

**Table T13-0244**  
**Distribution of Individual Income Tax on Long-Term Capital Gains and Qualified Dividends by Expanded Cash Income Percentile, 2012** <sup>1</sup>  
**Baseline: Current Law**

Expanded Cash Income Percentile <sup>2,3</sup>	All Tax Units (thousands)	Tax Units Reporting Gains or Qualified Dividends <sup>4</sup>		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 <sup>5</sup>	On All Other Income <sup>6</sup>
<b>Lowest Quintile</b>	42,721	4.7	1,313	0.1	349	0.0	10.7	-7.5
<b>Second Quintile</b>	35,617	9.4	2,231	1.1	171	0.1	5.9	5.7
<b>Middle Quintile</b>	31,569	14.2	3,209	5.9	398	0.8	8.9	12.7
<b>Fourth Quintile</b>	25,476	23.2	5,647	11.1	820	2.4	9.2	15.6
<b>Top Quintile</b>	22,512	47.0	62,101	36.4	11,556	96.7	14.6	26.2
<b>All</b>	159,731	16.7	27,147	8.3	7,351	100.0	14.3	24.9
<b>Addendum</b>								
<b>80-90</b>	11,325	34.1	8,347	20.3	1,267	3.0	10.4	15.7
<b>90-95</b>	5,527	47.3	12,574	38.1	1,886	4.1	12.8	17.6
<b>95-99</b>	4,509	68.2	33,767	62.2	5,769	16.5	15.8	23.3
<b>Top 1 Percent</b>	1,150	88.3	479,781	85.3	72,929	73.2	14.7	32.6
<b>Top 0.1 Percent</b>	118	94.9	2,800,074	94.3	401,840	45.8	14.3	34.1

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) 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 2013 dollars): 20% \$24,109; 40% \$47,036; 60% \$78,063; 80% \$129,788; 90% \$178,281; 95% \$246,225; 99% \$576,599; 99.9% \$2,922,238.

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

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

(6) Average individual income tax as a percentage of nongain taxable income.