

# Charts: You Might Be the 47 Percent If...

...you don't owe federal income taxes because you're a working mom, a soldier, a millionaire, or a corporation.

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By now you've no doubt heard Mitt Romney's thoughts about the "47 percent" of Americans "who pay no income tax." But are you one of them? You might be if you are...

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## ...SUPERWEALTHY

The 47 percent aren't all moochers. In 2011, 3,000 taxpayers earning more than \$2.2 million paid no federal income tax. How'd they manage that? High earners have a wealth of tricks for minimizing their tax bills, including writing off losses, foreign investments, and giving to charity.

### Taxpayers Who Didn't Pay Individual Income Taxes, 2011\*

Income level	Number of households
Less than \$10,000	24,300,000
\$10,000 to \$20,000	22,836,000
\$20,000 to \$30,000	12,653,000
\$30,000 to \$40,000	7,112,000
\$40,000 to \$50,000	4,188,000
\$50,000 to \$75,000	2,858,000
\$75,000 to \$100,000	723,000
\$100,000 to \$200,000	381,000
\$200,000 to \$500,000	81,000
\$500,000 to \$1,000,000	22,000
<b>Over \$1 million</b>	<b>7,000</b>

\*Note: Taxpayers may refer to households or individuals.

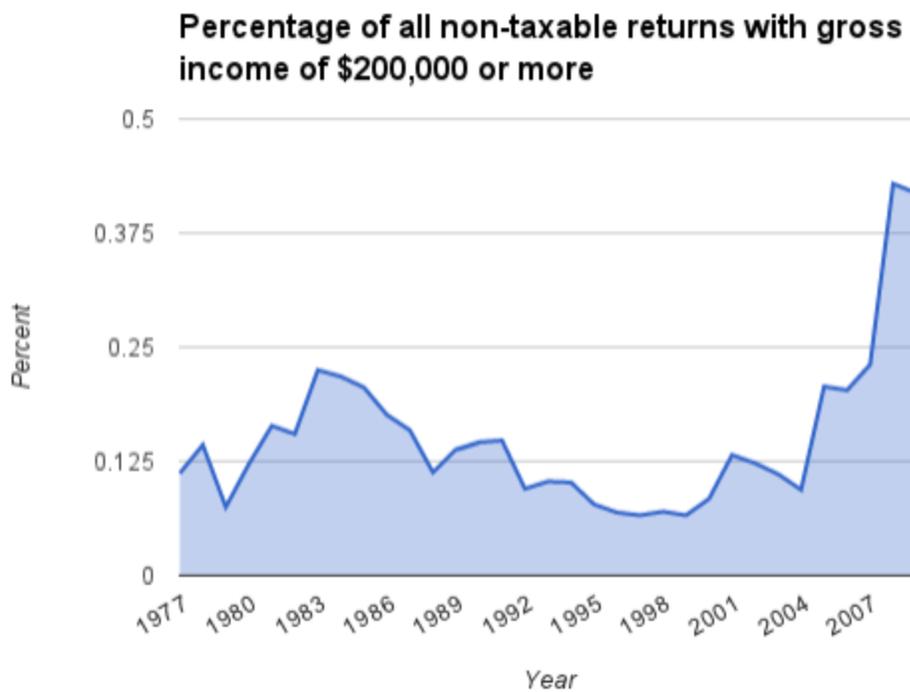
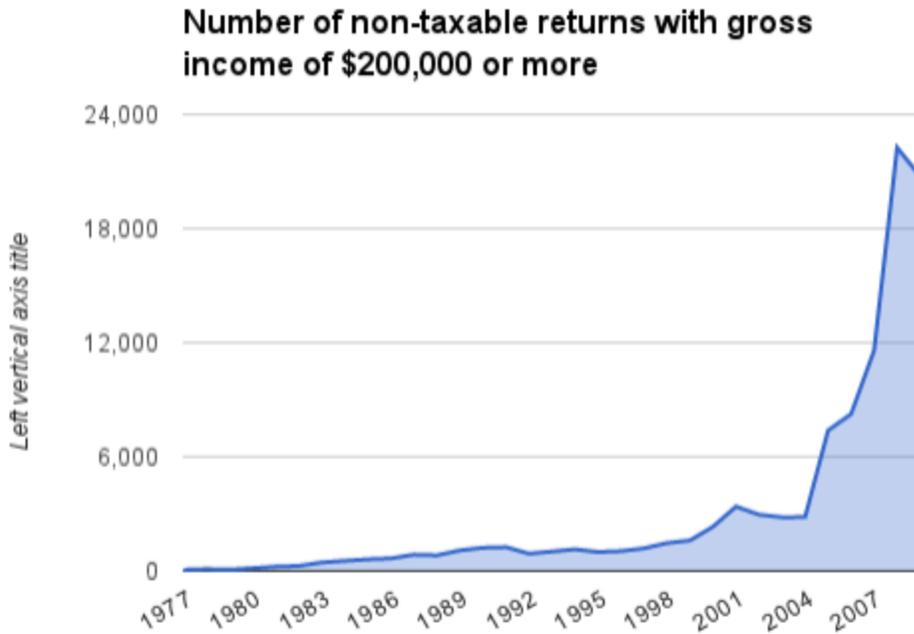
Mother Jones

Source: Tax Policy Center

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## ...JUST PRETTY WEALTHY

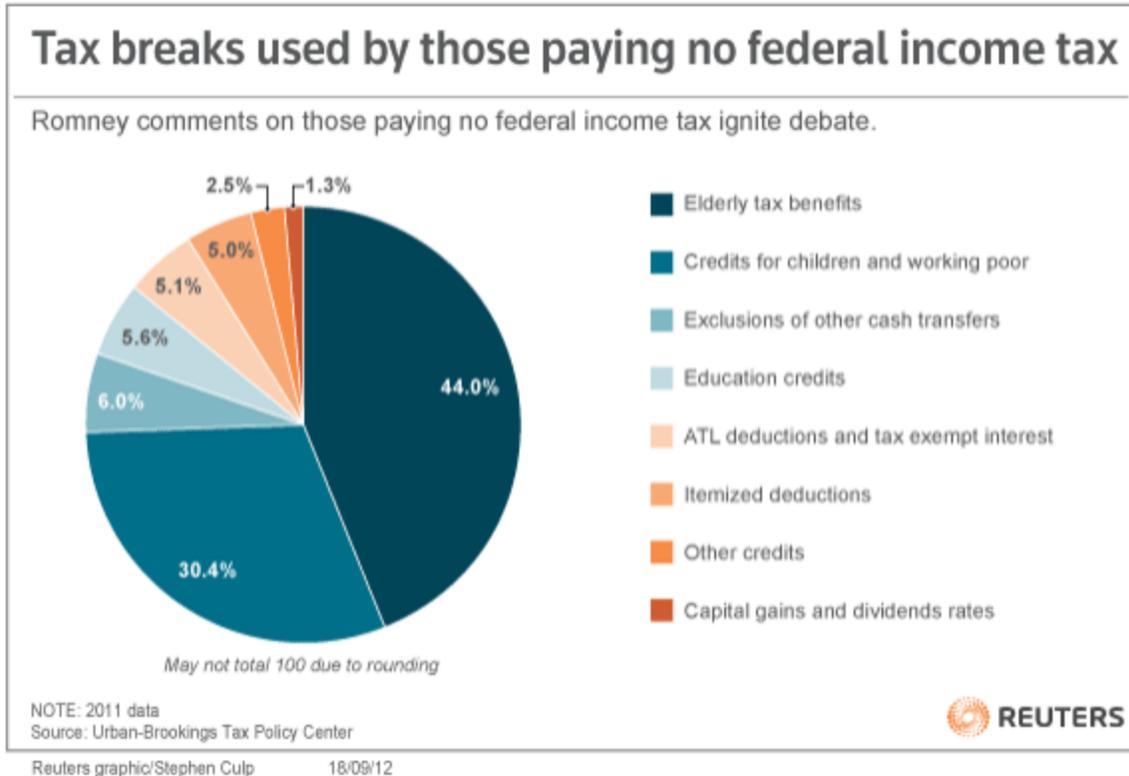
More than 20,000 taxpayers with gross income of more than \$200,000 paid no income tax in 2009, according to IRS data (PDF). Overall, the rate of wealthy Americans who pay no income tax has been growing.



Source: IRS

## ...WORKING HARD

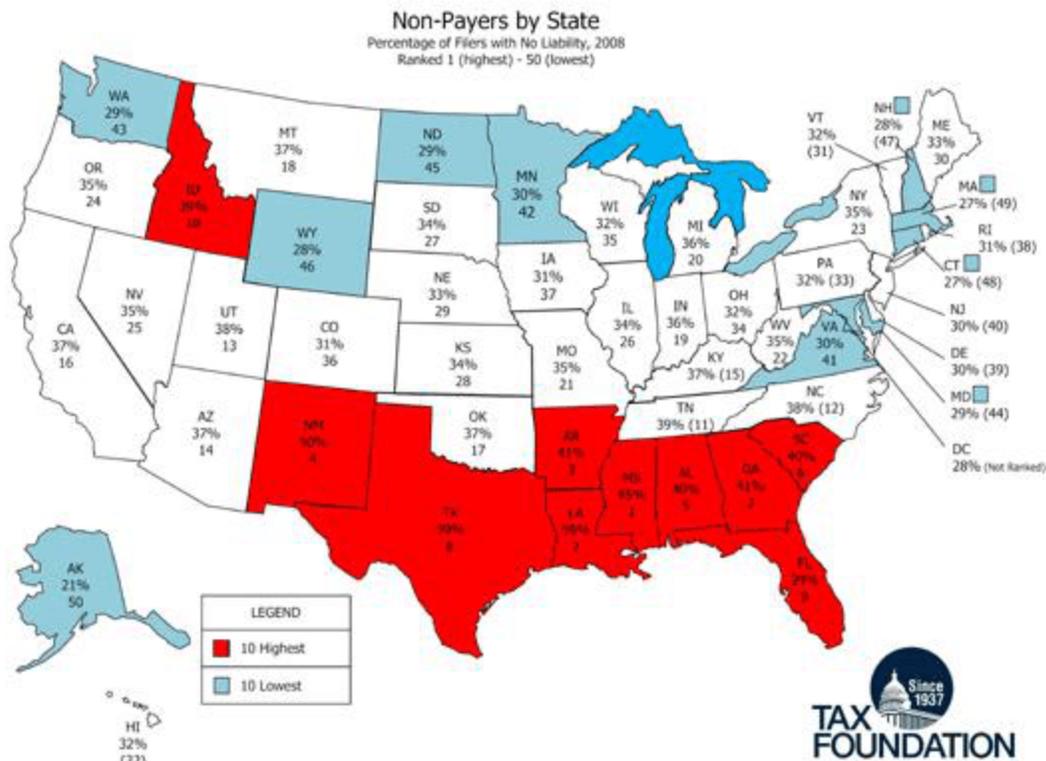
About three-fifths of the 47 percent are working and making less than \$20,000 a year. However, they still pay payroll taxes (Social Security, Medicare, unemployment) and spend an average of 12.3 percent of their incomes on state and local taxes.



Source: Reuters/Urban-Brookings Tax Policy Center

## ...LIVING IN A RED STATE

Eight of the ten states with the highest percentage of non-filers are solidly red. The Washington Post's Dylan Matthews predicts that Romney will grab "95 electoral votes from the 'taker' states." (However, most of the non-payers in those states are likely Democrats.)



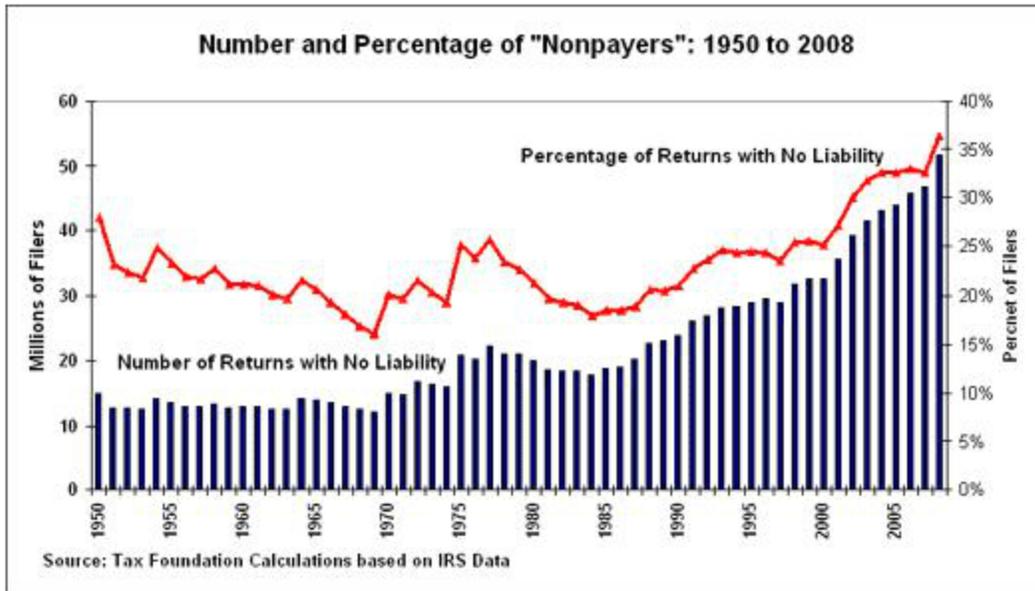
Source: Tax Foundation

## ...THE LUCKY BENEFICIARY OF REPUBLICAN TAX POLICIES

The Reagan and Bush tax cuts erased many Americans' income tax obligations. George W. Bush even bragged about taking 5 million people off the tax rolls in 2004. And the Earned Income Tax Credit and Child Tax Credit, which give working families a tax break, were pushed by conservatives as ways to alleviate poverty.

## ...DOWN ON YOUR LUCK

According to the Center on Budget and Policy Priorities, the 47 percent figure is an anomaly that reflects "the unique circumstances of the past few years, when the economic downturn greatly swelled the number of Americans with low incomes." In other words, the past few years have left more Americans too poor to pay taxes. That, combined with the tax policies mentioned above, has led to a greater share of Americans who do not owe any income taxes.



Source: Tax Foundation

## ...A SENIOR CITIZEN

More than one-fifth of the 47 percent are senior citizens whose main source of earnings is Social Security. (Senior citizens making more than \$25,000 a year— \$32,000 for couples—pay income taxes on up to 85 percent of their benefits.)



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## ...IN COLLEGE



College students are a small yet significant chunk of the 47 percent. Most scholarships and financial aid are not taxable. Of course, students who work their way through school pay taxes—and they pay taxes when they (hopefully) enter the workforce after graduation.

Source: [CollegeDegrees360/Flickr](#)

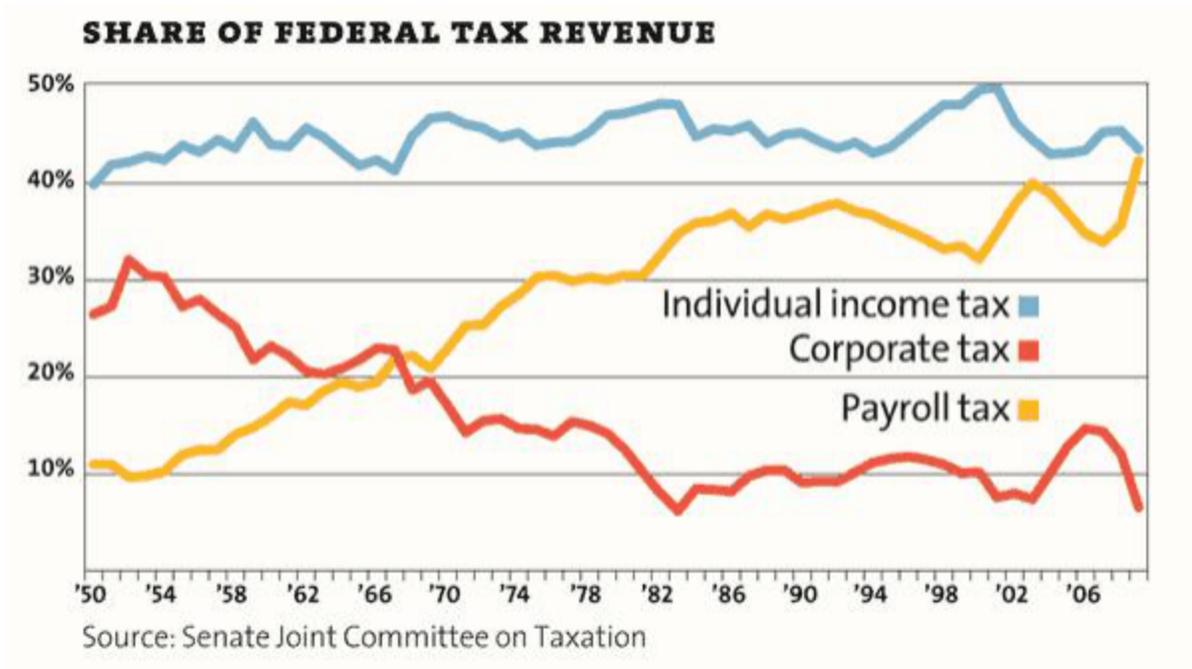
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## ...IN A COMBAT ZONE

Members of the military serving in combat zones do not have to pay federal income tax on their pay.

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## ...A CORPORATION



Corporations may be people, my friends, but they don't pay personal income taxes. But they can still avoid the IRS. Between 2008 and 2011, 26 major corporations such as Verizon and General Electric paid no net federal corporate taxes. Nearly 55 percent of large American-owned corporations reported zero tax liabilities for multiple years between 1998 and 2005, according to a Government Accountability Office report (PDF). And corporate income taxes' share of total federal taxes collected has been falling steadily.

Source: Mother Jones