

Individual Income Tax Returns, Preliminary Data, 2008

by Michael Parisi

For Tax Year 2008, taxpayers filed 142.4 million U.S. individual income tax returns, a decrease of 0.5 percent from the 143.0 million returns filed for 2007.¹ For the first time since Tax Year 2002, Adjusted Gross Income (AGI) and several other notable items showed a decline. AGI decreased from 2007 by 3.7 percent to \$8.2 trillion for 2008. Taxable income decreased 5.1 percent to \$5.6 trillion; total income tax decreased by 6.2 percent to \$1.0 trillion; and total tax liability fell by 6.0 percent to just under \$1.1 trillion. However, despite the decreases in income and other taxes, the alternative minimum tax rose 6.3 percent to \$22.2 billion for 2008.

Figure A shows some of the key components that contributed to the decline in AGI from 2007. Net capital gains decreased 40.4 percent, from \$749.1 billion in 2007 to \$446.6 billion in 2008, capital gain distributions (part of net capital gains) decreased 74.6 percent to \$22.0 billion. Increases in losses associated with business income were reported for Tax Year 2008 by partnership and S corporations (49.8 percent), business sole proprietorships (11.3 percent), and farms (7.4 percent). For the first two, this contributed to decreases in net income less losses compared to 2007 of 12.5 percent for partnerships and S corporations and 5.4 percent for business sole proprietorships.

Further, for 2008, 9.6 million returns (a 24.1-percent increase from 2007) reported a total of \$43.9 billion in taxable unemployment compensation. This represents a 47.6-percent increase from 2007. Another component of AGI, ordinary dividends decreased 7.9 percent to \$197.6 billion. Of this dividend total, 73.3 percent was reported as qualified dividends. Qualified dividends, which receive preferential tax rates, were reported on 26.2 million returns and totaled \$144.8 billion, an increase of 1.3 percent from 2007.

Some components of AGI showed increases, including the largest component of AGI, salaries and wages, which increased 1.5 percent to \$6,022.4 billion for Tax Year 2008. The second largest income

item, taxable pension and annuities, also increased. Taxable pension and annuities increased 2.2 percent, from \$504.1 billion for 2007 to \$515.0 billion for 2008. The other items related to retirement, taxable Social Security benefits, and IRA distributions also rose for 2008, by 0.3 percent and 7.7 percent, respectively. One income item not related to retirement that did increase was rent and royalty net income. Reported amounts increased by 16.5 percent to \$92.8 billion for 2008.

Statutory adjustments to total income decreased 1.9 percent to \$115.9 billion for Tax Year 2008. The largest statutory adjustment was the deduction for one-half of self-employment tax, representing 19.5 percent of the total. This adjustment to income decreased 1.8 percent to \$22.6 billion. The self-employment health insurance deduction decreased 0.5 percent to \$19.3 billion. Payments to self-employed retirement (Keogh) plans fell 8.2 percent to \$18.5 billion, while deductible contributions to Individual Retirement Arrangements (IRAs) decreased 9.7 percent to \$11.9 billion. The deduction for tuition and fees rose 3.6 percent to \$11.0 billion, and the deduction for student loan interest increased 3.3 percent to \$7.8 billion. With a tax law change for 2008, in which contributions were no longer limited to the annual health plan deductible, over 810,000 taxpayers (a 39.4-increase from 2007) who made contributions to qualified health savings accounts took an adjustment totaling over \$2.1 billion (a 47.1-percent increase from 2007). Altogether, the amount deducted for total exemptions increased by 3.0 percent, from \$954.8 billion for 2007 to \$983.3 billion for 2008.

Total deductions, the sum of the standard deduction and total itemized deductions (after limitation) equaled \$1,960.1 billion, an increase of 1.0 percent from Tax Year 2007. The number of returns claiming the standard deduction decreased 0.3 percent, accounting for 64.6 percent of all returns filed and 35.7 percent of the total deductions amount. Due to inflation indexing and law changes, the average standard deduction (comprised of the basic and additional standard deductions for age and blindness) increased 4.4 percent, from \$7,278 for 2007 to \$7,602 for 2008.

New for 2008, a taxpayer could have increased the standard deduction by the amount paid for certain

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¹ For Tax Year 2007, the total number of returns count does not include individual income tax returns filed by individuals only to receive the economic stimulus payment and who had no other reason to file.

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Figure A

Individual Income Tax Returns, Preliminary Data: Selected Income and Tax Items, Tax Years 2007 and 2008

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Item	Number of returns			Amount		
	2007	2008	Percentage change	2007	2008	Percentage change
	(1)	(2)	(3)	(4)	(5)	(6)
Number of returns, total [1]	143,030,461	142,350,256	-0.5	N/A	N/A	N/A
Form 1040 returns	85,745,233	83,884,991	-2.2	N/A	N/A	N/A
Form 1040A returns	34,025,192	36,540,998	7.4	N/A	N/A	N/A
Form 1040EZ returns	23,260,036	21,924,264	-5.7	N/A	N/A	N/A
Electronically-filed returns [2]	89,319,350	96,573,046	8.1	N/A	N/A	N/A
Adjusted gross income (less deficit)	143,030,461	142,350,256	-0.5	8,531,396,107	8,213,442,867	-3.7
Salaries and wages	121,575,652	120,006,001	-1.3	5,936,291,341	6,022,463,633	1.5
Taxable interest	65,539,247	62,478,944	-4.7	231,533,659	197,166,925	-14.8
Tax-exempt interest [3]	6,291,259	6,403,595	1.8	76,071,765	72,586,685	-4.6
Ordinary dividends	32,200,676	30,850,795	-4.2	214,602,175	197,602,724	-7.9
Qualified dividends	27,272,187	26,234,679	-3.8	142,968,704	144,840,020	1.3
State income tax refunds	23,767,816	22,969,373	-3.4	25,102,093	25,260,849	0.6
Alimony received	464,900	435,376	-6.4	8,330,494	8,254,879	-0.9
Business or profession net income	16,832,343	16,385,177	-2.7	316,576,566	308,133,596	-2.7
Business or profession net loss	5,744,898	5,670,884	-1.3	52,570,799	58,509,927	11.3
Business or profession net income less loss	22,577,241	22,056,061	-2.3	264,005,767	249,623,669	-5.4
Net capital gain [4]	19,600,390	11,187,343	-42.9	749,142,977	446,595,066	-40.4
Capital gain distributions [4]	15,858,031	11,538,101	-27.2	86,375,840	21,972,213	-74.6
Net capital loss	7,571,865	12,301,042	62.5	16,550,418	28,417,726	71.7
Sales of property other than capital assets net gain	858,728	744,331	-13.3	11,750,123	10,436,594	-11.2
Sales of property other than capital assets net loss	790,247	865,098	9.5	9,205,398	17,807,063	93.4
Sales of property other than capital assets net gain less loss	1,648,976	1,609,429	-2.4	2,544,726	-7,370,469	-389.6
Taxable Individual Retirement Arrangement distributions	11,146,808	11,316,651	1.5	148,543,305	160,022,157	7.7
Taxable pensions and annuities	26,555,679	25,856,207	-2.6	504,106,952	515,035,286	2.2
Rent and royalty net income	5,854,329	5,978,139	2.1	79,631,034	92,793,355	16.5
Rent and royalty net loss	5,458,342	5,540,151	1.5	60,896,603	63,632,958	4.5
Rent and royalty net income less loss	9,802,694	9,925,815	1.3	18,734,431	29,160,397	55.7
Partnership and S corporation net income	4,647,554	4,517,758	-2.8	471,414,946	468,560,093	-0.6
Partnership and S corporation net loss	2,488,614	2,626,223	5.5	90,200,748	135,082,672	49.8
Partnership and S corporation net income less loss	7,136,168	7,143,981	0.1	381,214,198	333,477,421	-12.5
Estate and trust net income	498,106	520,680	4.5	16,254,546	17,056,025	4.9
Estate and trust net loss	41,114	40,464	-1.6	1,290,666	2,511,370	94.6
Estate and trust net income less loss	539,220	561,144	4.1	14,963,881	14,544,655	-2.8
Farm net income	571,142	567,581	-0.6	10,862,108	13,114,524	20.7
Farm net loss	1,423,349	1,391,073	-2.3	24,116,600	25,894,327	7.4
Unemployment compensation	7,735,444	9,597,502	24.1	29,752,241	43,911,028	47.6
Taxable Social Security benefits	15,194,849	15,145,770	-0.3	169,112,251	169,670,897	0.3
Total statutory adjustments	35,904,216	35,563,477	-0.9	118,152,497	115,901,028	-1.9
Educator expenses	3,692,983	3,796,150	2.8	936,226	957,289	2.2
Certain business expenses of reservists, performing artists, and fee-basis government officials	137,353	129,293	-5.9	428,090	414,943	-3.1
Payments to an Individual Retirement Arrangement	3,370,132	2,783,721	-17.4	13,191,054	11,905,552	-9.7
Student loan interest deduction	9,163,092	9,185,924	0.2	7,513,854	7,761,966	3.3
Tuition and fees deduction	4,570,841	4,588,503	0.4	10,647,111	11,031,337	3.6
Health savings account deduction	581,438	810,279	39.4	1,447,829	2,129,150	47.1
Moving expenses adjustment	1,117,958	1,112,592	-0.5	2,872,755	2,995,993	4.3
Self-employment tax deduction	17,577,880	17,211,728	-2.1	23,000,491	22,588,905	-1.8
Self-employed health insurance deduction	3,568,995	3,361,579	-5.8	19,360,871	19,257,165	-0.5
Payments to a self-employed retirement (Keogh) plan	1,136,764	965,847	-15.0	20,143,628	18,499,501	-8.2
Penalty on early withdrawal of savings	1,215,946	1,298,035	6.8	352,592	371,912	5.5

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Figure A—Continued

Individual Income Tax Returns, Preliminary Data: Selected Income and Tax Items, Tax Years 2007 and 2008—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Item	Number of returns			Amount		
	2007	2008	Percentage change	2007	2008	Percentage change
	(1)	(2)	(3)	(4)	(5)	(6)
Alimony paid	590,120	572,761	-2.9	9,024,966	9,313,168	3.2
Domestic production activities deduction	448,113	478,111	6.7	6,639,450	6,959,041	4.8
Other adjustments [5]	140,482	150,914	7.4	1,255,655	1,585,910	26.3
Total exemptions [6]	285,893,543	283,544,734	-0.8	954,799,390	983,256,537	3.0
Total deductions	144,650,750	139,976,603	-3.2	1,941,302,670	1,960,087,456	1.0
Total standard deduction	92,273,823	91,975,024	-0.3	671,612,131	699,190,365	4.1
Basic standard deduction	92,273,823	91,975,024	-0.3	650,995,128	666,727,034	2.4
Additional standard deduction	13,107,816	12,660,440	-3.4	20,617,003	20,184,197	-2.1
Total itemized deductions (after limitation)	50,513,149	48,001,579	-5.0	1,269,690,539	1,260,897,091	-0.7
Itemized deductions in excess of limitation	7,094,563	6,769,863	-4.6	35,146,670	16,849,836	-52.1
Medical and dental expenses deduction	10,564,676	10,091,166	-4.5	75,428,123	74,530,672	-1.2
Taxes paid deduction	50,087,819	47,683,306	-4.8	446,395,960	447,682,524	0.3
State and local income taxes [7]	48,607,452	46,320,617	-4.7	271,539,747	272,394,387	0.3
Income taxes	36,797,963	35,520,687	-3.5	253,235,796	254,836,486	0.6
General sales taxes	11,809,490	10,799,930	-8.5	18,303,951	17,557,892	-4.1
Interest paid deduction	41,167,372	39,022,546	-5.2	502,340,630	481,166,292	-4.2
Charitable contributions deduction	41,138,108	39,223,228	-4.7	174,504,204	161,869,762	-7.2
Taxable income	110,808,532	108,090,446	-2.5	5,932,306,076	5,629,893,896	-5.1
Alternative minimum tax	4,111,154	3,939,114	-4.2	20,915,080	22,223,196	6.3
Income tax before credits	110,819,668	107,317,835	-3.2	1,155,078,777	1,099,247,705	-4.8
Total tax credits [8]	48,374,530	55,271,787	14.3	62,170,319	73,739,010	18.6
Child care credit	6,556,918	6,659,122	1.6	3,524,008	3,561,436	1.1
Credit for the elderly or disabled	90,569	75,100	-17.1	12,296	10,209	-17.0
Child tax credit	26,068,263	25,287,874	-3.0	31,753,697	30,713,081	-3.3
Education tax credits	7,516,607	7,829,823	4.2	6,988,853	7,732,554	10.6
Retirement savings contributions credit	5,970,293	6,043,397	1.2	997,343	993,687	-0.4
Adoption credit	93,325	89,134	-4.5	384,523	354,490	-7.8
Residential energy credits	4,411,698	227,620	-94.8	1,026,245	219,805	-78.6
Foreign tax credit	7,602,568	6,680,064	-12.1	13,991,686	15,121,256	8.1
General business credit	208,411	259,884	24.7	718,864	1,317,496	83.3
Prior year minimum tax credit	370,848	397,357	7.1	1,020,767	976,587	-4.3
First-time homebuyer credit	N/A	1,193,315	N/A	N/A	8,301,644	N/A
Recovery rebate credit	N/A	27,665,780	N/A	N/A	11,579,431	N/A
Self-employment tax	17,577,880	17,211,728	-2.1	45,992,187	45,169,679	-1.8
Total earned income credit (EIC)	24,970,376	25,007,059	0.1	49,696,835	51,596,164	3.8
EIC used to offset income tax before credits	3,452,286	3,391,970	-1.7	948,515	978,766	3.2
EIC used to offset other taxes	5,384,564	5,550,648	3.1	5,189,831	5,560,408	7.1
Excess EIC, refundable portion	22,024,740	22,053,777	0.1	43,558,489	45,056,991	3.4
Additional child tax credit	16,088,595	18,300,462	13.7	16,828,692	20,511,290	21.9
Refundable prior year minimum tax credit	144,692	274,822	89.9	432,169	2,392,027	453.5
Total income tax	96,374,701	90,718,339	-5.9	1,092,909,361	1,025,509,017	-6.2
Total tax liability	100,352,051	94,721,187	-5.6	1,139,266,194	1,070,367,059	-6.0

N/A—Not applicable.

[1] For Tax Year 2007, the total number of returns does not include the returns filed by individuals only to receive the economic stimulus payment and who had no other reason file.

[2] Included in data for Forms 1040, 1040A, and 1040EZ.

[3] Not included in adjusted gross income.

[4] Includes capital gain distributions reported on Form 1040 and Schedule D.

[5] Other adjustments does not include the foreign housing deduction or the medical savings account deduction.

[6] Data shown in columns 1 and 2 are the number of exemptions claimed on returns, rather than the number of returns with exemptions.

[7] State and local income taxes is the total of both income taxes and general sales taxes.

[8] Includes EIC used to offset income tax before credits, shown separately later in this figure.

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

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State and local real estate taxes and net disaster loss (see the Changes in Law section). Itemized deductions were claimed on 33.7 percent of all returns filed for 2008 and represented 64.3 percent of the total deductions amount.² The average total for itemized deductions (after limitation) was \$26,268, a 4.5-percent increase from the 2007 average of \$25,136.

Due to the AGI limitation on itemized deductions, 6.8 million higher-income taxpayers were unable to deduct \$16.8 billion in itemized deductions, a decrease of 52.1 percent from 2007. This large decrease was due to a change in the law where the amount by which the deduction was reduced was only one-third of the amount of the reduction that would have otherwise applied. In 2007, the amount by which the deduction was reduced was only two-thirds of the amount.

The interest paid deduction was the largest deduction, comprising 37.7 percent of total itemized deductions (before limitation). For 2008, it decreased 4.2 percent to \$481.2 billion. The Tax Relief and Health Care Act of 2006 extended the election to deduct State and local general sales taxes instead of State and local income taxes. For 2008, an estimated 10.8 million taxpayers elected to deduct State and local general sales taxes instead of local income taxes, deducting \$17.6 billion. Including taxpayers who deducted State and local sales taxes, 4.7 percent fewer taxpayers took a deduction for State and local income and sales taxes, but the total amount of this deduction increased 0.3 percent from 2007 levels. The total taxes paid deduction accounted for 35.0 percent of all itemized deductions and increased 0.3 percent to \$447.7 billion. The deduction for medical and dental expenses went down by 1.2 percent to \$74.5 billion, while the charitable contributions deduction decreased 7.2 percent to \$161.9 billion for 2008.

Total tax credits used to offset income tax liabilities increased 18.6 percent to \$73.7 billion. About 25.3 million taxpayers claimed \$30.7 billion in child tax credits, down 3.3 percent from 2007. However, the additional child tax credit (a refundable separate credit) increased by 21.9 percent to \$20.5 billion in 2008. This increase in the additional child tax credit was partially due to the law change for 2008 where the credit limit was increased from 15 percent of a taxpayer's earned income that exceeded \$11,750 in

2007 to 15 percent of a taxpayer's earned income that exceeded \$8,500 in 2008.

Other notable percentage increases for major tax credits included an 83.3-percent rise in general business credits to \$1.3 billion, and a 10.6-percent rise in the education credits to \$7.7 billion. For 2008, a change in law made some of the general business credits allowable against the alternative minimum tax, which led to the large increase in general business credits. The foreign tax credit also had an increase from 2007 of 8.1 percent to \$15.1 billion.

The largest percentage decrease was in the residential energy credits, which decreased 78.6 percent from 2007. This decrease was attributable to the nonbusiness energy property credit which expired in Tax Year 2008 making the credit only for businesses. For Tax Year 2009, the nonbusiness energy property credit will be available as in Tax Year 2007.

Tax Year 2008 introduced two new credits, the first-time homebuyer credit and the recovery rebate credit. The recovery rebate credit was claimed by 27.7 million taxpayers who had not received an economic stimulus payment or whose economic stimulus payment was under certain amounts (see the Changes in Law section). This resulted in \$11.6 billion worth of credits against income tax for these taxpayers.

For Tax Year 2008, a taxpayer could have claimed the first-time homebuyer credit if he or she bought a home after April 8, 2008, and before November 7, 2009, and did not own a home during the prior 3 years. The first-time homebuyer credit was claimed by 1.2 million taxpayers and totaled \$8.3 billion in 2008. Some taxpayers who purchased a home after filing a 2008 return may have filed an amended return to claim the credit. However, the data for the first-time homebuyer credit article do not include data from amended returns or any adjustment made to this credit by the IRS.

The total earned income credit (EIC) increased 3.8 percent to \$51.6 billion for Tax Year 2008. The portion of the EIC used to offset income tax before credits increased 3.2 percent to \$1.0 billion, and the portion of the EIC used to offset other taxes (such as the self-employment tax) rose 7.1 percent to \$5.6 billion. The largest part of the EIC, the refundable portion, was treated as a refund and paid directly to

² The remaining 1.7 percent of the returns did not need to claim either a standard deduction or itemized deductions because no AGI was reported.

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taxpayers who had no tax liability against which to apply the credit. The refundable portion of the EIC increased 3.4 percent to \$45.1 billion for 2008.

The comparisons of data for Tax Years 2007 and 2008 in this article are based on the preliminary estimates for both years. A few income and tax items tend to be understated in preliminary estimates. Therefore, comparisons based on preliminary estimates for one year and final estimates for the previous year could be misleading. Comparisons based entirely on preliminary estimates reduce the likelihood of misinterpretation of the data and afford a more accurate representation of year-to-year changes. Final statistics for Tax Year 2007 are available in the fall 2008 issue of the *SOI Bulletin* and *Statistics of Income—2007, Individual Income Tax Return*.

Changes in Law

In general, the definitions used in this article are the same as those in *Statistics of Income—2007, Individual Income Tax Returns*. The following is a partial list of tax law and Internal Revenue Service administrative changes that had a major bearing on the Tax Year 2008 preliminary data presented in this article.

Additional Child Tax Credits—Modifications were made to the additional child tax credit for 2008. In Tax Year 2007, the credit limit based on earned income was 15 percent of a taxpayer's earned income that exceeded \$11,750. For 2008, the limit was 15 percent of a taxpayer's earned income that exceeded \$8,500.

Alternative Minimum Tax (AMT)—For Tax Year 2008, the minimum exemption increased to \$69,950 for a married couple filing a joint return, up from \$66,250 in 2007, and to \$46,200 for singles and heads of household, up from \$44,350, and to \$34,975, up from \$33,125 for a married person filing separately.

Earned Income Credit—The maximum amount of the earned income credit increased, as did the amounts of earned income and investment income an individual could have and still claim the credit. The maximum amount of investment income (interest, dividends, and capital gain income) a taxpayer could have and still claim the credit increased to \$2,950 from \$2,900. The maximum credit for taxpayers with no qualifying children increased to \$438 from \$428. For these taxpayers, earned income and AGI had to be less than \$12,880 (\$15,880 if married filing jointly) to get any EIC. For taxpayers with one

qualifying child, the maximum credit increased from \$2,853 to \$2,917 and, for taxpayers with two or more qualifying children, the maximum credit increased to \$4,824 from \$4,716. To be eligible for the credit, a taxpayer's earned income and AGI had to be less than \$33,995 (\$36,995 for married filing jointly) for one qualifying child, or less than \$38,646 (\$41,646 for married filing jointly) for two or more qualifying children.

Exemption Amount—For Tax Year 2008, the exemption amount increased by \$100 to \$3,500. Taxpayers could have lost a portion of their exemption benefits if their adjusted gross incomes were above certain amounts (\$119,975 for married persons filing separately, \$159,950 for single individuals, \$199,950 for heads of household, and \$239,950 for married persons filing jointly or qualifying widow(er)s). For 2008, a taxpayer could lose no more than one-third of the dollar amount of his or her exemption, so that the amount of each exemption could not be reduced to less than \$2,333. For 2007 and 2006, a taxpayer could lose no more than two-thirds of the dollar amount of his or her exemption. For 2005 and previous years, exemption amounts could be limited to zero.

First Time Homebuyer Credit—New for Tax Year 2008, a taxpayer may have claimed this credit if he or she bought a home after April 8, 2008, and before December 1, 2009, and did not own a main home during the prior 3 years. Taxpayers were allowed to claim this credit in Tax Years 2008 or 2009 if their modified adjusted gross incomes were below \$95,000 (\$170,000 if married filing jointly). For homes purchased in 2008, the credit operates much like an interest-free loan. Taxpayers generally had to repay the credit over a 15-year period. For homes purchased in 2009, a taxpayer had to repay the credit only if the home ceases to be his or her main home within a 36-month period beginning on the purchase date.

General Business Credit—For 2008, certain business credits like the investment credit were allowed against the alternative minimum tax.

Health Savings Account Deduction—For Tax Year 2008, contributions were not limited to the taxpayer's annual health plan deductible. The maximum HSA deduction increased by \$50 to \$2,900 (\$5,800, if family coverage, up from \$5,650). These limits were \$900 higher if the taxpayer was age 55 or older.

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Indexing—The following items increased due to indexing for inflation: personal exemption amounts, basic standard deduction amounts, tax bracket boundaries, and beginning income amounts for limiting certain itemized deductions and for the reduction of personal exemption deductions. The maximum amount of earnings subject to self-employment tax increased based on the percentage change in average covered earnings.

Individual Retirement Arrangement Deduction—The phaseout range for IRA deductions for those covered by a retirement plan began at income of \$85,000 if married filing jointly or a qualifying window(er), up from \$83,000 in 2007. The phaseout was \$53,000 for a single person or head of household, up from \$52,000 in 2007, and \$0 for a married person filing a separate return. Taxpayers may have been able to deduct an additional \$3,000 if they were participants in a 401(k) plan and their employers were in bankruptcy in an earlier year.

Limit on Itemized Deductions Increased—Taxpayers who had adjusted gross incomes above \$159,950 (\$79,975 if married filing separately) could have lost part of the deduction for itemized deductions. This was an increase from 2007 amounts of \$156,400 (\$78,200 if married filing separately). For Tax Year 2008, the amount by which the deduction was reduced was only one-third of the amount of the reduction that would have otherwise applied (for 2005 and previous years). For Tax Years 2007 and 2006, the amount by which the deduction was reduced was only two-thirds of the amount of the reduction that would have otherwise applied.

Qualified Dividends and Net Capital Gain—For Tax Year 2008, the 5-percent tax rate on qualified dividends and net capital gains was reduced to zero.

Real Estate Tax and Net Disaster Loss deduction—New for 2008, a taxpayer could increase the standard deduction by the amount he or she paid for certain State and local real estate taxes and the net disaster loss. A taxpayer could have increased the standard deduction by State and local real estate taxes paid, up to \$500 (\$1,000 if married filing jointly). The real estate taxes must be taxes that would have been deductible on Schedule A if a taxpayer had itemized their deductions. A taxpayer's net disaster

loss was figured by taking personal casualty losses from a Federally declared disaster minus any personal casualty gains. A total of \$12.3 billion were deducted due to the addition of these two new provisions. Most of this (\$11.5 billion) was deducted by 16 million taxpayers for real estate taxes.

Recovery Rebate credit—A taxpayer was able to take this credit only if he or she had not received an economic stimulus payment in Tax Year 2007 or the economic stimulus payment was less than \$600 (\$1,200 if married filing jointly) plus \$300 for each qualifying child the taxpayer had for 2008. This credit was figured like the economic stimulus payment the previous year except that the amounts are based on Tax Year 2008 instead of Tax Year 2007. The maximum credit was \$600 (\$1,200 if married filing jointly) plus \$300 for each qualifying child.

Standard Deduction Amount Increased—The standard deduction for taxpayers who did not itemize deductions on Schedule A of Form 1040 was, in most cases, higher for 2008 than it was in 2007. The amount depended on filing status, being 65 or older or blind, and whether an exemption could be claimed for a taxpayer by another person. For 2008, the standard deduction increased to \$10,900 for joint filers, up from \$10,700 in 2007. For single filers and married filing separately, the deduction amount increased to \$5,450. For heads of households, the deduction was \$8,000. In addition, the additional standard deduction for being 65 or older or blind was increased by \$50 per taxpayer for single and head of household filers only.

Data Sources and Limitations

The preliminary statistics in this data release are based on a sample of individual income tax returns (Forms 1040, 1040A, and 1040EZ including electronically filed returns) filed during Calendar Year 2009. Returns in the sample were stratified based on: (1) the larger of positive income or negative income; (2) the size of business and farm receipts; (3) the presence or absence of specific forms or schedules; and (4) the usefulness of returns for Treasury Department tax modeling purposes.³ Returns were then selected at rates ranging from 0.1 percent to 100 percent. The preliminary Tax Year 2008 data

³ Returns in the sample were stratified based on the presence or absence of one or more of the following forms or schedules: Form 2555, *Foreign Earned Income*; Form 1116, *Foreign Tax Credit (Individual)*.

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are based on a sample of 256,033 returns and an estimated final population of 142,466,099 returns. The corresponding sample and population for the preliminary 2007 data were 262,319 and 153,673,511 returns, respectively.

Since the data presented here are estimates based on a sample of returns filed, they are subject to sampling error. To properly use the statistical data provided, the magnitude of the potential sampling error must be known; coefficients of variation (CV's) are used to measure that magnitude. The reliability of estimates based on samples, and the use of coefficients of variation for evaluating the precision of

estimates based on samples, are discussed in the appendix to this issue of the *Bulletin*.

While the preliminary estimates are intended to represent a full year of taxpayer reporting, they are actually based on returns processed for tax administration purposes, in the case of 2008 returns, between January and late September of 2009. In general, returns processed during the remainder of each year tend to have somewhat different characteristics compared to returns processed earlier. These characteristics include, for example, disproportionately large amounts of investment income, passive losses, and alternative minimum tax.

Individual Income Tax Returns, Preliminary Data, 2008

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Table 1. Individual Income Tax Returns, Tax Year 2008 Preliminary Data: Selected Income and Tax Items, by Size of Adjusted Gross Income

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Item	All returns	Size of adjusted gross income						
		Under \$15,000 [1]	\$15,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$100,000	\$100,000 under \$200,000	\$200,000 under \$250,000	\$250,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Number of returns, total	142,350,256	37,778,377	29,710,475	25,598,548	31,043,264	13,851,199	1,531,674	2,836,719
Form 1040 returns	83,884,991	14,649,539	11,613,840	14,605,646	25,092,562	13,555,011	1,531,674	2,836,719
Form 1040A returns	36,540,998	10,751,266	12,834,155	7,847,981	4,834,044	273,552	0	0
Form 1040EZ returns	21,924,264	12,377,573	5,262,477	3,144,920	1,116,658	22,636	0	0
Electronically filed returns [2]	96,573,046	23,738,729	21,264,754	18,228,055	21,482,571	9,329,192	960,483	1,569,262
Adjusted gross income (less deficit)	8,213,442,867	123,672,649	655,372,449	1,001,180,490	2,202,688,295	1,844,904,428	340,239,354	2,045,385,203
Salaries and wages:								
Number of returns	120,006,001	27,733,901	25,329,838	22,784,149	27,674,178	12,614,964	1,387,996	2,480,975
Amount	6,022,463,633	225,996,571	530,863,416	828,021,366	1,739,971,142	1,438,346,077	248,784,303	1,010,480,758
Taxable interest:								
Number of returns	62,478,944	9,755,821	8,045,315	10,002,672	19,215,303	11,348,687	1,395,363	2,715,779
Amount	197,166,925	16,609,941	13,542,962	16,849,200	41,092,565	34,824,154	7,999,685	66,248,417
Tax-exempt interest: [3]								
Number of returns	6,403,595	539,735	442,118	647,070	1,739,945	1,598,938	329,553	1,106,236
Amount	72,586,685	2,947,710	2,230,006	4,060,637	11,109,908	12,922,775	3,595,083	35,720,565
Ordinary dividends:								
Number of returns	30,850,795	4,470,719	3,223,186	4,114,989	9,009,484	6,737,450	1,014,771	2,280,198
Amount	197,602,724	8,655,248	7,144,194	9,563,145	29,840,123	35,100,773	8,842,617	98,456,625
Qualified dividends:								
Number of returns	26,234,679	3,728,480	2,634,921	3,396,814	7,576,489	5,870,732	911,776	2,115,471
Amount	144,840,020	4,930,630	4,072,955	5,663,505	19,231,689	25,197,772	6,712,343	79,031,124
State income tax refunds:								
Number of returns	22,969,373	547,205	1,279,536	3,587,473	9,803,367	6,257,841	583,338	910,615
Amount	25,260,849	693,195	701,001	2,174,754	7,796,090	7,124,499	1,016,609	5,754,701
Alimony received:								
Number of returns	435,376	72,083	109,688	103,609	110,879	32,262	2,115	4,740
Amount	8,254,879	513,774	1,034,098	1,403,103	3,001,396	1,467,683	131,911	702,914
Business or professional net income:								
Number of returns	16,385,177	5,302,191	2,610,854	2,200,963	3,448,315	1,989,248	272,808	560,800
Amount	308,133,596	38,722,615	31,574,688	28,668,190	55,893,626	61,181,344	16,949,924	75,143,211
Business or professional net loss:								
Number of returns	5,670,884	1,066,531	881,284	1,001,565	1,591,908	857,350	91,603	180,642
Amount	58,509,927	21,329,477	6,830,010	7,434,906	9,957,601	6,058,886	1,090,470	5,808,573
Net capital gain: [4]								
Number of returns	11,187,343	1,533,971	1,110,566	1,450,785	3,178,035	2,527,750	422,076	964,160
Amount	446,595,066	14,381,346	3,243,459	4,806,397	18,807,797	30,783,442	11,261,200	363,311,425
Capital gain distributions: [4]								
Number of returns	11,538,101	1,615,334	1,011,477	1,344,577	3,159,023	2,695,886	473,769	1,238,035
Amount	21,972,213	1,345,170	1,109,327	1,286,904	4,427,964	4,763,094	1,177,436	7,862,318
Net capital loss:								
Number of returns	12,301,042	2,064,751	1,169,300	1,436,355	3,303,983	2,687,600	461,812	1,177,242
Amount	28,417,726	4,638,977	2,629,056	3,173,427	7,472,867	6,195,037	1,159,264	3,149,099
Sales of property other than capital assets, net gain:								
Number of returns	744,331	106,844	78,748	93,586	197,984	126,350	24,520	116,300
Amount	10,436,594	1,102,920	545,044	714,200	1,548,981	1,383,343	347,077	4,795,031

Footnotes at end of table.

Individual Income Tax Returns, Preliminary Data, 2008

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Table 1. Individual Income Tax Returns, Tax Year 2008 Preliminary Data: Selected Income and Tax Items, by Size of Adjusted Gross Income—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Item	All returns	Size of adjusted gross income						
		Under \$15,000 [1]	\$15,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$100,000	\$100,000 under \$200,000	\$200,000 under \$250,000	\$250,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sales of property other than capital assets, net loss:								
Number of returns	865,098	173,786	65,953	77,516	173,814	162,026	38,042	173,961
Amount	17,807,063	11,540,619	725,021	532,049	1,011,089	1,131,772	211,637	2,654,874
Taxable Individual Retirement Arrangement distributions:								
Number of returns	11,316,651	1,585,007	1,907,741	1,992,446	3,569,273	1,744,030	188,394	329,759
Amount	160,022,157	8,166,993	12,487,582	18,013,766	49,871,979	43,785,938	8,051,046	19,644,854
Taxable pensions and annuities:								
Number of returns	25,856,207	3,987,478	4,728,157	4,801,729	7,791,616	3,627,854	360,507	558,868
Amount	515,035,286	25,608,777	54,861,601	78,340,985	183,494,490	127,338,053	16,342,618	29,048,762
Rent and royalty net income:								
Number of returns	5,978,139	839,380	734,659	802,857	1,659,388	1,201,221	194,733	545,901
Amount	92,793,355	6,025,471	4,860,112	5,509,842	15,027,045	18,411,361	4,985,962	37,973,562
Rent and royalty net loss:								
Number of returns	5,540,151	833,136	650,576	890,645	1,776,581	1,015,632	101,856	271,727
Amount	63,632,958	14,344,213	6,093,525	7,949,143	17,666,172	9,438,667	1,550,536	6,590,702
Partnership and S corporation net income:								
Number of returns	4,517,758	306,600	367,793	413,330	1,085,293	1,117,762	270,478	956,503
Amount	468,560,093	4,117,408	4,077,396	6,037,434	22,432,269	45,492,106	18,435,932	367,967,547
Partnership and S corporation net loss:								
Number of returns	2,626,223	542,788	215,779	303,790	652,549	542,748	92,518	276,051
Amount	135,082,672	80,393,687	2,862,087	4,066,165	7,353,164	8,488,856	2,440,925	29,477,787
Estate and trust net income:								
Number of returns	520,680	52,218	47,909	52,910	128,706	140,604	23,484	74,851
Amount	17,056,025	341,184	302,468	355,794	1,713,514	2,613,458	876,003	10,853,605
Estate and trust net loss:								
Number of returns	40,464	6,403	2,318	6,668	7,822	8,361	2,386	6,507
Amount	2,511,370	1,762,989	12,451	61,839	46,184	64,762	15,600	547,548
Farm net income:								
Number of returns	567,581	112,037	75,955	96,795	173,130	75,016	10,311	24,336
Amount	13,114,524	925,728	774,597	1,230,620	3,507,846	3,104,474	922,787	2,648,471
Farm net loss:								
Number of returns	1,391,073	266,591	189,605	239,093	436,240	178,328	20,870	60,345
Amount	25,894,327	7,537,731	2,484,034	3,106,530	5,649,558	3,223,129	524,991	3,368,354
Unemployment compensation:								
Number of returns	9,597,502	1,739,664	2,657,276	2,044,746	2,311,414	730,400	56,312	57,687
Amount	43,911,028	6,328,725	12,317,444	9,702,058	11,040,196	3,876,506	279,733	366,362
Taxable Social Security benefits:								
Number of returns	15,145,770	89,228	2,759,852	3,781,015	5,659,545	2,169,560	238,279	448,294
Amount	169,670,897	367,031	5,656,263	25,502,786	83,157,005	40,566,742	4,812,345	9,608,725
Total statutory adjustments:								
Number of returns	35,563,477	7,117,382	5,185,526	6,027,579	9,722,600	5,713,351	538,432	1,258,610
Amount	115,901,028	10,498,132	8,865,291	12,037,270	24,524,752	25,416,804	5,542,765	29,016,013

Footnotes at end of table.

Individual Income Tax Returns, Preliminary Data, 2008

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Table 1. Individual Income Tax Returns, Tax Year 2008 Preliminary Data: Selected Income and Tax Items, by Size of Adjusted Gross Income—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Item	All returns	Size of adjusted gross income						
		Under \$15,000 [1]	\$15,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$100,000	\$100,000 under \$200,000	\$200,000 under \$250,000	\$250,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Educator expenses:								
Number of returns	3,796,150	88,944	272,219	716,779	1,561,423	1,025,593	62,823	68,367
Amount	957,289	19,651	61,828	170,150	393,244	279,784	15,751	16,879
Certain business expenses of reservists, performing artists, and fee-basis government officials:								
Number of returns	129,293	17,453	9,182	16,054	51,458	29,579	2,885	2,678
Amount	414,943	107,870	38,590	33,897	134,700	73,233	10,792	15,862
Payments to an Individual Retirement Arrangement:								
Number of returns	2,783,721	139,929	349,224	599,185	1,042,760	531,378	39,900	81,344
Amount	11,905,552	436,682	1,118,394	2,108,032	4,380,906	2,812,195	321,822	727,519
Student loan interest deduction:								
Number of returns	9,185,924	743,072	1,524,954	2,320,407	3,349,087	1,248,405	0	0
Amount	7,761,966	567,082	1,208,473	2,010,898	2,986,316	989,196	0	0
Tuition and fees deduction:								
Number of returns	4,588,503	1,055,644	467,841	462,422	1,010,545	1,592,048	0	0
Amount	11,031,337	2,958,307	1,120,207	1,013,037	2,201,016	3,738,770	0	0
Health savings account deduction:								
Number of returns	810,279	33,190	63,321	119,306	255,004	206,869	30,773	101,815
Amount	2,129,150	66,162	95,529	202,975	566,280	626,274	112,941	458,986
Moving expenses adjustment:								
Number of returns	1,112,592	100,724	205,393	273,973	332,129	152,789	22,060	25,524
Amount	2,995,993	242,374	351,425	508,413	960,408	641,679	110,798	180,899
Self-employment tax deduction:								
Number of returns	17,211,728	5,198,652	2,656,336	2,269,218	3,655,888	2,217,424	348,015	866,192
Amount	22,588,905	2,854,009	2,442,646	2,360,149	4,829,503	4,609,001	1,083,953	4,409,643
Self-employed health insurance deduction:								
Number of returns	3,361,579	525,236	440,931	459,502	780,947	604,303	124,228	426,433
Amount	19,257,165	2,009,186	1,696,535	2,128,014	4,032,068	4,161,338	1,003,100	4,226,924
Payments to a self-employed retirement (Keogh) plan:								
Number of returns	965,847	18,839	32,242	58,018	176,180	298,716	93,286	288,567
Amount	18,499,501	213,750	173,769	382,970	1,585,170	4,555,459	1,966,053	9,622,331
Penalty on early withdrawal of savings:								
Number of returns	1,298,035	227,568	211,816	227,947	376,351	189,795	21,329	43,231
Amount	371,912	53,398	50,298	60,963	88,904	58,294	14,194	45,861
Alimony paid:								
Number of returns	572,761	43,331	39,883	81,810	181,948	139,126	25,576	61,085
Amount	9,313,168	597,524	364,186	664,210	1,785,774	1,920,824	622,582	3,358,071
Domestic production activities deduction:								
Number of returns	478,111	19,658	22,937	32,451	100,484	126,386	31,670	144,523
Amount	6,959,041	179,366	56,453	94,628	249,283	487,341	195,462	5,696,510
Other adjustments [5]:								
Number of returns	150,914	11,411	25,201	28,739	46,752	30,403	2,735	5,675
Amount	1,585,910	165,944	81,586	297,737	325,142	441,818	73,285	200,397

Footnotes at end of table.

Individual Income Tax Returns, Preliminary Data, 2008

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Table 1. Individual Income Tax Returns, Tax Year 2008 Preliminary Data: Selected Income and Tax Items, by Size of Adjusted Gross Income—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Item	All returns	Size of adjusted gross income						
		Under \$15,000 [1]	\$15,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$100,000	\$100,000 under \$200,000	\$200,000 under \$250,000	\$250,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Total exemptions:								
Number of exemptions	283,544,734	47,870,624	56,639,419	51,969,230	75,197,788	39,031,382	4,444,000	8,392,291
Amount	983,256,537	167,186,798	197,955,342	181,733,790	263,052,852	136,424,630	15,350,903	21,552,222
Total deductions:								
Number of returns	139,976,603	35,407,886	29,710,478	25,596,835	31,041,860	13,851,181	1,531,667	2,836,696
Amount	1,960,087,456	236,747,383	256,938,158	273,644,547	500,703,496	366,391,317	62,478,314	263,184,241
Total standard deduction:								
Number of returns	91,975,024	33,536,964	25,635,217	17,579,146	13,066,258	1,952,492	82,628	122,319
Amount	699,190,365	207,297,272	193,084,021	143,288,305	130,977,303	22,247,057	936,173	1,360,234
Basic standard deduction:								
Number of returns	91,975,024	33,536,964	25,635,217	17,579,146	13,066,258	1,952,492	82,628	122,319
Amount	666,727,034	200,256,864	185,795,397	136,843,898	121,786,750	20,021,489	842,636	1,180,000
Additional standard deduction:								
Number of returns	12,660,440	4,136,576	3,225,576	2,174,413	2,494,404	559,948	27,741	41,782
Amount	20,184,197	6,280,050	5,183,932	3,504,358	4,124,810	972,561	48,782	69,704
Total itemized deductions (after limitation):								
Number of returns	48,001,579	1,870,922	4,075,261	8,017,689	17,975,602	11,898,689	1,449,039	2,714,377
Amount	1,260,897,091	29,450,111	63,854,137	130,356,242	369,726,193	344,144,260	61,542,141	261,824,007
Itemized deductions in excess of limitation:								
Number of returns	6,769,863	0	0	0	94,473	2,512,446	1,448,836	2,714,108
Amount	16,849,836	0	0	0	10,119	495,913	941,740	15,402,064
Medical and dental expenses deduction:								
Number of returns	10,091,166	1,239,665	1,863,601	2,442,890	3,467,349	980,663	53,420	43,578
Amount	74,530,672	9,831,624	13,183,946	15,031,533	24,623,895	9,089,642	1,151,430	1,618,602
Taxes paid deduction:								
Number of returns	47,683,306	1,786,687	3,997,573	7,942,507	17,910,918	11,887,039	1,447,912	2,710,670
Amount	447,682,524	5,404,167	12,577,312	30,416,632	108,366,058	128,360,929	26,300,277	136,257,149
State and local income taxes: [6]								
Number of returns	46,320,617	1,584,178	3,745,184	7,656,287	17,482,625	11,733,195	1,433,443	2,685,705
Amount	272,394,387	1,262,546	3,863,723	12,653,742	55,278,031	74,582,508	16,920,594	107,833,243
Income taxes:								
Number of returns	35,520,687	632,804	2,107,741	5,448,308	14,000,225	9,851,589	1,208,495	2,271,524
Amount	254,836,486	780,801	2,654,477	10,317,153	49,870,825	69,910,292	16,113,026	105,189,909
General sales taxes:								
Number of returns	10,799,930	951,376	1,637,443	2,207,978	3,482,400	1,881,606	224,949	414,178
Amount	17,557,892	481,744	1,209,239	2,336,586	5,407,206	4,672,216	807,568	2,643,333
Interest paid deduction:								
Number of returns	39,022,546	1,141,108	2,775,190	6,115,128	15,122,306	10,399,365	1,239,869	2,229,580
Amount	481,166,292	10,962,332	25,657,875	55,374,601	161,191,194	142,828,836	23,024,892	62,126,562
Charitable contributions deduction:								
Number of returns	39,223,228	1,139,605	2,732,665	5,876,730	14,804,523	10,755,712	1,347,292	2,566,701
Amount	161,869,762	1,527,957	5,530,118	12,863,772	39,872,929	40,412,344	7,941,807	53,720,835
Taxable income:								
Number of returns	108,090,446	10,069,986	24,089,412	24,906,189	30,845,044	13,822,218	1,528,790	2,828,808
Amount	5,629,893,896	29,227,680	231,698,171	551,946,391	1,443,950,914	1,343,387,404	262,870,939	1,766,812,399

Footnotes at end of table.

Individual Income Tax Returns, Preliminary Data, 2008

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Table 1. Individual Income Tax Returns, Tax Year 2008 Preliminary Data: Selected Income and Tax Items, by Size of Adjusted Gross Income—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Item	All returns	Size of adjusted gross income						
		Under \$15,000 [1]	\$15,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$100,000	\$100,000 under \$200,000	\$200,000 under \$250,000	\$250,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Alternative minimum tax:								
Number of returns	3,939,114	9,357	10,629	4,776	185,072	862,922	827,222	2,039,135
Amount	22,223,196	75,695	15,800	21,487	258,660	1,900,299	2,423,555	17,527,702
Income tax before credits:								
Number of returns	107,317,835	9,709,433	23,864,153	24,798,682	30,776,378	13,808,573	1,528,512	2,832,106
Amount	1,099,247,705	2,992,438	26,298,409	70,209,114	211,394,165	242,376,208	58,332,981	487,644,390
Total tax credits: [7]								
Number of returns	55,271,787	3,973,127	14,431,086	12,540,011	15,479,370	6,863,205	557,676	1,427,310
Amount	73,739,010	794,868	7,396,795	13,435,933	26,122,852	9,746,002	802,684	15,439,876
Child care credit:								
Number of returns	6,659,122	19,682	993,878	1,362,857	2,448,840	1,500,013	138,268	195,585
Amount	3,561,436	3,456	473,708	806,476	1,295,996	807,226	70,050	104,526
Credit for the elderly or disabled:								
Number of returns	75,100	39,612	35,488	0	0	0	0	0
Amount	10,209	7,501	2,708	0	0	0	0	0
Child tax credit:								
Number of returns	25,287,874	113,777	5,088,586	6,721,730	9,925,693	3,437,392	699	0
Amount	30,713,081	17,892	2,525,731	7,183,995	16,199,569	4,784,670	1,223	0
Education tax credits:								
Number of returns	7,829,823	493,556	1,973,241	2,208,980	2,844,232	309,814	0	0
Amount	7,732,554	146,832	1,457,729	2,290,971	3,570,180	266,843	0	0
Retirement savings contributions credit:								
Number of returns	6,043,397	306,809	2,765,254	2,582,822	388,511	0	0	0
Amount	993,687	56,546	447,640	424,168	65,334	0	0	0
Adoption credit:								
Number of returns	89,134	3	3,106	21,135	41,618	21,149	1,923	202
Amount	354,490	[8]	1,070	23,861	173,473	149,788	5,488	811
Residential energy credits:								
Number of returns	227,620	679	18,452	44,970	93,246	49,850	6,007	14,418
Amount	219,805	257	8,383	35,000	93,214	59,444	5,573	17,933
Foreign tax credit:								
Number of returns	6,680,064	183,818	388,721	719,263	1,967,745	1,877,889	381,236	1,161,393
Amount	15,121,256	7,365	41,868	94,010	481,771	986,676	531,517	12,978,049
General business credit:								
Number of returns	259,884	3,580	7,044	19,501	62,145	79,649	14,206	73,758
Amount	1,317,496	2,949	3,746	23,921	146,286	209,844	35,362	895,387
Prior-year minimum tax credit:								
Number of returns	397,357	4,268	6,166	11,408	60,371	202,637	40,658	71,852
Amount	976,587	500	2,360	13,126	68,986	231,738	46,813	613,064
First-time homebuyer credit:								
Number of returns	1,193,315	156,268	186,335	331,860	427,881	90,972	0	0
Amount	8,301,644	1,043,866	1,221,482	2,337,893	3,052,354	646,048	0	0
Recovery rebate credit:								
Number of returns	27,665,780	7,690,830	8,042,993	5,080,619	4,643,392	** 2,207,944	**	**
Amount	11,579,431	2,943,372	2,889,986	2,115,941	2,142,447	** 1,487,687	**	**

Footnotes at end of table.

Individual Income Tax Returns, Preliminary Data, 2008

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Table 1. Individual Income Tax Returns, Tax Year 2008 Preliminary Data: Selected Income and Tax Items, by Size of Adjusted Gross Income—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Item	All returns	Size of adjusted gross income						
		Under \$15,000 [1]	\$15,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$100,000	\$100,000 under \$200,000	\$200,000 under \$250,000	\$250,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Self-employment tax:								
Number of returns	17,211,728	5,198,652	2,656,336	2,269,218	3,655,888	2,217,424	348,015	866,192
Amount	45,169,679	5,705,581	4,884,052	4,719,255	9,657,236	9,216,947	2,167,740	8,818,868
Total earned income credit (EIC):								
Number of returns	25,007,059	12,914,618	8,997,293	3,095,150	0	0	0	0
Amount	51,596,164	23,949,139	24,841,892	2,805,132	0	0	0	0
EIC used to offset income tax before credits:								
Number of returns	3,391,970	1,187,485	1,273,459	931,025	0	0	0	0
Amount	978,766	101,476	587,172	290,117	0	0	0	0
EIC used to offset other taxes:								
Number of returns	5,550,648	3,602,508	1,484,201	463,940	0	0	0	0
Amount	5,560,408	3,262,625	2,010,579	287,205	0	0	0	0
Excess EIC, refundable portion:								
Number of returns	22,053,777	11,202,884	8,595,454	2,255,437	0	0	0	0
Amount	45,056,991	20,585,039	22,244,140	2,227,812	0	0	0	0
Additional child tax credit:								
Number of returns	18,300,462	4,525,344	8,641,541	3,980,753	1,129,102	23,714	8	0
Amount	20,511,290	2,597,313	10,472,374	5,912,736	1,496,664	32,193	11	0
Refundable prior-year minimum tax credit:								
Number of returns	274,822	12,371	3,664	3,347	11,576	54,732	39,861	149,271
Amount	2,392,027	174,729	30,136	13,553	281,928	679,157	360,699	851,824
Total income tax:								
Number of returns	90,718,339	7,317,122	16,042,401	20,028,906	29,226,649	13,754,357	1,524,455	2,824,448
Amount	1,025,509,017	2,197,569	18,901,617	56,773,180	185,271,314	232,630,205	57,530,297	472,204,834
Total tax liability:								
Number of returns	94,721,187	9,825,138	16,758,188	20,525,546	29,486,358	13,773,561	1,525,814	2,826,584
Amount	1,070,367,059	4,684,312	21,762,441	61,269,715	196,391,903	243,514,145	60,014,269	482,730,275

** Data combined to prevent disclosure of specific taxpayer information.

[1] Includes returns with adjusted gross deficit.

[2] Included in data for Forms 1040, 1040A, and 1040EZ.

[3] Not included in adjusted gross income.

[4] Includes capital gain distributions reported on Form 1040 and Schedule D.

[5] Other adjustments does not include the foreign housing deduction or the medical savings account deduction.

[6] "State and local income taxes" is the total of both income taxes and general sales taxes.

[7] Includes EIC used to offset income tax before credits, shown separately later in this table.

[8] Less than \$500.

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