

Table T10-0212
Distribution of Flow-Through Business Income by Source and Statutory Marginal Tax Rate, 2011
Baseline: Current Policy Plus Administration's Upper-Income Tax Proposals ¹

Statutory Marginal Income Tax Rate (Percent)	Total Positive Income (\$billions)	Average Positive Income (\$)	Percent of Total Positive Income for Tax Units Reporting Less Than:										
			\$10K	\$25K	\$50K	\$75K	\$100K	\$250K	\$500K	\$750K	\$1 Mil	\$5 Mil	\$10 Mil
Non-farm Sole Proprietorships:													
Non-filers	1.6	5,499	63.7	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
0	54.5	9,900	32.5	72.2	89.2	94.1	96.1	98.9	99.4	99.6	99.7	100.0	100.0
10	37.1	14,045	12.2	47.9	86.7	97.3	98.5	100.0	100.0	100.0	100.0	100.0	100.0
15	76.8	16,753	10.3	29.9	62.0	78.2	90.4	99.6	100.0	100.0	100.0	100.0	100.0
25	59.1	27,761	6.0	14.1	27.2	39.9	55.9	98.5	99.9	100.0	100.0	100.0	100.0
26 (AMT)	16.9	54,460	2.2	6.1	11.2	18.9	26.2	84.2	98.7	99.4	99.6	100.0	100.0
28 (Regular)	20.8	59,414	2.0	5.4	11.7	19.6	26.4	92.3	99.9	100.0	100.0	100.0	100.0
28 (AMT)	31.5	93,545	1.3	3.9	7.8	11.5	16.2	41.1	90.1	97.7	98.6	99.6	99.7
36	6.8	78,097	1.6	5.9	11.7	14.9	18.5	48.3	97.3	99.9	99.9	100.0	100.0
39.6	31.4	212,878	0.4	1.6	3.5	5.3	6.7	14.5	32.2	54.1	66.2	92.4	94.7
All	336.5	20,536	10.8	28.0	46.0	55.3	62.8	83.7	92.5	95.4	96.6	99.3	99.5
Partnerships²:													
Non-filers	0.0	0	**	**	**	**	**	**	**	**	**	**	**
0	4.8	18,658	10.8	31.0	41.8	56.0	62.2	79.9	89.0	91.7	92.6	97.0	98.5
10	3.4	16,702	9.3	34.9	69.9	83.5	96.6	99.0	99.7	99.8	99.9	100.0	100.0
15	13.6	19,689	6.9	19.0	49.2	67.7	89.7	98.8	100.0	100.0	100.0	100.0	100.0
25	19.7	30,764	4.4	12.8	24.2	35.8	52.4	97.0	99.9	99.9	99.9	100.0	100.0
26 (AMT)	10.5	50,197	2.6	8.6	17.0	24.3	33.2	73.7	96.3	97.4	98.2	100.0	100.0
28 (Regular)	9.1	43,314	2.8	9.5	21.7	32.0	39.5	90.9	98.1	99.8	99.8	100.0	100.0
28 (AMT)	43.0	122,831	0.8	2.2	5.6	9.0	12.4	33.1	81.5	91.6	93.4	97.5	98.6
36	14.1	156,820	0.4	1.7	3.5	4.5	5.8	24.0	97.4	99.9	99.9	100.0	100.0
39.6	133.0	462,349	0.1	0.5	1.1	1.8	2.6	6.6	16.8	32.4	45.9	82.1	87.7
All	251.2	85,494	1.5	4.5	9.5	13.6	18.1	32.7	52.2	62.5	70.0	90.0	93.2
S Corporations:													
Non-filers	0.0	0	**	**	**	**	**	**	**	**	**	**	**
0	5.1	23,576	10.0	27.7	42.7	56.3	66.2	77.3	83.5	87.0	89.6	96.6	100.0
10	3.4	20,473	7.2	33.1	74.7	87.7	91.9	99.0	99.6	99.7	99.8	100.0	100.0
15	17.2	24,585	6.1	23.0	53.7	76.7	87.7	99.3	99.7	99.9	99.9	100.0	100.0
25	27.3	39,591	3.5	10.4	31.5	53.9	70.1	98.2	99.7	99.8	99.8	100.0	100.0
26 (AMT)	10.5	71,917	1.2	4.3	16.4	27.3	42.5	84.3	92.4	94.3	96.0	99.5	99.6
28 (Regular)	14.4	74,857	0.7	4.0	11.3	22.6	36.4	95.7	99.4	99.4	99.8	99.8	100.0
28 (AMT)	36.3	134,358	0.4	1.9	4.7	8.5	13.1	57.9	88.1	90.6	91.7	95.5	96.7
36	16.6	173,925	0.2	0.5	2.1	4.1	7.2	51.5	97.7	99.9	99.9	100.0	100.0
39.6	210.9	768,177	0.0	0.1	0.3	0.6	1.0	4.6	17.1	28.6	36.0	68.1	76.0
All	341.8	124,145	1.0	3.3	8.4	13.2	17.1	33.1	46.9	54.5	59.3	79.8	84.8

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

** Not applicable.

(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).