

**Table T21-0218**  
**Distribution of Tax Units with Business Income by Expanded Cash Income Percentile, 2021**

Expanded Cash Income Percentile <sup>1</sup>	All Tax Units		Tax Units with Business Income <sup>2</sup>			Percent of Tax Units with Business Income					Tax Units with Business Income		Business Income as Percentage of Total AGI
	Number (thousands)	Percent of Total	Number (thousands)	Percent of Total	Percent of Income Class	Less than 0	Greater than 0	Greater than 10% of AGI	Greater than 25% of AGI	Greater than 50% of AGI	Amount (\$ billions)	Average (\$)	
<b>Lowest Quintile</b>	47,380	26.5	5,620	15.2	11.9	1.4	10.5	9.8	9.2	8.5	39.7	7,080	11.4
<b>Second Quintile</b>	38,900	21.8	5,370	14.5	13.8	3.3	10.5	8.7	7.2	5.9	44.9	8,360	4.7
<b>Middle Quintile</b>	36,280	20.3	6,470	17.5	17.9	6.6	11.2	7.3	5.2	3.2	45.3	7,000	2.4
<b>Fourth Quintile</b>	29,900	16.7	7,810	21.2	26.1	10.4	15.8	7.7	4.5	2.5	68.9	8,810	2.4
<b>Top Quintile</b>	24,630	13.8	10,390	28.1	42.2	14.9	27.2	15.3	11.1	6.9	1104.1	106,300	13.7
<b>All</b>	<b>178,610</b>	<b>100.0</b>	<b>36,950</b>	<b>100.0</b>	<b>20.7</b>	<b>6.8</b>	<b>13.9</b>	<b>9.4</b>	<b>7.4</b>	<b>5.7</b>	<b>1185.8</b>	<b>32,090</b>	<b>9.0</b>
<b>Addendum</b>													
<b>80-90</b>	12,610	7.1	4,310	11.7	34.2	13.3	20.9	10.4	7.0	3.7	74.5	17,310	3.8
<b>90-95</b>	6,160	3.5	2,550	6.9	41.5	15.3	26.2	13.8	9.3	5.2	75.9	29,730	5.6
<b>95-99</b>	4,720	2.6	2,640	7.2	56.1	18.1	38.0	23.8	18.1	12.1	241.7	91,390	12.9
<b>Top 1 Percent</b>	1,140	0.6	880	2.4	77.5	18.5	59.0	42.8	36.4	28.5	711.9	807,580	24.7
<b>Top 0.1 Percent</b>	120	0.1	110	0.3	89.4	27.3	62.1	45.0	39.3	32.0	348.0	3,321,920	22.5

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

Note: Calendar year. Baseline is the law in place for 2021 as of September 2, 2021. Tax units that are dependents of other tax units are excluded from the analysis.

(1) 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% \$27,900; 40% \$55,100; 60% \$97,700; 80% \$178,100; 90% \$259,000; 95% \$372,600; 99% \$882,500; 99.9% \$4,052,100. 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>.

(2) Includes all tax units reporting non-zero business income. Business income includes income or loss from a) non-farm sole proprietors (Schedule C); b) farming (Schedule F); c) rental real estate (Schedule E Part I); d) partnerships (Schedule E Part II); and e) S corporations (Schedule E Part II).