

Table T12-0231
Fiscal Cliff Provisions
Effective Marginal Individual Income Tax Rates (EMTR) On Capital Income
By Cash Income Percentile, 2013¹

Cash Income Percentiles ^{2,3}	Tax Units (thousands)	Long-term Capital Gains		Qualified Dividends		Interest Income	
		Baseline	All Fiscal Cliff Provisions	Baseline	All Fiscal Cliff Provisions	Baseline	All Fiscal Cliff Provisions
Lowest Quintile	40,520	1.0	1.5	0.9	2.0	2.5	3.7
Second Quintile	36,208	0.6	3.1	0.8	7.7	6.7	9.1
Third Quintile	31,370	3.3	9.6	5.2	18.2	16.1	19.1
Fourth Quintile	26,062	5.8	13.0	8.5	24.3	20.5	24.5
Top Quintile	23,189	14.7	22.3	15.5	37.3	27.2	33.7
All	158,260	13.7	20.9	13.9	34.2	21.6	26.7
Addendum							
80-90	11,691	11.7	16.2	11.8	27.3	24.4	27.8
90-95	5,736	13.0	17.9	13.6	27.8	24.8	27.8
95-99	4,614	16.7	23.4	18.0	34.9	30.0	34.2
Top 1 Percent	1,147	14.6	22.7	15.3	41.1	27.4	36.7
Top 0.1 Percent	117	14.6	23.0	15.0	42.0	26.6	36.3

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0412-7).

(1) Calendar year. Effective marginal tax rates are weighted by the appropriate income source. Baseline is current policy with the following modifications: extension of 2 percent payroll tax cut; repeal of the health care legislation taxes on earnings, and investment income; repeal of the 10 percent limitation on the deductibility of medical expenses; and extension of certain business and other provisions. For a description of TPC's current policy baseline, see:

<http://taxpolicycenter.org/numbers/displayatab.cfm?Docid=3131>

For a description of the provisions included in the fiscal cliff, see

<http://www.taxpolicycenter.org/publications/url.cfm?ID=412666>

(2) Includes both filing and non-filing units but excludes those that are dependents of other tax units. Tax units with negative cash income are excluded from the lowest income class but are included in the totals. For a description of 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 2012 dollars): 20% \$20,113; 40% \$39,790; 60% \$64,484; 80% \$108,266; 90% \$143,373; 95% \$204,296; 99% \$506,210; 99.9% \$2,655,675.