

IRS News Release

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IRS Issues Fall 2008 Statistics Of Income Bulletin

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WASHINGTON — The Internal Revenue Service today released the fall 2008 issue of the Statistics of Income Bulletin, which features information on 138.4 million individual income tax returns filed for tax year 2006.

Adjusted gross income less deficit (losses) reported for 2006 totaled \$8.0 trillion, an 8.2 percent increase from the previous year, while taxable income increased 8.6 percent to \$5.6 trillion in 2006. Total income tax rose 9.5 percent to \$1 trillion in 2006.

The number of returns that reported an alternative minimum tax (AMT) liability decreased by 1 percent between 2005 and 2006, the first decline since tax year 2001. However, for the fourth straight year, the amount of alternative minimum tax reported showed a substantial increase, up \$4.1 billion, or 23.8 percent, to \$21.6 billion.

The Bulletin also features articles on the following:

- Sole proprietorship returns filed for tax year 2006: Approximately 22.1 million individual income tax returns reported non-farm sole proprietorship activity in tax year 2006. Profits for these sole proprietorships decreased by an inflation adjusted 0.4 percent between 2005 and 2006 after increasing 5.5 percent between 2004 and 2005.
- Growth in the number of partnerships and total partnership net income between 2005 and 2006: The number of partnerships increased 6.6 percent, from more than 2.7 million in tax year 2005 to more than 2.9 million in tax year 2006. Total partnership net income (loss) increased by 22.1 percent between the two years, from \$546.2 billion to \$666.7 billion.
- Transactions between large foreign-owned domestic corporations and related foreign persons: Non-loan transactions between large foreign-owned domestic corporations and related foreign parties reached \$1 trillion for the first time in 2004, an increase of more than 100 percent from 2002.
- A decrease in the total value of tax-exempt bonds issued between 2005 and 2006: The total value of tax-exempt bonds issued by state and local governments declined 9.8 percent between calendar years 2005 and 2006, from \$474.8 billion in 2005 to \$428.3 in 2006.

- Information returns filed by tax-exempt organizations: Nonprofit charitable organizations exempt from income tax filed more than 286,000 information returns for tax year 2005, an increase of 4 percent from tax year 2004. These organizations held more than \$2.2 trillion in assets, an increase of 9 percent from the previous tax year. Information returns for tax year 2005 were filed with the IRS in calendar years 2006 and 2007.
- U.S. personal wealth in 2004: In 2004, an estimated 2.7 million adults with gross assets of \$1.5 million or more owned nearly \$11.1 trillion in assets. With a combined net worth of more than \$10.2 trillion, where net worth is defined as gross asset value less debts and mortgages, these top wealth holders made up only about 1.2 percent of the total U.S. adult population, although they held 20.3 percent of the total U.S. net worth in 2004.

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

For more information about these data, write to the Director, Statistics of Income (SOI) Division, RAS:S, Internal Revenue Service, P.O. Box 2608, Washington, DC 20013-2608; call Statistical Information Services at (202) 874-0410; or send a fax to (202) 874-0964. These are not toll-free numbers.

Related Items:

- [SOI Bulletin: Fall 2008](#)
- [Historical Tables and Appendix](#)
- [Tax Statistics](#)