

**SUPPLEMENTAL DATA FOR THE JOINT CBO/JCT REPORT – THE DISTRIBUTION
OF ASSET HOLDINGS AND CAPITAL GAINS**

Prepared by the Staff
of the
JOINT COMMITTEE ON TAXATION



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INTRODUCTION

This document¹ provides background information to the *Joint CBO/JCT Report — The Distribution of Asset Holdings and Capital Gains*. This document provides supplemental data regarding the distribution of families by income group from the Survey of Consumer Finances² and the distribution of taxpayers by income group from tax returns filed in 2010.

This document also provides the data underlying certain charts and figures in the *Joint CBO/JCT Report — The Distribution of Asset Holdings and Capital Gains*.

As a joint CBO/JCT report, the supplemental data as well as the underlying report is available at both www.jct.gov and www.cbo.gov/publications/51831.

¹ This document may be cited as follows: The Joint Committee on Taxation, *Supplemental Data for The Joint CBO/JCT Report — The Distribution of Asset Holdings and Capital Gains* (JCX-67-16), August 4, 2016. This document can also be found on the Joint Committee on Taxation website at www.jct.gov.

² Board of Governors of the Federal Reserve System, *2010 Survey of Consumer Finances*.

Exhibit A-1
Number of Families, by Income, 2010

Income Group (Dollars)	Millions of Families	Percentage of All Families
\$0 to \$50,000.....	60.5	51.4
\$51,000 to \$100,000.....	32.3	27.5
\$101,000 to \$200,000.....	15.3	13.1
\$201,000 to \$500,000.....	4.5	3.8
\$500,001 to \$1,000,000.....	1.1	1.0
Greater than \$1,000,000.....	0.5	0.4

Source: Joint Committee on Taxation and the Congressional Budget Office, using data from the 2010 Survey of Consumer Finances.

A family consists of an individual or couple who owns a given residence or who signed the lease for it and any dependents living at home.

Income includes wages and salaries; income from rental real estate, royalties, partnerships, and S corporations; business and farm net income; taxable and tax-exempt interest; dividends; net capital gains; other gains or losses; total distributions of pensions, individual retirement accounts, and annuities; total Social Security benefits; and unemployment compensation.

Families who reported negative income are excluded from the lowest income group but are included in the calculations of the percentage of all families.

Exhibit A-2
Number of Taxpayers, by Income, 2010

Income Groups (Dollars)	Millions of Taxpayers	Percentage of All Taxpayers
\$0 to \$50,000.....	91.1	63.7
\$51,000 to \$100,000.....	30.6	21.4
\$101,000 to \$200,000.....	14.4	10.1
\$201,000 to \$500,000.....	3.7	2.6
\$500,001 to \$1,000,000.....	0.6	0.4
Greater than \$1,000,000.....	0.3	0.2

Source: Joint Committee on Taxation and the Congressional Budget Office, using data from the individual income tax return statistics for 2010 compiled by the Statistics of Income Division of the Internal Revenue Service.

A taxpayer may be either a person who files an individual tax return or a married couple who files a joint return.

Income includes wages and salaries; income from rental real estate, royalties, partnerships, S corporations, estates, and trusts; business and farm net income; taxable and tax-exempt interest; dividends; net capital gains; other gains or losses; ; the taxable distributions of pensions, individual retirement accounts, and annuities; taxable Social Security benefits; and unemployment compensation.

Taxpayers who reported negative income are excluded from the lowest-income group but are included in the calculations of the percentage of all taxpayers.

Introduction Figure
Net Capital Gains Reported on Individual Tax Returns and Taxes Owed on Those Gains, 1954 to 2013
Percentage of Gross Domestic Product

Calendar Year	Net Capital Gains	Taxes Owed on Gains
1954.....	1.8	0.3
1955.....	2.3	0.3
1956.....	2.2	0.3
1957.....	1.7	0.2
1958.....	2.0	0.3
1959.....	2.5	0.4
1960.....	2.2	0.3
1961.....	2.8	0.4
1962.....	2.2	0.3
1963.....	2.3	0.3
1964.....	2.5	0.4
1965.....	2.9	0.4
1966.....	2.6	0.4
1967.....	3.2	0.5
1968.....	3.8	0.6
1969.....	3.1	0.5
1970.....	1.9	0.3
1971.....	2.4	0.4
1972.....	2.8	0.4
1973.....	2.5	0.4
1974.....	2.0	0.3
1975.....	1.8	0.3
1976.....	2.1	0.4
1977.....	2.2	0.4
1978.....	2.1	0.4
1979.....	2.8	0.4

[Introduction Figure continued on the next page]

Introduction Figure -- Continued
Net Capital Gains Reported on Individual Tax Returns and Taxes Owed on Those Gains, 1954 to 2013
Percentage of Gross Domestic Product

Calendar Year	Net Capital Gains	Taxes Owed on Gains
1980.....	2.6	0.4
1981.....	2.5	0.4
1982.....	2.7	0.4
1983.....	3.4	0.5
1984.....	3.5	0.5
1985.....	4.0	0.6
1986.....	7.1	1.2
1987.....	3.0	0.7
1988.....	3.1	0.7
1989.....	2.7	0.6
1990.....	2.1	0.5
1991.....	1.8	0.4
1992.....	1.9	0.4
1993.....	2.2	0.5
1994.....	2.1	0.5
1995.....	2.4	0.6
1996.....	3.2	0.8
1997.....	4.2	0.9
1998.....	5.0	1.0
1999.....	5.7	1.2
2000.....	6.3	1.2
2001.....	3.3	0.6
2002.....	2.4	0.4
2003.....	2.8	0.4
2004.....	4.1	0.6
2005.....	5.3	0.8

[Introduction Figure continued on the next page]

Introduction Figure -- Continued
Net Capital Gains Reported on Individual Tax Returns and Taxes Owed on Those Gains, 1954 to 2013
Percentage of Gross Domestic Product

Calendar Year	Net Capital Gains	Taxes Owed on Gains
2006.....	5.8	0.9
2007.....	6.4	0.9
2008.....	3.4	0.5
2009.....	1.8	0.3
2010.....	2.6	0.4
2011.....	2.6	0.4
2012.....	4.0	0.6
2013.....	3.1	0.6

Source: Joint Committee on Taxation and the Congressional Budget Office, using data from the Department of the Treasury.

Net capital gains are the difference between a taxpayer's gains and losses. In this figure, gains are reduced by losses incurred in the current tax year and those carried over from previous years. Both short-term and long-term net gains are included; net gains that resulted from sales of assets indirectly held by taxpayers through their shares of entities such as partnerships, S corporations, estates, and trusts are also included.

Exhibit 2

Comparison of Maximum Statutory Tax Rates on Long-Term Capital Gains and on Other Investment Income, 1977 to 2016

Percentage of Tax Rate

Calendar Year	Other Investment Income	Long-Term Capital Gains
1977.....	70.0	35.0
1978.....	70.0	35.0
1979.....	70.0	28.0
1980.....	70.0	28.0
1981.....	69.1	28.0
1982.....	50.0	20.0
1983.....	50.0	20.0
1984.....	50.0	20.0
1985.....	50.0	20.0
1986.....	50.0	20.0
1987.....	38.5	28.0
1988.....	28.0	28.0
1989.....	28.0	28.0
1990.....	28.0	28.0
1991.....	31.0	28.0
1992.....	31.0	28.0
1993.....	39.6	28.0
1994.....	39.6	28.0
1995.....	39.6	28.0
1996.....	39.6	28.0
1997.....	39.6	20.0
1998.....	39.6	20.0
1999.....	39.6	20.0
2000.....	39.6	20.0
2001.....	39.1	20.0

[Exhibit 2 is continued on the following page]

Exhibit 2 -- Continued

Comparison of Maximum Statutory Tax Rates on Long-Term Capital Gains and on Other Investment Income, 1977 to 2016

Percentage of Tax Rate

Calendar Year	Other Investment Income	Long-Term Capital Gains
2002.....	38.6	20.0
2003.....	35.0	15.0
2004.....	35.0	15.0
2005.....	35.0	15.0
2006.....	35.0	15.0
2007.....	35.0	15.0
2008.....	35.0	15.0
2009.....	35.0	15.0
2010.....	35.0	15.0
2011.....	35.0	15.0
2012.....	35.0	15.0
2013.....	43.4	23.8
2014.....	43.4	23.8
2015.....	43.4	23.8
2016.....	43.4	23.8

Source: Joint Committee on Taxation and the Congressional Budget Office.

The statutory tax rate is specified by law. In the individual income tax code, the statutory rates apply to each additional dollar of capital gains or other investment income; those rates rise as taxable income increases. The statutory rates shown are the highest in the schedule of rates.

The changes in the statutory rates that were implemented in 1978, 1981, and 1997 became effective during the year (rather than at the beginning of the year). In those cases, the exhibit shows the maximum statutory rate that was in effect for most of the year.

Exhibit 5

Proportion of Families That Owned Capital Assets and the Average and Median Values of Those Assets, by Type of Asset, 2010

Asset Type	Proportion of Families That Owned Each Type of Asset (Percent)	Average and Median Values of Those Assets (Thousands of Dollars)	
		Average	Median
Mutual Funds.....	8.7	387	80
Bonds [1].....	1.6	587	137
Stocks.....	15.1	203	20
Privately Owned Businesses.....	13.2	781	78
Real Estate Other Than Personal Residences.....	18.6	391	120
All Capital Assets Except Personal Residences.....	36.2	691	91
Personal Residences.....	67.3	261	170
All Capital Assets.....	72.4	588	190

Source: Joint Committee on Taxation and the Congressional Budget Office, using data from the 2010 Survey of Consumer Finances.

For the purposes of this report, capital assets do not include checking accounts, savings accounts, money market deposit accounts, money market funds, call or cash accounts at brokerages, tax-preferred retirement accounts, certain other financial assets, or nonfinancial assets (such as personal vehicles, antiques, jewelry, and collectibles).

[1] Includes Treasury bills and notes but excludes Treasury savings bonds.

Exhibit 6
Proportion of Families That Owned Capital Assets, by Income Group and Type of Asset, 2010
Percentage of Families

Income Groups (Dollars)	Personal Residence	Any Capital Asset Other Than Personal Residence	Any Asset
Less than \$0.....	24.6	9.8	26.8
\$0 to \$20,000.....	38.0	12.8	42.4
\$20,001 to \$30,000.....	55.1	21.8	60.2
\$30,001 to \$40,000.....	66.3	26.8	71.8
\$40,001 to \$50,000.....	69.2	30.7	74.7
\$50,001 to \$75,000.....	78.8	40.8	83.7
\$75,001 to \$100,000.....	83.8	46.3	90.9
\$100,001 to \$200,000.....	90.7	65.8	95.8
Greater than \$200,000.....	94.6	90.1	99.1

Source: Joint Committee on Taxation and the Congressional Budget Office, using data from the 2010 Survey of Consumer Finances.

For the purposes of this report, capital assets do not include checking accounts, savings accounts, money market deposit accounts, money market funds, call or cash accounts at brokerages, tax-preferred retirement accounts, certain other financial assets, or nonfinancial assets (such as personal vehicles, antiques, jewelry, and collectibles).

Income includes wages and salaries; income from rental real estate, royalties, partnerships, and S corporations; business and farm net income; taxable and tax-exempt interest; dividends; net capital gains; other gains or losses; total distributions of pensions, individual retirement accounts, and annuities; total Social Security benefits; and unemployment compensation.

Exhibit 7
Distribution of Value of Capital Assets Among Income Groups, by Type of Asset, 2010
Percentage of Asset Type Value Owing to Income Group

Asset Type	\$0 to \$50,000	\$50,001 to \$100,000	\$100,001 to \$200,000	\$200,001 to \$500,000	\$500,001 to \$1,000,000	Greater than \$1,000,000
Mutual Funds.....	7.5	11.2	16.1	23.3	22.0	19.9
Bonds [1].....	2.6	4.2	13.6	20.8	21.1	37.8
Stocks.....	7.0	11.2	13.9	25.1	17.0	25.8
Privately Owned Business.....	8.4	8.2	14.0	22.0	14.7	32.6
Real Estate Other Than Personal Residences.....	14.7	16.3	21.7	22.9	10.9	13.5
All Capital Assets Except Personal Residences.....	9.7	11.2	16.5	22.8	15.1	24.7
Personal Residences.....	24.0	27.0	23.8	14.7	6.5	4.1
All Capital Assets.....	15.6	17.7	19.5	19.4	11.5	16.2

Source: Joint Committee on Taxation and the Congressional Budget Office, using data from the 2010 Survey of Consumer Finances.

For the purposes of this report, capital assets do not include checking accounts, savings accounts, money market deposit accounts, money market funds, call or cash accounts at brokerages, tax-preferred retirement accounts, certain other financial assets, or nonfinancial assets (such as personal vehicles, antiques, jewelry, and collectibles).

Income includes wages and salaries; income from rental real estate, royalties, partnerships, and S corporations; business and farm net income; taxable and tax-exempt interest; dividends; net capital gains; other gains or losses; total distributions of pensions, individual retirement accounts, and annuities; total Social Security benefits; and unemployment compensation.

[1] Includes Treasury bills and notes but excludes Treasury savings bonds.

Exhibit 8
Average Value of Capital Asset Holdings, by Income Group, 2010
Millions of Dollars

Income Group (Dollars)	Personal Residences	All Capital Assets Except Personal Residences	All Capital Assets
\$0 to \$50,000.....	0.2	0.2	0.2
\$50,001 to \$100,000.....	0.2	0.2	0.3
\$100,001 to \$200,000.....	0.3	0.5	0.7
\$200,001 to \$500,000.....	0.7	1.7	2.2
\$500,001 to \$1,00,000.....	1.2	4.0	5.0
Greater than \$1,000,000.....	1.8	15.7	16.5

Source: Joint Committee on Taxation and the Congressional Budget Office, using data from the 2010 Survey of Consumer Finances.

Average values are based only on those families that reported holding assets.

For the purposes of this report, capital assets do not include checking accounts, savings accounts, money market deposit accounts, money market funds, call or cash accounts at brokerages, tax-preferred retirement accounts, certain other financial assets, or nonfinancial assets (such as personal vehicles, antiques, jewelry, and collectibles).

Income includes wages and salaries; income from rental real estate, royalties, partnerships, and S corporations; business and farm net income; taxable and tax-exempt interest; dividends; net capital gains; other gains or losses; total distributions of pensions, individual retirement accounts, and annuities; total Social Security benefits; and unemployment compensation.

Exhibit 9
Composition of Capital Asset Holdings, by Income Group, 2010
Percentage of Income Group Asset Value Owing to Asset Type

Income Group (Dollars)	Mutual Funds	Bonds [1]	Stocks	Privately Owned Business	Real Estate Other Than Personal Residences	Personal Residences
\$0 to \$50,000.....	3.8	0.4	3.3	12.9	15.9	63.7
\$50,001 to \$100,000.....	5.0	0.5	4.6	11.1	15.5	63.2
\$100,001 to \$200,000.....	6.6	1.6	5.2	17.2	18.8	50.6
\$200,001 to \$500,000.....	9.5	2.4	9.5	27.2	20.0	31.4
\$500,001 to \$1,00,000.....	15.2	4.2	10.8	30.6	15.9	23.3
Greater than \$1,000,000.....	9.8	5.3	11.7	48.4	14.1	10.6

Source: Joint Committee on Taxation and the Congressional Budget Office, using data from the 2010 Survey of Consumer Finances.

For the purposes of this report, capital assets do not include checking accounts, savings accounts, money market deposit accounts, money market funds, call or cash accounts at brokerages, tax-preferred retirement accounts, certain other financial assets, or nonfinancial assets (such as personal vehicles, antiques, jewelry, and collectibles).

Income includes wages and salaries; income from rental real estate, royalties, partnerships, and S corporations; business and farm net income; taxable and tax-exempt interest; dividends; net capital gains; other gains or losses; total distributions of pensions, individual retirement accounts, and annuities; total Social Security benefits; and unemployment compensation.

[1] Includes Treasury bills and notes but excludes Treasury savings bonds.

Exhibit 10

Proportion of Families That Owned Capital Assets and the Average Value of Their Holdings, by Age Group, 2010

Age Group	Proportion of Families That Owned Capital Assets (Percent)			Average Value of Holdings of Families With Capital Assets (Thousands of Dollars)		
	Any Capital Asset			Any Capital Asset		
	Other Than		Any Capital Asset	Other Than		Any Capital Asset
	Personal Residence	Personal Residence		Personal Residence	Personal Residence	
Under 35.....	37.5	22.1	46.9	170	155	209
35 to 44.....	63.8	30.3	69.7	238	332	362
45 to 54.....	75.2	40.8	78.7	294	724	657
55 to 64.....	78.1	46.3	81.7	306	990	854
65 to 74.....	82.6	43.1	85.4	271	922	727
75 or Older.....	81.9	40.7	85.2	232	826	617

Source: Joint Committee on Taxation and the Congressional Budget Office, using data from the 2010 Survey of Consumer Finances.

For the purposes of this report, capital assets do not include checking accounts, savings accounts, money market deposit accounts, money market funds, call or cash accounts at brokerages, tax-preferred retirement accounts, certain other financial assets, or nonfinancial assets (such as personal vehicles, antiques, jewelry, and collectibles).

Exhibit 11
Proportion of Families That Owned Capital Assets, by Income Group and Age Group, 2010
Percentage of Families

Income Group (Dollars)	Under 65	All Ages	Age 65 and Over
\$0 to \$20,000.....	33.2	41.5	63.3
\$20,001 to \$30,000.....	48.3	60.0	88.5
\$30,001 to \$40,000.....	63.9	69.4	91.7
\$40,001 to \$50,000.....	68.2	75.5	96.4
\$50,001 to \$75,000.....	81.3	82.3	94.6
\$75,001 to \$100,000.....	89.6	91.4	98.2
\$100,001 to \$200,000.....	95.3	95.2	98.8
Greater than \$200,000.....	99.0	99.1	100.0

Source: Joint Committee on Taxation and the Congressional Budget Office, using data from the 2010 Survey of Consumer Finances.

For the purposes of this report, capital assets do not include checking accounts, savings accounts, money market deposit accounts, money market funds, call or cash accounts at brokerages, tax-preferred retirement accounts, certain other financial assets, or nonfinancial assets (such as personal vehicles, antiques, jewelry, and collectibles).

Income includes wages and salaries; income from rental real estate, royalties, partnerships, and S corporations; business and farm net income; taxable and tax-exempt interest; dividends; net capital gains; other gains or losses; total distributions of pensions, individual retirement accounts, and annuities; total Social Security benefits; and unemployment compensation.

Exhibit 12
Change in the Value of Capital Assets, by Type of Asset, 2004 to 2010
Percent Change

Calendar Year	Mutual Funds	Bonds [1]	Stocks	Privately Owned Businesses	Real Estate Other Than Personal Residences	Personal Residences
2004 to 2007.....	21.7	-11.6	14.2	38.9	13.8	16.1
2007 to 2010.....	-8.2	-0.1	-25.4	-21.8	-8.6	-18.7

Source: Joint Committee on Taxation and the Congressional Budget Office, using data from the Survey of Consumer Finances from 2004, 2007, and 2010.

For the purposes of this report, capital assets do not include checking accounts, savings accounts, money market deposit accounts, money market funds, call or cash accounts at brokerages, tax-preferred retirement accounts, certain other financial assets, or nonfinancial assets (such as personal vehicles, antiques, jewelry, and collectibles).

Before calculating the percentage change in value, dollar amounts were adjusted to remove the effects of inflation using the price index for personal consumption expenditures.

[1] Includes Treasury bills and notes but excludes Treasury savings bonds.

Exhibit 15
Proportion of Tax Returns With Net Capital Gains or Net Capital Losses, by Type of Asset, 2010
Percentage of Tax Returns

Asset Type	Percent
Mutual Funds.....	3.3
Bonds [1].....	1.0
Corporate Stocks.....	5.1
Put and Call options and Commodities.....	0.1
Partnerships, S Corporations, and Fiduciaries.....	0.4
Land including Farmland, Livestock, and Timber.....	0.1
Business Property.....	[2]
Residential Rental Property.....	0.1
Personal Residence.....	[2]
Other.....	1.0

Source: Joint Committee on Taxation and the Congressional Budget Office, using data from the 2010 Sale of Capital Assets Cross Section compiled by the Statistics of Income Division of the Internal Revenue Service.

Net capital gains for each type of asset are the difference between a taxpayer’s long-term gains and losses from sales of that type of asset; a net capital loss occurs when that difference is negative. The figure reflects only those net gains and net losses that resulted from sales of assets directly owned by taxpayers.

[1] Includes Treasury notes but excludes Treasury savings bonds.

[2] Less than 0.05 percent.

Exhibit 16
Average and Median Values of Net Capital Gains and of Net Capital Losses, by Type of Asset, 2010
Dollars

Asset Type	Net Gains		Net Losses	
	Average Value	Median Value	Average Value	Median Value
Mutual Funds.....	7,214	1,152	-7,197	-1,780
Bonds [1].....	8,798	709	-6,504	-804
Corporate Stocks.....	28,871	2,318	-14,120	-2,448
Put and Call Options and Commodities.....	27,505	1,515	-15,159	-2,926
Partnerships, S Corporations, Estates, and Trusts.....	60,137	2,284	-33,158	-2,714
Land, Including Farmland, Livestock, and Timber.....	39,074	11,648	-34,900	-12,780
Business Property.....	27,283	12,433	-58,331	-18,186
Residential Rental Property.....	52,957	18,639	-65,883	-14,390
Personal Residences [2].....	50,931	3,614	N.A.	N.A.
Other.....	45,269	3,458	-35,010	-3,602

Source: Joint Committee on Taxation and the Congressional Budget Office, using data from the 2010 Sale of Capital Assets Cross Section compiled by the Statistics of Income Division of the Internal Revenue Service.

Net capital gains for each type of asset are the difference between a taxpayer's long-term gains and losses from sales of that type of asset; a net capital loss occurs when that difference is negative. The figure reflects only those net gains and net losses that resulted from sales of assets directly owned by taxpayers.

Average and median values of net gains are based only on tax returns reporting net gains; average and median values of net losses are based only on tax returns reporting net losses.

Net losses are reported in full, although under current law a taxpayer may deduct only up to \$3,000 of those losses from ordinary income and may carry over losses exceeding that amount to a future year. Losses carried over from previous years are omitted from the exhibit.

[1] Includes Treasury notes but excludes Treasury savings bonds.

[2] Losses on the sale of personal residences are not deductible; however, a small number of taxpayers reported such losses on their tax returns. Because of that limitation in the data set, CBO and JCT chose not to report losses from sales of personal residences.

N.A. = Not Applicable

Exhibit 21
Net Capital Gains as a Share of a Household's Total Market Income, by Market Income Group, 2010
Percentage of Market Income

Income Percentiles	Percent
1st to 80th Percentiles.....	0.1
81st to 90th Percentiles.....	0.6
91st to 95th Percentiles.....	1.0
96th to 99th percentiles.....	2.4
Top 1 Percent.....	18.6

Source: Joint Committee on Taxation and the Congressional Budget Office.

The underlying data were previously published as supplemental material for Congressional Budget Office, *The Distribution of Household Income and Federal Taxes, 2010* (December 2013), www.cbo.gov/publication/44604.

Net capital gains are the difference between a taxpayer's gains and losses. In this exhibit, both short-term and long-term net gains are included, as are gains from assets indirectly held by households through their shares of entities such as partnerships, S corporations, estates, and trusts. Losses carried over from previous years are also included; individual taxpayers' total net losses were capped at \$3,000.

Market income consists of labor income (including amounts allocated by employees to 401(k) plans; employment-based health insurance premiums; the employer's share of Social Security, Medicare, and federal unemployment insurance payroll taxes; and the share of corporate income taxes borne by workers), business income, net capital gains, other capital income, income received in retirement for past services, and certain other sources of income. It does not include government transfer payments, such as Social Security payments.

A household is considered to consist of the people who share a housing unit, regardless of their relationship to one another. In addition to households that filed tax returns, this exhibit includes households in which no member filed a tax return.

Income groups were defined by ranking households by market income, which was adjusted for household size to account for the economies of scale attained by larger households. Percentiles (hundredths) contain approximately equal numbers of people but different numbers of households. Households with negative income are excluded from the lowest-income group.