

Individual Income Tax Returns, Preliminary Data, 1992

by Edward B. Gross, Jr.

Taxpayers filed 113.8 million U.S. individual income tax returns for Tax Year 1992, a decrease of 1.1 million returns from the number filed for 1991, and the first such decline in 5 years. Despite the smaller volume of returns, adjusted gross income less deficit (AGI) increased 4.8 percent, to more than \$3.6 trillion for 1992; AGI had grown 1.2 percent for 1991. In contrast, the consumer price index (CPI-U) grew at an annual rate of 3.0 percent during 1992, compared to 4.2 percent during 1991 [1]. Taxable income rose 4.9 percent to \$2.4 trillion, and total income tax increased 6.2 percent, from \$448.2 billion to \$476.0 billion. Tax Year 1992 marks the 80th year of the modern income tax, and the 80th year for which Statistics of Income data have been available.

The growth in adjusted gross income reflected notable gain in a number of income items which had either declined or grown more slowly for the previous year. Salaries and wages, the principal portion of adjusted gross income, grew at twice the rate it did for 1991. Net capital gains (less loss) showed growth for 1992, reversing a 3-year downward trend. Increases in taxable pension benefits and annuities, net income (less loss) from a business or profession, and partnership and S Corporation net income (less loss) contributed significantly to the growth in AGI.

The comparisons of data for Tax Years 1991 and 1992 in this article are based on preliminary estimates for both years [2]. 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 from previous years 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 change. Final statistics for Tax Year 1991 are available in the historical tables at the end of this issue of the *Bulletin*.

Adjusted Gross Income, Taxable Income, and Total Income Tax

AGI grew at a slightly lower annual rate than taxable income for 1992; 4.8 percent versus 4.9 percent (Figure A). Total income tax, however, rose by 6.2 percent, reflecting increases in average AGI, particularly for higher-income returns. Average AGI reported on 1992 individual income tax returns was \$31,995, representing a growth of \$1,788, or 5.9 percent, over the amount for 1991; in contrast, average AGI for 1991 was \$49 larger, or 0.16 percent more, than for 1990. Average taxable income equaled

\$26,367, up \$1,779 (or 7.2 percent) from 1991. Average total income tax grew \$439 (or 8.7 percent), to \$5,477 per taxable return (i.e., returns showing a tax) [3].

The average tax rate for 1992 (i.e., total income tax divided by AGI reported on all returns; taxable and non-taxable) was 13.1 percent, 0.2 percentage points higher than it was for 1991 (Figure B). The average tax rate increased for only three of the nine income size classes with positive incomes shown in Figure B.-- those with ad-

Only individuals with an adjusted gross income of \$200,000 or more had a higher average tax rate for 1992 than for 1991.

justed gross incomes of \$200,000 or more. The principal reason for these higher average tax rates was that income at the upper levels grew at a faster pace than total itemized deductions, 4.8 percent versus 3.5 percent, respectively. The lower average tax rates in the seven lower AGI size classes in Figure B were mainly the result of several tax adjustments for inflation. These adjustments affected the tax bracket boundaries, the limitation thresholds for itemized deductions and exemptions, the size of the standard deduction, and the size of the deduction for personal exemptions. The inflation indexing caused each of these to increase by about 5.3 percent, while average AGI for individuals with income of less than \$200,000 grew at a rate of 3.6 percent.

Selected Sources of Income

The largest component of AGI, salaries and wages, grew by \$136.4 billion, or 5.1 percent, for 1992 (Figure C). Taxable income from pensions and annuities increased 5.6 percent, to a level of \$189.1 billion. Partnership and S Corporation net income (less loss) rose dramatically, up 30.9 percent, although this item tends to be revised considerably in the final estimates for a year (see *Data Sources and Limitations*). Business or profession net income (less loss) jumped up 8.7 percent, after increasing 0.1 percent for 1991. Net capital gain (less loss) rebounded from recent declines by posting a \$13.4 billion increase, a change of 13.9 percent, while unemployment compensation surged 35.4 percent to \$31.6 billion. Much of the \$8.3 billion growth in unemployment compensation can be attributed to the extension of the benefits period granted by the Federal Government in 1992 [4]. Another likely cause for the increase was a rise in the number of unemployed persons in the United States during 1992. The national unemployment rate increased from 6.7 percent for 1991 to 7.4 percent [5].

As a result of the steady descent in interest rates over

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Figure A

Adjusted Gross Income, Taxable Income, and Total Income Tax, Tax Years 1991 and 1992

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

Item	1991 (preliminary)		1992 (preliminary)		Percentage increase in amount
	Number of returns	Amount	Number of returns	Amount	
	(1)	(2)	(3)	(4)	(5)
Adjusted gross income (less deficit)...	114,926	3,471,537	113,752	3,639,546	4.8
Taxable income.....	92,967	2,285,892	90,907	2,396,902	4.9
Total income tax.....	88,969	448,186	86,897	475,964	6.2
Alternative minimum tax.....	226	1,004	273	1,138	13.4

Figure B

Number of Returns, Adjusted Gross Income, and Total Income Tax, by Size of Adjusted Gross Income, Tax Years 1991 and 1992

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

Tax year, income, and tax	Total	Size of adjusted gross income									
		Under \$1 ¹	\$1 under \$10,000	\$10,000 under \$20,000	\$20,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$100,000	\$100,000 under \$200,000	\$200,000 under \$500,000	\$500,000 under \$1,000,000	\$1,000,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Tax Year 1992 (preliminary):											
Number of returns.....	113,752	937	29,879	24,807	17,175	21,377	15,814	2,810	746	141	67
Adjusted gross income (less deficit).....	3,639,546	-38,694	150,012	365,927	423,124	833,362	1,054,487	367,863	218,419	95,313	169,736
Total income tax.....	475,964	54	3,013	18,770	35,415	87,491	140,413	67,503	52,290	24,904	46,113
Tax as a percentage of adjusted gross income (less deficit).....	13.1	(²)	2.0	5.1	8.4	10.5	13.3	18.4	23.9	26.1	27.2
Tax Year 1991 (preliminary):											
Number of returns.....	114,926	887	31,339	25,480	17,616	21,187	14,976	2,601	668	119	52
Adjusted gross income (less deficit).....	3,471,537	-41,297	154,473	374,885	434,437	828,617	991,027	338,975	194,077	79,704	121,639
Total income tax.....	448,186	69	3,535	20,761	38,004	88,655	135,018	63,005	46,027	20,715	32,397
Tax as a percentage of adjusted gross income (less deficit).....	12.9	(²)	2.3	5.5	8.7	10.7	13.6	18.6	23.7	26.0	26.6
Change in percentage points, tax as a percentage of adjusted gross income (less deficit), 1992 over 1991.....	0.2	(²)	-0.3	-0.4	-0.3	-0.2	-0.3	-0.2	0.2	0.1	0.6

¹Includes returns with adjusted gross deficit.

²Percentage not computed.

³Difference not computed.

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

the past few years, taxable interest received declined by 22.8 percent, to \$158.5 billion, its lowest level since 1983. Tax Year 1992 was the second consecutive year for which taxable interest decreased. Excluded from Figure C are "statutory adjustments," which are subtracted in the computation of AGI (see *Statutory Adjustments*).

Total Positive Income

"Total positive income" (TPI) differs from AGI in that it includes only the positive income line items from indi-

vidual tax returns. For 1992, TPI grew 4.5 percent, to reach \$3.8 billion (Figure D) [6]. TPI is particularly useful when examining income items which have gains and losses that are relatively similar in size (e.g., estate and trust income, rent and royalty income, and farm income) [7]. Estate and trust net income grew by 9.1 percent for Tax Year 1992, from \$4.0 billion to \$4.4 billion. Total rent and royalty net income rose 7.5 percent, to \$36.5 billion, while farm net income increased 7.2 percent, a change of \$0.7 billion.

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Figure C

Comparison of Total and Selected Sources of Adjusted Gross Income, Tax Years 1991 and 1992

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

Item	1991 (preliminary)		1992 (preliminary)		Percentage change in amount	Increase in amount
	Number of returns	Amount	Number of returns	Amount		
	(1)	(2)	(3)	(4)	(5)	(6)
Adjusted gross income (less deficit) ¹	114,926	3,471,537	113,752	3,639,546	4.8	168,009
Salaries and wages.....	97,454	2,678,571	96,588	2,814,991	5.1	136,421
Taxable interest.....	70,396	205,431	67,471	158,504	-22.8	-46,926
Dividends.....	23,257	77,218	23,773	77,517	0.4	299
Business or profession net income (less loss).....	14,981	138,680	15,310	150,781	8.7	12,101
Net capital gains (less loss) ²	14,983	96,505	16,494	109,919	13.9	13,414
Net gains (less loss), sales of property other than capital assets.....	1,576	-1,478	1,665	-2,126	(³)	-648
Social security benefits in adjusted gross income.....	5,421	21,789	5,615	23,596	8.3	1,807
Rent and royalty net income (less loss) ⁴	10,110	5,714	9,941	9,930	(³)	4,216
Partnership and S Corporation net income (less loss).....	5,257	66,216	5,150	86,671	30.9	20,455
Estate and trust net income (less loss).....	458	3,528	471	3,812	(³)	284
Farm net income (less loss).....	2,306	-2,273	2,301	-1,695	(³)	578
Unemployment compensation.....	9,979	23,315	10,374	31,566	35.4	8,250
Pensions and annuities in adjusted gross income.....	18,102	178,959	17,853	189,069	5.6	10,110
Individual Retirement Arrangement distributions in adjusted gross income.....	4,028	20,674	4,482	26,450	27.9	5,776
Other net income (less loss) ⁵	n.a.	-11,154	n.a.	-8,112	-27.3	3,042

n.a. - Not available.

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

² Includes capital gain distributions reported separately.

³ Percentage changes not computed due to statistical unreliability.

⁴ Includes farm rental income less loss.

⁵ "Other net income (less loss)" represents only data reported on the residual line on Form 1040, and does not include the foreign earned income exclusion.

Figure D

Comparison of Total and Selected Sources of Positive Income, Tax Years 1991 and 1992

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

Item	1991 (preliminary)		1992 (preliminary)		Percentage increase in amount
	Number of returns	Amount	Number of returns	Amount	
	(1)	(2)	(3)	(4)	(5)
Total positive income	n.a.	3,658,338	n.a.	3,821,193	4.5
Salaries and wages.....	97,454	2,678,571	96,588	2,814,991	5.1
Taxable interest.....	70,396	205,431	67,471	158,504	-22.8
Dividends.....	23,257	77,218	23,773	77,517	0.4
Taxable refunds of State and local income taxes.....	16,699	9,779	16,808	9,729	-0.5
Alimony received.....	466	3,982	467	4,479	12.5
Business or profession net income.....	11,524	158,418	11,718	169,171	6.8
Net capital gain ¹	10,398	105,123	12,072	118,322	12.6
Net gain, sales of property other than capital assets.....	741	4,497	751	4,932	9.7
Social security benefits in adjusted gross income.....	5,421	21,789	5,615	23,596	8.3
Total rent and royalty net income ²	5,161	33,924	5,136	36,474	7.5
Partnership and S Corporation net income.....	3,048	101,565	3,120	118,051	16.2
Estate and trust net income.....	397	4,012	416	4,375	9.1
Farm net income.....	944	9,779	913	10,485	7.2
Unemployment compensation.....	9,979	23,315	10,374	31,566	35.4
Pensions and annuities in adjusted gross income.....	18,102	178,959	17,853	189,069	5.6
Individual Retirement Arrangement distributions in adjusted gross income.....	4,028	20,674	4,482	26,450	27.9
Other net income ³	5,224	21,302	5,143	23,481	10.2

n.a. - Not available.

¹ Includes capital gain distributions reported separately.

² Includes farm rental net income.

³ "Other net income" represents only data reported on the residual line on Form 1040.

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Losses

Total losses included in AGI declined for 1992 to \$136.1 billion, a change of 4.7 percent (Figure E). The largest percentage change was in the net loss from the sale of property other than capital assets, which increased 18.1 percent to \$7.1 billion. Business or profession net loss was lower for 1992, dropping 6.8 percent to \$18.4 billion. Business or profession net loss had grown for both 1990 and 1991 [8].

Taxpayers incurred much of their loss through participation in partnerships and S Corporations, which accounted for 23.1 percent of the total (Figure F), and showed the largest dollar amount change, declining by \$4.0 billion. Other net losses, representing the total amount reported on the "all other" residual income line of Form 1040 (excepting the foreign earned income exclusion), were responsible for 23.2 percent of the total. The "net operating loss" carryforward accounted for 93.5 percent of "other" net losses.

Statutory Adjustments

Statutory adjustments to income edged up 1.6 percent for 1992 (Figure G). The deduction for one-half of self-employment tax was the largest of all statutory adjustments, representing 32.4 percent of the total. Deductible payments to IRA's, despite a downward trend which began with 1986, accounted for 25.4 percent of all statutory adjustments. The self-employed health insurance deduction showed the largest percentage change for 1992,

dropping 31.6 percent. This decline was caused by the expiration, on July 1, 1992, of the provision allowing a deduction of 25 percent of health insurance payments. The deduction was reinstated retroactively to July 1, 1992 (see *Definitions and Changes in Law* for details). However, the returns included in this report reflect the deduction for one-half of 1992.

Deductions

The aggregate amount of all standard deductions claimed rose 4.3 percent for 1992, from \$352.9 billion to \$368.0 billion (Figure H). Total deductions, the sum of the standard deductions and total itemized deductions (after limitation), equaled \$843.1 billion, an increase of 3.9 percent.

The number of returns claiming a standard deduction, declined slightly for 1992, accounting for 70.6 percent of all returns filed, and 43.7 percent of total deductions. The 1992 average standard deduction equaled \$4,586, up \$262 from the average for 1991. The increase was largely due to inflation indexing of the standard deduction amounts.

Itemized deductions were claimed on 28.6 percent of all returns filed and represented 56.3 percent of total deductions. The average total amount of itemized deductions (after limitation) equaled \$14,605, compared to \$14,156 for 1991. (The remaining 0.8 percent of the returns claimed neither standard nor itemized deductions because AGI on these returns was equal to or less than zero.)

Figure E

Comparison of Total and Selected Sources of Net Losses Included in Adjusted Gross Income, Tax Years 1991 and 1992

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

Item	1991 (preliminary)		1992 (preliminary)		Percentage increase in amount
	Number of returns	Amount	Number of returns	Amount	
	(1)	(2)	(3)	(4)	(5)
Total net losses	n.a.	142,881	n.a.	136,112	-4.7
Partnership and S Corporation net loss.....	2,209	35,349	2,030	31,380	-11.2
Total rent and royalty net loss ¹	4,949	28,211	4,805	26,545	-5.9
Estate and trust net loss.....	61	484	55	563	16.3
Business or profession net loss.....	3,457	19,737	3,592	18,390	-6.8
Farm net loss.....	1,361	12,052	1,388	12,180	1.1
Net capital loss ²	4,585	8,617	4,422	8,403	-2.5
Net loss, sales of property other than capital assets....	835	5,975	914	7,058	18.1
Other net loss ³	n.a.	32,456	n.a.	31,593	-2.7

n.a. - Not available.

¹ Includes farm rental net loss.

² Includes only the portion of capital losses deducted during the calculation of adjusted gross income.

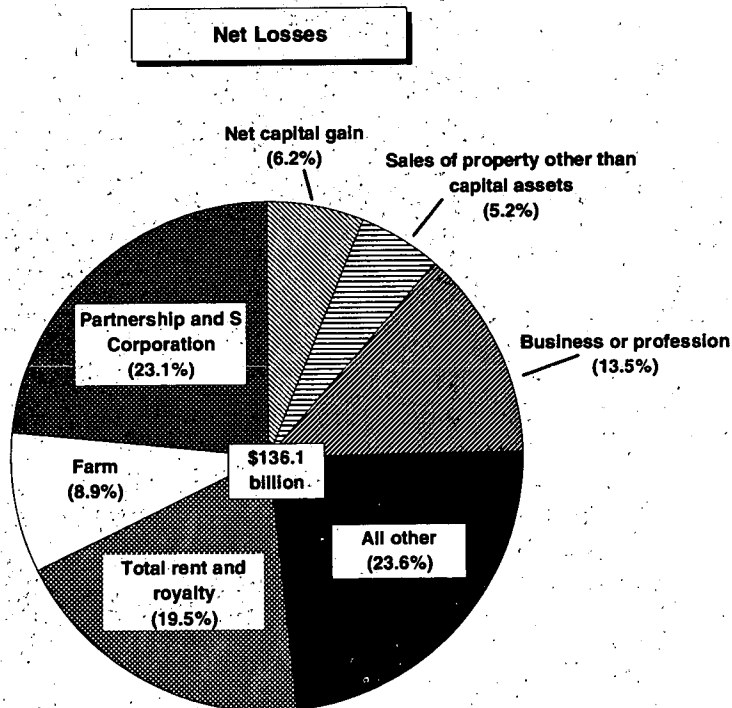
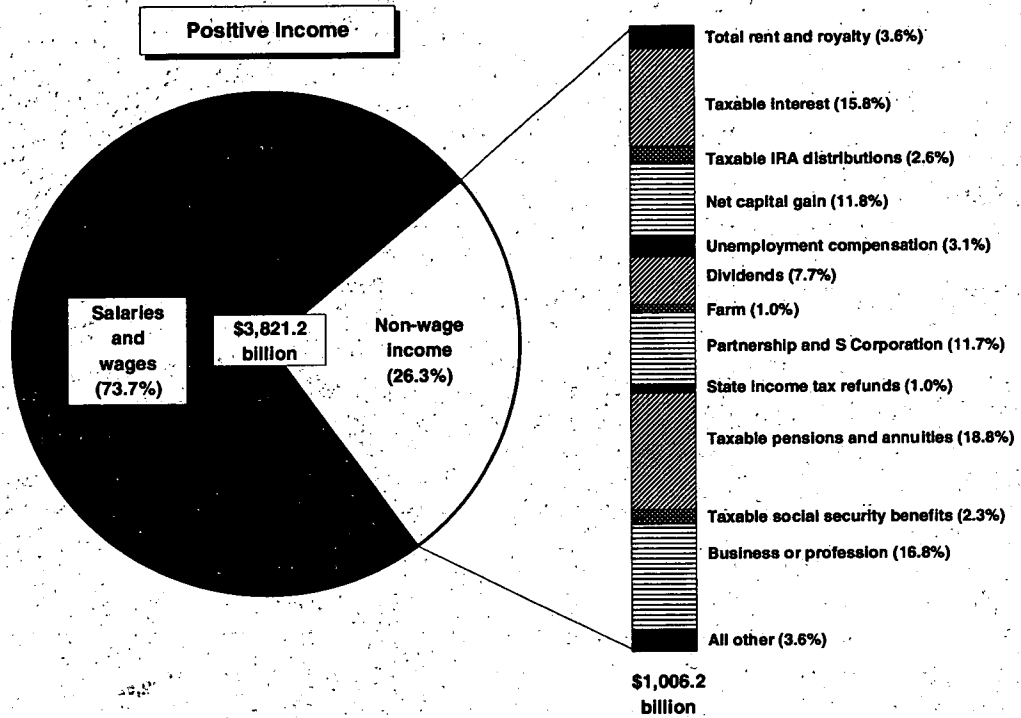
³ Represents only data reported on the residual line of Form 1040, except the foreign earned income exclusion.

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

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Figure F

Source of Total Positive Income and Net Losses in Adjusted Gross Income, Tax Year 1992



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

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Figure G

Selected Statutory Adjustments, Tax Years 1991 and 1992

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

Adjustments	1991 (preliminary)		1992 (preliminary)		Percentage increase in amount
	Number of returns	Amount	Number of returns	Amount	
	(1)	(2)	(3)	(4)	
Total statutory adjustments¹.....	16,977	34,217	17,120	34,755	1.6
Payments to an Individual Retirement Arrangement.....	4,715	9,150	4,537	8,836	-3.4
Self-employment tax deduction.....	11,732	10,447	12,144	11,252	7.7
Self-employed health insurance deduction.....	3,032	1,887	2,762	1,290	-31.6
Payments to a self-employed retirement (Keogh) plan..	841	6,807	915	7,369	8.3
Penalty on early withdrawal of savings.....	999	195	910	150	-23.5
Alimony paid.....	661	5,086	671	5,273	3.7

¹Includes adjustments not shown separately.

Figure H

Selected Itemized Deductions and the Standard Deduction, Tax Years 1991 and 1992

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

Item	1991 (preliminary)		1992 (preliminary)		Percentage increase in amount
	Number of returns ¹	Amount	Number of returns ¹	Amount	
	(1)	(2)	(3)	(4)	
Total itemized deductions before limitation.....	32,417	469,528	32,527	487,550	3.8
Medical and dental expenses.....	5,305	23,316	5,479	25,522	9.5
Taxes paid.....	31,916	146,489	31,960	159,523	8.9
Interest paid ²	27,346	208,119	27,315	203,853	-2.1
Home mortgage interest.....	26,941	197,936	26,961	194,023	-2.0
Contributions.....	29,541	60,162	29,641	63,430	5.4
Casualty or theft losses.....	122	811	117	2,033	150.7
Moving expenses.....	803	3,536	815	4,200	18.8
Miscellaneous expenses after limitation.....	7,408	24,994	7,571	26,610	6.5
Gambling loss and other miscellaneous deductions.....	709	2,099	739	2,379	13.3
Itemized deductions in excess of limitation.....	3,282	10,623	3,242	12,507	17.7
Total itemized deductions after limitation.....	32,417	458,905	32,527	475,043	3.5
Total standard deduction.....	81,612	352,862	80,257	368,041	4.3
Total deductions (after itemized deductions limitation).....	114,029	811,767	112,784	843,084	3.9

¹Returns with no adjusted gross income are not included in the deduction counts. For this reason, the sum of the number of returns with total itemized deductions and the number of returns with total standard deduction is less than the total number of returns for all filers.

²Includes investment interest and deductible mortgage "points," not shown separately.

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

Total itemized deductions (before limitation) increased 3.8 percent for 1992. Interest paid constituted the largest portion (41.8 percent), and home mortgage interest accounted for 95.3 percent of total interest deducted. The remaining portion was divided between investment interest and deductible points paid on a mortgage. The home mortgage interest deduction decreased 2.0 percent for 1992, after rising steadily for several years.

The AGI threshold for the limitation of itemized deduc-

tions was increased to \$105,250 (see *Changes in Law*). Total itemized deductions disallowed by the limitation amounted to \$12.5 billion, an increase of 17.7 percent over 1991.

Tax Credits

Total tax credits increased 4.1 percent for 1992, from \$7.1 billion to \$7.4 billion (Figure I). There were increases in three credits: the foreign tax credit, the general business

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Figure 1

Selected Tax Credits, Tax Years 1991 and 1992

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

Tax credit	1991 (preliminary)		1992 (preliminary)		Percentage increase in amount
	Number of returns	Amount	Number of returns	Amount	
	(1)	(2)	(3)	(4)	(5)
Total tax credits¹	12,767	7,108	12,730	7,396	4.1
Child care credit.....	5,913	2,529	5,979	2,524	-0.2
Earned income credit, total ²	6,205	2,091	5,980	2,066	-1.2
Credit for the elderly or disabled.....	285	57	243	52	-9.3
Foreign tax credit.....	875	1,710	1,074	1,824	6.7
General business credit.....	255	486	241	507	4.4
Credit for prior-year minimum tax.....	29	138	59	261	89.7

¹Includes credits not shown separately.

²Represents portion of earned income credit used to offset income tax before credits. Additional earned income credit amounts were used to offset other taxes (\$832 million for 1991 compared to \$997 million for 1992), and some amounts were either refundable or paid directly to the taxpayer (\$8.2 billion for 1991 compared to \$10.0 billion for 1992).

credit, and the credit for prior-year minimum tax.

The portion of the earned income credit (EIC) used to offset income tax *before* credits dropped slightly for 1992 after growing 28.6 percent for 1991. The main reason for the drop was a decline in the number of 1992 returns reporting income tax before credits.

The larger segment of the EIC was the refundable portion, which was paid directly to taxpayers who had no tax against which to apply the credit, or whose EIC exceeded income tax (and other taxes, such as the self-employment tax). The refundable portion of the EIC amounted to \$10.0 billion for 1992, up 21.8 percent from \$8.2 billion for 1991. The total EIC, including the refundable portion, equaled \$13.1 billion, a 17.4 percent increase over 1991.

Summary

Adjusted gross income and total positive income grew at higher rates for 1992 than they had for 1991; the growth of both outpaced inflation. The average tax rate decreased for most taxpayers; only individuals reporting AGI of \$200,000 or more had a higher average tax rate for 1992 than for 1991.

Unemployment compensation continued its recent rise, climbing 35.4 percent, while net capital gain (less loss) reversed a recent trend and increased 13.9 percent. Itemized deductions increased by 3.5 percent to \$475.0 billion, and taxable income grew 4.9 percent, reaching \$2.4 trillion. Rapid growth in the average income of higher income individuals contributed to an increase in total income tax of 6.2 percent, from \$448.2 billion to \$476.0 billion.

Definitions and Changes in Law

In general, the definitions used in this article are the same as those explained in *Statistics of Income—1990, 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 1992 preliminary data presented in this article:

- **Earned Income Credit.**—If a taxpayer's "earned income" and adjusted gross income for 1992 were both less than \$22,370, and a qualifying child lived with him or her, the taxpayer may have been allowed to claim the earned income credit. The income eligibility level, which was \$21,250 for 1991, was adjusted to reflect inflation.

The basic credit for 1992 could be as much as \$1,324 for one qualifying child, and as much as \$1,384 for two or more qualifying children, compared to \$1,192 and \$1,235, respectively, for 1991. The maximum amount of the health insurance credit was \$451, an increase of \$23 over 1991. The maximum amount of the extra credit for a child born in 1992 was \$375; compared to \$357 for 1991.

- **Exemption Amount.**—Indexing for inflation allowed a taxpayer to claim a \$2,300 deduction for each exemption to which he or she was entitled for 1992, an increase over the \$2,150 allowed for 1991. The threshold for the limitation of exemption amounts was also indexed for inflation, from \$100,000 to \$105,250 for single filers; \$150,000 to \$157,900 for married persons filing jointly and qualifying

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widow(er)s; \$125,000 to \$131,550 for heads of household; and \$75,000 to \$78,950 for married persons filing separately. The phaseout of the deduction for exemptions was completed at AGI levels above \$227,750 for single filers; \$280,400 for married persons filing jointly and qualifying widow(er)s; \$254,050 for heads of household; and \$140,200 for married persons filing separately. Above these levels, no deduction for exemptions was allowed.

- **Itemized Deductions.**—If a taxpayer's AGI was greater than \$105,250 (\$56,250 if married filing separately), his or her itemized deductions may have been limited; the threshold was increased from \$100,000 (\$50,000) for 1991, as a result of inflation indexing. The limitation did not apply to deductions for medical and dental expenses, investment interest expenses, casualty or theft losses, and gambling losses; all other deductions were subject to the limitation. To arrive at allowable itemized deductions, total itemized deductions were reduced by the smaller of (a) 80 percent of the non-exempt deductions, or (b) 3 percent of the amount of AGI in excess of the limitation threshold.
- **Self-employed Health Insurance Deduction.**—Prior to 1992, self-employed persons, or owners of more than 2 percent of the outstanding stock of an S Corporation, could deduct, in the calculation of AGI, up to 25 percent of the amount paid for health insurance for themselves and their families. The provision expired on July 1, 1992; therefore, only the amounts paid prior to that date could be deducted on 1992 returns. The Omnibus Budget Reconciliation Act of 1993 extended the provision retroactively for the period July 1, 1992, through December 31, 1993. Taxpayers had to file an amended return if they wished to take advantage of the extension, but amended returns were not reflected in these estimates [9].
- **Self-employment Tax.**—The ceilings on taxable "self-employment income" were raised for 1992, to \$55,500 for self-employment tax, and \$130,200 for medicare tax. The limits were \$53,400 and \$125,000, respectively, for 1991. (Self-employment taxes and medicare taxes are reflected in the statistics for "total tax liability.")
- **Standard Deduction.**—The standard deduction increased for 1992 as a result of inflation indexing. For single filers, the standard deduction rose from \$3,400 to \$3,600; for persons married filing jointly or

qualifying widow(er)s, from \$5,700 to \$6,000; for persons married filing separately, from \$2,850 to \$3,000; and for heads of household, from \$5,000 to \$5,250.

- **Tax Brackets.**—To counterbalance the effects of inflation, the tax brackets were widened for 1992. The 15-percent bracket applied to taxable income equal to or below \$21,450 for single filers; \$35,800 for joint filers or qualifying widow(er)s; \$17,900 for married persons filing separately; and \$28,750 for heads of household. The 28 percent tax bracket applied to taxable income in excess of the 15 percent bracket ceiling and equal to or below \$51,900 for single filers; \$86,500 for joint filers or qualifying widow(er)s; \$43,250 for married persons filing separately; and \$74,150 for heads of household. The 31 percent tax rate applied to taxable income in excess of the upper boundary for the 28 percent tax bracket.

Data Sources and Limitations

These preliminary statistics are based on a sample of individual income tax returns (Forms 1040, 1040A, 1040EZ, Form 1040PC, and electronically-filed returns) filed during Calendar Year 1993. Returns in the sample were stratified based on (a) return type (i.e., Form 1040 including Form 1040PC, 1040A, or 1040EZ); (b) the presence or absence of specific forms or schedules; and (c) the larger of total positive income or total negative income [10]. Returns were then selected at rates ranging from 0.02 percent to 100 percent. The preliminary 1992 data are based on a sample of 88,023 returns and an estimated final population of 115,102,585 returns. The corresponding sample and population for the preliminary 1991 data were 106,924 and 115,438,439 returns, respectively.

The data presented here are estimates based on a sample of returns filed, and are, therefore, subject to sampling error. To properly use the statistical data provided, the magnitude of the potential sampling error must be known; coefficients of variation (CV's) are used to measure that magnitude.

Approximate CV's for frequency estimates are presented in Figure J. These approximate CV's are intended only as a general indication of the reliability of the data. For a number other than those shown, the corresponding CV can be estimated by interpolation. The reliability of estimates based on samples, and the use of coefficients of variation for evaluating the precision of estimates based on samples, are discussed in the appendix to this issue of the *Bulletin*.

While the preliminary estimates are intended to repre-

Individual Income Tax Returns, Preliminary Data, 1992

Figure J

Coefficients of Variation for Selected Frequency Estimates, Tax Year 1992

Number of returns	Approximate coefficient of variation
51,451,500.....	0.01
12,862,900.....	0.02
2,058,100.....	0.05
514,500.....	0.10
128,600.....	0.20
57,200.....	0.30
42,000.....	0.35
20,600.....	0.50

sent a full year of taxpayer reporting, they are actually based on returns processed for tax administration purposes between January and late September of 1993. In general, returns processed during the remainder of each year tend to have somewhat different characteristics compared with the returns processed earlier. These characteristics include disproportionately large amounts of investment income and alternative minimum tax.

All comparisons between 1992 and 1991 are based on preliminary estimates of each year. Figure K provides a comparison of 1991 preliminary and final data. Certain items, such as AGI and salaries and wages, which are reported on most returns, changed little. In contrast, other items, including the alternative minimum tax, partnership and S Corporation net losses, and "other" income less loss tend to be understated in all preliminary estimates.

Notes and References

[1] U.S. Department of Labor, Bureau of Labor Statistics, *Monthly Labor Review*. The consumer price index (CPI-U) represents annual averages of monthly figures; reflects buying patterns of all urban consumers.

1992 CPI-U = 140.3;

1991 CPI-U = 136.2;

1990 CPI-U = 130.7

[2] "Preliminary estimates" differ from the "early tax estimates" published in the Fall 1993 edition of the *Bulletin*. The preliminary estimates in this article represent estimated totals expected for the full tax year, based on returns processed by the Internal Revenue Service through September 1993. The early tax estimates do not represent the full tax year. Rather, they represent data only from returns filed through April 15.

[3] Mean (or average) taxable income is defined as the amount of taxable income divided by the number of taxable returns. Mean total income tax is defined as the amount of total income tax divided by the number of taxable returns.

[4] *Emergency Unemployment Compensation Act 1991*, PL 102-164, November 15, 1991, as amended by PL 102-182, November 26, 1991, and extended by PL

Figure K

Comparison of Selected Preliminary and Final Data, Tax Year 1991

[Money amounts are in millions of dollars]

Item	1991 preliminary data (1)	1991 final data (2)	Increase from preliminary to final data (3)	Percentage increase from preliminary to final data (4)
Adjusted gross income (less deficit).....	3,471,537	3,464,524	-7,013	-0.2
Salaries and wages.....	2,678,571	2,674,261	-4,310	-0.2
Sales of capital assets, net gain less loss...	96,505	102,776	6,271	6.5
Partnership and S Corporation:				
Net income.....	101,565	109,117	7,552	7.4
Net loss.....	35,349	45,927	10,578	29.9
Other income:				
Net income.....	21,302	22,420	1,118	5.3
Net loss.....	32,456	42,505	10,049	31.0
Total itemized deductions.....	458,905	467,686	8,781	1.9
Interest paid deduction.....	208,119	213,725	5,606	2.7
Total tax credits.....	7,108	7,286	178	2.5
Total income tax.....	448,186	448,430	244	0.1
Alternative minimum tax.....	1,004	1,213	209	20.8

Individual Income Tax Returns, Preliminary Data, 1992

102-294, February 7, 1992.

[5] *Economic Report of the President*, 1993, p. 382.

[6] For the purposes of this article, total positive income was a compilation of all income items on individual income tax returns (Forms 1040, 1040A, 1040EZ, 1040PC, and electronically-filed returns) for which a positive amount was reported by the taxpayer. The Form 1040 income tax return entry for Schedule E, *Supplemental Income and Loss*, was separated into the following components: rent and royalty net income, partnership and S Corporation net income, and estate and trust net income. When any of these components was positive on a return, the corresponding income (rather than the netted total amount from Schedule E) was included in the statistics for total positive income.

[7] For example, rent and royalty net income rose by 7.5 percent, from \$33.9 billion to \$36.5 billion. Rent and royalty net loss decreased 5.9 percent, from \$28.2 billion to \$26.5 billion. The net income

(less loss), however, increased 73.8 percent. The small percentage changes in the positive and negative portions led to a large percentage change in the total because the respective portions are similar in size.

[8] Detailed information regarding nonfarm sole proprietorships will be included in the Fall 1994 issue of the *Bulletin*.

[9] Strudler, Michael, Curry, Jeffrey B., and Alvord, Stephanie R., "Individual Income Tax Returns, 1992: Early Tax Estimates," *Statistics of Income Bulletin*, Fall 1993, Volume 13, Number 2.

[10] Returns in the sample were stratified based on the presence or absence of one or more of the following forms or schedules: Form 2555, *Foreign Earned Income*; Form 1116, *Computation of Foreign Tax Credit*; Schedule C, *Profit (or Loss) from Business or Profession*; Schedule F, *Farm Income and Expenses*; and Form 4835, *Farm Rental Income (or Loss)*.

Individual Income Tax Returns, Preliminary Data, 1992

Table 1.—All Returns: Selected Income, Adjustments, Deductions, and Tax Items, by Size of Adjusted Gross Income

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

Size of adjusted gross income	Number of returns	Adjusted gross income (less deficit)	Selected sources of income or loss					
			Salaries and wages		Taxable interest		Tax-exempt interest ¹	
			Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
All returns.....	113,752,244	3,639,545,943	96,588,155	2,814,991,334	67,471,438	158,504,283	4,483,201	48,737,298
No adjusted gross income.....	937,147	-38,694,281	326,041	6,834,984	556,402	2,733,916	38,797	706,226
\$1 under \$5,000.....	14,955,893	37,956,532	11,950,764	32,812,205	5,607,706	3,459,649	129,080	602,635
\$5,000 under \$10,000.....	14,922,715	112,055,111	11,658,805	80,636,036	6,021,475	9,084,632	133,801	634,800
\$10,000 under \$15,000.....	13,271,635	165,070,936	10,448,100	119,273,133	5,820,848	11,759,313	248,218	1,087,692
\$15,000 under \$20,000.....	11,535,056	200,855,602	9,568,437	153,591,067	5,741,650	11,458,023	196,082	881,196
\$20,000 under \$25,000.....	9,565,855	214,386,532	8,271,471	169,944,032	5,291,833	10,325,282	235,258	1,700,903
\$25,000 under \$30,000.....	7,608,726	208,737,471	6,782,888	171,349,606	4,732,075	7,994,517	228,422	1,123,102
\$30,000 under \$40,000.....	12,333,088	428,816,292	11,283,099	358,793,057	8,684,851	13,722,098	472,632	3,105,324
\$40,000 under \$50,000.....	9,043,497	404,545,259	8,347,663	340,196,712	7,134,743	12,285,815	448,193	2,952,280
\$50,000 under \$75,000.....	11,830,854	714,292,017	10,955,938	595,899,857	10,457,330	21,212,831	901,673	7,095,494
\$75,000 under \$100,000.....	3,983,329	340,194,539	3,666,077	275,190,972	3,768,570	11,843,677	479,725	4,488,724
\$100,000 under \$200,000.....	2,810,209	367,863,258	2,512,326	263,194,812	2,718,515	14,539,726	590,619	6,739,532
\$200,000 under \$500,000.....	745,705	218,418,695	636,496	128,616,403	728,308	11,293,116	273,818	7,002,633
\$500,000 under \$1,000,000.....	141,491	95,313,137	121,729	51,218,957	140,308	5,782,153	75,152	3,406,815
\$1,000,000 or more.....	67,044	169,734,842	58,323	67,439,500	68,822	11,009,515	41,749	5,209,944
Taxable returns, total.....	86,896,849	3,484,274,451	75,382,410	2,660,361,811	58,893,660	143,472,031	4,209,821	43,769,110
Nontaxable returns, total.....	26,855,395	155,271,492	21,225,745	154,629,523	8,577,778	15,032,232	283,380	2,968,188

Size of adjusted gross income	Selected sources of income or loss—Continued							
	Dividends		State income tax refunds		Alimony received		Business or profession Net income	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	
All returns.....	23,773,040	77,517,269	16,808,254	9,729,316	466,562	4,478,891	11,717,502	169,171,408
No adjusted gross income.....	265,194	651,370	73,131	154,759	1,044	10,751	116,148	1,368,568
\$1 under \$5,000.....	1,434,414	1,110,305	82,967	33,859	18,855	28,295	1,003,782	2,297,051
\$5,000 under \$10,000.....	1,506,531	2,014,705	277,907	85,573	62,737	300,055	1,393,138	7,259,163
\$10,000 under \$15,000.....	1,719,689	2,931,827	345,736	113,616	65,445	334,544	1,094,859	8,009,286
\$15,000 under \$20,000.....	1,527,901	3,142,609	595,291	218,160	46,647	301,542	964,633	7,950,154
\$20,000 under \$25,000.....	1,388,774	3,061,398	791,462	277,733	52,489	371,097	850,154	8,342,883
\$25,000 under \$30,000.....	1,409,780	2,515,511	1,038,274	365,055	51,511	346,908	856,753	8,014,850
\$30,000 under \$40,000.....	2,766,740	5,557,454	2,506,222	962,570	76,049	811,081	1,374,598	14,434,331
\$40,000 under \$50,000.....	2,561,361	4,495,396	2,734,033	1,038,351	40,491	632,148	1,119,746	12,680,203
\$50,000 under \$75,000.....	4,497,256	11,334,980	4,792,171	2,282,406	23,928	428,884	1,552,248	23,787,219
\$75,000 under \$100,000.....	2,058,977	6,675,458	1,860,316	1,223,866	17,737	428,741	581,840	14,887,176
\$100,000 under \$200,000.....	1,855,391	10,216,102	1,273,476	1,345,144	6,876	333,266	597,330	30,849,549
\$200,000 under \$500,000.....	597,285	8,976,324	337,987	801,351	2,507	134,326	169,280	18,959,742
\$500,000 under \$1,000,000.....	124,161	4,534,517	65,159	346,703	139	1,162	30,113	5,446,680
\$1,000,000 or more.....	61,586	10,299,315	34,118	480,174	108	16,093	12,877	4,884,554
Taxable returns, total.....	21,494,569	73,656,194	15,875,484	9,212,741	384,862	4,164,648	8,762,717	151,744,247
Nontaxable returns, total.....	2,278,471	3,861,074	832,769	516,574	81,700	314,243	2,954,785	17,427,161

Note and footnotes at end of table.

Individual Income Tax Returns, Preliminary Data, 1992

Table 1.--All Returns: Selected Income, Adjustments, Deductions, and Tax Items, by Size of Adjusted Gross Income--Continued

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

Size of adjusted gross income	Selected sources of income or loss--Continued							
	Business or profession--Continued		Sales of capital assets reported on Form 1040, Schedule D				Capital gain distributions reported on Form 1040	
	Net loss		Net gain		Net loss in adjusted gross income			
	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.....	3,592,377	18,390,100	8,917,889	116,460,222	4,421,777	8,402,632	3,154,314	1,861,519
No adjusted gross income.....	329,898	5,091,402	107,311	3,227,639	155,123	382,435	21,219	6,131
\$1 under \$5,000.....	155,507	666,700	420,926	523,299	232,180	376,178	295,068	104,071
\$5,000 under \$10,000.....	212,529	896,387	487,993	1,055,135	276,749	522,523	206,013	88,058
\$10,000 under \$15,000.....	239,559	825,565	566,005	1,511,410	268,580	511,032	233,842	175,498
\$15,000 under \$20,000.....	248,317	1,007,473	596,909	1,731,926	265,020	476,141	181,928	91,541
\$20,000 under \$25,000.....	254,144	974,250	512,909	1,661,431	238,699	483,792	215,391	105,338
\$25,000 under \$30,000.....	253,938	926,734	462,858	1,490,469	258,772	451,987	185,935	162,283
\$30,000 under \$40,000.....	531,116	1,655,189	964,674	4,093,366	479,021	841,528	440,225	245,266
\$40,000 under \$50,000.....	377,127	1,300,307	834,803	4,307,411	406,251	711,462	357,243	246,242
\$50,000 under \$75,000.....	578,496	1,967,542	1,603,977	9,803,426	789,692	1,444,420	626,579	367,817
\$75,000 under \$100,000.....	190,601	830,433	852,548	7,655,440	419,097	825,108	263,423	176,105
\$100,000 under \$200,000.....	159,937	1,047,412	984,002	16,704,917	424,191	880,100	119,098	88,314
\$200,000 under \$500,000.....	47,731	677,408	388,903	16,850,491	160,343	373,534	7,525	2,272
\$500,000 under \$1,000,000.....	8,713	202,637	88,332	10,600,241	32,338	81,077	644	891
\$1,000,000 or more.....	4,765	320,659	45,740	35,243,624	15,721	41,315	183	1,694
Taxable returns, total.....	2,771,103	10,913,140	8,040,653	110,825,766	3,740,231	6,965,808	2,809,719	1,717,889
Nontaxable returns, total.....	821,273	7,476,960	877,236	5,834,457	681,546	1,436,824	244,595	143,630

Size of adjusted gross income	Selected sources of income or loss--Continued							
	Sales of property other than capital assets				Taxable individual Retirement Arrangement distributions		Pensions and annuities	
	Net gain		Net loss				Total	
	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.....	750,961	4,931,741	913,930	7,058,016	4,482,254	26,450,091	18,927,193	267,189,498
No adjusted gross income.....	29,218	277,434	64,254	3,254,508	25,049	256,856	102,904	1,289,987
\$1 under \$5,000.....	36,755	102,487	35,636	260,122	105,338	216,544	603,550	2,509,411
\$5,000 under \$10,000.....	45,006	143,299	53,362	209,979	381,793	999,635	2,031,717	10,355,685
\$10,000 under \$15,000.....	48,258	110,531	58,814	184,477	513,973	1,607,915	2,445,520	19,264,217
\$15,000 under \$20,000.....	69,814	226,473	34,733	83,169	462,834	1,775,619	2,269,901	21,952,244
\$20,000 under \$25,000.....	33,554	86,635	55,771	175,241	445,934	1,760,528	1,808,042	19,057,062
\$25,000 under \$30,000.....	55,574	166,763	38,175	143,121	370,261	1,463,132	1,301,458	15,749,906
\$30,000 under \$40,000.....	81,400	396,082	108,349	392,062	567,707	2,800,589	2,231,300	30,157,905
\$40,000 under \$50,000.....	62,198	385,426	79,062	220,115	479,537	2,838,286	1,765,996	32,001,359
\$50,000 under \$75,000.....	116,377	707,829	120,105	404,150	690,573	5,069,737	2,575,994	49,300,826
\$75,000 under \$100,000.....	54,522	461,663	68,719	323,059	221,740	2,504,300	945,201	24,574,759
\$100,000 under \$200,000.....	73,356	647,812	103,753	450,050	158,187	2,821,185	634,319	24,739,154
\$200,000 under \$500,000.....	28,968	538,931	62,751	469,414	47,870	1,402,081	163,579	9,718,694
\$500,000 under \$1,000,000.....	9,988	278,520	18,456	216,818	8,103	432,472	31,915	3,506,252
\$1,000,000 or more.....	5,977	401,858	11,990	271,733	3,356	501,211	15,795	3,012,039
Taxable returns, total.....	594,511	4,234,445	735,855	3,076,169	3,939,872	24,641,692	16,159,842	250,368,768
Nontaxable returns, total.....	156,450	697,296	178,074	3,981,847	542,382	1,808,399	2,767,350	16,820,731

Note and footnotes at end of table.

Individual Income Tax Returns, Preliminary Data, 1992

Table 1.--All Returns: Selected Income, Adjustments, Deductions, and Tax Items, by Size of Adjusted Gross Income--Continued

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

Size of adjusted gross income	Selected sources of income or loss--Continued							
	Pensions and annuities--Continued		Rent and royalty				Partnership and S Corporation	
	in adjusted gross income		Net income		Net loss		Net income	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
(33)	(34)	(35)	(36)	(37)	(38)	(39)	(40)	
All returns	17,852,743	189,069,183	5,136,250	36,474,159	4,804,752	26,544,507	3,120,327	118,051,129
No adjusted gross income.....	87,425	727,357	89,314	752,715	184,924	2,868,922	36,851	733,090
\$1 under \$5,000.....	555,476	1,359,061	220,757	398,245	140,753	692,102	98,881	253,195
\$5,000 under \$10,000.....	1,997,768	9,121,206	437,592	1,186,288	241,764	1,039,924	105,643	368,289
\$10,000 under \$15,000.....	2,390,833	16,626,494	447,882	1,638,621	263,357	1,028,455	136,084	680,153
\$15,000 under \$20,000.....	2,209,384	19,351,659	392,392	1,262,104	287,193	1,275,377	146,135	936,927
\$20,000 under \$25,000.....	1,739,599	17,021,033	380,698	1,369,179	281,991	1,219,255	164,854	872,371
\$25,000 under \$30,000.....	1,250,064	13,448,577	324,557	1,216,344	295,854	1,263,502	138,978	1,379,035
\$30,000 under \$40,000.....	2,096,183	23,444,490	525,439	2,436,720	675,392	2,870,665	274,943	2,124,376
\$40,000 under \$50,000.....	1,647,549	20,859,672	536,567	2,469,744	553,595	2,480,007	280,745	2,779,160
\$50,000 under \$75,000.....	2,358,459	35,127,259	790,878	4,558,001	979,533	5,255,098	529,566	6,809,338
\$75,000 under \$100,000.....	825,726	14,498,096	370,498	3,158,892	452,705	3,067,488	339,672	6,510,519
\$100,000 under \$200,000.....	528,333	11,193,982	377,158	6,023,440	350,992	2,178,989	488,036	18,906,076
\$200,000 under \$500,000.....	129,783	3,887,968	177,166	5,135,932	71,942	820,955	274,576	26,698,488
\$500,000 under \$1,000,000.....	23,806	1,164,895	42,685	2,285,056	16,564	274,202	68,914	14,085,361
\$1,000,000 or more.....	12,354	1,237,435	22,668	2,582,878	8,191	209,565	36,449	34,914,750
Taxable returns, total	15,210,799	176,805,847	4,267,097	33,501,206	4,099,386	20,689,526	2,836,194	115,729,823
Nontaxable returns, total	2,641,943	12,463,335	869,153	2,972,953	705,367	5,854,981	284,132	2,321,306

Size of adjusted gross income	Selected sources of income or loss--Continued							
	Partnership and S Corporation--Continued		Estate and trust				Unemployment compensation	
	Net loss		Net income		Net loss			
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
(41)	(42)	(43)	(44)	(45)	(46)	(47)	(48)	
All returns	2,029,932	31,380,175	415,550	4,374,815	55,454	562,576	10,373,763	31,565,678
No adjusted gross income.....	142,850	12,438,836	10,190	87,601	3,972	279,865	31,121	127,842
\$1 under \$5,000.....	60,458	487,434	30,072	31,975	5,726	8,273	356,542	634,418
\$5,000 under \$10,000.....	70,430	347,238	32,198	96,997	10,525	30,207	1,630,682	4,492,972
\$10,000 under \$15,000.....	95,918	506,223	28,614	70,927	1,494	2,811	1,511,019	4,471,012
\$15,000 under \$20,000.....	98,194	696,858	31,734	139,549	2,301	6,802	1,246,661	3,993,347
\$20,000 under \$25,000.....	98,052	657,494	16,573	104,936	356	19,661	1,119,679	3,975,883
\$25,000 under \$30,000.....	90,642	727,325	13,337	29,660	4,436	5,370	759,537	2,447,343
\$30,000 under \$40,000.....	203,086	1,185,043	34,626	208,976	4,674	6,205	1,309,225	3,932,494
\$40,000 under \$50,000.....	190,284	1,231,165	32,802	158,534	4,337	11,466	1,035,743	2,846,171
\$50,000 under \$75,000.....	358,770	2,303,063	63,562	404,171	3,858	77,530	1,067,715	3,550,433
\$75,000 under \$100,000.....	209,850	1,395,932	44,074	210,204	1,464	3,940	224,855	736,677
\$100,000 under \$200,000.....	254,500	2,979,698	41,127	529,941	7,539	35,284	71,539	315,758
\$200,000 under \$500,000.....	113,366	2,697,583	25,589	711,845	2,699	9,830	8,527	34,758
\$500,000 under \$1,000,000.....	28,918	1,484,887	6,853	369,524	1,410	8,596	810	4,665
\$1,000,000 or more.....	14,613	2,241,398	4,199	1,219,974	662	56,735	310	1,904
Taxable returns, total	1,690,368	17,022,302	365,167	4,204,636	41,964	234,976	7,971,597	24,829,084
Nontaxable returns, total	339,564	14,357,873	50,383	170,179	13,491	327,600	2,402,166	6,736,594

Note and footnotes at end of table.

Individual Income Tax Returns, Preliminary Data, 1992

Table 1.--All Returns: Selected Income, Adjustments, Deductions, and Tax Items, by Size of Adjusted Gross Income--Continued

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

Size of adjusted gross income	Selected sources of income or loss--Continued							
	Farm				Social security benefits			
	Net income		Net loss		Total		In adjusted gross income	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
(49)	(50)	(51)	(52)	(53)	(54)	(55)	(56)	
All returns.....	913,045	10,485,127	1,387,909	12,180,319	10,878,933	112,477,117	5,615,138	23,595,828
No adjusted gross income.....	19,719	249,082	102,570	2,299,801	107,651	1,028,137	2,378	8,763
\$1 under \$5,000.....	79,671	146,311	91,203	600,862	716,312	6,136,742	--	--
\$5,000 under \$10,000.....	97,329	308,047	106,892	787,825	1,408,301	12,690,186	23,769	78,832
\$10,000 under \$15,000.....	100,416	606,637	122,033	783,003	1,435,447	14,452,416	29,180	83,838
\$15,000 under \$20,000.....	85,679	681,751	96,444	745,809	1,030,513	10,609,585	48,159	88,347
\$20,000 under \$25,000.....	56,967	438,081	125,350	747,864	931,477	9,786,420	400,041	520,862
\$25,000 under \$30,000.....	86,415	1,048,110	99,034	548,640	819,870	8,846,782	678,647	1,166,179
\$30,000 under \$40,000.....	108,436	1,217,353	172,301	1,080,578	1,359,572	13,939,071	1,353,624	4,444,054
\$40,000 under \$50,000.....	107,567	1,337,735	181,283	1,056,047	982,182	9,739,184	982,182	4,578,435
\$50,000 under \$75,000.....	103,946	1,774,005	163,232	1,181,628	1,256,076	14,274,236	1,256,076	7,119,980
\$75,000 under \$100,000.....	32,809	849,553	70,206	521,594	403,768	4,990,464	403,768	2,495,236
\$100,000 under \$200,000.....	21,507	893,315	50,356	743,501	302,422	3,986,180	302,422	1,993,086
\$200,000 under \$500,000.....	9,469	470,651	20,176	605,196	96,370	1,532,949	96,370	766,473
\$500,000 under \$1,000,000.....	2,006	223,985	4,234	181,687	18,941	294,117	18,941	147,059
\$1,000,000 or more.....	1,106	240,511	2,596	296,286	10,032	170,647	10,032	85,324
Taxable returns, total.....	677,321	9,311,583	1,023,569	7,888,097	8,752,524	91,467,753	5,526,956	23,270,428
Nontaxable returns, total.....	235,724	1,173,544	364,340	4,292,222	2,126,409	21,009,364	88,182	325,400

Size of adjusted gross income	Selected statutory adjustments							
	Total statutory adjustments		Individual Retirement Arrangement payments (primary taxpayer)		Individual Retirement Arrangement payments (spouse)		Deduction for self-employment tax	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
(57)	(58)	(59)	(60)	(61)	(62)	(63)	(64)	
All returns.....	17,120,418	34,754,917	4,092,970	6,285,982	1,867,823	2,549,619	12,143,505	11,251,590
No adjusted gross income.....	191,500	272,294	18,026	30,266	7,732	10,299	143,541	103,898
\$1 under \$5,000.....	1,031,572	311,842	64,354	86,068	*2,495	*3,389	921,425	176,772
\$5,000 under \$10,000.....	1,861,334	1,102,053	167,387	244,098	23,886	41,902	1,400,327	560,915
\$10,000 under \$15,000.....	1,496,750	1,430,183	256,457	377,771	55,343	80,767	1,166,794	652,713
\$15,000 under \$20,000.....	1,529,359	1,884,318	391,342	647,683	87,612	111,652	1,068,170	702,982
\$20,000 under \$25,000.....	1,415,974	2,145,199	557,101	866,668	139,155	188,862	862,949	697,238
\$25,000 under \$30,000.....	1,337,230	1,932,683	473,171	672,144	160,140	246,543	838,749	693,563
\$30,000 under \$40,000.....	2,296,752	3,666,419	777,639	1,123,612	391,484	512,768	1,408,765	1,202,055
\$40,000 under \$50,000.....	1,786,775	3,018,190	530,503	654,611	390,983	405,719	1,144,581	1,104,758
\$50,000 under \$75,000.....	2,142,715	5,069,199	386,676	678,454	256,649	383,242	1,587,278	1,939,952
\$75,000 under \$100,000.....	870,593	3,295,449	191,239	366,764	138,093	219,077	626,024	1,019,391
\$100,000 under \$200,000.....	954,883	5,949,387	198,006	380,729	149,242	242,273	714,995	1,625,837
\$200,000 under \$500,000.....	315,928	3,519,632	63,257	123,095	51,016	81,951	213,601	639,038
\$500,000 under \$1,000,000.....	59,269	745,671	12,311	23,404	9,936	15,157	32,354	96,862
\$1,000,000 or more.....	29,784	412,402	5,500	10,613	4,057	6,021	13,954	35,618
Taxable returns, total.....	13,761,632	32,284,776	3,866,273	5,963,378	1,779,224	2,422,439	9,181,630	9,866,778
Nontaxable returns, total.....	3,358,787	2,470,141	226,697	322,604	88,598	127,180	2,961,876	1,384,813

Note and footnotes at end of table.

Individual Income Tax Returns, Preliminary Data, 1992

Table 1.--All Returns: Selected Income, Adjustments, Deductions, and Tax Items, by Size of Adjusted Gross Income--Continued

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

Size of adjusted gross income	Selected statutory adjustments--Continued						Basic standard deduction	
	Self-employed health insurance deduction		Payments to self-employed retirement (Keogh) plans		Alimony paid		Number of returns	Amount
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount		
(65)	(66)	(67)	(68)	(69)	(70)	(71)	(72)	
All returns	2,761,532	1,290,286	914,527	7,369,123	671,354	5,273,296	80,256,754	356,610,247
No adjusted gross income.....	43,521	18,866	1,931	11,685	9,273	89,823	-	-
\$1 under \$5,000.....	77,351	18,648	1,428	11,720	5,867	12,588	14,773,529	45,993,201
\$5,000 under \$10,000.....	203,875	66,829	2,373	3,080	39,855	145,332	14,312,304	60,751,331
\$10,000 under \$15,000.....	272,075	102,215	21,342	44,014	32,651	151,394	12,336,303	56,256,987
\$15,000 under \$20,000.....	241,865	96,744	24,306	41,061	50,862	258,158	10,061,979	46,855,189
\$20,000 under \$25,000.....	221,226	103,093	19,288	52,824	36,139	187,918	7,922,557	37,660,969
\$25,000 under \$30,000.....	212,561	84,728	28,077	73,846	37,278	138,649	5,536,630	27,014,576
\$30,000 under \$40,000.....	303,666	144,179	63,185	212,802	86,585	448,929	7,728,005	39,681,218
\$40,000 under \$50,000.....	270,344	124,803	85,172	284,133	68,514	381,816	3,982,962	21,929,977
\$50,000 under \$75,000.....	345,181	149,976	178,674	716,445	135,776	913,455	2,988,873	16,953,558
\$75,000 under \$100,000.....	161,370	96,476	140,815	832,750	59,286	692,855	406,854	2,358,319
\$100,000 under \$200,000.....	255,821	168,418	226,476	2,556,657	75,909	911,719	146,319	827,347
\$200,000 under \$500,000.....	115,662	86,185	98,982	2,029,151	23,757	517,663	45,212	241,477
\$500,000 under \$1,000,000.....	24,116	18,400	16,263	372,990	6,117	212,716	10,105	57,275
\$1,000,000 or more.....	12,897	10,722	6,216	135,969	3,483	210,281	5,123	28,824
Taxable returns, total	2,267,894	1,086,857	890,967	7,315,680	617,229	4,951,718	56,244,921	249,437,614
Nontaxable returns, total	493,638	203,430	23,560	53,444	54,125	321,577	24,011,833	107,172,633

Size of adjusted gross income	Additional standard deduction for age or blindness		Total itemized deductions after limitation		Selected itemized deductions			
					Medical and dental expense deduction		Taxes paid deduction	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
(73)	(74)	(75)	(76)	(77)	(78)	(79)	(80)	
All returns	10,738,712	11,430,316	32,526,523	475,043,328	5,479,336	25,522,221	31,960,203	159,523,149
No adjusted gross income.....	-	-	-	-	-	-	-	-
\$1 under \$5,000.....	892,354	883,245	179,843	1,727,704	108,792	553,930	154,223	285,270
\$5,000 under \$10,000.....	2,337,535	2,347,828	600,741	5,509,113	367,816	2,096,773	521,289	830,994
\$10,000 under \$15,000.....	2,306,390	2,480,625	922,550	8,819,943	549,443	3,059,613	829,162	1,345,526
\$15,000 under \$20,000.....	1,571,471	1,714,897	1,469,716	14,198,814	672,161	3,917,522	1,375,399	2,488,499
\$20,000 under \$25,000.....	1,065,643	1,186,026	1,639,937	15,721,051	681,721	2,827,776	1,596,860	3,392,108
\$25,000 under \$30,000.....	592,891	635,404	2,072,096	19,845,897	577,666	2,460,919	2,026,042	4,502,931
\$30,000 under \$40,000.....	789,827	852,361	4,605,084	46,588,306	882,419	3,115,500	4,538,819	11,898,083
\$40,000 under \$50,000.....	502,695	549,315	5,060,535	56,199,162	668,457	2,321,148	5,019,420	16,210,431
\$50,000 under \$75,000.....	519,311	587,279	8,841,981	119,289,691	697,763	2,723,476	8,793,313	38,117,799
\$75,000 under \$100,000.....	101,971	123,938	3,576,475	63,322,932	179,826	1,154,765	3,558,069	22,099,894
\$100,000 under \$200,000.....	42,447	50,479	2,663,822	67,849,167	85,302	976,911	2,657,338	26,093,678
\$200,000 under \$500,000.....	12,720	14,985	700,493	30,396,365	7,038	253,964	697,679	15,338,105
\$500,000 under \$1,000,000.....	2,196	2,507	131,329	10,581,308	722	42,851	130,884	6,677,421
\$1,000,000 or more.....	1,260	1,430	61,921	14,993,875	210	17,072	61,707	10,242,411
Taxable returns, total	7,944,546	8,417,167	30,612,981	444,082,837	4,324,469	15,039,124	30,276,458	155,638,643
Nontaxable returns, total	2,794,166	3,013,149	1,913,542	30,960,492	1,154,867	10,483,097	1,683,746	3,884,506

Note and footnotes at end of table.

Individual Income Tax Returns, Preliminary Data, 1992

Table 1.--All Returns: Selected Income, Adjustments, Deductions, and Tax Items, by Size of Adjusted Gross Income--Continued

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

Size of adjusted gross income	Selected itemized deductions--Continued							
	Interest paid deduction		Contributions deduction		Moving expense deduction		Net miscellaneous deductions after limitation	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(81)	(82)	(83)	(84)	(85)	(86)	(87)	(88)
All returns	27,314,779	203,852,819	29,641,121	63,430,132	814,663	4,199,905	7,571,357	26,610,085
No adjusted gross income.....	--	--	--	--	--	--	--	--
\$1 under \$5,000.....	122,475	741,848	111,417	51,887	*981	*34	46,268	78,502
\$5,000 under \$10,000.....	380,732	1,906,699	425,339	418,995	*12,618	*31,453	125,353	180,475
\$10,000 under \$15,000.....	566,964	2,937,389	721,715	777,372	*11,458	*26,812	214,882	567,708
\$15,000 under \$20,000.....	983,523	5,157,415	1,189,834	1,580,599	20,722	46,291	340,719	889,653
\$20,000 under \$25,000.....	1,222,311	6,466,091	1,368,137	1,578,787	*27,700	*67,539	434,298	1,260,599
\$25,000 under \$30,000.....	1,664,082	8,828,327	1,803,804	2,386,531	45,528	96,601	526,900	1,376,619
\$30,000 under \$40,000.....	3,884,751	21,455,150	4,148,685	5,947,669	105,422	318,564	1,162,830	3,189,416
\$40,000 under \$50,000.....	4,386,954	26,205,951	4,650,212	6,797,351	93,655	373,336	1,259,760	3,973,005
\$50,000 under \$75,000.....	7,889,821	55,270,838	8,333,757	14,542,089	216,380	1,072,841	1,911,384	5,931,490
\$75,000 under \$100,000.....	3,168,743	27,775,883	3,443,354	7,911,861	120,586	731,304	863,921	3,300,665
\$100,000 under \$200,000.....	2,295,304	28,935,653	2,581,969	8,961,838	134,945	1,138,952	551,976	3,523,777
\$200,000 under \$500,000.....	593,377	11,785,444	674,337	5,133,820	20,872	239,085	112,796	1,340,802
\$500,000 under \$1,000,000.....	106,615	3,224,535	128,223	2,307,540	*2,710	*41,573	14,604	403,680
\$1,000,000 or more.....	49,128	3,161,595	60,336	5,033,792	1,085	15,519	5,664	503,696
Taxable returns, total	25,948,539	191,967,430	28,279,322	61,690,270	782,943	4,149,091	7,149,566	25,366,768
Nontaxable returns, total	1,366,240	11,885,388	1,361,799	1,739,861	21,719	50,815	421,791	1,243,317

Size of adjusted gross income	Selected itemized deductions--Cont'd				Exemptions		Taxable income	
	Gambling loss and other miscellaneous deductions		Itemized deductions in excess of limitation				Total	
	Number of returns	Amount	Number of returns	Amount	Number of exemptions	Amount	Number of returns	Amount
	(89)	(90)	(91)	(92)	(93)	(94)	(95)	(96)
All returns	738,752	2,379,680	3,242,570	12,507,197	230,998,367	524,182,006	90,906,949	2,396,902,332
No adjusted gross income.....	--	--	--	--	1,744,115	3,962,239	--	--
\$1 under \$5,000.....	6,264	9,647	--	--	12,629,341	28,933,066	3,872,699	2,263,999
\$5,000 under \$10,000.....	11,276	35,609	--	--	22,182,473	50,901,593	7,955,402	17,715,328
\$10,000 under \$15,000.....	33,160	72,774	--	--	24,194,076	55,491,180	10,444,473	50,432,704
\$15,000 under \$20,000.....	29,463	68,387	--	--	22,534,512	51,722,412	10,892,798	89,274,455
\$20,000 under \$25,000.....	52,426	113,580	--	--	19,603,053	44,998,511	9,378,241	115,870,710
\$25,000 under \$30,000.....	51,556	145,124	--	--	16,536,941	37,970,909	7,506,890	123,947,449
\$30,000 under \$40,000.....	107,279	158,524	--	--	29,516,108	67,802,935	12,279,538	274,285,339
\$40,000 under \$50,000.....	89,342	250,665	--	--	24,227,929	55,669,179	9,025,904	270,305,327
\$50,000 under \$75,000.....	196,045	589,458	73,449	23,723	35,045,627	80,513,964	11,809,414	497,936,986
\$75,000 under \$100,000.....	73,336	153,475	29,069	27,920	11,693,170	26,868,086	3,980,283	247,684,771
\$100,000 under \$200,000.....	61,271	312,792	2,251,731	2,128,028	8,285,367	18,325,165	2,807,969	280,896,864
\$200,000 under \$500,000.....	19,174	203,813	695,606	3,937,051	2,214,119	1,020,403	744,973	186,830,459
\$500,000 under \$1,000,000.....	5,151	95,124	130,934	2,218,328	406,780	1,798	141,368	84,712,582
\$1,000,000 or more.....	2,354	170,609	61,782	4,172,148	184,755	566	66,998	154,745,359
Taxable returns, total	685,200	2,122,037	3,239,538	12,500,460	176,163,091	398,451,858	86,870,632	2,386,102,013
Nontaxable returns, total	53,552	257,644	3,032	6,737	54,835,276	125,730,148	4,036,317	10,800,319

Note and footnotes at end of table.

Individual Income Tax Returns, Preliminary Data, 1992

Table 1.--All Returns: Selected Income, Adjustments, Deductions, and Tax Items, by Size of Adjusted Gross Income--Continued

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

Size of adjusted gross income	Taxable income--Continued		Income tax before credits		Total tax credits		Income tax after credits
	Schedule D gain taxed at 28 percent		Number of returns	Amount	Number of returns	Amount	Number of returns
	Number of returns	Amount					
	(97)	(98)	(99)	(100)	(101)	(102)	(103)
All returns.....	1,494,392	67,739,354	90,820,502	482,221,869	12,730,229	7,396,191	86,875,661
No adjusted gross income.....	--	--	3,908	14,479	917	264	3,137
\$1 under \$5,000.....	--	--	3,803,059	361,186	47,153	783	3,795,381
\$5,000 under \$10,000.....	--	--	7,942,949	2,673,813	209,561	27,330	7,767,780
\$10,000 under \$15,000.....	--	--	10,442,356	7,612,835	2,179,815	712,190	8,400,019
\$15,000 under \$20,000.....	--	--	10,891,052	13,427,705	3,041,164	1,563,895	9,357,909
\$20,000 under \$25,000.....	--	--	9,373,958	17,433,372	1,689,963	567,723	9,264,737
\$25,000 under \$30,000.....	--	--	7,507,873	18,810,421	577,883	269,295	7,479,886
\$30,000 under \$40,000.....	--	--	12,278,376	44,180,165	1,060,371	441,152	12,255,290
\$40,000 under \$50,000.....	--	--	9,025,904	44,230,471	1,014,511	500,975	9,012,283
\$50,000 under \$75,000.....	129,034	796,268	11,809,472	89,459,395	1,622,748	754,095	11,801,573
\$75,000 under \$100,000.....	129,381	1,610,912	3,980,283	51,922,712	577,655	374,417	3,977,572
\$100,000 under \$200,000.....	751,547	11,848,705	2,807,970	67,879,063	460,671	634,993	2,807,165
\$200,000 under \$500,000.....	360,535	13,799,032	744,974	52,548,455	174,880	551,883	744,640
\$500,000 under \$1,000,000.....	81,623	8,999,631	141,370	25,038,069	44,717	272,349	141,328
\$1,000,000 or more.....	42,272	30,684,805	66,998	46,629,729	28,222	724,847	66,959
Taxable returns, total.....	1,494,357	67,735,630	86,885,762	480,590,783	8,795,489	5,765,106	86,875,661
Nontaxable returns, total.....	35	3,724	3,934,741	1,631,085	3,934,741	1,631,085	--

Size of adjusted gross income	Income tax after credits--Continued	Alternative minimum tax		Total income tax ²		Total tax liability ³	
	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
		(104)	(105)	(106)	(107)	(108)	(109)
All returns.....	474,825,678	273,396	1,138,238	86,896,849	475,963,901	89,135,677	499,147,576
No adjusted gross income.....	14,215	4,289	40,095	7,127	54,295	141,913	264,349
\$1 under \$5,000.....	360,403	17,144	3,153	3,797,380	363,553	4,551,294	666,446
\$5,000 under \$10,000.....	2,646,482	4,310	2,532	7,768,279	2,649,015	8,300,449	3,453,612
\$10,000 under \$15,000.....	6,900,643	2,815	5,098	8,401,184	6,905,741	8,786,448	7,841,349
\$15,000 under \$20,000.....	11,863,811	436	469	9,358,293	11,864,279	9,635,976	13,219,621
\$20,000 under \$25,000.....	16,865,650	192	2,698	9,264,760	16,868,548	9,340,229	18,330,470
\$25,000 under \$30,000.....	18,541,127	3,593	5,131	7,479,909	18,546,258	7,521,783	20,022,329
\$30,000 under \$40,000.....	43,739,013	3,886	3,155	12,255,303	43,742,168	12,276,327	46,344,414
\$40,000 under \$50,000.....	43,729,496	13,577	19,053	9,018,527	43,748,549	9,028,223	46,150,074
\$50,000 under \$75,000.....	88,705,300	40,742	67,091	11,803,359	88,772,391	11,809,042	93,044,354
\$75,000 under \$100,000.....	51,548,294	49,513	92,135	3,981,672	51,640,429	3,982,248	53,895,072
\$100,000 under \$200,000.....	67,244,070	79,624	258,982	2,807,509	67,503,052	2,808,020	70,940,080
\$200,000 under \$500,000.....	51,996,573	42,864	293,154	745,120	52,289,727	745,274	53,637,031
\$500,000 under \$1,000,000.....	24,765,719	7,405	137,886	141,414	24,903,606	141,430	25,110,655
\$1,000,000 or more.....	45,904,883	3,026	207,406	67,011	46,112,289	67,023	46,227,720
Taxable returns, total.....	474,825,678	273,101	1,138,223	86,896,849	475,963,901	86,896,849	497,254,777
Nontaxable returns, total.....	--	296	15	--	--	2,238,829	1,892,799

¹ Not included in adjusted gross income.

² Total income tax represents income tax after credits (including the earned income credit), plus alternative minimum tax.

³ Total tax liability represents income tax after credits (including the earned income credit), plus alternative minimum tax, plus any other additional taxes, e.g., self-employment tax and penalty tax on Individual Retirement Arrangements (IRA's).

⁴ A return with no "adjusted gross income" and no "taxable income" could still show "total income tax," if the tax was attributable to the "alternative minimum tax." See also, footnotes 2 and 3.

⁵ Estimate should be used with caution because of the small number of sample returns on which it is based.

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