

Federal Personal Income Tax Liabilities and Payments, 1959–99

The table below presents the estimates of Federal personal income tax liabilities and of Federal personal income tax payments for 1959–99.¹ The estimates for 1998 are revised, and the estimates for 1999 are new; these estimates reflect the incorporation of the results of this year's annual revision of the national income and product accounts and newly available tax return data from the Internal Revenue Service (IRS).

1. For a discussion of the payments series, the derivation and the use of the estimates of tax liabilities, and the sources of the differences between liabilities and payments, see Thae S. Park, "Federal Personal Income Tax Liabilities and Payments, 1959–97," SURVEY OF CURRENT BUSINESS 80 (March 2000): 11–14.

For 1998, tax payments exceeded tax liabilities by \$25.9 billion. The excess payments primarily resulted from the implementation of substantial tax cuts under the Taxpayer Relief Act of 1997. The most important provisions that reduced liabilities were the child tax credit and the credits for higher education tuition, both of which became effective beginning with January 1, 1998. The withholding tables for tax year 1998 that were issued by the IRS for use by employers to calculate the amounts to be withheld from wages and salaries did not fully reflect the reduction in liabilities, so tax refunds were substantial.

For 1999, tax payments exceeded tax liabilities by only \$1.8 billion. There were no major tax law changes for 1999 that affected tax payments and tax liabilities differently.

Note.—Thae S. Park prepared this report.

Federal Personal Income Tax Liabilities and Payments, 1959–99

[Billions of dollars]

	Federal personal income taxes			Disposable personal income (DPI)	
	Liabilities basis ¹	Payments basis ²	Difference	Alternative DPI with NIPA Federal personal income taxes on a liabilities basis	Published DPI with NIPA Federal personal income taxes on a payments basis ³
1959.....	39.0	38.5	0.5	350.7	351.2
1960.....	39.9	41.8	-1.9	368.1	366.2
1961.....	42.7	42.7	0.0	382.3	382.4
1962.....	45.4	46.5	-1.1	406.8	405.6
1963.....	48.8	49.1	-0.3	426.2	425.8
1964.....	47.8	46.0	1.8	461.2	463.0
1965.....	50.2	51.1	-0.9	499.8	498.9
1966.....	56.8	58.6	-1.8	540.9	539.1
1967.....	63.7	64.4	-0.7	576.9	576.2
1968.....	77.5	76.4	1.1	625.1	626.2
1969.....	87.4	91.7	-4.3	679.3	675.0
1970.....	84.5	88.9	-4.4	740.9	736.5
1971.....	86.1	85.8	0.3	801.4	801.7
1972.....	94.3	102.8	-8.5	877.0	868.6
1973.....	108.9	109.6	-0.7	979.6	979.0
1974.....	124.4	126.5	-2.1	1,074.3	1,072.3
1975.....	117.3	120.7	-3.4	1,184.9	1,181.4
1976.....	142.8	141.2	1.6	1,298.3	1,299.9
1977.....	161.0	162.2	-1.2	1,437.1	1,436.0
1978.....	189.6	188.9	0.7	1,614.1	1,614.8
1979.....	216.1	224.6	-8.5	1,816.8	1,808.2
1980.....	252.3	250.0	2.3	2,017.4	2,019.8
1981.....	286.7	290.6	-3.9	2,251.8	2,247.9
1982.....	280.2	295.0	-14.8	2,421.5	2,406.8
1983.....	277.8	286.2	-8.4	2,594.4	2,586.0
1984.....	306.7	301.4	5.3	2,882.3	2,887.6
1985.....	331.5	336.0	-4.5	3,091.0	3,086.5
1986.....	374.9	350.1	24.8	3,237.7	3,262.5
1987.....	378.7	392.5	-13.8	3,473.3	3,459.5
1988.....	422.0	402.9	19.1	3,733.3	3,752.4
1989.....	440.0	451.5	-11.5	4,027.7	4,016.3
1990.....	453.4	470.2	-16.8	4,310.4	4,293.6
1991.....	455.4	461.3	-5.9	4,480.7	4,474.8
1992.....	483.1	475.3	7.8	4,746.8	4,754.6
1993.....	508.5	505.4	3.1	4,932.2	4,935.3
1994.....	540.3	542.5	-2.2	5,167.7	5,165.4
1995.....	592.9	585.6	7.3	5,415.2	5,422.6
1996.....	664.5	662.9	1.6	5,676.2	5,677.7
1997.....	742.5	743.9	-1.4	5,969.6	5,968.2
1998.....	800.5	826.4	-25.9	6,381.5	6,355.6
1999.....	892.2	894.0	-1.8	6,619.8	6,618.0

1. This series is derived by the Bureau of Economic Analysis and is based on data from *Statistics of Income, Individual Income Tax Returns*.

2. This series is presented in NIPA table 3.2 in the section "BEA Current and Historical Data" of the SURVEY OF CURRENT BUSINESS. All the estimates are available on BEA's Web site at <www.bea.doc.gov> and on STAT-USA's Web site at <www.stat-usa.gov>.

3. This series is presented in the NIPA table 2.1 in "BEA Current and Historical Data." See also BEA's Web site.