



New tax data from the Internal Revenue service shows that in 2009, incomes fell, unemployment claims rose, and the U.S. economy shed nearly two million taxpayers. And of the 235,413 taxpayers who earned \$1 million or more in 2009, 1,470 of them paid no taxes.

According to the data, the average income for American taxpayers fell to \$54,283 -- a drop of \$3,516, or about 6.1 percent, between 2008 and 2009. Not only that, but the overall number of taxpayers -- that is, individuals or married couples filing with the IRS -- fell by almost two million.

"What you're seeing is the devastation of the massive loss of jobs and the effects of the real recession on real Americans," said Ed Kleinbard, a law professor at the University of Southern California.

The numbers, part of a package analyzing 2009 tax returns that the IRS has just made available, reflect a grim picture of the recent past.

Tax returns filed in 2009 largely speak to the state of the economy in 2008 -- a time when unemployment ballooned, markets dropped precipitously and the economy languished in recession.

The IRS's data is unlikely to surprise any of the millions of Americans who were out of work in 2008 and 2009. The unemployment rate climbed from 5 percent in April '08 to a 25-year high in February '09, and continued to rise for several months, topping double digits that fall with a rate of 10.2 percent.

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