

**Table T11-0332**  
**Taxes on Long-Term Capital Gains and Qualified Dividends**  
**Baseline: Current Law**  
**Distribution of Federal Tax Change by Cash Income Percentile, 2013<sup>1</sup>**  
**Summary Table**

Cash Income Percentile <sup>2,3</sup>	All Tax Units (thousands)	Pct of Tax Units (%)		Average Gains and Dividends for Receptients <sup>4</sup> (\$)	Average Tax Paid on Gains and Dividends by Those Paying Tax <sup>5</sup> (\$)	Share of Total Federal Tax on Gains and Dividends	Average Federal Tax Rate of Those Paying Tax on Long-Term Gains and Dividends <sup>5</sup>		
		With Gains or Qualified Dividends	Pay Tax on Gains or Qualified Dividends				On Gains and Dividends <sup>6</sup>	On All Income <sup>7</sup>	
<b>Lowest Quintile</b>	43,362	3.6	0.4	1,371	185	0.0	10.7	17.2	
<b>Second Quintile</b>	37,681	8.1	3.5	1,784	176	0.2	9.7	13.1	
<b>Middle Quintile</b>	32,699	13.2	10.5	2,717	400	1.0	16.1	16.1	
<b>Fourth Quintile</b>	27,208	23.9	22.7	4,212	769	3.5	18.4	20.4	
<b>Top Quintile</b>	24,067	50.1	49.1	44,525	11,031	95.3	24.7	30.4	
<b>All</b>	166,272	16.8	13.8	21,111	5,967	100.0	24.2	28.7	
<b>Addendum</b>									
<b>80-90</b>	12,130	37.7	36.9	6,360	1,237	4.0	19.7	24.1	
<b>90-95</b>	5,919	51.8	50.5	10,819	2,257	4.9	21.1	25.8	
<b>95-99</b>	4,805	69.9	68.7	27,977	7,053	17.0	25.4	28.1	
<b>Top 1 Percent</b>	1,213	87.8	86.8	357,590	89,994	69.3	25.2	35.2	
<b>Top 0.1 Percent</b>	124	95.2	93.8	2,114,928	528,819	45.1	24.8	38.7	

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

\* Insufficient data

(1) Calendar year. Baseline is current law with no tax on long-term positive capital gains or qualified dividends that would be eligible for the lower rates. Proposal is current law. For a description of TPC's current law and current policy baselines, see

<http://www.taxpolicycenter.org/T11-0270>

(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>

(3) Includes both filing and non-filing units but excludes those that are dependents of other tax 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% \$17,909 40% \$37,090; 60% \$64,531; 80% \$111,344; 90% \$160,377; 95% \$227,314; 99% \$592,985; 99.9% \$2,682,143.

(4) Average among tax units with long-term positive gains.

(5) Average among tax units with positive tax paid on long-term positive gains.

(6) Average federal tax on long-term positive capital gains as a percentage of positive long-term gains.

(7) Average federal tax (includes individual and corporate income tax as well as payroll taxes for Social Security and Medicare) as a percentage of average cash income.

**Table T11-0332**  
**Taxes on Long-Term Capital Gains and Qualified Dividends**  
**Baseline: Current Law**  
**Distribution of Federal Tax Change by Cash Income Percentile, 2013<sup>1</sup>**  
**Detail Table**

Cash Income Percentile <sup>2,3</sup>	Tax Units with Tax On Positive Long-Term Gains or Qualified Dividends										
	Number (thousands)	Pct of All Units (%)	Average Income (\$)	Average Gains or Dividend (\$)	Average Tax		Average Tax Rate		Percent Change in After-Tax Income <sup>4</sup> (%)	Share of Tax on Gains and Dividends (%)	Share of Total Tax Burden (%)
					On Gains and Dividends (\$)	On All Income (\$)	On Gains and Dividends <sup>4</sup> (%)	On All Income <sup>5</sup> (%)			
<b>Lowest Quintile</b>	158	0.4	14,217	1,723	185	2,451	10.7	17.2	-1.5	0.0	0.0
<b>Second Quintile</b>	1,311	3.5	30,973	1,824	176	4,049	9.7	13.1	-0.7	0.2	0.4
<b>Middle Quintile</b>	3,448	10.5	53,090	2,479	400	8,572	16.1	16.1	-0.9	1.0	2.0
<b>Fourth Quintile</b>	6,167	22.7	89,278	4,176	769	18,249	18.4	20.4	-1.1	3.5	7.7
<b>Top Quintile</b>	11,814	49.1	363,560	44,725	11,031	110,564	24.7	30.4	-4.2	95.3	89.8
<b>All</b>	22,913	13.8	221,314	24,684	5,967	63,462	24.2	28.7	-3.6	100.0	100.0
<b>Addendum</b>											
<b>80-90</b>	4,471	36.9	137,586	6,280	1,237	33,138	19.7	24.1	-1.2	4.0	10.2
<b>90-95</b>	2,989	50.5	195,341	10,704	2,257	50,340	21.1	25.8	-1.5	4.9	10.3
<b>95-99</b>	3,301	68.7	346,970	27,811	7,053	97,447	25.4	28.1	-2.7	17.0	22.1
<b>Top 1 Percent</b>	1,053	86.8	1,852,621	357,563	89,994	345,498	25.2	35.2	-7.0	69.3	47.2
<b>Top 0.1 Percent</b>	117	93.8	8,027,929	2,130,164	528,819	3,107,038	24.8	38.7	-9.7	45.1	24.9

**Baseline Distribution of Long-Term Capital Gains and Qualified Dividends**  
**by Cash Income Percentile, 2013<sup>1</sup>**

Cash Income Percentile <sup>2,3</sup>	Tax Units <sup>3</sup>		Tax Units With Net Long-Term Capital Gains		Tax Units With Net Long-Term Capital Losses		Tax Units With Qualified Dividends		Tax Units With Long-Term Gains or Qualified Dividends	
	Number (thousands)	Percent of Total	Percent of Total Units	Average Gains	Percent of Total Units	Average Loss	Percent of Total Units	Average Dividend	Percent of Total Units	Average Gains or Dividend
<b>Lowest Quintile</b>	43,362	26.1	0.8	2,781	0.9	-7,426	3.3	850	3.6	1,371
<b>Second Quintile</b>	37,681	22.7	1.9	2,575	1.8	-7,093	7.5	1,291	8.1	1,784
<b>Middle Quintile</b>	32,699	19.7	5.2	3,240	3.3	-6,688	11.5	1,662	13.2	2,717
<b>Fourth Quintile</b>	27,208	16.4	10.4	5,288	6.4	-7,135	21.1	2,168	23.9	4,212
<b>Top Quintile</b>	24,067	14.5	24.0	69,448	17.9	-13,145	45.5	12,432	50.1	44,525
<b>All</b>	166,272	100.0	6.9	37,390	5.1	-10,475	15.0	6,417	16.8	21,111
<b>Addendum</b>										
<b>80-90</b>	12,130	7.3	16.9	8,049	12.0	-7,049	33.9	3,059	37.7	6,360
<b>90-95</b>	5,919	3.6	25.1	14,362	17.8	-8,117	46.1	4,341	51.8	10,819
<b>95-99</b>	4,805	2.9	34.1	38,079	29.0	-12,910	64.4	10,230	69.9	27,977
<b>Top 1 Percent</b>	1,213	0.7	49.9	497,542	34.6	-47,686	82.4	79,924	87.8	357,590
<b>Top 0.1 Percent</b>	124	0.1	65.8	2,500,778	29.1	-209,944	90.4	405,464	95.2	2,114,928

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

\* Insufficient data

(1) Calendar year. Baseline is current law with no tax on long-term positive capital gains or qualified dividends that would be eligible for the lower rates. Proposal is current law. For a description of TPC's current law and current policy baselines, see

<http://www.taxpolicycenter.org/T11-0270>

(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

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(3) Includes both filing and non-filing units but excludes those that are dependents of other tax 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% \$17,909 40% \$37,090; 60% \$64,531; 80% \$111,344; 90% \$160,377; 95% \$227,314; 99% \$592,985; 99.9% \$2,682,143.

(4) Average federal tax on long-term positive capital gains as a percentage of positive long-term gains.

(5) Average federal tax (includes individual and corporate income tax as well as payroll taxes for Social Security and Medicare) as a percentage of average cash income.

(6) After-tax income is cash income less: individual income tax net of refundable credits; corporate income tax; and payroll taxes (Social Security and Medicare)

**Table T11-0332**  
**Taxes on Long-Term Capital Gains and Qualified Dividends**  
**Baseline: Current Law**  
**Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2013 <sup>1</sup>**  
**Detail Table**

Cash Income Percentile <sup>2,3</sup>	Tax Units with Tax On Positive Long-Term Gains or Qualified Dividends										
	Number (thousands)	Pct of All Units (%)	Average Income (\$)	Average Gains or Dividend (\$)	Average Tax		Average Tax Rate		Percent Change in After-Tax Income <sup>4</sup> (%)	Share of Tax on Gains and Dividends (%)	Share of Total Tax Burden (%)
					On Gains and Dividends (\$)	On All Income (\$)	On Gains and Dividends <sup>5</sup> (%)	On All Income <sup>5</sup> (%)			
Lowest Quintile	83	0.2	14,296	1,607	291	1,300	18.1	9.1	-2.2	0.0	0.0
Second Quintile	578	1.7	28,064	1,635	176	4,070	10.8	14.5	-0.7	0.1	0.2
Middle Quintile	2,673	8.1	48,302	1,889	214	7,209	11.3	14.9	-0.5	0.4	1.3
Fourth Quintile	5,802	19.0	81,387	3,096	515	15,825	16.6	19.4	-0.8	2.2	6.3
Top Quintile	13,762	44.9	323,559	39,328	9,665	97,401	24.6	30.1	-4.1	97.3	92.2
All	22,913	13.8	221,314	24,684	5,967	63,462	24.2	28.7	-3.6	100.0	100.0
<b>Addendum</b>											
80-90	4,996	32.4	121,974	4,946	970	28,571	19.6	23.4	-1.0	3.5	9.8
90-95	3,588	46.6	171,450	9,058	1,849	43,651	20.4	25.5	-1.4	4.9	10.8
95-99	3,936	64.7	305,189	23,292	5,760	84,982	24.7	27.8	-2.5	16.6	23.0
Top 1 Percent	1,243	84.8	1,631,106	315,696	79,540	568,554	25.2	34.9	-7.0	72.3	48.6
Top 0.1 Percent	138	93.2	7,080,466	1,873,321	465,628	2,730,813	24.9	38.6	-9.7	47.0	25.9

**Baseline Distribution of Long-Term Capital Gains and Qualified Dividends**  
**by Cash Income Percentile Adjusted for Family Size, 2013 <sup>1</sup>**

Cash Income Percentile <sup>2,3</sup>	Tax Units <sup>3</sup>		Tax Units With Net Long-Term Capital Gains		Tax Units With Net Long-Term Capital Losses		Tax Units With Qualified Dividends		Tax Units With Long-Term Gains or Qualified Dividends	
	Number (thousands)	Percent of Total	Percent of Total Units	Average Gains	Percent of Total Units	Average Loss	Percent of Total Units	Average Dividend	Percent of Total Units	Average Gains or Dividend
Lowest Quintile	36,065	21.7	0.7	2,991	1.0	-7,887	2.8	907	3.1	1,518
Second Quintile	34,713	20.9	1.4	2,902	1.2	-7,191	5.5	1,021	6.1	1,577
Middle Quintile	33,034	19.9	3.8	3,158	3.0	-6,848	10.8	1,285	12.2	2,120
Fourth Quintile	30,538	18.4	8.4	4,154	5.3	-6,468	17.9	1,657	20.2	3,193
Top Quintile	30,666	18.4	22.1	60,045	15.7	-12,659	41.6	11,221	46.0	39,050
All	166,272	100.0	6.9	37,390	5.1	-10,475	15.0	6,417	16.8	21,111
<b>Addendum</b>										
80-90	15,414	9.3	14.6	6,609	9.9	-7,073	29.8	718	33.3	5,051
90-95	7,701	4.6	23.6	10,990	16.0	-7,487	43.0	1,778	47.8	9,149
95-99	6,085	3.7	32.7	30,922	26.0	-12,131	60.4	5,349	66.0	23,404
Top 1 Percent	1,466	0.9	49.5	428,399	33.4	-44,749	80.1	73,014	86.1	314,549
Top 0.1 Percent	148	0.1	65.2	2,197,840	29.3	-192,819	89.3	326,984	94.5	1,861,254

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

\* Insufficient data

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(3) Includes both filing and non-filing units but excludes those that are dependents of other tax 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 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% \$12,690; 40% \$24,714; 60% \$41,203; 80% \$67,700; 90% \$97,816; 95% \$138,772; 99% \$358,601; 99.9% \$1,621,178.

(4) Average federal tax on long-term positive capital gains as a percentage of positive long-term gains

(5) Average federal tax (includes individual and corporate income tax as well as payroll taxes for Social Security and Medicare) as a percentage of average cash income.

(6) After-tax income is cash income less: individual income tax net of refundable credits; corporate income tax; and payroll taxes (Social Security and Medicare)

**Table T11-0332**  
**Taxes on Long-Term Capital Gains and Qualified Dividends**  
**Baseline: Current Law**  
**Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2013<sup>1</sup>**  
**Detail Table - Single Tax Units**

Cash Income Percentile <sup>2,3</sup>	Tax Units with Tax On Positive Long-Term Gains or Qualified Dividends										
	Number (thousands)	Pct of All Units (%)	Average Income (\$)	Average Gains or Dividend (\$)	Average Tax		Average Tax Rate		Percent Change in After-Tax Income <sup>4</sup> (%)	Share of Tax on Gains and Dividends (%)	Share of Total Tax Burden (%)
					On Gains and Dividends (\$)	On All Income (\$)	On Gains and Dividends <sup>5</sup> (%)	On All Income <sup>5</sup> (%)			
Lowest Quintile	50	0.2	11,310	1,328	130	1,804	9.8	16.0	-1.4	0.0	0.0
Second Quintile	286	1.5	20,359	2,020	172	3,529	8.5	17.3	-1.0	0.2	0.4
Middle Quintile	1,246	7.9	35,355	1,802	198	4,740	11.0	13.4	-0.6	0.9	2.3
Fourth Quintile	1,801	15.4	56,424	3,232	610	10,612	18.9	18.8	-1.3	3.8	7.5
Top Quintile	3,655	38.1	212,400	31,370	7,483	62,542	23.9	29.4	-4.8	95.1	89.7
All	7,041	8.7	131,834	17,527	4,084	36,176	23.3	27.4	-4.1	100.0	100.0
<b>Addendum</b>											
80-90	1,368	26.7	84,042	5,622	1,162	20,168	20.7	24.0	-1.8	5.5	10.8
90-95	961	41.2	119,441	10,301	2,078	30,882	20.2	25.9	-2.3	6.9	11.6
95-99	1,028	57.4	211,510	23,412	5,275	57,391	22.5	27.1	-3.3	18.9	23.2
Top 1 Percent	298	81.7	1,104,473	244,958	61,547	376,921	25.1	34.1	-7.8	63.8	44.1
Top 0.1 Percent	30	90.8	5,102,350	1,450,598	361,562	1,978,352	24.9	38.8	-10.4	38.1	23.5

**Baseline Distribution of Long-Term Capital Gains and Qualified Dividends**  
**by Cash Income Percentile Adjusted for Family Size, 2013<sup>1</sup>**

Cash Income Percentile <sup>2,3</sup>	Tax Units <sup>3</sup>		Tax Units With Net Long-Term Capital Gains		Tax Units With Net Long-Term Capital Losses		Tax Units With Qualified Dividends		Tax Units With Long-Term Gains or Qualified Dividends	
	Number (thousands)	Percent of Total	Percent of Total Units	Average Gains	Percent of Total Units	Average Loss	Percent of Total Units	Average Dividend	Percent of Total Units	Average Gains or Dividend
Lowest Quintile	23,198	28.8	0.7	1,994	1.0	-5,680	3.1	776	3.3	1,146
Second Quintile	19,587	24.3	1.4	2,281	1.1	-6,958	6.8	972	7.3	1,355
Middle Quintile	15,802	19.6	3.3	2,211	2.7	-5,936	11.5	1,416	12.3	1,911
Fourth Quintile	11,719	14.5	7.2	2,973	3.8	-6,227	15.2	2,299	16.8	3,348
Top Quintile	9,604	11.9	20.2	40,218	12.1	-11,738	35.5	11,406	39.3	30,904
All	80,622	100.0	4.7	21,971	3.3	-8,959	11.4	5,179	12.5	13,000
<b>Addendum</b>										
80-90	5,116	6.3	13.0	5,532	7.8	-7,464	24.9	3,374	27.8	5,604
90-95	2,332	2.9	22.7	9,609	12.8	-7,155	38.7	5,725	42.7	10,291
95-99	1,790	2.2	31.5	26,147	19.2	-11,029	53.5	10,258	59.0	23,282
Top 1 Percent	365	0.5	48.6	306,641	32.0	-40,143	75.1	71,519	82.6	245,288
Top 0.1 Percent	33	0.0	62.7	1,653,987	29.4	-158,291	83.9	350,422	91.8	1,449,755

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

\* Insufficient data

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(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

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(3) Includes both filing and non-filing units but excludes those that are dependents of other tax 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 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% \$12,690; 40% \$24,714; 60% \$41,203; 80% \$67,700; 90% \$97,816; 95% \$138,772; 99% \$358,601; 99.9% \$1,621,178.

(4) Average federal tax on long-term positive capital gains as a percentage of positive long-term gains

(5) Average federal tax (includes individual and corporate income tax as well as payroll taxes for Social Security and Medicare) as a percentage of average cash income.

(6) After-tax income is cash income less: individual income tax net of refundable credits; corporate income tax; and payroll taxes (Social Security and Medicare)

**Table T11-0332**  
**Taxes on Long-Term Capital Gains and Qualified Dividends**  
**Baseline: Current Law**  
**Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2013 <sup>1</sup>**  
**Detail Table - Married Tax Units Filing Jointly**

Cash Income Percentile <sup>2,3</sup>	Tax Units with Tax On Positive Long-Term Gains or Qualified Dividends										
	Number (thousands)	Pct of All Units (%)	Average Income (\$)	Average Gains or Dividend (\$)	Average Tax		Average Tax Rate		Percent Change in After-Tax Income <sup>4</sup> (%)	Share of Tax on Gains and Dividends (%)	Share of Total Tax Burden (%)
					On Gains and Dividends (\$)	On All Income (\$)	On Gains and Dividends <sup>5</sup> (%)	On All Income <sup>5</sup> (%)			
Lowest Quintile	22	0.5	19,510	2,672	748	1,079	28.0	5.5	-3.9	0.0	0.0
Second Quintile	200	3.0	37,956	1,395	198	5,196	14.2	13.7	-0.6	0.0	0.1
Middle Quintile	1,217	10.5	61,185	2,018	232	9,499	11.5	15.5	-0.4	0.3	1.0
Fourth Quintile	3,644	23.6	94,401	3,086	480	18,378	15.6	19.5	-0.6	1.7	5.9
Top Quintile	9,605	49.8	364,619	41,307	10,271	109,835	24.9	30.1	-3.9	97.9	93.0
All	14,699	25.4	267,260	27,960	6,856	77,197	24.5	28.9	-3.5	100.0	100.0
<b>Addendum</b>											
80-90	3,418	37.2	138,039	4,654	902	32,015	19.4	23.2	-0.8	3.1	9.6
90-95	2,517	49.9	192,036	8,491	1,750	48,673	20.6	25.3	-1.2	4.4	10.8
95-99	2,772	69.0	341,899	23,121	5,900	95,780	25.5	28.0	-2.3	16.2	23.4
Top 1 Percent	898	86.2	1,780,973	328,957	83,316	620,877	25.3	34.9	-6.7	74.2	49.1
Top 0.1 Percent	100	94.4	7,562,196	1,958,467	488,995	2,908,899	25.0	38.5	-9.5	48.6	25.7

**Baseline Distribution of Long-Term Capital Gains and Qualified Dividends**  
**by Cash Income Percentile Adjusted for Family Size, 2013 <sup>1</sup>**

Cash Income Percentile <sup>2,3</sup>	Tax Units <sup>3</sup>		Tax Units With Net Long-Term Capital Gains		Tax Units With Net Long-Term Capital Losses		Tax Units With Qualified Dividends		Tax Units With Long-Term Gains or Qualified Dividends	
	Number (thousands)	Percent of Total	Percent of Total Units	Average Gains	Percent of Total Units	Average Loss	Percent of Total Units	Average Dividend	Percent of Total Units	Average Gains or Dividend
Lowest Quintile	4,398	7.6	1.6	5,719	2.1	-12,443	4.8	1,415	5.7	2,835
Second Quintile	6,664	11.5	2.4	4,137	2.6	-7,717	6.3	1,086	7.5	2,214
Middle Quintile	11,624	20.1	5.4	3,998	4.3	-7,604	13.4	1,186	15.8	2,380
Fourth Quintile	15,415	26.7	10.2	4,823	6.9	-6,614	21.9	1,372	24.8	3,182
Top Quintile	19,298	33.4	23.9	66,052	18.0	-12,796	46.0	11,072	50.8	41,153
All	57,802	100.0	12.3	44,876	9.3	-11,160	25.2	7,295	28.3	25,978
<b>Addendum</b>										
80-90	9,190	15.9	16.4	6,873	11.4	-7,072	33.9	2,062	38.0	4,800
90-95	5,048	8.7	24.5	11,281	17.7	-7,622	45.7	3,568	51.0	8,614
95-99	4,018	7.0	33.8	32,590	29.4	-12,487	64.7	8,309	70.3	23,324
Top 1 Percent	1,042	1.8	50.0	454,302	33.9	-43,817	82.3	72,350	87.6	327,188
Top 0.1 Percent	106	0.2	66.2	2,300,629	29.3	-185,722	91.8	370,014	95.9	1,942,515

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

\* Insufficient data

(1) Calendar year. Baseline is current law with no tax on long-term positive capital gains or qualified dividends that would be eligible for the lower rates. Proposal is current law. For a description of TPC's current law and current policy baselines, see <http://www.taxpolicycenter.org/T11-0270>

(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>

(3) Includes both filing and non-filing units but excludes those that are dependents of other tax 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 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% \$12,690; 40% \$24,714; 60% \$41,203; 80% \$67,700; 90% \$97,816; 95% \$138,772; 99% \$358,601; 99.9% \$1,621,178.

(4) Average federal tax on long-term positive capital gains as a percentage of positive long-term gains

(5) Average federal tax (includes individual and corporate income tax as well as payroll taxes for Social Security and Medicare) as a percentage of average cash income.

(6) After-tax income is cash income less: individual income tax net of refundable credits; corporate income tax; and payroll taxes (Social Security and Medicare)

**Table T11-0332**  
**Taxes on Long-Term Capital Gains and Qualified Dividends**  
**Baseline: Current Law**  
**Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2013 <sup>1</sup>**  
**Detail Table - Head of Household Tax Units**

Cash Income Percentile <sup>2,3</sup>	Tax Units with Tax On Positive Long-Term Gains or Qualified Dividends										
	Number (thousands)	Pct of All Units (%)	Average Income (\$)	Average Gains or Dividend (\$)	Average Tax		Average Tax Rate		Percent Change in After-Tax Income <sup>4</sup> (%)	Share of Tax on Gains and Dividends (%)	Share of Total Tax Burden (%)
					On Gains and Dividends (\$)	On All Income (\$)	On Gains and Dividends <sup>5</sup> (%)	On All Income <sup>5</sup> (%)			
Lowest Quintile	*	*	*	*	*	*	*	*	*	*	*
Second Quintile	78	1.0	31,689	693	130	3,352	18.7	10.6	-0.5	0.4	0.8
Middle Quintile	190	3.9	51,702	1,759	208	8,669	11.8	16.8	-0.5	1.4	4.9
Fourth Quintile	277	10.0	77,562	2,722	415	16,525	15.2	21.3	-0.7	4.1	13.6
Top Quintile	320	25.3	282,701	36,858	8,330	84,877	22.6	30.0	-4.0	94.1	80.7
All	874	3.5	142,285	14,834	3,240	38,503	21.8	27.1	-3.0	100.0	100.0
<b>Addendum</b>											
80-90	140	17.2	118,635	6,427	936	29,764	14.6	25.1	-1.0	4.6	12.4
90-95	74	32.0	169,133	12,052	2,268	43,317	18.8	25.6	-1.8	5.9	9.5
95-99	80	43.4	288,334	23,449	5,406	76,787	23.1	26.6	-2.5	15.4	18.4
Top 1 Percent	26	78.0	1,464,571	311,227	74,059	522,318	23.8	35.7	-7.3	68.2	40.5
Top 0.1 Percent	*	*	*	*	*	*	*	*	*	*	*

**Baseline Distribution of Long-Term Capital Gains and Qualified Dividends**  
**by Cash Income Percentile Adjusted for Family Size, 2013 <sup>1</sup>**

Cash Income Percentile <sup>2,3</sup>	Tax Units <sup>3</sup>		Tax Units With Net Long-Term Capital Gains		Tax Units With Net Long-Term Capital Losses		Tax Units With Qualified Dividends		Tax Units With Long-Term Gains or Qualified Dividends	
	Number (thousands)	Percent of Total	Percent of Total Units	Average Gains	Percent of Total Units	Average Loss	Percent of Total Units	Average Dividend	Percent of Total Units	Average Gains or Dividend
Lowest Quintile	8,232	32.6	0.2	2,065	0.3	-11,735	1.0	750	1.1	1,098
Second Quintile	8,034	31.8	0.4	2,310	0.3	-6,398	1.8	1,176	2.0	1,515
Middle Quintile	4,869	19.3	1.8	2,554	1.2	-6,595	3.8	896	4.4	1,824
Fourth Quintile	2,769	11.0	4.4	4,145	2.9	-5,903	9.1	1,145	10.8	2,658
Top Quintile	1,263	5.0	12.0	65,026	10.5	-9,784	22.8	7,287	26.1	36,288
All	25,256	100.0	1.7	26,019	1.3	-8,391	3.8	2,926	4.4	12,344
<b>Addendum</b>										
80-90	814	3.2	7.3	11,883	6.8	-4,699	15.9	1,805	18.1	6,403
90-95	230	0.9	15.0	21,200	13.0	-7,203	27.8	2,769	32.4	12,195
95-99	186	0.7	23.2	34,448	19.2	-9,343	38.3	6,072	44.2	23,363
Top 1 Percent	33	0.1	44.0	472,689	34.4	-42,295	69.2	54,178	78.8	311,675
Top 0.1 Percent	3	0.0	57.2	2,614,671	29.5	-150,392	79.7	263,438	87.1	1,958,101

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

\* Insufficient data

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(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

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(3) Includes both filing and non-filing units but excludes those that are dependents of other tax 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 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% \$12,690; 40% \$24,714; 60% \$41,203; 80% \$67,700; 90% \$97,816; 95% \$138,772; 99% \$358,601; 99.9% \$1,621,178.

(4) Average federal tax on long-term positive capital gains as a percentage of positive long-term gains

(5) Average federal tax (includes individual and corporate income tax as well as payroll taxes for Social Security and Medicare) as a percentage of average cash income.

(6) After-tax income is cash income less: individual income tax net of refundable credits; corporate income tax; and payroll taxes (Social Security and Medicare)

**Table T11-0332**  
**Taxes on Long-Term Capital Gains and Qualified Dividends**  
**Baseline: Current Law**  
**Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2013<sup>1</sup>**  
**Detail Table - Tax Units with Children**

Cash Income Percentile <sup>2,3</sup>	Tax Units with Tax On Positive Long-Term Gains or Qualified Dividends										
	Number (thousands)	Pct of All Units (%)	Average Income (\$)	Average Gains or Dividend (\$)	Average Tax		Average Tax Rate		Percent Change in After-Tax Income <sup>4</sup> (%)	Share of Tax on Gains and Dividends (%)	Share of Total Tax Burden (%)
					On Gains and Dividends (\$)	On All Income (\$)	On Gains and Dividends <sup>4</sup> (%)	On All Income <sup>5</sup> (%)			
Lowest Quintile	28	0.3	19,945	2,261	690	493	30.5	2.5	-3.4	0.1	0.0
Second Quintile	173	1.6	39,434	1,134	243	4,852	21.5	12.3	-0.7	0.1	0.1
Middle Quintile	781	7.8	67,150	1,836	222	12,377	12.1	18.4	-0.4	0.5	1.7
Fourth Quintile	1,847	18.6	108,343	2,714	407	24,804	15.0	22.9	-0.5	2.0	8.2
Top Quintile	4,005	48.0	399,996	37,381	9,071	125,796	24.3	31.4	-3.2	97.3	89.9
All	6,844	13.8	272,040	22,887	5,456	81,875	23.8	30.1	-2.8	100.0	100.0
<b>Addendum</b>											
80-90	1,578	35.9	160,018	3,970	707	40,766	17.8	25.5	-0.6	3.0	11.5
90-95	1,020	51.5	225,159	7,486	1,516	60,946	20.3	27.1	-0.9	4.1	11.1
95-99	1,080	68.0	406,875	21,225	5,428	119,341	25.6	29.3	-1.9	15.7	23.0
Top 1 Percent	328	85.8	2,076,210	344,417	84,829	758,045	24.6	36.5	-6.0	74.5	44.4
Top 0.1 Percent	33	93.8	9,362,987	2,327,589	566,968	3,708,801	24.4	39.6	-9.1	50.0	21.8

**Baseline Distribution of Long-Term Capital Gains and Qualified Dividends**  
**by Cash Income Percentile Adjusted for Family Size, 2013<sup>1</sup>**

Cash Income Percentile <sup>2,3</sup>	Tax Units <sup>3</sup>		Tax Units With Net Long-Term Capital Gains		Tax Units With Net Long-Term Capital Losses		Tax Units With Qualified Dividends		Tax Units With Long-Term Gains or Qualified Dividends	
	Number (thousands)	Percent of Total	Percent of Total Units	Average Gains	Percent of Total Units	Average Loss	Percent of Total Units	Average Dividend	Percent of Total Units	Average Gains or Dividend
Lowest Quintile	10,088	20.4	0.5	4,983	0.6	-13,036	1.2	866	1.5	2,387
Second Quintile	10,789	21.8	0.9	4,045	0.9	-6,936	2.2	745	2.7	1,940
Middle Quintile	10,009	20.3	3.4	4,106	2.5	-7,464	7.9	806	9.3	2,205
Fourth Quintile	9,950	20.1	7.6	4,747	5.7	-6,637	17.3	1,045	19.4	2,779
Top Quintile	8,349	16.9	21.4	69,512	19.2	-12,396	44.4	7,748	48.9	37,429
All	49,418	100.0	6.2	42,886	5.3	-10,815	13.4	4,782	15.1	21,865
<b>Addendum</b>										
80-90	4,396	8.9	14.2	7,710	12.4	-6,270	33.1	1,239	36.6	4,123
90-95	1,981	4.0	24.9	11,582	20.9	-7,786	46.8	2,391	52.9	7,564
95-99	1,589	3.2	30.8	35,586	31.1	-13,011	63.7	6,211	68.8	21,713
Top 1 Percent	382	0.8	45.9	547,964	37.9	-46,604	81.5	59,075	87.0	344,253
Top 0.1 Percent	35	0.1	64.7	2,940,020	29.7	-240,237	89.5	334,593	94.6	2,326,889

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

\* Insufficient data

Note: Tax units with children are those claiming an exemption for children at home or away from home.

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**Table T11-0332**  
**Taxes on Long-Term Capital Gains and Qualified Dividends**  
**Baseline: Current Law**  
**Distribution of Federal Tax Change by Cash Income Percentile Adjusted for Family Size, 2013<sup>1</sup>**  
**Detail Table - Elderly Tax Units**

Cash Income Percentile <sup>2,3</sup>	Tax Units with Tax On Positive Long-Term Gains or Qualified Dividends										
	Number (thousands)	Pct of All Units (%)	Average Income (\$)	Average Gains or Dividend (\$)	Average Tax		Average Tax Rate		Percent Change in After-Tax Income <sup>4</sup> (%)	Share of Tax on Gains and Dividends (%)	Share of Total Tax Burden (%)
					On Gains and Dividends (\$)	On All Income (\$)	On Gains and Dividends <sup>4</sup> (%)	On All Income <sup>5</sup> (%)			
Lowest Quintile	*	*	*	*	*	*	*	*	*	*	*
Second Quintile	81	0.9	27,730	2,205	255	3,357	11.6	12.1	-1.0	0.0	0.1
Middle Quintile	1,143	13.7	42,402	1,963	238	3,472	12.1	8.2	-0.6	0.5	1.1
Fourth Quintile	2,355	36.8	71,369	3,859	740	9,549	19.2	13.4	-1.2	3.1	6.1
Top Quintile	4,460	64.5	277,744	48,409	12,082	77,288	25.0	27.8	-5.7	96.4	92.8
All	8,039	21.7	181,294	28,287	6,955	46,200	24.6	25.5	-4.9	100.0	100.0
<b>Addendum</b>											
80-90	1,729	54.5	107,172	7,362	1,532	19,982	20.8	18.6	-1.7	4.7	9.3
90-95	1,147	65.4	152,663	14,847	3,139	33,192	21.1	21.7	-2.6	6.4	10.2
95-99	1,205	77.4	272,003	37,202	9,172	69,427	24.7	25.5	-4.3	19.8	22.5
Top 1 Percent	379	88.7	1,452,189	372,717	96,488	496,975	25.9	34.2	-9.2	65.4	50.7
Top 0.1 Percent	42	96.4	6,354,528	1,990,676	507,835	2,413,778	25.5	38.0	-11.4	38.4	27.5

**Baseline Distribution of Long-Term Capital Gains and Qualified Dividends**  
**by Cash Income Percentile Adjusted for Family Size, 2013<sup>1</sup>**

Cash Income Percentile <sup>2,3</sup>	Tax Units <sup>3</sup>		Tax Units With Net Long-Term Capital Gains		Tax Units With Net Long-Term Capital Losses		Tax Units With Qualified Dividends		Tax Units With Long-Term Gains or Qualified Dividends	
	Number (thousands)	Percent of Total	Percent of Total Units	Average Gains	Percent of Total Units	Average Loss	Percent of Total Units	Average Dividend	Percent of Total Units	Average Gains or Dividend
Lowest Quintile	5,988	16.2	0.1	4,063	0.5	-7,573	2.7	774	2.8	955
Second Quintile	9,396	25.3	1.3	2,026	1.3	-5,136	10.8	1,074	11.4	1,254
Middle Quintile	8,334	22.5	6.6	2,183	5.8	-6,208	22.7	1,529	24.6	1,994
Fourth Quintile	6,402	17.3	17.9	4,076	10.8	-6,226	35.1	2,362	39.6	3,933
Top Quintile	6,913	18.6	35.9	57,900	21.3	-14,014	60.0	18,021	66.0	47,905
All	37,068	100.0	11.7	34,786	7.6	-10,387	25.5	8,891	28.1	22,541
<b>Addendum</b>										
80-90	3,175	8.6	28.0	7,284	16.1	-8,622	50.2	4,276	56.3	7,434
90-95	1,753	4.7	36.9	13,557	22.9	-7,841	61.3	8,104	66.7	14,938
95-99	1,557	4.2	44.7	38,251	27.8	-14,761	71.8	16,811	78.1	37,348
Top 1 Percent	427	1.2	58.8	405,061	29.1	-53,468	83.7	112,818	90.4	368,115
Top 0.1 Percent	44	0.1	72.4	1,976,452	24.3	-277,308	91.8	540,641	96.8	1,990,758

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

\* Insufficient data

Note: Elderly tax units are those with either head or spouse (if filing jointly) age 65 or older.

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