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Inside this Issue 3

Featured Articles:

High-Income Tax Returns for 2006 5
by Justin Bryan

Individual Foreign-Earned Income and Foreign Tax Credit, 2006 54
by Scott Hollenbeck and Maureen Keenan Kahr

International Boycott Reports, 2005 and 2006 85
by Melissa Costa

U.S. Possessions Corporation Returns, 2005 92
by Daniel S. Holik

Qualified Zone Academy Bond Tax Credit Usage in 2005 106
by Thornton Matheson

Individual Income Tax Returns, Preliminary Data, 2007 110
by Michael Strudler and Michael Parisi

Departments:

Selected Historical and Other Data 121

SOI Sampling Methodology and Data Limitations 249

Public Release of SOI Information 252

SOI Projects and Contacts 253

SOI Products and Services 257

Index—Previously Published Articles and Data Releases Inside Back Cover

Inside this Issue

High-Income Tax Returns for 2006

by Justin Bryan

For Tax Year 2006, there were 4,064,883 individual income tax returns that reported adjusted gross income (AGI) of \$200,000 or more, and 4,094,953 returns with expanded income of \$200,000 or more (compared to AGI, expanded income is a more comprehensive measure of income, and it is based entirely on items available from individual income tax returns). These high-income returns represented 2.937 percent and 2.959 percent, respectively, of all returns for 2006.

Based on AGI, the number of high-income returns for Tax Year 2006, measured in current-year dollars, was 76.1 times the number for Tax Year 1977. Measured in 1976 constant dollars, the number for 2006 was only 12.4 times the number for 1977. For 2006, the income share of high AGI returns in constant dollars increased to 0.412 percent of all income from 0.386 percent of income in 2005.

Based on expanded income, the number of high-income returns for Tax Year 2006, measured in current-year dollars, was 60.6 times the number for Tax Year 1977. Measured in 1976 constant dollars, the number of high-income returns for 2006 was only 9.9 times the number for 1977. For 2006, the income share of high expanded-income returns in constant dollars reached a new high of 0.420 percent of all income, up from the previous high of 0.392 percent set in Tax Year 2005.

Individual Foreign-Earned Income and Foreign Tax Credit, 2006

by Scott Hollenbeck and Maureen Keenan Kahr

In Tax Year 2006, about 335,000 U.S. taxpayers living abroad reported approximately \$36.7 billion in foreign-earned income. Nearly \$18.4 billion were claimed by U.S. taxpayers as foreign-earned income exclusions on their tax returns. Between Tax Years 2001 and 2006, the inflation-adjusted amount of foreign-earned income exclusion increased by 14.6 percent, while the housing exclusion decreased by 38.7 percent, from approximately \$2.2 billion for 2001 to more than \$1.3 billion for 2006.

In contrast to the relatively moderate growth in the foreign-earned income exclusion, foreign-source gross income and foreign tax credits increased substantially since 2001. Between 2001 and 2006, infla-

tion-adjusted foreign-source gross income reported on Form 1116 increased 86.6 percent, and real foreign tax credits claimed increased 53.9 percent.

For 2006, the total amount of foreign-earned income reported by U.S. taxpayers increased, in real terms, by 17.7 percent, to more than \$36.7 billion. The largest percentage increase (29.1 percent) was realized by taxpayers with foreign-earned income from Asian countries. Foreign-earned income from North American countries increased 21.0 percent, while income from European countries increased substantially (10.2 percent), as well. Foreign-earned income from Latin/South American countries decreased by 16.7 percent.

International Boycott Reports, 2005 and 2006

by Melissa Costa

For Calendar Year 2006, 112 U.S. persons, including corporations, partnerships, and other entities, reported receiving almost 2,300 requests to participate in boycotts unsanctioned by the United States. Most of these (91 percent) were requests from Arab League Countries to participate in some form of a boycott against Israel. While the number of U.S. persons receiving requests decreased by only three persons from Calendar Year 2005, the number of requests dropped by nearly 40 percent. About 30 percent of those entities that received requests agreed to participate in a boycott. Less than 3 percent of all entities that filed Form 5713, *International Boycott Report*, however, reported tax consequences.

Taxpayers filed 1,402 Forms 5713 for 2005, while 1,412 forms were filed for 2006. Corporations filed approximately 90 percent of Forms 5713 for both years, while partnerships accounted for roughly 8 percent of the total. Trusts, estates, and individuals filed most of the remainder. Taxpayers listed Saudi Arabia and the United Arab Emirates as countries of operation more frequently than any other countries.

U.S. Possessions Corporation Returns, 2005

by Daniel S. Holik

For Tax Year 2005, the number of U.S. corporations that claimed the possessions tax credit (102) and the amount of the credit claimed (\$0.9 billion) continued declines that began in the 1990s. Most of the U.S. corporations that claimed a possessions tax credit for 2005 did so for operations in Puerto Rico. These

Inside this Issue

Statistics of Income Bulletin | Spring 2009

94 corporations claimed more than 98 percent of the total credit amount. In order to qualify as a possessions corporation and claim the possessions tax credit, a corporation must derive 80 percent or more of its gross income from sources in a U.S. possession for a required period and 75 percent of its gross income from the active conduct of a trade or business in a U.S. possession, among other requirements.

Manufacturers continued to claim virtually all (more than 98 percent) of the credit. As in prior years, pharmaceuticals and medicines manufacturers accounted for the largest share. For 2005, 15 pharmaceuticals and medicines manufacturers reported credits of nearly \$0.5 billion, approximately 55 percent of the total. Other industries with substantial amounts of claimed credits included food manufacturing, computer and electric equipment, and medical equipment and supplies manufacturing. The Tax Year 2005 Study is the last planned SOI study of returns filed by possessions corporations.

Qualified Zone Academy Bond Tax Credit Usage in 2005

by Thornton Matheson

The Qualified Zone Academy Bond (QZAB) program was established in 1998 to promote public school rehabilitation and public-private partnership in education in areas with constrained public resources. Total QZAB tax credits claimed by qualified financial institutions increased from \$117 million in 2004 to \$135 million in 2005. The total QZAB principal underlying these credits was roughly \$2.1 billion, or 65 percent of the \$3.2 billion in QZAB principal authorized to have been issued through 2005.

QZAB holdings are highly concentrated. In 2005, 80 percent of QZAB credits were claimed by financial institutions with more than \$100 billion in assets. However, QZABs are a more important source of tax credits for smaller institutions, constituting 80 percent of tax credits for institutions with less than \$500 million in assets. There appears to be a fair amount of entry and exit in the QZAB market, with more than half of investors increasing or decreasing their credit claims between 2004 and 2005.

Individual Income Tax Returns, Preliminary Data, 2007

by Michael Strudler and Michael Parisi

For Tax Year 2007, taxpayers filed 143.0 million U.S. individual income tax returns, an increase of 3.3 percent from the 138.4 million returns filed for 2006. Adjusted Gross Income (AGI) increased 6.9 percent to \$8.5 trillion. Taxable income increased 6.8 percent to \$5.9 trillion. The alternative minimum tax rose 8.6 percent to \$20.9 billion. Total income tax rose 6.5 percent to \$1.1 trillion, and total tax liability rose 6.4 percent to \$1.1 trillion.

The largest component of AGI, salaries and wages, increased 6.4 percent to \$5,936.4 billion. The next largest income component, net capital gains, rose 9.3 percent to \$749.1 billion. Taxable pensions and annuities, the third largest income item, rose 9.4 percent to \$504.1 billion. Increases in losses associated with business income were reported for Tax Year 2007 by partnership and S corporations (36.9 percent), business sole proprietorships (10.8 percent), and farms (7.1 percent). This led to decreases in net income less losses compared to 2006 of 5.2 percent for partnerships and S corporations and 2.0 percent for business sole proprietorships. Further, for 2007, 7.7 million returns (a 3.7-percent increase from 2006) reported a total of \$29.8 billion in taxable unemployment compensation. This represents an 11.1-percent increase from 2006.

In the Next Issue

The following topics will be included in the summer 2009 issue of the *Statistics of Income Bulletin*, scheduled to be published in August 2009:

- Foreign-controlled domestic corporations, Tax Year 2006;
- Corporate foreign tax credit, Tax Year 2005;
- S corporation data;
- Individual noncash charitable contributions, Tax Year 2006;
- Sales of capital assets panel data; and
- Partnership and sole proprietorship data, Tax Year 2006.

High-Income Tax Returns for 2006

by Justin Bryan

The Tax Reform Act of 1976 requires annual publication of data on individual income tax returns reporting income of \$200,000 or more, including the number of such returns reporting no income tax liability and the importance of various tax provisions in making these returns nontaxable.¹ This article presents detailed data for the 4.1 million high-income returns for 2006, as well as summary data for the period 1977 to 2005. Detailed data for the years 1974 through 2005 have been published previously (see Reference section for more details).

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

Number of High-Income Returns

Figure A and Table 1 show that, for 2006, there were 4,064,883 individual income tax returns reporting AGI of \$200,000 or more, and 4,094,953 returns with expanded income of \$200,000 or more. These

returns represented 2.937 percent and 2.959 percent, respectively, of all returns for 2006.

From 1977 to 2000, the numbers of returns reporting incomes of \$200,000 or more increased each year, and, each year, those high-income returns were a larger share of all tax returns. However, for 2001 and 2002, both the number of high-income returns and their percentage of all returns decreased. For 2003, both the numbers of high-income returns and their share of all returns increased, but by all measures were still lower than in 2001. With a slightly larger increase than in 2003, the number of returns and their percentage of all returns for 2004 rose above the previous high set in 2000. This trend continued in 2005 by having large increases in both number of returns and percentage of all returns. With an increase slightly under that of the previous year, 2006 again saw a large increase in both number of returns and percentage of all returns. Both the number of returns and the percentages of all returns are at record levels.

The difference in the number of high-income returns between the two income concepts significantly decreased beginning with 1987, when AGI began to include 100 percent of long-term capital gains. That change in the definition of AGI made AGI and expanded income concepts more comparable. In addition, as a result of the inclusion of tax-exempt interest in expanded income starting with 1987, expanded income for years after 1986 is not strictly comparable to expanded income for years before 1987.

In the top panel of Figure A, the \$200,000 threshold for high-income returns is measured in current-year (nominal) dollars. As a result of inflation, the real (constant) dollar level of the threshold has fallen over time, and some returns are classified as high-income that would not have been classified as high-income for earlier years. To maintain the comparability of the real threshold over time, the nominal \$200,000 threshold has been adjusted for inflation to 1976 constant dollars for all years, and the number of

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

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

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

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

⁴ See Notes to Appendix A, Note A4.

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

High-Income Tax Returns for 2006

Statistics of Income Bulletin | Spring 2009

Figure A

All Returns and Returns with Income of \$200,000 or More Measured in Current Dollars and in 1976 Constant Dollars, by Income Concept, Tax Years 1977-2006

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

Footnotes at end of figure.

high-income tax returns has been recomputed in the lower panel of Figure A.⁶

When measured in 1976 constant dollars, under the expanded income concept, the total number of high-income returns for 2006 was only 9.9 times the number for 1977, whereas the number of high-income returns for 2006 measured in current-year dollars was 60.6 times as large as for 1977. For 2006, the share of high-expanded income returns in constant dollars reached a new high of 0.420 percent, an increase from the previous high of 0.392 percent set

in 2005. Figure B shows the difference between the constant and current dollar shares of high expanded-income returns.

Based on AGI, the number of high-income returns for 2006 measured in current-year dollars was 76.1 times as large as for 1977, whereas, measured in 1976 constant dollars, the number of returns for 2006 was only 12.4 times the number for 1977. For Tax Year 2006, the share of high AGI income returns in constant dollars increased to 0.412 percent from 0.386 percent in 2005.

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

High-Income Tax Returns for 2006

Statistics of Income Bulletin | Spring 2009

Figure A—Continued

All Returns and Returns with Income of \$200,000 or More Measured in Current Dollars and in 1976 Constant Dollars, by Income Concept, Tax Years 1977-2006

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

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

Nontaxable High-Income Returns

Two tax concepts are used in this article to classify tax returns as taxable or nontaxable. The first concept, "U.S. income tax," is total Federal income tax liability (including the "alternative minimum tax" (AMT)), less all credits against income tax. Since the U.S. income tax applies to worldwide income and since a credit (subject to certain limits) is al-

lowed against U.S. income tax for income taxes paid to foreign governments, a return could be classified as nontaxable under this first concept even though income taxes had been paid to a foreign government. The second tax concept, "worldwide income tax," addresses this circumstance by adding to U.S. income tax the allowed foreign tax credit and foreign taxes paid on excluded foreign-earned income.^{7,8}

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

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

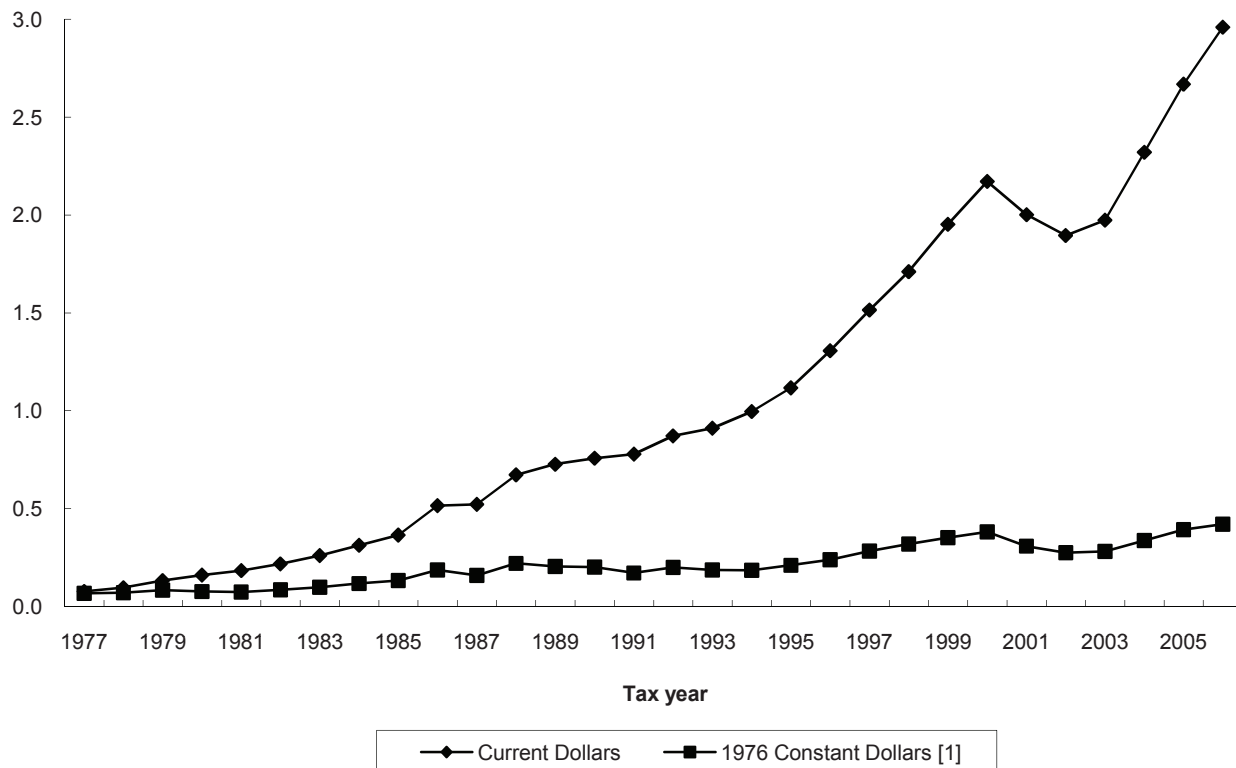
High-Income Tax Returns for 2006

Statistics of Income Bulletin | Spring 2009

Figure B

Returns with Expanded Income of \$200,000 or More: Percentage of All Returns Measured in Current and 1976 Constant Dollars, Tax Years 1977-2006

Percentage of returns



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

For 2006, of the 4,064,883 income tax returns with AGI of \$200,000 or more, 8,252 (0.203 percent) showed no U.S. income tax liability; and 4,123 (0.101 percent) showed no worldwide income tax liability (the top panel of Figure C). For 2005, of the 3,566,125 returns with AGI of \$200,000 and over, 7,389 returns (0.207 percent) had no U.S. income tax liability; and 4,224 returns (0.118 percent) had no worldwide income tax liability.

For 2006, of the 4,094,953 tax returns with expanded income of \$200,000 or more, 11,014 (0.269 percent) had no U.S. income tax liability; and 4,322 (0.106 percent) had no worldwide income tax liability. For 2005, of the 3,584,012 returns with expanded income of \$200,000 or more, there were 10,680 (0.298 percent) with no U.S. income tax liability and

5,420 (0.151 percent) with no worldwide income tax liability.

Thus, whether measured by the absence of U.S. income tax or worldwide income tax, AGI or expanded income, the proportion of nontaxable, high-income returns decreased between 2005 and 2006. Regardless of the income measure (AGI or expanded income) or the tax concept (U.S. income tax or worldwide income tax) used, the numbers of 2006 nontaxable, high-income returns in 1976 constant dollars were much lower than the numbers in current dollars. The percentages of nontaxable returns, however, are not substantially different regardless of whether measured in constant or current dollars. Of returns with AGI of \$200,000 or more in current dollars, 0.203 percent reported no U.S. income tax for

High-Income Tax Returns for 2006

Statistics of Income Bulletin | Spring 2009

2006; and 0.101 percent had no worldwide income tax. For returns in 1976 constant dollars, the percentage without U.S. income tax liability was 0.221; the percentage without worldwide income tax liability was 0.090 (see the lower panel of Figure C).

Of returns with expanded income of \$200,000 or more in current dollars, 0.269 percent reported no U.S. income tax for 2006; and 0.106 percent had no worldwide income tax. When looking at these returns using 1976 constant dollars, the percentage without U.S. income tax liability was 0.191; the percentage without worldwide income tax liability was 0.053.

Figure D shows the number of returns with no worldwide income tax and with expanded income of

\$200,000 or more and their proportion of all high-expanded income returns for 1977 through 2006. These data are shown in both current-year and 1976 constant dollars. In this figure, the spread between the two percentage lines was small for the late 1970s, showed an increase for the early 1980s, and then narrowed before widening again after 1988. The spread generally narrowed after 1993 but has increased or stayed fairly consistent since 2002.

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

Figure C

Nontaxable Returns with Income of \$200,000 or More Measured in Current Dollars and in 1976 Constant Dollars, by Tax and Income Concept, Tax Years 1977-2006

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

Footnotes at end of table.

High-Income Tax Returns for 2006

Statistics of Income Bulletin | Spring 2009

in the numbers of such returns. Beginning with Tax Year 1991, nontaxable returns with expanded income of \$200,000 or more were sampled at higher rates for Statistics of Income, which reduced the sampling variability of these returns and therefore provided improved estimates. Thus, the data for returns prior to 1991 are not entirely comparable with data for more recent years.

Detailed Data for 2006

Tables 1 through 12 present data based on income tax returns for 2006, mainly those with income of \$200,000 or more (measured in current-year dollars)

of AGI or expanded income. Most of the data are shown for taxable and nontaxable returns, both separately and combined. In summary, the tables show:

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

Figure C—Continued

Nontaxable Returns with Income of \$200,000 or More Measured in Current Dollars and in 1976 Constant Dollars, by Tax and Income Concept, Tax Years 1977-2006

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

[1] 1976 constant dollars were calculated using the U.S. Bureau of Labor Statistics' consumer price index for urban consumers.

See footnote 6 of this article for further details.

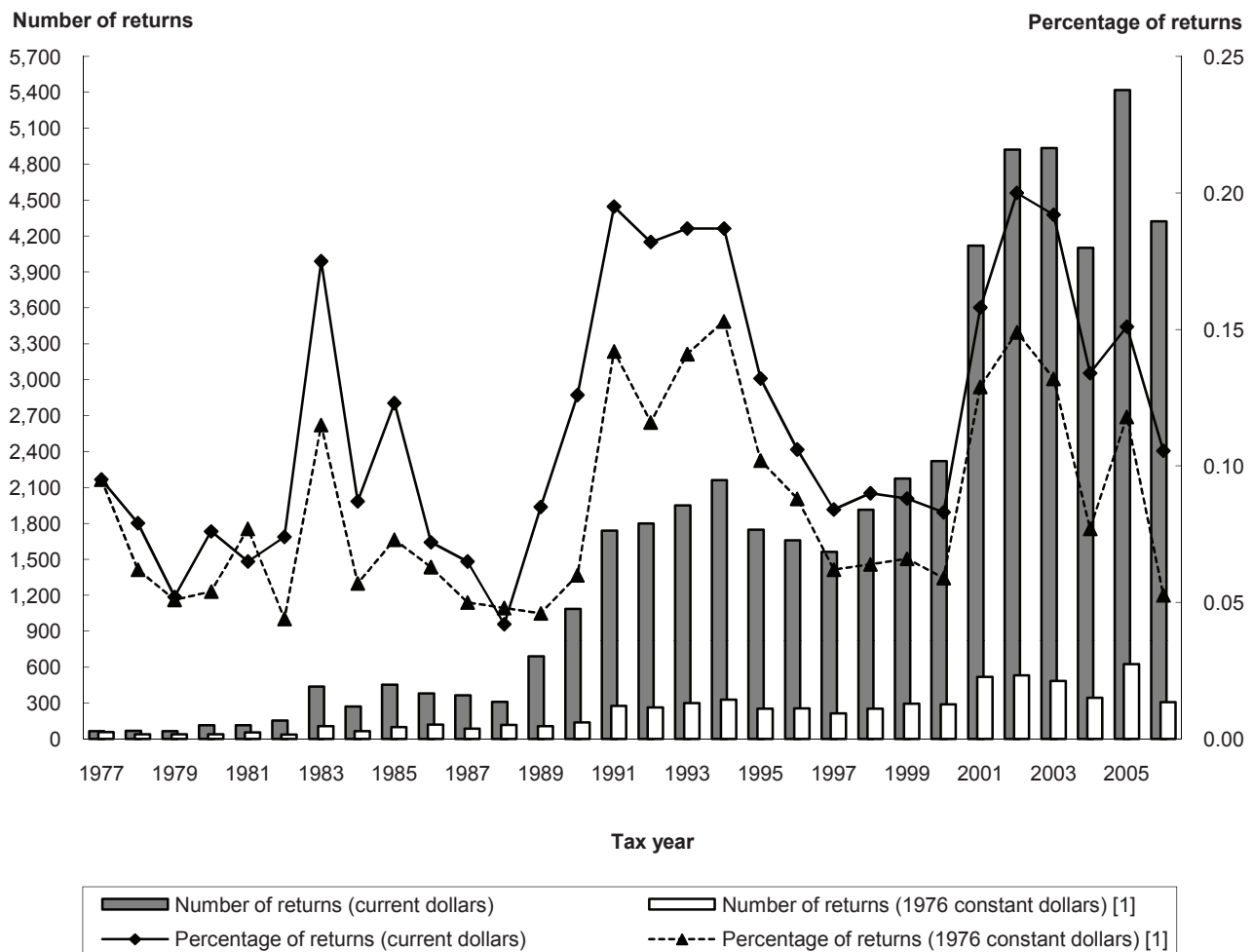
NOTE: See Figure H for the derivation of U.S. income tax and worldwide income tax.

High-Income Tax Returns for 2006

Statistics of Income Bulletin | Spring 2009

Figure D

Number and Percentage of Returns with No Worldwide Income Tax and with Expanded Income of \$200,000 or More Measured in Current Dollars and in 1976 Constant Dollars, Tax Years 1977-2006



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

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

credits, as well as the relationship between the two income concepts (Tables 5 and 6);

- ❑ The frequencies with which various deductions and tax credits are the most important and second most important items in reducing (or eliminating) income tax (Tables 7 and 8);
- ❑ The frequencies with which various itemized deductions, tax credits, and tax preference items

occur as certain percentages of income (Tables 9 and 10); and

- ❑ The distributions of effective tax rates, i.e., income tax under each definition as a percentage of income, by broad income-size classes (Tables 11 and 12).

Tables 1, 3, 5, 7, 9, and 11 use the U.S. income tax concept to classify returns as taxable or nontax-

High-Income Tax Returns for 2006

Statistics of Income Bulletin | Spring 2009

able, whereas Tables 2, 4, 6, 8, 10, and 12 use the worldwide income tax concept.

Size of Income

Tables 1 and 2 show the number of all returns, taxable returns, and nontaxable returns, cross-classified by broad AGI and expanded income-size classes. The tables show that most returns fall in the same broad income-size class under both income concepts, but that the number of nontaxable returns is greater in each income class over \$50,000 when income is measured by economic income rather than by AGI. Table 1 shows that 8,252 returns with no U.S. income tax had an AGI of \$200,000 or more; 11,014 returns with no U.S. income tax had an expanded income of \$200,000 or more; and 5,831 returns with no U.S. income tax had both AGI and expanded income of \$200,000 or more. Table 2 shows that 4,123 with no worldwide income tax had an AGI of \$200,000 or more; 4,322 returns with no worldwide income tax had expanded income of \$200,000 or more; and 1,793 returns with no worldwide income tax had both AGI and expanded income of \$200,000 or more.

Distribution of Tax Levels

Tables 3 and 4 show the distributions of high-income returns by the ratios of “adjusted” taxable income to AGI or expanded income. Taxable income has been adjusted for these tables by subtracting from taxable income the deduction equivalents of tax credits and other items.⁹ Thus, the tables show the extent to which AGI or expanded income, respectively, is reduced before taxes are imposed on the remaining income. The tables also illustrate three important facts about high-income tax returns. (The examples in the paragraphs below are drawn from the “expanded income” columns in Table 4 for worldwide tax.)

- ❑ As already described, only a small portion of high-income taxpayers were able to escape all income taxes (0.1 percent).
- ❑ Another group of high-income taxpayers—small, but larger than the nontaxable group—was able to offset a very substantial fraction of its income before being subject to tax. This type of high-income taxpayer pays income tax equal to only a

small share of his or her income. Such taxpayers may be called “nearly nontaxables.” Around 0.6 percent of high expanded-income taxpayers who reported at least some worldwide tax liability were able to reduce taxable income to less than 25 percent of expanded income.

- ❑ Overall, most high-income taxpayers were subject to tax on a large share of income and, consequently, reported very substantial amounts of tax. (58.9 percent of high- expanded income taxpayers had taxable income equal to 80 percent or more of expanded income; and 94.5 percent had taxable income equal to 50 percent or more of expanded income.)

Tables 11 and 12 show the distributions of tax returns in another way: by tax burden. These two tables classify all tax returns by both size of income and effective tax rate, i.e., income tax as a percentage of either adjusted gross income or expanded income. These tables show that, on average, high-income taxpayers did have higher effective tax rates. The tables also illustrate the wide dispersion of effective tax rates for high-income returns. For example, Table 12 shows that, while 2.7 percent of returns with adjusted gross income of \$200,000 or more had either no worldwide income tax or worldwide income tax of less than 10 percent of adjusted gross income, 21.0 percent had effective tax rates of 25 percent or more. In addition, 32.3 percent had effective tax rates between 20 percent and 25 percent. In contrast, only 3.4 percent of taxpayers with AGI between \$100,000 and \$200,000 had effective tax rates over 20 percent, including 0.2 percent with effective tax rates over 25 percent.

Characteristics of Tax Returns

Tables 5 and 6 show, in the aggregate, the frequencies and amounts of the types of income, the items of tax preference, and the various deductions, credits, and income taxes shown on high-income returns. By comparing the columns for nontaxable returns with those for taxable returns, some of the different characteristics of nontaxable returns can be deduced. For example, nontaxable returns under the expanded-income concept, were much more likely to have

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

tax-exempt interest than were taxable returns, and, when they did have it, the average amount was much higher. Similarly, nontaxable returns were much less likely to have any income from salaries and wages.

Reasons for Nontaxability

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

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

Due to the AMT exemption of \$62,550 on joint returns (\$42,500 on single and head-of-household returns and \$31,275 on returns of married taxpayers filing separately), a return could have been nontaxable, even though it included some items that produced AMT adjustments or preferences.¹⁰ Further, since the starting point for “alternative minimum taxable income” was taxable income for regular tax purposes, a taxpayer could have adjustments and preferences exceeding the AMT exclusion without incurring AMT liability. This situation could occur if taxable income for regular tax purposes was sufficiently negative, due to itemized deductions and personal exemptions exceeding AGI, that the taxpayer’s AMT adjustments and preferences are less than the sum of the AMT exclusion and the amount by which regular taxable income is below zero. Note that, because of the AMT, taxpayers may have found it beneficial to report additional deduction items on their tax returns, even if the items did not produce a benefit for regular tax purposes.

Tables 7 and 8 classify tax returns by the items that had the largest and second largest effects in reducing or eliminating income tax. For returns on which each of the largest effects was identified, the tables show each of the second largest effects.¹¹ For example, Table 7 shows that, on taxable returns with some U.S. income tax and expanded income of \$200,000 or more, the taxes paid deduction was the most important item 49.3 percent of the time. Where this was the primary item, the interest paid deduction was the second most important item 59.1 percent of the time, and the charitable contributions deduction was the second most important item 25.1 percent of the time.

Table 8 shows that, on returns without any worldwide tax and expanded income of \$200,000 or more, the most important item in eliminating tax, on 47.9 percent of returns, was the exclusion for State and local government interest (“tax-exempt interest”). For these returns, the itemized deduction for taxes paid was the second most important item 28.2 percent of the time, and the deduction for medical and dental expenses was the second most important reason 23.8 percent of the time.

Table 8 also shows that the four categories with the largest effect in reducing taxes on high adjusted-gross-income returns with no worldwide income tax were the total miscellaneous deductions (1,474 returns, or 35.8 percent of the 4,123 tabulated returns with AGI of \$200,000 or more and with no worldwide tax liability); investment interest expense deduction (662 returns, or 16.1 percent); net casualty or theft loss deduction (600 returns, or 14.6 percent); and medical and dental expense deduction (420 returns, or 10.2 percent). These effects are also shown graphically in Figure E.

For high expanded-income returns with no worldwide income tax, the four categories that most frequently had the largest effect in reducing taxes were tax-exempt interest (2,071 returns, or 47.9 percent of the 4,322 tabulated returns with expanded income of \$200,000 or more and with no worldwide tax liability); medical and dental expense deduction (684 returns, or 15.8 percent); net casualty or theft loss deduction (587 returns, or 13.6 percent); and

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

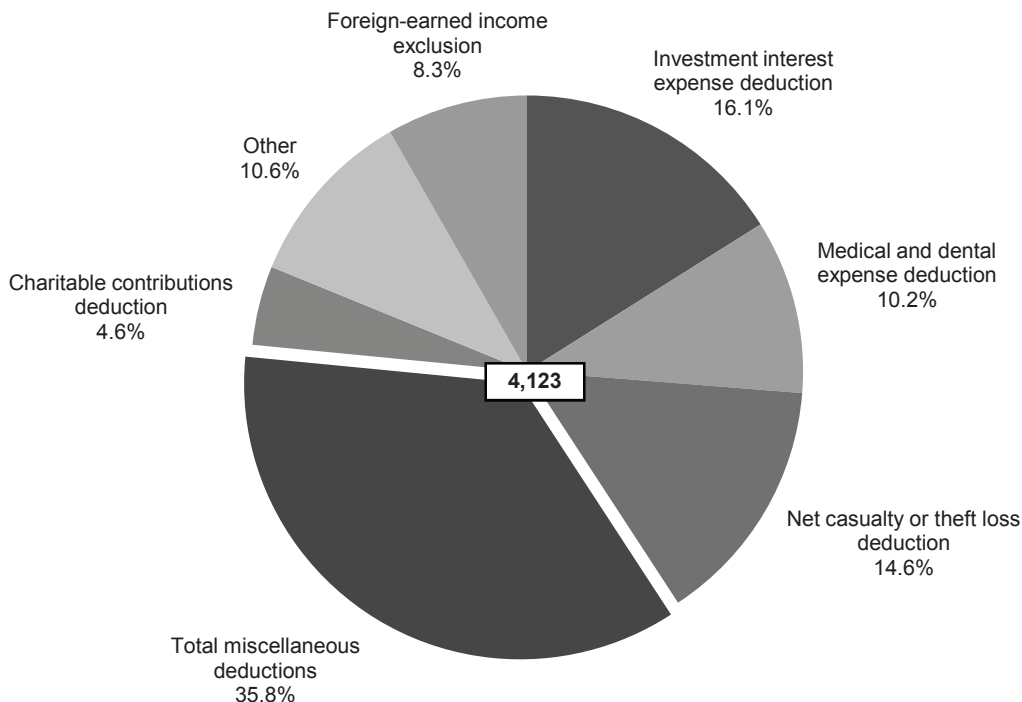
¹¹ Tax-exempt interest and the foreign-earned income exclusion were not included in Tables 7 and 8 as possible tax effects before Tax Year 1994. Thus, caution should be exercised in making comparisons between data prior to 1994 and after 1993.

High-Income Tax Returns for 2006

Statistics of Income Bulletin | Spring 2009

Figure E

**Returns with No Worldwide Income Tax and with Adjusted Gross Income of \$200,000 or More:
Primary Reasons for No Income Tax Liabilities, Tax Year 2006**



NOTE: Detail may not add to 100 percent due to rounding.

partnership and S corporation net losses (261 returns, or 6.0 percent). These effects are also shown graphically in Figure F.

Table 8 also shows that the two items that most frequently had the second largest effect in reducing regular tax liability for high expanded-income returns with no worldwide tax were the deduction for taxes paid (1,136 returns, or 26.3 percent) and tax-exempt interest (641 returns, or 14.8 percent).

Tables 9 and 10 present another way of illustrating the importance of various tax provisions in reducing or eliminating income tax. Unlike Tables 7 and 8, these tables cover only nontaxable returns, i.e., returns showing no income tax liability. Tables 9 and 10 show the number of times that various items reduced income by different percentages of income. The items shown include the various categories of itemized deductions, the deduction equivalents of two different types of tax credits, and total tax preferences excluded from income. For example, for high expanded-income returns with no worldwide income

tax (Table 10), the itemized deduction for casualty or theft losses exceeded 100 percent of expanded income on 427 of the 4,322 returns, but that there was no casualty or theft loss deduction on 3,684 returns.

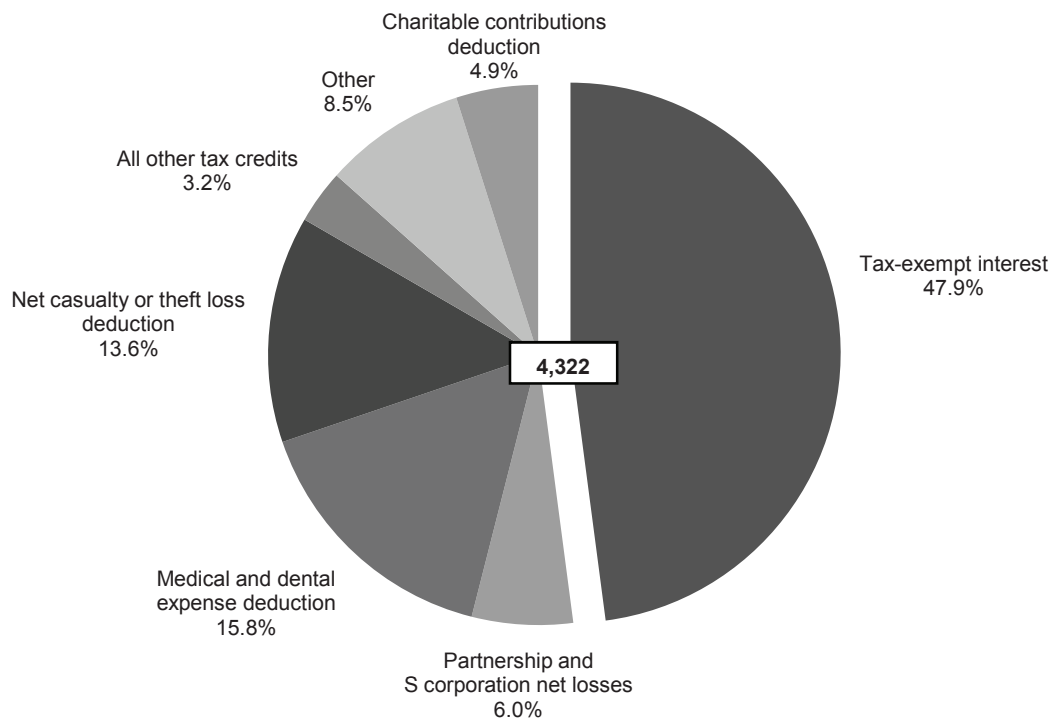
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U.S. Department of Treasury, Internal Revenue Service, *Statistics of Income—Individual Income Tax Returns* for 1977 through 1982 and 1985 through 1988. (For 1977 and 1978, only the number of nontaxable, high-AGI returns was published.)

Figure F

Returns with No Worldwide Income Tax and with Expanded Income of \$200,000 or More: Primary Reasons for No Income Tax Liabilities, Tax Year 2006



NOTE: Detail may not add to 100 percent due to rounding.

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High-Income Tax Returns for 2006

Statistics of Income Bulletin | Spring 2009

ber 4, pp. 6-58, High-Income Tax Returns for 2003, *Statistics of Income Bulletin*, Spring 2006, Volume 25, Number 4, pp. 8-57, High-Income Tax Returns for 2004, *Statistics of Income Bulletin*, Spring 2007, Volume 26, Number 4, pp. 7-57; and High-Income Tax Returns for 2005, *Statistics of Income Bulletin*, Spring 2008, Volume 27, Number 4, pp. 16-67.

Appendix A: Income Concepts

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

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

Haig-Simons Income

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

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

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

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

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

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

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

Adjusted Gross Income

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

ductions unrelated to income, but also by disallowing or limiting certain expenses of earning income and certain losses. In addition, AGI is not “grossed up” for implicit taxes.

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

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

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

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

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

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

Expanded Income

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

Investment Interest

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

High-Income Tax Returns for 2006

Statistics of Income Bulletin | Spring 2009

Figure G

Derivation of Expanded Income from Adjusted Gross Income, Tax Years 1977-2006

Adjusted gross income (AGI)

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

EQUALS: o Expanded income

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

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

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

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

on the amount of investment expenses that are deductible in calculating expanded income.

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

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

Notes to Appendix A

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

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

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

[A3] See references and footnote A4.

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

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

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

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

Due to subtracting nonlimited miscellaneous deductions and not subtracting the nondeductible rental loss for 1989, the expanded income concept for 1989 is not strictly comparable to expanded income for 1988. Nor is the expanded income concept for 1990 strictly comparable to expanded income for 1989 because of the addition of the foreign-earned income exclusion. Specific details on the definition of expanded income for any given year are

available in the reports and publications found under the Reference Section.

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

Appendix B: Tax Concepts

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

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

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

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

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

High-Income Tax Returns for 2006

Statistics of Income Bulletin | Spring 2009

er has foreign-source income that exceeds a net loss from U.S. sources and pays income taxes to a foreign government that are comparable to the U.S. tax [B2].

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

Two Tax Concepts

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

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

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

Figure H

Derivation of "U.S. Income Tax" and "Worldwide Income Tax," Tax Year 2006

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

The deduction equivalent of a tax credit or a special tax computation is the difference between the taxable income that, using the ordinary tax rate schedules, would yield the actual tax before the provision in question is considered and the actual tax after the provision. For example, the "deduction equivalent of all tax credits" is equal to the difference between "taxable income that would yield income tax before credits" and "taxable income that would yield income tax after credits."

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

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

Unaudited Data

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

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

Notes to Appendix B

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

High-Income Tax Returns for 2006

Statistics of Income Bulletin | Spring 2009

Table 1. Returns With and Without U.S. Income Tax: Number of Returns, by Size of Income Under Alternative Concepts, Tax Year 2006

[All figures are estimates based on samples]

Returns by tax status, size of expanded income	All returns	Returns by size of adjusted gross income			
		Under \$50,000 [1]	\$50,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)
All returns					
Total	138,394,754	92,246,123	29,995,324	12,088,423	4,064,883
Under \$50,000 [1]	91,129,221	90,269,654	845,778	9,000	4,789
\$50,000 under \$100,000	31,233,695	1,937,113	28,839,287	450,302	6,993
\$100,000 under \$200,000	11,936,885	37,027	305,767	11,526,671	67,419
\$200,000 or more	4,094,953	2,329	4,492	102,450	3,985,682
Returns with U.S. income tax					
Total	94,509,891	49,612,807	28,799,070	12,041,382	4,056,631
Under \$50,000 [1]	48,624,203	47,879,826	733,457	7,819	3,102
\$50,000 under \$100,000	29,924,539	1,710,181	27,766,645	441,025	6,688
\$100,000 under \$200,000	11,877,211	21,652	295,458	11,493,110	66,990
\$200,000 or more	4,083,938	1,149	3,510	99,429	3,979,851
Returns without U.S. income tax					
Total	43,884,863	42,633,316	1,196,254	47,040	8,252
Under \$50,000 [1]	42,505,018	42,389,828	112,321	1,181	1,687
\$50,000 under \$100,000	1,309,156	226,932	1,072,642	9,277	305
\$100,000 under \$200,000	59,674	15,375	10,309	33,561	429
\$200,000 or more	11,014	1,180	982	3,021	5,831

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

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

Table 2. Returns With and Without Worldwide Income Tax: Number of Returns, by Size of Income Under Alternative Concepts, Tax Year 2006

[All figures are estimates based on samples]

Returns by tax status, size of expanded income	All returns	Returns by size of adjusted gross income			
		Under \$50,000 [1]	\$50,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)
All returns					
Total	138,394,754	92,246,123	29,995,324	12,088,423	4,064,883
Under \$50,000 [1]	91,129,221	90,269,654	845,778	9,000	4,789
\$50,000 under \$100,000	31,233,695	1,937,113	28,839,287	450,302	6,993
\$100,000 under \$200,000	11,936,885	37,027	305,767	11,526,671	67,419
\$200,000 or more	4,094,953	2,329	4,492	102,450	3,985,682
Returns with worldwide income tax					
Total	94,725,123	49,759,923	28,853,247	12,051,193	4,060,760
Under \$50,000 [1]	48,760,784	48,014,985	734,865	7,819	3,114
\$50,000 under \$100,000	29,980,200	1,717,388	27,814,426	441,676	6,710
\$100,000 under \$200,000	11,893,508	26,334	300,103	11,500,024	67,047
\$200,000 or more	4,090,631	1,215	3,852	101,674	3,983,889
Returns without worldwide income tax					
Total	43,669,631	42,486,200	1,142,077	37,230	4,123
Under \$50,000 [1]	42,368,437	42,254,669	110,912	1,181	1,675
\$50,000 under \$100,000	1,253,494	219,725	1,024,861	8,626	283
\$100,000 under \$200,000	43,377	10,693	5,664	26,648	372
\$200,000 or more	4,322	1,114	640	775	1,793

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

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

High-Income Tax Returns for 2006

Statistics of Income Bulletin | Spring 2009

Table 3. Returns With and Without U.S. Income Tax and With Income of \$200,000 or More Under Alternative Concepts: Distribution of Returns by Ratio of Adjusted Taxable Income to Income Per Concept, Tax Year 2006

[All figures are estimates based on samples]

Tax status, ratio of adjusted taxable income to income per concept	Adjusted gross income concept			Expanded income concept		
	Number of returns	Percentage of total	Cumulative percentage of total	Number of returns	Percentage of total	Cumulative percentage of total
	(1)	(2)	(3)	(4)	(5)	(6)
Total	4,064,883	100.0	100.0	4,094,953	100.0	100.0
Returns without U.S. income tax	8,252	0.2	0.2	11,014	0.3	0.3
Returns with U.S. income tax: Total	4,056,631	99.8	N/A	4,083,938	99.7	N/A
Ratio of adjusted taxable income to income per concept:						
Over 0 under 5 percent	5,555	0.1	0.1	7,688	0.2	0.2
5 under 10 percent	7,740	0.2	0.3	8,168	0.2	0.4
10 under 15 percent	7,752	0.2	0.5	8,738	0.2	0.6
15 under 20 percent	6,567	0.2	0.7	11,421	0.3	0.9
20 under 25 percent	10,455	0.3	0.9	12,713	0.3	1.2
25 under 30 percent	13,905	0.3	1.3	17,162	0.4	1.6
30 under 35 percent	17,553	0.4	1.7	24,046	0.6	2.2
35 under 40 percent	25,736	0.6	2.3	33,820	0.8	3.0
40 under 45 percent	44,460	1.1	3.4	55,237	1.4	4.4
45 under 50 percent	76,605	1.9	5.3	82,827	2.0	6.4
50 under 60 percent	244,982	6.0	11.3	265,749	6.5	12.9
60 under 70 percent	394,507	9.7	21.1	412,802	10.1	23.0
70 under 80 percent	812,147	20.0	41.0	793,061	19.4	42.3
80 percent or more	2,388,668	58.9	99.8	2,350,507	57.6	99.7

N/A—Not applicable.

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

Table 4. Returns With and Without Worldwide Income Tax and With Income of \$200,000 or More Under Alternative Concepts: Distribution of Returns by Ratio of Adjusted Taxable Income to Income Per Concept, Tax Year 2006

[All figures are estimates based on samples]

Tax status, ratio of adjusted taxable income to income per concept	Adjusted gross income concept			Expanded income concept		
	Number of returns	Percentage of total	Cumulative percentage of total	Number of returns	Percentage of total	Cumulative percentage of total
	(1)	(2)	(3)	(4)	(5)	(6)
Total	4,064,883	100.0	100.0	4,094,953	100.0	100.0
Returns without worldwide income tax	4,123	0.1	0.1	4,322	0.1	0.1
Returns with worldwide income tax: Total	4,060,760	99.9	N/A	4,090,631	99.9	N/A
Ratio of adjusted taxable income to income per concept:						
Over 0 under 5 percent	2,515	0.1	0.1	2,321	0.1	0.1
5 under 10 percent	4,690	0.1	0.2	3,264	0.1	0.1
10 under 15 percent	3,881	0.1	0.3	3,531	0.1	0.2
15 under 20 percent	3,614	0.1	0.4	6,906	0.2	0.4
20 under 25 percent	7,491	0.2	0.5	9,821	0.2	0.6
25 under 30 percent	11,264	0.3	0.8	13,179	0.3	1.0
30 under 35 percent	14,874	0.4	1.2	19,796	0.5	1.4
35 under 40 percent	22,219	0.5	1.7	29,170	0.7	2.1
40 under 45 percent	41,231	1.0	2.7	53,106	1.3	3.4
45 under 50 percent	74,104	1.8	4.6	79,639	1.9	5.4
50 under 60 percent	238,399	5.9	10.4	259,457	6.3	11.7
60 under 70 percent	391,140	9.6	20.1	408,903	10.0	21.7
70 under 80 percent	804,096	19.8	39.8	791,261	19.3	41.0
80 percent or more	2,441,243	60.1	99.9	2,410,277	58.9	99.9

N/A—Not applicable.

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

High-Income Tax Returns for 2006

Statistics of Income Bulletin | Spring 2009

Table 5. Returns With and Without U.S. Income Tax and With Income of \$200,000 or More Under Alternative Concepts: Income, Deductions, Credits, and Tax, by Tax Status, Tax Year 2006

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

Income concept, item	Returns with income of \$200,000 or more					
	Total		Returns with U.S. income tax		Returns without U.S. income tax	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(1)	(2)	(3)	(4)	(5)	(6)
Adjusted Gross Income Concept						
Salaries and wages	3,474,793	1,046,728,349	3,469,473	1,044,836,931	5,320	1,891,417
Business or profession:						
Net income	818,328	95,001,461	816,900	94,810,197	1,428	191,265
Net loss	266,792	7,445,073	266,027	7,309,438	765	135,635
Farm:						
Net income	26,806	1,383,433	26,763	1,382,529	43	904
Net loss	83,985	3,790,755	83,799	3,762,140	186	28,615
Partnership and S corporation net income after Section 179 property deduction [1]:						
Net income	1,354,428	433,085,636	1,352,939	432,556,900	1,489	528,736
Net loss	422,845	41,276,376	421,167	40,433,608	1,678	842,768
Sales of capital assets:						
Net gain	2,269,196	653,176,896	2,265,639	651,797,715	3,557	1,379,181
Net loss	883,356	2,205,756	881,160	2,199,853	2,196	5,902
Sales of property other than capital assets:						
Net gain	199,411	7,561,484	198,959	7,528,580	452	32,904
Net loss	221,645	3,213,135	221,104	3,125,466	541	87,669
Taxable interest received	3,873,780	102,050,233	3,866,697	101,345,598	7,082	704,635
Tax-exempt interest	1,386,773	44,534,984	1,384,741	44,376,240	2,033	158,744
Dividends	3,167,683	115,224,579	3,162,206	114,613,553	5,477	611,026
Qualified dividends	2,924,785	85,936,864	2,920,246	85,474,616	4,539	462,248
Pensions and annuities in adjusted gross income	829,813	37,223,213	828,653	37,164,610	1,160	58,603
Rent:						
Net income	497,195	22,379,892	496,276	22,324,530	919	55,361
Net loss, total (deductible and nondeductible)	520,872	11,118,782	519,507	11,034,846	1,365	83,936
Nondeductible rental loss	331,901	5,835,621	330,993	5,794,394	908	41,227
Royalty:						
Net income	270,352	10,809,131	269,712	10,775,791	640	33,340
Net loss	8,737	112,919	8,709	112,485	28	435
Estate or trust:						
Net income	117,069	14,002,644	116,820	13,972,273	249	30,371
Net loss	11,535	1,152,312	11,468	1,131,151	67	21,161
State income tax refunds	1,388,853	7,146,489	1,387,480	7,121,660	1,374	24,829
Alimony received	8,225	1,398,492	8,210	1,397,196	15	1,296
Social Security benefits in adjusted gross income	697,003	13,495,077	695,583	13,470,052	1,420	25,025
Social Security benefits (nontaxable)	697,062	2,386,588	695,630	2,381,980	1,433	4,608
Unemployment compensation	73,575	411,393	73,463	410,889	112	504
Other income	561,282	16,599,190	559,915	16,484,214	1,367	114,975
Other loss	39,322	1,447,943	38,496	1,375,864	826	72,079
Foreign-earned income exclusion	35,611	2,650,304	33,111	2,432,039	2,501	218,265
Total income	4,064,883	2,538,265,680	4,056,631	2,533,305,859	8,252	4,959,821
Statutory adjustments, total	1,767,806	32,238,019	1,765,369	32,201,145	2,438	36,874
Payments to Individual Retirement Arrangements	149,277	1,072,501	149,070	1,071,219	207	1,282
Payments to self-employed retirement (Keogh) plans	415,906	12,478,284	415,683	12,471,047	224	7,237
Moving expenses adjustment	45,686	244,213	45,614	243,457	72	756
Adjusted gross income	4,064,883	2,506,027,661	4,056,631	2,501,104,714	8,252	4,922,947
Investment interest expense deduction	734,070	22,065,640	731,605	21,305,520	2,465	760,120
Total tax preferences excluded from adjusted gross income	1,397,943	46,851,726	1,395,909	46,688,734	2,034	162,992
Total alternative minimum tax preference items (excluding tax-exempt interest from private activity bonds)	25,675	2,324,963	25,638	2,320,365	37	4,598
Passive activity loss (alternative minimum tax adjustment)	630,479	419,883	629,620	420,587	859	-704
Expanded income	4,064,759	2,518,161,390	4,056,631	2,514,632,686	8,128	3,528,704

Footnotes at end of table.

High-Income Tax Returns for 2006

Statistics of Income Bulletin | Spring 2009

Table 5. Returns With and Without U.S. Income Tax and With Income of \$200,000 or More Under Alternative Concepts: Income, Deductions, Credits, and Tax, by Tax Status, Tax Year 2006—Continued

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

Income concept, item	Returns with income of \$200,000 or more					
	Total		Returns with U.S. income tax		Returns without U.S. income tax	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(1)	(2)	(3)	(4)	(5)	(6)
Adjusted Gross Income Concept —Continued						
Exemption amount	4,018,144	23,744,149	4,010,488	23,705,297	7,656	38,853
Itemized deductions:						
Total per adjusted gross income concept	3,853,796	324,613,690	3,847,242	321,516,341	6,554	3,097,349
Charitable contributions deduction	3,656,494	81,261,386	3,651,522	80,926,576	4,972	334,810
Interest paid deduction:						
Total per adjusted gross income concept	3,241,504	88,856,511	3,236,201	87,893,263	5,303	963,247
Total home mortgage interest	3,069,934	66,540,137	3,065,328	66,337,892	4,606	202,244
Medical and dental expense deduction	91,088	2,579,664	90,321	2,439,311	767	140,352
Net casualty or theft loss deduction	14,801	1,088,639	14,142	762,097	659	326,542
Taxes paid deduction	3,849,602	160,922,924	3,843,554	160,652,577	6,048	270,347
Net limited miscellaneous deductions per adjusted gross income concept	593,499	11,855,581	591,908	11,754,691	1,592	100,890
Non-limited miscellaneous deductions	239,206	11,907,673	237,198	10,894,523	2,008	1,013,149
Excess of exemptions and deductions over adjusted gross income	7,048	2,014,282	3,286	1,309,518	3,762	704,765
Taxable income	4,057,798	2,157,630,895	4,053,342	2,155,153,504	4,456	2,477,392
Tax at regular rates	4,057,831	536,972,078	4,053,375	536,295,442	4,456	676,636
Alternative minimum tax (Form 6251)	2,624,117	18,913,368	2,624,072	18,913,318	46	51
Income tax before credits	4,061,091	555,904,228	4,056,631	555,227,542	4,460	676,687
Tax credits:						
Total	1,910,800	11,589,231	1,906,340	10,912,544	4,460	676,687
Child care credit	271,765	141,603	271,675	141,567	90	36
Minimum tax credit	110,797	781,692	110,254	761,548	543	20,144
Foreign tax credit	1,464,452	9,637,349	1,460,324	8,982,315	4,127	655,035
General business credit	80,033	785,217	79,898	784,492	135	725
U.S. total income tax	4,056,631	544,318,726	4,056,631	544,318,726	0	0
Taxable income which would yield:						
Income tax before credits	4,061,091	1,862,113,035	4,056,631	1,859,909,768	4,460	2,203,266
Income tax after credits	4,056,630	1,827,647,779	4,056,630	1,827,647,779	0	0
U.S. total income tax	4,056,631	1,827,658,776	4,056,631	1,827,658,776	0	0
Reconciliation of adjusted gross income and expanded income:						
Adjusted gross income	4,064,883	2,506,027,661	4,056,631	2,501,104,714	8,252	4,922,947
plus: Total tax preferences excluded from adjusted gross income [2]	1,397,943	46,851,726	1,395,909	46,688,734	2,034	162,992
Social Security benefits (nontaxable)	697,062	2,386,588	695,630	2,381,980	1,433	4,608
Foreign-earned income exclusion	35,611	2,650,304	33,111	2,432,039	2,501	218,265
minus: Investment interest expense deduction	734,070	22,065,640	731,605	21,305,520	2,465	760,120
Non-limited miscellaneous deductions	239,206	11,907,673	237,198	10,894,523	2,008	1,013,149
Unreimbursed employee business expenses	728,552	5,781,578	727,981	5,774,739	571	6,839
Equals: Expanded income	4,064,759	2,518,161,390	4,056,631	2,514,632,686	8,128	3,528,704

Footnotes at end of table.

High-Income Tax Returns for 2006

Statistics of Income Bulletin | Spring 2009

Table 5. Returns With and Without U.S. Income Tax and With Income of \$200,000 or More Under Alternative Concepts: Income, Deductions, Credits, and Tax, by Tax Status, Tax Year 2006—Continued

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

Income concept, item	Returns with income of \$200,000 or more					
	Total		Returns with U.S. income tax		Returns without U.S. income tax	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(1)	(2)	(3)	(4)	(5)	(6)
Expanded Income Concept						
Salaries and wages	3,460,794	1,042,902,552	3,453,618	1,040,566,281	7,177	2,336,272
Business or profession:						
Net income	821,485	95,304,206	820,074	95,105,217	1,411	198,989
Net loss	262,930	7,330,597	262,327	7,236,880	603	93,717
Farm:						
Net income	27,636	1,379,235	27,574	1,377,272	62	1,963
Net loss	84,551	3,765,384	84,361	3,744,245	190	21,140
Partnership and S corporation net income after Section 179 property deduction [1]:						
Net income	1,367,967	433,451,716	1,366,352	432,939,861	1,615	511,855
Net loss	424,949	41,076,704	423,251	40,449,700	1,698	627,004
Sales of capital assets:						
Net gain	2,311,804	654,330,900	2,307,353	653,296,834	4,450	1,034,067
Net loss	896,203	2,235,199	892,486	2,225,187	3,717	10,012
Sales of property other than capital assets:						
Net gain	198,874	7,502,136	198,459	7,486,750	415	15,386
Net loss	225,503	3,196,299	224,952	3,112,769	551	83,530
Taxable interest received	3,910,275	102,947,185	3,900,532	102,447,001	9,743	500,184
Tax-exempt interest	1,459,660	51,041,823	1,455,287	50,000,265	4,374	1,041,558
Dividends	3,219,581	117,535,727	3,211,478	116,943,548	8,103	592,179
Qualified dividends	2,977,284	87,642,967	2,970,649	87,202,150	6,636	440,817
Pensions and annuities in adjusted gross income	857,634	38,278,079	856,004	38,209,507	1,630	68,572
Rent:						
Net income	504,673	22,576,021	503,688	22,528,451	985	47,570
Net loss, total (deductible and nondeductible)	519,984	11,029,516	518,429	10,966,044	1,556	63,472
Nondeductible rental loss	330,759	5,786,643	329,761	5,753,313	998	33,330
Royalty:						
Net income	279,094	10,958,052	278,325	10,930,592	769	27,460
Net loss	8,774	114,583	8,749	114,198	25	385
Estate or trust:						
Net income	122,178	14,109,360	121,811	14,078,813	367	30,548
Net loss	12,213	1,162,720	12,133	1,143,006	80	19,714
State income tax refunds	1,390,812	7,164,081	1,389,323	7,137,394	1,489	26,687
Alimony received	8,232	1,400,410	8,215	1,398,989	17	1,422
Social Security benefits in adjusted gross income	753,264	14,667,025	750,848	14,623,029	2,416	43,996
Social Security benefits (nontaxable)	753,357	2,594,186	750,923	2,586,098	2,434	8,088
Unemployment compensation	71,723	404,137	71,632	403,650	91	487
Other income	563,942	16,596,220	562,380	16,509,443	1,563	86,777
Other loss	49,227	1,612,645	47,662	1,562,641	1,565	50,004
Foreign-earned income exclusion	53,602	4,207,326	48,610	3,744,823	4,992	462,504
Total income	4,094,949	2,536,096,504	4,083,938	2,532,036,224	11,010	4,060,280
Statutory adjustments, total	1,767,670	32,372,010	1,765,104	32,330,542	2,567	41,468
Payments to Individual Retirement Arrangements	150,526	1,085,127	150,252	1,083,425	274	1,702
Payments to self-employed retirement (Keogh) plans	418,006	12,583,178	417,767	12,575,841	239	7,337
Moving expenses adjustment	45,739	246,255	45,638	245,511	101	744
Adjusted gross income	4,094,949	2,503,724,494	4,083,938	2,499,705,682	11,010	4,018,811
Investment interest expense deduction	730,246	20,894,773	728,162	20,644,464	2,084	250,309
Total tax preferences excluded from adjusted gross income	1,471,859	53,485,575	1,467,483	52,441,795	4,376	1,043,781
Total alternative minimum tax preference items (excluding tax-exempt interest from private activity bonds)	28,023	2,451,991	27,976	2,449,414	47	2,577
Passive activity loss (alternative minimum tax adjustment)	641,878	428,190	640,809	426,288	1,070	1,902
Expanded income	4,094,953	2,532,015,256	4,083,938	2,526,767,533	11,014	5,247,723

Footnotes at end of table.

High-Income Tax Returns for 2006

Statistics of Income Bulletin | Spring 2009

Table 5. Returns With and Without U.S. Income Tax and With Income of \$200,000 or More Under Alternative Concepts: Income, Deductions, Credits, and Tax, by Tax Status, Tax Year 2006—Continued

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

Income concept, item	Returns with income of \$200,000 or more					
	Total		Returns with U.S. income tax		Returns without U.S. income tax	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(1)	(2)	(3)	(4)	(5)	(6)
Expanded Income Concept —Continued						
Exemption amount	4,048,361	23,836,840	4,037,815	23,768,031	10,546	68,809
Itemized deductions:						
Total per adjusted gross income concept	3,866,252	317,932,350	3,858,745	316,235,252	7,507	1,697,099
Total per expanded income concept	3,866,021	321,812,204	3,858,537	320,357,273	7,484	1,454,932
Charitable contributions deduction	3,666,483	81,649,167	3,660,602	81,330,504	5,880	318,663
Interest paid deduction:						
Total per adjusted gross income concept	3,217,563	86,989,041	3,212,236	86,556,040	5,327	433,002
Total per expanded income concept	3,048,274	66,094,268	3,043,735	65,911,575	4,539	182,693
Total home mortgage interest	3,040,756	65,849,079	3,036,230	65,667,087	4,526	181,992
Medical and dental expense deduction	108,015	3,008,585	105,697	2,768,104	2,318	240,480
Net casualty or theft loss deduction	14,216	1,039,165	13,553	718,398	663	320,768
Taxes paid deduction	3,861,272	161,386,446	3,854,421	161,095,035	6,850	291,411
Net limited miscellaneous deductions per adjusted gross income concept	579,065	11,599,073	576,294	11,494,804	2,772	104,270
Non-limited miscellaneous deductions	215,876	6,021,635	215,331	5,996,506	545	25,129
Excess of exemptions and deductions over adjusted gross income	8,127	1,987,894	4,154	1,445,511	3,974	542,383
Taxable income	4,086,817	2,161,713,757	4,079,781	2,158,948,358	7,036	2,765,399
Tax at regular rates	4,086,856	537,679,065	4,079,810	536,923,514	7,046	755,551
Alternative minimum tax (Form 6251)	2,626,143	18,931,597	2,626,003	18,931,494	140	103
Income tax before credits	4,091,038	556,629,445	4,083,938	555,873,791	7,100	755,654
Tax credits:						
Total	1,952,147	11,923,698	1,945,048	11,168,044	7,100	755,654
Child care credit	266,669	137,616	266,532	137,565	137	51
Minimum tax credit	112,908	784,387	112,262	764,171	646	20,216
Foreign tax credit	1,514,372	9,972,199	1,507,689	9,238,323	6,683	733,876
General business credit	80,522	785,801	80,412	785,212	110	589
U.S. total income tax	4,083,938	544,709,476	4,083,938	544,709,476	0	0
Taxable income which would yield:						
Income tax before credits	4,091,038	1,865,422,733	4,083,938	1,862,867,179	7,100	2,555,555
Income tax after credits	4,083,937	1,829,587,496	4,083,937	1,829,587,496	0	0
U.S. total income tax	4,083,938	1,829,598,494	4,083,938	1,829,598,494	0	0
Reconciliation of adjusted gross income and expanded income:						
Adjusted gross income	4,094,949	2,503,724,494	4,083,938	2,499,705,682	11,010	4,018,811
plus: Total tax preferences excluded from adjusted gross income [2]	1,471,859	53,485,575	1,467,483	52,441,795	4,376	1,043,781
Social Security benefits (nontaxable)	753,357	2,594,186	750,923	2,586,098	2,434	8,088
Foreign-earned income exclusion	53,602	4,207,326	48,610	3,744,823	4,992	462,504
minus: Investment interest expense deduction	730,246	20,894,773	728,162	20,644,464	2,084	250,309
Non-limited miscellaneous deductions	215,876	6,021,635	215,331	5,996,506	545	25,129
Unreimbursed employee business expenses	690,162	5,074,109	689,528	5,069,448	634	4,661
Equals: Expanded income	4,094,953	2,532,015,256	4,083,938	2,526,767,533	11,014	5,247,723

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

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

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

High-Income Tax Returns for 2006

Statistics of Income Bulletin | Spring 2009

Table 6. Returns With and Without Worldwide Income Tax and With Income of \$200,000 or More Under Alternative Concepts: Income, Deductions, Credits, and Tax, by Tax Status, Tax Year 2006

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

Income concept, item	Returns with income of \$200,000 or more					
	Total		Returns with worldwide income tax		Returns without worldwide income tax	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(1)	(2)	(3)	(4)	(5)	(6)
Adjusted Gross Income Concept						
Salaries and wages	3,474,793	1,046,728,349	3,472,812	1,046,434,930	1,981	293,419
Business or profession:						
Net income	818,328	95,001,461	817,437	94,927,511	891	73,950
Net loss	266,792	7,445,073	266,238	7,359,699	554	85,374
Farm:						
Net income	26,806	1,383,433	26,774	1,382,564	32	869
Net loss	83,985	3,790,755	83,866	3,768,477	119	22,278
Partnership and S Corporation net income after Section 179 property deduction [1]:						
Net income	1,354,428	433,085,636	1,353,501	432,955,842	927	129,795
Net loss	422,845	41,276,376	421,626	40,579,415	1,219	696,960
Sales of capital assets:						
Net gain	2,269,196	653,176,896	2,267,303	652,362,585	1,893	814,311
Net loss	883,356	2,205,756	882,338	2,202,925	1,018	2,831
Sales of property other than capital assets:						
Net gain	199,411	7,561,484	199,072	7,532,210	339	29,274
Net loss	221,645	3,213,135	221,231	3,172,384	414	40,751
Taxable interest received	3,873,780	102,050,233	3,870,259	101,507,221	3,521	543,012
Tax-exempt interest	1,386,773	44,534,984	1,385,508	44,422,842	1,265	112,142
Dividends	3,167,683	115,224,579	3,165,069	114,944,951	2,614	279,627
Qualified dividends	2,924,785	85,936,864	2,922,511	85,742,341	2,274	194,524
Pensions and annuities in adjusted gross income	829,813	37,223,213	829,048	37,185,922	765	37,290
Rent:						
Net income	497,195	22,379,892	496,619	22,343,022	576	36,870
Net loss, total (deductible and nondeductible)	520,872	11,118,782	520,101	11,051,975	771	66,807
Nondeductible rental loss	331,901	5,835,621	331,438	5,803,709	463	31,911
Royalty:						
Net income	270,352	10,809,131	269,941	10,792,382	411	16,749
Net loss	8,737	112,919	8,720	112,567	17	352
Estate or trust:						
Net income	117,069	14,002,644	116,897	13,993,564	172	9,079
Net loss	11,535	1,152,312	11,486	1,131,721	49	20,591
State income tax refunds	1,388,853	7,146,489	1,387,933	7,128,789	920	17,699
Alimony received	8,225	1,398,492	8,216	1,398,178	9	315
Social Security benefits in adjusted gross income	697,003	13,495,077	695,861	13,474,831	1,142	20,247
Social Security benefits (nontaxable)	697,062	2,386,588	695,919	2,383,000	1,143	3,589
Unemployment compensation	73,575	411,393	73,487	411,046	88	347
Other income	561,282	16,599,190	560,517	16,536,259	765	62,930
Other loss	39,322	1,447,943	39,269	1,399,822	53	48,121
Foreign-earned income exclusion	35,611	2,650,304	35,606	2,649,910	5	395
Total income	4,064,883	2,538,265,680	4,060,760	2,536,079,058	4,123	2,186,622
Statutory adjustments, total	1,767,806	32,238,019	1,766,232	32,219,870	1,574	18,148
Payments to Individual Retirement Arrangements	149,277	1,072,501	149,182	1,071,929	95	571
Payments to self-employed retirement (Keogh) plans	415,906	12,478,284	415,779	12,474,522	127	3,762
Moving expenses adjustment	45,686	244,213	45,668	243,953	18	260
Adjusted gross income	4,064,883	2,506,027,661	4,060,760	2,503,859,188	4,123	2,168,473
Investment interest expense deduction	734,070	22,065,640	732,372	21,372,019	1,698	693,621
Total tax preferences excluded from adjusted gross income	1,397,943	46,851,726	1,396,674	46,735,614	1,269	116,113
Total alternative minimum tax preference items (excluding tax-exempt interest from private activity bonds)	25,675	2,324,963	25,651	2,320,793	24	4,170
Passive activity loss (alternative minimum tax adjustment)	630,479	419,883	629,970	423,018	509	-3,135
Expanded income	4,064,759	2,518,161,390	4,060,760	2,517,578,394	3,999	582,996

Footnotes at end of table.

High-Income Tax Returns for 2006

Statistics of Income Bulletin | Spring 2009

Table 6. Returns With and Without Worldwide Income Tax and With Income of \$200,000 or More Under Alternative Concepts: Income, Deductions, Credits, and Tax, by Tax Status, Tax Year 2006—Continued

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

Income concept, item	Returns with income of \$200,000 or more					
	Total		Returns with worldwide income tax		Returns without worldwide income tax	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(1)	(2)	(3)	(4)	(5)	(6)
Adjusted Gross Income Concept—Continued						
Exemption amount	4,018,144	23,744,149	4,014,349	23,724,648	3,795	19,501
Itemized deductions:						
Total per adjusted gross income concept	3,853,796	324,613,690	3,849,677	321,812,972	4,119	2,800,718
Charitable contributions deduction	3,656,494	81,261,386	3,653,309	81,027,852	3,185	233,534
Interest paid deduction:						
Total per adjusted gross income concept	3,241,504	88,856,511	3,238,251	88,011,583	3,253	844,928
Total home mortgage interest	3,069,934	66,540,137	3,067,114	66,389,596	2,820	150,540
Medical and dental expense deduction	91,088	2,579,664	90,413	2,445,185	675	134,478
Net casualty or theft loss deduction	14,801	1,088,639	14,162	766,263	639	322,376
Taxes paid deduction	3,849,602	160,922,924	3,845,600	160,722,272	4,002	200,652
Net limited miscellaneous deductions per adjusted gross income concept	593,499	11,855,581	592,364	11,770,540	1,135	85,041
Non-limited miscellaneous deductions	239,206	11,907,673	237,350	10,900,268	1,856	1,007,405
Excess of exemptions and deductions over adjusted gross income	7,048	2,014,282	3,289	1,309,651	3,759	704,632
Taxable income	4,057,798	2,157,630,895	4,057,468	2,157,578,037	330	52,858
Tax at regular rates	4,057,831	536,972,078	4,057,502	536,962,771	329	9,307
Alternative minimum tax (Form 6251)	2,624,117	18,913,368	2,624,108	18,913,330	9	39
Income tax before credits	4,061,091	555,904,228	4,060,758	555,894,883	333	9,345
Tax credits:						
Total	700,785	1,951,882	700,452	1,942,537	333	9,345
Child care credit	271,765	141,603	271,739	141,589	26	14
Minimum tax credit	110,797	781,692	110,581	773,270	216	8,422
Foreign tax credit	0	0	0	0	0	0
General business credit	80,033	785,217	79,949	784,742	84	475
Worldwide total income tax	4,060,760	554,767,113	4,060,760	554,767,113	0	0
Foreign taxes paid	1,464,643	10,448,387	1,464,643	10,448,387	0	0
Foreign taxes paid on excluded foreign-earned income (Form 1116)	28,683	811,038	28,683	811,038	0	0
Taxable income which would yield:						
Income tax before credits	4,061,091	1,862,113,035	4,060,758	1,862,074,143	333	38,891
Income tax after credits	4,060,760	1,858,691,254	4,060,760	1,858,691,254	0	0
Worldwide total income tax	4,060,760	1,858,701,907	4,060,760	1,858,701,907	0	0
Reconciliation of adjusted gross income and expanded income:						
Adjusted gross income	4,064,883	2,506,027,661	4,060,760	2,503,859,188	4,123	2,168,473
plus: Total tax preferences excluded from adjusted gross income [2]	1,397,943	46,851,726	1,396,674	46,735,614	1,269	116,113
Social Security benefits (nontaxable)	697,062	2,386,588	695,919	2,383,000	1,143	3,589
Foreign-earned income exclusion	35,611	2,650,304	35,606	2,649,910	5	395
minus: Investment interest expense deduction	734,070	22,065,640	732,372	21,372,019	1,698	693,621
Non-limited miscellaneous deductions	239,206	11,907,673	237,350	10,900,268	1,856	1,007,405
Unreimbursed employee business expenses	728,552	5,781,578	728,216	5,777,030	336	4,548
Equals: Expanded income	4,064,759	2,518,161,390	4,060,760	2,517,578,394	3,999	582,996

Footnotes at end of table.

High-Income Tax Returns for 2006

Statistics of Income Bulletin | Spring 2009

Table 6. Returns With and Without Worldwide Income Tax and With Income of \$200,000 or More Under Alternative Concepts: Income, Deductions, Credits, and Tax, by Tax Status, Tax Year 2006—Continued

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

Income concept, item	Returns with income of \$200,000 or more					
	Total		Returns with worldwide income tax		Returns without worldwide income tax	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(1)	(2)	(3)	(4)	(5)	(6)
Expanded Income Concept						
Salaries and wages	3,460,794	1,042,902,552	3,459,321	1,042,692,886	1,473	209,666
Business or profession:						
Net income	821,485	95,304,206	820,903	95,254,352	582	49,853
Net loss	262,930	7,330,597	262,595	7,287,813	335	42,784
Farm:						
Net income	27,636	1,379,235	27,598	1,378,407	38	829
Net loss	84,551	3,765,384	84,439	3,752,731	112	12,653
Partnership and S Corporation net income after Section 179 property deduction [1]:						
Net income	1,367,967	433,451,716	1,367,015	433,347,922	952	103,794
Net loss	424,949	41,076,704	423,800	40,601,876	1,149	474,828
Sales of capital assets:						
Net gain	2,311,804	654,330,900	2,309,685	653,873,085	2,119	457,816
Net loss	896,203	2,235,199	894,375	2,230,036	1,828	5,163
Sales of property other than capital assets:						
Net gain	198,874	7,502,136	198,591	7,490,646	283	11,490
Net loss	225,503	3,196,299	225,100	3,160,753	403	35,546
Taxable interest received	3,910,275	102,947,185	3,906,097	102,616,637	4,178	330,548
Tax-exempt interest	1,459,660	51,041,823	1,456,351	50,082,537	3,310	959,286
Dividends	3,219,581	117,535,727	3,215,815	117,285,118	3,766	250,609
Qualified dividends	2,977,284	87,642,967	2,973,968	87,475,455	3,317	167,512
Pensions and annuities in adjusted gross income	857,634	38,278,079	856,543	38,233,803	1,091	44,276
Rent:						
Net income	504,673	22,576,021	504,170	22,548,473	503	27,548
Net loss, total (deductible and nondeductible)	519,984	11,029,516	519,408	10,988,669	576	40,847
Nondeductible rental loss	330,759	5,786,643	330,446	5,765,588	313	21,054
Royalty:						
Net income	279,094	10,958,052	278,606	10,947,457	488	10,595
Net loss	8,774	114,583	8,762	114,294	12	289
Estate or trust:						
Net income	122,178	14,109,360	121,903	14,100,345	275	9,016
Net loss	12,213	1,162,720	12,153	1,143,587	60	19,133
State income tax refunds	1,390,812	7,164,081	1,389,912	7,144,736	900	19,346
Alimony received	8,232	1,400,410	8,226	1,400,160	6	251
Social Security benefits in adjusted gross income	753,264	14,667,025	751,196	14,629,004	2,068	38,021
Social Security benefits (nontaxable)	753,357	2,594,186	751,288	2,587,457	2,069	6,729
Unemployment compensation	71,723	404,137	71,671	403,943	52	194
Other income	563,942	16,596,220	563,170	16,570,377	773	25,843
Other loss	49,227	1,612,645	49,160	1,602,004	67	10,641
Foreign-earned income exclusion	53,602	4,207,326	53,566	4,202,768	36	4,559
Total income	4,094,949	2,536,096,504	4,090,631	2,535,153,941	4,318	942,563
Statutory adjustments, total	1,767,670	32,372,010	1,766,358	32,354,558	1,312	17,452
Payments to Individual Retirement Arrangements	150,526	1,085,127	150,447	1,084,624	79	503
Payments to self-employed retirement (Keogh) plans	418,006	12,583,178	417,881	12,579,752	125	3,426
Moving expenses adjustment	45,739	246,255	45,730	246,210	9	45
Adjusted gross income	4,094,949	2,503,724,494	4,090,631	2,502,799,383	4,318	925,110
Investment interest expense deduction	730,246	20,894,773	729,010	20,694,539	1,236	200,235
Total tax preferences excluded from adjusted gross income	1,471,859	53,485,575	1,468,544	52,524,314	3,315	961,261
Total alternative minimum tax preference items (excluding tax-exempt interest from private activity bonds)	28,023	2,451,991	27,990	2,449,823	33	2,169
Passive activity loss (alternative minimum tax adjustment)	641,878	428,190	641,288	429,066	590	-876
Expanded income	4,094,953	2,532,015,256	4,090,631	2,530,347,053	4,322	1,668,202

Footnotes at end of table.

High-Income Tax Returns for 2006

Statistics of Income Bulletin | Spring 2009

Table 6. Returns With and Without Worldwide Income Tax and With Income of \$200,000 or More Under Alternative Concepts: Income, Deductions, Credits, and Tax, by Tax Status, Tax Year 2006—Continued

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

Income concept, item	Returns with income of \$200,000 or more					
	Total		Returns with worldwide income tax		Returns without worldwide income tax	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(1)	(2)	(3)	(4)	(5)	(6)
Expanded Income Concept—Continued						
Exemption amount	4,048,361	23,836,840	4,044,229	23,810,405	4,132	26,436
Itemized deductions:						
Total per adjusted gross income concept	3,866,252	317,932,350	3,862,262	316,547,034	3,990	1,385,317
Total per expanded income concept	3,866,021	321,812,204	3,862,031	320,638,184	3,990	1,174,020
Charitable contributions deduction	3,666,483	81,649,167	3,663,035	81,438,058	3,448	211,109
Interest paid deduction:						
Total per adjusted gross income concept	3,217,563	86,989,041	3,215,148	86,673,457	2,415	315,584
Total per expanded income concept	3,048,274	66,094,268	3,046,338	65,978,919	1,936	115,349
Total home mortgage interest	3,040,756	65,849,079	3,038,825	65,734,258	1,931	114,821
Medical and dental expense deduction	108,015	3,008,585	105,939	2,776,615	2,076	231,970
Net casualty or theft loss deduction	14,216	1,039,165	13,578	722,674	638	316,492
Taxes paid deduction	3,861,272	161,386,446	3,857,298	161,172,241	3,973	214,205
Net limited miscellaneous deductions per adjusted gross income concept	579,065	11,599,073	576,964	11,512,861	2,101	86,212
Non-limited miscellaneous deductions	215,876	6,021,635	215,486	5,999,628	390	22,007
Excess of exemptions and deductions over adjusted gross income	8,127	1,987,894	4,167	1,446,601	3,961	541,293
Taxable income	4,086,817	2,161,713,757	4,086,461	2,161,662,165	356	51,592
Tax at regular rates	4,086,856	537,679,065	4,086,493	537,669,970	363	9,095
Alternative minimum tax (Form 6251)	2,626,143	18,931,597	2,626,077	18,931,523	66	74
Income tax before credits	4,091,038	556,629,445	4,090,621	556,620,276	417	9,169
Tax credits:						
Total	696,872	1,951,499	696,455	1,942,330	417	9,169
Child care credit	266,669	137,616	266,651	137,605	18	11
Minimum tax credit	112,908	784,387	112,694	776,107	214	8,280
Foreign tax credit	0	0	0	0	0	0
General business credit	80,522	785,801	80,459	785,433	63	368
Worldwide total income tax	4,090,631	555,771,910	4,090,631	555,771,910	0	0
Foreign taxes paid	1,514,608	11,062,433	1,514,608	11,062,433	0	0
Foreign taxes paid on excluded foreign-earned income (Form 1116)	39,558	1,090,234	39,558	1,090,234	0	0
Taxable income which would yield:						
Income tax before credits	4,091,038	1,865,422,733	4,090,621	1,865,384,631	417	38,103
Income tax after credits	4,090,631	1,862,889,351	4,090,631	1,862,889,351	0	0
Worldwide total income tax	4,090,631	1,862,900,005	4,090,631	1,862,900,005	0	0
Reconciliation of adjusted gross income and expanded income:						
Adjusted gross income	4,094,949	2,503,724,494	4,090,631	2,502,799,383	4,318	925,110
plus: Total tax preferences excluded from adjusted gross income [2]	1,471,859	53,485,575	1,468,544	52,524,314	3,315	961,261
Social Security benefits (nontaxable)	753,357	2,594,186	751,288	2,587,457	2,069	6,729
Foreign-earned income exclusion	53,602	4,207,326	53,566	4,202,768	36	4,559
minus: Investment interest expense deduction	730,246	20,894,773	729,010	20,694,539	1,236	200,235
Non-limited miscellaneous deductions	215,876	6,021,635	215,486	5,999,628	390	22,007
Unreimbursed employee business expenses	690,162	5,074,109	689,882	5,072,256	280	1,853
Equals: Expanded income	4,094,953	2,532,015,256	4,090,631	2,530,347,053	4,322	1,668,202

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

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

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

High-Income Tax Returns for 2006

Statistics of Income Bulletin | Spring 2009

Table 7. Returns With and Without U.S. Income Tax and With Income of \$200,000 or More Under Alternative Concepts: Number of Returns and Percentages Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2006

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Total		Item with the largest tax effect					
			Interest paid deduction		Investment interest expense deduction [1]		Taxes paid deduction	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Returns with U.S. income tax								
Returns with adjusted gross income of \$200,000 or more								
Total	3,937,370	100.0	1,019,884	25.9	56,804	1.4	2,110,829	53.6
Interest paid deduction	1,343,711	34.1	0	0.0	9,878	17.4	1,203,672	57.0
Investment interest expense deduction [1]	72,465	1.8	12,973	1.3	0	0.0	41,461	2.0
Taxes paid deduction	1,356,975	34.5	912,419	89.5	31,474	55.4	0	0.0
Charitable contributions deduction	736,171	18.7	58,876	5.8	6,452	11.4	641,774	30.4
Medical and dental expense deduction	15,426	0.4	2,050	0.2	127	0.2	9,846	0.5
Net casualty or theft loss deduction	1,827	[2]	825	0.1	45	0.1	592	[2]
Total miscellaneous deductions	142,129	3.6	20,322	2.0	3,097	5.5	98,203	4.7
Foreign tax credit	61,513	1.6	927	0.1	1,231	2.2	39,534	1.9
General business credit	11,370	0.3	1,498	0.1	242	0.4	6,378	0.3
All other tax credits	28,609	0.7	1,608	0.2	777	1.4	15,215	0.7
Partnership and S corporation net losses	59,210	1.5	8,380	0.8	3,477	6.1	33,635	1.6
No second largest item	107,964	2.7	5	[2]	4	[2]	20,520	1.0
Returns with expanded income of \$200,000 or more								
Total	4,020,112	100.0	1,007,490	25.1	0	0.0	1,981,242	49.3
Interest paid deduction	1,302,227	32.4	0	0.0	0	0.0	1,171,036	59.1
Tax-exempt interest [3]	225,385	5.6	7,754	0.8	0	0.0	151,932	7.7
Taxes paid deduction	1,418,217	35.3	918,790	91.2	0	0.0	0	0.0
Charitable contributions deduction	607,898	15.1	60,984	6.1	0	0.0	496,587	25.1
Medical and dental expense deduction	15,479	0.4	2,613	0.3	0	0.0	6,579	0.3
Net casualty or theft loss deduction	2,244	0.1	825	0.1	0	0.0	603	[2]
Total miscellaneous deductions	51,998	1.3	2,473	0.2	0	0.0	27,087	1.4
Foreign tax credit	75,689	1.9	1,053	0.1	0	0.0	21,860	1.1
General business credit	11,137	0.3	1,514	0.2	0	0.0	5,356	0.3
All other tax credits	28,225	0.7	1,368	0.1	0	0.0	13,373	0.7
Partnership and S corporation net losses	56,307	1.4	9,085	0.9	0	0.0	27,764	1.4
Foreign-earned income exclusion [3]	27,381	0.7	132	[2]	0	0.0	311	[2]
AMT tax preference [3]	3,140	0.1	177	[2]	0	0.0	1,864	0.1
Nontaxable Social Security benefits [3]	93,294	2.3	722	0.1	0	0.0	39,279	2.0
No second largest item	101,492	2.5	0	0.0	0	0.0	17,610	0.9

Footnotes at end of table.

High-Income Tax Returns for 2006

Statistics of Income Bulletin | Spring 2009

Table 7. Returns With and Without U.S. Income Tax and With Income of \$200,000 or More Under Alternative Concepts: Number of Returns and Percentages Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2006—Continued

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Item with the largest tax effect—continued							
	Charitable contributions deduction		Medical and dental expense deduction		Net casualty or theft loss deduction		Total miscellaneous deductions	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
Returns with U.S. income tax								
Returns with adjusted gross income of \$200,000 or more								
Total	325,886	8.3	27,900	0.7	4,891	0.1	104,497	2.7
Interest paid deduction	58,960	18.1	5,125	18.4	1,430	29.3	24,436	23.4
Investment interest expense deduction [1]	6,781	2.1	238	0.9	14	0.3	1,641	1.6
Taxes paid deduction	234,123	71.8	15,357	55.0	1,551	31.7	62,328	59.6
Charitable contributions deduction	0	0.0	2,576	9.2	482	9.9	10,903	10.4
Medical and dental expense deduction	1,866	0.6	0	0.0	0	0.0	1,292	1.2
Net casualty or theft loss deduction	171	0.1	0	0.0	0	0.0	14	[2]
Total miscellaneous deductions	12,180	3.7	2,563	9.2	311	6.4	0	0.0
Foreign tax credit	3,076	0.9	1,046	3.7	307	6.3	1,474	1.4
General business credit	991	0.3	139	0.5	427	8.7	53	0.1
All other tax credits	1,592	0.5	345	1.2	14	0.3	94	0.1
Partnership and S corporation net losses	6,100	1.9	373	1.3	353	7.2	2,255	2.2
No second largest item	47	[2]	139	0.5	0	0.0	8	[2]
Returns with expanded income of \$200,000 or more								
Total	310,890	7.7	28,284	0.7	4,178	0.1	22,059	0.5
Interest paid deduction	60,797	19.6	4,597	16.3	1,434	34.3	2,240	10.2
Tax-exempt interest [3]	25,504	8.2	5,627	19.9	55	1.3	4,855	22.0
Taxes paid deduction	206,916	66.6	10,494	37.1	1,252	30.0	11,240	51.0
Charitable contributions deduction	0	0.0	1,851	6.5	308	7.4	2,443	11.1
Medical and dental expense deduction	1,438	0.5	0	0.0	0	0.0	239	1.1
Net casualty or theft loss deduction	188	0.1	0	0.0	0	0.0	0	0.0
Total miscellaneous deductions	4,278	1.4	1,475	5.2	43	1.0	0	0.0
Foreign tax credit	2,015	0.6	549	1.9	307	7.3	567	2.6
General business credit	918	0.3	139	0.5	429	10.3	41	0.2
All other tax credits	1,223	0.4	348	1.2	14	0.3	12	0.1
Partnership and S corporation net losses	5,424	1.7	315	1.1	337	8.1	358	1.6
Foreign-earned income exclusion [3]	98	[2]	27	0.1	0	0.0	23	0.1
AMT tax preference [3]	265	0.1	0	0.0	0	0.0	0	0.0
Nontaxable Social Security benefits [3]	1,822	0.6	2,863	10.1	0	0.0	41	0.2
No second largest item	4	[2]	0	0.0	0	0.0	0	0.0

Footnotes at end of table.

High-Income Tax Returns for 2006

Statistics of Income Bulletin | Spring 2009

Table 7. Returns With and Without U.S. Income Tax and With Income of \$200,000 or More Under Alternative Concepts: Number of Returns and Percentages Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2006—Continued

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Item with the largest tax effect—continued							
	Foreign tax credit		General business credit		All other tax credits		Partnership and S corporation net losses	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
Returns with U.S. income tax								
Returns with adjusted gross income of \$200,000 or more								
Total	118,228	3.0	12,059	0.3	33,886	0.9	122,505	3.1
Interest paid deduction	11,060	9.4	2,170	18.0	3,149	9.3	23,831	19.5
Investment interest expense deduction [1]	1,274	1.1	293	2.4	1,111	3.3	6,678	5.5
Taxes paid deduction	30,489	25.8	4,944	41.0	10,445	30.8	53,845	44.0
Charitable contributions deduction	2,348	2.0	** 1,297	** 10.8	** 1,223	** 3.6	10,259	8.4
Medical and dental expense deduction	152	0.1	0	0.0	0	0.0	93	0.1
Net casualty or theft loss deduction	33	[2]	**	**	**	**	128	0.1
Total miscellaneous deductions	2,306	2.0	31	0.3	71	0.2	3,043	2.5
Foreign tax credit	0	0.0	562	4.7	3,408	10.1	9,947	8.1
General business credit	530	0.4	0	0.0	608	1.8	506	0.4
All other tax credits	5,144	4.4	1,044	8.7	0	0.0	2,777	2.3
Partnership and S corporation net losses	3,214	2.7	559	4.6	865	2.6	0	0.0
No second largest item	61,680	52.2	1,159	9.6	13,005	38.4	11,397	9.3
Returns with expanded income of \$200,000 or more								
Total	81,623	2.0	11,204	0.3	30,434	0.8	118,670	3.0
Interest paid deduction	5,668	6.9	2,446	21.8	3,792	12.5	25,221	21.3
Tax-exempt interest [3]	4,207	5.2	1,419	12.7	2,109	6.9	10,881	9.2
Taxes paid deduction	20,869	25.6	4,088	36.5	9,771	32.1	50,510	42.6
Charitable contributions deduction	1,372	1.7	** 814	** 7.3	** 1,130	** 3.7	9,699	8.2
Medical and dental expense deduction	3	[2]	0	0.0	0	0.0	74	0.1
Net casualty or theft loss deduction	0	0.0	**	**	**	**	129	0.1
Total miscellaneous deductions	1,272	1.6	9	0.1	47	0.2	1,468	1.2
Foreign tax credit	0	0.0	256	2.3	1,932	6.3	4,460	3.8
General business credit	384	0.5	0	0.0	382	1.3	460	0.4
All other tax credits	1,129	1.4	1,016	9.1	0	0.0	2,357	2.0
Partnership and S corporation net losses	1,654	2.0	414	3.7	844	2.8	0	0.0
Foreign-earned income exclusion [3]	26,594	32.6	3	[2]	22	0.1	38	[2]
AMT tax preference [3]	182	0.2	14	0.1	43	0.1	191	0.2
Nontaxable Social Security benefits [3]	2,339	2.9	264	2.4	1,373	4.5	7,295	6.1
No second largest item	15,951	19.5	461	4.1	8,990	29.5	5,888	5.0

Footnotes at end of table.

High-Income Tax Returns for 2006

Statistics of Income Bulletin | Spring 2009

Table 7. Returns With and Without U.S. Income Tax and With Income of \$200,000 or More Under Alternative Concepts: Number of Returns and Percentages Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2006—Continued

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Item with the largest tax effect—continued							
	Foreign-earned income exclusion [3]		Tax-exempt interest [3]		AMT tax preference [3]		Nontaxable Social Security benefits [3]	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)
Returns with U.S. income tax								
Returns with adjusted gross income of \$200,000 or more								
Total	0	0.0	0	0.0	0	0.0	0	0.0
Interest paid deduction	0	0.0	0	0.0	0	0.0	0	0.0
Investment interest expense deduction [1]	0	0.0	0	0.0	0	0.0	0	0.0
Taxes paid deduction	0	0.0	0	0.0	0	0.0	0	0.0
Charitable contributions deduction	0	0.0	0	0.0	0	0.0	0	0.0
Medical and dental expense deduction	0	0.0	0	0.0	0	0.0	0	0.0
Net casualty or theft loss deduction	0	0.0	0	0.0	0	0.0	0	0.0
Total miscellaneous deductions	0	0.0	0	0.0	0	0.0	0	0.0
Foreign tax credit	0	0.0	0	0.0	0	0.0	0	0.0
General business credit	0	0.0	0	0.0	0	0.0	0	0.0
All other tax credits	0	0.0	0	0.0	0	0.0	0	0.0
Partnership and S corporation net losses	0	0.0	0	0.0	0	0.0	0	0.0
No second largest item	0	0.0	0	0.0	0	0.0	0	0.0
Returns with expanded income of \$200,000 or more								
Total	18,495	0.5	308,949	7.7	10,058	0.3	86,537	2.2
Interest paid deduction	3,152	17.0	15,350	5.0	2,694	26.8	3,802	4.4
Tax-exempt interest [3]	904	4.9	0	0.0	428	4.3	9,710	11.2
Taxes paid deduction	2,660	14.4	160,763	52.0	5,591	55.6	15,275	17.7
Charitable contributions deduction	599	3.2	31,720	10.3	237	2.4	177	0.2
Medical and dental expense deduction	30	0.2	4,462	1.4	0	0.0	40	[2]
Net casualty or theft loss deduction	12	0.1	456	0.1	8	0.1	0	0.0
Total miscellaneous deductions	85	0.5	13,758	4.5	6	0.1	0	0.0
Foreign tax credit	8,255	44.6	21,959	7.1	345	3.4	12,132	14.0
General business credit	30	0.2	1,334	0.4	13	0.1	137	0.2
All other tax credits	294	1.6	3,068	1.0	287	2.9	3,735	4.3
Partnership and S corporation net losses	250	1.4	7,350	2.4	168	1.7	2,344	2.7
Foreign-earned income exclusion [3]	0	0.0	88	[2]	42	0.4	3	[2]
AMT tax preference [3]	68	0.4	184	0.1	0	0.0	151	0.2
Nontaxable Social Security benefits [3]	166	0.9	37,100	12.0	30	0.3	0	0.0
No second largest item	1,992	10.8	11,356	3.7	208	2.1	39,031	45.1

Footnotes at end of table.

High-Income Tax Returns for 2006

Statistics of Income Bulletin | Spring 2009

Table 7. Returns With and Without U.S. Income Tax and With Income of \$200,000 or More Under Alternative Concepts: Number of Returns and Percentages Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2006—Continued

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Total		Item with the largest tax effect					
			Interest paid deduction		Investment interest expense deduction [1]		Taxes paid deduction	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Returns without U.S. income tax								
Returns with adjusted gross income of \$200,000 or more								
Total	8,252	100.0	228	2.8	742	9.0	115	1.4
Interest paid deduction	2,218	26.9	0	0.0	175	23.6	12	10.4
Investment interest expense deduction [1]	496	6.0	20	8.8	0	0.0	20	17.4
Taxes paid deduction	1,586	19.2	120	52.6	116	15.6	0	0.0
Charitable contributions deduction	902	10.9	48	21.1	162	21.8	26	22.6
Medical and dental expense deduction	92	1.1	6	2.6	** 20	** 2.7	** 6	** 5.2
Net casualty or theft loss deduction	25	0.3	3	1.3	**	**	0	0.0
Total miscellaneous deductions	394	4.8	10	4.4	51	6.9	13	11.3
Foreign tax credit	137	1.7	6	2.6	18	2.4	17	14.8
General business credit	33	0.4	** 3	** 1.3	**	**	**	**
All other tax credits	142	1.7	4	1.8	11	1.5	5	4.3
Partnership and S corporation net losses	572	6.9	8	3.5	189	25.5	16	13.9
No second largest item	1,655	20.1	**	**	**	**	0	0.0
Returns with expanded income of \$200,000 or more								
Total	11,014	100.0	214	1.9	0	0.0	149	1.4
Interest paid deduction	1,000	9.1	0	0.0	0	0.0	12	8.1
Tax-exempt interest [3]	782	7.1	6	2.8	0	0.0	60	40.3
Taxes paid deduction	1,477	13.4	114	53.3	0	0.0	0	0.0
Charitable contributions deduction	763	6.9	51	23.8	0	0.0	19	12.8
Medical and dental expense deduction	568	5.2	5	2.3	0	0.0	** 6	** 4.0
Net casualty or theft loss deduction	26	0.2	**	**	0	0.0	**	**
Total miscellaneous deductions	307	2.8	** 9	** 4.2	0	0.0	8	5.4
Foreign tax credit	830	7.5	5	2.3	0	0.0	6	4.0
General business credit	29	0.3	**	**	0	0.0	**	**
All other tax credits	105	1.0	4	1.9	0	0.0	5	3.4
Partnership and S corporation net losses	480	4.4	9	4.2	0	0.0	19	12.8
Foreign-earned income exclusion [3]	4,107	37.3	6	2.8	0	0.0	14	9.4
AMT tax preference [3]	9	0.1	0	0.0	0	0.0	0	0.0
Nontaxable Social Security benefits [3]	128	1.2	** 5	** 2.3	0	0.0	0	0.0
No second largest item	404	3.7	**	**	0	0.0	0	0.0

Footnotes at end of table.

High-Income Tax Returns for 2006

Statistics of Income Bulletin | Spring 2009

Table 7. Returns With and Without U.S. Income Tax and With Income of \$200,000 or More Under Alternative Concepts: Number of Returns and Percentages Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2006—Continued

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Item with the largest tax effect—continued							
	Charitable contributions deduction		Medical and dental expense deduction		Net casualty or theft loss deduction		Total miscellaneous deductions	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
Returns without U.S. income tax								
Returns with adjusted gross income of \$200,000 or more								
Total	273	3.3	440	5.3	616	7.5	1,489	18.0
Interest paid deduction	70	25.6	30	6.8	217	35.2	633	42.5
Investment interest expense deduction [1]	56	20.5	15	3.4	15	2.4	32	2.1
Taxes paid deduction	38	13.9	134	30.5	217	35.2	469	31.5
Charitable contributions deduction	0	0.0	123	28.0	62	10.1	77	5.2
Medical and dental expense deduction	24	8.8	0	0.0	9	1.5	10	0.7
Net casualty or theft loss deduction	**	**	**	**	0	0.0	10	0.7
Total miscellaneous deductions	27	9.9	116	26.4	55	8.9	0	0.0
Foreign tax credit	33	12.1	7	1.6	3	0.5	6	0.4
General business credit	** 6	** 2.2	** 4	** 0.9	** 13	** 2.1	6	0.4
All other tax credits	10	3.7	4	0.9	0	0.0	6	0.4
Partnership and S corporation net losses	9	3.3	7	1.6	25	4.1	155	10.4
No second largest item	**	**	**	**	**	**	85	5.7
Returns with expanded income of \$200,000 or more								
Total	293	2.7	711	6.5	604	5.5	36	0.3
Interest paid deduction	84	28.7	25	3.5	216	35.8	5	13.9
Tax-exempt interest [3]	32	10.9	386	54.3	50	8.3	6	16.7
Taxes paid deduction	57	19.5	86	12.1	211	34.9	10	27.8
Charitable contributions deduction	0	0.0	103	14.5	53	8.8	** 12	** 33.3
Medical and dental expense deduction	21	7.2	0	0.0	10	1.7	**	**
Net casualty or theft loss deduction	3	1.0	**	**	0	0.0	0	0.0
Total miscellaneous deductions	20	6.8	79	11.1	12	2.0	0	0.0
Foreign tax credit	31	10.6	4	0.6	3	0.5	3	8.3
General business credit	5	1.7	0	0.0	12	2.0	0	0.0
All other tax credits	11	3.8	0	0.0	0	0.0	**	**
Partnership and S corporation net losses	25	8.5	7	1.0	** 28	** 4.6	**	**
Foreign-earned income exclusion [3]	**	**	** 6	** 0.8	**	**	0	0.0
AMT tax preference [3]	** 4	** 1.4	0	0.0	**	**	0	0.0
Nontaxable Social Security benefits [3]	**	**	15	2.1	9	1.5	0	0.0
No second largest item	0	0.0	**	**	**	**	0	0.0

Footnotes at end of table.

High-Income Tax Returns for 2006

Statistics of Income Bulletin | Spring 2009

Table 7. Returns With and Without U.S. Income Tax and With Income of \$200,000 or More Under Alternative Concepts: Number of Returns and Percentages Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2006—Continued

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Item with the largest tax effect—continued							
	Foreign tax credit		General business credit		All other tax credits		Partnership and S corporation net losses	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
Returns without U.S. income tax								
Returns with adjusted gross income of \$200,000 or more								
Total	3,641	44.1	4	[2]	290	3.5	414	5.0
Interest paid deduction	** 1,400	** 38.4	** 4	** 100.0	98	33.8	18	4.3
Investment interest expense deduction [1]	134	3.7	0	0.0	11	3.8	193	46.6
Taxes paid deduction	347	9.5	0	0.0	110	37.9	35	8.5
Charitable contributions deduction	**	**	**	**	33	11.4	80	19.3
Medical and dental expense deduction	15	0.4	0	0.0	**	**	5	1.2
Net casualty or theft loss deduction	**	**	0	0.0	0	0.0	6	1.4
Total miscellaneous deductions	93	2.5	0	0.0	6	2.1	23	5.6
Foreign tax credit	0	0.0	0	0.0	9	3.1	38	9.2
General business credit	4	0.1	0	0.0	** 3	** 1.0	3	0.7
All other tax credits	89	2.4	0	0.0	0	0.0	13	3.1
Partnership and S corporation net losses	**	**	**	**	16	5.5	0	0.0
No second largest item	1,559	42.8	0	0.0	4	1.4	0	0.0
Returns with expanded income of \$200,000 or more								
Total	5,327	48.4	4	[2]	288	2.6	341	3.1
Interest paid deduction	288	5.4	** 4	** 100.0	95	33.0	14	4.1
Tax-exempt interest [3]	72	1.4	0	0.0	36	12.5	131	38.4
Taxes paid deduction	228	4.3	0	0.0	91	31.6	40	11.7
Charitable contributions deduction	140	2.6	**	**	31	10.8	74	21.7
Medical and dental expense deduction	11	0.2	0	0.0	**	**	6	1.8
Net casualty or theft loss deduction	0	0.0	0	0.0	0	0.0	6	1.8
Total miscellaneous deductions	29	0.5	0	0.0	4	1.4	13	3.8
Foreign tax credit	0	0.0	0	0.0	7	2.4	40	11.7
General business credit	** 4	** 0.1	0	0.0	** 6	** 2.1	**	**
All other tax credits	20	0.4	0	0.0	0	0.0	12	3.5
Partnership and S corporation net losses	92	1.7	**	**	13	4.5	0	0.0
Foreign-earned income exclusion [3]	4,073	76.4	0	0.0	5	1.7	** 5	** 1.5
AMT tax preference [3]	**	**	0	0.0	**	**	**	**
Nontaxable Social Security benefits [3]	44	0.8	0	0.0	**	**	0	0.0
No second largest item	326	6.1	0	0.0	**	**	0	0.0

Footnotes at end of table.

High-Income Tax Returns for 2006

Statistics of Income Bulletin | Spring 2009

Table 7. Returns With and Without U.S. Income Tax and With Income of \$200,000 or More Under Alternative Concepts: Number of Returns and Percentages Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2006—Continued

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Item with the largest tax effect—continued							
	Foreign-earned income exclusion [3]		Tax-exempt interest [3]		AMT tax preference [3]		Nontaxable Social Security benefits [3]	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)
Returns without U.S. income tax								
Returns with adjusted gross income of \$200,000 or more								
Total	0	0.0	0	0.0	0	0.0	0	0.0
Interest paid deduction	0	0.0	0	0.0	0	0.0	0	0.0
Investment interest expense deduction [1]	0	0.0	0	0.0	0	0.0	0	0.0
Taxes paid deduction	0	0.0	0	0.0	0	0.0	0	0.0
Charitable contributions deduction	0	0.0	0	0.0	0	0.0	0	0.0
Medical and dental expense deduction	0	0.0	0	0.0	0	0.0	0	0.0
Net casualty or theft loss deduction	0	0.0	0	0.0	0	0.0	0	0.0
Total miscellaneous deductions	0	0.0	0	0.0	0	0.0	0	0.0
Foreign tax credit	0	0.0	0	0.0	0	0.0	0	0.0
General business credit	0	0.0	0	0.0	0	0.0	0	0.0
All other tax credits	0	0.0	0	0.0	0	0.0	0	0.0
Partnership and S corporation net losses	0	0.0	0	0.0	0	0.0	0	0.0
No second largest item	0	0.0	0	0.0	0	0.0	0	0.0
Returns with expanded income of \$200,000 or more								
Total	800	7.3	** 2,248	** 20.4	**	**	0	0.0
Interest paid deduction	** 47	** 5.9	** 219	** 9.7	**	**	0	0.0
Tax-exempt interest [3]	3	0.4	** 0	** 0.0	**	**	0	0.0
Taxes paid deduction	20	2.5	** 620	** 27.6	**	**	0	0.0
Charitable contributions deduction	**	**	** 275	** 12.2	**	**	0	0.0
Medical and dental expense deduction	3	0.4	** 506	** 22.5	**	**	0	0.0
Net casualty or theft loss deduction	**	**	** 10	** 0.4	**	**	0	0.0
Total miscellaneous deductions	** 9	** 1.1	** 134	** 6.0	**	**	0	0.0
Foreign tax credit	718	89.8	** 13	** 0.6	**	**	0	0.0
General business credit	0	0.0	** 5	** 0.2	**	**	0	0.0
All other tax credits	**	**	** 48	** 2.1	**	**	0	0.0
Partnership and S corporation net losses	0	0.0	** 288	** 12.8	**	**	0	0.0
Foreign-earned income exclusion [3]	0	0.0	**	**	**	**	0	0.0
AMT tax preference [3]	0	0.0	** 3	** 0.1	**	**	0	0.0
Nontaxable Social Security benefits [3]	**	**	** 55	** 2.4	**	**	0	0.0
No second largest item	0	0.0	** 72	** 3.2	**	**	0	0.0

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

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

[2] Less than 0.05 percent.

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

NOTE: Detail may not add to totals because of rounding. Total columns do not include returns with no tax effect.

High-Income Tax Returns for 2006

Statistics of Income Bulletin | Spring 2009

Table 8. Returns With and Without Worldwide Income Tax and With Income of \$200,000 or More Under Alternative Concepts: Number of Returns and Percentages Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2006

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Total		Item with the largest tax effect					
			Interest paid deduction		Investment interest expense deduction [1]		Taxes paid deduction	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Returns with worldwide income tax								
Returns with adjusted gross income of \$200,000 or more								
Total	3,878,260	100.0	1,031,928	26.6	58,293	1.5	2,141,695	55.2
Interest paid deduction	1,352,279	34.9	0	0.0	10,152	17.4	1,220,622	57.0
Investment interest expense deduction [1]	74,755	1.9	13,264	1.3	0	0.0	43,881	2.0
Taxes paid deduction	1,348,843	34.8	923,202	89.5	32,813	56.3	0	0.0
Charitable contributions deduction	770,854	19.9	59,811	5.8	6,919	11.9	676,227	31.6
Medical and dental expense deduction	16,137	0.4	2,056	0.2	129	0.2	10,600	0.5
Net casualty or theft loss deduction	1,809	[2]	837	0.1	45	0.1	595	[2]
Total miscellaneous deductions	145,232	3.7	20,545	2.0	3,453	5.9	102,204	4.8
General business credit	11,414	0.3	1,552	0.2	263	0.5	6,715	0.3
All other tax credits	25,079	0.6	1,934	0.2	841	1.4	16,185	0.8
Partnership and S Corporation net losses	57,526	1.5	8,421	0.8	3,594	6.2	34,492	1.6
No second largest item	74,332	1.9	307	[2]	84	0.1	30,173	1.4
Returns with expanded income of \$200,000 or more								
Total	4,010,527	100.0	1,013,466	25.3	0	0.0	2,002,369	49.9
Interest paid deduction	1,319,103	32.9	0	0.0	0	0.0	1,183,274	59.1
Tax-exempt interest [3]	232,627	5.8	7,787	0.8	0	0.0	156,552	7.8
Taxes paid deduction	1,421,877	35.5	925,188	91.3	0	0.0	0	0.0
Charitable contributions deduction	625,985	15.6	61,251	6.0	0	0.0	** 522,114	** 26.1
Medical and dental expense deduction	16,129	0.4	2,613	0.3	0	0.0	**	**
Net casualty or theft loss deduction	2,280	0.1	825	0.1	0	0.0	**	**
Total miscellaneous deductions	52,802	1.3	2,543	0.3	0	0.0	27,623	1.4
General business credit	11,149	0.3	1,514	0.1	0	0.0	5,597	0.3
All other tax credits	32,399	0.8	1,386	0.1	0	0.0	13,538	0.7
Partnership and S Corporation net losses	57,310	1.4	9,092	0.9	0	0.0	28,222	1.4
Foreign-earned income exclusion [3]	2,369	0.1	354	[2]	0	0.0	**	**
AMT tax preference [3]	3,504	0.1	177	[2]	0	0.0	1,884	0.1
Nontaxable Social Security benefits [3]	95,793	2.4	722	0.1	0	0.0	40,300	2.0
No second largest item	137,200	3.4	13	[2]	0	0.0	23,265	1.2

Footnotes at end of table.

High-Income Tax Returns for 2006

Statistics of Income Bulletin | Spring 2009

Table 8. Returns With and Without Worldwide Income Tax and With Income of \$200,000 or More Under Alternative Concepts: Number of Returns and Percentages Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2006—Continued

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Item with the largest tax effect—continued							
	Charitable contributions deduction		Medical and dental expense deduction		Net casualty or theft loss deduction		Total miscellaneous deductions	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
Returns with worldwide income tax								
Returns with adjusted gross income of \$200,000 or more								
Total	328,606	8.5	28,086	0.7	4,941	0.1	106,913	2.8
Interest paid deduction	59,866	18.2	5,144	18.3	1,446	29.3	24,902	23.3
Investment interest expense deduction [1]	7,103	2.2	239	0.9	14	0.3	1,745	1.6
Taxes paid deduction	237,423	72.3	16,139	57.5	1,877	38.0	64,812	60.6
Charitable contributions deduction	0	0.0	2,585	9.2	** 489	** 9.9	** 11,524	** 10.8
Medical and dental expense deduction	1,913	0.6	0	0.0	**	**	1,345	1.3
Net casualty or theft loss deduction	171	0.1	0	0.0	0	0.0	**	**
Total miscellaneous deductions	12,687	3.9	2,705	9.6	312	6.3	0	0.0
General business credit	1,008	0.3	139	0.5	434	8.8	57	0.1
All other tax credits	1,671	0.5	348	1.2	14	0.3	111	0.1
Partnership and S Corporation net losses	6,217	1.9	512	1.8	353	7.1	2,313	2.2
No second largest item	547	0.2	276	1.0	0	0.0	103	0.1
Returns with expanded income of \$200,000 or more								
Total	312,483	7.8	28,325	0.7	4,195	0.1	23,367	0.6
Interest paid deduction	61,304	19.6	4,600	16.2	1,438	34.3	2,261	9.7
Tax-exempt interest [3]	25,838	8.3	5,642	19.9	56	1.3	4,977	21.3
Taxes paid deduction	208,803	66.8	10,772	38.0	1,562	37.2	12,709	54.4
Charitable contributions deduction	0	0.0	1,859	6.6	** 310	** 7.4	2,630	11.3
Medical and dental expense deduction	1,442	0.5	0	0.0	**	**	239	1.0
Net casualty or theft loss deduction	188	0.1	0	0.0	0	0.0	0	0.0
Total miscellaneous deductions	4,637	1.5	1,614	5.7	43	1.0	0	0.0
General business credit	923	0.3	139	0.5	436	10.4	41	0.2
All other tax credits	1,235	0.4	348	1.2	14	0.3	13	0.1
Partnership and S Corporation net losses	5,480	1.8	454	1.6	337	8.0	383	1.6
Foreign-earned income exclusion [3]	196	0.1	33	0.1	**	**	68	0.3
AMT tax preference [3]	268	0.1	0	0.0	0	0.0	0	0.0
Nontaxable Social Security benefits [3]	1,875	0.6	2,864	10.1	0	0.0	42	0.2
No second largest item	293	0.1	0	0.0	0	0.0	4	[2]

Footnotes at end of table.

High-Income Tax Returns for 2006

Statistics of Income Bulletin | Spring 2009

Table 8. Returns With and Without Worldwide Income Tax and With Income of \$200,000 or More Under Alternative Concepts: Number of Returns and Percentages Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2006—Continued

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Item with the largest tax effect—continued							
	General business credit		All other tax credits		Partnership and S Corporation net losses		Foreign-earned income exclusion [3]	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
Returns with worldwide income tax								
Returns with adjusted gross income of \$200,000 or more								
Total	0	0.0	12,595	0.3	39,266	1.0	125,937	3.2
Interest paid deduction	0	0.0	2,175	17.3	3,577	9.1	24,395	19.4
Investment interest expense deduction [1]	0	0.0	307	2.4	1,170	3.0	7,031	5.6
Taxes paid deduction	0	0.0	5,313	42.2	11,166	28.4	56,097	44.5
Charitable contributions deduction	0	0.0	1,345	10.7	** 1,450	** 3.7	** 10,613	** 8.4
Medical and dental expense deduction	0	0.0	0	0.0	0	0.0	**	**
Net casualty or theft loss deduction	0	0.0	18	0.1	**	**	128	0.1
Total miscellaneous deductions	0	0.0	34	0.3	80	0.2	3,212	2.6
General business credit	0	0.0	0	0.0	635	1.6	612	0.5
All other tax credits	0	0.0	1,063	8.4	0	0.0	2,912	2.3
Partnership and S Corporation net losses	0	0.0	563	4.5	1,062	2.7	0	0.0
No second largest item	0	0.0	1,777	14.1	20,125	51.3	20,939	16.6
Returns with expanded income of \$200,000 or more								
Total	11,592	0.3	31,734	0.8	120,496	3.0	49,935	1.2
Interest paid deduction	2,448	21.1	3,906	12.3	25,444	21.1	11,893	23.8
Tax-exempt interest [3]	1,502	13.0	2,270	7.2	11,434	9.5	4,602	9.2
Taxes paid deduction	4,355	37.6	9,920	31.3	52,495	43.6	7,923	15.9
Charitable contributions deduction	847	7.3	** 1,290	** 4.1	9,842	8.2	1,860	3.7
Medical and dental expense deduction	0	0.0	0	0.0	74	0.1	79	0.2
Net casualty or theft loss deduction	22	0.2	**	**	129	0.1	42	0.1
Total miscellaneous deductions	9	0.1	50	0.2	1,597	1.3	512	1.0
General business credit	0	0.0	382	1.2	464	0.4	102	0.2
All other tax credits	1,031	8.9	0	0.0	2,410	2.0	4,538	9.1
Partnership and S Corporation net losses	415	3.6	857	2.7	0	0.0	1,006	2.0
Foreign-earned income exclusion [3]	5	[2]	151	0.5	186	0.2	0	0.0
AMT tax preference [3]	14	0.1	58	0.2	196	0.2	294	0.6
Nontaxable Social Security benefits [3]	265	2.3	1,386	4.4	7,637	6.3	508	1.0
No second largest item	679	5.9	11,463	36.1	8,589	7.1	16,575	33.2

Footnotes at end of table.

High-Income Tax Returns for 2006

Statistics of Income Bulletin | Spring 2009

Table 8. Returns With and Without Worldwide Income Tax and With Income of \$200,000 or More Under Alternative Concepts: Number of Returns and Percentages Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2006—Continued

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Item with the largest tax effect—continued					
	Tax-exempt interest [3]		AMT tax preference [3]		Nontaxable Social Security benefits [3]	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(25)	(26)	(27)	(28)	(29)	(30)
Returns with worldwide income tax						
Returns with adjusted gross income of \$200,000 or more						
Total	0	0.0	0	0.0	0	0.0
Interest paid deduction	0	0.0	0	0.0	0	0.0
Investment interest expense deduction [1]	0	0.0	0	0.0	0	0.0
Taxes paid deduction	0	0.0	0	0.0	0	0.0
Charitable contributions deduction	0	0.0	0	0.0	0	0.0
Medical and dental expense deduction	0	0.0	0	0.0	0	0.0
Net casualty or theft loss deduction	0	0.0	0	0.0	0	0.0
Total miscellaneous deductions	0	0.0	0	0.0	0	0.0
General business credit	0	0.0	0	0.0	0	0.0
All other tax credits	0	0.0	0	0.0	0	0.0
Partnership and S Corporation net losses	0	0.0	0	0.0	0	0.0
No second largest item	0	0.0	0	0.0	0	0.0
Returns with expanded income of \$200,000 or more						
Total	313,405	7.8	10,241	0.3	88,920	2.2
Interest paid deduction	16,029	5.1	2,694	26.3	3,813	4.3
Tax-exempt interest [3]	0	0.0	567	5.5	11,400	12.8
Taxes paid deduction	165,215	52.7	5,658	55.2	17,276	19.4
Charitable contributions deduction	32,089	10.2	255	2.5	186	0.2
Medical and dental expense deduction	4,479	1.4	0	0.0	176	0.2
Net casualty or theft loss deduction	462	0.1	8	0.1	0	0.0
Total miscellaneous deductions	14,032	4.5	6	0.1	136	0.2
General business credit	1,391	0.4	16	0.2	144	0.2
All other tax credits	3,569	1.1	300	2.9	4,016	4.5
Partnership and S Corporation net losses	8,028	2.6	168	1.6	2,868	3.2
Foreign-earned income exclusion [3]	279	0.1	176	1.7	4	[2]
AMT tax preference [3]	462	0.1	0	0.0	151	0.2
Nontaxable Social Security benefits [3]	40,162	12.8	31	0.3	0	0.0
No second largest item	27,208	8.7	361	3.5	48,750	54.8

Footnotes at end of table.

High-Income Tax Returns for 2006

Statistics of Income Bulletin | Spring 2009

Table 8. Returns With and Without Worldwide Income Tax and With Income of \$200,000 or More Under Alternative Concepts: Number of Returns and Percentages Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2006—Continued

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Total		Item with the largest tax effect					
			Interest paid deduction		Investment interest expense deduction [1]		Taxes paid deduction	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Returns without worldwide income tax								
Returns with adjusted gross income of \$200,000 or more								
Total	4,123	100.0	207	5.0	662	16.1	85	2.1
Interest paid deduction	1,187	28.8	0	0.0	162	24.5	8	9.4
Investment interest expense deduction [1]	323	7.8	15	7.2	0	0.0	17	20.0
Taxes paid deduction	1,145	27.8	115	55.6	107	16.2	0	0.0
Charitable contributions deduction	553	13.4	45	21.7	147	22.2	25	29.4
Medical and dental expense deduction	69	1.7	5	2.4	15	2.3	4	4.7
Net casualty or theft loss deduction	24	0.6	3	1.4	**	**	0	0.0
Total miscellaneous deductions	271	6.6	10	4.8	41	6.2	12	14.1
General business credit	20	0.5	**	**	0	0.0	**	**
All other tax credits	35	0.8	4	1.9	** 10	** 1.5	** 4	** 4.7
Partnership and S Corporation net losses	400	9.7	7	3.4	180	27.2	15	17.6
No second largest item	96	2.3	** 3	** 1.4	**	**	0	0.0
Returns with expanded income of \$200,000 or more								
Total	4,322	100.0	194	4.5	0	0.0	118	2.7
Interest paid deduction	602	13.9	0	0.0	0	0.0	7	5.9
Tax-exempt interest [3]	641	14.8	6	3.1	0	0.0	59	50.0
Taxes paid deduction	1,136	26.3	108	55.7	0	0.0	0	0.0
Charitable contributions deduction	528	12.2	46	23.7	0	0.0	19	16.1
Medical and dental expense deduction	538	12.4	5	2.6	0	0.0	3	2.5
Net casualty or theft loss deduction	25	0.6	3	1.5	0	0.0	**	**
Total miscellaneous deductions	254	5.9	6	3.1	0	0.0	7	5.9
General business credit	14	0.3	**	**	0	0.0	**	**
All other tax credits	49	1.1	4	2.1	0	0.0	** 6	** 5.1
Partnership and S Corporation net losses	359	8.3	8	4.1	0	0.0	17	14.4
Foreign-earned income exclusion [3]	9	0.2	**	**	0	0.0	**	**
AMT tax preference [3]	6	0.1	0	0.0	0	0.0	0	0.0
Nontaxable Social Security benefits [3]	83	1.9	** 8	** 4.1	0	0.0	0	0.0
No second largest item	78	1.8	**	**	0	0.0	0	0.0

Footnotes at end of table.

High-Income Tax Returns for 2006

Statistics of Income Bulletin | Spring 2009

Table 8. Returns With and Without Worldwide Income Tax and With Income of \$200,000 or More Under Alternative Concepts: Number of Returns and Percentages Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2006—Continued

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Item with the largest tax effect—continued							
	Charitable contributions deduction		Medical and dental expense deduction		Net casualty or theft loss deduction		Total miscellaneous deductions	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
Returns without worldwide income tax								
Returns with adjusted gross income of \$200,000 or more								
Total	191	4.6	420	10.2	600	14.6	** 1,474	** 35.8
Interest paid deduction	63	33.0	29	6.9	215	35.8	** 632	** 42.9
Investment interest expense deduction [1]	42	22.0	14	3.3	15	2.5	** 31	** 2.1
Taxes paid deduction	29	15.2	133	31.7	214	35.7	** 466	** 31.6
Charitable contributions deduction	0	0.0	118	28.1	62	10.3	** 75	** 5.1
Medical and dental expense deduction	20	10.5	0	0.0	9	1.5	** 10	** 0.7
Net casualty or theft loss deduction	** 5	** 2.6	**	**	0	0.0	** 10	** 0.7
Total miscellaneous deductions	19	9.9	115	27.4	54	9.0	** 0	** 0.0
General business credit	**	**	**	**	** 6	** 1.0	** 6	** 0.4
All other tax credits	5	2.6	** 6	** 1.4	0	0.0	** 5	** 0.3
Partnership and S Corporation net losses	8	4.2	5	1.2	25	4.2	** 154	** 10.4
No second largest item	**	**	**	**	**	**	** 85	** 5.8
Returns with expanded income of \$200,000 or more								
Total	212	4.9	684	15.8	587	13.6	29	0.7
Interest paid deduction	72	34.0	24	3.5	212	36.1	3	10.3
Tax-exempt interest [3]	20	9.4	** 377	** 55.1	49	8.3	** 8	** 27.6
Taxes paid deduction	49	23.1	85	12.4	209	35.6	9	31.0
Charitable contributions deduction	0	0.0	99	14.5	53	9.0	9	31.0
Medical and dental expense deduction	18	8.5	0	0.0	10	1.7	**	**
Net casualty or theft loss deduction	**	**	**	**	0	0.0	0	0.0
Total miscellaneous deductions	17	8.0	79	11.5	12	2.0	0	0.0
General business credit	** 7	** 3.3	0	0.0	5	0.9	0	0.0
All other tax credits	6	2.8	0	0.0	0	0.0	0	0.0
Partnership and S Corporation net losses	23	10.8	5	0.7	** 28	** 4.8	**	**
Foreign-earned income exclusion [3]	0	0.0	0	0.0	**	**	0	0.0
AMT tax preference [3]	**	**	0	0.0	**	**	0	0.0
Nontaxable Social Security benefits [3]	**	**	15	2.2	9	1.5	0	0.0
No second largest item	0	0.0	**	**	**	**	0	0.0

Footnotes at end of table.

High-Income Tax Returns for 2006

Statistics of Income Bulletin | Spring 2009

Table 8. Returns With and Without Worldwide Income Tax and With Income of \$200,000 or More Under Alternative Concepts: Number of Returns and Percentages Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2006—Continued

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Item with the largest tax effect—continued							
	General business credit		All other tax credits		Partnership and S Corporation net losses		Foreign-earned income exclusion [3]	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
Returns without worldwide income tax								
Returns with adjusted gross income of \$200,000 or more								
Total	0	0.0	**	**	143	3.5	341	8.3
Interest paid deduction	0	0.0	**	**	62	43.4	16	4.7
Investment interest expense deduction [1]	0	0.0	**	**	** 3	** 2.1	** 192	** 56.3
Taxes paid deduction	0	0.0	**	**	50	35.0	31	9.1
Charitable contributions deduction	0	0.0	**	**	15	10.5	66	19.4
Medical and dental expense deduction	0	0.0	**	**	**	**	**	**
Net casualty or theft loss deduction	0	0.0	**	**	0	0.0	6	1.8
Total miscellaneous deductions	0	0.0	**	**	** 3	** 2.1	** 22	** 6.5
General business credit	0	0.0	**	**	**	**	**	**
All other tax credits	0	0.0	**	**	0	0.0	8	2.3
Partnership and S Corporation net losses	0	0.0	**	**	6	4.2	0	0.0
No second largest item	0	0.0	**	**	4	2.8	0	0.0
Returns with expanded income of \$200,000 or more								
Total	**	**	** 139	** 3.2	261	6.0	27	0.6
Interest paid deduction	**	**	** 60	** 43.2	12	4.6	6	22.2
Tax-exempt interest [3]	**	**	** 7	** 5.0	118	45.2	**	**
Taxes paid deduction	**	**	** 42	** 30.2	36	13.8	14	51.9
Charitable contributions deduction	**	**	** 16	** 11.5	63	24.1	0	0.0
Medical and dental expense deduction	**	**	**	**	6	2.3	** 4	** 14.8
Net casualty or theft loss deduction	**	**	** 0	** 0.0	6	2.3	**	**
Total miscellaneous deductions	**	**	**	**	9	3.4	** 3	** 11.1
General business credit	**	**	**	**	**	**	0	0.0
All other tax credits	**	**	** 0	** 0.0	8	3.1	**	**
Partnership and S Corporation net losses	**	**	** 5	** 3.6	0	0.0	0	0.0
Foreign-earned income exclusion [3]	**	**	** 3	** 2.2	0	0.0	0	0.0
AMT tax preference [3]	**	**	** 0	** 0.0	** 3	** 1.1	0	0.0
Nontaxable Social Security benefits [3]	**	**	**	**	0	0.0	0	0.0
No second largest item	**	**	** 6	** 4.3	0	0.0	0	0.0

Footnotes at end of table.

High-Income Tax Returns for 2006

Statistics of Income Bulletin | Spring 2009

Table 8. Returns With and Without Worldwide Income Tax and With Income of \$200,000 or More Under Alternative Concepts: Number of Returns and Percentages Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2006—Continued

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Item with the largest tax effect—continued					
	Tax-exempt interest [3]		AMT tax preference [3]		Nontaxable Social Security benefits [3]	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(25)	(26)	(27)	(28)	(29)	(30)
Returns without worldwide income tax						
Returns with adjusted gross income of \$200,000 or more						
Total	0	0.0	0	0.0	0	0.0
Interest paid deduction	0	0.0	0	0.0	0	0.0
Investment interest expense deduction [1]	0	0.0	0	0.0	0	0.0
Taxes paid deduction	0	0.0	0	0.0	0	0.0
Charitable contributions deduction	0	0.0	0	0.0	0	0.0
Medical and dental expense deduction	0	0.0	0	0.0	0	0.0
Net casualty or theft loss deduction	0	0.0	0	0.0	0	0.0
Total miscellaneous deductions	0	0.0	0	0.0	0	0.0
General business credit	0	0.0	0	0.0	0	0.0
All other tax credits	0	0.0	0	0.0	0	0.0
Partnership and S Corporation net losses	0	0.0	0	0.0	0	0.0
No second largest item	0	0.0	0	0.0	0	0.0
Returns with expanded income of \$200,000 or more						
Total	** 2,071	** 47.9	**	**	0	0.0
Interest paid deduction	** 206	** 9.9	**	**	0	0.0
Tax-exempt interest [3]	** 0	** 0.0	**	**	0	0.0
Taxes paid deduction	** 584	** 28.2	**	**	0	0.0
Charitable contributions deduction	** 223	** 10.8	**	**	0	0.0
Medical and dental expense deduction	** 492	** 23.8	**	**	0	0.0
Net casualty or theft loss deduction	** 10	** 0.5	**	**	0	0.0
Total miscellaneous deductions	** 121	** 5.8	**	**	0	0.0
General business credit	** 3	** 0.1	**	**	0	0.0
All other tax credits	** 27	** 1.3	**	**	0	0.0
Partnership and S Corporation net losses	** 275	** 13.3	**	**	0	0.0
Foreign-earned income exclusion [3]	**	**	**	**	0	0.0
AMT tax preference [3]	** 3	** 0.1	**	**	0	0.0
Nontaxable Social Security benefits [3]	** 55	** 2.7	**	**	0	0.0
No second largest item	** 72	** 3.5	**	**	0	0.0

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

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

[2] Less than 0.05 percent.

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

NOTE: Detail may not add to totals because of rounding. Total columns do not include returns with no tax effect.

High-Income Tax Returns for 2006

Statistics of Income Bulletin | Spring 2009

Table 9. Returns Without U.S. Income Tax and With Income of \$200,000 or More Under Alternative Concepts: Number of Returns With Itemized Deductions, Credits, and Tax Preferences, as Percentages of Income, Tax Year 2006

[All figures are estimates based on samples]

Income concept and type of deduction, credit, or tax preference	Total	No deduction, credit, or tax preference	Number of returns on which income was reduced by percentages of income			
			Under 10 percent	10 percent under 20 percent	20 percent under 30 percent	30 percent under 40 percent
	(1)	(2)	(3)	(4)	(5)	(6)
Adjusted gross income concept						
Total itemized deductions	8,252	1,698	1,192	652	247	131
Interest paid deduction:						
Total	8,252	2,950	2,771	753	264	164
Investment interest per income concept	8,252	5,787	1,140	134	107	116
Taxes paid deduction	8,252	2,204	4,572	833	284	129
Charitable contributions deduction	8,252	3,280	3,730	312	186	202
Medical and dental expense deduction	8,252	7,485	205	47	28	23
Net casualty or theft loss deduction	8,252	7,593	14	5	** 7	**
Net limited miscellaneous deduction per income concept	8,252	6,661	1,047	264	130	46
Non-limited miscellaneous deduction	8,252	6,244	461	44	28	15
Deduction equivalent of:						
Total credits	8,252	3,792	281	70	76	106
Foreign tax credit	8,252	4,125	335	38	52	63
General business credit	8,252	8,117	96	23	6	4
Tax preferences excluded from adjusted gross income	8,252	6,219	1,473	168	90	59
Nontaxable Social Security benefits	8,252	6,820	** 1,433	**	0	0
Expanded income concept						
Total itemized deductions	11,014	3,618	2,060	1,384	678	418
Interest paid deduction:						
Total	11,014	6,488	2,968	895	313	94
Investment interest per income concept	11,014	9,000	1,540	141	81	43
Taxes paid deduction	11,014	4,219	5,103	1,030	276	133
Charitable contributions deduction	11,014	5,198	4,498	490	266	161
Medical and dental expense deduction	11,014	8,698	1,032	195	130	112
Net casualty or theft loss deduction	11,014	10,351	22	12	5	9
Net limited miscellaneous deduction per income concept	11,014	8,433	1,913	380	142	45
Non-limited miscellaneous deduction	11,014	10,478	455	29	23	7
Deduction equivalent of:						
Total credits	11,014	3,915	495	125	182	260
Foreign tax credit	11,014	4,332	462	90	164	215
General business credit	11,014	10,904	83	18	** 4	**
Tax preferences excluded from adjusted gross income	11,014	6,639	1,236	212	215	202
Nontaxable Social Security benefits	11,014	8,581	2,431	3	0	0

Footnotes at end of table.

High-Income Tax Returns for 2006

Statistics of Income Bulletin | Spring 2009

Table 9. Returns Without U.S. Income Tax and With Income of \$200,000 or More Under Alternative Concepts: Number of Returns With Itemized Deductions, Credits, and Tax Preferences, as Percentages of Income, Tax Year 2006—Continued

[All figures are estimates based on samples]

Income concept and type of deduction, credit, or tax preference	Number of returns on which income was reduced by percentages of income—continued				
	40 percent under 50 percent	50 percent under 60 percent	60 percent under 70 percent	70 percent under 100 percent	100 percent or more
	(7)	(8)	(9)	(10)	(11)
Adjusted gross income concept—continued					
Total itemized deductions	82	60	46	784	3,360
Interest paid deduction:					
Total	146	140	148	534	383
Investment interest per income concept	101	120	130	370	247
Taxes paid deduction	59	44	23	46	58
Charitable contributions deduction	113	404	0	7	18
Medical and dental expense deduction	28	36	25	188	187
Net casualty or theft loss deduction	11	15	24	151	432
Net limited miscellaneous deduction per income concept	40	19	12	20	14
Non-limited miscellaneous deduction	9	19	25	833	574
Deduction equivalent of:					
Total credits	267	321	173	1,721	1,446
Foreign tax credit	168	233	141	1,658	1,440
General business credit	3	** 3	0	**	0
Tax preferences excluded from adjusted gross income	52	38	24	48	82
Nontaxable Social Security benefits	0	0	0	0	0
Expanded income concept—continued					
Total itemized deductions	310	258	218	674	1,397
Interest paid deduction:					
Total	59	35	25	91	47
Investment interest per income concept	37	28	15	41	88
Taxes paid deduction	63	26	35	36	94
Charitable contributions deduction	144	119	32	60	46
Medical and dental expense deduction	148	99	131	301	168
Net casualty or theft loss deduction	10	12	25	141	427
Net limited miscellaneous deduction per income concept	27	24	12	27	11
Non-limited miscellaneous deduction	6	** 5	**	3	8
Deduction equivalent of:					
Total credits	510	814	1,028	3,681	4
Foreign tax credit	412	730	992	3,613	4
General business credit	** 5	0	**	**	0
Tax preferences excluded from adjusted gross income	198	233	306	1,459	315
Nontaxable Social Security benefits	0	0	0	0	0

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

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

High-Income Tax Returns for 2006

Statistics of Income Bulletin | Spring 2009

Table 10. Returns Without Worldwide Income Tax and With Income of \$200,000 or More Under Alternative Concepts: Number of Returns With Itemized Deductions, Credits, and Tax Preferences, as Percentages of Income, Tax Year 2006

[All figures are estimates based on samples]

Income concept and type of deduction, credit, or tax preference	Total	No deduction, credit, or tax preference	Number of returns on which income was reduced by percentages of income			
			Under 10 percent	10 percent under 20 percent	20 percent under 30 percent	30 percent under 40 percent
	(1)	(2)	(3)	(4)	(5)	(6)
Adjusted gross income concept						
Total itemized deductions	4,123	4	38	54	30	20
Interest paid deduction:						
Total	4,123	870	1,332	385	171	119
Investment interest per income concept	4,123	2,425	555	79	71	96
Taxes paid deduction	4,123	121	2,844	606	238	107
Charitable contributions deduction	4,123	938	2,226	201	136	164
Medical and dental expense deduction	4,123	3,448	149	39	25	20
Net casualty or theft loss deduction	4,123	3,484	13	3	** 6	**
Net limited miscellaneous deduction per income concept	4,123	2,988	672	215	106	40
Non-limited miscellaneous deduction	4,123	2,267	334	33	27	13
Deduction equivalent of:						
Total credits	4,123	3,790	128	23	15	18
Foreign tax credit	4,123	4,123	0	0	0	0
General business credit	4,123	4,039	58	16	** 6	**
Tax preferences excluded from adjusted gross income	4,123	2,854	829	118	69	48
Nontaxable Social Security benefits	4,123	2,980	1,143	0	0	0
Expanded income concept						
Total itemized deductions	4,322	333	287	478	367	273
Interest paid deduction:						
Total	4,322	2,386	974	425	215	78
Investment interest per income concept	4,322	3,086	871	99	58	31
Taxes paid deduction	4,322	350	2,625	780	220	120
Charitable contributions deduction	4,322	874	2,471	327	196	123
Medical and dental expense deduction	4,322	2,246	846	182	119	109
Net casualty or theft loss deduction	4,322	3,684	18	8	5	7
Net limited miscellaneous deduction per income concept	4,322	2,297	1,443	327	116	41
Non-limited miscellaneous deduction	4,322	3,932	328	19	19	6
Deduction equivalent of:						
Total credits	4,322	3,905	228	19	9	16
Foreign tax credit	4,322	4,322	0	0	0	0
General business credit	4,322	4,259	47	10	** 3	**
Tax preferences excluded from adjusted gross income	4,322	1,007	469	156	171	174
Nontaxable Social Security benefits	4,322	2,253	2,069	0	0	0

Footnotes at end of table.

High-Income Tax Returns for 2006

Statistics of Income Bulletin | Spring 2009

Table 10. Returns Without Worldwide Income Tax and With Income of \$200,000 or More Under Alternative Concepts: Number of Returns With Itemized Deductions, Credits, and Tax Preferences, as Percentages of Income, Tax Year 2006—Continued

[All figures are estimates based on samples]

Income concept and type of deduction, credit, or tax preference	Number of returns on which income was reduced by percentages of income—continued				
	40 percent under 50 percent	50 percent under 60 percent	60 percent under 70 percent	70 percent under 100 percent	100 percent or more
	(7)	(8)	(9)	(10)	(11)
Adjusted gross income concept—continued					
Total itemized deductions	16	14	8	581	3,358
Interest paid deduction:					
Total	120	119	135	490	382
Investment interest per income concept	88	104	115	343	247
Taxes paid deduction	53	42	21	33	58
Charitable contributions deduction	95	339	0	6	18
Medical and dental expense deduction	23	31	20	181	187
Net casualty or theft loss deduction	8	15	23	139	432
Net limited miscellaneous deduction per income concept	37	19	12	20	14
Non-limited miscellaneous deduction	8	17	25	826	573
Deduction equivalent of:					
Total credits	39	45	20	45	0
Foreign tax credit	0	0	0	0	0
General business credit	** 4	**	0	0	0
Tax preferences excluded from adjusted gross income	45	33	20	33	74
Nontaxable Social Security benefits	0	0	0	0	0
Expanded income concept—continued					
Total itemized deductions	229	213	163	585	1,394
Interest paid deduction:					
Total	51	35	23	88	47
Investment interest per income concept	30	24	12	35	76
Taxes paid deduction	53	24	22	35	93
Charitable contributions deduction	114	92	26	53	46
Medical and dental expense deduction	139	92	123	298	168
Net casualty or theft loss deduction	9	11	24	129	427
Net limited miscellaneous deduction per income concept	25	24	12	26	11
Non-limited miscellaneous deduction	5	3	** 3	**	7
Deduction equivalent of:					
Total credits	37	44	19	45	0
Foreign tax credit	0	0	0	0	0
General business credit	** 3	0	**	0	0
Tax preferences excluded from adjusted gross income	168	209	265	1,388	315
Nontaxable Social Security benefits	0	0	0	0	0

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

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

High-Income Tax Returns for 2006

Statistics of Income Bulletin | Spring 2009

Table 11. Returns With and Without U.S. Income Tax: Number and Percentages of Returns, by Effective Tax Rate, and by Size of Income Under Alternative Concepts, Tax Year 2006

[All figures are estimates based on samples]

Tax status, effective tax rate	Total		Size of adjusted gross income							
			Under \$50,000 [1]		\$50,000 under \$100,000		\$100,000 under \$200,000		\$200,000 or more	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
All returns	138,394,754	100.0	92,246,123	100.0	29,995,324	100.0	12,088,423	100.0	4,064,883	100.0
Returns without U.S. income tax	43,884,863	31.7	42,633,316	46.2	1,196,254	4.0	47,040	0.4	8,252	0.2
Returns with U.S. income tax	94,509,891	68.3	49,612,807	53.8	28,799,070	96.0	12,041,382	99.6	4,056,631	99.8
Effective tax rate:										
Under 5 percent	28,462,773	20.6	22,992,599	24.9	5,015,063	16.7	413,310	3.4	41,801	1.0
5 under 10 percent	36,049,153	26.0	20,525,730	22.3	13,213,394	44.1	2,220,694	18.4	89,335	2.2
10 under 15 percent	20,433,144	14.8	6,005,739	6.5	7,935,616	26.5	6,083,516	50.3	408,273	10.0
15 under 20 percent	6,993,525	5.1	43,326	[2]	2,621,191	8.7	2,929,940	24.2	1,399,068	34.4
20 under 25 percent	1,722,300	1.2	22,371	[2]	9,859	[2]	385,070	3.2	1,305,000	32.1
25 under 30 percent	713,494	0.5	9,458	[2]	2,006	[2]	7,384	0.1	694,647	17.1
30 under 35 percent	125,059	0.1	6,755	[2]	1,549	[2]	819	[2]	115,935	2.9
35 under 40 percent	1,075	[2]	15	[2]	8	[2]	10	[2]	1,042	[2]
40 under 45 percent	710	[2]	19	[2]	3	[2]	314	[2]	374	[2]
45 under 50 percent	273	[2]	0	0.0	19	[2]	4	[2]	250	[2]
50 under 60 percent	911	[2]	** 158	** [2]	118	[2]	** 5	** [2]	641	[2]
60 under 70 percent	252	[2]	**	**	143	[2]	**	**	98	[2]
70 under 80 percent	165	[2]	6	[2]	0	0.0	152	[2]	7	[2]
80 percent or more	7,057	[2]	6,631	[2]	100	[2]	165	[2]	161	[2]

Tax status, effective tax rate	Total		Size of expanded income							
			Under \$50,000 [1]		\$50,000 under \$100,000		\$100,000 under \$200,000		\$200,000 or more	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)
All returns	138,394,754	100.0	91,129,221	100.0	31,233,695	100.0	11,936,885	100.0	4,094,953	100.0
Returns without U.S. income tax	43,884,863	31.7	42,505,018	46.6	1,309,156	4.2	59,674	0.5	11,014	0.3
Returns with U.S. income tax	94,509,891	68.3	48,624,203	53.4	29,924,539	95.8	11,877,211	99.5	4,083,938	99.7
Effective tax rate:										
Under 5 percent	29,174,772	21.1	22,842,747	25.1	5,886,327	18.8	394,162	3.3	51,535	1.3
5 under 10 percent	35,123,198	25.4	19,419,607	21.3	13,478,960	43.2	2,112,196	17.7	112,436	2.7
10 under 15 percent	20,572,794	14.9	6,262,178	6.9	7,823,973	25.0	6,039,208	50.6	447,436	10.9
15 under 20 percent	7,080,487	5.1	56,103	0.1	2,713,947	8.7	2,930,376	24.5	1,380,062	33.7
20 under 25 percent	1,720,137	1.2	20,475	[2]	15,934	0.1	391,623	3.3	1,292,105	31.6
25 under 30 percent	712,572	0.5	10,712	[2]	3,590	[2]	8,426	0.1	689,844	16.8
30 under 35 percent	116,426	0.1	5,098	[2]	1,588	[2]	688	[2]	109,053	2.7
35 under 40 percent	635	[2]	4	[2]	14	[2]	6	[2]	611	[2]
40 under 45 percent	608	[2]	40	[2]	19	[2]	325	[2]	224	[2]
45 under 50 percent	174	[2]	0	0.0	14	[2]	0	0.0	160	[2]
50 under 60 percent	540	[2]	** 164	** [2]	** 123	** [2]	4	[2]	260	[2]
60 under 70 percent	229	[2]	**	**	**	**	30	[2]	191	[2]
70 under 80 percent	24	[2]	**	**	**	**	10	[2]	11	[2]
80 percent or more	7,294	[2]	7,075	[2]	50	[2]	158	[2]	12	[2]

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

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

[2] Less than 0.05 percent.

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

High-Income Tax Returns for 2006

Statistics of Income Bulletin | Spring 2009

Table 12. Returns With and Without Worldwide Income Tax: Number and Percentages of Returns, by Effective Tax Rate, and by Size of Income Under Alternative Concepts, Tax Year 2006

[All figures are estimates based on samples]

Tax status, effective tax rate	Total		Size of adjusted gross income							
			Under \$50,000 [1]		\$50,000 under \$100,000		\$100,000 under \$200,000		\$200,000 or more	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
All returns	138,394,754	100.0	92,246,123	100.0	29,995,324	100.0	12,088,423	100.0	4,064,883	100.0
Returns without worldwide income tax	43,669,631	31.6	42,486,200	46.1	1,142,077	3.8	37,230	0.3	4,123	0.1
Returns with worldwide income tax	94,725,123	68.4	49,759,923	53.9	28,853,247	96.2	12,051,193	99.7	4,060,760	99.9
Effective tax rate:										
Under 5 percent	28,549,435	20.6	23,082,194	25.0	5,034,854	16.8	406,974	3.4	25,413	0.6
5 under 10 percent	36,046,459	26.0	20,559,406	22.3	13,203,329	44.0	2,203,925	18.2	79,799	2.0
10 under 15 percent	20,450,495	14.8	6,015,275	6.5	7,953,195	26.5	6,086,430	50.3	395,595	9.7
15 under 20 percent	7,016,410	5.1	45,211	[2]	2,634,922	8.8	2,942,183	24.3	1,394,094	34.3
20 under 25 percent	1,737,289	1.3	23,074	[2]	13,157	[2]	389,224	3.2	1,311,834	32.3
25 under 30 percent	731,227	0.5	9,857	[2]	2,954	[2]	9,460	0.1	708,956	17.4
30 under 35 percent	141,678	0.1	7,171	[2]	2,885	[2]	3,357	[2]	128,266	3.2
35 under 40 percent	14,305	[2]	523	[2]	1,310	[2]	2,674	[2]	9,798	0.2
40 under 45 percent	8,640	[2]	537	[2]	1,035	[2]	2,729	[2]	4,339	0.1
45 under 50 percent	4,662	[2]	613	[2]	1,179	[2]	1,637	[2]	1,233	[2]
50 under 60 percent	5,856	[2]	1,080	[2]	2,079	[2]	1,677	[2]	1,020	[2]
60 under 70 percent	2,652	[2]	992	[2]	1,117	[2]	351	[2]	192	[2]
70 under 80 percent	1,850	[2]	1,005	[2]	589	[2]	218	[2]	39	[2]
80 percent or more	14,164	[2]	12,985	[2]	644	[2]	354	[2]	181	[2]

Tax status, effective tax rate	Total		Size of expanded income							
			Under \$50,000 [1]		\$50,000 under \$100,000		\$100,000 under \$200,000		\$200,000 or more	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)
All returns	138,394,754	100.0	91,129,221	100.0	31,233,695	100.0	11,936,885	100.0	4,094,953	100.0
Returns without worldwide income tax	43,669,631	31.6	42,368,437	46.5	1,253,494	4.0	43,377	0.4	4,322	0.1
Returns with worldwide income tax	94,725,123	68.4	48,760,784	53.5	29,980,200	96.0	11,893,508	99.6	4,090,631	99.9
Effective tax rate:										
Under 5 percent	29,262,525	21.1	22,940,112	25.2	5,909,907	18.9	384,214	3.2	28,292	0.7
5 under 10 percent	35,118,648	25.4	19,446,536	21.3	13,473,595	43.1	2,098,772	17.6	99,745	2.4
10 under 15 percent	20,593,527	14.9	6,272,074	6.9	7,842,915	25.1	6,043,365	50.6	435,174	10.6
15 under 20 percent	7,116,536	5.1	57,908	0.1	2,728,761	8.7	2,949,945	24.7	1,379,923	33.7
20 under 25 percent	1,744,680	1.3	20,717	[2]	18,613	0.1	401,455	3.4	1,303,895	31.8
25 under 30 percent	739,691	0.5	10,723	[2]	4,046	[2]	11,368	0.1	713,554	17.4
30 under 35 percent	135,379	0.1	5,098	[2]	1,984	[2]	2,882	[2]	125,415	3.1
35 under 40 percent	3,876	[2]	4	[2]	111	[2]	458	[2]	3,302	0.1
40 under 45 percent	1,166	[2]	40	[2]	50	[2]	578	[2]	498	[2]
45 under 50 percent	401	[2]	50	[2]	24	[2]	50	[2]	276	[2]
50 under 60 percent	760	[2]	** 174	** [2]	** 144	** [2]	161	[2]	302	[2]
60 under 70 percent	312	[2]	**	**	**	**	81	[2]	214	[2]
70 under 80 percent	39	[2]	**	**	**	**	21	[2]	14	[2]
80 percent or more	7,582	[2]	7,348	[2]	50	[2]	158	[2]	26	[2]

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

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

[2] Less than 0.05 percent.

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

Individual Foreign-Earned Income and Foreign Tax Credit, 2006

by Scott Hollenbeck and Maureen Keenan Kahr

In 2006, about 335,000 U.S. taxpayers living abroad reported approximately \$36.7 billion in foreign-earned income, an increase in real percentage terms of 17.7 percent from 2001 (the last time this study was done). Nearly \$18.4 billion were claimed by U.S. taxpayers as a foreign-earned income exclusion on their tax returns. Between 2001 and 2006, the inflation-adjusted amount of the foreign-earned income exclusion increased by 14.6 percent, while the housing exclusion decreased by 38.7 percent, falling from approximately \$2.2 billion for 2001 to just over \$1.3 billion for 2006.

In contrast to the relatively moderate growth in the foreign-earned income exclusion, foreign-source gross income and foreign tax credits increased greatly since 2001. Between 2001 and 2006, inflation-adjusted foreign-source gross income reported on Form 1116 grew 86.6 percent, and real foreign tax credits claimed grew 53.9 percent. For 2006, U.S. taxpayers claimed foreign tax credits totaling nearly \$11.0 billion on 6.4 million returns; these credits were based on a reported \$120.0 billion in foreign-source gross income and \$13.9 billion in foreign taxes paid or accrued.

For 2006, the largest amount of total foreign-earned income from any continent was reported on returns from Asia, a change from 2001 when Europe was highest. These U.S. taxpayers reported \$14.7 billion of total foreign-earned income for 2006, a 29.1-percent increase in real growth from the \$11.4 billion reported for 2001. Some of this growth was attributable to returns with a tax home of Iraq with over \$1.8 billion reported in total foreign-earned income for 2006, after no returns were filed for Iraq in 2001. The growth in Asia was also driven by U.S. taxpayers in China reporting a real increase of 110.2 percent, to just over \$1.7 billion; and with taxpayers in the United Arab Emirates reporting an increase of 80.2 percent, to \$0.8 billion.

European-based U.S. taxpayers reported the second largest amount of foreign-earned income with over \$13.3 billion, which was a real increase of just 10.2 percent from 2001. The United Kingdom continued to lead all countries with over \$6.2 billion in foreign-earned income reported and accounted for nearly half of all European-based returns. The

amount reported for the United Kingdom was an actual decrease of 0.6 percent from the 2001 amount of \$6.3 billion, while the overall European-based growth was driven by increases from Switzerland (37.9 percent), Germany (22.8 percent), and France (11.8 percent).

Total foreign-earned income reported for North American-based taxpayers grew by 21.0 percent for 2006, and was driven by a 31.5-percent increase for Canada, to nearly \$2.7 billion. Over 57 percent of all taxpayers reporting foreign-earned income had no U.S. tax liability for 2006. As with foreign-earned income, among individual countries, the United Kingdom had the highest foreign-source gross income and foreign taxes paid, with \$11.9 billion and \$3.0 billion, respectively.

In contrast to their foreign-earned income, European countries, with \$24.8 billion in foreign-source gross income and \$5.4 billion in foreign taxes paid, continued to be the largest source of both of these measures. However, of all the regions, Europe had the lowest growth from 2001 (32.1 percent for foreign-source gross income and 13.4 percent for foreign taxes). In contrast, foreign-source gross income grew 186.6 percent in real percentage terms for Latin/South America, and taxes grew by 36.5 percent in real percentage terms for North America.

Overview of Foreign-Earned Income Provisions

In an effort to increase U.S. participation in foreign trade, a Federal income tax law was passed in 1926, which allowed for an exclusion of foreign-earned income from taxes. Under the 2006 version of the law, section 911 of the Internal Revenue Code, qualified U.S. citizens or resident aliens living and working abroad could elect to exclude a certain amount of foreign-earned income and an excess foreign housing cost. The election was made separately for each of the exclusions.

To qualify, an individual must have had a foreign tax home and satisfied either the bona fide residence or physical presence test. Only U.S. citizens could use the bona fide residence test. The bona fide residence test was generally satisfied if the individual had established and maintained residence in a foreign country for an uninterrupted period that included an entire taxable year. An individual would not be considered a resident if a statement was submitted to the

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Individual Foreign-Earned Income and Foreign Tax Credit, 2006

Statistics of Income Bulletin | Spring 2009

taxing authorities of the foreign country indicating nonresidency and the foreign country did not subject the individual to foreign income taxation. Under the physical presence test, an individual had to be present in a foreign country during at least 330 full days during any period of 12 consecutive months.

In general, earned income was compensation received for personal services. Thus, wages, salaries, and professional fees qualified as earned income for purposes of the exclusion. Taxpayers engaged in a trade or business that used both capital and services to produce income could treat as earned income any reasonable amount that did not exceed 30 percent of the taxpayer's share of the net profits of the trade or business. Earned income also included employer-provided allowances or such reimbursements as cost-of-living allowances, overseas compensation differentials, quarters, education allowances, and the full rental value of property or facilities provided by the employer.

To qualify for the exclusions, the earned income had to be foreign-earned income. In general, it would be foreign-earned income if personal services were performed in a foreign country. The actual location of the employer and employee at the time compensation was received did not affect this determination. Not included in foreign-earned income were pensions, annuities, compensation by the U.S. Government, and income excluded by an employer to compensate for meals and lodging provided for the employer's convenience.

For 2006, the maximum amount of foreign-earned income that could be excluded was \$82,400, prorated on a daily basis for the qualifying period. (For 2001, the maximum amount of foreign-earned income that could be excluded was \$78,000.) If both the foreign-earned income and housing exclusion were elected, the foreign housing exclusion was calculated first. The foreign-earned income exclusion was then limited to the excess of foreign-earned income over the housing exclusion.

Qualified housing expenses were reasonable housing costs paid or incurred during the tax year.

In general, they included such expenses as utilities, insurance, and rent. The excess housing cost amount was equal to the individual's qualified housing expenses for the tax year over a base-level amount (\$13,184 for 2006) prorated on a daily basis.

To the extent these were employer-provided amounts, the excess housing cost amount was allowed as a foreign housing exclusion. Housing costs related to self-employment were allowed as a foreign housing deduction in computing adjusted gross income. The foreign housing deduction was limited to the excess of foreign-earned income over the sum of foreign-earned income and housing exclusions. Any excess housing amount that was not deductible could be carried over to the following tax year.

In addition to the exclusions (foreign-earned income and housing) and the housing deduction, individuals could also claim a foreign tax credit (discussed in more detail in the *Foreign Tax Credit Overview* section) for foreign income taxes paid or accrued on two types of foreign-source income: (1) foreign-earned income for which the foreign-earned income exclusion was not claimed, and (2) foreign-source income that did not qualify for the exclusions or deduction.

U.S. taxpayers filed Form 2555, *Foreign Earned Income*, with Form 1040, *U.S. Individual Income Tax Return*, to claim the exclusions and the housing deduction. For 2006, of the 138.4 million individual income tax returns filed with the Internal Revenue Service, an estimated 334,851 had a Form 2555 attached, slightly more than 0.2 percent of the total.¹ Tables 1 and 2 present statistics for individual income tax returns reporting the foreign-earned income exclusion, foreign housing exclusion, and foreign housing deduction.

Total Foreign-Earned Income

For 2006, the total amount of foreign-earned income reported by U.S. individuals was over \$36.7 billion, a real increase of 17.7 percent from the 2001 inflation-adjusted amount of \$31.2 billion. This represents a real annual growth rate of 3.3 percent from 2001.^{2,3}

¹ Data for all taxpayers who filed a Form 1040 for 2006 cited in this article are from *Statistics of Income, Individual Income Tax Returns 2006*, Publication 1304.

² Data in this article are compared to 2001 data because this is the last year for which comparable statistics are available.

³ For comparability, 2001 amounts presented in this article are adjusted for U.S. inflation to 2006 constant dollars. However, these adjustments do not necessarily adjust for country-specific inflation in the various foreign countries for which income was reported. The inflation-adjusted constant dollars are based on the Consumer Price Index (CPI-U) computed and reported by the U.S. Department of Labor, Bureau of Labor Statistics, Monthly Labor Review. The consumer price index represents annual averages of monthly indices and approximates buying patterns of typical urban consumers.

Year	CPI-U
2006	201.6
2001	177.1

Individual Foreign-Earned Income and Foreign Tax Credit, 2006

Statistics of Income Bulletin | Spring 2009

This increase can be attributed to an increase in the number of returns filing for the exclusion, along with an increase in the average amount of foreign-earned income reported per return. From 2001 to 2006, approximately forty thousand more returns were filed by taxpayers for the exclusion, resulting in a 13.6-percent increase. Also, during this same period, the average amount of total foreign-earned income per return increased approximately 3.6 percent in real terms, from an average of \$105,890 for 2001 to \$109,716 for 2006.

Of the nearly 335,000 returns filed with a Form 2555 attached for 2006, returns with a tax home of Canada, the United Kingdom, Japan, Germany, and Iraq represented about 36.4 percent of the total number of returns filed. About 9.0 percent reported Canada; 8.5 percent, the United Kingdom; 7.0 percent, Japan; 6.4 percent, Germany; and 5.5 percent, Iraq as tax homes.

In 2006, slightly over twenty-four thousand taxpayers reported a tax home of Iraq or Afghanistan, compared to zero for 2001. For 2001, taxpayers were not allowed to declare Iraq as a tax home for the purpose of filing a Form 2555, as it was listed as one of the countries falling under travel restrictions.

The number of returns reporting China as a tax home increased by 143.6 percent from 2001. The introduction of returns with foreign-earned income from Iraq and Afghanistan plus this huge growth in China, along with more modest increases in the number of returns from other Asian tax homes, led to an overall increase in Asian-based returns of 41.6 percent (Figure A). Thus, for 2006, more returns with foreign-earned income were reported for Asia (about 139,000) than were for Europe (slightly less than 100,000). This represents a reversal from 2001 when most returns were from Europe.

Along with number of returns, the largest increases in total earned income were seen in Asian-based countries, which reported just under \$14.7 billion in foreign-earned income for 2006, an increase of 29.1 percent from 2001. Also showing significant real increases from 2001 to 2006 were income from North American-based countries, which grew by 21.0 percent, and income from European-based countries, which grew by 10.2 percent. The latter occurred de-

spite the number of returns from Europe declining by 5.5 percent from 2001. The only areas where total foreign-earned income decreased from 2001 to 2006 (by 16.7 percent) were Latin/South American-based countries. This is in sharp contrast to the 2001 data for Latin/South American-based countries, at which time foreign-earned income for these countries had grown by 18.3 percent from the 1996 study.⁴

Remarkable growth was seen in total foreign-earned income reported by China-based individuals for 2006, with the total amount of foreign-earned income growing by 110.2 percent in real terms, from approximately \$0.8 billion for 2001 to over \$1.7 billion for 2006. United Kingdom-based individuals still reported the largest amount of foreign-earned income in 2006, with just over \$6.2 billion claimed. The slight decrease of 0.6 percent in foreign-earned income reported by United Kingdom-based individuals, along with the rapid growth in several other countries, saw their percentage share of total foreign-earned income decrease from 20.1 percent for 2001 to 17.0 percent for 2006. The difference in total foreign-earned income reported between United Kingdom-based returns and returns with the second largest source of foreign-earned income, in this case Canada, was \$3.6 billion. For 2001, the gap in total foreign-earned income reported between the two tax homes reporting the largest source of foreign income (then United Kingdom-based returns and Japan-based returns) was approximately \$3.7 billion.

Figure B shows the countries with the largest amounts of foreign-earned income reported on individual tax returns for 2006. Approximately 52.0 percent of the total foreign-earned income reported on individual tax returns for 2006 was reported by individuals with tax homes in the United Kingdom (17.0 percent), Canada (7.3 percent), Japan (5.7 percent), Hong Kong (5.0 percent), Iraq (5.0 percent), Germany (4.7 percent), China (4.7 percent), and Switzerland (2.7 percent). Five of the eight countries shown in the figure were listed among the eight countries with the largest amounts of income for the 2001 study, with Iraq, China, and Switzerland replacing Singapore, Saudi Arabia, and France. As for the order of countries, the only movement among the top four countries was Canada moving ahead of Japan.

⁴ See Curry, Jeff, and Maureen Keenan Kahr, "Individual Foreign-Earned Income and Foreign Tax Credit, 2001," *Statistics of Income Bulletin*, Spring 2004, Volume 23, Number 4.

Individual Foreign-Earned Income and Foreign Tax Credit, 2006

Statistics of Income Bulletin | Spring 2009

Figure A

Foreign-Earned Income, Exclusion, and Housing Deduction, by Selected Country or Region, Tax Years 2001 [1] and 2006

[Money amounts are in thousands of dollars]

Selected country or region	Number of returns [2]			Total foreign-earned income			Foreign-earned income exclusion before deductions		
	2001	2006	Percentage change	2001	2006	Percentage change	2001	2006	Percentage change
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
All geographic areas	294,763	334,851	13.6	31,212,403	36,738,574	17.7	16,020,249	18,357,200	14.6
North America	30,493	36,179	18.6	2,684,826	3,248,559	21.0	1,498,677	1,778,374	18.7
Canada	24,790	30,067	21.3	2,032,392	2,671,963	31.5	1,156,688	1,459,721	26.2
Other North America	5,703	6,112	7.2	652,435	576,596	-11.6	341,990	318,653	-6.8
Asia	98,037	138,795	41.6	11,362,109	14,672,274	29.1	5,796,812	7,922,615	36.7
China	5,103	12,430	143.6	814,666	1,712,601	110.2	317,672	742,633	133.8
Hong Kong	12,476	10,792	-13.5	1,974,007	1,844,813	-6.5	815,191	689,045	-15.5
Iraq	0	18,325	[3]	0	1,827,813	[3]	0	1,187,886	[3]
Israel	8,491	8,986	5.8	589,960	506,127	-14.2	459,810	401,871	-12.6
Japan	24,578	23,529	-4.3	2,605,814	2,106,707	-19.2	1,254,999	1,115,473	-11.1
Saudi Arabia	7,449	5,109	-31.4	953,731	617,179	-35.3	557,431	365,144	-34.5
Singapore	4,624	3,636	-21.4	973,843	747,901	-23.2	373,045	261,410	-29.9
South Korea	4,885	6,668	36.5	515,117	694,003	34.7	262,378	349,846	33.3
UAE	4,100	7,423	81.0	421,592	759,629	80.2	261,369	505,403	93.4
Other Asia	26,331	41,900	59.1	2,513,379	3,855,499	53.4	1,494,917	2,303,901	54.1
Europe	105,590	99,732	-5.5	12,078,032	13,306,949	10.2	5,669,833	5,483,891	-3.3
France	8,975	9,653	7.6	845,026	944,881	11.8	461,367	494,997	7.3
Germany	23,432	21,513	-8.2	1,399,274	1,718,890	22.8	934,915	1,050,100	12.3
Switzerland	6,370	7,093	11.4	723,505	997,485	37.9	403,793	459,225	13.7
United Kingdom	33,344	28,409	-14.8	6,279,710	6,238,909	-0.6	2,122,894	1,725,794	-18.7
Other Europe	33,469	33,067	-1.2	2,830,518	3,406,783	20.4	1,746,864	1,753,774	0.4
Latin/South America	15,307	13,911	-9.1	1,397,818	1,164,998	-16.7	790,362	677,079	-14.3
Oceania	11,521	9,724	-15.6	847,406	851,543	0.5	563,327	536,464	-4.8
Australia	7,864	6,420	-18.4	671,787	661,928	-1.5	400,726	387,338	-3.3
Other Oceania	3,657	3,305	-9.6	175,619	189,615	8.0	162,601	149,126	-8.3
Other	33,815	36,510	8.0	2,842,212	3,494,251	22.9	1,701,238	1,958,777	15.1

Selected country or region	Housing exclusion			Housing deduction		
	2001	2006	Percentage change	2001	2006	Percentage change
	(10)	(11)	(12)	(13)	(14)	(15)
All geographic areas	2,180,244	1,336,430	-38.7	104,808	83,632	-20.2
North America	71,389	27,640	-61.3	379	475	25.3
Canada	18,364	11,865	-35.4	165	* 158	-4.2
Other North America	53,024	15,775	-70.2	214	* 318	48.6
Asia	1,155,233	644,989	-44.2	53,178	38,665	-27.3
China	88,171	112,418	27.5	4,410	2,788	-36.8
Hong Kong	338,752	194,828	-42.5	18,607	13,395	-28.0
Iraq	0	* 2,290	[3]	0	* 829	[3]
Israel	4,674	650	-86.1	191	145	-24.1
Japan	354,873	133,821	-62.3	19,404	10,139	-47.7
Saudi Arabia	16,872	6,352	-62.4	484	* 4	-99.2
Singapore	148,097	52,724	-64.4	3,077	683	-77.8
South Korea	54,841	38,858	-29.1	* 466	2,976	539.2
UAE	34,755	27,230	-21.7	* 2,518	3,240	28.7
Other Asia	114,198	75,817	-33.6	4,022	4,469	11.1
Europe	721,207	544,843	-24.5	43,085	37,640	-12.6
France	40,260	38,712	-3.8	3,485	3,793	8.8
Germany	35,427	51,291	44.8	1,443	3,460	139.8
Switzerland	41,871	49,381	17.9	2,723	1,467	-46.1
United Kingdom	482,708	296,566	-38.6	27,260	22,323	-18.1
Other Europe	120,940	108,894	-10.0	8,173	6,598	-19.3
Latin/South America	108,091	30,066	-72.2	2,509	868	-65.4
Oceania	27,101	11,943	-55.9	370	* 49	-86.8
Australia	26,751	11,479	-57.1	370	* 48	-87.0
Other Oceania	349	* 465	33.2	0	* 1	[4]
Other	97,224	76,949	-20.9	5,287	5,934	12.2

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

[1] For comparability, 2001 amounts have been adjusted for inflation to 2006 constant dollars.

[2] Forms 2555.

[3] Percentage not computed.

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

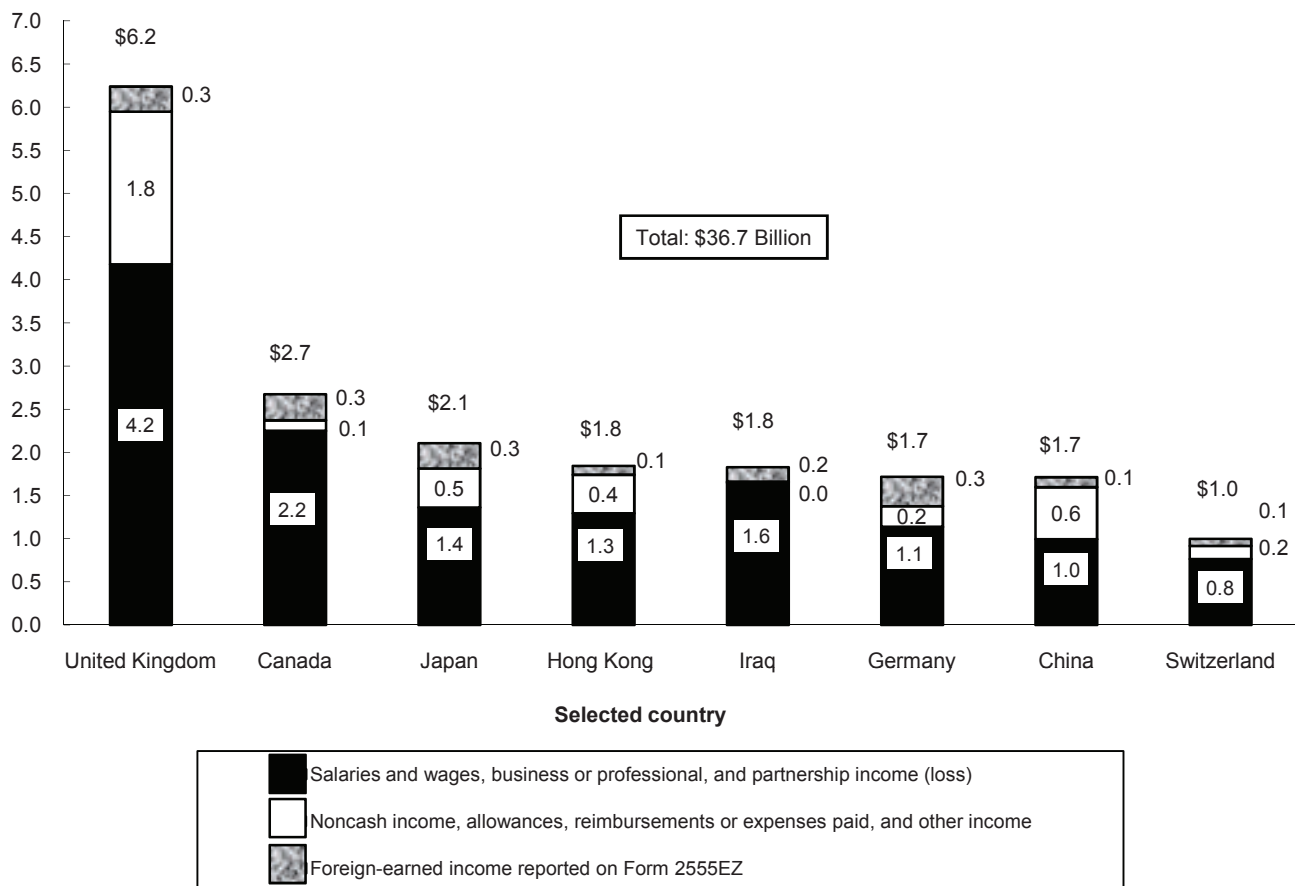
Individual Foreign-Earned Income and Foreign Tax Credit, 2006

Statistics of Income Bulletin | Spring 2009

Figure B

Foreign-Earned Income by Selected Country, Tax Year 2006

Billions of dollars



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

While foreign-earned income decreased in Japan (19.2 percent), Hong Kong (6.5 percent), and the United Kingdom (0.6 percent), it increased in all five other countries.

Composition of Foreign-Earned Income

For 2006, of the \$36.7 billion in foreign-earned income (cited above), over \$32.8 billion were reported on Form 2555. The remaining \$3.9 billion were reported on Form 2555-EZ. Data related to the composition of foreign-earned income are not available on Form 2555-EZ; therefore, the analysis in the ensuing discussion includes only those amounts reported on Form 2555.

Salaries and wages comprised 72.9 percent of the total foreign-earned income reported for 2006 (Table 1). Along with this, allowances, reimbursements, or expenses paid by employers made up 14.6 percent, and business or professional plus partnership, non-cash, and other income accounted for the remaining 12.5 percent. The average foreign-source salary for a taxpayer filing Form 2555 with wages was approximately \$103,938.

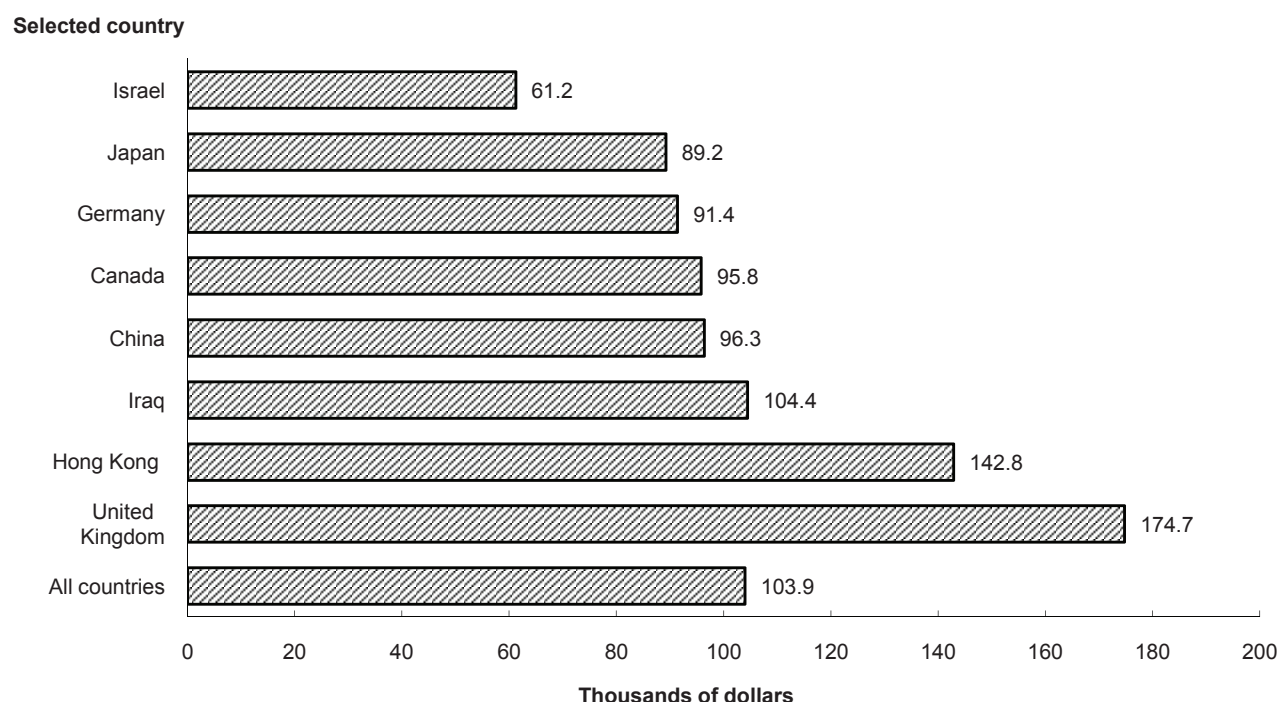
This average, however, varied greatly among the various countries. Figure C shows that, of the top eight countries (those with the largest number of Forms 2555 attached), returns from the United Kingdom reported the highest average salary at \$174,700,

Individual Foreign-Earned Income and Foreign Tax Credit, 2006

Statistics of Income Bulletin | Spring 2009

Figure C

Average Foreign Salaries and Wages Earned by U.S. Taxpayers Reporting Wages on Form 2555, by Selected Country, Tax Year 2006



while Israel reported the lowest with an average salary of \$61,189. The average salary reported for United Kingdom returns increased by nearly \$29,000 (in real dollars) from 2001. Also, for 2006, the difference in average salary between the United Kingdom and Hong Kong (which had the second highest average salary) was just under \$32,000. The United Kingdom and Hong Kong were also the top two countries based on average salary for the 2001 study, where the difference was just over \$29,500.

Foreign-Earned Income Exclusion, Housing Exclusion, and Housing Deduction

For 2006, the amount of exclusion for foreign-earned income grew from 2001 by 14.6 percent (in real terms), to \$18.4 billion. This growth in the foreign-earned income exclusion occurred while the amount of foreign-earned income that could be excluded per taxpayer increased from \$78,000 to \$82,400 during this same period.

The amount of housing exclusion reported fell by approximately 38.7 percent, from an inflation-adjusted \$2.2 billion for 2001 to \$1.3 billion for 2006. The housing deduction also declined in real terms (20.2 percent), to a total of \$83.6 million reported for 2006.

A portion of the declines in both the housing exclusion and housing deduction can be attributed to new limits placed on the amount of housing expenses that were eligible for the exclusion or deduction, beginning in Tax Year 2006. In general a limit of \$24,720 was placed on eligible housing expenses. However, taxpayers could take a higher expense amount if they resided in specific countries or cities which were listed by the IRS in the instructions for Form 2555, *Foreign Earned Income*.

For 2006, individuals with a tax home of the United Kingdom reported the highest amount of exclusions for foreign-earned income at over \$1.7 billion. However, this was a decline of 18.7 percent

Individual Foreign-Earned Income and Foreign Tax Credit, 2006

Statistics of Income Bulletin | Spring 2009

from the inflation-adjusted \$2.1 billion excluded in 2001 (Figure A). Canada-based taxpayers reported the second largest amount at nearly \$1.5 billion in exclusions for foreign-earned income, up 26.2 percent from 2001.

The tax home with the third highest amount reported was Iraq, with nearly \$1.2 billion, after having no exclusions reported in 2001. Iraq was one of three countries listed by the U.S. as falling under travel restrictions in 2001.⁵ Income earned in any country on the list was not considered foreign-earned income. Housing expenses were not considered qualified if they were incurred while in one of the listed countries. The restriction on income and housing expenses for Iraq lasted from August 1990 until July 2004, with exceptions starting in 2003. Much of the overall growth in Asia-based countries, 36.7 percent, can be attributed to the 133.8-percent growth in China to \$0.7 billion, along with the previously mentioned new reporting from Iraq and Afghanistan.

As cited above, approximately \$1.3 billion in housing exclusions were reported by individual taxpayers for 2006, down about 38.7 percent from the \$2.2 billion reported for 2001. Of this \$1.3 billion reported for 2006, 22.2 percent was reported by individuals with a tax home of United Kingdom; 14.6 percent, Hong Kong; 10.0 percent, Japan; and 8.4 percent, China. Of all the countries represented in Figure A, only Germany (44.8 percent), China (27.5 percent), and Switzerland (17.9 percent) showed increases in the amount of housing exclusion claimed for 2006.

The housing deduction is used by taxpayers with foreign-earned income to increase their total statutory adjustments, thus decreasing adjusted gross income. For 2006, just over \$83.6 million were reported by all taxpayers for the housing deduction, down from the inflation-adjusted \$104.8 million claimed for 2001, a decrease of 20.2 percent. The average housing deduction for those taxpayers claiming the deduction was \$21,178 for 2006.

Individual taxpayers claiming both the foreign-earned income and housing exclusions, along with the housing deduction, reported worldwide income of over \$57.0 billion for 2006. These taxpayers used the aforementioned exclusions and deduction to reduce their worldwide incomes by nearly \$19.8

billion, or almost 35 percent. Approximately 57.4 percent of all taxpayers with foreign-earned income, after claiming the foreign-earned income and housing exclusion, housing deduction, and any foreign tax credit to which they were entitled, had no U.S. income tax liability. This is up from 54.6 percent for 2001.

Starting in 2006, individual taxpayers reporting foreign-earned income on their tax returns were instructed to use a new foreign-earned income tax worksheet to figure out their tax. This worksheet calculated tax on nonexcluded income using tax rates that would have applied had they not claimed the exclusion. The change in the calculation affected nearly 139,000 returns and resulted in an additional \$806 million in tax.

Overview of Foreign Tax Credit Provisions

For 2006, U.S. taxpayers with income from sources outside the United States, regardless of their residency, could claim a credit against their U.S. income tax liabilities for most foreign taxes they paid or accrued (except for taxes paid on income excluded under the foreign-earned income provisions). The purpose of the credit, originally created in 1918, is to avoid double taxation on foreign-source income, since the United States taxes its citizens and resident aliens based on their worldwide incomes.

The foreign tax credit is subject to a limitation based on the taxpayer's total U.S. income tax liability. These limitations prevent taxpayers from using foreign taxes paid in relatively high tax rate countries to offset taxes paid on their U.S.-source incomes. The limitation is computed separately for the following categories of foreign-source income: passive income, high withholding tax interest, financial services income, shipping income, dividends from an Interest-Charge Domestic International Sales Corporation (IC-DISC), distributions from a Foreign Sales Corporation (FSC), lump-sum distributions from certain retirement plans, Section 901(j) income, certain income resourced by a treaty, and other (general limitation) income.⁶ The allowable credits for each type of foreign-source income are then added together.

Passive income generally includes dividends, interest, rents, royalties, and annuities. High withholding tax interest is foreign interest income that

⁵ Cuba and Libya were also listed.

⁶ Foreign income reported in the IC-DISC (Interest-Charge Domestic International Sales Corporation) category may include dividends from a former DISC (Domestic International Sales Corporation). The IC-DISC entity was created by the Deficit Reduction Act of 1984 and replaced the DISC.

Individual Foreign-Earned Income and Foreign Tax Credit, 2006

Statistics of Income Bulletin | Spring 2009

is subject to a gross withholding tax of at least 5 percent. Financial services income includes income derived by a financial service entity engaged in banking, financing, or insurance. Shipping income is income from the use of any aircraft or vessel in foreign commerce or income derived from space and ocean activities. IC-DISC dividends are dividend income from domestic international sales corporations dealing with exports, to the extent these dividends are treated as foreign. FSC distributions are derived from earnings and profits attributable to foreign trade income. Lump-sum distributions are distributions from a retirement plan that are subject to U.S. tax using income averaging. Section 901(j) income is income earned from activities conducted in a sanctioned country; no credit is allowed for taxes paid or accrued to sanctioned countries.⁷ Certain income re-sourced by treaty allows specific types of income to be treated as foreign-source income if there is a tax treaty that treats it as such and the treaty is applied. General limitation income is all other foreign income from sources outside the United States.

In general, for taxpayers who file Form 1116, *Foreign Tax Credit*, with Form 1040, the limitation on the foreign tax credit for each type of income is calculated by multiplying the total U.S. income tax liability before credits by the ratio of the foreign-source taxable income for that type of income to total U.S. taxable income.⁸ However, not all taxpayers who claim the foreign tax credit file Form 1116 (see Data Sources and Limitations). Foreign taxes paid in excess of the limitation can be carried back 1 year and then forward up to 10 years. Taxes carried to another year are added to taxes available for credit for that year for the same limitation income. Tables 3 through 5 present statistics on the foreign tax credit and related foreign-source income reported on individual income tax returns.

Foreign-Source Gross Income

Foreign-source gross income is all income earned outside the United States, except for income used to

claim the foreign-earned income exclusion. Taxpayers reported \$120.0 billion in foreign-source gross income for 2006. This represents approximately 10.1 percent of total worldwide income for those taxpayers who reported foreign-source gross income and about 1.5 percent of total worldwide income for all U.S. taxpayers. These statistics include only foreign-source gross income reported on Form 1116, because some taxpayers with foreign-source gross income do not file Form 1116.⁹ Between 2001 and 2006, foreign-source gross income grew 86.6 percent

Figure D

Selected Income, Exclusion, Deduction, and Credit Items, Tax Years 2001 and 2006

[Money amounts are in thousands of dollars]

Item	2001 [1]	2006	Percentage change
	(1)	(2)	(3)
Worldwide income [2]	7,111,026,545	8,164,179,385	14.8
Form 2555			
Total foreign-earned income	31,212,403	36,738,574	17.7
Foreign-earned income exclusion before deductions	16,020,249	18,357,200	14.6
Housing exclusion	2,180,244	1,336,430	-38.7
Housing deduction	104,808	83,632	-20.2
Form 1116			
Foreign-source gross income	64,272,272	119,963,255	86.6
Foreign tax credit	7,119,589	10,958,470	53.9

[1] For comparability, 2001 amounts have been adjusted for inflation to 2006 constant dollars.

[2] Worldwide income is total income or loss reported on Form 1040 before the foreign-earned income and housing exclusions have been taken.

in real percentage terms, whereas worldwide income reported on all individual U.S. tax returns grew only 14.8 percent during that period (Figure D).

Of the \$120.0 billion in foreign-source gross income, nearly \$63.1 billion, representing 52.6 percent, were reported without a specific country being stated, while \$56.9 billion were reported for a specific country.¹⁰ The top five countries with the most in

⁷ A foreign tax credit is not allowed for foreign taxes paid or accrued to countries sanctioned by the U.S. Government. Nevertheless, a foreign tax credit limitation is computed for each sanctioned country. For 2006, the countries are Cuba, Iran, North Korea, Sudan, and Syria.

⁸ For income from the certain income re-sourced by treaty category, a separate foreign tax credit limitation has to be computed for each amount resourced from a treaty country.

⁹ Taxpayers with \$300 (\$600 if married filing a joint return) or less in creditable foreign taxes that also met certain other conditions, mainly that the foreign-source gross income was from the passive income category and all of the income and any foreign taxes paid on it were reported on a qualified payee statement, did not have to file Form 1116 to claim the foreign tax credit on Form 1040. Also, some taxpayers deduct their foreign taxes on Schedule A rather than taking a credit by filing Form 1116. Therefore, foreign-source income for these taxpayers would not be reported.

¹⁰ The \$63.1 billion of total foreign-source gross income reported without a specific country being stated include \$62.5 billion where the country is not stated, as well as \$0.4 billion for IC-DISC dividends and slightly over \$0.1 billion for FSC dividends.

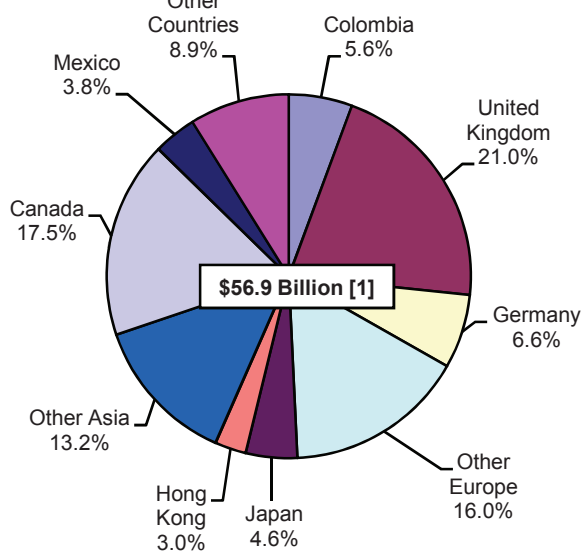
Individual Foreign-Earned Income and Foreign Tax Credit, 2006

Statistics of Income Bulletin | Spring 2009

foreign-source gross income are the United Kingdom with \$11.9 billion, followed by Canada with \$10.0 billion, Germany with \$3.7 billion, Colombia with \$3.2 billion, and Japan with \$2.6 billion. Together, these five countries accounted for 55.3 percent of total foreign-source gross income with a stated country. Separately, 21.0 percent was earned in the United Kingdom, 17.5 percent in Canada, 6.6 percent in Germany, 5.6 percent in Colombia, and 4.6 percent in Japan (Figure E).

Figure E

Foreign-Source Gross Income, by Selected Country or Region, Tax Year 2006



[1] Foreign-source gross income reported on the Form 1116 with stated country or region. Total foreign-source income (including that reported without a country or region) was \$120.0 billion.

NOTE: Percentages may not add to 100 due to rounding.

The overall average foreign-source gross income reported by U.S. taxpayers on Form 1116 was \$40,777. For the top five leading countries mentioned above, the average foreign-source gross income reported was \$93,596, \$41,493, \$88,157, \$2,583,418, and \$53,790, respectively. The high average foreign-source gross income of \$2,583,418 for Colombia was largely the result of a few returns reporting a sizeable foreign-source gross income from

Colombia, while the total number of returns with income from Colombia was a little over 1,200. In contrast, over 125,000 returns reported foreign-source gross income from the United Kingdom.

Among the geographic regions with the most significant foreign-source gross income (see Figure F), the region with the highest growth between 2001 and 2006 was Latin/South America. Foreign-source gross income reported for Latin/South American countries grew 186.6 percent for that period, rising to just over \$4.3 billion for 2006 from an inflation-adjusted \$1.5 billion for 2001. Much of this increase is due to the growth in foreign-source gross income earned in Colombia. Foreign-source gross income reported for Colombia grew 405.1 percent from 2001 to 2006, from \$0.6 billion to \$3.2 billion, and, for 2006, Colombia accounted for 74.2 percent of total foreign-source gross income earned in Latin/South American countries.

Despite the large growth for Latin/South American countries, the amount of foreign-source gross income (\$4.3 billion) for this region was still much smaller than for other regions. Europe had the largest foreign-source gross income at \$24.8 billion (more than double the amount of the next largest region), representing 43.6 percent of all income with a stated country. North America followed with \$12.1 billion and Asia with \$11.7 billion. For additional data on foreign-source gross income by region or country, see Table 4.

Foreign Taxes and Foreign Tax Credit

For 2006, U.S. taxpayers paid (or accrued) nearly \$13.9 billion in foreign taxes as reported on Form 1116. This was before carrybacks, carryovers, and reductions. Of the top five countries in terms of foreign taxes paid or accrued, the first four, the United Kingdom, Canada, Germany, and Japan, were also the top four countries in both 1996 and 2001.^{11, 12} However, the fifth country for 2006 was China, with nearly \$0.5 billion in foreign taxes paid, while the fifth country for 2001 was Australia. Combined, foreign taxes paid or accrued to the top five countries for 2006 accounted for 48.3 percent of the total.

As with foreign-source gross income, the United Kingdom accounted for more of the foreign taxes

¹¹ See Curry, Jeff and Maureen Keenan Kahr, "Individual Foreign-Earned Income and Foreign Tax Credit, 2001," *Statistics of Income Bulletin*, Spring 2004, Volume 23, Number 4.

¹² See Curry, Jeff; and Maureen Keenan Kahr; and Sarah E. Nutter, "Individual Foreign-Earned Income and Foreign Tax Credit, 1996," *Statistics of Income Bulletin*, Summer 1999, Volume 19, Number 1.

Individual Foreign-Earned Income and Foreign Tax Credit, 2006

Statistics of Income Bulletin | Spring 2009

Figure F

Foreign-Source Gross Income and Foreign Taxes, by Selected Country or Region, Tax Years 2001 and 2006

[Money amounts are in thousands of dollars]

Item, selected country or region	2001 [1]	2006	Percentage change
	(1)	(2)	(3)
Foreign-source gross income, total	64,272,272	119,963,255	86.6
North America	8,166,125	12,133,130	48.6
Canada	6,559,127	9,966,174	51.9
Other North America [2]	1,606,999	2,166,955	34.8
Asia	8,513,439	11,696,581	37.4
China	471,295	1,578,847	235.0
Hong Kong	1,418,253	1,583,595	11.7
Japan	3,263,158	2,596,680	-20.4
Other Asia	3,360,733	5,937,459	76.7
Europe	18,786,658	24,809,573	32.1
Germany	3,372,626	3,742,259	11.0
United Kingdom	9,762,470	11,940,245	22.3
Other Europe	5,651,562	9,127,069	61.5
Latin/South America	1,510,838	4,330,765	186.6
Colombia	636,321	3,213,772	405.1
Other Latin/South America	874,517	1,116,993	27.7
Oceania	1,224,879	1,196,689	-2.3
Australia	1,126,147	1,004,632	-10.8
Other Oceania	98,731	192,056	94.5
Other	26,070,333	65,796,517	152.4
Foreign taxes paid or accrued, total	10,418,903	13,885,215	33.3
North America	1,490,616	2,034,525	36.5
Canada	1,169,267	1,773,465	51.7
Other North America [2]	321,349	261,060	-18.8
Asia	2,055,097	2,348,346	14.3
China	138,629	469,638	238.8
Hong Kong	225,409	270,900	20.2
Japan	789,618	658,674	-16.6
Other Asia	901,441	949,134	5.3
Europe	4,784,855	5,424,521	13.4
Germany	568,211	760,185	33.8
United Kingdom	2,970,532	3,046,948	2.6
Other Europe	1,246,113	1,617,388	29.8
Latin/South America	220,999	286,178	29.5
Colombia	21,281	82,923	289.7
Other Latin/South America	199,718	203,255	1.8
Oceania	372,184	255,492	-31.4
Australia	356,334	232,008	-34.9
Other Oceania	15,851	23,483	48.1
Other	1,495,152	3,536,153	136.5

[1] For comparability, 2001 amounts have been adjusted for inflation to 2006 constant dollars.

[2] For 2001, all the data for Other North America are from Mexico.

NOTES: Detail may not add to totals because of rounding. Data are from Forms 1116.

paid than any other country. Just over \$3.0 billion in foreign taxes were paid or accrued to the United Kingdom (Figure G). This represents 28.5 percent of total foreign taxes paid (excluding foreign taxes paid not attributable to any country). The next largest recipient of foreign taxes paid or accrued was

Canada with \$1.8 billion (16.6 percent), followed by Germany with \$0.8 billion (7.1 percent), and Japan with \$0.7 billion (6.2 percent). Of the \$13.9 billion in foreign taxes paid or accrued, nearly \$3.2 billion, representing approximately 22.9 percent of the total amount, were reported without a stated country.¹³

¹³ The \$3.2 billion of total foreign taxes paid or accrued without a specific country being stated include amounts from the IC-DISC dividends and FSC dividends income categories.

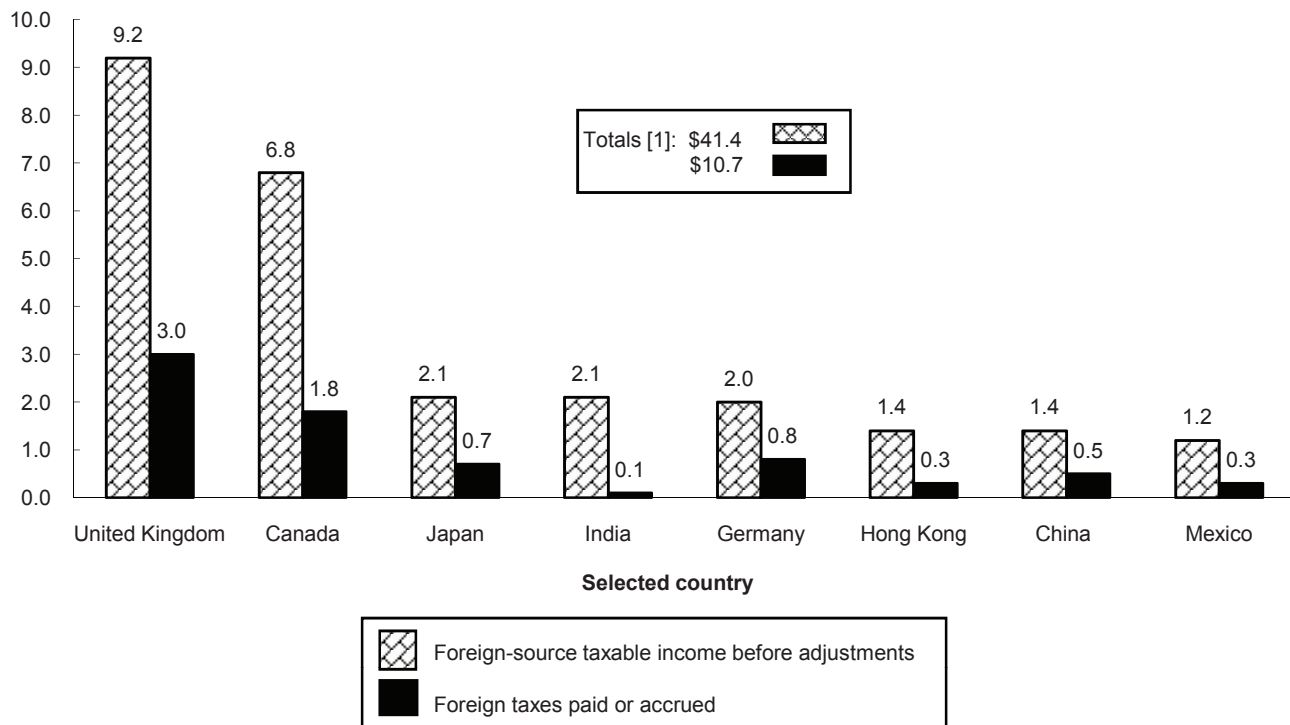
Individual Foreign-Earned Income and Foreign Tax Credit, 2006

Statistics of Income Bulletin | Spring 2009

Figure G

Foreign-Source Taxable Income and Foreign Taxes, by Selected Country, Tax Year 2006

Billions of dollars



[1] Totals represent amounts reported on Form 1116 with stated country or region.
 NOTE: Detail may not add to totals because of rounding. Data are from Forms 1116.

As shown in Figure F, total foreign taxes paid or accrued grew 33.3 percent between 2001 and 2006. Among the most significant regions, North America had the highest growth, 36.5 percent. This was primarily due to the 51.7-percent real growth in foreign taxes paid or accrued to Canada.

Latin/South America showed the next highest growth, 29.5 percent. As for countries in this region, there was substantial growth, 289.7 percent, in foreign taxes paid or accrued to Colombia. However, the amount of foreign taxes paid or accrued to Latin/South American countries, just \$0.3 billion, was still small in comparison to other regions.

As for Asia and Europe, the growth in these areas was more modest. Asia grew 14.3 percent, while Europe grew 13.4 percent. Even with the modest growth, European countries were the largest recipient of foreign taxes paid or accrued at \$5.4 billion. As

the United Kingdom continues to maintain its position as the largest country in terms of foreign taxes paid, the growth has slowed. From 1996 to 2001, foreign taxes paid or accrued to the United Kingdom grew 85.4 percent, but the growth from 2001 to 2006 was only 2.6 percent.

The income type for which most of the nearly \$13.9 billion in foreign taxes reported on Form 1116 were paid or accrued was general limitation income. Slightly over \$11.3 billion in foreign taxes, representing 81.5 percent of the total, were reported for general limitation income. Passive income was the next largest income type, with just over \$2.3 billion (16.7 percent of the total) in foreign taxes. Total foreign taxes available for credit after carrybacks, carryover, and reductions were \$18.1 billion, and the foreign tax credit before adjustments was approximately \$10.7 billion. (See Explanation of Selected

Individual Foreign-Earned Income and Foreign Tax Credit, 2006

Statistics of Income Bulletin | Spring 2009

Terms.) Table 5 presents additional data on foreign taxes, by income type.

For 2006, a foreign tax credit was reported on 6.4 million individual tax returns, an increase of 62.8 percent from the 3.9 million returns for 2001. The foreign tax credit grew in real terms by 53.9 percent between 2001 and 2006, and reached an all-time high of \$11.0 billion for 2006, up \$3.9 billion from the inflation-adjusted \$7.1 billion reported for 2001 (Figure D).

Though the foreign tax credit grew between 2001 and 2006, it did not grow for each of the years in between. For 2002 and 2003, total inflation-adjusted foreign tax credits claimed fell, 6.6 percent and 4.3 percent, respectively, and then increased for the remaining years. The growth for 2004 was 13.4 percent, followed by 34.0-percent growth for 2005, and 13.4-percent growth for 2006 (Figure H). The average foreign tax credit for 2006 was \$1,707, down slightly from \$1,806 (in 2006 constant dollars) for 2001.

Summary

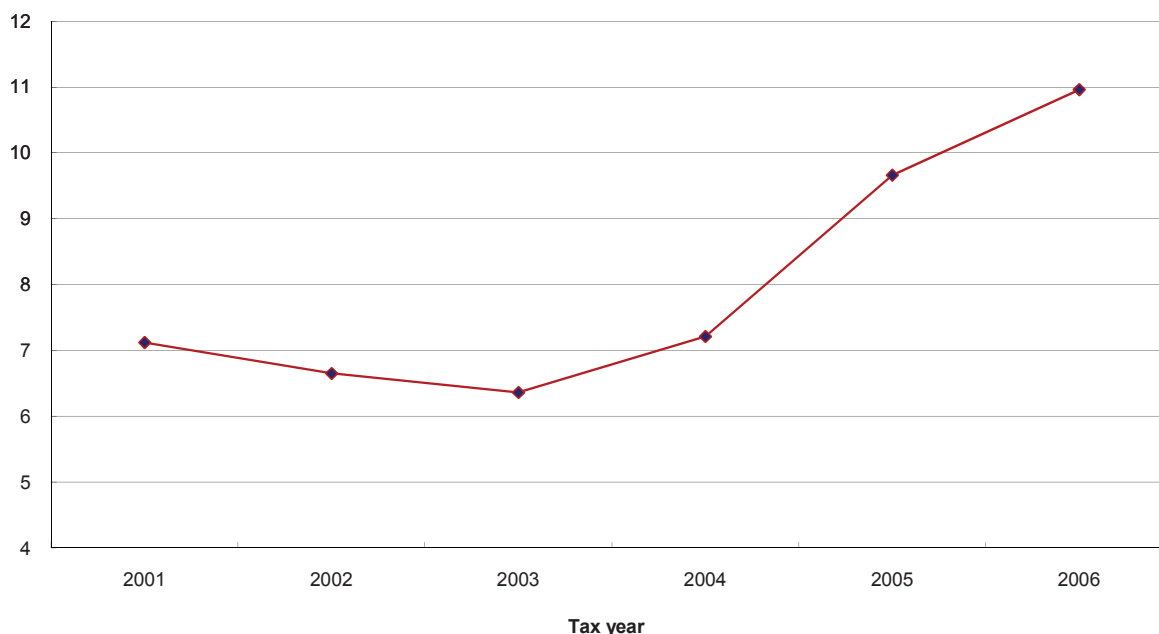
For 2006, the total amount of foreign-earned income reported by U.S. taxpayers grew in real terms by 17.7 percent, to over \$36.7 billion. The largest percentage increase was realized by returns from Asian-based countries, which grew by 29.1 percent, while North American-based countries (21.0 percent) and European-based countries (10.2 percent) grew substantially as well. Latin/South American-based countries saw a decline of 16.7 percent, after showing an increase of 18.3 percent during the 2001 study.

Taxpayers with a tax home in the United Kingdom reported, by far, the most foreign earned income at just over \$6.2 billion. The largest overall growth by an individual country was from China-based taxpayers, which increased 110.2 percent to just over \$1.7 billion. Also showing substantial growth were Switzerland (37.9 percent), South Korea (34.7 percent), Canada (31.5 percent), and Germany (22.8 percent).

Figure H

Foreign Tax Credit, Tax Years 2001-2006

Billions of dollars



NOTE: For comparability, all amounts have been adjusted for inflation to 2006 constant dollars.

Individual Foreign-Earned Income and Foreign Tax Credit, 2006

Statistics of Income Bulletin | Spring 2009

Iraq-based taxpayers reported the fifth highest amount of foreign-earned income, with more than \$1.8 billion, after having no returns in the 2001 study. In contrast with the growth of foreign-earned income for 2006, the total amount of housing exclusion claimed declined by 38.7 percent, from \$2.2 billion reported for 2001 to \$1.3 billion for 2006. The housing deduction also declined in 2006, by 20.2 percent to \$83.6 million.

Foreign-source gross income reported by U.S. taxpayers reached nearly \$120.0 billion for 2006, and the total foreign tax credit claimed was \$11.0 billion for the same period. These amounts represented notable growth in foreign-source gross income and the foreign tax credit from 2001, the last time a study was prepared on these data. For 2006, foreign-source gross income grew, in real terms, 86.6 percent, and the foreign tax credit grew 53.9 percent. As the source of \$24.8 billion in foreign-source gross income and the recipient of \$5.4 billion in foreign taxes paid, European countries were the largest component of these measures. Additionally, a foreign tax credit was claimed on 6.4 million returns, an increase of 62.8 percent from 2001, while the size of the credit grew in real terms by 53.9 percent over this period.

Data Sources and Limitations

The 2006 data presented in this article are based on a sample of individual income tax returns, Forms 1040, processed during Calendar Year 2007, that have one or more of the following: a foreign tax credit, an attached Form 1116, a foreign-earned income exclusion, housing exclusion or housing deduction, or an attached Form 2555 or Form 2555-EZ. Foreign-source income and taxes are understated in this article to the extent that they either were not nor did not have to be reported on Form 1116 to support the foreign tax credit claimed on Form 1040. Taxpayers with \$300 (\$600 if married filing a joint return) or less in creditable foreign taxes who also met certain other conditions were not required to file Form 1116 to claim the foreign tax credit. Therefore, about 61.7 percent of Forms 1040 (as originally filed) with a foreign tax credit did not include the supporting Form 1116. The average foreign tax credit reported on these returns was \$70. Foreign-source income and losses are also understated to the extent that taxpayers who were not eligible for a credit did not

file Form 1116. Taxpayers who had foreign-source income but paid no taxes or had no U.S. tax liability before credits could not claim a foreign tax credit.

About 1.7 percent of the sampled returns with a foreign tax credit or an attached Form 1116 and 13.2 percent of the sampled returns with an attached Form 2555 or Form 2555-EZ were for tax years prior to 2006, reported on delinquent returns processed during the 2006 filing period. These prior-year returns were included as a representation of 2006 returns filed after December 31, 2007. The sampled returns used for the statistics do not reflect adjustments made during audit examination, which determines the acceptability of the reported data.

The sample was stratified based on: (1) the presence or absence of Form 2555, *Foreign Earned Income*, Form 2555-EZ, *Foreign Earned Income Exclusion*, and Form 1116, *Foreign Tax Credit*; (2) presence or absence of other specific forms or schedules; (3) the larger of positive income or negative income; (4) the size of business and farm receipts; and (5) the usefulness of returns for tax policy modeling purposes. The data from Form 2555, *Foreign Earned Income*, and Form 1116, *Foreign Tax Credit*, for 2006 are based on a sample of 104,849 returns and a population of 7,129,627 returns. For a general description of the sampling procedures and data limitations of Statistics of Income tabulations, see *Statistics of Income, Individual Income Tax Returns 2006* and SOI Sampling Methodology and Data Limitations in the back of this issue.

Explanation of Selected Terms

Foreign tax credit adjustments—These include reductions for participation in unsanctioned international boycotts and increases permitted by tax treaties between the United States and certain foreign countries.

Statutory adjustments—Certain adjustments to total income were allowed as deductions in the calculation of adjusted gross income. These mainly included Archer MSA deductions, educator expenses, certain business expenses of certain reservists, performing artists, and fee-based government officials, health savings account deduction, moving expenses, the deduction for one-half of self-employment tax, payments to a self-employed Keogh retirement plan or a simplified employee pension (SEP), the self-em-

Individual Foreign-Earned Income and Foreign Tax Credit, 2006

Statistics of Income Bulletin | Spring 2009

ployed health insurance deduction, forfeited interest penalty, alimony paid, payments to an IRA, student loan interest deductions, jury duty pay given to an employer, deduction for certain domestic production activities, tuition and fees deductions, and the foreign housing deduction.

Foreign-source taxable income—This is foreign-source gross income less deductions and losses. The deductions include any expenses directly related to foreign-source income, a prorated share of the taxpayer's itemized or standard deductions, and a prorated share of interest expenses.

Worldwide income—This is the total income or loss reported on Form 1040 before the foreign-earned income and foreign housing exclusions have been taken. It includes salaries and wages; taxable interest; dividends; taxable refunds of State and local income taxes; alimony received; business income or loss; capital gains or losses, and taxable distributions from an IRA; taxable pensions and annuities; income or loss from rents, royalties, partnerships, S corporations, and estates and trusts; farm income or loss; unemployment compensation; taxable Social Security benefits; and other income or losses.

Individual Foreign-Earned Income and Foreign Tax Credit, 2006

Statistics of Income Bulletin | Spring 2009

Table 1. Individual Income Tax Returns With Form 2555: Source of Income, Deduction, Tax Items, and Foreign-Earned Income and Exclusions, by Size of Adjusted Gross Income, Tax Year 2006

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

Size of adjusted gross income	Total number of returns [1]	Selected income, exclusion, deduction, and credit items reported on Form 1040					
		Adjusted gross income or deficit	Worldwide income [2]	Salaries and wages		Foreign-earned income exclusion [3]	
				Number of returns	Amount	Number of returns	Amount
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
All returns	334,851	37,033,327	57,022,480	318,987	43,989,267	329,264	18,154,653
No adjusted gross income	69,986	-279,210	2,789,969	65,201	2,927,578	68,781	3,002,210
\$1 under \$10,000	76,680	254,629	3,802,492	73,193	3,494,941	75,005	3,484,089
\$10,000 under \$25,000	41,416	703,336	3,043,184	39,501	2,663,830	40,162	2,253,692
\$25,000 under \$50,000	39,348	1,435,074	3,791,781	37,924	3,198,543	38,859	2,229,633
\$50,000 under \$75,000	24,327	1,503,491	3,070,108	23,187	2,542,719	24,226	1,443,808
\$75,000 under \$100,000	16,150	1,404,428	2,534,860	15,562	2,159,071	16,089	1,034,390
\$100,000 under \$200,000	30,702	4,316,245	6,700,650	29,864	5,676,931	30,530	2,056,528
\$200,000 under \$500,000	24,326	7,423,446	9,656,697	23,436	8,110,280	24,006	1,755,019
\$500,000 under \$1,000,000	7,180	4,932,644	5,710,809	6,805	4,471,017	6,975	540,579
\$1,000,000 under \$1,500,000	2,034	2,480,648	2,721,199	1,831	1,921,420	2,005	153,207
\$1,500,000 under \$2,000,000	843	1,448,715	1,545,672	774	1,115,838	824	61,706
\$2,000,000 under \$5,000,000	1,341	3,949,063	4,120,596	1,224	2,633,610	1,308	101,266
\$5,000,000 under \$10,000,000	309	2,095,008	2,137,653	293	1,258,473	293	22,930
\$10,000,000 or more	209	5,365,809	5,396,809	192	1,815,016	200	15,598

Footnotes at end of table.

Individual Foreign-Earned Income and Foreign Tax Credit, 2006

Statistics of Income Bulletin | Spring 2009

Table 1. Individual Income Tax Returns With Form 2555: Source of Income, Deduction, Tax Items, and Foreign-Earned Income and Exclusions, by Size of Adjusted Gross Income, Tax Year 2006—Continued

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

Size of adjusted gross income	Selected income, exclusion, deduction, and credit items reported on Form 1040									
	Total adjustments		Taxable income		Foreign tax credit		Total income tax		Number of Forms 2555 filed by primary taxpayer	Number of Forms 2555 filed by secondary taxpayer
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount		
	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)
All returns	76,339	498,071	168,292	32,622,379	90,242	4,907,376	142,524	4,269,286	328,981	37,097
No adjusted gross income	12,221	39,390	0	0	* 10	* 5	**	**	69,757	5,098
\$1 under \$10,000	14,409	37,711	2,643	2,658	588	94	** 1,331	** 246	76,439	6,898
\$10,000 under \$25,000	10,844	34,323	21,792	148,881	5,297	6,174	17,069	21,262	40,899	4,461
\$25,000 under \$50,000	11,413	48,801	36,837	702,969	12,100	30,559	27,929	97,531	37,057	6,626
\$50,000 under \$75,000	7,651	41,856	24,033	974,282	10,448	64,777	20,646	136,614	23,260	3,443
\$75,000 under \$100,000	4,332	26,216	16,097	1,038,630	7,875	80,022	14,327	161,971	15,480	2,108
\$100,000 under \$200,000	7,363	65,111	30,653	3,510,980	21,329	406,441	27,499	484,765	30,060	3,934
\$200,000 under \$500,000	5,104	75,536	24,324	6,743,197	21,253	1,131,148	22,456	808,816	24,165	3,116
\$500,000 under \$1,000,000	1,706	56,845	7,176	4,686,360	6,795	880,053	6,770	573,289	7,146	945
\$1,000,000 under \$1,500,000	518	29,867	2,034	2,382,233	1,928	444,618	1,923	305,299	2,024	192
\$1,500,000 under \$2,000,000	200	9,505	843	1,399,856	823	255,714	791	183,944	843	74
\$2,000,000 under \$5,000,000	406	21,561	1,340	3,793,493	1,294	657,451	1,291	515,259	1,334	146
\$5,000,000 under \$10,000,000	99	6,039	309	2,029,870	301	339,177	294	265,340	307	34
\$10,000,000 or more	71	5,311	209	5,208,969	201	611,143	197	714,948	209	20

Footnotes at end of table.

Individual Foreign-Earned Income and Foreign Tax Credit, 2006

Statistics of Income Bulletin | Spring 2009

Table 1. Individual Income Tax Returns With Form 2555: Source of Income, Deduction, Tax Items, and Foreign-Earned Income and Exclusions, by Size of Adjusted Gross Income, Tax Year 2006—Continued

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

Size of adjusted gross income	Selected income, exclusions, and deductions reported on Form 2555							
	Total foreign-earned income		Foreign-earned income reported on Form 2555 only		Salaries and wages		Business or professional income (less loss)	
	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	333,944	36,738,574	246,558	32,835,529	230,363	23,943,539	20,660	1,323,788
No adjusted gross income	70,021	3,165,545	34,829	1,654,137	31,554	1,444,343	4,054	139,271
\$1 under \$10,000	76,647	3,640,862	44,877	2,272,889	41,573	2,014,224	4,653	159,466
\$10,000 under \$25,000	40,400	2,628,379	32,645	2,220,237	30,561	2,043,428	2,608	83,370
\$25,000 under \$50,000	39,493	2,971,763	32,077	2,629,479	30,414	2,365,456	2,434	132,111
\$50,000 under \$75,000	24,338	2,253,217	21,581	2,121,070	20,452	1,843,055	1,765	97,394
\$75,000 under \$100,000	16,104	1,889,616	15,124	1,842,837	14,365	1,574,850	1,168	90,218
\$100,000 under \$200,000	30,786	4,777,242	29,649	4,710,327	27,969	3,614,137	2,119	188,949
\$200,000 under \$500,000	24,222	6,438,466	23,959	6,420,417	22,733	4,040,131	1,229	213,844
\$500,000 under \$1,000,000	7,210	3,386,055	7,134	3,378,947	6,613	1,962,453	360	77,914
\$1,000,000 under \$1,500,000	2,037	1,386,376	2,019	1,385,299	1,755	710,245	109	29,213
\$1,500,000 under \$2,000,000	843	704,479	836	704,159	747	423,559	39	14,414
\$2,000,000 under \$5,000,000	1,336	1,624,397	1,329	1,624,029	1,172	904,338	92	59,575
\$5,000,000 under \$10,000,000	304	653,510	302	653,386	277	339,431	18	18,437
\$10,000,000 or more	204	1,218,667	199	1,218,315	179	663,890	12	19,611

Footnotes at end of table.

Individual Foreign-Earned Income and Foreign Tax Credit, 2006

Statistics of Income Bulletin | Spring 2009

Table 1. Individual Income Tax Returns With Form 2555: Source of Income, Deduction, Tax Items, and Foreign-Earned Income and Exclusions, by Size of Adjusted Gross Income, Tax Year 2006—Continued

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

Size of adjusted gross income	Selected income, exclusions, and deductions reported on Form 2555							
	Partnership income (less loss)		Noncash income		Allowances, reimbursements, or expenses paid by employers		Less: meals and lodging excluded	
	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	2,229	960,616	10,680	146,172	46,284	4,792,710	1,761	18,257
No adjusted gross income	* 333	* 18,032	2,109	18,198	1,629	18,457	* 215	* 1,177
\$1 under \$10,000	* 208	* 11,024	1,619	12,177	3,392	39,750	* 201	* 2,618
\$10,000 under \$25,000	* 159	* 11,018	1,285	12,268	2,748	56,859	606	3,357
\$25,000 under \$50,000	* 180	* 5,656	1,959	18,023	3,428	86,805	* 306	* 2,070
\$50,000 under \$75,000	* 14	* 1,939	685	11,935	3,372	139,512	* 114	* 1,601
\$75,000 under \$100,000	* 59	* 1,304	514	9,425	3,039	137,581	* 52	* 703
\$100,000 under \$200,000	133	22,705	1,044	24,009	10,188	676,241	177	3,675
\$200,000 under \$500,000	374	97,485	983	21,634	12,466	1,582,397	79	1,653
\$500,000 under \$1,000,000	341	173,933	303	11,651	3,853	865,986	* 5	* 181
\$1,000,000 under \$1,500,000	207	189,202	90	2,592	958	312,832	* 3	* 1
\$1,500,000 under \$2,000,000	55	48,830	** 74	** 2,731	404	134,160	** 4	** 1,221
\$2,000,000 under \$5,000,000	125	147,936	**	**	589	341,487	**	**
\$5,000,000 under \$10,000,000	25	43,262	11	895	137	168,845	0	0
\$10,000,000 or more	15	188,291	* 4	* 634	81	231,796	0	0

Footnotes at end of table.

Individual Foreign-Earned Income and Foreign Tax Credit, 2006

Statistics of Income Bulletin | Spring 2009

Table 1. Individual Income Tax Returns With Form 2555: Source of Income, Deduction, Tax Items, and Foreign-Earned Income and Exclusions, by Size of Adjusted Gross Income, Tax Year 2006—Continued

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

Size of adjusted gross income	Selected income, exclusions, and deductions reported on Form 2555							
	Other foreign-earned income (less loss)		Foreign-earned income exclusion before deductions		Housing exclusion		Housing deduction	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(34)	(35)	(36)	(37)	(38)	(39)	(40)	(41)
All returns	19,837	1,686,961	330,471	18,357,200	57,009	1,336,430	3,949	83,632
No adjusted gross income	1,509	17,014	68,991	3,042,573	1,856	27,579	* 150	* 1,139
\$1 under \$10,000	2,293	38,865	75,168	3,516,734	2,209	26,064	* 228	* 3,408
\$10,000 under \$25,000	1,090	16,653	40,352	2,277,452	3,463	51,833	401	3,366
\$25,000 under \$50,000	1,152	23,498	39,099	2,258,338	5,834	78,273	597	6,991
\$50,000 under \$75,000	1,086	28,835	24,338	1,457,527	5,072	80,954	494	5,130
\$75,000 under \$100,000	907	30,160	16,104	1,047,706	4,126	69,827	298	4,313
\$100,000 under \$200,000	3,804	187,962	30,650	2,076,320	12,624	262,765	588	8,943
\$200,000 under \$500,000	5,031	466,580	24,113	1,772,062	14,384	402,696	477	12,631
\$500,000 under \$1,000,000	1,834	287,191	7,013	546,996	4,667	180,742	341	12,157
\$1,000,000 under \$1,500,000	515	141,215	2,011	156,275	1,242	57,477	155	8,962
\$1,500,000 under \$2,000,000	219	83,016	825	62,804	495	25,746	51	3,095
\$2,000,000 under \$5,000,000	291	169,363	1,314	103,307	751	48,706	126	7,548
\$5,000,000 under \$10,000,000	76	82,517	294	23,305	179	13,676	23	2,155
\$10,000,000 or more	31	114,094	200	15,802	105	10,091	19	3,795

*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. However, data are included in the appropriate totals.

[1] Includes returns with no foreign-earned income, but filed to claim an exclusion for a prior year or for reporting purposes.

[2] Worldwide income is total income or loss reported on Form 1040 before the foreign-earned income and housing exclusions have been taken.

[3] Amount reported on Form 1040 is the total amount of foreign-earned income exclusion after subtracting deductions allocable to excluded income.

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

Individual Foreign-Earned Income and Foreign Tax Credit, 2006

Statistics of Income Bulletin | Spring 2009

Table 2. Individual Income Tax Returns With Form 2555: Foreign-Earned Income Exclusion, Housing Exclusion, and Housing Deduction, by Country or Region, Tax Year 2006

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

Country or region	Number of returns [1]	Total foreign-earned income	Foreign-earned income			
			Salaries and wages	Business or professional income (less loss)	Partnership income (less loss)	Noncash income
	(1)	(2)	(3)	(4)	(5)	(6)
All geographic areas	334,851	36,738,574	23,943,539	1,323,788	960,616	146,172
North America, total	36,179	3,248,559	2,414,177	215,932	33,603	4,918
Canada	30,067	2,671,963	2,035,925	184,705	29,253	1,120
Greenland	0	0	0	0	0	0
Mexico	6,112	576,596	378,251	31,226	* 4,350	3,798
Latin/South America, total	13,911	1,164,998	756,403	60,693	* 6,796	3,484
Argentina	751	85,013	45,690	* 3,574	0	* 54
Brazil	2,696	276,110	181,038	12,867	* 23	* 734
Chile	902	107,074	68,291	* 6,840	0	* 579
Colombia	1,870	136,197	71,470	* 2,352	* 524	* 334
Costa Rica	1,662	107,935	59,808	* 5,603	0	0
Panama	1,032	81,134	63,834	* 1,203	0	0
Peru	419	48,359	25,328	* 10,764	0	0
Venezuela	705	108,725	75,691	* 901	* 796	0
Other Latin and South American countries	3,876	214,451	165,254	16,587	* 5,453	* 1,784
Caribbean, total	7,323	784,459	531,365	26,797	* 4,101	4,759
Bahamas	1,089	91,211	69,717	* 595	* 394	* 890
Bermuda	1,758	350,693	238,162	* 13,647	0	1,387
Cayman Islands	970	73,013	42,836	* 8,540	0	* 113
Dominican Republic	1,093	61,041	52,303	0	* 459	* 891
Other Caribbean countries	2,414	208,502	128,347	* 4,016	* 3,249	* 1,479
Europe, total	99,732	13,306,949	7,910,345	506,528	618,712	31,911
Austria	1,361	97,384	59,897	* 1,986	* 1,740	0
Belgium	1,881	312,965	187,312	* 8,011	* 8,223	1,152
Czech Republic	1,091	86,297	63,749	0	* 7,805	0
Denmark	1,754	124,420	69,544	* 252	0	* 84
Finland	354	46,540	29,761	0	* 126	0
France	9,653	944,881	583,390	61,897	53,505	3,032
Germany	21,513	1,718,890	1,026,484	89,101	* 21,857	6,821
Greece	1,484	85,668	43,099	* 4,536	* 5,138	* 52
Hungary	604	58,764	33,748	* 146	* 992	* 34
Ireland	1,896	151,446	88,322	4,493	* 2,592	* 436
Italy	5,199	444,533	261,322	37,166	* 10,010	* 894
Luxembourg	219	36,438	27,884	* 2	0	* 32
Netherlands	3,263	438,193	246,738	12,175	* 6,975	2,804
Norway	1,215	146,445	72,112	* 232	0	* 265
Poland	735	49,419	29,855	* 6,757	* 1,142	* 371
Portugal	387	23,444	18,512	* 1,155	0	* 17
Russia	2,495	575,457	341,506	36,158	17,739	* 1,821
Spain	2,453	203,428	129,593	8,880	* 5,047	* 359
Sweden	1,399	123,032	75,918	* 8	0	* 38
Switzerland	7,093	997,485	722,166	21,971	20,343	3,095
Turkey	1,199	87,828	54,471	* 1,379	0	* 34
United Kingdom	28,409	6,238,909	3,541,001	186,424	452,639	9,145
Other European countries	4,078	315,082	203,960	23,798	* 2,839	* 1,424

Footnotes at end of table.

Individual Foreign-Earned Income and Foreign Tax Credit, 2006

Statistics of Income Bulletin | Spring 2009

Table 2. Individual Income Tax Returns With Form 2555: Foreign-Earned Income Exclusion, Housing Exclusion, and Housing Deduction, by Country or Region, Tax Year 2006—Continued

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

Country or region	Number of returns [1]	Total foreign-earned income	Foreign-earned income			
			Salaries and wages	Business or professional income (less loss)	Partnership income (less loss)	Noncash income
	(1)	(2)	(3)	(4)	(5)	(6)
Africa, total	9,697	879,229	556,150	41,995	* 11,835	7,191
Algeria	* 241	* 20,112	* 9,631	0	0	0
Angola	398	75,970	33,735	* 268	0	0
Egypt	1,658	156,933	100,150	* 10,518	* 7,106	* 1,878
Kenya	992	57,015	39,868	* 2,877	0	* 3
Nigeria	906	137,051	88,403	* 3,755	* 206	* 2,442
South Africa	923	100,682	57,310	* 4,170	* 1,728	* 45
Other African countries	4,576	331,466	227,051	20,407	* 2,795	2,823
Asia, total	138,795	14,672,274	9,965,299	341,021	210,346	84,897
Afghanistan	5,912	444,723	331,428	* 20,899	0	* 874
China	12,430	1,712,601	929,581	26,440	38,075	14,554
Hong Kong	10,792	1,844,813	1,213,904	22,529	57,508	11,183
India	4,214	416,429	281,010	9,992	* 3,404	* 1,875
Indonesia	1,786	253,086	158,881	* 2,219	* 783	863
Iraq	18,325	1,827,813	1,593,028	55,671	0	* 1,013
Israel	8,986	506,127	344,434	36,061	* 8,016	* 2,084
Japan	23,529	2,106,707	1,257,739	44,218	60,979	3,749
Malaysia	1,160	150,353	99,224	* 2,016	0	* 3,279
Philippines	2,313	168,185	109,948	* 10,056	* 3,987	* 993
Saudi Arabia	5,109	617,179	528,462	* 410	0	8,895
Singapore	3,636	747,901	486,981	7,244	14,538	6,776
South Korea	6,668	694,003	463,162	26,481	* 2,922	4,166
Taiwan	6,588	563,075	380,034	* 9,211	* 3,178	* 3,844
Thailand	3,643	409,197	236,908	* 2,742	* 3,396	* 1,426
United Arab Emirates	7,423	759,629	566,746	17,482	* 1,843	9,228
Other Asian countries	16,284	1,450,451	983,831	47,349	* 11,717	10,093
Oceania, total	9,724	851,543	494,684	6,045	* 1,495	3,765
Australia	6,420	661,928	391,963	5,825	* 1,264	3,559
New Zealand	2,518	143,043	71,139	0	* 231	0
Other Oceania countries	787	46,572	31,582	* 220	0	* 206
All other countries	19,490	1,830,563	1,315,115	124,778	73,728	5,248

Footnotes at end of table.

Individual Foreign-Earned Income and Foreign Tax Credit, 2006

Statistics of Income Bulletin | Spring 2009

Table 2. Individual Income Tax Returns With Form 2555: Foreign-Earned Income Exclusion, Housing Exclusion, and Housing Deduction, by Country or Region, Tax Year 2006—Continued

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

Country or region	Foreign-earned income			Foreign-earned income exclusion before deductions	Housing exclusion	Housing deduction
	Allowances, reimbursements, or expenses paid by employers	Less: meals and lodging excluded	Other foreign-earned income (less loss)			
	(7)	(8)	(9)	(10)	(11)	(12)
All geographic areas	4,792,710	18,257	1,686,961	18,357,200	1,336,430	83,632
North America, total	139,898	* 2,484	82,739	1,778,374	27,640	475
Canada	62,931	* 2,451	58,899	1,459,721	11,865	* 158
Greenland	0	0	0	0	0	0
Mexico	76,968	* 33	23,839	318,653	15,775	* 318
Latin/South America, total	141,420	* 819	53,935	677,079	30,066	868
Argentina	18,252	0	10,096	34,606	4,504	0
Brazil	52,192	* 21	11,322	122,346	8,534	* 383
Chile	14,060	* 22	13,034	55,454	4,307	0
Colombia	* 1,676	0	* 8,025	110,574	1,891	* 157
Costa Rica	* 3,921	0	* 2,343	81,316	1,927	0
Panama	* 5,411	0	* 379	59,768	* 993	0
Peru	7,797	0	* 3,962	26,375	* 753	* 8
Venezuela	27,950	0	1,795	52,826	5,528	0
Other Latin and South American countries	10,162	* 776	2,978	133,815	1,629	* 320
Caribbean, total	78,176	* 578	32,527	423,938	38,447	554
Bahamas	* 1,071	* 387	0	62,947	* 1,163	* 115
Bermuda	59,390	0	10,906	120,943	33,069	* 295
Cayman Islands	* 1,421	0	* 179	55,050	* 774	* 68
Dominican Republic	* 2,673	0	* -105	52,625	* 968	* 6
Other Caribbean countries	13,620	* 191	21,547	132,374	2,473	70
Europe, total	2,145,238	2,174	801,923	5,483,891	544,843	37,640
Austria	* 4,249	0	* 2,442	64,698	1,346	0
Belgium	65,488	* 30	33,609	122,311	16,381	717
Czech Republic	10,179	0	* 600	53,570	1,423	* 115
Denmark	* 2,080	0	* 10,892	92,083	1,021	0
Finland	* 7,425	0	* 1,066	25,830	766	0
France	70,409	0	30,396	494,997	38,712	3,793
Germany	161,110	* 65	72,324	1,050,100	51,291	3,460
Greece	* 4,220	* 102	* 949	65,060	* 887	* 1,155
Hungary	* 4,272	0	* 5,245	34,488	1,318	* 51
Ireland	21,045	0	3,383	92,771	2,733	* 36
Italy	58,150	* 18	15,382	280,790	18,756	972
Luxembourg	* 2,110	* 31	* 3,773	13,826	1,461	0
Netherlands	105,371	0	33,002	172,551	16,703	* 642
Norway	40,600	0	* 4,710	71,149	2,711	0
Poland	5,823	0	* 951	22,580	796	* 142
Portugal	* 1,045	0	* 378	10,121	* 220	* 111
Russia	108,209	* 368	58,807	163,857	32,785	1,826
Spain	21,651	0	5,090	117,301	3,119	* 219
Sweden	12,855	0	* 872	91,305	1,111	* 133
Switzerland	114,343	0	35,562	459,225	49,381	1,467
Turkey	7,510	0	* 4,765	55,664	1,650	* 174
United Kingdom	1,294,549	* 1,561	465,957	1,725,794	296,566	22,323
Other European countries	22,544	0	11,767	203,819	3,707	305

Footnotes at end of table.

Individual Foreign-Earned Income and Foreign Tax Credit, 2006

Statistics of Income Bulletin | Spring 2009

Table 2. Individual Income Tax Returns With Form 2555: Foreign-Earned Income Exclusion, Housing Exclusion, and Housing Deduction, by Country or Region, Tax Year 2006—Continued

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

Country or region	Foreign-earned income			Foreign-earned income exclusion before deductions	Housing exclusion	Housing deduction
	Allowances, reimbursements, or expenses paid by employers	Less: meals and lodging excluded	Other foreign-earned income (less loss)			
	(7)	(8)	(9)	(10)	(11)	(12)
Africa, total	144,261	* 2,138	34,017	504,562	17,841	* 1,220
Algeria	* 3,665	0	0	* 11,672	* 1,028	0
Angola	34,460	0	* 3,728	25,009	1,405	* 22
Egypt	19,255	* 657	* 4,888	89,756	2,917	* 479
Kenya	* 3,812	* 3	* 508	41,746	* 571	* 124
Nigeria	25,923	* 1,143	* 7,072	61,578	2,102	* 413
South Africa	19,198	0	9,621	50,200	2,556	* 29
Other African countries	37,947	* 334	8,199	224,602	7,260	* 152
Asia, total	1,996,684	9,746	596,728	7,922,615	644,989	38,665
Afghanistan	* 3,742	* 494	0	329,893	0	* 112
China	462,495	* 11	126,800	742,633	112,418	2,788
Hong Kong	329,877	* 252	106,695	689,045	194,828	13,395
India	60,154	0	26,653	198,982	5,985	* 18
Indonesia	68,155	* 39	6,857	111,620	5,566	* 472
Iraq	7,711	* 1,668	* 3,521	1,187,886	* 2,290	* 829
Israel	* 4,189	0	5,723	401,871	650	* 145
Japan	327,858	* 2	118,823	1,115,473	133,821	10,139
Malaysia	32,086	0	9,630	67,154	6,109	* 348
Philippines	21,104	* 441	* 6,270	103,738	3,148	* 568
Saudi Arabia	27,233	* 2,117	10,237	365,144	6,352	* 4
Singapore	165,623	0	58,253	261,410	52,724	683
South Korea	91,430	0	31,944	349,846	38,858	2,976
Taiwan	64,113	* 579	14,935	348,466	14,028	* 156
Thailand	102,744	0	26,454	196,233	14,481	* 378
United Arab Emirates	70,949	* 2,836	12,732	505,403	27,230	3,240
Other Asian countries	157,220	* 1,306	31,201	947,815	26,500	2,417
Oceania, total	80,709	* 206	53,840	536,464	11,943	* 49
Australia	74,386	0	50,324	387,338	11,479	* 48
New Zealand	5,086	0	* 3,024	109,537	* 174	* 1
Other Oceania countries	* 1,237	* 206	* 491	39,589	* 291	0
All other countries	66,323	* 113	31,252	1,030,277	20,661	4,160

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

[1] Includes returns with no foreign-earned income, but filed to claim an exclusion for a prior year or for reporting purposes.

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

Individual Foreign-Earned Income and Foreign Tax Credit, 2006

Statistics of Income Bulletin | Spring 2009

Table 3. Individual Income Tax Returns With a Foreign Tax Credit or a Form 1116 [1]: Sources of Income, Deductions and Tax Items and Foreign Income, Taxes, and Credit, by Size of Adjusted Gross Income, Tax Year 2006

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

Size of adjusted gross income	Number of returns	Selected income, exclusion, deduction, and credit items reported on Form 1040						
		Adjusted gross income or deficit	Salaries and wages		Foreign-earned income exclusion [2]		Foreign housing deduction	
			Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
All returns	6,900,020	1,787,685,547	4,667,733	704,086,824	104,195	7,104,408	2,491	66,604
No adjusted gross income	64,433	-17,910,819	21,861	1,219,751	3,091	146,315	* 10	* [6]
\$1 under \$10,000	305,026	1,415,014	112,708	741,642	4,549	278,876	* 13	* 208
\$10,000 under \$25,000	469,098	8,214,577	202,318	2,855,578	8,291	499,642	* 109	* 771
\$25,000 under \$50,000	887,538	33,638,913	516,051	14,654,289	13,759	843,784	390	4,039
\$50,000 under \$75,000	1,002,359	62,595,444	625,190	27,818,961	11,142	732,107	258	3,308
\$75,000 under \$100,000	895,792	77,908,768	620,969	39,392,615	8,307	587,165	161	2,312
\$100,000 under \$200,000	1,757,545	247,122,513	1,339,397	138,148,155	22,388	1,550,282	442	7,453
\$200,000 under \$500,000	996,360	299,504,537	809,313	162,509,345	21,475	1,597,902	420	11,115
\$500,000 under \$1,000,000	298,313	204,152,569	242,262	95,025,933	6,710	523,948	322	12,083
\$1,000,000 under \$1,500,000	87,955	106,678,881	69,862	42,219,463	1,922	147,349	150	8,831
\$1,500,000 under \$2,000,000	39,777	68,564,737	31,154	23,599,877	808	60,725	51	3,095
\$2,000,000 under \$5,000,000	65,028	196,108,884	51,771	62,338,082	1,273	98,601	124	7,507
\$5,000,000 under \$10,000,000	18,078	124,606,787	14,619	33,520,283	285	22,385	23	2,155
\$10,000,000 or more	12,720	375,084,741	10,258	60,042,849	194	15,328	18	3,729

Footnotes at end of table.

Individual Foreign-Earned Income and Foreign Tax Credit, 2006

Statistics of Income Bulletin | Spring 2009

Table 3. Individual Income Tax Returns With a Foreign Tax Credit or a Form 1116 [1]: Sources of Income, Deductions and Tax Items and Foreign Income, Taxes, and Credit, by Size of Adjusted Gross Income, Tax Year 2006—Continued

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

Size of adjusted gross income	Selected income, exclusion, deduction, and credit items reported on Form 1040—continued							
	Taxable income		Foreign tax credit		Total income tax		Worldwide income [3]	
	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	6,664,735	1,504,490,773	6,418,317	10,958,470	6,446,287	343,723,194	2,940,944	1,192,814,878
No adjusted gross income	0	0	151	13	1,135	56,343	63,287	-17,580,894
\$1 under \$10,000	232,313	598,185	221,732	5,057	212,376	50,214	156,224	1,037,181
\$10,000 under \$25,000	404,828	3,176,839	388,427	30,711	357,928	246,715	204,430	4,138,026
\$25,000 under \$50,000	869,671	19,336,673	829,113	110,154	784,409	1,951,575	311,461	12,803,734
\$50,000 under \$75,000	996,588	41,982,697	952,000	206,183	953,597	5,191,736	366,616	24,143,472
\$75,000 under \$100,000	893,582	55,884,993	854,194	214,073	878,551	7,545,229	310,722	28,071,183
\$100,000 under \$200,000	1,752,344	187,647,618	1,708,249	754,929	1,745,080	32,738,495	648,483	97,039,753
\$200,000 under \$500,000	994,364	248,266,474	960,785	1,920,006	992,694	58,429,790	521,622	166,033,152
\$500,000 under \$1,000,000	297,860	177,446,971	288,317	1,432,537	297,481	47,037,359	188,730	133,026,493
\$1,000,000 under \$1,500,000	87,844	94,282,869	84,665	739,541	87,732	25,238,084	61,627	76,223,706
\$1,500,000 under \$2,000,000	39,693	60,609,961	38,493	494,282	39,672	16,223,256	29,548	51,690,843
\$2,000,000 under \$5,000,000	64,899	174,928,438	62,732	1,471,381	64,896	46,366,765	51,299	157,189,837
\$5,000,000 under \$10,000,000	18,041	111,369,003	17,310	839,138	18,040	28,287,245	15,348	106,738,639
\$10,000,000 or more	12,706	328,960,054	12,151	2,740,464	12,697	74,360,388	11,547	352,259,751

Footnotes at end of table.

Individual Foreign-Earned Income and Foreign Tax Credit, 2006

Statistics of Income Bulletin | Spring 2009

Table 3. Individual Income Tax Returns With a Foreign Tax Credit or a Form 1116 [1]: Sources of Income, Deductions and Tax Items and Foreign Income, Taxes, and Credit, by Size of Adjusted Gross Income, Tax Year 2006—Continued

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

Size of adjusted gross income	Returns with a Form 1116							
	Foreign income, taxes and credit reported on Form 1116							
	Foreign-source gross income		Foreign-source deductions and losses		Foreign-source taxable income before adjustments [4]		Foreign taxes paid or accrued on:	
							Total	
	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	2,789,002	119,963,255	2,565,086	41,280,524	2,789,903	78,682,731	2,648,572	13,885,215
No adjusted gross income	50,256	1,487,183	48,707	1,094,018	51,021	393,166	44,632	61,892
\$1 under \$10,000	138,876	341,414	131,637	125,296	138,506	216,119	132,213	50,195
\$10,000 under \$25,000	186,820	962,566	168,279	300,728	187,036	661,838	178,670	118,868
\$25,000 under \$50,000	286,059	2,083,552	262,469	418,079	285,255	1,665,473	268,877	283,434
\$50,000 under \$75,000	346,881	2,583,293	306,680	406,916	346,941	2,176,377	324,199	392,396
\$75,000 under \$100,000	293,390	2,344,171	266,818	326,416	293,417	2,017,755	275,346	367,075
\$100,000 under \$200,000	627,487	6,787,157	571,391	943,424	627,643	5,843,733	591,566	1,200,539
\$200,000 under \$500,000	507,887	15,785,533	474,311	2,789,667	508,186	12,995,866	487,636	2,693,275
\$500,000 under \$1,000,000	184,891	11,210,382	175,424	2,950,049	185,236	8,260,333	181,148	1,735,311
\$1,000,000 under \$1,500,000	60,401	7,480,404	57,535	2,513,146	60,482	4,967,257	59,087	902,335
\$1,500,000 under \$2,000,000	29,020	4,500,201	27,710	1,569,667	29,052	2,930,534	28,740	547,894
\$2,000,000 under \$5,000,000	50,522	14,218,711	48,479	5,359,749	50,571	8,858,962	50,107	1,637,698
\$5,000,000 under \$10,000,000	15,111	9,175,396	14,573	3,383,657	15,133	5,791,739	15,002	950,241
\$10,000,000 or more	11,402	41,003,292	11,073	19,099,712	11,422	21,903,580	11,349	2,944,063

Footnotes at end of table.

Individual Foreign-Earned Income and Foreign Tax Credit, 2006

Statistics of Income Bulletin | Spring 2009

Table 3. Individual Income Tax Returns With a Foreign Tax Credit or a Form 1116 [1]: Sources of Income, Deductions and Tax Items and Foreign Income, Taxes, and Credit, by Size of Adjusted Gross Income, Tax Year 2006—Continued

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

Size of adjusted gross income	Returns with a Form 1116—continued							
	Foreign income, taxes and credit reported on Form 1116—continued							
	Foreign taxes paid or accrued on—continued:							
	Dividends		Rents and royalties		Interest		Other income	
	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	2,178,672	1,483,281	22,503	151,912	63,824	72,968	596,446	12,177,054
No adjusted gross income	37,113	14,666	249	370	950	1,354	9,003	45,502
\$1 under \$10,000	110,316	6,543	* 48	* 90	1,367	629	22,192	42,933
\$10,000 under \$25,000	143,246	13,652	* 2,780	* 1,546	7,306	4,291	33,142	99,379
\$25,000 under \$50,000	204,570	29,566	* 1,346	* 80	4,748	2,637	71,722	251,151
\$50,000 under \$75,000	267,381	46,013	* 800	* 1,431	7,851	4,646	62,400	340,306
\$75,000 under \$100,000	233,401	62,694	2,462	436	4,701	2,316	48,281	301,629
\$100,000 under \$200,000	492,461	176,245	4,821	23,575	12,264	4,370	116,900	996,349
\$200,000 under \$500,000	406,993	259,707	6,686	46,531	14,291	18,307	113,492	2,368,731
\$500,000 under \$1,000,000	148,117	172,278	1,596	13,203	5,147	9,741	53,209	1,540,088
\$1,000,000 under \$1,500,000	49,491	94,783	388	3,011	1,532	3,069	19,802	801,471
\$1,500,000 under \$2,000,000	23,605	67,777	311	6,391	891	1,626	11,026	472,099
\$2,000,000 under \$5,000,000	41,192	186,014	664	19,092	1,778	9,718	21,025	1,422,873
\$5,000,000 under \$10,000,000	12,109	112,428	194	10,680	521	3,290	7,514	823,842
\$10,000,000 or more	8,679	240,914	157	25,475	476	6,975	6,739	2,670,700

Footnotes at end of table.

Individual Foreign-Earned Income and Foreign Tax Credit, 2006

Statistics of Income Bulletin | Spring 2009

Table 3. Individual Income Tax Returns With a Foreign Tax Credit or a Form 1116 [1]: Sources of Income, Deductions and Tax Items and Foreign Income, Taxes, and Credit, by Size of Adjusted Gross Income, Tax Year 2006—Continued

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

Size of adjusted gross income	Returns with a Form 1116—continued									
	Foreign income, taxes and credit reported on Form 1116—continued									
	Foreign taxes available for credit		Foreign tax carryover or carryback		Reduction in foreign taxes		Gross foreign tax credit		Foreign tax credit after adjustments [5]	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(33)	(34)	(35)	(36)	(37)	(38)	(39)	(40)	(41)	(42)
All returns	2,812,276	18,134,570	826,175	5,819,789	71,418	1,573,261	2,457,685	10,681,401	2,460,248	10,682,923
No adjusted gross income	58,234	172,737	36,664	121,254	975	10,827	* 14	* 1	* 14	* 1
\$1 under \$10,000	147,789	64,308	64,316	47,512	3,396	34,462	72,930	2,018	72,930	2,018
\$10,000 under \$25,000	194,685	149,703	82,023	83,319	3,942	53,194	122,118	20,626	123,759	20,660
\$25,000 under \$50,000	294,501	484,739	114,151	299,010	6,467	97,705	253,036	83,166	253,036	83,106
\$50,000 under \$75,000	344,412	524,319	104,574	248,945	6,948	117,022	315,625	175,611	316,257	175,377
\$75,000 under \$100,000	293,601	490,475	90,312	226,594	5,374	103,366	269,124	179,931	269,124	179,691
\$100,000 under \$200,000	625,545	1,643,005	159,168	787,976	15,624	345,509	599,061	678,481	599,187	678,387
\$200,000 under \$500,000	502,581	3,599,801	108,710	1,372,033	18,376	465,521	486,012	1,871,273	486,046	1,873,287
\$500,000 under \$1,000,000	184,245	2,297,885	34,817	747,825	5,937	185,256	178,691	1,409,576	178,734	1,409,655
\$1,000,000 under \$1,500,000	60,170	1,228,982	11,298	387,943	1,837	61,295	58,278	734,497	58,337	734,501
\$1,500,000 under \$2,000,000	29,150	703,420	5,398	179,794	815	24,305	28,256	491,405	28,264	491,682
\$2,000,000 under \$5,000,000	50,724	2,124,602	9,439	532,376	1,210	45,573	48,994	1,461,534	49,003	1,461,184
\$5,000,000 under \$10,000,000	15,173	1,198,934	2,794	262,810	292	14,263	14,571	838,374	14,579	837,491
\$10,000,000 or more	11,464	3,451,661	2,511	522,397	225	14,961	10,975	2,734,908	10,978	2,735,884

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

[1] Not all taxpayers with a foreign tax credit file the Form 1116. Taxpayers with \$300 (\$600 if married filing a joint return) or less in creditable foreign taxes who also meet certain other conditions are not required to file Form 1116 to claim the foreign tax credit.

[2] Amount reported on Form 1040 is the total amount of foreign-earned income exclusion after subtracting deductions allocable to excluded income.

[3] Worldwide income is total income or loss reported on Form 1040 before the foreign-earned income and housing exclusions have been taken.

[4] Adjustments include allocation of foreign losses, recapture of prior-year foreign losses, and recharacterization of income.

[5] Adjustments include reductions for participation in unsanctioned international boycotts and increases permitted by tax treaties between the United States and certain foreign countries.

[6] Less than \$500.

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

Individual Foreign-Earned Income and Foreign Tax Credit, 2006

Statistics of Income Bulletin | Spring 2009

Table 4. Individual Income Tax Returns With Form 1116: Foreign-Source Income, Deductions, and Taxes, by Country or Region, Tax Year 2006

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

Country or region	Number of returns	Foreign-source gross income	Foreign-source deductions and losses	Foreign-source taxable income before adjustments [1]	Foreign taxes paid or accrued on:				
					Total	Dividends	Rents and royalties	Interest	Other income
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
All geographic areas	2,941,952	119,963,255	41,280,524	78,682,731	13,885,215	1,483,281	151,912	72,968	12,177,054
North America, total	257,726	12,133,130	4,152,170	7,980,960	2,034,525	161,536	47,129	19,809	1,806,052
Canada	240,191	9,966,174	3,187,674	6,778,501	1,773,465	153,926	40,780	19,454	1,559,306
Greenland	* 4	* 7	* [2]	* 7	* 1	* 1	0	0	* [2]
Mexico	17,531	2,166,948	964,496	1,202,452	261,059	7,609	6,349	355	246,746
Latin/South America, total	17,359	4,330,765	2,360,572	1,970,193	286,178	26,061	6,566	1,021	252,530
Argentina	2,897	130,006	20,372	109,634	32,942	2,139	* 5,689	* 227	24,887
Brazil	7,262	453,292	130,975	322,318	77,618	766	273	714	75,865
Chile	1,268	60,326	9,818	50,509	16,843	346	* 114	0	16,383
Colombia	1,244	3,213,772	2,065,379	1,148,393	82,923	448	* 133	* 24	82,317
Costa Rica	294	41,981	16,850	25,131	4,546	* 552	0	* 29	3,965
Panama	353	72,329	42,920	29,409	6,347	* 296	* 150	0	5,901
Peru	530	59,002	4,260	54,742	11,901	* 1308	* 19	* 26	10,548
Venezuela	831	173,743	17,611	156,132	44,825	19,365	* 73	0	25,387
Other Latin/South American countries	2,679	126,311	52,389	73,924	8,233	842	115	0	7,276
Caribbean, total	6,816	612,320	164,730	447,589	84,644	2,075	* 189	* 6	82,375
Bahamas	42	4,725	58	4,667	* 2	* 2	0	0	* [2]
Bermuda	2,346	117,443	13,896	103,546	3,554	* 444	0	0	3,110
Cayman Islands	354	21,546	8,468	13,078	39	* 17	0	0	* 22
Dominican Republic	622	94,704	30,108	64,596	5,656	* 1,101	0	0	4,555
Other Caribbean countries	3,452	373,903	112,201	261,703	75,393	510	* 189	* 5	74,686
Europe, total	357,218	24,809,573	6,420,816	18,388,757	5,424,521	268,650	54,105	29,449	5,072,316
Austria	1,514	108,676	53,620	55,056	21,713	3,166	* 103	* 69	18,374
Belgium	7,636	609,213	216,637	392,576	129,562	2,238	* 46	21	127,257
Czech Republic	378	35,310	9,665	25,645	10,410	* 1	* 194	* 7	10,208
Denmark	1,314	60,257	11,592	48,665	19,831	2,922	* 46	* [2]	16,863
Finland	22,310	79,394	16,257	63,137	16,561	3,245	* 61	* 1	13,252
France	40,449	1,380,999	320,524	1,060,474	238,016	26,492	2,780	1,140	207,603
Germany	42,450	3,742,259	1,706,669	2,035,590	760,185	22,543	9,460	2,745	725,437
Greece	2,212	78,457	19,286	59,171	13,074	* 21	* 172	* 295	12,586
Hungary	297	73,176	40,074	33,102	12,976	* 2,086	0	* 3	10,887
Ireland	1,256	322,871	132,808	190,064	56,474	172	* 266	233	55,802
Italy	4,864	498,431	149,486	348,945	137,846	15,939	21,167	443	100,297
Luxembourg	2,201	125,069	8,533	116,535	21,240	8,645	0	* 11	12,583
Netherlands	34,067	1,195,084	140,691	1,054,393	169,864	25,513	* 11	521	143,819
Norway	4,771	166,109	10,539	155,570	55,153	634	* 60	* 82	54,377
Poland	578	61,172	18,534	42,638	12,682	1,753	* 21	* 19	10,888
Portugal	1,859	80,430	6,345	74,085	17,001	117	* 30	* 4	16,850
Russia	3,276	910,743	96,114	814,629	118,708	8,223	* 590	* 160	109,735
Spain	3,890	222,260	40,634	181,626	50,566	996	* 1,875	119	47,575
Sweden	8,630	199,304	48,497	150,807	53,008	3,486	* 154	206	49,162
Switzerland	23,503	1,368,880	181,461	1,187,419	389,267	72,768	* 1,846	4,357	310,296
Turkey	897	155,930	17,359	138,572	36,121	2,021	* 10,065	* 8	24,028
United Kingdom	127,572	11,940,245	2,707,693	9,232,552	3,046,948	58,048	5,115	16,411	2,967,373
Other European countries	21,295	1,395,304	467,798	927,509	37,316	7,620	41	2,594	27,065
Africa, total	5,272	680,565	175,845	504,720	113,606	1,019	* 2	* 538	112,046
Algeria	159	14,379	1,608	12,771	2,310	* 12	0	0	2,299
Angola	789	185,554	62,530	123,024	20,997	* 1	0	0	20,996
Egypt	288	47,575	2,297	45,278	8,069	* 3	0	0	8,066
Kenya	75	* 11,991	864	11,127	* 2,744	0	0	0	2,744
Nigeria	811	158,975	45,573	113,401	18,918	* 7	0	0	18,910
South Africa	719	114,653	33,916	80,736	27,491	* 799	* 2	* 499	26,191
Other African countries	2,431	147,437	29,058	118,380	33,074	196	* [2]	* 39	32,839

Footnotes at end of table.

Individual Foreign-Earned Income and Foreign Tax Credit, 2006

Statistics of Income Bulletin | Spring 2009

Table 4. Individual Income Tax Returns With Form 1116: Foreign-Source Income, Deductions, and Taxes, by Country or Region, Tax Year 2006—Continued

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

Country or region	Number of returns	Foreign-source gross income	Foreign-source deductions and losses	Foreign-source taxable income before adjustments [1]	Foreign taxes paid or accrued on:				
					Total	Dividends	Rents and royalties	Interest	Other income
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Asia, total	135,617	11,696,581	1,497,691	10,198,890	2,348,346	66,575	10,239	5,667	2,265,865
Afghanistan	205	10,554	1,927	8,627	* 168	* 2	0	0	* 167
China	15,217	1,578,847	228,612	1,350,235	469,638	5,812	* 408	58	463,361
Hong Kong	8,344	1,583,595	173,280	1,410,315	270,900	2,489	285	* 3	268,123
India	17,422	2,153,847	56,207	2,097,640	126,843	1,078	845	960	123,959
Indonesia	1,787	306,379	16,988	289,391	93,560	83	* 82	* 1	93,394
Iraq	230	19,780	2,859	16,920	* 244	* [2]	0	0	* 244
Israel	11,497	461,682	49,935	411,747	158,240	9,459	1,390	1,243	146,148
Japan	48,274	2,596,680	449,071	2,147,609	658,674	21,476	5,885	2,221	629,092
Malaysia	1,172	129,392	24,794	104,598	33,033	* 52	* 51	0	32,930
Philippines	2,090	140,880	30,080	110,799	23,308	3,274	0	* 21	20,013
Saudi Arabia	1,050	99,136	8,058	91,077	369	* 140	0	* [2]	* 229
Singapore	4,762	804,773	90,497	714,275	144,495	2,124	207	* 16	142,148
South Korea	6,117	552,378	83,628	468,750	107,891	4,327	* 327	974	102,263
Taiwan	7,436	465,537	166,766	298,771	100,259	13,575	508	138	86,037
Thailand	2,679	258,187	26,121	232,066	88,502	1,461	0	28	87,013
United Arab Emirates	497	54,488	4,869	49,619	841	* 12	0	0	* 829
Other Asian countries	6,837	480,446	83,998	396,450	71,384	1,210	250	4	69,918
Oceania, total	17,145	1,196,689	303,656	893,032	255,492	21,960	5,005	6,602	221,926
Australia	12,492	1,004,632	271,017	733,615	232,008	20,530	4,684	3,044	203,749
New Zealand	3,427	166,115	30,540	135,575	20,794	1,262	* 320	3,555	15,656
Other Oceania countries	1,225	25,941	2,099	23,841	2,689	167	0	* 2	2,520
U.S. Possessions, total	34,964	1,442,788	397,177	1,045,612	157,900	9,844	* 1,707	* 818	145,532
Puerto Rico	32,565	1,321,106	320,292	1,000,814	146,568	9,801	* 1,707	* 818	134,243
Other U.S. Possessions	2,399	121,681	76,885	44,797	11,331	* 43	0	0	11,288
Country not stated	2,624,121	62,512,967	25,739,129	36,773,838	3,167,196	916,528	26,351	9,058	2,215,260
FSC distributions [3]	2,708	139,035	2,458	136,577	1,757	271	0	0	* 1,486
IC-DISC dividends [4]	57,725	406,183	65,100	341,083	11,049	8,763	* 620	* [2]	1,667

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

[1] Adjustments include allocation of foreign losses, recapture of prior-year foreign losses, and recharacterization of income.

[2] Less than \$500.

[3] FSCs are Foreign Sales Corporations.

[4] IC-DISCs are Interest-Charge Domestic International Sales Corporations.

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

Individual Foreign-Earned Income and Foreign Tax Credit, 2006

Statistics of Income Bulletin | Spring 2009

Table 5. Individual Income Tax Returns With Form 1116: Foreign-Source Income, Deductions, and Taxes, by Type of Income, Tax Year 2006

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

Type of income	Number of returns [1]	Foreign-source gross income		Foreign-source deductions and losses		Foreign-source taxable income before adjustments [2]	
		Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
All returns	2,941,952	2,789,011	119,963,255	2,565,086	41,280,524	2,789,903	78,682,731
Passive income	1,967,274	1,858,376	36,504,530	1,696,255	9,395,073	1,857,093	27,109,457
High withholding tax interest	42,601	40,767	563,758	37,189	177,919	40,929	385,840
Financial services income	38,146	34,906	1,871,501	30,227	1,063,251	34,906	808,251
Shipping income	191	180	99,787	179	75,642	180	24,146
Dividends from an IC-DISC [3]	57,725	51,283	406,183	39,349	65,100	51,283	341,083
Distributions from a FSC [4]	2,708	2,658	139,035	589	2,458	2,658	136,577
Lump-sum distributions	899	* 77	* 2,119	* 75	* 251	* 77	* 1,868
Section 901(j) income	* 953	* 953	* 6,898	* 950	* 1,019	* 953	* 5,880
Certain income re-sourced by treaty	4,297	4,192	253,009	4,059	39,542	4,195	213,467
General limitation income	968,652	910,072	80,116,433	864,415	30,460,270	914,007	49,656,163

Type of income	Foreign taxes paid or accrued on:							
	Total		Dividends		Rents and royalties		Interest	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
All returns	2,648,572	13,885,215	2,178,672	1,483,281	22,503	151,912	63,824	72,968
Passive income	1,756,665	2,320,505	1,587,459	1,057,729	16,387	80,605	47,114	47,378
High withholding tax interest	34,433	30,069	21,391	5,828	* 33	* 44	6,654	3,953
Financial services income	34,424	150,173	27,949	7,068	* 9	* 753	* 55	* 107
Shipping income	177	1,771	* 14	* 61	0	0	0	0
Dividends from an IC-DISC [3]	48,945	11,049	42,681	8,763	* 699	* 620	* 3	* [6]
Distributions from a FSC [4]	1,586	1,757	1,539	271	0	0	0	0
Lump-sum distributions	739	3,108	* 699	* 90	0	0	0	0
Section 901(j) income	* 940	* 241	* 937	* 28	0	0	0	0
Certain income re-sourced by treaty	3,422	55,441	948	2,727	0	0	51	128
General limitation income	855,001	11,311,101	508,719	400,717	5,383	69,890	10,182	21,401

Type of income	Foreign taxes paid or accrued on:		Foreign taxes available for credit		Gross foreign tax credit [5]	
	Other income					
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(16)	(17)	(18)	(19)	(20)	(21)
All returns	596,446	12,177,054	2,812,276	18,134,570	2,457,685	10,681,401
Passive income	227,296	1,134,794	1,864,361	3,487,919	1,608,212	1,969,076
High withholding tax interest	6,944	20,245	36,954	38,102	32,709	24,504
Financial services income	7,232	142,245	36,494	164,541	31,492	134,957
Shipping income	163	1,710	189	10,195	156	1,127
Dividends from an IC-DISC [3]	5,680	1,667	52,380	12,621	46,088	6,907
Distributions from a FSC [4]	* 50	* 1,486	1,596	1,917	1,503	1,101
Lump-sum distributions	* 40	* 3,018	753	3,241	* 360	* 909
Section 901(j) income	* 3	* 213	* 940	* 231	0	0
Certain income re-sourced by treaty	2,471	52,586	4,132	85,648	3,281	39,574
General limitation income	369,593	10,819,092	923,728	14,330,155	819,683	8,503,246

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

[1] Taxpayers may report more than one type of foreign-source income on a return. Consequently, the number of returns by type of income do not add to total.

[2] Adjustments include allocation of foreign losses, recapture of prior-year foreign losses, and recharacterization of income.

[3] IC-DISCs are Interest-Charge Domestic International Sales Corporations.

[4] FSCs are Foreign Sales Corporations.

[5] This is before adjustments. Adjustments include reductions for participation in unsanctioned international boycotts and increases permitted by tax treaties between the United States and certain foreign countries.

[6] Less than \$500.

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

International Boycott Reports, 2005 and 2006

by Melissa Costa

For Calendar Year 2006, 112 “U.S. persons” reported receiving almost 2,300 requests to participate in boycotts unsanctioned by the United States.¹ Most of these (91 percent) were requests from Arab League Countries to participate in some form of a boycott against Israel. While the number of U.S. persons receiving requests decreased by only three persons from 2005, the number of requests dropped by nearly 40 percent. About 30 percent of those receiving requests agreed to participate in a boycott. Less than 3 percent of all taxpayers filing Form 5713, however, reported tax consequences.

The Antiboycott Laws

The Arab League organization was founded in 1944 and currently contains 23 countries and entities. After Israel became independent in 1948, the Arab League instituted a formalized boycott of the state of Israel and anyone who does business with Israel.

In the 1970s, the United States Congress enacted laws to combat this boycott.² One law, the 1977 amendments to the Export Administration Act of 1969, requires U.S. persons to report quarterly to the Commerce Department the requests they have received to participate in, support, or further a prohibited boycott. Those U.S. persons who agree to participate in such boycotts are subject to criminal and civil penalties.

The other antiboycott law is the Ribicoff Amendment to the Tax Reform Act of 1976 (TRA76). It requires all U.S. taxpayers and their related persons to report operations in, with, or related to, boycotting countries or their nationals to the Internal Revenue Service. Operations include any business or commercial transactions, even if they do not generate income. Per Internal Revenue Code section 999(a), taxpayers report these operations on Form 5713, *International Boycott Report*, filed annually with

their Federal income tax returns. Although Congress intended these laws to dissuade boycotts of Israel, they cover any boycott not sanctioned by the United States.

Operations

For Calendar Year 2005, taxpayers filed 1,402 Forms 5713, while 1,412 forms were filed for 2006. Corporations filed approximately 90 percent of Forms 5713 for both years, while partnerships accounted for roughly 8 percent of the total. Trusts, estates, and individuals filed most of the remainder. The majority of Forms 5713 were filed to report the taxpayer’s operations in boycotting countries. For both years, 99 percent of taxpayers reported operations in Arab League nations known to participate in the boycott of Israel. Taxpayers listed Saudi Arabia and the United Arab Emirates more frequently than any other countries. Less than 3 percent of filers reported operations in countries known to participate in an unsanctioned boycott of a country other than Israel. Of the latter, the most frequently listed boycotting country for both years was Pakistan.³

Types of Boycotts

There are three tiers to the Arab League’s boycott of Israel. The primary boycott bans the importation of goods and services originating in Israel into member countries. Because the United States does not wish to infringe on the right of any country to choose its own trading partners, the antiboycott laws do not target such boycotts. They are directed instead against the secondary and tertiary boycotts. The secondary boycott bans entities in member states from doing any business with any entity that does business with Israel. A tertiary boycott bans entities in member countries from doing business with companies or individuals who have business with firms on the Arab League blacklist.

Specifically, Internal Revenue Code section 999(b)(3) classifies disallowed boycotts into the five types below:

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¹ As defined in IR Code section 7701(a)(30), U.S. persons are U.S. citizens or residents, domestic partnerships, domestic corporations, and estates or trusts. This excludes foreign trusts or estates whose income from sources outside the United States is not includible in the income of its beneficiaries.

² Doernberg, Richard L. (1999), *International Taxation*, West Group, St. Paul, MN, p. 413.

³ Taxpayers do not report the country that their countries of operation were boycotting when it is not Israel.

International Boycott Reports, 2005 and 2006

Statistics of Income Bulletin | Spring 2009

1) A person agrees, as a condition of doing business directly or indirectly within a country or with the government, a company, or a national of the country:

a) to refrain from doing business with or in a country which is the object of the boycott or with the government, companies, or nationals of that country [Type 1 request, as shown in Figure A]; or

b) to refrain from doing business with any U.S. person engaged in trade in a country which is the object of the boycott or with the government, companies, or nationals of that country [Type 2]; or

c) to refrain from doing business with any company whose ownership or management is made up, all or in part, of individuals of a particular nationality, race, or religion [Type 3]; or

d) to refrain from employing individuals of a particular nationality, race, or religion [Type 4]; or

2) A person agrees, as a condition of the sale of a product to the government, a company, or a national of a country, to refrain from shipping or insuring the product(s) on a carrier owned, leased, or operated by a person who does not participate in or cooperate with a boycott [Type 5].⁴

For both years, around 8 percent of filers reported receiving requests. Figure A includes the number of persons receiving requests and the number of requests received, by type. Most of the boycott requests for both 2005 and 2006 were either type 1 or type 5 requests.

Participation of Listed and Nonlisted Countries

Actual participation with the Arab League boycott has always varied greatly among its member states and with the ups and downs of the Israeli/Palestinian conflict.⁵ Over time, the number of persons receiving requests has remained relatively constant, but the number of requests received has fluctuated considerably. See Figure B.

Figure A

Number of Persons Receiving Boycott Requests and Number of Requests Received, by Type of Request, 2005-2006

Type of boycott request	Number of persons receiving boycott requests [1]		Number of boycott requests received [2]	
	2005 (1)	2006 (2)	2005 (3)	2006 (4)
Total	115	112	3,703	2,270
Type 1	64	67	1,513	1,143
Type 2	15	7	556	41
Type 3	18	13	240	47
Type 4	12	5	222	53
Type 5	74	59	1,172	986

[1] A person could receive more than one type of request.

[2] Many persons fail to report the total number of requests.

NOTE: This figure counts an unknown number of requests as one request.

Some nations, including Algeria, Egypt, Jordan, Mauritania, Morocco, the Palestinian Authority, and Tunisia, either formally ended the boycott long ago or never enforced it.⁶ Some, like Kuwait and Qatar, support only primary boycotts, and others continue to enforce all three levels of boycott activity. The U.S. Department of Treasury maintains a list, published quarterly, of those countries known to participate in unsanctioned boycotts.

For 2005, that list included Bahrain, Iraq, Kuwait, Lebanon, Libya, Oman, Qatar, Saudi Arabia, Syria, the United Arab Emirates, and Yemen. Bahrain and Oman stated they would not comply with the boycott of Israel during negotiations for their respective Free Trade Agreements with the United States and were removed from the Treasury List in 2006. Listed countries were responsible for 89 percent of the total requests for 2005 and 82 percent for 2006.

Figure C provides a comparison of the number of requests received, by selected country, for 2005 and 2006. Requests received from Lebanon experienced the most noticeable decline, with a fall of 69 percent, followed by the United Arab Emirates, with a fall of 62 percent. (The United Arab Emirates began negotiating for a free trade agreement with the

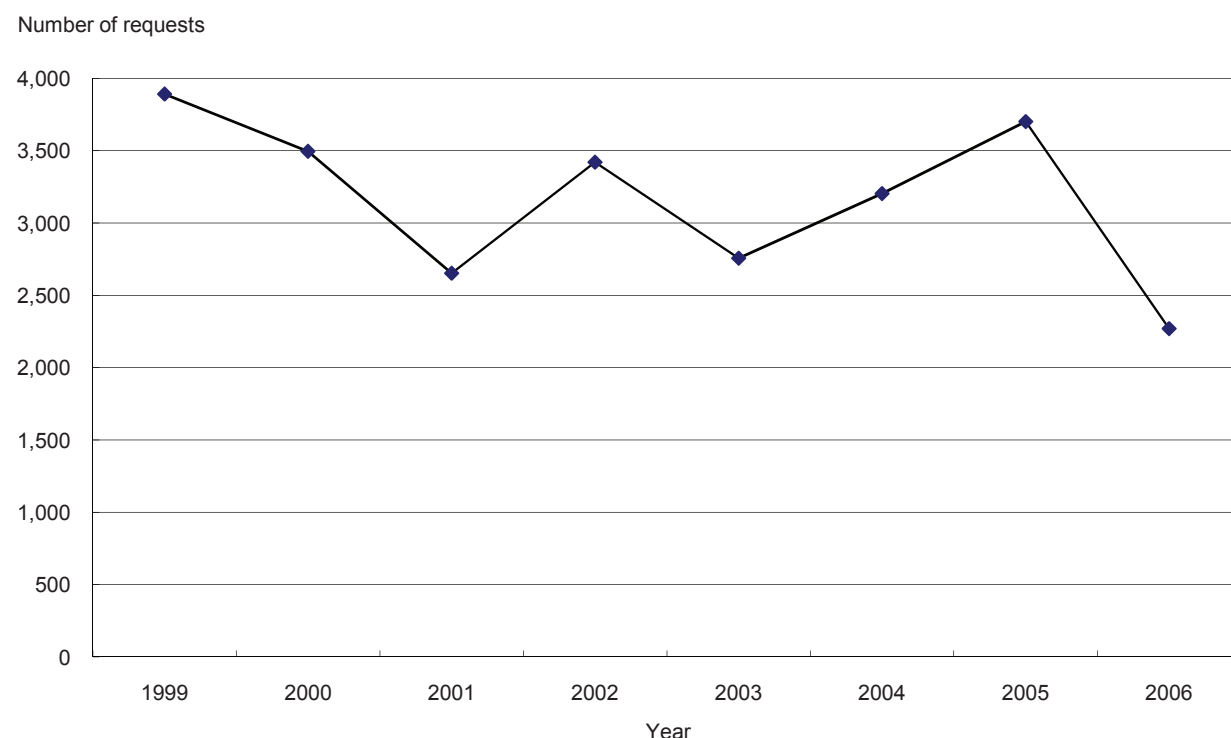
⁴ For a more detailed discussion of activities not permitted under the boycott provisions, see Doenberg, pp. 414-420.

⁵ Weiss, Michael, "Arab League Boycott of Israel," CRS Report for Congress, August 27, 2008, <http://www.usembassy.it/pdf/other/RL33961.pdf>.

⁶ Ibid.

Figure B

Number of Boycott Requests Received, 1999-2006



United States in 2005). Despite the dramatic drop in requests, the United Arab Emirates still accounted for the largest percentage of requests for both years, comprising 37 percent of the total for 2005 and 20 percent for 2006.

Approximately 18 percent of requests for 2006 originated from nonlisted countries, up from 11 percent for 2005. Requests from Pakistan comprised about one-quarter of the nonlisted requests for both 2005 and 2006. In 2006, another quarter of the nonlisted requests came from Oman. Nevertheless, overall requests from Oman fell by two-thirds, from 304 for 2005 to 104 for 2006. Non-Arab League countries accounted for approximately 6 percent of the total requests for 2005 and 9 percent for 2006.

Boycott Agreements

Approximately 2 percent of the filers in both study years agreed to participate in an unsanctioned boycott, 31 in 2005 and 32 in 2006. Table 1 provides the

number of persons receiving requests, the number of persons agreeing to participate, and the number of requests and agreements, by Treasury-listed country. Overall, boycott agreements fell almost 15 percent, from 494 in 2005 to 421 in 2006. In 2005, taxpayers agreed to participate with about 13 percent of the requests they received, while they agreed to about 19 percent of the requests received in 2006. They were most likely to comply with requests from Saudi Arabia, agreeing to 30 percent of its requests in 2005 and 55 percent in 2006.

Tax Penalties

U.S. taxpayers who participated in the boycotts listed may lose their right to claim certain tax benefits provided by U.S. tax law. For 2005 and 2006, taxpayers lost portions of the foreign tax credit, the exclusion of extraterritorial income, and the tax deferral available to U.S. shareholders of controlled foreign corporations (CFCs).^{7, 8} Not all taxpayers, of course, were

⁷ This exclusion allowed businesses to deduct qualifying foreign trade income from their U.S. gross incomes. Qualifying foreign trade income was defined as the greatest of the following income, that when excluded would reduce taxable income by (1) 1.2 percent of foreign trading gross receipts, or (2) 15 percent of foreign trade income, or (3) 30 percent of foreign sales and leasing income.

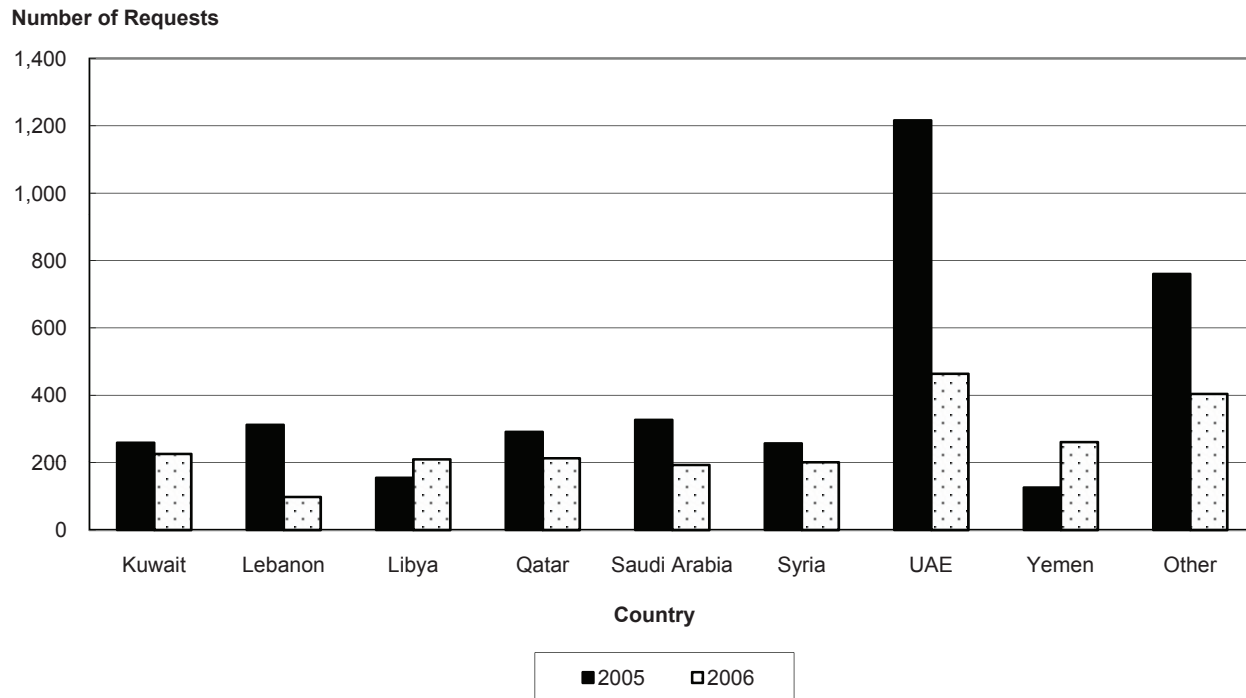
⁸ No taxpayer has reported a loss of tax deferral of Interest Charge Domestic International Sales Corporation or Foreign Sales Corporation benefits in recent years. Congress repealed the FSC provisions in November 2000. Exceptions that permitted certain FSCs to continue were repealed in May 2006.

International Boycott Reports, 2005 and 2006

Statistics of Income Bulletin | Spring 2009

Figure C

Number of Boycott Requests Received, by Requesting Country, 2005-2006



eligible for the tax benefits subject to consequences. Of those taxpayers agreeing to participate, 19 lost tax benefits in 2005, and 9 lost tax benefits in 2006.

Taxpayers who had operations in a boycotting country were required to reduce foreign trade income qualifying for extraterritorial income exclusion, even if they did not receive any requests to participate in a boycott. There were 28 taxpayers for 2005 who lost part of their extraterritorial income exclusion although they did not participate in a boycott and 24 for 2006.

Taxpayers compute the loss of extraterritorial income exclusion using the international boycott factor method. Under this method, the loss of tax benefit is determined by the taxpayer's ratio of purchases, sales, and payroll in boycotting countries to the taxpayer's total foreign purchases, sales, and payroll. The amount of foreign trade income qualifying for exclusion is reduced by the same proportion as the international boycott factor. In all, taxpayers reduced the exclusion by \$1,551,456 in 2005 (in constant 2006 dollars) and \$550,936 in 2006. (Table 2 shows

the amount of tax consequences reported for the past 11 years, in constant 2006 dollars, by method of computation.)⁹

For the denial of other tax benefits, taxpayers may use either the international boycott factor method or the specifically attributable method. Under the specifically attributable method, taxpayers reduce each benefit by foreign taxes paid or foreign income earned that is associated with the operation in the boycotting countries with whom the agreement was made and that would otherwise be eligible for tax benefits.

Taxpayers who use the international boycott factor reduce their foreign tax credit by the same proportion as the boycott factor. Those who use the specifically attributable method subtract foreign taxes paid to boycotting countries with whom they established agreements from the amount of taxes eligible for credit.

Regardless of the method selected, taxpayers may still deduct taxes ineligible for the credit under

⁹ In the American Jobs Act of 2004, Congress enacted a gradual repeal of the extraterritorial income exclusion. Taxpayers could claim 80 percent of their eligible exclusion for 2005 and 60 percent for 2006. No exclusion can be claimed for tax years after 2006.

International Boycott Reports, 2005 and 2006

Statistics of Income Bulletin | Spring 2009

boycott provisions from their U.S. gross incomes. For 2005, taxpayers reduced their foreign tax credit by a total of \$7,805 (in constant 2006 dollars) using the first method and reduced their eligible foreign taxes by \$842,864 using the second method. For 2006, taxpayers lowered their total foreign tax credit by \$5,680,239 and decreased their total eligible foreign taxes by \$733,077.

Although the reduction in foreign tax credit due to boycott participation rose substantially for 2006, the boycott reduction remains a very small amount of the total foreign tax credit claimed by all U.S. persons. For comparison, the foreign tax credit for corporations filing for 2006 was over \$82 billion.

A CFC is any foreign corporation in which U.S. shareholders own directly, indirectly, or constructively more than 50 percent of either the total combined voting power or total value of all stock on any day of the taxable year of the corporation. Generally, earn-

ings from a CFC are not subject to tax in the United States until they are distributed to the U.S. parent.

Under both the international boycott factor and specifically attributable methods, shareholders of CFCs must convert some of their CFCs' undistributed incomes into a "deemed distribution," thereby subjecting the distribution to U.S. tax. Taxpayers who participated in a boycott reported a total increase of \$3,269,868 (in constant 2006 dollars) to their taxable incomes from CFCs for 2005 and \$14,644,844 for 2006.) As with the reduction of the foreign tax credit, the overall increase in taxable income from CFCs due to boycott participation is very small compared to total CFC income for all taxpayers.

Data Sources and Limitations

Data for the 2005 and 2006 studies were based on the population of Forms 5713, *International Boycott Report*, attached to U.S. income tax returns with accounting periods ending in those years.

International Boycott Reports, 2005 and 2006

Statistics of Income Bulletin | Spring 2009

Table 1. International Boycott Reports: Number of Persons Receiving Requests, Number of Requests Received, and Number of Agreements, by Boycotting Country, 2005-2006

Country	Number of persons receiving requests [1]		Number of boycott requests received [2]		Number of persons with agreements [1]		Number of boycott agreements		Boycott agreements as a percentage of requests received	
	2005 (1)	2006 (2)	2005 (3)	2006 (4)	2005 (5)	2006 (6)	2005 (7)	2006 (8)	2005 (9)	2006 (10)
All countries	115	112	3,703	2,270	31	32	494	421	13.3	18.5
Treasury-listed countries	106	90	3,290	1,866	24	27	480	381	14.6	20.4
Bahrain	20	N/A	43	N/A	6	N/A	9	N/A	20.9	N/A
Kuwait	30	31	259	226	10	15	36	48	13.9	21.2
Lebanon	29	29	312	98	11	10	91	31	29.2	31.6
Libya	36	30	155	210	5	9	6	25	3.9	11.9
Oman	22	N/A	304	N/A	3	N/A	5	N/A	1.6	N/A
Qatar	34	22	291	213	3	**	11	4	3.8	1.9
Saudi Arabia	28	23	327	193	10	8	99	107	30.3	55.4
Syria	26	19	257	201	10	7	39	65	15.2	32.3
United Arab Emirates	64	58	1,216	464	17	18	174	81	14.3	17.5
Yemen, Republic of	9	14	126	261	4	3	10	20	7.9	7.7
Nonlisted countries	38	54	413	404	6	12	14	40	3.4	9.9

N/A—not applicable. Bahrain and Oman were not on the Treasury List for 2006.

**Data deleted to avoid disclosure of information about specific taxpayers. However, data are included in the appropriate totals.

[1] Data in these columns do not add to totals because persons could have received requests from, or made agreements with, more than one country.

[2] The number of requests are undercounted to the extent that many taxpayers do not specify the number of requests they received. This table counts an unknown number of requests as one request.

International Boycott Reports, 2005 and 2006

Statistics of Income Bulletin | Spring 2009

Table 2. International Boycott Reports: Lost Tax Benefits, by Method of Computation, 1997-2006

[Money amounts are in whole dollars]

Method and calendar year	Reduction of foreign taxes or foreign tax credit [1]	Increase of Subpart F income [1]	Denial of Foreign Sales Corporation benefits [1]	Reduction of extraterritorial income exclusion [1, 2]
	(1)	(2)	(3)	(4)
Boycott factor method				
1997	29,208	282,026	0	0
1998	0	0	5,495	0
1999	0	0	0	0
2000	0	6,979	0	0
2001	0	0	0	0
2002	6,324	373,970	0	291,824
2003	4,407	38,857	0	318,170
2004	10,681	203,117	0	565,146
2005	7,805	235,945	0	1,551,456
2006	5,680,239	229,039	0	550,936
Specifically attributable taxes and income method				
1997	146	1,868,514	368,133	0
1998	0	875,226	534,784	0
1999	36,474	949,725	0	0
2000	23,974	1,820,590	0	0
2001	**	2,205,431	0	0
2002	774,690	5,751,347	0	0
2003	583,129	1,942,162	0	0
2004	692,435	3,207,772	0	0
2005	842,864	3,033,923	0	0
2006	733,077	11,705,731	0	0

**Data deleted to avoid disclosure of information about specific taxpayers.

[1] Money amounts have been adjusted for inflation to constant 2006 dollars using the Consumer Price Index.

[2] The reduction of the extraterritorial income exclusion was added to the November 2001 Form 5713 revision.

U.S. Possessions Corporation Returns, 2005

by Daniel S. Holik

In general, to qualify for the possessions tax credit, a corporation must be a domestic corporation (organized under the laws of one of the 50 states), and have filed Form 5712, *Election To Be Treated as a Possessions Corporation Under Section 936*. Once filed, this election remains in effect for 10 years, unless the taxpayer obtains permission for a revocation from the Internal Revenue Service.

Two gross income tests must also be satisfied. First, the possessions corporation must have derived 80 percent or more of its gross income from sources in a U.S. possession for the corporation's applicable period, which is generally the shorter of 36 months or the period when the corporation actively conducted a trade or business in a U.S. possession. The second test requires the corporation to derive at least 75 percent of its gross income from the active conduct of a trade or business in a U.S. possession. If these gross income tests are satisfied, a U.S. possessions corporation may claim the possessions tax credit for that portion of income earned from qualified sources in U.S. possessions. For Tax Year 2005, U.S. possessions included Puerto Rico, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and the U.S. Virgin Islands.

The United States taxes its citizens, residents, and corporations on their worldwide incomes. Because possessions corporations are domestic corporations, they are subject to U.S. taxation on income earned in U.S. possessions and other foreign tax jurisdictions. For U.S. tax purposes, however, income earned in U.S. possessions is generally considered foreign-source income. Unlike the foreign tax credit, the possessions tax credit reduces and, in some cases, eliminates the U.S. tax liability on qualified possessions income whether or not the possessions tax that income.¹ U.S. possessions typically employ a

combination of modest statutory rates and tax holidays, which together translate to fairly low effective tax rates.² Thus, the income earned by possessions corporations from possessions sources tends to be subject to low total effective tax rates.

The Tax Year 2005 Statistics of Income (SOI) possessions tax credit study is the last planned SOI study of possessions corporation returns. Generally, the possessions credit was repealed for taxable years beginning after December 31, 2005.³ For Tax Year 2005, the number of U.S. corporations claiming the possessions tax credit (102) and the amount of the credit claimed (\$0.9 billion) continued declines that began in the 1990s. These declines coincide with increased legislative restrictions on the use of the possessions tax credit.

Most of the U.S. corporations claiming a possessions tax credit for 2005 did so with respect to their operations in Puerto Rico. These 94 corporations claimed more than 98 percent of the total possessions tax credit.

Manufacturers continued to claim virtually all (over 98 percent) of the possessions tax credit. As in prior years, pharmaceuticals and medicines manufacturers accounted for the largest share of the credit. For 2005, 15 pharmaceuticals and medicines manufacturers reported possessions tax credits of nearly \$0.5 billion, approximately 55 percent of the total. Other industries with substantial amounts of possessions tax credits claimed included food manufacturing, computer and electric equipment, and medical equipment and supplies manufacturing.⁴

Background

Since 1921, Federal income tax laws have provided an incentive for U.S. corporations to conduct business in U.S. possessions. The original legislation provided an exemption from taxation for all income derived from sources outside the United States if certain conditions were met. Specifically, the corporation had to derive 80 percent or more of its gross income from U.S. possessions and 50 percent or

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¹ Subject to numerous limitations, the foreign tax credit is available only for actual taxes paid or accrued, or deemed paid. For more information on the foreign tax credit, see "Foreign Tax Credit, 2004," published in the *Statistics of Income Bulletin*, Summer 2008, Washington, D.C. 2008.

² For example, the Puerto Rican tax system is separate and independent from the U.S. tax system. Although it is modeled after the U.S. system, there are differences in law and tax rates. Puerto Rico provides various tax incentives for industries under the Tax Incentives Acts of 1987 and 1998 (see Note 13).

³ The Small Business Job Protection Act of 1996 generally repealed the credit for tax years beginning after December 31, 2005. See the Background section of this article for a more complete discussion of the legislative history of the U.S. Possessions Tax Credit.

⁴ Throughout this article, the North American Industry Classification System (NAICS) is used to categorize business activity of possessions corporations. See *North American Industry Classification System, United States, 2002*, Executive Office of the President, Office of Management and Budget for additional information about specific industrial groups. For example, the food manufacturing industrial group includes beverages and distilled spirits.

U.S. Possessions Corporation Returns, 2005

Statistics of Income Bulletin | Spring 2009

more of its gross income from the active conduct of a trade or business in the possessions. These tax provisions were enacted to help U.S. corporations compete with foreign companies operating in the Philippines, which was then a U.S. possession.

The Tax Reform Act of 1976 significantly changed the taxation of U.S. corporations operating in U.S. possessions, creating a new section 936 of the Internal Revenue Code. Rather than exempting all income derived from sources outside the United States for qualifying corporations, the new legislation allowed only a credit against taxes paid on income derived from the active conduct of a trade or business in a possession and “qualified possessions source investment income” (see the Explanation of Selected Terms section). The intent of this legislation was to encourage employment-producing investments by U.S. corporations in U.S. possessions.

The Tax Equity and Fiscal Responsibility Act of 1982 and the Tax Reform Act of 1986 further restricted tax benefits available under section 936 by modifying the tax treatment of income derived from intangible assets and passive investments. In general, the 1982 Act provided that a possessions corporation’s income from intangible assets, such as patents and copyrights, would be taxable to the U.S. shareholders (usually the U.S. parent corporation) of the possessions corporation.⁵ A possessions corporation could elect out of this general rule if it demonstrated that it had a significant business presence in the possession in which it operated, by meeting either a direct labor test or a value added test with respect to a specific product or type of service.⁶ Electing corporations could then choose to allocate income attributable to that product or service between the U.S.

shareholders and the possessions corporation using either the cost-sharing or profit split method.⁷ The 1982 Act also increased the percentage of gross income that a possessions corporation must earn from the active conduct of a trade or business in U.S. possessions to 65 percent. The 1986 Act increased this percentage to 75 percent.

Legislation introduced in the 1990s continued to restrict, and finally generally repeal, the possessions tax credit provisions. Congress, in the Omnibus Budget Reconciliation Act of 1993, required corporations to separate their possessions income and credit computations into active and passive components. While qualified passive income (i.e., “qualified possessions source investment income”) continued to receive unrestricted credit treatment, the possessions credit derived from active income was subject to a limitation computed under either the percentage limitation or economic-activity limitation methods (these methods are explained in the Highlights section).

The Small Business Job Protection Act of 1996 generally repealed the credit for tax years beginning after December 31, 1995. However, transition rules allowed an existing possessions corporation to claim credits, with certain restrictions, through taxable years beginning before January 1, 2006. The Act eliminated the credit for qualified possessions source investment income received or accrued after June 31, 1996.⁸ Existing credit claimants could, however, continue to claim reduced credit amounts for active income using the percentage or economic-activity limitations.⁹ The Act also implemented a base period constraint that limits the taxable income eligible for the credit for claimants using the percent-

⁵ Prior to the passage of the Tax Equity and Fiscal Responsibility Act of 1982, U.S. parent corporations could deduct research and development costs relative to an intangible asset (for example, a patent) and transfer the intangible to a related possessions corporation where the resulting income would qualify for the possessions tax credit under section 936. For further information, see General Accounting Office, “Report to the Chairman, Committee on Finance, U.S. Senate: Tax Policy, Puerto Rico Economic Trends,” May 1997.

⁶ U.S. possessions corporations file Form 5712-A, *Election and Verification of the Cost Sharing or Profit Split Method Under Section 936(h)(5)* to show under the direct labor or value added test that they have a significant business presence in a possession.

⁷ Generally, the cost-sharing method allows a possessions corporation to earn income from intangible processes (that may have been developed by a parent and/or members of the affiliated group) in the production of a product provided that the possessions corporation makes a cost-sharing payment (for use of the intangible processes) to the affiliate(s). Generally, the profit split method allows a possessions corporation to report income equal to 50 percent of the combined taxable income of the affiliated group from the production and sale of a product (while the remaining 50 percent of combined taxable income is allocated to the affiliated group).

⁸ For tax years beginning before January 1, 2006, the Act’s amendments with regard to both active and qualified possessions source investment income do not apply to existing credit claimants with respect to Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands. These claimants figure the credit under rules in effect prior to the 1996 Act.

⁹ With the passage of the Small Business Job Protection Act of 1996, credit claimants operating in Puerto Rico that use the economic activity limitation figure their credit under the new section 30A. Generally, the provisions of section 936 apply when computing the credit under section 30A. See the Explanation of Selected Terms section for a definition of the term “existing credit claimant.”

U.S. Possessions Corporation Returns, 2005

Statistics of Income Bulletin | Spring 2009

age limitation method.¹⁰ This base period constraint is effective for tax years beginning after December 31, 1997.¹¹

Highlights

As shown in Figure A, the statistics for 2005 reflect a continuing trend of fewer U.S. possessions corporations reporting smaller amounts of possessions tax

Figure A

Corporations Claiming the U.S. Possessions Tax Credit, Tax Years, 1983-2005

[Money amounts are in billions of dollars]

Tax year	Number of active possessions corporations [1]	Corporations claiming credit	
		Number	U.S. possessions tax credit
	(1)	(2)	(3)
1983	625	553	2.0
1984 [2]	n/a	536	2.0
1985	594	510	2.4
1986 [2]	n/a	520	2.9
1987	516	452	2.8
1988 [2]	n/a	458	2.3
1989	513	434	2.8
1990 [2]	n/a	400	3.2
1991 [2]	n/a	402	3.5
1992 [2]	n/a	414	3.7
1993	474	395	4.6
1994 [2]	n/a	390	3.8
1995	440	353	3.1
1996 [2]	n/a	335	3.1
1997	378	310	2.8
1998 [2]	n/a	260	2.4
1999	300	206	1.6
2000 [2]	n/a	197	1.4
2001	246	171	1.3
2002 [2]	n/a	147	1.2
2003	201	136	1.1
2004 [2]	n/a	105	0.9
2005	157	102	0.9

n/a—Not available.

[1] An active corporation is a corporation that has current income and/or deductions. A possessions corporation is a domestic corporation that has filed Form 5712, *Election to be Treated as a Possessions Corporation under Section 936*.

[2] No U.S. Possessions study was conducted for these tax years. The number of credit claimants and possessions tax credits for these tax years were published in the *Statistics of Income, Corporation Income Tax Returns, Publication 16*.

credits. For 2005, there were 157 active possessions corporations, a 22-percent decrease from the 201 active corporations for 2003.¹² During this same period, the total possessions tax credit decreased from \$1.1 billion to \$0.9 billion.

U.S. possessions corporations with operations in Puerto Rico continued to report virtually all of the possessions tax credits (Figure B). For 2005, 94 Puerto Rico-based possessions corporations claimed \$0.85 billion of possessions tax credits. These corporations also accounted for nearly all of the assets, receipts, and net income of corporations claiming the credit.

As shown in Figure C, manufacturing corporations claimed approximately 69 percent of the possessions tax credit.¹³ For 2005, manufacturers of food, textiles and apparel, pharmaceuticals and medicines, computers and electric equipment, and medical equipment and supplies, combined, claimed more than 40 percent of the \$0.9-billion total credit.

Figure D, which provides statistics for credit claimants for 1997, 1999, 2001, 2003, and 2005 highlights the extent of the decline in the use of the possessions tax credit provisions. The number of credit claimants in 2005 fell 25 percent to 102 from 2003. Assets reported for 2005 declined to \$32.7 billion (a 6-percent decrease from 2003) and receipts dropped to \$14.3 billion (a 26-percent decrease). For 2005, U.S. income tax before credits fell 9 percent to \$2.2 billion, and the total amount of possessions sales fell 7 percent to \$32.6 billion.

For 2005, possessions corporations were subject to a limitation on the possessions tax credit derived from their active business incomes. With certain restrictions, corporations could elect to determine the possessions credit using either a percentage or economic-activity limitation computation. The percentage limitation method required taxpayers to compute the possessions tax credit for active income as a percentage of the credit that would have been allowed prior to Tax Year 1994. For 2005, the applicable percentage was 40 percent.

¹⁰ A similar cap is effective for credit claimants using the economic-activity limitation for taxable years beginning after December 31, 2001.

¹¹ For more information on the legislative history, see Miller, Randy, "U.S. Possessions Corporations, 1995," *Statistics of Income Bulletin*, Summer 1999, Volume 19, Number 1.

¹² For more information on the possessions tax credit for Tax Years 1997, 1999, 2001, and 2003, see: Nutter, Sarah E., "U.S. Possessions Corporation Returns, 1997 and 1999," *Statistics of Income Bulletin*, Summer 2003, Volume 23, Number 1; Holik, Daniel S., "U.S. Possessions Corporations Returns, 2001," *Statistics of Income Bulletin*, Fall 2005, Volume 25, Number 2; and Holik, Daniel S., "U.S. Possessions Corporations Returns, 2003," *Statistics of Income Bulletin*, Summer 2006, Volume 26, Number 1.

¹³ Puerto Rico has tax incentives that are primarily for companies in the manufacturing or export business. Nonmanufacturing companies generally pay the full Puerto Rican income tax and then claim the U.S. foreign tax credit. Thus, nonmanufacturing companies receive little reduction in U.S. income tax liabilities through use of the possessions tax credit. For additional information, see General Accounting Office, "Report to the Chairman, Committee on Finance, U.S. Senate: Tax Policy, Puerto Rican Economic Trends," May 1997.

U.S. Possessions Corporation Returns, 2005

Statistics of Income Bulletin | Spring 2009

Figure B

Selected Information for U.S. Possessions Tax Credit Claimants, by U.S. Possession in Which Income Was Earned, Tax Year 2005

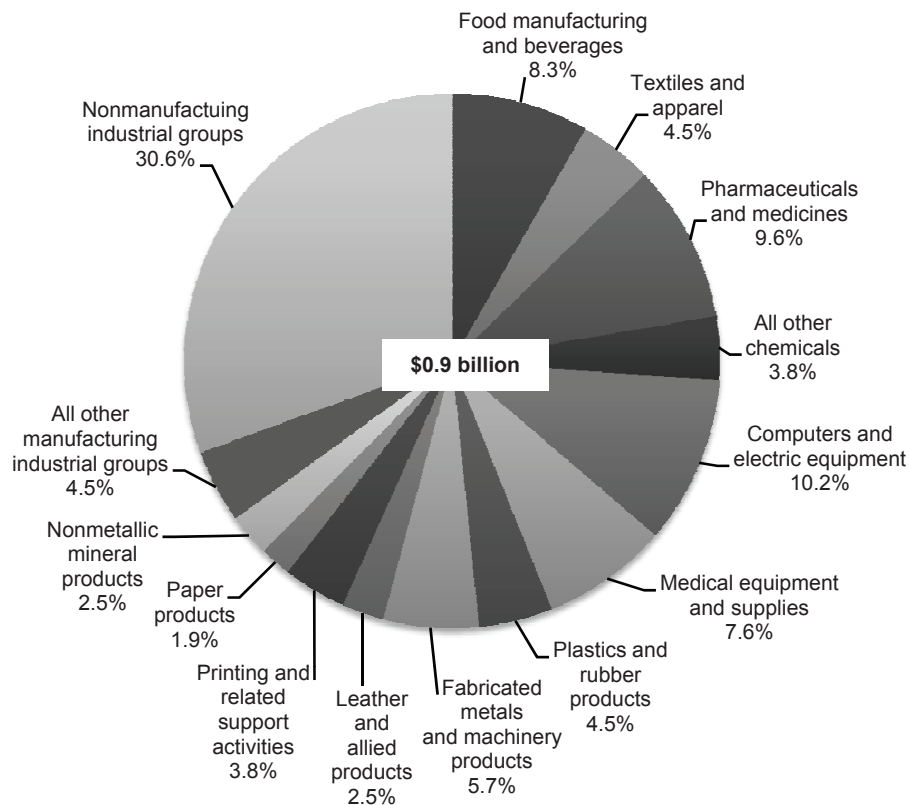
[Money amounts are in thousands of dollars]

U.S. Possession	Number of corporations claiming credit	Total assets	Total receipts	Net income (less deficit)	Income subject to tax	U.S. income tax before credits	U.S. possessions tax credit
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
All U.S. possessions	102	32,650,476	14,342,281	7,122,797	6,233,330	2,177,909	865,406
Puerto Rico	94	32,422,983	13,891,880	7,080,816	6,191,349	2,163,280	854,634
U.S. Virgin Islands	4	77,081	62,984	18,797	18,797	6,529	3,113
Other U.S. possessions	4	150,413	387,418	23,185	23,185	8,101	7,659

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

Figure C

U.S. Possessions Tax Credit, by Industrial Group, Tax Year 2005



U.S. Possessions Corporation Returns, 2005

Statistics of Income Bulletin | Spring 2009

Figure D

Selected Information for U.S. Possessions Tax Credit Claimants, Selected Tax Years, 1997-2005

[Money amounts are in thousands of dollars]

Item	1997	1999	2001	2003	2005
	(1)	(2)	(3)	(4)	(5)
Number of returns	310	206	171	136	102
Total assets	47,835,816	39,859,398	34,100,189	34,634,123	32,650,476
Total receipts	39,583,991	31,847,430	25,538,141	19,259,749	14,342,281
Income subject to tax	14,903,440	11,500,269	8,728,987	6,872,859	6,233,330
U.S. income tax before credits	5,213,057	4,023,543	3,053,651	2,404,421	2,177,909
U.S. possessions tax credit, by method:					
Total	2,795,176	1,605,735	1,299,803	1,107,000	865,406
Percent limitation method	1,954,034	955,332	777,816	722,730	527,809
Economic activity method	841,120	650,404	492,682	383,837	337,596
Unspecified method	21	0	29,304	432	0
Deduction for possessions taxes, by method:					
Total	298,031	179,686	98,947	84,048	55,720
Percent limitation method	294,474	177,343	98,133	83,192	53,895
Economic activity method	3,557	2,343	814	856	1,825
Possessions sales reported on Schedule P, by method:					
Total	59,748,281	48,086,748	40,264,206	34,873,014	32,605,327
Cost-sharing method	10,135,631	7,797,313	4,838,528	4,710,002	5,168,948
Profit-split method	49,612,650	40,289,435	35,425,679	30,163,012	27,436,379

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

Generally, corporations with large profits relative to labor and depreciation expenses elected the percentage limitation method. The economic-activity limitation was based on a formula that depended on the qualified compensation and depreciation deductions that a possession corporation incurred during the tax year.¹⁴ Generally, corporations that had substantial labor and depreciation expenses relative to profits elected the economic-activity method.

Of the \$0.9 billion possessions tax credit claimed for 2005, nearly 61 percent (\$0.5 billion) was computed using the percentage limitation method, and approximately 39 percent (\$0.3 billion) was computed using the economic-activity limitation method. Almost all (over 99 percent) of the possessions tax credit computed using the percentage limitation method was attributable to corporations in the food manufacturing and pharmaceuticals and medicines industrial groups. Use of the economic-activity method was spread throughout almost all industries.

However, over 58 percent of possessions credit computed using the economic-activity method was attributable to the computers and electric equipment, and medical equipment and supplies manufacturing industrial groups.

In general, possessions corporations were also allowed to deduct the portion of actual income taxes paid to U.S. possessions that related to possessions income not sheltered by the possessions tax credit. For 2005, the total deduction for possessions taxes paid was less than \$0.1 billion.

Summary

For Tax Year 2005, 102 U.S. corporations reported \$0.9 billion of possessions tax credits. The number of U.S. corporations claiming a possessions tax credit and the total amount of the credit reported continued declines that began in the 1990s. These declines coincide with increased legislative restrictions on

¹⁴ The labor component of the economic activity limit generally consists of 60 percent of the corporation's qualified wages and employee fringe benefits for the tax year, subject to certain limitations (see Internal Revenue Code sections 936(i)(1) and 936(i)(2) for more detailed information). The amount of depreciation expense taken into account when computing the economic activity limit depends on the useful life of each asset. Taxpayers compute 15 percent of the depreciation deduction for short-life property, 40 percent for medium-life property, and 65 percent for long-life property. Short-life property refers to property with a useful life of 3 years to 5 years. Medium-life property is 7-year or 10-year property. Long-life property generally refers to property that is neither short-life nor medium-life.

U.S. Possessions Corporation Returns, 2005

Statistics of Income Bulletin | Spring 2009

the use of the possessions tax credit. The U.S. Possessions Tax Credit was repealed for taxable years beginning after December 31, 2005.

As in prior years, pharmaceuticals and medicines manufacturers located in Puerto Rico reported the bulk of the possessions tax credit. The food manufacturing, medical equipment and supplies, computers and electric equipment, and textiles and apparel industries also claimed substantial amounts of possessions tax credits.

Data Sources and Limitations

The 2005 statistics are based on data compiled from all returns filed by U.S. possessions corporations with accounting periods ending between July 2005 and June 2006. Consequently, the data are not subject to sampling error.

The data may, however, contain nonsampling errors. Where possible, inconsistencies in the data were resolved to conform with provisions of the Internal Revenue Code. In cases where information reported was not logical, other data on the return were used to resolve errors.

Data were collected from Form 1120, *U.S. Corporation Income Tax Return*, for possessions corporations and supplemented by information collected from Form 5712, *Election To Be Treated as a Possessions Corporation Under Section 936*, Form 5735, *Possessions Corporation Tax Credit (Under Sections 936 and 30A)*, and Schedule P (Form 5735), *Allocation of Income and Expenses Under Section 936(h)(5)*. Due to processing differences, slight variations exist between the data in this article and the more limited statistics published in Internal Revenue Service, *Statistics of Income—2005, Corporation Income Tax Returns*, Washington, DC 2008.

Explanation of Selected Terms

Business receipts—Business receipts were the gross operating receipts of the corporation reduced by the cost of returned goods and allowances. Generally, they represented all of a corporation's receipts except investment and incidental income.

Distributions to stockholders—Distributions to stockholders represent cash and property (other than company stock) distributions to stockholders during the current year.

Existing credit claimant—A corporation was an existing credit claimant with respect to a possession if the corporation: 1) was engaged in the active conduct of a trade or business within the possession on October 13, 1995; and 2) elected the benefits of the possessions credit effective for its taxable year that included October 13, 1995. A corporation that acquired all of the assets of a trade or business of an existing credit claimant qualified as an existing credit claimant.

Income subject to tax—This was generally the amount of income subject to tax at the corporate level. For most corporations, income subject to tax consisted of net income minus statutory special deductions (i.e., the net operating loss deduction and special deductions for dividends).

Intangible assets—Intangible assets represented the total gross value of goodwill, contracts, copyrights, formulas, licenses, patents, registered trademarks, franchises, covenants not to compete, and similar assets that were amortizable for tax purposes.

Passive activity—Passive activity generally included trade or business activity in which the corporation did not materially participate for the tax year, and with exceptions, rental activities regardless of the corporation's participation.

U.S. Possessions Corporation Returns, 2005

Statistics of Income Bulletin | Spring 2009

Table 1. U.S. Possessions Corporations: Balance Sheet Items, by Selected Industry, Tax Year 2005

[Money amounts are in thousands of dollars]

Items	All industries	Agriculture, forestry, fishing, hunting and construction	Manufacturing				
			Total	Food manufacturing	Textiles and apparel	Leather and allied products	Paper products
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Number of returns	157	3	109	13	7	4	3
Total assets	43,181,537	22,240	38,477,495	9,648,921	1,117,280	246,720	67,769
Cash	746,407	395	718,903	367,404	694	24	5,384
Notes and accounts receivable	10,477,861	18,540	9,409,609	1,236,908	443	240,290	9,683
Less: Allowance for bad debts	19,989	0	11,029	1,386	0	0	233
Inventories	1,356,977	0	1,218,023	200,056	21,762	3,367	8,376
Investment in Government obligations	599	0	599	0	599	0	0
Tax-exempt securities	4,912	0	4,912	0	0	0	0
Other current assets	1,152,332	1,338	1,070,847	82,544	24,997	231	603
Loans to stockholders	3,226	0	222	0	0	0	0
Mortgage and real estate loans	18,352	0	0	0	0	0	0
Other investments	16,284,034	268	13,984,764	7,488,160	48,069	[1]	0
Depreciable assets	4,992,435	9,024	4,521,448	549,439	115,377	18,550	51,547
Less: Accumulated depreciation	2,764,723	7,331	2,534,019	302,953	74,642	15,584	38,441
Depletable assets	0	0	0	0	0	0	0
Less: Accumulated depletion	0	0	0	0	0	0	0
Land	94,641	0	71,818	8,462	0	0	2,321
Intangible assets	619,836	0	416,402	26,952	0	0	23,052
Less: Accumulated amortization	93,751	0	91,635	14,322	0	0	597
Other assets	10,647,159	6	9,716,162	16,350	979,981	0	6,073
Assets balancing adjustment [2]	-338,771	0	-19,531	-8,693	0	-157	0
Total liabilities and stockholder's equity	43,181,537	22,240	38,477,495	9,648,921	1,117,280	246,720	67,769
Accounts payable	2,751,057	411	2,077,889	185,778	3,235	31,027	1,427
Current mortgages, notes, and bonds payable	68,431	0	56,243	399	0	0	206
Other current liabilities	813,814	371	646,592	37,182	16,656	2,583	5,631
Loans from stockholders	14,282	1,439	12,517	0	0	0	0
Long-term mortgages, notes, and bonds payable	715,798	0	270,755	217,264	0	0	1,277
Other liabilities	3,635,388	120	2,252,842	39,298	21,917	264	3,527
Preferred stock [3]	680,614	0	680,613	600,167	0	0	0
Common stock	1,680,821	11	1,573,314	2,924	147	127	252
Paid-in or capital surplus [3]	5,628,404	55	5,378,181	91,082	11,121	1,537	46,049
Retained earnings, appropriated	0	0	0	0	0	0	0
Retained earnings, unappropriated	27,504,626	24,314	25,803,471	8,493,225	1,064,298	211,181	14,593
Adjustments to stockholders' equity	-236	0	-631	-652	0	0	0
Less: Cost of treasury stock	31,705	0	1,860	0	0	0	0
Liabilities balancing adjustment [2]	-279,756	-4,481	-272,429	-17,746	-94	0	-5,192

Footnotes at end of table.

U.S. Possessions Corporation Returns, 2005

Statistics of Income Bulletin | Spring 2009

Table 1. U.S. Possessions Corporations: Balance Sheet Items, by Selected Industry, Tax Year 2005—Continued

[Money amounts are in thousands of dollars]

Items	Manufacturing—continued					
	Printing and related support activities	Pharmaceuticals and medicines	All other chemicals	Plastics and rubber products	Nonmetallic mineral products	Primary and fabricated metals
	(8)	(9)	(10)	(11)	(12)	(13)
Number of returns	6	15	6	7	4	5
Total assets	433,886	20,364,746	358,584	171,411	99,326	88,083
Cash	13,997	14,606	15,130	3,330	7,188	1,988
Notes and accounts receivable	63,130	5,872,619	74,454	52,096	17,431	65,139
Less: Allowance for bad debts	3,013	188	196	221	1,089	43
Inventories	31,794	508,308	42,492	11,070	5,250	7,912
Investment in Government obligations	0	0	0	0	0	0
Tax-exempt securities	0	0	0	0	0	0
Other current assets	1,425	287,327	32,753	2,317	39,749	625
Loans to stockholders	0	0	0	0	0	0
Mortgage and real estate loans	0	0	0	0	0	0
Other investments	31,495	5,250,104	29,600	48,619	1,367	2,282
Depreciable assets	347,885	1,360,862	378,955	103,308	56,358	44,567
Less: Accumulated depreciation	177,869	646,154	231,719	53,015	41,412	36,263
Depletable assets	0	0	0	0	0	0
Less: Accumulated depletion	0	0	0	0	0	0
Land	4,793	28,186	3,393	4,091	28	1,234
Intangible assets	161,234	36,132	1,576	0	0	0
Less: Accumulated amortization	40,389	9,132	1,058	0	0	0
Other assets	250	7,662,077	13,383	0	14,457	651
Assets balancing adjustment [2]	-847	0	-180	-184	0	-7
Total liabilities and stockholder's equity	433,886	20,364,746	358,584	171,411	99,326	88,083
Accounts payable	42,267	868,906	35,890	35,155	2,937	2,911
Current mortgages, notes, and bonds payable	35,857	2,759	105	38	7,821	3,507
Other current liabilities	44,189	196,317	14,885	3,476	7,007	862
Loans from stockholders	0	0	426	12,091	0	0
Long-term mortgages, notes, and bonds payable	30,837	1,523	181	0	120	574
Other liabilities	55,575	1,848,094	159,230	260	1,909	0
Preferred stock [3]	18	250	160	18	0	0
Common stock	185,262	1,376,152	280	585	220	134
Paid-in or capital surplus [3]	8,200	4,226,272	6,173	24,400	17,035	5,544
Retained earnings, appropriated	0	0	0	0	0	0
Retained earnings, unappropriated	31,682	11,844,473	283,634	95,553	62,278	74,551
Adjustments to stockholders' equity	0	0	0	0	0	0
Less: Cost of treasury stock	0	0	0	0	0	0
Liabilities balancing adjustment [2]	0	0	-142,378	-166	0	0

Footnotes at end of table.

U.S. Possessions Corporation Returns, 2005

Statistics of Income Bulletin | Spring 2009

Table 1. U.S. Possessions Corporations: Balance Sheet Items, by Selected Industry, Tax Year 2005—Continued

[Money amounts are in thousands of dollars]

Items	Manufacturing—continued				Wholesale trade		Retail trade
	Machinery manufacturing	Computers and electric equipment	Medical equipment and supplies	Miscellaneous manufacturing	Durable goods wholesalers	Nondurable goods wholesalers	
	(14)	(15)	(16)	(17)	(18)	(19)	(20)
Number of returns	4	16	12	7	4	7	3
Total assets	988,313	2,666,398	1,660,767	565,291	71,458	602,529	616,827
Cash	1,198	63,659	209,841	14,461	1,256	6,502	5,767
Notes and accounts receivable	104,502	1,364,529	279,446	28,939	28,299	565,896	5,510
Less: Allowance for bad debts	340	99	348	3,873	1,264	1,830	15
Inventories	20,065	100,843	138,869	117,860	16,662	13,507	82,287
Investment in Government obligations	0	0	0	0	0	0	0
Tax-exempt securities	0	4,912	0	0	0	0	0
Other current assets	6,821	240,705	35,591	315,160	961	5,822	43
Loans to stockholders	0	222	0	0	417	0	0
Mortgage and real estate loans	0	0	0	0	0	0	0
Other investments	507,000	554,216	2,488	21,364	0	0	0
Depreciable assets	98,381	408,218	826,204	161,798	16,063	15,843	165,457
Less: Accumulated depreciation	50,782	267,369	498,101	99,715	11,201	8,859	98,193
Depletable assets	0	0	0	0	0	0	0
Less: Accumulated depletion	0	0	0	0	0	0	0
Land	2,479	9,201	5,591	2,040	923	0	4,406
Intangible assets	0	153,810	10,013	3,633	283	0	0
Less: Accumulated amortization	0	19,824	5,512	802	150	0	0
Other assets	299,062	58,988	660,463	4,427	19,209	5,648	451,567
Assets balancing adjustment [2]	-72	-5,613	-3,777	0	0	0	0
Total liabilities and stockholder's equity	988,313	2,666,398	1,660,767	565,291	71,458	602,529	616,827
Accounts payable	26,858	520,289	64,611	256,597	10,151	476,599	42,734
Current mortgages, notes, and bonds payable	0	3,085	1,252	1,214	79	5,674	0
Other current liabilities	26,220	203,665	64,415	23,504	22,219	16,082	45,489
Loans from stockholders	0	0	0	0	0	0	0
Long-term mortgages, notes, and bonds payable	0	907	18,026	46	2,693	0	0
Other liabilities	61,275	47,339	11,221	2,933	4,713	1,175	0
Preferred stock [3]	0	0	0	80,000	0	0	0
Common stock	203	6,758	27	243	95	513	10,237
Paid-in or capital surplus [3]	519,063	196,803	201,897	23,006	10,836	41,381	85
Retained earnings, appropriated	0	0	0	0	0	0	0
Retained earnings, unappropriated	354,693	1,782,229	1,303,488	187,590	23,027	61,106	518,282
Adjustments to stockholders' equity	0	21	0	0	0	0	0
Less: Cost of treasury stock	0	610	0	1,250	0	0	0
Liabilities balancing adjustment [2]	0	-94,089	-4,171	-8,591	-2,355	0	0

Footnotes at end of table.

U.S. Possessions Corporation Returns, 2005

Statistics of Income Bulletin | Spring 2009

Table 1. U.S. Possessions Corporations: Balance Sheet Items, by Selected Industry, Tax Year 2005—Continued

[Money amounts are in thousands of dollars]

Items	Publishing and information services	Finance and insurance	Real estate and rental and leasing	Professional services	Administrative support services	Accommodation and food services	All other services
	(21)	(22)	(23)	(24)	(25)	(26)	(27)
Number of returns	4	4	7	5	3	5	3
Total assets	6,539	2,427,765	28,241	469,260	1,740	438,805	18,637
Cash	1	27	1,383	2,364	146	9,320	344
Notes and accounts receivable	6,343	75,472	466	354,537	0	4,901	8,287
Less: Allowance for bad debts	0	59	0	4,172	0	106	1,516
Inventories	0	0	0	21,662	0	4,838	0
Investment in Government obligations	0	0	0	0	0	0	0
Tax-exempt securities	0	0	0	0	0	0	0
Other current assets	19	44,036	5,469	18,359	72	3,987	1,379
Loans to stockholders	0	0	0	0	1,475	1,112	0
Mortgage and real estate loans	0	14,922	3,430	0	0	0	0
Other investments	0	2,290,406	0	0	0	8,597	0
Depreciable assets	137	2,125	30,364	108,037	82	104,857	18,997
Less: Accumulated depreciation	118	1,643	16,081	52,936	36	24,665	9,642
Depletable assets	0	0	0	0	0	0	0
Less: Accumulated depletion	0	0	0	0	0	0	0
Land	0	0	3,356	11,013	0	2,356	770
Intangible assets	0	0	0	202,634	0	517	0
Less: Accumulated amortization	0	0	0	1,745	0	221	0
Other assets	156	2,479	18	118,162	0	333,735	17
Assets balancing adjustment [2]	0	0	-165	-308,654	0	-10,421	0
Total liabilities and stockholder's equity	6,539	2,427,765	28,241	469,260	1,740	438,805	18,637
Accounts payable	509	110,702	2,473	21,892	50	7,215	432
Current mortgages, notes, and bonds payable	27	0	5,800	64	205	250	89
Other current liabilities	546	3,093	2,671	53,402	13	21,824	1,513
Loans from stockholders	0	0	0	0	0	326	0
Long-term mortgages, notes, and bonds payable	0	39,813	0	168,915	0	233,622	0
Other liabilities	74	1,308,044	6,517	475	0	61,162	266
Preferred stock [3]	0	0	0	0	0	1	0
Common stock	2	941	5,441	90	2	90,075	100
Paid-in or capital surplus [3]	0	80,105	2,444	115,612	325	-619	0
Retained earnings, appropriated	0	0	0	0	0	0	0
Retained earnings, unappropriated	5,381	885,068	4,381	137,265	1,144	24,949	16,238
Adjustments to stockholders' equity	0	0	395	0	0	0	0
Less: Cost of treasury stock	0	0	1,882	27,963	0	0	0
Liabilities balancing adjustment [2]	0	-1	0	-491	0	0	0

[1] Absolute value is less than \$500.

[2] For statistical purposes, negative balance sheet asset and liability accounts have been moved to, and included in, asset and liability balancing adjustment categories, respectively. This procedure was adopted to address the increased usage of negative items being reported on corporate balance sheets.

[3] This item may be negative.

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

U.S. Possessions Corporation Returns, 2005

Statistics of Income Bulletin | Spring 2009

Table 2. U.S. Possessions Corporations: Income Statement Items and Distributions to Stockholders, by Selected Industry, Tax Year 2005

[Money amounts are in thousands of dollars]

Item	All industries	Agriculture, forestry, fishing, hunting, and construction	Manufacturing				
			Total	Food manufacturing	Textiles and apparel	Leather and allied products	Paper products
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Number of returns	157	3	109	13	7	4	3
Total receipts [1]	18,110,829	17,549	16,248,291	1,687,210	309,786	113,373	76,296
Business receipts	15,328,554	16,357	13,590,833	1,770,055	308,915	111,764	75,176
Interest, except State and local government obligations	462,735	5	407,955	12,404	801	749	1,121
Interest on State and local government obligations	1,683	0	188	0	0	0	0
Rents	5,488	0	4,609	797	0	12	0
Royalties	18,001	0	18,001	0	0	0	0
Net short-term capital gain (loss)	-12	0	-12	0	0	0	0
Net long-term capital gain (loss)	-12,634	228	-19,632	620	0	0	0
Net gain, noncapital assets	9,490	0	9,103	936	0	6	0
Dividends	1,446,021	0	1,422,818	51,379	0	0	0
Other receipts	987,966	959	927,749	512	70	841	0
Total deductions [1]	11,099,985	15,205	9,213,472	1,086,719	250,022	98,299	72,211
Cost of sales and operations	6,959,969	11,079	6,097,495	886,762	203,195	84,803	53,251
Compensation of officers	12,993	0	10,933	3,127	98	0	0
Salaries and wages	408,877	1,685	142,411	27,081	3,286	317	3,830
Repairs	50,541	14	23,294	6,522	0	9	1,496
Bad debts	9,126	0	4,165	1,021	0	0	18
Rents paid	68,713	510	29,653	1,192	2,614	1,143	435
Taxes paid	170,029	37	114,599	12,964	3,175	1,198	1,707
Interest paid	82,634	13	37,710	10,073	449	2	87
Contributions	1,951	3	1,178	325	12	2	8
Amortization	25,217	0	22,634	113	0	0	1,584
Depreciation	255,093	416	206,041	24,605	7,053	1,414	2,167
Depletion	398	0	398	0	0	0	0
Advertising	57,348	0	10,389	3,796	[2]	5	22
Pension, profit-sharing, stock bonus, and annuity plans	28,805	0	24,860	5,218	622	10	583
Employee benefit programs	292,062	26	113,182	4,503	4,180	1,271	1,453
Net loss, noncapital assets	-80,469	0	-72,629	-1,397	-3,162	0	-74
Other deductions	2,636,358	1,422	2,338,702	98,239	22,175	8,138	7,249
Total receipts less total deductions [1]	7,080,469	2,344	7,081,300	649,620	59,764	15,074	4,085
Net income (less deficit)	7,078,786	2,344	7,081,112	649,620	59,764	15,074	4,085
Net income	7,207,117	2,344	7,106,429	649,850	60,476	16,221	4,329
Deficit	-128,331	0	-25,317	-230	-711	-1,147	-244
Net income (less deficit) per books	2,199,399	2,261	2,227,340	304,636	-404	-1,258	0
Income subject to tax	6,299,512	2,167	6,207,361	645,772	59,932	16,221	4,329
U.S. income tax before credits [3]:							
Total	2,200,983	748	2,169,136	225,965	21,023	5,639	1,515
Regular tax	2,200,981	748	2,169,134	225,965	21,023	5,639	1,515
U.S. possessions tax credit	865,406	727	850,427	90,431	21,023	4,790	1,405
Foreign tax credit	24,220	1	16,560	459	0	24	0
General business credit	113	0	113	0	0	0	0
Other credits	264	0	215	0	0	0	0
Total U.S. income tax after credits	1,311,224	19	1,302,036	135,074	0	825	110
Distributions to stockholders	6,087,975	0	6,071,655	1,682,340	41,233	600	21,000

Footnotes at end of table.

U.S. Possessions Corporation Returns, 2005

Statistics of Income Bulletin | Spring 2009

Table 2. U.S. Possessions Corporations: Income Statement Items and Distributions to Stockholders, by Selected Industry, Tax Year 2005—Continued

[Money amounts are in thousands of dollars]

Item	Manufacturing—continued						
	Printing and related support activities	Pharmaceuticals and medicines	All other chemicals	Plastics and rubber products	Nonmetallic mineral products	Primary and fabricated metals	Machinery manufacturing
	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Number of returns	6	15	6	7	4	5	4
Total receipts [1]	608,812	9,043,406	451,861	156,517	73,881	50,904	355,543
Business receipts	582,173	6,484,936	427,832	154,798	70,356	50,377	327,714
Interest, except State and local government obligations	2,092	338,996	2,955	1,227	172	11	26,552
Interest on State and local government obligations	0	0	0	0	0	0	0
Rents	195	0	0	0	0	50	0
Royalties	0	17,159	0	0	0	0	825
Net short-term capital gain (loss)	0	0	0	0	0	0	0
Net long-term capital gain (loss)	19,657	1,166	0	11	0	0	0
Net gain, noncapital assets	0	0	0	19	3,239	0	0
Dividends	0	1,304,738	801	0	13	0	0
Other receipts	4,695	896,039	20,272	461	100	466	452
Total deductions [1]	548,092	3,801,987	313,142	147,878	64,714	46,717	309,165
Cost of sales and operations	425,919	1,960,371	191,367	114,707	53,940	42,216	278,600
Compensation of officers	6,399	108	0	0	677	0	0
Salaries and wages	24,242	7,592	9,360	4,973	3,476	980	13,901
Repairs	803	2,002	1,774	3,954	117	26	2,528
Bad debts	1,928	0	242	85	619	8	31
Rents paid	5,709	984	739	2,068	5	169	312
Taxes paid	3,499	61,532	494	2,063	1,229	716	2,522
Interest paid	5,216	3,014	-108	237	341	44	66
Contributions	49	492	[2]	10	43	[2]	16
Amortization	5,961	2,194	52	0	0	0	0
Depreciation	38,212	50,287	13,630	7,116	2,478	695	4,763
Depletion	0	0	0	0	398	0	0
Advertising	717	0	4,985	14	12	48	[2]
Pension, profit-sharing, stock bonus, and annuity plans	2,323	115	307	1,554	83	92	481
Employee benefit programs	7,510	5,220	5,991	3,674	499	368	2,162
Net loss, noncapital assets	-2	-54,941	0	-373	0	0	-303
Other deductions	24,288	1,656,242	84,147	7,051	816	1,357	15,539
Total receipts less total deductions [1]	60,720	5,241,046	138,719	8,639	9,166	4,187	46,378
Net income (less deficit)	60,720	5,241,046	138,719	8,639	9,166	4,187	46,378
Net income	61,065	5,241,046	138,719	9,374	9,166	4,188	46,378
Deficit	-345	0	0	-735	0	-1	0
Net income (less deficit) per books	5,000	1,827,716	60,989	538	553	1,318	0
Income subject to tax	60,316	4,399,679	137,918	9,374	9,166	4,082	46,378
U.S. income tax before credits [3]:							
Total	21,082	1,536,939	48,075	3,178	3,143	1,429	16,136
Regular tax	21,080	1,536,939	48,075	3,178	3,143	1,429	16,136
U.S. possessions tax credit	2,187	472,174	30,632	3,173	2,701	1,428	15,173
Foreign tax credit	31	15,114	96	2	0	0	0
General business credit	72	0	0	0	0	0	0
Other credits	0	0	0	215	0	0	0
Total U.S. income tax after credits	18,792	1,049,651	17,347	3	442	[2]	963
Distributions to stockholders	8,306	3,102,022	73,637	6,108	0	4,600	1,218

Footnotes at end of table.

U.S. Possessions Corporation Returns, 2005

Statistics of Income Bulletin | Spring 2009

Table 2. U.S. Possessions Corporations: Income Statement Items and Distributions to Stockholders, by Selected Industry, Tax Year 2005—Continued

[Money amounts are in thousands of dollars]

Item	Manufacturing—continued			Wholesale trade		Retail trade	Publishing and information services
	Computers and electric equipment	Medical equipment and supplies	Miscellaneous manufacturing	Durable goods wholesalers	Nondurable goods wholesalers		
	(15)	(16)	(17)	(18)	(19)	(20)	(21)
Number of returns	16	12	7	4	7	3	4
Total receipts [1]	1,236,204	1,423,912	660,585	123,314	279,315	514,094	98,145
Business receipts	1,163,434	1,413,430	649,872	122,565	278,074	479,551	96,168
Interest, except State and local government obligations	10,320	8,392	2,164	416	33	8,529	285
Interest on State and local government obligations	188	0	0	0	0	0	1,496
Rents	0	0	3,554	80	0	0	95
Royalties	17	0	0	0	0	0	0
Net short-term capital gain (loss)	-27	0	15	0	0	0	0
Net long-term capital gain (loss)	-42,760	1,673	0	0	0	0	0
Net gain, noncapital assets	62	1	4,839	0	0	12	0
Dividends	65,886	0	0	0	0	0	0
Other receipts	2,134	1,566	143	253	1,209	26,002	102
Total deductions [1]	869,180	978,486	626,859	113,970	273,762	488,571	81,861
Cost of sales and operations	628,033	613,294	561,037	89,117	165,034	312,539	1,776
Compensation of officers	10	245	269	73	0	0	0
Salaries and wages	14,285	24,442	4,645	6,683	10,415	63,868	9,440
Repairs	2,651	893	520	529	244	5,988	2,873
Bad debts	12	90	112	2,521	635	0	838
Rents paid	6,226	5,165	2,892	1,131	2,032	8,118	527
Taxes paid	13,011	3,819	6,670	2,403	2,021	15,267	2,401
Interest paid	484	1,058	16,747	340	1,116	0	0
Contributions	85	127	9	16	0	21	54
Amortization	11,424	1,306	0	21	0	1,119	1
Depreciation	21,415	26,269	5,937	1,375	1,844	8,317	14,291
Depletion	0	0	0	0	0	0	0
Advertising	17	94	679	70	18,829	14,351	476
Pension, profit-sharing, stock bonus, and annuity plans	5,277	7,452	745	206	206	2,547	0
Employee benefit programs	16,242	46,122	13,986	2,399	1,174	7,734	1,100
Net loss, noncapital assets	-6,671	-5,706	0	-1,111	-20	0	0
Other deductions	139,213	261,257	12,990	6,945	70,194	49,821	48,087
Total receipts less total deductions [1]	364,749	445,426	33,728	9,344	5,553	25,523	16,284
Net income (less deficit)	364,561	445,426	33,728	9,344	5,553	25,523	14,789
Net income	368,991	445,426	51,202	10,219	5,796	25,564	14,789
Deficit	-4,430	0	-17,474	-875	-243	-41	0
Net income (less deficit) per books	24,899	3,355	-1	17	2,707	102	11,767
Income subject to tax	314,550	448,444	51,202	10,186	5,783	25,564	14,789
U.S. income tax before credits [3]:							
Total	111,369	155,791	17,852	3,565	1,997	8,935	5,071
Regular tax	111,369	155,791	17,852	3,565	1,997	8,935	5,071
U.S. possessions tax credit	74,217	123,231	7,862	3,426	1,808	3,335	0
Foreign tax credit	240	62	530	0	0	2,615	5,011
General business credit	0	0	41	0	0	0	0
Other credits	0	0	0	0	0	29	0
Total U.S. income tax after credits	36,912	32,499	9,418	139	190	2,985	59
Distributions to stockholders	192,705	810,579	127,307	[2]	0	0	0

Footnotes at end of table.

U.S. Possessions Corporation Returns, 2005

Statistics of Income Bulletin | Spring 2009

Table 2. U.S. Possessions Corporations: Income Statement Items and Distributions to Stockholders, by Selected Industry, Tax Year 2005—Continued

[Money amounts are in thousands of dollars]

Item	Finance and insurance	Real estate and rental and leasing	Professional services	Administrative support services	Accommodation and food services	All other services
	(22)	(23)	(24)	(25)	(26)	(27)
Number of returns	4	7	5	3	5	3
Total receipts [1]	47,652	6,354	436,440	441	310,049	29,183
Business receipts	4,508	5,741	413,107	408	292,250	28,994
Interest, except State and local government obligations	43,041	186	1,689	17	578	0
Interest on State and local government obligations	0	0	0	0	0	0
Rents	0	0	510	0	195	0
Royalties	0	0	0	0	0	0
Net short-term capital gain (loss)	0	0	0	0	0	0
Net long-term capital gain (loss)	0	0	6,770	0	0	0
Net gain, noncapital assets	0	372	0	0	0	3
Dividends	22,594	0	549	16	43	0
Other receipts	103	55	14,365	0	16,983	186
Total deductions [1]	169,898	5,195	413,305	473	295,188	29,083
Cost of sales and operations	0	66	195,869	314	86,681	0
Compensation of officers	0	115	1,873	0	0	0
Salaries and wages	7,955	0	79,751	0	77,002	9,668
Repairs	[2]	48	9,146	6	7,881	518
Bad debts	0	4	305	1	32	626
Rents paid	0	10	11,208	55	14,632	835
Taxes paid	149	165	19,445	60	12,021	1,462
Interest paid	11,102	241	8,478	11	20,308	3,315
Contributions	0	0	409	0	270	1
Amortization	2	0	1,363	0	77	0
Depreciation	105	4,077	10,082	12	7,964	569
Depletion	0	0	0	0	0	0
Advertising	19	0	906	0	12,123	185
Pension, profit-sharing, stock bonus, and annuity plans	0	0	276	0	497	214
Employee benefit programs	143,926	0	19,671	0	1,809	1,042
Net loss, noncapital assets	-10	-16	-6,681	-1	-1	0
Other deductions	6,648	453	49,456	14	53,968	10,647
Total receipts less total deductions [1]	-99,651	1,159	23,685	-32	14,860	101
Net income (less deficit)	-99,651	1,159	23,685	-32	14,860	101
Net income	1,591	1,340	23,954	0	14,963	128
Deficit	-101,243	-180	-269	-32	-102	-27
Net income (less deficit) per books	-49,137	1,015	772	-36	2,593	-3
Income subject to tax	1,108	1,340	16,124	0	14,963	128
U.S. income tax before credits [3]:						
Total	427	441	5,502	0	5,127	33
Regular tax	427	441	5,502	0	5,127	33
U.S. possessions tax credit	425	438	253	0	4,534	33
Foreign tax credit	0	3	0	0	30	0
General business credit	0	0	0	0	0	0
Other credits	0	0	0	0	20	0
Total U.S. income tax after credits	2	1	5,249	0	543	0
Distributions to stockholders	12,120	2,000	0	0	2,200	0

[1] Total receipts, total deductions, and total receipts less total deductions do not balance to the components in Table 2. In general, this is because specifications for these items have remained consistent over the history of the U.S. Possessions study.

[2] Absolute value is less than \$500.

[3] Total income tax before credits minus the sum of all tax credits does not equal Total U.S. income tax after credits because certain minor tax credits have not been shown in Table 2.

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

Qualified Zone Academy Bond Tax Credit Usage in 2005

by Thornton Matheson

The Qualified Zone Academy Bond (QZAB) program was established in 1998 in order to promote public school rehabilitation and public-private partnership in education in areas with constrained public resources. In contrast to existing Federal subsidies for State and local debt issuance, which exempt subnational government bond interest from Federal income taxation, the QZAB program is structured as a tax credit bond: Instead of yielding cash coupons exempt from Federal income tax, QZABs entitle investors to Federal income tax credits. The QZAB program was the prototype for six additional tax credit bond programs: Clean Renewable Energy Bonds (CREBs) and Gulf Opportunity Zone bonds, authorized in 2005; Qualified Forestry Conservation Bonds and Qualified Energy Conservation Bonds, authorized in 2008, and Qualified School Construction Bonds and Build America Bonds, authorized in 2009.¹

This article, which evaluates data from Form 8860, Qualified Zone Academy Bond Credit, filed by financial institutions in Tax Year 2005, updates some of the 2004 Form 8860 data presented in Matheson (2007). Its goal is to provide a description of QZAB issuance and investment activity that will be of use in evaluating the performance of the QZAB program and other tax credit bond programs.

The QZAB Program

The Qualified Zone Academy Bond (QZAB) program was established by the Taxpayer Relief Act of 1997 to promote investment in primary and secondary public education in areas with scarce public resources. The program has authorized the issuance in each year from 1998 through 2009 of \$400 million in principal amount of tax credit bonds by the United States and its territories.

In contrast to tax-exempt bonds, whose interest is exempt from Federal income taxation, tax credit bonds pay “interest” in the form of Federal income tax credits. Investors in QZABs include the amount

of the tax credit in their taxable incomes and deduct the same amount from their income tax liabilities. Their income tax is thus reduced by the amount of the credit multiplied by one minus their marginal tax rate, so that the after-tax yield on a tax credit bond is identical to that of a taxable bond.

Investment in QZABs is restricted to qualified financial institutions, including banks, insurance companies, and corporations actively engaged in the business of lending money. In addition to their value as tax credits, QZABs are also used to meet depository institutions’ obligations to serve low-income areas under the Community Reinvestment Act of 1977.

Maximum QZAB maturities and credit rates are set daily by the Treasury Department and published on the Bureau of Public Debt’s Web site.² The maximum QZAB maturity is set to equate the present value of total principal repayment with one-half of bond principal, with the applicable discount rate equal to the current long-term adjusted applicable Federal rate (AAFR). The QZAB credit rate is currently based on market single-A and triple-B corporate bond interest rates.³

The \$400 million in annual QZAB credits are allocated among the United States and territories according to the percentage of the total U.S. population in poverty living in that State or territory. Unused QZAB allocations could originally be carried forward by issuers for 3 years; this carryover period was shortened to 2 years for bonds issued after 1999.

QZAB credits may be used to offset both corporate income tax and corporate alternative minimum tax (AMT) liability. QZABs are legally transferable, so that a financial institution anticipating having insufficient taxable income to benefit from a tax credit can sell them. Alternatively, unused QZAB tax credits may be carried forward (but not backward) by investors for 1 year without interest.

There have been several legislative changes in the QZAB program since its inception. Initially authorized to run for 2 years, 1998 and 1999, the program has since been extended every 2 years through 2007. Delayed reauthorization in 2004 and 2006 resulted in retroactive QZAB allocations for those 2 years, such that allocations from those years could

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¹ Different categories of tax-credit bonds vary in terms of the allowable tax credit rate, maturity, and other features.

² See <https://www.treasurydirect.gov/SZ/SPESQZABRate>.

³ Until 1999, the QZAB credit rate was based on 110 percent of the long-term applicable Federal rate. From 1999 and to 2009, the credit rate will be based on market double-A corporate bond interest rates.

Qualified Zone Academy Bond Tax Credit Usage in 2005

Statistics of Income Bulletin | Spring 2009

only be issued in subsequent years due to the carryover provision. The Tax Relief and Health Care Act of 2006 subjected QZABs to the same arbitrage regulations as tax-exempt bonds and required issuers to file Form 8038 information returns.

For a more complete description of the QZAB program and Federal tax credit bonds in general, see Matheson (2007), Zimmerman (2004), and Davie (1998).

Data Analysis

Figure A presents summary data from all Forms 8860 filed by firms in the 2005 Corporate Database, a stratified sample of the universe of corporate filers. A total of 123 financial institutions included in the 2005 Corporate Database filed Form 8860, up from 115 in the 2004 Corporate Database. Total QZAB tax credit claims rose from \$117 million in 2004 to \$135 million in 2005. The total QZAB principal underlying these credits was roughly \$2.1 billion, or 65 percent of the \$3.2 billion in QZAB principal authorized to have been issued through 2005.

All but three of the financial institutions that filed Form 8860 had either more than \$50 million in total assets or more than \$10 million in net income, and were therefore sampled in the Corporate Database with a probability of one.⁴ The remaining three firms had assets of at least \$24 million and were therefore sampled with a probability of at least 0.27. By contrast, in Tax Year 2004, all Form 8860 filers in the Corporate Database were sampled with a probability

of one. In 2005, the lower bound for certain inclusion in the sample was raised from \$10 million in total assets to \$50 million in total assets, so that some QZAB investors with less than \$50 million in assets may have dropped out of the sample. Nonetheless, since most Form 8860 filers were still sampled with a probability of one, the 2005 data drawn likely represent nearly all QZAB tax credit claims for that year.

The 123 Form 8860 filers represented in the 2005 Corporate Database held at least 786 individual QZAB issues. Some firms did not provide detail on their specific QZAB holdings: \$134.5 million in QZAB credits were associated with detailed information, whereas a total of \$135 million in credits was claimed.⁵ Where no detail was provided, filers were assumed to hold a single QZAB issue. The difference between the total credits owned and the total credits claimed, or \$74,000, indicates the amount of QZAB credits that exceeded taxable income.

As in 2004, QZAB holdings were highly concentrated among the largest financial institutions: Whereas most financial institutions with less than \$500 million in assets held a single QZAB issue, the eight financial institutions with more than \$100 billion in assets held an average of 65 QZAB issues. In terms of value, the former group claimed an average of \$621,000 in QZAB credits each, while the latter claimed an average of \$13.7 million each.

Figure B shows financial information on 2005 Form 8860 filers drawn from their Forms 1120, broken out by firm asset size. As in 2004, QZAB credits

Figure A

QZAB Holdings Data from 2005 Form 8860, by Financial Institution Asset Class

[Money amounts in thousands of dollars]

Item	All 2005 Form 8860 Filers	Less than \$100 million	\$100 million under \$500 million	\$500 million under \$1 billion	\$1 billion under \$10 billion	\$10 billion under \$100 billion	More than \$100 billion
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Number of corporations	123	14	37	15	31	18	8
Total QZAB issues	786	19	48	43	73	87	516
Total QZAB principal	2,055,970	7,156	24,492	36,430	107,586	197,389	1,682,917
Total QZAB credits - 8860 part 1	134,521	466	1,590	2,270	7,391	13,546	109,257
Total QZAB credits - 8860 line 3	135,031	524	1,670	2,270	7,523	13,587	109,457
Total QZAB credits - 8860 line 9	134,957	507	1,670	2,270	7,467	13,587	109,457

⁴ Some 103 of Form 8860 filers filed consolidated 1120 returns; six filed nonconsolidated returns. Fourteen filers were mutual savings banks or insurance companies.

⁵ The total of itemized QZAB credits is taken from Form 8860, Part I, whereas the total of nonitemized QZAB credits is taken from Form 8860, line 3. The total QZAB credits claimed is taken from Form 8860, line 9; this amount is also entered on Form 1120, Schedule J, line 6f.

Qualified Zone Academy Bond Tax Credit Usage in 2005

Statistics of Income Bulletin | Spring 2009

Figure B

Selected Form 1120 Data for Form 8860 Filers, 2005

[Money amounts in thousands of dollars]

Item	All 2005 Form 8860 filers	Less than \$100 million	\$100 million under \$500 million	\$500 million under \$1 billion	\$1 billion under \$10 billion	\$10 billion under \$100 billion	More than \$100 billion
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Number of corporations	123	14	37	15	31	18	8
Total assets	6,872,788,537	914,416	9,850,063	10,735,695	112,228,113	763,150,950	5,975,909,300
Total receipts	430,057,114	153,687	610,916	656,269	7,331,377	62,707,533	358,597,332
Net income	63,273,732	40,111	118,207	111,266	1,714,229	11,874,945	49,414,975
Total income subject to tax	59,380,487	34,808	117,422	108,036	1,692,952	11,683,962	45,743,307
Total income tax before credits	20,780,087	12,004	39,913	36,808	591,817	4,089,387	16,010,157
AMT [1]	141	13	129	0	0	0	0
Schedule J credits	4,380,899	687	2,019	3,633	22,879	464,236	3,887,445
QZAB credits (line 9) [2]	134,957	507	1,670	2,270	7,467	13,587	109,457
General business credits	1,723,726	8	223	1,217	14,932	207,899	1,499,448
Foreign tax credits	2,367,548	0	1	0	16	135,005	2,232,526
Total income tax after credits	16,430,743	11,330	38,023	33,175	568,941	3,640,216	12,139,058

[1] Alternative Minimum Tax (AMT).

[2] Qualified Zone Academy Bond (QZAB).

constituted a much larger share of total Schedule J tax credits for smaller firms than for larger ones. For financial institutions with less than \$500 million in assets, QZABs accounted for more than 80 percent of all tax credits; conversely, for firms with more than \$10 billion in assets, QZAB credits accounted for less than 3 percent of total tax credits.

Figure C describes entry, exit, and holding variation among Form 8860 filers in 2004 and 2005. Some 14 firms filed in 2004 only, and 22 firms filed

in 2005 only; based on their asset and income size, almost all of these firms would have been captured with a probability of one in either year. Firms filing in 2004 only may have sold their QZAB position or had insufficient taxable income in 2005 to claim the credit in that year. Firms filing only in 2005 may have had insufficient taxable income in 2004 to file Form 8860 or may have been new investors in 2005. Of the 101 firms filing in both years, 59 claimed the same amount of credits in 2004 as 2005, indicating no change in their QZAB holdings. Some 24 firms decreased their QZAB credits by an average of \$300,000 each, while 18 firms increased their credits by an average of \$1.4 million each.

Figure D breaks out QZAB credits claimed in 2005 by the year of their issuance, where disclosed by the claimant. Data for Issuance Years 1998 and 1999 are consolidated to comply with confidentiality restrictions preventing the publication of data aggregated for fewer than three taxpayers. Of the total 786 QZAB issues for which credits were claimed in 2005, data on the year of issuance, credit rate, and credit were available for 776 issues. Comparing these 2005 data to the 2004 data reported in Matheson (2007), the total value of credits claimed in 2005 rose for QZABs issued in 1998-9 and 2002-2004, but fell for QZABs issued in 2000 and 2001. Specifically, between 2004 and 2005, the value of QZAB credits claimed rose from \$6.6 million to \$6.8 mil-

Figure C

Corporations' Form 8860 Filing Status, 2004-2005

[Money amounts in thousands of dollars]

Filing status	Number of corporations	Average 2005 QZAB credits
Firms filing Form 8860 in 2004 and/or 2005	137	937
Firms filing Form 8860 in 2004 only	* 14	0
Firms filing Form 8860 in 2005 only	** 22	141
Firms filing Form 8860 in both 2004 and 2005	101	1,383
Firms with no change in credits	59	230
Firms with fewer credits in 2005	24	1,254
Firms with greater credits in 2005	18	5,604

*All sampled with probability of 1 in 2004; all but 1 would have been sampled with probability of 1 in 2005.

**All but 1 sampled with probability of 1 in 2005; all would have been sampled with probability of 1 in 2004.

Qualified Zone Academy Bond Tax Credit Usage in 2005

Statistics of Income Bulletin | Spring 2009

Figure D

QZAB Principal and Credits from 2005 Form 8860 by Year of Issue, 1998-2005

[Money amounts in thousands of dollars]

item	Total	1998-1999	2000	2001 [1]	2002	2003	2004	2005
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Number of issues	776	35	71	206	170	166	124	4
Total principal	2,048,128	99,791	272,534	717,199	306,733	351,825	297,454	2,592
Total credits	133,360	6,858	20,937	49,716	19,335	19,797	16,594	123
Average credit rate (percentage) [2]	6.35	6.95	7.67	7.00	6.31	5.58	5.50	5.59

[1] The amount of QZABs issued in 2001 exceed \$400 million due to the use of carryforwards.

[2] The average credit rate is an unweighted average of the credit rate per QZAB issue, calculated by summing the individual issue credit rates and dividing by the number of issues. Using the ratio of the chart data, Total Credits/Total Principal, produces a weighted average credit rate, weighted by principal size of issue.

NOTE: This figure excludes data for 10 bond issues in which sufficient data did not exist on year of issuance, credit rate, and credit.

lion for QZABs issued in 1998 and 1999 (aggregate); it fell from \$22.6 million to \$20.9 million for QZABs issued in 2000 and from \$51.7 million to \$49.7 million for QZABs issued in 2001. The value of credit claims for QZABs issued in 2002 rose sharply from \$17.6 million to \$49.7 million between 2004 and 2005, and, similarly, it rose from \$4.9 million to \$19.3 million for QZABs issued in 2003 and from \$59,000 to \$16.6 million for QZABs issued in 2004.

These data suggest that credits from QZABs issued in a particular year are likely to be utilized with a lag, since credits for many QZABs issued in 2002-2004 were apparently not claimed until 2005, although they would have been available to offset taxes in 2004. Since QZAB year of issue is not part of the tax credit calculation, it may not be reported with great accuracy. However, the patterns described by the 2004 and 2005 Form 8860 data are strong enough to suggest that QZAB issuance and credits are less than fully utilized.

Conclusion

Like the 2004 Form 8860 data analyzed in Matheson (2007), the 2005 Form 8860 data suggest that QZAB issuance and tax credits are not fully utilized: Total QZAB principal reported in 2005 was roughly 65 percent of the total authorized to have been issued through that year, and QZAB credits claimed in 2005 for tax-credit bonds issued in 2002 and 2003 were

substantially higher than credits claimed for such bonds in 2004, although those bonds were presumably already outstanding. QZAB holdings are concentrated among very large financial institutions: 80 percent of credits are claimed by eight institutions with more than \$100 billion in assets. However, QZABs are a more important source of tax credits for financial institutions with less than \$500 million in assets, for whom they constitute more than 80 percent of tax credits. There appears to be a fair amount of entry and exit in the QZAB market, with more than half of investors increasing or decreasing their credit claims between 2004 and 2005.

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Individual Income Tax Returns, Preliminary Data, 2007

by Michael Strudler and Michael Parisi

For Tax Year 2007, taxpayers filed 143.0 million U.S. individual income tax returns, an increase of 3.3 percent from the 138.4 million returns filed for 2006.¹ Adjusted Gross Income (AGI) increased from the previous year by 6.9 percent to \$8.5 trillion for 2007. Taxable income increased 6.8 percent to \$5.9 trillion; the alternative minimum tax rose 8.6 percent to \$20.9 billion; total income tax increased by 6.5 percent to \$1.1 trillion; and total tax liability rose by 6.4 percent to \$1.1 trillion.

Figure A shows that the largest component of AGI, salaries and wages, increased 6.4 percent to \$5,936.4 billion for Tax Year 2007, while the next largest component of AGI, net capital gains, rose by 9.3 percent to \$749.1 billion. Other income items with notable percentage changes included capital gain distributions (part of net capital gains), which increased 38.6 percent from \$62.3 billion for 2006 to \$86.4 billion for 2007; taxable interest, which increased 20.1 percent to \$231.5 billion; and ordinary dividends, which increased 15.4 percent to \$214.6 billion. Of this dividend total, 66.6 percent were reported as qualified dividends. Qualified dividends, which receive preferential tax rates, were reported on 27.3 million returns and totaled \$143.0 billion, an increase of 9.9 percent from 2006.

For 2007, taxable pensions and annuities, the third largest income item, increased 9.4 percent to \$504.1 billion. The other items related to retirement, taxable Social Security benefits and IRA distributions also rose for 2007, by 15.2 percent and 18.8 percent, respectively. Increases in losses associated with business income were reported for Tax Year 2007 by partnership and S corporations (36.9 percent), business sole proprietorships (10.8 percent), and farms (7.1 percent). For the first two, this led to decreases in net income less losses compared to 2006 of 5.2 percent for partnerships and S corporations and 2.0 percent for business sole proprietorships. Further, for 2007, 7.7 million returns (a 3.7-percent increase from 2006) reported a total of \$29.8 billion in taxable

unemployment compensation. This represents an 11.1-percent increase from 2006.

Statutory adjustments to total income increased 7.3 percent to \$118.2 billion for Tax Year 2007. The largest statutory adjustment was the deduction for one-half of self-employment tax, representing 19.5 percent of the total. This adjustment to income increased 2.4 percent to \$23.0 billion.

The self-employment health insurance deduction increased 4.8 percent to \$19.4 billion. Payments to self-employed retirement (Keogh) plans fell 0.5 percent to \$20.1 billion, while deductible contributions to Individual Retirement Arrangements (IRAs) increased 3.3 percent to \$13.2 billion. The deduction for student loan interest increased 21.4 percent to \$7.5 billion, and the deduction for tuition and fees rose 10.5 percent to \$10.6 billion for Tax Year 2007. Over 581,000 taxpayers who made contributions to qualified health savings accounts took an adjustment totaling over \$1.4 billion (a 71.3-percent increase from 2006).

With the law change in 2007 increasing the amount of qualified domestic production activities income that could have been deducted from 3 percent to 6 percent, the domestic production activities deduction showed a substantial increase. For Tax Year 2007, over 448,000 taxpayers took the domestic production activities deduction for a total deduction of \$6.6 billion (a 102.6-percent increase from 2006). Altogether, the amount deducted for total exemptions increased by 6.6 percent, from \$895.7 billion for 2006 to \$954.8 billion for 2007.

Total deductions, the sum of the standard deductions and total itemized deductions (after limitation) equaled \$1,941.3 billion, an increase of 8.2 percent from Tax Year 2006. The number of returns claiming the standard deductions increased 6.3 percent, accounting for 63.8 percent of all returns filed and 34.6 percent of the total deductions amount. Mostly due to inflation indexing, the average standard deduction (comprised of the basic and additional standard deductions for age and blindness) increased 3.3 percent, from \$7,043 for 2006 to \$7,278 for 2007.

Itemized deductions were claimed on 34.9 percent of all returns filed for 2007 and represented 65.4 percent of the total deductions amount.² The

Michael Strudler and Michael Parisi are senior economists in the Individual Statistics Branch. This data release was prepared under the direction of David Paris, Chief.

¹ For Tax Year 2007, the total number of returns count does not include individual income tax returns filed by individuals only to receive the economic stimulus payment and who had no other reason to file.

² The remaining 1.3 percent of the returns did not need to claim either a standard deduction or itemized deductions because no AGI was reported.

Individual Income Tax Returns, Preliminary Data, 2007

Statistics of Income Bulletin | Spring 2009

Figure A

Individual Income Tax Returns, Preliminary Data: Selected Income and Tax Items, Tax Years 2006 and 2007

[Money amounts are in thousands of dollars]

Item	Number of returns			Amount		
	2006	2007	Percentage change	2006	2007	Percentage change
	(1)	(2)	(3)	(4)	(5)	(6)
Number of returns, total [1]	138,420,499	143,030,461	3.3	N/A	N/A	N/A
Form 1040 returns	83,518,153	85,745,233	2.7	N/A	N/A	N/A
Form 1040A returns	32,250,392	34,025,192	5.5	N/A	N/A	N/A
Form 1040EZ returns [2]	22,651,954	23,260,036	2.7	N/A	N/A	N/A
Electronically-filed returns [3]	81,536,629	89,319,350	9.5	N/A	N/A	N/A
Adjusted gross income (less deficit)	138,420,499	143,030,461	3.3	7,982,660,690	8,531,396,107	6.9
Salaries and wages	116,832,397	121,575,652	4.1	5,578,112,649	5,936,291,341	6.4
Taxable interest	62,500,172	65,539,247	4.9	192,779,487	231,533,659	20.1
Tax-exempt interest [4]	6,036,087	6,291,259	4.2	69,505,527	76,071,765	9.4
Ordinary dividends	31,538,899	32,200,676	2.1	185,974,188	214,602,175	15.4
Qualified dividends	26,527,893	27,272,187	2.8	130,083,446	142,968,704	9.9
State income tax refunds	23,117,093	23,767,816	2.8	22,670,071	25,102,093	10.7
Alimony received	437,222	464,900	6.3	7,854,640	8,330,494	6.1
Business or profession net income	16,171,389	16,832,343	4.1	316,776,424	316,576,566	-0.1
Business or profession net loss	5,464,904	5,744,898	5.1	47,456,970	52,570,799	10.8
Business or profession net income less loss	21,636,293	22,577,241	4.3	269,319,454	264,005,767	-2.0
Net capital gain [5]	17,884,072	19,600,390	9.6	685,331,194	749,142,977	9.3
Capital gain distributions [5]	14,581,370	15,858,031	8.8	62,333,008	86,375,840	38.6
Net capital loss	8,612,023	7,571,865	-12.1	18,691,022	16,550,418	-11.5
Sales of property other than capital assets, net gain	848,344	858,728	1.2	12,220,069	11,750,123	-3.8
Sales of property other than capital assets, net loss	828,441	790,247	-4.6	9,275,159	9,205,398	-0.8
Sales of property other than capital assets net income less loss	1,676,785	1,648,976	-1.7	2,944,910	2,544,726	-13.6
Taxable Individual Retirement Arrangement distributions	10,064,480	11,146,808	10.8	125,057,748	148,543,305	18.8
Taxable pensions and annuities	24,467,625	26,555,679	8.5	460,647,534	504,106,952	9.4
Rent and royalty net income	5,607,719	5,854,329	4.4	77,337,722	79,631,034	3.0
Rent and royalty net loss	5,203,752	5,458,342	4.9	55,133,308	60,896,603	10.5
Rent and royalty net income less loss	9,380,683	9,802,694	4.5	22,204,414	18,734,431	-15.6
Partnership and S corporation net income	4,516,531	4,647,554	2.9	468,113,804	471,414,946	0.7
Partnership and S corporation net loss	2,305,876	2,488,614	7.9	65,866,290	90,200,748	36.9
Partnership and S corporation net income less loss	6,822,407	7,136,168	4.6	402,247,514	381,214,198	-5.2
Estate and trust net income	503,385	498,106	-1.0	17,404,639	16,254,546	-6.6
Estate and trust net loss	33,932	41,114	21.2	738,487	1,290,666	74.8
Estate and trust net income less loss	537,317	539,220	0.4	16,666,152	14,963,881	-10.2
Farm net income	564,085	571,142	1.3	8,395,511	10,862,108	29.4
Farm net loss	1,400,682	1,423,349	1.6	22,519,021	24,116,600	7.1
Unemployment compensation	7,457,645	7,735,444	3.7	26,777,624	29,752,241	11.1
Taxable Social Security benefits	13,946,403	15,194,849	9.0	146,855,542	169,112,251	15.2
Total statutory adjustments	33,832,756	35,904,216	6.1	110,079,073	118,152,497	7.3
Educator expenses	3,205,761	3,692,983	15.2	816,224	936,226	14.7
Certain business expenses of reservists, performing artists, and fee-basis government officials	120,005	137,353	14.5	368,850	428,090	16.1
Payments to an Individual Retirement Arrangement	3,286,760	3,370,132	2.5	12,768,170	13,191,054	3.3
Student loan interest deduction	8,605,148	9,163,092	6.5	6,187,425	7,513,854	21.4
Tuition and fees deduction	4,028,959	4,570,841	13.4	9,632,076	10,647,111	10.5
Health savings account deduction	351,170	581,438	65.6	845,431	1,447,829	71.3
Medical savings account deduction	17,011	8,584	-49.5	29,908	15,771	-47.3
Moving expenses adjustment	1,087,129	1,117,958	2.8	3,157,994	2,872,755	-9.0
Self-employment tax deduction	16,892,682	17,577,880	4.1	22,451,883	23,000,491	2.4
Self-employed health insurance deduction	3,537,194	3,568,995	0.9	18,469,428	19,360,871	4.8
Payments to a self-employed retirement (Keogh) plan	1,176,905	1,136,764	-3.4	20,243,044	20,143,628	-0.5

Footnotes at end of table.

Individual Income Tax Returns, Preliminary Data, 2007

Statistics of Income Bulletin | Spring 2009

Figure A —Continued

Individual Income Tax Returns, Preliminary Data: Selected Income and Tax Items, Tax Years 2006 and 2007—Continued

[Money amounts are in thousands of dollars]

Item	Number of returns			Amount		
	2006	2007	Percentage change	2006	2007	Percentage change
	(1)	(2)	(3)	(4)	(5)	(6)
Penalty on early withdrawal of savings	1,172,267	1,215,946	3.7	433,716	1,582,390	264.8
Alimony paid	578,779	590,120	2.0	8,701,183	9,024,966	3.7
Domestic production activities deduction	402,710	448,113	11.3	3,277,003	6,639,450	102.6
Other adjustments	136,308	140,482	3.1	1,066,677	1,255,655	17.7
Total exemptions [6]	276,280,206	285,893,543	3.5	895,678,748	954,799,390	6.6
Total deductions	135,806,268	144,650,750	6.5	1,793,667,050	1,941,302,670	8.2
Total standard deduction	86,788,384	92,273,823	6.3	611,274,926	671,612,131	9.9
Basic standard deduction	86,788,384	92,273,823	6.3	594,041,953	650,995,128	9.6
Additional standard deduction	11,419,381	13,107,816	14.8	17,232,969	20,617,003	19.6
Total itemized deductions (after limitation)	49,017,884	50,513,149	3.1	1,182,392,125	1,269,690,539	7.4
Itemized deductions in excess of limitation	6,827,652	7,094,563	3.9	33,562,088	35,146,670	4.7
Medical and dental expenses deduction	10,121,720	10,564,676	4.4	69,090,147	75,428,123	9.2
Taxes paid deduction	48,565,862	50,087,819	3.1	423,257,838	446,395,960	5.5
State and local income taxes [7]	46,847,080	48,607,452	3.8	258,058,659	271,539,747	5.2
Income taxes	35,846,674	36,797,963	2.7	239,126,293	253,235,796	5.9
General sales taxes	11,000,405	11,809,490	7.4	18,932,366	18,303,951	-3.3
Interest paid deduction	40,110,187	41,167,372	2.6	450,398,602	502,340,630	11.5
Charitable contributions deduction	41,427,765	41,138,108	-0.7	173,018,464	174,504,204	0.9
Taxable income	106,803,674	110,808,532	3.7	5,553,096,928	5,932,306,076	6.8
Alternative minimum tax	4,037,074	4,111,154	1.8	19,252,710	20,915,080	8.6
Income tax before credits	106,823,754	110,819,668	3.7	1,083,780,725	1,155,078,777	6.6
Total tax credits [8]	46,331,299	48,374,530	4.4	57,450,072	62,170,319	8.2
Child care credit	6,524,616	6,556,918	0.5	3,519,410	3,524,008	0.1
Credit for the elderly or disabled	99,044	90,569	-8.6	14,847	12,296	-17.2
Child tax credit	25,818,992	26,068,263	1.0	31,836,114	31,753,697	-0.3
Education tax credits	7,819,470	7,516,607	-3.9	7,128,447	6,988,853	-2.0
Retirement savings contributions credit	5,261,485	5,970,293	13.5	908,521	997,343	9.8
Adoption credit	90,684	93,325	2.9	334,705	384,523	14.9
Residential energy credits	4,452,576	4,411,698	-0.9	1,023,719	1,026,245	0.2
Foreign tax credit	6,392,372	7,602,568	18.9	9,430,601	13,991,686	48.4
General business credit	362,918	208,411	-42.6	1,114,077	718,864	-35.5
Prior year minimum tax credit	334,017	370,848	11.0	1,012,865	1,020,767	0.8
Self-employment tax	16,892,682	17,577,880	4.1	44,895,363	45,992,187	2.4
Total earned income credit (EIC)	23,392,886	24,970,376	6.7	45,364,048	49,696,835	9.6
EIC used to offset income tax before credits	2,983,077	3,452,286	15.7	808,517	948,515	17.3
EIC used to offset other taxes	4,972,285	5,384,564	8.3	4,645,878	5,189,831	11.7
Excess EIC, refundable portion	20,639,026	22,024,740	6.7	39,909,653	43,558,489	9.1
Additional child tax credit	15,723,997	16,088,595	2.3	16,354,979	16,828,692	2.9
Credit for Federal telephone excise tax paid	N/A	144,692	N/A	N/A	432,169	N/A
Total income tax	92,762,414	96,374,701	3.9	1,026,331,685	1,092,909,361	6.5
Total tax liability	96,671,006	100,352,051	3.8	1,071,236,902	1,139,266,194	6.4

N/A—Not applicable.

[1] For 2007, the total number of returns does not include the returns filed by individuals only to receive the stimulus payment and who had no other reason to file.

[2] For 2006, the total number of returns includes Form 1040EZ -T returns.

[3] Included in data for Forms 1040, 1040A, and 1040EZ.

[4] Not included in adjusted gross income.

[5] Includes capital gain distributions reported on Form 1040 and Schedule D.

[6] Data shown in columns 1 and 2 are the number of exemptions claimed on returns, rather than the number of returns with exemptions.

[7] State and local income taxes is the total of both income taxes and general sales taxes.

[8] Includes EIC used to offset income tax before credits, shown separately later in this figure.

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

average total for itemized deductions (after limitation) was \$25,136, a 4.2-percent increase from the 2006 average of \$24,122. Due to the AGI limitation on itemized deductions, 7.1 million higher-income taxpayers were unable to deduct \$35.1 billion in itemized deductions, an increase of 4.7 percent from 2006.

The interest paid deduction was the largest deduction, comprising 38.5 percent of total itemized deductions (before limitation). For 2007, it increased 11.5 percent to \$502.3 billion. The Tax Relief and Health Care Act of 2006 extended the election to deduct State and local general sales taxes instead of State and local income taxes. For 2007, an estimated 11.8 million taxpayers took advantage of this, deducting \$18.3 billion. Including taxpayers who deducted State and local sales taxes, 3.8 percent more taxpayers took a deduction for State and local income and sales taxes, and the total amount of this deduction increased 5.2 percent from 2006 levels.

The total taxes paid deduction accounted for 35.2 percent of all itemized deductions and increased 5.5 percent to \$446.4 billion. The deduction for medical and dental expenses went up by 9.2 percent to \$75.4 billion, while the charitable contributions deduction increased slightly, 0.9 percent, to \$174.5 billion for 2007.

Total tax credits used to offset income tax liabilities increased 8.2 percent to \$62.2 billion. About 26.1 million taxpayers claimed \$31.8 billion in child tax credits, down 0.3 percent from 2006. However, the additional child tax credit (a refundable separate credit) increased by 2.9 percent to \$16.8 billion in 2007. The combined \$48.6 billion of the child tax credit and the additional child tax credit represented a slight, 0.8-percent, increase from 2006.

Other notable percentage increases for major tax credits included a 48.4-percent rise in foreign credits to \$14.0 billion, and a 9.8-percent rise in the retirement savings contributions credit to \$1.0 billion. The adoption credit, which is a smaller credit, also had a significant increase from 2006 of 14.9 percent. The largest percentage decrease was in the general business credit, which decreased 35.5 percent from 2006 to \$0.7 billion. Tax Year 2007 introduced the refundable prior-year minimum tax credit (see Changes in Law Section for details). Taxpayers on

nearly 145,000 returns took advantage of the refundable prior-year minimum tax credit for \$0.4 billion.

The total earned income credit (EIC) increased 9.6 percent to \$49.7 billion for Tax Year 2007. The portion of the EIC used to offset income tax before credits increased 17.3 percent to \$0.9 billion, and the portion of the EIC used to offset other taxes (such as the self-employment tax) rose 11.7 percent to \$5.2 billion. The largest part of the EIC, the refundable portion, was treated as a refund and paid directly to taxpayers who had no tax liability against which to apply the credit. The refundable portion of the EIC increased 9.1 percent to \$43.6 billion for 2007.

The comparisons of data for Tax Years 2006 and 2007 in this article are based on the preliminary estimates for both years. A few income and tax items tend to be understated in preliminary estimates; therefore, comparisons based on preliminary estimates for one year and final estimates for the previous year could be misleading. Comparisons based entirely on preliminary estimates reduce the likelihood of misinterpretation of the data and afford a more accurate representation of year-to-year changes. Final statistics for Tax Year 2006 are available in the fall 2007 issue of the *Bulletin*.

Changes in Law

In general, the definitions used in this article are the same as those in *Statistics of Income—2006, Individual Income Tax Returns*. The following is a partial list of tax law and Internal Revenue Service administrative changes that had a major bearing on the Tax Year 2007 preliminary data presented in this article.

Additional child tax credits—Modifications were made to the additional child tax credit for 2007. In Tax Year 2006, the credit limit based on earned income was 15 percent of a taxpayer's earned income that exceeded \$11,300. For 2007, the limit was 15 percent of a taxpayer's earned income that exceeded \$11,750.

Alternative Minimum Tax (AMT)—For Tax Year 2007, the minimum exemption increased to \$66,250 for a married couple filing a joint return, up from \$62,550 in 2006, and to \$44,350 for singles and heads of household, up from \$42,500, and \$33,125 from \$31,275 for a married person filing separately.

Domestic production activities deduction—For Tax Year 2007, the amount of qualified domestic

Individual Income Tax Returns, Preliminary Data, 2007

Statistics of Income Bulletin | Spring 2009

production activities income that could have been deducted increased to 6 percent from 3 percent in 2006.

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 \$2,900 from \$2,800. The maximum credit for taxpayers with no qualifying children increased to \$428 from \$412. For these taxpayers, earned income and AGI had to be less than \$12,590 (\$14,590 if married filing jointly) to get any EIC. For taxpayers with one qualifying child, the maximum credit increased \$106 to \$2,853, and, for taxpayers with two or more qualifying children, the maximum credit increased to \$4,716 from \$4,536. To be eligible for the credit, a taxpayer's earned income and AGI had to be less than \$33,241 (\$35,241 for married filing jointly) for one qualifying child, or less than \$37,783 (\$39,783 for married filing jointly) for two or more qualifying children.

Exemption amount—For Tax Year 2007, the exemption amount increased by \$100 to \$3,400. Taxpayers could have lost a portion of their exemption benefits if their adjusted gross incomes were above certain amounts (\$117,300 for married persons filing separately, \$156,400 for single individuals, \$195,500 for heads of household, and \$234,600 for married persons filing jointly or qualifying widow(er)s). For 2007 and 2006, a taxpayer could lose no more than two-thirds of the dollar amount of his or her exemption, so that the amount of each exemption could not be reduced to less than \$1,133. For 2005 and previous years, exemption amounts could be limited to zero. The exemption for housing a person displaced by Hurricane Katrina did not apply for Tax Year 2007.

Health savings account deduction—For Tax Year 2007, contributions were not limited to the taxpayer's annual health plan deductible. The maximum HSA deduction increased by \$150 to \$2,850 (\$5,650, if family coverage, up from \$5,450). These limits were \$800 higher if the taxpayer was age 55 or older. There were also changes that allowed qualified HSA distributions for Tax Year 2007 from flexible spending accounts and individual retirement accounts.

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

Individual retirement arrangement deduction—The phaseout range for IRA deductions for those covered by a retirement plan began at income of \$83,000 if married filing jointly or a qualifying widow(er), up from \$75,000 in 2006. The phaseout was \$52,000 for a single person or head of household, up from \$50,000 in 2006, and \$0 for a married person filing a separate return. Taxpayers may have been able to deduct an additional \$3,000 if they were participants in a 401(k) plan and their employers were in bankruptcy in an earlier year.

Limit on itemized deductions increased—Taxpayers who had adjusted gross incomes above \$156,400 (\$78,200 if married filing separately) could have lost part of their deduction for itemized deductions. This was an increase from 2006 amounts of \$150,500 (\$75,250 if married filing separately). For Tax Year 2007 and 2006, the amount by which the deduction was reduced was only two-thirds of the amount of the reduction that would have otherwise applied (for 2005 and previous years).

Refundable prior-year minimum tax credit—New for 2007, a refundable credit was available to a taxpayer who had any unused minimum tax credit carryforward from 2004 or earlier years. The taxpayer could have qualified for the refundable credit for part or the entire unused amount, even if the total amount of the 2007 credit exceeded the tax liability amount. This credit was only available for individual taxpayers.

Standard deduction amount increased—The standard deduction for people who did not itemize deductions on Schedule A of Form 1040 was, in most cases, higher for 2007 than it was in 2006. The amount depended on filing status, being 65 or older or blind, and whether an exemption could be claimed for a taxpayer by another person. For 2007, the standard deduction increased to \$10,700 for joint filers, up from \$10,300 in 2006. For single filers

Individual Income Tax Returns, Preliminary Data, 2007

Statistics of Income Bulletin | Spring 2009

and married filing separately, the deduction amount increased to \$5,350. For heads of households the deduction was \$7,850. Also, the additional standard deduction for being 65 or older or blind was increased by \$50 per taxpayer.

Data Sources and Limitations

The preliminary statistics in this data release are based on a sample of individual income tax returns (Forms 1040, 1040A, and 1040EZ including electronically filed returns) filed during Calendar Year 2008. Returns in the sample were stratified based on: (1) the larger of positive income or negative income; (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 Treasury Department tax modeling purposes.³ Returns were then selected at rates ranging from 0.1 percent to 100 percent. The preliminary Tax Year 2007 data are based on a sample of 262,319 returns and an estimated final population of 153,673,511 returns. The corresponding sample and population for the pre-

liminary 2006 data were 243,548 and 138,503,310 returns, respectively.

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. 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 SOI Sampling Methodology and Data Limitations.

While the preliminary estimates are intended to represent a full year of taxpayer reporting, they are actually based on returns processed for tax administration purposes, in the case of 2007 returns, between January and late September of 2008. In general, returns processed during the remainder of each year tend to have somewhat different characteristics compared to returns processed earlier. These characteristics include, for example, disproportionately large amounts of investment income, passive losses, and alternative minimum tax.

³ 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)

Individual Income Tax Returns, Preliminary Data, 2007

Statistics of Income Bulletin | Spring 2009

Table 1. Individual Income Tax Returns, Tax Year 2007 Preliminary Data: Selected Income and Tax Items, by Size of Adjusted Gross Income

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

Item	All returns	Size of adjusted gross income						
		Under \$15,000 [1]	\$15,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$100,000	\$100,000 under \$200,000	\$200,000 under \$250,000	\$250,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Number of returns, total	143,030,461	37,597,390	30,228,531	25,978,228	31,260,254	13,463,233	1,501,211	3,001,611
Form 1040 returns	85,745,233	14,278,377	12,279,529	15,359,408	26,081,688	13,243,410	1,501,211	3,001,611
Form 1040A returns	34,025,192	10,130,354	12,412,871	7,300,132	3,981,483	200,352	0	0
Form 1040EZ returns [2]	23,260,036	13,188,661	5,536,131	3,318,689	1,197,082	19,471	0	0
Electronically-filed returns [3]	89,319,350	21,290,147	20,299,805	17,111,835	19,711,509	8,032,317	802,046	1,441,689
Adjusted gross income (less deficit)	8,531,396,107	185,999,607	669,933,484	1,015,282,794	2,216,020,664	1,793,835,174	333,308,875	2,317,015,508
Salaries and wages:								
Number of returns	121,575,652	28,883,914	25,827,782	23,157,253	27,770,791	12,076,906	1,312,439	2,546,564
Amount	5,936,291,341	225,352,711	545,178,075	837,113,679	1,730,169,688	1,340,461,580	222,442,335	1,035,573,272
Taxable interest:								
Number of returns	65,539,247	10,218,792	8,564,563	10,767,062	20,276,706	11,427,817	1,383,404	2,900,903
Amount	231,533,659	15,084,935	15,053,417	19,040,331	48,314,090	41,321,489	10,403,447	82,315,948
Tax-exempt interest [4]:								
Number of returns	6,291,259	428,067	377,843	591,799	1,651,176	1,658,913	357,540	1,225,923
Amount	76,071,765	1,838,981	1,549,677	2,904,833	8,455,752	14,987,174	4,029,971	42,305,375
Ordinary dividends:								
Number of returns	32,200,676	4,400,895	3,398,691	4,273,688	9,572,278	7,030,528	1,057,019	2,467,579
Amount	214,602,175	6,459,287	6,777,745	9,289,087	30,542,623	39,096,219	10,322,226	112,114,989
Qualified dividends:								
Number of returns	27,272,187	3,585,242	2,744,284	3,509,366	8,006,273	6,148,375	968,959	2,309,687
Amount	142,968,704	3,283,632	3,438,395	4,795,850	17,438,643	24,278,563	6,600,017	83,133,604
State income tax refunds:								
Number of returns	23,767,816	561,692	1,416,197	3,823,174	10,274,651	6,126,222	603,459	962,421
Amount	25,102,093	495,848	723,351	2,233,323	8,074,193	6,896,470	999,731	5,679,178
Alimony received:								
Number of returns	464,900	74,670	114,813	120,125	117,406	28,565	4,577	4,746
Amount	8,330,494	507,452	1,051,811	1,642,062	2,632,749	1,561,222	275,410	659,793
Business or profession net income:								
Number of returns	16,832,343	5,318,293	2,718,499	2,316,779	3,627,202	1,987,360	274,677	589,527
Amount	316,576,566	37,204,394	32,575,604	31,601,392	61,740,384	62,370,608	17,443,862	73,640,321
Business or profession net loss:								
Number of returns	5,744,898	1,027,425	948,562	1,029,949	1,641,486	821,180	87,389	188,909
Amount	52,570,799	17,754,651	7,131,390	6,621,648	9,391,231	5,920,040	883,104	4,868,739
Net capital gain [5]:								
Number of returns	19,600,390	2,484,182	1,877,886	2,436,051	5,667,048	4,530,743	730,856	1,873,620
Amount	749,142,977	14,228,165	7,768,293	10,960,210	42,829,439	74,536,068	25,322,106	573,498,697
Capital gain distributions [5]:								
Number of returns	15,858,031	2,087,079	1,443,903	1,895,511	4,481,194	3,688,087	618,464	1,643,791
Amount	86,375,840	3,250,395	3,373,630	5,051,638	16,040,041	20,602,323	5,448,800	32,609,012
Net capital loss:								
Number of returns	7,571,865	1,381,796	797,265	964,614	2,039,223	1,543,079	259,010	586,878
Amount	16,550,418	2,986,326	1,719,865	2,044,403	4,379,074	3,370,967	588,486	1,461,295
Sales of property other than capital assets, net gain:								
Number of returns	858,728	107,598	91,969	110,629	220,556	148,758	31,262	147,954
Amount	11,750,123	1,154,509	472,582	687,497	1,699,033	1,937,856	332,746	5,465,900
Sales of property other than capital assets, net loss:								
Number of returns	790,247	139,979	61,685	82,530	153,651	147,606	39,344	165,455
Amount	9,205,398	4,713,969	329,730	393,297	651,155	781,128	266,448	2,069,670
Taxable Individual Retirement Arrangement distributions:								
Number of returns	11,146,808	1,614,320	1,815,034	1,880,377	3,512,929	1,753,437	198,705	372,007
Amount	148,543,305	6,928,605	11,416,490	15,480,965	46,525,201	42,948,702	6,649,859	18,593,482

Footnotes at end of table.

Individual Income Tax Returns, Preliminary Data, 2007

Statistics of Income Bulletin | Spring 2009

Table 1. Individual Income Tax Returns, Tax Year 2007 Preliminary Data: Selected Income and Tax Items, by Size of Adjusted Gross Income—Continued

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

Item	All returns	Size of adjusted gross income						
		Under \$15,000 [1]	\$15,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$100,000	\$100,000 under \$200,000	\$200,000 under \$250,000	\$250,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Taxable pensions and annuities:								
Number of returns	26,555,679	4,607,440	4,756,957	4,710,662	7,839,986	3,625,266	390,097	625,274
Amount	504,106,952	28,220,032	55,047,430	75,189,047	176,122,324	122,299,870	17,231,588	29,996,659
Rent and royalty net income:								
Number of returns	5,854,329	761,304	720,631	804,817	1,605,396	1,183,618	190,266	588,297
Amount	79,631,034	5,047,927	4,194,307	5,289,670	13,306,774	15,516,387	4,315,018	31,960,951
Rent and royalty net loss:								
Number of returns	5,458,342	773,929	627,671	896,820	1,743,222	1,002,681	100,398	313,619
Amount	60,896,603	12,556,557	5,487,916	7,954,283	16,640,520	9,404,388	1,300,835	7,552,105
Partnership and S corporation net income:								
Number of returns	4,647,554	293,394	327,328	470,476	1,135,690	1,121,722	273,272	1,025,670
Amount	471,414,946	3,841,431	3,572,424	7,177,063	23,400,367	43,596,112	19,649,241	370,178,305
Partnership and S corporation net loss:								
Number of returns	2,488,614	432,491	217,565	296,808	629,816	509,409	95,649	306,876
Amount	90,200,748	41,342,308	2,531,076	3,597,687	6,843,908	7,046,819	1,961,028	26,877,920
Estate and trust net income:								
Number of returns	498,106	40,499	39,368	44,011	125,425	136,747	27,980	84,080
Amount	16,254,546	207,529	271,992	354,241	1,674,796	2,487,441	656,912	10,601,635
Estate and trust net loss:								
Number of returns	41,114	7,413	3,459	717	9,377	9,595	2,002	8,552
Amount	1,290,666	449,895	1,417	6,660	51,610	20,984	6,769	753,331
Farm net income:								
Number of returns	571,142	104,131	78,616	111,077	172,203	73,122	9,514	22,477
Amount	10,862,108	774,936	847,458	1,392,743	3,015,979	2,308,703	495,033	2,027,255
Farm net loss:								
Number of returns	1,423,349	256,605	200,881	242,779	441,930	196,742	23,210	61,202
Amount	24,116,600	6,382,578	2,558,815	2,797,067	5,539,692	3,197,466	711,689	2,929,294
Unemployment compensation:								
Number of returns	7,735,444	1,440,149	2,132,506	1,630,041	1,890,553	561,459	40,568	40,167
Amount	29,752,241	4,239,491	8,307,994	6,628,226	7,748,516	2,424,811	207,882	195,319
Taxable Social Security benefits:								
Number of returns	15,194,849	93,144	2,594,571	3,766,633	5,663,206	2,237,563	274,321	565,410
Amount	169,112,251	309,982	5,139,562	24,720,488	80,888,908	40,744,459	5,550,477	11,758,376
Total statutory adjustments:								
Number of returns	35,904,216	7,043,748	5,374,474	6,220,661	9,981,821	5,463,220	526,455	1,293,836
Amount	118,152,497	9,270,956	9,165,594	12,784,655	27,054,108	25,096,263	5,861,252	28,919,669
Educator expenses:								
Number of returns	3,692,983	92,507	280,602	705,752	1,545,365	940,858	60,402	67,497
Amount	936,226	20,342	65,122	169,553	390,709	257,662	16,361	16,478
Certain business expenses of reservists, performing artists, and fee-basis government officials:								
Number of returns	137,353	19,187	18,412	22,515	46,353	24,953	4,109	1,823
Amount	428,090	71,789	35,124	90,073	158,309	57,152	8,024	7,618
Payments to an Individual Retirement Arrangement:								
Number of returns	3,370,132	160,580	475,450	737,245	1,250,702	599,641	43,731	102,784
Amount	13,191,054	394,602	1,326,757	2,445,724	4,957,187	2,946,555	331,301	788,929
Student loan interest deduction:								
Number of returns	9,163,092	795,647	1,584,940	2,358,095	3,378,869	1,045,541	0	0
Amount	7,513,854	567,732	1,200,962	2,001,472	2,965,568	778,120	0	0
Tuition and fees deduction:								
Number of returns	4,570,841	981,901	461,580	471,826	1,133,456	1,522,077	0	0
Amount	10,647,111	2,694,985	1,023,214	959,540	2,349,686	3,619,689	0	0
Health savings account deduction:								
Number of returns	581,438	24,376	46,990	82,724	179,052	139,981	26,208	82,107
Amount	1,447,829	40,832	74,827	124,551	374,734	398,611	93,522	340,754

Footnotes at end of table.

Individual Income Tax Returns, Preliminary Data, 2007

Statistics of Income Bulletin | Spring 2009

Table 1. Individual Income Tax Returns, Tax Year 2007 Preliminary Data: Selected Income and Tax Items, by Size of Adjusted Gross Income—Continued

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

Item	All returns	Size of adjusted gross income						
		Under \$15,000 [1]	\$15,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$100,000	\$100,000 under \$200,000	\$200,000 under \$250,000	\$250,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Medical savings account deduction:								
Number of returns	8,584	**	0	** 1,028	4,214	1,205	912	1,224
Amount	15,771	**	0	** 1,145	6,720	1,945	2,427	3,535
Moving expenses adjustment:								
Number of returns	1,117,958	96,070	205,412	276,155	313,240	175,469	23,753	27,858
Amount	2,872,755	177,352	397,579	553,461	784,534	654,109	134,574	171,146
Self-employment tax deduction:								
Number of returns	17,577,880	5,154,322	2,768,154	2,393,913	3,829,116	2,200,374	339,173	892,829
Amount	23,000,491	2,734,026	2,508,721	2,601,998	5,149,880	4,626,775	1,081,081	4,298,006
Self-employed health insurance deduction:								
Number of returns	3,568,995	498,868	500,132	531,269	830,844	623,083	140,579	444,223
Amount	19,360,871	1,742,998	1,887,872	2,321,920	4,188,000	3,963,650	1,092,907	4,163,521
Payments to a self-employed retirement (Keogh) plan:								
Number of returns	1,136,764	26,898	37,152	62,598	237,965	361,205	100,186	310,759
Amount	20,143,628	126,525	185,009	493,818	2,021,631	5,304,201	2,095,249	9,917,196
Penalty on early withdrawal of savings:								
Number of returns	1,215,946	246,823	180,446	211,890	360,375	165,436	18,483	32,494
Amount	1,582,390	61,819	52,735	46,645	1,333,466	45,300	7,160	35,265
Alimony paid:								
Number of returns	590,120	38,454	38,465	92,486	199,965	135,975	23,436	61,339
Amount	9,024,966	484,572	297,058	787,412	1,898,363	1,893,008	644,631	3,019,922
Domestic production activities deduction:								
Number of returns	448,113	10,530	15,113	37,691	89,918	108,804	30,417	155,641
Amount	6,639,450	4,484	16,403	43,505	193,501	355,355	182,728	5,843,470
Other adjustments:								
Number of returns	140,482	13,312	22,763	33,947	42,227	17,369	3,411	7,451
Amount	1,255,655	115,485	89,807	143,616	258,746	192,661	168,738	286,601
Total exemptions:								
Number of exemptions	285,893,543	48,871,735	57,268,320	52,482,310	76,564,460	37,838,759	4,281,436	8,586,523
Amount	954,799,390	165,789,847	194,425,399	178,238,563	260,113,169	128,363,352	14,086,301	13,782,760
Total deductions:								
Number of returns	144,650,750	39,137,233	30,308,301	25,978,903	31,260,254	13,463,233	1,501,204	3,001,622
Amount	1,941,302,670	243,701,678	256,351,757	275,861,539	498,547,346	350,211,893	56,740,825	259,887,635
Total standard deduction:								
Number of returns	92,273,823	35,310,218	25,830,520	17,148,935	11,946,483	1,782,016	89,997	165,655
Amount	671,612,131	213,300,305	188,975,680	134,487,779	113,515,894	18,700,979	938,423	1,693,072
Basic standard deduction:								
Number of returns	92,273,823	35,310,218	25,830,520	17,148,935	11,946,483	1,782,016	89,997	165,655
Amount	650,995,128	206,202,471	183,948,465	131,143,793	109,532,493	17,710,342	872,198	1,585,367
Additional standard deduction:								
Number of returns	13,107,816	4,751,831	3,170,610	2,104,100	2,416,156	565,168	37,061	62,891
Amount	20,617,003	7,097,836	5,027,216	3,343,984	3,983,401	990,637	66,225	107,705
Total itemized deductions (after limitation):								
Number of returns	50,513,149	1,970,164	4,473,364	8,828,946	19,312,391	11,681,195	1,411,207	2,835,883
Amount	1,269,690,539	30,401,370	67,376,079	141,373,760	385,031,452	331,510,914	55,802,402	258,194,563
Itemized deductions in excess of limitation:								
Number of returns	7,094,563	0	0	0	117,259	2,730,575	1,411,169	2,835,560
Amount	35,146,670	0	0	0	21,363	1,121,933	1,877,678	32,125,696
Medical and dental expenses deduction:								
Number of returns	10,564,676	1,259,106	2,007,345	2,643,894	3,592,647	959,723	51,376	50,584
Amount	75,428,123	9,319,599	13,748,805	15,969,644	24,036,340	9,522,066	1,171,876	1,659,796
Taxes paid deduction:								
Number of returns	50,087,819	1,874,892	4,357,673	8,720,758	19,229,322	11,663,738	1,409,775	2,831,664
Amount	446,395,960	5,206,973	12,895,504	31,598,131	111,960,618	120,949,989	23,985,098	139,799,648
State and local income taxes [6]:								
Number of returns	48,607,452	1,642,235	4,083,864	8,370,985	18,789,929	11,514,108	1,393,962	2,812,369
Amount	271,539,747	1,248,383	4,108,976	13,441,162	57,373,681	69,257,500	15,150,098	110,959,948

Footnotes at end of table.

Individual Income Tax Returns, Preliminary Data, 2007

Statistics of Income Bulletin | Spring 2009

Table 1. Individual Income Tax Returns, Tax Year 2007 Preliminary Data: Selected Income and Tax Items, by Size of Adjusted Gross Income—Continued

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

Item	All returns	Size of adjusted gross income						
		Under \$15,000 [1]	\$15,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$100,000	\$100,000 under \$200,000	\$200,000 under \$250,000	\$250,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Income taxes:								
Number of returns	36,797,963	598,238	2,303,443	5,923,410	14,870,536	9,548,470	1,184,367	2,369,500
Amount	253,235,796	720,035	2,789,329	10,874,211	50,980,004	64,546,562	14,458,965	108,866,692
General sales taxes:								
Number of returns	11,809,490	1,043,998	1,780,422	2,447,577	3,919,395	1,965,637	209,595	442,869
Amount	18,303,951	528,351	1,319,647	2,566,950	6,393,677	4,710,939	691,134	2,093,256
Interest paid deduction:								
Number of returns	41,167,372	1,277,144	3,039,968	6,790,020	16,393,951	10,187,196	1,181,207	2,297,883
Amount	502,340,630	12,580,242	27,668,939	62,887,393	173,079,256	140,234,824	21,296,719	64,593,255
Charitable contributions deduction:								
Number of returns	41,138,108	1,148,037	2,996,713	6,443,470	15,934,997	10,614,126	1,311,569	2,689,195
Amount	174,504,204	1,591,775	5,786,999	13,703,115	41,624,595	40,229,180	7,519,217	64,049,322
Taxable income:								
Number of returns	110,808,532	11,368,412	25,191,400	25,263,646	31,049,865	13,437,898	1,499,298	2,998,012
Amount	5,932,306,076	33,397,769	247,612,443	567,829,911	1,460,537,373	1,316,146,957	262,657,425	2,044,124,196
Alternative minimum tax:								
Number of returns	4,111,154	10,637	9,186	11,090	207,188	976,767	878,227	2,018,061
Amount	20,915,080	94,368	11,101	21,806	261,043	1,929,444	2,377,081	16,220,238
Income tax before credits:								
Number of returns	110,819,668	11,373,122	25,186,249	25,265,038	31,056,293	13,439,872	1,499,742	2,999,355
Amount	1,155,078,777	3,412,792	28,267,028	72,736,619	213,925,132	236,720,524	57,609,716	542,406,967
Total tax credits [7]:								
Number of returns	48,374,530	2,727,013	11,210,730	10,958,958	14,752,663	6,454,395	636,279	1,634,487
Amount	62,170,319	390,965	6,056,543	11,340,336	22,632,100	7,305,171	807,524	13,637,681
Child care credit:								
Number of returns	6,556,918	26,553	1,081,872	1,320,976	2,400,655	1,413,018	133,125	180,720
Amount	3,524,008	3,757	532,119	780,981	1,267,946	781,371	62,967	94,867
Credit for the elderly or disabled:								
Number of returns	90,569	51,862	38,709	0	0	0	0	0
Amount	12,296	8,188	4,108	0	0	0	0	0
Child tax credit:								
Number of returns	26,068,263	172,596	5,600,901	6,845,280	10,171,405	3,277,739	** 339	**
Amount	31,753,697	20,455	2,897,146	7,525,135	16,711,872	4,598,686	** 406	**
Education tax credits:								
Number of returns	7,516,607	551,408	1,857,977	2,077,052	2,797,448	232,722	0	0
Amount	6,988,853	168,293	1,415,773	2,020,967	3,227,604	156,219	0	0
Retirement savings contributions credit:								
Number of returns	5,970,293	288,449	2,782,750	2,602,334	296,762	0	0	0
Amount	997,343	60,558	457,937	428,116	50,737	0	0	0
Adoption credit:								
Number of returns	93,325	4	1,697	19,789	52,979	18,590	27	238
Amount	384,523	3	992	37,542	184,637	157,998	234	3,118
Residential energy credits:								
Number of returns	4,411,698	50,423	270,972	770,281	1,947,657	1,078,231	110,675	183,461
Amount	1,026,245	6,372	55,930	169,842	429,934	275,377	31,365	57,424
Foreign tax credit:								
Number of returns	7,602,568	380,729	484,613	729,992	2,105,361	2,112,882	429,228	1,359,764
Amount	13,991,686	11,757	41,052	90,149	470,992	904,514	619,005	11,854,217
General business credit:								
Number of returns	208,411	3,514	12,489	17,051	58,353	59,620	13,143	44,241
Amount	718,864	625	6,974	22,328	83,793	94,769	14,089	496,286
Prior year minimum tax credit:								
Number of returns	370,848	2,306	3,351	11,518	61,884	171,417	32,196	88,176
Amount	1,020,767	169	1,249	15,678	60,313	173,826	45,809	723,722
Self-employment tax:								
Number of returns	17,577,880	5,154,322	2,768,154	2,393,913	3,829,116	2,200,374	339,173	892,829
Amount	45,992,187	5,465,489	5,016,064	5,202,798	10,297,829	9,252,459	2,161,990	8,595,555

Footnotes at end of table.

Individual Income Tax Returns, Preliminary Data, 2007

Statistics of Income Bulletin | Spring 2009

Table 1. Individual Income Tax Returns, Tax Year 2007 Preliminary Data: Selected Income and Tax Items, by Size of Adjusted Gross Income—Continued

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

Item	All returns	Size of adjusted gross income						
		Under \$15,000 [1]	\$15,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$100,000	\$100,000 under \$200,000	\$200,000 under \$250,000	\$250,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Total earned income credit (EIC):								
Number of returns	24,970,376	13,245,931	9,167,118	2,557,328	0	0	0	0
Amount	49,696,835	24,038,544	23,725,706	1,932,582	0	0	0	0
EIC used to offset income tax before credits:								
Number of returns	3,452,286	1,281,284	1,399,615	771,388	0	0	0	0
Amount	948,515	109,246	637,178	202,091	0	0	0	0
EIC used to offset other taxes:								
Number of returns	5,384,564	3,565,452	1,462,279	356,831	0	0	0	0
Amount	5,189,831	3,105,112	1,882,635	202,085	0	0	0	0
Excess EIC, refundable portion:								
Number of returns	22,024,740	11,514,154	8,663,371	1,847,216	0	0	0	0
Amount	43,558,489	20,824,189	21,205,895	1,528,406	0	0	0	0
Additional child tax credit:								
Number of returns	16,088,595	2,546,843	8,579,699	3,840,090	1,084,962	36,994	6	0
Amount	16,828,692	1,033,518	8,815,374	5,441,333	1,471,699	66,764	3	0
Refundable prior year minimum tax credit								
Number of returns	144,692	9,084	1,464	5,071	8,993	43,324	30,771	45,985
Amount	432,169	74,764	60,071	14,242	14,570	150,013	77,711	40,796
Total income tax:								
Number of returns	96,374,701	9,884,182	17,359,038	21,269,157	29,969,223	13,399,948	1,497,973	2,995,176
Amount	1,092,909,361	3,021,828	22,210,486	61,396,283	191,293,043	229,415,353	56,802,192	528,770,179
Total tax liability:								
Number of returns	100,352,051	12,480,776	18,056,732	21,735,817	30,169,669	13,413,869	1,498,828	2,996,359
Amount	1,139,266,194	5,546,835	25,340,474	66,507,325	203,220,841	240,415,940	59,258,810	538,975,969

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

[1] Includes returns with adjusted gross deficit.

[2] The total number of returns does not include the returns filed to receive the stimulus payment only update.

[3] Included in data for Forms 1040, 1040A, and 1040EZ.

[4] Not included in adjusted gross income.

[5] Includes capital gain distributions reported on Form 1040 and Schedule D.

[6] State and local income taxes is the total of both income taxes and general sales taxes.

[7] Includes EIC used to offset income tax before credits, shown separately later in this table.

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

Selected Historical and Other Data

Notice: The data on the following pages represent the most recent and most accurate information available at time of publication. However, they are subject to continuous revision as more information becomes available. Historical data tables are only published in print format on an annual basis and appear in the spring issue. Electronic versions of historical data tables will be maintained and available on SOI's pages of the IRS Web site, www.irs.gov/taxstats.

Selected Historical and Other Data

Table 1. Individual Income Tax Returns: Selected Income and Tax Items for Tax Years 2000-2006
Page 125

Table 2. Individual Income and Tax Data, by State and Size of Adjusted Gross Income, Tax Year 2007
Page 132

Table 3. Number of Individual Income Tax Returns, Income, Exemptions and Deductions, Tax, and Average Tax, by Size of Adjusted Gross Income, Tax Years 2004-2006
Page 186

Table 4. Comparison of Personal Income in the National Income and Product Accounts (NIPA) with Adjusted Gross Income (AGI), for Specified Tax Years, 1995-2005
Page 189

Table 5. Personal Income and Total Adjusted Gross Income Based on Individual Income Tax Returns per National Income and Product Accounts (NIPA), Tax Years 1950-2005
Page 190

Table 6. Total Adjusted Gross Income Estimated from National Income and Product Accounts (NIPA) and as Reported on Individual Income Tax Returns per Statistics of Income (SOI), Tax Years 1950-2005
Page 192

Table 7. Standard, Itemized, and Total Deductions Reported on Individual Income Tax Returns, Tax Years 1950-2006
Page 194

Table 8. Personal Income per National Income and Product Accounts (NIPA), and Taxable Income and Individual Income Tax per Statistics of Income (SOI), Tax Years 1950-2006
Page 196

Table 9. Number of Individual Income Tax Returns, by Type of Tax Settlement, Tax Years 1950-2006
Page 198

Table 10. Nonfarm Sole Proprietorship Returns: Selected Income Statement Items for Income Years, 2000-2006
Page 200

Table 11. Partnership Returns: Selected Balance Sheet and Income Statement Items for Income Years, 2000-2006
Page 201

Table 12. Number of Business Income Tax Returns, by Size of Business for Income Years, 2000-2006
Page 202

Table 13. Corporation Income Tax Returns: Balance Sheet, Income Statement, and Tax Items for Income Years, 2000-2006
Page 204

Table 14a. Corporation Income Tax Returns: Selected Balance Sheet, Income Statement, and Tax Items, by Standard Industrial Classification (SIC) Industrial Division, Specified Income Years, 1985-1997
Page 208

Table 14b. Corporation Income Tax Returns: Selected Balance Sheet, Income Statement, and Tax Items, by North American Industry Classification System (NAICS) Industrial Sector, Income Years 2001-2006
Page 212

Table 15. Corporation Profits Before Tax per National Income and Product Accounts (NIPA) and per Statistics of Income (SOI), and Income Subject to Tax per SOI, Income Years 1960-2006
Page 219

Table 16. Nonprofit Charitable Organization and Domestic Private Foundation Information Returns, and Exempt Organization Business Income Tax Returns: Selected Financial Data, 1998-2005
Page 221

Table 17. Taxable Estate Tax Returns as a Percentage of Adult Deaths, Selected Years of Death, 1934-2004
Page 222

Table 18. Treasury Department Gross Tax Collections: Amount Collected by Quarter and Fiscal Year, 1987-2007
Page 224

Table 19. Internal Revenue Tax Refunds: Amount Refunded by Quarter and Fiscal Year, 1987-2008
Page 228

Selected Historical and Other Data

Table 20. Federal Excise Taxes Reported to or Collected by the Internal Revenue Service, Alcohol and Tobacco Tax and Trade Bureau, and Customs Service, by Type of Excise Tax, Fiscal Years 2002-2008
Page 231

Table 21. Selected Returns and Forms Filed or To Be Filed by Type During Specified Calendar Years, 1995-2008
Page 235

Table 22a. Taxpayers Receiving Assistance, Tax Years 2001-2006
Page 238

Table 22b. IRS Assistance for Individual Taxpayers, Fiscal Years 2003-2008
Page 238

Table 23. U.S. Individual Income Tax: Personal Exemptions and Lowest and Highest Bracket Tax Rates, and Tax Base for Regular Tax, Tax Years 1913-2008
Page 239

Table 24. U.S. Corporation Income Tax: Tax Brackets and Rates, 1909-2009
Page 244

Selected Historical and Other Data

Table 1. Individual Income Tax Returns: Selected Income and Tax Items for Tax Years 2000-2006

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

Item	2000	2001	2002	2003	2004	2005	2006
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
All returns [1]	129,373,500	130,255,237	130,076,443	130,423,626	132,226,042	134,372,678	138,394,754
Form 1040 returns [1]	78,846,102	80,500,011	80,748,948	80,420,043	80,603,689	81,497,559	83,805,545
Form 1040A returns [1]	28,826,589	28,293,817	28,714,328	29,631,494	30,572,631	31,326,141	32,018,556
Form 1040EZ returns [1]	21,700,809	21,461,409	20,613,167	20,372,089	21,049,722	21,548,977	22,570,653
Electronically filed returns [1]	40,078,595	46,861,486	52,798,823	61,154,815	68,380,152	73,471,852	80,095,643
Returns by filing status:							
Joint returns	50,268,249	51,034,384	51,302,089	51,510,779	51,975,649	52,505,729	53,294,930
Returns of married persons filing separately	2,486,719	2,441,481	2,330,723	2,320,275	2,453,292	2,462,804	2,524,941
Returns of heads of households	18,208,359	18,493,710	19,170,266	19,506,611	19,647,748	19,985,059	20,669,369
Returns of surviving spouses	63,800	74,242	73,577	83,179	82,188	71,111	74,771
Returns of single persons	58,346,372	58,211,420	57,199,788	57,002,781	58,067,165	59,347,974	61,830,743
Returns with Presidential Election Campaign Fund checkoff [2]:							
Number of returns	13,958,259	14,240,945	13,143,595	12,198,321	11,613,401	10,860,522	10,887,080
Amount	60,685	60,801	56,567	52,361	50,202	48,753	46,922
Number of boxes checked	19,741,877	20,266,894	18,857,672	17,453,770	16,733,962	15,711,327	15,640,828
Adjusted gross income (AGI) [3]	6,365,376,648	6,170,603,942	6,033,585,532	6,207,108,793	6,788,805,130	7,422,495,663	8,030,842,945
Salaries and wages:							
Number of returns	110,168,714	111,227,450	110,938,441	110,890,993	112,369,812	114,070,880	116,379,376
Amount	4,456,167,438	4,565,229,218	4,559,690,903	4,649,900,493	4,921,806,344	5,155,407,373	5,469,370,119
Taxable interest received [4]:							
Number of returns	68,046,458	67,479,816	63,584,806	59,459,344	57,605,888	59,249,357	62,401,235
Amount	199,321,670	198,177,814	149,024,899	127,159,692	125,474,158	162,432,720	222,707,445
Tax-exempt interest [5]:							
Number of returns	4,658,345	4,557,381	4,453,829	4,524,955	4,416,851	4,497,973	6,038,822
Amount	53,951,877	55,582,376	54,564,465	53,750,230	52,031,763	57,693,924	72,970,971
Dividends in AGI [4,6]:							
Number of returns	34,140,605	32,621,151	31,409,759	30,475,097	30,687,178	31,175,376	31,619,775
Amount	146,987,679	119,533,324	103,241,332	115,141,232	146,838,808	166,482,004	199,359,146
Qualified dividends in AGI [6]:							
Number of returns	N/A	N/A	N/A	22,449,379	24,549,867	25,853,686	26,584,184
Amount	N/A	N/A	N/A	80,994,736	110,500,411	118,980,474	137,195,800
Business or profession net income [7]:							
Number of returns	13,312,586	13,611,559	13,750,982	14,442,334	15,057,938	15,748,896	16,209,687
Amount	244,598,112	249,507,231	256,878,740	268,581,833	290,224,776	314,717,429	330,265,386
Business or profession net loss [7,8]:							
Number of returns	4,287,423	4,406,790	4,846,323	4,973,314	5,194,140	5,308,433	5,446,722
Amount	30,732,759	32,734,734	36,095,167	38,926,548	43,007,488	45,016,373	48,738,126
Net capital gain in AGI [6,9]:							
Number of returns	22,645,728	12,630,577	9,969,731	9,081,384	10,875,231	12,017,926	13,427,079
Amount	644,284,795	348,132,997	268,202,336	322,973,738	497,227,695	685,194,041	789,797,297
Net capital loss in AGI [6,10]:							
Number of returns	6,875,037	10,839,824	13,279,894	12,808,303	11,513,428	10,022,532	8,641,990
Amount	13,742,364	22,964,034	29,833,878	28,952,022	25,492,046	22,136,901	18,751,674
Sales of property other than capital assets, net gain [11]:							
Number of returns	827,490	772,632	789,392	798,662	857,903	900,568	894,821
Amount	7,445,007	7,208,365	7,291,728	8,138,821	10,473,327	12,843,235	14,020,711
Sales of property other than capital assets, net loss [11]:							
Number of returns	872,562	843,253	938,985	955,198	892,031	876,635	883,982
Amount	8,364,141	9,105,361	9,678,258	8,469,180	7,970,811	9,180,303	9,819,064
Pensions and annuities in AGI [12]:							
Number of returns	21,765,211	22,262,774	22,794,417	22,822,842	23,123,390	23,247,374	24,098,220
Amount	325,827,702	338,745,409	357,840,960	372,931,442	394,285,849	420,144,855	450,454,465
Unemployment compensation [13]:							
Number of returns	6,478,292	8,799,886	10,334,639	10,065,230	9,094,911	7,887,700	7,378,438
Amount	16,913,305	26,890,925	43,129,155	44,007,879	32,740,272	27,857,367	26,523,665

Footnotes at end of table.

Selected Historical and Other Data

Table 1. Individual Income Tax Returns: Selected Income and Tax Items for Tax Years 2000-2006—Continued

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

Item	2000	2001	2002	2003	2004	2005	2006
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Social Security benefits in AGI [14]:							
Number of returns	10,608,572	10,779,280	10,702,502	10,975,002	11,691,859	12,660,754	13,749,185
Amount	89,964,021	93,559,363	93,459,494	97,768,201	110,462,387	124,829,069	144,403,839
Rent net income [7]:							
Number of returns	4,200,588	4,226,121	4,228,529	4,086,160	4,078,981	4,109,952	3,945,510
Amount	45,099,159	47,307,618	49,265,943	49,236,378	50,640,786	53,536,785	53,607,878
Rent net loss [7]:							
Number of returns	4,520,263	4,504,545	4,500,788	4,529,086	4,731,529	4,951,857	5,200,270
Amount	30,309,122	31,057,269	34,253,712	37,558,496	44,672,209	51,914,832	64,256,741
Royalty net income [15]:							
Number of returns	1,103,851	1,133,409	1,118,018	1,242,840	1,296,467	1,342,691	1,463,190
Amount	7,997,803	10,630,523	8,013,942	10,729,655	12,421,989	16,121,113	17,360,823
Royalty net loss [15]:							
Number of returns	36,033	46,313	38,389	32,790	31,654	33,393	40,159
Amount	100,895	89,482	140,775	123,569	186,747	197,030	320,028
Partnership and S corporation net income [16]:							
Number of returns	4,179,537	4,356,933	4,329,316	4,453,988	4,738,228	4,992,108	5,022,308
Amount	285,424,865	301,558,966	314,665,137	333,029,137	398,690,527	492,020,754	528,224,522
Partnership and S corporation net loss [8,16]:							
Number of returns	2,120,784	2,139,574	2,394,105	2,552,592	2,498,144	2,539,384	2,596,993
Amount	72,511,266	76,448,871	76,697,948	78,972,015	82,697,364	89,694,035	102,747,208
Estate or trust net income:							
Number of returns	556,534	493,247	539,946	499,416	507,008	493,504	550,919
Amount	12,134,000	12,378,332	12,459,427	13,498,758	15,436,171	18,138,463	19,125,097
Estate or trust net loss:							
Number of returns	39,026	44,096	41,508	33,117	35,710	35,713	44,685
Amount	1,127,838	2,158,566	1,219,102	1,083,966	1,435,566	1,654,404	1,941,673
Farm net income:							
Number of returns	703,083	649,173	556,331	592,019	588,823	610,647	551,965
Amount	8,270,319	7,656,704	6,324,051	7,472,503	7,371,027	8,484,072	7,683,980
Farm net loss [8]:							
Number of returns	1,358,701	1,357,698	1,438,741	1,405,097	1,416,076	1,370,603	1,406,308
Amount	17,305,037	18,661,484	20,743,770	19,843,995	20,610,232	20,652,859	23,015,298
Total statutory adjustments:							
Number of returns [17]	23,197,425	23,497,092	28,911,078	30,382,069	32,153,965	33,591,124	33,980,524
Amount [17]	58,609,518	60,572,768	77,161,432	87,575,677	98,046,679	109,396,547	113,845,357
Educator expenses:							
Number of returns	N/A	N/A	2,884,403	3,240,673	3,402,468	3,503,719	3,166,931
Amount	N/A	N/A	712,505	805,734	858,457	877,796	805,568
Certain business expenses of reservists, performing artists, and fee-basis government officials:							
Number of returns	N/A	N/A	N/A	N/A	105,135	100,111	120,468
Amount	N/A	N/A	N/A	N/A	252,597	285,073	368,258
Individual Retirement Arrangements [18]:							
Number of returns	3,505,032	3,448,457	3,277,671	3,418,494	3,330,763	3,256,066	3,230,531
Amount	7,477,074	7,406,866	9,462,404	10,006,814	10,028,607	12,003,037	12,533,506
Student loan interest deduction:							
Number of returns	4,477,986	4,405,667	6,640,784	6,953,370	7,527,249	8,072,896	8,540,900
Amount	2,639,472	2,711,733	4,469,546	4,409,816	4,398,734	5,052,720	6,156,865
Tuition and fees deduction:							
Number of returns	N/A	N/A	3,444,941	3,571,154	4,710,253	4,696,013	4,015,828
Amount	N/A	N/A	6,154,145	6,683,631	10,589,279	10,846,990	9,620,615
Health savings account deduction [19]:							
Number of returns	N/A	N/A	N/A	N/A	90,857	215,781	358,968
Amount	N/A	N/A	N/A	N/A	190,732	510,690	868,560
Medical savings account deduction:							
Number of returns	65,415	69,957	61,118	67,347	32,334	18,808	18,668
Amount	120,330	123,296	121,282	129,214	66,602	41,341	35,106

Footnotes at end of table.

Selected Historical and Other Data

Table 1. Individual Income Tax Returns: Selected Income and Tax Items for Tax Years 2000-2006—Continued

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

Item	2000	2001	2002	2003	2004	2005	2006
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Keogh and self-employed retirement plans:							
Number of returns	1,287,706	1,290,496	1,186,947	1,208,801	1,201,332	1,256,900	1,228,299
Amount	12,475,396	13,114,412	16,349,738	17,795,957	19,295,952	21,268,404	22,011,551
Deduction for self-employment tax:							
Number of returns	14,300,141	14,574,036	14,664,473	15,373,279	15,920,203	16,694,655	17,074,708
Amount	17,392,967	18,134,959	18,687,162	19,791,285	21,109,366	22,733,881	23,925,376
Self-employed health insurance:							
Number of returns	3,564,624	3,559,792	3,571,152	3,802,277	3,883,687	3,901,082	3,804,190
Amount	7,569,198	8,177,397	10,494,247	16,454,211	18,457,063	19,645,889	20,302,533
Domestic production activities deduction:							
Number of returns	N/A	N/A	N/A	N/A	N/A	336,959	421,128
Amount	N/A	N/A	N/A	N/A	N/A	2,360,983	3,303,121
Exemptions:							
Number of exemptions, total	252,332,427	256,186,046	258,716,374	261,126,373	263,896,304	269,043,070	275,256,944
Amount [20]	690,109,474	727,554,990	761,440,430	781,305,067	800,690,043	839,904,186	891,911,609
Number of boxes checked for taxpayer's age 65 or over [20]	22,475,999	22,825,923	22,948,745	23,178,832	23,790,587	24,246,402	25,322,424
Primary taxpayer	16,159,749	16,443,262	16,444,649	16,626,808	16,961,345	17,381,797	18,118,613
Spouse	6,316,250	6,382,661	6,504,096	6,552,024	6,829,242	6,864,605	7,203,811
Total deductions:							
Number of returns [21]	128,204,824	128,800,540	128,302,742	128,592,872	130,351,990	132,596,649	135,707,287
Amount [21]	1,293,181,391	1,366,435,851	1,390,114,852	1,457,644,886	1,559,171,075	1,702,558,646	1,836,701,474
Standard deductions [22]							
Number of returns	85,670,504	84,238,233	82,655,191	84,643,281	84,016,753	84,841,222	86,583,732
Amount	470,820,881	481,907,591	492,067,532	555,780,052	560,932,618	580,747,711	607,464,185
Returns with additional standard deductions for age 65 or over or blindness:							
Number of returns	11,330,554	11,116,629	10,857,098	11,200,647	10,985,079	10,996,440	11,261,327
Amount	14,735,998	14,936,559	14,897,487	15,858,963	15,850,401	16,561,658	16,976,422
Itemized deductions:							
Number of returns [23]	42,534,320	44,562,308	45,647,551	43,949,591	46,335,237	47,755,427	49,123,555
Amount [23]	822,360,510	884,528,260	898,047,320	901,864,834	998,238,457	1,121,810,935	1,229,237,288
Medical and dental expense [24]:							
Number of returns	6,513,104	7,571,522	8,547,481	8,678,320	9,530,675	9,917,189	10,208,792
Amount	39,251,004	47,071,726	52,276,395	56,007,076	61,503,014	67,353,932	70,704,272
Taxes paid [25]:							
Number of returns	41,823,555	43,797,188	44,793,590	43,061,888	46,009,291	47,353,480	48,660,923
Amount	294,711,547	307,974,817	302,653,989	310,896,704	362,608,853	400,390,045	432,774,100
Interest paid [26]:							
Number of returns	35,405,336	36,800,610	37,637,017	36,211,578	38,110,298	39,015,536	40,284,927
Amount	322,931,506	349,900,751	351,495,773	340,319,125	356,355,994	405,718,259	470,474,844
Home mortgage interest paid:							
Number of returns	34,914,116	36,331,190	37,216,044	35,797,375	37,691,995	38,574,509	39,831,381
Amount	299,963,368	330,692,376	336,570,649	325,191,983	340,476,440	383,733,110	443,151,695
Charitable contributions:							
Number of returns	37,524,825	39,386,782	40,399,695	38,626,902	40,623,426	41,381,465	41,437,749
Amount	140,681,631	139,241,476	140,571,365	145,702,137	165,564,388	183,390,686	186,646,644
Taxable income:							
Number of returns	105,259,292	104,174,654	102,275,969	101,392,812	102,737,959	104,330,653	106,667,402
Amount	4,544,242,424	4,268,506,425	4,096,127,651	4,200,218,439	4,670,165,637	5,137,165,874	5,579,145,443
Income tax before credits [27,28]:							
Number of returns	105,277,966	104,195,834	102,293,722	101,412,777	102,740,921	104,345,964	106,688,255
Amount	1,018,218,948	933,567,474	836,842,718	790,005,881	884,342,703	990,151,766	1,082,855,370
Tax credits:							
Number of returns [29,30]	37,736,095	49,792,710	40,614,049	41,091,029	41,694,252	42,246,181	46,091,502
Total amount [29,30]	37,722,293	45,631,198	39,862,411	41,995,756	52,366,870	55,316,421	58,938,971
Child care credit:							
Number of returns	6,368,101	6,184,507	6,185,855	6,313,297	6,316,649	6,500,596	6,466,792
Amount	2,793,860	2,721,061	2,706,539	3,206,890	3,337,984	3,462,104	3,486,637
Credit for the elderly or disabled:							
Number of returns	155,796	139,097	133,538	123,147	107,914	101,627	98,261
Amount	32,608	30,496	21,119	20,257	18,740	14,127	14,571

Footnotes at end of table.

Selected Historical and Other Data

Table 1. Individual Income Tax Returns: Selected Income and Tax Items for Tax Years 2000-2006—Continued

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

Item	2000	2001	2002	2003	2004	2005	2006
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Child tax credit:							
Number of returns	26,404,521	26,452,875	25,939,801	25,672,254	25,988,711	25,950,568	25,741,511
Amount	19,689,359	22,427,229	21,520,271	22,788,025	32,300,455	32,047,620	31,741,551
Education credits:							
Number of returns	6,815,316	7,212,554	6,475,134	7,298,227	7,180,884	7,057,251	7,725,138
Amount	4,851,178	5,156,254	4,882,853	5,843,029	6,016,805	6,119,631	7,022,420
Retirement savings contributions credit:							
Number of returns	N/A	N/A	5,307,176	5,296,688	5,288,732	5,293,605	5,192,133
Amount	N/A	N/A	1,058,219	1,034,394	1,011,506	944,531	893,957
Residential energy credit:							
Number of returns	N/A	N/A	N/A	N/A	N/A	N/A	4,344,189
Amount	N/A	N/A	N/A	N/A	N/A	N/A	1,000,149
Foreign tax credit:							
Number of returns	3,935,699	3,942,604	3,748,974	4,145,174	4,700,259	5,398,046	6,418,317
Amount	5,990,360	6,254,559	5,933,600	5,805,555	6,757,994	9,361,989	10,958,470
General business credit:							
Number of returns	275,116	269,648	284,720	262,738	248,506	251,386	386,681
Amount	764,253	713,974	750,855	612,744	635,391	877,850	1,302,464
Income tax after credits [25]:							
Number of returns	96,815,794	94,763,163	90,963,775	88,921,898	89,101,934	90,593,079	92,740,926
Amount	980,496,655	887,936,276	796,980,307	748,010,125	831,975,834	934,835,345	1,023,916,399
Total income tax [31]:							
Number of returns	96,817,602	94,763,530	90,963,896	88,921,904	89,101,934	90,593,081	92,740,927
Amount	980,645,201	887,973,968	796,986,268	748,017,488	831,976,333	934,835,769	1,023,920,139
Alternative minimum tax [32]:							
Number of returns	1,304,198	1,120,047	1,910,789	2,357,975	3,096,299	4,004,756	3,966,540
Amount	9,600,840	6,756,705	6,853,901	9,469,803	13,029,239	17,421,071	21,564,586
Earned income credit [33]:							
Number of returns	19,277,225	19,593,122	21,703,187	22,024,227	22,269,577	22,751,904	23,042,200
Amount	32,296,341	33,375,971	38,198,572	38,657,067	40,024,050	42,410,290	44,387,566
Used to offset income tax before credits:							
Number of returns	5,416,246	4,412,721	4,168,977	3,606,251	2,975,197	2,896,347	2,960,172
Amount	1,968,680	1,470,200	1,114,948	926,381	767,524	745,322	797,162
Used to offset other taxes:							
Number of returns	3,147,876	3,506,426	4,106,193	4,401,160	4,630,477	4,756,198	4,874,407
Amount	2,523,703	2,862,938	3,346,682	3,718,355	3,957,021	4,199,530	4,518,182
Excess earned income credit (refundable):							
Number of returns	16,125,542	16,631,224	18,780,033	19,162,460	19,448,355	20,087,050	20,268,821
Amount	27,803,959	29,042,833	33,736,942	34,012,332	35,299,505	37,465,440	39,072,222
Tax payments, total:							
Number of returns [34]	122,243,874	123,451,339	120,083,021	123,461,513	124,989,700	122,684,049	133,577,700
Amount [34]	1,084,868,447	1,076,500,696	953,697,397	974,543,079	1,036,118,363	1,083,700,046	1,189,243,053
Income tax withheld [35]:							
Number of returns	113,733,442	114,798,386	114,861,744	114,861,706	116,312,978	118,161,380	120,500,889
Amount	763,901,388	773,325,891	717,492,263	703,758,484	731,734,362	782,659,594	843,094,979
Excess Social Security tax withheld:							
Number of returns	1,640,582	1,436,746	1,145,352	1,121,141	1,242,604	1,383,240	1,443,437
Amount	2,184,849	1,915,349	1,564,478	1,566,411	1,727,641	2,023,314	2,288,806
Estimated tax payments [36]:							
Number of returns	13,326,669	13,167,855	12,434,579	11,576,213	10,996,504	11,053,213	11,128,072
Amount	221,621,893	220,195,712	198,177,595	182,906,911	188,770,357	221,001,524	252,998,613
Payments with requests for extension of filing time [37]:							
Number of returns	1,610,937	1,448,214	1,235,156	1,333,579	1,518,779	1,627,572	1,758,125
Amount	63,396,711	42,495,018	36,321,934	38,303,188	59,268,206	77,833,848	86,530,919
Tax due at time of filing:							
Number of returns	30,624,423	24,581,130	22,818,761	21,072,333	24,452,350	25,659,937	26,694,105
Amount	134,944,362	91,822,703	82,287,723	73,741,408	99,683,799	118,232,296	126,289,889
Tax overpayments, total [38]:							
Number of returns	95,921,082	102,310,896	103,462,884	105,361,848	103,706,648	104,778,359	109,915,823
Amount	196,198,780	236,982,082	239,784,002	254,553,541	255,064,839	272,110,056	295,796,995
Overpayment refunds:							
Number of returns	93,000,030	99,011,975	100,143,606	102,004,984	100,674,244	101,870,385	107,001,071
Amount	167,577,365	202,274,032	205,987,348	219,751,889	221,371,474	232,975,616	250,941,390

Footnotes at end of table.

Selected Historical and Other Data

Table 1. Individual Income Tax Returns: Selected Income and Tax Items for Tax Years 2000-2006—Continued

Footnotes

N/A—Not applicable.

- [1] Year-to-year comparability of the "all returns" total is affected by changes in dollar income filing thresholds, while year-to-year comparability of the number of returns by type of tax form used is affected by changes in the specific filing requirements, including adjustments for inflation, for each form. In general, the filing of "short forms" (mostly Forms 1040A and 1040EZ) has been encouraged by IRS to simplify both taxpayer filing requirements and IRS processing. Filing requirements for each of the short forms have, therefore, been gradually liberalized to facilitate their use. Increases in the number of short forms have mostly been at the expense of "long form" 1040 usage (although increases in the number of each of the short forms have often been at the expense of one short form over another). While the number of 1040 (paper) returns has, therefore, increased over the time period shown, the rate of increase has been reduced by the use of the short forms, and, later, by electronic filing options (see below). For additional information about the return filing requirements, see the annual reports, *Statistics of Income—Individual Income Tax Returns*. Forms 1040, 1040A, and 1040EZ include "standard" electronically filed ("ELF" or "e-file") returns, and Form 1040EZ returns filed electronically by telephone ("TeleFile" 2000-2004 only). For 2006, the total number of Form 1040EZ returns includes 742,859 Form 1040EZ-T returns.
- [2] Taxpayers could elect to assign \$3 of the income tax reported on their returns (\$6 on a joint return, if both spouses contributed) to help pay for the cost of Presidential election campaigns. To do so, a taxpayer had to check a box on the tax return. The relationship between (a) the number of returns and boxes checked and (b) the dollar amounts shown is only approximate because the frequencies and the amounts were obtained from different sources, the frequencies from Statistics of Income tax return data and the dollar amounts from IRS monthly tax collections, aggregated by calendar year. It should be noted that the frequencies and amounts are related to the tax year for which statistics are shown, even though the designation by the taxpayer occurred in the following year, when the income tax return was filed and processed.
- [3] Less deficit.
- [4] Taxable interest includes "dividends" on deposits and withdrawable shares in mutual savings banks, savings and loan associations, and credit unions, but excludes interest from Regulated Investment Companies on money market mutual funds, which is included in "dividends" in "adjusted gross income" (AGI).
- [5] Not included in AGI. Represents interest on State and local government obligations, including tax-exempt interest dividends from Regulated Investment Companies.
- [6] Dividends in AGI exclude capital gains and liquidating dividends, reflected in the statistics for net capital gain or loss in AGI, but include interest from Regulated Investment Companies on money market mutual funds. Qualified dividends are the ordinary dividends received after May 5, 2003, that met certain conditions. These included: the dividend must have been paid by a U.S. corporation or a "qualified" foreign corporation; the stock ownership must have met certain holding period requirements; the dividends were not from certain institutions, such as mutual savings banks, cooperative banks, credit unions, tax-exempt organizations, or farmer cooperatives; and the dividends were not for any share of stock which was a part of an employee stock ownership plan (ESOP).
- [7] Rent net income (or loss) excludes sole proprietorship (including farm) rental income or loss; these are included in business or profession net income or loss. Rental losses are before "passive loss" limitation and, therefore, exceed the amount included in AGI.
- [8] Losses are after "passive loss" limitation.
- [9] Includes capital gains from the sale of assets held for personal use or investment, and also net gains from the sale of certain business property treated as net capital gains and from "involuntary conversions" of property, such as by casualty or theft. Also includes capital gains received from partnerships and S corporations. See also footnote 15. Data represent total capital gains. Total includes capital gain distributions from Regulated Investment Companies. For other changes affecting capital gains, see *Statistics of Income—Individual Income Tax Returns*, various years. See also footnote 6.
- [10] Includes capital losses (after limitation) from the sale of assets held for personal use or investment, including losses in excess of net gains from the sale of certain business property treated as net capital losses and "involuntary conversions" of property, such as by casualty or theft. Also includes capital losses received from partnerships and S corporations. See also footnotes 6, 15, and 16.
- [11] Net gain or loss, not includable in capital gain or loss, from the sale of business property (excluding inventories and certain other assets) and "involuntary conversions" of property, such as by casualty or theft. See also footnote 15.
- [12] Excludes Individual Retirement Arrangement (IRA) distributions.
- [13] Represents total unemployment compensation.
- [14] Up to 85 percent of Social Security benefits were taxable.
- [15] Excludes certain royalties included in the computations of capital gain or loss and of ordinary gain or loss in sales of noncapital assets.
- [16] Excludes capital gains and losses.
- [17] Includes adjustments not shown separately in this table. Total excludes certain business-related expenses, deduction for two-earner married couples, and certain alimony payments, but includes the self-employment health insurance deductions.
- [18] Deductible Individual Retirement Arrangement (IRA) contributions were limited, then liberalized somewhat. Contributions to education and Roth IRAs were nondeductible and are, therefore, not included in the statistics.
- [19] 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 and other criteria.

Selected Historical and Other Data

Table 1. Individual Income Tax Returns: Selected Income and Tax Items for Tax Years 2000-2006—Continued

Footnotes—Continued

- [20] Exemption amounts were indexed for inflation. Amounts were also limited for taxpayers with high incomes. A check box on the return was used for taxpayer's age 65 or over, in general, for use in establishing claims for the additional standard deductions, but many taxpayers not claiming the additional deductions also used the check box. The amount shown for exemptions excludes amounts in excess of AGI, which were reported but could not be used by the taxpayer. The number of exemptions and amounts also excludes the number and amounts reported on returns with no AGI, which did not figure into the computation of tax as a result.
- [21] In general, represents the sum of standard and itemized deductions from AGI to compute "taxable income" (the tax base for the regular income tax), but also includes deductions in excess of AGI that could not be used in the computation. Deductions erroneously reported on returns with no AGI were excluded from the deduction statistics. Includes revised itemized deductions (see also footnotes 23-24), "basic" standard deduction, and "additional" standard deductions for age 65 or over or for blindness (for changes in the standard deduction and its relation to the zero bracket amount, see *Statistics of Income—Individual Income Tax Returns*, for appropriate years). Total itemized deductions are after statutory limitation (see footnote 25).
- [22] Standard deductions were indexed for inflation. Statistics for taxpayers with the additional standard deduction for age 65 or over exclude those who checked the box on tax returns indicating age 65 or over, but then itemized their deductions instead of claiming standard deductions (see footnote 20). For the percentages of AGI used for the standard deduction and the limitation on the deduction, see *Statistics of Income—Individual Income Tax Returns*.
- [23] Includes itemized deductions not shown separately in this table, including revised deductions, for "miscellaneous expenses" after limitation and for employee moving expenses. In general, total itemized deductions were limited for certain high-income taxpayers. This limitation was indexed for inflation.
- [24] Deductible medical and dental expenses were limited, based on a revised percentage of AGI. The definition of expenses includes payments for certain long-term care insurance premiums and for the unreimbursed cost of certain long-term care of a chronically ill individual.
- [25] Starting with 2004, a taxpayer could have elected to deduct State and local general sales taxes instead of State and local income taxes as itemized deductions on Schedule A.
- [26] Deductions for mortgage real estate loan interest were limited. Personal interest was not deductible.
- [27] Includes "alternative minimum tax" (AMT), starting with 2000.
- [28] Different tax rate structures for the regular income tax applied to Tax Years 2000-2002, 2003, 2004, 2005, and 2006. Indexing of tax rate boundaries for inflation existed. The preferential maximum tax rate on net long-term capital gains under "alternative tax" was revised over the years. Alternative tax was abolished, but a maximum capital gain tax rate less than the maximum regular tax rate continued to apply under certain conditions. For additional information on changes affecting tax computations, see Table 23 of the appendix to the historical section of this report and *Statistics of Income—Individual Income Tax Returns*.
- [29] Includes that portion of the "earned income credit" used to offset income tax before credits. Earned income credit is shown below in Table 1. See also footnote 33.
- [30] Includes credits such as the low-income housing credit, child adoption credit, and "empowerment zone employment" (EZE) credit not shown separately.
- [31] The statistics for all years shown are comparable. Starting with Tax Year 2000, total income tax is, in general, the same as income tax after credits, which was redefined to include AMT. (The small difference between the two amounts for 2000 is due mainly to the inclusion in the statistics for Tax Year 2000 of prior-year returns filed in Calendar Year 2001 that were used as proxies for Tax Year 2000 returns filed after 2001; the AMT on these returns was included in total income tax, but not in income tax before or after credits, consistent with the reporting sequence on the tax return forms for these years. The same is true for Tax Year 2002 for prior returns filed in Calendar Year 2003 for Tax Year 2000 and earlier. To a far lesser extent, the difference between total income tax and income tax after credits represents the tax on accumulation distributions of trusts, which was included in total income tax only.) Total income tax reflects the amount reported on the tax return and is, therefore, before any examination or enforcement activities by the Internal Revenue Service. It represents the income tax liability that was payable to the U. S. Department of the Treasury.
- [32] Under "alternative minimum tax" (AMT), generally high-income taxpayers to whom the tax applied were required to pay the larger of the regular income tax or the AMT. As of 2006, examples of preferences or adjustments subject to recapture through the AMT were accelerated depreciation, incentive stock options, certain itemized deductions, personal exemptions, certain tax-exempt interest, and income loss from tax-shelter farm or "passive" investment activities. AMT is shown separately in the statistics for all years. However, AMT is also included in "income tax before credits," as well as in "income tax after credits" and "total income tax."
- [33] In Table 1, the amounts "used to offset income tax before credits" and "used to offset other taxes" (that are income-related) are reflected in the statistics for "total tax credits"; however, "excess earned income credit (refundable)" is reflected in the statistics for tax "overpayments." The refundable portion of the credit is the amount (in excess of the taxes) that could not be credited, including any "advance earned income credit payments" on those returns that had such an excess. ("Advance earned income credit payments" were made to employees electing to receive such payments currently through their paychecks. Such "payments" are included in the statistics only if the employees also met the tax return filing requirements; advance payments received by those not required to file are, therefore, excluded.)
- [34] Represents payments reflecting the sum of "total income tax" (see footnote 31), tax recapture of certain prior-year tax credits, tax applicable to Individual Retirement Arrangements (IRAs), and Social Security taxes on "self-employment income" and on certain employee tip income, as well as on other income-related taxes applicable to the years shown (see *Statistics of Income—Individual Income Tax Returns*). The total also includes the following not shown separately below in Table 1: "advance earned income credit payments" and credits for (a) capital gain tax paid by a Regulated Investment Company, but considered paid by shareholders, and (b) part of the purchase price of a diesel-powered highway vehicle.

Selected Historical and Other Data

Table 1. Individual Income Tax Returns: Selected Income and Tax Items for Tax Years 2000-2006—Continued

Footnotes—Continued

[35] Represents tax withheld on (a) salaries and wages; (b) certain tip income; (c) pensions and annuities; (d) certain gambling winnings; and (e) distributions from profit-sharing plans, retirement plans, and Individual Retirement Arrangements (IRAs). Also included are taxes withheld as a result of "backup withholding" on certain interest, dividends, and royalty payments, which otherwise were not subject to withholding.

[36] Represents the sum of (a) "estimated tax," generally paid quarterly throughout the tax year by self-employed and certain other taxpayers with insufficient or no tax withheld, and (b) prior-year tax overpayments taxpayers elected to credit to their current-year's "estimated tax" in lieu of requesting a refund.

[37] Represents the sum of payments made with a request for an "automatic" 4-month extension of time in which to file an income tax return, and payments with a request for an additional 2-month extension. Notwithstanding the timing of these requests, full payment of a tax estimate for the year had to be made with the original application; if adjustments to the amount thus paid were later necessitated, the difference was either refundable or payable subject to an interest charge (which is not reflected in the tax statistics).

[38] Includes refunds (shown separately), plus credits to the following year's "estimated tax" and the refundable portion of the "earned income credit" (see footnote 36). The taxes reflected in tax overpayments are the same as those listed in footnote 35.

NOTES: Detail may not add to totals because of rounding. All amounts are in current dollars. Most of the data are subject to sampling error; tax law and tax form changes affect the year-to-year comparability of the data.

SOURCE: Except for dollar amounts associated with the Presidential election campaign checkoff, data are from *Statistics of Income—Individual Income Tax Returns*, appropriate years. Depending on the year, dollar amounts associated with the Presidential election campaign checkoff were accumulated by calendar year either from U.S. Treasury Department, Internal Revenue Service, "Table S-1 Collections, Comparative Summary, Document 7038," Report NO-Treas-103, monthly, or from unpublished monthly data from Chief Financial Officer, Office of Finance, Revenue Accounting Division, Office of Revenue Systems.

Selected Historical and Other Data

Table 2. Individual Income and Tax Data, by State and Size of Adjusted Gross Income, Tax Year 2007 *

[Money amounts are in thousands of dollars]

State and item	All returns	Size of adjusted gross income				
		Under \$50,000 [1]	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)
UNITED STATES						
Number of returns	154,707,511	105,552,862	19,386,521	11,740,168	13,455,659	4,572,301
Number of joint returns	55,997,077	21,174,316	10,946,360	8,800,515	11,215,880	3,860,006
Number with paid preparer's signature	86,518,718	56,126,997	11,636,811	7,001,763	8,220,005	3,533,142
Number of exemptions	296,068,586	169,755,401	44,883,893	30,650,707	37,649,587	13,128,998
Adjusted gross income (AGI) [2]	8,564,745,048	1,849,024,649	1,192,039,417	1,014,145,054	1,790,945,895	2,718,590,032
Salaries and wages in AGI [3]: Number	121,561,581	78,058,742	17,113,871	10,462,649	12,050,276	3,876,043
Amount	5,857,279,436	1,600,768,640	938,128,956	785,103,121	1,333,593,408	1,199,685,312
Taxable interest: Number	66,763,192	31,045,159	11,539,812	8,502,848	11,323,260	4,352,113
Amount	263,631,463	53,512,319	25,252,894	22,210,666	42,499,266	120,156,319
Ordinary dividends: Number	32,556,988	12,506,602	5,228,559	4,311,116	6,941,714	3,568,997
Amount	233,807,431	24,288,037	15,175,929	15,151,248	38,550,676	140,641,541
Business or profession net income (less loss): Number	22,898,229	13,520,037	3,181,914	2,156,858	2,821,197	1,218,223
Amount	279,119,708	70,619,671	29,635,990	25,259,395	59,688,322	93,916,329
Number of farm returns	2,026,348	1,018,364	368,805	246,947	266,942	125,290
Net capital gain (less loss) in AGI: Number	27,536,665	10,260,771	4,198,069	3,520,183	6,054,104	3,503,538
Amount	819,565,650	32,977,986	18,196,455	21,174,596	71,142,373	676,074,241
Taxable Individual Retirement Arrangements distributions: Number	11,050,923	5,383,645	1,997,834	1,420,063	1,687,926	561,455
Amount	149,459,476	35,165,464	23,217,679	22,651,525	41,283,755	27,141,053
Taxable pensions and annuities in AGI: Number	26,233,674	14,104,878	4,543,452	3,066,726	3,534,085	984,533
Amount	490,218,038	154,817,810	94,152,180	78,729,246	118,249,247	44,269,555
Unemployment compensation [4]: Number	7,668,820	5,178,286	1,229,592	646,848	533,900	80,194
Amount	29,251,024	18,836,583	4,943,969	2,658,363	2,376,582	435,526
Taxable Social Security benefits in AGI: Number	14,964,519	6,478,994	3,392,867	2,091,823	2,194,375	806,460
Amount	166,665,020	31,670,208	44,042,110	34,315,754	39,827,276	16,809,672
Self-employment retirement plans: Number	1,142,643	136,053	108,612	118,466	349,073	430,439
Amount	21,401,079	833,698	908,602	1,186,063	5,178,321	13,294,395
Total itemized deductions [5]: Number	51,230,932	16,100,508	10,668,088	8,449,910	11,694,670	4,317,756
Amount	1,354,090,830	269,947,162	203,353,786	184,429,504	335,382,521	360,977,863
State and local income taxes: Number	37,409,557	9,331,067	8,100,146	6,755,148	9,622,548	3,600,648
Amount	274,718,612	19,193,609	23,929,184	27,804,340	65,085,219	138,706,260
State and local general sales tax: Number	11,389,710	4,991,782	2,280,071	1,530,417	1,906,697	680,743
Amount	19,271,190	5,412,283	3,498,405	2,830,115	4,605,903	2,924,484
Real estate taxes: Number	44,003,106	12,146,507	9,228,824	7,669,691	10,906,992	4,051,092
Amount	169,443,373	31,754,237	25,813,464	25,099,857	48,597,536	38,178,277
Taxes paid: Number	51,009,106	15,868,278	10,663,677	8,456,785	11,700,623	4,319,743
Amount	494,060,341	70,336,668	56,420,014	59,609,447	123,056,222	184,637,984
Mortgage interest paid: Number	41,722,085	11,624,788	8,911,753	7,354,529	10,227,667	3,603,348
Amount	542,643,469	122,383,362	93,080,501	82,747,604	142,217,583	102,214,421
Contributions: Number	41,087,977	10,653,802	8,572,141	7,218,171	10,583,309	4,060,554
Amount	189,952,068	21,247,144	21,190,037	20,572,915	40,483,061	86,458,910
Taxable income: Number	110,648,729	61,760,566	19,200,188	11,695,821	13,428,229	4,563,925
Amount	5,960,082,833	848,088,283	761,117,293	694,005,040	1,311,706,550	2,345,165,666
Total tax credits [6]: Number	45,836,838	22,577,285	8,542,226	6,023,562	6,390,087	2,303,678
Amount	61,590,172	16,600,397	12,539,726	9,746,917	7,411,622	15,291,510
Residential energy tax credit: Number	4,325,194	1,048,337	1,036,476	846,108	1,110,530	283,743
Amount	1,002,789	216,840	227,539	191,162	273,865	93,384
Child tax credit: Number	25,839,298	12,450,477	6,021,399	4,084,983	3,280,721	1,718
Amount	31,337,977	10,316,259	9,527,954	6,944,944	4,547,267	1,552
Child and dependent care credit: Number	6,474,209	2,385,204	1,319,392	1,067,665	1,375,835	326,113
Amount	3,460,899	1,284,362	689,655	573,731	739,156	173,996
Earned income credit [7]: Number	24,616,107	24,616,107	0	0	0	0
Amount	48,712,092	48,712,093	0	0	0	0
Excess earned income credit (refundable) [8]: Number	21,522,169	21,522,169	0	0	0	0
Amount	42,581,558	42,581,559	0	0	0	0
Alternative minimum tax: Number	4,161,402	78,083	78,418	120,099	962,264	2,922,538
Amount	24,273,037	177,883	102,690	193,843	1,988,758	21,809,862
Income tax [9]: Number	98,524,786	50,775,226	18,251,445	11,543,491	13,392,986	4,561,638
Amount	1,112,906,240	87,841,192	97,093,324	94,719,820	228,808,759	604,443,145
Total tax liability [10]: Number	106,940,217	58,779,590	18,574,509	11,607,114	13,414,519	4,564,485
Amount	1,169,374,548	106,120,457	104,030,266	100,481,453	240,045,092	618,697,280
Tax due at time of filing [11]: Number	28,499,882	13,271,260	4,762,191	3,072,671	4,993,377	2,400,383
Amount	130,112,576	13,367,536	9,937,645	8,606,041	24,162,778	74,038,579
Overpayments refunded [12]: Number	108,280,634	76,609,461	14,159,656	8,308,676	7,799,170	1,403,671
Amount	269,399,977	142,068,496	39,997,362	28,919,593	35,220,985	23,193,540

Footnotes at end of table.

Selected Historical and Other Data

Table 2. Individual Income and Tax Data, by State and Size of Adjusted Gross Income, Tax Year 2007 *—Continued

[Money amounts are in thousands of dollars]

State and item	All returns	Size of adjusted gross income				
		Under \$50,000 [1]	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)
ALABAMA						
Number of returns	2,353,773	1,739,242	261,156	154,804	154,740	43,831
Number of joint returns	846,801	371,525	170,104	128,931	137,578	38,663
Number with paid preparer's signature	1,404,812	1,005,846	170,286	96,982	95,856	35,842
Number of exemptions	4,588,015	2,973,895	631,591	418,519	438,136	125,874
Adjusted gross income (AGI) [2]	102,787,248	29,025,608	16,030,352	13,365,184	20,275,571	24,090,532
Salaries and wages in AGI [3]: Number	1,794,122	1,248,575	231,595	138,704	138,678	36,570
Amount	71,927,507	24,818,656	12,679,635	10,415,858	14,857,321	9,156,038
Taxable interest: Number	784,233	381,978	135,083	102,216	123,477	41,479
Amount	2,740,781	671,294	303,810	258,290	473,562	1,033,825
Ordinary dividends: Number	331,125	128,650	54,233	46,481	70,838	32,923
Amount	2,140,429	224,608	145,751	149,698	389,964	1,230,407
Business or profession net income (less loss): Number	344,078	225,502	44,969	28,873	32,197	12,537
Amount	2,866,162	841,583	293,337	261,542	599,882	869,819
Number of farm returns	53,392	26,477	9,797	6,900	7,225	2,993
Net capital gain (less loss) in AGI: Number	272,505	100,404	42,721	36,577	60,637	32,166
Amount	7,148,180	313,382	194,368	229,353	782,691	5,628,387
Taxable Individual Retirement Arrangements distributions: Number	140,492	71,149	25,289	17,996	19,963	6,095
Amount	1,738,800	457,911	285,883	271,455	458,638	264,913
Taxable pensions and annuities in AGI: Number	412,988	236,375	69,647	46,160	49,211	11,595
Amount	7,555,695	2,724,300	1,470,519	1,202,956	1,637,268	520,651
Unemployment compensation [4]: Number	85,468	65,467	11,284	5,138	3,291	288
Amount	199,811	147,717	27,444	13,995	9,751	905
Taxable Social Security benefits in AGI: Number	221,351	104,509	50,109	29,404	28,043	9,286
Amount	2,295,643	482,325	636,026	480,504	505,536	191,253
Self-employment retirement plans: Number	9,099	1,261	787	840	2,554	3,657
Amount	160,353	5,996	5,603	7,427	36,820	104,507
Total itemized deductions [5]: Number	652,123	240,608	136,052	105,090	129,140	41,233
Amount	13,141,642	2,716,978	2,306,943	2,023,205	3,199,942	2,894,574
State and local income taxes: Number	544,228	170,070	118,639	95,429	120,569	39,521
Amount	2,321,703	259,199	297,601	329,510	627,921	807,472
State and local general sales tax: Number	96,746	60,629	16,666	9,360	8,379	1,712
Amount	128,563	59,379	24,878	17,561	20,324	6,420
Real estate taxes: Number	537,819	163,430	116,411	96,556	122,250	39,172
Amount	640,592	119,717	93,522	92,123	175,446	159,784
Taxes paid: Number	651,803	239,354	136,481	105,363	129,325	41,280
Amount	3,248,883	481,024	445,869	465,422	863,068	993,500
Mortgage interest paid: Number	531,055	170,116	116,071	94,702	116,181	33,985
Amount	5,163,969	1,200,328	916,870	845,418	1,285,547	915,808
Contributions: Number	557,604	185,292	117,394	94,558	120,684	39,676
Amount	3,036,494	507,613	431,497	411,134	718,527	967,723
Taxable income: Number	1,537,825	924,814	260,131	154,562	154,549	43,769
Amount	67,934,500	11,932,704	10,374,658	9,399,845	15,321,299	20,905,993
Total tax credits [6]: Number	657,270	370,508	119,004	79,018	68,810	19,930
Amount	741,073	275,817	180,329	130,415	80,040	74,473
Residential energy tax credit: Number	54,042	16,811	13,721	10,005	11,273	2,232
Amount	13,114	3,949	3,309	2,422	2,805	629
Child tax credit: Number	415,056	228,600	89,506	57,415	39,521	14
Amount	470,213	181,078	139,619	95,568	53,935	13
Child and dependent care credit: Number	104,625	46,276	22,642	17,017	16,325	2,365
Amount	54,657	24,615	11,389	8,919	8,502	1,232
Earned income credit [7]: Number	531,511	531,511	0	0	0	0
Amount	1,221,396	1,221,396	0	0	0	0
Excess earned income credit (refundable) [8]: Number	484,306	484,306	0	0	0	0
Amount	1,099,425	1,099,425	0	0	0	0
Alternative minimum tax: Number	25,558	350	899	945	4,713	18,651
Amount	131,850	1,518	1,126	1,699	11,682	115,825
Income tax [9]: Number	1,328,095	725,268	251,199	153,592	154,274	43,762
Amount	11,571,876	1,166,929	1,274,308	1,253,651	2,647,631	5,229,358
Total tax liability [10]: Number	1,463,217	856,787	254,163	154,025	154,444	43,798
Amount	12,239,125	1,419,158	1,360,282	1,323,295	2,773,309	5,363,080
Tax due at time of filing [11]: Number	370,893	173,756	65,136	42,658	64,992	24,351
Amount	1,673,944	170,165	132,520	115,717	315,088	940,456
Overpayments refunded [12]: Number	1,646,799	1,252,462	190,982	108,149	82,860	12,346
Amount	4,098,185	2,693,518	518,380	351,371	330,908	204,007

Footnotes at end of table.

Selected Historical and Other Data

Table 2. Individual Income and Tax Data, by State and Size of Adjusted Gross Income, Tax Year 2007 *—Continued

[Money amounts are in thousands of dollars]

State and item	All returns	Size of adjusted gross income				
		Under \$50,000 [1]	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)
ALASKA						
Number of returns	370,608	235,859	51,078	33,820	40,633	9,218
Number of joint returns	129,459	36,360	25,882	24,729	34,658	7,830
Number with paid preparer's signature	170,584	98,942	25,042	17,429	22,273	6,898
Number of exemptions	666,201	323,514	116,456	88,980	112,197	25,054
Adjusted gross income (AGI) [2]	19,988,327	4,330,705	3,149,830	2,926,886	5,349,730	4,231,178
Salaries and wages in AGI [3]: Number	303,003	181,610	45,875	30,613	37,183	7,722
Amount	13,856,987	3,550,712	2,465,614	2,242,870	3,919,085	1,678,706
Taxable interest: Number	167,599	71,891	29,592	23,798	33,472	8,846
Amount	400,545	69,121	44,051	41,639	92,147	153,589
Ordinary dividends: Number	99,846	46,479	15,017	12,266	19,312	6,772
Amount	457,884	78,747	38,183	35,113	82,726	223,114
Business or profession net income (less loss): Number	59,586	29,030	9,970	7,661	9,980	2,945
Amount	852,701	147,114	103,611	96,524	214,889	290,564
Number of farm returns	1,325	424	233	195	324	149
Net capital gain (less loss) in AGI: Number	62,969	21,948	9,738	8,798	15,818	6,667
Amount	1,058,175	54,271	40,414	49,902	187,447	726,141
Taxable Individual Retirement Arrangements distributions: Number	16,302	5,116	3,210	2,923	4,001	1,052
Amount	263,101	35,520	35,260	44,310	91,850	56,162
Taxable pensions and annuities in AGI: Number	55,785	20,274	10,827	9,056	12,955	2,673
Amount	1,388,398	256,204	258,353	267,681	479,785	126,376
Unemployment compensation [4]: Number	80,527	64,794	8,742	4,295	2,578	118
Amount	180,387	135,671	24,404	12,540	7,417	354
Taxable Social Security benefits in AGI: Number	26,163	9,116	6,116	4,437	5,058	1,436
Amount	280,579	45,317	70,329	61,908	76,721	26,306
Self-employment retirement plans: Number	3,572	457	409	453	1,216	1,037
Amount	60,511	3,565	3,668	4,841	17,906	30,532
Total itemized deductions [5]: Number	96,819	22,659	20,685	18,481	27,971	7,023
Amount	1,959,013	351,015	347,152	350,139	625,244	285,464
State and local income taxes: Number	21,661	4,047	4,278	4,304	7,212	1,820
Amount	23,186	2,477	2,352	2,805	5,982	9,568
State and local general sales tax: Number	28,352	6,042	6,058	5,758	8,718	1,776
Amount	32,777	10,220	4,391	5,339	9,710	3,116
Real estate taxes: Number	87,219	18,204	18,443	17,064	26,693	6,815
Amount	299,014	45,699	50,640	52,480	102,836	47,359
Taxes paid: Number	93,753	20,847	20,002	18,110	27,762	7,032
Amount	368,730	60,672	59,789	63,060	123,037	62,170
Mortgage interest paid: Number	87,349	18,666	18,792	17,264	26,372	6,255
Amount	1,045,753	179,536	196,167	199,693	343,317	127,040
Contributions: Number	71,437	13,303	14,365	13,847	23,436	6,486
Amount	311,351	29,483	40,876	47,077	98,828	95,089
Taxable income: Number	307,988	173,517	50,884	33,770	40,604	9,213
Amount	14,618,849	2,252,260	2,153,101	2,127,596	4,216,354	3,869,538
Total tax credits [6]: Number	118,189	56,536	22,424	17,030	17,969	4,230
Amount	132,291	39,819	35,034	28,708	20,503	8,228
Residential energy tax credit: Number	10,753	1,948	2,453	2,273	3,512	567
Amount	2,300	397	506	472	777	148
Child tax credit: Number	74,561	35,098	16,935	12,529	9,993	6
Amount	93,384	27,289	28,848	22,624	14,617	5
Child and dependent care credit: Number	14,365	4,885	2,961	2,590	3,414	515
Amount	7,665	2,339	1,619	1,451	1,949	307
Earned income credit [7]: Number	43,162	43,162	0	0	0	0
Amount	70,296	70,296	0	0	0	0
Excess earned income credit (refundable) [8]: Number	36,933	36,933	0	0	0	0
Amount	62,167	62,167	0	0	0	0
Alternative minimum tax: Number	3,783	73	109	161	833	2,607
Amount	15,380	277	191	216	1,894	12,804
Income tax [9]: Number	284,997	153,145	48,639	33,446	40,557	9,210
Amount	2,569,780	245,184	287,747	301,928	753,740	981,181
Total tax liability [10]: Number	297,798	165,063	49,374	33,565	40,584	9,212
Amount	2,726,261	285,335	310,529	322,529	793,926	1,013,943
Tax due at time of filing [11]: Number	98,741	52,478	13,504	10,025	17,807	4,927
Amount	329,094	39,937	31,711	30,283	88,689	138,475
Overpayments refunded [12]: Number	244,590	161,929	36,522	22,801	20,925	2,413
Amount	563,943	273,014	99,633	76,164	82,852	32,277

Footnotes at end of table.

Selected Historical and Other Data

Table 2. Individual Income and Tax Data, by State and Size of Adjusted Gross Income, Tax Year 2007 *—Continued

[Money amounts are in thousands of dollars]

State and item	All returns	Size of adjusted gross income				
		Under \$50,000 [1]	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)
ARIZONA						
Number of returns	2,898,544	1,984,921	371,509	220,668	244,381	77,065
Number of joint returns	1,098,644	446,788	215,140	167,956	204,160	64,600
Number with paid preparer's signature	1,596,796	1,047,204	213,424	126,448	148,611	61,109
Number of exemptions	5,963,088	3,612,729	891,070	579,082	666,506	213,701
Adjusted gross income (AGI) [2]	154,964,429	37,355,971	22,822,194	19,049,372	32,392,173	43,344,718
Salaries and wages in AGI [3]: Number	2,317,287	1,529,715	320,874	191,227	212,302	63,169
Amount	105,415,616	33,368,365	17,566,305	14,245,384	22,907,898	17,327,663
Taxable interest: Number	1,187,473	550,892	210,041	152,995	200,689	72,856
Amount	4,875,420	1,038,412	478,301	415,700	832,048	2,110,959
Ordinary dividends: Number	575,685	224,804	95,107	76,931	121,488	57,355
Amount	3,953,419	503,648	317,827	310,442	743,129	2,078,375
Business or profession net income (less loss): Number	401,593	230,654	59,259	40,099	51,427	20,154
Amount	3,276,373	30,318	510,416	421,143	958,894	1,355,600
Number of farm returns	8,447	3,934	1,254	970	1,345	944
Net capital gain (less loss) in AGI: Number	506,179	192,543	80,281	65,685	109,800	57,870
Amount	14,853,744	651,059	376,419	437,517	1,521,311	11,867,439
Taxable Individual Retirement Arrangements distributions: Number	219,686	104,653	41,024	29,637	34,265	10,107
Amount	3,239,459	742,184	513,452	522,890	927,738	533,195
Taxable pensions and annuities in AGI: Number	520,903	270,094	94,998	64,572	72,840	18,399
Amount	10,143,157	3,024,693	2,012,348	1,714,059	2,539,767	852,290
Unemployment compensation [4]: Number	84,718	64,149	10,729	5,242	4,033	565
Amount	261,210	198,130	32,030	15,694	13,235	2,121
Taxable Social Security benefits in AGI: Number	313,630	132,304	72,900	45,351	47,278	15,797
Amount	3,511,350	647,514	952,324	753,440	847,074	310,998
Self-employment retirement plans: Number	15,927	2,272	1,630	1,785	4,973	5,267
Amount	296,022	14,827	15,154	19,706	77,841	168,495
Total itemized deductions [5]: Number	1,061,930	373,996	228,606	168,820	216,625	73,883
Amount	27,127,269	6,140,330	4,634,882	3,880,505	6,433,056	6,038,496
State and local income taxes: Number	746,804	192,349	162,676	133,522	189,365	68,892
Amount	4,022,782	220,366	572,088	383,091	934,097	1,913,140
State and local general sales tax: Number	297,320	164,952	65,019	35,173	27,209	4,967
Amount	499,386	180,497	125,771	81,078	86,279	25,761
Real estate taxes: Number	950,357	308,819	206,099	157,814	206,486	71,139
Amount	1,993,153	465,873	326,703	291,978	511,002	397,597
Taxes paid: Number	1,063,182	373,420	229,306	169,367	217,092	73,997
Amount	7,091,389	972,288	1,109,876	834,950	1,653,597	2,520,678
Mortgage interest paid: Number	929,669	307,236	205,207	154,854	198,244	64,128
Amount	13,532,004	3,538,016	2,499,236	2,096,701	3,231,557	2,166,494
Contributions: Number	845,708	249,437	184,052	145,368	197,262	69,589
Amount	3,206,300	414,784	407,693	393,852	759,235	1,230,736
Taxable income: Number	2,118,203	1,211,233	366,894	219,564	243,679	76,833
Amount	103,768,972	16,535,047	14,004,310	12,713,180	23,467,587	37,048,848
Total tax credits [6]: Number	907,901	484,494	167,446	111,059	109,933	34,969
Amount	1,022,642	351,284	247,322	179,069	124,612	120,354
Residential energy tax credit: Number	59,842	14,711	14,657	11,805	14,974	3,695
Amount	16,667	3,577	3,851	3,260	4,497	1,480
Child tax credit: Number	553,069	297,203	121,962	77,134	56,722	48
Amount	658,579	242,771	198,342	135,993	81,438	36
Child and dependent care credit: Number	111,954	41,729	24,380	19,654	21,876	4,315
Amount	58,287	21,335	12,503	10,525	11,587	2,337
Earned income credit [7]: Number	468,098	468,098	0	0	0	0
Amount	924,466	924,466	0	0	0	0
Excess earned income credit (refundable) [8]: Number	415,514	415,514	0	0	0	0
Amount	824,216	824,215	0	0	0	0
Alternative minimum tax: Number	49,759	550	1,390	1,652	9,088	37,079
Amount	321,628	2,383	2,097	2,990	22,340	291,818
Income tax [9]: Number	1,833,793	956,287	342,073	215,736	242,848	76,849
Amount	18,461,384	1,677,240	1,747,072	1,714,615	4,043,782	9,278,675
Total tax liability [10]: Number	1,976,401	1,088,831	349,943	217,366	243,345	76,916
Amount	19,371,374	1,979,898	1,870,780	1,815,349	4,232,600	9,472,747
Tax due at time of filing [11]: Number	568,434	262,353	101,689	65,238	99,253	39,901
Amount	2,479,700	249,817	204,688	175,115	478,630	1,371,450
Overpayments refunded [12]: Number	2,033,861	1,466,401	260,797	148,558	133,049	25,056
Amount	5,119,782	2,811,854	725,381	494,293	609,037	479,217

Footnotes at end of table.

Selected Historical and Other Data

Table 2. Individual Income and Tax Data, by State and Size of Adjusted Gross Income, Tax Year 2007 *—Continued

[Money amounts are in thousands of dollars]

State and item	All returns	Size of adjusted gross income				
		Under \$50,000 [1]	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)
ARKANSAS						
Number of returns	1,392,997	1,058,913	154,970	82,847	74,781	21,486
Number of joint returns	545,415	276,255	112,463	71,238	66,606	18,853
Number with paid preparer's signature	830,348	605,285	102,302	53,899	50,583	18,279
Number of exemptions	2,715,982	1,838,426	387,123	222,677	207,233	60,523
Adjusted gross income (AGI) [2]	54,795,910	17,124,701	9,504,231	7,129,535	9,787,403	11,250,041
Salaries and wages in AGI [3]: Number	1,049,310	756,190	136,647	72,878	65,550	18,045
Amount	38,950,750	14,744,749	7,370,409	5,338,935	6,812,396	4,684,261
Taxable interest: Number	484,336	260,972	84,848	57,019	61,162	20,335
Amount	1,691,012	475,400	207,880	163,517	266,125	578,090
Ordinary dividends: Number	208,572	91,045	36,605	27,822	36,964	16,136
Amount	2,197,037	141,907	88,546	85,069	189,155	1,692,359
Business or profession net income (less loss): Number	202,123	135,069	27,965	16,354	16,293	6,442
Amount	1,437,469	428,285	200,817	150,658	282,566	375,144
Number of farm returns	47,720	27,204	8,628	5,063	4,853	1,972
Net capital gain (less loss) in AGI: Number	179,766	77,206	30,730	23,396	32,509	15,925
Amount	3,453,055	276,114	154,809	177,377	470,173	2,374,582
Taxable Individual Retirement Arrangements distributions: Number	90,333	49,335	16,529	10,958	10,589	2,922
Amount	1,060,387	318,988	188,926	172,236	257,755	122,483
Taxable pensions and annuities in AGI: Number	232,281	141,496	40,050	24,235	21,807	4,693
Amount	3,693,737	1,449,073	772,068	592,192	685,984	194,420
Unemployment compensation [4]: Number	73,148	57,033	10,022	3,840	2,066	187
Amount	250,637	186,335	37,804	15,645	9,938	915
Taxable Social Security benefits in AGI: Number	138,375	67,560	32,351	18,098	15,645	4,721
Amount	1,390,677	309,810	407,632	295,604	282,906	94,724
Self-employment retirement plans: Number	4,099	634	420	472	1,251	1,322
Amount	64,924	3,142	3,137	4,669	17,932	36,043
Total itemized deductions [5]: Number	314,659	107,808	68,488	53,956	63,934	20,473
Amount	7,027,838	1,610,223	1,138,429	1,022,203	1,599,251	1,657,734
State and local income taxes: Number	261,565	70,572	60,103	50,100	61,026	19,764
Amount	1,653,055	126,276	182,459	218,048	440,622	685,649
State and local general sales tax: Number	49,670	33,908	8,342	3,838	2,871	711
Amount	78,084	38,938	16,258	9,453	9,152	4,283
Real estate taxes: Number	258,930	76,576	56,631	47,988	58,857	18,878
Amount	337,738	67,187	53,051	53,795	95,664	68,042
Taxes paid: Number	314,855	107,497	68,768	54,095	64,005	20,490
Amount	2,156,584	254,276	267,743	296,392	567,976	770,198
Mortgage interest paid: Number	250,478	76,067	56,760	46,840	54,814	15,997
Amount	2,178,338	519,680	402,312	370,060	533,633	352,653
Contributions: Number	249,094	73,351	54,310	45,334	56,884	19,215
Amount	1,490,051	212,896	201,843	192,906	324,905	557,500
Taxable income: Number	896,086	562,752	154,457	82,724	74,690	21,463
Amount	35,420,616	7,270,062	6,185,064	5,043,763	7,370,295	9,551,433
Total tax credits [6]: Number	372,744	219,581	71,268	41,103	32,122	8,670
Amount	390,190	159,050	109,553	66,473	36,123	18,992
Residential energy tax credit: Number	25,346	8,657	6,786	4,631	4,373	899
Amount	6,042	1,910	1,643	1,117	1,108	265
Child tax credit: Number	240,307	138,520	53,820	29,638	18,320	9
Amount	275,602	113,623	86,923	49,805	25,242	9
Child and dependent care credit: Number	52,247	21,270	13,385	8,886	7,445	1,261
Amount	26,148	10,411	6,703	4,583	3,817	633
Earned income credit [7]: Number	303,618	303,618	0	0	0	0
Amount	637,797	637,797	0	0	0	0
Excess earned income credit (refundable) [8]: Number	271,945	271,945	0	0	0	0
Amount	572,311	572,310	0	0	0	0
Alternative minimum tax: Number	18,088	284	443	509	3,198	13,654
Amount	89,823	1,522	819	957	7,382	79,142
Income tax [9]: Number	774,213	446,876	149,041	82,241	74,593	21,462
Amount	6,072,581	713,119	744,078	665,229	1,265,019	2,685,137
Total tax liability [10]: Number	856,389	526,956	150,829	82,459	74,670	21,475
Amount	6,478,538	875,571	799,009	705,974	1,328,670	2,769,316
Tax due at time of filing [11]: Number	232,060	120,463	42,663	25,313	31,937	11,684
Amount	847,709	120,192	89,583	76,629	179,609	381,696
Overpayments refunded [12]: Number	946,460	736,902	109,015	55,125	39,018	6,400
Amount	2,180,594	1,471,165	277,939	171,179	165,092	95,218

Footnotes at end of table.

Selected Historical and Other Data

Table 2. Individual Income and Tax Data, by State and Size of Adjusted Gross Income, Tax Year 2007 *—Continued

[Money amounts are in thousands of dollars]

State and item	All returns	Size of adjusted gross income				
		Under \$50,000 [1]	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)
CALIFORNIA						
Number of returns	17,601,109	11,561,096	2,186,100	1,338,397	1,824,003	691,513
Number of joint returns	6,281,625	2,411,640	1,036,325	852,735	1,415,141	565,784
Number with paid preparer's signature	11,094,370	6,997,613	1,447,334	890,168	1,224,324	534,931
Number of exemptions	35,716,821	20,451,814	5,029,889	3,339,237	4,966,868	1,929,013
Adjusted gross income (AGI) [2]	1,109,534,361	202,501,806	134,334,307	115,792,522	246,809,578	410,096,149
Salaries and wages in AGI [3]: Number	13,889,995	8,629,417	1,897,129	1,167,470	1,617,654	578,325
Amount	748,653,989	183,524,602	106,476,615	89,520,043	186,578,953	182,553,777
Taxable interest: Number	7,814,537	3,254,341	1,332,429	1,000,534	1,569,298	657,935
Amount	38,044,936	6,851,308	3,268,666	2,927,339	6,472,208	18,525,416
Ordinary dividends: Number	3,567,833	1,208,788	525,406	448,327	867,312	518,000
Amount	30,514,280	2,891,955	1,752,094	1,759,349	4,785,444	19,325,439
Business or profession net income (less loss): Number	3,029,716	1,802,587	371,386	261,843	409,876	184,024
Amount	47,346,687	12,637,506	4,801,307	4,040,204	10,162,035	15,705,634
Number of farm returns	69,837	26,996	9,510	8,010	14,331	10,990
Net capital gain (less loss) in AGI: Number	3,209,841	1,070,764	446,841	386,807	787,682	517,747
Amount	118,594,582	4,332,909	1,719,132	2,104,585	8,193,173	102,244,782
Taxable Individual Retirement Arrangements distributions: Number	1,029,729	436,843	184,499	139,527	194,757	74,103
Amount	15,780,768	3,182,997	2,211,670	2,253,738	4,696,259	3,436,107
Taxable pensions and annuities in AGI: Number	2,419,022	1,163,597	420,050	298,733	406,893	129,749
Amount	52,298,000	13,617,039	9,442,235	8,420,805	14,616,486	6,201,434
Unemployment compensation [4]: Number	1,105,727	730,741	159,666	90,041	102,752	22,527
Amount	4,703,206	3,001,502	702,237	396,949	479,047	123,472
Taxable Social Security benefits in AGI: Number	1,540,933	581,802	337,757	227,137	278,808	115,429
Amount	17,675,061	2,905,523	4,240,265	3,526,352	4,729,874	2,273,047
Self-employment retirement plans: Number	191,547	24,509	18,410	19,325	59,212	70,091
Amount	3,981,604	175,392	183,861	227,550	990,209	2,404,591
Total itemized deductions [5]: Number	6,496,909	1,913,440	1,241,316	1,018,510	1,645,260	678,383
Amount	235,683,265	41,739,730	30,980,250	28,559,017	60,674,663	73,729,605
State and local income taxes: Number	5,076,509	998,457	968,457	892,438	1,557,010	660,147
Amount	54,337,063	1,673,220	2,749,181	3,675,306	11,565,215	34,674,141
State and local general sales tax: Number	1,302,772	807,978	266,512	123,970	86,787	17,525
Amount	1,963,040	757,423	482,022	294,973	333,132	95,490
Real estate taxes: Number	5,344,121	1,397,308	1,007,108	852,380	1,465,166	622,159
Amount	24,826,864	4,532,197	3,440,576	3,302,395	7,231,950	6,319,747
Taxes paid: Number	6,489,678	1,902,544	1,242,872	1,019,557	1,646,287	678,418
Amount	86,525,027	9,815,049	7,713,225	7,628,254	19,789,909	41,578,590
Mortgage interest paid: Number	5,221,487	1,420,562	994,197	830,652	1,402,423	573,653
Amount	107,530,993	23,909,592	17,609,256	15,016,604	30,197,726	20,797,815
Contributions: Number	5,166,814	1,196,872	1,005,427	863,260	1,473,651	627,604
Amount	24,547,592	2,082,509	2,205,286	2,208,324	5,073,126	12,978,345
Taxable income: Number	12,683,536	6,735,606	2,120,106	1,323,147	1,815,602	689,075
Amount	748,218,862	90,243,369	79,780,985	73,404,079	167,885,761	336,904,666
Total tax credits [6]: Number	5,249,871	2,617,092	889,095	627,118	795,080	321,486
Amount	6,288,847	1,921,919	1,259,113	962,999	853,620	1,291,197
Residential energy tax credit: Number	267,401	39,256	49,644	49,412	94,650	34,439
Amount	84,980	9,906	13,899	14,532	30,921	15,722
Child tax credit: Number	3,024,890	1,531,710	652,738	435,735	404,561	146
Amount	3,466,146	1,231,961	989,026	711,382	533,662	118
Child and dependent care credit: Number	716,269	236,746	132,143	107,533	184,605	55,242
Amount	410,893	135,197	76,313	63,490	106,568	29,324
Earned income credit [7]: Number	2,729,208	2,729,208	0	0	0	0
Amount	5,311,267	5,311,266	0	0	0	0
Excess earned income credit (refundable) [8]: Number	2,309,375	2,309,375	0	0	0	0
Amount	4,439,094	4,439,095	0	0	0	0
Alternative minimum tax: Number	741,735	3,964	11,335	19,399	177,336	529,701
Amount	5,567,790	31,887	14,914	33,649	389,128	5,098,213
Income tax [9]: Number	11,110,630	5,364,665	1,962,269	1,286,369	1,807,619	689,708
Amount	148,426,227	9,256,461	10,516,714	10,452,563	29,572,765	88,627,724
Total tax liability [10]: Number	12,308,263	6,476,041	2,024,664	1,303,358	1,813,794	690,406
Amount	156,817,840	12,017,294	11,490,214	11,255,809	31,262,561	90,791,961
Tax due at time of filing [11]: Number	3,625,959	1,716,214	570,480	365,303	624,564	349,398
Amount	17,969,742	1,911,765	1,289,088	1,097,461	3,120,763	10,550,666
Overpayments refunded [12]: Number	12,093,052	8,282,367	1,553,914	925,488	1,104,311	226,972
Amount	32,777,427	15,265,989	4,636,207	3,503,387	5,614,168	3,757,678

Footnotes at end of table.

Selected Historical and Other Data

Table 2. Individual Income and Tax Data, by State and Size of Adjusted Gross Income, Tax Year 2007 *—Continued

[Money amounts are in thousands of dollars]

State and item	All returns	Size of adjusted gross income				
		Under \$50,000 [1]	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)
COLORADO						
Number of returns	2,455,161	1,557,238	336,289	213,241	260,971	87,422
Number of joint returns	959,296	312,596	188,515	161,800	221,619	74,766
Number with paid preparer's signature	1,253,873	745,727	182,030	114,707	145,151	66,258
Number of exemptions	4,735,477	2,443,826	765,879	551,938	724,546	249,288
Adjusted gross income (AGI) [2]	151,056,679	28,730,735	20,711,019	18,447,425	34,879,039	48,288,460
Salaries and wages in AGI [3]: Number	1,998,580	1,202,704	296,434	190,640	235,130	73,672
Amount	100,657,172	25,498,738	16,154,552	14,193,993	25,521,110	19,288,779
Taxable interest: Number	1,091,594	463,358	187,630	144,839	212,561	83,206
Amount	4,656,331	776,592	390,735	354,053	739,106	2,395,843
Ordinary dividends: Number	606,595	222,560	95,375	80,947	139,338	68,375
Amount	4,263,373	423,422	275,856	274,220	732,264	2,557,610
Business or profession net income (less loss): Number	419,066	220,487	64,980	46,056	62,259	25,284
Amount	4,934,534	1,210,520	633,891	525,634	1,183,398	1,381,089
Number of farm returns	31,924	15,037	5,422	3,895	4,864	2,706
Net capital gain (less loss) in AGI: Number	547,064	196,439	81,793	70,404	128,972	69,456
Amount	17,160,915	675,055	383,638	449,142	1,656,330	13,996,751
Taxable Individual Retirement Arrangements distributions: Number	180,156	79,229	33,853	25,497	31,697	9,880
Amount	2,590,712	553,421	392,189	402,012	777,152	465,937
Taxable pensions and annuities in AGI: Number	407,493	189,091	75,881	54,724	69,046	18,751
Amount	8,635,993	2,221,979	1,702,120	1,485,009	2,419,536	807,350
Unemployment compensation [4]: Number	74,249	48,158	12,580	6,761	5,896	854
Amount	288,091	179,080	50,343	27,923	25,997	4,748
Taxable Social Security benefits in AGI: Number	219,876	87,616	51,129	32,695	35,303	13,133
Amount	2,331,821	416,107	611,088	485,474	573,815	245,337
Self-employment retirement plans: Number	22,772	3,071	2,382	2,564	7,142	7,613
Amount	374,189	17,731	19,408	25,205	100,770	211,076
Total itemized deductions [5]: Number	974,697	289,481	206,467	163,254	231,763	83,732
Amount	24,294,832	4,334,695	3,853,030	3,516,418	6,395,647	6,195,042
State and local income taxes: Number	840,628	201,835	183,631	151,977	222,360	80,825
Amount	4,684,610	534,862	408,238	480,375	1,161,203	2,099,932
State and local general sales tax: Number	117,075	72,443	21,631	10,888	9,204	2,909
Amount	164,159	72,201	33,286	22,925	25,426	10,321
Real estate taxes: Number	877,663	237,400	186,391	152,668	220,914	80,290
Amount	1,857,446	350,536	289,375	276,603	537,278	403,655
Taxes paid: Number	974,848	288,488	206,874	163,554	232,056	83,876
Amount	7,885,797	1,037,877	782,848	830,116	2,660,184	2,574,772
Mortgage interest paid: Number	868,651	240,166	188,577	152,368	214,898	72,642
Amount	12,112,031	2,599,984	2,167,203	1,955,233	3,269,791	2,119,820
Contributions: Number	774,521	187,332	161,655	137,383	208,988	79,163
Amount	3,313,407	313,160	334,851	346,552	745,691	1,573,152
Taxable income: Number	1,880,810	986,694	333,597	212,661	260,595	87,263
Amount	107,405,050	14,058,535	13,138,929	12,577,408	25,784,623	41,845,555
Total tax credits [6]: Number	773,925	342,549	148,743	111,173	126,468	44,992
Amount	940,261	250,394	216,188	178,248	135,107	160,323
Residential energy tax credit: Number	73,603	14,954	16,932	14,600	21,524	5,593
Amount	17,556	3,086	3,720	3,316	5,401	2,034
Child tax credit: Number	426,068	183,268	103,808	75,292	63,671	29
Amount	539,688	156,364	166,145	129,276	87,875	27
Child and dependent care credit: Number	105,057	30,581	22,198	19,589	26,582	6,107
Amount	53,545	15,633	11,123	10,199	13,509	3,080
Earned income credit [7]: Number	300,892	300,892	0	0	0	0
Amount	529,992	529,992	0	0	0	0
Excess earned income credit (refundable) [8]: Number	256,090	256,090	0	0	0	0
Amount	461,200	461,199	0	0	0	0
Alternative minimum tax: Number	58,201	623	756	1,101	8,715	47,006
Amount	343,871	2,320	1,368	2,367	20,647	317,171
Income tax [9]: Number	1,699,096	826,016	315,678	210,089	260,030	87,283
Amount	19,593,299	1,490,858	1,675,676	1,705,399	4,472,843	10,248,524
Total tax liability [10]: Number	1,818,781	937,856	322,071	211,165	260,358	87,331
Amount	20,610,195	1,794,329	1,817,888	1,823,457	4,701,279	10,473,242
Tax due at time of filing [11]: Number	546,633	241,115	91,340	61,113	106,351	46,714
Amount	2,616,049	249,748	193,061	169,206	512,671	1,491,361
Overpayments refunded [12]: Number	1,670,803	1,122,098	236,510	145,411	141,189	25,595
Amount	3,970,885	1,841,359	620,503	485,606	599,195	424,222

Footnotes at end of table.

Selected Historical and Other Data

Table 2. Individual Income and Tax Data, by State and Size of Adjusted Gross Income, Tax Year 2007 *—Continued

[Money amounts are in thousands of dollars]

State and item	All returns	Size of adjusted gross income				
		Under \$50,000 [1]	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)
CONNECTICUT						
Number of returns	1,868,063	1,111,365	250,920	168,745	235,945	101,088
Number of joint returns	670,648	157,302	110,501	117,853	197,460	87,532
Number with paid preparer's signature	1,026,757	554,806	150,430	102,007	142,813	76,701
Number of exemptions	3,390,737	1,484,368	511,740	419,987	665,388	309,254
Adjusted gross income (AGI) [2]	158,353,186	19,480,914	15,473,164	14,630,725	31,748,332	77,020,050
Salaries and wages in AGI [3]: Number	1,468,755	800,479	218,549	149,609	213,017	87,101
Amount	102,564,385	16,406,991	11,908,041	11,168,533	24,074,529	39,006,291
Taxable interest: Number	1,073,760	432,966	182,462	142,613	217,218	98,501
Amount	5,726,389	709,756	357,444	323,420	679,966	3,655,804
Ordinary dividends: Number	579,214	201,130	84,313	73,432	136,210	84,129
Amount	5,409,632	414,819	259,443	271,120	739,643	3,724,606
Business or profession net income (less loss): Number	271,426	121,149	39,474	32,211	51,342	27,250
Amount	5,998,089	901,340	538,586	521,745	1,375,490	2,660,927
Number of farm returns	3,230	1,224	521	453	635	397
Net capital gain (less loss) in AGI: Number	461,181	151,728	61,938	55,694	111,342	80,479
Amount	21,006,183	500,757	238,636	312,095	1,123,366	18,831,328
Taxable Individual Retirement Arrangements distributions: Number	168,296	75,623	29,256	22,141	29,502	11,774
Amount	2,343,690	461,246	312,423	319,984	669,725	580,311
Taxable pensions and annuities in AGI: Number	337,645	160,558	57,021	42,348	57,885	19,833
Amount	6,624,545	1,646,412	1,159,175	1,059,106	1,840,571	919,279
Unemployment compensation [4]: Number	116,510	71,553	18,633	12,155	11,939	2,230
Amount	492,758	280,533	84,127	55,106	59,206	13,785
Taxable Social Security benefits in AGI: Number	214,422	81,780	47,282	32,467	37,527	15,366
Amount	2,624,002	421,877	637,099	548,276	690,186	326,564
Self-employment retirement plans: Number	30,923	2,703	2,579	3,118	9,520	13,003
Amount	636,457	17,895	22,450	31,759	144,130	420,223
Total itemized deductions [5]: Number	792,261	188,018	153,556	132,106	218,843	99,738
Amount	25,109,919	3,343,993	2,987,949	2,947,406	6,186,860	9,643,711
State and local income taxes: Number	708,900	122,170	143,112	128,714	216,201	98,703
Amount	6,956,447	218,116	375,406	488,568	1,401,950	4,472,405
State and local general sales tax: Number	70,585	54,288	9,640	3,230	2,439	988
Amount	55,583	30,282	10,355	5,158	5,403	4,384
Real estate taxes: Number	729,856	158,685	140,655	125,238	209,558	95,720
Amount	4,314,460	654,517	597,493	604,630	1,264,027	1,193,795
Taxes paid: Number	791,914	187,108	153,777	132,313	218,952	99,764
Amount	11,813,794	961,301	1,044,076	1,238,861	2,800,229	5,769,327
Mortgage interest paid: Number	650,382	135,870	126,835	113,952	189,200	84,525
Amount	8,922,973	1,495,134	1,234,517	1,203,691	2,402,940	2,586,691
Contributions: Number	661,335	126,928	124,205	114,445	200,356	95,401
Amount	3,179,643	174,235	204,708	216,613	519,615	2,064,471
Taxable income: Number	1,446,310	693,279	248,614	168,059	235,406	100,952
Amount	120,519,721	10,091,288	10,102,566	9,998,923	23,162,279	67,164,666
Total tax credits [6]: Number	583,484	219,624	101,693	87,558	119,215	55,394
Amount	832,857	158,305	130,247	130,753	115,355	298,195
Residential energy tax credit: Number	82,491	13,517	17,488	16,592	26,907	7,987
Amount	17,710	2,582	3,560	3,439	5,922	2,208
Child tax credit: Number	284,182	106,045	64,959	55,362	57,803	13
Amount	358,401	92,105	97,810	91,450	77,023	12
Child and dependent care credit: Number	81,367	20,994	12,679	13,591	26,166	7,937
Amount	42,569	10,839	6,343	7,266	13,910	4,211
Earned income credit [7]: Number	189,662	189,662	0	0	0	0
Amount	333,361	333,361	0	0	0	0
Excess earned income credit (refundable) [8]: Number	161,795	161,795	0	0	0	0
Amount	293,456	293,456	0	0	0	0
Alternative minimum tax: Number	99,030	396	924	1,680	22,260	73,770
Amount	579,047	2,515	1,155	2,870	41,061	531,448
Income tax [9]: Number	1,344,856	603,504	238,991	166,311	235,063	100,987
Amount	26,619,187	1,108,398	1,372,101	1,396,130	4,066,521	18,676,037
Total tax liability [10]: Number	1,415,211	668,111	243,360	167,291	235,424	101,025
Amount	27,839,183	1,317,273	1,484,997	1,505,390	4,318,459	19,213,063
Tax due at time of filing [11]: Number	393,837	163,109	58,475	40,326	79,236	52,691
Amount	2,370,031	170,021	127,350	115,722	361,518	1,595,421
Overpayments refunded [12]: Number	1,265,428	780,346	185,639	122,634	144,952	31,857
Amount	3,563,353	1,320,122	545,374	453,425	668,845	575,588

Footnotes at end of table.

Selected Historical and Other Data

Table 2. Individual Income and Tax Data, by State and Size of Adjusted Gross Income, Tax Year 2007 *—Continued

[Money amounts are in thousands of dollars]

State and item	All returns	Size of adjusted gross income				
		Under \$50,000 [1]	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)
DELAWARE						
Number of returns	454,863	294,155	61,828	39,893	46,578	12,409
Number of joint returns	161,283	49,281	31,578	30,083	39,759	10,582
Number with paid preparer's signature	223,259	130,586	34,448	22,445	26,624	9,156
Number of exemptions	848,158	448,274	134,103	102,149	129,197	34,435
Adjusted gross income (AGI) [2]	25,625,753	5,642,051	3,806,722	3,448,812	6,159,791	6,568,376
Salaries and wages in AGI [3]: Number	367,650	225,366	54,155	35,507	42,135	10,487
Amount	17,595,789	4,613,892	2,891,619	2,600,942	4,563,619	2,925,716
Taxable interest: Number	205,186	89,065	36,675	28,627	39,007	11,812
Amount	638,953	138,307	78,195	70,949	130,164	221,338
Ordinary dividends: Number	107,862	39,203	17,977	15,508	25,089	10,085
Amount	764,368	70,912	51,847	53,837	143,587	444,185
Business or profession net income (less loss): Number	52,601	26,836	8,537	6,260	8,056	2,912
Amount	599,495	152,878	69,969	62,917	135,848	177,883
Number of farm returns	2,293	1,163	384	264	312	170
Net capital gain (less loss) in AGI: Number	81,571	27,656	12,785	11,409	20,175	9,546
Amount	2,044,304	65,775	56,371	65,695	245,046	1,611,418
Taxable Individual Retirement Arrangements distributions: Number	38,424	17,349	7,291	5,439	6,547	1,798
Amount	516,152	113,819	85,806	85,467	156,194	74,866
Taxable pensions and annuities in AGI: Number	97,668	48,659	17,725	12,807	14,999	3,478
Amount	1,920,363	568,387	371,813	328,670	494,162	157,331
Unemployment compensation [4]: Number	26,103	17,556	4,046	2,277	2,060	164
Amount	94,297	60,682	15,756	8,952	8,168	738
Taxable Social Security benefits in AGI: Number	56,222	23,472	12,860	8,475	8,725	2,690
Amount	654,177	117,103	174,128	144,879	163,285	54,782
Self-employment retirement plans: Number	2,798	337	284	308	847	1,022
Amount	46,889	2,014	2,220	2,587	11,348	28,719
Total itemized deductions [5]: Number	162,929	45,514	35,532	29,161	40,774	11,948
Amount	3,970,821	784,668	629,487	605,017	1,066,574	885,076
State and local income taxes: Number	153,772	38,253	34,567	28,717	40,423	11,812
Amount	858,586	55,660	88,485	106,110	253,687	354,644
State and local general sales tax: Number	1,047	555	192	111	125	64
Amount	1,652	454	319	166	299	414
Real estate taxes: Number	145,224	36,742	31,492	27,019	38,594	11,377
Amount	297,203	51,459	47,396	46,912	90,639	60,796
Taxes paid: Number	161,707	44,330	35,506	29,160	40,772	11,939
Amount	1,170,140	110,092	138,194	155,260	348,187	418,408
Mortgage interest paid: Number	143,789	37,777	31,988	26,921	37,196	9,907
Amount	1,772,433	380,451	338,453	314,520	493,238	245,772
Contributions: Number	133,912	31,214	28,718	25,184	37,421	11,375
Amount	537,812	58,976	65,412	66,185	132,037	215,201
Taxable income: Number	347,681	187,514	61,464	39,802	46,515	12,386
Amount	17,781,066	2,702,406	2,489,840	2,390,445	4,594,864	5,603,510
Total tax credits [6]: Number	142,172	65,198	26,304	20,693	23,247	6,730
Amount	155,969	49,440	36,054	31,680	23,408	15,389
Residential energy tax credit: Number	20,342	4,722	4,779	4,171	5,544	1,126
Amount	4,743	1,009	1,089	965	1,361	320
Child tax credit: Number	77,989	35,521	17,494	13,538	11,436	0
Amount	95,478	30,280	27,280	22,576	15,342	0
Child and dependent care credit: Number	24,558	9,021	4,504	4,224	5,797	1,012
Amount	13,560	4,922	2,500	2,416	3,210	512
Earned income credit [7]: Number	64,685	64,685	0	0	0	0
Amount	121,774	121,773	0	0	0	0
Excess earned income credit (refundable) [8]: Number	57,411	57,411	0	0	0	0
Amount	110,151	110,151	0	0	0	0
Alternative minimum tax: Number	10,129	79	156	233	1,796	7,865
Amount	56,729	196	220	385	4,073	51,854
Income tax [9]: Number	314,983	157,459	59,191	39,473	46,471	12,389
Amount	3,111,751	286,089	326,101	326,807	796,608	1,376,146
Total tax liability [10]: Number	330,660	172,238	59,914	39,604	46,507	12,397
Amount	3,242,578	324,175	343,216	341,825	824,562	1,408,799
Tax due at time of filing [11]: Number	86,798	36,477	15,547	10,409	17,665	6,700
Amount	320,320	35,046	29,968	24,968	71,895	158,443
Overpayments refunded [12]: Number	326,099	221,896	45,026	28,479	26,978	3,720
Amount	779,480	390,493	123,980	95,551	109,366	60,090

Footnotes at end of table.

Selected Historical and Other Data

Table 2. Individual Income and Tax Data, by State and Size of Adjusted Gross Income, Tax Year 2007 *—Continued

[Money amounts are in thousands of dollars]

State and item	All returns	Size of adjusted gross income				
		Under \$50,000 [1]	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)
DISTRICT OF COLUMBIA						
Number of returns	316,370	201,777	43,131	23,098	30,967	17,397
Number of joint returns	47,141	11,256	5,662	5,228	13,227	11,768
Number with paid preparer's signature	156,723	96,975	20,051	10,820	16,239	12,638
Number of exemptions	491,493	297,388	63,751	35,192	55,315	39,847
Adjusted gross income (AGI) [2]	23,739,724	4,172,068	2,633,893	1,991,150	4,244,828	10,697,783
Salaries and wages in AGI [3]: Number	254,776	154,300	38,287	20,575	27,385	14,229
Amount	14,963,034	3,643,294	2,195,178	1,622,473	3,243,009	4,259,080
Taxable interest: Number	133,110	51,266	23,713	15,994	25,663	16,474
Amount	608,625	57,029	33,865	30,735	82,306	404,688
Ordinary dividends: Number	71,083	20,530	10,852	8,539	16,981	14,181
Amount	859,007	42,477	30,125	31,514	116,864	638,025
Business or profession net income (less loss): Number	46,657	24,917	6,096	3,849	6,681	5,114
Amount	869,936	105,875	52,534	55,951	173,210	482,365
Number of farm returns	305	69	30	21	73	112
Net capital gain (less loss) in AGI: Number	59,732	16,001	8,557	6,910	14,717	13,547
Amount	3,208,993	93,386	36,224	40,119	180,294	2,858,968
Taxable Individual Retirement Arrangements distributions: Number	12,875	4,411	2,218	1,585	2,784	1,877
Amount	196,178	27,419	20,183	18,434	50,135	80,007
Taxable pensions and annuities in AGI: Number	48,427	25,379	7,855	4,473	6,726	3,994
Amount	1,369,732	428,649	236,006	162,266	305,857	236,955
Unemployment compensation [4]: Number	10,288	8,573	909	328	385	93
Amount	40,917	33,784	3,781	1,336	1,614	402
Taxable Social Security benefits in AGI: Number	21,760	8,365	4,239	2,489	3,887	2,780
Amount	226,817	37,938	42,496	30,960	59,768	55,656
Self-employment retirement plans: Number	5,870	466	397	376	1,312	3,319
Amount	172,766	3,482	4,282	4,829	21,787	138,389
Total itemized deductions [5]: Number	125,770	37,675	23,859	18,524	28,531	17,181
Amount	4,406,899	617,253	475,901	412,500	993,889	1,907,359
State and local income taxes: Number	118,308	32,245	23,030	18,069	28,031	16,933
Amount	1,337,032	61,918	83,817	99,318	258,311	833,668
State and local general sales tax: Number	4,982	3,407	631	347	393	204
Amount	3,758	1,670	572	362	547	606
Real estate taxes: Number	84,823	18,679	15,405	12,752	22,496	15,491
Amount	276,301	34,100	27,593	27,294	71,837	115,477
Taxes paid: Number	125,339	37,248	23,858	18,522	28,532	17,179
Amount	1,728,516	100,790	114,021	128,337	429,115	956,253
Mortgage interest paid: Number	85,908	20,416	16,277	12,857	21,784	14,574
Amount	1,522,686	238,080	196,214	176,531	389,381	522,481
Contributions: Number	103,784	28,281	20,133	15,040	24,340	15,990
Amount	806,405	89,208	75,230	54,043	100,351	487,573
Taxable income: Number	247,856	133,960	42,699	22,975	30,858	17,364
Amount	17,433,498	2,193,819	1,827,739	1,431,794	3,145,950	8,834,196
Total tax credits [6]: Number	87,652	48,477	11,577	6,601	10,858	10,139
Amount	120,106	44,801	16,906	7,751	7,768	42,879
Residential energy tax credit: Number	6,568	1,308	1,288	1,091	1,822	1,059
Amount	1,727	335	331	277	479	304
Child tax credit: Number	33,754	23,456	5,714	2,458	** 2,126	**
Amount	32,618	19,348	7,598	3,264	** 2,409	**
Child and dependent care credit: Number	14,080	8,122	1,803	829	1,741	1,585
Amount	8,848	5,306	1,122	497	1,002	921
Earned income credit [7]: Number	50,677	50,677	0	0	0	0
Amount	91,561	91,561	0	0	0	0
Excess earned income credit (refundable) [8]: Number	45,174	45,174	0	0	0	0
Amount	82,743	82,743	0	0	0	0
Alternative minimum tax: Number	15,954	63	203	297	2,667	12,724
Amount	119,147	591	222	432	5,965	111,936
Income tax [9]: Number	222,858	110,327	41,544	22,798	30,817	17,372
Amount	3,736,089	238,648	279,680	248,652	618,963	2,350,147
Total tax liability [10]: Number	235,188	122,111	41,922	22,896	30,873	17,386
Amount	3,943,391	268,955	293,211	260,715	652,472	2,468,037
Tax due at time of filing [11]: Number	65,499	28,906	11,567	6,320	10,405	8,301
Amount	316,118	31,072	22,858	18,101	49,781	194,308
Overpayments refunded [12]: Number	220,164	149,069	30,743	16,138	18,813	5,401
Amount	603,512	286,098	83,578	56,295	90,046	87,493

Footnotes at end of table.

Selected Historical and Other Data

Table 2. Individual Income and Tax Data, by State and Size of Adjusted Gross Income, Tax Year 2007 *—Continued

[Money amounts are in thousands of dollars]

State and item	All returns	Size of adjusted gross income				
		Under \$50,000 [1]	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)
FLORIDA						
Number of returns	9,688,136	6,984,516	1,104,848	626,919	695,049	276,804
Number of joint returns	3,277,096	1,395,726	620,536	469,588	566,295	224,951
Number with paid preparer's signature	5,310,625	3,660,748	629,396	359,009	432,506	228,966
Number of exemptions	17,637,247	11,101,866	2,434,116	1,552,463	1,824,369	724,433
Adjusted gross income (AGI) [2]	530,465,450	119,199,649	67,753,321	54,067,190	92,510,078	196,935,213
Salaries and wages in AGI [3]: Number	7,328,036	5,087,953	929,556	522,858	574,985	212,684
Amount	316,464,245	105,305,096	50,234,825	38,297,812	60,889,131	61,737,381
Taxable interest: Number	3,851,621	1,937,879	641,203	442,116	568,879	261,544
Amount	22,893,094	4,495,843	1,952,337	1,662,338	3,324,083	11,458,495
Ordinary dividends: Number	1,912,855	793,295	309,406	237,643	358,725	213,786
Amount	20,789,420	2,056,639	1,233,866	1,215,920	3,034,663	13,248,334
Business or profession net income (less loss): Number	1,526,247	1,054,004	168,482	106,163	132,023	65,575
Amount	14,151,658	5,013,181	1,318,939	1,041,601	2,239,628	4,538,308
Number of farm returns	38,574	16,460	5,786	4,671	6,603	5,054
Net capital gain (less loss) in AGI: Number	1,663,339	661,602	257,976	202,754	325,647	215,360
Amount	77,023,568	2,717,721	1,246,822	1,463,259	5,070,578	66,525,187
Taxable Individual Retirement Arrangements distributions: Number	787,822	376,292	140,247	100,465	120,521	50,297
Amount	12,618,528	2,620,258	1,722,832	1,731,448	3,431,276	3,112,715
Taxable pensions and annuities in AGI: Number	1,716,567	925,631	299,046	197,158	220,890	73,842
Amount	34,082,040	10,298,459	6,559,021	5,488,751	8,029,401	3,706,408
Unemployment compensation [4]: Number	308,603	230,254	39,452	19,592	16,646	2,659
Amount	978,314	715,679	128,362	65,611	57,517	11,147
Taxable Social Security benefits in AGI: Number	1,133,629	476,062	251,372	155,594	169,777	80,824
Amount	13,169,375	2,363,100	3,304,684	2,606,759	3,115,080	1,779,752
Self-employment retirement plans: Number	37,312	5,883	3,621	3,627	10,073	14,108
Amount	667,164	34,503	29,472	36,649	152,316	414,226
Total itemized deductions [5]: Number	3,048,265	1,268,178	598,469	406,304	537,217	238,097
Amount	80,376,964	24,044,726	12,200,780	9,363,635	15,413,838	19,353,984
State and local income taxes: Number	282,567	96,308	49,979	35,754	54,778	45,748
Amount	2,613,573	148,763	89,394	200,789	235,798	1,938,827
State and local general sales tax: Number	2,348,714	910,753	472,532	330,881	447,753	186,795
Amount	3,176,001	730,192	553,352	457,331	827,208	607,916
Real estate taxes: Number	2,581,782	938,325	526,089	377,036	511,462	228,870
Amount	11,277,877	2,757,443	1,619,125	1,362,570	2,539,009	2,999,731
Taxes paid: Number	2,967,036	1,196,610	589,950	404,518	536,971	238,987
Amount	18,589,386	4,856,644	2,331,609	2,066,385	3,677,462	5,657,285
Mortgage interest paid: Number	2,513,568	945,841	517,484	364,603	483,301	202,339
Amount	36,947,357	11,015,029	6,083,976	4,733,431	7,624,568	7,490,353
Contributions: Number	2,311,434	804,178	469,075	339,224	476,680	222,277
Amount	11,696,189	1,539,178	1,188,712	1,025,861	1,950,949	5,991,490
Taxable income: Number	6,726,700	4,041,884	1,092,039	623,839	692,822	276,116
Amount	380,385,754	53,851,574	42,885,606	37,311,602	69,434,046	176,902,925
Total tax credits [6]: Number	2,670,672	1,477,289	451,729	294,852	309,162	137,640
Amount	3,153,133	1,068,004	614,581	433,421	326,471	710,654
Residential energy tax credit: Number	192,447	56,282	46,135	34,221	43,177	12,632
Amount	54,504	14,338	12,751	9,651	13,208	4,556
Child tax credit: Number	1,412,379	771,723	305,566	191,847	143,184	59
Amount	1,557,211	603,609	455,917	308,253	189,372	60
Child and dependent care credit: Number	421,655	190,577	84,868	61,996	69,714	14,500
Amount	228,711	100,878	45,124	34,619	39,514	8,575
Earned income credit [7]: Number	1,810,981	1,810,981	0	0	0	0
Amount	3,579,925	3,579,925	0	0	0	0
Excess earned income credit (refundable) [8]: Number	1,571,372	1,571,372	0	0	0	0
Amount	3,072,116	3,072,116	0	0	0	0
Alternative minimum tax: Number	165,763	2,358	4,331	5,993	34,305	118,776
Amount	1,049,688	15,023	6,363	10,660	85,411	932,232
Income tax [9]: Number	5,922,395	3,296,199	1,042,466	616,478	691,167	276,085
Amount	72,449,054	5,525,989	5,525,155	5,163,511	12,176,248	44,058,153
Total tax liability [10]: Number	6,575,340	3,927,596	1,059,293	619,697	692,451	276,303
Amount	75,266,514	6,726,935	5,844,400	5,408,725	12,613,980	44,672,474
Tax due at time of filing [11]: Number	1,697,774	827,666	279,918	177,823	271,852	140,515
Amount	9,372,352	886,476	581,053	504,625	1,481,117	5,919,080
Overpayments refunded [12]: Number	6,810,345	5,131,318	793,825	424,848	379,727	80,627
Amount	18,298,575	10,447,390	2,430,532	1,591,909	1,934,423	1,894,322

Footnotes at end of table.

Selected Historical and Other Data

Table 2. Individual Income and Tax Data, by State and Size of Adjusted Gross Income, Tax Year 2007 *—Continued

[Money amounts are in thousands of dollars]

State and item	All returns	Size of adjusted gross income				
		Under \$50,000 [1]	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)
GEORGIA						
Number of returns	4,560,422	3,232,767	528,701	311,892	363,036	124,026
Number of joint returns	1,581,627	622,214	300,604	240,078	310,369	108,362
Number with paid preparer's signature	2,595,598	1,806,581	308,662	176,647	209,133	94,575
Number of exemptions	9,220,187	5,743,494	1,249,086	828,041	1,030,838	368,728
Adjusted gross income (AGI) [2]	230,079,128	56,890,218	32,442,672	26,946,398	48,341,800	65,458,039
Salaries and wages in AGI [3]: Number	3,680,449	2,481,130	476,659	283,428	331,082	108,150
Amount	166,295,527	51,455,061	26,221,678	21,299,481	36,576,096	30,743,212
Taxable interest: Number	1,600,216	722,781	271,875	202,990	286,434	116,136
Amount	5,568,523	1,205,960	584,021	498,254	997,304	2,282,984
Ordinary dividends: Number	773,834	272,831	121,658	103,947	179,393	96,005
Amount	5,362,535	498,089	324,814	339,823	949,005	3,250,803
Business or profession net income (less loss): Number	808,139	532,763	100,265	63,265	79,602	32,244
Amount	5,664,451	1,514,533	563,244	490,895	1,217,678	1,878,101
Number of farm returns	50,670	22,967	8,621	6,241	8,284	4,557
Net capital gain (less loss) in AGI: Number	644,461	220,151	95,140	82,718	152,709	93,743
Amount	17,928,135	830,999	395,087	485,215	1,775,247	14,441,587
Taxable Individual Retirement Arrangements distributions: Number	258,383	119,428	47,517	34,499	42,821	14,118
Amount	3,667,538	837,262	565,355	545,366	1,048,457	671,097
Taxable pensions and annuities in AGI: Number	715,509	376,433	127,663	85,429	98,959	27,025
Amount	13,444,518	4,149,423	2,599,989	2,171,802	3,376,449	1,146,855
Unemployment compensation [4]: Number	176,531	132,175	23,454	11,338	8,561	1,003
Amount	514,932	375,581	68,823	36,452	30,173	3,904
Taxable Social Security benefits in AGI: Number	356,826	153,248	81,481	50,104	53,187	18,806
Amount	3,917,796	732,663	1,035,130	814,166	952,200	383,637
Self-employment retirement plans: Number	24,491	2,814	2,041	2,194	7,058	10,384
Amount	462,302	15,348	15,621	20,630	97,842	312,862
Total itemized deductions [5]: Number	1,680,569	617,966	352,424	253,567	335,438	121,174
Amount	41,256,992	10,270,722	6,620,462	5,513,434	9,570,835	9,281,539
State and local income taxes: Number	1,493,100	482,716	326,026	240,954	324,978	118,426
Amount	8,161,399	794,231	933,212	982,542	2,124,188	3,327,226
State and local general sales tax: Number	156,305	106,993	24,392	12,073	10,154	2,693
Amount	224,970	125,974	37,290	25,667	25,210	10,828
Real estate taxes: Number	1,446,402	459,890	312,745	236,520	320,396	116,851
Amount	3,708,248	787,004	573,411	511,899	986,670	849,263
Taxes paid: Number	1,680,664	616,048	353,336	254,133	335,869	121,278
Amount	13,050,895	2,240,850	1,645,142	1,604,629	3,273,633	4,286,641
Mortgage interest paid: Number	1,420,479	467,093	310,852	231,430	305,273	105,831
Amount	17,156,647	5,028,664	2,859,456	2,385,482	3,966,389	2,916,657
Contributions: Number	1,398,498	453,182	297,818	223,307	308,586	115,605
Amount	6,846,636	1,162,975	959,295	830,102	1,523,191	2,371,074
Taxable income: Number	3,140,373	1,818,506	524,745	310,905	362,429	123,788
Amount	151,944,144	23,380,641	20,027,193	18,063,856	35,033,564	55,438,891
Total tax credits [6]: Number	1,346,317	739,699	229,929	155,615	164,035	57,039
Amount	1,464,785	547,106	346,590	256,519	180,855	133,714
Residential energy tax credit: Number	100,202	24,723	22,885	18,677	26,279	7,638
Amount	23,568	5,670	5,313	4,291	6,208	2,086
Child tax credit: Number	848,822	463,102	176,650	116,000	93,033	37
Amount	948,121	356,398	272,729	192,865	126,094	34
Child and dependent care credit: Number	231,205	102,060	45,529	34,708	40,418	8,490
Amount	123,022	55,132	23,616	18,542	21,282	4,451
Earned income credit [7]: Number	1,006,290	1,006,290	0	0	0	0
Amount	2,219,893	2,219,894	0	0	0	0
Excess earned income credit (refundable) [8]: Number	909,768	909,768	0	0	0	0
Amount	1,969,355	1,969,356	0	0	0	0
Alternative minimum tax: Number	106,445	1,263	2,204	2,971	19,303	80,704
Amount	540,650	2,728	2,730	5,388	42,173	487,630
Income tax [9]: Number	2,685,599	1,395,559	497,176	307,313	361,711	123,840
Amount	27,392,999	2,299,901	2,500,632	2,430,920	6,071,004	14,090,541
Total tax liability [10]: Number	2,993,458	1,692,118	506,321	308,869	362,225	123,925
Amount	28,884,270	2,863,785	2,678,006	2,571,594	6,340,747	14,430,138
Tax due at time of filing [11]: Number	808,207	379,588	131,400	85,771	143,714	67,734
Amount	3,659,299	394,095	278,972	236,582	696,451	2,053,199
Overpayments refunded [12]: Number	3,281,534	2,428,027	388,745	219,519	206,003	39,240
Amount	8,559,450	5,233,712	1,089,683	732,211	896,230	607,616

Footnotes at end of table.

Selected Historical and Other Data

Table 2. Individual Income and Tax Data, by State and Size of Adjusted Gross Income, Tax Year 2007 *—Continued

[Money amounts are in thousands of dollars]

State and item	All returns	Size of adjusted gross income				
		Under \$50,000 [1]	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)
HAWAII						
Number of returns	694,035	465,805	94,577	57,440	60,830	15,383
Number of joint returns	251,158	92,189	51,835	43,328	51,396	12,410
Number with paid preparer's signature	376,668	236,443	55,778	34,278	37,803	12,366
Number of exemptions	1,277,961	705,587	215,121	151,295	166,413	39,545
Adjusted gross income (AGI) [2]	35,510,051	8,954,597	5,814,701	4,965,333	7,965,607	7,809,812
Salaries and wages in AGI [3]: Number	553,921	357,561	81,417	49,827	53,019	12,097
Amount	23,977,153	7,715,198	4,449,346	3,678,719	5,482,477	2,651,414
Taxable interest: Number	371,497	186,278	67,916	47,371	55,131	14,801
Amount	1,016,143	227,118	126,900	108,694	200,836	352,595
Ordinary dividends: Number	162,515	64,424	28,782	23,196	34,118	11,995
Amount	872,959	115,731	77,097	77,619	184,985	417,528
Business or profession net income (less loss): Number	103,202	56,897	16,055	11,246	13,982	5,022
Amount	1,371,011	164,291	159,948	144,652	354,623	547,497
Number of farm returns	5,837	3,160	963	602	779	333
Net capital gain (less loss) in AGI: Number	129,972	49,562	22,099	18,025	28,646	11,640
Amount	2,881,104	114,609	83,034	100,350	360,886	2,222,225
Taxable Individual Retirement Arrangements distributions: Number	48,345	21,360	9,378	7,055	8,288	2,264
Amount	592,954	127,536	95,753	95,302	176,114	98,248
Taxable pensions and annuities in AGI: Number	130,480	65,240	23,692	17,039	19,760	4,749
Amount	2,879,768	802,210	572,171	506,886	750,729	247,774
Unemployment compensation [4]: Number	23,713	14,672	4,734	2,466	1,711	130
Amount	99,158	60,815	20,065	10,186	7,401	691
Taxable Social Security benefits in AGI: Number	74,718	29,218	17,799	11,592	12,276	3,833
Amount	873,680	140,890	241,085	188,041	224,464	79,199
Self-employment retirement plans: Number	6,601	1,103	746	878	2,078	1,796
Amount	115,516	7,123	6,595	8,704	34,819	58,275
Total itemized deductions [5]: Number	223,425	70,712	48,335	39,277	50,593	14,508
Amount	5,977,838	1,275,966	1,012,298	949,950	1,557,161	1,182,464
State and local income taxes: Number	193,780	52,747	43,198	36,320	47,722	13,793
Amount	1,250,512	111,327	153,388	176,329	370,243	439,225
State and local general sales tax: Number	24,619	13,978	4,563	2,706	2,693	679
Amount	22,211	8,191	4,122	3,311	4,437	2,150
Real estate taxes: Number	171,267	45,130	35,989	32,068	44,757	13,323
Amount	315,217	62,372	50,018	51,476	92,908	58,444
Taxes paid: Number	223,332	70,333	48,429	39,365	50,677	14,528
Amount	1,596,919	174,424	211,694	234,581	472,465	503,755
Mortgage interest paid: Number	170,826	46,265	36,716	32,407	43,590	11,848
Amount	2,905,528	663,582	541,836	522,636	805,208	372,268
Contributions: Number	181,705	49,470	39,918	33,799	45,310	13,208
Amount	723,622	92,319	89,530	86,484	143,056	312,234
Taxable income: Number	526,942	300,665	93,133	57,135	60,664	15,345
Amount	23,826,277	4,433,589	3,688,331	3,320,128	5,742,417	6,641,812
Total tax credits [6]: Number	205,642	100,576	39,282	29,201	29,169	7,414
Amount	282,334	72,196	58,497	48,605	33,201	69,833
Residential energy tax credit: Number	8,407	1,494	1,677	1,725	2,739	772
Amount	7,566	1,000	1,364	1,584	2,730	888
Child tax credit: Number	112,968	49,980	27,923	20,079	14,979	7
Amount	142,987	44,251	44,069	33,959	20,704	5
Child and dependent care credit: Number	30,168	8,935	6,660	6,160	7,326	1,087
Amount	13,831	3,959	3,064	2,893	3,385	532
Earned income credit [7]: Number	96,043	96,043	0	0	0	0
Amount	164,710	164,709	0	0	0	0
Excess earned income credit (refundable) [8]: Number	81,863	81,863	0	0	0	0
Amount	146,838	146,837	0	0	0	0
Alternative minimum tax: Number	13,325	124	279	410	2,852	9,660
Amount	82,152	860	387	714	6,544	73,647
Income tax [9]: Number	477,524	257,589	88,160	55,966	60,462	15,347
Amount	3,997,525	482,054	479,090	450,811	980,918	1,604,653
Total tax liability [10]: Number	507,822	285,611	89,850	56,423	60,579	15,359
Amount	4,245,346	557,061	512,632	480,210	1,039,167	1,656,277
Tax due at time of filing [11]: Number	139,000	61,826	26,492	17,568	25,922	7,192
Amount	494,614	60,734	50,716	45,035	120,445	217,685
Overpayments refunded [12]: Number	485,437	349,892	64,603	36,997	29,686	4,259
Amount	1,079,328	588,731	171,578	118,220	124,625	76,174

Footnotes at end of table.

Selected Historical and Other Data

Table 2. Individual Income and Tax Data, by State and Size of Adjusted Gross Income, Tax Year 2007 *—Continued

[Money amounts are in thousands of dollars]

State and item	All returns	Size of adjusted gross income				
		Under \$50,000 [1]	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)
IDAHO						
Number of returns	722,486	511,484	97,541	52,079	46,890	14,492
Number of joint returns	328,239	153,785	74,532	45,439	41,860	12,623
Number with paid preparer's signature	384,039	251,900	57,388	31,063	31,065	12,623
Number of exemptions	1,493,461	893,658	268,788	151,048	137,558	42,409
Adjusted gross income (AGI) [2]	33,553,278	8,795,162	5,986,146	4,480,772	6,142,945	8,148,252
Salaries and wages in AGI [3]: Number	573,860	389,516	86,163	46,035	40,585	11,561
Amount	22,379,917	7,896,948	4,646,455	3,352,866	4,055,690	2,427,958
Taxable interest: Number	298,022	154,225	54,926	36,169	38,854	13,848
Amount	1,100,029	302,184	122,331	97,439	186,911	391,164
Ordinary dividends: Number	137,562	60,796	24,291	18,224	23,782	10,469
Amount	716,330	110,750	66,000	57,927	135,757	345,896
Business or profession net income (less loss): Number	120,511	72,507	20,897	11,742	11,234	4,131
Amount	1,059,342	314,029	156,654	118,370	213,448	256,841
Number of farm returns	22,255	11,819	4,200	2,441	2,598	1,197
Net capital gain (less loss) in AGI: Number	131,715	57,254	22,586	16,934	23,611	11,330
Amount	3,444,625	238,840	135,665	149,112	448,752	2,472,256
Taxable Individual Retirement Arrangements distributions: Number	51,418	27,662	9,743	6,138	6,088	1,787
Amount	625,727	184,479	113,311	99,054	149,650	79,232
Taxable pensions and annuities in AGI: Number	121,532	70,615	22,255	13,368	12,379	2,915
Amount	2,097,936	776,355	457,130	348,148	405,781	110,522
Unemployment compensation [4]: Number	48,167	35,156	8,305	2,977	1,559	170
Amount	132,558	91,878	24,590	9,600	5,803	687
Taxable Social Security benefits in AGI: Number	70,636	32,976	16,763	9,286	8,627	2,984
Amount	725,795	154,248	212,296	151,630	151,186	56,435
Self-employment retirement plans: Number	4,028	649	504	510	1,212	1,153
Amount	66,460	3,858	3,947	4,736	18,772	35,147
Total itemized deductions [5]: Number	241,905	88,283	58,169	40,105	41,716	13,632
Amount	5,602,205	1,461,832	1,062,852	843,118	1,160,789	1,073,615
State and local income taxes: Number	197,525	56,474	51,064	37,455	39,632	12,900
Amount	1,215,034	112,060	153,999	166,854	301,424	480,696
State and local general sales tax: Number	41,387	28,964	7,014	2,622	2,046	741
Amount	58,736	34,697	11,094	5,366	5,100	2,479
Real estate taxes: Number	218,083	74,629	53,348	37,621	39,621	12,864
Amount	420,239	106,618	78,059	65,648	99,713	70,202
Taxes paid: Number	242,269	88,304	58,361	40,182	41,765	13,657
Amount	1,708,368	258,201	246,398	240,353	408,696	554,720
Mortgage interest paid: Number	209,624	72,681	52,376	36,401	36,988	11,178
Amount	2,342,242	705,263	501,106	377,414	461,831	296,627
Contributions: Number	190,651	58,595	46,735	34,503	38,016	12,802
Amount	889,073	139,001	150,017	132,100	200,426	267,530
Taxable income: Number	515,675	305,673	96,835	51,916	46,782	14,469
Amount	22,083,050	3,915,970	3,621,937	2,999,565	4,465,567	7,080,010
Total tax credits [6]: Number	229,918	119,678	51,905	29,059	22,955	6,321
Amount	266,792	85,916	82,316	50,102	28,080	20,379
Residential energy tax credit: Number	19,527	6,221	5,776	3,607	3,267	656
Amount	3,993	1,156	1,141	732	754	210
Child tax credit: Number	139,544	67,606	38,774	20,435	12,708	21
Amount	184,103	58,186	66,604	38,751	20,545	16
Child and dependent care credit: Number	29,690	11,601	8,670	4,885	3,864	670
Amount	14,004	5,174	4,159	2,478	1,872	321
Earned income credit [7]: Number	115,917	115,917	0	0	0	0
Amount	215,286	215,286	0	0	0	0
Excess earned income credit (refundable) [8]: Number	100,244	100,244	0	0	0	0
Amount	186,915	186,915	0	0	0	0
Alternative minimum tax: Number	12,817	136	182	308	2,481	9,710
Amount	74,912	647	255	675	5,728	67,608
Income tax [9]: Number	446,761	246,242	88,582	50,865	46,597	14,475
Amount	3,607,526	379,716	405,880	375,420	738,187	1,708,323
Total tax liability [10]: Number	489,584	285,767	91,340	51,274	46,722	14,481
Amount	3,858,047	473,441	446,056	404,407	785,475	1,748,669
Tax due at time of filing [11]: Number	146,286	73,047	27,793	16,280	20,776	8,390
Amount	663,947	72,039	58,977	49,563	125,230	358,137
Overpayments refunded [12]: Number	494,262	365,378	67,520	34,246	23,553	3,565
Amount	1,056,821	613,497	169,028	104,722	104,330	65,244

Footnotes at end of table.

Selected Historical and Other Data

Table 2. Individual Income and Tax Data, by State and Size of Adjusted Gross Income, Tax Year 2007 *—Continued

[Money amounts are in thousands of dollars]

State and item	All returns	Size of adjusted gross income				
		Under \$50,000 [1]	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)
ILLINOIS						
Number of returns	6,559,358	4,304,768	865,783	538,757	632,996	217,054
Number of joint returns	2,317,304	753,059	450,347	397,929	531,086	184,883
Number with paid preparer's signature	3,744,743	2,334,165	532,864	329,587	384,894	163,233
Number of exemptions	12,638,216	6,785,895	1,973,015	1,420,708	1,810,360	648,238
Adjusted gross income (AGI) [2]	392,664,916	76,096,097	53,300,032	46,568,068	84,171,574	132,529,144
Salaries and wages in AGI [3]: Number	5,228,296	3,211,891	769,186	484,999	574,591	187,629
Amount	267,880,255	64,816,398	42,248,499	36,408,097	63,791,088	60,616,170
Taxable interest: Number	3,078,204	1,393,584	534,540	401,917	540,416	207,747
Amount	12,267,143	2,398,610	1,210,984	1,059,695	2,084,423	5,513,431
Ordinary dividends: Number	1,595,056	601,112	253,250	215,076	349,477	176,141
Amount	10,819,948	1,071,858	705,156	714,171	1,835,125	6,493,638
Business or profession net income (less loss): Number	901,470	519,000	124,256	88,323	117,395	52,496
Amount	10,138,775	2,335,601	1,039,449	923,162	2,211,320	3,629,244
Number of farm returns	72,636	31,828	14,517	11,080	11,181	4,030
Net capital gain (less loss) in AGI: Number	1,281,943	461,229	192,500	166,886	291,846	169,482
Amount	38,792,405	1,292,923	747,097	883,393	2,998,181	32,870,811
Taxable Individual Retirement Arrangements distributions: Number	510,669	246,826	91,031	65,815	79,961	27,036
Amount	7,022,405	1,601,780	1,055,688	1,042,037	1,949,320	1,373,581
Taxable pensions and annuities in AGI: Number	1,157,889	613,041	200,997	137,616	161,519	44,716
Amount	21,539,326	6,385,829	4,111,702	3,513,690	5,561,402	1,966,704
Unemployment compensation [4]: Number	360,308	224,068	64,580	36,738	30,500	4,422
Amount	1,625,965	978,232	309,894	169,484	143,702	24,653
Taxable Social Security benefits in AGI: Number	642,345	275,102	145,559	91,507	95,467	34,710
Amount	7,022,926	1,340,916	1,879,408	1,453,506	1,635,082	714,014
Self-employment retirement plans: Number	50,121	4,918	4,165	4,895	14,554	21,589
Amount	995,854	27,758	32,909	44,025	195,331	695,831
Total itemized deductions [5]: Number	2,252,152	656,899	472,652	377,245	538,811	206,545
Amount	56,848,672	11,649,511	8,829,943	8,055,387	14,382,590	13,931,242
State and local income taxes: Number	1,843,660	434,359	393,662	327,805	489,882	197,952
Amount	8,421,266	912,212	719,593	823,026	1,912,476	4,053,960
State and local general sales tax: Number	381,391	198,269	76,819	48,855	48,726	8,722
Amount	669,152	235,884	167,730	100,681	130,412	34,445
Real estate taxes: Number	2,048,741	547,811	426,897	356,665	518,631	198,737
Amount	10,518,193	1,975,662	1,644,786	1,624,509	3,095,219	2,178,018
Taxes paid: Number	2,259,431	659,229	474,593	378,621	540,070	206,918
Amount	21,919,321	4,136,507	2,582,787	3,483,873	5,223,754	6,492,401
Mortgage interest paid: Number	1,893,929	496,749	404,479	337,208	482,256	173,237
Amount	23,185,389	5,322,924	3,867,673	3,545,209	6,124,984	4,324,598
Contributions: Number	1,835,250	439,972	380,448	324,673	493,327	196,830
Amount	7,857,237	796,439	855,038	835,177	1,718,256	3,652,326
Taxable income: Number	4,777,423	2,531,273	859,828	537,361	632,130	216,831
Amount	281,930,932	35,117,271	34,480,789	32,219,432	62,756,544	117,356,896
Total tax credits [6]: Number	2,029,095	925,279	385,167	288,478	316,136	114,035
Amount	2,563,821	684,847	551,232	463,730	327,079	536,933
Residential energy tax credit: Number	251,905	56,447	61,004	50,501	67,351	16,602
Amount	55,704	11,663	13,241	10,889	15,281	4,632
Child tax credit: Number	1,103,568	489,094	261,876	190,527	161,991	80
Amount	1,379,237	402,830	415,915	331,161	229,258	74
Child and dependent care credit: Number	271,646	103,566	52,665	42,128	58,860	14,427
Amount	152,353	60,992	29,573	22,849	31,295	7,642
Earned income credit [7]: Number	946,867	946,867	0	0	0	0
Amount	1,894,797	1,894,796	0	0	0	0
Excess earned income credit (refundable) [8]: Number	828,108	828,108	0	0	0	0
Amount	1,647,184	1,647,184	0	0	0	0
Alternative minimum tax: Number	166,774	1,238	2,818	4,350	33,009	125,359
Amount	772,429	4,858	3,626	6,398	63,904	693,642
Income tax [9]: Number	4,277,246	2,081,119	816,846	531,342	631,095	216,844
Amount	54,216,505	3,661,389	4,476,399	4,415,666	11,005,775	30,657,276
Total tax liability [10]: Number	4,618,335	2,406,563	829,397	533,648	631,803	216,924
Amount	56,561,274	4,356,659	4,739,499	4,645,944	11,459,078	31,360,094
Tax due at time of filing [11]: Number	1,161,050	514,594	186,934	125,436	223,073	111,013
Amount	5,585,895	487,150	381,067	352,018	1,025,872	3,339,789
Overpayments refunded [12]: Number	4,699,432	3,192,380	659,245	397,843	381,116	68,848
Amount	12,311,136	5,982,228	2,021,133	1,483,231	1,742,292	1,082,254

Footnotes at end of table.

Selected Historical and Other Data

Table 2. Individual Income and Tax Data, by State and Size of Adjusted Gross Income, Tax Year 2007 *—Continued

[Money amounts are in thousands of dollars]

State and item	All returns	Size of adjusted gross income				
		Under \$50,000 [1]	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
INDIANA	(1)	(2)	(3)	(4)	(5)	(6)
Number of returns	3,243,323	2,245,046	438,188	262,090	239,270	58,729
Number of joint returns	1,265,456	480,241	296,770	221,968	214,674	51,803
Number with paid preparer's signature	1,774,371	1,173,039	260,763	152,582	141,799	46,188
Number of exemptions	6,326,033	3,612,213	1,099,143	734,800	703,442	176,435
Adjusted gross income (AGI) [2]	150,941,776	40,179,141	27,004,605	22,592,517	31,045,930	30,119,583
Salaries and wages in AGI [3]: Number	2,620,565	1,705,456	400,815	242,671	220,834	50,789
Amount	109,316,828	33,258,047	21,859,035	18,259,253	23,737,467	12,203,025
Taxable interest: Number	1,351,121	673,422	244,440	180,580	196,310	56,369
Amount	3,592,563	1,037,565	449,812	363,116	600,177	1,141,892
Ordinary dividends: Number	622,130	266,524	108,219	87,313	114,577	45,497
Amount	2,989,478	428,420	266,373	254,781	560,391	1,479,513
Business or profession net income (less loss): Number	396,285	222,125	68,529	44,202	45,882	15,547
Amount	4,000,389	1,162,146	527,472	426,907	845,460	1,038,402
Number of farm returns	56,931	28,543	11,612	7,598	7,032	2,146
Net capital gain (less loss) in AGI: Number	500,853	206,217	84,408	68,878	96,935	44,415
Amount	9,067,018	575,356	357,122	409,120	1,130,110	6,595,309
Taxable Individual Retirement Arrangements distributions: Number	258,945	141,214	47,129	31,592	31,258	7,752
Amount	3,107,250	870,268	561,167	527,049	786,550	362,216
Taxable pensions and annuities in AGI: Number	636,076	389,805	104,244	66,382	62,686	12,959
Amount	9,122,529	3,840,460	1,787,838	1,345,878	1,653,109	495,242
Unemployment compensation [4]: Number	191,356	128,168	35,377	17,215	9,971	625
Amount	690,993	455,611	128,679	64,045	39,753	2,907
Taxable Social Security benefits in AGI: Number	319,088	157,749	73,258	41,707	35,858	10,516
Amount	3,482,562	741,275	986,029	721,513	678,470	355,275
Self-employment retirement plans: Number	15,461	1,757	1,419	1,667	4,682	5,936
Amount	264,984	8,874	9,675	13,632	65,619	167,183
Total itemized deductions [5]: Number	937,291	285,062	215,812	177,312	202,924	56,181
Amount	18,995,143	4,056,821	3,425,760	3,217,470	4,729,335	3,565,757
State and local income taxes: Number	894,473	251,426	211,388	175,191	200,928	55,540
Amount	4,045,669	404,313	567,616	650,710	1,129,625	1,293,404
State and local general sales tax: Number	37,959	28,352	4,618	2,314	2,020	655
Amount	44,656	21,523	8,527	5,447	6,352	2,805
Real estate taxes: Number	847,247	236,870	196,527	166,876	193,361	53,613
Amount	1,990,442	398,695	347,854	344,162	554,855	344,878
Taxes paid: Number	939,402	285,592	216,624	177,794	203,159	56,233
Amount	6,371,867	895,980	974,187	1,052,303	1,767,307	1,682,089
Mortgage interest paid: Number	816,203	227,252	194,362	164,097	184,557	45,935
Amount	7,164,825	1,589,323	1,487,704	1,381,210	1,824,392	882,198
Contributions: Number	727,554	180,521	163,947	146,880	182,743	53,463
Amount	3,077,544	370,248	417,053	431,882	756,226	1,102,135
Taxable income: Number	2,312,149	1,315,746	436,818	261,813	239,099	58,673
Amount	101,657,576	18,264,864	17,695,861	15,998,990	23,549,524	26,148,337
Total tax credits [6]: Number	973,710	471,610	211,872	144,023	116,996	29,209
Amount	1,128,907	345,044	328,287	243,361	134,456	77,759
Residential energy tax credit: Number	106,788	30,389	28,664	21,887	21,845	4,003
Amount	20,728	5,439	5,398	4,291	4,601	1,000
Child tax credit: Number	597,946	272,647	155,831	102,052	67,387	29
Amount	777,999	237,859	259,919	180,662	99,532	27
Child and dependent care credit: Number	120,430	40,026	29,274	24,301	23,486	3,343
Amount	59,200	19,675	13,972	12,347	11,607	1,598
Earned income credit [7]: Number	492,353	492,353	0	0	0	0
Amount	933,890	933,890	0	0	0	0
Excess earned income credit (refundable) [8]: Number	436,790	436,790	0	0	0	0
Amount	839,177	839,176	0	0	0	0
Alternative minimum tax: Number	46,757	515	969	1,126	8,618	35,529
Amount	207,475	1,625	1,341	1,895	16,555	186,058
Income tax [9]: Number	2,074,176	1,098,224	418,513	259,971	238,789	58,679
Amount	17,043,268	1,888,609	2,156,032	2,100,354	4,037,653	6,860,622
Total tax liability [10]: Number	2,207,404	1,225,295	423,788	260,651	238,964	58,706
Amount	17,930,865	2,173,354	2,292,497	2,212,357	4,225,209	7,027,448
Tax due at time of filing [11]: Number	488,180	223,511	90,812	57,913	84,803	31,141
Amount	2,026,256	203,186	174,597	153,097	396,781	1,098,595
Overpayments refunded [12]: Number	2,406,216	1,706,791	339,155	198,253	144,421	17,596
Amount	5,509,081	3,021,611	948,691	679,625	603,683	255,471

Footnotes at end of table.

Selected Historical and Other Data

Table 2. Individual Income and Tax Data, by State and Size of Adjusted Gross Income, Tax Year 2007 *—Continued

[Money amounts are in thousands of dollars]

State and item	All returns	Size of adjusted gross income				
		Under \$50,000 [1]	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)
IOWA						
Number of returns	1,538,656	1,048,094	221,094	130,917	110,557	27,994
Number of joint returns	641,520	239,497	161,520	115,427	100,156	24,920
Number with paid preparer's signature	981,782	625,741	161,629	93,646	77,436	23,330
Number of exemptions	2,908,879	1,563,079	566,836	372,882	324,516	81,566
Adjusted gross income (AGI) [2]	71,960,985	19,042,216	13,620,178	11,270,094	14,336,007	13,692,488
Salaries and wages in AGI [3]: Number	1,216,882	779,066	197,169	118,275	98,553	23,819
Amount	50,470,831	15,553,273	10,535,603	8,616,073	10,077,549	5,688,332
Taxable interest: Number	766,750	393,672	146,322	102,195	97,452	27,109
Amount	2,205,182	696,899	321,031	253,783	383,144	550,326
Ordinary dividends: Number	385,253	169,855	72,267	55,877	64,550	22,704
Amount	1,633,032	258,828	169,581	161,902	329,854	712,866
Business or profession net income (less loss): Number	217,767	120,988	41,260	24,837	23,110	7,572
Amount	2,003,335	566,834	311,953	243,241	446,429	434,878
Number of farm returns	84,322	44,262	17,464	11,053	8,797	2,746
Net capital gain (less loss) in AGI: Number	320,885	139,892	58,183	45,463	55,156	22,191
Amount	4,295,806	376,178	254,834	286,101	712,456	2,666,236
Taxable Individual Retirement Arrangements distributions: Number	140,239	78,163	25,765	16,805	15,576	3,930
Amount	1,371,293	424,295	252,608	223,658	318,988	151,744
Taxable pensions and annuities in AGI: Number	290,836	169,145	53,043	33,060	29,136	6,452
Amount	4,074,924	1,572,924	845,959	662,561	774,529	218,951
Unemployment compensation [4]: Number	94,327	63,871	18,721	7,878	3,566	291
Amount	295,087	199,450	58,165	24,053	12,027	1,393
Taxable Social Security benefits in AGI: Number	179,445	87,058	42,176	23,817	20,453	5,941
Amount	1,872,948	408,372	556,595	405,529	379,047	123,405
Self-employment retirement plans: Number	11,718	1,665	1,671	1,897	3,817	2,668
Amount	158,187	9,031	12,087	17,060	52,220	67,789
Total itemized deductions [5]: Number	459,937	149,049	102,425	87,001	94,951	26,511
Amount	9,166,712	2,077,776	1,608,832	1,551,125	2,226,962	1,702,017
State and local income taxes: Number	408,172	107,174	96,680	84,941	93,419	25,958
Amount	2,148,628	175,084	272,679	348,518	633,720	718,627
State and local general sales tax: Number	49,705	39,186	6,055	2,272	1,621	571
Amount	53,864	26,887	16,769	4,169	4,305	1,735
Real estate taxes: Number	414,701	122,081	93,702	82,883	90,861	25,174
Amount	992,865	207,702	181,962	189,110	274,732	139,360
Taxes paid: Number	461,165	149,320	102,926	87,291	95,089	26,539
Amount	3,314,640	431,948	494,138	566,108	946,132	876,314
Mortgage interest paid: Number	363,091	99,846	85,555	76,843	80,928	19,919
Amount	2,905,302	614,558	601,945	600,167	739,371	349,261
Contributions: Number	371,831	100,803	81,745	75,651	88,090	25,542
Amount	1,399,768	180,489	179,597	191,741	341,453	506,487
Taxable income: Number	1,142,235	652,641	220,343	130,786	110,494	27,971
Amount	48,695,674	9,185,522	8,895,384	7,980,631	10,838,944	11,795,195
Total tax credits [6]: Number	499,784	235,231	114,809	76,192	58,675	14,877
Amount	581,463	165,234	182,122	133,607	69,183	31,319
Residential energy tax credit: Number	66,828	20,803	19,391	13,414	11,192	2,028
Amount	12,884	3,670	3,634	2,628	2,413	538
Child tax credit: Number	270,765	110,271	78,604	50,532	31,340	18
Amount	373,338	99,735	133,723	92,330	47,534	16
Child and dependent care credit: Number	85,499	27,507	24,957	17,715	13,462	1,858
Amount	39,649	12,227	12,031	8,719	5,919	753
Earned income credit [7]: Number	194,557	194,557	0	0	0	0
Amount	341,901	341,900	0	0	0	0
Excess earned income credit (refundable) [8]: Number	167,092	167,092	0	0	0	0
Amount	302,240	302,239	0	0	0	0
Alternative minimum tax: Number	24,746	252	397	500	4,677	18,920
Amount	113,381	574	517	866	9,345	102,078
Income tax [9]: Number	1,036,454	557,854	210,523	129,787	110,316	27,974
Amount	7,850,809	953,048	1,040,637	1,009,591	1,819,148	3,028,384
Total tax liability [10]: Number	1,105,354	622,670	214,124	130,173	110,406	27,981
Amount	8,380,494	1,127,048	1,136,314	1,087,976	1,931,473	3,097,684
Tax due at time of filing [11]: Number	312,248	147,835	61,620	39,035	48,328	15,430
Amount	1,071,427	150,273	138,559	126,317	262,468	393,811
Overpayments refunded [12]: Number	1,043,651	738,147	153,556	87,626	56,530	7,792
Amount	2,168,123	1,198,754	391,323	268,485	211,205	98,355

Footnotes at end of table.

Selected Historical and Other Data

Table 2. Individual Income and Tax Data, by State and Size of Adjusted Gross Income, Tax Year 2007 *—Continued

[Money amounts are in thousands of dollars]

State and item	All returns	Size of adjusted gross income				
		Under \$50,000 [1]	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)
KANSAS						
Number of returns	1,401,460	945,209	189,021	115,590	117,929	33,711
Number of joint returns	578,829	216,525	129,150	97,807	105,358	29,989
Number with paid preparer's signature	804,909	513,532	118,702	71,297	74,265	27,113
Number of exemptions	2,735,317	1,491,815	475,956	322,544	344,037	100,965
Adjusted gross income (AGI) [2]	72,231,184	17,224,724	11,636,570	9,977,045	15,504,324	17,888,521
Salaries and wages in AGI [3]: Number	1,132,627	726,029	167,861	103,898	106,038	28,801
Amount	50,127,057	14,486,906	9,102,610	7,719,568	11,345,253	7,472,721
Taxable interest: Number	656,994	322,542	115,695	85,691	100,717	32,349
Amount	2,046,890	523,587	245,737	203,319	346,285	727,960
Ordinary dividends: Number	327,322	134,017	56,045	45,589	64,891	26,780
Amount	2,104,574	202,788	137,434	133,939	316,859	1,313,554
Business or profession net income (less loss): Number	200,151	104,675	35,086	23,623	26,486	10,281
Amount	2,219,024	500,388	291,565	245,494	504,366	677,212
Number of farm returns	62,039	32,867	11,816	7,714	7,144	2,498
Net capital gain (less loss) in AGI: Number	284,135	115,345	46,734	38,507	57,297	26,252
Amount	5,107,800	308,257	210,594	236,794	660,071	3,692,085
Taxable Individual Retirement Arrangements distributions: Number	125,165	64,861	22,809	15,761	16,956	4,778
Amount	1,448,561	383,676	247,236	241,186	384,993	191,471
Taxable pensions and annuities in AGI: Number	257,577	141,321	45,712	30,727	32,467	7,350
Amount	3,891,172	1,356,956	768,522	626,862	868,520	270,312
Unemployment compensation [4]: Number	52,165	35,409	8,999	4,410	2,993	354
Amount	175,393	115,559	30,945	15,206	12,035	1,646
Taxable Social Security benefits in AGI: Number	151,441	69,114	35,041	20,962	20,014	6,310
Amount	1,662,102	331,341	463,875	356,719	375,667	134,501
Self-employment retirement plans: Number	10,342	1,227	1,110	1,280	3,307	3,418
Amount	165,369	6,406	7,972	11,768	45,208	94,015
Total itemized deductions [5]: Number	421,669	117,223	88,846	79,304	103,649	32,647
Amount	9,478,937	1,730,850	1,449,046	1,470,457	2,522,071	2,306,515
State and local income taxes: Number	353,114	70,915	76,650	73,827	99,979	31,743
Amount	2,297,612	121,741	207,522	284,550	653,343	1,030,453
State and local general sales tax: Number	64,987	42,740	12,189	5,539	3,623	896
Amount	111,467	56,838	21,657	13,140	11,237	8,596
Real estate taxes: Number	384,198	96,377	81,609	75,403	99,494	31,315
Amount	1,050,908	184,822	174,660	185,696	315,610	190,119
Taxes paid: Number	422,126	116,986	89,199	79,540	103,730	32,671
Amount	3,633,533	391,575	433,587	516,640	1,034,564	1,257,167
Mortgage interest paid: Number	341,780	81,057	74,867	69,924	90,155	25,777
Amount	3,033,390	536,445	550,491	566,337	866,322	513,797
Contributions: Number	343,761	79,368	70,364	67,806	94,933	31,290
Amount	1,716,849	171,899	185,077	208,592	409,889	741,394
Taxable income: Number	1,039,066	583,886	188,243	115,432	117,836	33,669
Amount	49,764,181	8,013,466	7,593,964	7,028,941	11,665,639	15,462,171
Total tax credits [6]: Number	448,687	216,108	93,105	63,790	58,663	17,021
Amount	510,062	156,626	146,907	108,987	65,041	32,501
Residential energy tax credit: Number	43,691	10,826	11,129	8,851	10,587	2,298
Amount	9,258	2,120	2,318	1,847	2,383	590
Child tax credit: Number	259,590	117,381	66,597	44,019	31,570	23
Amount	342,404	102,927	113,721	79,735	46,009	14
Child and dependent care credit: Number	65,919	21,590	16,856	13,056	12,347	2,070
Amount	32,139	10,081	8,475	6,658	5,932	992
Earned income credit [7]: Number	195,798	195,798	0	0	0	0
Amount	358,467	358,468	0	0	0	0
Excess earned income credit (refundable) [8]: Number	171,799	171,799	0	0	0	0
Amount	321,910	321,910	0	0	0	0
Alternative minimum tax: Number	29,916	270	402	517	5,422	23,305
Amount	159,878	1,162	521	885	11,101	146,209
Income tax [9]: Number	930,234	485,021	179,358	114,528	117,643	33,684
Amount	8,655,550	818,994	912,199	913,479	1,998,599	4,012,279
Total tax liability [10]: Number	990,607	541,968	182,306	114,907	117,736	33,690
Amount	9,153,877	964,207	989,825	977,414	2,110,678	4,111,751
Tax due at time of filing [11]: Number	280,268	128,463	51,519	32,751	48,786	18,749
Amount	1,188,865	127,172	114,339	100,222	254,520	592,612
Overpayments refunded [12]: Number	972,755	688,649	132,585	79,159	63,162	9,200
Amount	2,108,861	1,149,444	336,123	243,196	245,301	134,798

Footnotes at end of table.

Selected Historical and Other Data

Table 2. Individual Income and Tax Data, by State and Size of Adjusted Gross Income, Tax Year 2007 *—Continued

[Money amounts are in thousands of dollars]

State and item	All returns	Size of adjusted gross income				
		Under \$50,000 [1]	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)
KENTUCKY						
Number of returns	2,137,383	1,569,327	258,336	145,743	128,880	35,097
Number of joint returns	856,253	402,920	182,609	125,174	114,913	30,637
Number with paid preparer's signature	1,262,933	889,266	169,683	92,929	82,194	28,861
Number of exemptions	4,089,261	2,571,565	641,910	403,885	370,236	101,665
Adjusted gross income (AGI) [2]	88,680,887	25,869,604	15,886,928	12,549,139	16,752,389	17,622,827
Salaries and wages in AGI [3]: Number	1,620,500	1,108,827	232,906	132,849	116,371	29,547
Amount	63,238,530	21,573,173	12,583,361	9,836,822	12,126,428	7,118,748
Taxable interest: Number	790,873	412,703	140,736	98,963	105,073	33,398
Amount	2,284,240	701,799	301,360	231,600	377,247	672,233
Ordinary dividends: Number	333,297	140,248	57,768	46,035	62,091	27,155
Amount	1,866,706	236,163	147,217	146,563	353,187	983,576
Business or profession net income (less loss): Number	286,761	179,196	42,770	26,616	27,588	10,591
Amount	2,721,497	863,822	313,483	249,548	524,764	769,880
Number of farm returns	89,739	51,007	16,813	9,964	8,584	3,371
Net capital gain (less loss) in AGI: Number	305,833	133,481	50,950	39,745	54,911	26,746
Amount	5,438,003	469,915	231,218	253,428	709,219	3,774,223
Taxable Individual Retirement Arrangements distributions: Number	133,395	71,470	24,674	16,356	16,287	4,608
Amount	1,613,166	456,934	285,722	260,588	402,368	207,554
Taxable pensions and annuities in AGI: Number	392,679	234,162	68,491	42,531	39,097	8,398
Amount	6,655,453	2,578,348	1,382,209	1,060,869	1,300,577	333,450
Unemployment compensation [4]: Number	129,679	88,289	24,076	10,743	6,146	425
Amount	410,423	277,406	76,106	34,431	20,668	1,812
Taxable Social Security benefits in AGI: Number	191,803	96,184	44,819	23,747	20,579	6,474
Amount	1,844,897	432,692	553,290	371,481	357,624	129,812
Self-employment retirement plans: Number	9,432	1,045	891	973	2,993	3,530
Amount	164,611	6,026	6,283	9,860	42,491	99,950
Total itemized deductions [5]: Number	589,798	195,538	138,942	107,890	113,817	33,611
Amount	12,031,411	2,728,201	2,244,946	2,035,877	2,848,395	2,173,992
State and local income taxes: Number	525,127	150,710	129,134	102,604	109,893	32,786
Amount	3,177,943	339,567	493,800	544,949	875,178	924,448
State and local general sales tax: Number	56,603	37,322	9,412	5,163	3,879	827
Amount	53,851	24,340	10,644	7,492	7,929	3,445
Real estate taxes: Number	526,701	158,872	125,979	101,585	108,409	31,856
Amount	936,058	197,929	174,302	163,706	244,331	155,791
Taxes paid: Number	590,366	195,230	139,387	108,145	113,956	33,648
Amount	4,350,922	601,561	716,213	752,294	1,174,335	1,106,518
Mortgage interest paid: Number	497,676	150,403	122,406	97,919	100,408	26,540
Amount	4,220,340	1,010,625	899,116	796,012	997,322	517,265
Contributions: Number	474,606	133,704	111,204	92,930	104,735	32,033
Amount	1,895,879	271,324	278,756	277,928	460,180	607,690
Taxable income: Number	1,414,080	847,149	257,549	145,557	128,776	35,049
Amount	58,136,384	11,405,245	10,281,414	8,741,303	12,489,715	15,218,706
Total tax credits [6]: Number	586,633	304,880	123,912	79,326	61,844	16,671
Amount	642,543	217,700	186,418	130,962	70,264	37,201
Residential energy tax credit: Number	58,938	18,269	15,835	11,350	11,245	2,239
Amount	12,389	3,548	3,283	2,423	2,538	598
Child tax credit: Number	360,527	174,446	92,705	57,653	35,700	23
Amount	443,251	148,745	147,194	96,995	50,298	21
Child and dependent care credit: Number	73,887	25,287	18,454	15,004	13,115	2,027
Amount	35,122	11,426	8,627	7,498	6,554	1,017
Earned income credit [7]: Number	384,236	384,236	0	0	0	0
Amount	734,795	734,795	0	0	0	0
Excess earned income credit (refundable) [8]: Number	339,447	339,447	0	0	0	0
Amount	652,204	652,204	0	0	0	0
Alternative minimum tax: Number	31,061	330	625	713	6,037	23,356
Amount	158,996	2,209	856	1,230	12,325	142,375
Income tax [9]: Number	1,262,766	705,945	248,630	144,547	128,584	35,060
Amount	9,514,557	1,163,287	1,238,862	1,134,942	2,123,080	3,854,387
Total tax liability [10]: Number	1,373,845	813,635	251,498	144,931	128,700	35,081
Amount	10,099,412	1,380,341	1,321,006	1,199,782	2,236,584	3,961,699
Tax due at time of filing [11]: Number	324,635	159,617	59,953	36,187	49,747	19,131
Amount	1,198,592	147,762	114,397	94,783	243,347	598,303
Overpayments refunded [12]: Number	1,490,490	1,109,874	192,978	105,595	72,403	9,640
Amount	3,321,466	2,021,525	520,538	348,193	300,737	130,472

Footnotes at end of table.

Selected Historical and Other Data

Table 2. Individual Income and Tax Data, by State and Size of Adjusted Gross Income, Tax Year 2007 *—Continued

[Money amounts are in thousands of dollars]

State and item	All returns	Size of adjusted gross income				
		Under \$50,000 [1]	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)
LOUISIANA						
Number of returns	2,146,273	1,581,179	238,333	141,554	145,191	40,016
Number of joint returns	700,152	283,887	142,937	112,959	126,216	34,153
Number with paid preparer's signature	1,231,891	869,141	147,231	87,386	94,621	33,512
Number of exemptions	4,167,314	2,678,796	572,421	385,897	417,295	112,905
Adjusted gross income (AGI) [2]	92,468,118	26,181,606	14,642,207	12,220,074	19,013,217	20,411,014
Salaries and wages in AGI [3]: Number	1,690,108	1,180,731	214,974	129,503	131,986	32,914
Amount	66,880,003	23,283,578	11,857,430	9,807,759	14,170,446	7,760,792
Taxable interest: Number	732,026	356,838	125,495	94,867	116,784	38,042
Amount	2,111,684	535,646	252,708	211,287	391,721	720,324
Ordinary dividends: Number	312,713	125,304	50,417	41,832	64,749	30,411
Amount	1,617,225	216,116	130,137	130,086	325,807	815,080
Business or profession net income (less loss): Number	323,151	208,369	41,475	27,709	32,350	13,248
Amount	3,178,976	824,491	295,980	267,284	667,466	1,123,756
Number of farm returns	29,910	13,517	5,298	4,012	4,925	2,158
Net capital gain (less loss) in AGI: Number	260,752	101,038	40,616	34,212	55,538	29,348
Amount	5,073,148	276,749	177,875	206,788	655,460	3,756,277
Taxable Individual Retirement Arrangements distributions: Number	117,073	57,712	21,595	15,104	17,314	5,348
Amount	1,556,084	396,925	264,815	251,405	427,859	215,080
Taxable pensions and annuities in AGI: Number	330,625	190,306	55,159	36,027	39,926	9,207
Amount	5,644,778	2,206,004	1,096,545	828,344	1,154,416	359,471
Unemployment compensation [4]: Number	52,178	38,299	6,983	3,778	2,896	222
Amount	149,670	106,923	20,518	11,873	9,620	736
Taxable Social Security benefits in AGI: Number	164,375	76,147	37,315	21,499	21,394	8,020
Amount	1,639,532	343,717	449,004	326,679	360,207	159,924
Self-employment retirement plans: Number	10,560	1,275	900	980	3,178	4,227
Amount	199,311	8,145	7,262	9,997	48,347	125,558
Total itemized deductions [5]: Number	466,441	156,206	95,111	74,575	104,408	36,141
Amount	10,412,065	2,645,383	1,729,559	1,496,284	2,534,027	2,006,812
State and local income taxes: Number	389,392	110,061	80,407	66,378	97,632	34,914
Amount	1,861,348	135,356	183,944	217,333	527,461	797,254
State and local general sales tax: Number	70,111	39,788	14,123	8,108	6,814	1,278
Amount	162,277	67,513	32,336	25,350	29,098	7,979
Real estate taxes: Number	314,107	77,713	61,317	56,304	87,037	31,736
Amount	456,521	72,350	58,901	62,912	139,680	122,676
Taxes paid: Number	465,012	154,089	95,208	74,805	104,688	36,222
Amount	2,527,868	281,807	287,764	314,289	708,256	935,752
Mortgage interest paid: Number	365,393	103,154	76,593	65,478	92,382	27,786
Amount	3,680,236	1,110,593	606,620	576,758	917,267	468,996
Contributions: Number	362,514	105,874	72,911	60,202	90,214	33,313
Amount	1,730,360	307,394	259,070	234,765	428,553	500,577
Taxable income: Number	1,425,776	862,699	237,044	141,189	144,918	39,926
Amount	62,463,714	11,273,974	9,643,755	8,739,292	14,680,472	18,126,221
Total tax credits [6]: Number	611,967	343,510	107,788	72,930	67,288	20,451
Amount	764,248	253,803	165,952	122,811	98,419	123,263
Residential energy tax credit: Number	37,711	11,525	9,045	6,979	8,455	1,707
Amount	10,681	3,172	2,563	1,949	2,477	519
Child tax credit: Number	399,300	220,230	84,380	55,400	39,276	14
Amount	455,636	176,065	132,852	92,188	54,521	10
Child and dependent care credit: Number	89,088	36,717	18,244	15,274	16,397	2,456
Amount	47,168	19,343	9,512	8,204	8,790	1,319
Earned income credit [7]: Number	526,030	526,030	0	0	0	0
Amount	1,216,077	1,216,077	0	0	0	0
Excess earned income credit (refundable) [8]: Number	479,456	479,456	0	0	0	0
Amount	1,097,991	1,097,991	0	0	0	0
Alternative minimum tax: Number	31,010	829	1,636	1,832	7,088	19,625
Amount	130,829	3,934	2,360	4,328	16,407	103,800
Income tax [9]: Number	1,230,569	677,370	228,712	140,117	144,493	39,877
Amount	10,691,305	1,123,313	1,211,108	1,189,270	2,564,018	4,603,594
Total tax liability [10]: Number	1,358,442	801,625	231,531	140,615	144,735	39,936
Amount	11,361,472	1,368,742	1,290,690	1,255,571	2,696,419	4,750,052
Tax due at time of filing [11]: Number	346,166	169,267	59,284	37,885	58,348	21,382
Amount	1,546,424	170,816	129,059	113,940	311,185	821,425
Overpayments refunded [12]: Number	1,527,489	1,163,778	173,970	99,784	79,344	10,613
Amount	3,938,726	2,559,440	494,709	347,525	348,645	188,408

Footnotes at end of table.

Selected Historical and Other Data

Table 2. Individual Income and Tax Data, by State and Size of Adjusted Gross Income, Tax Year 2007 *—Continued

[Money amounts are in thousands of dollars]

State and item	All returns	Size of adjusted gross income				
		Under \$50,000 [1]	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)
MAINE						
Number of returns	729,634	525,681	94,398	51,817	44,890	12,848
Number of joint returns	281,813	121,239	66,695	44,035	38,985	10,859
Number with paid preparer's signature	340,349	217,790	53,748	29,930	28,098	10,783
Number of exemptions	1,287,784	764,496	225,840	138,452	123,823	35,173
Adjusted gross income (AGI) [2]	31,232,495	9,060,534	5,802,660	4,454,521	5,860,648	6,054,132
Salaries and wages in AGI [3]: Number	549,106	368,579	84,268	46,595	39,276	10,388
Amount	21,374,018	7,259,753	4,478,785	3,385,309	3,967,458	2,282,713
Taxable interest: Number	346,009	182,983	66,806	42,865	40,836	12,519
Amount	815,402	242,954	115,307	88,941	146,114	222,085
Ordinary dividends: Number	151,709	68,705	28,059	20,294	24,415	10,236
Amount	878,496	132,630	89,093	84,247	189,422	383,104
Business or profession net income (less loss): Number	119,621	74,710	19,576	10,954	10,620	3,761
Amount	1,326,881	474,546	199,972	138,676	257,975	255,712
Number of farm returns	4,717	2,772	821	465	455	204
Net capital gain (less loss) in AGI: Number	122,111	52,231	21,588	16,286	21,826	10,180
Amount	2,478,060	164,796	123,449	138,214	414,292	1,637,310
Taxable Individual Retirement Arrangements distributions: Number	57,823	32,178	10,689	6,525	6,536	1,895
Amount	666,352	195,528	114,842	102,729	162,758	90,494
Taxable pensions and annuities in AGI: Number	124,170	72,717	22,534	13,636	12,328	2,955
Amount	2,089,289	810,444	454,325	329,548	383,200	111,772
Unemployment compensation [4]: Number	34,283	26,056	5,095	1,993	1,040	99
Amount	114,568	83,895	18,257	7,638	4,301	475
Taxable Social Security benefits in AGI: Number	72,260	34,876	17,233	9,042	8,226	2,883
Amount	694,185	158,280	202,767	136,471	140,530	56,137
Self-employment retirement plans: Number	5,509	1,014	795	751	1,670	1,279
Amount	78,570	5,768	6,257	6,951	24,805	34,786
Total itemized deductions [5]: Number	210,517	69,236	49,385	38,380	41,032	12,484
Amount	4,629,540	1,068,661	840,546	750,234	1,071,350	898,750
State and local income taxes: Number	192,208	54,564	47,391	37,618	40,344	12,291
Amount	1,179,047	104,028	150,349	176,560	327,747	420,363
State and local general sales tax: Number	15,762	12,116	2,003	789	662	192
Amount	10,337	5,565	2,038	1,009	1,189	537
Real estate taxes: Number	197,188	61,617	46,798	37,026	39,702	12,045
Amount	627,591	147,718	120,211	109,243	156,850	93,569
Taxes paid: Number	210,954	69,261	49,623	38,506	41,068	12,496
Amount	1,901,479	274,343	290,123	304,077	508,406	524,530
Mortgage interest paid: Number	179,111	56,128	43,592	34,353	35,298	9,740
Amount	1,668,664	439,625	365,592	305,928	369,596	187,925
Contributions: Number	158,546	41,971	37,017	31,469	36,326	11,763
Amount	479,712	53,907	59,389	59,273	103,328	203,816
Taxable income: Number	509,667	306,421	93,937	51,674	44,812	12,823
Amount	20,614,123	4,263,653	3,747,521	3,092,545	4,331,817	5,178,587
Total tax credits [6]: Number	204,737	99,921	45,373	28,806	23,476	7,161
Amount	219,261	67,650	63,879	45,138	24,534	18,060
Residential energy tax credit: Number	27,666	8,887	7,763	5,449	4,607	960
Amount	5,581	1,639	1,528	1,057	1,029	328
Child tax credit: Number	104,675	46,674	29,501	17,702	10,794	4
Amount	131,822	40,915	46,432	29,581	14,891	2
Child and dependent care credit: Number	28,078	9,895	7,582	5,506	4,400	695
Amount	14,028	4,664	3,851	2,954	2,201	358
Earned income credit [7]: Number	96,183	96,183	0	0	0	0
Amount	163,376	163,375	0	0	0	0
Excess earned income credit (refundable) [8]: Number	79,526	79,526	0	0	0	0
Amount	137,239	137,240	0	0	0	0
Alternative minimum tax: Number	14,522	93	185	312	3,616	10,316
Amount	89,154	135	286	558	8,288	79,889
Income tax [9]: Number	465,400	265,855	90,690	51,291	44,736	12,828
Amount	3,283,830	450,025	450,939	397,584	724,719	1,260,563
Total tax liability [10]: Number	502,135	301,159	91,892	51,463	44,785	12,836
Amount	3,536,111	551,351	492,132	426,179	772,022	1,294,428
Tax due at time of filing [11]: Number	131,541	68,897	24,472	13,640	17,693	6,839
Amount	461,516	73,465	48,957	38,067	93,072	207,955
Overpayments refunded [12]: Number	487,775	355,710	67,465	36,468	24,519	3,613
Amount	964,935	535,826	166,171	113,896	103,535	45,507

Footnotes at end of table.

Selected Historical and Other Data

Table 2. Individual Income and Tax Data, by State and Size of Adjusted Gross Income, Tax Year 2007 *—Continued

[Money amounts are in thousands of dollars]

State and item	All returns	Size of adjusted gross income				
		Under \$50,000 [1]	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)
MARYLAND						
Number of returns	2,942,776	1,771,625	405,512	266,603	379,578	119,458
Number of joint returns	989,289	240,651	162,710	168,011	312,320	105,597
Number with paid preparer's signature	1,518,890	871,559	222,057	143,606	199,680	81,988
Number of exemptions	5,496,379	2,602,831	831,775	643,203	1,063,447	355,123
Adjusted gross income (AGI) [2]	194,552,399	34,524,153	24,953,972	23,103,592	51,307,591	60,663,093
Salaries and wages in AGI [3]: Number	2,412,661	1,363,024	358,452	239,150	347,411	104,624
Amount	137,670,586	29,725,066	19,979,568	18,292,300	40,184,038	29,489,613
Taxable interest: Number	1,467,755	560,446	254,964	204,844	332,416	115,085
Amount	4,707,925	748,752	440,619	410,510	938,670	2,169,374
Ordinary dividends: Number	692,030	216,389	100,802	92,335	188,447	94,057
Amount	4,551,103	398,086	287,713	313,300	957,444	2,594,558
Business or profession net income (less loss): Number	461,390	232,648	65,081	49,258	81,732	32,671
Amount	5,237,116	799,135	433,247	419,662	1,338,391	2,246,681
Number of farm returns	12,474	5,232	1,874	1,444	2,432	1,492
Net capital gain (less loss) in AGI: Number	571,780	170,495	78,203	73,391	159,677	90,014
Amount	15,613,955	490,966	304,054	397,941	1,612,944	12,808,050
Taxable Individual Retirement Arrangements distributions: Number	200,052	78,953	36,235	28,463	41,761	14,640
Amount	2,630,181	493,879	364,885	380,727	818,044	572,645
Taxable pensions and annuities in AGI: Number	535,979	237,921	94,310	69,566	103,782	30,400
Amount	12,454,009	3,040,417	2,237,529	2,014,795	3,686,626	1,474,641
Unemployment compensation [4]: Number	100,899	67,645	14,618	8,699	8,710	1,227
Amount	371,779	250,121	52,042	31,778	32,630	5,209
Taxable Social Security benefits in AGI: Number	290,373	108,036	64,504	44,006	54,355	19,472
Amount	3,323,402	535,099	794,654	673,400	923,766	396,485
Self-employment retirement plans: Number	31,087	2,591	2,138	2,632	9,879	13,847
Amount	633,261	16,779	17,730	26,777	136,906	435,069
Total itemized deductions [5]: Number	1,401,307	407,923	284,978	228,491	361,837	118,078
Amount	40,719,961	7,428,541	6,104,180	5,709,231	11,917,192	9,560,816
State and local income taxes: Number	1,323,295	347,195	276,555	224,675	358,033	116,837
Amount	10,657,660	762,258	1,082,704	1,256,383	3,245,601	4,310,713
State and local general sales tax: Number	59,151	43,981	7,241	3,434	3,349	1,146
Amount	52,005	27,707	7,955	5,198	7,247	3,897
Real estate taxes: Number	1,156,375	266,893	233,653	202,233	339,885	113,711
Amount	4,044,665	655,821	615,629	608,193	1,338,047	826,976
Taxes paid: Number	1,400,307	405,802	285,481	228,876	362,018	118,130
Amount	16,116,741	2,697,134	1,730,124	1,888,711	4,623,077	5,177,694
Mortgage interest paid: Number	1,112,775	262,852	228,968	195,982	322,018	102,955
Amount	16,248,466	3,034,131	2,725,837	2,568,420	5,120,850	2,799,227
Contributions: Number	1,172,701	293,952	237,513	197,472	331,087	112,677
Amount	5,203,305	714,144	697,606	630,842	1,317,942	1,842,772
Taxable income: Number	2,289,298	1,127,019	399,146	265,073	378,788	119,272
Amount	132,261,283	16,021,388	15,119,584	14,885,652	35,695,971	50,538,688
Total tax credits [6]: Number	930,204	398,624	158,206	127,757	182,372	63,245
Amount	1,066,860	312,247	207,481	190,081	180,345	176,705
Residential energy tax credit: Number	112,713	19,481	23,496	21,930	37,806	10,000
Amount	26,910	4,262	5,458	5,140	9,256	2,794
Child tax credit: Number	486,739	205,648	108,361	84,038	88,645	47
Amount	577,079	171,693	154,296	133,636	117,419	34
Child and dependent care credit: Number	176,126	62,822	28,236	24,356	48,227	12,485
Amount	104,171	38,838	16,491	14,318	27,750	6,774
Earned income credit [7]: Number	372,774	372,774	0	0	0	0
Amount	693,211	693,210	0	0	0	0
Excess earned income credit (refundable) [8]: Number	325,317	325,317	0	0	0	0
Amount	605,461	605,461	0	0	0	0
Alternative minimum tax: Number	131,225	604	2,406	3,895	31,578	92,742
Amount	709,036	1,700	2,987	5,718	59,100	639,532
Income tax [9]: Number	2,073,696	938,913	377,440	260,202	377,809	119,332
Amount	25,044,590	1,688,942	2,021,371	2,103,854	6,204,198	13,026,224
Total tax liability [10]: Number	2,205,350	1,059,903	385,359	262,232	378,470	119,386
Amount	26,303,813	1,964,978	2,139,926	2,209,183	6,464,228	13,525,498
Tax due at time of filing [11]: Number	577,430	238,439	89,348	60,267	128,080	61,296
Amount	2,448,831	225,379	172,038	148,235	496,573	1,406,605
Overpayments refunded [12]: Number	2,111,362	1,326,188	308,426	199,878	236,978	39,892
Amount	5,614,404	2,394,560	931,205	731,512	1,046,616	510,510

Footnotes at end of table.

Selected Historical and Other Data

Table 2. Individual Income and Tax Data, by State and Size of Adjusted Gross Income, Tax Year 2007 *—Continued

[Money amounts are in thousands of dollars]

State and item	All returns	Size of adjusted gross income				
		Under \$50,000 [1]	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)
MASSACHUSETTS						
Number of returns	3,461,517	2,139,162	459,125	297,322	409,302	156,606
Number of joint returns	1,196,312	308,173	207,262	208,181	338,351	134,345
Number with paid preparer's signature	1,895,927	1,069,722	276,373	182,744	250,697	116,391
Number of exemptions	6,122,207	2,811,686	931,193	743,745	1,162,444	473,139
Adjusted gross income (AGI) [2]	243,829,482	38,464,916	28,239,654	25,774,184	55,090,695	96,260,033
Salaries and wages in AGI [3]: Number	2,738,610	1,549,684	406,547	268,973	376,359	137,047
Amount	161,987,177	32,151,150	22,212,594	20,193,081	42,997,061	44,433,292
Taxable interest: Number	1,877,252	806,625	316,306	238,236	364,766	151,319
Amount	7,652,997	1,245,214	662,335	554,005	1,155,237	4,036,207
Ordinary dividends: Number	932,341	327,314	140,853	117,635	220,046	126,493
Amount	7,571,064	642,741	423,496	423,748	1,185,840	4,895,238
Business or profession net income (less loss): Number	495,631	235,695	72,974	55,729	87,671	43,562
Amount	9,101,630	1,837,259	970,692	875,413	2,154,893	3,263,374
Number of farm returns	4,583	1,987	720	575	768	533
Net capital gain (less loss) in AGI: Number	765,892	247,780	108,275	93,779	191,806	124,252
Amount	28,517,622	699,640	529,811	530,590	2,011,267	24,746,313
Taxable Individual Retirement Arrangements distributions: Number	279,398	131,930	49,473	34,916	45,909	17,170
Amount	3,841,255	820,918	556,890	557,207	1,107,492	798,749
Taxable pensions and annuities in AGI: Number	579,690	296,088	99,117	68,451	87,393	28,641
Amount	10,728,075	3,201,195	2,054,717	1,672,865	2,625,288	1,174,010
Unemployment compensation [4]: Number	206,782	121,575	35,568	22,472	22,951	4,216
Amount	1,149,108	597,289	223,222	141,992	153,932	32,673
Taxable Social Security benefits in AGI: Number	348,517	141,921	79,769	50,000	54,310	22,517
Amount	3,907,308	684,123	998,579	791,731	959,851	473,023
Self-employment retirement plans: Number	45,261	4,776	4,207	4,696	13,960	17,622
Amount	782,189	31,145	35,071	45,392	191,351	479,230
Total itemized deductions [5]: Number	1,344,666	341,945	255,874	221,040	372,144	153,663
Amount	37,955,401	5,708,029	4,827,016	4,797,245	10,302,944	12,320,168
State and local income taxes: Number	1,268,759	283,675	246,749	217,225	368,654	152,456
Amount	9,850,245	516,704	761,734	926,859	2,507,649	5,137,300
State and local general sales tax: Number	62,692	45,943	8,586	3,764	3,276	1,123
Amount	41,370	21,001	7,356	4,475	5,655	2,882
Real estate taxes: Number	1,209,787	273,567	229,545	207,029	352,628	147,018
Amount	5,537,751	887,553	763,617	775,627	1,690,704	1,420,251
Taxes paid: Number	1,345,216	341,065	256,578	221,462	372,398	153,713
Amount	15,844,909	1,482,431	1,589,797	1,765,357	4,327,884	6,679,440
Mortgage interest paid: Number	1,098,379	240,325	211,775	193,054	324,582	128,643
Amount	14,555,021	2,469,599	2,225,983	2,214,074	4,410,519	3,234,847
Contributions: Number	1,100,992	226,864	205,635	188,265	334,747	145,481
Amount	4,680,168	293,112	323,083	317,995	782,303	2,963,675
Taxable income: Number	2,640,520	1,323,555	455,577	296,352	408,618	156,418
Amount	180,789,340	20,029,815	18,765,674	17,761,489	40,501,545	83,730,816
Total tax credits [6]: Number	1,047,397	408,402	182,107	155,938	211,534	89,416
Amount	1,304,334	293,309	238,197	238,335	211,647	322,846
Residential energy tax credit: Number	142,266	25,418	29,708	27,762	45,738	13,640
Amount	28,800	4,602	5,657	5,380	9,576	3,587
Child tax credit: Number	490,363	175,384	113,165	98,509	103,278	27
Amount	630,029	151,491	172,623	165,527	140,366	22
Child and dependent care credit: Number	146,185	36,928	22,419	24,253	47,019	15,566
Amount	74,737	18,966	10,900	12,305	24,495	8,072
Earned income credit [7]: Number	348,577	348,577	0	0	0	0
Amount	592,854	592,854	0	0	0	0
Excess earned income credit (refundable) [8]: Number	292,898	292,898	0	0	0	0
Amount	515,843	515,842	0	0	0	0
Alternative minimum tax: Number	150,262	603	1,290	2,469	31,328	114,572
Amount	864,284	2,401	1,778	3,862	60,967	795,275
Income tax [9]: Number	2,458,354	1,162,443	438,008	293,385	408,055	156,463
Amount	36,134,326	2,242,999	2,614,824	2,493,004	7,131,993	21,651,508
Total tax liability [10]: Number	2,587,546	1,282,525	445,165	294,841	408,497	156,518
Amount	37,709,755	2,612,018	2,800,619	2,659,878	7,495,105	22,142,137
Tax due at time of filing [11]: Number	695,397	289,739	109,533	72,651	140,594	82,880
Amount	3,629,228	293,121	223,906	198,528	630,230	2,283,443
Overpayments refunded [12]: Number	2,353,108	1,502,752	338,042	215,283	249,640	47,391
Amount	6,008,186	2,422,838	975,895	799,697	1,155,636	654,121

Footnotes at end of table.

Selected Historical and Other Data

Table 2. Individual Income and Tax Data, by State and Size of Adjusted Gross Income, Tax Year 2007 *—Continued

[Money amounts are in thousands of dollars]

State and item	All returns	Size of adjusted gross income				
		Under \$50,000 [1]	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)
MICHIGAN						
Number of returns	5,022,234	3,396,550	659,993	416,652	441,056	107,983
Number of joint returns	1,915,630	703,100	400,783	329,702	387,089	94,956
Number with paid preparer's signature	2,819,335	1,816,553	402,964	250,294	266,430	83,094
Number of exemptions	9,565,446	5,236,935	1,574,681	1,134,906	1,296,700	322,224
Adjusted gross income (AGI) [2]	246,804,525	58,350,448	40,731,823	35,988,223	57,838,625	53,895,407
Salaries and wages in AGI [3]: Number	3,943,647	2,478,270	588,651	377,867	404,594	94,265
Amount	173,839,493	45,357,519	31,217,998	27,780,310	44,093,010	25,390,655
Taxable interest: Number	2,315,139	1,150,556	396,563	299,106	365,915	102,999
Amount	6,907,366	1,798,545	813,509	690,572	1,215,350	2,389,390
Ordinary dividends: Number	1,126,985	480,183	188,707	154,187	219,583	84,325
Amount	6,217,852	823,865	517,300	499,672	1,114,540	3,262,475
Business or profession net income (less loss): Number	688,163	404,921	104,054	70,098	81,480	27,610
Amount	6,315,845	1,820,239	707,114	614,402	1,376,845	1,797,243
Number of farm returns	45,043	24,748	8,314	5,381	5,052	1,548
Net capital gain (less loss) in AGI: Number	920,236	379,050	149,158	123,727	187,015	81,286
Amount	14,437,887	1,001,200	570,250	652,034	1,887,855	10,326,547
Taxable Individual Retirement Arrangements distributions: Number	441,397	230,630	80,789	55,732	59,243	15,003
Amount	5,802,876	1,508,425	1,001,315	947,359	1,550,598	795,178
Taxable pensions and annuities in AGI: Number	1,101,721	656,648	177,171	117,149	124,072	26,681
Amount	19,834,714	7,697,451	3,824,863	3,040,567	4,037,236	1,234,597
Unemployment compensation [4]: Number	455,664	286,160	84,851	46,954	35,277	2,422
Amount	1,707,627	1,110,673	314,836	159,059	113,406	9,653
Taxable Social Security benefits in AGI: Number	560,827	268,186	124,962	75,483	71,524	20,672
Amount	6,173,512	1,281,283	1,729,517	1,335,792	1,380,639	446,281
Self-employment retirement plans: Number	26,181	3,468	2,678	3,054	8,282	8,699
Amount	418,316	18,167	19,203	26,547	112,041	242,358
Total itemized deductions [5]: Number	1,724,632	540,866	385,788	307,393	386,599	103,986
Amount	37,547,159	8,398,408	6,591,347	6,065,071	9,791,079	6,701,253
State and local income taxes: Number	1,483,060	381,580	344,860	285,441	369,628	101,551
Amount	6,285,799	572,270	839,931	952,400	1,876,889	2,044,309
State and local general sales tax: Number	216,639	136,640	39,394	21,461	16,716	2,428
Amount	219,948	92,606	47,468	33,803	36,501	9,570
Real estate taxes: Number	1,596,904	466,676	359,197	294,518	375,224	101,289
Amount	5,885,342	1,267,723	1,036,008	976,040	1,652,227	953,347
Taxes paid: Number	1,726,615	540,885	386,730	307,908	387,027	104,065
Amount	13,142,366	2,074,301	2,017,608	2,051,262	3,699,964	3,299,232
Mortgage interest paid: Number	1,502,222	435,422	345,512	282,722	351,983	86,583
Amount	15,148,618	3,546,043	2,941,348	2,689,766	4,019,642	1,951,818
Contributions: Number	1,421,642	373,652	317,797	270,627	359,626	99,940
Amount	5,321,901	709,268	749,753	737,952	1,339,605	1,785,323
Taxable income: Number	3,562,662	1,941,163	656,966	415,995	440,653	107,885
Amount	167,070,157	26,183,606	26,248,145	24,968,451	43,094,405	46,575,549
Total tax credits [6]: Number	1,509,008	679,632	315,229	231,758	225,771	56,618
Amount	1,715,428	471,187	453,656	374,167	247,024	169,393
Residential energy tax credit: Number	216,848	62,980	54,803	42,531	47,872	8,662
Amount	42,008	11,274	10,395	8,217	9,994	2,128
Child tax credit: Number	821,947	337,833	210,847	152,246	120,961	60
Amount	1,076,230	286,560	345,336	269,254	175,029	53
Child and dependent care credit: Number	176,750	52,255	38,837	34,291	44,529	6,838
Amount	84,911	25,600	18,088	16,509	21,464	3,249
Earned income credit [7]: Number	750,743	750,743	0	0	0	0
Amount	1,456,800	1,456,799	0	0	0	0
Excess earned income credit (refundable) [8]: Number	660,917	660,917	0	0	0	0
Amount	1,272,656	1,272,655	0	0	0	0
Alternative minimum tax: Number	93,981	759	1,733	2,530	20,172	68,787
Amount	400,391	2,718	2,094	3,618	36,984	354,978
Income tax [9]: Number	3,227,882	1,640,444	627,252	412,294	440,023	107,869
Amount	28,554,678	2,720,864	3,275,164	3,330,107	7,421,342	11,807,202
Total tax liability [10]: Number	3,488,964	1,890,391	636,591	413,671	440,410	107,901
Amount	29,927,343	3,205,725	3,467,915	3,490,806	7,711,005	12,051,892
Tax due at time of filing [11]: Number	832,010	384,328	149,558	94,094	149,797	54,233
Amount	2,843,013	335,347	281,719	233,205	620,731	1,372,008
Overpayments refunded [12]: Number	3,605,776	2,490,673	495,984	311,176	271,827	36,116
Amount	8,344,186	4,227,912	1,400,228	1,087,914	1,153,411	474,723

Footnotes at end of table.

Selected Historical and Other Data

Table 2. Individual Income and Tax Data, by State and Size of Adjusted Gross Income, Tax Year 2007 *—Continued

[Money amounts are in thousands of dollars]

State and item	All returns	Size of adjusted gross income				
		Under \$50,000 [1]	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)
MINNESOTA						
Number of returns	2,734,017	1,736,631	392,618	253,495	269,627	81,646
Number of joint returns	1,079,996	320,010	240,570	209,039	238,270	72,107
Number with paid preparer's signature	1,485,329	866,966	240,428	153,178	162,196	62,561
Number of exemptions	5,124,791	2,458,448	925,509	698,716	794,089	248,029
Adjusted gross income (AGI) [2]	156,772,069	31,988,911	24,228,438	21,901,338	35,530,281	43,123,103
Salaries and wages in AGI [3]: Number	2,231,819	1,332,962	349,933	229,812	246,745	72,367
Amount	110,900,780	26,951,150	18,947,964	17,143,610	27,130,141	20,727,915
Taxable interest: Number	1,341,870	615,123	243,021	183,577	222,912	77,237
Amount	3,954,465	932,829	443,923	378,332	659,418	1,539,964
Ordinary dividends: Number	719,238	275,266	123,091	103,359	151,707	65,815
Amount	3,729,771	452,423	282,181	279,401	663,933	2,051,833
Business or profession net income (less loss): Number	402,500	208,945	71,627	48,374	53,847	19,707
Amount	4,196,690	1,081,862	608,923	494,355	945,789	1,065,760
Number of farm returns	74,506	39,151	15,322	9,258	8,046	2,729
Net capital gain (less loss) in AGI: Number	609,882	233,092	99,208	83,965	130,029	63,588
Amount	11,663,934	669,176	431,782	478,181	1,445,148	8,639,646
Taxable Individual Retirement Arrangements distributions: Number	239,694	122,105	44,321	31,256	33,080	8,932
Amount	2,951,904	781,344	501,260	485,801	786,354	397,145
Taxable pensions and annuities in AGI: Number	472,069	249,803	86,566	59,364	60,737	15,599
Amount	8,289,462	2,545,047	1,746,606	1,488,053	1,899,440	610,317
Unemployment compensation [4]: Number	149,811	90,542	31,042	16,525	10,724	978
Amount	663,551	372,212	151,577	81,218	53,285	5,259
Taxable Social Security benefits in AGI: Number	283,117	123,965	67,924	41,630	37,978	11,620
Amount	3,102,415	595,731	886,181	692,833	688,598	239,071
Self-employment retirement plans: Number	23,488	3,339	2,962	3,251	7,252	6,684
Amount	335,028	17,079	20,366	27,118	95,196	175,269
Total itemized deductions [5]: Number	1,086,583	309,794	243,692	201,249	251,698	80,150
Amount	26,405,283	4,901,917	4,306,598	4,121,922	6,831,193	6,243,655
State and local income taxes: Number	999,173	239,837	233,911	197,496	248,861	79,068
Amount	6,578,727	443,168	682,155	828,530	1,797,041	2,827,834
State and local general sales tax: Number	77,382	60,522	9,446	3,670	2,738	1,006
Amount	82,654	49,758	14,051	7,825	7,470	3,551
Real estate taxes: Number	1,007,032	266,413	226,827	192,445	243,549	77,798
Amount	2,946,385	525,716	500,582	503,856	858,859	557,371
Taxes paid: Number	1,086,413	308,945	244,039	201,465	251,799	80,165
Amount	9,824,934	1,053,971	1,235,140	1,380,049	2,726,130	3,429,642
Mortgage interest paid: Number	933,530	245,041	214,670	181,402	224,448	67,969
Amount	11,121,817	2,709,007	2,076,839	1,906,570	2,815,806	1,613,596
Contributions: Number	906,845	213,657	200,435	179,084	236,374	77,295
Amount	3,432,196	343,618	392,526	424,965	826,092	1,444,996
Taxable income: Number	2,093,015	1,098,966	390,254	252,966	269,300	81,529
Amount	108,178,393	15,741,389	15,394,296	14,867,542	25,840,835	36,334,332
Total tax credits [6]: Number	878,810	367,864	182,563	143,471	141,668	43,244
Amount	1,052,364	259,862	275,143	246,620	160,830	109,909
Residential energy tax credit: Number	117,878	28,139	29,646	24,771	28,462	6,860
Amount	23,990	5,081	5,760	5,036	6,309	1,804
Child tax credit: Number	457,426	164,152	121,891	95,266	76,089	28
Amount	623,104	142,539	200,518	170,405	109,619	23
Child and dependent care credit: Number	147,160	40,037	33,679	30,648	35,216	7,580
Amount	66,469	18,098	15,640	14,378	15,198	3,155
Earned income credit [7]: Number	304,600	304,600	0	0	0	0
Amount	523,462	523,462	0	0	0	0
Excess earned income credit (refundable) [8]: Number	259,919	259,919	0	0	0	0
Amount	456,916	456,917	0	0	0	0
Alternative minimum tax: Number	78,514	424	730	1,193	14,586	61,581
Amount	440,077	1,861	1,298	2,241	28,171	406,506
Income tax [9]: Number	1,914,282	943,788	370,109	250,059	268,782	81,544
Amount	19,320,864	1,687,966	1,899,995	1,917,277	4,377,417	9,438,210
Total tax liability [10]: Number	2,031,933	1,052,348	377,653	251,239	269,106	81,587
Amount	20,271,626	1,980,691	2,054,854	2,043,166	4,582,964	9,609,951
Tax due at time of filing [11]: Number	582,133	263,808	103,385	66,958	103,638	44,344
Amount	2,372,975	254,774	209,099	182,901	467,761	1,258,441
Overpayments refunded [12]: Number	1,881,149	1,240,412	279,887	179,450	154,999	26,401
Amount	4,040,312	1,845,932	700,622	538,305	605,252	350,201

Footnotes at end of table.

Selected Historical and Other Data

Table 2. Individual Income and Tax Data, by State and Size of Adjusted Gross Income, Tax Year 2007 *—Continued

[Money amounts are in thousands of dollars]

State and item	All returns	Size of adjusted gross income				
		Under \$50,000 [1]	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)
MISSISSIPPI						
Number of returns	1,440,588	1,124,837	144,507	79,252	72,523	19,469
Number of joint returns	459,426	215,284	96,187	66,759	64,221	16,975
Number with paid preparer's signature	853,920	640,671	95,046	51,603	49,666	16,934
Number of exemptions	2,837,535	1,999,688	360,812	217,806	204,522	54,707
Adjusted gross income (AGI) [2]	52,429,398	17,609,839	8,849,612	6,829,007	9,442,919	9,698,022
Salaries and wages in AGI [3]: Number	1,092,136	811,286	129,132	71,446	64,402	15,870
Amount	38,382,352	15,822,650	7,021,919	5,297,812	6,657,453	3,582,514
Taxable interest: Number	402,837	206,445	71,438	50,438	56,263	18,253
Amount	1,279,377	364,315	164,780	130,472	229,539	390,272
Ordinary dividends: Number	163,201	67,119	28,175	22,394	31,383	14,130
Amount	883,465	114,653	73,098	69,955	175,261	450,497
Business or profession net income (less loss): Number	203,595	137,772	25,746	15,957	17,173	6,947
Amount	1,938,124	604,520	210,475	171,996	379,252	571,881
Number of farm returns	40,163	19,038	7,395	5,103	5,971	2,656
Net capital gain (less loss) in AGI: Number	139,029	55,754	23,166	18,594	27,538	13,977
Amount	2,689,476	209,648	110,950	125,473	373,141	1,870,264
Taxable Individual Retirement Arrangements distributions: Number	70,853	37,111	13,005	8,668	9,449	2,620
Amount	823,259	240,939	143,219	125,605	208,092	105,401
Taxable pensions and annuities in AGI: Number	215,233	126,318	37,177	23,659	23,214	4,865
Amount	3,730,372	1,412,224	756,424	593,034	765,340	203,351
Unemployment compensation [4]: Number	50,004	41,139	5,051	2,232	1,454	128
Amount	127,077	100,607	14,142	7,028	4,870	430
Taxable Social Security benefits in AGI: Number	126,633	66,651	26,955	14,944	13,820	4,263
Amount	1,294,084	368,306	340,735	244,216	252,206	88,620
Self-employment retirement plans: Number	5,389	746	471	507	1,578	2,087
Amount	96,963	3,618	3,676	4,633	23,490	61,546
Total itemized deductions [5]: Number	317,951	120,405	69,202	50,974	59,051	18,319
Amount	7,055,523	1,963,459	1,260,425	1,027,513	1,482,589	1,321,535
State and local income taxes: Number	243,068	74,213	54,942	43,769	52,896	17,248
Amount	1,131,816	166,901	131,890	144,267	280,257	408,501
State and local general sales tax: Number	68,397	40,411	13,762	7,074	6,091	1,059
Amount	101,022	41,918	22,629	14,745	16,444	5,285
Real estate taxes: Number	249,999	78,582	56,120	44,927	53,799	16,571
Amount	356,096	79,401	60,163	56,830	94,029	65,673
Taxes paid: Number	317,764	119,674	69,435	51,141	59,180	18,334
Amount	1,721,732	328,563	240,772	237,887	421,351	493,159
Mortgage interest paid: Number	246,281	81,451	56,144	44,117	50,557	14,012
Amount	2,075,542	522,022	410,676	355,517	485,486	301,841
Contributions: Number	261,966	88,990	57,659	44,465	53,626	17,226
Amount	1,459,741	282,184	235,442	210,197	340,365	391,554
Taxable income: Number	886,489	571,913	143,728	79,074	72,384	19,390
Amount	32,900,820	7,066,066	5,661,896	4,782,368	7,130,610	8,259,877
Total tax credits [6]: Number	400,087	250,248	67,787	40,570	32,200	9,282
Amount	466,399	183,743	105,920	68,865	48,267	59,605
Residential energy tax credit: Number	21,344	6,974	5,557	3,880	4,117	816
Amount	5,604	1,757	1,449	1,010	1,125	262
Child tax credit: Number	270,813	168,954	52,921	30,284	18,644	10
Amount	289,400	130,192	83,162	50,308	25,734	4
Child and dependent care credit: Number	60,080	29,422	13,167	9,095	7,440	956
Amount	32,857	16,276	7,036	4,953	4,071	520
Earned income credit [7]: Number	402,114	402,114	0	0	0	0
Amount	945,143	945,143	0	0	0	0
Excess earned income credit (refundable) [8]: Number	369,383	369,383	0	0	0	0
Amount	862,582	862,581	0	0	0	0
Alternative minimum tax: Number	14,313	375	733	807	2,916	9,482
Amount	59,224	1,345	898	1,426	7,213	48,343
Income tax [9]: Number	734,096	426,232	137,960	78,428	72,109	19,367
Amount	5,248,998	665,189	682,712	631,894	1,220,750	2,048,453
Total tax liability [10]: Number	824,011	513,751	139,875	78,707	72,264	19,414
Amount	5,664,221	832,694	737,936	673,767	1,296,233	2,123,591
Tax due at time of filing [11]: Number	217,540	110,464	39,166	24,417	32,540	10,953
Amount	822,355	112,670	84,719	72,057	182,515	370,393
Overpayments refunded [12]: Number	1,007,183	810,716	102,408	52,687	36,359	5,013
Amount	2,563,318	1,880,774	275,015	166,562	151,718	89,250

Footnotes at end of table.

Selected Historical and Other Data

Table 2. Individual Income and Tax Data, by State and Size of Adjusted Gross Income, Tax Year 2007 *—Continued

[Money amounts are in thousands of dollars]

State and item	All returns	Size of adjusted gross income				
		Under \$50,000 [1]	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)
MISSOURI						
Number of returns	3,010,549	2,126,152	382,472	223,293	217,433	61,199
Number of joint returns	1,155,172	474,735	252,369	184,073	190,698	53,297
Number with paid preparer's signature	1,689,779	1,132,057	238,464	136,627	134,295	48,336
Number of exemptions	5,651,257	3,318,086	925,306	606,841	622,108	178,916
Adjusted gross income (AGI) [2]	141,954,921	37,011,607	23,530,843	19,248,323	28,470,537	33,693,612
Salaries and wages in AGI [3]: Number	2,350,688	1,565,192	338,456	200,038	195,059	51,943
Amount	99,255,869	30,863,562	18,306,227	14,841,793	20,802,867	14,441,420
Taxable interest: Number	1,264,948	644,186	224,922	159,051	178,917	57,872
Amount	4,068,438	1,204,694	510,624	409,333	672,703	1,271,085
Ordinary dividends: Number	652,232	279,135	114,255	89,051	120,436	49,355
Amount	3,897,313	513,329	305,954	300,741	670,848	2,106,441
Business or profession net income (less loss): Number	420,928	251,312	66,536	41,325	44,836	16,919
Amount	4,053,464	1,089,430	531,357	416,382	874,982	1,141,313
Number of farm returns	105,128	60,928	19,584	11,163	9,887	3,566
Net capital gain (less loss) in AGI: Number	544,148	229,893	91,953	71,777	102,370	48,155
Amount	9,755,215	685,965	421,511	456,525	1,259,290	6,931,923
Taxable Individual Retirement Arrangements distributions: Number	241,911	127,217	44,865	30,015	31,196	8,618
Amount	2,957,185	794,696	514,512	479,936	779,160	388,879
Taxable pensions and annuities in AGI: Number	568,817	333,719	98,415	61,592	60,912	14,179
Amount	9,309,480	3,438,446	1,927,703	1,484,080	1,891,235	568,016
Unemployment compensation [4]: Number	151,562	105,730	25,220	12,094	7,925	593
Amount	407,616	286,864	65,566	31,223	21,882	2,080
Taxable Social Security benefits in AGI: Number	312,777	149,263	72,640	41,331	37,558	11,985
Amount	3,184,991	694,253	923,039	661,217	658,920	247,564
Self-employment retirement plans: Number	17,358	2,177	1,840	1,929	5,258	6,154
Amount	286,729	11,702	13,021	17,103	73,187	171,716
Total itemized deductions [5]: Number	902,874	286,080	203,366	161,832	192,466	59,130
Amount	20,163,472	4,523,417	3,451,080	3,121,340	4,792,580	4,275,056
State and local income taxes: Number	808,486	211,919	192,312	157,310	189,013	57,932
Amount	4,547,569	530,417	498,378	601,324	1,154,059	1,763,391
State and local general sales tax: Number	84,382	64,225	10,990	4,552	3,432	1,183
Amount	126,498	76,101	25,206	11,085	9,613	4,492
Real estate taxes: Number	818,358	236,828	186,104	153,366	185,180	56,880
Amount	2,045,242	412,326	357,527	341,971	572,181	361,237
Taxes paid: Number	903,297	285,293	203,980	162,173	192,679	59,172
Amount	7,189,968	1,173,265	952,993	1,026,233	1,843,288	2,194,189
Mortgage interest paid: Number	760,919	220,912	177,078	145,323	169,907	47,699
Amount	7,425,772	1,823,937	1,441,377	1,299,878	1,802,627	1,057,953
Contributions: Number	707,434	185,710	157,117	135,022	173,492	56,093
Amount	3,012,875	382,469	398,862	391,800	696,988	1,142,755
Taxable income: Number	2,126,493	1,244,375	380,904	222,906	217,196	61,112
Amount	96,095,688	16,932,569	15,269,027	13,446,196	21,318,412	29,129,484
Total tax credits [6]: Number	880,255	441,133	179,500	120,254	107,429	31,939
Amount	959,613	312,839	269,454	197,091	116,346	63,883
Residential energy tax credit: Number	86,702	25,006	22,276	16,842	18,561	4,017
Amount	18,205	4,939	4,585	3,538	4,113	1,032
Child tax credit: Number	503,580	236,758	127,382	82,278	57,134	28
Amount	633,677	201,508	207,343	142,952	81,846	28
Child and dependent care credit: Number	127,146	43,694	31,887	23,830	23,726	4,009
Amount	61,639	20,686	15,330	12,091	11,619	1,913
Earned income credit [7]: Number	489,777	489,777	0	0	0	0
Amount	942,096	942,096	0	0	0	0
Excess earned income credit (refundable) [8]: Number	430,677	430,677	0	0	0	0
Amount	841,236	841,236	0	0	0	0
Alternative minimum tax: Number	52,276	471	871	1,157	9,546	40,231
Amount	270,239	1,980	1,135	2,112	19,952	245,060
Income tax [9]: Number	1,906,944	1,042,426	365,454	221,088	216,851	61,125
Amount	16,515,786	1,744,275	1,865,442	1,767,441	3,646,796	7,491,834
Total tax liability [10]: Number	2,051,827	1,180,963	370,791	221,818	217,098	61,157
Amount	17,435,193	2,061,431	2,000,544	1,871,756	3,828,547	7,672,913
Tax due at time of filing [11]: Number	543,037	266,244	97,433	59,076	86,186	34,098
Amount	2,164,221	247,682	197,047	162,424	419,759	1,137,308
Overpayments refunded [12]: Number	2,092,385	1,517,894	276,631	158,127	121,897	17,836
Amount	4,667,950	2,660,636	730,814	511,309	495,638	269,555

Footnotes at end of table.

Selected Historical and Other Data

Table 2. Individual Income and Tax Data, by State and Size of Adjusted Gross Income, Tax Year 2007 *—Continued

[Money amounts are in thousands of dollars]

State and item	All returns	Size of adjusted gross income				
		Under \$50,000 [1]	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)
MONTANA						
Number of returns	513,585	371,571	65,377	36,049	30,836	9,752
Number of joint returns	204,146	91,043	47,027	30,821	26,921	8,334
Number with paid preparer's signature	301,394	200,907	44,051	24,762	22,923	8,751
Number of exemptions	931,733	560,449	162,212	97,968	84,566	26,538
Adjusted gross income (AGI) [2]	22,343,926	6,216,883	4,017,620	3,099,835	4,030,587	4,979,000
Salaries and wages in AGI [3]: Number	395,073	273,920	56,365	31,302	25,939	7,547
Amount	14,014,711	5,110,714	2,914,052	2,177,830	2,388,372	1,423,744
Taxable interest: Number	247,861	139,663	43,877	27,978	26,923	9,420
Amount	799,438	229,169	108,487	83,433	143,115	235,233
Ordinary dividends: Number	124,499	62,303	21,647	15,517	17,407	7,625
Amount	624,688	128,617	64,225	57,819	119,998	254,030
Business or profession net income (less loss): Number	86,587	52,871	14,527	8,249	7,771	3,169
Amount	821,557	225,845	127,693	97,942	167,064	203,014
Number of farm returns	20,813	12,473	3,444	1,993	1,942	961
Net capital gain (less loss) in AGI: Number	112,619	54,736	19,348	13,941	16,708	7,886
Amount	2,332,219	198,177	126,319	131,580	366,016	1,510,128
Taxable Individual Retirement Arrangements distributions: Number	38,881	21,230	7,267	4,693	4,383	1,308
Amount	432,269	127,027	75,631	68,049	108,049	53,510
Taxable pensions and annuities in AGI: Number	92,930	55,315	16,592	10,112	8,679	2,232
Amount	1,538,655	602,151	337,925	249,820	267,625	81,134
Unemployment compensation [4]: Number	26,247	19,235	4,364	1,755	828	65
Amount	75,996	52,714	14,001	5,852	3,149	281
Taxable Social Security benefits in AGI: Number	54,915	26,051	12,834	7,209	6,531	2,290
Amount	543,319	119,621	158,990	112,276	110,334	42,098
Self-employment retirement plans: Number	3,781	674	508	586	1,092	921
Amount	56,482	3,773	4,005	5,394	16,961	26,350
Total itemized deductions [5]: Number	153,254	57,390	35,284	25,266	26,182	9,132
Amount	3,255,954	867,131	609,850	490,979	658,943	629,051
State and local income taxes: Number	140,761	46,720	34,416	24,872	25,771	8,982
Amount	703,127	69,959	94,817	99,895	176,184	262,272
State and local general sales tax: Number	1,119	543	195	137	174	70
Amount	1,514	416	250	260	333	255
Real estate taxes: Number	137,356	47,731	32,305	23,880	24,850	8,590
Amount	298,318	79,656	58,941	49,992	66,627	43,102
Taxes paid: Number	152,157	56,196	35,332	25,299	26,191	9,139
Amount	1,048,253	161,283	163,727	159,083	253,851	310,308
Mortgage interest paid: Number	121,495	41,216	29,572	21,839	21,923	6,945
Amount	1,200,760	333,218	258,566	203,049	244,298	161,628
Contributions: Number	118,631	37,676	27,498	21,374	23,528	8,555
Amount	456,186	66,868	62,091	56,350	95,734	175,145
Taxable income: Number	362,847	221,293	65,055	35,984	30,777	9,738
Amount	14,950,750	2,893,481	2,566,300	2,163,199	3,036,400	4,291,371
Total tax credits [6]: Number	146,146	73,874	32,508	19,681	15,331	4,752
Amount	150,978	48,431	46,230	30,453	16,205	9,660
Residential energy tax credit: Number	19,188	6,411	5,582	3,584	3,003	608
Amount	3,838	1,123	1,088	733	707	188
Child tax credit: Number	75,979	35,144	21,341	12,359	7,129	6
Amount	98,400	30,502	35,249	21,996	10,646	6
Child and dependent care credit: Number	17,773	6,564	5,183	3,214	2,366	446
Amount	7,530	2,708	2,193	1,390	1,034	206
Earned income credit [7]: Number	77,920	77,920	0	0	0	0
Amount	137,427	137,427	0	0	0	0
Excess earned income credit (refundable) [8]: Number	66,044	66,044	0	0	0	0
Amount	119,590	119,588	0	0	0	0
Alternative minimum tax: Number	9,115	697	200	261	1,614	6,343
Amount	48,672	598	292	478	4,127	43,177
Income tax [9]: Number	328,187	190,173	61,920	35,629	30,730	9,735
Amount	2,411,875	297,200	303,042	277,678	507,361	1,026,593
Total tax liability [10]: Number	356,891	217,520	63,079	35,780	30,768	9,744
Amount	2,601,112	370,240	334,233	300,717	542,190	1,053,733
Tax due at time of filing [11]: Number	113,630	58,618	21,550	12,934	15,042	5,486
Amount	454,050	58,632	47,719	39,394	93,160	215,144
Overpayments refunded [12]: Number	333,363	255,166	41,488	21,410	13,120	2,179
Amount	647,979	388,434	100,366	63,399	57,370	38,408

Footnotes at end of table.

Selected Historical and Other Data

Table 2. Individual Income and Tax Data, by State and Size of Adjusted Gross Income, Tax Year 2007 *—Continued

[Money amounts are in thousands of dollars]

State and item	All returns	Size of adjusted gross income				
		Under \$50,000 [1]	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)
NEBRASKA						
Number of returns	918,101	631,285	126,504	74,764	67,153	18,395
Number of joint returns	372,607	140,065	90,689	65,189	60,400	16,264
Number with paid preparer's signature	527,554	340,339	81,392	47,115	43,299	15,409
Number of exemptions	1,754,982	957,978	328,345	215,381	198,690	54,588
Adjusted gross income (AGI) [2]	44,820,008	11,206,600	7,790,008	6,443,341	8,750,993	10,629,067
Salaries and wages in AGI [3]: Number	744,413	487,095	113,361	67,970	60,262	15,725
Amount	31,075,298	9,749,338	6,103,745	4,980,047	6,184,062	4,058,105
Taxable interest: Number	439,667	227,282	80,189	56,299	58,065	17,832
Amount	1,445,864	366,976	175,118	133,116	218,891	551,765
Ordinary dividends: Number	224,135	98,294	40,701	31,694	38,549	14,897
Amount	1,108,762	140,779	90,733	87,944	190,144	599,163
Business or profession net income (less loss): Number	131,084	73,537	23,654	14,847	14,107	4,939
Amount	1,092,433	329,772	171,209	124,724	225,248	241,481
Number of farm returns	47,755	28,173	8,778	5,107	4,230	1,467
Net capital gain (less loss) in AGI: Number	204,875	90,392	36,136	27,871	35,666	14,810
Amount	3,930,196	299,025	168,046	183,374	478,371	2,801,380
Taxable Individual Retirement Arrangements distributions: Number	80,711	44,166	14,948	9,617	9,347	2,633
Amount	851,258	254,656	154,758	133,290	196,922	111,633
Taxable pensions and annuities in AGI: Number	148,739	82,015	27,342	17,829	17,543	4,010
Amount	2,194,410	734,049	451,745	372,859	495,075	140,682
Unemployment compensation [4]: Number	30,930	23,175	4,619	1,958	1,077	101
Amount	81,189	59,758	12,416	5,296	3,353	366
Taxable Social Security benefits in AGI: Number	95,707	44,343	22,808	12,865	11,873	3,818
Amount	1,025,394	213,000	297,733	216,185	218,925	79,550
Self-employment retirement plans: Number	5,858	883	824	825	1,814	1,512
Amount	80,499	4,493	5,683	7,226	24,294	38,803
Total itemized deductions [5]: Number	272,135	81,221	61,639	52,586	59,158	17,531
Amount	6,115,391	1,235,236	1,014,250	989,675	1,469,208	1,407,023
State and local income taxes: Number	237,469	55,631	56,570	50,538	57,716	17,014
Amount	1,349,432	91,177	149,823	192,821	378,399	537,210
State and local general sales tax: Number	32,408	23,350	5,084	2,043	1,414	517
Amount	41,839	23,006	8,209	4,514	4,187	1,923
Real estate taxes: Number	243,942	64,995	56,355	49,829	56,304	16,459
Amount	825,025	154,988	154,722	157,720	231,721	125,875
Taxes paid: Number	272,132	80,861	61,845	52,672	59,203	17,551
Amount	2,336,376	291,479	334,975	379,065	648,468	682,390
Mortgage interest paid: Number	219,316	56,440	51,866	46,523	50,862	13,625
Amount	1,850,469	362,527	375,222	366,312	469,945	276,464
Contributions: Number	226,808	56,577	50,811	46,746	55,681	16,993
Amount	1,004,289	103,570	115,062	124,735	228,334	432,588
Taxable income: Number	681,098	395,007	125,963	74,654	67,098	18,376
Amount	30,663,568	5,440,904	5,016,886	4,487,196	6,522,823	9,195,757
Total tax credits [6]: Number	301,408	145,565	66,390	43,960	36,037	9,456
Amount	344,566	101,115	104,795	76,044	40,993	21,616
Residential energy tax credit: Number	32,818	9,039	9,161	6,890	6,515	1,213
Amount	6,495	1,626	1,768	1,373	1,413	313
Child tax credit: Number	164,652	69,356	46,258	29,848	19,176	14
Amount	226,127	61,464	79,796	55,416	29,434	16
Child and dependent care credit: Number	54,016	18,806	14,728	10,487	8,728	1,267
Amount	25,698	8,745	7,325	5,143	3,928	558
Earned income credit [7]: Number	123,144	123,144	0	0	0	0
Amount	224,630	224,630	0	0	0	0
Excess earned income credit (refundable) [8]: Number	106,755	106,755	0	0	0	0
Amount	200,172	200,172	0	0	0	0
Alternative minimum tax: Number	17,759	178	243	340	3,695	13,303
Amount	88,956	658	299	578	6,607	80,813
Income tax [9]: Number	611,364	332,477	119,501	74,005	67,000	18,381
Amount	5,148,196	559,044	583,398	564,581	1,090,691	2,350,482
Total tax liability [10]: Number	654,647	373,194	121,760	74,242	67,067	18,384
Amount	5,448,164	664,269	636,356	605,498	1,149,073	2,392,969
Tax due at time of filing [11]: Number	186,755	90,048	35,196	21,937	28,855	10,719
Amount	838,512	137,032	81,946	73,383	166,979	379,173
Overpayments refunded [12]: Number	631,147	452,784	88,026	50,575	34,930	4,832
Amount	1,305,360	728,775	218,506	152,581	132,061	73,438

Footnotes at end of table.

Selected Historical and Other Data

Table 2. Individual Income and Tax Data, by State and Size of Adjusted Gross Income, Tax Year 2007 *—Continued

[Money amounts are in thousands of dollars]

State and item	All returns	Size of adjusted gross income				
		Under \$50,000 [1]	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)
NEVADA						
Number of returns	1,347,663	911,497	184,934	105,135	110,338	35,759
Number of joint returns	459,074	169,275	97,523	75,463	89,269	27,544
Number with paid preparer's signature	755,514	485,919	109,242	62,204	69,041	29,108
Number of exemptions	2,672,608	1,588,706	430,773	268,649	293,504	90,976
Adjusted gross income (AGI) [2]	80,656,994	17,109,146	11,346,816	9,071,542	14,559,857	28,569,633
Salaries and wages in AGI [3]: Number	1,117,104	733,384	165,036	93,727	97,120	27,837
Amount	51,401,550	16,504,581	9,162,775	7,062,771	10,485,610	8,185,813
Taxable interest: Number	472,552	209,656	85,910	62,617	81,465	32,904
Amount	3,321,060	543,346	207,788	179,638	392,321	1,997,966
Ordinary dividends: Number	209,618	77,617	35,132	28,252	43,928	24,689
Amount	2,195,290	198,481	106,077	104,017	264,654	1,522,063
Business or profession net income (less loss): Number	172,333	97,998	25,372	17,026	22,126	9,811
Amount	1,846,677	311,494	202,817	172,440	408,088	751,838
Number of farm returns	3,940	1,563	638	459	723	557
Net capital gain (less loss) in AGI: Number	191,423	69,418	30,680	24,869	40,593	25,863
Amount	11,616,204	344,746	131,824	157,307	620,432	10,361,895
Taxable Individual Retirement Arrangements distributions: Number	79,029	34,637	15,010	11,188	13,406	4,788
Amount	1,273,631	256,857	183,914	192,690	367,740	272,429
Taxable pensions and annuities in AGI: Number	223,154	109,170	42,182	29,462	33,279	9,061
Amount	4,607,698	1,262,669	921,278	799,621	1,181,840	442,290
Unemployment compensation [4]: Number	71,652	47,502	12,860	6,417	4,416	457
Amount	272,281	184,088	46,799	22,634	16,574	2,186
Taxable Social Security benefits in AGI: Number	130,513	53,434	30,273	19,095	19,595	8,116
Amount	1,389,638	260,414	369,967	288,638	320,226	150,392
Self-employment retirement plans: Number	5,778	872	576	617	1,715	1,998
Amount	108,368	6,006	5,308	6,628	27,058	63,366
Total itemized deductions [5]: Number	481,352	176,758	106,699	74,912	91,499	31,484
Amount	14,944,542	3,633,003	2,406,462	1,937,665	2,973,455	3,993,954
State and local income taxes: Number	47,874	15,530	9,516	6,871	9,711	6,246
Amount	426,737	27,924	18,120	17,957	45,005	317,730
State and local general sales tax: Number	381,018	132,452	85,696	61,755	76,577	24,538
Amount	615,209	125,634	137,753	102,803	164,050	84,970
Real estate taxes: Number	410,496	132,913	92,336	68,511	86,587	30,149
Amount	1,186,516	268,536	188,541	198,317	268,832	262,290
Taxes paid: Number	475,765	172,518	105,778	74,609	91,334	31,526
Amount	2,841,405	873,782	386,785	354,775	531,892	694,170
Mortgage interest paid: Number	411,278	136,426	93,272	68,537	85,018	28,025
Amount	7,481,727	1,967,126	1,349,532	1,086,859	1,604,907	1,473,301
Contributions: Number	368,436	115,103	83,218	61,766	79,972	28,377
Amount	1,422,593	169,122	163,813	150,777	275,273	663,608
Taxable income: Number	1,016,065	583,929	182,235	104,494	109,877	35,530
Amount	56,251,209	8,182,650	6,899,799	5,980,584	10,420,512	24,767,663
Total tax credits [6]: Number	399,117	215,440	76,273	48,538	44,622	14,244
Amount	479,755	161,967	115,272	79,274	53,407	69,835
Residential energy tax credit: Number	23,636	5,203	5,768	4,937	6,308	1,420
Amount	6,496	1,228	1,533	1,331	1,869	535
Child tax credit: Number	254,578	133,642	59,564	35,939	25,417	16
Amount	303,017	109,458	95,211	62,177	36,160	11
Child and dependent care credit: Number	54,475	21,579	11,655	9,220	10,432	1,589
Amount	31,365	12,518	6,430	5,286	6,163	966
Earned income credit [7]: Number	192,465	192,465	0	0	0	0
Amount	351,437	351,437	0	0	0	0
Excess earned income credit (refundable) [8]: Number	169,279	169,279	0	0	0	0
Amount	313,348	313,348	0	0	0	0
Alternative minimum tax: Number	18,223	281	917	999	3,947	12,079
Amount	115,693	1,800	986	1,838	8,986	102,083
Income tax [9]: Number	887,292	469,828	169,792	102,605	109,546	35,521
Amount	10,630,491	854,375	886,801	830,459	1,813,749	6,245,107
Total tax liability [10]: Number	944,332	522,478	173,082	103,385	109,797	35,590
Amount	11,032,671	979,464	937,585	873,161	1,895,853	6,346,608
Tax due at time of filing [11]: Number	229,646	104,499	42,130	26,254	38,881	17,882
Amount	1,346,270	109,826	88,106	75,061	204,294	868,984
Overpayments refunded [12]: Number	1,000,598	707,475	139,279	76,175	66,466	11,203
Amount	2,749,493	1,382,188	431,631	287,877	330,181	317,617

Footnotes at end of table.

Selected Historical and Other Data

Table 2. Individual Income and Tax Data, by State and Size of Adjusted Gross Income, Tax Year 2007 *—Continued

[Money amounts are in thousands of dollars]

State and item	All returns	Size of adjusted gross income				
		Under \$50,000 [1]	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)
NEW HAMPSHIRE						
Number of returns	723,686	454,028	100,211	67,204	79,486	22,757
Number of joint returns	283,218	79,813	60,252	54,161	69,363	19,629
Number with paid preparer's signature	335,976	188,156	52,817	35,265	43,015	16,723
Number of exemptions	1,300,252	598,943	226,401	179,227	229,840	65,841
Adjusted gross income (AGI) [2]	42,846,123	8,276,068	6,186,280	5,813,195	10,543,351	12,027,229
Salaries and wages in AGI [3]: Number	583,526	341,729	89,451	61,014	72,140	19,192
Amount	29,979,259	6,862,507	4,854,648	4,581,521	8,062,756	5,617,826
Taxable interest: Number	372,724	159,670	67,109	53,077	70,835	22,033
Amount	1,165,480	225,167	115,516	103,132	210,066	511,600
Ordinary dividends: Number	186,744	69,587	30,505	26,417	42,315	17,920
Amount	1,203,922	129,396	90,218	92,313	244,074	647,920
Business or profession net income (less loss): Number	112,246	56,620	18,911	13,510	17,085	6,120
Amount	1,916,270	415,693	254,387	215,537	459,234	571,419
Number of farm returns	2,154	975	385	240	357	197
Net capital gain (less loss) in AGI: Number	153,299	53,618	23,414	20,924	37,575	17,768
Amount	4,366,211	144,226	107,926	133,837	460,819	3,519,403
Taxable Individual Retirement Arrangements distributions: Number	60,938	28,781	11,072	8,184	9,845	3,056
Amount	836,856	187,123	127,209	132,939	246,305	143,281
Taxable pensions and annuities in AGI: Number	124,557	62,690	22,095	15,856	18,780	5,136
Amount	2,196,611	650,464	420,811	365,570	552,474	207,294
Unemployment compensation [4]: Number	31,881	19,089	6,060	3,590	2,836	306
Amount	122,375	63,979	25,378	16,126	15,127	1,764
Taxable Social Security benefits in AGI: Number	76,942	32,196	17,853	11,144	11,505	4,244
Amount	860,474	157,752	228,603	182,173	206,357	85,588
Self-employment retirement plans: Number	7,958	1,198	959	1,007	2,704	2,090
Amount	121,802	7,416	7,172	9,752	40,602	56,860
Total itemized deductions [5]: Number	254,085	68,224	52,858	46,229	66,402	20,372
Amount	5,820,162	1,126,870	953,810	943,066	1,660,930	1,135,485
State and local income taxes: Number	106,579	17,492	19,155	20,009	35,574	14,349
Amount	455,289	21,740	38,492	54,339	143,672	197,046
State and local general sales tax: Number	3,383	1,029	619	574	898	263
Amount	2,675	555	430	409	758	523
Real estate taxes: Number	240,505	60,648	50,123	44,798	65,001	19,935
Amount	1,386,640	262,343	232,382	234,619	428,175	229,121
Taxes paid: Number	251,896	66,131	52,608	46,223	66,503	20,431
Amount	1,956,225	306,810	289,620	309,215	607,545	443,037
Mortgage interest paid: Number	222,208	54,391	47,265	42,695	60,806	17,051
Amount	2,611,537	511,659	481,778	477,340	772,503	368,257
Contributions: Number	192,505	40,530	38,286	36,578	58,110	19,001
Amount	655,389	47,516	55,226	62,196	145,752	344,699
Taxable income: Number	553,935	285,120	99,612	67,061	79,402	22,740
Amount	30,984,579	4,202,448	4,033,999	4,049,129	7,970,957	10,728,046
Total tax credits [6]: Number	224,113	85,360	45,899	38,015	42,471	12,368
Amount	256,777	60,031	62,958	60,248	44,231	29,310
Residential energy tax credit: Number	34,377	7,083	8,337	7,338	9,606	2,013
Amount	6,885	1,293	1,585	1,432	2,027	548
Child tax credit: Number	114,862	38,944	29,822	24,782	21,308	6
Amount	152,403	34,605	46,475	42,014	29,297	10
Child and dependent care credit: Number	31,144	7,950	6,457	6,573	8,676	1,488
Amount	15,956	3,981	3,235	3,444	4,489	806
Earned income credit [7]: Number	70,776	70,776	0	0	0	0
Amount	115,573	115,574	0	0	0	0
Excess earned income credit (refundable) [8]: Number	57,924	57,924	0	0	0	0
Amount	97,528	97,529	0	0	0	0
Alternative minimum tax: Number	15,866	116	218	349	3,652	11,531
Amount	74,409	414	314	556	7,645	65,480
Income tax [9]: Number	516,822	252,530	95,753	66,502	79,298	22,739
Amount	5,526,505	463,429	513,193	538,022	1,380,480	2,631,379
Total tax liability [10]: Number	545,883	279,623	97,391	66,745	79,377	22,747
Amount	5,855,336	556,159	564,362	581,931	1,461,020	2,691,864
Tax due at time of filing [11]: Number	136,278	56,585	22,839	15,741	28,744	12,369
Amount	641,733	63,532	49,611	44,551	134,175	349,863
Overpayments refunded [12]: Number	510,327	332,616	74,567	49,273	46,890	6,981
Amount	1,192,448	511,501	210,638	173,698	200,500	96,111

Footnotes at end of table.

Selected Historical and Other Data

Table 2. Individual Income and Tax Data, by State and Size of Adjusted Gross Income, Tax Year 2007 *—Continued

[Money amounts are in thousands of dollars]

State and item	All returns	Size of adjusted gross income				
		Under \$50,000 [1]	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)
NEW JERSEY						
Number of returns	4,576,940	2,756,818	588,533	401,407	597,347	232,835
Number of joint returns	1,629,725	423,733	248,867	261,864	491,191	204,070
Number with paid preparer's signature	2,873,214	1,633,529	390,111	269,911	402,415	177,248
Number of exemptions	8,610,232	3,956,015	1,216,723	993,063	1,717,376	727,055
Adjusted gross income (AGI) [2]	329,024,354	49,487,353	36,241,036	34,827,056	80,959,132	127,509,777
Salaries and wages in AGI [3]: Number	3,647,856	2,016,864	514,596	357,843	548,765	209,788
Amount	233,512,964	41,741,569	28,298,547	27,048,329	63,822,445	72,602,074
Taxable interest: Number	2,366,102	972,902	372,242	298,451	502,431	220,076
Amount	9,972,697	1,732,673	941,349	882,294	1,889,674	4,526,707
Ordinary dividends: Number	1,326,527	453,965	185,863	167,192	331,647	187,860
Amount	8,538,733	884,621	571,670	590,958	1,594,457	4,897,025
Business or profession net income (less loss): Number	605,703	297,248	77,252	63,145	113,215	54,843
Amount	10,940,584	2,136,809	936,560	887,045	2,479,909	4,500,260
Number of farm returns	9,395	2,909	1,358	1,291	2,275	1,562
Net capital gain (less loss) in AGI: Number	1,076,601	351,492	141,179	129,958	275,451	178,521
Amount	26,107,689	849,485	434,960	543,386	2,182,831	22,097,027
Taxable Individual Retirement Arrangements distributions: Number	354,960	154,694	61,901	47,957	66,783	23,625
Amount	4,991,495	972,738	699,953	724,261	1,517,986	1,076,556
Taxable pensions and annuities in AGI: Number	777,902	369,608	130,091	98,285	137,800	42,118
Amount	15,060,507	3,885,838	2,641,715	2,470,330	4,327,206	1,735,416
Unemployment compensation [4]: Number	326,596	199,551	47,749	32,873	38,557	7,866
Amount	1,724,457	986,143	278,352	186,100	222,751	51,110
Taxable Social Security benefits in AGI: Number	504,303	192,629	112,043	77,546	91,186	30,899
Amount	6,509,440	1,008,354	1,662,661	1,371,967	1,789,518	676,939
Self-employment retirement plans: Number	49,409	3,946	3,628	4,357	15,372	22,106
Amount	1,011,392	26,426	32,027	46,262	225,872	680,806
Total itemized deductions [5]: Number	1,958,672	512,656	356,433	311,090	549,294	229,199
Amount	60,974,956	10,236,502	7,347,280	7,341,922	16,730,945	19,318,305
State and local income taxes: Number	1,630,296	303,719	296,414	278,244	526,560	225,359
Amount	14,747,099	1,023,941	639,603	882,673	3,111,239	9,089,644
State and local general sales tax: Number	299,030	182,609	58,084	32,250	22,351	3,736
Amount	306,730	125,698	69,820	50,332	46,414	14,465
Real estate taxes: Number	1,730,518	404,826	306,150	283,385	517,276	218,881
Amount	12,946,474	2,197,537	1,747,898	1,815,147	4,135,703	3,050,189
Taxes paid: Number	1,957,949	510,451	356,997	311,560	549,665	229,276
Amount	31,957,063	5,664,817	2,506,771	2,791,640	7,990,854	13,002,981
Mortgage interest paid: Number	1,513,184	323,198	270,154	255,835	469,469	194,528
Amount	20,722,297	3,528,864	3,021,079	2,957,672	6,440,535	4,774,146
Contributions: Number	1,652,791	357,427	300,818	274,741	503,327	216,478
Amount	5,868,829	567,933	597,615	615,018	1,432,899	2,655,364
Taxable income: Number	3,488,679	1,678,372	581,796	399,715	596,266	232,530
Amount	235,491,187	23,753,356	23,179,108	23,352,253	57,997,484	107,208,986
Total tax credits [6]: Number	1,420,025	573,857	233,795	201,060	293,799	117,514
Amount	1,635,185	452,816	310,556	308,312	289,859	273,642
Residential energy tax credit: Number	173,629	28,014	34,111	33,600	60,602	17,302
Amount	41,051	5,963	7,669	7,772	14,721	4,925
Child tax credit: Number	716,454	286,068	152,628	130,613	147,043	102
Amount	863,218	235,305	222,778	211,042	194,008	85
Child and dependent care credit: Number	228,505	69,922	34,161	31,719	69,562	23,141
Amount	134,280	43,266	19,466	18,075	40,444	13,029
Earned income credit [7]: Number	531,751	531,751	0	0	0	0
Amount	1,007,495	1,007,495	0	0	0	0
Excess earned income credit (refundable) [8]: Number	457,253	457,253	0	0	0	0
Amount	870,458	870,458	0	0	0	0
Alternative minimum tax: Number	276,751	1,167	2,849	6,963	79,350	186,422
Amount	1,556,051	5,391	3,386	9,164	145,184	1,392,925
Income tax [9]: Number	3,188,094	1,412,293	554,085	393,814	595,249	232,653
Amount	48,589,132	2,522,640	3,147,641	3,319,117	10,287,355	29,312,378
Total tax liability [10]: Number	3,385,873	1,595,826	564,622	396,567	596,140	232,718
Amount	50,581,579	2,982,522	3,348,942	3,506,711	10,741,654	30,001,750
Tax due at time of filing [11]: Number	906,714	373,593	132,193	93,020	185,535	122,373
Amount	4,591,104	352,028	305,855	250,809	806,043	2,876,371
Overpayments refunded [12]: Number	3,183,637	1,984,230	440,835	295,623	385,372	77,577
Amount	9,072,179	3,616,574	1,359,428	1,168,800	1,895,952	1,031,426

Footnotes at end of table.

Selected Historical and Other Data

Table 2. Individual Income and Tax Data, by State and Size of Adjusted Gross Income, Tax Year 2007 *—Continued

[Money amounts are in thousands of dollars]

State and item	All returns	Size of adjusted gross income				
		Under \$50,000 [1]	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)
NEW MEXICO						
Number of returns	980,234	719,183	112,179	63,897	66,476	18,499
Number of joint returns	341,416	154,074	66,843	49,305	55,858	15,336
Number with paid preparer's signature	498,672	353,625	60,377	33,737	36,675	14,258
Number of exemptions	1,890,896	1,231,763	268,423	166,763	177,029	46,918
Adjusted gross income (AGI) [2]	42,803,279	12,414,706	6,883,320	5,510,396	8,779,799	9,215,058
Salaries and wages in AGI [3]: Number	766,644	542,291	96,901	55,473	57,429	14,550
Amount	28,876,177	10,574,619	5,247,554	4,085,272	5,940,934	3,027,798
Taxable interest: Number	365,142	186,241	61,569	44,121	55,479	17,732
Amount	1,124,026	274,401	136,207	112,524	220,367	380,526
Ordinary dividends: Number	159,134	64,327	26,633	21,386	32,869	13,919
Amount	988,745	130,318	84,073	83,722	207,855	482,777
Business or profession net income (less loss): Number	138,279	86,462	18,809	12,477	14,952	5,579
Amount	1,328,921	374,408	153,946	135,804	303,971	360,792
Number of farm returns	15,202	8,356	2,451	1,658	1,900	837
Net capital gain (less loss) in AGI: Number	140,000	54,825	22,734	18,504	29,923	14,014
Amount	3,374,880	176,553	126,412	142,355	478,821	2,450,741
Taxable Individual Retirement Arrangements distributions: Number	57,966	27,522	10,868	7,615	9,069	2,892
Amount	756,069	179,915	119,224	115,000	215,514	126,416
Taxable pensions and annuities in AGI: Number	174,567	95,912	30,395	19,880	22,816	5,564
Amount	3,625,272	1,184,966	710,989	566,493	866,371	296,453
Unemployment compensation [4]: Number	30,947	23,857	3,760	1,840	1,329	161
Amount	116,353	88,604	14,202	7,443	5,393	712
Taxable Social Security benefits in AGI: Number	92,666	40,269	21,324	12,859	13,589	4,625
Amount	967,603	185,324	260,656	200,427	232,793	88,402
Self-employment retirement plans: Number	5,082	896	622	584	1,652	1,328
Amount	80,206	5,167	5,519	6,247	24,579	38,695
Total itemized deductions [5]: Number	249,766	84,531	53,423	40,516	54,129	17,167
Amount	5,423,240	1,286,901	933,574	808,214	1,356,979	1,037,571
State and local income taxes: Number	207,393	54,936	46,715	37,643	51,673	16,426
Amount	935,622	71,067	103,884	120,150	279,450	361,068
State and local general sales tax: Number	37,089	24,822	6,373	2,762	2,393	739
Amount	55,082	24,814	10,652	6,338	8,120	5,158
Real estate taxes: Number	217,740	67,239	46,666	36,950	50,762	16,123
Amount	396,587	89,958	67,944	61,059	111,254	66,373
Taxes paid: Number	249,409	83,784	53,575	40,623	54,228	17,199
Amount	1,415,561	193,243	187,891	191,579	404,467	438,381
Mortgage interest paid: Number	212,956	67,936	46,860	36,542	47,972	13,646
Amount	2,337,171	602,412	448,736	386,017	596,000	304,006
Contributions: Number	189,400	52,658	40,420	33,069	47,480	15,773
Amount	750,269	93,904	96,951	98,294	196,794	264,326
Taxable income: Number	671,708	411,408	111,655	63,779	66,384	18,482
Amount	28,546,516	5,397,622	4,497,075	3,897,664	6,693,478	8,060,677
Total tax credits [6]: Number	282,881	161,967	51,250	31,749	29,316	8,599
Amount	292,259	113,409	76,348	48,886	30,670	22,945
Residential energy tax credit: Number	22,598	6,806	5,609	4,242	4,913	1,028
Amount	5,971	1,585	1,381	1,144	1,421	440
Child tax credit: Number	173,398	99,995	37,574	21,739	14,087	3
Amount	204,043	83,038	62,942	37,962	20,096	6
Child and dependent care credit: Number	28,640	11,984	6,403	4,624	4,814	815
Amount	13,702	5,365	3,115	2,367	2,434	421
Earned income credit [7]: Number	210,318	210,318	0	0	0	0
Amount	413,508	413,508	0	0	0	0
Excess earned income credit (refundable) [8]: Number	188,049	188,049	0	0	0	0
Amount	373,147	373,146	0	0	0	0
Alternative minimum tax: Number	13,140	201	445	514	2,398	9,582
Amount	61,406	950	586	926	5,821	53,123
Income tax [9]: Number	584,838	329,764	107,010	63,295	66,295	18,474
Amount	4,758,505	541,527	565,210	534,725	1,169,427	1,947,615
Total tax liability [10]: Number	636,457	379,810	108,308	63,501	66,359	18,479
Amount	5,036,588	644,652	603,107	566,214	1,227,064	1,995,551
Tax due at time of filing [11]: Number	173,699	84,357	30,791	19,287	29,184	10,080
Amount	679,170	78,774	62,216	53,146	145,010	340,024
Overpayments refunded [12]: Number	691,895	533,058	78,403	42,267	33,249	4,918
Amount	1,540,265	994,412	202,637	130,895	134,966	77,357

Footnotes at end of table.

Selected Historical and Other Data

Table 2. Individual Income and Tax Data, by State and Size of Adjusted Gross Income, Tax Year 2007 *—Continued

[Money amounts are in thousands of dollars]

State and item	All returns	Size of adjusted gross income				
		Under \$50,000 [1]	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)
NEW YORK						
Number of returns	9,919,336	6,652,605	1,227,095	742,000	922,371	375,265
Number of joint returns	3,048,833	1,091,652	518,051	458,363	691,455	289,312
Number with paid preparer's signature	6,241,269	3,916,436	832,971	518,219	665,873	307,770
Number of exemptions	17,938,512	10,113,121	2,537,643	1,783,002	2,470,757	1,033,989
Adjusted gross income (AGI) [2]	676,036,186	115,214,986	75,393,527	64,129,667	123,734,110	297,563,895
Salaries and wages in AGI [3]: Number	7,635,246	4,731,605	1,087,171	662,535	831,261	322,674
Amount	434,170,304	99,265,441	59,827,149	49,645,544	93,041,978	132,390,192
Taxable interest: Number	4,854,383	2,245,879	826,904	593,921	824,966	362,713
Amount	26,803,637	3,832,644	1,728,281	1,520,709	3,175,057	16,546,945
Ordinary dividends: Number	2,395,306	921,234	371,036	301,464	500,937	300,635
Amount	21,718,974	1,830,126	1,042,519	1,033,464	2,659,807	15,153,058
Business or profession net income (less loss): Number	1,545,058	970,861	171,228	121,734	185,360	95,875
Amount	23,253,228	6,737,303	1,674,457	1,469,956	3,962,988	9,408,525
Number of farm returns	29,553	16,689	5,072	3,182	3,176	1,434
Net capital gain (less loss) in AGI: Number	1,960,198	720,807	287,424	237,907	424,639	289,421
Amount	91,076,185	2,320,793	984,956	1,160,136	4,059,395	82,550,905
Taxable Individual Retirement Arrangements distributions: Number	686,395	329,709	118,838	84,466	109,537	43,845
Amount	9,275,867	2,012,979	1,303,270	1,252,050	2,458,554	2,249,014
Taxable pensions and annuities in AGI: Number	1,637,947	858,441	275,265	190,755	240,327	73,159
Amount	33,164,563	9,431,212	5,873,604	5,231,471	8,926,812	3,701,464
Unemployment compensation [4]: Number	468,195	306,863	69,437	41,419	42,412	8,064
Amount	1,921,854	1,209,535	303,564	178,960	188,682	41,113
Taxable Social Security benefits in AGI: Number	978,242	403,279	216,050	138,683	158,556	61,674
Amount	12,023,476	2,087,414	3,005,848	2,434,791	3,109,051	1,386,372
Self-employment retirement plans: Number	100,548	10,706	8,430	8,724	28,007	44,681
Amount	2,252,743	73,598	78,086	94,888	432,189	1,573,984
Total itemized deductions [5]: Number	3,525,871	997,919	730,262	577,392	851,088	369,210
Amount	115,144,959	16,871,487	13,493,026	12,818,976	25,501,606	46,459,863
State and local income taxes: Number	3,111,394	746,630	659,576	536,081	811,017	358,090
Amount	40,285,929	2,580,496	2,574,508	2,917,259	7,124,160	25,089,507
State and local general sales tax: Number	372,654	215,407	67,551	40,084	38,934	10,678
Amount	476,958	199,262	88,473	65,729	83,356	40,136
Real estate taxes: Number	2,593,116	610,366	501,120	449,804	716,603	315,223
Amount	16,872,803	2,668,790	2,288,641	2,371,962	4,946,564	4,596,845
Taxes paid: Number	3,525,863	994,820	731,772	578,354	851,659	369,258
Amount	58,828,401	6,228,356	5,020,927	5,410,067	12,249,431	29,919,620
Mortgage interest paid: Number	2,346,970	541,195	456,691	411,895	648,839	288,350
Amount	31,951,831	5,916,587	4,271,430	4,146,438	8,100,238	9,517,137
Contributions: Number	3,006,477	730,353	626,583	514,016	786,689	348,836
Amount	17,153,854	1,372,508	1,375,873	1,239,584	2,492,201	10,673,688
Taxable income: Number	7,132,860	3,883,405	1,215,705	739,068	920,243	374,439
Amount	490,845,806	55,685,779	49,236,135	43,864,460	89,249,193	252,810,238
Total tax credits [6]: Number	2,816,185	1,363,181	482,504	353,609	423,643	193,248
Amount	3,916,915	1,079,298	663,295	537,680	424,139	1,212,503
Residential energy tax credit: Number	294,131	66,728	67,263	58,491	82,107	19,542
Amount	66,229	12,788	14,037	12,826	19,801	6,779
Child tax credit: Number	1,389,387	641,357	319,072	225,699	203,100	159
Amount	1,656,341	535,197	476,952	366,478	277,549	166
Child and dependent care credit: Number	495,953	243,753	79,204	56,146	88,276	28,574
Amount	301,405	153,710	47,631	32,034	50,774	17,258
Earned income credit [7]: Number	1,626,782	1,626,782	0	0	0	0
Amount	3,142,063	3,142,063	0	0	0	0
Excess earned income credit (refundable) [8]: Number	1,369,431	1,369,431	0	0	0	0
Amount	2,623,278	2,623,279	0	0	0	0
Alternative minimum tax: Number	497,746	2,556	9,450	20,910	167,230	297,600
Amount	3,565,481	14,539	10,756	29,072	334,224	3,176,890
Income tax [9]: Number	6,433,762	3,245,048	1,166,145	729,287	918,517	374,765
Amount	104,833,429	5,871,303	6,681,172	6,365,886	16,166,467	69,748,601
Total tax liability [10]: Number	7,097,685	3,886,347	1,182,976	733,408	919,980	374,974
Amount	109,177,862	7,160,391	7,048,854	6,682,065	16,885,098	71,401,455
Tax due at time of filing [11]: Number	1,873,316	916,103	278,780	178,796	304,380	195,257
Amount	9,266,554	866,702	575,644	495,110	1,433,305	5,895,791
Overpayments refunded [12]: Number	6,861,276	4,728,354	918,302	538,988	568,706	106,926
Amount	18,976,827	9,342,658	2,727,328	2,028,173	2,722,134	2,156,533

Footnotes at end of table.

Selected Historical and Other Data

Table 2. Individual Income and Tax Data, by State and Size of Adjusted Gross Income, Tax Year 2007 *—Continued

[Money amounts are in thousands of dollars]

State and item	All returns	Size of adjusted gross income				
		Under \$50,000 [1]	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)
NORTH CAROLINA						
Number of returns	4,601,888	3,286,721	540,440	321,026	343,424	110,277
Number of joint returns	1,710,243	697,719	350,411	264,346	300,532	97,235
Number with paid preparer's signature	2,569,419	1,769,764	322,916	187,886	203,351	85,502
Number of exemptions	9,080,657	5,658,402	1,290,034	850,252	960,690	321,279
Adjusted gross income (AGI) [2]	219,982,102	58,204,843	33,211,288	27,712,197	45,532,348	55,321,427
Salaries and wages in AGI [3]: Number	3,623,603	2,457,923	479,686	286,056	305,742	94,196
Amount	154,463,752	49,590,177	25,768,598	21,012,509	32,946,677	25,145,791
Taxable interest: Number	1,787,456	852,364	314,313	229,800	286,064	104,915
Amount	5,610,044	1,290,391	648,827	562,838	1,026,728	2,081,260
Ordinary dividends: Number	854,875	324,949	140,640	117,220	184,544	87,522
Amount	5,319,834	609,649	419,477	432,763	1,112,935	2,745,011
Business or profession net income (less loss): Number	686,013	419,593	98,773	63,760	74,445	29,442
Amount	6,311,695	1,630,460	808,521	672,780	1,408,121	1,791,813
Number of farm returns	50,015	25,012	9,117	6,239	6,676	2,971
Net capital gain (less loss) in AGI: Number	736,189	272,965	115,529	97,854	163,217	86,624
Amount	16,139,980	834,152	540,414	625,594	2,145,619	11,994,201
Taxable Individual Retirement Arrangements distributions: Number	333,600	165,734	61,014	43,466	48,669	14,717
Amount	4,367,137	1,098,224	710,386	696,455	1,217,495	644,577
Taxable pensions and annuities in AGI: Number	791,536	428,291	142,641	95,229	100,328	25,047
Amount	13,980,054	4,493,593	2,796,550	2,375,131	3,265,175	1,049,605
Unemployment compensation [4]: Number	217,976	163,517	30,961	13,510	8,942	1,046
Amount	822,870	585,408	128,022	60,589	43,014	5,835
Taxable Social Security benefits in AGI: Number	437,584	194,822	100,874	60,921	60,715	20,252
Amount	4,966,913	1,038,746	1,324,133	1,035,894	1,129,512	438,629
Self-employment retirement plans: Number	26,346	3,177	2,563	2,726	8,121	9,759
Amount	439,341	16,388	19,556	24,311	109,998	269,088
Total itemized deductions [5]: Number	1,553,622	535,791	334,529	257,106	318,204	107,992
Amount	35,697,046	7,128,760	5,929,935	5,314,136	8,896,447	8,427,768
State and local income taxes: Number	1,389,994	415,684	312,491	246,173	309,749	105,897
Amount	9,693,651	1,002,754	1,251,258	1,191,434	2,564,951	3,683,254
State and local general sales tax: Number	139,475	98,507	20,497	10,350	8,082	2,039
Amount	155,322	87,577	24,320	15,535	17,715	10,176
Real estate taxes: Number	1,378,563	429,362	302,419	240,522	302,861	103,399
Amount	3,042,495	657,745	496,766	459,703	819,397	608,882
Taxes paid: Number	1,554,539	535,080	335,368	257,535	318,494	108,062
Amount	13,349,211	1,895,975	1,845,147	1,733,262	3,506,426	4,368,401
Mortgage interest paid: Number	1,315,039	413,115	293,529	231,646	284,619	92,130
Amount	13,760,635	3,273,570	2,458,533	2,178,350	3,420,198	2,429,984
Contributions: Number	1,298,856	394,224	280,485	226,353	294,350	103,444
Amount	5,885,180	947,905	847,639	795,385	1,369,405	1,924,848
Taxable income: Number	3,180,464	1,869,899	537,356	320,226	342,863	110,120
Amount	143,840,131	24,574,481	20,958,104	18,853,629	33,152,795	46,301,122
Total tax credits [6]: Number	1,381,418	745,180	246,571	168,030	165,765	55,872
Amount	1,453,971	518,170	355,344	262,164	173,003	145,291
Residential energy tax credit: Number	111,757	31,086	27,879	21,342	25,260	6,190
Amount	25,552	6,624	6,225	4,815	6,053	1,834
Child tax credit: Number	813,005	436,314	175,816	115,494	85,350	31
Amount	923,835	345,254	274,290	189,801	114,463	27
Child and dependent care credit: Number	221,528	89,391	47,019	37,246	39,525	8,347
Amount	110,969	44,352	23,300	19,254	19,886	4,178
Earned income credit [7]: Number	860,966	860,966	0	0	0	0
Amount	1,761,511	1,761,510	0	0	0	0
Excess earned income credit (refundable) [8]: Number	767,173	767,173	0	0	0	0
Amount	1,575,190	1,575,190	0	0	0	0
Alternative minimum tax: Number	104,844	796	1,610	1,997	19,659	80,782
Amount	600,222	2,036	2,229	4,057	42,205	549,697
Income tax [9]: Number	2,768,267	1,483,518	514,725	317,567	342,290	110,167
Amount	24,970,720	2,457,595	2,566,925	2,480,138	5,649,869	11,816,192
Total tax liability [10]: Number	3,014,129	1,719,945	522,464	318,799	342,696	110,225
Amount	26,427,095	2,977,707	2,771,852	2,644,290	5,938,254	12,094,991
Tax due at time of filing [11]: Number	831,290	385,674	148,755	95,124	141,064	60,673
Amount	3,337,349	392,167	296,609	254,207	679,522	1,714,844
Overpayments refunded [12]: Number	3,210,102	2,392,796	380,583	216,972	186,670	33,081
Amount	7,417,814	4,554,796	961,490	664,375	782,560	454,594

Footnotes at end of table.

Selected Historical and Other Data

Table 2. Individual Income and Tax Data, by State and Size of Adjusted Gross Income, Tax Year 2007 *—Continued

[Money amounts are in thousands of dollars]

State and item	All returns	Size of adjusted gross income				
		Under \$50,000 [1]	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)
NORTH DAKOTA						
Number of returns	343,631	237,837	48,212	28,859	22,426	6,297
Number of joint returns	137,428	50,633	35,688	25,409	20,169	5,529
Number with paid preparer's signature	200,920	127,427	32,320	19,450	16,185	5,538
Number of exemptions	619,183	332,162	122,512	82,143	64,646	17,720
Adjusted gross income (AGI) [2]	15,748,754	4,209,736	2,977,814	2,479,637	2,906,991	3,174,576
Salaries and wages in AGI [3]: Number	276,755	183,267	42,663	25,939	19,573	5,313
Amount	10,526,404	3,498,152	2,240,306	1,840,335	1,855,390	1,092,221
Taxable interest: Number	172,637	92,018	32,172	22,548	19,793	6,106
Amount	506,670	151,170	73,660	57,215	84,543	140,082
Ordinary dividends: Number	78,046	34,799	14,412	11,515	12,448	4,872
Amount	274,880	46,829	31,913	31,294	60,810	104,035
Business or profession net income (less loss): Number	49,411	26,903	9,476	5,898	5,251	1,883
Amount	532,668	143,555	86,949	65,132	113,326	123,705
Number of farm returns	29,071	16,026	5,337	3,504	3,226	978
Net capital gain (less loss) in AGI: Number	74,407	34,046	13,232	10,347	11,798	4,984
Amount	1,001,309	103,146	67,743	72,552	171,392	586,476
Taxable Individual Retirement Arrangements distributions: Number	27,158	15,005	5,292	3,227	2,897	737
Amount	259,633	79,742	50,194	44,166	59,269	26,263
Taxable pensions and annuities in AGI: Number	50,804	28,481	9,952	6,177	5,003	1,191
Amount	712,775	263,369	165,086	120,706	127,314	36,300
Unemployment compensation [4]: Number	13,983	8,736	3,223	1,414	581	29
Amount	42,334	25,024	10,419	4,676	2,102	114
Taxable Social Security benefits in AGI: Number	37,414	17,906	9,124	4,895	4,216	1,273
Amount	375,673	84,173	115,241	77,557	73,896	24,806
Self-employment retirement plans: Number	2,685	359	374	486	911	555
Amount	37,529	1,918	3,055	4,888	13,198	14,469
Total itemized deductions [5]: Number	66,099	20,326	14,207	12,307	13,985	5,274
Amount	1,357,472	288,746	229,611	213,219	323,540	302,356
State and local income taxes: Number	50,319	10,756	11,003	10,624	12,879	5,057
Amount	205,187	9,567	15,345	20,387	46,341	113,546
State and local general sales tax: Number	15,182	8,896	3,214	1,731	1,118	223
Amount	21,274	5,978	9,751	2,757	2,287	500
Real estate taxes: Number	55,928	14,840	12,114	11,274	12,899	4,801
Amount	189,567	34,311	33,781	36,891	53,177	31,405
Taxes paid: Number	66,163	20,169	14,298	12,388	14,023	5,285
Amount	420,578	50,799	59,673	60,813	102,857	146,438
Mortgage interest paid: Number	50,351	12,386	11,299	10,701	12,015	3,950
Amount	425,026	75,441	82,039	85,612	106,474	75,461
Contributions: Number	50,949	12,820	10,369	10,078	12,696	4,986
Amount	219,895	25,907	26,242	27,825	53,297	86,625
Taxable income: Number	259,583	153,969	48,074	28,840	22,409	6,291
Amount	11,066,229	2,133,946	1,998,982	1,812,202	2,296,794	2,824,306
Total tax credits [6]: Number	107,646	52,031	24,683	16,587	11,288	3,057
Amount	123,302	35,221	39,549	29,102	13,225	6,205
Residential energy tax credit: Number	11,874	3,542	3,481	2,564	1,945	342
Amount	2,228	601	635	492	407	93
Child tax credit: Number	55,290	21,468	16,918	11,008	5,892	4
Amount	77,164	19,229	28,890	20,058	8,984	3
Child and dependent care credit: Number	18,319	5,821	5,653	3,891	2,542	412
Amount	8,748	2,741	2,843	1,869	1,107	188
Earned income credit [7]: Number	41,538	41,538	0	0	0	0
Amount	71,975	71,973	0	0	0	0
Excess earned income credit (refundable) [8]: Number	35,515	35,515	0	0	0	0
Amount	63,983	63,984	0	0	0	0
Alternative minimum tax: Number	4,047	56	109	129	630	3,123
Amount	16,412	161	131	188	1,355	14,577
Income tax [9]: Number	236,798	133,113	46,308	28,694	22,390	6,293
Amount	1,809,168	224,260	236,209	232,032	390,553	726,114
Total tax liability [10]: Number	253,005	148,477	47,079	28,753	22,402	6,294
Amount	1,960,340	270,128	263,872	255,668	425,023	745,649
Tax due at time of filing [11]: Number	81,041	39,087	15,975	10,192	11,860	3,927
Amount	391,278	46,135	44,124	43,327	93,703	163,990
Overpayments refunded [12]: Number	225,833	166,113	30,989	17,793	9,422	1,516
Amount	431,434	247,417	74,063	50,617	35,306	24,031

Footnotes at end of table.

Selected Historical and Other Data

Table 2. Individual Income and Tax Data, by State and Size of Adjusted Gross Income, Tax Year 2007 *—Continued

[Money amounts are in thousands of dollars]

State and item	All returns	Size of adjusted gross income				
		Under \$50,000 [1]	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
OHIO	(1)	(2)	(3)	(4)	(5)	(6)
Number of returns	6,119,067	4,321,727	806,942	459,079	415,240	116,079
Number of joint returns	2,047,428	803,705	449,230	351,562	344,294	98,637
Number with paid preparer's signature	3,064,314	2,037,618	456,434	252,493	229,064	88,705
Number of exemptions	11,080,003	6,462,775	1,853,114	1,227,379	1,194,389	342,346
Adjusted gross income (AGI) [2]	282,438,548	79,606,250	49,513,034	39,563,294	54,208,729	59,547,241
Salaries and wages in AGI [3]: Number	4,842,530	3,226,856	721,623	417,826	375,649	100,576
Amount	202,481,984	64,523,477	38,911,416	31,118,433	40,271,431	27,657,227
Taxable interest: Number	2,508,254	1,278,664	463,326	317,800	338,358	110,106
Amount	6,899,979	1,947,358	943,492	733,192	1,168,545	2,107,392
Ordinary dividends: Number	1,323,889	575,645	242,044	182,003	229,674	94,523
Amount	6,980,484	905,657	622,157	593,711	1,337,745	3,521,214
Business or profession net income (less loss): Number	751,670	434,693	122,797	79,128	83,380	31,672
Amount	8,307,648	2,322,507	1,046,170	880,516	1,788,636	2,269,820
Number of farm returns	74,832	39,481	14,979	9,582	8,139	2,651
Net capital gain (less loss) in AGI: Number	1,027,935	425,192	180,802	139,359	192,081	90,501
Amount	16,195,997	964,616	710,162	805,874	2,172,559	11,542,785
Taxable Individual Retirement Arrangements distributions: Number	497,105	276,188	91,214	57,364	56,431	15,908
Amount	6,091,853	1,765,088	1,087,573	958,647	1,470,958	809,587
Taxable pensions and annuities in AGI: Number	1,204,219	739,029	204,206	122,234	112,408	26,342
Amount	20,643,745	8,575,760	4,312,773	3,033,026	3,612,869	1,109,319
Unemployment compensation [4]: Number	274,956	188,650	47,737	23,567	13,783	1,219
Amount	1,013,913	686,396	181,353	88,325	52,060	5,778
Taxable Social Security benefits in AGI: Number	587,152	298,237	133,473	71,858	63,212	20,372
Amount	5,990,038	1,413,832	1,657,814	1,120,944	1,380,886	416,560
Self-employment retirement plans: Number	35,548	4,549	4,019	4,340	11,313	11,327
Amount	566,811	24,479	29,418	39,476	159,370	314,068
Total itemized deductions [5]: Number	1,933,424	644,459	463,834	340,624	371,351	113,156
Amount	39,853,268	8,583,108	7,260,082	6,407,230	9,356,392	8,246,456
State and local income taxes: Number	1,784,312	527,560	445,490	333,369	365,986	111,907
Amount	10,688,838	1,061,999	1,416,780	1,510,433	2,758,417	3,941,209
State and local general sales tax: Number	130,200	98,488	17,932	7,309	5,264	1,207
Amount	189,519	115,482	27,419	27,569	13,601	5,449
Real estate taxes: Number	1,723,618	527,491	417,032	319,209	351,902	107,984
Amount	5,308,003	1,132,940	1,013,329	916,935	1,376,779	868,020
Taxes paid: Number	1,933,674	642,341	465,039	341,353	371,731	113,210
Amount	16,399,566	2,415,513	2,481,539	2,474,719	4,179,503	4,848,292
Mortgage interest paid: Number	1,646,429	512,177	406,575	308,156	327,149	92,372
Amount	14,241,470	3,437,917	3,069,142	2,626,104	3,331,885	1,776,423
Contributions: Number	1,497,458	412,049	357,721	285,143	335,094	107,451
Amount	5,284,771	693,270	749,601	709,515	1,200,778	1,931,608
Taxable income: Number	4,437,395	2,644,145	804,168	458,407	414,763	115,912
Amount	190,444,465	38,577,737	32,790,668	27,805,332	40,402,216	50,868,512
Total tax credits [6]: Number	1,771,065	881,949	370,883	247,298	210,893	60,042
Amount	1,945,064	644,395	536,295	404,127	230,600	129,647
Residential energy tax credit: Number	217,899	68,819	57,619	41,594	41,351	8,516
Amount	43,902	12,915	11,411	8,370	8,972	2,235
Child tax credit: Number	1,008,436	479,617	255,091	162,133	111,540	55
Amount	1,297,093	433,861	411,698	285,421	166,071	44
Child and dependent care credit: Number	175,910	59,894	38,561	34,596	36,700	6,159
Amount	86,262	27,981	18,123	17,722	19,265	3,170
Earned income credit [7]: Number	888,325	888,325	0	0	0	0
Amount	1,697,471	1,697,471	0	0	0	0
Excess earned income credit (refundable) [8]: Number	784,389	784,389	0	0	0	0
Amount	1,517,454	1,517,454	0	0	0	0
Alternative minimum tax: Number	139,766	1,109	3,968	6,068	39,679	88,942
Amount	724,176	3,298	3,818	6,979	74,434	635,647
Income tax [9]: Number	4,041,170	2,281,266	774,702	455,016	414,230	115,956
Amount	32,352,520	4,144,711	4,209,247	3,770,683	7,026,404	13,201,474
Total tax liability [10]: Number	4,286,170	2,514,924	784,281	456,344	414,616	116,005
Amount	34,015,291	4,699,472	4,456,734	3,977,065	7,378,093	13,503,929
Tax due at time of filing [11]: Number	1,026,042	514,719	187,542	112,382	150,561	60,838
Amount	3,346,853	449,343	353,103	293,755	695,449	1,555,202
Overpayments refunded [12]: Number	4,378,817	3,167,054	600,860	333,390	243,280	34,233
Amount	9,527,337	5,305,143	1,624,547	1,113,879	1,028,444	455,324

Footnotes at end of table.

Selected Historical and Other Data

Table 2. Individual Income and Tax Data, by State and Size of Adjusted Gross Income, Tax Year 2007 *—Continued

[Money amounts are in thousands of dollars]

State and item	All returns	Size of adjusted gross income				
		Under \$50,000 [1]	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)
OKLAHOMA						
Number of returns	1,772,353	1,286,536	216,674	120,967	113,281	34,895
Number of joint returns	719,116	335,627	151,692	102,171	99,654	29,972
Number with paid preparer's signature	995,514	681,616	135,843	75,205	73,877	28,973
Number of exemptions	3,484,215	2,200,016	545,513	329,158	313,109	96,419
Adjusted gross income (AGI) [2]	82,316,851	22,076,887	13,303,456	10,420,301	14,819,310	21,696,896
Salaries and wages in AGI [3]: Number	1,367,534	941,190	190,820	107,416	99,247	28,861
Amount	54,686,629	18,870,974	10,432,795	7,957,513	10,271,435	7,153,912
Taxable interest: Number	673,194	343,660	119,376	83,797	93,367	32,994
Amount	2,312,965	555,914	250,563	204,285	353,157	949,046
Ordinary dividends: Number	270,575	112,075	46,596	36,445	50,507	24,952
Amount	1,533,713	180,218	104,948	104,641	247,082	896,824
Business or profession net income (less loss): Number	281,813	170,713	42,447	26,641	29,135	12,877
Amount	2,832,184	831,503	325,600	264,701	570,214	840,166
Number of farm returns	83,570	44,672	15,654	9,864	9,518	3,862
Net capital gain (less loss) in AGI: Number	239,334	97,359	39,669	31,263	45,923	25,120
Amount	7,174,612	305,138	179,939	202,936	595,982	5,890,618
Taxable Individual Retirement Arrangements distributions: Number	117,986	60,829	21,839	14,917	15,757	4,644
Amount	1,504,525	400,822	259,187	244,567	403,492	196,457
Taxable pensions and annuities in AGI: Number	306,203	176,616	54,001	34,265	33,660	7,661
Amount	5,158,067	2,011,364	1,065,938	799,580	987,453	293,732
Unemployment compensation [4]: Number	47,021	35,039	6,726	2,958	2,112	186
Amount	157,972	115,431	23,168	10,694	7,911	769
Taxable Social Security benefits in AGI: Number	179,136	84,828	41,104	23,414	22,156	7,634
Amount	1,850,065	401,761	517,150	381,716	396,201	153,236
Self-employment retirement plans: Number	7,355	968	787	808	2,246	2,546
Amount	123,079	5,403	5,866	7,781	34,108	69,921
Total itemized deductions [5]: Number	477,378	158,026	106,759	82,410	97,049	33,134
Amount	10,578,158	2,363,275	1,725,540	1,514,855	2,336,511	2,637,977
State and local income taxes: Number	402,800	104,349	95,532	77,711	93,348	31,860
Amount	2,221,296	213,187	250,224	287,793	566,579	903,515
State and local general sales tax: Number	72,341	50,485	11,706	5,036	3,830	1,284
Amount	102,815	58,408	19,799	9,776	9,934	4,898
Real estate taxes: Number	410,413	121,278	93,070	75,276	90,318	30,471
Amount	711,292	143,314	121,973	116,040	188,836	141,130
Taxes paid: Number	480,027	158,774	107,750	82,957	97,349	33,197
Amount	3,088,133	427,256	401,618	422,836	777,728	1,058,696
Mortgage interest paid: Number	376,154	110,469	87,855	70,918	82,139	24,773
Amount	3,089,494	690,864	588,134	530,905	729,511	550,082
Contributions: Number	383,288	109,484	85,561	70,319	86,860	31,064
Amount	2,678,622	292,148	284,292	276,192	467,795	1,358,196
Taxable income: Number	1,214,703	730,133	215,840	120,769	113,124	34,837
Amount	56,094,098	9,751,808	8,659,182	7,385,659	11,254,351	19,043,097
Total tax credits [6]: Number	502,717	276,669	101,828	60,783	48,703	14,734
Amount	584,670	201,518	160,864	101,260	57,441	63,587
Residential energy tax credit: Number	37,250	10,979	9,926	7,200	7,614	1,531
Amount	8,463	2,372	2,228	1,647	1,801	416
Child tax credit: Number	316,133	167,279	77,743	44,014	27,085	12
Amount	387,349	142,990	129,391	76,589	38,368	11
Child and dependent care credit: Number	62,992	24,453	16,288	11,333	9,506	1,412
Amount	30,448	11,091	7,938	5,874	4,802	744
Earned income credit [7]: Number	333,169	333,169	0	0	0	0
Amount	659,567	659,566	0	0	0	0
Excess earned income credit (refundable) [8]: Number	294,324	294,324	0	0	0	0
Amount	583,935	583,935	0	0	0	0
Alternative minimum tax: Number	24,568	360	701	801	4,345	18,361
Amount	121,540	1,514	984	1,922	11,084	106,038
Income tax [9]: Number	1,067,629	593,093	206,829	119,952	112,934	34,821
Amount	9,911,484	980,455	1,049,958	984,209	1,957,113	4,939,749
Total tax liability [10]: Number	1,166,203	688,314	209,652	120,325	113,058	34,854
Amount	10,479,578	1,188,286	1,130,638	1,047,769	2,067,326	5,045,557
Tax due at time of filing [11]: Number	333,357	161,080	61,813	38,920	52,439	19,105
Amount	1,474,103	164,339	133,136	114,265	288,605	773,755
Overpayments refunded [12]: Number	1,207,792	915,308	150,139	78,504	54,687	9,154
Amount	2,743,365	1,691,269	379,869	236,145	218,445	217,638

Footnotes at end of table.

Selected Historical and Other Data

Table 2. Individual Income and Tax Data, by State and Size of Adjusted Gross Income, Tax Year 2007 *—Continued

[Money amounts are in thousands of dollars]

State and item	All returns	Size of adjusted gross income				
		Under \$50,000 [1]	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)
OREGON						
Number of returns	1,911,229	1,301,560	255,191	149,748	157,212	47,518
Number of joint returns	753,522	299,598	159,958	118,824	134,574	40,568
Number with paid preparer's signature	904,409	548,197	139,623	83,999	94,591	37,999
Number of exemptions	3,632,629	2,087,723	600,406	387,226	425,449	131,825
Adjusted gross income (AGI) [2]	96,393,038	23,510,516	15,695,464	12,918,997	20,751,163	23,516,898
Salaries and wages in AGI [3]: Number	1,473,781	955,334	217,477	128,163	134,550	38,257
Amount	63,239,685	19,388,930	11,684,398	9,330,630	13,928,932	8,906,794
Taxable interest: Number	858,383	414,006	156,715	109,307	132,949	45,406
Amount	2,918,131	743,004	351,128	291,904	542,326	989,768
Ordinary dividends: Number	422,828	173,192	72,141	56,617	84,234	36,644
Amount	2,387,646	369,151	229,544	218,031	493,443	1,077,476
Business or profession net income (less loss): Number	281,734	161,760	45,548	28,631	33,495	12,300
Amount	3,436,266	933,049	487,593	373,267	789,174	853,185
Number of farm returns	36,308	16,193	6,538	4,866	5,934	2,777
Net capital gain (less loss) in AGI: Number	379,755	152,826	61,908	49,707	78,231	37,083
Amount	8,558,712	535,874	333,328	388,124	1,230,012	6,071,374
Taxable Individual Retirement Arrangements distributions: Number	157,108	79,858	29,027	20,080	21,879	6,264
Amount	2,051,475	539,718	345,164	326,619	536,733	303,241
Taxable pensions and annuities in AGI: Number	336,228	184,450	60,475	39,727	41,525	10,051
Amount	6,643,709	2,055,545	1,368,079	1,164,744	1,607,623	447,717
Unemployment compensation [4]: Number	130,896	91,811	21,976	9,861	6,475	773
Amount	468,656	311,351	84,465	39,467	29,236	4,138
Taxable Social Security benefits in AGI: Number	210,533	90,662	49,618	30,432	30,147	9,674
Amount	2,290,058	438,836	637,234	492,366	533,221	188,401
Self-employment retirement plans: Number	16,755	2,595	2,044	2,004	5,372	4,740
Amount	275,989	16,381	17,827	19,319	83,458	139,002
Total itemized deductions [5]: Number	732,830	244,579	168,594	125,668	147,693	46,296
Amount	18,549,125	4,250,576	3,263,744	2,846,544	4,401,545	3,786,716
State and local income taxes: Number	681,887	201,565	164,481	123,938	146,144	45,759
Amount	4,732,608	410,401	606,112	662,592	1,317,400	1,736,103
State and local general sales tax: Number	3,784	2,012	648	427	512	185
Amount	5,771	1,744	928	779	1,413	909
Real estate taxes: Number	651,806	202,449	150,967	115,234	138,954	44,202
Amount	1,952,724	455,597	363,859	320,546	509,761	302,961
Taxes paid: Number	727,462	239,037	168,683	125,775	147,684	46,283
Amount	8,132,683	1,325,435	982,105	1,929,933	1,840,762	2,054,445
Mortgage interest paid: Number	614,334	190,731	146,549	110,515	128,455	38,084
Amount	7,420,265	1,890,084	1,531,207	1,262,777	1,762,664	973,534
Contributions: Number	575,681	160,566	132,467	105,983	133,171	43,494
Amount	2,148,129	286,487	289,467	277,474	491,042	803,659
Taxable income: Number	1,383,902	777,334	252,991	149,258	156,903	47,416
Amount	63,087,359	10,614,006	9,651,943	8,552,244	14,825,393	19,443,771
Total tax credits [6]: Number	539,064	258,301	110,819	74,407	72,813	22,724
Amount	585,148	175,710	156,508	114,140	76,189	62,600
Residential energy tax credit: Number	42,623	10,120	11,302	8,802	10,053	2,346
Amount	9,732	2,002	2,437	2,028	2,508	756
Child tax credit: Number	292,853	132,394	76,280	48,612	35,550	17
Amount	364,189	110,984	121,676	82,910	48,609	10
Child and dependent care credit: Number	69,464	25,922	15,908	11,911	12,906	2,817
Amount	32,659	11,860	7,364	5,859	6,244	1,333
Earned income credit [7]: Number	254,771	254,771	0	0	0	0
Amount	442,895	442,894	0	0	0	0
Excess earned income credit (refundable) [8]: Number	218,229	218,229	0	0	0	0
Amount	386,399	386,399	0	0	0	0
Alternative minimum tax: Number	45,618	353	546	866	9,328	34,525
Amount	283,198	2,006	977	1,834	22,175	256,207
Income tax [9]: Number	1,247,642	657,437	239,017	147,247	156,523	47,418
Amount	10,756,672	1,119,470	1,194,782	1,131,857	2,503,447	4,807,117
Total tax liability [10]: Number	1,340,796	744,968	243,633	148,004	156,741	47,450
Amount	11,459,054	1,352,322	1,300,678	1,213,604	2,654,141	4,938,309
Tax due at time of filing [11]: Number	423,183	202,019	77,971	48,594	68,708	25,891
Amount	1,626,719	200,501	159,149	132,267	342,679	792,123
Overpayments refunded [12]: Number	1,251,133	893,521	169,767	95,575	79,067	13,203
Amount	2,599,602	1,355,574	415,885	286,359	339,818	201,968

Footnotes at end of table.

Selected Historical and Other Data

Table 2. Individual Income and Tax Data, by State and Size of Adjusted Gross Income, Tax Year 2007 *—Continued

[Money amounts are in thousands of dollars]

State and item	All returns	Size of adjusted gross income				
		Under \$50,000 [1]	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)
PENNSYLVANIA						
Number of returns	6,697,189	4,566,809	875,450	527,009	554,769	173,152
Number of joint returns	2,460,824	874,001	532,917	421,736	481,241	150,929
Number with paid preparer's signature	3,466,469	2,202,006	503,692	302,431	326,295	132,045
Number of exemptions	12,071,194	6,545,173	2,020,742	1,398,889	1,590,612	515,778
Adjusted gross income (AGI) [2]	346,909,184	79,948,781	53,873,053	45,483,228	73,266,429	94,337,692
Salaries and wages in AGI [3]: Number	5,131,564	3,235,584	774,980	472,567	498,970	149,463
Amount	240,537,907	63,798,188	42,007,083	35,325,076	54,848,971	44,558,589
Taxable interest: Number	3,210,999	1,619,577	556,402	396,535	473,488	164,997
Amount	9,778,743	2,456,196	1,122,597	918,363	1,617,184	3,664,404
Ordinary dividends: Number	1,709,981	749,055	282,432	220,994	314,945	142,555
Amount	10,273,347	1,292,789	795,079	769,008	1,808,259	5,608,212
Business or profession net income (less loss): Number	798,909	431,406	125,588	86,080	108,123	47,712
Amount	11,681,994	2,665,762	1,367,681	1,184,606	2,692,279	3,771,665
Number of farm returns	43,504	24,378	7,806	4,685	4,525	2,110
Net capital gain (less loss) in AGI: Number	1,292,606	528,580	203,207	164,956	259,684	136,179
Amount	26,535,031	1,199,474	830,030	960,987	2,945,959	20,598,581
Taxable Individual Retirement Arrangements distributions: Number	609,245	338,045	103,522	69,451	75,021	23,206
Amount	7,146,232	1,976,958	1,180,072	1,093,470	1,822,434	1,073,299
Taxable pensions and annuities in AGI: Number	1,354,940	813,949	217,573	140,111	145,261	38,046
Amount	21,102,169	7,790,712	4,046,946	3,242,294	4,455,052	1,567,165
Unemployment compensation [4]: Number	485,018	320,072	88,314	43,859	29,021	3,752
Amount	2,045,679	1,258,153	401,301	208,308	153,814	24,103
Taxable Social Security benefits in AGI: Number	721,780	339,770	164,179	95,452	91,563	30,816
Amount	7,875,805	1,642,746	2,188,496	1,636,252	1,743,055	665,256
Self-employment retirement plans: Number	49,215	5,587	4,879	5,431	15,576	17,742
Amount	830,898	30,816	36,397	49,750	216,036	497,897
Total itemized deductions [5]: Number	2,008,065	566,597	437,600	360,441	477,260	166,167
Amount	46,062,135	8,560,648	7,386,654	7,086,140	12,071,520	10,957,175
State and local income taxes: Number	1,820,596	450,005	405,231	341,805	460,507	163,048
Amount	10,253,287	1,096,381	1,192,742	1,366,371	2,783,948	3,813,844
State and local general sales tax: Number	166,172	97,562	30,831	18,221	16,420	3,138
Amount	219,100	111,707	40,208	25,009	31,670	10,505
Real estate taxes: Number	1,814,511	460,710	396,356	339,937	457,510	159,998
Amount	7,400,890	1,317,157	1,228,027	1,220,481	2,174,693	1,460,533
Taxes paid: Number	2,008,830	564,712	438,760	361,224	477,791	166,343
Amount	18,218,332	2,579,124	2,511,799	2,710,587	5,057,720	5,359,101
Mortgage interest paid: Number	1,660,536	414,354	371,241	319,506	419,409	136,026
Amount	16,274,593	3,016,296	2,954,354	2,817,253	4,497,147	2,989,543
Contributions: Number	1,652,101	389,508	353,231	311,114	439,029	159,219
Amount	6,778,703	699,020	759,739	757,491	1,474,838	3,087,616
Taxable income: Number	4,814,018	2,689,264	871,683	525,966	554,135	172,970
Amount	243,871,936	38,406,161	35,601,418	32,011,226	55,020,244	82,832,888
Total tax credits [6]: Number	1,930,462	877,360	394,450	284,927	281,407	92,318
Amount	2,162,045	633,242	562,761	454,842	288,253	222,947
Residential energy tax credit: Number	278,998	74,242	72,354	55,363	63,345	13,694
Amount	58,265	14,398	14,626	11,430	14,183	3,628
Child tax credit: Number	1,019,297	434,107	259,865	182,594	142,638	93
Amount	1,309,467	379,464	417,517	312,603	199,792	90
Child and dependent care credit: Number	224,448	74,837	44,211	40,199	52,848	12,353
Amount	117,109	39,015	21,924	21,224	28,385	6,560
Earned income credit [7]: Number	855,479	855,479	0	0	0	0
Amount	1,559,547	1,559,548	0	0	0	0
Excess earned income credit (refundable) [8]: Number	744,708	744,708	0	0	0	0
Amount	1,392,163	1,392,163	0	0	0	0
Alternative minimum tax: Number	159,416	1,031	2,142	3,477	34,762	118,004
Amount	750,112	4,370	2,755	5,340	63,812	673,834
Income tax [9]: Number	4,397,767	2,310,435	839,367	521,588	553,372	173,005
Amount	43,829,336	4,107,797	4,518,194	4,288,682	9,535,862	21,378,801
Total tax liability [10]: Number	4,638,827	2,539,008	849,665	523,227	553,867	173,060
Amount	45,925,809	4,721,822	4,806,641	4,534,226	9,999,398	21,863,721
Tax due at time of filing [11]: Number	1,108,463	505,545	190,654	121,481	197,890	92,893
Amount	4,537,178	448,732	358,762	310,163	867,654	2,551,868
Overpayments refunded [12]: Number	4,692,615	3,259,882	662,958	389,240	329,154	51,381
Amount	10,697,420	5,404,834	1,824,422	1,342,384	1,397,599	728,181

Footnotes at end of table.

Selected Historical and Other Data

Table 2. Individual Income and Tax Data, by State and Size of Adjusted Gross Income, Tax Year 2007 *—Continued

[Money amounts are in thousands of dollars]

State and item	All returns	Size of adjusted gross income				
		Under \$50,000 [1]	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)
RHODE ISLAND						
Number of returns	568,249	383,036	72,367	45,146	52,963	14,737
Number of joint returns	189,036	59,384	37,600	34,161	45,333	12,558
Number with paid preparer's signature	328,481	205,195	46,979	29,447	34,844	12,016
Number of exemptions	996,345	534,941	155,257	115,809	148,357	41,981
Adjusted gross income (AGI) [2]	29,957,771	6,772,803	4,461,028	3,905,843	7,002,565	7,815,531
Salaries and wages in AGI [3]: Number	443,293	277,069	64,256	40,910	48,329	12,729
Amount	20,659,550	5,616,118	3,491,533	3,046,497	5,252,111	3,253,292
Taxable interest: Number	281,730	130,966	51,242	37,146	48,054	14,322
Amount	859,755	199,682	104,809	84,928	159,525	310,811
Ordinary dividends: Number	126,837	48,574	21,103	17,315	28,120	11,725
Amount	717,366	85,913	56,034	56,409	144,536	374,476
Business or profession net income (less loss): Number	72,617	38,629	10,642	7,984	11,125	4,237
Amount	1,079,535	295,735	123,210	108,247	242,498	309,845
Number of farm returns	693	298	119	92	114	70
Net capital gain (less loss) in AGI: Number	100,008	35,608	15,912	13,364	23,713	11,411
Amount	2,505,247	87,676	61,630	74,585	271,062	2,010,295
Taxable Individual Retirement Arrangements distributions: Number	45,155	23,586	7,834	5,361	6,444	1,930
Amount	505,755	136,761	78,172	73,455	137,180	80,186
Taxable pensions and annuities in AGI: Number	95,069	50,733	16,347	11,025	13,659	3,305
Amount	1,804,558	525,642	354,211	294,240	482,922	147,540
Unemployment compensation [4]: Number	46,296	30,050	7,667	4,515	3,590	474
Amount	219,053	132,805	39,806	23,350	20,175	2,916
Taxable Social Security benefits in AGI: Number	57,349	24,818	13,471	7,961	8,349	2,750
Amount	631,675	121,247	172,037	129,461	151,346	57,585
Self-employment retirement plans: Number	4,877	580	526	570	1,596	1,605
Amount	78,415	3,450	4,020	5,461	21,789	43,695
Total itemized deductions [5]: Number	198,964	56,489	43,434	35,388	49,234	14,419
Amount	4,851,672	912,708	800,632	745,945	1,327,255	1,065,133
State and local income taxes: Number	181,584	43,293	41,337	34,431	48,374	14,149
Amount	1,084,476	69,065	111,724	131,779	313,840	458,068
State and local general sales tax: Number	15,217	11,110	2,049	977	824	257
Amount	15,801	7,890	3,205	1,900	1,958	848
Real estate taxes: Number	183,884	48,617	40,296	33,604	47,464	13,903
Amount	803,554	158,791	141,705	133,887	238,247	130,923
Taxes paid: Number	199,139	56,394	43,554	35,489	49,275	14,427
Amount	2,029,917	253,733	276,122	286,950	586,258	626,854
Mortgage interest paid: Number	168,536	44,296	37,499	31,458	43,362	11,921
Amount	1,910,238	419,631	371,368	333,047	519,075	267,118
Contributions: Number	164,582	38,280	35,983	31,018	45,463	13,838
Amount	462,541	47,785	55,011	54,799	116,646	188,301
Taxable income: Number	412,850	228,263	71,920	45,046	52,897	14,724
Amount	20,608,001	3,258,680	2,887,960	2,670,270	5,135,600	6,655,492
Total tax credits [6]: Number	163,268	74,434	30,503	24,014	26,611	7,706
Amount	176,676	52,360	40,669	36,546	26,995	20,106
Residential energy tax credit: Number	21,447	4,458	5,325	4,638	5,961	1,065
Amount	4,486	876	1,053	973	1,286	300
Child tax credit: Number	84,469	36,028	19,689	15,373	** 13,379	**
Amount	103,306	29,740	29,984	25,538	** 18,045	**
Child and dependent care credit: Number	20,263	6,653	3,626	3,587	5,456	941
Amount	10,757	3,409	1,826	1,957	3,042	522
Earned income credit [7]: Number	74,630	74,630	0	0	0	0
Amount	140,582	140,583	0	0	0	0
Excess earned income credit (refundable) [8]: Number	64,921	64,921	0	0	0	0
Amount	123,268	123,268	0	0	0	0
Alternative minimum tax: Number	15,806	87	172	301	3,834	11,412
Amount	87,243	239	192	433	7,028	79,352
Income tax [9]: Number	376,819	195,557	69,031	44,673	52,831	14,727
Amount	3,676,564	354,195	381,046	363,663	887,515	1,690,144
Total tax liability [10]: Number	399,804	217,387	69,985	44,826	52,876	14,730
Amount	3,863,438	411,100	405,401	384,927	929,186	1,732,824
Tax due at time of filing [11]: Number	91,663	41,169	15,450	9,805	17,600	7,639
Amount	379,220	40,889	30,740	26,065	78,212	203,314
Overpayments refunded [12]: Number	402,598	276,318	55,193	34,015	32,755	4,317
Amount	950,927	476,570	159,995	121,401	141,823	51,138

Footnotes at end of table.

Selected Historical and Other Data

Table 2. Individual Income and Tax Data, by State and Size of Adjusted Gross Income, Tax Year 2007 *—Continued

[Money amounts are in thousands of dollars]

State and item	All returns	Size of adjusted gross income				
		Under \$50,000 [1]	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)
SOUTH CAROLINA						
Number of returns	2,256,719	1,665,695	251,397	148,223	147,750	43,654
Number of joint returns	789,003	332,784	162,646	124,041	131,153	38,379
Number with paid preparer's signature	1,355,111	974,614	158,883	91,766	93,614	36,234
Number of exemptions	4,330,788	2,800,224	603,567	396,761	408,983	121,253
Adjusted gross income (AGI) [2]	98,961,892	28,715,340	15,438,526	12,787,861	19,396,372	22,623,793
Salaries and wages in AGI [3]: Number	1,768,325	1,250,288	221,390	131,131	129,606	35,910
Amount	68,050,373	24,617,689	11,789,908	9,520,427	13,338,706	8,783,644
Taxable interest: Number	780,816	383,627	135,965	100,236	119,607	41,381
Amount	2,394,070	580,953	288,405	244,960	450,389	829,363
Ordinary dividends: Number	373,586	147,447	63,751	52,819	75,883	33,686
Amount	2,362,534	276,478	192,013	198,307	493,697	1,202,039
Business or profession net income (less loss): Number	306,478	190,673	43,818	28,030	31,553	12,404
Amount	2,777,247	762,305	328,265	268,620	582,366	835,688
Number of farm returns	22,524	9,860	4,079	3,036	3,659	1,890
Net capital gain (less loss) in AGI: Number	311,967	118,972	51,034	42,495	65,776	33,690
Amount	7,854,807	347,928	239,426	289,589	969,006	6,008,857
Taxable Individual Retirement Arrangements distributions: Number	155,805	76,583	28,711	20,577	23,198	6,736
Amount	2,220,551	540,354	355,213	354,152	618,818	352,015
Taxable pensions and annuities in AGI: Number	415,993	229,294	73,733	49,422	51,256	12,288
Amount	7,533,611	2,477,297	1,488,178	1,256,066	1,765,498	546,572
Unemployment compensation [4]: Number	106,431	84,949	11,597	5,711	3,744	430
Amount	339,895	257,130	42,005	22,223	16,031	2,506
Taxable Social Security benefits in AGI: Number	222,817	99,388	51,109	30,905	31,057	10,358
Amount	2,462,776	482,131	668,336	523,159	579,693	209,456
Self-employment retirement plans: Number	9,783	1,392	940	968	3,059	3,424
Amount	165,492	6,944	7,245	9,780	42,973	98,550
Total itemized deductions [5]: Number	674,265	237,227	147,542	113,985	133,347	42,164
Amount	15,430,381	3,666,266	2,622,327	2,344,459	3,663,132	3,134,196
State and local income taxes: Number	591,648	178,990	135,292	107,788	128,684	40,894
Amount	3,336,720	322,448	428,250	488,071	927,281	1,170,671
State and local general sales tax: Number	71,325	48,268	11,371	5,908	4,526	1,252
Amount	84,881	49,247	12,642	11,059	8,172	3,762
Real estate taxes: Number	600,444	191,858	133,773	107,274	127,383	40,156
Amount	969,119	212,903	156,397	144,948	250,434	204,438
Taxes paid: Number	674,507	236,786	147,865	114,170	133,478	42,208
Amount	4,835,854	791,050	655,353	699,581	1,266,329	1,423,540
Mortgage interest paid: Number	571,819	184,918	129,287	103,106	119,151	35,357
Amount	5,869,420	1,451,800	1,083,754	963,345	1,417,570	952,952
Contributions: Number	569,590	178,107	125,523	101,585	123,985	40,390
Amount	2,789,583	462,062	418,640	392,687	650,992	865,203
Taxable income: Number	1,527,064	938,256	249,882	147,855	147,495	43,576
Amount	64,124,869	12,172,745	9,778,531	8,744,549	14,211,913	19,217,130
Total tax credits [6]: Number	642,370	365,520	112,057	75,944	68,329	20,520
Amount	682,673	262,756	168,150	122,606	73,974	55,189
Residential energy tax credit: Number	47,933	14,176	11,826	9,273	10,389	2,269
Amount	11,401	3,213	2,754	2,177	2,568	689
Child tax credit: Number	395,658	224,015	82,551	53,080	36,000	12
Amount	443,391	176,590	129,046	88,438	49,311	8
Child and dependent care credit: Number	103,574	45,250	22,686	17,505	15,648	2,485
Amount	55,847	24,320	12,098	9,630	8,442	1,358
Earned income credit [7]: Number	472,489	472,489	0	0	0	0
Amount	979,071	979,071	0	0	0	0
Excess earned income credit (refundable) [8]: Number	426,460	426,460	0	0	0	0
Amount	889,541	889,540	0	0	0	0
Alternative minimum tax: Number	37,199	360	806	872	6,424	28,737
Amount	205,196	2,001	964	1,785	14,471	185,975
Income tax [9]: Number	1,319,237	742,173	239,689	146,572	147,224	43,579
Amount	10,622,435	1,210,445	1,196,497	1,145,674	2,404,872	4,664,946
Total tax liability [10]: Number	1,432,470	850,902	243,378	147,157	147,426	43,607
Amount	11,253,724	1,441,848	1,286,998	1,216,652	2,528,402	4,779,823
Tax due at time of filing [11]: Number	403,543	195,752	72,606	46,025	65,260	23,900
Amount	1,617,814	193,879	144,909	121,144	318,167	839,714
Overpayments refunded [12]: Number	1,568,359	1,208,946	173,589	98,023	75,178	12,623
Amount	3,552,244	2,306,968	437,478	297,695	313,099	197,004

Footnotes at end of table.

Selected Historical and Other Data

Table 2. Individual Income and Tax Data, by State and Size of Adjusted Gross Income, Tax Year 2007 *—Continued

[Money amounts are in thousands of dollars]

State and item	All returns	Size of adjusted gross income				
		Under \$50,000 [1]	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)
SOUTH DAKOTA						
Number of returns	417,180	296,444	56,902	30,908	24,596	8,330
Number of joint returns	167,700	66,814	44,234	27,436	21,927	7,289
Number with paid preparer's signature	241,987	160,231	36,286	20,300	17,807	7,363
Number of exemptions	772,744	441,185	149,633	88,014	70,230	23,682
Adjusted gross income (AGI) [2]	19,186,319	5,112,366	3,504,859	2,653,668	3,213,921	4,701,505
Salaries and wages in AGI [3]: Number	331,879	227,218	49,932	27,178	20,821	6,730
Amount	12,205,572	4,350,354	2,610,777	1,881,295	1,919,765	1,443,382
Taxable interest: Number	187,119	100,636	34,800	22,749	20,943	7,991
Amount	673,520	179,896	88,030	70,605	114,749	220,240
Ordinary dividends: Number	96,047	43,856	17,943	13,382	14,323	6,543
Amount	474,887	68,582	39,931	38,888	84,056	243,431
Business or profession net income (less loss): Number	62,869	35,453	12,240	6,857	5,972	2,347
Amount	598,005	151,910	107,918	80,956	125,024	132,195
Number of farm returns	32,620	19,576	5,632	3,266	2,961	1,185
Net capital gain (less loss) in AGI: Number	91,966	43,053	16,309	12,160	13,669	6,775
Amount	1,816,565	153,847	98,941	101,466	257,435	1,204,876
Taxable Individual Retirement Arrangements distributions: Number	35,384	19,423	6,774	4,233	3,843	1,111
Amount	347,521	105,872	65,277	56,735	80,370	39,267
Taxable pensions and annuities in AGI: Number	71,061	40,053	13,813	8,383	6,959	1,853
Amount	1,113,349	389,860	253,548	197,234	210,092	62,614
Unemployment compensation [4]: Number	9,479	6,989	1,578	606	273	33
Amount	26,491	18,609	4,822	1,974	959	126
Taxable Social Security benefits in AGI: Number	46,158	21,686	10,977	6,109	5,498	1,888
Amount	469,700	99,477	138,051	98,519	96,717	36,934
Self-employment retirement plans: Number	2,933	409	387	410	946	781
Amount	41,910	2,098	2,651	3,625	13,087	20,448
Total itemized deductions [5]: Number	80,338	27,211	17,958	14,036	15,060	6,073
Amount	1,690,694	391,354	293,862	253,155	335,998	416,324
State and local income taxes: Number	8,705	2,360	1,887	1,547	1,756	1,155
Amount	59,780	3,045	3,648	4,025	8,050	41,010
State and local general sales tax: Number	65,707	21,457	14,769	11,753	12,839	4,889
Amount	92,290	19,593	17,598	17,339	23,958	13,805
Real estate taxes: Number	69,898	20,915	15,959	13,093	14,212	5,719
Amount	199,532	40,810	36,329	34,387	49,279	38,726
Taxes paid: Number	79,522	26,437	17,883	14,037	15,062	6,103
Amount	357,183	64,879	58,711	56,688	82,512	94,392
Mortgage interest paid: Number	64,432	18,666	15,121	12,483	13,240	4,922
Amount	631,619	130,556	125,393	115,608	144,308	115,754
Contributions: Number	62,349	16,879	13,771	12,018	13,856	5,825
Amount	486,757	34,258	37,293	37,310	66,857	311,042
Taxable income: Number	303,948	183,433	56,728	30,879	24,586	8,322
Amount	13,610,526	2,529,881	2,306,987	1,922,169	2,538,496	4,312,993
Total tax credits [6]: Number	131,421	65,574	30,302	17,996	12,982	4,567
Amount	163,782	46,383	50,329	32,520	17,026	17,523
Residential energy tax credit: Number	14,126	4,597	4,256	2,760	2,029	484
Amount	2,853	865	836	548	470	132
Child tax credit: Number	69,371	30,539	20,889	11,662	6,278	3
Amount	94,856	26,947	36,178	21,824	9,904	3
Child and dependent care credit: Number	24,805	8,580	8,069	4,621	3,001	534
Amount	12,159	3,886	4,186	2,388	1,456	242
Earned income credit [7]: Number	60,141	60,141	0	0	0	0
Amount	108,316	108,317	0	0	0	0
Excess earned income credit (refundable) [8]: Number	52,120	52,120	0	0	0	0
Amount	97,189	97,189	0	0	0	0
Alternative minimum tax: Number	4,337	220	125	142	744	3,106
Amount	23,554	861	243	254	1,942	20,254
Income tax [9]: Number	272,023	154,616	53,925	30,629	24,532	8,321
Amount	2,364,371	259,468	262,217	241,399	426,941	1,174,347
Total tax liability [10]: Number	293,798	175,001	55,170	30,736	24,566	8,325
Amount	2,533,931	314,761	293,666	265,250	461,063	1,199,192
Tax due at time of filing [11]: Number	89,881	43,334	17,953	11,000	12,686	4,908
Amount	434,914	49,235	45,751	40,893	93,455	205,580
Overpayments refunded [12]: Number	279,918	211,845	37,340	18,705	10,208	1,820
Amount	569,754	345,289	92,447	54,845	39,867	37,305

Footnotes at end of table.

Selected Historical and Other Data

Table 2. Individual Income and Tax Data, by State and Size of Adjusted Gross Income, Tax Year 2007 *—Continued

[Money amounts are in thousands of dollars]

State and item	All returns	Size of adjusted gross income				
		Under \$50,000 [1]	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)
TENNESSEE						
Number of returns	3,161,852	2,324,974	370,589	203,253	197,467	65,569
Number of joint returns	1,191,382	539,648	251,468	169,919	173,304	57,043
Number with paid preparer's signature	1,720,666	1,226,408	214,237	114,148	114,524	51,349
Number of exemptions	6,051,946	3,872,772	897,078	543,078	550,431	188,587
Adjusted gross income (AGI) [2]	143,315,079	39,687,249	22,729,634	17,508,959	26,013,874	37,375,361
Salaries and wages in AGI [3]: Number	2,439,205	1,697,542	332,025	182,182	174,336	53,120
Amount	101,745,644	34,070,246	18,173,657	13,639,804	18,786,762	17,075,174
Taxable interest: Number	1,127,705	572,953	197,990	136,308	158,785	61,669
Amount	3,854,295	947,306	434,982	347,746	629,260	1,495,002
Ordinary dividends: Number	471,825	189,579	78,620	62,298	92,307	49,021
Amount	2,860,842	319,333	197,027	196,319	506,535	1,641,630
Business or profession net income (less loss): Number	496,931	314,791	68,566	42,196	48,728	22,650
Amount	6,595,902	1,449,962	693,259	589,600	1,412,703	2,450,380
Number of farm returns	79,500	42,370	14,754	9,101	8,875	4,400
Net capital gain (less loss) in AGI: Number	416,675	165,608	65,987	52,805	82,960	49,315
Amount	11,893,166	505,812	316,457	360,335	1,139,354	9,571,207
Taxable Individual Retirement Arrangements distributions: Number	197,311	103,686	35,605	24,088	25,787	8,145
Amount	2,530,325	692,770	423,389	396,917	639,646	377,603
Taxable pensions and annuities in AGI: Number	527,603	311,861	89,508	55,506	55,788	14,940
Amount	8,626,519	3,201,450	1,703,442	1,323,596	1,770,699	627,332
Unemployment compensation [4]: Number	131,231	97,011	19,872	8,313	5,401	634
Amount	408,465	284,037	69,520	30,712	21,019	3,178
Taxable Social Security benefits in AGI: Number	286,066	137,472	64,857	36,460	34,959	12,318
Amount	3,061,201	690,847	840,155	616,851	655,917	257,430
Self-employment retirement plans: Number	20,096	2,005	1,636	1,858	6,113	8,484
Amount	379,887	10,582	12,331	17,807	90,835	248,333
Total itemized deductions [5]: Number	759,615	270,247	165,278	119,710	148,377	56,003
Amount	16,523,670	4,085,808	2,921,066	2,333,190	3,635,582	3,548,022
State and local income taxes: Number	89,282	28,179	17,862	13,054	18,082	12,105
Amount	452,390	40,319	37,375	35,543	76,354	262,799
State and local general sales tax: Number	601,083	202,918	132,703	98,607	123,681	43,174
Amount	1,320,833	277,508	248,994	228,748	360,385	205,196
Real estate taxes: Number	667,038	214,375	147,263	111,394	140,667	53,339
Amount	1,443,948	311,735	232,292	205,401	366,514	328,007
Taxes paid: Number	748,802	261,483	163,650	119,302	148,192	56,175
Amount	3,283,209	651,220	530,625	478,418	815,331	807,615
Mortgage interest paid: Number	646,343	212,381	145,255	108,328	133,195	47,184
Amount	7,508,250	1,714,285	1,922,672	1,074,027	1,612,944	1,184,323
Contributions: Number	607,454	183,253	132,382	102,889	135,402	53,528
Amount	3,811,191	493,393	473,523	447,589	822,469	1,574,218
Taxable income: Number	2,135,076	1,300,386	368,985	202,937	197,262	65,506
Amount	98,295,412	17,440,171	14,840,681	12,461,379	20,006,073	33,547,109
Total tax credits [6]: Number	869,938	484,145	166,220	101,721	87,691	30,161
Amount	940,179	353,208	251,632	164,442	94,637	76,260
Residential energy tax credit: Number	70,248	20,952	18,090	13,091	14,578	3,537
Amount	16,307	4,585	4,143	3,015	3,542	1,022
Child tax credit: Number	535,769	289,087	125,154	73,442	48,062	24
Amount	624,558	238,982	197,942	122,313	65,296	25
Child and dependent care credit: Number	124,035	50,105	29,598	21,107	19,600	3,625
Amount	63,836	25,825	14,668	11,024	10,384	1,936
Earned income credit [7]: Number	614,704	614,704	0	0	0	0
Amount	1,238,129	1,238,129	0	0	0	0
Excess earned income credit (refundable) [8]: Number	542,229	542,229	0	0	0	0
Amount	1,085,844	1,085,844	0	0	0	0
Alternative minimum tax: Number	28,808	485	897	1,009	5,094	21,323
Amount	143,010	2,014	1,789	1,800	11,803	125,605
Income tax [9]: Number	1,879,692	1,059,532	356,065	201,597	197,003	65,495
Amount	17,282,993	1,765,680	1,830,730	1,672,404	3,497,544	8,516,635
Total tax liability [10]: Number	2,066,205	1,240,279	360,916	202,264	197,225	65,521
Amount	18,575,597	2,175,540	1,994,587	1,806,755	3,759,376	8,839,340
Tax due at time of filing [11]: Number	502,894	249,209	86,273	53,443	79,359	34,610
Amount	2,226,480	264,605	193,905	164,491	435,235	1,168,244
Overpayments refunded [12]: Number	2,236,599	1,686,377	277,230	144,460	108,369	20,163
Amount	5,318,109	3,294,772	759,092	475,073	454,264	334,909

Footnotes at end of table.

Selected Historical and Other Data

Table 2. Individual Income and Tax Data, by State and Size of Adjusted Gross Income, Tax Year 2007 *—Continued

[Money amounts are in thousands of dollars]

State and item	All returns	Size of adjusted gross income				
		Under \$50,000 [1]	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)
TEXAS						
Number of returns	11,278,559	7,945,956	1,296,236	780,093	931,193	325,081
Number of joint returns	4,198,182	1,762,165	759,263	601,938	794,309	280,507
Number with paid preparer's signature	6,019,686	4,212,625	690,973	398,073	486,050	231,965
Number of exemptions	23,141,014	14,285,486	3,165,146	2,101,874	2,648,526	939,982
Adjusted gross income (AGI) [2]	606,392,582	142,315,591	79,554,864	67,422,619	124,229,598	192,869,911
Salaries and wages in AGI [3]: Number	9,144,090	6,162,148	1,161,132	703,025	841,743	276,042
Amount	429,067,916	126,803,851	65,000,889	54,073,135	95,444,490	87,745,550
Taxable interest: Number	3,821,885	1,665,651	628,418	490,689	731,001	306,126
Amount	15,712,036	2,646,475	1,324,360	1,172,577	2,500,266	8,068,358
Ordinary dividends: Number	1,785,066	602,609	267,895	235,117	432,507	246,938
Amount	13,488,848	1,149,057	724,671	744,825	2,106,081	8,764,214
Business or profession net income (less loss): Number	2,008,228	1,271,902	242,021	166,988	224,702	102,615
Amount	23,496,061	6,464,537	2,106,169	1,895,526	4,824,787	8,205,041
Number of farm returns	247,185	105,529	42,783	32,615	42,930	23,328
Net capital gain (less loss) in AGI: Number	1,592,099	525,149	228,228	203,211	390,760	244,751
Amount	54,362,533	1,681,342	974,045	1,170,090	4,246,323	46,290,733
Taxable Individual Retirement Arrangements distributions: Number	651,662	291,319	119,680	89,046	114,170	37,447
Amount	9,928,247	2,077,166	1,503,598	1,529,507	3,002,017	1,815,960
Taxable pensions and annuities in AGI: Number	1,582,217	806,643	279,167	193,476	236,456	66,475
Amount	28,986,974	8,912,544	5,562,796	4,632,883	7,154,895	2,723,857
Unemployment compensation [4]: Number	287,385	200,061	41,356	22,229	20,534	3,205
Amount	1,038,028	697,011	156,058	85,849	84,546	14,564
Taxable Social Security benefits in AGI: Number	853,487	352,398	192,815	121,323	134,452	52,499
Amount	9,489,307	1,690,779	2,427,692	1,938,953	2,380,397	1,051,485
Self-employment retirement plans: Number	66,477	7,104	5,591	6,275	20,591	26,916
Amount	1,264,551	39,727	46,075	64,181	317,092	797,476
Total itemized deductions [5]: Number	2,772,144	824,156	542,963	441,916	690,491	272,618
Amount	63,574,795	13,457,261	9,602,486	8,223,444	16,365,441	15,926,163
State and local income taxes: Number	235,935	68,584	46,876	37,156	56,181	27,138
Amount	1,153,925	98,730	80,463	83,981	190,537	700,214
State and local general sales tax: Number	2,191,735	585,045	421,828	359,266	587,470	238,126
Amount	4,097,812	633,551	611,077	635,530	1,338,748	878,906
Real estate taxes: Number	2,392,007	606,988	465,785	405,106	654,704	259,424
Amount	11,048,580	1,867,779	1,544,465	1,552,531	3,327,821	2,755,985
Taxes paid: Number	2,716,179	778,750	533,794	439,700	690,252	273,683
Amount	17,863,749	2,970,605	2,317,417	2,332,739	4,944,373	5,298,615
Mortgage interest paid: Number	2,300,397	589,147	454,833	393,776	626,978	235,663
Amount	24,065,698	4,919,944	3,502,996	3,387,700	6,474,797	5,780,262
Contributions: Number	2,160,102	529,591	412,097	359,725	604,696	253,993
Amount	12,856,691	1,324,909	1,309,878	1,334,286	2,960,836	5,926,781
Taxable income: Number	7,928,781	4,604,650	1,290,365	778,674	930,282	324,810
Amount	434,046,046	61,286,936	52,410,727	48,303,106	96,491,156	175,554,124
Total tax credits [6]: Number	3,532,707	1,941,704	598,481	405,076	430,756	156,690
Amount	4,466,701	1,499,833	969,213	699,197	511,137	787,321
Residential energy tax credit: Number	222,948	47,866	48,217	42,261	65,288	19,316
Amount	55,283	11,247	11,674	10,201	16,373	5,787
Child tax credit: Number	2,251,344	1,253,158	461,281	298,832	237,966	107
Amount	2,638,273	1,023,548	767,614	518,081	328,935	94
Child and dependent care credit: Number	494,849	190,245	98,714	82,931	101,734	21,225
Amount	278,038	106,333	54,564	47,780	57,804	11,558
Earned income credit [7]: Number	2,417,422	2,417,422	0	0	0	0
Amount	5,368,194	5,368,195	0	0	0	0
Excess earned income credit (refundable) [8]: Number	2,159,616	2,159,616	0	0	0	0
Amount	4,666,952	4,666,952	0	0	0	0
Alternative minimum tax: Number	184,331	2,401	6,634	8,036	41,043	126,217
Amount	778,746	11,509	8,159	13,156	89,456	656,467
Income tax [9]: Number	6,770,723	3,514,887	1,229,840	772,458	928,855	324,683
Amount	82,112,518	6,013,521	6,607,922	6,639,423	17,222,941	45,628,711
Total tax liability [10]: Number	7,561,132	4,283,400	1,247,952	775,226	929,745	324,809
Amount	86,612,253	7,599,519	7,118,056	7,072,522	18,105,406	46,716,749
Tax due at time of filing [11]: Number	1,926,653	872,732	302,398	204,832	370,914	175,777
Amount	9,835,379	934,383	686,485	618,859	1,894,071	5,701,581
Overpayments refunded [12]: Number	8,245,297	6,107,712	967,062	553,954	518,358	98,211
Amount	21,626,831	13,117,234	2,783,408	1,886,214	2,165,619	1,674,357

Footnotes at end of table.

Selected Historical and Other Data

Table 2. Individual Income and Tax Data, by State and Size of Adjusted Gross Income, Tax Year 2007 *—Continued

[Money amounts are in thousands of dollars]

State and item	All returns	Size of adjusted gross income				
		Under \$50,000 [1]	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
UTAH	(1)	(2)	(3)	(4)	(5)	(6)
Number of returns	1,189,776	789,273	174,407	101,006	96,015	29,075
Number of joint returns	539,942	208,862	129,404	88,365	87,301	26,010
Number with paid preparer's signature	615,649	387,494	94,549	54,221	56,203	23,182
Number of exemptions	2,692,518	1,426,435	526,519	327,094	315,832	96,638
Adjusted gross income (AGI) [2]	63,718,881	14,766,921	10,735,857	8,708,547	12,553,627	16,953,929
Salaries and wages in AGI [3]: Number	1,011,946	649,346	158,000	92,215	87,536	24,849
Amount	44,149,836	13,456,883	8,778,567	6,947,010	9,169,059	5,798,317
Taxable interest: Number	567,783	265,644	112,600	77,691	83,799	28,049
Amount	1,711,904	330,999	171,737	145,950	291,270	771,949
Ordinary dividends: Number	196,375	75,632	34,698	27,875	38,995	19,175
Amount	1,113,967	124,934	72,839	70,603	175,732	669,858
Business or profession net income (less loss): Number	183,431	97,050	34,640	21,363	22,422	7,956
Amount	1,444,215	356,832	203,509	156,570	316,191	411,113
Number of farm returns	14,483	6,221	3,089	2,087	2,101	985
Net capital gain (less loss) in AGI: Number	185,901	68,769	31,424	25,834	38,881	20,993
Amount	6,068,600	252,800	147,931	177,883	599,480	4,890,507
Taxable Individual Retirement Arrangements distributions: Number	68,596	33,065	13,641	9,328	9,711	2,851
Amount	886,128	217,139	146,239	142,187	232,686	147,878
Taxable pensions and annuities in AGI: Number	175,810	90,687	34,361	22,591	22,738	5,433
Amount	3,416,809	1,108,558	744,872	592,361	752,020	218,998
Unemployment compensation [4]: Number	31,382	21,535	5,724	2,513	1,469	141
Amount	94,590	62,326	17,988	8,263	5,378	637
Taxable Social Security benefits in AGI: Number	99,273	43,071	23,883	14,438	13,391	4,490
Amount	1,080,909	203,908	302,855	239,187	244,680	90,279
Self-employment retirement plans: Number	4,628	587	442	512	1,456	1,631
Amount	80,905	3,247	3,453	5,154	21,499	47,552
Total itemized deductions [5]: Number	470,147	145,490	121,196	85,763	89,592	28,106
Amount	12,111,633	2,473,707	2,373,672	1,980,329	2,755,496	2,528,430
State and local income taxes: Number	415,210	107,318	112,467	82,021	86,525	26,879
Amount	2,307,949	214,649	329,271	344,754	591,712	827,563
State and local general sales tax: Number	49,544	33,498	8,341	3,551	2,963	1,191
Amount	70,246	34,403	15,738	8,188	7,995	3,921
Real estate taxes: Number	420,850	118,605	110,114	80,022	85,288	26,821
Amount	808,516	173,426	167,460	139,152	198,816	129,663
Taxes paid: Number	470,270	145,321	121,354	85,828	89,645	28,122
Amount	3,270,598	460,610	528,602	502,703	809,808	968,876
Mortgage interest paid: Number	402,653	116,160	107,917	76,658	79,124	22,794
Amount	4,771,670	1,163,029	1,102,017	854,137	1,048,882	603,603
Contributions: Number	400,934	108,534	104,554	77,310	83,722	26,814
Amount	3,103,904	355,342	490,541	469,848	732,919	1,055,256
Taxable income: Number	892,558	494,714	172,494	100,604	95,750	28,996
Amount	40,803,964	6,343,761	6,091,966	5,466,923	8,671,925	14,229,387
Total tax credits [6]: Number	422,780	202,965	100,062	60,376	48,412	10,965
Amount	554,201	152,547	170,833	121,858	72,571	36,392
Residential energy tax credit: Number	38,748	8,962	11,298	8,373	8,455	1,660
Amount	9,738	1,826	2,417	1,854	2,010	1,632
Child tax credit: Number	276,814	116,731	80,231	47,391	32,360	101
Amount	398,653	97,816	141,521	100,362	58,859	96
Child and dependent care credit: Number	37,177	12,943	10,516	7,056	5,729	933
Amount	18,051	6,250	4,974	3,550	2,807	469
Earned income credit [7]: Number	156,071	156,071	0	0	0	0
Amount	292,123	292,124	0	0	0	0
Excess earned income credit (refundable) [8]: Number	138,078	138,078	0	0	0	0
Amount	257,519	257,519	0	0	0	0
Alternative minimum tax: Number	23,367	434	439	549	4,384	17,561
Amount	130,061	1,208	701	1,277	9,890	116,985
Income tax [9]: Number	754,976	386,841	147,754	96,337	95,023	29,021
Amount	6,842,001	614,527	658,932	655,671	1,412,814	3,500,057
Total tax liability [10]: Number	817,605	440,361	155,067	97,760	95,383	29,034
Amount	7,169,381	723,123	709,812	695,665	1,478,169	3,562,613
Tax due at time of filing [11]: Number	229,008	103,155	42,075	27,838	39,723	16,217
Amount	1,108,559	95,298	79,527	71,965	201,929	659,842
Overpayments refunded [12]: Number	873,029	610,918	129,631	71,146	52,685	8,649
Amount	2,015,489	1,021,181	357,480	227,755	239,509	169,562

Footnotes at end of table.

Selected Historical and Other Data

Table 2. Individual Income and Tax Data, by State and Size of Adjusted Gross Income, Tax Year 2007 *—Continued

[Money amounts are in thousands of dollars]

State and item	All returns	Size of adjusted gross income				
		Under \$50,000 [1]	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)
VERMONT						
Number of returns	344,889	238,166	45,622	27,241	25,966	7,894
Number of joint returns	129,966	47,489	30,456	22,878	22,469	6,674
Number with paid preparer's signature	173,079	109,390	26,295	15,402	15,553	6,439
Number of exemptions	602,407	329,253	107,099	72,514	71,890	21,651
Adjusted gross income (AGI) [2]	16,858,991	4,259,906	2,808,134	2,347,842	3,408,838	4,034,270
Salaries and wages in AGI [3]: Number	269,643	175,323	40,836	24,494	22,676	6,314
Amount	10,986,016	3,459,338	2,159,565	1,773,223	2,270,208	1,323,683
Taxable interest: Number	173,312	89,774	31,088	21,621	23,182	7,647
Amount	474,157	124,198	58,211	47,777	89,367	154,602
Ordinary dividends: Number	90,815	40,467	15,550	12,101	15,996	6,701
Amount	611,777	83,295	52,678	53,526	134,979	287,298
Business or profession net income (less loss): Number	61,270	35,623	10,283	6,247	6,600	2,517
Amount	746,136	234,286	121,571	88,296	157,680	144,302
Number of farm returns	4,260	2,503	664	428	464	201
Net capital gain (less loss) in AGI: Number	73,317	31,385	11,918	9,603	13,881	6,530
Amount	1,816,515	99,046	72,102	86,566	268,949	1,289,853
Taxable Individual Retirement Arrangements distributions: Number	28,719	15,641	4,900	3,283	3,672	1,223
Amount	324,516	87,973	51,250	47,751	83,766	53,775
Taxable pensions and annuities in AGI: Number	57,634	32,671	9,780	6,579	6,718	1,886
Amount	913,436	305,772	177,395	147,588	204,300	78,378
Unemployment compensation [4]: Number	22,837	16,827	3,673	1,460	804	73
Amount	83,467	58,547	14,781	5,965	3,750	425
Taxable Social Security benefits in AGI: Number	35,286	15,512	8,095	4,848	4,897	1,934
Amount	381,743	73,482	103,860	78,389	88,775	37,237
Self-employment retirement plans: Number	3,740	721	533	528	1,174	784
Amount	49,934	4,331	4,574	4,978	16,847	19,205
Total itemized deductions [5]: Number	102,157	30,981	22,106	18,407	23,030	7,633
Amount	2,258,813	443,580	356,248	339,858	567,573	551,554
State and local income taxes: Number	92,602	23,676	20,969	17,907	22,588	7,462
Amount	517,127	32,125	47,821	57,958	138,154	241,068
State and local general sales tax: Number	8,336	6,111	1,111	514	433	167
Amount	7,675	3,605	1,492	822	891	863
Real estate taxes: Number	95,589	27,434	20,965	17,651	22,190	7,349
Amount	419,616	83,212	70,015	69,917	122,350	74,121
Taxes paid: Number	102,378	30,980	22,223	18,480	23,057	7,638
Amount	955,800	121,327	121,162	130,558	264,114	318,640
Mortgage interest paid: Number	86,629	24,859	19,650	16,571	19,681	5,868
Amount	814,327	187,088	162,990	147,234	196,210	120,806
Contributions: Number	75,439	17,599	15,683	14,578	20,363	7,216
Amount	259,869	22,792	25,107	27,758	60,425	123,786
Taxable income: Number	253,795	147,371	45,438	27,181	25,920	7,885
Amount	11,671,009	2,137,842	1,859,530	1,669,624	2,567,962	3,436,050
Total tax credits [6]: Number	102,359	46,107	21,959	15,422	14,103	4,768
Amount	116,589	31,706	31,594	24,554	14,604	14,131
Residential energy tax credit: Number	13,106	3,642	3,511	2,712	2,670	571
Amount	3,029	747	767	637	668	210
Child tax credit: Number	50,624	20,787	14,115	9,473	6,246	3
Amount	65,543	18,697	22,465	15,823	8,555	3
Child and dependent care credit: Number	14,097	4,138	3,692	3,005	2,741	521
Amount	7,108	1,949	1,912	1,595	1,397	255
Earned income credit [7]: Number	41,357	41,357	0	0	0	0
Amount	65,595	65,596	0	0	0	0
Excess earned income credit (refundable) [8]: Number	33,221	33,221	0	0	0	0
Amount	54,403	54,404	0	0	0	0
Alternative minimum tax: Number	8,391	66	66	127	1,838	6,294
Amount	54,739	190	263	250	4,174	49,864
Income tax [9]: Number	234,220	129,617	43,873	26,962	25,880	7,888
Amount	1,908,400	230,368	226,801	215,545	429,724	805,964
Total tax liability [10]: Number	251,608	146,185	44,563	27,051	25,917	7,892
Amount	2,047,103	281,271	250,256	233,280	457,658	824,638
Tax due at time of filing [11]: Number	66,983	33,287	11,828	7,290	10,395	4,183
Amount	259,396	33,496	23,163	19,234	51,385	132,117
Overpayments refunded [12]: Number	233,455	166,733	32,276	18,813	13,635	1,998
Amount	465,683	245,520	79,611	57,338	56,500	26,714

Footnotes at end of table.

Selected Historical and Other Data

Table 2. Individual Income and Tax Data, by State and Size of Adjusted Gross Income, Tax Year 2007 *—Continued

[Money amounts are in thousands of dollars]

State and item	All returns	Size of adjusted gross income				
		Under \$50,000 [1]	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)
VIRGINIA						
Number of returns	4,016,297	2,519,916	529,835	345,386	465,865	155,295
Number of joint returns	1,525,281	470,244	284,295	247,193	386,115	137,434
Number with paid preparer's signature	1,909,222	1,152,804	266,766	167,488	221,535	100,629
Number of exemptions	7,573,903	3,805,237	1,164,418	865,517	1,287,846	450,885
Adjusted gross income (AGI) [2]	246,080,302	46,653,255	32,641,887	29,899,227	63,034,010	73,851,923
Salaries and wages in AGI [3]: Number	3,277,235	1,935,963	471,582	309,604	423,307	136,779
Amount	174,227,949	40,504,379	26,066,822	23,422,008	47,993,283	36,241,457
Taxable interest: Number	1,807,192	711,923	308,385	247,575	391,776	147,533
Amount	6,538,923	1,115,477	608,974	1,126,638	1,228,307	2,459,526
Ordinary dividends: Number	947,830	293,857	144,729	132,307	253,561	123,376
Amount	6,155,579	553,365	416,168	461,440	1,367,718	3,356,889
Business or profession net income (less loss): Number	535,294	274,231	77,462	57,065	89,544	36,992
Amount	7,044,996	1,465,685	677,484	601,148	1,709,114	2,591,564
Number of farm returns	42,526	19,985	7,471	5,180	6,440	3,450
Net capital gain (less loss) in AGI: Number	785,329	231,607	112,670	105,736	217,031	118,285
Amount	19,358,794	731,382	465,535	589,741	2,277,568	15,294,568
Taxable Individual Retirement Arrangements distributions: Number	268,573	109,651	49,195	38,571	53,032	18,124
Amount	3,489,930	685,722	505,530	528,717	1,072,533	697,426
Taxable pensions and annuities in AGI: Number	744,156	330,921	127,763	96,072	142,180	47,220
Amount	17,003,950	3,830,391	2,823,329	2,687,875	5,238,385	2,423,970
Unemployment compensation [4]: Number	109,201	76,211	16,260	8,064	7,561	1,105
Amount	339,907	229,518	53,096	27,093	26,094	4,106
Taxable Social Security benefits in AGI: Number	391,786	151,372	87,634	58,872	69,691	24,217
Amount	4,442,862	731,897	1,093,471	926,517	1,209,397	481,578
Self-employment retirement plans: Number	34,485	2,847	2,421	2,944	11,230	15,043
Amount	704,042	17,036	20,221	28,067	157,933	480,785
Total itemized deductions [5]: Number	1,572,831	429,012	307,185	260,837	423,647	152,150
Amount	43,318,766	7,646,688	6,188,721	6,020,032	12,939,370	10,523,956
State and local income taxes: Number	1,445,849	343,050	288,409	250,191	414,545	149,654
Amount	8,886,396	571,585	797,843	992,325	2,724,569	3,800,074
State and local general sales tax: Number	99,073	63,612	15,789	9,152	8,154	2,366
Amount	83,271	35,711	15,144	11,219	14,195	7,001
Real estate taxes: Number	1,388,560	323,328	273,148	243,148	401,920	147,016
Amount	4,650,982	689,713	642,569	678,520	1,583,294	1,056,887
Taxes paid: Number	1,570,995	426,315	307,480	261,147	423,830	152,223
Amount	14,481,046	1,504,720	1,540,215	1,769,780	4,509,919	5,156,413
Mortgage interest paid: Number	1,335,451	319,166	266,401	234,780	381,609	133,495
Amount	20,532,345	4,520,430	3,103,060	3,012,601	6,153,405	3,742,847
Contributions: Number	1,276,884	288,675	243,244	220,604	380,424	143,937
Amount	5,480,153	611,263	633,193	658,488	1,466,271	2,110,939
Taxable income: Number	3,037,155	1,549,244	523,723	343,985	465,091	155,112
Amount	170,469,093	21,812,457	20,675,926	20,146,632	45,356,471	62,477,608
Total tax credits [6]: Number	1,242,634	541,490	222,298	173,251	224,534	81,061
Amount	1,334,985	390,688	306,150	265,544	216,104	156,500
Residential energy tax credit: Number	140,681	27,489	30,184	26,743	43,492	12,773
Amount	32,813	5,950	6,830	6,111	10,435	3,486
Child tax credit: Number	664,030	286,745	154,357	115,779	107,098	51
Amount	807,549	239,029	232,937	191,292	144,243	48
Child and dependent care credit: Number	191,737	60,791	35,831	31,206	49,730	14,179
Amount	104,216	33,073	19,153	17,283	27,253	7,455
Earned income credit [7]: Number	545,436	545,436	0	0	0	0
Amount	1,028,080	1,028,079	0	0	0	0
Excess earned income credit (refundable) [8]: Number	478,367	478,367	0	0	0	0
Amount	916,096	916,096	0	0	0	0
Alternative minimum tax: Number	132,236	672	1,528	2,188	23,348	104,500
Amount	630,073	3,065	2,293	3,643	45,736	575,336
Income tax [9]: Number	2,758,495	1,301,268	498,741	339,220	464,110	155,156
Amount	31,527,303	2,311,176	2,700,195	2,795,344	7,931,002	15,789,587
Total tax liability [10]: Number	2,924,664	1,455,941	507,651	341,121	464,740	155,211
Amount	32,974,612	2,687,037	2,865,144	2,937,295	8,255,915	16,229,221
Tax due at time of filing [11]: Number	777,003	316,730	126,073	86,226	167,556	80,418
Amount	3,267,122	300,801	236,458	210,886	686,080	1,832,897
Overpayments refunded [12]: Number	2,843,839	1,865,417	393,592	250,683	280,221	53,926
Amount	7,171,743	3,333,657	1,093,451	863,876	1,226,193	654,567

Footnotes at end of table.

Selected Historical and Other Data

Table 2. Individual Income and Tax Data, by State and Size of Adjusted Gross Income, Tax Year 2007 *—Continued

[Money amounts are in thousands of dollars]

State and item	All returns	Size of adjusted gross income				
		Under \$50,000 [1]	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)
WASHINGTON						
Number of returns	3,371,086	2,116,096	478,353	308,809	356,570	111,258
Number of joint returns	1,324,504	428,060	267,692	232,828	301,277	94,647
Number with paid preparer's signature	1,525,342	875,822	233,272	150,777	184,224	81,247
Number of exemptions	6,438,815	3,280,361	1,083,373	790,158	973,459	311,464
Adjusted gross income (AGI) [2]	206,825,480	39,782,537	29,477,980	26,708,450	47,317,617	63,538,895
Salaries and wages in AGI [3]: Number	2,696,251	1,601,426	415,320	272,000	316,085	91,420
Amount	136,978,428	34,151,517	23,027,489	20,629,124	34,888,645	24,281,656
Taxable interest: Number	1,596,877	677,398	286,872	224,547	301,485	106,575
Amount	6,569,644	1,552,626	622,613	552,936	1,090,386	2,751,083
Ordinary dividends: Number	811,427	279,012	132,892	118,195	192,806	88,522
Amount	6,382,137	681,289	405,991	418,478	1,059,489	3,816,891
Business or profession net income (less loss): Number	452,533	228,552	74,103	53,266	68,952	27,660
Amount	6,757,386	1,295,322	857,072	745,946	1,688,887	2,170,159
Number of farm returns	27,849	11,817	5,052	3,803	4,766	2,411
Net capital gain (less loss) in AGI: Number	704,454	237,499	109,518	98,032	170,812	88,593
Amount	23,741,930	808,440	535,767	663,083	2,414,090	19,320,551
Taxable Individual Retirement Arrangements distributions: Number	248,423	108,728	47,551	36,022	43,143	12,979
Amount	3,658,016	743,164	567,713	606,122	1,109,908	631,109
Taxable pensions and annuities in AGI: Number	568,274	277,884	105,683	75,984	86,288	22,435
Amount	11,409,698	3,424,496	2,280,827	1,961,689	2,792,728	949,961
Unemployment compensation [4]: Number	175,770	110,422	32,754	17,099	13,734	1,761
Amount	644,790	375,289	125,760	69,475	64,515	9,750
Taxable Social Security benefits in AGI: Number	358,833	144,315	83,732	54,604	56,418	19,764
Amount	4,130,007	723,483	1,098,166	904,427	1,016,661	387,271
Self-employment retirement plans: Number	28,191	3,566	2,914	3,227	9,193	9,291
Amount	465,240	20,575	23,904	31,286	134,199	255,276
Total itemized deductions [5]: Number	1,196,029	333,435	260,513	214,078	290,470	97,533
Amount	29,800,218	6,173,377	5,117,890	4,731,053	7,942,970	5,834,929
State and local income taxes: Number	129,205	34,225	29,248	23,848	29,877	12,007
Amount	699,613	51,355	65,685	72,649	141,661	368,264
State and local general sales tax: Number	975,884	255,709	210,480	177,196	248,442	84,057
Amount	2,287,603	318,222	369,082	385,941	736,059	478,298
Real estate taxes: Number	1,102,489	283,921	239,988	202,986	280,339	95,255
Amount	3,943,251	740,207	664,497	639,366	1,142,819	756,364
Taxes paid: Number	1,187,019	326,392	258,835	213,592	290,295	97,905
Amount	8,342,815	1,951,108	1,561,597	1,127,078	2,068,459	1,634,573
Mortgage interest paid: Number	1,060,527	271,464	234,700	197,956	269,724	86,683
Amount	15,974,684	3,720,217	2,812,276	2,641,251	4,287,316	2,513,624
Contributions: Number	927,239	208,246	196,121	174,975	256,678	91,219
Amount	4,075,931	382,878	438,719	469,625	945,391	1,839,318
Taxable income: Number	2,590,112	1,340,844	474,259	307,824	356,027	111,158
Amount	149,255,768	19,471,248	18,871,775	18,390,246	35,440,760	57,081,739
Total tax credits [6]: Number	1,010,976	435,392	201,536	153,050	164,374	56,624
Amount	1,257,010	312,681	284,414	235,508	175,885	248,521
Residential energy tax credit: Number	87,315	16,213	20,338	18,323	25,532	6,909
Amount	19,630	3,181	4,269	4,019	6,154	2,008
Child tax credit: Number	569,108	240,094	142,596	103,523	82,841	54
Amount	723,536	208,109	226,672	175,530	113,165	59
Child and dependent care credit: Number	118,831	36,772	24,193	21,556	29,034	7,276
Amount	61,306	18,027	12,221	11,594	15,586	3,878
Earned income credit [7]: Number	394,028	394,028	0	0	0	0
Amount	693,986	693,985	0	0	0	0
Excess earned income credit (refundable) [8]: Number	338,631	338,631	0	0	0	0
Amount	610,119	610,119	0	0	0	0
Alternative minimum tax: Number	59,071	1,508	1,085	1,464	10,764	44,250
Amount	299,066	7,167	1,957	2,432	27,531	259,978
Income tax [9]: Number	2,364,864	1,144,210	450,464	303,891	355,174	111,125
Amount	27,185,095	2,110,720	2,445,799	2,534,857	6,161,629	13,932,091
Total tax liability [10]: Number	2,490,992	1,260,621	458,088	305,450	355,666	111,167
Amount	28,484,850	2,463,557	2,625,907	2,690,388	6,463,328	14,241,670
Tax due at time of filing [11]: Number	671,507	279,478	117,266	80,941	135,199	58,623
Amount	3,358,973	284,680	243,456	223,773	662,711	1,944,353
Overpayments refunded [12]: Number	2,352,406	1,550,171	348,436	217,981	202,916	32,902
Amount	5,697,545	2,604,313	971,085	741,079	882,898	498,170

Footnotes at end of table.

Selected Historical and Other Data

Table 2. Individual Income and Tax Data, by State and Size of Adjusted Gross Income, Tax Year 2007 *—Continued

[Money amounts are in thousands of dollars]

State and item	All returns	Size of adjusted gross income				
		Under \$50,000 [1]	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)
WEST VIRGINIA						
Number of returns	926,428	694,486	113,211	60,088	47,739	10,904
Number of joint returns	389,131	202,439	82,833	51,886	42,601	9,372
Number with paid preparer's signature	439,705	306,009	63,513	33,539	27,773	8,871
Number of exemptions	1,718,494	1,115,111	279,278	161,573	132,243	30,289
Adjusted gross income (AGI) [2]	34,353,216	10,920,352	6,957,519	5,164,272	6,153,394	5,157,677
Salaries and wages in AGI [3]: Number	668,008	459,115	102,015	54,796	43,085	8,997
Amount	24,833,926	8,693,145	5,578,220	4,111,991	4,513,667	1,936,901
Taxable interest: Number	334,871	186,816	60,085	39,769	37,967	10,234
Amount	871,280	314,411	132,634	97,892	139,708	186,636
Ordinary dividends: Number	134,385	62,259	24,362	17,901	21,678	8,185
Amount	600,439	101,110	63,005	57,922	126,215	252,188
Business or profession net income (less loss): Number	99,644	60,120	15,859	9,606	10,035	4,024
Amount	1,134,193	201,853	131,642	114,001	260,609	426,089
Number of farm returns	14,780	8,158	2,969	1,697	1,458	498
Net capital gain (less loss) in AGI: Number	99,053	43,208	17,547	13,041	17,558	7,699
Amount	1,571,076	121,561	79,401	87,425	234,815	1,047,875
Taxable Individual Retirement Arrangements distributions: Number	58,859	34,136	10,779	6,440	5,998	1,506
Amount	623,637	202,177	118,586	99,981	141,381	61,514
Taxable pensions and annuities in AGI: Number	190,449	126,391	29,444	17,276	14,573	2,765
Amount	2,831,458	1,346,899	552,421	387,073	431,306	113,756
Unemployment compensation [4]: Number	49,791	35,565	8,889	3,547	1,697	93
Amount	156,784	106,660	30,736	12,645	6,318	425
Taxable Social Security benefits in AGI: Number	91,799	49,455	21,174	10,697	8,133	2,340
Amount	872,843	221,225	275,297	177,029	150,308	48,984
Self-employment retirement plans: Number	3,971	430	350	356	1,231	1,604
Amount	75,946	2,198	2,730	3,454	17,598	49,966
Total itemized deductions [5]: Number	151,843	40,942	34,418	29,484	36,627	10,372
Amount	3,152,101	615,976	579,562	539,797	842,342	574,424
State and local income taxes: Number	141,312	32,647	33,244	28,983	36,199	10,239
Amount	835,037	60,331	97,998	125,792	261,969	288,949
State and local general sales tax: Number	9,126	6,887	1,156	537	411	135
Amount	10,134	5,632	1,807	1,143	1,022	531
Real estate taxes: Number	131,613	31,109	29,798	26,950	34,163	9,593
Amount	172,157	30,234	29,629	30,530	51,237	30,529
Taxes paid: Number	152,024	40,830	34,554	29,588	36,670	10,382
Amount	1,062,931	104,130	137,799	166,509	328,157	326,334
Mortgage interest paid: Number	125,927	30,578	29,427	26,289	31,796	7,837
Amount	1,133,797	230,976	230,925	222,539	311,234	138,125
Contributions: Number	110,358	23,681	23,788	22,507	30,847	9,535
Amount	460,951	55,307	67,087	71,402	126,329	140,825
Taxable income: Number	587,274	355,707	112,935	60,034	47,701	10,897
Amount	22,426,348	4,764,651	4,653,081	3,750,144	4,746,401	4,512,072
Total tax credits [6]: Number	219,059	113,933	50,682	29,353	20,458	4,633
Amount	232,246	79,786	75,650	45,735	21,733	9,342
Residential energy tax credit: Number	21,117	6,882	5,763	4,103	3,819	550
Amount	4,614	1,397	1,255	931	880	149
Child tax credit: Number	137,014	65,194	38,768	21,301	11,748	3
Amount	172,913	58,114	62,765	35,616	16,414	5
Child and dependent care credit: Number	18,015	5,632	4,806	3,628	3,462	487
Amount	7,886	2,233	2,031	1,730	1,644	249
Earned income credit [7]: Number	155,013	155,013	0	0	0	0
Amount	281,098	281,099	0	0	0	0
Excess earned income credit (refundable) [8]: Number	137,498	137,498	0	0	0	0
Amount	254,974	254,974	0	0	0	0
Alternative minimum tax: Number	9,696	123	330	309	1,896	7,038
Amount	45,191	760	463	519	4,646	38,802
Income tax [9]: Number	534,637	306,129	110,153	59,791	47,665	10,899
Amount	3,529,668	495,127	573,366	504,754	823,333	1,133,087
Total tax liability [10]: Number	569,354	339,893	110,952	59,909	47,700	10,900
Amount	3,765,486	571,116	606,208	531,170	873,268	1,183,725
Tax due at time of filing [11]: Number	121,087	61,838	23,471	13,340	16,820	5,618
Amount	396,249	55,082	43,576	35,389	82,094	180,108
Overpayments refunded [12]: Number	635,913	471,855	87,510	45,209	28,316	3,023
Amount	1,352,897	810,485	234,733	149,646	117,038	40,997

Footnotes at end of table.

Selected Historical and Other Data

Table 2. Individual Income and Tax Data, by State and Size of Adjusted Gross Income, Tax Year 2007 *—Continued

[Money amounts are in thousands of dollars]

State and item	All returns	Size of adjusted gross income				
		Under \$50,000 [1]	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)
WISCONSIN						
Number of returns	2,957,858	1,961,720	423,716	268,017	242,891	61,514
Number of joint returns	1,172,684	386,558	282,528	230,640	218,607	54,351
Number with paid preparer's signature	1,581,270	976,346	255,249	157,416	144,006	48,253
Number of exemptions	5,529,183	2,863,993	1,025,405	746,916	711,632	181,237
Adjusted gross income (AGI) [2]	149,072,266	35,322,372	26,169,993	23,121,768	31,463,709	32,994,424
Salaries and wages in AGI [3]: Number	2,377,674	1,479,939	380,354	243,772	220,245	53,364
Amount	105,343,023	29,258,270	20,461,498	18,079,971	23,320,490	14,222,794
Taxable interest: Number	1,560,761	772,939	296,722	216,089	215,505	59,506
Amount	4,113,777	1,085,874	524,235	428,205	707,159	1,368,304
Ordinary dividends: Number	764,563	329,329	137,785	111,776	135,991	49,682
Amount	3,557,411	505,960	332,825	324,666	704,322	1,689,640
Business or profession net income (less loss): Number	354,895	187,127	65,471	43,270	44,214	14,813
Amount	3,452,820	694,403	553,617	458,205	879,136	867,458
Number of farm returns	63,679	36,296	11,885	7,072	6,403	2,023
Net capital gain (less loss) in AGI: Number	627,470	267,273	107,726	87,966	116,142	48,363
Amount	10,440,168	745,428	491,498	552,608	1,499,578	7,151,056
Taxable Individual Retirement Arrangements distributions: Number	287,294	159,577	51,376	34,737	33,203	8,401
Amount	3,327,790	998,147	591,385	549,289	792,030	396,940
Taxable pensions and annuities in AGI: Number	539,483	304,865	96,930	64,450	59,470	13,768
Amount	8,961,269	2,983,905	1,902,256	1,603,961	1,916,149	554,997
Unemployment compensation [4]: Number	281,910	181,741	56,916	28,272	14,065	916
Amount	833,971	536,076	170,413	81,800	42,181	3,501
Taxable Social Security benefits in AGI: Number	315,449	145,510	75,842	44,404	38,359	11,334
Amount	3,387,610	687,921	1,004,566	751,149	707,896	236,079
Self-employment retirement plans: Number	20,021	2,852	2,723	2,848	6,413	5,185
Amount	274,770	16,955	18,429	24,084	83,970	131,330
Total itemized deductions [5]: Number	1,072,360	314,706	257,091	214,955	225,804	59,804
Amount	23,062,585	4,534,966	4,312,426	4,188,509	5,765,415	4,261,270
State and local income taxes: Number	993,917	249,923	249,788	211,764	223,370	59,072
Amount	5,847,740	484,251	847,781	1,028,163	1,656,082	1,831,465
State and local general sales tax: Number	68,306	54,804	7,128	3,277	2,385	712
Amount	66,746	38,966	15,030	5,005	5,437	2,309
Real estate taxes: Number	984,808	271,591	237,456	203,429	215,984	56,348
Amount	3,956,640	840,620	790,058	778,534	1,051,293	496,135
Taxes paid: Number	1,073,731	314,456	257,906	215,522	226,014	59,833
Amount	10,069,659	1,395,696	1,679,374	1,838,919	2,757,365	2,398,305
Mortgage interest paid: Number	892,650	237,738	222,766	190,975	194,587	46,584
Amount	7,916,209	1,655,749	1,721,027	1,595,911	1,971,785	971,737
Contributions: Number	853,765	205,778	199,860	183,892	207,080	57,155
Amount	2,734,793	312,280	358,569	383,299	649,799	1,030,846
Taxable income: Number	2,211,384	1,217,600	422,037	267,622	242,666	61,459
Amount	101,315,260	17,118,075	16,796,178	15,861,895	23,109,094	28,430,020
Total tax credits [6]: Number	935,004	416,195	204,893	153,753	127,738	32,425
Amount	1,035,405	273,389	296,355	251,785	140,352	73,525
Residential energy tax credit: Number	120,194	32,011	33,275	25,966	24,359	4,583
Amount	23,657	5,637	6,332	5,141	5,228	1,318
Child tax credit: Number	501,636	193,660	137,131	101,252	69,554	39
Amount	674,625	167,868	225,191	179,164	102,362	40
Child and dependent care credit: Number	106,938	28,140	26,276	24,581	24,414	3,527
Amount	47,414	12,059	11,776	11,397	10,655	1,527
Earned income credit [7]: Number	340,967	340,967	0	0	0	0
Amount	605,637	605,636	0	0	0	0
Excess earned income credit (refundable) [8]: Number	294,264	294,264	0	0	0	0
Amount	536,571	536,570	0	0	0	0
Alternative minimum tax: Number	63,512	1,039	621	1,079	14,704	46,069
Amount	327,069	1,581	845	2,089	28,197	294,358
Income tax [9]: Number	2,022,082	1,049,973	403,121	265,304	242,227	61,457
Amount	17,117,927	1,828,978	2,042,725	2,024,261	3,862,548	7,359,416
Total tax liability [10]: Number	2,128,893	1,149,899	409,008	266,052	242,453	61,481
Amount	17,946,150	2,092,540	2,184,679	2,136,222	4,042,861	7,489,847
Tax due at time of filing [11]: Number	561,307	255,422	107,278	68,834	96,060	33,713
Amount	2,046,787	214,930	189,600	158,030	407,287	1,076,941
Overpayments refunded [12]: Number	2,065,897	1,412,558	306,680	191,910	136,252	18,497
Amount	4,287,779	2,134,852	781,625	584,760	530,956	255,585

Footnotes at end of table.

Selected Historical and Other Data

Table 2. Individual Income and Tax Data, by State and Size of Adjusted Gross Income, Tax Year 2007 *—Continued

[Money amounts are in thousands of dollars]

State and item	All returns	Size of adjusted gross income				
		Under \$50,000 [1]	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)
WYOMING						
Number of returns	284,489	179,540	43,023	28,019	25,996	7,911
Number of joint returns	116,641	37,963	26,581	22,862	22,756	6,479
Number with paid preparer's signature	157,350	89,202	26,278	17,392	17,491	6,987
Number of exemptions	532,005	262,682	102,311	74,911	71,823	20,278
Adjusted gross income (AGI) [2]	18,951,175	3,194,487	2,660,314	2,416,629	3,364,995	7,314,750
Salaries and wages in AGI [3]: Number	233,126	140,262	38,458	25,385	23,108	5,913
Amount	10,493,058	2,808,203	2,130,446	1,917,066	2,358,632	1,278,710
Taxable interest: Number	130,497	59,454	23,855	18,727	20,828	7,633
Amount	669,171	110,239	48,647	41,934	83,657	384,694
Ordinary dividends: Number	63,266	24,877	11,003	9,032	12,320	6,034
Amount	808,457	54,904	31,469	30,143	73,570	618,372
Business or profession net income (less loss): Number	44,540	22,060	8,008	5,743	6,110	2,619
Amount	574,217	97,704	73,485	64,335	141,938	196,755
Number of farm returns	9,711	4,827	1,604	1,191	1,300	789
Net capital gain (less loss) in AGI: Number	57,939	22,563	9,490	7,977	11,574	6,335
Amount	3,551,210	109,130	55,557	64,462	211,292	3,110,769
Taxable Individual Retirement Arrangements distributions: Number	19,936	9,069	3,909	2,920	3,023	1,015
Amount	279,815	60,446	42,926	44,204	71,770	60,470
Taxable pensions and annuities in AGI: Number	47,634	23,796	9,091	6,581	6,405	1,761
Amount	853,494	268,437	177,719	148,386	183,730	75,223
Unemployment compensation [4]: Number	9,735	6,887	1,645	781	394	28
Amount	30,213	21,051	5,118	2,540	1,393	111
Taxable Social Security benefits in AGI: Number	29,803	12,397	7,044	4,403	4,026	1,933
Amount	321,758	59,329	89,136	69,329	68,025	35,941
Self-employment retirement plans: Number	1,938	254	184	251	611	638
Amount	31,276	1,297	1,447	2,358	8,978	17,198
Total itemized deductions [5]: Number	68,228	18,706	15,446	13,167	15,408	5,501
Amount	1,835,885	299,853	262,307	243,380	344,646	685,698
State and local income taxes: Number	8,333	2,041	1,841	1,488	1,833	1,130
Amount	109,875	4,497	3,475	3,631	7,102	91,171
State and local general sales tax: Number	54,219	14,034	12,178	10,780	12,905	4,322
Amount	70,135	9,744	12,939	14,439	22,113	10,901
Real estate taxes: Number	60,345	14,799	13,592	12,195	14,614	5,145
Amount	121,299	18,904	18,735	17,350	28,325	37,985
Taxes paid: Number	67,721	18,217	15,349	13,165	15,449	5,541
Amount	338,386	39,875	42,157	43,222	67,818	145,314
Mortgage interest paid: Number	57,587	13,913	13,334	11,875	13,965	4,500
Amount	729,112	130,443	126,199	125,757	174,625	172,088
Contributions: Number	47,092	10,506	9,929	9,216	12,396	5,045
Amount	518,508	23,068	28,541	30,875	55,267	380,757
Taxable income: Number	219,167	114,448	42,855	27,988	25,977	7,899
Amount	14,555,774	1,642,251	1,803,100	1,767,207	2,667,201	6,676,015
Total tax credits [6]: Number	86,572	36,394	19,720	14,437	12,135	3,886
Amount	133,468	25,351	29,408	22,813	13,775	42,123
Residential energy tax credit: Number	10,167	2,372	2,683	2,343	2,354	415
Amount	2,242	455	575	499	570	144
Child tax credit: Number	50,495	19,557	14,317	10,112	6,501	8
Amount	70,623	17,875	24,797	18,241	9,702	8
Child and dependent care credit: Number	10,496	3,111	2,575	2,392	2,150	268
Amount	4,983	1,293	1,217	1,232	1,097	145
Earned income credit [7]: Number	33,987	33,987	0	0	0	0
Amount	57,720	57,720	0	0	0	0
Excess earned income credit (refundable) [8]: Number	29,117	29,117	0	0	0	0
Amount	51,358	51,359	0	0	0	0
Alternative minimum tax: Number	4,058	62	150	197	643	3,006
Amount	29,379	1,594	175	389	1,508	25,713
Income tax [9]: Number	202,049	99,277	41,140	27,804	25,931	7,897
Amount	2,749,752	177,231	230,645	241,078	461,421	1,639,375
Total tax liability [10]: Number	213,079	109,623	41,710	27,887	25,957	7,902
Amount	2,867,921	208,310	247,166	255,837	488,333	1,668,276
Tax due at time of filing [11]: Number	57,836	23,536	10,574	7,691	11,622	4,413
Amount	410,407	24,226	23,759	22,799	65,953	273,669
Overpayments refunded [12]: Number	198,306	133,331	31,312	19,409	12,734	1,520
Amount	498,292	215,942	84,690	62,305	51,691	83,663

Footnotes at end of table.

Selected Historical and Other Data

Table 2. Individual Income and Tax Data, by State and Size of Adjusted Gross Income, Tax Year 2007 *—Continued

[Money amounts are in thousands of dollars]

State and item	All returns	Size of adjusted gross income				
		Under \$50,000 [1]	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)
OTHER AREAS [13]						
Number of returns	1,764,892	1,485,984	91,093	49,907	72,253	65,655
Number of joint returns	480,461	324,730	44,626	27,104	41,342	42,659
Number with paid preparer's signature	887,922	706,460	45,219	27,806	50,525	57,912
Number of exemptions	2,926,081	2,230,123	218,858	122,395	176,095	178,610
Adjusted gross income (AGI) [2]	81,775,066	10,230,730	5,576,032	4,309,253	9,978,963	51,680,087
Salaries and wages in AGI [3]: Number	887,888	650,548	76,751	42,679	61,828	56,082
Amount	74,545,671	19,855,451	5,794,654	4,336,065	9,727,024	34,832,478
Taxable interest: Number	608,328	408,779	52,045	33,839	55,523	58,142
Amount	2,675,741	526,046	160,978	128,540	296,452	1,563,726
Ordinary dividends: Number	260,721	128,356	27,516	20,042	37,321	47,486
Amount	4,463,470	371,582	142,466	125,881	326,783	3,496,756
Business or profession net income (less loss): Number	76,301	50,403	7,114	4,490	7,673	6,621
Amount	2,257,218	669,248	170,271	125,140	339,616	952,943
Number of farm returns	2,426	1,210	248	173	350	445
Net capital gain (less loss) in AGI: Number	323,472	195,066	26,917	19,178	35,649	46,662
Amount	13,439,920	972,541	384,941	330,419	960,484	10,791,535
Taxable Individual Retirement Arrangements distributions: Number	25,249	13,963	3,633	2,364	3,329	1,960
Amount	473,177	133,281	64,661	53,321	106,682	115,233
Taxable pensions and annuities in AGI: Number	114,904	70,676	15,376	9,597	12,567	6,688
Amount	2,637,213	1,051,931	409,854	295,172	490,942	389,312
Unemployment compensation [4]: Number	8,304	5,709	1,138	536	635	286
Amount	44,304	28,704	6,706	2,989	3,684	2,220
Taxable Social Security benefits in AGI: Number	37,984	20,894	6,364	3,622	4,624	2,480
Amount	383,093	142,706	75,704	52,518	70,786	41,378
Self-employment retirement plans: Number	4,239	739	295	262	707	2,236
Amount	119,040	7,618	4,672	3,750	15,109	87,892
Total itemized deductions [5]: Number	457,379	322,865	32,806	21,796	39,097	40,815
Amount	5,358,433	1,240,270	449,076	368,029	849,224	2,451,833
State and local income taxes: Number	92,967	30,333	10,935	9,059	19,430	23,210
Amount	1,111,175	58,122	44,227	46,510	150,472	811,846
State and local general sales tax: Number	278,514	234,731	14,908	8,268	11,979	8,628
Amount	731,936	300,168	47,566	33,865	75,448	274,891
Real estate taxes: Number	92,185	24,002	12,593	10,246	21,227	24,117
Amount	436,437	74,892	39,346	34,262	89,286	198,650
Taxes paid: Number	402,505	277,541	30,102	20,227	36,623	38,012
Amount	2,382,699	466,969	142,585	123,045	332,267	1,317,830
Mortgage interest paid: Number	104,330	28,120	14,702	11,293	22,837	27,378
Amount	1,852,489	330,478	178,270	146,501	329,816	867,424
Contributions: Number	126,669	53,225	14,141	10,776	21,476	27,051
Amount	752,378	62,819	44,126	39,768	93,605	512,060
Taxable income: Number	757,450	479,469	90,499	49,734	72,132	65,616
Amount	70,864,305	6,135,117	3,973,680	3,341,098	8,401,820	49,012,590
Total tax credits [6]: Number	309,372	138,955	47,843	27,152	42,801	52,621
Amount	7,799,044	146,243	167,174	148,777	576,037	6,760,813
Residential energy tax credit: Number	4,137	897	780	618	1,103	739
Amount	4,418	261	266	202	534	3,156
Child tax credit: Number	87,814	47,893	22,438	10,961	6,510	12
Amount	101,768	41,272	34,038	17,757	8,689	12
Child and dependent care credit: Number	20,991	9,425	4,700	2,212	2,758	1,896
Amount	12,987	5,759	3,035	1,370	1,638	1,184
Earned income credit [7]: Number	27,105	27,105	0	0	0	0
Amount	49,869	49,870	0	0	0	0
Excess earned income credit (refundable) [8]: Number	25,455	25,455	0	0	0	0
Amount	48,455	48,455	0	0	0	0
Alternative minimum tax: Number	77,787	44,699	4,161	3,092	9,119	16,716
Amount	165,323	18,989	5,589	4,746	20,380	115,619
Income tax [9]: Number	687,438	435,401	77,991	45,336	66,663	62,047
Amount	10,774,836	646,452	500,763	477,580	1,327,986	7,822,055
Total tax liability [10]: Number	855,850	601,782	79,063	45,707	67,047	62,251
Amount	11,421,505	1,100,854	523,557	493,511	1,361,188	7,942,396
Tax due at time of filing [11]: Number	305,347	201,487	23,736	16,287	30,953	32,884
Amount	1,767,887	288,383	80,287	78,277	228,918	1,092,019
Overpayments refunded [12]: Number	968,878	826,874	59,436	28,861	32,271	21,436
Amount	2,779,142	1,499,732	247,191	144,642	233,405	654,175

Footnotes at end of table.

Selected Historical and Other Data

Table 2. Individual Income and Tax Data, by State and Size of Adjusted Gross Income, Tax Year 2007 *—Continued

Footnotes

* Data for Tax Year 2007 includes returns that were filed by individuals only to receive the economic stimulus payment and who had no other reason to file. This may affect the data for various items shown in the table such as the total number of returns filed (including joint and paid preparer returns), number of exemptions, salaries and wages, and adjusted gross income.

** Not shown to avoid disclosure of information about specific taxpayers. However, the data are combined with data in an adjacent size class, as appropriate, and included in the appropriate totals.

[1] Includes returns with adjusted gross deficit.

[2] Less deficit.

[3] "Number," here, and elsewhere in Table 2, represents number of returns, unless otherwise specified.

[4] Includes the Alaskan permanent fund, reported by residents of Alaska on Forms 1040A and 1040EZ's. This fund only applies to statistics in the U.S. totals, and the state of Alaska.

[5] "Itemized deductions" include any amounts reported by the taxpayer, even if they could not be used in computing "taxable income," the base on which the regular income tax was computed. Thus, total itemized deductions include amounts that did not have to be reported by taxpayers with no "adjusted gross income." (Adjusted gross income is the total from which these deductions would normally be subtracted.) In addition, if standard and itemized deductions were both reported on a tax return, the form of deduction actually used in computing income tax was the one used for the statistics. Therefore, if the standard deduction was the form of deduction used, the total reported for itemized deductions was excluded from the statistics. However, the component deductions were not similarly excluded. As a result, the number of returns and related amounts for the component deductions are slightly overstated in relation to the grand total shown for itemized deductions. These components are also overstated in relation to the total because there was a statutory limitation on the total of itemized deductions that could be claimed by certain high-income taxpayers. This limitation did not affect the component deductions, the sum of which therefore exceeded the total used in computing income tax.

[6] Unlike Table 1, Table 2's "Total tax credits" excludes the "earned income credit" which is shown separately below in the table.

[7] "Earned income credit" includes both the refundable and non-refundable portions. The non-refundable portion could reduce income tax and certain related taxes to zero. The earned income credit amounts in excess of total tax liability, or amounts when there was no tax liability at all, were refundable. See footnote 8 below for explanation of the refundable portion of the earned income credit.

[8] The refundable portion of the "earned income credit" equals "total income tax" minus the "earned income credit". If the result is negative, this amount is considered the refundable portion.

[9] "Income tax" is in general, the same as "income tax after credits" which was redefined in Tax Year 2000 to include the "alternative minimum tax (AMT)". Table 2 "Income tax" differs from "total income tax" (in Tables 1 and 3) in that Table 2 "Income tax" is after the subtraction of all tax credits except the earned income credit. See footnotes 7 and 8 above, for an explanation of the treatment of the earned income credit. "Income tax" reflects the amount reported on the tax return and is, therefore, before any examination or enforcement activities by the Internal Revenue Service. It represents the tax filer reported income tax liability that was payable to the U.S. Department of the Treasury.

[10] For Table 2, "Total tax liability" differs from "Income tax," in that "Total tax liability" includes the taxes from recapture of certain prior-year credits, tax applicable to individual retirement arrangements (IRA's), Social Security taxes on self-employment income and on certain tip income, advanced earned income payments, household employment taxes, and certain "other taxes" listed in the Form 1040 instructions.

[11] Reflects payments to or withholdings made to "Total tax liability" (footnote 10). The amount the tax filer owes when the income tax return is filed.

[12] The amount of overpayments the tax filer requested to have refunded.

[13] Includes, for example, returns filed from Army Post Office and Fleet Post Office addresses by members of the armed forces stationed overseas; returns filed by other U.S. citizens abroad; and returns filed by residents of Puerto Rico with income from sources outside Puerto Rico or with income earned as U.S. government employees.

NOTES: This table presents aggregates of all returns filed and processed through the Individual Master File (IMF) system during Calendar Year 2008, including any returns filed for tax years preceding 2007.

In general, during administrative or Master File processing, taxpayer reporting discrepancies are corrected only to the extent necessary to verify the total tax liability reported. Most of the other corrections to the taxpayer records used for these statistics could not be made because of time and resource constraints. The statistics in Table 2 should, therefore, be used with the knowledge that some of the data have not been perfected or edited for statistical purposes and that U.S. totals in this table may not be altogether comparable to U.S. totals in Tables 1 and 3, as a result. Also, see footnote 13, above for differences in tax return coverage, which affects U.S. totals in this table.

Classification by State was usually based on the taxpayer's home address. However, some taxpayers may have used the address of a tax lawyer, or accountant, or the address of a place of business; moreover, such addresses could each have been located in a State other than the State in which the taxpayer resided.

For explanation of the tax law changes which could affect the year-to-year analysis of data, refer to the respective years' "Individual Income Tax Returns, Preliminary Data" article published in the *SOI Spring Bulletin*. For further explanation of the tax terms, refer to the respective years' "Individual Income Tax Returns," Publication 1304.

Detail may not add to totals because of rounding.

SOURCE: IRS, Statistics of Income Division, Individual Master File System, May 2009.

Selected Historical and Other Data

Table 3. Number of Individual Income Tax Returns, Income, Exemptions and Deductions, Tax, and Average Tax, by Size of Adjusted Gross Income, Tax Years 2004-2006

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

Size of adjusted gross income	Number of returns			Adjusted gross income or deficit		
	2004	2005	2006	2004	2005	2006
	(1)	(2)	(3)	(4)	(5)	(6)
Total	132,226,042	134,372,678	138,394,754	6,788,805,130	7,422,495,663	8,030,842,945
No adjusted gross income [1]	1,854,886	1,761,041	2,675,594	-86,318,215	- 85,463,023	- 91,196,610
\$1 under \$1,000	1,767,390	1,741,077	1,702,446	984,991	965,633	912,127
\$1,000 under \$3,000	4,812,040	4,846,314	4,822,499	9,793,284	9,721,344	9,745,264
\$3,000 under \$5,000	5,091,014	4,889,025	5,108,425	20,318,047	19,509,743	20,347,084
\$5,000 under \$7,000	4,789,612	4,878,808	4,780,363	28,729,457	29,202,872	28,635,713
\$7,000 under \$9,000	5,010,688	4,850,757	4,776,483	39,981,535	38,715,024	38,171,731
\$9,000 under \$11,000	4,813,678	4,745,452	4,458,082	48,205,019	47,451,175	44,577,760
\$11,000 under \$13,000	4,619,552	4,742,849	4,869,072	55,322,510	56,894,461	58,348,028
\$13,000 under \$15,000	4,558,080	4,532,055	4,614,426	63,779,262	63,524,448	64,617,124
\$15,000 under \$17,000	4,598,321	4,611,777	4,516,328	73,531,516	73,840,131	72,319,682
\$17,000 under \$19,000	4,504,928	4,367,978	4,343,217	81,105,296	78,617,916	78,207,671
\$19,000 under \$22,000	6,160,471	6,288,654	6,054,724	126,011,160	128,779,518	124,048,918
\$22,000 under \$25,000	5,722,762	5,642,356	5,935,685	134,278,064	132,412,213	139,324,447
\$25,000 under \$30,000	8,512,113	8,738,106	8,749,761	233,540,422	239,954,731	240,252,128
\$30,000 under \$40,000	13,915,453	13,940,404	14,151,823	482,760,301	483,976,301	492,158,139
\$40,000 under \$50,000	10,571,409	10,618,507	10,687,193	473,380,843	475,518,617	478,795,699
\$50,000 under \$75,000	18,047,126	18,351,037	18,854,917	1,109,616,155	1,127,666,344	1,158,386,347
\$75,000 under \$100,000	10,119,515	10,449,989	11,140,408	872,398,173	900,479,216	960,841,319
\$100,000 under \$200,000	9,735,569	10,810,367	12,088,423	1,288,319,611	1,430,580,576	1,606,322,715
\$200,000 under \$500,000	2,348,163	2,737,802	3,121,485	676,794,600	788,882,363	895,151,023
\$500,000 under \$1,000,000	433,145	524,506	589,306	293,369,864	355,220,796	399,608,986
\$1,000,000 under \$1,500,000	103,964	127,925	150,431	125,552,749	154,799,533	182,043,576
\$1,500,000 under \$2,000,000	45,104	56,615	64,007	77,754,757	97,512,430	110,211,789
\$2,000,000 under \$5,000,000	65,548	84,070	98,724	194,470,800	250,611,839	295,129,497
\$5,000,000 under \$10,000,000	15,835	21,431	24,975	108,191,995	146,846,621	171,407,703
\$10,000,000 or more	9,677	13,776	15,956	256,932,933	376,274,843	452,475,087

Size of adjusted gross income	Personal exemptions and total deductions			Taxable income [2]		
	2004	2005	2006	2004	2005	2006
	(7)	(8)	(9)	(10)	(11)	(12)
Total	2,359,861,118	2,542,462,832	2,728,613,083	4,670,165,637	5,137,165,874	5,579,145,443
No adjusted gross income [1]	9,328,549	9,179,786	13,701,043	0	0	0
\$1 under \$1,000	10,716,508	11,170,254	12,315,177	9,691	6,673	3,801
\$1,000 under \$3,000	30,432,889	31,970,722	31,970,409	289,949	379,934	366,183
\$3,000 under \$5,000	41,395,297	40,388,212	43,845,820	340,921	454,185	594,780
\$5,000 under \$7,000	45,069,558	46,717,866	47,007,063	1,796,890	1,692,642	1,577,135
\$7,000 under \$9,000	52,766,531	52,986,696	53,043,876	3,392,909	3,076,344	2,974,954
\$9,000 under \$11,000	55,587,385	55,467,845	53,370,485	6,675,881	6,342,304	5,692,867
\$11,000 under \$13,000	56,458,759	59,184,532	62,136,799	10,408,324	10,121,981	10,035,913
\$13,000 under \$15,000	57,684,267	58,090,244	61,121,835	14,476,845	14,122,879	13,903,555
\$15,000 under \$17,000	59,722,085	61,915,775	61,123,804	19,767,376	19,169,320	18,524,685
\$17,000 under \$19,000	59,605,274	59,878,268	60,782,227	25,136,857	23,483,891	22,831,324
\$19,000 under \$22,000	84,290,194	88,502,307	86,371,080	45,497,638	45,011,283	42,603,059
\$22,000 under \$25,000	79,677,101	81,169,150	87,403,975	56,725,067	54,231,809	55,399,757
\$25,000 under \$30,000	122,805,010	130,106,001	132,612,665	113,029,248	113,233,998	111,592,271
\$30,000 under \$40,000	215,492,251	224,426,890	231,077,029	269,409,156	263,351,029	265,074,214
\$40,000 under \$50,000	184,621,322	192,338,404	195,839,398	290,236,146	285,012,457	284,972,063
\$50,000 under \$75,000	381,425,867	400,417,790	416,527,454	729,503,069	730,304,487	743,787,518
\$75,000 under \$100,000	262,607,828	279,443,967	301,541,642	610,458,963	621,931,963	660,346,861
\$100,000 under \$200,000	326,060,860	377,417,890	426,410,253	962,802,185	1,054,728,764	1,181,233,605
\$200,000 under \$500,000	111,781,085	132,822,152	164,119,623	565,602,397	657,160,850	731,857,821
\$500,000 under \$1,000,000	33,453,478	42,108,871	51,853,360	260,116,504	313,445,881	348,055,997
\$1,000,000 under \$1,500,000	12,904,342	16,522,298	20,623,649	112,688,920	138,339,811	161,556,432
\$1,500,000 under \$2,000,000	7,839,873	9,766,863	12,160,514	69,942,269	87,812,010	98,151,682
\$2,000,000 under \$5,000,000	18,613,228	24,288,273	30,378,857	176,063,515	226,492,549	265,082,448
\$5,000,000 under \$10,000,000	10,354,672	14,074,276	17,735,326	97,901,784	132,899,011	153,833,151
\$10,000,000 or more	29,166,907	42,107,503	53,539,719	227,893,131	334,359,818	399,093,365

Footnotes at end of table.

Selected Historical and Other Data

Table 3. Number of Individual Income Tax Returns, Income, Exemptions and Deductions, Tax, and Average Tax, by Size of Adjusted Gross Income, Tax Years 2004-2006—Continued

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

Size of adjusted gross income	Total income tax			Percentage of returns showing no total income tax		
	2004	2005	2006	2004	2005	2006
	(13)	(14)	(15)	(16)	(17)	(18)
Total	831,976,333	934,835,769	1,023,920,139	32.6	32.6	33.0
No adjusted gross income [1]	86,064	133,370	181,211	99.8	99.7	99.8
\$1 under \$1,000	726	486	200	95.2	95.8	97.6
\$1,000 under \$3,000	22,658	34,346	28,971	92.3	90.8	90.1
\$3,000 under \$5,000	31,691	37,962	59,514	94.1	94.0	93.4
\$5,000 under \$7,000	171,582	161,280	153,267	70.1	70.5	70.9
\$7,000 under \$9,000	311,163	293,083	293,604	72.2	73.5	75.7
\$9,000 under \$11,000	555,337	524,789	474,909	53.4	54.1	56.5
\$11,000 under \$13,000	921,669	904,949	893,416	50.8	51.0	50.6
\$13,000 under \$15,000	1,244,855	1,208,101	1,212,323	51.5	50.6	51.3
\$15,000 under \$17,000	1,733,670	1,668,868	1,587,695	49.1	49.4	50.4
\$17,000 under \$19,000	2,264,302	2,063,414	2,014,841	42.8	45.3	47.4
\$19,000 under \$22,000	4,023,617	4,013,294	3,753,564	41.3	40.9	42.2
\$22,000 under \$25,000	5,091,570	4,884,863	4,904,870	38.1	39.2	40.2
\$25,000 under \$30,000	10,675,321	10,707,197	10,396,566	31.3	33.0	34.0
\$30,000 under \$40,000	28,213,040	27,284,638	27,293,090	18.9	20.3	21.2
\$40,000 under \$50,000	33,915,520	32,877,219	32,509,508	10.4	12.2	12.7
\$50,000 under \$75,000	92,955,349	92,824,047	94,443,395	3.9	4.7	5.5
\$75,000 under \$100,000	85,557,202	85,986,486	90,019,371	1.0	1.2	1.4
\$100,000 under \$200,000	175,205,533	189,468,358	209,381,101	0.2	0.4	0.4
\$200,000 under \$500,000	139,227,163	159,395,393	177,041,086	0.1	0.2	0.2
\$500,000 under \$1,000,000	71,339,306	84,700,059	94,213,951	0.1	0.2	0.2
\$1,000,000 under \$1,500,000	31,072,424	38,052,580	44,125,224	0.1	0.2	0.2
\$1,500,000 under \$2,000,000	19,435,625	23,941,620	26,721,295	0.1	0.2	0.2
\$2,000,000 under \$5,000,000	47,962,105	60,871,637	71,647,095	0.1	0.2	0.2
\$5,000,000 under \$10,000,000	25,756,272	34,529,011	39,556,521	0.1	0.2	0.2
\$10,000,000 or more	54,202,568	78,268,719	91,013,554	0.1	0.3	0.2

Size of adjusted gross income	Returns showing total income tax					
	Average tax (whole dollars)			Tax as a percentage of AGI		
	2004	2005	2006	2004	2005	2006
	(19)	(20)	(21)	(22)	(23)	(24)
Total	9,337	10,319	11,041	13.3	13.6	13.8
No adjusted gross income [1]	18,890	27,319	28,759	[3]	[3]	[3]
\$1 under \$1,000	9	7	5	1.0	0.7	0.5
\$1,000 under \$3,000	61	77	61	3.2	4.0	3.2
\$3,000 under \$5,000	105	129	176	2.5	3.3	4.5
\$5,000 under \$7,000	120	112	110	2.0	1.9	1.8
\$7,000 under \$9,000	223	228	253	2.7	2.8	3.1
\$9,000 under \$11,000	247	241	245	2.5	2.4	2.4
\$11,000 under \$13,000	406	390	371	3.4	3.2	3.1
\$13,000 under \$15,000	563	539	540	4.0	3.9	3.9
\$15,000 under \$17,000	740	715	709	4.6	4.5	4.4
\$17,000 under \$19,000	879	863	881	4.9	4.8	4.9
\$19,000 under \$22,000	1,113	1,080	1,073	5.4	5.3	5.2
\$22,000 under \$25,000	1,437	1,423	1,382	6.1	6.1	5.9
\$25,000 under \$30,000	1,825	1,828	1,800	6.6	6.6	6.5
\$30,000 under \$40,000	2,500	2,457	2,446	7.2	7.1	7.0
\$40,000 under \$50,000	3,582	3,526	3,485	8.0	7.9	7.8
\$50,000 under \$75,000	5,357	5,307	5,300	8.7	8.6	8.6
\$75,000 under \$100,000	8,538	8,324	8,198	9.9	9.7	9.5
\$100,000 under \$200,000	18,028	17,597	17,388	13.6	13.3	13.1
\$200,000 under \$500,000	59,350	58,339	56,831	20.6	20.2	19.8
\$500,000 under \$1,000,000	164,839	161,826	160,215	24.3	23.9	23.6
\$1,000,000 under \$1,500,000	299,098	298,155	293,972	24.8	24.6	24.3
\$1,500,000 under \$2,000,000	431,280	423,783	418,416	25.0	24.6	24.3
\$2,000,000 under \$5,000,000	732,235	725,829	727,197	24.7	24.4	24.3
\$5,000,000 under \$10,000,000	1,627,363	1,615,166	1,587,086	23.8	23.6	23.1
\$10,000,000 or more	5,604,070	5,695,999	5,713,702	21.1	20.9	20.1

Footnotes at end of table.

Selected Historical and Other Data

Table 3. Number of Individual Income Tax Returns, Income, Exemptions and Deductions, Tax, and Average Tax, by Size of Adjusted Gross Income, Tax Years 2004-2006—Continued

Footnotes

[1] In addition to low-income taxpayers, this size class (and others) includes taxpayers with "tax preferences," not reflected in "adjusted gross income" or "taxable income," which are subject to the "alternative minimum tax" (included in "total income tax"), defined in Table 1, footnote 34.

[2] "Adjusted gross income" (AGI) minus "personal exemptions and total deductions" will not equal "taxable income" because the total of deductions and exemptions could exceed AGI and, therefore, includes amounts that could not be used in computing "taxable income."

[3] Not computed.

NOTES: Detail may not add to totals because of rounding. All amounts are in current dollars. Most of the data are subject to sampling error. Tax law and tax form changes affect the year-to-year comparability of the data. Percentages shown in this table are based on dollar amounts rounded to the units indicated in the specific table heading. Therefore, they may not be as precise as percentages based on the fuller dollar amounts found in tables contained in the source publications or articles which underlie the historical tables presented in this section of the *Bulletin*.

SOURCE: *Statistics of Income—Individual Income Tax Returns*, appropriate years.

Selected Historical and Other Data

Table 4. Comparison of Personal Income in the National Income and Product Accounts (NIPA) with Adjusted Gross Income (AGI), for Specified Tax Years, 1995-2005

[All figures are estimates—money amounts are in billions of dollars]

Income and adjustment items	1995	2000	2002	2003	2004	2005
	(1)	(2)	(3)	(4)	(5)	(6)
Personal income (per NIPA) [1]	6,152.3	8,429.7	8,881.9	9,163.6	9,727.2	10,301.1
Less: Portion of personal income not included in AGI	2,234.2	2,971.3	3,243.9	3,368.7	3,575.8	3,662.4
Nontaxable transfer payments	797.5	962.0	1,126.5	1,187.3	1,262.4	1,350.1
Employer contributions to employee pension and insurance funds	493.6	609.9	745.1	815.6	868.5	927.7
Imputed income [2]	186.7	265.8	294.8	271.6	274.1	208.4
Investment income of life insurance carriers and pension plans	369.1	497.3	432.0	429.2	435.3	492.1
Investment income received by nonprofit institutions or retained by fiduciaries	60.0	75.6	60.0	55.8	62.1	63.7
Net differences in accounting treatment (NIPA vs. IRS)	83.8	159.4	146.0	142.0	157.3	43.0
Other excluded or tax-exempt income	243.4	401.4	439.5	467.2	516.2	577.4
Plus: Portion of AGI not included in personal income	841.7	1,667.1	1,338.9	1,440.0	1,735.1	2,069.7
Personal contributions for social insurance	268.8	359.2	384.8	396.5	420.5	445.7
Net gain from the sale of assets	167.4	645.4	236.4	294.0	476.2	671.7
Taxable pensions	293.2	414.2	462.7	491.4	522.7	560.0
Small business corporation income	79.2	128.2	138.5	148.6	195.1	250.7
Other types of income	33.2	120.0	116.5	109.4	120.6	141.6
Equals: BEA-derived adjusted gross income	4,759.8	7,125.4	6,976.8	7,234.9	7,886.4	8,708.4
Adjusted gross income, IRS	4,189.4	6,365.4	6,033.6	6,207.1	6,788.8	7,422.5
Adjusted gross income (AGI) gap [3]	570.4	760.1	943.2	1,027.8	1,097.6	1,285.9
AGI gap as a percentage of BEA-derived AGI	12.0	10.7	13.5	14.2	13.9	14.8
AGI of IRS as a percentage of BEA-derived AGI	88.0	89.3	86.5	85.8	86.1	85.2

[1] Reflects changes made to data as part of the 2003 Comprehensive Revision of the National Income and Product Accounts (NIPAs). For details of this revision, see the Bureau of Economic Analysis Web site at: <http://www.bea.gov/bea/dn/2003benchmark/CR2003content.htm>.

[2] Consists of imputed rental income of owner-occupied nonfarm dwellings (less actual rental income and subsidies); services to individuals furnished without payment by certain financial intermediaries; premium supplements to individuals for property and casualty insurance; farm products consumed on farms; food furnished to employees, including military and domestic service; clothing issued to military personnel; employee's lodging; and imputed income of individuals participating in the construction of their own housing.

[3] Consists of income earned by low-income individuals who are not required to file income tax returns, of unreported income that is included in the NIPA measure, and of errors and omissions which comprise items in the portion of personal income not included in AGI and the portion of AGI not included in personal income. Also includes the net effect of errors in the IRS adjusted gross income and NIPA personal income measures. Such errors can arise from the sample used by the IRS to estimate AGI and from the source data used by BEA to estimate personal income (per NIPA).

NOTES: Detail may not add to totals because of rounding. All amounts are in current dollars. Tax law and tax form changes affect the year-to-year comparability of the data.

SOURCE: U.S. Department of Commerce, Bureau of Economic Analysis.

Selected Historical and Other Data

Table 5. Personal Income and Total Adjusted Gross Income Based on Individual Income Tax Returns per National Income and Product Accounts (NIPA), Tax Years 1950-2005

[All figures are estimates—money amounts are in billions of dollars]

Tax year	Personal income (per NIPA) [1,2]	Total adjusted gross income (AGI) (per NIPA) [1,2,3]	Difference	
			Amount [2,3]	Percentage of personal income [2,3]
	(1)	(2)	(3)	(4)
1950	229.0	202.5	26.5	11.6
1951	258.0	229.3	28.7	11.1
1952	275.4	241.6	33.8	12.3
1953	291.9	256.1	35.8	12.3
1954	294.5	257.3	37.2	12.6
1955	316.1	278.7	37.4	11.8
1956	339.6	299.4	40.2	11.8
1957	358.7	312.6	46.1	12.9
1958	369.0	315.8	53.2	14.4
1959	392.8	341.8	51.0	13.0
1960	411.5	354.0	57.5	14.0
1961	429.0	368.0	61.0	14.2
1962	456.7	390.0	66.7	14.6
1963	479.6	411.0	68.6	14.3
1964	514.6	443.9	70.7	13.7
1965	555.7	480.6	75.1	13.5
1966	603.9	521.2	82.7	13.7
1967	648.3	551.3	97.0	15.0
1968	712.0	605.6	106.4	14.9
1969	778.5	659.8	118.7	15.2
1970	838.8	696.4	142.4	17.0
1971	903.5	742.8	160.7	17.8
1972	992.7	824.5	168.2	16.9
1973	1,110.7	925.0	185.7	16.7
1974	1,222.6	1,003.5	219.1	17.9
1975	1,335.0	1,046.8	288.2	21.6
1976	1,474.8	1,168.0	306.8	20.8
1977	1,633.2	1,296.1	337.1	20.6
1978	1,837.7	1,466.4	371.3	20.2
1979	2,062.2	1,654.1	408.1	19.8
1980	2,307.9	1,830.3	477.6	20.7
1981	2,591.3	2,016.3	575.0	22.2
1982	2,775.3	2,098.6	676.7	24.4
1983	2,960.7	2,225.6	735.1	24.8
1984	3,289.5	2,472.6	816.9	24.8
1985	3,526.7	2,631.6	895.1	25.4
1986	3,722.4	2,853.2	869.2	23.4
1987	3,947.4	3,121.1	826.3	20.9
1988	4,253.7	3,411.9	841.8	19.8
1989	4,587.8	3,649.7	938.1	20.4
1990	4,878.6	3,798.4	1,080.2	22.1
1991	5,051.0	3,856.8	1,194.2	23.6
1992	5,362.0	4,092.0	1,270.0	23.7
1993	5,558.5	4,245.4	1,313.1	23.6
1994	5,842.5	4,473.7	1,368.8	23.4
1995	6,152.3	4,759.8	1,392.5	22.6
1996	6,520.6	5,144.5	1,376.1	21.1
1997	6,915.1	5,578.0	1,337.1	19.3
1998	7,423.0	6,120.2	1,302.8	17.6
1999	7,802.4	6,553.5	1,248.9	16.0
2000	8,429.7	7,125.4	1,304.3	15.5
2001	8,724.1	7,005.0	1,719.1	19.7
2002	8,881.9	6,976.8	1,905.1	21.4
2003	9,163.6	7,234.9	1,928.7	21.0
2004	9,727.2	7,886.4	1,840.8	18.9
2005	10,301.1	8,708.4	1,592.7	15.5

Footnotes at end of table.

Table 5. Personal Income and Total Adjusted Gross Income Based on Individual Income Tax Returns per National Income and Product Accounts (NIPA), Tax Years 1950-2005—Continued

Footnotes

[1] See Table 4 for the differences between "personal income" and "adjusted gross income" (AGI).

[2] Reflects changes made to data as part of the 2003 Comprehensive Revision of the National Income and Product Accounts (NIPAs). For details of this revision, see the Bureau of Economic Analysis Web site at <http://www.bea.gov/bea/dn/2003benchmark/CR2003content.htm>.

[3] Data for years 1987 and after are not comparable to pre-1987 data because of major changes in the definition of "adjusted gross income" (AGI).

NOTES: Detail may not add to totals because of rounding. All amounts are in current dollars. Most of the data are subject to sampling error. Tax law and tax form changes affect the year-to-year comparability of the data. Percentages shown in this table are based on dollar amounts rounded to the units indicated in the specific table heading. Therefore, they may not be as precise as percentages based on the fuller dollar amounts found in tables contained in the source publications or articles which underlie the historical tables presented in this section of the *Bulletin*.

SOURCE: Data on "personal income" and "adjusted gross income" (AGI) (per NIPAs) are from U.S. Department of Commerce, Bureau of Economic Analysis.

Selected Historical and Other Data

Table 6. Total Adjusted Gross Income Estimated From National Income and Product Accounts (NIPA) and as Reported on Individual Income Tax Returns per Statistics of Income (SOI), Tax Years 1950-2005

[All figures are estimates—money amounts are in billions of dollars]

Tax year	Adjusted gross income (AGI)		Difference	
	Total	Reported on tax	Amount [2]	Percentage of total (per NIPA) [2]
	(per NIPA) [1]	returns (per SOI) [2]		
	(1)	(2)	(3)	(4)
1950	202.5	179.1	23.4	11.6
1951	229.3	202.3	27.0	11.8
1952	241.6	215.3	26.3	10.9
1953	256.1	228.7	27.4	10.7
1954	257.3	229.2	28.1	10.9
1955	278.7	248.5	30.2	10.8
1956	299.4	267.7	31.7	10.6
1957	312.6	280.3	32.3	10.3
1958	315.8	281.2	34.6	11.0
1959	341.8	305.1	36.7	10.7
1960	354.0	315.5	38.5	10.9
1961	368.0	329.9	38.1	10.4
1962	390.0	348.7	41.3	10.6
1963	411.0	368.8	42.2	10.3
1964	443.9	396.7	47.2	10.6
1965	480.6	429.2	51.4	10.7
1966	521.2	468.5	52.7	10.1
1967	551.3	504.8	46.5	8.4
1968	605.6	554.4	51.2	8.5
1969	659.8	603.5	56.3	8.5
1970	696.4	631.7	64.7	9.3
1971	742.8	673.6	69.2	9.3
1972	824.5	746.0	78.5	9.5
1973	925.0	827.1	97.9	10.6
1974	1,003.5	905.5	98.0	9.8
1975	1,046.8	947.8	99.0	9.5
1976	1,168.0	1,053.9	114.1	9.8
1977	1,296.1	1,158.5	137.6	10.6
1978	1,466.4	1,302.4	164.0	11.2
1979	1,654.1	1,465.4	188.7	11.4
1980	1,830.3	1,613.7	216.6	11.8
1981	2,016.3	1,772.6	243.7	12.1
1982	2,098.6	1,852.1	246.5	11.7
1983	2,225.6	1,942.6	283.0	12.7
1984	2,472.6	2,139.9	332.7	13.5
1985	2,631.6	2,306.0	325.6	12.4
1986	2,853.2	2,481.7	371.5	13.0
1987	3,121.1	2,773.8	347.3	11.1
1988	3,411.9	3,083.0	328.9	9.6
1989	3,649.7	3,256.4	393.3	10.8
1990	3,798.4	3,405.4	393.0	10.3
1991	3,856.8	3,464.5	392.3	10.2
1992	4,092.0	3,629.1	462.9	11.3
1993	4,245.4	3,723.3	522.1	12.3
1994	4,473.7	3,907.5	566.2	12.7
1995	4,759.8	4,189.4	570.4	12.0

Footnotes at end of table.

Selected Historical and Other Data

Table 6. Total Adjusted Gross Income Estimated From National Income and Product Accounts (NIPA) and as Reported on Individual Income Tax Returns per Statistics of Income (SOI), Tax Years 1950-2005—Continued

[All figures are estimates—money amounts are in billions of dollars]

Tax year	Adjusted gross income (AGI)		Difference	
	Total (per NIPA) [1]	Reported on tax returns (per SOI) [2]	Amount [2]	Percentage of total (per NIPA) [2]
	(1)	(2)	(3)	(4)
1996	5,144.5	4,536.0	608.5	11.8
1997	5,578.0	4,969.9	608.1	10.9
1998	6,120.2	5,416.0	704.2	11.5
1999	6,553.5	5,855.5	698.0	10.7
2000	7,125.4	6,365.4	760.0	10.7
2001	7,005.0	6,170.6	834.4	11.9
2002	6,976.8	6,033.6	943.2	13.5
2003	7,234.9	6,207.1	1,027.8	14.2
2004	7,886.4	6,788.8	1,097.6	13.9
2005	8,708.4	7,422.5	1,285.9	14.8

[1] Reflects changes made to data as part of the 2003 Comprehensive Revision of the National Income and Product Accounts (NIPAs). For details of this revision, see the Bureau of Economic Analysis Web site at <http://www.bea.gov/bea/dn/2003benchmark/CR2003content.htm>.

[2] Data for years 1987 and after are not comparable to pre-1987 data because of major changes in the definition of "adjusted gross income" (AGI).

NOTES: Detail may not add to totals because of rounding. All amounts are in current dollars. Most of the data are subject to sampling error. Tax law and tax form changes affect the year-to-year comparability of the data. Percentages shown in this table are based on dollar amounts rounded to the units indicated in the specific table heading. Therefore, they may not be as precise as percentages based on the fuller dollar amounts found in tables contained in the source publications or articles which underlie the historical tables presented in this section of the *Bulletin*.

SOURCE: Data on "adjusted gross income" (AGI) (per NIPAs) are from U.S. Department of Commerce, Bureau of Economic Analysis.

Selected Historical and Other Data

Table 7. Standard, Itemized, and Total Deductions Reported on Individual Income Tax Returns, Tax Years 1950-2006

[All figures are estimates based on samples—number of returns is in millions; money amounts are in billions of dollars]

Tax year	Total number of returns	Total deductions		Standard deduction		Itemized deductions	
		Amount [1]	As a percentage of adjusted gross income (AGI) [2]	Number of returns [3]	Amount [4]	Number of returns [3]	Amount [5]
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
1950	53.1	21.9	12.2	42.7	12.0	10.3	9.9
1951	55.4	25.2	12.5	43.9	13.3	11.6	11.9
1952	56.5	27.3	12.7	43.7	13.7	12.8	13.6
1953	57.8	29.8	13.0	43.4	14.2	14.4	15.6
1954	56.7	30.7	13.4	41.0	13.3	15.7	17.4
1955	58.3	33.6	13.5	40.9	13.6	16.9	20.0
1956	59.2	36.4	13.6	40.3	13.8	18.5	22.6
1957	59.8	39.5	14.1	39.3	13.8	20.2	25.7
1958	59.1	40.7	14.5	37.9	13.2	20.8	27.5
1959	60.3	45.4	14.9	37.3	13.4	22.5	32.0
1960	61.0	48.4	15.3	36.5	13.1	24.1	35.3
1961	61.5	51.3	15.6	35.8	12.9	25.3	38.4
1962	62.7	54.8	15.7	35.8	13.1	26.5	41.7
1963	63.9	59.2	16.1	35.4	13.1	28.2	46.1
1964	65.4	67.0	16.9	38.0	20.2	26.9	46.8
1965	67.6	71.4	16.6	39.3	20.6	27.9	50.7
1966	70.2	76.4	16.3	41.2	21.8	28.6	54.6
1967	71.7	81.7	16.2	41.5	22.1	29.8	59.6
1968	73.7	91.3	16.5	41.3	22.1	32.0	69.2
1969	75.8	101.8	16.9	40.5	21.6	34.9	80.2
1970	74.3	120.5	19.1	38.4	32.4	35.4	88.2
1971	74.6	139.9	20.8	43.5	48.1	30.7	91.9
1972	77.6	166.4	22.3	50.2	69.8	27.0	96.7
1973	80.7	180.6	21.8	52.2	73.6	28.0	107.0
1974	83.3	195.5	21.6	53.2	76.1	29.6	119.4
1975	82.2	[r] 223.2	24.6	55.5	100.9	26.1	122.3
1976	84.7	247.6	23.5	58.2	113.8	26.0	133.9
1977	86.6	276.2	23.8	58.8	137.7	22.9	138.5
1978	89.8	304.3	23.4	59.5	139.8	25.8	164.4
1979	92.7	333.0	22.7	60.7	148.8	26.5	184.2
1980	93.9	364.0	22.6	59.5	146.0	29.0	218.0
1981	95.4	401.2	22.6	58.7	144.7	31.6	256.4
1982	95.3	425.2	23.0	56.9	140.2	33.4	284.5
1983	96.3	448.7	23.1	56.2	138.5	35.2	309.6
1984	99.4	499.6	23.3	56.7	139.5	38.2	358.9
1985	101.7	554.7	24.1	57.0	145.0	39.8	405.0
1986	103.0	611.3	24.6	56.5	151.0	40.7	447.1
1987	107.0	607.2	21.9	69.1	215.2	35.6	392.0
1988	109.7	686.0	22.3	76.5	289.6	31.9	395.2
1989	112.1	740.4	22.7	79.3	309.4	32.0	431.0
1990	113.7	789.9	23.2	80.6	331.5	32.2	458.5
1991	114.7	818.8	23.6	81.3	351.1	32.5	467.7
1992	113.6	848.5	23.4	80.1	366.5	32.5	481.9
1993	114.6	872.5	23.4	80.8	382.1	32.8	490.4
1994	115.9	890.8	22.8	81.9	397.1	33.0	493.7
1995	118.2	941.0	22.5	83.2	413.6	34.0	527.4
1996	120.4	998.6	22.0	84.0	426.1	35.4	572.5
1997	122.4	1,062.5	21.4	84.8	441.7	36.6	620.8
1998	124.8	1,135.9	21.0	85.6	459.5	38.2	676.5
1999	127.1	1,205.3	20.6	85.8	464.0	40.2	741.4
2000	129.4	1,293.2	20.3	85.7	470.8	42.5	822.4

Footnotes at end of table.

Selected Historical and Other Data

Table 7. Standard, Itemized, and Total Deductions Reported on Individual Income Tax Returns, Tax Years 1950-2006—Continued

[All figures are estimates based on samples—number of returns is in millions; money amounts are in billions of dollars]

Tax year	Total number of returns	Total deductions		Standard deduction		Itemized deductions	
		Amount [1]	As a percentage of adjusted gross income (AGI) [2]	Number of returns [3]	Amount [4]	Number of returns [3]	Amount [5]
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
2001	130.3	1,366.4	22.1	84.2	[r] 481.9	44.6	884.5
2002	130.1	1,390.1	23.0	82.7	[r] 492.1	45.6	898.0
2003	130.4	1,457.6	23.5	84.6	[r] 555.8	43.9	901.9
2004	132.2	1,559.2	23.0	84.0	[r] 560.9	46.3	998.2
2005	134.4	1,702.6	22.9	84.8	580.7	47.8	1,121.8
2006	138.4	1,836.7	22.9	86.6	607.5	49.1	1,229.2

[r] Revised.

[1] Sum of standard and itemized deductions, plus charitable contributions deduction reported on standard deduction returns for Tax Years 1982-1986. Amount of total deductions for 1950-1957 was estimated by Joseph A. Pechman, The Brookings Institution, using his estimate of the standard deduction for these years (see footnote 4) plus the total for itemized deductions published in *Statistics of Income—Part 1 for 1950-1953* and *Statistics of Income—Individual Income Tax Returns for 1954-1957*. Starting with 1958, total deductions were obtained directly from *Statistics of Income—Individual Income Tax Returns*. Deductions exclude amounts shown as "statutory adjustments" in Table 1. For Tax Years 1987-1988, total deductions also include the "zero bracket amount" reported on a small number of returns (see footnote 4). It includes total deductions as reported by taxpayers, even if the total exceeded "adjusted gross income" (AGI) and, therefore, could not be used.

[2] See Table 5, footnote 3.

[3] Series revised, starting with the spring 1997 *Bulletin*, to exclude from the standard deduction statistics the relatively small number of returns with no adjusted gross income and no deductions. Previously, these returns were classified as if they showed a standard deduction. For the 1977-1986 statistics, the standard deduction is the "zero bracket amount" (reported on returns with only a "zero bracket amount"). Such an amount was also included for a small number of returns for 1987-1988 (see footnote 4). For years in which the "zero bracket amount" was in effect, frequencies shown for standard deduction returns were derived by subtracting the number reporting an income tax liability, but no itemized deductions, from the total of all returns. For 1950-1952, returns with itemized deductions include the small number of returns with no deductions and, for 1950-1954, the small number with no income, regardless of whether or not deductions were itemized. For later years, returns in these two categories were excluded from all the deduction statistics in this table.

[4] Amount of standard deduction for 1950-1957 was estimated by Joseph A. Pechman, The Brookings Institution, on the basis of the distribution of the number of returns by income class and marital status in *Statistics of Income—Part 1 for 1950-1953* and *Statistics of Income—Individual Income Tax Returns for 1954-1957*, and, starting with 1958, was obtained directly from *Statistics of Income—Individual Income Tax Returns*. It represents the "zero bracket amount" for 1977-1986. Starting with 1987, it represents the sum of "basic" and "additional" standard deductions (for age 65 or over and for blindness); also includes the "zero bracket amount" reported on the small number of prior-year returns filed in 1988-1989 that were included in the 1987-1988 statistics as proxies for returns due but not received.

[5] For 1977-1986, total itemized deductions are before subtraction of the "zero bracket amount." Starting with 1991, total itemized deductions are after statutory limitation (see Table 1, footnote 25).

NOTES: Detail may not add to totals because of rounding. All amounts are in current dollars. Most of the data are subject to sampling error. Tax law and tax form changes affect the year-to-year comparability of the data. Percentages shown in this table are based on dollar amounts rounded to the units indicated in the specific table heading. Therefore, they may not be as precise as percentages based on the fuller dollar amounts found in tables contained in the source publications or articles which underlie the historical tables presented in this section of the *Bulletin*.

SOURCE: Except as indicated in footnotes 1 and 4, *Statistics of Income—Individual Income Tax Returns* and unpublished tables, appropriate years. Data referenced in footnote 4, which are attributed to Joseph A. Pechman, are from Pechman 1987, *Federal Tax Policy*, fifth edition, The Brookings Institution.

Selected Historical and Other Data

Table 8. Personal Income per National Income and Product Accounts (NIPA), and Taxable Income and Individual Income Tax per Statistics of Income (SOI), Tax Years 1950-2006

[All figures are estimates—money amounts are in billions of dollars]

Tax year	Personal income (per NIPA) [1,2]	Taxable income (per SOI) [3]		Total income tax (per SOI) [3]		
		Amount	As a percentage of personal income	Amount	As a percentage of—	
					Personal income	Taxable income
	(1)	(2)	(3)	(4)	(5)	(6)
1950	229.0	84.3	36.8	18.4	8.0	21.8
1951	258.0	99.2	38.4	24.2	9.4	24.4
1952	275.4	107.2	38.9	27.8	10.1	25.9
1953	291.9	114.3	39.2	29.4	10.1	25.7
1954	294.5	115.3	39.2	26.7	9.1	23.2
1955	316.1	128.0	40.5	29.6	9.4	23.1
1956	339.6	141.5	41.7	32.7	9.6	23.1
1957	358.7	149.4	41.7	34.4	9.6	23.0
1958	369.0	149.3	40.5	34.3	9.3	23.0
1959	392.8	166.5	42.4	38.6	9.8	23.2
1960	411.5	171.6	41.7	39.5	9.6	23.0
1961	429.0	181.8	42.4	42.2	9.8	23.2
1962	456.7	195.3	42.8	44.9	9.8	23.0
1963	479.6	209.1	43.6	48.2	10.1	23.1
1964	514.6	229.9	44.7	47.2	9.2	20.5
1965	555.7	255.1	45.9	49.6	8.9	19.4
1966	603.9	286.3	47.4	56.1	9.3	19.6
1967	648.3	315.1	48.6	63.0	9.7	20.0
1968	712.0	352.8	49.6	76.7	10.8	21.7
1969	778.5	388.8	49.9	86.6	11.1	22.3
1970	838.8	401.2	47.8	83.9	10.0	20.9
1971	903.5	414.0	45.8	85.4	9.5	20.6
1972	992.7	447.6	45.1	93.6	9.4	20.9
1973	1,110.7	511.9	46.1	108.1	9.7	21.1
1974	1,222.6	573.6	46.9	123.6	10.1	21.5
1975	1,335.0	595.5	44.6	124.5	9.3	20.9
1976	1,474.8	674.9	45.8	141.8	9.6	21.0
1977	1,633.2	733.8	44.9	159.8	9.8	21.8
1978	1,837.7	846.4	46.1	188.2	10.2	22.2
1979	2,062.2	926.6	44.9	214.5	10.4	23.1
1980	2,307.9	1,045.2	45.3	250.3	10.8	23.9
1981	2,591.3	1,170.1	45.2	284.1	11.0	24.3
1982	2,775.3	1,231.9	44.4	277.6	10.0	22.5
1983	2,960.7	1,300.2	43.9	274.2	9.3	21.1
1984	3,289.5	1,447.0	44.0	301.9	9.2	20.9
1985	3,526.7	1,550.5	44.0	325.7	9.2	21.0
1986	3,722.4	1,665.6	44.7	367.3	9.9	22.1
1987	3,947.4	1,850.6	46.9	369.2	9.4	20.0
1988	4,253.7	2,070.0	48.7	412.9	9.7	19.9
1989	4,587.8	2,173.3	47.4	432.9	9.4	19.9
1990	4,878.6	2,263.7	46.4	447.1	9.2	19.8
1991	5,051.0	2,284.1	45.2	448.4	8.9	19.6
1992	5,362.0	2,395.7	44.7	476.2	8.9	19.9
1993	5,558.5	2,453.5	44.1	502.8	9.0	20.5
1994	5,842.5	2,598.0	44.5	534.9	9.2	20.6
1995	6,152.3	2,813.8	45.7	588.4	9.6	20.9
1996	6,520.6	3,089.7	47.4	658.2	10.1	21.3
1997	6,915.1	3,429.1	49.6	731.3	10.6	21.3
1998	7,423.0	3,780.8	50.9	788.5	10.6	20.9
1999	7,802.4	4,136.1	53.0	877.4	11.2	21.2
2000	8,429.7	4,544.2	53.9	980.6	11.6	21.6

Footnotes at end of table.

Selected Historical and Other Data

Table 8. Personal Income per National Income and Product Accounts (NIPA), and Taxable Income and Individual Income Tax per Statistics of Income (SOI), Tax Years 1950-2006—Continued

[All figures are estimates—money amounts are in billions of dollars]

Tax year	Personal income (per NIPA) [1,2]	Taxable income (per SOI) [3]		Total income tax (per SOI) [3]		
		Amount	As a percentage of personal income	Amount	As a percentage of—	
					Personal income	Taxable income
	(1)	(2)	(3)	(4)	(5)	(6)
2001	8,724.1	4,268.5	48.9	888.0	10.2	20.8
2002	8,881.9	4,096.1	46.1	797.0	9.0	19.5
2003	9,163.6	4,200.2	45.8	748.0	8.2	17.8
2004	9,727.2	4,670.2	48.0	832.0	8.6	17.8
2005	10,301.1	5,137.2	49.9	934.9	9.1	18.2
2006	10,993.9	5,579.1	50.7	1,023.9	9.3	18.4

[1] See Table 4 for differences between "personal income" and "adjusted gross income."

[2] Reflects changes made to data as part of the 2003 Comprehensive Revision of the National Income and Product Accounts (NIPAs). For details of this revision, see the Bureau of Economic Analysis Web site at <http://www.bea.gov/bea/dn/2003benchmark/CR2003content.htm>.

[3] Note that the "taxable income" tax base excludes the base for computing both the "minimum tax" and "alternative minimum tax" components of "total income tax." Therefore, the percentages shown in column 6, starting with 1970, are only approximate. See also Table 1, footnote 34. Also, because conceptually "taxable income" did not exist prior to 1954, the taxable income shown for 1950-1953 and the percentages based on it in columns 3 and 6 are estimated, in part, by adjusting available statistics for statutory "net income" for these years.

NOTES: Detail may not add to totals because of rounding. All amounts are in current dollars. Percentages shown in this table are based on dollar amounts rounded to the units indicated in the specific table heading. Therefore, they may not be as precise as percentages based on the fuller dollar amounts found in tables contained in the source publications or articles which underlie the historical tables presented in this section of the *Bulletin*.

SOURCE: Data on "Personal income" are from the Bureau of Economic Analysis's National Income and Product Accounts, Table 2.1: Personal Income and Its Disposition.

This table appears in the *Survey of Current Business* and can also be accessed online at: <http://www.bea.gov/bea/dn/nipaweb/index.asp>. Data on

"Taxable income (per SOI)" and "Total income tax (per SOI)" are from *Statistics of Income—Individual Income Tax Returns*, various years.

Selected Historical and Other Data

Table 9. Number of Individual Income Tax Returns, by Type of Tax Settlement, Tax Years 1950-2006

[All figures are estimates based on samples—number of returns is in millions]

Tax year	Total number of returns	Number of returns with—		
		Tax due at time of filing	Overpayments [1]	No overpayments or tax due at time of filing
	(1)	(2)	(3)	(4)
1950	53.1	14.3	32.0	6.8
1951	55.4	18.6	31.0	5.8
1952	56.5	19.3	32.1	5.1
1953	57.8	19.0	32.7	6.2
1954	56.7	16.6	35.2	5.0
1955	58.3	18.7	35.4	4.2
1956	59.2	19.4	36.1	3.7
1957	59.8	18.6	37.6	3.6
1958	59.1	18.1	37.4	3.6
1959	60.3	19.1	38.4	2.8
1960	61.0	18.1	39.4	3.5
1961	61.5	18.6	40.0	2.9
1962	62.7	18.7	40.9	3.1
1963	63.9	19.3	41.4	3.3
1964	65.4	22.5	39.3	3.5
1965	67.6	20.0	44.3	3.2
1966	70.2	17.8	49.4	3.0
1967	71.7	17.5	51.2	3.0
1968	73.7	20.3	50.6	2.8
1969	75.8	17.9	54.9	3.0
1970	74.3	16.5	55.3	2.5
1971	74.6	17.0	55.3	2.4
1972	77.6	11.9	63.3	2.3
1973	80.7	14.2	64.2	2.2
1974	83.3	15.4	65.8	2.1
1975	82.2	15.8	63.8	2.6
1976	84.7	16.9	65.0	2.8
1977	86.6	17.8	66.0	2.8
1978	89.8	21.6	65.5	2.7
1979	92.7	18.8	71.4	2.4
1980	93.9	21.8	69.9	2.3
1981	95.4	23.0	70.0	2.4
1982	95.3	20.3	72.4	2.6
1983	96.3	18.5	75.0	2.9
1984	99.4	21.2	75.6	2.7
1985	101.7	21.2	77.4	3.0
1986	103.0	21.5	78.1	3.5
1987	107.0	23.8	79.8	3.4
1988	109.7	27.2	79.1	3.4
1989	112.1	28.0	80.9	3.2
1990	113.7	27.0	83.5	3.2
1991	114.7	25.6	85.6	3.5
1992	113.6	29.0	81.0	3.6
1993	114.6	28.6	82.4	3.6
1994	115.9	27.6	85.1	3.2
1995	118.2	29.7	85.3	3.2
1996	120.4	30.6	86.5	3.3
1997	122.4	31.2	88.3	2.9
1998	124.8	28.4	93.4	3.0
1999	127.1	29.2	94.8	3.1
2000	129.4	30.6	95.9	2.9
2001	130.3	24.6	102.3	3.4
2002	130.1	22.8	103.5	3.8
2003	130.4	21.1	105.4	4.0
2004	132.2	24.5	103.7	4.0

Footnotes at end of table.

Selected Historical and Other Data

Table 9. Number of Individual Income Tax Returns, by Type of Tax Settlement, Tax Years 1950-2006—Continued

Tax year	Total number of returns	Number of returns with—		
		Tax due at time of filing	Overpayments [1]	No overpayments or tax due at time of filing
	(1)	(2)	(3)	(4)
2005	134.4	25.7	104.8	3.9
2006	138.4	26.7	109.9	1.8

Footnotes

[1] Starting with 1975, includes the refundable portion of the "earned income credit."

NOTES: Detail may not add to totals because of rounding. Most of the data are subject to sampling error. Tax law and tax form changes affect the year-to-year comparability of the data.

SOURCE: *Statistics of Income—Individual Income Tax Returns* and unpublished tables, appropriate years.

Selected Historical and Other Data

Table 10. Nonfarm Sole Proprietorship Returns: Selected Income Statement Items for Income Years, 2000-2006

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

Item	2000	2001	2002	2003	2004	2005	2006
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Number of returns with nonfarm business net income or deficit, total [1]	17,904,731	18,338,190	18,925,517	19,710,079	20,590,691	21,467,566	22,074,953
Number with nonfarm business net income	13,307,842	13,603,907	13,750,798	14,447,889	15,053,252	15,750,475	16,207,401
Number of nonfarm businesses	19,863,507	20,378,335	20,972,642	21,875,950	22,842,859	23,893,733	24,603,249
Business receipts, total	1,020,957,283	1,016,834,678	1,029,691,760	1,050,202,446	1,139,523,760	1,222,880,231	1,278,359,791
Income from sales and operations	1,007,948,354	1,002,205,953	1,015,363,541	1,033,934,376	1,122,226,857	1,204,827,487	1,258,697,676
Total deductions [2]	806,386,102	799,633,110	808,900,651	820,206,714	892,402,428	953,391,489	1,001,097,557
Cost of goods sold	387,381,087	363,355,614	351,785,009	338,376,959	370,951,227	396,875,774	409,660,968
Inventory, beginning-of-year	32,412,471	34,176,255	34,291,721	34,924,642	35,761,115	38,101,650	41,101,650
Inventory, end-of-year	34,342,365	35,732,488	36,279,786	36,911,339	38,955,669	42,024,497	44,503,226
Purchases	268,789,953	246,541,135	227,085,757	218,445,328	238,922,503	252,887,700	259,992,655
Cost of labor	29,278,688	28,022,289	30,389,028	28,032,070	31,768,695	32,163,009	31,743,915
Materials and supplies	43,195,524	43,798,283	45,589,230	46,554,634	53,267,879	55,902,012	59,699,442
Advertising	10,148,700	10,774,079	11,237,979	12,340,084	12,888,316	14,449,493	15,274,111
Car and truck expenses	45,711,214	47,351,940	50,489,359	53,466,645	58,980,274	71,013,061	75,402,429
Commissions	11,621,490	12,130,077	14,066,786	13,502,446	13,267,025	15,439,663	15,634,322
Depletion	684,974	693,669	461,938	639,008	775,567	1,061,786	1,058,351
Depreciation	32,196,159	33,425,567	36,642,027	41,754,963	42,900,776	39,080,205	39,004,511
Pension and profit-sharing plans	892,873	991,892	1,085,247	1,182,019	1,202,228	1,251,915	1,276,851
Employee benefit programs	1,871,875	2,040,639	2,284,368	2,421,673	2,617,800	2,798,308	2,867,672
Insurance	13,623,759	14,367,018	16,004,335	17,489,210	18,864,229	19,000,895	19,083,862
Interest paid, total	12,232,846	12,509,547	11,439,539	10,581,245	11,023,766	12,109,510	13,511,952
Mortgage interest	5,250,896	5,456,226	5,006,864	4,762,929	5,167,373	5,543,658	6,297,485
Other interest	6,981,950	7,053,321	6,432,675	5,818,316	5,856,393	6,565,852	7,214,467
Legal and professional services	7,312,694	7,482,619	8,365,930	8,284,557	8,959,140	9,836,870	10,092,910
Meals and entertainment expenses before limitation	9,183,825	9,314,840	10,020,243	10,897,636	11,792,887	[3]	[3]
Meals and entertainment deduction	4,664,694	4,735,312	5,088,083	5,524,213	5,997,824	6,802,217	7,306,309
Office expenses	10,456,415	10,604,805	11,331,733	11,849,079	12,362,672	12,835,599	13,024,662
Rent paid, total	33,222,458	33,641,132	34,854,754	35,672,010	36,867,569	39,484,729	40,579,503
On machinery	8,880,267	8,522,008	8,543,257	8,470,304	8,728,363	9,135,688	9,350,344
On other business property	24,342,191	25,119,124	26,311,497	27,201,706	28,139,206	30,349,041	31,229,159
Repairs	12,280,525	12,129,756	12,669,141	13,221,220	14,762,464	14,976,142	15,726,040
Net salaries and wages (not deducted elsewhere)	63,485,540	63,826,020	66,067,965	67,640,849	71,068,517	75,091,154	77,038,713
Supplies	21,793,962	23,074,836	24,615,763	25,507,159	27,302,886	28,858,613	32,136,896
Taxes paid	13,955,919	14,214,082	14,901,431	15,179,639	16,036,234	16,797,524	17,660,030
Travel	8,457,317	8,657,266	9,110,193	9,313,708	10,317,557	11,308,328	11,861,197
Utilities (including telephone)	19,381,881	20,482,680	20,674,727	21,661,093	21,477,462	22,910,257	23,842,787
Bad debts	983,868	1,176,324	1,055,722	[3]	[3]	[3]	[3]
Business use of home	5,642,543	5,981,403	6,474,145	7,047,483	7,807,037	8,801,078	10,119,539
Net income (less deficit) [2]	214,715,298	217,385,116	221,113,286	230,308,100	247,567,189	269,919,995	278,032,643
Net income [2]	245,230,626	250,178,322	257,292,855	269,089,168	290,486,159	314,756,510	326,769,239
Deficit [2]	30,515,328	32,793,206	36,179,568	38,781,068	42,918,970	44,836,514	48,736,596

[1] Represents the number of returns, even if there was more than one business per return.

[2] "Total deductions" include amounts not shown separately in this table, as well as amounts not itemized separately on Schedule C-EZ (short form) used by certain of the smaller businesses. Most deductions for which statistics are shown are slightly understated to the extent that only total deductions had to be reported on Schedule C-EZ. Total deductions exclude disallowed "passive losses"; but net income (less deficit), net income, and deficit reflect these losses. In addition, net income (less deficit), net income, and deficit are after adjustment for the passive loss carryover from prior years. Therefore, "business receipts" minus "total deductions" do not equal "net income (less deficit)."

[3] Not available.

NOTES: There are slight differences between: (a) the number of individual income tax returns "with business or profession net income or loss" and the associated amounts, based on the summarized totals on the face of the tax return (Table 1), and (b) the related number of individual income tax returns "with nonfarm business net income or deficit" and the associated amounts, based on data from Schedules C filed in support of the total on the face of the return (Table 10). These differences result from the somewhat larger tax return samples underlying the sole proprietorship statistics for more recent years, and also from the taxpayer reporting variations and inconsistencies, e.g., in the occasional misreporting of farm versus nonfarm business activity on the face of the return compared to what was indicated in supporting schedules, and in the equating of certain partnership income or employee business expenses with the presence of sole proprietorship activity. Detail may not add to totals because of rounding. All amounts are in current dollars. Most of the data are subject to sampling error. Tax law and tax form changes affect the year-to-year comparability of the data.

Selected Historical and Other Data

Table 11. Partnership Returns: Selected Balance Sheet and Income Statement Items for Income Years, 2000-2006

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

Item	2000	2001	2002	2003	2004	2005	2006
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Total number of active partnerships	2,057,500	2,132,117	2,242,169	2,375,375	2,546,877	2,763,625	2,947,116
Number with net income	1,261,420	1,301,040	1,325,008	1,356,988	1,440,895	1,580,266	1,623,202
Number with balance sheets [1]	1,504,978	1,591,450	1,682,072	1,768,302	1,890,134	2,058,001	2,195,814
Number of partners	13,659,967	14,231,604	14,328,108	14,108,458	15,556,553	16,211,908	16,727,803
Number of limited partnerships [2]	348,973	369,150	376,963	378,921	402,238	413,712	432,550
Number of partners [2]	6,468,292	7,023,431	6,918,515	6,262,103	7,023,921	6,946,986	6,738,737
Number of limited liability companies [2]	718,704	808,692	946,130	1,091,502	1,270,236	1,465,223	1,630,161
Number of partners [2]	2,699,227	3,231,921	3,737,899	4,226,099	4,949,808	5,640,146	6,361,958
Total assets [3]	6,694,142,838	8,428,217,379	8,866,560,101	9,675,052,728	11,607,698,140	13,734,256,305	17,146,275,371
Depreciable assets (net)	1,487,182,018	1,646,477,441	1,791,511,841	1,845,514,643	1,988,468,476	2,175,870,104	2,490,122,750
Inventories, end of year	149,875,359	208,165,141	202,669,386	213,605,408	275,807,149	315,475,201	445,560,371
Land	358,625,577	392,090,094	423,177,429	454,765,198	509,408,430	607,354,512	730,875,333
Total liabilities [3]	3,695,508,180	4,835,135,071	4,972,036,919	5,303,160,043	6,247,952,541	7,482,803,211	9,350,086,800
Accounts payable	229,893,243	361,748,491	346,350,802	275,560,392	336,393,755	400,232,413	505,211,960
Short-term debt [4]	252,226,751	289,248,638	282,684,863	273,570,095	296,350,178	372,521,209	455,621,208
Long-term debt [5]	1,132,180,865	1,286,392,538	1,375,077,274	1,389,224,345	1,545,671,581	1,772,258,856	2,226,995,103
Nonrecourse loans	639,417,006	699,883,406	770,277,980	799,599,369	854,466,687	913,847,174	1,102,572,590
Partners' capital account [3]	2,998,634,658	3,593,082,308	3,894,523,181	4,371,892,684	5,359,745,599	6,251,453,094	7,796,188,571
Total receipts [6]	2,405,356,195	2,665,156,204	2,772,829,505	2,922,723,256	3,260,264,592	3,862,916,552	4,300,862,739
Business receipts	2,061,764,235	2,278,200,526	2,414,187,093	2,545,612,266	2,818,861,323	3,280,057,196	3,571,281,519
Interest received	82,322,875	84,801,548	70,225,315	70,702,884	87,942,510	133,742,087	193,499,813
Total deductions [6]	2,136,365,436	2,388,821,379	2,502,162,335	2,621,325,038	[r] 2,875,526,198	3,316,706,450	3,634,144,129
Cost of goods sold	1,225,628,897	1,338,114,656	1,430,213,629	1,522,806,503	1,666,146,493	1,975,816,361	2,108,966,781
Purchases	797,038,243	887,515,286	903,589,600	987,652,150	1,130,541,265	1,328,185,749	1,412,030,108
Cost of labor	46,714,175	53,029,403	58,736,031	63,434,283	67,483,580	80,010,457	91,460,083
Net salaries and wages (not deducted elsewhere)	201,350,844	230,874,139	237,882,426	244,927,745	268,806,663	293,216,547	331,851,279
Taxes paid	31,145,304	34,626,540	36,416,569	39,019,475	42,114,276	46,896,065	52,973,535
Interest paid	92,751,748	97,278,387	68,127,690	64,619,863	64,457,049	103,453,348	136,788,830
Depreciation [7]	116,040,441	138,412,382	154,542,874	157,411,296	168,496,995	140,468,457	158,289,860
Net income (less deficit)	268,990,758	276,334,824	270,667,169	301,398,218	384,738,394	546,210,103	666,718,610
Net income	409,972,787	446,069,172	439,761,741	468,552,382	566,231,686	723,605,859	871,055,480
Deficit	140,982,029	169,734,347	169,094,572	167,154,164	181,493,292	177,395,756	204,336,870

[r] Revised.

[1] Certain small partnerships were not required to file balance sheets.

[2] Number of limited partnerships, limited liability companies, and the associated number of partners are understated because some businesses failed to answer the question about type of partnership on their tax returns as originally filed.

[3] Total assets, total liabilities, and partners' capital account represent end-of-year amounts. Moreover, they are understated somewhat because not all partnerships included a complete balance sheet and because of the reporting requirement mentioned in footnote 1, above. However, certain partnerships with negative total assets, total liabilities, and/or total partners' capital are included in the statistics.

[4] Short-term debt is the abbreviated title for mortgages, notes, and bonds payable in less than 1 year.

[5] Long-term debt is the abbreviated title for mortgages, notes, and bonds payable in 1 year or more.

[6] "Total receipts" and "total deductions" include amounts not shown separately. Total receipts were computed for the statistics as the sum of trade or business income (gross receipts or sales less returns and allowances (business receipts); ordinary income from other partnerships, estates, and trusts; farm net profit; net gain, noncapital assets; and other income from trade or business), as well as income distributed directly to partners (net rental real estate income; other net rental income; interest income; dividend income; and royalties). Total deductions were computed as the sum of trade or business expenses (cost of goods sold; ordinary loss from other partnerships; net farm loss; net loss, noncapital assets; other loss from trade or business; and total deductions from trade or business), as well as losses distributed directly to partners (net rental real estate loss; and other net rental loss). Starting in 2004, other portfolio income (loss) was not included in total receipts and deductions because it was no longer reported separately on the tax return. Portfolio net short-term capital gain (loss) and net long-term capital gain (loss) continue to be intentionally omitted from total receipts and total deductions in order to improve comparability with 1986 and prior data.

[7] Represents the more complete amounts reported in depreciation computation schedules, rather than the amounts reported as the depreciation deduction.

NOTES: Detail may not add to totals because of rounding. All amounts are in current dollars. Most of the data are subject to sampling error. Tax law and tax form changes affect the year-to-year comparability of the data.

Selected Historical and Other Data

Table 12. Number of Business Income Tax Returns, by Size of Business for Income Years, 2000-2006 [1]

[All figures are estimates based on samples—number of businesses is in thousands]

Type and size of business	2000	2001	2002	2003	2004	2005	2006
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
CORPORATIONS							
Total	5,045.3	5,135.6	5,266.6	5,401.2	[r] 5,558.0	5,671.3	5,840.8
Receipt size [2]							
Under \$25,000 [3]	1,220.0	1,248.2	1,282.5	1,279.7	1,316.9	1,299.7	1,363.1
\$25,000 under \$50,000	305.4	295.8	314.3	346.3	334.5	340.3	340.6
\$50,000 under \$100,000	477.4	484.5	514.4	522.1	545.2	543.7	554.0
\$100,000 under \$250,000	837.1	877.1	893.9	929.9	971.8	997.3	1,002.5
\$250,000 under \$500,000	677.5	672.6	688.8	719.6	731.5	757.8	777.9
\$500,000 under \$1,000,000	581.9	601.5	610.7	622.6	634.5	644.2	668.0
\$1,000,000 or more	946.0	955.9	962.1	981.1	1,023.4	1,088.3	1,134.7
Asset size [4]							
Under \$100,000 [5]	2,911.3	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Under \$500,000 [5]	n.a.	4,289.8	4,415.3	4,544.5	4,668.0	4,736.9	4,869.0
\$100,000 under \$1,000,000	1,631.0	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
\$500,000 under \$1,000,000	n.a.	342.2	344.5	342.8	356.1	370.6	383.9
\$1,000,000 under \$10,000,000	422.5	424.0	427.1	432.3	447.8	472.8	492.4
\$10,000,000 under \$25,000,000	37.0	36.4	36.8	37.7	39.9	42.7	45.0
\$25,000,000 under \$50,000,000	14.4	14.1	13.9	14.1	15.0	15.8	16.8
\$50,000,000 under \$100,000,000	9.6	9.5	9.3	9.3	9.5	9.9	10.6
\$100,000,000 under \$250,000,000	8.7	8.7	8.6	8.7	8.9	9.3	9.5
\$250,000,000 or more, total	10.9	11.0	11.1	11.8	12.3	13.2	14.0
\$250,000,000 under \$500,000,000	n.a.	4.2	4.2	4.4	4.6	4.8	5.0
\$500,000,000 under \$2,500,000,000	n.a.	4.9	4.9	5.3	5.6	6.0	6.4
\$2,500,000,000 or more	n.a.	1.9	2.0	2.1	2.1	2.4	2.6
PARTNERSHIPS							
Total	2,057.5	2,132.1	2,242.2	2,375.4	2,546.9	2,763.6	2,947.1
Receipt size [6]							
Under \$25,000 [3]	1,105.1	1,129.9	1,203.7	1,284.4	1,372.9	1,465.2	1,568.0
\$25,000 under \$50,000	183.0	182.6	185.3	191.8	193.2	218.4	239.7
\$50,000 under \$100,000	187.3	192.1	195.1	205.7	225.8	232.8	244.5
\$100,000 under \$250,000	225.8	233.9	248.5	262.4	275.5	307.2	305.2
\$250,000 under \$500,000	127.0	139.4	145.3	147.9	160.9	182.0	192.4
\$500,000 under \$1,000,000	92.4	102.8	105.0	110.7	120.8	130.6	149.3
\$1,000,000 or more	136.9	151.4	159.3	172.4	197.9	227.3	248.0
Asset size							
Under \$25,000 [5]	827.9	825.5	865.5	925.9	982.4	1,045.6	1,116.6
\$25,000 under \$50,000	105.3	104.7	104.9	112.0	108.6	103.4	102.4
\$50,000 under \$100,000	128.4	130.7	132.7	131.9	134.8	150.5	145.8
\$100,000 under \$250,000	229.5	239.1	252.3	259.0	278.6	303.0	308.1
\$250,000 under \$500,000	196.5	205.9	205.5	227.7	248.1	269.4	283.7
\$500,000 under \$1,000,000	183.0	202.6	226.4	231.7	249.6	279.6	301.8
\$1,000,000 or more	386.9	423.7	454.9	487.2	544.8	612.1	688.8

Footnotes at end of table.

Selected Historical and Other Data

Table 12. Number of Business Income Tax Returns, by Size of Business for Income Years, 2000-2006 [1]—Continued

[All figures are estimates based on samples—number of businesses is in thousands]

Type and size of business	2000	2001	2002	2003	2004	2005	2006
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
NONFARM SOLE PROPRIETORSHIPS [7]							
Total	17,904.7	18,338.2	18,925.5	19,710.1	20,590.7	21,467.6	22,075.0
Receipt size							
Under \$2,500 [3]	4,333.1	[r] 4,384.5	4,546.4	4,539.7	4,883.5	5,069.4	5,210.8
\$2,500 under \$5,000	1,933.9	1,989.3	2,043.8	2,233.0	2,219.6	2,372.8	2,382.8
\$5,000 under \$10,000	2,395.7	2,523.1	2,604.6	2,816.3	2,916.0	2,967.1	3,025.6
\$10,000 under \$25,000	3,334.0	3,448.4	3,521.6	3,719.1	3,896.7	4,047.0	4,248.0
\$25,000 under \$50,000	2,246.7	2,239.3	2,357.8	2,449.8	2,536.4	2,587.4	2,720.7
\$50,000 under \$100,000	1,644.8	1,704.0	1,751.8	1,805.4	1,791.6	1,980.7	1,983.4
\$100,000 under \$200,000	1,052.9	1,109.7	1,115.4	1,145.7	1,270.8	1,281.9	1,314.8
\$200,000 under \$500,000	680.4	649.2	687.8	705.1	749.2	809.4	824.5
\$500,000 under \$1,000,000	189.5	197.8	203.3	199.7	217.6	234.5	236.3
\$1,000,000 or more	91.7	92.9	93.0	96.3	109.3	117.3	128.1

n.a. - Not available.

[r] Revised or corrected.

[1] Excludes business income tax returns filed by tax-exempt organizations. See Table 16.

[2] Size classes for corporations are based on "business receipts," i.e., gross amounts from sales and operations, except for industries in the "finance and insurance" industrial sector and those in the "management of companies (holding companies)" sector (which includes bank holding companies, as well as other holding companies). For the groupings, "total receipts," which are the sum of business receipts and investment income, were used instead of "business receipts" as the basis for the size classification.

[3] Includes returns with no "business receipts" (or no "total receipts" in the case of certain corporations as described in footnote 2).

[4] Beginning Tax Year 2001, size of assets of under \$500,000 and \$500,000 under \$1,000,000 replaced size of assets of under \$100,000 and \$100,000 under \$1,000,000 of earlier years. Also, size of assets of \$250,000,000 under \$500,000,000; \$500,000,000 under \$2,500,000,000; and \$2,500,000,000 or more are shown beginning with Tax Year 2001.

[5] Includes corporations and partnerships with "zero assets and liabilities." For corporations, returns with zero assets represent final returns of liquidating or dissolving corporations which had disposed of all assets; final returns of merging corporations whose assets were included in the returns of the acquiring corporations; part-year returns of corporations changing accounting periods (except for certain newly-incorporated businesses); and returns of foreign corporations with income "effectively connected" with a U.S. business (except foreign insurance companies providing separate balance sheets for U.S. branches). For partnerships, returns with zero assets include final returns of liquidating or dissolving partnerships which had disposed of all assets and businesses not required to file balance sheets, as well as businesses that failed to provide balance sheets on their returns as originally filed. See also Table 11, footnote 1.

[6] Size classes for partnerships are affected by changes in the definition of receipts. (See Table 11, footnote 6.) Only partnership net rental income is reflected in the size distribution.

[7] Sole proprietors are not required to provide balance sheet information.

NOTES: Statistics for corporations are for accounting periods ending July of one year through June of the next. Thus, for example, corporation data for 2006 are for accounting periods ending July 2006 through June 2007. Statistics for nonfarm sole proprietorships and partnerships are, in general, for the calendar year. Data may not add to totals because of rounding. Most of the data are subject to sampling errors. Tax law and tax form changes affect the year-to-year comparability of the data.

Selected Historical and Other Data

Table 13. Corporation Income Tax Returns: Balance Sheet, Income Statement, and Tax Items for Income Years, 2000-2006

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

Item	2000	2001	2002	2003	2004	2005	2006
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Number of returns, total [1]	5,045,274	5,135,591	5,266,607	5,401,237	5,557,965	5,671,257	5,840,799
Number with net income [1]	2,819,153	2,822,302	2,800,517	2,932,115	3,116,468	3,324,260	3,367,313
Consolidated returns [1,2,3]	56,603	56,507	52,743	49,900	48,066	46,328	44,648
S corporation returns [1,3,4]	2,860,478	2,986,486	3,154,377	3,341,606	3,518,334	3,684,086	3,872,766
Total assets [5]	47,026,871,874	49,154,424,202	50,413,501,942	53,644,784,683	60,117,759,331	66,445,429,787	73,080,647,385
Cash	1,819,788,484	1,926,059,284	1,923,414,875	2,119,555,828	2,730,468,320	2,823,419,976	2,901,709,877
Notes and accounts receivable	8,754,425,366	8,755,544,213	8,885,603,717	8,995,395,904	10,690,858,849	11,962,100,582	13,610,860,826
Less: Allowance for bad debts	148,289,201	180,317,404	184,924,054	166,436,901	166,296,012	170,466,986	166,537,448
Inventories [6]	1,271,967,443	1,208,206,944	1,221,112,550	1,267,289,489	1,386,128,237	1,505,452,196	1,612,997,968
Investments in U.S.							
Government obligations	1,236,229,842	1,392,035,604	1,527,139,020	1,656,326,948	1,571,309,466	1,613,373,550	1,713,665,371
Tax-exempt securities [7]	973,317,816	1,057,398,071	1,203,096,628	1,297,278,783	1,366,224,245	1,468,019,062	1,518,183,368
Other current assets	3,206,693,449	3,663,607,042	3,509,562,061	3,868,061,886	4,449,284,482	5,309,202,111	5,608,517,505
Loans to shareholders	157,029,888	189,958,748	194,543,759	212,364,720	183,667,567	445,244,680	519,913,546
Mortgage and real estate loans	2,821,508,159	3,228,970,528	3,687,181,263	4,072,938,126	4,626,579,648	4,776,955,204	5,231,678,721
Other investments	17,873,853,425	18,343,524,687	18,727,600,926	20,535,952,107	22,657,060,564	25,161,629,498	27,903,223,897
Depreciable assets	7,291,998,758	7,613,590,480	7,677,626,201	7,804,548,186	7,973,940,602	8,415,761,105	8,817,095,391
Less: Accumulated depreciation	3,369,214,883	3,549,239,594	3,699,383,948	3,812,960,901	3,930,550,044	4,096,350,302	4,241,564,417
Depletable assets	191,353,340	198,775,908	226,336,112	237,004,322	269,600,908	310,219,056	382,245,345
Less: Accumulated depletion	87,437,339	92,093,245	110,296,199	110,386,244	116,413,985	128,373,491	132,586,231
Land	302,831,910	319,953,637	325,689,411	341,705,785	362,615,279	406,830,196	466,534,251
Intangible assets (amortizable)	2,246,509,413	2,474,758,111	2,353,465,751	2,421,707,223	2,772,388,173	3,055,303,170	3,500,596,850
Less: Accumulated amortization	364,363,888	483,180,189	480,835,477	478,750,745	508,581,335	532,450,560	574,057,109
Other assets	2,848,669,891	3,086,871,379	3,426,569,347	3,383,190,167	3,799,474,366	4,119,560,739	4,418,169,674
Total liabilities [5]	47,026,871,874	49,154,424,202	50,413,501,942	53,644,784,683	60,117,759,331	66,445,429,787	73,080,647,385
Accounts payable [8]	3,758,177,869	3,927,350,604	4,073,664,265	4,337,572,143	5,645,442,995	6,028,618,202	7,778,731,433
Mortgages, notes, and bonds payable in less than 1 year	4,019,704,844	4,131,856,961	3,814,481,517	4,001,969,180	4,398,614,808	4,192,065,342	4,709,039,628
Other current liabilities [8]	10,307,362,766	10,811,930,775	11,181,118,658	11,808,860,907	13,534,418,924	16,510,644,978	17,598,734,383
Loans from shareholders	451,461,831	549,016,868	541,170,351	531,953,102	504,947,743	543,624,853	688,480,126
Mortgages, notes, and bonds payable in 1 year or more	6,183,999,343	6,781,681,427	7,184,589,809	7,383,799,418	8,154,008,233	8,331,501,033	9,398,633,789
Other liabilities	4,957,514,852	5,337,844,395	6,073,368,168	6,761,943,361	7,065,958,007	7,314,067,770	6,911,004,387
Net worth	17,348,650,369	17,614,743,174	17,545,109,175	18,818,686,574	20,814,368,622	23,524,907,609	25,996,023,640
Capital stock	3,966,282,789	4,253,450,013	3,999,980,176	3,150,571,907	2,308,398,504	2,482,284,753	2,512,611,862
Additional paid-in capital	12,264,818,660	13,919,963,504	15,286,648,711	15,258,444,856	16,160,039,808	17,828,299,850	19,142,047,770
Retained earnings, appropriated	181,838,405	140,283,315	116,673,731	167,723,931	218,699,183	242,693,805	269,600,823
Retained earnings, unappropriated [9]	3,445,346,327	2,024,731,460	1,060,109,067	2,141,352,269	[r] 3,080,704,937	[r] 4,131,035,702	[r] 5,555,382,822
Adjustments to shareholders' equity [9]	-3,382,272	-33,277,666	-66,214,884	-27,510,760	-21,710,161	-42,269,533	-61,276,825
Less: Cost of treasury stock	2,506,253,537	2,690,407,452	2,852,087,624	1,871,895,626	931,763,649	1,117,136,968	1,422,342,812
Total receipts [10]	20,605,808,071	20,272,957,624	19,749,426,052	20,689,574,291	22,711,863,939	25,504,789,203	27,401,873,714
Business receipts [10,11]	17,636,551,349	17,504,288,630	17,297,125,146	18,264,393,898	19,975,875,761	21,800,290,496	23,310,309,765
Interest on State and local government obligations	51,940,598	49,227,853	48,212,626	48,996,780	47,221,454	61,174,727	64,731,038
Other interest [10,12]	1,576,100,843	1,499,683,236	1,233,298,115	1,132,675,179	1,337,625,869	1,712,270,625	2,242,464,157
Dividends received from domestic corporations [10,12]	20,869,880	18,964,132	17,382,452	17,973,872	19,505,243	21,401,252	32,501,875
Dividends received from foreign corporations [10]	60,203,391	49,997,670	45,580,553	44,921,527	58,411,038	362,945,282	72,419,945
Rents [10]	131,301,498	134,013,856	136,156,000	136,321,392	132,058,314	136,067,022	137,059,289
Royalties [10]	122,513,266	116,989,820	115,860,138	133,184,522	141,999,230	153,609,706	161,655,558
Net short-term capital gain reduced by net long-term capital loss	85,003,779	20,770,292	14,655,834	22,725,799	24,993,598	38,685,662	54,913,226
Net long-term capital gain reduced by net short-term capital loss	173,758,106	117,443,499	76,266,064	85,965,872	110,055,554	161,699,988	180,659,860
Net gain, noncapital assets [11]	70,035,992	61,890,648	69,144,256	76,272,207	81,501,337	78,271,268	88,854,621
Other receipts	677,529,368	699,687,988	695,744,869	726,143,243	782,616,541	978,373,175	1,056,304,380

Footnotes at end of table.

Selected Historical and Other Data

Table 13. Corporation Income Tax Returns: Balance Sheet, Income Statement, and Tax Items for Income Years, 2000-2006—Continued

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

Item	2000	2001	2002	2003	2004	2005	2006
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Total deductions [10]	19,691,591,726	19,682,982,949	19,198,882,118	19,940,594,557	21,636,155,758	23,612,765,507	25,501,557,823
Cost of goods sold [10]	11,135,287,909	11,041,533,030	10,607,404,004	11,318,644,763	12,497,904,654	13,816,464,452	14,799,598,760
Compensation of officers [10]	401,416,310	382,813,379	381,235,331	388,661,740	416,761,257	444,974,385	473,551,505
Repairs	139,591,861	144,239,688	132,998,715	134,963,543	142,843,894	154,331,486	160,139,517
Bad debts [10]	107,679,638	142,196,860	168,045,866	151,140,752	139,664,267	119,041,270	105,859,875
Rent paid on business property [10]	380,083,953	398,045,240	410,639,197	407,139,494	419,657,325	438,512,225	462,011,788
Taxes paid [10]	390,067,116	392,458,476	396,571,738	416,812,815	446,793,685	472,952,167	496,638,490
Interest paid [10]	1,271,678,744	1,203,045,923	912,751,562	818,016,806	938,790,256	1,287,097,591	1,787,103,982
Contributions or gifts [10]	10,657,214	11,414,505	10,334,666	10,823,373	11,596,559	16,594,361	14,786,047
Amortization [10]	98,333,079	110,454,488	115,006,680	121,284,821	129,766,141	140,874,992	156,554,689
Depreciation [10]	614,372,700	649,988,724	710,881,312	692,432,495	690,857,316	530,931,029	563,963,516
Depletion [10, 13]	10,244,959	9,803,354	9,418,123	10,170,908	11,960,564	15,421,478	15,180,670
Advertising [10]	234,000,558	219,834,114	218,035,603	224,790,471	238,662,306	253,187,675	277,006,387
Pension, profit-sharing, stock bonus, and annuity plans [13]	85,788,656	85,523,682	132,414,263	137,053,065	149,061,713	146,824,063	151,419,973
Employee benefit programs [13]	231,325,484	245,747,438	249,904,744	277,325,261	298,070,744	303,141,008	315,404,442
Net loss, noncapital assets [10, 11]	31,314,500	40,969,394	51,879,801	51,799,134	42,751,870	38,000,708	29,547,416
Other deductions [13]	4,549,749,050	4,604,914,658	4,691,360,514	4,779,535,119	5,061,013,207	[r] 5,434,416,617	5,692,790,766
Total receipts less total deductions [10, 14]	914,216,344	589,974,675	550,543,934	748,979,734	1,075,708,181	1,892,023,696	1,900,315,891
Constructive taxable income from related foreign corporations [15]	65,249,771	62,876,530	61,325,249	80,005,681	83,205,831	117,806,164	97,789,598
Net income (less deficit) [10, 14, 15, 16]	927,525,517	603,623,352	563,656,558	779,988,635	1,111,692,655	1,948,655,133	1,933,374,450
Net income [16]	1,336,619,605	1,112,480,550	1,053,126,217	1,175,608,990	1,455,796,796	2,234,882,109	2,239,614,334
Deficit [16]	409,094,088	508,857,198	489,469,660	395,620,355	344,104,141	286,226,977	306,239,884
Income subject to tax: [17]							
Number of returns	828,470	780,223	696,230	660,582	664,616	698,546	688,782
Amount	760,404,334	635,257,416	600,553,517	699,336,915	857,391,889	1,201,325,339	1,291,430,767
Total income tax [18]	266,281,801	220,874,245	209,691,130	243,822,946	299,555,304	419,209,279	453,082,065
Regular tax	262,232,738	218,675,610	207,056,104	241,275,165	296,200,379	416,324,111	450,167,880
Recapture of prior-year investment credit	9,594	20,924	9,189	10,740	9,557	7,174	1,601
Alternative minimum tax: [19]							
Number of returns	13,135	7,101	7,066	9,564	10,648	13,619	12,253
Amount	3,874,845	1,800,595	2,532,224	2,298,776	3,438,545	3,339,891	3,681,962
Tax credits: [20]							
Total	62,238,013	54,162,256	56,078,260	66,305,542	75,119,947	107,122,799	99,997,741
Foreign tax credit:							
Number of returns	5,937	5,488	4,726	5,414	5,500	6,016	6,955
Amount	48,505,841	41,063,165	42,021,526	50,033,590	56,872,180	82,051,187	78,183,457
U.S. possessions tax credit	1,438,549	1,268,616	1,191,217	1,081,674	941,968	883,735	580,694
Nonconventional source fuel credit	1,516,990	1,806,406	2,189,943	2,104,097	2,725,372	3,418,404	15,187,647
Qualified electric vehicle credit	1,246	231	6,102	N/A	N/A	N/A	N/A
Qualified zone academy bond credit	14,542	28,151	80,289	103,058	117,895	135,121	160,712
Prior-year minimum tax credit	5,169,159	3,254,175	2,027,542	3,355,062	3,737,618	7,134,874	5,877,378
General business credit	5,591,686	6,741,513	8,561,641	9,627,908	10,724,914	13,499,478	15,187,647
Empowerment zone employment credit	23,501	23,401	59,776	92,900	113,778	155,144	153,441
General business current year credit items: [21]							
Investment credit	357,607	359,179	449,893	418,904	436,833	495,182	619,928
Work opportunity credit/jobs credit	266,341	233,563	258,428	273,875	304,039	448,720	822,066
Alcohol fuel credit	11,825	9,224	8,467	8,112	11,843	9,271	15,059
Research activities credit	7,235,621	6,518,136	5,818,383	5,659,746	5,764,898	6,642,687	7,647,298
Orphan drug credit	112,954	134,846	146,900	173,848	209,488	232,185	303,951
Total income tax after credits [22]	204,043,788	166,711,988	153,612,870	177,517,404	[r] 224,435,343	312,086,477	353,083,862

Footnotes at end of table.

Selected Historical and Other Data

Table 13. Corporation Income Tax Returns: Balance Sheet, Income Statement, and Tax Items for Income Years, 2000-2006—Continued

Footnotes

N/A—Not applicable.

[r] Revised.

[1] Excludes inactive corporation returns. Excludes taxable farmers' cooperatives; Real Estate Mortgage Investment Conduits (REMICs); Foreign Sales Corporations (FSCs) and Interest-Charge Domestic International Sales Corporations (IC-DISCs). Because of the omission of these categories of returns, annual totals for the income, financial, and tax items shown in the statistics (except those not applicable to IC-DISCs and FSCs, such as "income subject to tax," "income tax," and tax credits) are not altogether comparable. Corporations that otherwise qualified as S corporations, but that had subsidiaries, could qualify provided the subsidiaries also qualified as S corporations. These subsidiaries are included in the income tax returns of the parent S corporations. S corporation net income totals for receipts and deductions are slightly understated to the extent that they are not directly related to the "income from a trade or business" reported by these companies and by the exclusion of certain amounts for Regulated Investment Companies.

[2] Consolidated returns were filed on an elective basis for groups of affiliated corporations (with exceptions), in general, if 80 percent or more of the stock of the affiliates was owned within the group, and a common parent corporation owned at least 80 percent of the stock of at least one of the affiliates. Consolidated returns exclude S corporations (defined in footnote 4), although S corporation returns could include subsidiaries that were also S corporations. Returns filed by parent S corporations which include qualifying subsidiaries are included in the S corporation frequencies shown below in Table 13. Consolidated returns also exclude all real estate investment trusts (REITs)

[3] Included in "number of returns, total" and "number with net income."

[4] In general, certain small qualifying corporations that elected to be taxed at the shareholder level. These corporations could have no more than 75 shareholders (mostly individuals). S corporation returns could include subsidiaries if the subsidiaries also qualified as S corporations, with income and financial data for both parent and subsidiaries combined on the return of the parent corporation.

[5] Balance sheet data are end-of-year amounts.

[6] Inventories include amounts reported by real estate subdividers and developers.

[7] Tax-exempt securities include not only investments in State and local Government obligations, but also stock in investment companies that distributed dividends during the current year representing tax-exempt interest on such obligations.

[8] Accounts payable of banking and savings and loan institutions could include deposits and withdrawable shares.

[9] Amounts for "adjustments to shareholders' equity" are reported separately on the tax return.

[10] In general, Statistics of Income data for receipts, deductions, and net income (or deficit) of S corporations are limited to those attributable to a trade or business. Therefore, most investment income or loss, such as from taxable interest, dividends, rents, royalties, and gain (loss) from sales of investment property; the deductions related to this income; and deductions for charitable contributions, intangible drilling and development costs, oil and gas depletion, foreign taxes paid, and the limited expensing of the cost of depreciable assets (Code section 179) are not reflected in net income (because they were allocated directly to shareholders instead). See also footnote 4. Cost of goods sold applies when inventories are an income-determining factor, i.e., when the corporation was engaged in the production, manufacture, purchase, or sale of merchandise in the course of the trade or business. For all years, identifiable amounts of depreciation, depletion, amortization, taxes paid, advertising, bad debts, compensation of officers, employee plan contributions, interest paid, and rent found in taxpayer schedules in support of the total cost of goods sold/cost were transferred to their respective deduction headings for the statistics. This enabled more complete statistics for these expenditures to be produced.

[11] "Business receipts" include the gross proceeds (netting during statistical processing against the cost of these sales) reported by stock and commodity brokers and exchanges, and by real estate subdividers, developers, and operative builders, even when they bought and sold securities, commodities, and real estate on their own account.

[12] "Other interest" includes any dividends reported in combination with interest on Form 1120S by S corporations, i.e., certain corporations that elect to be taxed through shareholders (see footnote 4).

[13] Identifiable amounts reported on Form 1120-A are included in the statistics for the appropriate deduction. "Other deductions" include certain amounts previously treated as part of the combined "cost of goods sold/cost of operations" for Statistics of Income. See also footnote 10.

[14] In general, "total receipts less total deductions" include tax-exempt interest on State and local government obligations, but exclude income from related foreign corporations only "constructively" received. As such, "total receipts less total deductions" represent all income, taxable and nontaxable, "actually" received by the corporation, as reported on the corporation income tax return, and exclude all income only "constructively" or "deemed" received. In contrast, "net income (less deficit)" represents all taxable income, actually or constructively received. Therefore, in the statistics, "total receipts less total deductions" minus "nontaxable interest on State and local government obligations" plus "constructive taxable income from related foreign corporations" equal "net income (less deficit)." For the exception, due to Regulated Investment Companies, see footnote 16.

[15] Represents "income" that was only "constructively" or "deemed" received from foreign corporations and that was taxed to the U. S. corporation. (In general, such income was otherwise subject to U. S. income tax only when actually repatriated as dividends.) For the statistics, it is the sum of "includable income of Controlled Foreign Corporations" and the "foreign dividend gross-up," reported separately on the tax return. The "includable income" was comprised of specific types of undistributed income earned by a Controlled Foreign Corporation that were taxed under certain conditions to the U. S. shareholder corporations unless an actual "minimum distribution" was made. The foreign dividend gross-up represents a share of the foreign taxes paid on the profits of certain foreign subsidiaries out of which they paid dividends to their U. S. parent corporations and for which the parent corporation then claimed a foreign tax credit.

[16] "Net income (less deficit)," "net income," and "deficit" exclude: (a) net long-term capital gain reduced by net short-term capital loss reported by Regulated Investment Companies (see footnote 14), and (b) amounts other than from a trade or business, i.e., portfolio and rental income, reported by S corporations (see footnote 4). For additional information about S corporation net income, see the various articles on S corporations in the *Bulletin*, starting with 1990.

Selected Historical and Other Data

Table 13. Corporation Income Tax Returns: Balance Sheet, Income Statement, and Tax Items for Income Years, 2000-2006—Continued

Footnotes—Continued

[17] For most years, "income subject to tax" (the corporate tax base) exceeds "net income (less deficit)" in the statistics, chiefly because of the deficits reported on returns without net income. Moreover, it is the sum of the several tax bases applicable over time to different classes of corporations, not all of which were directly related to net income. Income subject to tax thus includes the "taxable income" base used by most companies (and defined for the statistics as net income minus certain statutory special nonbusiness deductions, such as for intercorporate dividends received and "net operating losses" carried forward from prior years). Profits of S corporations were mostly taxed through shareholders (who had to be individuals, estates, or trusts).

[18] Includes Personal Holding Company tax; tax on "branch profits" of foreign corporations with U.S. operations; and certain lesser taxes, including special taxes applicable to Real Estate Investment Trusts (REITs) and foreign corporations with U.S.-source income. "Total income tax" more closely represents worldwide income tax liability because it is before subtraction of the foreign tax credit, the largest of the tax credits. To the extent that foreign tax credits adequately reflect the total foreign income tax burden, total income tax includes these taxes. See also footnotes 19, 21, and 24.

[19] Under AMT, corporations are required to compute their regular tax liabilities and their "tentative minimum tax" liabilities. The difference between the "tentative minimum tax" and the regular tax is the legally defined alternative minimum tax. The AMT was designed to ensure that, at least, a minimum amount of income tax was paid in spite of the legitimate use of exclusions, deductions, and credits. New corporations and certain small corporations were not subject to the AMT.

[20] Tax credits are applied against "regular tax" only. See also footnote 22.

[21] Not all components of the general business credit are shown separately. Most components are subject to a combined overall limitation. Therefore the amounts shown in the table are tentative. Certain credits are subject to a separate limitation. For other changes in the definition of components of the general business credit, see Statistics of Income—Corporation Income Tax Returns, for the years concerned.

[22] "Total income tax after credits" is before any examination or enforcement activities by the Internal Revenue Service. It is the amount payable to the U.S. Government as reported on the income tax return. Because it is after subtraction of foreign tax credit, this total does not include income taxes paid to foreign governments.

NOTES: Statistics are for corporate accounting periods ending July of one year through June of the next. Thus, for example, data for 2006 are for accounting periods ending July 2006 through June 2007. Detail may not add to totals because of rounding. All amounts are in current dollars. Most of the data are subject to sampling error. Tax law and tax form changes affect the year-to-year comparability of the data.

Selected Historical and Other Data

Table 14a. Corporation Income Tax Returns: Selected Balance Sheet, Income Statement, and Tax Items, by Standard Industrial Classification (SIC) Industrial Division, Specified Income Years, 1985-1997

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

Industrial division and item	1985	1990	1995	1996	1997
	(1)	(2)	(3)	(4)	(5)
ALL INDUSTRIAL DIVISIONS [1]					
Number of returns, total [2]	3,277,219	3,716,650	4,474,167	4,631,370	4,710,083
Number with net income [2]	1,820,120	1,910,670	2,455,492	2,588,424	2,647,474
Total assets [3]	12,773,093,888	18,190,057,609	26,013,689,001	28,642,263,127	33,029,652,126
Net worth [3]	3,303,698,576	4,738,917,553	8,131,941,003	9,495,226,103	11,353,013,694
Total receipts [4]	8,398,278,426	11,409,520,074	14,539,050,114	15,525,718,006	16,609,707,302
Business receipts [4,5]	7,369,538,953	9,860,441,633	12,785,797,708	13,659,470,309	14,460,928,695
Interest received [4,6]	637,786,939	977,402,674	1,039,496,772	1,082,071,703	1,186,893,564
Total deductions [4]	8,158,144,126	11,032,574,630	13,821,277,581	14,728,089,018	15,704,242,236
Cost of goods sold [4]	4,894,254,081	6,610,769,883	8,206,073,365	8,707,100,240	9,114,245,646
Interest paid	568,645,475	825,372,164	744,764,676	770,885,334	866,474,183
Net income (less deficit) [4]	240,119,020	370,632,632	714,193,371	806,484,990	915,396,637
Net income [4]	363,867,384	552,526,789	880,653,345	986,782,683	1,117,825,239
Deficit [4]	123,748,365	181,894,157	166,459,975	180,297,692	202,428,602
Total income tax [7]	111,340,839	128,185,666	198,786,648	223,712,985	239,394,206
Regular and alternative tax [8]	109,106,358	119,434,430	193,564,219	219,756,610	235,325,362
Total income tax after credits	63,348,204	96,403,099	156,392,780	170,620,945	184,175,993
AGRICULTURE, FORESTRY, AND FISHING [1]					
Number of returns, total [2]	103,156	126,423	147,527	158,963	163,114
Number with net income [2]	52,776	70,965	79,320	90,012	91,984
Total assets [3]	52,651,197	68,338,381	86,298,574	94,140,118	91,984,030
Net worth [3]	15,406,221	23,360,455	30,102,131	32,757,173	32,990,807
Total receipts [4]	70,491,486	88,101,065	107,581,973	119,737,058	117,387,555
Business receipts [4]	65,419,402	82,114,836	100,630,952	111,727,224	107,930,422
Interest received [4,6]	775,383	681,127	640,032	759,958	601,918
Total deductions [4]	70,559,478	86,883,128	105,967,360	117,166,334	114,673,629
Cost of goods sold [4]	45,085,526	52,758,720	56,765,231	63,581,911	60,245,509
Interest paid	2,758,952	2,852,242	2,892,302	3,008,936	2,978,589
Net income (less deficit) [4]	-74,270	1,156,269	1,604,481	2,614,131	2,673,835
Net income [4]	2,930,905	4,328,433	5,402,335	6,262,057	6,310,262
Deficit [4]	3,005,175	3,172,164	3,797,857	3,647,926	3,636,427
Total income tax [7]	540,641	589,866	661,579	764,345	659,642
Regular and alternative tax [8]	531,787	569,812	640,696	748,862	647,752
Total income tax after credits	344,626	554,818	611,254	659,991	599,082
MINING [1]					
Number of returns, total [2]	41,426	39,674	35,123	35,799	32,996
Number with net income [2]	18,031	18,436	18,776	18,098	17,281
Total assets [3]	240,815,996	219,197,640	268,690,014	299,106,231	324,294,826
Net worth [3]	104,772,797	110,339,579	132,123,209	151,720,805	165,095,652
Total receipts [4]	142,038,595	111,444,457	126,760,491	141,278,092	150,318,265
Business receipts [4]	126,710,610	97,321,579	114,163,493	127,583,639	134,379,404
Interest received [4,6]	3,584,890	3,849,674	2,985,957	3,096,278	3,708,511
Total deductions [4]	145,389,514	106,466,509	121,397,443	133,385,823	141,046,419
Cost of goods sold [4]	87,972,035	62,070,361	70,550,767	78,022,883	78,465,626
Interest paid	7,789,995	6,674,114	6,071,863	6,179,872	6,768,047
Net income (less deficit) [4]	-2,543,487	5,302,223	5,530,975	8,152,607	9,728,562
Net income [4]	6,166,623	9,071,733	9,364,612	12,112,260	14,191,366
Deficit [4]	8,710,110	3,769,511	3,833,637	3,959,653	4,462,804
Total income tax [7]	1,810,559	2,223,977	2,119,370	2,525,467	3,141,128
Regular and alternative tax [8]	1,736,952	1,897,245	1,900,482	2,348,394	2,951,254
Total income tax after credits	557,519	1,348,333	1,170,119	1,350,676	2,019,716

Footnotes at end of table.

Selected Historical and Other Data

Table 14a. Corporation Income Tax Returns: Selected Balance Sheet, Income Statement, and Tax Items, by Standard Industrial Classification (SIC) Industrial Division, Specified Income Years, 1985-1997—Continued

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

Industrial division and item	1985	1990	1995	1996	1997
	(1)	(2)	(3)	(4)	(5)
CONSTRUCTION [1]					
Number of returns, total [2]	318,276	406,874	449,882	471,230	487,783
Number with net income [2]	185,613	223,434	275,375	300,890	307,733
Total assets [3]	215,297,771	243,829,026	265,812,616	284,595,206	314,551,349
Net worth [3]	54,687,270	63,865,550	86,553,081	92,427,338	99,144,660
Total receipts [4]	387,232,953	534,654,044	637,090,195	710,467,223	779,014,473
Business receipts [4]	374,590,273	522,586,199	627,463,416	699,596,890	768,122,399
Interest received [4,6]	3,851,628	3,621,561	2,068,327	2,089,412	2,079,884
Total deductions [4]	382,823,113	527,800,795	622,621,984	692,581,515	758,429,123
Cost of goods sold [4]	295,803,244	407,448,745	483,881,784	537,067,796	589,184,488
Interest paid	6,407,652	7,368,430	5,280,750	5,473,796	5,949,039
Net income (less deficit) [4]	4,370,924	6,824,608	14,458,024	17,878,460	20,522,439
Net income [4]	11,053,145	15,859,977	20,986,981	25,036,702	27,816,466
Deficit [4]	6,682,220	9,035,370	6,528,956	7,158,242	7,294,027
Total income tax [7]	2,312,856	2,092,196	2,462,222	2,958,069	2,953,440
Regular and alternative tax [8]	2,243,786	1,983,902	2,358,661	2,847,146	2,846,960
Total income tax after credits	1,662,563	1,906,537	2,281,929	2,667,923	2,817,961
MANUFACTURING [1]					
Number of returns, total [2]	276,545	301,669	319,699	325,689	325,045
Number with net income [2]	159,778	167,509	185,590	191,254	195,038
Total assets [3]	2,644,393,424	3,921,323,756	4,941,072,530	5,425,184,573	5,966,306,398
Net worth [3]	1,099,645,876	1,392,233,318	1,739,529,985	1,966,848,773	2,110,695,629
Total receipts [4]	2,831,062,496	3,688,693,895	4,585,549,761	4,902,669,122	5,177,663,770
Business receipts [4]	2,656,345,750	3,434,141,360	4,290,704,760	4,567,209,064	4,794,291,330
Interest received [4,6]	47,753,626	81,135,811	86,746,437	102,537,639	116,819,943
Total deductions [4]	2,733,105,346	3,545,121,842	4,354,564,077	4,652,960,523	4,910,704,056
Cost of goods sold [4]	1,797,852,805	2,377,226,499	2,932,256,224	3,125,013,437	3,241,577,938
Interest paid	90,452,072	151,214,835	145,509,470	156,862,195	175,064,011
Net income (less deficit) [4]	113,758,645	171,373,726	260,909,947	286,059,822	305,958,154
Net income [4]	142,541,119	212,936,099	297,458,397	325,291,340	352,453,829
Deficit [4]	28,782,474	41,562,373	36,548,450	39,231,518	46,495,675
Total income tax [7]	56,687,476	64,385,522	83,817,532	95,502,448	101,849,787
Regular and alternative tax [8]	55,553,921	60,664,655	81,476,502	93,646,267	100,318,010
Total income tax after credits	25,382,459	38,971,197	54,302,936	58,883,875	64,307,381
TRANSPORTATION AND PUBLIC UTILITIES [1]					
Number of returns, total [2]	138,337	160,353	194,456	205,777	209,412
Number with net income [2]	69,938	81,418	107,285	111,811	110,657
Total assets [3]	1,246,426,899	1,522,045,738	1,903,213,778	2,069,453,023	2,219,019,293
Net worth [3]	490,481,127	508,667,821	633,131,635	714,120,889	762,083,589
Total receipts [4]	772,358,188	936,277,062	1,156,709,979	1,257,010,639	1,330,726,431
Business receipts [4]	733,943,970	874,111,070	1,086,623,231	1,183,959,691	1,247,593,251
Interest received [4,6]	12,310,594	18,194,729	22,314,329	23,432,987	26,135,120
Total deductions [4]	747,836,158	900,960,832	1,084,676,405	1,182,369,290	1,260,911,843
Cost of goods sold [4]	381,028,354	405,924,209	405,708,040	453,455,420	482,982,473
Interest paid	44,880,858	59,190,735	61,601,762	64,006,991	69,385,093
Net income (less deficit) [4]	25,087,629	35,413,596	72,911,176	75,400,172	70,984,769
Net income [4]	37,880,144	51,490,850	87,557,007	93,129,707	95,097,536
Deficit [4]	12,792,516	16,077,254	14,645,831	17,729,536	24,112,767
Total income tax [7]	15,214,129	17,114,547	27,186,351	28,376,759	28,506,843
Regular and alternative tax [8]	14,881,470	15,228,031	26,305,839	27,775,587	27,790,676
Total income tax after credits	8,432,924	15,882,038	24,836,272	25,963,903	25,582,369

Footnotes at end of table.

Selected Historical and Other Data

Table 14a. Corporation Income Tax Returns: Selected Balance Sheet, Income Statement, and Tax Items, by Standard Industrial Classification (SIC) Industrial Division, Specified Income Years, 1985-1997—Continued

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

Industrial division and item	1985	1990	1995	1996	1997
	(1)	(2)	(3)	(4)	(5)
WHOLESALE AND RETAIL TRADE [1]					
Number of returns, total [2]	917,301	1,023,057	1,132,409	1,142,491	1,149,132
Number with net income [2]	510,825	527,128	626,022	652,504	656,288
Total assets [3]	1,009,965,739	1,447,296,828	1,919,717,823	2,016,232,163	1,947,931,949
Net worth [3]	286,260,274	354,827,439	533,870,160	568,677,377	613,532,103
Total receipts [4]	2,473,865,453	3,308,988,336	4,310,346,947	4,490,073,608	4,703,816,853
Business receipts [4]	2,408,174,933	3,216,861,660	4,206,376,331	4,383,103,174	4,588,802,594
Interest received [4,6]	21,633,480	29,851,239	30,425,682	31,317,702	31,259,696
Total deductions [4]	2,440,403,373	3,279,066,687	4,247,560,773	4,418,321,110	4,624,196,186
Cost of goods sold [4]	1,869,766,621	2,482,483,270	3,255,845,728	3,378,472,096	3,523,438,346
Interest paid	38,217,998	63,914,431	59,945,319	61,708,013	65,839,595
Net income (less deficit) [4]	33,126,702	30,094,078	63,566,712	73,353,268	81,584,637
Net income [4]	51,434,500	65,383,876	97,018,112	107,999,874	117,042,233
Deficit [4]	18,307,798	35,289,798	33,451,401	34,646,606	35,457,596
Total income tax [7]	16,392,896	13,839,310	20,301,551	22,694,239	23,871,953
Regular and alternative tax [8]	16,130,885	13,324,360	20,030,374	22,435,178	23,550,018
Total income tax after credits	13,396,555	12,615,991	18,475,921	20,732,232	21,959,617
FINANCE, INSURANCE, AND REAL ESTATE [1]					
Number of returns, total [2]	518,432	609,138	683,211	723,754	744,545
Number with net income [2]	285,273	269,667	317,410	341,136	344,625
Total assets [3]	7,029,452,681	10,193,295,357	15,677,286,629	17,360,053,164	20,905,619,903
Net worth [3]	1,161,968,009	2,142,041,011	4,668,579,685	5,605,211,611	7,155,654,580
Total receipts [4]	1,182,034,309	1,954,709,651	2,278,103,923	2,406,855,250	2,711,269,836
Business receipts [5]	501,993,840	900,908,453	1,094,870,564	1,176,179,679	1,282,307,615
Interest received [4,6]	541,268,193	830,451,126	879,763,014	901,666,932	987,114,539
Total deductions [4]	1,104,572,202	1,809,867,575	1,985,795,615	2,076,613,597	2,304,339,835
Cost of goods sold [4]	237,577,803	526,244,728	614,755,680	632,948,266	661,222,720
Interest paid	363,009,417	506,921,011	433,479,978	439,762,655	501,112,985
Net income (less deficit) [4]	60,670,526	109,901,881	256,810,767	299,149,193	373,482,032
Net income [4]	90,546,934	158,458,842	295,423,415	337,822,090	413,000,341
Deficit [4]	29,876,408	48,556,962	38,612,648	38,672,897	39,518,308
Total income tax [7]	13,598,201	22,556,387	51,874,358	58,301,659	63,604,700
Regular and alternative tax [8]	13,369,981	20,709,720	50,691,121	57,556,938	62,650,267
Total income tax after credits	10,193,877	20,511,294	45,988,431	50,181,634	54,777,098
SERVICES [1]					
Number of returns, total [2]	939,390	1,029,447	1,504,230	1,557,401	1,592,854
Number with net income [2]	529,337	546,268	843,922	881,427	921,533
Total assets [3]	330,982,941	572,842,266	950,737,457	1,092,310,137	1,259,381,543
Net worth [3]	89,852,365	143,154,346	307,630,801	363,120,124	413,665,895
Total receipts [4]	534,587,609	779,329,609	1,335,694,559	1,496,215,552	1,638,587,903
Business receipts [4]	497,980,990	726,041,364	1,263,790,767	1,408,716,487	1,536,597,024
Interest received [4,6]	6,561,301	9,526,124	14,541,126	17,157,456	19,166,408
Total deductions [4]	528,685,613	769,035,909	1,297,475,364	1,453,204,496	1,589,010,688
Cost of goods sold [4]	176,070,808	290,965,307	385,562,425	437,521,006	476,468,909
Interest paid	15,027,259	27,188,190	29,967,579	33,871,749	39,371,150
Net income (less deficit) [4]	5,883,782	10,616,792	38,407,562	43,952,204	50,470,448
Net income [4]	21,124,460	34,850,560	67,389,184	79,102,121	91,879,768
Deficit [4]	15,240,678	24,233,768	28,981,622	35,149,916	41,409,320
Total income tax [7]	4,742,347	5,368,531	10,358,678	12,588,705	14,804,587
Regular and alternative tax [8]	4,621,875	5,041,377	10,155,538	12,397,017	14,568,298
Total income tax after credits	3,343,830	4,597,561	8,720,911	10,179,417	12,110,639

Footnotes at end of table.

Table 14a. Corporation Income Tax Returns: Selected Balance Sheet, Income Statement, and Tax Items, by Standard Industrial Classification (SIC) Industrial Division, Specified Income Years, 1985-1997—Continued

Footnotes

[1] Industrial classification is based on the product or service accounting for the largest percentage of "total receipts." (Total receipts are the sum of business or gross receipts, plus capital gains and income from investments, including rentals.) Starting with 1998, this classification is based on the North American Industry Classification System (NAICS), which replaced the Standard Industrial Classification (SIC) system. The SIC, in its various versions, was used to classify statistics for the years before 1998. Both systems were intended for Governmentwide use in classifying business statistics. (For information about NAICS and its usage in Canadian, Mexican, and U.S. Government statistics, see the *Statistics of Income Bulletin*, Summer 1997, Volume 17, Number 1, pp. 3-5.) Because there are substantial differences between NAICS and its predecessor SIC system, data by "industrial sector" for years beginning with 1998 (Table 14b) are shown apart from data for earlier years by "industrial division" (Table 14a). As an example of differences between the two systems, using NAICS, Statistics of Income classifies banks that were bank holding companies in the new "management of companies (holding companies)" sector, instead of in the "finance and insurance" sector. Using the SIC, bank holding companies had previously been classified in the "finance, insurance, and real estate" industrial division. For additional information about breaks in comparability caused by the changeover to NAICS, see *Statistics of Income—1998, Corporation Income Tax Returns*. If information for the business activity and product was not discernible from the corporation income tax return, the return was classified as with nature of business "not allocable." Data for nature of business "not allocable" are included in the totals for "all industrial divisions" (Table 14a) and "all industrial sectors" (Table 14b), but are not shown separately. Therefore, in addition to rounding differences, the statistics by industrial division or sector will not add to their respective grand totals.

[2] See Table 13, footnote 1.

[3] Balance sheet data are end-of-year amounts. Net worth is the sum of "capital stock," "additional paid-in capital," "retained earnings, appropriated," "retained earnings, unappropriated," and "adjustments to shareholders' equity" minus "cost of treasury stock." (Prior to 1997, data for "retained earnings, unappropriated" included "adjustments to shareholders' equity," not reported separately on the tax return.) Each of these amounts is presented separately in Table 13.

[4] See Table 13, footnotes 10 and 14.

[5] See Table 13, footnote 11.

[6] Interest received is the sum of "interest on State and local government obligations" (i.e., tax-exempt interest) and "other interest" (which includes interest paid by banking and savings institutions). Data for both of these amounts are presented separately in Table 13. See also Table 13, footnote 12.

[7] In addition to regular tax (and alternative tax) for years prior to 1988, includes certain other taxes either shown separately in Table 13 or mentioned in Table 13, footnote 18.

[8] Beginning with tax year 1987, "Alternative tax" was repealed. See also Table 13, footnote 19.

NOTES: Statistics are for corporate accounting periods ended July of one year through June of the next. Thus, for example, data for 1997 are for accounting periods ended July 1997 through June 1998. Data may not add to totals because of rounding. All amounts are in current dollars. Most of the data are subject to sampling errors. Tax law and tax form changes affect the year-to-year comparability of the data.

SOURCE: *Statistics of Income—Corporation Income Tax Returns*.

Selected Historical and Other Data

Table 14b. Corporation Income Tax Returns: Selected Balance Sheet, Income Statement, and Tax Items, by North American Industry Classification System (NAICS) Industrial Sector, Income Years 2001-2006

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

Industrial sector and item	2001	2002	2003	2004	2005	2006
	(1)	(2)	(3)	(4)	(5)	(6)
ALL INDUSTRIAL SECTORS [1]						
Number of returns, total [2]	5,135,591	5,266,607	5,401,237	5,557,965	5,671,257	5,840,799
Number with net income [2]	2,822,302	2,800,517	2,932,115	3,116,468	3,324,260	3,367,313
Total assets [3]	49,154,424,202	50,413,501,942	53,644,784,683	60,117,759,331	66,445,429,787	73,080,647,385
Net worth [3]	17,614,743,174	17,545,109,175	18,818,686,574	20,814,368,622	23,524,907,609	301,618,194
Total receipts [4]	20,272,957,624	19,749,426,052	20,689,574,291	22,711,863,939	25,504,789,203	27,401,873,714
Business receipts [4,5]	17,504,288,630	17,297,125,146	18,264,393,898	19,975,875,761	21,800,290,496	23,310,309,765
Interest received [4,6]	1,499,683,236	1,233,298,115	1,132,675,179	1,337,625,869	1,712,270,625	2,242,464,157
Total deductions [4]	19,682,982,949	19,198,882,118	19,940,594,557	21,636,155,758	23,612,765,507	25,501,557,823
Cost of goods sold [4]	11,041,533,030	10,607,404,004	11,318,644,763	12,497,904,654	13,816,464,452	14,799,598,760
Interest paid	1,203,045,923	912,751,562	818,016,806	938,790,256	1,287,097,591	1,787,103,982
Net income (less deficit) [4]	603,623,352	563,656,558	779,988,635	1,111,692,655	1,948,655,133	1,933,374,450
Net income [4]	1,112,480,551	1,053,126,217	1,175,608,990	1,455,796,796	2,234,882,109	2,239,614,334
Deficit [4]	508,857,198	489,469,660	395,620,355	344,104,141	286,226,977	306,239,884
Total income tax [7]	220,874,245	209,691,130	243,822,946	299,555,304	419,209,279	453,082,065
Regular tax	218,675,610	207,056,104	241,275,165	296,200,379	416,324,111	450,167,880
Total income tax after credits	166,711,988	153,612,870	177,517,404	224,435,343	312,086,477	353,083,862
AGRICULTURE, FORESTRY, HUNTING, AND FISHING [1]						
Number of returns, total [2]	140,806	140,223	143,019	141,553	142,439	140,525
Number with net income [2]	74,106	65,499	77,281	74,061	77,937	71,541
Total assets [3]	104,902,187	105,500,630	111,325,927	118,719,286	122,625,034	133,323,257
Net worth [3]	36,636,289	35,767,420	37,169,357	38,209,429	37,317,669	41,888,111
Total receipts [4]	115,434,441	119,151,243	125,741,451	136,705,535	140,748,881	142,111,048
Business receipts [4]	102,909,416	107,931,393	113,828,382	124,699,127	125,809,223	127,728,942
Interest received [4,6]	541,280	374,767	368,971	334,422	385,473	514,675
Total deductions [4]	114,621,084	119,774,426	124,462,063	134,140,348	136,056,153	139,214,683
Cost of goods sold [4]	54,841,323	60,121,105	62,045,324	67,605,321	67,746,819	69,183,044
Interest paid	3,280,134	2,923,041	2,733,424	2,777,471	2,990,415	3,502,549
Net income (less deficit) [4]	1,064,909	-587,571	1,332,547	2,580,512	4,723,729	2,927,432
Net income [4]	5,981,691	4,852,284	6,339,974	7,704,650	9,855,268	8,391,765
Deficit [4]	4,916,782	5,439,855	5,007,428	5,124,138	5,131,540	5,464,332
Total income tax [7]	619,708	403,902	644,189	825,138	969,072	751,655
Regular tax	615,617	399,926	635,750	817,962	966,582	746,923
Total income tax after credits	514,046	386,944	592,886	801,210	935,082	726,628
MINING [1]						
Number of returns, total [2]	31,776	30,287	30,252	30,909	32,589	36,946
Number with net income [2]	18,942	15,095	17,152	16,513	18,339	23,627
Total assets [3]	448,910,140	449,429,859	421,276,319	478,698,533	559,195,001	630,278,959
Net worth [3]	231,706,800	233,250,469	196,639,943	223,379,428	263,557,467	301,618,194
Total receipts [4]	169,539,555	157,298,844	194,190,254	232,552,316	314,260,412	366,513,788
Business receipts [4]	151,151,906	142,247,484	178,319,223	212,694,107	279,825,028	327,272,187
Interest received [4,6]	4,088,184	3,225,286	3,174,095	2,681,500	3,792,041	4,999,401
Total deductions [4]	160,816,530	156,911,742	184,237,912	214,322,152	270,445,817	308,901,236
Cost of goods sold [4]	80,548,021	78,092,277	98,177,788	114,712,975	147,011,520	164,046,734
Interest paid	9,923,985	9,016,218	9,240,463	9,105,520	10,051,157	11,164,876
Net income (less deficit) [4]	9,406,304	1,344,239	10,683,846	18,694,454	46,784,960	58,844,799
Net income [4]	16,240,479	9,851,990	17,265,488	24,028,229	54,937,445	65,315,072
Deficit [4]	6,834,176	8,507,752	6,581,642	5,333,776	8,152,485	6,470,273
Total income tax [7]	3,026,385	2,087,504	3,547,275	5,042,652	12,880,276	15,598,316
Regular tax	2,900,460	1,993,356	3,453,291	4,818,960	12,807,096	15,803,995
Total income tax after credits	2,064,114	1,010,103	2,030,356	3,416,154	8,657,023	10,747,340

Footnotes at end of table.

Selected Historical and Other Data

Table 14b. Corporation Income Tax Returns: Selected Balance Sheet, Income Statement, and Tax Items, by North American Industry Classification System (NAICS) Industrial Sector, Income Years 2001-2006—Continued

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

Industrial sector and item	2001	2002	2003	2004	2005	2006
	(1)	(2)	(3)	(4)	(5)	(6)
MANAGEMENT OF COMPANIES (HOLDING COMPANIES) [1]						
Number of returns, total [2]	47,866	48,053	46,887	49,800	50,921	50,261
Number with net income [2]	19,818	21,267	18,786	18,672	19,399	20,275
Total assets [3]	9,356,898,892	9,739,201,697	10,094,909,965	12,443,130,858	13,487,039,096	15,510,259,230
Net worth [3]	1,386,169,730	1,482,596,398	1,311,562,906	1,845,689,046	1,828,577,565	2,469,651,663
Total receipts [4]	788,062,467	689,799,466	677,082,366	728,911,434	895,321,523	1,093,609,157
Business receipts [4]	175,450,783	170,514,329	190,225,987	170,830,009	139,325,361	187,755,441
Interest received [4,6]	457,053,813	361,954,366	339,679,108	409,980,444	526,561,282	703,502,457
Total deductions [4]	702,054,817	602,603,758	581,498,091	640,444,739	734,136,089	931,984,836
Cost of goods sold [4]	18,585,287	11,077,288	9,517,497	5,467,190	5,634,948	3,287,996
Interest paid	290,735,669	186,561,412	158,380,777	184,867,911	297,108,263	482,687,880
Net income (less deficit) [4]	83,216,188	84,572,187	93,462,818	116,033,731	161,499,246	157,479,205
Net income [4]	89,526,734	94,494,581	100,808,637	121,893,451	167,270,312	164,297,390
Deficit [4]	6,310,546	9,922,394	7,345,819	5,859,720	5,771,067	6,818,185
Total income tax [7]	28,535,815	30,444,748	32,182,303	38,654,549	51,747,954	51,106,083
Regular tax	28,461,711	30,408,844	32,122,396	38,562,149	51,635,370	51,033,744
Total income tax after credits	23,256,377	24,905,354	25,674,080	31,399,638	41,936,262	41,768,161
ADMINISTRATIVE AND SUPPORT AND WASTE MANAGEMENT AND REMEDIATION SERVICES [1]						
Number of returns, total [2]	223,999	231,412	242,904	245,725	257,623	267,624
Number with net income [2]	135,234	134,003	151,327	150,400	170,075	171,544
Total assets [3]	231,139,131	258,705,414	274,758,410	276,397,743	281,726,153	251,062,284
Net worth [3]	64,950,551	77,291,090	80,911,300	88,964,050	90,273,850	74,773,046
Total receipts [4]	352,935,179	350,216,846	377,940,515	416,277,503	455,332,505	461,263,757
Business receipts [4]	339,002,912	338,209,323	359,890,965	397,881,553	431,345,806	448,653,998
Interest received [4,6]	1,790,626	1,881,731	2,080,683	3,230,355	3,071,211	1,968,879
Total deductions [4]	345,441,035	345,261,614	370,864,108	405,784,490	432,350,429	447,584,884
Cost of goods sold [4]	152,621,002	149,702,110	170,893,885	182,110,622	198,237,179	198,312,685
Interest paid	7,002,692	6,199,583	6,503,972	7,523,112	8,141,788	6,836,934
Net income (less deficit) [4]	7,609,771	5,036,076	7,194,381	10,594,085	22,980,942	13,751,601
Net income [4]	14,784,895	13,491,618	14,226,924	18,432,328	28,157,078	23,934,677
Deficit [4]	7,175,123	8,455,542	7,032,543	7,838,244	5,176,136	10,183,076
Total income tax [7]	1,951,046	1,605,012	1,304,340	1,876,213	3,553,314	3,058,962
Regular tax	1,928,166	1,586,118	1,270,470	1,869,703	3,466,762	3,054,232
Total income tax after credits	1,520,665	1,393,675	1,092,221	1,463,551	3,103,764	2,548,758
EDUCATIONAL SERVICES [1]						
Number of returns, total [2]	38,480	41,317	44,059	43,956	44,885	47,349
Number with net income [2]	19,336	20,525	21,688	24,789	24,708	25,887
Total assets [3]	16,497,219	16,492,830	19,947,248	22,234,648	25,992,750	30,890,927
Net worth [3]	6,192,337	6,195,219	7,265,582	8,548,807	8,758,947	9,292,323
Total receipts [4]	26,922,736	25,972,274	30,684,279	33,315,699	34,297,361	38,335,549
Business receipts [4]	25,148,309	24,509,009	29,746,218	32,364,218	33,247,315	37,263,167
Interest received [4,6]	113,946	90,703	86,397	85,530	129,748	166,289
Total deductions [4]	26,509,597	24,969,680	29,222,310	30,945,287	31,596,850	35,898,876
Cost of goods sold [4]	4,820,315	3,955,244	4,895,886	4,548,507	4,778,563	5,336,054
Interest paid	338,259	322,399	312,979	337,689	416,058	776,845
Net income (less deficit) [4]	420,744	1,005,660	1,457,306	2,352,859	2,659,365	2,400,974
Net income [4]	1,641,837	1,877,456	2,352,880	3,088,203	3,491,097	3,444,051
Deficit [4]	1,221,094	871,796	895,575	735,344	831,732	1,043,077
Total income tax [7]	229,931	264,236	341,140	471,540	606,785	558,360
Regular tax	229,079	263,846	337,968	470,375	605,904	557,816
Total income tax after credits	218,742	248,573	331,442	462,127	596,579	545,403

Footnotes at end of table.

Selected Historical and Other Data

Table 14b. Corporation Income Tax Returns: Selected Balance Sheet, Income Statement, and Tax Items, by North American Industry Classification System (NAICS) Industrial Sector, Income Years 2001-2006—Continued

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

Industrial sector and item	2001	2002	2003	2004	2005	2006
	(1)	(2)	(3)	(4)	(5)	(6)
FINANCE AND INSURANCE [1]						
Number of returns, total [2]	220,895	224,352	234,746	239,011	242,686	249,876
Number with net income [2]	140,018	141,771	153,780	161,260	167,924	166,229
Total assets [3]	21,088,851,299	21,937,110,016	24,336,630,885	27,069,358,567	30,392,706,733	34,749,728,196
Net worth [3]	9,559,259,468	9,422,754,290	10,639,646,968	11,776,474,795	13,540,857,299	15,425,982,243
Total receipts [4]	2,621,771,654	2,605,571,614	2,575,206,914	2,872,973,263	3,301,642,987	3,747,501,642
Business receipts [4,5]	1,430,898,834	1,573,271,535	1,571,588,951	1,689,658,323	1,798,196,722	1,893,916,912
Interest received [4,6]	806,514,689	660,002,353	593,235,118	718,132,073	934,940,428	1,232,243,236
Total deductions [4]	2,321,050,152	2,324,723,707	2,240,823,839	2,483,745,264	2,764,686,695	3,084,260,530
Cost of goods sold [4]	828,320,672	835,466,854	818,675,183	864,897,821	990,381,743	1,058,360,866
Interest paid	421,275,484	291,740,227	249,072,837	341,933,616	515,303,986	751,033,980
Net income (less deficit) [4]	268,142,171	247,012,845	303,014,325	363,427,888	500,563,173	631,745,689
Net income [4]	328,604,216	304,543,767	341,858,827	395,630,979	530,336,105	666,304,790
Deficit [4]	60,462,045	57,530,922	38,844,502	32,203,090	29,772,932	34,559,101
Total income tax [7]	39,068,012	41,867,335	52,991,696	58,328,665	66,391,944	80,202,389
Regular tax	37,998,253	40,872,057	51,620,051	56,789,596	65,098,055	78,741,477
Total income tax after credits	34,189,718	36,100,698	44,306,591	48,224,782	54,959,137	67,544,669
REAL ESTATE AND RENTAL AND LEASING [1]						
Number of returns, total [2]	539,965	570,639	577,400	603,789	641,947	655,389
Number with net income [2]	203,699	207,925	219,872	242,527	270,082	269,934
Total assets [3]	553,968,402	538,584,064	559,092,671	629,103,950	766,334,870	802,904,523
Net worth [3]	151,968,943	147,198,160	161,103,312	181,983,422	215,718,480	234,491,052
Total receipts [4]	239,598,864	230,647,035	233,291,211	253,829,490	316,578,467	337,662,228
Business receipts [4,5]	207,454,856	205,206,751	207,243,701	222,627,250	268,384,638	286,352,886
Interest received [4,6]	4,864,674	4,046,822	4,213,588	4,175,604	8,767,451	6,135,130
Total deductions [4]	234,230,846	227,363,978	227,270,188	244,141,376	286,395,700	313,617,608
Cost of goods sold [4]	48,227,121	50,124,303	47,394,165	42,510,921	56,170,584	61,930,219
Interest paid	19,896,544	14,123,528	13,675,965	13,218,349	18,483,490	19,313,124
Net income (less deficit) [4]	5,360,069	3,253,378	6,062,925	9,553,391	29,777,730	23,631,173
Net income [4]	18,754,185	18,134,864	21,144,158	27,733,716	42,366,578	39,658,460
Deficit [4]	13,394,117	14,881,486	15,081,233	18,180,325	12,588,848	16,027,287
Total income tax [7]	2,361,366	2,012,011	2,370,340	3,002,951	4,559,849	5,939,914
Regular tax	2,321,058	1,974,547	2,314,379	2,940,766	4,427,618	5,711,617
Total income tax after credits	2,218,940	1,958,106	2,308,035	2,926,851	4,393,676	5,799,637
PROFESSIONAL, SCIENTIFIC, AND TECHNICAL SERVICES [1]						
Number of returns, total [2]	709,837	736,005	760,087	779,510	786,275	813,266
Number with net income [2]	416,900	429,535	444,869	471,513	497,262	523,783
Total assets [3]	483,351,824	484,691,832	507,815,971	559,824,879	645,918,660	680,603,781
Net worth [3]	189,543,565	171,783,018	181,546,066	195,287,569	234,387,953	241,059,087
Total receipts [4]	665,085,183	683,879,755	720,418,313	753,589,775	855,507,620	928,555,751
Business receipts [4]	631,691,343	651,992,903	691,608,915	721,645,865	814,499,239	887,903,283
Interest received [4,6]	6,196,145	4,668,720	3,889,678	4,222,499	6,244,155	8,616,588
Total deductions [4]	671,016,867	681,976,681	711,836,442	736,309,743	825,169,038	893,378,642
Cost of goods sold [4]	189,914,383	199,415,154	202,329,198	210,705,479	237,595,161	268,885,431
Interest paid	9,404,961	9,040,336	8,682,585	9,162,932	11,618,380	14,022,194
Net income (less deficit) [4]	-5,614,567	2,463,356	9,277,744	17,864,065	30,931,686	35,921,904
Net income [4]	41,323,639	42,831,929	44,316,435	52,201,791	64,986,986	70,575,629
Deficit [4]	46,938,207	40,368,574	35,038,691	34,337,726	34,055,300	34,653,725
Total income tax [7]	3,943,006	3,769,108	3,671,651	4,618,196	5,578,429	6,817,173
Regular tax	3,931,563	3,736,566	3,682,859	4,555,118	5,500,953	6,729,333
Total income tax after credits	3,277,227	3,191,317	3,066,840	3,979,966	4,787,165	5,861,517

Footnotes at end of table.

Selected Historical and Other Data

Table 14b. Corporation Income Tax Returns: Selected Balance Sheet, Income Statement, and Tax Items, by North American Industry Classification System (NAICS) Industrial Sector, Income Years 2001-2006—Continued

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

Industrial sector and item	2001	2002	2003	2004	2005	2006
	(1)	(2)	(3)	(4)	(5)	(6)
WHOLESALE AND RETAIL TRADE [1]						
Number of returns, total [2]	963,403	964,523	975,011	1,001,211	992,818	999,869
Number with net income [2]	552,571	514,346	538,287	583,677	584,543	583,437
Total assets [3]	2,311,538,349	2,412,864,112	2,458,482,333	2,958,971,634	3,154,245,364	3,410,974,095
Net worth [3]	775,273,224	812,930,683	859,282,017	1,138,704,327	1,216,728,822	1,250,761,782
Total receipts [4]	5,312,289,788	5,403,353,886	5,736,011,994	6,309,079,027	6,818,434,520	7,255,778,582
Business receipts [4]	5,183,197,415	5,278,843,887	5,601,105,942	6,167,364,953	6,652,131,497	7,086,916,217
Interest received [4,6]	21,959,651	19,509,672	17,660,874	19,835,305	24,460,906	27,523,485
Total deductions [4]	5,239,282,835	5,318,817,046	5,631,362,037	6,151,228,225	6,608,615,645	7,032,653,971
Cost of goods sold [4]	4,036,920,370	4,083,064,952	4,352,429,283	4,825,090,465	5,207,833,297	5,571,281,972
Interest paid	59,251,050	50,534,463	46,478,485	44,393,497	55,097,448	66,365,592
Net income (less deficit) [4]	75,366,514	87,018,582	108,098,908	161,987,422	214,851,252	227,775,140
Net income [4]	128,763,355	135,027,304	154,567,691	196,669,777	248,829,504	261,080,166
Deficit [4]	53,396,841	48,008,722	46,468,782	34,682,355	33,978,253	33,305,026
Total income tax [7]	26,419,726	27,469,057	32,256,691	42,766,473	52,477,473	59,577,917
Regular tax	26,309,437	27,296,326	32,120,034	42,699,804	52,615,992	59,830,692
Total income tax after credits	24,749,298	25,568,842	29,692,890	38,860,965	47,946,935	54,342,219
TRANSPORTATION AND WAREHOUSING [1]						
Number of returns, total [2]	164,492	177,745	182,881	182,614	187,051	199,912
Number with net income [2]	84,837	91,226	95,352	99,790	112,644	113,063
Total assets [3]	531,565,543	536,270,300	558,278,543	569,991,323	586,306,011	629,629,284
Net worth [3]	156,710,830	144,702,207	156,846,724	149,624,391	127,764,439	169,869,060
Total receipts [4]	516,415,672	533,613,159	571,417,174	623,192,018	687,092,197	756,588,460
Business receipts [4]	493,765,699	510,816,998	547,730,745	599,482,798	659,186,488	712,406,648
Interest received [4,6]	4,819,977	3,982,958	3,026,793	3,424,815	3,856,638	5,099,122
Total deductions [4]	523,754,808	542,412,614	570,180,006	618,120,932	668,435,555	730,735,051
Cost of goods sold [4]	143,664,961	151,927,768	193,253,719	197,138,222	221,554,412	248,752,908
Interest paid	14,544,173	19,266,450	12,624,295	12,097,700	14,475,447	16,149,646
Net income (less deficit) [4]	-7,061,072	-8,648,139	1,608,015	5,724,498	18,910,404	26,335,387
Net income [4]	14,117,899	14,490,713	15,802,242	21,741,796	33,149,439	38,664,145
Deficit [4]	21,178,971	23,138,852	14,194,227	16,017,298	14,239,034	12,328,758
Total income tax [7]	3,061,717	2,915,569	3,165,216	4,744,118	7,480,008	8,607,675
Regular tax	2,965,899	2,817,395	3,152,330	4,728,573	7,453,375	8,559,420
Total income tax after credits	2,836,333	2,725,995	2,740,308	4,380,591	6,655,216	7,838,302
INFORMATION [1]						
Number of returns, total [2]	115,435	120,271	119,875	123,862	122,825	128,343
Number with net income [2]	47,156	49,492	54,608	59,378	61,660	63,980
Total assets [3]	3,149,915,940	2,993,759,005	2,691,139,228	2,911,041,941	2,918,886,012	3,222,935,912
Net worth [3]	1,361,280,253	1,273,397,574	1,182,146,927	1,299,070,370	1,329,820,274	1,398,529,600
Total receipts [4]	946,598,108	909,195,188	938,674,058	993,365,314	1,053,251,269	1,127,994,580
Business receipts [4]	815,772,817	799,441,224	822,160,145	864,308,201	887,008,860	943,412,447
Interest received [4,6]	37,267,880	32,097,945	28,478,715	31,480,433	34,222,374	47,229,852
Total deductions [4]	986,220,330	946,955,633	947,864,644	974,681,257	981,538,561	1,030,014,960
Cost of goods sold [4]	213,276,295	205,183,275	213,052,675	208,160,936	211,620,172	229,566,058
Interest paid	76,883,082	69,536,498	62,442,478	65,329,075	68,065,419	79,275,822
Net income (less deficit) [4]	-37,658,246	-33,996,597	-3,996,010	22,530,595	75,408,348	101,098,860
Net income [4]	59,616,076	48,623,452	55,309,436	75,717,085	108,356,736	130,076,572
Deficit [4]	97,274,322	82,620,049	59,305,447	53,186,490	32,948,388	28,977,712
Total income tax [7]	16,406,635	12,104,214	14,026,180	17,823,432	25,288,105	30,961,711
Regular tax	16,309,070	12,076,847	13,897,774	17,622,018	24,999,397	30,437,956
Total income tax after credits	11,797,175	7,795,636	10,295,637	14,108,478	21,336,917	26,711,374

Footnotes at end of table.

Selected Historical and Other Data

Table 14b. Corporation Income Tax Returns: Selected Balance Sheet, Income Statement, and Tax Items, by North American Industry Classification System (NAICS) Industrial Sector, Income Years 2001-2006—Continued

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

Industrial sector and item	2001	2002	2003	2004	2005	2006
	(1)	(2)	(3)	(4)	(5)	(6)
UTILITIES [1]						
Number of returns, total [2]	7,802	7,863	8,504	7,096	7,536	7,636
Number with net income [2]	3,855	3,934	4,425	3,232	5,275	4,871
Total assets [3]	1,515,428,318	1,458,642,427	1,454,677,579	1,401,081,845	1,487,753,576	1,434,173,819
Net worth [3]	381,352,597	381,185,739	364,426,969	363,900,672	358,435,669	366,318,546
Total receipts [4]	1,051,655,475	578,342,692	560,857,066	569,459,220	652,929,657	626,053,169
Business receipts [4]	1,004,358,112	537,883,736	521,884,927	526,159,723	604,140,085	585,370,691
Interest received [4,6]	13,035,317	12,550,519	10,492,402	9,964,985	10,973,001	10,664,550
Total deductions [4]	1,036,080,852	580,005,825	566,004,187	565,956,277	632,204,330	590,120,354
Cost of goods sold [4]	795,765,082	340,182,014	324,140,437	314,958,710	378,142,678	346,623,441
Interest paid	42,280,631	41,316,770	38,760,041	38,017,277	36,461,886	34,694,183
Net income (less deficit) [4]	16,804,566	-1,046,609	-4,728,496	4,162,291	20,830,603	36,586,953
Net income [4]	28,734,461	22,596,105	14,461,224	18,143,912	33,724,635	43,223,671
Deficit [4]	11,929,895	23,642,715	19,189,721	13,981,621	12,894,031	6,636,718
Total income tax [7]	9,151,930	6,504,039	4,565,498	4,748,806	9,591,733	12,063,846
Regular tax	9,071,527	6,382,751	4,483,781	4,603,159	9,377,027	11,746,991
Total income tax after credits	7,718,038	5,296,222	3,502,071	4,021,307	7,837,467	9,971,440
CONSTRUCTION [1]						
Number of returns, total [2]	624,478	648,535	676,120	721,803	751,521	780,579
Number with net income [2]	376,822	382,349	401,721	440,009	489,228	489,170
Total assets [3]	525,704,293	540,502,611	566,392,613	613,627,200	714,365,062	802,268,751
Net worth [3]	150,498,208	163,014,462	154,875,559	174,113,387	207,041,138	235,900,066
Total receipts [4]	1,102,724,183	1,098,818,871	1,147,627,639	1,263,428,190	1,452,508,509	1,608,162,956
Business receipts [4]	1,084,579,920	1,080,555,117	1,128,834,453	1,240,498,487	1,427,006,853	1,582,459,140
Interest received [4,6]	3,062,738	2,474,298	2,565,635	1,988,752	2,887,075	3,152,703
Total deductions [4]	1,070,080,498	1,070,369,680	1,118,068,122	1,216,753,050	1,378,115,248	1,534,065,777
Cost of goods sold [4]	809,614,689	799,324,059	832,053,060	917,081,208	1,048,888,259	1,169,374,892
Interest paid	10,270,932	9,289,390	9,720,872	8,708,836	10,834,270	13,481,736
Net income (less deficit) [4]	32,537,032	28,357,934	29,368,117	46,624,667	74,356,808	73,894,825
Net income [4]	46,179,690	45,359,266	48,125,249	61,975,540	87,829,487	89,049,810
Deficit [4]	13,642,657	17,001,332	18,757,132	15,350,873	13,472,680	15,154,985
Total income tax [7]	4,543,459	4,221,133	4,598,022	6,541,911	9,807,183	8,493,781
Regular tax	4,497,744	4,178,296	4,560,661	6,502,200	9,751,893	8,442,869
Total income tax after credits	4,435,401	4,104,446	4,471,956	6,380,535	9,524,912	8,315,871
MANUFACTURING [1]						
Number of returns, total [2]	278,995	280,185	281,239	281,448	277,618	279,430
Number with net income [2]	147,291	149,710	145,867	157,194	167,182	166,836
Total assets [3]	8,100,072,543	8,202,169,904	8,827,565,222	9,283,378,051	10,440,305,266	9,894,687,421
Net worth [3]	2,949,917,887	2,975,211,477	3,259,807,483	3,088,413,787	3,810,766,667	3,472,835,947
Total receipts [4]	5,315,598,814	5,257,106,442	5,642,551,645	6,356,737,563	7,279,554,873	7,575,887,742
Business receipts [4]	4,862,174,424	4,822,650,951	5,194,506,715	5,893,334,570	6,505,757,036	6,939,924,620
Interest received [4,6]	130,752,374	119,947,354	117,887,111	122,678,548	145,577,801	183,115,312
Total deductions [4]	5,228,295,401	5,178,748,932	5,509,877,426	6,119,409,848	6,679,637,501	7,152,468,845
Cost of goods sold [4]	3,402,032,548	3,353,642,529	3,691,657,743	4,271,352,777	4,756,208,056	5,099,291,876
Interest paid	210,704,804	184,028,822	175,745,011	178,882,213	212,640,877	257,889,179
Net income (less deficit) [4]	129,096,121	119,275,059	186,085,821	291,038,821	680,058,202	481,099,337
Net income [4]	269,346,456	245,134,412	284,701,913	367,099,948	734,658,056	549,814,034
Deficit [4]	140,250,335	125,859,352	98,616,092	76,061,127	54,599,854	68,714,697
Total income tax [7]	76,141,754	68,531,196	82,534,697	103,085,466	157,671,750	157,993,100
Regular tax	75,778,613	67,606,219	82,027,984	102,235,875	157,112,188	157,486,688
Total income tax after credits	43,292,557	34,400,275	42,840,125	58,302,629	90,506,840	100,604,933

Footnotes at end of table.

Selected Historical and Other Data

Table 14b. Corporation Income Tax Returns: Selected Balance Sheet, Income Statement, and Tax Items, by North American Industry Classification System (NAICS) Industrial Sector, Income Years 2001-2006—Continued

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

Industrial sector and item	2001	2002	2003	2004	2005	2006
	(1)	(2)	(3)	(4)	(5)	(6)
HEALTH CARE AND SOCIAL ASSISTANCE [1]						
Number of returns, total [2]	327,338	334,305	354,603	370,384	380,940	400,591
Number with net income [2]	207,968	209,306	224,155	232,498	256,308	263,668
Total assets [3]	213,775,949	214,329,877	229,814,061	219,757,920	251,942,127	259,499,255
Net worth [3]	56,901,435	61,960,368	64,342,783	63,014,829	75,355,259	53,450,392
Total receipts [4]	443,351,714	463,253,527	503,083,460	506,457,947	531,900,286	578,938,079
Business receipts [4]	429,190,484	448,427,967	488,409,511	491,856,539	514,547,924	558,081,916
Interest received [4,6]	1,798,075	1,320,255	1,270,834	860,519	1,349,939	1,749,660
Total deductions [4]	430,956,238	446,522,542	484,367,139	486,082,244	504,954,704	550,506,861
Cost of goods sold [4]	54,435,340	54,589,386	58,438,250	47,933,085	50,978,799	51,705,540
Interest paid	7,640,537	6,462,090	6,582,610	6,356,863	7,137,241	9,338,674
Net income (less deficit) [4]	12,335,681	16,631,149	18,630,604	20,261,024	26,796,387	28,318,468
Net income [4]	20,364,434	23,695,054	25,543,515	29,171,822	34,337,672	38,166,379
Deficit [4]	8,028,753	7,063,905	6,912,911	8,910,798	7,541,285	9,847,911
Total income tax [7]	1,774,653	2,059,337	2,137,289	2,547,764	3,384,578	3,877,909
Regular tax	1,771,057	2,053,582	2,123,128	2,537,275	3,349,680	3,879,680
Total income tax after credits	1,741,421	2,011,275	2,087,431	2,478,422	3,292,091	3,717,247
ARTS, ENTERTAINMENT, AND RECREATION [1]						
Number of returns, total [2]	102,631	110,609	110,119	118,854	116,451	120,163
Number with net income [2]	48,884	53,390	50,037	56,319	58,650	60,706
Total assets [3]	78,565,805	79,600,495	79,164,279	80,800,048	100,547,530	107,729,878
Net worth [3]	19,144,846	19,238,866	17,869,953	19,005,119	29,885,647	20,471,164
Total receipts [4]	75,491,312	78,918,432	76,855,082	82,695,345	87,970,407	95,018,087
Business receipts [4]	69,089,923	72,674,159	69,877,627	75,408,648	80,148,880	85,789,078
Interest received [4,6]	1,000,658	811,809	743,741	698,005	657,085	803,966
Total deductions [4]	75,071,517	78,066,513	75,624,795	79,934,546	83,837,483	90,468,142
Cost of goods sold [4]	14,108,775	15,445,331	14,036,996	14,565,149	15,804,379	17,910,327
Interest paid	3,330,751	2,936,172	2,784,090	2,671,438	2,832,434	3,314,864
Net income (less deficit) [4]	402,181	852,149	1,227,441	2,759,386	4,117,704	4,538,143
Net income [4]	5,233,174	5,346,441	5,338,360	6,479,577	8,205,610	8,701,646
Deficit [4]	4,830,992	4,494,292	4,110,919	3,720,191	4,087,906	4,163,502
Total income tax [7]	396,641	349,418	299,303	420,860	739,601	1,154,388
Regular tax	392,960	344,655	291,786	412,468	735,734	1,141,757
Total income tax after credits	351,460	294,113	252,586	359,637	645,929	1,121,063
ACCOMMODATION, FOOD SERVICES, AND DRINKING PLACES [1]						
Number of returns, total [2]	259,465	271,527	278,722	280,517	287,490	288,783
Number with net income [2]	134,539	136,427	135,243	142,747	149,581	145,291
Total assets [3]	344,864,784	352,661,519	357,413,221	384,458,061	407,241,600	415,742,736
Net worth [3]	103,668,236	108,766,030	113,180,184	129,857,001	117,180,812	119,639,851
Total receipts [4]	353,715,274	399,787,328	407,107,664	404,940,759	438,570,716	453,707,780
Business receipts [4]	328,552,525	372,418,853	382,358,626	376,304,669	395,731,456	416,996,282
Interest received [4,6]	3,978,882	3,834,780	3,306,364	3,446,590	3,995,430	4,138,932
Total deductions [4]	345,725,252	391,952,542	400,097,877	393,092,213	411,365,654	433,966,992
Cost of goods sold [4]	122,785,758	152,332,352	158,705,517	141,021,530	142,538,960	150,710,672
Interest paid	13,229,659	12,583,288	11,730,733	10,981,638	12,896,377	13,864,576
Net income (less deficit) [4]	8,198,950	8,033,793	7,157,592	12,207,573	27,759,730	20,536,940
Net income [4]	15,491,509	15,772,353	15,472,058	20,442,338	34,677,667	28,004,871
Deficit [4]	7,292,559	7,738,560	8,314,466	8,234,764	6,917,937	7,467,932
Total income tax [7]	2,623,444	2,567,514	2,509,150	3,486,686	5,736,976	5,481,640
Regular tax	2,576,230	2,551,626	2,501,073	3,468,773	5,680,822	5,424,122
Total income tax after credits	1,947,518	1,740,440	1,711,725	2,344,171	4,265,816	4,137,217

Footnotes at end of table.

Selected Historical and Other Data

Table 14b. Corporation Income Tax Returns: Selected Balance Sheet, Income Statement, and Tax Items, by North American Industry Classification System (NAICS) Industrial Sector, Income Years 2001-2006—Continued

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

Industrial sector and item	2001	2002	2003	2004	2005	2006
	(1)	(2)	(3)	(4)	(5)	(6)
OTHER SERVICES [1]						
Number of returns, total [2]	325,602	321,134	329,336	332,662	344,877	369,214
Number with net income [2]	187,784	173,951	176,351	180,415	193,219	202,487
Total assets [3]	98,164,009	92,666,071	95,847,187	97,029,940	102,185,400	113,766,532
Net worth [3]	33,548,788	27,827,023	29,946,557	29,981,654	32,370,716	32,840,729
Total receipts [4]	174,835,529	164,353,067	170,732,940	174,224,783	188,874,502	208,105,146
Business receipts [4]	168,989,458	159,401,281	164,976,728	168,627,539	183,985,574	202,028,115
Interest received [4,6]	840,414	522,003	515,071	405,480	398,586	839,606
Total deductions [4]	170,800,214	161,284,099	166,821,367	170,980,294	183,196,098	201,596,928
Cost of goods sold [4]	70,937,697	63,754,139	66,924,017	68,043,735	75,338,923	85,023,927
Interest paid	3,035,734	2,472,820	2,538,029	2,425,120	2,542,655	3,383,971
Net income (less deficit) [4]	4,039,477	3,094,837	4,062,491	3,250,105	5,660,308	6,520,052
Net income [4]	7,750,193	6,976,867	7,962,590	7,589,437	9,712,402	10,908,515
Deficit [4]	3,710,716	3,882,031	3,900,100	4,339,332	4,052,094	4,388,463
Total income tax [7]	616,629	515,266	677,787	568,422	744,251	837,044
Regular tax	614,779	513,131	679,269	564,145	739,663	838,367
Total income tax after credits	580,567	480,323	520,041	522,868	705,667	781,883

[1] Industrial classification is based on the product or service accounting for the largest percentage of "total receipts." (Total receipts are the sum of business or gross receipts, plus capital gains and income from investments, including rentals.) This classification is based on the North American Industry Classification System (NAICS). The system was intended for Governmentwide use in classifying business statistics. (For information about NAICS and its usage in Canadian, Mexican, and U.S. Government statistics, see the *Statistics of Income Bulletin*, Summer 1997, Volume 17, Number 1, pp. 3-5.). If information for the business activity and product was not discernible from the corporation income tax return, the return was classified as with nature of business "not allocable." Data for nature of business "not allocable" are included in the totals for "all industrial sectors," but are not shown separately. Therefore, in addition to rounding differences, the statistics by industrial sector will not add to their respective grand totals.

[2] See Table 13, footnote 1.

[3] Balance sheet data are end-of-year amounts. Net worth is the sum of "capital stock," "additional paid-in capital," "retained earnings, appropriated," "retained earnings, unappropriated," and "adjustments to shareholders' equity" minus "cost of treasury stock." Each of these amounts is presented separately in Table 13.

[4] See Table 13, footnotes 10 and 14.

[5] See Table 13, footnote 11.

[6] Interest received is the sum of "interest on State and local government obligations" (i.e., tax-exempt interest) and "other interest" (which includes interest paid by banking and savings institutions). Data for both of these amounts are presented separately in Table 13. See also Table 13, footnote 12.

NOTES: Statistics are for corporate accounting periods ending July of one year through June of the next. Thus, for example, data for 2006 are for accounting periods ending July 2006 through June 2007. Detail may not add to totals because of rounding. All amounts are in current dollars. Most of the data are subject to sampling error. Tax law and tax form changes affect the year-to-year comparability of the data.

Selected Historical and Other Data

Table 15. Corporation Profits Before Tax per National Income and Product Accounts (NIPA) and per Statistics of Income (SOI), and Income Subject to Tax per SOI, Income Years 1960-2006

[All figures are estimates—money amounts are in billions of dollars]

Income year	Profits before tax (per NIPA) [1,2]	Net income (less deficit) (per SOI) [3]	Income subject to tax (per SOI) [3,4]
	(1)	(2)	(3)
1960	51.6	43.5	47.2
1961	51.6	45.9	47.9
1962	57.0	49.6	51.7
1963	62.1	54.3	54.3
1964	69.1	61.6	60.4
1965	80.2	73.9	70.8
1966	86.7	80.5	77.1
1967	83.5	78.2	74.8
1968	92.4	86.0	81.4
1969	91.4	80.2	81.2
1970	81.0	65.9	72.4
1971	92.9	79.7	83.2
1972	107.8	96.8	95.1
1973	134.8	120.4	115.5
1974	147.8	148.2	144.0
1975	145.5	142.6	146.6
1976	179.7	185.4	183.5
1977	210.4	219.2	212.5
1978	246.1	246.9	239.6
1979	271.9	284.6	279.4
1980	253.5	239.0	246.6
1981	243.7	213.6	241.5
1982	198.5	154.3	205.2
1983	233.9	188.3	218.7
1984	268.6	232.9	257.1
1985	257.4	240.1	266.1
1986	246.0	269.5	276.2
1987	317.6	328.2	311.8
1988	386.1	413.0	383.2
1989	383.7	389.0	371.1
1990	409.5	370.6	366.4
1991	423.0	344.9	350.0
1992	461.1	402.0	377.9
1993	517.1	498.2	436.8
1994	577.1	577.3	494.0
1995	674.3	714.2	564.7
1996	733.0	806.5	639.8
1997	798.2	915.4	683.8
1998	718.3	838.2	663.4
1999	775.9	929.0	693.7
2000	773.4	927.5	760.4
2001	707.9	603.6	635.3
2002	768.4	563.7	600.6
2003	908.1	780.0	699.3
2004	1,204.7	1,111.7	857.4
2005	[r] 1,620.6	1,948.7	1,201.3
2006	1,837.7	1,933.4	1,291.4

[r] Revised or corrected.

[1] In general, includes profits of U.S. corporations filing income tax returns as recorded in Statistics of Income, but with exceptions and adjustments (see below). Also includes profits of nonprofit institutions that primarily serve business and income of Federal Reserve Banks and Federally-sponsored credit agencies.

For corporations excluded in NIPA profits, see footnote 2, below, and footnote 1, Table 13. Compared to Statistics of Income

net income, profits for NIPA purposes are defined to include tax-exempt interest on State and local government obligations, but to exclude capital gains and losses, intercorporate dividends received, depletion, and bad debt losses. Consistent with Statistics of Income, NIPA profits reflect the inventory and depreciation accounting practices used for tax purposes. NIPA profits include income earned abroad by U.S. corporations, but exclude profits earned in the United States by foreign corporations.

[2] Reflects changes made to data as part of the 2003 Comprehensive Revision of the National Income and Product Accounts (NIPAs). For details of this revision, see the Bureau of Economic Analysis Web site at <http://www.bea.gov/bea/dn/2003benchmark/CR2003content.htm>.

Selected Historical and Other Data

Table 15. Corporation Profits Before Tax per National Income and Product Accounts (NIPA) and per Statistics of Income (SOI), and Income Subject to Tax per SOI, Income Years 1960-2006—Continued

Footnotes—Continued

[3] For Statistics of Income, "net income (less deficit)" and "income subject to tax" exclude taxable cooperatives, starting with the 1985 data; Real Estate Mortgage Investment Conduits (REMICs), starting with 1987; and Personal Service Corporations for 1988-1993. Net income (less deficit), starting with 1985, excludes Foreign Sales Corporations (FSCs) and Interest-Charge Domestic International Sales Corporations (IC-DISCs). See also Table 13, footnote 1. For changes in the definition of Regulated Investment Company and S corporation net income, see Table 13, footnote 16. For the coverage of corporations and the definition of corporate profits used for the National Income and Product Accounts, see footnote 1, above.

[4] For the definition of "income subject to tax," see Table 13, footnote 17. See also footnote 3, above.

NOTES: All amounts are in current dollars. Most of the data are subject to sampling error. Tax law and tax form changes affect the year-to-year comparability of the data.

SOURCE: Data on corporate "Profits before tax (per NIPA)" are from the Bureau of Economic Analysis's National Income and Product Accounts, Table 1.12: National Income by Type of Income. This table appears in the Survey of Current Business and can also be accessed online at: <http://www.bea.gov/bea/dn/nipaweb/index.asp>.

Data on "Net income (less deficit) (per SOI)" and "Income subject to tax (per SOI)" are from Statistics of Income—Corporation Income Tax Returns, various years.

Selected Historical and Other Data

Table 16. Nonprofit Charitable Organization and Domestic Private Foundation Information Returns, and Exempt Organization Business Income Tax Returns: Selected Financial Data, 1998-2005

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

Type of return and item	1998	1999	2000	2001	2002	2003	2004	2005
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
NONPROFIT CHARITABLE ORGANIZATION INFORMATION RETURNS [1]								
Number of returns	207,272	211,615	230,159	240,569	251,676	263,353	276,191	286,615
Total assets, book value [2]	1,351,541	1,453,675	1,562,536	1,631,719	1,733,852	1,899,857	2,058,610	2,241,887
Total liabilities [2]	459,188	481,444	539,367	611,390	693,576	735,600	782,510	830,635
Net assets [2]	892,353	972,232	1,023,169	1,020,329	1,040,275	1,164,257	1,276,100	1,411,252
Total revenue	752,044	800,676	866,208	896,974	955,267	1,072,171	1,152,989	1,252,889
Program service revenue [3]	502,832	518,111	579,081	630,817	691,791	754,585	801,199	852,638
Contributions, gifts, and grants	161,751	174,992	199,076	212,427	214,484	229,987	248,570	276,292
Membership dues and assessments	6,952	6,331	6,660	7,239	7,879	8,155	8,193	8,558
Other	80,508	101,242	81,392	46,491	[r] 41,113	79,444	95,028	115,401
Total expenses	684,566	714,487	796,434	862,721	934,672	1,009,675	1,058,489	1,137,908
Excess of revenue over expenses (net)	67,478	86,189	69,775	34,253	20,595	62,496	94,500	114,981
DOMESTIC PRIVATE FOUNDATION INFORMATION RETURNS								
Number of returns, total	56,658	62,694	66,738	70,787	73,255	76,348	76,897	79,535
Nonoperating foundations	52,460	58,840	61,501	63,650	67,101	70,004	70,613	72,800
Operating foundations	4,198	3,854	5,238	7,137	6,154	6,344	6,284	6,734
Total assets, book value [2]	325,672	384,565	409,524	413,577	383,516	418,510	455,534	481,821
Total assets, fair market value [2]	397,084	466,863	471,646	455,423	413,007	474,952	509,924	545,938
Investments in securities [2]	317,900	363,442	361,418	329,353	294,385	344,314	361,158	373,084
Total revenue	59,735	83,286	72,780	45,264	27,775	48,391	58,668	76,365
Total expenses	25,902	33,876	37,434	36,661	34,392	35,099	36,552	42,822
Contributions, gifts, and grants paid [4]	19,394	22,763	27,564	27,383	26,303	26,667	27,625	31,856
Excess of revenue over expenses (net)	33,833	49,410	35,346	8,602	-6,618	13,292	22,116	33,544
Net investment income [5]	39,313	57,142	48,830	25,719	17,648	25,193	34,019	44,269
EXEMPT ORGANIZATION UNRELATED BUSINESS INCOME TAX RETURNS [6]								
Number of returns, total	46,208	42,151	38,567	35,540	35,103	36,064	38,040	40,676
With unrelated business taxable income	24,332	20,718	19,336	15,277	14,495	15,580	18,099	20,387
Without unrelated business taxable income	21,876	21,433	19,231	20,264	20,608	20,484	19,941	20,289
Gross unrelated business income	7,585	7,722	8,413	7,900	7,776	8,436	9,492	10,850
Total deductions [7]	6,484	6,835	7,703	7,883	7,922	8,413	8,980	9,636
Unrelated business taxable income (less deficit)	1,100	887	710	18	-146	23	512	1,214
Unrelated business taxable income	1,670	1,485	1,427	792	647	780	1,288	2,044
Deficit	569	598	717	774	793	757	776	831
Unrelated business income tax	506	423	406	226	194	220	365	543
Total tax [8]	464	422	403	222	193	221	368	541

[1] Includes data reported by organizations described in Internal Revenue Code section 501(c)(3), excluding private foundations and most religious organizations. Organizations with receipts under \$25,000 were not required to file.

[2] Balance sheet data are end-of-year amounts.

[3] Represents fees collected by organizations in support of their tax-exempt purposes, and income such as tuition and fees at educational institutions, hospital patient charges, and admission and activity fees collected by museums and other nonprofit organizations or institutions.

[4] The amount of contributions, gifts, and grants shown reflects the amount actually disbursed, on a cash basis, for charitable purposes.

[5] Represents income not considered related to a foundation's charitable purpose, e.g., interest, dividends, and capital gains. Foundations could be subject to an excise tax on such income.

[6] Includes returns filed by or for entities described in Internal Revenue Code sections 401(a) (qualified pension, profit-sharing, or stock bonus plans), 408(e) (Individual Retirement Arrangements, or IRAs), 408A (Roth IRAs), and 501(c)(2) through 501(c)(27) (charitable and most other types of tax-exempt organizations).

[7] Excludes cost of sales and services, which was subtracted from gross receipts from sales and services in computing gross profit from sales and services. Gross profit from sales and services is a component of "gross unrelated business income" (on which the filing requirement is based).

[8] Total tax was unrelated business income tax less the foreign tax credit, general business credit, credit for prior-year minimum tax, and other allowable credits, plus the proxy tax on certain lobbying expenditures, and the "alternative minimum tax." Beginning with Tax Year 2001, total tax also can include interest due, computed under the look-back method for certain depreciated property and completed long-term contracts, and "other" taxes, as described by the return filer.

NOTES: Detail may not add to totals because of rounding. All amounts are in current dollars. Most of the data are subject to sampling error. Tax law and tax form changes affect the year-to-year comparability of the data.

Selected Historical and Other Data

Table 17. Taxable Estate Tax Returns as a Percentage of Adult Deaths, Selected Years of Death, 1934-2004

[Money amounts are in thousands of dollars [1]]

Selected year of death [2]	Total adult deaths [3]	Taxable estate tax returns [4,5]			
		Number	Percentage of adult deaths	Total gross estate at date of death	Estate tax after credits
	(1)	(2)	(3)	(4)	(5)
1934	983,970	8,655	0.88	2,197,941	153,763
1935	1,172,245	9,137	0.78	2,084,269	195,301
1936	1,257,290	12,010	0.96	2,561,906	305,784
1937	1,237,585	13,220	1.07	2,844,112	314,620
1938	1,181,275	12,720	1.08	2,564,072	276,707
1939	1,205,072	12,907	1.07	2,441,960	250,360
1940	1,237,186	13,336	1.08	2,578,314	291,758
1941	1,216,855	13,493	1.11	2,550,473	308,342
1942	1,211,391	12,726	1.05	2,452,340	362,164
1943	1,277,009	12,154	0.95	2,720,000	404,638
1944	1,238,917	13,869	1.12	3,245,624	531,052
1946	1,239,713	18,232	1.47	3,993,298	621,966
1947	1,278,856	19,742	1.54	4,445,326	714,707
1948	1,283,601	17,469	1.36	4,271,852	567,421
1949	1,285,684	17,411	1.35	4,126,358	483,520
1950	1,304,343	18,941	1.45	4,655,892	577,401
1953	1,237,741	24,997	2.02	6,287,867	778,504
1954	1,332,412	25,143	1.89	6,387,246	778,342
1956	1,289,193	32,131	2.49	8,903,611	1,176,710
1958	1,358,375	38,515	2.84	9,995,884	1,185,620
1960	1,426,148	45,439	3.19	12,733,459	1,618,548
1962	1,483,846	55,207	3.72	14,713,504	1,840,972
1965	1,578,813	67,404	4.27	18,820,065	2,414,310
1969	1,796,055	93,424	5.20	23,459,524	2,999,965
1972	1,854,146	120,761	6.51	33,293,565	4,153,250
1976	1,819,107	139,115	7.65	40,578,379	4,979,112
1982	1,897,820	34,426	1.81	31,903,845	4,937,216
1983	1,945,913	34,899	1.79	33,434,470	5,073,787
1984	1,968,128	30,436	1.55	34,201,557	5,012,750
1985	2,015,070	22,326	1.11	35,168,822	6,044,292
1986	2,033,978	21,923	1.08	37,799,304	6,276,800
1987	2,053,084	18,157	0.88	40,907,217	6,392,989
1988	2,096,704	20,864	1.00	43,413,056	7,432,376
1989	2,079,035	23,096	1.11	51,062,975	8,953,181
1990	2,079,034	24,647	1.19	53,698,028	9,217,499
1991	2,101,746	26,680	1.27	55,363,655	9,617,366
1992	2,111,617	27,235	1.29	59,707,135	10,474,949
1993	2,204,366	32,062	1.45	72,047,377	12,559,769
1994	2,216,736	32,565	1.47	69,492,783	12,312,421
1995	2,252,471	36,651	1.63	78,756,293	14,259,048
1996	2,314,254	41,714	1.80	95,003,317	16,336,256
1997	2,258,366	47,800	2.12	104,860,580	19,957,705
1998	2,282,055	49,913	2.19	117,965,303	22,676,230
1999	2,336,840	53,819	2.30	135,076,422	24,809,821
2000	2,349,361	51,159	2.18	126,095,812	24,032,595
2001 [r]	2,363,100	50,456	2.14	129,638,497	23,744,158
2002	2,389,533	28,074	1.17	105,339,413	18,841,122
2003	2,394,749	27,309	1.14	90,429,009	18,709,021
2004	2,344,354	19,294	0.82	102,077,964	22,219,722

[r] Revised or corrected.

[1] Starting with 1965, number of returns, total gross estate at date of death, and estate tax after credits are estimates based on samples. Beginning with 1982, numbers in columns 2-5 have been revised to reflect returns filed more than 3 calendar years after a decedent's death.

Table 17. Taxable Estate Tax Returns as a Percentage of Adult Deaths, Selected Years of Death, 1934-2004—Continued

Footnotes—Continued

[2] Prior to 1982, year of death figures were approximated, using data from returns filed in a single calendar year. While many of the returns filed in a given calendar year represent returns of decedents who died in the immediately preceding year, others represent returns of decedents who died in earlier years. Starting with 1982, the statistics are by year of death, using the year of death reported on the estate tax returns filed during periods of at least 3 successive years.

[3] Total adult deaths represent those of individuals age 20 and over, plus deaths for which age was unavailable.

[4] Prior to 1964, a return was taxable if it showed an estate tax before credits. Starting with 1964, the classification was based on estate tax after credits.

[5] Year-to-year comparability of the data is affected by changes in the gross estate filing threshold which is based on year of death: 1934 (\$50,000); 1935 (\$50,000 changing to \$40,000); 1936-1941 (\$40,000); 1942 (\$40,000 changing to \$60,000); 1943-1976 (\$60,000); 1977 (\$120,000); 1978 (\$134,000); 1979 (\$147,000); 1980 (\$161,000); 1981 (\$175,000); 1982 (\$225,000); 1983 (\$275,000); 1984 (\$325,000); 1985 (\$400,000); 1986 (\$500,000); 1987-1997 (\$600,000); 1998 (\$625,000); 1999 (\$650,000); 2000-2001 (\$675,000); 2002-2003 (\$1,000,000); 2004-2005 (\$1,500,000); 2006-2008 (\$2,000,000); 2009 (\$3,500,000); and 2010 (no estate tax).

NOTES: The title of this table has been changed from "Estate Tax Returns as a Percentage of Adult Deaths," in some previously published versions, to "Taxable Estate Tax Returns as a Percentage of Adult Deaths." However, the data contained in the table have not changed. Detail may not add to totals because of rounding. All amounts are in current dollars. Most of the data are subject to sampling error. Tax law and tax form changes affect the year-to-year comparability of the data.

SOURCE: Data are shown only for years for which Statistics of Income data are available. For years after 1953, *Statistics of Income—Estate Tax Returns*; *Estate and Gift Tax Returns*; or *Fiduciary, Estate, and Gift Tax Returns*, depending on the year, and *Statistics of Income Bulletin*, various issues; also unpublished tabulations for certain years. For years prior to 1954, *Statistics of Income—Part I*. Adult deaths are from the Centers for Disease Control and Prevention, National Center for Health Statistics, U.S. Department of Health and Human Services, *Vital Statistics of the United States*, Report Number 11, Supplement 2, Table 2, and *National Vital Statistics Report*, Volume 50, Number 15, Table 3, September 2002; Volume 52, Number 3, Table 3, September 2003; Volume 53, Number 5, Table 3, October 2004; and Volume 54, Number 13, Table 3, April 2006.

Selected Historical and Other Data

Table 18. Treasury Department Gross Tax Collections: Amount Collected by Quarter and Fiscal Year, 1987-2007

[Money amounts are in millions of dollars]

Quarter and fiscal year	Amount collected by type of return						
	Total [1]	Individual income taxes [2]	Corporation income taxes [3]	Excise taxes		Employment taxes [5]	Estate and gift taxes
				Internal Revenue Service [1,4]	Alcohol and Tobacco Tax and Trade Bureau [4]		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
FISCAL YEAR 1987, TOTAL [4]	886,290	465,452	102,859	33,311	[4]	277,000	7,668
October 1986 - December 1986	180,580	92,346	22,466	8,281	N/A	55,615	1,872
January 1987 - March 1987	209,032	105,483	22,649	7,925	N/A	71,156	1,819
April 1987 - June 1987	285,477	164,008	29,748	8,493	N/A	81,139	2,089
July 1987 - September 1987 [4]	211,201	103,615	27,996	8,612	[4]	69,090	1,888
FISCAL YEAR 1988, TOTAL	945,614	473,667	109,683	25,934	10,507	318,039	7,784
October 1987 - December 1987	200,006	97,479	24,828	6,475	2,911	66,500	1,813
January 1988 - March 1988	222,784	111,215	22,006	5,304	2,337	80,161	1,761
April 1988 - June 1988	298,938	160,018	35,991	6,550	2,763	91,426	2,190
July 1988 - September 1988	223,886	104,955	26,858	7,605	2,496	79,952	2,020
FISCAL YEAR 1989, TOTAL	1,024,718	515,732	117,015	25,977	11,397	345,626	8,973
October 1988 - December 1988	216,503	104,522	29,551	6,657	2,985	70,632	2,156
January 1989 - March 1989	238,279	114,475	20,760	6,098	2,395	92,587	1,964
April 1989 - June 1989	334,878	180,947	40,825	6,899	3,401	100,077	2,729
July 1989 - September 1989	235,059	115,788	25,879	6,324	2,615	82,329	2,124
FISCAL YEAR 1990, TOTAL	1,066,600	540,228	110,017	27,139	10,235	367,219	11,762
October 1989 - December 1989	222,867	110,077	26,390	6,184	2,790	74,982	2,444
January 1990 - March 1990	251,924	127,277	21,433	5,868	2,187	92,868	2,291
April 1990 - June 1990	343,976	181,180	37,398	8,143	2,690	110,281	4,284
July 1990 - September 1990	247,833	121,694	24,796	6,944	2,568	89,088	2,743
FISCAL YEAR 1991, TOTAL	1,099,746	546,877	113,599	30,452	12,895	384,451	11,473
October 1990 - December 1990	242,792	118,047	29,248	6,363	2,753	83,646	2,735
January 1991 - March 1991	257,078	119,891	22,974	7,107	2,919	101,569	2,618
April 1991 - June 1991	338,591	181,949	35,953	7,545	3,545	106,426	3,173
July 1991 - September 1991	261,284	126,990	25,423	9,436	3,678	92,810	2,947
FISCAL YEAR 1992, TOTAL	1,134,195	557,723	117,951	33,566	13,395	400,081	11,479
October 1991 - December 1991	249,845	117,980	28,571	8,238	3,572	88,749	2,735
January 1992 - March 1992	266,984	136,220	19,751	8,159	2,823	97,425	2,606
April 1992 - June 1992	348,986	173,437	41,930	8,311	3,539	118,503	3,266
July 1992 - September 1992	268,380	130,086	27,699	8,858	3,461	95,404	2,872
FISCAL YEAR 1993, TOTAL	1,190,673	585,774	131,548	34,962	13,987	411,511	12,891
October 1992 - December 1992	262,404	124,812	30,324	8,388	3,581	92,284	3,015
January 1993 - March 1993	285,925	154,596	21,124	8,317	3,074	96,042	2,772
April 1993 - June 1993	354,070	168,977	47,920	8,739	3,776	120,767	3,891
July 1993 - September 1993	288,274	137,389	32,180	9,518	3,556	102,418	3,213
FISCAL YEAR 1994, TOTAL	1,290,246	619,819	154,205	43,005	13,779	443,831	15,607
October 1993 - December 1993	282,891	132,790	36,088	9,907	3,525	97,012	3,569
January 1994 - March 1994	309,746	160,382	24,883	9,932	3,009	108,037	3,503
April 1994 - June 1994	386,403	182,996	55,652	10,629	3,592	128,665	4,869
July 1994 - September 1994	311,205	143,651	37,582	12,536	3,653	110,117	3,666
FISCAL YEAR 1995, TOTAL	1,390,048	675,779	174,422	44,981	14,317	465,405	15,144
October 1994 - December 1994	301,238	138,454	40,811	11,029	3,791	103,537	3,616
January 1995 - March 1995	329,624	169,977	26,137	10,791	2,982	116,503	3,234
April 1995 - June 1995	432,556	214,105	65,995	11,116	3,603	133,357	4,380
July 1995 - September 1995	326,630	153,243	41,479	12,045	3,941	112,008	3,914
FISCAL YEAR 1996, TOTAL	1,500,351	745,313	189,055	42,222	13,805	492,365	17,592
October 1995 - December 1995	320,038	148,203	46,823	11,409	3,411	106,200	3,992
January 1996 - March 1996	349,683	184,419	27,971	9,939	2,959	120,783	3,612
April 1996 - June 1996	474,823	242,754	68,509	9,835	3,532	144,825	5,368
July 1996 - September 1996	355,808	169,937	45,752	11,039	3,903	120,557	4,620

Footnotes at end of table.

Selected Historical and Other Data

Table 18. Treasury Department Gross Tax Collections: Amount Collected by Quarter and Fiscal Year, 1987-2007—Continued

[Money amounts are in millions of dollars]

Quarter and fiscal year	Amount collected by type of return						
	Total [1]	Individual income taxes [2]	Corporation income taxes [3]	Excise taxes		Employment taxes [5]	Estate and gift taxes
				Internal Revenue Service [1,4]	Alcohol and Tobacco Tax and Trade Bureau [4]		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
FISCAL YEAR 1997, TOTAL	1,637,157	825,021	204,492	44,806	13,883	528,597	20,356
October 1996 - December 1996	345,447	157,767	49,612	10,052	3,261	120,284	4,471
January 1997 - March 1997	379,827	197,477	31,359	10,762	3,052	132,838	4,339
April 1997 - June 1997	526,490	285,884	75,093	11,600	3,524	144,048	6,341
July 1997 - September 1997	385,392	183,893	48,428	12,393	4,046	131,426	5,206
FISCAL YEAR 1998, TOTAL	1,782,997	928,066	213,270	45,643	13,588	557,799	24,631
October 1997 - December 1997	381,995	180,507	56,228	12,424	3,181	124,315	5,340
January 1998 - March 1998	412,808	216,994	33,640	11,424	2,968	142,512	5,270
April 1998 - June 1998	578,540	319,050	75,714	12,575	3,581	159,632	7,988
July 1998 - September 1998	409,655	211,515	47,688	9,220	3,858	131,341	6,033
FISCAL YEAR 1999, TOTAL	1,917,643	1,002,186	216,325	58,586	13,490	598,670	28,386
October 1998 - December 1998	410,884	192,843	56,474	18,017	3,216	133,695	6,639
January 1999 - March 1999	444,224	239,680	33,958	12,179	2,915	149,408	6,084
April 1999 - June 1999	616,626	351,720	72,904	13,366	3,457	166,086	9,093
July 1999 - September 1999	445,908	217,943	52,989	15,023	3,903	149,480	6,570
FISCAL YEAR 2000, TOTAL	2,112,755	1,137,078	235,655	54,811	[r] 15,911	639,652	29,722
October 1999 - December 1999	442,745	222,369	57,122	12,611	3,523	139,310	7,810
January 2000 - March 2000	490,661	265,193	39,584	13,107	3,540	162,816	6,421
April 2000 - June 2000	690,101	403,071	79,583	13,608	4,217	180,645	8,977
July 2000 - September 2000	446,076	246,445	59,366	15,484	4,558	156,881	6,514
FISCAL YEAR 2001, TOTAL	2,144,654	1,178,210	186,732	52,419	15,822	682,223	29,248
October 2000 - December 2000	466,710	228,483	64,597	12,574	3,782	150,175	7,099
January 2001 - March 2001	523,566	285,417	38,239	13,436	3,472	176,339	6,663
April 2001 - June 2001	709,403	425,471	64,709	12,369	4,137	193,561	9,156
July 2001 - September 2001	444,976	238,839	19,187	14,040	4,531	162,148	6,331
FISCAL YEAR 2002, TOTAL	2,033,661	1,037,734	211,438	52,137	17,034	688,077	27,242
October 2001 - December 2001	477,215	235,729	71,783	8,070	3,756	151,079	6,798
January 2002 - March 2002	494,506	250,689	38,760	15,632	3,957	178,982	6,486
April 2002 - June 2002	599,650	324,735	55,496	13,486	4,480	194,045	7,408
July 2002 - September 2002	462,289	226,580	45,399	14,949	4,841	163,971	6,549
FISCAL YEAR 2003, TOTAL	1,969,648	987,209	194,146	52,771	16,719	695,976	22,827
October 2002 - December 2002	444,259	209,947	51,821	12,461	3,791	160,448	5,792
January 2003 - March 2003	480,840	252,412	31,309	12,017	3,808	175,609	5,684
April 2003 - June 2003	596,078	310,723	67,381	12,821	4,336	194,902	5,916
July 2003 - September 2003	448,471	214,128	43,636	15,473	4,783	165,016	5,435
FISCAL YEAR 2004, TOTAL	2,035,761	990,249	230,619	54,807	17,260	717,247	25,579
October 2003 - December 2003	453,910	211,414	59,746	12,613	4,243	159,894	6,000
January 2004 - March 2004	489,927	253,054	33,289	13,018	3,745	180,871	5,950
April 2004 - June 2004	612,808	308,822	81,800	13,554	4,481	197,486	6,665
July 2004 - September 2004	479,116	216,958	55,784	15,623	4,790	178,996	6,965
FISCAL YEAR 2005, TOTAL	2,286,837	1,107,501	307,095	57,252	17,942	771,442	25,606
October 2004 - December 2004	492,020	224,307	74,547	12,692	4,107	170,425	5,942
January 2005 - March 2005	531,435	271,686	43,355	13,593	3,706	192,825	6,270
April 2005 - June 2005	713,819	367,673	103,079	14,282	4,404	217,592	6,789
July 2005 - September 2005	549,564	243,835	86,114	16,685	5,725	190,600	6,604
FISCAL YEAR 2006, TOTAL	2,536,771	1,236,259	380,925	57,990	18,090	814,819	28,687
October 2005 - December 2005	531,599	240,961	89,694	13,269	4,357	176,954	6,364
January 2006 - March 2006	598,921	302,873	58,503	13,783	4,053	212,001	7,707
April 2006 - June 2006	809,903	427,823	124,945	14,903	4,727	229,789	7,716
July 2006 - September 2006	596,348	264,602	107,783	16,035	4,953	196,075	6,900
FISCAL YEAR 2007, TOTAL	2,709,798	1,366,241	395,536	53,049	18,260	849,733	26,978
October 2006 - December 2006	578,083	265,265	106,382	11,868	4,542	183,437	6,589
January 2007 - March 2007	646,419	334,516	64,686	12,511	4,068	224,649	6,989
April 2007 - June 2007	870,231	478,686	129,373	13,308	4,559	236,427	7,878
July 2007 - September 2007	615,065	287,774	95,095	15,363	5,091	205,220	6,522

Footnotes at end of table.

Selected Historical and Other Data

Table 18. Treasury Department Gross Tax Collections: Amount Collected by Quarter and Fiscal Year, 1987-2007—Continued

Footnotes

N/A - Not applicable.

[1] Includes not only taxes collected by the Internal Revenue Service (IRS) but, starting in Fiscal Year 1988 and the second quarter of Fiscal Year 1991, excise taxes

		2004	55.9	1998	63.3	1992	29.6
		2003	55.2	1997	66.9	1990	32.5
2007	49.8	2002	67.0	1995	68.5	1989	32.3
2006	50.1	2000	60.7	1994	69.7	1988	33.2
2005	53.3	1999	61.0	1993	27.7	1987	33.2

Collections of income tax of estates and trusts in fiscal years, without regard to tax year, are as follows:

Fiscal year	Billions of dollars	Fiscal year	Billions of dollars	Fiscal year	Billions of dollars	Fiscal year	Billions of dollars
		2004	10.7	1998	14.2	1992	6.1
		2003	8.4	1997	11.2	1991	4.8
		2002	10.8	1996	8.0	1990	5.9
2007	21.5	2001	17.5	1995	5.3	1989	6.0
2006	17.1	2000	16.7	1994	6.2	1988	6.5
2005	13.9	1999	14.3	1993	6.0	1987	8.4

[3] Includes various taxes collected from otherwise Federally tax-exempt corporations and trusts, mainly the "unrelated business income" tax (UBIT) imposed on organizations that engage in activities that are unrelated to their charitable purposes. Trusts with UBI are taxed at individual income tax rates; however, these taxes were combined with the corporation income tax collections when tabulated. Following are total taxes and UBIT collected from tax-exempt organizations in recent fiscal years:

Fiscal year	Total (Millions of dollars)	Unrelated business income tax	Fiscal year	Total (Millions of dollars)	Unrelated business income tax
2007	N/A	N/A	1997	666.8	484.9
2006	884.7	635.3	1996	699.9	501.9
2005	623.9	457.3	1995	484.9	294.3
2004	510.7	347.1	1994	571.5	372.4
2003	386.0	270.4	1993	342.7	173.6
2002	494.5	319.2	1992	379.5	181.6
2001	652.1	523.3	1991	288.2	155.6
2000	674.8	553.6	1990	304.0	127.9
1999	810.8	665.9	1989	271.4	115.6
1998	689.8	473.2	1988	284.0	137.5
			1987	244.3	119.9

[4] Data shown for the Alcohol and Tobacco Tax and Trade Bureau (TTB) also include data for the Customs Service. To preserve the historical time series interrupted by transferring collection of the manufacturers' excise taxes paid on alcohol and tobacco and of the manufacturers' excise taxes on recreational products for the taxes paid on firearms from IRS to TTB, starting in July 1987 and January 1991, respectively, the combined excise taxes for these two Treasury agencies are shown in Table 18 collections, for fiscal years beginning with 1988. They have also been added to the total tax collections reported by IRS to show a grand total of all Treasury Department tax alongside the IRS excise tax collections (with the exception of a cargo excise tax collected by the Customs Service). Although responsibility for the administration of alcohol and tobacco excise taxes was transferred to the Alcohol and Tobacco Tax and Trade Bureau (TTB) and the Customs Service, effective July 1, 1987, i.e., with the beginning of the fourth quarter of Fiscal Year 1987, the taxes collected were treated as Internal Revenue Service tax collections (column 4) through September 30, 1987, i.e., through the end of the fourth quarter of Fiscal Year 1987, rather than as TTB/Customs collections (column 5), as a transitional measure.

[5] Employment taxes include:

(a) Old-Age, Survivors, Disability, and Hospital Insurance (OASDHI) taxes, i.e., Social Security taxes, levied on salaries and wages (under the Federal Insurance Contributions Act (FICA)). Amounts collected in recent fiscal years are as follows:

Fiscal year	Billions of dollars	Fiscal year	Billions of dollars	Fiscal year	Billions of dollars	Fiscal year	Billions of dollars
		2004	664.9	1998	513.9	1992	365.2
		2003	647.9	1997	484.0	1991	349.3
		2002	639.7	1996	455.2	1990	336.3
2007	787.8	2001	634.2	1995	394.4	1989	317.8
2006	757.5	2000	593.3	1994	409.6	1988	289.9
2005	716.9	1999	555.3	1993	381.1	1987	252.6

(b) Social Security taxes levied on "self-employment income" (under the Self-Employment Insurance Contributions Act (SECA)). Amounts collected in recent fiscal years are as follows:

Fiscal year	Billions of dollars	Fiscal year	Billions of dollars	Fiscal year	Billions of dollars	Fiscal year	Billions of dollars
		2004	41.2	1998	32.6	1992	24.4
		2003	37.1	1997	34.0	1991	25.5
		2002	37.1	1996	26.9	1990	21.3
2007	49.8	2001	36.3	1995	60.9	1989	19.0
2006	45.1	2000	34.6	1994	24.4	1988	17.7
2005	43.1	1999	32.2	1993	20.6	1987	14.0

Selected Historical and Other Data

Table 18. Treasury Department Gross Tax Collections: Amount Collected by Quarter and Fiscal Year, 1987-2007—Continued

Footnotes—Continued

(c) Unemployment insurance taxes (under the Federal Unemployment Tax Act (FUTA)). Amounts collected in recent fiscal years are as follows:

Fiscal year	Billions of dollars	Fiscal year	Billions of dollars	Fiscal year	Billions of dollars	Fiscal year	Billions of dollars
		2004	6.7	1998	6.5	1992	5.8
		2003	6.6	1997	6.2	1991	5.5
		2002	6.7	1996	6.0	1990	5.5
2007	7.4	2001	7.1	1995	5.8	1989	4.7
2006	7.5	2000	7.0	1994	5.6	1988	6.2
2005	6.9	1999	6.7	1993	5.6	1987	6.2

(d) Railroad Retirement (carriers) tax. Amounts collected in recent fiscal years are as follows:

Fiscal year	Billions of dollars	Fiscal year	Billions of dollars	Fiscal year	Billions of dollars	Fiscal year	Billions of dollars
		2004	4.4	1998	4.8	1992	4.4
		2003	4.4	1997	4.4	1991	4.2
		2002	4.6	1996	4.3	1990	4.2
2007	4.7	2001	4.7	1995	4.3	1989	4.1
2006	4.7	2000	4.8	1994	4.2	1988	4.3
2005	4.5	1999	4.5	1993	4.3	1987	4.2

NOTES: In general, collections represent the gross amounts before refunds and include (a) amounts paid with the tax return, (b) amounts paid prior to filing the return, as applicable (income tax withheld by employers and "estimated tax" payments), and (c) amounts paid subsequent to filing the return (chiefly the result of initial IRS administrative return processing or later examination and enforcement activities). Collections also include interest and penalties, but do not reflect any revisions to the IRS data for specific fiscal years made after the close of the fiscal year. Instead, revisions are reflected in the data for the later fiscal year in which the revision was made. However, revisions to the Alcohol and Tobacco Tax and Trade Bureau (TTB) (formerly the Bureau of Alcohol, Tobacco, and Firearms (ATF)) and Customs Service excise tax collections are treated differently. See the "Notes" to Table 20. Collection statistics reported by the Internal Revenue Service are not altogether comparable to those published by the Financial Management Service, also in the Treasury Department, because of timing differences resulting from the definitions each agency uses. The Internal Revenue Service counts the monies as they are received (to reflect the status of its tax collection operation); the Financial Management Service counts these amounts as received, but only after discrepancies (such as between what the employer reports as tax withheld and the amount actually withheld) are resolved. Also, the Financial Management Service classifies the tax collected according to the Federal Budget account to which the tax receipts are assigned. For purposes of Table 18 (and to facilitate comparisons with Table 20), the grand totals of all excise taxes were obtained by accumulating data from the Treasury Monthly Statement. See also the citation under "Source," below. Totals for excise taxes collected by IRS were then subtracted from these grand totals to derive the combined totals shown as having been collected by the TTB and the Customs Service. This subtraction is not precise because of definitional differences between the two agencies. Detail may not add to totals because of rounding. All amounts are in current dollars. Tax law and tax form changes affect the year-to-year comparability of the data.

SOURCE: U.S. Department of the Treasury, Internal Revenue Service, *Internal Revenue Service Data Book* and Chief Financial Officer, Office of Finance, Revenue Accounting Division, Office of Revenue Systems; and Financial Management Service, Monthly Statement on Receipts and Outlays of the United States Government, monthly.

Selected Historical and Other Data

Table 19. Internal Revenue Tax Refunds: Amount Refunded by Quarter and Fiscal Year, 1987-2008

[Money amounts are in millions of dollars]

Quarter and fiscal year	Amount refunded by type of return					
	Total [1]	Individual income taxes [2]	Corporation income taxes [3]	Excise taxes [1,4]	Employment taxes [5]	Estate and gift taxes
	(1)	(2)	(3)	(4)	(5)	(6)
FISCAL YEAR 1987, TOTAL	96,969	73,583	19,891	1,381	1,900	214
October 1986 - December 1986	8,668	3,406	4,789	111	312	50
January 1987 - March 1987	28,422	22,198	5,296	479	393	56
April 1987 - June 1987	50,063	42,858	5,948	332	869	57
July 1987 - September 1987	9,816	5,121	3,858	459	326	52
FISCAL YEAR 1988, TOTAL	94,480	74,399	16,477	1,114	2,263	227
October 1987 - December 1987	7,701	3,437	3,727	207	275	55
January 1988 - March 1988	27,798	21,744	5,248	198	553	55
April 1988 - June 1988	49,202	43,769	3,848	421	1,114	50
July 1988 - September 1988	9,776	5,449	3,654	288	321	67
FISCAL YEAR 1989, TOTAL	93,613	73,597	14,921	2,054	2,771	269
October 1988 - December 1988	8,380	3,362	4,461	118	359	80
January 1989 - March 1989	32,041	26,759	4,462	182	570	67
April 1989 - June 1989	43,538	38,895	3,849	350	381	63
July 1989 - September 1989	9,654	4,581	2,149	1,404	1,461	59
FISCAL YEAR 1990, TOTAL	99,656	76,065	18,324	2,261	2,677	329
October 1989 - December 1989	8,487	3,094	4,605	300	409	79
January 1990 - March 1990	37,121	31,367	4,922	342	423	67
April 1990 - June 1990	43,308	36,952	4,209	549	1,492	106
July 1990 - September 1990	10,740	4,652	4,588	1,070	353	77
FISCAL YEAR 1991, TOTAL	104,380	82,877	17,440	1,188	2,471	404
October 1990 - December 1990	8,284	3,367	4,148	344	323	102
January 1991 - March 1991	38,020	32,811	4,286	293	538	92
April 1991 - June 1991	47,962	41,638	4,748	226	1,249	101
July 1991 - September 1991	10,114	5,061	4,258	325	361	109
FISCAL YEAR 1992, TOTAL	113,108	88,624	19,688	1,997	2,398	401
October 1991 - December 1991	10,072	3,607	5,639	379	346	101
January 1992 - March 1992	44,657	38,183	5,750	201	430	93
April 1992 - June 1992	47,817	42,231	4,596	476	399	115
July 1992 - September 1992	10,562	4,603	3,703	941	1,223	92
FISCAL YEAR 1993, TOTAL	93,580	74,234	16,035	958	1,969	384
October 1992 - December 1992	7,891	3,081	4,190	208	324	88
January 1993 - March 1993	37,213	31,503	4,971	239	396	104
April 1993 - June 1993	39,325	35,353	3,195	290	397	90
July 1993 - September 1993	9,151	4,297	3,679	221	852	102
FISCAL YEAR 1994, TOTAL	96,980	75,935	16,251	1,877	2,477	441
October 1993 - December 1993	7,329	2,322	4,176	394	324	113
January 1994 - March 1994	34,614	27,859	5,800	403	445	107
April 1994 - June 1994	43,804	40,876	2,109	333	393	93
July 1994 - September 1994	11,233	4,878	4,165	747	1,315	128
FISCAL YEAR 1995, TOTAL	108,035	84,056	19,350	2,223	1,972	434
October 1994 - December 1994	9,086	3,440	4,909	319	304	114
January 1995 - March 1995	35,791	27,642	6,370	926	753	101
April 1995 - June 1995	53,388	47,433	4,904	500	443	108
July 1995 - September 1995	9,770	5,541	3,167	478	472	111
FISCAL YEAR 1996, TOTAL	132,710	107,361	19,201	2,075	3,584	489
October 1995 - December 1995	11,149	4,133	5,391	361	1,152	112
January 1996 - March 1996	48,625	41,633	6,103	239	538	112
April 1996 - June 1996	61,612	56,319	4,363	355	454	121
July 1996 - September 1996	11,324	5,276	3,344	1,120	1,440	144

Footnotes at end of table.

Selected Historical and Other Data

Table 19. Internal Revenue Tax Refunds: Amount Refunded by Quarter and Fiscal Year, 1987-2008—Continued

[Money amounts are in millions of dollars]

Quarter and fiscal year	Amount refunded by type of return					
	Total [1]	Individual income taxes [2]	Corporation income taxes [3]	Excise taxes [1,4]	Employment taxes [5]	Estate and gift taxes
	(1)	(2)	(3)	(4)	(5)	(6)
FISCAL YEAR 1997, TOTAL	142,599	113,083	24,046	1,790	3,104	576
October 1996 - December 1996	13,306	4,460	8,082	155	433	176
January 1997 - March 1997	58,345	51,442	5,771	493	552	87
April 1997 - June 1997	57,421	51,980	4,399	375	522	146
July 1997 - September 1997	13,525	5,201	5,794	767	1,596	167
FISCAL YEAR 1998, TOTAL	153,828	119,499	27,560	1,600	4,562	609
October 1997 - December 1997	10,680	4,369	5,496	165	499	151
January 1998 - March 1998	66,516	56,124	9,326	266	670	130
April 1998 - June 1998	59,172	52,613	5,506	188	683	182
July 1998 - September 1998	17,460	6,393	7,232	981	2,708	146
FISCAL YEAR 1999, TOTAL	185,282	146,406	34,062	1,690	2,470	654
October 1998 - December 1998	15,684	5,010	9,885	143	455	191
January 1999 - March 1999	77,493	65,467	10,648	508	741	129
April 1999 - June 1999	76,729	68,418	7,139	369	646	157
July 1999 - September 1999	15,376	7,511	6,390	670	628	177
FISCAL YEAR 2000, TOTAL	195,751	157,837	30,382	1,802	4,957	773
October 1999 - December 1999	16,453	6,590	8,844	176	613	230
January 2000 - March 2000	94,728	84,290	8,933	539	791	175
April 2000 - June 2000	67,353	59,386	6,625	388	773	181
July 2000 - September 2000	17,217	7,571	5,980	699	2,780	187
FISCAL YEAR 2001, TOTAL	252,787	205,690	37,941	1,948	6,283	925
October 2000 - December 2000	17,859	6,685	10,148	232	549	245
January 2001 - March 2001	102,741	87,193	13,984	468	897	199
April 2001 - June 2001	75,813	66,964	7,409	465	789	186
July 2001 - September 2001	56,374	44,848	6,400	783	4,048	295
FISCAL YEAR 2002, TOTAL	257,644	183,891	66,758	2,248	3,944	803
October 2001 - December 2001	26,567	8,665	16,659	321	700	222
January 2002 - March 2002	94,761	76,571	16,658	545	821	166
April 2002 - June 2002	107,211	87,192	18,498	625	668	228
July 2002 - September 2002	29,105	11,463	14,942	758	1,754	188
FISCAL YEAR 2003, TOTAL	296,064	223,317	65,332	2,026	4,445	944
October 2002 - December 2002	32,964	11,292	20,580	215	609	268
January 2003 - March 2003	126,113	105,124	19,587	526	685	191
April 2003 - June 2003	98,530	81,958	14,958	607	789	217
July 2003 - September 2003	38,457	24,943	10,207	677	2,362	268
FISCAL YEAR 2004, TOTAL	270,893	218,667	45,850	1,955	3,638	783
October 2003 - December 2003	30,851	10,930	18,913	220	562	226
January 2004 - March 2004	127,181	116,146	9,528	580	755	172
April 2004 - June 2004	92,443	81,049	10,062	499	646	188
July 2004 - September 2004	20,418	10,542	7,347	656	1,675	198
FISCAL YEAR 2005, TOTAL	255,439	212,966	34,332	2,132	5,126	883
October 2004 - December 2004	24,050	10,242	12,911	184	483	229
January 2005 - March 2005	126,559	116,060	8,530	576	1,185	207
April 2005 - June 2005	83,244	76,170	5,578	597	700	200
July 2005 - September 2005	21,586	10,494	7,313	774	2,758	246
FISCAL YEAR 2006, TOTAL [6]	265,003	227,240	29,831	2,163	4,918	851
October 2005 - December 2005	21,173	10,248	9,863	262	591	210
January 2006 - March 2006	142,565	131,626	9,484	508	786	161
April 2006 - June 2006	76,231	70,181	4,372	686	713	278
July 2006 - September 2006	25,034	15,185	6,112	706	2,827	202
FISCAL YEAR 2007, TOTAL	279,173	235,645	27,340	3,527	11,691	1,467
October 2006 - December 2006	23,490	7,964	7,960	439	6,816	311
January 2007 - March 2007	153,223	140,744	10,097	1,396	769	217
April 2007 - June 2007	84,376	77,836	4,362	797	1,151	229
July 2007 - September 2007	18,084	9,101	4,921	896	2,954	710

Footnotes at end of table.

Selected Historical and Other Data

Table 19. Internal Revenue Tax Refunds: Amount Refunded by Quarter and Fiscal Year, 1987-2008 —Continued

[Money amounts are in millions of dollars]

Quarter and fiscal year	Amount refunded by type of return					
	Total [1]	Individual income taxes [2]	Corporation income taxes [3]	Excise taxes [1,4]	Employment taxes [5]	Estate and gift taxes
	(1)	(2)	(3)	(4)	(5)	(6)
FISCAL YEAR 2008, TOTAL	381,027	318,321	53,569	2,401	5,714	1,022
October 2007 - December 2007	31,629	15,522	14,956	345	574	233
January 2008 - March 2008	177,434	158,582	17,206	645	759	243
April 2008 - June 2008	131,196	116,884	12,440	639	936	298
July 2008 - September 2008	40,768	27,334	8,967	773	3,445	249

Footnotes at end of table.

[1] Even though the Alcohol and Tobacco Tax and Trade Bureau (TTB) and the Customs Service have had responsibility for collecting and refunding excise taxes on alcohol and tobacco since July 1987 and for excise taxes on firearms since January 1991, the Internal Revenue Service (IRS) continues to be responsible for recording refunds of these taxes. Consequently, IRS statistics for excise tax refunds include refunds made by TTB and the Customs Service in years subsequent to the dates on which organizational responsibility was transferred. In contrast, TTB and Customs Service excise tax collections are recorded by these two Treasury agencies and are, therefore, shown separately in Table 18 under the heading, Alcohol and Tobacco Tax and Trade Bureau. See also footnote 4.

[2] Includes special statutory refunds and refunds of taxes paid on the "unrelated business income" of certain tax-exempt trusts. Also, to preserve the year-to-year comparability of the historical series, individual income tax refund data have been revised, as necessary, starting with 1996, to include net refunds due to the "earned income credit" in addition to overpayment and other refunds. This credit is already reflected in the refund statistics for previous years. Therefore, refund data may not always agree with those presented in the annual Internal Revenue Service Data Book, for certain years starting with 1996, although, conceptually, they agree with refund data published in the Treasury Department's Monthly Statement of Receipts and Outlays of the United States Government. See also the citation under "Source," below. Individual income tax refunds are net of offsets under laws that require the Department of the Treasury to act as collecting agent for delinquent payments owed various U.S. Government agencies under specific programs.

[3] Includes refunds of taxes on the "unrelated business income" of tax-exempt organizations, except for certain trusts.

[4] See footnote 1. Also, as further explained in the "Notes" to Table 20, taxpayers can offset certain refundable excise tax payments against the tax of subsequent time periods and claim certain other refunds as a credit against income tax; however, these amounts are not reflected in the excise tax refund statistics.

[5] The kinds of employment taxes subject to refund are listed in Table 18, footnote 5.

NOTES: Detail may not add to totals because of rounding. Tax law and tax form changes affect the year-to-year comparability of the data. All amounts are in current dollars. Refund data include interest paid on the refunds by IRS or the Alcohol and Tobacco Tax and Trade Bureau (TTB) (formerly the Bureau of Alcohol, Tobacco and Firearms (ATF)). See also the "Notes" to Table 18.

SOURCE: U.S. Department of the Treasury, Internal Revenue Service, *Internal Revenue Service Data Book* and Chief Financial Officer, Office of Finance, Revenue Accounting Division, Office of Revenue Systems.

Selected Historical and Other Data

Table 20. Federal Excise Taxes Reported to or Collected by the Internal Revenue Service, Alcohol and Tobacco Tax and Trade Bureau, and Customs Service, by Type of Excise Tax, Fiscal Years 2002-2008

[Money amounts are in thousands of dollars]

Type of excise tax by agency to which tax was reported or paid	Fiscal year						
	2002	2003	2004	2005	2006	2007	2008
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Total excise tax collections	68,241,000	69,171,000	69,490,000	71,781,000	76,080,000	71,310,000	69,117,000
Excise tax collections or liabilities reported by the Internal Revenue Service [1]							
Total excise tax collections	52,418,848	52,136,835	52,771,160	54,807,225	57,989,543	53,049,612	51,671,463
Retail excise taxes:							
Luxury taxes:							
Passenger vehicles (expired, January 1, 2003)	341,981	252,834	65,162	3,032	-465	568	-58
Boats (repealed, January 1, 1993)	19	0	0	0	0	0	0
Aircraft (repealed, January 1, 1993)	0	0	0	0	0	0	0
Jewelry (repealed, January 1, 1993)	0	0	0	0	2	0	0
Furs (repealed, January 1, 1993)	1	0	0	0	0	0	0
Dyed diesel fuel used in trains:							
Total, excluding floor stocks	167,161	147,408	162,654	127,169	61,097	-21,096	-40,953
Floor stocks	0	1	0	1	0	1	0
Dyed diesel fuel for certain intercity or local buses	2,380	1,731	1,266	1,139	-3,386	-1,305	-1,269
Dyed diesel	N/A	N/A	N/A	N/A	-20,205	22,065	21,221
Dyed kerosene	N/A	N/A	N/A	N/A	-601	331	363
Special motor fuels:							
Total, excluding floor stocks	18,404	17,570	14,226	12,990	-10,764	590	67
Floor stocks	0	0	0	0	0	0	0
Compressed natural gas	1,026	895	1,735	1,406	1,216	366	-83
Alcohol fuels [2]	5,462	408	-9,986	7,367	-2,053	6,869	2,907
Fuels used commercially on inland waterways	114,110	111,311	111,058	110,364	99,125	90,257	86,387
Truck, trailer, and semitrailer chassis and bodies, and tractors	1,573,968	1,574,947	1,608,208	2,235,178	3,549,821	2,871,157	2,135,475
Manufacturer's excise taxes:							
Gas guzzlers [2]	78,157	79,705	126,685	140,834	201,671	178,690	172,428
Highway-type tires [2]	354,769	372,800	403,892	433,116	44,769	-89,796	51,209
Tires other than Biasply or Super Single [3]	N/A	N/A	N/A	N/A	419,773	503,185	474,022
Biasply or Super Single tires [3]	N/A	N/A	N/A	N/A	25,717	19,712	-31,520
Super Single tires for steering [3]	N/A	N/A	N/A	N/A	3,641	750	448
Aviation gasoline [4]	49,687	62,574	57,953	44,611	40,694	44,183	35,470
Gasoline, except for use in gasohol:							
Total, excluding floor stocks	20,619,195	20,942,138	20,169,608	18,232,507	25,517,830	25,772,347	25,101,218
Floor stocks	-21	2	0	0	0	0	0
Diesel fuel, except for trains and intercity buses:							
Total, excluding floor stocks [2]	8,208,994	8,214,559	8,581,467	9,016,694	9,595,301	9,766,771	9,340,025
Floor stocks	0	0	0	0	0	0	0
Diesel-water fuel emulsion	N/A	N/A	N/A	N/A	79	-95	8
Kerosene for use in aviation	N/A	N/A	N/A	N/A	4,028	7,920	2,367
Floor stocks	N/A	N/A	N/A	N/A	2	0	1
Other exempt fuels	N/A	N/A	N/A	N/A	1,109	1,130	1,292
Alternative fuel:							
Liquid petroleum gas	N/A	N/A	N/A	N/A	N/A	13,339	12,066
Biodiesel fuel, not used as fuel	N/A	N/A	N/A	N/A	N/A	2	80
P series fuel	N/A	N/A	N/A	N/A	N/A	-81	141
Compressed natural gas	N/A	N/A	N/A	N/A	N/A	4,476	5,443
Liquefied hydrogen	N/A	N/A	N/A	N/A	N/A	0	0
Liquefied fuel derived from coal	N/A	N/A	N/A	N/A	N/A	0	0
Liquefied hydrocarbons—biomass	N/A	N/A	N/A	N/A	N/A	10	35
Liquefied natural gas	N/A	N/A	N/A	N/A	N/A	2,042	2,536
Gasoline for use in gasohol by alcohol content:							
Total, excluding floor stocks:							
5.7 percent under 7.7 percent	9	77	2,320	15,436	-43	11	-1
7.7 percent under 10 percent	4,839	4,835	946	503	0	0	0
10 percent or more	243,702	302,407	358,002	306,441	43,096	0	0
Floor stocks	1	-1	0	0	0	0	0
Gasohol by alcohol content:							
Total, excluding floor stocks:							
5.7 percent under 7.7 percent	297,763	406,578	1,296,991	2,363,320	738	-16,521	0
7.7 percent under 10 percent	146,196	176,148	91,017	97,098	15	-2,552	0
10 percent or more	1,918,995	1,932,347	2,313,542	2,899,287	-1,055	-417	-5
Floor stocks	-4	0	0	0	0	0	0

Footnotes at end of table.

Selected Historical and Other Data

Table 20. Federal Excise Taxes Reported to or Collected by the Internal Revenue Service, Alcohol and Tobacco Tax and Trade Bureau, and Customs Service, by Type of Excise Tax, Fiscal Years 2002-2008—Continued

[Money amounts are in thousands of dollars]

Type of excise tax by agency to which tax was reported or paid	Fiscal year						
	2002	2003	2004	2005	2006	2007	2008
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Manufacturer's excise taxes—continued:							
Aviation-grade kerosene (except gasoline) for noncommercial use:							
Total, excluding floor stocks	287,664	286,559	322,440	1,027,883	-520,516	-103,816	-9,754
Floor stocks	0	0	0	0	10	0	0
Aviation-grade kerosene (except gasoline) for commercial use (other than foreign trade):							
Floor stocks	509,944	453,361	503,696	-98,244	451,933	450,686	416,865
	0	0	0	0	-319	-3	0
Kerosene (effective July 1, 1998)	62,857	72,128	62,085	52,802	1,064,457	992,408	998,561
Coal:							
Mined underground:							
At 4.4 percent of sales price	155,966	134,588	125,536	85,816	54,235	38,297	24,994
At \$1.10 per ton	149,366	147,646	194,585	261,097	275,638	299,701	293,338
Surface mined:							
At 4.4 percent of sales price	103,502	109,537	120,012	134,071	136,097	159,641	159,069
At \$0.55 per ton	139,634	125,760	127,877	131,451	141,911	153,755	167,189
Certain vaccines [2]	161,764	179,009	171,471	196,426	254,752	336,671	311,784
Sport fishing equipment	97,901	97,986	103,339	101,563	79,127	84,855	77,327
Fishing tackle boxes	0	0	0	617	1,294	1,342	1,297
Electric outboard motors, sonar devices	2,725	2,585	3,240	2,358	2,719	3,104	2,364
Fishing rods and poles	N/A	N/A	N/A	N/A	17,140	24,384	22,286
Bows and arrows	20,297	20,947	22,058	23,881	26,541	28,017	24,923
Arrow shafts	0	0	0	1,905	5,980	8,033	7,477
Taxes on facilities and services:							
Telephone and teletypewriter services	5,803,631	5,809,503	5,792,246	5,851,530	4,607,881	739,840	1,284,763
Transportation of persons by air	6,157,264	6,185,415	6,675,981	7,047,808	7,696,481	8,017,578	8,242,849
Use of international air travel facilities	1,406,192	1,452,015	1,609,445	1,881,355	1,977,189	2,229,119	2,312,857
Transportation of property by air	372,119	455,209	483,691	477,826	517,011	527,989	534,596
Taxes on policies issued by foreign insurers	195,634	292,897	350,790	373,580	403,083	427,637	424,669
Taxes related to wagering:							
Certain wagers [2]	[5]	[5]	[5]	[5]	[5]	[5]	[5]
Occupational taxes [2]	[5]	[5]	[5]	[5]	[5]	[5]	[5]
Certain other excise taxes:							
Passenger transportation by water	31,069	33,252	34,721	36,083	36,444	36,841	34,859
Use tax on heavy vehicles [1,2]	899,367	911,445	934,073	1,327,257	1,083,888	1,076,306	1,011,634
Environmental taxes:							
Domestic petroleum (Superfund) (expired effective January 1, 1996)	-4	1	-21	2	0	3	0
Imported petroleum (Superfund) (expired effective January 1, 1996)	641	-4	-11	0	-564	0	0
Domestic petroleum (Oil Spill Liability Trust Fund) (expired effective January 1, 1995), reinstated April 1, 2006	0	0	-4	0	74,670	129,126	126,207
Imported petroleum (Oil Spill Liability Trust Fund) (expired effective January 1, 1995), reinstated April 1, 2006	0	0	-3	0	100,009	210,612	204,109
Certain chemicals (Superfund) (expired effective January 1, 1996) [2]	-2,842	-687	-52	1	725	9	5
Certain imported substances (Superfund) (expired effective January 1, 1996) [2]	-7	0	-1	0	0	0	0
Ozone-depleting chemicals: [2]							
Total, excluding floor stocks	3,995	7,519	1,457	1,766	684	1,928	1,027
Floor stocks	1,182	905	934	506	166	-238	213
Imported taxable products containing or manufactured using ozone-depleting chemicals [2]	-945	6,869	4,352	9,296	6,914	5,815	5,899

Footnotes at end of table.

Selected Historical and Other Data

Table 20. Federal Excise Taxes Reported to or Collected by the Internal Revenue Service, Alcohol and Tobacco Tax and Trade Bureau, and Customs Service, by Type of Excise Tax, Fiscal Years 2002-2008—Continued

[Money amounts are in thousands of dollars]

Type of excise tax by agency to which tax was reported or paid	Fiscal year						
	2002	2003	2004	2005	2006	2007	2008
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Taxes on Private Foundations:							
Net investment income [6]	490,425	262,662	240,508	384,554	505,560	650,296	770,947
Additional excise taxes [7]	4,520	5,059	4,498	7,405	4,209	3,632	8,469
Taxes on Black Lung Benefit Trusts [2]	0	0	0	0	0	0	0
Taxes on qualified pension and other plans:							
Failure to meet minimum funding standards.	1,851	54	3	0	0	0	0
Nondeductible contributions	-25	6	0	0	0	0	0
Excess contributions to Individual Retirement Accounts and others	[5]	[5]	[5]	[5]	[5]	[5]	[5]
Prohibited transactions	207	1,476	5	0	0	0	0
Certain excess contributions	34	17	-18	0	0	0	0
Reversion of qualified plan assets to employer	175	80	0	0	0	0	0
Penalties [2]	1,887	2,446	0	0	0	0	0
Taxes on undistributed income of qualified investment entities:							
Real Estate Investment Trusts	73	152	0	0	0	0	0
Regulated Investment Companies	1,872	3,892	0	0	0	0	0
Windfall profits tax on domestic crude oil (repealed August 23, 1988) [1]	0	0	0	0	0	0	0
Miscellaneous IRS taxes [2]	106,214	35,543	104	0	0	0	0
Unclassified [8]	369,406	318,582	869,695	-359,285	3,601,836	16,522,228	-2,278,905
Excise tax collections or liabilities reported by the Customs Service and the Alcohol and Tobacco Tax and Trade Bureau							
Total excise tax collections	17,034,165	16,718,840	16,973,775	17,941,902	18,090,457	18,260,388	17,445,537
Tax liabilities by type of excise tax [9]	16,989,022	16,678,051	16,953,918	16,974,462	17,129,530	17,168,136	16,965,448
Distilled spirits:							
Domestic	3,138,705	3,132,577	3,220,871	3,315,979	3,394,605	3,444,244	3,558,551
Imported	901,173	982,016	1,074,631	1,135,410	1,235,347	1,284,421	1,281,212
Wine:							
Domestic	513,559	534,927	547,505	566,816	574,707	589,377	609,815
Imported	193,737	215,803	220,386	239,976	258,932	284,837	270,784
Beer:							
Domestic	3,236,231	3,189,580	3,218,708	3,192,447	3,213,017	3,198,167	3,252,173
Imported	414,895	415,280	441,713	450,723	499,993	546,833	526,771
Tobacco products: [10]							
Domestic [10]	7,879,499	7,435,391	7,440,242	7,408,184	7,350,661	7,194,030	6,851,714
Cigarettes [10]	7,646,535	7,293,490	7,250,838	7,166,885	7,080,229	6,924,510	6,578,421
Cigars [10]	139,618	154,261	171,461	189,745	198,219	204,176	217,491
Papers/tubes [10]	954	1,018	1,374	3,614	223	54	0
Chewing tobacco and snuff [10]	49,504	52,094	53,387	54,085	56,313	58,404	61,061
Pipe/roll-your-own tobacco [10]	15,478	18,236	17,790	20,125	21,687	22,148	25,598
Floor stocks	115,835	1,628	0	10	638	0	0
Imported	404,308	475,278	470,017	429,077	351,471	336,521	301,330
Firearms and ammunition	205,025	193,420	214,987	225,817	248,727	287,060	312,622
Special occupations	101,890	103,779	94,053	10,191	2,796	2,646	448
Alcohol and Tobacco Tax and Trade Bureau and Customs Service collections less reported amounts	45,143	40,789	19,857	967,440	960,927	1,093,357	480,089
Total collections less reported amounts	45,143	40,789	19,857	967,440	960,927	1,093,357	480,089

N/A—Not applicable.

[1] Tax "liability" statistics also include "collections" of the use tax on heavy highway vehicles and of the "crude oil windfall profit tax." See also the "Notes" below.

[2] Represents aggregates for two or more specific taxes for which amounts have either been combined or are not available separately.

[3] As of June 2006, taxable tires have been divided into three taxable types: taxable tires other than Biasply or Super Single tires; taxable tires, Biasply, or Super Single tires (other than Super Single tires designed for steering); and taxable tires, Super Single tires designed for steering.

[4] This tax is in addition to the regular tax on gasoline.

Selected Historical and Other Data

Table 20. Federal Excise Taxes Reported to or Collected by the Internal Revenue Service, Alcohol and Tobacco Tax and Trade Bureau, and Customs Service, by Type of Excise Tax, Fiscal Years 2002-2008—Continued

Footnotes—Continued

[5] Data for this and certain other taxes are combined and included in the totals for excise taxes "unclassified," shown below in Table 20. Data for the specific taxes were not separately tabulated.

[6] Based on information obtained from Forms 990-PF as recorded by the Tax Exempt/Government Entities Returns Inventory and Control System (RICS). Excludes data from nonexempt charitable trusts and foreign private foundations that file Form 990-PF.

[7] Based on information obtained from Forms 4720 as recorded by the Tax Exempt/Government Entities Returns Inventory and Control System (RICS). Includes data for initial taxes on self-dealing, required distributions, excess business holdings, jeopardizing investments, and taxable expenditures as reported on Forms 4720 filed by organizations, other than nonexempt charitable trusts, that were also required to file Form 990-PF.

[8] Includes excise taxes collected through the Federal Tax Deposit (FTD) system, which the Internal Revenue Service had not yet classified by type of excise tax. Classification is based on returns filed in the quarter following tax payment. Negative amounts for "unclassified" taxes result from subsequent classification of the previously unclassified taxes. See also the "Notes," below.

[9] Tax "liability" statistics shown for the Customs Service/Alcohol and Tobacco Tax and Trade Bureau (TTB) include tax "collections" on imported items for which the Customs Service is responsible. See also the "Notes," below.

[10] Taxes shown for the different types of domestic tobacco products are before postfiling tax adjustments. Therefore, the statistics by type of tax for domestic tobacco products will not add to the total tax on domestic tobacco products, which is after these adjustments. For additional information, see the "Notes," below, under "Statistics on Excise Taxes Administered by the Alcohol and Tobacco Tax and Trade Bureau (TTB) and the Customs Service."

NOTES: Grand totals for taxes shown for the Internal Revenue Service (IRS), the Alcohol and Tobacco Tax and Trade Bureau (TTB) (formerly the Bureau of Alcohol, Tobacco, and Firearms [ATF]), and the Customs Service represent tax "collections." (Fees for the Harbor Maintenance tax treated as excise taxes under the Internal Revenue Code are also collected by the Customs Service, but are excluded from Table 20 for consistency with the excise tax definitions and totals published in the Federal Budget.) For the grand totals, collections rounded to millions of dollars are all that are available. In general, amounts shown are the gross amounts, i.e., before refunds. However, as explained below, refunds are sometimes claimed as a credit against the tax reported on the excise tax return of a subsequent quarter so that, to this extent, the data are after refunds. "Floor stocks taxes" are shown separately in Table 20 because they are nonrecurring. They are generally imposed on holders of inventories on the date a new excise tax is imposed or a tax rate increased. Total collections represent tax payments made during the indicated fiscal year (or quarter), either through: (a) the semimonthly tax deposits required of most taxpayers with significant excise tax liabilities using Federal Tax Deposit (FTD) coupons, in the case of taxes collected by IRS, or Electronic Funds Transfers (EFTs), in the case of taxes collected by TTB/Customs, or (b) payments attached to quarterly excise tax returns. Statistics for both the total for taxes administered by the IRS and the taxes by type of tax represent tax "collections" (see below). Also, statistics on the types of tax take into account the normal lag that exists between the time most taxes are collected (through FTDs, the means by which most excise taxes are collected) and the recording of tax liabilities by type of tax as reported on excise tax returns and "certified" by IRS, as described below. For additional information, see the notes to Table 21, *Statistics of Income Bulletin*, Fall 1998, Volume 18, Number 2, and also, "Federal Excise Taxes, Fiscal Years 1994 and 1995,"

Fall 1996, Volume 16, Number 2.

a. Statistics on excise taxes administered by the Internal Revenue Service: Corrections to the IRS data are reflected in the quarter(s) and year(s) in which the corrections were made, rather than in the data for the quarter(s) and year(s) in which the original tax liability arose (unlike the TTB/Customs data). The certified tax is net of refund credits reported on excise tax returns, not only for this reason, but for conformity with the Internal Revenue Code. As examples, tax can be offset for commodities exported that were previously taxed (exports are usually nontaxable), or for the sale of previously-taxed gasoline to a State or local government (or, in the case of TTB taxes, for alcohol used for a nonbeverage purpose). Other taxpayers apply directly for refunds and, for some of the taxes, are allowed to claim refunds by means of a credit against income tax. Because such refundable amounts were not reported on the excise tax return, they are not reflected in the Table 20 totals. (Other corrections to the IRS data for certain specific taxes are assumed to be due to misclassification and have been adjusted for as additions (or subtractions) to "Unclassified IRS taxes.")

b. Statistics on excise taxes administered by the Alcohol and Tobacco Tax and Trade Bureau (TTB) and the Customs Service: Excise taxes on alcoholic beverages and tobacco products are collected by both Customs Service (on imports) and TTB (on domestic production). Taxes on firearms and certain occupational taxes are also collected by TTB. So, TTB statistics represent tax "collections" on domestic alcohol and tobacco productions, as well as tax "collections" on firearms and certain occupations. By contrast, the tax statistics for the detailed types of taxes on domestic tobacco products are tax "liabilities." The grand totals for TTB and Customs Service tax "collections," as presented in Table 20, are residual amounts. They were derived by subtracting total IRS tax collections, which are available before most refunds, from the grand total of all excise tax gross collections reported in the *Monthly Treasury Statement*, rounded to millions of dollars, as shown at the beginning of Table 21. This subtraction is not precise because of definitional differences between IRS and TTB or Customs Service. In Table 20, TTB data have been rearranged so that tax liabilities are matched with tax collections in that same quarter. Previously, tax liabilities arising in a given quarter were not directly related to reported tax collections during that same quarter. Also, as previously noted, TTB amounts are often revised slightly as late returns are processed or postfiling adjustments are made to the tax. As a result, tax reported for prior periods is updated on a continuing basis, although the updated prior-year collections data are actually retabulated only for the one, most recent, prior year. Retabulated postfiling tax revisions for these earlier years are included for the first time in Table 21 of the spring 2002 issue of the *Bulletin* and affect previously published data for fiscal years, beginning with 1996.

However, as stated in footnote 11, above, postfiling revisions to the data for the immediately preceding fiscal year are not available for the detailed types of taxes on domestic tobacco products. Therefore, because revisions are available and are reflected in the total presented as the sum of these taxes, adding up the (unrevised) detail by type of tax will not yield the (revised) total. Detail may not add to totals because of rounding. All amounts are in current dollars. Tax law and tax form changes affect the year-to-year comparability of the data.

SOURCE: U.S. Department of the Treasury, Financial Management Service, *Monthly Treasury Statement of Receipts and Outlays of the United States Government*; Alcohol and Tobacco Tax and Trade Bureau, Statistical Release: Alcohol, Tobacco and Firearms Tax Collections, quarterly (this release also includes data for the Customs Service), and previously unpublished special tabulations; *Internal Revenue Service, Internal Revenue Service Data Book*, and its predecessor, *Annual Report*, Commissioner and Chief Counsel, Internal Revenue Service; also Chief Financial Officer, Office of Finance, Revenue Accounting Division, Office of Revenue Systems, Internal Revenue Report of Excise Taxes. Also see Francis, Brian D., "Federal Excise Taxes, Including the Slow Death of Expired Taxes, *Statistics of Income Bulletin*, Summer 1999, Volume 19, Number 1. Also see Henry, Eric, "Excise Taxes and the Airport and Airway Trust Fund, 1970-2002," *Statistics of Income Bulletin*, Winter 2003-2004, Volume 23, Number 3. For additional information about the process used to match quarterly excise tax "collections" with excise tax "liabilities" as reported on quarterly excise tax returns, see the "Notes" to Table 21 in the fall 1998 (Volume 18, Number 2) issue of the *Statistics of Income Bulletin*.

Selected Historical and Other Data

Table 21. Selected Returns and Forms Filed or To Be Filed by Type During Specified Calendar Years, 1995-2008

Type of return or form	Number filed in calendar year—					
	1995	1998	1999	2000	2001	2002
	(1)	(2)	(3)	(4)	(5)	(6)
Individual income [1]	116,466,900	123,049,600	125,389,700	127,657,400	130,094,300	130,977,500
Forms 1040, 1040A, 1040EZ, and 1040PC	116,059,700	122,546,900	124,887,100	127,097,200	129,444,900	130,341,200
Paper returns	104,252,800	97,966,600	95,557,600	91,695,100	89,238,100	83,505,100
Electronically filed returns	11,806,900	24,580,300	29,329,500	35,402,200	40,206,800	46,836,100
Business returns	18,058,600	19,031,300	19,176,200	19,350,400	19,664,500	20,072,000
Schedule C or C-EZ	16,157,000	17,183,700	17,377,100	17,570,500	17,904,900	18,336,500
Schedule F	1,901,600	1,847,600	1,799,200	1,779,900	1,759,600	1,735,500
Nonbusiness returns	98,001,100	103,515,700	105,710,900	107,746,800	109,780,500	110,269,100
Forms 1040NR, 1040PR, and 1040SS	407,200	502,700	502,500	560,200	649,300	636,400
Corporation income [2]	4,817,900	5,241,200	5,398,300	5,469,600	5,561,300	5,738,800
Form 1120	2,197,000	2,207,600	2,202,400	2,161,700	2,128,700	2,131,900
Form 1120A	319,100	272,500	260,800	245,500	235,800	229,700
Form 1120S	2,161,000	2,599,800	2,767,000	2,887,100	3,022,600	3,191,100
Other	140,800	161,300	168,100	175,300	174,200	186,200
Partnership, Forms 1065 and 1065B [3]	1,580,300	1,861,000	1,974,700	2,066,800	2,165,000	2,271,800
Estate and trust income, Forms 1041 and 1041S [4]	3,190,900	3,397,600	3,403,300	3,528,900	3,918,900	3,658,000
Estate tax, Forms 706, 706NA, 706GS(D), and 706GS(T) [5]	81,400	110,100	116,400	123,600	122,400	114,000
Gift tax, Form 709	216,200	261,200	291,900	308,600	303,800	282,600
Tax-exempt organizations [6]	572,600	618,300	692,600	699,100	724,200	744,400
Forms 990 and 990EZ	406,400	412,000	458,100	461,700	481,000	495,000
Form 990-PF	51,300	61,800	64,900	70,000	73,300	76,900
Form 990-T	49,800	50,200	62,800	52,600	48,200	46,400
Forms 990C, 4720, and 5227	65,100	94,300	106,800	114,900	121,700	126,200
Employment [7]	28,654,900	29,106,400	28,973,600	28,841,200	28,935,800	29,514,200
Forms 940, 940EZ, 940PR	5,482,600	5,483,300	5,479,100	5,463,100	5,545,400	5,546,300
Forms 941, 941PR/SS, 944	22,219,100	23,098,500	22,985,100	22,890,300	22,919,800	23,510,100
Forms 943, 943PR/SS	354,700	330,900	316,200	305,500	291,000	283,300
Other	598,500	193,700	193,200	182,300	179,600	174,600
Excise [8]	788,600	821,900	822,300	852,500	815,100	836,400
Form 2290	490,300	562,500	577,800	610,800	588,700	615,200
Form 720	225,300	194,000	183,800	174,700	164,900	161,100
Other	73,000	65,400	60,700	67,100	61,500	60,000

Footnotes at end of table.

Selected Historical and Other Data

Table 21. Selected Returns and Forms Filed or To Be Filed by Type During Specified Calendar Years, 1995-2008—Continued

Type of return or form	Number filed in calendar year—					
	2003	2004	2005	2006	2007	2008
	(7)	(8)	(9)	(10)	(11)	(12)
Individual income [1]	130,836,700	131,297,500	133,023,100	135,197,400	138,471,400	154,709,300
Forms 1040, 1040A, 1040EZ, and 1040PC	130,134,300	130,576,900	132,275,800	134,421,400	137,725,300	153,832,000
Paper returns	77,265,300	69,148,600	63,811,900	61,181,900	57,863,200	64,059,500
Electronically filed returns	52,869,000	61,428,300	68,463,900	73,239,500	79,862,100	89,772,600
Business returns	20,658,500	21,475,200	22,315,700	23,205,700	23,846,600	24,943,400
Schedule C or C-EZ	18,944,500	19,770,600	20,627,100	21,526,700	22,176,700	22,917,000
Schedule F	1,713,900	1,704,700	1,688,600	1,679,000	1,669,900	2,026,300
Nonbusiness returns	109,475,800	109,101,600	109,960,100	111,215,700	113,878,700	128,888,600
Forms 1040NR, 1040PR, and 1040SS	702,400	720,700	747,300	776,000	746,100	877,300
Corporation income [2]	5,919,600	6,018,300	6,164,600	6,358,100	6,623,900	6,831,800
Form 1120	2,119,000	2,066,800	2,012,700	2,009,500	2,017,300	2,145,700
Form 1120A	225,300	214,700	210,900	196,100	186,700	0
Form 1120S	3,369,100	3,523,900	3,715,200	3,909,700	4,155,800	4,390,900
Other	206,200	212,800	225,700	242,800	264,200	295,200
Partnership, Forms 1065 and 1065B [3]	2,405,400	2,546,400	2,720,300	2,934,600	3,147,000	3,348,800
Estate and trust income, Forms 1041 and 1041S [4]	3,705,000	3,722,400	3,698,600	3,751,400	3,729,800	3,110,600
Estate tax, Forms 706, 706NA, 706GS(D), and 706GS(T) [5]	87,100	74,200	54,900	60,000	47,300	48,300
Gift tax, Form 709	284,900	262,200	265,500	264,300	255,100	257,000
Tax-exempt organizations [6]	818,200	807,300	819,300	838,800	879,100	918,600
Forms 990 and 990EZ	548,000	533,000	537,400	547,100	566,100	594,700
Form 990-PF	86,000	85,700	87,700	88,800	89,700	97,800
Form 990-T	55,200	57,700	63,400	71,300	93,600	98,100
Forms 990C, 4720, and 5227	129,000	131,000	130,700	131,500	129,800	128,100
Employment [7]	30,091,200	30,463,600	31,058,000	30,803,800	30,717,400	30,524,900
Forms 940, 940EZ, 940PR	5,705,600	5,757,200	5,936,800	6,046,000	6,139,800	6,194,300
Forms 941, 941PR/SS, 944	23,942,300	24,278,400	24,705,900	24,351,000	24,192,000	23,948,800
Forms 943, 943PR/SS	276,600	269,400	262,600	258,000	249,600	249,100
Other	166,700	158,600	152,800	148,800	136,100	132,700
Excise [8]	844,500	834,800	838,900	896,500	895,400	867,200
Form 2290	642,400	660,600	678,700	737,500	743,100	718,100
Form 720	142,100	118,000	107,000	104,700	102,400	100,200
Other	59,900	56,200	53,100	54,300	49,800	49,000

[1] Form 1040 is the "long form," and Form 1040A is one of the two "short forms." The types of income that could be reported on Form 1040EZ were expanded, starting in 1996, to include unemployment compensation. Form 1040PC, discontinued after 2000, was the equivalent of a "paper" Form 1040, 1040A, or 1040EZ return for which an IRS-approved computer software-generated compressed format was used. Schedule C is for reporting nonfarm sole proprietorship business profits, and Schedule F is for reporting farm sole proprietorship business profits.

The reported data for total Forms 1040, 1040A, 1040EZ, and 1040PC returns, as well as the totals for nonbusiness and business Form 1040 returns with Schedules C or F attached, are comprised of "paper" returns, plus "standard" electronically filed ("e-file") returns. Standard e-file returns are filed by authorized third parties, such as paid preparers and, approved "online" tax filing companies. For 1995 through 2005, the electronically filed totals also include returns filed by touch-tone telephone ("TeleFile"). IRS discontinued TeleFile after 2005. The last category under individual income tax returns is comprised of 1040NR (nonresident alien); 1040PR (self-employment tax, Puerto Rico); and 1040SS (self-employment tax, U.S. Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands). Amended returns filed on Form 1040X are excluded.

Selected Historical and Other Data

Table 21. Selected Returns and Forms Filed or To Be Filed by Type During Specified Calendar Years, 1995-2008—Continued

Footnotes—Continued

- [2] Form 1120 is the basic corporation income tax return. The short Form 1120A was discontinued in 2008. Form 1120S is for S corporations (certain qualifying corporations electing to be taxed through shareholders). "Other" includes Forms 1120-F (most foreign companies with U.S. income); Forms 1120-L (domestic and foreign life insurance companies); Forms 1120POL (certain political associations); Forms 1120-H (homeowners' associations); Forms 1120-C (Cooperative Associations); Forms 1120-FSC (Foreign Sales Corporations, or FSCs); Forms 1120-REIT (Real Estate Investment Trusts); Forms 1120-RIC (Regulated Investment Companies); and Forms 1120-PC (Property and Casualty Insurance Companies). "Other" also includes Form 1120ND (for nuclear decommissioning trust funds and related persons). "Other" excludes Form 1120-DISC for Domestic International Sales Corporations, which were discontinued and mostly replaced by FSCs (see above); and Form 1120 IC-DISC for Interest-Charge Domestic International Sales Corporations (which was used by certain other DISCs after 1985). Amended returns filed on Form 1120X are excluded.
- [3] Includes Form 1065B for certain large partnerships, starting in 1999.
- [4] Form 1041 is the regular income tax return filed for estates and trusts.
- [5] Form 706 is the regular estate tax return; Form 706NA is for U.S. estates of nonresident aliens; Forms 706 GS(D) and 706 GS(T) are for estate tax returns for which the generation-skipping transfer tax applies to distributions and to trust terminations, respectively.
- [6] Form 990 is for tax-exempt organizations, except private foundations (Form 990-PF). Form 990EZ is the short form. Form 990-T is the income tax return filed for businesses conducted by tax-exempt organizations. Form 990C is for farmers' co-operatives. Form 4720 is for computing the special excise taxes applicable to certain private foundations, and Form 5227 is for split-interest trusts treated as private foundations.
- [7] Form 940 is the annual unemployment (FUTA) tax return filed by employers; Form 940PR is used by employers in Puerto Rico; and Form 940EZ is a shorter version of Form 940. Form 941 is the employer's quarterly return for income tax withheld; Form 941PR is used by employers in Puerto Rico; and Form 941SS by employers in the U.S. Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands; Form 944 is the employer's annual return for income tax withheld (starting in Calendar Year 2007). Form 943 is filed to report income tax withheld by employers for agricultural employees. Form 943PR/SS is used by employers in Puerto Rico. "Other" includes Form 945 (annual tax withholding from nonpayroll distributions), included in 1995 and subsequent years; Form 942 (quarterly return for household employees) and Form 942PR (quarterly return for household employees filed by Puerto Rico employers), both discontinued after 1995; and Form CT-1 (annual Railroad Retirement and Unemployment Tax Return).
- [8] Form 720 is the IRS quarterly excise tax return. Form 2290 is the IRS return used to report heavy highway vehicle use tax. "Other" includes Form 730 (tax on wagering) and Form 11C (occupational tax and registration return for wagering). (Excise tax returns exclude those now filed with the Alcohol and Tobacco Tax and Trade Bureau (TTB) and the Customs Service).

NOTES: Detail may not add to totals because of rounding. Tax law and tax form changes affect the year-to-year comparability of the data.

SOURCE: U.S. Department of the Treasury, Internal Revenue Service, Office of Research, Analysis, and Statistics, Office of Research, Projections and Forecasting Group.

Selected Historical and Other Data

Table 22a. Taxpayers Using Paid Preparers, Tax Years 2001-2006

[Some estimates based on samples—all data are in thousands]

Type of return	Tax year					
	2001	2002	2003	2004	2005	2006
	(1)	(2)	(3)	(4)	(5)	(6)
Returns with paid preparer signature [1]:						
All returns	72,477	72,519	76,818	78,418	80,033	81,875
Form 1040EZ [2]	2,096	1,953	1,690	1,719	1,580	1,473
Form 1040A [2]	3,854	3,460	3,328	3,023	2,817	2,655
Form 1040, total [2]	66,526	67,106	71,800	73,675	75,636	77,747
Form 1040 Business, total	14,194	14,461	15,897	16,456	16,886	17,149
Nonfarm	12,517	12,805	14,169	14,701	15,138	15,438
Farm	1,677	1,656	1,728	1,754	1,748	1,711
Form 1040 Nonbusiness, total	52,332	52,644	55,903	57,219	58,750	60,598
With itemized deductions	20,889	21,252	21,425	22,539	23,259	23,768
Without itemized deductions	31,443	31,392	34,479	34,680	35,490	36,830
Electronically filed [2]	30,501	33,810	40,910	45,865	50,345	54,272

[1] Number of returns with a paid preparer signature is based on the sample used for *Statistics of Income—Individual Income Tax Returns*.

[2] Data on electronically filed returns are included in the counts of Form 1040, 1040A, 1040EZ returns, shown above in Table 22a, for all years. Data are based on the full SOI samples of returns filed throughout the entire year. For 2006, Form 1040EZ includes 1040EZ-T returns.

NOTES: Detail may not add to totals because of rounding. Tax law and tax form changes affect the year-to-year comparability of the data.

Table 22b. IRS Assistance for Individual Taxpayers, Fiscal Years 2003-2008

[All data are in thousands]

Type of assistance	Fiscal year					
	2003	2004	2005	2006	2007	2008
	(1)	(2)	(3)	(4)	(5)	(6)
Assistance provided through the internet (IRS.gov):						
Number of visits	n.a.	n.a.	n.a.	193,904	214,964	347,812
Number of downloads	n.a.	n.a.	n.a.	204,231	164,565	180,880
Call or walk-in assistance:						
Toll-free telephone assistance calls [1]	88,510	77,579	59,099	56,993	56,314	92,399
Taxpayer Assistance Center contacts	8,589	7,320	6,629	6,525	7,037	6,918
Paper forms and publications:						
Orders for forms, publications, and paper products	5,400	5,138	4,989	4,304	3,871	4,202
Libraries, banks, postal service distribution sites, grocery stores, copy centers, and office supply outlets stocking paper products [2]	51	46	42	26	27	24
Taxpayer education and tax return preparation:						
Returns prepared through Volunteer Income Tax Assistance and Tax Counseling for the Elderly programs	1,607	1,935	2,111	2,268	2,628	3,501
Volunteers assisting in taxpayer education and return preparation programs	80	75	62	69	77	79

n.a.—Not available.

[1] Includes both live and automated telephone assistance telephone calls.

[2] Reflects the number of organizations distributing forms and publications. Each organization may have multiple branches.

SOURCE: *Internal Revenue Service Data Book*.

Selected Historical and Other Data

Table 23. U.S. Individual Income Tax: Personal Exemptions and Lowest and Highest Bracket Tax Rates, and Tax Base for Regular Tax, Tax Years 1913-2008

[Amounts are in dollars]

Tax year	Personal exemptions [1]			Tax rates for regular tax—			
				Lowest bracket		Highest bracket	
	Single persons	Married couples	Dependents	Tax rate [2] (percent)	Taxable income under—[3]	Tax rate [2] (percent)	Taxable income over—[3]
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
1913	3,000	4,000	N/A	1.0	20,000	7.0	500,000
1914	3,000	4,000	N/A	1.0	20,000	7.0	500,000
1915	3,000	4,000	N/A	1.0	20,000	7.0	500,000
1916	3,000	4,000	N/A	2.0	20,000	15.0	2,000,000
1917	1,000	2,000	200	2.0	2,000	67.0	2,000,000
1918	1,000	2,000	200	6.0	4,000	77.0	1,000,000
1919	1,000	2,000	200	4.0	4,000	73.0	1,000,000
1920	1,000	2,000	200	4.0	4,000	73.0	1,000,000
1921	1,000	[4] 2,500	400	4.0	4,000	73.0	1,000,000
1922	1,000	[4] 2,500	400	4.0	4,000	58.0	200,000
1923	1,000	[4] 2,500	400	[5] 3.0	4,000	[5] 43.5	200,000
1924	1,000	2,500	400	[6] 1.5	4,000	46.0	500,000
1925	1,500	3,500	400	[7] 1.125	4,000	25.0	100,000
1926	1,500	3,500	400	[7] 1.125	4,000	25.0	100,000
1927	1,500	3,500	400	[7] 1.125	4,000	25.0	100,000
1928	1,500	3,500	400	[8] 1.125	4,000	25.0	100,000
1929	1,500	3,500	400	[8] 0.375	4,000	24.0	100,000
1930	1,500	3,500	400	[8] 1.125	4,000	25.0	100,000
1931	1,500	3,500	400	[8] 1.125	4,000	25.0	100,000
1932	1,000	2,500	400	4.0	4,000	63.0	1,000,000
1933	1,000	2,500	400	4.0	4,000	63.0	1,000,000
1934	1,000	2,500	400	[9] 4.0	4,000	63.0	1,000,000
1935	1,000	2,500	400	[9] 4.0	4,000	63.0	1,000,000
1936	1,000	2,500	400	[9] 4.0	4,000	79.0	5,000,000
1937	1,000	2,500	400	[9] 4.0	4,000	79.0	5,000,000
1938	1,000	2,500	400	[9] 4.0	4,000	79.0	5,000,000
1939	1,000	2,500	400	[9] 4.0	4,000	79.0	5,000,000
1940	800	2,000	400	[9,10] 4.4	4,000	[10] 81.1	5,000,000
1941	750	1,500	400	[9] 10.0	2,000	81.0	5,000,000
1942	500	1,200	350	[9] 19.0	2,000	88.0	200,000
1943	500	1,200	350	[9] 19.0	2,000	88.0	200,000
1944	[11] 500	[11] 1,000	[11] 500	23.0	2,000	[12] 94.0	200,000
1945	[11] 500	[11] 1,000	[11] 500	23.0	2,000	[12] 94.0	200,000
1946	500	1,000	500	[13] 19.0	2,000	[13] 86.45	200,000
1947	500	1,000	500	[13] 19.0	2,000	[13] 86.45	200,000
1948	[14] 600	[14] 1,200	600	[15] 16.6	4,000	[15] 82.13	400,000
1949	[14] 600	[14] 1,200	600	[15] 16.6	4,000	[15] 82.13	400,000
1950	[14] 600	[14] 1,200	600	[16] 17.4	4,000	[16] 84.36	400,000
1951	[14] 600	[14] 1,200	600	20.4	4,000	[17] 91.0	400,000
1952	[14] 600	[14] 1,200	600	22.2	4,000	[18] 92.0	400,000
1953	[14] 600	[14] 1,200	600	22.2	4,000	[18] 92.0	400,000
1954	[14] 600	[14] 1,200	600	20.0	4,000	[19] 91.0	400,000
1955	[14] 600	[14] 1,200	600	20.0	4,000	[19] 91.0	400,000

Footnotes at end of table.

Selected Historical and Other Data

Table 23. U.S. Individual Income Tax: Personal Exemptions and Lowest and Highest Bracket Tax Rates, and Tax Base for Regular Tax, Tax Years 1913-2008—Continued

[Amounts are in dollars]

Tax year	Personal exemptions [1]			Tax rates for regular tax—			
				Lowest bracket		Highest bracket	
	Single persons	Married couples	Dependents	Tax rate [2] (percent)	Taxable income under—[3]	Tax rate [2] (percent)	Taxable income over—[3]
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
1956	[14] 600	[14] 1,200	600	20.0	4,000	[19] 91.0	400,000
1957	[14] 600	[14] 1,200	600	20.0	4,000	[19] 91.0	400,000
1958	[14] 600	[14] 1,200	600	20.0	4,000	[19] 91.0	400,000
1959	[14] 600	[14] 1,200	600	20.0	4,000	[19] 91.0	400,000
1960	[14] 600	[14] 1,200	600	20.0	4,000	[19] 91.0	400,000
1961	[14] 600	[14] 1,200	600	20.0	4,000	[19] 91.0	400,000
1962	[14] 600	[14] 1,200	600	20.0	4,000	[19] 91.0	400,000
1963	[14] 600	[14] 1,200	600	20.0	4,000	[19] 91.0	400,000
1964	[14] 600	[14] 1,200	600	16.0	1,000	77.0	400,000
1965	[14] 600	[14] 1,200	600	14.0	1,000	70.0	200,000
1966	[14] 600	[14] 1,200	600	14.0	1,000	70.0	200,000
1967	[14] 600	[14] 1,200	600	14.0	1,000	70.0	200,000
1968	[14] 600	[14] 1,200	600	14.0	1,000	[20] 75.25	200,000
1969	[14] 600	[14] 1,200	600	14.0	1,000	[21] 77.0	200,000
1970	[14] 625	[14] 1,250	625	14.0	1,000	[22] 71.75	200,000
1971	[14] 675	[14] 1,350	675	14.0	1,000	[23] 70.0	200,000
1972	[14] 750	[14] 1,500	750	14.0	1,000	[24] 70.0	200,000
1973	[14] 750	[14] 1,500	750	14.0	1,000	[24] 70.0	200,000
1974	[14] 750	[14] 1,500	750	[25] 14.0	1,000	[24, 25] 70.0	200,000
1975	[14,26] 750	[14,26] 1,500	[26] 750	14.0	1,000	[24] 70.0	200,000
1976	[14,27] 750	[14,27] 1,500	[27] 750	14.0	1,000	[24] 70.0	200,000
1977	[14,27] 750	[14,27] 1,500	[27] 750	[28] 14.0	[28] 3,200	[24] 70.0	203,200
1978	[14,27] 750	[14,27] 1,500	[27] 750	[28] 14.0	[28] 3,200	[24] 70.0	203,200
1979	[14] 1,000	[14] 2,000	1,000	[28] 14.0	[28] 3,400	[24] 70.0	215,400
1980	[14] 1,000	[14] 2,000	1,000	[28] 14.0	[28] 3,400	[24] 70.0	215,400
1981	[14] 1,000	[14] 2,000	1,000	[28,29] 14.0	[28] 3,400	[24,29] 69.125	215,400
1982	[14] 1,000	[14] 2,000	1,000	[28] 12.0	[28] 3,400	50.0	85,600
1983	[14] 1,000	[14] 2,000	1,000	[28] 11.0	[28] 3,400	50.0	109,400
1984	[14] 1,000	[14] 2,000	1,000	[28] 11.0	[28] 3,400	50.0	162,400
1985	[14,30] 1,040	[14,30] 2,080	[30] 1,040	[28] 11.0	[28, 31] 3,540	50.0	[31] 169,020
1986	[14,30] 1,080	[14,30] 2,160	[30] 1,080	[28] 11.0	[28,31] 3,670	50.0	[31] 175,250
1987	[30] 1,900	[30] 3,800	[30] 1,900	11.0	[31] 3,000	38.5	[31] 90,000
1988	[30,32,33] 1,950	[30,32,33] 3,900	[30,32,33] 1,950	[34,35] 15.0	[31,35] 29,750	[34,35] 28.0	[31,35] 29,750
1989	[30,32,33] 2,000	[30,32,33] 4,000	[30,32,33] 2,000	[34,35] 15.0	[31,35] 30,950	[34,35] 28.0	[31,35] 30,950
1990	[30,32,33] 2,050	[30,32,33] 4,100	[30,32,33] 2,050	[34,35] 15.0	[31,35] 32,450	[34,35] 28.0	[31,35] 32,450
1991	[30,32] 2,150	[30,32] 4,300	[30,32] 2,150	15.0	[31] 34,000	31.0	[31] 82,150
1992	[30,32] 2,300	[30,32] 4,600	[30,32] 2,300	15.0	[31] 35,800	31.0	[31] 86,500
1993	[30,32] 2,350	[30,32] 4,700	[30,32] 2,350	15.0	[31] 36,900	39.6	[31] 250,000
1994	[30,32] 2,450	[30,32] 4,900	[30,32] 2,450	15.0	[31] 38,000	39.6	[31] 250,000
1995	[30,32] 2,500	[30,32] 5,000	[30,32] 2,500	15.0	[31] 39,000	39.6	[31] 256,500
1996	[30,32] 2,550	[30,32] 5,100	[30,32] 2,550	15.0	[31] 40,100	39.6	[31] 263,750
1997	[30,32] 2,650	[30,32] 5,300	[30,32] 2,650	15.0	[31] 41,200	39.6	[31] 271,050
1998	[30,32] 2,700	[30,32] 5,400	[30,32] 2,700	15.0	[31] 42,350	39.6	[31] 278,450
1999	[30,32] 2,750	[30,32] 5,500	[30,32] 2,750	15.0	[31] 43,050	39.6	[31] 283,150
2000	[30,32] 2,800	[30,32] 5,600	[30,32] 2,800	[36] 15.0	[31] 43,850	[36] 39.6	[31] 288,350
2001	[30,32] 2,900	[30,32] 5,800	[30,32] 2,900	[37] 10.0	[31,38] 6,000	[37] 39.1	[31,38] 297,350
2002	[30,32] 3,000	[30,32] 6,000	[30,32] 3,000	10.0	[31] 12,000	38.6	[31] 307,050
2003	[30,32] 3,050	[30,32] 6,100	[30,32] 3,050	10.0	[31] 14,000	35.0	[31] 311,950
2004	[30,32] 3,100	[30,32] 6,200	[30,32] 3,100	10.0	[31] 14,300	35.0	[31] 319,100
2005	[30,32] 3,200	[30,32] 6,400	[30,32] 3,200	10.0	[31] 14,600	35.0	[31] 326,450
2006	[30,39] 3,300	[30,39] 6,600	[30,32,39] 3,300	10.0	[31] 15,100	35.0	[31] 336,550
2007	[30,39] 3,400	[30,39] 6,800	[30,32,39] 3,400	10.0	[31] 15,650	35.0	[31] 349,700
2008	[30,40] 3,500	[30,40] 7,000	[30,40] 3,500	10.0	[31] 16,050	35.0	[31] 357,700

Footnotes at end of table.

Table 23. U.S. Individual Income Tax: Personal Exemptions and Lowest and Highest Bracket Tax Rates, and Tax Base for Regular Tax, Tax Years 1913-2008—Continued

Footnotes

N/A—Not applicable.

- [1] Personal exemption amounts were deducted at different points in the tax computation, depending on the tax year. For some of the earlier years, they were deducted only from the statutory "net income" subject to the basic "normal tax," for other years, only from the "net income" subject to the "surtax," and, for still other years, from the "net income" subject to both normal tax and surtax. (Footnote 2, below, includes a description of "normal tax" and "surtax.") For more recent years, personal exemptions have been deducted in computing "taxable income," the current tax base for "regular" tax purposes.
- [2] Tax rates shown in Table 23 are for the "regular" income tax, i.e., for "normal tax" and "surtax," applicable to U.S. citizens and residents. Therefore, the rates exclude provisions unique to nonresident aliens. Tax rates exclude the effect of tax credits (which reduce the tax liability), except as noted, and several specific add-on or other taxes applicable to all or some tax years. Excluded are the "war excess profits tax" (1917), "victory tax" (1942-1943), Social Security "self-employment tax" (starting with 1951), tax under the "income averaging" provisions (1964-1986) and under the farm income averaging provisions (starting with 1998), and the "recapture taxes" resulting from having to recompute and pay back certain tax credits in later years (starting with 1963), the "maximum tax" on "earned income" or on "personal service income" (1971-1981), the "minimum tax" on "tax preferences" (1970-1983), and the "alternative minimum tax" on "tax preferences" (starting with 1979). Also excluded are such other taxes as the tax on recipients of accumulation distributions of trusts (starting with 1954) and the "special averaging tax" or "multiple recipient special averaging tax" on recipients of lump-sum distributions from qualified retirement plans (starting with 1974). In addition, Table 23 excludes taxes associated with the preferential treatment of capital gains, starting with 1922 (although certain gains received preferential treatment as early as 1918). At various times, these treatments have taken the form of special tax rates; special definitions; different asset holding periods; ceilings on taxes; and exclusions from income. Included among these special treatments were "alternative tax" (1938-1986) and its variations for the earlier years, although all of these taxes were in some way tied to the structure for regular tax. Until 1948, a single set of tax rates applied to all taxpayers, regardless of marital or filing status, and married couples filing joint returns were taxed on the combined income of each spouse. However, a second, lower set of rates was introduced, starting with 1948, for married couples filing jointly. (To simplify the Table 23 presentation for these more recent years, only the lowest and highest tax rates for married persons filing jointly are shown.) Under this change, the combined tax of husband and wife became twice the combined tax that would have applied if their combined "taxable income" ("net income" for years before 1954) were cut in half. Thus, taxpayers using the joint return filing status "split" their incomes for tax purposes, in effect doubling the width of their taxable income (or net income) size "brackets." The lowest and highest tax rate brackets shown in columns 4 and 6 in Table 23 are, therefore, the brackets for married couples filing jointly that result from taking into account this doubling of the bracket widths. Starting with 1952, a third set of rates was introduced (not shown) for "heads of household," i.e., for unmarried individuals who paid over half the cost of maintaining a home for a qualifying person (e.g., a child or parent), or for certain married individuals who had lived apart from their spouses for the last 6 months of the tax year. This filing status was liberalized, starting with 1970, and provides approximately half the advantage of the income-splitting described above. Starting with 1954, the full benefits of income-splitting allowed married couples filing jointly (i.e., the same tax rates and taxable income brackets) were extended to a new, fourth filing status, "surviving spouse" (i.e., individuals widowed for 1 to 2 years following the death of a spouse, provided they had a dependent child and had not remarried). The remaining filing status was for "single persons," who used the rates formerly applicable to taxpayers in general. However, these latter rates were moderated, starting with 1969, by limiting the tax so that it would not exceed 20 percent more than the tax on married couples filing jointly. One result of the 1969 law change was that certain married couples filing jointly had to pay more tax than they would have paid if each spouse had filed separately. To help mitigate this effect, a special deduction in computing adjusted gross income was allowed for 1982-1986 for two-earner couples filing jointly. This deduction was initially 5 percent of the lesser of \$30,000 or the "earned income" of the spouse with the lesser earnings. The percentage was increased to 10 percent, starting with 1983. The deduction provision was repealed, starting with 1987, when new, lower rates and a reduced number of tax brackets began. For tax years preceding 1954, the lowest tax rate, as shown in Table 23, was either the rate for the basic "normal tax" (if there was just one rate for normal tax) or the lowest of the several rates for "normal tax" (if there was more than one rate for normal tax). The highest tax rate was the sum of the uppermost of the graduated rates (if any) for normal tax, plus the uppermost of the additional, graduated "surtax" rates, provided that both rates were applied to the same income. For example, for 1932, there were two graduated rates for normal tax, 4 percent (on the first \$4,000 of income) and 8 percent (on all income over \$4,000), and graduated rates for "surtax" that ranged from 1 percent to 55 percent. In Table 23, the lowest rate for 1932 is, therefore, shown as 4 percent (the lower of the two normal tax rates) and the highest rate as 63 percent (the sum of the 8-percent higher, graduated rate for normal tax on income over \$4,000, plus 55 percent, the highest of the graduated, surtax rates, on income over \$1 million.). As another example, for 1941, there was just one rate for normal tax, 4 percent, but it applied to all income. The lowest of the surtax rates, 6 percent, was applied to all income under \$2,000, so that income under \$2,000 was taxed at both the 4-percent normal tax rate and the 6-percent surtax rate. Therefore, the lowest rate shown in Table 23 for 1941 is 10 percent, the sum of these two tax rates. The highest rate is the sum of the 4-percent normal tax on total statutory "net income," plus the highest graduated surtax rate, 77 percent on income over \$5 million, so that income over \$5 million was taxed at 81 percent, the sum of the two rates. For tax years starting with 1954, normal tax and surtax rates were, in effect, combined into a single rate structure.
- [3] The definition of the income base (and, thus, the tax "bracket" boundaries) to which the tax rates were applied differs over the years, depending on how the following were determined and figured: statutory adjustments to or exclusions from income; personal exemptions; itemized deduction expenditures, which were sometimes described as income "credits"; standard deductions; the various thresholds and ceilings; and statutory "taxable income" (and its predecessor "net income"). Therefore, the lowest and highest taxable income amounts, as shown in Table 23, are not comparable for all years, and the amounts described as for statutory taxable income for tax years preceding 1954 are actually for statutory net income. (Statutory net income was income after subtracting deductions but, for most years, was before subtracting personal exemptions. Statutory taxable income was after subtracting both deductions and personal exemptions. Taxable income is the tax base for recent years. Net income required certain adjustments to arrive at the tax base, depending on whether the income was subject to normal tax, surtax, or both). See also footnote 2, above.
- [4] For 1921-1923, the personal exemption amount for married couples (column 2) decreased to \$2,000 if statutory "net income" exceeded \$5,000.
- [5] For 1923, the tax rates shown (columns 4 and 6) are after a 25-percent statutory credit or refund.
- [6] For 1924, the lowest tax rate (column 4) is after reduction by an "earned income credit," equal to 25 percent of the "normal tax" on the first \$5,000 of total statutory "net income" and the normal tax on the first \$10,000 of "earned net income," but limited to 25 percent of the normal tax on total net income.
- [7] For 1925-1927, the lowest tax rate (column 4) is after reduction by an "earned income credit" equal to 25 percent of the total tax on the first \$5,000 of total statutory "net income" and the total tax on the first \$20,000 of "earned net income," but limited to 25 percent of the total tax on earned net income (not to exceed 25 percent of the sum of "normal tax" on total net income plus the "surtax" on earned net income.)
- [8] For 1928-1931, the lowest tax rate (column 4) is after reduction by an "earned income credit" equal to 25 percent of the total tax on the first \$5,000 of total statutory "net income" and the total tax on the first \$30,000 of "earned net income," but subject to the same limitations described in footnote 7, above. For 1929 only, there was a special reduction in normal tax rates as provided for in a joint resolution of Congress.
- [9] For 1934-1943, the tax rate (column 4) excludes the effect of an "earned income credit," allowed as a deduction equal to 10 percent of the first \$14,000 of "earned net income" (before credit) and the first \$3,000 of total statutory "net income" (before credit), but limited to 10 percent of earned net income (not to exceed 10 percent of total net income).

Selected Historical and Other Data

Table 23. U.S. Individual Income Tax: Personal Exemptions and Lowest and Highest Bracket Tax Rates, and Tax Base for Regular Tax, Tax Years 1913-2008—Continued

Footnotes—Continued

- [10] For 1940, tax rates (columns 4 and 6) include "defense tax," computed as 10 percent of the total "regular" tax, but limited to 10 percent of statutory "net income" in excess of the total regular tax.
- [11] For 1944-1945, the personal exemption amounts (columns 1-3) were for "surtax" purposes only. The exemption for basic "normal tax" purposes was \$500 per tax return, augmented by the "earned income" of the spouse, up to \$500, on joint returns.
- [12] For 1944-1945, the highest tax rate (column 6) was subject to a maximum effective rate limitation equal to 90 percent of statutory "net income."
- [13] For 1946-1947, tax rates (columns 4 and 6) are the effective rates after a statutory 5-percent reduction of combined "tentative normal tax and surtax." The highest rate (column 6) was subject to a maximum effective rate limitation equal to 85.5 percent of statutory "net income."
- [14] For 1948-1986, in addition to the personal exemptions (columns 1-2), there were additional personal exemptions for blind taxpayer(s) and for taxpayers (s) age 65 or over.
- [15] For 1948-1949, tax rates (columns 4 and 6) are the effective rates after statutory reductions ranging from 17.0 percent of the first \$400 of combined "tentative normal tax and surtax" to 9.75 percent of combined tentative normal tax and surtax over \$100,000. The highest tax rate (column 6) was subject to a maximum effective rate limitation equal to 77.0 percent of statutory "net income."
- [16] For 1950, tax rates (columns 4 and 6) are the effective rates after statutory reductions ranging from 13.0 percent of the first \$400 of combined "tentative normal tax and surtax" to 7.3 percent of combined tentative normal tax and surtax over \$100,000. The highest tax rate (column 6) was subject to a maximum effective rate limitation equal to 87.0 percent of statutory "net income."
- [17] For 1951, the highest tax rate (column 6) was subject to a maximum effective rate limitation equal to 87.2 percent of statutory "net income."
- [18] For 1952-1953, the highest tax rate (column 6) was subject to a maximum effective rate limitation equal to 88.0 percent of statutory "net income."
- [19] For 1954-1963, the highest tax rate (column 6) was subject to a maximum effective rate limitation equal to 87.0 percent of statutory "taxable income."
- [20] For 1968, the highest tax rate (column 6) includes a Vietnam War surcharge equal to 7.5 percent of tax (as defined for this purpose). However, this surcharge did not apply to "regular" tax generated at the lowest rate.
- [21] For 1969, the highest tax rate (column 6) includes a Vietnam War surcharge equal to 10 percent of tax (as defined for this purpose). However, this surcharge did not apply to "regular" tax generated at the lowest rate.
- [22] For 1970, the highest tax rate (column 6) includes a Vietnam War surcharge equal to 2.5 percent of tax (as defined for this purpose). However, this surcharge did not apply to "regular" tax generated at the lowest rate.
- [23] For 1971, "earned net income" was subject to a "maximum tax" of 60 percent (not shown in column 6).
- [24] For 1972-1981, "earned net income" (broadened to become "personal service net income" after 1976) was subject to a "maximum tax" of 50 percent (not shown in column 6).
- [25] For 1974, tax rates (columns 4 and 6) do not take into account a statutory rebate of 10 percent of total income tax after credits. In general, the minimum rebate was \$100 and the maximum, \$200, but could not exceed the tax liability.
- [26] For 1975, a \$30-per-capita tax credit was allowed in addition to the personal exemptions shown in columns 1-3.
- [27] For 1976-1978, a tax credit was allowed, in addition to the personal exemptions shown in columns 1-3, that was equal to the larger of \$35 per capita or 2 percent of the first \$9,000 of statutory "taxable income."
- [28] For 1977-1986, in order to help preserve the conceptual comparability of the amounts shown with those for earlier and later years, the lowest tax rates in column 4 and the lowest "taxable income" amounts in column 5 exclude the so-called "zero tax rate" and the "zero bracket amount," which were unique to the tax computation for these 10 years.
- [29] For 1981, tax rates (columns 4 and 6) are after a 1.25-percent statutory tax credit.
- [30] Starting with 1985, the personal exemption amounts (columns 1-3) reflect annual adjustments for inflation, using the U.S. Department of Labor Consumer Price Index for Urban Consumers ("CPS-U").
- [31] Starting with 1985, tax "bracket" boundaries (columns 5 and 7) were indexed for inflation, using the U.S. Department of Labor Consumer Price Index (as described in footnote 30).
- [32] Starting with 1988, the amount eligible to be deducted for personal exemptions (columns 1-3) was phased out for certain high-income taxpayers. For 1988-1990, this was accomplished as part of the tax computation (see footnote 34, below).
- [33] For 1988-1990, excludes the effect on certain high-income taxpayers of the phaseout of the amount deductible for personal exemptions (columns 1-3).
- [34] For 1988-1990, the tax rates (columns 4 and 6) exclude the effects on certain high-income taxpayers of the phaseout both of the benefit of the 15-percent tax rate (compared to the 28-percent rate) and the amount deductible for personal exemptions. This phaseout was accomplished by imposing an additional, 5-percent tax on income above certain levels, based on filing status, thus creating a "temporary" 33-percent tax rate. At the point where the taxpayer had completely phased out the two benefits by use of the 33-percent rate, the tax rate on any remaining taxable income above the phaseout range returned to 28 percent (see also footnote 35). As Table 23 shows, beginning with 1991, this phaseout was replaced by including an additional, 31-percent, graduated rate for taxable incomes above certain levels. Two other, higher, graduated rates were subsequently added, starting with 1993, the higher of which is shown in Table 23.
- [35] For 1988-1990, the 15-percent tax rate (column 4), which applied to the first \$29,750 of statutory "taxable income" (column 5), gradually increased to the top "brackets" rate, 28 percent (column 6), when taxable income (included in column 7) reached between \$71,900 and \$149,250. This was the range at which the 15-percent rate was phased out for certain high-income taxpayers, all of whose incomes were then effectively taxed at the higher 28-percent rate through use of the "temporary" 33-percent rate (see footnote 34, above, for additional information). The boundaries of the phaseout range were adjusted for inflation for 1989-1990, although the top tax rate on the taxable income above that covered by the phaseout range remained 28 percent. Therefore, the top taxable income and top tax bracket rate shown in Table 23 for 1988-1990 do not take into account the higher, 33-percent, "temporary" phaseout rate.

Selected Historical and Other Data

Table 23. U.S. Individual Income Tax: Personal Exemptions and Lowest and Highest Bracket Tax Rates, and Tax Base for Regular Tax, Tax Years 1913-2008—Continued

Footnotes—Continued

[36] For 2000, the tax rates (columns 4 and 6) do not reflect a special statutory refund, partially offset for 2001, of between \$300 and \$600, depending on the size of income tax for 2000 and filing status. See also footnote 37, below.

[37] For 2001, the tax rates (columns 4 and 6) do not reflect a 5-percent tax credit of up to \$300, \$500, or \$1,000, depending on the filing status. This credit effectively reduced the lowest rate on the income shown in column 5 from 15 percent to 10 percent, in lieu of an explicit 10-percent rate. However, the credit was reduced by the amount of the special statutory refund made in 2001 (based on tax for 2000), described in footnote 36, above. The 10-percent rate was only for dependents.

[38] For the change in the lowest tax "bracket" boundary (columns 5 and 7) for 2001, see footnotes 36 and 37, above.

[39] For 2006-2007, the phaseout of the personal exemption was reduced by one-third (to a minimum of \$1,100 per exemption for 2006, \$1,133 for 2007).

[40] For 2008, the phaseout of the personal exemption was reduced by two-thirds (to a minimum of \$2,333 per exemption).

SOURCE: Advisory Commission on Intergovernmental Relations, *Significant Features of Fiscal Federalism*, Volume I, Budget Processes and Tax Systems, 1995, September 1996 (based, in part, on *Tax Foundation, Facts and Figures on Government Finance*, 1988-89 edition, 1988); Pechman, Joseph A., *Federal Tax Policy*, fifth edition, The Brookings Institution, 1987 (based on relevant public laws and reports prepared by the Congressional Joint Economic Committee, including *The Federal Revenue System: Facts and Problems*, 1961, and *The Federal Tax System: Facts and Problems*, 1964); *Statistics of Income—Part I* (in particular, the historical synopses of laws included as appendices in the reports for 1949-1953) and *Statistics of Income—Individual Income Tax Returns* (annually, for 1954-1988); and relevant public laws and reports issued by the Congressional Joint Committee on Taxation for subsequent years, as well as reports, such as *Overview of the Federal Tax System for 1990, 1991, and 1994*, Committee on Ways and Means, U.S. House of Representatives, and reports issued by the Congressional Joint Committee on Taxation for subsequent years, including *Overview of Present Law and Economic Analysis Relating to Marginal Tax Rates* and *The President's Individual Income Tax Rate Proposals, 2001*.

Selected Historical and Other Data

Table 24. U.S. Corporation Income Tax: Tax Brackets and Rates, 1909-2009 [1]

Year [2]	Taxable income brackets [3]	Rates (percent)
1909-1913 (February 28)	First \$5,000	0
	Over \$5,000	1.00
1913 (March 1)-1915	All taxable income	1.00
1916	All taxable income	2.00
1917 [4]	All taxable income	6.00
1918 [4]	First \$2,000	0
	Over \$2,000	12.00
1919-1921 [4]	First \$2,000	0
	Over \$2,000	10.00
1922-1924	First \$2,000	0
	Over \$2,000	12.50
1925	First \$2,000	0
	Over \$2,000	13.00
1926-1927	First \$2,000	0
	Over \$2,000	13.50
1928	First \$3,000	0
	Over \$3,000	12.00
1929	First \$3,000	0
	Over \$3,000	11.00
1930-1931	First \$3,000	0
	Over \$3,000	12.00
1932-1935 [5]	All taxable income	13.75
1936-1937 [5,6]	First \$2,000	8.00
	Over \$2,000, not over \$15,000	11.00
	Over \$15,000, not over \$40,000	13.00
	Over \$40,000	15.00
1938-1939 [5]	Taxable income \$25,000 or less:	
	First \$5,000	12.50
	Next \$15,000	14.00
	Next \$5,000	16.00
	Taxable income over \$25,000	19.00
1940 [5,7]	Taxable income \$31,964.30 or less:	
	First \$5,000	[8] 14.85
	Next \$15,000	[8] 16.50
	Next \$5,000	[8] 18.70
	Next \$6,964.30	[8] 38.30
	Taxable income over \$31,964.30, not over \$38,565.84:	
	First \$5,000	[8] 15.40
	Next \$15,000	[8] 16.90
	Next \$5,000	[8] 18.90
	Next \$13,565.84	[8] 36.90
	Taxable income over \$38,565.84	[8] 24.00
1941 [5,7]	Taxable income \$38,461.54 or less:	
	First \$5,000	[9] 21.00
	Next \$15,000	[9] 23.00
	Next \$5,000	[9] 25.00
	Next \$13,461.54	[9] 44.00
	Taxable income over \$38,461.54	[9] 31.00

Footnotes at the end of table.

Selected Historical and Other Data

Table 24. U.S. Corporation Income Tax: Tax Brackets and Rates, 1909-2009 [1]—Continued

Year [2]	Taxable income brackets [3]	Rates (percent)
1942-1945 [5,7]	Taxable income \$50,000 or less:	
	First \$5,000	[9] 25.00
	Next \$15,000	[9,10] 27.00
	Next \$5,000	[9,10] 29.00
	Next \$25,000	[9,10] 53.00
	Taxable income over \$50,000	[9,10] 40.00
1946-1949	Taxable income \$50,000 or less:	
	First \$5,000	[9] 21.00
	Next \$15,000	[9] 23.00
	Next \$5,000	[9] 25.00
	Next \$25,000	[9,10] 53.00
	Taxable income over \$50,000	[9,10] 38.00
1950 [11]	First \$25,000	23.00
	Over \$25,000	[10] 42.00
1951 [11]	First \$25,000	[12] 28.75
	Over \$25,000	[12] 50.75
1952-1963 [11]	First \$25,000	[13] 30.00
	Over \$25,000	[13] 52.00
1964	First \$25,000	22.00
	Over \$25,000	[13] 50.00
1965-1967	First \$25,000	22.00
	Over \$25,000	[13] 48.00
1968-1969 [14]	First \$25,000	[15] 24.20
	Over \$25,000	[13,15] 52.80
1970 [14]	First \$25,000	[16] 22.55
	Over \$25,000	[16,17] 49.20
1971-1974 [14]	First \$25,000	22.00
	Over \$25,000	[18] 48.00
1975-1978 [14]	First \$25,000	20.00
	\$25,000-\$50,000	22.00
	Over \$50,000	[19] 48.00
1979-1981 [14]	First \$25,000	17.00
	\$25,000-\$50,000	20.00
	\$50,000-\$75,000	[20] 30.00
	\$75,000-\$100,000	[20] 40.00
	Over \$100,000	[20] 46.00
1982 [14]	First \$25,000	16.00
	\$25,000-\$50,000	19.00
	\$50,000-\$75,000	[20] 30.00
	\$75,000-\$100,000	[20] 40.00
	Over \$100,000	[20] 46.00
1983 [14, 21]	First \$25,000	15.00
	\$25,000-\$50,000	18.00
	\$50,000-\$75,000	[20] 30.00
	\$75,000-\$100,000	[20] 40.00
	Over \$100,000	[20] 46.00
1984-1986 [14]	First \$25,000	15.00
	\$25,000-\$50,000	18.00
	\$50,000-\$75,000	[20] 30.00
	\$75,000-\$100,000	[20] 40.00
	\$100,000-\$1,000,000	[20] 46.00
	\$1,000,000-\$1,405,000	[20] 51.00
	Over \$1,405,000	[20] 46.00

Footnotes at the end of table.

Selected Historical and Other Data

Table 24. U.S. Corporation Income Tax: Tax Brackets and Rates, 1909-2009 [1]—Continued

Year [2]	Taxable income brackets [3]	Rates (percent)
1987 [22,23]	First \$25,000	15.00
	\$25,000-\$50,000	16.50
	\$50,000-\$75,000	27.50
	\$75,000-\$100,000	[24] 37
	\$100,000-\$335,000	[24] 42.50
	\$335,000-\$1,000,000	[24] 40.00
	\$1,000,000-\$1,405,000	[24] 42.50
	Over \$1,405,000	[24] 40.00
1988-1992 [22, 23]	First \$50,000	15.00
	\$50,000-\$75,000	25.00
	\$75,000-\$100,000	34.00
	\$100,000-\$335,000	[24] 39.00
	Over \$335,000	34.00
1993-2009	First \$50,000	15.00
	\$50,000-\$75,000	25.00
	\$75,000-\$100,000	34.00
	\$100,000-\$335,000	[24] 39.00
	\$335,000-\$10,000,000	34.00
	\$10,000,000-\$15,000,000	35.00
	\$15,000,000-\$18,333,333	[24] 38.00
	Over \$18,333,333	35.00

[1] The rates shown are the "standard" or "ordinary" rates, applying to all taxable corporate net income unless otherwise provided. However, there have always been numerous exceptions and special rates based on the type of corporation, the type of income, and other factors. In addition, there have been, at various times, additional taxes related to income that increased the statutory rates. When possible, these are noted in other footnotes to this table for the years for which they were effective. Credits, deductions, and other alterations in the definition of taxable income also effectively alter the tax rate, but these are too numerous and too frequent to include in a table such as this. The most important types of corporations to which these rates have not always applied, or not applied as they did to other corporations, are: *Section 501(c) and similar Nonprofit Corporations*: Corporations not organized or operated for profit are generally exempt from the corporation income tax except, since 1950, on business income unrelated to their exempt purposes. *Mutual and cooperative organizations*: Most of these were treated as nonprofits in the early days of the income tax. Most have long since been made taxable as ordinary corporations, but there are still some exceptions. Credit unions and small mutual property insurance companies are exempt. Rural electrical and telephone cooperatives are exempt on income generated in transactions with their members. Farmers' cooperatives are not taxed on income distributed to their members. *Insurance companies*: Because of the nature of insurance, determining taxable income has often been a problem for the tax system. Insurance companies have been subjected to a number of different tax structures since 1921, including special rates and complete exemption of premium income. They are currently taxed at the same rates as other corporations on income calculated using reserve deductions (which other corporations are not allowed). *Regulated Investment Companies (since 1936) and Real Estate Investment Trusts (since 1961)*: These investment companies are not taxed on profits distributed to shareholders if they distribute substantially all of their incomes annually. *S Corporations*: Since 1958, certain closely held corporations could elect to be taxed through their shareholders, as partnerships are, and not pay the corporate tax at all (except in special, unusual circumstances). *Foreign corporations*: Companies incorporated outside the U.S. are taxed on business income earned in the U.S. at the regular corporate rates, but may be taxed on investment income at special statutory or treaty rates. *U.S. corporations with foreign-source income*: The U.S. taxes the worldwide income of U.S. corporations; however, since 1918, taxes paid to foreign governments on foreign-source income can be credited against the U.S. tax otherwise due on that income. (Before 1918, the foreign taxes were allowed as a deduction against worldwide income.) *U.S. Possessions Corporations*: Since 1921, corporations earning most of their incomes in a U.S. possession were subject to reduced taxes. From 1921 to 1976, they were taxable only on U.S.-source income; since 1976, they have received a credit for manufacturing income earned in a possession (including Puerto Rico). The credit was repealed after 2005. *Affiliated groups*: Corporations that are closely affiliated through stock ownership have usually been allowed to consolidate their financial statements for tax purposes and file one return for the group, but there have always been restrictions, and, sometimes, they have been charged an additional tax for the privilege. In 1932 and 1933, consolidated returns were subject to an additional tax of .75 percent. In 1934 and 1935, only railroad companies were allowed to file consolidated returns, and the additional tax was 1 percent. From 1936 to 1941, there was no additional tax, but the privilege was restricted to railroads and a few other companies. From 1942 to 1964, most domestic affiliated groups that met the stock ownership and other requirements could file consolidated returns, but the surtax on such a group was increased by 2 percentage points. The additional tax on consolidated returns was repealed, effective December 31, 1963. The most important type of income to have received special rates was "long-term" capital gains. From 1942 through 1987, the tax rate was capped at a maximum rate lower than the highest corporate rate. (The rates are noted in footnotes to the table.) Although there is currently no special rate for corporations' capital gains, long-term capital gains are still treated separately from other income in the Tax Code. During World War I, the Great Depression, World War II, and the Korean War, additional taxes were imposed on what were called "war profits" or "excess profits." These are noted in the table in footnotes to the applicable years. In addition to taxes based on net income, there have been from time to time taxes based on accumulated earnings that were not distributed to shareholders, designed to limit tax avoidance at the individual stockholder level. Taxes on "undue" accumulations have been imposed (though seldom paid) since the inception of the income tax. These were supplemented, since 1934, by a "personal holding company" tax, equal to the highest individual income tax rate, on the undistributed earnings of closely held companies accumulating investment income. There was also a Depression-era tax on accumulated earnings (noted below). In recent years, there have also been "minimum taxes" designed to supplement the regular taxes. These have the effect of a separate set of tax rates. These are noted in footnotes to the table.

[2] Calendar year unless otherwise noted. Taxpayers whose fiscal years spanned years with different rates were required to prorate the year's income between the two rate structures. Before 1933, the proration was based on the number of months in each year; after 1932, it was based on the number of days in each year.

[3] "Taxable income" is used here to mean the amount of income to which the rates shown were applied. The concept has had various names and various meanings over the years covered; so, brackets for one year are not necessarily comparable with those for another.

Selected Historical and Other Data

Table 24. U.S. Corporation Income Tax: Tax Brackets and Rates, 1909-2009 [1]—Continued

Footnotes—Continued

- [4] An additional tax on "excess profits" and/or "war profits" was in effect from 1917 to 1922. It was allowed as a deduction in computing income tax.
- [5] An additional "declared value" excess profits tax, based on profits in excess of a percentage of the value of corporate stock, was in effect from 1933 through 1945. It was a deduction for income tax purposes.
- [6] An additional surtax ranging from 7 percent to 27 percent was imposed on undistributed profits.
- [7] From June 1940 to the end of 1945, a tax on profits in excess of average prewar earnings was also imposed. It was taken into account, as either a deduction or a credit, for the income tax and the other excess profits tax.
- [8] The rates for 1940 include extra "defense tax" rates that are integrated with the regular rates in later years.
- [9] These rates are the sum of the "normal tax" rates and the "surtax" rates, which actually applied to slightly different definitions of taxable income.
- [10] Beginning with Tax Year 1942, gains on the sale of assets held for more than 6 months (long-term capital gains) could be treated separately from other taxable income and taxed at a maximum rate of 25 percent.
- [11] An excess profits tax was also in effect from July 1950 through Calendar Year 1953. The tax was 30 percent of an adjusted profits figure reduced by credits for the level of prewar profits. It was not offset against income tax, but the sum of income and excess profits taxes was capped at a given percentage of income (from 62 percent to 70 percent).
- [12] These rates reflect a tax increase (for the Korean War), effective March 31, 1951. The maximum capital gain tax rate was also increased to 26 percent.
- [13] From April 1, 1954, through Calendar Year 1969, the maximum tax rate on capital gains was 25 percent.
- [14] From 1969 through 1986, corporations were also subject to an "add-on minimum tax" on certain "tax preference" items (such as percentage depletion, accelerated depreciation, etc.) above a certain amount. For Tax Years 1969 through 1976, the tax was 10 percent of tax preferences in excess of \$30,000; after 1976, the tax was 15 percent of preferences in excess of the greater of \$10,000 or regular income tax.
- [15] Rates include the Vietnam War surcharge of 10 percent.
- [16] Includes a 2.5-percent Vietnam War surcharge.
- [17] The maximum tax rate on long-term capital gains was increased to 28 percent.
- [18] The maximum tax rate on long-term capital gains was increased to 30 percent.
- [19] The holding period for long-term capital gain treatment of assets was increased from 6 months to 9 months in 1977 and 12 months in 1978. The rate remained at 30 percent.
- [20] The maximum tax rate on long-term capital gains was 28 percent.
- [21] Beginning in 1983, incorporated professional practices ("personal service corporations") have been taxed on all taxable income at the corporate tax rate applicable to the highest income bracket.
- [22] The Tax Reform Act of 1986 (TRA86) established a new rate structure effective for Tax Year 1988 and made the rates for Transition Year 1987 an average of the pre-TRA rates for 1986 and the post-TRA rates for 1988.
- [23] A new "alternative minimum tax" (AMT) replaced the add-on minimum tax, effective in 1987. It required a calculation of an alternative measure of taxable income that reduced or eliminated many tax preference items. The tax was 20 percent of the excess of this "alternative minimum taxable income" (AMTI) over \$40,000. The \$40,000 exemption was reduced by 25 percent of the excess of AMTI over \$150,000. AMT in excess of regular tax could be carried over as a credit against regular tax in future years. In 1998, "small" corporations (generally, those with average gross receipts of less than \$5 million) were exempted from the AMT.
- [24] The maximum tax rate on capital gains was capped at 34 percent for 1987, which was to be the rate on the highest corporate tax bracket in 1988 and after, according to TRA86. The maximum capital gain rate was raised to 35 percent when the highest corporate rate bracket was increased in 1993.
- SOURCE: Blakey, Roy G. and Gladys C. Blakey (1940), *The Federal Income Tax*, New York. Gravelle, Jane G. (1994), *The Economic Effects of Taxing Capital Income*, Appendix A, History of Capital Income Taxation in the United States, MIT. Internal Revenue Service, *Form 1120 series and Instructions*, various years. Internal Revenue Service, *Statistics of Income for 1949, Part 2*, Appendix A. U.S. Congress, Joint Committee on Taxation, Explanations of various tax acts, published after each major tax act since the 1960s. U.S. Senate, Committee on the Budget, Tax Expenditures: Compendium of Background Materials on Individual Provisions, published periodically.

SOI Sampling Methodology and Data Limitations

This article discusses typical sampling procedures used in most Statistics of Income (SOI) programs. Aspects covered briefly include sampling criteria, selection techniques, methods of estimation, and sampling variability. Some of the nonsampling error limitations of the data are also described, as well as the tabular conventions employed.

Additional information on sample design and data limitations for specific SOI studies can be found in the separate SOI reports. More technical information is available, on request, by writing to the Director, Statistics of Income Division RAS:S, Internal Revenue Service, P.O. Box 2608, Washington, DC 20013-2608.

Sample Criteria and Selection of Returns

Statistics compiled for the SOI studies are generally based on stratified probability samples of income tax returns or other forms filed with the Internal Revenue Service (IRS). The statistics do not reflect any changes made by the taxpayer through an amended return or by the IRS as a result of an audit. As returns are filed and processed for tax purposes, they are assigned to sampling classes (strata) based on such criteria as: industry, presence or absence of a tax form or schedule, and various income factors or other measures of economic size (such as total assets, total receipts, size of gift, and size of estate). The samples are selected from each stratum over the appropriate filing periods. Thus, sample selection can continue for a given study for several calendar years—3 for corporations because of the incidence of fiscal (noncalendar) year reporting and extensions of filing time. Because sampling must take place before the population size is known precisely, the rates of sample selection within each stratum are fixed. This means, in practice, that both the population and the sample size can differ from those planned. However, these factors do not compromise the validity of the estimates.

The probability of a return's selection depends on its sample class or stratum and may range from a fraction of 1 percent to 100 percent. Considerations in determining the selection probability for each stratum include the number of returns in the stratum, the diversity of returns in the stratum, and interest in the stratum as a separate subject of study. All this is subject to constraints based on the estimated pro-

cessing costs or the target size of the total sample for the program.

For most SOI studies, returns are designated by computer from the IRS Master Files based on the taxpayer identification number (TIN), which is either the Social Security number (SSN) or the Employer Identification Number (EIN). A fixed and essentially random number is associated with each possible TIN. If that random number falls into a range of numbers specified for a return's sample stratum, then it is selected and processed for the study. Otherwise, it is counted (for estimation purposes), but not selected. In some cases, the TIN is used directly by matching specified digits of it against a predetermined list for the sample stratum. A match is required for designation.

Under either method of selection, the TINs designated from one year's sample are, for the most part, selected for the next year's, so that a very high proportion of the returns selected in the current year's sample are from taxpayers whose previous years' returns were included in earlier samples. This longitudinal character of the sample design improves the estimates of change from one year to the next.

Method of Estimation

As noted above, the probability with which a return is selected for inclusion in a sample depends on the sampling rate prescribed for the stratum in which it is classified. "Weights" are computed by dividing the count of returns filed for a given stratum by the number of population sample returns for that same stratum. These weights are usually adjusted for unavailable returns, outliers, or trimming weights. Weights are used to adjust for the various sampling rates used, relative to the population—the lower the rate, the larger the weight. For some studies, it is possible to improve the estimates by subdividing the original sampling classes into "poststrata," based on additional criteria or refinements of those used in the original stratification. Weights are then computed for these poststrata using additional population counts. The data on each sample return in a stratum are then multiplied by that weight. To produce

Sample returns are designated by computer from the IRS Master Files based on the taxpayer identification number.

SOI Sampling Methodology and Data Limitations

In transcribing and tabulating data from tax returns, checks are imposed to improve the quality of the statistics.

the tabulated estimates, the weighted data are summed to produce the published statistical totals.

Sampling Variability

The particular sample used in a study is only one of a large number of possible random samples that could have been selected using the same sample

design. Estimates derived from the different samples usually vary. The standard error of the estimate is a measure of the variation among the estimates from all possible samples and is used to measure the precision with which an estimate from a particular sample approximates the average result of the possible samples. The sample estimate and an estimate of its standard error permit the construction of interval estimates with prescribed confidence that this interval includes the actual population value.

In SOI reports, the standard error is not directly presented. Instead, the ratio of the standard error to the estimate itself is presented in percentage form. This ratio is called the coefficient of variation (CV). The user of SOI data may multiply an estimate by its CV to recreate the standard error and to construct confidence intervals.

For example, if a sample estimate of 150,000 returns is known to have a coefficient of variation of 2 percent, then the following arithmetic procedure would be followed to construct a 68-percent confidence interval estimate:

$$\begin{array}{ll} 150,000 & \text{(sample estimate)} \\ \times 0.02 & \text{(coefficient of variation)} \\ = 3,000 & \text{(standard error of estimate)} \end{array}$$

then:

$$\begin{array}{ll} 150,000 & \text{(sample estimate)} \\ + \text{ or } - 3,000 & \text{(standard error)} \\ = \{147,000, 153,000\} & \text{(68-percent confidence interval).} \end{array}$$

Based on these data, the interval estimate is from 147 to 153 thousand returns. This means that the average estimate of the number of returns lies within an interval computed in this way. Such an estimate would be correct for approximately two-thirds of all possible

samples similarly selected. To obtain this interval estimate with 95-percent confidence, the standard error should be multiplied by 2 before adding to and subtracting from the sample estimate. (In this particular case, the resulting interval would be from 144 to 156 thousand returns.)

Further details concerning sample design, sample selection, estimation method, and sampling variability for a particular SOI study may be obtained, on request, by writing to the Director, Statistics of Income Division, at the address given above.

Nonsampling Error Controls and Limitations

Although the previous discussion focuses on sampling methods and the limitations of the data caused by sampling error, there are other sources of error that may be significant in evaluating the usefulness of SOI data. These include taxpayer reporting errors and inconsistencies, processing errors, and the effects of any early cutoff of sampling. Additional information on nonsampling error as it applies to individual and corporation income tax returns is presented in the separate SOI reports on these returns.

In transcribing and tabulating the information from returns or forms selected for the sample, steps are taken to improve the quality of the resultant estimates. Tax return data may be disaggregated or recombined during the statistical abstracting and "editing" process that takes place in IRS submission processing centers. This is done to improve data consistency from return to return and to achieve definitions of the data items more in keeping with the needs of major users. In some cases, not all of the data are available from the tax return as originally filed. Sometimes, the missing data can be obtained by the Statistics of Income Division in Washington, DC, through field followup. More often, though, they are obtained through manual or computerized imputation. For this purpose, other information in the return or in accompanying schedules may be sufficient to serve as the basis for making an estimate. Prior-year data for the same taxpayer can be used for this same purpose, or comparable data from business reference books may be substituted.

Data abstracted or "edited" from returns for statistical use are subjected to a number of validation checks, including systematic verifications of a sampling of the work of each tax examiner involved in the SOI process. Data reported on sampled returns

SOI Sampling Methodology and Data Limitations

and previously transcribed as part of processing for the IRS Master Files are subject to validation as part of the administrative process before SOI processing begins. However, during the administrative process, it is only practical to transcribe corrections to errors that have a direct bearing on the tax reported or the refund claimed. Therefore, during the SOI process, checks must also be made to correct any errors or inconsistencies left in the administrative data before the data can be accepted for the statistics.

The Statistics of Income program includes many more tax return items than are transcribed and perfected for IRS tax administration needs, especially for items reported in tax return schedules in support of the various summary totals reported on the return. Therefore, checks must also be designed to validate these additional data items and to assure that they are consistent with other data entries.

Most of the data validation checks made during the SOI process take the form of computerized tests of each record. In addition to verifying that internal consistency and proper balance and relationships among the tax return items and statistical classifications are maintained, this process is intended to check on consistency with tax law provisions, acceptable reporting practices, and generally accepted accounting principles. Most testing occurs during the data abstracting and editing operation, while the tax return source document is still on hand, although some testing for certain programs occurs later on. Records failing the tests are subjected to further review and correction.

Finally, before publication, the statistics are reviewed for accuracy and reasonableness in light of the tax law provisions, taxpayer reporting variations and other limitations, tolerances and statistical techniques allowed or employed in data processing and estimating, economic conditions, and comparability with other statistical series. However, these controls do not completely eliminate the possibility of error. When discovered, errors in *Bulletin* tables are corrected, through a published errata.

Table Conventions

Published estimates subject to excessive sampling variability are identified for most of the statistics by means of an asterisk (*) presented alongside the estimate or in place of an estimate. Presence of an asterisk means that the sampling rate was less than 100 percent of the population and that there were fewer than 10 sample observations available for estimation purposes. This method produces a rough indication of excessive sampling variability. However, the results will differ somewhat from more precise indicators of excessive sampling variability based on the standard statistical formula. For some of the statistics based on samples, asterisking was not possible because of resource and other constraints. Users should keep this limitation in mind when using these data.

A zero, in place of a frequency or an amount, in any given table cell presenting data based on an SOI sample, indicates either that (1) there were no returns in the population with the particular characteristic, or (2) because of its rarity, instances of the characteristic were not present among the sampled returns. However, for statistics based on returns selected for the sample at the 100-percent rate, a zero indicates a presumption of no returns with the particular characteristic in the population.

In addition to sampling variability, Statistics of Income is required to prevent disclosure of information about specific taxpayers or businesses in its tables. Therefore, a weighted frequency (and the associated amount, where applicable) of less than 3 is either combined with data in an adjacent cell(s) so as to meet the criteria, or deleted altogether. Similar steps are taken to prevent indirect disclosure through subtraction. However, any combined or deleted data are included in the appropriate totals. Most data on tax-exempt, nonprofit organizations are excluded from disclosure review because the Internal Revenue Code and regulations permit public access to most of the information reported by these organizations.

Public Release of SOI Information

Goals for Public Release of SOI Information

Statistics of Income program and year	End of tax year	Close of filing period—		Close of sampling period	Tentative release date for final data
		Regular	With extensions of time		
	(1)	(2)	(3)	(4)	(5)
Individual income tax returns:					
2007	December 2007	April 2008	October 2008	December 2008	August 2009
2008	December 2008	April 2009	October 2009	December 2009	August 2010
Nonfarm sole proprietorships:					
2007	December 2007	April 2008	October 2008	December 2008	August 2009
2008	December 2008	April 2009	October 2009	December 2009	August 2010
Partnerships:					
2007	December 2007	April 2008	October 2008	December 2008	July 2009
2008	December 2008	April 2009	October 2009	December 2009	July 2010
Corporations [1]:					
2006	June 2007	September 2007	March 2008	June 2008	February 2009
2007	June 2008	September 2008	March 2009	June 2009	February 2010
Corporation foreign tax credit [2]:					
2005	June 2006	September 2006	March 2007	June 2007	October 2008
2006	June 2007	September 2007	March 2008	June 2008	October 2009
Controlled foreign corporations [2]:					
2006	June 2007	September 2007	March 2008	June 2008	October 2009
Tax-exempt organizations [3]:					
2006	November 2007	April 2008	October 2008	December 2008	August 2009
2007	November 2008	April 2009	October 2009	December 2009	August 2010
Private foundations [3]:					
2006	November 2007	April 2008	October 2008	December 2008	August 2009
2007	November 2008	April 2009	October 2009	December 2009	August 2010
Tax-exempt organization unrelated business income [3]:					
2006	November 2007	April 2008	October 2008	December 2008	October 2009
2007	November 2008	April 2009	October 2009	December 2009	October 2010
Estate tax returns:					
2008	[4]	[4]	[4]	December 2008	October 2009
2009	[4]	[4]	[4]	December 2009	October 2010
Split-interest trusts:					
2008	[5]	[5]	[5]	December 2008	October 2009
2009	[5]	[5]	[5]	December 2009	October 2010
Gift tax returns:					
2008	[4]	[4]	[4]	December 2008	October 2009
2009	[4]	[4]	[4]	December 2009	October 2010
Nonresident alien estate tax returns:					
2007	[4]	[4]	[4]	December 2008	June 2009
2009	[4]	[4]	[4]	December 2009	June 2010
Fiduciary extracts:					
2008	[5]	[5]	[5]	December 2008	October 2009
2009	[5]	[5]	[5]	December 2009	October 2010
Tax-exempt bonds:					
2007	[6]	[6]	[6]	December 2008	May 2009
2008	[6]	[6]	[6]	December 2009	May 2010

[1] Corporation statistics for 2005 represent accounting periods ended July 2005 through June 2006. Study Year 2006 is similarly defined.

[2] Data for 2005 represent accounting periods ending July 2005 through June 2006. Data for Study Year 2006 are similarly defined.

[3] Data for 2006 represent tax years ending between December 2006 and November 2007. Study Year 2007 is similarly defined.

[4] Estate and gift tax data are processed on a filing-year, rather than on a year-of-death or gift-year (tax-year) basis. At a later stage (not shown here), filing years are combined by year of death or gift year, respectively.

[5] Split-interest trust and fiduciary income tax statistics are processed on a filing-year rather than a tax-year basis.

[6] Tax-exempt private activity governmental bond statistics are collected annually based on issue year. Arbitrage rebate and penalty studies are conducted biennially, for tax years ending in odd numbers.

SOI Projects and Contacts

General Statistical Information: (202) 874-0410 Fax: (202) 874-0964 e-mail: sis@irs.gov

Projects*	Primary Analysts	Frequency and Program Content
Americans Living Abroad: 2006 Program	Scott Hollenbeck Maureen Keenan Kahr	This periodic study is conducted every 5 years. It covers foreign income, foreign taxes paid, and foreign tax credit shown on individual income tax returns. Data are classified by size of adjusted gross income and country.
Controlled Foreign Corporations: 2006 Program	Jason Wenrich	This semiannual study provides data on activities of foreign corporations that are controlled by U.S. corporations. Data are classified by industry group and country.
Controlled Foreign Partnerships: 2008 Program	Bill States	This study provides data on activities of foreign partnerships that are controlled by U.S. corporations or partnerships. Frequency of this study has not been determined.
Corporation Foreign Tax Credit: 2006 Program 2007 Program	Scott Luttrell Rob Singmaster	This annual study provides data on foreign income, taxes paid, and foreign tax credit reported on corporation foreign income tax returns. Data are classified by industry group and country.
Corporation Income Tax Returns: 2006 Program 2007 Program	Bill Rush Todd Reum Ellen Legel	Basic data are produced annually and cover complete income statement, balance sheet, tax, tax credits, and details from supporting schedules. Data are classified chiefly by industry group or asset size.
Entity Classification Election:	John Comisky	This annual study provides data from all Entity Classification Elections, including the type of election and whether the entity is foreign or domestic.
Estate Tax: 2004-2006 Program 2007-2009 Program	Brian Raub	This annual study provides information on a gross estate and its composition, deductions, and tax; and information on the age, sex, and marital status of decedents. Basic estate tax return data by year in which returns are filed are produced each year. Also included are data on nonresident aliens who had more than \$60,000 of assets in the United States. Other statistics are available on a year-of-death basis (approximately every 3 years). The most recent study is based on decedents who died in 2004 with returns filed in 2004-2006. The most recent data available are for returns filed in 2007.
Excise Taxes:	Josh Barron Ruth Schwartz	Basic data are collected and processed by three Department of the Treasury agencies: the Internal Revenue Service, the Alcohol and Tobacco Tax and Trade Bureau (formerly the Bureau of Alcohol, Tobacco, Firearms, and Explosives), and the Customs Service. Data by type of tax are shown by fiscal year for 1998-2005 and quarterly for more recent years.

SOI Projects and Contacts

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Projects*	Primary Analysts	Frequency and Program Content
Farm Sole Proprietorships: 2007 Program 2008 Program 2009 Program	Kevin Pierce Mary Jezek	This study provides farm income and expenses classified by industry and gross farm income reported by individuals on Schedule F, <i>Profit or Loss from Farming</i> .
Foreign-Controlled Domestic Corporations: 2006 Program	James Hobbs	This annual study covers domestic corporations with 50-percent-or-more stock ownership by a single foreign "person." It covers balance sheet, income statement, and tax-related data, which are classified by industry group, country, and size and age of the corporations. Data are compared to those for other domestic corporations.
Foreign Recipients of U.S. Income: 2006 Program	Scott Luttrell	This annual study provides data by country on income paid to nonresident aliens and the amount of tax withheld for the U.S. Government.
Foreign Trusts: 2006 Program	Dan Holik	This periodic study, conducted every 4 years, provides data on foreign trusts that have U.S. "persons" as grantors, transferors, or beneficiaries. Data include country where the trust was created, value of transfer to the trust, and year the trust was created. The most recent study is for Tax Year 2002.
Gift Tax: 2007 Program 2008 Program 2009 Program	Darien Jacobson Melissa Belvedere	This annual study provides data for type and amount of gift, information on donee, and tax computation items. Information about the donor and gift splitting is also available. Most recent data are for Filing Year 2007.
Individual Income Tax Return Public-Use File:	Mike Weber	Microdata on CD-ROMs are produced annually and contain detailed information obtained from the individual income tax return statistics program, with identifiable taxpayer information omitted to make the file available for public dissemination on a reimbursable basis.
Individual Income Tax Returns: 2007 Program 2008 Program 2009 Program	Maureen Keenan Kahr Scott Hollenbeck	Basic data are produced annually and cover income, deductions, tax, and credits reported on individual income tax returns and associated schedules. Data are classified by size of adjusted gross income, marital status, or type of tax computation.
Individual Income Tax Returns Special Tabulations:	Mike Parisi	Special tabulations of selected individual income, deduction, and tax data are produced on a reimbursable basis.
Interest-Charge Domestic International Sales Corporations (IC-DISCs): 2006 Program 2007 Program	Dan Holik	These corporations replaced the Domestic International Sales Corporations, or DISCs, as of 1985. Balance sheet, income statement, and export-related data are tabulated every 4 years. The most recent study is for Tax Year 2004.

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Projects*	Primary Analysts	Frequency and Program Content
International Boycott Reports: 2006 Program 2007 Program	Lissa Costa	This study provides data on business operations of U.S. "persons" in boycotting countries, as well as the requests and agreements to participate in, or cooperate with, international boycotts not sanctioned by the U.S. Government.
Migration Flow and County Income Data:	Emily Gross Kevin Pierce	Migration flow data (based on year-to-year changes in individual income tax return addresses) and county or State income data are available annually on a reimbursable basis. The most recent data are for 2006-2007.
Noncash Charitable Contributions:	Janette Wilson	This study of individual income tax returns provides detailed asset donations, descriptions of the donees, donor cost, fair market value, and deduction claimed on Form 8283, <i>Noncash Charitable Contributions</i> .
Occupation Studies:	Terry Nuriddin	This periodic study classifies individual income tax returns by occupation and contains a dictionary of occupational titles that can be used to enhance the economic data of other individual income tax return studies.
Partnership Returns of Income:	Tim Wheeler Nina Shumofsky	Basic data, produced annually, cover income statement, balance sheet, and details from supporting schedules. Data are classified chiefly by industry group.
Partnership Withholding Study: 2006 Program	Scott Luttrell	This annual study provides data on U.S. partnership payments to foreign partners. Data are classified by country and recipient type.
Personal Wealth Study: 2004 Program 2007 Program	Brian Raub	This periodic study provides estimates of personal wealth of top wealth holders that are generated from estate tax return data using the "estate multiplier" technique, in conjunction with both filing-year and year-of-death estate databases. The most recent data, for 2004, are based on returns filed from 2004 to 2006.
S Corporations:	Eurry Kim	Annual study data are collected for the income statement and balance sheet, and from supporting schedules. Data are classified by industry group or asset size.
Sales of Capital Assets:	Janette Wilson	This periodic study provides detailed data on the sales of capital assets reported in the capital gains schedule of the individual income tax return, and on sales of residences and personal or depreciable business property.
Sole Proprietorships: 2007 Program 2008 Program 2009 Program	Jeff Curry	Basic data, produced annually, cover business receipts, deductions, and net income reported on Schedule C, <i>Profit or Loss From Business</i> , for nonfarm proprietors, classified by industry group.

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Projects*	Primary Analysts	Frequency and Program Content
Split-Interest Trust Information: 2007 Program 2008 Program 2009 Program	Lisa Schreiber	This annual study provides information on charitable remainder trusts, charitable lead trusts, and pooled income funds. Data include balance sheet, income, deductions, and detail from accumulation and distribution schedules. The most recent data are for Filing Year 2007.
Tax-Exempt Bond Issues: 2006 Program 2007 Program 2008 Program	Emily Shammass	This annual study provides information on private activity and Governmental bond issues by type of property financed, size of face amount, and State. The most recent data are for Tax Year 2006 public purpose bonds and private activity bonds.
Tax-Exempt Organizations (Except Private Foundations): 2005 Program 2006 Program 2007 Program	Paul Arnsberger	This annual study provides balance sheet and income statement data for organizations classified as tax-exempt under subsections 501(c)(3)-(9) of the Internal Revenue Code. The most recent data are for Reporting Year 2005 returns filed in Calendar Years 2006-2007.
Tax-Exempt Organizations, (Private Foundations): 2005 Program 2006 Program 2007 Program	Cynthia Belmonte	This annual study provides balance sheet and income statement data for domestic private foundations and charitable trusts filing a Form 990-PF. The most recent data are for Reporting Year 2005 returns filed in Calendar Years 2006-2007.
Tax-Exempt Organizations, Unrelated Business Income: 2005 Program 2006 Program 2007 Program	Melissa Ludlum Jael Jackson	This annual study provides tabulations of "unrelated business" income and deductions for organizations classified as tax-exempt under the Internal Revenue Code. The most recent data are for Reporting Year 2004 returns filed in Calendar Years 2006-2007.
Transactions of Foreign-Controlled Corporations:	Mark Lowe	This biennial study provides data on transactions between U.S. corporations and their foreign owners. Data are classified by country and industry group.
ZIP Code Area Data:	Mary Jezek	Statistics on CD-ROM show number of individual income tax returns, exemptions, and several income items by State and 5-digit ZIP Code. Data are available for 2002 and 2004-2006 on a reimbursable basis. Data for Tax Years 1998 and 2001 are also available, free of charge, on the IRS Web site: http://www.irs.gov/taxstats/article/0,,id=96947,00.html .

* Many of the data release dates are published in each issue of the *SOI Bulletin* (see "Public Release of SOI Information"). For more information about data availability for a particular project, call or fax the numbers shown at the top of the page.

SOI Products and Services

Statistics of Income (SOI) data are available in electronic formats and in print. For further information on any of the following products and services, or for answers to questions on the availability of SOI data, other statistical services, or release dates for data, contact SOI's **Statistical Information Services (SIS)**:

Statistical Information Services (sis@irs.gov)
Statistics of Income Division
Internal Revenue Service
P.O. Box 2608 • Washington, DC 20013-2608
(202) 874-0410 • **Fax:** (202) 874-0964

As its name implies, SIS is best able to answer questions about data. It does not supply tax forms or information about the status of an individual's tax refund or audit examination. Media requests should be directed to the IRS Media Relations Branch, Communications Division, on (202) 622-4000.

Free Products on the Internet

SOI's Internet site offers a combination of files presenting SOI tables, articles about SOI data, and information about SOI products and services, as well as non-SOI products, including Compliance Research projections, and nonprofit Master File microdata records. At present, over 9,000 files reside there.

Web site: www.irs.gov/taxstats

There is also a direct link to our Web site from FedStats, the gateway to official statistics from the Federal Government: www.fedstats.gov.

Tax Stats

On the Tax Stats Home Page, you will find the following list of topics that will lead to a wide range of tables, articles, and data that describe and measure elements of the U.S. tax system. There is also a link to check out What's New.

Business Tax Statistics

Corporations • International • Partnerships
Nonfarm Sole Proprietorships
S Corporations • All Topics

Charitable and Exempt Organization Statistics

Charities • Exempt Organization Master File
Private Foundations • Trusts
Tax-Exempt Bonds • All Topics

Individual Tax Statistics

Estate and Gift Tax • Individual Income
Tax • International Personal
Wealth • All Topics

Products, Publications, and Papers

SOI Bulletins • *IRS Data Books*
Conference Papers • *SOI Paper Series*
All Topics

IRS Operations, Budget, and Compliance

Issuing Refunds • Collecting Revenue
Enforcing Laws • Assisting Taxpayers
Historical Data Tables • All Topics

Statistics by Form

706 • 709 • 990 • 990-PF • 990-T
1040 • 1041 • 1065 • 1118 • 1120
5471 • 5472 • 8038 • All Forms

Statistics of Income (SOI)

About SOI • Careers With SOI
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Tax Statistics at a Glance
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Questions On Tax Statistics?

Products for Sale From SOI

Many of SOI's data files are available for sale on CD-ROM or via e-mail through Statistical Information Services. **Prepayment is required for orders of \$100 or more**, with checks made payable to the **IRS Accounting Section**. Credit and debit card payments are also accepted. Contact SIS for information on specific products, prices, sources, media, and ordering instructions.

The following files are currently available on a reimbursable basis and include data from returns for corporations, individuals, exempt organizations, and private foundations and charitable trusts. Most of these files are tabulations of aggregated data, but some are files of microdata records.

Corporation Income Tax Returns

Corporation Source Book

CD-ROMs containing data from the *Corporation Source Book* are available for Tax Years 1996-2003 at a cost of \$250 per year. Data from the 2004 through 2006 *Corporation Source Books* are available at no charge from the Tax Stats Web site. Data tables from the 2000 through 2006 *Source Book* are also available at no charge from the Tax Stats Web site at: www.irs.gov/taxstats/bustaxstats/article/0,,id=149687,00.html.

Individual Income Tax Returns

Individual Public-Use Microdata Files

These files include individual income tax returns for Tax Years 1960, 1962, 1964, and 1966-2004. All of the files have been edited to protect the confidentiality of individual taxpayers. Public-use files of individual income tax returns for 1960, 1962, 1964, and 1966-1991 are available for sale by writing to the Center for Electronic Records at the National Archives and Records Administration, 8601 Adelphi Road, College Park, MD 20740-6001, or by calling toll-free (866) 272-6272. Files for 1992 through 2004 are available on CD-ROM from the SOI Division. Price for the SOI microdata files is \$4,000 per year.

County-to-County Migration Data

One table, based on the year-to-year changes in the addresses shown on the population of returns from the IRS Individual Master File system. This table presents data on migration patterns by county for the entire United States, including inflows and outflows. The data include the number of returns (which approximates the number of households); the number of personal exemptions (which approximates the population); and total "adjusted gross income." Available for Filing Years 1984-2007. Price is \$200 per year for the entire United States or \$10 per State per year. All years for the entire United States are also available for \$500.

State-to-State Migration Data

One table, based on the year-to-year changes in the addresses shown on the population of returns from the IRS Individual Master File system. This table presents data on migration patterns by State for the entire United States, including inflows and outflows. The data include the number of returns (which approximates the number of households); the number of personal exemptions (which

approximates the population); and total "adjusted gross income." Available for Filing Years 1989-2007. Price is \$50 per year for the entire United States or \$10 per State per year.

County Income Data

One table, based on the population of returns from the IRS Individual Master File system. This table presents data for adjusted gross income (total and for selected sources), number of returns (which approximates the number of households), and number of personal exemptions (which approximates the population). The data are presented by county (including State totals) and are available for Tax Years 1989-2006 for the entire United States. Price is \$50 per year for the entire United States or \$10 per State per year.

ZIP Code Area Data

Statistics are available for Tax Years 2002 and 2004-2006 on CD-ROM showing the number of individual income tax returns; the total number of exemptions and number of dependent exemptions (which approximates population); adjusted gross income; salaries and wages; taxable interest; total tax; contributions; number of returns with Schedules C and F; and number of returns with Schedule A, by State and 5-digit ZIP Code. In addition to these items, data for Tax Year 2004-2006 also show the amount of taxable dividends; net capital gain/loss; IRA payment adjustment; self-employed pension adjustment; taxes paid deduction; alternative minimum tax; income tax before credits; earned income credit; and number of returns prepared by paid preparers. Price is \$500 for the entire United States; \$25 for a single State. Data for Tax Years 1998 and 2001 are available free on SOI's Internet site. Go to www.irs.gov, select the **Tax Stats** option; Individual Tax Statistics; Individual Income Tax; Zip Code Data (SOI) under Data by Geographic Areas.

Tax-Exempt Organizations

Compendium of Studies of Tax-Exempt Organizations, 1989-1998

This is a compilation of articles on SOI studies of charitable and other nonprofit organizations described in Internal Revenue Code sections 501(c)(3)-(c)(9), private foundations, charitable remainder trusts, and nonprofit organizations' unrelated business income. All of these articles were published previously in various issues of the *Statistics of Income Bulletin*. In addition, the *Compen-*

SOI Products and Services

dium includes papers on statistical sampling of tax-exempt organization returns, and other topics relating to tax-exempt organizations and philanthropy that were authored by IRS staff and others who use SOI study data for research. Available at no charge on CD-ROM.

Microdata Records for Tax Year 2005

Microdata records of all Forms 990 and 990-EZ sampled for the annual SOI study of tax-exempt organizations. The samples include 15,731 Internal Revenue Code section 501(c)(3) organizations and 6,844 section 501(c)(4)-(9) organizations. All returns for organizations with assets of \$50,000,000 or more are included in the sample. Microdata records contain information on balance sheets and income statements, as well as weights (to estimate the population), for each organization. Available for download from SOI's Tax Stats Web site at www.irs.gov/taxstats/charitablestats/article/0,,id=97176,00.html, or may be purchased on CD-ROM for \$20.

Microdata Records for Tax Years 1992-2004

Microdata records of all Forms 990 and 990-EZ sampled for the annual SOI study of tax-exempt organizations. Microdata records contain information on balance sheets and income statements, as well as weights (to estimate the population), for each organization. Available for download from SOI's Tax Stats Web site at www.irs.gov/taxstats/charitablestats/article/0,,id=97176,00.html, or may be purchased on CD-ROM for \$20.

Private Foundations (and Charitable Trusts)

Microdata Records for Tax Year 2005

Microdata records of all Forms 990-PF sampled for the annual SOI study covering private foundations and Internal Revenue Code section 4947 (a)(1) charitable trusts. The file contains both operating and nonoperating foundations and trusts. The sample includes 11,767 returns. (All returns filed by foundations with assets of \$10 million or more, as well as the population of returns filed by nonexempt charitable trusts, are included in the sample.) Microdata records contain information on revenue, expenses, assets, and distributions, as well as weights, for each foundation or trust. Available for download from SOI's Tax Stats Web site at www.irs.gov/taxstats/charitablestats/article/0,,id=96996,00.html, or may be purchased for \$20.

Microdata Records for Tax Years 1992-2004

Microdata records of all Forms 990-PF sampled for the annual SOI study covering private foundations and Internal

Revenue Code section 4947 (a)(1) charitable trusts. Microdata records contain information on revenue, expenses, assets, and distributions, as well as weights, for each foundation or trust. Available for download from SOI's Tax Stats Web site at www.irs.gov/taxstats/charitablestats/article/0,,id=96996,00.html, or may be purchased for \$20.

Publications

Statistics of Income—2006, Corporation Source Book

*Publication 1053, Price: \$175,
plus \$10 for shipping and handling*

This document presents detailed income statement, balance sheet, tax, and selected items, by sector, major and minor industrial groups, and size of total assets for all returns and separately for returns with net income. Separate statistics on S corporations are included by sector. Industry detail is based on the North American Industry Classification System (NAICS). The report, which underlies the *Statistics of Income—Corporation Income Tax Returns* publication, is part of an annual series and can be purchased in its entirety or by page. *Corporation Source Book* industry pages and notes for 1963 through the present are available at a cost of \$30, plus \$1 per page copying charge (free for orders under 5 pages). The complete, printed version of the *Source Book* for selected prior years, 1984-2006, is also for sale at \$175 per year, plus \$10 for shipping and handling.

Compendium of Federal Estate Tax and Personal Wealth Studies

*Publication 1773, Price: \$26,
plus \$10 for shipping and handling*

Part I of this report focuses on data from estate tax returns, describing decedents, their beneficiaries, and the composition of their estates. It contains a methodological discussion of the strategy used in weighting sample data for the estate studies and presents statistics on selected components of decedents' estates, 1916-1990. Information on charitable giving is also included.

Part II presents a series of articles describing the estate-multiplier technique and its applications for personal wealth estimates, estimates of personal wealth for selected years 1962-1989, and a discussion of the relationship among realized income, wealth, and well-being.

Products for Sale From GPO

Recent SOI publications are available from the Superintendent of Documents, U.S. Government Printing Office, Washington, DC, **by calling (202) 512-1800, or faxing (202) 512-2250**. Credit cards are accepted. Publications may also be obtained by using the order form at the end of this *Bulletin* or writing to:

Superintendent of Documents

P.O. Box 371954
Pittsburgh, PA 15250-7954

* If you determine from the Government Printing Office that any of the following items is out of print, call **Statistical Information Services on (202) 874-0410** for assistance.

IRS Data Book, 2008

Annually, Publication 55B, Stock No. 048-004-02501-9
Price: \$13.50 International: \$18.90

This volume pertains to Fiscal Year (FY) 2008—October 1, 2007, through September 30, 2008. The report provides information on returns filed and taxes collected, enforcement, taxpayer assistance, the IRS budget and workforce, and other selected activities. The FY 2009 issue of the Data Book will be available in late March 2010.

Statistics of Income Bulletin

Quarterly, Publication 1136, Stock No. 748-005-00098-6
Subscription price: \$67 International: \$93.80
Single copy price: \$44 International: \$61.60

This series provides the earliest published financial statistics from individual and corporation income tax returns. The *Bulletin* also includes annual data on nonfarm sole proprietorships and partnerships, as well as periodic or special studies of particular interest to tax analysts, administrators, and economists. Historical tables, published in the spring issue, include data from SOI, as well as tax collections and refunds by type of tax.