High-Income Tax Returns for Tax Year 2021

by Justin Bryan

For Tax Year (TY) 2021, there were just under 11.7 million individual income tax returns with an expanded income of $200,000 or more, accounting for 7.3% of all returns filed for the year.[1] Of these, 9,861 returns had no worldwide income tax liability, resulting in a 6.0% increase over the number of returns with no worldwide income tax liability for 2020. It was the third increase in a row, but well below the peak of 19,551 returns for TY 2009. This article presents detailed data for high-income returns for TY 2021 and summary data for TYs 1977–2020. Detailed data for the TYs 1974–2020 were published previously.[2]

Changes in Tax Law

Major changes in effect for TY 2021 that influenced the data in this article are explained here. Public Law 117-2, commonly referred to as the American Rescue Plan (ARP) Act brought about many changes in the law for TY 2021. The ARP Act, enacted on March 11, 2021, expanded the child and dependent care tax credit for TY 2021 by making it refundable and larger for certain taxpayers. For 2021, the dollar limit on qualifying expenses for the child and dependent care credit increased to $8,000 (previously $3,000) for one qualifying person and $16,000 (previously $6,000) for two or more qualifying persons. The rules for calculating the credit also changed: the maximum percentage of qualifying expenses eligible for the credit was increased from 35% to 50%, along with the income limit at which the credit begins phasing out, $125,000 (previously $15,000). Additionally, for taxpayers who received dependent care benefits from their employer, the dollar limit of the exclusion amount increased for TY 2021 to $10,500 (previously $5,000). For married employees filing separate returns, the maximum amount increased to $5,250 (previously $2,500).

Another important feature of the ARP Act of 2021 was the enhancement of the child tax credit. The child tax credit was extended to qualifying children under age 18. Depending on adjusted gross income (AGI), a taxpayer received an enhanced credit amount of up to $3,600 for a qualifying child under age 6 and up to $3,000 for a qualifying child over age 5 and under age 18. The enhanced credit amount began to phase out where modified AGI exceeded $150,000 in the case of a joint return or surviving spouse, $112,500 in the case of a head of household, and $75,000 in all other cases. If a taxpayer (or a taxpayer's spouse if filing jointly) had a primary home in the United States for more than half of the year or was a bona fide resident of Puerto Rico in 2021, the child tax credit was fully refundable even if the taxpayer had no income. If the taxpayer did not meet either residency requirement above, then the child tax credit was a combination of a nonrefundable child tax credit and a refundable additional child tax credit, as was the case in TY 2020. The credit for other dependents was not enhanced and was figured as it was in TY 2020.

Lastly, the ARP Act of 2021 also provided certain self-employed individuals the opportunity to claim credits for up to 10 days of paid sick leave, and up to 60 days of paid family leave, if they were unable to work or telework due to circumstances related to the COVID-19 pandemic. Self-employed individuals claimed these credits for the period beginning on April 1, 2021, and ending September 30, 2021.

Income and Tax Concepts

Two income concepts are used in this article to classify tax returns as high-income: the statutory concept of AGI and the "expanded income" concept. The expanded income concept includes items reported on the tax return to obtain a more comprehensive measure of income than AGI. Specifically, expanded income is AGI plus tax-exempt interest, nontaxable Social Security benefits, the foreign-earned income exclusion, and items of "tax preference" for Alternative Minimum Tax (AMT) purposes less unreimbursed employee business expenses, moving expenses, investment interest expense to the extent that it does not exceed investment income, and miscellaneous itemized deductions.[3, 4, 5]

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[1] The Tax Reform Act of 1976 requires annual publication of data on individual income tax returns reporting incomes of $200,000 or more, including the number of such returns reporting no income tax liability and the importance of various tax provisions in making these returns nontaxable. The statutory requirement is contained in section 2123 of the Tax Reform Act of 1976 (90 Stat. at 1915).

[2] See the References section for more details.

[3] The definition of adjustments to AGI to obtain the expanded income given in the text is for the current year. See Appendix A for a discussion of AGI and expanded income and a list of adjustments covering all years since 1977.

[4] See Notes to Appendix A, note A4.

[5] Tax-exempt interest had to be reported on the individual income tax return starting with TY 1987 and is included in expanded income starting with that year. Beginning with TY 1991, tax-exempt interest was incorporated into the criteria used for sampling returns for Statistics of Income, thus increasing the reliability of the estimates of expanded income.

AGI and expanded income differed for 35.8 million (22.3%) of the 160.8 million individual income tax returns filed for TY 2021 (Figure A). This was a 0.6% decrease from the number of returns that differed for TY 2020. Expanded income exceeded AGI in 96.5% of these returns. The average difference between expanded income and AGI was $11,614, and the median difference was $7,741, down from $12,557 and $8,738 in TY 2020, respectively. Although expanded income is a more comprehensive measure of income than AGI, for some taxpayers the subtractions from AGI to arrive at expanded income exceeded the additions, resulting in expanded income that was less than AGI. Returns on which expanded income exceeded AGI were concentrated among returns with $200,000 or less of AGI. For returns with more than $200,000 of AGI and expanded income differing from AGI, a smaller fraction (86.9%) has expanded income greater than AGI than for returns with less than $200,000 of AGI (97.9%).

There are also two tax concepts in this article used to classify returns as taxable or nontaxable: "U.S. income tax" and "worldwide income tax." U.S. income tax is total federal income tax liability, which includes the AMT, less all credits against income tax, and does not include payroll or self-employment taxes. To be considered taxable, a return had to have a positive income tax liability after accounting for all credits. A nontaxable return, on the other hand, could have either a zero or negative income tax liability after accounting for all credits (including refundable credits). Since the federal income tax applies to worldwide income and allows a credit (subject to certain limits) for income taxes paid to foreign governments, a return could be classified as nontaxable under the U.S. income tax concept even though income taxes had been paid to a foreign government. The worldwide income tax concept addresses this circumstance by adding back the allowable foreign tax credit and foreign taxes paid on excluded foreign-earned income to U.S. income tax.[6, 7] The sum of these two items is believed to be a reasonable proxy for foreign taxes paid.[8]

Figure A

Individual Income Tax Returns With Positive, Zero, and Negative U.S. Income Tax: Differences Between Adjusted Gross Income and Expanded Income, by Size of Adjusted Gross Income, Tax Year 2021

[Money amounts are in whole dollars]

Returns by tax status, size of adjusted gross income (AGI)	Total number of returns	Number of returns with difference between AGI and expanded income	Number of returns where expanded income is greater than AGI	Number of returns where AGI is greater than expanded income	Average difference of expanded income minus AGI	Median difference of expanded income minus AGI
	(1)	(2)	(3)	(4)	(5)	(6)
All returns	**160,824,340**	**35,823,023**	**34,579,405**	**1,243,618**	**11,614**	**7,741**
Under $50,000 [1]	87,929,961	16,270,092	16,134,684	135,408	18,846	17,502
$50,000 under $100,000	37,311,660	8,507,804	8,286,221	221,583	6,211	3,680
$100,000 under $200,000	24,044,481	6,711,108	6,393,112	317,997	4,839	4,412
$200,000 or more	11,538,238	4,334,019	3,765,388	568,630	5,566	4,104
Returns with positive U.S. income tax	**104,573,740**	**25,483,411**	**24,367,983**	**1,115,428**	**8,042**	**5,087**
Under $50,000 [1]	35,397,211	6,315,894	6,253,209	62,684	15,187	14,640
$50,000 under $100,000	33,979,929	8,202,962	8,018,791	184,171	6,260	3,710
$100,000 under $200,000	23,680,629	6,639,408	6,335,621	303,787	4,819	4,411
$200,000 or more	11,515,971	4,325,147	3,760,362	564,786	5,935	4,106
Returns with zero U.S. income tax	**15,486,661**	**6,443,342**	**6,395,772**	**47,571**	**22,558**	**20,938**
Under $50,000 [1]	15,079,991	6,221,731	6,191,673	30,058	23,269	21,318
$50,000 under $100,000	313,093	171,772	161,278	10,494	7,904	3,589
$100,000 under $200,000	81,188	43,577	38,581	4,997	13,100	5,389
$200,000 or more	12,390	6,262	4,240	2,022	-216,823	6,201
Returns with negative U.S. income tax	**40,763,939**	**3,896,269**	**3,815,649**	**80,620**	**16,884**	**15,354**
Under $50,000 [1]	37,452,759	3,732,468	3,689,802	42,666	17,663	15,798
$50,000 under $100,000	3,018,639	133,069	106,151	26,918	1,056	1,544
$100,000 under $200,000	282,664	28,123	18,910	9,213	-3,365	2,334
$200,000 or more	9,877	2,609	786	1,823	-71,972	-59,563

[1] Includes returns with adjusted gross deficit.

Notes: Detail may not add to totals because of rounding. See Appendix A: Income Concepts of this article for a discussion of adjusted gross income and expanded income. See also Appendix B: Tax Concepts for a discussion of U.S. income tax.

Source: IRS, Statistics of Income Division, Individual High-Income Tax Returns, October 2024

[6] See Appendix B for a discussion of the tax concepts. In data published for years prior to 1989, either in articles presented in the Statistics of Income Bulletin or in chapters in Statistics of Income—Individual Income Tax Returns (see Reference section), the "U.S. income tax" concept was described as "total income tax," and the "worldwide income tax" concept was described as "modified total income tax."

[7] The inclusion of foreign taxes paid on excluded foreign earned income, beginning with TY 1990, represents an improvement in the worldwide income tax concept. However, it also represents a slight break in the year-to-year comparability of data for worldwide income tax. Nevertheless, the number of returns with foreign taxes paid on excluded foreign-earned income is extremely small compared to the number of returns with the foreign tax credit.

[8] Where foreign tax rates exceed U.S. rates, foreign tax credits will be less than foreign tax liabilities. In such cases, using foreign tax credits as a proxy for foreign tax liabilities understates worldwide income tax liability. In other cases, when foreign tax credits are for taxes paid on income from previous years, use of foreign tax credits as a proxy may overstate or understate worldwide taxes on current-year income.

Figure B shows a cross-tabulation of tax returns based on whether a return has positive, zero, or negative U.S. income tax liability and whether it also has positive, zero, or negative worldwide income tax. All returns with positive U.S. income tax liability have positive worldwide income tax liability; returns with zero U.S. tax liability have either positive or zero worldwide income tax liability; and returns with negative U.S. income tax liability have either positive or negative worldwide income tax liability. Just over one-third (35.0%) of the 160.8 million tax returns filed for TY 2021 had zero or negative U.S. income tax liability, and 93.4% of these returns had AGI of less than $50,000. Less than 4 out of every 1,000 returns with zero or negative U.S. income tax liability had positive worldwide income tax liability, and 57.7% of these returns had an AGI of $50,000 or more.

Number of High-Income Returns

For TY 2021, there were more than 11.5 million individual income tax returns with an AGI of at least $200,000, and, likewise, just slightly less than 11.7 million returns with an expanded income of $200,000 or more (Figure C). The number of returns with AGI above the $200,000 threshold increased 22.0% from TY 2020 and accounted for slightly less than 7.2% of all returns for TY 2021. Similarly, the returns with expanded incomes above the $200,000 threshold increased 21.7% from TY 2020 and accounted for just under 7.3% of all returns for TY 2021.

The $200,000 threshold for high-income returns is measured in current-year (nominal) dollars. Because it is fixed in nominal terms, as time passes, more and more tax returns have had incomes exceeding this threshold simply due to inflation. Therefore, to facilitate a comparison of tax returns across time, Figure C also shows what the $200,000 threshold in 1976 would be each year after adjusting for inflation and the number and share of returns above this threshold.[9] For TY 2021, this inflation-adjusted threshold was $952,443. Since 1977, the number of returns with AGI above this inflation-adjusted threshold has increased at an annual rate of approximately 7.1%. In comparison, the total number of returns has increased 1.4% per year since 1977.

Adjusting for inflation, the number of returns for TY 2021 above the AGI threshold was 941,749 or 0.59% of all returns, up from 0.43% of all returns in TY 2020. Similarly, the number of returns for TY 2021 above the inflation-adjusted threshold using the expanded income concept was 948,158 or 0.59% of all returns, up from 0.43% of all returns in TY 2020. Since TY 1977, the number of returns with expanded income above this threshold has increased at an annual rate of approximately 6.5%.

Figure B

Individual Income Tax Returns With Positive, Zero, and Negative U.S. and Worldwide Income Tax: Number of Returns, by Size of Adjusted Gross Income, Tax Year 2021

Returns by U.S. tax status, size of adjusted gross income (AGI)	All returns	Returns with positive worldwide income tax	Returns with zero worldwide income tax	Returns with negative worldwide income tax
	(1)	(2)	(3)	(4)
Returns with positive U.S. income tax	**104,573,740**	**104,573,740**	**0**	**0**
Under $50,000 [1]	35,397,211	35,397,211	0	0
$50,000 under $100,000	33,979,929	33,979,929	0	0
$100,000 under $200,000	23,680,629	23,680,629	0	0
$200,000 or more	11,515,971	11,515,971	0	0
Returns with zero U.S. income tax	**15,486,661**	**146,602**	**15,340,060**	**0**
Under $50,000 [1]	15,079,991	73,790	15,006,201	0
$50,000 under $100,000	313,093	34,399	278,693	0
$100,000 under $200,000	81,188	30,020	51,168	0
$200,000 or more	12,390	8,393	3,997	0
Returns with negative U.S. income tax	**40,763,939**	**57,975**	**0**	**40,705,963**
Under $50,000 [1]	37,452,759	12,771	0	37,439,987
$50,000 under $100,000	3,018,639	24,262	0	2,994,377
$100,000 under $200,000	282,664	15,938	0	266,726
$200,000 or more	9,877	5,005	0	4,872

[1] Includes returns with adjusted gross deficit.

Notes: Detail may not add to totals because of rounding. See Appendix A: Income Concepts of this article for a discussion of adjusted gross income and expanded income. See also Appendix B: Tax Concepts for a discussion of U.S. and worldwide income tax.

Source: IRS, Statistics of Income Division, Individual High-Income Tax Returns, October 2024

[9] Inflation-adjusted dollars are based on the Consumer Price Index (CPI-U) as published by the U.S. Department of Labor, Bureau of Labor Statistics. The consumer price index approximates buying patterns of typical urban consumers. The annual index is the average of the monthly indices.

Figure C

All Individual Income Tax Returns and Returns With Income of $200,000 or More Measured in Current and Inflation-Adjusted Dollars, by Income Concept, Tax Years 1977–2021

Tax year	All returns	$200,000 income threshold measured in current dollars			
		Number of returns by income concept		Percentage of all returns by income concept	
		Adjusted gross income	Expanded income	Adjusted gross income	Expanded income
	(1)	(2)	(3)	(4)	(5)
1977	86,634,640	53,403	67,580	0.062	0.078
1978	89,771,551	68,506	85,137	0.076	0.095
1979	92,694,302	93,731	122,231	0.101	0.132
1980	93,902,459	117,250	149,826	0.125	0.160
1981	95,396,123	138,136	175,092	0.145	0.184
1982	95,337,432	169,367	207,291	0.178	0.217
1983	96,321,310	198,608	249,319	0.206	0.259
1984	99,438,708	243,760	310,042	0.245	0.312
1985	101,660,287	296,507	370,340	0.292	0.364
1986	103,045,170	374,363	529,460	0.363	0.514
1987	106,996,270	539,967	557,848	0.505	0.521
1988	109,708,280	725,345	737,659	0.661	0.672
1989	112,135,673	786,063	814,152	0.701	0.726
1990	113,717,138	834,957	860,940	0.734	0.757
1991	114,730,123	846,707	892,178	0.738	0.778
1992	113,604,503	954,747	989,522	0.840	0.871
1993	114,601,819	993,326	1,043,213	0.867	0.910
1994	115,943,131	1,109,498	1,153,829	0.957	0.995
1995	118,218,327	1,272,508	1,319,382	1.076	1.116
1996	120,351,208	1,523,407	1,572,114	1.266	1.306
1997	122,421,991	1,807,900	1,854,031	1.477	1.514
1998	124,770,662	2,085,211	2,132,301	1.671	1.709
1999	127,075,145	2,429,942	2,479,556	1.912	1.951
2000	129,373,500	2,771,577	2,807,804	2.142	2.170
2001	130,255,237	2,567,220	2,605,021	1.971	2.000
2002	130,076,443	2,414,128	2,464,515	1.856	1.895
2003	130,423,626	2,536,439	2,573,133	1.945	1.973
2004	132,226,042	3,021,435	3,067,602	2.285	2.320
2005	134,372,678	3,566,125	3,584,012	2.654	2.667
2006	138,394,754	4,064,883	4,094,953	2.937	2.959
2007	142,978,806	4,535,623	4,576,315	3.172	3.201
2008	142,450,569	4,375,660	4,416,986	3.072	3.101
2009	140,494,127	3,924,489	3,975,288	2.793	2.830
2010	142,892,051	4,296,307	4,347,756	3.007	3.043
2011	145,370,240	4,700,056	4,758,256	3.233	3.273
2012	144,928,472	5,251,992	5,308,871	3.624	3.663
2013	147,351,299	5,558,244	5,616,056	3.772	3.811
2014	148,606,578	6,223,813	6,279,428	4.188	4.226
2015	150,493,263	6,751,845	6,784,187	4.486	4.508
2016	150,272,154	6,900,370	6,941,686	4.592	4.619
2017	152,903,231	7,720,105	7,725,915	5.049	5.053
2018	153,774,296	8,553,307	8,678,287	5.562	5.644
2019	157,796,807	9,016,655	9,167,499	5.714	5.810
2020	164,358,792	9,460,043	9,603,258	5.756	5.843
2021	160,824,340	11,538,238	11,687,201	7.174	7.267

Footnotes at end of figure.

Although the number of returns reporting incomes of $200,000 or more generally increased annually from 1977–2021, the exceptions to this reflect the economic downturns in TYs 2001, 2002, 2008, and 2009. The general trend of a rise in the number of returns is similar when using the inflation-adjusted income threshold. However, the increases are much smaller, and the number of returns above the inflation-adjusted threshold decreased in additional years, e.g., TYs 1980, 1981, 1987 (expanded income only), 1989, 1990 (AGI only), 1991, 1993, 2013, and 2016. Many of these years also coincided with economic downturns.[10]

[10] See National Bureau of Economic Research list of business cycles at http://www.nber.org/cycles.html.

Figure C—(Continued)

All Individual Income Tax Returns and Returns With Income of $200,000 or More Measured in Current and Inflation-Adjusted Dollars, by Income Concept, Tax Years 1977–2021—Continued

Tax year	Inflation-adjusted income threshold equal to $200,000 in 1976 dollars (whole dollars) [1]	$200,000 inflation-adjusted income threshold			
		Number of returns by income concept		Percentage of all returns by income concept	
		Adjusted gross income	Expanded income	Adjusted gross income	Expanded income
	(6)	(7)	(8)	(9)	(10)
1977	213,005	45,931	58,991	0.053	0.068
1978	229,174	49,388	62,556	0.055	0.070
1979	255,184	55,542	76,479	0.060	0.083
1980	289,631	52,512	71,704	0.056	0.076
1981	319,508	50,880	71,146	0.053	0.075
1982	339,192	59,411	81,297	0.062	0.085
1983	350,088	67,310	93,977	0.070	0.098
1984	365,202	80,800	116,389	0.081	0.117
1985	378,207	95,740	134,715	0.094	0.133
1986	385,237	119,550	191,596	0.116	0.186
1987	399,297	161,408	169,942	0.151	0.159
1988	415,817	235,051	241,201	0.214	0.220
1989	435,852	217,685	228,530	0.194	0.204
1990	459,400	216,716	228,659	0.191	0.201
1991	478,735	183,442	195,743	0.160	0.171
1992	493,146	213,783	227,354	0.188	0.200
1993	507,909	201,236	212,853	0.176	0.186
1994	520,914	204,532	214,673	0.176	0.185
1995	535,677	237,770	248,077	0.201	0.210
1996	551,494	278,342	288,194	0.231	0.239
1997	564,148	335,040	345,869	0.274	0.283
1998	572,934	385,183	396,207	0.309	0.318
1999	585,589	436,118	446,583	0.343	0.351
2000	605,272	482,396	492,589	0.373	0.381
2001	622,495	391,901	400,906	0.301	0.308
2002	632,337	345,892	356,402	0.266	0.274
2003	646,749	356,727	367,012	0.274	0.281
2004	663,972	436,583	445,934	0.330	0.337
2005	686,467	519,216	527,126	0.386	0.392
2006	708,612	569,893	581,199	0.412	0.420
2007	728,794	606,026	618,154	0.424	0.432
2008	756,777	487,656	498,470	0.342	0.350
2009	754,084	372,665	383,354	0.265	0.273
2010	766,453	421,604	433,924	0.295	0.304
2011	790,647	430,127	440,529	0.296	0.303
2012	807,009	535,038	545,246	0.369	0.376
2013	818,830	470,906	480,987	0.320	0.326
2014	832,112	546,588	554,697	0.368	0.373
2015	833,100	583,951	591,942	0.388	0.393
2016	843,610	555,416	562,798	0.370	0.375
2017	861,582	625,053	629,676	0.409	0.412
2018	882,626	658,990	664,811	0.429	0.432
2019	898,619	656,944	665,159	0.416	0.422
2020	909,705	702,979	711,521	0.428	0.433
2021	952,443	941,749	948,158	0.586	0.590

[1] Inflation-adjusted dollars were calculated using the U.S. Bureau of Labor Statistics' Consumer Price Index for urban consumers with 1976 as the base year. See footnote 9 of this article for further details.

Note: See Appendix A: Income Concepts of this article for a discussion of adjusted gross income and expanded income.

Source: IRS, Statistics of Income Division, Individual High-Income Tax Returns, October 2024

The difference in the number of high-income returns between the two income concepts significantly decreased beginning with TY 1987, when AGI began to include 100% of long-term capital gains. This change in the definition of AGI made it more comparable to the expanded-income concept. In addition, due to the inclusion of tax-exempt interest in expanded income in TY 1987, expanded income for years after TY 1986 is not strictly comparable to expanded income for years before TY 1987.

Nontaxable High-Income Returns

Of the 11.5 million income tax returns with an AGI of $200,000 or more, 22,267 showed no U.S. income tax liability for TY 2021 (top panel of Figure D). Also, 29,044 of the 11.7 million tax returns with expanded income of $200,000 or more had no U.S. income tax liability. This represents a 29.1% increase for high-AGI returns and a 1.0% increase for high-expanded-income returns with no U.S. income tax liability from the corresponding numbers of nontaxable high-income returns for TY 2020.

Of the returns with an AGI of $200,000 or more, 8,870 returns showed no worldwide income tax liability for TY 2021. Of returns with an expanded income of $200,000 or more, 9,861 showed no worldwide income tax liability. This represents a 66.8% increase for high-AGI returns and a 6.0% increase for high-expanded-income returns with no worldwide income tax

Figure D

Nontaxable Individual Income Tax Returns With Income of $200,000 or More Measured in Current and Inflation-Adjusted Dollars, by Tax and Income Concept, Tax Years 1977–2021

Tax year	$200,000 income threshold measured in current dollars							
	Number of nontaxable returns with income of $200,000 or more				Percentage of all returns with income of $200,000 or more			
	Returns with no U.S. income tax, by income concept		Returns with no worldwide income tax, by income concept		Returns with no U.S. income tax, by income concept		Returns with no worldwide income tax, by income concept	
	Adjusted gross income	Expanded income	Adjusted gross income	Expanded income	Adjusted gross income	Expanded income	Adjusted gross income	Expanded income
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1977	60	85	37	64	0.112	0.126	0.069	0.095
1978	98	105	60	67	0.143	0.123	0.088	0.079
1979	70	114	28	64	0.075	0.093	0.030	0.052
1980	143	198	56	114	0.122	0.132	0.048	0.076
1981	226	304	79	114	0.164	0.174	0.057	0.065
1982	262	299	109	153	0.155	0.144	0.064	0.074
1983	447	579	321	437	0.225	0.232	0.162	0.175
1984	532	325	471	271	0.218	0.105	0.193	0.087
1985	612	613	442	454	0.206	0.166	0.149	0.123
1986	659	595	437	379	0.176	0.112	0.117	0.072
1987	857	472	740	364	0.159	0.085	0.137	0.065
1988	822	397	731	309	0.113	0.054	0.101	0.042
1989	1,081	779	987	691	0.138	0.096	0.126	0.085
1990	1,219	1,183	1,114	1,087	0.146	0.137	0.133	0.126
1991	1,253	1,933	1,131	1,740	0.148	0.217	0.134	0.195
1992	909	1,896	823	1,799	0.095	0.192	0.086	0.182
1993	1,022	2,392	932	1,950	0.103	0.229	0.094	0.187
1994	1,137	2,574	1,061	2,161	0.102	0.223	0.096	0.187
1995	998	2,676	896	1,746	0.078	0.203	0.070	0.132
1996	1,044	1,820	950	1,660	0.069	0.116	0.062	0.106
1997	1,189	1,814	1,048	1,562	0.066	0.098	0.058	0.084
1998	1,467	2,224	1,283	1,914	0.070	0.104	0.062	0.090
1999	1,605	2,525	1,398	2,174	0.066	0.102	0.058	0.088
2000	2,328	2,766	2,022	2,320	0.084	0.099	0.073	0.083
2001	3,385	4,910	2,875	4,119	0.132	0.188	0.112	0.158
2002	2,959	5,650	2,551	4,922	0.123	0.229	0.106	0.200
2003	2,824	5,839	2,416	4,934	0.111	0.227	0.095	0.192
2004	2,833	5,028	2,420	4,101	0.094	0.164	0.080	0.134
2005	7,389	10,680	4,224	5,420	0.207	0.298	0.118	0.151
2006	8,252	11,014	4,123	4,322	0.203	0.269	0.101	0.106
2007	11,600	14,794	5,497	5,197	0.256	0.323	0.121	0.114
2008	22,257	31,539	12,326	17,127	0.509	0.714	0.282	0.388
2009	20,752	35,061	10,080	19,551	0.529	0.882	0.257	0.492
2010	19,003	32,441	8,046	16,082	0.442	0.746	0.187	0.370
2011	19,563	32,902	7,557	15,000	0.416	0.691	0.161	0.315
2012	20,304	32,326	7,408	13,450	0.387	0.609	0.141	0.253
2013	12,517	25,926	4,266	12,794	0.225	0.462	0.077	0.228
2014	10,905	21,052	3,927	9,692	0.175	0.335	0.063	0.154
2015	11,082	22,297	4,373	10,947	0.164	0.329	0.065	0.161
2016	11,784	23,400	5,480	12,910	0.171	0.337	0.079	0.186
2017	13,249	22,266	6,315	10,988	0.172	0.288	0.082	0.142
2018	14,935	22,856	4,601	7,201	0.175	0.263	0.054	0.083
2019	15,958	23,970	4,680	7,391	0.177	0.261	0.052	0.081
2020	17,245	28,765	5,317	9,302	0.182	0.300	0.056	0.097
2021	22,267	29,044	8,870	9,861	0.193	0.249	0.077	0.084

Footnotes at end of figure.

Figure D—(Continued)

Nontaxable Individual Income Tax Returns With Income of $200,000 or More Measured in Current and Inflation-Adjusted Dollars, by Tax and Income Concept, Tax Years 1977–2021—Continued

Tax year	$200,000 inflation-adjusted income threshold [1]							
	Number of nontaxable returns with income of $200,000 or more				Percentage of all returns with income of $200,000 or more			
	Returns with no U.S. income tax, by income concept		Returns with no worldwide income tax, by income concept		Returns with no U.S. income tax, by income concept		Returns with no worldwide income tax, by income concept	
	Adjusted gross income	Expanded income	Adjusted gross income	Expanded income	Adjusted gross income	Expanded income	Adjusted gross income	Expanded income
	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
1977	54	75	32	56	0.118	0.127	0.070	0.095
1978	62	70	31	39	0.126	0.112	0.063	0.062
1979	38	71	15	39	0.068	0.093	0.027	0.051
1980	56	71	22	39	0.107	0.099	0.042	0.054
1981	53	87	21	55	0.104	0.122	0.041	0.077
1982	58	68	27	36	0.098	0.084	0.045	0.044
1983	138	135	113	108	0.205	0.144	0.168	0.115
1984	170	78	160	66	0.210	0.067	0.198	0.057
1985	190	155	137	99	0.198	0.115	0.143	0.073
1986	201	189	138	120	0.168	0.099	0.115	0.063
1987	312	126	271	85	0.193	0.074	0.168	0.050
1988	277	141	251	116	0.118	0.058	0.107	0.048
1989	293	128	269	106	0.135	0.056	0.124	0.046
1990	339	169	307	137	0.156	0.074	0.142	0.060
1991	301	305	273	277	0.164	0.156	0.149	0.142
1992	171	288	148	264	0.080	0.127	0.069	0.116
1993	180	323	160	300	0.089	0.152	0.080	0.141
1994	227	345	209	329	0.111	0.161	0.102	0.153
1995	202	281	174	252	0.085	0.113	0.073	0.102
1996	236	275	213	254	0.085	0.095	0.077	0.088
1997	256	247	222	214	0.076	0.071	0.066	0.062
1998	290	289	251	253	0.075	0.073	0.065	0.064
1999	351	343	296	293	0.080	0.077	0.068	0.066
2000	464	365	390	290	0.096	0.074	0.081	0.059
2001	694	648	567	519	0.177	0.162	0.145	0.129
2002	520	616	437	530	0.150	0.173	0.126	0.149
2003	407	567	339	485	0.114	0.154	0.095	0.132
2004	350	396	301	344	0.080	0.089	0.069	0.077
2005	1,166	1,236	625	624	0.225	0.234	0.120	0.118
2006	1,257	1,111	512	306	0.221	0.191	0.090	0.053
2007	1,524	1,369	565	314	0.251	0.221	0.093	0.051
2008	3,001	2,861	1,436	1,116	0.615	0.574	0.294	0.224
2009	2,268	2,841	874	1,252	0.609	0.741	0.235	0.327
2010	2,151	2,520	621	820	0.510	0.581	0.147	0.189
2011	2,327	2,754	633	884	0.541	0.625	0.147	0.201
2012	2,297	2,450	535	547	0.429	0.449	0.100	0.100
2013	901	1,158	217	398	0.191	0.241	0.046	0.083
2014	627	754	212	303	0.115	0.136	0.039	0.055
2015	617	753	220	329	0.106	0.127	0.038	0.056
2016	598	699	200	272	0.108	0.124	0.036	0.048
2017	634	653	236	225	0.101	0.104	0.038	0.036
2018	682	637	228	153	0.103	0.096	0.035	0.023
2019	612	576	198	125	0.093	0.087	0.030	0.019
2020	551	558	173	141	0.078	0.078	0.025	0.020
2021	792	710	290	171	0.084	0.075	0.031	0.018

[1] Inflation-adjusted dollars were calculated using the U.S. Bureau of Labor Statistics' Consumer Price Index for urban consumers with 1976 as the base year. See footnote 9 of this article for further details. See Figure C, Column 6, for the yearly inflation-adjusted thresholds.

NOTES: See Figure M for the derivation of U.S. income tax and worldwide income tax. Starting in 2009, the portion of refundable credits that offset income taxes before credits was factored in to determine tax liability. In order to maintain historical comparability, Tax Years 2007 and 2008 data were recalculated using the new criteria. However, 2007 and 2008 tables, published earlier, do not reflect these changes. Prior to 2007, the portion of refundable credits used to offset income taxes had no effect. See Appendix A: Income Concepts of this article for a discussion of adjusted gross income and expanded income.

SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, October 2024

liability, compared to the number of returns in the same categories for TY 2020.

Tables 1 and 2 also show the number of all returns, taxable returns, and nontaxable returns cross-classified by broad AGI and expanded-income size classes. Most returns fall in the same broad income-size class under both income concepts, but the number of nontaxable returns under the expanded-income concept is generally greater than under the AGI concept in each income class over $50,000. Furthermore, Tables 1 and 2 also show that there were 11.5 million returns with incomes of $200,000 or more as measured by both AGI and expanded income, of which 18,995 returns had no U.S. income tax liability and 5,662 returns had no worldwide income tax liability.

Of the almost 942,000 returns with an AGI over the inflation-adjusted high-income threshold, 792 returns had no U.S. income tax liability in TY 2021, up 43.7% from the previous year (lower panel of Figure D), while 290 returns showed no worldwide income tax liability, up 67.6% from the number for TY 2020. Measured using expanded income, of the roughly 948,000 returns above the inflation-adjusted threshold, 710 returns had no U.S. income tax liability, up 27.2% from TY 2020, and 171 returns showed no worldwide income tax liability for TY 2020, up 21.3% over the previous year.

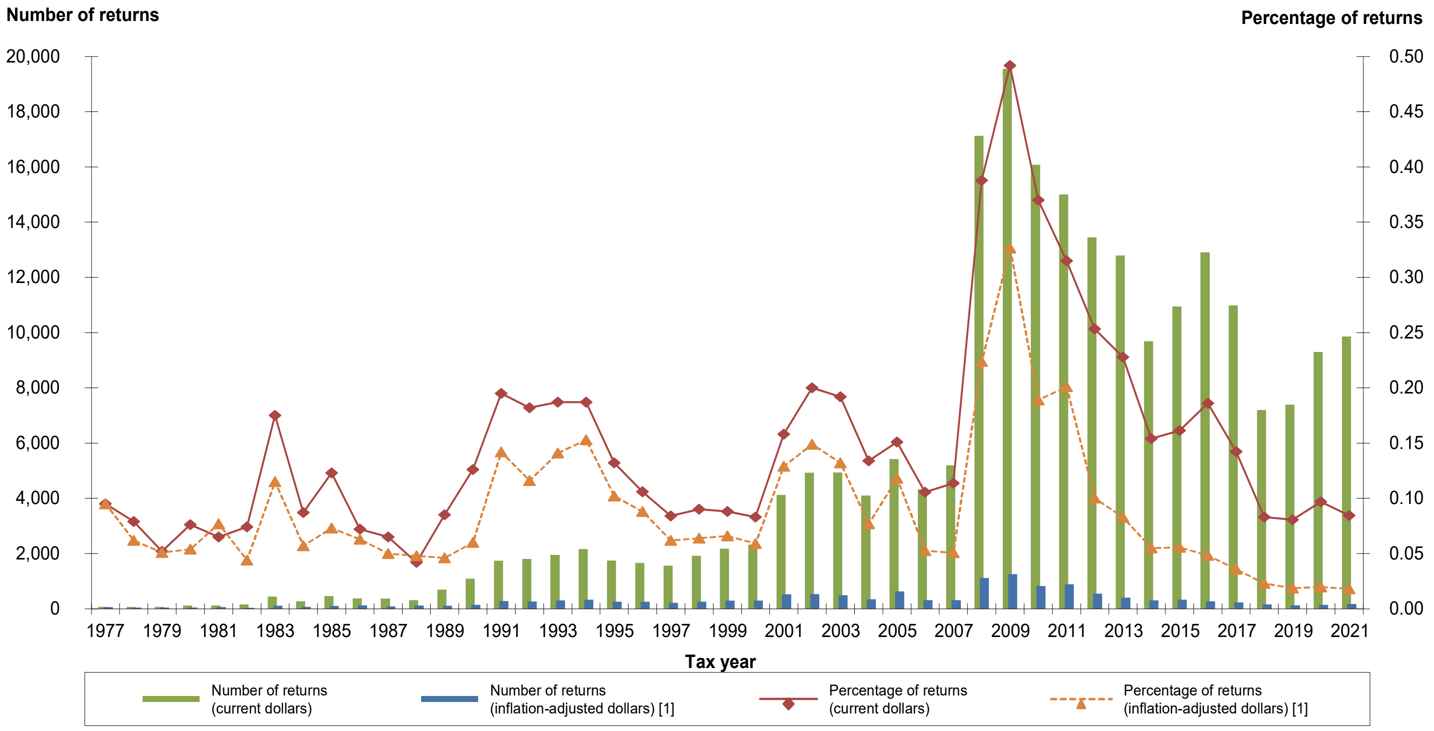
Moving from the nominal $200,000 threshold to an inflation-adjusted threshold only slightly changes the share of high-income returns that have either no U.S. income tax liability, or no worldwide income tax liability. Using AGI, 0.19% of high-income returns had no U.S. income tax liability with a nominal $200,000 threshold, while only 0.08% had no U.S. income tax liability for 2021 using an inflation-adjusted threshold. Similarly, 0.08% of high-income returns over the nominal threshold and 0.03% of high-income returns above the inflation-adjusted threshold had no worldwide income tax liability for the same year. When using expanded income with a nominal $200,000 threshold, 0.25% of high-income returns had no U.S. income tax liability, and 0.08% had no worldwide income tax liability for 2021, while an inflation-adjusted threshold showed that 0.07% had no U.S. income tax liability and even fewer (0.02%) had no worldwide income tax liability.

Figure E shows the evolution of the number and percentage of returns with an expanded income of $200,000 or more with no worldwide income tax. The number of returns above the threshold is read off the left vertical axis, and the percentage of returns above the threshold is read off the right vertical axis. Two series are shown for each measure, one using a nominal $200,000 threshold and one using an inflation-adjusted threshold.

In this figure, the spread between the two shares was small for the late 1970s, showed an increase for the early 1980s, and then narrowed before widening again after TY 1988. The spread generally narrowed after TY 1993 but increased or stayed consistent from TYs 2002–2007. From TYs 2008–2017, the spread widened considerably. The gaps for TYs 2018-2021 (almost

Figure E

Individual Income Tax Returns With Expanded Income of $200,000 or More: Number and Percentage of Returns With No Worldwide Income Tax Liability, Measured in Current and Inflation-Adjusted Dollars, Tax Years 1977–2021



[1] Inflation-adjusted dollars were calculated using the U.S. Bureau of Labor Statistics' Consumer Price Index for urban consumers with 1976 as the base year. See footnote 9 of this article for further details.

NOTES: See Figure M for the derivation of worldwide income tax. Starting in 2009, the portion of refundable credits that offset income taxes before credits was factored in to determine tax liability. In order to maintain historical comparability, Tax Years 2007 and 2008 data were recalculated using the new criteria. However, 2007 and 2008 tables, published earlier, do not reflect these changes. Prior to 2007, the portion of refundable credits used to offset income taxes had no effect. See Appendix A: Income Concepts of this article for a discussion of expanded income.

SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, October 2024

0.07 percentage points for TY 2021) were considerably smaller than the previous ten years and more in line with most of the years in this study.[11]

Reasons for Nontaxability

Taxpayers may have their tax liability reduced—possibly to zero or beyond—in numerous ways. These include claiming tax credits, which directly reduces an individual's tax liability; claiming various deductions, which reduces taxable income; and receiving income that is excluded from the calculation of taxable income.

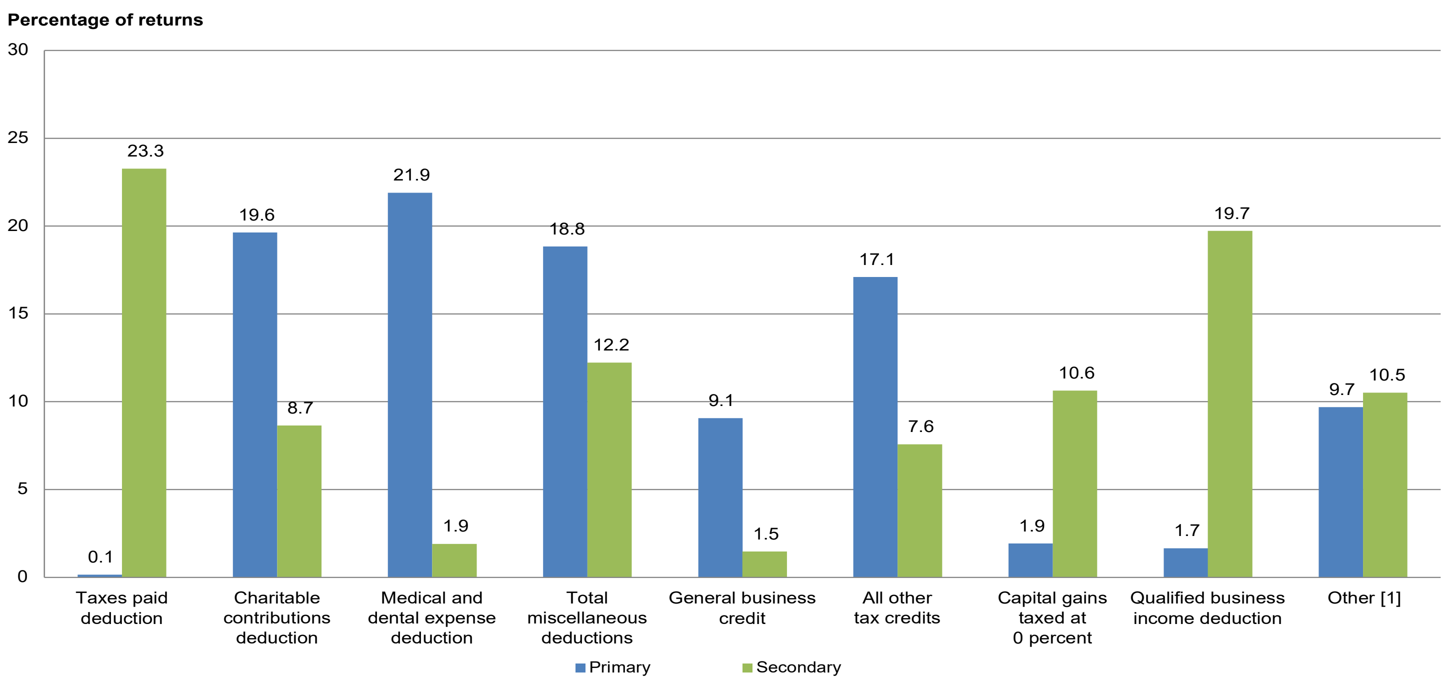
It is possible for certain itemized deductions and certain exclusions from income to lead to nontaxability by themselves, but high-income returns are more often nontaxable for a combination of reasons, none of which alone would result in nontaxability. Moreover, some items, either singly or in combination, may eliminate "regular tax" liability (i.e., income tax excluding the AMT), but cannot eliminate an AMT liability, since these items give rise to adjustments or preferences for AMT purposes.

Because they do not generate AMT adjustments or preferences, tax-exempt bond interest (not including private activity bonds), itemized deductions for interest expenses, miscellaneous itemized deductions, casualty or theft losses, and medical expenses (exceeding 7.5% of AGI) could, by themselves, produce nontaxability.

Due to the AMT exemption of $114,600 for joint returns ($73,600 for single and head-of-household returns and $57,300 for returns of married taxpayers filing separately), a return could have been nontaxable even though it included some items that produced AMT adjustments or preferences.[12] Further, since the starting point for "alternative minimum taxable income" was taxable income for regular tax purposes, a taxpayer could have adjustments and preferences exceeding the AMT exclusion without incurring AMT liability. This situation could occur if taxable income for regular tax purposes was sufficiently negative due to itemized deductions exceeding AGI, such that the taxpayer's AMT adjustments and preferences are less than the sum of the AMT exclusion and the amount by which regular taxable income is below zero. Note that, because of the AMT, taxpayers may have found it beneficial to report additional deduction items on their tax returns, even if the items did not produce a benefit for regular tax purposes.

The most important item in eliminating tax on the 8,870 returns without any worldwide income tax and with AGI of $200,000 or more was the medical and dental expense deduction. This pattern was the case in 21.9% (1,943) of those returns (Figure F). The next three categories that most frequently had

Figure F
Individual Income Tax Returns With Adjusted Gross Income of $200,000 or More and No Worldwide Income Tax Liability: Percentage of Returns With Primary and Secondary Reasons for No Income Tax Liability, Tax Year 2021



[1] Does not include returns where there was no secondary reason for nontaxability.
NOTES: Detail for primary reason for nontaxability may not add to 100% because of rounding. Detail for secondary reason for nontaxability will not add to 100% due to some returns not having a secondary reason for nontaxability. See Figure M for the derivation of worldwide income tax. See Appendix A: Income Concepts of this article for a discussion of adjusted gross income.
SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, October 2024

[11] Note that before 1991, the listed number of nontaxable returns with expanded income of $200,000 or more was estimated based on samples that were differently constructed than samples made after 1991. Year-to-year differences in the number and percentages of nontaxable returns with expanded income of $200,000 or more may have represented sampling variability, in addition to actual changes in the number of such returns. Beginning with TY 1991, nontaxable returns with expanded income of $200,000 or more were sampled at higher rates, which reduced the sampling variability of these returns and, therefore, provided improved estimates. Thus, the data for returns prior to 1991 are not entirely comparable with data for more recent years.

[12] The AMT exclusion phases out above certain levels of "alternative minimum taxable income" based on filing status. However, since taxpayers will have some AMT liability in the phase-out range, the phase-out income is not relevant for nontaxable, high-income returns.

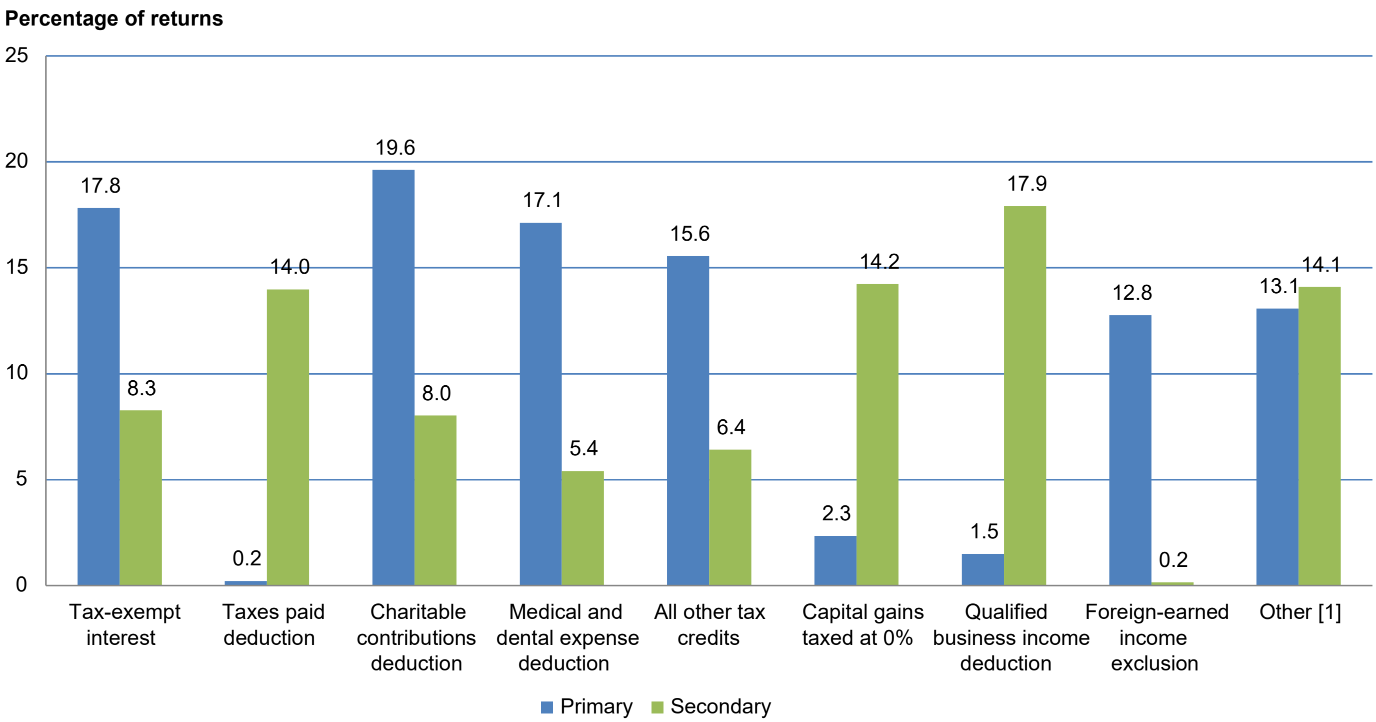
the largest primary effect in eliminating taxes were: 1) charitable contributions deduction (19.6% or 1,742 returns); 2) total miscellaneous deductions, which includes deductions such as the gambling loss deduction, or property income, casualty, and theft deduction (18.8% or 1,672 returns); and 3) all other tax credits (17.1% or 1,518 returns). All other tax credits, which includes refundable credits, increased significantly in TY 2021 due to the expansion of the child and dependent care credit and the child tax credit in the ARP act of 2021. The taxes paid deduction, which was limited to a maximum of $10,000 starting in TY 2018, was the most important item on just 0.1% of returns. However, this item was the most frequent secondary reason in reducing regular tax liability for high-AGI returns with no worldwide income tax (23.3% or 2,064 returns). The next three categories that most frequently had the largest secondary effect in eliminating taxes were: 1) qualified business income deduction (19.7% or 1,750 returns); 2) total miscellaneous deductions (12.2% or 1,085 returns); and 3) capital gains taxes at 0% (10.6% or 944 returns).

Of the 9,861 returns without any worldwide income tax and with expanded incomes of $200,000 or more, the most important item in eliminating tax, on 19.6% of returns, was the charitable contributions deduction (Figure G). This number was up significantly from TY 2020 (15.2%) where it was third largest primary reason for eliminating tax. This increase was mostly due to the temporary suspension of AGI limitation for certain cash charitable contributions that began in TY 2020 and continued for TY 2021.[13] The next three categories that most frequently had the largest primary effect on taxes were: 1) the exclusion for interest income on state and local government bonds ("tax-exempt interest") (17.8% or 1,757 returns); 2) the medical and dental expense deduction (17.1% or 1,689 returns); and 3) all other tax credits (15.6% or 1,534 returns). The item that was most frequently the secondary reason in reducing regular tax liability on high-expanded-income returns with no worldwide income tax was qualified business income deduction (17.9% or 1,767 returns). The next three categories that most frequently had the largest secondary effect in eliminating taxes were: 1) capital gains taxed at 0% (14.2% or 1,404 returns); 2) taxes paid deduction (14.0% or 1,379 returns); and 3) tax-exempt interest (8.3% or 815 returns).

Tables 7 and 8 in this article also classify tax returns by items having the largest and second largest effects in reducing or eliminating U.S. income tax or worldwide income tax, respectively.

Figure G

Individual Income Tax Returns With Expanded Income of $200,000 or More and No Worldwide Income Tax Liability: Percentage of Returns With Primary and Secondary Reasons for No Income Tax Liability, Tax Year 2021



[1] Does not include returns where there was no secondary reason for nontaxability.
NOTES: Detail for primary reason for nontaxability may not add to 100% because of rounding. Detail for secondary reason for nontaxability will not add to 100% due to some returns not having a secondary reason for nontaxability. See Figure M for the derivation of worldwide income tax.
See Appendix A: Income Concepts of this article for a discussion of expanded income.
SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, October 2024

[13] The suspension of the AGI limitation for TY 2020 began with the passage of the Coronavirus Aid, Relief, and Economic Security (CARES) Act on March 27, 2021, and was extended for TY 2021 with the passage of the Consolidated Appropriations Act, 2021 (CAA) on December 27, 2021. It's possible that some taxpayers, who filed prior to passage of this law, may have had to file an amended TY 2020 return to take advantage of the temporary suspension of the AGI limitation. These returns were not included for these statistics.

For returns on which each of the largest effects was identified, the tables show each of the second largest effects as well.[14] For example, Table 7 shows that on taxable returns with some U.S. income tax and AGI of $200,000 or more, the qualified business income deduction was the most important item in reducing U.S. income tax liability 23.5% of the time. Where this was the primary item, the foreign tax credit was the second most important item 17.5% of the time, and on 35.9% of returns, there was no second largest item. The foreign tax credit was the main factor contributing to nontaxability for both AGI returns (56.5% of the time) and expanded income returns with no income tax (49.5% of the time). However, in determining worldwide tax, this no longer has an effect (by definition).

Figure H presents another way of illustrating the importance of selected tax provisions in reducing or eliminating income tax liability. It shows the number of high-expanded-income tax returns with no worldwide income tax utilizing selected tax provisions by the percentage of income reduced. For example, the itemized deduction for medical and dental expenses reduced income by greater than 60% of expanded income on 1,424 (or 14.4%) of the 9,861 returns, but there were no medical and dental expense deductions on 6,577 returns or 66.7%. Conversely, the taxes paid deduction reduced expanded income between 0 and 30% on 6,125 (or 62.1%) of the 9,861 returns, but reduced income by greater than 60% on only 8 returns. Tax preferences excluded from AGI, which included tax-exempt interest, reduced income by greater than 60% of expanded income on 1,361 (or 13.8%) of the 9,861 returns. In total, 3,941 returns (40.0%) had their income reduced by tax preferences excluded from AGI. Only the taxes paid deduction (6,181 returns or 62.7%) and the charitable contributions deduction (5,437 returns or 55.1%) were claimed by more returns. Tables 9 and 10 report finer detail of the frequencies of returns by the percentage of income reduced for high income filers with no U.S. income tax and filers with no worldwide income tax, respectively.

Distribution of Tax Levels

Figure I presents the distribution of high-expanded-income returns by the ratio of "adjusted" worldwide taxable income to expanded income. Taxable income was adjusted for this figure by subtracting the deduction equivalents of tax credits and other items from taxable income.[15] Thus, the figure shows the extent

Figure H

Individual Income Tax Returns With Expanded Income of $200,000 or More and No Worldwide Income Tax: Number of Returns With Itemized Deductions, Credits, and Tax Preferences, by Percentage of Income Reduced, Tax Year 2021

Type of deduction, credit, or tax preference	Total	No deduction, credit, or tax preference	Number of returns on which income was reduced by percentage of income		
			Under 30%	30% under 60%	60% or more
	(1)	(2)	(3)	(4)	(5)
Total itemized deductions	9,861	3,631	1,525	971	3,734
Interest paid deduction:					
Total	9,861	7,120	2,354	28	359
Investment interest expense deduction per income concept	9,861	8,867	946	23	26
Taxes paid deduction	9,861	3,680	6,125	48	8
Charitable contributions deduction	9,861	4,424	3,267	1,130	1,040
Medical and dental expense deduction	9,861	6,577	1,434	426	1,424
Net casualty or theft loss deduction	9,861	9,804	5	3	49
Nonlimited miscellaneous deduction	9,861	9,480	369	5	7
Deduction equivalent of:					
Total credits	9,861	5,984	1,309	437	2,131
General business credit	9,861	8,768	193	377	524
Child and other dependent credit	9,861	9,240	608	13	0
Tax preferences excluded from adjusted gross income	9,861	5,920	1,940	640	1,361
Nontaxable Social Security benefits	9,861	6,279	3,582	0	0
Capital gains taxed at 0%	9,861	6,473	2,695	693	0
Deduction equivalent of Section 965 future installments	9,861	9,861	0	0	0
Disaster loss deduction	9,861	9,836	0	0	25
Qualified business income deduction	9,861	7,126	2,601	59	76
Section 199A reduction	9,861	9,861	0	0	0

Notes: Detail may not add to totals because of rounding. See Appendix A: Income Concepts of this article for a discussion of expanded income. See also Appendix B: Tax Concepts for a discussion of worldwide income tax. Starting in 2009, the portion of refundable credits that offset income taxes before credits was factored in to determine tax liability. As a result, data may not be comparable to data in Tax Years 2007 and 2008 published tables. Prior to 2007, the portion of refundable credits used to offset income taxes had no effect.

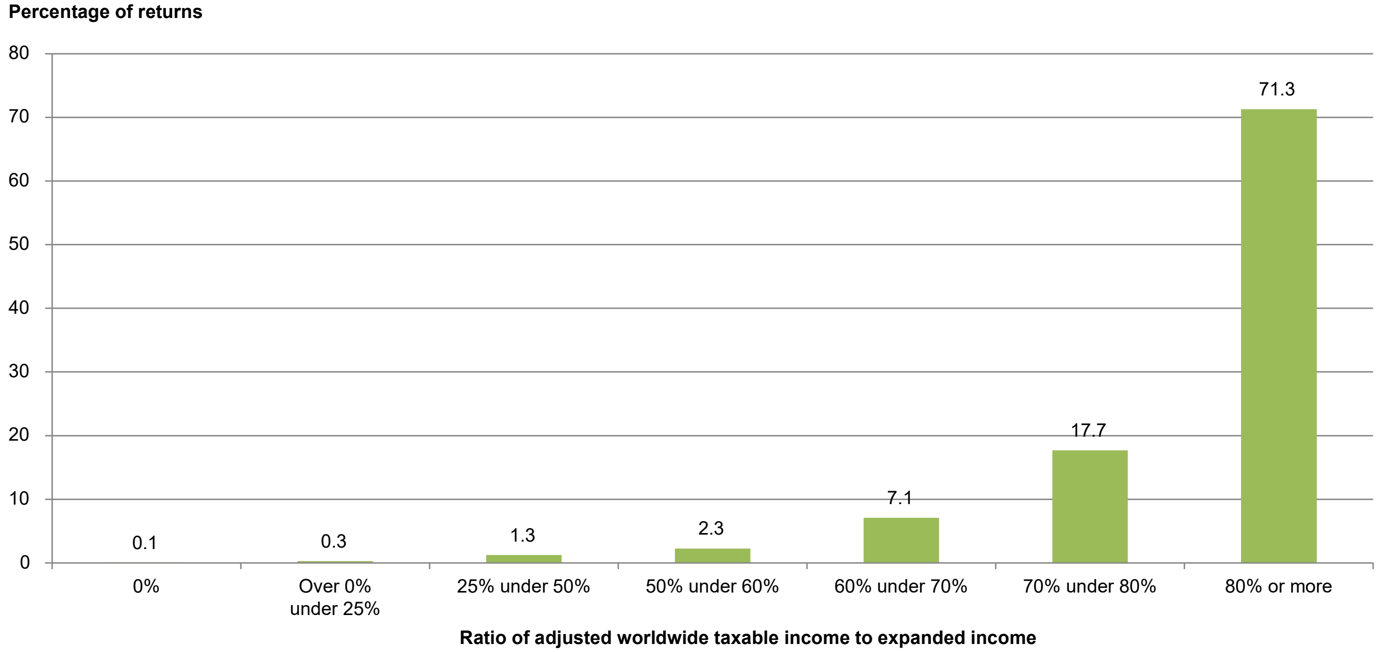
Source: IRS, Statistics of Income Division, Individual High-Income Tax Returns, October 2024

[14] Tax-exempt interest and the foreign-earned income exclusion were not included in Tables 7 and 8 as possible tax effects before TY 1994. Thus, caution should be exercised in making comparisons with data prior to 1994 and after 1993.

[15] See Appendix B for a description of how the deduction equivalent of credits was computed.

Figure I

Individual Income Tax Returns With Expanded Income of $200,000 or More: Distribution of Returns by Ratio of Adjusted Worldwide Taxable Income to Expanded Income, Tax Year 2021



NOTES: Detail may not add to 100% because of rounding. See Appendix A: Income Concepts of this article for a discussion of expanded income. See also Appendix B: Tax Concepts for a discussion of worldwide income tax.
SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, October 2024

to which expanded income is reduced before taxes are imposed on the remaining income. The figure illustrates three important facts about high-income tax returns:

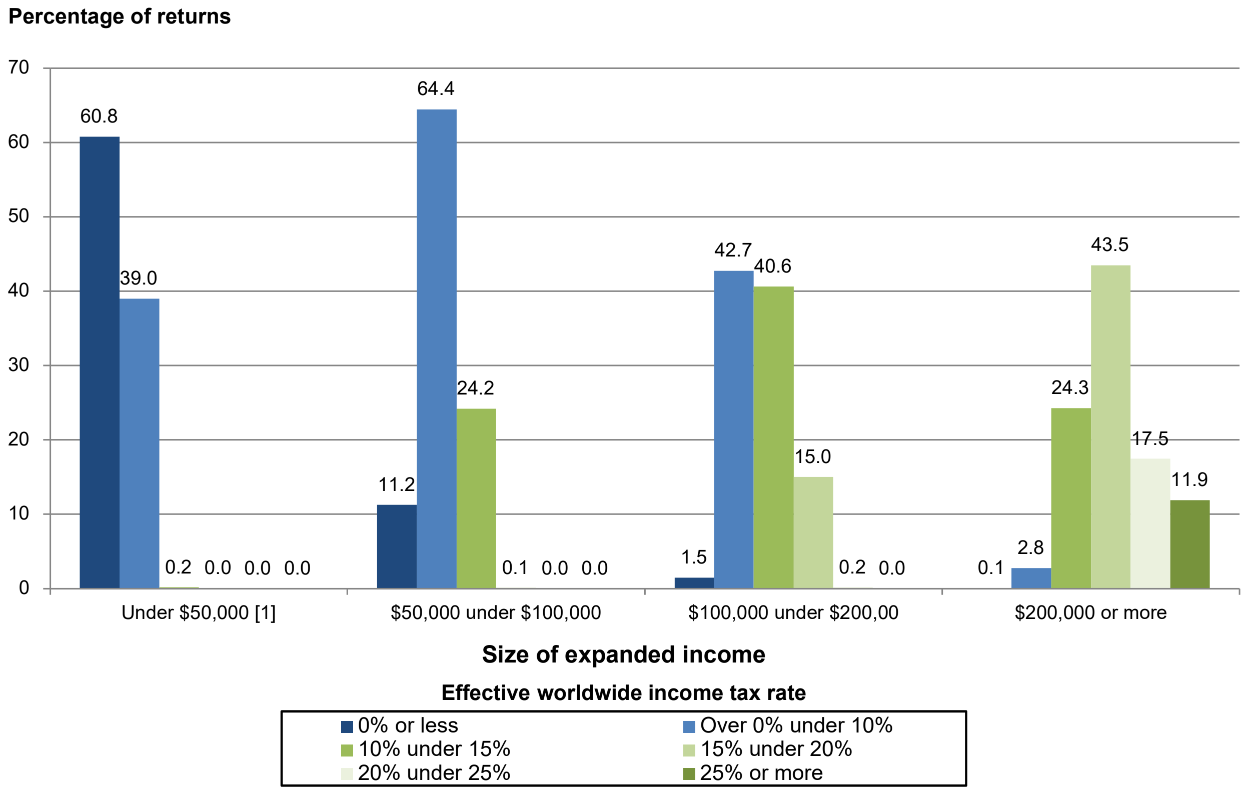
- Only a small portion of all high-income taxpayers did not pay any worldwide income taxes (0.1%).
- Another group of high-income taxpayers—small, but larger than the nontaxable group—could offset a very substantial fraction of income before being subject to tax. This type of high-income taxpayer pays income tax equal to only a small share of his or her income. Such taxpayers may be called "nearly nontaxable." About 0.3% of high-expanded-income taxpayers with at least some worldwide tax liabilities were able to reduce their adjusted taxable income to less than 25% of their expanded income.
- Overall, most high-income taxpayers were subject to tax on a large share of their income (71.3% of high-expanded-income taxpayers had adjusted taxable income equal to 80% or more of expanded income; and 98.3% had adjusted taxable income equal to 50% or more of expanded income).

Figure J shows the distribution of individual income tax returns by worldwide income tax burden. It classifies tax returns by size of expanded income and effective tax rate, i.e., income tax as a percentage of expanded income. This figure illustrates the wide dispersion of effective tax rates for all returns. For example, 2.8% of returns with expanded incomes of $200,000 or more had a positive amount of worldwide income tax that constituted less than 10% of their expanded income; 11.9% of returns with expanded incomes of at least $200,000 had an effective tax rate of 25% or more. Also, 17.5% had effective tax rates between 20 and 25%. In contrast, only 0.2% of taxpayers with an expanded income between $100,000 and $200,000 had effective tax rates of 20% or more.

Characteristics of High-Income Tax Returns

By comparing high-income nontaxable returns with taxable returns, some of the different characteristics of nontaxable returns can be deduced. For example, under the expanded-income concept, returns without worldwide income tax were much more likely (39.8%) than taxable returns (21.7%) to have tax-exempt interest, and when they did, the average amount for nontaxable returns ($190,744) was much higher than the average amount for all taxable returns ($17,236) (Figure K). They were also much more likely to have medical and dental expense deductions (33.3% vs. 2.6%) and nontaxable Social Security benefits (36.3% vs. 21.1%). Conversely, nontaxable returns (49.0%) were much less likely than high-income taxable returns (85.0%) to have income from salaries and wages. Tables 5 and 6 show the aggregate frequencies and amounts of all the types of income, the items of tax preference, and the various deductions, credits, and income taxes on high-income returns under both the AGI and expanded income concepts with respect to returns with and without U.S. income tax and worldwide income tax, respectively.

Figure J
Individual Income Tax Returns: Distribution of Returns by Effective Worldwide Income Tax Rates Within Expanded Income Size Groups, Tax Year 2021



[1] Includes returns with negative expanded income.
NOTES: Detail may not add to 100% because of rounding. See Figure M for the derivation of worldwide income tax. See Appendix A: Income Concepts of this article for a discussion of expanded income.
SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, October 2024

Figure K
Individual Income Tax Returns With Expanded Income of $200,000 or More: Percentage and Average for Selected Items, by Worldwide Income Tax Status, Tax Year 2021
[Money amounts are in whole dollars]

Selected items	Returns with expanded income of $200,000 or more			
	Returns with worldwide income tax		Returns without worldwide income tax	
	Percentage of returns that reported item	Average amount	Percentage of returns that reported item	Average amount
	(1)	(2)	(3)	(4)
Salaries and wages	85.0	318,967	49.0	139,180
Tax-exempt interest	21.7	17,236	39.8	190,744
Qualified dividends	65.4	30,392	53.7	42,845
Social Security benefits (nontaxable)	21.1	5,518	36.3	5,192
Medical and dental expense deduction	2.6	36,166	33.3	123,441

Notes: There were 11,687,201 returns with expanded income of $200,000 or more; 9,861 of these returns did not have any worldwide income tax. See Figure M for the derivation of worldwide income tax. See Appendix A: Income Concepts of this article for a discussion of expanded income.
Source: IRS, Statistics of Income Division, Individual High-Income Tax Returns, October 2024

More Detailed Data for 2021

Tables 1 through 12 present data based on income tax returns for TY 2021, mainly those with income of $200,000 or more (measured in current-year dollars) of AGI or expanded income. Most of the data are shown for taxable and nontaxable returns, both separately and combined. The odd-numbered tables use the U.S. income tax concept to classify returns as taxable or nontaxable, whereas the even-numbered tables use the worldwide income tax concept. In summary, the tables show:

- The numbers of returns under the two tax concepts, cross-classified by broad AGI and expanded-income size classes (Tables 1 and 2);
- The distributions of taxable income as a percentage of AGI and expanded income (Tables 3 and 4);
- The frequencies and amounts of various sources of income, exclusions, deductions, taxes, and tax credits, as well as the relationship between the two income concepts (Tables 5 and 6);

- The frequencies with which various deductions and tax credits are the most important and second most important items in reducing (or eliminating) income tax (Tables 7 and 8);
- The frequencies with which various itemized deductions, tax credits, and tax preference items occur as certain percentages of income (Tables 9 and 10); and
- The distributions of effective tax rates, i.e., income tax under each definition as a percentage of income, as well as the percentage of income that is subject to preferential tax rates, by broad income-size classes (Tables 11 and 12).

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Appendix A: Income Concepts

Congress wanted data on high-income taxpayers classified by an income concept that was more comprehensive than Adjusted Gross Income (AGI), but that was based entirely on items already reported on income tax returns. To derive such an income concept, it was necessary to begin with a broad, inclusive concept of income. AGI must then be compared to this broad income concept, and the differences (both additions and subtractions) from items reported on tax returns identified.

This appendix begins by defining “Haig-Simons income,” a very broad concept of income used by economists and others as a standard. AGI is then compared to Haig-Simons income, and the major differences between the two income concepts are listed. The next section defines “expanded income,” a more comprehensive income measure than AGI, based entirely on tax return data, and the final section explains in some detail the adjustment to income for investment expenses.

Haig-Simons Income

The broadest measure of annual income generally used by economists and others is defined as the value of a household’s consumption plus the change, if any, in its net worth. This income concept is referred to as Haig-Simons income or H-S income after the two economists who wrote extensively about it [A1]. The H-S income of a household that consumed $25,000 and saved $2,000 in a year would be $27,000. Alternatively, the H-S income of a household that consumed $25,000 and had no additions to savings but had assets that declined in value by $1,000 in a year, would be $24,000.

H-S income consists of three broad components: labor income, capital income (income from assets), and income from transfer payments. The major elements of each of these three components are as follows:

Labor income—This includes all forms of employee compensation (including wages and salaries), employee fringe benefits (such as employer-provided health insurance and accrued pension benefits or contributions), and the employer share of payroll taxes (such as Social Security taxes). Labor income also includes the labor share of self-employment income. Expenses of earning labor income would be deducted in arriving at H-S income. Deferred labor income (such as pension benefits) would be counted in the year it was earned, rather than in the year it was received.

Capital income—This includes all income from assets, including interest, dividends, rents, royalties, accrued capital gains (whether realized or not), the capital income share of self-employment income, and the rental value of consumer durables (most importantly, the rental value of owner-occupied housing). Capital income is measured in real (inflation-adjusted) terms and is the net of real, economic depreciation and all other expenses (which could exceed capital income).

Transfer payments—These include payments in cash such as Social Security benefits, workers’ compensation, unemployment benefits, Aid to Families with Dependent Children, and noncash benefits (such as Medicare, Medicaid, and the Supplemental Nutrition Assistance Program).

For purposes of tax analysis, H-S income should be measured on a pretax basis (the amount that would be earned if there were no federal income tax in place). Most items of income are unaffected, or little affected, by the income tax and so these are reported on a pretax basis. However, certain income items from tax-preferred sources may be reduced because of their preferential treatment. An example is interest from tax-exempt state and local government bonds. The interest rate on tax-exempt bonds is generally lower than the interest rate on taxable bonds of the same maturity and risk, with the difference approximately equal to the tax rate of the typical investor in tax-exempt bonds. Thus, investors in tax-exempt bonds are effectively paying a tax, referred to as an "implicit tax," and tax-exempt interest as reported is measured on an after-tax, rather than a pretax, basis. Income from all tax-preferred sources should be "grossed up" by implicit taxes to measure H-S income properly.

Adjusted Gross Income

AGI is the statutory definition of income for U.S. income tax purposes. AGI differs from H-S income by excluding some components of H-S income and by allowing accelerated business deductions and deductions unrelated to income, but also by disallowing or limiting certain expenses of earning income and certain losses. In addition, AGI is not "grossed up" for implicit taxes.

The components of H-S income excluded from AGI include most employee fringe benefits, the employer share of payroll taxes, accrued but deferred employee compensation, accrued but unrealized real capital gains, the rental value of consumer durables, nontaxable Social Security benefits, most other cash transfers, all noncash transfers, and the real income of borrowers due to inflation [A2].

Depreciation and certain other expenses allowed in determining AGI may be accelerated (relative to economic depreciation and other costs) in the early years of an investment, thus understating investment income. In later years, however, investment income in AGI will be overstated because depreciation and other accelerated expenses will then be understated. AGI also excludes some expenses not related to earning income, such as contributions to self-employed retirement (Keogh) plans, deductible contributions to Individual Retirement Arrangements, the portion of Social Security contributions for self-employed workers that is analogous to the employer share of such contributions for employees, and contributions to medical savings accounts.

AGI generally exceeds H-S income to the extent that expenses of earning income and losses are limited or disallowed. Most of the expenses of earning income are deductible from AGI in calculating taxable income, but only if the taxpayer "itemizes" deductions. Expenses incurred in the production of income that are itemized deductions include expenses attributable to a taxpayer's (passive) investments (as opposed to active participation in a trade or business, for example), including, but not limited to, interest expense incurred in connection with investments in securities [A3].

Although net capital losses reduce economic income, only the first $3,000 of net realized capital losses may be deducted in computing AGI. Any additional realized losses must be carried forward to future years. In a somewhat similar manner, passive losses (from investments in a trade or business in which the taxpayer does not materially participate) can also reduce economic income, but, in computing AGI, they can only be deducted from passive income from other, similar investments (although a larger amount may be deducted when the losses are from rental real estate activities).

AGI can also exceed H-S income because of differences in the timing of income between the two concepts. For example, a taxpayer may realize more capital gains in a year than they accrue in capital gains. Since AGI includes only realizations of capital gains, whereas H-S income includes only accruals, AGI in this circumstance would exceed H-S income.

Finally, just as AGI understates the income of borrowers due to inflation, it overstates the income of lenders, who include bond owners and owners of bank deposits.

Expanded Income

Expanded income is meant to be a measure of income that is conceptually closer to H-S income than AGI, but which is derived entirely from items already reported on income tax returns. Figure L shows the adjustments made to AGI to arrive at expanded income. Since the definition of AGI was changed by legislation several times since 1977, and certain reporting requirements also changed, the adjustments differ over the years, as indicated for each item [A4]. Most of these adjustments are relatively straightforward, but the adjustment for investment requires some explanation.

Investment Expenses

In measuring H-S income, it generally would be appropriate to deduct all expenses incurred in the production of income,

Figure L

Derivation of Expanded Income from Adjusted Gross Income, Tax Years 1977–2021

Adjusted gross income (AGI)

PLUS:
- Excluded capital gains (tax years prior to 1987)
- Tax-exempt interest (1987 and later tax years)
- Nontaxable Social Security benefits (1988 and later tax years)
- Tax preferences for alternative minimum tax purposes [A5]
- Foreign-earned income exclusion (1990 and later tax years)

MINUS:
- Unreimbursed employee business expenses (tax years prior to 2018) [A4]
- Nondeductible rental losses (Tax Years 1987 and 1988)
- Moving expense deduction (Tax Years 1987 through 1993) [A4]
- Investment interest expense deduction to the extent that it does not exceed investment income
- Miscellaneous itemized deductions not subject to the 2%-of-AGI floor (1989 and later tax years)

EQUALS: o Expanded income

Note: Footnotes to this figure are included with the footnotes to Appendix A: Income Concepts, which also includes an explanation of adjusted gross income and expanded income.

Source: IRS, Statistics of Income Division, Individual High-Income Tax Returns, October 2024

including those related to any income-producing investments, without limit. Investment expenses that exceed investment income would then represent net economic losses. However, such a liberal deduction for investment-related expenses is not necessarily correct when not all income items have been included currently. (Investment income includes interest, dividends, and capital gains.)

If all income has not been included currently, full deduction of investment expenses might represent a mismatching of receipts and expenses and might result in understating income. For example, if a taxpayer borrowed funds to purchase securities, net income would be understated if the taxpayer deducted all interest payments on the loan but did not include as income any accrued gains on the securities. A similar mismatching of income and expenses would occur if investment expenses that should properly be capitalized were deducted when paid. In these instances, a more accurate measure of income might be obtained by postponing the deduction of the expense until the income was recognized for tax purposes.

Additional problems are created when a person with a loan has both income-producing assets, such as securities, and non-income-producing assets, such as a vacation home or yacht. It is not possible to determine what portion of the interest expense should be attributed to taxable income-producing assets, and, therefore, ought to be deductible against the gross receipts from such taxable assets. Because of these problems, it has been necessary to set arbitrary limits on the amount of investment expenses that are deductible in calculating expanded income.

Investment expenses that have not been deducted in determining AGI generally can appear on a federal individual income tax return in two places. Investment interest expense is accounted for in the calculation of the itemized deduction for interest paid. Deductible investment interest expense is a separate part of the total interest deduction. Other investment expenses, such as management fees, are included in the miscellaneous category of itemized deductions [A5]. Beginning with TY 1987, most types of income-producing expenses included as miscellaneous itemized deductions are only deductible to the extent that their total exceeds 2% of AGI. These were eliminated from Schedule A for TY 2018. To determine expenses that should be deductible in calculating an approximation of H-S income, investment expenses have been defined as deductible investment interest expenses. Other investment expenses could not be separated from the remainder of miscellaneous deductions. Hence, they have not been used in the adjustment for investment expenses.

To the extent that interest expenses do not exceed investment income, they are generally allowed as a deduction in the computation of deductible investment interest expenses and thus expanded income. Investment interest expenses that exceed investment income are not deductible in calculating expanded income. One consequence of this definition is that investment expenses can never turn positive investment income into investment losses. Generally, allowing investment expenses to offset all investment income is generous and tends to understate broadly measured income. However, in some instances, limiting investment expenses to investment income may overstate income by disallowing genuine investment losses.

Notes to Appendix A

[A1] Haig, Robert M. (ed.) (1921). "*The Federal Income Tax*." Columbia University Press, and Simons, Henry C. (1938). "*Personal Income Taxation.*" University of Chicago Press.

[A2] Borrowers receive income due to inflation because the real value of debt is reduced by inflation. Even though inflation may be anticipated and reflected in interest rates, tax deductions for nominal interest payments overstate interest costs because part of these payments represents a return of principal to the lender, rather than interest.

[A3] See references and footnote A4.

[A4] For TY 1977, about 50% of net long-term capital gains were included in AGI. In TY 1978, the inclusion ratio was changed to 40%. This inclusion ratio remained unchanged through TY 1986. Beginning with TY 1987, there was no exclusion allowed for capital gains in computing AGI, and thus this adjustment was not made in computing expanded income for returns for years after TY 1986.

Beginning in TY 1987, taxpayers were required to report on their federal income tax returns the amount of their tax-exempt interest income from state and local government bonds. Since TY 1987, tax-exempt interest has been included in expanded income.

Taxpayers are also required to report Social Security benefits. Since TY 1988, nontaxable Social Security benefits have been included in expanded income. However, if none of a taxpayer's Social Security benefits are taxable, then gross Social Security benefits are not required to be shown on the income tax return. In such instances, which generally only affect lower- and middle-income taxpayers, Social Security benefits are not included in expanded income.

The subtraction of unreimbursed employee business expense (prior to its elimination after TY 2017) and the moving expense deduction is to make the concept of expanded income comparable to that for years prior to TY 1987. All current year moving expenses beginning with TY 1994 were deducted in the calculation of AGI as a statutory adjustment. Due to subtracting nonlimited miscellaneous deductions and not subtracting the nondeductible rental loss for TY 1989, the expanded income concept for TY 1989 is not strictly comparable to expanded income for TY 1988. Nor is the expanded income concept for TY 1990 strictly comparable to expanded income for TY 1989 because of the addition of the foreign-earned income exclusion. Specific details on the definition of expanded income for any given year are available in the reports and publications found in the References section.

[A5] Some income deferrals and accelerated expense deductions may also be involved in income or losses from rental property, from royalties, from partnerships, and from S Corporations, only the net amounts of which are included in AGI.

Appendix B: Tax Concepts

This appendix discusses in more detail two tax concepts used in this article. The first section provides a summary of the U.S. taxation of worldwide income and the foreign tax credit. The two tax concepts used in this article are then defined in the next section. That section is followed by an explanation of deduction equivalent of credits and other items. A final section discusses the possible implications of the use of unaudited tax return data for this article.

U.S. Taxation of Worldwide Income and the Foreign Tax Credit

Citizens and residents of the United States, regardless of where they physically reside, must generally include in income for federal income tax purposes income from all geographic sources. Thus, for example, dividends and interest received from a foreign corporation or income earned working abroad is subject to federal income tax in the same manner as income received from sources inside the United States [B1]. Income from sources outside the United States may also be subject to tax by foreign governments.

To reduce, if not eliminate, the possibility of double taxation of the foreign-source income of U.S. citizens and residents, the federal income tax allows a credit for income taxes paid to foreign governments. The foreign tax credit is generally limited to the amount of (pre-credit) U.S. tax liability attributable to foreign-source income. This limit prevents the foreign tax credit from offsetting the U.S. tax on U.S.-source income.

Due to taxing citizens and residents on a worldwide basis but allowing a foreign tax credit, some federal income tax returns may report substantial income but little or no U.S. tax liability after credits. This may occur, for example, if a taxpayer has income only from foreign sources, e.g., the taxpayer may live abroad the entire year and have no income-producing assets in the United States. It may also occur if a taxpayer has foreign-source income that exceeds a net loss from U.S. sources and pays income taxes comparable to the U.S. tax to a foreign government [B2].

For taxpayers with income from foreign sources, these procedures understate the taxpayers' true worldwide income tax liabilities and effective income tax rates. For such taxpayers, it does not seem appropriate to classify U.S. income tax credits for foreign tax payments as reducing tax liabilities. This is particularly true for tax filers who appear to be nontaxable because they do not have any U.S. tax liability, but who have paid foreign income taxes. A more accurate measure of overall income tax burden, as well as the number of nontaxable returns, can be obtained by considering all income taxes—U.S. as well as foreign. Thus, a second tax concept, worldwide income tax, has been used in addition to the traditional U.S. income tax.

Two Tax Concepts

Two tax concepts are used in this article to classify tax returns as taxable (i.e., returns showing an income tax liability) or nontaxable (i.e., returns showing no income tax liability) and to measure the tax burdens on taxable returns: U.S. income tax and worldwide income tax. Worldwide income tax is defined for purposes of this article as U.S. income tax, *plus* the foreign tax credits reported on the U.S. income tax return, and foreign taxes paid on excluded foreign-earned income (obtained from Form 1116, Foreign Tax Credit). The amount of the foreign tax credits

Figure M

Derivation of U.S. Individual Income Tax and Worldwide Income Tax Liabilities, Tax Year 2021

Tax at regular rates (tax generated)	
PLUS:	Additional taxes (such as tax on accumulation distributions from qualified retirement plans, Form 4972)
PLUS:	Alternative minimum tax (Form 6251)
PLUS:	Excess advance premium tax credit repayment
EQUALS:	Income tax before credits
MINUS:	Excess advance premium tax credit repayment
MINUS:	Tax credits (nonrefundable)
PLUS:	Net investment tax
MINUS:	Refundable tax credits [1]
EQUALS:	**U.S. individual income tax**
PLUS:	Foreign tax credit
PLUS:	Foreign taxes paid on excluded foreign-earned income (Form 1116)
EQUALS:	**Worldwide income tax**

[1] Includes the earned income credit, additional child tax credit, refundable American opportunity credit, regulated investment company credit, net premium tax credit, health insurance credit, child and dependent care credit, and qualified sick and family leave credits.

Note: See Appendix B: Tax Concepts for further discussion of the information in this figure.

Source: IRS, Statistics of Income Division, Individual High-Income Tax Returns, October 2024

and foreign taxes paid on excluded foreign-earned income is used as a proxy for foreign tax liabilities [B3]. The relationship of U.S. income tax to tax items reported on individual income tax returns, and to worldwide income tax, is shown in Figure M.

Comparing Exclusions, Deductions, Tax Credits, and Special Tax Computations

To compare the importance of various exclusions, deductions, tax credits, and special tax computations (such as the alternative minimum tax on tax preferences), the different types of items must be placed on the same basis. One way of doing so is to calculate the size of the deduction that would reduce (or increase) income tax by the same amount as a tax credit or special computation. This amount is called the "deduction equivalent" of the tax credit or special computation.

The deduction equivalent of a tax credit or a special tax computation is the difference between the taxable income that, using the ordinary tax rate schedules, would yield the actual tax before the provision in question is considered and the actual tax after the provision. For example, the "deduction equivalent of all tax credits" is equal to the difference between "taxable income that would yield income tax before credits" and "taxable income that would yield income tax after credits."

Using this method of equating the value of deductions, exclusions, credits, and special tax computations, the order in which the various credits and special tax computations are calculated may affect the value of their deduction equivalents. Because the tax rate schedules are progressive, with successive increments to income taxed at successively higher tax rates, the deduction equivalent of the credit converted last to a deduction equivalent will be larger (for the same amount of a credit) than the item converted first, unless all relevant taxable income amounts are within a single tax-rate bracket.

The deduction equivalents of tax credits shown in Tables 9 and 10 were computed by assuming that deductions and exclusions reduce taxes before credits. As a result, the deduction equivalent of tax credits may be overstated.

Unaudited Data

Tax return data used for Statistics of Income (SOI) have been tabulated as they were reported on tax returns filed with the Internal Revenue Service (IRS). Certain obvious arithmetic errors have been corrected and certain adjustments have been made to achieve consistent statistical definitions. Otherwise, the data have not been altered. Specifically, the data do not reflect any changes that either may have or could have been made because of IRS audits. While this is true of data throughout the entire SOI program, it is particularly relevant for high-income tax returns. Because of the greater complexity of these returns, there is a higher probability of error and a broader scope for disagreement about the proper interpretation of tax laws.

The fact that the data have been drawn from unaudited returns is of even greater importance for those high-income returns that are nontaxable. Almost any audit changes would make such returns taxable. Even where the tax consequences are minor, such returns could be reclassified from nontaxable to taxable, thereby changing the counts of nontaxable returns.

Notes to Appendix B

[B1] An exception is that certain income earned abroad may be excluded from AGI. Any foreign taxes paid on such income are not creditable against U.S. income tax. The tables in this article include such excluded income in expanded income. Foreign taxes paid on such income are reflected in worldwide income tax, as discussed later.

[B2] Although the foreign tax credit is an item of tax preference for AMT purposes, taxpayers below the AMT exclusion thresholds, or with preferences or deductions not subject to AMT, could completely offset pre-credit U.S. income tax liability with foreign tax credits.

[B3] Where foreign tax rates exceed U.S. rates, foreign tax credits will be less than foreign tax liabilities. In such cases, using foreign tax credits as a proxy for foreign tax liabilities understates worldwide income tax liability. In other cases, when foreign tax credits are for taxes paid on income from previous years, use of foreign tax credits as a proxy may overstate or understate worldwide taxes on current-year income.

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Table 1. Individual Income Tax Returns With and Without U.S. Income Tax Liability: Number of Returns, by Size of Income Under Alternative Concepts, Tax Year 2021
[All figures are estimates based on samples]

Returns by tax status, size of expanded income	All returns	Returns by size of adjusted gross income: Under $50,000 [1]	$50,000 under $100,000	$100,000 under $200,000	$200,000 or more
	(1)	(2)	(3)	(4)	(5)
All returns					
Total	**160,824,340**	**87,929,961**	**37,311,660**	**24,044,481**	**11,538,238**
Under $50,000 [1]	84,127,220	84,031,598	85,387	6,566	3,668
$50,000 under $100,000	40,385,493	3,826,503	36,488,303	65,289	5,399
$100,000 under $200,000	24,624,426	68,886	732,132	23,785,467	37,941
$200,000 or more	11,687,201	2,975	5,839	187,159	11,491,229
Returns with U.S. income tax					
Total	**104,573,740**	**35,397,211**	**33,979,929**	**23,680,629**	**11,515,971**
Under $50,000 [1]	32,932,303	32,860,274	65,951	3,999	2,079
$50,000 under $100,000	35,783,654	2,514,647	33,203,054	60,805	5,148
$100,000 under $200,000	24,199,626	21,547	706,983	23,434,587	36,510
$200,000 or more	11,658,157	743	3,941	181,239	11,472,233
Returns without U.S. income tax					
Total	**56,250,600**	**52,532,750**	**3,331,732**	**363,851**	**22,267**
Under $50,000 [1]	51,194,917	51,171,324	19,436	2,568	1,589
$50,000 under $100,000	4,601,839	1,311,855	3,285,249	4,484	251
$100,000 under $200,000	424,800	47,339	25,149	350,880	1,432
$200,000 or more	29,044	2,231	1,898	5,920	18,995

[1] Includes returns with adjusted gross deficit or with negative expanded income.
NOTES: Detail may not add to totals because of rounding. See Appendix A: Income Concepts of this article for a discussion of adjusted gross income and expanded income. See also Appendix B: Tax Concepts for a discussion of U.S. income tax. Starting in 2009, the portion of refundable credits that offset income taxes before credits was factored in to determine tax liability. As a result, data may not be comparable to data in Tax Years 2007 and 2008 published tables. Prior to 2007, the portion of refundable credits used to offset income taxes had no effect.
SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, October 2024.

Table 2. Individual Income Tax Returns With and Without Worldwide Income Tax Liability: Number of Returns, by Size of Income Under Alternative Concepts, Tax Year 2021
[All figures are estimates based on samples]

Returns by tax status, size of expanded income	All returns	Returns by size of adjusted gross income: Under $50,000 [1]	$50,000 under $100,000	$100,000 under $200,000	$200,000 or more
	(1)	(2)	(3)	(4)	(5)
All returns					
Total	**160,824,340**	**87,929,961**	**37,311,660**	**24,044,481**	**11,538,238**
Under $50,000 [1]	84,127,220	84,031,598	85,387	6,566	3,668
$50,000 under $100,000	40,385,493	3,826,503	36,488,303	65,289	5,399
$100,000 under $200,000	24,624,426	68,886	732,132	23,785,467	37,941
$200,000 or more	11,687,201	2,975	5,839	187,159	11,491,229
Returns with worldwide income tax					
Total	**104,778,317**	**35,483,773**	**34,038,590**	**23,726,587**	**11,529,368**
Under $50,000 [1]	33,001,740	32,929,707	65,951	3,999	2,083
$50,000 under $100,000	35,842,636	2,522,463	33,254,195	60,817	5,161
$100,000 under $200,000	24,256,602	30,494	713,193	23,476,359	36,557
$200,000 or more	11,677,340	1,109	5,251	185,412	11,485,567
Returns without worldwide income tax					
Total	**56,046,023**	**52,446,189**	**3,273,071**	**317,894**	**8,870**
Under $50,000 [1]	51,125,480	51,101,891	19,436	2,568	1,585
$50,000 under $100,000	4,542,857	1,304,040	3,234,108	4,471	238
$100,000 under $200,000	367,825	38,392	18,939	309,108	1,385
$200,000 or more	9,861	1,865	587	1,746	5,662

[1] Includes returns with adjusted gross deficit or with negative expanded income.
NOTES: Detail may not add to totals because of rounding. See Appendix A: Income Concepts of this article for a discussion of adjusted gross income and expanded income. See also Appendix B: Tax Concepts for a discussion of worldwide income tax. Starting in 2009, the portion of refundable credits that offset income taxes before credits was factored in to determine tax liability. As a result, data may not be comparable to data in Tax Years 2007 and 2008 published tables. Prior to 2007, the portion of refundable credits used to offset income taxes had no effect.
SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, October 2024.

Table 3. Individual Income Tax Returns With and Without U.S. Income Tax Liability and With Income of $200,000 or More Under Alternative Concepts: Distribution of Returns by Ratio of Adjusted Taxable Income to Income Per Concept, Tax Year 2021
[All figures are estimates based on samples]

Tax status, ratio of adjusted taxable income to income per concept	Adjusted gross income concept			Expanded income concept		
	Number of returns	Percentage of total	Cumulative percentage of total	Number of returns	Percentage of total	Cumulative percentage of total
	(1)	(2)	(3)	(4)	(5)	(6)
Total	**11,538,238**	**100.0**	**100.0**	**11,687,201**	**100.0**	**100.0**
Returns without U.S. income tax	**22,267**	**0.2**	**0.2**	**29,044**	**0.2**	**0.2**
Returns with U.S. income tax: Total	**11,515,971**	**99.8**	**N/A**	**11,658,157**	**99.8**	**N/A**
Ratio of adjusted taxable income to income per concept:						
Over 0% under 5%	26,386	0.2	0.2	29,516	0.3	0.3
5% under 10%	13,504	0.1	0.3	15,605	0.1	0.4
10% under 15%	14,054	0.1	0.5	13,853	0.1	0.5
15% under 20%	15,969	0.1	0.6	13,794	0.1	0.6
20% under 25%	12,751	0.1	0.7	12,876	0.1	0.7
25% under 30%	18,923	0.2	0.9	21,105	0.2	0.9
30% under 35%	22,681	0.2	1.1	23,784	0.2	1.1
35% under 40%	24,842	0.2	1.3	31,545	0.3	1.4
40% under 45%	33,671	0.3	1.6	42,188	0.4	1.7
45% under 50%	51,741	0.4	2.0	62,430	0.5	2.3
50% under 60%	240,845	2.1	4.1	286,823	2.5	4.7
60% under 70%	747,698	6.5	10.6	842,540	7.2	11.9
70% under 80%	1,956,818	17.0	27.6	2,059,529	17.6	29.6
80% or more	8,336,087	72.2	99.8	8,202,568	70.2	99.8

N/A—Not applicable.
NOTES: Detail may not add to totals because of rounding. See Appendix A: Income Concepts of this article for a discussion of adjusted gross income and expanded income. See also Appendix B: Tax Concepts for a discussion of U.S. income tax. Starting in 2009, the portion of refundable credits that offset income taxes before credits was factored in to determine tax liability. As a result, data may not be comparable to data in Tax Years 2007 and 2008 published tables. Prior to 2007, the portion of refundable credits used to offset income taxes had no effect.
SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, October 2024.

Table 4. Individual Income Tax Returns With and Without Worldwide Income Tax Liability and With Income of $200,000 or More Under Alternative Concepts: Distribution of Returns by Ratio of Adjusted Taxable Income to Income Per Concept, Tax Year 2021
[All figures are estimates based on samples]

Tax status, ratio of adjusted taxable income to income per concept	Adjusted gross income concept			Expanded income concept		
	Number of returns	Percentage of total	Cumulative percentage of total	Number of returns	Percentage of total	Cumulative percentage of total
	(1)	(2)	(3)	(4)	(5)	(6)
Total	**11,538,238**	**100.0**	**100.0**	**11,687,201**	**100.0**	**100.0**
Returns without worldwide income tax	**8,870**	**0.1**	**0.1**	**9,861**	**0.1**	**0.1**
Returns with worldwide income tax: Total	**11,529,368**	**99.9**	**N/A**	**11,677,340**	**99.9**	**N/A**
Ratio of adjusted taxable income to income per concept:						
Over 0% under 5%	6,940	0.1	0.1	5,524	[1]	[1]
5% under 10%	7,596	0.1	0.1	8,058	0.1	0.1
10% under 15%	7,125	0.1	0.2	6,255	0.1	0.2
15% under 20%	9,465	0.1	0.3	7,574	0.1	0.2
20% under 25%	8,689	0.1	0.3	7,552	0.1	0.3
25% under 30%	12,418	0.1	0.5	13,323	0.1	0.4
30% under 35%	17,335	0.2	0.6	18,438	0.2	0.6
35% under 40%	21,265	0.2	0.8	26,757	0.2	0.8
40% under 45%	28,815	0.2	1.0	37,452	0.3	1.1
45% under 50%	41,319	0.4	1.4	52,258	0.4	1.6
50% under 60%	217,642	1.9	3.3	267,399	2.3	3.9
60% under 70%	731,890	6.3	9.6	830,225	7.1	11.0
70% under 80%	1,942,911	16.8	26.5	2,068,128	17.7	28.7
80% or more	8,475,956	73.5	99.9	8,328,397	71.3	99.9

N/A—Not applicable.
[1] Less than 0.05%.
NOTES: Detail may not add to totals because of rounding. See Appendix A: Income Concepts of this article for a discussion of adjusted gross income and expanded income. See also Appendix B: Tax Concepts for a discussion of worldwide income tax. Starting in 2009, the portion of refundable credits that offset income taxes before credits was factored in to determine tax liability. As a result, data may not be comparable to data in Tax Years 2007 and 2008 published tables. Prior to 2007, the portion of refundable credits used to offset income taxes had no effect.
SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, October 2024.

Table 5. Individual Income Tax Returns With and Without U.S. Income Tax Liability and With Income of $200,000 or More Under Alternative Concepts: Income, Deductions, Credits, and Tax, Tax Year 2021
[All figures are estimates based on samples—money amounts are in thousands of dollars]

Income concept, item	Returns with income of $200,000 or more					
	Total		Returns with U.S. income tax		Returns without U.S. income tax	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
Adjusted gross income concept	(1)	(2)	(3)	(4)	(5)	(6)
Salaries and wages	9,865,760	3,158,848,860	9,849,165	3,154,358,147	16,595	4,490,713
Business or profession:						
Net income	1,939,864	196,468,534	1,935,138	195,977,745	4,726	490,788
Net loss	681,725	19,712,142	680,607	19,602,841	1,118	109,301
Farm:						
Net income	66,495	5,077,197	66,328	5,053,563	166	23,634
Net loss	159,510	10,183,445	159,226	10,107,881	284	75,564
Partnership and S corporation after section 179 property deduction: [1]						
Net income	2,583,324	1,080,654,949	2,578,835	1,079,574,752	4,489	1,080,197
Net loss	813,459	124,321,284	811,515	123,066,025	1,944	1,255,259
Sales of capital assets:						
Net gain	6,438,345	1,841,299,489	6,431,892	1,839,962,910	6,453	1,336,579
Net loss	1,524,293	3,503,009	1,519,688	3,491,491	4,604	11,517
Sales of property other than capital assets:						
Net gain	457,524	59,589,315	456,326	59,501,982	1,198	87,334
Net loss	327,992	8,313,979	327,349	8,215,230	643	98,749
Taxable interest received	8,722,693	71,523,604	8,710,051	71,043,635	12,642	479,969
Tax-exempt interest	2,448,602	39,650,796	2,446,185	39,575,891	2,417	74,905
Dividends	7,724,402	291,662,147	7,715,339	291,194,475	9,063	467,672
Qualified dividends	7,510,934	230,021,132	7,502,837	229,662,091	8,097	359,041
Pensions and annuities in adjusted gross income	2,835,563	175,400,200	2,831,836	175,140,033	3,727	260,167
Rent:						
Net income	1,251,106	47,852,556	1,249,166	47,733,018	1,940	119,539
Net loss, total (deductible and nondeductible)	1,232,779	26,765,195	1,229,715	26,581,084	3,065	184,111
Nondeductible rental loss	892,414	15,105,750	890,204	15,018,068	2,210	87,681
Royalty:						
Net income	459,572	24,910,040	458,873	24,894,004	700	16,036
Net loss	25,044	296,470	25,007	295,685	37	785
Estate or trust:						
Net income	234,055	42,038,032	233,486	41,987,279	570	50,753
Net loss	21,271	4,311,540	21,181	4,253,709	90	57,832
State income tax refunds	307,543	847,526	306,023	842,645	1,520	4,881
Alimony received	17,763	2,883,319	17,760	2,883,001	3	318
Social Security benefits in adjusted gross income	2,343,319	72,574,019	2,341,052	72,506,497	2,267	67,523
Social Security benefits (nontaxable)	2,345,534	12,869,861	2,343,181	12,856,300	2,353	13,561
Unemployment compensation	495,792	6,675,300	495,298	6,668,204	494	7,097
Other income	1,162,567	39,904,269	1,158,800	39,709,910	3,767	194,360
Other loss	54,564	4,036,810	53,859	3,957,242	705	79,569
Foreign-earned income exclusion	37,300	3,656,667	35,297	3,435,374	2,003	221,293
Total income	11,538,238	7,112,465,150	11,515,971	7,103,907,173	22,267	8,557,976
Statutory adjustments, total	3,691,838	65,938,014	3,686,812	65,872,209	5,026	65,804
Payments to Individual Retirement Arrangements	219,299	2,119,311	219,106	2,117,599	193	1,712
Payments to self-employed retirement (Keogh) plans	598,165	22,983,621	597,999	22,977,163	166	6,458
Adjusted gross income	**11,538,238**	**7,046,512,631**	**11,515,971**	**7,038,020,503**	**22,267**	**8,492,129**
Investment interest expense deduction	589,554	18,979,629	588,115	18,386,780	1,439	592,849
Total tax preferences excluded from adjusted gross income [2]	2,470,691	51,463,304	2,468,254	51,387,127	2,436	76,176
Total alternative minimum tax preference items (excluding tax-exempt interest from private activity bonds)	34,501	11,867,915	34,475	11,866,232	26	1,683
Passive activities (alternative minimum tax adjustment)	352,407	1,129,120	351,221	1,130,291	1,185	-1,171

Footnotes at end of table.

Table 5. Individual Income Tax Returns With and Without U.S. Income Tax Liability and With Income of $200,000 or More Under Alternative Concepts: Income, Deductions, Credits, and Tax, Tax Year 2021—Continued

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

Income concept, item	Returns with income of $200,000 or more					
	Total		Returns with U.S. income tax		Returns without U.S. income tax	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(1)	(2)	(3)	(4)	(5)	(6)
Expanded income	**11,537,850**	**7,070,635,894**	**11,515,971**	**7,063,689,287**	**21,879**	**6,946,607**
Disaster loss deduction	3,190	117,902	3,163	106,295	27	11,607
Non-Itemized Charitable Contributions	4,753,228	2,310,960	4,748,809	2,308,931	4,419	2,029
Itemized deductions:						
Total per adjusted gross income concept	4,616,198	369,647,856	4,607,728	366,335,569	8,470	3,312,287
Charitable contributions deduction	4,136,263	207,608,497	4,129,411	206,752,728	6,852	855,769
Interest paid deduction:						
Total per adjusted gross income concept	3,983,257	80,696,491	3,978,364	79,959,260	4,892	737,231
Total home mortgage interest	3,815,711	61,221,444	3,811,557	61,077,682	4,154	143,762
Medical and dental expense deduction	293,808	11,100,640	290,985	10,730,496	2,823	370,144
Net casualty or theft loss deduction	1,543	282,758	1,487	265,025	56	17,733
Taxes paid deduction	4,604,082	45,080,216	4,596,113	45,012,323	7,970	67,893
Nonlimited miscellaneous deductions	333,494	24,886,043	330,343	23,622,380	3,151	1,263,664
Excess of exemptions and deductions over adjusted gross income	6,569	947,618	4,117	418,325	2,452	529,293
Qualified business income deduction	5,934,231	149,582,737	5,929,008	149,461,233	5,223	121,504
Domestic production activities deduction from section 199A	*42	*13	*42	*13	0	0
Taxable income	11,531,255	6,359,709,782	11,511,653	6,354,425,619	19,603	5,284,163
Tax at regular rates	11,526,534	1,548,619,344	11,508,449	1,547,346,977	18,085	1,272,367
Alternative minimum tax	215,115	5,153,819	214,045	5,152,178	1,071	1,642
Income tax before credits	11,527,047	1,554,120,992	11,508,748	1,552,846,891	18,299	1,274,101
Tax credits, total	7,242,853	44,551,595	7,224,569	43,275,127	18,284	1,276,469
Child and dependent care credit	104,414	125,171	103,697	124,062	718	1,109
Child and other dependent credit	1,236,677	1,033,168	1,233,348	1,028,438	3,329	4,730
Minimum tax credit	85,711	1,381,997	85,421	1,375,841	290	6,157
Foreign tax credit	4,036,907	26,863,277	4,023,355	25,679,714	13,552	1,183,563
General business credit	326,264	6,435,753	324,838	6,410,297	1,426	25,457
U.S. total income tax	11,515,971	1,569,210,209	11,515,971	1,569,210,209	0	0
Taxable income which would yield:						
Income tax before credits less excess advance PTC repayment [3]	11,526,834	5,582,353,315	11,508,601	5,577,240,102	18,233	5,113,212
Income tax after credits	11,496,007	5,439,189,071	11,496,007	5,439,189,071	0	0
U.S. total income tax	11,515,971	5,607,525,830	11,515,971	5,607,525,830	0	0
Reconciliation of adjusted gross income and expanded income:						
Adjusted gross income	**11,538,238**	**7,046,512,631**	**11,515,971**	**7,038,020,503**	**22,267**	**8,492,129**
plus: Total tax preferences excluded from adjusted gross income [2]	2,470,691	51,463,304	2,468,254	51,387,127	2,436	76,176
Social Security benefits (nontaxable)	2,345,534	12,869,861	2,343,181	12,856,300	2,353	13,561
Foreign-earned income exclusion	37,300	3,656,667	35,297	3,435,374	2,003	221,293
minus: Investment interest expense deduction	589,554	18,979,629	588,115	18,386,780	1,439	592,849
Nonlimited miscellaneous deductions	333,494	24,886,043	330,343	23,622,380	3,151	1,263,664
Unreimbursed employee business expenses [4]	6	897	**	**	** 6	** 897
Equals: Expanded income	**11,537,850**	**7,070,635,894**	**11,515,971**	**7,063,689,287**	**21,879**	**6,946,607**

Footnotes at end of table.

Table 5. Individual Income Tax Returns With and Without U.S. Income Tax Liability and With Income of $200,000 or More Under Alternative Concepts: Income, Deductions, Credits, and Tax, Tax Year 2021—Continued

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

Income concept, item	Returns with income of $200,000 or more					
	Total		Returns with U.S. income tax		Returns without U.S. income tax	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
Expanded income concept	(1)	(2)	(3)	(4)	(5)	(6)
Salaries and wages	9,933,251	3,167,510,315	9,911,522	3,161,721,152	21,729	5,789,163
Business or profession:						
Net income	1,958,696	196,962,471	1,953,526	196,447,765	5,170	514,706
Net loss	684,610	19,679,620	683,498	19,570,570	1,111	109,050
Farm:						
Net income	67,905	5,187,079	67,727	5,163,004	177	24,074
Net loss	160,728	10,174,795	160,396	10,082,357	332	92,438
Partnership and S corporation after section 179 property deduction: [1]						
Net income	2,597,168	1,081,043,866	2,592,332	1,079,984,399	4,836	1,059,467
Net loss	821,001	124,051,694	818,546	122,857,418	2,456	1,194,276
Sales of capital assets:						
Net gain	6,540,870	1,844,103,252	6,531,605	1,842,780,892	9,264	1,322,360
Net loss	1,545,139	3,561,030	1,538,763	3,545,099	6,376	15,931
Sales of property other than capital assets:						
Net gain	458,776	59,552,203	457,539	59,474,075	1,237	78,127
Net loss	329,407	8,374,092	328,565	8,246,498	843	127,594
Taxable interest received	8,861,718	71,174,713	8,843,920	70,989,940	17,798	184,773
Tax-exempt interest	2,542,895	44,511,246	2,537,419	43,710,910	5,476	800,335
Dividends	7,858,454	294,766,574	7,844,366	294,203,414	14,088	563,161
Qualified dividends	7,640,226	232,265,879	7,627,693	231,856,198	12,533	409,681
Pensions and annuities in adjusted gross income	2,934,501	180,972,945	2,930,685	180,709,137	3,816	263,808
Rent:						
Net income	1,270,739	48,179,854	1,268,028	48,049,177	2,711	130,677
Net loss, total (deductible and nondeductible)	1,248,732	26,893,434	1,244,571	26,718,020	4,161	175,414
Nondeductible rental loss	901,702	15,230,885	898,961	15,133,382	2,742	97,502
Royalty:						
Net income	462,645	24,961,665	461,618	24,945,817	1,027	15,848
Net loss	24,822	299,393	24,763	297,210	59	2,183
Estate or trust:						
Net income	238,724	42,143,016	237,896	42,087,292	829	55,724
Net loss	21,331	4,249,747	21,203	4,199,139	128	50,609
State income tax refunds	306,170	844,187	305,515	841,932	655	2,255
Alimony received	18,783	2,942,590	18,776	2,942,104	7	485
Social Security benefits in adjusted gross income	2,470,282	76,883,193	2,466,149	76,764,719	4,134	118,474
Social Security benefits (nontaxable)	2,472,807	13,643,042	2,468,470	13,617,768	4,337	25,274
Unemployment compensation	496,491	6,671,503	496,207	6,667,387	284	4,116
Other income	1,177,009	39,963,109	1,172,262	39,764,250	4,747	198,860
Other loss	62,974	4,156,933	60,994	4,080,639	1,980	76,294
Foreign-earned income exclusion	68,175	7,331,299	59,429	6,169,518	8,746	1,161,782
Total income	11,687,181	7,129,541,322	11,658,157	7,121,607,898	29,024	7,933,424
Statutory adjustments, total	3,723,806	66,137,439	3,718,236	66,066,698	5,570	70,741
Payments to Individual Retirement Arrangements	223,714	2,149,319	223,315	2,146,035	400	3,284
Payments to self-employed retirement (Keogh) plans	599,924	23,023,186	599,722	23,015,983	201	7,203
Adjusted gross income	**11,687,180**	**7,063,389,092**	**11,658,157**	**7,055,526,504**	**29,023**	**7,862,588**
Investment interest expense deduction	589,794	17,304,768	588,409	17,263,123	1,385	41,645
Total tax preferences excluded from adjusted gross income [2]	2,569,786	56,759,918	2,564,284	55,955,744	5,502	804,174
interest from private activity bonds)	41,502	12,299,188	41,449	12,295,136	53	4,052
Passive activities (alternative minimum tax adjustment)	355,401	1,129,841	354,106	1,130,861	1,295	-1,020

Footnotes at end of table.

Table 5. Individual Income Tax Returns With and Without U.S. Income Tax Liability and With Income of $200,000 or More Under Alternative Concepts: Income, Deductions, Credits, and Tax, Tax Year 2021—Continued

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

Income concept, item	Returns with income of $200,000 or more					
	Total		Returns with U.S. income tax		Returns without U.S. income tax	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(1)	(2)	(3)	(4)	(5)	(6)
Expanded income	**11,687,201**	**7,108,982,727**	**11,658,157**	**7,099,193,559**	**29,044**	**9,789,168**
Disaster loss deduction	3,190	117,902	3,163	106,295	27	11,607
Non-Itemized Charitable Contributions	4,855,397	2,362,065	4,849,724	2,359,526	5,673	2,539
Itemized deductions:						
Total per adjusted gross income concept	4,614,425	358,711,538	4,606,236	357,132,736	8,189	1,578,802
Total per expanded income concept	4,611,998	326,587,097	4,603,833	325,067,007	8,165	1,520,090
Charitable contributions deduction	4,145,610	207,920,849	4,138,678	207,051,086	6,931	869,763
Interest paid deduction:						
Total per adjusted gross income concept	3,977,146	79,040,095	3,972,345	78,855,031	4,801	185,064
Total per expanded income concept	3,815,006	61,735,327	3,810,964	61,591,908	4,042	143,419
Total home mortgage interest	3,808,116	61,241,776	3,804,099	61,098,972	4,018	142,805
Medical and dental expense deduction	311,049	11,536,206	307,318	11,119,078	3,730	417,127
Net casualty or theft loss deduction	1,546	280,973	1,487	265,025	59	15,948
Taxes paid deduction	4,603,555	45,113,451	4,595,713	45,039,774	7,842	73,676
Nonlimited miscellaneous deductions	292,686	14,826,448	292,148	14,809,383	537	17,065
Excess of exemptions and deductions over adjusted gross income	6,885	459,360	3,659	285,789	3,226	173,571
Qualified business income deduction	6,023,028	149,769,376	6,016,849	149,645,337	6,179	124,038
Domestic production activities deduction from section 199A	*42	*13	*42	*13	0	0
Taxable income	11,679,993	6,383,128,940	11,654,297	6,377,256,292	25,696	5,872,649
Tax at regular rates	11,674,344	1,552,522,568	11,651,174	1,551,117,174	23,170	1,405,395
Alternative minimum tax	222,109	5,214,169	221,058	5,212,097	1,051	2,072
Income tax before credits	11,674,548	1,558,085,213	11,651,345	1,556,677,616	23,204	1,407,597
Tax credits, total	7,336,521	44,988,137	7,313,300	43,577,948	23,222	1,410,190
Child and dependent care credit	104,782	126,418	103,964	125,083	818	1,336
Child and other dependent credit	1,247,076	1,048,893	1,242,575	1,041,922	4,501	6,971
Minimum tax credit	86,397	1,384,548	85,987	1,377,947	410	6,601
Foreign tax credit	4,125,801	27,268,037	4,106,286	25,955,074	19,514	1,312,964
General business credit	327,668	6,436,258	326,276	6,409,503	1,392	26,755
U.S. total income tax	11,658,157	1,572,739,495	11,658,157	1,572,739,495	0	0
Taxable income which would yield:						
Income tax before credits less excess advance PTC repayment [3]	11,674,532	5,605,124,315	11,651,342	5,599,256,724	23,191	5,867,591
Income tax after credits	11,636,565	5,459,735,033	11,636,565	5,459,735,033	0	0
U.S. total income tax	11,658,157	5,628,076,876	11,658,157	5,628,076,876	0	0
Reconciliation of adjusted gross income and expanded income:						
Adjusted gross income	**11,687,180**	**7,063,389,092**	**11,658,157**	**7,055,526,504**	**29,023**	**7,862,588**
plus: Total tax preferences excluded from adjusted gross income [2]	2,569,786	56,759,918	2,564,284	55,955,744	5,502	804,174
Social Security benefits (nontaxable)	2,472,807	13,643,042	2,468,470	13,617,768	4,337	25,274
Foreign-earned income exclusion	68,175	7,331,299	59,429	6,169,518	8,746	1,161,782
minus: Investment interest expense deduction	589,794	17,304,768	588,409	17,263,123	1,385	41,645
Nonlimited miscellaneous deductions	292,686	14,826,448	292,148	14,809,383	537	17,065
Unreimbursed employee business expenses [4]	5	911	**	**	** 5	** 911
Equals: Expanded income	**11,687,201**	**7,108,982,727**	**11,658,157**	**7,099,193,559**	**29,044**	**9,789,168**

* Estimate should be used with caution because of the small number of sample returns on which it is based.
** Data combined to avoid disclosure of information for specific taxpayers.
[1] Section 179 of the Internal Revenue Code permits certain taxpayers to elect to deduct all or part of the cost of certain qualifying property in the year they place it in service, instead of taking depreciation deductions over a specified recovery period.
[2] Includes tax-exempt interest and tax preference items subject to alternative minimum tax.
[3] Excess advance premium tax credit (PTC) repayment is included in income tax before credits on Form 1040 but is subtracted here because it is not considered a part of income tax since it is not based on earned income.
[4] For prior-year returns only.
NOTES: Detail may not add to totals because of rounding. See Appendix A: Income Concepts of this article for a discussion of adjusted gross income and expanded income. See also Appendix B: Tax Concepts for a discussion of U.S. income tax. Starting in 2009, the portion of refundable credits that offset income taxes before credits was factored in to determine tax liability. As a result, data may not be comparable to data in Tax Years 2007 and 2008 published tables. Prior to 2007, the portion of refundable credits used to offset income taxes had no effect.
SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, October 2024.

Table 6. Individual Income Tax Returns With and Without Worldwide Income Tax Liability and With Income of $200,000 or More Under Alternative Concepts: Income, Deductions, Credits, and Tax, Tax Year 2021
[All figures are estimates based on samples—money amounts are in thousands of dollars]

Income concept, item	Returns with income of $200,000 or more					
	Total		Returns with worldwide income tax		Returns without worldwide income tax	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(1)	(2)	(3)	(4)	(5)	(6)
Adjusted gross income concept						
Salaries and wages	9,865,760	3,158,848,860	9,860,691	3,158,245,820	5,069	603,041
Business or profession:						
Net income	1,939,864	196,468,534	1,937,696	196,306,161	2,168	162,372
Net loss	681,725	19,712,142	680,898	19,616,500	827	95,641
Farm:						
Net income	66,495	5,077,197	66,342	5,054,692	152	22,505
Net loss	159,510	10,183,445	159,274	10,113,099	236	70,345
Partnership and S corporation after Section 179 property deduction: [1]						
Net income	2,583,324	1,080,654,949	2,580,180	1,079,883,279	3,143	771,669
Net loss	813,459	124,321,284	812,088	123,282,377	1,370	1,038,907
Sales of capital assets:						
Net gain	6,438,345	1,841,299,489	6,435,506	1,840,409,979	2,840	889,510
Net loss	1,524,293	3,503,009	1,522,987	3,499,327	1,306	3,682
Sales of property other than capital assets:						
Net gain	457,524	59,589,315	456,794	59,521,726	729	67,590
Net loss	327,992	8,313,979	327,640	8,252,850	352	61,129
Taxable interest received	8,722,693	71,523,604	8,716,625	71,086,065	6,068	437,539
Tax-exempt interest	2,448,602	39,650,796	2,447,292	39,592,868	1,311	57,927
Dividends	7,724,402	291,662,147	7,721,420	291,408,780	2,982	253,367
Qualified dividends	7,510,934	230,021,132	7,508,065	229,812,999	2,869	208,133
Pensions and annuities in adjusted gross income	2,835,563	175,400,200	2,832,823	175,283,453	2,740	116,748
Rent:						
Net income	1,251,106	47,852,556	1,250,315	47,801,397	792	51,159
Net loss, total (deductible and nondeductible)	1,232,779	26,765,195	1,231,548	26,668,624	1,231	96,570
Nondeductible rental loss	892,414	15,105,750	891,835	15,088,827	579	16,922
Royalty:						
Net income	459,572	24,910,040	459,218	24,898,065	354	11,975
Net loss	25,044	296,470	25,018	295,855	26	614
Estate or trust:						
Net income	234,055	42,038,032	233,894	41,995,030	161	43,002
Net loss	21,271	4,311,540	21,195	4,260,883	76	50,658
State income tax refunds	307,543	847,526	306,080	843,315	1,463	4,211
Alimony received	17,763	2,883,319	17,763	2,883,319	0	0
Social Security benefits in adjusted gross income	2,343,319	72,574,019	2,341,403	72,516,906	1,916	57,113
Social Security benefits (nontaxable)	2,345,534	12,869,861	2,343,617	12,859,724	1,917	10,138
Unemployment compensation	495,792	6,675,300	495,391	6,669,418	401	5,882
Other income	1,162,567	39,904,269	1,161,896	39,858,578	671	45,692
Other loss	54,564	4,036,810	54,393	3,988,379	171	48,432
Foreign-earned income exclusion	37,300	3,656,667	37,293	3,656,426	7	241
Total income	11,538,238	7,112,465,150	11,529,368	7,109,059,003	8,870	3,406,147
Statutory adjustments, total	3,691,838	65,938,014	3,688,421	65,887,474	3,417	50,540
Payments to Individual Retirement Arrangements	219,299	2,119,311	219,223	2,118,592	76	719
Payments to self-employed retirement (Keogh) plans	598,165	22,983,621	598,060	22,979,535	105	4,086
Adjusted gross income	**11,538,238**	**7,046,512,631**	**11,529,368**	**7,043,157,028**	**8,870**	**3,355,604**
Investment interest expense deduction	589,554	18,979,629	588,423	18,406,087	1,131	573,543
Total tax preferences excluded from adjusted gross income [2]	2,470,691	51,463,304	2,469,367	51,405,552	1,324	57,752
Total alternative minimum tax preference items (excluding tax-exempt interest from private activity bonds)	34,501	11,867,915	34,486	11,867,689	15	226
Passive activities (alternative minimum tax adjustment)	352,407	1,129,120	351,824	1,128,345	583	775

Footnotes at end of table.

Table 6. Individual Income Tax Returns With and Without Worldwide Income Tax Liability and With Income of $200,000 or More Under Alternative Concepts: Income, Deductions, Credits, and Tax, Tax Year 2021—Continued

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

Income concept, item	Returns with income of $200,000 or more					
	Total		Returns with worldwide income tax		Returns without worldwide income tax	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(1)	(2)	(3)	(4)	(5)	(6)
Expanded income	**11,537,850**	**7,070,635,894**	**11,529,368**	**7,069,043,012**	**8,482**	**1,592,882**
Disaster loss deduction	3,190	117,902	3,165	106,317	25	11,585
Non-Itemized charitable contributions	4,753,228	2,310,960	4,751,537	2,309,983	1,691	976
Itemized deductions:						
Total per adjusted gross income concept	4,616,198	369,647,856	4,609,233	366,503,031	6,965	3,144,826
Charitable contributions deduction	4,136,263	207,608,497	4,130,560	206,851,716	5,703	756,781
Interest paid deduction:						
Total per adjusted gross income concept	3,983,257	80,696,491	3,979,566	80,002,572	3,690	693,920
Total home mortgage interest	3,815,711	61,221,444	3,812,635	61,101,612	3,076	119,833
Medical and dental expense deduction	293,808	11,100,640	291,275	10,737,426	2,533	363,214
Net casualty or theft loss deduction	1,543	282,758	1,489	265,166	54	17,593
Taxes paid deduction	4,604,082	45,080,216	4,597,373	45,024,023	6,709	56,193
Nonlimited miscellaneous deductions	333,494	24,886,043	330,484	23,628,772	3,011	1,257,271
Excess of exemptions and deductions over adjusted gross income	6,569	947,618	4,117	418,325	2,452	529,293
Qualified business income deduction	5,934,231	149,582,737	5,931,509	149,477,047	2,722	105,690
Domestic production activities deduction from Section 199A	* 42	* 13	* 42	* 13	0	0
Taxable income	11,531,255	6,359,709,782	11,525,050	6,359,136,094	6,205	573,688
Tax at regular rates	11,526,534	1,548,619,344	11,521,845	1,548,545,108	4,688	74,236
Alternative minimum tax	215,115	5,153,819	214,959	5,153,064	156	755
Income tax before credits	11,527,047	1,554,120,992	11,522,146	1,554,045,940	4,901	75,052
Tax credits, total	7,242,853	44,551,595	7,237,967	44,476,194	4,886	75,402
Child and dependent care credit	104,414	125,171	104,386	125,144	28	27
Child and other dependent credit	1,236,677	1,033,168	1,236,243	1,032,412	434	755
Minimum tax credit	85,711	1,381,997	85,522	1,377,262	189	4,735
General business credit	326,264	6,435,753	325,068	6,413,262	1,196	22,492
Worldwide total income tax	11,529,368	1,596,062,210	11,529,368	1,596,062,210	0	0
Foreign taxes paid [3]	4,037,560	27,713,120	4,037,404	27,713,041	156	79
Foreign taxes paid on excluded foreign-earned income	24,537	849,843	** 24,537	** 849,843	**	**
Taxable income which would yield:						
Income tax before credits less excess advance PTC repayment [4]	11,526,834	5,582,353,315	11,521,998	5,581,890,266	4,836	463,049
Income tax after credits [4]	11,521,724	5,522,144,576	11,521,568	5,522,143,891	156	685
Worldwide total income tax [3]	11,529,512	5,687,468,276	11,529,368	5,687,467,842	144	434
Reconciliation of adjusted gross income and expanded income:						
Adjusted gross income	**11,538,238**	**7,046,512,631**	**11,529,368**	**7,043,157,028**	**8,870**	**3,355,604**
plus: Total tax preferences excluded from adjusted gross income [2]	2,470,691	51,463,304	2,469,367	51,405,552	1,324	57,752
Social Security benefits (nontaxable)	2,345,534	12,869,861	2,343,617	12,859,724	1,917	10,138
Foreign-earned income exclusion	37,300	3,656,667	37,293	3,656,426	7	241
minus: Investment interest expense deduction	589,554	18,979,629	588,423	18,406,087	1,131	573,543
Nonlimited miscellaneous deductions	333,494	24,886,043	330,484	23,628,772	3,011	1,257,271
Unreimbursed employee business expenses [5]	6	897	3	858	3	38
Equals: Expanded income	**11,537,850**	**7,070,635,894**	**11,529,368**	**7,069,043,012**	**8,482**	**1,592,882**

Footnotes at end of table.

Table 6. Individual Income Tax Returns With and Without Worldwide Income Tax Liability and With Income of $200,000 or More Under Alternative Concepts: Income, Deductions, Credits, and Tax, Tax Year 2021—Continued
[All figures are estimates based on samples—money amounts are in thousands of dollars]

Income concept, item	Returns with income of $200,000 or more					
	Total		Returns with worldwide income tax		Returns without worldwide income tax	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(1)	(2)	(3)	(4)	(5)	(6)
Expanded income concept						
Salaries and wages	9,933,251	3,167,510,315	9,928,421	3,166,838,076	4,830	672,239
Business or profession:						
Net income	1,958,696	196,962,471	1,956,743	196,833,022	1,953	129,449
Net loss	684,610	19,679,620	683,914	19,586,916	696	92,704
Farm:						
Net income	67,905	5,187,079	67,747	5,164,495	157	22,583
Net loss	160,728	10,174,795	160,466	10,092,260	262	82,535
Partnership and S corporation after Section 179 property deduction: [1]						
Net income	2,597,168	1,081,043,866	2,593,847	1,080,305,279	3,321	738,587
Net loss	821,001	124,051,694	819,353	123,105,650	1,649	946,044
Sales of capital assets:						
Net gain	6,540,870	1,844,103,252	6,536,547	1,843,261,170	4,322	842,082
Net loss	1,545,139	3,561,030	1,543,058	3,555,200	2,081	5,830
Sales of property other than capital assets:						
Net gain	458,776	59,552,203	458,085	59,496,423	692	55,780
Net loss	329,407	8,374,092	328,932	8,314,320	476	59,771
Taxable interest received	8,861,718	71,174,713	8,853,232	71,041,857	8,485	132,856
Tax-exempt interest	2,542,895	44,511,246	2,538,967	43,762,003	3,928	749,243
Dividends	7,858,454	294,766,574	7,852,861	294,463,896	5,593	302,678
Qualified dividends	7,640,226	232,265,879	7,634,933	232,039,102	5,293	226,777
Pensions and annuities in adjusted gross income	2,934,501	180,972,945	2,932,004	180,867,235	2,498	105,710
Rent:						
Net income	1,270,739	48,179,854	1,269,628	48,126,624	1,111	53,230
Net loss, total (deductible and nondeductible)	1,248,732	26,893,434	1,247,218	26,816,572	1,515	76,862
Nondeductible rental loss	901,702	15,230,885	901,045	15,211,234	657	19,651
Royalty:						
Net income	462,645	24,961,665	462,052	24,950,877	592	10,788
Net loss	24,822	299,393	24,786	297,467	36	1,926
Estate or trust:						
Net income	238,724	42,143,016	238,384	42,096,733	340	46,283
Net loss	21,331	4,249,747	21,226	4,206,666	105	43,082
State income tax refunds	306,170	844,187	305,604	842,681	566	1,507
Alimony received	18,783	2,942,590	18,779	2,942,422	4	167
Social Security benefits in adjusted gross income	2,470,282	76,883,193	2,466,729	76,781,470	3,553	101,722
Social Security benefits (nontaxable)	2,472,807	13,643,042	2,469,224	13,624,444	3,582	18,599
Unemployment compensation	496,491	6,671,503	496,345	6,669,210	146	2,293
Other income	1,177,009	39,963,109	1,176,082	39,935,838	927	27,272
Other loss	62,974	4,156,933	62,502	4,142,465	472	14,468
Foreign-earned income exclusion	68,175	7,331,299	66,900	7,080,536	1,275	250,763
Total income	11,687,181	7,129,541,322	11,677,340	7,127,451,127	9,841	2,090,196
Statutory adjustments, total	3,723,806	66,137,439	3,720,538	66,088,615	3,268	48,823
Payments to Individual Retirement Arrangements	223,714	2,149,319	223,578	2,148,093	136	1,226
Payments to self-employed retirement (Keogh) plans	599,924	23,023,186	599,811	23,018,898	113	4,289
Adjusted gross income	**11,687,180**	**7,063,389,092**	**11,677,340**	**7,061,347,733**	**9,840**	**2,041,359**
Investment interest expense deduction	589,794	17,304,768	588,785	17,276,606	1,009	28,162
Total tax preferences excluded from adjusted gross income [2]	2,569,786	56,759,918	2,565,840	56,008,929	3,946	750,988
Total alternative minimum tax preference items (excluding tax-exempt interest from private activity bonds)	41,502	12,299,188	41,466	12,297,230	36	1,958
Passive activities (alternative minimum tax adjustment)	355,401	1,129,841	354,815	1,129,458	586	382

Footnotes at end of table.

Table 6. Individual Income Tax Returns With and Without Worldwide Income Tax Liability and With Income of $200,000 or More Under Alternative Concepts: Income, Deductions, Credits, and Tax, Tax Year 2021—Continued

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

Income concept, item	Returns with income of $200,000 or more					
	Total		Returns with worldwide income tax		Returns without worldwide income tax	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(1)	(2)	(3)	(4)	(5)	(6)
Expanded income	**11,687,201**	**7,108,982,727**	**11,677,340**	**7,105,967,996**	**9,861**	**3,014,731**
Disaster loss deduction	3,190	117,902	3,165	106,317	25	11,585
Non-Itemized charitable contributions	4,855,397	2,362,065	4,853,344	2,360,924	2,054	1,140
Itemized deductions:						
Total per adjusted gross income concept	4,614,425	358,711,538	4,608,165	357,313,279	6,260	1,398,259
Total per expanded income concept	4,611,998	326,587,097	4,605,739	325,229,883	6,259	1,357,214
Charitable contributions deduction	4,145,610	207,920,849	4,140,153	207,160,327	5,457	760,522
Interest paid deduction:						
Total per adjusted gross income concept	3,977,146	79,040,095	3,973,807	78,896,123	3,339	143,972
Total per expanded income concept	3,815,006	61,735,327	3,812,259	61,619,517	2,747	115,810
Total home mortgage interest	3,808,116	61,241,776	3,805,386	61,126,498	2,730	115,278
Medical and dental expense deduction	311,049	11,536,206	307,761	11,130,331	3,288	405,874
Net casualty or theft loss deduction	1,546	280,973	1,489	265,166	57	15,808
Taxes paid deduction	4,603,555	45,113,451	4,597,346	45,054,393	6,210	59,058
Nonlimited miscellaneous deductions	292,686	14,826,448	292,290	14,813,532	396	12,916
Excess of exemptions and deductions over adjusted gross income	6,885	459,360	3,665	285,823	3,220	173,537
Qualified business income deduction	6,023,028	149,769,376	6,020,293	149,663,593	2,736	105,783
Domestic production activities deduction from Section 199A	* 42	* 13	* 42	* 13	0	0
Taxable income	11,679,993	6,383,128,940	11,673,478	6,382,520,341	6,515	608,599
Tax at regular rates	11,674,344	1,552,522,568	11,670,355	1,552,448,046	3,989	74,522
Alternative minimum tax	222,109	5,214,169	222,082	5,213,324	27	846
Income tax before credits	11,674,548	1,558,085,213	11,670,528	1,558,009,779	4,021	75,434
Tax credits, total	7,336,521	44,988,137	7,332,483	44,912,368	4,039	75,769
Child and dependent care credit	104,782	126,418	104,744	126,349	38	69
Child and other dependent credit	1,247,076	1,048,893	1,246,384	1,047,564	692	1,329
Minimum tax credit	86,397	1,384,548	86,169	1,379,659	228	4,889
General business credit	327,668	6,436,258	326,574	6,413,168	1,094	23,090
Worldwide total income tax	11,677,340	1,599,991,973	11,677,340	1,599,991,973	0	0
Foreign taxes paid [3]	4,127,142	28,576,529	4,126,575	28,564,533	567	11,996
Foreign taxes paid on excluded foreign-earned income	39,153	1,308,492	38,834	1,296,859	319	11,633
Taxable income which would yield:						
Income tax before credits less excess advance PTC repayment [4]	11,674,532	5,605,124,315	11,670,525	5,604,661,885	4,008	462,430
Income tax after credits [3]	11,670,825	5,546,483,373	11,670,258	5,546,418,309	567	65,064
Worldwide total income tax [3]	11,677,657	5,710,080,615	11,677,340	5,710,077,520	317	3,095
Reconciliation of adjusted gross income and expanded income:						
Adjusted gross income	**11,687,180**	**7,063,389,092**	**11,677,340**	**7,061,347,733**	**9,840**	**2,041,359**
plus: Total tax preferences excluded from adjusted gross income [2]	2,569,786	56,759,918	2,565,840	56,008,929	3,946	750,988
Social Security benefits (nontaxable)	2,472,807	13,643,042	2,469,224	13,624,444	3,582	18,599
Foreign-earned income exclusion	68,175	7,331,299	66,900	7,080,536	1,275	250,763
minus: Investment interest expense deduction	589,794	17,304,768	588,785	17,276,606	1,009	28,162
Nonlimited miscellaneous deductions	292,686	14,826,448	292,290	14,813,532	396	12,916
Unreimbursed employee business expenses [5]	5	911	** 5	** 911	**	**
Equals: Expanded income	**11,687,201**	**7,108,982,727**	**11,677,340**	**7,105,967,996**	**9,861**	**3,014,731**

* Estimate should be used with caution because of the small number of sample returns on which it is based.

** Data combined to avoid disclosure of information for specific taxpayers.

[1] Section 179 of the Internal Revenue Code permits certain taxpayers to elect to deduct all or part of the cost of certain qualifying property in the year they place it in service, instead of taking depreciation deductions over a specified recovery period.

[2] Includes tax-exempt interest and tax preference items subject to alternative minimum tax.

[3] For returns without worldwide income tax, refundable credits offset the amount of foreign taxes paid.

[4] Excess advance premium tax credit (PTC) repayment is included in income tax before credits on Form 1040 but is subtracted here because it is not considered a part of income tax since it is not based on earned income.

[5] For prior-year returns only.

NOTES: Detail may not add to totals because of rounding. See Appendix A: Income Concepts of this article for a discussion of adjusted gross income and expanded income. See also Appendix B: Tax Concepts for a discussion of worldwide income tax. Starting in 2009, the portion of refundable credits that offset income taxes before credits was factored in to determine tax liability. As a result, data may not be comparable to data in Tax Years 2007 and 2008 published tables. Prior to 2007, the portion of refundable credits used to offset income taxes had no effect.

SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, October 2024.

Table 7. Individual Income Tax Returns With and Without U.S. Income Tax Liability and With Income of $200,000 or More Under Alternative Concepts: Number and Percentage of Returns Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2021

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Total		Item with the largest tax effect: Interest paid deduction [1]		Investment interest expense deduction [1, 2]		Taxes paid deduction [1]	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
RETURNS WITH U.S. INCOME TAX								
Returns with adjusted gross income of $200,000 or more								
Total	**9,842,217**	**100.0**	**1,707,816**	**17.4**	**60,669**	**0.6**	**246,491**	**2.5**
Interest paid deduction [1]	1,238,765	12.6	0	0.0	12,650	20.9	28,087	11.4
Investment interest expense deduction [1, 2]	63,653	0.6	15,364	0.9	0	0.0	1,497	0.6
Taxes paid deduction [1]	2,078,619	21.1	1,453,702	85.1	21,283	35.1	0	0.0
Charitable contributions deduction	618,983	6.3	166,987	9.8	10,982	18.1	202,756	82.3
Medical and dental expense deduction [1]	45,209	0.5	6,998	0.4	695	1.1	7,885	3.2
Net casualty or theft loss deduction	5	[5]	0	0.0	0	0.0	0	0.0
Total miscellaneous deductions [1]	27,945	0.3	5,935	0.3	417	0.7	5,373	2.2
Foreign tax credit	890,429	9.0	3,822	0.2	4,342	7.2	110	[5]
General business credit	88,892	0.9	1,283	0.1	557	0.9	30	[5]
Nonrefundable child and other dependent credit	385,490	3.9	2,135	0.1	**	**	**	**
All other tax credits [3]	482,768	4.9	27,613	1.6	** 663	** 1.1	** 314	** 0.1
Capital gains taxed at 0%	** 93,756	** 1.0	** 2,255	** 0.1	** 4,425	** 7.3	** 73	** [5]
Section 965 future installments	**	**	**	**	**	**	**	**
Disaster loss deduction	342	[5]	0	0.0	0	0.0	0	0.0
Qualified business income deduction	1,289,518	13.1	21,316	1.2	4,607	7.6	207	0.1
Section 199A deduction	0	0.0	0	0.0	0	0.0	0	0.0
No second largest item	2,537,840	25.8	406	[5]	49	0.1	158	0.1
Returns with expanded income of $200,000 or more								
Total	**10,434,340**	**100.0**	**1,615,448**	**15.5**	**0**	**0.0**	**184,615**	**1.8**
Interest paid deduction [1]	1,229,935	11.8	0	0.0	0	0.0	24,666	13.4
Tax-exempt interest [4]	654,006	6.3	6,789	0.4	0	0.0	659	0.4
Taxes paid deduction [1]	1,889,162	18.1	1,373,674	85.0	0	0.0	0	0.0
Charitable contributions deduction	573,653	5.5	168,634	10.4	0	0.0	153,173	83.0
Medical and dental expense deduction [1]	42,850	0.4	8,277	0.5	0	0.0	5,114	2.8
Net casualty or theft loss deduction	5	[5]	0	0.0	0	0.0	0	0.0
Total miscellaneous deductions [1]	**	**	**	**	0	0.0	**	**
Foreign tax credit	** 971,134	** 9.3	** 2,052	** 0.1	0	0.0	** 100	** 0.1
General business credit	81,920	0.8	1,424	0.1	0	0.0	10	[5]
Nonrefundable child and other dependent credit	401,923	3.9	2,275	0.1	0	0.0	0	0.0
All other tax credits [3]	500,553	4.8	26,899	1.7	0	0.0	301	0.2
Capital gains taxed at 0%	** 110,699	** 1.1	** 1,937	** 0.1	0	0.0	** 70	** [5]
Section 965 future installments	**	**	**	**	0	0.0	**	**
Disaster loss deduction	226	[5]	0	0.0	0	0.0	0	0.0
Qualified business income deduction	1,011,572	9.7	20,368	1.3	0	0.0	** 55	** [5]
Section 199A deduction	0	0.0	0	0.0	0	0.0	0	0.0
Foreign-earned income exclusion [4]	22,242	0.2	25	[5]	0	0.0	**	**
AMT tax preference [4]	2,524	[5]	**	**	0	0.0	0	0.0
Nontaxable Social Security benefits [4]	620,170	5.9	** 3,093	** 0.2	0	0.0	** 467	** 0.3
No second largest item	2,321,765	22.3	**	**	0	0.0	**	**

Footnotes at end of table.

Table 7. Individual Income Tax Returns With and Without U.S. Income Tax Liability and With Income of $200,000 or More Under Alternative Concepts: Number and Percentage of Returns Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2021—Continued

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Item with the largest tax effect—coninued							
	Charitable contributions deduction		Medical and dental expense deduction [1]		Net casualty or theft loss deduction		Total miscellaneous deductions [1]	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
RETURNS WITH U.S. INCOME TAX								
Returns with adjusted gross income of $200,000 or more								
Total	**877,738**	**8.9**	**122,943**	**1.2**	**1,342**	**[5]**	**93,057**	**0.9**
Interest paid deduction [1]	256,819	29.3	21,143	17.2	358	26.7	19,313	20.8
Investment interest expense deduction [1, 2]	18,503	2.1	1,020	0.8	**	**	511	0.5
Taxes paid deduction [1]	391,085	44.6	55,467	45.1	** 306	** 22.8	45,171	48.5
Charitable contributions deduction	0	0.0	16,742	13.6	517	38.5	7,527	8.1
Medical and dental expense deduction [1]	** 13,991	** 1.6	0	0.0	0	0.0	1,217	1.3
Net casualty or theft loss deduction	**	**	0	0.0	0	0.0	0	0.0
Total miscellaneous deductions [1]	3,499	0.4	346	0.3	0	0.0	0	0.0
Foreign tax credit	27,109	3.1	1,929	1.6	0	0.0	1,164	1.3
General business credit	4,777	0.5	41	[5]	0	0.0	363	0.4
Nonrefundable child and other dependent credit	2,618	0.3	**	**	0	0.0	778	0.8
All other tax credits [3]	31,553	3.6	** 4,994	** 4.1	0	0.0	3,279	3.5
Capital gains taxed at 0%	** 50,076	** 5.7	** 13,198	** 10.7	** 0	** 0.0	** 1,122	** 1.2
Section 965 future installments	**	**	**	**	**	**	**	**
Disaster loss deduction	0	0.0	0	0.0	0	0.0	0	0.0
Qualified business income deduction	74,965	8.5	** 8,065	** 6.6	** 161	** 12.0	12,090	13.0
Section 199A deduction	0	0.0	0	0.0	0	0.0	0	0.0
No second largest item	2,741	0.3	**	**	**	**	523	0.6
Returns with expanded income of $200,000 or more								
Total	**850,218**	**8.1**	**122,499**	**1.2**	**1,342**	**[5]**	**116**	**[5]**
Interest paid deduction [1]	253,256	29.8	21,536	17.6	358	26.7	**	**
Tax-exempt interest [4]	55,187	6.5	10,021	8.2	0	0.0	** 27	** 22.9
Taxes paid deduction [1]	344,432	40.5	42,512	34.7	**	**	0	0.0
Charitable contributions deduction	0	0.0	15,944	13.0	** 822	** 61.3	0	0.0
Medical and dental expense deduction [1]	** 11,662	** 1.4	0	0.0	0	0.0	0	0.0
Net casualty or theft loss deduction	**	**	0	0.0	0	0.0	0	0.0
Total miscellaneous deductions [1]	**	**	**	**	**	**	**	**
Foreign tax credit	** 16,343	** 1.9	** 1,030	** 0.8	** 0	** 0.0	**	**
General business credit	4,662	0.5	41	[5]	0	0.0	**	**
Nonrefundable child and other dependent credit	2,710	0.3	0	0.0	0	0.0	0	0.0
All other tax credits [3]	30,617	3.6	4,935	4.0	0	0.0	0	0.0
Capital gains taxed at 0%	** 44,326	** 5.2	** 11,143	** 9.1	** 0	** 0.0	**	**
Section 965 future installments	**	**	**	**	**	**	**	**
Disaster loss deduction	0	0.0	0	0.0	0	0.0	0	0.0
Qualified business income deduction	71,324	8.4	7,481	6.1	** 161	** 12.0	** 90	** 77.1
Section 199A deduction	0	0.0	0	0.0	0	0.0	0	0.0
Foreign-earned income exclusion [4]	180	[5]	0	0.0	0	0.0	0	0.0
AMT tax preference [4]	387	[5]	**	**	0	0.0	0	0.0
Nontaxable Social Security benefits [4]	13,396	1.6	** 7,856	** 6.4	0	0.0	0	0.0
No second largest item	1,736	0.2	0	0.0	**	**	**	**

Footnotes at end of table.

Table 7. Individual Income Tax Returns With and Without U.S. Income Tax Liability and With Income of $200,000 or More Under Alternative Concepts: Number and Percentage of Returns Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2021—Continued

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Item with the largest tax effect—coninued							
	Foreign tax credit		General business credit		Nonrefundable child and other dependent credit		All other tax credits [3]	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
RETURNS WITH U.S. INCOME TAX								
Returns with adjusted gross income of $200,000 or more								
Total	**1,291,768**	**13.1**	**73,975**	**0.8**	**437,416**	**4.4**	**2,306,284**	**23.4**
Interest paid deduction [1]	42,111	3.3	7,234	9.8	37,568	8.6	441,141	19.1
Investment interest expense deduction [1, 2]	7,589	0.6	827	1.1	**	**	753	[5]
Taxes paid deduction [1]	18,958	1.5	1,171	1.6	** 1,593	** 0.4	19,188	0.8
Charitable contributions deduction	16,400	1.3	4,393	5.9	1,132	0.3	23,044	1.0
Medical and dental expense deduction [1]	** 372	** [5]	12	[5]	0	0.0	2,547	0.1
Net casualty or theft loss deduction	**	**	0	0.0	0	0.0	0	0.0
Total miscellaneous deductions [1]	2,273	0.2	98	0.1	0	0.0	641	[5]
Foreign tax credit	0	0.0	8,300	11.2	** 60,723	** 13.9	284,137	12.3
General business credit	6,437	0.5	0	0.0	**	**	5,631	0.2
Nonrefundable child and other dependent credit	11,217	0.9	679	0.9	0	0.0	269,894	11.7
All other tax credits [3]	20,991	1.6	5,340	7.2	** 33,501	** 7.7	0	0.0
Capital gains taxed at 0%	** 9,977	** 0.8	** 1,602	** 2.2	**	**	** 5,565	** 0.2
Section 965 future installments	**	**	**	**	**	**	**	**
Disaster loss deduction	**	**	0	0.0	0	0.0	0	0.0
Qualified business income deduction	** 689,231	** 53.4	38,627	52.2	51,181	11.7	344,099	14.9
Section 199A deduction	0	0.0	0	0.0	0	0.0	0	0.0
No second largest item	466,213	36.1	5,692	7.7	251,718	57.5	909,642	39.4
Returns with expanded income of $200,000 or more								
Total	**698,451**	**6.7**	**70,095**	**0.7**	**410,587**	**3.9**	**2,275,354**	**21.8**
Interest paid deduction [1]	**	**	6,883	9.8	37,174	9.1	433,865	19.1
Tax-exempt interest [4]	** 141,143	** 20.2	2,678	3.8	17,195	4.2	74,492	3.3
Taxes paid deduction [1]	4,490	0.6	845	1.2	**	**	18,247	0.8
Charitable contributions deduction	12,568	1.8	4,490	6.4	** 2,323	** 0.6	22,419	1.0
Medical and dental expense deduction [1]	** 315	** [5]	12	[5]	0	0.0	2,507	0.1
Net casualty or theft loss deduction	**	**	0	0.0	0	0.0	0	0.0
Total miscellaneous deductions [1]	**	**	**	**	**	**	**	**
Foreign tax credit	** 0	** 0.0	** 5,360	** 7.6	** 41,210	** 10.0	** 223,131	** 9.8
General business credit	4,316	0.6	0	0.0	**	**	5,164	0.2
Nonrefundable child and other dependent credit	7,326	1.0	679	1.0	0	0.0	263,380	11.6
All other tax credits [3]	12,342	1.8	4,862	6.9	30,208	7.4	0	0.0
Capital gains taxed at 0%	** 4,897	** 0.7	** 1,588	** 2.3	**	**	** 5,028	** 0.2
Section 965 future installments	**	**	**	**	**	**	**	**
Disaster loss deduction	**	**	0	0.0	0	0.0	0	0.0
Qualified business income deduction	** 212,884	** 30.5	** 36,074	** 51.5	** 43,725	** 10.6	326,782	14.4
Section 199A deduction	0	0.0	0	0.0	0	0.0	0	0.0
Foreign-earned income exclusion [4]	21,132	3.0	**	**	**	**	39	[5]
AMT tax preference [4]	512	0.1	21	[5]	0	0.0	651	[5]
Nontaxable Social Security benefits [4]	32,086	4.6	2,057	2.9	6,569	1.6	30,139	1.3
No second largest item	244,440	35.0	4,546	6.5	232,183	56.5	869,508	38.2

Footnotes at end of table.

Table 7. Individual Income Tax Returns With and Without U.S. Income Tax Liability and With Income of $200,000 or More Under Alternative Concepts: Number and Percentage of Returns Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2021—Continued

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Item with the largest tax effect—coninued							
	Capital gains taxed at 0%		Section 965 future installments		Disaster loss deduction		Qualified business income deduction	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)
RETURNS WITH U.S. INCOME TAX								
Returns with adjusted gross income of $200,000 or more								
Total	**310,278**	**3.2**	**0**	**0.0**	**2,811**	**[5]**	**** 2,309,629**	**** 23.5**
Interest paid deduction [1]	25,596	8.2	0	0.0	0	0.0	** 346,744	** 15.0
Investment interest expense deduction [1, 2]	3,709	1.2	0	0.0	0	0.0	** 13,870	** 0.6
Taxes paid deduction [1]	7,998	2.6	0	0.0	0	0.0	** 62,707	** 2.7
Charitable contributions deduction	26,654	8.6	0	0.0	0	0.0	** 141,849	** 6.1
Medical and dental expense deduction [1]	6,999	2.3	0	0.0	0	0.0	** 4,498	** 0.2
Net casualty or theft loss deduction	0	0.0	0	0.0	0	0.0	** 0	** 0.0
Total miscellaneous deductions [1]	1,952	0.6	0	0.0	0	0.0	** 7,412	** 0.3
Foreign tax credit	93,499	30.1	0	0.0	** 609	** 21.6	** 404,988	** 17.5
General business credit	2,808	0.9	0	0.0	**	**	** 66,664	** 2.9
Nonrefundable child and other dependent credit	6,813	2.2	0	0.0	**	**	** 91,301	** 4.0
All other tax credits [3]	19,725	6.4	0	0.0	** 898	** 31.9	** 334,563	** 14.5
Capital gains taxed at 0%	**	**	0	0.0	**	**	** 4,852	** 0.2
Section 965 future installments	**	**	0	0.0	**	**	**	**
Disaster loss deduction	**	**	0	0.0	0	0.0	** 198	** [5]
Qualified business income deduction	** 45,303	** 14.6	0	0.0	121	4.3	** 0	** 0.0
Section 199A deduction	0	0.0	0	0.0	0	0.0	** 0	** 0.0
No second largest item	69,221	22.3	0	0.0	1,184	42.1	** 829,982	** 35.9
Returns with expanded income of $200,000 or more								
Total	**297,105**	**2.8**	**0**	**0.0**	**2,785**	**[5]**	**** 2,009,097**	**** 19.3**
Interest paid deduction [1]	20,437	6.9	0	0.0	0	0.0	** 278,230	** 13.8
Tax-exempt interest [4]	41,615	14.0	0	0.0	** 426	** 0.4	** 134,732	** 6.7
Taxes paid deduction [1]	5,136	1.7	0	0.0	0	0.0	** 46,120	** 2.3
Charitable contributions deduction	23,784	8.0	0	0.0	0	0.0	** 135,050	** 6.7
Medical and dental expense deduction [1]	5,537	1.9	0	0.0	0	0.0	** 4,484	** 0.2
Net casualty or theft loss deduction	0	0.0	0	0.0	0	0.0	** 0	** 0.0
Total miscellaneous deductions [1]	**	**	0	0.0	**	**	**	**
Foreign tax credit	** 34,881	** 11.7	0	0.0	**	**	** 176,569	** 8.8
General business credit	2,611	0.9	0	0.0	**	**	** 59,072	** 2.9
Nonrefundable child and other dependent credit	4,775	1.6	0	0.0	**	**	** 85,669	** 4.3
All other tax credits [3]	17,123	5.8	0	0.0	** 886	** 31.8	** 327,059	** 16.3
Capital gains taxed at 0%	** 0	** 0.0	0	0.0	**	**	** 3,008	** 0.1
Section 965 future installments	**	**	0	0.0	**	**	**	**
Disaster loss deduction	**	**	0	0.0	0	0.0	** 58	** [5]
Qualified business income deduction	** 17,868	** 6.0	0	0.0	** 110	** 12.3	** 0	** 0.0
Section 199A deduction	0	0.0	0	0.0	0	0.0	** 0	** 0.0
Foreign-earned income exclusion [4]	360	0.1	0	0.0	0	0.0	** 308	** [5]
AMT tax preference [4]	69	[5]	0	0.0	0	0.0	** 465	** [5]
Nontaxable Social Security benefits [4]	98,412	33.1	0	0.0	777	27.9	** 244,654	** 12.2
No second largest item	24,498	8.2	0	0.0	586	21.0	** 513,617	** 25.6

Footnotes at end of table.

Table 7. Individual Income Tax Returns With and Without U.S. Income Tax Liability and With Income of $200,000 or More Under Alternative Concepts: Number and Percentage of Returns Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2021—Continued

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Item with the largest tax effect—coninued									
	Section 199A deduction		Foreign-earned income exclusion [4]		Tax-exempt interest [4]		AMT tax preference [4]		Nontaxable Social Security benefits [4]	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(33)	(34)	(35)	(36)	(37)	(38)	(39)	(40)	(41)	(42)
RETURNS WITH U.S. INCOME TAX										
Returns with adjusted gross income of $200,000 or more										
Total	**	**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**
Interest paid deduction [1]	**	**	0	0.0	0	0.0	0	0.0	0	0.0
Investment interest expense deduction [1, 2]	**	**	0	0.0	0	0.0	0	0.0	0	0.0
Taxes paid deduction [1]	**	**	0	0.0	0	0.0	0	0.0	0	0.0
Charitable contributions deduction	**	**	0	0.0	0	0.0	0	0.0	0	0.0
Medical and dental expense deduction [1]	**	**	0	0.0	0	0.0	0	0.0	0	0.0
Net casualty or theft loss deduction	**	**	0	0.0	0	0.0	0	0.0	0	0.0
Total miscellaneous deductions [1]	**	**	0	0.0	0	0.0	0	0.0	0	0.0
Foreign tax credit	**	**	0	0.0	0	0.0	0	0.0	0	0.0
General business credit	**	**	0	0.0	0	0.0	0	0.0	0	0.0
Nonrefundable child and other dependent credit	**	**	0	0.0	0	0.0	0	0.0	0	0.0
All other tax credits [3]	**	**	0	0.0	0	0.0	0	0.0	0	0.0
Capital gains taxed at 0%	**	**	0	0.0	0	0.0	0	0.0	0	0.0
Section 965 future installments	**	**	0	0.0	0	0.0	0	0.0	0	0.0
Disaster loss deduction	**	**	0	0.0	0	0.0	0	0.0	0	0.0
Qualified business income deduction	**	**	0	0.0	0	0.0	0	0.0	0	0.0
Section 199A deduction	**	**	0	0.0	0	0.0	0	0.0	0	0.0
No second largest item	**	**	0	0.0	0	0.0	0	0.0	0	0.0
Returns with expanded income of $200,000 or more										
Total	**	**	**36,040**	**0.3**	**754,401**	**7.2**	**31,971**	**0.3**	**1,074,217**	**10.3**
Interest paid deduction [1]	**	**	1,504	4.2	39,937	5.3	8,839	27.6	75,704	7.0
Tax-exempt interest [4]	**	**	704	2.0	0	0.0	2,562	8.0	193,750	18.0
Taxes paid deduction [1]	**	**	442	1.2	19,336	2.6	347	1.1	32,012	3.0
Charitable contributions deduction	**	**	** 797	** 2.2	32,277	4.3	1,195	3.7	** 2,254	** 0.2
Medical and dental expense deduction [1]	**	**	**	**	4,438	0.6	0	0.0	**	**
Net casualty or theft loss deduction	**	**	0	0.0	0	0.0	0	0.0	0	0.0
Total miscellaneous deductions [1]	**	**	**	**	**	**	**	**	**	**
Foreign tax credit	**	**	** 14,510	** 40.3	** 266,073	** 35.3	** 5,471	** 17.1	** 184,294	** 17.2
General business credit	**	**	**	**	3,250	0.4	33	0.1	1,018	0.1
Nonrefundable child and other dependent credit	**	**	4,156	11.5	9,452	1.3	**	**	20,494	1.9
All other tax credits [3]	**	**	1,600	4.4	17,169	2.3	** 5,195	** 16.2	22,362	2.1
Capital gains taxed at 0%	**	**	** 3,099	** 8.6	** 26,934	** 3.6	** 27	** 0.1	** 8,029	** 0.7
Section 965 future installments	**	**	**	**	**	**	**	**	**	**
Disaster loss deduction	**	**	**	**	**	**	0	0.0	0	0.0
Qualified business income deduction	**	**	** 2,723	** 7.6	** 103,911	** 13.8	** 3,791	** 11.9	** 165,165	** 15.4
Section 199A deduction	**	**	0	0.0	0	0.0	0	0.0	0	0.0
Foreign-earned income exclusion [4]	**	**	0	0.0	94	[5]	**	**	**	**
AMT tax preference [4]	**	**	0	0.0	367	[5]	0	0.0	0	0.0
Nontaxable Social Security benefits [4]	**	**	548	1.5	180,408	23.9	318	1.0	0	0.0
No second largest item	**	**	5,957	16.5	50,755	6.7	4,193	13.1	369,133	34.4

Footnotes at end of table.

Table 7. Individual Income Tax Returns With and Without U.S. Income Tax Liability and With Income of $200,000 or More Under Alternative Concepts: Number and Percentage of Returns Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2021—Continued

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Total		Item with the largest tax effect—continued					
			Interest paid deduction [1]		Investment interest expense deduction [1, 2]		Taxes paid deduction [1]	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
RETURNS WITHOUT U.S. INCOME TAX								
Returns with adjusted gross income of $200,000 or more								
Total	**22,263**	**100.0**	**376**	**1.7**	**436**	**2.0**	**13**	**0.1**
Interest paid deduction	1,147	5.2	0	0.0	42	9.7	** 3	** 23.0
Investment interest expense deduction [2]	179	0.8	5	1.3	0	0.0	**	**
Taxes paid deduction	2,092	9.4	331	88.0	66	15.1	0	0.0
Charitable contributions deduction	1,028	4.6	** 17	** 4.5	246	56.5	** 4	** 30.7
Medical and dental expense deduction	192	0.9	**	**	11	2.5	**	**
Net casualty or theft loss deduction	8	[5]	0	0.0	0	0.0	**	**
Total miscellaneous deductions	1,107	5.0	**	**	9	2.1	** 6	** 46.4
Foreign tax credit	237	1.1	0	0.0	7	1.6	0	0.0
General business credit	186	0.8	3	0.8	5	1.1	0	0.0
Nonrefundable child and other dependent credit	2,481	11.1	**	**	**	**	0	0.0
All other tax credits [3]	1,748	7.9	**	**	** 10	** 2.3	0	0.0
Capital gains taxed at 0%	** 1,412	** 6.3	** 20	** 5.3	** 40	** 9.2	** 0	** 0.0
Section 965 future installments	**	**	**	**	**	**	**	**
Disaster loss deduction	**	**	**	**	**	**	**	**
Qualified business income deduction	2,286	10.3	0	0.0	0	0.0	0	0.0
Section 199A deduction	0	0.0	0	0.0	0	0.0	0	0.0
No second largest item	8,161	36.7	**	**	**	**	0	0.0
Returns with expanded income of $200,000 or more								
Total	**29,044**	**100.0**	**379**	**1.3**	**0**	**0.0**	**21**	**0.1**
Interest paid deduction	863	3.0	0	0.0	0	0.0	**	**
Tax-exempt interest [4]	980	3.4	**	**	0	0.0	** 4	** 19.0
Taxes paid deduction	1,401	4.8	** 335	** 88.4	0	0.0	0	0.0
Charitable contributions deduction	1,056	3.6	13	3.4	0	0.0	** 5	** 23.8
Medical and dental expense deduction	** 563	** 1.9	** 4	** 1.1	0	0.0	**	**
Net casualty or theft loss deduction	**	**	**	**	0	0.0	**	**
Total miscellaneous deductions	3	[5]	0	0.0	0	0.0	0	0.0
Foreign tax credit	3,917	13.5	0	0.0	0	0.0	0	0.0
General business credit	205	0.7	** 4	** 1.1	0	0.0	0	0.0
Nonrefundable child and other dependent credit	2,632	9.1	**	**	0	0.0	0	0.0
All other tax credits [3]	1,721	5.9	5	1.3	0	0.0	0	0.0
Capital gains taxed at 0%	** 2,005	** 6.9	** 14	** 3.7	0	0.0	**	**
Section 965 future installments	**	**	**	**	0	0.0	**	**
Disaster loss deduction	**	**	**	**	0	0.0	**	**
Qualified business income deduction	2,207	7.6	0	0.0	0	0.0	0	0.0
Section 199A deduction	0	0.0	0	0.0	0	0.0	0	0.0
Foreign-earned income exclusion [4]	3,712	12.8	0	0.0	0	0.0	**	**
AMT tax preference [4]	7	[5]	0	0.0	0	0.0	0	0.0
Nontaxable Social Security benefits [4]	645	2.2	** 4	** 1.1	0	0.0	** 12	** 57.1
No second largest item	7,128	24.5	**	**	0	0.0	0	0.0

Footnotes at end of table.

Table 7. Individual Income Tax Returns With and Without U.S. Income Tax Liability and With Income of $200,000 or More Under Alternative Concepts: Number and Percentage of Returns Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2021—Continued

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Item with the largest tax effect—coninued							
	Charitable contributions deduction		Medical and dental expense deduction [1]		Net casualty or theft loss deduction		Total miscellaneous deductions [1]	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
RETURNS WITHOUT U.S. INCOME TAX								
Returns with adjusted gross income of $200,000 or more								
Total	**2,025**	**9.1**	**1,966**	**8.8**	**49**	**0.2**	**1,685**	**7.6**
Interest paid deduction	181	9.0	82	4.2	** 12	** 24.5	276	16.4
Investment interest expense deduction [2]	87	4.3	14	0.7	**	**	10	0.6
Taxes paid deduction	502	24.8	359	18.3	15	30.6	781	46.4
Charitable contributions deduction	0	0.0	170	8.6	** 10	** 20.4	200	11.9
Medical and dental expense deduction	87	4.3	0	0.0	**	**	34	2.0
Net casualty or theft loss deduction	0	0.0	**	**	0	0.0	4	0.2
Total miscellaneous deductions	27	1.3	** 1,023	** 52.0	**	**	0	0.0
Foreign tax credit	164	8.1	**	**	0	0.0	**	**
General business credit	70	3.5	** 3	** 0.2	0	0.0	** 19	** 1.1
Nonrefundable child and other dependent credit	26	1.3	**	**	**	**	15	0.9
All other tax credits [3]	400	19.8	** 19	** 1.0	**	**	152	9.0
Capital gains taxed at 0%	** 467	** 23.0	** 288	** 14.6	** 7	** 14.3	** 39	** 2.3
Section 965 future installments	**	**	**	**	**	**	**	**
Disaster loss deduction	**	**	**	**	**	**	**	**
Qualified business income deduction	10	0.5	** 8	** 0.4	0	0.0	0	0.0
Section 199A deduction	0	0.0	0	0.0	0	0.0	0	0.0
No second largest item	4	0.2	**	**	5	10.2	154	9.1
Returns with expanded income of $200,000 or more								
Total	**2,247**	**7.7**	**1,725**	**5.9**	**54**	**0.2**	**0**	**0.0**
Interest paid deduction	195	8.7	88	5.1	10	18.5	0	0.0
Tax-exempt interest [4]	242	10.8	481	27.9	**	**	0	0.0
Taxes paid deduction	477	21.2	357	20.7	** 20	** 37.0	0	0.0
Charitable contributions deduction	0	0.0	** 181	** 10.5	** 11	** 20.4	0	0.0
Medical and dental expense deduction	** 106	** 4.7	**	**	**	**	0	0.0
Net casualty or theft loss deduction	**	**	**	**	**	**	0	0.0
Total miscellaneous deductions	**	**	0	0.0	0	0.0	0	0.0
Foreign tax credit	** 168	** 7.5	**	**	0	0.0	0	0.0
General business credit	74	3.3	3	0.2	0	0.0	0	0.0
Nonrefundable child and other dependent credit	26	1.2	3	0.2	**	**	0	0.0
All other tax credits [3]	402	17.9	21	1.2	**	**	0	0.0
Capital gains taxed at 0%	** 488	** 21.7	** 417	** 24.2	** 8	** 14.8	0	0.0
Section 965 future installments	**	**	**	**	**	**	0	0.0
Disaster loss deduction	**	**	**	**	**	**	0	0.0
Qualified business income deduction	10	0.4	**	**	0	0.0	0	0.0
Section 199A deduction	0	0.0	0	0.0	0	0.0	0	0.0
Foreign-earned income exclusion [4]	4	0.2	**	**	0	0.0	0	0.0
AMT tax preference [4]	**	**	0	0.0	0	0.0	0	0.0
Nontaxable Social Security benefits [4]	** 49	** 2.2	** 174	** 9.8	0	0.0	0	0.0
No second largest item	4	0.2	**	**	5	9.3	0	0.0

Footnotes at end of table.

Table 7. Individual Income Tax Returns With and Without U.S. Income Tax Liability and With Income of $200,000 or More Under Alternative Concepts: Number and Percentage of Returns Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2021—Continued
[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Item with the largest tax effect—coninued							
	Foreign tax credit		General business credit		Nonrefundable child and other dependent credit		All other tax credits [3]	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
RETURNS WITHOUT U.S. INCOME TAX								
Returns with adjusted gross income of $200,000 or more								
Total	**12,572**	**56.5**	**** 899**	**** 4.0**	**	**	**1,737**	**7.8**
Interest paid deduction	404	3.2	** 44	** 4.9	**	**	85	4.9
Investment interest expense deduction [2]	31	0.2	** 3	** 0.3	**	**	** 14	** 0.8
Taxes paid deduction	25	0.2	** 3	** 0.3	**	**	**	**
Charitable contributions deduction	172	1.4	** 83	** 9.3	**	**	62	3.6
Medical and dental expense deduction	15	0.1	** 7	** 0.8	**	**	14	0.8
Net casualty or theft loss deduction	0	0.0	** 0	** 0.0	**	**	0	0.0
Total miscellaneous deductions	19	0.2	** 7	** 0.8	**	**	10	0.6
Foreign tax credit	0	0.0	** 4	** 0.4	**	**	14	0.8
General business credit	13	0.1	** 0	** 0.0	**	**	14	0.8
Nonrefundable child and other dependent credit	2,401	19.1	** 6	** 0.7	**	**	24	1.4
All other tax credits [3]	1,021	8.1	** 33	** 3.7	**	**	0	0.0
Capital gains taxed at 0%	** 154	** 1.2	** 118	** 13.2	**	**	** 231	** 13.3
Section 965 future installments	**	**	**	**	**	**	**	**
Disaster loss deduction	**	**	**	**	**	**	**	**
Qualified business income deduction	508	4.0	** 591	** 65.7	**	**	1,163	66.9
Section 199A deduction	0	0.0	** 0	** 0.0	**	**	0	0.0
No second largest item	7,809	62.1	**	**	**	**	106	6.1
Returns with expanded income of $200,000 or more								
Total	**14,367**	**49.5**	**** 923**	**** 3.2**	**	**	**1,758**	**6.1**
Interest paid deduction	307	2.1	** 43	** 4.6	**	**	85	4.8
Tax-exempt interest [4]	75	0.5	** 16	** 1.7	**	**	21	1.2
Taxes paid deduction	17	0.1	**	**	**	**	5	0.3
Charitable contributions deduction	144	1.0	** 81	** 8.8	**	**	61	3.5
Medical and dental expense deduction	** 15	** 0.1	** 6	** 0.7	**	**	** 14	** 0.8
Net casualty or theft loss deduction	**	**	**	**	**	**	**	**
Total miscellaneous deductions	0	0.0	** 0	** 0.0	**	**	0	0.0
Foreign tax credit	0	0.0	** 4	** 0.4	**	**	6	0.3
General business credit	11	0.1	** 0	** 0.0	**	**	15	0.9
Nonrefundable child and other dependent credit	2,359	16.4	** 6	** 0.7	**	**	**	**
All other tax credits [3]	1,006	7.0	** 35	** 3.8	**	**	0	0.0
Capital gains taxed at 0%	** 134	** 0.9	** 122	** 13.3	**	**	** 262	** 14.9
Section 965 future installments	**	**	**	**	**	**	**	**
Disaster loss deduction	**	**	**	**	**	**	**	**
Qualified business income deduction	412	2.9	** 604	** 65.4	**	**	1,166	66.3
Section 199A deduction	0	0.0	** 0	** 0.0	**	**	0	0.0
Foreign-earned income exclusion [4]	3,695	25.7	**	**	**	**	**	**
AMT tax preference [4]	**	**	**	**	**	**	**	**
Nontaxable Social Security benefits [4]	** 179	** 1.2	** 6	** 0.7	**	**	** 29	** 1.6
No second largest item	6,013	41.9	** 0	** 0.0	**	**	94	5.3

Footnotes at end of table.

Table 7. Individual Income Tax Returns With and Without U.S. Income Tax Liability and With Income of $200,000 or More Under Alternative Concepts: Number and Percentage of Returns Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2021—Continued

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Item with the largest tax effect—coninued							
	Capital gains taxed at 0%		Section 965 future installments		Disaster loss deduction		Qualified business income deduction	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)
RETURNS WITHOUT U.S. INCOME TAX								
Returns with adjusted gross income of $200,000 or more								
Total	**331**	**1.5**	**0**	**0.0**	**25**	**0.1**	**148**	**0.7**
Interest paid deduction	6	1.8	0	0.0	0	0.0	** 15	** 10.1
Investment interest expense deduction [2]	** 17	** 5.1	0	0.0	0	0.0	**	**
Taxes paid deduction	**	**	0	0.0	0	0.0	4	2.7
Charitable contributions deduction	67	20.3	0	0.0	0	0.0	7	4.7
Medical and dental expense deduction	15	4.5	0	0.0	0	0.0	4	2.7
Net casualty or theft loss deduction	**	**	0	0.0	0	0.0	0	0.0
Total miscellaneous deductions	** 5	** 1.5	0	0.0	0	0.0	0	0.0
Foreign tax credit	41	12.4	0	0.0	0	0.0	0	0.0
General business credit	61	18.4	0	0.0	0	0.0	5	3.4
Nonrefundable child and other dependent credit	**	**	0	0.0	0	0.0	**	**
All other tax credits [3]	** 82	** 24.7	0	0.0	0	0.0	** 30	** 20.1
Capital gains taxed at 0%	** 0	** 0.0	0	0.0	** 3	** 12.0	** 55	** 37.4
Section 965 future installments	**	**	0	0.0	**	**	**	**
Disaster loss deduction	**	**	0	0.0	**	**	**	**
Qualified business income deduction	14	4.2	0	0.0	0	0.0	0	0.0
Section 199A deduction	0	0.0	0	0.0	0	0.0	0	0.0
No second largest item	23	7.0	0	0.0	22	88.0	28	18.9
Returns with expanded income of $200,000 or more								
Total	**440**	**1.5**	**0**	**0.0**	**25**	**0.1**	**148**	**0.5**
Interest paid deduction	**	**	0	0.0	0	0.0	13	8.8
Tax-exempt interest [4]	** 79	** 18.0	0	0.0	0	0.0	**	**
Taxes paid deduction	**	**	0	0.0	0	0.0	**	**
Charitable contributions deduction	** 95	** 21.6	0	0.0	0	0.0	** 14	** 9.4
Medical and dental expense deduction	** 24	** 5.5	0	0.0	** 0	** 0.0	** 4	** 2.7
Net casualty or theft loss deduction	**	**	0	0.0	**	**	**	**
Total miscellaneous deductions	0	0.0	0	0.0	0	0.0	0	0.0
Foreign tax credit	46	10.4	0	0.0	0	0.0	0	0.0
General business credit	66	15.0	0	0.0	0	0.0	** 6	** 4.0
Nonrefundable child and other dependent credit	3	0.7	0	0.0	0	0.0	**	**
All other tax credits [3]	84	19.0	0	0.0	0	0.0	29	19.5
Capital gains taxed at 0%	** 0	** 0.0	0	0.0	**	**	** 54	** 36.7
Section 965 future installments	**	**	0	0.0	**	**	**	**
Disaster loss deduction	**	**	0	0.0	**	**	**	**
Qualified business income deduction	**	**	0	0.0	0	0.0	0	0.0
Section 199A deduction	0	0.0	0	0.0	0	0.0	0	0.0
Foreign-earned income exclusion [4]	**	**	0	0.0	0	0.0	0	0.0
AMT tax preference [4]	**	**	0	0.0	0	0.0	0	0.0
Nontaxable Social Security benefits [4]	** 30	** 6.8	0	0.0	** 8	** 32.0	12	8.1
No second largest item	13	3.0	0	0.0	17	68.0	16	10.8

Footnotes at end of table.

Table 7. Individual Income Tax Returns With and Without U.S. Income Tax Liability and With Income of $200,000 or More Under Alternative Concepts: Number and Percentage of Returns Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2021—Continued

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Item with the largest tax effect—coninued									
	Section 199A deduction		Foreign-earned income exclusion [4]		Tax-exempt interest [4]		AMT tax preference [4]		Nontaxable Social Security benefits [4]	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(33)	(34)	(35)	(36)	(37)	(38)	(39)	(40)	(41)	(42)
RETURNS WITHOUT U.S. INCOME TAX										
Returns with adjusted gross income of $200,000 or more										
Total	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**
Interest paid deduction	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Investment interest expense deduction [2]	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Taxes paid deduction	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Charitable contributions deduction	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Medical and dental expense deduction	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Net casualty or theft loss deduction	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Total miscellaneous deductions	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Foreign tax credit	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
General business credit	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Nonrefundable child and other dependent credit	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
All other tax credits [3]	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Capital gains taxed at 0%	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Section 965 future installments	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Disaster loss deduction	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Qualified business income deduction	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Section 199A deduction	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
No second largest item	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Returns with expanded income of $200,000 or more										
Total	**0**	**0.0**	**4,980**	**17.1**	**1,955**	**6.7**	**** 21**	**** 0.1**	******	******
Interest paid deduction	0	0.0	8	0.2	106	5.4	** 0	** 0.0	**	**
Tax-exempt interest [4]	0	0.0	61	1.2	0	0.0	**	**	**	**
Taxes paid deduction	0	0.0	71	1.4	115	5.9	**	**	**	**
Charitable contributions deduction	0	0.0	5	0.1	457	23.4	** 9	** 42.9	**	**
Medical and dental expense deduction	0	0.0	** 8	** 0.2	** 378	** 19.3	** 0	** 0.0	**	**
Net casualty or theft loss deduction	0	0.0	**	**	**	**	**	**	**	**
Total miscellaneous deductions	0	0.0	0	0.0	**	**	** 0	** 0.0	**	**
Foreign tax credit	0	0.0	3,672	73.7	** 20	** 1.0	**	**	**	**
General business credit	0	0.0	0	0.0	** 31	** 1.6	** 0	** 0.0	**	**
Nonrefundable child and other dependent credit	0	0.0	204	4.1	**	**	** 0	** 0.0	**	**
All other tax credits [3]	0	0.0	81	1.6	55	2.8	**	**	**	**
Capital gains taxed at 0%	0	0.0	** 83	** 1.7	** 436	** 22.3	** 9	** 42.9	**	**
Section 965 future installments	0	0.0	**	**	**	**	**	**	**	**
Disaster loss deduction	0	0.0	**	**	**	**	**	**	**	**
Qualified business income deduction	0	0.0	0	0.0	0	0.0	**	**	**	**
Section 199A deduction	0	0.0	0	0.0	0	0.0	** 0	** 0.0	**	**
Foreign-earned income exclusion [4]	0	0.0	0	0.0	**	**	** 0	** 0.0	**	**
AMT tax preference [4]	0	0.0	**	**	0	0.0	** 0	** 0.0	**	**
Nontaxable Social Security benefits [4]	0	0.0	** 17	** 0.3	** 166	** 8.5	** 3	** 14.3	**	**
No second largest item	0	0.0	770	15.5	191	9.8	**	**	**	**

** Data combined to avoid disclosure of information for specific taxpayers.

[1] For taxable returns only, this does not include any possible effect on AMT.

[2] Investment interest expense deduction only has an effect when using the adjusted gross income concept.

[3] All other tax credit includes the portion of refundable credits that are used to offset income tax before credits. For Tax Year 2021, this included the refundable child tax credit or additional child tax credit and refundable child and dependent care credit.

[4] Tax-exempt interest, foreign-earned income exclusion, AMT tax preference, and nontaxable Social Security benefits only have an effect when using the expanded income concept.

[5] Less than 0.05%.

NOTES: Detail may not add to totals because of rounding. See Appendix A: Income Concepts of this article for a discussion of adjusted gross income and expanded income. See also Appendix B: Tax Concepts for a discussion of U.S. income tax. Starting in 2009, the portion of refundable credits that offset income taxes before credits was factored in to determine tax liability. As a result, data may not be comparable to data in Tax Years 2007 and 2008 published tables. Prior to 2007, the portion of refundable credits used to offset income taxes had no effect.

SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, October 2024.

Table 8. Individual Income Tax Returns With and Without Worldwide Income Tax Liability and With Income of $200,000 or More Under Alternative Concepts: Number and Percentage of Returns Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2021
[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Total		Item with the largest tax effect: Interest paid deduction [1]		Investment interest expense deduction [1, 2]		Taxes paid deduction [1]	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
RETURNS WITH WORLDWIDE INCOME TAX								
Returns with adjusted gross income of $200,000 or more								
Total	**9,378,213**	**100.0**	**1,746,958**	**18.6**	**68,311**	**0.7**	**265,475**	**2.8**
Interest paid deduction [1]	1,255,161	13.4	0	0.0	14,307	20.9	28,763	10.8
Investment interest expense deduction [1, 2]	67,355	0.7	16,972	1.0	0	0.0	1,747	0.7
Taxes paid deduction [1]	2,133,488	22.7	1,489,074	85.2	26,878	39.3	0	0.0
Charitable contributions deduction	630,278	6.7	171,718	9.8	13,457	19.7	218,891	82.5
Medical and dental expense deduction [1]	** 46,062	** 0.5	** 7,014	** 0.4	** 715	** 1.0	** 8,638	** 3.3
Net casualty or theft loss deduction	**	**	**	**	**	**	**	**
Total miscellaneous deductions [1]	27,848	0.3	6,023	0.3	615	0.9	6,258	2.4
General business credit	96,275	1.0	1,409	0.1	** 774	** 1.1	** 49	** 0.0
Nonrefundable child and other dependent credit	380,846	4.1	2,135	0.1	**	**	**	**
All other tax credits [3]	472,551	5.0	27,659	1.6	792	1.2	310	0.1
Capital gains taxed at 0%	** 90,125	** 1.0	** 2,308	** 0.1	** 4,879	** 7.1	** 76	** [5]
Section 965 future installments	**	**	**	**	**	**	**	**
Disaster loss deduction	337	[5]	0	0.0	0	0.0	0	0.0
Qualified business income deduction	810,479	8.6	21,625	1.2	5,645	8.3	428	0.2
Section 199A deduction	**	**	**	**	**	**	**	**
No second largest item	** 3,367,408	** 35.9	** 1,019	** 0.1	** 248	** 0.4	** 314	** 0.1
Returns with expanded income of $200,000 or more								
Total	**10,202,426**	**100.0**	**1,642,651**	**16.1**	**0**	**0.0**	**189,122**	**1.9**
Interest paid deduction [1]	1,241,576	12.2	0	0.0	0	0.0	25,230	13.3
Tax-exempt interest [4]	670,982	6.6	7,399	0.5	0	0.0	775	0.4
Taxes paid deduction [1]	1,931,084	18.9	1,397,032	85.0	0	0.0	0	0.0
Charitable contributions deduction	577,671	5.7	173,114	10.5	0	0.0	156,899	83.0
Medical and dental expense deduction [1]	** 42,816	** 0.4	** 8,279	** 0.5	0	0.0	** 5,114	** 2.7
Net casualty or theft loss deduction	**	**	**	**	0	0.0	**	**
Total miscellaneous deductions [1]	**	**	**	**	0	0.0	**	**
General business credit	86,845	0.9	1,553	0.1	0	0.0	13	[5]
Nonrefundable child and other dependent credit	405,345	4.0	2,275	0.1	0	0.0	0	0.0
All other tax credits [3]	503,216	4.9	26,933	1.6	0	0.0	305	0.2
Capital gains taxed at 0%	** 114,996	** 1.1	** 2,000	** 0.1	0	0.0	** 72	** [5]
Section 965 future installments	**	**	**	**	0	0.0	**	**
Disaster loss deduction	226	[5]	0	0.0	0	0.0	0	0.0
Qualified business income deduction	1,214,005	11.9	20,459	1.2	0	0.0	205	0.1
Section 199A deduction	**	**	**	**	0	0.0	**	**
Foreign-earned income exclusion [4]	** 1,926	** [5]	** 44	** [5]	0	0.0	**	**
AMT tax preference [4]	2,213	[5]	11	[5]	0	0.0	0	0.0
Nontaxable Social Security benefits [4]	640,170	6.3	2,700	0.2	0	0.0	** 328	** 0.2
No second largest item	2,769,356	27.1	850	0.1	0	0.0	180	0.1

Footnotes at end of table.

Table 8. Individual Income Tax Returns With and Without Worldwide Income Tax Liability and With Income of $200,000 or More Under Alternative Concepts: Number and Percentage of Returns Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2021—Continued
[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Item with the largest tax effect—continued							
	Charitable contributions deduction		Medical and dental expense deduction [1]		Net casualty or theft loss deduction		Total miscellaneous deductions [1]	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
RETURNS WITH WORLDWIDE INCOME TAX								
Returns with adjusted gross income of $200,000 or more								
Total	**894,592**	**9.5**	**123,349**	**1.3**	**1,347**	**[5]**	**95,363**	**1.0**
Interest paid deduction [1]	264,841	29.6	21,350	17.3	** 365	** 27.1	20,267	21.3
Investment interest expense deduction [1, 2]	23,859	2.7	1,031	0.8	**	**	635	0.7
Taxes paid deduction [1]	410,959	45.9	57,345	46.5	303	22.5	46,548	48.8
Charitable contributions deduction	0	0.0	16,756	13.6	517	38.4	8,098	8.5
Medical and dental expense deduction [1]	** 14,047	** 1.6	** 0	** 0.0	** 0	** 0.0	** 1,218	** 1.3
Net casualty or theft loss deduction	**	**	**	**	**	**	**	**
Total miscellaneous deductions [1]	3,808	0.4	348	0.3	0	0.0	0	0.0
General business credit	6,248	0.7	** 53	** [5]	0	0.0	511	0.5
Nonrefundable child and other dependent credit	2,626	0.3	**	**	0	0.0	778	0.8
All other tax credits [3]	32,051	3.6	4,985	4.0	0	0.0	3,307	3.5
Capital gains taxed at 0%	** 54,104	** 6.0	** 13,406	** 10.9	**	**	** 1,134	** 1.2
Section 965 future installments	**	**	**	**	**	**	**	**
Disaster loss deduction	0	0.0	0	0.0	0	0.0	0	0.0
Qualified business income deduction	77,744	8.7	7,770	6.3	** 151	** 11.2	12,256	12.9
Section 199A deduction	**	**	**	**	**	**	**	**
No second largest item	** 4,304	** 0.5	** 305	** 0.2	** 11	** 0.8	** 613	** 0.6
Returns with expanded income of $200,000 or more								
Total	**863,242**	**8.5**	**122,861**	**1.2**	**1,347**	**[5]**	**116**	**[5]**
Interest paid deduction [1]	260,275	30.2	21,700	17.7	358	26.6	**	**
Tax-exempt interest [4]	61,174	7.1	10,050	8.2	0	0.0	** 15	** 13.2
Taxes paid deduction [1]	353,738	41.0	43,512	35.4	310	23.0	0	0.0
Charitable contributions deduction	0	0.0	15,955	13.0	517	38.4	0	0.0
Medical and dental expense deduction [1]	** 11,681	** 1.4	0	0.0	0	0.0	0	0.0
Net casualty or theft loss deduction	**	**	**	**	**	**	**	**
Total miscellaneous deductions [1]	**	**	**	**	**	**	**	**
General business credit	6,064	0.7	41	[5]	0	0.0	**	**
Nonrefundable child and other dependent credit	2,718	0.3	**	**	0	0.0	0	0.0
All other tax credits [3]	30,980	3.6	** 4,940	** 4.0	0	0.0	0	0.0
Capital gains taxed at 0%	** 46,466	** 5.4	** 11,313	** 9.2	**	**	**	**
Section 965 future installments	**	**	**	**	**	**	**	**
Disaster loss deduction	0	0.0	0	0.0	0	0.0	0	0.0
Qualified business income deduction	72,802	8.4	7,485	6.1	** 162	** 12.0	** 101	** 86.8
Section 199A deduction	**	**	**	**	**	**	**	**
Foreign-earned income exclusion [4]	** 380	** [5]	0	0.0	0	0.0	0	0.0
AMT tax preference [4]	404	[5]	**	**	0	0.0	0	0.0
Nontaxable Social Security benefits [4]	13,565	1.6	7,818	6.4	0	0.0	0	0.0
No second largest item	2,994	0.3	** 46	** [5]	**	**	**	**

Footnotes at end of table.

Table 8. Individual Income Tax Returns With and Without Worldwide Income Tax Liability and With Income of $200,000 or More Under Alternative Concepts: Number and Percentage of Returns Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2021—Continued

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Item with the largest tax effect—continued							
	General business credit		Nonrefundable child and other dependent credit		All other tax credits [3]		Capital gains taxed at 0%	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
RETURNS WITH WORLDWIDE INCOME TAX								
Returns with adjusted gross income of $200,000 or more								
Total	**80,519**	**0.9**	**451,034**	**4.8**	**2,328,515**	**24.8**	**** 320,568**	**** 3.4**
Interest paid deduction [1]	8,130	10.1	** 38,739	** 8.6	444,809	19.1	** 29,400	** 9.2
Investment interest expense deduction [1, 2]	951	1.2	**	**	1,077	[5]	** 5,086	** 1.6
Taxes paid deduction [1]	1,554	1.9	1,892	0.4	20,758	0.9	** 11,102	** 3.5
Charitable contributions deduction	4,808	6.0	1,133	0.3	23,212	1.0	** 27,706	** 8.6
Medical and dental expense deduction [1]	** 12	** [5]	** 0	** 0.0	** 2,551	** 0.1	** 7,368	** 2.3
Net casualty or theft loss deduction	**	**	**	**	**	**	**	**
Total miscellaneous deductions [1]	115	0.1	0	0.0	1,089	[5]	** 2,104	** 0.7
General business credit	0	0.0	446	0.1	6,113	0.3	** 3,399	** 1.1
Nonrefundable child and other dependent credit	694	0.9	0	0.0	274,095	11.8	** 7,502	** 2.3
All other tax credits [3]	5,585	6.9	35,950	8.0	0	0.0	** 21,530	** 6.7
Capital gains taxed at 0%	** 1,693	** 2.1	** 908	** 0.2	** 6,097	** 0.3	** 0	** 0.0
Section 965 future installments	**	**	**	**	**	**	**	**
Disaster loss deduction	**	**	0	0.0	0	0.0	**	**
Qualified business income deduction	** 46,040	** 57.2	81,316	18.0	458,656	19.7	** 98,769	** 30.8
Section 199A deduction	**	**	**	**	**	**	**	**
No second largest item	** 10,936	** 13.6	** 290,651	** 64.4	** 1,090,059	** 46.8	** 106,601	** 33.3
Returns with expanded income of $200,000 or more								
Total	**74,525**	**0.7**	**420,273**	**4.1**	**2,288,926**	**22.4**	**** 302,344**	**** 3.0**
Interest paid deduction [1]	7,584	10.2	37,788	9.0	436,173	19.1	** 22,456	** 7.4
Tax-exempt interest [4]	3,935	5.3	21,966	5.2	99,573	4.4	** 49,089	** 16.2
Taxes paid deduction [1]	1,137	1.5	1,263	0.3	19,045	0.8	** 6,191	** 2.0
Charitable contributions deduction	4,836	6.5	1,063	0.3	22,547	1.0	** 24,336	** 8.0
Medical and dental expense deduction [1]	** 12	** [5]	0	0.0	** 2,511	** 0.1	** 5,606	** 1.9
Net casualty or theft loss deduction	**	**	**	**	**	**	**	**
Total miscellaneous deductions [1]	**	**	**	**	**	**	**	**
General business credit	0	0.0	446	0.1	5,391	0.2	** 2,722	** 0.9
Nonrefundable child and other dependent credit	683	0.9	0	0.0	266,267	11.6	** 5,089	** 1.7
All other tax credits [3]	5,037	6.8	32,905	7.8	0	0.0	** 18,342	** 6.1
Capital gains taxed at 0%	** 1,648	** 2.2	** 908	** 0.2	** 5,553	** 0.2	** 0	** 0.0
Section 965 future installments	**	**	**	**	**	**	**	**
Disaster loss deduction	0	0.0	0	0.0	0	0.0	**	**
Qualified business income deduction	39,299	52.7	57,884	13.8	388,406	17.0	** 26,634	** 8.8
Section 199A deduction	**	**	**	**	**	**	**	**
Foreign-earned income exclusion [4]	** 17	** [5]	**	**	** 65	** [5]	** 659	** 0.2
AMT tax preference [4]	23	[5]	0	0.0	661	[5]	** 77	** [5]
Nontaxable Social Security benefits [4]	2,569	3.4	** 6,733	** 1.6	30,423	1.3	** 104,743	** 34.6
No second largest item	7,744	10.4	259,318	61.7	1,012,313	44.2	** 36,399	** 12.0

Footnotes at end of table.

Table 8. Individual Income Tax Returns With and Without Worldwide Income Tax Liability and With Income of $200,000 or More Under Alternative Concepts: Number and Percentage of Returns Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2021—Continued
[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Item with the largest tax effect—continued							
	Section 965 future installments		Disaster loss deduction		Qualified business income deduction		Section 199A deduction	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)
RETURNS WITH WORLDWIDE INCOME TAX								
Returns with adjusted gross income of $200,000 or more								
Total	**	**	**2,818**	**[5]**	**** 2,999,364**	**** 32.0**	**	**
Interest paid deduction [1]	**	**	0	0.0	** 384,201	** 12.8	**	**
Investment interest expense deduction [1, 2]	**	**	0	0.0	** 15,987	** 0.5	**	**
Taxes paid deduction [1]	**	**	0	0.0	** 67,075	** 2.2	**	**
Charitable contributions deduction	**	**	0	0.0	** 143,983	** 4.8	**	**
Medical and dental expense deduction [1]	**	**	** 0	** 0.0	** 4,498	** 0.1	**	**
Net casualty or theft loss deduction	**	**	**	**	**	**	**	**
Total miscellaneous deductions [1]	**	**	0	0.0	** 7,489	** 0.2	**	**
General business credit	**	**	** 4	** 0.1	** 77,335	** 2.6	**	**
Nonrefundable child and other dependent credit	**	**	**	**	** 92,949	** 3.1	**	**
All other tax credits [3]	**	**	1,073	38.1	** 339,308	** 11.3	**	**
Capital gains taxed at 0%	**	**	**	**	** 5,514	** 0.2	**	**
Section 965 future installments	**	**	**	**	**	**	**	**
Disaster loss deduction	**	**	0	0.0	** 198	** [5]	**	**
Qualified business income deduction	**	**	** 224	** 7.9	** 0	** 0.0	**	**
Section 199A deduction	**	**	**	**	**	**	**	**
No second largest item	**	**	** 1,518	** 53.9	** 1,860,829	** 62.0	**	**
Returns with expanded income of $200,000 or more								
Total	**	**	**2,789**	**[5]**	**** 2,222,391**	**** 21.8**	**	**
Interest paid deduction [1]	**	**	0	0.0	** 286,812	** 12.9	**	**
Tax-exempt interest [4]	**	**	** 18	** 0.7	** 173,419	** 7.8	**	**
Taxes paid deduction [1]	**	**	0	0.0	** 47,400	** 2.1	**	**
Charitable contributions deduction	**	**	0	0.0	** 136,622	** 6.1	**	**
Medical and dental expense deduction [1]	**	**	0	0.0	** 4,489	** 0.2	**	**
Net casualty or theft loss deduction	**	**	**	**	**	**	**	**
Total miscellaneous deductions [1]	**	**	**	**	**	**	**	**
General business credit	**	**	**	**	** 63,443	** 2.9	**	**
Nonrefundable child and other dependent credit	**	**	**	**	** 86,532	** 3.9	**	**
All other tax credits [3]	**	**	** 1,065	** 38.2	** 328,827	** 14.8	**	**
Capital gains taxed at 0%	**	**	**	**	** 3,016	** 0.1	**	**
Section 965 future installments	**	**	**	**	**	**	**	**
Disaster loss deduction	**	**	0	0.0	** 58	** [5]	**	**
Qualified business income deduction	**	**	** 159	** 5.7	** 0	** 0.0	**	**
Section 199A deduction	**	**	**	**	**	**	**	**
Foreign-earned income exclusion [4]	**	**	0	0.0	** 422	** [5]	**	**
AMT tax preference [4]	**	**	0	0.0	** 525	** [5]	**	**
Nontaxable Social Security benefits [4]	**	**	777	27.9	** 252,377	** 11.4	**	**
No second largest item	**	**	768	27.6	** 838,448	** 37.7	**	**

Footnotes at end of table.

Table 8. Individual Income Tax Returns With and Without Worldwide Income Tax Liability and With Income of $200,000 or More Under Alternative Concepts: Number and Percentage of Returns Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2021—Continued
[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Item with the largest tax effect—continued							
	Foreign-earned income exclusion [4]		Tax-exempt interest [4]		AMT tax preference [4]		Nontaxable Social Security benefits [4]	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(33)	(34)	(35)	(36)	(37)	(38)	(39)	(40)
RETURNS WITH WORLDWIDE INCOME TAX								
Returns with adjusted gross income of $200,000 or more								
Total	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**
Interest paid deduction [1]	0	0.0	0	0.0	0	0.0	0	0.0
Investment interest expense deduction [1, 2]	0	0.0	0	0.0	0	0.0	0	0.0
Taxes paid deduction [1]	0	0.0	0	0.0	0	0.0	0	0.0
Charitable contributions deduction	0	0.0	0	0.0	0	0.0	0	0.0
Medical and dental expense deduction [1]	0	0.0	0	0.0	0	0.0	0	0.0
Net casualty or theft loss deduction	0	0.0	0	0.0	0	0.0	0	0.0
Total miscellaneous deductions [1]	0	0.0	0	0.0	0	0.0	0	0.0
General business credit	0	0.0	0	0.0	0	0.0	0	0.0
Nonrefundable child and other dependent credit	0	0.0	0	0.0	0	0.0	0	0.0
All other tax credits [3]	0	0.0	0	0.0	0	0.0	0	0.0
Capital gains taxed at 0%	0	0.0	0	0.0	0	0.0	0	0.0
Section 965 future installments	0	0.0	0	0.0	0	0.0	0	0.0
Disaster loss deduction	0	0.0	0	0.0	0	0.0	0	0.0
Qualified business income deduction	0	0.0	0	0.0	0	0.0	0	0.0
Section 199A deduction	0	0.0	0	0.0	0	0.0	0	0.0
No second largest item	0	0.0	0	0.0	0	0.0	0	0.0
Returns with expanded income of $200,000 or more								
Total	**64,587**	**0.6**	**868,282**	**8.5**	**32,489**	**0.3**	**1,106,481**	**10.8**
Interest paid deduction [1]	**	**	50,767	5.8	9,190	28.3	79,295	7.2
Tax-exempt interest [4]	** 8,088	** 12.5	0	0.0	4,151	12.8	235,282	21.3
Taxes paid deduction [1]	730	1.1	24,973	2.9	356	1.1	35,395	3.2
Charitable contributions deduction	** 1,692	** 2.6	37,221	4.3	1,210	3.7	** 2,304	** 0.2
Medical and dental expense deduction [1]	**	**	** 4,479	** 0.5	0	0.0	**	**
Net casualty or theft loss deduction	**	**	**	**	**	**	**	**
Total miscellaneous deductions [1]	**	**	**	**	**	**	**	**
General business credit	157	0.2	5,528	0.6	33	0.1	1,449	0.1
Nonrefundable child and other dependent credit	7,693	11.9	10,988	1.3	2,299	7.1	20,798	1.9
All other tax credits [3]	3,332	5.2	23,024	2.7	4,218	13.0	23,311	2.1
Capital gains taxed at 0%	** 5,518	** 8.5	** 29,717	** 3.4	** 33	** 0.1	** 8,745	** 0.8
Section 965 future installments	**	**	**	**	**	**	**	**
Disaster loss deduction	**	**	**	**	0	0.0	0	0.0
Qualified business income deduction	** 9,430	** 14.6	** 324,789	** 37.4	5,038	15.5	261,382	23.6
Section 199A deduction	**	**	**	**	**	**	**	**
Foreign-earned income exclusion [4]	0	0.0	** 182	** [5]	** 14	** [5]	** 99	** [5]
AMT tax preference [4]	8	[5]	450	0.1	0	0.0	**	**
Nontaxable Social Security benefits [4]	1,502	2.3	216,360	24.9	319	1.0	0	0.0
No second largest item	26,436	40.9	139,805	16.1	5,629	17.3	** 438,421	** 39.6

Footnotes at end of table.

Table 8. Individual Income Tax Returns With and Without Worldwide Income Tax Liability and With Income of $200,000 or More Under Alternative Concepts: Number and Percentage of Returns Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2021—Continued

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Total		Item with the largest tax effect: Interest paid deduction [1]		Investment interest expense deduction [1, 2]		Taxes paid deduction [1]	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
RETURNS WITHOUT WORLDWIDE INCOME TAX								
Returns with adjusted gross income of $200,000 or more								
Total	**8,870**	**100.0**	**373**	**4.2**	**413**	**4.7**	**13**	**0.1**
Interest paid deduction	717	8.1	0	0.0	39	9.5	** 3	** 23.0
Investment interest expense deduction [2]	133	1.5	4	1.1	0	0.0	**	**
Taxes paid deduction	2,064	23.3	331	88.7	65	15.7	0	0.0
Charitable contributions deduction	768	8.7	11	2.9	239	57.9	** 4	** 30.7
Medical and dental expense deduction	169	1.9	3	0.8	11	2.7	**	**
Net casualty or theft loss deduction	7	0.1	0	0.0	0	0.0	**	**
Total miscellaneous deductions	1,085	12.2	** 6	** 1.6	9	2.2	** 6	** 46.4
General business credit	130	1.5	**	**	5	1.2	0	0.0
Nonrefundable child and other dependent credit	76	0.9	**	**	**	**	0	0.0
All other tax credits [3]	672	7.6	** 7	** 1.9	** 8	** 1.9	0	0.0
Capital gains taxed at 0%	944	10.6	** 11	** 2.9	** 37	** 8.9	0	0.0
Section 965 future installments	0	0.0	0	0.0	0	0.0	0	0.0
Disaster loss deduction	0	0.0	0	0.0	0	0.0	0	0.0
Qualified business income deduction	1,750	19.7	0	0.0	0	0.0	0	0.0
Section 199A deduction	0	0.0	0	0.0	0	0.0	0	0.0
No second largest item	356	4.0	**	**	**	**	0	0.0
Returns with expanded income of $200,000 or more								
Total	**9,861**	**100.0**	**377**	**3.8**	**0**	**0.0**	**21**	**0.2**
Interest paid deduction	531	5.4	0	0.0	0	0.0	**	**
Tax-exempt interest [4]	815	8.3	**	**	0	0.0	** 4	** 19.0
Taxes paid deduction	1,379	14.0	** 335	** 88.9	0	0.0	0	0.0
Charitable contributions deduction	791	8.0	13	3.4	0	0.0	** 5	** 23.8
Medical and dental expense deduction	533	5.4	4	1.1	0	0.0	**	**
Net casualty or theft loss deduction	**	**	**	**	0	0.0	**	**
Total miscellaneous deductions	**	**	**	**	0	0.0	**	**
General business credit	** 142	** 1.4	** 4	** 1.1	0	0.0	** 0	** 0.0
Nonrefundable child and other dependent credit	255	2.6	**	**	0	0.0	0	0.0
All other tax credits [3]	632	6.4	5	1.3	0	0.0	0	0.0
Capital gains taxed at 0%	1,404	14.2	12	3.2	0	0.0	**	**
Section 965 future installments	0	0.0	0	0.0	0	0.0	0	0.0
Disaster loss deduction	0	0.0	0	0.0	0	0.0	0	0.0
Qualified business income deduction	1,767	17.9	0	0.0	0	0.0	0	0.0
Section 199A deduction	0	0.0	0	0.0	0	0.0	0	0.0
Foreign-earned income exclusion [4]	15	0.2	0	0.0	0	0.0	**	**
AMT tax preference [4]	**	**	**	**	0	0.0	**	**
Nontaxable Social Security benefits [4]	** 462	** 4.7	** 4	** 1.1	0	0.0	** 12	** 57.1
No second largest item	1,134	11.5	**	**	0	0.0	0	0.0

Footnotes at end of table.

Table 8. Individual Income Tax Returns With and Without Worldwide Income Tax Liability and With Income of $200,000 or More Under Alternative Concepts: Number and Percentage of Returns Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2021—Continued

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Item with the largest tax effect—continued							
	Charitable contributions deduction		Medical and dental expense deduction [1]		Net casualty or theft loss deduction		Total miscellaneous deductions [1]	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
RETURNS WITHOUT WORLDWIDE INCOME TAX								
Returns with adjusted gross income of $200,000 or more								
Total	**1,742**	**19.6**	**1,943**	**21.9**	**48**	**0.5**	**1,672**	**18.8**
Interest paid deduction	179	10.3	80	4.1	** 12	** 25.0	274	16.4
Investment interest expense deduction [2]	85	4.9	14	0.7	**	**	10	0.6
Taxes paid deduction	501	28.7	359	18.5	15	31.3	782	46.8
Charitable contributions deduction	0	0.0	169	8.7	** 8	** 16.7	** 234	** 14.0
Medical and dental expense deduction	85	4.9	0	0.0	**	**	**	**
Net casualty or theft loss deduction	0	0.0	**	**	0	0.0	4	0.2
Total miscellaneous deductions	27	1.5	** 1,024	** 52.7	**	**	0	0.0
General business credit	54	3.1	**	**	0	0.0	13	0.8
Nonrefundable child and other dependent credit	26	1.5	3	0.2	** 3	** 6.3	15	0.9
All other tax credits [3]	386	22.2	**	**	**	**	151	9.0
Capital gains taxed at 0%	385	22.1	** 286	** 14.7	** 10	** 20.8	34	2.0
Section 965 future installments	0	0.0	0	0.0	0	0.0	0	0.0
Disaster loss deduction	0	0.0	0	0.0	0	0.0	0	0.0
Qualified business income deduction	9	0.5	** 8	** 0.4	0	0.0	0	0.0
Section 199A deduction	0	0.0	0	0.0	0	0.0	0	0.0
No second largest item	5	0.3	**	**	**	**	154	9.2
Returns with expanded income of $200,000 or more								
Total	**1,935**	**19.6**	**1,689**	**17.1**	**53**	**0.5**	**0**	**0.0**
Interest paid deduction	192	9.9	87	5.2	10	18.9	0	0.0
Tax-exempt interest [4]	226	11.7	477	28.2	**	**	0	0.0
Taxes paid deduction	474	24.5	357	21.1	** 20	** 37.7	0	0.0
Charitable contributions deduction	0	0.0	177	10.5	** 11	** 20.8	0	0.0
Medical and dental expense deduction	104	5.4	0	0.0	**	**	0	0.0
Net casualty or theft loss deduction	**	**	**	**	**	**	0	0.0
Total miscellaneous deductions	**	**	**	**	**	**	0	0.0
General business credit	** 58	** 3.0	** 4	** 0.2	** 0	** 0.0	0	0.0
Nonrefundable child and other dependent credit	26	1.4	**	**	**	**	0	0.0
All other tax credits [3]	384	19.9	**	**	**	**	0	0.0
Capital gains taxed at 0%	404	20.9	** 414	** 24.5	** 7	** 13.2	0	0.0
Section 965 future installments	0	0.0	0	0.0	0	0.0	0	0.0
Disaster loss deduction	0	0.0	0	0.0	0	0.0	0	0.0
Qualified business income deduction	9	0.5	**	**	0	0.0	0	0.0
Section 199A deduction	0	0.0	0	0.0	0	0.0	0	0.0
Foreign-earned income exclusion [4]	3	0.2	**	**	0	0.0	0	0.0
AMT tax preference [4]	**	**	**	**	**	**	0	0.0
Nontaxable Social Security benefits [4]	** 48	** 2.5	** 173	** 10.2	** 0	** 0.0	0	0.0
No second largest item	5	0.3	**	**	5	9.4	0	0.0

Footnotes at end of table.

Table 8. Individual Income Tax Returns With and Without Worldwide Income Tax Liability and With Income of $200,000 or More Under Alternative Concepts: Number and Percentage of Returns Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2021—Continued

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Item with the largest tax effect—continued							
	General business credit		Nonrefundable child and other dependent credit		All other tax credits [3]		Capital gains taxed at 0%	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
RETURNS WITHOUT WORLDWIDE INCOME TAX								
Returns with adjusted gross income of $200,000 or more								
Total	**** 805**	**** 9.1**	******	******	**1,518**	**17.1**	**171**	**1.9**
Interest paid deduction	** 36	** 4.4	**	**	79	5.2	3	1.8
Investment interest expense deduction [2]	** 3	** 0.4	**	**	6	0.4	7	4.1
Taxes paid deduction	** 3	** 0.4	**	**	3	0.2	**	**
Charitable contributions deduction	** 59	** 7.3	**	**	51	3.4	** 22	** 12.9
Medical and dental expense deduction	** 7	** 0.9	**	**	10	0.7	13	7.6
Net casualty or theft loss deduction	** 0	** 0.0	**	**	0	0.0	0	0.0
Total miscellaneous deductions	**	**	**	**	9	0.6	4	2.3
General business credit	** 0	** 0.0	**	**	11	0.7	38	22.2
Nonrefundable child and other dependent credit	** 10	** 1.2	**	**	23	1.5	0	0.0
All other tax credits [3]	** 31	** 3.9	**	**	0	0.0	48	28.0
Capital gains taxed at 0%	** 83	** 10.4	**	**	61	4.0	0	0.0
Section 965 future installments	** 0	** 0.0	**	**	0	0.0	0	0.0
Disaster loss deduction	** 0	** 0.0	**	**	0	0.0	0	0.0
Qualified business income deduction	** 573	** 71.2	**	**	1,155	76.1	13	7.6
Section 199A deduction	** 0	** 0.0	**	**	0	0.0	0	0.0
No second largest item	**	**	**	**	109	7.2	23	13.5
Returns with expanded income of $200,000 or more								
Total	**** 820**	**** 8.3**	******	******	**1,534**	**15.6**	**231**	**2.3**
Interest paid deduction	** 36	** 4.4	**	**	76	5.0	**	**
Tax-exempt interest [4]	** 5	** 0.6	**	**	13	0.8	** 41	** 17.9
Taxes paid deduction	**	**	**	**	4	0.3	**	**
Charitable contributions deduction	** 57	** 7.0	**	**	50	3.3	37	16.0
Medical and dental expense deduction	** 6	** 0.7	**	**	10	0.7	22	9.5
Net casualty or theft loss deduction	**	**	**	**	**	**	**	**
Total miscellaneous deductions	**	**	**	**	**	**	**	**
General business credit	** 0	** 0.0	**	**	** 12	** 0.8	** 44	** 19.0
Nonrefundable child and other dependent credit	** 5	** 0.6	**	**	23	1.5	**	**
All other tax credits [3]	** 32	** 3.9	**	**	0	0.0	47	20.2
Capital gains taxed at 0%	** 88	** 10.8	**	**	68	4.4	0	0.0
Section 965 future installments	** 0	** 0.0	**	**	0	0.0	0	0.0
Disaster loss deduction	** 0	** 0.0	**	**	0	0.0	0	0.0
Qualified business income deduction	** 587	** 71.6	**	**	1,156	75.4	**	**
Section 199A deduction	** 0	** 0.0	**	**	0	0.0	0	0.0
Foreign-earned income exclusion [4]	**	**	**	**	**	**	0	0.0
AMT tax preference [4]	**	**	**	**	**	**	**	**
Nontaxable Social Security benefits [4]	** 4	** 0.5	**	**	** 25	** 1.6	** 27	** 11.7
No second largest item	** 0	** 0.0	**	**	96	6.3	13	5.6

Footnotes at end of table.

Table 8. Individual Income Tax Returns With and Without Worldwide Income Tax Liability and With Income of $200,000 or More Under Alternative Concepts: Number and Percentage of Returns Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2021—Continued

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Item with the largest tax effect—continued							
	Section 965 future installments		Disaster loss deduction		Qualified business income deduction		Section 199A deduction	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)
RETURNS WITHOUT WORLDWIDE INCOME TAX								
Returns with adjusted gross income of $200,000 or more								
Total	**0**	**0.0**	**25**	**0.3**	**147**	**1.7**	**0**	**0.0**
Interest paid deduction	0	0.0	0	0.0	** 15	** 10.2	0	0.0
Investment interest expense deduction [2]	0	0.0	0	0.0	**	**	0	0.0
Taxes paid deduction	0	0.0	0	0.0	**	**	0	0.0
Charitable contributions deduction	0	0.0	0	0.0	** 11	** 7.5	0	0.0
Medical and dental expense deduction	0	0.0	0	0.0	4	2.7	0	0.0
Net casualty or theft loss deduction	0	0.0	0	0.0	0	0.0	0	0.0
Total miscellaneous deductions	0	0.0	0	0.0	0	0.0	0	0.0
General business credit	0	0.0	0	0.0	4	2.7	0	0.0
Nonrefundable child and other dependent credit	0	0.0	0	0.0	**	**	0	0.0
All other tax credits [3]	0	0.0	0	0.0	** 30	** 20.3	0	0.0
Capital gains taxed at 0%	0	0.0	3	12.0	55	37.6	0	0.0
Section 965 future installments	0	0.0	0	0.0	0	0.0	0	0.0
Disaster loss deduction	0	0.0	0	0.0	0	0.0	0	0.0
Qualified business income deduction	0	0.0	0	0.0	0	0.0	0	0.0
Section 199A deduction	0	0.0	0	0.0	0	0.0	0	0.0
No second largest item	0	0.0	22	88.0	28	19.0	0	0.0
Returns with expanded income of $200,000 or more								
Total	**0**	**0.0**	**25**	**0.3**	**147**	**1.5**	**0**	**0.0**
Interest paid deduction	0	0.0	0	0.0	13	8.8	0	0.0
Tax-exempt interest [4]	0	0.0	0	0.0	** 7	** 4.8	0	0.0
Taxes paid deduction	0	0.0	0	0.0	**	**	0	0.0
Charitable contributions deduction	0	0.0	0	0.0	7	4.8	0	0.0
Medical and dental expense deduction	0	0.0	0	0.0	4	2.7	0	0.0
Net casualty or theft loss deduction	0	0.0	**	**	**	**	0	0.0
Total miscellaneous deductions	0	0.0	**	**	**	**	0	0.0
General business credit	0	0.0	** 0	** 0.0	** 5	** 3.4	0	0.0
Nonrefundable child and other dependent credit	0	0.0	0	0.0	**	**	0	0.0
All other tax credits [3]	0	0.0	0	0.0	29	19.6	0	0.0
Capital gains taxed at 0%	0	0.0	**	**	54	36.9	0	0.0
Section 965 future installments	0	0.0	0	0.0	0	0.0	0	0.0
Disaster loss deduction	0	0.0	0	0.0	0	0.0	0	0.0
Qualified business income deduction	0	0.0	0	0.0	0	0.0	0	0.0
Section 199A deduction	0	0.0	0	0.0	0	0.0	0	0.0
Foreign-earned income exclusion [4]	0	0.0	0	0.0	0	0.0	0	0.0
AMT tax preference [4]	0	0.0	**	**	**	**	0	0.0
Nontaxable Social Security benefits [4]	0	0.0	** 8	** 32.0	** 12	** 8.2	0	0.0
No second largest item	0	0.0	17	68.0	16	10.9	0	0.0

Footnotes at end of table.

Table 8. Individual Income Tax Returns With and Without Worldwide Income Tax Liability and With Income of $200,000 or More Under Alternative Concepts: Number and Percentage of Returns Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2021—Continued

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Item with the largest tax effect—continued							
	Foreign-earned income exclusion [4]		Tax-exempt interest [4]		AMT tax preference [4]		Nontaxable Social Security benefits [4]	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(33)	(34)	(35)	(36)	(37)	(38)	(39)	(40)
RETURNS WITHOUT WORLDWIDE INCOME TAX								
Returns with adjusted gross income of $200,000 or more								
Total	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**
Interest paid deduction	0	0.0	0	0.0	0	0.0	0	0.0
Investment interest expense deduction [2]	0	0.0	0	0.0	0	0.0	0	0.0
Taxes paid deduction	0	0.0	0	0.0	0	0.0	0	0.0
Charitable contributions deduction	0	0.0	0	0.0	0	0.0	0	0.0
Medical and dental expense deduction	0	0.0	0	0.0	0	0.0	0	0.0
Net casualty or theft loss deduction	0	0.0	0	0.0	0	0.0	0	0.0
Total miscellaneous deductions	0	0.0	0	0.0	0	0.0	0	0.0
General business credit	0	0.0	0	0.0	0	0.0	0	0.0
Nonrefundable child and other dependent credit	0	0.0	0	0.0	0	0.0	0	0.0
All other tax credits [3]	0	0.0	0	0.0	0	0.0	0	0.0
Capital gains taxed at 0%	0	0.0	0	0.0	0	0.0	0	0.0
Section 965 future installments	0	0.0	0	0.0	0	0.0	0	0.0
Disaster loss deduction	0	0.0	0	0.0	0	0.0	0	0.0
Qualified business income deduction	0	0.0	0	0.0	0	0.0	0	0.0
Section 199A deduction	0	0.0	0	0.0	0	0.0	0	0.0
No second largest item	0	0.0	0	0.0	0	0.0	0	0.0
Returns with expanded income of $200,000 or more								
Total	**1,258**	**12.8**	**1,757**	**17.8**	**** 15**	**** 0.2**	******	******
Interest paid deduction	6	0.5	105	6.0	** 0	** 0.0	**	**
Tax-exempt interest [4]	49	3.9	0	0.0	**	**	**	**
Taxes paid deduction	71	5.6	114	6.5	** 3	** 20.0	**	**
Charitable contributions deduction	** 9	** 0.7	432	24.6	** 4	** 26.7	**	**
Medical and dental expense deduction	**	**	372	21.2	** 0	** 0.0	**	**
Net casualty or theft loss deduction	**	**	**	**	**	**	**	**
Total miscellaneous deductions	**	**	**	**	**	**	**	**
General business credit	** 0	** 0.0	** 22	** 1.3	** 0	** 0.0	**	**
Nonrefundable child and other dependent credit	190	15.1	**	**	** 0	** 0.0	**	**
All other tax credits [3]	78	6.2	39	2.2	** 0	** 0.0	**	**
Capital gains taxed at 0%	54	4.3	316	18.0	** 5	** 33.3	**	**
Section 965 future installments	0	0.0	0	0.0	** 0	** 0.0	**	**
Disaster loss deduction	0	0.0	0	0.0	** 0	** 0.0	**	**
Qualified business income deduction	**	**	0	0.0	**	**	**	**
Section 199A deduction	0	0.0	0	0.0	** 0	** 0.0	**	**
Foreign-earned income exclusion [4]	0	0.0	**	**	** 0	** 0.0	**	**
AMT tax preference [4]	**	**	**	**	**	**	**	**
Nontaxable Social Security benefits [4]	** 16	** 1.3	** 166	** 9.4	** 3	** 20.0	**	**
No second largest item	786	62.5	191	10.9	**	**	**	**

** Data combined to avoid disclosure of information for specific taxpayers.

[1] For taxable returns only, this does not include any possible effect on AMT.

[2] Investment interest expense deduction only has an effect when using the adjusted gross income concept.

[3] All other tax credits includes the portion of refundable credits that are used to offset income tax before credits. For Tax Year 2021, this included the refundable child tax credit or additional child tax credit and refundable child and dependent care credit.

[4] Tax-exempt interest, foreign-earned income exclusion, AMT tax preference, and nontaxable Social Security benefits only have an effect when using the expanded income concept.

[5] Less than 0.05%.

NOTES: Detail may not add to totals because of rounding. See Appendix A: Income Concepts of this article for a discussion of adjusted gross income and expanded income. See also Appendix B: Tax Concepts for a discussion of worldwide income tax. Starting in 2009, the portion of refundable credits that offset income taxes before credits was factored in to determine tax liability. As a result, data may not be comparable to data in Tax Years 2007 and 2008 published tables. Prior to 2007, the portion of refundable credits used to offset income taxes had no effect.

SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, October 2024.

Table 9. Individual Income Tax Returns Without U.S. Income Tax Liability and With Income of $200,000 or More Under Alternative Concepts: Number of Returns With Itemized Deductions, Credits, and Tax Preferences, by Percentage of Income Reduced, Tax Year 2021
[All figures are estimates based on samples]

Income concept and type of deduction, credit, or tax preference	Total	No deduction, credit, or tax preference	Number of returns on which income was reduced by percentage of income			
			Under 10%	10% under 20%	20% under 30%	30% under 40%
	(1)	(2)	(3)	(4)	(5)	(6)
Adjusted gross income concept						
Total itemized deductions	22,267	13,797	458	804	303	206
Interest paid deduction:						
Total	22,267	17,375	3,257	580	152	66
Investment interest expense deduction per income concept	22,267	20,828	793	105	45	48
Taxes paid deduction	22,267	14,297	7,944	13	3	5
Charitable contributions deduction	22,267	15,415	3,785	541	170	341
Medical and dental expense deduction	22,267	19,444	594	138	73	49
Net casualty or theft loss deduction	22,267	22,211	** 5	0	**	**
Nonlimited miscellaneous deduction	22,267	19,116	371	35	1,022	34
Deduction equivalent of:						
Total credits	22,267	4,034	1,703	304	626	169
Foreign tax credit	22,267	8,717	687	54	170	27
General business credit	22,267	20,846	249	71	84	70
Nonrefundable child and other dependent credit	22,267	18,940	3,214	81	21	5
Tax preferences excluded from adjusted gross income	22,267	19,839	1,990	170	78	56
Nontaxable Social Security benefits	22,267	19,914	2,332	18	3	0
Capital gains taxed at 0%	22,267	19,516	752	602	536	838
Deduction equivalent of Section 965 future installments	22,267	22,267	0	0	0	0
Disaster loss deduction	22,267	22,240	** 3	0	0	0
Qualified business income deduction	22,267	17,044	3,199	1,870	18	13
Section 199A deduction	22,267	22,267	0	0	0	0
Expanded income concept						
Total itemized deductions	29,044	21,077	661	1,415	684	468
Interest paid deduction:						
Total	29,044	25,068	2,894	609	84	21
Investment interest expense deduction per income concept	29,044	27,730	1,132	99	27	12
Taxes paid deduction	29,044	21,356	7,577	24	29	25
Charitable contributions deduction	29,044	22,220	3,159	773	356	317
Medical and dental expense deduction	29,044	25,323	1,346	326	160	125
Net casualty or theft loss deduction	29,044	28,985	** 3	**	** 3	**
Nonlimited miscellaneous deduction	29,044	28,577	421	21	** 11	**
Deduction equivalent of:						
Total credits	29,044	5,853	982	650	912	640
Foreign tax credit	29,044	9,533	1,195	363	510	499
General business credit	29,044	27,653	158	90	101	74
Nonrefundable child and other dependent credit	29,044	24,547	4,073	381	29	7
Tax preferences excluded from adjusted gross income	29,044	23,547	2,500	435	348	252
Nontaxable Social Security benefits	29,044	24,708	4,274	54	** 9	0
Capital gains taxed at 0%	29,044	23,728	2,300	1,121	892	974
Deduction equivalent of Section 965 future installments	29,044	29,044	0	0	0	0
Disaster loss deduction	29,044	29,017	** 3	0	0	0
Qualified business income deduction	29,044	22,865	4,116	1,907	18	14
Section 199A deduction	29,044	29,044	0	0	0	0

Footnotes at end of table.

Table 9. Individual Income Tax Returns Without U.S. Income Tax Liability and With Income of $200,000 or More Under Alternative Concepts: Number of Returns With Itemized Deductions, Credits, and Tax Preferences, by Percentage of Income Reduced, Tax Year 2021—Continued

[All figures are estimates based on samples]

Income concept and type of deduction, credit, or tax preference	Number of returns on which income was reduced by percentage of income—continued				
	40% under 50%	50% under 60%	60% under 70%	70% under 100%	100% or more
	(7)	(8)	(9)	(10)	(11)
Adjusted gross income concept					
Total itemized deductions	182	162	798	2,943	2,613
Interest paid deduction:					
Total	178	39	47	440	133
Investment interest expense deduction per income concept	165	47	28	108	99
Taxes paid deduction	** 5	0	**	**	0
Charitable contributions deduction	154	593	515	359	394
Medical and dental expense deduction	41	79	1,151	415	283
Net casualty or theft loss deduction	** 5	**	**	19	27
Nonlimited miscellaneous deduction	18	25	131	459	1,056
Deduction equivalent of:					
Total credits	236	560	1,565	11,229	1,840
Foreign tax credit	40	161	178	10,401	1,831
General business credit	114	285	459	86	4
Nonrefundable child and other dependent credit	** 6	**	0	0	0
Tax preferences excluded from adjusted gross income	29	12	18	26	50
Nontaxable Social Security benefits	0	0	0	0	0
Capital gains taxed at 0%	23	0	0	0	0
Deduction equivalent of Section 965 future installments	0	0	0	0	0
Disaster loss deduction	0	**	0	10	14
Qualified business income deduction	30	17	16	60	0
Section 199A deduction	0	0	0	0	0
Expanded income concept					
Total itemized deductions	353	419	977	1,897	1,092
Interest paid deduction:					
Total	5	5	6	327	26
Investment interest expense deduction per income concept	6	7	10	6	15
Taxes paid deduction	19	6	4	** 4	**
Charitable contributions deduction	314	698	391	549	267
Medical and dental expense deduction	126	197	270	735	437
Net casualty or theft loss deduction	** 4	**	3	18	28
Nonlimited miscellaneous deduction	** 6	**	** 5	**	3
Deduction equivalent of:					
Total credits	810	2,103	3,274	13,735	84
Foreign tax credit	584	1,652	1,738	12,895	77
General business credit	123	282	475	84	5
Nonrefundable child and other dependent credit	4	3	0	0	0
Tax preferences excluded from adjusted gross income	253	280	237	951	241
Nontaxable Social Security benefits	**	0	0	0	0
Capital gains taxed at 0%	30	0	0	0	0
Deduction equivalent of Section 965 future installments	0	0	0	0	0
Disaster loss deduction	**	0	0	10	14
Qualified business income deduction	30	17	17	59	0
Section 199A deduction	0	0	0	0	0

** Data combined to avoid disclosure of information for specific taxpayers.

NOTES: Detail may not add to totals because of rounding. See Appendix A: Income Concepts of this article for a discussion of adjusted gross income and expanded income. See also Appendix B: Tax Concepts for a discussion of U.S. income tax. Starting in 2009, the portion of refundable credits that offset income taxes before credits was factored in to determine tax liability. As a result, data may not be comparable to data in Tax Years 2007 and 2008 published tables. Prior to 2007, the portion of refundable credits used to offset income taxes had no effect.

SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, October 2024.

Table 10. Individual Income Tax Returns Without Worldwide Income Tax Liability and With Income of $200,000 or More Under Alternative Concepts: Number of Returns With Itemized Deductions, Credits, and Tax Preferences, by Percentage of Income Reduced, Tax Year 2021
[All figures are estimates based on samples]

Income concept and type of deduction, credit, or tax preference	Total	No deduction, credit, or tax preference	Number of returns on which income was reduced by percentage of income: Under 10%	10% under 20%	20% under 30%	30% under 40%
	(1)	(2)	(3)	(4)	(5)	(6)
Adjusted gross income concept						
Total itemized deductions	8,870	1,904	24	362	176	114
Interest paid deduction:						
Total	8,870	5,180	2,284	427	112	53
Investment interest expense deduction per income concept	8,870	7,739	558	72	34	40
Taxes paid deduction	8,870	2,160	6,689	12	** 4	**
Charitable contributions deduction	8,870	3,167	3,159	417	106	274
Medical and dental expense deduction	8,870	6,337	368	111	64	44
Net casualty or theft loss deduction	8,870	8,816	** 5	0	0	**
Nonlimited miscellaneous deduction	8,870	5,859	260	24	1,020	32
Deduction equivalent of:						
Total credits	8,870	4,037	1,636	238	433	100
General business credit	8,870	7,678	205	45	56	46
Nonrefundable child and other dependent credit	8,870	8,438	360	46	15	5
Tax preferences excluded from adjusted gross income	8,870	7,553	991	127	56	40
Nontaxable Social Security benefits	8,870	6,952	** 1,917	**	**	0
Capital gains taxed at 0%	8,870	6,828	485	520	436	591
Deduction equivalent of Section 965 future installments	8,870	8,870	0	0	0	0
Disaster loss deduction	8,870	8,845	0	0	0	0
Qualified business income deduction	8,870	6,147	842	1,728	17	12
Section 199A deduction	8,870	8,870	0	0	0	0
Expanded income concept						
Total itemized deductions	9,861	3,631	232	795	498	340
Interest paid deduction:						
Total	9,861	7,120	1,845	442	67	18
Investment interest expense deduction per income concept	9,861	8,867	849	72	24	10
Taxes paid deduction	9,861	3,680	6,078	22	25	24
Charitable contributions deduction	9,861	4,424	2,437	575	255	227
Medical and dental expense deduction	9,861	6,577	1,025	266	143	119
Net casualty or theft loss deduction	9,861	9,804	** 5	0	**	**
Nonlimited miscellaneous deduction	9,861	9,480	339	20	** 10	**
Deduction equivalent of:						
Total credits	9,861	5,984	630	224	455	109
General business credit	9,861	8,768	78	47	68	47
Nonrefundable child and other dependent credit	9,861	9,240	496	91	21	6
Tax preferences excluded from adjusted gross income	9,861	5,920	1,332	336	272	197
Nontaxable Social Security benefits	9,861	6,279	3,570	8	** 4	0
Capital gains taxed at 0%	9,861	6,473	1,215	820	661	678
Deduction equivalent of Section 965 future installments	9,861	9,861	0	0	0	0
Disaster loss deduction	9,861	9,836	0	0	0	0
Qualified business income deduction	9,861	7,126	841	1,742	18	12
Section 199A deduction	9,861	9,861	0	0	0	0

Footnotes at end of table.

Table 10. Individual Income Tax Returns Without Worldwide Income Tax Liability and With Income of $200,000 or More Under Alternative Concepts: Number of Returns With Itemized Deductions, Credits, and Tax Preferences, by Percentage of Income Reduced, Tax Year 2021—Continued

[All figures are estimates based on samples]

Income concept and type of deduction, credit, or tax preference	Number of returns on which income was reduced by percentage of income—continued				
	40% under 50%	50% under 60%	60% under 70%	70% under 100%	100% or more
	(7)	(8)	(9)	(10)	(11)
Adjusted gross income concept					
Total itemized deductions	101	97	732	2,746	2,612
Interest paid deduction:					
Total	175	33	43	430	133
Investment interest expense deduction per income concept	163	41	25	98	99
Taxes paid deduction	** 4	0	**	**	0
Charitable contributions deduction	112	544	344	352	394
Medical and dental expense deduction	34	75	1,143	411	283
Net casualty or theft loss deduction	**	** 3	**	19	27
Nonlimited miscellaneous deduction	15	22	130	452	1,056
Deduction equivalent of:					
Total credits	134	185	1,349	751	6
General business credit	79	248	429	80	4
Nonrefundable child and other dependent credit	** 6	**	0	0	0
Tax preferences excluded from adjusted gross income	20	8	15	22	37
Nontaxable Social Security benefits	0	0	0	0	0
Capital gains taxed at 0%	9	0	0	0	0
Deduction equivalent of Section 965 future installments	0	0	0	0	0
Disaster loss deduction	0	**	0	** 11	14
Qualified business income deduction	30	17	16	60	0
Section 199A deduction	0	0	0	0	0
Expanded income concept					
Total itemized deductions	275	356	913	1,728	1,092
Interest paid deduction:					
Total	5	5	6	327	26
Investment interest expense deduction per income concept	6	7	10	5	11
Taxes paid deduction	18	6	4	** 4	**
Charitable contributions deduction	254	648	236	537	267
Medical and dental expense deduction	116	191	260	727	437
Net casualty or theft loss deduction	** 3	**	3	18	28
Nonlimited miscellaneous deduction	5	0	** 4	**	3
Deduction equivalent of:					
Total credits	139	189	1,370	754	6
General business credit	84	246	441	79	4
Nonrefundable child and other dependent credit	4	3	0	0	0
Tax preferences excluded from adjusted gross income	202	241	199	921	241
Nontaxable Social Security benefits	**	0	0	0	0
Capital gains taxed at 0%	15	0	0	0	0
Deduction equivalent of Section 965 future installments	0	0	0	0	0
Disaster loss deduction	**	0	0	** 11	14
Qualified business income deduction	30	17	17	59	0
Section 199A deduction	0	0	0	0	0

** Data combined to avoid disclosure of information for specific taxpayers.

NOTES: Detail may not add to totals because of rounding. See Appendix A: Income Concepts of this article for a discussion of adjusted gross income and expanded income. See also Appendix B: Tax Concepts for a discussion of worldwide income tax. Starting in 2009, the portion of refundable credits that offset income taxes before credits was factored in to determine tax liability. As a result, data may not be comparable to data in Tax Years 2007 and P2008 published tables. Prior to 2007, the portion of refundable credits used to offset income taxes had no effect.

SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, October 2024.

Table 11. Individual Income Tax Returns With and Without U.S. Income Tax Liability: Number and Percentage of Returns by Effective Tax Rate, and by Size of Income Under Alternative Concepts, Tax Year 2021
[All figures are estimates based on samples]

Tax status, effective tax rate	Adjusted gross income concept					
	Total			Size of adjusted gross income		
				Under $50,000 [1]		
	Number of returns	Percentage of total	Percentage of income subject to preferential tax rates	Number of returns	Percentage of total	Percentage of income subject to preferential tax rates
	(1)	(2)	(3)	(4)	(5)	(6)
All returns	**160,824,340**	**100.0**	**13.2**	**87,929,961**	**100.0**	**0.8**
Returns without U.S. income tax	**56,250,600**	**35.0**	**1.4**	**52,532,750**	**59.7**	**0.7**
Effective tax rate:						
0%	15,486,661	9.6	3.1	15,079,991	17.2	1.7
Under 0% over -10%	15,243,651	9.5	1.4	12,233,181	13.9	0.5
-10% over -20%	10,127,966	6.3	0.3	9,881,701	11.2	0.1
-20% and under	15,392,322	9.6	0.1	15,337,877	17.4	0.1
Returns with U.S. income tax	**104,573,740**	**65.0**	**14.2**	**35,397,211**	**40.3**	**0.8**
Effective tax rate:						
Over 0% under 5%	24,994,377	15.5	4.5	16,428,146	18.7	1.3
5% under 10%	44,222,805	27.5	3.3	18,774,290	21.4	0.3
10% under 15%	22,924,163	14.3	7.9	127,938	0.1	16.5
15% under 20%	8,961,542	5.6	19.6	47,120	0.1	41.7
20% under 25%	2,077,681	1.3	44.6	4,318	[2]	13.3
25% under 30%	1,026,898	0.6	18.3	7,068	[2]	14.4
30% under 35%	318,500	0.2	9.0	** 1,250	** [2]	** 2.6
35% under 40%	33,095	[2]	3.6	**	**	**
40% under 60%	6,167	[2]	9.2	** 559	** [2]	** 0.2
60% under 80%	914	[2]	14.4	**	**	**
80% or more	7,597	[2]	3.4	6,522	[2]	[2]

Footnotes at end of table.

Table 11. Individual Income Tax Returns With and Without U.S. Income Tax Liability: Number and Percentage of Returns by Effective Tax Rate, and by Size of Income Under Alternative Concepts, Tax Year 2021—Continued
[All figures are estimates based on samples]

Tax status, effective tax rate	Adjusted gross income concept—continued					
	Size of adjusted gross income—continued					
	$50,000 under $100,000			$100,000 under $200,000		
	Number of returns	Percentage of total	Percentage of income subject to preferential tax rates	Number of returns	Percentage of total	Percentage of income subject to preferential tax rates
	(7)	(8)	(9)	(10)	(11)	(12)
All returns	**37,311,660**	**100.0**	**2.1**	**24,044,481**	**100.0**	**4.3**
Returns without U.S. income tax	**3,331,732**	**8.9**	**3.2**	**363,851**	**1.5**	**7.5**
Effective tax rate:						
0%	313,093	0.8	13.6	81,188	0.3	12.0
Under 0% over -10%	2,726,724	7.3	2.0	273,878	1.1	6.0
-10% over -20%	237,610	0.6	1.9	** 8,786	** [2]	** 4.2
-20% and under	54,305	0.1	1.1	**	**	**
Returns with U.S. income tax	**33,979,929**	**91.1**	**2.0**	**23,680,629**	**98.5**	**4.3**
Effective tax rate:						
Over 0% under 5%	6,861,725	18.4	3.9	1,597,284	6.6	9.5
5% under 10%	17,032,941	45.7	1.6	8,167,019	34.0	4.7
10% under 15%	10,048,148	26.9	1.3	10,105,890	42.0	4.2
15% under 20%	31,352	0.1	7.8	3,759,174	15.6	2.0
20% under 25%	5,220	[2]	28.7	45,266	0.2	1.2
25% under 30%	101	[2]	1.4	4,748	[2]	6.6
30% under 35%	** 29	** [2]	** 0.0	** 1,032	** [2]	** 11.7
35% under 40%	**	**	**	**	**	**
40% under 60%	57	[2]	19.8	** 202	** [2]	** 6.5
60% under 80%	352	[2]	7.5	**	**	**
80% or more	3	[2]	14.7	12	[2]	8.5

Footnotes at end of table.

Table 11. **Individual Income Tax Returns With and Without U.S. Income Tax Liability: Number and Percentage of Returns by Effective Tax Rate, and by Size of Income Under Alternative Concepts, Tax Year 2021—Continued**
[All figures are estimates based on samples]

Tax status, effective tax rate	Adjusted gross income concept—continued: Size of adjusted gross income—continued: $200,000 or more: Number of returns	Percentage of total	Percentage of income subject to preferential tax rates	Expanded income concept: Total: Number of returns	Percentage of total	Percentage of income subject to preferential tax rates
	(13)	(14)	(15)	(16)	(17)	(18)
All returns	**11,538,238**	**100.0**	**25.6**	**160,824,340**	**100.0**	**13.2**
Returns without U.S. income tax	**22,267**	**0.2**	**7.6**	**56,250,600**	**35.0**	**1.4**
Effective tax rate:						
0%	12,390	0.1	9.0	15,486,661	9.6	3.1
Under 0% over -10%	9,867	0.1	4.9	16,595,511	10.3	1.3
-10% over -20%	** 10	** [2]	** 4.2	9,452,901	5.9	0.3
-20% and under	**	**	**	14,715,527	9.2	0.1
Returns with U.S. income tax	**11,515,971**	**99.8**	**25.6**	**104,573,740**	**65.0**	**14.2**
Effective tax rate:						
Over 0% under 5%	107,222	0.9	18.6	26,450,399	16.4	4.4
5% under 10%	248,555	2.2	32.2	43,225,153	26.9	3.5
10% under 15%	2,642,187	22.9	22.2	22,703,799	14.1	8.1
15% under 20%	5,123,896	44.4	24.2	8,778,009	5.5	19.6
20% under 25%	2,022,877	17.5	44.8	2,056,133	1.3	44.5
25% under 30%	1,014,981	8.8	18.3	1,012,461	0.6	17.8
30% under 35%	316,260	2.7	9.0	310,028	0.2	8.9
35% under 40%	33,024	0.3	3.6	29,907	[2]	3.5
40% under 60%	5,408	[2]	9.3	940	[2]	5.0
60% under 80%	502	[2]	14.5	373	[2]	23.5
80% or more	1,060	[2]	3.5	6,538	[2]	24.3

Footnotes at end of table.

Table 11. **Individual Income Tax Returns With and Without U.S. Income Tax Liability: Number and Percentage of Returns by Effective Tax Rate, and by Size of Income Under Alternative Concepts, Tax Year 2021—Continued**
[All figures are estimates based on samples]

Tax status, effective tax rate	Expanded income concept—continued					
	Size of expanded income					
	Under $50,000 [1]			$50,000 under $100,000		
	Number of returns	Percentage of total	Percentage of income subject to preferential tax rates	Number of returns	Percentage of total	Percentage of income subject to preferential tax rates
	(19)	(20)	(21)	(22)	(23)	(24)
All returns	**84,127,220**	**100.0**	**0.6**	**40,385,493**	**100.0**	**1.9**
Returns without U.S. income tax	**51,194,917**	**60.9**	**0.6**	**4,601,839**	**11.4**	**2.6**
Effective tax rate:						
0%	14,099,737	16.8	1.8	1,237,070	3.1	4.8
Under 0% over -10%	13,247,357	15.7	0.4	3,052,893	7.6	1.9
-10% over -20%	9,191,799	10.9	0.1	252,510	0.6	1.8
-20% and under	14,656,025	17.4	0.1	59,365	0.1	1.2
Returns with U.S. income tax	**32,932,303**	**39.1**	**0.6**	**35,783,654**	**88.6**	**1.8**
Effective tax rate:						
Over 0% under 5%	15,219,624	18.1	1.1	9,377,238	23.2	3.2
5% under 10%	17,517,233	20.8	0.2	16,619,967	41.2	1.5
10% under 15%	136,605	0.2	18.2	9,742,434	24.1	1.1
15% under 20%	39,201	[2]	64.9	39,541	0.1	6.7
20% under 25%	5,178	[2]	14.8	4,020	[2]	55.1
25% under 30%	7,049	[2]	14.9	7	[2]	0.0
30% under 35%	** 1,058	** [2]	** 0.4	** 21	** [2]	** 3.5
35% under 40%	0	0.0	0.0	**	**	**
40% under 60%	**	**	**	** 405	** [2]	** 8.1
60% under 80%	0	0.0	0.0	**	**	**
80% or more	6,355	[2]	1.0	21	[2]	2.2

Footnotes at end of table.

Table 11. **Individual Income Tax Returns With and Without U.S. Income Tax Liability: Number and Percentage of Returns by Effective Tax Rate, and by Size of Income Under Alternative Concepts, Tax Year 2021—Continued**
[All figures are estimates based on samples]

Tax status, effective tax rate	Expanded income concept—continued					
	Size of expanded income—continued					
	$100,000 under $200,000			$200,000 or more		
	Number of returns	Percentage of total	Percentage of income subject to preferential tax rates	Number of returns	Percentage of total	Percentage of income subject to preferential tax rates
	(25)	(26)	(27)	(28)	(29)	(30)
All returns	**24,624,426**	**100.0**	**4.3**	**11,687,201**	**100.0**	**25.5**
Returns without U.S. income tax	**424,800**	**1.7**	**7.3**	**29,044**	**0.2**	**6.7**
Effective tax rate:						
0%	131,496	0.5	10.0	18,358	0.2	7.5
Under 0% over -10%	284,586	1.2	6.0	10,675	0.1	4.8
-10% over -20%	** 8,718	** [2]	** 3.9	** 11	** [2]	** 7.2
-20% and under	**	**	**	**	**	**
Returns with U.S. income tax	**24,199,626**	**98.3**	**4.2**	**11,658,157**	**99.8**	**25.5**
Effective tax rate:						
Over 0% under 5%	1,739,922	7.1	10.3	113,614	1.0	18.1
5% under 10%	8,797,086	35.7	4.6	290,867	2.5	33.1
10% under 15%	9,965,130	40.5	4.0	2,859,630	24.5	22.2
15% under 20%	3,654,565	14.8	1.7	5,044,702	43.2	24.3
20% under 25%	40,305	0.2	0.3	2,006,629	17.2	44.7
25% under 30%	2,533	[2]	14.6	1,002,871	8.6	17.8
30% under 35%	** 21	** [2]	** 19.6	308,984	2.6	8.9
35% under 40%	**	**	**	29,894	0.3	3.5
40% under 60%	** 48	** [2]	** 18.9	755	[2]	5.0
60% under 80%	**	**	**	64	[2]	23.8
80% or more	16	[2]	5.3	147	[2]	33.4

** Data combined to avoid disclosure of information for specific taxpayers.
[1] Includes returns with adjusted gross deficit or with negative expanded income.
[2] Less than 0.05%.
NOTES: Detail may not add to totals because of rounding. See Appendix A: Income Concepts of this article for a discussion of adjusted gross income and expanded income. See also Appendix B: Tax Concepts for a discussion of U.S. income tax. Starting in 2009, the portion of refundable credits that offset income taxes before credits was factored in to determine tax liability. As a result, data may not be comparable to data in Tax Years 2007 and 2008 published tables. Prior to 2007, the portion of refundable credits used to offset income taxes had no effect.
SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, October 2024.

Table 12. **Individual Income Tax Returns With and Without Worldwide Income Tax Liability: Number and Percentage of Returns by Effective Tax Rate, and by Size of Income Under Alternative Concepts, Tax Year 2021**
[All figures are estimates based on samples]

Tax status, effective tax rate	Adjusted gross income concept					
	Total			Size of adjusted gross income		
				Under $50,000 [1]		
	Number of returns	Percentage of total	Percentage of income subject to preferential tax rates	Number of returns	Percentage of total	Percentage of income subject to preferential tax rates
	(1)	(2)	(3)	(4)	(5)	(6)
All returns	**160,824,340**	**100.0**	**13.5**	**87,929,961**	**100.0**	**0.9**
Returns without worldwide income tax	**56,046,023**	**34.8**	**1.5**	**52,446,189**	**59.6**	**0.8**
Effective tax rate:						
0%	15,340,060	9.5	5.5	15,006,201	17.1	3.6
Under 0% over -10%	15,186,901	9.4	1.4	12,221,576	13.9	0.6
-10% over -20%	10,126,746	6.3	0.3	9,880,539	11.2	0.2
-20% and under	15,392,317	9.6	0.1	15,337,873	17.4	0.1
Returns with worldwide income tax	**104,778,317**	**65.2**	**14.4**	**35,483,773**	**40.4**	**0.9**
Effective tax rate:						
Over 0% under 5%	24,965,573	15.5	4.1	16,477,996	18.7	1.6
5% under 10%	44,234,160	27.5	3.1	18,801,153	21.4	0.3
10% under 15%	22,958,422	14.3	7.6	133,398	0.2	18.9
15% under 20%	9,047,561	5.6	19.4	50,407	0.1	49.0
20% under 25%	2,117,638	1.3	45.3	4,320	[2]	14.9
25% under 30%	1,058,529	0.7	19.4	8,062	[2]	12.8
30% under 35%	343,768	0.2	9.4	1,201	[2]	3.5
35% under 40%	37,630	[2]	3.8	0	0.0	0.0
40% under 60%	6,292	[2]	15.5	466	[2]	2.8
60% under 80%	1,037	[2]	23.2	143	[2]	0.3
80% or more	7,707	[2]	13.6	6,627	[2]	0.1

Footnotes at end of table.

Table 12. Individual Income Tax Returns With and Without Worldwide Income Tax Liability: Number and Percentage of Returns by Effective Tax Rate, and by Size of Income Under Alternative Concepts, Tax Year 2021—Continued
[All figures are estimates based on samples]

Tax status, effective tax rate	Adjusted gross income concept—continued					
	Size of adjusted gross income—continued					
	$50,000 under $100,000			$100,000 under $200,000		
	Number of returns	Percentage of total	Percentage of income subject to preferential tax rates	Number of returns	Percentage of total	Percentage of income subject to preferential tax rates
	(7)	(8)	(9)	(10)	(11)	(12)
All returns	**37,311,660**	**100.0**	**2.1**	**24,044,481**	**100.0**	**4.4**
Returns without worldwide income tax	**3,273,071**	**8.8**	**3.1**	**317,894**	**1.3**	**7.7**
Effective tax rate:						
0%	278,693	0.7	14.7	51,168	0.2	15.2
Under 0% over -10%	2,702,514	7.2	2.0	257,948	1.1	6.1
-10% over -20%	237,560	0.6	1.9	** 8,778	** [2]	** 4.2
-20% and under	54,304	0.1	1.1	**	**	**
Returns with worldwide income tax	**34,038,590**	**91.2**	**2.0**	**23,726,587**	**98.7**	**4.3**
Effective tax rate:						
Over 0% under 5%	6,848,924	18.4	3.9	1,581,114	6.6	9.5
5% under 10%	17,060,790	45.7	1.7	8,149,481	33.9	4.7
10% under 15%	10,082,707	27.0	1.3	10,134,339	42.1	4.3
15% under 20%	36,785	0.1	8.5	3,803,010	15.8	2.1
20% under 25%	8,689	[2]	31.5	49,003	0.2	1.5
25% under 30%	189	[2]	2.0	8,203	[2]	5.6
30% under 35%	** 33	** [2]	** 0.1	** 1,204	** [2]	** 17.0
35% under 40%	**	**	**	**	**	**
40% under 60%	106	[2]	13.0	210	[2]	20.2
60% under 80%	364	[2]	10.0	10	[2]	0.7
80% or more	3	[2]	16.6	12	[2]	7.7

Footnotes at end of table.

Table 12. **Individual Income Tax Returns With and Without Worldwide Income Tax Liability: Number and Percentage of Returns by Effective Tax Rate, and by Size of Income Under Alternative Concepts, Tax Year 2021—Continued**
[All figures are estimates based on samples]

Tax status, effective tax rate	Adjusted gross income concept—continued			Expanded income concept		
	Size of adjusted gross income—continued			Total		
	$200,000 or more					
	Number of returns	Percentage of total	Percentage of income subject to preferential tax rates	Number of returns	Percentage of total	Percentage of income subject to preferential tax rates
	(13)	(14)	(15)	(16)	(17)	(18)
All returns	**11,538,238**	**100.0**	**25.6**	**160,824,340**	**100.0**	**13.5**
Returns without worldwide income tax	**8,870**	**0.1**	**4.4**	**56,046,023**	**34.8**	**1.5**
Effective tax rate:						
0%	3,997	[2]	4.5	15,340,060	9.5	5.5
Under 0% over -10%	4,863	[2]	4.2	16,538,539	10.3	1.4
-10% over -20%	** 9	** [2]	** 4.4	9,451,898	5.9	0.3
-20% and under	**	**	**	14,715,526	9.2	0.1
Returns with worldwide income tax	**11,529,368**	**99.9**	**25.7**	**104,778,317**	**65.2**	**14.4**
Effective tax rate:						
Over 0% under 5%	57,540	0.5	8.4	26,425,142	16.4	4.1
5% under 10%	222,736	1.9	30.0	43,252,310	26.9	3.3
10% under 15%	2,607,978	22.6	21.5	22,746,507	14.1	7.8
15% under 20%	5,157,359	44.7	24.1	8,854,116	5.5	19.4
20% under 25%	2,055,626	17.8	45.5	2,090,986	1.3	45.1
25% under 30%	1,042,075	9.0	19.4	1,038,197	0.6	18.9
30% under 35%	341,351	3.0	9.4	329,559	0.2	9.2
35% under 40%	37,608	0.3	3.8	33,525	[2]	3.7
40% under 60%	5,510	[2]	15.5	1,039	[2]	10.7
60% under 80%	521	[2]	23.4	382	[2]	23.9
80% or more	1,065	[2]	14.2	6,556	[2]	4.2

Footnotes at end of table.

Table 12. **Individual Income Tax Returns With and Without Worldwide Income Tax Liability: Number and Percentage of Returns by Effective Tax Rate, and by Size of Income Under Alternative Concepts, Tax Year 2021—Continued**
[All figures are estimates based on samples]

Tax status, effective tax rate	Expanded income concept					
	Size of expanded income					
	Under $50,000 [1]			$50,000 under $100,000		
	Number of returns	Percentage of total	Percentage of income subject to preferential tax rates	Number of returns	Percentage of total	Percentage of income subject to preferential tax rates
	(19)	(20)	(21)	(22)	(23)	(24)
All returns	**84,127,220**	**100.0**	**0.7**	**40,385,493**	**100.0**	**2.0**
Returns without worldwide income tax	**51,125,480**	**60.8**	**0.7**	**4,542,857**	**11.2**	**3.0**
Effective tax rate:						
0%	14,040,687	16.7	3.3	1,200,662	3.0	8.8
Under 0% over -10%	13,237,964	15.7	0.5	3,030,328	7.5	2.0
-10% over -20%	9,190,804	10.9	0.2	252,503	0.6	1.8
-20% and under	14,656,025	17.4	0.1	59,364	0.1	1.2
Returns with worldwide income tax	**33,001,740**	**39.2**	**0.7**	**35,842,636**	**88.8**	**1.9**
Effective tax rate:						
Over 0% under 5%	15,266,386	18.1	1.2	9,372,598	23.2	3.5
5% under 10%	17,537,907	20.8	0.2	16,653,170	41.2	1.6
10% under 15%	137,599	0.2	14.7	9,771,754	24.2	1.1
15% under 20%	39,202	[2]	65.2	40,637	0.1	6.4
20% under 25%	5,178	[2]	14.3	4,023	[2]	52.9
25% under 30%	8,043	[2]	12.9	7	[2]	0.0
30% under 35%	** 1,058	** [2]	** 0.4	** 21	** [2]	** 1.3
35% under 40%	0	0.0	0.0	**	**	**
40% under 60%	**	**	**	** 405	** [2]	** 8.4
60% under 80%	0	0.0	0.0	**	**	**
80% or more	6,368	[2]	0.1	21	[2]	0.2

Footnotes at end of table.

Table 12. **Individual Income Tax Returns With and Without Worldwide Income Tax Liability: Number and Percentage of Returns by Effective Tax Rate, and by Size of Income Under Alternative Concepts, Tax Year 2021—Continued**

[All figures are estimates based on samples]

Tax status, effective tax rate	Expanded income concept—continued					
	Size of expanded income—continued					
	$100,000 under $200,000			$200,000 or more		
	Number of returns	Percentage of total	Percentage of income subject to preferential tax rates	Number of returns	Percentage of total	Percentage of income subject to preferential tax rates
	(25)	(26)	(27)	(28)	(29)	(30)
All returns	**24,624,426**	**100.0**	**4.3**	**11,687,201**	**100.0**	**25.7**
Returns without worldwide income tax	**367,825**	**1.5**	**8.5**	**9,861**	**0.1**	**9.3**
Effective tax rate:						
0%	92,965	0.4	17.0	5,746	[2]	11.2
Under 0% over -10%	266,141	1.1	6.4	4,105	[2]	6.6
-10% over -20%	** 8,718	** [2]	** 3.9	** 10	** [2]	** 8.1
-20% and under	**	**	**	**	**	**
Returns with worldwide income tax	**24,256,602**	**98.5**	**4.3**	**11,677,340**	**99.9**	**25.7**
Effective tax rate:						
Over 0% under 5%	1,730,645	7.0	10.6	55,513	0.5	13.3
5% under 10%	8,793,665	35.7	4.7	267,568	2.3	34.6
10% under 15%	9,997,932	40.6	4.1	2,839,222	24.3	21.7
15% under 20%	3,691,134	15.0	1.7	5,083,142	43.5	24.1
20% under 25%	40,603	0.2	0.9	2,041,182	17.5	45.3
25% under 30%	2,534	[2]	15.4	1,027,612	8.8	18.9
30% under 35%	** 24	** [2]	** 4.5	328,511	2.8	9.2
35% under 40%	**	**	**	33,511	0.3	3.7
40% under 60%	** 48	** [2]	** 6.1	855	[2]	10.6
60% under 80%	**	**	**	71	[2]	24.6
80% or more	16	[2]	0.1	152	[2]	17.0

** Data combined to avoid disclosure of information for specific taxpayers.
[1] Includes returns with adjusted gross deficit or with negative expanded income.
[2] Less than 0.05%.
NOTES: Detail may not add to totals because of rounding. See Appendix A: Income Concepts of this article for a discussion of adjusted gross income and expanded income. See also Appendix B: Tax Concepts for a discussion of worldwide income tax. Starting in 2009, the portion of refundable credits that offset income taxes before credits was factored in to determine tax liability. As a result, data may not be comparable to data in Tax Years 2007 and 2008 published tables. Prior to 2007, the portion of refundable credits used to offset income taxes had no effect.
SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, October 2024.