



Sales of Capital Assets Panel Data for Tax Years 1999-2003

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Views expressed are those of the authors and do not necessarily reflect the policies of the Treasury Department or the Internal Revenue Service.



Presentation highlights

- History of the Sales of Capital Assets Study
- Data Collection today
- Uses of the Data
- New Cross Section and Panel
- Panel 1999-2003 Data Analysis



History

- 1959 – 1st pilot study
- 1962 – Cross Section
- 1973 – Cross Section and 1st Panel
- 1977 – Cross Section
- 1981 – Cross Section
- 1985 – Cross Section and Panel
- 1997 – Cross Section
- 1998 – Cross Section
- 1999 – Cross Section and Current Panel
- 2007 – Cross Section and New Panel



SOCA Forms

- Form 2439 – Undistributed Long-Term Capital Gains
- Form 4684 – Casualties and Thefts
- Form 4797 – Sales of Business Property
- Form 6252 – Installment Sale Income
- Form 6781 – Contracts and Straddles
- Form 8824 – Like-Kind Exchanges
- Schedule D – Capital Gains and Losses

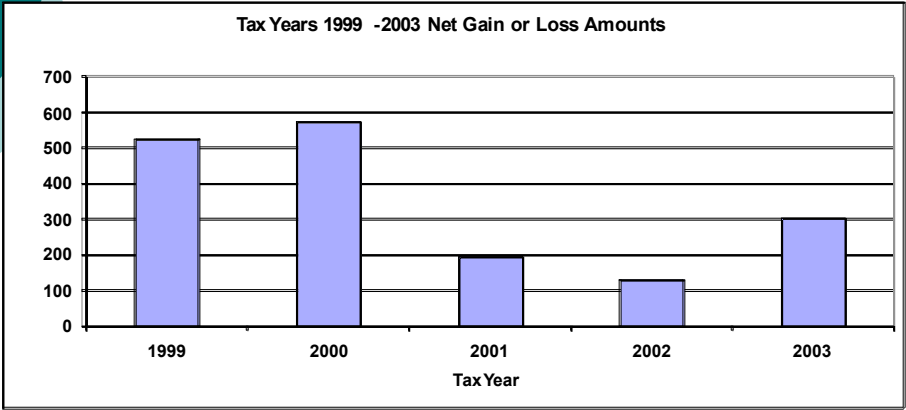
Asset Categories

- Corporate Stock
- U.S. Government Obligations
- State and Local Government Obligations
- Other Bonds, Notes, and Debentures
- Options on Stocks, Indexes and Futures
- Commodities and futures
- Tax Exempt Municipal Bond Funds
- Gains and Losses from Partnerships and S-Corps
- Mutual Funds
- Livestock
- Timber
- Involuntary Conversions
- Residential Rental Property
- Depreciable Business Personal Property
- Depreciable Business Real Property
- Land other than Farmland
- Farmland
- Residences
- Other
- Unidentifiable
- Pass Through Income

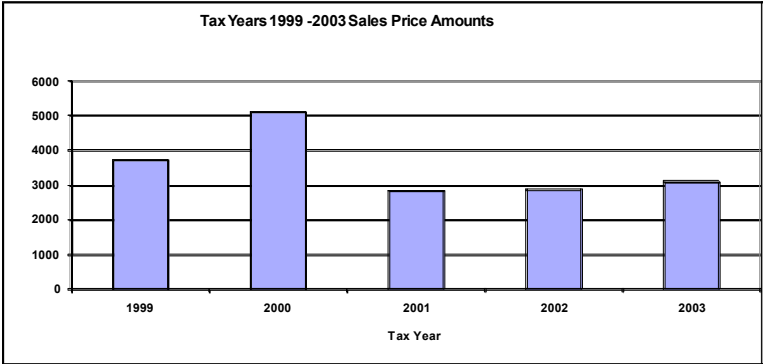
Comparison of SOI Individual Cross Section and SOI Individual Panel

Tax Year	Total Returns (millions)	Panel Returns (millions)	Percent of Population
1999	127	127	100
2000	129	120	93
2001	130	117	90
2002	130	113	87
2003	130	109	84

Net Capital Gain or Loss, 1999 - 2003



Sales Price, 1999 - 2003



Uses of SOCA Data

- Policy Analysis
 - Tax rate changes – effects
 - Asset types: stock, timber
 - Home sales – no more Form 2119
 - Holding periods
 - Effective tax rates based on holding pd
- Revenue Estimates
- SOI publications

Capital Gains and Losses by Adjusted Gross Income, Tax Year 1999

Adjusted Gross Income	Percent of Sales Price	Percent of Net gain / Loss
Under \$20,000	6	3
\$20,000 under \$50,000	11	7
\$50,000 under \$100,000	12	12
\$100,000 under \$200,000	19	13
\$200,000 under \$1 million	28	25
\$1 million or more	24	41

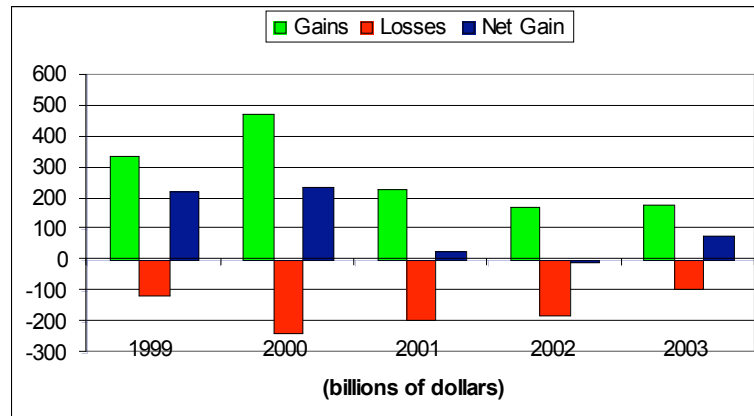
Holding Periods on Stock Sales, 2005

Holding Period	Sales Price	Net	
		Gain	/Loss
1 - 2	29	17	
2 - 5	49	45	
5 - 10	12	8	
10 - 15	4	9	
15 - 20	2	6	
20 - 25	1	4	
25 and over	3	10	
Total	100	100	

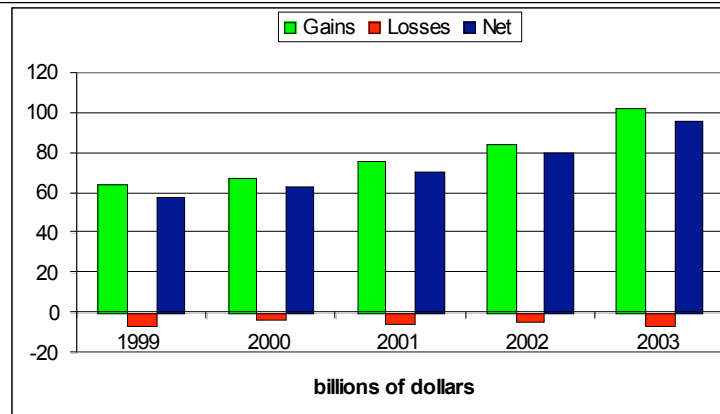
Positive Gains and Capital Gains Tax Revenues, 1998 - 2006

	Pos. Gains	CG Tax	% of GDP
1998	455	89	5.2
1999	553	112	6.0
2000	644	127	6.6
2001	349	66	3.5
2002	269	49	2.6
2003	323	51	3.0
2004	499	73	4.3
2005	690	102	5.6
2006	771	115	5.9

Gains & Losses on Sales of Stock, 1999 – 2003 Panel



Gains & Losses on Real Estate, 1999 - 2003





Net Capital Gain and Loss by Type, 1999-2005

<u>Type</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2005p</u>
Stock	224	239	34	-14	80	186
Real estate	58	65	71	82	100	165
Pass-thru	150	161	101	86	127	142
MFdistrib.	62	84	14	5	5	35
MF sales	15	10	-30	-43	-20	9
Total	525	582	206	127	310	720