

Contact: Bob McIntyre

# Bush & Cheney Release Tax Returns

## **President Saved \$30,858 from his tax cuts. Vice-President paid only 13.1% tax rate**

President George W. Bush and Vice-President Dick Cheney released their 2003 tax returns today. Each of them reported extremely high incomes, placing each among the best-off one percent of Americans. Details of the tax filings include:

### **President Bush saved \$30,858 from his tax cuts:**

- President & Mrs. Bush reported total income of \$822,126.
- They paid \$227,490 in income taxes, equal to 27.7 percent of their income.
- The President's tax cuts lowered the Bushes' 2003 tax bill by \$30,858.
- The President's reduction in the top rate on dividends saved the Bushes \$2,696 in taxes on their \$10,959 in reported dividends (which were taxed at 15 percent rather than 39.6 percent). The rest of the Bushes' tax cut stemmed from the President's reduction in tax rates on their other income.

### **Vice-President Cheney paid only a 13.1 percent income tax rate:**

- Vice-President & Mrs. Cheney reported 2003 total income of \$1,900,339.
- The Cheneys' income tax was \$241,392, equal to only 13.1 percent of their reported income.
- The Cheneys' total income included \$627,005 in tax-exempt interest, \$279,012 in long-term capital gains and \$84,132 in dividends. None of the capital gains were eligible for the new 15 percent tax rate, however, because they were realized prior to the May 6, 2003 effective date for the capital gains tax cut.
- The Bush tax cuts saved the Cheneys \$10,937 in taxes in 2003.
- The Cheneys' tax cut would have been much larger—\$36,623—except that the alternative minimum tax disallowed 70 percent of the tax cut they would otherwise have received.

*Note: tax comparisons are between 2003 tax law under the Bush tax plan versus the tax law as it would have been without the Bush tax cuts.*

More details on the President and Vice-President's tax returns follow on the next page.

MORE . . .

Bush & Cheney 2003 vs. pre-Bush law	Current law		Prior law		Tax cut	
	Bush	Cheney	Bush	Cheney	Bush	Cheney
Taxable income	\$ 727,083	\$ 813,266	\$ 727,083	\$ 813,266		
Tax before credits reported	227,494	248,369	na	na		
Capital gains (long-term)	—	279,012	—	279,012		
Dividends (eligible)	10,959	84,132	na	na		
CG & div at special rates	10,959	363,144	—	279,012		
Taxable w/o cg & div	716,124	450,122	727,083	534,254		
Tax before cg & div tax	225,850	132,749	258,352	181,991		
CG & div tax	1,644	68,422	—	55,802		
<b>Tax before AMT</b>	<b>227,494</b>	<b>201,171</b>	<b>258,352</b>	<b>237,794</b>	<b>-30,858</b>	<b>-36,623</b>
AMT adds	—	+47,198	—	+21,512		
<b>Net tax before credits</b>	<b>227,494</b>	<b>248,369</b>	<b>258,352</b>	<b>259,306</b>		
Less: credits (FTC)	4	6,977	4	6,977		
<b>Total tax after credits</b>	<b>\$ 227,490</b>	<b>\$ 241,392</b>	<b>\$ 258,348</b>	<b>\$ 252,329</b>	<b>\$ -30,858</b>	<b>\$ -10,937</b>
<b>% cut in income tax</b>					<b>-12%</b>	<b>-4%</b>
<b>Reported income:</b>						
Tax-return total income	\$ 822,126	\$ 1,273,334	\$ 822,126	\$ 1,273,334		
Tax-exempt interest	—	627,005	—	627,005		
<b>Total income (w/ TEI)</b>	<b>\$ 822,126</b>	<b>\$ 1,900,339</b>	<b>\$ 822,126</b>	<b>\$ 1,900,339</b>		
<b>Effective tax rate</b>	<b>27.7%</b>	<b>13.1%</b>	<b>31.4%</b>	<b>13.6%</b>	<b>-3.8%</b>	<b>-0.6%</b>
<b>AMT calculations</b>						
AMT taxable		1,018,753		1,018,753		
w/o cg/div		655,609		739,741		
tax at 28%		180,071		203,627		
cg & div at 15% &/or 20%		68,422		55,802		
total		248,493		259,430		-10,937
Less credit (FTC)		7,101		7,101		
AMT		241,392		252,329		-10,937
AMT adds to regular tax		+47,198		+21,512		+25,686