

Individual Income Tax Returns, Preliminary Data, 2009

by Michael Parisi

For Tax Year 2009, taxpayers filed 140.5 million U.S. individual income tax returns, a decrease of 1.3 percent from the 142.4 million returns filed for 2008. Similar to Tax Year 2008, adjusted gross income (AGI) and several other notable items showed a decline for Tax Year 2009. AGI decreased by 6.9 percent to \$7.6 trillion for 2009. Between Tax Years 2008 and 2009, taxable income decreased 9.3 percent to \$5.1 trillion; total income tax decreased by 15.4 percent to \$0.9 trillion; and total tax liability fell by 15.0 percent to \$0.9 trillion. Along with the decreases in income and other taxes, the alternative minimum tax decreased for the first time since Tax Year 2001. The alternative minimum tax decreased 9.1 percent to \$20.2 billion for 2009.

Figure A shows some of the key components that contributed to the decline in AGI from 2008. The largest component of AGI, salaries and wages, declined 3.7 percent from \$6,022.5 billion in 2008 to \$5,797.1 billion in 2009. Net capital gain decreased 46.1 percent from \$446.6 billion in 2008 to \$240.5 billion in 2009, and capital gain distributions (part of net capital gains) decreased 89.7 percent to \$2.3 billion. Decreases in income associated with businesses were reported for Tax Year 2009 by partnerships and S corporations (-8.7 percent), business or profession (-4.2 percent), and farms (-1.9 percent). Reductions in income from partnerships and S corporations and business or profession contributed to a 9.1-percent and a 4.0-percent decrease in net income less losses from 2008 for each group, respectively. New in 2009, a taxpayer did not have to report as income the first \$2,400 of unemployment compensation per recipient. Amounts greater than \$2,400 were still taxable. This change should be noted when comparing unemployment compensation for 2009 to previous years. For 2009, 11.4 million returns (a 19.0-percent increase from 2008) reported a total of \$84.1 billion in taxable unemployment compensation. This represents a 91.5-percent increase from 2008. Another component of AGI, ordinary dividends, decreased 25.5 percent to \$147.1 billion. Of this dividend total, 76.5 percent were reported as qualified dividends. Qualified dividends, which receive preferential tax rates, were reported on 25.4 million returns and to-

taled \$112.6 billion, a decrease of 22.3 percent from 2008. Taxable interest decreased by 24.8 percent to \$148.3 billion in 2009.

Some components of AGI showed increases, including the second largest component of AGI, taxable pension and annuities, which increased 3.1 percent from \$515.0 billion for Tax Year 2008 to \$531.1 billion for 2009. Another item related to retirement, taxable social security benefits, rose by 3.8 percent from 2008 to 2009. However, taxable Individual Retirement Arrangements (IRAs) declined by 16.9 percent from 2008 levels to \$133.0 billion.

Statutory adjustments to total income decreased 5.9 percent to \$109.0 billion for Tax Year 2009. The largest statutory adjustment was the deduction for one-half of self-employment tax, representing 20.4 percent of the total. This adjustment to income decreased 1.6 percent to \$22.2 billion. Payments to self-employed retirement (Keogh) plans fell 5.4 percent to \$17.5 billion, while payments to IRAs decreased 3.5 percent to \$11.5 billion. The deduction for tuition and fees fell 50.7 percent to \$5.4 billion. This large decrease was due, in part, to the creation of the American Opportunity credit, a new education credit that expanded the income limits for eligibility for an education credit and was partially refundable (See Changes in Law section). A taxpayer was not able to take both an education credit and tuition and fees deduction for the same student. A couple of adjustments that increased from 2008 levels were the deductions for self-employment health insurance and interest on student loans. The self-employment health insurance deduction increased 3.7 percent to \$20.0 billion. The deduction for student loan interest increased 8.2 percent to \$8.4 billion. The aggregate amount deducted for total exemptions increased by 5.0 percent, from \$983.3 billion for 2008 to \$1,032.9 billion for 2009.

Total deductions, the sum of the standard deductions and total itemized deductions (after limitation), decreased 2.1 percent from Tax Year 2008 to \$1,918.3 billion in Tax Year 2009. The number of returns claiming the standard deduction increased 0.6 percent, accounting for 65.8 percent of all returns filed and 39.2 percent of the total deductions amount. New for 2009, the amount paid for new motor vehicle taxes could be added to the standard deduction (see Changes in Law section). This change is in addition to the 2008 law that allowed a taxpayer to in-

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Figure A

Individual Income Tax Returns, Preliminary Data: Selected Income and Tax Items, Tax Years 2008 and 2009

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

Item	Number of returns			Amount		
	2008	2009	Percentage change	2008	2009	Percentage change
	(1)	(2)	(3)	(4)	(5)	(6)
Number of returns, total	142,350,256	140,532,115	-1.3	N/A	N/A	N/A
Form 1040 returns	83,884,991	83,829,478	-0.1	N/A	N/A	N/A
Form 1040A returns	36,540,998	39,872,098	9.1	N/A	N/A	N/A
Form 1040EZ returns	21,924,264	16,830,540	-23.2	N/A	N/A	N/A
Electronically-filed returns [1]	96,573,046	99,012,015	2.5	N/A	N/A	N/A
Adjusted gross income (less deficit)	142,350,256	140,532,115	-1.3	8,213,442,867	7,648,676,270	-6.9
Salaries and wages	120,006,001	117,253,027	-2.3	6,022,463,633	5,797,103,468	-3.7
Taxable interest	62,478,944	57,980,811	-7.2	197,166,925	148,292,561	-24.8
Tax-exempt interest [2]	6,403,595	6,245,826	-2.5	72,586,685	68,382,089	-5.8
Ordinary dividends	30,850,795	29,239,484	-5.2	197,602,724	147,144,977	-25.5
Qualified dividends	26,234,679	25,397,334	-3.2	144,840,020	112,590,344	-22.3
State income tax refunds	22,969,373	23,711,859	3.2	25,260,849	28,528,315	12.9
Alimony received	435,376	431,210	-1.0	8,254,879	8,356,158	1.2
Business or profession net income	16,385,177	16,466,708	0.5	308,133,596	295,277,183	-4.2
Business or profession net loss	5,670,884	5,602,356	-1.2	58,509,927	55,736,863	-4.7
Business or profession net income less loss	22,056,061	22,069,063	0.1	249,623,669	239,540,320	-4.0
Net capital gain [3]	11,187,343	6,578,169	-41.2	446,595,066	240,530,591	-46.1
Capital gain distributions [3]	11,538,101	4,170,541	-63.9	21,972,213	2,263,502	-89.7
Net capital loss	12,301,042	13,523,710	9.9	28,417,726	31,919,981	12.3
Sales of property other than capital assets net gain	744,331	640,855	-13.9	10,436,594	8,083,053	-22.6
Sales of property other than capital assets net loss	865,098	1,023,768	18.3	17,807,063	25,263,769	41.9
Sales of property other than capital assets net gain less loss	1,609,429	1,664,623	3.4	-7,370,469	-17,180,716	-133.1
Taxable Individual Retirement Arrangement distributions	11,316,651	9,676,851	-14.5	160,022,157	132,979,694	-16.9
Taxable pensions and annuities	25,856,207	26,342,262	1.9	515,035,286	531,132,961	3.1
Rent and royalty net income	5,978,139	5,972,666	-0.1	92,793,355	82,400,420	-11.2
Rent and royalty net loss	5,540,151	5,596,584	1.0	63,632,958	62,929,530	-1.1
Rent and royalty net income less loss	9,925,815	9,960,334	0.3	29,160,397	19,470,890	-33.2
Partnership and S corporation net income	4,517,758	4,527,501	0.2	468,560,093	427,916,480	-8.7
Partnership and S corporation net loss	2,626,223	2,747,604	4.6	135,082,672	124,855,093	-7.6
Partnership and S corporation net income less loss	7,143,981	7,275,104	1.8	333,477,421	303,061,388	-9.1
Estate and trust net income	520,680	559,126	7.4	17,056,025	18,798,329	10.2
Estate and trust net loss	40,464	43,984	8.7	2,511,370	2,029,490	-19.2
Estate and trust net income less loss	561,144	603,110	7.5	14,544,655	16,768,839	15.3
Farm net income	567,581	535,257	-5.7	13,114,524	12,869,592	-1.9
Farm net loss	1,391,073	1,395,882	0.3	25,894,327	25,591,776	-1.2
Unemployment compensation [4]	9,597,502	11,420,821	19.0	43,911,028	84,092,522	91.5
Taxable Social Security benefits	15,145,770	15,436,014	1.9	169,670,897	176,122,458	3.8
Total statutory adjustments	35,563,477	34,628,460	-2.6	115,901,028	109,015,422	-5.9
Educator expenses	3,796,150	3,893,414	2.6	957,289	983,216	2.7
Certain business expenses of reservists, performing artists, and fee-basis government officials	129,293	144,058	11.4	414,943	576,694	39.0
Payments to an Individual Retirement Arrangement	2,783,721	2,637,211	-5.3	11,905,552	11,493,415	-3.5
Student loan interest deduction	9,185,924	9,800,217	6.7	7,761,966	8,397,082	8.2
Tuition and fees deduction	4,588,503	2,425,639	-47.1	11,031,337	5,439,714	-50.7
Health savings account deduction	810,279	925,786	14.3	2,129,150	2,492,032	17.0
Moving expenses adjustment	1,112,592	859,324	-22.8	2,995,993	2,074,641	-30.8

Footnotes at end of figure.

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Figure A—Continued

Individual Income Tax Returns, Preliminary Data: Selected Income and Tax Items, Tax Years 2008 and 2009—Continued

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

Item	Number of returns			Amount		
	2008	2009	Percentage change	2008	2009	Percentage change
	(1)	(2)	(3)	(4)	(5)	(6)
Self-employment tax deduction	17,211,728	17,236,650	0.1	22,588,905	22,217,200	-1.6
Self-employed health insurance deduction	3,361,579	3,409,010	1.4	19,257,165	19,963,550	3.7
Payments to a self-employed retirement (Keogh) plan	965,847	884,799	-8.4	18,499,501	17,501,797	-5.4
Penalty on early withdrawal of savings	1,298,035	1,192,925	-8.1	371,912	1,495,136	302.0
Alimony paid	572,761	559,753	-2.3	9,313,168	9,249,622	-0.7
Domestic production activities deduction	478,111	463,430	-3.1	6,959,041	5,714,609	-17.9
Other adjustments [5]	150,914	160,749	6.5	1,585,910	1,248,821	-21.3
Total exemptions [6]	283,544,734	285,222,318	0.6	983,256,537	1,032,899,119	5.0
Total deductions	139,976,603	140,532,115	0.4	1,960,087,456	1,918,264,196	-2.1
Total standard deduction	91,975,024	92,518,891	0.6	699,190,365	752,398,173	7.6
Basic standard deduction	91,975,024	92,518,891	0.6	666,727,034	713,501,506	7.0
Additional standard deduction	12,660,440	12,852,556	1.5	20,184,197	21,451,410	6.3
Increase in standard deduction for real estate taxes, new motor vehicle taxes, or net disaster loss: [7]	16,113,620	16,535,316	2.6	12,279,139	13,396,796	9.1
Total itemized deductions (after limitation)	48,001,579	45,640,583	-4.9	1,260,897,091	1,165,866,022	-7.5
Itemized deductions in excess of limitation	6,769,863	5,743,008	-15.2	16,849,836	12,127,117	-28.0
Medical and dental expenses deduction	10,091,166	10,016,840	-0.7	74,530,672	78,489,285	5.3
Taxes paid deduction	47,683,306	45,381,987	-4.8	447,682,524	421,930,827	-5.8
State and local income taxes [8]	46,320,617	43,998,291	-5.0	272,394,387	244,564,731	-10.2
Income taxes	35,520,687	33,963,074	-4.4	254,836,486	229,290,638	-10.0
General sales taxes	10,799,930	10,035,217	-7.1	17,557,892	15,274,093	-13.0
Interest paid deduction	39,022,546	36,919,968	-5.4	481,166,292	432,757,674	-10.1
Charitable contributions deduction	39,223,228	37,305,909	-4.9	161,869,762	148,594,527	-8.2
Taxable income	108,090,446	104,354,180	-3.5	5,629,893,896	5,107,861,921	-9.3
Alternative minimum tax	3,939,114	3,877,580	-1.6	22,223,196	20,204,674	-9.1
Income tax before credits	107,317,835	103,719,284	-3.4	1,099,247,705	978,255,840	-11.0
Total tax credits [9]	55,271,787	87,931,109	59.1	73,739,010	110,207,348	49.5
Child care credit	6,659,122	6,335,953	-4.9	3,561,436	3,346,081	-6.0
Credit for the elderly or disabled	75,100	62,019	-17.4	10,209	8,023	-21.4
Child tax credit	25,287,874	23,692,091	-6.3	30,713,081	28,584,022	-6.9
Education tax credits	7,829,823	10,739,306	37.2	7,732,554	10,981,087	42.0
Retirement savings contributions credit	6,043,397	6,351,030	5.1	993,687	1,058,651	6.5
Adoption credit	89,134	81,430	-8.6	354,490	280,603	-20.8
Residential energy credits	227,620	6,869,229	2,917.8	219,805	5,943,126	2,603.8
Foreign tax credit	6,680,064	6,356,367	-4.8	15,121,256	12,938,622	-14.4
General business credit	259,884	248,672	-4.3	1,317,496	1,237,780	-6.1
Prior year minimum tax credit	397,357	298,910	-24.8	976,587	730,408	-25.2
Total Making work pay credit	N/A	101,758,158	N/A	N/A	51,099,849	N/A
Making work pay credit used to offset income tax before credits	N/A	68,995,598	N/A	N/A	34,674,354	N/A
Making work pay credit used to offset other taxes	N/A	8,852,516	N/A	N/A	3,446,159	N/A
Making work pay refundable portion	N/A	32,494,288	N/A	N/A	12,979,336	N/A
Total earned income credit (EIC)	25,007,059	27,388,200	9.5	51,596,164	60,426,876	17.1
EIC used to offset income tax before credits	3,391,970	1,494,322	-55.9	978,766	492,308	-49.7
EIC used to offset other taxes	5,550,648	5,188,174	-6.5	5,560,408	4,816,120	-13.4
Excess EIC refundable portion	22,053,777	25,345,868	14.9	45,056,991	55,118,448	22.3
Total refundable education credit	N/A	8,951,615	N/A	N/A	7,711,336	N/A
Refundable education credit used to offset income tax before credits	N/A	4,448,852	N/A	N/A	3,549,154	N/A

Footnotes at end of figure.

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Figure A—Continued

Individual Income Tax Returns, Preliminary Data: Selected Income and Tax Items, Tax Years 2008 and 2009—Continued

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

Item	Number of returns			Amount		
	2008	2009	Percentage change	2008	2009	Percentage change
	(1)	(2)	(3)	(4)	(5)	(6)
Refundable education credit used to offset other taxes	N/A	385,926	N/A	N/A	221,967	N/A
Refundable education credit refundable portion	N/A	4,924,465	N/A	N/A	3,940,214	N/A
Total first-time homebuyer credit	1,193,315	1,371,959	15.0	8,301,644	9,715,356	17.0
First-time homebuyer credit used to offset income tax before credits	912,596	1,085,512	18.9	3,797,302	4,837,874	27.4
First-time homebuyer credit used to offset other taxes	149,469	169,320	13.3	162,653	217,777	33.9
First-time homebuyer credit refundable portion	924,074	996,425	7.8	4,341,688	4,659,706	7.3
Total refundable prior year minimum tax credit	274,821	226,506	-17.6	2,392,027	2,211,594	-7.5
Refundable prior year minimum tax credit used to offset income tax before credits	N/A	186,257	N/A	N/A	865,920	N/A
Refundable prior year minimum tax credit used to offset other taxes	N/A	9,751	N/A	N/A	23,668	N/A
Refundable prior year minimum tax credit refundable portion	N/A	44,868	N/A	N/A	1,322,006	N/A
Self-employment tax	17,211,728	17,236,650	0.1	45,169,679	44,425,902	-1.6
Additional child tax credit	18,300,462	21,539,362	17.7	20,511,290	27,744,075	35.3
Total income tax	90,718,339	81,939,015	-9.7	1,025,509,017	868,049,646	-15.4
Total tax liability	94,721,187	86,138,122	-9.1	1,070,367,059	910,001,338	-15.0

N/A—Not applicable.

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

[2] Not included in adjusted gross income.

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

[4] For tax year 2009, taxpayers did not have to pay taxes on unemployment compensation up to \$2,400. Amounts of unemployment compensation over \$2,400 were taxable and are the amounts shown for TY 2009.

[5] Other adjustments does not include the foreign housing deduction or the medical savings account deduction.

[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] New for tax year 2009, was an increase in standard deduction for state or local sales or excise taxes (or certain other taxes or fees for states without a sales tax) on the purchase of a new motor vehicle. This increase was not available in tax year 2008.

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

[9] Includes making work pay credit, EIC, first-time home buyer credit, and refundable prior year minimum tax credit used to offset income tax before credits, shown separately later in this figure.

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

crease his or her standard deduction for certain State and local real estate taxes and his or her net disaster loss. Due to inflation indexing and these additions to the standard deduction, the average standard deduction (comprised of the basic, additional standard deductions for age and blindness, and increased standard deduction for motor vehicle taxes, real estate taxes, and net disaster losses) increased 7.6 percent, from \$7,602 for 2008 to \$8,132 for 2009. Itemized deductions were claimed on 32.5 percent of all returns filed for 2008 and represented 60.8 percent of the total deductions amount.¹ The average total for itemized deductions (after limitation) was \$25,545, a 2.8-percent decrease from the 2008 average of \$26,268. Due to the AGI limitation on itemized de-

ductions, 5.7 million higher-income taxpayers were unable to deduct \$12.1 billion in itemized deductions, a decrease of 28.0 percent from 2008. Overall, 45.6 million taxpayers (4.9 percent less than in 2008) claimed total itemized deductions (after limitation) of \$1,165.9 billion. This represented 7.5 percent less than what was reported in 2008. The interest paid deduction was the largest deduction, comprising 36.7 percent of total itemized deductions (before limitation). For 2009, it decreased 10.1 percent to \$432.8 billion. For 2009, an estimated 10.0 million taxpayers elected to deduct State and local general sales taxes instead of local income taxes. Including taxpayers who deducted State and local sales taxes, there was a 5.0-percent reduction in the number of

¹ The remaining 1.7 percent of returns did not need to claim either a standard deduction or itemized deduction, because no AGI was reported.

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taxpayers who took a deduction for State and local income and sales taxes and a 10.2-percent reduction in the total amount of this deduction from 2008 levels. The total taxes paid deduction accounted for 35.8 percent of all itemized deductions and decreased 5.8 percent to \$421.9 billion. The deduction for medical and dental expenses increased 5.3 percent to \$78.5 billion, while the charitable contributions deduction decreased 8.2 percent to \$148.6 billion in 2009.

Total tax credits used to offset income tax liabilities increased 49.5 percent to \$110.2 billion. Much of this increase was due to the introduction of the making work pay credit in 2009. Included in the making work pay credit was the government retiree credit. Taxpayers were able to take the making work pay credit, which equaled 6.2 percent of their earned income up to \$400 (\$800, if married filing jointly). The making work pay (and government retiree) credit was claimed by 101.8 million taxpayers. This resulted in \$51.1 billion in credits, of which \$34.7 billion was credited against income tax for these taxpayers (see Changes in Law section for further details).

Law changes affected several other credits, as well. About 23.7 million taxpayers claimed \$28.6 billion in child tax credits, down 6.9 percent from 2008. However, the additional child tax credit (a refundable credit) increased by 35.3 percent to \$27.7 billion in 2009. This increase was partially due to the credit limit increase from 15 percent of a taxpayer's earned income that exceeded \$8,500 in 2008 to 15 percent of a taxpayer's earned income that exceeded \$3,000 in 2009. In sum, total child tax credits (non-refundable and refundable) increased by 10.0 percent for 2009. Another notable change was a 42.0-percent rise in the education credits to \$11.0 billion. This large increase was mostly due to the creation of the American Opportunity credit, a modification of the Hope credit, for 2009. The maximum credit per student was increased from \$1,800 to \$2,500 (100 percent of the first \$2,000 and 25 percent of the next \$2,000 of qualified education expenses). Also, the income limitations were increased (see Changes in Law section for details). The credit was available for the first 4 years of postsecondary education, and 40% of the credit (up to \$1,000) was refundable. The total refundable education credit was taken by 9.0 million taxpayers and totaled \$7.7 billion.

Residential energy credits experienced the largest percentage increase among credits. This increase

was caused by reinstating the nonbusiness energy property credit for qualified property placed in service after 2008, which expired in Tax Year 2008. A taxpayer was able to take a credit of 30 percent of the costs paid or incurred in 2009 for any qualified energy efficient improvements and any residential energy property. The credit was capped at \$1,500. The credit was not available for nonbusiness property in 2008. For 2009, residential energy credits of \$5.9 billion were taken by 6.9 million taxpayers. For Tax Year 2009, a taxpayer could have claimed the first-time homebuyer credit if he or she bought a home after 2008 and before October 1, 2010 (if the taxpayer entered a written binding contract before May 1, 2010), and did not own a home during the prior 3 years. The first-time homebuyer credit was claimed by 1.4 million taxpayers, an increase of 15.0 percent from 2008. The credit totaled \$9.7 billion for 2009, up 17.0 percent from \$8.3 billion in 2008. Taxpayers who purchased a home after filing their 2009 returns may have filed amended returns to claim the credit. However, in this article, the data for the first-time homebuyer credit do not include data from amended returns or any adjustments made to this credit by the IRS. Credits that decreased in 2009 included the foreign tax credit (down 14.4 percent), the child care credit (down 6.0 percent), and the general business credit (down 6.1 percent).

For 2009, the earned income credit (EIC) increased by 17.1 percent to \$60.4 billion. The EIC eligibility limits on the amounts of earned income and investment income increased in 2009. New for 2009, the EIC increased for taxpayers with three or more children. The portion of the EIC used to offset income tax before credits decreased 49.7 percent to \$0.5 billion, and the portion of the EIC used to offset other taxes (such as the self-employment tax) fell 13.4 percent to \$4.8 billion. The largest part of the EIC, the refundable portion, was paid directly to taxpayers who had no tax liability against which to apply the credit. The refundable portion of the EIC increased 22.3 percent to \$55.1 billion for 2009. Taxpayers received a total of \$105.8 billion of refundable credits for 2009, almost equal to the \$110.2 billion in total tax credits used against income tax.

In this article, the comparisons of data for Tax Years 2008 and 2009 are based on preliminary estimates. Even though final estimates for Tax Year 2008 are available, comparing preliminary estimates for Tax Year 2009 to final estimates may yield mis-

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leading results, because preliminary estimates tend to be underestimated. 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 2008 are available in the fall 2010 issue of the *SOI Bulletin* and *Statistics of Income—2008, Individual Income Tax Return*.

Changes in Law

In general, the definitions used in this article are the same as those in *Statistics of Income—2008, 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 2009 preliminary data presented in this article.

Additional child tax credits—In Tax Year 2008, the credit limit based on earned income was 15 percent of a taxpayer's earned income that exceeded \$8,500. For 2009, the limit was 15 percent of a taxpayer's earned income that exceeded \$3,000.

Alternative minimum tax (AMT)—For Tax Year 2009, the minimum exemption increased from \$69,950 to \$70,950 for a married couple filing a joint return, and from \$46,200 to \$46,700 for singles and heads of household, and from \$34,975 to \$35,475 for a married person filing separately.

American Opportunity credit—This was a new education credit (a modification of the Hope credit) available for 2009. The maximum credit per student was \$2,500 (100 percent of the first \$2,000 and 25 percent of the next \$2,000 of qualified education expenses). The credit was available for the first 4 years of postsecondary education and 40 percent of the credit (up to \$1,000) was refundable. The amount of the credit was phased out if the taxpayer's modified AGI was between \$80,000 and \$90,000 (\$160,000 and \$180,000, if married filing jointly). The credit could not be taken if the taxpayer's modified AGI was \$90,000 or more (\$180,000, if married filing jointly). Previously, for 2008, the maximum Hope credit per student was \$1,800, and the maximum Lifetime Learning Credit was \$2,000 (except if the student attended an institution located in a Midwestern disaster area). For both of these credits, the amount of the credit was phased out if the taxpayer's modified AGI was between \$48,000 and \$58,000 (\$96,000 and \$116,000, if married filing jointly). The credit could not be taken if the taxpayer's modi-

fied AGI was \$58,000 or more (\$116,000, if married filing jointly).

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. For 2009, the EIC increased for taxpayers with three or more children. Previously, the highest credit was limited to taxpayers with two or more children. The maximum credit for taxpayers with three or more qualifying children was \$5,657. For these taxpayers, earned income and AGI had to be less than \$43,279 (\$48,279, if married filing jointly) to be eligible for the EIC. The maximum credit for taxpayers with no qualifying children increased to \$457 from \$438. For these taxpayers, earned income and AGI had to be less than \$13,440 (\$18,440, if married filing jointly) to be eligible for the EIC. For taxpayers with one qualifying child, the maximum credit increased from \$2,917 to \$3,043 and, for taxpayers with two qualifying children, the maximum credit increased from \$4,824 to \$5,028. To be eligible for the credit, a taxpayer's earned income and AGI had to be less than \$35,463 (\$40,463 for married filing jointly) for one qualifying child, or less than \$40,295 (\$45,295 for married filing jointly) for two qualifying children. The maximum amount of investment income (interest, dividends, and capital gain income) a taxpayer could have and still claim the credit increased from \$2,950 to \$3,100.

Exemption amount—For Tax Year 2009, the exemption amount increased by \$150 to \$3,650. Taxpayers could have lost a portion of exemption benefits if their AGI was above certain amounts (\$125,100 for married persons filing separately, \$166,800 for single individuals, \$208,500 for heads of household, and \$250,200 for married persons filing jointly or qualifying widow(er)s). For 2008 and 2009, a taxpayer could lose no more than one-third of the dollar amount of each exemption, meaning that the amount of each exemption could not be reduced to less than \$2,433. For 2006 and 2007, a taxpayer could lose no more than two-thirds of the dollar amount of each exemption. For 2005 and previous years, exemption amounts could be limited to zero.

First-time homebuyer credit—For Tax Year 2009, a taxpayer may have claimed this credit (up to \$8,000, or \$4,000, if married filing separately) if he or she bought a home after 2008, and before October

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1, 2010 (if the taxpayer entered a written binding contract before May 1, 2010), and did not own a main home during the prior 3 years. Taxpayers were only allowed to claim this credit in Tax Year 2009 if their modified AGI was below \$95,000 (\$170,000, if married filing jointly), and they purchased the home before November 7, 2009. If the home was purchased after November 6, 2009, this income limit was increased to \$145,000 (\$245,000, if married filing jointly). For homes purchased in 2009 or 2010, taxpayers had to repay the credit only if the home ceases to be their main home within a 36-month period beginning on the purchase date.

Government retiree credit—Taxpayers were eligible for this new credit if they received a pension or annuity payment in 2009 for service performed for the Federal, State, or local government and the service was not covered by social security. The credit was \$250 (\$500, if married filing jointly, and both the taxpayer and spouse received qualifying pensions or annuities). A taxpayer could not take the credit if he or she already received a \$250 economic recovery payment (or, in the case of joint returns, where both received \$250 payments) in 2009. The credit reduced the making work pay credit. The credit was taken on an estimated 806,000 returns totaling \$226.1 million.

Indexing—The following items increased due to indexing for inflation: personal exemption amounts, basic standard deduction amounts, tax bracket boundaries, 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 phase-out range for IRA deductions for those covered by a retirement plan began at AGI of \$89,000, if married filing jointly or a qualifying window(er), up from \$85,000 in 2008. The phaseout was \$55,000 for a single person or head of household, up from \$53,000 in 2008 and at \$0 for a married person filing a separate return. A taxpayer may have been able to deduct an additional \$3,000 if he or she were a participant in a 401(k) plan and his or her employer was in bankruptcy in an earlier year.

Limit on itemized deductions increased—Taxpayers who had AGI above \$166,800 (\$83,400, if

married filing separately) could have lost part of their deduction for itemized deductions. This was an increase from 2008 amounts of \$159,950 (\$79,975, if married filing separately). For Tax Years 2008 and 2009, the amount by which the deduction was reduced was one-third of the amount of the reduction that would have otherwise applied (for 2005 and previous years). For Tax Years 2006 and 2007, the amount by which the deduction was reduced was only two-thirds of the amount of the reduction that would have otherwise applied.

Making work pay credit—Taxpayers were able to take a credit equal to 6.2 percent of their earned income up to \$400 (\$800, if married filing jointly) if his or her had earned income from work and were not a dependent on another tax return. A taxpayer could not take the credit if his or her modified AGI was greater than or equal to \$95,000 (\$190,000, if married filing jointly). The credit phased out between \$75,000 and \$95,000 (\$150,000 and \$190,000, if married filing jointly). The credit was reduced if the taxpayer received a \$250 economic recovery payment in 2009 or took the government retiree credit.

Motor vehicles tax deduction—New for 2009, a taxpayer could have deducted any State or local sales or excise taxes on the purchase of a new motor vehicle. In States without a sales tax, the taxpayer may have been able to deduct other taxes or fees. The motor vehicle must have been purchased after February 16, 2009, and the amount the taxpayer could include for State or local sales and excise taxes was limited to the taxes imposed on the first \$49,500 of the purchase price. Taxpayers were allowed to take this deduction if their AGI was less than \$135,000 (\$260,000, if married filing jointly). The deduction of the taxes was taken on Schedule A, if the taxpayer itemized. If the taxpayer did not itemize, the taxes increased the taxpayer's standard deduction using Schedule L, *Standard Deduction for Certain Filers*. The deduction was taken on an estimated 3.7 million returns for a total of \$5.5 billion.

Residential energy credits—For 2009, the non-business energy property credit was reinstated for qualified property placed in service after 2008. A taxpayer was able to take a credit of 30 percent of the costs paid or incurred in 2009 for qualified energy efficient improvements and residential energy property. The credit was limited to a total of \$1,500. The credit was not available for nonbusiness prop-

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erty in 2008. There was also a credit for residential energy efficient property credit in 2009. For 2009, the annual maximum credit limits were eliminated for qualified solar, small wind energy, and geothermal heat pump property costs. A taxpayer could have taken a credit of 30 percent of their costs of qualified solar-electric property, solar water-heating property, small wind-energy property, and geothermal heat-pump property.

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 2009 than it was in 2008. 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 2009, the standard deduction increased to \$11,400 for joint filers, up from \$10,900 in 2008. For single filers and married filing separate filers, the deduction amount increased to \$5,700. For heads of households, the deduction was \$8,350. In addition, the additional standard deduction for being 65 or older or blind was increased by \$50 to \$1,100 per taxpayer.

Unemployment compensation—For 2009, a taxpayer did not have to pay taxes on the first \$2,400 of unemployment compensation received per recipient. Amounts greater than \$2,400 were still taxable.

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 2010. 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.² Returns were then selected at rates ranging from 0.1 percent to 100 percent. The preliminary Tax Year 2009 data are based on a sample of 230,520 returns and an estimated final population of 140,599,263 returns. The corresponding sample and population for the preliminary 2008 data were 256,033 and 142,466,099 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 later in this issue of the *Bulletin*.

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 2009 returns, between January and late September of 2010. 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.

² Returns in the sample were stratified based on the presence or absence of one or more of the following forms or schedules: Form 2555, *Foreign Earned Income*; Form 1116, *Foreign Tax Credit (Individual, Fiduciary, or Nonresident Alien Individual)*; Schedule C, *Profit or Loss from Business (Sole Proprietorship)*; and Schedule F, *Profit or Loss from Farming*.

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Table 1. Individual Income Tax Returns, Tax Year 2009 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	140,532,115	37,430,398	30,159,234	25,183,542	30,268,566	13,550,244	1,442,109	2,498,021
Form 1040 returns	83,829,478	15,373,113	12,176,454	14,625,434	24,478,653	13,235,693	1,442,109	2,498,021
Form 1040A returns	39,872,098	12,393,000	13,961,185	8,238,770	4,978,197	300,948	0	0
Form 1040EZ returns	16,830,540	9,664,287	4,021,597	2,319,337	811,715	13,603	0	0
Electronically-filed returns [2]	99,012,015	25,110,843	22,042,531	18,273,495	21,493,858	9,548,129	965,701	1,577,458
Adjusted gross income (less deficit)	7,648,676,270	106,375,907	663,562,563	983,479,617	2,147,895,336	1,805,900,040	320,046,293	1,621,416,514
Salaries and wages:								
Number of returns	117,253,027	26,589,251	25,332,735	22,307,960	26,987,550	12,471,037	1,329,616	2,234,877
Amount	5,797,103,468	222,268,243	521,828,610	801,778,149	1,696,010,204	1,431,826,766	240,297,318	883,094,177
Taxable interest:								
Number of returns	57,980,811	9,268,249	7,575,955	9,351,252	17,578,030	10,582,642	1,276,193	2,348,490
Amount	148,292,561	15,793,973	11,741,558	15,146,271	31,325,780	26,770,246	5,955,965	41,558,769
Tax-exempt interest: [3]								
Number of returns	6,245,826	701,150	536,641	755,341	1,602,249	1,435,368	296,395	918,681
Amount	68,382,089	3,951,465	3,090,349	4,434,377	12,489,564	12,559,564	3,359,730	28,497,041
Ordinary dividends:								
Number of returns	29,239,484	4,614,818	3,259,482	3,868,918	8,394,319	6,233,881	932,279	1,935,788
Amount	147,144,977	8,688,868	7,003,334	9,218,677	24,007,484	26,071,666	6,948,428	65,206,522
Qualified dividends:								
Number of returns	25,397,334	3,910,569	2,734,289	3,318,390	7,220,926	5,544,347	862,566	1,806,249
Amount	112,590,344	5,288,669	4,181,748	5,866,597	16,828,379	19,572,986	5,506,785	55,345,180
State income tax refunds:								
Number of returns	23,711,859	678,055	1,513,765	3,679,405	9,855,268	6,534,328	607,199	843,841
Amount	28,528,315	918,854	911,229	2,503,631	8,641,143	8,239,733	1,223,671	6,090,054
Alimony received:								
Number of returns	431,210	63,165	96,168	118,463	113,060	33,348	1,816	5,192
Amount	8,356,158	466,810	1,024,754	1,718,605	2,719,280	1,596,904	129,682	700,123
Business or profession net income:								
Number of returns	16,466,708	5,608,854	2,808,850	2,200,299	3,287,095	1,833,357	245,911	482,340
Amount	295,277,183	41,774,365	34,503,512	28,234,076	53,316,836	56,101,590	17,028,700	64,318,104
Business or profession net loss:								
Number of returns	5,602,356	1,082,312	901,939	974,842	1,558,228	833,718	93,103	158,215
Amount	55,736,863	21,260,274	7,005,049	6,688,558	9,903,863	6,044,998	964,986	3,869,136
Net capital gain: [4]								
Number of returns	6,578,169	838,456	667,675	791,801	1,924,800	1,524,541	248,452	582,445
Amount	240,530,591	9,748,563	2,373,894	3,352,523	13,673,109	22,725,498	6,730,165	181,926,838
Capital gain distributions: [4]								
Number of returns	4,170,541	580,245	361,169	485,083	1,085,013	925,374	174,825	558,836
Amount	2,263,502	218,490	110,478	136,653	358,425	379,282	91,491	968,687
Net capital loss:								
Number of returns	13,523,710	2,581,224	1,362,538	1,700,992	3,406,889	2,817,217	511,526	1,143,321
Amount	31,919,981	6,119,759	3,135,861	3,836,818	7,801,908	6,694,291	1,273,889	3,057,456
Sales of property other than capital assets, net gain:								
Number of returns	640,855	117,046	64,714	91,333	150,606	108,476	23,511	85,171
Amount	8,083,053	1,312,994	452,766	539,511	1,175,512	1,276,589	300,737	3,024,939
Sales of property other than capital assets, net loss:								
Number of returns	1,023,768	228,504	85,707	109,067	207,629	188,077	34,292	170,492
Amount	25,263,769	16,586,170	809,094	1,315,498	1,725,973	1,965,849	249,233	2,611,951

Footnotes at end of table.

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Table 1. Individual Income Tax Returns, Tax Year 2009 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 Individual Retirement Arrangement distributions:								
Number of returns	9,676,851	1,598,951	1,718,916	1,735,393	2,988,476	1,329,155	122,811	183,150
Amount	132,979,694	8,430,648	12,244,498	16,900,435	43,048,652	35,048,209	5,299,048	12,008,206
Taxable pensions and annuities:								
Number of returns	26,342,262	4,256,372	4,920,627	4,855,950	7,825,188	3,664,395	343,626	476,107
Amount	531,132,961	27,695,235	58,297,448	82,195,029	192,414,492	129,930,113	15,686,645	24,913,999
Rent and royalty net income:								
Number of returns	5,972,666	896,217	807,837	882,594	1,620,443	1,144,522	172,351	448,704
Amount	82,400,420	7,107,007	4,947,162	6,170,333	14,475,239	17,293,482	3,994,000	28,413,198
Rent and royalty net loss:								
Number of returns	5,596,584	851,362	674,147	879,506	1,826,969	1,022,634	93,554	248,413
Amount	62,929,530	14,555,296	5,774,217	8,147,782	17,181,780	10,152,410	1,255,499	5,862,547
Partnership and S corporation net income:								
Number of returns	4,527,501	378,384	358,098	459,423	1,102,218	1,114,905	262,555	851,921
Amount	427,916,480	4,882,055	3,888,289	6,658,509	23,018,174	45,215,931	19,529,296	324,724,224
Partnership and S corporation net loss:								
Number of returns	2,747,604	596,175	265,965	315,256	694,711	550,234	85,421	239,841
Amount	124,855,093	82,577,454	3,188,987	4,336,624	8,193,041	7,366,177	1,949,659	17,243,149
Estate and trust net income:								
Number of returns	559,126	55,527	44,526	75,612	158,883	143,650	20,803	60,126
Amount	18,798,329	275,541	223,241	601,899	1,839,038	2,972,736	643,560	12,242,313
Estate and trust net loss:								
Number of returns	43,984	7,918	5,642	5,840	11,918	6,327	1,568	4,772
Amount	2,029,490	1,067,557	9,926	38,397	62,487	91,602	8,061	751,461
Farm net income:								
Number of returns	535,257	115,109	72,445	85,004	158,601	74,969	8,957	20,173
Amount	12,869,592	997,054	962,016	1,300,339	3,479,287	3,237,659	637,279	2,255,954
Farm net loss:								
Number of returns	1,395,882	306,153	185,016	232,505	404,592	199,622	21,107	46,890
Amount	25,591,776	9,228,214	2,315,056	2,792,561	5,393,444	3,197,922	440,296	2,224,288
Unemployment compensation in excess of \$2,400 per recipient:								
Number of returns	11,420,821	2,566,519	3,317,607	2,133,600	2,427,230	842,768	61,749	71,350
Amount	84,092,522	13,704,676	26,774,693	16,777,517	18,702,224	7,025,336	485,739	622,340
Taxable Social Security benefits:								
Number of returns	15,436,014	127,083	3,073,748	3,916,897	5,656,448	2,097,360	206,209	358,265
Amount	176,122,458	491,056	6,628,058	27,642,594	86,628,263	41,815,884	4,551,065	8,365,539
Total statutory adjustments:								
Number of returns	34,628,460	7,317,835	5,253,735	5,812,622	9,492,347	5,134,715	496,337	1,120,869
Amount	109,015,422	10,154,167	8,793,638	12,553,039	23,347,135	22,592,650	5,528,053	26,046,738
Educator expenses:								
Number of returns	3,893,414	123,961	241,809	676,996	1,637,188	1,089,078	63,883	60,500
Amount	983,216	26,279	56,237	160,017	410,263	298,422	16,501	15,494
Certain business expenses of reservists, performing artists, and fee-basis government officials:								
Number of returns	144,058	21,733	17,497	18,925	47,606	33,586	1,548	3,160
Amount	576,694	124,151	69,822	136,751	113,514	114,937	8,980	8,539

Footnotes at end of table.

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Table 1. Individual Income Tax Returns, Tax Year 2009 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)
Payments to an Individual Retirement Arrangement:								
Number of returns	2,637,211	116,362	307,085	593,637	987,400	523,834	38,101	70,792
Amount	11,493,415	379,410	994,612	2,152,630	4,230,746	2,749,023	321,577	665,419
Student loan interest deduction:								
Number of returns	9,800,217	909,294	1,623,689	2,343,675	3,567,324	1,356,237	0	0
Amount	8,397,082	665,916	1,316,062	2,002,910	3,204,968	1,207,227	0	0
Tuition and fees deduction:								
Number of returns	2,425,639	680,389	257,461	272,089	586,577	629,122	0	0
Amount	5,439,714	1,941,613	546,473	576,015	1,164,274	1,211,338	0	0
Health savings account deduction:								
Number of returns	925,786	44,731	83,777	150,162	291,810	209,206	36,144	109,953
Amount	2,492,032	122,934	142,800	275,402	685,269	601,890	148,496	515,239
Moving expenses adjustment:								
Number of returns	859,324	87,183	177,327	183,612	237,880	134,148	14,332	24,844
Amount	2,074,641	177,874	268,395	332,507	600,996	480,108	71,606	143,154
Self-employment tax deduction:								
Number of returns	17,236,650	5,503,697	2,836,835	2,252,324	3,533,490	2,038,506	315,977	755,824
Amount	22,217,200	3,096,731	2,655,679	2,393,075	4,692,903	4,369,520	1,076,728	3,932,565
Self-employed health insurance deduction:								
Number of returns	3,409,010	592,610	479,281	490,181	776,837	576,242	119,102	374,758
Amount	19,963,550	2,425,551	2,000,328	2,189,539	4,163,563	4,206,331	1,030,922	3,947,318
Payments to a self-employed retirement (Keogh) plan:								
Number of returns	884,799	21,352	27,864	49,479	154,646	291,003	85,127	255,326
Amount	17,501,797	136,343	163,987	351,223	1,608,555	4,351,248	2,011,741	8,878,700
Penalty on early withdrawal of savings:								
Number of returns	1,192,925	237,036	181,649	181,567	343,168	193,102	19,623	36,775
Amount	1,495,136	59,339	25,394	1,246,396	91,661	42,642	10,530	19,175
Alimony paid:								
Number of returns	559,753	44,432	40,097	69,956	189,131	134,274	24,683	57,182
Amount	9,249,622	664,750	354,591	527,470	1,889,130	2,157,824	604,412	3,051,444
Domestic production activities deduction:								
Number of returns	463,430	27,181	30,251	41,475	101,523	110,384	30,339	122,278
Amount	5,714,609	177,574	49,058	72,331	246,410	485,401	140,130	4,543,704
Other adjustments [5]:								
Number of returns	160,749	17,850	26,873	29,579	54,648	22,650	4,655	4,494
Amount	1,248,821	117,713	127,122	125,756	222,592	310,345	84,847	260,446
Total exemptions:								
Number of exemptions	285,222,318	50,893,986	58,993,684	51,710,688	73,518,900	38,434,682	4,181,745	7,488,632
Amount	1,032,899,119	185,280,202	214,872,675	188,493,758	268,119,580	140,111,252	15,130,760	20,890,894
Total deductions:								
Number of returns	140,532,115	37,430,398	30,159,234	25,183,542	30,268,566	13,550,244	1,442,109	2,498,021
Amount	1,918,264,196	252,512,330	271,010,364	277,346,356	486,434,166	356,722,036	57,619,630	216,619,310
Total standard deduction:								
Number of returns	92,518,891	33,121,596	26,186,211	17,575,489	13,375,220	2,093,997	79,649	86,727
Amount	752,398,173	221,107,899	209,065,958	152,580,380	142,660,782	25,058,739	948,107	976,310
Basic standard deduction:								
Number of returns	92,518,891	33,121,596	26,186,211	17,575,489	13,375,220	2,093,997	79,649	86,727
Amount	713,501,506	212,286,952	200,508,294	144,830,960	131,527,593	22,617,896	843,751	886,055

Footnotes at end of table.

Individual Income Tax Returns, Preliminary Data, 2009

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Table 1. Individual Income Tax Returns, Tax Year 2009 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)
Additional standard deduction:								
Number of returns	12,852,556	4,420,228	3,246,123	2,173,355	2,456,818	512,357	21,353	22,321
Amount	21,451,410	7,046,128	5,474,486	3,681,277	4,236,799	933,538	39,329	39,853
Increase in standard deduction for real estate taxes, new motor vehicle taxes, or net disaster loss: [6]								
Number of returns	16,535,316	2,356,197	3,128,174	3,813,705	5,791,068	1,345,268	56,892	44,012
Amount	13,396,796	1,527,730	2,219,505	2,950,207	5,244,786	1,350,641	63,745	40,179
Total itemized deductions (after limitation):								
Number of returns	45,640,583	1,942,922	3,968,885	7,606,015	16,893,346	11,455,714	1,362,453	2,411,245
Amount	1,165,866,022	31,404,436	61,944,408	124,765,975	343,773,384	331,663,297	56,671,523	215,643,001
Itemized deductions in excess of limitation:								
Number of returns	5,743,008	0	0	0	65,369	1,904,070	1,362,427	2,411,143
Amount	12,127,117	0	0	0	5,986	319,406	767,317	11,034,408
Medical and dental expenses deduction:								
Number of returns	10,016,840	1,348,733	1,933,252	2,385,785	3,318,022	947,851	45,233	37,966
Amount	78,489,285	11,347,626	15,047,015	16,766,127	24,117,602	8,785,534	976,996	1,448,382
Taxes paid deduction:								
Number of returns	45,381,987	1,863,103	3,903,373	7,546,763	16,855,229	11,444,440	1,361,302	2,407,779
Amount	421,930,827	6,217,060	12,428,779	29,754,347	105,300,518	126,677,146	25,216,914	116,336,063
State and local income taxes: [7]								
Number of returns	43,998,291	1,647,815	3,671,331	7,238,131	16,449,318	11,255,300	1,348,508	2,387,886
Amount	244,564,731	1,321,189	3,529,102	11,896,699	51,405,886	70,925,291	15,674,421	89,812,142
Income taxes:								
Number of returns	33,963,074	611,731	2,104,919	5,253,895	13,270,096	9,547,501	1,155,539	2,019,395
Amount	229,290,638	780,275	2,396,972	9,799,951	46,609,517	66,858,166	14,963,379	87,882,376
General sales taxes:								
Number of returns	10,035,217	1,036,086	1,566,414	1,984,236	3,179,222	1,707,799	192,968	368,492
Amount	15,274,093	540,914	1,132,131	2,096,745	4,796,368	4,067,125	711,042	1,929,766
Interest paid deduction:								
Number of returns	36,919,968	1,137,320	2,645,247	5,698,997	14,207,941	10,075,464	1,164,651	1,990,347
Amount	432,757,674	10,052,648	22,308,845	49,573,982	143,972,579	135,576,276	20,465,188	50,808,158
Charitable contributions deduction:								
Number of returns	37,305,909	1,158,154	2,722,363	5,587,355	13,940,966	10,346,002	1,274,989	2,276,081
Amount	148,594,527	1,732,503	5,576,537	12,707,263	38,687,774	40,226,649	7,582,958	42,080,841
Taxable income:								
Number of returns	104,354,180	9,019,159	23,301,426	24,473,872	30,097,636	13,529,292	1,439,907	2,492,885
Amount	5,107,861,921	24,701,458	216,219,620	524,424,922	1,396,558,786	1,312,912,967	247,575,040	1,385,469,128
Alternative minimum tax:								
Number of returns	3,877,580	9,719	14,029	8,604	169,780	914,316	867,714	1,893,422
Amount	20,204,674	72,669	13,000	21,989	205,062	1,819,493	2,402,715	15,669,742
Income tax before credits:								
Number of returns	103,719,284	8,757,960	23,116,281	24,371,372	30,028,731	13,511,273	1,439,242	2,494,425
Amount	978,255,840	2,521,737	24,269,840	65,738,427	202,167,813	233,666,732	54,852,010	395,039,280
Total tax credits: [8]								
Number of returns	87,931,109	4,988,813	20,087,704	22,127,715	27,410,407	11,272,192	658,552	1,385,726
Amount	110,207,348	1,229,887	10,353,847	20,394,951	43,362,989	20,259,146	1,029,403	13,577,124

Footnotes at end of table.

Individual Income Tax Returns, Preliminary Data, 2009

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Table 1. Individual Income Tax Returns, Tax Year 2009 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)
Child care credit:								
Number of returns	6,335,953	15,314	966,129	1,315,809	2,280,350	1,436,016	137,458	184,879
Amount	3,346,081	2,391	440,235	765,202	1,187,690	780,921	69,736	99,907
Credit for the elderly or disabled:								
Number of returns	62,019	35,751	26,269	0	0	0	0	0
Amount	8,023	5,783	2,241	0	0	0	0	0
Child tax credit:								
Number of returns	23,692,091	98,452	4,394,643	6,431,511	9,500,893	3,265,228	1,358	* 4
Amount	28,584,022	12,721	2,086,576	6,579,491	15,464,331	4,440,359	537	* 6
Education tax credits:								
Number of returns	10,739,306	754,501	2,364,803	2,518,240	3,525,273	1,576,489	0	0
Amount	10,981,087	208,273	1,689,126	2,483,332	4,353,347	2,247,010	0	0
Retirement savings contributions credit:								
Number of returns	6,351,030	266,964	2,799,720	2,587,897	696,448	0	0	0
Amount	1,058,651	40,427	451,597	452,125	114,502	0	0	0
Adoption credit:								
Number of returns	81,430	155	3,312	20,687	40,613	15,465	845	355
Amount	280,603	1,506	1,892	28,800	151,543	88,099	2,020	6,743
Residential energy credits:								
Number of returns	6,869,229	58,654	455,374	1,156,064	2,900,033	1,823,970	204,041	271,091
Amount	5,943,126	9,936	227,587	798,308	2,412,240	1,815,128	233,446	446,481
Foreign tax credit:								
Number of returns	6,356,367	132,980	411,372	756,896	1,897,560	1,783,504	362,441	1,011,615
Amount	12,938,622	4,900	44,820	132,704	367,842	938,697	459,616	10,990,043
General business credit:								
Number of returns	248,672	2,531	9,468	19,295	61,666	72,540	12,349	70,824
Amount	1,237,780	5,977	7,489	23,788	86,914	177,916	27,382	908,312
Prior year minimum tax credit:								
Number of returns	298,910	3,729	7,218	9,366	45,175	158,088	20,907	54,429
Amount	730,408	1,174	3,689	6,219	56,932	201,232	20,286	440,878
Total making work pay credit:								
Number of returns	101,758,158	20,468,195	23,606,017	21,416,625	26,160,280	10,081,599	14,177	11,265
Amount	51,099,849	7,224,228	10,468,601	10,653,953	15,872,646	6,871,798	4,711	3,910
Making work pay credit used to offset income tax before credits:								
Number of returns	68,995,598	3,852,468	13,280,251	17,004,682	24,805,356	10,027,427	14,165	11,251
Amount	34,674,354	906,434	4,853,329	7,452,075	14,628,758	6,825,146	4,706	3,906
Making work pay credit used to offset other taxes:								
Number of returns	8,852,516	4,686,736	2,322,507	1,259,572	556,925	26,767	* 5	* 3
Amount	3,446,159	1,603,181	986,289	577,924	262,262	16,499	* 2	* 1
Making work pay credit refundable portion:								
Number of returns	32,494,288	15,275,969	10,630,849	4,885,205	1,656,493	45,753	* 8	* 13
Amount	12,979,336	4,714,611	4,628,985	2,623,953	981,626	30,153	* 2	* 3
Total earned income credit (EIC):								
Number of returns	27,388,200	13,693,142	9,382,507	4,312,552	0	0	0	0
Amount	60,426,876	25,825,922	29,164,581	5,436,371	0	0	0	0

Footnotes at end of table.

Individual Income Tax Returns, Preliminary Data, 2009

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Table 1. Individual Income Tax Returns, Tax Year 2009 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)
EIC used to offset income tax before credits:								
Number of returns	1,494,322	182,217	531,130	780,975	0	0	0	0
Amount	492,308	10,824	226,103	255,380	0	0	0	0
EIC used to offset other taxes:								
Number of returns	5,188,174	3,524,784	1,230,845	432,544	0	0	0	0
Amount	4,816,120	2,633,382	1,794,064	388,674	0	0	0	0
Excess EIC refundable portion:								
Number of returns	25,345,868	12,519,815	9,148,441	3,677,614	0	0	0	0
Amount	55,118,448	23,181,717	27,144,413	4,792,316	0	0	0	0
Total refundable education credit:								
Number of returns	8,951,615	1,810,318	1,796,413	1,607,270	2,294,056	1,443,560	0	0
Amount	7,711,336	1,441,762	1,404,441	1,352,612	2,106,254	1,406,265	0	0
Refundable education credit used to offset income tax before credits:								
Number of returns	4,448,853	3,820	361,968	721,830	1,931,836	1,429,399	0	0
Amount	3,549,154	1,015	120,114	440,226	1,602,834	1,384,966	0	0
Refundable education credit used to offset other taxes:								
Number of returns	385,926	83,009	70,677	127,211	99,509	5,520	0	0
Amount	221,967	34,335	36,820	79,007	66,234	5,570	0	0
Refundable education credit refundable portion:								
Number of returns	4,924,465	1,780,412	1,621,349	1,016,193	489,256	17,255	0	0
Amount	3,940,214	1,406,409	1,247,505	833,379	437,187	15,730	0	0
Total first-time homebuyer credit:								
Number of returns	1,371,959	128,324	172,852	370,557	532,291	159,113	8,824	0
Amount	9,715,356	783,381	1,158,209	2,675,227	3,911,823	1,129,835	56,881	0
First-time homebuyer credit used to offset income tax before credits:								
Number of returns	1,085,512	9,473	97,537	300,048	510,606	159,032	8,815	0
Amount	4,837,874	3,010	114,361	858,548	2,698,365	1,106,767	56,823	0
First-time homebuyer credit used to offset other taxes:								
Number of returns	169,320	16,644	15,279	46,975	86,725	3,693	* 5	0
Amount	217,777	14,460	32,895	70,538	96,970	2,894	* 21	0
First-time homebuyer credit refundable portion:								
Number of returns	996,425	128,272	170,447	350,910	335,982	10,809	* 8	0
Amount	4,659,706	765,912	1,010,951	1,746,143	1,116,488	20,174	* 38	0
Total refundable prior year minimum tax credit:								
Number of returns	226,506	18,283	2,546	3,141	11,784	52,182	32,426	106,147
Amount	2,211,594	237,016	16,133	44,965	291,920	652,699	217,242	751,617
Refundable prior year minimum tax credit used to offset income tax before credits:								
Number of returns	186,257	* 141	0	* 12	2,673	46,089	31,978	105,362
Amount	865,920	* 497	0	* 273	13,628	109,615	134,879	607,027

Footnotes at end of table.

Individual Income Tax Returns, Preliminary Data, 2009

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Table 1. Individual Income Tax Returns, Tax Year 2009 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)
Refundable prior year minimum tax credit used to offset other taxes:								
Number of returns	9,751	4,817	* 89	* 485	1,788	1,251	830	494
Amount	23,668	8,446	* 403	* 767	1,852	9,910	641	1,649
Refundable prior year minimum tax credit refundable portion:								
Number of returns	44,868	15,547	2,471	2,746	8,526	10,616	2,209	2,757
Amount	1,322,006	228,074	15,729	43,926	276,440	533,175	81,722	142,941
Self-employment tax:								
Number of returns	17,236,650	5,503,697	2,836,835	2,252,324	3,533,490	2,038,506	315,977	755,824
Amount	44,425,902	6,190,749	5,309,989	4,785,031	9,384,055	8,738,028	2,153,298	7,864,750
Additional child tax credit:								
Number of returns	21,539,362	6,861,483	9,123,900	4,286,110	1,238,056	29,802	11	0
Amount	27,744,075	6,572,650	13,130,781	6,338,238	1,662,308	40,075	24	0
Total income tax:								
Number of returns	81,939,015	5,043,202	14,058,297	17,951,697	27,552,200	13,412,608	1,434,602	2,486,409
Amount	868,049,646	1,291,849	13,915,992	45,343,523	158,804,824	213,407,586	53,822,608	381,463,260
Total tax liability:								
Number of returns	86,138,122	7,629,139	14,816,712	18,425,899	27,898,741	13,443,374	1,436,018	2,488,239
Amount	910,001,338	3,877,639	16,559,251	49,416,101	169,460,269	223,905,422	56,292,703	390,489,956

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

[1] Includes returns with adjusted gross deficit.

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

[3] Not included in adjusted gross income.

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

[5] Other adjustments does not include the foreign housing deduction or the medical savings account deduction.

[6] For Tax Year 2009 the increases in standard deduction were taken as:

Real estate taxes: Number of returns—15,092,064, Amount—11,279,058

New motor vehicle taxes: Number of returns—1,431,962, Amount—1,994,981

Net disaster loss: Number of returns—11,290, Amount—122,757

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

[8] Includes making work pay credit, EIC, first-time home buyer credit, and refundable prior year minimum tax credit used to offset income tax before credits, shown separately later in this figure.

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