

Table T13-0248
Distribution of Individual Income Tax on Long-Term Capital Gains and Qualified Dividends by Expanded Cash Income Percentile, 2014¹
Baseline: Current Law

Expanded Cash Income Percentile ^{2,3}	All Tax Units (thousands)	Tax Units Reporting Gains or Qualified Dividends ⁴		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 ⁵	On All Other Income ⁶
Lowest Quintile	43,668	4.5	1,361	0.1	311	0.0	10.1	-4.6
Second Quintile	36,178	9.0	2,146	1.1	167	0.1	6.3	5.1
Middle Quintile	32,111	14.3	3,206	6.0	421	0.6	9.1	13.0
Fourth Quintile	26,073	24.8	5,475	12.6	778	1.9	9.5	15.7
Top Quintile	23,056	49.7	56,694	39.5	14,750	97.5	20.9	28.2
All	162,816	17.3	25,650	9.1	9,331	100.0	20.3	26.7
Addendum								
80-90	11,523	36.7	7,107	23.3	1,058	2.1	10.8	15.7
90-95	5,725	51.6	11,679	41.9	1,765	3.1	13.2	17.9
95-99	4,636	70.1	32,127	64.8	6,049	13.2	17.6	23.7
Top 1 Percent	1,173	88.5	463,638	86.8	107,229	79.1	22.7	36.0
Top 0.1 Percent	121	94.9	2,652,634	94.6	608,983	50.5	22.9	38.8

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 and excluded from the base of the 3.8 percent net investment surtax enacted by the Affordable Care Act (ACA). 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% \$24,191; 40% \$47,261; 60% \$79,521; 80% \$134,266; 90% \$180,482; 95% \$261,471; 99% \$615,048; 99.9% \$3,170,865.

(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.