

PART 14

INDIVIDUAL INCOME TAX DATA

PREPARED BY THE
STAFFS OF THE TREASURY AND THE
JOINT COMMITTEE ON INTERNAL
REVENUE TAXATION

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TABLE 1.—Individual income taxes of the United States, 1913 to 1950

RATES, EXEMPTIONS, AND CREDITS

Description	Taxes in effect Dec. 31, 1913	Act of Oct. 22, 1914	Revenue Act of 1916 (Sept. 8, 1916)	Act of Mar. 3, 1917	Revenue Act of 1917 (Oct. 3, 1917)	Revenue Act of 1918 (Feb. 24, 1919)	Revenue Act of 1921	Revenue Act of 1924	Revenue Act of 1926
Personal exemptions:									
Married or head of family ¹	\$4,000.....	No change..	No change ¹	No change..	\$2,000.....	No change.....	\$2,500 ²	\$2,500.....	\$3,500.
Single.....	\$3,000.....	No change..	No change.....	No change..	\$1,000.....	No change.....	No change.....	No change.....	\$1,500.
Credit for dependents.....					\$200.....	No change.....	\$400.....	No change.....	No change.
Normal tax rate:									
1st. \$2,000 of net income in excess of certain credits.....	1%.....	No change..	2%.....	No change..	No change.....	6% ³	4% ⁴	2%.....	1½%.
2d \$2,000 of net income in excess of certain credits.....	1%.....	No change..	2%.....	No change..	4%.....	6% ³	4% ⁴	2%.....	1½%.
Next \$4,000 of net income in excess of certain credits.....	1%.....	No change..	2%.....	No change..	4%.....	12% ³	8% ⁴	4%.....	3%.
Over \$8,000 of net income in excess of certain credits.....	1%.....	No change..	2%.....	No change..	4%.....	12% ³	8% ⁴	6%.....	5%.
Surtax:									
Minimum rate.....	1%.....	No change..	No change.....	No change..	No change.....	No change.....	No change ⁴	1%.....	No change.
Maximum rate.....	6%.....	No change..	13%.....	No change..	63%.....	65%.....	50% ⁴	40%.....	20%.
Minimum rate applies to portion of surtax net income.....	\$20,000-\$50,000..	No change..	\$20,000-\$40,000..	No change..	\$5,000-\$7,500.....	\$5,000-\$6,000.....	\$6,000-\$10,000 ⁵	\$10,000-\$14,000.....	No change.
Maximum rate applies to portion of surtax net income.....	Over \$500,000.....	No change..	Over \$2,000,000.....	No change..	No change.....	Over \$1,000,000.....	Over \$200,000 ⁵	Over \$500,000.....	Over \$100,000.
Dividends.....	Exempt from normal tax.	No change..	No change.....	No change..	No change.....	No change.....	No change.....	No change.....	No change.
Earned income credit ⁶								25% of normal tax on earned net income.	25% of total tax on earned net income.

See footnotes at end of table.

TABLE 1.—Individual income taxes of the United States, 1913 to 1950—Continued

INDIVIDUAL INCOME-TAX DATA

Description	Revenue Act of—									
	1928	1932	1934	1935	1936	1937	1938	1939	1940	
Personal exemptions:										
Married or head of family	\$3,300	\$2,500	No change	No change	No change	No change	No change	No change	\$2,000.	
Single	\$1,500	\$1,000	No change	No change	No change	No change	No change	No change	\$800.	
Credit for dependents	\$400	No change	No change	No change	No change	No change	No change	No change	No change.	
Normal tax rate:										
1st \$4,000 of net income in excess of certain credits.	1½% ⁷	4%	No change	No change	No change	No change	No change	No change	No change. ⁹	
2d \$4,000 of net income in excess of certain credits.	3% ⁷	8%	4%	No change	No change	No change	No change	No change	No change. ⁹	
Over \$8,000 of net income in excess of certain credits.	5% ⁷	8%	4%	No change	No change	No change	No change	No change	No change. ⁹	
Surtax:										
Minimum rate	1%	No change	4%	No change	No change	No change	No change	No change	No change. ^{9 10}	
Maximum rate	20%	55%	59%	75%	No change	No change	No change	No change	No change. ^{9 10}	
Minimum rate applies to portion of surtax net income.	\$10,000-\$14,000	\$6,000-\$10,000	\$4,000-\$6,000	No change	No change	No change	No change	No change	No change.	
Maximum rate applies to portion of surtax net income.	Over \$100,000	Over \$1,000,000	No change	Over \$5,000,000	No change	No change	No change	No change	No change.	
Dividends ¹¹	Exempt from normal tax.	No change	No change	No change	Not exempt from normal tax.	No change	No change	No change	No change.	
Earned income credit ⁴	25% of total tax on earned net income.	None	10% of amount of earned net income but not in excess of 10% of amount of net income to be credited against net income for normal tax.	No change	No change	No change	No change	No change	No change.	

Description	Revenue Act of—						
	1941	1942	1943 ¹²	1944 ¹³	1945	1948	1950
Personal exemptions:							
Married or head of family ¹⁴	\$1,500	\$1,200	No change ¹⁵	\$1,000 ¹⁶	\$1,000 ¹⁷	\$1,200 ¹⁸	No change.
Single	750	500	No change ¹⁵	500 ¹⁶	500 ¹⁷	600	No change.
Credit for dependents	No change	350	No change ¹⁵	500 ^{16 19}	500 ¹⁷	600	No change.
Additional exemptions: ²⁰							
For persons 65 years of age or over.							No change.
For the blind ²¹							No change.
Normal tax rate—Applies to net income in excess of certain credits.	4%	6%	No change ¹⁵	3%	Tentative rate—3%	No change	3%. ²²
Surtax:							
Minimum rate.	6%	13%	No change ¹⁵	20%	Tentative rate—17%	No change	17%. ²²
Maximum rate.	77%	82%	No change ¹⁵	91%. ²³	Tentative rate—88%. ²⁴	No change ¹⁴	88%. ^{22 23}
Minimum rate applies to portion of surtax net income.	0-\$2,000	No change	No change ¹⁵	0-\$2,000	No change	No change	No change.
Maximum rate applies to portion of surtax net income.	No change	Over \$200,000	No change ¹⁵	Over \$200,000	No change	No change	No change.

Reductions from combined tentative normal tax and surtax:

First \$400.....				5%.....	17%.....	(2).
Next \$99.00.....				5%.....	12%.....	(2).
Over \$100.00.....				5%.....	9.75%.....	(2).
Victory tax.....	5% of Victory tax net income in excess of \$624, less certain credits. ²	3% of Victory tax net income in excess of \$624. ^{1a}	Repealed.			
Dividends.....	No change.	No change.	No change.			No change.
Earned-income credit. ³	No change.	Repealed.	No change.			No change.

¹ Under the Revenue Act of 1916 and subsequent acts the personal exemption allowed to married persons was also allowed to heads of families.

² For individuals with net income in excess of \$5,000 the personal exemption is \$2,000.

³ For the calendar years 1919 and 1920 the normal tax rates were 4% on the first \$4,000 of normal tax net income and 8% on the balance of such net income over \$4,000.

⁴ Tax for 1923 reduced 25% by credit or refund under section 1200 (a), Revenue Act of 1924.

⁵ For calendar years 1922 and 1923.

⁶ Under the acts of 1924 to 1926 the credit was against tax; under the act of 1932 no credit was allowed for the years 1932 and 1933; and under the 1934 and subsequent acts the credit is against net income. In the 1924 act the credit was limited to 25% of normal tax on ordinary net income and in the 1926 and 1928 acts to the sum of 25% of normal tax on ordinary net income and 25% of surtax on earned net income. The amount of net income accounted as earned income for purposes of the earned income credit is as follows: Under the 1924 act all net income up to \$5,000, whether earned or not, and up to \$10,000, if earned; under the 1926 act all net income up to \$5,000, whether earned or not, and up to \$20,000, if earned; under the 1928 act all net income up to \$5,000, whether earned or not, and up to \$30,000, if earned; under the 1934 and subsequent acts all net income up to \$3,000, whether earned or not, and up to \$14,000, if earned. A maximum of 20% of net profit from trade or business involving personal services may be included within the earned income category.

⁷ Rates for 1929 reduced to $\frac{1}{2}\%$, 2%, and 4%, respectively.

⁸ In the case of compensation (a) received for personal services rendered by an individual in his individual capacity, or as a member of a partnership, and covering a period of five calendar years or more from the beginning to the completion of such services (b) paid (or not less than 95% of which is paid) only on the completion of such services, and (c) required to be included in gross income of such individual for any taxable year beginning after December 31, 1938, the tax attributable to such compensation shall not be greater than the aggregate of taxes which would have been paid had the income been received in equal portions in each of the years in the period.

⁹ For taxable years beginning after December 31, 1939, and before January 1, 1945, the sum of the normal tax and surtax computed under the above rates shall be increased by a defense tax of 10% of the amount of the tax, limited, however, to 10% of the excess of the net income over the sum of the normal and surtax.

¹⁰ While the minimum and maximum surtax rates have not been changed, the surtaxes have been increased on surtax net incomes in excess of \$6,000 and not in excess of \$100,000. From that point the rates of section 12 (b) I. R. C. are retained.

¹¹ An excise tax of 5% was imposed by section 213 of the National Industrial Recovery Act, effective on dividends declared between June 16, 1933, and December 31, 1933 (or in the case of taxpayers on a fiscal-year basis, dividends declared until the end of the fiscal year 1933). Under the Revenue Acts of 1928 and 1932 the exemption applied to dividends received from domestic and certain foreign corporations; under the Revenue Act of 1934 the exemption applied only to dividends received from domestic corporations.

¹² In addition to the Revenue Act of 1943, the Congress enacted the Current Tax Payment Act of 1943, which revised the system of individual income-tax payment but made no change in the rates, exemptions, and credits. The act provided for current collection of tax liability by collection at source, and by filing of declarations of estimated tax and the current payment of

such tax by taxpayers not made substantially current in their payments through withholding. To provide for transition to current payments, the act in general canceled 75% of either the 1942 or 1943 tax, whichever was the lesser.

¹³ Individual Income Tax Act of 1944.

¹⁴ Subsequent to the act of Oct. 22, 1914, and prior to the Individual Income Tax Act of 1944, the personal exemption allowed to married persons was also allowed to heads of families.

¹⁵ The changes in individual income-tax exemptions and rates made by the Revenue Act of 1943, intended to be applicable to the taxable year 1944, were superseded by the provisions of the Individual Income Tax Act of 1944 before they became effective.

¹⁶ Surtax exemptions. For surtax, each taxpayer was allowed an exemption of \$500, plus \$500 for his spouse and \$500 for each dependent. The normal tax exemption was \$500. However, if husband and wife combined their income in a joint return, the normal tax exemption was \$500 plus the amount of the smaller of the two incomes, but not more than \$1,000 for both.

¹⁷ For 1946 and subsequent years, the exemptions are allowed for both normal tax and surtax. ¹⁸ Beginning with the taxable year 1948 married couples filing joint returns were allowed to divide their combined incomes equally in computing their income taxes.

¹⁹ The Individual Income Tax Act of 1944 eliminated the former requirement that a "dependent" must be under 18 years old or incapable of self-support. Under the 1944 act the taxpayer may claim as a dependent any close relative whose income is less than \$500 and who received more than half of his support from the taxpayer, provided the relative is a resident of the United States, Canada, or Mexico.

²⁰ Allowed to taxpayers and their spouses, but not allowed for dependents.

²¹ The additional exemption of \$600 for the blind replaced the special \$500 deduction for the blind provided by the Revenue Act of 1943, applicable to taxable years 1944-47.

²² The percentage reductions from tentative tax were eliminated for calendar year 1951 and other taxable years beginning after Sept. 30, 1950. For calendar year 1950 the percentage reductions from tentative tax were reduced to the following: 13% on the first \$400 of tentative tax; 9% on the next \$99.00; and 7.5% on the amount in excess of \$100.00.

²³ The combined normal tax and surtax (before deduction of credits for foreign taxes, taxes withheld at source, and taxes withheld on wages) is subject to the following maximum effective rate limitations: Revenue Act of 1944, 90%; Revenue Act of 1945, 85.5%; Revenue Act of 1948, 77%; Revenue Act of 1950, for calendar year 1950, 80%, for calendar year 1951 and other taxable years beginning after Sept. 30, 1950, 87%.

²⁴ Applicable to taxable year 1943 only. The exemption of \$624 applied to every individual regardless of marital status. However, in the case of a husband and wife filing a joint return, if the Victory tax net income of one spouse was less than \$624, the total exemption was limited to \$624 plus the Victory tax net income of such spouse. The following credits were allowed against the tax: 25% of the tax if single or 40% if married, plus in either case 2% for each dependent. The amount of the credits were limited, however, to \$500 if single, \$1,000 if married, plus \$100 for each dependent. The credits as provided by the Revenue Act of 1942 were to be postwar credits, allowable currently only under specified conditions, but they were converted into automatic current credits by Public Law 178, 78th Congress, approved Oct. 28, 1943. The amount of Victory tax (before tax credits) was limited to the excess of 90% of net income over the regular income tax liability.

INDIVIDUAL INCOME-TAX DATA

TABLE 2.—Individual income tax collections compared with total internal revenue, fiscal years 1939–52

Fiscal year	Individual income tax collections (millions)	Total internal revenue collections (millions)	Individual income tax as percent of total internal revenue	Fiscal year	Individual income tax collections (millions)	Total internal revenue collections (millions)	Individual income tax as percent of total internal revenue
1939-----	\$1, 029	\$5, 162	19. 9	1947-----	\$19, 343	\$39, 108	49. 5
1940-----	982	5, 323	18. 4	1948-----	20, 998	41, 865	50. 2
1941-----	1, 418	7, 352	19. 3	1949-----	18, 052	40, 463	44. 6
1942-----	3, 263	13, 030	25. 0	1950-----	17, 153	38, 957	44. 0
1943-----	6, 630	22, 369	29. 6	1951-----	¹ 22, 900	¹ 50, 500	¹ 45. 3
1944-----	18, 261	40, 120	45. 5		² 23, 100	² 51, 000	² 45. 3
1945-----	19, 034	43, 800	43. 5	1952-----	³ 27, 500	³ 63, 000	³ 43. 7
1946-----	18, 705	40, 672	46. 0		² 27, 800	³ 65, 500	² 42. 4

¹ Estimates of the Treasury Department.
² Estimates of the staff of the Joint Committee on Internal Revenue Taxation.
³ Estimates of the Treasury Department. Assuming the 4 percentage point increase in rates proposed by the Secretary of the Treasury were adopted effective July 1, 1951, individual income tax collections in the fiscal year 1952 would amount to \$31.3 billion. If the corporate income and capital gains proposals became effective Jan. 1, 1951, and the excise tax proposals became effective July 1, 1951, total internal revenue collections would amount to \$71.7 billion. Thus, under the Secretary's proposals, individual income tax collections would still account for 43.7 percent of total internal revenue collections in the fiscal year 1952.

TABLE 3.—Effective rates of individual income tax, 1913 to 1951

A.—SINGLE PERSON WITH NO DEPENDENTS

[In percent]

Revenue act	Income year	Selected amount of net income										
		\$525	\$600	\$800	\$900	\$1,000	\$2,000	\$3,000	\$5,000	\$6,000	\$8,000	\$10,000
1913-----	3/1/13–12/31/15	-----	-----	-----	-----	-----	-----	-----	0. 4	0. 5	0. 6	0. 7
1916-----	1916	-----	-----	-----	-----	-----	-----	-----	. 8	1. 0	1. 3	1. 4
1917-----	1917	-----	-----	-----	-----	-----	1. 0	1. 3	2. 4	2. 8	3. 4	4. 0
1918-----	1918	-----	-----	-----	-----	-----	3. 0	4. 0	4. 8	6. 2	8. 1	9. 5
	1919–20	-----	-----	-----	-----	-----	2. 0	2. 7	3. 2	4. 2	5. 6	6. 7
1921-----	1921	-----	-----	-----	-----	-----	2. 0	2. 7	3. 2	4. 2	5. 6	6. 7
	1922	-----	-----	-----	-----	-----	2. 0	2. 7	3. 2	4. 0	5. 3	6. 0
	1923	-----	-----	-----	-----	-----	1. 5	2. 0	2. 4	3. 0	3. 9	4. 5
1924-----	1924	-----	-----	-----	-----	-----	. 8	1. 0	1. 2	1. 5	1. 9	2. 3
1926-----	1925–27	-----	-----	-----	-----	-----	. 3	. 6	. 8	. 9	1. 3	1. 5
1928-----	1928, 1930–31	-----	-----	-----	-----	-----	. 3	. 6	. 8	. 9	1. 3	1. 5
	1929	-----	-----	-----	-----	-----	. 1	. 2	. 3	. 4	. 7	. 9
1932-----	1932–33	-----	-----	-----	-----	-----	2. 0	2. 7	3. 2	4. 0	5. 3	6. 0
1934-----	1934–35	-----	-----	-----	-----	-----	1. 6	2. 3	2. 8	3. 6	4. 7	5. 6
1936, 1938-----	1936–39	-----	-----	-----	-----	-----	1. 6	2. 3	2. 8	3. 6	4. 7	5. 6
1940-----	1940 ¹	-----	-----	-----	0. 04	0. 4	2. 2	2. 8	3. 4	4. 3	5. 6	6. 9
1941-----	1941	-----	-----	0. 4	1. 2	2. 1	5. 9	7. 4	9. 7	10. 8	12. 9	14. 9
1942-----	1942 ²	-----	2. 5	6. 5	7. 9	8. 9	13. 7	15. 7	18. 4	19. 6	21. 8	23. 9
	1943 ^{2 3}	-----	2. 8	7. 8	9. 4	10. 7	16. 7	19. 1	22. 1	23. 4	25. 7	27. 8
1944 ⁴ -----	1944–45	1. 1	3. 8	8. 6	10. 2	11. 5	17. 3	19. 5	22. 1	23. 3	25. 4	27. 6
1945-----	1946–47	. 9	3. 2	7. 1	8. 4	9. 5	14. 3	16. 2	18. 4	19. 5	21. 5	23. 5
1948-----	1948–49	-----	-----	4. 2	5. 5	6. 6	11. 6	13. 6	16. 2	17. 3	19. 3	21. 2
1950-----	1950	-----	-----	4. 4	5. 8	7. 0	12. 2	14. 3	16. 9	18. 0	20. 0	22. 0
	1951	-----	-----	5. 0	6. 7	8. 0	14. 0	16. 3	18. 9	20. 1	22. 3	24. 4

See footnotes at end of table.

INDIVIDUAL INCOME-TAX DATA

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TABLE 3.—*Effective rates of individual income tax, 1913 to 1951*—Continued

A.—SINGLE PERSON WITH NO DEPENDENTS—continued

[In percent]

Revenue act	Income year	Selected amount of net income								
		\$15,000	\$20,000	\$25,000	\$50,000	\$75,000	\$100,000	\$500,000	\$1,000,000	\$5,000,000
1913-----	3/1/13-12/31/15	0.8	0.9	1.1	1.5	2.0	2.5	5.0	6.0	6.8
1916-----	1916	1.6	1.7	2.0	2.7	3.3	3.9	8.6	10.0	13.8
1917-----	1917	5.1	6.1	7.3	10.4	13.3	16.2	38.5	47.5	62.8
1918-----	1918	11.9	13.8	15.4	22.3	28.8	35.2	64.6	70.3	75.7
	1919-20	8.7	10.4	11.8	18.5	24.9	31.3	60.7	66.3	71.7
1921-----	1921	8.7	10.4	11.8	18.5	24.9	31.3	60.7	66.3	71.7
	1922	7.6	9.0	10.6	17.4	23.9	30.2	52.1	55.1	57.4
	1923	5.7	6.8	7.9	13.1	17.9	22.7	39.1	41.3	43.1
1924-----	1924	3.9	5.2	6.5	12.3	17.6	22.7	39.9	43.0	45.4
1926-----	1925-27	2.6	3.5	4.9	9.9	13.6	16.1	23.2	24.1	24.8
1928-----	1928, 1930-31	2.6	3.5	4.4	9.3	13.2	15.8	23.2	24.1	24.8
	1929	1.9	2.8	3.7	8.5	12.3	14.9	22.2	23.1	23.8
1932-----	1932-33	7.6	9.0	10.6	17.4	23.9	30.2	52.7	57.1	61.8
1934-----	1934-35	7.4	9.2	11.2	18.7	25.2	31.4	53.0	57.2	61.9
1936, 1938--	1936-39	7.4	9.2	11.2	18.7	26.0	33.4	61.0	68.0	75.8
1940-----	1940 ¹	9.8	13.3	17.0	29.4	38.0	44.3	66.2	71.8	78.3
1941-----	1941	20.0	24.6	28.9	41.8	48.6	53.2	69.1	73.3	78.5
1942-----	1942 ²	29.1	34.1	38.5	51.6	59.2	64.6	82.9	85.5	87.5
	1943 ^{2 3}	33.1	38.1	42.6	56.1	64.0	69.7	88.4	⁵ 90.0	⁵ 90.0
1944 ⁴ -----	1944-45	32.9	37.9	42.4	55.9	64.0	69.9	88.9	⁵ 90.0	⁵ 90.0
1945-----	1946-47	28.5	33.2	37.5	50.3	58.0	63.5	81.6	⁵ 84.0	⁵ 85.5
1948-----	1948-49	26.0	30.4	34.4	46.4	53.6	58.8	⁵ 77.0	⁵ 77.0	⁵ 77.0
1950-----	1950	26.9	31.5	35.6	48.0	55.4	60.8	79.2	⁵ 80.0	⁵ 80.0
	1951	29.7	34.7	39.2	52.8	60.9	66.8	85.9	⁵ 87.0	⁵ 87.0

See footnotes at end of table.

INDIVIDUAL INCOME-TAX DATA

TABLE 3.—Effective rates of individual income tax, 1913 to 1951—Continued

B. MARRIED PERSON WITH NO DEPENDENTS

[In percent]

Revenue act	Income year	Selected amount of net income									
		\$600	\$800	\$1,000	\$2,000	\$2,500	\$3,000	\$5,000	\$6,000	\$8,000	\$10,000
1913-----	3/1/13-12/31/15	-----	-----	-----	-----	-----	-----	0. 2	0. 3	0. 5	0. 6
1916-----	1916	-----	-----	-----	-----	-----	-----	. 4	. 7	1. 0	1. 2
1917-----	1917	-----	-----	-----	-----	0. 4	0. 7	1. 6	2. 2	2. 9	3. 6
1918-----	1918	-----	-----	-----	-----	1. 2	2. 0	3. 6	4. 2	6. 6	8. 3
	1919-20	-----	-----	-----	-----	. 8	1. 3	2. 4	2. 8	4. 6	5. 9
1921-----	1921	-----	-----	-----	-----	-----	. 7	2. 0	2. 8	4. 6	5. 9
	1922	-----	-----	-----	-----	-----	. 7	2. 0	2. 7	4. 3	5. 2
	1923	-----	-----	-----	-----	-----	. 5	1. 5	2. 0	3. 2	3. 9
1924-----	1924	-----	-----	-----	-----	-----	. 3	. 8	. 9	1. 3	1. 7
1926-----	1925-27	-----	-----	-----	-----	-----	-----	. 3	. 5	. 7	1. 0
1928-----	1928, 1930-31	-----	-----	-----	-----	-----	-----	. 3	. 5	. 7	1. 0
	1929	-----	-----	-----	-----	-----	-----	. 1	. 2	. 3	. 5
1932-----	1932-33	-----	-----	-----	-----	-----	. 7	2. 0	2. 3	3. 8	4. 8
1934-----	1934-35	-----	-----	-----	-----	-----	. 3	1. 6	1. 9	3. 1	4. 2
1936, 1938-----	1936-39	-----	-----	-----	-----	-----	. 3	1. 6	1. 9	3. 1	4. 2
1940-----	1940 ¹	-----	-----	-----	-----	. 4	1. 0	2. 2	2. 5	4. 0	5. 3
1941-----	1941	-----	-----	-----	2. 1	3. 6	4. 6	7. 5	8. 7	10. 9	13. 1
1942-----	1942 ²	-----	-----	-----	7. 0	9. 3	10. 8	14. 9	16. 5	19. 2	21. 5
	1943 ^{2 3}	0. 2	1. 0	1. 5	9. 4	11. 9	13. 5	17. 9	19. 6	22. 3	24. 7
1944 ⁴ -----	1944-45	. 5	1. 1	1. 5	12. 3	14. 4	15. 8	19. 5	21. 1	23. 6	25. 9
1945-----	1946-47	-----	-----	-----	9. 5	11. 4	12. 7	16. 0	17. 4	19. 7	21. 9
1948-----	1948-49	-----	-----	-----	6. 6	8. 6	10. 0	12. 6	13. 6	15. 1	16. 2
1950-----	1950	-----	-----	-----	7. 0	9. 0	10. 4	13. 2	14. 3	15. 7	16. 9
	1951	-----	-----	-----	8. 0	10. 4	12. 0	15. 2	16. 3	17. 7	18. 9

See footnotes at end of table.

INDIVIDUAL INCOME-TAX DATA

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TABLE 3.—*Effective rates of individual income tax, 1913 to 1951*—Continued

B. MARRIED PERSON WITH NO DEPENDENTS—Continued

[In percent]

Revenue act	Income year	Selected amount of net income								
		\$15,000	\$20,000	\$25,000	\$50,000	\$75,000	\$100,000	\$500,000	\$1,000,000	\$5,000,000
1913-----	3/1/13-12/31/15	0.7	0.8	1.0	1.5	2.0	2.5	5.0	6.0	6.8
1916-----	1916	1.5	1.6	1.9	2.6	3.3	3.9	8.6	10.3	13.8
1917-----	1917	4.9	5.9	7.1	10.4	13.2	16.2	38.5	47.5	62.8
1918-----	1918	11.1	13.2	14.9	22.1	28.6	35.0	64.6	70.3	75.7
	1919-20	8.2	10.0	11.5	18.4	24.8	31.2	60.6	66.3	71.7
1921-----	1921	8.2	10.0	11.5	18.4	24.8	31.2	60.6	66.3	71.7
	1922	7.1	8.6	10.2	17.3	23.8	30.1	52.1	55.1	57.4
	1923	5.3	6.5	7.7	13.0	17.8	22.6	39.1	41.3	43.1
1924-----	1924	3.4	4.9	6.3	12.2	17.5	22.6	39.9	43.0	45.4
1926-----	1925-27	2.1	3.1	4.6	9.8	13.5	16.1	23.2	24.1	24.8
1928-----	1928, 1930-31	2.1	3.1	4.1	9.2	13.1	15.8	23.2	24.1	24.8
	1929	1.5	2.5	3.5	8.4	12.2	14.9	22.2	23.1	23.8
1932-----	1932-33	6.8	8.4	10.1	17.2	23.7	30.1	52.7	57.1	61.8
1934-----	1934-35	6.2	7.9	10.0	17.7	24.3	30.6	52.8	57.1	61.8
1936, 1938--	1936-39	6.2	7.9	10.0	17.7	25.0	32.5	60.8	67.9	75.8
1940-----	1940 ¹	8.4	11.7	15.4	28.3	37.0	43.5	66.0	71.8	78.3
1941-----	1941	18.3	23.1	27.5	40.9	48.0	52.7	69.0	73.3	78.5
1942-----	1942 ²	27.0	32.3	36.9	50.7	58.4	64.1	82.8	85.4	87.5
	1943 ^{2 3}	30.2	35.5	40.1	54.2	62.6	68.6	88.1	⁵ 89.9	⁵ 90.0
1944 ⁴ -----	1944-45	31.3	36.6	41.2	55.2	63.5	69.4	88.8	⁵ 90.0	⁵ 90.0
1945-----	1946-47	27.0	32.0	36.3	49.6	57.5	63.1	81.5	84.0	⁵ 85.5
1948-----	1948-49	18.9	21.2	23.5	34.4	41.4	46.4	71.9	⁵ 77.0	⁵ 77.0
1950-----	1950	19.6	22.0	24.3	35.6	42.8	48.0	74.1	79.2	⁵ 80.0
	1951	21.7	24.4	26.9	39.2	47.1	52.8	80.7	85.9	⁵ 87.0

See footnotes at end of table.

INDIVIDUAL INCOME-TAX DATA

TABLE 3.—*Effective rates of individual income tax, 1913 to 1951—Continued*

C. MARRIED PERSON WITH TWO DEPENDENTS

[In percent]

Revenue act	Income year	Selected amount of net income									
		\$600	\$800	\$1,000	\$2,000	\$2,500	\$3,000	\$5,000	\$6,000	\$8,000	\$10,000
1913-----	3/1/13-12/31/15	-----	-----	-----	-----	-----	-----	0.2	0.3	0.5	0.6
1916-----	1916	-----	-----	-----	-----	-----	-----	.4	.7	1.0	1.2
1917-----	1917	-----	-----	-----	-----	0.1	0.4	1.3	1.9	2.7	3.4
1918-----	1918	-----	-----	-----	-----	.2	1.2	3.1	3.8	6.0	7.8
	1919-1920	-----	-----	-----	-----	.2	.8	2.1	2.6	4.2	5.6
1921-----	1921	-----	-----	-----	-----	-----	-----	1.4	2.3	3.8	5.3
	1922	-----	-----	-----	-----	-----	-----	1.4	2.1	3.5	4.6
	1923	-----	-----	-----	-----	-----	-----	1.0	1.6	2.6	3.4
1924-----	1924	-----	-----	-----	-----	-----	-----	.5	.7	1.0	1.4
1926-----	1925-27	-----	-----	-----	-----	-----	-----	.2	.3	.5	.8
1928-----	1928, 1930-31	-----	-----	-----	-----	-----	-----	.2	.3	.5	.8
	1929	-----	-----	-----	-----	-----	-----	.1	.1	.2	.4
1932-----	1932-33	-----	-----	-----	-----	-----	-----	1.4	1.8	3.0	4.2
1934-----	1934-35	-----	-----	-----	-----	-----	-----	1.0	1.4	2.3	3.4
1936, 1938-----	1936-39	-----	-----	-----	-----	-----	-----	1.0	1.4	2.3	3.4
1940-----	1940 ¹	-----	-----	-----	-----	-----	-----	1.5	1.9	3.1	4.4
1941-----	1941	-----	-----	-----	-----	.5	1.9	5.4	6.6	9.0	11.2
1942-----	1942 ²	-----	-----	-----	0.7	4.0	6.4	11.8	13.5	16.5	19.1
	1943 ^{2 3}	0.2	0.9	1.4	2.9	6.4	8.9	14.6	16.3	19.4	22.1
1944 ⁴ -----	1944-45	.5	1.1	1.5	2.3	6.4	9.2	15.1	16.8	19.8	22.5
1945-----	1946-47	-----	-----	-----	-----	3.8	6.3	11.8	13.3	16.2	18.6
1948-----	1948-49	-----	-----	-----	-----	.7	3.3	8.6	10.0	12.2	13.6
1950-----	1950	-----	-----	-----	-----	.7	3.5	9.0	10.4	12.7	14.2
	1951	-----	-----	-----	-----	.8	4.0	10.4	12.0	14.4	15.9

See footnotes at end of table.

INDIVIDUAL INCOME-TAX DATA

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TABLE 3.—Effective rates of individual income tax, 1913 to 1951—Continued

C. MARRIED PERSON WITH TWO DEPENDENTS—Continued

[In percent]

Revenue act	Income year	Selected amount of net income								
		\$15,000	\$20,000	\$25,000	\$50,000	\$75,000	\$100,000	\$500,000	\$1,000,000	\$5,000,000
1913-----	3/1/13-12/31/15	0.7	0.8	1.0	1.5	2.0	2.5	5.0	6.0	6.8
1916-----	1916	1.5	1.6	1.9	2.6	3.3	3.9	8.6	10.3	13.8
1917-----	1917	4.8	5.8	7.1	10.3	13.2	16.2	38.5	47.5	62.8
1918-----	1918	10.8	12.9	14.7	22.0	28.6	35.0	64.6	70.3	75.7
	1919-20	8.0	9.8	11.4	18.3	24.8	31.2	60.6	66.3	71.7
1921-----	1921	7.8	9.6	11.3	18.3	24.8	31.1	60.6	66.3	71.7
	1922	6.6	8.3	10.0	17.2	23.7	30.1	52.1	55.1	57.4
	1923	5.0	6.2	7.5	12.9	17.8	22.6	39.1	41.3	43.1
1924-----	1924	3.2	4.7	6.1	12.1	17.5	22.5	39.9	43.0	45.4
1926-----	1925-27	1.9	2.9	4.5	9.7	13.4	16.0	23.1	24.1	24.8
1928-----	1928, 1930-31	1.9	2.9	4.0	9.1	13.1	15.7	23.1	24.1	24.8
	1929	1.3	2.4	3.4	8.3	12.2	14.8	22.2	23.1	23.8
1932-----	1932-33	6.4	8.1	9.8	17.1	23.6	30.0	52.7	57.1	61.8
1934-----	1934-35	5.5	7.3	9.3	17.2	23.9	30.2	52.7	57.1	61.8
1936, 1938--	1936-39	5.5	7.3	9.3	17.2	24.5	32.0	60.7	67.8	75.8
1940-----	1940 ¹	7.5	10.7	14.3	27.5	36.4	42.9	65.9	71.7	78.3
1941-----	1941	16.5	21.4	25.9	39.9	47.3	52.2	68.9	73.2	78.4
1942-----	1942 ²	25.1	30.4	35.3	49.7	57.7	63.5	82.7	85.3	87.5
	1943 ^{2 3}	28.0	33.5	38.3	52.8	61.6	67.8	88.0	⁵ 89.9	⁵ 90.0
1944 ⁴ -----	1944-45	28.4	33.9	38.8	53.7	62.4	68.6	88.6	⁵ 90.0	⁵ 90.0
1945-----	1946-47	24.3	29.5	34.1	48.2	56.4	62.3	81.3	83.9	⁵ 85.5
1948-----	1948-49	16.7	19.4	21.9	33.2	40.4	45.6	71.7	76.9	⁵ 77.0
500-----	1950	17.4	20.2	22.7	34.3	41.8	47.2	73.9	79.1	⁵ 80.0
	1951	19.3	22.3	25.1	37.8	46.0	51.9	80.5	85.7	⁵ 87.0

*Less than 50 cents.

¹ Includes defense tax.

² Tax liabilities for the years 1942 and 1943 are unadjusted for transition to current-payment basis.

³ Includes net Victory tax. Computed by assuming that deductions are 10 percent of Victory tax net income; i. e., that Victory tax net income is ten-ninths of selected net income.

⁴ Individual Income Tax Act of 1944.

⁵ Taking into account the following maximum effective rate limitations: For 1943-45, 90 percent; 1946-47, 85.5 percent; 1948-49, 77 percent; 1950, 80 percent; 1951, 87 percent.

NOTE.—Maximum earned net income assumed. In the case of married persons it is also assumed that only one spouse has income.

TABLE 4.—Estimated distribution of taxable individual income tax returns, income and tax liability under present rates and those proposed by the Treasury for calendar year 1951

(For distributions of tax liability under alternatives suggested by the staff of the Joint Committee on Internal Revenue Taxation, see part 15)

PART A—ESTIMATES OF THE TREASURY DEPARTMENT

Adjusted gross income class ¹	Number of taxable returns	Adjusted gross income ¹	Total tax ²		
			Present law	Rates proposed by the Treasury	Increase under rates proposed by the Treasury
	<i>Thousands</i>	<i>Millions</i>	<i>Millions</i>	<i>Millions</i>	<i>Millions</i>
Under \$1,000.....	1, 526. 2	\$1, 244	\$38	\$46	\$8
\$1,000 to \$2,000.....	5, 899. 6	9, 227	712	855	142
\$2,000 to \$3,000.....	9, 453. 2	23, 851	1, 829	2, 194	366
\$3,000 to \$4,000.....	9, 943. 3	34, 623	2, 784	3, 338	555
\$4,000 to \$5,000.....	7, 103. 8	31, 577	2, 913	3, 492	579
Under \$5,000.....	33, 926. 1	100, 520	8, 276	9, 925	1, 649
\$5,000 to \$10,000.....	6, 301. 0	41, 253	5, 005	5, 972	967
\$10,000 to \$25,000.....	1, 501. 1	21, 848	3, 992	4, 655	663
\$25,000 to \$50,000.....	244. 3	8, 170	2, 308	2, 583	275
\$50,000 to \$100,000.....	72. 2	4, 871	1, 941	2, 100	159
\$100,000 to \$250,000.....	20. 2	2, 893	1, 465	1, 554	90
\$250,000 to \$500,000.....	2. 4	818	473	495	22
\$500,000 to \$1,000,000.....	. 6	430	257	267	10
\$1,000,000 and over.....	. 2	393	254	264	10
\$5,000 and over.....	8, 142. 2	80, 675	15, 695	17, 890	2, 196
Total.....	42, 068. 3	181, 196	23, 971	27, 815	3, 844

PART B.—ESTIMATES OF THE STAFF OF THE JOINT COMMITTEE ON INTERNAL REVENUE TAXATION

Under \$1,000.....	1, 868. 1	\$1, 556	\$54	-----	-----
\$1,000 to \$2,000.....	6, 991. 1	10, 875	842	-----	-----
\$2,000 to \$3,000.....	10, 908. 0	27, 275	2, 245	-----	-----
\$3,000 to \$4,000.....	9, 830. 8	33, 462	2, 871	-----	-----
\$4,000 to \$5,000.....	6, 262. 8	27, 905	2, 672	-----	-----
Under \$5,000.....	35, 860. 8	101, 073	8, 684	-----	-----
\$5,000 to \$10,000.....	6, 645. 7	42, 850	5, 080	-----	-----
\$10,000 to \$25,000.....	1, 342. 9	19, 470	3, 488	-----	-----
\$25,000 to \$50,000.....	247. 1	8, 200	2, 289	-----	-----
\$50,000 to \$100,000.....	70. 1	4, 675	1, 862	-----	-----
\$100,000 to \$250,000.....	18. 3	2, 559	1, 276	-----	-----
\$250,000 to \$500,000.....	2. 0	647	378	-----	-----
\$500,000 to \$1,000,000.....	. 5	316	192	-----	-----
\$1,000,000 and over.....	. 2	310	206	-----	-----
\$5,000 and over.....	8, 326. 7	79, 027	14, 771	-----	-----
Total.....	44, 187. 5	180, 100	23, 455	-----	-----

¹ Returns of estates and trusts are classified by size of total income before deduction of amounts distributable to beneficiaries.

² Includes surtax, normal tax, and alternative tax.

NOTE.—Figures are rounded and will not necessarily add to totals.

INDIVIDUAL INCOME-TAX DATA

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TABLE 5.—Estimated surtax net income, and combined normal tax and surtax, distributed by surtax net income brackets, for calendar year 1951

A. ESTIMATES OF THE TREASURY DEPARTMENT

Surtax net income bracket (in thousands)	Total		Surtax net income bracket (in thousands)	Total	
	Surtax net income	Surtax and normal tax ¹		Surtax net income	Surtax and normal tax ¹
	<i>Millions</i>	<i>Millions</i>		<i>Millions</i>	<i>Millions</i>
\$0 to \$2.....	\$63, 621	\$12, 724	\$32 to \$38.....	\$446	\$290
\$2 to \$4.....	13, 277	2, 921	\$38 to \$44.....	317	219
\$4 to \$6.....	5, 720	1, 487	\$44 to \$50.....	255	184
\$6 to \$8.....	2, 964	889	\$50 to \$60.....	280	210
\$8 to \$10.....	1, 977	672	\$60 to \$70.....	190	148
\$10 to \$12.....	1, 419	539	\$70 to \$80.....	135	109
\$12 to \$14.....	1, 049	451	\$80 to \$90.....	100	84
\$14 to \$16.....	794	373	\$90 to \$100.....	84	73
\$16 to \$18.....	640	320	\$100 to \$150.....	207	184
\$18 to \$20.....	512	271	\$150 to \$200.....	97	87
\$20 to \$22.....	417	234	Over \$200.....	300	273
\$22 to \$26.....	649	383			
\$26 to \$32.....	665	412	Total.....	96, 115	23, 537

B. ESTIMATES OF THE STAFF OF THE JOINT COMMITTEE ON INTERNAL REVENUE TAXATION

\$0 to \$2.....	\$68, 286	\$13, 857	\$32 to \$38.....	419	272
\$2 to \$4.....	10, 826	2, 382	\$38 to \$44.....	300	207
\$4 to \$6.....	4, 300	1, 118	\$44 to \$50.....	219	158
\$6 to \$8.....	2, 619	786	\$50 to \$60.....	216	162
\$8 to \$10.....	1, 817	618	\$60 to \$70.....	144	112
\$10 to \$12.....	1, 310	498	\$70 to \$80.....	104	84
\$12 to \$14.....	1, 020	439	\$80 to \$90.....	76	64
\$14 to \$16.....	714	335	\$90 to \$100.....	57	50
\$16 to \$18.....	598	299	\$100 to \$150.....	151	135
\$18 to \$20.....	509	270	\$150 to \$200.....	69	62
\$20 to \$22.....	402	225	Over \$200.....	167	152
\$22 to \$26.....	654	386			
\$26 to \$32.....	652	405	Total.....	96, 631	23, 075

¹ Does not take into account maximum effective rate limitations.
 Note.—Figures are rounded and will not necessarily add to totals.

INDIVIDUAL INCOME-TAX DATA

TABLE 6.—Individual incometax rate schedules under the Revenue Acts of 1944, 1945, 1948, and 1950, compared with rates proposed by the Secretary of the Treasury

(For rates of alternatives suggested by the staff of the Joint Committee on Internal Revenue Taxation, see part 15)

Surtax net income	1944 act (highest wartime rates)	1945 act ¹	1948 act ¹	1950 act		Rates pro- posed by the Treasury
				1950 ¹	1951	
	Percent	Percent	Percent	Percent	Percent	Percent
\$0 to \$2,000-----	23	19. 00	16. 60	17. 40	20	24
\$2,000 to \$4,000-----	25	20. 90	19. 36	20. 02	22	26
\$4,000 to \$6,000-----	29	24. 70	22. 88	23. 66	26	30
\$6,000 to \$8,000-----	33	28. 50	26. 40	27. 30	30	34
\$8,000 to \$10,000-----	37	32. 30	29. 92	30. 94	34	38
\$10,000 to \$12,000-----	41	36. 10	33. 44	34. 58	38	42
\$12,000 to \$14,000-----	46	40. 85	37. 84	39. 13	43	47
\$14,000 to \$16,000-----	50	44. 65	41. 36	42. 77	47	51
\$16,000 to \$18,000-----	53	47. 50	44. 00	45. 50	50	54
\$18,000 to \$20,000-----	56	50. 35	46. 64	48. 23	53	57
\$20,000 to \$22,000-----	59	53. 20	49. 28	50. 96	56	60
\$22,000 to \$26,000-----	62	56. 05	51. 92	53. 69	59	63
\$26,000 to \$32,000-----	65	58. 90	54. 56	56. 42	62	66
\$32,000 to \$38,000-----	68	61. 75	57. 20	59. 15	65	69
\$38,000 to \$44,000-----	72	65. 55	60. 72	62. 79	69	73
\$44,000 to \$50,000-----	75	68. 40	63. 36	65. 52	72	76
\$50,000 to \$60,000-----	78	71. 25	66. 00	68. 25	75	79
\$60,000 to \$70,000-----	81	74. 10	68. 64	70. 98	78	82
\$70,000 to \$80,000-----	84	76. 95	71. 28	73. 71	81	85
\$80,000 to \$90,000-----	87	79. 80	73. 92	76. 44	84	88
\$90,000 to \$100,000-----	90	82. 65	76. 56	79. 17	87	91
\$100,000 to \$136,719.10-----	92	84. 55	78. 32	80. 99	89	93
\$136,719.10 to \$150,000-----			80. 3225	82. 503		
\$150,000 to \$200,000-----			81. 2250	83. 430		
\$200,000 and over ² -----	94	86. 45	82. 1275	84. 357	91	95

¹ After reductions from tentative tax.

² Subject to the following maximum rate limitations: Revenue Act of 1944, 90 percent; Revenue Act of 1945, 85.5 percent; Revenue Act of 1948, 77 percent; rates for 1950, 80 percent; rates for 1951, 87 percent.

TABLE 7.—*Comparison of individual income-tax liabilities under present law¹ and proposed by the Secretary of the Treasury*

(For burden distributions under alternatives suggested by the staff of the Joint Committee on Internal Revenue Taxation, see part 15)

SINGLE PERSON—NO DEPENDENTS

Net income before exemption	Amounts of tax		Effective rates		Increase over present law		Tax increase as percent of—	
	Present law	Proposed rates	Present law	Proposed rates	Amount of tax	Effective rates	Present law tax	Net income after present law tax
			<i>Percent</i>	<i>Percent</i>		<i>Percent</i>		
\$800-----	\$40	\$48	5.0	6.0	\$8	1.0	20.0	1.1
\$1,000-----	80	96	8.0	9.6	16	1.6	20.0	1.7
\$1,500-----	180	216	12.0	14.4	36	2.4	20.0	2.7
\$2,000-----	280	336	14.0	16.8	56	2.8	20.0	3.3
\$3,000-----	488	584	16.3	19.5	96	3.2	19.7	3.8
\$5,000-----	944	1,120	18.9	22.4	176	3.5	18.6	4.3
\$8,000-----	1,780	2,076	22.3	26.0	296	3.7	16.6	4.8
\$10,000-----	2,436	2,812	24.4	28.1	376	3.8	15.4	5.0
\$15,000-----	4,448	5,024	29.7	33.5	576	3.8	12.9	5.5
\$20,000-----	6,942	7,718	34.7	38.6	776	3.9	11.2	5.9
\$25,000-----	9,796	10,772	39.2	43.1	976	3.9	10.0	6.4
\$50,000-----	26,388	28,364	52.8	56.7	1,976	4.0	7.5	8.4
\$100,000-----	66,798	70,774	66.8	70.8	3,976	4.0	6.0	12.0
\$500,000-----	429,274	449,250	85.9	89.9	19,976	4.0	4.7	28.2
\$1,000,000-----	² 870,000	³ 900,000	² 87.0	³ 90.0	30,000	3.0	3.4	23.1

MARRIED PERSON—NO DEPENDENT

\$1,500-----	\$60	\$72	4.0	4.8	\$12	0.8	20.0	0.8
\$2,000-----	160	192	8.0	9.6	32	1.6	20.0	1.7
\$3,000-----	360	432	12.0	14.4	72	2.4	20.0	2.7
\$5,000-----	760	912	15.2	18.2	152	3.0	20.0	3.6
\$8,000-----	1,416	1,688	17.7	21.1	272	3.4	19.2	4.1
\$10,000-----	1,888	2,240	18.9	22.4	352	3.5	18.6	4.3
\$15,000-----	3,260	3,812	21.7	25.4	552	3.7	16.9	4.7
\$20,000-----	4,872	5,624	24.4	28.1	752	3.8	15.4	5.0
\$25,000-----	6,724	7,676	26.9	30.7	952	3.8	14.2	5.2
\$50,000-----	19,592	21,544	39.2	43.1	1,952	3.9	10.0	6.4
\$100,000-----	52,776	56,728	52.8	56.7	3,952	4.0	7.5	8.4
\$500,000-----	403,548	423,500	80.7	84.7	19,952	4.0	4.9	20.7
\$1,000,000-----	858,548	898,500	85.9	89.9	39,952	4.0	4.7	28.2

See footnotes at end of table.

INDIVIDUAL INCOME-TAX DATA

TABLE 7.—Comparison of individual income-tax liabilities under present law¹ and proposed by the Secretary of the Treasury—Continued

MARRIED PERSON—2 DEPENDENTS

\$3,000-----	\$120	\$144	4.0	4.8	\$24	0.8	20.0	0.8
\$5,000-----	520	624	10.4	12.5	104	2.1	20.0	2.3
\$8,000-----	1,152	1,376	14.4	17.2	224	2.8	19.4	3.3
\$10,000-----	1,592	1,896	15.9	19.0	304	3.0	19.1	3.6
\$15,000-----	2,900	3,404	19.3	22.7	504	3.4	17.4	4.2
\$20,000-----	4,464	5,168	22.3	25.8	704	3.5	15.8	4.5
\$25,000-----	6,268	7,172	25.1	28.7	904	3.6	14.4	4.8
\$50,000-----	18,884	20,788	37.8	41.6	1,904	3.8	10.1	6.1
\$100,000-----	51,912	55,816	51.9	55.8	3,904	3.9	7.5	8.1
\$500,000-----	402,456	422,360	80.5	84.5	19,904	4.0	4.9	20.4
\$1,000,000-----	857,456	897,360	85.7	89.7	39,904	4.0	4.7	28.0

¹ Revenue Act of 1950, rates applicable to 1951 incomes.
² Taking into account maximum effective rate limitation of 87 percent.
³ Taking into account maximum effective rate limitation of 90 percent.

NOTE.—Assumes all income is owned by one spouse.

