

# Individual Income Tax Returns, Preliminary Data, 2000

## Data Release

**T**axpayers filed 129.3 million U.S. individual income tax returns for Tax Year 2000, an increase of 1.7 percent from the 127.1 million returns filed for 1999. Adjusted gross income less deficit (AGI) increased 8.2 percent to over \$6.3 trillion for 2000. Taxable income increased 9.2 percent to over \$4.5 trillion. Total income tax increased 11.0 percent to \$976.3 billion, and the alternative minimum tax rose 49.2 percent to \$8.9 billion for 2000.

Figure A shows that the largest component of AGI, salaries and wages, increased 7.7 percent to nearly \$4.5 trillion for Tax Year 2000. The next largest component of AGI, net capital gain, increased 13.7 percent to \$587.6 billion, while taxable income from pensions and annuities rose 7.1 percent to \$331.5 billion. Dividends increased 9.6 percent to \$142.2 billion. Other income items with large percentage changes included taxable Social Security benefits, which increased 19.7 percent to \$91.6 billion, and Taxable Individual Retirement Arrangement (IRA) distributions, which rose 13.8 percent to \$100.0 billion. Also, taxable interest was up from Tax Year 1999, increasing by 11.6 percent to \$185.3 billion. Unemployment compensation fell for 2000, declining 3.8 percent to \$17.0 billion.

Statutory adjustments to total income increased 2.9 percent to \$56.6 billion for Tax Year 2000. The largest statutory adjustment was the deduction for one-half of self-employment tax, representing 29.5 percent of the total. This adjustment to income increased 4.0 percent to \$16.7 billion. The self-employed health insurance deduction increased 11.0 percent to \$7.2 billion. Payments to self-employed retirement plans rose 4.9 percent to \$11.9 billion. The deduction for interest on qualified student loans increased 16.3 percent to \$2.6 billion.

Total deductions, the sum of the standard deductions and total itemized deductions (after limitation), equaled \$1,270.0 billion, an increase of 7.0 percent from Tax Year 1999. The number of returns claim-

ing the standard deductions decreased 0.3 percent, accounting for 66.3 percent of all returns filed and 37.2 percent of the total deductions amount. Mostly due to inflation indexing, the average standard deduction (comprised of the basic and additional standard deductions) increased 1.6 percent from \$5,420 for 1999 to \$5,508 for 2000. Itemized deductions were claimed on 32.9 percent of all returns filed for 2000 and represented 62.8 percent of the total deductions amount. The average total for itemized deductions (after limitation) was \$18,777, a 4.5-percent increase from the 1999 average of \$17,971. Due to the AGI limitation on itemized deductions, 6.0 million higher-income taxpayers were unable to deduct \$36.4 billion in itemized deductions, an increase of 17.4 percent from 1999. The interest paid deduction, comprising the largest portion (37.3 percent) of total itemized deductions (before limitations), increased 10.4 percent to \$311.3 billion. The taxes paid deduction, accounting for 34.7 percent of the total (before limitations), increased 10.6 percent to \$289.6 billion. The charitable contributions deduction increased 11.1 percent to \$133.6 billion.

Total tax credits used to offset income tax liabilities increased 4.0 percent to \$36.7 billion. Over 26.4 million taxpayers claimed \$19.7 billion in child tax credits, up 1.4 percent from \$19.4 billion in 1999, and 6.9 million returns showed education tax credits totaling \$4.9 billion, a 1.4 percent increase from the \$4.8 billion in 1999. The foreign tax credit increased 15.4 percent to \$5.0 billion.

The total earned income credit (EIC) increased 0.8 percent to \$32.5 billion. The portion of the EIC used to offset income tax before credits increased 2.0 percent to \$2.0 billion, and the portion of the EIC used to offset other taxes (such as the self-employment tax) rose 4.4 percent to \$2.5 billion. The largest part of the EIC, the refundable portion, was treated as a refund and paid directly to taxpayers who had no tax liability against which to apply the credit, or whose EIC exceeded income tax (and other taxes). The refundable portion of the EIC increased 0.4 percent to \$28.0 billion for 2000.

Taxable income increased 9.2 percent to over \$4.5 trillion.

*This data release was written by Brian Balkovic, an economist with the Individual Returns Analysis Section, under the direction of Jeff Hartkok, Chief.*

# Individual Income Tax Returns, Preliminary Data, 2000

Figure A

## Individual Income Tax Returns, Preliminary Data: Selected Income and Tax Items, Tax Years 1999 and 2000

[Money amounts are in thousands of dollars]

Item	1999	2000	Percentage increase
	(1)	(2)	(3)
<b>All returns.....</b>	<b>127,129,451</b>	<b>129,271,972</b>	<b>1.7</b>
Form 1040 returns.....	71,097,253	78,545,496	10.5
Form 1040A returns.....	29,434,276	28,967,338	-1.6
Form 1040EZ returns.....	21,342,923	21,759,138	2.0
Electronically-filed returns <sup>1</sup> .....	36,007,349	40,720,273	13.1
<b>Adjusted gross income (less deficit).....</b>	<b>5,851,864,109</b>	<b>6,330,567,774</b>	<b>8.2</b>
Salaries and wages:			
Number of returns.....	108,500,979	110,352,158	1.7
Amount.....	4,173,901,611	4,494,476,409	7.7
Taxable interest:			
Number of returns.....	67,448,041	68,199,841	1.1
Amount.....	166,113,645	185,331,768	11.6
Tax-exempt interest: <sup>2</sup>			
Number of returns.....	4,818,056	4,672,118	-3.0
Amount.....	52,410,151	54,170,954	3.4
Dividends:			
Number of returns.....	32,216,236	34,099,368	5.8
Amount.....	129,749,161	142,213,575	9.6
State income tax refunds:			
Number of returns.....	20,891,575	21,004,958	0.5
Amount.....	16,989,017	17,086,837	0.6
Alimony received:			
Number of returns.....	418,963	439,649	4.9
Amount.....	5,362,160	5,965,635	11.3
Business or profession net income:			
Number of returns.....	13,149,710	13,280,796	1.0
Amount.....	225,685,674	236,942,304	5.0
Business or profession net loss:			
Number of returns.....	4,149,337	4,293,447	3.5
Amount.....	24,072,650	29,697,146	23.4
Net capital gain: <sup>3</sup>			
Number of returns.....	22,503,368	22,645,480	0.6
Amount.....	516,776,841	587,626,494	13.7
Net capital loss:			
Number of returns.....	5,161,690	6,798,579	31.7
Amount.....	9,759,124	13,574,059	39.1
Sales of property other than capital assets, net gain:			
Number of returns.....	815,720	814,986	-0.1
Amount.....	6,024,971	6,939,263	15.2
Sales of property other than capital assets, net loss:			
Number of returns.....	856,591	834,493	-2.6
Amount.....	7,775,189	7,343,424	-5.6
Taxable Individual Retirement Arrangement distributions:			
Number of returns.....	8,205,924	8,851,883	7.9
Amount.....	87,846,260	99,964,307	13.8
Taxable pensions and annuities:			
Number of returns.....	21,620,044	22,066,982	2.1
Amount.....	309,366,733	331,461,294	7.1
Rent and royalty net income:			
Number of returns.....	5,092,487	5,299,428	4.1
Amount.....	47,881,711	54,019,072	12.8
Rent and royalty net loss:			
Number of returns.....	4,262,077	4,193,406	-1.6
Amount.....	25,586,471	25,921,227	1.3

Footnotes at end of figure.

# Individual Income Tax Returns, Preliminary Data, 2000

Figure A--Continued

## Individual Income Tax Returns, Preliminary Data: Selected Income and Tax Items, Tax Years 1999 and 2000--Continued

[Money amounts are in thousands of dollars]

Item	1999	2000	Percentage increase
	(1)	(2)	(3)
Partnership and S corporation net income:			
Number of returns.....	3,877,027	3,869,934	-0.2
Amount.....	242,513,097	249,988,587	3.1
Partnership and S corporation net loss:			
Number of returns.....	1,967,976	1,952,001	-0.8
Amount.....	42,608,014	51,513,937	20.9
Estate and trust net income:			
Number of returns.....	496,069	530,649	7.0
Amount.....	9,651,762	10,396,225	7.7
Estate and trust net loss:			
Number of returns.....	35,822	37,461	4.6
Amount.....	364,740	537,264	47.3
Farm net income:			
Number of returns.....	739,056	715,121	-3.2
Amount.....	9,640,808	8,589,215	-10.9
Farm net loss:			
Number of returns.....	1,316,878	1,352,199	2.7
Amount.....	14,973,116	16,760,298	11.9
Unemployment compensation:			
Number of returns.....	6,841,602	6,521,981	-4.7
Amount.....	17,648,687	16,982,147	-3.8
Taxable Social Security benefits:			
Number of returns.....	9,599,262	10,751,515	12.0
Amount.....	76,506,683	91,606,459	19.7
Total statutory adjustments:			
Number of returns.....	22,555,311	23,047,366	2.2
Amount.....	54,959,444	56,574,862	2.9
Payments to an Individual Retirement Arrangement:			
Number of returns.....	3,710,480	3,525,740	-5.0
Amount.....	7,954,060	7,548,190	-5.1
Student loan interest deduction:			
Number of returns.....	4,168,004	4,491,275	7.8
Amount.....	2,264,136	2,632,659	16.3
Medical savings account deduction:			
Number of returns.....	43,419	64,723	49.1
Amount.....	77,162	120,292	55.9
Moving expenses adjustment:			
Number of returns.....	981,233	956,226	-2.5
Amount.....	2,218,630	2,137,301	-3.7
Self-employment tax deduction:			
Number of returns.....	13,929,049	14,167,521	1.7
Amount.....	16,045,303	16,680,147	4.0
Self-employed health insurance deduction:			
Number of returns.....	3,365,821	3,430,224	1.9
Amount.....	6,442,545	7,153,633	11.0
Payments to a self-employed retirement (Keogh) plan:			
Number of returns.....	1,232,182	1,259,137	2.2
Amount.....	11,335,209	11,894,221	4.9
Penalty on early withdrawal of savings:			
Number of returns.....	804,478	863,471	7.3
Amount.....	239,375	283,202	18.3
Alimony paid:			
Number of returns.....	604,989	651,323	7.7
Amount.....	6,995,197	7,107,466	1.6

Footnotes at end of figure.

# Individual Income Tax Returns, Preliminary Data, 2000

Figure A--Continued

## Individual Income Tax Returns, Preliminary Data: Selected Income and Tax Items, Tax Years 1999 and 2000--Continued

[Money amounts are in thousands of dollars]

Item	1999	2000	Percentage increase
	(1)	(2)	(3)
<b>Total deductions:</b>			
Number of returns.....	126,108,967	128,206,215	1.7
Amount.....	1,187,368,667	1,269,956,994	7.0
Basic standard deduction:			
Number of returns.....	85,964,751	85,718,688	-0.3
Amount.....	451,484,717	457,235,898	1.3
Additional standard deduction:			
Number of returns.....	11,356,998	11,470,111	1.0
Amount.....	14,470,836	14,922,635	3.1
<b>Total itemized deductions (after limitation):</b>			
Number of returns.....	40,144,217	42,487,527	5.8
Amount.....	721,413,114	797,798,460	10.6
Itemized deductions in excess of limitation:			
Number of returns.....	5,460,203	6,029,359	10.4
Amount.....	31,006,755	36,415,589	17.4
Medical and dental expenses deduction:			
Number of returns.....	5,841,259	6,469,592	10.8
Amount.....	34,974,567	38,869,303	11.1
Taxes paid deduction:			
Number of returns.....	39,497,292	41,793,893	5.8
Amount.....	261,806,711	289,582,388	10.6
Interest paid deduction:			
Number of returns.....	33,600,130	35,337,975	5.2
Amount.....	282,028,549	311,252,944	10.4
Charitable contributions deduction:			
Number of returns.....	35,526,300	37,575,535	5.8
Amount.....	120,251,416	133,605,239	11.1
<b>Taxable income:</b>			
Number of returns.....	102,971,370	105,374,599	2.3
Amount.....	4,137,122,733	4,519,173,414	9.2
<b>Income tax before credits:</b>			
Number of returns.....	102,960,952	105,391,837	2.4
Amount.....	909,086,973	1,012,803,135	11.4
<b>Total tax credits:<sup>4</sup></b>			
Number of returns.....	36,713,959	37,782,106	2.9
Amount.....	35,250,830	36,650,391	4.0
Child care credit:			
Number of returns.....	6,194,690	6,368,617	2.8
Amount.....	2,671,895	2,791,220	4.5
Credit for the elderly or disabled:			
Number of returns.....	182,994	154,567	-15.5
Amount.....	33,907	32,457	-4.3
Child tax credit:			
Number of returns.....	26,050,261	26,436,950	1.5
Amount.....	19,431,882	19,701,742	1.4
Education tax credits:			
Number of returns.....	6,483,703	6,859,478	5.8
Amount.....	4,819,032	4,885,383	1.4
Adoption credit:			
Number of returns.....	47,698	41,912	-12.1
Amount.....	103,154	91,317	-11.5
Foreign tax credit:			
Number of returns.....	3,273,730	3,912,660	19.5
Amount.....	4,367,659	5,042,081	15.4

Footnotes at end of figure.

# Individual Income Tax Returns, Preliminary Data, 2000

Figure A--Continued

## Individual Income Tax Returns, Preliminary Data: Selected Income and Tax Items, Tax Years 1999 and 2000--Continued

[Money amounts are in thousands of dollars]

Item	1999	2000	Percentage increase
	(1)	(2)	(3)
<b>General business credit:</b>			
Number of returns.....	268,107	257,275	-4.0
Amount.....	662,667	640,127	-3.4
<b>Prior year minimum tax credit:</b>			
Number of returns.....	157,360	186,993	18.8
Amount.....	973,572	1,254,402	28.8
<b>Income tax after credits:</b>			
Number of returns.....	94,567,313	100,264,846	6.0
Amount.....	873,836,143	978,128,438	11.9
<b>Self-employment tax:</b>			
Number of returns.....	13,929,049	14,167,521	1.7
Amount.....	32,083,701	33,353,240	4.0
<b>Alternative minimum tax:</b>			
Number of returns.....	999,790	1,295,319	29.6
Amount.....	5,943,389	8,864,822	49.2
<b>Total earned income credit (EIC):</b>			
Number of returns.....	19,418,776	19,362,539	-0.3
Amount.....	32,270,099	32,529,371	0.8
<b>EIC used to offset income tax before credits:</b>			
Number of returns.....	5,399,063	5,438,685	0.7
Amount.....	1,936,039	1,975,694	2.0
<b>EIC used to offset other taxes:</b>			
Number of returns.....	3,175,489	3,161,211	-0.4
Amount.....	2,421,037	2,528,423	4.4
<b>Excess EIC, refundable portion:</b>			
Number of returns.....	16,208,419	16,215,143	0.0
Amount.....	27,913,023	28,025,244	0.4
<b>Additional child tax credit:</b>			
Number of returns.....	977,442	1,033,584	5.7
Amount.....	804,345	906,563	12.7
<b>Total income tax:</b>			
Number of returns.....	94,598,839	96,908,705	2.4
Amount.....	879,781,200	976,312,472	11.0
<b>Total tax liability:</b>			
Number of returns.....	97,136,668	104,714,312	7.8
Amount.....	913,547,069	1,016,440,579	11.3

<sup>1</sup> Included in data for Forms 1040, 1040A, and 1040EZ.

<sup>2</sup> Not included in adjusted gross income.

<sup>3</sup> Includes capital gain distribution.

<sup>4</sup> Includes EIC used to offset income tax before credits.

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

## Individual Income Tax Returns, Preliminary Data, 2000

The comparisons of data for Tax Years 1999 and 2000 in this article are based on the preliminary estimates for both years. A few income and tax items tend to be understated in preliminary estimates; therefore, comparisons based on preliminary estimates for one year and final estimates for the previous year could be misleading. Comparisons based entirely on preliminary estimates reduce the likelihood of misinterpretation of the data and afford a more accurate representation of year-to-year changes. Final statistics for Tax Year 1999 are available in the Fall 2001 issue of the *Bulletin*.

### Changes in Law

In general, the definitions used in this article are the same as those in *Statistics of Income—1999, Individual Income Tax Returns*. The following is a partial list of tax law and Internal Revenue Service administrative changes that had a major bearing on the Tax Year 2000 preliminary data presented in this article.

**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 \$2,400 from \$2,350. The maximum credit for taxpayers with no qualifying children increased to \$353. For these taxpayers, earned income and modified AGI had to be less than \$10,380 (up from \$10,200 for 2000). For taxpayers with one qualifying child, the maximum credit increased to \$2,353, and, for taxpayers with two or more qualifying children, the maximum credit increased to \$3,888. To be eligible for the credit, a taxpayer's earned income and modified AGI had to be less than \$27,413 for one qualifying child, or less than \$31,152 for two or more qualifying children.

**Foreign Earned Income Exclusion.**--For Tax Year 2000, the amount of foreign earned income that could have been excluded from income per taxpayer increased from \$74,000 to \$76,000.

**Inflation Indexing.**--The following items increased due to indexing for inflation: personal exemption amounts, the basic standard deduction amounts, the additional standard deduction amounts for single or head-of-household returns, the tax

bracket boundaries, the beginning income amounts for limiting certain itemized deductions, and the phaseout of personal exemptions. Also, the maximum amount of earnings subject to self-employment tax increased based on the percentage change in average covered earnings.

**Interest on Student Loans.**--For Tax Year 2000, eligible taxpayers were allowed to deduct up to \$2,000 of interest paid on qualified higher educational loans, up from \$1,500 for 1999. These loans must have gone towards qualified expenses of either the taxpayer, taxpayer's spouse, or any dependent of the taxpayer at the time the debt was incurred. The taxpayer's modified AGI must have been less than: \$55,000 if single, head of household, or qualifying widow(er); or \$75,000 if married filing jointly.

### Data Sources and Limitations

The preliminary statistics in this data release are based on a sample of individual income tax returns (Forms 1040, 1040A, and 1040EZ, including electronically-filed returns) filed during Calendar Year 2001. Returns in the sample were stratified based on: (1) the larger of positive income or negative income; (2) the size of business and farm receipts; (3) the presence or absence of specific forms or schedules; and (4) the usefulness of returns for Treasury Department tax modeling purposes [1]. Returns were then selected at rates ranging from 0.05 percent to 100 percent. The preliminary Tax Year 2000 data are based on a sample of 160,213 returns and an estimated final population of 129,585,856 returns. The corresponding sample and population for the preliminary 1999 data were 146,749 and 127,331,593 returns, respectively.

Since the data presented here are estimates based on a sample of returns filed, they are subject to sampling error. To properly use the statistical data provided, the magnitude of the potential sampling error must be known; coefficients of variation (CV's) are used to measure that magnitude. The reliability of estimates based on samples, and the use of coefficients of variation for evaluating the precision of estimates based on samples, are discussed in the appendix to this issue of the *Bulletin*.

While the preliminary estimates are intended to represent a full year of taxpayer reporting, they are

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actually based on returns processed for tax administration purposes, in the case of 2000 returns, between January and late September of 2000. In general, returns processed during the remainder of each year tend to have somewhat different characteristics compared to returns processed earlier. These characteristics include, for example, disproportionately large amounts of investment income, passive losses, and alternative minimum tax.

### Notes and References

- [1] Returns in the sample were stratified based on the presence or absence of one or more of the following forms or schedules: Form 2555, *Foreign Earned Income*; Form 1116, *Foreign Tax Credit (Individual, Fiduciary, or Non-resident Alien Individual)*; Schedule C, *Profit or Loss from Business (Sole Proprietorship)*; and Schedule F, *Profit or Loss From Farming*.

SOURCE: IRS, Statistics of Income Bulletin, Winter 2001-2002, Publication 1136 (Rev. 3-2002).

# Individual Income Tax Returns, Preliminary Data, 2000

**Table 1.--Individual Income Tax Returns, Tax Year 2000 Preliminary Data: Selected Income and Tax Items, by Size of Adjusted Gross Income**

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

Item	All returns	Size of adjusted gross income					
		Under \$15,000 <sup>1</sup>	\$15,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b>All returns.....</b>	<b>129,271,972</b>	<b>38,648,827</b>	<b>30,078,954</b>	<b>23,958,021</b>	<b>25,730,046</b>	<b>8,084,251</b>	<b>2,771,875</b>
Form 1040 returns.....	78,545,496	14,584,991	13,356,810	15,826,895	23,920,674	8,084,251	2,771,875
Form 1040A returns.....	28,967,338	11,192,162	10,702,741	5,615,714	1,456,719	--	--
Form 1040EZ returns.....	21,759,138	12,871,675	6,019,399	2,515,409	352,654	--	--
Electronically-filed returns. <sup>2</sup>	40,720,273	12,675,087	11,749,143	7,764,585	6,794,562	1,520,314	216,584
<b>Adjusted gross income (less deficit).....</b>	<b>6,330,567,774</b>	<b>233,283,620</b>	<b>658,599,901</b>	<b>936,345,921</b>	<b>1,786,896,043</b>	<b>1,067,151,821</b>	<b>1,648,290,468</b>
<b>Salaries and wages:</b>							
Number of returns.....	110,352,158	30,377,421	25,681,341	21,388,082	23,288,736	7,256,145	2,360,429
Amount.....	4,494,476,409	222,369,224	528,800,750	762,970,537	1,416,399,294	771,282,649	792,653,950
<b>Taxable interest:</b>							
Number of returns.....	68,199,841	12,048,779	11,788,382	13,839,919	20,392,135	7,446,514	2,684,108
Amount.....	185,331,768	15,035,188	20,715,846	23,265,127	43,278,221	29,891,001	53,146,386
<b>Tax-exempt interest:<sup>3</sup></b>							
Number of returns.....	4,672,118	380,881	382,012	647,367	1,313,053	1,027,701	921,106
Amount.....	54,170,954	1,735,082	1,512,321	3,610,156	9,304,907	9,024,061	28,984,430
<b>Dividends:</b>							
Number of returns.....	34,099,368	5,530,905	4,368,683	5,636,780	10,671,722	5,447,659	2,443,618
Amount.....	142,213,575	6,627,390	8,251,378	11,563,022	27,304,150	27,188,805	61,278,830
<b>State income tax refunds:</b>							
Number of returns.....	21,004,958	590,576	1,786,572	4,281,031	9,583,876	3,508,198	1,254,703
Amount.....	17,086,837	387,500	711,599	2,099,482	5,760,618	3,374,226	4,753,413
<b>Alimony received:</b>							
Number of returns.....	439,649	82,395	126,292	107,293	100,927	16,412	6,331
Amount.....	5,965,635	438,971	957,220	1,190,261	2,108,880	442,046	828,261
<b>Business or profession net income:</b>							
Number of returns.....	13,280,796	3,668,189	2,369,587	2,312,150	3,103,381	1,266,713	560,774
Amount.....	236,942,304	22,945,058	25,681,919	29,298,479	53,134,270	47,384,213	58,498,364
<b>Business or profession net loss:</b>							
Number of returns.....	4,293,447	768,163	757,740	902,198	1,252,096	457,303	155,946
Amount.....	29,697,146	9,769,087	3,737,497	4,457,663	6,127,588	2,685,098	2,920,212
<b>Net capital gain reported on Schedule D:</b>							
Number of returns.....	15,967,679	2,107,687	1,873,358	2,418,699	4,926,442	2,964,262	1,677,233
Amount.....	571,701,100	11,130,911	8,800,224	14,561,800	44,559,481	63,748,563	428,900,121
<b>Capital gain distributions reported on Form 1040:</b>							
Number of returns.....	6,677,801	1,608,510	869,924	1,210,621	2,034,652	795,740	158,358
Amount.....	15,925,394	2,347,199	1,504,287	2,263,005	4,908,073	3,630,119	1,272,710
<b>Net capital loss:</b>							
Number of returns.....	6,798,579	1,181,003	856,054	1,084,381	2,005,659	1,119,977	551,504
Amount.....	13,574,059	2,236,590	1,655,226	2,028,090	3,962,248	2,325,039	1,366,864
<b>Sales of property other than capital assets, net gain:</b>							
Number of returns.....	814,986	102,491	101,785	138,860	246,360	118,054	107,440
Amount.....	6,939,263	663,442	446,488	755,278	1,546,365	1,061,274	2,466,416
<b>Sales of property other than capital assets, net loss:</b>							
Number of returns.....	834,493	118,157	92,143	105,977	188,527	164,092	165,595
Amount.....	7,343,424	2,976,311	344,535	452,831	722,038	817,653	2,030,055
<b>Taxable Individual Retirement Arrangement distributions:</b>							
Number of returns.....	8,851,883	1,110,576	1,821,581	1,755,175	2,783,128	1,081,796	299,627
Amount.....	99,964,307	4,744,987	10,182,873	12,675,729	31,625,407	23,821,128	16,914,184
<b>Taxable pensions and annuities:</b>							
Number of returns.....	22,066,982	3,819,063	5,133,736	4,642,588	5,936,602	1,952,231	582,763
Amount.....	331,461,294	23,448,867	55,382,615	64,886,164	111,140,773	53,199,636	23,403,242
<b>Rent and royalty net income:</b>							
Number of returns.....	5,299,428	784,695	807,695	898,562	1,525,840	811,641	470,996
Amount.....	54,019,072	3,469,916	3,870,252	4,700,351	10,660,075	10,942,791	20,375,686
<b>Rent and royalty net loss:</b>							
Number of returns.....	4,193,406	523,209	596,764	820,932	1,466,471	632,213	153,816
Amount.....	25,921,227	3,688,172	3,181,984	4,530,014	8,272,283	4,130,318	2,118,453
<b>Partnership and S corporation net income:</b>							
Number of returns.....	3,869,934	268,989	306,529	442,437	1,099,490	877,029	875,458
Amount.....	249,988,587	2,090,413	2,906,691	5,320,902	17,086,418	32,099,942	190,484,220

Footnotes at end of table.



# Individual Income Tax Returns, Preliminary Data, 2000

**Table 1.--Individual Income Tax Returns, Tax Year 2000 Preliminary Data: Selected Income and Tax Items, by Size of Adjusted Gross Income--Continued**

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

Item	All returns	Size of adjusted gross income					
		Under \$15,000 <sup>1</sup>	\$15,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Partnership and S corporation net loss:							
Number of returns.....	1,952,001	315,489	219,078	287,136	503,295	368,964	258,040
Amount.....	51,513,937	22,101,189	2,301,667	2,973,689	3,937,573	4,088,587	16,111,233
Estate and trust net income:							
Number of returns.....	530,649	61,564	55,641	59,540	148,132	118,312	87,460
Amount.....	10,396,225	290,405	183,444	461,057	1,337,535	1,547,378	6,576,407
Estate and trust net loss:							
Number of returns.....	37,461	6,271	3,067	6,519	9,504	4,794	7,304
Amount.....	537,264	170,983	1,759	36,933	33,580	21,823	272,186
Farm net income:							
Number of returns.....	715,121	182,191	147,285	132,564	183,783	49,718	19,583
Amount.....	8,589,215	934,627	1,297,612	1,421,469	2,635,139	1,373,406	926,962
Farm net loss:							
Number of returns.....	1,352,199	252,144	246,882	322,915	368,536	110,055	51,663
Amount.....	16,760,298	4,461,996	2,116,191	2,721,733	3,929,225	1,559,255	1,971,899
Unemployment compensation:							
Number of returns.....	6,521,981	1,527,764	1,879,798	1,481,673	1,337,096	259,428	36,220
Amount.....	16,982,147	3,273,127	4,795,668	4,141,940	3,725,839	894,529	151,044
Taxable Social Security benefits:							
Number of returns.....	10,751,515	53,976	1,857,272	3,333,571	3,821,903	1,208,063	476,728
Amount.....	91,606,459	221,030	2,939,808	18,345,525	45,112,852	17,220,127	7,767,119
Total statutory adjustments:							
Number of returns.....	23,047,366	4,605,358	4,579,239	5,087,908	5,617,579	2,060,121	1,097,159
Amount.....	56,574,862	3,989,195	6,382,139	8,494,713	13,645,701	11,153,868	12,909,244
Payments to an Individual Retirement Arrangement:							
Number of returns.....	3,525,740	269,324	655,456	962,714	1,075,767	439,977	122,502
Amount.....	7,548,190	470,385	1,275,315	1,945,682	2,326,856	1,121,078	408,875
Student loan interest deduction:							
Number of returns.....	4,491,275	486,040	1,278,106	1,663,835	1,063,295	--	--
Amount.....	2,632,659	240,330	766,486	1,099,391	526,452	--	--
Medical savings account deduction:							
Number of returns.....	64,723	5,128	10,040	15,620	12,026	12,401	9,505
Amount.....	120,292	4,654	15,688	23,981	25,447	28,341	22,181
Moving expenses adjustment:							
Number of returns.....	956,226	73,732	204,426	235,704	284,497	122,830	35,036
Amount.....	2,137,301	122,281	313,973	460,280	725,482	315,078	200,206
Self-employment tax deduction:							
Number of returns.....	14,167,521	3,776,782	2,511,251	2,393,873	3,218,035	1,433,787	833,798
Amount.....	16,680,147	1,760,838	2,091,546	2,394,982	4,319,611	3,151,717	2,961,451
Self-employed health insurance deduction:							
Number of returns.....	3,430,224	525,828	589,631	615,594	819,964	487,325	391,883
Amount.....	7,153,633	768,718	1,049,015	1,133,023	1,683,639	1,244,550	1,274,690
Payments to a self-employed retirement (Keogh) plan:							
Number of returns.....	1,259,137	22,978	62,466	129,734	378,654	370,834	294,470
Amount.....	11,894,221	60,685	181,067	501,408	1,989,130	3,695,544	5,466,387
Penalty on early withdrawal of savings:							
Number of returns.....	863,471	153,010	189,498	188,071	245,474	66,034	21,384
Amount.....	283,202	38,635	34,658	36,895	115,900	36,840	20,272
Alimony paid:							
Number of returns.....	651,323	48,272	82,789	130,089	213,279	107,227	69,667
Amount.....	7,107,466	451,672	557,081	774,227	1,739,555	1,297,229	2,287,701
<b>Total deductions:</b>							
Number of returns.....	128,206,215	37,599,564	30,066,611	23,953,932	25,730,047	8,084,251	2,771,811
Amount.....	1,269,956,994	186,967,387	197,044,068	200,307,528	331,233,554	180,466,219	173,938,237
Basic standard deduction:							
Number of returns.....	85,718,688	36,145,497	25,551,578	14,964,989	8,013,178	841,695	201,751
Amount.....	457,235,898	165,537,137	142,516,444	89,191,911	52,887,908	5,748,978	1,353,523

Footnotes at end of table.

# Individual Income Tax Returns, Preliminary Data, 2000

**Table 1.--Individual Income Tax Returns, Tax Year 2000 Preliminary Data: Selected Income and Tax Items, by Size of Adjusted Gross Income--Continued**

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

Item	All returns	Size of adjusted gross income					
		Under \$15,000 <sup>1</sup>	\$15,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Additional standard deduction:							
Number of returns.....	11,470,111	4,041,811	3,478,825	1,905,565	1,674,466	306,439	63,004
Amount.....	14,922,635	4,986,982	4,623,693	2,485,239	2,287,971	447,851	90,902
<b>Total itemized deductions (after limitation):</b>							
Number of returns.....	42,487,527	1,454,067	4,515,033	8,988,943	17,716,869	7,242,556	2,570,060
Amount.....	797,798,460	16,443,269	49,903,935	108,630,378	276,057,675	174,269,389	172,493,812
Itemized deductions in excess of limitation:							
Number of returns.....	6,029,359	--	--	--	128,847	3,331,188	2,569,325
Amount.....	36,415,589	--	--	--	45,210	2,806,354	33,564,025
Medical and dental expenses deduction:							
Number of returns.....	6,469,592	876,691	1,766,219	1,912,489	1,602,116	279,106	32,976
Amount.....	38,869,303	6,056,127	9,430,828	9,001,464	9,862,001	3,383,310	1,135,572
Taxes paid deduction:							
Number of returns.....	41,793,893	1,283,777	4,329,453	8,834,874	17,573,279	7,211,094	2,561,410
Amount.....	289,582,388	2,550,387	9,417,967	26,732,598	86,094,663	66,940,545	97,846,229
Interest paid deduction:							
Number of returns.....	35,337,975	880,815	3,251,679	7,354,873	15,509,261	6,211,467	2,129,878
Amount.....	311,252,944	5,559,779	19,587,933	47,235,115	121,409,583	69,329,045	48,131,487
Charitable contributions deduction:							
Number of returns.....	37,575,535	1,016,119	3,609,057	7,533,711	16,081,126	6,863,436	2,472,085
Amount.....	133,605,239	1,319,549	6,076,042	14,273,499	37,772,059	25,813,713	48,350,378
<b>Taxable income:</b>							
Number of returns.....	105,374,599	16,572,353	28,486,644	23,791,579	25,677,734	8,077,398	2,768,888
Amount.....	4,519,173,414	53,679,541	312,105,485	594,588,284	1,266,953,047	823,410,713	1,468,436,346
<b>Income tax before credits:</b>							
Number of returns.....	105,391,837	16,566,319	28,494,541	23,796,229	25,685,037	8,079,278	2,770,432
Amount.....	1,012,803,135	8,073,002	46,558,164	93,925,559	228,474,104	186,888,229	448,884,077
<b>Total tax credits:<sup>4</sup></b>							
Number of returns.....	37,782,106	2,973,858	10,062,162	8,880,374	12,017,869	2,816,176	1,031,666
Amount.....	36,650,391	669,951	7,730,838	8,018,310	12,185,129	2,408,901	5,637,262
Child care credit:							
Number of returns.....	6,368,617	91,280	1,313,566	1,515,100	2,545,846	744,091	158,734
Amount.....	2,791,220	18,012	572,886	643,810	1,125,692	355,450	75,369
Credit for the elderly or disabled:							
Number of returns.....	154,567	111,321	43,245	--	--	--	--
Amount.....	32,457	24,557	7,899	--	--	--	--
Child tax credit:							
Number of returns.....	26,436,950	762,286	7,508,779	7,180,109	9,457,832	1,527,949	--
Amount.....	19,701,742	174,631	4,134,063	5,812,159	8,442,307	1,138,581	--
Education tax credits:							
Number of returns.....	6,859,478	725,107	1,592,938	1,858,497	2,682,935	--	--
Amount.....	4,885,383	312,697	1,109,221	1,359,413	2,104,052	--	--
Adoption credit:							
Number of returns.....	41,912	--	1,972	9,017	28,054	2,868	--
Amount.....	91,317	--	1,251	12,703	75,966	1,399	--
Foreign tax credit:							
Number of returns.....	3,912,650	274,178	300,027	452,456	1,111,151	952,783	822,057
Amount.....	5,042,081	10,938	35,231	90,346	221,137	674,119	4,010,310
General business credit:							
Number of returns.....	257,275	2,947	17,993	29,983	69,295	74,677	62,381
Amount.....	640,127	329	14,614	47,224	118,880	142,239	316,840
Prior year minimum tax credit:							
Number of returns.....	186,993	2,526	3,017	6,712	33,278	65,955	75,506
Amount.....	1,254,402	531	2,138	2,587	30,033	84,895	1,134,221
<b>Income tax after credits:</b>							
Number of returns.....	100,264,846	15,299,791	25,234,306	23,274,369	25,609,711	8,077,199	2,769,468
Amount.....	978,128,438	7,530,996	40,660,562	85,921,762	216,288,974	184,479,328	443,246,815
Self-employment tax:							
Number of returns.....	14,167,521	3,776,782	2,511,251	2,393,873	3,218,035	1,433,787	833,798
Amount.....	33,353,240	3,519,758	4,181,846	4,788,778	8,637,665	6,302,715	5,922,479
Alternative minimum tax:							
Number of returns.....	1,295,319	9,395	4,995	32,611	302,260	435,694	510,366
Amount.....	8,864,822	71,778	9,800	33,082	415,417	1,541,784	6,792,962

Footnotes at end of table.

# Individual Income Tax Returns, Preliminary Data, 2000

**Table 1.--Individual Income Tax Returns, Tax Year 2000 Preliminary Data: Selected Income and Tax Items, by Size of Adjusted Gross Income--Continued**

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

Item	All returns	Size of adjusted gross income					
		Under \$15,000 <sup>1</sup>	\$15,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b>Total earned income credit (EIC):</b>							
Number of returns.....	19,362,539	11,302,987	7,897,847	161,707	--	--	--
Amount.....	32,529,371	20,434,265	12,074,483	20,623	--	--	--
EIC used to offset income tax before credits:							
Number of returns.....	5,438,685	1,090,599	4,239,958	108,128	--	--	--
Amount.....	1,975,694	127,944	1,833,237	14,514	--	--	--
EIC used to offset other taxes:							
Number of returns.....	3,161,211	2,209,864	935,985	15,361	--	--	--
Amount.....	2,528,423	1,663,841	863,215	1,369	--	--	--
Excess EIC, refundable portion:							
Number of returns.....	16,215,143	10,152,697	6,022,332	40,115	--	--	--
Amount.....	28,025,244	18,642,470	9,378,034	4,739	--	--	--
Additional child tax credit:							
Number of returns.....	1,033,584	177,245	510,632	300,124	45,581	4	--
Amount.....	906,563	191,573	424,352	239,844	50,791	4	--
<b>Total income tax:</b>							
Number of returns.....	96,908,705	14,709,266	22,467,007	23,274,375	25,609,761	8,078,641	2,769,658
Amount.....	976,312,472	7,415,058	38,827,326	85,908,442	216,297,544	184,502,547	443,361,555
<b>Total tax liability:</b>							
Number of returns.....	104,714,312	18,597,710	26,137,300	23,472,603	25,656,211	8,080,261	2,770,225
Amount.....	1,016,440,579	11,243,293	45,185,613	91,273,358	226,426,444	191,835,036	450,476,839

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

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

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

<sup>4</sup> Includes EIC used to offset income tax before credits.

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