All income groups pay taxes, but overall the U.S. tax system is progressive

Effective Federal Tax Rate (% of Cash Income in 2018)

- Estate Tax
- Excise Tax
- Corporate Income Tax
- Payroll Tax
- Individual Income Tax

SOURCE: Tax Policy Center, Baseline Average Effective Tax Rates, August 2018. Data are for 2018. Compiled by PGPF.
NOTE: Individual income tax rates for the lowest and second lowest quintiles are negative and are netted against the payroll tax rate. Each quintile contains one fifth of the population. In 2018 dollars, the income breaks are: 20% $25,100; 40% $49,300; 60% $85,900; 80% $153,300; 99% $754,800. Includes both filing and non-filing units but excludes those that are dependents of other tax units.