

Average and Marginal Tax Rates, 1980 Individual Income Tax Returns

By Charles Hicks*

For the 1980 Tax Year, the total Federal income tax of all individual taxpayers represented just under 16 percent of their adjusted gross income (AGI) reported on all Form 1040 and 1040A tax returns. The median taxpayer had adjusted gross income of approximately \$13,000 in 1980, and owed about \$1,200, or just under 10 percent of adjusted gross income, in Federal income taxes.

The following table shows the approximate effective tax rate for the average, or more specifically, the median taxpayer over the 30-year period, 1950-1980.

Effective Tax Rates on Median AGI, 1950 - 1980

Tax Year	Median Adjusted Gross Income	Effective Tax Rates
1950	\$2,721	5.5%
1955	3,528	8.1
1960	4,281	8.7
1965	5,143	8.4
1970	6,784	9.8
1975	8,929	8.9
1976	9,556	8.8
1977	10,272	8.5
1978	10,972	9.0
1979	11,869	9.3
1980	12,824	9.9

As one can tell from the above table, the effective tax rate, defined as the ratio between total income tax and adjusted gross income, on the median AGI has almost doubled over the last 30 years.

One method of measuring the overall effects of the tax law system from year to year is to compare the effective tax rate for total AGI for each of the years involved. As the table below shows, since 1950, the effective tax rate on total AGI has increased fairly steadily--by about 50 percent during these 30 years.

Effective Tax Rates on Total AGI, 1950 - 1980

Tax Year	All Returns	Joint Returns	Nonjoint Returns
1950	10.2%	9.9%	11.4%
1955	11.9	11.6	12.9
1960	12.5	12.3	13.5
1965	11.5	11.5	11.8
1970	13.3	13.3	13.1
1975	13.1	13.5	11.9
1976	13.5	14.0	11.8
1977	13.8	14.5	11.9
1978	14.5	15.2	12.5
1979	14.6	15.4	12.8
1980	15.5	16.2	13.7

There are substantial differences between effective tax rates and tax bracket rates. One of these differences is that effective tax rates, as used in the table above, are based on AGI while the tax bracket rates are applied to a usually lesser amount of income called "taxable income" (AGI less the amounts for personal exemptions and itemized deductions). Another difference is that a tax return has only one effective tax rate while the same return may have tax generated at many different tax bracket rates. Both the tax rates and the income brackets to which they applied have been changed many times since 1950.

While the effective tax rate is generally accepted as a good measure of the tax burden, based on the percent of adjusted gross income payable as income tax, it fails to take account of changes in the number and kinds of adjustments to income that are allowed by the tax law, types of income which are not reported on the tax return, and types of income which are reported on the tax return but not fully included in adjusted gross income. For example, the only adjustment allowable for 1950 was the employee business expense adjustment. By 1980, the number of allowable adjustments had increased to eight, including payments to an individual retirement arrangement, payments to a Keogh plan, and forfeited interest penalties. During the last decade, since 1970, the number of returns with adjustments has doubled, and the dollar amount of adjustments has quadrupled. Thus, the effective tax rate presented above actually overstates the tax burden to the degree these adjustments have been used to reduce gross income. Examples of types of income which are not fully taxable include dividend income, long-term capital gains, and unemployment compensation. The types of income which are not reportable on the tax return include social security payments and interest earned on tax free bonds.

Changes in Tax Rates, 1950-1980

For 1950, there were two tax rate schedules, one for married couples filing a joint return, and the second for all other filers. The only difference between the two sets was that the income brackets for joint filers were twice as broad as those for other filers. For example, the first bracket for joint filers covered all taxable income under \$4,000, and the tax rate was 20 percent. For all other filers, the first bracket included income up to \$2,000 which was also taxed at 20 percent.

By 1955, a third schedule had been introduced. This schedule was to be used by "heads of households" (unmarried individuals with at least one dependent). For a given amount of income, this schedule generated a tax which fell between that generated by the joint return rates and the rates used by both single taxpayers and married couples filing separate returns.

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Marginal Tax Rates, 1980

By 1965, the tax bracket rates had been significantly revised. For the first three years covered in the two tables above, 1950, 1955, and 1960, the tax rates had ranged from 20 percent to 91 percent. For 1965, the rates ranged from 14 percent to 70 percent. This lower range of tax rates is the major reason for the decrease in the average rates, i.e., income tax before credits as a percent of AGI, from 1960 to 1965.

Another major change in the tax rate schedules had occurred by 1975. That change was the introduction of a fourth tax rate schedule for single persons (who had previously used the same schedule as married persons filing separately). This new schedule of lower tax rates for single filers was largely responsible for the decrease in the average tax rate for nonjoint returns from 1970 to 1975.

Computation of Income Tax Before Credits

In addition to the four tax rate schedules for 1980, there were also three methods of computing income tax before credits: the regular method, the maximum tax method, and the income averaging method. The first of these, the regular method, was used on 91.9 percent of the returns on which a tax was computed. The maximum tax method was designed to limit the tax rate on personal service income, primarily salaries and wages, to 50 percent. The income averaging method was designed to help taxpayers whose current-year income was substantially greater than that for the previous four years. (For a further discussion of the maximum tax and income averaging methods, see Statistics of Income--1980, Individual Income Tax Returns.)

The following example shows how income tax before credits was computed for 1980 for a married couple filing a joint return, claiming four exemptions, having \$4,500 in itemized deductions and adjusted gross income of \$45,000.

Joint Return with Income Subject to Tax at Regular Rates Only

Derivation of Income Subject to Tax:

\$45,000	- Adjusted Gross Income
-1,100	- Excess itemized deductions
-4,000	- Exemption amount
<u>\$39,900</u>	- Income subject to tax

Derivation of Regular Tax:

1st	\$3,400	taxed at 0%	\$ 0
Next	\$2,100	taxed at 14%	\$ 294
Next	\$2,100	taxed at 16%	\$ 336
Next	\$4,300	taxed at 18%	\$ 774
Next	\$4,100	taxed at 21%	\$ 861
Next	\$4,200	taxed at 24%	\$1,008
Next	\$4,400	taxes at 28%	\$1,232
Next	\$5,300	taxed at 32%	\$1,696
Next	\$5,300	taxed at 37%	\$1,961
Next	\$4,700	taxed at 43%	\$2,021
	<u>\$39,900</u>	Income tax before credits	<u>\$10,183</u>

The difference between a marginal tax rate and other tax rates becomes clear with this example. As illustrated, a particular return can have income taxed at many different tax bracket rates. However, a return has only one marginal tax rate, which is the highest tax bracket rate applicable to that return. In this example, the taxpayer had income taxed at ten tax bracket rates varying from 0 percent to the marginal (highest) rate of 43 percent.

The following table was developed using a procedure similar to that illustrated in the previous example. The AGI and total itemized deductions for each year have been adjusted, using the Commerce Department's

Personal Consumption Expenditures implicit price deflator, to reflect the constant dollar amounts used in the above computation.

Example of Moderate-Income Joint Return, Marginal and Average Tax Rates, 1950-1980

Tax Year	Adjusted gross income		Marginal tax rate	Average tax rate
	Current year dollars	1980 dollars		
1950	\$14,289	\$45,000	26%	17.9%
1955	16,172	45,000	30	17.1
1960	18,055	45,000	30	18.1
1965	19,380	45,000	25	15.6
1970	23,228	45,000	28	17.4
1975	31,440	45,000	36	19.5
1976	33,072	45,000	36	20.1
1977	34,980	45,000	39	20.8
1978	37,441	45,000	39	22.0
1979	40,806	45,000	43	22.0
1980	45,000	45,000	43	22.6

Many of the tax law changes over the last 15 years have been designed, at least partially, to offset the effect of inflation or "bracket creep." It is interesting to compare the effectiveness of these changes at different income levels. The following table is for a low-income married couple claiming four exemptions and not itemizing their deductions.

Example of Low-Income Joint Return, Marginal and Average Tax Rates, 1950-1980

Tax Year	Adjusted gross income		Marginal tax rate	Average tax rate
	Current year dollars	1980 dollars		
1950	\$ 3,175	\$10,000	20%	2.5%
1955	3,594	10,000	20	4.6
1960	4,012	10,000	20	6.1
1965	4,302	10,000	15	4.4
1970	5,162	10,000	16	5.9
1975	6,987	10,000	16	4.3
1976	7,349	10,000	16	4.5
1977	7,773	10,000	15	2.9
1978	8,320	10,000	16	3.7
1979	9,068	10,000	14	2.6
1980	10,000	10,000	16	3.7

A comparison of the two tables above shows that the tax law changes which became effective for 1977, including the introduction of the zero bracket amount (in effect, a significantly increased standard deduction), had a most dramatic effect on low-income taxpayers. In this group, the amount of tax actually declined between 1976 and 1977 although adjusted gross income increased. For moderate-income taxpayers, the changes which became effective for 1977 had much less effect because of the prevalent use of itemized deductions.

The tax law changes which became effective for 1979 had more widespread effects. The changes included increasing the zero bracket amount, raising the exemption amount from \$750 to \$1,000, and reducing the total number of tax bracket rates. These changes more than offset the effects of inflation for both low- and moderate-income taxpayers. There was no major tax law change between 1979 and 1980 which affected the computation of income tax before credits. Therefore, most of the increase in the average tax rate between 1979 and 1980 in the two examples above can be attributed to inflation and "bracket creep."

This article has mentioned only some of the more significant tax law changes over the last 30 years. For a more detailed discussion of year-to-year tax law changes see the annual issues of Statistics of Income--Individual Income Tax Returns.

many taxpayers who were able to significantly reduce their taxable income and, therefore, their tax through the use of so-called "tax shelters" paid at least a minimum amount of tax.

Total Income Tax, 1980

Having looked at the effect of recent tax law changes on income tax before credits, let us take a more detailed look at the final result of all income tax computations--total income tax. Total income tax takes into account the effect of any tax credits to which the taxpayer may be entitled as well as the additional tax for tax preferences. The additional tax for tax preferences was intended to ensure that

Figure A below shows the result of dividing total income tax by adjusted gross income for specified AGI classes. This figure indicates that the current tax system is, overall, a progressive one. However, as Figure B illustrates, within a particular AGI class, there is a wide range of effective tax rates due mostly to differences in deductions and credits available to individual taxpayers. Figure B was based on the 2,033,079 returns filed for 1980 reporting AGI of between \$50,000 and \$75,000. Data similar to that used to produce Figure B can be found in Table 3.3 of Statistics of Income--1980, Individual Income Tax Returns.

Figure A
Effective Tax Rate by Size of Adjusted Gross Income, 1980

Effective Tax Rate
(Percent)

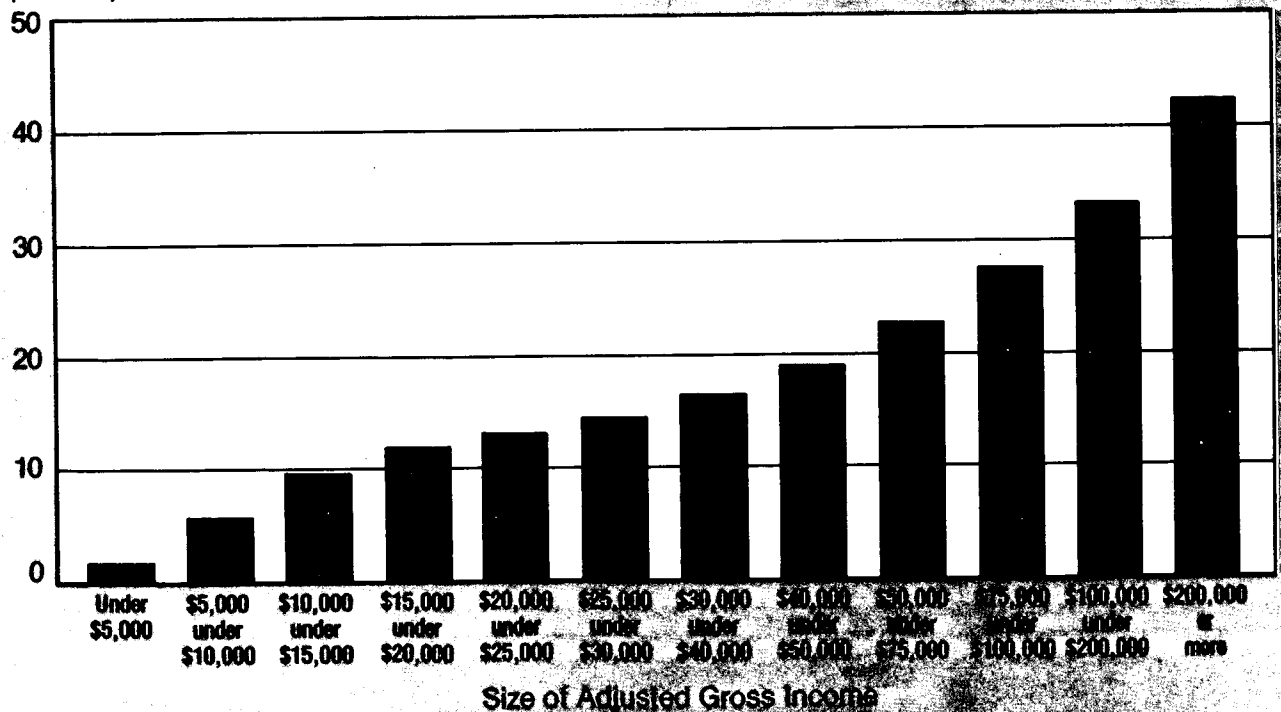
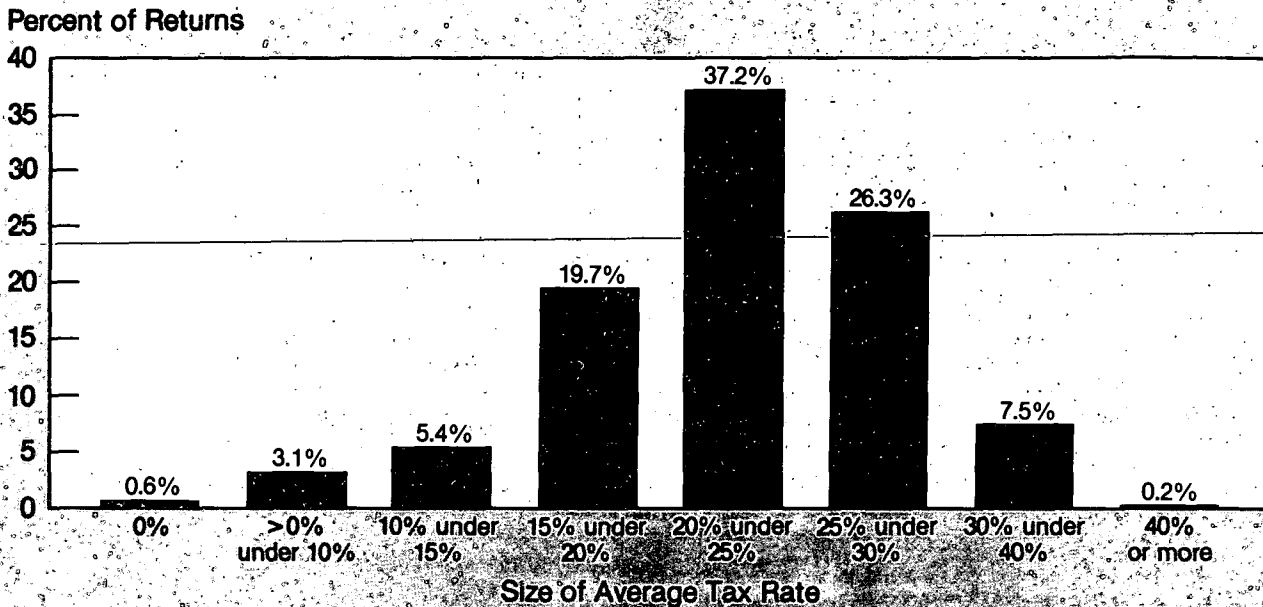


Figure B
Returns with Adjusted Gross Income \$50,000 Under \$75,000:
Percent of Returns by Size of Average Tax Rate



Definitions

The following list contains definitions for the major items discussed in this article:

Effective tax rate--the ratio between total income tax and adjusted gross income.

Average tax rate--the ratio between income tax before credits and adjusted gross income.

Marginal tax rate--the highest tax rate at which a particular taxpayer has income taxed.

Adjusted gross income--the result of reducing gross income from all sources subject to tax by certain statutory adjustments.

Total income tax--the sum of income tax after credits, minimum tax, and alternative minimum tax. For 1980, income tax after credits made up 99.5 percent of total income tax.

Income tax after credits--income tax before credits reduced by statutory credits. For 1980, these credits included the foreign tax credit, the investment credit, and the residential energy credit.

Income tax before credits--a tax computed on current-year taxable income which was the least of the regular tax, the income averaging tax, or the maximum tax on personal service income.

Taxable income--adjusted gross income reduced, for 1980, by \$1,000 for each exemption and by excess itemized deductions. Excess itemized deductions was the amount by which a taxpayer's itemized deductions exceeded the zero bracket amount--a tax-free amount to which all taxpayers were entitled, whether or not they itemized their deductions.

For more detailed definitions of these items, see Statistics of Income--1980, Individual Income Tax Returns.

Data Sources and Limitations

These statistics are based on a sample of individual income tax returns, Forms 1040 and 1040A, filed for

Tax Year 1980. Returns in the sample were stratified based on the presence or absence of Schedule C, Profit (or Loss) from Business or Profession; State for which filed; adjusted gross income or deficit, or largest of selected sources of income or loss; and size of business plus farm receipts. For the complete 1980 sample used here, returns were selected at rates ranging from 0.05 percent to 100 percent, resulting in 171,508 returns being selected from a population of 93,902,469.

As the data presented in this article are estimates based on a sample of documents filed with the Internal Revenue Service, they are subject to sampling, as well as nonsampling, error. To properly use the statistical data provided, the magnitude of the potential sampling error must be known.

The table below presents approximated coefficients of variation (CV's) for frequency estimates. The approximate CV's shown here are intended only as a general indication of the reliability of the data.

For a number other than those shown below, the corresponding CV's can be estimated by interpolation.

Number of Returns	Approximated Coefficient of Variation
5,049,200	.02
807,900	.05
202,000	.10
50,000	.20
22,400	.30
8,100	.50

The reliability of estimates based on samples, and the use of coefficients of variation for evaluating the precision of sample estimates, are discussed in the Appendix.

Marginal Tax Rates, 1980

Table 1.--All Returns: Tax as a Percent of Income, 1980

[Money amounts are in thousands of dollars]

Size of adjusted gross income	Number of returns	Adjusted gross income	Taxable income	Total income tax	Average tax (dollars)	Income tax as a percent of adjusted gross income
	(1)	(2)	(3)	(4)	(5)	(6)
Total.....	93,902,469	1,613,731,497	1,279,985,360	250,341,440	2,666	15.5
No adjusted gross income.....	663,646	-12,823,004	-	101,290	153	(1)
\$1 under \$1,000.....	3,024,351	1,759,292	11,799	*2,436	(2)	(2)
\$1,000 under \$2,000.....	4,275,815	6,385,658	2,021,564	9,413	2	0.1
\$2,000 under \$3,000.....	4,397,486	10,929,316	5,548,294	23,058	5	0.2
\$3,000 under \$4,000.....	3,931,648	13,746,974	7,993,051	115,410	29	0.8
\$4,000 under \$5,000.....	3,762,583	16,907,372	10,541,109	415,578	110	2.5
\$5,000 under \$6,000.....	3,845,684	21,116,919	13,620,128	724,603	188	3.4
\$6,000 under \$7,000.....	3,788,205	24,621,903	16,877,243	1,140,294	301	4.6
\$7,000 under \$8,000.....	3,782,772	28,373,468	20,202,771	1,549,811	410	5.5
\$8,000 under \$9,000.....	3,553,878	30,235,231	22,064,904	1,944,630	547	6.4
\$9,000 under \$10,000.....	3,400,458	32,291,416	24,267,618	2,453,351	721	7.6
\$10,000 under \$11,000.....	3,205,160	33,615,887	25,713,148	2,843,044	887	8.5
\$11,000 under \$12,000.....	2,931,042	33,689,991	26,212,708	3,073,414	1,049	9.1
\$12,000 under \$13,000.....	2,899,170	36,221,920	28,377,779	3,513,296	1,212	9.7
\$13,000 under \$14,000.....	2,738,283	36,953,802	29,153,524	3,773,755	1,378	10.2
\$14,000 under \$15,000.....	2,529,386	36,636,436	28,960,889	3,859,806	1,526	10.5
\$15,000 under \$16,000.....	2,407,056	37,322,297	29,754,277	4,118,080	1,711	11.0
\$16,000 under \$17,000.....	2,247,727	37,065,406	29,917,074	4,229,155	1,913	11.6
\$17,000 under \$18,000.....	2,198,543	38,453,445	30,394,769	4,527,517	2,059	11.8
\$18,000 under \$19,000.....	2,151,979	39,813,886	32,114,475	4,824,455	2,242	12.1
\$19,000 under \$20,000.....	2,092,428	40,775,744	32,538,603	5,005,007	2,392	12.3
\$20,000 under \$25,000.....	9,158,521	205,478,622	165,262,309	26,804,588	2,927	13.0
\$25,000 under \$30,000.....	6,783,466	185,760,754	150,218,626	26,635,973	3,927	14.3
\$30,000 under \$40,000.....	7,950,952	273,095,062	221,308,861	44,388,335	5,583	16.3
\$40,000 under \$50,000.....	3,053,039	134,907,796	109,091,818	25,565,426	8,374	18.0
\$50,000 under \$75,000.....	2,033,079	120,009,700	96,834,054	27,208,647	13,383	22.7
\$75,000 under \$100,000.....	535,348	45,918,079	36,849,386	12,549,071	23,441	27.3
\$100,000 under \$200,000.....	443,514	58,591,220	47,351,172	19,406,182	43,756	33.1
\$200,000 under \$500,000.....	100,369	28,343,686	22,716,587	11,342,454	113,008	40.0
\$500,000 under \$1,000,000.....	12,467	8,323,125	6,516,941	3,713,691	297,882	44.6
\$1,000,000 or more.....	4,414	9,210,095	7,018,879	4,409,751	999,037	47.9

*Estimate should be used with caution because of the small number of sample returns on which it is based.

¹Percent not computed.

²Estimate not computed due to excessive sampling variability.

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

Table 2.—Income Subject to Tax and Tax, Classified by Both the Marginal Rate and Each Rate at which Tax was Computed

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

Table with columns for Tax rate classes, All returns, and Classified by the highest marginal rate at which tax was computed. Rows include All marginal rates and percentages from 0 to 70.

Marginal Tax Rates, 1980

Table with columns for Tax rate classes, Joint returns and returns of surviving spouses, and Classified by the highest marginal rate at which tax was computed. Rows include All marginal rates and percentages from 0 to 70.

Footnote(s) at end of table.

Table 2. — Income Subject to Tax and Tax, Classified by Both the Marginal Rate and Each Rate at which Tax was Computed—Continued

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

Tax rate classes	Separate returns of husbands and wives										Classified by each rate at which tax was computed		
	Classified by the highest marginal rate at which tax was computed									Number of returns	Income taxed at rate	Income tax generated at rate	
	Number of returns	Adjusted gross income	Income subject to tax		Tax generated		Income tax after credits						
			At all rates	At marginal rate	At all rates	At marginal rate	Total	As a percent of —					
(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)	(33)	(34)	(35)	(36)		
All marginal rates	1,569,269	18,346,036	14,340,815	2,054,848	2,938,450	653,469	2,876,110	15.7	20.1	1,569,269	14,340,815	2,937,319	
0 percent	177,456	460,766	157,337	157,337	—	—	—	—	—	1,569,269	2,519,545	—	
14 percent	109,625	483,338	244,224	59,628	8,338	8,348	8,067	1.7	3.3	1,391,813	1,406,975	196,976	
16 percent	134,522	663,308	440,005	70,416	30,921	11,267	30,281	4.6	6.9	1,283,188	1,276,516	204,243	
18 percent	252,241	1,741,528	1,262,550	304,304	134,209	54,775	131,012	7.5	10.4	1,148,666	2,231,618	401,691	
19 percent	—	—	—	—	—	—	—	—	—	—	—	—	
21 percent	158,427	1,461,310	1,101,100	158,856	144,375	33,360	141,218	9.7	12.8	896,425	1,671,752	351,068	
22 percent	—	—	—	—	—	—	—	—	—	—	—	—	
24 percent	154,054	1,723,979	1,396,424	165,687	214,306	39,765	211,828	12.3	15.2	737,998	1,391,970	334,073	
26 percent	—	—	—	—	—	—	—	—	—	—	—	—	
28 percent	149,550	2,045,377	1,668,945	158,533	289,137	44,389	287,287	14.0	17.2	583,944	1,114,200	311,976	
30 percent	—	—	—	—	—	—	—	—	—	—	—	—	
31 percent	—	—	—	—	—	—	—	—	—	—	—	—	
32 percent	151,706	2,506,065	2,036,978	171,343	396,661	54,830	393,447	15.7	19.3	434,394	920,466	294,549	
34 percent	—	—	—	—	—	—	—	—	—	—	—	—	
36 percent	—	—	—	—	—	—	—	—	—	—	—	—	
37 percent	124,247	2,422,906	2,048,336	191,010	456,161	70,674	454,479	18.8	22.2	282,688	610,879	226,025	
39 percent	—	—	—	—	—	—	—	—	—	—	—	—	
42 percent	—	—	—	—	—	—	—	—	—	—	—	—	
43 percent	96,548	2,274,094	1,899,022	200,135	480,408	86,058	471,938	20.8	24.9	158,441	528,168	227,112	
44 percent	—	—	—	—	—	—	—	—	—	—	—	—	
46 percent	—	—	—	—	—	—	—	—	—	—	—	—	
49 percent	47,295	1,475,712	1,229,834	146,823	372,811	71,944	370,007	25.1	30.1	61,893	250,469	122,730	
50 percent maximum rate	—	—	—	—	—	—	—	—	—	—	—	—	
54 percent	10,486	442,260	373,477	59,012	135,405	31,867	125,799	28.4	33.7	14,598	111,646	60,289	
55 percent	—	—	—	—	—	—	—	—	—	—	—	—	
59 percent	1,849	109,151	89,204	10,088	37,033	5,952	35,533	32.6	39.8	4,112	37,018	21,840	
63 percent	677	59,304	48,655	11,623	23,532	7,439	21,066	35.5	43.3	2,263	53,652	34,337	
64 percent	609	71,938	61,109	11,658	32,733	7,928	30,897	42.9	50.6	1,586	37,549	25,533	
68 percent	977	405,000	283,615	178,394	182,419	124,876	163,252	40.3	57.6	977	178,394	124,876	

Tax rate classes	Returns of heads of households										Classified by each rate at which tax was computed		
	Classified by the highest marginal rate at which tax was computed									Number of returns	Income taxed at rate	Income tax generated at rate	
	Number of returns	Adjusted gross income	Income subject to tax		Tax generated		Income tax after credits						
			At all rates	At marginal rate	At all rates	At marginal rate	Total	As a percent of —					
(37)	(38)	(39)	(40)	(41)	(42)	(43)	(44)	(45)	(46)	(47)	(48)		
All marginal rates	6,928,550	86,490,890	63,169,721	9,771,105	10,111,952	2,172,820	9,408,129	10.9	14.9	6,928,550	63,180,957	10,120,484	
0 percent	986,261	4,161,216	1,227,755	1,227,755	—	—	—	—	—	6,928,550	14,890,273	—	
14 percent	1,003,269	6,401,960	3,353,102	1,046,122	146,646	146,457	21,044	0.3	0.6	5,942,289	11,418,064	1,598,529	
16 percent	1,017,215	8,477,601	5,512,755	1,037,431	464,702	165,989	241,679	2.9	4.4	4,939,020	9,273,221	1,483,715	
18 percent	1,007,358	10,642,986	7,629,313	1,082,177	829,500	194,792	736,598	6.9	9.7	3,921,805	7,493,961	1,348,913	
19 percent	—	—	—	—	—	—	—	—	—	—	—	—	
21 percent	—	—	—	—	—	—	—	—	—	—	—	—	
22 percent	1,105,044	14,656,706	11,233,023	1,620,192	1,489,946	356,442	1,416,997	9.7	12.6	2,914,447	7,229,341	1,590,455	
24 percent	714,319	11,967,074	9,487,068	1,058,967	1,473,245	254,152	1,434,472	12.0	15.1	1,809,403	4,563,236	1,095,177	
26 percent	463,590	9,443,018	7,643,205	689,766	1,327,245	179,339	1,294,562	13.7	16.9	1,095,084	2,710,547	704,742	
28 percent	—	—	—	—	—	—	—	—	—	—	—	—	
30 percent	—	—	—	—	—	—	—	—	—	—	—	—	
31 percent	363,388	8,912,045	7,377,393	763,942	1,438,902	236,822	1,410,870	15.8	19.1	631,494	2,184,904	677,320	
32 percent	—	—	—	—	—	—	—	—	—	—	—	—	
34 percent	—	—	—	—	—	—	—	—	—	—	—	—	
36 percent	144,627	4,445,050	3,723,662	325,459	833,708	117,165	825,035	18.6	22.2	268,106	979,898	352,763	
37 percent	—	—	—	—	—	—	—	—	—	—	—	—	
39 percent	—	—	—	—	—	—	—	—	—	—	—	—	
42 percent	50,018	1,900,892	1,542,680	102,164	385,969	42,909	379,744	20.0	24.6	123,479	491,508	206,433	
43 percent	—	—	—	—	—	—	—	—	—	—	—	—	
44 percent	—	—	—	—	—	—	—	—	—	—	—	—	
46 percent	40,461	1,900,029	1,563,240	183,520	451,995	84,419	442,308	23.3	28.3	73,461	533,320	245,327	
49 percent	—	—	—	—	—	—	—	—	—	—	—	—	
50 percent maximum rate	4,254	428,035	344,729	154,603	136,857	77,301	109,787	25.6	31.8	12,934	594,102	297,051	
54 percent	15,027	965,010	767,715	77,627	261,110	41,919	254,819	26.4	33.2	22,957	200,834	108,450	
55 percent	—	—	—	—	—	—	—	—	—	—	—	—	
59 percent	6,801	593,479	477,086	33,189	188,134	19,582	183,223	30.9	38.4	10,714	123,193	72,684	
63 percent	2,609	306,897	242,719	22,470	107,170	14,156	100,768	32.8	41.5	4,812	73,202	46,117	
64 percent	—	—	—	—	—	—	—	—	—	—	—	—	
68 percent	2,340	384,921	305,202	31,430	146,482	21,372	139,268	36.2	45.6	3,853	107,063	72,803	
70 percent	1,969	903,971	739,075	314,290	430,341	220,003	416,955	46.1	56.4	1,969	314,290	220,003	

Footnote(s) at end of table.

Table 2.—Income Subject to Tax and Tax, Classified by Both the Marginal Rate and Each Rate at which Tax was Computed—Continued

(All figures are estimates based on samples—money amounts are in thousands of dollars)

Tax rate classes	Returns of single persons											
	Classified by the highest marginal rate at which tax was computed								Classified by each rate at which tax was computed			
	Number of returns	Adjusted gross income	Income subject to tax		Tax generated		Income tax after credits			Number of returns	Income taxed at rate	Income tax generated at rate
			At all rates	At marginal rate	At all rates	At marginal rate	Total	As a percent of —				
(49)	(50)	(51)	(52)	(53)	(54)	(55)	(56)	(57)	(58)	(59)	(60)	
All marginal rates	36,019,386	357,025,060	299,865,273	43,102,057	51,914,928	10,115,847	51,265,649	14.4	17.1	36,019,386	299,865,273	51,912,450
0 percent	8,009,325	18,037,969	8,989,040	8,989,040	—	—	—	—	—	36,019,386	73,392,891	—
14 percent	3,440,542	13,628,455	9,720,048	1,808,358	254,505	253,170	249,532	1.8	2.6	28,010,061	28,834,829	4,036,876
16 percent	2,613,978	13,343,878	10,153,103	1,267,647	604,811	202,824	589,685	4.4	5.8	24,569,519	23,223,188	3,715,710
18 percent	4,658,766	31,140,491	25,267,808	4,771,780	2,322,886	858,921	2,282,450	7.3	9.0	21,955,541	41,095,008	7,397,101
19 percent	3,735,714	32,925,711	27,946,654	3,666,928	3,280,700	696,716	3,257,092	9.9	11.7	17,296,775	30,789,050	5,849,920
21 percent	3,563,757	39,093,271	34,102,552	3,814,978	4,621,198	801,145	4,567,286	11.7	13.4	13,561,061	26,808,777	5,629,843
22 percent	—	—	—	—	—	—	—	—	—	—	—	—
24 percent	2,550,592	33,886,728	30,104,547	2,561,385	4,580,744	614,732	4,551,016	13.4	15.1	9,997,304	18,199,480	4,367,875
26 percent	1,950,944	30,351,170	27,156,209	1,989,912	4,535,098	517,377	4,489,219	14.8	16.5	7,446,712	13,531,025	3,518,067
28 percent	—	—	—	—	—	—	—	—	—	—	—	—
30 percent	2,164,725	40,072,828	35,658,602	3,188,334	6,596,225	956,500	6,539,699	16.3	18.3	5,495,768	13,847,871	4,154,301
31 percent	—	—	—	—	—	—	—	—	—	—	—	—
32 percent	—	—	—	—	—	—	—	—	—	—	—	—
34 percent	1,898,051	43,731,046	38,770,622	4,226,927	8,203,937	1,437,155	8,147,787	18.6	21.0	3,331,043	11,821,785	4,019,407
36 percent	—	—	—	—	—	—	—	—	—	—	—	—
37 percent	—	—	—	—	—	—	—	—	—	—	—	—
39 percent	—	—	—	—	—	—	—	—	—	—	—	—
42 percent	723,766	21,179,197	18,635,220	1,626,961	4,519,052	634,515	4,464,505	21.1	24.0	1,432,992	5,385,859	2,100,465
43 percent	—	—	—	—	—	—	—	—	—	—	—	—
44 percent	301,383	10,679,105	9,330,108	650,554	2,527,031	286,244	2,483,850	23.3	26.6	709,226	2,812,122	1,237,334
46 percent	—	—	—	—	—	—	—	—	—	—	—	—
49 percent	182,236	7,966,100	6,733,826	519,790	2,034,379	254,697	2,002,439	25.1	29.7	407,843	2,189,281	1,072,748
50 percent maximum rate	14,056	1,209,762	1,009,334	426,010	401,351	213,005	380,964	31.5	37.7	47,916	1,924,910	962,455
54 percent	—	—	—	—	—	—	—	—	—	—	—	—
55 percent	107,316	6,057,599	5,083,934	597,268	1,782,742	328,497	1,749,102	28.9	34.4	185,596	1,657,417	911,579
59 percent	—	—	—	—	—	—	—	—	—	—	—	—
63 percent	59,692	4,745,297	3,917,505	475,392	1,620,029	299,497	1,580,489	33.3	40.3	94,808	1,346,159	848,080
64 percent	—	—	—	—	—	—	—	—	—	—	—	—
68 percent	21,262	2,363,543	1,962,447	185,206	920,592	125,940	904,452	38.3	46.1	39,920	670,233	455,758
70 percent	23,281	6,812,910	5,323,714	2,335,586	3,109,646	1,634,910	3,026,082	45.8	56.8	23,281	2,335,586	1,634,910

(1) Less than 0.05 percent.

* Estimate should be used with caution because of the small number of sample returns on which it is based.

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