

**Table T10-0174**  
**Bipartisan Tax Fairness and Simplification Act of 2010 ("Wyden-Gregg")**  
**Effective Marginal Individual Income Tax Rates by Cash Income Level, 2014<sup>1</sup>**

Cash Income Class (thousands of 2009 dollars) <sup>2</sup>	Tax Units (thousands) <sup>3</sup>	Average Effective Marginal Tax Rate (Percent)					
		Current Law		Current Policy		Wyden-Gregg	
		Wages and Salaries	Capital Gains	Wages and Salaries	Capital Gains	Wages and Salaries	Capital Gains
<b>Less than 10</b>	16,395	-4.0	1.8	-4.5	1.8	-5.0	0.1
<b>10-20</b>	24,950	8.3	5.3	3.4	2.7	-0.9	2.4
<b>20-30</b>	21,464	16.7	5.8	13.9	1.5	10.7	1.5
<b>30-40</b>	16,563	19.3	7.0	18.1	0.6	15.1	3.0
<b>40-50</b>	13,107	18.7	9.7	17.2	1.6	14.2	5.8
<b>50-75</b>	22,796	22.5	13.6	19.7	7.0	17.5	7.6
<b>75-100</b>	14,829	24.8	15.4	19.5	7.5	18.8	11.3
<b>100-200</b>	22,547	28.1	19.1	25.5	13.5	24.7	14.3
<b>200-500</b>	6,681	34.0	22.5	31.7	17.8	33.5	19.5
<b>500-1,000</b>	1,152	38.7	19.5	30.3	15.8	34.3	21.3
<b>More than 1,000</b>	598	40.1	19.7	33.7	14.9	34.6	21.8
<b>All</b>	161,771	26.8	19.6	23.4	14.8	22.8	20.1

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0509-4).

(1) Calendar year. Effective marginal rate is determined by calculating individual income tax, and then adding \$1,000 to the appropriate income source (wages and salaries or long-term capital gains) and recomputing individual income tax. The effective marginal rate is the resulting change in tax divided by \$1,000. The averages are weighted by the appropriate income source. Average for capital gains is restricted to those with net positive long-term gains. Estimates do not include the Medicare surtax enacted as part of the health reform legislation.

(2) Tax units with negative cash income are excluded from the lowest income class but are included in the totals. For a description of cash income, see

<http://www.taxpolicycenter.org/TaxModel/income.cfm>

(3) Includes both filing and nonfiling units but excludes those that are dependents of other tax units.