

Adjusted Gross Income Percentiles by State Tax Year 2016 Documentation Guide

Contents

- A. Overview
- B. Population Definitions and Tax Return Addresses
- C. File Characteristics
- D. Selected Income and Tax Items
- E. Endnotes

A. Overview

The Statistics of Income (SOI) Division's adjusted gross income (AGI) percentile data by State are based on individual income tax returns (Forms 1040) filed with the Internal Revenue Service (IRS) during a given calendar year. For Tax Year 2016 data, SOI tabulated the returns filed from January 1 through December 31, 2017. While the bulk of these returns were for Tax Year 2016, the IRS received a small number of returns for prior tax years. SOI uses these prior-year returns as a proxy for returns typically filed beyond the 12-month window [1]. Returns received from dependents claimed on another return have been excluded to avoid double counting, as well as returns with a negative AGI. AGI percentiles do not include income from non-taxable sources such as tax-exempt interest, non-taxable pensions and IRAs, and non-taxable Social Security Benefits.

B. Population Definitions and Tax Return Addresses

- State totals may not be comparable to State totals published elsewhere by SOI [2].
- State data are based on population data that was filed and processed by the IRS during the 2017 calendar year.
- Data do not represent the full U.S. population because many individuals are not required to file an individual income tax return.
- The address shown on the tax return may differ from the taxpayer's actual residence.
- Returns filed using Army Post Office (APO) and Fleet Post Office addresses, foreign addresses, and addresses in Puerto Rico, Guam, Virgin Islands, American Samoa, Marshall Islands, Northern Marianas, and Palau have been included in the U.S. total only.
- Returns with negative adjusted gross income (adjusted gross deficit) and corresponding amounts for adjusted gross deficit are excluded [3].
- Returns where the individual was claimed as a dependent are excluded.
- Selected descending percentiles are based on adjusted gross income (AGI).
- All money amounts are in dollars.
- AGI percentile cut-offs have been calculated based on the nearest observations to the actual percentile.

C. File Characteristics

The state percentile data include three files:

- (1) A comma separated file (.csv)—**16instateshares.csv**
- (2) Table 1: Excel file—**16in01stateshares.xlsx**
- (3) Table 2: Exce file—**16in02stateshares.xlsx**

D. Selected Income and Tax Items

VARIABLE NAME	DESCRIPTION/VALUE
STATEFIPS	State Federal Information Processing System (FIPS) code Alabama to Wyoming...01 to 56
STATE	State associated with the ZIP code Alabama to Wyoming...AL to WY
STATE_NAME	State name Alabama to Wyoming
TOTAL	Total number of returns
TOP_01	Number of returns for top 1 percent
TOP_05	Number of returns for top 5 percent
TOP_10	Number of returns for top 10 percent
TOP_25	Number of returns for top 25 percent
TOP_50	Number of returns for top 50 percent
TOP_75	Number of returns for top 75 percent
AGI_01	Adjusted gross income (AGI) cutoff for top 1 percent
AGI_05	Adjusted gross income (AGI) cutoff for top 5 percent
AGI_10	Adjusted gross income (AGI) cutoff for top 10 percent
AGI_25	Adjusted gross income (AGI) cutoff for top 25 percent
AGI_50	Adjusted gross income (AGI) cutoff for top 50 percent
AGI_75	Adjusted gross income (AGI) cutoff for top 75 percent
TOTAL_AGI	Total amount of AGI
SUM_AGI_01	Total amount of AGI for top 1 percent
SUM_AGI_05	Total amount of AGI for top 5 percent
SUM_AGI_10	Total amount of AGI for top 10 percent
SUM_AGI_25	Total amount of AGI for top 25 percent
SUM_AGI_50	Total amount of AGI for top 50 percent
SUM_AGI_75	Total amount of AGI for top 75 percent
TOTAL_SAL_NUM	Total number of returns with salaries and wages
TOTAL_SAL_AMT	Total amount of salaries and wages
NUM_SAL_01	Number of returns with salaries and wages for top 1 percent
SUM_SAL_01	Amount of salaries and wages for top 1 percent
NUM_SAL_05	Number of returns with salaries and wages for top 5 percent

SUM_SAL_05	Amount of salaries and wages for top 5 percent
NUM_SAL_10	Number of returns with salaries and wages for top 10 percent
SUM_SAL_10	Amount of salaries and wages for top 10 percent
NUM_SAL_25	Number of returns with salaries and wages for top 25 percent
SUM_SAL_25	Amount of salaries and wages for top 25 percent
NUM_SAL_50	Number of returns with salaries and wages for top 50 percent
SUM_SAL_50	Amount of salaries and wages for top 50 percent
NUM_SAL_75	Number of returns with salaries and wages for top 75 percent
SUM_SAL_75	Amount of salaries and wages for top 75 percent
TOTAL_INT_NUM	Total number of returns with taxable interest
TOTAL_INT_AMT	Total amount of taxable interest
NUM_INT_01	Number of returns with taxable interest for top 1 percent
SUM_INT_01	Amount of taxable interest for top 1 percent
NUM_INT_05	Number of returns with taxable interest for top 5 percent
SUM_INT_05	Amount of taxable interest for top 5 percent
NUM_INT_10	Number of returns with taxable interest for top 10 percent
SUM_INT_10	Amount of taxable interest for top 10 percent
NUM_INT_25	Number of returns with taxable interest for top 25 percent
SUM_INT_25	Amount of taxable interest for top 25 percent
NUM_INT_50	Number of returns with taxable interest for top 50 percent
SUM_INT_50	Amount of taxable interest for top 50 percent
NUM_INT_75	Number of returns with taxable interest for top 75 percent
SUM_INT_75	Amount of taxable interest for top 75 percent
TOTAL_DIV_NUM	Total number of returns with dividends
TOTAL_DIV_AMT	Total amount of dividends
NUM_DIV_01	Number of returns with dividends for top 1 percent
SUM_DIV_01	Amount of dividends for top 1 percent
NUM_DIV_05	Number of returns with dividends for top 5 percent
SUM_DIV_05	Amount of dividends for top 5 percent

NUM_DIV_10	Number of returns with dividends for top 10 percent
SUM_DIV_10	Amount of dividends for top 10 percent
NUM_DIV_25	Number of returns with dividends for top 25 percent
SUM_DIV_25	Amount of dividends for top 25 percent
NUM_DIV_50	Number of returns with dividends for top 50 percent
SUM_DIV_50	Amount of dividends for top 50 percent
NUM_DIV_75	Number of returns with dividends for top 75 percent
SUM_DIV_75	Amount of dividends for top 75 percent
TOTAL_BUSINC_NUM	Total number of returns with business or profession net income less loss
TOTAL_BUSINC_AMT	Total amount of business or profession net income less loss
NUM_BUSINC_01	Number of returns with business or profession net income less loss for top 1 percent
SUM_BUSINC_01	Amount of business or profession net income less loss for top 1 percent
NUM_BUSINC_05	Number of returns with business or profession net income less loss for top 5 percent
SUM_BUSINC_05	Amount of business or profession net income less loss for top 5 percent
NUM_BUSINC_10	Number of returns with business or profession net income less loss for top 10 percent
SUM_BUSINC_10	Amount of business or profession net income less loss for top 10 percent
NUM_BUSINC_25	Number of returns with business or profession net income less loss for top 25 percent
SUM_BUSINC_25	Amount of business or profession net income less loss for top 25 percent
NUM_BUSINC_50	Number of returns with business or profession net income less loss for top 50 percent
SUM_BUSINC_50	Amount of business or profession net income less loss for top 50 percent
NUM_BUSINC_75	Number of returns with business or profession net income less loss for top 75 percent
SUM_BUSINC_75	Amount of business or profession net income less loss for top 75 percent
TOTAL_CPGAIN_NUM	Total number of returns with net capital gain less loss

TOTAL_CPGAIN_AMT	Total amount of net capital gain less loss
NUM_CPGAIN_01	Number of returns with net capital gain less loss for top 1 percent
SUM_CPGAIN_01	Amount of net capital gain less loss for top 1 percent
NUM_CPGAIN_05	Number of returns with net capital gain less loss for top 5 percent
SUM_CPGAIN_05	Amount of net capital gain less loss for top 5 percent
NUM_CPGAIN_10	Number of returns with net capital gain less loss for top 10 percent
SUM_CPGAIN_10	Amount of net capital gain less loss for top 10 percent
NUM_CPGAIN_25	Number of returns with net capital gain less loss for top 25 percent
SUM_CPGAIN_25	Amount of net capital gain less loss for top 25 percent
NUM_CPGAIN_50	Number of returns with net capital gain less loss for top 50 percent
SUM_CPGAIN_50	Amount of net capital gain less loss for top 50 percent
NUM_CPGAIN_75	Number of returns with net capital gain less loss for top 75 percent
SUM_CPGAIN_75	Amount of net capital gain less loss for top 75 percent
TOTAL_IRADIST_NUM	Total number of returns with taxable IRA distributions
TOTAL_IRADIST_AMT	Total amount of taxable IRA distributions
NUM_IRADIST_01	Number of returns with taxable IRA distributions for top 1 percent
SUM_IRADIST_01	Amount of taxable IRA distributions for top 1 percent
NUM_IRADIST_05	Number of returns with taxable IRA distributions for top 5 percent
SUM_IRADIST_05	Amount of taxable IRA distributions for top 5 percent
NUM_IRADIST_10	Number of returns with taxable IRA distributions for top 10 percent
SUM_IRADIST_10	Amount of taxable IRA distributions for top 10 percent
NUM_IRADIST_25	Number of returns with taxable IRA distributions for top 25 percent
SUM_IRADIST_25	Amount of taxable IRA distributions for top 25 percent
NUM_IRADIST_50	Number of returns with taxable IRA distributions for top 50 percent
SUM_IRADIST_50	Amount of taxable IRA distributions for top 50 percent
NUM_IRADIST_75	Number of returns with taxable IRA distributions for top 75 percent
SUM_IRADIST_75	Amount of taxable IRA distributions for top 75 percent

TOTAL_PENSION_NUM	Total number of returns with taxable pensions and annuities
TOTAL_PENSION_AMT	Total amount of taxable pensions and annuities
NUM_PENSION_01	Number of returns with taxable pensions and annuities for top 1 percent
SUM_PENSION_01	Amount of taxable pensions and annuities for top 1 percent
NUM_PENSION_05	Number of returns with taxable pensions and annuities for top 5 percent
SUM_PENSION_05	Amount of taxable pensions and annuities for top 5 percent
NUM_PENSION_10	Number of returns with taxable pensions and annuities for top 10 percent
SUM_PENSION_10	Amount of taxable pensions and annuities for top 10 percent
NUM_PENSION_25	Number of returns with taxable pensions and annuities for top 25 percent
SUM_PENSION_25	Amount of taxable pensions and annuities for top 25 percent
NUM_PENSION_50	Number of returns with taxable pensions and annuities for top 50 percent
SUM_PENSION_50	Amount of taxable pensions and annuities for top 50 percent
NUM_PENSION_75	Number of returns with taxable pensions and annuities for top 75 percent
SUM_PENSION_75	Amount of taxable pensions and annuities for top 75 percent
TOTAL_SCORP_NUM	Total number of returns with partnership and S-corporation net income less loss
TOTAL_SCORP_AMT	Total amount of partnership and S-corporation net income less loss
NUM_SCORP_01	Number of returns with partnership and S-corporation net income less loss for top 1 percent
SUM_SCORP_01	Amount of partnership and S-corporation net income less loss for top 1 percent
NUM_SCORP_05	Number of returns with partnership and S-corporation net income less loss for top 5 percent
SUM_SCORP_05	Amount of partnership and S-corporation net income less loss for top 5 percent
NUM_SCORP_10	Number of returns with partnership and S-corporation net income less loss for top 10 percent
SUM_SCORP_10	Amount of partnership and S-corporation net income less loss for top 10 percent

NUM_SCORP_25	Number of returns with partnership and S-corporation net income less loss for top 25 percent
SUM_SCORP_25	Amount of partnership and S-corporation net income less loss for top 25 percent
NUM_SCORP_50	Number of returns with partnership and S-corporation net income less loss for top 50 percent
SUM_SCORP_50	Amount of partnership and S-corporation net income less loss for top 50 percent
NUM_SCORP_75	Number of returns with partnership and S-corporation net income less loss for top 75 percent
SUM_SCORP_75	Amount of partnership and S-corporation net income less loss for top 75 percent
TOTAL_TAX	Total amount of income tax [4]
SUM_TAX_01	Total amount of income tax for top 1 percent
SUM_TAX_05	Total amount of income tax for top 5 percent
SUM_TAX_10	Total amount of income tax for top 10 percent
SUM_TAX_25	Total amount of income tax for top 25 percent
SUM_TAX_50	Total amount of income tax for top 50 percent
SUM_TAX_75	Total amount of income tax for top 75 percent

E. Endnotes:

[1] The use of prior-year returns as a proxy for those that filed after the current processing year is consistent with SOI's individual income tax return sample, which is used as an input for the geographic data. For a description of the sample and the use of prior-year returns see https://www.irs.gov/statistics/soi-tax-stats-individual-income-tax-returns-publication-1304-complete-report#_sec2.

[2] For complete individual income tax tabulations at the State level, see <http://www.irs.gov/uac/SOI-Tax-Stats---Historic-Table-2>.

[3] By excluding adjusted gross deficit returns, the alternative minimum tax reported on some of these returns was also excluded.

[4] Total income tax is the sum of income tax after credits (including the subtraction of excess advance premium tax credit repayment, the earned income credit, the additional child tax credit, and the American opportunity credit) limited to zero plus net investment income tax from Form 8960.