



CONGRESS OF THE UNITED STATES

JOINT ECONOMIC COMMITTEE

Congressman Jim Saxton
Ranking Republican Member

PRESS RELEASE

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TOP ONE PERCENT OF TAX FILERS PAY HIGHEST SHARE IN DECADES

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WASHINGTON, D.C. – The share of total federal income taxes paid by the top 1 percent of tax filers increased to 39.89 percent in 2006, while the tax share of the top 5 percent climbed to 60.14 percent. The income tax share of the top half rose to 97.01 percent, according to Internal Revenue Service (IRS) data. The tax shares are the highest on record for these groups based on comparable IRS data going back to 1986.

The share of adjusted gross income generated by the top 1 percent has also increased. This share was 22.06 percent in 2006, relative to a level of 20.81 percent reached during the height of the stock market bubble in 2000 (when the income **tax** share of the top 1 percent was 37.42 percent). Congressman Jim Saxton, ranking member of the Joint Economic Committee, made the following remarks on the IRS data:

“The latest IRS data show that the share of the income tax burden borne by the top half of tax filers continues to rise and now stands at 97.01 percent,” Saxton said. “The tax shares of the top 1, 5, and 10 percent of taxpayers ranked by income are the highest in many years. The share of the bottom half of tax filers has fallen to a level of 2.99 percent.

“In examining recent trends in the income share of the top 1 percent, what is most striking is its sharp rise during the 1990s. For example, between **1992 and 2000**, the top 1 percent’s share of income jumped from **14.23 percent to 20.81 percent**, an increase of nearly 7 percentage points, before slipping in 2001 and 2002. These data show that the most significant increases in this income share occurred in the 1990s, not in more recent years,” Saxton concluded.

Percentiles Ranked by AGI	Adjusted Gross Income Threshold on Percentiles	Percentage of Federal Personal Income Tax Paid
Top 1%	\$388,806	39.89%
Top 5 %	\$153,542	60.14%
Top 10%	\$108,904	70.79%
Top 25%	\$64,702	86.27%
Top 50%	\$31,987	97.01%
Bottom 50%	< \$31,987	2.99%

Source: IRS (Tax Year 2006)