

**Table T23-0027**  
**Sources of Flow-Through Business Income by Expanded Cash Income Percentile, 2022**  
**Baseline: Current Law**

Expanded Cash Income Percentile <sup>1</sup>	Tax Units Reporting Net Income/Loss From:											
	Sole Proprietor <sup>2</sup>				Partnership Income and S Corporation Income <sup>3</sup>				Business Income <sup>4</sup>			
	Number of Units		Net Income/Loss		Number of Units		Net Income/Loss		Number of Units		Net Income/Loss	
	Number (thousands)	Percent of Total	Amount (\$ billions)	Percent of Total	Number (thousands)	Percent of Total	Amount (\$ billions)	Percent of Total	Number (thousands)	Percent of Total	Amount (\$ billions)	Percent of Total
<b>Lowest Quintile</b>	5,690	21.7	46.3	11.3	280	3.3	0.2	0.0	6,150	16.1	46.5	3.7
<b>Second Quintile</b>	4,470	17.1	49.4	12.0	520	6.1	1.0	0.1	5,640	14.8	51.7	4.1
<b>Middle Quintile</b>	4,690	17.9	39.3	9.6	1,000	11.7	7.2	0.9	6,620	17.4	51.9	4.1
<b>Fourth Quintile</b>	4,930	18.8	50.1	12.2	1,740	20.3	21.7	2.6	7,880	20.7	73.6	5.8
<b>Top Quintile</b>	5,530	21.1	260.3	63.4	4,550	53.2	881.7	106.0	10,570	27.7	1,158.2	91.3
<b>All</b>	<b>26,190</b>	<b>100.0</b>	<b>410.7</b>	<b>100.0</b>	<b>8,560</b>	<b>100.0</b>	<b>832.0</b>	<b>100.0</b>	<b>38,130</b>	<b>100.0</b>	<b>1,268.1</b>	<b>100.0</b>
<b>Addendum</b>												
<b>80-90</b>	2,620	10.0	48.6	11.8	1,330	15.5	33.7	4.1	4,410	11.6	80.1	6.3
<b>90-95</b>	1,350	5.1	40.2	9.8	1,010	11.8	37.5	4.5	2,570	6.7	78.6	6.2
<b>95-99</b>	1,240	4.7	94.9	23.1	1,500	17.5	172.0	20.7	2,710	7.1	273.6	21.6
<b>Top 1 Percent</b>	320	1.2	76.6	18.7	720	8.4	638.5	76.7	890	2.3	725.9	57.3
<b>Top 0.1 Percent</b>	40	0.1	15.9	3.9	100	1.1	292.0	35.1	100	0.3	310.3	24.5

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0722-2).

Note: 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.

(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 2022 dollars): 20% \$30,000; 40% \$58,500; 60% \$103,800; 80% \$189,200; 90% \$276,100; 95% \$398,100; 99% \$982,600; 99.9% \$4,439,400. 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) Sole proprietor income includes Schedule C and Schedule F income or loss, but excludes rental real estate (Schedule E Part I), partnerships (Schedule E Part II), and S corporations (Schedule E Part II) income or loss.

(3) Partnership income and S Corporation income includes income or loss from partnerships (Schedule E Part II) and S corporations (Schedule E Part II), but excludes Schedule C, Schedule F, and rental real estate (Schedule E Part I) income or loss.

(4) 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).

**Table T23-0027**  
**Sources of Flow-Through Business Income by Expanded Cash Income Percentile, 2022**  
**Baseline: Current Law**

Expanded Cash Income Percentile <sup>1</sup>	Tax Units Reporting Net Positive Income From:											
	Sole Proprietor <sup>2</sup>				Partnership Income and S Corporation Income <sup>3</sup>				Business Income <sup>4</sup>			
	Number of Units		Positive Income		Number of Units		Positive Income		Number of Units		Positive Income	
	Number (thousands)	Percent of Total	Amount (\$ billions)	Percent of Total	Number (thousands)	Percent of Total	Amount (\$ billions)	Percent of Total	Number (thousands)	Percent of Total	Amount (\$ billions)	Percent of Total
<b>Lowest Quintile</b>	5,170	27.1	53.3	9.6	160	2.9	1.7	0.2	5,430	21.3	55.4	3.3
<b>Second Quintile</b>	3,560	18.6	61.3	11.0	320	5.9	4.6	0.4	4,230	16.6	69.2	4.2
<b>Middle Quintile</b>	3,110	16.3	59.4	10.7	600	11.0	13.1	1.2	4,180	16.4	81.8	4.9
<b>Fourth Quintile</b>	3,170	16.6	74.8	13.4	1,040	19.3	32.4	3.1	4,680	18.3	119.1	7.1
<b>Top Quintile</b>	3,840	20.1	301.5	54.2	3,190	59.1	999.6	94.1	6,760	26.5	1,328.4	79.7
<b>All</b>	<b>19,080</b>	<b>100.0</b>	<b>556.3</b>	<b>100.0</b>	<b>5,400</b>	<b>100.0</b>	<b>1,062.4</b>	<b>100.0</b>	<b>25,530</b>	<b>100.0</b>	<b>1,667.9</b>	<b>100.0</b>
<b>Addendum</b>												
<b>80-90</b>	1,790	9.4	59.7	10.7	880	16.2	42.6	4.0	2,650	10.4	106.8	6.4
<b>90-95</b>	910	4.8	47.7	8.6	690	12.8	47.8	4.5	1,600	6.3	100.9	6.1
<b>95-99</b>	900	4.7	104.4	18.8	1,080	20.0	189.1	17.8	1,830	7.2	304.0	18.2
<b>Top 1 Percent</b>	240	1.2	89.8	16.1	540	10.1	720.1	67.8	670	2.6	816.8	49.0
<b>Top 0.1 Percent</b>	20	0.1	22.5	4.0	60	1.2	351.4	33.1	70	0.3	374.0	22.4

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0722-2).

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(4) 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).