

Table T05-0278
Current-Law Distribution of Individual Income and Payroll Tax Burden
by Cash Income Percentile, 2005¹

Cash Income Percentile ²	Percent of Total				Average Effective Tax Rate ⁵		
	Income	Income Tax ³	Payroll Tax ⁴	Income and Payroll	Income Tax	Payroll Tax	Income and Payroll
Lowest Quintile	2.4	-1.4	2.2	0.3	-5.4	7.5	2.1
Second Quintile	6.3	-1.9	6.9	2.2	-2.9	9.1	6.1
Middle Quintile	11.4	3.1	14.6	8.4	2.7	10.6	13.3
Fourth Quintile	19.7	13.4	25.5	19.0	6.6	10.8	17.3
Top Quintile	60.5	86.8	50.7	70.1	13.9	7.0	20.9
All	100.0	100.0	100.0	100.0	9.7	8.3	18.0
Addendum							
Top 10 Percent	44.9	73.1	30.5	53.4	15.8	5.6	21.4
Top 5 Percent	33.7	60.7	17.1	40.6	17.5	4.2	21.7
Top 1 Percent	18.6	38.3	4.6	22.7	20.0	2.0	22.0
Top 0.5 Percent	14.7	30.8	2.8	17.9	20.4	1.6	22.0
Top 0.1 Percent	8.5	18.1	1.0	10.2	20.7	1.0	21.7

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0305-3A).

(1) Calendar Year.

(2) Tax units with negative cash income are excluded from the lowest quintile but are included in the totals. For a description of cash income, see <http://www.taxpolicycenter.org/TaxModel/income.cfm>. Includes both filing and non-filing units. Tax units that are dependents of other taxpayers are excluded from the analysis.

(3) Net of refundable credits (earned income tax credit and refundable child tax credit).

(4) Includes both the employee and employer portion of social security and medicare tax.

(5) Average income plus payroll tax as a percent of average income.