

Section 1

Introduction and Changes in Law

Introduction

This report contains complete individual income tax data for Tax Year 2007. The statistics are based on a stratified probability sample of individual income tax returns, selected before audit, which represents a population of almost 143 million Forms 1040, 1040A, and 1040EZ, including electronic returns, filed for Tax Year 2007.¹

Table A on the following pages presents selected income and tax items for Tax Years 2003 through 2007 as they appear on the forms and provides the percentage change for each item between 2006 and 2007. When comparing income and tax items from different years, it is important to consider any changes in the tax law, which may have affected the data. These tax law changes

Justin Bryan and Michael Parisi were responsible for the text and production of this report. This report was prepared under the direction of Jeff Hartzok, Chief, Individual Returns Analysis Section, Individual Statistics Branch.

are explained below. To assist year-to-year comparisons, Table A includes the items in both current dollars and constant 1990 dollars, as adjusted by the U.S. Department of Labor's consumer price index (CPI-U).

For Tax Year 2007, the number of individual tax returns filed increased by 4.6 million, or 3.3 percent. Adjusted gross income (AGI) rose \$656.9 billion, or 8.2 percent from 2006 to 2007, compared to the 8.2 percent increase recorded from 2005 to 2006. Total tax liability increased 8.8 percent to \$1.2 trillion. Several components of AGI showed large increases between 2006 and 2007. The most notable of these were net capital gains less loss, which increased 16.2 percent, and taxable interest, which increased 20.4 percent.

This report is divided into six sections. Section 1 explains the requirements for filing, changes in the law for 2007, and the 1979 Income Concept. Section 2 describes the sample of individual income tax returns upon which the statistics

¹ For Tax Year 2007, the total number of returns count does not include individual income tax returns filed by individuals to only receive the economic stimulus payment and who had no other reason to file.

Table A. Selected Income and Tax Items, Tax Years 2003-2007, in Current and Constant 1990 Dollars

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

Item [1]	Current dollars					Percent change, 2006 to 2007
	2003	2004	2005	2006	2007	
	(1)	(2)	(3)	(4)	(5)	(6)
All returns	130,423,626	132,226,042	134,372,678	138,394,754	*** 142,978,806	3.3
Electronically filed returns	61,154,815	68,380,152	73,471,852	80,095,643	87,851,490	9.7
Form 1040 returns	80,420,043	80,603,689	81,497,559	83,805,545	86,300,563	3.0
Electronically filed returns	30,472,170	34,900,171	39,465,536	43,470,129	47,982,634	10.4
Form 1040A returns	29,631,494	30,572,631	31,326,141	32,018,556	33,507,223	4.6
Electronically filed returns	18,910,697	20,771,324	22,224,396	23,888,067	25,420,635	6.4
Form 1040EZ returns	20,372,089	21,049,722	21,548,977	** 22,570,653	23,171,020	2.7
Electronically filed returns	* 11,771,948	* 12,708,657	11,781,921	12,737,447	14,448,221	13.4
Salaries and wages						
Number of returns	110,890,993	112,369,812	114,070,880	116,379,376	120,844,802	3.8
Amount	4,649,900,493	4,921,806,344	5,155,407,373	5,469,370,119	5,842,269,820	6.8
Taxable interest						
Number of returns	59,459,344	57,605,888	59,249,357	62,401,235	64,505,131	3.4
Amount	127,159,692	125,474,158	162,432,720	222,707,445	268,058,182	20.4
Tax-exempt interest						
Number of returns	4,524,955	4,416,851	4,497,973	6,038,822	6,321,596	4.7
Amount	53,750,230	52,031,763	57,693,924	72,970,971	79,351,341	8.7
Ordinary dividends						
Number of returns	30,475,097	30,687,178	31,175,376	31,619,775	32,006,152	1.2
Amount	115,141,232	146,838,808	166,482,004	199,359,146	237,052,127	18.9
Qualified dividends						
Number of returns	22,449,379	24,549,867	25,853,686	26,584,184	27,145,274	2.1
Amount	80,994,736	110,500,411	118,980,474	137,195,800	155,872,285	13.6
State income tax refunds						
Number of returns	24,655,907	23,621,296	22,110,769	22,964,214	23,592,999	2.7
Amount	23,425,623	22,735,928	22,204,760	24,206,006	27,046,648	11.7
Alimony received						
Number of returns	431,368	439,608	457,488	441,514	457,308	3.6
Amount	6,470,712	7,262,338	7,979,270	8,120,381	8,759,334	7.9
Business or profession net income, less loss						
Number of returns	19,415,648	20,252,079	21,057,329	21,656,409	22,629,468	4.5
Amount	229,655,285	247,217,287	269,701,056	281,527,260	279,736,260	-0.6
Net capital gain in AGI less loss						
Number of returns	21,889,687	22,388,659	22,040,458	22,069,069	22,143,812	0.3
Amount	294,021,717	471,735,648	663,057,140	771,045,623	895,673,984	16.2
Capital gain distributions reported on Form 1040						
Number of returns	1,095,371	2,878,263	4,155,219	4,599,135	5,012,429	9.0
Amount	332,293	1,925,990	4,958,078	8,416,731	11,981,884	42.4
Sales of property other than capital assets, net gain less loss						
Number of returns	1,753,860	1,749,934	1,777,203	1,778,803	1,751,136	-1.6
Amount	-330,359	2,502,516	3,662,932	4,201,647	4,356,742	3.7
Total IRA distributions						
Number of returns	9,240,253	9,516,936	10,024,085	10,635,115	11,395,793	7.2
Amount	120,948,781	131,491,539	146,906,503	165,503,242	189,848,217	14.7
Taxable IRA distributions						
Number of returns	8,611,702	8,913,846	9,387,189	9,965,065	10,683,225	7.2
Amount	88,335,605	101,672,181	112,277,199	124,705,552	147,959,327	18.6
Total pensions and annuities						
Number of returns	24,767,067	25,130,018	25,352,088	26,511,367	27,678,148	4.4
Amount	565,420,626	627,664,241	685,308,391	780,831,489	851,528,103	9.1
Taxable pensions and annuities						
Number of returns	22,822,842	23,123,390	23,247,374	24,098,220	25,180,637	4.5
Amount	372,931,442	394,285,849	420,144,855	450,454,465	490,581,465	8.9
Rents, royalties, partnerships, estates, trusts, etc.						
Number of returns	14,824,475	15,191,999	15,510,991	15,624,588	16,184,703	3.6
Amount	295,698,600	357,378,135	447,047,895	466,087,829	453,450,913	-2.7
Farm net income less loss						
Number of returns	1,997,116	2,004,898	1,981,249	1,958,273	1,977,943	1.0
Amount	-12,371,492	-13,239,205	-12,168,786	-15,331,319	-14,693,259	4.2
Unemployment compensation						
Number of returns	10,065,230	9,094,911	7,887,700	7,378,438	7,622,280	3.3
Amount	44,007,879	32,740,272	27,857,367	26,523,665	29,415,079	10.9
Social security benefits (received)						
Number of returns	14,120,202	14,759,589	15,510,458	20,609,364	22,587,781	9.6
Amount	214,011,279	231,873,220	252,239,705	339,754,476	382,324,621	12.5
Taxable social security benefits						
Number of returns	10,975,002	11,691,859	12,660,754	13,749,185	15,011,961	9.2
Amount	97,768,201	110,462,387	124,829,069	144,403,839	167,186,633	15.8

Footnotes at end of table.

Table A. Selected Income and Tax Items, Tax Years 2003-2007, in Current and Constant 1990 Dollars—Continued

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

Item [1]	Current dollars					Percent change, 2006 to 2007
	2003	2004	2005	2006	2007	
	(1)	(2)	(3)	(4)	(5)	(6)
Foreign earned income exclusion [2]						
Number of returns	306,393	295,313	303,940	329,264	343,077	4.2
Amount	15,076,406	15,446,376	16,275,890	18,154,653	19,888,233	9.5
Net operating loss [2]						
Number of returns	712,076	829,838	862,791	916,899	922,895	0.7
Amount	62,824,777	75,011,556	79,451,741	80,795,920	86,369,141	6.9
Other income, less loss [2]						
Number of returns	5,703,893	5,891,550	6,811,025	6,176,952	6,607,358	7.0
Amount	21,289,227	23,197,673	26,863,382	29,938,461	36,140,255	20.7
Total income						
Number of returns	130,171,008	131,924,074	134,114,986	137,228,802	142,586,333	3.9
Amount	6,294,684,470	6,886,851,809	7,531,892,210	8,144,688,302	8,810,738,960	8.2
Educator expenses						
Number of returns	3,240,673	3,402,468	3,503,719	3,166,931	3,654,214	15.4
Amount	805,734	858,457	877,796	805,568	925,997	14.9
Certain business expenses of reservists, performing artists, and fee-basis government officials						
Number of returns	N/A	105,135	100,111	120,468	135,102	12.1
Amount	N/A	252,597	285,073	368,258	420,756	14.3
Health savings account deduction						
Number of returns	N/A	90,857	215,781	358,968	592,526	65.1
Amount	N/A	190,732	510,690	868,560	1,500,881	72.8
Moving expenses						
Number of returns	1,023,888	1,096,436	1,134,137	1,082,576	1,119,044	3.4
Amount	2,439,835	2,952,043	3,076,563	3,159,251	2,903,022	-8.1
One-half of self-employment tax						
Number of returns	15,373,279	15,920,203	16,694,655	17,074,708	17,840,382	4.5
Amount	19,791,285	21,109,366	22,733,881	23,925,376	24,759,998	3.5
Keogh retirement plan						
Number of returns	1,208,801	1,201,332	1,256,900	1,228,299	1,191,135	-3.0
Amount	17,795,957	19,295,952	21,268,404	22,011,551	22,262,415	1.1
Self-employed health insurance						
Number of returns	3,802,277	3,883,687	3,901,082	3,804,190	3,838,721	0.9
Amount	16,454,211	18,457,063	19,645,889	20,302,533	21,283,306	4.8
Penalty on early withdrawal of savings						
Number of returns	736,121	780,327	805,625	1,164,171	1,164,446	[6]
Amount	150,214	209,833	265,870	429,850	352,592	-18.0
Alimony paid adjustment						
Number of returns	587,368	574,001	588,463	585,286	599,587	2.4
Amount	7,520,335	8,470,128	8,954,038	9,115,764	9,496,674	4.2
Total taxpayer IRA adjustment						
Number of returns	3,418,494	3,330,763	3,256,066	3,230,531	3,299,773	2.1
Amount	10,006,814	10,028,607	12,003,037	12,533,506	12,876,504	2.7
Student loan interest deduction						
Number of returns	6,953,370	7,527,249	8,072,896	8,540,900	9,091,081	6.4
Amount	4,409,816	4,398,734	5,052,720	6,156,865	7,463,755	21.2
Tuition and fees deduction						
Number of returns	3,571,154	4,710,253	4,696,013	4,015,828	4,543,382	13.1
Amount	6,683,631	10,589,279	10,846,990	9,620,615	10,578,961	10.0
Domestic production activities deduction						
Number of returns	N/A	N/A	336,959	421,128	478,999	13.7
Amount	N/A	N/A	2,360,983	3,303,121	6,780,483	105.3
Archer MSA deduction						
Number of returns	67,347	32,334	18,808	18,668	10,972	-41.2
Amount	129,214	66,602	41,341	35,106	21,748	-38.1
Foreign housing deductions						
Number of returns	1,491	3,352	2,417	3,942	5,238	32.9
Amount	51,765	59,899	70,962	83,632	98,011	17.2
Other adjustments						
Number of returns	272,647	188,210	257,014	137,296	139,569	1.7
Amount	1,314,285	1,107,387	1,402,311	1,073,988	1,295,091	20.6
Total statutory adjustments						
Number of returns	30,382,069	32,153,965	33,591,124	33,980,524	36,050,434	6.1
Amount	87,575,677	98,046,679	109,396,547	113,845,357	123,020,191	8.1
Adjusted gross income or loss (AGI)						
Amount	6,207,108,793	6,788,805,130	7,422,495,663	8,030,842,945	8,687,718,769	8.2
Total itemized deductions						
Number of returns	43,949,591	46,335,237	47,755,427	49,123,555	50,544,470	2.9
Amount	901,864,834	998,238,457	1,121,810,935	1,229,237,288	1,333,036,542	8.4

Footnotes at end of table.

Individual Returns 2007

Table A. Selected Income and Tax Items, Tax Years 2003-2007, in Current and Constant 1990 Dollars—Continued

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

Item [1]	Current dollars					Percent change, 2006 to 2007
	2003	2004	2005	2006	2007	
	(1)	(2)	(3)	(4)	(5)	(6)
Total standard deduction						
Number of returns	84,643,281	84,016,753	84,841,222	86,583,732	90,510,904	4.5
Amount	555,780,052	560,932,618	580,747,711	607,464,186	654,181,656	7.7
Basic standard deduction						
Number of returns	84,643,281	84,016,753	84,841,222	86,583,732	90,510,904	4.5
Amount	539,921,089	545,082,218	564,186,053	590,487,763	635,824,934	7.7
Additional standard deduction						
Number of returns	11,200,647	10,985,079	10,996,440	11,261,327	11,703,100	3.9
Amount	15,858,963	15,850,401	16,561,658	16,976,422	18,356,722	8.1
AGI less deductions						
Number of returns	114,402,877	116,042,570	118,115,885	120,676,830	125,121,755	3.7
Amount	4,873,784,147	5,360,753,836	5,859,016,944	6,340,706,374	6,871,049,690	8.4
Number of exemptions	261,126,373	263,896,304	269,043,070	275,256,944	282,613,371	2.7
Exemption amount	781,305,067	800,690,043	839,904,186	891,911,609	943,171,372	5.7
Taxable income						
Number of returns	101,392,812	102,737,959	104,330,653	106,667,402	110,533,209	3.6
Amount	4,200,218,439	4,670,165,637	5,137,165,874	5,579,145,443	6,063,263,892	8.7
Tax from table, rate schedules, etc.						
Number of returns	101,386,201	102,721,593	104,321,332	106,658,774	110,522,670	3.6
Amount	780,315,781	871,227,853	972,706,955	1,061,247,534	1,155,415,243	8.9
Additional taxes						
Number of returns	21,370	9,884	10,595	12,787	13,249	3.6
Amount	222,088	85,611	23,740	43,250	13,823	-68.0
Alternative minimum tax						
Number of returns	2,357,975	3,096,299	4,004,756	3,966,540	4,108,964	3.6
Amount	9,469,803	13,029,239	17,421,071	21,564,586	24,109,512	11.8
Income tax before credits						
Number of returns	101,412,777	102,740,921	104,345,964	106,688,255	110,547,299	3.6
Amount	790,005,881	884,342,703	990,151,766	1,082,855,370	1,179,538,578	8.9
Child care credit						
Number of returns	6,313,297	6,316,649	6,500,596	6,466,792	6,491,844	0.4
Amount	3,206,890	3,337,984	3,462,104	3,486,637	3,483,152	-0.1
Credit for elderly or disabled						
Number of returns	123,147	107,914	101,627	98,261	89,767	-8.6
Amount	20,257	18,740	14,127	14,571	12,469	-14.4
Education credits						
Number of returns	7,298,227	7,180,884	7,057,251	7,725,138	7,435,044	-3.8
Amount	5,843,029	6,016,805	6,119,631	7,022,420	6,910,412	-1.6
Residential energy credit						
Number of returns	N/A	N/A	N/A	4,344,189	4,326,398	-0.4
Amount	N/A	N/A	N/A	1,000,149	1,007,577	0.7
Foreign tax credit						
Number of returns	4,145,174	4,700,259	5,398,046	6,418,317	7,642,644	19.1
Amount	5,805,555	6,757,994	9,361,989	10,958,470	15,435,196	40.9
Child tax credit						
Number of returns	25,672,254	25,988,711	25,950,568	25,741,511	25,889,333	0.6
Amount	22,788,025	32,300,455	32,047,620	31,741,551	31,556,282	-0.6
Retirement savings contributions credit						
Number of returns	5,296,688	5,288,732	5,293,605	5,192,133	5,862,206	12.9
Amount	1,034,394	1,011,506	944,531	893,957	976,846	9.3
Adoption credit						
Number of returns	63,980	71,136	84,793	93,369	94,128	0.8
Amount	348,793	301,890	319,558	351,184	396,039	12.8
General business credit						
Number of returns	262,738	248,506	251,386	386,681	230,821	-40.3
Amount	612,744	635,391	877,850	1,302,464	845,539	-35.1
Prior year minimum tax credit						
Number of returns	250,605	274,596	290,376	359,098	395,359	10.1
Amount	916,538	902,000	1,081,252	1,032,247	1,034,675	0.2
Total credits [3]						
Number of returns	39,247,449	39,841,978	40,526,374	44,397,533	46,084,671	3.8
Amount	41,069,375	51,599,346	54,571,100	58,141,809	62,630,766	7.7
Income tax after credits						
Number of returns	91,109,363	90,876,672	92,343,186	94,509,890	98,369,138	4.1
Amount	748,936,506	832,743,358	935,580,666	1,024,713,561	1,116,907,812	9.0
Self-employment tax						
Number of returns	15,373,279	15,920,203	16,694,655	17,074,708	17,840,382	4.5
Amount	39,574,991	42,210,737	45,459,427	47,842,244	49,511,062	3.5
Recapture taxes						
Number of returns	15,797	41,161	15,206	12,536	17,924	43.0
Amount	87,939	173,122	299,191	320,788	413,740	29.0

Footnotes at end of table.

Table A. Selected Income and Tax Items, Tax Years 2003-2007, in Current and Constant 1990 Dollars—Continued

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

Item [1]	Current dollars					Percent change, 2006 to 2007
	2003	2004	2005	2006	2007	
	(1)	(2)	(3)	(4)	(5)	(6)
Social security, Medicare tax on tip income not reported						
Number of returns	557,717	517,609	335,818	355,457	194,630	-45.2
Amount	148,746	107,929	79,220	73,109	30,331	-58.5
Tax on qualified retirement plans						
Number of returns	4,877,670	4,924,584	4,822,297	5,148,030	5,550,175	7.8
Amount	3,407,940	3,640,374	3,820,152	4,347,720	5,004,547	15.1
Advanced earned income credit payments						
Number of returns	142,694	142,639	122,078	129,124	138,647	7.4
Amount	66,986	62,360	58,167	62,149	69,336	11.6
Household employment taxes						
Number of returns	240,601	243,702	228,381	225,441	222,146	-1.5
Amount	810,442	885,832	936,858	917,524	914,059	-0.4
Total tax liability [4]						
Number of returns	97,875,142	98,115,557	99,880,223	102,363,945	106,650,214	4.2
Amount	793,111,460	879,962,609	986,460,793	1,078,601,440	1,173,264,964	8.8
Income tax withheld						
Number of returns	114,861,706	116,312,978	118,161,380	120,500,889	125,583,890	4.2
Amount	703,758,484	731,734,362	782,659,594	843,094,979	912,563,316	8.2
Estimated tax payments						
Number of returns	11,576,213	10,996,504	11,053,213	11,128,072	11,523,634	3.6
Amount	182,906,911	188,770,357	221,001,524	252,998,613	284,119,655	12.3
Earned income credit						
Number of returns	22,024,227	22,270,550	22,751,904	23,042,200	24,583,940	6.7
Amount	38,657,067	40,024,074	42,410,290	44,387,566	48,539,994	9.4
Nontaxable combat pay election						
Number of returns	N/A	10,024	21,973	8,323	6,642	-20.2
Amount	N/A	9,283	328,268	90,997	109,650	20.5
Additional child tax credit						
Number of returns	12,570,455	14,528,434	15,219,712	15,590,592	15,884,285	1.9
Amount	9,112,716	14,450,019	15,495,160	16,248,889	16,690,219	2.7
Payment with an extension request						
Number of returns	1,333,579	1,518,779	1,627,572	1,758,125	1,773,576	0.9
Amount	38,303,188	59,268,206	77,833,848	86,530,919	96,167,969	11.1
Excess social security tax withheld						
Number of returns	1,121,141	1,242,604	1,383,240	1,443,437	1,544,389	7.0
Amount	1,566,411	1,727,641	2,023,314	2,288,807	2,519,084	10.1
Other payments:						
Form 2439						
Number of returns	12,717	9,608	19,812	84,547	39,521	-53.3
Amount	123,633	33,754	52,976	52,199	119,959	129.8
Form 4136						
Number of returns	349,860	345,020	340,769	318,754	305,765	-4.1
Amount	82,154	86,378	101,712	85,905	88,950	3.5
Form 8885						
Number of returns	17,834	16,314	13,380	22,397	22,550	0.7
Amount	32,514	23,595	27,078	27,567	39,343	42.7
Refundable prior year minimum tax credit						
Number of returns	N/A	N/A	N/A	N/A	151,643	[7]
Amount	N/A	N/A	N/A	N/A	508,074	[7]
Total payments						
Number of returns	123,461,513	124,989,700	126,781,067	134,948,299	135,128,289	0.1
Amount	974,543,079	1,036,118,363	1,141,605,497	1,249,879,508	1,361,454,082	8.9
Overpayment, total						
Number of returns	105,361,848	103,706,648	104,778,359	109,915,823	110,611,578	0.6
Amount	254,553,541	255,064,839	272,110,056	295,796,995	316,924,652	7.1
Overpayment refunded						
Number of returns	102,004,984	100,674,244	101,870,385	107,001,071	107,687,030	0.6
Amount	219,751,889	221,371,474	232,975,616	250,941,390	267,872,391	6.7
Refund credited to next year						
Number of returns	5,199,186	4,314,593	4,055,960	3,978,421	4,061,974	2.1
Amount	34,801,652	33,693,366	39,134,446	44,855,606	49,052,261	9.4
Tax due at time of filing						
Number of returns	21,072,333	24,452,350	25,659,937	26,694,105	28,599,646	7.1
Amount	73,741,408	99,683,779	118,232,296	126,289,889	130,607,837	3.4
Tax penalty						
Number of returns	4,829,886	5,641,853	5,882,477	6,496,924	7,549,807	16.2
Amount	619,485	774,697	1,266,944	1,770,962	1,872,302	5.7

Footnotes at end of table.

Table A. Selected Income and Tax Items, Tax Years 2003-2007, in Current and Constant 1990 Dollars—Continued

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

Item [1]	Constant 1990 dollars [6]					Percent change, 2006 to 2007
	2003	2004	2005	2006	2007	
	(7)	(8)	(9)	(10)	(11)	(12)
All returns	130,423,626	132,226,042	134,372,678	138,394,754	*** 142,978,806	3.3
Electronically filed returns	61,154,815	68,380,152	73,471,852	80,095,643	87,851,490	9.7
Form 1040 returns	80,420,043	80,603,689	81,497,559	83,805,545	86,300,563	3.0
Electronically filed returns	30,472,170	34,900,171	39,465,536	43,470,129	47,982,634	10.4
Form 1040A returns	29,631,494	30,572,631	31,326,141	32,018,556	33,507,223	4.6
Electronically filed returns	18,910,697	20,771,324	22,224,396	23,888,067	25,420,635	6.4
Form 1040EZ returns	20,372,089	21,049,722	21,548,977	** 22,570,653	23,171,020	2.7
Electronically filed returns	* 11,771,948	* 12,708,657	11,781,921	12,737,447	14,448,221	13.4
Salaries and wages						
Number of returns	110,890,993	112,369,812	114,070,880	116,379,376	120,844,802	3.8
Amount	3,302,486,146	3,406,094,356	3,450,741,214	3,546,932,632	3,683,650,580	3.9
Taxable interest received						
Number of returns	59,459,344	57,605,888	59,249,357	62,401,235	64,505,131	3.4
Amount	90,312,281	86,833,327	108,723,373	144,427,656	169,015,247	17.0
Tax-exempt interest						
Number of returns	4,524,955	4,416,851	4,497,973	6,038,822	6,321,596	4.7
Amount	38,174,879	36,008,140	38,617,084	47,322,290	50,032,371	5.7
Ordinary dividends in AGI						
Number of returns	30,475,097	30,687,178	31,175,376	31,619,775	32,006,152	1.2
Amount	81,776,443	101,618,552	111,433,738	129,286,087	149,465,402	15.6
Qualified dividends in AGI						
Number of returns	22,449,379	24,549,867	25,853,686	26,584,184	27,145,274	2.1
Amount	57,524,670	76,470,873	79,638,871	88,972,633	98,280,129	10.5
State income tax refund						
Number of returns	24,655,907	23,621,296	22,110,769	22,964,214	23,592,999	2.7
Amount	16,637,516	15,734,206	14,862,624	15,697,799	17,053,372	8.6
Alimony received						
Number of returns	431,368	439,608	457,488	441,514	457,308	3.6
Amount	4,595,676	5,025,839	5,340,877	5,266,136	5,522,909	4.9
Business or profession net income, less loss						
Number of returns	19,415,648	20,252,079	21,057,329	21,656,409	22,629,468	4.5
Amount	163,107,447	171,084,628	180,522,795	182,572,802	176,378,474	-3.4
Net capital gain in AGI less loss						
Number of returns	21,889,687	22,388,659	22,040,458	22,069,069	22,143,812	0.3
Amount	208,822,242	326,460,656	443,813,347	500,029,587	564,737,695	12.9
Capital gain distributions reported on Form 1040						
Number of returns	1,095,371	2,878,263	4,155,219	4,599,135	5,012,429	9.0
Amount	236,004	1,332,865	3,318,660	5,458,321	7,554,782	38.4
Sales of property other than capital assets, net gain less loss						
Number of returns	1,753,860	1,749,934	1,777,203	1,778,803	1,751,136	-1.6
Amount	-234,630	1,731,845	2,451,762	2,724,804	2,747,000	0.8
Total IRA distributions						
Number of returns	9,240,253	9,516,936	10,024,085	10,635,115	11,395,793	7.2
Amount	85,901,123	90,997,605	98,330,993	107,330,248	119,702,533	11.5
Taxable IRA distributions in AGI						
Number of returns	8,611,702	8,913,846	9,387,189	9,965,065	10,683,225	7.2
Amount	62,738,356	70,361,371	75,152,074	80,872,602	93,290,875	15.4
Total pensions and annuities						
Number of returns	24,767,067	25,130,018	25,352,088	26,511,367	27,678,148	4.4
Amount	401,577,149	434,369,717	458,707,089	506,375,804	536,902,965	6.0
Taxable pensions and annuities in AGI						
Number of returns	22,822,842	23,123,390	23,247,374	24,098,220	25,180,637	4.5
Amount	264,866,081	272,862,179	281,221,456	292,123,518	309,319,965	5.9
Rents, royalties, partnerships, estates, trusts, etc.						
Number of returns	14,824,475	15,191,999	15,510,991	15,624,588	16,184,703	3.6
Amount	210,013,210	247,320,509	299,228,845	302,261,887	285,908,520	-5.4
Farm net income less loss						
Number of returns	1,997,116	2,004,898	1,981,249	1,958,273	1,977,943	1.0
Amount	-8,786,571	-9,162,080	-8,145,104	-9,942,490	-9,264,350	6.8
Unemployment compensation in AGI						
Number of returns	10,065,230	9,094,911	7,887,700	7,378,438	7,622,280	3.3
Amount	31,255,596	22,657,628	18,646,163	17,200,820	18,546,708	7.8
Social security benefits (received)						
Number of returns	14,120,202	14,759,589	15,510,458	20,609,364	22,587,781	9.6
Amount	151,996,647	160,465,896	168,835,144	220,333,642	241,062,182	9.4
Taxable social security benefits in AGI						
Number of returns	10,975,002	11,691,859	12,660,754	13,749,185	15,011,961	9.2
Amount	69,437,643	76,444,558	83,553,594	93,647,107	105,414,018	12.6

Footnotes at end of table.

Table A. Selected Income and Tax Items, Tax Years 2003-2007, in Current and Constant 1990 Dollars—Continued

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

Item [1]	Constant 1990 dollars [6]					Percent change, 2006 to 2007
	2003	2004	2005	2006	2007	
	(7)	(8)	(9)	(10)	(11)	(12)
Foreign earned income exclusion [2]						
Number of returns	306,393	295,313	303,940	329,264	343,077	4.2
Amount	10,707,675	10,689,534	10,894,170	11,773,446	12,539,869	6.5
Net operating loss [2]						
Number of returns	712,076	829,838	862,791	916,899	922,895	0.7
Amount	44,619,870	51,911,111	53,180,550	52,396,835	54,457,214	3.9
Other income, net gain less loss [2]						
Number of returns	5,703,893	5,891,550	6,811,025	6,176,952	6,607,358	7.0
Amount	15,120,190	16,053,753	17,980,845	19,415,344	22,787,046	17.4
Total income						
Number of returns	130,171,008	131,924,074	134,114,986	137,228,802	142,586,333	3.9
Amount	4,470,656,584	4,765,987,411	5,041,427,182	5,281,899,029	5,555,320,908	5.2
Educator expenses						
Number of returns	3,240,673	3,402,468	3,503,719	3,166,931	3,654,214	15.4
Amount	572,254	594,088	587,548	522,418	583,857	11.8
Certain business expenses of reservists, performing artists, and fee-basis government officials						
Number of returns	N/A	105,135	100,111	120,468	135,102	12.1
Amount	N/A	174,808	190,812	238,818	265,294	11.1
Health savings account deduction						
Number of returns	N/A	90,857	215,781	358,968	592,526	65.1
Amount	N/A	131,994	341,827	563,268	946,331	68.0
Moving expenses						
Number of returns	1,023,888	1,096,436	1,134,137	1,082,576	1,119,044	3.4
Amount	1,732,837	2,042,936	2,059,279	2,048,801	1,830,405	-10.7
One-half of self-employment tax						
Number of returns	15,373,279	15,920,203	16,694,655	17,074,708	17,840,382	4.5
Amount	14,056,310	14,608,558	15,216,788	15,515,808	15,611,600	0.6
Keogh retirement plan						
Number of returns	1,208,801	1,201,332	1,256,900	1,228,299	1,191,135	-3.0
Amount	12,639,174	13,353,600	14,235,880	14,274,676	14,036,832	-1.7
Self-employed health insurance						
Number of returns	3,802,277	3,883,687	3,901,082	3,804,190	3,838,721	0.9
Amount	11,686,229	12,773,054	13,149,859	13,166,364	13,419,487	1.9
Penalty on early withdrawal of savings						
Number of returns	736,121	780,327	805,625	1,164,171	1,164,446	[6]
Amount	106,686	145,213	177,959	278,761	222,315	-20.2
Alimony paid adjustment						
Number of returns	587,368	574,001	588,463	585,286	599,587	2.4
Amount	5,341,147	5,861,680	5,993,332	5,911,650	5,987,815	1.3
Total taxpayer IRA adjustment						
Number of returns	3,418,494	3,330,763	3,256,066	3,230,531	3,299,773	2.1
Amount	7,107,112	6,940,212	8,034,161	8,128,084	8,118,855	-0.1
Student loan interest deduction						
Number of returns	6,953,370	7,527,249	8,072,896	8,540,900	9,091,081	6.4
Amount	3,131,972	3,044,107	3,382,008	3,992,779	4,706,025	17.9
Tuition and fees deduction						
Number of returns	3,571,154	4,710,253	4,696,013	4,015,828	4,543,382	13.1
Amount	4,746,897	7,328,221	7,260,368	6,239,050	6,670,215	6.9
Domestic production activities deduction						
Number of returns	N/A	N/A	336,959	421,128	478,999	13.7
Amount	N/A	N/A	1,580,310	2,142,102	4,275,210	99.6
Archer MSA deduction						
Number of returns	67,347	32,334	18,808	18,668	10,972	-41.2
Amount	91,771	46,091	27,671	22,767	13,712	-39.8
Foreign housing deductions						
Number of returns	1,491	3,352	2,417	3,942	5,238	32.9
Amount	36,765	41,453	47,498	54,236	61,798	13.9
Other adjustments						
Number of returns	272,647	188,210	257,014	137,296	139,569	1.7
Amount	933,441	766,358	938,629	696,490	816,577	17.2
Total statutory adjustments						
Number of returns	30,382,069	32,153,965	33,591,124	33,980,524	36,050,434	6.1
Amount	62,198,634	67,852,373	73,223,927	73,829,674	77,566,325	5.1
Adjusted gross income or loss (AGI)						
Amount	4,408,457,950	4,698,135,038	4,968,203,255	5,208,069,355	5,477,754,583	5.2
Total itemized deductions						
Number of returns	43,949,591	46,335,237	47,755,427	49,123,555	50,544,470	2.9
Amount	640,529,001	690,822,462	750,877,467	797,170,744	840,502,233	5.4

Footnotes at end of table.

Table A. Selected Income and Tax Items, Tax Years 2003-2007, in Current and Constant 1990 Dollars—Continued

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

Item [1]	Constant 1990 dollars [6]					Percent change, 2006 to 2007
	2003	2004	2005	2006	2007	
	(7)	(8)	(9)	(10)	(11)	(12)
Total standard deduction						
Number of returns	84,643,281	84,016,753	84,841,222	86,583,732	90,510,904	4.5
Amount	394,730,151	388,188,663	388,720,021	393,945,646	412,472,671	4.7
Basic standard deduction						
Number of returns	84,643,281	84,016,753	84,841,222	86,583,732	90,510,904	4.5
Amount	383,466,683	377,219,528	377,634,574	382,936,292	400,898,445	4.7
Additional standard deduction						
Number of returns	11,200,647	10,985,079	10,996,440	11,261,327	11,703,100	3.9
Amount	11,263,468	10,969,136	11,085,447	11,009,353	11,574,226	5.1
AGI less deductions						
Number of returns	114,402,877	116,042,570	118,115,885	120,676,830	125,121,755	3.7
Amount	3,461,494,423	3,709,864,246	3,921,698,088	4,112,001,540	4,332,313,802	5.4
Number of exemptions	261,126,373	263,896,304	269,043,070	275,256,944	282,613,371	2.7
Exemption amount	554,904,167	554,110,756	562,184,863	578,412,198	594,685,607	2.8
Taxable income						
Number of returns	101,392,812	102,737,959	104,330,653	106,667,402	110,533,209	3.6
Amount	2,983,109,687	3,231,948,538	3,438,531,375	3,618,122,855	3,822,991,105	5.7
Tax from table, rate schedules, etc.						
Number of returns	101,386,201	102,721,593	104,321,332	106,658,774	110,522,670	3.6
Amount	554,201,549	602,925,850	651,075,606	688,227,973	728,508,980	5.9
Additional taxes						
Number of returns	21,370	9,884	10,595	12,787	13,249	3.6
Amount	157,733	59,246	15,890	28,048	8,716	-68.9
Alternative minimum tax						
Number of returns	2,357,975	3,096,299	4,004,756	3,966,540	4,108,964	3.6
Amount	6,725,712	9,016,774	11,660,690	13,984,816	15,201,458	8.7
Income tax before credits						
Number of returns	101,412,777	102,740,921	104,345,964	106,688,255	110,547,299	3.6
Amount	561,083,722	612,001,871	662,752,186	702,240,837	743,719,154	5.9
Child care credit						
Number of returns	6,313,297	6,316,649	6,500,596	6,466,792	6,491,844	0.4
Amount	2,277,621	2,310,024	2,317,339	2,261,113	2,196,187	-2.9
Credit for elderly or disabled						
Number of returns	123,147	107,914	101,627	98,261	89,767	-8.6
Amount	14,387	12,969	9,456	9,449	7,862	-16.8
Education credits						
Number of returns	7,298,227	7,180,884	7,057,251	7,725,138	7,435,044	-3.8
Amount	4,149,879	4,163,879	4,096,139	4,554,099	4,357,132	-4.3
Residential energy credit						
Number of returns	N/A	N/A	N/A	4,344,189	4,326,398	-0.4
Amount	N/A	N/A	N/A	648,605	635,294	-2.1
Foreign tax credit						
Number of returns	4,145,174	4,700,259	5,398,046	6,418,317	7,642,644	19.1
Amount	4,123,263	4,676,812	6,266,392	7,106,660	9,732,154	36.9
Child tax credit						
Number of returns	25,672,254	25,988,711	25,950,568	25,741,511	25,889,333	0.6
Amount	16,184,677	22,353,256	21,450,884	20,584,663	19,896,773	-3.3
Retirement savings contributions credit						
Number of returns	5,296,688	5,288,732	5,293,605	5,192,133	5,862,206	12.9
Amount	734,655	700,004	632,216	579,739	615,918	6.2
Adoption credit						
Number of returns	63,980	71,136	84,793	93,369	94,128	0.8
Amount	247,722	208,920	213,894	227,746	249,709	9.6
General business credit						
Number of returns	262,738	248,506	251,386	386,681	230,821	-40.3
Amount	435,188	439,717	587,584	844,659	533,127	-36.9
Prior year minimum tax credit						
Number of returns	250,605	274,596	290,376	359,098	395,359	10.1
Amount	650,950	624,221	723,730	669,421	652,380	-2.5
Total credits [3]						
Number of returns	39,247,449	39,841,978	40,526,374	44,397,533	46,084,671	3.8
Amount	29,168,590	35,708,890	36,526,841	37,705,453	39,489,764	4.7
Income tax less credits [1]						
Number of returns	91,109,363	90,876,672	92,343,186	94,509,890	98,369,138	4.1
Amount	531,915,132	576,292,981	626,225,345	664,535,383	704,229,390	6.0
Self-employment tax						
Number of returns	15,373,279	15,920,203	16,694,655	17,074,708	17,840,382	4.5
Amount	28,107,238	29,211,583	30,427,997	31,026,099	31,217,567	0.6
Recapture taxes						
Number of returns	15,797	41,161	15,206	12,536	17,924	43.0
Amount	62,457	119,808	200,262	208,034	260,870	25.4

Footnotes at end of table.

Table A. Selected Income and Tax Items, Tax Years 2003-2007, in Current and Constant 1990 Dollars—Continued

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

Item [1]	Constant 1990 dollars [6]					Percent change, 2006 to 2007
	2003	2004	2005	2006	2007	
	(7)	(8)	(9)	(10)	(11)	(12)
Social security, Medicare tax on tip income not reported						
Number of returns	557,717	517,609	335,818	355,457	194,630	-45.2
Amount	105,643	74,691	53,025	47,412	19,124	-59.7
Tax on qualified retirement plans						
Number of returns	4,877,670	4,924,584	4,822,297	5,148,030	5,550,175	7.8
Amount	2,420,412	2,519,290	2,556,996	2,819,533	3,155,452	11.9
Advanced earned income credit payments						
Number of returns	142,694	142,639	122,078	129,124	138,647	7.4
Amount	47,575	43,156	38,934	40,304	43,718	8.5
Household employment taxes						
Number of returns	240,601	243,702	228,381	225,441	222,146	-1.5
Amount	575,598	613,033	627,080	595,022	576,330	-3.1
Total tax liability [1,4]						
Number of returns	97,875,142	98,115,557	99,880,223	102,363,945	106,650,214	4.2
Amount	563,289,389	608,970,664	660,281,655	699,482,127	739,763,533	5.8
Income tax withheld						
Number of returns	114,861,706	116,312,978	118,161,380	120,500,889	125,583,890	4.2
Amount	499,828,469	506,390,562	523,868,537	546,754,202	575,386,706	5.2
Estimated tax payments						
Number of returns	11,576,213	10,996,504	11,053,213	11,128,072	11,523,634	3.6
Amount	129,905,477	130,636,925	147,926,054	164,071,733	179,142,279	9.2
Earned income credit [1]						
Number of returns	22,024,227	22,270,550	22,751,904	23,042,200	24,583,940	6.7
Amount	27,455,303	27,698,321	28,387,075	28,785,711	30,605,293	6.3
Nontaxable combat pay election						
Number of returns	N/A	10,024	21,973	8,323	6,642	-20.2
Amount	N/A	6,424	219,724	59,012	69,136	17.2
Additional child tax credit						
Number of returns	12,570,455	14,528,434	15,219,712	15,590,592	15,884,285	1.9
Amount	6,472,099	10,000,013	10,371,593	10,537,542	10,523,467	-0.1
Payment with an extension request						
Number of returns	1,333,579	1,518,779	1,627,572	1,758,125	1,773,576	0.9
Amount	27,203,969	41,016,060	52,097,622	56,116,030	60,635,542	8.1
Excess social security tax withheld						
Number of returns	1,121,141	1,242,604	1,383,240	1,443,437	1,544,389	7.0
Amount	1,112,508	1,195,599	1,354,293	1,484,311	1,588,325	7.0
Other payments:						
Form 2439						
Number of returns	12,717	9,608	19,812	84,547	39,521	-53.3
Amount	87,808	23,359	35,459	33,851	75,636	123.4
Form 4136						
Number of returns	349,860	345,020	340,769	318,754	305,765	-4.1
Amount	58,348	59,777	68,080	55,710	56,084	0.7
Form 8885						
Number of returns	17,834	16,314	13,380	22,397	22,550	0.7
Amount	23,092	16,329	18,124	17,877	24,806	38.8
Refundable prior year minimum tax credit						
Number of returns	N/A	N/A	N/A	N/A	151,643	[7]
Amount	N/A	N/A	N/A	N/A	320,349	[7]
Total payments [1]						
Number of returns	123,461,513	124,989,700	126,781,067	134,948,299	135,128,289	0.1
Amount	692,147,073	717,036,929	764,126,839	810,557,398	858,419,976	5.9
Overpayment, total						
Number of returns	105,361,848	103,706,648	104,778,359	109,915,823	110,611,578	0.6
Amount	180,790,867	176,515,460	182,135,245	191,826,845	199,826,388	4.2
Overpayment refunded						
Number of returns	102,004,984	100,674,244	101,870,385	107,001,071	107,687,030	0.6
Amount	156,073,785	153,198,252	155,940,841	162,737,607	168,898,103	3.8
Refund credited to next year						
Number of returns	5,199,186	4,314,593	4,055,960	3,978,421	4,061,974	2.1
Amount	24,717,082	23,317,208	26,194,408	29,089,239	30,928,286	6.3
Tax due at time of filing						
Number of returns	21,072,333	24,452,350	25,659,937	26,694,105	28,599,646	7.1
Amount	52,373,159	68,985,314	79,138,083	81,900,058	82,350,465	0.5
Tax penalty						
Number of returns	4,829,886	5,641,853	5,882,477	6,496,924	7,549,807	16.2
Amount	439,975	536,122	848,021	1,148,484	1,180,518	2.8

[1] All items correspond to the Form 1040 line items. Therefore, some may differ from the SOI items shown in the Basic Tables in Section 3. N/A = Not applicable.

[2] Line 21 on Form 1040 consists of other income minus foreign earned income exclusion and net operating loss.

[7] Percentage not computed.

[3] Total credits includes the values for mortgage interest tax credit and "other credits" not tabulated here.

* Includes Form 1040 Telefile.

[4] Total tax liability includes the values for "other taxes" not tabulated here.

** Includes 742,859 Form 1040EZ-T retu

[5] Inflation-adjusted data were calculated using the consumer price index from the Bureau of Labor Statistics; based on 1990=100 when 1990 CPI-U = 130.7; 2007 CPI-U = 207.3; 2006 CPI-U = 201.6; 2005 CPI-U = 195.3; 2004 CPI-U = 188.9; 2003 CPI-U = 184.0

[6] Less than 0.05.

*** The total number of returns does not include the returns filed by individuals to only receive the economic stimulus payment and who had no other reason to file.

Figure 1--General Filing Requirements

Marital Status	Filing Status	Age	Gross Income
Single (including divorced and legally separated)	Single	under 65 65 or older	\$8,750 \$10,050
	Head of household	under 65 65 or older	\$11,250 \$12,550
Married with a child and living apart from spouse during the last six months of 2007	Head of household	under 65 65 or older	\$11,250 \$12,550
Married and living with spouse at the end of 2007 (or on the date spouse died)	Married, joint return	under 65 (both spouses) 65 or older (one spouse)	\$17,500 \$18,550
		65 or older (both spouses)	\$19,600
	Married, separate return	any age	\$3,400
Married, not living with spouse at the end of 2007 (or on the date spouse died)	Married, joint or separate return	any age	\$3,400
Widowed in 2005 or 2006 and not remarried in 2007	Single	under 65 65 or older	\$8,750 \$10,050
	Head of household	under 65 65 or older	\$11,250 \$12,550
	Qualifying widow(er) with dependent child	under 65 65 or older	\$14,100 \$15,150

are based. Section 3 contains tables of detailed aggregate statistics on individual tax returns. Section 4 provides explanations of the terms used in the tables. The tax forms appear in Section 5, and Section 6 contains a subject index.

Requirements for Filing

The filing requirements for Tax Year 2007 were based on gross income, marital status, age, and, to a lesser extent, dependency and blindness. Gross income included all income received in the form of money, property, and services that was not expressly exempt from tax. Generally, a citizen or resident of the United States was required to file a tax return if gross income for the year was at least as much as the amount shown for the appropriate filing status in Figure 1. Figure 2 shows the filing requirements for taxpayers who could be claimed as a dependent by another person (such as a

parent).

In addition to the general filing requirements, an individual was obligated to file a return for Tax Year 2007 if he or she:

1. Was liable for any of the following taxes:
 - Social security or Medicare tax on unreported tip income;
 - Uncollected social security, Medicare, or railroad retirement tax on reported tip income or group-term life insurance;
 - Alternative minimum tax;
 - Tax on an individual retirement arrangement (IRA) or a qualified retirement plan;
 - Tax from the recapture of various credits, including investment credits or low-income housing credits;
 - Household employment taxes (unless only filing because taxpayer owed this tax, then taxpayer could have filed only schedule H);

Figure 2.-Filing Requirements for Children and Other Dependents

If someone (such as a parent) can claim the individual as a dependent, and any of the four conditions listed below applies, he or she must file a return.

In this chart unearned income includes taxable interest, ordinary dividends, and capital gain distributions. Earned income includes wages, tips, and taxable scholarship and fellowship grants. Gross income is the total of unearned and earned income.

1. Single dependents under 65 must file a return if-

- Earned income was more than \$5,350, or
- Unearned income was over \$850, or
- Gross income was more than the larger of (a) \$850 or (b) earned income (up to \$5,050) plus \$300.

2. Single dependents 65 or older or blind must file a return if-

- Earned income was more than \$6,650 (\$7,950 if 65 or older and blind), or
- Unearned income was more than \$2,150 (\$3,450 if 65 or older and blind), or
- Gross income was more than the total of earned income (up to \$5,050) plus \$300 or \$850, whichever is larger; plus \$1,300 (\$2,600 if 65 or older and blind)

3. Married dependents under 65 must file a return if-

- Gross income was at least \$5 and spouse files a separate return and itemizes deductions.
- Earned income was more than \$5,350, or
- Unearned income was over \$850, or
- Gross income was more than the larger of \$850 or earned income (up to \$5,050) plus \$300.

4. Married dependents 65 or older or blind must file a return if-

- Earned income was more than \$6,400 (\$7,450 if 65 or older and blind), or
- Unearned income was more than \$1,900 (\$2,950 if 65 or older and blind), or
- Gross income was more than the total of earned income (up to \$5,050) plus \$300 or \$850, whichever is larger, plus \$1,050 (\$2,100 if 65 or older and blind)
- Gross income was at least \$5 and spouse files a separate return and itemizes deductions.

2. Received any advanced earned income credit (AEIC) payments.
3. Had net earnings from self-employment of at least \$400; or
4. Had wages of \$108.28 or more from a church or qualified church-controlled organization that was exempt from employer social security and Medicare taxes.

Data shown in this report include individuals who were not required to file tax returns, but did so for any of a number of reasons. For example, an individual might have filed a return to obtain a refund of tax withheld, or take advantage of the earned income credit. However, Tax Year 2007 data do not include individual income tax returns filed by individuals to only receive the economic stimulus payment and who had no other reason to file.

Changes in Law or Administrative Procedures

Major changes in effect for Tax Year 2007 that influenced the Statistics of Income data are listed below. Section 4, Explanation of Terms, provides more detailed explanations and definitions of the terms used in this report.

Additional Child Tax Credits

Modifications were made to the additional child tax credit for 2007. In Tax Year 2006, the credit limit based on earned income was 15 percent of a taxpayer's earned income that exceeded \$11,300. For 2007, the limit was 15 percent of a taxpayer's earned income that exceeded \$11,750.

Alternative Minimum Tax

For Tax Year 2007, the alternative minimum tax exemption rose to \$66,250 for a married couple filing a joint return, up from \$62,550 in 2006, and to \$44,350 for singles and heads of household, up from \$42,500, and to \$33,125 from \$31,275 for a married person filing separately.

Domestic Production Activities Deduction

For Tax Year 2007, the amount of qualified domestic production activities income that could have been deducted increased to 6% from 3% in 2006.

Earned Income Credit

The maximum amount of the earned income credit increased, as did the amounts of earned income and investment income an individual could have and still claim the credit. The maximum amount of investment income (interest, dividends and capital gain income) a taxpayer could have and still claim the credit increased to \$2,900 from \$2,800. The maximum credit for taxpayers with no qualifying children increased to \$428 from \$412. For these taxpayers, earned income and AGI had to be less than \$12,590 (\$14,590 if married filing jointly) to get any EIC. For taxpayers with one qualifying child, the maximum credit increased

\$106 to \$2,853 and, for taxpayers with two or more qualifying children, the maximum credit increased to \$4,716 from \$4,536. To be eligible for the credit, a taxpayer's earned income and AGI had to be less than \$33,241 (\$35,241 for married filing jointly) for one qualifying child, or less than \$37,783 (\$39,783 for married filing jointly) for two or more qualifying children.

Economic Stimulus Act of 2008

The Economic Stimulus Act of 2008 contained a special provision that allowed certain low-income individuals to file a federal income tax return in order to be eligible to receive an economic stimulus payment. These individuals who would not ordinarily have a legal requirement to file a federal income tax return had to show on their returns at least \$3,000 of qualifying income (defined as wages, self-employment income, Social Security income, Railroad Retirement benefits, certain Veterans Affairs benefits, and nontaxable combat pay). In addition, they could not be claimed as a dependent on someone else's federal tax return. These returns that were filed for the sole purpose of receiving an economic stimulus payment are not included in any of the statistics in section 1 and section 3 of this publication.

Exemption Amount

Indexing for inflation increased to \$3,400 the deduction for each exemption to which the taxpayer was entitled for 2007, an increase from the \$3,300 allowed for 2006. The AGI threshold for the limitation of exemption amounts was also indexed for inflation, increasing from \$150,500 to \$156,400 for single filers; \$225,750 to \$234,600 for married persons filing jointly and surviving spouses; \$188,150 to \$195,500 for heads of household; and \$112,875 to \$117,300 for married persons filing separately. The phase-out of the deduction for exemptions was completed at AGI levels above \$278,900 for single filers; \$352,100 for married persons filing jointly and surviving spouses; \$318,000 for heads of household; and \$178,550 for married persons filing separately. Starting in 2006, a taxpayer could lose no more

than 2/3 of the dollar amount of their exemption. This meant each exemption could not be reduced to less than \$1,133 for 2007. For 2005 and previous years, exemption amounts could be limited to zero. The exemption for housing a person displaced by Hurricane Katrina did not apply for Tax Year 2007.

Health Savings Account Deduction

The deduction was limited to the annual deductible on the qualifying high deductible health plan, but not more than \$2,850 (\$5,650 if family coverage), an increase from \$2,700 (\$5,450 if family coverage) in 2006. These limits were \$800 higher if the taxpayer was age 55 or older (\$1,600 if both spouses were 55 or older). For 2006, these limits were \$700 and \$1,400 respectively. New for 2007, a taxpayer was able to exclude from income, a qualified funding distribution made from an IRA to an HSA. This was a one-time distribution that was made directly by the trustee of the taxpayer's IRA to the HSA. In addition, an employer was able to make a rollover contribution to an employee's HSA from a qualified health flexible spending arrangement or a qualified health reimbursable arrangement.

Individual Retirement Arrangement Deduction

For 2007, a taxpayer (both taxpayers for taxpayers filing jointly), may have been able to take an IRA deduction up to \$4,000 (\$5,000 if age 50 or older). Taxpayers not covered by a retirement plan may have been able to deduct all contributions. Taxpayers covered by a retirement plan, the IRA deduction phased out between \$52,000 and \$62,000 of modified AGI for single filers (\$83,000 and \$103,000 for married filing jointly or qualifying widow(er)). This was up from \$50,000 and \$60,000 for single filers (\$75,000 and \$85,000 for married filing jointly or qualifying widow(er)) in 2006. If one spouse was an active participant in an employer plan but the other was not, the deduction for the IRA contribution of the spouse not covered by an employer plan phased out between modified AGI of \$156,000

and \$166,000, up from \$150,000 and \$160,000 in 2006. A taxpayer may have been able to deduct an additional \$3,000 if they were a participant in a 401(k) plan and their employer was in bankruptcy in an earlier year.

Interest Paid Deduction

New for 2007, taxpayers may have been able to treat mortgage insurance premiums paid in connection with home acquisition debt as home mortgage interest. Taxpayers could deduct mortgage insurance premiums for mortgage insurance contracts issued after December 31, 2006 that were secured by the taxpayer's first or second home. This amount was reported on the Schedule A, line 13.

Itemized Deductions

If a taxpayer's AGI was greater than \$156,400 (\$78,200 if married filing separately), his or her itemized deductions may have been limited; the threshold was increased from \$150,500 (\$75,250 if married filing separately) for 2006, as a result of inflation indexing. The limitation did not apply to deductions for medical and dental expenses, investment interest expenses, casualty or theft losses, and gambling losses; all other deductions were subject to the limitation. To arrive at allowable itemized deductions, total itemized deductions were reduced by the smaller of: (a) 80 percent of the non-exempt deductions, or (b) 3 percent of the amount of AGI in excess of the limitation threshold. Starting in Tax Year 2006, the reduction amount was then divided by 3 and subtracted from the original reduction amount. As a result, the amount by which the deduction was reduced was only 2/3 of the amount of the reduction that would have otherwise applied (for 2005 and previous years).

Refundable prior-year minimum tax credit

New for 2007, a refundable credit was available to a taxpayer who had any unused minimum tax credit carryforward from 2004 or earlier years. The taxpayer could have qualified for the refundable

Figure 3.-Calculation of the 1979 Income Concept for 2007

1979 Total Income Concept=

Income or Loss:

- Salaries and wages [1]
- Interest [1]
- Dividends [1]
- Taxable refunds [1]
- Alimony received [1]
- Sales of capital assets, net gain or loss [1]
- Other gains and losses (Form 4797) [1]
- Business net income or loss [1]
- Farm net income or loss [1]
- Rent net income or loss [1]
- Royalty net income or loss [1]
- Partnership net income or loss [1]
- S Corporation net income or loss [1]
- Farm rental net income or loss [1]
- Estate or trust net income or loss [1]
- Unemployment compensation [1]
- Depreciation in excess of straight-line depreciation [2]
- Total pension income [3,5]
- Other net income or loss [4]
- Net operating loss [1]

Deductions:

- Disallowed passive losses (Form 8582) [6]
- Moving expenses [1]
- Alimony paid [1]
- Unreimbursed business expenses [6]

[1] Included in adjusted gross income (less deficit) (AGI) for Tax Year 2007.

[2] Adjustment to add back excess depreciation (accelerated over straight-line depreciation) deducted in the course of a trade or business and included in net income (loss) amounts shown above.

[3] Includes taxable and tax-exempt pension and retirement distributions, including IRA distributions.

[4] Includes an adjustment to add back amounts reported for the foreign-earned income exclusion."

[5] Not fully included in AGI for Tax Year 2007.

[6] Not included in AGI for Tax Year 2007.

credit for part or the entire unused amount, even if the total amount of the 2007 credit exceeds the tax liability amount. This credit was only available for individual taxpayers.

Retirement Savings Contribution Credit

A taxpayer could take a credit of up to \$1,000 (\$2,000 if married filing jointly) for qualified retirement savings contributions. The adjusted gross income limit for claiming this credit increased to \$26,000 (\$39,000 if head of household, \$52,000 if married filing jointly). For 2006, these limits were \$25,000, \$37,500 and \$50,000, respectively.

Self-employment Tax

The ceiling on taxable "self-employment income" was raised, for 2007, to \$97,500 for the social security portion (12.4 percent) of the self-employment tax. The limit was \$94,200 for 2006.

Standard Deduction

For married persons filing jointly or surviving spouses, the standard deduction was increased in 2007, from \$10,300 to \$10,700.

For single filers and married persons filing separately, the standard deduction rose from \$5,150 to \$5,350; and for heads of household, from \$7,550 to \$7,850. The amount of standard deduction for a dependent was the greater of \$850 or the dependent's earned income plus \$300 (but not more than the regular standard deduction amount). Taxpayers who were age 65 or over or blind could claim an additional standard deduction amount of \$1,050 or \$1,300 depending on marital status.

Student Loan Interest Deduction

For 2007, eligible taxpayers were allowed to deduct up to \$2,500 for interest paid on qualified higher educational loans. The deduction was phased out for taxpayers with modified AGI between \$55,000 to \$70,000 (\$110,000 to \$140,000 for taxpayers filing a joint return).

Table B. All Returns: Selected Income and Tax Items, by Size of Adjusted Gross Income and by 1979 Income Concept, 2007

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

Size of income	Income				Salaries and wages			
	2007 Adjusted Gross Income		1979 Income Concept		2007 Adjusted Gross Income		1979 Income Concept	
	Number of returns [1]	Amount	Number of returns [1]	Amount	Number of returns	Amount	Number of returns	Amount
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
All returns, total	142,978,806	8,687,719	142,978,806	8,931,245	120,844,802	5,842,270	120,844,802	5,842,270
Under \$10,000	25,953,328	11,673	25,236,411	3,112	19,514,728	117,238	19,254,128	113,613
\$10,000 under \$20,000	22,976,467	342,106	23,269,730	347,357	18,310,200	259,234	18,529,252	264,381
\$20,000 under \$30,000	18,969,031	470,883	19,802,645	491,502	16,465,077	388,428	16,839,696	399,569
\$30,000 under \$40,000	14,740,806	512,920	15,432,734	536,532	13,097,548	425,047	13,474,939	439,524
\$40,000 under \$50,000	11,150,798	499,464	11,270,901	504,640	9,924,196	407,111	9,929,580	411,532
\$50,000 under \$60,000	8,890,786	487,078	8,716,240	477,351	7,848,405	387,637	7,707,048	385,306
\$60,000 under \$70,000	7,415,374	481,004	6,992,992	453,272	6,539,397	374,010	6,275,325	367,046
\$70,000 under \$80,000	5,927,551	443,123	5,593,185	418,520	5,260,430	343,132	5,048,942	337,785
\$80,000 under \$90,000	5,004,434	424,330	4,595,692	389,504	4,455,001	329,076	4,174,770	313,819
\$90,000 under \$100,000	3,956,731	374,912	3,678,470	348,672	3,548,669	288,495	3,362,897	277,990
\$100,000 under \$125,000	6,484,192	720,615	6,182,306	688,269	5,820,649	555,232	5,600,004	534,538
\$125,000 under \$150,000	3,521,982	480,469	3,444,403	469,266	3,139,733	356,572	3,105,036	347,881
\$150,000 under \$175,000	2,092,379	338,246	2,161,014	348,974	1,862,390	239,643	1,914,971	241,289
\$175,000 under \$200,000	1,359,324	253,710	1,379,168	257,668	1,207,548	179,667	1,226,421	173,975
\$200,000 under \$300,000	2,283,273	546,927	2,532,865	608,096	1,971,452	349,372	2,170,024	355,513
\$300,000 under \$400,000	792,783	272,212	940,363	323,235	673,157	158,809	796,916	167,494
\$400,000 under \$500,000	416,296	185,520	504,263	224,260	354,977	102,564	428,045	108,922
\$500,000 under \$1,000,000	651,049	441,439	801,388	544,056	535,532	212,455	648,931	222,752
\$1,000,000 under \$1,500,000	166,362	200,786	193,909	233,969	134,847	79,181	157,149	83,287
\$1,500,000 under \$2,000,000	70,733	121,768	83,013	143,221	56,226	43,308	66,784	45,603
\$2,000,000 under \$5,000,000	108,641	324,593	119,467	356,015	87,293	104,025	95,685	107,514
\$5,000,000 under \$10,000,000	28,090	192,328	29,032	198,574	22,663	51,770	23,395	52,369
\$10,000,000 and over	18,394	561,613	18,616	565,183	14,683	90,265	14,864	90,566

Size of income	Taxable interest received				Ordinary dividends received			
	2007 Adjusted Gross Income		1979 Income Concept		2007 Adjusted Gross Income		1979 Income Concept	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
All returns, total	64,505,131	268,058	64,505,131	268,058	32,006,152	237,052	32,006,152	237,052
Under \$10,000	6,383,007	12,181	6,028,636	12,460	3,020,317	5,231	2,863,973	5,327
\$10,000 under \$20,000	5,951,584	10,155	5,862,552	9,926	2,411,295	4,385	2,365,369	4,352
\$20,000 under \$30,000	5,539,464	9,601	6,064,718	12,080	2,195,846	4,523	2,482,011	5,614
\$30,000 under \$40,000	5,522,723	9,934	6,031,524	11,615	2,152,285	4,350	2,421,000	5,758
\$40,000 under \$50,000	5,207,276	9,175	5,421,545	11,516	2,122,841	4,991	2,320,478	6,228
\$50,000 under \$60,000	4,967,945	9,904	4,944,375	10,617	2,170,124	5,918	2,147,482	6,197
\$60,000 under \$70,000	4,629,009	10,848	4,333,281	9,548	2,120,784	6,258	1,951,144	6,352
\$70,000 under \$80,000	3,985,409	9,529	3,706,632	8,291	1,908,144	6,043	1,723,958	5,999
\$80,000 under \$90,000	3,608,511	8,837	3,282,185	7,543	1,751,873	6,226	1,543,809	5,303
\$90,000 under \$100,000	3,000,201	8,536	2,759,711	7,507	1,599,744	6,404	1,402,509	5,018
\$100,000 under \$125,000	5,287,827	15,860	5,021,478	13,934	2,976,974	12,685	2,810,248	11,762
\$125,000 under \$150,000	2,999,759	11,279	2,926,422	10,070	1,895,760	11,029	1,821,509	9,626
\$150,000 under \$175,000	1,868,312	8,897	1,920,989	8,698	1,242,393	8,764	1,269,873	8,792
\$175,000 under \$200,000	1,243,814	6,203	1,247,880	6,122	899,221	7,178	894,975	6,930
\$200,000 under \$300,000	2,120,362	17,556	2,345,048	16,931	1,633,356	18,712	1,770,268	18,208
\$300,000 under \$400,000	758,925	9,383	898,802	9,501	627,612	11,418	716,888	11,082
\$400,000 under \$500,000	402,540	6,309	484,557	6,521	346,123	7,821	403,733	7,659
\$500,000 under \$1,000,000	639,331	16,955	784,780	17,636	568,679	21,380	686,919	22,112
\$1,000,000 under \$1,500,000	164,498	9,004	191,780	9,214	149,978	10,406	175,423	10,799
\$1,500,000 under \$2,000,000	70,263	5,607	82,445	5,842	65,621	6,451	76,391	6,637
\$2,000,000 under \$5,000,000	108,012	15,727	118,270	15,941	102,133	18,155	112,014	18,456
\$5,000,000 under \$10,000,000	28,010	10,126	28,955	10,138	27,033	11,504	27,949	11,633
\$10,000,000 and over	18,348	36,454	18,569	36,408	18,016	37,220	18,228	37,208

Footnotes at end of table

Table B. All Returns: Selected Income and Tax Items, by Size of Adjusted Gross Income and by 1979 Income Concept, 2007—Continued

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

Size of income	Business or profession net income less loss				Sales of capital assets			
	2007 Adjusted Gross Income		1979 Income Concept		2007 Adjusted Gross Income		1979 Income Concept	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
All returns, total	22,629,468	279,736	22,629,468	279,736	27,156,241	907,656	27,156,241	907,656
Under \$10,000	4,315,164	4,179	4,010,009	982	2,848,567	14,519	2,731,559	15,514
\$10,000 under \$20,000	3,537,186	27,107	3,558,079	24,865	1,898,015	3,712	1,871,611	3,613
\$20,000 under \$30,000	2,183,220	15,684	2,249,201	14,459	1,734,972	4,383	1,911,680	4,941
\$30,000 under \$40,000	1,778,874	13,695	1,892,510	13,146	1,712,748	4,384	1,929,441	5,410
\$40,000 under \$50,000	1,578,906	13,337	1,566,887	11,820	1,698,972	5,191	1,835,901	6,269
\$50,000 under \$60,000	1,373,801	11,331	1,401,435	11,722	1,695,348	6,771	1,718,362	7,223
\$60,000 under \$70,000	1,214,001	12,090	1,168,530	11,167	1,699,259	7,354	1,587,875	8,446
\$70,000 under \$80,000	1,022,153	10,490	1,003,645	10,592	1,563,083	8,404	1,396,337	7,566
\$80,000 under \$90,000	910,573	11,268	873,853	9,959	1,443,506	8,278	1,292,222	7,655
\$90,000 under \$100,000	736,123	9,481	712,978	8,482	1,296,674	9,011	1,137,864	8,445
\$100,000 under \$125,000	1,266,158	19,753	1,263,067	20,000	2,495,514	20,985	2,358,602	20,723
\$125,000 under \$150,000	762,777	16,922	741,790	15,533	1,616,562	20,333	1,532,565	18,034
\$150,000 under \$175,000	465,981	12,793	495,749	13,270	1,147,883	17,628	1,149,618	17,123
\$175,000 under \$200,000	322,185	11,084	322,833	10,269	821,746	14,514	822,031	14,260
\$200,000 under \$300,000	569,601	30,067	657,597	33,073	1,569,199	46,450	1,694,342	44,774
\$300,000 under \$400,000	218,869	15,313	264,281	18,421	627,143	32,467	703,230	31,524
\$400,000 under \$500,000	107,549	9,686	127,178	11,075	345,560	25,190	391,849	25,454
\$500,000 under \$1,000,000	170,360	17,184	210,403	20,850	572,380	81,493	676,663	81,612
\$1,000,000 under \$1,500,000	40,217	6,080	48,336	6,905	153,086	47,358	176,445	47,287
\$1,500,000 under \$2,000,000	16,878	2,851	19,690	3,297	66,750	33,031	77,740	33,837
\$2,000,000 under \$5,000,000	26,767	5,245	29,023	5,610	103,768	103,873	113,668	105,201
\$5,000,000 under \$10,000,000	7,294	1,908	7,506	2,030	27,345	78,253	28,260	78,426
\$10,000,000 and over	4,831	2,190	4,890	2,208	18,160	314,074	18,375	314,317

Size of income	Rents, royalties, and farm rental net income less loss				Partnership and S corporation net income less loss			
	2007 Adjusted Gross Income		1979 Income Concept		2007 Adjusted Gross Income		1979 Income Concept	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)
All returns, total	10,334,494	20,639	10,334,494	20,639	7,944,991	414,705	7,944,991	414,705
Under \$10,000	948,963	-8,166	938,893	-8,986	646,050	-50,566	637,981	-50,521
\$10,000 under \$20,000	873,771	-765	836,894	-672	385,213	-104	367,868	-246
\$20,000 under \$30,000	827,951	-932	916,455	-867	419,774	1,087	426,867	862
\$30,000 under \$40,000	827,437	-1,409	893,556	-907	426,015	1,923	437,972	1,488
\$40,000 under \$50,000	779,279	-883	829,105	-810	418,965	2,512	445,153	2,379
\$50,000 under \$60,000	746,749	-1,799	751,239	-955	412,245	2,616	434,688	2,717
\$60,000 under \$70,000	705,992	-549	655,966	-694	416,413	3,041	401,457	3,131
\$70,000 under \$80,000	627,839	-350	590,161	-754	412,810	4,079	387,597	3,543
\$80,000 under \$90,000	589,595	161	520,889	106	397,760	4,357	356,621	4,193
\$90,000 under \$100,000	471,743	46	437,132	170	317,723	4,746	314,206	4,435
\$100,000 under \$125,000	898,081	938	857,417	1,229	650,729	10,471	628,487	9,164
\$125,000 under \$150,000	561,725	1,541	504,747	1,576	472,090	10,498	435,489	9,178
\$150,000 under \$175,000	285,086	2,287	291,199	2,148	374,240	10,294	376,687	10,805
\$175,000 under \$200,000	191,995	1,913	201,621	1,918	294,615	10,061	275,553	8,406
\$200,000 under \$300,000	380,074	5,728	421,210	5,252	677,967	37,765	709,324	35,584
\$300,000 under \$400,000	176,648	3,385	196,176	3,037	338,634	28,005	359,789	27,848
\$400,000 under \$500,000	104,849	2,571	119,278	2,686	206,321	24,029	219,358	24,070
\$500,000 under \$1,000,000	185,793	5,680	210,500	5,834	383,689	74,343	418,041	77,497
\$1,000,000 under \$1,500,000	55,177	2,463	60,125	2,457	116,415	41,606	123,114	42,316
\$1,500,000 under \$2,000,000	26,173	1,412	28,692	1,479	52,303	26,563	57,501	27,484
\$2,000,000 under \$5,000,000	45,034	3,728	48,231	3,734	84,713	67,068	90,019	68,193
\$5,000,000 under \$10,000,000	14,007	1,410	14,385	1,432	23,677	33,610	24,408	34,676
\$10,000,000 and over	10,531	2,230	10,620	2,227	16,627	66,700	16,809	67,504

Footnotes at end of table

Table B. All Returns: Selected Income and Tax Items, by Size of Adjusted Gross Income and by 1979**Income Concept, 2007—Continued**

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

Size of income	Nondeductible passive losses				Estate and trust net income less loss			
	2007 Adjusted Gross Income		1979 Income Concept		2007 Adjusted Gross Income		1979 Income Concept	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(33)	(34)	(35)	(36)	(37)	(38)	(39)	(40)
All returns, total	2,207,734	40,525	2,207,734	40,525	590,711	18,107	590,711	18,107
Under \$10,000	153,068	4,791	229,826	12,708	39,335	-564	38,858	-605
\$10,000 under \$20,000	70,624	959	63,932	602	25,271	123	20,940	112
\$20,000 under \$30,000	68,584	717	77,267	711	32,774	214	36,336	240
\$30,000 under \$40,000	86,861	1,161	85,695	873	25,632	205	34,712	205
\$40,000 under \$50,000	79,425	1,295	85,755	745	27,656	179	34,399	379
\$50,000 under \$60,000	78,039	1,286	82,103	758	34,473	425	29,060	308
\$60,000 under \$70,000	73,889	1,203	60,189	638	31,473	295	28,736	284
\$70,000 under \$80,000	53,888	707	57,878	677	27,779	262	26,379	366
\$80,000 under \$90,000	69,827	924	73,597	753	20,999	346	27,016	337
\$90,000 under \$100,000	73,454	641	62,706	610	24,107	354	15,964	243
\$100,000 under \$125,000	186,883	2,142	191,359	2,065	61,362	665	55,697	623
\$125,000 under \$150,000	196,124	2,315	191,760	2,345	39,413	504	36,914	657
\$150,000 under \$175,000	207,509	2,650	172,853	1,633	30,591	751	31,962	684
\$175,000 under \$200,000	154,179	2,214	129,440	1,421	28,414	779	27,344	595
\$200,000 under \$300,000	280,149	4,122	251,339	3,026	50,654	1,422	49,509	1,421
\$300,000 under \$400,000	114,010	2,068	112,180	1,583	22,909	850	23,952	817
\$400,000 under \$500,000	61,202	1,428	69,529	1,187	14,360	660	15,438	693
\$500,000 under \$1,000,000	113,487	2,964	118,733	2,391	26,469	1,831	28,643	1,860
\$1,000,000 under \$1,500,000	33,837	1,287	36,292	1,031	8,190	1,073	9,343	1,032
\$1,500,000 under \$2,000,000	14,871	730	15,829	589	4,471	682	4,753	712
\$2,000,000 under \$5,000,000	24,978	1,616	26,571	1,375	8,416	1,955	8,707	1,996
\$5,000,000 under \$10,000,000	7,385	1,015	7,469	840	3,042	1,395	3,116	1,363
\$10,000,000 and over	5,462	2,290	5,431	1,965	2,923	3,702	2,932	3,786
Size of income	Pensions and annuities in AGI [2]		Pensions and annuities [2]		Total statutory adjustments			
	2007 Adjusted Gross Income		1979 Income Concept		2007 Adjusted Gross Income		1979 Income Concept	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(41)	(42)	(43)	(44)	(45)	(46)	(47)	(48)
All returns, total	29,529,783	638,541	32,112,084	1,041,376	36,050,434	123,020	17,771,048	94,505
Under \$10,000	2,193,600	12,691	2,061,606	12,795	4,579,967	6,526	331,934	3,344
\$10,000 under \$20,000	4,080,011	38,804	4,148,358	40,623	4,404,240	6,287	778,482	5,708
\$20,000 under \$30,000	3,319,098	43,664	3,982,196	56,687	3,452,500	6,227	1,325,332	8,370
\$30,000 under \$40,000	2,900,854	44,865	3,545,008	63,161	3,260,629	6,322	1,706,330	9,100
\$40,000 under \$50,000	2,507,831	45,118	2,805,140	58,234	2,992,008	6,857	1,686,013	8,408
\$50,000 under \$60,000	2,305,036	47,346	2,346,062	57,090	2,661,141	6,238	1,721,304	8,211
\$60,000 under \$70,000	2,116,259	48,958	1,977,557	50,080	2,348,937	5,719	1,576,129	6,957
\$70,000 under \$80,000	1,801,481	45,244	1,686,036	46,669	1,860,526	5,028	1,395,000	5,986
\$80,000 under \$90,000	1,530,477	42,009	1,417,115	42,072	1,687,656	4,838	1,241,571	5,362
\$90,000 under \$100,000	1,253,406	36,617	1,160,862	37,852	1,412,422	4,532	1,067,167	4,272
\$100,000 under \$125,000	2,032,381	68,259	2,091,512	78,792	2,746,452	10,709	1,915,623	8,467
\$125,000 under \$150,000	1,126,049	43,842	1,264,164	58,685	1,533,805	7,103	996,784	4,728
\$150,000 under \$175,000	696,067	31,038	863,717	46,876	762,306	4,620	611,899	3,225
\$175,000 under \$200,000	427,916	19,302	557,474	35,564	444,390	3,701	390,421	2,118
\$200,000 under \$300,000	682,228	35,633	1,085,483	96,335	836,442	10,589	579,643	4,124
\$300,000 under \$400,000	208,369	11,824	397,048	52,421	335,555	5,489	186,258	1,472
\$400,000 under \$500,000	100,440	6,043	210,126	36,542	187,293	3,680	90,473	1,008
\$500,000 under \$1,000,000	157,409	9,653	344,279	90,852	325,121	7,991	119,403	1,781
\$1,000,000 under \$1,500,000	38,852	2,799	77,899	29,053	89,045	2,789	23,816	547
\$1,500,000 under \$2,000,000	16,429	1,240	32,562	17,224	39,303	1,514	10,816	304
\$2,000,000 under \$5,000,000	24,766	2,061	42,639	25,718	62,068	3,057	12,590	556
\$5,000,000 under \$10,000,000	6,508	753	9,493	4,837	16,795	1,235	2,618	241
\$10,000,000 and over	4,316	779	5,747	3,213	11,834	1,968	1,443	217

Footnotes at end of table

Table B. All Returns: Selected Income and Tax Items, by Size of Adjusted Gross Income and by 1979 Income Concept, 2007—Continued

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

Size of income	Total itemized deductions				Taxable income			
	2007 Adjusted Gross Income		1979 Income Concept		2007 Adjusted Gross Income		1979 Income Concept	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(49)	(50)	(51)	(52)	(53)	(54)	(55)	(56)
All returns, total	50,544,470	1,333,037	50,519,740	1,271,680	110,533,209	6,063,264	110,533,209	6,063,264
Under \$10,000	904,979	14,431	1,019,223	15,221	4,760,703	7,800	4,786,060	9,349
\$10,000 under \$20,000	2,266,763	34,532	2,468,796	33,000	14,571,689	78,483	14,637,692	79,966
\$20,000 under \$30,000	3,253,756	49,674	3,649,777	51,525	17,115,127	193,758	17,721,121	206,839
\$30,000 under \$40,000	4,307,792	67,360	4,578,758	66,734	14,209,462	271,346	14,849,073	298,401
\$40,000 under \$50,000	4,529,246	74,965	4,532,914	71,132	10,951,496	295,082	11,027,250	315,680
\$50,000 under \$60,000	4,491,042	80,643	4,377,858	74,042	8,785,811	300,475	8,585,159	309,401
\$60,000 under \$70,000	4,304,048	82,051	4,071,753	74,463	7,362,618	310,521	6,909,240	300,369
\$70,000 under \$80,000	3,844,284	77,802	3,622,172	70,195	5,898,351	295,032	5,539,104	283,485
\$80,000 under \$90,000	3,556,219	76,740	3,252,704	67,117	4,980,874	288,976	4,540,078	266,022
\$90,000 under \$100,000	3,109,903	70,037	2,891,618	62,423	3,942,057	259,934	3,652,610	241,985
\$100,000 under \$125,000	5,394,373	135,758	5,085,570	122,549	6,467,254	512,367	6,138,734	481,618
\$125,000 under \$150,000	3,115,505	89,584	2,978,525	82,314	3,515,987	353,446	3,427,082	334,681
\$150,000 under \$175,000	1,901,755	62,711	1,924,339	59,355	2,087,536	253,790	2,149,362	249,731
\$175,000 under \$200,000	1,281,682	46,398	1,271,181	43,581	1,356,919	193,549	1,372,263	184,855
\$200,000 under \$300,000	2,148,404	91,307	2,302,747	90,174	2,279,377	434,882	2,519,816	435,472
\$300,000 under \$400,000	754,775	41,559	869,219	43,481	791,565	227,064	936,247	233,914
\$400,000 under \$500,000	393,257	26,185	461,705	27,661	415,413	157,944	502,496	164,675
\$500,000 under \$1,000,000	611,121	55,931	738,296	58,996	649,555	383,495	796,961	400,897
\$1,000,000 under \$1,500,000	157,556	22,511	182,351	23,527	166,028	177,818	193,348	183,342
\$1,500,000 under \$2,000,000	67,514	13,318	78,948	14,029	70,606	108,291	82,848	112,845
\$2,000,000 under \$5,000,000	104,883	33,943	114,574	34,449	108,384	290,542	119,115	297,600
\$5,000,000 under \$10,000,000	27,479	20,036	28,363	20,213	28,027	172,395	28,960	174,363
\$10,000,000 and over	18,135	65,561	18,348	65,498	18,370	496,274	18,588	497,775

Size of income	Total tax credits				Total income tax			
	2007 Adjusted Gross Income		1979 Income Concept		2007 Adjusted Gross Income		1979 Income Concept	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(57)	(58)	(59)	(60)	(61)	(62)	(63)	(64)
All returns, total	48,090,578	63,779	48,090,578	63,779	96,269,751	1,115,602	96,269,751	1,115,602
Under \$10,000	815,971	50	782,908	70	4,214,972	831	4,282,728	1,062
\$10,000 under \$20,000	4,952,527	1,273	4,998,473	1,314	11,464,349	6,825	11,474,258	6,973
\$20,000 under \$30,000	8,016,159	5,033	8,148,831	5,119	11,593,401	17,599	12,210,393	19,049
\$30,000 under \$40,000	6,035,683	5,750	6,241,551	5,892	11,472,967	27,853	12,085,309	31,310
\$40,000 under \$50,000	4,820,749	5,489	4,768,786	5,417	9,740,232	33,515	9,850,555	36,770
\$50,000 under \$60,000	3,746,966	5,142	3,734,781	5,093	8,185,563	37,002	8,008,063	38,704
\$60,000 under \$70,000	3,346,977	5,185	3,278,890	5,100	7,084,513	39,911	6,642,508	38,511
\$70,000 under \$80,000	2,891,845	4,526	2,753,924	4,433	5,774,029	38,842	5,416,233	37,681
\$80,000 under \$90,000	2,569,532	4,169	2,425,025	3,987	4,920,179	38,736	4,474,555	36,117
\$90,000 under \$100,000	2,137,439	3,560	2,007,818	3,355	3,911,808	36,224	3,622,097	34,105
\$100,000 under \$125,000	3,443,080	4,903	3,305,100	4,638	6,432,010	79,772	6,092,741	75,098
\$125,000 under \$150,000	1,589,493	1,443	1,588,780	1,506	3,510,709	62,287	3,414,906	58,720
\$150,000 under \$175,000	842,712	706	882,363	705	2,085,943	47,898	2,142,725	46,843
\$175,000 under \$200,000	562,280	408	575,934	487	1,355,055	38,731	1,366,720	36,604
\$200,000 under \$300,000	1,008,296	1,480	1,099,684	1,369	2,277,182	97,045	2,512,598	95,437
\$300,000 under \$400,000	402,561	929	460,337	1,036	790,850	57,161	933,518	57,507
\$400,000 under \$500,000	217,744	810	249,964	864	415,327	42,175	501,561	43,046
\$500,000 under \$1,000,000	408,671	2,379	476,065	2,681	649,403	103,163	795,614	106,550
\$1,000,000 under \$1,500,000	112,551	1,275	127,045	1,276	165,971	48,354	193,296	49,760
\$1,500,000 under \$2,000,000	50,445	834	58,188	913	70,556	29,351	82,775	30,485
\$2,000,000 under \$5,000,000	80,978	2,409	87,296	2,463	108,357	77,555	119,074	79,477
\$5,000,000 under \$10,000,000	22,253	1,354	22,992	1,381	28,014	43,930	28,946	44,518
\$10,000,000 and over	15,666	4,674	15,845	4,681	18,362	110,843	18,579	111,276

[1] The total number of returns does not include the returns filed by individuals to only receive the economic stimulus payment and who had no other reason to file.

[2] Individual Retirement Arrangements are included in the calculation of "Pensions and annuities."

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

For 2006, these limits were \$50,000 to \$65,000 (\$105,000 to \$135,000 for taxpayers filing a joint return).

The 1979 Income Concept: A Retrospective Income Definition

In order to analyze changes in income and taxes over a period of years, a consistent definition of income must be used. The income concept available from Federal income tax returns, AGI, was designed to facilitate tax administration, and its definition has changed over time to reflect modifications to the Internal Revenue Code. Tax laws of the 1980's (the Economic Recovery Tax Act of 1981, the Tax Equity and Fiscal Responsibility Act of 1982, the Tax Reform Act of 1984, and the Tax Reform Act of 1986) made significant changes to the components of AGI, which made it more difficult to use AGI for accurate comparisons of income from year to year. For this reason, it was decided to develop an income definition that would be consistent over several years, and would allow comparisons both before and after the major tax legislation of the 1980's.

The result was a retrospective income definition known as the 1979 Income Concept, reflecting a base period from 1979 through 1986. It was calculated using only data available from Individual income tax returns. By using the same income items in the calculation each year, its definition was consistent throughout the base years. In addition, this retrospective income definition could be used in future years to compare income by continuing to include the same components that were common to all years. The calculation of the 1979 Income Concept is shown in Figure 3. Several items partially excluded from AGI for the base years were fully included in this new income measure, the largest of which was capital gains. The full amount of all capital gains, as well as all dividends and unemployment compensation, was included in the income calculation. Total pensions, annuities, IRA distributions, and roll-overs were added, including the non-taxable portions that were excluded from AGI. Social security benefits were omitted because they were not reported on

tax returns until 1984. Also, any depreciation in excess of straight-line depreciation, which was subtracted in computing AGI, was added back.

Deductions that could be subtracted in the calculation of the 1979 Income Concept were limited to employee business expenses, alimony paid, and moving expenses. These same items were also subtracted in computing AGI until 1987 when unreimbursed business expenses and moving expenses were changed from adjustments to itemized deductions. Starting in 1994, moving expenses were once more made an adjustment to income. The amounts reported for employee business expenses by taxpayers who itemized deductions were subtracted in the calculation of the 1979 Income Concept. Taxpayers who did not itemize deductions, however, could not claim this expense (as well as moving expenses prior to 1994). For this reason, the deduction for these two expenses beginning in 1987 is not completely comparable to that for previous years.

Comparison of AGI with 1979 Income Concept

The Tax Reform Act of 1986 (TRA 86) made extensive changes to the calculation of AGI beginning with 1987. These changes made necessary a revision of the calculation of the 1979 Income Concept, in order to make tax years beginning with 1987 comparable to the base years, 1979 through 1986. The law changes limited the deduction of passive losses and eliminated unreimbursed employee business expenses and moving expenses as "adjustments" (moving expenses changed back for 1994) in figuring AGI beginning with Tax Year 1987. Since passive losses had been fully deductible for both income measures prior to 1987, the disallowed passive losses had to be deducted in the 1979 Income Concept calculation for tax years after 1986.

Some income items, such as capital gains, that had been partially excluded from AGI under prior law were fully included. The new law also eliminated or restricted some deductions. Therefore, if AGI is used to measure income, comparisons between 1986 income and tax data with that for years after 1986 are misleading. A

more accurate comparison can be made using the 1979 Income Concept because it measures income in the same way for all years. Table B shows total income and selected tax items for 2007 using AGI and the 1979 Income Concept, classified by size of 2007 income.

Before TRA 86 became effective, a comparison of income measured by AGI with that measured by the 1979 Income Concept showed significant differences at income levels of \$200,000 or more. But, with the elimination of preferential treatment of various income items by TRA 86, such as the exclusion of a portion of capital gains, much of the difference disappeared. Under tax law prior to 1987, the capital gains exclusion accounted for the largest difference at the higher income levels between the two income measures. For 2007, 1979 Concept income was 2.8 percent higher than income as calculated using AGI. This difference was primarily attributed to the inclusion of more than \$402.8 billion in nontaxable pensions and annuities (including IRA distributions) in the 1979 Income Concept.

Income for all returns, using the 1979 Income Concept, increased 8.0 percent for 2007; income for the \$200,000 and above group increased 13.0 percent. Total income tax for all returns increased 9.0 percent in 2007 after an increase of 9.5 percent in 2006; and total income tax reported for the \$200,000 and above income group increased 11.9 percent for 2007, down slightly from the 13.7 percent increase for 2006. The average tax rates (income tax as a percentage of total income) for each income class and both income concepts for years 1986 through 2007 are shown in Figure 4.

For the population as a whole, average tax rates for 2007 (based on the 1979 Income Concept) were 0.1 percentage point higher than those for 2006. Between 1986 and 2007, the average tax rates declined in all income categories except below \$10,000. Although the average tax rate for 2007 was calculated using a lower maximum marginal tax rate of 35.0 percent compared to 50 percent for 1986, it was calculated on income that included all capital gains (long-term gains could be partially excluded from income for 1986).

Figure 4--Total Income Tax as a Percentage of Adjusted Gross Income and the 1979 Income Concept, 1986-2007

Size of 2007 AGI	Total income tax as a percentage of adjusted gross income																					
	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)
All returns, total	14.8	13.3	13.4	13.3	13.1	13.5	13.1	13.5	13.7	14.0	14.5	14.7	14.6	15.0	15.4	14.4	13.2	12.1	12.3	12.6	12.7	12.8
\$1 Under \$10,000	3.0	2.9	2.9	2.7	2.5	2.3	2.0	1.9	1.8	1.8	1.8	1.8	1.7	1.7	1.7	1.0	0.7	0.7	0.6	0.6	0.6	0.6
\$10,000 under \$20,000	7.8	6.8	6.5	6.4	6.1	5.5	5.1	4.9	4.8	4.7	4.6	4.3	4.3	4.1	4.1	3.4	2.6	2.4	2.3	2.2	2.1	2.0
\$20,000 under \$30,000	10.6	9.4	9.3	9.3	9.1	8.7	8.4	8.2	8.1	7.9	7.7	7.6	6.8	6.7	6.5	5.9	4.7	4.2	4.1	4.0	3.9	3.7
\$30,000 under \$40,000	12.2	10.6	10.9	10.9	10.6	10.5	10.2	10.1	10.0	9.8	9.7	9.6	8.8	8.6	8.5	8.0	6.7	6.1	5.8	5.6	5.5	5.4
\$40,000 under \$50,000	13.8	11.8	11.6	11.5	11.4	11.0	10.8	10.7	10.8	10.7	10.8	10.7	10.0	9.8	9.8	9.4	8.1	7.4	7.2	6.9	6.8	6.7
\$50,000 under \$60,000	15.5	13.5	13.2	12.9	12.4	12.1	11.6	11.5	11.4	11.4	11.3	11.3	10.7	10.6	10.6	10.2	9.2	8.5	8.1	7.8	7.7	7.6
\$60,000 under \$70,000	16.9	15.1	14.5	14.2	13.8	13.2	12.9	12.7	12.6	12.5	12.3	12.1	11.4	11.2	11.2	10.8	9.6	9.0	8.5	8.4	8.4	8.3
\$70,000 under \$80,000	18.7	16.5	15.6	15.3	14.9	14.4	14.0	13.9	13.8	13.6	13.6	13.4	12.6	12.4	12.1	11.6	10.6	9.4	9.0	8.8	8.7	8.8
\$80,000 under \$90,000	19.9	17.8	16.6	16.2	15.8	15.4	15.0	15.1	14.9	14.6	14.6	14.4	13.5	13.5	13.5	12.9	11.6	10.1	9.5	9.4	9.2	9.1
\$90,000 under \$100,000	20.8	18.8	17.4	17.3	16.6	16.0	15.9	15.7	15.9	15.8	15.4	15.2	14.8	14.5	14.4	13.7	12.7	11.0	10.5	10.1	9.9	9.7
\$100,000 under \$125,000	23.1	20.1	18.8	18.4	17.5	17.3	16.9	17.0	17.0	16.9	16.7	16.5	16.0	15.8	15.8	15.2	14.2	12.4	12.0	11.5	11.3	11.1
\$125,000 under \$150,000	25.2	21.8	20.3	19.8	19.2	18.6	18.7	18.6	18.6	18.3	18.4	17.7	17.7	17.6	17.4	16.8	16.0	14.2	13.7	13.4	13.3	13.0
\$150,000 under \$175,000	28.0	23.0	21.6	21.1	20.4	19.8	19.6	19.7	19.9	19.9	19.8	19.3	18.8	19.0	18.6	18.2	17.3	15.4	15.1	14.8	14.5	14.2
\$175,000 under \$200,000	29.3	23.9	22.5	21.8	21.1	21.0	20.7	21.2	21.4	20.9	20.9	20.5	20.0	20.0	19.9	19.1	18.4	16.8	16.4	16.2	15.8	15.3
\$200,000 under \$300,000	31.1	25.8	23.7	22.8	22.6	22.7	22.9	23.8	23.9	23.8	23.4	22.9	22.4	22.4	22.4	21.6	21.0	19.2	18.9	18.6	18.1	17.7
\$300,000 under \$400,000	33.7	27.0	24.0	23.6	23.7	24.3	24.4	26.9	26.9	26.8	26.6	26.1	25.4	25.4	25.0	24.7	24.2	22.4	22.1	21.6	21.3	21.0
\$400,000 under \$500,000	36.2	28.2	24.1	23.9	23.6	24.9	25.3	28.4	28.6	28.7	28.2	27.4	26.9	26.7	26.6	26.1	25.7	23.8	23.2	22.9	22.8	22.7
\$500,000 under \$1,000,000	38.4	29.0	24.6	24.0	24.0	25.7	26.0	30.0	30.2	30.1	30.1	29.0	28.2	28.4	28.3	28.1	27.9	24.9	24.3	23.8	23.6	23.4
\$1,000,000 or more	40.2	28.6	25.0	24.2	24.1	26.2	26.8	31.2	31.1	31.4	30.8	28.8	27.5	27.9	27.7	28.3	28.5	24.8	23.4	23.0	22.5	22.1
All returns, total	13.3	13.1	13.3	13.2	13.0	12.7	12.8	13.3	13.5	13.8	14.3	14.5	14.2	14.6	15.0	14.1	12.9	11.8	12.0	12.3	12.4	12.5
\$1 Under \$10,000	3.0	2.9	2.9	2.7	2.6	2.3	2.0	1.9	1.8	1.8	1.8	1.9	1.7	1.7	1.7	1.0	0.8	0.7	0.7	0.7	0.7	0.7
\$10,000 under \$20,000	7.6	6.7	6.5	6.4	6.1	5.5	5.1	4.8	4.8	4.7	4.6	4.4	4.2	4.1	4.0	3.4	2.6	2.4	2.3	2.2	2.1	2.0
\$20,000 under \$30,000	10.0	9.3	9.3	9.3	9.1	8.7	8.3	8.2	8.1	7.9	7.8	7.6	6.9	6.8	6.6	6.1	4.8	4.4	4.2	4.1	4.0	3.9
\$30,000 under \$40,000	11.6	10.7	10.7	10.9	10.7	10.5	10.2	10.2	10.1	10.1	10.0	9.8	9.1	8.9	9.0	8.4	7.1	6.5	6.2	6.0	5.9	5.8
\$40,000 under \$50,000	12.6	11.7	11.7	11.5	11.5	11.1	10.9	10.8	11.0	11.0	11.1	11.0	10.3	10.1	10.2	9.9	8.5	7.8	7.6	7.4	7.3	7.3
\$50,000 under \$60,000	13.8	13.4	13.2	12.9	12.5	12.0	11.6	11.6	11.6	11.6	11.6	11.5	11.0	10.9	10.9	10.6	9.5	8.7	8.4	8.1	8.1	8.1
\$60,000 under \$70,000	14.9	15.0	14.5	14.2	13.8	13.2	12.9	12.7	12.7	12.5	12.5	12.4	11.4	11.4	11.5	11.1	9.8	9.1	8.7	8.7	8.6	8.5
\$70,000 under \$80,000	15.8	16.2	15.4	15.2	14.6	14.2	13.7	13.7	13.6	13.6	13.5	13.3	12.6	12.4	12.3	11.8	10.8	9.5	9.1	9.0	8.9	9.0
\$80,000 under \$90,000	16.7	17.5	16.1	16.2	15.5	15.1	14.6	14.7	14.6	14.4	14.5	14.2	13.3	13.4	13.4	12.9	11.5	10.1	9.6	9.4	9.2	9.3
\$90,000 under \$100,000	16.8	18.1	17.1	16.8	16.1	15.5	15.2	15.3	15.4	15.5	15.2	15.2	14.5	14.0	14.2	13.6	12.7	11.0	10.4	10.1	10.0	9.8
\$100,000 under \$125,000	18.3	19.3	18.0	17.7	16.9	16.6	16.2	16.3	16.3	16.2	16.1	16.0	15.2	15.4	15.4	14.9	13.8	12.0	11.7	11.3	11.1	10.9
\$125,000 under \$150,000	19.0	20.6	19.6	18.8	18.0	17.3	17.2	17.7	17.4	17.4	17.3	16.7	16.6	16.6	16.6	16.2	15.2	13.6	13.0	12.8	12.7	12.5
\$150,000 under \$175,000	19.3	21.2	20.6	20.0	19.1	18.3	17.8	18.0	18.5	18.1	18.4	18.2	17.1	17.5	17.5	17.0	15.9	14.3	14.1	13.8	13.7	13.4
\$175,000 under \$200,000	20.3	22.5	21.6	20.7	20.0	18.6	19.0	19.1	19.4	19.2	18.9	18.8	18.1	18.4	18.0	17.8	16.8	15.3	14.9	15.0	14.5	14.2
\$200,000 under \$300,000	22.6	23.8	22.3	21.5	21.4	20.5	20.2	21.4	21.5	21.5	21.3	20.4	19.4	19.9	20.2	19.5	18.5	17.1	17.0	16.4	15.9	15.7
\$300,000 under \$400,000	22.6	24.5	22.6	21.9	21.5	21.6	21.6	23.5	23.7	23.7	23.1	24.0	22.5	21.3	21.7	21.3	20.5	19.2	18.9	18.4	18.1	17.8
\$400,000 under \$500,000	23.4	26.5	23.2	22.7	22.3	23.0	21.4	25.4	24.8	25.1	25.0	24.3	22.6	23.2	21.5	22.2	21.8	20.7	20.7	19.5	18.8	19.2
\$500,000 under \$1,000,000	23.7	26.7	23.5	22.0	21.7	23.5	22.6	26.3	26.1	26.7	27.1	26.1	24.3	24.0	24.3	24.2	23.7	21.7	21.7	21.0	20.2	19.6
\$1,000,000 or more	21.4	26.8	24.5	23.2	23.2	25.2	26.1	29.5	30.1	30.4	29.8	27.5	26.2	26.1	26.0	27.0	26.7	23.4	22.3	21.8	21.3	21.1

Total income tax as a percentage of 1979 income concept

