

T12-0021
Average Effective Federal Tax Rates
By Cash Income Level, 2010
Baseline: Current Law

Cash Income Level (thousands of 2011 dollars) ²	As a Percentage of Cash Income ¹						As a Percentage of Adjusted Gross Income		
	Individual Income Tax ³	Payroll Tax		Corporate Income Tax	Estate Tax ⁵	All Federal Taxes ⁶	Individual Income Tax ³	Payroll Tax	
		Employee ⁴	Employer					Employee ⁴	Employer
Less than 10	-10.6	5.0	3.9	0.5	n/a	-1.0	-19.9	9.5	7.5
10-20	-8.1	4.2	3.4	0.4	n/a	-0.1	-15.6	8.1	6.6
20-30	-5.2	5.2	4.5	0.5	n/a	4.9	-7.5	7.3	6.4
30-40	-1.0	5.3	4.7	0.5	n/a	9.4	-1.4	7.1	6.3
40-50	1.1	5.1	4.6	0.5	n/a	11.4	1.5	6.8	6.2
50-75	4.0	5.2	4.7	0.6	n/a	14.5	4.9	6.3	5.8
75-100	5.9	5.5	5.1	0.6	n/a	17.1	6.9	6.3	5.9
100-200	9.4	5.4	4.9	0.9	n/a	20.7	10.8	6.2	5.7
200-500	15.9	3.8	3.3	2.2	n/a	25.2	18.4	4.5	3.8
500-1,000	20.5	2.4	1.8	4.0	n/a	28.7	23.7	2.7	2.1
More than 1,000	20.8	0.9	0.7	9.1	n/a	31.4	24.4	1.1	0.8
All	9.1	4.4	4.0	2.1	n/a	19.5	11.0	5.4	4.8

Source : Urban-Brookings Tax Policy Center Microsimulation Model (version 0411-3).

* Less than 0.05.

(1) For a description of cash income, see <http://www.taxpolicycenter.org/TaxModel/income.cfm>. For a description of TPC's current law and current policy baselines, see <http://www.taxpolicycenter.org/T11-0270>. The measure of cash income used to calculate effective tax rates does not include rollovers to IRAs.

(2) Tax units with negative cash income are excluded from the lowest income class but are included in the totals. Includes both filing and nonfiling units but excludes those that are dependents of other tax units.

(3) After tax credits (including refundable portion of earned income and child tax credits).

(4) Includes the employee portion of Social Security and Medicare taxes plus all SECA taxes for self-employment.

(5) There was no estate tax for tax year 2010.

(6) Excludes customs duties and excise taxes.