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CONGRESSMAN JIM SXTON

PRESS RELEASE

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INCOME TAX SHARES SHOULD FIGURE IN TAX REFORM DEBATE

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WASHINGTON, D.C. —As Congress and the Administration examine options for tax reform, the income tax shares of various taxpayer groupings should be carefully considered, Congressman Jim Saxton said today. According to Internal Revenue Service (IRS) data Saxton has released, the top half of taxpayers measured by adjusted gross income (AGI) account for over **96 percent** of federal income taxes paid, while the bottom half accounts for less than 4 percent.

“Opposition to tax relief or tax reform typically fails to consider the shares of taxes actually paid by various taxpayer groups,” Saxton said. “However, the facts show that the income tax is steeply progressive. The top 10 percent of taxpayers pay two-thirds of the income tax, while the bottom half pays three and a half percent. Despite contentions that recent tax policy changes have been unfair, the income tax share of the bottom half is the lowest in half a century,” Saxton concluded.

Percentiles Ranked by AGI	Adjusted Gross Income Threshold on Percentiles	Percentage of Federal Personal Income Tax Paid
Top 1%	\$285,424	33.71
Top 5%	\$126,525	53.80
Top 10%	\$92,663	65.73
Top 25%	\$56,401	83.90
Top 50%	\$28,654	96.50
Bottom 50%	<\$28,654	3.50

Source: IRS, 2002 data.

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