

Capital Gains and Taxes Paid on Capital Gains for Returns with Positive Net Capital Gains, 1954-2003

In 2003 GDP adjusted dollars, \$-millions

Change from previous year

| Year | Total capital gains | Capital gains taxes | Effective rate | Capital gains / GDP | Top capital gains rate | Change from previous year | | | | |
|------|---------------------|---------------------|----------------|---------------------|------------------------|---------------------------|---------------------|----------------|---------------------|------------------------|
| | | | | | | Total capital gains | Capital gains taxes | Effective rate | Capital gains / GDP | Top capital gains rate |
| 1954 | 206,039 | 29,076 | 14.1% | 1.88% | 25.0% | na | na | na | na | na |
| 1955 | 260,837 | 38,673 | 14.8% | 2.38% | 25.0% | +54,798 | +9,596 | +0.7% | +0.50% | — |
| 1956 | 242,206 | 35,069 | 14.5% | 2.21% | 25.0% | -18,631 | -3,604 | -0.3% | -0.17% | — |
| 1957 | 192,888 | 26,519 | 13.7% | 1.76% | 25.0% | -49,318 | -8,550 | -0.7% | -0.45% | — |
| 1958 | 221,382 | 30,698 | 13.9% | 2.02% | 25.0% | +28,495 | +4,179 | +0.1% | +0.26% | — |
| 1959 | 283,852 | 41,486 | 14.6% | 2.59% | 25.0% | +62,469 | +10,787 | +0.7% | +0.57% | — |
| 1960 | 244,397 | 35,098 | 14.4% | 2.23% | 25.0% | -39,454 | -6,387 | -0.3% | -0.36% | — |
| 1961 | 321,114 | 49,790 | 15.5% | 2.93% | 25.0% | +76,717 | +14,691 | +1.1% | +0.70% | — |
| 1962 | 250,973 | 36,458 | 14.5% | 2.29% | 25.0% | -70,141 | -13,331 | -1.0% | -0.64% | — |
| 1963 | 258,645 | 38,019 | 14.7% | 2.36% | 25.0% | +7,672 | +1,560 | +0.2% | +0.07% | — |
| 1964 | 287,140 | 40,886 | 14.2% | 2.62% | 25.0% | +28,495 | +2,867 | -0.5% | +0.26% | — |
| 1965 | 326,594 | 45,651 | 14.0% | 2.98% | 25.0% | +39,454 | +4,765 | -0.3% | +0.36% | — |
| 1966 | 295,907 | 40,267 | 13.6% | 2.70% | 25.0% | -30,687 | -5,384 | -0.4% | -0.28% | — |
| 1967 | 361,664 | 54,010 | 14.9% | 3.30% | 25.0% | +65,757 | +13,743 | +1.3% | +0.60% | — |
| 1968 | 428,517 | 71,522 | 16.7% | 3.91% | 26.9% | +66,853 | +17,512 | +1.8% | +0.61% | +1.9% |
| 1969 | 349,609 | 58,659 | 16.8% | 3.19% | 27.5% | -78,909 | -12,863 | +0.1% | -0.72% | +0.6% |
| 1970 | 220,286 | 33,400 | 15.2% | 2.01% | 32.2% | -129,322 | -25,259 | -1.6% | -1.18% | +4.7% |
| 1971 | 275,084 | 42,222 | 15.3% | 2.51% | 34.3% | +54,798 | +8,822 | +0.2% | +0.50% | +2.0% |
| 1972 | 316,730 | 50,403 | 15.9% | 2.89% | 36.5% | +41,646 | +8,181 | +0.6% | +0.38% | +2.3% |
| 1973 | 282,756 | 42,433 | 15.0% | 2.58% | 36.5% | -33,975 | -7,970 | -0.9% | -0.31% | — |
| 1974 | 220,286 | 31,005 | 14.1% | 2.01% | 36.5% | -62,469 | -11,428 | -0.9% | -0.57% | — |
| 1975 | 207,135 | 30,390 | 14.7% | 1.89% | 36.5% | -13,151 | -615 | +0.6% | -0.12% | — |
| 1976 | 237,822 | 39,872 | 16.8% | 2.17% | 39.9% | +30,687 | +9,482 | +2.1% | +0.28% | +3.4% |
| 1977 | 244,397 | 44,375 | 18.2% | 2.23% | 39.9% | +6,576 | +4,503 | +1.4% | +0.06% | — |
| 1978 | 241,110 | 43,444 | 18.0% | 2.20% | 39.9% | -3,288 | -931 | -0.1% | -0.03% | — |
| 1979 | 313,442 | 50,160 | 16.0% | 2.86% | 28.0% | +72,333 | +6,716 | -2.0% | +0.66% | -11.9% |
| 1980 | 290,427 | 48,811 | 16.8% | 2.65% | 28.0% | -23,015 | -1,349 | +0.8% | -0.21% | — |
| 1981 | 282,756 | 44,898 | 15.9% | 2.58% | 28%/20% | -7,672 | -3,912 | -0.9% | -0.07% | -6.0% |
| 1982 | 303,579 | 43,439 | 14.3% | 2.77% | 20.0% | +20,823 | -1,459 | -1.6% | +0.19% | -2.0% |
| 1983 | 380,296 | 57,924 | 15.2% | 3.47% | 20.0% | +76,717 | +14,485 | +0.9% | +0.70% | — |
| 1984 | 391,255 | 59,741 | 15.3% | 3.57% | 20.0% | +10,960 | +1,817 | +0.0% | +0.10% | — |
| 1985 | 447,149 | 68,794 | 15.4% | 4.08% | 20.0% | +55,894 | +9,053 | +0.1% | +0.51% | — |
| 1986 | 806,621 | 130,236 | 16.1% | 7.36% | 20.0% | +359,472 | +61,442 | +0.8% | +3.28% | — |
| 1987 | 343,033 | 77,906 | 22.7% | 3.13% | 28.0% | -463,588 | -52,330 | +6.6% | -4.23% | +8.0% |
| 1988 | 348,513 | 83,309 | 23.9% | 3.18% | 28.0% | +5,480 | +5,403 | +1.2% | +0.05% | — |
| 1989 | 307,963 | 70,489 | 22.9% | 2.81% | 28.0% | -40,550 | -12,819 | -1.0% | -0.37% | — |
| 1990 | 233,438 | 52,482 | 22.5% | 2.13% | 28.0% | -74,525 | -18,007 | -0.4% | -0.68% | — |
| 1991 | 203,847 | 45,491 | 22.3% | 1.86% | 28.9% | -29,591 | -6,991 | -0.2% | -0.27% | +0.9% |
| 1992 | 219,191 | 50,144 | 22.9% | 2.00% | 28.9% | +15,343 | +4,653 | +0.6% | +0.14% | — |
| 1993 | 250,973 | 59,525 | 23.7% | 2.29% | 29.2% | +31,783 | +9,381 | +0.8% | +0.29% | +0.3% |
| 1994 | 237,822 | 56,436 | 23.7% | 2.17% | 29.2% | -13,151 | -3,088 | +0.0% | -0.12% | — |
| 1995 | 266,316 | 65,428 | 24.6% | 2.43% | 29.2% | +28,495 | +8,992 | +0.8% | +0.26% | — |
| 1996 | 366,048 | 93,228 | 25.5% | 3.34% | 29.2% | +99,732 | +27,800 | +0.9% | +0.91% | — |
| 1997 | 481,123 | 104,585 | 21.7% | 4.39% | 29.19%/21.19% | +115,075 | +11,357 | -3.7% | +1.05% | -5.2% |

In 2003 GDP adjusted dollars, \$-millions

Change from previous year

| Year | Total capital gains | Capital gains taxes | Effective rate | Capital gains / GDP | Top capital gains rate | Total capital gains | Capital gains taxes | Effective rate | Capital gains / GDP | Top capital gains rate |
|------|---------------------|---------------------|----------------|---------------------|------------------------|---------------------|---------------------|----------------|---------------------|------------------------|
| 1998 | 567,703 | 111,077 | 19.6% | 5.18% | 21.19% | +86,580 | +6,492 | -2.2% | +0.79% | -2.8% |
| 1999 | 653,188 | 132,173 | 20.2% | 5.96% | 21.19% | +85,484 | +21,097 | +0.7% | +0.78% | — |
| 2000 | 718,945 | 142,048 | 19.8% | 6.56% | 21.19% | +65,757 | +9,875 | -0.5% | +0.60% | — |
| 2001 | 378,104 | 71,054 | 18.8% | 3.45% | 21.17% | -340,841 | -70,994 | -1.0% | -3.11% | -0.0% |
| 2002 | 281,660 | 51,508 | 18.3% | 2.57% | 21.16% | -96,444 | -19,547 | -0.5% | -0.88% | -0.0% |
| 2003 | 323,306 | 45,108 | 14.0% | 2.95% | 21.16%/16.05% | +41,646 | -6,400 | -4.3% | +0.38% | -3.7% |

Source: U.S. Treasury Department, Office of Tax Analysis, January 11, 2006

Notes: Data include returns with positive total net capital gains, both short and long-term. Data for each year include some prior year tax returns. The maximum rate is the effective rate applying to high-income taxpayers, including interactions with provisions that increase effective rates for significant amounts of gains. Maximum rates include the effects of exclusions (1954-86), alternative tax rates (1954-86,1991-97), the minimum tax (1970-78), the alternative minimum tax (1979-2000), income tax surcharges (1968-70), and the 3% phaseout of itemized deductions (1991-2000). The maximum statutory on long-term gains was 28% for 1991-May 1997, and 20% since May 1997. Since 1997, gains on collectibles and certain depreciation recapture have been taxed at ordinary rates, subject to maximum rates of 28% on collectibles and 25% on recapture. Midyear rate changes occurred in 1978, 1981, 1997 and 2003.

Note: 2003 tax figures is a preliminary estimate subject to revision.

Inflation Adjustment

Definition: GDP Adjusted Dollars is the item as a % of GDP, multiplied by 2003 GDP.

Reference

Calculations by Robert S. McIntyre, Citizens for Tax Justice