

**Average Federal Tax Rates for All Households, by Comprehensive Household Income Quintile, 1979-2007**

Year	Lowest Quintile	Second Quintile	Middle Quintile	Fourth Quintile	Highest Quintile	All Quintiles	Top 10%	Top 5%	Top 1%
<b>Total Average Federal Tax Rate</b>									
1979	8.0	14.3	18.6	21.2	27.5	22.2	29.6	31.8	37.0
1980	7.7	14.1	18.7	21.5	27.3	22.2	29.0	30.8	34.6
1981	8.3	14.7	19.2	22.1	26.9	22.4	28.2	29.4	31.8
1982	8.2	13.8	17.9	20.6	24.4	20.7	25.3	26.0	27.7
1983	9.1	13.7	17.5	20.1	23.9	20.4	24.8	25.6	27.7
1984	10.2	14.6	18.0	20.4	24.3	21.0	25.2	26.1	28.2
1985	9.8	14.8	18.1	20.4	24.0	20.9	24.7	25.4	27.0
1986	9.6	14.8	18.0	20.5	23.8	20.9	24.3	24.6	25.5
1987	8.7	14.0	17.6	20.2	25.8	21.6	27.2	28.5	31.2
1988	8.5	14.3	17.9	20.6	25.6	21.8	26.7	27.8	29.7
1989	7.9	13.9	17.9	20.5	25.2	21.5	26.3	27.2	28.9
1990	8.9	14.6	17.9	20.6	25.1	21.5	26.1	27.0	28.8
1991	8.4	14.2	17.6	20.5	25.3	21.5	26.6	27.6	29.9
1992	8.2	13.7	17.4	20.2	25.6	21.5	26.9	28.1	30.6
1993	8.0	13.5	17.3	20.2	26.8	22.0	28.6	30.5	34.5
1994	6.6	13.1	17.3	20.4	27.4	22.3	29.4	31.3	35.8
1995	6.3	13.4	17.3	20.5	27.8	22.6	29.8	31.8	36.1
1996	5.6	13.2	17.3	20.3	28.0	22.7	30.1	32.0	36.0
1997	5.8	13.6	17.4	20.5	28.0	22.9	29.9	31.6	34.9
1998	5.8	13.0	16.8	20.4	27.6	22.6	29.3	30.8	33.4
1999	6.1	13.3	16.9	20.5	28.0	22.9	29.7	31.2	33.5
2000	6.4	13.0	16.6	20.5	28.0	23.0	29.6	31.0	33.0
2001	5.1	11.5	15.3	18.9	26.7	21.4	28.5	30.0	32.8
2002	4.7	10.8	14.8	18.3	26.0	20.7	27.9	29.5	32.8
2003	4.6	9.8	13.8	17.4	25.0	19.8	26.8	28.5	31.7
2004	4.3	9.9	14.1	17.3	25.2	20.1	27.1	28.7	31.4
2005	4.3	10.1	14.2	17.5	25.8	20.6	27.6	29.2	31.6
2006	4.5	10.2	14.2	17.5	25.8	20.7	27.6	29.1	31.3
2007	4.0	10.6	14.3	17.4	25.1	20.4	26.7	27.9	29.5

<b>Average Individual Income Tax Rate</b>									
1979	0.0	4.1	7.5	10.1	15.7	11.0	17.4	19.0	21.8
1980	0.2	4.5	8.0	10.7	16.5	11.7	18.2	19.7	22.3
1981	0.5	4.8	8.3	11.1	16.7	12.0	18.2	19.6	21.5
1982	0.4	4.2	7.4	10.0	15.3	11.0	16.9	18.3	20.4
1983	0.4	3.8	6.7	9.1	14.2	10.2	15.6	16.9	19.4
1984	0.7	4.0	6.7	8.9	14.1	10.2	15.6	17.0	19.3
1985	0.5	4.0	6.6	8.8	14.0	10.2	15.4	16.7	18.9
1986	0.4	4.0	6.5	8.8	14.2	10.4	15.5	16.6	18.3
1987	-0.6	3.2	5.8	8.1	14.9	10.3	16.8	18.5	21.5
1988	-1.1	3.1	5.9	8.3	14.9	10.4	16.6	18.2	20.7
1989	-1.6	2.9	6.0	8.3	14.6	10.2	16.3	17.7	19.9
1990	-1.0	3.4	6.0	8.3	14.4	10.1	16.0	17.5	19.9
1991	-1.6	2.9	5.8	8.1	14.3	9.9	16.0	17.6	20.6
1992	-2.1	2.5	5.5	7.9	14.5	9.9	16.3	18.0	21.2
1993	-2.3	2.3	5.4	7.8	14.9	10.0	17.0	19.1	23.2
1994	-3.9	1.9	5.3	7.8	15.0	10.0	17.1	19.2	23.0
1995	-4.4	2.0	5.3	7.8	15.5	10.2	17.7	19.8	23.7
1996	-5.1	1.8	5.4	7.9	16.1	10.7	18.3	20.5	24.2
1997	-5.2	2.1	5.6	8.0	16.4	11.0	18.5	20.6	23.8
1998	-5.4	1.5	5.0	7.9	16.5	11.0	18.7	20.6	23.4
1999	-5.2	1.7	5.0	8.0	17.1	11.4	19.3	21.3	24.0
2000	-4.6	1.5	5.0	8.1	17.5	11.8	19.7	21.6	24.2
2001	-5.6	0.3	3.9	7.1	16.3	10.3	18.7	20.8	24.1
2002	-6.0	-0.2	3.6	6.7	15.5	9.7	17.9	20.0	23.7
2003	-6.0	-1.1	2.8	5.9	13.7	8.4	15.8	17.7	20.4
2004	-6.2	-0.9	3.0	5.9	13.9	8.7	15.9	17.6	19.7
2005	-6.6	-0.9	3.0	5.9	14.1	9.0	15.9	17.6	19.3
2006	-6.6	-0.8	3.0	6.0	14.1	9.1	15.9	17.4	18.9
2007	-6.8	-0.4	3.3	6.2	14.4	9.3	16.2	17.6	19.0

**Average Federal Tax Rates for All Households, by Comprehensive Household Income Quintile, 1979-2007**

Year	Lowest Quintile	Second Quintile	Middle Quintile	Fourth Quintile	Highest Quintile	All Quintiles	Top 10%	Top 5%	Top 1%
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**Average Social Insurance Tax Rate**

1979	5.3	7.7	8.6	8.5	5.4	6.9	4.2	2.8	0.9
1980	5.3	7.6	8.5	8.5	5.5	6.9	4.3	3.0	1.0
1981	5.9	8.1	9.1	9.1	6.1	7.5	4.8	3.4	1.3
1982	5.9	8.0	8.9	9.1	6.3	7.5	5.1	3.7	1.6
1983	6.1	7.9	8.9	9.1	6.3	7.5	5.1	3.7	1.5
1984	6.5	8.4	9.2	9.3	6.4	7.8	5.1	3.7	1.4
1985	6.6	8.8	9.5	9.6	6.5	7.9	5.1	3.7	1.3
1986	6.7	8.8	9.5	9.7	6.1	7.7	4.6	3.2	1.0
1987	6.4	8.6	9.4	9.8	6.7	8.0	5.3	3.8	1.5
1988	6.9	9.0	9.7	10.2	6.6	8.1	5.1	3.6	1.3
1989	7.1	8.9	9.8	10.0	6.6	8.1	5.1	3.7	1.4
1990	7.3	9.3	9.9	10.3	6.9	8.4	5.4	4.0	1.5
1991	7.2	9.2	9.6	10.3	7.4	8.6	6.1	4.7	2.2
1992	7.3	8.9	9.7	10.2	7.2	8.4	5.8	4.4	1.9
1993	7.2	8.8	9.6	10.2	7.3	8.5	6.0	4.7	2.1
1994	7.2	8.9	9.5	10.2	7.5	8.6	6.3	4.9	2.6
1995	7.6	9.1	9.6	10.3	7.2	8.5	6.0	4.6	2.3
1996	7.8	9.2	9.6	10.2	6.9	8.3	5.6	4.3	2.2
1997	8.1	9.4	9.6	10.3	6.6	8.2	5.4	4.0	2.0
1998	8.4	9.4	9.6	10.4	6.5	8.1	5.2	3.9	1.9
1999	8.4	9.5	9.6	10.4	6.4	8.0	5.1	3.8	1.9
2000	8.2	9.4	9.6	10.4	6.3	7.9	5.0	3.8	1.9
2001	8.3	9.4	9.7	10.2	7.1	8.4	5.8	4.5	2.3
2002	8.2	9.3	9.6	10.1	7.3	8.5	6.2	4.8	2.5
2003	8.1	9.1	9.4	9.9	7.1	8.3	6.0	4.6	2.3
2004	8.0	9.1	9.5	9.7	6.6	8.0	5.4	4.1	1.9
2005	8.3	9.2	9.4	9.7	6.0	7.6	4.8	3.5	1.7
2006	8.5	9.3	9.4	9.6	5.8	7.5	4.6	3.4	1.6
2007	8.8	9.5	9.4	9.5	5.7	7.4	4.5	3.3	1.6

**Average Corporate Income Tax Rate**

1979	1.1	1.2	1.4	1.6	5.7	3.4	7.4	9.5	13.8
1980	0.9	1.0	1.2	1.4	4.6	2.8	5.9	7.4	10.8
1981	0.7	0.8	1.0	1.2	3.6	2.2	4.6	5.9	8.7
1982	0.5	0.5	0.7	0.7	2.1	1.4	2.8	3.5	5.4
1983	0.6	0.7	0.9	1.0	2.8	1.8	3.5	4.4	6.4
1984	0.8	0.7	1.0	1.2	3.1	2.0	3.9	4.9	7.1
1985	0.6	0.7	0.9	1.0	2.8	1.8	3.6	4.5	6.4
1986	0.6	0.7	0.9	1.0	2.8	1.9	3.5	4.3	5.8
1987	0.7	0.9	1.2	1.4	3.6	2.4	4.6	5.7	7.8
1988	0.7	0.8	1.2	1.3	3.6	2.4	4.5	5.5	7.3
1989	0.6	0.8	1.1	1.2	3.5	2.3	4.4	5.3	7.2
1990	0.6	0.7	1.0	1.2	3.3	2.2	4.2	5.1	7.1
1991	0.6	0.7	1.0	1.1	3.0	2.0	3.8	4.8	6.8
1992	0.6	0.7	1.0	1.1	3.3	2.2	4.2	5.2	7.2
1993	0.6	0.8	1.0	1.2	3.9	2.5	5.0	6.2	8.8
1994	0.6	0.7	1.1	1.2	4.2	2.6	5.4	6.7	9.7
1995	0.7	0.8	1.1	1.3	4.4	2.8	5.6	6.9	9.7
1996	0.6	0.7	1.1	1.3	4.5	2.9	5.6	6.8	9.3
1997	0.5	0.7	1.1	1.3	4.4	2.9	5.5	6.6	8.7
1998	0.5	0.6	1.0	1.1	4.0	2.6	4.9	5.9	7.8
1999	0.5	0.6	1.0	1.1	3.9	2.5	4.7	5.6	7.3
2000	0.5	0.6	0.9	1.0	3.7	2.4	4.4	5.2	6.7
2001	0.3	0.4	0.6	0.7	2.8	1.7	3.5	4.3	6.2
2002	0.2	0.3	0.5	0.6	2.6	1.6	3.4	4.3	6.4
2003	0.3	0.4	0.6	0.7	3.6	2.2	4.6	5.9	8.7
2004	0.4	0.4	0.6	0.8	4.2	2.6	5.5	6.7	9.5
2005	0.5	0.5	0.8	1.1	5.2	3.3	6.5	7.8	10.4
2006	0.5	0.6	0.8	1.2	5.4	3.5	6.7	8.0	10.6
2007	0.4	0.5	0.8	1.1	4.6	3.0	5.7	6.8	8.8

**Average Federal Tax Rates for All Households, by Comprehensive Household Income Quintile, 1979-2007**

Year	Lowest Quintile	Second Quintile	Middle Quintile	Fourth Quintile	Highest Quintile	All Quintiles	Top 10%	Top 5%	Top 1%
<b>Average Excise Tax Rate</b>									
1979	1.6	1.3	1.1	0.9	0.7	1.0	0.7	0.6	0.5
1980	1.4	1.1	0.9	0.8	0.6	0.8	0.6	0.5	0.4
1981	1.3	1.0	0.9	0.7	0.6	0.8	0.5	0.5	0.4
1982	1.4	1.1	0.9	0.8	0.6	0.8	0.5	0.5	0.4
1983	2.0	1.3	1.1	0.9	0.7	0.9	0.6	0.5	0.4
1984	2.3	1.4	1.1	1.0	0.7	1.0	0.6	0.5	0.4
1985	2.2	1.4	1.1	0.9	0.7	0.9	0.6	0.5	0.4
1986	2.0	1.3	1.1	0.9	0.6	0.9	0.6	0.5	0.4
1987	2.1	1.4	1.1	0.9	0.7	0.9	0.6	0.5	0.4
1988	2.0	1.4	1.1	0.9	0.6	0.9	0.5	0.5	0.4
1989	1.8	1.2	1.0	0.9	0.6	0.8	0.5	0.4	0.3
1990	2.0	1.3	1.0	0.9	0.6	0.9	0.5	0.4	0.3
1991	2.2	1.4	1.2	1.0	0.7	1.0	0.6	0.5	0.4
1992	2.3	1.5	1.2	1.0	0.7	1.0	0.6	0.5	0.3
1993	2.5	1.6	1.2	1.0	0.7	1.0	0.6	0.5	0.4
1994	2.6	1.7	1.3	1.1	0.7	1.1	0.6	0.5	0.4
1995	2.4	1.6	1.3	1.1	0.7	1.0	0.6	0.5	0.3
1996	2.3	1.5	1.2	1.0	0.6	0.9	0.5	0.4	0.3
1997	2.3	1.5	1.1	0.9	0.6	0.9	0.5	0.4	0.3
1998	2.2	1.4	1.1	0.9	0.6	0.9	0.5	0.4	0.3
1999	2.4	1.6	1.2	1.0	0.6	0.9	0.5	0.4	0.3
2000	2.3	1.4	1.1	0.9	0.5	0.9	0.4	0.4	0.2
2001	2.2	1.4	1.1	0.9	0.5	0.8	0.5	0.4	0.2
2002	2.2	1.4	1.1	0.9	0.5	0.9	0.5	0.4	0.3
2003	2.3	1.4	1.1	0.9	0.5	0.8	0.4	0.4	0.3
2004	2.2	1.3	1.1	0.9	0.5	0.8	0.4	0.3	0.2
2005	2.1	1.3	1.0	0.8	0.5	0.8	0.4	0.3	0.2
2006	2.1	1.2	0.9	0.8	0.4	0.7	0.3	0.3	0.2
2007	1.6	1.0	0.8	0.7	0.4	0.6	0.3	0.2	0.1

Source: Congressional Budget Office.

Notes: Average tax rates are calculated by dividing taxes by comprehensive household income.

Comprehensive household income equals pretax cash income plus income from other sources. Pretax cash income is the sum of wages, salaries, self-employment income, rents, taxable and nontaxable interest, dividends, realized capital gains, cash transfer payments, and retirement benefits plus taxes paid by businesses (corporate income taxes and the employer's share of Social Security, Medicare, and federal unemployment insurance payroll taxes) and employees' contributions to 401(k) retirement plans. Other sources of income include all in-kind benefits (Medicare, Medicaid, employer-paid health insurance premiums, food stamps, school lunches and breakfasts, housing assistance, and energy assistance).

Income categories are defined by ranking all people by their comprehensive household income adjusted for household size—that is, divided by the square root of the household's size. (A household consists of the people who share a housing unit, regardless of their relationships.) Quintiles, or fifths, contain equal numbers of people. Households with negative income (business or investment losses larger than other income) are excluded from the lowest income category but are included in totals.

Individual income taxes are attributed directly to households paying those taxes. Social insurance, or payroll, taxes are attributed to households paying those taxes directly or paying them indirectly through their employers. Corporate income taxes are attributed to households according to their share of capital income. Federal excise taxes are attributed to them according to their consumption of the taxed good or service.

**Shares of Federal Tax Liabilities for All Households, by Comprehensive Household Income Quintile, 1979-2007**

Year	Lowest Quintile	Second Quintile	Middle Quintile	Fourth Quintile	Highest Quintile	All Quintiles	Top 10%	Top 5%	Top 1%
<b>Share of Total Federal Tax Liabilities</b>									
1979	2.1	7.2	13.2	21.0	56.4	100.0	40.7	29.6	15.4
1980	2.0	7.0	13.3	21.3	56.3	100.0	40.0	28.7	14.2
1981	2.0	7.1	13.6	21.9	55.2	100.0	38.6	27.2	12.9
1982	2.1	7.1	13.6	22.1	55.0	100.0	38.0	26.5	12.8
1983	2.2	6.9	13.3	21.8	55.7	100.0	39.0	27.7	14.0
1984	2.4	7.2	13.2	21.4	55.6	100.0	39.3	28.2	14.7
1985	2.3	7.2	13.2	21.3	55.8	100.0	39.5	28.4	14.8
1986	2.1	6.8	12.7	20.8	57.5	100.0	41.6	30.7	17.1
1987	1.8	6.5	12.4	20.7	58.4	100.0	42.2	30.8	16.2
1988	1.7	6.4	12.2	20.4	59.1	100.0	43.2	32.3	18.1
1989	1.6	6.4	12.6	20.6	58.7	100.0	42.5	31.3	16.7
1990	1.9	6.8	12.6	20.7	57.9	100.0	41.7	30.6	16.2
1991	1.9	6.6	12.6	20.9	57.9	100.0	41.7	30.3	15.7
1992	1.7	6.2	12.2	20.2	59.5	100.0	43.6	32.3	17.5
1993	1.6	6.0	11.8	19.8	60.5	100.0	44.9	33.8	18.7
1994	1.3	5.8	11.8	19.8	61.1	100.0	45.6	34.4	19.4
1995	1.3	5.8	11.4	19.3	61.9	100.0	46.6	35.4	20.1
1996	1.1	5.5	11.1	18.8	63.4	100.0	48.3	37.3	21.8
1997	1.1	5.4	10.8	18.3	64.2	100.0	49.3	38.3	22.7
1998	1.1	5.2	10.5	18.2	64.9	100.0	49.9	38.9	23.3
1999	1.1	5.2	10.2	17.8	65.6	100.0	51.0	40.2	24.3
2000	1.1	4.8	9.8	17.5	66.6	100.0	52.2	41.4	25.5
2001	1.0	4.9	10.1	18.4	65.3	100.0	50.0	38.5	22.7
2002	1.0	4.9	10.4	18.8	64.8	100.0	49.2	37.6	21.4
2003	1.0	4.5	10.0	18.4	65.8	100.0	50.4	39.0	22.9
2004	0.9	4.4	9.7	17.6	67.2	100.0	52.5	41.4	25.4
2005	0.8	4.2	9.2	16.8	68.8	100.0	54.8	44.0	27.7
2006	0.8	4.1	9.0	16.5	69.3	100.0	55.4	44.7	28.4
2007	0.8	4.4	9.2	16.5	68.9	100.0	55.0	44.3	28.1

<b>Share of Individual Income Tax Liabilities</b>									
1979	0.0	4.1	10.7	20.2	64.9	100.0	48.1	35.6	18.3
1980	0.1	4.2	10.8	20.2	64.8	100.0	47.6	34.9	17.4
1981	0.2	4.4	10.9	20.6	63.9	100.0	46.6	33.9	16.3
1982	0.2	4.0	10.6	20.2	64.9	100.0	47.6	35.0	17.7
1983	0.2	3.8	10.2	19.7	66.1	100.0	49.1	36.6	19.6
1984	0.3	4.1	10.1	19.2	66.3	100.0	49.9	37.7	20.7
1985	0.2	4.0	9.9	19.0	66.9	100.0	50.5	38.3	21.2
1986	0.2	3.7	9.2	18.0	68.9	100.0	53.4	41.6	24.6
1987	-0.3	3.1	8.7	17.5	70.9	100.0	54.7	42.1	23.5
1988	-0.4	2.9	8.5	17.2	71.9	100.0	56.3	44.5	26.6
1989	-0.7	2.8	8.9	17.6	71.4	100.0	55.3	42.9	24.3
1990	-0.4	3.3	8.9	17.8	70.4	100.0	54.3	42.1	23.8
1991	-0.8	2.9	9.0	18.0	70.8	100.0	54.5	42.1	23.4
1992	-0.9	2.5	8.4	17.1	73.0	100.0	57.2	44.9	26.2
1993	-1.0	2.3	8.1	16.8	73.8	100.0	58.4	46.4	27.6
1994	-1.7	1.8	8.1	16.9	74.9	100.0	59.3	46.9	27.8
1995	-2.0	1.9	7.7	16.2	76.1	100.0	60.8	48.5	29.0
1996	-2.1	1.6	7.3	15.5	77.6	100.0	62.9	50.9	31.4
1997	-2.0	1.7	7.2	14.9	78.2	100.0	63.7	51.8	32.3
1998	-2.1	1.3	6.4	14.6	79.8	100.0	65.4	53.4	33.5
1999	-1.9	1.3	6.1	14.0	80.6	100.0	66.7	55.1	35.0
2000	-1.6	1.1	5.7	13.5	81.2	100.0	67.7	56.2	36.5
2001	-2.3	0.3	5.3	14.3	82.4	100.0	67.7	55.2	34.4
2002	-2.7	-0.2	5.4	14.7	82.7	100.0	67.5	54.5	33.0
2003	-3.0	-1.1	4.7	14.6	84.8	100.0	69.6	56.6	34.6
2004	-2.9	-0.9	4.7	13.8	85.3	100.0	70.8	58.5	36.7
2005	-2.9	-0.9	4.4	13.1	86.3	100.0	72.7	60.7	38.8
2006	-2.8	-0.8	4.4	12.9	86.3	100.0	72.8	60.9	39.1
2007	-3.0	-0.3	4.6	12.7	86.0	100.0	72.7	61.0	39.5

**Shares of Federal Tax Liabilities for All Households, by Comprehensive Household Income Quintile, 1979-2007**

Year	Lowest Quintile	Second Quintile	Middle Quintile	Fourth Quintile	Highest Quintile	All Quintiles	Top 10%	Top 5%	Top 1%
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**Share of Social Insurance Tax Liabilities**

1979	4.5	12.5	19.8	27.4	35.9	100.0	18.5	8.5	1.3
1980	4.4	12.1	19.5	27.2	36.8	100.0	19.1	9.1	1.4
1981	4.3	11.9	19.2	27.0	37.5	100.0	19.9	9.6	1.6
1982	4.1	11.3	18.7	26.7	39.2	100.0	21.2	10.5	2.0
1983	4.0	10.9	18.3	26.8	39.9	100.0	21.8	11.0	2.0
1984	4.2	11.2	18.3	26.5	39.7	100.0	21.4	10.8	2.0
1985	4.0	11.2	18.3	26.4	39.9	100.0	21.6	10.8	1.9
1986	3.9	11.0	18.1	26.7	40.2	100.0	21.6	10.7	1.9
1987	3.5	10.6	18.0	26.9	40.8	100.0	22.0	11.1	2.1
1988	3.6	10.8	17.8	27.0	40.7	100.0	22.0	11.2	2.1
1989	3.8	10.8	18.2	26.6	40.4	100.0	22.0	11.2	2.2
1990	4.0	11.1	17.8	26.5	40.5	100.0	22.2	11.5	2.2
1991	4.0	10.6	17.2	26.2	41.9	100.0	24.0	12.9	2.8
1992	3.8	10.3	17.3	26.1	42.3	100.0	24.0	12.9	2.7
1993	3.8	10.2	17.0	26.0	42.8	100.0	24.6	13.5	2.9
1994	3.7	10.1	16.9	25.8	43.3	100.0	25.3	14.1	3.7
1995	4.1	10.4	16.9	25.9	42.6	100.0	24.8	13.6	3.5
1996	4.1	10.4	16.9	25.8	42.7	100.0	24.8	13.8	3.6
1997	4.2	10.5	16.8	25.7	42.6	100.0	24.8	13.7	3.7
1998	4.4	10.4	16.6	25.8	42.5	100.0	24.5	13.6	3.7
1999	4.4	10.5	16.5	25.7	42.8	100.0	25.0	14.1	4.0
2000	4.2	10.2	16.3	25.8	43.3	100.0	25.6	14.6	4.3
2001	4.2	10.3	16.4	25.2	43.8	100.0	26.0	14.6	4.0
2002	4.1	10.2	16.2	25.0	44.3	100.0	26.4	15.0	3.9
2003	4.1	10.0	16.1	25.0	44.7	100.0	26.6	15.0	3.9
2004	4.1	10.1	16.5	24.9	44.3	100.0	26.2	14.8	4.0
2005	4.3	10.3	16.5	25.1	43.7	100.0	25.9	14.5	3.9
2006	4.4	10.3	16.6	25.0	43.5	100.0	25.7	14.5	4.0
2007	4.8	10.8	16.6	24.7	42.9	100.0	25.4	14.4	4.1

**Share of Corporate Income Tax Liabilities**

1979	1.8	4.1	6.7	10.5	76.5	100.0	66.7	57.9	37.8
1980	1.8	3.9	7.0	11.3	75.5	100.0	65.0	55.6	35.6
1981	1.6	3.8	7.1	11.9	74.9	100.0	64.6	55.4	35.8
1982	1.7	4.0	7.5	12.1	73.8	100.0	63.3	54.9	37.7
1983	1.6	3.8	7.5	12.2	74.2	100.0	63.7	55.2	37.6
1984	1.9	3.8	7.5	12.7	73.2	100.0	63.5	55.1	38.5
1985	1.4	3.7	7.5	12.3	74.2	100.0	64.9	56.9	39.7
1986	1.4	3.3	7.2	11.7	75.7	100.0	67.4	59.5	42.8
1987	1.3	3.8	7.7	12.8	73.1	100.0	64.0	55.3	36.7
1988	1.2	3.4	7.5	11.6	74.9	100.0	66.5	58.4	40.7
1989	1.2	3.6	7.0	11.7	75.2	100.0	66.0	57.4	39.1
1990	1.2	3.2	6.9	11.6	75.6	100.0	66.3	57.4	39.7
1991	1.4	3.4	7.5	11.6	74.5	100.0	64.7	56.2	38.3
1992	1.3	3.2	6.9	10.8	76.4	100.0	67.8	59.0	40.7
1993	1.1	3.0	6.3	10.3	77.9	100.0	69.2	60.5	42.2
1994	1.0	2.7	6.2	10.1	78.5	100.0	70.0	62.1	44.5
1995	1.1	2.6	5.9	10.0	79.0	100.0	70.1	61.5	43.2
1996	0.9	2.4	5.8	9.7	80.1	100.0	71.2	62.4	44.5
1997	0.8	2.2	5.3	9.2	81.5	100.0	72.6	64.1	45.7
1998	0.8	2.2	5.4	8.7	82.0	100.0	73.8	65.4	47.9
1999	0.8	2.2	5.5	8.5	82.1	100.0	73.8	65.7	47.8
2000	0.9	2.1	5.3	8.0	82.9	100.0	74.6	66.5	49.1
2001	0.7	2.0	4.8	8.5	82.6	100.0	74.8	67.8	51.8
2002	0.6	1.8	4.3	8.0	83.4	100.0	76.0	69.5	53.4
2003	0.6	1.5	3.7	6.9	85.9	100.0	79.5	73.3	57.6
2004	0.6	1.5	3.0	6.5	87.3	100.0	81.4	74.7	59.5
2005	0.6	1.4	3.3	6.4	87.2	100.0	80.8	73.9	57.7
2006	0.6	1.4	3.2	6.6	87.4	100.0	80.6	73.6	57.3
2007	0.6	1.4	3.3	6.8	86.8	100.0	80.0	73.0	57.0

**Shares of Federal Tax Liabilities for All Households, by Comprehensive Household Income Quintile, 1979-2007**

Year	Lowest Quintile	Second Quintile	Middle Quintile	Fourth Quintile	Highest Quintile	All Quintiles	Top 10%	Top 5%	Top 1%
<b>Share of Federal Excise Tax Liabilities</b>									
1979	9.9	15.0	18.2	21.6	34.8	100.0	21.4	13.1	4.6
1980	9.7	14.7	18.1	21.6	35.2	100.0	21.7	13.4	4.6
1981	9.6	14.6	18.4	21.7	34.9	100.0	21.3	13.1	4.6
1982	9.7	14.5	18.2	22.2	34.8	100.0	20.8	12.6	4.4
1983	10.8	14.5	17.8	22.1	34.2	100.0	20.4	12.7	4.6
1984	11.6	14.9	17.6	22.0	33.3	100.0	20.0	12.2	4.5
1985	11.2	14.7	17.5	21.6	34.3	100.0	21.2	13.4	5.0
1986	10.2	14.3	17.7	21.2	36.0	100.0	23.1	15.1	6.4
1987	10.1	14.8	18.1	21.8	34.7	100.0	21.5	13.3	5.0
1988	9.7	15.0	17.9	22.0	35.1	100.0	21.7	13.6	5.4
1989	9.6	14.5	18.2	22.5	34.7	100.0	20.8	12.7	4.5
1990	10.6	14.8	18.2	22.2	33.8	100.0	20.2	12.2	4.2
1991	10.7	14.8	18.7	22.1	33.3	100.0	20.2	12.3	4.2
1992	10.6	15.2	18.4	22.0	33.3	100.0	20.0	12.1	4.1
1993	10.9	15.0	18.2	21.5	33.7	100.0	20.7	12.7	4.3
1994	10.8	15.1	18.5	21.8	33.0	100.0	20.0	12.1	4.1
1995	10.9	15.2	18.3	22.1	32.9	100.0	19.5	11.7	4.1
1996	10.7	15.4	18.4	21.6	33.3	100.0	20.1	12.2	4.2
1997	11.1	15.0	17.8	21.0	34.6	100.0	21.5	13.5	5.1
1998	10.9	14.5	18.1	21.1	35.1	100.0	21.6	13.5	5.3
1999	10.8	14.6	18.1	21.3	34.9	100.0	21.6	13.7	5.0
2000	10.8	14.4	18.0	21.6	34.8	100.0	21.2	13.1	4.9
2001	10.9	14.7	18.1	22.6	33.3	100.0	20.0	12.1	4.2
2002	11.2	15.3	18.7	22.4	32.0	100.0	19.1	11.6	4.0
2003	11.4	15.2	18.8	22.2	32.0	100.0	19.2	11.8	4.3
2004	11.1	14.9	18.4	22.1	33.1	100.0	20.2	12.6	4.8
2005	11.2	14.6	17.9	21.9	34.2	100.0	21.3	13.6	5.5
2006	11.8	14.6	18.0	21.6	33.6	100.0	20.6	12.9	5.0
2007	11.0	14.1	18.1	22.2	34.3	100.0	20.7	12.7	4.7

Source: Congressional Budget Office.

Notes: Average tax rates are calculated by dividing taxes by comprehensive household income.

Comprehensive household income equals pretax cash income plus income from other sources. Pretax cash income is the sum of wages, salaries, self-employment income, rents, taxable and nontaxable interest, dividends, realized capital gains, cash transfer payments, and retirement benefits plus taxes paid by businesses (corporate income taxes and the employer's share of Social Security, Medicare, and federal unemployment insurance payroll taxes) and employees' contributions to 401(k) retirement plans. Other sources of income include all in-kind benefits (Medicare, Medicaid, employer-paid health insurance premiums, food stamps, school lunches and breakfasts, housing assistance, and energy assistance).

Income categories are defined by ranking all people by their comprehensive household income adjusted for household size—that is, divided by the square root of the household's size. (A household consists of the people who share a housing unit, regardless of their relationships.) Quintiles, or fifths, contain equal numbers of people. Households with negative income (business or investment losses larger than other income) are excluded from the lowest income category but are included in totals.

Individual income taxes are attributed directly to households paying those taxes. Social insurance, or payroll, taxes are attributed to households paying those taxes directly or paying them indirectly through their employers. Corporate income taxes are attributed to households according to their share of capital income. Federal excise taxes are attributed to them according to their consumption of the taxed good or service.

**Number of Households, Average Income and Income Shares, and Income Category Minimums for All Households, by Household Income Category, 1979-2007**

Year	Lowest Quintile	Second Quintile	Middle Quintile	Fourth Quintile	Highest Quintile	All Quintiles	Top 10%	Top 5%	Top 1%
<b>Number of Households (Millions)</b>									
1979	17.9	15.8	15.0	15.4	16.7	81.1	8.6	4.3	0.9
1980	18.1	16.1	15.2	15.7	17.1	82.6	8.8	4.4	0.9
1981	17.9	16.3	15.7	15.9	17.5	83.8	9.0	4.6	0.9
1982	17.6	16.3	16.0	16.2	17.8	84.3	9.1	4.6	0.9
1983	17.5	16.8	16.4	16.6	18.0	85.8	9.2	4.6	0.9
1984	18.5	16.8	16.6	16.8	18.0	87.2	9.1	4.6	0.9
1985	18.5	17.3	16.8	17.3	18.5	88.8	9.4	4.8	1.0
1986	18.8	17.3	17.3	17.5	18.5	89.9	9.5	4.8	1.0
1987	18.2	18.4	17.8	18.0	18.7	91.4	9.5	4.8	1.0
1988	18.5	18.7	18.1	18.4	19.0	93.1	9.7	4.8	1.0
1989	18.4	18.8	18.3	18.5	19.3	93.6	9.8	4.9	1.0
1990	18.8	18.6	18.4	18.7	19.7	94.6	10.0	5.0	1.0
1991	19.3	18.6	18.9	18.9	19.9	96.0	10.1	5.1	1.0
1992	19.0	18.9	18.9	19.0	20.1	96.3	10.2	5.1	1.0
1993	19.1	19.2	19.1	19.2	20.2	97.3	10.3	5.2	1.0
1994	19.4	19.6	19.7	19.5	20.5	99.1	10.4	5.2	1.0
1995	20.1	19.3	19.7	19.7	20.6	99.7	10.5	5.2	1.0
1996	20.2	19.8	19.8	20.0	21.0	101.1	10.7	5.4	1.1
1997	20.6	19.8	20.2	20.2	21.4	102.6	10.8	5.4	1.1
1998	21.1	19.8	20.7	20.4	21.6	104.0	10.9	5.4	1.1
1999	21.2	20.0	20.9	20.6	21.8	104.8	11.1	5.5	1.1
2000	22.1	20.8	21.6	21.1	22.4	108.3	11.4	5.7	1.1
2001	22.5	20.9	21.3	21.7	22.5	109.4	11.4	5.7	1.1
2002	23.0	21.4	21.7	22.0	22.7	111.4	11.5	5.8	1.1
2003	23.1	21.6	22.0	22.1	22.7	112.1	11.5	5.8	1.1
2004	23.6	21.9	22.0	22.3	23.0	113.3	11.6	5.8	1.2
2005	23.9	22.0	22.4	22.6	23.1	114.5	11.7	5.8	1.1
2006	23.8	22.3	23.0	23.0	23.6	116.1	12.0	5.9	1.1
2007	24.6	22.2	22.9	23.0	23.7	116.9	11.9	5.9	1.2

<b>Average Income (2007 Dollars)</b>									
<i>Pretax Income</i>									
1979	16,600	36,100	54,100	73,200	140,300	63,400	182,800	248,800	550,000
1980	16,000	34,700	52,300	71,000	135,700	61,300	176,700	236,900	518,500
1981	15,600	34,300	51,700	71,400	134,700	61,100	174,500	232,700	514,900
1982	15,100	33,400	50,600	70,500	134,700	60,900	176,100	238,000	537,100
1983	14,600	32,200	49,800	70,100	139,200	61,300	184,400	250,600	588,000
1984	15,100	34,100	51,900	73,000	148,900	64,000	199,700	274,700	647,300
1985	15,200	34,200	52,700	73,700	152,900	65,600	206,400	285,900	695,100
1986	15,200	35,100	54,000	76,400	172,500	70,400	238,600	344,300	904,800
1987	14,900	33,800	53,600	76,600	162,500	68,000	220,000	305,200	731,400
1988	15,200	34,400	54,400	77,400	174,800	71,000	241,600	346,600	921,100
1989	15,800	35,000	55,000	78,300	173,900	71,600	239,000	338,200	857,200
1990	16,200	35,900	54,800	77,400	168,800	70,800	230,500	324,500	822,600
1991	16,200	35,400	53,900	76,600	162,900	69,000	220,100	304,700	741,500
1992	15,900	35,200	54,300	77,300	170,100	70,800	233,000	330,300	840,900
1993	16,200	35,400	54,500	77,900	170,200	71,100	231,400	323,800	807,900
1994	16,200	35,700	55,000	79,300	173,600	72,000	237,600	334,300	833,000
1995	17,000	37,400	56,500	80,500	181,800	74,700	249,800	358,700	918,100
1996	16,700	37,200	57,200	81,900	190,900	77,200	267,000	384,400	1,012,600
1997	17,100	38,000	58,100	83,400	202,300	80,300	287,500	423,700	1,161,200
1998	17,900	39,700	59,600	86,600	214,700	84,200	308,500	461,900	1,304,300
1999	18,500	40,800	60,800	88,900	227,500	87,800	328,400	492,300	1,419,600
2000	17,600	40,100	60,500	89,700	236,500	89,200	344,400	522,400	1,551,300
2001	17,400	40,300	61,300	88,300	213,900	84,200	303,100	444,300	1,227,800
2002	16,900	39,100	59,900	86,400	203,300	80,600	283,700	406,900	1,087,600
2003	16,700	38,700	59,600	87,100	210,100	81,800	295,900	430,400	1,160,700
2004	16,800	39,600	61,600	89,700	227,800	86,300	327,000	485,800	1,380,000
2005	17,100	40,100	62,100	90,700	246,700	90,500	362,000	555,500	1,660,400
2006	17,700	40,500	62,300	92,000	256,000	93,300	377,700	582,400	1,790,800
2007	18,400	42,500	64,500	94,100	264,700	96,000	394,500	611,200	1,873,000

**Number of Households, Average Income and Income Shares, and Income Category Minimums for All Households, by Household Income Category, 1979-2007**

Year	Lowest Quintile	Second Quintile	Middle Quintile	Fourth Quintile	Highest Quintile	All Quintiles	Top 10%	Top 5%	Top 1%
<i>After-Tax Income</i>									
1979	15,300	31,000	44,100	57,700	101,700	49,300	128,700	169,600	346,600
1980	14,800	29,800	42,600	55,800	98,700	47,700	125,400	164,000	339,200
1981	14,300	29,200	41,800	55,600	98,500	47,400	125,300	164,300	351,100
1982	13,900	28,800	41,500	56,000	101,900	48,300	131,600	176,000	388,600
1983	13,300	27,800	41,000	56,000	106,000	48,800	138,700	186,500	424,800
1984	13,500	29,100	42,500	58,100	112,800	50,600	149,300	203,100	464,500
1985	13,700	29,100	43,200	58,700	116,200	51,900	155,300	213,300	507,400
1986	13,800	29,900	44,300	60,800	131,500	55,700	180,700	259,500	674,100
1987	13,600	29,000	44,200	61,100	120,600	53,300	160,100	218,200	503,200
1988	13,900	29,500	44,600	61,500	130,000	55,500	177,100	250,400	647,700
1989	14,500	30,200	45,200	62,300	130,000	56,200	176,300	246,300	609,700
1990	14,800	30,700	45,000	61,400	126,400	55,600	170,200	236,800	586,000
1991	14,800	30,400	44,500	60,900	121,600	54,200	161,700	220,500	520,100
1992	14,600	30,400	44,800	61,700	126,600	55,600	170,400	237,500	583,700
1993	14,900	30,600	45,100	62,200	124,600	55,400	165,200	225,100	529,400
1994	15,100	31,000	45,500	63,100	126,100	56,000	167,800	229,500	535,100
1995	15,900	32,400	46,700	64,000	131,200	57,900	175,300	244,600	586,400
1996	15,700	32,300	47,300	65,200	137,400	59,600	186,700	261,300	648,100
1997	16,100	32,800	48,000	66,300	145,700	61,900	201,600	289,700	755,700
1998	16,900	34,600	49,600	69,000	155,400	65,200	218,100	319,600	868,200
1999	17,300	35,300	50,600	70,700	163,800	67,700	230,900	338,900	943,800
2000	16,500	34,900	50,400	71,300	170,300	68,700	242,600	360,600	1,038,700
2001	16,500	35,700	51,900	71,600	156,800	66,200	216,800	311,100	824,500
2002	16,100	34,900	51,000	70,600	150,400	63,900	204,600	286,700	730,500
2003	15,900	34,900	51,300	72,000	157,700	65,600	216,400	307,600	792,900
2004	16,000	35,600	52,900	74,200	170,300	69,000	238,400	346,400	946,900
2005	16,400	36,000	53,300	74,800	183,200	71,900	262,100	393,200	1,135,900
2006	16,900	36,300	53,500	75,900	189,900	74,000	273,500	412,900	1,230,900
2007	17,700	38,000	55,300	77,700	198,300	76,400	289,300	440,500	1,319,700

**Share of Income (Percent)**

*Pretax Income*

1979	5.8	11.1	15.8	22.0	45.5	100.0	30.5	20.7	9.3
1980	5.7	11.0	15.7	22.1	45.8	100.0	30.6	20.7	9.1
1981	5.5	10.9	15.9	22.2	46.0	100.0	30.7	20.7	9.1
1982	5.2	10.6	15.7	22.2	46.7	100.0	31.1	21.1	9.6
1983	4.9	10.3	15.5	22.2	47.7	100.0	32.2	22.2	10.3
1984	5.0	10.3	15.4	22.0	48.0	100.0	32.6	22.6	10.9
1985	4.8	10.1	15.2	21.9	48.6	100.0	33.4	23.4	11.5
1986	4.5	9.6	14.7	21.2	50.6	100.0	35.8	26.0	14.0
1987	4.4	10.0	15.3	22.1	48.9	100.0	33.5	23.4	11.2
1988	4.3	9.7	14.9	21.6	50.3	100.0	35.3	25.4	13.3
1989	4.3	9.8	15.1	21.6	49.9	100.0	34.8	24.8	12.5
1990	4.6	10.0	15.1	21.6	49.5	100.0	34.4	24.3	12.1
1991	4.7	10.0	15.4	21.8	49.0	100.0	33.7	23.6	11.2
1992	4.4	9.7	15.1	21.5	50.0	100.0	34.9	24.7	12.3
1993	4.5	9.8	15.0	21.6	49.8	100.0	34.6	24.4	11.9
1994	4.4	9.8	15.2	21.6	49.8	100.0	34.6	24.5	12.1
1995	4.6	9.7	14.9	21.3	50.2	100.0	35.2	25.1	12.5
1996	4.3	9.4	14.5	21.0	51.5	100.0	36.5	26.5	13.8
1997	4.3	9.1	14.2	20.4	52.6	100.0	37.8	27.8	14.9
1998	4.3	9.0	14.1	20.2	53.0	100.0	38.4	28.5	15.7
1999	4.2	8.9	13.8	19.9	53.8	100.0	39.4	29.6	16.7
2000	4.0	8.6	13.5	19.6	54.8	100.0	40.6	30.7	17.8
2001	4.3	9.2	14.2	20.8	52.3	100.0	37.5	27.4	14.7
2002	4.3	9.3	14.5	21.2	51.5	100.0	36.5	26.3	13.5
2003	4.2	9.1	14.3	21.0	52.1	100.0	37.2	27.0	14.3
2004	4.1	8.9	13.9	20.4	53.5	100.0	38.9	29.0	16.3
2005	4.0	8.5	13.4	19.7	55.1	100.0	40.9	31.1	18.1
2006	3.9	8.3	13.2	19.5	55.7	100.0	41.7	31.9	18.8
2007	4.0	8.4	13.1	19.3	55.9	100.0	42.0	32.3	19.4



**Number of Households, Average Income and Income Shares, and Income Category Minimums for All Households, by Household Income Category, 1979-2007**

Year	Lowest Quintile	Second Quintile	Middle Quintile	Fourth Quintile	Highest Quintile	All Quintiles	Top 10%	Top 5%	Top 1%
<i>After-Tax Income</i>									
1979	6.8	12.3	16.5	22.3	42.4	100.0	27.6	18.1	7.5
1980	6.8	12.1	16.5	22.3	42.8	100.0	27.9	18.4	7.7
1981	6.5	12.0	16.5	22.3	43.3	100.0	28.4	18.9	8.0
1982	6.0	11.5	16.3	22.3	44.6	100.0	29.4	19.7	8.7
1983	5.5	11.2	16.1	22.3	45.7	100.0	30.5	20.7	9.4
1984	5.7	11.1	16.0	22.2	46.0	100.0	30.9	21.2	9.9
1985	5.5	10.9	15.8	22.0	46.7	100.0	31.7	22.0	10.6
1986	5.2	10.3	15.3	21.3	48.7	100.0	34.3	24.8	13.2
1987	5.1	10.9	16.1	22.5	46.3	100.0	31.1	21.3	9.9
1988	5.0	10.7	15.6	21.9	47.9	100.0	33.1	23.5	12.0
1989	5.1	10.8	15.7	21.9	47.6	100.0	32.7	23.0	11.3
1990	5.3	10.8	15.8	21.9	47.3	100.0	32.3	22.6	11.0
1991	5.5	10.9	16.2	22.1	46.5	100.0	31.5	21.7	10.0
1992	5.2	10.7	15.9	21.9	47.4	100.0	32.5	22.7	10.9
1993	5.3	10.9	16.0	22.1	46.8	100.0	31.7	21.8	10.0
1994	5.3	11.0	16.1	22.2	46.5	100.0	31.4	21.6	10.0
1995	5.5	10.9	15.9	21.9	46.8	100.0	31.9	22.1	10.3
1996	5.3	10.6	15.6	21.6	48.0	100.0	33.1	23.3	11.4
1997	5.2	10.2	15.3	21.1	49.1	100.0	34.4	24.6	12.6
1998	5.3	10.1	15.1	20.8	49.6	100.0	35.1	25.4	13.5
1999	5.2	10.0	14.9	20.5	50.2	100.0	36.0	26.5	14.4
2000	4.9	9.7	14.7	20.2	51.3	100.0	37.1	27.5	15.5
2001	5.1	10.3	15.2	21.5	48.8	100.0	34.1	24.4	12.6
2002	5.2	10.5	15.5	21.8	48.0	100.0	33.1	23.4	11.4
2003	5.0	10.3	15.4	21.6	48.8	100.0	33.9	24.1	12.2
2004	4.9	10.0	14.9	21.2	50.1	100.0	35.5	25.9	14.0
2005	4.8	9.6	14.5	20.5	51.5	100.0	37.3	27.7	15.6
2006	4.7	9.4	14.3	20.3	52.2	100.0	38.1	28.5	16.3
2007	4.9	9.4	14.1	20.0	52.5	100.0	38.7	29.3	17.1

**Minimum Adjusted Income (2007 Dollars)**

1979	0	17,400	27,600	37,900	52,800	NA	67,500	85,600	167,500
1980	0	16,700	26,700	36,800	51,600	NA	66,600	83,700	162,400
1981	0	16,500	26,500	37,000	52,000	NA	66,600	84,400	160,000
1982	0	16,000	25,800	36,500	52,000	NA	67,000	83,900	160,600
1983	0	15,300	25,600	36,500	52,300	NA	67,700	85,800	167,500
1984	0	16,200	26,700	38,100	54,400	NA	71,300	90,500	178,900
1985	0	16,300	27,100	38,700	55,200	NA	72,500	92,700	185,900
1986	0	16,500	27,900	39,900	57,600	NA	75,900	98,500	215,900
1987	0	15,900	27,700	40,200	58,400	NA	77,000	98,400	202,600
1988	0	16,300	28,400	41,000	59,500	NA	78,800	101,200	218,000
1989	0	16,700	28,800	41,400	60,300	NA	80,000	103,600	221,000
1990	0	17,100	28,800	41,200	59,500	NA	78,600	102,000	210,700
1991	0	17,100	28,300	40,800	58,600	NA	77,400	100,200	206,700
1992	0	16,700	28,400	41,100	59,300	NA	78,800	103,300	218,600
1993	0	16,900	28,500	41,100	59,800	NA	79,300	103,000	215,100
1994	0	17,100	28,900	42,100	60,700	NA	80,500	105,300	221,600
1995	0	17,900	29,900	42,800	62,400	NA	83,300	109,600	235,700
1996	0	17,600	30,200	43,400	63,600	NA	85,600	112,800	248,900
1997	0	18,100	30,600	44,100	65,100	NA	88,100	118,300	264,100
1998	0	18,900	31,700	45,600	67,600	NA	92,000	123,400	281,800
1999	0	19,400	32,400	46,600	69,500	NA	94,700	127,200	300,600
2000	0	19,000	32,200	46,900	70,300	NA	96,300	130,400	309,000
2001	0	19,200	32,400	47,100	69,700	NA	94,000	125,700	278,700
2002	0	18,700	31,500	46,100	68,000	NA	92,000	122,100	265,000
2003	0	18,500	31,300	46,000	69,000	NA	92,700	123,700	269,300
2004	0	18,900	32,100	47,300	70,600	NA	95,900	128,300	293,400
2005	0	19,100	32,600	48,100	71,700	NA	98,600	135,200	327,900
2006	0	19,400	33,000	48,800	73,100	NA	100,900	138,900	341,800
2007	0	20,500	34,300	50,000	74,700	NA	102,900	141,900	352,900

**Number of Households, Average Income and Income Shares, and Income Category Minimums for All Households, by Household Income Category, 1979-2007**

Year	Lowest Quintile	Second Quintile	Middle Quintile	Fourth Quintile	Highest Quintile	All Quintiles	Top 10%	Top 5%	Top 1%
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Source: Congressional Budget Office.

Notes: Average tax rates are calculated by dividing taxes by comprehensive household income.

Comprehensive household income equals pretax cash income plus income from other sources. Pretax cash income is the sum of wages, salaries, self-employment income, rents, taxable and nontaxable interest, dividends, realized capital gains, cash transfer payments, and retirement benefits plus taxes paid by businesses (corporate income taxes and the employer's share of Social Security, Medicare, and federal unemployment insurance payroll taxes) and employees' contributions to 401(k) retirement plans. Other sources of income include all in-kind benefits (Medicare, Medicaid, employer-paid health insurance premiums, food stamps, school lunches and breakfasts, housing assistance, and energy assistance).

Income categories are defined by ranking all people by their comprehensive household income adjusted for household size—that is, divided by the square root of the household's size. (A household consists of the people who share a housing unit, regardless of their relationships.) Quintiles, or fifths, contain equal numbers of people. Households with negative income (business or investment losses larger than other income) are excluded from the lowest income category but are included in totals.

Individual income taxes are attributed directly to households paying those taxes. Social insurance, or payroll, taxes are attributed to households paying those taxes directly or paying them indirectly through their employers. Corporate income taxes are attributed to households according to their share of capital income. Federal excise taxes are attributed to them according to their consumption of the taxed good or service.

The minimum adjusted income is the lower income boundary for each quintile. Because incomes are adjusted by dividing income by the square root of household size, an adjusted income range implies different unadjusted income for different size households. To compute the unadjusted income range for a particular size household, the adjusted income must be multiplied by the square root of the household size: 1.414 for a two-person household, 1.732 for a three-person household; 2.0 for a four-person household, 2.236 for a five-person household. For example, in 2007, the highest quintile had adjusted income above \$74,700. A two-person household would need income above \$105,600 to fall in that quintile, while a four-person household would need income in excess of \$149,400.