

Income Tax: Who Pays? IRS Figures for 2000

Table 1. - Individual Income Tax Returns with Positive Adjusted Gross Income (AGI): Number of Returns, Shares of AGI and Total Income Tax, AGI Floor on Percentiles in Current and Constant Dollars, and Average Tax Rates, by Selected Descending Cumulative Percentiles of Returns Based on Income Size Using the Definition of AGI for Each Year, Tax Years 1986-2000 [All figures are estimates based on samples]
Descending cumulative percentiles

Year: Total.....Top 1%.....Top 5%.....Top 10%.....Top 25%.....Top 50%

Number of returns: [1]

1986:	102,087,623	1,020,876	5,104,381	10,208,762	25,521,906	51,043,811
1987:	106,154,761	1,061,548	5,307,738	10,615,476	26,538,690	53,077,380
1988:	108,872,859	1,088,729	5,443,643	10,887,286	27,218,214	54,436,429
1989:	111,312,721	1,113,127	5,565,636	11,131,272	27,828,181	55,656,361
1990:	112,812,262	1,128,123	5,640,613	11,281,226	28,203,066	56,406,132
1991:	113,804,104	1,138,041	5,690,205	11,380,410	28,451,026	56,902,052
1992:	112,652,759	1,126,528	5,632,638	11,265,276	28,163,190	56,326,380
1993:	113,681,387	1,136,814	5,684,069	11,368,139	28,420,347	56,840,694
1994:	114,989,920	1,149,899	5,749,496	11,498,992	28,747,480	57,494,960
1995:	117,274,186	1,172,742	5,863,709	11,727,419	29,318,546	58,637,093
1996:	119,441,767	1,194,418	5,972,088	11,944,177	29,860,442	59,720,884
1997:	121,503,284	1,215,033	6,075,164	12,150,328	30,375,821	60,751,642
1998:	123,775,831	1,237,758	6,188,792	12,377,583	30,943,958	61,887,915
1999:	126,008,974	1,260,090	6,300,449	12,600,897	31,502,244	63,004,487
2000:	128,227,143	1,282,271	6,411,357	12,822,714	32,056,786	64,113,572

Adjusted gross income floor on percentiles (current dollars):

1986:	N/A	118,818	62,377	48,656	32,242	17,302
1987:	N/A	139,289	68,414	52,921	33,983	17,768
1988:	N/A	157,136	72,735	55,437	35,398	18,367
1989:	N/A	163,869	76,933	58,263	36,839	18,993
1990:	N/A	167,421	79,064	60,287	38,080	19,767
1991:	N/A	170,139	81,720	61,944	38,929	20,097
1992:	N/A	181,904	85,103	64,457	40,378	20,803
1993:	N/A	185,715	87,386	66,077	41,210	21,179
1994:	N/A	195,726	91,226	68,753	42,742	21,802
1995:	N/A	209,406	96,221	72,094	44,207	22,344
1996:	N/A	227,546	101,141	74,986	45,757	23,174
1997:	N/A	250,736	108,048	79,212	48,173	24,393
1998:	N/A	269,496	114,729	83,220	50,607	25,491
1999:	N/A	293,415	120,846	87,682	52,965	26,415
2000:	N/A	313,469	128,336	92,144	55,225	27,682

Adjusted gross income floor on percentiles (constant dollars): [2]

1986:	N/A	108,411	56,913	44,394	29,418	15,786
1987:	N/A	122,614	60,224	46,585	29,915	15,641
1988:	N/A	132,828	61,484	46,861	29,922	15,526
1989:	N/A	132,152	62,043	46,986	29,709	15,317
1990:	N/A	128,096	60,493	46,126	29,135	15,124
1991:	N/A	124,919	60,000	45,480	28,582	14,756
1992:	N/A	129,654	60,658	45,942	28,780	14,828
1993:	N/A	128,522	60,475	45,728	28,519	14,657
1994:	N/A	132,069	61,556	46,392	28,841	14,711
1995:	N/A	137,406	63,137	47,306	29,007	14,661
1996:	N/A	145,026	64,462	47,792	29,163	14,769
1997:	N/A	156,222	67,320	49,353	30,014	15,198
1998:	N/A	164,427	69,999	50,775	30,877	15,553
1999:	N/A	176,119	72,537	52,630	31,792	15,855
2000:	N/A	182,038	74,527	53,510	32,070	16,075

Adjusted gross income (millions of dollars):

1986:	2,524,124	285,197	608,467	886,510	1,490,173	2,103,569
1987:	2,813,728	346,635	722,221	1,038,221	1,709,389	2,373,869
1988:	3,124,156	473,527	890,702	1,232,536	1,950,860	2,657,865
1989:	3,298,858	468,079	918,421	1,286,539	2,054,478	2,805,235
1990:	3,451,237	483,252	953,337	1,338,032	2,144,177	2,932,537
1991:	3,516,142	456,603	943,350	1,343,202	2,174,765	2,984,003
1992:	3,680,552	523,586	1,031,093	1,443,784	2,299,401	3,131,400
1993:	3,775,578	520,586	1,048,252	1,474,463	2,357,953	3,212,299
1994:	3,961,146	546,700	1,103,084	1,552,205	2,481,074	3,371,352
1995:	4,244,607	619,610	1,222,723	1,704,513	2,689,820	3,627,542
1996:	4,590,527	736,545	1,393,805	1,909,149	2,952,637	3,944,383
1997:	5,023,457	872,826	1,597,107	2,151,401	3,267,600	4,327,992
1998:	5,469,211	1,010,245	1,796,647	2,393,716	3,589,600	4,721,430
1999:	5,909,329	1,152,820	2,011,763	2,652,835	3,927,308	5,126,164
2000:	6,423,977	1,336,773	2,267,403	2,955,386	4,313,786	5,589,755

Descending cumulative percentiles

Year: Total.....Top 1%.....Top 5%.....Top 10%....Top 25%....Top 50%

Total income tax (millions of dollars): [3]

1986:	366,979	94,491	156,240	200,703	278,976	343,289
1987:	369,046	91,559	159,642	205,230	283,857	346,655
1988:	412,761	113,841	188,303	236,411	321,297	389,145
1989:	432,838	109,259	190,188	241,458	334,258	407,599
1990:	447,061	112,338	195,088	247,514	344,340	421,075
1991:	448,349	111,267	194,480	250,282	346,511	423,759
1992:	476,163	131,156	218,479	276,213	373,700	452,070
1993:	502,720	145,836	238,083	297,808	398,516	478,563
1994:	534,754	154,337	254,106	317,902	425,402	509,256
1995:	588,331	178,035	287,741	357,402	472,808	561,225
1996:	658,124	212,626	335,433	411,404	535,164	629,684
1997:	727,303	241,239	377,241	459,639	594,007	696,161
1998:	788,452	274,009	424,506	512,836	651,964	755,240
1999:	877,292	317,419	486,464	583,002	732,890	842,168
2000:	980,521	366,929	553,670	660,150	823,706	942,179

Average tax rate (percentage): [4]

1986:	14.54	33.13	25.68	22.64	18.72	16.32
1987:	13.12	26.41	22.10	19.77	16.61	14.60
1988:	13.21	24.04	21.14	19.18	16.47	14.64
1989:	13.12	23.34	20.71	18.77	16.27	14.53
1990:	12.95	23.25	20.46	18.50	16.06	14.36
1991:	12.75	24.37	20.62	18.63	15.93	14.20
1992:	12.94	25.05	21.19	19.13	16.25	14.44
1993:	13.32	28.01	22.71	20.20	16.90	14.90
1994:	13.50	28.23	23.04	20.48	17.15	15.11
1995:	13.86	28.73	23.53	20.97	17.58	15.47
1996:	14.34	28.87	24.07	21.55	18.12	15.96
1997:	14.48	27.64	23.62	21.36	18.18	16.09
1998:	14.42	27.12	23.63	21.42	18.16	16.00
1999:	14.85	27.53	24.18	21.98	18.66	16.43
2000:	15.26	27.45	24.42	22.34	19.09	16.86

Adjusted gross income share (percentage):

1986:	100.00	11.30	24.11	35.12	59.04	83.34
1987:	100.00	12.32	25.67	36.90	60.75	84.37
1988:	100.00	15.16	28.51	39.45	62.44	85.07
1989:	100.00	14.19	27.84	39.00	62.28	85.04
1990:	100.00	14.00	27.62	38.77	62.13	84.97
1991:	100.00	12.99	26.83	38.20	61.85	84.87
1992:	100.00	14.23	28.01	39.23	62.47	85.08
1993:	100.00	13.79	27.76	39.05	62.45	85.08
1994:	100.00	13.80	27.85	39.19	62.64	85.11
1995:	100.00	14.60	28.81	40.16	63.37	85.46
1996:	100.00	16.04	30.36	41.59	64.32	85.92
1997:	100.00	17.38	31.79	42.83	65.05	86.16
1998:	100.00	18.47	32.85	43.77	65.63	86.33
1999:	100.00	19.51	34.04	44.89	66.46	86.75
2000:	100.00	20.81	35.30	46.01	67.15	87.01

Total income tax share (percentage):

1986:	100.00	25.75	42.57	54.69	76.02	93.54
1987:	100.00	24.81	43.26	55.61	76.92	93.93
1988:	100.00	27.58	45.62	57.28	77.84	94.28
1989:	100.00	25.24	43.94	55.78	77.22	94.17
1990:	100.00	25.13	43.64	55.36	77.02	94.19
1991:	100.00	24.82	43.38	55.82	77.29	94.52
1992:	100.00	27.54	45.88	58.01	78.48	94.94
1993:	100.00	29.01	47.36	59.24	79.27	95.19
1994:	100.00	28.86	47.52	59.45	79.55	95.23
1995:	100.00	30.26	48.91	60.75	80.36	95.39
1996:	100.00	32.31	50.97	62.51	81.32	95.68
1997:	100.00	33.17	51.87	63.20	81.67	95.72
1998:	100.00	34.75	53.84	65.04	82.69	95.79
1999:	100.00	36.18	55.45	66.45	83.54	96.00
2000:	100.00	37.42	56.47	67.33	84.01	96.09

N/A-- Not applicable.

[1] The number of returns with negative adjusted gross income, i.e., returns with an adjusted gross deficit, and the corresponding amounts for adjusted gross deficit, were excluded from Table 1. By excluding deficit returns, alternative minimum tax reported on some of these returns was also excluded. For Tax Year 2000, there were 5,714 returns with no adjusted gross income that reported income tax, mostly alternative minimum tax, totaling \$100.6 million.

[2] For Table 1, constant dollars were calculated using the U.S. Bureau of Labor Statistics' consumer price index for urban consumers (CPI-U, 1982-84=100). For 2000 the CPI-U = 172.2

[3] Total income tax is the sum of income tax after credits and alternative minimum tax reported on returns that showed a positive amount

for adjusted gross income. Therefore, total income tax excludes alternative minimum tax, Form 8814 tax (tax on a child's interest or dividends), and Form 4972 tax (tax on lump-sum distributions from qualified retirement plans) reported on some returns with a negative amount for adjusted gross income. See also footnote 1.

[4] The average tax rate was computed by dividing total income tax (see footnote 3) by (positive) adjusted gross income.

Note: Unless otherwise stated, money amounts are in current (not constant) denominations.

Source: Internal Revenue Service, Statistics of Income Division, Unpublished Statistics, September 2002.