

Federal Personal Income Tax Liabilities and Payments for 1959–2005

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Each year, the Bureau of Economic Analysis updates its estimates of Federal personal income tax liabilities and Federal personal income tax payments.¹ The Federal tax payment estimates incorporate the results of the 2007 annual revision of the national income and product accounts. The Federal tax liability estimates include newly available tax return data for 2005 and revised 2004 data on fiduciary income taxes from the Department of the Treasury.

1. For details about the estimates of tax liabilities and payments, see Mark A. Ledbetter, "Federal Personal Income Tax Liabilities and Payments for 1959–2001," *SURVEY OF CURRENT BUSINESS* 84 (June 2004): 17–20.

Income tax liabilities exceeded income tax payments by \$48.3 billion for 2004 and by \$23.8 billion for 2005. The differences can be attributed to timing differences that arise from nonwithheld tax liabilities incurred in a given tax year (included in the tax liability estimate) and the payment of the liabilities in a later year. Specifically, most of the \$48.3 billion difference for 2004 stems from final settlement payments for tax liabilities incurred in 2004 but paid in 2005. Similarly, the 2005 income tax payment estimates include final settlement payments for tax liabilities incurred in 2004.

Table 1. Federal Personal Income Tax Liabilities and Payments for 1959–2005

[Billions of dollars]

	Federal personal income taxes				Federal personal income taxes		
	Liabilities basis ¹	Payments basis ²	Difference		Liabilities basis ¹	Payments basis ²	Difference
1959	39.0	38.5	0.6	1983.....	277.8	286.2	-8.4
1960	39.9	41.8	-2.0	1984.....	306.7	301.4	5.3
1961	42.7	42.7	0.0	1985.....	331.5	336.0	-4.5
1962	45.4	46.5	-1.1	1986.....	374.9	350.1	24.8
1963	48.8	49.1	-0.4	1987.....	378.7	392.5	-13.8
1964	47.8	46.0	1.8	1988.....	422.0	402.9	19.1
1965	50.2	51.1	-0.8	1989.....	440.1	451.5	-11.5
1966	56.8	58.6	-1.8	1990.....	453.4	470.2	-16.8
1967	63.7	64.4	-0.7	1991.....	455.4	461.3	-5.9
1968	77.5	76.4	1.1	1992.....	483.1	475.3	7.8
1969	87.4	91.7	-4.3	1993.....	508.5	505.5	3.0
1970	84.5	88.9	-4.4	1994.....	540.3	542.7	-2.4
1971	86.1	85.8	0.3	1995.....	592.9	586.0	6.9
1972	94.3	102.8	-8.4	1996.....	664.5	663.4	1.1
1973	108.9	109.6	-0.6	1997.....	742.5	744.3	-1.8
1974	124.4	126.5	-2.1	1998.....	800.5	825.8	-25.3
1975	117.3	120.7	-3.5	1999.....	892.4	893.0	-0.6
1976	142.8	141.2	1.6	2000.....	994.2	999.1	-4.9
1977	161.0	162.2	-1.1	2001.....	857.6	994.5	-136.9
1978	189.6	188.9	0.7	2002.....	800.2	830.5	-30.3
1979	216.1	224.6	-8.6	2003.....	742.6	774.5	-31.9
1980	252.3	250.0	2.3	2004.....	845.7	797.4	48.3
1981	286.7	290.6	-3.8	2005.....	956.3	932.4	23.8
1982	280.2	295.0	-14.8				

1. For the data sources, see footnote 1 in the text.

2. This series is presented as personal current taxes (line 3) in NIPA table 3.2.