

# Individual Income Tax Returns, Preliminary Data, 1999

## Data Release

**T**axpayers filed 127.1 million U.S. individual income tax returns for 1999, an increase of 1.9 percent from the 124.7 million returns filed for 1998. Adjusted gross income less deficit (AGI) increased 8.6 percent to nearly \$5.9 trillion for 1999. Taxable income increased 10.1 percent to nearly \$4.1 trillion. Total income tax increased 12.2 percent to \$879.8 billion, and the alternative minimum tax rose 34.3 percent to \$5.9 billion for 1999.

Figure A shows that the largest component of AGI, salaries and wages, increased 7.2 percent to \$4.2 trillion for 1999. The second largest component of AGI, net capital gain, increased 21.8 percent to \$516.8 billion. Taxable income from pensions and annuities rose 8.6 percent to \$309.4 billion, while Partnerships and S corporation net income rose 13.4 percent to \$242.5 billion. Dividends increased 12.9 percent to \$129.7 billion. Other income items with large percentage changes included taxable Social Security benefits, which increased 9.5 percent to \$76.5 billion, and Taxable Individual Retirement Arrangement (IRA) distributions which, rose 18.2 percent to \$87.8 billion. Also, unemployment compensation was up for the first time since 1992, increasing by 5.2 percent to \$17.6 billion. Taxable interest fell for 1999, declining 1.6 percent to \$166.1 billion.

Statutory adjustments to total income increased 10.5 percent to \$55.0 billion for 1999. The largest statutory adjustment was the deduction for one-half of self-employment tax, representing 29.2 percent of the total. This adjustment to income increased 4.9 percent to \$16.0 billion. The self-employed health insurance deduction increased 44.1 percent to \$6.4 billion, partially due to the 1999 change in law, which increased the deductible percentage from 45 percent to 60 percent of premiums. Payments to self-employed retirement plans rose 8.0 percent to \$11.3 billion. The medical savings account adjustment increased to \$77.2 million. The deduction for interest on qualified student loans increased 29.7 percent to \$2.3 billion.

Total deductions, the sum of the standard deductions and total itemized deductions (after limitation),

equaled \$1,187.4 billion, an increase of 6.1 percent from 1998. The number of returns claiming the standard deductions increased 0.2 percent, accounting for 67.6 percent of all returns filed and 39.2 percent of the total deductions amount. Mostly due to inflation indexing, the average standard deduction (comprised of the basic and additional standard deductions) increased 0.8 percent from \$5,379 for 1998 to \$5,420 for 1999. Itemized deductions were claimed on 31.6 percent of all returns filed for 1999 and represented 60.8 percent of the total deductions amount. The average total for itemized deductions (after limitation) was \$17,971, a 3.8-percent increase from the 1998 average of \$17,317. Due to the AGI limitation on itemized deductions, almost 5.5 million higher-income taxpayers were unable to deduct \$31.0 billion in itemized deductions, an increase of 19.7 percent from 1998. The interest paid deduction, comprising the largest portion (37.5 percent) of total itemized deductions, increased 7.7 percent to \$282.0 billion. The taxes paid deduction, accounting for 34.8 percent of the total, increased 10.3 percent to \$261.8 billion. The charitable contributions deduction increased 14.2 percent to \$120.3 billion.

Total tax credits used to offset income tax liabilities increased 21.0 percent to \$35.3 billion. Nearly 26.1 million taxpayers claimed \$19.4 billion in child tax credits, up 28.1 percent from 15.2 billion in 1998 (the child tax credit increased from \$400 to \$500 per child; see the Changes in Law section for more details), and 6.5 million returns showed education tax credits totaling \$4.8 billion, a 41.3-percent increase from \$3.4 billion in 1998. The foreign tax credit increased 12.2 percent to \$4.4 billion.

The total earned income credit (EIC) increased 1.6 percent to \$32.3 billion. The portion of the EIC used to offset income tax before credits decreased 13.7 percent to \$1.9 billion, and the portion of the EIC used to offset other taxes (such as the self-employment tax) rose 2.7 percent to more than \$2.4 billion. The largest part of the EIC, the refundable portion, was treated as a refund and paid directly to taxpayers who had no tax liability against which to apply the credit, or whose EIC exceeded income tax (and other taxes). The refundable portion of the EIC increased 2.7 percent to \$27.9 billion for 1999.

The comparisons of data for Tax Years 1998 and 1999 in this article are based on the preliminary estimates for both years. A few income and tax

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# Individual Income Tax Returns, Preliminary Data, 1999

Figure A

## Individual Income Tax Returns, Preliminary Data: Selected Income and Tax Items, Tax Years 1998 and 1999

[Money amounts are in thousands of dollars]

Item	1998	1999	Percentage increase
	(1)	(2)	(3)
<b>All returns.....</b>	<b>124,723,856</b>	<b>127,129,451</b>	<b>1.9</b>
Form 1040 returns.....	70,802,481	71,097,253	0.4
Form 1040A returns.....	26,131,575	29,434,276	12.6
Form 1040EZ returns <sup>1</sup> .....	20,954,921	21,342,923	1.9
Form 1040PC returns.....	6,834,879	5,254,999	-23.1
Electronically-filed returns <sup>1,2</sup> .....	29,259,767	36,007,349	23.1
<b>Adjusted gross income (less deficit).....</b>	<b>5,389,319,320</b>	<b>5,851,864,109</b>	<b>8.6</b>
Salaries and wages:			
Number of returns.....	106,695,214	108,500,979	1.7
Amount.....	3,894,442,329	4,173,901,611	7.2
Taxable interest:			
Number of returns.....	67,341,614	67,448,041	0.2
Amount.....	168,750,445	166,113,645	-1.6
Tax-exempt interest: <sup>3</sup>			
Number of returns.....	4,768,640	4,818,056	1.0
Amount.....	49,332,034	52,410,151	6.2
Dividends:			
Number of returns.....	30,336,310	32,216,236	6.2
Amount.....	114,898,584	129,749,161	12.9
State income tax refunds:			
Number of returns.....	19,563,294	20,891,575	6.8
Amount.....	13,716,888	16,989,017	23.9
Alimony received:			
Number of returns.....	441,235	418,963	-5.0
Amount.....	5,012,104	5,362,160	7.0
Business or profession net income:			
Number of returns.....	13,046,376	13,149,710	0.8
Amount.....	218,117,482	225,685,674	3.5
Business or profession net loss:			
Number of returns.....	4,001,532	4,149,337	3.7
Amount.....	22,294,162	24,072,650	8.0
Net capital gain: <sup>4</sup>			
Number of returns.....	20,840,396	22,503,368	8.0
Amount.....	424,304,797	516,776,841	21.8
Net capital loss:			
Number of returns.....	4,675,341	5,161,690	10.4
Amount.....	8,967,148	9,759,124	8.8
Sales of property other than capital assets, net gain:			
Number of returns.....	807,386	815,720	1.0
Amount.....	5,649,654	6,024,971	6.6
Sales of property other than capital assets, net loss:			
Number of returns.....	852,725	856,591	0.5
Amount.....	6,828,198	7,775,189	13.9
Taxable Individual Retirement Arrangement distributions:			
Number of returns.....	7,847,579	8,205,924	4.6
Amount.....	74,332,903	87,846,260	18.2
Taxable pensions and annuities:			
Number of returns.....	20,719,686	21,620,044	4.3
Amount.....	284,873,835	309,366,733	8.6
Rent and royalty net income:			
Number of returns.....	5,076,047	5,092,487	0.3
Amount.....	44,453,694	47,881,711	7.7
Rent and royalty net loss:			
Number of returns.....	4,480,572	4,262,077	-4.9
Amount.....	25,425,770	25,586,471	0.6

Footnotes at end of figure.

# Individual Income Tax Returns, Preliminary Data, 1999

Figure A (Continued)

## Individual Income Tax Returns, Preliminary Data: Selected Income and Tax Items, Tax Years 1998 and 1999--Continued

[Money amounts are in thousands of dollars]

Item	1998	1999	Percentage increase
	(1)	(2)	(3)
Partnership and S corporation net income:			
Number of returns.....	3,740,965	3,877,027	3.6
Amount.....	213,858,319	242,513,097	13.4
Partnership and S corporation net loss:			
Number of returns.....	1,981,207	1,967,976	-0.7
Amount.....	37,868,870	42,608,014	12.5
Estate and trust net income:			
Number of returns.....	460,419	496,069	7.7
Amount.....	9,345,555	9,651,762	3.3
Estate and trust net loss:			
Number of returns.....	42,879	35,822	-16.5
Amount.....	418,445	364,740	-12.8
Farm net income:			
Number of returns.....	680,638	739,056	8.6
Amount.....	9,102,540	9,640,808	5.9
Farm net loss:			
Number of returns.....	1,411,038	1,316,878	-6.7
Amount.....	16,197,867	14,973,116	-7.6
Unemployment compensation:			
Number of returns.....	7,099,220	6,841,602	-3.6
Amount.....	16,776,662	17,648,687	5.2
Taxable Social Security benefits:			
Number of returns.....	9,062,986	9,599,262	5.9
Amount.....	69,872,740	76,506,683	9.5
Total statutory adjustments:			
Number of returns.....	21,844,020	22,555,311	3.3
Amount.....	49,753,150	54,959,444	10.5
Payments to an Individual Retirement Arrangement:			
Number of returns.....	3,876,364	3,710,480	-4.3
Amount.....	8,209,082	7,954,060	-3.1
Student loan interest deduction:			
Number of returns.....	3,801,935	4,168,004	9.6
Amount.....	1,745,220	2,264,136	29.7
Medical savings account deduction:			
Number of returns.....	41,440	43,419	4.8
Amount.....	63,033	77,162	22.4
Moving expenses adjustment:			
Number of returns.....	811,857	981,233	20.9
Amount.....	1,701,184	2,218,630	30.4
Self-employment tax deduction:			
Number of returns.....	13,617,912	13,929,049	2.3
Amount.....	15,294,110	16,045,303	4.9
Self-employed health insurance deduction:			
Number of returns.....	3,257,792	3,365,821	3.3
Amount.....	4,470,325	6,442,545	44.1
Payments to a self-employed retirement (Keogh) plan:			
Number of returns.....	1,146,791	1,232,182	7.4
Amount.....	10,497,152	11,335,209	8.0
Penalty on early withdrawal of savings:			
Number of returns.....	832,023	804,478	-3.3
Amount.....	218,975	239,375	9.3
Alimony paid:			
Number of returns.....	579,322	604,989	4.4
Amount.....	6,564,239	6,995,197	6.6

Footnotes at end of figure.

# Individual Income Tax Returns, Preliminary Data, 1999

Figure A (Continued)

## Individual Income Tax Returns, Preliminary Data: Selected Income and Tax Items, Tax Years 1998 and 1999--Continued

[Money amounts are in thousands of dollars]

Item	1998	1999	Percentage increase
	(1)	(2)	(3)
<b>Total deductions:</b>			
Number of returns.....	123,760,759	126,108,967	1.9
Amount.....	1,119,132,208	1,187,368,667	6.1
Basic standard deduction:			
Number of returns.....	85,774,873	85,964,751	0.2
Amount.....	447,089,099	451,484,717	1.0
Additional standard deduction:			
Number of returns.....	11,227,340	11,356,998	1.2
Amount.....	14,252,500	14,470,836	1.5
<b>Total itemized deductions (after limitation):</b>			
Number of returns.....	37,985,887	40,144,217	5.7
Amount.....	657,790,608	721,413,114	9.7
Itemized deductions in excess of limitation:			
Number of returns.....	4,846,638	5,460,203	12.7
Amount.....	25,895,464	31,006,755	19.7
Medical and dental expenses deduction:			
Number of returns.....	5,494,566	5,841,259	6.3
Amount.....	31,709,067	34,974,567	10.3
Taxes paid deduction:			
Number of returns.....	37,397,393	39,497,292	5.6
Amount.....	237,276,925	261,806,711	10.3
Interest paid deduction:			
Number of returns.....	31,831,765	33,600,130	5.6
Amount.....	261,856,247	282,028,549	7.7
Charitable contributions deduction:			
Number of returns.....	33,720,851	35,526,300	5.4
Amount.....	105,340,735	120,251,416	14.2
<b>Taxable income:</b>			
Number of returns.....	100,820,014	102,971,370	2.1
Amount.....	3,758,885,170	4,137,122,733	10.1
<b>Income tax before credits:</b>			
Number of returns.....	100,814,912	102,960,952	2.1
Amount.....	808,559,373	909,086,973	12.4
<b>Total tax credits: <sup>5</sup></b>			
Number of returns.....	34,314,350	36,713,959	7.0
Amount.....	29,126,608	35,250,830	21.0
Child care credit:			
Number of returns.....	6,120,222	6,194,690	1.2
Amount.....	2,648,668	2,671,895	0.9
Credit for the elderly or disabled:			
Number of returns.....	178,568	182,994	2.5
Amount.....	35,414	33,907	-4.3
Child tax credit:			
Number of returns.....	24,877,278	26,050,261	4.7
Amount.....	15,170,677	19,431,882	28.1
Education tax credits:			
Number of returns.....	4,689,153	6,483,703	38.3
Amount.....	3,410,627	4,819,032	41.3
Adoption credit:			
Number of returns.....	40,882	47,698	16.7
Amount.....	82,706	103,154	24.7
Foreign tax credit:			
Number of returns.....	2,986,741	3,273,730	9.6
Amount.....	3,892,874	4,367,659	12.2

Footnotes at end of figure.

# Individual Income Tax Returns, Preliminary Data, 1999

Figure A (Continued)

## Individual Income Tax Returns, Preliminary Data: Selected Income and Tax Items, Tax Years 1998 and 1999--Continued

[Money amounts are in thousands of dollars]

Item	1998	1999	Percentage increase
	(1)	(2)	(3)
<b>General business credit:</b>			
Number of returns.....	263,734	268,107	1.7
Amount.....	629,907	662,667	5.2
<b>Prior-year minimum tax credit:</b>			
Number of returns.....	96,413	157,360	63.2
Amount.....	733,928	973,572	32.7
<b>Income tax after credits:</b>			
Number of returns.....	93,012,960	94,567,313	1.7
Amount.....	779,432,765	873,836,143	12.1
<b>Self-employment tax:</b>			
Number of returns.....	13,618,890	13,929,049	2.3
Amount.....	30,581,853	32,083,701	4.9
<b>Alternative minimum tax:</b>			
Number of returns.....	828,008	999,790	20.7
Amount.....	4,425,885	5,943,389	34.3
<b>Total earned income credit (EIC):</b>			
Number of returns.....	19,765,814	19,418,776	-1.8
Amount.....	31,777,371	32,270,099	1.6
<b>EIC used to offset income tax before credits:</b>			
Number of returns.....	5,942,233	5,399,063	-9.1
Amount.....	2,244,206	1,936,039	-13.7
<b>EIC used to offset other taxes:</b>			
Number of returns.....	3,168,054	3,175,489	0.2
Amount.....	2,357,834	2,421,037	2.7
<b>Excess EIC, refundable portion:</b>			
Number of returns.....	16,364,466	16,208,419	-1.0
Amount.....	27,175,330	27,913,023	2.7
<b>Additional child tax credit:</b>			
Number of returns.....	748,599	975,439	30.3
Amount.....	500,353	801,340	60.2
<b>Total income tax:</b>			
Number of returns.....	93,032,387	94,598,839	1.7
Amount.....	783,876,633	879,781,200	12.2
<b>Total tax liability:</b>			
Number of returns.....	95,432,653	97,136,668	1.8
Amount.....	815,934,420	913,547,069	12.0

<sup>1</sup> Includes TeleFile returns.

<sup>2</sup> Included in data for Forms 1040, 1040A, and 1040EZ.

<sup>3</sup> Not included in adjusted gross income.

<sup>4</sup> Includes capital gain distributions.

<sup>5</sup> Includes EIC used to offset income tax before credits.

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

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items tend to be understated in preliminary estimates; therefore, comparisons based on preliminary estimates for 1 year and final estimates for the previous year could be misleading. Comparisons based entirely on preliminary estimates reduce the likelihood of misinterpretation of the data and afford a more accurate representation of year-to-year changes. Final statistics for Tax Year 1998 are available in the Fall 2000 issue of the *Bulletin*.

### Changes in Law

In general, the definitions used in this article are the same as those in *Statistics of Income—1998, 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 1999 preliminary data presented in this article.

*Capital Gain Distributions.*—Beginning with 1999, taxpayers who had capital gains strictly from capital gain distributions did not have to report these gains on Schedule D. Instead, the capital gain distributions could have been reported directly on Form 1040.

*Child Tax Credits.*—Modifications were made to the child tax credit for 1999. In 1999, taxpayers were allowed a maximum tax credit of \$500 for each of their qualifying children under the age of 17, whereas for 1998, the maximum credit was \$400 per child.

*Earned Income Credit.*—The maximum amount of the earned income credit increased, as did the amounts of earned income and investment income an individual could have and still claim the credit. The maximum amount of investment income (interest, dividends and capital gain income) a taxpayer could have and still claim the credit increased to \$2,350 from \$2,250. The maximum credit for taxpayers with no qualifying children increased 1.8 percent to \$347. For these taxpayers, earned income and AGI had to be less than \$10,200 (up from \$10,030 for 1998). For taxpayers with one qualifying child, the maximum credit increased 1.8 percent to \$2,312, and, for taxpayers with two or more qualifying children, the maximum credit increased 1.6 percent to \$3,816. To be eligible for the credit, a taxpayer's earned income and AGI had to be less than \$26,928 for one qualifying child, or less than \$30,580 for two or more qualifying children.

*Inflation Indexing.*—The following items increased due to indexing for inflation: personal exemption amounts, the basic standard deduction amount, the tax bracket boundaries, the amount of earnings subject to self-employment tax, the beginning income amounts for limiting certain itemized deductions and the phaseout of personal exemptions.

*Interest on Student Loans.*—For 1999, eligible taxpayers were allowed to deduct up to \$1,500 of interest paid on qualified higher educational loans, up from \$1,000 for 1998. These loans must have gone towards qualified expenses of either the taxpayer, taxpayer's spouse, or any dependent of the taxpayer at the time the debt was incurred. The taxpayer's modified AGI must have been less than: \$55,000 if single, head of household, or qualifying widow(er); or \$75,000 if married filing jointly.

*Self-Employed Health Insurance Deduction.*—The maximum percentage of health insurance premiums of certain self-employed persons deducted as an adjustment to income increased to 60 percent (up from 45 percent for 1998) of the premiums paid.

*Tax from Recapture of Education Credits.*—Beginning in 1999, taxpayers who received an education credit on their 1998 returns and later received tax-free educational assistance for, or a refund of, an expense used to figure the education credit may have had to recapture all or part of the credit. For the purpose of the statistics, such amounts would be included in other taxes.

### Data Sources and Limitations

The preliminary statistics in this data release are based on a sample of individual income tax returns (Forms 1040, 1040A, 1040EZ, and 1040PC, including electronically-filed returns) filed during Calendar Year 2000. 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 [1]. Returns were then selected at rates ranging from 0.05 percent to 100 percent. The preliminary 1999 data are based on a sample of 146,749 returns and an estimated final population of 127,331,593 returns. The corresponding sample and population for the preliminary 1998 data were 137,371 and 124,947,658

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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 (CV's) 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 the appendix to 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 1999 returns, between January and late September of 2000. 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.

### Notes and References

- [1] 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 Non-resident Alien Individual)*; Schedule C, *Profit or Loss From Business (Sole Proprietorship)*; and Schedule F, *Profit or Loss From Farming*.

SOURCE: IRS, *Statistics of Income Bulletin*, Spring 2001, Publication 1136 (Revised 5-01).

# Individual Income Tax Returns, Preliminary Data, 1999

**Table 1.--Individual Income Tax Returns, Tax Year 1999 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 <sup>1</sup>	\$15,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b>All returns.....</b>	<b>127,129,451</b>	<b>39,580,862</b>	<b>30,208,431</b>	<b>23,175,428</b>	<b>24,620,043</b>	<b>7,114,888</b>	<b>2,429,802</b>
Form 1040 returns.....	71,097,253	14,334,306	12,460,662	13,900,864	21,269,974	6,782,766	2,348,709
Form 1040A returns.....	29,434,276	11,327,153	10,595,015	5,676,562	1,835,537	--	--
Form 1040EZ returns..... <sup>2</sup>	21,342,923	12,337,115	6,055,203	2,577,289	373,296	--	--
Form 1040PC returns.....	5,254,999	1,582,290	1,097,550	1,020,711	1,141,236	332,122	81,092
Electronically-filed returns..... <sup>23</sup>	36,007,349	12,048,851	10,588,335	6,612,382	5,601,917	1,032,231	123,636
<b>Adjusted gross income (less deficit).....</b>	<b>5,851,864,109</b>	<b>243,078,392</b>	<b>659,900,287</b>	<b>904,047,447</b>	<b>1,698,198,324</b>	<b>936,097,870</b>	<b>1,410,541,789</b>
Salaries and wages:							
Number of returns.....	108,500,979	31,187,492	25,767,224	20,754,996	22,338,360	6,382,178	2,070,728
Amount.....	4,173,901,611	226,821,088	527,618,656	739,060,801	1,347,342,361	669,239,728	663,818,980
Taxable interest:							
Number of returns.....	67,448,041	12,451,030	12,425,945	13,727,292	19,898,666	6,591,928	2,353,180
Amount.....	166,113,645	15,259,900	21,098,531	21,740,191	38,217,213	24,837,788	44,960,024
Tax-exempt interest: <sup>4</sup>							
Number of returns.....	4,818,056	382,447	460,929	676,674	1,414,922	1,031,021	852,067
Amount.....	52,410,151	1,518,288	2,262,546	3,688,585	8,507,435	9,437,589	26,995,707
Dividends:							
Number of returns.....	32,216,236	5,384,923	4,418,262	5,313,039	10,179,317	4,799,692	2,121,005
Amount.....	129,749,161	6,319,930	8,673,140	11,540,489	27,161,737	24,054,074	51,999,792
State income tax refunds:							
Number of returns.....	20,891,575	565,640	1,844,628	4,472,022	9,528,031	3,351,784	1,129,469
Amount.....	16,989,017	308,556	785,812	2,218,318	5,888,030	3,299,294	4,489,004
Alimony received:							
Number of returns.....	418,963	81,199	124,104	115,592	81,015	12,733	4,316
Amount.....	5,362,160	471,684	869,586	1,344,278	1,623,313	611,150	442,148
Business or profession net income:							
Number of returns.....	13,149,710	3,629,637	2,482,552	2,310,178	3,047,073	1,198,727	481,543
Amount.....	225,685,674	21,917,557	25,576,628	27,770,522	54,276,282	44,818,290	51,326,397
Business or profession net loss:							
Number of returns.....	4,149,337	792,584	712,640	910,880	1,241,989	343,621	147,623
Amount.....	24,072,650	7,758,762	3,291,276	3,985,816	4,798,098	1,921,496	2,317,201
Net capital gain:							
Number of returns.....	16,264,714	2,213,578	1,998,757	2,529,047	5,022,515	2,928,652	1,572,163
Amount.....	504,680,561	8,901,550	8,753,352	14,619,534	45,712,593	62,652,720	364,040,813
Capital gain distributions:							
Number of returns.....	6,238,654	1,523,575	886,679	1,076,757	1,897,685	716,191	137,768
Amount.....	12,096,280	1,935,904	1,290,866	1,653,304	3,339,590	2,858,121	1,018,494
Net capital loss:							
Number of returns.....	5,161,690	932,521	684,632	850,380	1,614,760	715,662	363,735
Amount.....	9,759,124	1,701,123	1,297,013	1,479,393	2,962,226	1,477,156	842,210
Sales of property other than capital assets, net gain:							
Number of returns.....	815,720	107,755	104,213	123,307	247,843	129,512	103,092
Amount.....	6,024,971	708,533	401,157	594,655	1,432,575	1,111,810	1,776,241
Sales of property other than capital assets, net loss:							
Number of returns.....	856,591	139,229	96,872	117,044	206,896	140,318	156,235
Amount.....	7,775,189	2,551,341	425,980	567,968	793,932	656,665	2,779,303
Taxable Individual Retirement Arrangement distributions:							
Number of returns.....	8,205,924	1,066,666	1,739,157	1,756,439	2,556,117	838,296	249,250
Amount.....	87,846,260	4,244,505	9,340,159	12,528,607	28,411,741	19,541,469	13,779,781
Taxable pensions and annuities:							
Number of returns.....	21,620,044	4,008,840	5,301,254	4,321,705	5,756,390	1,709,493	522,363
Amount.....	309,366,733	24,255,728	56,100,427	59,847,554	104,442,620	44,976,768	19,743,634
Rent and royalty net income:							
Number of returns.....	5,092,487	812,625	838,154	863,176	1,417,018	724,487	437,026
Amount.....	47,881,711	3,111,856	3,540,691	4,259,677	9,721,455	9,013,317	18,234,717
Rent and royalty net loss:							
Number of returns.....	4,262,077	505,319	596,689	841,416	1,554,968	603,419	160,266
Amount.....	25,586,471	3,503,752	3,088,691	4,395,134	8,256,382	3,876,575	2,465,938
Partnership and S corporation net income:							
Number of returns.....	3,877,024	285,154	332,197	498,353	1,074,993	876,536	809,794
Amount.....	242,513,097	2,146,638	3,206,249	5,171,712	17,287,939	31,217,207	183,483,355

Footnotes at end of table.



# Individual Income Tax Returns, Preliminary Data, 1999

**Table 1.--Individual Income Tax Returns, Tax Year 1999 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 <sup>1</sup>	\$15,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b>Partnership and S corporation net loss:</b>							
Number of returns.....	1,967,976	314,985	203,196	280,211	577,822	338,937	252,824
Amount.....	42,608,014	15,102,077	1,709,303	2,303,496	4,030,743	3,959,269	15,503,129
<b>Estate and trust net income:</b>							
Number of returns.....	496,069	71,552	52,111	63,791	131,639	100,025	76,954
Amount.....	9,651,762	317,196	195,184	337,463	1,044,792	1,564,255	6,192,874
<b>Estate and trust net loss:</b>							
Number of returns.....	35,822	7,515	989	3,954	13,488	4,360	5,515
Amount.....	364,740	115,627	1,500	6,317	28,800	17,968	194,528
<b>Farm net income:</b>							
Number of returns.....	739,056	196,240	153,112	133,219	187,297	50,315	18,872
Amount.....	9,640,808	1,168,761	1,220,939	1,626,456	3,088,463	1,573,190	962,998
<b>Farm net loss:</b>							
Number of returns.....	1,316,878	254,241	256,429	280,151	381,537	96,716	47,805
Amount.....	14,973,116	4,021,944	2,211,465	2,398,332	3,156,112	1,427,727	1,757,536
<b>Unemployment compensation:</b>							
Number of returns.....	6,841,602	1,618,545	2,053,102	1,565,108	1,358,824	211,953	34,072
Amount.....	17,648,687	3,437,003	5,427,448	4,276,402	3,639,000	724,608	144,227
<b>Taxable Social Security benefits:</b>							
Number of returns.....	9,599,262	35,529	1,725,498	3,075,876	3,421,166	951,400	389,790
Amount.....	76,506,683	126,171	2,859,430	16,210,473	38,401,935	12,974,285	5,934,388
<b>Total statutory adjustments:</b>							
Number of returns.....	22,555,311	4,610,833	4,665,031	4,848,802	5,494,959	1,946,772	988,914
Amount.....	54,959,444	3,851,965	6,570,893	8,079,904	14,011,932	10,949,588	11,495,165
<b>Payments to an Individual Retirement Arrangement:</b>							
Number of returns.....	3,710,480	298,070	737,941	995,613	1,137,410	413,806	127,639
Amount.....	7,954,060	480,987	1,392,101	2,034,620	2,508,709	1,109,673	427,970
<b>Student loan interest deduction:</b>							
Number of returns.....	4,168,004	459,306	1,269,159	1,377,840	1,061,700	--	--
Amount.....	2,264,136	187,435	727,638	850,276	498,788	--	--
<b>Medical savings account deduction:</b>							
Number of returns.....	43,419	3,992	7,165	7,728	11,560	5,180	7,794
Amount.....	77,162	6,215	7,290	13,272	16,752	14,598	19,034
<b>Moving expenses adjustment:</b>							
Number of returns.....	981,233	92,781	206,214	263,279	268,632	120,418	29,906
Amount.....	2,218,630	177,500	370,711	456,737	638,128	436,414	139,139
<b>Self-employment tax deduction:</b>							
Number of returns.....	13,929,049	3,707,258	2,570,308	2,394,212	3,131,459	1,385,794	740,018
Amount.....	16,045,303	1,699,761	2,081,974	2,333,694	4,369,134	2,934,703	2,626,041
<b>Self-employed health insurance deduction:</b>							
Number of returns.....	3,365,821	496,666	627,721	609,933	813,251	463,908	354,343
Amount.....	6,442,545	679,441	1,021,507	992,375	1,600,417	1,103,002	1,045,803
<b>Payments to a self-employed retirement (Keogh) plan:</b>							
Number of returns.....	1,232,182	22,385	62,479	118,593	395,303	363,969	269,454
Amount.....	11,335,209	54,609	188,067	453,276	2,171,192	3,560,673	4,907,391
<b>Penalty on early withdrawal of savings:</b>							
Number of returns.....	804,478	157,355	171,697	180,692	222,157	56,032	16,543
Amount.....	239,375	63,911	40,298	31,877	60,728	27,067	15,497
<b>Alimony paid:</b>							
Number of returns.....	604,989	44,485	77,943	111,853	199,448	105,946	65,316
Amount.....	6,995,197	400,298	520,730	629,649	1,883,436	1,454,838	2,106,247
<b>Total deductions:</b>							
Number of returns.....	126,108,967	38,567,576	30,204,361	23,172,307	24,620,043	7,114,888	2,429,797
Amount.....	1,187,368,667	189,385,830	193,270,348	189,481,381	311,738,539	156,196,291	147,296,277
<b>Basic standard deduction:</b>							
Number of returns.....	85,964,751	37,156,935	25,783,175	14,675,461	7,489,120	676,789	183,271
Amount.....	451,484,717	168,105,076	141,692,085	87,083,432	48,829,601	4,574,119	1,200,402

Footnotes at end of table.

# Individual Income Tax Returns, Preliminary Data, 1999

**Table 1.--Individual Income Tax Returns, Tax Year 1999 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 <sup>1</sup>	\$15,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Additional standard deduction:							
Number of returns.....	11,356,998	4,209,091	3,519,435	1,838,858	1,507,029	224,044	58,542
Amount.....	14,470,836	5,042,973	4,596,155	2,390,305	2,032,201	329,158	80,044
<b>Total itemized deductions (after limitation):</b>							
Number of returns.....	40,144,217	1,410,641	4,421,185	8,496,844	17,130,921	6,438,099	2,246,526
Amount.....	721,413,114	16,237,782	46,982,108	100,007,641	260,876,738	151,293,013	146,015,830
Itemized deductions in excess of limitation:							
Number of returns.....	5,460,203	--	--	--	120,635	3,093,752	2,245,817
Amount.....	31,006,755	--	--	--	40,359	2,638,168	28,328,227
Medical and dental expenses deduction:							
Number of returns.....	5,841,259	852,862	1,663,652	1,588,315	1,473,857	236,014	26,561
Amount.....	34,974,567	6,396,215	8,546,303	7,929,604	8,768,779	2,476,825	856,844
Taxes paid deduction:							
Number of returns.....	39,497,292	1,246,456	4,234,177	8,339,755	17,018,880	6,418,498	2,239,527
Amount.....	261,806,711	2,446,904	9,315,774	24,944,176	83,704,262	59,446,793	81,948,803
Interest paid deduction:							
Number of returns.....	33,600,130	839,401	3,202,161	7,093,598	15,064,408	5,541,968	1,858,594
Amount.....	282,028,549	5,000,759	18,785,472	44,310,591	113,651,384	59,883,953	40,396,392
Charitable contributions deduction:							
Number of returns.....	35,526,300	956,197	3,444,067	7,231,033	15,604,914	6,125,151	2,164,936
Amount.....	120,251,416	1,290,616	5,575,521	12,830,560	35,611,535	22,826,166	42,117,018
<b>Taxable income:</b>							
Number of returns.....	102,971,370	17,106,414	28,684,939	23,056,697	24,586,415	7,108,856	2,428,049
Amount.....	4,137,122,733	54,774,333	317,811,891	576,323,152	1,205,422,793	724,523,119	1,258,267,446
<b>Income tax before credits:</b>							
Number of returns.....	102,960,952	17,091,050	28,686,812	23,059,743	24,586,429	7,108,858	2,428,060
Amount.....	909,086,973	8,163,131	47,393,582	91,126,489	217,170,811	163,584,976	381,647,986
<b>Total tax credits:<sup>2</sup></b>							
Number of returns.....	36,713,959	3,181,928	9,858,226	8,748,918	11,568,602	2,486,462	869,824
Amount.....	35,250,830	711,801	7,560,988	8,001,547	12,062,662	1,961,413	4,952,417
Child care credit:							
Number of returns.....	6,194,690	94,075	1,271,105	1,565,294	2,454,227	681,230	128,758
Amount.....	2,671,895	19,939	539,122	665,656	1,083,753	302,852	60,573
Credit for the elderly or disabled:							
Number of returns.....	182,994	127,052	55,942	--	--	--	--
Amount.....	33,907	24,534	9,371	--	--	--	--
Child tax credit:							
Number of returns.....	26,050,261	922,257	7,311,660	7,174,328	9,224,432	1,417,583	--
Amount.....	19,431,882	209,220	4,054,085	5,896,921	8,227,190	1,044,466	--
Education tax credits:							
Number of returns.....	6,483,703	719,442	1,522,542	1,693,912	2,547,807	--	--
Amount.....	4,819,032	314,531	1,088,536	1,205,026	2,210,937	--	--
Foreign tax credit:							
Number of returns.....	3,273,730	237,499	260,929	390,382	943,822	761,583	679,515
Amount.....	4,367,659	6,155	38,731	98,600	237,833	399,708	3,586,633
General business credit:							
Number of returns.....	268,107	3,752	12,854	33,395	80,822	67,856	69,428
Amount.....	662,667	1,185	12,764	44,662	140,677	121,652	341,729
Prior year minimum tax credit:							
Number of returns.....	157,360	*2,999	182	10,043	20,161	52,108	71,867
Amount.....	973,572	*189	219	15,096	19,989	71,191	866,890
<b>Income tax after credits:</b>							
Number of returns.....	94,567,313	15,045,750	22,902,540	22,557,316	24,529,226	7,105,522	2,426,959
Amount.....	873,836,143	7,451,326	39,832,595	83,124,940	205,108,149	161,623,563	376,695,569
Self-employment tax:							
Number of returns.....	13,929,049	3,707,258	2,570,308	2,394,212	3,131,459	1,385,794	740,018
Amount.....	32,083,701	3,397,625	4,162,691	4,666,151	8,736,831	5,868,688	5,251,713
Alternative minimum tax:							
Number of returns.....	999,790	6,714	7,757	31,913	227,321	329,352	396,731
Amount.....	5,943,389	70,534	41,486	31,085	402,755	1,100,615	4,296,914

Footnotes at end of table.

# Individual Income Tax Returns, Preliminary Data, 1999

**Table 1.--Individual Income Tax Returns, Tax Year 1999 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 <sup>1</sup>	\$15,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b>Total earned income credit (EIC):</b>							
Number of returns.....	19,418,776	11,625,378	7,699,413	93,985	--	--	--
Amount.....	32,270,099	20,970,915	11,293,312	5,873	--	--	--
<b>EIC used to offset income tax before credits:</b>							
Number of returns.....	5,399,063	1,155,372	4,180,873	62,818	--	--	--
Amount.....	1,936,039	136,047	1,796,240	3,751	--	--	--
<b>EIC used to offset other taxes:</b>							
Number of returns.....	3,175,489	2,196,330	974,202	4,957	--	--	--
Amount.....	2,421,037	1,589,903	830,700	432	--	--	--
<b>Excess EIC, refundable portion:</b>							
Number of returns.....	16,208,419	10,406,279	5,772,938	29,203	--	--	--
Amount.....	27,913,023	19,244,964	8,666,371	1,689	--	--	--
<b>Additional child tax credit:</b>							
Number of returns.....	975,439	124,091	531,706	297,428	22,203	--	11
Amount.....	801,340	131,889	428,955	224,313	16,144	--	40
<b>Total income tax:</b>							
Number of returns.....	94,598,839	15,051,040	22,907,133	22,561,608	24,540,558	7,110,139	2,428,360
Amount.....	879,781,200	7,521,860	39,874,081	83,156,035	205,510,909	162,724,178	380,994,135
<b>Total tax liability:</b>							
Number of returns.....	97,136,668	16,818,282	23,523,252	22,695,388	24,559,095	7,111,877	2,428,773
Amount.....	913,547,069	9,450,494	43,412,970	88,312,367	215,555,587	169,583,837	387,231,814

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

<sup>1</sup> Includes returns with adjusted gross deficit.

<sup>2</sup> Includes TeleFile returns.

<sup>3</sup> Included in data for Forms 1040, 1040A, and 1040EZ.

<sup>4</sup> Not included in adjusted gross income.

<sup>5</sup> Includes EIC used to offset income tax before credits.

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