

**Table 492. Federal Individual Income Tax—Tax Liability and Effective and Marginal Tax Rates for Selected Income Groups: 2000 to 2009**

[Refers to income after exclusions but before deductions for itemized or standard deductions and for personal exemptions. Tax liability is after reductions for tax credits. As a result of the tax credits, tax liability can be negative, which means that the taxpayer receives a payment from the government. The effective rate represents tax liability, which may be negative as a result of the tax credits, divided by stated income. The marginal tax rate is the percentage of the first additional dollar of income which would be paid in income tax. Tax credits which increase with income can result in negative marginal tax rates. Computations assume itemized deductions (in excess of floors) of 18 percent of adjusted gross income or the standard deduction, whichever is greater. All income is assumed to be from wages and salaries. Does not include social security and Medicare taxes imposed on most wages and salaries]

Adjusted gross income	2000	2005	2006	2007	2008 <sup>1</sup>	2009
<b>TAX LIABILITY (dol.)</b>						
<b>Single person, no dependents:</b>						
\$5,000	<sup>2</sup> -353	<sup>2</sup> -383	<sup>2</sup> -383	<sup>2</sup> -383	<sup>1,2</sup> -683	<sup>2,5</sup> -693
\$10,000	<sup>2</sup> 391	<sup>2</sup> 46	<sup>2</sup> -7	<sup>2</sup> -73	<sup>1,2</sup> -415	<sup>2,5</sup> -598
\$20,000	1,920	1,405	1,355	1,296	<sup>1</sup> 656	<sup>5</sup> 780
\$30,000	3,270	2,845	2,818	2,789	<sup>1</sup> 2,156	<sup>5</sup> 2,280
\$40,000	4,988	4,075	4,048	4,019	<sup>1</sup> 3,394	<sup>5</sup> 3,555
\$50,000	7,284	6,115	5,983	5,824	<sup>1</sup> 5,119	<sup>5</sup> 5,125
\$75,000	13,024	11,240	11,108	10,949	<sup>1</sup> 10,244	<sup>5</sup> 10,250
\$100,000	19,233	16,571	16,368	16,119	<sup>1</sup> 15,969	<sup>5</sup> 15,775
<b>Married couple, two dependents, with one spouse working:</b>						
\$5,000	-2,000	<sup>2</sup> -2,000	<sup>2</sup> -2,000	<sup>2</sup> -2,000	<sup>1,2</sup> -3,200	-2,610
\$10,000	-3,888	<sup>2</sup> -4,000	<sup>2</sup> -4,000	<sup>2</sup> -4,000	<sup>1,2,4</sup> -5,425	-5,670
\$20,000	-2,349	<sup>2,4</sup> -4,986	<sup>2,4</sup> -5,169	<sup>2,5</sup> -5,404	<sup>1,2,4</sup> -7,484	-7,828
\$30,000	475	<sup>2,3,4</sup> -2,810	<sup>2,3,4</sup> -3,108	<sup>2,4,5</sup> -3,490	<sup>1,2,3,4</sup> -5,143	-5,621
\$40,000	2,218	<sup>3,4</sup> -150	<sup>3,4</sup> -280	<sup>4,5</sup> -428	<sup>1,2,3,4</sup> -2,637	-2,515
\$50,000	3,470	<sup>3</sup> 1,350	<sup>3</sup> 1,200	<sup>4</sup> 1,073	<sup>1,3</sup> -838	-35
\$75,000	7,384	<sup>3</sup> 4,575	<sup>3</sup> 4,490	<sup>4</sup> 4,403	<sup>1,3</sup> 2,523	3,400
\$100,000	13,124	<sup>3</sup> 8,630	<sup>3</sup> 8,315	<sup>4</sup> 7,948	<sup>1,3</sup> 5,888	6,475
<b>EFFECTIVE RATE (percent)</b>						
<b>Single person, no dependents:</b>						
\$5,000	-7.1	<sup>2</sup> -7.7	<sup>2</sup> -7.7	<sup>2</sup> -7.7	<sup>1,2</sup> -13.7	<sup>2,5</sup> -13.9
\$10,000	3.9	<sup>2</sup> 0.5	<sup>2</sup> -0.1	<sup>2</sup> -0.7	<sup>1,2</sup> -4.2	<sup>2,5</sup> -6
\$20,000	9.6	7.0	6.8	6.5	<sup>1</sup> 3.3	<sup>5</sup> 3.9
\$30,000	10.9	9.5	9.4	9.3	<sup>1</sup> 7.2	<sup>5</sup> 7.6
\$40,000	12.5	10.2	10.1	10.1	<sup>1</sup> 8.5	<sup>5</sup> 8.9
\$50,000	14.6	12.2	12.0	11.6	<sup>1</sup> 10.2	<sup>5</sup> 10.3
\$75,000	17.4	15	14.8	14.6	<sup>1</sup> 13.7	<sup>5</sup> 13.7
\$100,000	19.2	16.6	16.4	16.1	16.0	15.8
<b>Married couple, two dependents, with one spouse working:</b>						
\$5,000	<sup>2</sup> -40.0	<sup>2</sup> -40.0	<sup>2</sup> -40.0	<sup>2</sup> -40.0	<sup>1,2</sup> -64	<sup>2,4,5</sup> -52.2
\$10,000	<sup>2</sup> -38.9	<sup>2</sup> -40.0	<sup>2</sup> -39.3	<sup>2</sup> -40.0	<sup>1,2,4</sup> -54.3	<sup>2,4,5</sup> -56.7
\$20,000	<sup>2,3</sup> -11.7	<sup>2,4</sup> -24.9	<sup>2,4</sup> -21.2	<sup>2,5</sup> -27.0	<sup>1,2,4</sup> -37.4	<sup>2,4,5</sup> -39.1
\$30,000	<sup>2,3</sup> 1.6	<sup>2,3,4</sup> -9.4	<sup>2,3,4</sup> -4.3	<sup>2,4,5</sup> -11.6	<sup>1,2,3,4</sup> -17.1	<sup>2,3,4,5</sup> -18.7
\$40,000	<sup>3</sup> 5.5	<sup>3,4</sup> -0.4	<sup>3,4</sup> 1.6	<sup>4,5</sup> -1.1	<sup>1,2,3,4</sup> -6.6	<sup>2,3,4,5</sup> -6.3
\$50,000	<sup>3</sup> 6.9	<sup>3</sup> 2.7	<sup>3</sup> 2.2	<sup>4</sup> 2.1	<sup>1,3</sup> -1.7	<sup>3,5</sup> -0.1
\$75,000	<sup>3</sup> 9.8	<sup>3</sup> 6.1	<sup>3</sup> 6.9	<sup>4</sup> 5.9	<sup>1,3</sup> 3.4	<sup>3,5</sup> 4.5
\$100,000	<sup>3</sup> 13.1	<sup>3</sup> 8.6	<sup>3</sup> 10.4	<sup>4</sup> 7.9	<sup>1,3</sup> 5.9	<sup>3,5</sup> 6.5
<b>MARGINAL TAX RATE (percent)</b>						
<b>Single person, no dependents:</b>						
\$5,000	-	<sup>2</sup> -7.7	<sup>2</sup> -7.7	<sup>2</sup> -7.7	<sup>2</sup> -7.7	<sup>2,5</sup> -13.9
\$10,000	<sup>2</sup> 22.7	<sup>2</sup> 17.7	<sup>2</sup> 17.7	<sup>2</sup> 17.7	<sup>2</sup> 17.7	<sup>2</sup> 17.7
\$20,000	15.0	15.0	15.0	15.0	15.0	15.0
\$30,000	15.0	15.0	15.0	15.0	15.0	15.0
\$40,000	28.0	15.0	15.0	15.0	15.0	15.0
\$50,000	28.0	25.0	25.0	25.0	25.0	25.0
\$75,000	28.0	25.0	25.0	25.0	25.0	<sup>15</sup> 27.0
\$100,000	31.0	28.0	28.0	28.0	25.0	25.0
<b>Married couple, two dependents, with one spouse working:</b>						
\$5,000	<sup>2</sup> -40.0	<sup>2</sup> -40.0	<sup>2</sup> -40.0	<sup>2</sup> -40.0	<sup>2</sup> -40.0	<sup>2,4,5</sup> -61.2
\$10,000	-	<sup>2</sup> -40.0	<sup>2</sup> -40.0	<sup>2</sup> -40.0	<sup>2,4</sup> -55	<sup>2,4,5</sup> -61.2
\$20,000	<sup>2,3</sup> 21.1	<sup>2,4</sup> 6.1	<sup>2,4</sup> 6.1	<sup>2,5</sup> 6.1	<sup>2,4</sup> 6.1	-
\$30,000	<sup>2</sup> 36.1	<sup>2,3,4</sup> 31.1	<sup>2,3,4</sup> 31.1	<sup>2,4,5</sup> 31.1	<sup>2,3,4</sup> 31.1	<sup>2</sup> 31.1
\$40,000	15.0	<sup>3,4</sup> 15	<sup>3,4</sup> 15	<sup>4,5</sup> 15	<sup>2,3,4</sup> 31.1	<sup>2</sup> 31.1
\$50,000	15.0	15.0	15.0	15.0	15.0	15.0
\$75,000	28.0	15.0	15.0	15.0	15.0	15.0
\$100,000	28.0	25.0	25.0	25.0	25.0	15.0

- Represents zero. <sup>1</sup> Includes effect of the Recovery Rebate paid in 2008 under the Economic Stimulus Act of 2008 (P.L. 110-185). <sup>2</sup> Includes effect from the refundable earned income credit. <sup>3</sup> Includes effect from the child tax credit. <sup>4</sup> Includes effect from the additional (refundable) child tax credit. <sup>5</sup> Includes effect from the (refundable) Making Work Pay tax credit.

Source: U.S. Department of the Treasury, Office of Tax Analysis, unpublished data.