

Table T10-0211
Sources of Flow-Through Business Income by Statutory Marginal Tax Rate, 2011
Baseline: Current Policy Plus Administration's Upper-Income Tax Proposals¹

Statutory Marginal Income Tax Rate (Percent)	Tax Units Reporting Net Positive Income From:															
	Nonfarm Sole Proprietor (Schedule C)				Partnership (Schedule E) ²				S Corporation (Schedule E)				Combined (Sole Proprietor + Partnership + S Corporation)			
	Number of Units		Positive Income		Number of Units		Positive Income		Number of Units		Positive Income		Number of Units		Positive Income	
	Number (thousands)	Percent of Total	Amount (\$millions)	Percent of Total	Number (thousands)	Percent of Total	Amount (\$millions)	Percent of Total	Number (thousands)	Percent of Total	Amount (\$millions)	Percent of Total	Number (thousands)	Percent of Total	Amount (\$millions)	Percent of Total
Non-filers	293	1.8	1,610	0.5	0	0.0	0	0.0	0	0.0	0	0.0	293	1.4	1,610	0.2
0	5,508	33.6	54,523	16.2	259	8.8	4,837	1.9	218	7.9	5,130	1.5	5,729	28.2	59,071	6.5
10	2,638	16.1	37,057	11.0	202	6.9	3,374	1.3	168	6.1	3,433	1.0	2,908	14.3	43,066	4.8
15	4,585	28.0	76,810	22.8	689	23.4	13,560	5.4	699	25.4	17,187	5.0	5,596	27.5	105,733	11.7
25	2,130	13.0	59,117	17.6	641	21.8	19,709	7.8	690	25.1	27,333	8.0	3,133	15.4	104,712	11.6
26 (AMT)	310	1.9	16,905	5.0	209	7.1	10,512	4.2	146	5.3	10,490	3.1	538	2.6	35,280	3.9
28 (Regular)	350	2.1	20,817	6.2	207	7.0	9,140	3.6	192	7.0	14,371	4.2	655	3.2	43,759	4.8
28 (AMT)	337	2.1	31,537	9.4	354	12.1	42,967	17.1	270	9.8	36,331	10.6	743	3.7	106,518	11.8
36	86	0.5	6,751	2.0	90	3.1	14,104	5.6	95	3.5	16,609	4.9	215	1.1	36,885	4.1
39.6	147	0.9	31,350	9.3	288	9.8	133,022	52.9	275	10.0	210,898	61.7	510	2.5	368,178	40.7
All	16,385	100.0	336,477	100.0	2,939	100.0	251,225	100.0	2,753	100.0	341,783	100.0	20,320	100.0	904,814	100.0

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0509-5).

(1) Calendar year. Tax units that are dependents of other tax units are excluded from the analysis. Administration's upper-income tax proposals are: reinstate the 39.6 percent top rate; reinstate the 36 percent rate for married taxpayers with income over \$250,000 (\$200,000 for singles); reinstate the limitation on itemized deductions and the personal exemption phase-out for married taxpayers with income over \$250,000 (\$200,000 for singles); impose 20 percent tax rate on capital gains and qualified dividends for taxpayers in the top two tax brackets.

(2) Partnership income consists of ordinary business income from general partnerships, limited partnerships, and limited liability companies (LLCs).