

Table T12-0243
Effective Marginal Individual Income Tax Rates (EMTR) On Capital Income
By Cash Income Percentile, 2022¹

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	28,407	1.5	0.9	2.7	3.1	6.4	4.5
Second Quintile	38,019	5.3	0.6	9.5	0.7	11.9	8.9
Third Quintile	37,103	9.7	3.9	21.4	7.3	24.0	20.9
Fourth Quintile	36,967	12.4	6.3	26.7	10.3	27.0	21.3
Top Quintile	28,389	22.2	17.9	39.5	18.7	36.6	31.5
All	169,691	21.3	17.1	36.7	17.0	30.6	25.9
Addendum							
80-90	12,855	14.8	10.2	27.4	12.1	27.2	23.6
90-95	6,665	21.4	14.0	31.9	15.0	32.6	27.4
95-99	6,999	22.2	18.5	35.9	20.9	35.6	33.2
Top 1 Percent	1,869	22.4	18.2	41.7	19.0	39.0	32.9
Top 0.1 Percent	267	22.7	18.4	42.3	18.8	38.8	32.6

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% \$27,301; 40% \$48,210; 60% \$75,559; 80% \$114,032; 90% \$178,992; 95% \$229,788; 99% \$638,324; 99.9% \$4,687,843.