Historically, a 70 percent marginal tax rate is not unusual
The top marginal income tax rates from 1913 to 2018


Top 1\% Reported Income Share and Top MTR


US Top MTR ordinary income vs. capital gains


Source: Depart ment of the Treasury, Office of Tax Anal ysi s

US Top 0.1\% Pre-Tax Income Share and Composition


Source: Piketty and Saez, 2003 updated. Series based on pre-tax cash market income including or excluding realized capital gains, and always excluding government transfers.

## TABLE 2

## Average Compensation by Type for High-Income Executives (in Thousands)

|  | 1991 | 1992 | 1993 | 1994 | 1995 |
| :--- | ---: | ---: | ---: | ---: | ---: |
| Taxable income | 911 | 1,153 | 974 | 965 | 1,173 |
| Salary | 347 | 336 | 336 | 351 | 373 |
| Bonus | 198 | 207 | 241 | 284 | 330 |
| LTIP payout | 57 | 72 | 57 | 64 | 89 |
| Options exercised | 268 | 496 | 293 | 235 | 381 |
| Other income (nontaxed) | 36 | 37 | 66 | 54 | 78 |

Source.-Author's calculations for executives with permanent income greater than $\$ 275,000$ per year.

The Top 0.01\% US Income Share, Composition, and MTR





Change in Top Tax Rate and Top 1\% Share, 1960-4 to 2005-9

Tax Avoidance: Top 1\% Income Shares and Top MTR


Top 1\% and Bottom 99\% Income Growth

A. Growth and Change in Top Marginal Tax Rate


Change in Top Tax Rate and GDP per capita growth since 1960

## B. Growth (adjusted for initial 1960 GDP)



Change in Top Tax Rate and GDP per capita growth since 1960


Link between top tax rate and CEO pay in 2006 across countries


Controlling for firm profitability, governance, size, and industry

Figure 3: Total number of foreigners in different income groups


$$
-- \text { Control } 1 \quad--\_- \text {Control } 2 \longrightarrow \text { Treatment }
$$

Control $1=$ annualized income between .8 and .9 of threshold Control $2=$ annualized income between .9 and .995 of threshold.

Top 1\% pre-tax income share and top tax rates


Source: Top 1\% income share: Piketty and Saez, 2003 updated to 2015, series including realized capital gains. Top MTR include Federal individual tax + uncapped FICA payroll tax.

US Top 0.1\% Income Share and Composition


Source: Piketty and Saez, 2003 updated to 2015 . Series based on pre-tax cash market income including realized capital gains, and always excluding government transfers.

## US Top 0.1\% Income Share and Composition (excl. K gains)



## Charitable Giving of Top 1\% Income Earners



Source: The figure depicts average charitable giving of top $1 \%$ incomes (normalized by average income per family) on the left y-axis.

## Charitable Giving of Top 1\% Income Earners



Source: The figure depicts average charitable giving of top $1 \%$ incomes (normalized by average income per family) on the left y-axis. For comparison, the figure reports the top $1 \%$ income share (on the right $y$-axis).

## Figure 3

## Share of Income Earned by the Top 1 Percent Source: Saez and Zucman JEP'20



Note: This figure compares the share of fiscal income earned by the top 1 percent tax units (from Piketty and Saez 2003, updated series including capital gains in income to compute shares but not to define ranks, to smooth the lumpiness of realized capital gains) to the share of pre-tax national income earned by the top 1 percent equal-split adults (from Piketty, Saez, and Zucman 2018, updated September 2020, available on WID.world).



