

**Table T18-0242**  
**Individual Income Tax on Long-Term Capital Gains and Qualified Dividends**  
**Baseline: Current Law**  
**Distribution of Federal Tax Change by Cash Income Level, 2028 <sup>1</sup>**  
**Summary Table**

Expanded Cash Income Level (thousands of 2018 dollars) <sup>2</sup>	All Tax Units (thousands)	Tax Units Reporting Gains or Qualified Dividends <sup>3</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>4</sup>	On All Other Income <sup>5</sup>
Less than 10	10,670	3.2	2,120	*	**	*	**	**
10-20	17,690	3.9	3,400	0.3	**	*	**	**
20-30	19,530	5.4	3,660	0.4	**	*	**	**
30-40	16,990	7.1	4,120	1.1	320	*	8.8	-7.0
40-50	14,090	10.2	5,310	3.0	260	*	6.9	9.4
50-75	28,410	13.2	6,230	6.1	650	0.5	9.4	12.8
75-100	18,960	20.6	8,320	13.0	1,010	1.1	10.4	15.4
100-200	36,510	29.2	9,970	21.8	1,340	4.8	11.5	17.0
200-500	16,170	49.6	23,690	45.2	4,210	13.8	16.6	22.2
500-1,000	2,380	74.1	56,920	71.8	11,580	8.9	19.8	29.1
More than 1,000	890	85.4	1,009,500	84.6	209,020	70.7	20.5	36.3
All	183,490	18.5	37,750	12.4	9,800	100.0	18.8	27.3

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0718-1).

\* Non-zero value rounded to zero; \*\* 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). Baseline is the law in place for 2028 as of 11/16/2018. 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) Tax units reporting long-term positive gains and qualified dividends.

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

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