

**Table T11-0151**  
**Distribution of Income in Tax Units with Business Income by Statutory Marginal Tax Rate, 2011<sup>1</sup>**

| Statutory Marginal<br>Income Tax Rate <sup>2</sup> | Cash Income All Tax<br>Units <sup>3</sup> |                     | Cash Income of Tax<br>Units with Business<br>Income <sup>4</sup> |                     | Percent of Cash Income in Tax Units with Business Income |                   |                               |                               |                               |
|--|---|---------------------|--|---------------------|--|-------------------|-------------------------------|-------------------------------|-------------------------------|
|  | Amount<br>(\$billions)                    | Percent of<br>Total | Amount<br>(\$billions)   | Percent of<br>Total | Less<br>than 0   | Greater<br>than 0 | Greater<br>than 10%<br>of AGI | Greater<br>than 25%<br>of AGI | Greater<br>than 50%<br>of AGI |
| <b>Non-filers</b>                                  | 396                                       | 3.7                 | 4  | 0.1                 | 0.0  | 1.1               | 0.9                           | 0.8                           | 0.7                           |
| <b>0%</b>  | 596                                       | 5.6                 | 207  | 4.8                 | 11.7   | 23.1              | 20.2                          | 17.9                          | 15.2                          |
| <b>10%</b>   | 800                                       | 7.5                 | 199  | 4.6                 | 9.2  | 15.6              | 11.2                          | 8.2                           | 5.8                           |
| <b>15%</b>   | 2,968                                     | 27.7                | 785  | 18.0                | 11.3   | 15.2              | 8.0                           | 5.3                           | 3.2                           |
| <b>25%</b>   | 2,648                                     | 24.7                | 861  | 19.8                | 12.5   | 20.1              | 10.2                          | 6.8                           | 4.2                           |
| <b>26% (AMT)</b>                                   | 579                                       | 5.4                 | 369  | 8.5                 | 31.8   | 32.0              | 13.9                          | 9.2                           | 5.7                           |
| <b>28% (Regular)</b>                               | 477                                       | 4.5                 | 196  | 4.5                 | 12.6   | 28.5              | 18.9                          | 14.9                          | 9.7                           |
| <b>28% (AMT)</b>                                   | 1,331                                     | 12.4                | 946  | 21.7                | 17.6   | 53.5              | 34.5                          | 26.2                          | 17.9                          |
| <b>33%</b>   | 76  | 0.7                 | 47   | 1.1                 | 13.3   | 49.3              | 37.2                          | 30.7                          | 23.6                          |
| <b>35%</b>   | 840                                       | 7.8                 | 738  | 17.0                | 13.1   | 74.7              | 60.8                          | 55.0                          | 46.0                          |
| <b>All</b>   | 10,710                                    | 100.0               | 4,353  | 100.0               | 13.1   | 27.5              | 17.6                          | 13.7                          | 10.0                          |

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0411-1).

(1) Calendar year. Baseline is current law. Tax units that are dependents of other tax units are excluded from the analysis.

(2) Statutory rate is based on taxable income net of capital gains and qualified dividends.

(3) For a description of cash income see <http://www.taxpolicycenter.org/numbers/displayatab.cfm?DocID=574>.

(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).