

High-Income Tax Returns for Tax Year 2019

by Justin Bryan and Evan Avila

For Tax Year 2019, there were just under 9.2 million individual income tax returns with an expanded income of \$200,000 or more, accounting for 5.8 percent of all returns filed for the year.¹ Of these, 7,391 returns had no worldwide income tax liability. This was a 2.6-percent increase over the number of returns with no worldwide income tax liability for 2018. It was just the third increase in the past 10 years, and well below the peak of 19,551 returns for 2009. This article presents detailed data for high-income returns for 2019 and summary data for 1977–2018. Detailed data for the years 1974–2018 were published previously. (See the References section for more details.)

Income and Tax Concepts

Two income concepts are used in this article to classify tax returns as high-income: the statutory concept of Adjusted Gross

Income (AGI) and the “expanded income” concept. The expanded income concept includes items reported on the tax return to obtain a more comprehensive measure of income than AGI. Specifically, expanded income is AGI *plus* tax-exempt interest, nontaxable Social Security benefits, the foreign-earned income exclusion, and items of “tax preference” for Alternative Minimum Tax (AMT) purposes *less* unreimbursed employee business expenses, moving expenses, investment interest expense to the extent that it does not exceed investment income, and miscellaneous itemized deductions not subject to the 2-percent-of-AGI floor.^{2, 3, 4}

AGI and expanded income differed for 34.5 million (21.8 percent) of the 157.8 million individual income tax returns filed for 2019 (Figure A). This was a 0.6-percent increase from the number of returns that differed for 2018. Expanded income

Figure A
Individual Income Tax Returns With Positive, Zero, and Negative U.S. Income Tax: Differences Between Adjusted Gross Income and Expanded Income, by Size of Adjusted Gross Income, Tax Year 2019

[Money amounts are in whole dollars]

Returns by tax status, size of adjusted gross income (AGI)	All returns	Number of returns with difference between AGI and expanded income	Number of returns where expanded income is greater than AGI	Number of returns where AGI is greater than expanded income	Average difference of expanded income minus AGI	Median difference of expanded income minus AGI
	(1)	(2)	(3)	(4)	(5)	(6)
All returns	157,796,807	34,466,278	33,149,347	1,316,932	11,690	8,014
Under \$50,000 [1]	90,425,054	16,514,235	16,326,490	187,745	18,335	17,034
\$50,000 under \$100,000	36,357,516	8,519,176	8,238,467	280,709	6,121	3,554
\$100,000 under \$200,000	21,997,582	6,019,432	5,693,776	325,656	4,666	4,232
\$200,000 or more	9,016,655	3,413,435	2,890,614	522,821	5,825	3,863
Returns with positive U.S. income tax	104,005,781	24,435,555	23,255,224	1,180,332	8,231	5,080
Under \$50,000 [1]	39,771,027	6,842,232	6,749,250	92,981	14,945	14,437
\$50,000 under \$100,000	33,426,157	8,225,512	7,976,259	249,254	6,151	3,582
\$100,000 under \$200,000	21,807,901	5,960,844	5,643,061	317,783	4,615	4,229
\$200,000 or more	9,000,697	3,406,967	2,886,654	520,313	6,094	3,862
Returns with zero U.S. income tax	21,714,514	8,014,392	7,940,916	73,475	21,851	20,106
Under \$50,000 [1]	21,262,246	7,782,402	7,724,300	58,102	22,259	20,379
\$50,000 under \$100,000	358,707	176,345	167,288	9,057	11,543	3,631
\$100,000 under \$200,000	82,460	49,824	45,597	4,227	13,568	4,996
\$200,000 or more	11,101	5,820	3,731	2,089	-140,623	6,300
Returns with negative U.S. income tax	32,076,511	2,016,331	1,953,207	63,124	13,228	12,570
Under \$50,000 [1]	29,391,780	1,889,601	1,852,939	36,662	14,452	13,149
\$50,000 under \$100,000	2,572,653	117,319	94,921	22,399	-4,086	1,566
\$100,000 under \$200,000	107,221	8,764	5,118	3,646	-11,305	525
\$200,000 or more	4,857	647	229	418	-90,293	-7,036

[1] Includes returns with adjusted gross deficit.

NOTES: Detail may not add to totals because of rounding. See Appendix A: Income Concepts of this article for a discussion of adjusted gross income and expanded income. See also Appendix B: Tax Concepts for a discussion of U.S. income tax.

SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, April 2023.

¹ The Tax Reform Act of 1976 requires annual publication of data on individual income tax returns reporting incomes of \$200,000 or more, including the number of such returns reporting no income tax liability and the importance of various tax provisions in making these returns nontaxable. The statutory requirement is contained in section 2123 of the Tax Reform Act of 1976 (90 Stat. at 1915).

² The definition of adjustments to AGI to obtain the expanded income given in the text is for the current year. See Appendix A for a discussion of AGI and expanded income and a list of adjustments covering all years since 1977.

³ See Notes to Appendix A, note A4.

⁴ Tax-exempt interest had to be reported on the individual income tax return starting with Tax Year 1987 and is included in expanded income starting with that year. Beginning with Tax Year 1991, tax-exempt interest was incorporated into the criteria used for sampling returns for Statistics of Income, thus increasing the reliability of the estimates of expanded income.



exceeded AGI in 96.2 percent of these returns. The average difference between expanded income and AGI was \$11,690, and the median difference was \$8,014, up from \$11,218 and \$7,668 in 2018, respectively. Although expanded income is a more comprehensive measure of income than AGI, for some taxpayers the subtractions from AGI to arrive at expanded income exceeded the additions, resulting in expanded income that was less than AGI. Returns on which expanded income exceeded AGI were concentrated among returns with \$200,000 or less of AGI. For returns with more than \$200,000 of AGI, a larger fraction (15.3 percent) has AGI greater than expanded income than for returns with less than \$200,000 of AGI (2.6 percent).

There are also two tax concepts in this article used to classify returns as taxable or nontaxable: “U.S. income tax” and “worldwide income tax.” U.S. income tax is total federal income tax liability, which includes the AMT, less all credits against income tax, and does not include payroll or self-employment taxes. To be considered taxable, a return had to have a positive income tax liability after accounting for all credits. A nontaxable return, on the other hand, could have either a zero or negative income tax liability after accounting for all credits (including refundable credits). Since the federal income tax applies to worldwide income and allows a credit (subject to certain limits) for income

taxes paid to foreign governments, a return could be classified as nontaxable under the U.S. income tax concept even though income taxes had been paid to a foreign government. The worldwide income tax concept addresses this circumstance by adding back the allowable foreign tax credit and foreign taxes paid on excluded foreign-earned income to U.S. income tax.^{5,6} The sum of these two items is believed to be a reasonable proxy for foreign taxes paid.

Figure B shows a cross-tabulation of tax returns based on whether a return has positive, zero, or negative U.S. income tax liability and whether it also has positive, zero, or negative worldwide income tax. All returns with positive U.S. income tax liability have positive worldwide income tax liability; while returns with zero U.S. tax liability have either positive or zero worldwide income tax liability; and returns with negative U.S. income tax liability have either positive or negative worldwide income tax liability. Just over one-third (34.1 percent) of the 157.8 million tax returns filed for 2019 had zero or negative U.S. income tax liability, and 94.2 percent of these returns had AGI of \$50,000 or less—unsurprising given the progressive nature of the U.S. income tax. Only about 5 out of every 1,000 returns with zero or negative U.S. income tax liability had positive worldwide income tax liability, and 43.2 percent of these returns had AGI of \$50,000 or more.

Figure B
Individual Income Tax Returns With Positive, Zero, and Negative U.S. and Worldwide Income Tax: Number of Returns, by Size of Adjusted Gross Income, Tax Year 2019

Returns by U.S. tax status, size of adjusted gross income (AGI)	All returns	Returns with positive worldwide income tax	Returns with zero worldwide income tax	Returns with negative worldwide income tax
	(1)	(2)	(3)	(4)
Returns with positive U.S. income tax	104,005,781	104,005,781	0	0
Under \$50,000 [1]	39,771,027	39,771,027	0	0
\$50,000 under \$100,000	33,426,157	33,426,157	0	0
\$100,000 under \$200,000	21,807,901	21,807,901	0	0
\$200,000 or more	9,000,697	9,000,697	0	0
Returns with zero U.S. income tax	21,714,514	220,405	21,494,109	0
Under \$50,000 [1]	21,262,246	136,443	21,125,804	0
\$50,000 under \$100,000	358,707	54,655	304,052	0
\$100,000 under \$200,000	82,460	21,859	60,601	0
\$200,000 or more	11,101	7,449	3,652	0
Returns with negative U.S. income tax	32,076,511	34,566	0	32,041,946
Under \$50,000 [1]	29,391,780	8,392	0	29,383,389
\$50,000 under \$100,000	2,572,653	9,675	0	2,562,978
\$100,000 under \$200,000	107,221	12,670	0	94,551
\$200,000 or more	4,857	3,829	0	1,028

[1] Includes returns with adjusted gross deficit.

NOTES: Detail may not add to totals because of rounding. See Appendix A: Income Concepts of this article for a discussion of adjusted gross income and expanded income. See also Appendix B: Tax Concepts for a discussion of U.S. and worldwide income tax.

SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, April 2023.

⁵ See Appendix B for a discussion of the tax concepts. In data published for years prior to 1989, either in articles presented in the *Statistics of Income Bulletin* or in chapters in *Statistics of Income—Individual Income Tax Returns* (see Reference section), the “U.S. income tax” concept was described as “total income tax,” and the “worldwide income tax” concept was described as “modified total income tax.”

⁶ The inclusion of foreign taxes paid on excluded foreign earned income, beginning with Tax Year 1990, represents an improvement in the worldwide income tax concept. However, it also represents a slight break in the year-to-year comparability of data for worldwide income tax. Nevertheless, the number of returns with foreign taxes paid on excluded foreign-earned income is extremely small compared to the number of returns with the foreign tax credit.

Number of High-Income Returns

For 2019, there were slightly more than 9.0 million individual income tax returns with an AGI of at least \$200,000, and, likewise, just under 9.2 million returns with an expanded income of \$200,000 or more (Figure C). The number of returns with AGI above the \$200,000 threshold increased 5.4 percent from 2018 and accounted for slightly over 5.7 percent of all returns for 2019. Similarly, the returns with expanded incomes above

the \$200,000 threshold increased 5.6 percent from 2018 and accounted for just over 5.8 percent of all returns for 2019.

The \$200,000 threshold for high-income returns is measured in current-year (nominal) dollars. Because it is fixed in nominal terms, as time passes, more and more tax returns have had incomes exceeding this threshold simply due to inflation. Therefore, to facilitate a comparison of tax returns across time, Figure C also shows what the \$200,000 threshold in 1976

Figure C

All Individual Income Tax Returns and Returns With Income of \$200,000 or More Measured in Current and Inflation-Adjusted Dollars, by Income Concept, Tax Years 1977–2019

Tax year	All returns	\$200,000 income threshold measured in current dollars			
		Number of returns by income concept		Percentage of all returns by income concept	
		Adjusted gross income	Expanded income	Adjusted gross income	Expanded income
	(1)	(2)	(3)	(4)	(5)
1977	86,634,640	53,403	67,580	0.062	0.078
1978	89,771,551	68,506	85,137	0.076	0.095
1979	92,694,302	93,731	122,231	0.101	0.132
1980	93,902,459	117,250	149,826	0.125	0.160
1981	95,396,123	138,136	175,092	0.145	0.184
1982	95,337,432	169,367	207,291	0.178	0.217
1983	96,321,310	198,608	249,319	0.206	0.259
1984	99,438,708	243,760	310,042	0.245	0.312
1985	101,660,287	296,507	370,340	0.292	0.364
1986	103,045,170	374,363	529,460	0.363	0.514
1987	106,996,270	539,967	557,848	0.505	0.521
1988	109,708,280	725,345	737,659	0.661	0.672
1989	112,135,673	786,063	814,152	0.701	0.726
1990	113,717,138	834,957	860,940	0.734	0.757
1991	114,730,123	846,707	892,178	0.738	0.778
1992	113,604,503	954,747	989,522	0.840	0.871
1993	114,601,819	993,326	1,043,213	0.867	0.910
1994	115,943,131	1,109,498	1,153,829	0.957	0.995
1995	118,218,327	1,272,508	1,319,382	1.076	1.116
1996	120,351,208	1,523,407	1,572,114	1.266	1.306
1997	122,421,991	1,807,900	1,854,031	1.477	1.514
1998	124,770,662	2,085,211	2,132,301	1.671	1.709
1999	127,075,145	2,429,942	2,479,556	1.912	1.951
2000	129,373,500	2,771,577	2,807,804	2.142	2.170
2001	130,255,237	2,567,220	2,605,021	1.971	2.000
2002	130,076,443	2,414,128	2,464,515	1.856	1.895
2003	130,423,626	2,536,439	2,573,133	1.945	1.973
2004	132,226,042	3,021,435	3,067,602	2.285	2.320
2005	134,372,678	3,566,125	3,584,012	2.654	2.667
2006	138,394,754	4,064,883	4,094,953	2.937	2.959
2007	142,978,806	4,535,623	4,576,315	3.172	3.201
2008	142,450,569	4,375,660	4,416,986	3.072	3.101
2009	140,494,127	3,924,489	3,975,288	2.793	2.830
2010	142,892,051	4,296,307	4,347,756	3.007	3.043
2011	145,370,240	4,700,056	4,758,256	3.233	3.273
2012	144,928,472	5,251,992	5,308,871	3.624	3.663
2013	147,351,299	5,558,244	5,616,056	3.772	3.811
2014	148,606,578	6,223,813	6,279,428	4.188	4.226
2015	150,493,263	6,751,845	6,784,187	4.486	4.508
2016	150,272,154	6,900,370	6,941,686	4.592	4.619
2017	152,903,231	7,720,105	7,725,915	5.049	5.053
2018	153,774,296	8,553,307	8,678,287	5.562	5.644
2019	157,796,807	9,016,655	9,167,499	5.714	5.810

Footnotes at end of table.

Figure C—Continued

All Individual Income Tax Returns and Returns With Income of \$200,000 or More Measured in Current and Inflation-Adjusted Dollars, by Income Concept, Tax Years 1977–2019—Continued

Tax year	Inflation-adjusted income threshold equal to \$200,000 in 1976 dollars (whole dollars) [1]	\$200,000 inflation-adjusted income threshold			
		Number of returns by income concept		Percentage of all returns by income concept	
		Adjusted gross income	Expanded income	Adjusted gross income	Expanded income
	(6)	(7)	(8)	(9)	(10)
1977	213,005	45,931	58,991	0.053	0.068
1978	229,174	49,388	62,556	0.055	0.070
1979	255,184	55,542	76,479	0.060	0.083
1980	289,631	52,512	71,704	0.056	0.076
1981	319,508	50,880	71,146	0.053	0.075
1982	339,192	59,411	81,297	0.062	0.085
1983	350,088	67,310	93,977	0.070	0.098
1984	365,202	80,800	116,389	0.081	0.117
1985	378,207	95,740	134,715	0.094	0.133
1986	385,237	119,550	191,596	0.116	0.186
1987	399,297	161,408	169,942	0.151	0.159
1988	415,817	235,051	241,201	0.214	0.220
1989	435,852	217,685	228,530	0.194	0.204
1990	459,400	216,716	228,659	0.191	0.201
1991	478,735	183,442	195,743	0.160	0.171
1992	493,146	213,783	227,354	0.188	0.200
1993	507,909	201,236	212,853	0.176	0.186
1994	520,914	204,532	214,673	0.176	0.185
1995	535,677	237,770	248,077	0.201	0.210
1996	551,494	278,342	288,194	0.231	0.239
1997	564,148	335,040	345,869	0.274	0.283
1998	572,934	385,183	396,207	0.309	0.318
1999	585,589	436,118	446,583	0.343	0.351
2000	605,272	482,396	492,589	0.373	0.381
2001	622,495	391,901	400,906	0.301	0.308
2002	632,337	345,892	356,402	0.266	0.274
2003	646,749	356,727	367,012	0.274	0.281
2004	663,972	436,583	445,934	0.330	0.337
2005	686,467	519,216	527,126	0.386	0.392
2006	708,612	569,893	581,199	0.412	0.420
2007	728,794	606,026	618,154	0.424	0.432
2008	756,777	487,656	498,470	0.342	0.350
2009	754,084	372,665	383,354	0.265	0.273
2010	766,453	421,604	433,924	0.295	0.304
2011	790,647	430,127	440,529	0.296	0.303
2012	807,009	535,038	545,246	0.369	0.376
2013	818,830	470,906	480,987	0.320	0.326
2014	832,112	546,588	554,697	0.368	0.373
2015	833,100	583,951	591,942	0.388	0.393
2016	843,610	555,416	562,798	0.370	0.375
2017	861,582	625,053	629,676	0.409	0.412
2018	882,626	658,990	664,811	0.429	0.432
2019	898,619	656,944	665,159	0.416	0.422

[1] Inflation-adjusted dollars were calculated using the U.S. Bureau of Labor Statistics' Consumer Price Index for urban consumers with 1976 as the base year. See footnote 7 of this article for further details.

NOTE: See Appendix A: Income Concepts of this article for a discussion of adjusted gross income and expanded income.

SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, April 2023.

would be each year after adjusting for inflation and the number and share of returns above this threshold.⁷ For Tax Year 2019, this inflation-adjusted threshold was \$898,619. Since 1977, the number of returns with AGI above this inflation-adjusted threshold has increased at an annual rate of approximately 6.5 percent.

In comparison, the total number of returns has increased 1.4 percent per year since 1977.

Adjusting for inflation, the number of returns for Tax Year 2019 above the AGI threshold was 656,944 or 0.42 percent of all returns, down from 0.43 percent of all returns in 2018.

⁷ Inflation-adjusted dollars are based on the Consumer Price Index (CPI-U) as published by the U.S. Department of Labor, Bureau of Labor Statistics. The consumer price index approximates buying patterns of typical urban consumers. The annual index is the average of the monthly indices.

Similarly, the number of returns for Tax Year 2019 above the inflation-adjusted threshold using the expanded income concept was 665,159 or 0.42 percent of all returns, down from 0.43 percent of all returns in 2018. Since 1977, the number of returns with expanded income above this threshold has increased at an annual rate of approximately 5.9 percent.

Although the number of returns reporting incomes of \$200,000 or more generally increased annually from 1977–2019, the exceptions to this reflect the economic downturns in Tax Years 2001, 2002, 2008, and 2009. The general trend of a rise in the number of returns is similar when using the inflation-adjusted income threshold. However, the increases are much smaller, and the number of returns above the inflation-adjusted threshold decreased in additional years, i.e., Tax Years 1980, 1981, 1989, 1990 (AGI only), 1991, 1993, 2013, and 2016. Many of these years also coincided with economic downturns.⁸

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

Nontaxable High-Income Returns

Of the 9.0 million income tax returns with an AGI of \$200,000 or more, 15,958 showed no U.S. income tax liability for Tax Year 2019 (top panel of Figure D). Also, 23,970 of the 9.2 million tax returns with expanded income of \$200,000 or more had no U.S. income tax liability. This represents a 6.8-percent increase for high-AGI returns and a 4.9-percent increase for high-expanded-income returns with no U.S. income tax liability from the corresponding numbers of nontaxable high-income returns for 2018.

Of the returns with an AGI of \$200,000 or more, 4,680 returns showed no worldwide income tax liability for Tax Year 2019. Of returns with an expanded income of \$200,000 or more, 7,391 showed no worldwide income tax liability. This represents a 1.7-percent increase for high-AGI returns and a 2.6-percent increase for high-expanded-income returns with no worldwide income tax liability, compared to the number of returns in the same categories for 2018.

Tables 1 and 2 also show the number of all returns, taxable returns, and nontaxable returns cross-classified by broad AGI and expanded-income size classes. Most returns fall in the same broad income-size class under both income concepts, but the number of nontaxable returns under the expanded-income concept is generally greater than under the AGI concept in each income class over \$50,000. Furthermore, Tables 1 and

2 also show that there were 9.0 million returns with incomes of \$200,000 or more as measured by both AGI and expanded income, of which 14,064 returns had no U.S. income tax liability and 2,920 returns had no worldwide income tax liability.

Of the roughly 657,000 returns with an AGI over the inflation-adjusted high-income threshold, 612 returns had no U.S. income tax liability in 2019, down 10.3 percent from the previous year (lower panel of Figure D), while 198 returns showed no worldwide income tax liability, down 13.2 percent from the number for 2018. Measured using expanded income, of the almost 665,000 returns above the inflation-adjusted threshold, 576 returns had no U.S. income tax liability, down 9.6 percent from 2018, and 125 returns showed no worldwide income tax liability for 2019, down 18.3 percent over the previous year.

Moving from the nominal \$200,000 threshold to an inflation-adjusted threshold only slightly changes the share of high-income returns that are nontaxable. Using AGI, 0.2 percent of high-income returns had no U.S. income tax liability with a nominal \$200,000 threshold, while only 0.1 percent had no U.S. income tax liability for 2019 using an inflation-adjusted threshold. Similarly, 0.05 percent of high-income returns over the nominal threshold and 0.03 percent of high-income returns above the inflation-adjusted threshold had no worldwide income tax liability for the same year. When using expanded income with a nominal \$200,000 threshold, 0.3 percent of high-income returns had no U.S. income tax liability, and 0.1 percent had no worldwide income tax liability for 2019, while an inflation-adjusted threshold showed that 0.09 percent had no U.S. income tax liability and even fewer (0.02 percent) had no worldwide income tax liability.

Figure E shows the evolution of the number and share of returns with an expanded income of \$200,000 or more with no worldwide income tax. The number of returns above the threshold is read off the left vertical axis, and the share of returns above the threshold is read off the right vertical axis. Two series are shown for each measure, one using a nominal \$200,000 threshold and one using an inflation-adjusted threshold.

In this figure, the spread between the two shares was small for the late 1970s, showed an increase for the early 1980s, and then narrowed before widening again after 1988. The spread generally narrowed after 1993 but increased or stayed consistent from 2002–2007. From 2008–2016, the spread widened considerably. The gap (almost 0.06 percentage points) for both 2018 and 2019 were considerably smaller than for many of the past years and more in line with most of the years in this study.⁹

Reasons for Nontaxability

Taxpayers may have their tax liability reduced—possibly to zero or beyond—in numerous ways. These include claiming tax credits, which directly reduces an individual's tax liability;

⁸ See National Bureau of Economic Research list of business cycles at <http://www.nber.org/cycles.html>.

⁹ Note that before 1991, the listed number of nontaxable returns with expanded income of \$200,000 or more was estimated based on samples that were differently constructed than samples made after 1991. Year-to-year differences in the number and percentages of nontaxable returns with expanded income of \$200,000 or more may have represented sampling variability, in addition to actual changes in the number of such returns. Beginning with Tax Year 1991, nontaxable returns with expanded income of \$200,000 or more were sampled at higher rates, which reduced the sampling variability of these returns and, therefore, provided improved estimates. Thus, the data for returns prior to 1991 are not entirely comparable with data for more recent years.

Figure D

Nontaxable Individual Income Tax Returns With Income of \$200,000 or More Measured in Current and Inflation-Adjusted Dollars, by Tax and Income Concept, Tax Years 1977–2019

Tax year	\$200,000 income threshold measured in current dollars							
	Number of nontaxable returns with income of \$200,000 or more				Percentage of all returns with income of \$200,000 or more			
	Returns with no U.S. income tax, by income concept		Returns with no worldwide income tax, by income concept		Returns with no U.S. income tax, by income concept		Returns with no worldwide income tax, by income concept	
	Adjusted gross income	Expanded income	Adjusted gross income	Expanded income	Adjusted gross income	Expanded income	Adjusted gross income	Expanded income
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
1977	60	85	37	64	0.112	0.126	0.069	0.095
1978	98	105	60	67	0.143	0.123	0.088	0.079
1979	70	114	28	64	0.075	0.093	0.030	0.052
1980	143	198	56	114	0.122	0.132	0.048	0.076
1981	226	304	79	114	0.164	0.174	0.057	0.065
1982	262	299	109	153	0.155	0.144	0.064	0.074
1983	447	579	321	437	0.225	0.232	0.162	0.175
1984	532	325	471	271	0.218	0.105	0.193	0.087
1985	612	613	442	454	0.206	0.166	0.149	0.123
1986	659	595	437	379	0.176	0.112	0.117	0.072
1987	857	472	740	364	0.159	0.085	0.137	0.065
1988	822	397	731	309	0.113	0.054	0.101	0.042
1989	1,081	779	987	691	0.138	0.096	0.126	0.085
1990	1,219	1,183	1,114	1,087	0.146	0.137	0.133	0.126
1991	1,253	1,933	1,131	1,740	0.148	0.217	0.134	0.195
1992	909	1,896	823	1,799	0.095	0.192	0.086	0.182
1993	1,022	2,392	932	1,950	0.103	0.229	0.094	0.187
1994	1,137	2,574	1,061	2,161	0.102	0.223	0.096	0.187
1995	998	2,676	896	1,746	0.078	0.203	0.070	0.132
1996	1,044	1,820	950	1,660	0.069	0.116	0.062	0.106
1997	1,189	1,814	1,048	1,562	0.066	0.098	0.058	0.084
1998	1,467	2,224	1,283	1,914	0.070	0.104	0.062	0.090
1999	1,605	2,525	1,398	2,174	0.066	0.102	0.058	0.088
2000	2,328	2,766	2,022	2,320	0.084	0.099	0.073	0.083
2001	3,385	4,910	2,875	4,119	0.132	0.188	0.112	0.158
2002	2,959	5,650	2,551	4,922	0.123	0.229	0.106	0.200
2003	2,824	5,839	2,416	4,934	0.111	0.227	0.095	0.192
2004	2,833	5,028	2,420	4,101	0.094	0.164	0.080	0.134
2005	7,389	10,680	4,224	5,420	0.207	0.298	0.118	0.151
2006	8,252	11,014	4,123	4,322	0.203	0.269	0.101	0.106
2007	11,600	14,794	5,497	5,197	0.256	0.323	0.121	0.114
2008	22,257	31,539	12,326	17,127	0.509	0.714	0.282	0.388
2009	20,752	35,061	10,080	19,551	0.529	0.882	0.257	0.492
2010	19,003	32,441	8,046	16,082	0.442	0.746	0.187	0.370
2011	19,563	32,902	7,557	15,000	0.416	0.691	0.161	0.315
2012	20,304	32,326	7,408	13,450	0.387	0.609	0.141	0.253
2013	12,517	25,926	4,266	12,794	0.225	0.462	0.077	0.228
2014	10,905	21,052	3,927	9,692	0.175	0.335	0.063	0.154
2015	11,082	22,297	4,373	10,947	0.164	0.329	0.065	0.161
2016	11,784	23,400	5,480	12,910	0.171	0.337	0.079	0.186
2017	13,249	22,266	6,315	10,988	0.172	0.288	0.082	0.142
2018	14,935	22,856	4,601	7,201	0.175	0.263	0.054	0.083
2019	15,958	23,970	4,680	7,391	0.177	0.261	0.052	0.081

Footnotes at end of table.

claiming various deductions, which reduces taxable income; and receiving income that is excluded from the calculation of taxable income.

It is possible for certain itemized deductions and certain exclusions from income to lead to nontaxability by themselves, but high-income returns are more often nontaxable for a combination of reasons, none of which alone would result in nontaxability. Moreover, some items, either singly or in combination, may eliminate “regular tax” liability (i.e., income tax excluding

the AMT), but cannot eliminate an AMT liability, since these items give rise to adjustments or preferences for AMT purposes.

Because they do not generate AMT adjustments or preferences, tax-exempt bond interest (not including private activity bonds), itemized deductions for interest expenses, miscellaneous itemized deductions not subject to the 2-percent-of-AGI floor, casualty or theft losses, and medical expenses (exceeding 7.5 percent of AGI) could, by themselves, produce nontaxability.

Figure D—Continued

Nontaxable Individual Income Tax Returns With Income of \$200,000 or More Measured in Current and Inflation-Adjusted Dollars, by Tax and Income Concept, Tax Years 1977–2019—Continued

Tax year	\$200,000 inflation-adjusted income threshold [1]							
	Number of nontaxable returns with income of \$200,000 or more				Percentage of all returns with income of \$200,000 or more			
	Returns with no U.S. income tax, by income concept		Returns with no worldwide income tax, by income concept		Returns with no U.S. income tax, by income concept		Returns with no worldwide income tax, by income concept	
	Adjusted gross income	Expanded income	Adjusted gross income	Expanded income	Adjusted gross income	Expanded income	Adjusted gross income	Expanded income
(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	
1977	54	75	32	56	0.118	0.127	0.070	0.095
1978	62	70	31	39	0.126	0.112	0.063	0.062
1979	38	71	15	39	0.068	0.093	0.027	0.051
1980	56	71	22	39	0.107	0.099	0.042	0.054
1981	53	87	21	55	0.104	0.122	0.041	0.077
1982	58	68	27	36	0.098	0.084	0.045	0.044
1983	138	135	113	108	0.205	0.144	0.168	0.115
1984	170	78	160	66	0.210	0.067	0.198	0.057
1985	190	155	137	99	0.198	0.115	0.143	0.073
1986	201	189	138	120	0.168	0.099	0.115	0.063
1987	312	126	271	85	0.193	0.074	0.168	0.050
1988	277	141	251	116	0.118	0.058	0.107	0.048
1989	293	128	269	106	0.135	0.056	0.124	0.046
1990	339	169	307	137	0.156	0.074	0.142	0.060
1991	301	305	273	277	0.164	0.156	0.149	0.142
1992	171	288	148	264	0.080	0.127	0.069	0.116
1993	180	323	160	300	0.089	0.152	0.080	0.141
1994	227	345	209	329	0.111	0.161	0.102	0.153
1995	202	281	174	252	0.085	0.113	0.073	0.102
1996	236	275	213	254	0.085	0.095	0.077	0.088
1997	256	247	222	214	0.076	0.071	0.066	0.062
1998	290	289	251	253	0.075	0.073	0.065	0.064
1999	351	343	296	293	0.080	0.077	0.068	0.066
2000	464	365	390	290	0.096	0.074	0.081	0.059
2001	694	648	567	519	0.177	0.162	0.145	0.129
2002	520	616	437	530	0.150	0.173	0.126	0.149
2003	407	567	339	485	0.114	0.154	0.095	0.132
2004	350	396	301	344	0.080	0.089	0.069	0.077
2005	1,166	1,236	625	624	0.225	0.234	0.120	0.118
2006	1,257	1,111	512	306	0.221	0.191	0.090	0.053
2007	1,524	1,369	565	314	0.251	0.221	0.093	0.051
2008	3,001	2,861	1,436	1,116	0.615	0.574	0.294	0.224
2009	2,268	2,841	874	1,252	0.609	0.741	0.235	0.327
2010	2,151	2,520	621	820	0.510	0.581	0.147	0.189
2011	2,327	2,754	633	884	0.541	0.625	0.147	0.201
2012	2,297	2,450	535	547	0.429	0.449	0.100	0.100
2013	901	1,158	217	398	0.191	0.241	0.046	0.083
2014	627	754	212	303	0.115	0.136	0.039	0.055
2015	617	753	220	329	0.106	0.127	0.038	0.056
2016	598	699	200	272	0.108	0.124	0.036	0.048
2017	634	653	236	225	0.101	0.104	0.038	0.036
2018	682	637	228	153	0.103	0.096	0.035	0.023
2019	612	576	198	125	0.093	0.087	0.030	0.019

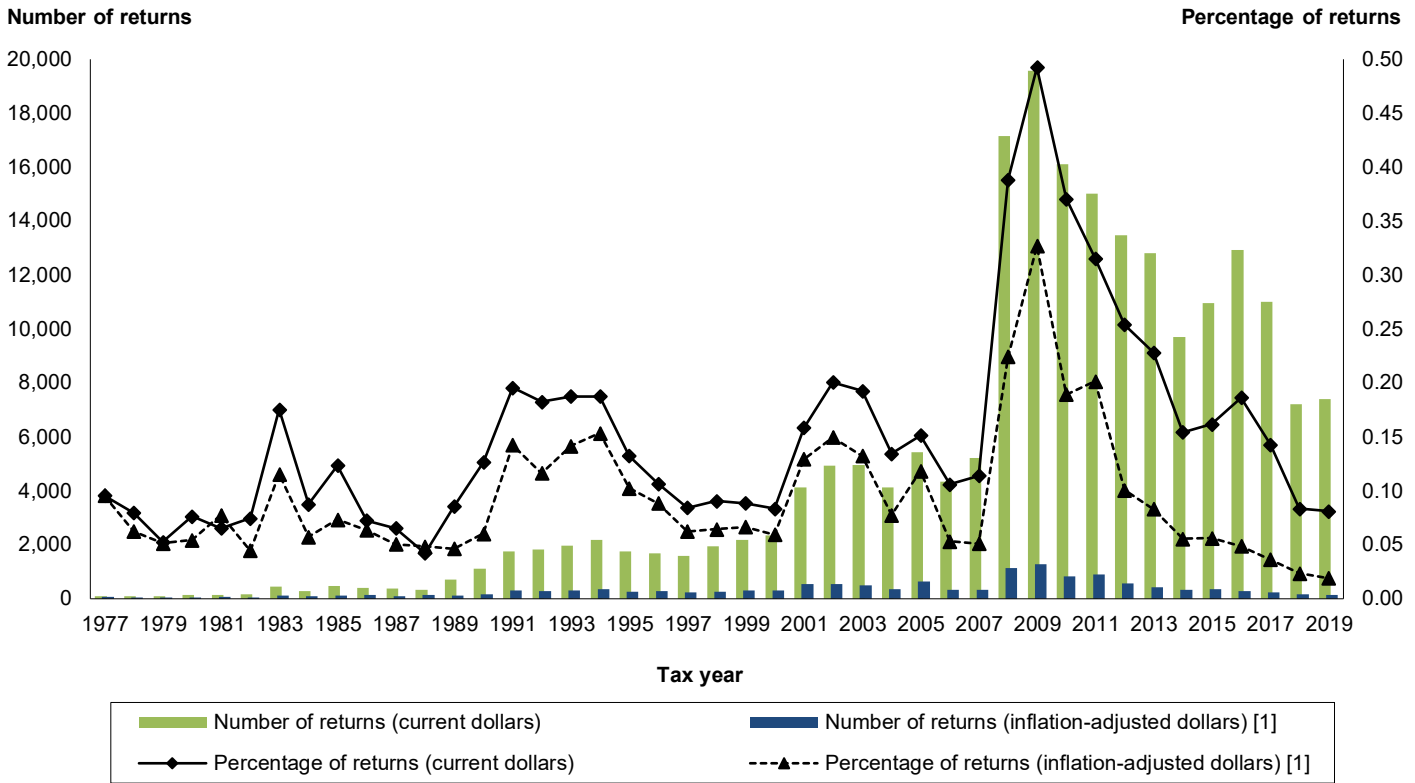
[1] Inflation-adjusted dollars were calculated using the U.S. Bureau of Labor Statistics' Consumer Price Index for urban consumers with 1976 as the base year. See footnote 7 of this article for further details. See Figure C, Column 6, for the yearly inflation-adjusted thresholds.

NOTES: See Figure M for the derivation of U.S. income tax and worldwide income tax. Starting in 2009, the portion of refundable credits that offset income taxes before credits was factored in to determine tax liability. In order to maintain historical comparability, Tax Years 2007 and 2008 data were recalculated using the new criteria. However, 2007 and 2008 tables, published earlier, do not reflect these changes. Prior to 2007, the portion of refundable credits used to offset income taxes had no effect. See Appendix A: Income Concepts of this article for a discussion of adjusted gross income and expanded income.

SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, April 2023.

Figure E

Individual Income Tax Returns With Expanded Income of \$200,000 or More: Number and Percentage of Returns With No Worldwide Income Tax Liability, Measured in Current and Inflation-Adjusted Dollars, Tax Years 1977–2019



[1] Inflation-adjusted dollars were calculated using the U.S. Bureau of Labor Statistics' Consumer Price Index for urban consumers with 1976 as the base year. See footnote 7 of this article for further details.

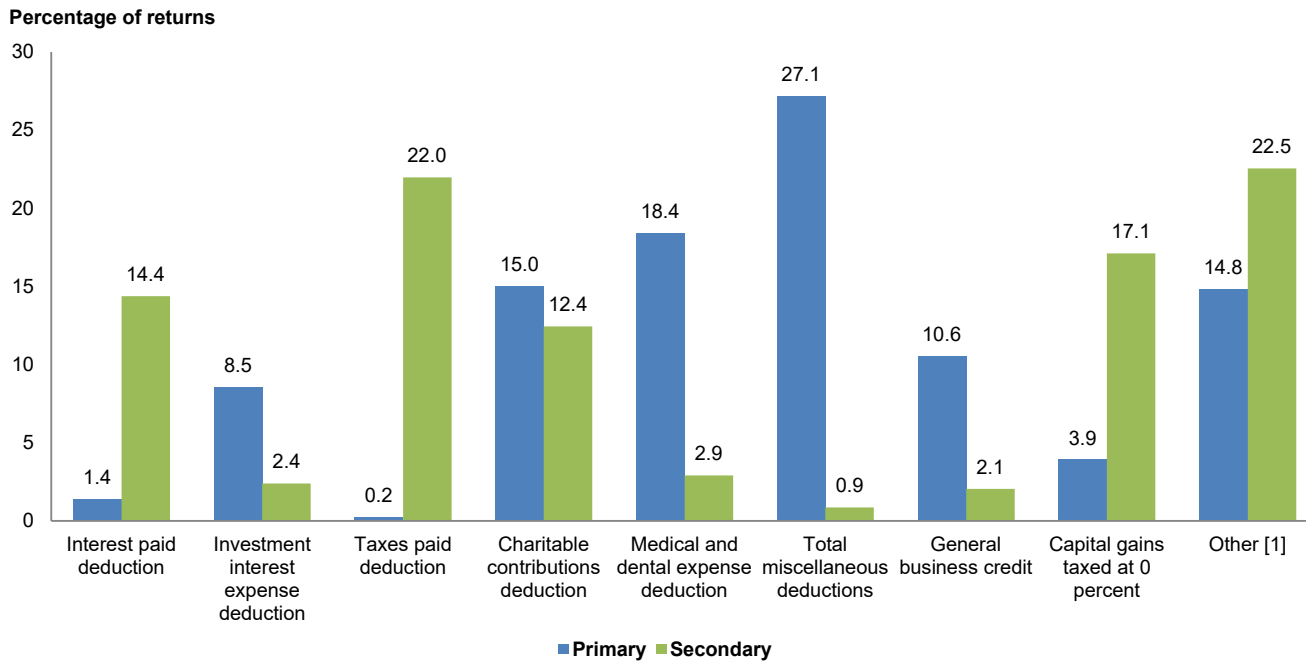
NOTES: See Figure M for the derivation of worldwide income tax. Starting in 2009, the portion of refundable credits that offset income taxes before credits was factored in to determine tax liability. In order to maintain historical comparability, Tax Years 2007 and 2008 data were recalculated using the new criteria. However, 2007 and 2008 tables, published earlier, do not reflect these changes. Prior to 2007, the portion of refundable credits used to offset income taxes had no effect. See Appendix A: Income Concepts of this article for a discussion of expanded income. SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, April 2023.

Due to the AMT exemption of \$111,700 for joint returns (\$71,700 for single and head-of-household returns and \$55,850 for returns of married taxpayers filing separately), a return could have been nontaxable even though it included some items that produced AMT adjustments or preferences.¹⁰ Further, since the starting point for “alternative minimum taxable income” was taxable income for regular tax purposes, a taxpayer could have adjustments and preferences exceeding the AMT exclusion without incurring AMT liability. This situation could occur if taxable income for regular tax purposes was sufficiently negative due to itemized deductions exceeding AGI, such that the taxpayer’s AMT adjustments and preferences are less than the sum of the AMT exclusion and the amount by which regular taxable income is below zero. Note that, because of the AMT, taxpayers may have found it beneficial to report additional deduction items on their tax returns, even if the items did not produce a benefit for regular tax purposes.

The most important item in eliminating tax on the 4,680 returns without any worldwide income tax and with AGI of \$200,000 or more was total miscellaneous deductions, which includes deductions such as the gambling loss deduction, or property income, casualty, and theft deduction. This was the case in 27.1 percent (1,270) of those returns (Figure F). The next 3 categories that most frequently had the largest primary effect in eliminating taxes were: 1) medical and dental expense deduction (18.4 percent or 861 returns); 2) charitable contributions deduction (15.0 percent or 703 returns); and 3) general business credit (10.3 percent or 494 returns). The taxes paid deduction, which was limited to a maximum of \$10,000 starting in 2018, was the most important item on just 0.2 percent of returns. However, this item was the most frequent secondary reason in reducing regular tax liability for high-AGI returns with no worldwide income tax (22.0 percent or 1,027 returns). The next three categories that most frequently had the largest secondary

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

Figure F
Returns Without Any Worldwide Income Tax and With Adjusted Gross Income of \$200,000 or More: Primary Reasons for Reduced Income Tax Liabilities, Tax Year 2019



[1] Includes 3 returns where the primary reason for nontaxability was not identified by the data items selected for this article. Does not include returns where there was no secondary reason for nontaxability.
 NOTES: Detail for primary reason for nontaxability may not add to 100 percent because of rounding. Detail for secondary reason for nontaxability will not add to 100 percent due to some returns not having a secondary reason for nontaxability. See Figure M for the derivation of worldwide income tax. See Appendix A: Income Concepts of this article for a discussion of adjusted gross income.
 SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, April 2023.

effect in eliminating taxes were: 1) capital gains taxes at 0 percent (17.1 percent or 800 returns); 2) interest paid deduction (14.4 percent or 672 returns); and 3) the charitable contributions deduction (12.4 percent or 582 returns).

Of the 7,391 returns without any worldwide income tax and with expanded incomes of \$200,000 or more, the most important item in eliminating tax, on 32.4 percent of returns, was the exclusion for interest income on state and local government bonds (“tax-exempt interest”) (Figure G). The next 3 categories that most frequently had the largest primary effect on taxes were: 1) medical and dental expense deduction (23.0 percent or 1,698 returns); 2) foreign-earned income exclusion (12.8 percent or 948 returns); and 3) charitable contributions deduction (11.1 percent or 822 returns). The item that was most frequently the secondary reason in reducing regular tax liability on high-expanded-income returns with no worldwide income tax was capital gains taxed at 0 percent taxes paid (21.6 percent or 1,599 returns). The next 3 categories that most frequently had the largest secondary effect in eliminating taxes were: 1) charitable contributions deduction (10.5 percent or 777 returns); 2) tax-exempt interest (10.2 percent or 756 returns); and 3) the medical and dental expense deduction (8.5 percent or 625 returns).

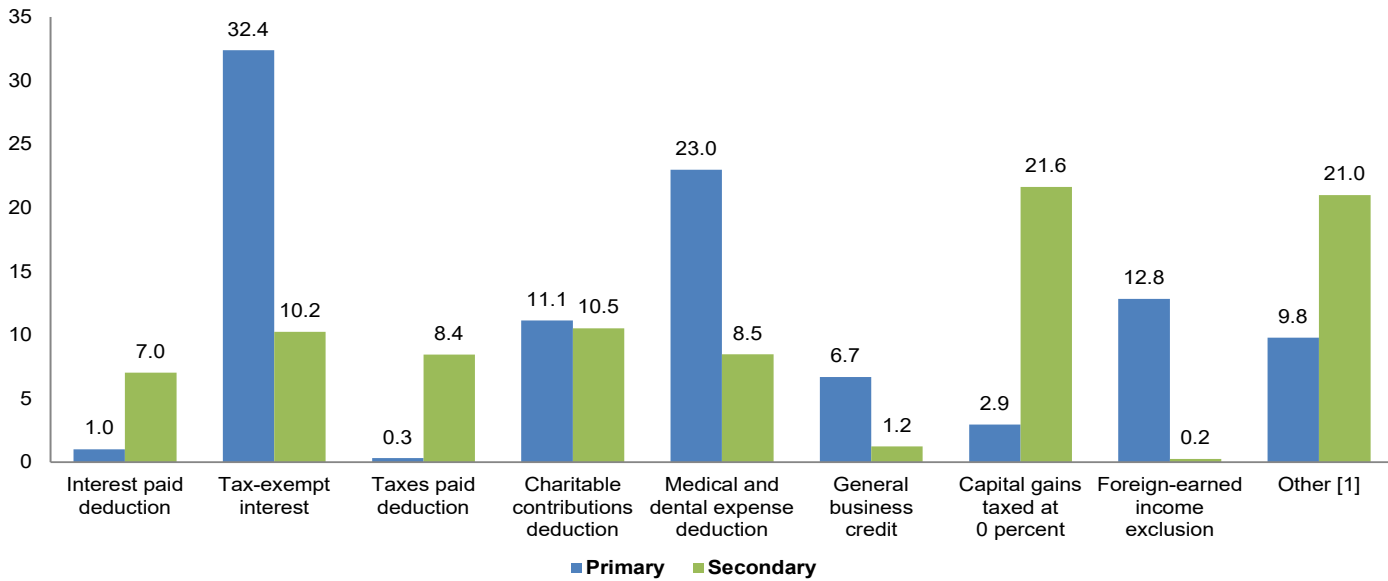
Tables 7 and 8 in this article also classify tax returns by items having the largest and second largest effects in reducing or eliminating income tax. For returns on which each of the largest effects was identified, the tables show each of the second largest effects as well.¹¹ For example, Table 7 shows that on taxable returns with some U.S. income tax and expanded incomes of \$200,000 or more, the child and other dependent tax credit, which was increased and expanded for high-income taxpayers starting in 2018, was the most important item 25.2 percent of the time. Where this was the primary item, the interest paid deduction was the second most important item 28.6 percent of the time, and on 27.8 percent of returns, there was no second largest item. The foreign tax credit was the main factor contributing to nontaxability for both AGI returns (65.6 percent of the time) and expanded-income returns with no income tax (50.6 percent of the time). However, in determining worldwide tax, this no longer has an effect (by definition).

Figure H presents another way of illustrating the importance of selected tax provisions in reducing or eliminating income tax liability. It shows the number of high-expanded-income tax returns with no worldwide income tax utilizing selected tax provisions by the percentage of income reduced. For example, the

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

Figure G
Returns Without Any Worldwide Income Tax and With Expanded Income of \$200,000 or More: Primary Reasons for Reduced Income Tax Liabilities, Tax Year 2019

Percentage of returns



[1] Includes 3 returns where the primary reason for nontaxability was not identified by the data items selected for this article. Does not include returns where there was no secondary reason for nontaxability.
 NOTES: Detail for primary reason for nontaxability may not add to 100 percent because of rounding. Detail for secondary reason for nontaxability will not add to 100 percent due to some returns not having a secondary reason for nontaxability. See Figure M for the derivation of worldwide income tax. See Appendix A: Income Concepts of this article for a discussion of expanded income.
 SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, April 2023.

Figure H
Individual Income Tax Returns With Expanded Income of \$200,000 or More and No Worldwide Income Tax: Number of Returns With Itemized Deductions, Credits, and Tax Preferences, by Percentage of Income Reduced, Tax Year 2019

Type of deduction, credit, or tax preference	Total	No deduction, credit, or tax preference	Number of returns on which income was reduced by percentage of income		
			Under 30 percent	30 percent under 60 percent	60 percent or more
	(1)	(2)	(3)	(4)	(5)
Total itemized deductions	7,391	1,902	1,811	1,447	2,231
Interest paid deduction:					
Total	7,391	5,253	2,065	37	36
Investment interest expense deduction per income concept	7,391	5,937	1,392	31	32
Taxes paid deduction	7,391	1,932	5,398	51	10
Charitable contributions deduction	7,391	2,652	3,742	840	157
Medical and dental expense deduction	7,391	3,708	1,767	577	1,340
Net casualty or theft loss deduction	7,391	7,349	4	0	38
Nonlimited miscellaneous deduction	7,391	6,973	412	0	6
Deduction equivalent of:					
Total credits	7,391	5,225	903	424	839
General business credit	7,391	6,707	134	314	236
Child and other dependent credit	7,391	5,794	1,509	88	0
Tax preferences excluded from adjusted gross income	7,391	3,119	1,589	1,085	1,599
Nontaxable Social Security benefits	7,391	3,794	3,598	0	0
Capital gains taxed at 0 percent	7,391	3,913	2,884	594	0
Deduction equivalent of Section 965 future installments	7,391	7,391	0	0	0
Disaster loss deduction	7,391	7,378	0	4	9
Qualified business income deduction	7,391	6,132	1,140	77	42
Section 199A reduction	7,391	7,391	0	0	0

NOTES: Detail may not add to totals because of rounding. See Appendix A: Income Concepts of this article for a discussion of expanded income. See also Appendix B: Tax Concepts for a discussion of worldwide income tax. Starting in 2009, the portion of refundable credits that offset income taxes before credits was factored in to determine tax liability. As a result, data may not be comparable to data in Tax Years 2007 and 2008 published tables. Prior to 2007, the portion of refundable credits used to offset income taxes had no effect.
 SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, April 2023.

itemized deduction for medical and dental expenses reduced income by greater than 60 percent of expanded income on 1,340 (or 18.1 percent) of the 7,391 returns, but there were no medical and dental expense deductions on 3,708 returns or 50.2 percent. Conversely, the taxes paid deduction reduced expanded income between 0 and 30 percent on 5,398 (or 73.0 percent) of the 7,391 returns, but reduced income by greater than 60 percent on only 10 returns. Tax preferences excluded from AGI, which included tax-exempt interest, reduced income by greater than 60 percent of expanded income on 1,599 (or 21.6 percent) of the 7,391 returns, more than any other item. In total, 4,273 returns (57.8 percent) had their income reduced by tax preferences excluded from AGI. Only the taxes paid deduction (5,459 returns or 73.9 percent) and the charitable contributions deduction (4,739 returns or 64.1 percent) were claimed by more returns. Tables 9 and 10 report the frequencies of returns in finer detail by the percentage of income reduced.

Distribution of Tax Levels

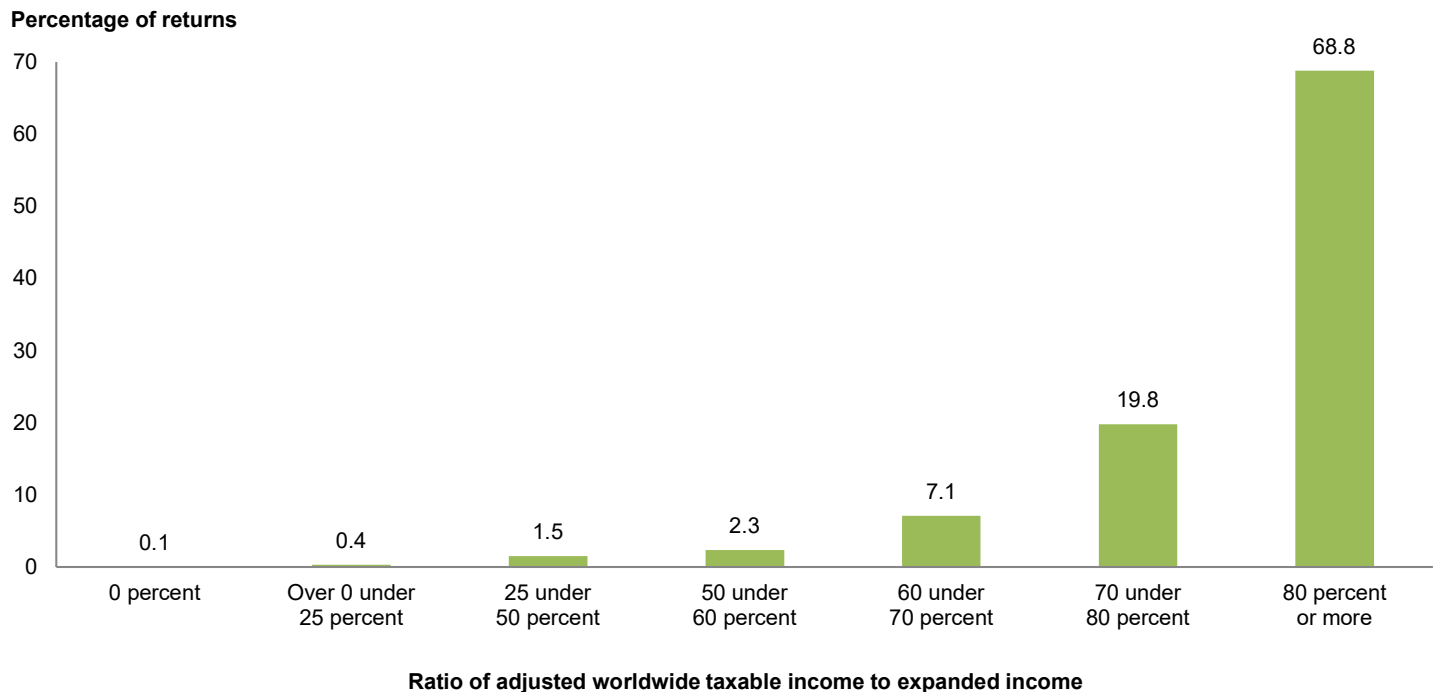
Figure I presents the distribution of high-expanded-income returns by the ratio of “adjusted” worldwide taxable income to expanded income. Taxable income was adjusted for this figure by subtracting the deduction equivalents of tax credits and other items from taxable income.¹² Thus, the figure shows the extent

to which expanded income is reduced before taxes are imposed on the remaining income. The figure illustrates three important facts about high-income tax returns:

- Only a small portion of all high-income taxpayers did not pay any worldwide income taxes (0.1 percent).
- Another group of high-income taxpayers—small, but larger than the nontaxable group—could offset a very substantial fraction of income before being subject to tax. This type of high-income taxpayer pays income tax equal to only a small share of his or her income. Such taxpayers may be called “nearly nontaxable.” About 0.4 percent of high-expanded-income taxpayers with at least some worldwide tax liabilities were able to reduce their adjusted taxable income to less than 25 percent of their expanded income.
- Overall, most high-income taxpayers were subject to tax on a large share of their income (68.8 percent of high-expanded-income taxpayers had adjusted taxable income equal to 80 percent or more of expanded income; and 98.0 percent had adjusted taxable income equal to 50 percent or more of expanded income).

Figure J shows the distribution of individual income tax returns by worldwide income tax burden. It classifies tax returns by size of expanded income and effective tax rate, i.e., income

Figure I
Individual Income Tax Returns With Expanded Income of \$200,000 or More: Distribution of Returns by Ratio of Adjusted Worldwide Taxable Income to Expanded Income, Tax Year 2019



NOTES: Detail may not add to 100 percent because of rounding. See Appendix A: Income Concepts of this article for a discussion of expanded income. See also Appendix B: Tax Concepts for a discussion of worldwide income tax.

SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, April 2023.

¹² See Appendix B for a description of how the deduction equivalent of credits was computed.

Figure J
Distribution of Effective Worldwide Income Tax Rate by Size of Expanded Income, Tax Year 2019



[1] Includes returns with negative expanded income.
 Notes: Detail may not add to 100 percent because of rounding. See Figure M for the derivation of worldwide income tax. See Appendix A: Income Concepts of this article for a discussion of expanded income.
 Source: IRS, Statistics of Income Division, Individual High-Income Tax Returns, April 2023

tax as a percentage of expanded income. This figure illustrates the wide dispersion of effective tax rates for all returns. For example, 3.2 percent of returns with expanded incomes of \$200,000 or more had a positive amount of worldwide income tax that constituted less than 10 percent of their expanded income; 10.9 percent of returns with expanded incomes of at least \$200,000 had an effective tax rate of 25 percent or more. Also, 16.4 percent had effective tax rates between 20 and 25 percent. In contrast, only 0.2 percent of taxpayers with an expanded income between \$100,000 and \$200,000 had effective tax rates of 20 percent or more.

Characteristics of High-Income Tax Returns

By comparing high-income nontaxable returns with taxable returns, some of the different characteristics of nontaxable returns can be deduced. For example, under the expanded-income concept, returns without worldwide income tax were much more likely (57.6 percent) than taxable returns (23.0 percent) to have tax-exempt interest, and when they did, the average amount for nontaxable returns (\$209,568) was much higher than the average amount for all taxable returns (\$21,634) (Figure K). They were also much more likely to have medical and dental expense deductions (50.0 percent vs. 2.9 percent) and nontaxable Social Security benefits (48.7 percent vs. 19.9 percent). Conversely, nontaxable returns (43.3 percent) were much less likely than high-income taxable returns (86.9 percent) to have income from salaries and wages. Tables 5 and 6 show the aggregate frequencies and amounts of all the types of

Figure K
Individual Income Tax Returns With Expanded Income of \$200,000 or More: Percentage and Average for Selected Items, by Worldwide Income Tax Status, Tax Year 2019
 [Money amounts are in whole dollars]

Selected items	Returns with expanded income of \$200,000 or more			
	Returns with worldwide income tax		Returns without worldwide income tax	
	Percentage of returns	Average amount	Percentage of returns	Average amount
	(1)	(2)	(3)	(4)
Salaries and wages	86.9	303,511	43.3	146,142
Tax-exempt interest	23.0	21,634	57.6	209,568
Qualified dividends	62.3	30,745	70.3	55,134
Social Security benefits (nontaxable)	19.9	5,379	48.7	4,732
Medical and dental expense deduction	2.9	31,249	50.0	107,800

NOTES: There were 9,167,499 returns with expanded income of \$200,000 or more; 7,391 of these returns did not have any worldwide income tax. See Figure M for the derivation of worldwide income tax. See Appendix A: Income Concepts of this article for a discussion of expanded income.
 SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, April 2023.

income, the items of tax preference, and the various deductions, credits, and income taxes on high-income returns.

More Detailed Data for 2019

Tables 1 through 12 present data based on income tax returns for 2019, mainly those with income of \$200,000 or more (measured in current-year dollars) of AGI or expanded income. Most of

the data are shown for taxable and nontaxable returns, both separately and combined. The odd-numbered tables use the U.S. income tax concept to classify returns as taxable or nontaxable, whereas the even-numbered tables use the worldwide income tax concept. In summary, the tables show:

- The numbers of returns under the two tax concepts, cross-classified by broad AGI and expanded-income size classes (Tables 1 and 2);
- The distributions of taxable income as a percentage of AGI and expanded income (Tables 3 and 4);
- The frequencies and amounts of various sources of income, exclusions, deductions, taxes, and tax credits, as well as the relationship between the two income concepts (Tables 5 and 6);
- The frequencies with which various deductions and tax credits are the most important and second most important items in reducing (or eliminating) income tax (Tables 7 and 8);
- The frequencies with which various itemized deductions, tax credits, and tax preference items occur as certain percentages of income (Tables 9 and 10); and
- The distributions of effective tax rates, i.e., income tax under each definition as a percentage of income, as well as the percentage of income that is subject to preferential tax rates, by broad income-size classes (Tables 11 and 12).

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Appendix A: Income Concepts

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

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

Haig-Simons Income

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

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

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

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

Transfer payments—These include payments in cash such as Social Security benefits, workers’ compensation, unemployment benefits, Aid to Families with Dependent Children, and noncash benefits (such as Medicare, Medicaid, and the Supplemental Nutrition Assistance Program).

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

Adjusted Gross Income

AGI is the statutory definition of income for federal income tax purposes. AGI differs from H-S income by excluding some components of H-S income and by allowing accelerated business deductions and deductions unrelated to income, but also by disallowing or limiting certain expenses of earning income and certain losses. In addition, AGI is not “grossed up” for implicit taxes.

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

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

AGI generally exceeds H-S income to the extent that expenses of earning income and losses are limited or disallowed. Most of the expenses of earning income are deductible from AGI in calculating taxable income, but only if the taxpayer “itemizes” deductions. Expenses incurred in the production of income that are itemized deductions include expenses attributable to a taxpayer’s (passive) investments (as opposed to active participation in a trade or business, for example), including, but not limited to, interest expense incurred in connection with investments in securities [A3].

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

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

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

Expanded Income

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

Investment Expenses

In measuring H-S income, it generally would be appropriate to deduct all expenses incurred in the production of income, including those related to any income-producing investments, without limit. Investment expenses that exceed investment income would then represent net economic losses. However, such a liberal deduction for investment-related expenses is not necessarily correct when not all income items have been included currently. (Investment income includes interest, dividends, and capital gains.)

If all income has not been included currently, full deduction of investment expenses might represent a mismatching of receipts and expenses and might result in understating income. For example, if a taxpayer borrowed funds to purchase securities, net income would be understated if the taxpayer deducted

Figure L
Derivation of Expanded Income from Adjusted Gross Income, Tax Years 1977–2019

Adjusted gross income (AGI)	
PLUS:	<ul style="list-style-type: none"> o Excluded capital gains (tax years prior to 1987) o Tax-exempt interest (1987 and later tax years) o Nontaxable Social Security benefits (1988 and later tax years) o Tax preferences for alternative minimum tax purposes [A5] o Foreign-earned income exclusion (1990 and later tax years)
MINUS:	<ul style="list-style-type: none"> o Unreimbursed employee business expenses (tax years prior to 2018) [A4] o Nondeductible rental losses (Tax Years 1987 and 1988) o Moving expense deduction (Tax Years 1987 through 1993) [A4] o Investment interest expense deduction to the extent that it does not exceed investment income o Miscellaneous itemized deductions not subject to the 2-percent-of-AGI floor (1989 and later tax years)
EQUALS:	o Expanded income

NOTE: Footnotes to this figure are included with the footnotes to Appendix A: Income Concepts, which also includes an explanation of adjusted gross income and expanded income.

SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, April 2023.

all interest payments on the loan but did not include as income any accrued gains on the securities. A similar mismatching of income and expenses would occur if investment expenses that should properly be capitalized were deducted when paid. In these instances, a more accurate measure of income might be obtained by postponing the deduction of the expense until the income was recognized for tax purposes.

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

Investment expenses that have not been deducted in determining AGI generally can appear on a federal individual income tax return in two places. Investment interest expense is accounted for in the calculation of the itemized deduction for interest paid. Deductible investment interest expense is a separate part of the total interest deduction. Other investment expenses, such as management fees, are included in the miscellaneous category of itemized deductions [A5]. Beginning with 1987, most types of income-producing expenses included as miscellaneous itemized deductions are only deductible to the extent that their total exceeds 2 percent of AGI. These were eliminated from Schedule A for 2018. To determine expenses that should be deductible in calculating an approximation of H-S income, investment expenses have been defined as deductible investment interest expenses. Other investment expenses could not be separated from the remainder of miscellaneous deductions. Hence, they have not been used in the adjustment for investment expenses.

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

Notes to Appendix A

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

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

interest costs because part of these payments represents a return of principal to the lender, rather than interest.

[A3] See references and footnote A4.

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

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

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

The subtraction of unreimbursed employee business expense and the moving expense deduction is to make the concept of expanded income comparable to that for years prior to 1987. All current-year moving expenses beginning with Tax Year 1994 were deducted in the calculation of AGI as a statutory adjustment. Due to subtracting nonlimited miscellaneous deductions and not subtracting the nondeductible rental loss for 1989, the expanded income concept for 1989 is not strictly comparable to expanded income for 1988. Nor is the expanded income concept for 1990 strictly comparable to expanded income for 1989 because of the addition of the foreign-earned income exclusion. Specific details on the definition of expanded income for any given year are available in the reports and publications found in the References section.

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

Appendix B: Tax Concepts

This appendix discusses in more detail two tax concepts used in this article. The first section provides a summary of the U.S. taxation of worldwide income and the foreign tax credit. The two tax concepts used in this article are then defined in the next section. That section is followed by an explanation of deduction

equivalent of credits and other items. A final section discusses the possible implications of the use of unaudited tax return data for this article.

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

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

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

Due to taxing citizens and residents on a worldwide basis but allowing a foreign tax credit, some federal income tax returns may report substantial income but little or no U.S. tax liability after credits. This may occur, for example, if a taxpayer has income only from foreign sources, e.g., the taxpayer may live abroad the entire year and have no income-producing assets in the United States. It may also occur if a taxpayer has foreign-source income that exceeds a net loss from U.S. sources and pays income taxes comparable to the U.S. tax to a foreign government [B2].

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

Two Tax Concepts

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

income is used as a proxy for foreign tax liabilities [B3]. The relationship of U.S. income tax to tax items reported on individual income tax returns, and to worldwide income tax, is shown in Figure M.

Figure M

Derivation of U.S. Individual Income Tax and Worldwide Income Tax Liabilities, Tax Year 2019

Tax at regular rates (tax generated)	
PLUS:	Additional taxes (such as tax on accumulation distributions from qualified retirement plans, Form 4972)
PLUS:	Alternative minimum tax (Form 6251)
PLUS:	Excess advance premium tax credit repayment
EQUALS:	Income tax before credits
MINUS:	Excess advance premium tax credit repayment
MINUS:	Tax credits (nonrefundable)
PLUS:	Net investment tax
MINUS:	Refundable tax credits [1]
EQUALS:	U.S. individual income tax
PLUS:	Foreign tax credit
PLUS:	Foreign taxes paid on excluded foreign-earned income (Form 1116)
EQUALS:	Worldwide income tax

[1] Includes the earned income credit, additional child tax credit, refundable American opportunity credit, regulated investment company credit, net premium tax credit, and health insurance credit.
NOTE: See Appendix B: Tax Concepts for further discussion of the information in this figure.
SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, April 2023.

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

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

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

Using this method of equating the value of deductions, exclusions, credits, and special tax computations, the order in which the various credits and special tax computations are calculated may affect the value of their deduction equivalents. Because the tax rate schedules are progressive, with successive increments

to income taxed at successively higher tax rates, the deduction equivalent of the credit converted last to a deduction equivalent will be larger (for the same amount of a credit) than the item converted first, unless all relevant taxable income amounts are within a single tax-rate bracket.

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

Unaudited Data

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

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

Notes to Appendix B

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

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Table 1. Individual Income Tax Returns With and Without U.S. Income Tax Liability: Number of Returns, by Size of Income Under Alternative Concepts, Tax Year 2019

[All figures are estimates based on samples]

Returns by tax status, size of expanded income	All returns	Returns by size of adjusted gross income			
		Under \$50,000 [1]	\$50,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)
All returns					
Total	157,796,807	90,425,054	36,357,516	21,997,582	9,016,655
Under \$50,000 [1]	86,761,962	86,671,946	76,393	9,167	4,456
\$50,000 under \$100,000	39,377,118	3,667,021	35,637,411	66,454	6,232
\$100,000 under \$200,000	22,490,228	81,976	636,085	21,740,301	31,865
\$200,000 or more	9,167,499	4,111	7,627	181,659	8,974,102
Returns with U.S. income tax					
Total	104,005,781	39,771,027	33,426,157	21,807,901	9,000,697
Under \$50,000 [1]	37,343,982	37,274,030	60,701	6,085	3,166
\$50,000 under \$100,000	35,283,226	2,469,663	32,742,860	64,662	6,042
\$100,000 under \$200,000	22,235,045	25,470	616,621	21,561,503	31,451
\$200,000 or more	9,143,529	1,864	5,975	175,652	8,960,038
Returns without U.S. income tax					
Total	53,791,026	50,654,027	2,931,360	189,681	15,958
Under \$50,000 [1]	49,417,980	49,397,915	15,692	3,083	1,290
\$50,000 under \$100,000	4,093,892	1,197,358	2,894,552	1,792	190
\$100,000 under \$200,000	255,183	56,507	19,464	178,798	414
\$200,000 or more	23,970	2,247	1,652	6,008	14,064

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

NOTES: Detail may not add to totals because of rounding. See Appendix A: Income Concepts of this article for a discussion of adjusted gross income and expanded income. See also Appendix B: Tax Concepts for a discussion of U.S. income tax. Starting in 2009, the portion of refundable credits that offset income taxes before credits was factored in to determine tax liability. As a result, data may not be comparable to data in Tax Years 2007 and 2008 published tables. Prior to 2007, the portion of refundable credits used to offset income taxes had no effect.

SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, March 2023.

Table 2. Individual Income Tax Returns With and Without Worldwide Income Tax Liability: Number of Returns, by Size of Income Under Alternative Concepts, Tax Year 2019

[All figures are estimates based on samples]

Returns by tax status, size of expanded income	All returns	Returns by size of adjusted gross income			
		Under \$50,000 [1]	\$50,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)
All returns					
Total	157,796,807	90,425,054	36,357,516	21,997,582	9,016,655
Under \$50,000 [1]	86,761,962	86,671,946	76,393	9,167	4,456
\$50,000 under \$100,000	39,377,118	3,667,021	35,637,411	66,454	6,232
\$100,000 under \$200,000	22,490,228	81,976	636,085	21,740,301	31,865
\$200,000 or more	9,167,499	4,111	7,627	181,659	8,974,102
Returns with worldwide income tax					
Total	104,260,752	39,915,862	33,490,486	21,842,430	9,011,975
Under \$50,000 [1]	37,457,573	37,387,613	60,701	6,085	3,175
\$50,000 under \$100,000	35,355,195	2,485,455	32,798,974	64,704	6,062
\$100,000 under \$200,000	22,287,877	40,346	623,834	21,592,141	31,556
\$200,000 or more	9,160,108	2,448	6,977	179,501	8,971,182
Returns without worldwide income tax					
Total	53,536,055	50,509,192	2,867,030	155,152	4,680
Under \$50,000 [1]	49,304,389	49,284,333	15,692	3,083	1,281
\$50,000 under \$100,000	4,021,923	1,181,566	2,838,437	1,750	170
\$100,000 under \$200,000	202,351	41,630	12,251	148,161	309
\$200,000 or more	7,391	1,663	650	2,159	2,920

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

NOTES: Detail may not add to totals because of rounding. See Appendix A: Income Concepts of this article for a discussion of adjusted gross income and expanded income. See also Appendix B: Tax Concepts for a discussion of worldwide income tax. Starting in 2009, the portion of refundable credits that offset income taxes before credits was factored in to determine tax liability. As a result, data may not be comparable to data in Tax Years 2007 and 2008 published tables. Prior to 2007, the portion of refundable credits used to offset income taxes had no effect.

SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, March 2023.

Table 3. Individual Income Tax Returns With and Without U.S. Income Tax Liability and With Income of \$200,000 or More Under Alternative Concepts: Distribution of Returns by Ratio of Adjusted Taxable Income to Income Per Concept, Tax Year 2019

[All figures are estimates based on samples]

Tax status, ratio of adjusted taxable income to income per concept	Adjusted gross income concept			Expanded income concept		
	Number of returns	Percentage of total	Cumulative percentage of total	Number of returns	Percentage of total	Cumulative percentage of total
	(1)	(2)	(3)	(4)	(5)	(6)
Total	9,016,655	100.0	100.0	9,167,499	100.0	100.0
Returns without U.S. income tax	15,958	0.2	0.2	23,970	0.3	0.3
Returns with U.S. income tax: Total	9,000,697	99.8	N/A	9,143,529	99.7	N/A
Ratio of adjusted taxable income to income per concept:						
Over 0 percent under 5 percent	23,993	0.3	0.3	29,916	0.3	0.3
5 percent under 10 percent	9,611	0.1	0.4	9,510	0.1	0.4
10 percent under 15 percent	10,670	0.1	0.5	11,072	0.1	0.6
15 percent under 20 percent	13,845	0.2	0.6	14,916	0.2	0.7
20 percent under 25 percent	13,309	0.1	0.8	15,629	0.2	0.9
25 percent under 30 percent	15,458	0.2	1.0	17,462	0.2	1.1
30 percent under 35 percent	19,706	0.2	1.2	22,399	0.2	1.3
35 percent under 40 percent	26,762	0.3	1.5	33,543	0.4	1.7
40 percent under 45 percent	32,321	0.4	1.8	42,334	0.5	2.1
45 percent under 50 percent	49,985	0.6	2.4	58,246	0.6	2.8
50 percent under 60 percent	197,618	2.2	4.6	236,968	2.6	5.4
60 percent under 70 percent	581,193	6.4	11.0	664,913	7.3	12.6
70 percent under 80 percent	1,736,929	19.3	30.3	1,819,116	19.8	32.5
80 percent or more	6,269,296	69.5	99.8	6,167,504	67.3	99.7

N/A—Not applicable.

NOTES: Detail may not add to totals because of rounding. See Appendix A: Income Concepts of this article for a discussion of adjusted gross income and expanded income. See also Appendix B: Tax Concepts for a discussion of U.S. income tax. Starting in 2009, the portion of refundable credits that offset income taxes before credits was factored in to determine tax liability. As a result, data may not be comparable to data in Tax Years 2007 and 2008 published tables. Prior to 2007, the portion of refundable credits used to offset income taxes had no effect.

SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, March 2023.

Table 4. Individual Income Tax Returns With and Without Worldwide Income Tax Liability and With Income of \$200,000 or More Under Alternative Concepts: Distribution of Returns by Ratio of Adjusted Taxable Income to Income Per Concept, Tax Year 2019

[All figures are estimates based on samples]

Tax status, ratio of adjusted taxable income to income per concept	Adjusted gross income concept			Expanded income concept		
	Number of returns	Percentage of total	Cumulative percentage of total	Number of returns	Percentage of total	Cumulative percentage of total
	(1)	(2)	(3)	(4)	(5)	(6)
Total	9,016,655	100.0	100.0	9,167,499	100.0	100.0
Returns without worldwide income tax	4,680	0.1	0.1	7,391	0.1	0.1
Returns with worldwide income tax: Total	9,011,975	99.9	N/A	9,160,108	99.9	N/A
Ratio of adjusted taxable income to income per concept:						
Over 0 percent under 5 percent	6,946	0.1	0.1	8,659	0.1	0.1
5 percent under 10 percent	4,062	[1]	0.1	4,223	[1]	0.1
10 percent under 15 percent	3,861	[1]	0.2	3,928	[1]	0.2
15 percent under 20 percent	6,547	0.1	0.2	6,111	0.1	0.3
20 percent under 25 percent	8,718	0.1	0.3	9,225	0.1	0.4
25 percent under 30 percent	11,819	0.1	0.5	12,263	0.1	0.5
30 percent under 35 percent	13,110	0.1	0.6	15,655	0.2	0.7
35 percent under 40 percent	18,944	0.2	0.8	26,068	0.3	0.9
40 percent under 45 percent	27,465	0.3	1.1	36,811	0.4	1.3
45 percent under 50 percent	43,247	0.5	1.6	49,589	0.5	1.9
50 percent under 60 percent	176,674	2.0	3.6	215,425	2.3	4.2
60 percent under 70 percent	557,179	6.2	9.7	649,401	7.1	11.3
70 percent under 80 percent	1,722,615	19.1	28.8	1,816,538	19.8	31.1
80 percent or more	6,410,788	71.1	99.9	6,306,212	68.8	99.9

N/A—Not applicable.

[1] Percentage less than 0.05.

NOTES: Detail may not add to totals because of rounding. See Appendix A: Income Concepts of this article for a discussion of adjusted gross income and expanded income. See also Appendix B: Tax Concepts for a discussion of worldwide income tax. Starting in 2009, the portion of refundable credits that offset income taxes before credits was factored in to determine tax liability. As a result, data may not be comparable to data in Tax Years 2007 and 2008 published tables. Prior to 2007, the portion of refundable credits used to offset income taxes had no effect.

SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, March 2023.

Table 5. Individual Income Tax Returns With and Without U.S. Income Tax Liability and With Income of \$200,000 or More Under Alternative Concepts: Income, Deductions, Credits, and Tax, Tax Year 2019

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

Income concept, item	Returns with income of \$200,000 or more					
	Total		Returns with U.S. income tax		Returns without U.S. income tax	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(1)	(2)	(3)	(4)	(5)	(6)
Adjusted gross income concept						
Salaries and wages	7,887,045	2,406,664,276	7,874,538	2,402,936,867	12,507	3,727,409
Business or profession:						
Net income	1,573,640	147,563,996	1,571,406	147,273,609	2,233	290,387
Net loss	540,533	12,705,533	539,368	12,630,263	1,165	75,270
Farm:						
Net income	45,100	3,350,897	44,958	3,337,939	142	12,958
Net loss	127,620	7,008,526	127,322	6,964,660	298	43,867
Partnership and S corporation after section 179 property deduction: [1]						
Net income	2,168,486	728,705,695	2,166,361	728,308,823	2,125	396,872
Net loss	648,018	68,627,904	645,898	68,151,516	2,120	476,389
Sales of capital assets:						
Net gain	4,145,013	739,526,422	4,140,129	738,666,568	4,883	859,854
Net loss	1,511,313	3,406,260	1,508,147	3,398,487	3,166	7,773
Sales of property other than capital assets:						
Net gain	347,999	27,716,196	347,323	27,670,719	676	45,477
Net loss	323,537	6,139,681	322,879	6,093,450	658	46,231
Taxable interest received	7,338,008	94,645,311	7,329,221	94,416,801	8,787	228,510
Tax-exempt interest	2,001,252	40,481,623	1,999,340	40,397,604	1,912	84,019
Dividends	5,860,737	223,936,002	5,853,655	223,520,208	7,082	415,794
Qualified dividends	5,581,537	172,850,550	5,575,195	172,529,311	6,342	321,239
Pensions and annuities in adjusted gross income	2,076,270	127,546,132	2,074,680	127,461,333	1,591	84,799
Rent:						
Net income	981,665	40,330,755	979,901	40,262,249	1,764	68,506
Net loss, total (deductible and nondeductible)	1,029,861	20,099,421	1,027,341	20,006,065	2,519	93,356
Nondeductible rental loss	792,448	12,922,629	790,094	12,869,605	2,353	53,024
Royalty:						
Net income	447,334	19,262,044	446,709	19,238,010	625	24,034
Net loss	20,327	310,021	20,273	309,775	54	247
Estate or trust:						
Net income	197,791	28,916,255	197,565	28,907,176	226	9,079
Net loss	14,205	2,309,521	14,139	2,290,313	66	19,208
State income tax refunds	416,372	1,583,227	415,848	1,579,347	524	3,880
Alimony received	15,721	2,879,523	15,713	2,878,874	8	649
Social Security benefits in adjusted gross income	1,704,411	50,904,456	1,702,496	50,850,214	1,915	54,242
Social Security benefits (nontaxable)	1,705,334	9,019,384	1,703,352	9,008,732	1,982	10,652
Unemployment compensation	160,947	1,019,352	160,862	1,018,755	85	596
Other income	948,960	25,719,275	946,889	25,537,601	2,072	181,674
Other loss	54,824	2,998,476	54,181	2,925,891	643	72,585
Foreign-earned income exclusion	40,029	3,864,572	38,106	3,660,248	1,923	204,324
Total income	9,016,655	4,663,530,790	9,000,697	4,657,561,328	15,958	5,969,462
Statutory adjustments, total	3,032,258	55,177,666	3,029,269	55,130,866	2,989	46,800
Payments to Individual Retirement Arrangements	160,169	1,584,915	159,935	1,582,817	234	2,098
Payments to self-employed retirement (Keogh) plans	526,531	19,701,533	526,347	19,694,867	184	6,666
Adjusted gross income	9,016,655	4,608,353,124	9,000,697	4,602,430,462	15,958	5,922,662
Investment interest expense deduction	567,333	18,541,108	565,700	18,276,446	1,633	264,662
Total tax preferences excluded from adjusted gross income [2]	2,011,336	43,491,798	2,009,404	43,407,687	1,932	84,111
Total alternative minimum tax preference items (excluding tax-exempt interest from private activity bonds)	17,160	3,079,374	17,123	3,078,449	37	925
Passive activity loss (alternative minimum tax adjustment)	328,291	760,270	327,495	759,797	796	474

Footnotes at end of table.

Table 5. Individual Income Tax Returns With and Without U.S. Income Tax Liability and With Income of \$200,000 or More Under Alternative Concepts: Income, Deductions, Credits, and Tax, Tax Year 2019—Continued

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

Income concept, item	Returns with income of \$200,000 or more					
	Total		Returns with U.S. income tax		Returns without U.S. income tax	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(1)	(2)	(3)	(4)	(5)	(6)
Expanded income	9,016,425	4,628,237,867	9,000,696	4,623,192,098	15,729	5,045,769
Disaster loss deduction [3]	19	3,221	6	271	13	2,950
Itemized deductions:						
Total per adjusted gross income concept	4,559,044	289,616,315	4,552,525	287,852,407	6,519	1,763,908
Charitable contributions deduction	4,168,261	127,968,833	4,163,186	127,763,316	5,076	205,517
Interest paid deduction:						
Total per adjusted gross income concept	4,054,968	90,472,064	4,050,263	90,113,973	4,706	358,091
Total home mortgage interest	3,893,278	71,652,899	3,889,182	71,559,768	4,096	93,131
Medical and dental expense deduction	238,231	7,891,397	236,582	7,687,871	1,649	203,526
Net casualty or theft loss deduction [3]	466	48,297	425	22,964	41	25,333
Taxes paid deduction	4,552,490	45,414,941	4,546,384	45,355,617	6,106	59,324
Nonlimited miscellaneous deductions	309,595	17,905,744	307,762	16,994,818	1,832	910,926
Excess of exemptions and deductions over adjusted gross income	2,890	985,882	1,263	647,966	1,626	337,917
Qualified business income deduction	4,412,606	104,808,585	4,409,446	104,750,009	3,160	58,576
Domestic production activities deduction from section 199A	675	69,897	671	69,542	4	355
Taxable income	9,013,593	4,109,546,619	8,999,359	4,105,306,990	14,234	4,239,629
Tax at regular rates	9,011,368	996,794,194	8,998,138	995,776,309	13,230	1,017,885
Alternative minimum tax	128,128	2,366,096	127,316	2,365,141	812	955
Income tax before credits	9,011,661	999,254,356	8,998,408	998,235,456	13,252	1,018,900
Tax credits, total	5,908,615	40,229,204	5,895,360	39,213,621	13,255	1,015,582
Child care credit	924,935	540,337	924,528	540,079	407	259
Child and other dependent credit	3,265,033	9,570,473	3,261,080	9,561,348	3,954	9,125
Minimum tax credit	170,524	1,352,484	170,218	1,348,947	306	3,537
Foreign tax credit	3,027,979	22,788,204	3,016,570	21,819,191	11,408	969,013
General business credit	269,580	4,667,066	268,534	4,649,704	1,046	17,362
U.S. total income tax	9,000,697	987,231,934	9,000,697	987,231,934	0	0
Taxable income which would yield:						
Income tax before credits less excess advance PTC repayment [4]	9,011,509	3,760,955,744	8,998,268	3,756,896,494	13,241	4,059,250
Income tax after credits	8,986,027	3,627,392,072	** 8,986,027	** 3,627,392,072	**	**
U.S. total income tax	9,000,697	3,708,145,085	9,000,697	3,708,145,085	0	0
Reconciliation of adjusted gross income and expanded income:						
Adjusted gross income	9,016,655	4,608,353,124	9,000,697	4,602,430,462	15,958	5,922,662
plus: Total tax preferences excluded from adjusted gross income [2]	2,011,336	43,491,798	2,009,404	43,407,687	1,932	84,111
Social Security benefits (nontaxable)	1,705,334	9,019,384	1,703,352	9,008,732	1,982	10,652
Foreign-earned income exclusion	40,029	3,864,572	38,106	3,660,248	1,923	204,324
minus: Investment interest expense deduction	567,333	18,541,108	565,700	18,276,446	1,633	264,662
Nonlimited miscellaneous deductions	309,595	17,905,744	307,762	16,994,818	1,832	910,926
Unreimbursed employee business expenses [5]	6,282	44,160	6,266	43,767	16	393
Equals: Expanded income	9,016,425	4,628,237,867	9,000,696	4,623,192,098	15,729	5,045,769

Footnotes at end of table.

Table 5. Individual Income Tax Returns With and Without U.S. Income Tax Liability and With Income of \$200,000 or More Under Alternative Concepts: Income, Deductions, Credits, and Tax, Tax Year 2019—Continued

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

Income concept, item	Returns with income of \$200,000 or more					
	Total		Returns with U.S. income tax		Returns without U.S. income tax	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(1)	(2)	(3)	(4)	(5)	(6)
Expanded income concept						
Salaries and wages	7,959,968	2,415,431,155	7,941,864	2,410,437,185	18,104	4,993,970
Business or profession:						
Net income	1,595,204	148,304,245	1,592,401	147,955,883	2,803	348,362
Net loss	544,673	12,717,400	543,354	12,629,263	1,319	88,137
Farm:						
Net income	46,446	3,343,712	46,299	3,330,840	147	12,872
Net loss	130,748	7,055,787	130,093	6,999,942	655	55,845
Partnership and S corporation after section 179 property deduction: [1]						
Net income	2,195,638	728,877,108	2,193,111	728,492,278	2,527	384,830
Net loss	659,016	68,646,230	655,874	67,970,068	3,142	676,162
Sales of capital assets:						
Net gain	4,240,709	741,490,560	4,232,870	740,604,783	7,839	885,777
Net loss	1,547,622	3,493,826	1,542,291	3,480,542	5,332	13,284
Sales of property other than capital assets:						
Net gain	349,862	27,652,150	349,027	27,601,967	835	50,184
Net loss	329,778	6,177,748	328,918	6,125,632	860	52,116
Taxable interest received	7,484,621	95,086,869	7,469,865	94,862,671	14,756	224,198
Tax-exempt interest	2,111,502	46,480,915	2,105,805	45,498,715	5,697	982,200
Dividends	6,001,444	227,908,600	5,989,018	227,245,793	12,426	662,807
Qualified dividends	5,715,661	175,855,022	5,704,503	175,355,749	11,158	499,273
Pensions and annuities in adjusted gross income	2,171,497	132,062,230	2,168,766	131,941,974	2,731	120,255
Rent:						
Net income	997,578	40,688,758	995,005	40,604,937	2,573	83,821
Net loss, total (deductible and nondeductible)	1,041,524	20,185,910	1,037,864	20,076,003	3,660	109,907
Nondeductible rental loss	800,793	13,026,555	797,933	12,967,216	2,860	59,339
Royalty:						
Net income	463,748	19,574,726	462,658	19,551,753	1,090	22,973
Net loss	21,110	322,389	21,040	321,659	70	730
Estate or trust:						
Net income	203,367	28,969,980	202,898	28,955,476	469	14,504
Net loss	14,247	2,326,352	14,132	2,302,729	115	23,622
State income tax refunds	420,708	1,603,736	419,987	1,599,144	722	4,592
Alimony received	16,743	3,031,560	16,736	3,030,819	7	741
Social Security benefits in adjusted gross income	1,825,163	54,962,730	1,820,866	54,848,251	4,298	114,479
Social Security benefits (nontaxable)	1,826,457	9,822,550	1,822,030	9,799,596	4,428	22,954
Unemployment compensation	159,761	1,007,017	159,674	1,006,289	87	729
Other income	971,643	25,885,665	968,791	25,689,561	2,853	196,105
Other loss	63,989	3,121,007	61,960	2,997,786	2,029	123,221
Foreign-earned income exclusion	68,597	7,360,129	60,874	6,354,740	7,723	1,005,388
Total income	9,167,476	4,683,848,049	9,143,529	4,677,804,358	23,947	6,043,691
Statutory adjustments, total	3,065,251	55,576,622	3,061,461	55,522,110	3,789	54,512
Payments to Individual Retirement Arrangements	163,116	1,607,998	162,688	1,604,147	428	3,850
Payments to self-employed retirement (Keogh) plans	532,806	19,793,490	532,601	19,786,375	205	7,115
Adjusted gross income	9,167,476	4,628,271,427	9,143,529	4,622,282,248	23,947	5,989,180
Investment interest expense deduction	566,398	17,470,225	564,293	17,411,978	2,105	58,247
Total tax preferences excluded from adjusted gross income [2]	2,124,187	49,878,274	2,118,459	48,890,941	5,728	987,333
Total alternative minimum tax preference items (excluding tax-exempt interest from private activity bonds)	19,958	3,462,827	19,877	3,457,329	81	5,498
Passive activity loss (alternative minimum tax adjustment)	333,279	757,724	332,184	754,321	1,095	3,402

Footnotes at end of table.

Table 5. Individual Income Tax Returns With and Without U.S. Income Tax Liability and With Income of \$200,000 or More Under Alternative Concepts: Income, Deductions, Credits, and Tax, Tax Year 2019—Continued

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

Income concept, item	Returns with income of \$200,000 or more					
	Total		Returns with U.S. income tax		Returns without U.S. income tax	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(1)	(2)	(3)	(4)	(5)	(6)
Expanded income	9,167,499	4,667,412,384	9,143,529	4,659,520,680	23,970	7,891,704
Disaster loss deduction [3]	19	3,221	6	271	13	2,950
Itemized deductions:						
Total per adjusted gross income concept	4,580,737	282,827,375	4,572,198	281,825,396	8,539	1,001,978
Total per expanded income concept	4,579,168	255,099,335	4,570,648	254,199,411	8,520	899,924
Charitable contributions deduction	4,197,298	128,696,293	4,190,187	128,422,631	7,111	273,663
Interest paid deduction:						
Total per adjusted gross income concept	4,059,752	89,505,803	4,054,242	89,348,432	5,510	157,371
Total per expanded income concept	3,902,144	72,035,578	3,897,798	71,936,454	4,346	99,125
Total home mortgage interest	3,896,185	71,758,142	3,891,854	71,659,291	4,330	98,850
Medical and dental expense deduction	267,030	8,627,525	262,772	8,212,715	4,258	414,810
Net casualty or theft loss deduction [3]	167	40,621	124	14,032	43	26,589
Taxes paid deduction	4,575,422	45,650,858	4,567,280	45,567,102	8,142	83,756
Nonlimited miscellaneous deductions	273,688	10,389,984	273,007	10,345,975	681	44,009
Excess of exemptions and deductions over adjusted gross income	3,613	406,847	936	214,500	2,677	192,347
Qualified business income deduction	4,512,058	105,080,567	4,507,994	105,020,099	4,064	60,469
Domestic production activities deduction from section 199A	676	69,939	671	69,542	5	397
Taxable income	9,163,775	4,132,331,327	9,142,528	4,127,541,361	21,246	4,789,966
Tax at regular rates	9,160,060	1,000,389,722	9,141,468	999,257,158	18,593	1,132,564
Alternative minimum tax	131,917	2,397,501	130,964	2,396,406	953	1,095
Income tax before credits	9,160,220	1,002,880,924	9,141,606	1,001,747,205	18,614	1,133,719
Tax credits, total	6,007,352	40,607,605	5,988,733	39,477,191	18,619	1,130,414
Child care credit	924,769	540,271	924,308	539,977	461	294
Child and other dependent credit	3,282,387	9,605,062	3,277,261	9,594,339	5,126	10,722
Minimum tax credit	171,091	1,350,574	170,607	1,346,451	484	4,123
Foreign tax credit	3,123,282	23,153,320	3,106,668	22,073,396	16,614	1,079,923
General business credit	270,591	4,642,337	269,457	4,624,161	1,134	18,175
U.S. total income tax	9,143,529	990,477,231	9,143,529	990,477,231	0	0
Taxable income which would yield:						
Income tax before credits less excess advance PTC repayment [4]	9,160,216	3,782,257,886	9,141,603	3,777,550,546	18,613	4,707,340
Income tax after credits	9,128,211	3,646,744,127	** 9,128,211	** 3,646,744,127	**	**
U.S. total income tax	9,143,529	3,727,481,764	9,143,529	3,727,481,764	0	0
Reconciliation of adjusted gross income and expanded income:						
Adjusted gross income	9,167,476	4,628,271,427	9,143,529	4,622,282,248	23,947	5,989,180
plus: Total tax preferences excluded from adjusted gross income [2]	2,124,187	49,878,274	2,118,459	48,890,941	5,728	987,333
Social Security benefits (nontaxable)	1,826,457	9,822,550	1,822,030	9,799,596	4,428	22,954
Foreign-earned income exclusion	68,597	7,360,129	60,874	6,354,740	7,723	1,005,388
minus: Investment interest expense deduction	566,398	17,470,225	564,293	17,411,978	2,105	58,247
Nonlimited miscellaneous deductions	273,688	10,389,984	273,007	10,345,975	681	44,009
Unreimbursed employee business expenses [5]	6,271	43,823	6,261	43,674	10	149
Equals: Expanded income	9,167,499	4,667,412,384	9,143,529	4,659,520,680	23,970	7,891,704

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

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

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

[3] The Taxpayer Certainty and Disaster Tax Relief Act of 2019 was introduced in June 2019 and signed in December 2019. The law extended tax provisions for 2018 for disaster tax relief. See Section 1 of IRS publication 1304 for more details.

[4] Excess advance premium tax credit repayment is included in income tax before credits on Form 1040 but is subtracted here because it is not considered a part of income tax since it is not based on earned income.

[5] For prior-year returns only.

NOTES: Detail may not add to totals because of rounding. See Appendix A: Income Concepts of this article for a discussion of adjusted gross income and expanded income. See also Appendix B: Tax Concepts for a discussion of U.S. income tax. Starting in 2009, the portion of refundable credits that offset income taxes before credits was factored in to determine tax liability. As a result, data may not be comparable to data in Tax Years 2007 and 2008 published tables. Prior to 2007, the portion of refundable credits used to offset income taxes had no effect.

SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, March 2023.

Table 6. Individual Income Tax Returns With and Without Worldwide Income Tax Liability and With Income of \$200,000 or More Under Alternative Concepts: Income, Deductions, Credits, and Tax, Tax Year 2019

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

Income concept, item	Returns with income of \$200,000 or more					
	Total		Returns with worldwide income tax		Returns without worldwide income tax	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(1)	(2)	(3)	(4)	(5)	(6)
Adjusted gross income concept						
Salaries and wages	7,887,045	2,406,664,276	7,884,636	2,406,369,771	2,409	294,505
Business or profession:						
Net income	1,573,640	147,563,996	1,572,766	147,480,174	873	83,822
Net loss	540,533	12,705,533	540,033	12,662,686	500	42,847
Farm:						
Net income	45,100	3,350,897	44,981	3,338,985	119	11,912
Net loss	127,620	7,008,526	127,420	6,973,165	200	35,361
Partnership and S corporation after section 179 property deduction: [1]						
Net income	2,168,486	728,705,695	2,167,189	728,526,157	1,297	179,538
Net loss	648,018	68,627,904	646,901	68,273,020	1,116	354,884
Sales of capital assets:						
Net gain	4,145,013	739,526,422	4,142,858	739,010,683	2,155	515,739
Net loss	1,511,313	3,406,260	1,510,447	3,403,925	867	2,335
Sales of property other than capital assets:						
Net gain	347,999	27,716,196	347,529	27,680,510	470	35,686
Net loss	323,537	6,139,681	323,141	6,105,902	396	33,779
Taxable interest received	7,338,008	94,645,311	7,334,721	94,481,513	3,287	163,799
Tax-exempt interest	2,001,252	40,481,623	2,000,104	40,420,344	1,148	61,279
Dividends	5,860,737	223,936,002	5,858,187	223,740,705	2,550	195,298
Qualified dividends	5,581,537	172,850,550	5,579,174	172,707,914	2,363	142,636
Pensions and annuities in adjusted gross income	2,076,270	127,546,132	2,075,224	127,496,201	1,047	49,931
Rent:						
Net income	981,665	40,330,755	981,015	40,296,252	649	34,503
Net loss, total (deductible and nondeductible)	1,029,861	20,099,421	1,029,095	20,048,795	765	50,625
Nondeductible rental loss	792,448	12,922,629	791,960	12,902,332	487	20,297
Royalty:						
Net income	447,334	19,262,044	446,963	19,246,189	371	15,855
Net loss	20,327	310,021	20,294	309,870	33	151
Estate or trust:						
Net income	197,791	28,916,255	197,644	28,910,244	147	6,012
Net loss	14,205	2,309,521	14,158	2,294,622	47	14,899
State income tax refunds	416,372	1,583,227	415,980	1,579,970	392	3,257
Alimony received	15,721	2,879,523	15,716	2,879,352	5	171
Social Security benefits in adjusted gross income	1,704,411	50,904,456	1,702,901	50,861,087	1,510	43,369
Social Security benefits (nontaxable)	1,705,334	9,019,384	1,703,823	9,011,690	1,511	7,694
Unemployment compensation	160,947	1,019,352	160,908	1,019,131	39	220
Other income	948,960	25,719,275	948,262	25,660,283	698	58,991
Other loss	54,824	2,998,476	54,760	2,992,440	64	6,036
Foreign-earned income exclusion	40,029	3,864,572	40,021	3,863,839	8	733
Total income	9,016,655	4,663,530,790	9,011,975	4,661,874,082	4,680	1,656,708
Statutory adjustments, total	3,032,258	55,177,666	3,030,577	55,151,959	1,681	25,707
Payments to Individual Retirement Arrangements	160,169	1,584,915	160,078	1,584,089	91	826
Payments to self-employed retirement (Keogh) plans	526,531	19,701,533	526,414	19,697,214	117	4,319
Adjusted gross income	9,016,655	4,608,353,124	9,011,975	4,606,722,123	4,680	1,631,001
Investment interest expense deduction	567,333	18,541,108	566,234	18,302,252	1,099	238,855
Total tax preferences excluded from adjusted gross income [2]	2,011,336	43,491,798	2,010,174	43,430,969	1,161	60,829
Total alternative minimum tax preference items (excluding tax-exempt interest from private activity bonds)	17,160	3,079,374	17,143	3,079,000	17	374
Passive activity loss (alternative minimum tax adjustment)	328,291	760,270	327,884	760,551	407	-281

Footnotes at end of table.

Table 6. Individual Income Tax Returns With and Without Worldwide Income Tax Liability and With Income of \$200,000 or More Under Alternative Concepts: Income, Deductions, Credits, and Tax, Tax Year 2019—Continued

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

Income concept, item	Returns with income of \$200,000 or more					
	Total		Returns with worldwide income tax		Returns without worldwide income tax	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(1)	(2)	(3)	(4)	(5)	(6)
Expanded income	9,016,425	4,628,237,867	9,011,974	4,627,679,066	4,451	558,801
Disaster loss deduction [3]	19	3,221	6	271	13	2,950
Itemized deductions:						
Total per adjusted gross income concept	4,559,044	289,616,315	4,554,829	288,005,608	4,215	1,610,707
Charitable contributions deduction	4,168,261	127,968,833	4,164,994	127,818,019	3,267	150,814
Interest paid deduction:						
Total per adjusted gross income concept	4,054,968	90,472,064	4,052,243	90,175,136	2,726	296,928
Total home mortgage interest	3,893,278	71,652,899	3,890,975	71,595,109	2,304	57,789
Medical and dental expense deduction	238,231	7,891,397	236,860	7,696,599	1,371	194,798
Net casualty or theft loss deduction [3]	466	48,297	426	23,080	40	25,217
Taxes paid deduction	4,552,490	45,414,941	4,548,404	45,375,411	4,086	39,530
Nonlimited miscellaneous deductions	309,595	17,905,744	307,987	17,003,450	1,607	902,294
Excess of exemptions and deductions over adjusted gross income	2,890	985,882	1,264	647,995	1,625	337,888
Qualified business income deduction	4,412,606	104,808,585	4,411,385	104,763,122	1,220	45,463
Domestic production activities deduction from section 199A	675	69,897	672	69,543	3	354
Taxable income	9,013,593	4,109,546,619	9,010,636	4,109,249,765	2,957	296,854
Tax at regular rates	9,011,368	996,794,194	9,009,415	996,760,482	1,952	33,713
Alternative minimum tax	128,128	2,366,096	128,111	2,365,752	17	343
Income tax before credits	9,011,661	999,254,356	9,009,687	999,220,300	1,974	34,056
Tax credits, total	5,908,615	40,229,204	5,906,638	40,195,036	1,977	34,167
Child care credit	924,935	540,337	924,708	540,171	227	166
Child and other dependent credit	3,265,033	9,570,473	3,263,542	9,564,944	1,491	5,529
Minimum tax credit	170,524	1,352,484	170,364	1,350,041	160	2,442
General business credit	269,580	4,667,066	268,889	4,654,494	691	12,572
Worldwide total income tax	9,011,975	1,010,662,106	9,011,975	1,010,662,106	0	0
Foreign taxes paid [4]	3,027,994	23,439,300	3,027,864	23,439,250	130	50
Foreign taxes paid on excluded foreign-earned income	20,005	651,096	20,005	651,096	0	0
Taxable income which would yield:						
Income tax before credits less excess advance PTC repayment [5]	9,011,509	3,760,955,744	9,009,547	3,760,745,925	1,962	209,819
Income tax after credits [4]	9,008,583	3,698,331,989	9,008,453	3,698,331,502	130	487
Worldwide total income tax [4]	9,012,105	3,778,599,322	9,011,975	3,778,598,835	130	487
Reconciliation of adjusted gross income and expanded income:						
Adjusted gross income	9,016,655	4,608,353,124	9,011,975	4,606,722,123	4,680	1,631,001
plus: Total tax preferences excluded from adjusted gross income [2]	2,011,336	43,491,798	2,010,174	43,430,969	1,161	60,829
Social Security benefits (nontaxable)	1,705,334	9,019,384	1,703,823	9,011,690	1,511	7,694
Foreign-earned income exclusion	40,029	3,864,572	40,021	3,863,839	8	733
minus: Investment interest expense deduction	567,333	18,541,108	566,234	18,302,252	1,099	238,855
Nonlimited miscellaneous deductions	309,595	17,905,744	307,987	17,003,450	1,607	902,294
Unreimbursed employee business expenses [6]	6,282	44,160	6,271	43,854	11	306
Equals: Expanded income	9,016,425	4,628,237,867	9,011,974	4,627,679,066	4,451	558,801

Footnotes at end of table.

Table 6. Individual Income Tax Returns With and Without Worldwide Income Tax Liability and With Income of \$200,000 or More Under Alternative Concepts: Income, Deductions, Credits, and Tax, Tax Year 2019—Continued

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

Income concept, item	Returns with income of \$200,000 or more					
	Total		Returns with worldwide income tax		Returns without worldwide income tax	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(1)	(2)	(3)	(4)	(5)	(6)
Expanded income concept						
Salaries and wages	7,959,968	2,415,431,155	7,956,771	2,414,963,938	3,197	467,217
Business or profession:						
Net income	1,595,204	148,304,245	1,594,347	148,208,622	857	95,622
Net loss	544,673	12,717,400	544,177	12,667,985	496	49,415
Farm:						
Net income	46,446	3,343,712	46,325	3,331,929	121	11,783
Net loss	130,748	7,055,787	130,212	7,007,712	536	48,075
Partnership and S corporation after section 179 property deduction: [1]						
Net income	2,195,638	728,877,108	2,194,171	728,719,767	1,467	157,341
Net loss	659,016	68,646,230	657,158	68,107,958	1,858	538,272
Sales of capital assets:						
Net gain	4,240,709	741,490,560	4,236,764	740,978,609	3,945	511,951
Net loss	1,547,622	3,493,826	1,545,669	3,488,464	1,953	5,362
Sales of property other than capital assets:						
Net gain	349,862	27,652,150	349,279	27,612,525	583	39,625
Net loss	329,778	6,177,748	329,273	6,141,800	505	35,948
Taxable interest received	7,484,621	95,086,869	7,478,271	94,933,430	6,350	153,439
Tax-exempt interest	2,111,502	46,480,915	2,107,244	45,588,574	4,258	892,341
Dividends	6,001,444	227,908,600	5,995,868	227,518,971	5,577	389,629
Qualified dividends	5,715,661	175,855,022	5,710,464	175,568,489	5,197	286,533
Pensions and annuities in adjusted gross income	2,171,497	132,062,230	2,169,644	131,988,293	1,853	73,936
Rent:						
Net income	997,578	40,688,758	996,619	40,646,068	959	42,690
Net loss, total (deductible and nondeductible)	1,041,524	20,185,910	1,040,510	20,132,323	1,014	53,587
Nondeductible rental loss	800,793	13,026,555	800,256	13,006,493	537	20,062
Royalty:						
Net income	463,748	19,574,726	463,080	19,561,845	668	12,881
Net loss	21,110	322,389	21,068	321,720	42	669
Estate or trust:						
Net income	203,367	28,969,980	203,036	28,958,825	331	11,155
Net loss	14,247	2,326,352	14,163	2,307,294	84	19,058
State income tax refunds	420,708	1,603,736	420,188	1,599,963	520	3,773
Alimony received	16,743	3,031,560	16,740	3,031,315	3	245
Social Security benefits in adjusted gross income	1,825,163	54,962,730	1,821,567	54,866,790	3,597	95,940
Social Security benefits (nontaxable)	1,826,457	9,822,550	1,822,860	9,805,526	3,598	17,024
Unemployment compensation	159,761	1,007,017	159,737	1,006,899	24	118
Other income	971,643	25,885,665	970,627	25,827,146	1,016	58,519
Other loss	63,989	3,121,007	63,611	3,089,385	378	31,622
Foreign-earned income exclusion	68,597	7,360,129	67,632	7,173,751	965	186,377
Total income	9,167,476	4,683,848,049	9,160,108	4,682,730,419	7,368	1,117,630
Statutory adjustments, total	3,065,251	55,576,622	3,063,449	55,548,880	1,801	27,741
Payments to Individual Retirement Arrangements	163,116	1,607,998	162,978	1,606,757	138	1,241
Payments to self-employed retirement (Keogh) plans	532,806	19,793,490	532,683	19,788,914	123	4,577
Adjusted gross income	9,167,476	4,628,271,427	9,160,108	4,627,181,539	7,368	1,089,888
Investment interest expense deduction	566,398	17,470,225	564,907	17,427,428	1,492	42,797
Total tax preferences excluded from adjusted gross income [2]	2,124,187	49,878,274	2,119,913	48,982,156	4,275	896,118
Total alternative minimum tax preference items (excluding tax-exempt interest from private activity bonds)	19,958	3,462,827	19,913	3,458,700	45	4,127
Passive activity loss (alternative minimum tax adjustment)	333,279	757,724	332,726	755,481	553	2,242

Footnotes at end of table.

Table 6. Individual Income Tax Returns With and Without Worldwide Income Tax Liability and With Income of \$200,000 or More Under Alternative Concepts: Income, Deductions, Credits, and Tax, Tax Year 2019—Continued

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

Income concept, item	Returns with income of \$200,000 or more					
	Total		Returns with worldwide income tax		Returns without worldwide income tax	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(1)	(2)	(3)	(4)	(5)	(6)
Expanded income	9,167,499	4,667,412,384	9,160,108	4,665,316,034	7,391	2,096,350
Disaster loss deduction [3]	19	3,221	6	271	13	2,950
Itemized deductions:						
Total per adjusted gross income concept	4,580,737	282,827,375	4,575,198	282,000,038	5,539	827,337
Total per expanded income concept	4,579,168	255,099,335	4,573,630	254,354,272	5,539	745,062
Charitable contributions deduction	4,197,298	128,696,293	4,192,518	128,491,821	4,780	204,472
Interest paid deduction:						
Total per adjusted gross income concept	4,059,752	89,505,803	4,056,681	89,407,883	3,071	97,920
Total per expanded income concept	3,902,144	72,035,578	3,899,998	71,980,455	2,146	55,123
Total home mortgage interest	3,896,185	71,758,142	3,894,051	71,703,267	2,134	54,874
Medical and dental expense deduction	267,030	8,627,525	263,332	8,228,879	3,698	398,646
Net casualty or theft loss deduction [3]	167	40,621	125	14,148	42	26,473
Taxes paid deduction	4,575,422	45,650,858	4,569,913	45,592,203	5,509	58,655
Nonlimited miscellaneous deductions	273,688	10,389,984	273,250	10,350,499	438	39,485
Excess of exemptions and deductions over adjusted gross income	3,613	406,847	1,076	216,090	2,537	190,757
Qualified business income deduction	4,512,058	105,080,567	4,510,799	105,035,272	1,259	45,295
Domestic production activities deduction from section 199A	676	69,939	672	69,543	4	396
Taxable income	9,163,775	4,132,331,327	9,158,966	4,131,971,689	4,808	359,638
Tax at regular rates	9,160,060	1,000,389,722	9,157,905	1,000,355,513	2,155	34,209
Alternative minimum tax	131,917	2,397,501	131,887	2,397,139	30	362
Income tax before credits	9,160,220	1,002,880,924	9,158,044	1,002,846,353	2,176	34,571
Tax credits, total	6,007,352	40,607,605	6,005,171	40,572,958	2,182	34,647
Child care credit	924,769	540,271	924,541	540,103	228	168
Child and other dependent credit	3,282,387	9,605,062	3,280,788	9,599,394	1,598	5,668
Minimum tax credit	171,091	1,350,574	170,895	1,348,011	196	2,563
General business credit	270,591	4,642,337	269,907	4,629,823	684	12,514
Worldwide total income tax	9,160,108	1,014,547,006	9,160,108	1,014,547,006	0	0
Foreign taxes paid [4]	3,123,449	24,078,956	3,123,261	24,078,888	188	68
Foreign taxes paid on excluded foreign-earned income	28,802	925,637	28,802	925,637	0	0
Taxable income which would yield:						
Income tax before credits less excess advance PTC repayment [5]	9,160,216	3,782,257,886	9,158,041	3,782,043,489	2,175	214,397
Income tax after credits [4]	9,157,353	3,720,614,287	9,157,165	3,720,613,616	188	671
Worldwide total income tax [4]	9,160,296	3,800,848,848	9,160,108	3,800,848,177	188	671
Reconciliation of adjusted gross income and expanded income:						
Adjusted gross income	9,167,476	4,628,271,427	9,160,108	4,627,181,539	7,368	1,089,888
plus: Total tax preferences excluded from adjusted gross income [2]	2,124,187	49,878,274	2,119,913	48,982,156	4,275	896,118
Social Security benefits (nontaxable)	1,826,457	9,822,550	1,822,860	9,805,526	3,598	17,024
Foreign-earned income exclusion	68,597	7,360,129	67,632	7,173,751	965	186,377
minus: Investment interest expense deduction	566,398	17,470,225	564,907	17,427,428	1,492	42,797
Nonlimited miscellaneous deductions	273,688	10,389,984	273,250	10,350,499	438	39,485
Unreimbursed employee business expenses [6]	6,271	43,823	6,268	43,794	3	29
Equals: Expanded income	9,167,499	4,667,412,384	9,160,108	4,665,316,034	7,391	2,096,350

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

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

[3] The Taxpayer Certainty and Disaster Tax Relief Act of 2019 was introduced in June 2019 and signed in December 2019. The law extended tax provisions for 2018 for disaster tax relief. See Section 1 of IRS publication 1304 for more details.

[4] For returns without worldwide income tax, refundable credits offset the amount of foreign taxes paid.

[5] Excess advance premium tax credit repayment is included in income tax before credits on Form 1040 but is subtracted here because it is not considered a part of income tax since it is not based on earned income.

[6] For prior-year returns only.

NOTES: Detail may not add to totals because of rounding. See Appendix A: Income Concepts of this article for a discussion of adjusted gross income and expanded income. See also Appendix B: Tax Concepts for a discussion of worldwide income tax. Starting in 2009, the portion of refundable credits that offset income taxes before credits was factored in to determine tax liability. As a result, data may not be comparable to data in Tax Years 2007 and 2008 published tables. Prior to 2007, the portion of refundable credits used to offset income taxes had no effect.

SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, March 2023.

Table 7. Individual Income Tax Returns With and Without U.S. Income Tax Liability and With Income of \$200,000 or More Under Alternative Concepts: Number and Percentage of Returns Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2019

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Total		Item with the largest tax effect					
			Interest paid deduction [1]		Investment interest expense deduction [1, 2]		Taxes paid deduction [1]	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
RETURNS WITH U.S. INCOME TAX								
Returns with adjusted gross income of \$200,000 or more								
Total	7,971,741	100.0	1,698,472	21.3	59,989	0.8	203,874	2.6
Interest paid deduction [1]	1,340,117	16.8	0	0.0	13,388	22.3	30,829	15.1
Investment interest expense deduction [1, 2]	56,535	0.7	14,479	0.9	0	0.0	912	0.4
Taxes paid deduction [1]	1,815,218	22.8	1,343,647	79.1	15,754	26.3	0	0.0
Charitable contributions deduction	554,276	7.0	180,600	10.6	12,109	20.2	157,019	77.0
Medical and dental expense deduction [1]	35,434	0.4	7,980	0.5	** 82	** 0.1	8,731	4.3
Net casualty or theft loss deduction	311	[4]	0	0.0	**	**	0	0.0
Total miscellaneous deductions [1]	19,948	0.3	5,253	0.3	712	1.2	3,000	1.5
Foreign tax credit	594,146	7.5	4,917	0.3	5,575	9.3	** 1,052	** 0.5
General business credit	64,929	0.8	1,403	0.1	664	1.1	**	**
Child and other dependent credit	523,469	6.6	89,280	5.3	185	0.3	**	**
All other tax credits	439,387	5.5	8,985	0.5	1,455	2.4	**	**
Capital gains taxed at 0 percent	61,046	0.8	1,211	0.1	4,024	6.7	53	[4]
Section 965 future installments	44	[4]	0	0.0	0	0.0	0	0.0
Disaster loss deduction	0	0.0	0	0.0	0	0.0	0	0.0
Qualified business income deduction	913,582	11.5	40,233	2.4	6,002	10.0	878	0.4
Section 199A deduction	166	[4]	0	0.0	0	0.0	0	0.0
No second largest item	1,553,133	19.5	484	[4]	39	0.1	1,399	0.7
Returns with expanded income of \$200,000 or more								
Total	8,399,588	100.0	1,615,229	19.2	0	0.0	157,379	1.9
Interest paid deduction [1]	1,322,522	15.7	0	0.0	0	0.0	30,676	19.5
Tax-exempt interest [3]	484,325	5.8	10,752	0.7	0	0.0	955	0.6
Taxes paid deduction [1]	1,669,959	19.9	1,272,046	78.8	0	0.0	0	0.0
Charitable contributions deduction	520,236	6.2	178,930	11.1	0	0.0	116,565	74.1
Medical and dental expense deduction [1]	33,408	0.4	7,982	0.5	0	0.0	5,550	3.5
Net casualty or theft loss deduction	12	[4]	0	0.0	0	0.0	0	0.0
Total miscellaneous deductions [1]	165	[4]	0	0.0	0	0.0	19	[4]
Foreign tax credit	642,476	7.6	3,214	0.2	0	0.0	452	0.3
General business credit	59,880	0.7	1,593	0.1	0	0.0	**	**
Child and other dependent credit	552,134	6.6	89,139	5.5	0	0.0	**	**
All other tax credits	443,547	5.3	7,858	0.5	0	0.0	** 437	** 0.3
Capital gains taxed at 0 percent	79,796	0.9	1,287	0.1	0	0.0	**	**
Section 965 future installments	44	[4]	0	0.0	0	0.0	0	0.0
Disaster loss deduction	0	0.0	0	0.0	0	0.0	0	0.0
Qualified business income deduction	746,126	8.9	39,272	2.4	0	0.0	** 987	** 0.6
Section 199A deduction	25	[4]	0	0.0	0	0.0	0	0.0
Foreign-earned income exclusion [3]	27,106	0.3	0	0.0	0	0.0	**	**
AMT tax preference [3]	2,150	[4]	0	0.0	0	0.0	0	0.0
Nontaxable Social Security benefits [3]	436,015	5.2	2,665	0.2	0	0.0	376	0.2
No second largest item	1,379,661	16.4	491	[4]	0	0.0	1,361	0.9

Footnotes at end of table.

Table 7. Individual Income Tax Returns With and Without U.S. Income Tax Liability and With Income of \$200,000 or More Under Alternative Concepts: Number and Percentage of Returns Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2019—Continued

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Item with the largest tax effect—continued									
	Charitable contributions deduction		Medical and dental expense deduction [1]		Net casualty or theft loss deduction		Total miscellaneous deductions [1]		Foreign tax credit	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
RETURNS WITH U.S. INCOME TAX										
Returns with adjusted gross income of \$200,000 or more										
Total	712,100	8.9	82,323	1.0	98	[4]	76,995	1.0	851,821	10.7
Interest paid deduction [1]	212,625	29.9	13,984	17.0	** 48	** 48.7	18,279	23.7	44,333	5.2
Investment interest expense deduction [1, 2]	15,784	2.2	511	0.6	0	0.0	473	0.6	5,785	0.7
Taxes paid deduction [1]	294,007	41.3	32,831	39.9	**	**	29,999	39.0	18,754	2.2
Charitable contributions deduction	0	0.0	12,799	15.5	0	0.0	8,401	10.9	15,316	1.8
Medical and dental expense deduction [1]	** 8,296	** 1.2	0	0.0	0	0.0	** 1,084	** 1.4	** 727	** 0.1
Net casualty or theft loss deduction	**	**	0	0.0	0	0.0	**	**	**	**
Total miscellaneous deductions [1]	3,640	0.5	346	0.4	0	0.0	0	0.0	1,825	0.2
Foreign tax credit	25,371	3.6	** 4,848	** 5.9	0	0.0	1,178	1.5	0	0.0
General business credit	3,665	0.5	**	**	0	0.0	309	0.4	4,022	0.5
Child and other dependent credit	43,158	6.1	**	**	0	0.0	2,696	3.5	27,326	3.2
All other tax credits	7,569	1.1	1,106	1.3	0	0.0	726	0.9	14,701	1.7
Capital gains taxed at 0 percent	31,852	4.5	9,771	11.9	0	0.0	2,499	3.2	5,268	0.6
Section 965 future installments	0	0.0	0	0.0	0	0.0	0	0.0	44	[4]
Disaster loss deduction	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Qualified business income deduction	65,553	9.2	** 6,127	** 7.4	** 50	** 51.3	10,267	13.3	408,210	47.9
Section 199A deduction	8	[4]	0	0.0	0	0.0	0	0.0	148	[4]
No second largest item	571	0.1	**	**	**	**	1,083	1.4	305,362	35.8
Returns with expanded income of \$200,000 or more										
Total	688,323	8.2	85,681	1.0	99	[4]	96	[4]	438,571	5.2
Interest paid deduction [1]	207,829	30.2	13,363	15.6	**	**	0	0.0	27,901	6.4
Tax-exempt interest [3]	49,815	7.2	9,238	10.8	0	0.0	**	**	67,038	15.3
Taxes paid deduction [1]	261,027	37.9	28,740	33.5	** 49	** 49.2	** 25	** 25.7	4,388	1.0
Charitable contributions deduction	0	0.0	11,521	13.4	**	**	**	**	11,590	2.6
Medical and dental expense deduction [1]	** 7,857	** 1.1	0	0.0	0	0.0	0	0.0	** 534	** 0.1
Net casualty or theft loss deduction	**	**	0	0.0	0	0.0	0	0.0	**	**
Total miscellaneous deductions [1]	**	**	0	0.0	0	0.0	0	0.0	**	**
Foreign tax credit	12,932	1.9	1,425	1.7	0	0.0	** 10	** 10.7	0	0.0
General business credit	3,466	0.5	26	[4]	0	0.0	0	0.0	2,896	0.7
Child and other dependent credit	42,321	6.1	2,797	3.3	0	0.0	0	0.0	20,020	4.6
All other tax credits	6,549	1.0	915	1.1	0	0.0	0	0.0	8,908	2.0
Capital gains taxed at 0 percent	26,883	3.9	9,792	11.4	0	0.0	**	**	2,997	0.7
Section 965 future installments	0	0.0	0	0.0	0	0.0	0	0.0	44	[4]
Disaster loss deduction	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Qualified business income deduction	62,015	9.0	5,688	6.6	** 50	** 50.8	** 61	** 63.6	100,846	23.0
Section 199A deduction	7	[4]	0	0.0	0	0.0	0	0.0	7	[4]
Foreign-earned income exclusion [3]	123	[4]	0	0.0	0	0.0	0	0.0	26,604	6.1
AMT tax preference [3]	169	[4]	0	0.0	0	0.0	0	0.0	34	[4]
Nontaxable Social Security benefits [3]	6,739	1.0	** 2,176	** 2.5	**	**	**	**	21,007	4.8
No second largest item	590	0.1	**	**	0	0.0	0	0.0	143,756	32.8

Footnotes at end of table.

Table 7. Individual Income Tax Returns With and Without U.S. Income Tax Liability and With Income of \$200,000 or More Under Alternative Concepts: Number and Percentage of Returns Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2019—Continued

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Item with the largest tax effect—continued							
	General business credit		Child and other dependent credit		All other tax credits		Capital gains taxed at 0 percent	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(19)	(20)	(21)	(22)	(23)	(24)	(25)	(26)
RETURNS WITH U.S. INCOME TAX								
Returns with adjusted gross income of \$200,000 or more								
Total	63,656	0.8	2,152,294	27.0	245,527	3.1	158,684	2.0
Interest paid deduction [1]	9,014	14.2	** 616,417	** 28.6	50,626	20.6	16,536	10.4
Investment interest expense deduction [1, 2]	654	1.0	**	**	1,751	0.7	2,907	1.8
Taxes paid deduction [1]	1,085	1.7	17,126	0.8	5,033	2.0	7,951	5.0
Charitable contributions deduction	** 2,626	** 4.1	** 32,304	** 1.5	7,306	3.0	14,647	9.2
Medical and dental expense deduction [1]	**	**	**	**	665	0.3	** 5,116	** 3.2
Net casualty or theft loss deduction	0	0.0	0	0.0	0	0.0	**	**
Total miscellaneous deductions [1]	86	0.1	**	**	226	0.1	382	0.2
Foreign tax credit	4,261	6.7	** 198,032	** 9.2	35,132	14.3	41,256	26.0
General business credit	0	0.0	3,428	0.2	1,033	0.4	871	0.5
Child and other dependent credit	5,753	9.0	0	0.0	51,425	20.9	10,479	6.6
All other tax credits	2,084	3.3	360,443	16.7	0	0.0	3,305	2.1
Capital gains taxed at 0 percent	1,165	1.8	1,786	0.1	1,706	0.7	0	0.0
Section 965 future installments	0	0.0	0	0.0	0	0.0	0	0.0
Disaster loss deduction	0	0.0	0	0.0	0	0.0	0	0.0
Qualified business income deduction	** 34,097	** 53.6	290,117	13.5	** 31,515	** 12.8	** 20,547	** 12.9
Section 199A deduction	**	**	0	0.0	**	**	**	**
No second largest item	2,832	4.4	632,642	29.4	59,109	24.1	34,687	21.9
Returns with expanded income of \$200,000 or more								
Total	62,259	0.7	2,120,105	25.2	224,042	2.7	150,387	1.8
Interest paid deduction [1]	8,567	13.8	606,332	28.6	45,882	20.5	15,645	10.4
Tax-exempt interest [3]	2,861	4.6	68,182	3.2	13,750	6.1	20,602	13.7
Taxes paid deduction [1]	888	1.4	15,000	0.7	3,163	1.4	4,667	3.1
Charitable contributions deduction	** 2,424	** 3.9	** 32,168	** 1.5	7,061	3.2	14,421	9.6
Medical and dental expense deduction [1]	**	**	**	**	611	0.3	** 3,982	** 2.6
Net casualty or theft loss deduction	0	0.0	0	0.0	0	0.0	**	**
Total miscellaneous deductions [1]	0	0.0	0	0.0	0	0.0	**	**
Foreign tax credit	2,176	3.5	148,391	7.0	14,612	6.5	12,539	8.3
General business credit	0	0.0	3,130	0.1	1,194	0.5	840	0.6
Child and other dependent credit	5,835	9.4	0	0.0	49,960	22.3	7,922	5.3
All other tax credits	1,785	2.9	356,524	16.8	0	0.0	2,586	1.7
Capital gains taxed at 0 percent	1,235	2.0	1,786	0.1	1,924	0.9	0	0.0
Section 965 future installments	0	0.0	0	0.0	0	0.0	0	0.0
Disaster loss deduction	0	0.0	0	0.0	0	0.0	0	0.0
Qualified business income deduction	** 31,803	** 51.1	276,926	13.1	22,625	10.1	9,416	6.3
Section 199A deduction	**	**	0	0.0	**	**	**	**
Foreign-earned income exclusion [3]	0	0.0	0	0.0	** 42	** [4]	** 102	** 0.1
AMT tax preference [3]	12	[4]	0	0.0	687	0.3	56	[4]
Nontaxable Social Security benefits [3]	2,512	4.0	21,932	1.0	16,688	7.4	46,404	30.9
No second largest item	2,162	3.5	589,734	27.8	45,841	20.5	11,207	7.5

Footnotes at end of table.

Table 7. Individual Income Tax Returns With and Without U.S. Income Tax Liability and With Income of \$200,000 or More Under Alternative Concepts: Number and Percentage of Returns Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2019—Continued

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Item with the largest tax effect—continued							
	Section 965 future installments		Disaster loss deduction		Qualified business income deduction		Section 199A deduction	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(27)	(28)	(29)	(30)	(31)	(32)	(33)	(34)
RETURNS WITH U.S. INCOME TAX								
Returns with adjusted gross income of \$200,000 or more								
Total	** 18	** [4]	**	**	1,665,525	20.9	365	[4]
Interest paid deduction [1]	** 0	** 0.0	**	**	314,133	18.9	** 11	** 3.0
Investment interest expense deduction [1, 2]	** 0	** 0.0	**	**	13,217	0.8	**	**
Taxes paid deduction [1]	** 0	** 0.0	**	**	48,986	2.9	**	**
Charitable contributions deduction	**	**	**	**	111,527	6.7	**	**
Medical and dental expense deduction [1]	** 0	** 0.0	**	**	2,665	0.2	0	0.0
Net casualty or theft loss deduction	** 0	** 0.0	**	**	0	0.0	0	0.0
Total miscellaneous deductions [1]	** 0	** 0.0	**	**	4,168	0.3	**	**
Foreign tax credit	** 18	** 100.0	**	**	275,756	16.6	** 354	** 97.0
General business credit	** 0	** 0.0	**	**	49,415	3.0	**	**
Child and other dependent credit	** 0	** 0.0	**	**	290,042	17.4	0	0.0
All other tax credits	** 0	** 0.0	**	**	38,999	2.3	**	**
Capital gains taxed at 0 percent	** 0	** 0.0	**	**	1,711	0.1	0	0.0
Section 965 future installments	** 0	** 0.0	**	**	0	0.0	0	0.0
Disaster loss deduction	** 0	** 0.0	**	**	0	0.0	0	0.0
Qualified business income deduction	**	**	**	**	0	0.0	0	0.0
Section 199A deduction	** 0	** 0.0	**	**	0	0.0	0	0.0
No second largest item	**	**	**	**	514,907	30.9	**	**
Returns with expanded income of \$200,000 or more								
Total	** 18	** [4]	**	**	1,477,390	17.6	364	[4]
Interest paid deduction [1]	** 0	** 0.0	**	**	269,243	18.2	**	**
Tax-exempt interest [3]	** 0	** 0.0	**	**	117,858	8.0	**	**
Taxes paid deduction [1]	** 0	** 0.0	**	**	34,370	2.3	** 22	** 5.9
Charitable contributions deduction	**	**	**	**	104,056	7.0	17	4.8
Medical and dental expense deduction [1]	** 0	** 0.0	**	**	2,647	0.2	0	0.0
Net casualty or theft loss deduction	** 0	** 0.0	**	**	0	0.0	0	0.0
Total miscellaneous deductions [1]	** 0	** 0.0	**	**	0	0.0	0	0.0
Foreign tax credit	** 18	** 100.0	**	**	107,357	7.3	0	0.0
General business credit	** 0	** 0.0	**	**	44,019	3.0	**	**
Child and other dependent credit	** 0	** 0.0	**	**	284,449	19.3	0	0.0
All other tax credits	** 0	** 0.0	**	**	33,911	2.3	** 9	** 2.6
Capital gains taxed at 0 percent	** 0	** 0.0	**	**	808	0.1	0	0.0
Section 965 future installments	** 0	** 0.0	**	**	0	0.0	0	0.0
Disaster loss deduction	** 0	** 0.0	**	**	0	0.0	0	0.0
Qualified business income deduction	**	**	**	**	0	0.0	** 315	** 86.7
Section 199A deduction	** 0	** 0.0	**	**	0	0.0	0	0.0
Foreign-earned income exclusion [3]	** 0	** 0.0	**	**	90	[4]	0	0.0
AMT tax preference [3]	** 0	** 0.0	**	**	646	[4]	0	0.0
Nontaxable Social Security benefits [3]	** 0	** 0.0	**	**	168,702	11.4	**	**
No second largest item	**	**	**	**	309,234	20.9	0	0.0

Footnotes at end of table.

Table 7. Individual Income Tax Returns With and Without U.S. Income Tax Liability and With Income of \$200,000 or More Under Alternative Concepts: Number and Percentage of Returns Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2019—Continued

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Item with the largest tax effect—continued							
	Foreign-earned income exclusion [3]		Tax-exempt interest [3]		AMT tax preference [3]		Nontaxable Social Security benefits [3]	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(35)	(36)	(37)	(38)	(39)	(40)	(41)	(42)
RETURNS WITH U.S. INCOME TAX								
Returns with adjusted gross income of \$200,000 or more								
Total	0	0.0	0	0.0	0	0.0	0	0.0
Interest paid deduction [1]	0	0.0	0	0.0	0	0.0	0	0.0
Investment interest expense deduction [1, 2]	0	0.0	0	0.0	0	0.0	0	0.0
Taxes paid deduction [1]	0	0.0	0	0.0	0	0.0	0	0.0
Charitable contributions deduction	0	0.0	0	0.0	0	0.0	0	0.0
Medical and dental expense deduction [1]	0	0.0	0	0.0	0	0.0	0	0.0
Net casualty or theft loss deduction	0	0.0	0	0.0	0	0.0	0	0.0
Total miscellaneous deductions [1]	0	0.0	0	0.0	0	0.0	0	0.0
Foreign tax credit	0	0.0	0	0.0	0	0.0	0	0.0
General business credit	0	0.0	0	0.0	0	0.0	0	0.0
Child and other dependent credit	0	0.0	0	0.0	0	0.0	0	0.0
All other tax credits	0	0.0	0	0.0	0	0.0	0	0.0
Capital gains taxed at 0 percent	0	0.0	0	0.0	0	0.0	0	0.0
Section 965 future installments	0	0.0	0	0.0	0	0.0	0	0.0
Disaster loss deduction	0	0.0	0	0.0	0	0.0	0	0.0
Qualified business income deduction	0	0.0	0	0.0	0	0.0	0	0.0
Section 199A deduction	0	0.0	0	0.0	0	0.0	0	0.0
No second largest item	0	0.0	0	0.0	0	0.0	0	0.0
Returns with expanded income of \$200,000 or more								
Total	32,695	0.4	653,848	7.8	12,300	0.1	680,802	8.1
Interest paid deduction [1]	1,676	5.1	40,477	6.2	2,229	18.1	52,682	7.7
Tax-exempt interest [3]	**	**	0	0.0	743	6.0	121,875	17.9
Taxes paid deduction [1]	** 1,075	** 3.3	23,295	3.6	661	5.4	21,217	3.1
Charitable contributions deduction	822	2.5	38,767	5.9	** 1,035	** 8.4	**	**
Medical and dental expense deduction [1]	0	0.0	** 4,000	** 0.6	**	**	0	0.0
Net casualty or theft loss deduction	0	0.0	0	0.0	0	0.0	0	0.0
Total miscellaneous deductions [1]	0	0.0	**	**	0	0.0	0	0.0
Foreign tax credit	12,623	38.6	208,522	31.9	653	5.3	** 118,819	** 17.5
General business credit	**	**	1,904	0.3	148	1.2	560	0.1
Child and other dependent credit	**	**	20,143	3.1	3,214	26.1	20,380	3.0
All other tax credits	** 5,849	** 17.9	14,130	2.2	807	6.6	9,337	1.4
Capital gains taxed at 0 percent	2,197	6.7	27,045	4.1	74	0.6	3,706	0.5
Section 965 future installments	0	0.0	0	0.0	0	0.0	0	0.0
Disaster loss deduction	0	0.0	0	0.0	0	0.0	0	0.0
Qualified business income deduction	** 2,472	** 7.6	** 87,003	** 13.3	1,222	9.9	106,301	15.6
Section 199A deduction	0	0.0	**	**	0	0.0	0	0.0
Foreign-earned income exclusion [3]	0	0.0	**	**	0	0.0	0	0.0
AMT tax preference [3]	0	0.0	363	0.1	0	0.0	183	[4]
Nontaxable Social Security benefits [3]	**	**	146,142	22.4	19	0.2	0	0.0
No second largest item	5,981	18.3	42,058	6.4	1,495	12.2	225,741	33.2

Footnotes at end of table.

Table 7. Individual Income Tax Returns With and Without U.S. Income Tax Liability and With Income of \$200,000 or More Under Alternative Concepts: Number and Percentage of Returns Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2019—Continued

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Total		Item with the largest tax effect					
			Interest paid deduction [1]		Investment interest expense deduction [1, 2]		Taxes paid deduction [1]	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
RETURNS WITHOUT U.S. INCOME TAX								
Returns with adjusted gross income of \$200,000 or more								
Total	15,948	100.0	68	0.4	482	3.0	14	0.1
Interest paid deduction	1,707	10.7	0	0.0	95	19.7	** 4	** 28.6
Investment interest expense deduction [2]	198	1.2	3	4.4	0	0.0	**	**
Taxes paid deduction	1,087	6.8	16	23.5	60	12.5	0	0.0
Charitable contributions deduction	989	6.2	14	20.6	162	33.6	**	**
Medical and dental expense deduction	** 162	** 1.0	** 5	** 7.4	** 26	** 5.4	** 0	** 0.0
Net casualty or theft loss deduction	**	**	**	**	**	**	**	**
Total miscellaneous deductions	75	0.5	**	**	9	1.9	**	**
Foreign tax credit	118	0.7	** 4	** 5.9	11	2.3	** 6	** 42.9
General business credit	175	1.1	4	5.9	10	2.1	0	0.0
Child and other dependent credit	2,480	15.6	4	5.9	4	0.8	0	0.0
All other tax credits	662	4.2	8	11.8	18	3.7	0	0.0
Capital gains taxed at 0 percent	1,186	7.4	** 10	** 14.7	84	17.4	** 4	** 28.6
Section 965 future installments	0	0.0	0	0.0	0	0.0	0	0.0
Disaster loss deduction	0	0.0	0	0.0	0	0.0	0	0.0
Qualified business income deduction	** 910	** 5.7	** 0	** 0.0	**	**	** 0	** 0.0
Section 199A deduction	**	**	**	**	**	**	**	**
No second largest item	6,199	38.9	**	**	** 3	** 0.6	**	**
Returns with expanded income of \$200,000 or more								
Total	23,962	100.0	78	0.3	0	0.0	28	0.1
Interest paid deduction	1,396	5.8	0	0.0	0	0.0	0	0.0
Tax-exempt interest [3]	1,010	4.2	3	3.8	0	0.0	**	**
Taxes paid deduction	671	2.8	19	24.4	0	0.0	0	0.0
Charitable contributions deduction	1,215	5.1	17	21.8	0	0.0	** 11	** 39.3
Medical and dental expense deduction	** 683	** 2.9	** 6	** 7.7	0	0.0	** 0	** 0.0
Net casualty or theft loss deduction	**	**	**	**	0	0.0	**	**
Total miscellaneous deductions	7	[4]	**	**	0	0.0	**	**
Foreign tax credit	3,007	12.5	**	**	0	0.0	**	**
General business credit	175	0.7	** 6	** 7.7	0	0.0	0	0.0
Child and other dependent credit	2,508	10.5	5	6.4	0	0.0	0	0.0
All other tax credits	703	2.9	7	9.0	0	0.0	0	0.0
Capital gains taxed at 0 percent	2,245	9.4	** 15	** 19.2	0	0.0	3	10.7
Section 965 future installments	0	0.0	0	0.0	0	0.0	0	0.0
Disaster loss deduction	0	0.0	0	0.0	0	0.0	0	0.0
Qualified business income deduction	** 837	** 3.5	** 0	** 0.0	0	0.0	** 0	** 0.0
Section 199A deduction	**	**	**	**	0	0.0	**	**
Foreign-earned income exclusion [3]	3,537	14.8	0	0.0	0	0.0	10	35.7
AMT tax preference [3]	7	[4]	0	0.0	0	0.0	0	0.0
Nontaxable Social Security benefits [3]	528	2.2	**	**	0	0.0	** 4.0	** 14.3
No second largest item	5,432	22.7	**	**	0	0.0	**	**

Footnotes at end of table.

Table 7. Individual Income Tax Returns With and Without U.S. Income Tax Liability and With Income of \$200,000 or More Under Alternative Concepts: Number and Percentage of Returns Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2019—Continued

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Item with the largest tax effect—continued									
	Charitable contributions deduction		Medical and dental expense deduction [1]		Net casualty or theft loss deduction		Total miscellaneous deductions [1]		Foreign tax credit	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
RETURNS WITHOUT U.S. INCOME TAX										
Returns with adjusted gross income of \$200,000 or more										
Total	901	5.6	897	5.6	38	0.2	1,286	8.1	10,470	65.6
Interest paid deduction	84	9.3	91	10.1	10	26.3	241	18.7	982	9.4
Investment interest expense deduction [2]	65	7.2	10	1.1	0	0.0	18	1.4	44	0.4
Taxes paid deduction	63	7.0	311	34.7	13	34.2	563	43.8	52	0.5
Charitable contributions deduction	0	0.0	151	16.8	6	15.8	121	9.4	324	3.1
Medical and dental expense deduction	** 55	** 6.1	** 0	** 0.0	** 0	** 0	** 34.0	** 2.6	** 8	** 0.1
Net casualty or theft loss deduction	**	**	**	**	**	**	**	**	**	**
Total miscellaneous deductions	5	0.6	12	1.3	**	**	0	0.0	31	0.3
Foreign tax credit	23	2.6	3	0.3	0	0.0	5	0.4	0	0.0
General business credit	47	5.2	7	0.8	0	0.0	21	1.6	4	[4]
Child and other dependent credit	94	10.4	22	2.5	**	**	129	10.0	1,944	18.6
All other tax credits	50	5.5	20	2.2	** 5	** 13.2	29	2.3	413	3.9
Capital gains taxed at 0 percent	411	45.6	** 270	** 30.1	4	10.5	30	2.3	175	1.7
Section 965 future installments	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Disaster loss deduction	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Qualified business income deduction	**	**	** 0	** 0.0	** 0	** 0.0	**	**	** 452	** 4.3
Section 199A deduction	**	**	**	**	**	**	**	**	**	**
No second largest item	** 4	** 0.4	**	**	0	0.0	** 95	** 7.4	6,041	57.7
Returns with expanded income of \$200,000 or more										
Total	1,055	4.4	1,748	7.3	** 45	** 0.2	**	**	12,137	50.6
Interest paid deduction	91	8.6	100	5.7	** 9	** 20.0	**	**	807	6.6
Tax-exempt interest [3]	114	10.8	609	34.8	**	**	**	**	111	0.9
Taxes paid deduction	71	6.7	301	17.2	**	**	**	**	38	0.3
Charitable contributions deduction	0	0.0	** 170	** 9.7	** 25	** 55.6	**	**	** 301	** 2.5
Medical and dental expense deduction	** 85	** 8.1	** 0	** 0.0	**	**	**	**	**	**
Net casualty or theft loss deduction	**	**	**	**	**	**	**	**	**	**
Total miscellaneous deductions	0	0.0	0	0.0	**	**	**	**	**	**
Foreign tax credit	23	2.2	**	**	** 0	** 0.0	**	**	0	0.0
General business credit	47	4.5	8	0.5	** 0.0	** 0.0	**	**	**	**
Child and other dependent credit	92	8.7	22	1.3	**	**	**	**	1,826	15.0
All other tax credits	56	5.3	22	1.3	**	**	**	**	409	3.4
Capital gains taxed at 0 percent	** 460	** 43.6	** 389	** 22.3	** 11	** 24.4	**	**	154	1.3
Section 965 future installments	0	0.0	0	0.0	** 0.0	** 0.0	**	**	0	0.0
Disaster loss deduction	0	0.0	0	0.0	** 0.0	** 0.0	**	**	0	0.0
Qualified business income deduction	**	**	** 0	** 0.0	**	**	**	**	** 366	** 3.0
Section 199A deduction	**	**	**	**	**	**	**	**	**	**
Foreign-earned income exclusion [3]	**	**	**	**	** 0.0	** 0.0	**	**	3,514	29.0
AMT tax preference [3]	**	**	0	0.0	** 0.0	** 0.0	**	**	**	**
Nontaxable Social Security benefits [3]	** 16.0	** 1.5	** 127.0	** 7.3	**	**	**	**	** 131	** 1.1
No second largest item	**	**	**	**	** 0.0	** 0.0	**	**	4,480	36.9

Footnotes at end of table.

Table 7. Individual Income Tax Returns With and Without U.S. Income Tax Liability and With Income of \$200,000 or More Under Alternative Concepts: Number and Percentage of Returns Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2019—Continued

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Item with the largest tax effect—continued							
	General business credit		Child and other dependent credit		All other tax credits		Capital gains taxed at 0 percent	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(19)	(20)	(21)	(22)	(23)	(24)	(25)	(26)
RETURNS WITHOUT U.S. INCOME TAX								
Returns with adjusted gross income of \$200,000 or more								
Total	666	4.2	28	0.2	545	3.4	** 413	** 2.6
Interest paid deduction	77	11.6	0	0.0	91	16.7	** 26	** 6.3
Investment interest expense deduction [2]	** 6	** 0.9	0	0.0	7	1.3	** 45	** 10.9
Taxes paid deduction	**	**	0	0.0	6	1.1	**	**
Charitable contributions deduction	69	10.4	8	28.6	54	9.9	** 73	** 17.7
Medical and dental expense deduction	** 8	** 1.2	** 0	** 0.0	** 10	** 1.8	** 16	** 3.9
Net casualty or theft loss deduction	**	**	**	**	**	**	**	**
Total miscellaneous deductions	3	0.5	**	**	**	**	** 4	** 1.0
Foreign tax credit	7	1.1	0	0.0	** 13	** 2.4	** 54	** 13.1
General business credit	0	0.0	**	**	12	2.2	** 66	** 16.0
Child and other dependent credit	101	15.2	0	0.0	139	25.5	** 29	** 7.0
All other tax credits	34	5.1	** 8	** 28.6	0	0.0	** 81	** 19.6
Capital gains taxed at 0 percent	71	10.7	3	10.7	51	9.4	** 0	** 0.0
Section 965 future installments	0	0.0	0	0.0	0	0.0	** 0	** 0.0
Disaster loss deduction	0	0.0	0	0.0	0	0.0	** 0	** 0.0
Qualified business income deduction	** 290	** 43.5	** 9	** 32.1	** 140	** 25.7	** 12	** 2.9
Section 199A deduction	**	**	**	**	**	**	**	**
No second largest item	0	0.0	0	0.0	22	4.0	** 7	** 1.7
Returns with expanded income of \$200,000 or more								
Total	688	2.9	27	0.1	566	2.4	** 515	** 2.1
Interest paid deduction	76	11.0	0	0.0	89	15.7	** 27	** 5.2
Tax-exempt interest [3]	17	2.5	0	0.0	22	3.9	** 95	** 18.4
Taxes paid deduction	0	0.0	0	0.0	**	**	** 0	** 0.0
Charitable contributions deduction	74	10.8	** 10	** 37.0	** 57	** 10.1	** 101	** 19.6
Medical and dental expense deduction	** 10	** 1.5	** 0	** 0.0	** 11	** 1.9	** 29	** 5.6
Net casualty or theft loss deduction	**	**	**	**	**	**	**	**
Total miscellaneous deductions	0	0.0	0	0.0	0	0.0	** 0	** 0.0
Foreign tax credit	6	0.9	0	0.0	**	**	** 56	** 10.9
General business credit	0	0.0	**	**	** 18	** 3.2	** 68	** 13.2
Child and other dependent credit	100	14.5	0	0.0	141	24.9	** 30	** 5.8
All other tax credits	33	4.8	** 8	** 29.6	0	0.0	** 84	** 16.3
Capital gains taxed at 0 percent	68	9.9	**	**	54	9.5	** 0	** 0.0
Section 965 future installments	0	0.0	0	0.0	0	0.0	** 0	** 0.0
Disaster loss deduction	0	0.0	0	0.0	0	0.0	** 0	** 0.0
Qualified business income deduction	** 301	** 43.8	** 9	** 33.3	** 143	** 25.3	** 13	** 2.5
Section 199A deduction	**	**	**	**	**	**	**	**
Foreign-earned income exclusion [3]	0	0.0	0	0.0	0	0.0	**	**
AMT tax preference [3]	**	**	0	0.0	0	0.0	**	**
Nontaxable Social Security benefits [3]	** 3	** 0.4	0	0.0	16	2.8	** 12	** 2.3
No second largest item	0	0.0	0	0.0	15	2.6	**	**

Footnotes at end of table.

Table 7. Individual Income Tax Returns With and Without U.S. Income Tax Liability and With Income of \$200,000 or More Under Alternative Concepts: Number and Percentage of Returns Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2019—Continued

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Item with the largest tax effect—continued							
	Section 965 future installments		Disaster loss deduction		Qualified business income deduction		Section 199A deduction	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(27)	(28)	(29)	(30)	(31)	(32)	(33)	(34)
RETURNS WITHOUT U.S. INCOME TAX								
Returns with adjusted gross income of \$200,000 or more								
Total	**	**	13	0.1	** 127	** 0.8	**	**
Interest paid deduction	**	**	0	0.0	** 16	** 12.6	**	**
Investment interest expense deduction [2]	**	**	0	0.0	**	**	**	**
Taxes paid deduction	**	**	0	0.0	** 0	** 0.0	**	**
Charitable contributions deduction	**	**	0	0.0	**	**	**	**
Medical and dental expense deduction	**	**	** 0	** 0.0	** 0	** 0.0	**	**
Net casualty or theft loss deduction	**	**	**	**	**	**	**	**
Total miscellaneous deductions	**	**	0	0.0	** 0	** 0.0	**	**
Foreign tax credit	**	**	0	0.0	** 0	** 0.0	**	**
General business credit	**	**	0	0.0	**	**	**	**
Child and other dependent credit	**	**	**	**	**	**	**	**
All other tax credits	**	**	** 4	** 30.8	** 13	** 10.2	**	**
Capital gains taxed at 0 percent	**	**	** 9	** 69.2	** 75	** 59.1	**	**
Section 965 future installments	**	**	0	0.0	** 0	** 0.0	**	**
Disaster loss deduction	**	**	0	0.0	** 0	** 0.0	**	**
Qualified business income deduction	**	**	** 0	** 0.0	**	**	**	**
Section 199A deduction	**	**	**	**	**	**	**	**
No second largest item	**	**	**	**	** 23	** 18.1	**	**
Returns with expanded income of \$200,000 or more								
Total	**	**	13	0.1	** 128	** 0.5	**	**
Interest paid deduction	**	**	0	0.0	** 11	** 8.6	**	**
Tax-exempt interest [3]	**	**	0	0.0	**	**	**	**
Taxes paid deduction	**	**	0	0.0	** 0	** 0.0	**	**
Charitable contributions deduction	**	**	0	0.0	** 6	** 4.7	**	**
Medical and dental expense deduction	**	**	** 0	** 0.0	** 0	** 0.0	**	**
Net casualty or theft loss deduction	**	**	**	**	**	**	**	**
Total miscellaneous deductions	**	**	0	0.0	** 0	** 0.0	**	**
Foreign tax credit	**	**	0	0.0	** 0	** 0.0	**	**
General business credit	**	**	0	0.0	**	**	**	**
Child and other dependent credit	**	**	**	**	** 12	** 9.4	**	**
All other tax credits	**	**	** 5	** 38.5	**	**	**	**
Capital gains taxed at 0 percent	**	**	**	**	** 78	** 61.0	**	**
Section 965 future installments	**	**	0	0.0	** 0	** 0.0	**	**
Disaster loss deduction	**	**	0	0.0	** 0	** 0.0	**	**
Qualified business income deduction	**	**	** 0	** 0.0	**	**	**	**
Section 199A deduction	**	**	**	**	**	**	**	**
Foreign-earned income exclusion [3]	**	**	0	0.0	** 0	** 0.0	**	**
AMT tax preference [3]	**	**	0	0.0	** 0	** 0.0	**	**
Nontaxable Social Security benefits [3]	**	**	4	30.8	** 6	** 4.7	**	**
No second largest item	**	**	4	30.8	** 15	** 11.7	**	**

Footnotes at end of table.

Table 7. Individual Income Tax Returns With and Without U.S. Income Tax Liability and With Income of \$200,000 or More Under Alternative Concepts: Number and Percentage of Returns Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2019—Continued

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Item with the largest tax effect—continued							
	Foreign-earned income exclusion [3]		Tax-exempt interest [3]		AMT tax preference [3]		Nontaxable Social Security benefits [3]	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(35)	(36)	(37)	(38)	(39)	(40)	(41)	(42)
RETURNS WITHOUT U.S. INCOME TAX								
Returns with adjusted gross income of \$200,000 or more								
Total	0	0.0	0	0.0	0	0.0	0	0.0
Interest paid deduction	0	0.0	0	0.0	0	0.0	0	0.0
Investment interest expense deduction [2]	0	0.0	0	0.0	0	0.0	0	0.0
Taxes paid deduction	0	0.0	0	0.0	0	0.0	0	0.0
Charitable contributions deduction	0	0.0	0	0.0	0	0.0	0	0.0
Medical and dental expense deduction	0	0.0	0	0.0	0	0.0	0	0.0
Net casualty or theft loss deduction	0	0.0	0	0.0	0	0.0	0	0.0
Total miscellaneous deductions	0	0.0	0	0.0	0	0.0	0	0.0
Foreign tax credit	0	0.0	0	0.0	0	0.0	0	0.0
General business credit	0	0.0	0	0.0	0	0.0	0	0.0
Child and other dependent credit	0	0.0	0	0.0	0	0.0	0	0.0
All other tax credits	0	0.0	0	0.0	0	0.0	0	0.0
Capital gains taxed at 0 percent	0	0.0	0	0.0	0	0.0	0	0.0
Section 965 future installments	0	0.0	0	0.0	0	0.0	0	0.0
Disaster loss deduction	0	0.0	0	0.0	0	0.0	0	0.0
Qualified business income deduction	0	0.0	0	0.0	0	0.0	0	0.0
Section 199A deduction	0	0.0	0	0.0	0	0.0	0	0.0
No second largest item	0	0.0	0	0.0	0	0.0	0	0.0
Returns with expanded income of \$200,000 or more								
Total	4,141	17.3	2,771	11.6	** 23	** 0.1	**	**
Interest paid deduction	44	1.1	143	5.2	** 6	** 26.1	**	**
Tax-exempt interest [3]	28	0.7	0	0.0	**	**	**	**
Taxes paid deduction	68	1.6	150	5.4	** 3	** 13.0	**	**
Charitable contributions deduction	5	0.1	482	17.4	** 0	** 0.0	**	**
Medical and dental expense deduction	** 10	** 0.2	** 529	** 19.1	** 0	** 0.0	**	**
Net casualty or theft loss deduction	**	**	**	**	**	**	**	**
Total miscellaneous deductions	0	0.0	**	**	** 0	** 0.0	**	**
Foreign tax credit	2,894	69.9	14	0.5	** 3	** 13.0	**	**
General business credit	**	**	27	1.0	** 0	** 0.0	**	**
Child and other dependent credit	** 255	** 6.2	23	0.8	**	**	**	**
All other tax credits	10	0.2	71	2.6	** 3	** 13.0	**	**
Capital gains taxed at 0 percent	91	2.2	931	33.6	** 8	** 34.8	**	**
Section 965 future installments	0	0.0	0	0.0	** 0	** 0.0	**	**
Disaster loss deduction	0	0.0	0	0.0	** 0	** 0.0	**	**
Qualified business income deduction	** 0	** 0.0	** 0	** 0.0	** 0	** 0.0	**	**
Section 199A deduction	**	**	**	**	**	**	**	**
Foreign-earned income exclusion [3]	0	0.0	**	**	** 0	** 0.0	**	**
AMT tax preference [3]	**	**	**	**	** 0	** 0.0	**	**
Nontaxable Social Security benefits [3]	** 10	** 0.2	** 219	** 7.9	** 0	** 0.0	**	**
No second largest item	726	17.5	182	6.6	**	**	**	**

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

[1] For taxable returns only, this does not include any possible effect on AMT.

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

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

[4] Less than 0.05 percent.

NOTES: Detail may not add to totals because of rounding. See Appendix A: Income Concepts of this article for a discussion of adjusted gross income and expanded income. See also Appendix B: Tax Concepts for a discussion of U.S. income tax. Starting in 2009, the portion of refundable credits that offset income taxes before credits was factored in to determine tax liability. As a result, data may not be comparable to data in Tax Years 2007 and 2008 published tables. Prior to 2007, the portion of refundable credits used to offset income taxes had no effect.

SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, March 2023.

Table 8. Individual Income Tax Returns With and Without Worldwide Income Tax Liability and With Income of \$200,000 or More Under Alternative Concepts: Number and Percentage of Returns Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2019

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Total		Item with the largest tax effect					
			Interest paid deduction [1]		Investment interest expense deduction [1, 2]		Taxes paid deduction [1]	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
RETURNS WITH WORLDWIDE INCOME TAX								
Returns with adjusted gross income of \$200,000 or more								
Total	7,669,536	100.0	1,741,718	22.7	65,900	0.9	222,683	2.9
Interest paid deduction [1]	1,352,118	17.6	0	0.0	15,099	22.9	31,496	14.1
Investment interest expense deduction [1, 2]	60,916	0.8	16,444	0.9	0	0.0	959	0.4
Taxes paid deduction [1]	1,872,194	24.4	1,382,406	79.4	20,120	30.5	0	0.0
Charitable contributions deduction	569,329	7.4	186,194	10.7	15,008	22.8	174,504	78.4
Medical and dental expense deduction [1]	36,344	0.5	7,986	0.5	** 114	** 0.2	8,834	4.0
Net casualty or theft loss deduction	308	[4]	0	0.0	**	**	0	0.0
Total miscellaneous deductions [1]	19,935	0.3	5,578	0.3	871	1.3	3,688	1.7
General business credit	69,452	0.9	1,460	0.1	794	1.2	95	[4]
Child and other dependent credit	502,979	6.6	89,584	5.1	188	0.3	330	0.1
All other tax credits	440,456	5.7	9,318	0.5	1,699	2.6	7	[4]
Capital gains taxed at 0 percent	62,944	0.8	1,369	0.1	4,753	7.2	343	0.2
Section 965 future installments	12	[4]	0	0.0	0	0.0	0	0.0
Disaster loss deduction	0	0.0	0	0.0	0	0.0	0	0.0
Qualified business income deduction	642,986	8.4	40,622	2.3	6,952	10.5	927	0.4
Section 199A deduction	71	[4]	0	0.0	0	0.0	0	0.0
No second largest item	2,039,494	26.6	757	[4]	303	0.5	1,501	0.7
Returns with expanded income of \$200,000 or more								
Total	8,267,451	100.0	1,643,465	19.9	0	0.0	161,810	2.0
Interest paid deduction [1]	1,332,467	16.1	0	0.0	0	0.0	30,819	19.0
Tax-exempt interest [3]	509,272	6.2	11,416	0.7	0	0.0	976	0.6
Taxes paid deduction [1]	1,711,050	20.7	1,296,809	78.9	0	0.0	0	0.0
Charitable contributions deduction	526,454	6.4	183,841	11.2	0	0.0	121,032	74.8
Medical and dental expense deduction [1]	33,571	0.4	7,988	0.5	0	0.0	5,553	3.4
Net casualty or theft loss deduction	**	**	**	**	0	0.0	**	**
Total miscellaneous deductions [1]	** 207	** [4]	** 32	** [4]	0	0.0	** 19	** [4]
General business credit	62,372	0.8	1,641	0.1	0	0.0	102	0.1
Child and other dependent credit	548,141	6.6	89,161	5.4	0	0.0	330	0.2
All other tax credits	450,706	5.5	8,175	0.5	0	0.0	12	[4]
Capital gains taxed at 0 percent	85,860	1.0	1,581	0.1	0	0.0	202	0.1
Section 965 future installments	13	[4]	0	0.0	0	0.0	0	0.0
Disaster loss deduction	0	0.0	0	0.0	0	0.0	0	0.0
Qualified business income deduction	904,282	10.9	39,422	2.4	0	0.0	820	0.5
Section 199A deduction	23	[4]	0	0.0	0	0.0	0	0.0
Foreign-earned income exclusion [3]	1,433	[4]	**	**	0	0.0	143	0.1
AMT tax preference [3]	2,236	[4]	** 8	** [4]	0	0.0	0	0.0
Nontaxable Social Security benefits [3]	461,020	5.6	** 3,391	** 0.2	0	0.0	383	0.2
No second largest item	1,638,342	19.8	**	**	0	0.0	1,417	0.9

Footnotes at end of table.

Table 8. Individual Income Tax Returns With and Without Worldwide Income Tax Liability and With Income of \$200,000 or More Under Alternative Concepts: Number and Percentage of Returns Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2019—Continued

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Item with the largest tax effect—continued							
	Charitable contributions deduction		Medical and dental expense deduction [1]		Net casualty or theft loss deduction		Total miscellaneous deductions [1]	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
RETURNS WITH WORLDWIDE INCOME TAX								
Returns with adjusted gross income of \$200,000 or more								
Total	727,937	9.5	83,090	1.1	103	[4]	78,867	1.0
Interest paid deduction [1]	220,603	30.3	14,176	17.1	**	**	19,034	24.1
Investment interest expense deduction [1, 2]	20,401	2.8	526	0.6	0	0.0	545	0.7
Taxes paid deduction [1]	313,154	43.0	34,378	41.4	** 48	** 46.8	31,044	39.4
Charitable contributions deduction	0	0.0	13,346	16.1	0	0.0	8,605	10.9
Medical and dental expense deduction [1]	** 9,168	** 1.3	0	0.0	0	0.0	** 1,087	** 1.4
Net casualty or theft loss deduction	**	**	0	0.0	0	0.0	**	**
Total miscellaneous deductions [1]	4,177	0.6	** 372	** 0.4	0	0.0	0	0.0
General business credit	4,465	0.6	**	**	0	0.0	313	0.4
Child and other dependent credit	43,176	5.9	2,798	3.4	0	0.0	3,004	3.8
All other tax credits	7,847	1.1	1,113	1.3	**	**	763	1.0
Capital gains taxed at 0 percent	35,446	4.9	10,233	12.3	0	0.0	2,519	3.2
Section 965 future installments	0	0.0	0	0.0	0	0.0	0	0.0
Disaster loss deduction	0	0.0	0	0.0	0	0.0	0	0.0
Qualified business income deduction	67,958	9.3	6,138	7.4	**	**	10,663	13.5
Section 199A deduction	9	[4]	0	0.0	0	0.0	0	0.0
No second largest item	1,533	0.2	10	[4]	** 55	** 53.2	1,291	1.6
Returns with expanded income of \$200,000 or more								
Total	700,436	8.5	86,266	1.0	104	[4]	99	[4]
Interest paid deduction [1]	214,090	30.6	13,515	15.7	**	**	0	0.0
Tax-exempt interest [3]	55,005	7.9	9,307	10.8	**	**	21	21.8
Taxes paid deduction [1]	269,223	38.4	29,687	34.4	**	**	**	**
Charitable contributions deduction	0	0.0	11,929	13.8	** 52	** 50.3	** 15	** 15.5
Medical and dental expense deduction [1]	8,225	1.2	0	0.0	0	0.0	0	0.0
Net casualty or theft loss deduction	**	**	**	**	**	**	**	**
Total miscellaneous deductions [1]	** 9	** [4]	** 0	** 0.0	** 0	** 0.0	** 0	** 0.0
General business credit	4,243	0.6	28	[4]	0	0.0	0	0.0
Child and other dependent credit	42,340	6.0	2,798	3.2	0	0.0	0	0.0
All other tax credits	6,842	1.0	925	1.1	**	**	0	0.0
Capital gains taxed at 0 percent	28,668	4.1	10,160	11.8	0	0.0	3	3.1
Section 965 future installments	0	0.0	0	0.0	0	0.0	0	0.0
Disaster loss deduction	0	0.0	0	0.0	0	0.0	0	0.0
Qualified business income deduction	63,127	9.0	5,699	6.6	** 51	** 49.7	** 59	** 59.6
Section 199A deduction	8	[4]	0	0.0	0	0.0	0	0.0
Foreign-earned income exclusion [3]	468	0.1	0	0.0	0	0.0	0	0.0
AMT tax preference [3]	190	[4]	0	0.0	0	0.0	0	0.0
Nontaxable Social Security benefits [3]	6,862	1.0	** 2,218	** 2.6	**	**	**	**
No second largest item	1,134	0.2	**	**	0	0.0	**	**

Footnotes at end of table.

Table 8. Individual Income Tax Returns With and Without Worldwide Income Tax Liability and With Income of \$200,000 or More Under Alternative Concepts: Number and Percentage of Returns Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2019—Continued

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Item with the largest tax effect—continued							
	General business credit		Child and other dependent credit		All other tax credits		Capital gains taxed at 0 percent	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
RETURNS WITH WORLDWIDE INCOME TAX								
Returns with adjusted gross income of \$200,000 or more								
Total	67,854	0.9	2,181,566	28.4	260,696	3.4	164,356	2.1
Interest paid deduction [1]	9,268	13.7	625,504	28.7	53,217	20.4	18,783	11.4
Investment interest expense deduction [1, 2]	924	1.4	**	**	2,131	0.8	3,865	2.4
Taxes paid deduction [1]	1,639	2.4	** 18,156	** 0.8	5,487	2.1	10,164	6.2
Charitable contributions deduction	2,910	4.3	31,910	1.5	7,738	3.0	15,900	9.7
Medical and dental expense deduction [1]	4	[4]	** 697	** [4]	809	0.3	** 5,992	** 3.6
Net casualty or theft loss deduction	0	0.0	0	0.0	0	0.0	**	**
Total miscellaneous deductions [1]	87	0.1	**	**	272	0.1	**	**
General business credit	0	0.0	3,707	0.2	1,332	0.5	1,222	0.7
Child and other dependent credit	5,773	8.5	0	0.0	52,635	20.2	12,481	7.6
All other tax credits	2,364	3.5	369,759	16.9	0	0.0	4,285	2.6
Capital gains taxed at 0 percent	1,301	1.9	2,093	0.1	2,035	0.8	0	0.0
Section 965 future installments	0	0.0	0	0.0	0	0.0	0	0.0
Disaster loss deduction	0	0.0	0	0.0	0	0.0	0	0.0
Qualified business income deduction	38,747	57.1	369,363	16.9	60,318	23.1	41,240	25.1
Section 199A deduction	**	**	0	0.0	44	[4]	**	**
No second largest item	** 4,837	** 7.1	760,377	34.9	74,679	28.6	** 50,425	** 30.7
Returns with expanded income of \$200,000 or more								
Total	65,353	0.8	2,141,952	25.9	233,431	2.8	153,834	1.9
Interest paid deduction [1]	8,776	13.4	612,604	28.6	47,636	20.4	16,304	10.6
Tax-exempt interest [3]	3,419	5.2	91,343	4.3	16,613	7.1	24,218	15.7
Taxes paid deduction [1]	1,150	1.8	15,181	0.7	3,323	1.4	5,285	3.4
Charitable contributions deduction	2,633	4.0	** 32,172	** 1.5	7,311	3.1	14,847	9.7
Medical and dental expense deduction [1]	7	[4]	**	**	617	0.3	3,853	2.5
Net casualty or theft loss deduction	**	**	**	**	**	**	**	**
Total miscellaneous deductions [1]	** 0	** 0.0	** 0	** 0.0	** 0	** 0.0	** 142	** 0.1
General business credit	0	0.0	3,270	0.2	1,513	0.6	955	0.6
Child and other dependent credit	5,855	9.0	0	0.0	50,882	21.8	8,090	5.3
All other tax credits	2,043	3.1	364,812	17.0	0	0.0	3,030	2.0
Capital gains taxed at 0 percent	1,354	2.1	2,094	0.1	2,255	1.0	0	0.0
Section 965 future installments	0	0.0	0	0.0	0	0.0	0	0.0
Disaster loss deduction	0	0.0	0	0.0	0	0.0	0	0.0
Qualified business income deduction	** 33,695	** 51.6	315,563	14.7	** 31,222	** 13.4	** 11,315	** 7.4
Section 199A deduction	**	**	0	0.0	**	**	**	**
Foreign-earned income exclusion [3]	**	**	3	[4]	91	[4]	477	0.3
AMT tax preference [3]	13	[4]	0	0.0	727	0.3	58	[4]
Nontaxable Social Security benefits [3]	2,569	3.9	22,855	1.1	17,539	7.5	50,574	32.9
No second largest item	3,839	5.9	682,055	31.8	53,702	23.0	14,687	9.5

Footnotes at end of table.

Table 8. Individual Income Tax Returns With and Without Worldwide Income Tax Liability and With Income of \$200,000 or More Under Alternative Concepts: Number and Percentage of Returns Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2019—Continued

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Item with the largest tax effect—continued							
	Section 965 future installments		Disaster loss deduction		Qualified business income deduction		Section 199A deduction	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)
RETURNS WITH WORLDWIDE INCOME TAX								
Returns with adjusted gross income of \$200,000 or more								
Total	** 64	** [4]	**	**	2,074,189	27.0	514	[4]
Interest paid deduction [1]	** 0	** 0.0	**	**	344,926	16.6	**	**
Investment interest expense deduction [1, 2]	** 0	** 0.0	**	**	15,020	0.7	**	**
Taxes paid deduction [1]	** 8	** 12.6	**	**	55,697	2.7	** 32	** 6.2
Charitable contributions deduction	**	**	**	**	113,190	5.5	**	**
Medical and dental expense deduction [1]	** 0	** 0.0	**	**	2,675	0.1	0	0.0
Net casualty or theft loss deduction	** 0	** 0.0	**	**	0	0.0	0	0.0
Total miscellaneous deductions [1]	** 0	** 0.0	**	**	4,191	0.2	** 13	** 2.6
General business credit	** 40	** 63.2	**	**	55,994	2.7	**	**
Child and other dependent credit	** 0	** 0.0	**	**	293,010	14.1	0	0.0
All other tax credits	** 0	** 0.0	**	**	43,292	2.1	**	**
Capital gains taxed at 0 percent	** 0	** 0.0	**	**	2,854	0.1	0	0.0
Section 965 future installments	** 0	** 0.0	**	**	12	[4]	0	0.0
Disaster loss deduction	** 0	** 0.0	**	**	0	0.0	0	0.0
Qualified business income deduction	**	**	**	**	0	0.0	0	0.0
Section 199A deduction	** 0	** 0.0	**	**	**	**	0	0.0
No second largest item	** 15	** 24.2	**	**	** 1,143,328	** 55.1	** 469	** 91.2
Returns with expanded income of \$200,000 or more								
Total	** 64	** [4]	**	**	1,578,604	19.1	372	[4]
Interest paid deduction [1]	** 0	** 0.0	**	**	275,761	17.5	**	**
Tax-exempt interest [3]	**	**	**	**	140,708	8.9	**	**
Taxes paid deduction [1]	** 0	** 0.0	**	**	36,212	2.3	**	**
Charitable contributions deduction	** 5	** 7.9	**	**	105,206	6.7	** 42	** 11.3
Medical and dental expense deduction [1]	** 0	** 0.0	**	**	2,649	0.2	0	0.0
Net casualty or theft loss deduction	**	**	**	**	**	**	**	**
Total miscellaneous deductions [1]	** 0	** 0.0	**	**	** 0	** 0.0	** 0	** 0.0
General business credit	** 40	** 63.2	**	**	46,285	2.9	5	1.4
Child and other dependent credit	** 0	** 0.0	**	**	286,601	18.2	0	0.0
All other tax credits	** 0	** 0.0	**	**	34,995	2.2	**	**
Capital gains taxed at 0 percent	** 0	** 0.0	**	**	812	0.1	0	0.0
Section 965 future installments	** 0	** 0.0	**	**	13	[4]	0	0.0
Disaster loss deduction	** 0	** 0.0	**	**	0	0.0	0	0.0
Qualified business income deduction	** 18	** 29.0	**	**	0	0.0	** 325	** 87.3
Section 199A deduction	** 0	** 0.0	**	**	0	0.0	0	0.0
Foreign-earned income exclusion [3]	**	**	**	**	193	[4]	0	0.0
AMT tax preference [3]	** 0	** 0.0	**	**	656	[4]	0	0.0
Nontaxable Social Security benefits [3]	** 0	** 0.0	**	**	174,598	11.1	**	**
No second largest item	**	**	**	**	473,916	30.0	**	**

Footnotes at end of table.

Table 8. Individual Income Tax Returns With and Without Worldwide Income Tax Liability and With Income of \$200,000 or More Under Alternative Concepts: Number and Percentage of Returns Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2019—Continued

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Item with the largest tax effect—continued							
	Foreign-earned income exclusion [3]		Tax-exempt interest [3]		AMT tax preference [3]		Nontaxable Social Security benefits [3]	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(33)	(34)	(35)	(36)	(37)	(38)	(39)	(40)
RETURNS WITH WORLDWIDE INCOME TAX								
Returns with adjusted gross income of \$200,000 or more								
Total	0	0.0	0	0.0	0	0.0	0	0.0
Interest paid deduction [1]	0	0.0	0	0.0	0	0.0	0	0.0
Investment interest expense deduction [1, 2]	0	0.0	0	0.0	0	0.0	0	0.0
Taxes paid deduction [1]	0	0.0	0	0.0	0	0.0	0	0.0
Charitable contributions deduction	0	0.0	0	0.0	0	0.0	0	0.0
Medical and dental expense deduction [1]	0	0.0	0	0.0	0	0.0	0	0.0
Net casualty or theft loss deduction	0	0.0	0	0.0	0	0.0	0	0.0
Total miscellaneous deductions [1]	0	0.0	0	0.0	0	0.0	0	0.0
General business credit	0	0.0	0	0.0	0	0.0	0	0.0
Child and other dependent credit	0	0.0	0	0.0	0	0.0	0	0.0
All other tax credits	0	0.0	0	0.0	0	0.0	0	0.0
Capital gains taxed at 0 percent	0	0.0	0	0.0	0	0.0	0	0.0
Section 965 future installments	0	0.0	0	0.0	0	0.0	0	0.0
Disaster loss deduction	0	0.0	0	0.0	0	0.0	0	0.0
Qualified business income deduction	0	0.0	0	0.0	0	0.0	0	0.0
Section 199A deduction	0	0.0	0	0.0	0	0.0	0	0.0
No second largest item	0	0.0	0	0.0	0	0.0	0	0.0
Returns with expanded income of \$200,000 or more								
Total	66,006	0.8	721,376	8.7	12,341	0.1	701,939	8.5
Interest paid deduction [1]	6,505	9.9	49,826	6.9	2,241	18.2	54,366	7.7
Tax-exempt interest [3]	3,870	5.9	0	0.0	835	6.8	151,531	21.6
Taxes paid deduction [1]	1,290	2.0	28,775	4.0	670	5.4	23,393	3.3
Charitable contributions deduction	1,943	2.9	43,612	6.0	** 1,044	** 8.5	1,252	0.2
Medical and dental expense deduction [1]	27	[4]	4,250	0.6	**	**	0	0.0
Net casualty or theft loss deduction	**	**	**	**	**	**	**	**
Total miscellaneous deductions [1]	** 0	** 0.0	**	**	** 0	** 0.0	**	**
General business credit	54	0.1	** 3,518	** 0.5	148	1.2	** 576	** 0.1
Child and other dependent credit	12,641	19.2	25,359	3.5	3,216	26.1	20,868	3.0
All other tax credits	1,088	1.6	18,381	2.5	850	6.9	9,544	1.4
Capital gains taxed at 0 percent	4,059	6.1	30,855	4.3	79	0.6	3,740	0.5
Section 965 future installments	0	0.0	0	0.0	0	0.0	0	0.0
Disaster loss deduction	0	0.0	0	0.0	0	0.0	0	0.0
Qualified business income deduction	8,056	12.2	** 229,428	** 31.8	** 1,558	** 12.6	** 164,320	** 23.4
Section 199A deduction	0	0.0	**	**	**	**	0	0.0
Foreign-earned income exclusion [3]	0	0.0	**	**	0	0.0	**	**
AMT tax preference [3]	4	[4]	** 446	** 0.1	0	0.0	184	[4]
Nontaxable Social Security benefits [3]	1,450	2.2	178,895	24.8	19	0.2	0	0.0
No second largest item	25,020	37.9	108,029	15.0	1,681	13.6	272,165	38.8

Footnotes at end of table.

Table 8. Individual Income Tax Returns With and Without Worldwide Income Tax Liability and With Income of \$200,000 or More Under Alternative Concepts: Number and Percentage of Returns Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2019—Continued

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Total		Item with the largest tax effect					
			Interest paid deduction [1]		Investment interest expense deduction [1, 2]		Taxes paid deduction [1]	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
RETURNS WITHOUT WORLDWIDE INCOME TAX								
Returns with adjusted gross income of \$200,000 or more								
Total	4,677	100.0	64	1.4	400	8.6	11	0.2
Interest paid deduction	672	14.4	0	0.0	92	23.0	**	**
Investment interest expense deduction [2]	112	2.4	3	4.7	0	0.0	** 4	** 36.4
Taxes paid deduction	1,027	22.0	16	25.0	55	13.7	0	0.0
Charitable contributions deduction	582	12.4	14	21.9	142	35.5	**	**
Medical and dental expense deduction	** 136	** 2.9	** 4	** 6.3	** 26	** 6.5	** 0	** 0.0
Net casualty or theft loss deduction	**	**	**	**	**	**	**	**
Total miscellaneous deductions	40	0.9	**	**	8	2.0	4	36.4
General business credit	96	2.1	** 6	** 9.4	6	1.5	0	0.0
Child and other dependent credit	499	10.7	4	6.3	**	**	0	0.0
All other tax credits	166	3.5	7	10.9	** 12	** 3.0	0	0.0
Capital gains taxed at 0 percent	800	17.1	** 10	** 15.6	** 59	** 14.7	**	**
Section 965 future installments	0	0.0	0	0.0	0	0.0	0	0.0
Disaster loss deduction	0	0.0	0	0.0	0	0.0	0	0.0
Qualified business income deduction	** 388	** 8.3	0	0.0	**	**	0	0.0
Section 199A deduction	**	**	**	**	**	**	**	**
No second largest item	158	3.4	**	**	**	**	** 3	** 27.3
Returns with expanded income of \$200,000 or more								
Total	7,388	100.0	74	1.0	0	0.0	23	0.3
Interest paid deduction	519	7.0	0	0.0	0	0.0	0	0.0
Tax-exempt interest [3]	756	10.2	3	4.1	0	0.0	**	**
Taxes paid deduction	624	8.4	19	25.7	0	0.0	0	0.0
Charitable contributions deduction	777	10.5	17	23.0	0	0.0	** 9	** 39.1
Medical and dental expense deduction	** 625	** 8.5	** 4	** 5.4	0	0.0	** 0	** 0.0
Net casualty or theft loss deduction	**	**	**	**	0	0.0	**	**
Total miscellaneous deductions	6	0.1	**	**	0	0.0	**	**
General business credit	91	1.2	** 5	** 6.8	0	0.0	0	0.0
Child and other dependent credit	570	7.7	5	6.8	0	0.0	0	0.0
All other tax credits	182	2.5	7	9.5	0	0.0	0	0.0
Capital gains taxed at 0 percent	1,599	21.6	** 14	** 18.9	0	0.0	**	**
Section 965 future installments	0	0.0	0	0.0	0	0.0	0	0.0
Disaster loss deduction	0	0.0	0	0.0	0	0.0	0	0.0
Qualified business income deduction	** 397	** 5.4	** 0	** 0.0	0	0.0	** 0	** 0.0
Section 199A deduction	**	**	**	**	0	0.0	**	**
Foreign-earned income exclusion [3]	17	0.2	0	0.0	0	0.0	**	**
AMT tax preference [3]	**	**	**	**	0	0.0	**	**
Nontaxable Social Security benefits [3]	** 396	** 5.4	**	**	0	0.0	** 14	** 60.9
No second largest item	829	11.2	**	**	0	0.0	**	**

Footnotes at end of table.

Table 8. Individual Income Tax Returns With and Without Worldwide Income Tax Liability and With Income of \$200,000 or More Under Alternative Concepts: Number and Percentage of Returns Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2019—Continued

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Item with the largest tax effect—continued							
	Charitable contributions deduction		Medical and dental expense deduction [1]		Net casualty or theft loss deduction		Total miscellaneous deductions [1]	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
RETURNS WITHOUT WORLDWIDE INCOME TAX								
Returns with adjusted gross income of \$200,000 or more								
Total	703	15.0	861	18.4	37	0.8	1,270	27.2
Interest paid deduction	70	10.0	90	10.5	10	27.0	239	18.8
Investment interest expense deduction [2]	57	8.1	9	1.0	0	0.0	18	1.4
Taxes paid deduction	62	8.8	311	36.1	13	35.1	563	44.3
Charitable contributions deduction	0	0.0	148	17.2	6	16.2	121	9.5
Medical and dental expense deduction	** 53	** 7.5	** 0	** 0.0	** 0	** 0.0	** 33	** 2.6
Net casualty or theft loss deduction	**	**	**	**	**	**	**	**
Total miscellaneous deductions	5	0.7	12	1.4	**	**	0	0.0
General business credit	28	4.0	6	0.7	0	0.0	18	1.4
Child and other dependent credit	89	12.7	21	2.4	** 4	** 10.8	128	10.1
All other tax credits	39	5.5	13	1.5	0	0.0	26	2.0
Capital gains taxed at 0 percent	296	42.1	** 251	** 29.2	4	10.8	** 31	** 2.4
Section 965 future installments	0	0.0	0	0.0	0	0.0	0	0.0
Disaster loss deduction	0	0.0	0	0.0	0	0.0	0	0.0
Qualified business income deduction	** 4	** 0.6	0	0.0	0	0.0	**	**
Section 199A deduction	**	**	**	**	**	**	**	**
No second largest item	**	**	**	**	0	0.0	93	7.3
Returns with expanded income of \$200,000 or more								
Total	822	11.1	1,698	23.0	** 44	** 0.6	**	**
Interest paid deduction	70	8.5	98	5.8	** 11	** 25.0	**	**
Tax-exempt interest [3]	89	10.8	603	35.5	**	**	**	**
Taxes paid deduction	70	8.5	300	17.7	** 14	** 31.8	**	**
Charitable contributions deduction	0	0.0	164	9.7	** 9	** 20.5	**	**
Medical and dental expense deduction	** 82	** 10.0	** 0	** 0.0	**	**	**	**
Net casualty or theft loss deduction	**	**	**	**	**	**	**	**
Total miscellaneous deductions	0	0.0	0	0.0	**	**	**	**
General business credit	31	3.8	6	0.4	** 0	** 0.0	**	**
Child and other dependent credit	86	10.5	21	1.2	**	**	**	**
All other tax credits	44	5.4	12	0.7	** 0	** 0.0	**	**
Capital gains taxed at 0 percent	** 335	** 40.8	366	21.6	** 10	** 22.7	**	**
Section 965 future installments	0	0.0	0	0.0	** 0	** 0.0	**	**
Disaster loss deduction	0	0.0	0	0.0	** 0	** 0.0	**	**
Qualified business income deduction	**	**	** 0	** 0.0	**	**	**	**
Section 199A deduction	**	**	**	**	**	**	**	**
Foreign-earned income exclusion [3]	0	0.0	**	**	** 0	** 0.0	**	**
AMT tax preference [3]	**	**	**	**	**	**	**	**
Nontaxable Social Security benefits [3]	** 15	** 1.8	** 128	** 7.5	**	**	**	**
No second largest item	**	**	**	**	** 0	** 0.0	**	**

Footnotes at end of table.

Table 8. Individual Income Tax Returns With and Without Worldwide Income Tax Liability and With Income of \$200,000 or More Under Alternative Concepts: Number and Percentage of Returns Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2019—Continued

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Item with the largest tax effect—continued							
	General business credit		Child and other dependent credit		All other tax credits		Capital gains taxed at 0 percent	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
RETURNS WITHOUT WORLDWIDE INCOME TAX								
Returns with adjusted gross income of \$200,000 or more								
Total	494	10.6	26	0.6	490	10.5	183	3.9
Interest paid deduction	59	11.9	0	0.0	86	17.5	16	8.7
Investment interest expense deduction [2]	** 4	** 0.8	0	0.0	5	1.0	** 17	** 9.3
Taxes paid deduction	**	**	0	0.0	4	0.8	**	**
Charitable contributions deduction	50	10.1	8	30.8	51	10.4	35	19.1
Medical and dental expense deduction	** 5	** 1.0	** 0	** 0.0	** 7	** 1.4	** 8	** 4.4
Net casualty or theft loss deduction	**	**	**	**	**	**	**	**
Total miscellaneous deductions	**	**	0	0.0	**	**	3	1.6
General business credit	0	0.0	**	**	** 9	** 1.8	24	13.1
Child and other dependent credit	** 83	** 16.8	0	0.0	138	28.1	24	13.1
All other tax credits	25	5.1	** 7	** 26.9	0	0.0	37	20.2
Capital gains taxed at 0 percent	38	7.7	3	11.5	37	7.5	0	0.0
Section 965 future installments	0	0.0	0	0.0	0	0.0	0	0.0
Disaster loss deduction	0	0.0	0	0.0	0	0.0	0	0.0
Qualified business income deduction	** 230	** 46.6	** 8	** 30.8	** 131	** 26.8	** 19	** 10.4
Section 199A deduction	**	**	**	**	**	**	**	**
No second largest item	0	0.0	0	0.0	22	4.5	**	**
Returns with expanded income of \$200,000 or more								
Total	493	6.7	26	0.4	494	6.7	217	2.9
Interest paid deduction	** 60	** 12.2	0	0.0	85	17.2	18	8.3
Tax-exempt interest [3]	**	**	0	0.0	3	0.6	24	11.1
Taxes paid deduction	0	0.0	0	0.0	5	1.0	0	0.0
Charitable contributions deduction	49	9.9	** 10	** 38.5	47	9.5	52	24.0
Medical and dental expense deduction	** 5	** 1.0	** 0	** 0.0	** 8	** 1.6	** 17	** 7.8
Net casualty or theft loss deduction	**	**	**	**	**	**	**	**
Total miscellaneous deductions	0	0.0	0	0.0	0	0.0	0	0.0
General business credit	0	0.0	**	**	7	1.4	25	11.5
Child and other dependent credit	80	16.2	0	0.0	140	28.3	24	11.1
All other tax credits	25	5.1	5	19.2	0	0.0	35	16.1
Capital gains taxed at 0 percent	35	7.1	3	11.5	36	7.3	0	0.0
Section 965 future installments	0	0.0	0	0.0	0	0.0	0	0.0
Disaster loss deduction	0	0.0	0	0.0	0	0.0	0	0.0
Qualified business income deduction	** 236	** 47.9	** 8	** 30.8	** 135	** 27.4	** 13	** 6.0
Section 199A deduction	**	**	**	**	**	**	**	**
Foreign-earned income exclusion [3]	0	0.0	0	0.0	0	0.0	0	0.0
AMT tax preference [3]	**	**	**	**	**	**	**	**
Nontaxable Social Security benefits [3]	** 3	** 0.6	** 0	** 0.0	** 13	** 2.6	** 9	** 4.1
No second largest item	0	0.0	0	0.0	15	3.0	**	**

Footnotes at end of table.

Table 8. Individual Income Tax Returns With and Without Worldwide Income Tax Liability and With Income of \$200,000 or More Under Alternative Concepts: Number and Percentage of Returns Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2019—Continued

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Item with the largest tax effect—continued							
	Section 965 future installments		Disaster loss deduction		Qualified business income deduction		Section 199A deduction	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)
RETURNS WITHOUT WORLDWIDE INCOME TAX								
Returns with adjusted gross income of \$200,000 or more								
Total	0	0.0	13	0.3	** 124	** 2.7	**	**
Interest paid deduction	0	0.0	0	0.0	**	**	**	**
Investment interest expense deduction [2]	0	0.0	0	0.0	** 15	** 12.1	**	**
Taxes paid deduction	0	0.0	0	0.0	** 0	** 0.0	**	**
Charitable contributions deduction	0	0.0	0	0.0	**	**	**	**
Medical and dental expense deduction	0	0.0	** 0	** 0.0	** 0	** 0.0	**	**
Net casualty or theft loss deduction	0	0.0	**	**	**	**	**	**
Total miscellaneous deductions	0	0.0	0	0.0	** 0	** 0.0	**	**
General business credit	0	0.0	0	0.0	**	**	**	**
Child and other dependent credit	0	0.0	**	**	**	**	**	**
All other tax credits	0	0.0	** 4	** 30.8	** 11	** 8.9	**	**
Capital gains taxed at 0 percent	0	0.0	**	**	** 76	** 61.3	**	**
Section 965 future installments	0	0.0	0	0.0	** 0	** 0.0	**	**
Disaster loss deduction	0	0.0	0	0.0	** 0	** 0.0	**	**
Qualified business income deduction	0	0.0	0	0.0	**	**	**	**
Section 199A deduction	0	0.0	**	**	**	**	**	**
No second largest item	0	0.0	** 9	** 69.2	22	17.7	**	**
Returns with expanded income of \$200,000 or more								
Total	0	0.0	13	0.2	** 125	** 1.7	**	**
Interest paid deduction	0	0.0	0	0.0	** 9	** 7.2	**	**
Tax-exempt interest [3]	0	0.0	0	0.0	**	**	**	**
Taxes paid deduction	0	0.0	0	0.0	** 0	** 0.0	**	**
Charitable contributions deduction	0	0.0	0	0.0	** 9	** 7.2	**	**
Medical and dental expense deduction	0	0.0	** 0	** 0.0	** 0	** 0.0	**	**
Net casualty or theft loss deduction	0	0.0	**	**	**	**	**	**
Total miscellaneous deductions	0	0.0	0	0.0	** 0	** 0.0	**	**
General business credit	0	0.0	0	0.0	**	**	**	**
Child and other dependent credit	0	0.0	** 4	** 30.8	** 10	** 8.0	**	**
All other tax credits	0	0.0	**	**	**	**	**	**
Capital gains taxed at 0 percent	0	0.0	**	**	** 76	** 60.8	**	**
Section 965 future installments	0	0.0	0	0.0	** 0	** 0.0	**	**
Disaster loss deduction	0	0.0	0	0.0	** 0	** 0.0	**	**
Qualified business income deduction	0	0.0	** 0	** 0.0	**	**	**	**
Section 199A deduction	0	0.0	**	**	**	**	**	**
Foreign-earned income exclusion [3]	0	0.0	0	0.0	** 0	** 0.0	**	**
AMT tax preference [3]	0	0.0	**	**	**	**	**	**
Nontaxable Social Security benefits [3]	0	0.0	** 5	** 38.5	** 6	** 4.8	**	**
No second largest item	0	0.0	4	30.8	** 15	** 12.0	**	**

Footnotes at end of table.

Table 8. Individual Income Tax Returns With and Without Worldwide Income Tax Liability and With Income of \$200,000 or More Under Alternative Concepts: Number and Percentage of Returns Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2019—Continued

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Item with the largest tax effect—continued							
	Foreign-earned income exclusion [3]		Tax-exempt interest [3]		AMT tax preference [3]		Nontaxable Social Security benefits [3]	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(33)	(34)	(35)	(36)	(37)	(38)	(39)	(40)
RETURNS WITHOUT WORLDWIDE INCOME TAX								
Returns with adjusted gross income of \$200,000 or more								
Total	0	0.0	0	0.0	0	0.0	0	0.0
Interest paid deduction	0	0.0	0	0.0	0	0.0	0	0.0
Investment interest expense deduction [2]	0	0.0	0	0.0	0	0.0	0	0.0
Taxes paid deduction	0	0.0	0	0.0	0	0.0	0	0.0
Charitable contributions deduction	0	0.0	0	0.0	0	0.0	0	0.0
Medical and dental expense deduction	0	0.0	0	0.0	0	0.0	0	0.0
Net casualty or theft loss deduction	0	0.0	0	0.0	0	0.0	0	0.0
Total miscellaneous deductions	0	0.0	0	0.0	0	0.0	0	0.0
General business credit	0	0.0	0	0.0	0	0.0	0	0.0
Child and other dependent credit	0	0.0	0	0.0	0	0.0	0	0.0
All other tax credits	0	0.0	0	0.0	0	0.0	0	0.0
Capital gains taxed at 0 percent	0	0.0	0	0.0	0	0.0	0	0.0
Section 965 future installments	0	0.0	0	0.0	0	0.0	0	0.0
Disaster loss deduction	0	0.0	0	0.0	0	0.0	0	0.0
Qualified business income deduction	0	0.0	0	0.0	0	0.0	0	0.0
Section 199A deduction	0	0.0	0	0.0	0	0.0	0	0.0
No second largest item	0	0.0	0	0.0	0	0.0	0	0.0
Returns with expanded income of \$200,000 or more								
Total	948	12.8	2,393	32.4	** 18	** 0.2	**	**
Interest paid deduction	32	3.4	138	5.8	** 6	** 33.3	**	**
Tax-exempt interest [3]	22	2.3	0	0.0	**	**	**	**
Taxes paid deduction	64	6.8	149	6.2	** 3	** 16.7	**	**
Charitable contributions deduction	** 9	** 0.9	420	17.6	** 0	** 0.0	**	**
Medical and dental expense deduction	**	**	** 501	** 20.9	** 0	** 0.0	**	**
Net casualty or theft loss deduction	**	**	**	**	**	**	**	**
Total miscellaneous deductions	0	0.0	**	**	** 0	** 0.0	**	**
General business credit	0	0.0	** 17	** 0.7	** 0	** 0.0	**	**
Child and other dependent credit	179	18.9	20	0.8	**	**	**	**
All other tax credits	8	0.8	43	1.8	** 0	** 0.0	**	**
Capital gains taxed at 0 percent	24	2.5	705	29.4	** 9	** 50.0	**	**
Section 965 future installments	0	0.0	0	0.0	** 0	** 0.0	**	**
Disaster loss deduction	0	0.0	0	0.0	** 0	** 0.0	**	**
Qualified business income deduction	** 0	** 0.0	** 0	** 0.0	** 0	** 0.0	**	**
Section 199A deduction	**	**	**	**	**	**	**	**
Foreign-earned income exclusion [3]	0	0.0	7	0.3	** 0	** 0.0	**	**
AMT tax preference [3]	**	**	**	**	**	**	**	**
Nontaxable Social Security benefits [3]	** 7	** 0.7	** 211	** 8.8	** 0	** 0.0	**	**
No second largest item	603	63.6	182	7.6	**	**	**	**

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

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

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

[3] For taxable returns only, this does not include any possible effect on AMT.

[4] Less than 0.05 percent.

NOTES: Detail may not add to totals because of rounding. See Appendix A: Income Concepts of this article for a discussion of adjusted gross income and expanded income. See also Appendix B: Tax Concepts for a discussion of worldwide income tax. Starting in 2009, the portion of refundable credits that offset income taxes before credits was factored in to determine tax liability. As a result, data may not be comparable to data in Tax Years 2007 and 2008 published tables. Prior to 2007, the portion of refundable credits used to offset income taxes had no effect.

SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, March 2023.

Table 9. Individual Income Tax Returns Without U.S. Income Tax Liability and With Income of \$200,000 or More Under Alternative Concepts: Number of Returns With Itemized Deductions, Credits, and Tax Preferences, by Percentage of Income Reduced, Tax Year 2019

[All figures are estimates based on samples]

Income concept and type of deduction, credit, or tax preference	Total	No deduction, credit, or tax preference	Number of returns on which income was reduced by percentage of income			
			Under 10 percent	10 percent under 20 percent	20 percent under 30 percent	30 percent under 40 percent
	(1)	(2)	(3)	(4)	(5)	(6)
Adjusted gross income concept						
Total itemized deductions	15,958	9,439	1,006	914	516	254
Interest paid deduction:						
Total	15,958	11,253	2,887	945	195	116
Investment interest expense deduction per income concept	15,958	14,326	878	142	88	84
Taxes paid deduction	15,958	9,852	6,045	35	7	3
Charitable contributions deduction	15,958	10,883	3,253	518	240	195
Medical and dental expense deduction	15,958	14,309	476	154	71	61
Net casualty or theft loss deduction	15,958	15,917	** 3	**	0	0
Nonlimited miscellaneous deduction	15,958	14,126	481	44	18	17
Deduction equivalent of:						
Total credits	15,958	2,718	434	320	231	265
Foreign tax credit	15,958	4,550	725	83	45	35
General business credit	15,958	14,912	104	77	87	96
Child and other dependent credit	15,958	12,008	3,057	626	174	67
Tax preferences excluded from adjusted gross income	15,958	14,037	1,354	211	99	67
Nontaxable Social Security benefits	15,958	13,976	1,971	** 11	**	0
Capital gains taxed at 0 percent	15,958	13,631	535	410	512	871
Deduction equivalent of section 965 future installments	15,958	** 15,958	**	**	**	**
Disaster loss deduction	15,958	15,945	0	0	0	0
Qualified business income deduction	15,958	12,799	2,318	706	16	8
Section 199A deduction	15,958	15,954	** 4	**	0	0
Expanded income concept						
Total itemized deductions	23,970	15,684	1,341	1,737	1,033	855
Interest paid deduction:						
Total	23,970	19,714	2,928	1,118	124	29
Investment interest expense deduction per income concept	23,970	21,975	1,722	138	44	17
Taxes paid deduction	23,970	16,016	7,811	48	29	29
Charitable contributions deduction	23,970	17,006	4,124	853	718	362
Medical and dental expense deduction	23,970	19,739	1,646	420	192	186
Net casualty or theft loss deduction	23,970	23,927	** 5	0	0	**
Nonlimited miscellaneous deduction	23,970	23,371	560	22	** 11	**
Deduction equivalent of:						
Total credits	23,970	5,358	951	686	524	613
Foreign tax credit	23,970	7,356	1,388	334	265	344
General business credit	23,970	22,836	138	89	105	104
Child and other dependent credit	23,970	18,846	4,078	756	197	66
Tax preferences excluded from adjusted gross income	23,970	18,246	1,694	556	418	370
Nontaxable Social Security benefits	23,970	19,543	4,388	33	** 7	**
Capital gains taxed at 0 percent	23,970	18,488	2,064	1,463	984	971
Deduction equivalent of section 965 future installments	23,970	** 23,970	**	**	**	**
Disaster loss deduction	23,970	23,957	0	0	0	0
Qualified business income deduction	23,970	19,907	3,211	717	15	8
Section 199A deduction	23,970	23,965	** 5	**	**	0

Footnotes at end of table.

Table 9. Individual Income Tax Returns Without U.S. Income Tax Liability and With Income of \$200,000 or More Under Alternative Concepts: Number of Returns With Itemized Deductions, Credits, and Tax Preferences, by Percentage of Income Reduced, Tax Year 2019—Continued

[All figures are estimates based on samples]

Income concept and type of deduction, credit, or tax preference	Number of returns on which income was reduced by percentage of income—continued				
	40 percent under 50 percent	50 percent under 60 percent	60 percent under 70 percent	70 percent under 100 percent	100 percent or more
	(7)	(8)	(9)	(10)	(11)
Adjusted gross income concept					
Total itemized deductions	172	290	528	1,159	1,680
Interest paid deduction:					
Total	95	62	73	177	156
Investment interest expense deduction per income concept	61	56	48	153	123
Taxes paid deduction	** 4	**	3	3	6
Charitable contributions deduction	174	344	334	5	13
Medical and dental expense deduction	60	69	156	386	216
Net casualty or theft loss deduction	** 5	**	**	12	21
Nonlimited miscellaneous deduction	20	29	33	511	679
Deduction equivalent of:					
Total credits	274	415	544	9,081	1,677
Foreign tax credit	61	186	213	8,393	1,668
General business credit	132	253	238	** 59	**
Child and other dependent credit	16	** 11	**	0	0
Tax preferences excluded from adjusted gross income	47	33	23	39	49
Nontaxable Social Security benefits	0	0	0	0	0
Capital gains taxed at 0 percent	0	0	0	0	0
Deduction equivalent of section 965 future installments	**	**	**	**	**
Disaster loss deduction	** 4	**	**	4	5
Qualified business income deduction	10	60	3	38	0
Section 199A deduction	0	0	**	0	0
Expanded income concept					
Total itemized deductions	462	538	679	1,041	602
Interest paid deduction:					
Total	13	8	7	16	13
Investment interest expense deduction per income concept	26	8	9	9	23
Taxes paid deduction	13	14	4	4	3
Charitable contributions deduction	388	346	134	24	16
Medical and dental expense deduction	182	253	281	706	366
Net casualty or theft loss deduction	**	**	3	11	24
Nonlimited miscellaneous deduction	**	0	0	**	6
Deduction equivalent of:					
Total credits	762	1,607	2,032	11,389	49
Foreign tax credit	581	1,365	1,638	10,659	41
General business credit	132	264	237	** 65	**
Child and other dependent credit	17	** 11	**	0	0
Tax preferences excluded from adjusted gross income	625	335	337	1,096	294
Nontaxable Social Security benefits	0	0	0	0	0
Capital gains taxed at 0 percent	0	0	0	0	0
Deduction equivalent of section 965 future installments	**	**	**	**	**
Disaster loss deduction	** 4	**	**	4	5
Qualified business income deduction	9	61	4	38	0
Section 199A deduction	0	0	**	0	0

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

NOTES: Detail may not add to totals because of rounding. See Appendix A: Income Concepts of this article for a discussion of adjusted gross income and expanded income. See also Appendix B: Tax Concepts for a discussion of U.S. income tax. Starting in 2009, the portion of refundable credits that offset income taxes before credits was factored in to determine tax liability. As a result, data may not be comparable to data in Tax Years 2007 and 2008 published tables. Prior to 2007, the portion of refundable credits used to offset income taxes had no effect.

SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, March 2023.

Table 10. Individual Income Tax Returns Without Worldwide Income Tax Liability and With Income of \$200,000 or More Under Alternative Concepts: Number of Returns With Itemized Deductions, Credits, and Tax Preferences, by Percentage of Income Reduced, Tax Year 2019

[All figures are estimates based on samples]

Income concept and type of deduction, credit, or tax preference	Total	No deduction, credit, or tax preference	Number of returns on which income was reduced by percentage of income			
			Under 10 percent	10 percent under 20 percent	20 percent under 30 percent	30 percent under 40 percent
	(1)	(2)	(3)	(4)	(5)	(6)
Adjusted gross income concept						
Total itemized deductions	4,680	465	14	345	307	129
Interest paid deduction:						
Total	4,680	1,954	1,443	595	133	76
Investment interest expense deduction per income concept	4,680	3,581	525	86	57	47
Taxes paid deduction	4,680	594	4,040	25	5	3
Charitable contributions deduction	4,680	1,413	1,938	333	156	129
Medical and dental expense deduction	4,680	3,309	299	108	56	51
Net casualty or theft loss deduction	4,680	4,640	** 3	**	0	0
Nonlimited miscellaneous deduction	4,680	3,073	295	27	14	14
Deduction equivalent of:						
Total credits	4,680	2,722	317	211	161	143
General business credit	4,680	3,989	47	46	45	56
Child and other dependent credit	4,680	3,192	771	479	150	63
Tax preferences excluded from adjusted gross income	4,680	3,527	776	141	61	45
Nontaxable Social Security benefits	4,680	3,169	** 1,511	**	0	0
Capital gains taxed at 0 percent	4,680	3,099	374	278	406	523
Deduction equivalent of section 965 future installments	4,680	4,680	0	0	0	0
Disaster loss deduction	4,680	4,667	0	0	0	0
Qualified business income deduction	4,680	3,460	622	468	12	8
Section 199A deduction	4,680	** 4,680	**	**	**	**
Expanded income concept						
Total itemized deductions	7,391	1,902	270	866	675	689
Interest paid deduction:						
Total	7,391	5,253	1,296	680	89	21
Investment interest expense deduction per income concept	7,391	5,937	1,260	100	32	11
Taxes paid deduction	7,391	1,932	5,340	34	24	25
Charitable contributions deduction	7,391	2,652	2,569	573	600	259
Medical and dental expense deduction	7,391	3,708	1,288	324	155	166
Net casualty or theft loss deduction	7,391	7,349	** 4	0	0	**
Nonlimited miscellaneous deduction	7,391	6,973	387	19	** 6	**
Deduction equivalent of:						
Total credits	7,391	5,225	457	261	185	139
General business credit	7,391	6,707	47	44	43	54
Child and other dependent credit	7,391	5,794	852	495	162	63
Tax preferences excluded from adjusted gross income	7,391	3,119	902	386	301	280
Nontaxable Social Security benefits	7,391	3,794	** 3,598	**	0	**
Capital gains taxed at 0 percent	7,391	3,913	1,123	1,072	689	594
Deduction equivalent of section 965 future installments	7,391	7,391	0	0	0	0
Disaster loss deduction	7,391	7,378	0	0	0	0
Qualified business income deduction	7,391	6,132	662	466	12	8
Section 199A deduction	7,391	** 7,391	**	**	**	**

Footnotes at end of table.

Table 10. Individual Income Tax Returns Without Worldwide Income Tax Liability and With Income of \$200,000 or More Under Alternative Concepts: Number of Returns With Itemized Deductions, Credits, and Tax Preferences, by Percentage of Income Reduced, Tax Year 2019—Continued

[All figures are estimates based on samples]

Income concept and type of deduction, credit, or tax preference	Number of returns on which income was reduced by percentage of income—continued				
	40 percent under 50 percent	50 percent under 60 percent	60 percent under 70 percent	70 percent under 100 percent	100 percent or more
	(7)	(8)	(9)	(10)	(11)
Adjusted gross income concept					
Total itemized deductions	85	164	421	1,070	1,679
Interest paid deduction:					
Total	60	46	62	154	156
Investment interest expense deduction per income concept	46	44	37	134	123
Taxes paid deduction	** 4	**	**	3	6
Charitable contributions deduction	128	275	290	5	13
Medical and dental expense deduction	51	61	151	378	216
Net casualty or theft loss deduction	** 4	**	**	12	21
Nonlimited miscellaneous deduction	16	27	29	506	679
Deduction equivalent of:					
Total credits	133	159	277	** 557	**
General business credit	80	188	178	** 51	**
Child and other dependent credit	14	** 11	**	0	0
Tax preferences excluded from adjusted gross income	32	27	13	24	34
Nontaxable Social Security benefits	0	0	0	0	0
Capital gains taxed at 0 percent	0	0	0	0	0
Deduction equivalent of section 965 future installments	0	0	0	0	0
Disaster loss deduction	** 4	**	**	4	5
Qualified business income deduction	9	60	3	38	0
Section 199A deduction	**	**	**	**	**
Expanded income concept					
Total itemized deductions	335	423	619	1,010	602
Interest paid deduction:					
Total	9	7	7	16	13
Investment interest expense deduction per income concept	16	4	7	8	17
Taxes paid deduction	12	14	3	4	3
Charitable contributions deduction	300	281	118	23	16
Medical and dental expense deduction	170	241	276	698	366
Net casualty or theft loss deduction	**	0	3	11	24
Nonlimited miscellaneous deduction	**	0	0	**	6
Deduction equivalent of:					
Total credits	126	159	273	** 566	**
General business credit	75	185	181	** 55	**
Child and other dependent credit	14	** 11	**	0	0
Tax preferences excluded from adjusted gross income	537	268	279	1,026	294
Nontaxable Social Security benefits	0	0	0	0	0
Capital gains taxed at 0 percent	0	0	0	0	0
Deduction equivalent of section 965 future installments	0	0	0	0	0
Disaster loss deduction	** 4	**	**	4	5
Qualified business income deduction	9	60	4	38	0
Section 199A deduction	**	**	**	**	**

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

NOTES: Detail may not add to totals because of rounding. See Appendix A: Income Concepts of this article for a discussion of adjusted gross income and expanded income. See also Appendix B: Tax Concepts for a discussion of worldwide income tax. Starting in 2009, the portion of refundable credits that offset income taxes before credits was factored in to determine tax liability. As a result, data may not be comparable to data in Tax Years 2007 and 2008 published tables. Prior to 2007, the portion of refundable credits used to offset income taxes had no effect.

SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, March 2023.

Table 11. Individual Income Tax Returns With and Without U.S. Income Tax Liability: Number and Percentage of Returns by Effective Tax Rate, and by Size of Income Under Alternative Concepts, Tax Year 2019

[All figures are estimates based on samples]

Tax status, effective tax rate	Total			Size of adjusted gross income					
	Number of returns	Percentage of total	Percentage of income subject to preferential tax rates	Under \$50,000 [1]			\$50,000 under \$100,000		
				Number of returns	Percentage of total	Percentage of income subject to preferential tax rates	Number of returns	Percentage of total	Percentage of income subject to preferential tax rates
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
All returns	157,796,807	100.0	8.0	90,425,054	100.0	0.8	36,357,516	100.0	1.8
Returns without U.S. income tax	53,791,026	34.1	1.5	50,654,027	56.0	0.7	2,931,360	8.1	3.2
Effective tax rate:									
0 percent	21,714,514	13.8	4.6	21,262,246	23.5	2.4	358,707	1.0	15.1
Under 0 percent over -10 percent	15,277,471	9.7	1.0	12,682,456	14.0	0.4	** 2,571,470	** 7.1	** 1.4
-10 percent over -20 percent	5,023,522	3.2	0.1	4,934,989	5.5	0.1	**	**	**
-20 percent and under	11,775,518	7.5	[2]	11,774,335	13.0	[2]	1,183	[2]	0.1
Returns with U.S. income tax	104,005,781	65.9	8.6	39,771,027	44.0	0.8	33,426,157	91.9	1.7
Effective tax rate:									
Over 0 percent under 5 percent	27,922,972	17.7	3.6	19,471,726	21.5	1.4	7,023,193	19.3	2.9
5 percent under 10 percent	44,546,547	28.2	2.6	20,116,513	22.2	0.3	16,658,815	45.8	1.5
10 percent under 15 percent	21,853,898	13.8	5.4	149,892	0.2	10.0	9,552,630	26.3	1.2
15 percent under 20 percent	7,156,758	4.5	13.2	16,474	[2]	37.0	186,700	0.5	0.7
20 percent under 25 percent	1,549,485	1.0	31.1	8,523	[2]	10.9	1,934	[2]	7.7
25 percent under 30 percent	732,148	0.5	12.1	4,012	[2]	6.0	** 2,158	** [2]	** 12.9
30 percent under 35 percent	219,385	0.1	6.3	0	0.0	0.0	**	**	**
35 percent under 40 percent	17,890	[2]	2.7	0	0.0	0.0	0	0.0	0.0
40 percent under 60 percent	2,621	[2]	12.7	** 1,156	** [2]	** 44.1	** 402	** [2]	** 28.4
60 percent under 80 percent	610	[2]	24.9	**	**	**	**	**	**
80 percent or more	3,467	[2]	14.4	2,731	[2]	7.5	326	[2]	1.2

Footnotes at end of table.

Table 11. Individual Income Tax Returns With and Without U.S. Income Tax Liability: Number and Percentage of Returns by Effective Tax Rate, and by Size of Income Under Alternative Concepts, Tax Year 2019—Continued

[All figures are estimates based on samples]

Tax status, effective tax rate	Size of adjusted gross income—continued						Total		
	\$100,000 under \$200,000			\$200,000 or more			Number of returns	Percentage of total	Percentage of income subject to preferential tax rates
	Number of returns	Percentage of total	Percentage of income subject to preferential tax rates	Number of returns	Percentage of total	Percentage of income subject to preferential tax rates			
	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
All returns	21,997,582	100.0	3.3	9,016,655	100.0	17.8	157,796,807	100.0	7.8
Returns without U.S. income tax	189,681	0.9	10.4	15,958	0.2	8.8	53,791,026	34.1	1.2
Effective tax rate:									
0 percent	82,460	0.4	14.6	11,101	0.1	9.8	21,714,514	13.8	2.6
Under 0 percent over -10 percent	** 107,221	** 0.5	** 7.1	4,857	0.1	5.4	15,523,985	9.8	0.9
-10 percent over -20 percent	**	**	**	0	0.0	0.0	5,133,403	3.3	0.1
-20 percent and under	0	0.0	0.0	0	0.0	0.0	11,419,123	7.2	0.0
Returns with U.S. income tax	21,807,901	99.1	3.2	9,000,697	99.8	17.9	104,005,781	65.9	8.5
Effective tax rate:									
Over 0 percent under 5 percent	1,332,843	6.1	7.5	95,210	1.1	18.0	29,462,076	18.7	3.4
5 percent under 10 percent	7,547,436	34.3	3.6	223,784	2.5	26.5	43,499,293	27.6	2.7
10 percent under 15 percent	9,849,272	44.8	2.9	2,302,104	25.5	16.0	21,592,420	13.7	5.5
15 percent under 20 percent	3,027,980	13.8	1.9	3,925,605	43.5	16.8	6,970,326	4.4	13.1
20 percent under 25 percent	47,685	0.2	0.6	1,491,342	16.5	31.4	1,532,549	1.0	30.8
25 percent under 30 percent	** 2,327	** [2]	** 8.1	724,281	8.0	12.1	716,784	0.5	11.8
30 percent under 35 percent	**	**	**	218,755	2.4	6.3	211,368	0.1	6.1
35 percent under 40 percent	34	[2]	5.6	17,856	0.2	2.7	16,104	[2]	2.5
40 percent under 60 percent	** 311	** [2]	** 5.3	763	[2]	11.7	1,197	[2]	18.5
60 percent under 80 percent	**	**	**	598	[2]	24.9	498	[2]	9.5
80 percent or more	12	[2]	15.7	399	[2]	15.6	3,167	[2]	22.6

Footnotes at end of table.

Table 11. Individual Income Tax Returns With and Without U.S. Income Tax Liability: Number and Percentage of Returns by Effective Tax Rate, and by Size of Income Under Alternative Concepts, Tax Year 2019—Continued

[All figures are estimates based on samples]

Tax status, effective tax rate	Size of expanded income					
	Under \$50,000 [1]			\$50,000 under \$100,000		
	Number of returns	Percentage of total	Percentage of income subject to preferential tax rates	Number of returns	Percentage of total	Percentage of income subject to preferential tax rates
	(19)	(20)	(21)	(22)	(23)	(24)
All returns	86,761,962	100.0	0.6	39,377,118	100.0	1.6
Returns without U.S. income tax	49,417,980	57.0	0.5	4,093,892	10.4	2.6
Effective tax rate:						
0 percent	20,139,812	23.2	1.3	1,409,288	3.6	5.0
Under 0 percent over -10 percent	12,830,734	14.8	0.3	** 2,683,420	** 6.8	** 1.3
-10 percent over -20 percent	5,029,495	5.8	0.1	**	**	**
-20 percent and under	11,417,940	13.2	0.0	1,183	[2]	0.1
Returns with U.S. income tax	37,343,982	43.0	0.6	35,283,226	89.6	1.5
Effective tax rate:						
Over 0 percent under 5 percent	18,343,726	21.1	1.0	9,565,095	24.3	2.5
5 percent under 10 percent	18,815,989	21.7	0.2	16,259,359	41.3	1.3
10 percent under 15 percent	159,147	0.2	8.6	9,264,033	23.5	1.0
15 percent under 20 percent	11,391	[2]	58.8	191,056	0.5	0.8
20 percent under 25 percent	8,433	[2]	3.9	1,319	[2]	0.6
25 percent under 30 percent	2,146	[2]	7.2	1,966	[2]	31.4
30 percent under 35 percent	0	0.0	0.0	** 32	** [2]	** 0.0
35 percent under 40 percent	12	[2]	0.0	**	**	**
40 percent under 60 percent	** 24	** [2]	** 3.1	343	[2]	31.0
60 percent under 80 percent	**	**	**	0	0.0	0.0
80 percent or more	3,113	[2]	6.8	22	[2]	8.7

Footnotes at end of table.

Table 11. Individual Income Tax Returns With and Without U.S. Income Tax Liability: Number and Percentage of Returns by Effective Tax Rate, and by Size of Income Under Alternative Concepts, Tax Year 2019—Continued

[All figures are estimates based on samples]

Tax status, effective tax rate	Size of expanded income—continued					
	\$100,000 under \$200,000			\$200,000 or more		
	Number of returns	Percentage of total	Percentage of income subject to preferential tax rates	Number of returns	Percentage of total	Percentage of income subject to preferential tax rates
	(25)	(26)	(27)	(28)	(29)	(30)
All returns	22,490,228	100.0	3.1	9,167,499	100.0	17.7
Returns without U.S. income tax	255,183	1.1	8.4	23,970	0.3	8.0
Effective tax rate:						
0 percent	146,315	0.7	9.0	19,100	0.2	8.5
Under 0 percent over -10 percent	** 108,872	** 0.5	** 7.4	4,871	0.1	5.9
-10 percent over -20 percent	**	**	**	0	0.0	0.0
-20 percent and under	0	0.0	0.0	0	0.0	0.0
Returns with U.S. income tax	22,235,045	98.9	3.1	9,143,529	99.7	17.8
Effective tax rate:						
Over 0 percent under 5 percent	1,444,539	6.4	8.2	108,715	1.2	19.7
5 percent under 10 percent	8,159,221	36.3	3.5	264,724	2.9	27.8
10 percent under 15 percent	9,673,067	43.0	2.6	2,496,174	27.2	16.0
15 percent under 20 percent	2,913,045	13.0	1.5	3,854,834	42.0	16.6
20 percent under 25 percent	44,294	0.2	0.5	1,478,503	16.1	31.1
25 percent under 30 percent	339	[2]	2.1	712,332	7.8	11.8
30 percent under 35 percent	** 249	** [2]	** 38.1	211,185	2.3	6.1
35 percent under 40 percent	**	**	**	15,994	0.2	2.5
40 percent under 60 percent	** 284	** [2]	** 4.7	697	[2]	18.7
60 percent under 80 percent	**	**	**	347	[2]	9.4
80 percent or more	6	[2]	9.8	26	[2]	26.8

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

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

[2] Less than 0.05 percent.

NOTES: Detail may not add to totals because of rounding. See Appendix A: Income Concepts of this article for a discussion of adjusted gross income and expanded income. See also Appendix B: Tax Concepts for a discussion of U.S. income tax. Starting in 2009, the portion of refundable credits that offset income taxes before credits was factored in to determine tax liability. As a result, data may not be comparable to data in Tax Years 2007 and 2008 published tables. Prior to 2007, the portion of refundable credits used to offset income taxes had no effect.

SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, March 2023.

Table 12. Individual Income Tax Returns With and Without Worldwide Income Tax Liability: Number and Percentage of Returns by Effective Tax Rate, and by Size of Income Under Alternative Concepts, Tax Year 2019

[All figures are estimates based on samples]

Tax status, effective tax rate	Total			Size of adjusted gross income		
	Number of returns	Percentage of total	Percentage of income subject to preferential tax rates	Under \$50,000 [1]		
				Number of returns	Percentage of total	Percentage of income subject to preferential tax rates
	(1)	(2)	(3)	(4)	(5)	(6)
All returns	157,796,807	100.0	8.0	90,425,054	100.0	0.8
Returns without worldwide income tax	53,536,055	33.9	1.3	50,509,192	55.9	0.7
Effective tax rate:						
0 percent	21,494,109	13.6	2.2	21,125,804	23.4	2.2
Under 0 percent over -10 percent	15,244,112	9.7	0.9	12,675,271	14.0	0.4
-10 percent over -20 percent	5,022,428	3.2	0.1	4,933,896	5.5	0.1
-20 percent and under	11,775,405	7.5	[2]	11,774,222	13.0	[2]
Returns with worldwide income tax	104,260,752	66.1	8.6	39,915,862	44.1	0.9
Effective tax rate:						
Over 0 percent under 5 percent	27,906,348	17.7	3.1	19,543,863	21.6	1.5
5 percent under 10 percent	44,556,609	28.2	2.4	20,161,505	22.3	0.3
10 percent under 15 percent	21,911,343	13.9	5.2	155,557	0.2	10.6
15 percent under 20 percent	7,233,338	4.6	13.2	18,677	[2]	36.5
20 percent under 25 percent	1,579,562	1.0	31.7	9,624	[2]	10.1
25 percent under 30 percent	760,698	0.5	13.1	4,238	[2]	5.6
30 percent under 35 percent	245,778	0.2	6.7	1,134	[2]	0.2
35 percent under 40 percent	32,480	[2]	3.0	1,040	[2]	0.1
40 percent under 60 percent	16,638	[2]	10.2	5,835	[2]	14.0
60 percent under 80 percent	4,825	[2]	14.0	2,178	[2]	6.6
80 percent or more	13,132	[2]	13.3	12,210	[2]	4.5

Footnotes at end of table.

Table 12. Individual Income Tax Returns With and Without Worldwide Income Tax Liability: Number and Percentage of Returns by Effective Tax Rate, and by Size of Income Under Alternative Concepts, Tax Year 2019—Continued

[All figures are estimates based on samples]

Tax status, effective tax rate	Size of adjusted gross income—continued					
	\$50,000 under \$100,000			\$100,000 under \$200,000		
	Number of returns	Percentage of total	Percentage of income subject to preferential tax rates	Number of returns	Percentage of total	Percentage of income subject to preferential tax rates
	(7)	(8)	(9)	(10)	(11)	(12)
All returns	36,357,516	100.0	1.8	21,997,582	100.0	3.3
Returns without worldwide income tax	2,867,030	7.9	2.8	155,152	0.7	10.1
Effective tax rate:						
0 percent	304,052	0.8	14.1	60,601	0.3	14.1
Under 0 percent over -10 percent	** 2,561,795	** 7.0	** 1.4	** 94,551	** 0.4	** 7.4
-10 percent over -20 percent	**	**	**	**	**	**
-20 percent and under	1,183	[2]	0.1	0	0.0	0.0
Returns with worldwide income tax	33,490,486	92.1	1.7	21,842,430	99.3	3.2
Effective tax rate:						
Over 0 percent under 5 percent	7,009,255	19.3	3.0	1,304,358	5.9	7.5
5 percent under 10 percent	16,674,825	45.9	1.5	7,524,781	34.2	3.5
10 percent under 15 percent	9,602,852	26.4	1.3	9,886,862	44.9	2.9
15 percent under 20 percent	189,256	0.5	1.0	3,064,215	13.9	1.9
20 percent under 25 percent	5,047	[2]	12.8	50,879	0.2	0.6
25 percent under 30 percent	3,686	[2]	13.1	4,215	[2]	6.4
30 percent under 35 percent	536	[2]	0.3	1,296	[2]	5.0
35 percent under 40 percent	1,422	[2]	7.2	1,536	[2]	1.2
40 percent under 60 percent	2,354	[2]	5.0	3,740	[2]	12.4
60 percent under 80 percent	808	[2]	15.7	490	[2]	0.5
80 percent or more	445	[2]	1.9	58	[2]	4.4

Footnotes at end of table.

Table 12. Individual Income Tax Returns With and Without Worldwide Income Tax Liability: Number and Percentage of Returns by Effective Tax Rate, and by Size of Income Under Alternative Concepts, Tax Year 2019—Continued

[All figures are estimates based on samples]

Tax status, effective tax rate	Size of adjusted gross income—continued			Total		
	\$200,000 or more			Number of returns	Percentage of total	Percentage of income subject to preferential tax rates
	Number of returns	Percentage of total	Percentage of income subject to preferential tax rates			
	(13)	(14)	(15)	(16)	(17)	(18)
All returns	9,016,655	100.0	17.8	157,796,807	100.0	7.8
Returns without worldwide income tax	4,680	0.1	7.2	53,536,055	33.9	1.1
Effective tax rate:						
0 percent	3,652	[2]	6.5	21,494,109	13.6	2.2
Under 0 percent over -10 percent	1,028	[2]	11.1	15,490,526	9.8	0.9
-10 percent over -20 percent	0	0.0	0.0	5,132,309	3.3	0.1
-20 percent and under	0	0.0	0.0	11,419,110	7.2	[2]
Returns with worldwide income tax	9,011,975	99.9	17.9	104,260,752	66.1	8.5
Effective tax rate:						
Over 0 percent under 5 percent	48,872	0.5	12.2	29,447,219	18.7	2.9
5 percent under 10 percent	195,498	2.2	25.6	43,525,001	27.6	2.5
10 percent under 15 percent	2,266,073	25.1	15.1	21,650,973	13.7	5.3
15 percent under 20 percent	3,961,190	43.9	16.9	7,056,073	4.5	13.1
20 percent under 25 percent	1,514,012	16.8	32.0	1,570,236	1.0	31.4
25 percent under 30 percent	748,559	8.3	13.2	748,437	0.5	12.6
30 percent under 35 percent	242,812	2.7	6.7	235,867	0.1	6.5
35 percent under 40 percent	28,482	0.3	3.0	21,278	[2]	2.7
40 percent under 60 percent	4,708	0.1	10.0	1,882	[2]	14.9
60 percent under 80 percent	1,349	[2]	16.1	558	[2]	17.3
80 percent or more	419	[2]	19.6	3,228	[2]	27.3

Footnotes at end of table.

Table 12. Individual Income Tax Returns With and Without Worldwide Income Tax Liability: Number and Percentage of Returns by Effective Tax Rate, and by Size of Income Under Alternative Concepts, Tax Year 2019—Continued

[All figures are estimates based on samples]

Tax status, effective tax rate	Size of expanded income					
	Under \$50,000 [1]			\$50,000 under \$100,000		
	Number of returns	Percentage of total	Percentage of income subject to preferential tax rates	Number of returns	Percentage of total	Percentage of income subject to preferential tax rates
	(19)	(20)	(21)	(22)	(23)	(24)
All returns	86,761,962	100.0	0.6	39,377,118	100.0	1.6
Returns without worldwide income tax	49,304,389	56.8	0.5	4,021,923	10.2	2.3
Effective tax rate:						
0 percent	20,033,479	23.1	1.1	1,346,997	3.4	4.3
Under 0 percent over -10 percent	12,824,582	14.8	0.3	** 2,673,743	** 6.8	** 1.3
-10 percent over -20 percent	5,028,401	5.8	0.1	**	**	**
-20 percent and under	11,417,927	13.2	[2]	1,183	[2]	0.1
Returns with worldwide income tax	37,457,573	43.2	0.6	35,355,195	89.8	1.6
Effective tax rate:						
Over 0 percent under 5 percent	18,415,031	21.2	1.1	9,566,924	24.3	2.5
5 percent under 10 percent	18,849,594	21.7	0.2	16,284,915	41.4	1.3
10 percent under 15 percent	164,505	0.2	9.0	9,304,254	23.6	1.0
15 percent under 20 percent	13,578	[2]	51.6	193,014	0.5	1.1
20 percent under 25 percent	9,527	[2]	3.6	3,717	[2]	13.2
25 percent under 30 percent	2,146	[2]	7.2	995	[2]	38.8
30 percent under 35 percent	0	0.0	0.0	** 1,011	** [2]	** 25.7
35 percent under 40 percent	12	[2]	0.0	**	**	**
40 percent under 60 percent	** 25	** [2]	** 2.9	343	[2]	31.0
60 percent under 80 percent	**	**	**	0	0.0	0.0
80 percent or more	3,155	[2]	6.8	22	[2]	8.7

Footnotes at end of table.

Table 12. Individual Income Tax Returns With and Without Worldwide Income Tax Liability: Number and Percentage of Returns by Effective Tax Rate, and by Size of Income Under Alternative Concepts, Tax Year 2019—Continued

[All figures are estimates based on samples]

Tax status, effective tax rate	Size of expanded income—continued					
	\$100,000 under \$200,000			\$200,000 or more		
	Number of returns	Percentage of total	Percentage of income subject to preferential tax rates	Number of returns	Percentage of total	Percentage of income subject to preferential tax rates
	(25)	(26)	(27)	(28)	(29)	(30)
All returns	22,490,228	100.0	3.1	9,167,499	100.0	17.7
Returns without worldwide income tax	202,351	0.9	8.4	7,391	0.1	8.6
Effective tax rate:						
0 percent	107,261	0.5	8.8	6,373	0.1	8.0
Under 0 percent over -10 percent	** 95,091	** 0.4	** 7.9	1,019	[2]	12.9
-10 percent over -20 percent	**	**	**	0	0.0	0.0
-20 percent and under	0	0.0	0.0	0	0.0	0.0
Returns with worldwide income tax	22,287,877	99.1	3.1	9,160,108	99.9	17.8
Effective tax rate:						
Over 0 percent under 5 percent	1,413,470	6.3	8.2	51,795	0.6	18.0
5 percent under 10 percent	8,151,889	36.2	3.5	238,604	2.6	27.5
10 percent under 15 percent	9,716,099	43.2	2.7	2,466,114	26.9	15.3
15 percent under 20 percent	2,953,222	13.1	1.6	3,896,259	42.5	16.7
20 percent under 25 percent	51,626	0.2	0.6	1,505,365	16.4	31.7
25 percent under 30 percent	993	[2]	5.9	744,303	8.1	12.6
30 percent under 35 percent	** 279	** [2]	** 32.4	234,685	2.6	6.5
35 percent under 40 percent	**	**	**	21,158	0.2	2.7
40 percent under 60 percent	** 291	** [2]	** 4.5	1,373	[2]	14.9
60 percent under 80 percent	**	**	**	407	[2]	17.8
80 percent or more	6	[2]	9.8	46	[2]	29.8

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

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

[2] Less than 0.05 percent.

NOTES: Detail may not add to totals because of rounding. See Appendix A: Income Concepts of this article for a discussion of adjusted gross income and expanded income. See also Appendix B: Tax Concepts for a discussion of worldwide income tax. Starting in 2009, the portion of refundable credits that offset income taxes before credits was factored in to determine tax liability. As a result, data may not be comparable to data in Tax Years 2007 and 2008 published tables. Prior to 2007, the portion of refundable credits used to offset income taxes had no effect.

SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, March 2023.