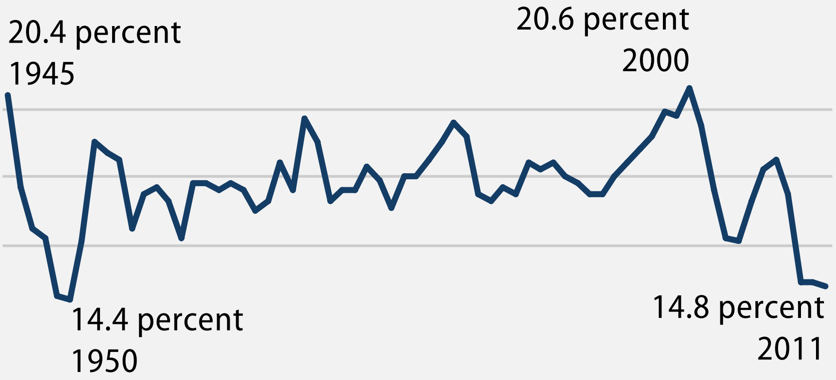
1 Tax revenue is at its lowest level since 1950

Total federal revenue as a share of GDP



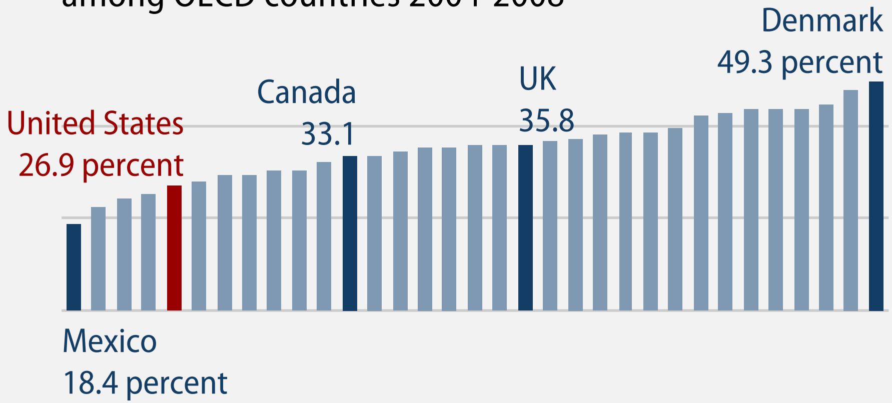
This year, federal taxation will take up less than 15 percent of total national economic activity. That's the lowest level in 60 years. In fact, total revenue as a share of gross domestic product has now been under 15 percent for three straight years—the first time that has happened since before World War II.

Sources: Office of Management and Budget

Center for American Progress

2 The U.S. has much lower taxes than other developed countries

Average total revenues, as a share of GDP, among OECD countries 2004-2008



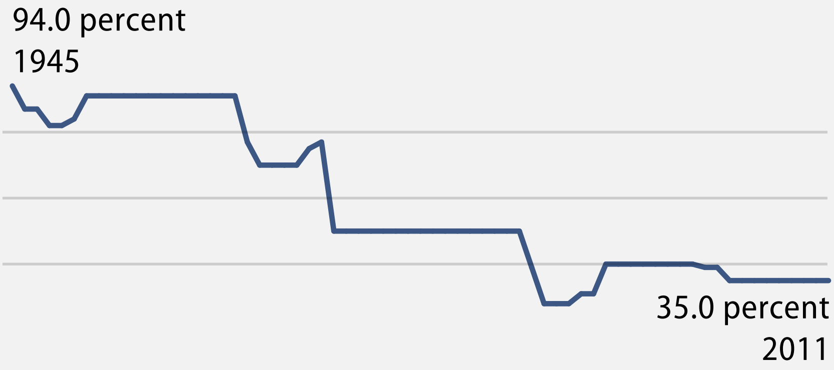
Out of more than 30 countries in the Organisation for Economic Co-Operation and Development, the United States ranks fifth from the bottom in total taxes paid to all levels of government, as a share of GDP. Total government revenue in the United States is nearly 25 percent lower than the average OECD country.

Sources: Organisation for Economic Co-Operatation and Development

Center for American Progress

3 Today's top tax rates are historically low

Top marginal income tax rates on ordinary income (wages, salaries, etc.)



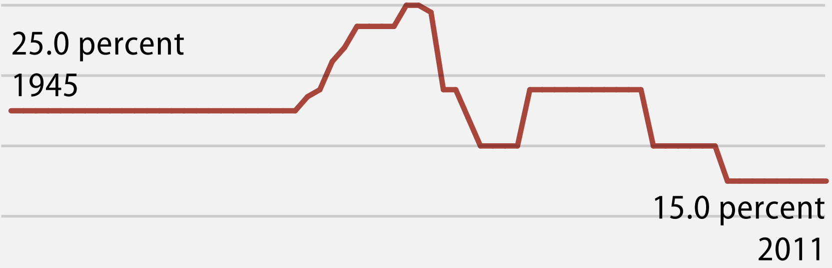
Sources: Citizens for Tax Justice

The highest tax rate on income has been steadily falling over the past 50 years. In 1960, the top marginal income tax rate was 90 percent. Today it is just 35 percent, and the Republicans in the House of Representatives recently endorsed lowering it further to 25 percent. That would be the lowest top rate since 1931.

Center for American Progress

4 Taxes on investments are also historically low

Top capital gains tax rates



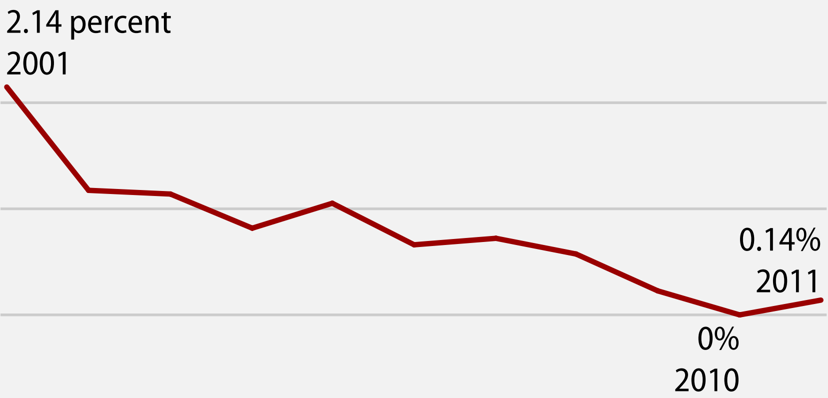
For most of the past century, income earned from the sale of capital assets like stocks has been taxed at a much lower rate than most other forms of income, and that's still true today. This year, the top rate on income from capital gains is at its lowest point since 1933—just 15 percent.

Center for American Progress

Sources: Citizens for Tax Justice

5 The tax on large estates has virtually disappeared

Total percent of all estates subject to federal estate tax



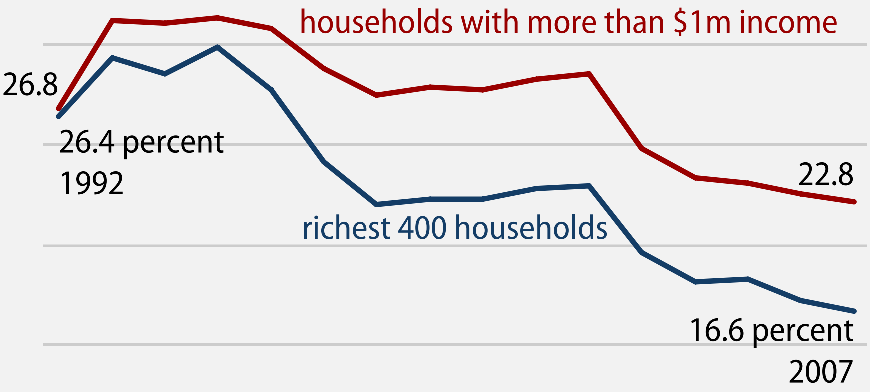
The tax cuts passed in 2001 dramatically reduced the already modest federal estate tax. Even before the tax cuts only the richest 2 percent of all estates paid any estate tax at all. By 2010, the tax was gone completely. It returned this year in an even weaker form than it was in 2009. As a result, less than 0.2 percent of all estates are expected to have to pay the tax.

Center for American Progress

Sources: Tax Policy Center calculations using data from the Internal Revenue Service Statistics of Income

6 The wealthy and superwealthy's tax rates have plunged

Income tax paid, as a share of total income, in the U.S.



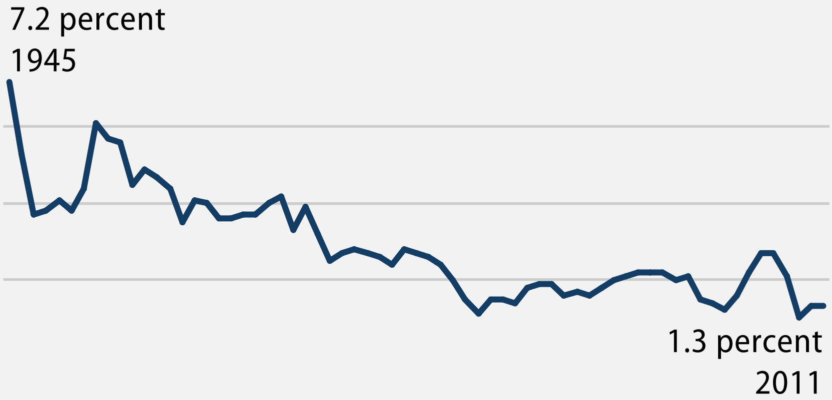
In 2007, the last year before the Great Recession, millionaires paid just 22 percent of their income in federal income tax—down nearly 10 percentage points from the mid-1990s. The richest 400 households in the country—who take in about $300 million per year on average—have fared even better. In 2007, they paid less than 17 percent of their total income in federal income taxes—down 13 percentage points.

Sources: Internal Revenue Service

Center for American Progress

7 The U.S. corporate tax has steadily declined

Corporate tax revenue, as a share of GDP



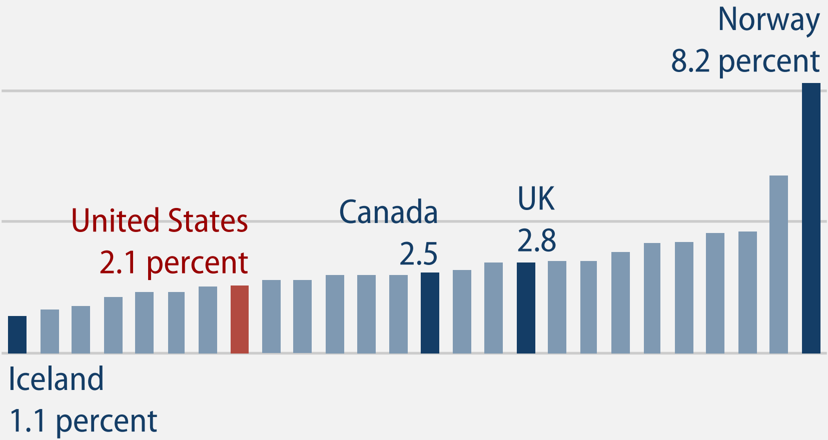
In the 1950s revenue from the federal corporate income tax averaged about 5 percent of GDP per year. Last decade, corporate tax revenue averaged just 2 percent of GDP annually. Since 2009, corporate tax revenue has averaged just 1.2 percent, the lowest three-year average in American postwar history.

Sources: Office of Management and Budget

Center for American Progress

8 The U.S. raises much less from corporate taxes than other countries

Corporate tax revenue as a share of GDP, OECD countries, 2009

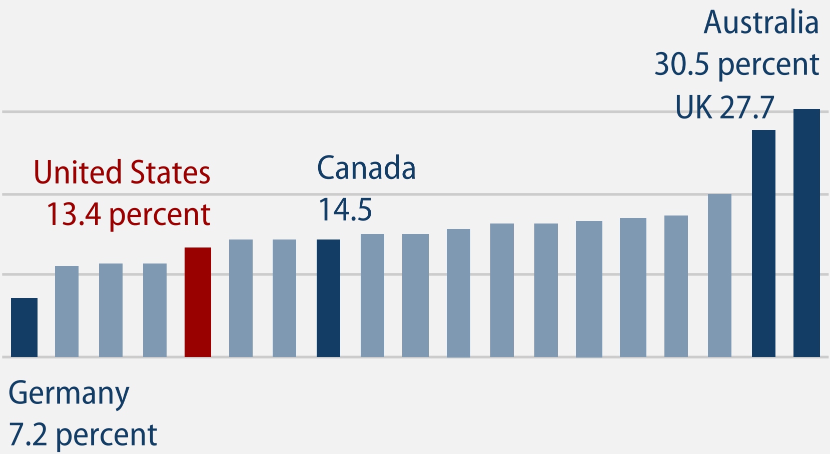


The United States generates far less revenue from the corporate income tax than other countries do. Corporate income tax revenue in the United States is about 25 percent below the OECD average.

Sources: Organisation for Economic Co-Operatation and Development

9 U.S. corporations are taxed less than their foreign rivals

Effective corporate tax rate, OECD countries, 2000-2005 average



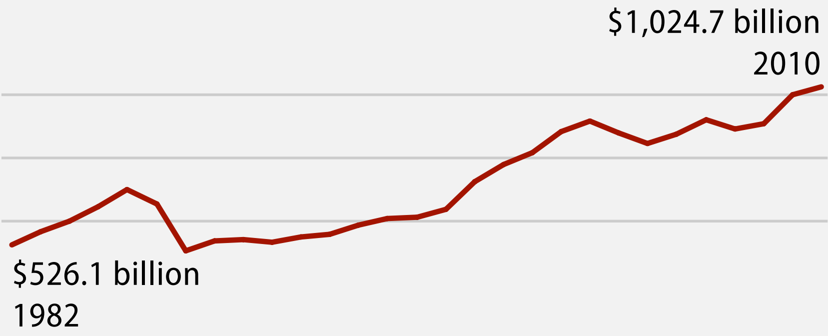
U.S. corporations pay a smaller share of their profits in income tax than corporations in most other OECD countries. The average effective corporate tax rate among OECD countries is about 16 percent. In the United States that rate is about 13 percent. The effective rate is what corporations actually pay on their profits after taking various deductions, deferrals, and credits.

Sources: U.S. Department of Treasury

Center for American Progress

10 Tax breaks and tax loopholes have proliferated

Total cost of all tax expenditures (exclusions, deductions, credits, etc.), in billions of 2010 dollars



Over the past 25 years, Congress has introduced billions of dollars worth of special breaks, subsidies, and loopholes into the corporate and individual income tax code. Their total value now exceeds $1 trillion a year.

Sources: Government Accountability Office

Center for American Progress