

Table T21-0200
Individual Income Tax on Long-Term Capital Gains and Qualified Dividends
Baseline: Current Law
Distribution of Federal Tax Change by Cash Income Level, 2019 ¹
Summary Table

Expanded Cash Income Level (thousands of 2020 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	11,200	2.1	1,780	*	**	*	**	**
10-20	22,230	2.9	1,600	0.2	**	*	**	**
20-30	19,490	5.7	3,610	0.3	**	*	**	**
30-40	15,740	8.4	3,480	1.0	310	*	8.4	-11.0
40-50	13,180	11.6	3,700	2.8	200	*	4.4	2.8
50-75	24,860	14.5	5,450	6.2	450	0.3	6.7	9.5
75-100	17,150	21.9	7,330	13.4	740	0.8	8.0	12.2
100-200	31,300	29.2	10,260	19.3	1,360	3.9	10.3	13.2
200-500	14,920	50.3	22,560	45.9	3,470	11.3	14.3	17.2
500-1,000	1,930	77.1	68,540	74.8	12,490	8.6	17.9	23.8
More than 1,000	850	87.8	1,033,900	87.1	213,650	75.1	20.5	32.5
All	174,070	18.1	38,980	11.2	10,800	100.0	18.3	22.8

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 for 2019 as of July 19, 2021. 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.