

Table T13-0068
Personal Exemption Phaseout (PEP) and Overall Limitation on Itemized Deductions (Pease)
Effective Marginal Tax Rates on Long-Term Capital Gains
By Cash Income Level, 2013¹

Cash Income Level (thousands of 2012 dollars) ²	Tax Units (thousands)	Effective Marginal Tax Rate Under				Percentage Point Change from Current Law		
		Current Law	No PEP	No Pease	No PEP or Pease	No PEP	No Pease	No PEP or Pease
Less than 10	16,041	0.3	0.3	0.3	0.3	0.0	0.0	0.0
10-20	24,243	1.4	1.4	1.4	1.4	0.0	0.0	0.0
20-30	19,317	0.5	0.5	0.5	0.5	0.0	0.0	0.0
30-40	17,482	0.7	0.7	0.7	0.7	0.0	0.0	0.0
40-50	13,879	1.0	1.0	1.0	1.0	0.0	0.0	0.0
50-75	25,633	4.8	4.8	4.8	4.8	0.0	0.0	0.0
75-100	14,610	5.7	5.7	5.7	5.7	0.0	0.0	0.0
100-200	20,204	12.0	12.0	12.0	12.0	0.0	0.0	0.0
200-500	4,780	18.8	18.7	18.8	18.7	-0.1	-0.1	-0.1
500-1,000	728	22.4	22.3	22.2	22.1	-0.1	-0.2	-0.3
More than 1,000	433	23.3	23.3	23.0	23.0	0.0	-0.3	-0.3
All	158,260	19.7	19.7	19.5	19.4	0.0	-0.2	-0.2

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. The PEP phaseout and Pease limitation begin at an AGI level of \$250,000 for singles, \$275,000 for heads of households, and \$300,000 for married couples filing jointly. For a description of TPC's current law baseline, see:

<http://www.taxpolicycenter.org/taxtopics/Baseline-Definitions.cfm>

(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>