

Table T21-0142
Effective Federal Tax Rates - All Tax Units
By Expanded Cash Income Percentile, 2031 ¹
Baseline: Current Law

| Expanded Cash Income Percentile ^{2,3} | Tax Units | | As a Percentage of Expanded Cash Income | | | | | |
|---|-----------------------|------------------|---|--------------------------|-------------------------|------------|------------|------------------------------|
| | Number (Thousands) | Percent of Total | Individual Income Tax ⁴ | Payroll Tax ⁵ | Corporate Income Tax | Estate Tax | Excise Tax | All Federal Tax ⁶ |
| Lowest Quintile | 49,020 | 25.5 | -4.3 | 6.3 | 0.6 | 0.1 | 0.5 | 3.2 |
| Second Quintile | 42,020 | 21.8 | 1.0 | 6.8 | 0.8 | 0.0 | 0.4 | 9.0 |
| Middle Quintile | 40,460 | 21.0 | 6.0 | 7.4 | 1.0 | 0.0 | 0.4 | 14.7 |
| Fourth Quintile | 32,960 | 17.1 | 8.7 | 8.1 | 1.1 | 0.1 | 0.4 | 18.4 |
| Top Quintile | 26,630 | 13.8 | 17.5 | 6.2 | 1.8 | 0.3 | 0.3 | 26.0 |
| All | 192,590 | 100.0 | 11.7 | 6.8 | 1.4 | 0.2 | 0.4 | 20.4 |
| Addendum | | | | | | | | |
| 80-90 | 13,690 | 7.1 | 11.0 | 8.5 | 1.2 | 0.1 | 0.4 | 21.2 |
| 90-95 | 6,700 | 3.5 | 13.9 | 8.0 | 1.4 | 0.2 | 0.3 | 23.8 |
| 95-99 | 5,010 | 2.6 | 18.8 | 6.3 | 1.5 | 0.2 | 0.3 | 27.2 |
| Top 1 Percent | 1,230 | 0.6 | 25.1 | 2.5 | 2.9 | 0.5 | 0.2 | 31.2 |
| Top 0.1 Percent | 130 | 0.1 | 25.4 | 1.3 | 3.8 | 0.4 | 0.2 | 31.1 |

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

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

(1) Calendar year. Baseline is current law as of 7/19/2021. 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% \$30,200; 40% \$58,900; 60% \$104,500; 80% \$190,100; 90% \$278,700; 95% \$405,500; 99% \$921,000; 99.9% \$4,297,900.

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

- (5) Includes both the employee and employer portion of Social Security and Medicare tax.
- (6) Excludes customs duties.

Table T21-0142
Effective Federal Tax Rates - All Tax Units
By Expanded Cash Income Percentile, 2031 ¹
Baseline: Current Law

| Expanded Cash Income Percentile ^{2,3} | Tax Units | | As a Percentage of Expanded Cash Income | | | | | |
|---|-----------------------|------------------|---|--------------------------|-------------------------|------------|------------|------------------------------|
| | Number (Thousands) | Percent of Total | Individual Income Tax ⁴ | Payroll Tax ⁵ | Corporate Income Tax | Estate Tax | Excise Tax | All Federal Tax ⁶ |
| Lowest Quintile | 40,710 | 21.1 | -7.8 | 7.4 | 0.5 | 0.0 | 0.5 | 0.7 |
| Second Quintile | 40,050 | 20.8 | 0.2 | 7.0 | 0.7 | 0.0 | 0.4 | 8.3 |
| Middle Quintile | 39,540 | 20.5 | 4.7 | 7.1 | 0.9 | 0.0 | 0.4 | 13.0 |
| Fourth Quintile | 36,980 | 19.2 | 8.3 | 8.1 | 1.0 | 0.0 | 0.4 | 17.9 |
| Top Quintile | 33,800 | 17.6 | 17.1 | 6.2 | 1.8 | 0.3 | 0.3 | 25.7 |
| All | 192,590 | 100.0 | 11.7 | 6.8 | 1.4 | 0.2 | 0.4 | 20.4 |
| Addendum | | | | | | | | |
| 80-90 | 17,430 | 9.1 | 11.1 | 8.3 | 1.2 | 0.1 | 0.4 | 21.1 |
| 90-95 | 8,380 | 4.4 | 13.7 | 8.1 | 1.4 | 0.1 | 0.3 | 23.5 |
| 95-99 | 6,460 | 3.4 | 18.0 | 6.4 | 1.6 | 0.3 | 0.3 | 26.7 |
| Top 1 Percent | 1,530 | 0.8 | 24.9 | 2.5 | 2.9 | 0.6 | 0.2 | 31.0 |
| Top 0.1 Percent | 150 | 0.1 | 25.3 | 1.3 | 3.8 | 0.5 | 0.2 | 31.1 |

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

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

(1) Calendar year. Baseline is current law as of 7/19/2021. 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% \$21,100; 40% \$41,300; 60% \$71,100; 80% \$117,900; 90% \$172,000; 95% \$241,700; 99% \$542,500; 99.9% \$2,370,600.

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

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

(6) Excludes customs duties.

Table T21-0142
Effective Federal Tax Rates - Single Tax Units
By Expanded Cash Income Income Percentile, 2031 ¹
Baseline: Current Law

| Expanded Cash Income Percentile ^{2,3} | Tax Units | | | As a Percentage of Expanded Cash Income | | | | |
|---|-----------------------|---------------------|---------------------------------------|---|-------------------------|------------|------------|------------------------------|
| | Number (Thousands) | Percent of Total | Individual Income Tax ⁴ | Payroll Tax ⁵ | Corporate Income Tax | Estate Tax | Excise Tax | All Federal Tax ⁶ |
| Lowest Quintile | 25,300 | 27.0 | # -3.2 | 5.9 | 0.5 | 0.0 | 0.6 | 3.7 |
| Second Quintile | 21,830 | 23.3 | # 1.6 | 5.6 | 0.9 | 0.1 | 0.4 | 8.6 |
| Middle Quintile | 19,550 | 20.8 | # 5.5 | 6.7 | 1.0 | 0.0 | 0.4 | 13.6 |
| Fourth Quintile | 15,890 | 16.9 | # 9.4 | 8.1 | 1.1 | 0.0 | 0.4 | 19.1 |
| Top Quintile | 10,430 | 11.1 | # 16.1 | 6.6 | 1.9 | 1.2 | 0.3 | 26.1 |
| All | 93,820 | 100.0 | # 9.8 | 6.8 | 1.4 | 0.5 | 0.4 | 18.9 |
| Addendum | | | | | | | | |
| 80-90 | 5,820 | 6.2 | # 12.1 | 8.4 | 1.4 | 0.3 | 0.4 | 22.6 |
| 90-95 | 2,500 | 2.7 | # 13.5 | 8.1 | 1.6 | 0.4 | 0.3 | 24.0 |
| 95-99 | 1,750 | 1.9 | # 17.2 | 6.4 | 1.9 | 1.4 | 0.3 | 27.2 |
| Top 1 Percent | 360 | 0.4 | # 23.8 | 2.4 | 3.1 | 2.9 | 0.2 | 32.4 |
| Top 0.1 Percent | 30 | 0.0 | # 24.9 | 1.1 | 4.2 | 2.6 | 0.2 | 33.0 |

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

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

(1) Calendar year. Baseline is current law as of 7/19/2021. 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% \$21,100; 40% \$41,300; 60% \$71,100; 80% \$117,900; 90% \$172,000; 95% \$241,700; 99% \$542,500; 99.9% \$2,370,600.

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

- (5) Includes both the employee and employer portion of Social Security and Medicare tax.
- (6) Excludes customs duties.

Table T21-0142
Effective Federal Tax Rates - Married Tax Units, Filing Jointly
By Expanded Cash Income Percentile, 2031 ¹
Baseline: Current Law

| Expanded Cash Income Percentile ^{2,3} | Tax Units | | | As a Percentage of Expanded Cash Income | | | | | |
|---|-----------------------|---------------------|---------------------------------------|---|-------------------------|------------|------------|------------------------------|-------------|
| | Number (Thousands) | Percent of Total | Individual Income Tax ⁴ | Payroll Tax ⁵ | Corporate Income Tax | Estate Tax | Excise Tax | All Federal Tax ⁶ | |
| Lowest Quintile | 7,250 | 10.6 | # | -6.2 | 6.4 | 0.5 | 0.0 | 0.5 | 1.2 |
| Second Quintile | 9,520 | 13.9 | # | -0.2 | 6.0 | 0.7 | 0.0 | 0.4 | 6.9 |
| Middle Quintile | 13,220 | 19.3 | # | 4.0 | 6.5 | 0.9 | 0.0 | 0.4 | 11.8 |
| Fourth Quintile | 16,880 | 24.7 | # | 7.6 | 7.9 | 1.0 | 0.0 | 0.4 | 16.9 |
| Top Quintile | 21,000 | 30.7 | # | 17.3 | 6.1 | 1.7 | 0.1 | 0.3 | 25.6 |
| All | 68,380 | 100.0 | # | 13.3 | 6.5 | 1.5 | 0.0 | 0.3 | 21.7 |
| Addendum | | | | | | | | | |
| 80-90 | 10,200 | 14.9 | # | 10.6 | 8.2 | 1.2 | 0.0 | 0.4 | 20.4 |
| 90-95 | 5,360 | 7.8 | # | 13.6 | 8.1 | 1.3 | 0.0 | 0.3 | 23.3 |
| 95-99 | 4,380 | 6.4 | # | 18.2 | 6.5 | 1.5 | 0.1 | 0.3 | 26.6 |
| Top 1 Percent | 1,070 | 1.6 | # | 25.2 | 2.6 | 2.7 | 0.2 | 0.2 | 30.9 |
| Top 0.1 Percent | 100 | 0.2 | # | 25.8 | 1.4 | 3.5 | 0.2 | 0.2 | 31.0 |

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

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

(1) Calendar year. Baseline is current law as of 7/19/2021. 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% \$21,100; 40% \$41,300; 60% \$71,100; 80% \$117,900; 90% \$172,000; 95% \$241,700; 99% \$542,500; 99.9% \$2,370,600.

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

- (5) Includes both the employee and employer portion of Social Security and Medicare tax.
- (6) Excludes customs duties.

Table T21-0142
Effective Federal Tax Rates - Head of Household Tax Units
By Expanded Cash Income Percentile, 2031 ¹
Baseline: Current Law

| Expanded Cash Income Percentile ^{2,3} | Tax Units | | | As a Percentage of Expanded Cash Income | | | | | |
|---|-----------------------|---------------------|---------------------------------------|---|-------------------------|------------|------------|------------------------------|--|
| | Number (Thousands) | Percent of Total | Individual Income Tax ⁴ | Payroll Tax ⁵ | Corporate Income Tax | Estate Tax | Excise Tax | All Federal Tax ⁶ | |
| Lowest Quintile | 7,650 | 31.1 | # -18.3 | 11.3 | 0.5 | 0.0 | 0.5 | -6.0 | |
| Second Quintile | 7,580 | 30.8 | # -2.4 | 10.5 | 0.5 | 0.0 | 0.4 | 9.0 | |
| Middle Quintile | 5,310 | 21.6 | # 3.9 | 9.0 | 0.6 | 0.0 | 0.4 | 13.9 | |
| Fourth Quintile | 2,870 | 11.7 | # 8.5 | 9.6 | 0.7 | 0.0 | 0.4 | 19.3 | |
| Top Quintile | 1,180 | 4.8 | # 16.5 | 6.3 | 1.8 | 0.0 | 0.3 | 24.9 | |
| All | 24,640 | 100.0 | # 4.0 | 9.1 | 0.9 | 0.0 | 0.4 | 14.4 | |
| Addendum | | | | | | | | | |
| 80-90 | 790 | 3.2 | # 11.6 | 8.6 | 0.9 | 0.0 | 0.4 | 21.6 | |
| 90-95 | 240 | 1.0 | # 14.5 | 7.5 | 1.2 | 0.0 | 0.3 | 23.5 | |
| 95-99 | 120 | 0.5 | # 18.9 | 5.9 | 1.3 | 0.1 | 0.3 | 26.6 | |
| Top 1 Percent | 40 | 0.1 | # 24.3 | 2.0 | 3.8 | 0.1 | 0.2 | 30.4 | |
| Top 0.1 Percent | 0 | 0.0 | # 23.9 | 0.8 | 5.5 | 0.1 | 0.2 | 30.5 | |

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

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

(1) Calendar year. Baseline is current law as of 7/19/2021. 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% \$21,100; 40% \$41,300; 60% \$71,100; 80% \$117,900; 90% \$172,000; 95% \$241,700; 99% \$542,500; 99.9% \$2,370,600.

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

- (5) Includes both the employee and employer portion of Social Security and Medicare tax.
- (6) Excludes customs duties.

Table T21-0142
Effective Federal Tax Rates - Tax Units with Children
By Expanded Cash Income Percentile, 2031 ¹
Baseline: Current Law

| Expanded Cash Income Percentile ^{2,3} | Tax Units | | As a Percentage of Expanded Cash Income | | | | | All Federal Tax ⁶ |
|---|-----------------------|---------------------|---|--------------------------|-------------------------|------------|------------|------------------------------|
| | Number (Thousands) | Percent of Total | Individual Income Tax ⁴ | Payroll Tax ⁵ | Corporate Income Tax | Estate Tax | Excise Tax | |
| Lowest Quintile | 12,470 | 22.7 | -17.6 | 11.2 | 0.5 | 0.0 | 0.5 | -5.4 |
| Second Quintile | 11,870 | 21.6 | -2.0 | 10.6 | 0.5 | 0.0 | 0.4 | 9.5 |
| Middle Quintile | 10,370 | 18.9 | 4.1 | 9.6 | 0.6 | 0.0 | 0.4 | 14.6 |
| Fourth Quintile | 10,100 | 18.4 | 8.3 | 10.0 | 0.7 | 0.0 | 0.4 | 19.4 |
| Top Quintile | 9,870 | 18.0 | 18.7 | 6.6 | 1.4 | 0.0 | 0.3 | 27.1 |
| All | 54,900 | 100.0 | 12.1 | 8.1 | 1.1 | 0.0 | 0.4 | 21.7 |
| Addendum | | | | | | | | |
| 80-90 | 4,890 | 8.9 | 11.5 | 9.6 | 0.9 | 0.0 | 0.4 | 22.4 |
| 90-95 | 2,470 | 4.5 | 15.2 | 8.6 | 1.0 | 0.0 | 0.3 | 25.1 |
| 95-99 | 2,010 | 3.7 | 20.1 | 6.6 | 1.2 | 0.0 | 0.3 | 28.2 |
| Top 1 Percent | 490 | 0.9 | 26.2 | 2.7 | 2.5 | 0.0 | 0.2 | 31.6 |
| Top 0.1 Percent | 50 | 0.1 | 25.8 | 1.5 | 3.5 | 0.0 | 0.2 | 31.1 |

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

* 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 7/19/2021. 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% \$21,100; 40% \$41,300; 60% \$71,100; 80% \$117,900; 90% \$172,000; 95% \$241,700; 99% \$542,500; 99.9% \$2,370,600.

- (4) After tax credits (including refundable portion of earned income and child tax credits).
- (5) Includes both the employee and employer portion of Social Security and Medicare tax.
- (6) Excludes customs duties.

Table T21-0142
Effective Federal Tax Rates - Elderly Tax Units
By Expanded Cash Income Percentile, 2031 ¹
Baseline: Current Law

| Expanded Cash Income Percentile ^{2,3} | Tax Units | | As a Percentage of Expanded Cash Income | | | | | |
|---|-----------------------|---------------------|---|--------------------------|-------------------------|------------|------------|------------------------------|
| | Number (Thousands) | Percent of Total | Individual Income Tax ⁴ | Payroll Tax ⁵ | Corporate Income Tax | Estate Tax | Excise Tax | All Federal Tax ⁶ |
| Lowest Quintile | 10,340 | 18.2 | -0.5 | 0.7 | 0.4 | 0.0 | 0.3 | 0.9 |
| Second Quintile | 14,600 | 25.7 | 0.4 | 1.1 | 1.0 | 0.1 | 0.3 | 2.8 |
| Middle Quintile | 13,950 | 24.6 | 3.8 | 1.7 | 1.4 | 0.0 | 0.3 | 7.2 |
| Fourth Quintile | 9,830 | 17.3 | 7.1 | 2.7 | 2.0 | 0.1 | 0.3 | 12.1 |
| Top Quintile | 7,420 | 13.1 | 15.8 | 3.1 | 3.1 | 1.2 | 0.2 | 23.5 |
| All | 56,800 | 100.0 | 9.9 | 2.5 | 2.3 | 0.6 | 0.3 | 15.7 |
| Addendum | | | | | | | | |
| 80-90 | 3,970 | 7.0 | 9.8 | 3.5 | 2.5 | 0.4 | 0.3 | 16.4 |
| 90-95 | 1,660 | 2.9 | 11.3 | 4.3 | 2.7 | 0.5 | 0.3 | 19.1 |
| 95-99 | 1,370 | 2.4 | 15.6 | 4.1 | 2.9 | 1.5 | 0.2 | 24.3 |
| Top 1 Percent | 420 | 0.7 | 22.8 | 1.7 | 3.9 | 1.9 | 0.2 | 30.5 |
| Top 0.1 Percent | 50 | 0.1 | 23.5 | 0.8 | 4.7 | 1.5 | 0.1 | 30.6 |

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

* 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 11/15/2019. For more information on TPC's baseline definitions, see:

[\(1\) Calendar year. Baseline is current law as of 7/19/2021. For more information on TPC's baseline definitions, see:](#)

(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% \$21,100; 40% \$41,300; 60% \$71,100; 80% \$117,900; 90% \$172,000; 95% \$241,700; 99% \$542,500; 99.9% \$2,370,600.

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- (5) Includes both the employee and employer portion of Social Security and Medicare tax.
- (6) Excludes customs duties.