

Table T13-0246
Distribution of Individual Income Tax on Long-Term Capital Gains and Qualified Dividends by Expanded Cash Income Percentile, 2013¹
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	43,453	4.6	1,287	0.1	233	0.0	8.6	-7.8
Second Quintile	36,220	9.2	2,080	1.1	163	0.1	6.1	4.4
Middle Quintile	31,791	14.2	3,266	5.4	387	0.7	8.6	12.3
Fourth Quintile	25,914	23.5	4,983	10.9	711	2.2	9.3	15.3
Top Quintile	22,833	46.9	41,750	36.3	10,751	97.0	20.2	27.4
All	161,868	16.7	19,027	8.2	6,929	100.0	19.5	26.1
Addendum								
80-90	11,458	33.9	6,756	19.7	1,063	2.6	10.7	15.8
90-95	5,652	48.6	11,034	39.7	1,649	4.0	13.1	17.8
95-99	4,566	67.5	24,805	61.4	4,651	14.2	17.3	23.1
Top 1 Percent	1,157	86.8	313,036	84.7	71,326	76.1	22.3	35.1
Top 0.1 Percent	118	93.8	1,877,132	93.6	422,700	51.0	22.5	38.3

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% \$23,570; 40% \$45,475; 60% \$76,234; 80% \$129,219; 90% \$181,498; 95% \$250,749; 99% \$550,652; 99.9% \$2,656,501.

(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.