



## Individual Income Tax Rates and Shares, 2009

The United States has a progressive income tax structure, meaning that different portions of taxable income are taxed at different rates with the “last” income received being taxed at the highest or marginal tax rate. From the inception of the individual income tax in 1913, tax rates have varied from as low as 1 percent to as high as 94 percent. Since 1916, the IRS has been publishing income and tax statistics based on information reported on federal tax returns filed by U.S. individual taxpayers.

For tax year 2009, there were seven different tax rate classes ranging from 0 percent (capital gains) to 35 percent. The taxable income thresholds for each tax rate class varied depending on the taxpayer’s filing status (single, married, etc.). Different forms of income may receive different treatment under the tax law. Items such as capital gains and certain dividends qualify for special tax treatment. The treatment and taxation of individual income sources is the subject of the “Individual Income Tax Rates and Shares” article.

### Highlights of the Data

- The total tax generated at all tax rates was \$953 billion.
- Taxpayers filed 81.9 million taxable returns (58.3 percent of all returns filed). This represents the lowest percentage of taxable returns filed in more than 24 years.
- The average tax rate for taxable returns decreased 0.8 percentage points to 12.8 percent.
- The top 1 percent of taxpayers, with an approximate average AGI of \$960,000 counted for 16.9 percent of AGI.
- The top 10 percent of taxpayers, with an approximate average AGI of \$245,000, accounted for 43.2 percent of AGI.
- The bottom 50 percent of taxpayers, with an approximate average AGI of \$15,000, accounted for 13.5 percent of AGI.
- For returns reporting positive adjusted gross income, the top 1 percent of taxpayers had an average tax rate of 24 percent; the top 10 percent of taxpayers had an average tax rate of 18.1 percent; and the bottom 50 percent of taxpayers had an average tax rate of 1.9 percent.

### Related Products

- Individual Income Tax Rates and Tax Shares
- Taxpayers with Top 400 Adjusted Gross Income
- Individual Income Tax Returns (SOI Bulletin articles)
- Individual Income Tax Returns Publication 1304 (Complete Report)
- Individual Income Tax Returns, Estimated Data Line Counts
- Special Studies on Individual Tax Return Data