

Individual Income Tax Returns, 2004

by Michael Parisi and Scott Hollenbeck

Taxpayers filed 132.2 million individual income tax returns for Tax Year (TY) 2004, an increase from the 130.4 million returns filed for TY 2003. The adjusted gross income (AGI) less deficit reported on these returns totaled \$6.8 trillion, a 9.4-percent increase from the previous year. In constant dollars, this growth in AGI was 6.6 percent, the largest increase since 1998. Several income items increased appreciably during 2004, including net capital gain (less loss), dividends, and partnership and S corporation net income (less loss), which increased 60.9 percent, 27.5 percents and 24.4 percent, respectively. Taxable income also showed a significant increase, 11.2 percent from 2003, to \$4.7 trillion. Statutory income tax rates remained constant for 2004 following 3 consecutive years of being lowered. With the large increase in taxable income and no reduction in tax rates for 2004, total income tax rose 11.2 percent to \$832.0 billion. This was the first time in 4 years that total income tax increased. For the second straight year, the alternative minimum tax (AMT) showed a substantial increase, \$3.6 billion (37.6 percent), with 0.7 million (31.3 percent) more taxpayers paying the AMT.

Itemized deductions were claimed on 35.0 percent of all returns filed and represented 64.0 percent of the total deductions amount. Taxes paid, the largest itemized deduction (35.0 percent of the total), increased 16.6 percent to \$362.6 billion. This increase was partially attributable to a change in tax law, which allowed a taxpayer to deduct State and local general sales taxes instead of State and local income taxes as an itemized deduction on Schedule A. A total of 11.2 million taxpayers claimed this new deduction for a total of \$17.5 billion.

Adjusted Gross Income and Selected Sources of Income

As shown in Figure A, adjusted gross income (AGI) increased 9.4 percent to almost \$6.8 trillion for 2004. The largest component of AGI, salaries and wages, increased 5.8 percent from \$4.6 trillion to \$4.9 trillion. With larger increases in other compo-

nents of AGI, the share of salaries and wages in AGI decreased to 72.5 percent for 2004, down from 74.9 percent for 2003. The positive component of AGI that had the largest percentage increase was net capital gain (less loss). As shown in Figure B, \$473.7 billion of net capital gain (less loss) were realized for 2004, about 60.9 percent more than for 2003. Net capital gain (less loss) reached the highest level since 2000 (\$630.5 billion).

Several other components of AGI increased for 2004, including ordinary dividends, and partnership and S corporation net income (less loss) which had the second and third largest percentage increases, increasing by 27.5 percent and 24.4 percent, respectively. The next largest increase was for taxable Individual Retirement Account (IRA) distributions, which increased by 15.1 percent to \$101.7 billion. Taxable Social Security benefits, taxable pensions and annuities, and business or profession net income (less loss) rose by 13.0 percent, 5.7 percent, and 7.6 percent, respectively. Taxable unemployment income decreased by 25.6 percent to \$32.7 billion. Table 1 shows detailed information for the components of AGI.

Losses

Total negative income includes net negative income line items from individual income tax returns [1]. Total negative income, i.e., net loss, included in AGI increased 8.7 percent to \$303.5 billion for 2004 (Figure C). The increases to business or profession net loss, farm net loss, total rental and royalty net loss, and net operating loss combined accounted for the majority of the \$24.2-billion increase in net loss for 2004 [2]. For 2004, the largest percentage increase, 32.4 percent, in losses was for estate and trust net losses. However, estate and trust net losses only accounted for 0.5 percent of total net losses. Net capital loss (12.0 percent) and sales of property other than capital assets net loss (5.9 percent) were the only two items to decrease [3]. Decreases in these items for 2003 and 2004 followed a period of increases from 1997 through 2002 [4].

Statutory Adjustments

Statutory adjustments, which are subtracted from total income in the computation of AGI, increased 12.0 percent to \$98.0 billion for 2004 (Figure D). All of the statutory adjustments increased for 2004, except

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Figure A

Adjusted Gross Income, Taxable Income, and Total Income Tax, Tax Years 2003 and 2004

[Number of returns is in thousands--money amounts are in millions of dollars]

Item	2003		2004		Percentage change in amount
	Number of returns	Amount	Number of returns	Amount	
	(1)	(2)	(3)	(4)	(5)
Adjusted gross income (less deficit).....	130,424	6,207,109	132,226	6,788,805	9.4
Exemptions [1].....	261,126	781,305	263,896	800,690	2.5
Taxable income.....	101,393	4,200,218	102,738	4,670,166	11.2
Total income tax.....	88,922	748,017	89,102	831,976	11.2
Alternative minimum tax.....	2,358	9,470	3,096	13,029	37.6

[1] The number of returns columns represent the number of exemptions.

Figure B

Total and Selected Sources of Adjusted Gross Income, Tax Years 2003 and 2004

[Number of returns is in thousands--money amounts are in millions of dollars]

Item	2003		2004		Change in amount	Percentage change in amount
	Number of returns	Amount	Number of returns	Amount		
	(1)	(2)	(3)	(4)	(5)	(6)
Adjusted gross income (less deficit) [1].....	130,424	6,207,109	132,226	6,788,805	581,696	9.4
Salaries and wages.....	110,891	4,649,900	112,370	4,921,806	271,906	5.8
Taxable interest.....	59,459	127,160	57,606	125,474	-1,686	-1.3
Ordinary dividends.....	30,475	115,141	30,687	146,839	31,698	27.5
Qualified dividends.....	22,449	80,995	24,550	110,500	29,506	36.4
Business or profession net income (less loss).....	19,416	229,655	20,252	247,217	17,562	7.6
Net capital gain (less loss).....	22,985	294,354	25,267	473,662	179,308	60.9
Capital gain distributions [2].....	7,265	4,695	10,733	15,336	10,641	226.6
Sales of property other than capital assets, net gain (less loss).....	1,754	-330	1,750	2,503	2,833	(Z)
Sales of property other than capital assets, net gain.....	799	8,139	858	10,473	2,335	28.7
Taxable Social Security benefits.....	10,975	97,768	11,692	110,462	12,694	13.0
Total rental and royalty net income (less loss) [3].....	9,564	29,227	9,751	27,384	-1,842	-6.3
Partnership and S corporation net income (less loss).....	7,007	254,057	7,236	315,993	61,936	24.4
Estate and trust net income (less loss).....	533	12,415	543	14,001	1,586	12.8
Farm net income (less loss).....	1,997	-12,371	2,005	-13,239	-868	-7.0
Farm net income.....	592	7,473	589	7,371	-101	-1.4
Unemployment compensation.....	10,065	44,008	9,095	32,740	-11,268	-25.6
Taxable pensions and annuities.....	22,823	372,931	23,123	394,286	21,354	5.7
Taxable Individual Retirement Account distributions.....	8,612	88,336	8,914	101,672	13,337	15.1
Other net income (less loss) [4].....	n.a.	21,289	n.a.	23,198	1,908	9.0
Gambling earnings.....	1,540	19,150	1,709	23,313	4,164	21.7

n.a. - Not available.

(Z) Percent not calculated.

[1] Sources of adjusted gross income shown are not comprehensive and, therefore, do not add to total adjusted gross income.

[2] Includes both Schedule D and non-Schedule D capital gain distributions.

[3] Includes farm rental net income (less loss).

[4] Other net income (less loss) represents data reported on Form 1040, line 21, except net operating loss, the foreign-earned income exclusion, and gambling earnings.

See footnote 2 of Table 1.

for the student loan interest deduction, which decreased 0.3 percent. The 58.4-percent increase in the tuition and fees deduction to \$10.6 billion was attributable to two changes in the law. First, there was an increase in the maximum deduction from \$3,000 to

\$4,000. Second, a taxpayer was permitted to deduct up to \$2,000 if his or her AGI was higher than the previous limit of \$65,000 (\$130,000 if married filing jointly) limit but not more than \$80,000 (\$160,000 if married filing jointly). The largest statutory

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Figure C

Sources of Net Losses Included in Adjusted Gross Income, Tax Years 2003 and 2004

[Number of returns is in thousands--money amounts are in millions of dollars]

Item	2003		2004		Percentage change in amount
	Number of returns	Amount	Number of returns	Amount	
	(1)	(2)	(3)	(4)	(5)
Total net losses	n.a.	279,243	n.a.	303,458	8.7
Business or profession net loss.....	4,973	38,927	5,194	43,007	10.5
Net capital loss [1].....	12,808	28,952	11,513	25,492	-12.0
Net loss, sales of property other than capital assets.....	955	8,469	892	7,971	-5.9
Total rental and royalty net loss [2].....	4,242	33,453	4,380	38,466	15.0
Partnership and S corporation net loss.....	2,553	78,972	2,498	82,697	4.7
Estate and trust net loss.....	33	1,084	36	1,436	32.4
Farm net loss.....	1,405	19,844	1,416	20,610	3.9
Net operating loss [3].....	712	62,825	830	75,012	19.4
Other net loss [4].....	290	6,718	359	8,768	30.5

n.a. - Not available.

[1] Includes only the portion of capital losses allowable in the calculation of adjusted gross income. Only \$3,000 of net capital loss per return (\$1,500 for married filing separately) are allowed to be included in negative total income. Any excess is carried forward to future years.

[2] Includes farm rental net loss.

[3] See footnote 2 of this article for a definition of net operating loss.

[4] Other net loss represents losses reported on Form 1040, line 21, except net operating loss and the foreign-earned income exclusion.

NOTE: Detail may not add to totals because of rounding.

Figure D

Statutory Adjustments, Tax Years 2003 and 2004

[Number of returns is in thousands--money amounts are in millions of dollars]

Item	2003		2004		Percentage change in amount
	Number of returns	Amount	Number of returns	Amount	
	(1)	(2)	(3)	(4)	(5)
Total statutory adjustments	30,382	87,576	32,154	98,047	12.0
Payments to an Individual Retirement Account.....	3,418	10,007	3,331	10,029	0.2
Educator expenses deduction.....	3,241	806	3,402	858	6.5
Moving expenses adjustment.....	1,024	2,440	1,096	2,952	21.0
Student loan interest deduction.....	6,953	4,410	7,527	4,399	-0.3
Tuition and fees deduction.....	3,571	6,684	4,710	10,589	58.4
Self-employment tax deduction.....	15,373	19,791	15,920	21,109	6.7
Self-employed health insurance deduction.....	3,802	16,454	3,884	18,457	12.2
Payments to a self-employed retirement (Keogh) plan.....	1,209	17,796	1,201	19,296	8.4
Forfeited interest penalty.....	736	150	780	210	39.7
Alimony paid.....	587	7,520	574	8,470	12.6
Other adjustments [1].....	n.a.	1,518	n.a.	1,677	10.5

n.a. - Not available.

[1] Includes foreign housing adjustment, Medical Savings Accounts deduction, certain business expenses of reservists, performing artists, etc., and other adjustments for 2003. For 2004, other adjustments include these plus the health savings account deduction (90,857 returns totaling \$190.7 million).

NOTE: Detail may not add to totals because of rounding.

adjustment was the self-employment tax deduction, representing 21.5 percent of the total. This adjustment increased 6.7 percent to \$21.1 billion for 2004. Payments to self-employed retirement (Keogh) plans increased 8.4 percent to \$19.3 billion, while the self-employed health insurance deduction increased 12.2 percent to \$18.5 billion. These were the second and third largest statutory adjustments for 2004.

Tax law changes in 2004 created two new line item adjustments: the health savings account (HSA) adjustment and certain business expenses of reservists. The HSA adjustment is reported separately. The expenses of reservists are reported together with the expenses of performing artists and fee-basis Government officials. Previously, the latter two items were "write-in" items on Form 1040 (see

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the *Changes in Law* section of this article). Almost 91,000 taxpayers took the health savings account adjustment, for a total of \$0.2 billion, while the total adjustment for reservists, performing artists, and fee-basis Government officials was \$0.3 billion.

Deductions

The total standard deduction claimed on 2004 individual income tax returns, i.e., the basic standard deduction plus the additional standard deduction for age or blindness, increased 0.9 percent to \$560.9 billion (Figure E). Total deductions, the sum of the total standard deduction and total itemized deductions (after limitation), increased by 7.0 percent to just under \$1.6 trillion. The number of returns claiming a standard deduction decreased 0.7 percent for 2004, accounting for 63.5 percent of all returns filed. This decrease may be partially attributable to a change in the law allowing individuals to deduct State and local general sales taxes in lieu of deducting State and local income taxes if they itemized their deductions for 2004. This may have contrib-

uted to some individuals itemizing rather than taking the standard deduction (see the *Changes in Law* section of this article). The average standard deduction rose by \$110 from the 2003 average to \$6,676.

Statistics for returns with itemized deductions are presented in Figure E and Table 3. Itemized deductions were claimed on 35.0 percent of all returns filed and represented 64.0 percent of the total deductions amount [5]. The average for total itemized deductions (after limitation) was \$21,544, up \$1,024 from the average for 2003.

Total itemized deductions (before limitation) increased for 2004 by 11.2 percent, and the number of taxpayers itemizing increased by 5.4 percent from 2003 levels. Taxes paid, the largest itemized deduction (35.0 percent of the total), increased 16.6 percent to \$362.6 billion. This increase was partially attributable to the change in tax law, which allowed a taxpayer to deduct State and local general sales taxes instead of State and local income taxes (cited above) as an itemized deduction. The total State and local tax deduction increased by 20.1 percent to

Figure E

Selected Itemized Deductions and the Standard Deduction, Tax Years 2003 and 2004

[Number of returns is in thousands--money amounts are in millions of dollars]

Item	2003		2004		Percentage change	
	Number of returns [1]	Amount	Number of returns [1]	Amount	Number of returns [1]	Amount
	(1)	(2)	(3)	(4)	(5)	(6)
Total itemized deductions before limitation	43,950	930,812	46,335	1,035,000	5.4	11.2
Medical and dental expenses after 7.5-percent AGI limitation.....	8,678	56,007	9,531	61,503	9.8	9.8
Taxes paid [2].....	43,062	310,897	46,009	362,609	6.8	16.6
State and local income taxes.....	n.a.	n.a.	33,516	202,306	n.a.	n.a.
State and local general sales taxes.....	n.a.	n.a.	11,249	17,527	n.a.	n.a.
Interest paid [3].....	36,212	340,319	38,110	356,356	5.2	4.7
Home mortgage interest.....	35,797	325,192	37,692	340,476	5.3	4.7
Charitable contributions.....	38,627	145,702	40,623	165,564	5.2	13.6
Other than cash contributions.....	23,933	38,041	25,267	43,373	5.6	14.0
Casualty and theft losses.....	90	1,605	185	3,510	106.3	118.8
Miscellaneous deductions after 2-percent AGI limitation.....	11,639	63,182	12,025	68,533	3.3	8.5
Gambling losses and other unlimited miscellaneous deductions.....	1,211	13,101	1,457	16,925	20.4	29.2
Itemized deductions in excess of limitation.....	5,221	28,947	5,724	36,762	9.6	27.0
Total itemized deductions after limitation	43,950	901,865	46,335	998,238	5.4	10.7
Total standard deduction	84,643	555,780	84,017	560,933	-0.7	0.9
Total deductions (after itemized deduction limitation)	128,593	1,457,645	130,352	1,559,171	1.4	7.0

n.a.-Not available.

[1] Returns with no adjusted gross income are excluded from the deduction counts. For this reason, the sum of the number of returns with total itemized deductions and the number of returns with total standard deduction is less than the total number of returns for all filers.

[2] Includes real estate taxes, personal property taxes, and other taxes not shown separately.

[3] Includes investment interest and deductible mortgage "points" not shown separately.

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\$219.8 billion for 2004. The general sales tax deduction portion of this was claimed by 11.2 million taxpayers, for a total of \$17.5 billion. This represented about one-third of the increase from 2003. Interest paid, the second largest itemized deduction, increased 4.7 percent to \$356.4 billion. The number of returns and the amount reported for the largest component of the interest paid deduction, home mortgage interest, increased by 5.3 percent and 4.7 percent, respectively, for 2004. Miscellaneous itemized deductions subject to a 2-percent of AGI floor, including unreimbursed employee business expenses and tax preparation fees, increased 8.5 percent to \$68.5 billion, while unlimited miscellaneous deductions (such as gambling losses) increased 29.2 percent to \$36.7 billion for 2004.

The third largest itemized deduction, charitable contributions, increased 13.6 percent for 2004 to \$165.6 billion. About one fourth of these were from noncash contributions, which increased 14.0 percent for 2004. Itemized deductions for medical and dental expenses in excess of 7.5 percent of AGI rose 9.8 percent to \$61.5 billion for 2004. Although casualty and theft losses represented the smallest component of itemized deductions, they showed the largest percentage increase in both number of taxpayers and amount claimed for 2004. These increases could have been partially attributable to four of the ten costliest hurricanes in United States history occurring in 2004 [6].

The AGI threshold for the limitation of itemized deductions increased to \$142,700 (\$71,350 if married filing separately) for 2004. Due to this limitation, over 5.7 million higher-income taxpayers were unable to deduct \$36.8 billion in itemized deductions, 27.0 percent more than for 2003.

Taxable Income and Total Income Tax

Taxable income, which is the result of AGI less exemptions and deductions, rose 11.2 percent to \$4.7 trillion for 2004 (Figure A). With the large increase in taxable income and no reduction in tax rates (other than the indexing of tax brackets) for 2004, total income tax rose 11.2 percent to \$832.0 billion. This was the first time that total income tax increased over the past 4 years. For the 3 years prior to 2004, the Economic Growth and Tax Relief Reconciliation Act of 2001 (EGTRRA) and the Jobs and Growth

Tax Relief Reconciliation Act of 2003 (JGTRRA) lowered tax rates each year.

For the third year in a row, the alternative minimum tax increased. For 2004, the increased AMT liability increased by \$3.6 billion, or 37.6 percent, to \$13.0 billion. The number of taxpayers with AMT liability increased by 0.7 million, or 31.3 percent, to 3.1 million.

Average AGI reported on all 2004 individual income tax returns was \$51,342, and average taxable income was \$45,457 [7]. These amounts represent increases of 7.9 percent and 9.7 percent, respectively, from the 2003 amounts of \$47,592 and \$41,425.

Figure F shows that the average tax rate for 2004 (i.e., total income tax divided by AGI reported on all returns, taxable and nontaxable) was 12.3 percent, an increase of 0.2 percentage points from 12.1 percent for 2003. Although the average tax rate went up 0.2 percentage points for all returns, every income-size class greater than \$1 had a lower average tax rate. The declines in the average tax rate ranged from 0.1 percentage point (each class under \$30,000) to 1.5 percentage points (in the \$5 million under \$10 million class). The overall average rate increased despite this decline in each AGI class because individuals tended to move to higher income classes which, in turn, faced higher tax rates. For example, for 2004, the number of returns in every AGI class of \$30,000 or less decreased, while the number of returns reporting AGIs of \$1 million or more increased by 72.9 percent from 2003.

For 2004, average tax rates increased (up to 25.0 percent) as incomes went up to AGIs of \$2 million or less. For each class above this level, average tax rates declined down to 21.1 percent for individuals with \$10 million AGI or more. The main reason for this was that individuals in each class above \$2 million or more tended to report long-term capital gains (in excess of short-term losses) and qualified dividends as higher percentages of their AGIs than individuals in the lower AGI classes. For these taxpayers, this income was taxed at a 15-percent rate as opposed to a 35-percent rate for ordinary income. For example, while individuals reporting AGI of \$1.5 million under \$2.0 million averaged 27.0 percent of their incomes as capital gains and dividends, this share increased in each succeeding class, reaching 51.8 percent for those individuals reporting AGI of \$10 million or more.

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Figure F

Number of Returns, Adjusted Gross Income, Capital Gains and Dividends, and Total Income Tax, by Size of Adjusted Gross Income, Tax Years 2003 and 2004

[Number of returns is in thousands--money amounts are in millions of dollars]

Tax year, item	Total	Size of adjusted gross income						
		Under \$1 [1]	\$1 under \$10,000	\$10,000 under \$20,000	\$20,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$100,000	\$100,000 under \$200,000
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Tax Year 2004:								
Number of returns.....	132,226	1,855	23,806	22,937	18,217	24,487	28,167	9,736
Capital gain plus dividends subject to reduced rate.....	554,148	0	1,295	3,461	5,148	12,313	41,334	63,139
Adjusted gross income (less deficit).....	6,788,805	-86,318	121,972	342,224	451,385	956,141	1,982,014	1,288,320
Total income tax.....	831,976	86	768	7,710	18,570	62,129	178,513	175,206
Capital gain plus dividends subject to reduced rate as a percentage of adjusted gross income (less deficit).....	8.2	0.0	1.1	1.0	1.1	1.3	2.1	4.9
Tax as a percentage of adjusted gross income (less deficit).....	12.3	-0.1	0.6	2.3	4.1	6.5	9.0	13.6
Tax Year 2003:								
Number of returns.....	130,424	1,814	24,201	23,296	18,373	24,410	26,915	8,879
Capital gain plus dividends subject to reduced rate.....	358,815	0	929	3,309	4,159	10,045	32,429	46,156
Adjusted gross income (less deficit).....	6,207,109	-80,478	124,216	346,619	455,093	952,294	1,886,634	1,170,180
Total income tax.....	748,017	79	853	8,155	19,310	64,373	178,509	163,342
Capital gain plus dividends subject to reduced rate as a percentage of adjusted gross income (less deficit).....	5.8	[2]	0.7	1.0	0.9	1.1	1.7	3.9
Tax as a percentage of adjusted gross income (less deficit).....	12.1	[2]	0.7	2.4	4.2	6.8	9.5	14.0
Change in percentage points, tax as a percentage of adjusted gross income.....	0.2	[3]	-0.1	-0.1	-0.1	-0.3	-0.5	-0.4
Tax year, item	Size of adjusted gross income--continued							
	\$200,000 under \$500,000	\$500,000 under \$1,000,000	\$1,000,000 under \$1,500,000	\$1,500,000 under \$2,000,000	\$2,000,000 under \$5,000,000	\$5,000,000 under \$10,000,000	\$10,000,000 or more	
	(9)	(10)	(11)	(12)	(13)	(14)	(15)	
Tax Year 2004:								
Number of returns.....	2,348	433	104	45	66	16	10	
Capital gain plus dividends subject to reduced rate.....	79,933	56,566	31,409	20,958	63,094	42,301	133,196	
Adjusted gross income (less deficit).....	676,795	293,370	125,553	77,755	194,471	108,192	256,933	
Total income tax.....	139,227	71,339	31,072	19,436	47,962	25,756	54,203	
Capital gain plus dividends subject to reduced rate as a percentage of adjusted gross income (less deficit).....	11.8	19.3	25.0	27.0	32.4	39.1	51.8	
Tax as a percentage of adjusted gross income (less deficit).....	20.6	24.3	24.7	25.0	24.7	23.8	21.1	
Tax Year 2003:								
Number of returns.....	1,999	356	82	34	48	11	6	
Capital gain plus dividends subject to reduced rate.....	56,376	37,175	19,618	12,698	37,407	23,773	74,740	
Adjusted gross income (less deficit).....	576,309	241,211	98,875	58,498	142,220	76,311	159,126	
Total income tax.....	120,712	60,181	25,551	15,316	36,905	19,314	35,417	
Capital gain plus dividends subject to reduced rate as a percentage of adjusted gross income (less deficit).....	9.8	15.4	19.8	21.7	26.3	31.2	47.0	
Tax as a percentage of adjusted gross income (less deficit).....	20.9	24.9	25.8	26.2	25.9	25.3	22.3	
Change in percentage points, tax as a percentage of adjusted gross income.....	-0.4	-0.6	-1.1	-1.2	-1.3	-1.5	-1.2	

[1] Includes returns with adjusted gross deficit.

[2] Percentage not computed.

[3] Difference not computed.

NOTE: Detail may not add to totals because of rounding.

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Tax Credits

Statistics for tax credits, including the earned income credit (EIC), are shown in Tables 2 and 4 and summarized in Figures G and H. For 2004, total tax credits (excluding the “refundable” portions of the child tax credit and the EIC, and any EIC used to offset any other taxes) increased 24.7 percent to \$52.4 billion.

Credits that showed an increase for 2004 included the child care credit, the foreign tax credit, the general business credit, the child tax credit, and the education credit. The child tax credit increased 41.7 percent to \$32.3 billion and was the largest credit for the seventh consecutive year, accounting for 61.7 percent of total tax credits reported for 2004. This large increase was mainly caused by the tax law change for 2003, which increased the size of the child tax credit from \$600 to \$1,000 per eligible child. While, under JGTRRA, this increase began for Tax Year 2003, the increase was mostly given as a refund check to taxpayers prior to filing their returns and, thus, was not part of the 2003 statistics. This is demonstrated by the average reported child tax credit for 2002 through 2004 [8]. For 2002, the average credit for returns taking the child tax credit was \$830, and, in 2003, this increased to just \$888. However, for 2004, the average child tax credit went up to \$1,243. The refundable portion of the child

tax credit (i.e., the “additional child tax credit”) increased, by 58.6 percent, to \$14.5 billion. This increase was due in part to the 2003 law change cited above and partially to the law change that affected the credit limit. In Tax Year 2003, the credit limit based on earned income was 10 percent of a taxpayer’s earned income that exceeded \$10,500. For 2004, the limit increased to 15 percent of a taxpayer’s earned income that exceeded \$10,750. If a taxpayer was a member of the U.S. Armed Forces who served in a combat zone, the taxpayer was able to include his or her nontaxable combat pay as earned income when figuring the credit limit. This nontaxable combat pay could also have been used to gain benefits for the EIC (see the *Changes in Law* section of this article). The total of the child tax credit and the refundable child tax credit increased 46.5 percent to \$46.8 billion.

The credit that showed the second largest increase for 2004 was the foreign tax credit. This credit was claimed by 4.7 million taxpayers for a total of \$6.8 billion, an increase of 13.4 percent and 16.4 percent from 2003, respectively. The child care credit rose for 2004 by 4.1 percent, to a total of \$3.3 billion. The education credits were taken by nearly 7.2 million taxpayers and totaled \$6.0 billion, an increase of 3.0 percent over 2003. The education credit was comprised of the Hope credit (for the first 2

Figure G

Selected Tax Credits, Tax Years 2003 and 2004

[Number of returns is in thousands--money amounts are in millions of dollars]

Item	2003		2004		Percentage change	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(1)	(2)	(3)	(4)	(5)	(6)
Total tax credits [1].....	41,091	41,996	41,694	52,367	1.5	24.7
Child care credit.....	6,313	3,207	6,317	3,338	0.1	4.1
Earned income credit [2].....	3,606	926	2,975	768	-17.5	-17.1
Foreign tax credit.....	4,145	5,806	4,700	6,758	13.4	16.4
General business credit.....	263	613	249	635	-5.4	3.7
Minimum tax credit.....	251	917	275	902	9.6	-1.6
Child tax credit [3].....	25,672	22,788	25,989	32,300	1.2	41.7
Education credits.....	7,298	5,843	7,181	6,017	-1.6	3.0
Retirement savings contribution credit.....	5,297	1,034	5,289	1,012	-0.2	-2.2

[1] Includes credits not shown separately. See Table 2.

[2] Represents portion of earned income credit used to offset income tax before credits.

[3] Excludes refundable portion, which totaled \$14.5 billion for 2004.

Individual Income Tax Returns, 2004

years of college) and the Lifetime Learning credit (all other years).

Three credits fell for 2004: the minimum tax credit; the retirement savings contribution credit; and the earned income credit (EIC) used to offset income tax before credits. They showed declines of 1.6 percent, 2.2 percent, and 17.1 percent, respectively.

Both the EIC and the additional child tax credit may offset not only income tax before credits but also all other taxes and may even be refundable. The second part of the EIC, the portion used to offset all other taxes besides income tax, was \$4.0 billion for 2004 (6.4 percent more than 2003). The refundable portion, the largest component of the EIC, was treated as a refund and paid directly to taxpayers who had no tax against which to apply the credit or whose EIC exceeded income tax (and other income-related taxes). The refundable portion of the EIC totaled \$35.3 billion for 2004, an increase of 3.8 percent from 2003 (Figure H).

Almost 22.3 million taxpayers claimed the earned income credit for 2004, an increase of 1.1 percent from 2003. The total earned income credit increased 3.5 percent to \$40.0 billion. The number of returns receiving the credit but having no qualifying children increased 6.8 percent for 2004. The number of returns having one qualifying child and receiving the credit increased 0.5 percent, while the number of returns having two or more qualifying

children and receiving the credit decreased 1.0 percent. The amount of EIC claimed for returns with no qualifying children increased 8.7 percent. Returns with one qualifying child reported an increase in EIC of 3.8 percent, and returns with two or more qualifying children showed an increase of 3.2 percent.

The number of returns claiming the refundable portion of the EIC increased 1.5 percent for 2004, while the amount of the refundable portion of the EIC increased 3.8 percent. The number of returns with the refundable portion of the EIC and without any qualifying children increased 2.9 percent, while the corresponding figure for the number of returns with one qualifying child increased by 2.8 percent, and the number of returns with two or more qualifying children was essentially unchanged. The amount of refundable EIC claimed on returns with no qualifying children increased 4.6 percent for 2004. The amount of refundable EIC claimed on returns with one qualifying child increased 5.2 percent, while the amount on returns with two or more qualifying children increased 3.0 percent.

Historical Trends in Constant Dollars

As shown in Figure I, AGI, salaries and wages, and real gross domestic product (GDP) rose in constant dollars for 2004 [9]. The 6.6-percent growth in real AGI was the largest since 1998 (when it was 7.3 percent). As shown in Figure J, real total income

Figure H

Earned Income Credit, Tax Years 2003 and 2004

[Number of returns is in thousands--money amounts are in millions of dollars]

Item	2003		2004		Percentage change	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(1)	(2)	(3)	(4)	(5)	(6)
Total earned income credit (EIC)	22,024	38,657	22,270	40,024	1.1	3.5
EIC for returns with no qualifying children.....	4,392	942	4,690	1,024	6.8	8.7
EIC for returns with one qualifying child.....	8,269	13,746	8,311	14,264	0.5	3.8
EIC for returns with two or more qualifying children.....	9,363	23,970	9,269	24,736	-1.0	3.2
Refundable earned income credit (EIC)	19,162	34,012	19,448	35,300	1.5	3.8
EIC for returns with no qualifying children.....	2,981	655	3,068	685	2.9	4.6
EIC for returns with one qualifying child.....	7,313	11,825	7,516	12,445	2.8	5.2
EIC for returns with two or more qualifying children.....	8,869	21,533	8,865	22,170	[1]	3.0

[1] Less than 0.05 percent.

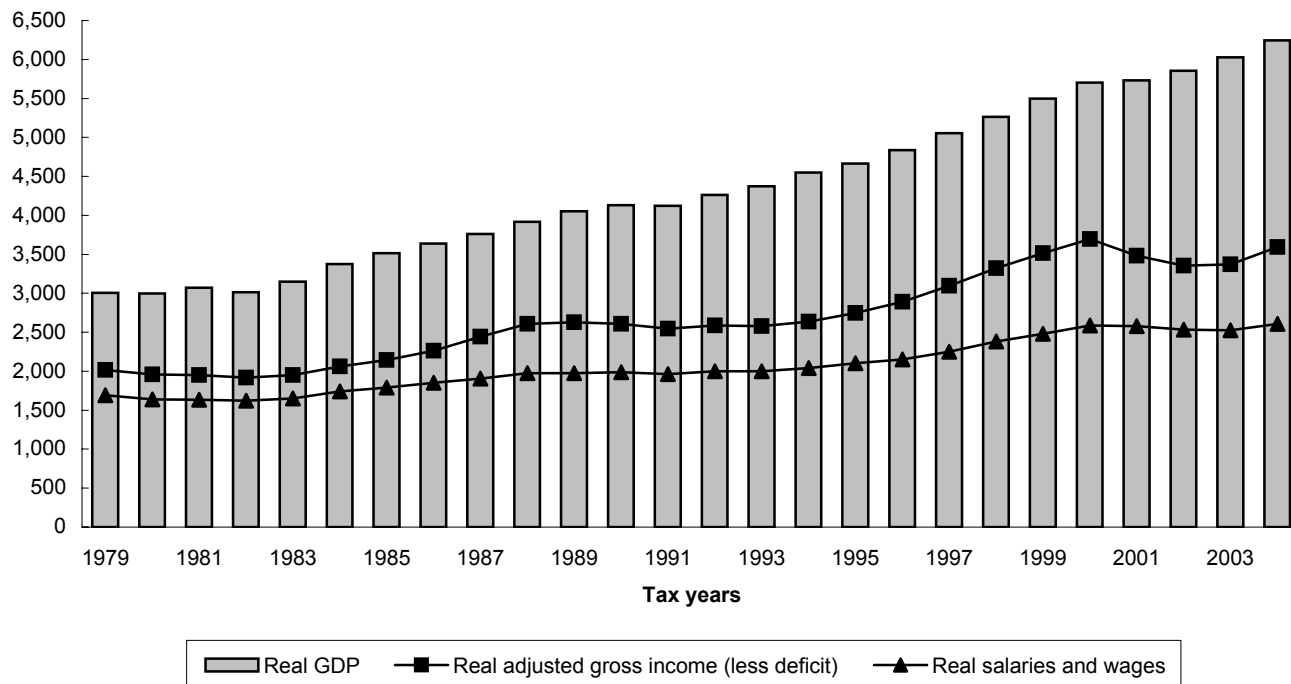
NOTE: Detail may not add to totals because of rounding.

Individual Income Tax Returns, 2004

Figure I

Real Adjusted Gross Income, Salaries and Wages, and Gross Domestic Product, Tax Years 1979-2004 [1]

Constant 1982-84 dollars (billions) [2,3]



[1] The definition of adjusted gross income (less deficit) (AGI) changed beginning in Tax Year 1987. Therefore, AGI should be examined separately from 1979 to 1986 and from 1987 to 2004. Real gross domestic product (GDP) does not include capital gains, while AGI does include capital gains.

[2] AGI and salaries and wages are shown in constant dollars, calculated using the U.S. Bureau of Labor Statistics consumer price index for urban consumers (CPI-U, 1982-84=100). See footnote 9 of this article for further details.

[3] GDP based on chained 2000 dollars (billions) converted to 82-84 dollars as reported by the U.S. Department of Commerce, Bureau of Economic Analysis in the *Survey of Current Business*, June 2006.

tax rose continually from \$329.2 billion for 1991 to its high of \$569.5 billion for 2000, but then declined each year through 2003 when it was \$406.5 billion. For 2004, real total income tax increased to \$440.4 billion. Tax as a percentage of real GDP behaved similarly. During the mid- to late 1990s, tax as a percentage of real GDP increased. Part of this increase is attributable to the substantial increase in realizations of net capital gains and, thus, income taxes on those capital gains. The income taxes on these capital gains are included in the numerator of the income tax-to-GDP ratio, but, by definition of GDP, the capital gains are not included in the denominator. However, from 2000 to 2003, the ratio of income tax to GDP fell from 10.0 percent to 6.7 percent, in conjunction with an overall decline in re-

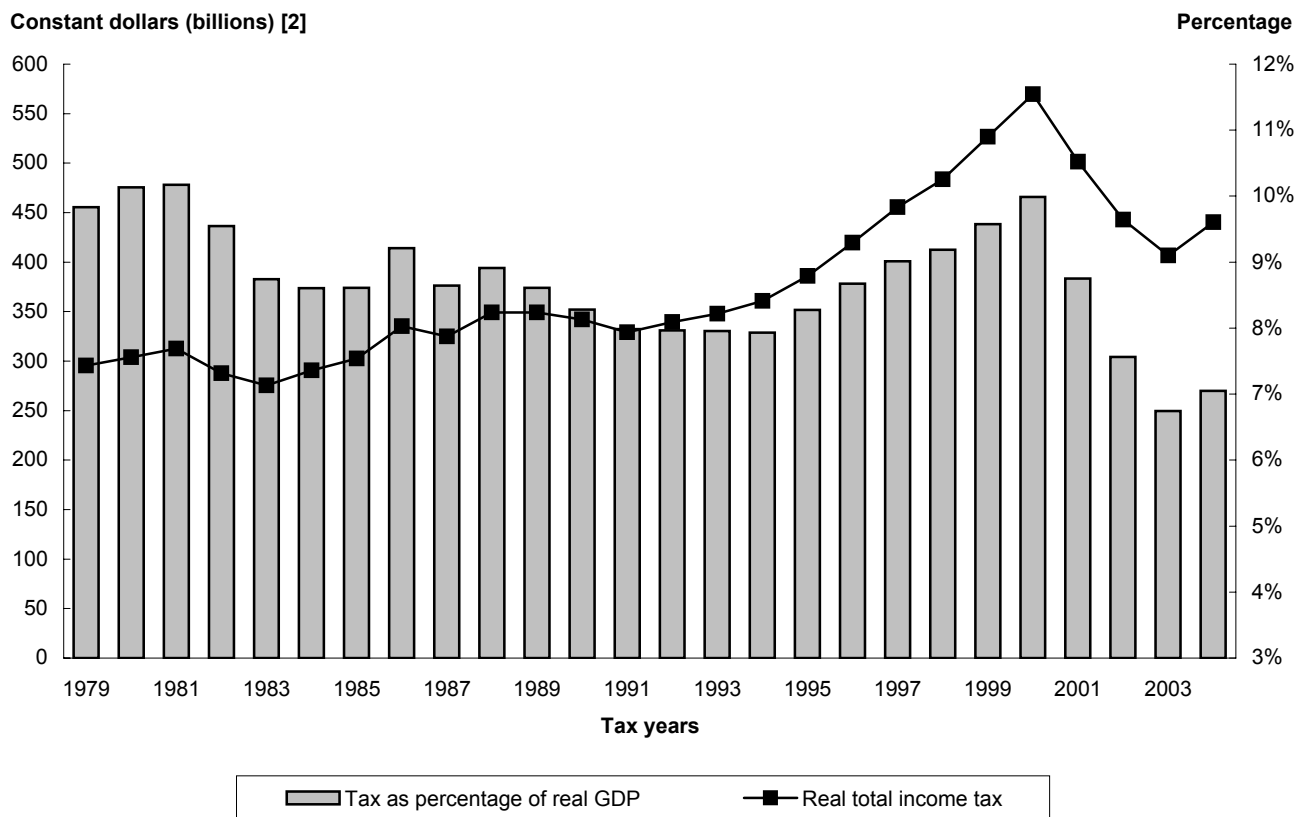
ported net capital gains. Since, for 2004, net capital gain (less loss) increased 56.7 percent (in constant dollars), the ratio increased to 7.1 percent. For 2003, although capital gains increased by 20.5 percent in real terms, this was accompanied by significant decreases in tax rates.

Net capital gain (less loss) is the sum of gains and losses from the sale of capital assets. Figure K shows that, in constant dollars, net capital gain (less loss) increased 56.7 percent for 2004. TY 2003 and 2004 reverted to the trend of large annual increases for real net capital gain (less loss) during most of the 1990s. From 1991 to 2000, real net capital gains increased almost fivefold from a low of \$75.5 billion for 1991 to a high of \$366.2 billion for 2000. During this period, capital gain (less loss) was affected by

Individual Income Tax Returns, 2004

Figure J

Real Total Income Tax and Tax as a Percentage of Real Gross Domestic Product, Tax Years 1979-2004 [1]



[1] GDP does not include capital gains, while adjusted gross income and taxable income (thus affecting income tax) do include these gains.
 [2] Total income tax is shown in constant dollars, calculated using the U.S. Bureau of Labor Statistics consumer price index for urban consumers (CPI-U, 1982-84=100). See footnote 9 of this article for further details.

both tax law changes and a rising stock market. Due to several significant tax law changes enacted during the 1990s (including the Omnibus Budget Reconciliation Act of 1993--OBRA93--and the Taxpayer Relief Act of 1997), the maximum differential between ordinary income and long-term capital gain income increased from three percentage points for 1991 and 1992 to 19.6 percentage points for 1997 through 2000. For 2003 and 2004, this differential was 20.0 percentage points. With 2004 being the second straight year of double-digit growth, real net capital gain (less loss) reached 75.1 percent of its all-time high (which occurred in 2000).

Along with net capital gain (less loss), the constant-dollar amount of capital gain distributions

from mutual funds increased tremendously during the 1990s, in reaching a high of \$45.9 billion in TY 2000. Capital gain distributions declined between 2000 and 2003. The large declines of reported capital gain distributions over this period brought them to \$2.6 billion for 2003, below the 1990 inflation-adjusted level of just under \$3.0 billion. For 2004, capital gain distributions increased to \$8.1 billion, its highest amount since 2000, but well below the levels of the late 1990s.

Figure L presents constant dollar data for selected income, deduction, and tax items for 1988-2004. Real taxable interest income fluctuated over the period. Having decreased during 1990-1994, it rebounded 19.3 percent to \$101.6 billion for 1995.

Figure K

Net Capital Gains and Capital Gain Distributions from Mutual Funds, Tax Years 1988-2004

[Number of returns is in thousands—money amounts are in millions of dollars]

Tax year	Net capital gain (less loss)				Capital gain distributions [2]			
	Number of returns	Current dollars	Constant 1982-84 dollars [1]		Number of returns	Current dollars	Constant 1982-84 dollars [1]	
			Amount	Percentage change			Amount	Percentage change
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1988.....	14,309	153,768	129,981	N/A	4,274	3,879	3,279	N/A
1989.....	15,060	145,631	117,444	-9.6	5,191	5,483	4,422	34.9
1990.....	14,288	114,231	87,400	-25.6	5,069	3,905	2,988	-32.4
1991.....	15,009	102,776	75,460	-13.7	5,796	4,665	3,425	14.6
1992.....	16,491	118,230	84,269	11.7	5,917	7,426	5,293	54.5
1993.....	18,409	144,172	99,773	18.4	9,998	11,995	8,301	56.8
1994.....	18,823	142,288	96,011	-3.8	9,803	11,322	7,640	-8.0
1995.....	19,963	170,415	111,821	16.5	10,744	14,391	9,443	23.6
1996.....	22,065	251,817	160,495	43.5	12,778	24,722	15,757	66.9
1997.....	24,240	356,083	221,859	38.2	14,969	45,132	28,120	78.5
1998.....	25,690	446,084	273,671	23.4	16,070	46,147	28,311	0.7
1999.....	27,701	542,758	325,785	19.0	17,012	59,473	35,698	26.1
2000.....	29,521	630,542	366,169	12.4	17,546	79,079	45,923	28.6
2001.....	25,956	326,527	184,375	-49.6	12,216	13,609	7,685	-83.3
2002.....	24,189	238,789	132,734	-28.0	7,567	5,343	2,970	-61.4
2003.....	22,985	294,354	159,975	20.5	7,265	4,695	2,552	-14.1
2004.....	25,267	473,662	250,747	56.7	10,733	15,336	8,119	218.1

N/A - Not applicable.

[1] Constant dollars were calculated using the U.S. Bureau of Labor Statistics consumer price index for urban consumers (CPI-U, 1982-84=100). See footnote 9 of this article for further details.

[2] Capital gain distributions are included in net capital gain (less loss). For 1988-1996, and 1999-2004, capital gain distributions from mutual funds are the sum of the amounts reported on the Form 1040 and Schedule D. For 1997 and 1998, capital gain distributions were reported entirely on the Schedule D.

For 2000, it jumped again, this time by 9.8 percent. The 3.7-percent decrease for 2004 marked the fourth straight year of declines. In real terms, taxable interest for 2004 was only 37.4 percent of the level reported for 1989. Dividends had increased for 6 of the previous 7 years before 2001, and then had 2 consecutive years of large decreases for 2001 and 2002. In 2003, dividends showed a moderate increase of 8.8 percent, followed by a 24.5-percent increase to \$77.7 billion for 2004. In 2004, for the first time, taxable dividends exceeded taxable interest.

Constant-dollar business or profession net income (less loss) increased 5.1 percent to \$130.9 billion for 2004. This was the highest level of sole proprietorship income, in real terms. As with business or profession net income (less loss), many other sources of income showed significant increases for 2004 in real terms. These included taxable Individual Retirement Account distributions, taxable Social Security benefits, taxable pensions and annuities, and partnership and S corporation net income (less loss), which increased 12.4 percent, 10.3

percent, 3.2 percent, and 21.4 percent, respectively. After decreases for 2002 and 2003, the inflation-adjusted amount of total itemized deductions increased 8.0 percent for 2004. In the same manner, real charitable contributions increased by 10.9 percent for 2004.

Much of the fluctuation in alternative minimum tax (AMT) liability shown for 1988 through 2004 reflects changes in law. The large increases in the AMT for 1991 and 1993 were the result of increases in the rates at which alternative minimum taxable income was taxed. After a large decline in AMT for 2001, partially resulting from a statutory increase in the AMT exemption, there was virtually no change in AMT for 2002. However, for 2003, while AMT tax rates were stable, other tax rates declined significantly. Thus, despite the fact that there was another increase in AMT exemption amounts, AMT increased by 34.8 percent. AMT increased 34.3 percent for 2004, with the AMT exemption amounts and all tax rates remaining the same.

Individual Income Tax Returns, 2004

Figure L

Selected Sources of Income, Deductions, and Tax Items, in Constant Dollars, Tax Years 1988-2004

[Money amounts are in millions of dollars]

Tax year	Taxable interest		Ordinary dividends		Business or profession net income (less loss)		Taxable Individual Retirement Account distributions		Taxable Social Security benefits		Taxable pensions and annuities	
	Amount (constant 1982-84 dollars) [1]	Percentage change	Amount (constant 1982-84 dollars) [1]	Percentage change	Amount (constant 1982-84 dollars) [1]	Percentage change	Amount (constant 1982-84 dollars) [1]	Percentage change	Amount (constant 1982-84 dollars) [1]	Percentage change	Amount (constant 1982-84 dollars) [1]	Percentage change
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
1988.....	158,057	N/A	65,367	N/A	106,782	N/A	9,398	N/A	12,140	N/A	117,317	N/A
1989.....	177,432	12.3	65,572	0.3	107,047	0.2	11,190	19.1	13,990	15.2	118,837	1.3
1990.....	173,744	-2.1	61,338	-6.5	108,210	1.1	13,431	20.0	15,062	7.7	121,878	2.6
1991.....	153,753	-11.5	56,743	-7.5	104,159	-3.7	15,145	12.8	15,682	4.1	129,590	6.3
1992.....	115,712	-24.7	55,542	-2.1	109,766	5.4	18,726	23.6	16,493	5.2	132,924	2.6
1993.....	90,755	-21.6	55,176	-0.7	107,754	-1.8	18,741	0.1	17,059	3.4	134,266	1.0
1994.....	85,134	-6.2	55,607	0.8	112,148	4.1	22,339	19.2	26,072	52.8	138,625	3.2
1995.....	101,562	19.3	62,068	11.6	111,118	-0.9	24,486	9.6	29,997	75.8	145,048	4.6
1996.....	105,591	4.0	66,447	7.1	112,749	1.5	29,024	18.5	33,909	13.0	152,190	4.9
1997.....	106,978	1.3	75,074	13.0	116,350	3.2	34,382	18.5	38,354	13.1	161,813	6.3
1998.....	109,407	2.3	72,687	-3.2	124,172	6.7	45,457	32.2	42,149	9.9	172,178	6.4
1999.....	105,447	-3.6	79,511	9.4	125,098	0.7	52,306	15.1	45,065	6.9	182,660	6.1
2000.....	115,750	9.8	85,359	7.4	124,196	-0.7	57,472	9.9	52,244	15.9	189,215	3.6
2001.....	111,902	-3.3	67,495	-20.9	122,401	-1.4	53,262	-7.3	52,829	1.1	191,274	1.1
2002.....	82,838	-26.0	57,388	-15.0	122,726	0.3	49,038	-7.9	51,951	-1.7	198,911	4.0
2003.....	68,959	-16.8	62,441	8.8	124,542	1.5	47,904	-2.3	53,020	2.1	202,240	1.7
2004.....	66,424	-3.7	77,734	24.5	130,872	5.1	53,823	12.4	58,477	10.3	208,727	3.2

Tax year	Total rental and royalty net income (less loss) [2]		Partnership and S corporation net income (less loss)		Total itemized deductions in taxable income [3]		Charitable contributions deduction		Alternative minimum tax		Total earned income credit	
	Amount (constant 1982-84 dollars) [1]	Percentage change	Amount (constant 1982-84 dollars) [1]	Percentage change	Amount (constant 1982-84 dollars) [1]	Percentage change	Amount (constant 1982-84 dollars) [1]	Percentage change	Amount (constant 1982-84 dollars) [1]	Percentage change	Amount (constant 1982-84 dollars) [1]	Percentage change
	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
1988.....	-1,081	N/A	48,250	N/A	334,080	N/A	43,068	N/A	869	N/A	4,984	N/A
1989.....	-1,160	-7.3	50,881	5.5	347,563	4.0	44,725	3.8	670	-22.9	5,319	6.7
1990.....	2,880	[X]	51,279	0.8	350,792	0.9	43,797	-2.1	635	-5.2	5,771	8.5
1991.....	3,814	32.4	46,395	-9.5	343,382	-2.1	44,474	1.5	891	40.3	7,676	33.0
1992.....	6,878	80.3	62,474	34.7	343,511	[Z]	45,505	2.3	967	8.5	8,682	13.1
1993.....	9,280	34.9	64,269	2.9	339,380	-1.2	47,304	4.0	1,421	46.9	10,752	23.8
1994.....	10,774	16.1	77,183	20.1	333,100	-1.9	47,601	0.6	1,493	5.1	14,241	32.4
1995.....	11,281	4.7	82,515	6.9	346,046	3.9	49,207	3.4	1,503	5.8	17,031	19.6
1996.....	13,107	16.2	93,550	13.4	364,908	5.5	54,914	11.6	1,793	19.3	18,372	7.9
1997.....	13,935	6.3	104,874	12.1	386,798	6.0	61,802	12.5	2,495	39.2	18,934	3.1
1998.....	13,767	-1.2	114,941	9.6	415,006	7.3	67,018	8.4	3,076	23.3	19,381	2.4
1999.....	15,388	11.8	126,694	10.2	445,004	7.2	75,510	12.7	3,888	26.4	19,148	-1.2
2000.....	16,356	6.3	123,643	-2.4	477,561	7.3	81,697	8.2	5,575	43.4	18,755	-2.1
2001.....	18,574	13.6	127,109	2.8	499,451	4.6	78,623	-3.8	3,815	-31.6	18,846	0.5
2002.....	16,112	-13.3	132,277	4.1	499,193	-0.1	78,139	-0.6	3,810	-0.1	21,233	12.7
2003.....	15,850	-1.6	137,775	4.2	489,081	-2.0	79,014	1.1	5,135	34.8	20,964	-1.3
2004.....	14,497	-8.5	167,281	21.4	528,448	8.0	87,647	10.9	6,897	34.3	21,188	1.1

N/A - Not applicable.

[1] Constant dollars were calculated using the U.S. Bureau of Labor Statistics consumer price index for urban consumers (CPI-U, 1982-84=100). See footnote 9 of this article for further details.

[2] Includes farm rental net income (less loss).

[3] Itemized deductions for 1991 and later years were limited if adjusted gross income exceeded specified levels.

[X] Percentage not calculated.

[Z] Less than .05 percent.

Individual Income Tax Returns, 2004

Since 1988, the real value of the total EIC increased each year through 1998, exhibiting double-digit growth for several of these years. Beginning with Tax Year 1991, the EIC consisted of three components, with the maximum amount of the credit for 1991 being more than twice the maximum for 1990. Later, the Omnibus Budget Reconciliation Act of 1993 modified the EIC by expanding the eligibility requirements to allow some taxpayers without children to qualify for the credit and eliminating the health insurance credit and extra credit components of the EIC. In addition, the income eligibility levels and the maximum amounts of the credit increased. The EIC increased 1.1 percent in constant dollars for 2004.

Changes in Law

The definitions used in this article are generally the same as those in *Statistics of Income--2004, Individual Income Tax Returns* (IRS Publication 1304). The following is a partial list of tax law and Internal Revenue Service administrative changes that had a major bearing on the Tax Year 2004 data presented in this article.

Additional Child Tax Credits.--In Tax Year 2003, the credit limit based on earned income was 10 percent of a taxpayer's earned income that exceeded \$10,500. For 2004, the limit increased to 15 percent of a taxpayer's earned income that exceeded \$10,750. If a taxpayer was a member of the U.S. Armed Forces who served in a combat zone, the taxpayer was able to include his or her nontaxable combat pay as earned income when figuring the credit limit.

Alternative Minimum Tax (AMT).--For Tax Year 2004, the minimum exemption amount for a child under age 14 increased to \$5,750 from \$5,600 for 2003.

Certain Business Expenses of Reservists.--New in 2004, National Guard or reserve members who traveled more than 100 miles from home and performed services as a National Guard or reserve member were allowed to take a deduction in the form of an adjustment to income for certain expenses.

Earned Income Credit.--The maximum amount of the earned income credit increased, as did the amounts of earned income and investment income an individual could have and still claim the credit. The maximum amount of investment income (interest,

dividends, and capital gain income) a taxpayer could have and still claim the credit increased to \$2,650 from \$2,600. The maximum credit for taxpayers with no qualifying children increased to \$390 from \$382. For these taxpayers, earned income and AGI had to be less than \$11,490 (\$12,490 if married filing jointly). For taxpayers with one qualifying child, the maximum credit increased \$57 to \$2,604, and, for taxpayers with two or more qualifying children, the maximum credit increased to \$4,300 from \$4,204. To be eligible for the credit, a taxpayer's earned income and AGI had to be less than \$30,338 (\$31,338 for married filing jointly) for one qualifying child, or less than \$34,458 (\$35,458 for married filing jointly) for two or more qualifying children. Taxpayers who served in the U.S. Armed Forces in a combat zone could have elected to include their nontaxable combat pay in earned income when figuring the EIC (see Nontaxable Combat Pay for further information).

Health Savings Account Deduction.--Beginning in Tax Year 2004, a taxpayer could have taken a deduction for contributions to a Health Savings Account. The deduction was limited to the annual deductible on the qualifying high deductible health plan, but not more than \$2,600 (\$5,150, if family coverage). These limits were \$500 higher if the taxpayer was age 55 or older (\$1,000 if both spouses were 55 or older). A taxpayer could not contribute to an HSA starting the first month he or she was enrolled in Medicare.

Indexing.--The following items increased due to indexing for inflation: personal exemption amounts, the basic standard deduction amounts, the tax bracket boundaries, and the beginning income amounts for limiting certain itemized deductions and for the phaseout of personal exemptions. The maximum amount of earnings subject to self-employment tax increased based on the percentage change in average covered earnings.

Individual Retirement Arrangement Deduction.--For 2004, a taxpayer (both taxpayers for taxpayers filing jointly) was able to take an IRA deduction up to \$3,000 (\$3,500 if age 50 or older) if not covered by a retirement plan, or if covered by a retirement plan but his or her modified AGI was less than \$55,000 (\$75,000 if married filing jointly or a qualifying widow(er)). This was up from \$50,000 (\$70,000 if married filing jointly or a qualifying widow(er)) for 2003.

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Nontaxable Combat Pay Election.--For Tax Year 2004, members of the U.S. Armed Forces who served in a combat zone could have excluded certain pay from their incomes. The qualified taxpayer's entitlement to the pay must have been fully accrued in a month during which he or she served in a combat zone or was hospitalized as a result of wounds, disease, or injury incurred while serving in the combat zone. However, this nontaxable pay was used to gain benefits for both the EIC and additional child tax credit purposes.

Sales Tax Deduction.--For Tax Year 2004, a taxpayer could have elected to deduct State and local general sales taxes instead of State and local income taxes as an itemized deduction on Schedule A. This allowed individuals from States with no State income tax, such as Alaska, Florida, Nevada, Texas, Washington, Wyoming, South Dakota, and Tennessee, to take this deduction. Also, this allowed individuals with high sales taxes to take this deduction instead of State income tax. The taxpayer could have elected to base the sales tax deduction on either actual expenses or the amounts from optional State sales tax tables.

Schedule J.--New for 2004, fisherman could have elected to use income averaging on Schedule J to reduce their tax. Previously, only farmers could have taken this benefit. Also, the benefit of income averaging was extended to farmers and fisherman who owed the alternative minimum tax.

Section 179 Deduction.--The maximum section 179 deduction (full expensing of certain depreciable property) that could be elected for property placed in service in 2004 increased from \$100,000 to \$102,000 for qualified section 179 property (\$137,000 for qualified zone property, qualified renewal property, or qualified New York Liberty Zone property). This limit was reduced by the amount by which the cost of section 179 property placed in service during the tax year exceeded \$410,000 (increased from \$400,000).

Tuition and Fees Deduction.--A taxpayer was able to deduct in 2004 up to \$4,000 (\$3,000 in 2003) of the qualified tuition and fees paid for self, a spouse, or dependents if the taxpayer's modified AGI was under \$65,000 (\$130,000 if married filing jointly). New for 2004, a taxpayer was able to deduct up to \$2,000 if his or her AGI was higher than the previous limit but not more than \$80,000 (\$160,000

if married filing jointly). This deduction could not be taken if the person could be claimed as a dependent on another taxpayer's return or if the education credit was claimed for the same student.

Data Sources and Limitations

These statistics are based on a sample of individual income tax returns (Forms 1040, 1040A, and 1040EZ, including electronically-filed returns) filed during Calendar Year 2004. Returns in the sample were stratified based on: (1) the larger of positive income or negative income (absolute value); (2) the size of business and farm receipts; (3) the presence or absence of specific forms or schedules; and (4) the usefulness of returns for tax policy modeling purposes [10]. Returns were then selected at rates ranging from 0.05 percent to 100 percent. The 2004 data are based on a sample of 200,778 returns and an estimated final population of 133,189,982 returns. The corresponding sample and population for the 2003 data were 182,810 and 131,291,334 returns, respectively [11].

Since the data presented here are estimates based on a sample of returns filed, they are subject to sampling error. To properly use the statistical data provided, the magnitude of the potential sampling error must be known; coefficients of variation (CVs) are used to measure that magnitude. Figure M shows estimated CVs for the numbers of returns and money amounts for selected income items. The reliability of estimates based on samples, and the use of coefficients of variation for evaluating the precision of estimates based on samples, are discussed in the appendix to this issue of the *Bulletin*.

Notes and References

- [1] For purposes of this article, total negative income is a compilation of all income items on individual income tax returns (Forms 1040, 1040A, 1040EZ, and electronically-filed returns) for which a net loss for an income category was reported by the taxpayer. In particular, the Form 1040 income tax return entry for Schedule E, *Supplemental Income and Loss* (from rental real estate, royalties, partnerships, S corporations, estates, trusts, REMICs, etc.), was separated into the following components: rent and royalty net loss, partnership and S cor-

Individual Income Tax Returns, 2004

Figure M

Coefficients of Variation for Selected Items, Tax Year 2004

[Money amounts are in thousands of dollars--coefficients of variation are percentages]

Item	Number of returns	Coefficient of variation	Amount	Coefficient of variation
	(1)	(2)	(3)	(4)
Adjusted gross income (less deficit).....	132,226,042	0.03	6,788,805,130	0.11
Salaries and wages.....	112,369,812	0.14	4,921,806,344	0.21
Business or profession:				
Net income.....	15,057,938	0.47	290,224,776	0.93
Net loss.....	5,194,140	1.29	43,007,488	1.75
Net capital gain (less loss):				
Net gain.....	10,875,231	0.97	497,227,695	0.53
Net loss.....	11,513,428	0.94	25,492,046	0.99
Taxable individual retirement arrangement distributions.....	8,913,846	1.20	101,672,181	1.98
Taxable pensions and annuities.....	23,123,390	0.68	394,285,849	1.03
Partnership and S corporation:				
Net income.....	4,738,228	1.27	398,690,527	0.70
Net loss.....	2,498,144	1.98	82,697,364	1.25
Estate and trust:				
Net income.....	507,008	4.41	15,436,171	3.19
Net loss.....	35,710	13.48	1,435,566	6.11
Unemployment compensation.....	9,094,911	1.30	32,740,272	1.74
Taxable social security benefits.....	11,691,859	0.96	110,462,387	1.16
Other income:				
Net income.....	5,532,206	1.50	31,965,345	2.48
Net loss.....	359,344	5.96	8,767,672	6.89
Payments to an individual retirement arrangement.....	3,330,763	2.01	10,028,607	2.17
Moving expenses adjustment.....	1,096,436	3.85	2,952,043	5.19
Self-employment tax deduction.....	15,920,203	0.53	21,109,366	0.88
Self-employed health insurance deduction.....	3,883,687	1.38	18,457,063	1.54
Total statutory adjustments.....	32,153,965	0.51	98,046,679	0.87
Taxable income.....	102,737,959	0.17	4,670,165,637	0.15

poration net loss, and estate and trust net loss. When any one of these components was negative on a return, the corresponding loss (rather than the netted total amount from Schedule E) was included in the statistics for total net loss. For example, if a return showed estate and trust net income of \$20,000 and rent and royalty net loss of \$12,000, total net loss would include the \$12,000 of rent and royalty net loss.

- [2] Net operating loss is a carryover of the loss from a business when taxable income for a prior year was less than zero. A loss could be applied to the AGI for the current year and carried forward for up to 15 years. Net operating loss is included in other income (loss) on individual income tax returns but edited separately for Statistics of Income purposes.
- [3] No more than \$3,000 per return of net capital loss is allowed. For married filing separate returns, this loss is limited to \$1,500. Any excess is carried forward to future years.

- [4] For further details on the description of the sample, see *Statistics of Income--2004, Individual Income Tax Returns, 1997-2003*, (IRS Publication 1304).
- [5] Of the 132,226,042 total returns filed, 1.4 percent did not need to claim either a standard deduction or itemized deductions because no positive AGI was reported.
- [6] The National Weather Service, National Hurricane Center, Costliest U.S. Hurricanes 1900-2004 (unadjusted) (see <http://www.nhc.noaa.gov/pastcost.shtml>).
- [7] Average AGI is defined as the amount of AGI divided by the number of returns filed. Average taxable income is defined as the amount of taxable income divided by the number of returns with taxable income. Average total income tax is defined as the amount of total income tax divided by the number of taxable returns. Taxable returns are defined as returns with "total income tax" (the sum of income tax after credits, tax on

Individual Income Tax Returns, 2004

Form 4970, *Tax on Accumulation Distribution of Trusts*, less EIC used to offset other taxes) present. Tax on Form 4970 (not in the statistical tables) was \$0.5 million for 2004. This tax, previously part of income tax after credits, was included in “other taxes” for 2004.

[8] Parisi, Michael and Hollenbeck, Scott, “Individual Income Tax Returns, 2003,” *Statistics of Income Bulletin*, Fall 2005, Volume 25, Number 2, pp. 9-49.

[9] U.S. Department of Labor, Bureau of Labor Statistics, *Monthly Labor Review*. The Consumer Price Index (CPI-U) for each calendar year represents an annual average of monthly indices. CPI-U approximates the prices of goods and services purchased by typical urban consumers (1982-84=100):

<u>Year</u>	<u>CPI-U</u>	<u>Year</u>	<u>CPI-U</u>
2004	188.9	1991	136.2
2003	184.0	1990	130.7
2002	179.9	1989	124.0

2001	177.1	1988	118.3
2000	172.2	1987	113.6
1999	166.6	1986	109.6
1998	163.0	1985	107.6
1997	160.5	1984	103.9
1996	156.9	1983	99.6
1995	152.4	1982	96.5
1994	148.2	1981	90.9
1993	144.5	1980	82.4
1992	140.3	1979	72.6

[10] Returns in the sample were stratified based on the presence or absence of one or more of the following forms or schedules: Form 2555, *Foreign Earned Income*; Form 1116, *Foreign Tax Credit (Individual, Fiduciary, or Nonresident Alien Individual)*; Schedule C, *Profit or Loss from Business (Sole Proprietorship)*; and Schedule F, *Profit or Loss From Farming*.

[11] For further details on the description of the sample, see *Statistics of Income--2004, Individual Income Tax Returns* (IRS Publication 1304).

Individual Income Tax Returns, 2004

Table 1.--All Returns: Sources of Income, Adjustments, and Tax Items, by Size of Adjusted Gross Income, Tax Year 2004

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

Size of adjusted gross income	Number of returns	Adjusted gross income (less deficit)	Salaries and wages		Taxable interest		Tax-exempt interest [1]	
			Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
All returns.....	132,226,042	6,788,805,130	112,369,812	4,921,806,344	57,605,888	125,474,158	4,416,851	52,031,763
No adjusted gross income.....	1,854,886	-86,318,215	708,858	17,446,959	837,457	4,122,552	71,092	1,288,224
\$1 under \$5,000.....	11,670,444	31,096,322	9,128,850	28,545,138	2,735,068	1,352,421	102,453	365,048
\$5,000 under \$10,000.....	12,135,417	90,875,411	9,529,153	68,536,053	2,815,785	2,785,240	141,743	310,127
\$10,000 under \$15,000.....	11,656,193	145,142,372	8,955,545	103,590,921	3,124,997	4,317,721	149,207	619,470
\$15,000 under \$20,000.....	11,281,291	197,081,478	9,201,672	150,295,769	3,169,433	4,457,926	153,404	874,418
\$20,000 under \$25,000.....	9,705,192	217,844,558	8,371,098	176,912,342	2,711,390	3,292,692	134,157	1,080,439
\$25,000 under \$30,000.....	8,512,113	233,540,422	7,451,424	192,320,023	2,615,820	3,328,911	146,041	535,742
\$30,000 under \$40,000.....	13,915,452	482,760,301	12,444,031	403,102,596	5,309,774	6,172,798	259,068	1,838,951
\$40,000 under \$50,000.....	10,571,408	473,380,843	9,491,467	389,370,810	5,048,771	5,818,515	289,977	1,628,704
\$50,000 under \$75,000.....	18,047,126	1,109,616,155	16,305,741	898,557,875	10,773,615	13,378,634	658,961	3,919,984
\$75,000 under \$100,000.....	10,119,515	872,398,173	9,276,804	706,418,862	7,453,048	9,983,355	494,051	3,586,612
\$100,000 under \$200,000.....	9,735,569	1,288,319,611	8,905,560	993,525,857	8,152,791	18,037,414	954,692	9,105,106
\$200,000 under \$500,000.....	2,348,163	676,794,600	2,041,116	420,617,037	2,198,115	13,867,828	553,723	8,681,372
\$500,000 under \$1,000,000.....	433,145	293,369,864	362,105	144,318,290	422,420	7,384,973	172,273	5,091,630
\$1,000,000 under \$1,500,000.....	103,964	125,552,749	84,657	51,193,923	102,419	3,647,664	51,461	2,428,637
\$1,500,000 under \$2,000,000.....	45,104	77,754,757	36,876	29,522,845	44,603	2,338,982	24,607	1,532,963
\$2,000,000 under \$5,000,000.....	65,548	194,470,800	53,776	63,979,917	65,002	6,477,487	40,847	3,594,696
\$5,000,000 under \$10,000,000.....	15,835	108,191,995	13,090	31,985,356	15,736	4,014,421	11,389	2,034,381
\$10,000,000 or more.....	9,677	256,932,933	7,987	51,565,771	9,646	10,694,625	7,707	3,515,258
Taxable returns.....	89,101,934	6,265,500,376	77,924,467	4,406,828,340	46,859,430	111,480,481	3,864,255	47,370,438
Nontaxable returns.....	43,124,107	523,304,754	34,445,345	514,978,004	10,746,458	13,993,677	552,596	4,661,325

Size of adjusted gross income	Ordinary dividends		Qualified dividends		State income tax refunds		Alimony received	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
All returns.....	30,687,178	146,838,808	24,549,867	110,500,411	23,621,296	22,735,928	439,608	7,262,338
No adjusted gross income.....	663,529	2,708,547	551,683	1,583,733	82,573	243,773	3,813	46,723
\$1 under \$5,000.....	1,511,469	1,176,539	1,151,114	617,000	119,251	52,957	** 4,586	** 27,886
\$5,000 under \$10,000.....	1,377,381	1,906,043	1,086,344	1,035,222	190,664	93,223	26,969	118,703
\$10,000 under \$15,000.....	1,462,328	2,371,391	1,087,261	1,207,059	315,091	135,100	36,166	294,964
\$15,000 under \$20,000.....	1,437,357	2,642,048	1,091,407	1,507,054	424,765	204,498	49,198	370,658
\$20,000 under \$25,000.....	1,220,933	2,335,366	886,432	1,216,725	601,617	271,067	38,792	304,000
\$25,000 under \$30,000.....	1,204,106	2,325,239	916,992	1,385,635	772,329	399,798	36,176	329,019
\$30,000 under \$40,000.....	2,342,212	4,562,592	1,800,885	2,788,038	2,115,892	1,061,595	68,764	824,036
\$40,000 under \$50,000.....	2,247,565	4,789,623	1,787,535	3,170,575	2,375,050	1,411,568	61,993	885,163
\$50,000 under \$75,000.....	5,315,971	12,209,773	4,196,421	7,649,514	5,976,844	4,056,332	** 90,013	** 2,245,344
\$75,000 under \$100,000.....	4,093,274	10,378,379	3,259,071	7,447,138	4,606,862	3,660,619	**	**
\$100,000 under \$200,000.....	5,407,083	23,785,785	4,552,938	17,629,046	4,825,551	5,141,786	15,425	633,928
\$200,000 under \$500,000.....	1,801,180	20,316,292	1,617,223	16,653,453	918,013	2,195,783	** 7,715	** 1,181,914
\$500,000 under \$1,000,000.....	380,444	11,259,008	355,471	9,269,807	179,281	951,126	**	**
\$1,000,000 under \$1,500,000.....	94,725	5,694,094	88,251	4,787,210	47,048	503,270	**	**
\$1,500,000 under \$2,000,000.....	41,619	3,702,157	39,329	3,114,069	22,120	297,997	**	**
\$2,000,000 under \$5,000,000.....	61,403	9,769,996	57,983	8,191,031	33,681	785,110	**	**
\$5,000,000 under \$10,000,000.....	15,175	6,165,115	14,504	5,173,085	8,836	432,589	**	**
\$10,000,000 or more.....	9,423	18,740,821	9,021	16,075,017	5,827	837,739	**	**
Taxable returns.....	25,455,072	136,936,608	20,599,594	104,832,518	21,338,779	20,946,034	327,339	6,458,591
Nontaxable returns.....	5,232,106	9,902,201	3,950,273	5,667,893	2,282,517	1,789,894	112,269	803,748

Footnotes at end of table.

Individual Income Tax Returns, 2004

Table 1.--All Returns: Sources of Income, Adjustments, and Tax Items, by Size of Adjusted Gross Income, Tax Year 2004--Continued

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

Size of adjusted gross income	Business or profession				Capital gain distributions		Sales of capital assets reported on Form 1040, Schedule D	
	Net income		Net loss		Number of returns	Amount	Taxable net gain	
	Number of returns	Amount	Number of returns	Amount			Number of returns	Amount
	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
All returns.....	15,057,938	290,224,776	5,194,140	43,007,488	2,878,263	1,925,990	10,875,231	497,227,695
No adjusted gross income.....	198,656	2,355,623	409,264	9,471,331	16,703	8,418	140,975	9,050,536
\$1 under \$5,000.....	1,187,871	3,517,443	139,683	705,985	244,027	113,131	379,629	609,472
\$5,000 under \$10,000.....	1,628,818	10,956,718	190,046	1,154,279	150,078	91,053	409,738	1,066,616
\$10,000 under \$15,000.....	1,558,877	14,671,936	243,260	1,655,400	150,020	123,344	464,541	1,464,744
\$15,000 under \$20,000.....	1,092,477	12,306,395	292,622	2,064,488	143,299	86,892	456,895	1,829,264
\$20,000 under \$25,000.....	900,873	11,005,063	267,953	1,863,974	106,390	53,613	415,333	1,746,072
\$25,000 under \$30,000.....	752,863	10,001,693	313,158	2,241,346	111,982	63,580	394,240	1,906,443
\$30,000 under \$40,000.....	1,182,503	16,846,709	537,405	3,122,936	224,694	107,558	749,922	3,733,384
\$40,000 under \$50,000.....	1,084,731	16,433,746	488,347	3,073,345	218,312	115,010	787,993	4,048,620
\$50,000 under \$75,000.....	2,075,671	34,518,845	962,708	5,243,050	558,414	370,536	1,812,450	13,766,936
\$75,000 under \$100,000.....	1,290,666	28,102,027	587,423	3,024,358	387,911	291,301	1,446,602	16,158,510
\$100,000 under \$200,000.....	1,480,411	58,258,242	568,743	4,351,940	461,475	360,186	2,165,167	50,155,672
\$200,000 under \$500,000.....	496,085	43,558,450	148,101	2,108,153	93,963	114,745	881,805	68,803,978
\$500,000 under \$1,000,000.....	85,402	14,168,352	27,562	858,262	8,185	14,989	219,011	50,856,121
\$1,000,000 under \$1,500,000.....	18,422	4,040,696	7,650	403,379	1,697	6,126	60,325	28,484,420
\$1,500,000 under \$2,000,000.....	7,816	1,912,646	3,020	216,911	519	2,815	27,637	19,053,558
\$2,000,000 under \$5,000,000.....	11,422	4,098,585	4,848	515,817	508	1,530	43,413	59,053,945
\$5,000,000 under \$10,000,000.....	2,734	1,427,399	1,410	370,129	61	334	11,685	39,742,491
\$10,000,000 or more.....	1,639	2,044,209	938	562,406	26	829	7,868	125,696,910
Taxable returns.....	8,913,788	231,921,791	3,596,403	24,898,867	2,465,819	1,729,594	9,377,216	482,192,064
Nontaxable returns.....	6,144,150	58,302,985	1,597,738	18,108,621	412,444	196,395	1,498,015	15,035,630

Size of adjusted gross income	Sales of capital assets reported on Form 1040, Schedule D--continued							
	Taxable net loss		Short-term capital gain		Short-term capital loss		Short-term loss carryover	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)
All returns.....	11,513,428	25,492,046	4,488,654	39,746,504	5,506,046	144,946,686	2,608,231	127,020,069
No adjusted gross income.....	675,087	1,693,394	83,058	1,532,554	338,760	15,653,381	260,952	14,137,725
\$1 under \$5,000.....	557,481	1,146,940	143,372	169,770	225,377	3,430,904	146,336	3,127,010
\$5,000 under \$10,000.....	500,295	1,090,908	147,382	231,599	194,602	3,521,028	95,265	3,019,699
\$10,000 under \$15,000.....	503,617	1,097,007	171,314	274,926	196,452	3,286,167	82,965	2,848,300
\$15,000 under \$20,000.....	454,413	1,022,877	167,808	345,596	184,691	3,249,880	88,528	2,812,601
\$20,000 under \$25,000.....	416,925	880,200	151,486	320,313	173,933	2,918,443	77,877	2,590,293
\$25,000 under \$30,000.....	403,229	878,512	150,410	354,635	166,899	2,750,879	82,767	2,532,355
\$30,000 under \$40,000.....	824,506	1,733,090	266,065	648,084	349,013	5,208,463	142,423	4,258,672
\$40,000 under \$50,000.....	826,962	1,767,851	307,302	627,103	345,863	5,777,698	152,001	4,847,871
\$50,000 under \$75,000.....	1,849,903	3,872,862	700,954	2,106,668	773,865	13,018,558	317,273	10,871,271
\$75,000 under \$100,000.....	1,410,780	3,016,508	633,605	2,199,811	667,510	12,230,056	281,279	10,616,886
\$100,000 under \$200,000.....	2,068,557	4,674,715	932,479	4,978,347	1,095,199	25,778,982	465,415	22,450,204
\$200,000 under \$500,000.....	791,912	1,985,855	438,144	5,595,789	553,093	21,875,166	275,207	19,810,537
\$500,000 under \$1,000,000.....	155,821	422,087	112,667	3,429,687	145,052	9,840,514	81,377	8,865,989
\$1,000,000 under \$1,500,000.....	35,475	99,770	32,584	1,697,124	40,052	3,814,650	24,593	3,418,183
\$1,500,000 under \$2,000,000.....	14,356	40,513	14,855	1,159,469	17,845	2,214,318	10,822	2,028,180
\$2,000,000 under \$5,000,000.....	18,822	53,798	23,657	3,754,299	27,319	4,706,393	16,645	4,193,315
\$5,000,000 under \$10,000,000.....	3,662	10,509	6,773	2,519,910	6,605	2,118,643	4,087	1,785,640
\$10,000,000 or more.....	1,624	4,649	4,740	7,800,818	3,912	3,552,563	2,420	2,805,338
Taxable returns.....	8,886,242	19,472,221	3,853,895	37,358,233	4,315,299	108,968,280	1,878,911	95,076,335
Nontaxable returns.....	2,627,186	6,019,825	634,759	2,388,272	1,190,748	35,978,405	729,321	31,943,734

Footnotes at end of table.

Individual Income Tax Returns, 2004

Table 1.--All Returns: Sources of Income, Adjustments, and Tax Items, by Size of Adjusted Gross Income, Tax Year 2004--Continued

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

Size of adjusted gross income	Sales of capital assets reported on Form 1040, Schedule D--continued							
	Net short-term gain from sales of capital assets		Net short-term loss from sales of capital assets		Short-term gain from other forms (2119,4797,etc)		Short-term gain from other forms (Forms 4684, 6781, and 8824)	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(33)	(34)	(35)	(36)	(37)	(38)	(39)	(40)
All returns.....	4,660,892	29,959,194	3,397,704	23,908,018	120,495	3,300,564	103,767	1,000,846
No adjusted gross income.....	117,031	1,216,253	126,705	1,882,519	3,124	71,126	3,942	104,755
\$1 under \$5,000.....	157,377	257,307	104,761	404,100	* 1,431	* 1,247	1,928	7,531
\$5,000 under \$10,000.....	154,678	276,009	117,718	554,490	* 2,183	* 9,564	1,336	7,448
\$10,000 under \$15,000.....	175,801	377,835	124,571	540,329	2,524	3,114	1,708	3,378
\$15,000 under \$20,000.....	168,588	360,126	107,066	472,135	5,106	27,062	934	27,459
\$20,000 under \$25,000.....	138,742	301,875	102,013	335,899	7,373	79,626	2,529	1,173
\$25,000 under \$30,000.....	153,473	525,670	91,316	378,883	* 1,122	* 2,707	3,290	5,689
\$30,000 under \$40,000.....	273,262	744,625	218,628	1,107,374	7,232	12,029	2,157	9,171
\$40,000 under \$50,000.....	314,417	643,633	222,616	1,023,744	4,055	3,762	5,382	28,791
\$50,000 under \$75,000.....	706,741	2,247,651	517,286	2,628,359	14,778	128,427	12,424	36,449
\$75,000 under \$100,000.....	654,275	2,426,645	445,912	2,051,480	9,412	174,635	7,296	22,955
\$100,000 under \$200,000.....	973,216	5,477,975	715,549	4,320,153	18,437	81,564	19,423	104,792
\$200,000 under \$500,000.....	469,455	5,511,748	351,828	3,345,267	22,986	276,006	14,228	119,169
\$500,000 under \$1,000,000.....	120,408	2,722,674	89,843	1,481,977	8,807	237,471	9,366	55,735
\$1,000,000 under \$1,500,000.....	34,675	1,287,722	24,618	631,763	3,393	148,252	4,505	51,213
\$1,500,000 under \$2,000,000.....	15,091	776,797	11,322	387,872	1,959	129,615	2,573	21,797
\$2,000,000 under \$5,000,000.....	23,485	1,907,622	17,934	859,146	3,868	489,999	6,114	94,246
\$5,000,000 under \$10,000,000.....	6,158	973,098	4,830	482,048	1,421	313,237	2,373	85,314
\$10,000,000 or more.....	4,018	1,923,929	3,189	1,020,479	1,285	1,111,122	2,258	213,783
Taxable returns.....	3,954,534	27,204,771	2,805,369	19,067,666	98,468	3,114,763	90,198	844,742
Nontaxable returns.....	706,357	2,754,424	592,335	4,840,352	22,027	185,801	13,569	156,104

Size of adjusted gross income	Sales of capital assets reported on Form 1040, Schedule D--continued							
	Net short-term partnership/ S corporation gain		Net short-term partnership/ S corporation loss		Long-term capital gain		Long-term capital loss	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(41)	(42)	(43)	(44)	(45)	(46)	(47)	(48)
All returns.....	684,814	16,406,801	372,519	2,951,481	10,064,855	483,427,454	10,100,174	249,339,607
No adjusted gross income.....	17,866	954,085	9,362	237,292	154,920	9,755,721	598,024	25,287,032
\$1 under \$5,000.....	16,251	20,349	6,546	9,252	356,757	669,039	507,136	7,184,519
\$5,000 under \$10,000.....	14,515	31,168	3,600	24,533	372,359	1,304,064	466,865	6,927,316
\$10,000 under \$15,000.....	9,191	15,307	14,206	15,490	424,592	1,407,932	447,185	7,478,879
\$15,000 under \$20,000.....	20,070	24,481	6,289	3,758	418,686	1,648,195	403,967	7,132,536
\$20,000 under \$25,000.....	24,536	14,865	12,043	67,131	375,232	1,766,091	368,792	6,380,780
\$25,000 under \$30,000.....	15,971	25,769	17,110	33,463	351,207	1,968,386	358,958	6,222,102
\$30,000 under \$40,000.....	32,113	98,883	15,656	40,698	664,839	3,578,150	700,783	12,230,230
\$40,000 under \$50,000.....	30,482	123,459	16,006	21,042	729,689	4,002,130	710,003	11,901,253
\$50,000 under \$75,000.....	78,507	298,156	29,988	50,046	1,640,475	12,998,504	1,601,580	28,108,194
\$75,000 under \$100,000.....	61,369	165,156	39,882	105,360	1,289,948	15,552,580	1,239,206	22,591,429
\$100,000 under \$200,000.....	144,160	804,886	96,643	293,897	2,033,617	48,937,191	1,801,784	43,745,327
\$200,000 under \$500,000.....	109,606	1,576,555	58,941	368,712	875,494	67,581,026	691,355	32,746,347
\$500,000 under \$1,000,000.....	51,186	1,352,404	23,333	321,195	221,534	49,919,875	139,777	13,861,863
\$1,000,000 under \$1,500,000.....	19,116	742,283	8,194	194,625	62,076	27,988,479	31,364	5,134,137
\$1,500,000 under \$2,000,000.....	9,960	581,240	3,918	104,651	28,364	18,704,433	12,630	3,321,538
\$2,000,000 under \$5,000,000.....	18,783	2,131,335	7,277	334,643	44,988	57,286,990	16,234	4,853,621
\$5,000,000 under \$10,000,000.....	6,290	1,662,628	2,060	194,694	12,024	38,278,594	3,166	1,956,490
\$10,000,000 or more.....	4,843	5,783,792	1,465	531,000	8,052	120,080,072	1,366	2,276,015
Taxable returns.....	603,937	15,635,062	328,670	2,581,711	8,666,888	466,936,615	7,773,277	187,925,714
Nontaxable returns.....	80,876	771,739	43,848	369,771	1,397,967	16,490,838	2,326,898	61,413,893

Footnotes at end of table.

Individual Income Tax Returns, 2004

Table 1.--All Returns: Sources of Income, Adjustments, and Tax Items, by Size of Adjusted Gross Income, Tax Year 2004--Continued

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

Size of adjusted gross income	Sales of capital assets reported on Form 1040, Schedule D--continued							
	Net long-term gain from sales of capital assets		Net long-term loss from sales of capital assets		Long-term loss carryover		Long-term gain from other forms (Forms 2119, 6252, etc.)	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(49)	(50)	(51)	(52)	(53)	(54)	(55)	(56)
All returns.....	8,142,706	239,677,920	6,226,226	61,778,335	6,972,761	229,561,762	2,316,533	162,651,509
No adjusted gross income.....	149,900	4,034,513	295,385	4,694,725	442,210	22,793,884	79,079	6,350,530
\$1 under \$5,000.....	324,882	690,452	269,507	1,529,918	363,348	6,181,764	37,150	306,705
\$5,000 under \$10,000.....	326,278	1,097,900	268,600	1,692,887	312,883	5,726,712	48,462	405,074
\$10,000 under \$15,000.....	356,352	1,179,345	280,164	1,669,640	288,440	6,466,984	84,008	607,779
\$15,000 under \$20,000.....	322,444	1,173,066	253,439	1,759,634	247,098	6,005,187	89,579	787,376
\$20,000 under \$25,000.....	275,283	1,201,725	210,885	1,237,541	248,512	5,631,791	84,381	735,437
\$25,000 under \$30,000.....	272,739	1,298,797	224,844	1,489,658	217,883	5,131,961	73,554	870,974
\$30,000 under \$40,000.....	510,106	2,322,777	420,005	2,917,588	459,893	10,298,443	151,731	1,445,675
\$40,000 under \$50,000.....	563,141	2,921,079	449,273	2,970,485	427,615	9,660,976	131,128	1,173,767
\$50,000 under \$75,000.....	1,309,381	8,807,056	1,015,307	7,222,036	1,025,214	23,791,739	311,438	4,790,374
\$75,000 under \$100,000.....	1,025,009	9,673,585	843,823	6,474,654	773,974	19,470,166	257,936	7,207,303
\$100,000 under \$200,000.....	1,682,349	28,304,664	1,118,744	10,860,726	1,297,373	40,249,508	492,878	20,718,570
\$200,000 under \$500,000.....	713,572	35,602,602	436,688	8,064,435	630,239	32,307,267	300,690	29,614,948
\$500,000 under \$1,000,000.....	181,247	25,637,891	91,853	3,405,318	152,343	14,680,345	95,334	20,266,766
\$1,000,000 under \$1,500,000.....	53,374	14,624,424	20,721	1,188,670	38,375	5,729,408	29,403	9,533,198
\$1,500,000 under \$2,000,000.....	23,663	9,088,649	9,156	1,024,813	16,305	3,571,697	14,298	6,439,770
\$2,000,000 under \$5,000,000.....	36,590	25,628,756	13,001	1,866,560	23,068	6,008,657	23,767	18,349,820
\$5,000,000 under \$10,000,000.....	9,848	15,848,217	3,126	844,773	5,193	2,602,251	6,818	11,128,713
\$10,000,000 or more.....	6,549	50,542,421	1,708	864,273	2,796	3,253,022	4,900	21,918,728
Taxable returns.....	6,919,954	229,518,281	4,945,641	49,274,716	5,351,302	174,248,751	1,920,824	153,219,826
Nontaxable returns.....	1,222,752	10,159,639	1,280,586	12,503,619	1,621,459	55,313,010	395,709	9,431,682

Size of adjusted gross income	Sales of capital assets reported on Form 1040, Schedule D--continued							
	Long-term gain from other forms (4684,6781, and8824)		Net long-term partnership/ S corporation gain		Net long-term partnership/ S corporation loss		Long-term loss carryover	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(57)	(58)	(59)	(60)	(61)	(62)	(63)	(64)
All returns.....	85,432	1,205,642	1,275,661	118,092,057	633,700	7,261,116	7,854,562	13,409,908
No adjusted gross income.....	3,147	124,411	34,724	3,232,651	14,208	1,766,397	220,348	221,986
\$1 under \$5,000.....	1,927	11,296	18,342	138,982	17,601	122,831	302,356	194,189
\$5,000 under \$10,000.....	1,329	11,085	30,809	100,392	11,799	41,934	287,904	245,999
\$10,000 under \$15,000.....	* 1,542	* 3,685	25,634	92,043	16,175	116,979	307,712	307,174
\$15,000 under \$20,000.....	435	14,594	33,685	115,314	22,751	83,683	330,895	303,003
\$20,000 under \$25,000.....	* 1,588	* 1,608	24,069	148,234	22,792	77,589	265,031	248,443
\$25,000 under \$30,000.....	* 1,390	* 5,081	28,362	177,512	26,420	171,191	245,075	196,674
\$30,000 under \$40,000.....	3,126	12,604	50,035	381,363	29,768	154,249	475,031	580,990
\$40,000 under \$50,000.....	5,366	42,897	65,483	318,306	39,667	217,031	547,998	579,113
\$50,000 under \$75,000.....	13,521	51,236	146,722	978,629	89,977	305,816	1,241,414	1,672,985
\$75,000 under \$100,000.....	6,939	41,597	149,046	912,540	72,519	293,887	972,865	1,448,029
\$100,000 under \$200,000.....	17,204	133,500	284,323	5,449,779	138,459	899,946	1,591,942	2,860,512
\$200,000 under \$500,000.....	11,085	154,057	207,704	8,898,699	85,059	716,577	748,699	1,936,919
\$500,000 under \$1,000,000.....	6,437	79,898	86,362	8,114,947	27,223	642,664	191,382	846,248
\$1,000,000 under \$1,500,000.....	2,931	67,915	30,675	5,661,344	8,098	353,340	51,934	374,709
\$1,500,000 under \$2,000,000.....	1,495	26,638	15,593	4,416,780	3,431	168,405	23,487	228,627
\$2,000,000 under \$5,000,000.....	3,565	110,999	28,691	16,308,573	5,594	381,579	35,486	504,734
\$5,000,000 under \$10,000,000.....	1,278	68,406	8,825	12,870,597	1,364	218,107	9,179	206,977
\$10,000,000 or more.....	1,127	244,133	6,575	49,775,373	796	528,910	5,824	452,597
Taxable returns.....	74,924	1,021,330	1,142,958	114,415,215	538,863	5,872,724	6,668,400	12,220,783
Nontaxable returns.....	10,509	184,312	132,703	3,676,841	94,837	1,388,391	1,186,161	1,189,125

Footnotes at end of table.

Individual Income Tax Returns, 2004

Table 1.--All Returns: Sources of Income, Adjustments, and Tax Items, by Size of Adjusted Gross Income, Tax Year 2004--Continued

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

Size of adjusted gross income	Sale of property other than capital assets				Total taxable IRA distributions		Pensions and annuities	
	Net gain		Net loss		Number of returns	Amount	Total	
	Number of returns	Amount	Number of returns	Amount			Number of returns	Amount
	(65)	(66)	(67)	(68)	(69)	(70)	(71)	(72)
All returns.....	857,903	10,473,327	892,031	7,970,811	8,913,846	101,672,181	25,130,018	627,664,241
No adjusted gross income.....	48,387	853,763	66,863	3,225,921	76,273	927,571	200,197	4,753,704
\$1 under \$5,000.....	19,345	76,172	24,580	86,612	205,778	458,248	659,639	4,663,960
\$5,000 under \$10,000.....	23,246	141,739	26,294	56,987	495,980	1,834,902	1,408,056	10,907,039
\$10,000 under \$15,000.....	25,592	148,538	16,789	92,083	750,792	3,521,596	2,078,368	21,871,313
\$15,000 under \$20,000.....	36,186	224,603	38,808	110,693	789,554	4,098,847	2,167,099	28,087,050
\$20,000 under \$25,000.....	36,645	135,070	32,001	203,432	557,535	3,548,389	1,619,745	25,028,810
\$25,000 under \$30,000.....	40,166	331,490	23,245	74,459	548,724	3,474,929	1,442,406	24,006,143
\$30,000 under \$40,000.....	57,778	368,278	57,496	196,236	883,464	6,500,389	2,607,768	46,741,639
\$40,000 under \$50,000.....	57,977	512,905	36,861	137,799	813,974	7,396,669	2,218,421	49,519,986
\$50,000 under \$75,000.....	124,239	873,817	116,359	369,107	1,597,750	19,115,159	4,501,562	124,391,933
\$75,000 under \$100,000.....	91,009	929,888	99,700	325,214	932,878	15,249,532	2,764,633	92,444,004
\$100,000 under \$200,000.....	144,268	1,748,164	156,460	716,408	978,836	22,496,039	2,687,416	126,894,310
\$200,000 under \$500,000.....	94,135	1,515,230	114,419	672,288	222,720	9,349,344	612,480	47,907,569
\$500,000 under \$1,000,000.....	30,945	587,895	45,151	458,878	38,651	2,137,026	102,425	10,926,365
\$1,000,000 under \$1,500,000.....	9,800	343,100	13,917	230,339	9,151	551,889	25,855	3,164,537
\$1,500,000 under \$2,000,000.....	4,737	216,133	6,845	196,772	4,174	314,451	11,022	1,736,493
\$2,000,000 under \$5,000,000.....	8,642	524,756	11,222	330,336	5,555	416,183	16,447	2,678,076
\$5,000,000 under \$10,000,000.....	2,574	323,236	2,992	188,784	1,274	134,122	3,926	986,061
\$10,000,000 or more.....	2,233	618,549	2,029	298,464	782	146,896	2,553	955,247
Taxable returns.....	657,566	8,720,092	692,633	4,080,542	7,142,912	92,291,485	20,160,943	572,008,551
Nontaxable returns.....	200,337	1,753,235	199,398	3,890,269	1,770,934	9,380,695	4,969,075	55,655,690

Size of adjusted gross income	Pensions and annuities--continued		Rent				Royalty	
	Taxable		Net income		Net loss (includes nondeductible loss)		Net income	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(73)	(74)	(75)	(76)	(77)	(78)	(79)	(80)
All returns.....	23,123,390	394,285,849	4,078,981	50,640,786	4,731,529	44,672,209	1,296,467	12,421,989
No adjusted gross income.....	161,559	1,470,868	97,748	1,214,772	212,741	4,308,957	32,292	295,767
\$1 under \$5,000.....	617,619	1,582,848	113,614	343,268	89,757	769,318	39,674	64,776
\$5,000 under \$10,000.....	1,359,227	7,176,833	194,436	687,792	132,763	1,044,309	58,375	129,855
\$10,000 under \$15,000.....	2,015,731	16,563,645	231,589	1,073,476	141,285	913,317	53,125	178,670
\$15,000 under \$20,000.....	2,100,237	21,954,819	240,471	1,453,446	175,980	1,305,783	66,975	212,182
\$20,000 under \$25,000.....	1,560,629	18,738,307	198,669	1,149,329	201,041	1,336,799	53,175	131,508
\$25,000 under \$30,000.....	1,371,182	19,055,547	159,947	965,787	204,887	1,322,236	61,388	168,800
\$30,000 under \$40,000.....	2,458,423	36,521,756	339,916	2,053,467	418,882	3,301,069	84,502	411,058
\$40,000 under \$50,000.....	2,045,615	35,705,441	320,204	2,232,680	372,241	3,014,845	97,205	284,537
\$50,000 under \$75,000.....	4,161,236	85,100,572	699,465	5,148,899	893,931	7,265,957	202,180	919,855
\$75,000 under \$100,000.....	2,414,052	59,281,955	439,014	4,938,200	664,264	5,158,768	154,221	800,048
\$100,000 under \$200,000.....	2,264,799	67,835,343	641,303	9,804,827	829,724	7,991,656	224,008	2,151,053
\$200,000 under \$500,000.....	472,215	17,742,320	285,288	9,426,709	303,731	4,418,941	105,267	2,276,133
\$500,000 under \$1,000,000.....	75,474	3,102,608	73,488	4,086,929	58,291	1,198,954	32,933	1,237,396
\$1,000,000 under \$1,500,000.....	19,839	779,179	17,886	1,630,710	14,323	451,218	10,673	734,844
\$1,500,000 under \$2,000,000.....	8,199	437,944	8,813	999,065	5,996	200,074	5,109	404,362
\$2,000,000 under \$5,000,000.....	12,394	739,556	12,395	1,852,581	8,339	377,696	9,643	851,592
\$5,000,000 under \$10,000,000.....	2,986	242,735	2,931	751,757	2,070	131,094	3,135	433,361
\$10,000,000 or more.....	1,974	253,573	1,804	827,092	1,281	161,219	2,585	736,193
Taxable returns.....	18,460,015	361,181,498	3,182,187	45,516,761	3,703,132	32,879,731	1,072,187	11,633,111
Nontaxable returns.....	4,663,375	33,104,351	896,794	5,124,025	1,028,397	11,792,479	224,280	788,878

Footnotes at end of table.

Individual Income Tax Returns, 2004

Table 1.--All Returns: Sources of Income, Adjustments, and Tax Items, by Size of Adjusted Gross Income, Tax Year 2004--Continued

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

Size of adjusted gross income	Royalty--continued		Farm rental				Total rental and royalty	
	Net loss		Net income		Net loss		Net income	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(81)	(82)	(83)	(84)	(85)	(86)	(87)	(88)
All returns.....	31,654	186,747	500,587	3,757,426	126,185	703,622	5,370,773	65,850,060
No adjusted gross income.....	1,364	7,325	10,498	52,289	12,243	126,328	122,142	1,495,038
\$1 under \$5,000.....	* 163	* 313	22,826	43,930	* 1,237	* 4,968	167,135	448,896
\$5,000 under \$10,000.....	* 892	* 45	36,904	133,351	* 8,017	* 40,237	269,622	937,859
\$10,000 under \$15,000.....	* 698	* 1,707	33,144	124,876	10,406	22,626	294,877	1,372,512
\$15,000 under \$20,000.....	* 35	* 543	51,299	275,618	* 6,540	* 16,276	331,391	1,919,778
\$20,000 under \$25,000.....	* 2,096	* 9,651	26,851	136,570	* 4,873	* 9,650	261,282	1,395,469
\$25,000 under \$30,000.....	* 1,917	* 17,217	29,976	172,657	* 4,807	* 25,947	235,874	1,292,630
\$30,000 under \$40,000.....	* 3,911	* 28,186	41,560	305,220	7,926	47,723	439,963	2,727,896
\$40,000 under \$50,000.....	* 935	* 2,138	30,099	153,659	7,868	21,256	411,038	2,646,712
\$50,000 under \$75,000.....	** 8,089	** 19,816	65,512	439,496	24,523	153,523	882,322	6,401,098
\$75,000 under \$100,000.....	**	**	73,577	712,374	14,170	90,584	608,803	6,308,614
\$100,000 under \$200,000.....	6,951	57,865	59,217	897,027	16,320	72,627	830,713	12,669,474
\$200,000 under \$500,000.....	3,490	24,484	** 19,125	** 310,360	** 7,256	** 71,878	354,680	11,737,729
\$500,000 under \$1,000,000.....	447	4,004	**	**	**	**	95,318	5,295,936
\$1,000,000 under \$1,500,000.....	206	2,715	**	**	**	**	25,201	2,356,157
\$1,500,000 under \$2,000,000.....	101	857	**	**	**	**	12,287	1,399,452
\$2,000,000 under \$5,000,000.....	230	3,919	**	**	**	**	19,270	2,697,628
\$5,000,000 under \$10,000,000.....	71	904	**	**	**	**	5,234	1,183,298
\$10,000,000 or more.....	59	5,056	**	**	**	**	3,618	1,563,884
Taxable returns.....	27,448	157,007	380,770	3,287,723	89,773	507,476	4,224,741	59,628,232
Nontaxable returns.....	4,206	29,740	119,817	469,704	36,412	196,146	1,146,032	6,221,828

Size of adjusted gross income	Total rental and royalty--continued		Partnership and S corporation				Estate and trust	
	Net loss		Net income		Net loss		Net income	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(89)	(90)	(91)	(92)	(93)	(94)	(95)	(96)
All returns.....	4,380,365	38,465,692	4,738,228	398,690,527	2,498,144	82,697,364	507,008	15,436,171
No adjusted gross income.....	221,095	4,184,375	61,390	2,288,735	257,404	32,374,142	9,394	155,477
\$1 under \$5,000.....	86,572	628,634	75,099	280,032	68,530	1,033,919	13,282	28,285
\$5,000 under \$10,000.....	135,777	991,080	100,520	534,617	81,813	780,528	19,344	56,803
\$10,000 under \$15,000.....	144,046	850,793	121,162	871,130	87,637	1,122,190	23,631	128,198
\$15,000 under \$20,000.....	175,164	1,132,408	159,709	1,492,186	81,386	745,119	22,378	141,317
\$20,000 under \$25,000.....	199,965	1,271,457	137,662	1,384,409	64,195	629,704	11,616	44,888
\$25,000 under \$30,000.....	199,430	1,307,049	134,183	1,763,137	85,490	803,789	14,345	67,908
\$30,000 under \$40,000.....	411,690	3,059,142	261,297	3,500,999	180,587	1,688,509	36,596	286,158
\$40,000 under \$50,000.....	372,603	2,843,913	289,700	4,979,403	147,297	1,589,451	42,328	334,299
\$50,000 under \$75,000.....	887,226	6,870,795	667,672	11,583,166	376,177	3,743,216	81,600	877,006
\$75,000 under \$100,000.....	656,385	4,890,222	603,208	13,729,201	297,483	3,114,147	55,107	514,588
\$100,000 under \$200,000.....	681,472	5,823,800	1,066,375	45,587,010	461,646	6,791,579	99,326	1,916,516
\$200,000 under \$500,000.....	150,288	2,537,500	714,817	81,682,638	209,192	7,048,829	47,328	2,068,614
\$500,000 under \$1,000,000.....	36,291	928,322	212,182	59,508,543	53,300	4,279,592	16,529	1,695,890
\$1,000,000 under \$1,500,000.....	9,352	334,054	56,348	29,310,977	16,234	1,955,663	5,336	1,103,936
\$1,500,000 under \$2,000,000.....	4,103	173,405	25,171	19,510,041	8,072	1,292,469	2,313	463,023
\$2,000,000 under \$5,000,000.....	6,231	327,895	37,424	48,532,570	14,084	4,064,038	4,191	1,625,896
\$5,000,000 under \$10,000,000.....	1,586	159,725	8,888	24,304,391	4,424	2,773,146	1,352	1,026,285
\$10,000,000 or more.....	1,088	151,123	5,421	47,847,343	3,192	6,867,334	1,010	2,901,083
Taxable returns.....	3,343,234	27,422,255	4,129,842	390,150,786	1,772,574	44,048,715	441,882	14,937,313
Nontaxable returns.....	1,037,130	11,043,438	608,385	8,539,741	725,571	38,648,649	65,127	498,857

Footnotes at end of table.

Individual Income Tax Returns, 2004

Table 1.--All Returns: Sources of Income, Adjustments, and Tax Items, by Size of Adjusted Gross Income, Tax Year 2004--Continued

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

Size of adjusted gross income	Estate and trust--continued		Farm				Unemployment compensation	
	Net loss		Net income		Net loss			
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(97)	(98)	(99)	(100)	(101)	(102)	(103)	(104)
All returns.....	35,710	1,435,566	588,823	7,371,027	1,416,076	20,610,232	9,094,911	32,740,272
No adjusted gross income.....	4,923	552,034	21,115	325,371	112,842	3,731,131	32,793	137,920
\$1 under \$5,000.....	* 352	* 242	44,908	100,067	32,150	319,026	271,857	444,791
\$5,000 under \$10,000.....	* 971	* 1,252	39,815	186,691	66,739	680,426	797,325	2,166,890
\$10,000 under \$15,000.....	* 223	* 151	40,069	260,232	70,625	854,443	1,017,041	3,451,314
\$15,000 under \$20,000.....	* 1,906	* 14,194	27,123	261,292	89,792	941,164	1,032,107	3,488,802
\$20,000 under \$25,000.....	* 1,636	* 4,156	31,953	356,482	72,122	707,778	820,699	2,946,905
\$25,000 under \$30,000.....	* 7	* 3,346	35,896	401,263	67,373	619,804	667,732	2,521,664
\$30,000 under \$40,000.....	** 2,851	** 2,348	63,110	690,362	178,635	1,735,792	1,045,515	3,979,881
\$40,000 under \$50,000.....	**	**	49,927	495,545	116,269	1,246,290	823,189	3,209,251
\$50,000 under \$75,000.....	956	2,019	109,678	1,475,498	246,425	2,507,274	1,372,632	5,130,767
\$75,000 under \$100,000.....	3,653	1,186	53,988	787,615	163,335	2,074,689	723,546	2,848,099
\$100,000 under \$200,000.....	7,032	51,199	49,216	1,021,689	139,153	2,180,306	430,789	2,125,314
\$200,000 under \$500,000.....	6,430	51,259	** 19,992	** 772,978	41,019	1,390,904	** 59,688	** 288,672
\$500,000 under \$1,000,000.....	1,810	60,197	**	**	12,090	663,997	**	**
\$1,000,000 under \$1,500,000.....	604	54,656	788	64,805	3,138	195,878	**	**
\$1,500,000 under \$2,000,000.....	462	23,642	364	36,976	1,461	143,318	**	**
\$2,000,000 under \$5,000,000.....	996	120,671	666	70,730	2,006	334,725	**	**
\$5,000,000 under \$10,000,000.....	394	64,570	128	27,110	548	127,247	**	**
\$10,000,000 or more.....	502	428,443	88	36,321	354	156,400	**	**
Taxable returns.....	25,408	901,846	367,934	5,254,511	1,001,564	13,260,799	5,895,339	22,433,830
Nontaxable returns.....	10,302	533,720	220,889	2,116,516	414,512	7,349,433	3,199,573	10,306,441

Size of adjusted gross income	Social Security benefits				Foreign earned income exclusion [1]		Other income [2]	
	Total		Taxable				Net income	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(105)	(106)	(107)	(108)	(109)	(110)	(111)	(112)
All returns.....	14,759,589	231,873,220	11,691,859	110,462,387	295,313	15,446,376	5,532,206	31,965,345
No adjusted gross income.....	162,539	2,137,048	230	3,837	68,084	2,845,066	91,335	814,288
\$1 under \$5,000.....	502,777	6,315,962	12,888	35,533	44,553	1,908,409	247,620	357,663
\$5,000 under \$10,000.....	690,904	8,889,131	12,961	63,072	13,557	777,768	268,303	654,677
\$10,000 under \$15,000.....	900,961	12,808,725	45,722	174,282	10,363	630,136	272,152	722,322
\$15,000 under \$20,000.....	903,809	13,515,682	263,612	292,331	19,834	802,921	282,523	894,339
\$20,000 under \$25,000.....	1,059,012	16,228,719	862,766	1,291,194	6,251	332,756	295,670	892,673
\$25,000 under \$30,000.....	1,127,889	17,312,157	1,082,344	2,595,633	6,961	362,370	263,755	876,136
\$30,000 under \$40,000.....	1,886,404	28,080,342	1,886,404	8,479,384	16,705	969,068	477,498	1,520,185
\$40,000 under \$50,000.....	1,479,795	21,869,091	1,479,795	11,633,412	14,126	835,606	454,324	1,192,535
\$50,000 under \$75,000.....	2,792,896	43,002,845	2,792,896	33,547,931	23,505	1,296,815	1,013,580	3,190,922
\$75,000 under \$100,000.....	1,421,880	25,487,669	1,421,880	21,568,400	16,129	984,434	684,496	2,202,247
\$100,000 under \$200,000.....	1,348,268	25,856,885	1,347,913	21,966,101	25,693	1,688,584	770,917	5,197,477
\$200,000 under \$500,000.....	360,323	7,583,544	360,323	6,445,931	20,819	1,410,519	279,359	4,842,633
\$500,000 under \$1,000,000.....	75,757	1,690,082	75,750	1,434,320	5,674	379,155	73,517	2,393,093
\$1,000,000 under \$1,500,000.....	20,117	456,292	20,117	387,845	1,457	105,156	21,567	1,272,492
\$1,500,000 under \$2,000,000.....	8,685	208,421	8,685	177,157	548	40,048	9,869	795,085
\$2,000,000 under \$5,000,000.....	12,613	304,518	12,613	258,838	798	58,079	17,140	1,623,513
\$5,000,000 under \$10,000,000.....	3,053	76,894	3,053	65,359	167	12,856	4,983	860,038
\$10,000,000 or more.....	1,907	49,211	1,907	41,829	90	6,630	3,598	1,663,026
Taxable returns.....	12,281,581	195,183,007	11,181,112	108,338,902	139,031	8,005,551	4,388,149	27,634,436
Nontaxable returns.....	2,478,008	36,690,213	510,747	2,123,485	156,282	7,440,825	1,144,057	4,330,909

Footnotes at end of table.

Individual Income Tax Returns, 2004

Table 1.--All Returns: Sources of Income, Adjustments, and Tax Items, by Size of Adjusted Gross Income, Tax Year 2004--Continued

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

Size of adjusted gross income	Other income [2]--continued		Net operating loss [1]		Gambling earnings [1]		Statutory adjustments	
	Net loss						Total	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(113)	(114)	(115)	(116)	(117)	(118)	(119)	(120)
All returns.....	359,344	8,767,672	829,838	75,011,556	1,708,598	23,313,432	32,153,965	98,046,679
No adjusted gross income.....	158,083	5,005,203	444,742	66,320,668	16,315	107,358	394,797	1,478,303
\$1 under \$5,000.....	5,216	68,378	82,032	580,272	28,806	51,956	1,479,734	1,684,739
\$5,000 under \$10,000.....	7,093	39,815	57,365	415,511	44,973	133,461	2,211,313	2,577,229
\$10,000 under \$15,000.....	3,373	35,221	35,527	361,761	75,937	336,881	2,208,817	2,679,213
\$15,000 under \$20,000.....	6,612	137,771	29,626	276,620	110,740	439,739	1,933,271	3,071,773
\$20,000 under \$25,000.....	13,065	76,437	12,571	119,144	87,935	411,560	1,785,919	3,131,962
\$25,000 under \$30,000.....	13,339	105,557	15,447	203,900	80,562	340,675	1,721,865	3,255,161
\$30,000 under \$40,000.....	24,449	158,985	32,498	355,076	186,210	945,704	3,088,575	6,150,776
\$40,000 under \$50,000.....	21,503	146,553	14,750	209,971	133,581	653,336	2,917,368	6,400,943
\$50,000 under \$75,000.....	21,074	158,543	35,635	644,547	346,684	2,260,148	5,467,314	13,519,889
\$75,000 under \$100,000.....	21,047	290,622	19,178	361,155	240,261	2,290,775	3,612,142	11,039,345
\$100,000 under \$200,000.....	25,847	626,403	28,507	1,015,506	267,019	4,269,711	3,998,494	20,491,654
\$200,000 under \$500,000.....	26,955	907,074	14,290	986,465	68,901	3,588,365	1,001,673	14,265,689
\$500,000 under \$1,000,000.....	6,418	319,732	4,144	606,910	12,630	1,729,516	208,574	4,903,045
\$1,000,000 under \$1,500,000.....	2,122	108,231	1,349	320,592	3,431	913,727	52,311	1,331,396
\$1,500,000 under \$2,000,000.....	792	48,107	641	216,842	1,636	542,351	23,143	600,344
\$2,000,000 under \$5,000,000.....	1,455	96,740	984	706,174	2,205	1,344,665	34,664	956,859
\$5,000,000 under \$10,000,000.....	487	70,373	310	366,400	475	638,832	8,483	255,903
\$10,000,000 or more.....	415	367,925	241	944,042	296	2,314,674	5,506	252,457
Taxable returns.....	161,432	3,360,133	163,559	16,567,552	1,397,838	20,654,861	23,114,031	82,200,592
Nontaxable returns.....	197,913	5,407,539	666,278	58,444,003	310,760	2,658,571	9,039,934	15,846,087

Size of adjusted gross income	Statutory adjustments--continued							
	IRA payments		Student loan interest deduction		Educator expenses deduction		Tuition and fees deduction	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(121)	(122)	(123)	(124)	(125)	(126)	(127)	(128)
All returns.....	3,330,763	10,028,607	7,527,249	4,398,734	3,402,468	858,457	4,710,253	10,589,279
No adjusted gross income.....	21,054	62,346	40,896	25,322	2,467	548	97,280	312,240
\$1 under \$5,000.....	32,383	75,210	105,566	63,656	17,171	3,932	271,730	753,433
\$5,000 under \$10,000.....	57,575	119,347	221,835	93,028	39,157	8,950	309,589	766,554
\$10,000 under \$15,000.....	90,778	169,536	335,544	140,258	68,916	16,762	202,338	422,876
\$15,000 under \$20,000.....	156,851	336,800	418,998	176,909	85,250	18,090	223,181	461,527
\$20,000 under \$25,000.....	196,575	460,166	498,961	259,932	84,478	20,059	172,503	338,270
\$25,000 under \$30,000.....	224,481	579,808	531,206	255,064	107,289	25,776	167,987	338,782
\$30,000 under \$40,000.....	427,020	1,137,980	1,074,988	628,189	350,026	81,662	253,154	488,673
\$40,000 under \$50,000.....	427,843	1,315,005	971,701	596,038	378,452	91,423	352,836	781,209
\$50,000 under \$75,000.....	710,645	2,168,776	1,724,663	1,065,413	828,415	212,230	736,272	1,413,133
\$75,000 under \$100,000.....	383,663	1,240,749	** 1,602,891	** 1,094,924	** 1,364,656	** 360,485	739,095	1,717,270
\$100,000 under \$200,000.....	479,712	1,704,235	**	**	**	**	1,184,287	2,795,311
\$200,000 under \$500,000.....	95,277	511,834	**	**	** 76,192	** 18,539	0	0
\$500,000 under \$1,000,000.....	** 26,907	** 146,816	**	**	**	**	0	0
\$1,000,000 under \$1,500,000.....	**	**	**	**	**	**	0	0
\$1,500,000 under \$2,000,000.....	**	**	**	**	**	**	0	0
\$2,000,000 under \$5,000,000.....	**	**	**	**	**	**	0	0
\$5,000,000 under \$10,000,000.....	**	**	**	**	**	**	0	0
\$10,000,000 or more.....	**	**	**	**	**	**	0	0
Taxable returns.....	2,826,609	8,744,852	6,177,277	3,703,085	3,113,473	788,868	3,516,096	7,584,761
Nontaxable returns.....	504,154	1,283,755	1,349,972	695,649	288,995	69,589	1,194,157	3,004,518

Footnotes at end of table.

Individual Income Tax Returns, 2004

Table 1.--All Returns: Sources of Income, Adjustments, and Tax Items, by Size of Adjusted Gross Income, Tax Year 2004--Continued

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

Size of adjusted gross income	Statutory adjustments--continued							
	Health savings account deduction		Deduction for self-employment tax		Moving expense adjustment		Payments to a Keogh plan	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(129)	(130)	(131)	(132)	(133)	(134)	(135)	(136)
All returns.....	90,857	190,732	15,920,203	21,109,366	1,096,436	2,952,043	1,201,332	19,295,952
No adjusted gross income.....	1,825	4,613	217,951	181,694	4,696	21,089	5,486	41,256
\$1 under \$5,000.....	* 1,788	* 993	1,096,056	260,984	14,809	17,738	* 1,771	* 1,948
\$5,000 under \$10,000.....	* 116	* 404	1,666,350	812,168	29,237	52,243	11,070	33,749
\$10,000 under \$15,000.....	* 2,733	* 3,233	1,582,468	1,093,261	48,561	79,969	9,519	38,512
\$15,000 under \$20,000.....	* 4,222	* 2,912	1,114,136	960,156	61,295	145,367	145,367	47,671
\$20,000 under \$25,000.....	* 2,977	* 1,525	908,110	878,782	67,793	143,009	8,017	25,469
\$25,000 under \$30,000.....	* 2,922	* 9,476	779,657	817,649	71,882	165,900	17,386	77,409
\$30,000 under \$40,000.....	* 8,756	* 14,606	1,228,899	1,362,267	163,637	351,764	48,455	283,377
\$40,000 under \$50,000.....	4,251	2,781	1,110,985	1,365,088	112,859	222,768	55,405	375,066
\$50,000 under \$75,000.....	16,159	36,340	2,169,798	2,883,766	211,944	472,305	146,979	1,072,808
\$75,000 under \$100,000.....	9,368	17,330	1,354,772	2,247,065	127,528	397,699	170,909	1,595,325
\$100,000 under \$200,000.....	21,096	52,429	1,721,722	4,019,246	144,949	633,847	368,961	5,572,660
\$200,000 under \$500,000.....	11,504	32,959	721,482	2,598,747	** 37,245	** 248,345	259,761	6,606,662
\$500,000 under \$1,000,000.....	2,195	8,122	155,438	811,844	**	**	58,999	2,326,758
\$1,000,000 under \$1,500,000.....	497	1,511	38,571	259,501	**	**	13,748	559,222
\$1,500,000 under \$2,000,000.....	187	606	16,802	130,128	**	**	5,324	225,683
\$2,000,000 under \$5,000,000.....	233	795	26,032	239,008	**	**	7,107	318,455
\$5,000,000 under \$10,000,000.....	19	62	6,552	79,561	**	**	1,531	58,976
\$10,000,000 or more.....	11	34	4,424	108,453	**	**	941	34,948
Taxable returns.....	71,586	151,905	9,682,839	16,535,120	912,622	2,474,509	1,135,246	18,927,877
Nontaxable returns.....	19,271	38,827	6,237,364	4,574,246	183,814	477,534	66,086	368,075

Size of adjusted gross income	Statutory adjustments--continued							
	Penalty on early withdrawal of savings		Alimony paid		Self-employed health insurance deduction		Medical savings account deduction	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(137)	(138)	(139)	(140)	(141)	(142)	(143)	(144)
All returns.....	780,327	209,833	574,001	8,470,128	3,883,687	18,457,063	32,334	66,602
No adjusted gross income.....	16,900	7,707	13,774	325,634	103,062	427,133	* 76	* 189
\$1 under \$5,000.....	39,641	2,030	6,040	67,860	121,409	335,788	0	0
\$5,000 under \$10,000.....	62,851	9,705	9,226	69,647	184,111	599,286	* 39	* 146
\$10,000 under \$15,000.....	53,036	14,550	15,373	109,508	185,560	568,790	0	0
\$15,000 under \$20,000.....	50,582	27,244	9,287	37,095	224,573	807,376	33	122
\$20,000 under \$25,000.....	40,718	3,202	23,878	124,337	221,701	844,301	**	**
\$25,000 under \$30,000.....	41,099	7,287	23,590	135,806	199,853	757,161	* 2,248	* 1,605
\$30,000 under \$40,000.....	66,782	15,393	46,504	292,013	346,693	1,320,150	* 3,797	* 8,097
\$40,000 under \$50,000.....	72,350	27,291	36,162	266,245	292,836	1,244,769	* 4,947	* 11,482
\$50,000 under \$75,000.....	139,618	22,549	140,384	1,497,567	569,394	2,541,876	7,781	11,803
\$75,000 under \$100,000.....	92,819	19,052	79,007	879,962	367,309	1,731,369	3,671	8,257
\$100,000 under \$200,000.....	80,944	31,612	100,869	1,699,503	575,388	3,357,394	4,206	8,553
\$200,000 under \$500,000.....	18,918	18,360	49,785	1,503,261	344,560	2,575,846	** 5,539	** 16,350
\$500,000 under \$1,000,000.....	** 4,068	** 3,849	12,271	743,136	91,630	814,569	**	**
\$1,000,000 under \$1,500,000.....	**	**	3,211	236,351	24,135	223,942	**	**
\$1,500,000 under \$2,000,000.....	**	**	1,354	108,270	10,519	101,606	**	**
\$2,000,000 under \$5,000,000.....	**	**	2,258	216,603	15,296	148,290	**	**
\$5,000,000 under \$10,000,000.....	**	**	658	74,435	3,506	34,229	**	**
\$10,000,000 or more.....	**	**	369	82,896	2,150	23,187	**	**
Taxable returns.....	591,587	157,024	511,265	7,681,044	2,867,457	14,283,550	27,875	59,989
Nontaxable returns.....	188,739	52,809	62,736	789,084	1,016,230	4,173,513	4,460	6,613

Footnotes at end of table.

Individual Income Tax Returns, 2004

Table 1.--All Returns: Sources of Income, Adjustments, and Tax Items, by Size of Adjusted Gross Income, Tax Year 2004--Continued

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

Size of adjusted gross income	Statutory adjustments--continued				Basic standard deduction	
	Certain business expenses of reservist, performing artist, etc.		Other adjustments [3]		Number of returns	Amount
	Number of returns	Amount	Number of returns	Amount		
	(145)	(146)	(147)	(148)	(149)	(150)
All returns.....	105,135	252,597	188,210	1,107,387	84,016,753	545,082,218
No adjusted gross income.....	973	6,323	2,904	62,209	0	0
\$1 under \$5,000.....	5,325	9,887	* 960	* 91,481	11,339,898	48,470,763
\$5,000 under \$10,000.....	7,511	7,560	* 4,994	* 4,441	11,492,586	65,380,649
\$10,000 under \$15,000.....	5,989	15,457	* 4,978	* 6,500	10,573,534	66,064,801
\$15,000 under \$20,000.....	9,967	16,054	* 3,833	* 34,212	9,872,234	64,424,603
\$20,000 under \$25,000.....	5,943	15,192	* 9,883	* 14,923	8,113,323	53,800,446
\$25,000 under \$30,000.....	1,983	12,165	* 8,777	* 71,275	6,608,405	44,680,416
\$30,000 under \$40,000.....	12,084	51,572	16,159	115,034	9,373,908	65,617,788
\$40,000 under \$50,000.....	6,930	37,114	26,193	64,651	5,913,645	44,636,416
\$50,000 under \$75,000.....	15,933	25,135	39,709	96,187	7,388,858	62,009,071
\$75,000 under \$100,000.....	12,577	17,898	26,881	129,259	2,193,198	19,764,099
\$100,000 under \$200,000.....	17,597	31,644	25,921	148,811	959,177	8,616,187
\$200,000 under \$500,000.....	2,115	6,255	13,853	172,740	132,485	1,128,382
\$500,000 under \$1,000,000.....	174	347	2,168	42,534	** 55,502	** 488,598
\$1,000,000 under \$1,500,000.....	11	51	478	12,569	**	**
\$1,500,000 under \$2,000,000.....	17	105	174	21,568	**	**
\$2,000,000 under \$5,000,000.....	** 7	** 38	241	13,750	**	**
\$5,000,000 under \$10,000,000.....	**	**	55	4,986	**	**
\$10,000,000 or more.....	0	0	49	256	**	**
Taxable returns.....	86,355	188,265	163,850	860,380	48,794,049	315,327,761
Nontaxable returns.....	18,780	64,332	24,360	247,006	35,222,705	229,754,456

Size of adjusted gross income	Additional standard deduction		Total itemized deductions		Exemptions	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(151)	(152)	(153)	(154)	(155)	(156)
All returns.....	10,985,079	15,850,401	46,335,237	998,238,457	263,896,304	800,690,043
No adjusted gross income.....	0	0	0	0	3,009,365	9,328,549
\$1 under \$5,000.....	917,181	1,249,705	327,379	4,563,499	9,056,607	28,260,727
\$5,000 under \$10,000.....	1,404,312	1,889,999	642,831	8,961,384	15,388,181	47,659,542
\$10,000 under \$15,000.....	1,733,887	2,461,729	1,078,646	13,922,621	19,769,779	61,225,777
\$15,000 under \$20,000.....	1,488,594	2,206,631	1,408,086	18,598,549	20,700,566	64,117,918
\$20,000 under \$25,000.....	945,230	1,387,237	1,591,869	20,703,604	18,742,097	58,055,664
\$25,000 under \$30,000.....	713,028	1,025,294	1,897,697	25,375,405	16,697,867	51,723,895
\$30,000 under \$40,000.....	1,037,041	1,530,329	4,539,560	61,387,536	28,069,725	86,956,596
\$40,000 under \$50,000.....	737,824	1,089,702	4,654,789	67,716,878	22,973,683	71,178,328
\$50,000 under \$75,000.....	1,172,339	1,716,609	10,658,268	179,370,959	44,641,979	138,329,228
\$75,000 under \$100,000.....	481,954	737,199	7,926,317	155,165,381	28,056,786	86,941,148
\$100,000 under \$200,000.....	295,147	463,143	8,776,391	230,552,713	27,993,658	86,428,817
\$200,000 under \$500,000.....	** 58,540	** 92,823	2,215,675	100,098,177	6,837,765	10,483,853
\$500,000 under \$1,000,000.....	**	**	398,317	33,134,642	1,271,747	[4]
\$1,000,000 under \$1,500,000.....	**	**	93,599	12,808,118	298,438	[4]
\$1,500,000 under \$2,000,000.....	**	**	40,698	7,798,955	128,187	[4]
\$2,000,000 under \$5,000,000.....	**	**	60,674	18,568,009	187,973	[4]
\$5,000,000 under \$10,000,000.....	**	**	15,036	10,347,550	44,755	[4]
\$10,000,000 or more.....	**	**	9,404	29,164,477	27,147	[4]
Taxable returns.....	7,409,228	10,605,059	40,289,338	877,914,918	169,330,778	507,549,144
Nontaxable returns.....	3,575,851	5,245,342	6,045,899	120,323,539	94,565,527	293,140,899

* 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.

[1] Not included in adjusted gross income.

[2] Other income includes all items reported on line 21 of Form 1040 such as prizes, awards, recoveries of bad debts, insurance received as reimbursement for medical expenses taken as a deduction in the previous year, and any other income subject to tax for which no specific line was provided on the form. Any foreign-earned income exclusion or net operating loss in an earlier year (that was not carried forward and deducted for 2004) was entered as a negative amount on line 21 by the taxpayer but was edited into separate fields during Statistics of Income (SOI) processing. Gambling earnings entered on line 21 by the taxpayer were also edited into a separate field during SOI processing.

[3] Other adjustments do not include the foreign housing adjustment.

[4] No exemption allowed at these income levels.

NOTE: Detail may not add to totals because of rounding.

Source: IRS, Statistics of Income Division, July 2006.

Individual Income Tax Returns, 2004

Table 2.--All Returns: Tax Liability, Tax Credits, and Tax Payments, by Size of Adjusted Gross Income, Tax Year 2004

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

Size of adjusted gross income	All returns	Taxable income		Alternative minimum tax		Income tax before credits		Tax credits	
		Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Total	
								Number of returns	Amount
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	
All returns.....	132,226,042	102,737,959	4,670,165,637	3,096,299	13,029,239	102,740,921	884,342,703	41,694,252	52,366,870
No adjusted gross income.....	1,854,886	0	0	4,714	88,495	6,053	88,595	2,483	2,531
\$1 under \$5,000.....	11,670,444	770,661	640,562	* 48	* 320	765,028	56,949	73,179	1,874
\$5,000 under \$10,000.....	12,135,417	4,568,607	8,104,274	* 35	* 612	4,566,281	795,406	925,909	82,301
\$10,000 under \$15,000.....	11,656,193	6,711,012	28,646,575	* 3,082	* 1,782	6,707,180	2,855,468	1,840,535	363,967
\$15,000 under \$20,000.....	11,281,291	8,675,478	58,941,087	* 1,672	* 3,386	8,673,382	6,405,800	3,290,364	1,187,501
\$20,000 under \$25,000.....	9,705,192	8,869,385	88,185,851	* 972	* 1,537	8,869,415	10,246,288	4,096,436	2,351,428
\$25,000 under \$30,000.....	8,512,113	8,190,735	113,029,249	* 1,339	* 1,171	8,190,384	13,605,319	3,490,341	2,929,997
\$30,000 under \$40,000.....	13,915,452	13,667,201	269,409,156	1,664	448	13,665,175	33,909,679	5,544,138	5,696,638
\$40,000 under \$50,000.....	10,571,408	10,483,803	290,236,146	11,818	19,019	10,483,826	39,642,066	4,486,045	5,726,546
\$50,000 under \$75,000.....	18,047,126	17,969,103	729,503,069	89,396	116,192	17,970,704	106,105,425	7,863,016	13,150,076
\$75,000 under \$100,000.....	10,119,515	10,092,898	610,458,963	155,065	224,349	10,098,240	94,252,455	4,979,911	8,695,252
\$100,000 under \$200,000.....	9,735,569	9,722,061	962,802,185	1,095,242	2,058,479	9,725,927	180,296,381	3,916,143	5,090,848
\$200,000 under \$500,000.....	2,348,163	2,344,766	565,602,397	1,529,159	6,831,014	2,346,445	140,884,022	811,426	1,656,859
\$500,000 under \$1,000,000.....	433,145	432,469	260,116,504	149,042	1,645,295	432,894	72,566,321	225,054	1,227,028
\$1,000,000 under \$1,500,000.....	103,964	103,839	112,688,920	24,574	452,148	103,912	31,738,220	60,440	665,796
\$1,500,000 under \$2,000,000.....	45,104	45,055	69,942,269	9,720	257,229	45,070	19,883,397	27,102	427,779
\$2,000,000 under \$5,000,000.....	65,548	65,421	176,063,515	13,423	538,675	65,506	49,055,611	42,813	1,093,512
\$5,000,000 under \$10,000,000.....	15,835	15,810	97,901,784	3,258	269,065	15,827	26,381,638	11,481	625,431
\$10,000,000 or more.....	9,677	9,656	227,893,131	2,077	520,024	9,672	55,593,664	7,435	1,391,505
Taxable returns.....	89,101,934	89,085,918	4,561,930,225	3,087,178	13,019,575	89,101,934	872,797,576	28,055,265	40,821,742
Nontaxable returns.....	43,124,107	13,652,040	108,235,412	9,121	9,664	13,638,987	11,545,127	13,638,987	11,545,127

Size of adjusted gross income	Tax credits--continued							
	Child care credit		Credit for the elderly or disabled		Child tax credit [1]		Education credits	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	
All returns.....	6,316,649	3,337,984	107,914	18,740	25,988,711	32,300,455	7,180,884	6,016,805
No adjusted gross income.....	0	0	66	37	2,045	1,396	175	248
\$1 under \$5,000.....	0	0	* 3	* 1	* 33	* 33	0	0
\$5,000 under \$10,000.....	* 8	* 17	* 8,978	* 464	* 2,927	* 385	133,535	16,335
\$10,000 under \$15,000.....	69,842	7,807	64,964	14,339	359,103	42,074	499,455	191,352
\$15,000 under \$20,000.....	286,871	94,409	29,863	2,873	1,559,952	482,364	648,308	401,086
\$20,000 under \$25,000.....	431,217	218,818	4,039	1,027	2,170,107	1,173,040	678,689	493,371
\$25,000 under \$30,000.....	403,250	246,219	0	0	2,185,604	1,661,734	622,022	510,027
\$30,000 under \$40,000.....	736,624	469,329	0	0	3,769,952	3,846,759	1,153,715	1,034,253
\$40,000 under \$50,000.....	617,643	326,590	0	0	3,148,918	4,320,795	816,066	755,049
\$50,000 under \$75,000.....	1,516,690	805,010	0	0	6,298,585	10,421,698	1,558,194	1,579,635
\$75,000 under \$100,000.....	1,058,706	535,868	0	0	3,914,714	6,759,509	1,023,756	1,028,274
\$100,000 under \$200,000.....	1,004,475	535,516	0	0	2,575,665	3,590,023	46,971	7,175
\$200,000 under \$500,000.....	** 191,323	** 98,401	0	0	* 1,107	* 646	0	0
\$500,000 under \$1,000,000.....	**	**	0	0	0	0	0	0
\$1,000,000 under \$1,500,000.....	**	**	0	0	0	0	0	0
\$1,500,000 under \$2,000,000.....	**	**	0	0	0	0	0	0
\$2,000,000 under \$5,000,000.....	**	**	0	0	0	0	0	0
\$5,000,000 under \$10,000,000.....	**	**	0	0	0	0	0	0
\$10,000,000 or more.....	**	**	0	0	0	0	0	0
Taxable returns.....	4,381,685	2,243,359	56,933	10,417	16,530,973	24,828,310	5,114,143	4,413,348
Nontaxable returns.....	1,934,964	1,094,626	50,981	8,323	9,457,737	7,472,145	2,066,741	1,603,457

Footnotes at end of table.

Individual Income Tax Returns, 2004

Table 2.--All Returns: Tax Liability, Tax Credits, and Tax Payments, by Size of Adjusted Gross Income, Tax Year 2004--Continued

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

Size of adjusted gross income	Tax credits--continued							
	Retirement savings contribution credit		Adoption credit		Earned income credit used to offset income tax before credits		Minimum tax credit	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(18)	(19)	(20)	(21)	(22)	(23)	(24)	(25)
All returns.....	5,288,732	1,011,506	71,136	301,890	2,975,197	767,524	274,596	902,000
No adjusted gross income.....	** 342	** 352	**	**	* 9	* 17	**	**
\$1 under \$5,000.....	**	**	0	0	0	0	**	**
\$5,000 under \$10,000.....	40,732	2,844	0	0	686,706	60,865	**	**
\$10,000 under \$15,000.....	245,312	63,011	0	0	544,668	40,512	**	**
\$15,000 under \$20,000.....	632,219	95,347	0	0	246,789	99,565	**	**
\$20,000 under \$25,000.....	1,093,451	211,587	974	420	496,700	238,915	** 3,850	** 90
\$25,000 under \$30,000.....	700,593	210,268	0	0	803,174	280,284	* 1,350	* 213
\$30,000 under \$40,000.....	1,322,373	214,984	6,947	8,304	197,151	47,366	8,095	4,713
\$40,000 under \$50,000.....	1,251,662	212,906	3,739	7,450	0	0	6,317	10,508
\$50,000 under \$75,000.....	* 2,048	* 206	19,969	66,954	0	0	31,389	35,838
\$75,000 under \$100,000.....	0	0	23,706	114,157	0	0	19,553	22,184
\$100,000 under \$200,000.....	0	0	15,477	102,702	0	0	93,565	152,769
\$200,000 under \$500,000.....	0	0	* 316	* 1,828	0	0	55,386	123,976
\$500,000 under \$1,000,000.....	0	0	* 8	* 74	0	0	36,523	137,685
\$1,000,000 under \$1,500,000.....	0	0	0	0	0	0	8,173	102,126
\$1,500,000 under \$2,000,000.....	0	0	0	0	0	0	3,258	54,045
\$2,000,000 under \$5,000,000.....	0	0	0	0	0	0	5,286	127,941
\$5,000,000 under \$10,000,000.....	0	0	0	0	0	0	1,150	46,596
\$10,000,000 or more.....	0	0	0	0	0	0	702	83,316
Taxable returns.....	3,215,625	551,813	31,792	143,278	1,200,459	273,456	257,650	835,700
Nontaxable returns.....	2,073,107	459,692	39,344	158,612	1,774,738	494,068	16,947	66,300

Size of adjusted gross income	Tax credits--continued							
	Foreign tax credit		General business credit		Empowerment zone and community renewal credit		Nonconventional source fuel credit	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(26)	(27)	(28)	(29)	(30)	(31)	(32)	(33)
All returns.....	4,700,259	6,757,994	248,506	635,391	27,845	105,179	3,353	12,861
No adjusted gross income.....	138	7	0	0	17	81	0	0
\$1 under \$5,000.....	72,172	1,656	* 971	* 184	0	0	0	0
\$5,000 under \$10,000.....	71,978	1,317	* 952	* 58	0	0	0	0
\$10,000 under \$15,000.....	112,004	3,609	* 2,986	* 1,092	0	0	0	0
\$15,000 under \$20,000.....	114,525	9,709	* 3,951	* 1,379	0	0	0	0
\$20,000 under \$25,000.....	116,703	10,088	* 4,539	* 1,972	0	0	0	0
\$25,000 under \$30,000.....	139,115	14,884	4,923	3,753	* 935	* 1,299	0	0
\$30,000 under \$40,000.....	246,228	36,891	11,642	6,901	0	0	** 409	** 108
\$40,000 under \$50,000.....	292,310	41,828	27,513	23,060	* 43	* 55	0	0
\$50,000 under \$75,000.....	781,723	117,929	42,609	63,960	* 2,826	* 3,678	**	**
\$75,000 under \$100,000.....	648,639	160,631	36,458	47,134	* 3,067	* 2,841	* 2,002	* 4,959
\$100,000 under \$200,000.....	1,157,765	605,580	53,862	71,771	4,300	18,879	* 354	* 17
\$200,000 under \$500,000.....	630,692	1,375,080	23,139	42,463	** 12,262	** 41,531	* 8	* [2]
\$500,000 under \$1,000,000.....	185,213	999,072	15,817	54,331	**	**	147	1,174
\$1,000,000 under \$1,500,000.....	51,664	503,664	6,909	48,421	1,683	7,467	* 74	* 296
\$1,500,000 under \$2,000,000.....	23,786	330,175	3,254	37,637	800	3,729	85	178
\$2,000,000 under \$5,000,000.....	38,166	854,037	5,725	86,906	1,281	14,534	131	498
\$5,000,000 under \$10,000,000.....	10,505	515,278	1,779	51,832	305	4,248	74	2,400
\$10,000,000 or more.....	6,933	1,176,557	1,477	92,537	327	6,836	67	3,232
Taxable returns.....	4,525,058	6,649,741	217,487	596,360	27,442	104,411	3,349	12,746
Nontaxable returns.....	175,201	108,252	31,018	39,031	* 403	* 768	* 4	* 115

Footnotes at end of table.

Individual Income Tax Returns, 2004

Table 2.--All Returns: Tax Liability, Tax Credits, and Tax Payments, by Size of Adjusted Gross Income, Tax Year 2004--Continued

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

Size of adjusted gross income	Tax credits--continued				Income tax after credits		Total income tax		All other taxes	
	New York Liberty Zone credit		Other tax credits						Total	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount		
	(34)	(35)	(36)	(37)	(38)	(39)	(40)	(41)	(42)	(43)
All returns.....	685	10,032	46,910	135,862	89,101,934	831,975,834	89,101,934	831,976,333	21,290,085	47,156,392
No adjusted gross income.....	* 6	* 387	0	0	4,556	86,064	4,556	86,064	264,719	439,567
\$1 under \$5,000.....	0	0	0	0	753,517	55,075	753,517	55,075	1,217,505	561,457
\$5,000 under \$10,000.....	0	0	0	0	3,883,897	713,105	3,883,897	713,105	1,858,371	1,695,968
\$10,000 under \$15,000.....	0	0	0	0	5,672,789	2,491,501	5,672,789	2,491,501	1,818,871	2,285,620
\$15,000 under \$20,000.....	0	0	* 973	* 765	6,143,870	5,218,299	6,143,870	5,218,299	1,428,661	2,022,063
\$20,000 under \$25,000.....	0	0	* 2,000	* 1,228	5,932,734	7,894,860	5,932,734	7,894,860	1,249,772	1,888,469
\$25,000 under \$30,000.....	0	0	0	0	5,850,586	10,675,322	5,850,586	10,675,322	1,117,478	1,777,297
\$30,000 under \$40,000.....	0	0	* 7,904	* 16,169	11,283,839	28,213,041	11,283,839	28,213,041	1,846,667	3,011,914
\$40,000 under \$50,000.....	0	0	* 2,993	* 3,057	9,467,339	33,915,521	9,467,339	33,915,521	1,657,131	3,046,808
\$50,000 under \$75,000.....	0	0	19,095	41,412	17,350,625	92,955,349	17,350,625	92,955,349	3,327,873	6,639,441
\$75,000 under \$100,000.....	0	0	* 7,201	* 19,565	10,021,150	85,557,202	10,021,150	85,557,202	2,026,987	5,191,204
\$100,000 under \$200,000.....	* 121	* 1,663	2,760	4,746	9,718,430	175,205,533	9,718,430	175,205,533	2,337,209	9,086,077
\$200,000 under \$500,000.....	* 196	* 2,333	1,974	3,779	2,345,868	139,227,163	2,345,868	139,227,163	853,707	5,683,441
\$500,000 under \$1,000,000.....	* 199	* 2,373	794	3,244	432,783	71,339,293	432,783	71,339,306	176,240	1,744,728
\$1,000,000 under \$1,500,000.....	* 49	* 231	439	1,251	103,887	31,072,424	103,887	31,072,424	44,193	576,938
\$1,500,000 under \$2,000,000.....	* 20	* 13	167	1,316	45,065	19,435,618	45,065	19,435,625	19,814	289,999
\$2,000,000 under \$5,000,000.....	52	1,981	380	6,556	65,501	47,962,099	65,501	47,962,105	30,948	583,068
\$5,000,000 under \$10,000,000.....	21	151	121	4,742	15,827	25,756,207	15,827	25,756,272	8,245	234,789
\$10,000,000 or more.....	21	900	108	28,032	9,671	54,202,159	9,671	54,202,568	5,696	397,544
Taxable returns.....	562	7,926	36,962	113,231	89,101,934	831,975,834	89,101,934	831,976,333	13,882,614	37,347,151
Nontaxable returns.....	123	2,106	* 9,947	* 22,631	0	0	0	0	7,407,471	9,809,241

Size of adjusted gross income	All other taxes--continued								Earned income credit used to offset all other taxes	
	Penalty tax on qualified retirement plans		Self-employment tax		Social Security taxes on tip income		Household employment tax		Number of returns	Amount
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount		
(44)	(45)	(46)	(47)	(48)	(49)	(50)	(51)	(52)	(53)	
All returns.....	4,924,584	3,640,374	15,920,203	42,210,737	517,609	107,929	243,702	885,832	4,630,477	3,957,021
No adjusted gross income.....	37,308	38,352	217,951	363,269	2,460	829	11,965	35,910	97,165	51,319
\$1 under \$5,000.....	69,550	8,326	1,096,056	521,394	43,378	4,453	* 4,316	* 26,776	635,202	175,473
\$5,000 under \$10,000.....	123,719	39,249	1,666,350	1,623,531	72,860	13,069	2,262	19,704	1,285,937	842,731
\$10,000 under \$15,000.....	190,718	56,743	1,582,468	2,185,726	43,989	7,563	8,773	34,838	998,931	1,270,904
\$15,000 under \$20,000.....	268,653	71,729	1,114,136	1,919,723	47,905	10,707	2,253	9,636	599,934	787,575
\$20,000 under \$25,000.....	319,833	105,635	908,110	1,757,109	27,768	7,764	2,819	13,334	471,567	485,478
\$25,000 under \$30,000.....	323,647	122,978	779,657	1,634,921	28,362	16,953	2,041	1,750	353,856	276,225
\$30,000 under \$40,000.....	611,785	267,852	1,228,899	2,723,883	43,401	8,235	3,447	2,281	187,886	67,316
\$40,000 under \$50,000.....	535,191	293,732	1,110,985	2,729,653	21,024	4,352	4,376	11,689	0	0
\$50,000 under \$75,000.....	1,117,879	799,523	2,169,798	5,766,445	76,872	14,924	14,692	38,865	0	0
\$75,000 under \$100,000.....	641,664	652,779	1,354,772	4,493,437	65,130	10,547	18,321	29,914	0	0
\$100,000 under \$200,000.....	576,346	872,993	1,721,722	8,037,634	38,839	6,891	62,795	163,355	0	0
\$200,000 under \$500,000.....	94,248	266,453	721,482	5,197,146	5,569	1,527	58,555	212,906	0	0
\$500,000 under \$1,000,000.....	9,898	31,445	155,438	1,623,610	* 41	* 2	22,362	85,731	0	0
\$1,000,000 under \$1,500,000.....	1,960	3,806	38,571	518,983	0	0	8,189	38,229	0	0
\$1,500,000 under \$2,000,000.....	715	1,930	16,802	260,247	0	0	4,013	24,347	0	0
\$2,000,000 under \$5,000,000.....	1,124	4,624	26,032	478,003	* 4	* 29	7,421	54,962	0	0
\$5,000,000 under \$10,000,000.....	215	1,788	6,552	159,118	** 6	** 84	2,762	30,107	0	0
\$10,000,000 or more.....	133	436	4,424	216,903	**	**	2,342	51,497	0	0
Taxable returns.....	3,890,497	3,224,148	9,682,839	33,065,382	321,070	66,560	206,693	693,823	0	0
Nontaxable returns.....	1,034,087	416,226	6,237,364	9,145,355	196,539	41,369	37,009	192,010	4,630,477	3,957,021

Footnotes at end of table.

Individual Income Tax Returns, 2004

Table 2.--All Returns: Tax Liability, Tax Credits, and Tax Payments, by Size of Adjusted Gross Income, Tax Year 2004--Continued

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

Size of adjusted gross income	Total tax liability		Tax payments					
	Number of returns	Amount	Total		Income tax withheld		Estimated tax payments	
			Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(54)	(55)	(56)	(57)	(58)	(59)	(60)	(61)
All returns.....	92,846,419	874,009,720	120,970,534	981,644,294	116,312,978	731,734,362	10,996,504	188,770,357
No adjusted gross income.....	227,736	456,746	644,982	2,566,288	519,816	1,421,870	133,523	925,755
\$1 under \$5,000.....	1,748,857	433,988	8,666,153	1,907,604	8,462,072	1,575,967	193,590	299,692
\$5,000 under \$10,000.....	4,718,497	1,561,926	9,756,611	5,110,863	9,442,069	4,603,952	351,058	450,487
\$10,000 under \$15,000.....	6,039,762	3,484,249	9,745,022	8,718,655	9,347,681	7,901,951	503,007	727,035
\$15,000 under \$20,000.....	6,440,096	6,349,049	10,186,073	13,721,354	9,764,531	12,535,701	589,176	1,078,701
\$20,000 under \$25,000.....	6,118,707	9,158,133	9,241,840	17,282,775	8,921,574	16,006,125	517,688	1,173,231
\$25,000 under \$30,000.....	6,097,090	11,940,357	8,193,719	20,388,525	7,904,773	19,022,877	512,034	1,295,895
\$30,000 under \$40,000.....	11,556,886	30,862,115	13,606,254	47,451,264	13,140,773	44,192,250	945,377	2,968,940
\$40,000 under \$50,000.....	9,622,210	36,778,610	10,417,440	51,310,160	10,020,600	47,260,160	925,355	3,816,504
\$50,000 under \$75,000.....	17,485,385	99,455,482	17,840,621	127,938,651	17,284,113	117,474,993	1,826,047	9,771,549
\$75,000 under \$100,000.....	10,044,036	90,732,646	10,029,993	108,833,753	9,685,534	98,280,092	1,261,904	9,534,972
\$100,000 under \$200,000.....	9,727,646	184,290,451	9,658,361	194,152,622	9,181,953	164,072,224	1,883,797	26,349,618
\$200,000 under \$500,000.....	2,346,590	144,910,604	2,316,728	136,252,720	2,076,959	92,710,984	940,576	36,413,827
\$500,000 under \$1,000,000.....	432,899	73,084,035	428,843	68,677,929	364,016	38,430,407	246,214	23,992,605
\$1,000,000 under \$1,500,000.....	103,920	31,649,361	102,739	29,955,148	84,618	14,591,335	68,394	11,816,945
\$1,500,000 under \$2,000,000.....	45,075	19,725,624	44,729	18,653,723	37,182	8,590,836	30,780	7,386,782
\$2,000,000 under \$5,000,000.....	65,520	48,545,173	65,027	46,410,908	53,490	18,598,336	47,972	19,243,744
\$5,000,000 under \$10,000,000.....	15,833	25,991,060	15,756	25,604,609	13,129	9,358,380	12,096	10,155,614
\$10,000,000 or more.....	9,675	54,600,111	9,643	56,706,744	8,094	15,105,922	7,916	21,368,460
Taxable returns.....	89,099,888	869,322,708	86,514,111	942,309,939	82,937,762	697,450,038	9,601,128	184,261,026
Nontaxable returns.....	3,746,531	4,687,012	34,456,422	39,334,356	33,375,216	34,284,324	1,395,376	4,509,331

Size of adjusted gross income	Tax payments--continued							
	Additional child tax credit		Payments with request for extension of filing time		Excess Social Security taxes withheld		Credit for Federal tax on gasoline and special fuels	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(62)	(63)	(64)	(65)	(66)	(67)	(68)	(69)
All returns.....	14,528,434	14,450,019	1,518,779	59,268,206	1,242,604	1,727,641	345,020	86,378
No adjusted gross income.....	204,356	365,115	20,545	201,424	2,555	5,164	25,690	10,162
\$1 under \$5,000.....	34,858	38,632	35,101	20,962	* 9	* [2]	22,841	10,948
\$5,000 under \$10,000.....	74,414	51,247	38,094	49,766	* 2,017	* 999	19,334	5,654
\$10,000 under \$15,000.....	2,471,250	855,638	50,020	77,787	* 361	* 260	18,129	4,044
\$15,000 under \$20,000.....	3,180,326	2,700,318	49,931	95,385	0	0	21,798	4,624
\$20,000 under \$25,000.....	2,761,894	3,045,471	48,438	97,281	0	0	17,735	4,575
\$25,000 under \$30,000.....	1,914,963	2,425,403	35,489	62,529	* 1,128	* 423	18,398	5,761
\$30,000 under \$40,000.....	2,238,764	2,955,765	80,725	280,136	* 56	* 77	41,541	5,394
\$40,000 under \$50,000.....	990,414	1,226,223	59,733	225,654	2,603	1,472	29,457	3,835
\$50,000 under \$75,000.....	582,709	679,317	176,872	663,969	16,076	13,118	66,254	10,096
\$75,000 under \$100,000.....	68,232	102,924	157,492	920,472	198,969	92,161	**55,924	**16,567
\$100,000 under \$200,000.....	**6,255	**3,966	335,963	2,964,313	679,318	750,590	**	**
\$200,000 under \$500,000.....	**	**	254,002	6,513,329	263,836	610,581	5,488	2,434
\$500,000 under \$1,000,000.....	0	0	90,504	6,102,026	47,602	146,138	1,134	560
\$1,000,000 under \$1,500,000.....	0	0	30,129	3,505,825	11,754	39,729	334	123
\$1,500,000 under \$2,000,000.....	0	0	14,979	2,654,621	5,073	19,805	204	333
\$2,000,000 under \$5,000,000.....	0	0	26,524	8,533,937	7,835	31,225	421	442
\$5,000,000 under \$10,000,000.....	0	0	8,128	6,079,411	2,094	9,937	171	359
\$10,000,000 or more.....	0	0	6,109	20,219,381	1,318	5,962	167	467
Taxable returns.....	* 3,161	* 1,239	1,368,252	58,797,187	1,228,182	1,710,583	211,216	41,187
Nontaxable returns.....	14,525,273	14,448,780	150,527	471,019	14,421	17,057	133,804	45,191

Footnotes at end of table.

Individual Income Tax Returns, 2004

Table 2.--All Returns: Tax Liability, Tax Credits, and Tax Payments, by Size of Adjusted Gross Income, Tax Year 2004--Continued

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

Size of adjusted gross income	Tax payments--continued				Earned income credit, refundable portion		Overpayment	
	Credit from regulated investment companies		Health coverage credit				Total	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount		
	(70)	(71)	(72)	(73)	(76)	(77)		
All returns.....	9,608	33,754	16,314	23,595	19,448,355	35,299,505	103,706,648	255,064,839
No adjusted gross income.....	**	**	* 3	* 17	118,848	120,867	790,689	2,794,014
\$1 under \$5,000.....	0	0	* 6	* 35	2,506,104	1,594,372	8,978,993	3,399,066
\$5,000 under \$10,000.....	0	0	* 6	* 4	4,304,037	6,829,934	10,024,918	11,125,320
\$10,000 under \$15,000.....	979	5,228	* 2,915	* 4,247	3,635,410	10,631,357	9,768,025	17,599,845
\$15,000 under \$20,000.....	* 971	* 185	* 3,611	* 6,759	3,176,560	8,369,538	9,606,118	19,426,522
\$20,000 under \$25,000.....	0	0	* 971	* 1,563	2,848,286	5,181,380	8,382,290	17,475,584
\$25,000 under \$30,000.....	0	0	* 1,873	* 1,040	1,937,551	2,120,835	7,217,827	14,120,939
\$30,000 under \$40,000.....	* 960	* 1,152	* 2,922	* 3,315	921,560	451,223	11,625,696	22,471,026
\$40,000 under \$50,000.....	* 939	* 2,535	0	0	0	0	8,407,807	18,900,181
\$50,000 under \$75,000.....	* 933	* 52	* 1,919	* 4,873	0	0	13,855,512	37,239,104
\$75,000 under \$100,000.....	* 1,042	* 323	* 1,042	* 455	0	0	7,584,758	24,966,618
\$100,000 under \$200,000.....	** 1,905	** 9,504	* 999	* 1,026	0	0	6,073,186	27,869,010
\$200,000 under \$500,000.....	1,636	1,565	0	0	0	0	1,060,465	11,887,469
\$500,000 under \$1,000,000.....	**	**	* 41	* 250	0	0	203,368	6,081,948
\$1,000,000 under \$1,500,000.....	* 67	* 1,191	0	0	0	0	51,926	2,914,103
\$1,500,000 under \$2,000,000.....	* 43	* 1,345	0	0	0	0	23,116	1,810,549
\$2,000,000 under \$5,000,000.....	85	* 3,213	* 3	* 11	0	0	35,588	4,957,206
\$5,000,000 under \$10,000,000.....	17	* 908	0	0	0	0	9,690	2,911,152
\$10,000,000 or more.....	29	* 6,554	0	0	0	0	6,675	7,115,183
Taxable returns.....	8,628	* 28,189	13,689	21,727	0	0	66,988,412	169,524,971
Nontaxable returns.....	980	* 5,565	2,625	1,868	19,448,355	35,299,505	36,718,236	85,539,868

Size of adjusted gross income	Overpayment--continued				Tax due at time of filing		Predetermined estimated tax penalty	
	Refunded		Credit to 2005 estimated tax				Number of returns	Amount
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(78)	(79)	(80)	(81)	(82)	(83)	(84)	(85)
All returns.....	100,674,244	221,371,474	4,314,593	33,693,366	24,452,350	99,683,782	5,641,853	774,697
No adjusted gross income.....	735,264	2,278,653	68,507	515,361	153,269	218,447	26,490	2,390
\$1 under \$5,000.....	8,896,623	3,302,475	104,021	96,591	1,288,913	301,899	13,669	857
\$5,000 under \$10,000.....	9,930,619	11,000,689	137,154	124,631	1,326,008	712,805	189,974	6,305
\$10,000 under \$15,000.....	9,632,491	17,423,088	195,121	176,757	1,437,650	916,577	225,346	9,847
\$15,000 under \$20,000.....	9,462,829	19,188,279	246,108	238,244	1,415,193	1,128,750	239,071	14,345
\$20,000 under \$25,000.....	8,245,798	17,258,468	205,047	217,116	1,267,627	1,291,260	234,234	14,658
\$25,000 under \$30,000.....	7,084,551	13,874,786	204,700	246,153	1,245,654	1,381,746	233,830	13,117
\$30,000 under \$40,000.....	11,402,201	21,877,479	357,999	593,547	2,246,231	2,801,884	460,885	30,741
\$40,000 under \$50,000.....	8,177,238	18,243,043	332,670	657,138	2,146,709	3,358,214	501,885	31,528
\$50,000 under \$75,000.....	13,412,562	35,834,207	647,201	1,404,896	4,156,474	8,293,373	1,001,618	77,288
\$75,000 under \$100,000.....	7,252,975	23,704,316	487,650	1,262,301	2,518,493	6,837,340	733,012	58,524
\$100,000 under \$200,000.....	5,557,318	24,143,350	713,014	3,725,660	3,640,318	18,156,984	1,126,765	152,387
\$200,000 under \$500,000.....	735,349	6,714,224	402,114	5,173,245	1,270,759	20,708,203	494,177	162,850
\$500,000 under \$1,000,000.....	103,277	2,424,103	118,544	3,657,844	227,175	10,566,262	104,533	78,209
\$1,000,000 under \$1,500,000.....	21,008	891,830	36,610	2,022,273	51,543	4,637,025	25,053	28,708
\$1,500,000 under \$2,000,000.....	8,382	492,176	16,792	1,318,373	21,691	2,899,636	10,509	17,187
\$2,000,000 under \$5,000,000.....	11,468	1,126,780	27,607	3,830,427	29,596	7,130,043	15,453	38,572
\$5,000,000 under \$10,000,000.....	2,700	539,299	7,937	2,371,853	6,071	3,313,260	3,415	15,657
\$10,000,000 or more.....	1,589	1,054,228	5,798	6,060,955	2,976	5,030,076	1,934	21,526
Taxable returns.....	64,357,513	137,439,116	3,683,588	32,085,855	22,005,465	97,289,017	5,111,573	745,960
Nontaxable returns.....	36,316,731	83,932,358	631,005	1,607,511	2,446,885	2,394,765	530,280	28,736

* 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.

[1] Excludes refundable portion, which totaled \$14.5 billion for 2004 (see note on Figure G).

[2] Less than \$500.

NOTE: Detail may not add to totals because of rounding.

Source: IRS, Statistics of Income Division, July 2006.

Individual Income Tax Returns, 2004

Table 3.--Returns with Itemized Deductions: Sources of Income, Adjustments, Itemized Deductions by Type, Exemptions, and Tax Items, by Size of Adjusted Gross Income, Tax Year 2004

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

Size of adjusted gross income	Number of returns	Total itemized deductions in taxable income	Total itemized deductions					
			Itemized deductions in excess of limitation		Medical and dental expenses deduction		Medical and dental expenses	
			Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
All returns	46,335,237	998,238,457	5,723,846	36,761,913	9,530,675	61,503,014	9,530,675	94,670,475
Under \$5,000.....	327,379	4,563,499	0	0	222,351	1,912,212	222,351	1,955,076
\$5,000 under \$10,000.....	642,831	8,961,384	0	0	402,935	3,549,458	402,935	3,787,256
\$10,000 under \$15,000.....	1,078,646	13,922,621	0	0	669,879	4,473,977	669,879	5,100,201
\$15,000 under \$20,000.....	1,408,086	18,598,549	0	0	789,541	5,417,730	789,541	6,455,973
\$20,000 under \$25,000.....	1,591,869	20,703,604	0	0	750,384	4,456,058	750,384	5,727,172
\$25,000 under \$30,000.....	1,897,697	25,375,405	0	0	756,384	4,491,003	756,384	6,047,096
\$30,000 under \$35,000.....	2,222,251	29,109,449	0	0	723,896	3,891,822	723,896	5,657,224
\$35,000 under \$40,000.....	2,317,310	32,278,087	0	0	678,407	3,526,076	678,407	5,422,027
\$40,000 under \$45,000.....	2,353,622	32,987,485	0	0	597,540	3,238,636	597,540	5,140,864
\$45,000 under \$50,000.....	2,301,167	34,729,393	0	0	540,392	3,030,691	540,392	4,955,371
\$50,000 under \$55,000.....	2,239,428	34,605,113	0	0	482,746	2,255,636	482,746	4,150,495
\$55,000 under \$60,000.....	2,246,207	36,445,496	0	0	424,897	2,080,759	424,897	3,912,055
\$60,000 under \$75,000.....	6,172,634	108,320,350	16,421	905	998,715	6,384,128	998,715	11,371,241
\$75,000 under \$100,000.....	7,926,317	155,165,381	78,691	35,723	906,013	5,843,418	906,013	11,667,166
\$100,000 under \$200,000.....	8,776,391	230,552,713	2,795,505	2,048,295	533,033	5,243,873	533,033	10,330,637
\$200,000 under \$500,000.....	2,215,675	100,098,177	2,215,611	9,705,423	49,452	1,425,413	49,452	2,447,893
\$500,000 under \$1,000,000.....	398,317	33,134,642	398,264	6,342,376	3,197	201,276	3,197	359,038
\$1,000,000 under \$1,500,000.....	93,599	12,808,118	93,580	2,933,843	584	46,679	584	97,049
\$1,500,000 under \$2,000,000.....	40,698	7,798,955	40,688	1,872,621	212	16,902	212	44,055
\$2,000,000 under \$5,000,000.....	60,674	18,568,009	60,652	4,824,653	111	16,164	111	38,361
\$5,000,000 under \$10,000,000.....	15,036	10,347,550	15,032	2,700,356	*7	*1,103	*7	*4,285
\$10,000,000 or more.....	9,404	29,164,477	9,402	6,297,719	0	0	0	0
Taxable returns	40,289,338	877,914,918	5,716,649	36,732,562	6,682,728	34,526,261	6,682,728	62,797,931
Nontaxable returns	6,045,899	120,323,539	7,197	29,350	2,847,947	26,976,752	2,847,947	31,872,543

Size of adjusted gross income	Total itemized deductions--continued							
	Medical and dental expenses limitation		Taxes paid deduction					
			Total		State and local income taxes		Income	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	
All returns	9,529,696	33,167,461	46,009,291	362,608,853	44,765,119	219,833,389	33,516,476	202,305,993
Under \$5,000.....	221,372	42,864	308,704	842,420	267,737	213,446	90,343	108,069
\$5,000 under \$10,000.....	402,935	237,797	604,809	1,575,481	544,759	413,919	158,911	155,680
\$10,000 under \$15,000.....	669,879	626,224	1,041,981	2,654,681	967,109	729,552	330,710	296,340
\$15,000 under \$20,000.....	789,541	1,038,243	1,365,983	3,763,526	1,269,867	1,180,921	572,992	681,964
\$20,000 under \$25,000.....	750,384	1,271,114	1,569,755	4,301,689	1,475,342	1,410,166	780,915	778,893
\$25,000 under \$30,000.....	756,384	1,556,093	1,870,482	5,256,638	1,799,577	1,981,534	1,067,080	1,318,240
\$30,000 under \$35,000.....	723,896	1,765,401	2,197,982	6,840,841	2,113,804	2,882,307	1,425,009	2,104,513
\$35,000 under \$40,000.....	678,407	1,895,952	2,291,711	7,645,296	2,230,051	3,506,620	1,600,113	2,782,223
\$40,000 under \$45,000.....	597,540	1,902,228	2,341,519	8,573,016	2,265,605	4,065,887	1,712,975	3,395,130
\$45,000 under \$50,000.....	540,392	1,924,680	2,284,992	9,315,329	2,219,289	4,469,736	1,705,139	3,727,721
\$50,000 under \$55,000.....	482,746	1,894,859	2,223,929	10,098,467	2,159,099	5,021,873	1,624,318	4,199,042
\$55,000 under \$60,000.....	424,897	1,831,296	2,239,721	10,600,909	2,183,411	5,291,668	1,677,583	4,534,901
\$60,000 under \$75,000.....	998,715	4,987,113	6,149,307	33,153,020	6,009,065	17,390,133	4,776,925	15,163,091
\$75,000 under \$100,000.....	906,013	5,823,689	7,917,281	53,668,295	7,801,323	29,463,864	6,410,289	26,598,074
\$100,000 under \$200,000.....	533,033	5,086,764	8,771,965	90,863,750	8,663,622	53,753,519	7,205,472	50,089,323
\$200,000 under \$500,000.....	49,452	1,022,480	2,212,464	49,391,413	2,184,479	33,514,049	1,843,495	32,343,687
\$500,000 under \$1,000,000.....	3,197	157,763	397,824	19,872,214	394,229	15,280,979	342,962	15,048,978
\$1,000,000 under \$1,500,000.....	584	50,369	93,307	8,073,240	92,422	6,582,663	80,924	6,508,512
\$1,500,000 under \$2,000,000.....	212	27,153	40,637	4,894,309	40,271	4,111,566	35,680	4,078,569
\$2,000,000 under \$5,000,000.....	111	22,197	60,545	11,858,211	59,925	10,378,511	53,216	10,298,191
\$5,000,000 under \$10,000,000.....	*7	*3,182	15,005	6,272,759	14,867	5,724,727	13,148	5,684,990
\$10,000,000 or more.....	0	0	9,388	13,093,348	9,267	12,465,748	8,274	12,409,862
Taxable returns	6,682,728	28,271,670	40,091,411	339,332,540	39,209,706	211,966,580	30,737,021	197,084,845
Nontaxable returns	2,846,968	4,895,791	5,917,880	23,276,313	5,555,413	7,866,809	2,779,455	5,221,147

Footnotes at end of table.

Individual Income Tax Returns, 2004

Table 3.--Returns with Itemized Deductions: Sources of Income, Adjustments, Itemized Deductions by Type, Exemptions, and Tax Items, by Size of Adjusted Gross Income, Tax Year 2004--Continued

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

Size of adjusted gross income	Total itemized deductions--continued							
	Taxes paid deduction--continued							
	State and local income taxes--continued		Real estate taxes		Personal property taxes		Other taxes	
	General sales taxes							
Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	
(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)	
All returns	11,248,643	17,527,396	40,457,920	132,252,209	21,083,436	8,677,030	3,026,056	1,846,225
Under \$5,000.....	177,394	105,377	230,926	594,966	100,785	29,684	10,407	4,325
\$5,000 under \$10,000.....	385,848	258,239	469,722	1,086,617	213,175	66,808	24,050	8,136
\$10,000 under \$15,000.....	636,399	433,212	799,417	1,791,134	397,462	115,970	52,339	18,025
\$15,000 under \$20,000.....	696,875	498,957	1,071,744	2,369,084	532,902	196,136	60,306	17,385
\$20,000 under \$25,000.....	694,427	631,274	1,172,077	2,623,054	595,223	193,043	72,039	75,426
\$25,000 under \$30,000.....	732,497	663,294	1,428,869	3,005,459	776,406	236,714	87,835	32,931
\$30,000 under \$35,000.....	688,795	777,794	1,786,251	3,547,006	983,588	371,885	114,174	39,643
\$35,000 under \$40,000.....	629,937	724,397	1,814,100	3,767,268	984,945	334,756	127,211	36,653
\$40,000 under \$45,000.....	552,630	670,757	1,960,091	4,102,621	1,063,672	328,569	128,835	75,939
\$45,000 under \$50,000.....	514,150	742,015	1,996,498	4,418,934	1,071,447	374,148	143,876	52,511
\$50,000 under \$55,000.....	534,780	822,830	1,925,157	4,671,734	1,007,341	344,580	134,394	60,279
\$55,000 under \$60,000.....	505,828	756,767	1,971,719	4,788,805	1,074,481	424,802	165,283	95,633
\$60,000 under \$75,000.....	1,232,140	2,227,042	5,558,928	14,440,055	2,893,060	1,119,290	453,328	203,542
\$75,000 under \$100,000.....	1,391,033	2,865,790	7,315,465	22,323,489	3,850,625	1,646,028	529,283	234,915
\$100,000 under \$200,000.....	1,458,150	3,664,196	8,271,740	34,715,116	4,301,666	2,014,542	648,328	380,573
\$200,000 under \$500,000.....	340,984	1,170,362	2,096,695	15,041,092	986,610	613,631	210,167	222,642
\$500,000 under \$1,000,000.....	51,267	232,001	379,889	4,345,439	164,068	142,146	40,655	103,650
\$1,000,000 under \$1,500,000.....	11,498	74,151	88,824	1,418,358	37,095	37,297	10,487	34,922
\$1,500,000 under \$2,000,000.....	4,590	32,996	38,827	731,761	15,548	17,601	4,196	33,382
\$2,000,000 under \$5,000,000.....	6,709	80,319	57,637	1,390,213	23,414	38,651	6,300	50,836
\$5,000,000 under \$10,000,000.....	1,718	39,737	14,354	514,962	6,037	14,014	1,533	19,055
\$10,000,000 or more.....	993	55,887	8,989	565,042	3,886	16,735	1,030	45,823
Taxable returns	8,472,685	14,881,734	35,509,839	118,072,259	18,582,288	7,659,710	2,724,122	1,633,992
Nontaxable returns	2,775,958	2,645,662	4,948,082	14,179,950	2,501,147	1,017,320	301,934	212,234

Size of adjusted gross income	Total itemized deductions--continued							
	Interest paid deduction							
	Total		Total		Paid to financial institutions		Paid to individuals	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)	
All returns	38,110,298	356,355,994	37,691,995	340,476,440	37,274,244	335,287,365	1,289,493	5,189,075
Under \$5,000.....	186,524	1,457,845	182,148	1,421,585	179,978	1,405,422	3,092	16,162
\$5,000 under \$10,000.....	381,609	2,713,160	377,488	2,687,951	374,725	2,632,624	10,024	55,326
\$10,000 under \$15,000.....	623,866	4,184,528	616,140	4,113,740	608,264	4,058,901	10,695	54,839
\$15,000 under \$20,000.....	891,242	5,896,408	876,661	5,851,344	863,028	5,737,411	27,563	113,933
\$20,000 under \$25,000.....	1,094,532	7,214,821	1,079,813	7,123,657	1,054,972	6,991,677	32,783	131,980
\$25,000 under \$30,000.....	1,333,391	9,225,134	1,322,397	9,119,009	1,300,691	8,922,856	46,698	196,153
\$30,000 under \$35,000.....	1,678,901	11,266,357	1,666,890	11,137,113	1,643,613	10,976,010	43,325	161,103
\$35,000 under \$40,000.....	1,755,462	12,418,559	1,744,178	12,268,406	1,729,018	12,125,521	50,409	142,885
\$40,000 under \$45,000.....	1,892,472	12,970,662	1,874,756	12,813,489	1,852,580	12,614,950	52,929	198,539
\$45,000 under \$50,000.....	1,917,683	14,084,004	1,904,292	13,954,628	1,893,197	13,827,607	48,763	127,021
\$50,000 under \$55,000.....	1,862,467	13,836,396	1,855,806	13,636,660	1,829,393	13,401,079	72,439	235,581
\$55,000 under \$60,000.....	1,938,979	15,184,738	1,929,332	14,995,445	1,908,270	14,792,362	56,185	203,083
\$60,000 under \$75,000.....	5,361,461	43,755,577	5,331,381	43,159,829	5,265,872	42,587,025	182,344	572,804
\$75,000 under \$100,000.....	7,026,244	62,571,178	6,987,360	61,801,575	6,926,560	61,050,398	247,832	751,177
\$100,000 under \$200,000.....	7,754,626	86,067,082	7,654,210	84,136,610	7,583,180	82,819,943	304,804	1,316,667
\$200,000 under \$500,000.....	1,900,781	33,044,020	1,837,003	31,010,042	1,817,183	30,417,286	75,023	592,756
\$500,000 under \$1,000,000.....	330,587	8,467,272	304,146	6,934,497	298,713	6,746,897	17,168	187,600
\$1,000,000 under \$1,500,000.....	76,530	2,668,793	67,240	1,811,689	66,032	1,758,979	3,267	52,710
\$1,500,000 under \$2,000,000.....	32,819	1,372,275	27,410	798,186	26,895	776,433	1,330	21,752
\$2,000,000 under \$5,000,000.....	49,722	2,986,808	39,446	1,231,408	38,582	1,191,164	2,103	40,244
\$5,000,000 under \$10,000,000.....	12,428	1,435,047	9,036	302,573	8,809	292,533	437	10,039
\$10,000,000 or more.....	7,973	3,535,331	4,863	167,007	4,691	160,288	279	6,719
Taxable returns	33,447,763	310,489,130	33,074,870	296,160,967	32,702,338	291,576,528	1,164,328	4,584,439
Nontaxable returns	4,662,535	45,866,864	4,617,125	44,315,473	4,571,906	43,710,837	125,165	604,636

Footnotes at end of table.

Individual Income Tax Returns, 2004

Table 3.--Returns with Itemized Deductions: Sources of Income, Adjustments, Itemized Deductions by Type, Exemptions, and Tax Items, by Size of Adjusted Gross Income, Tax Year 2004--Continued

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

Size of adjusted gross income	Total itemized deductions--continued							
	Interest paid deduction--continued				Contributions deduction			
	Deductible points		Investment interest deduction		Total		Cash contributions	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
(33)	(34)	(35)	(36)	(37)	(38)	(39)	(40)	
All returns.....	3,273,960	2,568,135	1,711,069	13,311,419	40,623,426	165,564,388	38,566,587	122,874,926
Under \$5,000.....	15,182	12,591	16,027	23,669	198,717	158,358	179,564	269,633
\$5,000 under \$10,000.....	16,299	3,691	10,047	21,519	428,605	583,699	394,817	628,937
\$10,000 under \$15,000.....	26,006	58,231	18,654	12,557	782,103	1,246,110	728,086	1,127,095
\$15,000 under \$20,000.....	49,014	23,371	25,050	21,692	1,065,731	1,886,719	995,885	1,613,689
\$20,000 under \$25,000.....	71,113	60,066	26,368	31,098	1,269,685	2,501,976	1,188,009	2,044,857
\$25,000 under \$30,000.....	85,596	69,529	30,316	36,596	1,494,582	3,145,498	1,402,731	2,522,508
\$30,000 under \$35,000.....	83,676	69,323	27,320	59,921	1,778,517	3,501,913	1,657,627	2,814,031
\$35,000 under \$40,000.....	120,324	97,025	30,329	53,128	1,943,178	4,191,960	1,807,060	3,429,048
\$40,000 under \$45,000.....	118,199	85,001	52,048	72,172	1,959,406	4,328,132	1,826,599	3,530,230
\$45,000 under \$50,000.....	132,507	85,159	41,101	44,218	1,963,145	4,416,445	1,844,774	3,633,151
\$50,000 under \$55,000.....	150,112	145,964	35,140	53,772	1,931,690	4,404,211	1,781,956	3,547,460
\$55,000 under \$60,000.....	152,786	133,078	39,718	56,215	1,965,866	4,992,085	1,858,519	3,989,610
\$60,000 under \$75,000.....	420,624	333,570	144,525	262,178	5,520,688	14,568,080	5,220,804	12,196,948
\$75,000 under \$100,000.....	669,166	474,897	185,150	294,706	7,319,212	20,623,462	6,993,524	16,519,138
\$100,000 under \$200,000.....	868,025	685,398	487,833	1,245,074	8,279,167	34,301,007	8,010,733	27,330,294
\$200,000 under \$500,000.....	236,856	179,761	326,508	1,854,217	2,123,896	18,440,774	2,082,300	14,369,266
\$500,000 under \$1,000,000.....	39,970	31,098	114,102	1,501,676	385,211	8,150,747	381,099	6,077,251
\$1,000,000 under \$1,500,000.....	8,729	8,225	35,624	848,879	91,105	3,702,417	90,332	2,458,600
\$1,500,000 under \$2,000,000.....	3,491	3,221	17,872	570,869	39,647	2,543,783	39,427	1,613,062
\$2,000,000 under \$5,000,000.....	4,783	6,081	31,530	1,749,319	59,285	6,549,751	58,880	3,875,907
\$5,000,000 under \$10,000,000.....	1,023	1,596	9,205	1,130,878	14,749	4,428,598	14,668	2,304,606
\$10,000,000 or more.....	480	1,258	6,603	3,367,065	9,241	16,898,662	9,193	6,979,608
Taxable returns.....	2,909,321	2,067,523	1,564,036	12,260,640	35,974,740	154,366,721	34,224,333	113,305,774
Nontaxable returns.....	364,639	500,611	147,034	1,050,779	4,648,686	11,197,667	4,342,254	9,569,152

Size of adjusted gross income	Total itemized deductions--continued							
	Contributions deduction--continued				Casualty or theft loss deduction		Limited miscellaneous deductions	
	Other than cash contributions		Carryover from prior years				Total after AGI limitation	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
(41)	(42)	(43)	(44)	(45)	(46)	(47)	(48)	
All returns.....	25,267,459	43,373,209	503,161	36,232,941	185,261	3,510,243	12,024,562	68,533,122
Under \$5,000.....	76,759	43,165	29,787	575,450	*743	*725	131,209	182,535
\$5,000 under \$10,000.....	181,370	90,614	34,748	234,463	*7,843	*227,571	185,193	284,427
\$10,000 under \$15,000.....	369,275	208,435	44,719	409,529	*6,800	*214,651	290,711	957,812
\$15,000 under \$20,000.....	539,148	302,689	24,825	139,539	*19,495	*240,683	342,340	1,236,077
\$20,000 under \$25,000.....	705,119	447,699	21,837	184,871	*2,131	*14,114	442,775	1,905,352
\$25,000 under \$30,000.....	855,159	578,897	28,984	258,399	*11,942	*207,162	609,273	2,842,970
\$30,000 under \$35,000.....	1,004,288	670,398	23,159	98,429	10,787	99,704	659,329	3,188,678
\$35,000 under \$40,000.....	1,136,424	865,632	30,412	348,696	7,235	57,416	784,553	4,038,683
\$40,000 under \$45,000.....	1,164,763	768,021	20,998	96,709	*9,201	*41,950	679,365	3,556,733
\$45,000 under \$50,000.....	1,155,244	790,699	18,796	425,415	11,915	181,552	680,874	3,466,872
\$50,000 under \$55,000.....	1,176,708	801,842	10,113	75,010	15,007	127,877	626,498	3,411,239
\$55,000 under \$60,000.....	1,194,459	998,344	23,451	146,952	9,311	86,285	655,539	3,233,321
\$60,000 under \$75,000.....	3,524,996	2,552,210	30,289	777,001	24,654	369,227	1,673,877	8,843,491
\$75,000 under \$100,000.....	4,803,874	4,006,766	59,730	1,522,863	21,450	424,005	1,897,360	10,191,182
\$100,000 under \$200,000.....	5,689,106	6,701,036	61,490	2,426,405	21,161	732,909	1,910,314	11,994,209
\$200,000 under \$500,000.....	1,361,111	4,150,675	22,306	2,579,323	4,928	351,560	375,607	4,370,919
\$500,000 under \$1,000,000.....	219,162	2,437,291	8,740	2,206,191	561	97,375	51,368	1,432,226
\$1,000,000 under \$1,500,000.....	48,108	2,129,877	2,949	1,361,690	54	12,393	12,553	588,957
\$1,500,000 under \$2,000,000.....	20,449	1,118,094	1,521	855,727	*9	*4,998	5,024	392,014
\$2,000,000 under \$5,000,000.....	29,823	3,150,440	2,605	3,696,044	28	14,599	7,697	958,718
\$5,000,000 under \$10,000,000.....	7,337	2,301,243	939	1,621,167	**7	**3,485	1,978	513,760
\$10,000,000 or more.....	4,777	8,259,141	764	16,193,068	**	**	1,123	942,947
Taxable returns.....	22,681,087	41,397,548	301,864	33,532,127	119,839	1,645,426	10,193,487	59,842,500
Nontaxable returns.....	2,586,371	1,975,660	201,297	2,700,814	65,422	1,864,817	1,831,075	8,690,622

Footnotes at end of table.

Individual Income Tax Returns, 2004

Table 3.--Returns with Itemized Deductions: Sources of Income, Adjustments, Itemized Deductions by Type, Exemptions, and Tax Items, by Size of Adjusted Gross Income, Tax Year 2004--Continued

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

Size of adjusted gross income	Total itemized deductions--continued							
	Limited miscellaneous deductions--continued							
	Unreimbursed employee business expense		Tax preparation fees		Gambling loss deduction		Other limited miscellaneous deductions	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
(49)	(50)	(51)	(52)	(53)	(54)	(55)	(56)	
All returns.....	15,545,955	68,497,230	16,836,134	4,763,394	1,005,537	14,588,841	12,918,672	23,910,657
Under \$5,000.....	24,194	74,646	97,218	30,002	4,355	8,863	74,928	84,650
\$5,000 under \$10,000.....	51,300	130,919	220,809	52,333	7,081	26,447	157,327	140,360
\$10,000 under \$15,000.....	172,492	702,472	377,767	86,373	17,769	169,077	243,702	275,236
\$15,000 under \$20,000.....	264,745	1,077,188	476,898	94,068	21,099	152,816	283,934	236,821
\$20,000 under \$25,000.....	429,414	1,749,482	531,720	91,327	36,162	258,186	295,330	337,399
\$25,000 under \$30,000.....	634,782	2,741,166	670,194	127,709	32,492	179,266	385,372	404,706
\$30,000 under \$35,000.....	728,660	3,122,704	809,304	147,042	47,511	252,496	466,383	475,453
\$35,000 under \$40,000.....	892,278	3,902,962	879,884	164,048	44,348	337,043	565,560	713,667
\$40,000 under \$45,000.....	834,882	3,637,177	972,800	177,023	29,765	219,005	534,372	515,649
\$45,000 under \$50,000.....	871,179	3,623,309	864,499	180,021	43,462	196,699	562,692	526,302
\$50,000 under \$55,000.....	833,279	3,596,567	828,872	153,882	55,521	341,717	538,659	546,757
\$55,000 under \$60,000.....	884,815	3,470,625	862,028	172,523	43,939	229,168	590,411	603,104
\$60,000 under \$75,000.....	2,385,302	9,822,343	2,352,611	507,715	132,350	940,366	1,734,553	1,569,384
\$75,000 under \$100,000.....	2,966,882	11,939,950	2,912,015	649,791	187,660	1,551,932	2,351,522	2,238,384
\$100,000 under \$200,000.....	3,019,779	14,116,160	3,001,490	1,034,523	224,799	3,060,800	3,011,480	4,013,112
\$200,000 under \$500,000.....	480,001	3,665,611	758,314	583,742	60,012	2,529,047	817,270	3,290,792
\$500,000 under \$1,000,000.....	52,220	577,084	141,350	214,390	10,485	1,098,159	177,345	1,858,823
\$1,000,000 under \$1,500,000.....	10,181	173,981	34,105	79,764	2,858	562,150	49,649	896,050
\$1,500,000 under \$2,000,000.....	3,598	67,300	14,514	45,771	1,403	418,200	22,425	613,543
\$2,000,000 under \$5,000,000.....	4,498	145,558	21,056	91,048	1,828	847,277	37,423	1,605,193
\$5,000,000 under \$10,000,000.....	1,034	82,868	5,331	36,697	405	342,590	10,880	920,171
\$10,000,000 or more.....	440	77,158	3,355	43,603	234	867,538	7,456	2,045,101
Taxable returns.....	14,009,662	61,019,514	14,773,973	4,273,796	898,368	12,672,012	11,525,909	21,794,922
Nontaxable returns.....	1,536,294	7,477,716	2,062,161	489,598	107,169	1,916,829	1,392,763	2,115,734

Size of adjusted gross income	Total itemized deductions--continued					
	Limited miscellaneous deductions--continued		Miscellaneous deductions other than gambling		Total unlimited miscellaneous deduction	
	Miscellaneous deductions subject to 2% AGI limitation					
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
(57)	(58)	(59)	(60)	(61)	(62)	
All returns.....	27,957,849	97,171,280	466,613	2,136,508	1,457,332	16,924,756
Under \$5,000.....	140,190	189,297	3,806	541	8,162	9,404
\$5,000 under \$10,000.....	296,414	323,611	2,020	1,140	9,101	27,587
\$10,000 under \$15,000.....	543,846	1,064,081	6,108	21,785	23,878	190,862
\$15,000 under \$20,000.....	698,231	1,408,077	7,490	4,590	26,590	157,405
\$20,000 under \$25,000.....	835,780	2,178,208	16,366	51,408	52,528	309,594
\$25,000 under \$30,000.....	1,105,431	3,273,580	16,713	27,734	49,205	207,001
\$30,000 under \$35,000.....	1,263,258	3,745,200	17,868	67,637	64,407	320,133
\$35,000 under \$40,000.....	1,411,290	4,780,676	15,151	63,054	59,499	400,097
\$40,000 under \$45,000.....	1,462,557	4,329,849	26,226	59,177	57,071	278,355
\$45,000 under \$50,000.....	1,433,233	4,329,632	24,809	37,800	66,401	234,499
\$50,000 under \$55,000.....	1,361,670	4,297,207	29,809	129,571	81,075	471,288
\$55,000 under \$60,000.....	1,382,176	4,246,252	9,196	38,231	53,135	267,399
\$60,000 under \$75,000.....	3,907,007	11,899,442	61,114	248,953	192,251	1,247,732
\$75,000 under \$100,000.....	4,971,757	14,828,125	61,964	327,632	246,432	1,879,564
\$100,000 under \$200,000.....	5,472,557	19,163,795	83,970	292,063	307,496	3,398,177
\$200,000 under \$500,000.....	1,284,131	7,540,145	43,542	225,844	103,031	2,779,501
\$500,000 under \$1,000,000.....	238,278	2,650,297	17,347	138,581	27,586	1,255,909
\$1,000,000 under \$1,500,000.....	61,184	1,149,796	6,802	85,028	9,504	649,482
\$1,500,000 under \$2,000,000.....	26,856	726,614	3,721	26,077	5,066	447,296
\$2,000,000 under \$5,000,000.....	42,474	1,841,798	7,792	131,781	9,536	1,008,410
\$5,000,000 under \$10,000,000.....	11,702	1,039,735	2,542	48,315	2,923	393,181
\$10,000,000 or more.....	7,829	2,165,862	2,257	109,568	2,456	991,881
Taxable returns.....	24,747,977	87,088,232	409,170	1,698,408	1,293,978	14,444,902
Nontaxable returns.....	3,209,872	10,083,048	57,442	438,101	163,354	2,479,854

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

** Data combined to prevent disclosure of specific taxpayer information.

NOTE: Detail may not add to totals because of rounding.

Individual Income Tax Returns, 2004

Table 4.--Returns with Earned Income Credit, by Size of Adjusted Gross Income, Tax Year 2004

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

Size of adjusted gross income	All returns with earned income credit (EIC)									
	Number of returns	Adjusted gross income (less deficit)	EIC salaries and wages		EIC self-employment income (less loss)		EIC earned income [1]		Total earned income credit	
			Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	
All returns.....	22,269,577	325,062,454	19,921,690	291,572,965	4,869,535	28,805,311	22,269,577	320,387,559	22,269,577	40,024,050
No adjusted gross income..	183,223	-4,691,446	96,592	775,334	118,590	315,084	183,223	1,090,418	183,223	172,203
\$1 under \$1,000.....	321,669	182,704	223,107	272,556	114,651	99,749	321,669	372,363	321,669	57,261
\$1,000 under \$2,000.....	507,578	771,399	414,979	710,933	117,356	221,413	507,578	932,389	507,578	157,870
\$2,000 under \$3,000.....	584,435	1,458,868	491,668	1,283,709	132,997	290,456	584,435	1,574,164	584,435	306,264
\$3,000 under \$4,000.....	762,729	2,672,840	641,643	2,312,757	166,096	422,042	762,729	2,734,800	762,729	533,874
\$4,000 under \$5,000.....	766,849	3,461,949	664,967	2,968,870	170,194	500,748	766,849	3,469,618	766,849	714,575
\$5,000 under \$6,000.....	831,425	4,576,536	700,316	3,669,683	208,672	764,691	831,425	4,434,375	831,425	977,040
\$6,000 under \$7,000.....	909,043	5,903,716	766,242	4,793,324	231,756	952,803	909,043	5,746,127	909,043	1,280,440
\$7,000 under \$8,000.....	1,166,415	8,762,310	931,932	6,400,400	395,744	2,194,310	1,166,415	8,594,709	1,166,415	1,999,622
\$8,000 under \$9,000.....	997,574	8,472,914	847,546	6,468,573	269,854	1,544,692	997,574	8,013,265	997,574	1,592,644
\$9,000 under \$10,000.....	1,055,076	10,040,690	919,600	8,024,019	241,216	1,439,129	1,055,076	9,463,482	1,055,076	1,883,782
\$10,000 under \$11,000.....	1,193,754	12,561,609	1,025,094	9,558,393	331,798	2,370,425	1,193,754	11,928,818	1,193,754	2,760,821
\$11,000 under \$12,000.....	951,053	10,906,153	794,795	8,251,539	277,707	2,180,123	951,053	10,431,662	951,053	2,498,995
\$12,000 under \$13,000.....	645,160	8,057,778	550,649	6,196,978	180,879	1,536,787	645,160	7,742,615	645,160	2,093,394
\$13,000 under \$14,000.....	676,695	9,135,965	613,069	7,737,792	139,276	1,085,163	676,695	8,822,955	676,695	2,339,489
\$14,000 under \$15,000.....	669,455	9,695,427	605,374	8,192,677	154,010	1,079,119	669,455	9,271,796	669,455	2,250,073
\$15,000 under \$16,000.....	701,911	10,891,391	644,227	9,443,715	162,355	1,086,669	701,911	10,530,385	701,911	2,181,641
\$16,000 under \$17,000.....	626,179	10,335,389	581,985	9,221,708	110,124	770,735	626,179	9,992,443	626,179	1,882,078
\$17,000 under \$18,000.....	614,379	10,741,812	559,170	9,070,894	107,768	1,221,006	614,379	10,291,900	614,379	1,739,831
\$18,000 under \$19,000.....	649,276	12,020,572	619,880	10,947,550	104,989	822,151	649,276	11,769,701	649,276	1,698,275
\$19,000 under \$20,000.....	706,827	13,778,068	674,079	12,548,643	112,671	945,077	706,827	13,493,720	706,827	1,754,854
\$20,000 under \$25,000.....	3,060,216	68,795,542	2,958,010	63,586,925	435,678	3,326,917	3,060,216	66,913,842	3,060,216	5,905,773
\$25,000 under \$30,000.....	2,545,098	69,739,131	2,472,658	64,760,357	391,271	2,661,308	2,545,099	67,421,665	2,545,099	2,677,344
\$30,000 and over.....	1,143,556	36,791,138	1,124,107	34,375,635	193,883	974,712	1,143,556	35,350,346	1,143,556	565,905

Size of adjusted gross income	All returns with earned income credit (EIC)--continued									
	EIC used to offset income tax before credits		Total income tax		EIC used to offset all other taxes		EIC refundable portion		Nontaxable combat pay amount	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	
All returns.....	2,975,197	767,524	1,200,459	462,262	4,630,477	3,957,021	19,448,355	35,299,505	* 10,024	* 9,283
No adjusted gross income..	* 9	* 17	* 9	* 78	97,165	51,319	118,848	120,867	0	0
\$1 under \$1,000.....	0	0	0	0	61,336	12,910	268,784	44,351	* 2,006	* 58
\$1,000 under \$2,000.....	0	0	0	0	110,790	22,602	428,266	135,268	* 2,006	* 42
\$2,000 under \$3,000.....	0	0	0	0	123,893	28,365	486,897	277,899	0	0
\$3,000 under \$4,000.....	0	0	0	0	171,066	50,077	649,090	483,798	0	0
\$4,000 under \$5,000.....	0	0	0	0	168,118	61,519	673,067	653,056	0	0
\$5,000 under \$6,000.....	0	0	0	0	197,427	92,567	722,293	884,473	0	0
\$6,000 under \$7,000.....	0	0	0	0	223,333	121,214	815,281	1,159,226	0	0
\$7,000 under \$8,000.....	* 12,868	* 35	0	0	395,730	279,173	1,059,050	1,720,414	0	0
\$8,000 under \$9,000.....	341,743	18,387	* 3,668	* 232	259,607	170,177	893,645	1,404,081	0	0
\$9,000 under \$10,000.....	332,095	42,443	168,564	8,200	209,839	179,600	813,768	1,661,740	* 2,006	* 333
\$10,000 under \$11,000.....	322,542	22,681	283,652	51,551	281,423	313,550	887,890	2,424,589	0	0
\$11,000 under \$12,000.....	160,177	4,877	143,314	42,915	263,721	329,799	788,947	2,164,320	0	0
\$12,000 under \$13,000.....	* 6,971	* 1,085	0	0	180,541	232,239	622,173	1,860,070	* 4,006	* 8,850
\$13,000 under \$14,000.....	24,211	4,442	0	0	137,708	191,217	672,567	2,143,830	0	0
\$14,000 under \$15,000.....	30,767	7,427	0	0	135,538	204,098	663,833	2,038,548	0	0
\$15,000 under \$16,000.....	37,748	11,632	0	0	136,534	192,066	689,938	1,977,943	0	0
\$16,000 under \$17,000.....	50,597	20,957	* 973	* 596	107,585	139,059	609,292	1,722,063	0	0
\$17,000 under \$18,000.....	47,851	18,549	0	0	115,802	179,381	583,667	1,541,900	0	0
\$18,000 under \$19,000.....	44,844	19,843	0	0	111,061	126,602	626,052	1,551,831	0	0
\$19,000 under \$20,000.....	65,748	28,585	0	0	128,952	150,468	667,612	1,575,801	0	0
\$20,000 under \$25,000.....	496,700	238,915	54,269	14,936	471,567	485,478	2,848,286	5,181,380	0	0
\$25,000 under \$30,000.....	803,174	280,284	427,056	270,739	353,856	276,225	1,937,551	2,120,835	0	0
\$30,000 and over.....	197,151	47,366	118,954	73,015	187,886	67,316	921,560	451,223	0	0

Footnotes at end of table.

Individual Income Tax Returns, 2004

Table 4.--Returns with Earned Income Credit, by Size of Adjusted Gross Income, Tax Year 2004--Continued

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

Size of adjusted gross income	Returns with no qualifying children									
	Number of returns	Adjusted gross income (less deficit)	EIC salaries and wages		EIC self-employment income (less loss)		EIC earned income [1]		Total earned income credit	
			Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(21)	(22)	(23)	(24)	(25)	(26)	(27)	(28)	(29)	(30)
All returns.....	4,689,870	26,535,937	3,759,125	23,130,403	1,368,753	4,395,162	4,689,870	27,525,999	4,689,870	1,023,916
No adjusted gross income..	114,830	-1,998,509	51,153	209,198	77,410	141,631	114,830	350,828	114,830	21,290
\$1 under \$1,000.....	228,235	122,719	137,552	183,168	102,199	64,603	228,235	247,829	228,235	18,573
\$1,000 under \$2,000.....	321,279	488,312	251,337	427,208	88,652	165,752	321,279	593,002	321,279	42,962
\$2,000 under \$3,000.....	323,622	812,808	238,512	643,226	115,193	265,713	323,622	908,939	323,622	65,508
\$3,000 under \$4,000.....	436,420	1,532,408	332,330	1,213,419	131,068	349,736	436,420	1,563,155	436,420	113,982
\$4,000 under \$5,000.....	407,777	1,840,780	325,620	1,498,513	123,656	335,414	407,777	1,833,927	407,777	130,754
\$5,000 under \$6,000.....	415,423	2,280,904	324,755	1,742,518	137,572	420,505	415,423	2,163,024	415,423	148,374
\$6,000 under \$7,000.....	415,531	2,699,002	332,374	2,082,151	124,926	439,535	415,531	2,521,686	415,531	138,605
\$7,000 under \$8,000.....	453,343	3,399,845	369,848	2,754,441	124,611	576,164	453,343	3,330,606	453,343	131,874
\$8,000 under \$9,000.....	468,252	3,982,162	397,212	3,050,200	122,134	594,567	468,252	3,644,767	468,252	103,156
\$9,000 under \$10,000.....	457,692	4,352,088	409,857	3,609,404	97,209	402,345	457,692	4,012,082	457,692	70,825
\$10,000 under \$11,000.....	395,066	4,148,702	355,248	3,376,851	75,063	436,846	395,066	3,813,697	395,066	30,611
\$11,000 under \$12,000.....	226,903	2,562,032	213,899	2,181,473	35,427	109,997	226,903	2,291,470	226,903	6,972
\$12,000 under \$13,000.....	25,498	312,685	19,426	158,633	13,632	92,355	25,498	250,987	25,498	430
\$13,000 under \$14,000.....	0	0	0	0	0	0	0	0	0	0
\$14,000 under \$15,000.....	0	0	0	0	0	0	0	0	0	0
\$15,000 under \$16,000.....	0	0	0	0	0	0	0	0	0	0
\$16,000 under \$17,000.....	0	0	0	0	0	0	0	0	0	0
\$17,000 under \$18,000.....	0	0	0	0	0	0	0	0	0	0
\$18,000 under \$19,000.....	0	0	0	0	0	0	0	0	0	0
\$19,000 under \$20,000.....	0	0	0	0	0	0	0	0	0	0
\$20,000 under \$25,000.....	0	0	0	0	0	0	0	0	0	0
\$25,000 under \$30,000.....	0	0	0	0	0	0	0	0	0	0
\$30,000 and over.....	0	0	0	0	0	0	0	0	0	0

Size of adjusted gross income	Returns with no qualifying children--continued									
	EIC used to offset income tax before credits		Total income tax		EIC used to offset all other taxes		EIC refundable portion		Nontaxable combat pay amount	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(31)	(32)	(33)	(34)	(35)	(36)	(37)	(38)	(339)	(40)
All returns.....	1,134,905	84,216	599,199	102,899	1,133,710	254,851	3,067,969	684,849	* 6,019	* 433
No adjusted gross income..	0	0	0	0	63,156	12,079	55,383	9,211	0	0
\$1 under \$1,000.....	0	0	0	0	53,824	7,527	175,350	11,046	* 2,006	* 58
\$1,000 under \$2,000.....	0	0	0	0	81,855	12,540	242,348	30,422	* 2,006	* 42
\$2,000 under \$3,000.....	0	0	0	0	107,320	21,612	226,084	43,896	0	0
\$3,000 under \$4,000.....	0	0	0	0	126,757	32,244	322,781	81,738	0	0
\$4,000 under \$5,000.....	0	0	0	0	118,318	33,970	315,893	96,784	0	0
\$5,000 under \$6,000.....	0	0	0	0	123,398	39,943	307,015	108,431	0	0
\$6,000 under \$7,000.....	0	0	0	0	109,458	33,354	321,769	105,251	0	0
\$7,000 under \$8,000.....	* 11,896	* 31	0	0	119,058	30,118	348,200	101,726	0	0
\$8,000 under \$9,000.....	339,009	18,188	* 3,668	* 232	112,419	20,621	364,993	64,347	0	0
\$9,000 under \$10,000.....	329,116	42,053	168,564	8,200	65,699	7,469	219,132	21,303	* 2,006	* 333
\$10,000 under \$11,000.....	306,586	21,254	283,652	51,551	21,024	1,965	91,361	7,393	0	0
\$11,000 under \$12,000.....	148,298	2,690	143,314	42,915	17,832	1,169	65,757	3,113	0	0
\$12,000 under \$13,000.....	0	0	0	0	13,593	240	11,905	190	0	0
\$13,000 under \$14,000.....	0	0	0	0	0	0	0	0	0	0
\$14,000 under \$15,000.....	0	0	0	0	0	0	0	0	0	0
\$15,000 under \$16,000.....	0	0	0	0	0	0	0	0	0	0
\$16,000 under \$17,000.....	0	0	0	0	0	0	0	0	0	0
\$17,000 under \$18,000.....	0	0	0	0	0	0	0	0	0	0
\$18,000 under \$19,000.....	0	0	0	0	0	0	0	0	0	0
\$19,000 under \$20,000.....	0	0	0	0	0	0	0	0	0	0
\$20,000 under \$25,000.....	0	0	0	0	0	0	0	0	0	0
\$25,000 under \$30,000.....	0	0	0	0	0	0	0	0	0	0
\$30,000 and over.....	0	0	0	0	0	0	0	0	0	0

Footnotes at end of table.

Individual Income Tax Returns, 2004

Table 4.--Returns with Earned Income Credit, by Size of Adjusted Gross Income--Continued

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

Size of adjusted gross income	Returns with one qualifying child									
	Number of returns	Adjusted gross income (less deficit)	EIC salaries and wages		EIC self-employment income (less loss)		EIC earned income [1]		Total earned income credit	
			Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(41)	(42)	(43)	(44)	(45)	(46)	(47)	(48)	(49)	(50)
All returns.....	8,311,023	130,142,570	7,695,176	118,625,769	1,486,622	8,751,708	8,311,023	127,386,327	8,311,023	14,264,082
No adjusted gross income..	32,507	-1,133,526	18,962	186,684	20,704	114,708	32,507	301,392	32,507	52,302
\$1 under \$1,000.....	49,989	35,437	48,969	35,308	* 2,968	* -17	49,989	35,291	49,989	12,066
\$1,000 under \$2,000.....	122,976	186,570	108,097	183,174	20,055	33,107	122,976	216,280	122,976	70,934
\$2,000 under \$3,000.....	151,038	376,942	148,204	387,782	10,032	10,408	151,038	398,190	151,038	133,888
\$3,000 under \$4,000.....	194,582	678,858	182,557	612,878	22,872	72,725	194,582	685,603	194,582	232,379
\$4,000 under \$5,000.....	214,872	971,157	205,102	895,106	26,424	96,017	214,872	991,123	214,872	326,433
\$5,000 under \$6,000.....	220,541	1,216,639	195,569	989,234	40,535	198,217	220,541	1,187,451	220,541	402,390
\$6,000 under \$7,000.....	293,810	1,907,375	247,580	1,529,352	75,869	405,008	293,810	1,934,361	293,810	634,986
\$7,000 under \$8,000.....	454,369	3,424,436	316,950	1,983,896	221,007	1,405,490	454,369	3,389,837	454,369	1,125,856
\$8,000 under \$9,000.....	310,820	2,632,626	256,017	1,993,290	97,033	588,663	310,820	2,581,953	310,820	786,035
\$9,000 under \$10,000.....	318,623	3,030,689	278,464	2,454,773	67,036	408,022	318,623	2,862,795	318,623	787,497
\$10,000 under \$11,000.....	325,762	3,422,582	299,732	2,866,625	60,782	401,616	325,762	3,268,241	325,762	822,672
\$11,000 under \$12,000.....	314,510	3,628,565	287,793	3,142,472	67,332	367,317	314,510	3,509,789	314,510	798,747
\$12,000 under \$13,000.....	298,489	3,732,695	270,241	3,155,294	48,808	474,118	298,489	3,638,262	298,489	758,614
\$13,000 under \$14,000.....	307,935	4,160,461	293,838	3,738,011	40,090	247,819	307,935	3,985,830	307,935	792,232
\$14,000 under \$15,000.....	312,165	4,524,775	290,833	4,028,613	55,548	285,491	312,165	4,314,105	312,165	777,493
\$15,000 under \$16,000.....	372,120	5,787,293	351,122	5,221,167	66,394	373,288	372,120	5,594,455	372,120	873,851
\$16,000 under \$17,000.....	304,651	5,032,251	291,447	4,655,778	43,984	231,022	304,651	4,886,800	304,651	669,990
\$17,000 under \$18,000.....	299,813	5,244,028	275,615	4,483,415	45,944	534,120	299,813	5,017,535	299,813	612,076
\$18,000 under \$19,000.....	317,709	5,881,915	303,314	5,418,911	50,717	370,143	317,709	5,789,054	317,709	598,487
\$19,000 under \$20,000.....	328,119	6,398,124	309,631	5,762,499	50,508	469,075	328,119	6,231,575	328,119	568,299
\$20,000 under \$25,000.....	1,463,504	32,959,216	1,428,247	30,963,445	168,284	1,011,115	1,463,504	31,974,560	1,463,504	1,829,281
\$25,000 under \$30,000.....	1,181,416	32,377,286	1,168,600	30,581,280	161,859	514,454	1,181,417	31,095,734	1,181,417	585,798
\$30,000 and over.....	120,701	3,666,176	118,295	3,356,783	21,834	139,780	120,701	3,496,562	120,701	11,776

Size of adjusted gross income	Returns with one qualifying child--continued									
	EIC used to offset income tax before credits		Total income tax		EIC used to offset all other taxes		EIC refundable portion		Nontaxable combat pay amount	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(51)	(52)	(53)	(54)	(55)	(56)	(57)	(58)	(59)	(60)
All returns.....	1,532,180	551,950	531,551	315,210	1,451,555	1,267,305	7,515,872	12,444,827	* 4,006	* 8,850
No adjusted gross income..	0	0	0	0	17,611	19,824	28,960	32,478	0	0
\$1 under \$1,000.....	0	0	0	0	* 1,023	* 149	49,989	11,917	0	0
\$1,000 under \$2,000.....	0	0	0	0	19,740	6,540	122,976	64,394	0	0
\$2,000 under \$3,000.....	0	0	0	0	* 8,747	* 4,477	151,038	129,412	0	0
\$3,000 under \$4,000.....	0	0	0	0	32,454	12,622	194,582	219,757	0	0
\$4,000 under \$5,000.....	0	0	0	0	27,070	16,533	212,973	309,900	0	0
\$5,000 under \$6,000.....	0	0	0	0	42,535	30,454	220,163	317,937	0	0
\$6,000 under \$7,000.....	0	0	0	0	79,923	65,273	293,810	569,713	0	0
\$7,000 under \$8,000.....	* 973	* 4	0	0	225,059	212,062	452,531	913,790	0	0
\$8,000 under \$9,000.....	* 712	* 5	0	0	90,552	93,009	310,312	693,022	0	0
\$9,000 under \$10,000.....	0	0	0	0	63,204	73,585	315,881	713,912	0	0
\$10,000 under \$11,000.....	* 10,984	* 1,168	0	0	65,412	67,413	325,602	754,091	0	0
\$11,000 under \$12,000.....	* 11,880	* 2,186	0	0	68,319	64,979	313,550	731,582	0	0
\$12,000 under \$13,000.....	* 6,971	* 1,085	0	0	52,001	69,683	290,652	687,846	* 4,006	* 8,850
\$13,000 under \$14,000.....	23,238	4,148	0	0	39,769	42,552	306,828	745,533	0	0
\$14,000 under \$15,000.....	28,767	6,541	0	0	48,862	60,950	307,243	710,001	0	0
\$15,000 under \$16,000.....	35,727	10,615	0	0	51,529	68,670	361,089	794,566	0	0
\$16,000 under \$17,000.....	47,625	18,669	* 973	* 596	38,073	41,900	292,641	609,421	0	0
\$17,000 under \$18,000.....	45,830	18,268	0	0	59,825	69,913	271,677	523,894	0	0
\$18,000 under \$19,000.....	37,936	18,358	0	0	47,805	42,861	299,783	537,267	0	0
\$19,000 under \$20,000.....	56,772	26,792	0	0	51,432	50,230	303,338	491,278	0	0
\$20,000 under \$25,000.....	444,654	212,192	54,269	14,936	186,712	109,610	1,345,177	1,507,479	0	0
\$25,000 under \$30,000.....	708,237	226,659	417,171	263,974	122,445	42,689	694,966	316,449	0	0
\$30,000 and over.....	71,874	5,261	59,139	35,704	11,453	1,326	50,110	5,189	0	0

Footnotes at end of table.

Individual Income Tax Returns, 2004

Table 4.--Returns with Earned Income Credit, by Size of Adjusted Gross Income--Continued

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

Size of adjusted gross income	Returns with two or more qualifying children									
	Number of returns	Adjusted gross income (less deficit)	EIC salaries and wages		EIC self-employment income (less loss)		EIC earned income [1]		Total earned income credit	
			Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
(61)	(62)	(63)	(64)	(65)	(66)	(67)	(68)	(69)	(70)	
All returns.....	9,268,684	168,383,947	8,467,389	149,816,793	2,014,160	15,658,441	9,268,684	165,475,233	9,268,684	24,736,052
No adjusted gross income..	35,886	-1,559,411	26,476	379,453	20,475	58,745	35,886	438,198	35,886	98,611
\$1 under \$1,000.....	43,446	24,548	36,585	54,080	* 9,484	* 35,163	43,446	89,243	43,446	26,623
\$1,000 under \$2,000.....	63,323	96,517	55,546	100,552	8,648	22,554	63,323	123,106	63,323	43,974
\$2,000 under \$3,000.....	109,775	269,118	104,953	252,700	* 7,772	* 14,335	109,775	267,034	109,775	106,868
\$3,000 under \$4,000.....	131,727	461,574	126,755	486,460	12,156	-418	131,727	486,042	131,727	187,513
\$4,000 under \$5,000.....	144,200	650,012	134,245	575,250	20,114	69,317	144,200	644,567	144,200	257,388
\$5,000 under \$6,000.....	195,461	1,078,993	179,993	937,931	30,564	145,969	195,461	1,083,900	195,461	426,276
\$6,000 under \$7,000.....	199,701	1,297,339	186,288	1,181,821	30,960	108,259	199,701	1,290,080	199,701	506,849
\$7,000 under \$8,000.....	258,703	1,938,029	245,134	1,662,062	50,126	212,655	258,703	1,874,717	258,703	741,892
\$8,000 under \$9,000.....	218,502	1,858,125	194,316	1,425,083	50,687	361,462	218,502	1,786,545	218,502	703,453
\$9,000 under \$10,000.....	278,762	2,657,913	231,279	1,959,843	76,972	628,762	278,762	2,588,605	278,762	1,025,460
\$10,000 under \$11,000.....	472,927	4,990,325	370,114	3,314,917	195,953	1,531,963	472,927	4,846,881	472,927	1,907,537
\$11,000 under \$12,000.....	409,640	4,715,557	293,103	2,927,594	174,948	1,702,810	409,640	4,630,403	409,640	1,693,277
\$12,000 under \$13,000.....	321,174	4,012,399	260,983	2,883,052	118,439	970,314	321,174	3,853,366	321,174	1,334,350
\$13,000 under \$14,000.....	368,759	4,975,503	319,231	3,999,781	99,186	837,344	368,759	4,837,126	368,759	1,547,257
\$14,000 under \$15,000.....	357,290	5,170,652	314,541	4,164,064	98,462	793,627	357,290	4,957,692	357,290	1,472,581
\$15,000 under \$16,000.....	329,791	5,104,098	293,105	4,222,549	95,961	713,381	329,791	4,935,930	329,791	1,307,790
\$16,000 under \$17,000.....	321,528	5,303,138	290,538	4,565,931	66,139	539,713	321,528	5,105,643	321,528	1,212,089
\$17,000 under \$18,000.....	314,566	5,497,784	283,555	4,587,479	61,824	686,886	314,566	5,274,365	314,566	1,127,755
\$18,000 under \$19,000.....	331,567	6,138,657	316,566	5,528,639	54,273	452,008	331,567	5,980,647	331,567	1,099,788
\$19,000 under \$20,000.....	378,708	7,379,944	364,448	6,786,143	62,162	476,002	378,708	7,262,145	378,708	1,186,555
\$20,000 under \$25,000.....	1,596,712	35,836,326	1,529,764	32,623,480	267,394	2,315,802	1,596,712	34,939,283	1,596,712	4,076,493
\$25,000 under \$30,000.....	1,363,882	37,361,845	1,304,058	34,179,077	229,412	2,146,854	1,363,882	36,325,931	1,363,882	2,091,546
\$30,000 and over.....	1,022,855	33,124,962	1,005,812	31,018,852	172,049	834,932	1,022,855	31,853,784	1,022,855	554,129

Size of adjusted gross income	Returns with two or more qualifying children--continued									
	EIC used to offset income tax before credits		Total income tax		EIC used to offset all other taxes		EIC refundable portion		Nontaxable combat pay amount	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
(71)	(72)	(73)	(74)	(75)	(76)	(77)	(78)	(79)	(80)	
All returns.....	308,113	131,358	69,710	44,153	2,045,212	2,434,865	8,864,513	22,169,829	0	0
No adjusted gross income..	* 9	* 17	* 9	* 78	16,398	19,416	34,504	79,178	0	0
\$1 under \$1,000.....	0	0	0	0	* 6,489	* 5,234	43,446	21,389	0	0
\$1,000 under \$2,000.....	0	0	0	0	9,194	3,522	62,942	40,452	0	0
\$2,000 under \$3,000.....	0	0	0	0	* 7,826	* 2,276	109,775	104,592	0	0
\$3,000 under \$4,000.....	0	0	0	0	11,855	5,210	131,727	182,303	0	0
\$4,000 under \$5,000.....	0	0	0	0	22,731	11,016	144,200	246,372	0	0
\$5,000 under \$6,000.....	0	0	0	0	31,494	22,171	195,115	404,105	0	0
\$6,000 under \$7,000.....	0	0	0	0	33,953	22,587	199,701	484,262	0	0
\$7,000 under \$8,000.....	0	0	0	0	51,614	36,993	258,318	704,898	0	0
\$8,000 under \$9,000.....	* 2,022	* 194	0	0	56,636	56,547	218,340	646,712	0	0
\$9,000 under \$10,000.....	* 2,979	* 390	0	0	80,936	98,546	278,756	926,525	0	0
\$10,000 under \$11,000.....	* 4,972	* 260	0	0	194,988	244,172	470,927	1,663,106	0	0
\$11,000 under \$12,000.....	0	0	0	0	177,569	263,652	409,640	1,429,626	0	0
\$12,000 under \$13,000.....	0	0	0	0	114,947	162,315	319,616	1,172,035	0	0
\$13,000 under \$14,000.....	* 973	* 295	0	0	97,939	148,666	365,739	1,398,297	0	0
\$14,000 under \$15,000.....	* 2,000	* 886	0	0	86,676	143,148	356,590	1,328,547	0	0
\$15,000 under \$16,000.....	* 2,022	* 1,017	0	0	85,005	123,396	328,849	1,183,377	0	0
\$16,000 under \$17,000.....	* 2,972	* 2,288	0	0	69,511	97,159	316,652	1,112,642	0	0
\$17,000 under \$18,000.....	* 2,022	* 281	0	0	55,977	109,468	311,990	1,018,006	0	0
\$18,000 under \$19,000.....	* 6,908	* 1,484	0	0	63,256	83,740	326,268	1,014,564	0	0
\$19,000 under \$20,000.....	* 8,976	* 1,794	0	0	77,519	100,238	364,274	1,084,523	0	0
\$20,000 under \$25,000.....	52,046	26,724	0	0	284,855	375,868	1,503,109	3,673,901	0	0
\$25,000 under \$30,000.....	94,937	53,625	9,885	6,765	231,411	233,536	1,242,585	1,804,386	0	0
\$30,000 and over.....	125,277	42,106	59,815	37,311	176,433	65,990	871,450	446,034	0	0

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

[1] For prior year returns, EIC earned income includes nontaxable earned income.

NOTE: Detail may not add to totals because of rounding.

Source: IRS, Statistics of Income Division, July 2006.