95-99 | 1,320 | 2.9 | 10 | * | 0.8 |
| Top 1 Percent | 350 | 0.8 | * | * | * |
| Top 0.1 Percent | 40 | 0.1 | * | * | * |

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

| Tax Liability | Percentile of Income Tax Liability Distribution | | | | |
|---------------|---|--------|--------|--------|--------|
| | 10th | 25th | 50th | 75th | 90th |
| | -2,800 | -2,800 | -1,400 | -1,400 | -1,150 |

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0721-1).

* 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.

(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 2020 dollars): 20% \$19,400; 40% \$37,900; 60% \$65,000; 80% \$108,900; 90% \$158,000; 95% \$222,200; 99% \$512,600; 99.9% \$2,279,200.

(4) Income tax after refundable credits.