

## **Bushes Saved \$31,000 in 2006 from Bush Tax Cuts Cheneys Garnered \$111,000 — a 21% Drop**

President George W. Bush and his wife Laura received a \$31,037 income tax reduction for 2006 due to the President's tax cut program. Vice-president Dick Cheney and his wife Lynne, whose income was much higher, saved \$110,932.

- For 2006, the Bushes reported total income of \$765,801 and paid 24.4 percent of that in income taxes. That was down by 14 percent from the 28.4 percent they would have owed without the President's tax cuts.
- The Cheneys reported \$1.8 million in total income, and paid a 23.4 percent effective tax rate. That was 21 percent below the 29.5 percent rate they would have paid without the Bush tax cuts.

About three-quarters of the Bushes' tax cut stemmed from his reductions in the regular income tax rates. A sixth of the Bushes's tax cut came from the reduction in the top tax rate on capital gains and dividends to 15 percent. The remainder came from the first step of the President's gradual elimination of the itemized deduction disallowance and the personal exemption phase-out.

Just under half of the Cheneys' tax savings came from the sharply lower tax rate on their \$579,500 in capital gains and "qualified" dividends. The rest of their tax reduction was mostly from the reductions in the regular tax rates.

"The Bush and Cheney tax returns illustrate the kind of wealthy people that the President most intended to help with his tax cut program," noted Robert S. McIntyre, director of Citizens for Tax Justice. "At a time when our nation is running huge deficits and spending hundreds of billions of dollars and thousands of American lives on the Iraq war, you'd think such people would be asked to sacrifice a little rather than receiving such largesse."

A table with details on the Bush and Cheney tax filings is on page 2.

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## Details on President Bush and Vice-president Cheney's 2006 Tax Savings from the Bush Tax Cuts

	George & Laura Bush		Dick & Lynne Cheney	
	Bush Law	Prior Law	Bush Law	Prior Law
Wages	\$ 397,768	\$ 397,768	\$ 288,575	\$ 288,575
Taxable interest	285,734	285,734	73,977	73,977
Dividends				
"Qualified dividends"	15,716	—	163,500	—
Other dividends	22,485	38,201	333,816	497,316
Capital gains	42,075	42,075	415,997	415,997
Other income	2,023	2,023	533,431	533,431
<b>Total reported income</b>	<b>\$ 765,801</b>	<b>\$ 765,801</b>	<b>\$ 1,809,296</b>	<b>\$ 1,809,296</b>
Adjustments	—	—	8,024	8,024
Adjusted gross income	765,801	765,801	1,801,272	1,801,272
Itemized deductions	120,696	114,543	184,210	167,622
Personal exemptions	2,200	—	2,200	—
Taxable income	642,905	651,258	1,614,862	1,633,650
Income tax before credits	186,709	217,746	422,553	533,485
Foreign tax credits	331	331	26,112	26,112
<b>Income tax after credits</b>	<b>\$ 186,378</b>	<b>\$ 217,415</b>	<b>\$ 396,441</b>	<b>\$ 507,373</b>
<b>Effective tax rate*</b>	<b>24.4%</b>	<b>28.4%</b>	<b>23.4%</b>	<b>29.5%</b>
<b>Tax cut (&amp; % tax cut)</b>	<b>\$ -31,037</b>	<b>-14%</b>	<b>\$ -110,932</b>	<b>-21%</b>

### Addendum

Sources of the tax cuts:	Dollars	% of tot.	Dollars	% of tot.
Phase out of itemized deduction disallowance & personal exemption phase-out (begun in 2006)	\$ -2,924	9%	\$ -6,576	6%
Lower rates on capital gains & qualified dividends	-5,247	17%	-53,500	48%
Cuts in regular tax rates	-22,867	74%	-50,856	46%

\*Income tax before credits as a percent of total reported income.