

Table T21-0094
Baseline Distribution of Income and Federal Taxes
All Tax Units
by Expanded Cash Income Percentile, 2026 ¹

Expanded Cash Income Percentile ^{2,3}	Tax Units		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After- Tax Income ⁴ (Dollars)	Average Federal Tax Rate ⁵	Share of Pre- Tax Income	Share of Post-Tax Income	Share of Federal Taxes
	Number (thousands)	Percent of Total					Percent of Total	Percent of Total	Percent of Total
Lowest Quintile	48,270	26.1	18,450	620	17,840	3.3	3.9	4.7	0.6
Second Quintile	40,270	21.7	46,350	4,090	42,270	8.8	8.1	9.3	3.4
Middle Quintile	38,410	20.7	86,510	12,690	73,820	14.7	14.4	15.5	10.1
Fourth Quintile	31,330	16.9	153,930	28,290	125,640	18.4	20.9	21.6	18.4
Top Quintile	25,460	13.7	476,950	127,060	349,880	26.6	52.7	48.8	67.1
All	185,260	100.0	124,480	26,010	98,470	20.9	100.0	100.0	100.0
Addendum									
80-90	13,040	7.0	250,570	53,710	196,850	21.4	14.2	14.1	14.5
90-95	6,400	3.5	359,840	85,570	274,270	23.8	10.0	9.6	11.4
95-99	4,840	2.6	610,450	166,860	443,590	27.3	12.8	11.8	16.8
Top 1 Percent	1,180	0.6	3,056,980	996,390	2,060,590	32.6	15.7	13.4	24.5
Top 0.1 Percent	120	0.1	14,375,570	4,745,640	9,629,930	33.0	7.5	6.4	11.9

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0721-1).

Number of AMT Taxpayers (millions). Baseline: 7.4

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

(1) Calendar year. Baseline is current law as of 07/19/2021. For more information on TPC's baseline definitions, 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 2020 dollars): 20% \$28,000; 40% \$55,200; 60% \$99,300; 80% \$182,400; 90% \$265,600; 95% \$384,800; 99% \$890,600; 99.9% \$4,095,600.

(4) After-tax income is expanded cash income less: individual income tax net of refundable credits; corporate income tax; payroll taxes (Social Security and Medicare); estate tax; and excise taxes.

(5) Average federal tax (includes individual and corporate income tax, payroll taxes for Social Security and Medicare, the estate tax, and excise taxes) as a percentage of average expanded cash income.

Table T21-0094
Baseline Distribution of Income and Federal Taxes
All Tax Units
by Expanded Cash Income Percentile, 2026 ¹

Expanded Cash Income Percentile ^{2,3}	Tax Units		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After- Tax Income ⁴ (Dollars)	Average Federal Tax Rate ⁵	Share of Pre- Tax Income	Share of Post-Tax Income	Share of Federal Taxes
	Number (thousands)	Percent of Total					Percent of Total	Percent of Total	Percent of Total
Lowest Quintile	40,200	21.7	17,480	50	17,430	0.3	3.1	3.8	0.0
Second Quintile	38,410	20.7	41,500	3,350	38,150	8.1	6.9	8.0	2.7
Middle Quintile	37,700	20.4	77,520	10,110	67,410	13.0	12.7	13.9	7.9
Fourth Quintile	35,220	19.0	134,340	24,040	110,300	17.9	20.5	21.3	17.6
Top Quintile	32,200	17.4	406,660	106,960	299,700	26.3	56.8	52.9	71.5
All	185,260	100.0	124,480	26,010	98,470	20.9	100.0	100.0	100.0
Addendum									
80-90	16,500	8.9	214,460	45,470	168,990	21.2	15.4	15.3	15.6
90-95	8,040	4.3	310,550	73,030	237,510	23.5	10.8	10.5	12.2
95-99	6,200	3.4	524,480	140,970	383,510	26.9	14.1	13.0	18.1
Top 1 Percent	1,460	0.8	2,607,010	844,150	1,762,860	32.4	16.5	14.1	25.6
Top 0.1 Percent	150	0.1	12,499,220	4,124,620	8,374,600	33.0	7.9	6.7	12.4

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0721-1).

Number of AMT Taxpayers (millions). Baseline: 7.4

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

(1) Calendar year. Baseline is current law as of 07/19/2021. For more information on TPC's baseline definitions, 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

<https://www.taxpolicycenter.org/resources/income-measure-used->

(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 incomes used are adjusted for family size by dividing by the square root of the number of people in the tax unit. The breaks are (in 2020 dollars): 20% \$19,500; 40% \$38,400; 60% \$66,800; 80% \$112,000; 90% \$162,200; 95% \$229,100; 99% \$520,500; 99.9% \$2,342,200.

(4) After-tax income is expanded cash income less: individual income tax net of refundable credits; corporate income tax; payroll taxes (Social Security and Medicare); estate tax; and excise taxes.

(5) Average federal tax (includes individual and corporate income tax, payroll taxes for Social Security and Medicare, the estate tax, and excise taxes) as a percentage of average expanded cash income.

Table T21-0094
Baseline Distribution of Income and Federal Taxes
Single Tax Units
by Expanded Cash Income Percentile, 2026 ¹

Expanded Cash Income Percentile ^{2,3}	Tax Units		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After- Tax Income ⁴ (Dollars)	Average Federal Tax Rate ⁵	Share of Pre- Tax Income	Share of Post-Tax Income	Share of Federal Taxes
	Number (thousands)	Percent of Total					Percent of Total	Percent of Total	Percent of Total
Lowest Quintile	25,690	28.2	13,920	540	13,380	3.9	5.8	6.9	1.2
Second Quintile	20,990	23.1	32,930	3,000	29,930	9.1	11.2	12.6	5.3
Middle Quintile	18,880	20.8	59,700	8,230	51,470	13.8	18.3	19.6	13.2
Fourth Quintile	15,020	16.5	98,770	18,910	79,860	19.1	24.1	24.1	24.1
Top Quintile	9,580	10.5	258,540	69,000	189,540	26.7	40.3	36.5	56.0
All	90,980	100.0	67,570	12,970	54,600	19.2	100.0	100.0	100.0
Addendum									
80-90	5,350	5.9	153,190	34,760	118,420	22.7	13.3	12.8	15.8
90-95	2,290	2.5	220,250	53,680	166,560	24.4	8.2	7.7	10.4
95-99	1,610	1.8	364,290	99,720	264,570	27.4	9.5	8.6	13.6
Top 1 Percent	330	0.4	1,708,260	577,520	1,130,730	33.8	9.2	7.6	16.2
Top 0.1 Percent	30	0.0	8,398,660	2,926,200	5,472,460	34.8	4.2	3.4	7.7

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0721-1).

Number of AMT Taxpayers (millions). Baseline: 7.4

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

(1) Calendar year. Baseline is current law as of 07/19/2021. For more information on TPC's baseline definitions, 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 incomes used are adjusted for family size by dividing by the square root of the number of people in the tax unit. The breaks are (in 2020 dollars): 20% \$19,500; 40% \$38,400; 60% \$66,800; 80% \$112,000; 90% \$162,200; 95% \$229,100; 99% \$520,500; 99.9% \$2,342,200.

(4) After-tax income is expanded cash income less: individual income tax net of refundable credits; corporate income tax; payroll taxes (Social Security and Medicare); estate tax; and excise taxes.

(5) Average federal tax (includes individual and corporate income tax, payroll taxes for Social Security and Medicare, the estate tax, and excise taxes) as a percentage of average expanded cash income.

Table T21-0094
Baseline Distribution of Income and Federal Taxes
Married Tax Units Filing Jointly
by Expanded Cash Income Percentile, 2026 ¹

Expanded Cash Income Percentile ^{2,3}	Tax Units		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After- Tax Income ⁴ (Dollars)	Average Federal Tax Rate ⁵	Share of Pre- Tax Income	Share of Post-Tax Income	Share of Federal Taxes
	Number (thousands)	Percent of Total					Percent of Total	Percent of Total	Percent of Total
Lowest Quintile	7,140	10.8	23,360	190	23,170	0.8	1.2	1.5	0.0
Second Quintile	8,970	13.6	53,730	3,540	50,190	6.6	3.3	4.0	1.0
Middle Quintile	12,420	18.8	100,440	11,970	88,480	11.9	8.6	9.8	4.6
Fourth Quintile	16,450	24.9	167,150	28,340	138,810	17.0	19.0	20.3	14.4
Top Quintile	20,650	31.2	477,430	124,810	352,620	26.1	68.0	64.6	79.6
All	66,160	100.0	219,250	48,920	170,330	22.3	100.0	100.0	100.0
Addendum									
80-90	10,020	15.1	249,640	51,400	198,240	20.6	17.2	17.6	15.9
90-95	5,280	8.0	353,930	82,310	271,630	23.3	12.9	12.7	13.4
95-99	4,310	6.5	590,450	157,880	432,570	26.7	17.5	16.5	21.0
Top 1 Percent	1,050	1.6	2,819,830	907,140	1,912,690	32.2	20.3	17.7	29.3
Top 0.1 Percent	100	0.2	13,361,240	4,375,930	8,985,310	32.8	9.3	8.0	13.6

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0721-1).

Number of AMT Taxpayers (millions). Baseline: 7.4

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

(1) Calendar year. Baseline is current law as of 07/19/2021. For more information on TPC's baseline definitions, 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 incomes used are adjusted for family size by dividing by the square root of the number of people in the tax unit. The breaks are (in 2020 dollars): 20% \$19,500; 40% \$38,400; 60% \$66,800; 80% \$112,000; 90% \$162,200; 95% \$229,100; 99% \$520,500; 99.9% \$2,342,200.

(4) After-tax income is expanded cash income less: individual income tax net of refundable credits; corporate income tax; payroll taxes (Social Security and Medicare); estate tax; and excise taxes.

(5) Average federal tax (includes individual and corporate income tax, payroll taxes for Social Security and Medicare, the estate tax, and excise taxes) as a percentage of average expanded cash income.

Table T21-0094
Baseline Distribution of Income and Federal Taxes
Head of Household Tax Units
by Expanded Cash Income Percentile, 2026 ¹

Expanded Cash Income Percentile ^{2,3}	Tax Units		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After- Tax Income ⁴ (Dollars)	Average Federal Tax Rate ⁵	Share of Pre- Tax Income	Share of Post-Tax Income	Share of Federal Taxes
	Number (thousands)	Percent of Total					Percent of Total	Percent of Total	Percent of Total
Lowest Quintile	6,920	29.4	24,750	-2,020	26,770	-8.2	9.5	11.9	-5.5
Second Quintile	7,510	31.9	51,200	3,820	47,380	7.5	21.2	22.9	11.3
Middle Quintile	5,280	22.4	89,870	12,150	77,720	13.5	26.2	26.3	25.2
Fourth Quintile	2,700	11.5	143,110	27,340	115,770	19.1	21.3	20.0	28.9
Top Quintile	1,090	4.6	364,270	94,190	270,080	25.9	21.8	18.8	40.1
All	23,540	100.0	77,010	10,830	66,180	14.1	100.0	100.0	100.0
Addendum									
80-90	670	2.8	216,980	47,850	169,140	22.1	8.0	7.3	12.6
90-95	270	1.1	286,560	66,120	220,430	23.1	4.2	3.8	7.0
95-99	110	0.5	503,080	134,140	368,930	26.7	3.2	2.7	6.0
Top 1 Percent	30	0.1	3,437,390	1,102,540	2,334,850	32.1	6.4	5.1	14.6
Top 0.1 Percent	0	0.0	21,124,470	6,910,840	14,213,630	32.7	4.1	3.2	9.6

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0721-1).

Number of AMT Taxpayers (millions). Baseline: 7.4

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

(1) Calendar year. Baseline is current law as of 07/19/2021. For more information on TPC's baseline definitions, 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 incomes used are adjusted for family size by dividing by the square root of the number of people in the tax unit. The breaks are (in 2020 dollars): 20% \$19,500; 40% \$38,400; 60% \$66,800; 80% \$112,000; 90% \$162,200; 95% \$229,100; 99% \$520,500; 99.9% \$2,342,200.

(4) After-tax income is expanded cash income less: individual income tax net of refundable credits; corporate income tax; payroll taxes (Social Security and Medicare); estate tax; and excise taxes.

(5) Average federal tax (includes individual and corporate income tax, payroll taxes for Social Security and Medicare, the estate tax, and excise taxes) as a percentage of average expanded cash income.

Table T21-0094
Baseline Distribution of Income and Federal Taxes
Tax Units with Children
by Expanded Cash Income Percentile, 2026 ¹

Expanded Cash Income Percentile ^{2,3}	Tax Units		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After- Tax Income ⁴ (Dollars)	Average Federal Tax Rate ⁵	Share of Pre- Tax Income	Share of Post-Tax Income	Share of Federal Taxes
	Number (thousands)	Percent of Total					Percent of Total	Percent of Total	Percent of Total
Lowest Quintile	11,250	21.3	25,390	-1,830	27,230	-7.2	3.1	4.3	-1.0
Second Quintile	11,600	21.9	55,290	4,430	50,860	8.0	7.0	8.2	2.6
Middle Quintile	10,360	19.6	105,430	15,020	90,410	14.3	11.9	13.1	7.7
Fourth Quintile	9,830	18.6	185,460	35,860	149,590	19.3	19.9	20.5	17.5
Top Quintile	9,660	18.3	552,800	152,140	400,660	27.5	58.2	54.0	73.0
All	52,930	100.0	173,370	38,040	135,330	21.9	100.0	100.0	100.0
Addendum									
80-90	4,850	9.2	284,420	63,690	220,720	22.4	15.0	15.0	15.4
90-95	2,390	4.5	410,650	102,400	308,240	24.9	10.7	10.3	12.2
95-99	1,930	3.7	691,330	196,100	495,230	28.4	14.6	13.4	18.8
Top 1 Percent	490	0.9	3,374,160	1,102,870	2,271,280	32.7	17.9	15.4	26.7
Top 0.1 Percent	50	0.1	15,777,220	5,155,070	10,622,150	32.7	8.2	7.1	12.2

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0721-1).

Number of AMT Taxpayers (millions). Baseline: 7.4

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

Note: Tax units with children are those claiming an exemption for children at home or away from home or with children qualifying for the Child Tax Credit or EITC.

(1) Calendar year. Baseline is current law as of 07/19/2021. For more information on TPC's baseline definitions, 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 incomes used are adjusted for family size by dividing by the square root of the number of people in the tax unit. The breaks are (in 2020 dollars): 20% \$19,500; 40% \$38,400; 60% \$66,800; 80% \$112,000; 90% \$162,200; 95% \$229,100; 99% \$520,500; 99.9% \$2,342,200.

(4) After-tax income is expanded cash income less: individual income tax net of refundable credits; corporate income tax; payroll taxes (Social Security and Medicare); estate tax; and excise taxes.

(5) Average federal tax (includes individual and corporate income tax, payroll taxes for Social Security and Medicare, the estate tax, and excise taxes) as a percentage of average expanded cash income.

Table T21-0094
Baseline Distribution of Income and Federal Taxes
Elderly Tax Units
by Expanded Cash Income Percentile, 2026 ¹

Expanded Cash Income Percentile ^{2,3}	Tax Units		Average Income (Dollars)	Average Federal Tax Burden (Dollars)	Average After- Tax Income ⁴ (Dollars)	Average Federal Tax Rate ⁵	Share of Pre- Tax Income	Share of Post-Tax Income	Share of Federal Taxes
	Number (thousands)	Percent of Total					Percent of Total	Percent of Total	Percent of Total
Lowest Quintile	10,420	20.0	17,240	180	17,060	1.0	3.3	3.9	0.2
Second Quintile	12,670	24.3	37,970	1,130	36,830	3.0	8.8	10.3	1.6
Middle Quintile	12,230	23.5	71,140	5,060	66,080	7.1	15.9	17.8	6.8
Fourth Quintile	9,160	17.6	122,180	15,070	107,120	12.3	20.5	21.6	15.2
Top Quintile	7,030	13.5	398,700	97,950	300,750	24.6	51.4	46.5	75.6
All	52,130	100.0	104,680	17,470	87,210	16.7	100.0	100.0	100.0
Addendum									
80-90	3,740	7.2	194,610	32,640	161,970	16.8	13.3	13.3	13.4
90-95	1,600	3.1	278,810	54,820	223,990	19.7	8.2	7.9	9.6
95-99	1,320	2.5	476,070	118,030	358,040	24.8	11.5	10.4	17.1
Top 1 Percent	380	0.7	2,672,710	862,440	1,810,270	32.3	18.4	14.9	35.5
Top 0.1 Percent	50	0.1	11,767,610	3,870,840	7,896,770	32.9	10.1	8.1	19.8

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0721-1).

Number of AMT Taxpayers (millions). Baseline: 7.4

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

Note: Elderly tax units are those with either head or spouse (if filing jointly) age 65 or older.

(1) Calendar year. Baseline is current law as of 07/19/2021. For more information on TPC's baseline definitions, 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 incomes used are adjusted for family size by dividing by the square root of the number of people in the tax unit. The breaks are (in 2020 dollars): 20% \$19,500; 40% \$38,400; 60% \$66,800; 80% \$112,000; 90% \$162,200; 95% \$229,100; 99% \$520,500; 99.9% \$2,342,200.

(4) After-tax income is expanded cash income less: individual income tax net of refundable credits; corporate income tax; payroll taxes (Social Security and Medicare); estate tax; and excise taxes.

(5) Average federal tax (includes individual and corporate income tax, payroll taxes for Social Security and Medicare, the estate tax, and excise taxes) as a percentage of average expanded cash income.