

Comparison of BEA Estimates of Personal Income and IRS Estimates of Adjusted Gross Income

New Estimates for 2002

Revised Estimates for 2001

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THE Bureau of Economic Analysis (BEA) measure of personal income and the Internal Revenue Service (IRS) measure of adjusted gross income are both widely used measures of household income. Adjusted gross income (AGI) is the key, before-tax definition of income that is used by the IRS in the calculation of individual income tax liabilities. Personal income is the more comprehensive income measure; it represents current income received by persons from all sources, and it is often used in examining trends in national economic output, saving, investment, and consumer spending.¹

A comparison of personal income and AGI for 2001 and 2002 is prepared because these two measures are often used jointly, although they are based on different concepts and serve different purposes. This compari-

son features the AGI gap, or the difference between the BEA-derived estimates of AGI and the IRS estimates of AGI. (For the definitions of selected terms, see the box “Key Terms.”)

The AGI gap was \$961.1 billion for 2002—the most recent year for which AGI data are available (table 1). The relative AGI gap—the gap as a percentage of BEA-derived AGI—was 13.7 percent. For 2001, the revised AGI gap was \$834.4 billion (table 2); the revision reflects the incorporation of the results from the 2004 annual revision of the national income and product accounts (NIPAs) and of revised estimates of certain items that partly reconcile BEA-derived AGI and IRS AGI. IRS AGI was unrevised for 2001. The relative AGI gap for 2001 was revised up to 11.9 percent from 11.6 percent.²

1. Annual and quarterly estimates of personal income are published monthly in table 2.1 in the national income and product accounts (NIPAs). IRS estimates of AGI are published annually in *Statistics of Income—Individual Income Tax Returns*. The estimates of the relationship between total personal income and total AGI are presented annually in NIPA table 7.19. The estimates presented in this article and most of the underlying data are available on BEA's Web site at <www.bea.gov/bea/dn/nipaweb/index.asp>.

2. For information about the source data and the methodologies that are used to prepare the BEA-derived estimates of AGI and the AGI gap, see Mark A. Ledbetter, “Comparison of BEA Estimates of Personal Income and IRS Estimates of Adjusted Gross Income: New Estimates for 2001 and Revised Estimates for 1959–2000,” *SURVEY OF CURRENT BUSINESS* 84 (April 2004): 8–22.

Key Terms

Adjusted gross income (AGI) for Federal income tax purposes includes all income that is received in the form of money, property, and services and that is not explicitly exempt by law.

Personal income is the income received by persons from all sources. It includes income that is taxed, that is partly taxed (such as social security benefit payments), and that is tax exempt (such as tax-exempt interest, nontaxable transfer payments, and Medicare, Medicaid, and welfare benefit payments). It is the sum of “compensation of employees (received),” proprietors’ income, rental income of persons, personal income receipts on assets, and personal current transfer receipts less employer contributions for government social insurance. Personal income also includes imputed income, and it excludes net gains from the sale of assets (capital gains), pension benefit payments, and employee and self-employed contributions for government social insurance. For more

information about personal income, see <www.bea.gov/bea/regional/articles/spi2001>.

“Persons” consists of individuals, nonprofit institutions serving households, private noninsured welfare funds, and private trust funds.

BEA-derived AGI is based on IRS tabulations of data from individual income tax returns, corporate income tax returns, nonfarm sole proprietorship income taxes, partnership income taxes, and extrapolated estimates for tax-exempt income taxes and for private foundation income taxes.

The AGI gap is the difference between the BEA-derived AGI and the IRS AGI. The AGI gap for each type of income is the difference between the BEA-derived AGI and the reallocated IRS AGI for that type of income.

Relative AGI gap for each type of income shows the AGI gap by type of income as a percentage of the BEA-derived AGI by type of income.

The AGI Gap for 2002

The total AGI gap for personal income for 2002 is \$961.1 billion (table 1). The misreporting adjustment accounts for \$402.3 billion, so \$558.8 billion is unexplained.

The AGI gap for wage and salary disbursements for 2002 is \$308.2 billion. The misreporting adjustment accounts for \$106.5 billion, so \$201.7 billion is unexplained.

The AGI gap for farm proprietors' income for 2002 is \$10.6 billion. For nonfarm proprietors' income, it is \$395.4 billion. The misreporting adjustment accounts for \$309 billion, so \$86.4 billion is unexplained.

The AGI gap for rental income of persons for 2002 is \$10.4 billion. The misreporting adjustment accounts for \$1.3 billion, so \$9.1 billion is unexplained.

The AGI gap for personal dividend income for 2002 is \$74.4 billion.

The AGI gap for personal interest income for 2002 is \$40.0 billion. The misreporting adjustment is -\$14.4 billion.

The AGI gap for taxable pensions and annuities is \$103.3 billion. For taxable unemployment compensation, the AGI gap is \$10.7 billion. For taxable social security benefits, the AGI gap is \$8.1 billion.

Revisions to the AGI Gap for 2001

The AGI gap was revised up \$21.6 billion for 2001 (table 3). The upward revision was due to an upward revision of \$11.1 billion to personal income and to net revisions of \$10.6 billion to the reconciliation items that increased BEA-derived AGI by \$21.6 billion.³

The \$21.6 billion revision to the BEA-derived AGI is attributable to an upward revision of \$8.0 billion to personal income that carried through to the BEA-derived AGI, to an upward revision of \$12.6 billion to reconciliation items derived independently of NIPA revisions of personal income, and to an upward revision of \$1.0 billion to AGI components. Total IRS AGI was not revised.

Of the \$11.1 billion upward revision to personal income, \$3.1 billion did not carry through to BEA-derived AGI because of offsetting revisions to the reconciliation items that are included in personal income.⁴ All the revisions to the estimates of the recon-

3. The revised estimates of the AGI gap for 2001 reflect the incorporation of the results of the 2004 annual NIPA revision and the new IRS estimates of tax-exempt and private foundation income tax returns from the Statistics of Income.

4. Carry through is the term that is used to describe a revision to a reconciliation item in personal income or in AGI that results in a revision to the AGI gap. The revision to a reconciliation item in one measure of income that is not offset by an identical revision to a reconciliation item in the other measure of income is said to carry through to the AGI gap.

ciliation items that are estimated independently of personal income and of AGI carry through to the BEA-derived AGI (these estimates are derived from source data that are not used to prepare estimates of personal income or AGI).⁵

Revisions to AGI components (part of lines 9, 12, 14, and 15) were all carried through to the BEA-derived AGI. For example, capital gains and small business corporation income of AGI components are added, without adjustments, to personal income in the derivation of the BEA-derived AGI.

Appendix: Estimating the AGI Gap

Personal income and adjusted gross income (AGI) are based on different concepts, and each serves different purposes. Specifically, the estimates of personal income are available much sooner than the estimates of AGI, so they are used to extrapolate advance estimates of AGI. Because major changes in the tax laws affect the IRS estimates of AGI, the AGI estimates cannot be compared with BEA's historically consistent series of estimates of personal income. However, the estimates of personal income and the AGI gap can be adjusted to produce values that are comparable.

The AGI gap by type of income is estimated in three steps (tables 1 and 2). First, an estimate of BEA-derived AGI is prepared by adjusting the estimates of BEA personal income to conform to an IRS definition of AGI: Certain types of income are subtracted from personal income because they are not included in AGI (lines 3–9), and certain types of income are added to personal income to be consistent with AGI (lines 11–15).

Second, certain types of personal income are reallocated so that the BEA-derived estimates of AGI by type conform to AGI definitions (lines 17–20), and certain types of AGI are reallocated so that AGI by type conforms to the BEA-derived AGI (lines 24–26). Third, the estimates of "AGI reallocated" (line 27) are subtracted from the estimates of BEA-derived AGI (line 21) to yield an estimate of the AGI gap (line 28). The relative AGI gap (line 30) is the AGI gap as a percentage of BEA-derived AGI.

5. The reconciliation items in lines 3, 6, 7, and 9 of tables 1, 2, and 3 are components of personal income, but they are estimated independently of personal income. Similarly, several of the reconciliation items in line 15 are components of AGI, but they are estimated independently of AGI. The estimates of the reconciliation items are prepared only for the reconciliation. Thus, revisions to these items carry through to the AGI gap.

Tables 1 through 5 follow.

Table 1. Comparison of Personal Income With Adjusted Gross Income (AGI) by Type of Income for 2002

[Billions of dollars]

Line		Personal Income											Income not included in personal income
		Total	Wage and salary disbursements	Proprietors' income with IVA and CCAJ		Rental income of persons with CCAJ	Income receipts on assets		Taxable pensions and annuities	Taxable unemployment compensation	Taxable social security ¹	Other personal income ²	
				Farm	Nonfarm		Personal dividend income	Personal interest income					
1	Personal income	8,878.9	4,976.3	9.7	759.9	170.9	387.9	946.7	3.1	54.0	101.6	1,468.8	0.0
2	Less: Portion of personal income not included in adjusted gross income	3,240.2	140.7	14.1	58.6	128.2	253.1	714.9	0.0	0.0	0.0	1,853.5	77.2
3	Nontaxable transfer payments to persons.....	1,123.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1,123.0	0.0
4	Employer contributions to pension and insurance funds	729.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	729.6	0.0
5	Imputed income in personal income ⁴	316.8	12.1	0.2	2.8	106.4	0.0	195.3	0.0	0.0	0.0	0.0	0.0
6	Investment income retained by life insurance carriers and pensions plans ⁵	407.1	0.0	0.0	0.0	1.6	37.0	368.6	0.0	0.0	0.0	0.0	0.0
7	Investment income received by nonprofit institutions and retained by fiduciaries	65.6	0.0	0.0	0.5	8.2	18.4	37.6	0.0	0.0	0.0	1.0	0.0
8	Differences in accounting treatment between NIPAs and tax regulations, net	153.2	0.0	13.9	55.2	12.1	20.5	51.4	0.0	0.0	0.0	0.0	0.0
9	Other personal income exempt or excluded from adjusted gross income	444.8	128.6	0.0	0.0	0.0	177.2	61.9	0.0	0.0	0.0	0.0	⁶ 77.2
10	Plus: Portion of adjusted gross income not included in personal income	1,356.0	24.7	0.0	4.7	4.3	0.0	0.0	465.7	0.0	0.0	383.8	472.9
11	Contributions for government social insurance	384.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	384.7	0.0
12	Net gain from sale of assets	236.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	236.4
13	Taxable pensions ⁷	465.6	0.0	0.0	0.0	0.0	0.0	0.0	465.6	0.0	0.0	0.0	0.0
14	Small business corporation income	153.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	153.3
15	Other types of income	116.0	24.7	0.0	4.7	4.3	0.0	0.0	0.0	0.0	0.0	-0.9	83.2
16	Plus: Reallocation by type of NIPA income	0.0	7.7	0.0	-1.0	0.0	42.8	-42.8	-7.7	0.0	0.0	1.0	0.0
17	Fiduciaries' share of partnership income ⁸	0.0	0.0	0.0	-1.0	0.0	0.0	0.0	0.0	0.0	0.0	1.0	0.0
18	Interest received by nonfarm proprietors	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
19	Interest distributed by regulated investment companies	0.0	0.0	0.0	0.0	0.0	42.8	-42.8	0.0	0.0	0.0	0.0	0.0
20	Taxable disability income payments	0.0	7.7	0.0	0.0	0.0	0.0	0.0	-7.7	0.0	0.0	0.0	0.0
21	Equals: BEA-derived adjusted gross income	6,994.6	4,867.9	-4.4	705.1	47.0	177.6	189.1	461.1	54.0	101.6	0.0	395.7
22	IRS adjusted gross income (as reported)	6,033.6	4,559.7	-14.4	220.8	29.0	103.2	149.0	357.8	43.3	93.5	95.9	395.7
23	Plus: Reallocation by type of IRS income	0.0	0.0	-0.6	88.9	7.6	0.0	0.0	0.0	0.0	0.0	-95.9	0.0
24	Estate or trust income	0.0	0.0	0.0	3.7	7.6	0.0	0.0	0.0	0.0	0.0	-11.2	0.0
25	Partnership income	0.0	0.0	-0.6	85.3	0.0	0.0	0.0	0.0	0.0	0.0	-84.7	0.0
26	Other reallocations	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
27	IRS adjusted gross income (reallocated)	6,033.6	4,559.7	-15.0	309.7	36.6	103.2	149.0	357.8	43.3	93.5	0.0	395.7
28	Adjusted gross income (AGI) gap (line 21–line 27)	961.1	308.2	10.6	395.4	10.4	74.4	40.0	103.3	10.7	8.1	0.0	0.0
29	Percent distribution of AGI gap	100.0	32.1	1.1	41.1	1.1	7.7	4.2	10.7	1.1	0.8	.....	.....
30	Relative AGI gap ⁹	13.7	6.3	(¹⁰)	56.1	22.1	41.9	21.2	22.4	19.8	8.0	.....	.....
31	Addendum: Misreporting adjustment included in personal income	402.3	106.5	.....	309.0	1.3	.....	-14.4	.....	.....	.....	.....	.....

1. These benefits also include a social security equivalent benefit portion of tier 1 railroad retirement benefits.

2. Consists primarily of employer contributions for employee pension and insurance funds and nontaxable transfer payments to persons less contributions to government social insurance.

3. Includes tier 2 railroad retirement benefits that are taxed as if the benefits were paid under private employer retirement plans.

4. Consists of all the imputations in personal income in NIPA table 7.12 except for employer contributions for health and life insurance premiums; these premiums are included in line 4.

5. Consists of imputed interest received by persons from life insurance carriers (NIPA table 7.11) and the investment income of private and government employee pension plans.

6. Statutory adjustments or specific adjustments ("above-the-line deductions") from total income included to

arrive at AGI.

7. Consists of the taxable portion of private and government employee retirement plan benefit payments.

8. Consists of partnership income retained by fiduciaries.

9. Adjusted gross income gap (line 28) as a percentage of BEA-derived AGI (line 21).

10. The calculation of the relative AGI gap for farm proprietors' income is not applicable because of a negative BEA-derived AGI value.

BEA Bureau of Economic Analysis

CCAJ Capital consumption adjustment

IRS Internal Revenue Service

IVA Inventory valuation adjustment

NIPAs National income and product accounts

Table 2. Comparison of Personal Income With Adjusted Gross Income (AGI) by Type of Income for 2001

[Billions of dollars]

Line		Personal Income										Income not included in personal income	
		Total	Wage and salary disbursements	Proprietors' income with IVA and CCAAdj		Rental Income of persons with CCAAdj	Income receipts on assets		Taxable pensions and annuities	Taxable unemployment compensation	Taxable social security ¹		Other personal income ²
				Farm	Nonfarm		Personal dividend income	Personal interest income					
1	Personal income	8,724.1	4,942.8	19.7	752.2	167.4	369.0	1,011.0	3.0	32.5	101.3	1,325.2	0.0
2	Less: Portion of personal income not included in adjusted gross income	3,108.3	130.8	12.1	64.1	121.1	258.2	762.0	0.0	0.0	0.0	1,699.6	60.6
3	Nontaxable transfer payments to persons	1,056.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1,056.0	0.0
4	Employer contributions to pension and insurance funds	642.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	642.7	0.0
5	Imputed income in personal income ⁴	294.0	11.7	0.2	2.7	99.1	0.0	180.3	0.0	0.0	0.0	0.0	0.0
6	Investment income retained by life insurance carriers and pensions plans ⁵	445.5	0.0	0.0	0.0	1.6	42.3	401.6	0.0	0.0	0.0	0.0	0.0
7	Investment income received by nonprofit institutions and retained by fiduciaries	70.6	0.0	0.0	0.5	10.2	17.8	41.2	0.0	0.0	0.0	0.0	0.0
8	Differences in accounting treatment between NIPAs and tax regulations, net	176.8	0.0	11.9	60.9	10.1	19.4	74.6	0.0	0.0	0.0	0.0	0.0
9	Other personal income exempt or excluded from adjusted gross income	422.7	119.0	0.0	0.0	0.0	178.8	64.3	0.0	0.0	0.0	0.0	⁶ 60.6
10	Plus: Portion of adjusted gross income not included in personal income	1,389.2	25.8	0.0	4.9	3.9	0.0	0.0	435.8	0.0	0.0	373.4	545.4
11	Contributions for government social insurance	374.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	374.5	0.0
12	Net gain from sale of assets	324.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	324.6
13	Taxable pensions ⁷	435.8	0.0	0.0	0.0	0.0	0.0	0.0	435.8	0.0	0.0	0.0	0.0
14	Small business corporation income	130.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	130.6
15	Other types of income	123.6	25.8	0.0	4.9	3.9	0.0	0.0	0.0	0.0	0.0	-1.1	90.1
16	Plus: Reallocation by type of NIPA income	0.0	9.3	0.0	-0.9	0.0	48.5	-48.5	-9.3	0.0	0.0	0.9	0.0
17	Fiduciaries' share of partnership income ⁸	0.0	0.0	0.0	-0.9	0.0	0.0	0.0	0.0	0.0	0.0	0.9	0.0
18	Interest received by nonfarm proprietors	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
19	Interest distributed by regulated investment companies	0.0	0.0	0.0	0.0	0.0	48.5	-48.5	0.0	0.0	0.0	0.0	0.0
20	Taxable disability income payments	0.0	9.3	0.0	0.0	0.0	0.0	0.0	-9.3	0.0	0.0	0.0	0.0
21	Equals: BEA-derived adjusted gross income	7,005.0	4,847.1	7.6	692.1	50.3	159.2	200.5	429.6	32.5	101.3	0.0	484.8
22	IRS adjusted gross income (as reported)	6,170.6	4,565.2	-11.0	216.8	32.9	119.5	198.2	338.7	27.2	93.6	104.7	484.8
23	Plus: Reallocation by type of IRS income	0.0	0.0	0.1	97.4	7.2	0.0	0.0	0.0	0.0	0.0	-104.7	0.0
24	Estate or trust income	0.0	0.0	0.0	3.0	7.2	0.0	0.0	0.0	0.0	0.0	-10.2	0.0
25	Partnership income	0.0	0.0	0.1	94.4	0.0	0.0	0.0	0.0	0.0	0.0	-94.5	0.0
26	Other reallocations	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
27	IRS adjusted gross income (reallocated)	6,170.6	4,565.2	-10.9	314.2	40.1	119.5	198.2	338.7	27.2	93.6	0.0	484.8
28	Adjusted gross income (AGI) gap (line 21–line 27)	834.4	281.8	18.5	377.9	10.2	39.7	2.3	90.8	5.3	7.7	0.0	0.0
29	Percent distribution of AGI gap	100.0	33.8	2.2	45.3	1.2	4.8	0.3	10.9	0.6	0.9	.....	.....
30	Relative AGI gap ⁹	11.9	5.8	242.7	54.6	20.2	24.9	1.1	21.1	16.4	7.6	.....	.....
31	Addendum: Misreporting adjustment included in personal income	388.2	103.3	.....	300.1	2.1	.....	-17.2	.....	.....	.....	.....	.....

1. These benefits also include a social security equivalent benefit portion of tier 1 railroad retirement benefits.

2. Consists primarily of employer contributions for employee pension and insurance funds and nontaxable transfer payments to persons less contributions to government social insurance.

3. Includes tier 2 railroad retirement benefits that are taxed as if the benefits were paid under private employer retirement plans.

4. Consists of all the imputations in personal income in NIPA table 7.12 except for employer contributions for health and life insurance premiums; these premiums are included in line 4.

5. Consists of imputed interest received by persons from life insurance carriers (NIPA table 7.11) and the investment income of private and government employee pension plans.

6. Statutory adjustments or specific adjustments ("above-the-line deductions") from total income included to arrive at AGI.

7. Consists of the taxable portion of private and government employee retirement plan benefit payments.

8. Consists of partnership income retained by fiduciaries.

9. Adjusted gross income gap (line 28) as a percentage of BEA-derived AGI (line 21).

BEA Bureau of Economic Analysis

CCAAdj Capital consumption adjustment

IRS Internal Revenue Service

IVA Inventory valuation adjustment

NIPAs National income and product accounts

Table 3. Sources of Revision to the AGI Gap for 2001

[Billions of dollars]

Line		2001
1	Personal income	11.1
2	Less: Portion of personal income not included in AGI	-8.7
3	Nontaxable transfer payments	1.0
4	Employer contributions for employee pension and insurance funds	0.1
5	Imputed income in personal income	1.3
6	Investment income of life insurance carriers and pension plans.....	-10.2
7	Investment income received by nonprofit institutions and retained by fiduciaries...	1.6
8	Differences in accounting treatment between NIPAs and tax regulations, net.....	-0.7
9	Other personal income exempt or excluded from adjusted gross income.....	-1.8
10	Plus: Portion of adjusted gross income not included in personal income	1.9
11	Contributions for government social insurance.....	0.9
12	Net gain from sale of assets	0.0
13	Taxable pensions	-0.1
14	Small business corporation income	0.0
15	Other types of income.....	1.0
21	Equals: BEA-derived adjusted gross income	21.6
22	IRS adjusted gross income	0.0
28	Adjusted gross income (AGI) gap	21.6
30	Relative AGI Gap	0.3

Note. Line numbers in this table correspond to those in table 2.
 BEA Bureau of Economic Analysis
 IRS Internal Revenue Service
 NIPAs National income and product accounts

Table 4. The BEA and IRS Measures of AGI and the AGI Gap by Type of Income for 1990–2002

[Billions of dollars]

	BEA-derived AGI	IRS AGI	AGI gap	Wage and salary disbursements	Proprietors' income with IVA and CCAdj		Rental income of persons with CCAdj	Income receipts on assets			Taxable pension and annuities	Taxable unemployment compensation	Taxable social security benefits
					Farm	Nonfarm		Total	Personal dividend income	Personal interest income			
1990	3,798.4	3,405.4	393.0	106.4	27.7	134.8	4.2	59.2	44.7	14.6	54.5	2.8	3.0
1991	3,856.8	3,464.5	392.3	92.1	29.8	138.7	8.2	66.1	45.2	20.9	50.1	3.6	3.2
1992	4,092.0	3,629.1	462.9	121.9	30.6	162.7	12.5	65.2	34.4	30.8	56.6	8.3	4.5
1993	4,245.4	3,723.3	522.1	139.3	38.1	195.6	12.3	65.4	31.2	34.2	57.1	7.4	6.1
1994	4,473.7	3,907.5	566.2	146.1	27.0	214.8	15.4	86.5	48.1	38.4	64.0	3.8	8.0
1995	4,759.8	4,189.4	570.4	153.5	36.9	233.1	17.0	49.0	31.2	17.9	68.6	2.6	8.8
1996	5,144.5	4,536.0	608.5	178.2	31.2	259.3	16.1	44.8	40.0	4.8	70.2	3.2	7.2
1997	5,578.0	4,970.0	608.0	190.2	31.3	264.4	16.4	23.8	43.8	-20.0	71.3	3.1	6.5
1998	6,120.2	5,416.0	704.3	227.6	26.3	286.0	15.8	71.0	47.2	23.8	72.2	3.1	2.3
1999	6,553.5	5,855.5	698.0	251.1	25.4	322.9	16.6	-5.1	6.3	-11.4	77.0	3.3	6.9
2000	7,125.4	6,365.4	760.1	280.8	21.2	368.4	13.8	-17.8	17.1	-34.9	91.4	3.8	7.3
2001	7,005.0	6,170.6	834.4	281.8	18.5	377.9	10.2	42.0	39.7	2.3	90.8	5.3	7.7
2002	6,994.6	6,033.6	961.1	308.2	10.6	395.4	10.4	114.4	74.4	40.0	103.3	10.7	8.1

AGI Adjusted gross income
 BEA Bureau of Economic Analysis
 CCAdj Capital consumption adjustment

IRS Internal Revenue Service
 IVA Inventory valuation adjustment

Table 5. The Relative AGI Gap by Type of Income for 1990–2002
[Percent]

	Total relative AGI gap	Wage and salary disbursements	Proprietors' income with IVA and CCAj		Rental income of persons with CCAj	Income receipts on assets			Taxable pension and annuities	Taxable unemployment compensation	Taxable social security benefits	Addenda	
			Farm	Nonfarm		Total	Personal dividend income	Personal interest income				The sum of income items except wages, subject to the requirements for filing information returns ¹	The sum of income items not subject to the requirements for filing information returns ²
1990	10.3	3.9	96.1	44.0	38.5	16.2	35.8	6.0	25.5	15.5	13.2	19.2	48.1
1991	10.2	3.3	105.2	44.5	50.4	18.7	36.9	9.1	22.1	13.5	13.1	19.5	49.6
1992	11.3	4.2	103.8	45.7	49.4	21.3	30.6	15.9	23.3	21.0	16.2	21.8	50.1
1993	12.3	4.6	107.9	49.8	42.0	23.7	28.1	20.7	22.8	21.0	20.0	22.9	53.7
1994	12.7	4.6	134.4	50.5	43.3	29.3	36.9	23.3	23.8	15.8	17.2	25.6	53.5
1995	12.0	4.6	125.7	51.7	43.8	16.4	24.8	10.3	23.7	11.8	16.2	19.4	55.3
1996	11.8	5.0	127.7	52.2	38.0	14.2	27.7	2.8	22.7	14.0	12.0	17.7	54.4
1997	10.9	5.0	125.2	51.0	36.7	7.5	26.7	-13.2	21.5	15.3	9.5	14.2	53.1
1998	11.5	5.5	141.5	50.7	35.3	19.3	28.5	11.8	20.5	15.5	3.2	18.3	52.3
1999	10.7	5.7	129.5	52.2	36.3	-1.7	4.5	-6.9	20.2	15.7	8.4	10.4	53.3
2000	10.7	5.9	174.1	54.9	29.8	-5.4	10.4	-21.3	21.9	18.3	7.5	9.8	55.3
2001	11.9	5.8	242.7	54.6	20.2	11.7	25.0	1.1	21.1	16.4	7.6	15.8	54.2
2002	13.7	6.3	³	56.1	22.1	31.2	41.9	21.2	22.4	19.8	8.0	24.0	55.7

1. Consists of personal dividend income, personal interest income, taxable pensions, taxable unemployment compensation, and taxable social security benefits. These types of income have been subject to varying degrees of withholding since 1984.

2. Consists of farm proprietors' income, nonfarm proprietors' income, and rental income of persons.

3. The calculation of the relative AGI gap for farm proprietors' income is not applicable because of a negative BEA-derived AGI value.

NOTE: The relative AGI gap is the AGI gap as a percentage of the BEA-derived AGI; see line 30 in tables 1 and 2.

AGI Adjusted gross income

BEA Bureau of Economic Analysis

CCAj Capital consumption adjustment

IVA Inventory valuation adjustment