

High-Income Tax Returns for 2009

by Justin Bryan

The Tax Reform Act of 1976 requires annual publication of data on individual income tax returns reporting income of \$200,000 or more, including the number of such returns reporting no income tax liability and the importance of various tax provisions in making these returns nontaxable.¹ This article presents detailed data for the almost 4 million high-income returns for 2009, as well as summary data for the period 1977 to 2008. Detailed data for the years 1974 through 2008 have been published previously (see References section for more details).

Two income concepts are used in this article to classify tax returns as high income: the statutory concept of adjusted gross income (AGI) and the expanded income concept.² Expanded income uses items reported on tax returns to obtain a more comprehensive measure of income than AGI. Specifically, expanded income is AGI *plus* tax-exempt interest, nontaxable Social Security benefits, the foreign-earned income exclusion, and items of “tax preference” for “alternative minimum tax” purposes; *less* unreimbursed employee business expenses, moving expenses, investment interest expense to the extent it does not exceed investment income, and miscellaneous itemized deductions not subject to the 2-percent-of-AGI floor.^{3,4,5} Note that, although expanded income is a more comprehensive measure of income than AGI, for some taxpayers, the subtractions from AGI to arrive at expanded income exceed the additions, with the result that expanded income is less than AGI.

Number of High-Income Returns

Figure A and Table 1 show that, for 2009, there were 3,924,489 individual income tax returns reporting AGI of \$200,000 or more, and 3,975,288 returns with expanded income of \$200,000 or more. These

returns represented 2.793 percent and 2.830 percent, respectively, of all returns for 2009.

This 2009 report is the first in this annual series of reports to include the effect of newly created refundable credits. Previously, the income tax liability of taxpayers was based on the last line of the “Taxes and Credits” section of Form 1040 (Line 55 of the 2009 Form 1040). For years prior to 2007, this worked fine. Two refundable credits, the earned income tax (EIC) and the additional child tax credit, were reported in the “Payments” section of Form 1040 (Lines 64 and 65 of the 2009 Form 1040), but the EIC did not affect high-income taxpayers, and the additional child tax credit was only available to taxpayers who had zero income tax liability. In 2007, however, a new refundable AMT credit was added. This credit was also reported in the “Payments” section of Form 1040 (Line 70c of the 2009 Form 1040). But, unlike the other two refundable credits, the refundable AMT credit can reduce a high-income taxpayer’s tax liability to zero. Since 2007, some other refundable credits have been added. For 2009, they consist of the first-time homebuyer credit, making work pay credit, and the American opportunity credit. Like the refundable AMT credit, these new credits are reported in the “Payments” section of Form 1040 and can reduce a high-income taxpayer’s tax liability to zero. The tabulations previously published for 2007 and 2008 do not include the effect of these new refundable credits on a taxpayer’s income tax liability.

For 2009, this new concept resulted in an additional 4,314 returns with AGI of \$200,000 or more and no U.S. income tax liability (see Figure C for more details) and 1,288 additional returns with no worldwide income tax. An additional 4,708 tax returns with an expanded income of \$200,000 or more had no U.S. income tax liability and 1,480 more had no worldwide liability. Of the additional 4,708 returns with no U.S. tax liability, 4,677 claimed the refundable prior-year minimum tax credit, while 62 returns claimed other refundable credits. Of the 1,480

Justin Bryan is an economist with the Individual Returns Analysis Section. This article was prepared under the direction of Jeff Hartzok, Chief.

¹ The statutory requirement is contained in section 2123 of the Tax Reform Act of 1976 (90 Stat. at 1915).

² The 1976 Act specified four income concepts for classifying tax returns: adjusted gross income (AGI), expanded income, AGI plus excluded tax preference items, and AGI less investment interest expense not in excess of investment income. Section 441 of the Deficit Reduction Act of 1984 (98 Stat. at 815) eliminated the requirement to use the last two income concepts.

³ The definition of adjustments to AGI to obtain the expanded income given in the text is for the current year. See Appendix A for a discussion of AGI and expanded income and a list of adjustments covering all years since 1977.

⁴ See Notes to Appendix A, note A4.

⁵ Tax-exempt interest had to be reported on the individual income tax return starting with Tax Year 1987 and is included in expanded income starting with that year. Beginning with Tax Year 1991, tax-exempt interest was incorporated into the criteria used for sampling returns for Statistics of income, thus increasing the reliability of the estimates of expanded income.

High-Income Tax Returns for 2009

Statistics of Income Bulletin | Spring 2012

Figure A

All Returns and Returns with Income of \$200,000 or More Measured in Current Dollars and in 1976 Constant Dollars, by Income Concept, Tax Years 1977–2009

Tax year	All returns	\$200,000 income threshold measured in current dollars			
		Number of returns by income concept		Percentage of all returns by income concept	
		Adjusted gross income	Expanded income	Adjusted gross income	Expanded income
	(1)	(2)	(3)	(4)	(5)
1977	86,634,640	53,403	67,580	0.062	0.078
1978	89,771,551	68,506	85,137	0.076	0.095
1979	92,694,302	93,731	122,231	0.101	0.132
1980	93,902,459	117,250	149,826	0.125	0.160
1981	95,396,123	138,136	175,092	0.145	0.184
1982	95,337,432	169,367	207,291	0.178	0.217
1983	96,321,310	198,608	249,319	0.206	0.259
1984	99,438,708	243,760	310,042	0.245	0.312
1985	101,660,287	296,507	370,340	0.292	0.364
1986	103,045,170	374,363	529,460	0.363	0.514
1987	106,996,270	539,967	557,848	0.505	0.521
1988	109,708,280	725,345	737,659	0.661	0.672
1989	112,135,673	786,063	814,152	0.701	0.726
1990	113,717,138	834,957	860,940	0.734	0.757
1991	114,730,123	846,707	892,178	0.738	0.778
1992	113,604,503	954,747	989,522	0.840	0.871
1993	114,601,819	993,326	1,043,213	0.867	0.910
1994	115,943,131	1,109,498	1,153,829	0.957	0.995
1995	118,218,327	1,272,508	1,319,382	1.076	1.116
1996	120,351,208	1,523,407	1,572,114	1.266	1.306
1997	122,421,991	1,807,900	1,854,031	1.477	1.514
1998	124,770,662	2,085,211	2,132,301	1.671	1.709
1999	127,075,145	2,429,942	2,479,556	1.912	1.951
2000	129,373,500	2,771,577	2,807,804	2.142	2.170
2001	130,255,237	2,567,220	2,605,021	1.971	2.000
2002	130,076,443	2,414,128	2,464,515	1.856	1.895
2003	130,423,626	2,536,439	2,573,133	1.945	1.973
2004	132,226,042	3,021,435	3,067,602	2.285	2.320
2005	134,372,678	3,566,125	3,584,012	2.654	2.667
2006	138,394,754	4,064,883	4,094,953	2.937	2.959
2007	142,978,806	4,535,623	4,576,315	3.172	3.201
2008	142,450,569	4,375,660	4,416,986	3.072	3.101
2009	140,494,127	3,924,489	3,975,288	2.793	2.830

Footnotes at end of figure.

additional returns with no worldwide liability, 1,445 returns claimed the refundable prior-year minimum tax credit; 59 returns claimed other refundable credits (see Tables 5 and 6 for more details). Figure C includes data for 2007, 2008, and 2009 under both the old and the updated concepts, and Figure D reflects the updated summary data for 2007, 2008, and 2009.

From 1977 to 2000, the numbers of returns reporting incomes of \$200,000 or more increased each year, and each year those high-income returns were

a larger share of all tax returns. However, for 2001 and 2002, both the number of high-income returns and their percentage of all returns decreased. For 2003, both the number of high-income returns and their share of all returns increased, but, by all measures, were still lower than in 2001. With a slightly larger increase than 2003, the number of returns and their percentage of all returns for 2004 rose above the previous high set in 2000. This trend continued through 2007, with large increases in both number

High-Income Tax Returns for 2009

Statistics of Income Bulletin | Spring 2012

Figure A—Continued

All Returns and Returns with Income of \$200,000 or More Measured in Current Dollars and in 1976 Constant Dollars, by Income Concept, Tax Years 1977–2009—Continued

Tax year	Current dollar income threshold equal to \$200,000 in 1976 constant dollars (whole dollars)	\$200,000 income threshold measured in 1976 constant dollars [1]			
		Number of returns by income concept		Percentage of all returns by income concept	
		Adjusted gross income	Expanded income	Adjusted gross income	Expanded income
	(6)	(7)	(8)	(9)	(10)
1977	213,005	45,931	58,991	0.053	0.068
1978	229,174	49,388	62,556	0.055	0.070
1979	255,184	55,542	76,479	0.060	0.083
1980	289,631	52,512	71,704	0.056	0.076
1981	319,508	50,880	71,146	0.053	0.075
1982	339,192	59,411	81,297	0.062	0.085
1983	350,088	67,310	93,977	0.070	0.098
1984	365,202	80,800	116,389	0.081	0.117
1985	378,207	95,740	134,715	0.094	0.133
1986	385,237	119,550	191,596	0.116	0.186
1987	399,297	161,408	169,942	0.151	0.159
1988	415,817	235,051	241,201	0.214	0.220
1989	435,852	217,685	228,530	0.194	0.204
1990	459,400	216,716	228,659	0.191	0.201
1991	478,735	183,442	195,743	0.160	0.171
1992	493,146	213,783	227,354	0.188	0.200
1993	507,909	201,236	212,853	0.176	0.186
1994	520,914	204,532	214,673	0.176	0.185
1995	535,677	237,770	248,077	0.201	0.210
1996	551,494	278,342	288,194	0.231	0.239
1997	564,148	335,040	345,869	0.274	0.283
1998	572,934	385,183	396,207	0.309	0.318
1999	585,589	436,118	446,583	0.343	0.351
2000	605,272	482,396	492,589	0.373	0.381
2001	622,495	391,901	400,906	0.301	0.308
2002	632,337	345,892	356,402	0.266	0.274
2003	646,749	356,727	367,012	0.274	0.281
2004	663,972	436,583	445,934	0.330	0.337
2005	686,467	519,216	527,126	0.386	0.392
2006	708,612	569,893	581,199	0.412	0.420
2007	728,794	606,026	618,154	0.424	0.432
2008	756,777	487,656	498,470	0.342	0.350
2009	754,084	372,665	383,354	0.265	0.273

[1] 1976 constant dollars were calculated using the U.S. Bureau of Labor Statistics' consumer price index for urban consumers. See footnote 6 of this article for further details.

of returns and percentage of all returns. Starting in 2008 and continuing in 2009, both the number of returns and the percentage of all returns decreased, although both were still higher than in any year except 2006 and 2007.

The difference in the number of high-income returns between the two income concepts significantly decreased beginning with 1987, when AGI began to include 100 percent of long-term capital gains. That change in the definition of AGI made AGI and ex-

panded income concepts more comparable. In addition, as a result of the inclusion of tax-exempt interest in expanded income starting with 1987, expanded income for years after 1986 is not strictly comparable to expanded income for years before 1987.

In the top panel of Figure A, the \$200,000 threshold for high-income returns is measured in current-year (nominal) dollars. As a result of inflation, the real (constant) dollar level of the threshold has fallen over time, and many returns are classified

as high income that would not have been classified as high income for earlier years. To maintain the comparability of the real threshold over time, the nominal \$200,000 should be adjusted for inflation since 1976. The bottom panel of Figure A shows the results of using a threshold of \$200,000 in constant 1976 dollars for all years.⁶

When measured in 1976 constant dollars, under the expanded income concept, the total number of high-income returns for 2009 was only 6.5 times the number for 1977, whereas the number of high-income returns for 2009 measured in current-year dollars was 58.8 times as large as for 1977. For 2009, the share of high-expanded income returns in constant dollars decreased to 0.273 percent from 0.350 percent the previous year. Thus, when the threshold for considering a tax return to be high income is adjusted for inflation, the percentage of high-income returns in the population of all returns is about 90 percent lower than when the nominal threshold is used. Figure B shows the difference between the constant and current dollar shares of high-expanded income returns.

Based on AGI, the number of high-income returns for 2009 measured in current-year dollars was 73.5 times as large as for 1977, whereas, measured in 1976 constant dollars, the number of returns for 2009 was only 8.1 times the number for 1977. For Tax Year 2009, the share of high AGI income returns in constant dollars decreased to 0.265 percent from 0.342 percent in 2008.

Nontaxable High-Income Returns

Two tax concepts are used in this article to classify tax returns as taxable or nontaxable. The first concept, “U.S. income tax,” is total Federal income tax liability (including the “alternative minimum tax” (AMT)), less all credits against income tax. Since the U.S. income tax applies to worldwide income, and since a credit (subject to certain limits) is allowed against U.S. income tax for income taxes paid to foreign governments, a return could be classified

as nontaxable under this first concept even though income taxes had been paid to a foreign government. The second tax concept, “worldwide income tax,” addresses this circumstance by adding to U.S. income tax the allowed foreign tax credit and foreign taxes paid on excluded foreign-earned income.^{7,8} The sum of these two items is believed to be a reasonable proxy for foreign taxes actually paid.

For 2009, of the 3,924,489 income tax returns with AGI of \$200,000 or more, 20,752 (0.529 percent) showed no U.S. income tax liability; and 10,080 (0.257 percent) showed no worldwide income tax liability (the top panel of Figure C). For 2008, as revised to reflect refundable credits, of the 4,375,660 returns with AGI of \$200,000 and over, 22,257 returns (0.509 percent) had no U.S. income tax liability, and 12,326 returns (0.282 percent) had no worldwide income tax liability.

For 2009, of the 3,975,288 tax returns with expanded income of \$200,000 or more, 35,061 (0.882 percent) had no U.S. income tax liability; and 19,551 (0.492 percent) had no worldwide income tax liability. For 2008, of the 4,416,986 returns with expanded income of \$200,000 or more, there were 31,539 (0.714 percent) with no U.S. income tax liability and 17,127 (0.388 percent) with no worldwide income tax liability.

The proportion of nontaxable, high-income returns increased by three of the four measures cited above between 2008 and 2009. Both measures of expanded income increased appreciably, while the one AGI measure that increased was comparably much smaller. The expanded-income increases were possibly due to the increase in returns with tax-exempt interest. Between 2008 and 2009, the number of expanded returns with no U.S. income tax liability claiming tax-exempt interest as their primary reason for nontaxability increased from 8,348 to 13,011. For expanded-income returns with no worldwide tax, tax-exempt interest increased from 7,933 returns in 2008 to 11,941 in 2009 (see Tables 7 and 8 for more details).

⁶ Inflation-adjusted constant dollars are based on the Consumer Price Index (CPI-U) as published by the U.S. Department of Labor, Bureau of Labor Statistics. The consumer price index approximates buying patterns of typical urban consumers. The annual index is the average of the monthly indices.

⁷ See Appendix B for a discussion of the tax concepts. In data published for years prior to 1989, either in articles presented in the *Statistics of Income Bulletin* or in chapters in *Statistics of Income—Individual Income Tax Returns* (see Reference section), the “U.S. income tax” concept was described as “total income tax,” and the “worldwide income tax” concept was described as “modified total income tax.”

⁸ The inclusion of foreign taxes paid on excluded foreign-earned income, beginning with Tax Year 1990, represents an improvement in the worldwide income tax concept. It does, however, represent a slight break in the year-to-year comparability of data for worldwide income tax. However, the number of returns with foreign taxes paid on excluded foreign-earned income is extremely small compared to the number of returns with the foreign tax credit.

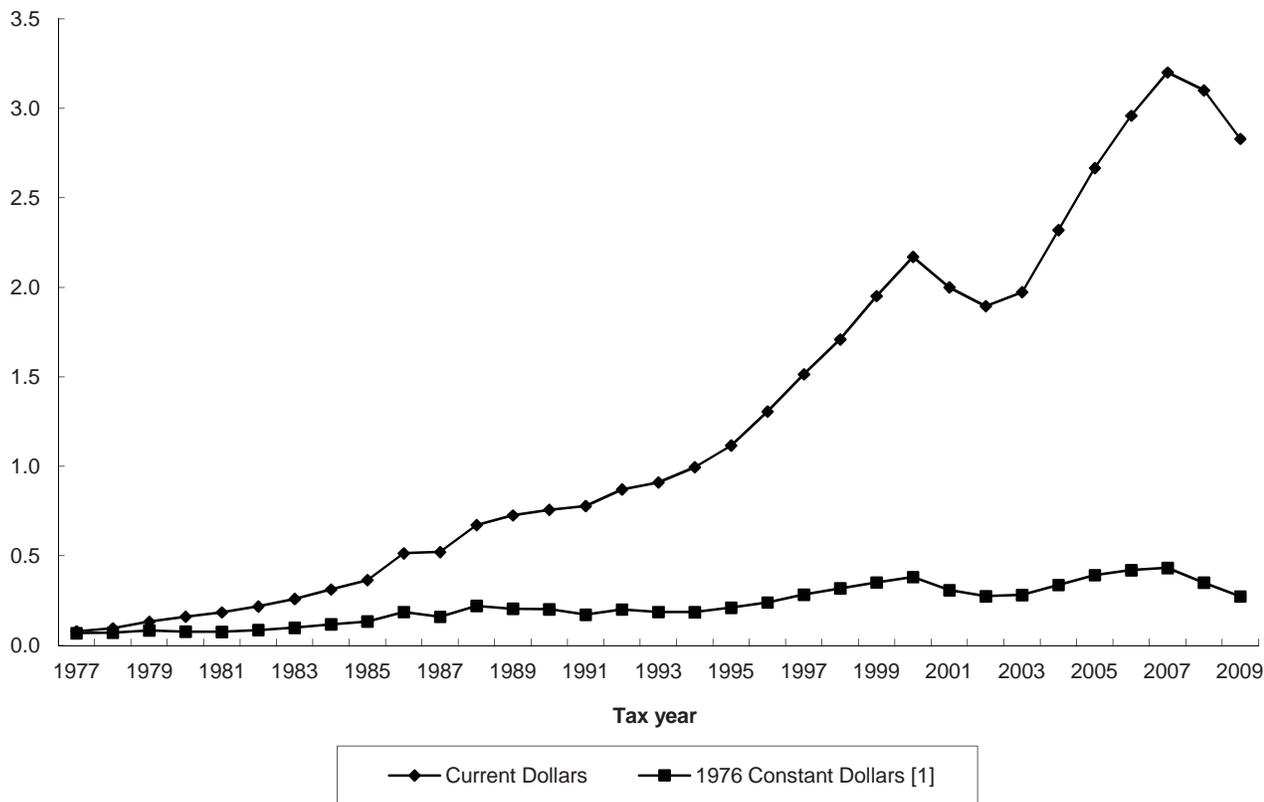
High-Income Tax Returns for 2009

Statistics of Income Bulletin | Spring 2012

Figure B

Returns with Expanded Income of \$200,000 or More: Percentage of All Returns, Measured in Current and 1976 Constant Dollars, Tax Years 1977–2009

Percentage of returns



[1] 1976 constant dollars were calculated using the U.S. Bureau of Labor Statistics' consumer price index for urban consumers. See footnote 6 of this article for further details.

Regardless of the income measure (AGI or expanded income) or the tax concept (U.S. income tax or worldwide income tax) used, the percentages of 2009 nontaxable, high-income returns are generally not substantially different whether measured in constant or current dollars. Of returns with AGI of \$200,000 or more in current dollars, 0.529 percent reported no U.S. income tax for 2009; and 0.257 percent had no worldwide income tax. For returns in 1976 constant dollars, the percentage without U.S. income tax liability was 0.609; the percentage without worldwide income tax liability was 0.235 (see the lower panel of Figure C).

Of returns with expanded income of \$200,000 or more in current dollars, 0.882 percent reported no U.S. income tax for 2009, and 0.492 percent had no worldwide income tax. When looking at these returns using 1976 constant dollars, the percentage without U.S. income tax liability was 0.741; the percentage without worldwide income tax liability was 0.327.

Figure D shows the number of returns with expanded income of \$200,000 or more with no worldwide income tax and their proportion of all high-expanded income returns for 1977 through 2009. These data are shown in both current-year and 1976

Figure C

Nontaxable Returns with Income of \$200,000 or More Measured in Current Dollars and in 1976 Constant Dollars, by Tax and Income Concept, Tax Years 1977–2009

Tax year	\$200,000 income threshold measured in current dollars							
	Number of nontaxable returns with income of \$200,000 or more				Percentage of all returns with income of \$200,000 or more			
	Returns with no U.S. income tax, by income concept		Returns with no worldwide income tax, by income concept		Returns with no U.S. income tax, by income concept		Returns with no worldwide income tax, by income concept	
	Adjusted gross income	Expanded income	Adjusted gross income	Expanded income	Adjusted gross income	Expanded income	Adjusted gross income	Expanded income
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
1977	60	85	37	64	0.112	0.126	0.069	0.095
1978	98	105	60	67	0.143	0.123	0.088	0.079
1979	70	114	28	64	0.075	0.093	0.030	0.052
1980	143	198	56	114	0.122	0.132	0.048	0.076
1981	226	304	79	114	0.164	0.174	0.057	0.065
1982	262	299	109	153	0.155	0.144	0.064	0.074
1983	447	579	321	437	0.225	0.232	0.162	0.175
1984	532	325	471	271	0.218	0.105	0.193	0.087
1985	612	613	442	454	0.206	0.166	0.149	0.123
1986	659	595	437	379	0.176	0.112	0.117	0.072
1987	857	472	740	364	0.159	0.085	0.137	0.065
1988	822	397	731	309	0.113	0.054	0.101	0.042
1989	1,081	779	987	691	0.138	0.096	0.126	0.085
1990	1,219	1,183	1,114	1,087	0.146	0.137	0.133	0.126
1991	1,253	1,933	1,131	1,740	0.148	0.217	0.134	0.195
1992	909	1,896	823	1,799	0.095	0.192	0.086	0.182
1993	1,022	2,392	932	1,950	0.103	0.229	0.094	0.187
1994	1,137	2,574	1,061	2,161	0.102	0.223	0.096	0.187
1995	998	2,676	896	1,746	0.078	0.203	0.070	0.132
1996	1,044	1,820	950	1,660	0.069	0.116	0.062	0.106
1997	1,189	1,814	1,048	1,562	0.066	0.098	0.058	0.084
1998	1,467	2,224	1,283	1,914	0.070	0.104	0.062	0.090
1999	1,605	2,525	1,398	2,174	0.066	0.102	0.058	0.088
2000	2,328	2,766	2,022	2,320	0.084	0.099	0.073	0.083
2001	3,385	4,910	2,875	4,119	0.132	0.188	0.112	0.158
2002	2,959	5,650	2,551	4,922	0.123	0.229	0.106	0.200
2003	2,824	5,839	2,416	4,934	0.111	0.227	0.095	0.192
2004	2,833	5,028	2,420	4,101	0.094	0.164	0.080	0.134
2005	7,389	10,680	4,224	5,420	0.207	0.298	0.118	0.151
2006	8,252	11,014	4,123	4,322	0.203	0.269	0.101	0.106
2007 [2]	10,465	13,142	4,841	4,354	0.231	0.287	0.107	0.095
2008 [2]	18,783	27,399	10,824	15,308	0.429	0.620	0.247	0.347
2009 [2]	16,438	30,353	8,792	18,071	0.419	0.764	0.224	0.455
2007 [3]	11,600	14,794	5,497	5,197	0.256	0.323	0.121	0.114
2008 [3]	22,257	31,539	12,326	17,127	0.509	0.714	0.282	0.388
2009 [3]	20,752	35,061	10,080	19,551	0.529	0.882	0.257	0.492

Footnotes at end of figure.

constant dollars. In this figure, the spread between the two percentage lines was small for the late 1970s, showed an increase for the early 1980s, and then narrowed before widening again after 1988. The spread generally narrowed after 1993 but has increased or

stayed fairly consistent from 2002 to 2007. From 2007 to 2008, the spread widened considerably and maintained that spread into 2009.

Note that because the number of nontaxable returns with expanded income of \$200,000 or more

High-Income Tax Returns for 2009

Statistics of Income Bulletin | Spring 2012

Figure C—Continued

Nontaxable Returns with Income of \$200,000 or More Measured in Current Dollars and in 1976 Constant Dollars, by Tax and Income Concept, Tax Years 1977–2009—Continued

Tax year	\$200,000 income threshold measured in 1976 constant dollars [1]							
	Number of nontaxable returns with income of \$200,000 or more				Percentage of all returns with income of \$200,000 or more			
	Returns with no U.S. income tax, by income concept		Returns with no worldwide income tax, by income concept		Returns with no U.S. income tax, by income concept		Returns with no worldwide income tax, by income concept	
	Adjusted gross income	Expanded income	Adjusted gross income	Expanded income	Adjusted gross income	Expanded income	Adjusted gross income	Expanded income
(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	
1977	54	75	32	56	0.118	0.127	0.070	0.095
1978	62	70	31	39	0.126	0.112	0.063	0.062
1979	38	71	15	39	0.068	0.093	0.027	0.051
1980	56	71	22	39	0.107	0.099	0.042	0.054
1981	53	87	21	55	0.104	0.122	0.041	0.077
1982	58	68	27	36	0.098	0.084	0.045	0.044
1983	138	135	113	108	0.205	0.144	0.168	0.115
1984	170	78	160	66	0.210	0.067	0.198	0.057
1985	190	155	137	99	0.198	0.115	0.143	0.073
1986	201	189	138	120	0.168	0.099	0.115	0.063
1987	312	126	271	85	0.193	0.074	0.168	0.050
1988	277	141	251	116	0.118	0.058	0.107	0.048
1989	293	128	269	106	0.135	0.056	0.124	0.046
1990	339	169	307	137	0.156	0.074	0.142	0.060
1991	301	305	273	277	0.164	0.156	0.149	0.142
1992	171	288	148	264	0.080	0.127	0.069	0.116
1993	180	323	160	300	0.089	0.152	0.080	0.141
1994	227	345	209	329	0.111	0.161	0.102	0.153
1995	202	281	174	252	0.085	0.113	0.073	0.102
1996	236	275	213	254	0.085	0.095	0.077	0.088
1997	256	247	222	214	0.076	0.071	0.066	0.062
1998	290	289	251	253	0.075	0.073	0.065	0.064
1999	351	343	296	293	0.080	0.077	0.068	0.066
2000	464	365	390	290	0.096	0.074	0.081	0.059
2001	694	648	567	519	0.177	0.162	0.145	0.129
2002	520	616	437	530	0.150	0.173	0.126	0.149
2003	407	567	339	485	0.114	0.154	0.095	0.132
2004	350	396	301	344	0.080	0.089	0.069	0.077
2005	1,166	1,236	625	624	0.225	0.234	0.120	0.118
2006	1,257	1,111	512	306	0.221	0.191	0.090	0.053
2007 [2]	1,524	1,359	565	303	0.251	0.220	0.093	0.049
2008 [2]	2,655	2,431	1,357	1,004	0.544	0.488	0.278	0.201
2009 [2]	1,903	2,369	789	1,101	0.511	0.618	0.212	0.287
2007 [3]	1,524	1,369	565	314	0.251	0.221	0.093	0.051
2008 [3]	3,001	2,861	1,436	1,116	0.615	0.574	0.294	0.224
2009 [3]	2,268	2,841	874	1,252	0.609	0.741	0.235	0.327

[1] 1976 constant dollars were calculated using the U.S. Bureau of Labor Statistics' consumer price index for urban consumers. See footnote 6 of this article for further details.

[2] Calculated under the previous concept of tax liability, which did not include refundable credits.

[3] Includes the effect of refundable credits on tax liability.

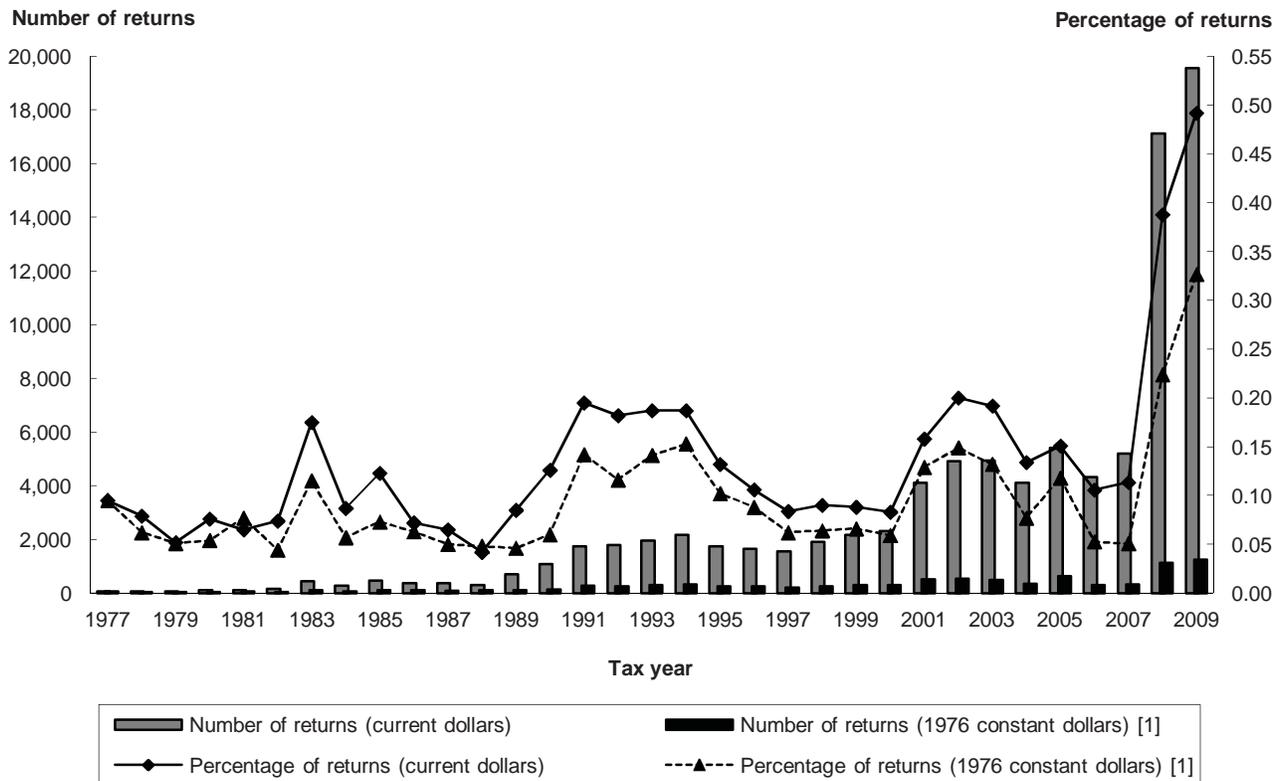
NOTE: See Figure H for the derivation of U.S. income tax and worldwide income tax.

is based on samples, year-to-year differences in the numbers and percentages of nontaxable returns with expanded income of \$200,000 or more may represent sampling variability, in addition to actual changes

in the numbers of such returns. Beginning with Tax Year 1991, nontaxable returns with expanded income of \$200,000 or more were sampled at higher rates for Statistics of Income, which reduced the sampling

Figure D

Number and Percentage of Returns with No Worldwide Income Tax and with Expanded Income of \$200,000 or More Measured in Current Dollars and in 1976 Constant Dollars, Tax Years 1977–2009



[1] 1976 constant dollars were calculated using the U.S. Bureau of Labor Statistics' consumer price index for urban consumers. See footnote 6 of this article for further details.
 NOTES: See Figure H for the derivation of worldwide income tax. Starting in 2009, the portion of refundable credits that offset income taxes before credits were factored in to determine tax liability. In order to retain historical comparability, Tax Years 2007 and 2008 data were recalculated using the new criteria. However, 2007 and 2008 tables, published earlier, do not reflect these changes.

variability of these returns and, therefore, provided improved estimates. Thus, the data for returns prior to 1991 are not entirely comparable with data for more recent years.

Detailed Data for 2009

Tables 1 through 12 present data based on income tax returns for 2009, mainly those with income of \$200,000 or more (measured in current-year dollars) of AGI or expanded income. Most of the data are shown for taxable and nontaxable returns, both separately and combined. In summary, the tables show:

- The numbers of returns under the two tax concepts, cross-classified by broad AGI and expanded income-size classes (Tables 1 and 2);
- The distributions of taxable income as a percentage of AGI and expanded income (Tables 3 and 4);
- The frequencies and amounts of various sources of income, exclusions, deductions, taxes, and tax credits, as well as the relationship between the two income concepts (Tables 5 and 6);

High-Income Tax Returns for 2009

Statistics of Income Bulletin | Spring 2012

- ❑ The frequencies with which various deductions and tax credits are the most important and second most important items in reducing (or eliminating) income tax (Tables 7 and 8);
- ❑ The frequencies with which various itemized deductions, tax credits, and tax preference items occur as certain percentages of income (Tables 9 and 10); and
- ❑ The distributions of effective tax rates, i.e., income tax under each definition as a percentage of income, by broad income-size classes (Tables 11 and 12).

Tables 1,3,5,7,9, and 11 use the U.S. income tax concept to classify returns as taxable or nontaxable, whereas Tables 2, 4, 6, 8, 10, and 12 use the worldwide income tax concept.

Size of Income

Tables 1 and 2 show the number of all returns, taxable returns, and nontaxable returns, cross-classified by broad AGI and expanded income-size classes. The tables show that most returns fall in the same broad income-size class under both income concepts, but that the number of nontaxable returns is generally greater in each income class over \$50,000 when income is measured by economic income rather than by AGI. Table 1 shows that 20,752 returns with no U.S. income tax had an AGI of \$200,000 or more; 35,061 returns with no U.S. income tax had an expanded income of \$200,000 or more; and 16,465 returns with no U.S. income tax had both AGI and expanded income of \$200,000 or more. Table 2 shows that 10,080 returns with no worldwide income tax had an AGI of \$200,000 or more; 19,551 returns with no worldwide income tax had expanded income of \$200,000 or more; and 5,971 returns with no worldwide income tax had both AGI and expanded income of \$200,000 or more.

Distribution of Tax Levels

Tables 3 and 4 show the distributions of high-income returns by the ratios of “adjusted” taxable income to AGI or expanded income. Taxable income has been adjusted for these tables by subtracting from taxable

income the deduction equivalents of tax credits and other items.⁹ Thus, the tables show the extent to which AGI or expanded income, respectively, are reduced before taxes are imposed on the remaining income. The tables also illustrate three important facts about high-income tax returns. The examples in the paragraphs below are drawn from the “expanded income” columns in Table 4 for worldwide tax.

- ❑ As already described, only a small portion of high-income taxpayers were able to escape all income taxes (0.5 percent).
- ❑ Another group of high-income taxpayers—small, but larger than the nontaxable group—was able to offset a very substantial fraction of its income before being subject to tax. This type of high-income taxpayer pays income tax equal to only a small share of his or her income. Such taxpayers may be called “nearly nontaxables.” A little more than 1 percent of high expanded-income taxpayers who reported at least some worldwide tax liability were able to reduce their adjustable taxable income to less than 25 percent of their expanded income.
- ❑ Overall, most high-income taxpayers were subject to tax on a large share of their income and, consequently, reported very substantial amounts of tax. (Some 63.7 percent of high- expanded income taxpayers had adjusted taxable income equal to 80 percent or more of expanded income; and 95.4 percent had adjusted taxable income equal to 50 percent or more of expanded income.)

Tables 11 and 12 show the distributions of tax returns in another way: by tax burden. These two tables classify all tax returns by both size of income and effective tax rate, i.e., income tax as a percentage of either adjusted gross income or expanded income. These tables show that, on average, high-income taxpayers did have higher effective tax rates. The tables also illustrate the wide dispersion of effective tax rates for high-income returns. For example, Table 12 shows that, while 2.8 percent of returns with adjusted gross income of \$200,000 or more had either

⁹ See Appendix B for a description of how the deduction equivalent of credits was computed.

no worldwide income tax or worldwide income tax of less than 10 percent of adjusted gross income, 19.9 percent had effective tax rates of 25 percent or more. In addition, 30.6 percent had effective tax rates between 20 and 25 percent. In contrast, only 2.7 percent of taxpayers with AGI between \$100,000 and \$200,000 had effective tax rates of 20 percent or more, including 0.2 percent with effective tax rates of 25 percent or more.

Characteristics of Tax Returns

Tables 5 and 6 show, in the aggregate, the frequencies and amounts of the types of income, the items of tax preference, and the various deductions, credits, and income taxes shown on high-income returns. By comparing the columns for nontaxable returns with those for taxable returns, some of the different characteristics of nontaxable returns can be deduced. For example, nontaxable returns under the expanded-income concept, were much more likely to have tax-exempt interest than were taxable returns, and, when they did have it, the average amount was much higher. Similarly, nontaxable returns were much less likely to have any income from salaries and wages.

Reasons for Nontaxability

It is possible for certain itemized deductions and certain exclusions from income to cause nontaxability by themselves, but high-income returns are more often nontaxable as a result of a combination of reasons, none of which, by itself, would result in nontaxability. Moreover, some items, which singly or in combination may eliminate “regular tax” liability, i.e., income tax excluding the alternative minimum tax (AMT), cannot eliminate an AMT liability, since these items give rise to adjustments or preferences for AMT purposes.

Because they do not generate AMT adjustments or preferences, tax-exempt bond interest, itemized deductions for interest expense, miscellaneous itemized deductions not subject to the 2-percent-of-AGI floor, casualty or theft losses, and medical expenses (exceeding 10 percent of AGI) could, by themselves, produce nontaxability.

Due to the AMT exemption of \$70,950 on joint returns (\$46,700 on single and head-of-household

returns and \$35,475 on returns of married taxpayers filing separately), a return could have been nontaxable, even though it included some items that produced AMT adjustments or preferences.¹⁰ Further, since the starting point for “alternative minimum taxable income” was taxable income for regular tax purposes, a taxpayer could have adjustments and preferences exceeding the AMT exclusion without incurring AMT liability. This situation could occur if taxable income for regular tax purposes was sufficiently negative, due to itemized deductions and personal exemptions exceeding AGI, such that the taxpayer’s AMT adjustments and preferences are less than the sum of the AMT exclusion and the amount by which regular taxable income is below zero. Note that, because of the AMT, taxpayers may have found it beneficial to report additional deduction items on their tax returns, even if the items did not produce a benefit for regular tax purposes.

Tables 7 and 8 classify tax returns by the items that had the largest and second largest effects in reducing or eliminating income tax. For returns on which each of the largest effects was identified, the tables show each of the second largest effects.¹¹ For example, Table 7 shows that, on taxable returns with some U.S. income tax and expanded income of \$200,000 or more, the taxes paid deduction was the most important item 51.8 percent of the time. Where this was the primary item, the interest paid deduction was the second most important item 59.6 percent of the time, and the charitable contributions deduction was the second most important item 24.5 percent of the time.

Table 8 shows that, on returns without any worldwide tax and expanded income of \$200,000 or more, the most important item in eliminating tax, on 61.1 percent of returns, was the exclusion for state and local government interest (“tax-exempt interest”). For these returns, the itemized deduction for taxes paid was the second most important item 28.2 percent of the time, and the deduction for medical and dental expenses was the second most important reason 14.8 percent of the time.

Table 8 also shows that the four categories with the largest effect in reducing taxes on high adjusted-

¹⁰ The AMT exclusion phases out above certain levels of “alternative minimum taxable income,” based on filing status. But, since taxpayers will have some AMT liability in the phaseout range, the phaseout income is not relevant for nontaxable, high-income returns.

¹¹ Tax-exempt interest and the foreign-earned income exclusion were not included in Tables 7 and 8 as possible tax effects before Tax Year 1994. Thus, caution should be exercised in making comparisons between data prior to 1994 and after 1993.

High-Income Tax Returns for 2009

Statistics of Income Bulletin | Spring 2012

gross-income returns with no worldwide income tax were the total miscellaneous deductions (3,279 returns, or 32.6 percent of the 10,072 tabulated returns with AGI of \$200,000 or more and with no worldwide tax liability); charitable contributions deduction (1,163 returns, or 11.5 percent); medical and dental expense deduction (1,082 returns, or 10.7 percent); and partnership and S corporation net losses (1,036 returns, or 10.3 percent). These effects are also shown graphically in Figure E.

For high expanded-income returns with no worldwide income tax, the four categories that most frequently had the largest effect in reducing taxes were tax-exempt interest (11,943 returns, or 61.1 percent of the 19,551 tabulated returns with expanded

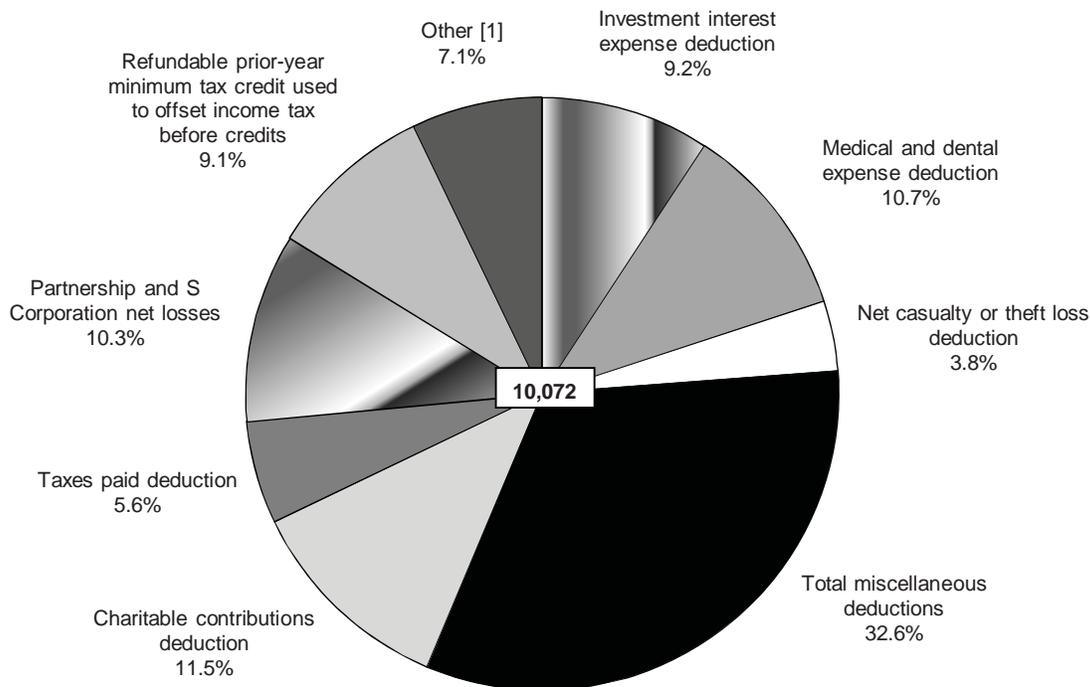
income of \$200,000 or more and with no worldwide tax liability); medical and dental expense deductions (1,776 returns, or 9.1 percent); charitable contributions deduction (1,173 returns, or 6 percent); and partnership and S corporation net losses (1,118 returns, or 5.7 percent). These effects are also shown graphically in Figure F.

Table 8 also shows that the items that most frequently had the second largest effect in reducing regular tax liability for high expanded-income returns with no worldwide tax were the deduction for taxes paid (4,968 returns, or 25.4 percent) and charitable contributions (2,527 returns, or 12.9 percent).

Tables 9 and 10 present another way of illustrating the importance of various tax provisions in

Figure E

Returns with No Worldwide Income Tax and with Adjusted Gross Income of \$200,000 or More: Primary Reasons for No Income Tax Liabilities, Tax Year 2009

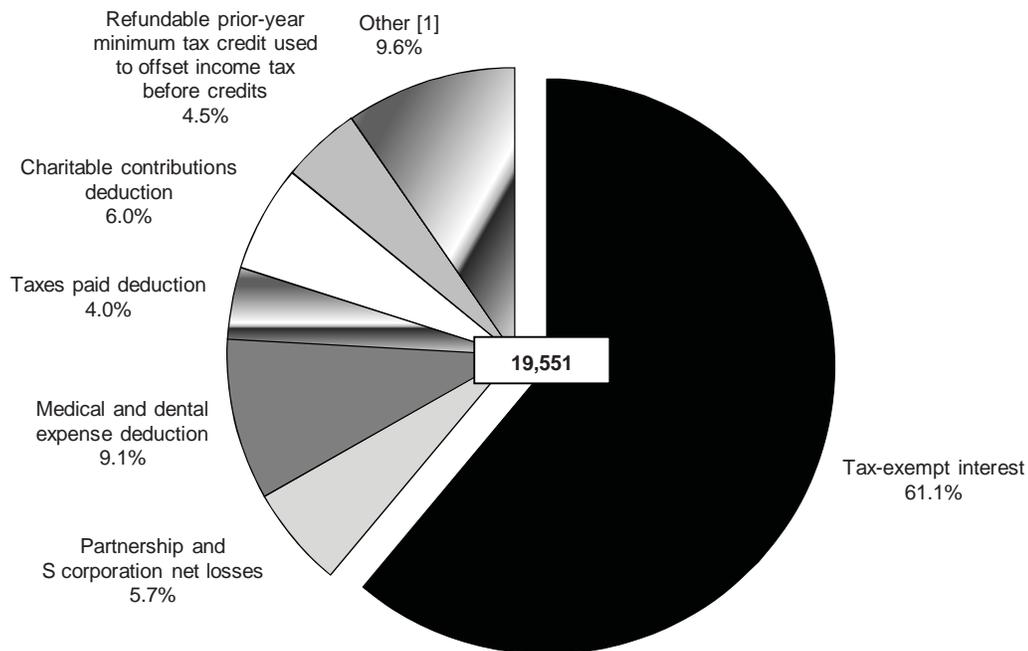


[1] Includes eight returns from which a primary reason for nontaxability was not identified by the data items selected for this article.

NOTE: Detail may not add to 100 percent because of rounding.

Figure F

Returns with No Worldwide Income Tax and with Expanded Income of \$200,000 or More: Primary Reasons for No Income Tax Liabilities, Tax Year 2009



[1] Includes two returns from which a primary reason for nontaxability was not identified by the data items selected for this article.
NOTE: Detail may not add to 100 percent because of rounding.

reducing or eliminating income tax. Unlike Tables 7 and 8, these tables cover only nontaxable returns, i.e., returns showing no income tax liability. Tables 9 and 10 show the number of times that various items reduced income by different percentages of income. The items shown include the various categories of itemized deductions, the deduction equivalents of two different types of tax credits, and total tax preferences excluded from income. For example, for high expanded-income returns with no worldwide income tax (Table 10), the itemized deduction for casualty or theft losses exceeded 100 percent of expanded income on 232 of the 19,551 returns, but there was no casualty or theft loss deduction on 18,995 returns.

References

Lerman, Allen H., “High-Income Tax Returns: 1974 and 1975, A Report on High-Income Taxpayers Emphasizing Tax Returns with Little or No

Tax Liability,” U.S. Department of Treasury, Office of Tax Analysis, March 1977, and “High-Income Tax Returns: 1975 and 1976, A Report Emphasizing Nontaxable and Nearly Nontaxable Income Tax Returns,” U.S. Department of Treasury, Office of Tax Analysis, August 1978.

U.S. Department of Treasury, Internal Revenue Service, *Statistics of Income—Individual Income Tax Returns* for 1977 through 1982 and 1985 through 1988. (For 1977 and 1978, only the number of nontaxable, high-AGI returns was published.)

Lerman, Allen H., “High-Income Tax Returns, 1983,” *Statistics of Income Bulletin*, Spring 1986, Volume 5, Number 4, pp. 31-61; “High-Income Tax Returns, 1984,” *Statistics of Income Bulletin*, Spring 1987, Volume 6, Number 4, pp. 1-29; “High-Income Tax Returns for 1989,” *Statistics of Income Bulletin*, Spring 1993, Vol-

High-Income Tax Returns for 2009

Statistics of Income Bulletin | Spring 2012

ume 12, Number 4, pp. 23-50; “High-Income Tax Returns for 1990,” *Statistics of Income Bulletin*, Winter 1993-1994, Volume 13, Number 3, pp. 104-132; “High-Income Tax Returns for 1991,” *Statistics of Income Bulletin*, Winter 1994-1995, Volume 14, Number 3, pp. 96-130; and “High-Income Tax Returns for 1992,” *Statistics of Income Bulletin*, Winter 1995-1996, Volume 15, Number 3, pp. 46-82.

Latzy, John, “High-Income Tax Returns for 1993,” *Statistics of Income Bulletin*, Winter 1996-1997, Volume 16, Number 3, pp. 64-101; and “High-Income Tax Returns, 1994,” *Statistics of Income Bulletin*, Winter 1997-1998, Volume 17, Number 3, pp. 31-69.

Cruciano, Therese, “High-Income Tax Returns for 1995,” *Statistics of Income Bulletin*, Summer 1998, Volume 18, Number 1, pp 69-108; “High-Income Tax Returns for 1996,” *Statistics of Income Bulletin*, Winter 1998-1999, Volume 18, Number 3, pp. 7-59.

Parisi, Michael, “High-Income Tax Returns for 1997,” *Statistics of Income Bulletin*, Winter 1999-2000, Volume 19, Number 3, pp 6-58.

Balkovic, Brian, “High-Income Tax Returns for 1998,” *Statistics of Income Bulletin*, Winter 2000-2001, Volume 20, Number 3, pp 5-57; “High-Income Tax Returns for 1999,” *Statistics of Income Bulletin*, Spring 2002, Volume 21, Number 4, pp 7-58; “High-Income Tax Returns for 2000,” *Statistics of Income Bulletin*, Spring 2003, Volume 22, Number 4, pp 10-62; “High-Income Tax Returns for 2001,” *Statistics of Income Bulletin*, Summer 2004, Volume 24, Number 1, pp 65-117; “High-Income Tax Returns for 2002,” *Statistics of Income Bulletin*, Spring 2005, Volume 24, Number 4, pp 6-58; “High-Income Tax Returns for 2003,” *Statistics of Income Bulletin*, Spring 2006, Volume 25, Number 4, pp 8-57; “High-Income Tax Returns for 2004,” *Statistics of Income Bulletin*, Spring 2007, Volume 26, Number 4, pp 7-57; “High-Income Tax Returns for 2005,” *Statistics of Income Bulletin*, Spring 2008, Volume 27, Number 4, pp 16-67.

Bryan, Justin, “High-Income Tax Returns for 2006,” *Statistics of Income Bulletin*, Spring 2009, Vol-

ume 28, Number 4, pp 5-53; “High-Income Tax Returns for 2007,” *Statistics of Income Bulletin*, Spring 2010, Volume 29, Number 4, pp 3-51; “High-Income Tax Returns for 2008,” *Statistics of Income Bulletin*, Spring 2011, Volume 30, Number 4, pp 5-54.

Appendix A: Income Concepts

Congress wanted data on high-income taxpayers classified by an income concept that was more comprehensive than adjusted gross income (AGI), but that was based entirely on items already reported on income tax returns. In order to derive such an income concept, it was necessary to begin with a broad, inclusive concept of income. AGI must then be compared to this broad income concept, and the differences (both additions and subtractions) that can be determined from items reported on tax returns identified.

This appendix begins by defining “Haig-Simons income,” a very broad concept of income used by economists and others as a standard. AGI is then compared to Haig-Simons income, and the major differences between the two income concepts are listed. The final section defines “expanded income,” a more comprehensive income measure than AGI, based entirely on tax return data.

Haig-Simons Income

The broadest measure of annual income generally used by economists and others is defined as the value of a household’s consumption plus the change, if any, in its net worth. This income concept is referred to as Haig-Simons income, or H-S income, after the two economists who wrote extensively about it [A1]. The H-S income of a household that consumed \$25,000 and saved \$2,000 in a year would be \$27,000. Alternatively, the H-S income of a household that consumed \$25,000 and had no additions to savings, but had assets that declined in value by \$1,000 in a year, would be \$24,000.

H-S income consists of three broad components: labor income, capital income (income from assets), and income from transfer payments. The major elements of each of these three components are as follows:

Labor income—This includes all forms of employee compensation (including wages and salaries), employee fringe benefits (such as employer-provided

health insurance and accrued pension benefits or contributions), and the employer share of payroll taxes (such as Social Security taxes). Labor income also includes the labor share of self-employment income. Expenses of earning labor income would be deducted in arriving at H-S income. Deferred labor income (such as pension benefits) would be counted in the year it was earned, rather than in the year it was received.

Capital income—This includes all income from assets, including interest, dividends, rents, royalties, accrued capital gains (whether or not realized), the capital income share of self-employment income, and the rental value of consumer durables (most importantly, the rental value of owner-occupied housing). Capital income is measured in real (inflation-adjusted) terms and is net of real, economic depreciation and all other expenses (which could exceed capital income).

Transfer payments—These include payments in cash (such as Social Security benefits, workers' compensation, unemployment benefits, Aid to Families with Dependent Children (AFDC), and noncash benefits (such as Medicare, Medicaid, and food stamps).

For purposes of tax analysis, H-S income should be measured on a pre-tax basis, the amount that would be earned if there were no Federal income tax in place. Most items of income are unaffected, or little affected, by the income tax and so are reported on a pre-tax basis. However, certain income items from tax-preferred sources may be reduced because of their preferential treatment. An example is interest from tax-exempt State and local Government bonds. The interest rate on tax-exempt bonds is generally lower than the interest rate on taxable bonds of the same maturity and risk, with the difference approximately equal to the tax rate of the typical investor in tax-exempt bonds. Thus, investors in tax-exempt bonds are effectively paying a tax, referred to as an "implicit tax," and tax-exempt interest as reported is measured on an after-tax, rather than a pre-tax, basis. Income from all tax-preferred sources should be "grossed up" by implicit taxes to properly measure H-S income.

Adjusted Gross Income

AGI is the statutory definition of income for Federal income tax purposes. AGI differs from H-S income by excluding some components of H-S income and

by allowing accelerated business deductions and deductions unrelated to income, but also by disallowing or limiting certain expenses of earning income and certain losses. In addition, AGI is not "grossed up" for implicit taxes.

The components of H-S income excluded from AGI include most employee fringe benefits, the employer share of payroll taxes, accrued but deferred employee compensation, accrued but unrealized real capital gains, the rental value of consumer durables, most Social Security benefits, most other cash transfers, all noncash transfers, and the real income of borrowers due to inflation [A2].

Depreciation and certain other expenses allowed in determining AGI may be accelerated (relative to economic depreciation and other costs) in the early years of an investment, thus understating investment income. In later years, however, investment income in AGI will be overstated because depreciation and other accelerated expenses will then be understated. AGI also excludes some expenses not related to earning income, such as contributions to self-employed retirement (Keogh) plans, deductible contributions to Individual Retirement Arrangements (IRAs), the portion of Social Security contributions for self-employed workers that is analogous to the employer share of such contributions for employees, and contributions to medical savings accounts.

AGI generally exceeds H-S income to the extent that expenses of earning income and losses are limited or disallowed. Most of the expenses of earning income are deductible from AGI in calculating taxable income, but only if the taxpayer "itemizes" deductions and then, in some cases, only to the extent that the sum of all such items exceeds 2 percent of AGI. Expenses incurred in the production of income that are itemized deductions include certain expenses of employees (such as union dues; expenditures for items used on the job but not reimbursed by the employer; and the employees' travel, meal, and entertainment expenses); and expenses attributable to a taxpayer's (passive) investments (as opposed to active participation in a trade or business, for example), including, but not limited to, interest expense incurred in connection with investments in securities [A3]. Note that there are limits on certain types of deductible expenses. In particular, deductible meal and entertainment expenses are limited to 50 percent of total meal and entertainment expenses.

High-Income Tax Returns for 2009

Statistics of Income Bulletin | Spring 2012

Although net capital losses reduce economic income, only the first \$3,000 of net realized capital losses may be deducted in computing AGI. Any additional realized losses must be carried forward to future years. In a somewhat similar manner, passive losses (from investments in a trade or business in which the taxpayer does not materially participate) can also reduce economic income, but, in computing AGI, they can only be deducted from passive income from other, similar investments (although a larger amount may be deducted when the losses are from rental real estate activities).

AGI can also exceed H-S income because of differences in the timing of income between the two concepts. For example, a taxpayer may realize more capital gains in a year than he or she accrues in capital gains. Since AGI includes only realizations of capital gains, whereas H-S income includes only accruals, AGI in this circumstance would exceed H-S income.

Finally, just as AGI understates the income of borrowers due to inflation, it overstates the income of lenders, who include bond owners and owners of bank deposits.

Expanded Income

Expanded income is meant to be a measure of income that is conceptually closer to H-S income than AGI, but which is derived entirely from items already reported on income tax returns. Figure G shows the adjustments made to AGI to arrive at expanded income. Since the definition of AGI was changed by legislation several times since 1977, and certain reporting requirements also changed, the adjustments differ over the years, as indicated for each item [A4]. Most of these adjustments are relatively straightforward, but the adjustment for investment requires some explanation.

Investment Interest

In measuring H-S income, it generally would be appropriate to deduct all expenses incurred in the production of income, including those related to any income-producing investments, without limit. Investment expenses in excess of investment income would then represent net economic losses. However, such a liberal deduction for investment-related expenses is not necessarily correct when not all income

items have been included currently. (Investment income includes interest, dividends, and capital gains.)

If all income has not been included currently, full deduction of investment expenses might represent a mismatching of receipts and expenses and might result in understating income. For example, if a taxpayer borrowed funds to purchase securities, net income would be understated if the taxpayer deducted all interest payments on the loan, but did not include as income any accrued gains on the securities. A similar mismatching of income and expenses would occur if investment expenses that should properly be capitalized were deducted when paid. In these instances, a more accurate measure of income might be obtained by postponing the deduction of the expense until such time as the income were recognized for tax purposes.

Additional problems are created when a person with a loan has both income-producing assets, such as securities, and non-income-producing assets, such as a vacation home or yacht. It is not possible to determine what portion of the interest expense should be attributed to taxable income-producing assets and, therefore, ought to be deductible against the gross receipts from such taxable assets. As a result of these

Figure G

Derivation of Expanded Income from Adjusted Gross Income, Tax Years 1977–2009

Adjusted gross income (AGI)

- PLUS:
- o Excluded capital gains (tax years prior to 1987)
 - o Tax-exempt interest (1987 and later tax years)
 - o Nontaxable Social Security benefits (1987 and later tax years)
 - o Tax preferences for alternative minimum tax purposes [A5]
 - o Foreign-earned income exclusion (1990 and later tax years)
- MINUS:
- o Unreimbursed employee business expenses [A4]
 - o Nondeductible rental losses (Tax Year 1987)
 - o Moving expense deduction (Tax Years 1987 through 1993) [A4]
 - o Investment interest expense deduction to the extent it does not exceed investment income
 - o Miscellaneous itemized deductions not subject to the 2-percent-of-AGI floor (1989 and later tax years)

EQUALS: o Expanded income

NOTE: Footnotes to this figure are included with the notes to Appendix A.

problems, it has been necessary to set arbitrary limits on the amount of investment expenses that are deductible in calculating expanded income.

Investment expenses that have not been deducted in determining AGI generally can appear on a Federal individual income tax return in two places. Investment interest expense is taken into account in the calculation of the itemized deduction for interest paid. Deductible investment interest expense is a separate part of the total interest deduction. Other investment expenses, such as management fees, are included in the miscellaneous category of itemized deductions [A5]. Beginning with 1987, most types of income-producing expenses included as miscellaneous itemized deductions are only deductible to the extent that their total exceeds 2 percent of AGI. To determine expenses that should be deductible in calculating an approximation of H-S income, investment expenses have been defined as deductible investment interest expense. Other investment expenses could not be separated from the remainder of miscellaneous deductions. Hence, they have not been used in the adjustment for investment expenses.

To the extent that interest expenses do not exceed investment income, they are generally allowed as a deduction in the computation of deductible investment interest expense and thus expanded income. Investment interest expenses that do exceed investment income are not deductible in calculating expanded income. One consequence of this definition is that investment expenses can never turn positive investment income into investment losses. Generally, allowing investment expenses to offset all investment income is generous and tends to understate broadly measured income. However, in some instances, limiting investment expenses to investment income may overstate income by disallowing genuine investment losses.

Notes to Appendix A

[A1] Haig, Robert M. (ed.), *The Federal Income Tax*, Columbia University Press, 1921, and Simons, Henry C., *Personal Income Taxation*, University of Chicago Press, 1938.

[A2] Borrowers receive income due to inflation because the real value of debt is reduced by inflation. Even though inflation may be anticipated and reflected in interest rates, tax deductions for nominal interest payments overstate interest costs because part of these payments

represent a return of principal to the lender, rather than interest.

[A3] See references and footnote A4.

[A4] For 1977, 50 percent of net long-term capital gains were included in AGI. During 1978, the inclusion ratio was changed to 40 percent. This inclusion ratio remained unchanged through 1986. Beginning with 1987, there was no exclusion allowed for capital gains in computing AGI, and, thus, this adjustment was not made in computing expanded income for returns for years after 1986.

Beginning in 1987, taxpayers were required to report on their Federal income tax returns the amount of their tax-exempt interest income from State and local government bonds. Since 1987, tax-exempt interest has been included in expanded income.

Taxpayers are also required to report Social Security benefits. Since 1988, nontaxable Social Security benefits have been included in expanded income. However, if none of a particular taxpayer's Social Security benefits are taxable, then gross Social Security benefits are not required to be shown on the income tax return. In such instances, which generally only affect lower- and middle-income taxpayers, Social Security benefits are not included in expanded income.

The subtraction of unreimbursed employee business expense and the moving expense deduction is to make the concept of expanded income comparable to years prior to 1987. All current-year moving expenses beginning with Tax Year 1994 were deducted in the calculation of AGI as a statutory adjustment.

Due to subtracting non-limited miscellaneous deductions and not subtracting the nondeductible rental loss for 1989, the expanded income concept for 1989 is not strictly comparable to expanded income for 1988. Nor is the expanded income concept for 1990 strictly comparable to expanded income for 1989 because of the addition of the foreign-earned income exclusion. Specific details on the definition of expanded income for any given year are available in the reports and publications found under the References section.

High-Income Tax Returns for 2009

Statistics of Income Bulletin | Spring 2012

[A5] Some income deferrals and accelerated expense deductions may also be involved in income or losses from rental property, from royalties, from partnerships, and from S Corporations, only the net amounts of which are included in adjusted gross income.

Appendix B: Tax Concepts

This appendix provides a brief summary of the U.S. taxation of worldwide income and the foreign tax credit. The two tax concepts used in this article are then defined. The following section explains the computation of the deduction equivalent of credits and other items. A final section discusses the possible implications of the use of unaudited tax return data for this article.

U.S. Taxation of Worldwide Income and the Foreign Tax Credit

Citizens and residents of the United States, regardless of where they physically reside, must generally include in income for Federal income tax purposes income from all geographic sources. Thus, for example, dividends and interest received from a foreign corporation or income earned working abroad is subject to Federal income tax in the same manner as income received from sources inside the United States [B1]. Income from sources outside the United States may also be subject to tax by foreign governments.

To reduce, if not eliminate, the possibility of double taxation of the foreign-source income of U.S. citizens and residents, the Federal income tax allows a credit for income taxes paid to foreign governments. This foreign tax credit is generally limited to the amount of (pre-credit) U.S. tax liability attributable to foreign-source income. This limit prevents the foreign tax credit from offsetting the U.S. tax on U.S.-source income.

As a result of taxing citizens and residents on a worldwide basis but allowing a foreign tax credit, some Federal income tax returns may report substantial income but little or no U.S. tax liability after credits. This may occur, for example, if a taxpayer has income only from foreign sources (the taxpayer may live abroad the entire year and have no income-producing assets in the United States), or if a taxpayer has foreign-source income that exceeds a net loss from U.S. sources and pays income taxes to a foreign government that are comparable to the U.S. tax [B2].

For taxpayers with income from foreign sources, these procedures understate the taxpayers' true worldwide income tax liabilities and effective income tax rates. For such taxpayers, it does not seem appropriate to classify U.S. income tax credits for foreign tax payments as reducing tax liabilities. This is particularly true for tax filers who appear to be nontaxable because they do not have any U.S. tax liability, but who have paid foreign income taxes. A more accurate measure of overall income tax burden, as well as the numbers of nontaxable returns, can be obtained by considering all income taxes--U.S. as well as foreign. Thus, a second tax concept, worldwide income tax, has been used in addition to the traditional U.S. income tax.

Two Tax Concepts

Two tax concepts are used in this article to classify tax returns as taxable (i.e., returns showing an income tax liability) or nontaxable (i.e., returns showing no income tax liability) and to measure the tax burdens on taxable returns: U.S. income tax and worldwide income tax. Worldwide income tax is defined for purposes of this article as U.S. income tax plus the foreign tax credits reported on the U.S. income tax return and foreign taxes paid on excluded foreign-earned income (obtained from Form 1116, *Foreign Tax Credit*). The amount of the foreign tax credits and foreign taxes paid on excluded foreign-earned income is used as a proxy for foreign tax liabilities [B3]. The relationship of U.S. income tax to tax items reported on individual income tax returns, and to worldwide income tax, is shown in Figure H.

Comparing Exclusions, Deductions, Tax Credits, and Special Tax Computations

In order to compare the importance of various exclusions, deductions, tax credits, and special tax computations (such as the alternative minimum tax on tax preferences), the different types of items must be placed on the same basis. One way of doing so is to calculate the size of the deduction that would reduce (or increase) income tax by the same amount as a tax credit or special computation. This amount is called the "deduction equivalent" of the tax credit or special computation.

The deduction equivalent of a tax credit or a special tax computation is the difference between the taxable income that, using the ordinary tax rate

Figure H

Derivation of "U.S. Income Tax" and "Worldwide Income Tax," Tax Year 2009

Tax at regular rates (tax generated)

PLUS:	Additional taxes (such as tax on accumulation distributions from qualified retirement plans, Form 4972)
PLUS:	Alternative minimum tax (Form 6251)
EQUALS:	Income tax before credits
MINUS:	Tax credits
EQUALS:	U.S. income tax
PLUS:	Foreign tax credit
PLUS:	Foreign taxes paid on excluded foreign-earned income (Form 1116)
EQUALS:	Worldwide income tax

schedules, would yield the actual tax before the provision in question is considered and the actual tax after the provision. For example, the "deduction equivalent of all tax credits" is equal to the difference between "taxable income that would yield income tax before credits" and "taxable income that would yield income tax after credits."

Using this method of equating the value of deductions, exclusions, credits, and special tax computations, the order in which the various credits and special tax computations are calculated may affect the value of their deduction equivalents. Because the tax rate schedules are progressive, with successive increments to income taxed at successively higher tax rates, the deduction equivalent of the credit converted last to a deduction equivalent will be larger (for the same amount of a credit) than the item converted first, unless all relevant taxable income amounts are within a single tax-rate bracket.

The deduction equivalents of tax credits shown in Tables 9 and 10 were computed by assuming that deductions and exclusions reduce taxes before credits. As a result, the deduction equivalent of tax credits may be overstated.

Unaudited Data

Tax return data used for *Statistics of Income* have been tabulated as they were reported on tax returns filed with the Internal Revenue Service (IRS). Certain obvious arithmetic errors have been corrected and certain adjustments have been made to achieve consistent statistical definitions. Otherwise, the data have not been altered. In particular, the data do not reflect any changes that may have been or could be made as a result of IRS audits. While this is true of data throughout the entire *Statistics of Income* program, it is particularly relevant for high-income tax returns. Because of the greater complexity of these returns, there is a higher probability of error and more scope for disagreement about the proper interpretation of tax laws.

The fact that the data have been drawn from unaudited returns is of even greater importance for those high-income returns that are nontaxable. Almost any audit changes would make such returns taxable. Even where the tax consequences are minor, such returns could be reclassified from nontaxable to taxable, thereby changing the counts of nontaxable returns.

Notes to Appendix B

- [B1] An exception is that certain income earned abroad may be excluded from AGI. Any foreign taxes paid on such income are not creditable against U.S. income tax. The tables in this article include such excluded income in expanded income. Foreign taxes paid on such income are reflected in worldwide income tax, as discussed later.
- [B2] Although the foreign tax credit is an item of tax preference for AMT purposes, taxpayers below the AMT exclusion thresholds, or with preferences or deductions not subject to AMT, could completely offset pre-credit U.S. income tax liability with foreign tax credits.
- [B3] Where foreign tax rates exceed U.S. rates, foreign tax credits will be less than foreign tax liabilities. In such cases, using foreign tax credits as a proxy for foreign tax liabilities understates worldwide income tax liability. In other cases, when foreign tax credits are for taxes paid on income from previous years, use of foreign tax credits as a proxy may overstate or understate worldwide taxes on current-year income.

High-Income Tax Returns for 2009

Statistics of Income Bulletin | Spring 2012

Table 1. Returns With and Without U.S. Income Tax: Number of Returns, by Size of Income Under Alternative Concepts, Tax Year 2009

[All figures are estimates based on samples]

Returns by tax status, size of expanded income	All returns	Returns by size of adjusted gross income			
		Under \$50,000 [1]	\$50,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)
All returns					
Total	140,494,127	92,888,972	30,158,618	13,522,048	3,924,489
Under \$50,000 [1]	90,833,330	90,062,114	758,938	6,979	5,298
\$50,000 under \$100,000	32,191,625	2,758,849	28,989,978	438,644	4,154
\$100,000 under \$200,000	13,493,885	62,815	396,784	12,955,148	79,137
\$200,000 or more	3,975,288	5,194	12,918	121,277	3,835,900
Returns with U.S. income tax					
Total	81,890,189	37,175,404	27,436,494	13,374,553	3,903,737
Under \$50,000 [1]	35,623,575	35,052,726	565,345	2,892	2,613
\$50,000 under \$100,000	29,018,377	2,101,319	26,494,799	418,609	3,650
\$100,000 under \$200,000	13,308,009	20,129	367,928	12,841,913	78,039
\$200,000 or more	3,940,227	1,230	8,422	111,140	3,819,435
Returns without U.S. income tax					
Total	58,603,939	55,713,568	2,722,124	147,494	20,752
Under \$50,000 [1]	55,209,754	55,009,389	193,593	4,088	2,685
\$50,000 under \$100,000	3,173,248	657,529	2,495,180	20,035	504
\$100,000 under \$200,000	185,876	42,686	28,856	113,236	1,098
\$200,000 or more	35,061	3,964	4,495	10,136	16,465

[1] Includes returns with adjusted gross deficit or with negative expanded income.

NOTES: Detail may not add to totals because of rounding. Starting in 2009, the portion of refundable credits that offset income taxes before credits were factored in to determine tax liability. As a result, data may not be comparable to Tax Years 2007 and 2008 published tables.

High-Income Tax Returns for 2009

Statistics of Income Bulletin | Spring 2012

Table 2. Returns With and Without Worldwide Income Tax: Number of Returns, by Size of Income Under Alternative Concepts, Tax Year 2009

[All figures are estimates based on samples]

Returns by tax status, size of expanded income	All returns	Returns by size of adjusted gross income			
		Under \$50,000 [1]	\$50,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)
All returns					
Total	140,494,127	92,888,972	30,158,618	13,522,048	3,924,489
Under \$50,000 [1]	90,833,330	90,062,114	758,938	6,979	5,298
\$50,000 under \$100,000	32,191,625	2,758,849	28,989,978	438,644	4,154
\$100,000 under \$200,000	13,493,885	62,815	396,784	12,955,148	79,137
\$200,000 or more	3,975,288	5,194	12,918	121,277	3,835,900
Returns with worldwide income tax					
Total	82,307,248	37,449,991	27,543,393	13,399,454	3,914,410
Under \$50,000 [1]	35,860,337	35,287,280	567,537	2,895	2,625
\$50,000 under \$100,000	29,143,462	2,129,805	26,589,967	420,013	3,676
\$100,000 under \$200,000	13,347,713	31,472	376,843	12,861,219	78,179
\$200,000 or more	3,955,737	1,434	9,046	115,327	3,829,929
Returns without worldwide income tax					
Total	58,186,879	55,438,981	2,615,225	122,594	10,080
Under \$50,000 [1]	54,972,993	54,774,834	191,401	4,085	2,673
\$50,000 under \$100,000	3,048,164	629,043	2,400,011	18,631	478
\$100,000 under \$200,000	146,172	31,343	19,941	93,929	958
\$200,000 or more	19,551	3,760	3,871	5,949	5,971

[1] Includes returns with adjusted gross deficit or with negative expanded income.

NOTES: Detail may not add to totals because of rounding. Starting in 2009, the portion of refundable credits that offset income taxes before credits were factored in to determine tax liability. As a result, data may not be comparable to Tax Years 2007 and 2008 published tables.

High-Income Tax Returns for 2009

Statistics of Income Bulletin | Spring 2012

Table 3. Returns With and Without U.S. Income Tax and With Income of \$200,000 or More Under Alternative Concepts: Distribution of Returns by Ratio of Adjusted Taxable Income to Income Per Concept, Tax Year 2009

[All figures are estimates based on samples]

Tax status, ratio of adjusted taxable income to income per concept	Adjusted gross income concept			Expanded income concept		
	Number of returns	Percentage of total	Cumulative percentage of total	Number of returns	Percentage of total	Cumulative percentage of total
	(1)	(2)	(3)	(4)	(5)	(6)
Total	3,924,489	100.0	100.0	3,975,288	100.0	100.0
Returns without U.S. income tax	20,752	0.5	0.5	35,061	0.9	0.9
Returns with U.S. income tax: Total	3,903,737	99.5	N/A	3,940,227	99.1	N/A
Ratio of adjusted taxable income to income per concept:						
Over 0 under 5 percent	8,816	0.2	0.2	13,518	0.3	0.3
5 under 10 percent	6,580	0.2	0.4	11,924	0.3	0.6
10 under 15 percent	10,110	0.3	0.6	13,232	0.3	1.0
15 under 20 percent	8,405	0.2	0.9	14,243	0.4	1.3
20 under 25 percent	8,773	0.2	1.1	11,758	0.3	1.6
25 under 30 percent	10,828	0.3	1.4	14,846	0.4	2.0
30 under 35 percent	13,291	0.3	1.7	21,123	0.5	2.5
35 under 40 percent	18,405	0.5	2.2	26,187	0.7	3.2
40 under 45 percent	29,814	0.8	2.9	37,921	1.0	4.1
45 under 50 percent	37,234	0.9	3.9	44,659	1.1	5.3
50 under 60 percent	129,903	3.3	7.2	146,384	3.7	9.0
60 under 70 percent	286,629	7.3	14.5	296,589	7.5	16.4
70 under 80 percent	839,639	21.4	35.9	837,887	21.1	37.5
80 percent or more	2,495,311	63.6	99.5	2,449,957	61.6	99.1

N/A—Not applicable.

NOTES: Detail may not add to totals because of rounding. Starting in 2009, the portion of refundable credits that offset income taxes before credits were factored in to determine tax liability. As a result, data may not be comparable to Tax Years 2007 and 2008 published tables.

High-Income Tax Returns for 2009

Statistics of Income Bulletin | Spring 2012

Table 4. Returns With and Without Worldwide Income Tax and With Income of \$200,000 or More Under Alternative Concepts: Distribution of Returns by Ratio of Adjusted Taxable Income to Income Per Concept, Tax Year 2009

[All figures are estimates based on samples]

Tax status, ratio of adjusted taxable income to income per concept	Adjusted gross income concept			Expanded income concept		
	Number of returns	Percentage of total	Cumulative percentage of total	Number of returns	Percentage of total	Cumulative percentage of total
	(1)	(2)	(3)	(4)	(5)	(6)
Total	3,924,489	100.0	100.0	3,975,288	100.0	100.0
Returns without worldwide income tax	10,080	0.3	0.3	19,551	0.5	0.5
Returns with worldwide income tax: Total	3,914,410	99.7	N/A	3,955,737	99.5	N/A
Ratio of adjusted taxable income to income per concept:						
Over 0 under 5 percent	5,408	0.1	0.1	8,522	0.2	0.2
5 under 10 percent	3,211	0.1	0.2	5,749	0.1	0.4
10 under 15 percent	4,927	0.1	0.3	7,198	0.2	0.5
15 under 20 percent	5,403	0.1	0.5	10,005	0.3	0.8
20 under 25 percent	5,910	0.2	0.6	8,227	0.2	1.0
25 under 30 percent	7,308	0.2	0.8	11,616	0.3	1.3
30 under 35 percent	9,598	0.2	1.1	15,073	0.4	1.7
35 under 40 percent	14,963	0.4	1.4	22,562	0.6	2.2
40 under 45 percent	25,886	0.7	2.1	31,716	0.8	3.0
45 under 50 percent	35,239	0.9	3.0	40,795	1.0	4.1
50 under 60 percent	124,536	3.2	6.2	139,119	3.5	7.6
60 under 70 percent	275,062	7.0	13.2	286,467	7.2	14.8
70 under 80 percent	829,828	21.1	34.3	836,483	21.0	35.8
80 percent or more	2,567,131	65.4	99.7	2,532,206	63.7	99.5

N/A—Not applicable.

NOTES: Detail may not add to totals because of rounding. Starting in 2009, the portion of refundable credits that offset income taxes before credits were factored in to determine tax liability. As a result, data may not be comparable to Tax Years 2007 and 2008 published tables.

High-Income Tax Returns for 2009

Statistics of Income Bulletin | Spring 2012

Table 5. Returns With and Without U.S. Income Tax and With Income of \$200,000 or More Under Alternative Concepts: Income, Deductions, Credits, and Tax, by Tax Status, Tax Year 2009

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Income concept, item	Returns with income of \$200,000 or more					
	Total		Returns with U.S. income tax		Returns without U.S. income tax	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(1)	(2)	(3)	(4)	(5)	(6)
Adjusted Gross Income Concept						
Salaries and wages	3,516,036	1,059,077,656	3,501,801	1,054,427,875	14,235	4,649,781
Business or profession:						
Net income	730,162	85,068,384	727,518	84,711,380	2,644	357,004
Net loss	247,972	6,060,717	245,828	5,821,462	2,144	239,256
Farm:						
Net income	28,317	2,428,319	28,161	2,417,416	156	10,903
Net loss	70,683	3,069,930	70,192	3,013,305	491	56,625
Partnership and S Corporation net income after Section 179 property deduction: [1]						
Net income	1,217,874	400,650,116	1,213,225	399,611,481	4,649	1,038,635
Net loss	370,922	31,927,364	365,424	29,300,731	5,498	2,626,633
Sales of capital assets:						
Net gain	852,088	204,229,063	846,414	202,028,200	5,674	2,200,862
Net loss	1,649,583	4,336,751	1,639,464	4,308,102	10,119	28,649
Sales of property other than capital assets:						
Net gain	130,679	6,769,926	128,881	6,681,611	1,797	88,315
Net loss	242,458	4,211,477	239,775	4,056,441	2,683	155,036
Taxable interest received	3,607,614	64,387,858	3,589,029	62,633,782	18,585	1,754,076
Tax-exempt interest	1,215,121	36,403,065	1,205,640	35,515,696	9,481	887,369
Dividends	2,849,289	86,073,430	2,833,490	84,083,734	15,799	1,989,696
Qualified dividends	2,648,409	70,119,811	2,633,817	68,679,175	14,592	1,440,636
Pensions and annuities in adjusted gross income	791,881	38,924,004	788,196	38,735,657	3,685	188,347
Rent:						
Net income	406,665	21,256,293	404,120	20,902,595	2,545	353,698
Net loss, total (deductible and nondeductible)	528,273	11,630,617	524,932	11,442,873	3,341	187,744
Nondeductible rental loss	417,025	8,198,362	414,454	8,096,339	2,571	102,023
Royalty:						
Net income	250,494	8,773,647	247,051	7,869,149	3,443	904,498
Net loss	11,713	88,809	11,584	87,109	129	1,699
Estate or trust:						
Net income	91,744	13,855,455	90,553	13,747,784	1,191	107,671
Net loss	10,856	1,202,960	10,533	1,088,697	323	114,263
State income tax refunds	1,418,918	9,118,152	1,414,142	8,992,989	4,776	125,163
Alimony received	7,631	1,080,975	7,610	1,078,654	21	2,321
Social Security benefits in adjusted gross income	559,579	12,702,126	554,902	12,595,912	4,676	106,214
Social Security benefits (nontaxable)	559,630	2,245,210	554,910	2,225,711	4,719	19,499
Unemployment compensation	130,925	1,105,668	130,548	1,101,016	377	4,653
Other income	562,333	15,517,502	558,364	15,279,211	3,969	238,291
Other loss	43,113	1,581,082	41,680	1,526,020	1,433	55,062
Foreign-earned income exclusion	40,869	3,482,547	37,082	3,127,938	3,787	354,609
Total income	3,924,489	1,998,418,375	3,903,737	1,986,846,302	20,752	11,572,073
Statutory adjustments, total	1,666,633	34,122,616	1,659,552	34,001,033	7,081	121,583
Payments to Individual Retirement Arrangements	105,671	947,815	105,237	944,425	434	3,391
Payments to self-employed retirement (Keogh) plans	362,057	11,958,842	361,567	11,938,369	490	20,473
Moving expenses adjustment	36,953	199,644	36,828	198,643	125	1,001
Adjusted gross income	3,924,489	1,964,295,759	3,903,737	1,952,845,269	20,752	11,450,490

Footnotes at end of table.

High-Income Tax Returns for 2009

Statistics of Income Bulletin | Spring 2012

Table 5. Returns With and Without U.S. Income Tax and With Income of \$200,000 or More Under Alternative Concepts: Income, Deductions, Credits, and Tax, by Tax Status, Tax Year 2009—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Income concept, item	Returns with income of \$200,000 or more					
	Total		Returns with U.S. income tax		Returns without U.S. income tax	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(1)	(2)	(3)	(4)	(5)	(6)
Adjusted Gross Income Concept—Continued						
Investment interest expense deduction	569,153	11,652,448	562,272	10,592,582	6,881	1,059,866
Total tax preferences excluded from adjusted gross income [2]	1,222,311	37,254,475	1,212,816	36,355,122	9,495	899,352
Total alternative minimum tax preference items (excluding tax-exempt interest from private activity bonds)	20,245	860,031	19,921	845,945	324	14,086
Passive activity loss (alternative minimum tax adjustment)	482,585	616,094	478,798	616,931	3,787	-837
Expanded income	3,924,353	1,978,071,649	3,903,737	1,968,997,463	20,616	9,074,186
Exemption amount	3,923,201	35,902,898	3,902,483	35,737,753	20,718	165,145
Itemized deductions:						
Total per adjusted gross income concept	3,758,106	304,884,399	3,740,926	297,879,972	17,179	7,004,427
Charitable contributions deduction	3,527,404	59,111,650	3,513,021	58,155,534	14,383	956,115
Interest paid deduction:						
Total per adjusted gross income concept	3,185,595	78,708,771	3,172,217	77,280,630	13,378	1,428,140
Total home mortgage interest	3,048,172	66,824,033	3,036,879	66,457,466	11,293	366,566
Medical and dental expense deduction	88,710	2,517,032	86,275	2,218,277	2,435	298,755
Net casualty or theft loss deduction	9,163	497,882	8,730	269,923	433	227,958
Taxes paid deduction	3,753,988	150,808,493	3,737,596	149,877,904	16,393	930,588
Net limited miscellaneous deductions per adjusted gross income concept	539,414	13,362,601	533,070	12,711,778	6,344	650,823
Non-limited miscellaneous deductions	223,338	12,058,863	217,924	9,492,650	5,413	2,566,212
Excess of exemptions and deductions over adjusted gross income	11,566	4,045,539	5,426	2,107,759	6,141	1,937,779
Taxable income	3,912,911	1,625,623,582	3,898,311	1,619,441,375	14,600	6,182,207
Tax at regular rates	3,909,059	428,981,258	3,896,584	427,362,768	12,475	1,618,489
Alternative minimum tax (Form 6251)	2,729,652	20,309,563	2,725,675	20,273,275	3,977	36,287
Income tax before credits	3,916,594	449,292,146	3,903,737	447,637,337	12,857	1,654,809
Tax credits:						
Total	2,035,626	15,012,142	2,022,769	13,357,333	12,857	1,654,809
Child care credit	319,784	170,108	319,645	170,053	139	54
Minimum tax credit	83,995	487,035	82,583	464,942	1,412	22,093
Foreign tax credit	1,367,630	11,481,814	1,356,960	10,080,880	10,670	1,400,933
General business credit	108,000	1,256,118	107,069	1,240,741	931	15,377
Refundable prior-year minimum tax credit used to offset income	143,756	781,630	139,442	576,340	4,315	205,290
All other refundable credits used to offset income tax before credits	31,563	65,459	31,563	65,459	0	0
U.S. total income tax	3,903,737	434,280,397	3,903,737	434,280,397	0	0
Taxable income which would yield:						
Income tax before credits	3,916,594	1,570,098,270	3,903,737	1,564,530,861	12,857	5,567,409
Income tax after credits	3,903,737	1,524,270,328	3,903,737	1,524,270,328	0	0
U.S. total income tax	3,903,737	1,524,271,451	3,903,737	1,524,271,451	0	0
Reconciliation of adjusted gross income and expanded income:						
Adjusted gross income	3,924,489	1,964,295,759	3,903,737	1,952,845,269	20,752	11,450,490
plus: Total tax preferences excluded from adjusted gross income [2]	1,222,311	37,254,475	1,212,816	36,355,122	9,495	899,352
Social Security benefits (nontaxable)	559,630	2,245,210	554,910	2,225,711	4,719	19,499
Foreign-earned income exclusion	40,869	3,482,547	37,082	3,127,938	3,787	354,609
minus: Investment interest expense deduction	569,153	11,652,448	562,272	10,592,582	6,881	1,059,866
Non-limited miscellaneous deductions	223,338	12,058,863	217,924	9,492,650	5,413	2,566,212
Unreimbursed employee business expenses	758,554	5,449,497	757,088	5,431,584	1,466	17,913
Equals: Expanded income	3,924,353	1,978,071,649	3,903,737	1,968,997,463	20,616	9,074,186

Footnotes at end of table.

High-Income Tax Returns for 2009

Statistics of Income Bulletin | Spring 2012

Table 5. Returns With and Without U.S. Income Tax and With Income of \$200,000 or More Under Alternative Concepts: Income, Deductions, Credits, and Tax, by Tax Status, Tax Year 2009—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Income concept, item	Returns with income of \$200,000 or more					
	Total		Returns with U.S. income tax		Returns without U.S. income tax	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(1)	(2)	(3)	(4)	(5)	(6)
Expanded Income Concept						
Salaries and wages	3,514,942	1,055,998,074	3,495,595	1,050,508,813	19,348	5,489,261
Business or profession:						
Net income	738,412	85,710,550	734,769	85,324,311	3,642	386,239
Net loss	246,115	6,068,195	243,330	5,809,933	2,785	258,261
Farm:						
Net income	28,979	2,420,577	28,783	2,410,768	196	9,809
Net loss	71,143	3,083,877	70,446	3,011,444	697	72,433
Partnership and S Corporation net income after Section 179 property deduction: [1]						
Net income	1,237,451	400,788,536	1,230,897	399,804,064	6,554	984,472
Net loss	379,727	31,878,486	370,469	29,405,678	9,258	2,472,808
Sales of capital assets:						
Net gain	873,506	204,327,707	865,575	202,481,489	7,931	1,846,219
Net loss	1,701,620	4,491,210	1,680,746	4,431,659	20,874	59,551
Sales of property other than capital assets:						
Net gain	133,294	6,858,431	130,611	6,767,469	2,682	90,962
Net loss	249,505	4,219,381	245,332	4,055,522	4,174	163,859
Taxable interest received	3,668,387	64,854,799	3,636,082	63,203,394	32,305	1,651,405
Tax-exempt interest	1,309,361	47,195,417	1,286,708	42,298,107	22,653	4,897,310
Dividends	2,923,522	89,396,415	2,894,178	86,754,465	29,345	2,641,950
Qualified dividends	2,721,308	72,760,887	2,694,154	70,809,069	27,154	1,951,818
Pensions and annuities in adjusted gross income	832,163	40,824,535	825,125	40,566,787	7,038	257,748
Rent:						
Net income	419,640	21,658,958	416,253	21,307,636	3,386	351,322
Net loss, total (deductible and nondeductible)	532,533	11,636,630	527,221	11,397,356	5,312	239,274
Nondeductible rental loss	418,613	8,203,483	414,913	8,059,018	3,700	144,465
Royalty:						
Net income	264,871	8,657,938	259,047	8,061,454	5,824	596,484
Net loss	12,483	94,681	12,256	90,672	227	4,010
Estate or trust:						
Net income	98,957	13,957,495	96,784	13,843,330	2,172	114,164
Net loss	11,362	1,204,375	10,814	1,087,808	548	116,567
State income tax refunds	1,419,916	9,214,356	1,412,090	9,062,001	7,825	152,355
Alimony received	7,141	1,039,616	7,107	1,036,589	34	3,027
Social Security benefits in adjusted gross income	629,548	14,393,855	617,295	14,119,913	12,253	273,942
Social Security benefits (nontaxable)	629,618	2,554,892	617,310	2,504,704	12,308	50,188
Unemployment compensation	127,037	1,099,688	126,653	1,094,626	385	5,062
Other income	573,716	15,536,081	567,007	15,291,147	6,709	244,933
Other loss	55,668	1,912,623	52,940	1,827,844	2,728	84,780
Foreign-earned income exclusion	66,887	6,157,386	58,817	5,321,635	8,070	835,752
Total income	3,975,280	1,996,836,416	3,940,227	1,985,837,316	35,053	10,999,100
Statutory adjustments, total	1,674,843	34,335,399	1,665,258	34,184,239	9,585	151,161
Payments to Individual Retirement Arrangements	109,795	976,741	108,994	970,253	801	6,489
Payments to self-employed retirement (Keogh) plans	365,628	12,055,186	364,996	12,030,986	632	24,200
Moving expenses adjustment	36,159	198,625	35,971	197,130	188	1,494
Adjusted gross income	3,975,280	1,962,501,016	3,940,227	1,951,653,077	35,053	10,847,940

Footnotes at end of table.

High-Income Tax Returns for 2009

Statistics of Income Bulletin | Spring 2012

Table 5. Returns With and Without U.S. Income Tax and With Income of \$200,000 or More Under Alternative Concepts: Income, Deductions, Credits, and Tax, by Tax Status, Tax Year 2009—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Income concept, item	Returns with income of \$200,000 or more					
	Total		Returns with U.S. income tax		Returns without U.S. income tax	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(1)	(2)	(3)	(4)	(5)	(6)
Expanded Income Concept—Continued						
Investment interest expense deduction	578,108	9,904,800	569,303	9,420,820	8,805	483,980
Total tax preferences excluded from adjusted gross income [2]	1,316,878	48,127,794	1,294,202	43,222,852	22,677	4,904,941
Total alternative minimum tax preference items (excluding tax-exempt interest from private activity bonds)	20,861	941,034	20,406	931,264	455	9,770
Passive activity loss (alternative minimum tax adjustment)	499,414	620,136	493,554	618,539	5,860	1,597
Expanded income	3,975,288	1,999,125,680	3,940,227	1,983,153,207	35,061	15,972,473
Exemption amount	3,973,676	36,134,520	3,938,668	35,847,765	35,008	286,755
Itemized deductions:						
Total per adjusted gross income concept	3,781,065	298,190,620	3,753,362	293,036,167	27,703	5,154,453
Total per expanded income concept	3,781,014	292,206,514	3,753,352	287,654,248	27,662	4,552,266
Charitable contributions deduction	3,546,466	59,664,618	3,522,210	58,545,223	24,256	1,119,395
Interest paid deduction:						
Total per adjusted gross income concept	3,166,669	76,313,456	3,148,719	75,401,397	17,951	912,059
Total per expanded income concept	3,024,559	66,408,656	3,010,314	65,980,577	14,244	428,079
Total home mortgage interest	3,018,410	66,178,159	3,004,212	65,751,846	14,198	426,312
Medical and dental expense deduction	116,381	3,147,794	106,113	2,535,914	10,268	611,879
Net casualty or theft loss deduction	9,010	504,632	8,439	266,571	571	238,061
Taxes paid deduction	3,776,394	151,724,763	3,749,730	150,416,185	26,664	1,308,578
Net limited miscellaneous deductions per adjusted gross income concept	527,370	13,300,946	511,944	12,444,516	15,426	856,430
Non-limited miscellaneous deductions	200,116	5,666,104	196,132	5,515,145	3,983	150,959
Excess of exemptions and deductions over adjusted gross income	18,177	3,732,135	6,669	2,275,288	11,508	1,456,847
Taxable income	3,957,109	1,629,653,481	3,933,561	1,622,864,030	23,548	6,789,451
Tax at regular rates	3,948,433	429,710,802	3,930,871	427,957,271	17,562	1,753,532
Alternative minimum tax (Form 6251)	2,723,374	20,298,861	2,719,098	20,261,715	4,275	37,146
Income tax before credits	3,958,343	450,010,989	3,940,227	448,220,279	18,116	1,790,710
Tax credits:						
Total	2,089,167	15,428,971	2,071,051	13,638,261	18,116	1,790,710
Child care credit	311,688	165,020	311,444	164,926	244	94
Minimum tax credit	90,877	491,147	88,912	469,145	1,965	22,001
Foreign tax credit	1,427,391	11,881,847	1,411,900	10,349,516	15,491	1,532,331
General business credit	110,292	1,258,664	109,127	1,243,150	1,165	15,514
Refundable prior-year minimum tax credit used to offset income	145,635	789,408	140,957	580,821	4,677	208,587
All other refundable credits used to offset income tax before credits	41,759	69,233	41,697	69,224	* 62	* 8
U.S. total income tax	3,940,227	434,582,411	3,940,227	434,582,411	0	0
Taxable income which would yield:						
Income tax before credits	3,958,343	1,573,736,768	3,940,227	1,567,540,116	18,116	6,196,651
Income tax after credits	3,940,227	1,526,137,703	3,940,227	1,526,137,703	0	0
U.S. total income tax	3,940,227	1,526,138,826	3,940,227	1,526,138,826	0	0
Reconciliation of adjusted gross income and expanded income:						
Adjusted gross income	3,975,280	1,962,501,016	3,940,227	1,951,653,077	35,053	10,847,940
plus: Total tax preferences excluded from adjusted gross income [2]	1,316,878	48,127,794	1,294,202	43,222,852	22,677	4,904,941
Social Security benefits (nontaxable)	629,618	2,554,892	617,310	2,504,704	12,308	50,188
Foreign-earned income exclusion	66,887	6,157,386	58,817	5,321,635	8,070	835,752
minus: Investment interest expense deduction	578,108	9,904,800	569,303	9,420,820	8,805	483,980
Non-limited miscellaneous deductions	200,116	5,666,104	196,132	5,515,145	3,983	150,959
Unreimbursed employee business expenses	706,413	4,581,037	704,302	4,568,759	2,111	12,278
Equals: Expanded income	3,975,288	1,999,125,680	3,940,227	1,983,153,207	35,061	15,972,473

* Estimate should be used with caution because of the small number of sample returns on which it is based.

[1] Section 179 of the Internal Revenue Code permits certain taxpayers to elect to deduct all or part of the cost of certain qualifying property in the year they place it in service, instead of taking depreciation deductions over a specified recovery period.

[2] Includes tax-exempt interest and tax preference items subject to alternative minimum tax.

NOTES: Detail may not add to totals because of rounding. Starting in 2009, the portion of refundable credits that offset income taxes before credits were factored in to determine tax liability. As a result, data may not be comparable to Tax Years 2007 and 2008 published tables.

High-Income Tax Returns for 2009

Statistics of Income Bulletin | Spring 2012

Table 6. Returns With and Without Worldwide Income Tax and With Income of \$200,000 or More Under Alternative Concepts: Income, Deductions, Credits, and Tax, by Tax Status, Tax Year 2009

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Income concept, item	Returns with income of \$200,000 or more					
	Total		Returns with worldwide income tax		Returns without worldwide income tax	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(1)	(2)	(3)	(4)	(5)	(6)
Adjusted Gross Income Concept						
Salaries and wages	3,516,036	1,059,077,656	3,510,565	1,058,264,833	5,471	812,823
Business or profession:						
Net income	730,162	85,068,384	728,601	84,939,647	1,561	128,737
Net loss	247,972	6,060,717	246,789	5,883,168	1,182	177,549
Farm:						
Net income	28,317	2,428,319	28,194	2,418,515	123	9,803
Net loss	70,683	3,069,930	70,344	3,024,206	339	45,724
Partnership and S Corporation net income after Section 179 property deduction: [1]						
Net income	1,217,874	400,650,116	1,215,111	400,269,056	2,763	381,059
Net loss	370,922	31,927,364	367,073	30,216,326	3,849	1,711,038
Sales of capital assets:						
Net gain	852,088	204,229,063	849,014	203,136,660	3,074	1,092,402
Net loss	1,649,583	4,336,751	1,644,599	4,322,463	4,984	14,287
Sales of property other than capital assets:						
Net gain	130,679	6,769,926	129,598	6,691,111	1,081	78,815
Net loss	242,458	4,211,477	240,650	4,083,701	1,808	127,776
Taxable interest received	3,607,614	64,387,858	3,598,361	63,017,947	9,254	1,369,911
Tax-exempt interest	1,215,121	36,403,065	1,209,857	35,691,141	5,264	711,924
Dividends	2,849,289	86,073,430	2,841,591	85,050,191	7,699	1,023,239
Qualified dividends	2,648,409	70,119,811	2,641,122	69,357,126	7,287	762,685
Pensions and annuities in adjusted gross income	791,881	38,924,004	789,351	38,800,298	2,530	123,706
Rent:						
Net income	406,665	21,256,293	404,915	21,151,005	1,750	105,287
Net loss, total (deductible and nondeductible)	528,273	11,630,617	526,577	11,492,024	1,696	138,593
Nondeductible rental loss	417,025	8,198,362	415,860	8,130,093	1,164	68,269
Royalty:						
Net income	250,494	8,773,647	248,312	8,402,863	2,182	370,784
Net loss	11,713	88,809	11,619	87,822	94	986
Estate or trust:						
Net income	91,744	13,855,455	91,083	13,808,253	660	47,202
Net loss	10,856	1,202,960	10,608	1,125,198	247	77,762
State income tax refunds	1,418,918	9,118,152	1,415,910	9,024,315	3,008	93,837
Alimony received	7,631	1,080,975	7,615	1,079,100	16	1,874
Social Security benefits in adjusted gross income	559,579	12,702,126	555,975	12,619,504	3,603	82,622
Social Security benefits (nontaxable)	559,630	2,245,210	556,023	2,230,557	3,606	14,653
Unemployment compensation	130,925	1,105,668	130,782	1,104,134	143	1,535
Other income	562,333	15,517,502	559,977	15,429,860	2,356	87,642
Other loss	43,113	1,581,082	42,962	1,567,211	151	13,872
Foreign-earned income exclusion	40,869	3,482,547	40,857	3,481,756	12	791
Total income	3,924,489	1,998,418,375	3,914,410	1,993,690,470	10,080	4,727,905
Statutory adjustments, total	1,666,633	34,122,616	1,662,594	34,062,862	4,039	59,754
Payments to Individual Retirement Arrangements	105,671	947,815	105,463	946,271	209	1,544
Payments to self-employed retirement (Keogh) plans	362,057	11,958,842	361,760	11,945,484	297	13,358
Moving expenses adjustment	36,953	199,644	36,940	199,555	13	89
Adjusted gross income	3,924,489	1,964,295,759	3,914,410	1,959,627,608	10,080	4,668,151

Footnotes at end of table.

High-Income Tax Returns for 2009

Statistics of Income Bulletin | Spring 2012

Table 6. Returns With and Without Worldwide Income Tax and With Income of \$200,000 or More Under Alternative Concepts: Income, Deductions, Credits, and Tax, by Tax Status, Tax Year 2009—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Income concept, item	Returns with income of \$200,000 or more					
	Total		Returns with worldwide income tax		Returns without worldwide income tax	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(1)	(2)	(3)	(4)	(5)	(6)
Adjusted Gross Income Concept—Continued						
Investment interest expense deduction	569,153	11,652,448	564,643	10,720,563	4,510	931,885
Total tax preferences excluded from adjusted gross income [2]	1,222,311	37,254,475	1,217,036	36,533,839	5,275	720,636
Total alternative minimum tax preference items (excluding tax-exempt)	20,245	860,031	19,994	849,422	252	10,609
Passive activity loss (alternative minimum tax adjustment)	482,585	616,094	480,392	615,625	2,193	468
Expanded income	3,924,353	1,978,071,649	3,914,410	1,976,134,240	9,944	1,937,409
Exemption amount	3,923,201	35,902,898	3,913,135	35,823,470	10,067	79,428
Itemized deductions:						
Total per adjusted gross income concept	3,758,106	304,884,399	3,748,054	298,798,989	10,052	6,085,410
Charitable contributions deduction	3,527,404	59,111,650	3,518,859	58,432,509	8,545	679,140
Interest paid deduction:						
Total per adjusted gross income concept	3,185,595	78,708,771	3,177,931	77,538,006	7,664	1,170,765
Total home mortgage interest	3,048,172	66,824,033	3,041,865	66,586,241	6,307	237,792
Medical and dental expense deduction	88,710	2,517,032	86,646	2,229,496	2,064	287,537
Net casualty or theft loss deduction	9,163	497,882	8,742	271,633	421	226,249
Taxes paid deduction	3,753,988	150,808,493	3,744,055	150,150,130	9,933	658,363
Net limited miscellaneous deductions per adjusted gross income concept	539,414	13,362,601	535,075	12,793,853	4,340	568,748
Non-limited miscellaneous deductions	223,338	12,058,863	218,790	9,538,553	4,548	2,520,310
Excess of exemptions and deductions over adjusted gross income	11,566	4,045,539	5,439	2,108,820	6,128	1,936,719
Taxable income	3,912,911	1,625,623,582	3,908,971	1,625,187,032	3,940	436,550
Tax at regular rates	3,909,059	428,981,258	3,907,255	428,910,912	1,804	70,345
Alternative minimum tax (Form 6251)	2,729,652	20,309,563	2,728,383	20,295,705	1,269	13,858
Income tax before credits	3,916,594	449,292,146	3,914,408	449,207,943	2,186	84,203
Tax credits:						
Total	2,035,626	15,012,142	2,033,439	14,927,939	2,186	84,203
Child care credit	319,784	170,108	319,755	170,092	29	15
Minimum tax credit	83,995	487,035	83,449	476,395	547	10,640
Foreign tax credit	0	0	0	0	0	0
General business credit	108,000	1,256,118	107,602	1,243,791	398	12,326
Refundable prior-year minimum tax credit used to offset income	143,756	781,630	142,468	728,292	1,288	53,338
All other refundable credits used to offset income tax before credits	31,563	65,459	31,563	65,459	0	0
Worldwide total income tax	3,914,410	446,656,128	3,914,410	446,656,128	0	0
Foreign taxes paid	1,367,638	12,375,731	1,367,638	12,375,731	0	0
Foreign taxes paid on excluded foreign-earned income (Form 1116)	30,867	893,917	30,867	893,917	0	0
Tableable income which would yield:						
Income tax before credits	3,916,594	1,570,098,270	3,914,408	1,569,739,693	2,186	358,577
Income tax after credits	3,914,410	1,561,639,056	3,914,410	1,561,639,056	0	0
Worldwide total income tax	3,914,410	1,561,640,179	3,914,410	1,561,640,179	0	0
Reconciliation of adjusted gross income and expanded income:						
Adjusted gross income	3,924,489	1,964,295,759	3,914,410	1,959,627,608	10,080	4,668,151
plus: Total tax preferences excluded from adjusted gross income [2]	1,222,311	37,254,475	1,217,036	36,533,839	5,275	720,636
Social Security benefits (nontaxable)	559,630	2,245,210	556,023	2,230,557	3,606	14,653
Foreign-earned income exclusion	40,869	3,482,547	40,857	3,481,756	12	791
minus: Investment interest expense deduction	569,153	11,652,448	564,643	10,720,563	4,510	931,885
Non-limited miscellaneous deductions	223,338	12,058,863	218,790	9,538,553	4,548	2,520,310
Unreimbursed employee business expenses	758,554	5,449,497	757,982	5,438,284	572	11,213
Equals: Expanded income	3,924,353	1,978,071,649	3,914,410	1,976,134,240	9,944	1,937,409

Footnotes at end of table.

High-Income Tax Returns for 2009

Statistics of Income Bulletin | Spring 2012

Table 6. Returns With and Without Worldwide Income Tax and With Income of \$200,000 or More Under Alternative Concepts: Income, Deductions, Credits, and Tax, by Tax Status, Tax Year 2009—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Income concept, item	Returns with income of \$200,000 or more					
	Total		Returns with worldwide income tax		Returns without worldwide income tax	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(1)	(2)	(3)	(4)	(5)	(6)
Expanded Income Concept						
Salaries and wages	3,514,942	1,055,998,074	3,508,480	1,055,277,362	6,463	720,712
Business or profession:						
Net income	738,412	85,710,550	736,380	85,601,610	2,032	108,940
Net loss	246,115	6,068,195	244,449	5,874,084	1,666	194,110
Farm:						
Net income	28,979	2,420,577	28,825	2,411,529	154	9,048
Net loss	71,143	3,083,877	70,630	3,023,623	513	60,253
Partnership and S Corporation net income after Section 179 property deduction: [1]						
Net income	1,237,451	400,788,536	1,233,143	400,468,827	4,308	319,709
Net loss	379,727	31,878,486	372,488	30,332,628	7,239	1,545,857
Sales of capital assets:						
Net gain	873,506	204,327,707	868,751	203,597,415	4,755	730,293
Net loss	1,701,620	4,491,210	1,688,035	4,451,775	13,585	39,435
Sales of property other than capital assets:						
Net gain	133,294	6,858,431	131,396	6,778,395	1,898	80,035
Net loss	249,505	4,219,381	246,402	4,084,329	3,103	135,051
Taxable interest received	3,668,387	64,854,799	3,649,228	63,606,405	19,158	1,248,394
Tax-exempt interest	1,309,361	47,195,417	1,292,081	42,632,756	17,280	4,562,661
Dividends	2,923,522	89,396,415	2,905,470	87,785,849	18,053	1,610,566
Qualified dividends	2,721,308	72,760,887	2,704,043	71,533,665	17,265	1,227,223
Pensions and annuities in adjusted gross income	832,163	40,824,535	826,903	40,651,481	5,260	173,054
Rent:						
Net income	419,640	21,658,958	417,377	21,559,830	2,262	99,128
Net loss, total (deductible and nondeductible)	532,533	11,636,630	529,862	11,466,642	2,671	169,989
Nondeductible rental loss	418,613	8,203,483	417,041	8,107,577	1,572	95,906
Royalty:						
Net income	264,871	8,657,938	260,553	8,596,804	4,318	61,134
Net loss	12,483	94,681	12,307	91,423	176	3,258
Estate or trust:						
Net income	98,957	13,957,495	97,419	13,904,748	1,538	52,747
Net loss	11,362	1,204,375	10,897	1,124,417	465	79,957
State income tax refunds	1,419,916	9,214,356	1,414,345	9,096,661	5,571	117,695
Alimony received	7,141	1,039,616	7,112	1,037,036	29	2,580
Social Security benefits in adjusted gross income	629,548	14,393,855	618,924	14,156,188	10,624	237,666
Social Security benefits (nontaxable)	629,618	2,554,892	618,989	2,511,950	10,629	42,942
Unemployment compensation	127,037	1,099,688	126,909	1,097,978	128	1,710
Other income	573,716	15,536,081	569,184	15,457,402	4,532	78,678
Other loss	55,668	1,912,623	55,315	1,892,331	353	20,292
Foreign-earned income exclusion	66,887	6,157,386	66,672	6,122,317	215	35,070
Total income	3,975,280	1,996,836,416	3,955,737	1,993,314,409	19,543	3,522,006
Statutory adjustments, total	1,674,843	34,335,399	1,669,060	34,255,391	5,783	80,008
Payments to Individual Retirement Arrangements	109,795	976,741	109,368	973,094	428	3,648
Payments to self-employed retirement (Keogh) plans	365,628	12,055,186	365,235	12,039,940	393	15,247
Moving expenses adjustment	36,159	198,625	36,144	198,518	15	107
Adjusted gross income	3,975,280	1,962,501,016	3,955,737	1,959,059,018	19,543	3,441,998

Footnotes at end of table.

High-Income Tax Returns for 2009

Statistics of Income Bulletin | Spring 2012

Table 6. Returns With and Without Worldwide Income Tax and With Income of \$200,000 or More Under Alternative Concepts: Income, Deductions, Credits, and Tax, by Tax Status, Tax Year 2009—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Income concept, item	Returns with income of \$200,000 or more					
	Total		Returns with worldwide income tax		Returns without worldwide income tax	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(1)	(2)	(3)	(4)	(5)	(6)
Expanded Income Concept—Continued						
Investment interest expense deduction	578,108	9,904,800	571,994	9,534,639	6,114	370,161
Total tax preferences excluded from adjusted gross income [2]	1,316,878	48,127,794	1,299,582	43,561,117	17,296	4,566,676
Total alternative minimum tax preference items (excluding tax-exempt)	20,861	941,034	20,494	935,072	366	5,962
Passive activity loss (alternative minimum tax adjustment)	499,414	620,136	495,522	617,181	3,892	2,955
Expanded income	3,975,288	1,999,125,680	3,955,737	1,991,551,767	19,551	7,573,913
Exemption amount	3,973,676	36,134,520	3,954,157	35,979,544	19,519	154,976
Itemized deductions:						
Total per adjusted gross income concept	3,781,065	298,190,620	3,762,650	294,013,359	18,415	4,177,261
Total per expanded income concept	3,781,014	292,206,514	3,762,599	288,508,289	18,415	3,698,225
Charitable contributions deduction	3,546,466	59,664,618	3,529,515	58,841,357	16,950	823,260
Interest paid deduction:						
Total per adjusted gross income concept	3,166,669	76,313,456	3,155,932	75,670,333	10,738	643,123
Total per expanded income concept	3,024,559	66,408,656	3,016,634	66,135,694	7,924	272,961
Total home mortgage interest	3,018,410	66,178,159	3,010,523	65,906,295	7,887	271,864
Medical and dental expense deduction	116,381	3,147,794	106,954	2,553,380	9,427	594,414
Net casualty or theft loss deduction	9,010	504,632	8,454	268,365	556	236,267
Taxes paid deduction	3,776,394	151,724,763	3,758,049	150,715,135	18,345	1,009,629
Net limited miscellaneous deductions per adjusted gross income concept	527,370	13,300,946	514,726	12,534,975	12,644	765,971
Non-limited miscellaneous deductions	200,116	5,666,104	197,053	5,547,020	3,063	119,085
Excess of exemptions and deductions over adjusted gross income	18,177	3,732,135	6,699	2,276,389	11,478	1,455,746
Taxable income	3,957,109	1,629,653,481	3,949,040	1,629,103,162	8,069	550,319
Tax at regular rates	3,948,433	429,710,802	3,946,362	429,638,332	2,071	72,470
Alternative minimum tax (Form 6251)	2,723,374	20,298,861	2,721,927	20,284,358	1,447	14,502
Income tax before credits	3,958,343	450,010,989	3,955,718	449,924,016	2,625	86,973
Tax credits:						
Total	2,089,167	15,428,971	2,086,541	15,341,998	2,625	86,973
Child care credit	311,688	165,020	311,654	164,997	34	23
Minimum tax credit	90,877	491,147	90,205	480,736	672	10,410
Foreign tax credit	0	0	0	0	0	0
General business credit	110,292	1,258,664	109,757	1,246,414	535	12,250
Refundable prior-year minimum tax credit used to offset income	145,635	789,408	144,190	733,595	1,445	55,814
All other refundable credits used to offset income tax before credits	41,759	69,233	41,700	69,226	* 59	* 7
Worldwide total income tax	3,955,737	447,759,731	3,955,737	447,759,731	0	0
Foreign taxes paid	1,427,416	13,177,320	1,427,416	13,177,320	0	0
Foreign taxes paid on excluded foreign-earned income (Form 1116)	44,901	1,295,473	44,901	1,295,473	0	0
Taxable income which would yield:						
Income tax before credits	3,958,343	1,573,736,768	3,955,718	1,573,361,407	2,625	375,361
Income tax after credits	3,955,737	1,566,518,242	3,955,737	1,566,518,242	0	0
Worldwide total income tax	3,955,737	1,566,519,365	3,955,737	1,566,519,365	0	0
Reconciliation of adjusted gross income and expanded income:						
Adjusted gross income	3,975,280	1,962,501,016	3,955,737	1,959,059,018	19,543	3,441,998
plus: Total tax preferences excluded from adjusted gross income [2]	1,316,878	48,127,794	1,299,582	43,561,117	17,296	4,566,676
Social Security benefits (nontaxable)	629,618	2,554,892	618,989	2,511,950	10,629	42,942
Foreign-earned income exclusion	66,887	6,157,386	66,672	6,122,317	215	35,070
minus: Investment interest expense deduction	578,108	9,904,800	571,994	9,534,639	6,114	370,161
Non-limited miscellaneous deductions	200,116	5,666,104	197,053	5,547,020	3,063	119,085
Unreimbursed employee business expenses	706,413	4,581,037	705,424	4,576,424	989	4,613
Equals: Expanded income	3,975,288	1,999,125,680	3,955,737	1,991,551,767	19,551	7,573,913

* Estimate should be used with caution because of the small number of sample returns on which it is based.

[1] Section 179 of the Internal Revenue Code permits certain taxpayers to elect to deduct all or part of the cost of certain qualifying property in the year they place it in service, instead of taking depreciation deductions over a specified recovery period.

[2] Includes tax-exempt interest and tax preference items subject to alternative minimum tax.

NOTES: Detail may not add to totals because of rounding. Starting in 2009, the portion of refundable credits that offset income taxes before credits were factored in to determine tax liability. As a result, data may not be comparable to Tax Years 2007 and 2008 published tables.

High-Income Tax Returns for 2009

Statistics of Income Bulletin | Spring 2012

Table 7. Returns With and Without U.S. Income Tax and With Income of \$200,000 or More Under Alternative Concepts: Number of Returns and Percentages Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2009

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Total		Item with the largest tax effect					
			Interest paid deduction		Investment interest expense deduction [1]		Taxes paid deduction	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
RETURNS WITH U.S. INCOME TAX								
Returns with adjusted gross income of \$200,000 or more								
Total	3,819,151	100.0	1,017,529	26.6	22,359	0.6	2,095,206	54.9
Interest paid deduction	1,361,689	35.7	0	0.0	4,784	21.4	1,224,619	58.4
Investment interest expense deduction [1]	34,605	0.9	4,546	0.4	0	0.0	22,926	1.1
Taxes paid deduction	1,305,218	34.2	925,063	90.9	10,299	46.1	0	0.0
Charitable contributions deduction	683,293	17.9	52,366	5.1	2,878	12.9	597,694	28.5
Medical and dental expense deduction	15,863	0.4	2,784	0.3	59	0.3	9,430	0.5
Net casualty or theft loss deduction	982	[2]	80	[2]	0	0.0	881	[2]
Total miscellaneous deductions	114,285	3.0	16,916	1.7	1,790	8.0	80,281	3.8
Foreign tax credit	55,003	1.4	546	0.1	422	1.9	37,714	1.8
General business credit	10,782	0.3	1,209	0.1	189	0.8	7,692	0.4
Refundable prior-year minimum tax credit used to offset income tax before credits	12,273	0.3	0	0.0	25	0.1	10,444	0.5
All other refundable tax credits used to offset income tax before credits	1,485	[2]	312	[2]	0	0.0	145	[2]
All other tax credits	55,082	1.4	4,749	0.5	79	0.4	39,951	1.9
Partnership and S Corporation net losses	51,786	1.4	7,644	0.8	1,165	5.2	29,968	1.4
Capital gains taxed at 0 percent	29,179	0.8	1,302	0.1	670	3.0	11,762	0.6
No second largest item	87,625	2.3	11	[2]	0	0.0	21,697	1.0
Returns with expanded income of \$200,000 or more								
Total	3,881,340	100.0	1,007,709	26.0	0	0.0	2,009,300	51.8
Interest paid deduction	1,318,269	34.0	0	0.0	0	0.0	1,198,161	59.6
Tax-exempt interest [3]	170,829	4.4	4,196	0.4	0	0.0	125,118	6.2
Taxes paid deduction	1,340,905	34.5	926,860	92.0	0	0.0	0	0.0
Charitable contributions deduction	588,478	15.2	54,606	5.4	0	0.0	491,470	24.5
Medical and dental expense deduction	18,091	0.5	3,085	0.3	0	0.0	7,415	0.4
Net casualty or theft loss deduction	1,081	[2]	80	[2]	0	0.0	836	[2]
Total miscellaneous deductions	40,918	1.1	1,393	0.1	0	0.0	19,082	0.9
Foreign tax credit	59,555	1.5	724	0.1	0	0.0	25,078	1.2
General business credit	10,494	0.3	1,272	0.1	0	0.0	7,000	0.3
Refundable prior-year minimum tax credit used to offset income tax before credits	11,141	0.3	39	[2]	0	0.0	8,927	0.4
All other refundable tax credits used to offset income tax before credits	2,035	0.1	312	[2]	0	0.0	145	[2]
All other tax credits	56,910	1.5	4,695	0.5	0	0.0	35,578	1.8
Partnership and S Corporation net losses	47,802	1.2	7,824	0.8	0	0.0	24,915	1.2
Foreign-earned income exclusion [3]	28,012	0.7	140	[2]	0	0.0	473	[2]
AMT tax preference [3]	2,130	0.1	609	0.1	0	0.0	609	[2]
Nontaxable Social Security benefits [3]	70,242	1.8	680	0.1	0	0.0	35,424	1.8
Capital gains taxed at 0 percent	36,903	1.0	1,183	0.1	0	0.0	9,747	0.5
No second largest item	77,544	2.0	11	[2]	0	0.0	19,324	1.0

Footnotes at end of table.

High-Income Tax Returns for 2009

Statistics of Income Bulletin | Spring 2012

Table 7. Returns With and Without U.S. Income Tax and With Income of \$200,000 or More Under Alternative Concepts: Number of Returns and Percentages Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2009—Continued

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Item with the largest tax effect—continued							
	Charitable contributions deduction		Medical and dental expense deduction		Net casualty or theft loss deduction		Total miscellaneous deductions	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
RETURNS WITH U.S. INCOME TAX								
Returns with adjusted gross income of \$200,000 or more								
Total	266,991	7.0	24,276	0.6	1,967	0.1	91,634	2.4
Interest paid deduction	51,258	19.2	3,275	13.5	** 1,235	** 62.8	21,841	23.8
Investment interest expense deduction [1]	2,438	0.9	55	0.2	**	**	1,539	1.7
Taxes paid deduction	189,703	71.1	14,555	60.0	535	27.2	52,886	57.7
Charitable contributions deduction	0	0.0	2,554	10.5	181	9.2	9,164	10.0
Medical and dental expense deduction	** 1,511	** 0.6	0	0.0	0	0.0	493	0.5
Net casualty or theft loss deduction	**	**	0	0.0	0	0.0	0	0.0
Total miscellaneous deductions	7,775	2.9	895	3.7	0	0.0	0	0.0
Foreign tax credit	1,392	0.5	342	1.4	8	0.4	1,230	1.3
General business credit	727	0.3	0	0.0	0	0.0	118	0.1
Refundable prior-year minimum tax credit used to offset income tax before credits	634	0.2	140	0.6	0	0.0	235	0.3
All other refundable tax credits used to offset income tax before credits	304	0.1	0	0.0	0	0.0	0	0.0
All other tax credits	2,156	0.8	300	1.2	8	0.4	72	0.1
Partnership and S Corporation net losses	3,465	1.3	343	1.4	0	0.0	2,408	2.6
Capital gains taxed at 0 percent	** 5,629	** 2.1	1,809	7.5	0	0.0	** 1,648	** 1.8
No second largest item	**	**	9	[2]	0	0.0	**	**
Returns with expanded income of \$200,000 or more								
Total	255,717	6.6	23,336	0.6	1,822	[2]	15,202	0.4
Interest paid deduction	52,580	20.6	3,264	14.0	** 1,235	** 67.8	1,674	11.0
Tax-exempt interest [3]	12,016	4.7	2,476	10.6	**	**	2,381	15.7
Taxes paid deduction	174,947	68.4	12,204	52.3	391	21.5	6,747	44.4
Charitable contributions deduction	0	0.0	1,840	7.9	180	9.9	2,368	15.6
Medical and dental expense deduction	** 1,130	** 0.4	0	0.0	0	0.0	64	0.4
Net casualty or theft loss deduction	**	**	0	0.0	0	0.0	0	0.0
Total miscellaneous deductions	2,815	1.1	404	1.7	0	0.0	0	0.0
Foreign tax credit	645	0.3	3	[2]	8	0.4	583	3.8
General business credit	685	0.3	0	0.0	0	0.0	47	0.3
Refundable prior-year minimum tax credit used to offset income tax before credits	247	0.1	0	0.0	0	0.0	29	0.2
All other refundable tax credits used to offset income tax before credits	304	0.1	0	0.0	0	0.0	0	0.0
All other tax credits	2,040	0.8	300	1.3	8	0.4	60	0.4
Partnership and S Corporation net losses	2,866	1.1	339	1.5	0	0.0	912	6.0
Foreign-earned income exclusion [3]	63	[2]	0	0.0	0	0.0	15	0.1
AMT tax preference [3]	64	[2]	0	0.0	0	0.0	**	**
Nontaxable Social Security benefits [3]	1,285	0.5	452	1.9	0	0.0	** 33	** 0.2
Capital gains taxed at 0 percent	** 4,031	** 1.6	2,046	8.8	0	0.0	** 287	** 1.9
No second largest item	**	**	9	[2]	0	0.0	**	**

Footnotes at end of table.

High-Income Tax Returns for 2009

Statistics of Income Bulletin | Spring 2012

Table 7. Returns With and Without U.S. Income Tax and With Income of \$200,000 or More Under Alternative Concepts: Number of Returns and Percentages Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2009—Continued

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Item with the largest tax effect—continued							
	Foreign tax credit		General business credit		Refundable prior-year minimum tax credit used to offset income tax before credits		All other refundable tax credits used to offset income tax before credits	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
RETURNS WITH U.S. INCOME TAX								
Returns with adjusted gross income of \$200,000 or more								
Total	94,853	2.5	14,672	0.4	11,443	0.3	8,222	0.2
Interest paid deduction	16,078	17.0	2,829	19.3	** 1,652	** 14.4	1,787	21.7
Investment interest expense deduction [1]	632	0.7	290	2.0	**	**	0	0.0
Taxes paid deduction	27,368	28.9	7,588	51.7	8,306	72.6	4,045	49.2
Charitable contributions deduction	2,601	2.7	1,092	7.4	320	2.8	145	1.8
Medical and dental expense deduction	279	0.3	0	0.0	8	0.1	0	0.0
Net casualty or theft loss deduction	0	0.0	0	0.0	0	0.0	0	0.0
Total miscellaneous deductions	1,986	2.1	85	0.6	207	1.8	0	0.0
Foreign tax credit	0	0.0	534	3.6	212	1.8	301	3.7
General business credit	195	0.2	0	0.0	8	0.1	0	0.0
Refundable prior-year minimum tax credit used to offset income tax before credits	330	0.3	8	0.1	0	0.0	0	0.0
All other refundable tax credits used to offset income tax before credits	0	0.0	0	0.0	0	0.0	0	0.0
All other tax credits	2,659	2.8	1,090	7.4	259	2.3	602	7.3
Partnership and S Corporation net losses	2,698	2.8	102	0.7	19	0.2	0	0.0
Capital gains taxed at 0 percent	365	0.4	**	**	**	**	0	0.0
No second largest item	39,662	41.8	** 1,055	** 7.2	** 453	** 4.0	1,342	16.3
Returns with expanded income of \$200,000 or more								
Total	79,677	2.1	14,581	0.4	10,977	0.3	8,074	0.2
Interest paid deduction	9,520	11.9	2,888	19.8	1,467	13.4	1,787	22.1
Tax-exempt interest [3]	3,208	4.0	636	4.4	632	5.8	446	5.5
Taxes paid deduction	20,395	25.6	7,489	51.4	7,141	65.1	3,906	48.4
Charitable contributions deduction	1,239	1.6	1,003	6.9	277	2.5	0	0.0
Medical and dental expense deduction	0	0.0	0	0.0	8	0.1	0	0.0
Net casualty or theft loss deduction	0	0.0	0	0.0	0	0.0	0	0.0
Total miscellaneous deductions	710	0.9	43	0.3	113	1.0	0	0.0
Foreign tax credit	0	0.0	458	3.1	143	1.3	0	0.0
General business credit	66	0.1	0	0.0	14	0.1	0	0.0
Refundable prior-year minimum tax credit used to offset income tax before credits	161	0.2	7	[2]	0	0.0	0	0.0
All other refundable tax credits used to offset income tax before credits	0	0.0	0	0.0	0	0.0	0	0.0
All other tax credits	875	1.1	1,038	7.1	261	2.4	301	3.7
Partnership and S Corporation net losses	1,517	1.9	93	0.6	21	0.2	0	0.0
Foreign-earned income exclusion [3]	27,254	34.2	0	0.0	0	0.0	0	0.0
AMT tax preference [3]	192	0.2	**	**	302	2.8	0	0.0
Nontaxable Social Security benefits [3]	438	0.5	** 382	** 2.6	452	4.1	600	7.4
Capital gains taxed at 0 percent	165	0.2	**	**	**	**	0	0.0
No second largest item	13,939	17.5	** 542	** 3.7	** 148	** 1.3	1,035	12.8

Footnotes at end of table.

High-Income Tax Returns for 2009

Statistics of Income Bulletin | Spring 2012

Table 7. Returns With and Without U.S. Income Tax and With Income of \$200,000 or More Under Alternative Concepts: Number of Returns and Percentages Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2009—Continued

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Item with the largest tax effect—continued							
	All other tax credits		Partnership and S Corporation net losses		Capital gains taxed at 0 percent		Foreign-earned income exclusion [3]	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)
RETURNS WITH U.S. INCOME TAX								
Returns with adjusted gross income of \$200,000 or more								
Total	40,150	1.1	82,023	2.1	47,826	1.3	0	0.0
Interest paid deduction	7,513	18.7	17,780	21.7	7,056	14.8	0	0.0
Investment interest expense deduction [1]	105	0.3	1,887	2.3	169	0.4	0	0.0
Taxes paid deduction	12,240	30.5	36,632	44.7	15,998	33.5	0	0.0
Charitable contributions deduction	1,294	3.2	7,467	9.1	5,538	11.6	0	0.0
Medical and dental expense deduction	40	0.1	** 349	** 0.4	931	1.9	0	0.0
Net casualty or theft loss deduction	0	0.0	**	**	0	0.0	0	0.0
Total miscellaneous deductions	325	0.8	2,384	2.9	1,640	3.4	0	0.0
Foreign tax credit	5,638	14.0	2,958	3.6	3,705	7.7	0	0.0
General business credit	46	0.1	421	0.5	179	0.4	0	0.0
Refundable prior-year minimum tax credit used to offset income tax before credits	235	0.6	194	0.2	29	0.1	0	0.0
All other refundable tax credits used to offset income tax before credits	580	1.4	145	0.2	0	0.0	0	0.0
All other tax credits	0	0.0	1,886	2.3	1,271	2.7	0	0.0
Partnership and S Corporation net losses	570	1.4	0	0.0	3,404	7.1	0	0.0
Capital gains taxed at 0 percent	57	0.1	5,938	7.2	0	0.0	0	0.0
No second largest item	11,507	28.7	3,983	4.9	7,905	16.5	0	0.0
Returns with expanded income of \$200,000 or more								
Total	35,780	0.9	79,631	2.1	46,626	1.2	27,845	0.7
Interest paid deduction	** 9,300	** 26.0	17,322	21.8	6,402	13.7	4,888	17.6
Tax-exempt interest [3]	**	**	4,995	6.3	6,603	14.2	1,319	4.7
Taxes paid deduction	10,010	28.0	34,927	43.9	11,580	24.8	3,584	12.9
Charitable contributions deduction	1,380	3.9	7,463	9.4	4,360	9.4	983	3.5
Medical and dental expense deduction	** 46	** 0.1	** 175	** 0.2	931	2.0	0	0.0
Net casualty or theft loss deduction	0	0.0	**	**	0	0.0	0	0.0
Total miscellaneous deductions	**	**	1,277	1.6	1,007	2.2	144	0.5
Foreign tax credit	2,155	6.0	1,550	1.9	1,812	3.9	12,385	44.5
General business credit	44	0.1	698	0.9	179	0.4	0	0.0
Refundable prior-year minimum tax credit used to offset income tax before credits	238	0.7	222	0.3	45	0.1	0	0.0
All other refundable tax credits used to offset income tax before credits	580	1.6	145	0.2	0	0.0	0	0.0
All other tax credits	0	0.0	1,863	2.3	1,429	3.1	740	2.7
Partnership and S Corporation net losses	405	1.1	0	0.0	3,232	6.9	12	[2]
Foreign-earned income exclusion [3]	40	0.1	18	[2]	0	0.0	0	0.0
AMT tax preference [3]	6	[2]	187	0.2	3	[2]	0	0.0
Nontaxable Social Security benefits [3]	2,150	6.0	1,205	1.5	7,496	16.1	0	0.0
Capital gains taxed at 0 percent	58	0.2	5,667	7.1	0	0.0	745	2.7
No second largest item	9,368	26.2	1,916	2.4	1,549	3.3	3,045	10.9

Footnotes at end of table.

High-Income Tax Returns for 2009

Statistics of Income Bulletin | Spring 2012

Table 7. Returns With and Without U.S. Income Tax and With Income of \$200,000 or More Under Alternative Concepts: Number of Returns and Percentages Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2009—Continued

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Item with the largest tax effect—continued					
	Tax-exempt interest [3]		AMT tax preference [3]		Nontaxable Social Security benefits [3]	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(33)	(34)	(35)	(36)	(37)	(38)
RETURNS WITH U.S. INCOME TAX						
Returns with adjusted gross income of \$200,000 or more						
Total	0	0.0	0	0.0	0	0.0
Interest paid deduction	0	0.0	0	0.0	0	0.0
Investment interest expense deduction [1]	0	0.0	0	0.0	0	0.0
Taxes paid deduction	0	0.0	0	0.0	0	0.0
Charitable contributions deduction	0	0.0	0	0.0	0	0.0
Medical and dental expense deduction	0	0.0	0	0.0	0	0.0
Net casualty or theft loss deduction	0	0.0	0	0.0	0	0.0
Total miscellaneous deductions	0	0.0	0	0.0	0	0.0
Foreign tax credit	0	0.0	0	0.0	0	0.0
General business credit	0	0.0	0	0.0	0	0.0
Refundable prior-year minimum tax credit used to offset income tax before credits	0	0.0	0	0.0	0	0.0
All other refundable tax credits used to offset income tax before credits	0	0.0	0	0.0	0	0.0
All other tax credits	0	0.0	0	0.0	0	0.0
Partnership and S Corporation net losses	0	0.0	0	0.0	0	0.0
Capital gains taxed at 0 percent	0	0.0	0	0.0	0	0.0
No second largest item	0	0.0	0	0.0	0	0.0
Returns with expanded income of \$200,000 or more						
Total	219,190	5.6	2,483	0.1	43,389	1.1
Interest paid deduction	6,543	3.0	447	18.0	2,228	5.1
Tax-exempt interest [3]	0	0.0	102	4.1	5,264	12.1
Taxes paid deduction	111,238	50.7	1,430	57.6	8,057	18.6
Charitable contributions deduction	21,145	9.6	156	6.3	8	[2]
Medical and dental expense deduction	5,262	2.4	** 3	** 0.1	0	0.0
Net casualty or theft loss deduction	145	0.1	0	0.0	0	0.0
Total miscellaneous deductions	13,922	6.4	**	**	0	0.0
Foreign tax credit	11,191	5.1	43	1.7	2,778	6.4
General business credit	344	0.2	5	0.2	139	0.3
Refundable prior-year minimum tax credit used to offset income tax before credits	1,029	0.5	156	6.3	40	0.1
All other refundable tax credits used to offset income tax before credits	542	0.2	0	0.0	8	[2]
All other tax credits	4,707	2.1	24	0.9	2,993	6.9
Partnership and S Corporation net losses	4,465	2.0	67	2.7	1,134	2.6
Foreign-earned income exclusion [3]	10	[2]	0	0.0	0	0.0
AMT tax preference [3]	9	[2]	0	0.0	145	0.3
Nontaxable Social Security benefits [3]	19,610	8.9	39	1.6	0	0.0
Capital gains taxed at 0 percent	12,663	5.8	8	0.3	307	0.7
No second largest item	6,366	2.9	3	0.1	20,287	46.8

Footnotes at end of table.

High-Income Tax Returns for 2009

Statistics of Income Bulletin | Spring 2012

Table 7. Returns With and Without U.S. Income Tax and With Income of \$200,000 or More Under Alternative Concepts: Number of Returns and Percentages Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2009—Continued

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Total		Item with the largest tax effect					
			Interest paid deduction		Investment interest expense deduction [1]		Taxes paid deduction	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
RETURNS WITHOUT U.S. INCOME TAX								
Returns with adjusted gross income of \$200,000 or more								
Total	20,744	100.0	308	1.5	1,044	5.0	652	3.1
Interest paid deduction	3,600	17.4	0	0.0	176	16.8	70	10.7
Investment interest expense deduction [1]	893	4.3	28	9.1	0	0.0	65	10.0
Taxes paid deduction	5,858	28.2	93	30.2	193	18.5	0	0.0
Charitable contributions deduction	2,106	10.2	49	15.9	175	16.8	128	19.6
Medical and dental expense deduction	291	1.4	10	3.2	49	4.7	17	2.6
Net casualty or theft loss deduction	22	0.1	**	**	**	**	**	**
Total miscellaneous deductions	1,202	5.8	** 34	** 11.0	** 107	** 10.2	** 80	** 12.3
Foreign tax credit	183	0.9	12	3.9	11	1.1	16	2.5
General business credit	110	0.5	9	2.9	** 14	** 1.3	6	0.9
Refundable prior-year minimum tax credit used to offset income tax before credits	738	3.6	0	0.0	**	**	149	22.8
All other refundable tax credits used to offset income tax before credits	0	0.0	0	0.0	0	0.0	0	0.0
All other tax credits	374	1.8	10	3.2	3	0.3	15	2.3
Partnership and S Corporation net losses	1,281	6.2	21	6.8	239	22.9	47	7.2
Capital gains taxed at 0 percent	1,161	5.6	** 42	** 13.6	** 77	** 7.4	60	9.1
No second largest item	2,925	14.1	**	**	**	**	0	0.0
Returns with expanded income of \$200,000 or more								
Total	35,059	100.0	334	1.0	0	0.0	889	2.5
Interest paid deduction	2,484	7.1	0	0.0	0	0.0	65	7.3
Tax-exempt interest [3]	3,242	9.2	54	16.2	0	0.0	264	29.6
Taxes paid deduction	7,101	20.3	99	29.6	0	0.0	0	0.0
Charitable contributions deduction	3,102	8.8	42	12.6	0	0.0	122	13.7
Medical and dental expense deduction	2,036	5.8	** 12	** 3.6	0	0.0	** 23	** 2.6
Net casualty or theft loss deduction	30	0.1	**	**	0	0.0	**	**
Total miscellaneous deductions	2,211	6.3	31	9.3	0	0.0	79	8.9
Foreign tax credit	1,530	4.4	12	3.6	0	0.0	16	1.8
General business credit	99	0.3	7	2.1	0	0.0	7	0.8
Refundable prior-year minimum tax credit used to offset income tax before credits	826	2.4	0	0.0	0	0.0	152	17.1
All other refundable tax credits used to offset income tax before credits	0	0.0	0	0.0	0	0.0	0	0.0
All other tax credits	373	1.1	13	3.9	0	0.0	15	1.7
Partnership and S Corporation net losses	1,882	5.4	21	6.3	0	0.0	70	7.9
Foreign-earned income exclusion [3]	6,280	17.9	6	1.8	0	0.0	5	0.6
AMT tax preference [3]	23	0.1	**	**	0	0.0	0	0.0
Nontaxable Social Security benefits [3]	433	1.2	** 5	** 1.5	0	0.0	**	**
Capital gains taxed at 0 percent	2,066	5.9	** 32	** 9.6	0	0.0	** 72	** 8.1
No second largest item	1,340	3.8	**	**	0	0.0	0	0.0

Footnotes at end of table.

High-Income Tax Returns for 2009

Statistics of Income Bulletin | Spring 2012

Table 7. Returns With and Without U.S. Income Tax and With Income of \$200,000 or More Under Alternative Concepts: Number of Returns and Percentages Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2009—Continued

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Item with the largest tax effect—continued							
	Charitable contributions deduction		Medical and dental expense deduction		Net casualty or theft loss deduction		Total miscellaneous deductions	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
RETURNS WITHOUT U.S. INCOME TAX								
Returns with adjusted gross income of \$200,000 or more								
Total	1,458	7.0	1,113	5.4	390	1.9	3,344	16.1
Interest paid deduction	184	12.6	77	6.9	146	37.4	767	22.9
Investment interest expense deduction [1]	142	9.7	26	2.3	5	1.3	131	3.9
Taxes paid deduction	299	20.5	330	29.6	134	34.4	1,293	38.7
Charitable contributions deduction	0	0.0	238	21.4	34	8.7	404	12.1
Medical and dental expense deduction	108	7.4	0	0.0	13	3.3	54	1.6
Net casualty or theft loss deduction	3	0.2	**	**	0	0.0	9	0.3
Total miscellaneous deductions	264	18.1	** 280	** 25.2	** 28	** 7.2	0	0.0
Foreign tax credit	46	3.2	3	0.3	**	**	12	0.4
General business credit	28	1.9	0	0.0	0	0.0	9	0.3
Refundable prior-year minimum tax credit used to offset income tax before credits	34	2.3	0	0.0	0	0.0	11	0.3
All other refundable tax credits used to offset income tax before credits	0	0.0	0	0.0	0	0.0	0	0.0
All other tax credits	18	1.2	3	0.3	**	**	17	0.5
Partnership and S Corporation net losses	83	5.7	23	2.1	23	5.9	506	15.1
Capital gains taxed at 0 percent	** 249	** 17.1	128	11.5	** 7	** 1.8	60	1.8
No second largest item	**	**	5	0.4	**	**	71	2.1
Returns with expanded income of \$200,000 or more								
Total	1,481	4.2	1,819	5.2	403	1.1	508	1.4
Interest paid deduction	164	11.1	71	3.9	144	35.7	38	7.5
Tax-exempt interest [3]	276	18.6	858	47.2	26	6.5	143	28.2
Taxes paid deduction	274	18.5	244	13.4	126	31.3	80	15.8
Charitable contributions deduction	0	0.0	213	11.7	34	8.4	137	26.9
Medical and dental expense deduction	87	5.9	0	0.0	15	3.7	** 24	** 4.7
Net casualty or theft loss deduction	3	0.2	3	0.2	0	0.0	**	**
Total miscellaneous deductions	167	11.3	203	11.2	** 21	** 5.2	0	0.0
Foreign tax credit	44	3.0	3	0.2	**	**	**	**
General business credit	29	2.0	0	0.0	0	0.0	0	0.0
Refundable prior-year minimum tax credit used to offset income tax before credits	68	4.6	0	0.0	0	0.0	6	1.2
All other refundable tax credits used to offset income tax before credits	0	0.0	0	0.0	0	0.0	0	0.0
All other tax credits	18	1.2	3	0.2	**	**	4	0.8
Partnership and S Corporation net losses	76	5.1	23	1.3	** 25	** 6.2	57	11.2
Foreign-earned income exclusion [3]	6	0.4	4	0.2	**	**	3	0.6
AMT tax preference [3]	0	0.0	**	**	0	0.0	0	0.0
Nontaxable Social Security benefits [3]	37	2.5	** 55	** 3.0	** 8	** 2.0	3	0.6
Capital gains taxed at 0 percent	229	15.5	** 139	** 7.6	** 4	** 1.0	13	2.6
No second largest item	3	0.2	**	**	**	**	0	0.0

Footnotes at end of table.

High-Income Tax Returns for 2009

Statistics of Income Bulletin | Spring 2012

Table 7. Returns With and Without U.S. Income Tax and With Income of \$200,000 or More Under Alternative Concepts: Number of Returns and Percentages Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2009—Continued

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Item with the largest tax effect—continued							
	Foreign tax credit		General business credit		Refundable prior-year minimum tax credit used to offset income tax before credits		All other refundable tax credits used to offset income tax before credits	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
RETURNS WITHOUT U.S. INCOME TAX								
Returns with adjusted gross income of \$200,000 or more								
Total	7,244	34.9	203	1.0	3,228	15.6	0	0.0
Interest paid deduction	1,746	24.1	51	25.2	184	5.7	0	0.0
Investment interest expense deduction [1]	126	1.7	3	1.5	46	1.4	0	0.0
Taxes paid deduction	727	10.0	24	11.9	2,418	74.9	0	0.0
Charitable contributions deduction	521	7.2	11	5.4	217	6.7	0	0.0
Medical and dental expense deduction	16	0.2	0	0.0	0	0.0	0	0.0
Net casualty or theft loss deduction	**	**	0	0.0	0	0.0	0	0.0
Total miscellaneous deductions	** 164	** 2.3	** 7	** 3.4	28	0.9	0	0.0
Foreign tax credit	0	0.0	**	**	3	0.1	0	0.0
General business credit	7	0.1	0	0.0	8	0.3	0	0.0
Refundable prior-year minimum tax credit used to offset income tax before credits	438	6.0	43	21.0	0	0.0	0	0.0
All other refundable tax credits used to offset income tax before credits	0	0.0	0	0.0	0	0.0	0	0.0
All other tax credits	121	1.7	5	2.5	149	4.6	0	0.0
Partnership and S Corporation net losses	281	3.9	7	3.4	24	0.7	0	0.0
Capital gains taxed at 0 percent	264	3.6	53	25.8	151	4.7	0	0.0
No second largest item	2,833	39.1	0	0.0	0	0.0	0	0.0
Returns with expanded income of \$200,000 or more								
Total	9,882	28.2	197	0.6	3,012	8.6	0	0.0
Interest paid deduction	746	7.6	47	23.9	184	6.1	0	0.0
Tax-exempt interest [3]	429	4.3	4	2.0	604	20.1	0	0.0
Taxes paid deduction	499	5.1	26	13.2	1,951	64.8	0	0.0
Charitable contributions deduction	282	2.9	8	4.1	76	2.5	0	0.0
Medical and dental expense deduction	12	0.1	0	0.0	0	0.0	0	0.0
Net casualty or theft loss deduction	0	0.0	0	0.0	0	0.0	0	0.0
Total miscellaneous deductions	42	0.4	** 5	** 2.5	25	0.8	0	0.0
Foreign tax credit	0	0.0	**	**	3	0.1	0	0.0
General business credit	4	[2]	0	0.0	0	0.0	0	0.0
Refundable prior-year minimum tax credit used to offset income tax before credits	50	0.5	43	21.6	0	0.0	0	0.0
All other refundable tax credits used to offset income tax before credits	0	0.0	0	0.0	0	0.0	0	0.0
All other tax credits	52	0.5	4	2.0	149	4.9	0	0.0
Partnership and S Corporation net losses	181	1.8	8	4.1	9	0.3	0	0.0
Foreign-earned income exclusion [3]	6,243	63.2	0	0.0	0	0.0	0	0.0
AMT tax preference [3]	3	[2]	0	0.0	8	0.3	0	0.0
Nontaxable Social Security benefits [3]	49	0.5	0	0.0	0	0.0	0	0.0
Capital gains taxed at 0 percent	216	2.2	53	26.6	3	0.1	0	0.0
No second largest item	1,072	10.9	0	0.0	0	0.0	0	0.0

Footnotes at end of table.

High-Income Tax Returns for 2009

Statistics of Income Bulletin | Spring 2012

Table 7. Returns With and Without U.S. Income Tax and With Income of \$200,000 or More Under Alternative Concepts: Number of Returns and Percentages Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2009—Continued

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Item with the largest tax effect—continued							
	All other tax credits		Partnership and S Corporation net losses		Capital gains taxed at 0 percent		Foreign-earned income exclusion [3]	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)
RETURNS WITHOUT U.S. INCOME TAX								
Returns with adjusted gross income of \$200,000 or more								
Total	348	1.7	1,271	6.1	141	0.7	0	0.0
Interest paid deduction	110	31.6	54	4.3	35	24.8	0	0.0
Investment interest expense deduction [1]	5	1.4	302	23.8	14	9.9	0	0.0
Taxes paid deduction	114	32.8	218	17.2	15	10.6	0	0.0
Charitable contributions deduction	31	8.9	269	21.1	29	20.6	0	0.0
Medical and dental expense deduction	3	0.9	13	1.0	8	5.7	0	0.0
Net casualty or theft loss deduction	0	0.0	**	**	**	**	0	0.0
Total miscellaneous deductions	** 9	** 2.6	** 207	** 16.3	** 9	** 6.4	0	0.0
Foreign tax credit	**	**	69	5.4	6	4.3	0	0.0
General business credit	** 5	** 1.4	22	1.7	9	6.4	0	0.0
Refundable prior-year minimum tax credit used to offset income tax before credits	**	**	57	4.5	0	0.0	0	0.0
All other refundable tax credits used to offset income tax before credits	0	0.0	0	0.0	0	0.0	0	0.0
All other tax credits	0	0.0	22	1.7	** 11	** 7.8	0	0.0
Partnership and S Corporation net losses	22	6.3	0	0.0	5	3.5	0	0.0
Capital gains taxed at 0 percent	41	11.8	38	3.0	0	0.0	0	0.0
No second largest item	8	2.3	0	0.0	**	**	0	0.0
Returns with expanded income of \$200,000 or more								
Total	330	0.9	1,337	3.8	219	0.6	1,614	4.6
Interest paid deduction	101	30.6	50	3.7	33	15.1	100	6.2
Tax-exempt interest [3]	13	3.9	501	37.5	60	27.4	10	0.6
Taxes paid deduction	107	32.4	170	12.7	**	**	51	3.2
Charitable contributions deduction	30	9.1	246	18.4	** 57	** 26.0	16	1.0
Medical and dental expense deduction	** 6	** 1.8	** 16	** 1.2	** 19	** 8.7	14	0.9
Net casualty or theft loss deduction	0	0.0	**	**	**	**	0	0.0
Total miscellaneous deductions	**	**	121	9.0	15	6.8	4	0.2
Foreign tax credit	**	**	74	5.5	6	2.7	1,341	83.1
General business credit	4	1.2	25	1.9	7	3.2	0	0.0
Refundable prior-year minimum tax credit used to offset income tax before credits	0	0.0	53	3.9	0	0.0	0	0.0
All other refundable tax credits used to offset income tax before credits	0	0.0	0	0.0	0	0.0	0	0.0
All other tax credits	0	0.0	23	1.7	9	4.1	6	0.4
Partnership and S Corporation net losses	21	6.4	0	0.0	7	3.2	7	0.4
Foreign-earned income exclusion [3]	0	0.0	**	**	0	0.0	0	0.0
AMT tax preference [3]	**	**	3	0.2	0	0.0	**	**
Nontaxable Social Security benefits [3]	** 4	** 1.2	** 7	** 0.5	** 6	** 2.7	**	**
Capital gains taxed at 0 percent	37	11.2	49	3.7	0	0.0	** 16	** 1.0
No second largest item	7	2.1	0	0.0	**	**	49	3.0

Footnotes at end of table.

High-Income Tax Returns for 2009

Statistics of Income Bulletin | Spring 2012

Table 7. Returns With and Without U.S. Income Tax and With Income of \$200,000 or More Under Alternative Concepts: Number of Returns and Percentages Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2009—Continued

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Item with the largest tax effect—continued					
	Tax-exempt interest [3]		AMT tax preference [3]		Nontaxable Social Security benefits [3]	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(33)	(34)	(35)	(36)	(37)	(38)
RETURNS WITHOUT U.S. INCOME TAX						
Returns with adjusted gross income of \$200,000 or more						
Total	0	0.0	0	0.0	0	0.0
Interest paid deduction	0	0.0	0	0.0	0	0.0
Investment interest expense deduction [1]	0	0.0	0	0.0	0	0.0
Taxes paid deduction	0	0.0	0	0.0	0	0.0
Charitable contributions deduction	0	0.0	0	0.0	0	0.0
Medical and dental expense deduction	0	0.0	0	0.0	0	0.0
Net casualty or theft loss deduction	0	0.0	0	0.0	0	0.0
Total miscellaneous deductions	0	0.0	0	0.0	0	0.0
Foreign tax credit	0	0.0	0	0.0	0	0.0
General business credit	0	0.0	0	0.0	0	0.0
Refundable prior-year minimum tax credit used to offset income tax before credits	0	0.0	0	0.0	0	0.0
All other refundable tax credits used to offset income tax before credits	0	0.0	0	0.0	0	0.0
All other tax credits	0	0.0	0	0.0	0	0.0
Partnership and S Corporation net losses	0	0.0	0	0.0	0	0.0
Capital gains taxed at 0 percent	0	0.0	0	0.0	0	0.0
No second largest item	0	0.0	0	0.0	0	0.0
Returns with expanded income of \$200,000 or more						
Total	** 13,011	** 37.1	**	**	23	0.1
Interest paid deduction	** 736	** 5.7	**	**	5	21.7
Tax-exempt interest [3]	** 0	** 0.0	**	**	0	0.0
Taxes paid deduction	** 3,456	** 26.6	**	**	**	**
Charitable contributions deduction	** 1,855	** 14.3	**	**	** 3	** 13.0
Medical and dental expense deduction	** 1,816	** 14.0	**	**	** 6	** 26.1
Net casualty or theft loss deduction	** 17	** 0.1	**	**	0	0.0
Total miscellaneous deductions	** 1,497	** 11.5	**	**	**	**
Foreign tax credit	** 25	** 0.2	**	**	0	0.0
General business credit	** 16	** 0.1	**	**	0	0.0
Refundable prior-year minimum tax credit used to offset income tax before credits	** 455	** 3.5	**	**	0	0.0
All other refundable tax credits used to offset income tax before credits	** 0	** 0.0	**	**	0	0.0
All other tax credits	** 75	** 0.6	**	**	0	0.0
Partnership and S Corporation net losses	** 1,376	** 10.6	**	**	**	**
Foreign-earned income exclusion [3]	** 9	** 0.1	**	**	0	0.0
AMT tax preference [3]	** 4	** [2]	**	**	0	0.0
Nontaxable Social Security benefits [3]	** 266	** 2.0	**	**	0	0.0
Capital gains taxed at 0 percent	** 1,211	** 9.3	**	**	** 3	** 13.0
No second largest item	** 197	** 1.5	**	**	6	26.1

** Data combined to avoid disclosure of information for specific taxpayers.

[1] Investment interest expense deduction only has an effect when using the adjusted gross income concept.

[2] Less than 0.05 percent.

[3] Tax-exempt interest, foreign-earned income exclusion, AMT tax preference, and nontaxable Social Security benefits only have an effect when using the expanded income concept.

NOTES: Detail may not add to totals because of rounding. Total columns do not include returns with no tax effect. Starting in 2009, the portion of refundable credits that offset income taxes before credits were factored in to determine tax liability. As a result, data may not be comparable to Tax Years 2007 and 2008 published tables.

High-Income Tax Returns for 2009

Statistics of Income Bulletin | Spring 2012

Table 8. Returns With and Without Worldwide Income Tax and With Income of \$200,000 or More Under Alternative Concepts: Number of Returns and Percentages Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2009

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Total		Item with the largest tax effect					
			Interest paid deduction		Investment interest expense deduction [1]		Taxes paid deduction	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
RETURNS WITH WORLDWIDE INCOME TAX								
Returns with adjusted gross income of \$200,000 or more								
Total	3,787,328	100.0	1,035,396	27.3	23,232	0.6	2,123,388	56.1
Interest paid deduction	1,363,461	36.0	0	0.0	4,856	20.9	1,240,097	58.4
Investment interest expense deduction [1]	36,603	1.0	4,729	0.5	0	0.0	24,937	1.2
Taxes paid deduction	1,301,880	34.4	940,118	90.8	11,074	47.7	0	0.0
Charitable contributions deduction	712,362	18.8	54,132	5.2	3,091	13.3	626,687	29.5
Medical and dental expense deduction	15,801	0.4	2,791	0.3	93	0.4	9,571	0.5
Net casualty or theft loss deduction	984	[2]	80	[2]	0	0.0	881	[2]
Total miscellaneous deductions	116,649	3.1	17,074	1.6	1,897	8.2	83,484	3.9
General business credit	11,109	0.3	1,220	0.1	189	0.8	8,125	0.4
Refundable prior-year minimum tax credit used to offset income tax before credits	13,042	0.3	56	[2]	28	0.1	10,968	0.5
All other refundable tax credits used to offset income tax before credits	1,524	[2]	312	[2]	0	0.0	176	[2]
All other tax credits	55,206	1.5	4,794	0.5	90	0.4	41,491	2.0
Partnership and S Corporation net losses	50,836	1.3	7,896	0.8	1,195	5.1	30,411	1.4
Capital gains taxed at 0 percent	30,200	0.8	1,320	0.1	697	3.0	12,187	0.6
No second largest item	77,671	2.1	874	0.1	24	0.1	34,372	1.6
Returns with expanded income of \$200,000 or more								
Total	3,881,837	100.0	1,018,024	26.2	0	0.0	2,030,292	52.3
Interest paid deduction	1,332,713	34.3	0	0.0	0	0.0	1,209,842	59.6
Tax-exempt interest [3]	177,944	4.6	4,230	0.4	0	0.0	129,093	6.4
Taxes paid deduction	1,344,120	34.6	936,147	92.0	0	0.0	0	0.0
Charitable contributions deduction	605,069	15.6	55,235	5.4	0	0.0	506,389	24.9
Medical and dental expense deduction	18,491	0.5	3,087	0.3	0	0.0	7,421	0.4
Net casualty or theft loss deduction	1,087	[2]	81	[2]	0	0.0	836	[2]
Total miscellaneous deductions	42,143	1.1	1,445	0.1	0	0.0	20,423	1.0
General business credit	10,822	0.3	1,277	0.1	0	0.0	7,185	0.4
Refundable prior-year minimum tax credit used to offset income tax before credits	12,800	0.3	51	[2]	0	0.0	9,389	0.5
All other refundable tax credits used to offset income tax before credits	2,080	0.1	312	[2]	0	0.0	176	[2]
All other tax credits	60,384	1.6	4,712	0.5	0	0.0	36,515	1.8
Partnership and S Corporation net losses	48,908	1.3	7,924	0.8	0	0.0	25,243	1.2
Foreign-earned income exclusion [3]	2,521	0.1	384	[2]	0	0.0	1,280	0.1
AMT tax preference [3]	2,541	0.1	609	0.1	0	0.0	749	[2]
Nontaxable Social Security benefits [3]	72,293	1.9	680	0.1	0	0.0	36,645	1.8
Capital gains taxed at 0 percent	38,937	1.0	1,197	0.1	0	0.0	10,101	0.5
No second largest item	108,985	2.8	653	0.1	0	0.0	29,006	1.4

Footnotes at end of table.

High-Income Tax Returns for 2009

Statistics of Income Bulletin | Spring 2012

Table 8. Returns With and Without Worldwide Income Tax and With Income of \$200,000 or More Under Alternative Concepts: Number of Returns and Percentages Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2009—Continued

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Item with the largest tax effect—continued							
	Charitable contributions deduction		Medical and dental expense deduction		Net casualty or theft loss deduction		Total miscellaneous deductions	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
RETURNS WITH WORLDWIDE INCOME TAX								
Returns with adjusted gross income of \$200,000 or more								
Total	270,409	7.1	24,602	0.6	1,973	0.1	93,849	2.5
Interest paid deduction	52,089	19.3	** 3,335	** 13.6	** 1,237	** 62.7	22,405	23.9
Investment interest expense deduction [1]	2,577	1.0	**	**	**	**	1,692	1.8
Taxes paid deduction	191,789	70.9	14,906	60.6	545	27.6	54,760	58.3
Charitable contributions deduction	0	0.0	2,702	11.0	** 182	** 9.2	9,411	10.0
Medical and dental expense deduction	1,504	0.6	0	0.0	0	0.0	506	0.5
Net casualty or theft loss deduction	**	**	0	0.0	0	0.0	0	0.0
Total miscellaneous deductions	** 8,075	** 3.0	1,037	4.2	**	**	0	0.0
General business credit	760	0.3	0	0.0	0	0.0	119	0.1
Refundable prior-year minimum tax credit used to offset income tax before credits	669	0.2	140	0.6	0	0.0	537	0.6
All other refundable tax credits used to offset income tax before credits	304	0.1	0	0.0	0	0.0	0	0.0
All other tax credits	2,614	1.0	303	1.2	** 9	** 0.5	79	0.1
Partnership and S Corporation net losses	3,533	1.3	344	1.4	0	0.0	2,484	2.6
Capital gains taxed at 0 percent	5,935	2.2	1,825	7.4	**	**	1,809	1.9
No second largest item	560	0.2	10	[2]	0	0.0	46	[2]
Returns with expanded income of \$200,000 or more								
Total	257,546	6.6	23,391	0.6	1,827	[2]	15,970	0.4
Interest paid deduction	53,105	20.6	3,267	14.0	** 1,236	** 67.6	1,768	11.1
Tax-exempt interest [3]	12,218	4.7	2,486	10.6	**	**	2,477	15.5
Taxes paid deduction	175,671	68.2	12,211	52.2	401	22.0	7,313	45.8
Charitable contributions deduction	0	0.0	1,847	7.9	** 181	** 9.9	2,449	15.3
Medical and dental expense deduction	1,126	0.4	0	0.0	0	0.0	77	0.5
Net casualty or theft loss deduction	**	**	0	0.0	0	0.0	0	0.0
Total miscellaneous deductions	** 2,975	** 1.2	408	1.7	**	**	0	0.0
General business credit	719	0.3	0	0.0	0	0.0	47	0.3
Refundable prior-year minimum tax credit used to offset income tax before credits	318	0.1	0	0.0	0	0.0	331	2.1
All other refundable tax credits used to offset income tax before credits	304	0.1	0	0.0	0	0.0	0	0.0
All other tax credits	2,350	0.9	303	1.3	** 9	** 0.5	61	0.4
Partnership and S Corporation net losses	2,908	1.1	340	1.5	0	0.0	948	5.9
Foreign-earned income exclusion [3]	138	0.1	3	[2]	0	0.0	30	0.2
AMT tax preference [3]	64	[2]	0	0.0	0	0.0	**	**
Nontaxable Social Security benefits [3]	1,292	0.5	453	1.9	0	0.0	** 42	** 0.3
Capital gains taxed at 0 percent	4,299	1.7	2,064	8.8	**	**	385	2.4
No second largest item	59	[2]	10	[2]	0	0.0	42	0.3

Footnotes at end of table.

High-Income Tax Returns for 2009

Statistics of Income Bulletin | Spring 2012

Table 8. Returns With and Without Worldwide Income Tax and With Income of \$200,000 or More Under Alternative Concepts: Number of Returns and Percentages Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2009—Continued

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Item with the largest tax effect—continued							
	General business credit		Refundable prior-year minimum tax credit used to offset income tax before credits		All other refundable tax credits used to offset income tax before credits		All other tax credits	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
RETURNS WITH WORLDWIDE INCOME TAX								
Returns with adjusted gross income of \$200,000 or more								
Total	14,912	0.4	14,525	0.4	8,222	0.2	43,069	1.1
Interest paid deduction	2,838	19.0	1,637	11.3	1,787	21.7	7,944	18.4
Investment interest expense deduction [1]	297	2.0	32	0.2	0	0.0	110	0.3
Taxes paid deduction	7,721	51.8	10,401	71.6	4,045	49.2	12,442	28.9
Charitable contributions deduction	** 1,205	** 8.1	395	2.7	145	1.8	1,317	3.1
Medical and dental expense deduction	0	0.0	8	0.1	0	0.0	42	0.1
Net casualty or theft loss deduction	0	0.0	0	0.0	0	0.0	0	0.0
Total miscellaneous deductions	**	**	229	1.6	0	0.0	473	1.1
General business credit	0	0.0	19	0.1	0	0.0	50	0.1
Refundable prior-year minimum tax credit used to offset income tax before credits	11	0.1	0	0.0	0	0.0	252	0.6
All other refundable tax credits used to offset income tax before credits	0	0.0	0	0.0	0	0.0	588	1.4
All other tax credits	** 1,101	** 7.4	** 736	** 5.1	602	7.3	0	0.0
Partnership and S Corporation net losses	118	0.8	42	0.3	0	0.0	1,094	2.5
Capital gains taxed at 0 percent	**	**	**	**	0	0.0	82	0.2
No second largest item	1,621	10.9	1,025	7.1	1,643	20.0	18,674	43.4
Returns with expanded income of \$200,000 or more								
Total	14,685	0.4	13,327	0.3	8,074	0.2	36,833	0.9
Interest paid deduction	** 3,541	** 24.1	1,467	11.0	1,787	22.1	7,894	21.4
Tax-exempt interest [3]	**	**	1,222	9.2	446	5.5	1,742	4.7
Taxes paid deduction	7,557	51.5	8,620	64.7	3,906	48.4	10,093	27.4
Charitable contributions deduction	1,014	6.9	** 354	** 2.7	0	0.0	1,395	3.8
Medical and dental expense deduction	0	0.0	**	**	0	0.0	42	0.1
Net casualty or theft loss deduction	0	0.0	0	0.0	0	0.0	0	0.0
Total miscellaneous deductions	46	0.3	134	1.0	0	0.0	7	[2]
General business credit	0	0.0	17	0.1	0	0.0	48	0.1
Refundable prior-year minimum tax credit used to offset income tax before credits	10	0.1	0	0.0	0	0.0	246	0.7
All other refundable tax credits used to offset income tax before credits	0	0.0	0	0.0	0	0.0	588	1.6
All other tax credits	1,046	7.1	419	3.1	301	3.7	0	0.0
Partnership and S Corporation net losses	107	0.7	30	0.2	0	0.0	417	1.1
Foreign-earned income exclusion [3]	**	**	146	1.1	0	0.0	85	0.2
AMT tax preference [3]	** 4	** [2]	310	2.3	0	0.0	6	[2]
Nontaxable Social Security benefits [3]	** 380	** 2.6	** 455	** 3.4	600	7.4	2,156	5.9
Capital gains taxed at 0 percent	**	**	**	**	0	0.0	79	0.2
No second largest item	980	6.7	153	1.1	1,035	12.8	12,034	32.7

Footnotes at end of table.

High-Income Tax Returns for 2009

Statistics of Income Bulletin | Spring 2012

Table 8. Returns With and Without Worldwide Income Tax and With Income of \$200,000 or More Under Alternative Concepts: Number of Returns and Percentages Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2009—Continued

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Item with the largest tax effect—continued					
	Partnership and S Corporation net losses		Capital gains taxed at 0 percent		Foreign-earned income exclusion [3]	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(25)	(26)	(27)	(28)	(29)	(30)
RETURNS WITH WORLDWIDE INCOME TAX						
Returns with adjusted gross income of \$200,000 or more						
Total	85,237	2.3	48,515	1.3	0	0.0
Interest paid deduction	18,103	21.2	7,189	14.8	0	0.0
Investment interest expense deduction [1]	1,986	2.3	187	0.4	0	0.0
Taxes paid deduction	37,447	43.9	16,632	34.3	0	0.0
Charitable contributions deduction	7,574	8.9	5,622	11.6	0	0.0
Medical and dental expense deduction	348	0.4	937	1.9	0	0.0
Net casualty or theft loss deduction	**	**	0	0.0	0	0.0
Total miscellaneous deductions	** 2,521	** 3.0	1,782	3.7	0	0.0
General business credit	445	0.5	182	0.4	0	0.0
Refundable prior-year minimum tax credit used to offset income tax before credits	349	0.4	32	0.1	0	0.0
All other refundable tax credits used to offset income tax before credits	145	0.2	0	0.0	0	0.0
All other tax credits	1,952	2.3	1,589	3.3	0	0.0
Partnership and S Corporation net losses	0	0.0	3,719	7.7	0	0.0
Capital gains taxed at 0 percent	6,192	7.3	0	0.0	0	0.0
No second largest item	8,176	9.6	10,644	21.9	0	0.0
Returns with expanded income of \$200,000 or more						
Total	81,548	2.1	47,108	1.2	62,761	1.6
Interest paid deduction	17,436	21.4	6,518	13.8	15,950	25.4
Tax-exempt interest [3]	5,444	6.7	7,531	16.0	4,694	7.5
Taxes paid deduction	35,562	43.6	12,005	25.5	10,998	17.5
Charitable contributions deduction	7,560	9.3	4,406	9.4	2,635	4.2
Medical and dental expense deduction	174	0.2	936	2.0	172	0.3
Net casualty or theft loss deduction	**	**	0	0.0	**	**
Total miscellaneous deductions	** 1,335	** 1.6	1,048	2.2	** 262	** 0.4
General business credit	722	0.9	181	0.4	54	0.1
Refundable prior-year minimum tax credit used to offset income tax before credits	231	0.3	48	0.1	393	0.6
All other refundable tax credits used to offset income tax before credits	145	0.2	0	0.0	0	0.0
All other tax credits	1,923	2.4	1,444	3.1	2,991	4.8
Partnership and S Corporation net losses	0	0.0	3,266	6.9	1,319	2.1
Foreign-earned income exclusion [3]	291	0.4	14	[2]	0	0.0
AMT tax preference [3]	488	0.6	**	**	139	0.2
Nontaxable Social Security benefits [3]	1,217	1.5	** 7,583	** 16.1	95	0.2
Capital gains taxed at 0 percent	5,919	7.3	0	0.0	1,468	2.3
No second largest item	3,100	3.8	2,130	4.5	21,591	34.4

Footnotes at end of table.

High-Income Tax Returns for 2009

Statistics of Income Bulletin | Spring 2012

Table 8. Returns With and Without Worldwide Income Tax and With Income of \$200,000 or More Under Alternative Concepts: Number of Returns and Percentages Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2009—Continued

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Item with the largest tax effect—continued					
	Tax-exempt interest [3]		AMT tax preference [3]		Nontaxable Social Security benefits [3]	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(31)	(32)	(33)	(34)	(35)	(36)
RETURNS WITH WORLDWIDE INCOME TAX						
Returns with adjusted gross income of \$200,000 or more						
Total	0	0.0	0	0.0	0	0.0
Interest paid deduction	0	0.0	0	0.0	0	0.0
Investment interest expense deduction [1]	0	0.0	0	0.0	0	0.0
Taxes paid deduction	0	0.0	0	0.0	0	0.0
Charitable contributions deduction	0	0.0	0	0.0	0	0.0
Medical and dental expense deduction	0	0.0	0	0.0	0	0.0
Net casualty or theft loss deduction	0	0.0	0	0.0	0	0.0
Total miscellaneous deductions	0	0.0	0	0.0	0	0.0
General business credit	0	0.0	0	0.0	0	0.0
Refundable prior-year minimum tax credit used to offset income tax before credits	0	0.0	0	0.0	0	0.0
All other refundable tax credits used to offset income tax before credits	0	0.0	0	0.0	0	0.0
All other tax credits	0	0.0	0	0.0	0	0.0
Partnership and S Corporation net losses	0	0.0	0	0.0	0	0.0
Capital gains taxed at 0 percent	0	0.0	0	0.0	0	0.0
No second largest item	0	0.0	0	0.0	0	0.0
Returns with expanded income of \$200,000 or more						
Total	223,896	5.8	2,678	0.1	43,876	1.1
Interest paid deduction	6,830	3.1	448	16.7	2,271	5.2
Tax-exempt interest [3]	0	0.0	146	5.5	5,568	12.7
Taxes paid deduction	114,054	50.9	1,483	55.4	8,099	18.5
Charitable contributions deduction	21,441	9.6	** 163	** 6.1	11	[2]
Medical and dental expense deduction	5,445	2.4	**	**	0	0.0
Net casualty or theft loss deduction	146	0.1	0	0.0	0	0.0
Total miscellaneous deductions	14,081	6.3	**	**	0	0.0
General business credit	385	0.2	7	0.3	179	0.4
Refundable prior-year minimum tax credit used to offset income tax before credits	1,587	0.7	156	5.8	40	0.1
All other refundable tax credits used to offset income tax before credits	548	0.2	0	0.0	8	[2]
All other tax credits	5,251	2.3	** 73	** 2.7	2,994	6.8
Partnership and S Corporation net losses	5,030	2.2	67	2.5	1,311	3.0
Foreign-earned income exclusion [3]	94	[2]	52	1.9	**	**
AMT tax preference [3]	21	[2]	0	0.0	** 150	** 0.3
Nontaxable Social Security benefits [3]	20,663	9.2	40	1.5	0	0.0
Capital gains taxed at 0 percent	13,103	5.9	**	**	309	0.7
No second largest item	15,216	6.8	43	1.6	22,934	52.3

Footnotes at end of table.

High-Income Tax Returns for 2009

Statistics of Income Bulletin | Spring 2012

Table 8. Returns With and Without Worldwide Income Tax and With Income of \$200,000 or More Under Alternative Concepts: Number of Returns and Percentages Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2009—Continued

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Total		Item with the largest tax effect					
			Interest paid deduction		Investment interest expense deduction [1]		Taxes paid deduction	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
RETURNS WITHOUT WORLDWIDE INCOME TAX								
Returns with adjusted gross income of \$200,000 or more								
Total	10,072	100.0	264	2.6	929	9.2	566	5.6
Interest paid deduction	1,747	17.3	0	0.0	166	17.9	62	11.0
Investment interest expense deduction [1]	696	6.9	26	9.8	0	0.0	58	10.3
Taxes paid deduction	3,075	30.5	88	33.3	182	19.6	0	0.0
Charitable contributions deduction	1,418	14.1	45	17.0	167	18.0	124	21.9
Medical and dental expense deduction	231	2.3	10	3.8	15	1.6	17	3.0
Net casualty or theft loss deduction	19	0.2	**	**	**	**	**	**
Total miscellaneous deductions	937	9.3	** 32	** 12.1	** 102	** 11.0	** 80	** 14.1
General business credit	67	0.7	6	2.3	8	0.9	6	1.1
Refundable prior-year minimum tax credit used to offset income tax before credits	259	2.6	0	0.0	3	0.3	148	26.1
All other refundable tax credits used to offset income tax before credits	0	0.0	0	0.0	0	0.0	0	0.0
All other tax credits	68	0.7	8	3.0	**	**	10	1.8
Partnership and S Corporation net losses	933	9.3	18	6.8	** 230	** 24.8	46	8.1
Capital gains taxed at 0 percent	531	5.3	** 31	** 11.7	** 56	** 6.0	15	2.7
No second largest item	92	0.9	**	**	**	**	0	0.0
Returns with expanded income of \$200,000 or more								
Total	19,551	100.0	284	1.5	0	0.0	791	4.0
Interest paid deduction	1,601	8.2	0	0.0	0	0.0	58	7.3
Tax-exempt interest [3]	2,230	11.4	50	17.6	0	0.0	260	32.8
Taxes paid deduction	4,968	25.4	93	32.7	0	0.0	0	0.0
Charitable contributions deduction	2,527	12.9	39	13.7	0	0.0	117	14.8
Medical and dental expense deduction	1,969	10.1	** 11	** 3.9	0	0.0	** 23	** 2.9
Net casualty or theft loss deduction	26	0.1	**	**	0	0.0	**	**
Total miscellaneous deductions	2,094	10.7	28	9.9	0	0.0	78	9.9
General business credit	60	0.3	5	1.8	0	0.0	7	0.9
Refundable prior-year minimum tax credit used to offset income tax before credits	439	2.2	0	0.0	0	0.0	145	18.3
All other refundable tax credits used to offset income tax before credits	0	0.0	0	0.0	0	0.0	0	0.0
All other tax credits	103	0.5	9	3.2	0	0.0	9	1.1
Partnership and S Corporation net losses	1,582	8.1	17	6.0	0	0.0	** 72	** 9.1
Foreign-earned income exclusion [3]	16	0.1	3	1.1	0	0.0	**	**
AMT tax preference [3]	11	0.1	**	**	0	0.0	0	0.0
Nontaxable Social Security benefits [3]	384	2.0	** 5	** 1.8	0	0.0	**	**
Capital gains taxed at 0 percent	1,274	6.5	** 24	** 8.5	0	0.0	23	2.9
No second largest item	267	1.4	**	**	0	0.0	0	0.0

Footnotes at end of table.

High-Income Tax Returns for 2009

Statistics of Income Bulletin | Spring 2012

Table 8. Returns With and Without Worldwide Income Tax and With Income of \$200,000 or More Under Alternative Concepts: Number of Returns and Percentages Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2009—Continued

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Item with the largest tax effect—continued							
	Charitable contributions deduction		Medical and dental expense deduction		Net casualty or theft loss deduction		Total miscellaneous deductions	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
RETURNS WITHOUT WORLDWIDE INCOME TAX								
Returns with adjusted gross income of \$200,000 or more								
Total	1,163	11.5	1,082	10.7	385	3.8	3,279	32.6
Interest paid deduction	169	14.5	75	6.9	** 150	** 39.0	758	23.1
Investment interest expense deduction [1]	128	11.0	26	2.4	**	**	123	3.8
Taxes paid deduction	270	23.2	327	30.2	133	34.5	1,285	39.2
Charitable contributions deduction	0	0.0	234	21.6	34	8.8	402	12.3
Medical and dental expense deduction	103	8.9	0	0.0	13	3.4	54	1.6
Net casualty or theft loss deduction	**	**	**	**	0	0.0	9	0.3
Total miscellaneous deductions	** 212	** 18.2	** 279	** 25.8	26	6.8	0	0.0
General business credit	17	1.5	0	0.0	0	0.0	9	0.3
Refundable prior-year minimum tax credit used to offset income tax before credits	10	0.8	0	0.0	0	0.0	11	0.3
All other refundable tax credits used to offset income tax before credits	0	0.0	0	0.0	0	0.0	0	0.0
All other tax credits	12	1.0	**	**	**	**	12	0.4
Partnership and S Corporation net losses	70	6.0	** 28	** 2.6	** 25	** 6.5	499	15.2
Capital gains taxed at 0 percent	** 172	** 14.8	113	10.4	** 4	** 1.0	46	1.4
No second largest item	**	**	**	**	**	**	71	2.2
Returns with expanded income of \$200,000 or more								
Total	1,173	6.0	1,776	9.1	398	2.0	492	2.5
Interest paid deduction	147	12.5	70	3.9	143	35.9	38	7.7
Tax-exempt interest [3]	232	19.8	849	47.8	26	6.5	141	28.7
Taxes paid deduction	252	21.4	242	13.6	125	31.4	79	16.1
Charitable contributions deduction	0	0.0	208	11.7	34	8.5	136	27.6
Medical and dental expense deduction	** 83	** 7.1	0	0.0	15	3.8	** 22	** 4.5
Net casualty or theft loss deduction	**	**	3	0.2	0	0.0	**	**
Total miscellaneous deductions	157	13.4	203	11.4	19	4.8	0	0.0
General business credit	19	1.6	0	0.0	0	0.0	0	0.0
Refundable prior-year minimum tax credit used to offset income tax before credits	6	0.6	0	0.0	0	0.0	6	1.2
All other refundable tax credits used to offset income tax before credits	0	0.0	0	0.0	0	0.0	0	0.0
All other tax credits	12	1.0	**	**	**	**	3	0.6
Partnership and S Corporation net losses	** 65	** 5.5	** 24	** 1.4	** 27	** 6.8	** 57	** 11.6
Foreign-earned income exclusion [3]	**	**	**	**	**	**	**	**
AMT tax preference [3]	0	0.0	**	**	0	0.0	0	0.0
Nontaxable Social Security benefits [3]	** 40	** 3.4	** 55	** 3.1	6	1.5	3	0.6
Capital gains taxed at 0 percent	160	13.6	** 122	** 6.9	** 3	** 0.8	7	1.4
No second largest item	**	**	**	**	**	**	0	0.0

Footnotes at end of table.

High-Income Tax Returns for 2009

Statistics of Income Bulletin | Spring 2012

Table 8. Returns With and Without Worldwide Income Tax and With Income of \$200,000 or More Under Alternative Concepts: Number of Returns and Percentages Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2009—Continued

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Item with the largest tax effect—continued							
	General business credit		Refundable prior-year minimum tax credit used to offset income tax before credits		All other refundable tax credits used to offset income tax before credits		All other tax credits	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
RETURNS WITHOUT WORLDWIDE INCOME TAX								
Returns with adjusted gross income of \$200,000 or more								
Total	165	1.6	913	9.1	0	0.0	209	2.1
Interest paid deduction	** 45	** 27.2	184	20.2	0	0.0	79	37.8
Investment interest expense deduction [1]	**	**	34	3.7	0	0.0	4	1.9
Taxes paid deduction	14	8.5	526	57.6	0	0.0	67	32.1
Charitable contributions deduction	** 8	** 4.8	151	16.5	0	0.0	** 19	** 9.1
Medical and dental expense deduction	0	0.0	0	0.0	0	0.0	**	**
Net casualty or theft loss deduction	0	0.0	0	0.0	0	0.0	0	0.0
Total miscellaneous deductions	**	**	10	1.0	0	0.0	**	**
General business credit	0	0.0	0	0.0	0	0.0	3	1.4
Refundable prior-year minimum tax credit used to offset income tax before credits	40	23.9	0	0.0	0	0.0	0	0.0
All other refundable tax credits used to offset income tax before credits	0	0.0	0	0.0	0	0.0	0	0.0
All other tax credits	**	**	0	0.0	0	0.0	0	0.0
Partnership and S Corporation net losses	** 6	** 3.6	6	0.7	0	0.0	12	5.7
Capital gains taxed at 0 percent	53	31.8	3	0.3	0	0.0	17	8.1
No second largest item	0	0.0	0	0.0	0	0.0	8	3.8
Returns with expanded income of \$200,000 or more								
Total	163	0.8	874	4.5	0	0.0	203	1.0
Interest paid deduction	** 43	** 26.3	184	21.1	0	0.0	** 77	** 37.9
Tax-exempt interest [3]	**	**	154	17.6	0	0.0	**	**
Taxes paid deduction	14	8.6	520	59.5	0	0.0	66	32.5
Charitable contributions deduction	** 7	** 4.3	6	0.7	0	0.0	** 19	** 9.4
Medical and dental expense deduction	0	0.0	0	0.0	0	0.0	**	**
Net casualty or theft loss deduction	0	0.0	0	0.0	0	0.0	0	0.0
Total miscellaneous deductions	**	**	6	0.7	0	0.0	**	**
General business credit	0	0.0	0	0.0	0	0.0	3	1.5
Refundable prior-year minimum tax credit used to offset income tax before credits	40	24.2	0	0.0	0	0.0	0	0.0
All other refundable tax credits used to offset income tax before credits	0	0.0	0	0.0	0	0.0	0	0.0
All other tax credits	**	**	0	0.0	0	0.0	0	0.0
Partnership and S Corporation net losses	** 7	** 4.3	0	0.0	0	0.0	11	5.4
Foreign-earned income exclusion [3]	0	0.0	0	0.0	0	0.0	0	0.0
AMT tax preference [3]	0	0.0	0	0.0	0	0.0	**	**
Nontaxable Social Security benefits [3]	0	0.0	0	0.0	0	0.0	** 4	** 2.0
Capital gains taxed at 0 percent	53	32.2	3	0.4	0	0.0	16	7.9
No second largest item	0	0.0	0	0.0	0	0.0	7	3.4

Footnotes at end of table.

High-Income Tax Returns for 2009

Statistics of Income Bulletin | Spring 2012

Table 8. Returns With and Without Worldwide Income Tax and With Income of \$200,000 or More Under Alternative Concepts: Number of Returns and Percentages Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2009—Continued

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Item with the largest tax effect—continued					
	Partnership and S Corporation net losses		Capital gains taxed at 0 percent		Foreign-earned income exclusion [3]	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(25)	(26)	(27)	(28)	(29)	(30)
RETURNS WITHOUT WORLDWIDE INCOME TAX						
Returns with adjusted gross income of \$200,000 or more						
Total	1,036	10.3	81	0.8	0	0.0
Interest paid deduction	49	4.7	17	21.0	0	0.0
Investment interest expense deduction [1]	279	27.0	11	13.6	0	0.0
Taxes paid deduction	174	16.8	9	11.1	0	0.0
Charitable contributions deduction	** 235	** 22.7	16	19.8	0	0.0
Medical and dental expense deduction	**	**	5	6.2	0	0.0
Net casualty or theft loss deduction	**	**	**	**	0	0.0
Total miscellaneous deductions	** 196	** 18.9	** 7	** 8.6	0	0.0
General business credit	12	1.2	6	7.4	0	0.0
Refundable prior-year minimum tax credit used to offset income tax before credits	48	4.7	0	0.0	0	0.0
All other refundable tax credits used to offset income tax before credits	0	0.0	0	0.0	0	0.0
All other tax credits	15	1.4	4	4.9	0	0.0
Partnership and S Corporation net losses	0	0.0	** 6	** 7.4	0	0.0
Capital gains taxed at 0 percent	27	2.6	0	0.0	0	0.0
No second largest item	0	0.0	**	**	0	0.0
Returns with expanded income of \$200,000 or more						
Total	1,118	5.7	118	0.6	195	1.0
Interest paid deduction	46	4.1	16	13.6	71	36.4
Tax-exempt interest [3]	481	43.0	24	20.3	8	4.1
Taxes paid deduction	153	13.7	**	**	44	22.6
Charitable contributions deduction	202	18.1	** 34	** 28.8	0	0.0
Medical and dental expense deduction	** 16	** 1.4	** 16	** 13.6	13	6.7
Net casualty or theft loss deduction	**	**	**	**	0	0.0
Total miscellaneous deductions	110	9.8	8	6.8	4	2.1
General business credit	14	1.3	5	4.2	0	0.0
Refundable prior-year minimum tax credit used to offset income tax before credits	44	4.0	0	0.0	0	0.0
All other refundable tax credits used to offset income tax before credits	0	0.0	0	0.0	0	0.0
All other tax credits	17	1.5	5	4.2	4	2.1
Partnership and S Corporation net losses	0	0.0	4	3.4	** 5	** 2.6
Foreign-earned income exclusion [3]	0	0.0	0	0.0	0	0.0
AMT tax preference [3]	3	0.3	0	0.0	0	0.0
Nontaxable Social Security benefits [3]	5	0.4	** 6	** 5.1	**	**
Capital gains taxed at 0 percent	26	2.3	0	0.0	**	**
No second largest item	0	0.0	**	**	46	23.6

Footnotes at end of table.

High-Income Tax Returns for 2009

Statistics of Income Bulletin | Spring 2012

Table 8. Returns With and Without Worldwide Income Tax and With Income of \$200,000 or More Under Alternative Concepts: Number of Returns and Percentages Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2009—Continued

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Item with the largest tax effect—continued					
	Tax-exempt interest [3]		AMT tax preference [3]		Nontaxable Social Security benefits [3]	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(31)	(32)	(33)	(34)	(35)	(36)
RETURNS WITHOUT WORLDWIDE INCOME TAX						
Returns with adjusted gross income of \$200,000 or more						
Total	0	0.0	0	0.0	0	0.0
Interest paid deduction	0	0.0	0	0.0	0	0.0
Investment interest expense deduction [1]	0	0.0	0	0.0	0	0.0
Taxes paid deduction	0	0.0	0	0.0	0	0.0
Charitable contributions deduction	0	0.0	0	0.0	0	0.0
Medical and dental expense deduction	0	0.0	0	0.0	0	0.0
Net casualty or theft loss deduction	0	0.0	0	0.0	0	0.0
Total miscellaneous deductions	0	0.0	0	0.0	0	0.0
General business credit	0	0.0	0	0.0	0	0.0
Refundable prior-year minimum tax credit used to offset income tax before credits	0	0.0	0	0.0	0	0.0
All other refundable tax credits used to offset income tax before credits	0	0.0	0	0.0	0	0.0
All other tax credits	0	0.0	0	0.0	0	0.0
Partnership and S Corporation net losses	0	0.0	0	0.0	0	0.0
Capital gains taxed at 0 percent	0	0.0	0	0.0	0	0.0
No second largest item	0	0.0	0	0.0	0	0.0
Returns with expanded income of \$200,000 or more						
Total	** 11,943	** 61.1	**	**	23	0.1
Interest paid deduction	** 708	** 5.9	**	**	5	21.7
Tax-exempt interest [3]	** 0	** 0.0	**	**	0	0.0
Taxes paid deduction	** 3,367	** 28.2	**	**	**	**
Charitable contributions deduction	** 1,739	** 14.6	**	**	** 9	** 39.1
Medical and dental expense deduction	** 1,772	** 14.8	**	**	**	**
Net casualty or theft loss deduction	** 16	** 0.1	**	**	0	0.0
Total miscellaneous deductions	** 1,476	** 12.4	**	**	**	**
General business credit	** 7	** 0.1	**	**	0	0.0
Refundable prior-year minimum tax credit used to offset income tax before credits	** 198	** 1.7	**	**	0	0.0
All other refundable tax credits used to offset income tax before credits	** 0	** 0.0	**	**	0	0.0
All other tax credits	** 39	** 0.3	**	**	0	0.0
Partnership and S Corporation net losses	** 1,308	** 11.0	**	**	** 3	** 13.0
Foreign-earned income exclusion [3]	** 6	** 0.1	**	**	0	0.0
AMT tax preference [3]	** 4	** [2]	**	**	0	0.0
Nontaxable Social Security benefits [3]	** 266	** 2.2	**	**	0	0.0
Capital gains taxed at 0 percent	** 838	** 7.0	**	**	**	**
No second largest item	** 199	** 1.7	**	**	6	26.1

** Data combined to avoid disclosure of information for specific taxpayers.

[1] Investment interest expense deduction only has an effect when using the adjusted gross income concept.

[2] Less than 0.05 percent.

[3] Tax-exempt interest, foreign-earned income exclusion, AMT tax preference, and nontaxable Social Security benefits only have an effect when using the expanded income concept.

NOTES: Detail may not add to totals because of rounding. Total columns do not include returns with no tax effect. Starting in 2009, the portion of refundable credits that offset income taxes before credits were factored in to determine tax liability. As a result, data may not be comparable to Tax Years 2007 and 2008 published tables.

High-Income Tax Returns for 2009

Statistics of Income Bulletin | Spring 2012

Table 9. Returns Without U.S. Income Tax and With Income of \$200,000 or More Under Alternative Concepts: Number of Returns With Itemized Deductions, Credits, and Tax Preferences, as Percentages of Income, Tax Year 2009

[All figures are estimates based on samples]

Income concept and type of deduction, credit, or tax preference	Total	No deduction, credit, or tax preference	Number of returns on which income was reduced by percentages of income		
			Under 10 percent	10 percent under 20 percent	20 percent under 30 percent
	(1)	(2)	(3)	(4)	(5)
Adjusted gross income concept					
Total itemized deductions	20,752	3,573	2,729	2,558	1,007
Interest paid deduction:					
Total	20,752	7,374	7,319	2,435	1,156
Investment interest expense deduction per income concept	20,752	13,872	4,297	571	380
Taxes paid deduction	20,752	4,360	9,284	4,357	1,291
Charitable contributions deduction	20,752	6,369	9,793	1,257	613
Medical and dental expense deduction	20,752	18,317	875	219	108
Net casualty or theft loss deduction	20,752	20,319	15	9	9
Net limited miscellaneous deduction per income concept	20,752	14,408	3,166	1,423	597
Non-limited miscellaneous deduction	20,752	15,339	2,280	107	45
Deduction equivalent of:					
Total credits	20,752	7,896	640	369	420
Foreign tax credit	20,752	10,082	3,123	98	59
General business credit	20,752	19,821	507	89	44
Refundable prior-year minimum tax credit used to offset income tax before credits	20,752	16,438	593	185	239
All other refundable credits used to offset income tax before credits	20,752	20,752	0	0	0
Tax preferences excluded from adjusted gross income	20,752	11,257	5,750	1,361	556
Nontaxable Social Security benefits	20,752	16,033	4,713	6	0
Capital gains taxed at 0 percent	20,752	16,551	1,827	1,397	797
Expanded income concept					
Total itemized deductions	35,061	7,580	4,861	5,996	3,518
Interest paid deduction:					
Total	35,061	20,864	9,059	3,337	1,313
Investment interest expense deduction per income concept	35,061	26,353	7,316	594	252
Taxes paid deduction	35,061	8,498	16,038	6,878	1,771
Charitable contributions deduction	35,061	10,935	17,465	2,791	1,463
Medical and dental expense deduction	35,061	24,795	6,272	1,122	495
Net casualty or theft loss deduction	35,061	34,490	32	16	10
Net limited miscellaneous deduction per income concept	35,061	19,985	9,603	3,015	1,202
Non-limited miscellaneous deduction	35,061	31,113	3,646	108	40
Deduction equivalent of:					
Total credits	35,061	16,945	1,584	741	676
Foreign tax credit	35,061	19,570	3,936	206	190
General business credit	35,061	33,896	736	97	51
Refundable prior-year minimum tax credit used to offset income tax before credits	35,061	30,384	774	338	339
All other refundable credits used to offset income tax before credits	35,061	34,999	* 62	0	0
Tax preferences excluded from adjusted gross income	35,061	12,384	5,452	1,577	1,021
Nontaxable Social Security benefits	35,061	22,753	12,296	5	** 3
Capital gains taxed at 0 percent	35,061	25,682	5,146	2,684	1,303

Footnotes at end of table.

High-Income Tax Returns for 2009

Statistics of Income Bulletin | Spring 2012

Table 9. Returns Without U.S. Income Tax and With Income of \$200,000 or More Under Alternative Concepts: Number of Returns With Itemized Deductions, Credits, and Tax Preferences, as Percentages of Income, Tax Year 2009—Continued

[All figures are estimates based on samples]

Income concept and type of deduction, credit, or tax preference	Number of returns on which income was reduced by percentages of income					
	30 percent under 40 percent	40 percent under 50 percent	50 percent under 60 percent	60 percent under 70 percent	70 percent under 100 percent	100 percent or more
	(6)	(7)	(8)	(9)	(10)	(11)
Adjusted gross income concept						
Total itemized deductions	584	553	426	562	3,309	5,450
Interest paid deduction:						
Total	563	427	303	263	553	359
Investment interest expense deduction per income concept	280	298	213	178	403	259
Taxes paid deduction	487	395	169	100	143	167
Charitable contributions deduction	628	466	** 1,557	**	4	63
Medical and dental expense deduction	100	118	129	132	483	271
Net casualty or theft loss deduction	7	13	15	15	121	229
Net limited miscellaneous deduction per income concept	355	221	158	83	160	181
Non-limited miscellaneous deduction	79	86	68	87	1,325	1,336
Deduction equivalent of:						
Total credits	280	938	510	719	6,347	2,635
Foreign tax credit	92	264	327	297	3,811	2,598
General business credit	98	58	96	30	** 10	**
Refundable prior-year minimum tax credit used to offset income tax before credits	363	176	226	564	1,963	6
All other refundable credits used to offset income tax before credits	0	0	0	0	0	0
Tax preferences excluded from adjusted gross income	275	185	171	268	325	604
Nontaxable Social Security benefits	0	0	0	0	0	0
Capital gains taxed at 0 percent	180	0	0	0	0	0
Expanded income concept						
Total itemized deductions	2,993	1,890	1,602	1,415	2,867	2,338
Interest paid deduction:						
Total	309	62	37	21	44	15
Investment interest expense deduction per income concept	152	97	42	38	85	130
Taxes paid deduction	748	414	189	107	170	247
Charitable contributions deduction	940	788	375	126	107	70
Medical and dental expense deduction	415	395	380	317	592	278
Net casualty or theft loss deduction	113	16	16	19	117	232
Net limited miscellaneous deduction per income concept	483	255	160	102	143	113
Non-limited miscellaneous deduction	21	53	** 13	**	21	46
Deduction equivalent of:						
Total credits	847	1,161	1,313	2,277	9,493	24
Foreign tax credit	371	670	938	2,035	7,127	17
General business credit	54	89	96	30	** 12	**
Refundable prior-year minimum tax credit used to offset income tax before credits	480	193	392	204	1,957	0
All other refundable credits used to offset income tax before credits	0	0	0	0	0	0
Tax preferences excluded from adjusted gross income	1,432	1,559	1,895	2,350	6,364	1,026
Nontaxable Social Security benefits	0	0	**	** 4	**	0
Capital gains taxed at 0 percent	246	0	0	0	0	0

* Estimate should be used with caution because of the small number of sample returns on which it is based.

** Data combined to avoid disclosure of information for specific taxpayers.

NOTES: Detail may not add to totals because of rounding. Starting in 2009, the portion of refundable credits that offset income taxes before credits were factored in to determine tax liability. As a result, data may not be comparable to Tax Years 2007 and 2008 published tables.

High-Income Tax Returns for 2009

Statistics of Income Bulletin | Spring 2012

Table 10. Returns Without Worldwide Income Tax and With Income of \$200,000 or More Under Alternative Concepts: Number of Returns With Itemized Deductions, Credits, and Tax Preferences, as Percentages of Income, Tax Year 2009

[All figures are estimates based on samples]

Income concept and type of deduction, credit, or tax preference	Total	No deduction, credit, or tax preference	Number of returns on which income was reduced by percentages of income		
			Under 10 percent	10 percent under 20 percent	20 percent under 30 percent
	(1)	(2)	(3)	(4)	(5)
Adjusted gross income concept					
Total itemized deductions	10,080	28	191	545	255
Interest paid deduction:					
Total	10,080	2,416	3,326	1,167	947
Investment interest expense deduction per income concept	10,080	5,570	2,232	469	318
Taxes paid deduction	10,080	147	5,089	2,529	958
Charitable contributions deduction	10,080	1,535	4,717	1,043	433
Medical and dental expense deduction	10,080	8,015	604	163	94
Net casualty or theft loss deduction	10,080	9,659	10	9	8
Net limited miscellaneous deduction per income concept	10,080	5,740	1,849	836	534
Non-limited miscellaneous deduction	10,080	5,532	1,536	83	38
Deduction equivalent of:					
Total credits	10,080	7,894	352	117	285
Foreign tax credit	10,080	10,080	0	0	0
General business credit	10,080	9,682	93	51	27
Refundable prior-year minimum tax credit used to offset income tax before credits	10,080	8,792	86	54	218
All other refundable credits used to offset income tax before credits	10,080	10,080	0	0	0
Tax preferences excluded from adjusted gross income	10,080	4,805	2,796	651	361
Nontaxable Social Security benefits	10,080	6,474	** 3,606	**	0
Capital gains taxed at 0 percent	10,080	7,492	1,023	911	554
Expanded income concept					
Total itemized deductions	19,551	1,142	1,396	3,226	2,335
Interest paid deduction:					
Total	19,551	11,627	4,340	2,026	1,126
Investment interest expense deduction per income concept	19,551	13,438	4,915	516	221
Taxes paid deduction	19,551	1,210	10,138	4,847	1,571
Charitable contributions deduction	19,551	2,603	11,226	2,444	1,244
Medical and dental expense deduction	19,551	10,124	5,573	1,056	464
Net casualty or theft loss deduction	19,551	18,995	26	14	9
Net limited miscellaneous deduction per income concept	19,551	7,016	7,444	2,717	1,150
Non-limited miscellaneous deduction	19,551	16,489	2,838	89	33
Deduction equivalent of:					
Total credits	19,551	16,926	651	280	308
Foreign tax credit	19,551	19,551	0	0	0
General business credit	19,551	19,017	248	38	30
Refundable prior-year minimum tax credit used to offset income tax before credits	19,551	18,107	95	210	244
All other refundable credits used to offset income tax before credits	19,551	19,492	* 59	0	0
Tax preferences excluded from adjusted gross income	19,551	2,255	1,937	945	862
Nontaxable Social Security benefits	19,551	8,923	** 10,622	**	** 3
Capital gains taxed at 0 percent	19,551	12,955	3,619	1,926	918

Footnotes at end of table.

High-Income Tax Returns for 2009

Statistics of Income Bulletin | Spring 2012

Table 10. Returns Without Worldwide Income Tax and With Income of \$200,000 or More Under Alternative Concepts: Number of Returns With Itemized Deductions, Credits, and Tax Preferences, as Percentages of Income, Tax Year 2009—Continued

[All figures are estimates based on samples]

Income concept and type of deduction, credit, or tax preference	Number of returns on which income was reduced by percentages of income					
	30 percent under 40 percent	40 percent under 50 percent	50 percent under 60 percent	60 percent under 70 percent	70 percent under 100 percent	100 percent or more
	(6)	(7)	(8)	(9)	(10)	(11)
Adjusted gross income concept						
Total itemized deductions	184	83	102	362	2,891	5,439
Interest paid deduction:						
Total	470	349	277	237	534	357
Investment interest expense deduction per income concept	247	240	196	160	389	258
Taxes paid deduction	410	374	166	98	141	167
Charitable contributions deduction	537	366	** 1,382	**	4	63
Medical and dental expense deduction	95	110	123	129	475	271
Net casualty or theft loss deduction	7	10	13	15	120	229
Net limited miscellaneous deduction per income concept	327	214	157	81	159	181
Non-limited miscellaneous deduction	32	79	64	79	1,304	1,333
Deduction equivalent of:						
Total credits	92	137	123	280	793	7
Foreign tax credit	0	0	0	0	0	0
General business credit	81	37	78	23	** 9	**
Refundable prior-year minimum tax credit used to offset income tax before credits	9	13	46	369	487	6
All other refundable credits used to offset income tax before credits	0	0	0	0	0	0
Tax preferences excluded from adjusted gross income	236	164	154	114	263	536
Nontaxable Social Security benefits	0	0	0	0	0	0
Capital gains taxed at 0 percent	99	0	0	0	0	0
Expanded income concept						
Total itemized deductions	2,126	1,639	1,409	1,242	2,702	2,334
Interest paid deduction:						
Total	267	52	37	18	44	15
Investment interest expense deduction per income concept	119	85	38	33	72	113
Taxes paid deduction	685	395	184	105	168	247
Charitable contributions deduction	801	659	319	80	105	70
Medical and dental expense deduction	402	386	372	310	586	278
Net casualty or theft loss deduction	113	13	14	19	116	232
Net limited miscellaneous deduction per income concept	458	252	158	100	143	113
Non-limited miscellaneous deduction	16	12	** 11	**	21	42
Deduction equivalent of:						
Total credits	101	132	261	247	** 646	**
Foreign tax credit	0	0	0	0	0	0
General business credit	35	70	76	27	** 11	**
Refundable prior-year minimum tax credit used to offset income tax before credits	20	15	191	149	521	0
All other refundable credits used to offset income tax before credits	0	0	0	0	0	0
Tax preferences excluded from adjusted gross income	1,157	1,357	1,715	2,132	6,169	1,023
Nontaxable Social Security benefits	0	0	**	** 4	**	0
Capital gains taxed at 0 percent	134	0	0	0	0	0

* Estimate should be used with caution because of the small number of sample returns on which it is based.

** Data combined to avoid disclosure of information for specific taxpayers.

NOTES: Detail may not add to totals because of rounding. Starting in 2009, the portion of refundable credits that offset income taxes before credits were factored in to determine tax liability. As a result, data may not be comparable to Tax Years 2007 and 2008 published tables.

High-Income Tax Returns for 2009

Statistics of Income Bulletin | Spring 2012

Table 11. Returns With and Without U.S. Income Tax: Number and Percentages of Returns, by Effective Tax Rate, and by Size of Income Under Alternative Concepts, Tax Year 2009

[All figures are estimates based on samples]

Tax status, effective tax rate	Total		Size of adjusted gross income							
			Under \$50,000 [1]		\$50,000 under \$100,000		\$100,000 under \$200,000		\$200,000 or more	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
All returns	140,494,127	100.0	92,888,972	100.0	30,158,618	100.0	13,522,048	100.0	3,924,489	100.0
Returns without U.S. income tax	58,603,939	41.7	55,713,568	60.0	2,722,124	9.0	147,494	1.1	20,752	0.5
Returns with U.S. income tax	81,890,189	58.3	37,175,404	40.0	27,436,494	91.0	13,374,553	98.9	3,903,737	99.5
Effective tax rate:										
Under 5 percent	26,921,262	19.2	19,365,653	20.8	6,687,692	22.2	820,865	6.1	47,052	1.2
5 under 10 percent	32,596,181	23.2	15,849,112	17.1	12,990,081	43.1	3,673,997	27.2	82,992	2.1
10 under 15 percent	14,648,803	10.4	1,905,007	2.1	6,063,960	20.1	6,286,044	46.5	393,791	10.0
15 under 20 percent	5,424,349	3.9	32,350	[2]	1,687,715	5.6	2,244,925	16.6	1,459,359	37.2
20 under 25 percent	1,548,347	1.1	11,178	[2]	3,527	[2]	340,912	2.5	1,192,730	30.4
25 under 30 percent	667,903	0.5	5,954	[2]	1,332	[2]	6,613	[2]	654,004	16.7
30 under 35 percent	74,735	0.1	1,006	[2]	1,047	[2]	334	[2]	72,349	1.8
35 under 40 percent	1,009	[2]	46	[2]	4	[2]	0	0.0	959	[2]
40 under 45 percent	1,078	[2]	937	[2]	7	[2]	40	[2]	95	[2]
45 under 50 percent	1,390	[2]	73	[2]	1,005	[2]	188	[2]	124	[2]
50 under 60 percent	209	[2]	0	0.0	83	[2]	0	0.0	126	[2]
60 under 70 percent	381	[2]	**	**	**	**	307	[2]	62	[2]
70 under 80 percent	36	[2]	** 3	** [2]	** 23	** [2]	11	[2]	10	[2]
80 percent or more	4,506	[2]	4,087	[2]	18	[2]	317	[2]	85	[2]

Tax status, effective tax rate	Total		Size of expanded income							
			Under \$50,000 [1]		\$50,000 under \$100,000		\$100,000 under \$200,000		\$200,000 or more	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)
All returns	140,494,127	100.0	90,833,330	100.0	32,191,625	100.0	13,493,885	100.0	3,975,288	100.0
Returns without U.S. income tax	58,603,939	41.7	55,209,754	60.8	3,173,248	9.9	185,876	1.4	35,061	0.9
Returns with U.S. income tax	81,890,189	58.3	35,623,575	39.2	29,018,377	90.1	13,308,009	98.6	3,940,227	99.1
Effective tax rate:										
Under 5 percent	27,590,377	19.6	18,533,751	20.4	8,175,443	25.4	810,941	6.0	70,242	1.8
5 under 10 percent	31,980,264	22.8	15,117,718	16.6	13,191,181	41.0	3,561,823	26.4	109,541	2.8
10 under 15 percent	14,550,695	10.4	1,921,579	2.1	5,890,111	18.3	6,326,537	46.9	412,467	10.4
15 under 20 percent	5,488,669	3.9	30,492	[2]	1,752,946	5.4	2,254,472	16.7	1,450,759	36.5
20 under 25 percent	1,551,295	1.1	9,246	[2]	5,268	[2]	345,388	2.6	1,191,393	30.0
25 under 30 percent	648,558	0.5	4,942	[2]	1,336	[2]	7,343	0.1	634,937	16.0
30 under 35 percent	72,666	0.1	1,009	[2]	1,007	[2]	677	[2]	69,973	1.8
35 under 40 percent	934	[2]	82	[2]	0	0.0	184	[2]	667	[2]
40 under 45 percent	999	[2]	** 938	** [2]	11	[2]	** 15	** [2]	47	[2]
45 under 50 percent	1,084	[2]	**	**	1,001	[2]	**	**	71	[2]
50 under 60 percent	125	[2]	6	[2]	40	[2]	8	[2]	70	[2]
60 under 70 percent	356	[2]	17	[2]	8	[2]	304	[2]	27	[2]
70 under 80 percent	323	[2]	301	[2]	3	[2]	8	[2]	11	[2]
80 percent or more	3,842	[2]	3,495	[2]	19	[2]	307	[2]	22	[2]

** Data combined to avoid disclosure of information for specific taxpayers.

[1] Includes returns with adjusted gross deficit or with negative expanded income.

[2] Less than 0.05 percent.

NOTES: Detail may not add to totals because of rounding. Starting in 2009, the portion of refundable credits that offset income taxes before credits were factored in to determine tax liability. As a result, data may not be comparable to Tax Years 2007 and 2008 published tables.

High-Income Tax Returns for 2009

Statistics of Income Bulletin | Spring 2012

Table 12. Returns With and Without Worldwide Income Tax: Number and Percentages of Returns, by Effective Tax Rate, and by Size of Income Under Alternative Concepts, Tax Year 2009

[All figures are estimates based on samples]

Tax status, effective tax rate	Total		Size of adjusted gross income							
			Under \$50,000 [1]		\$50,000 under \$100,000		\$100,000 under \$200,000		\$200,000 or more	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
All returns	140,494,127	100.0	92,888,972	100.0	30,158,618	100.0	13,522,048	100.0	3,924,489	100.0
Returns without U.S. income tax	58,186,879	41.4	55,438,981	59.7	2,615,225	8.7	122,594	0.9	10,080	0.3
Returns with U.S. income tax	82,307,248	58.6	37,449,991	40.3	27,543,393	91.3	13,399,454	99.1	3,914,410	99.7
Effective tax rate:										
Under 5 percent	27,191,471	19.4	19,588,897	21.1	6,757,850	22.4	815,953	6.0	28,771	0.7
5 under 10 percent	32,603,781	23.2	15,871,598	17.1	12,995,822	43.1	3,666,555	27.1	69,806	1.8
10 under 15 percent	14,660,634	10.4	1,916,613	2.1	6,077,277	20.2	6,287,312	46.5	379,432	9.7
15 under 20 percent	5,446,488	3.9	33,286	[2]	1,694,597	5.6	2,264,115	16.7	1,454,490	37.1
20 under 25 percent	1,560,217	1.1	12,201	[2]	4,661	[2]	343,263	2.5	1,200,092	30.6
25 under 30 percent	695,134	0.5	5,956	[2]	1,658	[2]	10,506	0.1	677,015	17.3
30 under 35 percent	90,958	0.1	2,981	[2]	1,059	[2]	1,188	[2]	85,730	2.2
35 under 40 percent	17,191	[2]	1,020	[2]	632	[2]	3,370	[2]	12,169	0.3
40 under 45 percent	9,787	[2]	2,888	[2]	344	[2]	2,187	[2]	4,369	0.1
45 under 50 percent	6,516	[2]	2,027	[2]	1,348	[2]	1,619	[2]	1,522	[2]
50 under 60 percent	5,960	[2]	16	[2]	3,207	[2]	1,930	[2]	807	[2]
60 under 70 percent	4,383	[2]	23	[2]	3,530	[2]	753	[2]	78	[2]
70 under 80 percent	1,502	[2]	1,040	[2]	74	[2]	352	[2]	35	[2]
80 percent or more	13,226	[2]	11,446	[2]	1,335	[2]	351	[2]	94	[2]

Tax status, effective tax rate	Total		Size of expanded income							
			Under \$50,000 [1]		\$50,000 under \$100,000		\$100,000 under \$200,000		\$200,000 or more	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)
All returns	140,494,127	100.0	90,833,330	100.0	32,191,625	100.0	13,493,885	100.0	3,975,288	100.0
Returns without U.S. income tax	58,186,879	41.4	54,972,993	60.5	3,048,164	9.5	146,172	1.1	19,551	0.5
Returns with U.S. income tax	82,307,248	58.6	35,860,337	39.5	29,143,462	90.5	13,347,713	98.9	3,955,737	99.5
Effective tax rate:										
Under 5 percent	27,861,349	19.8	18,740,531	20.6	8,267,315	25.7	808,603	6.0	44,900	1.1
5 under 10 percent	31,989,939	22.8	15,136,839	16.7	13,205,418	41.0	3,556,338	26.4	91,344	2.3
10 under 15 percent	14,568,819	10.4	1,929,284	2.1	5,901,043	18.3	6,339,771	47.0	398,721	10.0
15 under 20 percent	5,515,718	3.9	31,464	[2]	1,758,978	5.5	2,274,426	16.9	1,450,850	36.5
20 under 25 percent	1,580,107	1.1	11,292	[2]	7,280	[2]	352,983	2.6	1,208,552	30.4
25 under 30 percent	685,765	0.5	4,942	[2]	1,337	[2]	12,129	0.1	667,357	16.8
30 under 35 percent	93,423	0.1	1,009	[2]	1,007	[2]	2,297	[2]	89,110	2.2
35 under 40 percent	4,162	[2]	82	[2]	0	0.0	203	[2]	3,877	0.1
40 under 45 percent	1,701	[2]	** 938	** [2]	11	[2]	** 26	** [2]	741	[2]
45 under 50 percent	1,117	[2]	**	**	1,001	[2]	**	**	101	[2]
50 under 60 percent	152	[2]	6	[2]	40	[2]	11	[2]	94	[2]
60 under 70 percent	367	[2]	17	[2]	8	[2]	305	[2]	37	[2]
70 under 80 percent	338	[2]	301	[2]	3	[2]	9	[2]	24	[2]
80 percent or more	4,291	[2]	3,634	[2]	19	[2]	609	[2]	30	[2]

** Data combined to avoid disclosure of information for specific taxpayers.

[1] Includes returns with adjusted gross deficit or with negative expanded income.

[2] Less than 0.05 percent.

NOTES: Detail may not add to totals because of rounding. Starting in 2009, the portion of refundable credits that offset income taxes before credits were factored in to determine tax liability. As a result, data may not be comparable to Tax Years 2007 and 2008 published tables.