

**Table T04-0093**  
**Current-Law Distribution of Federal Taxes By Economic Income Percentiles, 2004<sup>1</sup>**

Economic Income Class <sup>2</sup>	Share of Total					Average Effective Tax Rate					
	Economic Income	Individual Income Tax <sup>3</sup>	Payroll Tax <sup>4</sup>	Corporate Income Tax	Estate Tax	All Federal Tax <sup>5</sup>	Individual Income Tax	Payroll Tax	Corporate Income Tax	Estate Tax	All Federal Tax
<b>Lowest Quintile</b>	2.6	-2.5	3.0	2.1	*	0.4	-7.9	8.8	1.6	*	2.5
<b>Second Quintile</b>	6.8	-1.8	7.8	3.2	*	2.8	-2.1	8.7	0.9	*	7.5
<b>Middle Quintile</b>	11.8	4.7	14.0	5.7	*	8.7	3.2	9.0	0.9	*	13.2
<b>Fourth Quintile</b>	19.6	14.5	26.4	9.8	*	18.9	6.1	10.3	1.0	*	17.3
<b>Top Quintile</b>	59.4	85.1	48.7	77.9	99.7	69.0	11.7	6.2	2.5	0.3	20.8
<b>All</b>	100.0	100.0	100.0	100.0	100.0	100.0	8.2	7.6	1.9	0.2	17.9
<b>Addendum</b>											
<b>Top 10 Percent</b>	44.4	70.0	28.8	69.2	99.7	52.7	12.9	4.9	3.0	0.4	21.2
<b>Top 5 Percent</b>	33.6	56.8	16.0	61.6	98.7	40.4	13.9	3.6	3.5	0.6	21.5
<b>Top 1 Percent</b>	18.2	33.7	4.0	44.5	83.2	22.8	15.1	1.7	4.6	0.9	22.3
<b>Top 0.5 Percent</b>	14.4	26.8	2.4	37.6	72.6	18.1	15.3	1.3	5.0	1.0	22.5
<b>Top 0.1 Percent</b>	8.6	15.5	0.9	24.0	37.5	10.5	14.7	0.8	5.3	0.8	21.6

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0304-2).

\* Less than 0.05 percent.

(1) Calendar year.

(2) Tax units with negative economic income are excluded from the lowest quintile but are included in the totals. Includes both filing and non-filing units. Tax units that are dependents of other taxpayers are excluded from the analysis. For classifier purposes, economic income has been adjusted for family size by dividing by the square root of the number of members of the tax unit. For a further description of economic income, see <http://www.taxpolicycenter.org/TaxModel/income.cfm>

(3) After tax credits (including refundable portion of earned income and child tax credits).

(4) Includes both the employee and employer portion of Social Security and Medicare tax.

(5) Excludes customs duties and excise taxes.