

SELECTED PROVISIONS OF MAJOR TAX LEGISLATION BY EFFECTIVE DATE 1981 TO 2011

PROVISION	1980	1981	1982	1983	1984	1985	1986	1987
Lowest Individual Income Tax Rate	14% ¹	13.83% ¹	12% ¹	11% ¹		11% ¹	11% ¹	11%
Lowest Individual Income Single Tax Bracket ²	\$2,300 - \$3,400	\$2,300 - \$3,400				\$2,390 - \$3,540	\$2,480 - \$3,670	\$0 - \$1,800
Lowest Individual Income Joint Tax Bracket ²	\$3,400 - \$5,500	\$3,400 - \$5,500				\$3,540 - \$5,720	\$3,670 - \$5,940	\$0 - \$3,000
Lowest Head of Household Tax Bracket ²	\$2,300 - \$4,400	\$2,300 - \$4,400				\$2,390 - \$4,580	\$2,480 - \$4,750	\$0 - \$2,500
Other Individual Income Tax Brackets (Percent) ³	16, 18, 21, 24, 28, 32, 37, 43, 49, 54, 59, 64, 68	15.80, 17.775, 20.73, 23.7, 27.65, 31.6, 36.53, 42.46, 48.39, 53.33, 58.26, 63.2, 67.15	14, 16, 19, 22, 25, 29, 33, 39, 44, 49	13, 15, 17, 19, 23, 26, 30, 35, 40, 44, 48		12, 14, 16, 18, 22, 25, 28, 33, 38, 42, 45, 49		15, 28, 35
Highest Individual Income Tax Bracket Rate ³	70%	69.125%	50%	50%		50%		38.5%
Rate on Long-term Capital Gains	40% of individual rate, maximum 28%	40% of individual rate, maximum 20%						Ordinary rates
Rate on Dividends	Same as Individual Rates (above)							
Limitations on Personal Exemptions and Itemized Deductions	N.A.							
Child Tax Credit	N.A.							
Child and Dependent Care Tax Credit ⁴ (non-refundable)	\$400 for each of first 2 dependents, maximum 20% of expenditures	Maximum expenditure eligible for credit is \$2,400 for one child, \$4,800 for 2 or more; maximum credit is 20% to 30% of expenditures						

SELECTED PROVISIONS OF MAJOR TAX LEGISLATION BY EFFECTIVE DATE 1981 TO 2011--CONT.

PROVISION	1988	1989	1990	1991	1992	1993	1994	1995
Lowest Individual Income Tax Bracket Rate	15%	15%	15%	15%	15%	15%	15%	15%
Lowest Individual Income Single Tax Bracket ²	\$0 - \$21,450	\$0 - \$18,550	\$0 - 19,450	\$0 - \$20,350	\$0 - \$21,450	\$0 - \$22,100	\$0 - \$22,750	\$0 - \$23,350
Lowest Individual Income Joint Tax Bracket ²	\$0 - \$29,750	\$0 - \$30,950	\$0 - \$32,450	\$0 - \$34,000	\$0 - \$35,800	\$0 - \$36,900	\$0 - \$38,000	\$0 - \$39,999
Lowest Head of Household Tax Bracket ²	\$0 - \$23,900	\$0 - \$24,850	\$0 - 26,050	\$0 - \$27,300	\$0 - \$28, 750	\$0 - \$29,600	\$0 - \$30,500	\$0 - \$ 31,250
Other Individual Income Tax Brackets (Percent) ³	28, 33		28, 33	28	28	28, 31, 36		
Highest Individual Income Tax Bracket Rate ³	28%		31%	31%	31%	39.6%		
Rate on Long-term Capital Gains	Ordinary rates		28% and 15%		28% and 15%			
Rate on Dividends	Same as Individual Rates (above)							
Limitations on Personal Exemptions and Itemized Deductions	N.A.			Personal exemption phases out (PEP) between \$100,000 and \$222,500 (single), \$150,000 and \$272,500 (joint). Limitation on itemized deductions (Pease) for AGI over \$100,000. Thresholds indexed for inflation	PEP and Pease, thresholds indexed for inflation	PEP and Pease, thresholds indexed for inflation		
Child Tax Credit	N.A.							
Child and Dependent Care Tax Credit ⁴ (non-refundable)	Maximum expenditure eligible for credit is \$2,400 for one child, \$4,800 for 2 or more; maximum credit is 20% to 30% of expenditures							

SELECTED PROVISIONS OF MAJOR TAX LEGISLATION BY EFFECTIVE DATE 1981 TO 2011--CONT.

PROVISION	1996	1997	1998	1999	2000	2001	2002	2003	
Lowest Individual Income Tax Bracket Rate	15%	15%	15%	15%	15%	10% (retroactive; refund checks issued)	10%	10%	
Lowest Individual Income Single Tax Bracket²	\$0 - \$24,000	\$0 - \$24,650	\$0 - \$25,350	\$0 - \$25,750	\$0 - \$26,250	\$0 - \$6,000	\$0 - \$6,000	\$0 - \$7,000	
Lowest Individual Income Joint Tax Bracket²	\$0 - \$40,100	\$0 - \$41,200	\$0 - \$42,350	\$0 - \$43,050	\$0 - 43,850	\$0- \$12,000	\$0- \$12,000	\$0 - \$14,000	
Lowest Head of Household Tax Bracket²	\$0 - \$32,150	\$0 - 33,050	\$0 - \$33,950	\$0 - \$34,550	\$0 - 35,150	\$0 - \$10,000	\$0 - \$10,000	\$0 - \$10,000	
Other Individual Income Tax Brackets (Percent)³	28, 31, 36					15, 27.5, 30.5, 35.5	15, 27, 30, 35	15, 25, 28, 33	
Highest Individual Income Tax Bracket Rate³	39.6%					39.1%	38.6%	35%	
Rate on Long-term Capital Gains	28% and 15%	10% for taxpayers in the 15% bracket or below; 20% for others						5% for taxpayers in the 15% bracket; 15% for other brackets (after May 6, 2003)	
Rate on Dividends	Same as Individual Rates (above)							5% for taxpayers in the 15% bracket; 15% for other brackets (after May 6, 2003)	
Limitations on Personal Exemptions and Itemized Deductions	PEP and Pease, thresholds indexed for inflation								
Child Tax Credit	N.A.	\$500 (non-refundable)				\$600		\$1,000	
					Refundable up to 10% earned income above \$10,000, threshold indexed to inflation	Refundable up to 10% of earned income above \$10,350	Refundable up to 10% of earned income above \$10,500		
Child and Dependent Care Tax Credit⁴ (non-refundable)	Maximum expenditure eligible for credit is \$2,400 for one child, \$4,800 for 2 or more; maximum credit is 20% to 30% of expenditures						Maximum eligible expenses are \$3,000 for 1 child; \$6,000 for 2 or more; maximum credit is 35% (phasing down to 20% at \$15,000 of AGI)		

SELECTED PROVISIONS OF MAJOR TAX LEGISLATION BY EFFECTIVE DATE 1981 TO 2011--CONT.

PROVISION	2004	2005	2006	2007	2008	2009	2010	2011
Lowest Individual Income Tax Bracket Rate	10%							Sunset ⁵
Lowest Individual Income Single Tax Bracket ²	\$0 - \$7,150	\$0 - \$7,300	\$0 - \$7,550	\$0 - \$7,825	\$0 - \$8,025	\$0 - \$8,350	\$0 - \$8,375	
Lowest Individual Income Joint Tax Bracket ²	\$0 - \$14,300	\$0 - \$14,600	\$0 - \$15,100	\$0 - \$15,650	\$0 - \$16,050	\$0 - \$16,700	\$0 - \$16,750	
Lowest Head of Household Tax Bracket ²	\$0 - \$10,200	\$0 - 10,450	\$0 - \$10,750	\$0 - \$11,200	\$0 - \$11,450	\$0 - \$11,950	\$0 - \$11,950	
Other Individual Income Tax Brackets (Percent) ³	15, 25, 28, 33		15, 25, 28, 33					Sunset ⁵
Highest Individual Income Tax Bracket Rate ³	35%		35%					Sunset ⁵
Rate on Long-term Capital Gains	5% for taxpayers in the 15% bracket; 15% for other brackets				0% for taxpayers in the 10% and 15% bracket; 15% for other brackets	0% for taxpayers in the 10% and 15% bracket, 15% for others		Sunset ⁵
Rate on Dividends	5% for taxpayers in the 15% bracket; 15% for other brackets				0% for taxpayers in the 10% or 15% bracket; 15% for other brackets	0% for taxpayers in 10% and 15% bracket, 15% for others		Sunset ⁵
Limitations on Personal Exemptions and Itemized Deductions	PEP and Pease, thresholds indexed for inflation		PEP and Pease limits on personal exemptions and itemized deductions reduced by 1/3, thresholds indexed for inflation		PEP and Pease limits on personal exemptions and itemized deductions reduced by 2/3, thresholds indexed for inflation		No limits	Sunset ⁵
Child Tax Credit	\$1,000	\$1,000					\$1,000	Sunset ⁵
	Refundable up to 15% of earned income above \$10,750	Refundable up to 15% of earned income above \$11,000	Refundable up to 15% of earned income above \$11,300	Refundable up to 15% of earned income above \$11,750	Refundable up to 15% of earned income above \$8,500	Refundable up to 15% of earned income above \$3,000		Sunset ⁵
Child and Dependent Care Tax Credit ⁴ (non-refundable)	Maximum eligible expenses are \$3,000 for 1 child; \$6,000 for 2 or more; maximum credit is 35% (phasing down to 20% at \$15,000 of AGI)							Sunset ⁵

SELECTED PROVISIONS OF MAJOR TAX LEGISLATION BY EFFECTIVE DATE 1981 TO 2011--CONT.

PROVISION	1980	1981	1982	1983	1984	1985	1986	1987
Standard Deduction and 15 Percent Bracket for Joint Filers	167% of that for single filers							
Earned Income Tax Credit Rate	10%, maximum \$500				11%, maximum \$550			14%, maximum \$851, indexed for inflation
Earned Income Tax Credit Phaseout Range	\$6,000 - \$10,000 (beginning in 1979)				\$6,500 - \$11,000			\$6,920 - \$15,432, indexed for inflation
AMT Exemption ⁴	\$20,000 for joint and single filers		\$30,000 for single filers, \$40,000 for joint filers					
Depreciation Deduction of Basis of Qualified Property	No additional deduction							
Annual Contribution Limit for IRAs ⁴	\$1,500	\$2,000						
Annual Contribution Limits for 401(k)	\$30,000 or 25% of compensation							\$7,000
Saver's Credit	N.A.							
Annual Contribution Limit for Education IRA	N.A.							
Estate and Gift Tax Exemption	\$161,563	\$175,625	\$225,000	\$275,000	\$325,000	\$400,000	\$500,000	\$600,000
Estate and Gift Tax Top Marginal Rate	70%		65%	60%	55%	55%		

SELECTED PROVISIONS OF MAJOR TAX LEGISLATION BY EFFECTIVE DATE 1981 TO 2011--CONT.

PROVISION	1988	1989	1990	1991	1992	1993	1994	1995
Standard Deduction and 15 Percent Bracket for Joint Filers	167% of that for single filers							
Earned Income Tax Credit Rate	14%, maximum \$874	14%, maximum \$910	14%, maximum \$953	One child: 16.7%, maximum \$1,192; two children: 17.3%, maximum \$1,235	One child: 17.6%, maximum \$1,324; two children: 18.4%, maximum \$1,384	One child: 18.5%, maximum \$1,434; two children: 19.5%, maximum \$1,511	No children: 7.65%, maximum \$306; one child: 26.3%, maximum \$2,038; two children: 30%, maximum \$2,528	No children: 7.65%, maximum \$314; one child: 34%, maximum \$2,094; two children: 36%, maximum \$3,110
Earned Income Tax Credit Phaseout Range	\$9,840 - \$18,576	\$10,240 - \$19,340	\$10,730 - \$20,264	One child: \$11,250-\$21,250; two children: \$11,250-\$21,250, indexed for inflation	One child: \$11,840-\$22,370; two children: \$11,250-\$21,250	One child: \$12,200-\$23,050; two children: \$12,200-\$23,050	No children: \$5,000-\$9,000; one child: \$11,000-\$23,755; two children: \$11,000-\$25,296	No children: \$5,130-\$9,230; one child: \$11,290-\$24,396; two children: \$11,290-\$26,673
AMT Exemption⁴	\$30,000 for single filers, \$40,000 for joint filers				\$30,000 for single filers, \$40,000 for joint filers		\$33,750 for single filers, \$45,000 for joint filers	
Depreciation Deduction of Basis of Qualified Property	No additional deduction							
Annual Contribution Limit for IRAs⁴	\$2,000							
Annual Contribution Limits for 401(k)	\$7,313	\$7,627	\$7,979	\$8,475	\$8,728	\$8,994	\$9,240	
Saver's Credit	N.A.							
Annual Contribution Limit for Education IRA	N.A.							
Estate and Gift Tax Exemption	\$600,000							
Estate and Gift Tax Top Marginal Rate	55%					55%		

SELECTED PROVISIONS OF MAJOR TAX LEGISLATION BY EFFECTIVE DATE 1981 TO 2011--CONT.

PROVISION	1996	1997	1998	1999	2000	2001	2002	2003	
Standard Deduction and 15 Percent Bracket for Joint Filers	167% of that for single filers							200% of that for single filers	
Earned Income Tax Credit Rate	No children: 7.65%, maximum \$323; one child: 34%, maximum \$2,152; two children: 40%, maximum \$3,556	No children: 7.65%, maximum \$332; one child: 34%, maximum \$2,210; two children: 40%, maximum \$3,656	No children: 7.65%, maximum \$341; one child: 34%, maximum \$2,271; two children: 40%, maximum \$3,756	No children: 7.65%, maximum \$347; one child: 34%, maximum \$2,312; two children: 40%, maximum \$3,816	No children: 7.65%, maximum \$353; one child: 34%, maximum \$2,353; two children: 40%, maximum \$3,888	No children: 7.65%, maximum \$364; one child: 34%, maximum \$2,428; two children: 40%, maximum \$4,008	No children: 7.65%, maximum \$376; one child: 34%, maximum \$2,506; two children: 40%, maximum \$4,140	No children: 7.65%, maximum \$382; one child: 34%, maximum \$2,547; two children: 40%, maximum \$4,204	
Earned Income Tax Credit Phaseout Range	No children: \$5,280-\$9,500; one child: \$11,610-\$25,078; two children: \$11,610-\$28,495	No children: \$5,430-\$9,770; one child: \$11,930-\$25,650; two children: \$11,930-\$29,290	No children: \$5,570-\$10,030; one child: \$12,260-\$26,473; two children: \$12,260-\$30,095	No children: \$5,670-\$10,200; one child: \$12,460-\$26,928; two children: \$12,460-\$30,580	No children: \$5,770-\$10,380; one child: \$12,690-\$27,413; two children: \$12,690-\$31,152	No children: \$5,950-\$10,710; one child: \$13,090-\$28,281; two children: \$13,090-\$32,121	No children: \$6,150-\$11,060; one child: \$13,520-\$29,201; two children: \$13,520-\$33,178. Starting/ending points increased by \$1,000 for joint filers	No children: \$6,240-\$11,230; one child: \$13,730-\$29,666; two children: \$13,730-\$33,692. Increased by \$1,000 for joint filers	
AMT Exemption⁴	\$33,750 for single filers, \$45,000 for joint filers					\$35,750 for single filers; \$49,000 for joint filers		\$40,250 for single filers; \$58,000 for joint filers	
Depreciation Deduction of Basis of Qualified Property	No additional deduction						30% of basis deductible in first year	50% of basis deductible in first year	
Annual Contribution Limit for IRAs⁴	\$2,000						\$2,000 (\$500 catch up over age 50)	\$3,000 (\$500 catch up)	
Annual Contribution Limits for 401(k)	\$9,500		\$10,000	\$10,000	\$10,500		\$11,000 (\$1,000 catch up)	\$12,000 (\$2,000 catch up)	
Saver's Credit	N.A.						\$2,000, maximum rate is 50%		
Annual Contribution Limit for Education IRA	N.A.	\$500						\$2,000	
Estate and Gift Tax Exemption	\$600,000		\$625,000	\$650,000	\$675,000		\$1,000,000		
Estate and Gift Tax Top Marginal Rate	55%						50%	49%	

SELECTED PROVISIONS OF MAJOR TAX LEGISLATION BY EFFECTIVE DATE 1981 TO 2011--CONT.

PROVISION	2004	2005	2006	2007	2008	2009	2010	2011
Standard Deduction and 15 Percent Bracket for Joint Filers	200% of that for single filers	200% of that for single filers				200% of that for single filers		Sunset ⁵
Earned Income Tax Credit Rate	No children: 7.65%, maximum \$390; one child: 34%, maximum \$2,604; two children: 40%, maximum \$4,300	No children: 7.65%, maximum \$399; one child: 34%, maximum \$2,662; two children: 40%, maximum \$4,400	No children: 7.65%, maximum \$412; one child: 34%, maximum \$2,747; two children: 40%, maximum \$4,536	No children: 7.65%, maximum \$428; one child: 34%, maximum \$2,853; two children: 40%, maximum \$4,716	No children: 7.65%, maximum \$438; one child: 34%, maximum \$2,917; two children: 40%, maximum \$4,824	No children: 7.65%, maximum \$457; one child: 34%, maximum \$3,043; two children: 40%, maximum \$5,028; three children 45%, maximum \$5,657	No children: 7.65%, maximum \$457; one child: 34%, maximum \$3,050; two children: 40%, maximum \$5,036; three children 45%, maximum \$5,666	No children: 7.65%; one child: 34%; two children: 40%. Maximum credits indexed for inflation
Earned Income Tax Credit Phaseout Range	No children: \$6,390-\$11,490; one child: \$14,040-\$30,338; two children: \$14,040-\$34,458. Increased by \$1,000 for joint filers	No children: \$6,530-\$11,750; one child: \$14,370-\$31,030; two children: \$14,370-\$35,263. Increased by \$2,000 for joint filers	No children: \$6,740-\$12,120; one child: \$14,810-\$32,001; two children: \$14,810-\$36,348. Increased by \$2,000 for joint filers	No children: \$7,000-\$12,590; one child: \$15,390-\$33,241; two children: \$15,390-\$37,783. Increased by \$2,000 for joint filers	No children: \$7,160-\$12,880; one child: \$15,740-\$33,995; two children: \$15,740-\$38,646. Increased by \$3,000 (indexed for inflation) for joint filers	No children: \$7,470-\$13,440; one child: \$16,420-\$35,463; two children: \$16,420-\$40,295; three children: \$16,420-\$43,279. Increased by \$5,000 for joint filers	No children: \$7,480-\$13,460; one child: \$16,450-\$35,535; two children: \$16,450-\$40,363; three children: \$16,450-\$43,352. Increased by \$5,010 for joint filers	Sunset ⁵
AMT Exemption⁴	\$40,250 for single filers; \$58,000 for joint filers	\$40,250 for single filers; \$58,000 for joint filers	\$42,500 for single filers; \$62,550 for married filers	\$44,350 for single filers; \$66,250 joint filers	\$46,200 for single filers; \$69,950 for joint filers	\$46,700 for single filers; \$70,950 for joint filers	\$33,750 for single filers, \$45,000 for joint filers	
Depreciation Deduction of Basis of Qualified Property	50% of basis deductible in first year	No additional deduction			50% of basis deductible in first year	50% of basis deductible in first year	No additional deduction	
Annual Contribution Limit for IRAs⁴	\$3,000 (\$500 catch up)	\$4,000 (\$500 catch up)	\$4,000 (\$1,000 catch up)		\$5,000 (\$1,000 catch up)		Contribution limit indexed for inflation	
Annual Contribution Limits for 401(k)	\$13,000 (\$3,000 catch up)	\$14,000 (\$4,000 catch up)	\$15,000 (\$5,000 catch up), indexed for inflation	\$15,500 (\$5,000 catch up)		\$16,500 (\$5,500 catch up)		Contribution limit and catch up indexed for inflation
Saver's Credit	\$2,000, maximum rate is 50%			\$2,000, maximum rate is 50%; income thresholds indexed for inflation				
Annual Contribution Limit for Education IRA	\$2,000							Sunset ⁵
Estate and Gift Tax Exemption	\$1,500,000		\$2,000,000			\$3,500,000	Estate Tax Repealed	
Estate and Gift Tax Top Marginal Rate	48%	47%	46%	45%		Estate Tax Repealed		Sunset ⁵

KEY	
<i>Italics</i>	<i>Denotes law as of 1980</i>
	Economic Recovery Tax Act of 1981
	Tax Equity and Fiscal Responsibility Act of 1982
	Deficit Reduction Act of 1984
	Tax Reform Act of 1986
	Omnibus Budget Reconciliation Act of 1987
	Omnibus Budget Reconciliation Act of 1990
	Omnibus Budget Reconciliation Act of 1993
	Taxpayer Relief Act of 1997
	Economic Growth and Tax Relief Act of 2001 (EGTRRA)
	The Jobs and Growth Tax Relief Reconciliation Act of 2003 (JGTRRA)
	Working Families Tax Relief Act of 2004
	Tax Increase Prevention and Reconciliation Act of 2005 (TIPRA)
	Pension Protection Act of 2006
	Tax Increase Prevention Act of 2007
	Economic Stimulus Act of 2008
	Emergency Economic Stabilization Act of 2008
	American Recovery and Reinvestment Tax Act of 2009
Notes:	
	1 0% rate existed below these brackets until 1986
	2 Indexing of income brackets for individual income tax began in 1985 under the ERTA of 1981 except for 1987 and 1988 when brackets were not indexed because of rate changes; Changes in bracket amounts for 1985-1986, 1989-2000, and 2004-2010 occurred as a result of indexing for inflation rather than from a change in tax
	3 For years 1988-1990 rate applicable to highest income bracket is not the highest rate: in 1988 and 1989 28% rate is applicable to two income brackets - the highest tax bracket and a lower one; in 1990 a 31% rate was applied to the highest tax bracekt and a 33% rate to a lower one
	4 Not indexed for inflation
	5 Returns to pre-EGTRRA law

Sources: Joint Committee on Taxation; Tax Foundation: Facts & Figures on Government Finance, 38th Edition; Library of Congress public law summaries.