

IRS News Release

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IRS Issues Winter 2008 Statistics of Income Bulletin

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WASHINGTON — The Internal Revenue Service today released the winter 2008 issue of the [Statistics of Income Bulletin](#), featuring data from 134.4 million individual income tax returns filed for tax year 2005. Of those returns, 90.6 million were “taxable.” This means that they reported total income tax greater than zero. The number of taxable returns in tax year 2005 was up 1.7 percent from 2004.

Adjusted gross income on these 90.6 million returns totaled \$6.857 trillion, an increase of 9.4 percent from 2004. Total income tax on these returns totaled \$935 billion, up 12.4 percent from 2004. (Adjusted gross income is total income, as defined by the tax code, less statutory adjustments, which are primarily business, investment and certain other deductions.)

The average tax rate for taxable returns was 13.6 percent in tax year 2005, which was up 0.4 percentage points from 2004.

Taxpayers in the top 1 percent of adjusted gross income reported adjusted gross income of at least \$364,657 in tax year 2005. This group accounted for 21.2 percent of all adjusted gross income reported, which was up 2.2 percent from the prior year. This group also accounted for 39.4 percent of total income tax reported, which was up 2.5 percent from 2004.

Taxpayers in the top 5 percent of adjusted gross income reported adjusted gross income of at least \$145,283. This group accounted for 35.7 percent of all adjusted gross income reported and 59.7 percent of total income tax.

This edition of the quarterly Bulletin includes articles about the following:

- The filing patterns of split-interest trusts were relatively stable between 2005 and 2006.
- Charitable and other types of tax-exempt organizations reported unrelated business taxable income that totaled \$1.3 billion in tax year 2004, up 65 percent from 2003. These organizations reported \$364.6 million in unrelated business income tax, an increase of 66 percent since 2003.
- The finances of charitable and other tax-exempt organizations have grown substantially in the 20 years from 1985 to 2004. For example, the aggregate book value of reported assets for public charities and private foundations totaled \$2.5 trillion for tax year 2004, an increase of 222 percent over the 20-year period.

- Another article explores patterns in individual income taxes since the modern income tax was introduced in 1913.

For more historical data on income, deductions and tax reported go to [Tax Stats](#) on IRS.gov. Select [SOI Bulletins](#) for historical tables and appendix.

The [Statistics of Income Bulletin](#) is available from the Superintendent of Documents, U.S. Government Printing Office, P.O. Box 371954, Pittsburgh, PA 15250-7954. The annual subscription rate is \$53 (\$74.20 foreign), single issues cost \$39 (\$48.75 foreign).

For more information about these data, write the Director, Statistics of Income (SOI) Division, RAS:S, Internal Revenue Service, P.O. Box 2608, Washington, DC 20013-2608; call SOI's Statistical Information Services at (202) 874-0410; or fax, (202) 874-0964. To access an electronic version of the winter 2008 issue of the Bulletin, from the "SOI Bulletins" page described above, select "Winter 2008."