

Average Federal Tax Rates for Elderly Headed Households, by Comprehensive Household Income Quintile, 1979-2018

Table with columns: Year, Lowest Quintile, Second Quintile, Middle Quintile, Fourth Quintile, Highest Quintile, All Quintiles, 01st-10th Percentiles, 11th-50th Percentiles, 51st-90th Percentiles, Top 1%.

Average Total Federal Tax Rate (percent)

Table with columns: Year, Lowest Quintile, Second Quintile, Middle Quintile, Fourth Quintile, Highest Quintile, All Quintiles, 01st-10th Percentiles, 11th-50th Percentiles, 51st-90th Percentiles, Top 1%.

Average Individual Income Tax Rate (percent)

Table with columns: Year, Lowest Quintile, Second Quintile, Middle Quintile, Fourth Quintile, Highest Quintile, All Quintiles, 01st-10th Percentiles, 11th-50th Percentiles, 51st-90th Percentiles, Top 1%.

Average Payroll Tax Rate (percent)

Table with columns: Year, Lowest Quintile, Second Quintile, Middle Quintile, Fourth Quintile, Highest Quintile, All Quintiles, 01st-10th Percentiles, 11th-50th Percentiles, 51st-90th Percentiles, Top 1%.

Average Corporate Income Tax Rate (percent)

Table with columns: Year, Lowest Quintile, Second Quintile, Middle Quintile, Fourth Quintile, Highest Quintile, All Quintiles, 01st-10th Percentiles, 11th-50th Percentiles, 51st-90th Percentiles, Top 1%.

Average Excise Tax Rate (percent)

Table with columns: Year, Lowest Quintile, Second Quintile, Middle Quintile, Fourth Quintile, Highest Quintile, All Quintiles, 01st-10th Percentiles, 11th-50th Percentiles, 51st-90th Percentiles, Top 1%.

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 includes private pension and profit-sharing income from other sources. Private pension income is the sum of wages, salaries, self-employment income, rents, taxable and non-taxable interest, dividends, realized capital gains, cash transfer payments, and retirement benefits plus taxes paid by beneficiaries (corporate income taxes and the employer's share of Social Security taxes), and federal employment insurance (paid-in taxes) and employer contributions to 401(k) retirement plans. Other sources of income include all-kind benefits (Medicare, Medicaid, employer-paid health insurance premiums, food stamps, school lunches and breakfasts, housing assistance, and energy assistance).

Income categories are defined by splitting all people by their comprehensive household income adjusted for household size—that is, divided by the square root of the household's size. (A household consists of the people who share a housing unit, regardless of their relationship.) Quintiles, or 10th, contain equal numbers of people. Households with negative income (taxes or credits larger than their income) are excluded from the lowest income category but are included in total.

Individual income taxes are attributed directly to households paying those taxes. Social insurance, or payroll, taxes are attributed to households paying those taxes directly or paying them indirectly 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.