Getting to Know U.S. Taxpayers: Selected Tax Data by Occupation and Industry, Tax Year 2005

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Our main objective was to help meet the research community's need for demographically profiled statistical data by providing industry codes and occupation codes for taxpayers in the Statistics of Income (SOI) Division individual income tax sample data files.

IRS's history of publishing taxpayer occupation data began with its first publication on statistics for Calendar Year 1916. The statistics published for "Personal Returns" included income distributions by occupation (1918 Statistics of Income, p. 7). A little more than 50 years later, the IRS began conducting independent and joint studies to determine the reliability of tax return occupation data.[1] By late 1979, the IRS had concluded that the individual tax return could be a dependable resource for occupational data (Koteen and Grayson, 1979).

In the early 1980s, the SOI Division announced the impending arrival of tax data by occupation classification (Sailer, Orcutt, and Clark, 1980). Having realized the potential benefit in obtaining the Form W-2 (Wage and Tax Statement) wage data for each taxpayer and in "creating a computerized dictionary of occupation titles," SOI envisioned the possibility of providing the research community with an occupational data supplement for the basic individual program. These data would be derived from a database comprised not only of tax return data but also demographic information such as occupation classification, industry sector, gender, "and possibly … age and race" for each taxpayer (Blacksin and Plowden, 1981, p. 586).

SOI pursued creating the database throughout the 1980s, reporting periodically on its progress and employment-related research projects.[2] In the 1990s, SOI created "a more elaborate database" for Tax Year 1993 (Sailer and Nuriddin, 1999, p. 33). The database's demographic content was

[1] These research experiments were conducted during the 1960s and 1970s, and results were reported in the series of notes for the Linked Administrative Statistical Sample Project sponsored by the Social Security Administration.

[2] Suggested readings include:

Crabbe, Patricia; Peter Sailer; and Beth Kilss (1983), "Occupation Data from Tax Returns: A Progress Report," Statistics of Income and Related Administrative Record Research, Internal Revenue Service, pp. 59-64.

expanded to include an occupation code and industry code for each taxpayer. SOI ended the century with an offer for the research community to use the enriched administrative database (Sailer and Nuriddin, 1999).

Data Design

The File—Tax Years 2003, 2004, and 2005

We decided to merge the SOI Taxpayer Industry and Occupation Study (OCC) files with an abridged version of the corresponding SOI Individual Sole Proprietorship (INSOLE) files for the most recent tax years available for both files. The INSOLE file is a stratified probability sample of individual income tax returns. Sampling information for these tax years can be found in the respective IRS Publication 1304.[3]

The industry codes in the OCC files are assigned using the Employer Identification Number (EIN), or the employer's name from the Form W-2.[4] (See Figure 1.) Over time, improved technologies have enabled SOI to implement extensive validation procedures. SOI can now generate industry codes by matching the EIN or business name to an Industry Coding Dictionary (ICD). SOI has developed several ICDs by compiling valid sets of an EIN or business name and the associated industry code. The ICDs use industry data from previously industry-coded OCC files, partnership files (based on Form 1065), and charitable organization files (based on Form 990). After applying an industry code to the OCC file, SOI validates it using a current NAICS Codes listing.

Crabbe, Patricia; Peter Sailer; and Beth Kilss (1984), "Taxpayer Data Used to Study Wage Patterns by Sex and Occupation, 1969, 1974, and 1979," Statistics of Income and Related Administrative Record Research, Internal Revenue Service, pp. 43-48.

Clark, Bobby; Dodie Riley; and Peter Sailer (1989), "1979 Occupation Study/1979–1983 Mortality Study," Statistics of Income and Related Administrative Record Research: 1988–1989, Internal Revenue Service, pp. 181–187.

Sailer, Peter; Barry Windheim; and Mario Fernandez (1990), "Some Results from the 1979–1983 Occupational Mortality Study," Proceedings of the Section on Survey Research Methods, American Statistical Association Proceedings, pp. 63–68.

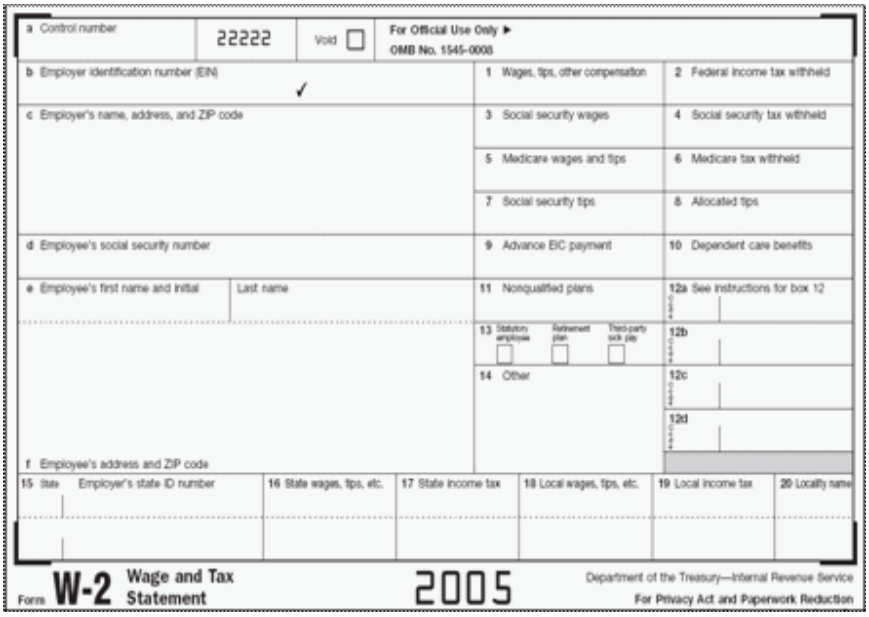
[3] See Statistics of Income: Individual Income Tax Returns 2003, Department of the Treasury, Internal Revenue Service; Statistics of Income: Individual Income Tax Returns 2004, Department of the Treasury, Internal Revenue Service; and Statistics of Income: Individual Income Tax Returns 2005, Department of the Treasury, Internal Revenue Service.

[4] Overall, the basic processing for the OCC files in this project is similar to the process described for Tax Year 1993 in the 1999 paper by Sailer and Nuriddin. For Tax Year 1993, industry codes were based on the 4-digit 1987 Standard Industrial Classification (SIC) Codes. These SIC Codes were converted to 1997 6-digit North American Industry Classification System (NAICS) Codes. The 1997 NAICS Codes were subsequently updated to 2002 NAICS Codes. The industry data in this paper are based on the 2002 NAICS Codes.

Once the industry coding is completed, the Standard Occupation Classification (SOC) Codes are generated.[5] In the OCC file, the occupation codes are based on taxpayers' occupation entries as reported on the Form 1040. (See Figure 2.) For all Form 1040 returns sampled, the first 20 characters of the occupational title as reported in the "Your occupation" box are extracted from the tax return. This information denotes the occupation of the primary taxpayer. For those returns filed jointly by a taxpayer and his or her spouse, the first 20 characters of the occupational title entry in the "Spouse's occupation" box are also extracted. This entry denotes the occupation of the secondary taxpayer.

To assign an occupation code, these taxpayer occupation titles are then matched to those title entries already in the Master Occupation-Coding Dictionary (MOD).[6] Occupation titles not matching to the MOD are researched

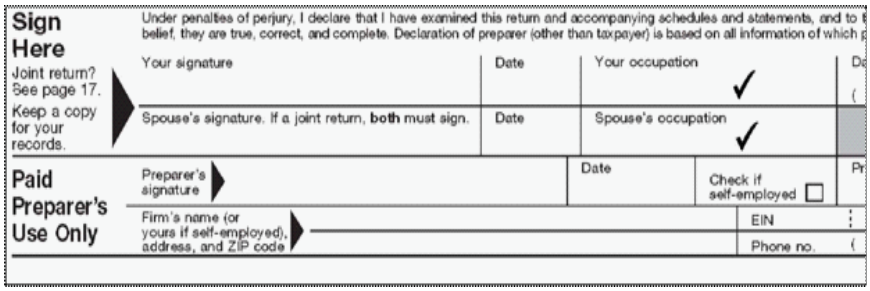
Figure 1: Resource Document for NAICS Code


a Control number 22222 Void ☐ For Official Use Only ▶ OMB No. 1545-0008
b Employer identification number (EIN) ✓
1 Wages, tips, other compensation
2 Federal income tax withheld
c Employer's name, address, and ZIP code
3 Social security wages
4 Social security tax withheld
5 Medicare wages and tips
6 Medicare tax withheld
7 Social security tips
8 Allocated tips
d Employee's social security number
9 Advance EIC payment
10 Dependent care benefits
e Employee's first name and initial
Last name
11 Nonqualified plans
12a See instructions for box 12
13 Statutory employee Retirement plan Third-party sick pay
12b
14 Other
12c
12d
f Employee's address and ZIP code
15 State Employer's state ID number
16 State wages, tips, etc.
17 State income tax
18 Local wages, tips, etc.
19 Local income tax
20 Locality name
Form W-2 Wage and Tax Statement 2005
Department of the Treasury—Internal Revenue Service
For Privacy Act and Paperwork Reduction

[5] SOI also uses an "other occupation" category to classify nonworking taxpayers (such as "STAY AT HOME DAD"); working taxpayers whose jobs cannot be determined from the text provided (such as "W-2 EMPLOYEE"); and INVESTORS, a category not included in traditional employment tabulations.

[6] The MOD is a repository comprising taxpayer occupational entries edited from tax returns and assigned occupation codes during previous processing years. For tax years in this research project, the MOD contains the 2000 Standard Occupation Classification (SOC) Codes and the SOI codes assigned to denote investors, unclassified persons, non-labor force groups, and deceased persons. It also contains the 2002 North American Industry Classification System (NAICS) Codes and the SOI code assigned to an unclassifiable entity.

Figure 2: Resource Document for SOC Code


Sign Here
Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to
belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which
Joint return? See page 17.
Keep a copy for your records.
Your signature
Date
Your occupation
Spouse's signature. If a joint return, **both** must sign.
Date
Spouse's occupation
Paid Preparer's Use Only
Preparer's signature
Date
Check if self-employed
Firm's name (or yours if self-employed), address, and ZIP code
EIN
Phone no.

and then subsequently assigned an occupation code. (See Sailer and Nuriddin, 1999, for more details.) After generating occupation codes, SOI validates the file using a current SOC Codes listing.

To test the quality of the OCC file once occupation and industry classifications have been assigned to each taxpayer in the sample, SOI compares the IRS employment data estimates to those produced by the Bureau of Labor Statistics (BLS).[7] Using these practical standards for comparisons, SOI has found the IRS employment data to be reasonable (Sailer and Nuriddin, 1999).

The Methodology

The new datasets comprise fixed-length records containing 35 selected variables from the INSOLE file, 14 variables from the OCC file, and 6 generated indicator fields that represent data quality checks for the merge procedures. We also overlap selected INSOLE and OCC variables to measure data quality. About 60 percent of returns in each dataset comprise nonjoint returns, representing primary taxpayers.[8] On joint returns, the taxpayers decide which spouse will file as primary or secondary.[9]

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[7] For Tax Year 2005, the BLS occupation data (SOC Code) reference would be the online Statistical Abstract Table No. 602. Employed Civilians by Occupation, Sex, Race, and Hispanic Origin: 2005 at http://www.census.gov/prod/2006pubs/07statab/labor.pdf. The BLS industry data (NAICS Code) reference would be the BLS employment estimates derived from the Current Employment Statistics survey data available for creating customized at http://data.bls.gov/cgi-bin/dsrv.

[8] Non-joint returns include taxpayers who file as single, married filing separately, head of household or surviving widow(er). Joint returns represent married taxpayers filing jointly.

[9] The decision to file as the primary or secondary taxpayer on Form 1040, has not always been left to taxpayers filing joint returns. The space for the secondary taxpayer occupation was introduced on the 1954 individual tax return to be used by either the wife or husband of the taxpayer. The following year it was designated for wives and remained so until 1967 when the term was changed to "spouse." Except for reverting back to "wife" in 1972, the secondary space has been designated for the spouse since that time.

Additionally, because the OCC file contains data from Form W-2 information documents, which are reported on an individual basis, we are able to compare the primary taxpayer and the secondary taxpayer wage data to the tax return wage data obtained from the salaries and wages line on Form 1040. Using the gender code on the OCC file, we can evaluate wage data for males and females categorized as primary or secondary taxpayers.

This article focuses on the dataset for Tax Year 2005. Tax return items shown in the tables are classified by the occupation classification and industry sector of the primary taxpayer. This is true for both non-joint and joint returns.

Using the gender code and the wage data from Form W-2, we have found that the gender composition of these employees appears to have been split at about 49 percent female and 51 percent male for Tax Year 2005. Interestingly, the W-2 wage data for males show that they earned 63 percent of total wages reported during this time. We have also been able to observe the predominately female and male occupation classifications and the predominately female and male industry sectors as shown in Figure 3 and Figure 4.

Figure 3: Form W-2 Data for Predominately Female and Male Occupations, Tax Year 2005

	Percent Women	Percent Men	Average Salary
Predominately Female Occurpations			
Healthcare Support	91	9	19,222
Personal Care and Service	81	19	16,382
Healthcare Practitioners and Technical	76	24	59,522
Education, Training, and Library	75	25	35,174
Business and Financial Operations	64	36	49,887
Predominately Male Occupations			
Construction and Extraction	3	97	34,609
Installation, Maintenance, and Repair	8	92	35,619
Architectureand Engineering	12	88	71,576
Military	18	82	28,390
Protective Service	22	78	42,341

(All figures are estimates based on samples.)

Figure 4: Form W-2 Data for Predominately Female and Male Industries, Tax Year 2005

	Percent Women	Percent Men	Average Salary
Predominately Female Industries			
Education and Health Services	76	24	34,876
Financial Activities	56	44	54,438
Leisure and Hospitality	55	45	20,638
Predominantely Male Industries			
Construction	14	86	36,901
Natural Resources and Mining	24	76	36,651
Military	25	75	35,281

(All figures are estimates based on samples.)

Summary

Our main objective for this paper was to report on a new SOI dataset, which merges the SOI taxpayer industry and occupation file with an abbreviated version of the SOI individual sample file. In the course of doing this, we encountered several challenges and opportunities. Through our file analyses, we identified and corrected minor data anomalies.

The tabulations presented in this paper are designed to provide preliminary results of tax return data within the framework of occupation and industry categories of primary taxpayers. The tables provided show all returns filed by occupation classification or industry sector of the primary taxpayer. The non-joint return detail for these presentations is also provided.

These introductions should provide an interesting first look at tax filers in Tax Year 2005.

During our research efforts, we have discovered new data relationships to explore, and we plan to continue our analyses of the datasets. This new framework for examining tax return data by using the taxpayer occupation and industry categories should be helpful to the research community.

Acknowledgements

The authors would like to thank our SOI colleagues who have worked on this study and helped continue to generate "…Tax Data You Can Count On!"

The views expressed herein are those of the authors and do not necessarily represent those of the Internal Revenue Service.

References

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Koteen, G., and P. Grayson (1979), "Quality of Occupation Information on Tax Returns," *Statistical Uses of Administrative Records with Emphasis on Mortality and Disability Research,* U.S. Department of Health, Education, and Welfare, Social Security Administration, Office of Research and Statistics, pp. 73–81.

Sailer, Peter; Harriet Orcutt; and Phil Clark (1980), "Coming Soon: Taxpayer Data Classified, by Occupation," *Proceedings of the Survey Research Methods Section, American Statistical Association*, pp. 467–471.

Sailer, Peter and Terry Nuriddin (1999), "Occupation and Industry Data from Tax Year 1993 Individual Tax Returns," *Turning Administrative Systems into Information Systems,* Statistics of Income Division, Internal Revenue Service, pp. 33–39.

Statistics of Income: Complied from the Returns for 1916, Washington Government Printing Office 1918, p. 7.

Statistics of Income: Individual Income Tax Returns 2005, Department of the Treasury, Internal Revenue Service.

Table 1: Tax Year 2005, All Returns: Selected Sources of Income and Tax Items, by Occupation Classification of Primary Taxpayer [1]

(All figures are estimates based on samples. Money amounts are in thousands of dollars.)

Standard Occupation Classification (SOC) Code [2]	Number of returns	Adjusted gross income less deficit	Salaries and wages		Taxable interest received	
			Number of returns	Amount	Number of returns	Amount
	(1)	(2)	(3)	(4)	(5)	(6)
All returns, total	**134,372,677**	**7,422,495,665**	**114,070,881**	**5,155,407,372**	**59,249,359**	**162,432,718**
Management, business, and finance occupations	16,553,331	1,907,633,464	15,188,393	1,260,007,533	9,475,114	50,835,577
Professional specialty occupations	12,594,527	1,214,378,078	11,885,479	924,081,818	7,404,567	13,660,343
Education, training, and library occupations	3,958,229	219,726,941	3,869,295	188,773,181	2,068,547	2,361,202
Arts, entertainment, sports, and media	2,861,600	179,695,589	2,546,298	139,272,212	1,351,226	2,506,802
Service occupations	10,760,295	305,400,101	9,997,529	272,409,476	2,504,266	1,515,013
Sales and office	20,017,828	1,014,864,717	18,856,362	781,264,740	7,176,151	15,184,266
Natural resources, construction, and maintenance	11,491,686	514,971,948	10,291,316	432,053,135	3,952,854	3,412,698
Production, transportation, and material moving	16,190,698	613,545,170	15,614,882	560,068,581	4,469,338	2,613,280
Military specific occupations	1,479,680	50,789,694	1,460,555	49,430,799	469,982	172,365
Investors	183,741	59,435,863	86,059	8,275,961	140,657	5,466,726
Unclassified occupations	11,778,406	462,334,800	10,095,443	335,170,428	3,941,447	9,255,519
Nonlabor force	26,338,192	874,375,192	14,129,633	203,437,913	16,166,048	54,856,739
Deceased	164,464	5,344,108	49,637	1,161,595	129,162	592,188
Nonjoint returns, total	**81,866,948**	**2,474,493,588**	**69,218,194**	**1,839,510,094**	**25,836,670**	**56,508,283**
Management, business, and finance occupations	8,194,860	473,423,160	7,482,450	352,135,413	3,315,311	11,139,104
Professional specialty occupations	6,491,947	346,230,249	6,116,911	293,403,963	2,767,450	3,350,374
Education, training, and library occupations	2,588,975	93,960,337	2,525,628	82,296,899	1,084,111	1,059,310
Arts, entertainment, sports, and media	1,700,067	70,079,466	1,462,948	54,254,484	614,223	970,196
Service occupations	8,259,822	153,905,713	7,604,672	139,070,653	1,280,270	744,271
Sales and office	13,711,778	389,803,196	12,983,417	330,806,405	3,306,652	4,464,334
Natural resources, construction, and maintenance	5,475,264	146,591,505	4,756,724	129,312,188	1,004,444	685,752
Production, transportation, and material moving	9,329,327	223,283,504	8,962,019	210,624,388	1,499,877	649,703
Military specific occupations	786,733	16,863,687	775,268	16,618,248	172,145	56,890
Investors	106,134	20,161,983	43,153	1,768,901	72,620	2,002,984
Unclassified occupations	8,034,075	205,477,695	6,855,839	153,531,493	1,967,961	4,295,900
Nonlabor force	17,090,579	332,620,972	9,630,134	75,215,634	8,675,938	26,818,088
Deceased	97,387	2,092,121	19,031	471,425	75,668	271,377
Joint returns, total	**52,505,729**	**4,948,002,077**	**44,852,687**	**3,315,897,278**	**33,412,689**	**105,924,435**

Footnotes at end of table.

Table 1: Tax Year 2005, All Returns: Selected Sources of Income and Tax Items, by Occupation Classification of Primary Taxpayer [1]—Continued

(All figures are estimates based on samples. Money amounts are in thousands of dollars.)

Standard Occupation Classification (SOC) Code [2]	Business or profession				Basic standard deduction	
	Net income		Net loss			
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(7)	(8)	(9)	(10)	(11)	(12)
All returns, total	**15,748,895**	**314,717,430**	**5,308,432**	**-45,016,374**	**84,841,222**	**564,186,053**
Management, business, and finance occupations	2,294,983	59,433,008	967,382	-12,426,410	6,954,127	49,249,041
Professional specialty occupations	1,858,566	73,689,253	675,639	-5,305,249	5,013,496	34,570,959
Education, training, and library occupations	462,813	5,032,914	211,139	-1,151,574	2,044,595	13,308,697
Arts, entertainment, sports, and media	643,075	12,827,775	269,485	-1,653,099	1,556,457	10,269,960
Service occupations	1,429,578	14,580,153	290,495	-1,677,048	8,373,158	53,212,644
Sales and office	2,429,070	64,795,428	925,598	-8,550,747	12,856,380	82,292,476
Natural resources, construction, and maintenance	2,366,247	37,023,767	557,498	-4,282,743	7,261,091	54,196,904
Production, transportation, and material moving	1,502,701	17,299,099	523,358	-3,535,058	11,736,831	84,655,587
Military specific occupations	43,219	264,813	29,888	-234,082	1,174,681	8,409,989
Investors	20,455	1,100,894	15,361	-364,472	64,480	446,214
Unclassified occupations	1,389,112	18,828,798	389,436	-3,190,679	8,325,368	54,891,913
Nonlabor force	1,301,423	9,758,816	451,898	-2,639,456	19,364,054	117,859,790
Deceased	7,653	82,712	1,255	-5,757	116,504	821,879
Nonjoint returns, total	**6,704,243**	**91,365,246**	**1,954,909**	**-15,836,656**	**61,164,749**	**327,684,817**
Management, business, and finance occupations	748,406	14,393,452	326,430	-4,021,513	4,661,373	26,350,553
Professional specialty occupations	579,910	16,024,513	238,606	-1,854,894	3,566,845	20,116,464
Education, training, and library occupations	215,961	1,315,691	97,762	-523,568	1,621,733	9,082,785
Arts, entertainment, sports, and media	350,453	5,275,605	140,326	-968,073	1,127,891	5,989,641
Service occupations	984,510	8,849,866	143,976	-752,605	7,085,803	40,350,429
Sales and office	1,054,936	20,057,564	408,603	-3,430,540	10,511,437	58,878,943
Natural resources, construction, and maintenance	881,243	10,092,491	148,914	-1,125,508	4,166,738	23,292,626
Production, transportation, and material moving	600,501	5,422,211	157,949	-1,143,826	7,731,355	44,663,985
Military specific occupations	9,540	20,659	4,770	-17,946	703,141	3,700,922
Investors	6,344	243,004	6,123	-140,704	45,998	261,410
Unclassified occupations	727,433	7,369,171	160,139	-1,308,075	6,296,758	34,642,497
Nonlabor force	542,047	2,286,991	120,411	-547,758	13,577,024	60,009,978
Deceased	2,959	14,028	900	-1,646	68,653	344,584
Joint returns, total	**9,044,652**	**223,352,184**	**3,353,523**	**-29,179,718**	**23,676,473**	**236,501,236**

Footnotes at end of table.

Table 1: Tax Year 2005, All Returns: Selected Sources of Income and Tax Items, by Occupation Classification of Primary Taxpayer [1]—Continued

(All figures are estimates based on samples. Money amounts are in thousands of dollars.)

Standard Occupation Classification (SOC) Code[2]	Total itemized deductions		Taxable income		Income tax before credits	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(13)	(14)	(15)	(16)	(17)	(18)
All returns, total	**47,755,428**	**1,121,810,935**	**104,330,649**	**5,137,165,872**	**104,345,965**	**990,151,768**
Management, business, and finance occupations	9,285,816	291,144,343	14,797,334	1,509,174,498	14,804,334	338,660,907
Professional specialty occupations	7,492,096	188,310,667	11,659,292	915,355,438	11,662,571	192,625,699
Education, training, and library occupations	1,888,607	35,611,484	3,495,318	148,525,660	3,494,195	24,784,856
Arts, entertainment, sports, and media	1,257,818	29,934,525	2,415,717	125,232,828	2,416,762	24,790,321
Service occupations	2,315,579	43,624,356	7,189,823	161,000,072	7,186,570	23,905,807
Sales and office	6,948,821	157,631,870	16,010,638	685,785,853	16,017,092	129,664,241
Natural resources, construction, and maintenance	4,117,066	78,276,241	9,204,322	311,194,818	9,208,899	48,738,151
Production, transportation, and material moving	4,371,910	75,042,712	12,741,577	353,737,770	12,742,191	52,029,934
Military specific occupations	295,178	5,425,698	1,242,284	27,808,755	1,242,587	3,867,846
Investors	105,976	11,148,705	143,340	49,728,006	143,782	10,794,850
Unclassified occupations	3,225,172	68,169,449	8,330,310	290,838,412	8,331,821	50,721,148
Nonlabor force	6,407,260	136,201,325	17,011,528	555,671,855	17,005,987	89,062,950
Deceased	44,129	1,289,560	89,166	3,111,907	89,174	505,058
Nonjoint returns, total	**19,456,990**	**339,254,950**	**59,372,608**	**1,588,063,232**	**59,365,851**	**280,098,931**
Management, business, and finance occupations	3,359,739	70,425,146	7,110,368	359,068,077	7,113,566	74,218,488
Professional specialty occupations	2,870,665	50,932,687	5,832,610	251,059,992	5,833,468	48,306,603
Education, training, and library occupations	947,369	14,010,950	2,194,174	61,270,428	2,193,003	9,835,272
Arts, entertainment, sports, and media	534,818	10,453,941	1,369,643	49,273,157	1,369,165	9,855,106
Service occupations	1,122,242	16,373,331	5,150,050	71,551,755	5,146,062	10,031,038
Sales and office	3,056,238	50,268,879	10,414,675	237,928,387	10,416,442	39,914,493
Natural resources, construction, and maintenance	1,245,521	17,757,503	4,177,590	86,763,287	4,178,405	13,186,414
Production, transportation, and material moving	1,543,242	20,419,624	6,893,870	121,303,819	6,893,175	17,440,527
Military specific occupations	80,003	1,059,493	665,099	9,580,586	664,101	1,314,447
Investors	51,884	4,288,956	78,551	16,510,300	78,728	3,486,475
Unclassified occupations	1,575,453	27,346,970	5,378,071	121,339,168	5,377,640	20,092,084
Nonlabor force	3,044,179	55,226,724	10,061,770	201,235,943	10,055,951	32,224,819
Deceased	25,637	690,746	46,137	1,178,333	46,145	193,165
Joint returns, total	**28,298,438**	**782,555,985**	**44,958,041**	**3,549,102,640**	**44,980,114**	**710,052,837**

Footnotes at end of table.

Table 1: Tax Year 2005, All Returns: Selected Sources of Income and Tax Items, by Occupation Classification of Primary Taxpayer [1]—Continued

(All figures are estimates based on samples. Money amounts are in thousands of dollars.)

Footnotes

[1] For joint returns, the occupation classification is based on the primary taxpayer. For example, if the primary taxpayer lists his or her occupation as "police officer" (coded in Service Occupations), and the spouse is not classified in the same category, the return will be classified in the Service Occupations.
[2] Standard Occupation Classification (SOC) Codes at the major level (two-digit level) in high-level aggregation:
Management, Business, and Finance Occupations (11 and 13); Professional Specialty Occupations (15, 17, 19, 21, 23, 29) and Education, Training, and Library Occupations (25) and Arts, Entertainment, Sports, and Media (27); Service Occupations (31, 33, 35, 37, and 39); Sales and Office (41, 43); Natural Resources, Construction, and Maintenance (45, 47, 49); Production, Transportation, and Material Moving (51, 53); and Military Specific Occupations (55); and Investors (92 - Statistics of Income (SOI) Division only). SOI unclassified occupations include Government and private employees whose jobs cannot be determined (97); self-employed persons whose jobs cannot be determined (8850); and Form 1040 occupation lines which are left empty (8895) or filled in with indiscernible data (88). SOI nonlabor force codes include retired and disabled persons (93); unemployed persons (9350); volunteers (9390); house spouses and homemakers (94); and students (95). SOI code 96 represents deceased taxpayers. For further information, visit the Bureau of Labor Statistics at www.bls.gov/soc.
NOTE: Detail may not add to totals because of rounding.
Source: SOI Individual Income Tax Returns, Tax Year 2005.

Table 2: Tax Year 2005, All Returns: Selected Sources of Income and Tax Items, by Industry Sector of Primary Taxpayer [1]

(All figures are esimates based on samples. Money amounts are in thousands of dollars.)

North American Industry Classification System (NAICS) Code [2]	Number of returns	Adjusted Gross Income less deficit	Salaries and Wages		Taxable Interest Received	
			Number of returns	Amount	Number of returns	Amount
	(1)	(2)	(3)	(4)	(5)	(6)
All returns, total	**134,372,678**	**7,422,495,659**	**114,070,878**	**5,155,407,369**	**59,249,358**	**162,432,714**
Natural Resources and Mining	1,609,928	114,642,237	1,473,826	66,860,739	652,018	3,516,493
Construction	8,248,183	442,450,247	7,099,246	319,464,109	2,956,041	6,143,926
Manufacturing	12,951,508	917,687,168	12,857,746	771,012,760	6,059,608	9,744,405
Trade, Transportation, and Utilities	20,254,690	976,698,067	19,207,787	765,914,932	7,112,822	13,596,026
Information	2,493,600	214,051,363	2,436,119	167,752,844	1,198,350	3,001,265
Financial Activities	7,269,338	708,464,720	6,728,430	458,914,730	3,625,037	19,321,961
Professional and Business Services	17,355,382	1,109,508,573	16,199,858	809,074,983	6,898,224	17,701,750
Education and Health Services	14,346,698	760,900,052	13,819,479	616,033,547	5,877,934	6,943,401
Leisure and Hospitality	8,915,641	275,654,748	8,574,767	211,730,063	2,234,703	4,524,078
Other Services	5,937,039	221,812,160	5,054,636	165,863,922	2,159,933	3,041,427
Government	7,457,452	426,530,420	7,455,462	381,955,609	3,812,279	3,288,981
Military	2,402,145	109,223,434	2,386,339	102,871,237	984,023	688,349
Unclassified - SOI only	25,131,074	1,144,872,470	10,777,183	317,957,894	15,678,386	70,920,652
Nonjoint return, total	**81,866,948**	**2,474,493,586**	**69,218,194**	**1,839,510,096**	**25,836,671**	**56,508,284**
Natural Resources and Mining	762,013	29,455,603	683,795	17,784,181	185,622	1,054,068
Construction	4,033,934	116,234,137	3,335,430	92,821,343	810,980	1,084,783
Manufacturing	6,207,293	240,996,165	6,159,990	214,897,556	1,840,421	1,927,685
Trade, Transportation, and Utilities	12,802,505	319,381,862	12,143,969	273,205,818	2,846,364	3,194,032
Information	1,469,583	73,867,984	1,427,718	59,902,921	508,401	705,791
Financial Activities	4,332,221	205,332,147	3,998,362	150,997,777	1,513,831	4,507,035
Professional and Business Services	10,954,566	352,945,453	10,199,937	286,393,991	2,794,359	4,303,328
Education and Health Services	10,531,080	327,486,926	10,107,194	285,185,741	3,334,277	2,535,458
Leisure and Hospitality	7,204,576	127,096,014	6,965,953	106,251,808	1,281,372	1,790,796
Other Services	3,872,576	84,676,786	3,250,170	66,399,079	989,429	1,103,059
Government	4,313,793	162,519,564	4,313,793	149,432,356	1,676,693	1,316,565
Military	1,253,691	34,505,475	1,245,886	33,374,933	376,338	207,744
Unclassified - SOI only	14,129,117	399,995,470	5,385,997	102,862,592	7,678,584	32,777,940
Joint return, total	**52,505,730**	**4,948,002,073**	**44,852,684**	**3,315,897,273**	**33,412,687**	**105,924,430**

Footnotes at end of table.

Table 2: Tax Year 2005, All Returns: Selected Sources of Income and Tax Items, by Industry Sector of Primary Taxpayer[1]—Continued

(All figures are esimates based on samples. Money amounts are in thousands of dollars.)

North American Industry Classification System (NAICS) Code [2]	Business or Profession				Basic Standard Deduction	
	Net Income		Net Loss			
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(7)	(8)	(9)	(10)	(11)	(12)
All returns, total	**15,748,898**	**314,717,431**	**5,308,435**	**-45,016,374**	**84,841,222**	**564,186,057**
Natural Resources and Mining	268,486	5,631,341	117,049	-1,908,016	1,161,656	8,766,346
Construction	2,311,481	38,992,751	484,821	-4,552,981	4,921,125	35,715,348
Manufacturing	915,195	11,781,652	529,065	-3,830,037	7,311,189	53,984,160
Trade, Transportation, and Utilities	2,505,069	39,773,135	1,051,452	-8,991,639	13,546,034	86,500,538
Information	322,723	5,145,500	153,055	-1,576,042	1,218,717	7,871,032
Financial Activities	1,257,453	49,131,893	453,452	-5,549,949	3,649,134	24,282,289
Professional and Business Services	3,128,541	73,205,112	955,709	-7,521,743	10,518,347	68,372,342
Education and Health Services	1,536,656	42,540,646	383,964	-2,609,251	8,987,045	56,582,032
Leisure and Hospitality	852,337	13,135,812	362,458	-3,327,340	7,248,204	40,703,930
Other Services	1,517,053	19,242,017	300,239	-1,907,117	4,046,487	26,448,527
Government	324,657	4,153,335	216,860	-1,313,660	3,829,340	26,393,327
Military	82,059	715,792	66,304	-349,960	1,656,726	11,755,229
Unclassified - SOI only	727,188	11,268,445	234,007	-1,578,639	16,747,218	116,810,957
Nonjoint returns, total	**6,704,242**	**91,365,248**	**1,954,908**	**-15,836,656**	**61,164,749**	**327,684,818**
Natural Resources and Mining	113,663	1,577,466	37,858	-511,892	626,273	3,415,794
Construction	908,604	11,273,654	144,284	-1,214,202	3,006,997	16,608,468
Manufacturing	207,962	1,803,159	120,950	-1,030,530	4,432,039	25,207,758
Trade, Transportation, and Utilities	1,039,039	11,598,711	406,786	-3,304,570	10,313,481	54,201,699
Information	129,836	1,622,538	73,070	-709,555	941,839	5,104,582
Financial Activities	506,089	14,913,199	194,800	-1,970,270	2,766,052	15,460,837
Professional and Business Services	1,454,903	21,769,896	391,538	-3,093,516	8,213,954	45,356,464
Education and Health Services	858,883	12,246,592	183,318	-1,160,625	7,654,073	43,263,240
Leisure and Hospitality	496,417	5,153,783	171,811	-1,444,402	6,403,584	32,271,256
Other Services	818,994	7,962,077	127,724	-755,688	3,052,234	16,515,080
Government	63,428	572,344	68,653	-476,728	2,683,221	14,939,410
Military	9,051	34,319	17,680	-59,160	1,017,269	5,367,437
Unclassified - SOI only	97,373	837,510	16,436	-105,518	10,053,733	49,972,793
Joint returns, total	**9,044,656**	**223,352,183**	**3,353,527**	**-29,179,718**	**23,676,473**	**236,501,239**

Footnotes at end of table.

Table 2: Tax Year 2005, All Returns: Selected Sources of Income and Tax Items, by Industry Sector of Primary Taxpayer[1]—Continued

(All figures are esimates based on samples. Money amounts are in thousands of dollars.)

North American Industry Classification System (NAICS) Code [2]	Total Itemized Deductions		Taxable Income		Income Tax Before Credits	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(13)	(14)	(15)	(16)	(17)	(18)
All returns, total	**47,755,428**	**1,121,810,936**	**104,330,656**	**5,137,165,873**	**104,345,969**	**990,151,766**
Natural Resources and Mining	421,587	12,813,963	1,260,484	85,734,565	1,261,349	17,487,554
Construction	3,210,663	70,587,018	6,434,054	290,996,645	6,436,785	55,104,641
Manufacturing	5,597,491	121,971,391	11,771,167	654,840,687	11,773,662	126,535,711
Trade, Transportation, and Utilities	6,499,380	141,713,956	15,681,890	655,517,054	15,682,445	123,448,573
Information	1,258,649	33,464,910	2,233,554	159,578,511	2,234,321	32,044,702
Financial Activities	3,520,287	112,584,595	6,258,819	544,433,293	6,260,590	121,736,659
Professional and Business Services	6,700,523	167,710,560	13,588,556	794,058,164	13,590,969	160,561,968
Education and Health Services	5,278,120	112,338,164	11,566,116	521,436,679	11,564,314	101,285,286
Leisure and Hospitality	1,554,411	37,543,947	5,465,084	174,086,812	5,464,571	34,295,109
Other Services	1,809,530	35,491,100	4,032,836	134,461,414	4,032,018	22,941,760
Government	3,598,876	71,086,536	6,747,611	281,784,130	6,749,899	45,664,160
Military	732,734	14,233,318	2,079,249	68,103,323	2,080,600	10,664,968
Unclassified - SOI only	7,573,177	190,271,478	17,211,236	772,134,596	17,214,446	138,380,675
Nonjoint return, total	**19,456,989**	**339,254,950**	**59,372,608**	**1,588,063,231**	**59,365,853**	**280,098,929**
Natural Resources and Mining	121,822	3,655,846	538,581	20,593,375	538,638	4,024,044
Construction	959,387	15,545,172	2,975,206	72,323,588	2,976,261	12,426,141
Manufacturing	1,753,550	26,848,896	5,427,766	163,162,396	5,428,521	29,306,720
Trade, Transportation, and Utilities	2,350,194	37,822,279	9,110,077	194,027,430	9,109,077	33,022,909
Information	514,774	9,804,799	1,254,848	54,480,768	1,254,860	10,356,765
Financial Activities	1,501,516	31,543,582	3,603,752	146,643,009	3,603,921	29,599,960
Professional and Business Services	2,645,153	45,599,633	7,897,475	231,331,972	7,894,943	42,308,747
Education and Health Services	2,809,861	43,662,224	8,020,914	202,662,894	8,019,110	34,065,635
Leisure and Hospitality	715,453	12,682,332	4,107,382	69,654,372	4,104,802	12,419,600
Other Services	758,540	10,698,566	2,415,115	47,617,154	2,414,605	7,519,982
Government	1,614,259	25,487,072	3,735,508	104,694,276	3,736,513	16,799,107
Military	230,784	3,386,284	1,071,493	21,598,334	1,071,535	3,305,974
Unclassified - SOI only	3,481,696	72,518,265	9,214,491	259,273,663	9,213,067	44,943,345
Joint return, total	**28,298,439**	**782,555,986**	**44,958,048**	**3,549,102,642**	**44,980,116**	**710,052,837**

Footnotes at end of table.

Table 2: Tax Year 2005, All Returns: Selected Sources of Income and Tax Items, by Industry Sector of Primary Taxpayer[1]—Continued

(All figures are esimates based on samples. Money amounts are in thousands of dollars.)

Footnotes

[1] For joint returns, the industry sector is based on the primary taxpayer. For example, if the primary taxpayer's industry sector is "Government" and the spouse is not in Government, the spouse's wages will be classified in Government.

[2] North American Industry Classification System (NAICS) Code at the industry sector level (two-digit level):

Natural Resources and Mining (11 and 21); Construction (23); Manufacturing (31, 32, and 33); Trade (42, 44, and 45), Transportation (48 and 49 except U.S.Post Office 491), and Utilities (22); Information (51); Financial Activities (52 except Federal Reserve Banks 521)and Real Estate (53); Professional and Business Services (54, 55, and 56); Education (61 - private) and (923110 - public) and Health Services (62); Leisure (71) and Hospitality (72); Other Services (81); Government (92 except 92310 and including 491 and 521); Military (928); and Unclassified - SOI only (999999).

For further information visit the U.S. Census Bureau at www.census.gov/eos/www/naics.

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

Source: SOI Individual Income Tax Returns, Tax Year 2005.

Table 3: Tax Year 2005 All Returns: Number of Returns Using A Paid Preparer, by Occupation Classification of Primary Taxpayer [1]

(All figures are estimates based on samples.)

Standard Occupation Classification (SOC) Code [2]	Number of Returns	Returns Using A Paid Preparer	Paid Preparer Usage Percentage
	(1)	(2)	(3)
All returns, total	**134,372,677**	**80,032,525**	**60%**
Management, Business, and Finance Occupations	16,553,331	9,317,233	56%
Professional Specialty Occupations	12,594,527	6,427,420	51%
Education, Training, and Library Occupations	3,958,229	1,957,285	49%
Arts, Entertainment, Sports, and Media	2,861,600	1,619,639	57%
Service Occupations	10,760,295	6,305,227	59%
Sales and Office	20,017,828	11,277,042	56%
Natural Resources, Construction, and Maintenance	11,491,686	7,792,594	68%
Production, Transportation, and Material Moving	16,190,698	10,414,755	64%
Military Specific Occupations	1,479,680	590,819	40%
Investors	183,741	154,891	84%
Unclassified Occupations	11,778,406	8,381,871	71%
Nonlabor Force	26,338,192	15,662,003	59%
Deceased	164,464	131,746	80%
Nonjoint return, total	**81,866,948**	**46,288,116**	**57%**
Management, Business, and Finance Occupations	8,194,860	4,248,520	52%
Professional Specialty Occupations	6,491,947	3,220,312	50%
Education, Training, and Library Occupations	2,588,975	1,285,112	50%
Arts, Entertainment, Sports, and Media	1,700,067	899,819	53%
Service Occupations	8,259,822	4,614,980	56%
Sales and Office	13,711,778	7,108,303	52%
Natural Resources, Construction, and Maintenance	5,475,264	3,456,970	63%
Production, Transportation, and Material Moving	9,329,327	5,689,987	61%
Military Specific Occupations	786,733	308,642	39%
Investors	106,134	88,631	84%
Unclassified Occupations	8,034,075	5,424,403	68%
Nonlabor Force	17,090,579	9,865,616	58%
Deceased	97,387	76,821	79%
Joint return, total	**52,505,729**	**33,744,409**	**64%**
Management, Business, and Finance Occupations	8,358,471	5,068,713	61%
Professional Specialty Occupations	6,102,580	3,207,108	53%
Education, Training, and Library Occupations	1,369,254	672,173	49%
Arts, Entertainment, Sports, and Media	1,161,533	719,820	62%
Service Occupations	2,500,473	1,690,247	68%
Sales and Office	6,306,050	4,168,739	66%
Natural Resources, Construction, and Maintenance	6,016,422	4,335,624	72%
Production, Transportation, and Material Moving	6,861,371	4,724,768	69%
Military Specific Occupations	692,947	282,177	41%
Investors	77,607	66,260	85%
Unclassified Occupations	3,744,331	2,957,468	79%
Nonlabor Force	9,247,613	5,796,387	63%
Deceased	67,077	54,925	82%

Footnotes at end of table.

Table 3: Tax Year 2005 All Returns: Number of Returns Using A Paid Preparer, by Occupation Classification of Primary Taxpayer [1]

(All figures are estimates based on samples.)

Footnotes

[1] For joint returns, the occupation classification is based on the primary taxpayer. For example, if the primary taxpayer lists his or her occupation as retired (coded as Non-labor Force) and the spouse is not, the return will be classified as as Non-Labor Force.

[2] Standard Occupation Classification (SOC) Codes at the major level (two-digit level) in high level aggregation: Management, Business, and Finance Occupations (11 and 13); Professional Specialty Occupations (15, 17, 19, 21, 23, 29) and Education, Training, and Library Occupations (25) and Arts, Entertainment, Sports, and Media (27); Service Occupations (31, 33, 35, 37, and 39); Sales and Office (41, 43); Natural Resources, Construction, and Maintenance (45, 47, 49); Production, Transportation, and Material Moving (51, 53); and Military Specific Occupations (55); and Investors (92 - SOI only). SOI unclassified occupations include government and private employees whose jobs cannot be determined (97); self-employed persons whose jobs cannot be determined (8850); and Form 1040 occupation lines which are left empty (8895) or filled in with indiscernible data (88). SOI nonlabor force codes include retired and disabled persons (93); unemployed persons (9350); volunteers (9390); house spouses and home-makers (94); and students (95). SOI code 96 represents deceased taxpayers.

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

Source: SOI Individual Income Tax Returns, Tax Year 2005.

Table 4: Tax Year 2005 Form 1040 Tax Forms for Total Returns Using A Paid Preparer, by Industry Classification of Primary Taxpayer [1]

(All figures are estimates based on samples.)

NAICS Description [2]	Total Returns Using A Paid Preparer			
	Total Returns	Form 1040	Form 1040A	Form 1040EZ
	(1)	(2)	(3)	(4)
All returns, total	**80,032,528**	**53,835,493**	**18,380,434**	**7,816,601**
Natural Resources and Mining	1,152,779	744,280	301,646	106,853
Construction	5,729,053	4,292,521	942,379	494,154
Manufacturing	7,632,207	4,905,280	1,955,155	771,772
Trade, Transportation, and Utilities	11,983,573	7,591,224	2,725,272	1,667,077
Information	1,311,506	1,016,701	217,929	76,875
Financial Activities	4,196,841	3,154,159	756,857	285,824
Professional and Business Services	9,935,025	6,557,568	2,292,035	1,085,423
Education and Health Services	7,947,600	5,053,602	2,216,661	677,337
Leisure and Hospitality	4,828,756	2,407,699	1,361,721	1,059,336
Other Services	3,656,189	2,604,144	704,572	347,473
Government	3,977,727	2,830,881	860,731	286,115
Military	949,226	455,372	291,861	201,993
Unclassified - SOI only	16,732,046	12,222,062	3,753,615	756,369
Nonjoint return, total	**46,288,116**	**25,865,304**	**13,208,354**	**7,214,457**
Natural Resources and Mining	517,438	268,118	154,432	94,887
Construction	2,584,205	1,579,939	552,066	452,200
Manufacturing	3,581,536	1,729,278	1,211,305	640,953
Trade, Transportation, and Utilities	6,976,791	3,394,658	2,026,909	1,555,224
Information	763,263	520,979	175,382	66,901
Financial Activities	2,360,763	1,499,881	596,018	264,864
Professional and Business Services	6,039,943	3,213,678	1,801,749	1,024,516
Education and Health Services	5,745,918	3,138,619	1,967,941	639,358
Leisure and Hospitality	3,658,916	1,466,244	1,165,280	1,027,392
Other Services	2,245,545	1,364,024	550,025	331,497
Government	2,177,063	1,304,723	612,163	260,177
Military	491,009	171,219	142,416	177,374
Unclassified - SOI only	9,145,726	6,213,944	2,252,668	679,114
Joint return, total	**33,744,412**	**27,970,189**	**5,172,080**	**602,144**
Natural Resources and Mining	635,341	476,162	147,214	11,966
Construction	3,144,848	2,712,582	390,313	41,954
Manufacturing	4,050,671	3,176,002	743,850	130,819
Trade, Transportation, and Utilities	5,006,782	4,196,566	698,363	111,853
Information	548,243	495,722	42,547	9,974
Financial Activities	1,836,078	1,654,278	160,839	20,960
Professional and Business Services	3,895,082	3,343,890	490,286	60,907
Education and Health Services	2,201,682	1,914,983	248,720	37,979
Leisure and Hospitality	1,169,840	941,455	196,441	31,944
Other Services	1,410,644	1,240,120	154,547	15,976
Government	1,800,664	1,526,158	248,568	25,938
Military	458,217	284,153	149,445	24,619
Unclassified - SOI only	7,586,320	6,008,118	1,500,947	77,255

Footnotes at end of table.

Table 4: Tax Year 2005 Form 1040 Tax Forms for Total Returns Using A Paid Preparer, by Industry Classification of Primary Taxpayer [1]

(All figures are estimates based on samples.)

Footnotes

[1] For joint returns, the industry sector is based on the primary taxpayer. For example, if the primary taxpayer's industry sector is Government and the spouse is not, the the return will be classified as Government.

[2] North American Industry Classification System (NAICS) Code at the industry sector level (two-digit level): Natural Resources and Mining (11 and 21); Construction (23); Manufacturing (31, 32, and 33); Trade (42, 44, and 45), Transportation (48 and 49 except U.S.Post Office 491), and Utilities (22); Information (51); Financial Activities (52 except Federal Reserve Banks 521) and Real Estate (53); Professional and Business Services (54, 55, and 56); Education (61-private) and (923110-public) and Health Services (62); Leisure (71) and Hospitality (72); Other Services (81); Government (92 except 92310 and including 491 and 521); Military (928); and Unclassified - SOI only (999999).

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

Source: SOI Individual Income Tax Returns, Tax Year 2005.