

**Table T05-0074**  
**Distribution of Qualifying Dividends and Capital Gains by Cash Income Percentiles, All Tax Units, 2005<sup>1</sup>**

| Cash Income Percentile | Tax Units <sup>3</sup> |                  | Qualifying Dividends |                        |                                 |                      |                         | Capital Gains       |                        |                                 |                      |                         |
|------------------------|------------------------|------------------|----------------------|------------------------|---------------------------------|----------------------|-------------------------|---------------------|------------------------|---------------------------------|----------------------|-------------------------|
|                        | Number (thousands)     | Percent of Total | Returns (thousands)  | Percent of All Returns | Percent of Returns Within Class | Amount (\$ millions) | Percent of Total Amount | Returns (thousands) | Percent of All Returns | Percent of Returns Within Class | Amount (\$ millions) | Percent of Total Amount |
| <b>Lowest Quintile</b> | 28,340                 | 19.6             | 1,129                | 4.6                    | 4.0                             | 1,096                | 1.8                     | 522                 | 3.8                    | 1.8                             | 905                  | 0.2                     |
| <b>Second Quintile</b> | 28,910                 | 20.0             | 2,191                | 8.9                    | 7.6                             | 2,618                | 4.2                     | 1,084               | 7.9                    | 3.7                             | 2,810                | 0.7                     |
| <b>Middle Quintile</b> | 28,916                 | 20.0             | 3,472                | 14.1                   | 12.0                            | 3,662                | 5.9                     | 1,629               | 11.9                   | 5.6                             | 4,419                | 1.1                     |
| <b>Fourth Quintile</b> | 28,916                 | 20.0             | 6,356                | 25.9                   | 22.0                            | 7,672                | 12.3                    | 3,452               | 25.2                   | 11.9                            | 12,606               | 3.1                     |
| <b>Top Quintile</b>    | 28,914                 | 20.0             | 11,206               | 45.6                   | 38.8                            | 46,382               | 74.6                    | 6,927               | 50.6                   | 24.0                            | 383,487              | 94.3                    |
| <b>All</b>             | 144,573                | 100.0            | 24,551               | 100.0                  | 17.0                            | 62,203               | 100.0                   | 13,682              | 100.0                  | 9.5                             | 406,714              | 100.0                   |
| <b>Addendum</b>        |                        |                  |                      |                        |                                 |                      |                         |                     |                        |                                 |                      |                         |
| <b>Top 10 Percent</b>  | 14,457                 | 10.0             | 7,214                | 29.4                   | 49.9                            | 40,234               | 64.7                    | 4,391               | 32.1                   | 30.4                            | 367,400              | 90.3                    |
| <b>Top 5 Percent</b>   | 7,228                  | 5.0              | 4,035                | 16.4                   | 55.8                            | 33,183               | 53.3                    | 2,695               | 19.7                   | 37.3                            | 349,286              | 85.9                    |
| <b>Top 1 Percent</b>   | 1,446                  | 1.0              | 878                  | 3.6                    | 60.7                            | 20,538               | 33.0                    | 686                 | 5.0                    | 47.4                            | 291,601              | 71.7                    |
| <b>Top 0.5 Percent</b> | 723                    | 0.5              | 457                  | 1.9                    | 63.3                            | 16,692               | 26.8                    | 372                 | 2.7                    | 51.5                            | 266,620              | 65.6                    |
| <b>Top 0.1 Percent</b> | 145                    | 0.1              | 97                   | 0.4                    | 67.2                            | 10,421               | 16.8                    | 89                  | 0.6                    | 61.3                            | 208,863              | 51.4                    |

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0305-1).

(1) Calendar year. Qualifying dividends are those that are eligible for the preferential 15-percent tax rate (5 percent for those in the bottom two tax brackets). Capital gains are net positive long-term gains.

(2) Tax units with negative cash income are excluded from the lowest quintile but are included in the totals. For a description of cash income, see <http://www.taxpolicycenter.org/TaxModel/income.cfm>

(3) Includes both filing and non-filing units. Tax units that are dependents of other taxpayers are excluded from the analysis.