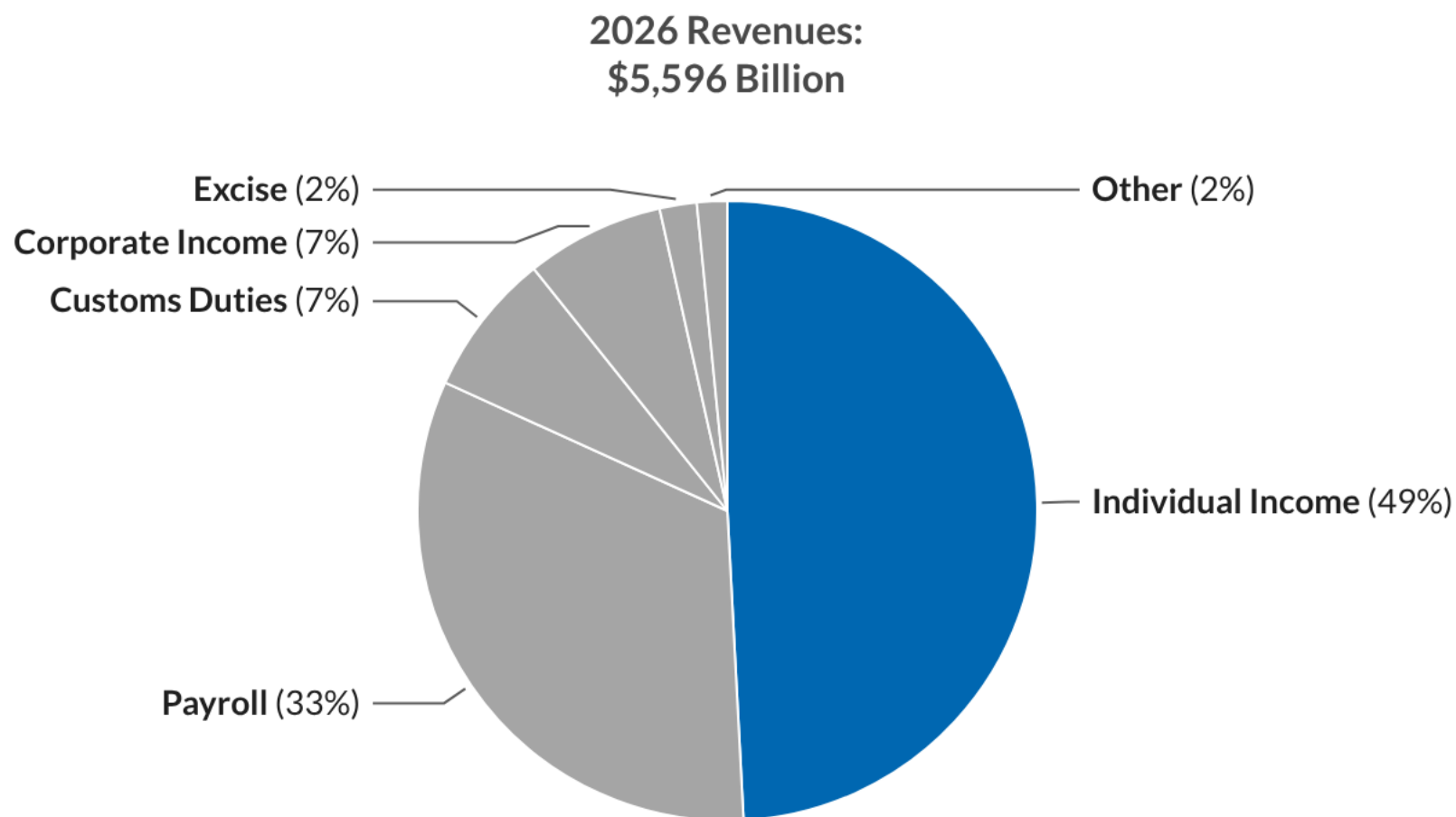


INDIVIDUAL TAXES

Chart Pack

AUGUST 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.

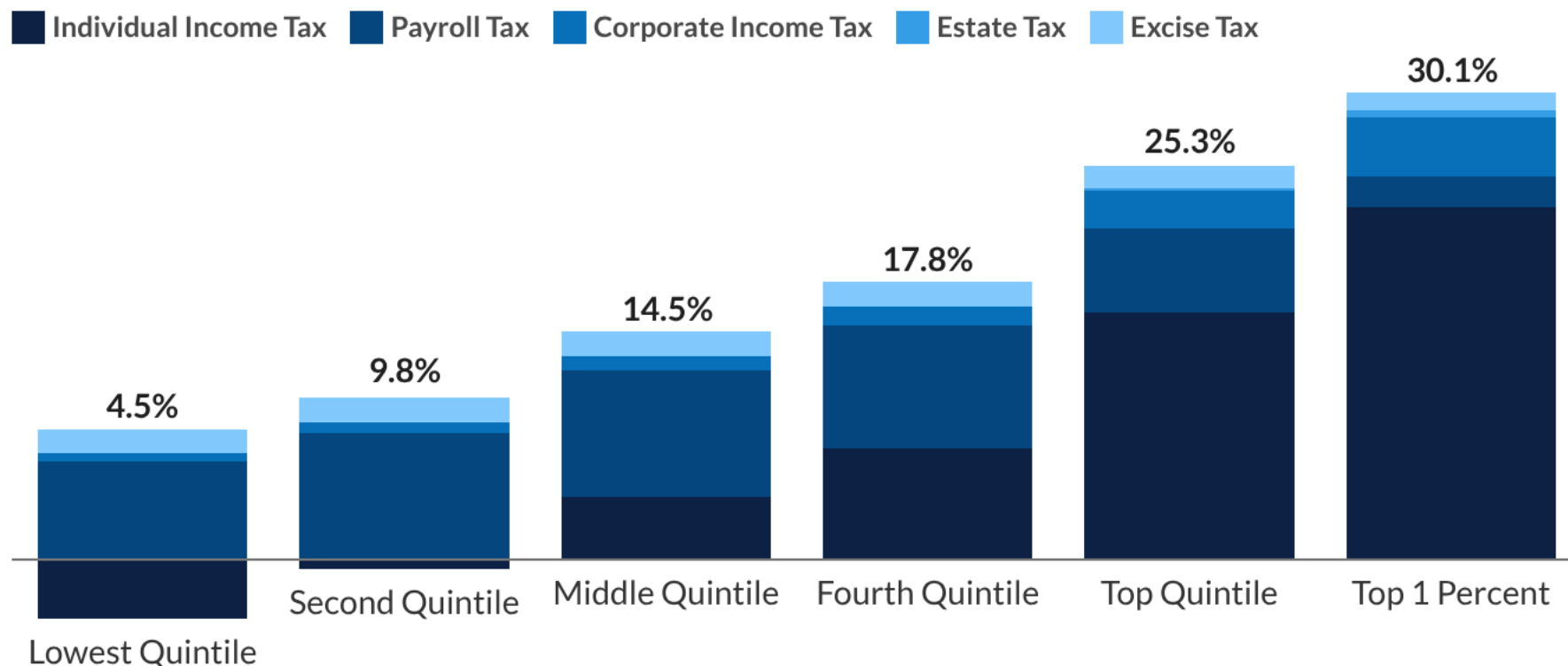
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All income groups pay taxes, but overall the U.S. federal tax system is progressive

Effective Federal Tax Rate (% of Expanded Cash Income in 2025)



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 \$32,300. Second Quintile: \$32,301–\$66,700. Middle Quintile: \$66,701–\$118,600. Fourth Quintile: \$118,601–\$224,700. Top Quintile: More than \$224,700. Data are for 2025.

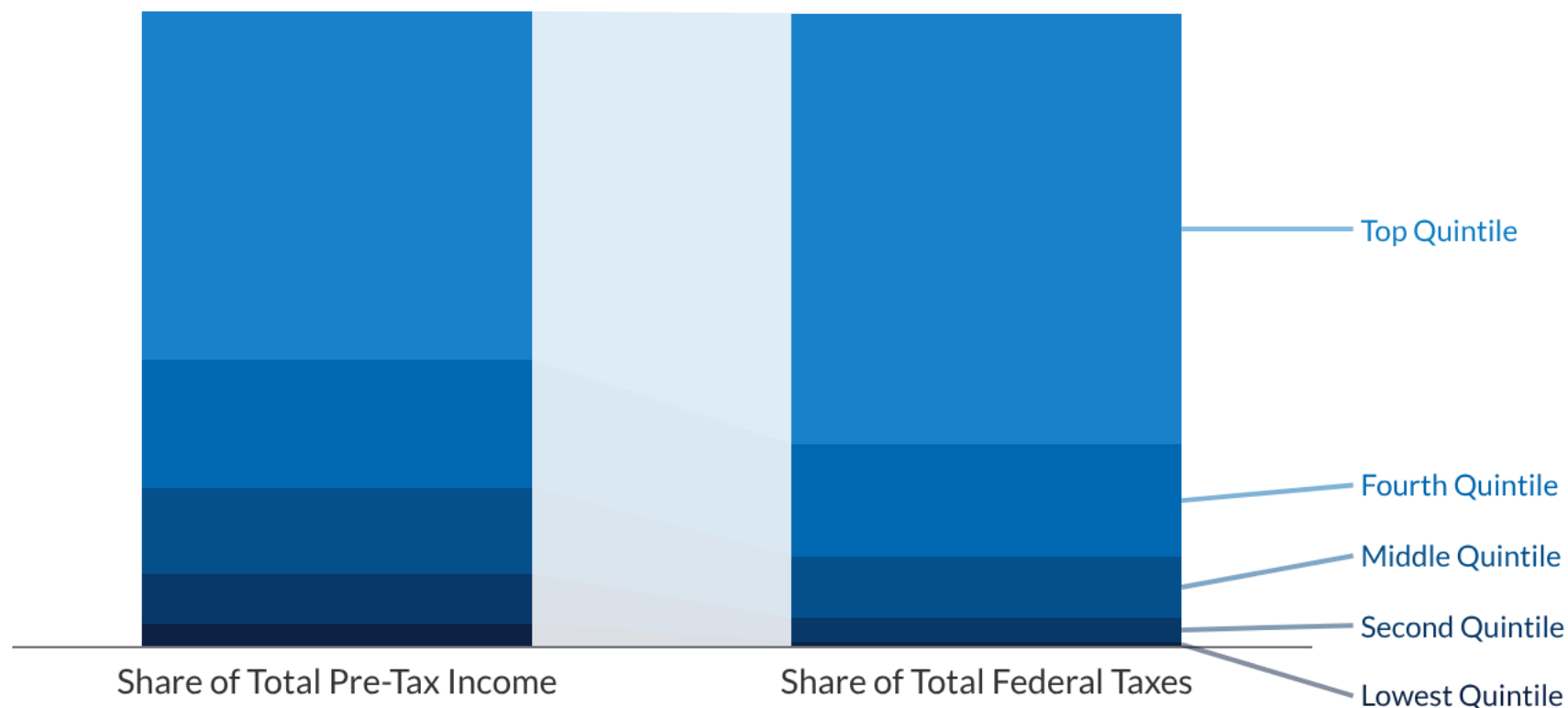
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The top quintile of taxpayers earn a disproportionate share of pre-tax income and pay an even larger share of total federal taxes

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 \$32,300. Second Quintile: \$32,301–\$66,700. Middle Quintile: \$66,701–\$118,600. Fourth Quintile: \$118,601–\$224,700. Top Quintile: More than \$224,700. Data are for 2025.

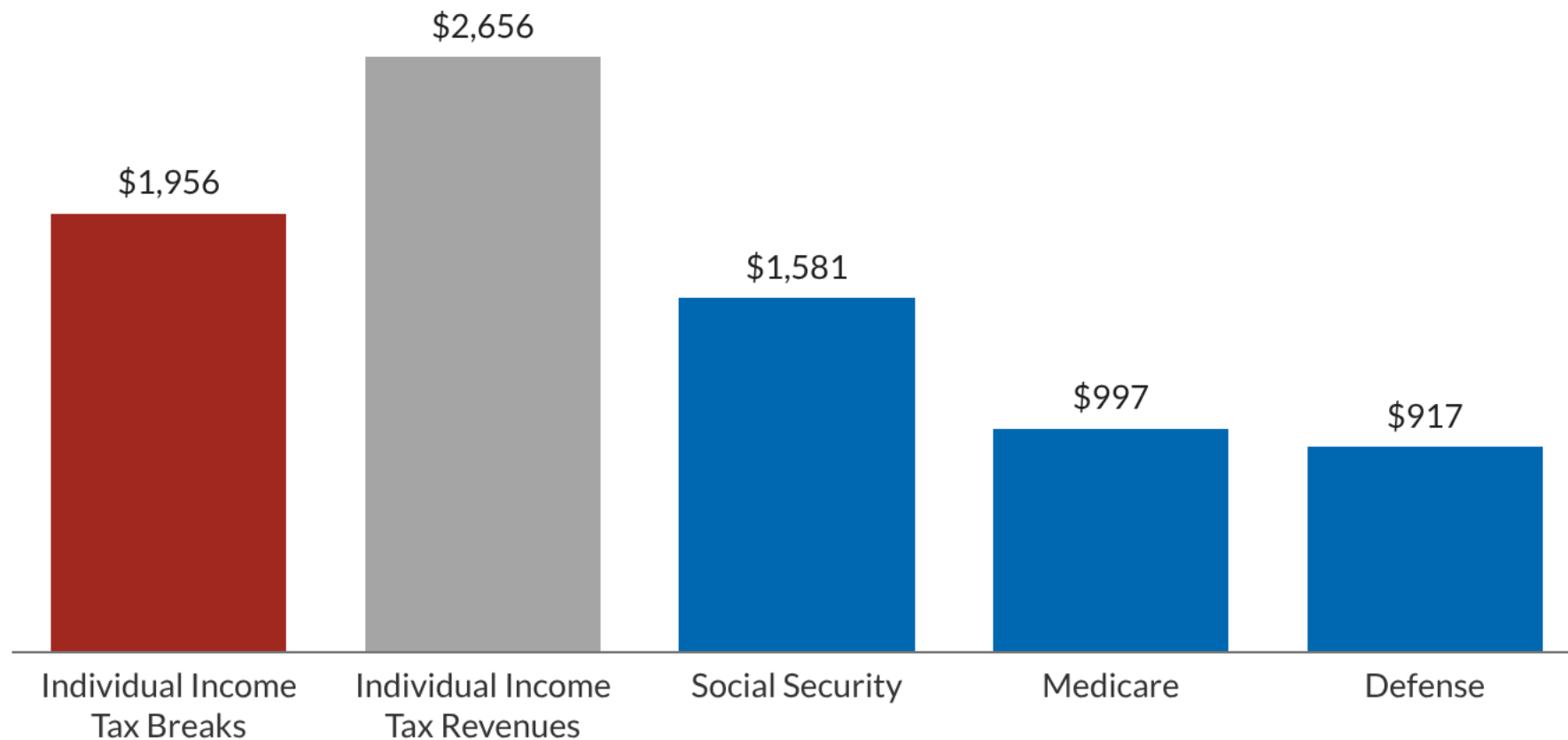
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Individual income tax breaks cost more than any government spending program

Budgetary Cost in 2025 (Billions of \$)



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

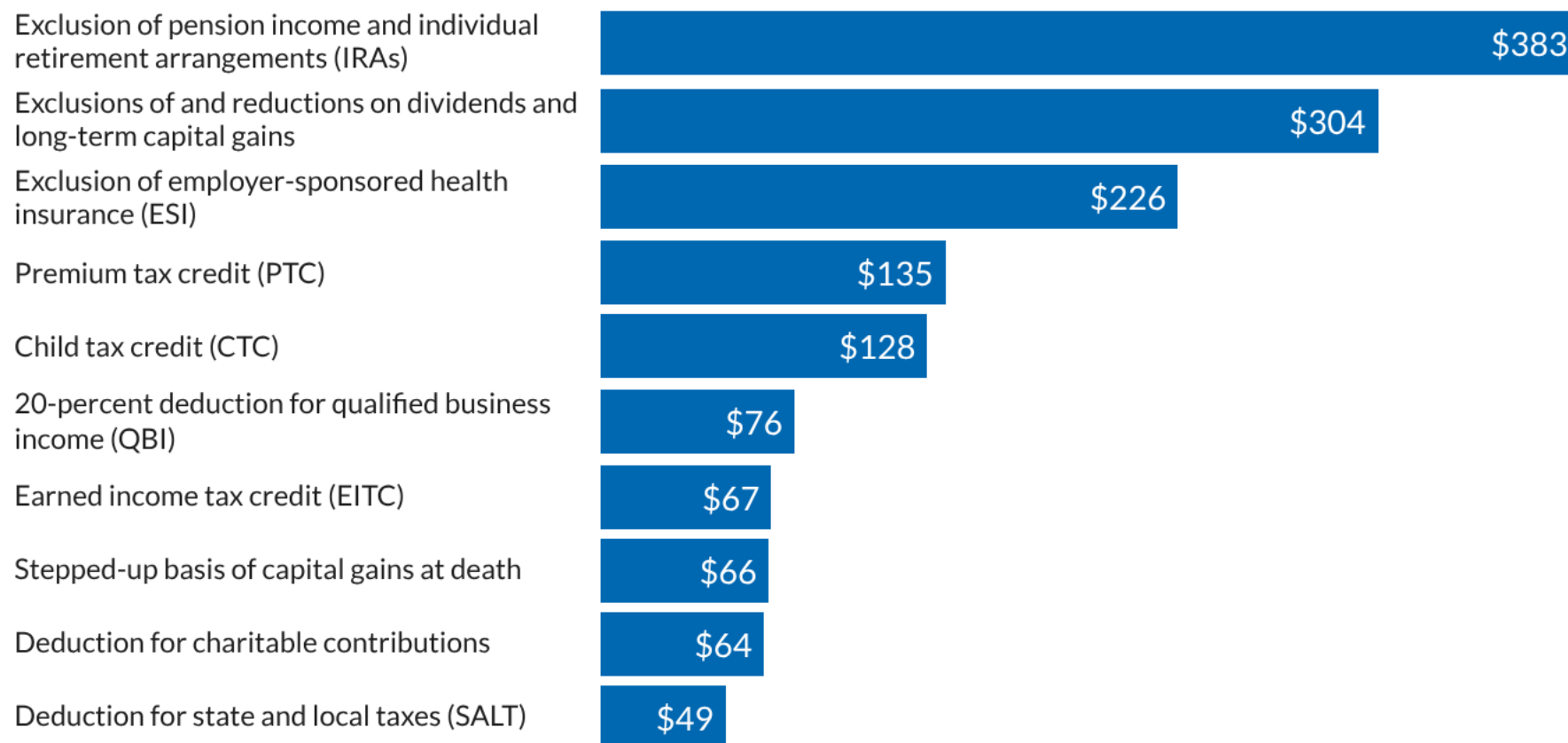
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The ten largest individual income tax expenditures cost \$1.5 trillion

Budgetary Cost in 2025 (Billions of \$)



Source: Joint Committee on Taxation

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