

Table T12-0337
Raise Top Individual Income Tax Rate to 36 Percent
Baseline: Current Policy
Effective Marginal Individual Income Tax Rates (EMTR) On Wages and Salaries and Capital Income
By Cash Income Percentile, 2013¹

Cash Income Percentiles ^{2,3}	Tax Units (thousands)	Wages and Salaries		Long-term Capital Gains		Qualified Dividends		Interest Income	
		Baseline	Proposal	Baseline	Proposal	Baseline	Proposal	Baseline	Proposal
Lowest Quintile	40,520	-0.9	-0.9	1.0	1.0	0.9	0.9	2.5	2.5
Second Quintile	36,208	16.8	16.8	0.6	0.6	0.8	0.8	6.7	6.7
Third Quintile	31,370	18.3	18.3	3.3	3.3	5.3	5.3	16.2	16.2
Fourth Quintile	26,062	18.6	18.6	5.8	5.8	8.5	8.5	20.5	20.5
Top Quintile	23,189	28.5	28.7	17.8	17.8	18.1	18.1	29.6	29.9
All	158,260	22.3	22.4	16.4	16.4	16.1	16.1	23.0	23.2
Addendum									
80-90	11,692	24.3	24.3	11.7	11.7	11.8	11.8	24.4	24.4
90-95	5,736	26.8	26.8	13.0	13.0	13.6	13.6	24.9	24.9
95-99	4,615	31.9	31.9	18.9	18.9	20.0	20.0	32.2	32.2
Top 1 Percent	1,147	32.8	33.7	18.3	18.3	19.1	19.1	31.1	31.7
Top 0.1 Percent	117	34.3	35.4	18.3	18.3	18.7	18.7	30.4	31.0

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0412-8).

(1) Calendar year. Effective marginal tax rates are weighted by the appropriate income source. Baseline is current policy. Proposal would raise the top regular individual income tax rate by one percentage point to 36 percent. For a description of TPC's current policy baseline, 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.