

Table T12-0239
Effective Marginal Individual Income Tax Rates (EMTR) On Capital Income
By Cash Income Percentile, 2013¹

Cash Income Percentiles ^{2,3}	Tax Units (thousands)	Long-term Capital Gains		Qualified Dividends		Interest Income	
		Current Law	Current Policy	Current Law	Current Policy	Current Law	Current Policy
Lowest Quintile	40,520	1.5	1.0	2.0	0.9	3.7	2.5
Second Quintile	36,208	3.1	0.6	7.7	0.8	9.1	6.7
Third Quintile	31,370	9.6	3.3	18.2	5.3	19.1	16.2
Fourth Quintile	26,062	13.0	5.8	24.3	8.5	24.5	20.5
Top Quintile	23,189	22.3	17.8	37.3	18.1	33.7	29.6
All	158,260	20.9	16.4	34.2	16.1	26.7	23.0
Addendum							
80-90	11,691	16.2	11.7	27.3	11.8	27.8	24.4
90-95	5,736	17.9	13.0	27.8	13.6	27.8	24.9
95-99	4,614	23.4	18.9	34.9	20.0	34.2	32.2
Top 1 Percent	1,147	22.7	18.3	41.1	19.1	36.7	31.1
Top 0.1 Percent	117	23.0	18.3	42.0	18.7	36.3	30.4

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0412-7).

(1) Calendar year. Effective marginal tax rates are weighted by the appropriate income source and where applicable, include the additional 3.8 percent tax enacted by the health reform legislation. For a description of TPC's current law and current policy baselines, see:

<http://taxpolicycenter.org/numbers/displayatab.cfm?Docid=3131>

(2) Includes both filing and non-filing units but excludes those that are dependents of other tax units. 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) The 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 2012 dollars): 20% \$20,113; 40% \$39,790; 60% \$64,484; 80% \$108,266; 90% \$143,373; 95% \$204,296; 99% \$506,210; 99.9% \$2,655,675.