

Historical Effective Federal Tax Rates: 1979 to 2002

March 2005

The following tables update the series of historical effective tax rates estimated by the Congressional Budget Office (CBO) by providing values for an additional year--2002.¹ The tables show effective tax rates for the four largest sources of federal revenues--individual income taxes, corporate income taxes, payroll taxes, and excise taxes--as well as the total effective rate for the four taxes combined. The tables also present average pretax and after-tax household income; counts of households; and shares of taxes, income, and households for each fifth (quintile) of the income distribution and for the top percentiles of households.

Tax Law Changes in 2002

Compared to those in 2001, effective tax rates in 2002 were affected by two major tax bills. The provisions of the Economic Growth and Tax Relief Reconciliation Act of 2001 (EGTRRA) continued to phase in, lowering the effective individual income tax rate. In 2002, EGTRRA reduced the statutory tax rates for the top four brackets below their 2001 levels, increased the income range over which married couples could claim the earned income tax credit, and allowed for higher tax credits to offset child and dependent care expenses. The Job Creation and Worker Assistance Act of 2002 (JCWAA) lowered effective rates for both the individual income and corporate income taxes by increasing depreciation allowances for some property and altering tax rules concerning operating losses.²

Effective Tax Rates in 2002

The overall effective tax rate fell by 0.7 percentage points, from 21.4 percent in 2001 to 20.7 percent in 2002, largely because of a 0.7 percentage point drop in the effective individual income tax rate. The effective corporate income tax rate fell by 0.3 percentage points, while the effective social insurance tax rate rose by an equivalent amount.

A combination of tax law changes and income changes accounted for the drop in effective individual tax rate. EGTRRA lowered rates and increased credits, while

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1. See Congressional Budget Office, *Effective Federal Tax Rates, 1997 to 2000* (August 2003). An update extended the series to 2001; see *Effective Federal Tax Rates: 1979-2001* (April 2004), available at www.cbo.gov.
 2. For a more detailed description of legislative changes to the tax law, see Congressional Budget Office, *Effective Federal Tax Rates Under Current Law, 2001 to 2014* (August 2004).

JCWAA increased deductions, all of which lowered the effective income tax rate.³ At the same time, aggregate income fell from 2001 to 2002. Declines in capital gains income (which fell from \$326 billion to \$239 billion) and taxable interest income (which fell from \$198 billion to \$149 billion) were especially pronounced. Wages and salaries, the largest source of income, were essentially unchanged between 2001 and 2002. At the same time, features of the tax code such as the size of tax brackets, personal exemptions, and the standard deduction increased because they are indexed to the rate of inflation. Such increases, coupled with the decline in income, meant that a larger proportion of income was taxed at lower statutory tax rates, lowering the effective tax rate.

The drop in the effective corporate tax rate primarily reflects the changes to depreciation enacted in JCWAA. The increase in the effective social insurance tax rate stems from two factors. In 2002 a larger share of wages fell below the Social Security taxable maximum, increasing payroll taxes relative to wage income. At the same time, wages made up a larger share of income in 2002 than in 2001, further pushing up the effective social insurance tax rate, which is measured as a percentage of total income.

Who Pays Taxes?

The analysis assumes that households bear the burden of the taxes that they pay directly (for example, individual income taxes and the employees' share of the payroll tax). Excise taxes are assumed to fall on households according to their consumption of taxed goods (tobacco and alcohol) or--in the case of excise taxes that affect intermediate goods--in proportion to overall consumption. Taxes on businesses were attributed to households. CBO assumes, as do most economists, that employers' shares of payroll taxes fall on employees and, therefore, that the amount of those taxes should be included in employees' income and the taxes counted as part of employees' tax burden. Far less consensus exists regarding how to attribute corporate income taxes. CBO assumes that corporate income taxes are borne by owners of capital in proportion to their income from interest, dividends, rents, and capital gains.

Measuring Income

This analysis focuses on adjusted pretax comprehensive household income. That measure includes all cash income (both taxable and tax-exempt), taxes paid by

3. By increasing depreciation deductions, JCWAA reduced sole proprietorship, S corporation, and partnership income reported on individual income tax returns and the associated taxes. Because CBO's definition of income includes business income as reported on tax returns, JCWAA also lowered measured income.

businesses (which are imputed to individuals, as noted above), employee contributions to 401(k) retirement plans, and the value of income received in kind from various sources (including employer-paid health insurance premiums, Medicare and Medicaid benefits, and food stamps, among others). The calculations use the Census Bureau's fungible value measure to determine the cash equivalent of in-kind government transfers.

CBO adjusted the resulting measure of comprehensive income for differences in the size of households in order to assign households to income quintiles. It used adjusted income only to rank households in the income distribution; values in Tables 1C, 2C, 3C, and 4CA for average income are based on income unadjusted for household size.

Income Quintiles

The tables report values for both the entire population and for parts of the income distribution. Quintiles form the basic groups of interest. The tables also include information about households in the top 10 percent, top 5 percent, and top 1 percent of the annual income distribution. The analysis does not show a comparable subdivision of the lowest quintile because effective tax rates and income are distributed in similar ways for households in different parts of that income group.

Quintiles contain equal numbers of people, but because households vary in size, quintiles generally contain unequal numbers of households.

Types of Households

Separate tables show effective tax rates and income for three different types of households: those with members under age 18 (households with children), those headed by a person age 65 or older and with no member under age 18 (elderly childless households), and all others (nonelderly childless households).

Table 1.
Effective Federal Tax Rates, 2001 and 2002

Income Category	Millions of Households	Average Income (2002 dollars)		Effective Tax Rate				
		Pretax	After-Tax	All Federal Taxes	Individual Income Tax	Social Insurance Taxes	Corporate Income Taxes	Excise Taxes
2001								
Lowest Quintile	22.2	15,200	14,400	5.2	-5.6	8.3	0.3	2.2
Second Quintile	21.1	34,700	30,700	11.5	0.3	9.4	0.4	1.4
Middle Quintile	21.6	52,300	44,400	15.1	3.8	9.5	0.7	1.1
Fourth Quintile	21.5	76,800	62,000	19.2	7.2	10.4	0.7	0.9
Highest Quintile	22.5	185,400	135,900	26.7	16.3	7.1	2.8	0.5
All Quintiles	109.4	72,900	57,300	21.4	10.4	8.4	1.8	0.8
Top 10%	11.4	262,800	188,000	28.5	18.7	5.8	3.5	0.5
Top 5%	5.7	385,400	269,800	30.0	20.8	4.5	4.3	0.4
Top 1%	1.1	1,064,800	715,000	32.9	24.1	2.3	6.2	0.2
2002								
Lowest Quintile	22.6	14,400	13,800	4.6	-6.0	8.1	0.3	2.3
Second Quintile	21.5	33,600	29,900	10.8	-0.2	9.3	0.3	1.4
Middle Quintile	22.3	51,100	43,700	14.4	3.5	9.3	0.5	1.1
Fourth Quintile	21.7	75,900	61,700	18.7	6.8	10.5	0.5	0.9
Highest Quintile	22.8	175,900	130,000	26.1	15.6	7.5	2.5	0.5
All Quintiles	111.4	69,800	55,300	20.7	9.7	8.7	1.5	0.9
Top 10%	11.6	244,500	176,200	27.9	18.0	6.3	3.2	0.5
Top 5%	5.8	350,700	247,200	29.5	20.1	4.9	4.1	0.4
Top 1%	1.1	938,100	631,700	32.7	23.8	2.5	6.1	0.3

Source: Congressional Budget Office.

Notes: A household consists of the people who share a housing unit, regardless of their relationships.

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. Quintiles, or fifths, contain equal numbers of people.

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 employee 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). Households with negative income are excluded from the lowest income category but are included in totals.

Table 2.
Shares of Federal Tax Liabilities, 2001 and 2002

Income Category	Percent of Households	Share of Income		Share of Tax Liabilities				
		Pre-Tax	After-Tax	All Federal Taxes	Individual Income Tax	Social Insurance Taxes	Corporate Income Taxes	Excise Taxes
2001								
Lowest Quintile	20.3	4.2	5.1	1.0	-2.3	4.2	0.8	11.1
Second Quintile	19.3	9.2	10.3	4.9	0.3	10.3	2.1	14.7
Middle Quintile	19.8	14.2	15.4	10.0	5.2	16.0	5.4	18.1
Fourth Quintile	19.6	20.7	21.3	18.5	14.3	25.6	7.7	22.3
Highest Quintile	20.6	52.4	48.9	65.3	82.5	43.9	82.6	33.5
All Quintiles	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Top 10%	10.4	37.6	34.2	50.0	67.7	26.0	74.8	20.1
Top 5%	5.2	27.5	24.5	38.5	55.2	14.6	67.8	12.2
Top 1%	1.0	14.8	12.6	22.7	34.4	4.0	51.8	4.2
2002								
Lowest Quintile	20.3	4.2	5.1	0.9	-2.6	3.9	0.7	11.2
Second Quintile	19.3	9.3	10.4	4.8	-0.2	9.9	1.9	15.1
Middle Quintile	20.0	14.7	15.8	10.2	5.3	15.8	5.2	18.7
Fourth Quintile	19.5	21.2	21.7	19.1	14.8	25.6	7.4	22.2
Highest Quintile	20.4	51.5	48.0	64.8	82.8	44.6	82.9	32.3
All Quintiles	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Top 10%	10.4	36.4	33.1	49.0	67.4	26.6	75.8	19.3
Top 5%	5.2	26.2	23.3	37.3	54.5	14.9	69.4	11.7
Top 1%	1.0	13.4	11.4	21.1	33.0	3.9	53.5	4.1

Source: Congressional Budget Office.

Notes: A household consists of the people who share a housing unit, regardless of their relationships.

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. Quintiles, or fifths, contain equal numbers of people.

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 employee 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). Households with negative income are excluded from the lowest income category but are included in totals.

Appendix: Detailed Tables for 1979 to 2002

The following tables are available in spreadsheet form in the electronic version of this document on the Congressional Budget Office's Web site, www.cbo.gov.

All Households

Table 1A. Effective Federal Tax Rates

Table 1B. Shares of Federal Tax Liabilities

Table 1C. Number of Households, Average Income and Income Shares, and Income Category Minimums

Households with Children

Table 2A. Effective Federal Tax Rates

Table 2B. Shares of Federal Tax Liabilities

Table 2C. Number of Households, Average Pretax and After-Tax Income, Shares of Pretax and After-Tax Income, and Income Category Minimums

Elderly Childless Households

Table 3A. Effective Federal Tax Rates

Table 3B. Shares of Federal Tax Liabilities

Table 3C. Number of Households, Average Pretax and After-Tax Income, Shares of Pretax and After-Tax Income, and Income Category Minimums

Nonelderly Childless Households

Table 4A. Effective Federal Tax Rates

Table 4B. Shares of Federal Tax Liabilities

Table 4C. Number of Households, Average Pretax and After-Tax Income, Shares of Pretax and After-Tax Income, and Income Category Minimums

Table 1A
Effective Federal Tax Rates for All Households, by Comprehensive Household Income Quintile, 1979-2002

Income Category	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Total Effective Federal Tax Rate																								
Lowest Quintile	8.0	7.7	8.3	8.2	9.1	10.2	9.8	9.6	8.7	8.5	7.9	8.9	8.4	8.2	8.0	6.6	6.3	5.6	5.8	5.8	6.1	6.4	5.2	4.6
Second Quintile	14.3	14.1	14.7	13.8	13.7	14.6	14.8	14.8	14.0	14.3	13.9	14.6	14.2	13.7	13.5	13.1	13.4	13.2	13.6	13.0	13.3	13.0	11.5	10.8
Middle Quintile	18.6	18.7	19.2	17.9	17.5	18.0	18.1	18.0	17.6	17.9	17.9	17.9	17.6	17.4	17.3	17.3	17.3	17.3	17.4	16.8	16.9	16.6	15.1	14.4
Fourth Quintile	21.2	21.5	22.1	20.6	20.1	20.4	20.4	20.5	20.2	20.6	20.5	20.6	20.5	20.2	20.2	20.4	20.5	20.3	20.5	20.4	20.5	20.5	19.2	18.7
Highest Quintile	27.5	27.3	26.9	24.4	23.9	24.3	24.0	23.8	25.8	25.6	25.2	25.1	25.3	25.6	26.8	27.4	27.8	28.0	28.0	27.6	28.0	28.0	26.7	26.1
All	22.2	22.2	22.4	20.7	20.4	21.0	20.9	20.9	21.6	21.8	21.5	21.5	21.5	21.5	22.0	22.3	22.6	22.7	22.9	22.6	22.9	23.0	21.4	20.7
Top 10%	29.6	29.0	28.2	25.3	24.8	25.2	24.7	24.3	27.2	26.7	26.3	26.1	26.6	26.9	28.6	29.4	29.8	30.1	29.9	29.3	29.7	29.6	28.5	27.9
Top 5%	31.8	30.8	29.4	26.0	25.6	26.1	25.4	24.6	28.5	27.8	27.2	27.0	27.6	28.1	30.5	31.3	31.8	32.0	31.6	30.8	31.2	31.0	30.0	29.5
Top 1%	37.0	34.6	31.8	27.7	27.7	28.2	27.0	25.5	31.2	29.7	28.9	28.8	29.9	30.6	34.5	35.8	36.1	36.0	34.9	33.4	33.5	33.0	32.9	32.7
Effective Individual Income Tax Rate																								
Lowest Quintile	0.0	0.2	0.5	0.4	0.4	0.7	0.5	0.4	-0.6	-1.1	-1.6	-1.0	-1.6	-2.1	-2.3	-3.9	-4.4	-5.1	-5.2	-5.4	-5.2	-4.6	-5.6	-6.0
Second Quintile	4.1	4.5	4.8	4.2	3.8	4.0	4.0	4.0	3.2	3.1	2.9	3.4	2.9	2.5	2.3	1.9	2.0	1.8	2.1	1.5	1.7	1.5	0.3	-0.2
Middle Quintile	7.5	8.0	8.3	7.4	6.7	6.7	6.6	6.5	5.8	5.9	6.0	6.0	5.8	5.5	5.4	5.3	5.3	5.4	5.6	5.0	5.0	5.0	3.8	3.5
Fourth Quintile	10.1	10.7	11.1	10.0	9.1	8.9	8.8	8.8	8.1	8.3	8.3	8.3	8.1	7.9	7.8	7.8	7.8	7.9	8.0	7.9	8.0	8.1	7.2	6.8
Highest Quintile	15.7	16.5	16.7	15.3	14.2	14.1	14.0	14.2	14.9	14.9	14.6	14.4	14.3	14.5	14.9	15.0	15.5	16.1	16.4	16.5	17.1	17.5	16.3	15.6
All	11.0	11.7	12.0	11.0	10.2	10.2	10.2	10.4	10.3	10.4	10.2	10.1	9.9	9.9	10.0	10.0	10.2	10.7	11.0	11.0	11.4	11.8	10.4	9.7
Top 10%	17.4	18.2	18.2	16.9	15.6	15.6	15.4	15.5	16.8	16.6	16.3	16.0	16.0	16.3	17.0	17.1	17.7	18.3	18.5	18.7	19.3	19.7	18.7	18.0
Top 5%	19.0	19.7	19.6	18.3	16.9	17.0	16.7	16.6	18.5	18.2	17.7	17.5	17.6	18.0	19.1	19.2	19.8	20.5	20.6	20.6	21.3	21.6	20.8	20.1
Top 1%	21.8	22.3	21.5	20.4	19.4	19.3	18.9	18.3	21.5	20.7	19.9	19.9	20.6	21.2	23.2	23.0	23.7	24.2	23.8	23.4	24.0	24.2	24.1	23.8
Effective Social Insurance Tax Rate																								
Lowest Quintile	5.3	5.3	5.9	5.9	6.1	6.5	6.6	6.7	6.4	6.9	7.1	7.3	7.2	7.3	7.2	7.2	7.6	7.8	8.1	8.4	8.4	8.2	8.3	8.1
Second Quintile	7.7	7.6	8.1	8.0	7.9	8.4	8.8	8.8	8.6	9.0	8.9	9.3	9.2	8.9	8.8	8.9	9.1	9.2	9.4	9.4	9.5	9.4	9.4	9.3
Middle Quintile	8.6	8.5	9.1	8.9	8.9	9.2	9.5	9.5	9.4	9.7	9.8	9.9	9.6	9.7	9.6	9.5	9.6	9.6	9.6	9.6	9.6	9.6	9.5	9.3
Fourth Quintile	8.5	8.5	9.1	9.1	9.1	9.3	9.6	9.7	9.8	10.2	10.0	10.3	10.3	10.2	10.2	10.2	10.3	10.2	10.3	10.4	10.4	10.4	10.4	10.5
Highest Quintile	5.4	5.5	6.1	6.3	6.3	6.4	6.5	6.1	6.7	6.6	6.6	6.9	7.4	7.2	7.3	7.5	7.2	6.9	6.6	6.5	6.4	6.3	7.1	7.5
All	6.9	6.9	7.5	7.5	7.5	7.8	7.9	7.7	8.0	8.1	8.1	8.4	8.6	8.4	8.5	8.6	8.5	8.3	8.2	8.1	8.0	7.9	8.4	8.7
Top 10%	4.2	4.3	4.8	5.1	5.1	5.1	5.1	4.6	5.3	5.1	5.1	5.4	6.1	5.8	6.0	6.3	6.0	5.6	5.4	5.2	5.1	5.0	5.8	6.3
Top 5%	2.8	3.0	3.4	3.7	3.7	3.7	3.7	3.2	3.8	3.6	3.7	4.0	4.7	4.4	4.7	4.9	4.6	4.3	4.0	3.9	3.8	3.8	4.5	4.9
Top 1%	0.9	1.0	1.3	1.6	1.5	1.4	1.3	1.0	1.5	1.3	1.4	1.5	2.2	1.9	2.1	2.6	2.3	2.2	2.0	1.9	1.9	1.9	2.3	2.5
Effective Corporate Income Tax Rate																								
Lowest Quintile	1.1	0.9	0.7	0.5	0.6	0.8	0.6	0.6	0.7	0.7	0.6	0.6	0.6	0.6	0.6	0.6	0.7	0.6	0.5	0.5	0.5	0.5	0.3	0.3
Second Quintile	1.2	1.0	0.8	0.5	0.7	0.7	0.7	0.7	0.9	0.8	0.8	0.7	0.7	0.7	0.8	0.7	0.8	0.7	0.7	0.6	0.6	0.6	0.4	0.3
Middle Quintile	1.4	1.2	1.0	0.7	0.9	1.0	0.9	0.9	1.2	1.2	1.1	1.0	1.0	1.0	1.0	1.1	1.1	1.1	1.1	1.0	1.0	0.9	0.7	0.5
Fourth Quintile	1.6	1.4	1.2	0.7	1.0	1.2	1.0	1.0	1.4	1.3	1.2	1.2	1.1	1.1	1.2	1.2	1.3	1.3	1.3	1.1	1.1	1.0	0.7	0.5
Highest Quintile	5.7	4.6	3.6	2.1	2.8	3.1	2.8	2.8	3.6	3.6	3.5	3.3	3.0	3.3	3.9	4.2	4.4	4.5	4.4	4.0	3.9	3.7	2.8	2.5
All	3.4	2.8	2.2	1.4	1.8	2.0	1.8	1.9	2.4	2.4	2.3	2.2	2.0	2.2	2.5	2.6	2.8	2.9	2.9	2.6	2.5	2.4	1.8	1.5
Top 10%	7.4	5.9	4.6	2.8	3.5	3.9	3.6	3.5	4.6	4.5	4.4	4.2	3.8	4.2	5.0	5.4	5.6	5.6	5.5	4.9	4.7	4.4	3.5	3.2
Top 5%	9.5	7.4	5.9	3.5	4.4	4.9	4.5	4.3	5.7	5.5	5.3	5.1	4.8	5.2	6.2	6.7	6.9	6.8	6.6	5.9	5.6	5.2	4.3	4.1
Top 1%	13.8	10.8	8.7	5.4	6.4	7.1	6.4	5.8	7.8	7.3	7.2	7.1	6.8	7.2	8.8	9.7	9.7	9.3	8.7	7.8	7.3	6.7	6.2	6.1

Table 1A
Effective Federal Tax Rates for All Households, by Comprehensive Household Income Quintile, 1979-2002

Income Category	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Effective Excise Tax Rate																								
Lowest Quintile	1.6	1.4	1.3	1.4	2.0	2.3	2.2	2.0	2.1	2.0	1.8	2.0	2.2	2.3	2.5	2.6	2.4	2.3	2.3	2.2	2.4	2.3	2.2	2.3
Second Quintile	1.3	1.1	1.0	1.1	1.3	1.4	1.4	1.3	1.4	1.4	1.2	1.3	1.4	1.5	1.6	1.7	1.6	1.5	1.5	1.4	1.6	1.4	1.4	1.4
Middle Quintile	1.1	0.9	0.9	0.9	1.1	1.1	1.1	1.1	1.1	1.1	1.0	1.0	1.2	1.2	1.2	1.3	1.3	1.2	1.1	1.1	1.2	1.1	1.1	1.1
Fourth Quintile	0.9	0.8	0.7	0.8	0.9	1.0	0.9	0.9	0.9	0.9	0.9	0.9	1.0	1.0	1.0	1.1	1.1	1.0	0.9	0.9	1.0	0.9	0.9	0.9
Highest Quintile	0.7	0.6	0.6	0.6	0.7	0.7	0.7	0.6	0.7	0.6	0.6	0.6	0.7	0.7	0.7	0.7	0.7	0.6	0.6	0.6	0.6	0.5	0.5	0.5
All	1.0	0.8	0.8	0.8	0.9	1.0	0.9	0.9	0.9	0.9	0.8	0.9	1.0	1.0	1.0	1.1	1.0	0.9	0.9	0.9	0.9	0.9	0.8	0.9
Top 10%	0.7	0.6	0.5	0.5	0.6	0.6	0.6	0.6	0.6	0.5	0.5	0.5	0.6	0.6	0.6	0.6	0.6	0.5	0.5	0.5	0.5	0.4	0.5	0.5
Top 5%	0.6	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.4	0.4	0.5	0.5	0.5	0.5	0.5	0.4	0.4	0.4	0.4	0.4	0.4	0.4
Top 1%	0.5	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.3	0.3	0.4	0.3	0.4	0.4	0.3	0.3	0.3	0.3	0.3	0.2	0.2	0.3

Source: Congressional Budget Office.

Notes: Effective tax rates are calculated by dividing taxes by comprehensive household income. A household consists of the people who share a housing unit, regardless of their relationships.

The income measure is comprehensive household income, which comprises 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; 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). Households with negative income are excluded from the lowest income category but are included in totals.

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. Quintiles, or fifths, contain equal numbers of people.

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

Table 1B
Shares of Federal Tax Liabilities for All Households, by Comprehensive Household Income Quintile, 1979-2002

Income Category	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Share of Total Federal Tax Liabilities																								
Lowest Quintile	2.1	2.0	2.0	2.1	2.2	2.4	2.3	2.1	1.8	1.7	1.6	1.9	1.9	1.7	1.6	1.3	1.3	1.1	1.1	1.1	1.1	1.1	1.0	0.9
Second Quintile	7.2	7.0	7.1	7.1	6.9	7.2	7.2	6.8	6.5	6.4	6.4	6.8	6.6	6.2	6.0	5.8	5.8	5.5	5.4	5.2	5.2	4.8	4.9	4.8
Middle Quintile	13.2	13.3	13.6	13.6	13.3	13.2	13.2	12.7	12.4	12.2	12.6	12.6	12.6	12.2	11.8	11.8	11.4	11.1	10.8	10.5	10.2	9.8	10.0	10.2
Fourth Quintile	21.0	21.3	21.9	22.1	21.8	21.4	21.3	20.8	20.7	20.4	20.6	20.7	20.9	20.2	19.8	19.8	19.3	18.8	18.3	18.2	17.8	17.5	18.5	19.1
Highest Quintile	56.4	56.3	55.2	55.0	55.7	55.6	55.8	57.5	58.4	59.1	58.7	57.9	57.9	59.5	60.5	61.1	61.9	63.4	64.2	64.9	65.6	66.6	65.3	64.8
All	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Top 10%	40.7	40.0	38.6	38.0	39.0	39.3	39.5	41.6	42.2	43.2	42.5	41.7	41.7	43.6	44.9	45.6	46.6	48.3	49.3	49.9	51.0	52.2	50.0	49.0
Top 5%	29.6	28.7	27.2	26.5	27.7	28.2	28.4	30.7	30.8	32.3	31.3	30.6	30.3	32.3	33.8	34.4	35.4	37.3	38.3	38.9	40.2	41.4	38.5	37.3
Top 1%	15.4	14.2	12.9	12.8	14.0	14.7	14.8	17.1	16.2	18.1	16.7	16.2	15.7	17.5	18.7	19.4	20.1	21.8	22.7	23.3	24.3	25.5	22.7	21.1
Share of Individual Income Tax Liabilities																								
Lowest Quintile	0.0	0.1	0.2	0.2	0.2	0.3	0.2	0.2	-0.3	-0.4	-0.7	-0.4	-0.8	-0.9	-1.0	-1.7	-2.0	-2.1	-2.0	-2.1	-1.9	-1.6	-2.3	-2.6
Second Quintile	4.1	4.2	4.4	4.0	3.8	4.1	4.0	3.7	3.1	2.9	2.8	3.3	2.9	2.5	2.3	1.8	1.9	1.6	1.7	1.3	1.3	1.1	0.3	-0.2
Middle Quintile	10.7	10.8	10.9	10.6	10.2	10.1	9.9	9.2	8.7	8.5	8.9	8.9	9.0	8.4	8.1	8.1	7.7	7.3	7.2	6.4	6.1	5.7	5.2	5.3
Fourth Quintile	20.2	20.2	20.6	20.2	19.7	19.2	19.0	18.0	17.5	17.2	17.6	17.8	18.0	17.1	16.8	16.9	16.2	15.5	14.9	14.6	14.0	13.5	14.3	14.8
Highest Quintile	64.9	64.8	63.9	64.9	66.1	66.3	66.9	68.9	70.9	71.9	71.4	70.4	70.8	73.0	73.8	74.9	76.1	77.6	78.2	79.8	80.6	81.2	82.5	82.8
All	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Top 10%	48.1	47.6	46.6	47.6	49.1	49.9	50.5	53.4	54.7	56.3	55.3	54.3	54.5	57.2	58.4	59.3	60.8	62.9	63.7	65.4	66.7	67.7	67.7	67.4
Top 5%	35.6	34.9	33.9	35.0	36.6	37.7	38.3	41.6	42.1	44.5	42.9	42.1	42.1	44.9	46.4	46.9	48.5	50.9	51.8	53.4	55.1	56.2	55.2	54.5
Top 1%	18.3	17.4	16.3	17.7	19.6	20.7	21.2	24.6	23.5	26.6	24.3	23.8	23.4	26.2	27.6	27.8	29.0	31.4	32.3	33.5	35.0	36.5	34.4	33.0
Share of Social Insurance Tax Liabilities																								
Lowest Quintile	4.5	4.4	4.3	4.1	4.0	4.2	4.0	3.9	3.5	3.6	3.8	4.0	4.0	3.8	3.8	3.7	4.1	4.1	4.2	4.4	4.4	4.2	4.2	3.9
Second Quintile	12.5	12.1	11.9	11.3	10.9	11.2	11.2	11.0	10.6	10.8	10.8	11.1	10.6	10.3	10.2	10.1	10.4	10.4	10.5	10.4	10.5	10.2	10.3	9.9
Middle Quintile	19.8	19.5	19.2	18.7	18.3	18.3	18.3	18.1	18.0	17.8	18.2	17.8	17.2	17.3	17.0	16.9	16.9	16.9	16.8	16.6	16.5	16.3	16.0	15.8
Fourth Quintile	27.4	27.2	27.0	26.7	26.8	26.5	26.4	26.7	26.9	27.0	26.6	26.5	26.2	26.1	26.0	25.8	25.9	25.8	25.7	25.8	25.7	25.8	25.6	25.6
Highest Quintile	35.9	36.8	37.5	39.2	39.9	39.7	39.9	40.2	40.8	40.7	40.4	40.5	41.9	42.3	42.8	43.3	42.6	42.7	42.6	42.5	42.8	43.3	43.9	44.6
All	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Top 10%	18.5	19.1	19.9	21.2	21.8	21.4	21.6	21.6	22.0	22.0	22.0	22.2	24.0	24.0	24.6	25.3	24.8	24.8	24.8	24.5	25.0	25.6	26.0	26.6
Top 5%	8.5	9.1	9.6	10.5	11.0	10.8	10.8	10.7	11.1	11.2	11.2	11.5	12.9	12.9	13.5	14.1	13.6	13.8	13.7	13.6	14.1	14.6	14.6	14.9
Top 1%	1.3	1.4	1.6	2.0	2.0	2.0	1.9	1.9	2.1	2.1	2.2	2.2	2.8	2.7	2.9	3.7	3.5	3.6	3.7	3.7	4.0	4.3	4.0	3.9
Share of Corporate Income Tax Liabilities																								
Lowest Quintile	1.8	1.8	1.6	1.7	1.6	1.9	1.4	1.4	1.3	1.2	1.2	1.2	1.4	1.3	1.1	1.0	1.1	0.9	0.8	0.8	0.8	0.9	0.8	0.7
Second Quintile	4.1	3.9	3.8	4.0	3.8	3.8	3.7	3.3	3.8	3.4	3.6	3.2	3.4	3.2	3.0	2.7	2.6	2.4	2.2	2.2	2.2	2.1	2.1	1.9
Middle Quintile	6.7	7.0	7.1	7.5	7.5	7.5	7.5	7.2	7.7	7.5	7.0	6.9	7.5	6.9	6.3	6.2	5.9	5.8	5.3	5.4	5.5	5.3	5.4	5.2
Fourth Quintile	10.5	11.3	11.9	12.1	12.2	12.7	12.3	11.7	12.8	11.6	11.7	11.6	11.6	10.8	10.3	10.1	10.0	9.7	9.2	8.7	8.5	8.0	7.7	7.4
Highest Quintile	76.5	75.5	74.9	73.8	74.2	73.2	74.2	75.7	73.1	74.9	75.2	75.6	74.5	76.4	77.9	78.5	79.0	80.1	81.5	82.0	82.1	82.9	82.6	82.9
All	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Top 10%	66.7	65.0	64.6	63.3	63.7	63.5	64.9	67.4	64.0	66.5	66.0	66.3	64.7	67.8	69.2	70.0	70.1	71.2	72.6	73.8	73.8	74.6	74.8	75.8
Top 5%	57.9	55.6	55.4	54.9	55.2	55.1	56.9	59.5	55.3	58.4	57.4	57.4	56.2	59.0	60.5	62.1	61.5	62.4	64.1	65.4	65.7	66.5	67.8	69.4
Top 1%	37.8	35.6	35.8	37.7	37.6	38.5	39.7	42.8	36.7	40.7	39.1	39.7	38.3	40.7	42.2	44.5	43.2	44.5	45.7	47.9	47.8	49.1	51.8	53.5

Table 1B
Shares of Federal Tax Liabilities for All Households, by Comprehensive Household Income Quintile, 1979-2002

Income Category	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Share of Federal Excise Tax Liabilities																								
Lowest Quintile	9.9	9.7	9.6	9.7	10.8	11.6	11.2	10.2	10.1	9.7	9.6	10.6	10.7	10.6	10.9	10.8	10.9	10.7	11.1	10.9	10.8	10.8	11.1	11.2
Second Quintile	15.0	14.7	14.6	14.5	14.5	14.9	14.7	14.3	14.8	15.0	14.5	14.8	14.8	15.2	15.0	15.1	15.2	15.4	15.0	14.5	14.6	14.4	14.7	15.1
Middle Quintile	18.2	18.1	18.4	18.2	17.8	17.6	17.5	17.7	18.1	17.9	18.2	18.2	18.7	18.4	18.2	18.5	18.3	18.4	17.8	18.1	18.1	18.0	18.1	18.7
Fourth Quintile	21.6	21.6	21.7	22.2	22.1	22.0	21.6	21.2	21.8	22.0	22.5	22.2	22.1	22.0	21.5	21.8	22.1	21.6	21.0	21.1	21.3	21.6	22.3	22.2
Highest Quintile	34.8	35.2	34.9	34.8	34.2	33.3	34.3	36.0	34.7	35.1	34.7	33.8	33.3	33.3	33.7	33.0	32.9	33.3	34.6	35.1	34.9	34.8	33.5	32.3
All	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Top 10%	21.4	21.7	21.3	20.8	20.4	20.0	21.2	23.1	21.5	21.7	20.8	20.2	20.2	20.0	20.7	20.0	19.5	20.1	21.5	21.6	21.5	21.2	20.1	19.3
Top 5%	13.1	13.4	13.1	12.6	12.7	12.2	13.4	15.1	13.3	13.6	12.7	12.2	12.3	12.1	12.7	12.1	11.7	12.2	13.5	13.5	13.6	13.1	12.2	11.7
Top 1%	4.6	4.6	4.6	4.4	4.6	4.5	5.0	6.4	5.0	5.4	4.5	4.2	4.2	4.1	4.3	4.1	4.1	4.2	5.1	5.3	4.9	4.9	4.2	4.1

Source: Congressional Budget Office.

Notes: Effective tax rates are calculated by dividing taxes by comprehensive household income. A household consists of the people who share a housing unit, regardless of their relationships.

The income measure is comprehensive household income, which comprises 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; 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). Households with negative income are excluded from the lowest income category but are included in totals.

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. Quintiles, or fifths, contain equal numbers of people.

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

Table 1C
Number of Households, Average Income and Income Shares, and Income Category Minimums for All Households, by Household Income Category, 1979 to 2002

Income Category	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Number of Households (Millions)																								
Lowest Quintile	17.9	18.1	17.9	17.6	17.5	18.5	18.5	18.8	18.2	18.5	18.4	18.8	19.3	19.0	19.1	19.4	20.1	20.2	20.6	21.1	21.2	22.1	22.2	22.6
Second Quintile	15.8	16.1	16.3	16.3	16.8	16.8	17.3	17.3	18.4	18.7	18.8	18.6	18.6	18.9	19.2	19.6	19.3	19.8	19.8	19.8	20.0	20.8	21.1	21.5
Middle Quintile	15.0	15.2	15.7	16.0	16.4	16.6	16.8	17.3	17.8	18.1	18.3	18.4	18.9	18.9	19.1	19.7	19.7	19.8	20.2	20.7	20.9	21.6	21.6	22.3
Fourth Quintile	15.4	15.7	15.9	16.2	16.6	16.8	17.3	17.5	18.0	18.4	18.5	18.7	18.9	19.0	19.2	19.5	19.7	20.0	20.2	20.4	20.6	21.1	21.5	21.7
Highest Quintile	16.7	17.1	17.5	17.8	18.0	18.0	18.5	18.5	18.7	19.0	19.3	19.7	19.9	20.1	20.2	20.5	20.6	21.0	21.4	21.6	21.8	22.4	22.5	22.8
All	81.1	82.6	83.8	84.3	85.8	87.2	88.8	89.9	91.4	93.1	93.6	94.6	96.0	96.3	97.3	99.1	99.7	101.1	102.6	104.0	104.8	108.3	109.4	111.4
Top 10%	8.6	8.8	9.0	9.1	9.2	9.1	9.4	9.5	9.5	9.7	9.8	10.0	10.1	10.2	10.3	10.4	10.5	10.7	10.8	10.9	11.1	11.4	11.4	11.6
Top 5%	4.3	4.4	4.6	4.6	4.6	4.6	4.8	4.8	4.8	4.8	4.9	5.0	5.1	5.1	5.2	5.2	5.2	5.4	5.4	5.4	5.5	5.7	5.7	5.8
Top 1%	0.9	0.9	0.9	0.9	0.9	0.9	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.1	1.1	1.1	1.1	1.1	1.1	1.1
Average Income (2002 dollars)																								
<i>Pretax Income</i>																								
Lowest Quintile	14,300	13,800	13,500	13,100	12,700	13,100	13,200	13,200	13,000	13,200	13,700	14,100	14,100	13,800	14,100	14,000	14,700	14,500	14,800	15,500	16,000	15,300	15,200	14,400
Second Quintile	31,100	29,900	29,600	28,900	27,900	29,500	29,600	30,400	29,300	29,800	30,400	31,200	30,700	30,500	30,700	30,900	32,500	32,300	33,000	34,500	35,300	34,700	34,700	33,600
Middle Quintile	46,700	45,200	44,600	43,700	43,100	44,900	45,700	46,800	46,500	47,200	47,700	47,600	46,800	47,100	47,300	47,700	49,000	49,600	50,400	51,700	52,700	52,500	52,300	51,100
Fourth Quintile	63,200	61,300	61,700	61,000	60,600	63,200	63,900	66,300	66,400	67,100	68,000	67,100	66,400	67,100	67,600	68,800	69,800	71,000	72,400	75,100	77,100	77,800	76,800	75,900
Highest Quintile	121,000	117,100	116,400	116,500	120,500	129,100	132,600	149,600	140,900	151,600	150,800	146,500	141,300	147,500	147,600	150,600	157,700	165,600	175,500	186,200	197,300	205,100	185,400	175,900
All	54,600	52,900	52,800	52,600	53,100	55,500	56,900	61,100	59,000	61,600	62,100	61,400	59,800	61,500	61,700	62,500	64,800	66,900	69,600	73,000	76,200	77,300	72,900	69,800
Top 10%	157,700	152,500	150,800	152,200	159,700	173,000	179,000	206,900	190,700	209,500	207,300	199,900	190,900	202,100	200,700	206,200	216,700	231,600	249,400	267,500	284,800	298,700	262,800	244,500
Top 5%	214,500	204,400	201,000	205,800	217,000	238,100	248,000	298,600	264,600	300,600	293,300	281,500	264,200	286,500	280,800	290,000	311,200	333,400	367,500	400,700	426,900	453,000	385,400	350,700
Top 1%	474,300	447,400	444,800	464,500	509,000	560,900	602,900	784,700	634,100	798,900	743,600	713,600	643,100	729,500	700,700	722,700	796,400	878,200	1,007,300	1,131,200	1,231,100	1,345,500	1,064,800	938,100
<i>After-Tax Income</i>																								
Lowest Quintile	13,200	12,700	12,400	12,000	11,500	11,700	11,900	11,900	11,800	12,100	12,600	12,800	12,900	12,700	12,900	13,100	13,800	13,700	14,000	14,600	15,000	14,300	14,400	13,800
Second Quintile	26,700	25,700	25,300	24,900	24,100	25,200	25,200	25,900	25,200	25,600	26,200	26,600	26,300	26,300	26,600	26,900	28,100	28,000	28,500	30,000	30,600	30,200	30,700	29,900
Middle Quintile	38,000	36,700	36,100	35,900	35,500	36,800	37,400	38,400	38,300	38,700	39,200	39,000	38,600	38,900	39,100	39,400	40,500	41,000	41,600	43,000	43,900	43,700	44,400	43,700
Fourth Quintile	49,800	48,100	48,000	48,400	48,500	50,300	50,900	52,700	53,000	53,300	54,000	53,300	52,800	53,500	53,900	54,800	55,500	56,600	57,500	59,800	61,300	61,800	62,000	61,700
Highest Quintile	87,700	85,200	85,100	88,100	91,800	97,700	100,800	114,100	104,500	112,800	112,800	109,600	105,500	109,800	108,100	109,400	113,800	119,200	126,400	134,800	142,000	147,700	135,900	130,000
All	42,500	41,200	41,000	41,700	42,200	43,800	45,000	48,300	46,200	48,200	48,800	48,200	47,000	48,200	48,100	48,600	50,200	51,700	53,700	56,500	58,700	59,500	57,300	55,300
Top 10%	111,000	108,200	108,200	113,800	120,100	129,400	134,700	156,800	138,800	153,600	152,900	147,700	140,200	147,800	143,300	145,600	152,000	161,900	174,900	189,200	200,200	210,400	188,000	176,200
Top 5%	146,300	141,500	141,900	152,200	161,400	176,000	185,000	225,000	189,200	217,200	213,600	205,400	191,300	206,100	195,300	199,100	212,200	226,600	251,300	277,200	293,900	312,800	269,800	247,200
Top 1%	298,900	292,700	303,300	336,000	367,800	402,600	440,100	584,600	436,300	561,700	528,900	508,300	451,000	506,400	459,200	464,200	508,700	562,000	655,500	753,000	818,500	900,900	715,000	631,700
Share of Income (Percent)																								
<i>Pretax Income</i>																								
Lowest Quintile	5.8	5.7	5.5	5.2	4.9	5.0	4.8	4.5	4.4	4.3	4.3	4.6	4.7	4.4	4.5	4.4	4.6	4.3	4.3	4.3	4.2	4.0	4.2	4.2
Second Quintile	11.1	11.0	10.9	10.6	10.3	10.3	10.1	9.6	10.0	9.7	9.8	10.0	10.0	9.7	9.8	9.8	9.7	9.4	9.1	9.0	8.9	8.6	9.2	9.3
Middle Quintile	15.8	15.7	15.9	15.7	15.5	15.4	15.2	14.7	15.3	14.9	15.1	15.4	15.1	15.1	15.0	15.2	14.9	14.5	14.2	14.1	13.8	13.5	14.2	14.7
Fourth Quintile	22.0	22.1	22.2	22.2	22.2	22.0	21.9	21.2	22.1	21.6	21.6	21.6	21.8	21.5	21.6	21.6	21.3	21.0	20.4	20.2	19.9	19.6	20.7	21.2
Highest Quintile	45.5	45.8	46.0	46.7	47.7	48.0	48.6	50.6	48.9	50.3	49.9	49.5	49.0	50.0	49.8	49.8	50.2	51.5	52.6	53.0	53.8	54.8	52.4	51.5
All	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Top 10%	30.5	30.6	30.7	31.1	32.2	32.6	33.4	35.8	33.5	35.3	34.8	34.4	33.7	34.9	34.6	34.6	35.2	36.5	37.8	38.4	39.4	40.6	37.6	36.4
Top 5%	20.7	20.7	20.7	21.1	22.2	22.6	23.4	26.0	23.4	25.4	24.8	24.3	23.6	24.7	24.4	24.5	25.1	26.5	27.8	28.5	29.6	30.7	27.5	26.2
Top 1%	9.3	9.1	9.1	9.6	10.3	10.9	11.5	14.0	11.2	13.3	12.5	12.1	11.2	12.3	11.9	12.1	12.5	13.8	14.9	15.7	16.7	17.8	14.8	13.4

Table 1C
Number of Households, Average Income and Income Shares, and Income Category Minimums for All Households, by Household Income Category, 1979 to 2002

Income Category	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
<i>After-Tax Income</i>																								
Lowest Quintile	6.8	6.8	6.5	6.0	5.5	5.7	5.5	5.2	5.1	5.0	5.1	5.3	5.5	5.2	5.3	5.3	5.5	5.3	5.2	5.3	5.2	4.9	5.1	5.1
Second Quintile	12.3	12.1	12.0	11.5	11.2	11.1	10.9	10.3	10.9	10.7	10.8	10.8	10.9	10.7	10.9	11.0	10.9	10.6	10.2	10.1	10.0	9.7	10.3	10.4
Middle Quintile	16.5	16.5	16.5	16.3	16.1	16.0	15.8	15.3	16.1	15.6	15.7	15.8	16.2	15.9	16.0	16.1	15.9	15.6	15.3	15.1	14.9	14.7	15.4	15.8
Fourth Quintile	22.3	22.3	22.3	22.3	22.3	22.2	22.0	21.3	22.5	21.9	21.9	21.9	22.1	21.9	22.2	22.2	21.9	21.6	21.1	20.8	20.5	20.2	21.3	21.7
Highest Quintile	42.4	42.8	43.3	44.6	45.7	46.0	46.7	48.7	46.3	47.9	47.6	47.3	46.5	47.4	46.8	46.5	46.8	48.0	49.1	49.6	50.2	51.3	48.9	48.0
All	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Top 10%	27.6	27.9	28.4	29.4	30.5	30.9	31.7	34.3	31.1	33.1	32.7	32.3	31.5	32.5	31.7	31.4	31.9	33.1	34.4	35.1	36.0	37.1	34.2	33.1
Top 5%	18.1	18.4	18.9	19.7	20.7	21.2	22.0	24.8	21.3	23.5	23.0	22.6	21.7	22.7	21.8	21.6	22.1	23.3	24.6	25.4	26.5	27.5	24.5	23.3
Top 1%	7.5	7.7	8.0	8.7	9.4	9.9	10.6	13.2	9.9	12.0	11.3	11.0	10.0	10.9	10.0	10.0	10.3	11.4	12.6	13.5	14.4	15.5	12.6	11.4
Minimum Adjusted Income (2002 dollars)																								
Lowest Quintile	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Second Quintile	15,000	14,400	14,200	13,800	13,300	14,100	14,100	14,300	13,800	14,200	14,500	14,900	14,800	14,500	14,700	14,800	15,500	15,300	15,700	16,400	16,800	16,500	16,600	15,900
Middle Quintile	23,800	23,000	22,900	22,300	22,100	23,100	23,500	24,200	24,000	24,600	25,000	25,000	24,500	24,600	24,700	25,100	25,900	26,200	26,500	27,500	28,100	27,900	28,000	27,300
Fourth Quintile	32,600	31,700	32,000	31,500	31,600	33,000	33,600	34,600	34,900	35,600	36,000	35,800	35,400	35,700	35,600	36,500	37,100	37,600	38,200	39,600	40,400	40,700	40,400	39,800
Highest Quintile	45,500	44,500	44,900	44,900	45,300	47,200	47,900	50,000	50,600	51,600	52,300	51,600	50,800	51,500	51,900	52,700	54,100	55,100	56,400	58,600	60,300	61,000	60,400	59,400
Top 10%	58,200	57,500	57,600	57,900	58,700	61,800	62,900	65,800	66,800	68,400	69,400	68,200	67,100	68,400	68,800	69,800	72,300	74,200	76,500	79,800	82,100	83,500	81,500	79,900
Top 5%	73,900	72,200	72,900	72,500	74,300	78,400	80,400	85,400	85,300	87,700	89,900	88,500	86,900	89,700	89,400	91,300	95,000	97,900	102,700	107,000	110,300	113,100	108,900	105,300
Top 1%	144,500	140,200	138,200	138,900	145,000	155,000	161,200	187,300	175,700	189,000	191,700	182,800	179,300	189,700	186,600	192,200	204,400	215,800	229,100	244,400	260,700	268,000	241,800	228,400

Source: Congressional Budget Office.

Notes: Effective tax rates are calculated by dividing taxes by comprehensive household income. A household consists of the people who share a housing unit, regardless of their relationships.

The income measure is comprehensive household income, which comprises 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; 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). Households with negative income are excluded from the lowest income category but are included in totals.

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. Quintiles, or fifths, contain equal numbers of people.

Individual income taxes are distributed directly to households paying those taxes. Social insurance, or payroll, taxes are distributed to households paying those taxes directly or paying them indirectly through their employers. Corporate income taxes are distributed to households according to their share of capital income. Federal excise taxes are distributed 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 2002, the highest quintile had adjusted income above \$59,400. A two-person household would need income above \$84,000 to fall in that quintile, while a four-person household would need income in excess of \$118,800.

Table 2A
Effective Federal Tax Rates for Households with Children, by Comprehensive Household Income Quintile, 1979-2002

Income Category	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Total Effective Federal Tax Rate																								
Lowest Quintile	9.1	8.9	9.8	9.6	10.2	11.8	11.1	10.9	8.8	8.5	7.8	9.1	8.3	7.7	7.5	5.5	4.7	3.8	3.9	3.9	4.3	5.0	3.2	2.4
Second Quintile	15.8	15.9	16.9	16.1	16.2	17.0	17.1	17.1	16.4	16.6	16.0	16.8	16.1	15.4	15.2	14.5	14.7	14.4	14.9	13.9	14.1	13.7	12.1	11.1
Middle Quintile	19.4	19.7	20.7	19.8	19.4	19.8	20.0	20.1	19.4	19.8	19.8	19.9	19.8	19.5	19.2	19.3	19.2	19.1	19.4	18.4	18.6	18.2	16.7	16.2
Fourth Quintile	21.3	21.9	22.9	21.8	21.2	21.5	21.6	21.7	21.1	21.5	21.5	21.7	21.7	21.4	21.4	21.5	21.5	21.5	21.7	21.1	21.1	21.2	19.9	19.5
Highest Quintile	25.9	26.0	25.9	23.7	23.6	23.5	23.2	23.3	25.4	24.9	24.8	24.7	25.3	25.4	27.1	27.5	28.1	28.3	28.3	28.1	28.6	28.7	27.6	26.9
All	21.1	21.3	22.0	20.7	20.6	21.0	20.9	21.1	21.4	21.5	21.3	21.3	21.4	21.2	21.9	21.9	22.2	22.1	22.4	22.1	22.5	22.9	21.3	20.6
Top 10%	28.0	27.6	26.9	24.2	24.3	24.3	23.7	23.7	26.8	26.0	25.8	25.5	26.5	26.7	29.2	29.6	30.3	30.4	30.4	30.0	30.5	30.6	29.6	28.9
Top 5%	29.9	29.2	27.8	24.6	25.0	25.0	24.2	24.0	28.0	27.0	26.7	26.4	27.6	27.8	31.0	31.7	32.3	32.5	32.2	31.5	32.0	31.9	31.2	30.7
Top 1%	34.4	31.9	29.7	25.6	27.0	27.0	25.6	24.9	30.7	28.7	28.2	28.2	29.7	30.3	35.0	36.1	36.7	36.4	35.5	34.1	34.2	33.8	33.7	33.6
Effective Individual Income Tax Rate																								
Lowest Quintile	-0.5	-0.3	0.1	0.2	0.1	0.5	0.2	0.2	-1.2	-2.1	-3.0	-2.0	-3.1	-3.8	-4.1	-6.2	-7.6	-8.5	-8.8	-9.1	-8.9	-8.0	-9.6	-10.2
Second Quintile	4.8	5.2	5.7	5.0	4.6	4.8	4.7	4.7	3.8	3.6	3.2	3.8	3.1	2.6	2.4	1.7	1.7	1.4	1.8	0.9	0.9	0.8	-0.7	-1.5
Middle Quintile	8.2	8.7	9.2	8.4	7.6	7.5	7.4	7.4	6.5	6.6	6.6	6.6	6.5	6.2	6.0	5.9	5.9	5.9	6.1	5.1	5.1	4.9	3.6	3.3
Fourth Quintile	10.6	11.3	11.8	10.7	9.7	9.5	9.4	9.5	8.6	8.7	8.7	8.7	8.5	8.2	8.2	8.2	8.1	8.3	8.5	7.9	7.8	7.9	6.9	6.5
Highest Quintile	15.8	16.5	16.6	15.1	14.4	14.0	13.7	14.3	15.5	15.2	15.1	14.7	14.7	14.9	16.1	15.9	16.7	17.2	17.5	17.7	18.4	18.8	17.6	16.8
All	10.4	11.0	11.4	10.3	9.8	9.7	9.5	10.0	9.8	9.7	9.6	9.3	9.2	9.1	9.6	9.3	9.7	9.8	10.1	10.0	10.5	11.2	9.5	8.9
Top 10%	17.7	18.4	18.2	16.7	16.1	15.6	15.2	15.9	17.9	17.4	17.1	16.7	17.0	17.3	18.8	18.7	19.5	20.1	20.2	20.4	21.2	21.6	20.6	19.8
Top 5%	19.2	19.9	19.4	17.9	17.4	17.0	16.4	17.0	19.8	19.2	18.8	18.3	18.9	19.3	21.3	21.1	21.9	22.6	22.5	22.5	23.3	23.6	22.9	22.3
Top 1%	21.5	21.4	20.6	19.2	19.5	19.1	18.2	18.3	22.8	21.5	20.8	20.7	21.9	22.6	25.7	25.3	26.0	26.3	25.8	25.2	25.8	25.9	25.7	25.7
Effective Social Insurance Tax Rate																								
Lowest Quintile	7.3	7.2	7.9	7.7	7.6	8.5	8.4	8.4	7.8	8.4	8.7	9.0	8.9	8.9	8.8	8.8	9.4	9.6	10.0	10.4	10.4	10.5	10.6	10.3
Second Quintile	9.2	9.1	9.9	9.8	10.0	10.5	10.7	10.8	10.9	11.3	11.2	11.4	11.2	11.0	10.9	10.9	11.0	11.0	11.3	11.3	11.3	11.2	11.3	11.1
Middle Quintile	9.5	9.5	10.3	10.3	10.5	10.9	11.2	11.4	11.4	11.8	11.8	11.9	11.8	11.8	11.6	11.7	11.7	11.7	11.8	11.9	11.9	11.8	11.8	11.7
Fourth Quintile	8.9	9.1	9.9	10.1	10.2	10.6	10.9	11.0	11.1	11.5	11.4	11.7	11.9	11.8	11.7	11.7	11.7	11.7	11.8	11.8	11.7	11.8	11.9	11.9
Highest Quintile	5.3	5.5	6.2	6.6	6.5	6.7	6.9	6.2	6.8	6.7	6.8	7.3	8.0	7.7	7.7	8.0	7.6	7.4	7.2	7.0	6.8	6.5	7.2	7.7
All	7.8	7.9	8.6	8.8	8.8	9.1	9.4	9.0	9.4	9.6	9.6	9.9	10.2	10.0	9.9	10.1	9.8	9.8	9.7	9.6	9.4	9.2	9.7	9.9
Top 10%	3.8	4.0	4.5	4.9	4.8	4.9	5.2	4.3	5.0	4.9	5.0	5.5	6.3	5.9	6.1	6.6	5.9	5.8	5.6	5.4	5.2	4.9	5.6	6.1
Top 5%	2.6	2.8	3.0	3.5	3.4	3.5	3.7	2.8	3.6	3.4	3.5	4.0	4.8	4.4	4.7	5.3	4.6	4.4	4.3	4.1	3.9	3.7	4.2	4.7
Top 1%	1.0	1.1	1.4	1.7	1.5	1.5	1.5	1.0	1.7	1.4	1.5	1.8	2.4	1.9	2.1	3.1	2.5	2.5	2.3	2.2	2.1	2.0	2.4	2.6
Effective Corporate Income Tax Rate																								
Lowest Quintile	0.6	0.6	0.5	0.3	0.4	0.4	0.4	0.4	0.5	0.5	0.4	0.3	0.3	0.4	0.4	0.4	0.5	0.4	0.4	0.3	0.3	0.3	0.2	0.2
Second Quintile	0.6	0.5	0.4	0.3	0.4	0.3	0.3	0.3	0.5	0.4	0.5	0.4	0.4	0.4	0.4	0.4	0.5	0.4	0.4	0.3	0.4	0.3	0.2	0.2
Middle Quintile	0.7	0.6	0.4	0.3	0.3	0.4	0.4	0.4	0.5	0.5	0.4	0.4	0.4	0.4	0.4	0.5	0.5	0.5	0.5	0.4	0.4	0.4	0.3	0.2
Fourth Quintile	0.9	0.8	0.6	0.3	0.5	0.5	0.4	0.4	0.6	0.6	0.6	0.5	0.5	0.5	0.5	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.3	0.3
Highest Quintile	4.2	3.3	2.6	1.5	2.0	2.2	1.9	2.2	2.5	2.4	2.4	2.1	2.0	2.2	2.7	2.8	3.2	3.1	3.1	2.9	2.9	2.9	2.2	1.9
All	1.9	1.6	1.3	0.7	1.0	1.1	1.0	1.1	1.3	1.3	1.3	1.1	1.1	1.1	1.4	1.5	1.7	1.6	1.7	1.5	1.6	1.7	1.2	1.0
Top 10%	5.9	4.7	3.8	2.1	2.9	3.1	2.7	3.0	3.4	3.2	3.2	2.9	2.7	3.0	3.7	3.8	4.3	4.1	4.1	3.7	3.7	3.7	3.0	2.6
Top 5%	7.6	6.0	4.9	2.8	3.7	4.0	3.5	3.8	4.2	4.0	4.0	3.6	3.4	3.7	4.6	4.8	5.3	5.1	5.0	4.5	4.5	4.3	3.7	3.3
Top 1%	11.5	9.0	7.5	4.5	5.6	6.0	5.3	5.3	5.8	5.5	5.6	5.4	5.1	5.5	6.9	7.4	7.8	7.3	7.1	6.3	6.0	5.7	5.3	5.0

Table 2A
Effective Federal Tax Rates for Households with Children, by Comprehensive Household Income Quintile, 1979-2002

Income Category	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Effective Excise Tax Rate																								
Lowest Quintile	1.6	1.4	1.3	1.4	2.1	2.5	2.2	2.0	1.8	1.8	1.7	1.8	2.1	2.2	2.4	2.5	2.4	2.3	2.4	2.2	2.4	2.1	2.1	2.1
Second Quintile	1.2	1.0	1.0	1.0	1.3	1.4	1.3	1.3	1.3	1.3	1.2	1.2	1.4	1.5	1.5	1.6	1.5	1.5	1.4	1.4	1.5	1.4	1.3	1.3
Middle Quintile	1.0	0.9	0.8	0.9	1.0	1.1	1.0	1.0	1.0	1.0	0.9	0.9	1.1	1.1	1.1	1.2	1.2	1.1	1.0	1.1	1.1	1.1	1.0	1.0
Fourth Quintile	0.9	0.7	0.7	0.7	0.8	0.9	0.9	0.8	0.8	0.8	0.8	0.8	0.9	0.9	0.9	1.0	1.0	0.9	0.8	0.8	0.9	0.9	0.8	0.8
Highest Quintile	0.7	0.6	0.5	0.5	0.6	0.7	0.7	0.6	0.6	0.6	0.5	0.6	0.6	0.6	0.6	0.7	0.6	0.5	0.5	0.5	0.6	0.5	0.5	0.5
All	0.9	0.8	0.7	0.8	0.9	1.0	1.0	0.9	0.9	0.9	0.8	0.9	1.0	1.0	1.0	1.1	1.0	0.9	0.9	0.9	0.9	0.9	0.8	0.8
Top 10%	0.6	0.5	0.5	0.5	0.5	0.6	0.6	0.5	0.5	0.5	0.4	0.5	0.6	0.5	0.5	0.6	0.5	0.5	0.5	0.4	0.4	0.4	0.4	0.4
Top 5%	0.5	0.5	0.4	0.4	0.5	0.5	0.6	0.4	0.5	0.4	0.4	0.4	0.5	0.4	0.5	0.5	0.4	0.4	0.4	0.4	0.4	0.3	0.3	0.3
Top 1%	0.4	0.4	0.4	0.3	0.4	0.5	0.5	0.3	0.4	0.3	0.3	0.3	0.4	0.3	0.3	0.4	0.3	0.2	0.3	0.3	0.2	0.2	0.2	0.2

Source: Congressional Budget Office.

Notes: Effective tax rates are calculated by dividing taxes by comprehensive household income. A household consists of the people who share a housing unit, regardless of their relationships. A household with children has at least one member under age 18.

The income measure is comprehensive household income, which comprises 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; 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). Households with negative income are excluded from the lowest income category but are included in totals.

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. Quintiles, or fifths, contain equal numbers of people.

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

Table 2B
Shares of Federal Tax Liabilities for Households with Children, by Comprehensive Household Income Quintile, 1979-2002

Income Category	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Share of Total Federal Tax Liabilities																								
Lowest Quintile	2.7	2.7	2.8	3.0	3.2	3.4	3.3	3.0	2.5	2.3	2.2	2.7	2.5	2.2	2.1	1.5	1.3	1.0	1.0	1.0	1.1	1.1	0.8	0.6
Second Quintile	10.3	10.3	10.7	10.7	10.4	10.6	10.8	10.3	9.4	9.5	9.2	10.4	9.9	9.3	8.7	8.3	8.3	8.1	8.1	7.5	7.3	6.6	6.7	6.3
Middle Quintile	19.0	19.1	19.4	19.8	18.5	18.4	18.6	17.4	17.2	17.3	17.4	17.6	17.2	16.8	15.7	15.9	14.9	15.0	14.6	13.7	13.0	12.0	12.5	12.4
Fourth Quintile	25.9	26.1	26.9	27.5	25.9	25.6	25.7	24.5	24.2	24.4	24.4	24.7	24.5	24.1	23.2	23.5	21.9	22.1	21.8	21.0	20.1	19.4	20.2	21.2
Highest Quintile	42.0	41.6	40.0	38.9	41.8	41.8	41.4	44.7	46.5	46.1	46.5	44.3	45.8	47.5	50.1	50.6	53.4	53.6	54.3	56.7	58.4	60.7	59.6	59.4
All	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Top 10%	27.4	26.8	24.9	23.8	26.8	27.2	26.6	30.3	31.7	31.4	32.1	29.6	30.5	32.1	35.6	36.0	38.6	39.8	40.7	42.9	44.7	47.2	45.1	44.5
Top 5%	19.6	18.7	17.1	16.2	19.2	19.5	18.4	22.5	23.3	23.5	23.7	21.7	22.1	23.8	27.2	27.1	30.1	31.1	31.9	34.2	35.9	38.4	35.5	34.4
Top 1%	9.4	9.0	8.6	7.5	10.3	10.5	9.2	13.2	12.8	13.1	13.1	10.8	11.4	12.4	15.5	15.1	17.6	18.5	18.8	20.5	22.2	24.7	22.2	20.7
Share of Individual Income Tax Liabilities																								
Lowest Quintile	-0.3	-0.2	0.1	0.1	0.1	0.3	0.1	0.1	-0.8	-1.3	-1.9	-1.4	-2.1	-2.5	-2.6	-4.0	-4.7	-5.1	-5.2	-5.4	-4.8	-3.7	-5.5	-6.3
Second Quintile	6.3	6.6	6.9	6.7	6.2	6.5	6.5	6.0	4.7	4.5	4.0	5.3	4.5	3.7	3.1	2.3	2.2	1.8	2.1	1.1	1.0	0.8	-0.9	-2.0
Middle Quintile	16.3	16.4	16.7	16.7	15.2	15.1	15.1	13.5	12.6	12.7	12.9	13.4	13.1	12.3	11.2	11.4	10.4	10.4	10.2	8.3	7.6	6.6	6.1	5.8
Fourth Quintile	26.1	26.1	26.8	26.9	24.8	24.4	24.5	22.5	21.5	21.8	22.0	22.5	22.3	21.5	20.3	21.1	19.1	19.2	18.8	17.3	16.0	14.9	15.5	16.4
Highest Quintile	51.6	51.1	49.5	49.6	53.7	53.7	53.7	57.9	61.9	62.3	63.0	60.1	62.2	64.9	68.0	69.2	72.9	73.7	74.1	78.8	80.2	81.4	84.8	86.2
All	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Top 10%	35.2	34.6	32.6	32.9	37.2	37.9	37.5	42.9	46.1	46.6	47.4	44.1	45.7	48.6	52.6	53.4	57.4	59.3	59.9	64.5	66.5	68.1	70.0	70.8
Top 5%	25.6	24.7	23.2	23.6	28.0	28.7	27.4	33.7	36.0	37.1	37.1	34.3	35.4	38.3	42.7	42.5	47.1	48.8	49.4	53.9	55.9	58.0	58.3	58.3
Top 1%	11.9	11.7	11.5	11.2	15.6	16.1	14.5	20.4	20.9	21.7	21.5	18.1	19.6	21.5	26.0	24.9	28.7	30.1	30.2	33.5	36.0	38.8	37.9	36.9
Share of Social Insurance Tax Liabilities																								
Lowest Quintile	6.0	5.9	5.8	5.6	5.6	5.6	5.5	5.4	5.0	5.2	5.4	5.7	5.6	5.4	5.3	5.2	5.7	5.9	6.1	6.4	6.3	6.0	6.0	5.7
Second Quintile	16.2	16.0	15.9	15.3	14.9	15.1	15.1	15.1	14.2	14.5	14.3	15.1	14.4	14.1	13.9	13.6	14.0	14.1	14.2	14.0	13.9	13.3	13.8	13.1
Middle Quintile	25.1	25.0	24.5	24.1	23.4	23.1	23.2	22.9	23.0	23.1	23.1	22.6	21.5	21.6	21.1	21.0	20.4	20.8	20.5	20.2	20.0	19.4	19.4	18.7
Fourth Quintile	29.3	29.2	29.5	29.7	29.1	28.9	28.7	28.9	29.1	29.2	28.9	28.5	28.1	28.1	28.1	27.9	27.1	27.4	27.4	27.0	26.8	26.9	26.5	26.9
Highest Quintile	23.3	23.9	24.2	25.2	26.9	27.2	27.3	27.5	28.6	27.9	28.2	28.0	30.3	30.6	31.4	32.3	32.6	31.7	31.8	32.3	33.0	34.3	34.3	35.4
All	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Top 10%	9.9	10.5	10.5	11.3	12.4	12.7	12.9	12.7	13.6	13.1	13.8	13.5	15.2	15.0	16.4	17.3	17.1	17.1	17.4	17.6	18.1	19.0	18.8	19.7
Top 5%	4.5	4.8	4.7	5.4	6.1	6.2	6.2	6.1	6.8	6.6	6.9	7.0	8.1	8.0	9.1	9.8	9.7	9.6	9.9	10.3	10.5	11.2	10.6	10.9
Top 1%	0.7	0.9	1.0	1.2	1.4	1.3	1.2	1.2	1.6	1.4	1.6	1.5	1.9	1.7	2.0	2.8	2.7	2.8	2.9	3.1	3.3	3.7	3.5	3.4
Share of Corporate Income Tax Liabilities																								
Lowest Quintile	2.1	2.3	2.4	2.9	2.4	2.3	2.3	1.8	2.0	2.1	2.0	1.8	2.1	2.0	1.7	1.6	1.6	1.5	1.4	1.3	1.1	1.0	1.0	0.9
Second Quintile	4.3	4.4	4.8	5.6	5.0	3.9	4.7	3.5	4.5	4.2	4.2	4.4	4.8	4.3	3.6	3.4	3.6	3.3	3.0	2.6	2.7	2.3	1.9	1.8
Middle Quintile	7.1	7.3	7.4	8.1	6.5	6.5	7.0	5.7	6.9	7.1	5.9	6.7	7.1	6.9	5.3	5.7	4.8	5.1	4.8	4.2	4.3	3.7	3.3	3.2
Fourth Quintile	12.2	12.6	12.1	12.1	11.2	11.0	11.1	8.6	11.1	10.7	10.3	11.2	10.7	9.8	9.1	9.5	8.6	8.5	8.7	8.0	7.6	7.1	6.2	6.2
Highest Quintile	73.6	72.1	71.9	69.3	73.0	74.1	73.1	79.3	73.1	72.7	74.2	72.9	72.1	75.1	78.4	77.8	79.5	80.1	80.7	82.6	83.1	84.6	85.9	85.8
All	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Top 10%	62.9	61.4	61.6	59.5	63.8	65.6	63.9	72.2	64.2	64.4	65.4	62.8	62.5	66.6	70.1	69.6	71.9	72.7	73.5	76.3	76.1	78.1	80.1	80.6
Top 5%	53.9	52.3	53.6	51.7	57.0	57.9	56.4	65.7	55.6	57.3	57.9	56.0	54.6	58.9	62.6	62.1	65.5	66.1	66.3	69.8	69.7	71.8	74.3	75.0
Top 1%	34.0	34.5	37.7	36.6	42.5	43.3	40.9	51.8	38.8	41.7	43.0	38.9	38.8	42.0	47.3	46.8	49.4	50.3	50.4	54.4	54.8	57.8	61.8	61.8

Table 2B
Shares of Federal Tax Liabilities for Households with Children, by Comprehensive Household Income Quintile, 1979-2002

Income Category	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Share of Federal Excise Tax Liabilities																								
Lowest Quintile	10.9	11.1	11.2	11.8	14.4	14.7	14.1	12.7	12.1	11.7	12.3	13.0	13.5	13.2	14.3	13.9	13.7	14.4	15.4	14.9	14.2	13.0	13.3	13.7
Second Quintile	17.8	17.9	18.0	18.0	17.7	18.0	17.9	17.8	17.2	17.8	17.3	18.1	18.3	19.0	18.5	18.0	18.5	19.7	18.9	18.3	18.5	17.5	18.2	18.1
Middle Quintile	22.5	22.4	22.3	22.7	20.8	20.2	20.0	20.4	21.1	21.1	21.1	20.7	20.8	20.5	19.8	20.0	19.8	19.9	19.6	19.5	19.1	18.8	18.9	19.1
Fourth Quintile	23.9	23.3	23.6	24.2	22.5	22.4	22.3	22.1	22.7	22.5	23.1	22.4	22.1	22.4	21.9	22.2	21.6	21.1	20.5	20.7	21.2	22.0	21.5	22.3
Highest Quintile	24.2	24.4	23.8	22.7	23.8	24.0	25.0	26.3	26.3	26.5	25.8	25.3	24.9	24.5	24.9	25.3	25.9	24.5	25.1	26.2	26.9	28.5	27.8	26.4
All	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Top 10%	13.1	13.5	12.8	12.0	12.7	13.4	14.2	15.1	15.0	14.9	14.2	14.2	14.2	13.4	14.2	14.6	14.2	14.0	15.2	15.5	15.5	16.3	16.1	15.3
Top 5%	7.9	8.1	7.6	7.0	7.8	8.4	8.9	9.5	9.0	9.2	8.4	8.8	8.8	8.1	8.6	8.6	8.7	8.4	9.4	9.8	9.7	10.0	9.8	9.0
Top 1%	2.5	2.8	3.0	2.3	3.1	3.8	3.7	4.1	3.6	3.8	3.2	3.0	3.3	2.7	3.0	3.0	3.2	3.0	3.5	3.9	3.4	3.6	3.8	3.3

Source: Congressional Budget Office.

Notes: Effective tax rates are calculated by dividing taxes by comprehensive household income. A household consists of the people who share a housing unit, regardless of their relationships. A household with children has at least one member under age 18.

The income measure is comprehensive household income, which comprises 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; 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). Households with negative income are excluded from the lowest income category but are included in totals.

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. Quintiles, or fifths, contain equal numbers of people.

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

Table 2C
Number of Households, Average Income and Income Shares, and Income Category Minimums for Households with Children, by Household Income Category, 1979 to 2002

Income Category	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Number of Households (Millions)																								
Lowest Quintile	6.5	6.7	6.8	7.0	7.4	7.2	7.6	7.7	8.2	8.1	8.0	8.0	8.0	8.1	8.2	8.4	8.3	8.6	8.5	8.6	8.5	8.6	8.8	8.8
Second Quintile	7.1	7.2	7.2	7.2	7.2	7.2	7.4	7.5	7.2	7.3	7.4	7.7	7.9	8.1	8.3	8.3	8.4	8.6	8.6	8.5	8.5	8.6	8.8	8.8
Middle Quintile	7.4	7.4	7.3	7.2	7.1	7.2	7.2	7.1	7.2	7.3	7.3	7.3	7.3	7.5	7.6	7.7	7.5	7.7	7.7	7.6	7.5	7.7	7.7	7.6
Fourth Quintile	6.8	6.7	6.6	6.6	6.5	6.6	6.6	6.6	6.6	6.7	6.7	6.7	6.7	6.8	7.1	7.1	7.0	7.1	7.2	7.1	7.2	7.4	7.2	7.5
Highest Quintile	4.8	4.7	4.7	4.6	4.7	4.8	4.9	5.0	5.0	5.0	5.0	5.0	5.2	5.3	5.6	5.6	5.8	5.5	5.6	5.7	5.8	6.2	6.1	6.3
All	32.6	33.0	32.8	32.8	33.0	33.2	33.9	34.2	34.3	34.6	34.6	34.9	35.3	35.9	36.9	37.2	37.1	37.6	37.8	37.6	37.6	38.5	38.7	39.2
Top 10%	2.1	2.1	2.0	2.0	2.1	2.2	2.2	2.2	2.3	2.2	2.3	2.3	2.3	2.4	2.5	2.6	2.7	2.6	2.7	2.7	2.8	2.9	2.9	3.0
Top 5%	1.0	1.0	1.0	1.0	1.0	1.1	1.1	1.1	1.1	1.1	1.1	1.2	1.2	1.2	1.3	1.3	1.4	1.3	1.4	1.4	1.4	1.5	1.5	1.5
Top 1%	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.3	0.2	0.3	0.2	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
Average Income (2002 dollars)																								
<i>Pretax Income</i>																								
Lowest Quintile	19,900	18,800	18,200	17,300	16,700	17,200	17,300	17,100	16,200	16,500	17,400	18,200	18,200	17,800	18,500	18,300	19,700	19,200	20,100	21,100	21,600	20,800	20,200	19,600
Second Quintile	39,200	37,600	37,400	36,400	35,300	37,300	37,500	38,400	37,700	38,400	38,900	39,600	38,700	38,100	38,200	38,800	40,400	40,100	41,100	42,800	44,100	43,500	43,400	42,200
Middle Quintile	56,700	54,700	54,600	53,900	53,400	55,500	56,700	58,300	58,100	59,000	60,000	59,700	58,900	58,800	59,000	60,100	62,000	62,400	63,500	65,700	67,600	67,200	67,200	65,800
Fourth Quintile	76,300	74,400	75,100	74,400	74,400	77,600	78,600	81,400	81,900	83,300	84,500	84,100	82,900	83,700	84,200	86,000	87,700	89,000	91,000	94,600	96,600	97,600	97,100	95,300
Highest Quintile	145,000	141,500	141,300	140,500	148,200	157,700	157,400	184,700	173,200	183,200	185,900	176,300	171,600	177,900	183,600	183,900	197,700	210,100	220,600	238,500	253,600	269,100	243,300	228,900
All	62,200	59,500	59,000	57,500	58,100	61,500	61,900	66,800	64,400	66,200	67,800	66,500	65,600	66,700	68,200	69,000	73,100	73,600	76,600	81,300	85,700	88,900	83,900	81,100
Top 10%	198,400	193,600	195,600	194,000	211,100	224,100	220,400	276,000	247,500	268,900	268,900	250,500	243,700	256,400	263,900	260,900	287,300	305,600	322,800	356,000	385,400	415,600	360,900	331,500
Top 5%	268,500	265,700	271,400	263,800	294,400	315,100	311,400	415,000	349,100	386,200	386,800	345,400	340,200	362,700	372,700	369,500	406,600	443,800	470,500	521,000	583,100	633,900	542,400	489,100
Top 1%	567,300	538,700	558,300	564,900	656,200	727,400	710,800	1,132,700	792,200	968,500	926,200	779,900	750,700	872,000	925,800	848,800	1,019,200	1,102,900	1,217,200	1,382,300	1,650,100	1,876,700	1,427,800	1,254,700
<i>After-Tax Income</i>																								
Lowest Quintile	18,100	17,100	16,400	15,700	15,000	15,200	15,300	15,200	14,800	15,100	16,100	16,500	16,700	16,500	17,100	17,300	18,700	18,500	19,300	20,300	20,700	19,800	19,600	19,100
Second Quintile	33,000	31,700	31,000	30,500	29,600	30,900	31,100	31,800	31,500	32,100	32,700	33,000	32,500	32,200	32,400	33,200	34,500	34,300	35,000	36,900	37,900	37,500	38,100	37,500
Middle Quintile	45,700	43,900	43,300	43,200	43,100	44,500	45,400	46,600	46,800	47,300	48,100	47,900	47,200	47,300	47,700	48,500	50,100	50,500	51,200	53,600	55,000	55,000	56,000	55,100
Fourth Quintile	60,100	58,100	57,900	58,200	58,600	60,900	61,600	63,700	64,700	65,400	66,300	65,900	64,900	65,800	66,200	67,500	68,900	69,900	71,200	74,600	76,300	77,000	77,800	76,700
Highest Quintile	107,400	104,800	104,800	107,200	113,300	120,500	120,800	141,700	129,200	137,500	139,800	132,800	128,200	132,700	133,800	133,400	142,200	150,700	158,100	171,500	181,100	191,700	176,100	167,200
All	49,100	46,800	46,000	45,600	46,100	48,600	49,000	52,800	50,600	52,000	53,400	52,300	51,500	52,500	53,300	53,900	56,900	57,300	59,400	63,300	66,400	68,600	66,000	64,400
Top 10%	142,900	140,100	142,900	147,100	159,700	169,700	168,200	210,700	181,100	199,000	199,600	186,500	179,100	188,000	186,900	183,700	200,400	212,600	224,800	249,200	267,800	288,700	254,200	235,600
Top 5%	188,300	188,100	195,900	198,900	220,700	236,400	236,200	315,300	251,200	281,900	283,600	254,200	246,200	261,700	257,000	252,500	275,400	299,600	319,100	356,800	396,300	431,400	373,400	339,100
Top 1%	372,200	367,000	392,300	420,000	479,300	531,100	529,100	850,900	549,100	690,200	665,100	559,900	527,800	607,700	601,800	542,400	645,600	701,900	785,100	911,200	1,086,100	1,243,300	947,100	833,700
Share of Income (Percent)																								
<i>Pretax Income</i>																								
Lowest Quintile	6.3	6.4	6.4	6.5	6.4	6.1	6.2	5.8	6.0	5.9	5.9	6.3	6.3	6.1	6.0	6.0	6.0	6.0	5.9	5.9	5.7	5.2	5.5	5.4
Second Quintile	13.7	13.9	13.9	13.8	13.2	13.2	13.2	12.6	12.2	12.3	12.2	13.1	13.1	12.8	12.6	12.5	12.6	12.5	12.2	11.9	11.6	10.9	11.8	11.7
Middle Quintile	20.6	20.7	20.6	20.6	19.7	19.4	19.4	18.2	18.9	18.8	18.7	18.9	18.5	18.3	17.9	18.0	17.2	17.4	16.9	16.3	15.8	15.1	15.9	15.7
Fourth Quintile	25.6	25.4	25.8	26.0	25.1	24.9	24.8	23.7	24.6	24.4	24.2	24.2	24.1	23.8	23.7	23.9	22.7	22.8	22.5	21.9	21.5	21.0	21.6	22.4
Highest Quintile	34.1	34.1	34.0	33.9	36.5	37.3	37.1	40.4	39.1	39.7	39.9	38.2	38.7	39.6	40.5	40.4	42.2	42.0	43.0	44.5	46.0	48.3	45.9	45.5
All	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Top 10%	20.7	20.7	20.4	20.4	22.6	23.6	23.4	27.0	25.3	25.9	26.5	24.6	24.7	25.6	26.7	26.6	28.3	28.9	30.1	31.6	33.0	35.3	32.4	31.7
Top 5%	13.8	13.7	13.6	13.6	15.7	16.4	15.8	19.7	17.8	18.7	18.9	17.5	17.1	18.1	19.2	18.7	20.7	21.2	22.3	23.9	25.3	27.5	24.2	23.2
Top 1%	5.7	6.0	6.3	6.0	7.8	8.2	7.5	11.1	9.0	9.8	9.9	8.2	8.2	8.7	9.7	9.2	10.6	11.2	11.9	13.3	14.7	16.8	14.0	12.7

Table 2C
Number of Households, Average Income and Income Shares, and Income Category Minimums for Households with Children, by Household Income Category, 1979 to 2002

Income Category	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
<i>After-Tax Income</i>																								
Lowest Quintile	7.3	7.4	7.4	7.4	7.2	6.8	7.0	6.5	7.0	6.8	7.0	7.3	7.4	7.1	7.1	7.2	7.3	7.4	7.3	7.3	7.0	6.4	6.7	6.7
Second Quintile	14.6	14.8	14.8	14.6	13.9	13.8	13.8	13.2	13.0	13.1	13.0	13.9	14.0	13.8	13.7	13.7	13.8	13.7	13.4	13.2	12.9	12.2	13.2	13.1
Middle Quintile	21.0	21.1	20.9	20.8	20.0	19.7	19.6	18.4	19.4	19.2	19.0	19.2	18.9	18.7	18.5	18.5	17.8	18.1	17.6	17.1	16.6	16.0	16.8	16.6
Fourth Quintile	25.5	25.2	25.5	25.6	24.9	24.8	24.6	23.5	24.7	24.4	24.2	24.1	24.0	23.8	23.9	24.0	22.9	23.0	22.7	22.2	21.9	21.4	22.0	22.7
Highest Quintile	32.0	32.1	32.3	32.6	35.1	36.1	36.0	39.3	37.1	37.9	38.2	36.6	36.8	37.5	37.8	37.5	39.0	38.7	39.7	41.0	42.4	44.7	42.2	41.8
All	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Top 10%	18.9	19.1	19.1	19.5	21.6	22.6	22.6	26.1	23.5	24.4	25.0	23.3	23.1	23.8	24.2	24.0	25.4	25.8	27.0	28.3	29.6	31.8	29.0	28.4
Top 5%	12.3	12.3	12.5	12.9	14.9	15.6	15.2	19.0	16.3	17.4	17.6	16.3	15.7	16.6	16.9	16.4	18.0	18.4	19.5	21.0	22.2	24.2	21.2	20.2
Top 1%	4.8	5.2	5.7	5.6	7.2	7.6	7.1	10.6	7.9	8.9	9.0	7.4	7.3	7.7	8.1	7.5	8.7	9.2	9.9	11.2	12.5	14.4	11.8	10.7
Minimum Adjusted Income (2002 dollars)																								
Lowest Quintile	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Second Quintile	15,000	14,400	14,200	13,800	13,300	14,100	14,100	14,300	13,800	14,200	14,500	14,900	14,800	14,500	14,700	14,800	15,500	15,300	15,700	16,400	16,800	16,500	16,600	15,900
Middle Quintile	23,800	23,000	22,900	22,300	22,100	23,100	23,500	24,200	24,000	24,600	25,000	25,000	24,500	24,600	24,700	25,100	25,900	26,200	26,500	27,500	28,100	27,900	28,000	27,300
Fourth Quintile	32,600	31,700	32,000	31,500	31,600	33,000	33,600	34,600	34,900	35,600	36,000	35,800	35,400	35,700	35,600	36,500	37,100	37,600	38,200	39,600	40,400	40,700	40,400	39,800
Highest Quintile	45,500	44,500	44,900	44,900	45,300	47,200	47,900	50,000	50,600	51,600	52,300	51,600	50,800	51,500	51,900	52,700	54,100	55,100	56,400	58,600	60,300	61,000	60,400	59,400
Top 10%	58,200	57,500	57,600	57,900	58,700	61,800	62,900	65,800	66,800	68,400	69,400	68,200	67,100	68,400	68,800	69,800	72,300	74,200	76,500	79,800	82,100	83,500	81,500	79,900
Top 5%	73,900	72,200	72,900	72,500	74,300	78,400	80,400	85,400	85,300	87,700	89,900	88,500	86,900	89,700	89,400	91,300	95,000	97,900	102,700	107,000	110,300	113,100	108,900	105,300
Top 1%	144,500	140,200	138,200	138,900	145,000	155,000	161,200	187,300	175,700	189,000	191,700	182,800	179,300	189,700	186,600	192,200	204,400	215,800	229,100	244,400	260,700	268,000	241,800	228,400

Source: Congressional Budget Office.

Notes: Effective tax rates are calculated by dividing taxes by comprehensive household income. A household consists of the people who share a housing unit, regardless of their relationships. A household with children has at least one member under age 18.

The income measure is comprehensive household income, which comprises 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; 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). Households with negative income are excluded from the lowest income category but are included in totals.

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. Quintiles, or fifths, contain equal numbers of people.

Individual income taxes are distributed directly to households paying those taxes. Social insurance, or payroll, taxes are distributed to households paying those taxes directly or paying them indirectly through their employers. Corporate income taxes are distributed to households according to their share of capital income. Federal excise taxes are distributed 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 2002, the highest quintile had adjusted income above \$59,400. A two-person household would need income above \$84,000 to fall in that quintile, while a four-person household would need income in excess of \$118,800.

Table 3A
Effective Federal Tax Rates for Elderly Childless Households, by Comprehensive Household Income Quintile, 1979-2002

Income Category	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Total Effective Federal Tax Rate																								
Lowest Quintile	3.5	2.7	2.2	2.0	2.4	2.7	2.6	2.6	3.1	3.0	2.7	2.8	3.1	3.3	3.4	3.3	3.4	3.4	3.1	3.3	3.4	3.4	2.9	3.1
Second Quintile	6.6	5.3	4.8	3.9	4.2	4.9	4.7	4.8	4.9	5.1	4.9	4.9	4.8	4.8	4.8	4.5	4.8	4.7	4.5	4.8	5.3	5.1	4.3	4.0
Middle Quintile	12.2	10.8	9.6	8.0	8.3	8.9	8.7	8.6	9.1	9.4	8.9	8.9	8.3	8.3	8.5	8.4	8.8	8.8	8.5	8.6	9.0	8.8	7.2	6.5
Fourth Quintile	16.4	15.4	14.2	11.6	12.2	13.0	12.8	12.3	13.7	13.9	13.5	13.3	12.6	12.7	12.9	13.0	13.4	13.2	13.2	13.3	14.2	13.9	12.1	11.4
Highest Quintile	30.7	28.8	26.7	22.9	22.5	24.3	23.6	22.7	25.8	25.8	24.8	24.3	23.4	24.1	25.5	26.6	27.1	27.5	26.9	25.9	26.2	25.6	23.8	23.4
All	20.2	18.9	17.6	15.1	15.4	16.6	16.2	15.9	17.0	17.4	16.8	16.5	15.7	16.2	16.9	17.4	18.1	19.1	19.0	18.5	18.9	18.5	16.2	15.4
Top 10%	33.2	31.2	28.9	25.0	24.7	26.2	25.4	23.9	27.7	27.4	26.5	26.0	25.4	26.3	27.9	29.2	29.8	30.2	29.3	27.9	28.1	27.5	26.2	26.0
Top 5%	35.5	33.4	30.9	26.7	26.3	27.7	26.5	24.9	29.2	29.0	27.8	27.5	27.0	28.0	30.3	31.1	32.0	32.1	31.1	29.5	29.7	29.0	27.9	27.8
Top 1%	40.2	37.9	34.5	29.4	28.9	29.7	28.4	26.2	31.6	31.3	29.9	29.7	29.6	31.1	34.1	35.4	35.8	35.8	34.2	32.1	32.0	31.4	31.0	31.2
Effective Individual Income Tax Rate																								
Lowest Quintile	0.0	0.1	0.1	0.1	0.1	0.0	0.1	0.1	0.1	0.0	0.1	0.0	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.0	0.0
Second Quintile	0.5	0.6	0.7	0.6	0.5	0.6	0.6	0.6	0.5	0.6	0.6	0.7	0.6	0.4	0.4	0.3	0.4	0.4	0.4	0.5	0.7	0.7	0.4	0.3
Middle Quintile	2.5	2.7	2.8	2.7	2.3	2.2	2.4	2.2	2.1	2.4	2.5	2.6	2.4	2.1	2.0	2.1	2.2	2.3	2.4	2.6	2.7	2.9	2.1	1.8
Fourth Quintile	5.0	5.6	5.8	5.4	5.0	5.1	5.3	4.9	4.9	5.3	5.4	5.5	5.1	4.9	4.7	4.6	4.8	4.8	4.9	5.4	6.2	6.5	5.8	5.4
Highest Quintile	14.3	15.3	15.7	15.1	13.5	14.4	14.6	14.0	13.9	14.2	13.7	13.5	12.8	12.7	12.6	13.2	13.6	14.4	14.6	14.6	15.2	15.4	14.7	14.2
All	8.2	8.8	9.2	8.9	8.1	8.5	8.8	8.5	7.8	8.3	8.2	8.0	7.5	7.4	7.3	7.5	8.0	9.0	9.3	9.4	9.9	10.1	8.9	8.4
Top 10%	16.0	17.1	17.5	17.1	15.3	16.2	16.2	15.3	15.4	15.5	15.0	14.7	14.2	14.1	14.0	14.7	15.2	16.2	16.2	16.0	16.6	16.9	16.5	16.0
Top 5%	17.6	18.7	19.1	18.7	16.7	17.4	17.2	16.3	16.5	16.8	16.0	15.9	15.3	15.2	15.5	15.8	16.5	17.5	17.4	17.1	17.8	18.1	17.8	17.3
Top 1%	20.9	22.2	22.0	21.1	19.1	19.2	19.1	17.9	18.4	18.9	17.7	17.6	17.3	17.7	18.3	18.5	19.0	20.1	19.8	19.2	19.9	20.1	20.1	19.7
Effective Social Insurance Tax Rate																								
Lowest Quintile	0.5	0.5	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.5	0.5	0.5	0.5	0.5	0.5	0.4	0.4	0.6	0.5	0.6	0.6	0.6	0.5	0.6
Second Quintile	1.6	1.4	1.4	1.3	1.1	1.3	1.3	1.4	1.2	1.3	1.3	1.4	1.3	1.3	1.2	1.1	1.3	1.3	1.3	1.3	1.6	1.6	1.5	1.3
Middle Quintile	2.6	2.3	2.3	2.2	2.0	2.2	2.1	2.2	2.0	2.0	1.9	2.1	1.9	1.8	2.0	1.8	2.1	2.0	1.9	2.0	2.0	2.0	1.9	1.9
Fourth Quintile	2.8	2.8	2.6	2.5	2.6	2.6	2.7	2.6	2.8	2.8	2.6	2.6	2.5	2.6	2.6	2.6	2.6	2.5	2.6	2.7	2.9	2.9	2.9	3.0
Highest Quintile	1.9	1.8	2.0	2.1	2.0	2.1	2.0	1.9	2.0	2.0	1.9	2.1	2.2	2.3	2.2	2.2	2.2	2.1	1.9	2.0	1.9	2.0	2.3	2.4
All	1.9	1.8	1.9	2.0	1.9	2.0	2.0	1.9	2.0	2.0	1.9	2.1	2.0	2.1	2.0	2.0	2.1	2.0	2.0	2.0	2.0	2.0	2.2	2.3
Top 10%	1.5	1.5	1.7	1.8	1.7	1.7	1.7	1.5	1.6	1.6	1.6	1.8	2.0	2.0	2.0	2.0	2.0	1.9	1.7	1.7	1.7	1.7	2.0	2.2
Top 5%	1.1	1.2	1.4	1.5	1.4	1.3	1.3	1.2	1.3	1.2	1.3	1.4	1.6	1.7	1.6	1.8	1.7	1.6	1.5	1.4	1.4	1.4	1.7	1.9
Top 1%	0.5	0.5	0.7	0.8	0.7	0.7	0.8	0.6	0.7	0.6	0.7	0.7	1.0	0.9	0.9	1.1	1.1	1.0	0.9	0.9	0.9	0.9	1.0	1.1
Effective Corporate Income Tax Rate																								
Lowest Quintile	1.6	1.2	0.7	0.4	0.6	0.7	0.6	0.7	1.0	0.9	0.8	0.8	0.8	0.8	1.0	0.9	0.9	0.9	0.7	0.7	0.6	0.7	0.5	0.4
Second Quintile	3.3	2.4	1.8	1.1	1.4	1.7	1.6	1.6	1.9	2.0	1.9	1.7	1.5	1.6	1.8	1.6	1.6	1.6	1.4	1.5	1.4	1.3	1.1	0.9
Middle Quintile	6.0	4.9	3.7	2.3	2.9	3.3	3.0	3.0	3.8	3.7	3.5	3.1	2.8	3.1	3.2	3.2	3.2	3.3	3.0	2.8	2.9	2.7	2.0	1.6
Fourth Quintile	7.5	6.1	4.9	2.9	3.6	4.3	3.8	3.8	5.1	4.7	4.6	4.3	3.9	4.1	4.5	4.7	4.8	4.8	4.6	4.1	3.9	3.5	2.4	2.0
Highest Quintile	13.7	11.0	8.4	5.0	6.4	7.2	6.4	6.1	9.1	8.9	8.5	8.2	7.7	8.5	10.0	10.5	10.6	10.3	9.7	8.7	8.3	7.6	6.3	6.2
All	9.2	7.4	5.7	3.5	4.5	5.1	4.6	4.5	6.2	6.1	5.9	5.5	5.1	5.7	6.5	6.7	7.0	7.2	6.8	6.1	5.9	5.4	4.2	3.9
Top 10%	15.0	12.0	9.2	5.5	7.1	7.8	7.0	6.5	10.0	9.7	9.4	9.0	8.6	9.6	11.2	11.9	12.0	11.6	10.8	9.6	9.2	8.4	7.3	7.3
Top 5%	16.2	12.9	9.9	6.0	7.6	8.5	7.5	6.8	10.7	10.4	10.0	9.7	9.5	10.4	12.5	13.0	13.3	12.6	11.8	10.5	10.0	9.0	8.1	8.2
Top 1%	18.2	14.6	11.4	7.1	8.6	9.4	8.2	7.3	11.9	11.3	11.1	11.0	10.9	12.1	14.4	15.4	15.2	14.4	13.2	11.6	10.9	10.1	9.7	10.0

Table 3A
Effective Federal Tax Rates for Elderly Childless Households, by Comprehensive Household Income Quintile, 1979-2002

Income Category	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Effective Excise Tax Rate																								
Lowest Quintile	1.3	1.1	1.0	1.1	1.4	1.5	1.5	1.4	1.7	1.6	1.4	1.5	1.7	1.9	1.9	2.0	2.0	2.0	1.9	1.9	2.1	2.0	1.8	2.1
Second Quintile	1.1	0.9	0.8	0.9	1.1	1.3	1.3	1.2	1.3	1.3	1.1	1.2	1.3	1.4	1.4	1.5	1.5	1.4	1.4	1.4	1.6	1.5	1.3	1.4
Middle Quintile	1.1	0.9	0.8	0.9	1.1	1.2	1.2	1.2	1.2	1.1	1.0	1.1	1.2	1.3	1.3	1.4	1.3	1.2	1.2	1.2	1.4	1.2	1.2	1.1
Fourth Quintile	1.0	0.9	0.8	0.8	1.0	1.1	1.0	1.0	1.0	1.0	0.9	1.0	1.1	1.1	1.1	1.2	1.1	1.1	1.0	1.1	1.2	1.0	1.0	1.0
Highest Quintile	0.8	0.7	0.6	0.6	0.7	0.6	0.6	0.7	0.7	0.7	0.6	0.6	0.7	0.7	0.8	0.7	0.7	0.6	0.6	0.7	0.7	0.6	0.6	0.6
All	0.9	0.8	0.7	0.8	0.9	0.9	0.9	0.9	1.0	0.9	0.8	0.9	1.0	1.0	1.1	1.1	1.0	0.9	0.9	0.9	1.0	0.9	0.9	0.9
Top 10%	0.7	0.6	0.6	0.6	0.6	0.6	0.5	0.6	0.7	0.7	0.5	0.5	0.6	0.6	0.7	0.6	0.6	0.5	0.6	0.6	0.6	0.5	0.5	0.5
Top 5%	0.7	0.6	0.5	0.5	0.6	0.5	0.5	0.6	0.7	0.6	0.5	0.5	0.5	0.6	0.6	0.6	0.5	0.5	0.5	0.5	0.5	0.4	0.4	0.4
Top 1%	0.6	0.5	0.4	0.5	0.5	0.4	0.4	0.5	0.5	0.5	0.4	0.3	0.4	0.4	0.5	0.4	0.4	0.3	0.4	0.4	0.4	0.3	0.3	0.3

Source: Congressional Budget Office.

Notes: Effective tax rates are calculated by dividing taxes by comprehensive household income. A household consists of the people who share a housing unit, regardless of their relationships. An elderly childless household is headed by a person age 65 or older with no member under age 18.

The income measure is comprehensive household income, which comprises 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; 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). Households with negative income are excluded from the lowest income category but are included in totals.

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. Quintiles, or fifths, contain equal numbers of people.

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

Table 3B
Shares of Federal Tax Liabilities for Elderly Childless Households, by Comprehensive Household Income Quintile, 1979-2002

Income Category	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Share of Total Federal Tax Liabilities																								
Lowest Quintile	1.9	1.5	1.1	0.9	0.9	1.0	1.0	0.9	1.0	0.9	0.8	1.0	1.2	1.1	1.1	1.0	1.0	0.8	0.7	0.7	0.7	0.8	0.8	1.0
Second Quintile	4.3	3.6	3.3	3.1	3.2	3.2	3.0	3.0	3.5	3.4	3.4	3.3	3.3	3.2	3.2	2.9	2.7	2.2	2.0	2.1	2.3	2.3	2.4	2.3
Middle Quintile	7.6	7.2	7.2	7.4	7.9	7.7	7.7	8.1	8.8	8.8	8.3	8.8	9.8	8.7	8.7	8.9	8.5	7.4	7.2	7.9	8.3	8.2	8.4	8.6
Fourth Quintile	11.3	12.6	13.3	13.5	14.2	15.1	15.3	14.5	16.2	15.3	15.2	15.7	15.5	15.6	14.6	14.1	13.8	12.5	12.0	11.7	11.8	11.9	13.1	12.9
Highest Quintile	74.9	75.0	75.0	75.0	73.8	72.9	72.9	73.4	70.4	71.4	72.1	71.0	69.9	71.2	72.0	72.8	73.7	76.8	77.8	77.3	76.7	76.6	75.0	74.8
All	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Top 10%	64.5	64.3	63.9	63.1	61.2	61.3	62.6	63.8	60.2	61.7	61.0	59.8	57.5	59.6	61.2	61.8	61.6	65.3	65.7	65.3	64.9	64.2	61.7	61.9
Top 5%	56.1	55.1	54.0	53.5	51.2	50.8	53.1	54.8	50.9	51.8	51.1	48.7	47.1	49.1	50.1	52.0	50.6	54.4	55.3	54.0	54.4	53.6	51.4	52.4
Top 1%	37.4	34.6	32.1	33.0	32.2	33.0	34.7	37.2	31.1	33.6	31.0	29.7	28.2	29.4	31.6	32.3	31.5	35.4	35.0	34.8	35.8	33.9	33.4	34.5
Share of Individual Income Tax Liabilities																								
Lowest Quintile	0.1	0.1	0.1	0.1	0.0	0.0	0.1	0.0	0.1	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Second Quintile	0.9	0.9	0.9	0.8	0.8	0.7	0.7	0.7	0.7	0.8	0.9	0.9	0.8	0.6	0.7	0.5	0.6	0.4	0.4	0.5	0.6	0.6	0.4	0.4
Middle Quintile	3.9	3.9	4.1	4.2	4.1	3.7	4.0	3.9	4.3	4.8	4.7	5.2	5.8	4.8	4.8	5.0	4.8	4.0	4.2	4.8	4.8	4.8	4.4	4.5
Fourth Quintile	8.5	9.8	10.5	10.8	11.0	11.5	11.8	10.9	12.5	12.3	12.4	13.2	13.2	13.1	12.4	11.4	11.1	9.6	9.2	9.4	9.8	10.2	11.4	11.3
Highest Quintile	86.7	85.4	84.5	84.2	84.0	84.0	83.5	84.5	82.4	82.1	81.9	80.7	80.1	81.4	82.1	83.0	83.4	85.9	86.2	85.4	84.8	84.4	83.7	83.8
All	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Top 10%	77.1	75.5	74.0	73.1	72.2	73.4	74.1	75.9	72.4	72.9	70.9	69.4	67.4	69.5	71.1	71.6	70.8	74.4	74.1	73.4	73.2	72.0	70.2	70.4
Top 5%	68.5	66.2	64.0	63.3	62.0	62.1	64.1	66.7	62.3	62.5	60.5	57.9	56.0	58.3	59.4	60.8	59.0	63.1	63.1	61.5	62.2	61.1	59.3	59.9
Top 1%	48.2	43.5	39.2	40.1	40.4	41.3	43.4	47.2	39.3	42.3	37.8	36.2	34.6	36.5	39.2	38.8	37.9	42.3	41.3	40.8	42.3	39.8	39.2	40.1
Share of Social Insurance Tax Liabilities																								
Lowest Quintile	3.0	2.5	2.0	1.4	1.2	1.3	1.3	1.1	1.1	1.3	1.2	1.4	1.6	1.2	1.2	1.0	1.1	1.2	1.1	1.3	1.2	1.4	1.1	1.4
Second Quintile	11.5	9.7	9.0	7.7	7.0	7.2	6.7	7.0	7.2	7.3	7.7	7.7	7.1	6.8	6.6	6.0	6.1	5.7	5.6	5.4	6.4	6.3	6.1	5.4
Middle Quintile	17.1	15.7	15.6	15.4	15.2	15.8	15.2	17.3	16.8	16.6	15.7	17.1	17.2	15.0	16.7	16.4	17.3	15.5	15.6	16.6	17.1	16.4	16.6	16.9
Fourth Quintile	20.8	23.5	22.4	22.2	24.3	24.6	26.3	25.0	27.9	27.2	25.7	24.6	23.6	24.8	24.5	23.9	23.5	22.4	22.8	22.0	22.4	22.2	22.7	22.9
Highest Quintile	48.4	48.6	50.9	53.2	52.1	51.0	50.3	49.6	47.0	47.5	49.4	49.0	50.2	52.1	50.9	52.3	51.7	55.0	54.6	54.5	52.7	53.4	53.3	53.1
All	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Top 10%	30.6	31.8	34.0	35.0	34.1	32.5	34.4	33.0	30.2	30.8	32.5	32.9	34.2	35.0	35.6	36.3	35.5	38.2	37.6	37.1	36.0	36.4	34.7	35.2
Top 5%	18.7	19.9	21.8	23.0	21.5	19.6	21.9	21.5	19.5	18.6	20.8	20.3	22.2	23.8	21.8	25.3	23.2	25.2	25.1	23.6	23.2	24.1	22.2	24.1
Top 1%	4.5	4.8	5.6	6.8	6.6	6.5	7.5	6.8	5.7	5.6	6.3	5.7	7.1	6.7	6.9	8.8	8.5	9.0	8.7	8.8	9.6	8.6	7.8	8.6
Share of Corporate Income Tax Liabilities																								
Lowest Quintile	1.9	1.6	1.1	0.9	0.8	0.8	0.8	0.8	0.8	0.8	0.7	0.8	0.9	0.8	0.8	0.7	0.7	0.5	0.4	0.5	0.5	0.6	0.5	0.4
Second Quintile	4.8	4.1	4.0	3.7	3.5	3.6	3.5	3.5	3.8	3.7	3.8	3.3	3.2	3.1	3.1	2.6	2.3	2.0	1.7	2.1	1.9	2.1	2.4	2.0
Middle Quintile	8.3	8.3	8.4	9.3	9.5	9.4	9.5	9.9	10.1	10.0	9.3	9.2	10.1	9.3	8.6	8.6	8.1	7.5	7.1	7.7	8.5	8.7	9.2	8.6
Fourth Quintile	11.4	12.8	14.0	14.5	14.3	16.1	15.9	15.9	16.6	14.8	14.8	15.0	14.8	14.5	13.2	13.1	12.9	12.2	11.8	10.9	10.3	10.2	10.1	9.2
Highest Quintile	73.5	73.1	72.3	71.4	71.7	69.9	69.9	69.8	68.4	70.3	71.1	71.1	70.2	71.6	73.7	74.3	75.2	76.9	78.3	78.2	78.1	77.8	76.9	78.6
All	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Top 10%	63.9	62.7	62.1	60.9	59.9	59.2	60.4	61.1	59.7	62.0	61.7	61.5	59.5	62.3	64.2	65.0	64.7	66.9	67.7	67.9	68.0	67.0	66.7	69.5
Top 5%	56.2	54.1	53.0	52.5	50.8	50.5	52.6	52.9	51.5	53.0	52.6	51.3	50.5	52.5	53.9	56.2	54.5	56.8	58.1	57.8	58.4	57.2	58.3	62.0
Top 1%	37.3	34.0	32.4	34.7	32.8	34.0	35.2	36.4	32.2	34.7	33.0	32.8	31.8	32.7	34.7	36.3	34.9	37.9	37.5	38.1	38.8	37.3	40.5	44.3

Table 3B
Shares of Federal Tax Liabilities for Elderly Childless Households, by Comprehensive Household Income Quintile, 1979-2002

Income Category	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Share of Federal Excise Tax Liabilities																								
Lowest Quintile	14.7	13.3	11.6	9.7	8.7	10.0	10.2	8.3	9.1	9.2	8.8	9.9	10.0	9.9	9.5	9.1	10.0	9.2	8.4	8.3	8.4	9.4	9.8	10.7
Second Quintile	15.4	14.6	14.0	14.4	14.6	14.7	14.6	13.3	16.4	15.6	15.5	14.6	14.3	14.6	14.7	15.4	14.8	13.5	12.5	12.0	12.4	13.0	13.0	13.9
Middle Quintile	14.1	14.3	15.2	16.3	17.7	18.2	19.0	19.6	20.0	19.9	19.4	20.2	22.7	20.9	21.1	22.8	20.9	20.9	20.7	21.6	22.9	23.0	24.6	24.8
Fourth Quintile	15.0	16.9	18.2	19.5	20.3	22.0	22.2	20.3	19.6	19.7	21.0	21.8	20.4	21.0	19.9	20.0	20.1	20.4	19.2	18.2	18.4	18.0	20.5	19.1
Highest Quintile	40.5	40.6	40.6	39.8	38.4	34.7	33.7	38.3	34.7	35.5	35.0	33.3	32.3	33.3	34.4	32.1	33.7	35.7	38.9	39.6	37.5	36.2	31.8	31.0
All	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Top 10%	30.3	29.9	29.8	28.4	26.5	23.9	24.0	29.7	26.5	27.2	24.6	23.2	21.4	22.8	24.6	21.6	22.0	23.8	26.7	27.6	25.6	24.1	19.6	19.3
Top 5%	23.2	22.3	22.0	21.2	19.5	16.6	17.6	22.9	20.1	19.9	17.5	15.4	14.5	15.5	16.9	15.2	14.5	16.3	19.1	19.3	17.8	16.6	13.1	13.2
Top 1%	11.8	10.6	9.9	10.2	9.7	7.9	8.1	12.4	9.4	10.0	7.5	6.4	5.8	6.3	7.3	6.2	6.1	7.0	8.5	9.0	7.8	6.9	5.5	6.0

Source: Congressional Budget Office.

Notes: Effective tax rates are calculated by dividing taxes by comprehensive household income. A household consists of the people who share a housing unit, regardless of their relationships. An elderly childless household is headed by a person age 65 or older with no member under age 18.

The income measure is comprehensive household income, which comprises 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; 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). Households with negative income are excluded from the lowest income category but are included in totals.

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. Quintiles, or fifths, contain equal numbers of people.

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

Table 3C

Number of Households, Average Income and Income Shares, and Income Category Minimums for Elderly Childless Households, by Household Income Category, 1979 to 2002

Income Category	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Number of Households (Millions)																								
Lowest Quintile	6.3	6.1	5.6	5.0	4.5	4.8	5.0	4.9	4.7	4.9	4.9	5.2	5.4	5.1	5.0	5.1	5.2	4.8	4.8	4.8	4.9	5.3	5.3	5.3
Second Quintile	3.6	3.7	3.8	3.9	4.2	3.9	3.9	4.0	4.7	4.7	4.8	4.4	4.2	4.3	4.6	4.7	4.4	4.2	4.1	4.0	4.0	4.2	4.3	4.3
Middle Quintile	2.3	2.4	2.6	3.0	3.3	3.3	3.4	3.8	4.0	4.0	4.0	4.2	4.5	4.3	4.4	4.8	4.7	4.7	4.9	5.3	5.5	5.5	5.7	6.1
Fourth Quintile	1.8	2.1	2.3	2.6	2.8	3.0	3.2	3.3	3.3	3.3	3.3	3.5	3.4	3.5	3.4	3.4	3.6	3.7	3.7	3.5	3.4	3.4	3.5	3.4
Highest Quintile	2.4	2.6	2.8	3.0	3.2	3.1	3.0	3.0	2.8	2.8	3.1	3.2	3.2	3.2	3.2	3.2	3.5	3.8	4.0	4.0	3.9	4.1	3.8	3.6
All	16.5	16.8	17.2	17.6	17.9	18.1	18.6	19.0	19.5	19.7	20.1	20.4	20.8	20.4	20.6	21.2	21.4	21.4	21.5	21.6	21.8	22.6	22.7	22.8
Top 10%	1.5	1.6	1.7	1.8	1.8	1.8	1.8	1.8	1.7	1.7	1.8	1.9	1.8	1.8	1.9	1.8	2.0	2.1	2.2	2.3	2.2	2.2	1.9	1.9
Top 5%	0.9	1.0	1.1	1.1	1.1	1.0	1.1	1.1	1.0	1.0	1.1	1.1	1.0	1.0	1.0	1.1	1.1	1.2	1.2	1.2	1.2	1.2	1.1	1.0
Top 1%	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.2	0.3	0.3	0.2	0.2	0.2	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.2	0.2
Average Income (2002 dollars)																								
<i>Pretax Income</i>																								
Lowest Quintile	11,200	11,000	10,700	10,300	9,800	10,500	10,400	10,400	10,200	10,400	10,500	10,600	10,600	10,100	10,300	10,300	11,000	10,700	10,900	11,500	11,900	11,700	11,600	11,300
Second Quintile	24,300	23,100	22,900	22,500	21,800	22,900	23,100	23,700	23,400	23,700	24,100	24,400	24,300	24,400	24,200	24,300	25,300	25,300	25,700	27,600	28,400	27,700	27,600	26,400
Middle Quintile	36,400	35,600	35,600	34,600	34,300	36,200	36,800	37,800	37,900	38,800	38,900	39,000	38,600	38,500	39,100	39,200	40,500	40,800	41,600	43,000	43,600	43,500	43,200	42,500
Fourth Quintile	51,400	49,600	50,200	49,700	49,400	52,200	53,100	55,500	55,300	55,600	56,100	55,100	54,400	55,100	55,200	56,500	57,100	58,200	59,700	62,900	64,900	66,400	65,700	64,700
Highest Quintile	133,700	125,900	123,000	121,500	122,800	133,900	146,900	167,800	151,300	164,400	156,600	149,900	141,600	147,900	147,900	152,600	153,200	165,700	173,300	182,700	194,100	191,900	177,100	173,600
All	39,900	39,500	40,900	42,000	43,100	45,500	47,000	50,900	46,700	48,500	49,100	48,200	46,000	47,700	47,700	48,400	51,100	55,700	58,600	61,600	63,500	62,500	58,000	55,200
Top 10%	175,100	161,200	158,300	160,000	165,300	180,600	197,700	224,200	197,800	215,800	208,900	197,100	191,600	198,400	195,300	205,200	207,900	229,500	244,500	255,100	274,900	276,200	258,000	249,300
Top 5%	226,200	205,500	200,100	205,300	218,100	242,300	261,100	304,300	261,400	303,700	281,300	270,900	254,800	269,700	271,500	269,700	290,000	322,200	343,700	371,000	401,200	399,600	370,400	348,600
Top 1%	454,100	412,300	410,000	417,800	469,700	497,500	569,300	668,900	579,900	742,900	655,800	640,300	592,200	657,400	626,900	650,200	678,900	805,100	903,400	981,400	1,065,700	1,123,900	968,800	870,800
<i>After-Tax Income</i>																								
Lowest Quintile	10,800	10,700	10,500	10,100	9,600	10,200	10,100	10,100	9,900	10,100	10,200	10,300	10,300	9,800	10,000	10,000	10,600	10,300	10,600	11,200	11,500	11,300	11,300	10,900
Second Quintile	22,700	21,900	21,800	21,600	20,900	21,800	22,000	22,600	22,200	22,500	22,900	23,200	23,100	23,300	23,000	23,200	24,100	24,100	24,600	26,200	26,900	26,300	26,400	25,300
Middle Quintile	32,000	31,700	32,200	31,900	31,400	33,000	33,600	34,600	34,500	35,100	35,400	35,500	35,300	35,300	35,800	35,900	36,900	37,200	38,100	39,300	39,700	39,700	40,100	39,800
Fourth Quintile	42,900	42,000	43,100	43,900	43,400	45,400	46,300	48,700	47,800	47,900	48,500	47,800	47,600	48,100	48,100	49,200	49,500	50,500	51,900	54,500	55,800	57,200	57,800	57,300
Highest Quintile	92,700	89,600	90,200	93,700	95,200	101,400	112,200	129,700	112,200	122,000	117,800	113,500	108,400	112,200	110,100	112,000	111,700	120,200	126,700	135,400	143,300	142,800	134,900	133,000
All	31,800	32,100	33,700	35,700	36,500	38,000	39,400	42,800	38,700	40,100	40,900	40,200	38,800	40,000	39,700	40,000	41,800	45,000	47,500	50,200	51,500	51,000	48,600	46,600
Top 10%	116,900	110,900	112,500	120,100	124,500	133,300	147,500	170,600	143,100	156,600	153,500	145,900	142,800	146,300	140,900	145,200	146,000	160,300	172,900	183,900	197,600	200,100	190,400	184,600
Top 5%	145,800	136,900	138,300	150,500	160,900	175,200	191,900	228,500	185,200	215,500	203,000	196,300	186,100	194,300	189,300	185,900	197,200	218,600	236,900	261,400	282,100	283,600	266,900	251,600
Top 1%	271,700	256,100	268,700	295,000	333,800	349,700	407,800	493,600	396,800	510,600	460,000	450,300	416,900	452,800	413,400	420,000	436,100	516,800	594,500	666,200	724,400	771,100	668,400	599,100
Share of Income (Percent)																								
<i>Pretax Income</i>																								
Lowest Quintile	10.8	10.0	8.6	6.9	5.7	6.1	5.9	5.3	5.3	5.4	5.2	5.6	6.0	5.3	5.3	5.1	5.2	4.4	4.1	4.2	4.2	4.4	4.7	4.8
Second Quintile	13.3	12.8	12.3	11.9	11.8	10.8	10.3	9.8	12.1	11.6	11.6	11.0	10.8	10.8	11.3	11.1	10.1	9.0	8.4	8.2	8.2	8.2	9.0	9.1
Middle Quintile	12.6	12.6	13.3	14.0	14.6	14.4	14.5	15.0	16.5	16.3	15.6	16.4	18.3	17.1	17.3	18.3	17.4	16.1	16.1	17.0	17.4	17.1	18.8	20.5
Fourth Quintile	13.9	15.5	16.5	17.7	17.8	19.2	19.5	18.8	20.0	19.1	19.0	19.4	19.4	19.8	19.2	18.8	18.7	18.1	17.3	16.3	15.7	15.9	17.6	17.5
Highest Quintile	49.5	49.2	49.5	49.7	50.4	49.7	50.1	51.4	46.4	48.1	49.0	48.2	46.7	47.8	47.7	47.6	49.3	53.5	54.9	55.2	55.3	55.3	51.0	49.3
All	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Top 10%	39.3	38.9	38.9	38.3	38.2	38.8	40.1	42.4	37.0	39.1	38.7	37.9	35.4	36.7	37.1	36.7	37.4	41.4	42.6	43.3	43.6	43.0	38.2	36.8
Top 5%	32.0	31.2	30.8	30.3	30.0	30.4	32.6	35.0	29.7	31.0	30.9	29.2	27.4	28.5	27.9	29.1	28.6	32.4	33.8	33.9	34.6	34.1	29.9	29.0
Top 1%	18.9	17.3	16.4	17.0	17.1	18.4	19.9	22.6	16.7	18.7	17.5	16.5	14.9	15.3	15.7	15.8	15.9	18.9	19.4	20.1	21.1	19.9	17.5	17.0

Table 3C
Number of Households, Average Income and Income Shares, and Income Category Minimums for Elderly Childless Households, by Household Income Category, 1979 to 2002

Income Category	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
<i>After-Tax Income</i>																								
Lowest Quintile	13.1	12.0	10.2	8.0	6.6	7.1	6.9	6.1	6.2	6.3	6.1	6.5	6.8	6.1	6.1	5.9	6.1	5.2	5.0	5.0	5.0	5.2	5.4	5.5
Second Quintile	15.6	14.9	14.3	13.5	13.3	12.3	11.8	11.1	13.9	13.3	13.3	12.5	12.2	12.2	13.0	12.9	11.8	10.7	9.9	9.6	9.6	9.6	10.3	10.3
Middle Quintile	13.9	13.9	14.5	15.2	15.8	15.8	15.8	16.3	18.1	17.9	17.1	17.9	19.9	18.7	19.1	20.2	19.4	18.1	18.2	19.1	19.6	19.1	20.9	22.7
Fourth Quintile	14.6	16.1	17.2	18.4	18.5	20.1	20.3	19.6	20.8	19.9	19.7	20.1	20.7	20.1	20.7	19.8	19.7	19.4	18.6	17.4	16.7	16.8	18.4	18.3
Highest Quintile	43.0	43.2	44.0	45.1	46.1	45.1	45.7	47.3	41.5	43.2	44.4	43.7	42.4	43.3	42.7	42.3	43.9	48.0	49.6	50.2	50.3	50.5	46.4	44.7
All	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Top 10%	32.9	33.0	33.6	33.9	34.0	34.3	35.7	38.4	32.2	34.3	34.2	33.6	31.3	32.3	32.2	31.5	32.0	35.8	37.2	38.3	38.7	38.2	33.6	32.2
Top 5%	25.8	25.6	25.8	26.2	26.1	26.4	28.6	31.2	25.3	26.6	26.8	25.3	23.7	24.5	23.4	24.3	23.7	27.2	28.7	29.3	30.0	29.6	25.7	24.8
Top 1%	14.2	13.2	13.0	14.2	14.4	15.5	17.0	19.8	13.8	15.5	14.8	13.9	12.5	12.6	12.4	12.4	12.5	15.0	15.8	16.7	17.7	16.8	14.4	13.9
Minimum Adjusted Income (2002 dollars)																								
Lowest Quintile	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Second Quintile	15,000	14,400	14,200	13,800	13,300	14,100	14,100	14,300	13,800	14,200	14,500	14,900	14,800	14,500	14,700	14,800	15,500	15,300	15,700	16,400	16,800	16,500	16,600	15,900
Middle Quintile	23,800	23,000	22,900	22,300	22,100	23,100	23,500	24,200	24,000	24,600	25,000	25,000	24,500	24,600	24,700	25,100	25,900	26,200	26,500	27,500	28,100	27,900	28,000	27,300
Fourth Quintile	32,600	31,700	32,000	31,500	31,600	33,000	33,600	34,600	34,900	35,600	36,000	35,800	35,400	35,700	35,600	36,500	37,100	37,600	38,200	39,600	40,400	40,700	40,400	39,800
Highest Quintile	45,500	44,500	44,900	44,900	45,300	47,200	47,900	50,000	50,600	51,600	52,300	51,600	50,800	51,500	51,900	52,700	54,100	55,100	56,400	58,600	60,300	61,000	60,400	59,400
Top 10%	58,200	57,500	57,600	57,900	58,700	61,800	62,900	65,800	66,800	68,400	69,400	68,200	67,100	68,400	68,800	69,800	72,300	74,200	76,500	79,800	82,100	83,500	81,500	79,900
Top 5%	73,900	72,200	72,900	72,500	74,300	78,400	80,400	85,400	85,300	87,700	89,900	88,500	86,900	89,700	89,400	91,300	95,000	97,900	102,700	107,000	110,300	113,100	108,900	105,300
Top 1%	144,500	140,200	138,200	138,900	145,000	155,000	161,200	187,300	175,700	189,000	191,700	182,800	179,300	189,700	186,600	192,200	204,400	215,800	229,100	244,400	260,700	268,000	241,800	228,400

Source: Congressional Budget Office.

Notes: Effective tax rates are calculated by dividing taxes by comprehensive household income. A household consists of the people who share a housing unit, regardless of their relationships. An elderly childless household is headed by a person age 65 or older with no member under age 18.

The income measure is comprehensive household income, which comprises 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; 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). Households with negative income are excluded from the lowest income category but are included in totals.

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. Quintiles, or fifths, contain equal numbers of people.

Individual income taxes are distributed directly to households paying those taxes. Social insurance, or payroll, taxes are distributed to households paying those taxes directly or paying them indirectly through their employers. Corporate income taxes are distributed to households according to their share of capital income. Federal excise taxes are distributed 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 2002, the highest quintile had adjusted income above \$59,400. A two-person household would need income above \$84,000 to fall in that quintile, while a four-person household would need income in excess of \$118,800.

Table 4A
Effective Federal Tax Rates for Nonelderly Childless Households, by Comprehensive Household Income Quintile, 1979-2002

Income Category	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Total Effective Federal Tax Rate																								
Lowest Quintile	11.1	10.9	11.5	11.0	12.0	12.7	13.0	12.5	13.3	13.2	12.8	13.6	13.2	13.2	12.7	11.6	11.8	11.3	11.4	11.1	11.3	10.8	10.2	9.7
Second Quintile	16.3	16.2	16.8	15.8	15.6	16.3	16.9	16.6	16.3	16.7	16.5	16.9	16.6	16.1	16.2	16.2	16.4	16.0	16.4	15.8	16.2	15.7	14.2	13.6
Middle Quintile	19.6	20.0	20.5	19.3	19.0	19.6	19.9	19.9	19.6	19.9	19.9	20.0	19.8	19.6	19.5	19.8	19.7	19.7	19.9	19.7	19.7	19.5	18.0	17.5
Fourth Quintile	22.3	22.5	23.5	22.2	21.5	21.9	22.0	22.2	21.7	22.1	22.0	22.2	22.1	21.7	21.6	21.7	21.9	21.8	21.9	22.0	22.0	22.0	20.7	20.2
Highest Quintile	27.6	27.6	27.7	25.3	24.5	24.8	24.6	24.5	26.1	26.0	25.7	25.7	26.0	26.1	26.9	27.6	27.9	28.0	28.2	27.9	28.3	28.2	27.0	26.3
All	24.3	24.4	24.8	23.0	22.4	22.7	22.9	22.9	23.7	23.8	23.5	23.7	23.7	23.8	24.2	24.6	24.8	24.8	25.1	24.7	25.0	25.0	23.6	22.9
Top 10%	29.2	29.0	28.7	26.0	25.1	25.4	25.1	24.8	27.3	26.8	26.5	26.5	26.9	27.2	28.5	29.3	29.6	29.8	29.8	29.4	29.7	29.6	28.5	27.8
Top 5%	31.3	30.5	29.6	26.5	25.6	26.0	25.5	24.9	28.5	27.7	27.2	27.2	27.9	28.3	30.1	31.2	31.4	31.6	31.5	30.9	31.1	31.0	29.9	29.3
Top 1%	36.4	34.2	31.5	27.7	27.5	28.2	27.0	25.5	31.4	29.5	28.8	28.6	30.1	30.5	34.3	35.7	35.9	35.8	34.9	33.6	33.7	33.1	33.0	32.6
Effective Individual Income Tax Rate																								
Lowest Quintile	1.0	1.3	1.5	1.3	1.3	1.5	1.4	1.0	0.4	0.3	0.3	0.6	0.3	0.0	-0.1	-1.5	-1.0	-1.1	-0.9	-1.2	-1.3	-1.5	-1.9	-2.2
Second Quintile	5.0	5.4	5.7	5.0	4.6	4.8	4.9	4.7	4.0	4.1	4.0	4.3	4.0	3.6	3.5	3.2	3.5	3.4	3.5	3.2	3.4	3.1	2.0	1.5
Middle Quintile	8.1	8.7	8.9	8.1	7.5	7.5	7.6	7.5	6.9	7.0	7.0	7.0	6.8	6.6	6.6	6.5	6.4	6.5	6.7	6.5	6.5	6.5	5.2	4.9
Fourth Quintile	10.8	11.3	11.8	10.8	9.8	9.6	9.6	9.6	8.9	8.9	9.0	9.0	8.9	8.6	8.5	8.5	8.6	8.6	8.7	8.8	8.9	8.9	7.9	7.5
Highest Quintile	16.2	17.0	17.1	15.6	14.2	14.0	14.1	14.1	14.8	14.8	14.6	14.5	14.5	14.7	14.8	15.0	15.4	15.9	16.3	16.4	16.9	17.2	15.9	15.1
All	12.8	13.5	13.8	12.7	11.6	11.4	11.5	11.6	11.7	11.9	11.6	11.7	11.5	11.6	11.6	11.7	11.8	12.2	12.6	12.5	12.9	13.1	11.7	11.0
Top 10%	17.7	18.5	18.5	16.9	15.4	15.3	15.2	15.3	16.6	16.5	16.2	16.1	16.1	16.4	16.8	17.0	17.4	18.1	18.4	18.5	19.1	19.3	18.1	17.3
Top 5%	19.5	20.1	19.9	18.3	16.7	16.7	16.5	16.5	18.5	18.2	17.8	17.7	17.8	18.3	18.9	19.3	19.6	20.4	20.7	20.7	21.2	21.5	20.4	19.6
Top 1%	22.6	23.1	21.8	20.7	19.6	19.6	19.1	18.6	22.2	21.2	20.5	20.4	21.2	21.8	23.7	23.7	24.2	25.0	24.5	24.1	24.7	24.6	24.6	24.1
Effective Social Insurance Tax Rate																								
Lowest Quintile	6.7	6.7	7.2	7.1	7.3	7.3	8.0	8.0	8.3	8.9	9.1	9.3	9.2	9.1	8.9	8.9	8.9	8.9	9.0	9.1	9.2	8.9	8.9	8.7
Second Quintile	8.6	8.4	9.1	9.0	8.8	9.1	9.8	9.7	9.8	10.2	10.3	10.5	10.3	10.0	10.1	10.2	10.3	10.3	10.4	10.4	10.6	10.4	10.4	10.2
Middle Quintile	9.2	9.2	9.7	9.7	9.7	10.1	10.5	10.6	10.6	11.0	11.1	11.2	11.1	11.0	10.9	11.1	11.1	11.1	11.3	11.3	11.4	11.4	11.3	11.1
Fourth Quintile	9.4	9.4	10.1	10.0	10.0	10.4	10.8	11.0	10.9	11.4	11.2	11.6	11.5	11.4	11.2	11.3	11.5	11.4	11.5	11.5	11.4	11.5	11.5	11.4
Highest Quintile	6.6	6.7	7.4	7.6	7.7	7.9	7.8	7.7	8.1	7.9	8.0	8.1	8.5	8.3	8.6	8.7	8.6	8.4	8.0	7.9	7.8	7.6	8.5	9.0
All	7.7	7.7	8.4	8.5	8.5	8.8	8.9	8.9	9.1	9.1	9.2	9.4	9.7	9.5	9.6	9.7	9.7	9.5	9.3	9.3	9.2	9.1	9.6	9.9
Top 10%	5.5	5.6	6.3	6.6	6.6	6.6	6.5	6.3	6.7	6.4	6.6	6.7	7.4	7.0	7.5	7.6	7.4	7.1	6.7	6.5	6.4	6.3	7.3	7.9
Top 5%	3.8	4.1	4.7	5.0	5.1	5.0	4.8	4.5	5.1	4.7	4.8	4.9	5.8	5.4	5.9	6.0	5.8	5.5	5.1	4.9	4.9	4.7	5.8	6.3
Top 1%	1.2	1.3	1.6	2.0	2.0	1.8	1.6	1.4	1.9	1.6	1.8	1.8	2.6	2.3	2.6	3.0	2.8	2.7	2.4	2.2	2.3	2.3	2.8	3.1
Effective Corporate Income Tax Rate																								
Lowest Quintile	1.3	1.2	1.0	0.7	0.9	1.4	0.9	1.0	1.2	1.0	0.9	0.9	0.9	1.0	0.9	0.8	1.0	0.9	0.8	0.7	0.7	0.8	0.5	0.4
Second Quintile	1.2	1.0	0.8	0.6	0.7	0.9	0.7	0.7	0.9	0.8	0.8	0.7	0.7	0.7	0.8	0.8	0.8	0.8	0.8	0.6	0.6	0.6	0.4	0.3
Middle Quintile	1.1	1.0	0.8	0.5	0.7	0.8	0.7	0.7	0.9	0.9	0.7	0.7	0.7	0.6	0.7	0.7	0.8	0.8	0.7	0.6	0.6	0.5	0.3	0.3
Fourth Quintile	1.1	1.0	0.8	0.5	0.7	0.8	0.7	0.7	0.9	0.8	0.8	0.7	0.7	0.6	0.8	0.8	0.8	0.8	0.8	0.7	0.7	0.6	0.4	0.3
Highest Quintile	4.1	3.3	2.6	1.6	1.9	2.2	2.1	2.0	2.6	2.6	2.5	2.5	2.2	2.4	2.8	3.1	3.3	3.2	3.3	3.0	2.9	2.8	2.0	1.7
All	2.8	2.3	1.8	1.2	1.4	1.6	1.6	1.5	1.9	2.0	1.8	1.8	1.6	1.8	2.0	2.2	2.3	2.3	2.3	2.1	2.0	2.0	1.4	1.1
Top 10%	5.4	4.3	3.3	2.0	2.5	2.8	2.7	2.6	3.3	3.4	3.2	3.2	2.9	3.1	3.6	4.1	4.2	4.1	4.2	3.8	3.7	3.5	2.6	2.2
Top 5%	7.4	5.7	4.5	2.7	3.3	3.8	3.6	3.3	4.4	4.4	4.1	4.1	3.7	4.1	4.8	5.4	5.5	5.3	5.3	4.9	4.6	4.4	3.3	3.0
Top 1%	12.1	9.4	7.7	4.8	5.6	6.3	5.8	5.1	6.9	6.4	6.2	6.2	6.0	6.1	7.6	8.7	8.6	7.9	7.6	7.1	6.5	6.1	5.3	5.1

Table 4A
Effective Federal Tax Rates for Nonelderly Childless Households, by Comprehensive Household Income Quintile, 1979-2002

Income Category	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Effective Excise Tax Rate																								
Lowest Quintile	2.1	1.8	1.7	1.9	2.4	2.4	2.7	2.5	3.3	3.0	2.5	2.8	2.8	3.1	3.0	3.4	2.9	2.6	2.5	2.5	2.7	2.8	2.7	2.8
Second Quintile	1.6	1.4	1.2	1.2	1.5	1.5	1.5	1.5	1.6	1.6	1.4	1.5	1.6	1.7	1.8	1.9	1.8	1.6	1.6	1.5	1.6	1.5	1.5	1.6
Middle Quintile	1.3	1.1	1.0	1.0	1.1	1.2	1.2	1.1	1.2	1.2	1.1	1.1	1.2	1.3	1.3	1.5	1.4	1.3	1.2	1.2	1.3	1.2	1.1	1.2
Fourth Quintile	1.0	0.9	0.8	0.8	1.0	1.0	0.9	1.0	1.0	0.9	0.9	1.0	1.1	1.1	1.2	1.1	1.0	1.0	1.0	1.0	1.0	1.0	0.9	0.9
Highest Quintile	0.8	0.7	0.6	0.6	0.7	0.7	0.7	0.7	0.7	0.6	0.6	0.6	0.7	0.7	0.7	0.7	0.7	0.6	0.6	0.6	0.6	0.5	0.6	0.6
All	1.0	0.8	0.8	0.8	0.9	0.9	0.9	0.9	0.9	0.9	0.8	0.8	0.9	1.0	1.0	1.1	1.0	0.9	0.9	0.9	0.9	0.8	0.8	0.9
Top 10%	0.7	0.6	0.5	0.5	0.6	0.6	0.6	0.6	0.6	0.5	0.5	0.5	0.6	0.6	0.6	0.6	0.6	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Top 5%	0.6	0.5	0.5	0.5	0.5	0.5	0.6	0.5	0.5	0.5	0.4	0.4	0.5	0.5	0.5	0.5	0.5	0.4	0.4	0.4	0.4	0.4	0.4	0.4
Top 1%	0.4	0.4	0.4	0.3	0.4	0.4	0.4	0.4	0.4	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.2	0.2

Source: Congressional Budget Office.

Notes: Effective tax rates are calculated by dividing taxes by comprehensive household income. A household consists of the people who share a housing unit, regardless of their relationships. A nonelderly childless household is one headed by a person under age 65 and with no member under age 18.

The income measure is comprehensive household income, which comprises 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; 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). Households with negative income are excluded from the lowest income category but are included in totals.

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. Quintiles, or fifths, contain equal numbers of people.

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

Table 4B
Shares of Federal Tax Liabilities for Nonelderly Childless Households, by Comprehensive Household Income Quintile, 1979-2002

Income Category	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Share of Total Federal Tax Liabilities																								
Lowest Quintile	1.5	1.5	1.5	1.5	1.6	1.9	1.7	1.6	1.4	1.3	1.3	1.5	1.5	1.4	1.4	1.2	1.4	1.2	1.2	1.3	1.3	1.2	1.3	1.2
Second Quintile	4.9	4.7	4.8	4.7	4.7	5.1	5.1	4.7	4.8	4.7	4.8	4.7	4.7	4.3	4.3	4.4	4.4	4.3	4.2	4.2	4.2	4.1	4.1	4.2
Middle Quintile	9.2	9.3	9.7	9.5	9.8	10.0	9.9	9.7	9.4	8.9	9.7	9.4	9.5	9.3	9.1	9.0	9.2	8.8	8.6	8.5	8.3	8.3	8.2	8.7
Fourth Quintile	19.1	19.2	19.5	19.4	20.1	19.3	19.1	19.1	18.8	18.5	18.8	18.8	19.1	18.2	18.2	18.1	18.6	17.9	17.3	17.9	17.6	17.4	18.5	18.8
Highest Quintile	65.2	65.3	64.4	64.8	63.7	63.5	64.0	64.8	65.5	66.4	65.2	65.4	65.0	66.5	66.8	67.1	66.2	67.6	68.5	68.0	68.5	68.9	67.7	66.8
All	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Top 10%	46.5	45.7	44.8	44.5	44.3	44.1	44.5	45.5	46.1	47.8	46.1	46.8	47.0	48.9	48.9	49.5	49.4	50.4	51.5	51.0	52.1	53.1	51.0	49.6
Top 5%	31.5	30.7	29.4	29.0	29.2	29.6	30.2	31.1	31.6	34.2	32.2	33.0	33.0	35.0	35.3	35.9	35.6	37.1	38.4	38.1	39.5	40.4	37.6	35.9
Top 1%	14.6	13.3	11.7	12.3	12.4	13.2	14.0	14.7	14.9	18.0	15.8	17.0	16.0	18.6	18.1	19.5	18.9	20.4	22.2	22.1	22.6	23.8	20.2	18.1
Share of Individual Income Tax Liabilities																								
Lowest Quintile	0.2	0.3	0.4	0.3	0.3	0.5	0.3	0.3	0.1	0.1	0.1	0.1	0.1	0.0	0.0	-0.3	-0.3	-0.2	-0.2	-0.3	-0.3	-0.3	-0.5	-0.6
Second Quintile	2.8	2.8	2.9	2.7	2.7	3.0	3.0	2.6	2.4	2.3	2.4	2.5	2.3	2.0	2.0	1.8	2.0	1.8	1.8	1.7	1.7	1.6	1.1	1.0
Middle Quintile	7.2	7.3	7.6	7.3	7.5	7.6	7.5	7.2	6.7	6.3	6.9	6.7	6.8	6.4	6.4	6.3	6.3	5.9	5.8	5.6	5.3	5.2	4.8	5.1
Fourth Quintile	17.5	17.4	17.7	17.2	17.7	17.0	16.7	16.3	15.6	15.0	15.7	15.5	15.9	14.8	15.0	15.0	15.3	14.4	13.7	14.2	13.7	13.4	14.2	14.6
Highest Quintile	72.2	72.2	71.4	72.5	71.8	71.9	72.5	73.7	75.2	76.4	75.0	75.3	74.9	76.8	76.7	77.3	76.7	78.1	78.9	79.5	80.1	80.3	80.3	79.9
All	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Top 10%	53.4	52.7	51.9	52.6	52.8	53.2	53.8	55.4	56.9	59.2	57.0	57.9	57.9	60.6	60.1	60.7	60.9	62.2	63.5	63.5	64.9	65.9	65.2	64.0
Top 5%	37.1	36.5	35.5	36.5	36.9	37.9	39.0	40.6	41.6	45.2	42.6	43.7	43.5	46.5	46.3	46.8	46.7	48.8	50.2	50.5	52.1	53.3	51.5	50.0
Top 1%	17.1	16.2	14.6	16.7	17.1	18.3	19.8	21.1	21.4	25.9	22.7	24.7	23.4	27.2	26.1	27.3	26.8	29.0	31.1	31.2	32.0	33.5	30.3	27.9
Share of Social Insurance Tax Liabilities																								
Lowest Quintile	2.8	2.8	2.8	2.6	2.5	2.9	2.6	2.6	2.2	2.3	2.4	2.5	2.6	2.5	2.5	2.4	2.7	2.5	2.6	2.8	2.9	2.7	2.7	2.5
Second Quintile	8.2	7.8	7.7	7.2	7.0	7.3	7.6	7.0	7.4	7.5	7.6	7.4	7.1	6.8	6.8	7.0	7.0	7.1	7.3	7.4	7.5	7.5	7.3	7.3
Middle Quintile	13.7	13.5	13.6	13.1	13.2	13.4	13.3	13.3	13.2	12.8	13.6	13.2	13.0	13.2	12.8	12.7	13.3	13.0	13.2	13.1	13.0	13.3	12.6	12.8
Fourth Quintile	25.6	25.3	24.7	23.9	24.7	24.0	24.0	24.5	24.7	24.9	24.5	24.7	24.5	24.2	24.0	23.9	24.8	24.4	24.3	25.1	24.9	25.1	25.1	24.6
Highest Quintile	49.6	50.5	51.1	53.1	52.5	52.4	52.3	52.5	52.4	52.5	51.7	52.1	52.7	53.2	53.9	53.9	52.1	52.8	52.5	51.5	51.6	51.3	52.2	52.7
All	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Top 10%	27.6	28.0	29.1	30.6	30.6	29.9	29.6	29.7	29.5	29.7	29.2	29.8	31.8	32.0	32.2	32.5	31.8	31.5	31.1	30.2	30.7	31.1	32.1	32.4
Top 5%	12.3	13.1	13.9	14.9	15.1	14.8	14.7	14.5	14.6	15.0	14.6	15.1	17.0	16.9	17.4	17.7	16.8	17.0	16.6	16.0	16.9	17.1	17.7	17.9
Top 1%	1.6	1.7	1.8	2.4	2.3	2.2	2.2	2.1	2.3	2.5	2.5	2.6	3.4	3.5	3.5	4.2	3.8	4.0	4.2	3.9	4.2	4.5	4.3	3.9
Share of Corporate Income Tax Liabilities																								
Lowest Quintile	1.5	1.6	1.7	2.0	2.0	3.0	1.8	1.9	1.6	1.2	1.2	1.2	1.6	1.4	1.1	0.9	1.3	1.0	0.9	0.9	1.0	1.1	1.0	0.9
Second Quintile	3.0	3.2	2.9	3.3	3.4	3.8	3.2	3.0	3.3	2.6	2.9	2.4	2.7	2.6	2.5	2.5	2.4	2.3	2.1	2.0	2.0	1.9	2.0	1.8
Middle Quintile	4.4	5.1	5.3	5.1	5.6	5.8	5.3	5.0	5.2	4.7	4.6	4.2	4.7	4.1	4.1	3.7	3.9	4.0	3.3	3.3	2.9	2.8	2.7	
Fourth Quintile	8.1	8.7	9.1	9.0	10.0	9.5	8.7	8.6	9.2	8.3	8.6	7.8	8.2	7.0	7.6	7.0	7.3	7.3	6.5	6.6	7.0	6.3	6.2	6.2
Highest Quintile	82.5	81.0	80.4	79.8	78.3	76.9	80.0	80.5	79.2	81.9	81.3	82.5	81.1	83.0	83.0	84.0	83.4	84.2	86.0	86.3	86.1	86.9	86.4	86.0
All	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Top 10%	73.1	70.4	70.0	68.7	68.7	67.7	71.1	71.7	69.3	73.3	71.9	74.1	72.4	75.3	74.9	76.5	75.5	75.8	78.0	79.1	79.0	79.8	79.9	79.8
Top 5%	63.3	59.9	59.7	60.1	59.7	59.0	62.6	63.2	60.1	65.5	63.2	65.7	64.0	67.0	67.2	69.3	67.2	67.4	69.9	71.7	71.4	72.3	73.5	74.1
Top 1%	41.4	38.3	38.6	42.3	40.2	40.8	44.6	44.3	40.9	47.3	44.3	48.4	45.8	49.7	48.0	52.9	48.9	49.2	52.6	55.1	53.1	55.0	57.0	58.1

Table 4B
Shares of Federal Tax Liabilities for Nonelderly Childless Households, by Comprehensive Household Income Quintile, 1979-2002

Income Category	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Share of Federal Excise Tax Liabilities																								
Lowest Quintile	7.0	7.0	7.2	7.5	7.8	8.6	8.5	8.4	8.6	8.1	7.3	8.6	8.2	8.3	8.1	8.3	8.4	7.7	8.0	8.2	8.5	9.1	9.4	9.0
Second Quintile	11.6	11.3	11.2	10.9	11.0	11.4	11.2	11.2	12.0	12.1	11.6	11.7	11.5	11.7	11.5	12.1	11.8	11.8	12.1	11.8	11.7	11.9	12.1	12.8
Middle Quintile	14.8	14.8	15.5	14.2	14.6	14.5	14.3	14.1	14.5	14.1	15.1	14.9	14.9	15.3	15.1	15.3	15.7	15.8	14.8	15.0	15.0	15.0	14.7	15.9
Fourth Quintile	21.5	21.4	20.9	21.3	22.3	21.5	20.6	20.6	21.8	22.5	22.5	22.2	22.8	22.1	21.7	22.3	23.5	22.7	22.2	22.9	22.8	22.9	23.8	23.4
Highest Quintile	44.5	44.9	44.2	45.6	43.5	43.3	44.6	45.0	42.5	42.8	42.9	42.1	42.1	41.9	42.7	41.1	39.9	41.4	42.2	41.7	41.7	40.6	39.7	38.4
All	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Top 10%	27.2	27.4	27.1	27.1	26.1	25.9	27.6	28.5	25.5	25.8	25.4	24.7	25.5	25.3	25.8	24.8	24.1	24.6	25.6	24.8	25.5	24.9	24.1	23.1
Top 5%	15.3	15.8	15.5	15.1	15.0	14.7	16.6	17.4	14.5	15.1	14.8	14.0	15.0	14.7	15.1	14.3	13.6	14.3	15.0	14.5	15.5	14.7	14.2	13.5
Top 1%	4.2	4.4	4.3	4.3	4.1	4.0	5.2	6.2	4.5	5.0	4.6	4.5	4.5	4.6	4.3	4.4	4.1	4.3	5.1	4.9	5.2	5.3	4.1	4.0

Source: Congressional Budget Office.

Notes: Effective tax rates are calculated by dividing taxes by comprehensive household income. A household consists of the people who share a housing unit, regardless of their relationships. A nonelderly childless household is one headed by a person under age 65 and with no member under age 18.

The income measure is comprehensive household income, which comprises 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; 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). Households with negative income are excluded from the lowest income category but are included in totals.

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. Quintiles, or fifths, contain equal numbers of people.

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

Table 4C
Number of Households, Average Income and Income Shares, and Income Category Minimums for Nonelderly Childless Households, by Household Income Category, 1979 to 2002

Income Category	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Number of Households (Millions)																								
Lowest Quintile	5.1	5.3	5.5	5.5	5.6	6.5	5.9	6.2	5.3	5.4	5.5	5.6	5.9	5.8	6.0	6.0	6.7	6.7	7.3	7.7	7.8	8.2	8.2	8.4
Second Quintile	5.1	5.2	5.3	5.2	5.5	5.7	6.0	5.8	6.5	6.7	6.6	6.5	6.5	6.5	6.3	6.6	6.5	6.9	7.1	7.4	7.5	7.9	8.0	8.4
Middle Quintile	5.3	5.5	5.8	5.8	6.0	6.1	6.2	6.3	6.6	6.7	7.1	7.0	7.1	7.2	7.1	7.2	7.4	7.4	7.6	7.8	7.9	8.4	8.2	8.6
Fourth Quintile	6.8	7.0	7.0	7.0	7.4	7.2	7.5	7.6	8.1	8.4	8.4	8.6	8.7	8.7	8.7	8.9	9.1	9.2	9.4	9.9	10.0	10.3	10.8	10.8
Highest Quintile	9.5	9.8	10.0	10.2	10.2	10.1	10.6	10.6	11.0	11.3	11.1	11.5	11.5	11.6	11.5	11.6	11.3	11.7	11.8	11.9	12.0	12.1	12.6	12.9
All	32.0	32.8	33.8	33.9	34.9	35.8	36.4	36.7	37.7	38.8	38.9	39.3	39.9	39.9	39.8	40.6	41.2	42.1	43.3	44.8	45.4	47.1	48.0	49.4
Top 10%	5.0	5.1	5.3	5.3	5.3	5.2	5.4	5.4	5.5	5.7	5.6	5.8	6.0	6.0	5.9	5.9	5.9	5.9	5.9	5.9	6.1	6.3	6.5	6.7
Top 5%	2.3	2.4	2.5	2.5	2.6	2.5	2.6	2.6	2.6	2.8	2.7	2.8	2.9	2.9	2.9	2.8	2.7	2.9	2.8	2.8	2.9	3.0	3.2	3.3
Top 1%	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.6	0.5
Average Income (2002 dollars)																								
<i>Pretax Income</i>																								
Lowest Quintile	11,100	10,700	10,600	10,200	9,700	10,300	10,400	10,500	10,400	10,700	11,100	11,400	11,500	11,300	11,100	11,200	11,500	11,200	11,200	11,800	12,500	11,800	12,100	11,100
Second Quintile	24,800	23,900	23,800	23,500	22,800	24,300	24,200	24,700	24,300	24,700	25,500	25,800	25,300	25,100	25,600	25,900	26,900	26,900	27,300	28,600	29,200	29,000	28,900	28,200
Middle Quintile	37,300	36,300	36,100	35,800	35,700	37,300	38,000	39,300	38,900	39,400	40,000	39,900	39,600	40,100	39,700	40,200	41,400	41,900	42,700	43,900	44,900	44,800	44,800	44,100
Fourth Quintile	53,200	52,100	52,600	52,400	52,800	54,800	55,500	57,700	58,200	58,800	59,500	58,800	58,300	58,800	58,900	59,700	61,000	62,300	63,100	65,500	67,200	67,400	66,700	66,000
Highest Quintile	105,600	102,900	102,900	104,300	107,000	113,800	117,100	128,000	123,600	134,500	133,300	132,400	127,500	133,400	130,100	133,900	138,500	144,400	154,700	162,300	170,800	177,100	159,800	150,500
All	54,500	53,100	52,900	53,400	53,400	54,900	57,300	60,900	60,400	64,200	63,700	63,900	61,900	63,800	62,800	63,900	64,500	66,800	69,100	71,600	74,300	75,000	71,000	67,600
Top 10%	135,300	132,600	131,100	134,100	138,000	149,300	155,900	172,800	165,300	184,700	181,400	181,000	170,200	181,700	175,200	182,300	187,500	199,500	217,900	231,900	242,800	252,300	220,400	203,600
Top 5%	185,300	178,200	174,400	183,300	185,500	203,400	216,600	247,100	229,500	265,100	258,200	258,700	237,400	260,900	243,200	261,300	271,500	287,000	327,500	352,800	363,300	384,800	318,600	287,500
Top 1%	439,100	421,000	407,200	449,600	454,300	514,000	571,500	690,100	577,400	745,400	694,200	718,800	613,900	696,000	620,700	689,800	727,600	792,700	945,800	1,063,900	1,087,300	1,150,600	895,900	781,000
<i>After-Tax Income</i>																								
Lowest Quintile	9,900	9,500	9,400	9,100	8,500	9,000	9,000	9,200	9,000	9,300	9,600	9,800	10,000	9,800	9,700	9,900	10,200	9,900	10,000	10,500	11,100	10,500	10,900	10,000
Second Quintile	20,800	20,100	19,800	19,800	19,300	20,300	20,100	20,600	20,300	20,600	21,300	21,400	21,100	21,100	21,500	21,700	22,500	22,600	22,800	24,100	24,400	24,500	24,800	24,400
Middle Quintile	30,000	29,000	28,700	28,800	28,900	30,000	30,400	31,400	31,300	31,600	32,100	31,900	31,700	32,300	31,900	32,200	33,200	33,700	34,200	35,200	36,100	36,100	36,800	36,400
Fourth Quintile	41,300	40,400	40,300	40,800	41,500	42,800	43,300	44,900	45,600	45,800	46,400	45,700	45,500	46,100	46,200	46,800	47,600	48,700	49,200	51,100	52,400	52,600	52,900	52,700
Highest Quintile	76,400	74,500	74,400	77,900	80,700	85,700	88,300	96,700	91,400	99,600	99,100	98,400	94,400	98,600	95,100	97,000	99,900	103,900	111,100	117,100	122,500	127,100	116,700	110,900
All	41,300	40,200	39,800	41,100	41,400	42,400	44,200	47,000	46,100	48,900	48,700	48,700	47,200	48,600	47,600	48,200	48,600	50,200	51,700	53,900	55,700	56,300	54,300	52,100
Top 10%	95,700	94,100	93,500	99,200	103,400	111,400	116,800	130,000	120,200	135,100	133,400	133,100	124,300	132,300	125,300	128,900	132,000	140,100	153,000	163,800	170,600	177,600	157,700	146,900
Top 5%	127,300	123,900	122,700	134,700	138,000	150,500	161,300	185,600	164,000	191,700	188,000	188,500	171,300	187,100	169,900	179,700	186,200	196,300	224,400	243,800	250,200	265,600	223,500	203,300
Top 1%	279,200	276,900	278,800	324,900	329,200	369,300	417,500	514,000	396,200	525,600	494,000	512,900	429,100	483,600	408,100	443,400	466,600	508,700	615,900	706,500	720,700	769,400	600,600	526,700
Share of Income (Percent)																								
<i>Pretax Income</i>																								
Lowest Quintile	3.2	3.3	3.2	3.1	2.9	3.4	2.9	2.9	2.4	2.3	2.4	2.5	2.7	2.6	2.6	2.6	2.9	2.7	2.7	2.8	2.9	2.7	2.9	2.8
Second Quintile	7.3	7.1	7.1	6.8	6.7	7.1	6.9	6.4	6.9	6.7	6.8	6.6	6.7	6.4	6.4	6.6	6.6	6.6	6.6	6.5	6.6	6.5	6.8	7.1
Middle Quintile	11.4	11.4	11.8	11.4	11.6	11.6	11.4	11.1	11.3	10.7	11.4	11.1	11.3	11.3	11.3	11.2	11.6	11.1	10.9	10.7	10.5	10.6	10.8	11.4
Fourth Quintile	20.9	20.9	20.6	20.2	20.9	20.1	19.8	19.7	20.6	20.0	20.2	20.1	20.6	20.0	20.5	20.5	21.0	20.4	19.7	20.1	20.0	19.7	21.1	21.4
Highest Quintile	57.4	57.7	57.7	58.9	58.2	58.4	59.5	60.6	59.5	61.0	59.8	60.5	59.5	60.7	60.1	59.9	58.8	59.9	60.9	60.3	60.6	60.9	59.2	58.1
All	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Top 10%	38.7	38.5	38.7	39.4	39.6	39.5	40.5	42.0	40.1	42.4	41.0	41.4	42.9	41.5	41.6	41.3	42.0	43.3	43.0	43.8	44.7	42.3	42.3	40.7
Top 5%	24.4	24.6	24.6	25.2	25.5	25.8	27.1	28.5	26.3	29.4	27.9	28.8	28.1	29.5	28.4	28.3	28.1	29.2	30.5	30.5	31.7	32.6	29.7	28.0
Top 1%	9.7	9.5	9.2	10.2	10.1	10.6	11.9	13.1	11.3	14.5	12.9	14.1	12.7	14.5	12.8	13.5	13.1	14.2	16.0	16.3	16.7	17.9	14.5	12.7

Table 4C
Number of Households, Average Income and Income Shares, and Income Category Minimums for Nonelderly Childless Households, by Household Income Category, 1979 to 2002

Income Category	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
<i>After-Tax Income</i>																								
Lowest Quintile	3.8	3.8	3.8	3.6	3.3	3.9	3.3	3.3	2.8	2.7	2.8	2.9	3.1	2.9	3.0	3.0	3.4	3.2	3.2	3.3	3.4	3.2	3.4	3.3
Second Quintile	8.1	7.9	7.8	7.4	7.3	7.7	7.5	6.9	7.6	7.3	7.5	7.2	7.3	7.1	7.4	7.4	7.4	7.4	7.2	7.4	7.3	7.3	7.6	7.9
Middle Quintile	12.1	12.0	12.4	11.9	12.1	12.1	11.8	11.5	11.9	11.2	11.9	11.6	11.9	11.9	11.9	11.9	12.3	11.8	11.6	11.4	11.2	11.4	11.6	12.2
Fourth Quintile	21.4	21.4	21.0	20.4	21.2	20.3	20.1	19.8	21.1	20.4	20.6	20.5	21.0	20.6	21.2	21.3	21.8	21.3	20.6	20.9	20.8	20.5	21.8	22.1
Highest Quintile	54.9	55.2	55.5	57.2	56.7	56.8	58.2	59.3	57.7	59.3	58.1	58.9	57.7	58.8	57.9	57.6	56.4	57.4	58.4	57.7	57.9	58.2	56.5	55.5
All	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Top 10%	36.2	36.2	36.7	37.9	38.2	38.1	39.4	40.9	38.2	40.8	39.5	40.4	39.7	41.0	39.2	39.0	38.7	39.2	40.6	40.3	41.1	41.9	39.6	38.1
Top 5%	22.2	22.6	23.0	24.1	24.4	24.7	26.1	27.7	24.6	27.9	26.5	27.5	26.6	27.8	26.1	25.9	25.6	26.5	27.9	28.0	29.1	29.9	27.2	25.7
Top 1%	8.2	8.3	8.4	9.6	9.4	9.9	11.3	12.7	10.2	13.4	12.0	13.2	11.6	13.2	11.1	11.5	11.1	12.1	13.9	14.4	14.8	15.9	12.7	11.1
Minimum Adjusted Income (2002 dollars)																								
Lowest Quintile	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Second Quintile	15,000	14,400	14,200	13,800	13,300	14,100	14,100	14,300	13,800	14,200	14,500	14,900	14,800	14,500	14,700	14,800	15,500	15,300	15,700	16,400	16,800	16,500	16,600	15,900
Middle Quintile	23,800	23,000	22,900	22,300	22,100	23,100	23,500	24,200	24,000	24,600	25,000	25,000	24,500	24,600	24,700	25,100	25,900	26,200	26,500	27,500	28,100	27,900	28,000	27,300
Fourth Quintile	32,600	31,700	32,000	31,500	31,600	33,000	33,600	34,600	34,900	35,600	36,000	35,800	35,400	35,700	35,600	36,500	37,100	37,600	38,200	39,600	40,400	40,700	40,400	39,800
Highest Quintile	45,500	44,500	44,900	44,900	45,300	47,200	47,900	50,000	50,600	51,600	52,300	51,600	50,800	51,500	51,900	52,700	54,100	55,100	56,400	58,600	60,300	61,000	60,400	59,400
Top 10%	58,200	57,500	57,600	57,900	58,700	61,800	62,900	65,800	66,800	68,400	69,400	68,200	67,100	68,400	68,800	69,800	72,300	74,200	76,500	79,800	82,100	83,500	81,500	79,900
Top 5%	73,900	72,200	72,900	72,500	74,300	78,400	80,400	85,400	85,300	87,700	89,900	88,500	86,900	89,700	89,400	91,300	95,000	97,900	102,700	107,000	110,300	113,100	108,900	105,300
Top 1%	144,500	140,200	138,200	138,900	145,000	155,000	161,200	187,300	175,700	189,000	191,700	182,800	179,300	189,700	186,600	192,200	204,400	215,800	229,100	244,400	260,700	268,000	241,800	228,400

Source: Congressional Budget Office.

Notes: Effective tax rates are calculated by dividing taxes by comprehensive household income. A household consists of the people who share a housing unit, regardless of their relationships. A nonelderly childless household is one headed by a person under age 65 and with no member under age 18.

The income measure is comprehensive household income, which comprises 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; 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). Households with negative income are excluded from the lowest income category but are included in totals.

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. Quintiles, or fifths, contain equal numbers of people.

Individual income taxes are distributed directly to households paying those taxes. Social insurance, or payroll, taxes are distributed to households paying those taxes directly or paying them indirectly through their employers. Corporate income taxes are distributed to households according to their share of capital income. Federal excise taxes are distributed 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 2002, the highest quintile had adjusted income above \$59,400. A two-person household would need income above \$84,000 to fall in that quintile, while a four-person household would need income in excess of \$118,800.