

T09-0363

**Effective Federal Tax Rates Under Current Law
By Unadjusted Cash Income and by Cash Income Adjusted for Family Size, 2010**

Cash Income Percentile ¹	Average Effective Tax Rate							
	Individual Income Tax ²		Payroll Tax ³		Corporate Income Tax		All Federal Tax ⁴	
	Unadjusted Income	Adjusted Income	Unadjusted Income	Adjusted Income	Unadjusted Income	Adjusted Income	Unadjusted Income	Adjusted Income
Lowest Quintile	-9.5	-16.3	8.8	10.3	0.6	0.5	0.0	-5.5
Second Quintile	-3.3	-5.1	10.0	9.9	0.7	0.5	7.3	5.3
Middle Quintile	2.9	1.8	10.5	10.7	0.6	0.6	14.1	13.1
Fourth Quintile	6.8	6.1	10.8	10.8	0.7	0.6	18.4	17.6
Top Quintile	14.6	14.5	6.4	6.5	3.2	3.1	24.2	24.1
All	9.1	9.1	8.3	8.3	2.1	2.1	19.4	19.4
Addendum								
80-90	9.9	10.5	10.2	10.6	1.2	0.9	21.4	21.9
90-95	13.5	12.7	9.4	9.3	1.2	1.4	24.2	23.4
95-99	16.5	16.2	5.9	6.1	2.6	2.6	25.0	24.8
Top 1 Percent	17.6	17.5	1.8	1.8	6.6	6.5	26.0	25.8
Top 0.1 Percent	18.1	17.9	0.8	0.8	8.8	8.8	27.7	27.6

Source : Urban-Brookings Tax Policy Center Microsimulation Model (version 0509-2).

Notes : Data are for calendar year 2010.

(1) Tax units with negative cash income are excluded from the lowest quintile but are included in the totals. Includes both filing and non-filing units but excludes those that are dependents of other tax units. For a description of cash income, see <http://www.taxpolicycenter.org/TaxModel/income.cfm>

(2) After tax credits (including refundable portion of earned income and child tax credits).

(3) Includes both the employee and employer portion of Social Security and Medicare tax.

(4) Excludes customs duties and excise taxes.