Effective tax rates increase with income

Effective Federal Tax Rates (% of Expanded Cash Income in 2019)

- Lowest Quintile: 3%
- Second Quintile: 8%
- Middle Quintile: 13%
- Fourth Quintile: 17%
- Top Quintile: 24%
- Top 1% of Earners: 29%

NOTES: Federal taxes include the excise tax, estate tax, corporate income tax, payroll tax, and individual income tax. Individual income tax rates for the lowest and second quintiles are negative and are netted against the payroll tax rate. A quintile is one-fifth of the population. In 2019 dollars, the income breaks are: 20% $25,300; 40% $50,700; 60% $91,200; 80% $163,600; 99% $818,700. The top quintile includes the top 1% of earners.