

T13-0243

Distribution of Individual Income Tax on Long-Term Capital Gains and Qualified Dividends by Expanded Cash Income Level, 2012¹
Baseline: Current Law

Expanded Cash Income Level (thousands of 2013 dollars) ²	All Tax Units (thousands)	Tax Units Reporting Gains or Qualified Dividends ³		Tax Units Paying Positive Individual Income Tax On Gains or Qualified Dividends				
		Percent Within Class	Average Gains and Dividends (\$)	Percent Within Class	Average Tax Paid on Gains and Dividends (\$)	Share of Positive Individual Income Tax on Gains and Dividends	Average Individual Income Tax Rate	
							On Gains and Dividends ⁴	On All Other Income ⁵
Less than 10	12,248	3.0	1,067	*	**	0.0	**	**
10-20	22,412	4.4	1,317	0.2	435	0.0	12.9	-30.2
20-30	18,419	8.3	1,838	0.3	168	0.0	4.5	-5.9
30-40	15,389	9.7	2,085	0.8	144	0.0	5.9	3.4
40-50	13,813	10.7	2,491	2.5	203	0.1	6.8	9.3
50-75	25,166	13.9	3,233	5.8	408	0.6	9.1	12.6
75-100	15,558	21.5	4,691	10.8	633	1.1	9.6	15.0
100-200	26,274	30.3	7,869	17.1	1,212	5.6	10.2	15.9
200-500	7,220	61.2	25,353	54.3	4,231	17.0	15.1	21.6
500-1,000	884	84.3	99,337	80.3	17,308	12.6	16.7	29.6
More than 1,000	511	91.9	910,991	90.3	133,837	63.0	14.5	33.3
All	159,731	16.7	27,147	8.3	7,351	100.0	14.3	24.9

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0613-1d).

* Less than 0.05

** Insufficient data

(1) Calendar year. Individual income tax on long-term capital gains and qualified dividends is calculated by comparing liability under current law to liability when qualified dividends and net long term gains in excess of net short-term losses are excluded from income. For a description of TPC's current law and current policy baselines, 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 adjusted gross income are excluded from their respective income class but are included in the totals. For a description of expanded cash income, see

<http://www.taxpolicycenter.org/TaxModel/income.cfm>

(3) Tax units reporting long-term positive gains and qualified dividends.

(4) Average individual income tax on long-term positive capital gains and qualified dividends as a percentage of gains and qualified dividends.