

Table T14-0070
Chairman Dave Camp's Tax Reform Act of 2014
Effective Marginal Tax Rates on Wages, Salaries, and Capital Income
By Expanded Cash Income Percentile, 2023 ¹

Expanded Cash Income Percentiles ^{2,3}	Tax Units (thousands)	Wages and Salaries		Long-term Capital Gains		Qualifying Dividends		Interest Income	
		Current Law	Camp Tax Reform Plan	Current Law	Camp Tax Reform Plan	Current Law	Camp Tax Reform Plan	Current Law	Camp Tax Reform Plan
Lowest Quintile	44,500	4.5	2.8	0.9	2.1	0.6	1.9	4.9	4.8
Second Quintile	37,598	15.5	14.2	2.2	5.6	3.2	7.0	14.6	13.1
Third Quintile	35,272	19.3	19.0	8.3	9.8	11.2	13.0	22.2	22.1
Fourth Quintile	28,346	20.6	20.1	9.7	10.4	11.8	13.6	22.8	22.4
Top Quintile	25,147	31.7	29.3	22.4	20.8	22.7	21.1	35.2	33.1
All	172,542	25.1	23.5	20.9	19.5	19.9	19.1	27.6	26.1
Addendum									
80-90	12,783	25.3	24.9	14.3	12.9	15.3	14.5	27.1	25.2
90-95	6,110	27.7	25.3	17.5	14.1	18.6	15.5	29.8	26.6
95-99	4,968	32.8	30.8	21.1	17.8	22.7	20.0	35.0	33.2
Top 1 Percent	1,286	39.8	35.2	23.5	22.3	24.3	23.2	38.6	36.4
Top 0.1 Percent	130	40.4	35.2	23.9	22.6	24.4	23.1	38.4	36.1

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0613-3).

(1) Calendar year. We calculate each tax unit's effective marginal individual income tax rate by adding \$1,000 to the income source and dividing the resulting tax change by that \$1,000. We then calculate the averages by weighting by the initial value of the appropriate income source. For a description of the provisions in the Tax Reform Act of 2014, see

<http://taxpolicycenter.org/UploadedPDF/413176-Camp-Plan-Description-and-Analysis.pdf>

(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 2013 dollars): 20% \$26,827; 40% \$54,460; 60% \$95,241; 80% \$156,821; 90% \$230,152; 95% \$304,802; 99% \$779,814; 99.9% \$4,723,866.