Year	Lowest Quintile	Second Quintile	Middle Quintile	Fourth Quintile	Highest Quintile	All Quintiles	Top 10%	Top 5%	Top 1%
Average Income (2007 dollars) After-Tax Income									
					71107 74				
1979	15,300	31,000	44,100	57,700	101,700	49,300	128,700	169,600	346,600
1980	14,800	29,800	42,600	55,800	98,700	47,700	125,400	164,000	339,200
1981	14,300	29,200	41,800	55,600	98,500	47,400	125,300	164,300	351,100
1982	13,900	28,800	41,500	56,000	101,900	48,300	131,600	176,000	388,600
1983	13,300	27,800	41,000	56,000	106,000	48,800	138,700	186,500	424,800
1984	13,500	29,100	42,500	58,100	112,800	50,600	149,300	203,100	464,500
1985	13,700	29,100	43,200	58,700	116,200	51,900	155,300	213,300	507,400
1986	13,800	29,900	44,300	60,800	131,500	55,700	180,700	259,500	674,100
1987	13,600	29,000	44,200	61,100	120,600	53,300	160,100	218,200	503,200
1988	13,900	29,500	44,600	61,500	130,000	55,500	177,100	250,400	647,700
1989	14,500	30,200	45,200	62,300	130,000	56,200	176,300	246,300	609,700
1990	14,800	30,700	45,000	61,400	126,400	55,600	170,200	236,800	586,000
1991	14,800	30,400	44,500	60,900	121,600	54,200	161,700	220,500	520,100
1992	14,600	30,400	44,800	61,700	126,600	55,600	170,400	237,500	583,700
1993	14,900	30,600	45,100	62,200	124,600	55,400	165,200	225,100	529,400
1994	15,100	31,000	45,500	63,100	126,100	56,000	167,800	229,500	535,100
1995	15,900	32,400	46,700	64,000	131,200	57,900	175,300	244,600	586,400
1996	15,700	32,300	47,300	65,200	137,400	59,600	186,700	261,300	648,100
1997	16,100	32,800	48,000	66,300	145,700	61,900	201,600	289,700	755,700
1998	16,900	34,600	49,600	69,000	155,400	65,200	218,100	319,600	868,200
1999	17,300	35,300	50,600	70,700	163,800	67,700	230,900	338,900	943,800
2000	16,500	34,900	50,400	71,300	170,300	68,700	242,600	360,600	1,038,700
2001	16,500	35,700	51,900	71,600	156,800	66,200	216,800	311,100	824,500
2002	16,100	34,900	51,000	70,600	150,400	63,900	204,600	286,700	730,500
2003	15,900	34,900	51,300	72,000	157,700	65,600	216,400	307,600	792,900
2004	16,000	35,600	52,900	74,200	170,300	69,000	238,400	346,400	946,900
2005	16,400	36,000	53,300	74,800	183,200	71,900	262,100	393,200	1,135,900
2006	16,900	36,300	53,500	75,900	189,900	74,000	273,500	412,900	1,230,900
2007	17,700	38,000	55,300	77,700	198,300	76,400	289,300	440,500	1,319,700

## Average After-Tax Income for All Households, by Household Income Category, 1979-2007

Source: Congressional Budget Office.

Notes: Effective tax rates are calculated by dividing taxes by comprehensive household income.

Comprehensive household income equals pretax cash income plus income from other sources. Pretax cash income is the sum of wages, salaries, self-employment income, rents, taxable and nontaxable interest, dividends, realized capital gains, cash transfer payments, and retirement benefits plus taxes paid by businesses (corporate income taxes and the employer's share of Social Security, Medicare, and federal unemployment insurance payroll taxes) and employees' contributions to 401(k) retirement plans. Other sources of income include all in-kind benefits (Medicare, Medicaid, employer-paid health insurance premiums, food stamps, school lunches and breakfasts, housing assistance, and energy assistance).

Income categories are defined by ranking all people by their comprehensive household income adjusted for household size—that is, divided by the square root of the household's size. (A household consists of the people who share a housing unit, regardless of their relationships.) Quintiles, or fifths, contain equal numbers of people. Households with negative income (business or investment losses larger than other income) are excluded from the lowest income category but are included in totals.

Individual income taxes are attributed directly to households paying those taxes. Social insurance, or payroll, taxes are attributed to households paying those taxes directly or paying them indirectly through their employers. Corporate income taxes are attributed to households according to their share of capital income. Federal excise taxes are attributed to them according to their consumption of the taxed good or service.