

Table T20-0155
Individual Income Tax on Long-Term Capital Gains and Qualified Dividends
Baseline: Current Law
Distribution of Federal Tax Change by Cash Income Level, 2018 ¹
Summary Table

Expanded Cash Income Level (thousands of 2019 dollars) ²	All Tax Units (thousands)	Tax Units Reporting Gains or Qualified Dividends ³		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 ⁴	On All Other Income ⁵
Less than 10	12,740	2.8	1,680	*	**	*	**	**
10-20	22,290	2.9	2,010	0.2	**	*	**	**
20-30	19,110	5.3	3,340	0.4	**	*	**	**
30-40	15,670	7.3	2,990	0.7	280	*	8.9	-18.0
40-50	13,240	10.6	3,460	2.2	220	*	5.3	3.8
50-75	24,670	14.0	4,980	5.6	470	0.3	7.6	9.8
75-100	16,260	21.1	6,230	12.7	690	0.7	8.7	12.5
100-200	30,780	29.7	8,340	19.9	1,200	3.3	11.0	13.3
200-500	13,810	50.5	18,770	45.5	3,000	8.6	14.7	17.2
500-1,000	1,770	77.3	72,520	75.2	13,630	8.3	18.3	23.8
More than 1,000	760	88.7	1,191,600	88.0	257,790	78.5	21.5	32.3
All	172,380	17.4	39,240	10.7	11,920	100.0	19.5	22.3

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0319-2).

* Non-zero value rounded to zero; ** Insufficient data

(1) Calendar year. Baseline is current law for 2018 as of March 17, 2020. 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) 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.