

# Analysis of Oregon Tax Return Statistics

In order to fully understand fluctuations in Personal Income Tax liability over time, familiarity with the makeup of income and distribution across households is important. This section reviews income and liability statistics for tax years 1990, 2000, and 2001 to provide context for forecasts of income and tax liability produced by the Office of Economic Analysis.

Income figures correspond to gross income reported on full-year resident tax returns – before subtractions, deductions and exemptions - with source detail obtained from associated federal returns. Income level comparisons are based on quintiles – total filers divided into five equal-numbered groups according to income level. Table 1 presents the associated income ranges for these groups for the target years.

**Table X: Estimated Range for Income Groups**

Quintile	1990	2000	2001
1st	< \$7,000	< \$10,500	< \$10,600
2nd	\$7,000 - \$15,000	\$10,500 - \$21,800	\$10,600 - \$22,250
3rd	\$15,000 - \$25,600	\$21,800 - \$37,800	\$22,250 - \$38,250
4th	\$25,600 - \$42,200	\$37,800 - \$64,000	\$38,250 - \$64,600
5th	> \$42,200	> \$64,000	> \$64,600

Tax liability refers to the total Oregon personal income tax due, irrespective of preliminary payments (withholding and estimated payments) and subsequent tax or refund due. Total tax liability for full-year resident filers is highly correlated with personal income tax collections ultimately received on a given tax year, although these dollars may arrive years later.

## Gross Income Statistics

As Table 2 illustrates, income is unevenly distributed across income tax filers and by source of income<sup>1</sup>. The top 20 percent earned as much as 58 percent of total income in tax year 2000, up significantly from 52.8 percent in 1990. Conversely, the bottom 60 percent earned only 20.7 percent of total income, down from 23.4 percent in 1990. The distribution became slightly less skewed in 2001 as the income for the top 20

**Table 2: Distribution of Gross Income**

Quintile	Tax Year 1990		Tax Year 2000		Tax Year 2001	
	Income (Millions)	Distribution	Income (Millions)	Distribution	Income (Millions)	Distribution
1st	\$468.2	1.4%	\$886.2	1.3%	\$742.5	1.2%
2nd	\$2,547.8	7.7%	\$4,587.6	6.8%	\$4,670.9	7.3%
3rd	\$4,709.9	14.3%	\$8,396.7	12.5%	\$8,522.2	13.3%
4th	\$7,848.7	23.8%	\$14,286.6	21.3%	\$14,440.7	22.5%
5th	\$17,456.4	52.8%	\$38,825.4	58.0%	\$35,715.7	55.7%
<b>Total</b>	<b>\$33,031.0</b>	<b>100.0%</b>	<b>\$66,982.5</b>	<b>100.0%</b>	<b>\$64,092.0</b>	<b>100.0%</b>

Source	Tax Year 1990		Tax Year 2000		Tax Year 2001	
	Income (Millions)	Distribution	Income (Millions)	Distribution	Income (Millions)	Distribution
Wages	\$22,992.6	69.6%	\$43,294.0	64.6%	\$43,676.9	68.1%
Dividends	\$712.7	2.2%	\$1,494.9	2.2%	\$1,197.4	1.9%
Interest	\$2,310.6	7.0%	\$2,237.8	3.3%	\$2,243.4	3.5%
Capital Gains	\$1,127.5	3.4%	\$5,962.9	8.9%	\$2,908.2	4.5%
Retirement	\$2,163.5	6.6%	\$6,303.5	9.4%	\$6,458.2	10.1%
Proprietors	\$1,763.5	5.3%	\$2,475.3	3.7%	\$2,471.5	3.9%
Schedule E	\$1,095.4	3.3%	\$2,894.6	4.3%	\$2,851.7	4.4%
Other	\$865.2	2.6%	\$2,319.5	3.5%	\$2,284.8	3.6%
<b>Total</b>	<b>\$33,031.0</b>	<b>100.0%</b>	<b>\$66,982.5</b>	<b>100.0%</b>	<b>\$64,092.0</b>	<b>100.0%</b>

<sup>1</sup> Schedule E income includes Rents, Royalties, and S-Corp distributions. Other income includes Alimony, Unemployment, and Unknown source due to lack of data from federal form.

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percent fell by \$3.1 billion, more than the drop in income for all filers.

In 1990, wage and salary income accounted for nearly 70 percent on total gross income. During the 1990s, this number fell as other types of income, most notably capital gains, grew faster than wage and salary income. Retirement income jumped as well, due to a growing retiree population in the state and the effects of the stock market boom on fund balances. Interest earnings failed to keep pace as interest-bearing assets were diverted to more lucrative forms of investment, like stocks.

From 2000 to 2001, capital gains income dropped by 50 percent. Given that 88 percent of capital gains income is earned by the top 20 percent of filers, this explains why this income group bore the brunt of the drop in total gross income in 2001.

As seen in Table 3, average income for the top 20 percent dropped 8.0 percent between 2000 and 2001, while the middle 60 percent experienced weak increases in average incomes. The bottom 20 percent includes returns with negative gross

**Table 3: Average Gross Income by Income Level**

Quintile	Tax Year 1990		Tax Year 2000		Tax Year 2001	
	Average Income	Average Income	Annual %ch from 1990	Average Income	Annual %ch from 2000	
1st	\$1,989	\$3,087	4.5%	\$2,588	-16.2%	
2nd	\$10,824	\$15,983	4.0%	\$16,278	1.9%	
3rd	\$20,010	\$29,253	3.9%	\$29,701	1.5%	
4th	\$33,344	\$49,772	4.1%	\$50,327	1.1%	
5th	\$74,161	\$135,261	6.2%	\$124,472	-8.0%	
<b>Total</b>	<b>\$28,066</b>	<b>\$46,671</b>	<b>5.2%</b>	<b>\$44,673</b>	<b>-4.3%</b>	

incomes, a product of business and farm losses. Increased losses account for the entire decline in average income for this group.

Table 4 looks at the contribution to income change by income level and source of income. Between 1990 and 2000, gross income increased nearly \$34 billion dollars, 62.9 percent of which occurred in the top income group. In 2001, the same group experienced a \$3.1 billion decline in income, greater than the decrease for all filers combined.

**Table 4: Contribution to Change in Income**

Quintile	1990 to 2000		2000 to 2001	
	Change (Millions)	Contribution to Total Change	Change (Millions)	Contribution to Total Change
1st	\$418.0	1.2%	-\$143.6	5.0%
2nd	\$2,039.9	6.0%	\$83.2	-2.9%
3rd	\$3,686.8	10.9%	\$125.5	-4.3%
4th	\$6,437.9	19.0%	\$154.1	-5.3%
5th	\$21,369.0	62.9%	-\$3,109.8	107.6%
<b>Total</b>	<b>\$33,951.6</b>	<b>100.0%</b>	<b>-\$2,890.6</b>	<b>100.0%</b>

Source	1990 to 2000		2000 to 2001	
	Change (Millions)	Contribution to Total Change	Change (Millions)	Contribution to Total Change
Wages	\$20,301.4	59.8%	\$382.9	-13.2%
Dividends	\$782.2	2.3%	-\$297.6	10.3%
Interest	-\$72.8	-0.2%	\$5.5	-0.2%
Capital Gains	\$4,835.5	14.2%	-\$3,054.7	105.7%
Retirement	\$4,140.0	12.2%	\$154.7	-5.4%
Proprietors	\$711.7	2.1%	-\$3.7	0.1%
Schedule E	\$1,799.2	5.3%	-\$42.9	1.5%
Other	\$1,454.4	4.3%	-\$34.7	1.2%
<b>Total</b>	<b>\$33,951.6</b>	<b>100.0%</b>	<b>-\$2,890.6</b>	<b>100.0%</b>

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In terms of income source, capital gains dropped by more than \$3.0 billion, with dividend, proprietorship, Schedule E, and other income exhibiting relatively smaller declines. Employment-related and retirement income are the most stable sources of income, historically speaking, and increased slightly.

## Oregon Personal Income Tax Liability

Oregon's progressive tax structure results in a more uneven distribution in personal income tax liability (See Table 5). For tax year 2000, the top 20 percent of filers owed 66.8 percent of personal income tax, up from 61.9 percent in 1990. In contrast,

the lowest 60 percent of filers owed a mere 14.3 percent of personal income tax in that year. This distribution shifted somewhat in 2001 as the top income bracket experienced nearly all of the loss in income.

Note that tax liability declined slightly for the middle 60 percent of filers even though income for the same groups increased. This is a product of increased deductions and subtractions in 2002, which reduced taxable income and liability.

The progressive tax structure also results in a different distribution of tax liability by source than that for income. Income from sources such as capital gains, rents, and S-Corps occur predominantly in the upper income brackets, and thus are taxed at higher-than-average tax rates. This explains why capital gains income, for example, contributed 10.8 percent of tax liability in 2000 while only comprising 8.9 percent of gross income. The drop in stock values produced a dramatic change in the income distribution in tax year 2001. Liability related to dividend and capitals gains income fell significantly, compared to only minor decreases associated with other forms of income.

**Table 5: Distribution of Tax Liability**

Quintile	Tax Year 1990		Tax Year 2000		Tax Year 2001	
	Liability (Millions)	Distribution	Liability (Millions)	Distribution	Liability (Millions)	Distribution
1st	\$9.538	0.6%	\$27.941	0.7%	\$26.3	0.7%
2nd	\$70.986	4.1%	\$149.672	3.8%	\$148.6	4.2%
3rd	\$193.724	11.3%	\$381.456	9.8%	\$375.3	10.5%
4th	\$381.470	22.2%	\$737.027	18.9%	\$727.9	20.4%
5th	\$1,064.022	61.9%	\$2,607.381	66.8%	\$2,289.2	64.2%
<b>Total</b>	<b>\$1,719.740</b>	<b>100.0%</b>	<b>\$3,903.477</b>	<b>100.0%</b>	<b>\$3,567.2</b>	<b>100.0%</b>

Source	Tax Year 1990		Tax Year 2000		Tax Year 2001	
	Liability (Millions)	Distribution	Liability (Millions)	Distribution	Liability (Millions)	Distribution
Wages	\$1,159.2	67.4%	\$2,393.0	61.3%	\$2,330.7	65.3%
Dividends	\$38.2	2.2%	\$91.9	2.4%	\$69.5	1.9%
Interest	\$112.2	6.5%	\$125.9	3.2%	\$119.4	3.3%
Capital Gains	\$67.4	3.9%	\$420.6	10.8%	\$195.3	5.5%
Retirement	\$102.1	5.9%	\$338.8	8.7%	\$333.8	9.4%
Proprietors	\$100.5	5.8%	\$149.7	3.8%	\$145.7	4.1%
Schedule E	\$80.4	4.7%	\$229.0	5.9%	\$222.5	6.2%
Other	\$59.8	3.5%	\$154.6	4.0%	\$150.3	4.2%
<b>Total</b>	<b>\$1,719.7</b>	<b>100.0%</b>	<b>\$3,903.5</b>	<b>100.0%</b>	<b>\$3,567.2</b>	<b>100.0%</b>

**Table 6: Average Tax Liability by Income Level**

Quintile	Tax Year 1990	Tax Year 2000		Tax Year 2001	
	Average Liability	Average Liability	Annual %ch from 1990	Average Liability	Annual %ch from 2000
1st	\$41	\$97	9.2%	\$92	-5.9%
2nd	\$302	\$521	5.6%	\$518	-0.7%
3rd	\$823	\$1,329	4.9%	\$1,308	-1.6%
4th	\$1,621	\$2,568	4.7%	\$2,537	-1.2%
5th	\$4,520	\$9,084	7.2%	\$7,978	-12.2%
<b>Total</b>	<b>\$1,461</b>	<b>\$2,720</b>	<b>6.4%</b>	<b>\$2,486</b>	<b>-8.6%</b>

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Table 6 exhibits average tax liability by income level, as well as annual percent change over the target timeframe. The average tax liability for Oregon filers declined 8.6 percent in tax year 2001, after increasing an average 6.4 percent annually from 1990 to 2000. Nearly all of the drop was experienced by the top 20 percent of filers.

**Table 7: Contribution to Change in Liability by Income Level**

Quintile	1990 to 2000		2000 to 2001	
	Change (Millions)	Contribution to Total Change	Change (Millions)	Contribution to Total Change
1st	\$18.4	0.8%	-\$1.6	0.5%
2nd	\$78.7	3.6%	-\$1.1	0.3%
3rd	\$187.7	8.6%	-\$6.2	1.8%
4th	\$355.6	16.3%	-\$9.1	2.7%
5th	\$1,543.4	70.7%	-\$318.2	94.6%
<b>Total</b>	<b>\$2,183.7</b>	<b>100.0%</b>	<b>-\$336.2</b>	<b>100.0%</b>

Source	1990 to 2000		2000 to 2001	
	Change (Millions)	Contribution to Total Change	Change (Millions)	Contribution to Total Change
Wages	\$1,233.8	56.5%	-\$62.3	18.5%
Dividends	\$53.7	2.5%	-\$22.4	6.6%
Interest	\$13.7	0.6%	-\$6.4	1.9%
Capital Gains	\$353.3	16.2%	-\$225.3	67.0%
Retirement	\$236.7	10.8%	-\$5.0	1.5%
Proprietors	\$49.2	2.3%	-\$4.1	1.2%
Schedule E	\$148.6	6.8%	-\$6.4	1.9%
Other	\$94.8	4.3%	-\$4.3	1.3%
<b>Total</b>	<b>\$2,183.7</b>	<b>100.0%</b>	<b>-\$336.2</b>	<b>100.0%</b>

Table 7 presents the contribution to change in tax liability by income level and source of income. Total tax liability in 2001

was \$336.2 million lower than in 2000. The top quintile was responsible for 94.6 percent of this decline, or in other words, this group experienced substantially lower tax liabilities while the remaining groups remained relatively unchanged.

As noted previously, the decline in capital gains income was primarily responsible for the lower tax liability. Whereas employment-based and retirement income increased from 2000

**Table 8: Effective Tax Rates**

Quintile	1990	2000	2001
1st	2.0%	3.2%	3.5%
2nd	2.8%	3.3%	3.2%
3rd	4.1%	4.5%	4.4%
4th	4.9%	5.2%	5.0%
5th	6.1%	6.7%	6.4%
<b>Total</b>	<b>5.2%</b>	<b>5.8%</b>	<b>5.6%</b>

Source	1990	2000	2001
Wages	5.0%	5.5%	5.3%
Dividends	5.4%	6.1%	5.8%
Interest	4.9%	5.6%	5.3%
Capital Gains	6.0%	7.1%	6.7%
Retirement	4.7%	5.4%	5.2%
Proprietors	5.7%	6.0%	5.9%
Schedule E	7.3%	7.9%	7.8%
Other	6.9%	6.7%	6.6%
<b>Total</b>	<b>5.2%</b>	<b>5.8%</b>	<b>5.6%</b>

to 2001, tax liability owing to these sources declined. The reason for this can be seen in Table 8.

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Effective tax rates – tax liability as a percentage of gross income – declined significantly in 2001. Due to the progressive tax rate structure, lower income levels will result in a lower average tax rate. In addition, deductions tend to increase as economic activity slows, particularly operating losses.

As indicated earlier, tax liability fell 8.6 percent while income declined only 4.3 percent. This produces a tax elasticity of 2.0 – that is, each percentage point change in income resulted in a two percentage point change in tax due. This is considerably higher than the long run average owing to the higher-than-normal adjustments between gross income and taxable income. As the economy recovers, these same adjustments will contract and cause a similarly high elasticity as tax liability growth exceeds income growth.

Appendix A: Detailed Statistics from 2000 and 2001 Oregon Tax Returns

### Gross Taxable Income for Tax Year 2000

		Level (Millions)								
Quintile		Wages	Dividends	Interest	Capital Gains	Retirement	Proprietors	Schedule E	Other	Total
< \$10,500		\$1,162.7	\$54.5	\$131.2	\$149.3	\$148.4	-\$8.6	-\$297.3	-\$454.0	\$886.2
\$10,500 - \$21,800		\$3,168.5	\$88.6	\$230.4	\$90.1	\$579.9	\$173.5	\$20.2	\$236.5	\$4,587.6
\$21,800 - \$37,800		\$6,236.0	\$111.6	\$253.9	\$141.2	\$874.0	\$259.4	\$49.8	\$470.8	\$8,396.7
\$37,800 - \$64,000		\$10,459.4	\$197.0	\$369.8	\$317.4	\$1,581.0	\$435.8	\$146.6	\$779.6	\$14,286.6
> \$64,000		\$22,267.5	\$1,043.3	\$1,252.5	\$5,265.0	\$3,120.1	\$1,615.2	\$2,975.3	\$1,286.6	\$38,825.4
Total		\$43,294.0	\$1,494.9	\$2,237.8	\$5,962.9	\$6,303.5	\$2,475.3	\$2,894.6	\$2,319.5	\$66,982.5

		Distribution by Income Level								
Quintile		Wages	Dividends	Interest	Capital Gains	Retirement	Proprietors	Schedule E	Other	Total
< \$10,500		2.7%	3.6%	5.9%	2.5%	2.4%	-0.3%	-10.3%	-19.6%	1.3%
\$10,500 - \$21,800		7.3%	5.9%	10.3%	1.5%	9.2%	7.0%	0.7%	10.2%	6.8%
\$21,800 - \$37,800		14.4%	7.5%	11.3%	2.4%	13.9%	10.5%	1.7%	20.3%	12.5%
\$37,800 - \$64,000		24.2%	13.2%	16.5%	5.3%	25.1%	17.6%	5.1%	33.6%	21.3%
> \$64,000		51.4%	69.8%	56.0%	88.3%	49.5%	65.3%	102.8%	55.5%	58.0%
Total		100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

		Distribution by Source of Income								
Quintile		Wages	Dividends	Interest	Capital Gains	Retirement	Proprietors	Schedule E	Other	Total
< \$10,500		131.2%	6.1%	14.8%	16.8%	16.7%	-1.0%	-33.5%	-51.2%	100.0%
\$10,500 - \$21,800		69.1%	1.9%	5.0%	2.0%	12.6%	3.8%	0.4%	5.2%	100.0%
\$21,800 - \$37,800		74.3%	1.3%	3.0%	1.7%	10.4%	3.1%	0.6%	5.6%	100.0%
\$37,800 - \$64,000		73.2%	1.4%	2.6%	2.2%	11.1%	3.1%	1.0%	5.5%	100.0%
> \$64,000		57.4%	2.7%	3.2%	13.6%	8.0%	4.2%	7.7%	3.3%	100.0%
Total		64.6%	2.2%	3.3%	8.9%	9.4%	3.7%	4.3%	3.5%	100.0%

		Percent Change from Tax Year 1990								
Quintile		Wages	Dividends	Interest	Capital Gains	Retirement	Proprietors	Schedule E	Other	Total
< \$10,500		6.2%	6.0%	-0.3%	11.3%	10.5%	-6.1%	8.6%	4.5%	6.6%
\$10,500 - \$21,800		6.7%	4.3%	-2.8%	14.3%	7.2%	6.0%	1.6%	8.4%	6.1%
\$21,800 - \$37,800		6.4%	2.8%	-4.0%	10.6%	6.9%	4.0%	3.8%	9.1%	6.0%
\$37,800 - \$64,000		5.7%	6.1%	-1.1%	12.1%	11.4%	3.6%	8.8%	10.0%	6.2%
> \$64,000		7.0%	9.3%	1.6%	19.3%	14.1%	3.0%	10.3%	8.8%	8.3%
Total		6.5%	7.7%	-0.3%	18.1%	11.3%	3.4%	10.2%	10.4%	7.3%

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### Personal Income Tax Liability for Tax Year 2000

Quintile	Level (Millions)									Total
	Wages	Dividends	Interest	Capital Gains	Retirement	Proprietors	Schedule E	Other		
< \$10,500	\$19.6	\$0.8	\$1.7	\$0.8	\$2.5	\$1.2	\$0.0	\$1.3	\$27.9	
\$10,500 - \$21,800	\$103.8	\$2.8	\$7.4	\$2.9	\$18.8	\$5.6	\$0.7	\$7.7	\$149.7	
\$21,800 - \$37,800	\$283.4	\$5.1	\$11.5	\$6.4	\$39.7	\$11.8	\$2.3	\$21.4	\$381.5	
\$37,800 - \$64,000	\$539.4	\$10.2	\$19.1	\$16.4	\$81.7	\$22.5	\$7.6	\$40.2	\$737.0	
> \$64,000	\$1,446.8	\$73.1	\$86.3	\$394.1	\$196.1	\$108.6	\$218.4	\$84.0	\$2,607.4	
<b>Total</b>	<b>\$2,393.0</b>	<b>\$91.9</b>	<b>\$125.9</b>	<b>\$420.6</b>	<b>\$338.8</b>	<b>\$149.7</b>	<b>\$229.0</b>	<b>\$154.6</b>	<b>\$3,903.5</b>	

Quintile	Distribution by Income Level								
	Wages	Dividends	Interest	Capital Gains	Retirement	Proprietors	Schedule E	Other	Total
< \$10,500	0.8%	0.8%	1.3%	0.2%	0.8%	0.8%	0.0%	0.8%	0.7%
\$10,500 - \$21,800	4.3%	3.1%	5.9%	0.7%	5.6%	3.7%	0.3%	5.0%	3.8%
\$21,800 - \$37,800	11.8%	5.5%	9.1%	1.5%	11.7%	7.9%	1.0%	13.8%	9.8%
\$37,800 - \$64,000	22.5%	11.1%	15.1%	3.9%	24.1%	15.0%	3.3%	26.0%	18.9%
> \$64,000	60.5%	79.5%	68.6%	93.7%	57.9%	72.6%	95.4%	54.3%	66.8%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

Quintile	Distribution by Source of Income								
	Wages	Dividends	Interest	Capital Gains	Retirement	Proprietors	Schedule E	Other	Total
< \$10,500	70.3%	2.7%	5.9%	2.8%	9.1%	4.4%	0.1%	4.6%	100.0%
\$10,500 - \$21,800	69.3%	1.9%	4.9%	1.9%	12.6%	3.7%	0.4%	5.1%	100.0%
\$21,800 - \$37,800	74.3%	1.3%	3.0%	1.7%	10.4%	3.1%	0.6%	5.6%	100.0%
\$37,800 - \$64,000	73.2%	1.4%	2.6%	2.2%	11.1%	3.1%	1.0%	5.5%	100.0%
> \$64,000	55.5%	2.8%	3.3%	15.1%	7.5%	4.2%	8.4%	3.2%	100.0%
<b>Total</b>	<b>61.3%</b>	<b>2.4%</b>	<b>3.2%</b>	<b>10.8%</b>	<b>8.7%</b>	<b>3.8%</b>	<b>5.9%</b>	<b>4.0%</b>	<b>100.0%</b>

Quintile	Percent Change from Tax Year 1990								
	Wages	Dividends	Interest	Capital Gains	Retirement	Proprietors	Schedule E	Other	Total
< \$10,500	11.3%	11.8%	3.8%	39.6%	15.0%	13.7%	-5.8%	13.7%	11.3%
\$10,500 - \$21,800	8.5%	5.8%	-1.4%	15.6%	8.8%	7.7%	3.3%	10.1%	7.7%
\$21,800 - \$37,800	7.5%	3.9%	-3.0%	11.7%	8.0%	5.0%	4.8%	10.2%	7.0%
\$37,800 - \$64,000	6.3%	6.7%	-0.5%	12.8%	12.1%	4.2%	9.5%	10.6%	6.8%
> \$64,000	7.9%	10.2%	2.6%	20.8%	14.9%	3.7%	11.2%	9.6%	9.4%
<b>Total</b>	<b>7.5%</b>	<b>9.2%</b>	<b>1.2%</b>	<b>20.1%</b>	<b>12.7%</b>	<b>4.1%</b>	<b>11.0%</b>	<b>10.0%</b>	<b>8.5%</b>

Appendix A: Detailed Statistics from 2000 and 2001 Oregon Tax Returns

### Additional Statistics for Tax Year 2000

**Distribution of 1990 to 2000 Liability Change**

	Wages	Dividends	Interest	Capital Gains	Retirement	Proprietors	Schedule E	Other	Total	
Quintile < \$10,500	0.6%	0.0%	0.0%	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%	0.8%
Quintile \$10,500 - \$21,800	2.6%	0.1%	-0.1%	0.1%	0.1%	0.5%	0.1%	0.0%	0.2%	3.6%
Quintile \$21,800 - \$37,800	6.7%	0.1%	-0.2%	0.2%	0.2%	1.0%	0.2%	0.0%	0.6%	8.6%
Quintile \$37,800 - \$64,000	11.3%	0.2%	0.0%	0.5%	0.5%	2.5%	0.3%	0.2%	1.2%	16.3%
Quintile > \$64,000	35.3%	2.1%	0.9%	15.3%	6.7%	10.8%	1.5%	6.5%	2.3%	70.7%
<b>Total</b>	<b>56.5%</b>	<b>2.5%</b>	<b>0.6%</b>	<b>16.2%</b>	<b>10.8%</b>	<b>2.3%</b>	<b>6.8%</b>	<b>4.3%</b>	<b>100.0%</b>	

**Tax Elasticity - Change in Tax Liability Relative to Change in Income**

	Wages	Dividends	Interest	Capital Gains	Retirement	Proprietors	Schedule E	Other	Total
Quintile < \$10,500	1.81	1.98	-13.68	3.52	1.43	-2.25	-0.67	3.03	1.72
Quintile \$10,500 - \$21,800	1.26	1.36	0.49	1.09	1.22	1.27	1.98	1.20	1.28
Quintile \$21,800 - \$37,800	1.16	1.38	0.75	1.10	1.16	1.25	1.27	1.12	1.18
Quintile \$37,800 - \$64,000	1.11	1.11	0.46	1.06	1.06	1.17	1.08	1.07	1.10
Quintile > \$64,000	1.13	1.11	1.66	1.08	1.06	1.24	1.08	1.08	1.13
<b>Total</b>	<b>1.15</b>	<b>1.19</b>	<b>-3.63</b>	<b>1.11</b>	<b>1.13</b>	<b>1.18</b>	<b>1.08</b>	<b>0.96</b>	<b>1.17</b>

**Effective Tax Rate**

	Wages	Dividends	Interest	Capital Gains	Retirement	Proprietors	Schedule E	Other	Total
Quintile < \$10,500	1.7%	1.4%	1.3%	0.5%	1.7%	-14.3%	0.0%	-0.3%	3.2%
Quintile \$10,500 - \$21,800	3.3%	3.2%	3.2%	3.2%	3.2%	3.2%	3.3%	3.3%	3.3%
Quintile \$21,800 - \$37,800	4.5%	4.5%	4.5%	4.6%	4.5%	4.5%	4.5%	4.5%	4.5%
Quintile \$37,800 - \$64,000	5.2%	5.2%	5.2%	5.2%	5.2%	5.2%	5.2%	5.2%	5.2%
Quintile > \$64,000	6.5%	7.0%	6.9%	7.5%	6.3%	6.7%	7.3%	6.5%	6.7%
<b>Total</b>	<b>5.5%</b>	<b>6.1%</b>	<b>5.6%</b>	<b>7.1%</b>	<b>5.4%</b>	<b>6.0%</b>	<b>7.9%</b>	<b>6.7%</b>	<b>5.8%</b>

**Average Income Per Filer**

	Wages	Dividends	Interest	Capital Gains	Retirement	Proprietors	Schedule E	Other	Total
Quintile < \$10,600	\$4,050	\$190	\$457	\$520	\$517	-\$30	-\$1,036	-\$1,582	\$3,087
Quintile \$10,600 - \$22,250	\$11,038	\$308	\$803	\$314	\$2,020	\$604	\$70	\$824	\$15,983
Quintile \$22,250 - \$38,250	\$21,725	\$389	\$885	\$492	\$3,045	\$904	\$173	\$1,640	\$29,253
Quintile \$38,250 - \$64,600	\$36,439	\$686	\$1,288	\$1,106	\$5,508	\$1,518	\$511	\$2,716	\$49,772
Quintile > \$64,600	\$77,576	\$3,635	\$4,363	\$18,342	\$10,870	\$5,627	\$10,366	\$4,482	\$135,261
<b>Total</b>	<b>\$30,166</b>	<b>\$1,042</b>	<b>\$1,559</b>	<b>\$4,155</b>	<b>\$4,392</b>	<b>\$1,725</b>	<b>\$2,017</b>	<b>\$1,616</b>	<b>\$46,671</b>

Appendix A: Detailed Statistics from 2000 and 2001 Oregon Tax Returns

### Gross Taxable Income for Tax Year 2001

Level (Millions)

	Wages	Dividends	Interest	Capital Gains	Retirement	Proprietors	Schedule E	Other	Total
Quintile < \$10,600	\$1,159.6	\$63.7	\$158.4	\$111.5	\$173.0	-\$13.2	-\$377.0	-\$533.6	\$742.5
Quintile \$10,600 - \$22,250	\$3,214.6	\$86.1	\$240.0	\$29.8	\$627.3	\$178.7	\$26.2	\$268.3	\$4,670.9
Quintile \$22,250 - \$38,250	\$6,334.4	\$100.6	\$264.6	\$59.0	\$934.7	\$264.0	\$55.4	\$509.5	\$8,522.2
Quintile \$38,250 - \$64,600	\$10,701.0	\$160.9	\$381.4	\$137.1	\$1,676.1	\$429.0	\$160.7	\$794.6	\$14,440.7
Quintile > \$64,600	\$22,267.3	\$786.0	\$1,199.0	\$2,570.9	\$3,047.0	\$1,613.0	\$2,986.5	\$1,246.0	\$35,715.7
Total	\$43,676.9	\$1,197.4	\$2,243.4	\$2,908.2	\$6,458.2	\$2,471.5	\$2,851.7	\$2,284.8	\$64,092.0

#### Distribution by Income Level

	Wages	Dividends	Interest	Capital Gains	Retirement	Proprietors	Schedule E	Other	Total
Quintile < \$10,600	2.7%	5.3%	7.1%	3.8%	2.7%	-0.5%	-13.2%	-23.4%	1.2%
Quintile \$10,600 - \$22,250	7.4%	7.2%	10.7%	1.0%	9.7%	7.2%	0.9%	11.7%	7.3%
Quintile \$22,250 - \$38,250	14.5%	8.4%	11.8%	2.0%	14.5%	10.7%	1.9%	22.3%	13.3%
Quintile \$38,250 - \$64,600	24.5%	13.4%	17.0%	4.7%	26.0%	17.4%	5.6%	34.8%	22.5%
Quintile > \$64,600	51.0%	65.6%	53.4%	88.4%	47.2%	65.3%	104.7%	54.5%	55.7%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

#### Distribution by Source of Income

	Wages	Dividends	Interest	Capital Gains	Retirement	Proprietors	Schedule E	Other	Total
Quintile < \$10,600	156.2%	8.6%	21.3%	15.0%	23.3%	-1.8%	-50.8%	-71.9%	100.0%
Quintile \$10,600 - \$22,250	68.8%	1.8%	5.1%	0.6%	13.4%	3.8%	0.6%	5.7%	100.0%
Quintile \$22,250 - \$38,250	74.3%	1.2%	3.1%	0.7%	11.0%	3.1%	0.6%	6.0%	100.0%
Quintile \$38,250 - \$64,600	74.1%	1.1%	2.6%	0.9%	11.6%	3.0%	1.1%	5.5%	100.0%
Quintile > \$64,600	62.3%	2.2%	3.4%	7.2%	8.5%	4.5%	8.4%	3.5%	100.0%
Total	68.1%	1.9%	3.5%	4.5%	10.1%	3.9%	4.4%	3.6%	100.0%

#### Percent Change from Tax Year 2000

	Wages	Dividends	Interest	Capital Gains	Retirement	Proprietors	Schedule E	Other	Total
Quintile < \$10,600	-0.3%	16.9%	20.7%	-25.3%	16.6%	52.9%	26.8%	17.5%	-16.2%
Quintile \$10,600 - \$22,250	1.5%	-2.8%	4.2%	-67.0%	8.2%	3.0%	29.6%	13.4%	1.8%
Quintile \$22,250 - \$38,250	1.6%	-9.9%	4.2%	-58.2%	6.9%	1.8%	11.2%	8.2%	1.5%
Quintile \$38,250 - \$64,600	2.3%	-18.3%	3.1%	-56.8%	6.0%	-1.6%	9.6%	1.9%	1.1%
Quintile > \$64,600	0.0%	-24.7%	-4.3%	-51.2%	-2.3%	-0.1%	0.4%	-3.2%	-8.0%
Total	0.9%	-19.9%	0.2%	-51.2%	2.5%	-0.2%	-1.5%	-1.5%	-4.3%

Appendix A: Detailed Statistics from 2000 and 2001 Oregon Tax Returns

### Personal Income Tax Liability for Tax Year 2001

		Level (Millions)								
		Wages	Dividends	Interest	Capital Gains	Retirement	Proprietors	Schedule E	Other	Total
Quintile	< \$10,600	\$18.5	\$0.7	\$1.7	\$0.1	\$2.8	\$1.2	\$0.0	\$1.4	\$26.3
	\$10,600 - \$22,250	\$102.7	\$2.7	\$7.5	\$1.0	\$19.8	\$5.6	\$0.8	\$8.5	\$148.6
	\$22,250 - \$38,250	\$279.0	\$4.4	\$11.6	\$2.6	\$41.1	\$11.6	\$2.5	\$22.4	\$375.3
	\$38,250 - \$64,600	\$539.2	\$8.1	\$19.2	\$6.9	\$84.6	\$21.6	\$8.2	\$40.0	\$727.9
	> \$64,600	\$1,391.2	\$53.6	\$79.5	\$184.7	\$185.5	\$105.6	\$211.1	\$77.9	\$2,289.2
	Total	\$2,330.7	\$69.5	\$119.4	\$195.3	\$333.8	\$145.7	\$222.5	\$150.3	\$3,567.2

#### Distribution by Income Level

		Wages	Dividends	Interest	Capital Gains	Retirement	Proprietors	Schedule E	Other	Total
Quintile	< \$10,600	0.8%	1.0%	1.4%	0.1%	0.8%	0.9%	0.0%	0.9%	0.7%
	\$10,600 - \$22,250	4.4%	3.8%	6.3%	0.5%	5.9%	3.8%	0.4%	5.7%	4.2%
	\$22,250 - \$38,250	12.0%	6.4%	9.7%	1.3%	12.3%	8.0%	1.1%	14.9%	10.5%
	\$38,250 - \$64,600	23.1%	11.7%	16.1%	3.6%	25.3%	14.8%	3.7%	26.6%	20.4%
	> \$64,600	59.7%	77.1%	66.6%	94.6%	55.6%	72.5%	94.9%	51.9%	64.2%
	Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

#### Distribution by Source of Income

		Wages	Dividends	Interest	Capital Gains	Retirement	Proprietors	Schedule E	Other	Total
Quintile	< \$10,600	70.2%	2.7%	6.3%	0.4%	10.6%	4.7%	-0.1%	5.2%	100.0%
	\$10,600 - \$22,250	69.2%	1.8%	5.0%	0.6%	13.3%	3.8%	0.6%	5.7%	100.0%
	\$22,250 - \$38,250	74.4%	1.2%	3.1%	0.7%	11.0%	3.1%	0.7%	6.0%	100.0%
	\$38,250 - \$64,600	74.1%	1.1%	2.6%	1.0%	11.6%	3.0%	1.1%	5.5%	100.0%
	> \$64,600	60.8%	2.3%	3.5%	8.1%	8.1%	4.6%	9.2%	3.4%	100.0%
	Total	65.3%	1.9%	3.3%	5.5%	9.4%	4.1%	6.2%	4.2%	100.0%

#### Percent Change from Tax Year 2000

		Wages	Dividends	Interest	Capital Gains	Retirement	Proprietors	Schedule E	Other	Total
Quintile	< \$10,600	-6.0%	-6.0%	-0.4%	-85.3%	9.4%	0.5%	-201.7%	4.7%	-5.9%
	\$10,600 - \$22,250	-1.0%	-5.4%	1.3%	-67.3%	5.1%	-0.1%	25.4%	10.7%	-0.7%
	\$22,250 - \$38,250	-1.5%	-12.7%	1.0%	-59.7%	3.7%	-1.5%	8.8%	4.8%	-1.6%
	\$38,250 - \$64,600	0.0%	-20.3%	0.8%	-57.8%	3.6%	-3.9%	7.1%	-0.4%	-1.2%
	> \$64,600	-3.8%	-26.6%	-7.9%	-53.1%	-5.4%	-2.8%	-3.3%	-7.2%	-12.2%
	Total	-2.6%	-24.3%	-5.1%	-53.6%	-1.5%	-2.7%	-2.8%	-2.8%	-8.6%

Appendix A: Detailed Statistics from 2000 and 2001 Oregon Tax Returns

### Additional Statistics for Tax Year 2001

#### Distribution of 2000 to 2001 Liability Change

	Wages	Dividends	Interest	Capital Gains	Retirement	Proprietors	Schedule E	Other	Total
Quintile < \$10,600	0.4%	0.0%	0.0%	0.2%	-0.1%	0.0%	0.0%	0.0%	0.5%
Quintile \$10,600 - \$22,250	0.3%	0.0%	0.0%	0.6%	-0.3%	0.0%	-0.1%	-0.2%	0.3%
Quintile \$22,250 - \$38,250	1.3%	0.2%	0.0%	1.1%	-0.4%	0.1%	-0.1%	-0.3%	1.8%
Quintile \$38,250 - \$64,600	0.0%	0.6%	0.0%	2.8%	-0.9%	0.3%	-0.2%	0.1%	2.7%
Quintile > \$64,600	16.5%	5.8%	2.0%	62.3%	3.2%	0.9%	2.2%	1.8%	94.6%
Total	18.5%	6.6%	1.9%	67.0%	1.5%	1.2%	1.9%	1.3%	100.0%

#### Tax Elasticity - Change in Tax Liability Relative to Change in Income

	Wages	Dividends	Interest	Capital Gains	Retirement	Proprietors	Schedule E	Other	Total
Quintile < \$10,600	23.20	-0.36	-0.02	3.37	0.57	0.01	-7.52	0.27	0.36
Quintile \$10,600 - \$22,250	-0.68	1.95	0.32	1.00	0.62	-0.04	0.86	0.79	-0.40
Quintile \$22,250 - \$38,250	-0.98	1.29	0.25	1.03	0.53	-0.84	0.78	0.59	-1.09
Quintile \$38,250 - \$64,600	-0.01	1.11	0.24	1.02	0.60	2.47	0.74	-0.22	-1.15
Quintile > \$64,600	4663.56	1.08	1.84	1.04	2.31	19.93	-8.90	2.29	1.52
Total	-2.94	1.22	-20.61	1.05	-0.60	17.87	1.90	1.87	2.00

#### Effective Tax Rate

	Wages	Dividends	Interest	Capital Gains	Retirement	Proprietors	Schedule E	Other	Total
Quintile < \$10,600	1.6%	1.1%	1.0%	0.1%	1.6%	-9.4%	0.0%	-0.3%	3.5%
Quintile \$10,600 - \$22,250	3.2%	3.1%	3.1%	3.2%	3.2%	3.1%	3.2%	3.2%	3.2%
Quintile \$22,250 - \$38,250	4.4%	4.4%	4.4%	4.4%	4.4%	4.4%	4.4%	4.4%	4.4%
Quintile \$38,250 - \$64,600	5.0%	5.0%	5.0%	5.1%	5.0%	5.0%	5.1%	5.0%	5.0%
Quintile > \$64,600	6.2%	6.8%	6.6%	7.2%	6.1%	6.5%	7.1%	6.3%	6.4%
Total	5.3%	5.8%	5.3%	6.7%	5.2%	5.9%	7.8%	6.6%	5.6%

#### Average Income Per Filer

	Wages	Dividends	Interest	Capital Gains	Retirement	Proprietors	Schedule E	Other	Total
Quintile < \$10,600	\$4,041	\$222	\$552	\$389	\$603	-\$46	-\$1,314	-\$1,860	\$2,588
Quintile \$10,600 - \$22,250	\$11,203	\$300	\$836	\$104	\$2,186	\$623	\$91	\$935	\$16,278
Quintile \$22,250 - \$38,250	\$22,076	\$351	\$922	\$206	\$3,257	\$920	\$193	\$1,776	\$29,701
Quintile \$38,250 - \$64,600	\$37,294	\$561	\$1,329	\$478	\$5,841	\$1,495	\$560	\$2,769	\$50,327
Quintile > \$64,600	\$77,604	\$2,739	\$4,178	\$8,960	\$10,619	\$5,621	\$10,408	\$4,343	\$124,472
Total	\$30,444	\$835	\$1,564	\$2,027	\$4,501	\$1,723	\$1,988	\$1,593	\$44,673