

T11-0233
Tax Units without Income Tax Liability in 2011:
Number with Zero and with Negative Income Tax Liability

Cash Income Level (thousands of 2011 dollars)	All Units without Income Tax Liability			Units without Income Tax Due to:					
	Total	with Zero ¹ Tax Liability	with Negative Tax Liability	Standard Income Tax Provisions ³			Addition of Expenditure Provisions		
				Total	with Zero ¹ Tax Liability	with Negative Tax Liability	Total	with Zero ¹ Tax Liability	with Negative Tax Liability
	<i>Number of Units (thousands)</i>								
Lowest Quintile	40,782	28,720	12,062	31,958	21,116	10,842	8,825	7,604	1,220
Second Quintile	22,254	10,402	11,853	4,956	1,171	3,785	17,299	9,230	8,068
Middle Quintile	9,712	3,245	6,467	258	72	186	9,454	3,173	6,281
Fourth Quintile	1,948	668	1,280	21	16	5	1,927	651	1,276
Top Quintile	385	250	136	20	15	6	365	235	130
All	76,107	44,028	32,079	38,237	23,133	15,104	37,870	20,895	16,975
Addendum									
80-90	273	159	114	13	8	5	259	150	109
90-95	46	39	7	1	*	*	45	38	7
95-99	53	43	11	5 ⁺	4 ⁺	1 ⁺	49	38	10
Top 1 Percent	13	10	4	2 ⁺	2 ⁺	*	12	8	4
Top 0.1 Percent	2	2	*	1 ⁺	1 ⁺	*	1	1	*
	<i>Percent of All Units without Income Tax Liability Due to Tax Expenditures⁴</i>								
Lowest Quintile	100.0	70.4	29.6	78.4	51.8	26.6	21.6	18.6	3.0
Second Quintile	100.0	46.7	53.3	22.3	5.3	17.0	77.7	41.5	36.3
Middle Quintile	100.0	33.4	66.6	2.7	0.7	1.9	97.3	32.7	64.7
Fourth Quintile	100.0	34.3	65.7	1.1	0.8	0.2	98.9	33.4	65.5
Top Quintile	100.0	64.8	35.2	5.3	3.8	1.4	94.7	61.0	33.8
All	100.0	57.8	42.2	50.2	30.4	19.8	49.8	27.5	22.3
Addendum									
80-90	100.0	58.2	41.8	4.8	3.1	1.7	95.2	55.1	40.1
90-95	100.0	84.2	15.8	1.2	1.1	0.2	98.8	83.1	15.6
95-99	100.0	79.9	20.1	8.9	7.7	1.2	91.1	72.2	18.9
Top 1 Percent	100.0	73.0	27.0	13.5	13.0	0.4	86.5	60.0	26.6
Top 0.1 Percent	100.0	93.8	6.2	39.9	39.7	0.2	60.1	54.1	6.0

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

* Fewer than 500 tax units

⁺ This figure is anomalous because "cash income" includes rollovers to IRAs, which places some units with otherwise much lower incomes in high income classes.

¹ Tax liability is considered to be zero if regular income tax liability plus alternative minimum tax (AMT) liability less all credits (except the foreign tax credit) is between -

² Tax liability is considered to be negative if regular income tax liability plus alternative minimum tax (AMT) liability less all credits (except the foreign tax credit) is less

³ Note that in this table the tax expenditure provisions are being taken into effect in determining tax liability (only tax expenditure provisions give rise to negative tax

⁴ Computed from unrounded counts of tax units

NOTE: Units with negative incomes are not shown separately but are included in the line for All units. 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% \$16,812, 40% \$33,542, 60% \$59,486, 80% \$103,465, 90% \$163,173, 95% \$210,998, 99% \$532,613, 99.9% \$2,178,886.