

25-Aug-11

PRELIMINARY RESULTS

T11-0317

**Tax Units by Share of Income Taxed at Preferential Rates
and Cash Income Level, 2011
Baseline: Current Law**

Cash Income Level (thousands of 2011 dollars) ^{1,2}	All Tax Units (thousands)	Percentage of Tax Units Receiving Given Share of Income Taxed at Preferential Tax Rates ³			
		Less than 10%	10% to 33%	33% to 67%	More than 67%
Less than 10	21,699	98.7	0.5	0.4	0.4
10-20	27,667	99.3	0.5	0.1	0.1
20-30	20,075	98.4	1.3	0.2	0.0
30-40	16,429	98.4	1.3	0.2	0.0
40-50	13,055	98.4	1.3	0.3	0.0
50-75	18,222	97.6	1.9	0.4	0.0
75-100	12,271	96.9	2.6	0.5	0.0
100-200	15,551	94.1	4.4	1.3	0.1
200-500	4,118	84.1	9.7	5.1	1.1
500-1,000	716	74.7	12.0	9.6	3.8
More than 1,000	375	65.0	13.1	12.8	9.2
All	150,179	97.4	1.8	0.6	0.2

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

(1) This analysis excludes three groups of tax units: a) those with negative cash income; b) those with negative combined long-term capital gains and qualified dividends; and c) those with business losses exceeding 50 percent of their non-business income.

(2) The analysis includes both filing and non-filing units but excludes those that are dependents of other tax units. For a description of cash income, see <http://www.taxpolicycenter.org/TaxModel/income.cfm>.

(3) Preferential rate refers to the 0 percent and 15 percent tax rates for long-term capital gains and qualified dividends. Ordinary income tax rates range from 10 percent to 35 percent.

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PRELIMINARY RESULTS

T11-0317

**Effective Individual Income Tax Rate by Share of Income Taxed at Preferential Rates
and Cash Income Level, 2011
Baseline: Current Law**

Cash Income Level (thousands of 2011 dollars) ^{1,2}	Average Effective Income Tax Rate for Tax Units Receiving Given Share of Income Taxed at Preferential Tax Rates ³				All Tax Units
	Less than 10%	10% to 33%	33% to 67%	More than 67%	
Less than 10	-6.6	-2.1	-0.3	-0.9	-6.5
10-20	-5.5	-0.5	-0.1	-0.5	-5.5
20-30	-3.0	0.2	0.0	-0.1	-3.0
30-40	0.8	0.5	0.2	-0.3	0.8
40-50	3.3	1.4	-0.1	-0.1	3.2
50-75	5.8	3.8	0.9	0.3	5.7
75-100	7.4	5.6	3.2	-0.1	7.3
100-200	10.1	8.5	6.0	3.9	10.0
200-500	15.1	13.5	10.6	8.9	14.6
500-1,000	18.2	15.9	13.2	10.7	17.2
More than 1,000	22.6	18.6	14.1	11.9	18.7
All	8.1	12.8	12.1	11.4	8.6

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

(1) This analysis excludes three groups of tax units: a) those with negative cash income; b) those with negative combined long-term capital gains and qualified dividends; and c) those with business losses exceeding 50 percent of their non-business income.

(2) The analysis includes both filing and non-filing units but excludes those that are dependents of other tax units. For a description of cash income, see <http://www.taxpolicycenter.org/TaxModel/income.cfm>.

(3) Preferential rate refers to the 0 percent and 15 percent tax rates for long-term capital gains and qualified dividends. Ordinary income tax rates range from 10 percent to 35 percent.

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PRELIMINARY RESULTS

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**Effective Payroll Tax Rate by Income Taxed at Preferential Rates
and Cash Income Level, 2011
Baseline: Current Law**

Cash Income Level (thousands of 2011 dollars) ^{1,2}	Average Effective Payroll Tax Rate for Tax Units Receiving Given Share of Income Taxed at Preferential Tax Rates ³				All Tax Units
	Less than 10%	10% to 33%	33% to 67%	More than 67%	
Less than 10	7.3	3.4	1.1	0.5	7.3
10-20	5.9	2.0	1.7	1.1	5.9
20-30	8.2	1.5	2.0	2.0	8.1
30-40	8.8	2.6	1.4	1.3	8.7
40-50	8.9	2.3	2.1	0.3	8.8
50-75	9.1	2.4	1.6	1.3	8.9
75-100	9.4	2.8	1.6	3.0	9.2
100-200	9.1	3.3	1.7	1.1	8.7
200-500	6.1	3.4	1.8	0.7	5.5
500-1,000	3.3	2.3	1.4	0.4	2.9
More than 1,000	1.6	1.0	0.5	0.2	1.1
All	7.7	2.4	1.0	0.2	7.0

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

(1) This analysis excludes three groups of tax units: a) those with negative cash income; b) those with negative combined long-term capital gains and qualified dividends; and c) those with business losses exceeding 50 percent of their non-business income.

(2) The analysis includes both filing and non-filing units but excludes those that are dependents of other tax units. For a description of cash income, see <http://www.taxpolicycenter.org/TaxModel/income.cfm>.

(3) Preferential rate refers to the 0 percent and 15 percent tax rates for long-term capital gains and qualified dividends. Ordinary income tax rates range from 10 percent to 35 percent.

T11-0317
Combined Effective Individual Income and Payroll Tax Rate by Income Taxed at Preferential Rates and Cash Income Level, 2011
Baseline: Current Law

Cash Income Level (thousands of 2011 dollars) ^{1,2}	Combined Average Effective Individual Income and Payroll Tax Rate for Tax Units Receiving Given Share of Income Taxed at Preferential Tax Rates ³				All Tax Units
	Less than 10%	10% to 33%	33% to 67%	More than 67%	
	Less than 10	0.8	1.3	0.8	
10-20	0.4	1.5	1.6	0.6	0.4
20-30	5.2	1.7	2.0	1.9	5.2
30-40	9.6	3.1	1.6	1.0	9.5
40-50	12.2	3.8	2.1	0.2	12.1
50-75	14.9	6.2	2.5	1.7	14.6
75-100	16.8	8.5	4.9	2.9	16.5
100-200	19.2	11.8	7.7	5.0	18.7
200-500	21.2	16.9	12.5	9.6	20.1
500-1,000	21.5	18.3	14.6	11.1	20.1
More than 1,000	24.2	19.6	14.6	12.0	19.8
All	15.8	15.2	13.1	11.6	15.6

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

(1) This analysis excludes three groups of tax units: a) those with negative cash income; b) those with negative combined long-term capital gains and qualified dividends; and c) those with business losses exceeding 50 percent of their non-business income.

(2) The analysis includes both filing and non-filing units but excludes those that are dependents of other tax units. For a description of cash income, see <http://www.taxpolicycenter.org/TaxModel/income.cfm>.

(3) Preferential rate refers to the 0 percent and 15 percent tax rates for long-term capital gains and qualified dividends. Ordinary income tax rates range from 10 percent to 35 percent.