

**Table T11-0178**  
**Distribution of Tax Units that Pay No Individual Income Tax**  
**by Cash Income Percentile, Current Law, 2012 <sup>1</sup>**

Cash Income Percentile <sup>2</sup>	Number of Tax Units (thousands) <sup>3</sup>	Percentage of Total Tax Units	Number of Non Paying Tax Units (thousands)	Percentage of Total Non Paying Tax Units	Percentage of Non Paying Tax Units in Class
Lowest Quintile	43,663	26.4	40,731	53.8	93.3
Second Quintile	37,050	22.4	22,420	29.6	60.5
Middle Quintile	32,849	19.9	9,478	12.5	28.9
Fourth Quintile	27,060	16.4	1,640	2.2	6.1
Top Quintile	23,575	14.3	387	0.5	1.6
<b>All</b>	<b>165,201</b>	<b>100.0</b>	<b>75,646</b>	<b>100.0</b>	<b>45.8</b>
<b>Addendum</b>					
80-90	11,894	7.2	256	0.3	2.1
90-95	5,764	3.5	47	0.1	0.8
95-99	4,723	2.9	66	0.1	1.4
Top 1 Percent	1,193	0.7	17	0.0	1.5
Top 0.1 Percent	122	0.1	2	0.0	1.5
<b>Addendum II</b>					
<b>Distribution of Individual Income Tax Liability for those with Liability of \$5 or less</b>					
	<b>Percentile of Income Tax Liability Distribution</b>				
	<b>10th</b>	<b>25th</b>	<b>50th</b>	<b>75th</b>	<b>90th</b>
<b>Liability (\$ 2011)</b>	-4,089	-1,376	0	0	0

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0411-2).

(1) Calendar year under current law. "Non-paying tax units" are those with individual income tax liability of \$0 or less.

(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>.

The cash income percentile classes used in this table are based on the income distribution for the entire population and contain an equal number of people, not tax units. The breaks are (in 2011 dollars): 20% \$17,130, 40% \$34,174, 60% \$62,042, 80% \$104,401, 90% \$169,059, 95% \$216,085, 99% \$569,944, 99.9% \$2,474,273.

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

**Table T11-0178**  
**Distribution of Single Tax Units that Pay No Individual Income Tax**  
**by Cash Income Percentile, Current Law, 2012 <sup>1</sup>**

Cash Income Percentile <sup>2</sup>	Number of Tax Units (thousands) <sup>3</sup>	Percentage of Total Tax Units	Number of Non Paying Tax Units (thousands)	Percentage of Total Non Paying Tax Units	Percentage of Non Paying Tax Units in Class
Lowest Quintile	22,727	28.2	22,411	53.6	98.6
Second Quintile	19,576	24.3	13,156	31.5	67.2
Middle Quintile	16,431	20.4	4,796	11.5	29.2
Fourth Quintile	12,362	15.3	606	1.4	4.9
Top Quintile	8,933	11.1	245	0.6	2.7
<b>All</b>	<b>80,620</b>	<b>100.0</b>	<b>41,796</b>	<b>100.0</b>	<b>51.8</b>
<b>Addendum</b>					
80-90	5,292	6.6	154	0.4	2.9
90-95	1,489	1.8	44	0.1	2.9
95-99	1,750	2.2	40	0.1	2.3
Top 1 Percent	402	0.5	7	0.0	1.7
Top 0.1 Percent	34	0.0	0	0.0	1.2
<b>Addendum II</b>					
<b>Distribution of Individual Income Tax Liability for those with Liability of \$5 or less</b>					
	<b>Percentile of Income Tax Liability Distribution</b>				
	<b>10th</b>	<b>25th</b>	<b>50th</b>	<b>75th</b>	<b>90th</b>
<b>Liability (\$ 2011)</b>	-465	0	0	0	0

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0411-2).

(1) Calendar year under current law. "Non-paying tax units" are those with individual income tax liability of \$5 or less and file as single.

(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>.

The cash income percentile classes used in this table are based on the income distribution for the entire population and contain an equal number of people, not tax units. The incomes used are adjusted for family size by dividing by the square root of the number of people in the tax unit. The resulting percentile breaks are (in 2011 dollars): 20% \$11,888; 40% \$22,737; 60% \$38,728; 80% \$67,694; 90% \$99,454; 95% \$141,130; 99% \$361,878; 99.9% \$1,491,280.

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

**Table T11-0178**  
**Distribution of Married Filing Jointly Tax Units that Pay No Individual Income Tax**  
**by Cash Income Percentile, Current Law, 2012 <sup>1</sup>**

Cash Income Percentile <sup>2</sup>	Number of Tax Units (thousands) <sup>3</sup>	Percentage of Total Tax Units	Number of Non Paying Tax Units (thousands)	Percentage of Total Non Paying Tax Units	Percentage of Non Paying Tax Units in Class
Lowest Quintile	1,785	3.1	1,770	11.1	99.2
Second Quintile	3,307	5.8	3,165	19.8	95.7
Middle Quintile	5,760	10.1	4,495	28.1	78.0
Fourth Quintile	11,637	20.3	5,057	31.7	43.5
Top Quintile	34,380	60.1	1,175	7.4	3.4
<b>All</b>	<b>57,183</b>	<b>100.0</b>	<b>15,974</b>	<b>100.0</b>	<b>27.9</b>
<b>Addendum</b>					
80-90	12,703	22.2	850	5.3	6.7
90-95	7,165	12.5	186	1.2	2.6
95-99	12,110	21.2	111	0.7	0.9
Top 1 Percent	2,403	4.2	28	0.2	1.2
Top 0.1 Percent	213	0.4	2	0.0	1.1
<b>Addendum II</b>					
<b>Distribution of Individual Income Tax Liability for those with Liability of \$5 or less</b>					
	<b>Percentile of Income Tax Liability Distribution</b>				
	<b>10th</b>	<b>25th</b>	<b>50th</b>	<b>75th</b>	<b>90th</b>
<b>Liability (\$ 2011)</b>	-6,039	-3,300	-465	0	0

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0411-2).

(1) Calendar year under current law. "Non-paying tax units" are those married individuals with income tax liability of \$5 or less and file as a joint return.

(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>.

The cash income percentile classes used in this table are based on the income distribution for the entire population and contain an equal number of people, not tax units. The incomes used are adjusted for family size by dividing by the square root of the number of people in the tax unit. The resulting percentile breaks are (in 2011 dollars): 20% \$11,888; 40% \$22,737; 60% \$38,728; 80% \$67,694; 90% \$99,454; 95% \$141,130; 99% \$361,878; 99.9% \$1,491,280.

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

**Table T11-0178**  
**Distribution of Head of Household Tax Units that Pay No Individual Income Tax**  
**by Cash Income Percentile, Current Law, 2012 <sup>1</sup>**

Cash Income Percentile <sup>2</sup>	Number of Tax Units (thousands) <sup>3</sup>	Percentage of Total Tax Units	Number of Non Paying Tax Units (thousands)	Percentage of Total Non Paying Tax Units	Percentage of Non Paying Tax Units in Class
Lowest Quintile	4,423	17.8	4,406	25.4	99.6
Second Quintile	5,979	24.1	5,680	32.7	95.0
Middle Quintile	6,735	27.1	5,617	32.4	83.4
Fourth Quintile	4,857	19.6	1,466	8.4	30.2
Top Quintile	2,765	11.1	125	0.7	4.5
<b>All</b>	<b>24,826</b>	<b>100.0</b>	<b>17,360</b>	<b>100.0</b>	<b>69.9</b>
<b>Addendum</b>					
80-90	1,948	7.8	105	0.6	5.4
90-95	404	1.6	15	0.1	3.7
95-99	350	1.4	2	0.0	0.7
Top 1 Percent	64	0.3	3	0.0	4.4
Top 0.1 Percent	5	0.0	0	0.0	0.9
<b>Addendum II</b>					
<b>Distribution of Individual Income Tax Liability for those with Liability of \$5 or less</b>					
	<b>Percentile of Income Tax Liability Distribution</b>				
	<b>10th</b>	<b>25th</b>	<b>50th</b>	<b>75th</b>	<b>90th</b>
<b>Liability (\$ 2011)</b>	-6,156	-4,089	-2,649	-676	0

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0411-2).

(1) Calendar year under current law. "Non-paying tax units" are those with individual income tax liability of \$5 or less and file as head of household.

(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>.

The cash income percentile classes used in this table are based on the income distribution for the entire population and contain an equal number of people, not tax units. The incomes used are adjusted for family size by dividing by the square root of the number of people in the tax unit. The resulting percentile breaks are (in 2011 dollars): 20% \$11,888; 40% \$22,737; 60% \$38,728; 80% \$67,694; 90% \$99,454; 95% \$141,130; 99% \$361,878; 99.9% \$1,491,280.

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

**Table T11-0178**  
**Distribution of Married Filing Separately Tax Units that Pay No Individual Income Tax**  
**by Cash Income Percentile, Current Law, 2012 <sup>1</sup>**

Cash Income Percentile <sup>2</sup>	Number of Tax Units (thousands) <sup>3</sup>	Percentage of Total Tax Units	Number of Non Paying Tax Units (thousands)	Percentage of Total Non Paying Tax Units	Percentage of Non Paying Tax Units in Class
Lowest Quintile	215	8.4	202	39.2	94.2
Second Quintile	368	14.3	102	19.7	27.6
Middle Quintile	674	26.2	77	14.9	11.4
Fourth Quintile	714	27.8	66	12.8	9.2
Top Quintile	568	22.1	37	7.3	6.6
<b>All</b>	<b>2,571</b>	<b>100.0</b>	<b>516</b>	<b>100.0</b>	<b>20.1</b>
<b>Addendum</b>					
80-90	374	14.6	22	4.3	5.9
90-95	77	3.0	7	1.4	9.6
95-99	89	3.5	7	1.3	7.3
Top 1 Percent	28	1.1	2	0.3	5.6
Top 0.1 Percent	7	0.3	0	0.0	2.3
<b>Addendum II</b>					
<b>Distribution of Individual Income Tax Liability for those with Liability of \$5 or less</b>					
	<b>Percentile of Income Tax Liability Distribution</b>				
	<b>10th</b>	<b>25th</b>	<b>50th</b>	<b>75th</b>	<b>90th</b>
<b>Liability (\$ 2011)</b>	-987	-150	0	0	0

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0411-2).

(1) Calendar year under current law. "Non-paying tax units" are those married individuals with income tax liability of \$5 or less that file separately.

(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>.

The cash income percentile classes used in this table are based on the income distribution for the entire population and contain an equal number of people, not tax units. The incomes used are adjusted for family size by dividing by the square root of the number of people in the tax unit. The resulting percentile breaks are (in 2011 dollars): 20% \$11,888; 40% \$22,737; 60% \$38,728; 80% \$67,694; 90% \$99,454; 95% \$141,130; 99% \$361,878; 99.9% \$1,491,280.

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

**Table T11-0178**  
**Distribution of Elderly Tax Units that Pay No Individual Income Tax**  
**by Cash Income Percentile, Current Law, 2012 <sup>1</sup>**

Cash Income Percentile <sup>2</sup>	Number of Tax Units (thousands) <sup>3</sup>	Percentage of Total Tax Units	Number of Non Paying Tax Units (thousands)	Percentage of Total Non Paying Tax Units	Percentage of Non Paying Tax Units in Class
Lowest Quintile	4,963	13.7	4,961	24.6	100.0
Second Quintile	8,621	23.7	8,538	42.3	99.0
Middle Quintile	6,510	17.9	4,243	21.0	65.2
Fourth Quintile	6,710	18.5	2,045	10.1	30.5
Top Quintile	9,488	26.1	361	1.8	3.8
<b>All</b>	<b>36,319</b>	<b>100.0</b>	<b>20,177</b>	<b>100.0</b>	<b>55.6</b>
<b>Addendum</b>					
80-90	4,300	11.8	254	1.3	5.9
90-95	1,892	5.2	56	0.3	2.9
95-99	2,644	7.3	39	0.2	1.5
Top 1 Percent	652	1.8	12	0.1	1.8
Top 0.1 Percent	65	0.2	0	0.0	0.5
<b>Addendum II</b>					
<b>Distribution of Individual Income Tax Liability for those with Liability of \$5 or less</b>					
	<b>Percentile of Income Tax Liability Distribution</b>				
	<b>10th</b>	<b>25th</b>	<b>50th</b>	<b>75th</b>	<b>90th</b>
<b>Liability (\$ 2011)</b>	0	0	0	0	0

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0411-2).

(1) Calendar year under current law. "Non-paying tax units" are those with individual income tax liability of \$5 or less and at least the primary or secondary taxpayer is 65 years old.

(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>.

The cash income percentile classes used in this table are based on the income distribution for the entire population and contain an equal number of people, not tax units. The incomes used are adjusted for family size by dividing by the square root of the number of people in the tax unit. The resulting percentile breaks are (in 2011 dollars): 20% \$11,888; 40% \$22,737; 60% \$38,728; 80% \$67,694; 90% \$99,454; 95% \$141,130; 99% \$361,878; 99.9% \$1,491,280.

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

**Table T11-0178**  
**Distribution of Tax Units with Children that Pay No Individual Income Tax**  
**by Cash Income Percentile, Current Law, 2012 <sup>1</sup>**

Cash Income Percentile <sup>2</sup>	Number of Tax Units (thousands) <sup>3</sup>	Percentage of Total Tax Units	Number of Non Paying Tax Units (thousands)	Percentage of Total Non Paying Tax Units	Percentage of Non Paying Tax Units in Class
Lowest Quintile	4,797	9.8	4,789	19.4	99.8
Second Quintile	6,640	13.6	6,608	26.8	99.5
Middle Quintile	8,476	17.4	7,882	32.0	93.0
Fourth Quintile	9,062	18.6	4,320	17.5	47.7
Top Quintile	19,561	40.2	858	3.5	4.4
<b>All</b>	<b>48,707</b>	<b>100.0</b>	<b>24,625</b>	<b>100.0</b>	<b>50.6</b>
<b>Addendum</b>					
80-90	7,736	15.9	678	2.8	8.8
90-95	3,894	8.0	116	0.5	3.0
95-99	6,675	13.7	48	0.2	0.7
Top 1 Percent	1,256	2.6	16	0.1	1.2
Top 0.1 Percent	101	0.2	1	0.0	0.7
<b>Addendum II</b>					
<b>Distribution of Individual Income Tax Liability for those with Liability of \$5 or less</b>					
	<b>Percentile of Income Tax Liability Distribution</b>				
	<b>10th</b>	<b>25th</b>	<b>50th</b>	<b>75th</b>	<b>90th</b>
<b>Liability (\$ 2011)</b>	-6,700	-4,681	-3,107	-1,387	-174

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0411-2).

(1) Calendar year under current law. "Non-paying tax units" are those with individual income tax liability of \$5 or less and has at least one home or away dependent exemption.

(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>.

The cash income percentile classes used in this table are based on the income distribution for the entire population and contain an equal number of people, not tax units. The incomes used are adjusted for family size by dividing by the square root of the number of people in the tax unit. The resulting percentile breaks are (in 2011 dollars): 20% \$11,888; 40% \$22,737; 60% \$38,728; 80% \$67,694; 90% \$99,454; 95% \$141,130; 99% \$361,878; 99.9% \$1,491,280.

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