



## **Summary of Latest Federal Individual Income Tax Data**

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The latest release of Internal Revenue Service data on individual income taxes comes from calendar year 2005, a year in which the economy remained healthy and continued to grow, as well as a year with higher-than-average price inflation.

This year's numbers show that both the income share earned by the top 1 percent and the tax share paid by the top 1 percent have reached all-time highs. In 2005, the top 1 percent of tax returns paid 39.4 percent of all federal individual income taxes and earned 21.2 percent of adjusted gross income, both of which are significantly higher than 2004 when the top 1 percent earned 19 percent of AGI and paid 36.9 percent of federal individual income taxes.

The IRS data also shows increases in individual incomes across all income groups (see Table 3). Just as the highest earners lost the biggest percentage of their incomes during the recession of 2001, so they have prospered the most as the economy has continued to rebound. For example, from 2000 to 2002, the adjusted gross income (AGI) of the top 1 percent of tax returns fell by over 26 percent. In that same period, the AGI of the bottom 50 percent of tax returns actually increased by 4.3 percent. However, since 2002, as the recession has ended, AGI has risen by 61 percent for the top 1 percent and 10.7 percent for the bottom 50 percent.

In sum, between 2000 and 2005, pre-tax income for the top 1 percent group grew by 19.1 percent. On the other hand, in that same time period, pre-tax income for the bottom 50 percent increased by 15.5 percent.

This pattern of income loss and growth at the top of the income spectrum is the same during every recession and recovery. The net result has also been a sharp rise in federal government tax revenue from 2003-2005 compared to previous years.

The IRS data below include all of the 132.6 million tax returns filed in 2005 that had a positive AGI, not just the returns from people who earn enough to owe taxes. From other IRS data, we can see that 90.6 million of the tax returns came from people who paid taxes into the Treasury. That leaves 42 million tax returns filed by people with positive AGI who used exemptions, deductions and tax credits to completely wipe out their federal income tax liability. Not only did they get back every dollar that the federal government withheld from their paychecks during 2005; but some even received more back from the IRS. This is a result of refundable tax credits like the Earned Income Tax Credit, which are not included in the aggregate percentile data here.

Including all tax returns that had a positive AGI, those taxpayers with an AGI of \$145,283 or more in 2005 constituted the nation's top 5 percent of earners. To break into the top 1 percent, a tax return had to have an AGI of \$364,657 or more. These numbers are up significantly from 2003 when the equivalent thresholds were \$130,080 and \$295,495. Top incomes in 2005 are also continuing to surpass the peak they reached in 2000. At the height of the boom and bubble, \$313,469 was the threshold to break into the top 1 percent, and then it fell to \$285,424 in 2002 only to finally recover fully last year.

The top-earning 25 percent of taxpayers (AGI over \$62,068) earned 67.5 percent of the nation's income, but they paid more than four out of every five dollars collected by the federal income tax (86 percent). The top 1 percent of taxpayers (AGI over \$364,657) earned approximately 21.2 percent of the nation's income (as defined by AGI), yet paid 39.4 percent of all federal income taxes. That means the top 1 percent of tax returns paid about the same amount of federal individual income taxes as the bottom 95 percent of tax returns.

Average tax rates increased once again as the economy continues to grow, even though there were no significant pieces of tax legislation enacted in 2005. Overall, the average tax rate for returns with a positive liability went from 11.9 percent to 12.1 percent from 2003 to 2004 and then up to 12.5 percent for 2005. (Note this does not include any refundable credits.)

The 2003 tax cut was the second in three years, but the tax code still remains highly progressive. The average tax rate in 2005 ranges from 2.98 percent of income for the bottom half of the earning spectrum to 23.13 percent for the top 1 percent.

**Table 1. Summary of Federal Individual Income Tax Data, 2005 (Updated October 2007)**

	Number of Returns with Positive AGI	AGI (\$ millions)	Income Taxes Paid (\$ millions)	Group's Share of Total AGI	Group's Share of Income Taxes	Income Split Point	Average Tax Rate
All Taxpayers	132,611,637	\$7,507,958	\$934,703	100.00%	100.00%	-	12.45%
Top 1%	1,326,116	\$1,591,711	\$368,132	21.20%	39.38%	> \$364,657	23.13%
Top 2-5%	5,304,466	\$1,092,223	\$189,627	14.55%	20.29%		17.36%
Top 5%	6,630,582	\$2,683,934	\$557,759	35.75%	59.67%	> \$145,283	20.78%
Top 6-10%	6,630,582	\$803,076	\$99,326	10.70%	10.63%		12.37%
Top 10%	13,261,164	\$3,487,010	\$657,085	46.44%	70.30%	> \$103,912	18.84%
Top 11-25%	19,891,745	\$1,582,445	\$146,687	21.08%	15.69%		9.27%
Top 25%	33,152,909	\$5,069,455	\$803,772	67.52%	85.99%	> \$62,068	15.86%
Top 26-50%	33,152,909	\$1,475,369	\$102,256	19.65%	10.94%		6.93%
Top 50%	66,305,819	\$6,544,824	\$906,028	87.17%	96.93%	> \$30,881	13.84%
Bottom 50%	66,305,818	963,134	\$28,675	12.83%	3.07%	< \$30,881	2.98%

Source: Internal Revenue Service

**Table 2. Number of Federal Individual Income Tax Returns Filed with Positive AGI 1980-2005**

Year	Total	Top 1%	Top 2-5%	Top 5%	Top 6-10%	Top 10%	Top 11-25%	Top 25%	Top 26-50%	Top 50%	Bottom 50%
1980	93,238,823	932,388	3,729,553	4,661,941	4,661,941	9,323,882	13,985,824	23,309,706	23,309,705	46,619,411	46,619,412
1981	94,586,878	945,869	3,783,475	4,729,344	4,729,344	9,458,688	14,188,031	23,646,719	23,646,720	47,293,439	47,293,439
1982	94,426,498	944,265	3,777,060	4,721,325	4,721,325	9,442,650	14,163,974	23,606,624	23,606,625	47,213,249	47,213,249
1983	95,330,713	953,307	3,813,229	4,766,536	4,766,535	9,533,071	14,299,607	23,832,678	23,832,678	47,665,356	47,665,357
1984	98,436,000	984,350	3,937,400	4,921,750	4,921,750	9,843,500	14,765,250	24,608,750	24,608,750	49,217,500	49,218,500
1985	100,625,484	1,006,255	4,025,019	5,031,274	5,031,274	10,062,548	15,093,823	25,156,371	25,156,371	50,312,742	50,312,742
1986	102,087,623	1,020,876	4,083,505	5,104,381	5,104,381	10,208,762	15,313,144	25,521,906	25,521,905	51,043,811	51,043,812
1987	106,154,761	1,061,548	4,246,190	5,307,738	5,307,738	10,615,476	15,923,214	26,538,690	26,538,690	53,077,380	53,077,381
1988	108,872,859	1,088,729	4,354,914	5,443,643	5,443,643	10,887,286	16,330,928	27,218,214	27,218,215	54,436,429	54,436,430
1989	111,312,721	1,113,127	4,452,509	5,565,636	5,565,636	11,131,272	16,696,909	27,828,181	27,828,180	55,656,361	55,656,360
1990	112,812,262	1,128,123	4,512,490	5,640,613	5,640,613	11,281,226	16,921,840	28,203,066	28,203,066	56,406,132	56,406,130
1991	113,804,104	1,138,041	4,552,164	5,690,205	5,690,205	11,380,410	17,070,616	28,451,026	28,451,026	56,902,052	56,902,052
1992	112,652,759	1,126,528	4,506,110	5,632,638	5,632,638	11,265,276	16,897,914	28,163,190	28,163,190	56,326,380	56,326,379
1993	113,681,387	1,136,814	4,547,255	5,684,069	5,684,070	11,368,139	17,052,208	28,420,347	28,420,347	56,840,694	56,840,693
1994	114,989,920	1,149,899	4,599,597	5,749,496	5,749,496	11,498,992	17,248,488	28,747,480	28,747,480	57,494,960	57,494,960
1995	117,274,186	1,172,742	4,690,967	5,863,709	5,863,710	11,727,419	17,591,127	29,318,546	29,318,547	58,637,093	58,637,093
1996	119,441,767	1,194,418	4,777,670	5,972,088	5,972,089	11,944,177	17,916,265	29,860,442	29,860,442	59,720,884	59,720,883
1997	121,503,284	1,215,033	4,860,131	6,075,164	6,075,164	12,150,328	18,225,493	30,375,821	30,375,821	60,751,642	60,751,642
1998	123,775,831	1,237,758	4,951,034	6,188,792	6,188,791	12,377,583	18,566,375	30,943,958	30,943,957	61,887,915	61,887,916
1999	126,008,974	1,260,090	5,040,359	6,300,449	6,300,448	12,600,897	18,901,347	31,502,244	31,502,243	63,004,487	63,004,487
2000	128,227,143	1,282,271	5,129,086	6,411,357	6,411,000	12,822,357	19,234,429	32,056,786	32,056,786	64,113,572	64,113,571
2001	128,817,051	1,288,171	5,152,682	6,440,853	6,440,852	12,881,705	19,322,558	32,204,263	32,204,263	64,408,526	64,408,525
2002	128,323,986	1,283,240	5,132,959	6,416,199	6,416,200	12,832,399	19,248,598	32,080,997	32,080,996	64,161,993	64,161,993
2003	128,609,786	1,286,098	5,144,391	6,430,489	6,430,490	12,860,979	19,291,468	32,152,447	32,152,446	64,304,893	64,304,893
2004	130,371,156	1,303,712	5,214,846	6,518,558	6,518,558	13,037,116	19,555,673	32,592,789	32,592,789	65,185,578	65,185,578
2005	132,611,637	1,326,116	5,304,466	6,630,582	6,630,582	13,261,164	19,891,745	33,152,909	33,152,910	66,305,819	66,305,818

Source: Internal Revenue Service

**Table 3: Adjusted Gross Income of Taxpayers in Various Income Brackets, 1980-2005**  
(\$ Millions)

Year	Total	Top 1%	Top 2-5%	Top 5%	Top 6-10%	Top 10%	Top 11-25%	Top 25%	Top 26-50%	Top 50%	Bottom 50%
1980	\$1,626,555	\$137,668	\$204,122	\$341,790	\$180,895	\$522,685	\$399,615	\$922,300	\$416,678	\$1,338,978	\$287,577
1981	1,791,116	148,722	223,449	372,171	200,548	572,719	442,287	1,015,006	458,261	1,473,267	317,849
1982	1,875,872	167,109	231,080	398,189	206,970	605,159	460,082	1,065,241	478,393	1,543,634	332,238
1983	1,969,600	182,895	245,267	428,162	217,499	645,661	481,358	1,127,019	498,268	1,625,287	344,313
1984	2,173,228	209,899	272,367	482,266	240,286	722,552	528,359	1,250,911	543,392	1,794,303	378,925
1985	2,343,989	235,095	296,277	531,372	260,109	791,481	567,379	1,358,860	580,491	1,939,351	404,638
1986	2,524,124	285,197	323,270	608,467	278,043	886,510	603,663	1,490,173	613,396	2,103,569	420,555
Tax Reform Act of 1986 changed the definition of AGI, so data above and below this line not strictly comparable											
1987	2,813,728	346,635	375,586	722,221	316,000	1,038,221	671,168	1,709,389	664,480	2,373,869	439,859
1988	3,124,156	473,527	417,175	890,702	341,834	1,232,536	718,324	1,950,860	707,005	2,657,865	466,291
1989	3,298,858	468,079	450,342	918,421	368,118	1,286,539	767,939	2,054,478	750,757	2,805,235	493,623
1990	3,451,237	483,252	470,085	953,337	384,695	1,338,032	806,145	2,144,177	788,360	2,932,537	518,700
1991	3,516,142	456,603	486,747	943,350	399,852	1,343,202	831,563	2,174,765	809,238	2,984,003	532,139
1992	3,680,552	523,586	507,507	1,031,093	412,691	1,443,784	855,617	2,299,401	831,999	3,131,400	549,152
1993	3,775,578	520,586	527,666	1,048,252	426,211	1,474,463	883,490	2,357,953	854,346	3,212,299	563,279
1994	3,961,146	546,700	556,384	1,103,084	449,121	1,552,205	928,869	2,481,074	890,278	3,371,352	589,794
1995	4,244,607	619,610	603,113	1,222,723	481,790	1,704,513	985,307	2,689,820	937,722	3,627,542	617,065
1996	4,590,527	736,545	657,260	1,393,805	515,344	1,909,149	1,043,488	2,952,637	991,746	3,944,383	646,144
1997	5,023,457	872,826	724,281	1,597,107	554,294	2,151,401	1,116,199	3,267,600	1,060,392	4,327,992	695,465
1998	5,469,211	1,010,245	786,402	1,796,647	597,069	2,393,716	1,195,884	3,589,600	1,131,830	4,721,430	747,781
1999	5,909,329	1,152,820	858,943	2,011,763	641,072	2,652,835	1,274,473	3,927,308	1,198,856	5,126,164	783,165
2000	6,423,977	1,336,773	930,630	2,267,403	687,983	2,955,386	1,358,400	4,313,786	1,275,969	5,589,755	834,222
2001	6,241,036	1,097,296	899,196	1,996,492	694,097	2,690,589	1,380,445	4,071,034	1,308,252	5,379,286	861,750
2002	6,113,778	985,781	882,006	1,867,787	685,688	2,553,475	1,382,029	3,935,504	1,308,525	5,244,029	869,749
2003	6,287,586	1,054,567	906,109	1,960,676	702,794	2,663,470	1,414,757	4,078,227	1,329,624	5,407,851	879,735
2004	6,875,123	1,306,417	993,178	2,299,595	749,680	3,049,275	1,497,126	4,546,401	1,406,380	5,952,781	922,342
2005	7,507,958	1,591,711	1,092,223	2,683,934	803,076	3,487,010	1,582,445	5,069,455	1,475,369	6,544,824	963,134

Source: Internal Revenue Service

**Table 4. Total Income Tax after Credits, 1980-2005 (\$ Millions)**

Year	Total	Top 1%	Top 2-5%	Top 5%	Top 6-10%	Top 10%	Top 11-25%	Top 25%	Top 26-50%	Top 50%	Bottom 50%
1980	\$249,077	\$47,456	\$44,307	\$91,763	\$30,991	\$122,754	\$59,125	\$181,879	\$49,646	\$231,525	\$17,552
1981	282,298	49,622	49,344	98,966	36,428	135,394	68,674	204,068	57,195	261,263	21,035
1982	276,076	52,526	47,227	99,753	34,383	134,136	66,022	200,158	55,635	255,793	20,283
1983	271,645	55,195	46,033	101,228	33,804	135,032	63,535	198,567	53,600	252,167	19,478
1984	297,376	62,794	50,153	112,947	37,418	150,365	68,172	218,537	56,970	275,507	21,869
1985	321,916	70,209	54,641	124,850	40,802	165,652	72,767	238,419	60,423	298,842	23,074
1986	366,979	94,491	61,749	156,240	44,463	200,703	78,273	278,976	64,313	343,289	23,690
1987	369,046	91,559	68,083	159,642	45,588	205,230	78,627	283,857	62,798	346,655	22,391
1988	412,761	113,841	74,462	188,303	48,108	236,411	84,886	321,297	67,848	389,145	23,616
1989	432,838	109,259	80,929	190,188	51,270	241,458	92,800	334,258	73,341	407,599	25,239
1990	447,061	112,338	82,750	195,088	52,426	247,514	96,826	344,340	76,735	421,075	25,986
1991	448,349	111,267	83,213	194,480	55,802	250,282	96,229	346,511	77,248	423,759	24,590
1992	476,163	131,156	87,323	218,479	57,734	276,213	97,487	373,700	78,370	452,070	24,093
1993	502,720	145,836	92,247	238,083	59,725	297,808	100,708	398,516	80,047	478,563	24,157
1994	534,754	154,337	99,769	254,106	63,796	317,902	107,500	425,402	83,854	509,256	25,498
1995	588,331	178,035	109,706	287,741	69,661	357,402	115,406	472,808	88,417	561,225	27,106
1996	658,124	212,626	122,807	335,433	75,971	411,404	123,760	535,164	94,520	629,684	28,440
1997	727,303	241,239	136,002	377,241	82,398	459,639	134,368	594,007	102,154	696,161	31,142
1998	788,452	274,009	150,497	424,506	88,330	512,836	139,128	651,964	103,276	755,240	33,212
1999	877,292	317,419	169,045	486,464	96,538	583,002	149,888	732,890	109,278	842,168	35,124
2000	980,521	366,929	186,741	553,670	106,480	660,150	163,556	823,706	118,473	942,179	38,342
2001	887,882	300,898	171,925	472,823	103,340	576,163	159,890	736,053	116,589	852,642	35,240
2002	796,862	268,608	160,072	428,680	95,132	523,812	144,746	668,558	100,405	768,963	27,899
2003	747,939	256,340	150,257	406,597	85,855	492,452	134,928	627,380	94,647	722,027	25,912
2004	831,890	306,902	168,322	475,224	92,049	567,273	138,642	705,915	98,556	804,471	27,419
2005	934,703	368,132	189,627	557,759	99,326	657,085	146,687	803,772	102,256	906,028	28,675

Source: Internal Revenue Service

**Table 5. Adjusted Gross Income Shares, 1980-2005 (% of total AGI earned by each group)**

Year	Total	Top 1%	Top 2-5%	Top 5%	Top 6-10%	Top 10%	Top 11-25%	Top 25%	Top 26-50%	Top 50%	Bottom 50%
1980	100%	8.46%	12.55%	21.01%	11.12%	32.13%	24.57%	56.70%	25.62%	82.32%	17.68%
1981	100%	8.30%	12.48%	20.78%	11.20%	31.98%	24.69%	56.67%	25.58%	82.25%	17.75%
1982	100%	8.91%	12.32%	21.23%	11.03%	32.26%	24.53%	56.79%	25.50%	82.29%	17.71%
1983	100%	9.29%	12.45%	21.74%	11.04%	32.78%	24.44%	57.22%	25.30%	82.52%	17.48%
1984	100%	9.66%	12.53%	22.19%	11.06%	33.25%	24.31%	57.56%	25.00%	82.56%	17.44%
1985	100%	10.03%	12.64%	22.67%	11.10%	33.77%	24.20%	57.97%	24.77%	82.74%	17.26%
1986	100%	11.30%	12.81%	24.11%	11.01%	35.12%	23.92%	59.04%	24.30%	83.34%	16.66%
Tax Reform Act of 1986 changed the definition of AGI, so data above and below this line not strictly comparable											
1987	100%	12.32%	13.35%	25.67%	11.23%	36.90%	23.85%	60.75%	23.62%	84.37%	15.63%
1988	100%	15.16%	13.35%	28.51%	10.94%	39.45%	22.99%	62.44%	22.63%	85.07%	14.93%
1989	100%	14.19%	13.65%	27.84%	11.16%	39.00%	23.28%	62.28%	22.76%	85.04%	14.96%
1990	100%	14.00%	13.62%	27.62%	11.15%	38.77%	23.36%	62.13%	22.84%	84.97%	15.03%
1991	100%	12.99%	13.84%	26.83%	11.37%	38.20%	23.65%	61.85%	23.02%	84.87%	15.13%
1992	100%	14.23%	13.78%	28.01%	11.22%	39.23%	23.24%	62.47%	22.61%	85.08%	14.92%
1993	100%	13.79%	13.97%	27.76%	11.29%	39.05%	23.40%	62.45%	22.63%	85.08%	14.92%
1994	100%	13.80%	14.05%	27.85%	11.34%	39.19%	23.45%	62.64%	22.47%	85.11%	14.89%
1995	100%	14.60%	14.21%	28.81%	11.35%	40.16%	23.21%	63.37%	22.09%	85.46%	14.54%
1996	100%	16.04%	14.32%	30.36%	11.23%	41.59%	22.73%	64.32%	21.60%	85.92%	14.08%
1997	100%	17.38%	14.41%	31.79%	11.04%	42.83%	22.22%	65.05%	21.11%	86.16%	13.84%
1998	100%	18.47%	14.38%	32.85%	10.92%	43.77%	21.86%	65.63%	20.70%	86.33%	13.67%
1999	100%	19.51%	14.53%	34.04%	10.85%	44.89%	21.57%	66.46%	20.29%	86.75%	13.25%
2000	100%	20.81%	14.49%	35.30%	10.71%	46.01%	21.14%	67.15%	19.86%	87.01%	12.99%
2001	100%	17.53%	14.46%	31.99%	11.12%	43.11%	22.12%	65.23%	20.96%	86.19%	13.81%
2002	100%	16.12%	14.43%	30.55%	11.22%	41.77%	22.60%	64.37%	21.40%	85.77%	14.23%
2003	100%	16.77%	14.41%	31.18%	11.18%	42.36%	22.50%	64.86%	21.15%	86.01%	13.99%
2004	100%	19.00%	14.45%	33.45%	10.90%	44.35%	21.78%	66.13%	20.46%	86.58%	13.42%
2005	100%	21.20%	14.55%	35.75%	10.70%	46.44%	21.08%	67.52%	19.65%	87.17%	12.83%

Source: Internal Revenue Service

**Table 6. Total Income Tax Shares, 1980-2005 (% of federal income tax paid by each group)**

Year	Total	Top 1%	Top 2-5%	Top 5%	Top 6-10%	Top 10%	Top 11-25%	Top 25%	Top 26-50%	Top 50%	Bottom 50%
1980	100%	19.05%	17.79%	36.84%	12.44%	49.28%	23.74%	73.02%	19.93%	92.95%	7.05%
1981	100%	17.58%	17.48%	35.06%	12.90%	47.96%	24.33%	72.29%	20.26%	92.55%	7.45%
1982	100%	19.03%	17.10%	36.13%	12.46%	48.59%	23.91%	72.50%	20.15%	92.65%	7.35%
1983	100%	20.32%	16.94%	37.26%	12.45%	49.71%	23.39%	73.10%	19.73%	92.83%	7.17%
1984	100%	21.12%	16.86%	37.98%	12.58%	50.56%	22.93%	73.49%	19.16%	92.65%	7.35%
1985	100%	21.81%	16.97%	38.78%	12.68%	51.46%	22.60%	74.06%	18.77%	92.83%	7.17%
1986	100%	25.75%	16.82%	42.57%	12.12%	54.69%	21.33%	76.02%	17.52%	93.54%	6.46%
1987	100%	24.81%	18.45%	43.26%	12.35%	55.61%	21.31%	76.92%	17.01%	93.93%	6.07%
1988	100%	27.58%	18.04%	45.62%	11.66%	57.28%	20.56%	77.84%	16.44%	94.28%	5.72%
1989	100%	25.24%	18.70%	43.94%	11.84%	55.78%	21.44%	77.22%	16.95%	94.17%	5.83%
1990	100%	25.13%	18.51%	43.64%	11.72%	55.36%	21.66%	77.02%	17.17%	94.19%	5.81%
1991	100%	24.82%	18.56%	43.38%	12.44%	55.82%	21.47%	77.29%	17.23%	94.52%	5.48%
1992	100%	27.54%	18.34%	45.88%	12.13%	58.01%	20.47%	78.48%	16.46%	94.94%	5.06%
1993	100%	29.01%	18.35%	47.36%	11.88%	59.24%	20.03%	79.27%	15.92%	95.19%	4.81%
1994	100%	28.86%	18.66%	47.52%	11.93%	59.45%	20.10%	79.55%	15.68%	95.23%	4.77%
1995	100%	30.26%	18.65%	48.91%	11.84%	60.75%	19.61%	80.36%	15.03%	95.39%	4.61%
1996	100%	32.31%	18.66%	50.97%	11.54%	62.51%	18.81%	81.32%	14.36%	95.68%	4.32%
1997	100%	33.17%	18.70%	51.87%	11.33%	63.20%	18.47%	81.67%	14.05%	95.72%	4.28%
1998	100%	34.75%	19.09%	53.84%	11.20%	65.04%	17.65%	82.69%	13.10%	95.79%	4.21%
1999	100%	36.18%	19.27%	55.45%	11.00%	66.45%	17.09%	83.54%	12.46%	96.00%	4.00%
2000	100%	37.42%	19.05%	56.47%	10.86%	67.33%	16.68%	84.01%	12.08%	96.09%	3.91%
2001	100%	33.89%	19.36%	53.25%	11.64%	64.89%	18.01%	82.90%	13.13%	96.03%	3.97%
2002	100%	33.71%	20.09%	53.80%	11.93%	65.73%	18.17%	83.90%	12.60%	96.50%	3.50%
2003	100%	34.27%	20.09%	54.36%	11.48%	65.84%	18.04%	83.88%	12.66%	96.54%	3.46%
2004	100%	36.89%	20.23%	57.13%	11.07%	68.19%	16.67%	84.86%	11.85%	96.70%	3.30%
2005	100%	39.38%	20.29%	59.67%	10.63%	70.30%	15.69%	85.99%	10.94%	96.93%	3.07%

Source: Internal Revenue Service

**Table 7. Dollar Cut-Off, 1980-2005 (Minimum AGI for tax return to fall into various percentiles)**

Year	Total	Top 1%	Top 5%	Top 10%	Top 25%	Top 50%
1980	0	\$80,580	\$43,792	\$35,070	\$23,606	\$12,936
1981	0	\$85,428	\$47,845	\$38,283	\$25,655	\$14,000
1982	0	\$89,388	\$49,284	\$39,676	\$27,027	\$14,539
1983	0	\$93,512	\$51,553	\$41,222	\$27,827	\$15,044
1984	0	\$100,889	\$55,423	\$43,956	\$29,360	\$15,998
1985	0	\$108,134	\$58,883	\$46,322	\$30,928	\$16,688
1986	0	\$118,818	\$62,377	\$48,656	\$32,242	\$17,302
Tax Reform Act of 1986 changed the definition of AGI, so data above and below this line not strictly comparable						
1987	0	\$139,289	\$68,414	\$52,921	\$33,983	\$17,768
1988	0	\$157,136	\$72,735	\$55,437	\$35,398	\$18,367
1989	0	\$163,869	\$76,933	\$58,263	\$36,839	\$18,993
1990	0	\$167,421	\$79,064	\$60,287	\$38,080	\$19,767
1991	0	\$170,139	\$81,720	\$61,944	\$38,929	\$20,097
1992	0	\$181,904	\$85,103	\$64,457	\$40,378	\$20,803
1993	0	\$185,715	\$87,386	\$66,077	\$41,210	\$21,179
1994	0	\$195,726	\$91,226	\$68,753	\$42,742	\$21,802
1995	0	\$209,406	\$96,221	\$72,094	\$44,207	\$22,344
1996	0	\$227,546	\$101,141	\$74,986	\$45,757	\$23,174
1997	0	\$250,736	\$108,048	\$79,212	\$48,173	\$24,393
1998	0	\$269,496	\$114,729	\$83,220	\$50,607	\$25,491
1999	0	\$293,415	\$120,846	\$87,682	\$52,965	\$26,415
2000	0	\$313,469	\$128,336	\$92,144	\$55,225	\$27,682
2001	0	\$292,913	\$127,904	\$92,754	\$56,085	\$28,528
2002	0	\$285,424	\$126,525	\$92,663	\$56,401	\$28,654
2003	0	\$295,495	\$130,080	\$94,891	\$57,343	\$29,019
2004	0	\$328,049	\$137,056	\$99,112	\$60,041	\$30,122
2005	0	\$364,657	\$145,283	\$103,912	\$62,068	\$30,881

Source: Internal Revenue Service

**Table 8. Average Tax Rate, 1980-2005 (% of AGI paid in income taxes)**

Year	Total	Top 1%	Top 2-5%	Top 5%	Top 6-10%	Top 10%	Top 11-25%	Top 25%	Top 26-50%	Top 50%	Bottom 50%
1980	15.31%	34.47%	21.71%	26.85%	17.13%	23.49%	14.80%	19.72%	11.91%	17.29%	6.10%
1981	15.76%	33.37%	22.08%	26.59%	18.16%	23.64%	15.53%	20.11%	12.48%	17.73%	6.62%
1982	14.72%	31.43%	20.44%	25.05%	16.61%	22.17%	14.35%	18.79%	11.63%	16.57%	6.10%
1983	13.79%	30.18%	18.77%	23.64%	15.54%	20.91%	13.20%	17.62%	10.76%	15.52%	5.66%
1984	13.68%	29.92%	18.41%	23.42%	15.57%	20.81%	12.90%	17.47%	10.48%	15.35%	5.77%
1985	13.73%	29.86%	18.44%	23.50%	15.69%	20.93%	12.83%	17.55%	10.41%	15.41%	5.70%
1986	14.54%	33.13%	19.10%	25.68%	15.99%	22.64%	12.97%	18.72%	10.48%	16.32%	5.63%
Tax Reform Act of 1986 changed the definition of AGI, so data above and below this line not strictly comparable											
1987	13.12%	26.41%	18.13%	22.10%	14.43%	19.77%	11.71%	16.61%	9.45%	14.60%	5.09%
1988	13.21%	24.04%	17.85%	21.14%	14.07%	19.18%	11.82%	16.47%	9.60%	14.64%	5.06%
1989	13.12%	23.34%	17.97%	20.71%	13.93%	18.77%	12.08%	16.27%	9.77%	14.53%	5.11%
1990	12.95%	23.25%	17.60%	20.46%	13.63%	18.50%	12.01%	16.06%	9.73%	14.36%	5.01%
1991	12.75%	24.37%	17.10%	20.62%	13.96%	18.63%	11.57%	15.93%	9.55%	14.20%	4.62%
1992	12.94%	25.05%	17.21%	21.19%	13.99%	19.13%	11.39%	16.25%	9.42%	14.44%	4.39%
1993	13.32%	28.01%	17.48%	22.71%	14.01%	20.20%	11.40%	16.90%	9.37%	14.90%	4.29%
1994	13.50%	28.23%	17.93%	23.04%	14.20%	20.48%	11.57%	17.15%	9.42%	15.11%	4.32%
1995	13.86%	28.73%	18.19%	23.53%	14.46%	20.97%	11.71%	17.58%	9.43%	15.47%	4.39%
1996	14.34%	28.87%	18.68%	24.07%	14.74%	21.55%	11.86%	18.12%	9.53%	15.96%	4.40%
1997	14.48%	27.64%	18.78%	23.62%	14.87%	21.36%	12.04%	18.18%	9.63%	16.09%	4.48%
1998	14.42%	27.12%	19.14%	23.63%	14.79%	21.42%	11.63%	18.16%	9.12%	16.00%	4.44%
1999	14.85%	27.53%	19.68%	24.18%	15.06%	21.98%	11.76%	18.66%	9.12%	16.43%	4.48%
2000	15.26%	27.45%	20.07%	24.42%	15.48%	22.34%	12.04%	19.09%	9.28%	16.86%	4.60%
2001	14.23%	27.50%	19.12%	23.68%	14.89%	21.41%	11.58%	18.08%	8.91%	15.85%	4.09%
2002	13.03%	27.25%	18.15%	22.95%	13.87%	20.51%	10.47%	16.99%	7.67%	14.66%	3.21%
2003	11.90%	24.31%	16.58%	20.74%	12.22%	18.49%	9.54%	15.38%	7.12%	13.35%	2.95%
2004	12.10%	23.49%	16.95%	20.67%	12.28%	18.60%	9.26%	15.53%	7.01%	13.51%	2.97%
2005	12.45%	23.13%	17.36%	20.78%	12.37%	18.84%	9.27%	15.86%	6.93%	13.84%	2.98%

Source: Internal Revenue Service

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