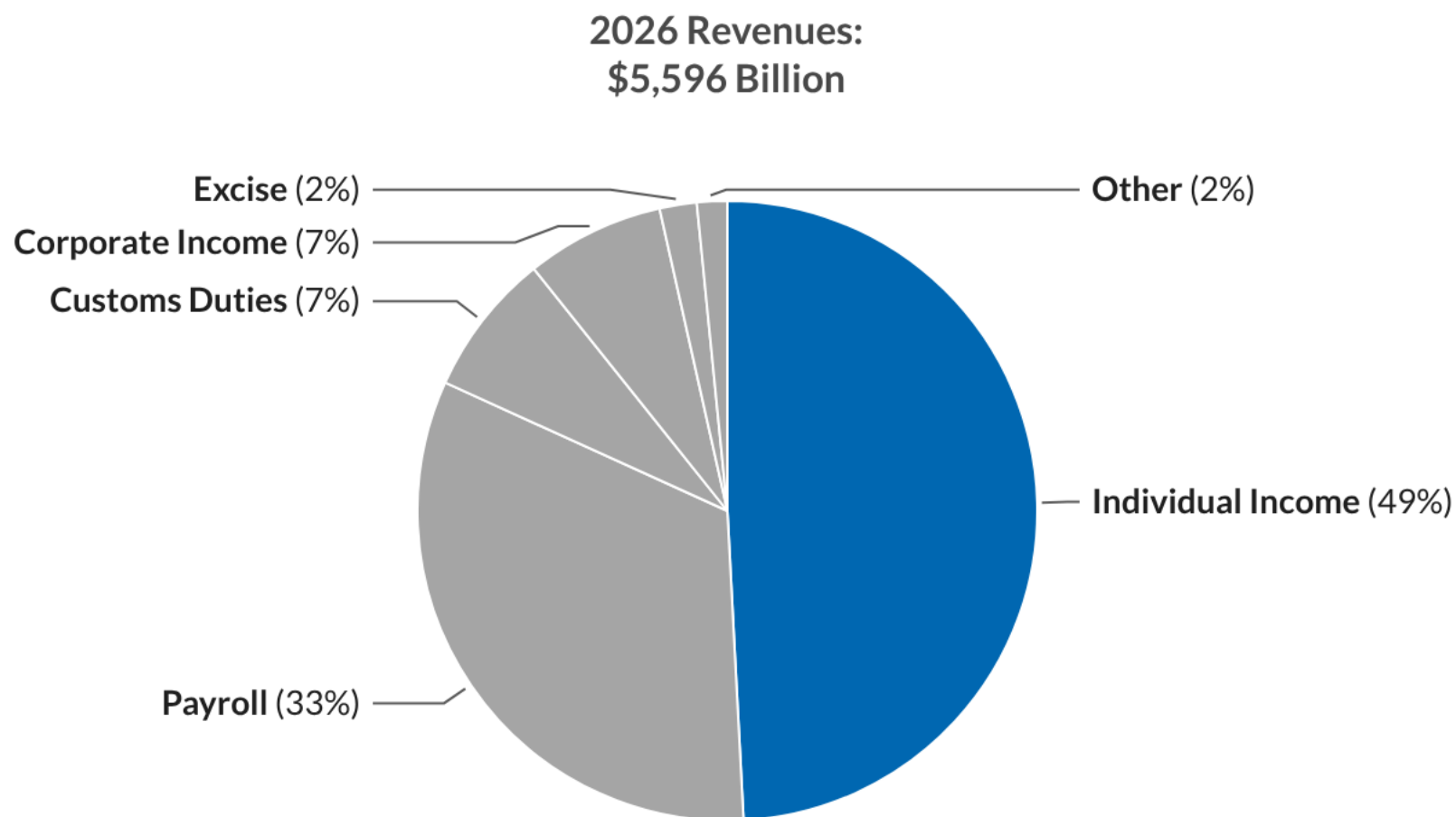


INDIVIDUAL TAXES

Chart Pack

FEBRUARY 2026

Half of the federal government's revenues come from individual income taxes



Source: Congressional Budget Office

Notes: Other includes estate and gift taxes, income from the Federal Reserve, and miscellaneous fees and fines.

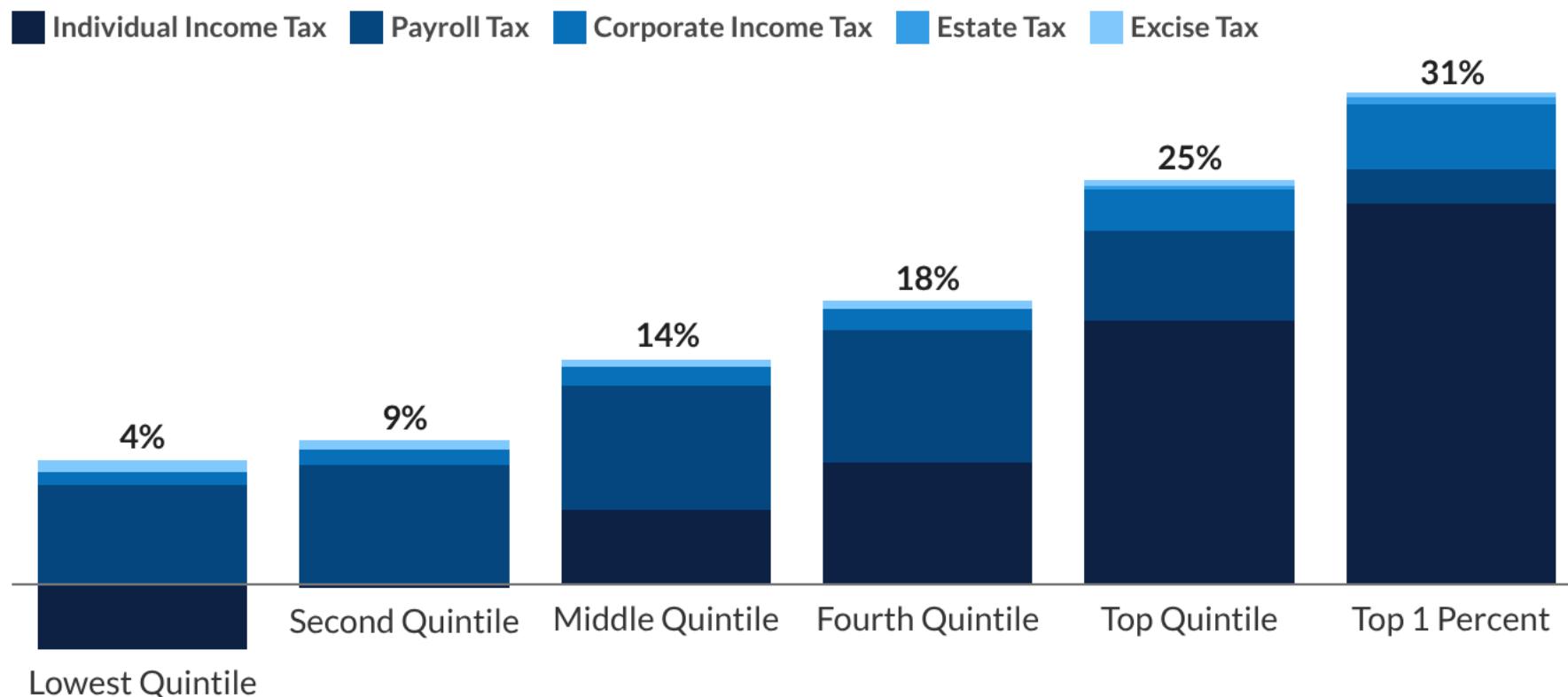
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All income groups pay taxes, but overall the U.S. federal tax system is progressive

Effective Federal Tax Rate (% of Expanded Cash Income in 2022)



Source: Tax Policy Center

Notes: 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. The breaks are (in 2022 dollars): 20% \$30,000; 40% \$58,500; 60% \$103,800; 80% \$189,200; 90% \$276,100; 95% \$398,100; 99% \$982,600; 99.9% \$4,439,400.

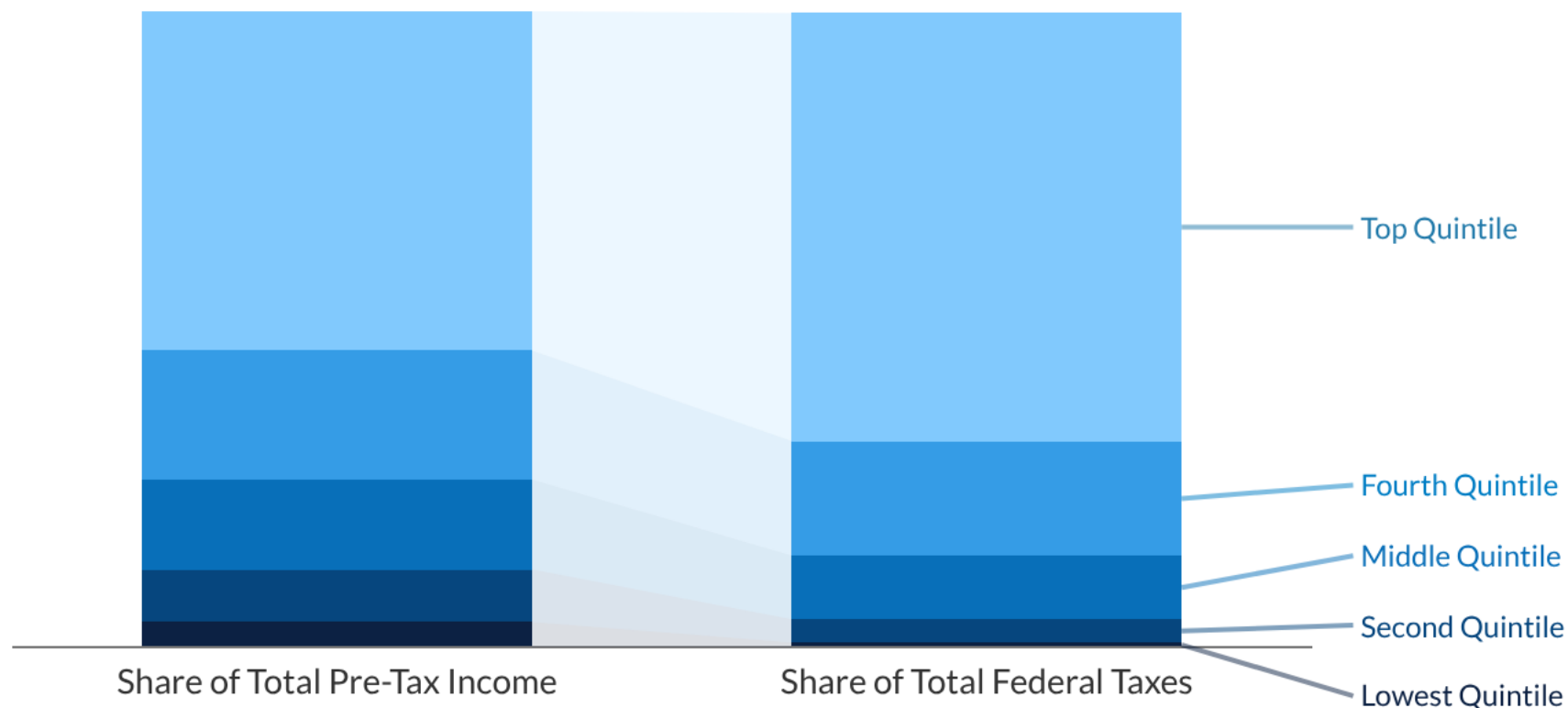
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The top quintile of taxpayers earn a disproportionate share of pre-tax income and pay an even larger share of total federal taxes

Share by Income Quintile (%)



Source: Tax Policy Center

Notes: Federal taxes include the excise tax, estate tax, corporate income tax, payroll tax, and individual income tax. Quintiles and pre-tax income are measured by expanded cash income. Each quintile contains one-fifth of the population. Lowest Quintile: Less than \$30,000. Second Quintile: \$30,001–\$58,500. Middle Quintile: \$58,501–\$103,800. Fourth Quintile: \$103,801–\$189,200. Top Quintile: More than \$189,200. Data are for 2022.

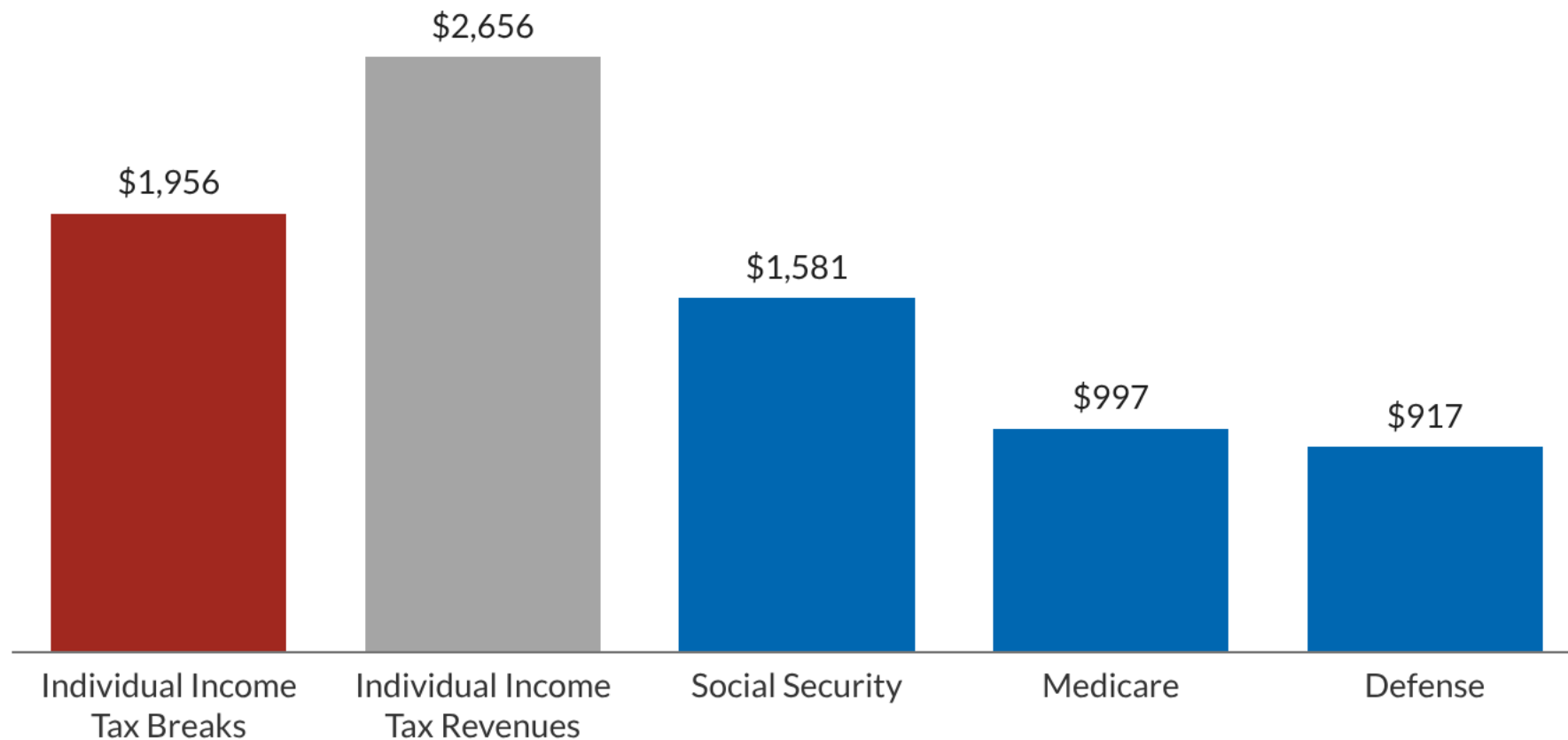
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Individual income tax breaks cost more than any government spending program

Budgetary Cost in 2025 (Billions of \$)



Sources: Joint Committee on Taxation and Bureau of the Fiscal Service

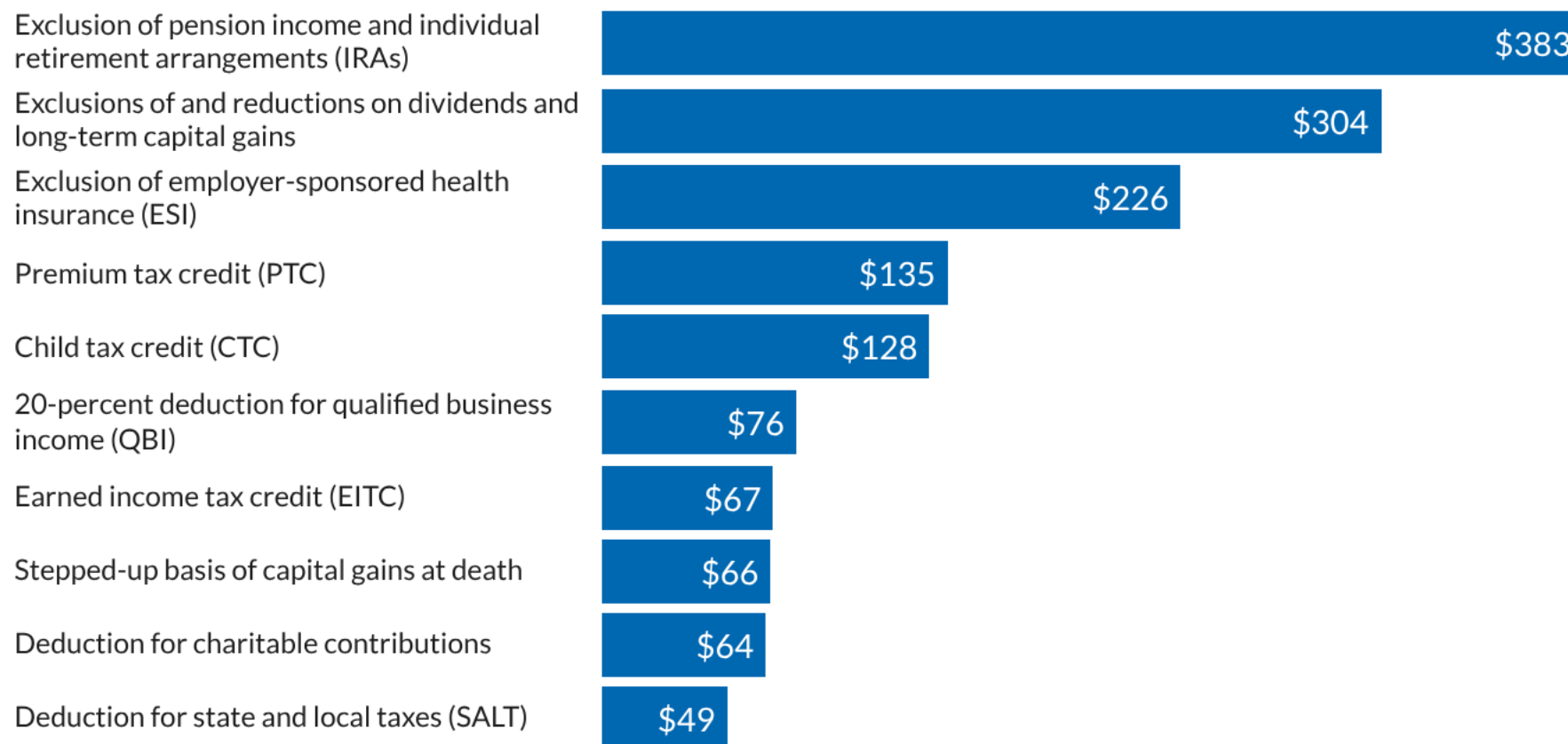
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The ten largest individual income tax expenditures cost \$1.5 trillion

Budgetary Cost in 2025 (Billions of \$)



Source: Joint Committee on Taxation

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