

# **Adjusted Gross Income Percentiles by State Tax Year 2020 Documentation Guide**

## **Contents**

- A. Overview
- B. Population Definitions and Tax Return Addresses
- C. File Characteristics
- D. Selected Income and Tax Items
- E. Endnotes

### **A. Overview**

The Statistics of Income (SOI) Division's adjusted gross income (AGI) percentile data by State are based on individual income tax returns (Forms 1040) filed with the Internal Revenue Service (IRS) during a given calendar year. For Tax Year 2020 data, SOI tabulated the returns filed from January 1 through December 31, 2021. In addition, Tax Year 2020 paper returns were included up until early June of 2022 because of processing delays due to the COVID-19 pandemic. While the bulk of these returns were for Tax Year 2020, the IRS received a small number of returns for prior tax years. SOI uses these prior-year returns as a proxy for returns typically filed beyond the 12-month window [1]. Returns received from dependents claimed on another return have been excluded to avoid double counting, as well as returns with a negative AGI. AGI percentiles do not include income from non-taxable sources such as tax-exempt interest, non-taxable pensions and IRAs, and non-taxable Social Security Benefits.

### **B. Population Definitions and Tax Return Addresses**

- State totals may not be comparable to State totals published elsewhere by SOI [2].
- State data are based on population data that was filed and processed by the IRS during the 2021 calendar year. In addition, tax year 2020 paper returns were included up until early June of 2022 because of processing delays due to the COVID-19 pandemic.
- Data do not represent the full U.S. population because many individuals are not required to file an individual income tax return.
- The address shown on the tax return may differ from the taxpayer's actual residence.
- Returns filed using Army Post Office (APO) and Fleet Post Office addresses, foreign addresses, and addresses in Puerto Rico, Guam, Virgin Islands, American Samoa, Marshall Islands, Northern Marianas, and Palau have been included in the U.S. total only.
- Returns with negative adjusted gross income (adjusted gross deficit) and corresponding amounts for adjusted gross deficit are excluded [3].
- Returns where the individual was claimed as a dependent are excluded.
- Selected descending percentiles are based on adjusted gross income (AGI).
- All money amounts are in dollars.

### **C. File Characteristics**

The state percentile data include three files:

- (1) A comma separated file (.csv)—**20instateshares.csv**
- (2) Table 1: Excel file—**20in01stateshares.xlsx**
- (3) Table 2: Excel file—**20in02stateshares.xlsx**

#### **D. Selected Income and Tax Items**

<b>VARIABLE NAME</b>	<b>DESCRIPTION/VALUE</b>
<b>STATEFIPS</b>	State Federal Information Processing System (FIPS) code <a href="#">Alabama to Wyoming...01 to 56</a>
<b>STATE</b>	State associated with the ZIP code <a href="#">Alabama to Wyoming...AL to WY</a>
<b>STATE_NAME</b>	State name <a href="#">Alabama to Wyoming</a>
<b>TOTAL</b>	Total number of returns
<b>TOP_01</b>	Number of returns for top 1 percent
<b>TOP_05</b>	Number of returns for top 5 percent
<b>TOP_10</b>	Number of returns for top 10 percent
<b>TOP_25</b>	Number of returns for top 25 percent
<b>TOP_50</b>	Number of returns for top 50 percent
<b>TOP_75</b>	Number of returns for top 75 percent
<b>AGI_01</b>	Adjusted gross income (AGI) cutoff for top 1 percent
<b>AGI_05</b>	Adjusted gross income (AGI) cutoff for top 5 percent
<b>AGI_10</b>	Adjusted gross income (AGI) cutoff for top 10 percent
<b>AGI_25</b>	Adjusted gross income (AGI) cutoff for top 25 percent
<b>AGI_50</b>	Adjusted gross income (AGI) cutoff for top 50 percent
<b>AGI_75</b>	Adjusted gross income (AGI) cutoff for top 75 percent
<b>TOTAL_AGI</b>	Total amount of AGI
<b>SUM_AGI_01</b>	Total amount of AGI for top 1 percent
<b>SUM_AGI_05</b>	Total amount of AGI for top 5 percent
<b>SUM_AGI_10</b>	Total amount of AGI for top 10 percent
<b>SUM_AGI_25</b>	Total amount of AGI for top 25 percent
<b>SUM_AGI_50</b>	Total amount of AGI for top 50 percent
<b>SUM_AGI_75</b>	Total amount of AGI for top 75 percent
<b>TOTAL_SAL_NUM</b>	Total number of returns with salaries and wages
<b>TOTAL_SAL_AMT</b>	Total amount of salaries and wages
<b>NUM_SAL_01</b>	Number of returns with salaries and wages for top 1 percent
<b>SUM_SAL_01</b>	Amount of salaries and wages for top 1 percent
<b>NUM_SAL_05</b>	Number of returns with salaries and wages for top 5 percent

<b>SUM_SAL_05</b>	Amount of salaries and wages for top 5 percent
<b>NUM_SAL_10</b>	Number of returns with salaries and wages for top 10 percent
<b>SUM_SAL_10</b>	Amount of salaries and wages for top 10 percent
<b>NUM_SAL_25</b>	Number of returns with salaries and wages for top 25 percent
<b>SUM_SAL_25</b>	Amount of salaries and wages for top 25 percent
<b>NUM_SAL_50</b>	Number of returns with salaries and wages for top 50 percent
<b>SUM_SAL_50</b>	Amount of salaries and wages for top 50 percent
<b>NUM_SAL_75</b>	Number of returns with salaries and wages for top 75 percent
<b>SUM_SAL_75</b>	Amount of salaries and wages for top 75 percent
<b>TOTAL_INT_NUM</b>	Total number of returns with taxable interest
<b>TOTAL_INT_AMT</b>	Total amount of taxable interest
<b>NUM_INT_01</b>	Number of returns with taxable interest for top 1 percent
<b>SUM_INT_01</b>	Amount of taxable interest for top 1 percent
<b>NUM_INT_05</b>	Number of returns with taxable interest for top 5 percent
<b>SUM_INT_05</b>	Amount of taxable interest for top 5 percent
<b>NUM_INT_10</b>	Number of returns with taxable interest for top 10 percent
<b>SUM_INT_10</b>	Amount of taxable interest for top 10 percent
<b>NUM_INT_25</b>	Number of returns with taxable interest for top 25 percent
<b>SUM_INT_25</b>	Amount of taxable interest for top 25 percent
<b>NUM_INT_50</b>	Number of returns with taxable interest for top 50 percent
<b>SUM_INT_50</b>	Amount of taxable interest for top 50 percent
<b>NUM_INT_75</b>	Number of returns with taxable interest for top 75 percent
<b>SUM_INT_75</b>	Amount of taxable interest for top 75 percent
<b>TOTAL_DIV_NUM</b>	Total number of returns with dividends
<b>TOTAL_DIV_AMT</b>	Total amount of dividends
<b>NUM_DIV_01</b>	Number of returns with dividends for top 1 percent
<b>SUM_DIV_01</b>	Amount of dividends for top 1 percent
<b>NUM_DIV_05</b>	Number of returns with dividends for top 5 percent
<b>SUM_DIV_05</b>	Amount of dividends for top 5 percent

<b>NUM_DIV_10</b>	Number of returns with dividends for top 10 percent
<b>SUM_DIV_10</b>	Amount of dividends for top 10 percent
<b>NUM_DIV_25</b>	Number of returns with dividends for top 25 percent
<b>SUM_DIV_25</b>	Amount of dividends for top 25 percent
<b>NUM_DIV_50</b>	Number of returns with dividends for top 50 percent
<b>SUM_DIV_50</b>	Amount of dividends for top 50 percent
<b>NUM_DIV_75</b>	Number of returns with dividends for top 75 percent
<b>SUM_DIV_75</b>	Amount of dividends for top 75 percent
<b>TOTAL_BUSINC_NUM</b>	Total number of returns with business or profession net income less loss
<b>TOTAL_BUSINC_AMT</b>	Total amount of business or profession net income less loss
<b>NUM_BUSINC_01</b>	Number of returns with business or profession net income less loss for top 1 percent
<b>SUM_BUSINC_01</b>	Amount of business or profession net income less loss for top 1 percent
<b>NUM_BUSINC_05</b>	Number of returns with business or profession net income less loss for top 5 percent
<b>SUM_BUSINC_05</b>	Amount of business or profession net income less loss for top 5 percent
<b>NUM_BUSINC_10</b>	Number of returns with business or profession net income less loss for top 10 percent
<b>SUM_BUSINC_10</b>	Amount of business or profession net income less loss for top 10 percent
<b>NUM_BUSINC_25</b>	Number of returns with business or profession net income less loss for top 25 percent
<b>SUM_BUSINC_25</b>	Amount of business or profession net income less loss for top 25 percent
<b>NUM_BUSINC_50</b>	Number of returns with business or profession net income less loss for top 50 percent
<b>SUM_BUSINC_50</b>	Amount of business or profession net income less loss for top 50 percent
<b>NUM_BUSINC_75</b>	Number of returns with business or profession net income less loss for top 75 percent
<b>SUM_BUSINC_75</b>	Amount of business or profession net income less loss for top 75 percent
<b>TOTAL_CPGAIN_NUM</b>	Total number of returns with net capital gain less loss

<b>TOTAL_CPGAIN_AMT</b>	Total amount of net capital gain less loss
<b>NUM_CPGAIN_01</b>	Number of returns with net capital gain less loss for top 1 percent
<b>SUM_CPGAIN_01</b>	Amount of net capital gain less loss for top 1 percent
<b>NUM_CPGAIN_05</b>	Number of returns with net capital gain less loss for top 5 percent
<b>SUM_CPGAIN_05</b>	Amount of net capital gain less loss for top 5 percent
<b>NUM_CPGAIN_10</b>	Number of returns with net capital gain less loss for top 10 percent
<b>SUM_CPGAIN_10</b>	Amount of net capital gain less loss for top 10 percent
<b>NUM_CPGAIN_25</b>	Number of returns with net capital gain less loss for top 25 percent
<b>SUM_CPGAIN_25</b>	Amount of net capital gain less loss for top 25 percent
<b>NUM_CPGAIN_50</b>	Number of returns with net capital gain less loss for top 50 percent
<b>SUM_CPGAIN_50</b>	Amount of net capital gain less loss for top 50 percent
<b>NUM_CPGAIN_75</b>	Number of returns with net capital gain less loss for top 75 percent
<b>SUM_CPGAIN_75</b>	Amount of net capital gain less loss for top 75 percent
<b>TOTAL_IRADIST_NUM</b>	Total number of returns with taxable IRA distributions
<b>TOTAL_IRADIST_AMT</b>	Total amount of taxable IRA distributions
<b>NUM_IRADIST_01</b>	Number of returns with taxable IRA distributions for top 1 percent
<b>SUM_IRADIST_01</b>	Amount of taxable IRA distributions for top 1 percent
<b>NUM_IRADIST_05</b>	Number of returns with taxable IRA distributions for top 5 percent
<b>SUM_IRADIST_05</b>	Amount of taxable IRA distributions for top 5 percent
<b>NUM_IRADIST_10</b>	Number of returns with taxable IRA distributions for top 10 percent
<b>SUM_IRADIST_10</b>	Amount of taxable IRA distributions for top 10 percent
<b>NUM_IRADIST_25</b>	Number of returns with taxable IRA distributions for top 25 percent
<b>SUM_IRADIST_25</b>	Amount of taxable IRA distributions for top 25 percent
<b>NUM_IRADIST_50</b>	Number of returns with taxable IRA distributions for top 50 percent
<b>SUM_IRADIST_50</b>	Amount of taxable IRA distributions for top 50 percent
<b>NUM_IRADIST_75</b>	Number of returns with taxable IRA distributions for top 75 percent
<b>SUM_IRADIST_75</b>	Amount of taxable IRA distributions for top 75 percent

<b>TOTAL_PENSION_NUM</b>	Total number of returns with taxable pensions and annuities
<b>TOTAL_PENSION_AMT</b>	Total amount of taxable pensions and annuities
<b>NUM_PENSION_01</b>	Number of returns with taxable pensions and annuities for top 1 percent
<b>SUM_PENSION_01</b>	Amount of taxable pensions and annuities for top 1 percent
<b>NUM_PENSION_05</b>	Number of returns with taxable pensions and annuities for top 5 percent
<b>SUM_PENSION_05</b>	Amount of taxable pensions and annuities for top 5 percent
<b>NUM_PENSION_10</b>	Number of returns with taxable pensions and annuities for top 10 percent
<b>SUM_PENSION_10</b>	Amount of taxable pensions and annuities for top 10 percent
<b>NUM_PENSION_25</b>	Number of returns with taxable pensions and annuities for top 25 percent
<b>SUM_PENSION_25</b>	Amount of taxable pensions and annuities for top 25 percent
<b>NUM_PENSION_50</b>	Number of returns with taxable pensions and annuities for top 50 percent
<b>SUM_PENSION_50</b>	Amount of taxable pensions and annuities for top 50 percent
<b>NUM_PENSION_75</b>	Number of returns with taxable pensions and annuities for top 75 percent
<b>SUM_PENSION_75</b>	Amount of taxable pensions and annuities for top 75 percent
<b>TOTAL_SCORP_NUM</b>	Total number of returns with partnership and S-corporation net income less loss
<b>TOTAL_SCORP_AMT</b>	Total amount of partnership and S-corporation net income less loss
<b>NUM_SCORP_01</b>	Number of returns with partnership and S-corporation net income less loss for top 1 percent
<b>SUM_SCORP_01</b>	Amount of partnership and S-corporation net income less loss for top 1 percent
<b>NUM_SCORP_05</b>	Number of returns with partnership and S-corporation net income less loss for top 5 percent
<b>SUM_SCORP_05</b>	Amount of partnership and S-corporation net income less loss for top 5 percent
<b>NUM_SCORP_10</b>	Number of returns with partnership and S-corporation net income less loss for top 10 percent
<b>SUM_SCORP_10</b>	Amount of partnership and S-corporation net income less loss for top 10 percent

<b>NUM_SCORP_25</b>	Number of returns with partnership and S-corporation net income less loss for top 25 percent
<b>SUM_SCORP_25</b>	Amount of partnership and S-corporation net income less loss for top 25 percent
<b>NUM_SCORP_50</b>	Number of returns with partnership and S-corporation net income less loss for top 50 percent
<b>SUM_SCORP_50</b>	Amount of partnership and S-corporation net income less loss for top 50 percent
<b>NUM_SCORP_75</b>	Number of returns with partnership and S-corporation net income less loss for top 75 percent
<b>SUM_SCORP_75</b>	Amount of partnership and S-corporation net income less loss for top 75 percent
<b>TOTAL_TAX</b>	Total amount of income tax [4]
<b>SUM_TAX_01</b>	Total amount of income tax for top 1 percent
<b>SUM_TAX_05</b>	Total amount of income tax for top 5 percent
<b>SUM_TAX_10</b>	Total amount of income tax for top 10 percent
<b>SUM_TAX_25</b>	Total amount of income tax for top 25 percent
<b>SUM_TAX_50</b>	Total amount of income tax for top 50 percent
<b>SUM_TAX_75</b>	Total amount of income tax for top 75 percent

#### **E. Endnotes:**

[1] The use of prior-year returns as a proxy for those that filed after the current processing year is consistent with SOI's individual income tax return sample, which is used as an input for the geographic data. For a description of the sample and the use of prior-year returns see [https://www.irs.gov/statistics/soi-tax-stats-individual-income-tax-returns-publication-1304-complete-report#\\_sec2](https://www.irs.gov/statistics/soi-tax-stats-individual-income-tax-returns-publication-1304-complete-report#_sec2).

[2] For complete individual income tax tabulations at the State level, see <http://www.irs.gov/uac/SOI-Tax-Stats---Historic-Table-2>.

[3] By excluding adjusted gross deficit returns, the alternative minimum tax reported on some of these returns was also excluded.

[4] Total income tax is the sum of income tax after credits (including the subtraction of excess advance premium tax credit repayment, the earned income credit, and the American opportunity credit) limited to zero plus net investment income tax from Form 8960.