United States Government Other Information (Unaudited) for the Years Ended September 30, 2024, and 2023

Tax Burden

The IRC provides for progressive tax rates, whereby higher earned income is generally subject to higher tax rates. The following tables present the latest available information on income tax and related income, deductions, and credit for individuals by income level, and for corporations by size of assets.

Individual Income Tax Liability for Tax Year 2022

Adjusted Gross Income	Number of Taxable Returns (In thousands)	Adjusted Gross Income (In millions of dollars)	Total Income Tax (In millions of dollars)	Average Adjusted Gross Income per Return (In whole dollars)	Average Income Tax per Return (In whole dollars)	Income Tax as a Percentage of Adjusted Gross Income
Under $15,000	29,840	41,952	377	1,406	13	0.9%
$15,000 under $30,000	25,099	558,008	11,917	22,232	475	2.1%
$30,000 under $50,000	29,027	1,144,446	51,632	39,427	1,779	4.5%
$50,000 under $100,000	38,987	2,782,106	213,183	71,360	5,468	7.7%
$100,000 under $200,000	25,887	3,567,048	397,758	137,793	15,365	11.2%
$200,000 under $500,000	10,018	2,891,065	483,057	288,587	48,219	16.7%
$500,000 or more	2,479	3,849,333	981,999	1,552,777	396,127	25.5%
Total	161,337	14,833,958	2,139,923			

Corporate Income Tax Liability for Tax Year 2021

Total Assets (In thousands of dollars)	Income Subject to Tax (In millions of dollars)	Total Income Tax After Credits (In millions of dollars)	Percentage of Income Tax After Credits to Taxable Income
Zero assets	36,888	8,286	22.5%
$1 under $500	8,903	1,814	20.4%
$500 under $1,000	6,161	1,264	20.5%
$1,000 under $5,000	25,182	5,120	20.3%
$5,000 under $10,000	16,461	3,333	20.2%
$10,000 under $25,000	27,838	5,577	20.0%
$25,000 under $50,000	24,753	4,973	20.1%
$50,000 under $100,000	27,941	5,497	19.7%
$100,000 under $250,000	43,788	8,280	18.9%
$250,000 under $500,000	40,240	7,633	19.0%
$500,000 under $2,500,000	176,908	32,255	18.2%
$2,500,000 or more	1,986,987	287,371	14.5%
Total	2,422,050	371,403	

Tax Gap

The gross tax gap is the difference between the amount of tax imposed by law and what taxpayers actually pay on time and/or timely. The tax gap provides an estimate of the level of overall noncompliance compliance during the relevant tax periods. Tax gap estimates provide periodic appraisals about the nature and extent of noncompliance for use in formulating tax administration strategies. Given the complexity of the tax system and available data, a single approach cannot be used for estimating all the components of the tax gap. In October 2024, the tax gap projections were issued for tax year 2022 along with revised projections for tax years 2020 and 2021.

The gross tax gap is the amount of a tax liability that is not paid voluntarily and on time. The projected gross tax gap increased to $696.0 billion in tax year 2022. The gross tax gap is comprised of three components: non-filing, underreporting, and underpayment. The projected gross tax gap for each of these components is $63.0 billion, $539.0 billion, and $94.0 billion, respectively. The gross tax gap projections are also segmented by type of tax: individual income tax, corporation income tax, employment tax, and estate and excise tax. The projected gross tax gap for each of these types of tax is $514.0 billion, $50.0 billion, $127.0 billion, and $5.0 billion, respectively.

The net tax gap is the gross tax gap less tax that subsequently will be paid either late through voluntary payments or collected through IRS administrative and enforcement activities and is the portion of the gross tax gap that will not be paid. It is projected that $90.0 billion of the gross tax gap will eventually be paid resulting in a net tax gap of $606.0 billion. The net tax gap projections are also segmented by type of tax: individual income tax, corporation income tax, employment tax, and estate and excise tax. The projected net tax gap for each of these types of tax is $447.0 billion, $40.0 billion, $119.0 billion, and $0.4 billion, respectively.[1] For additional information on the tax gap, refer to Treasury's financial statements.

Tax Expenditures

As discussed in greater detail in Note 19—Collections and Refunds of Federal Revenue, tax and other revenues reported reflect the effects of tax expenditures, which are special exclusions, exemptions, deductions, tax credits, preferential tax rates, and tax deferrals that allow individuals and businesses to reduce taxes they may otherwise owe.

[1] Individual amounts may not add to totals due to rounding.