

# IMPORTANT DATES IN U.S. TAX HISTORY

**1939** Revenue statutes codified. One out of 32 citizens pays 4% rate.



**1943** One out of three people pays taxes. Withholding on salaries and wages introduced.



**1954** 875-page Internal Revenue Code of 1954 passes. Considered the most monumental overhaul of federal income tax system to date. 3,000 changes to tax rules.



**2001** Tax Relief Act creates 441 changes. Lowers tax rates, repeals estate tax, increases contribution limits on 401(k)s and IRAs.



**2002** The Job Creation and Worker Assistance Act brings business tax relief, including a 5-year net operating loss carryback and extends depreciation.



**2003** Jobs and Growth Tax Relief Reconciliation Act lowers taxes on capital gains and dividends, accelerates marginal tax rate cuts, brings marriage penalty relief, increases child tax credit, extends bonus depreciation and more. Bills passed late in the year bring military tax relief and medicare reform.



**1997** Taxpayer Relief Act brings more than 800 changes. Child tax credit, Roth IRAs, higher education breaks for capital gains reduction enacted.



**2004** Back-to-Back tax bills, Working Families Tax Relief Act and American Jobs Creation Act, brought the most tax law changes since 1986. The American Jobs Creation Act gave ordinary taxpayers, as well as businesses of all sizes, tax relief.



**2006** Congress passed three major laws affecting taxes and several minor ones, making more than 500 changes to the Internal Revenue Code altogether. Among other things, temporary capital gains and dividend rates of 15% (0% for the bottom two brackets) were extended for two years beyond 2008 and the AMT exemption was increased, but for 2006 only.



**2005** Congress used the tax code to encourage energy savings and cope with natural disasters in the Katrina Emergency Tax Relief Act of 2005 and the Gulf Opportunity Zone Act of 2005.



**1996** Four bills make over 700 changes, including Medical Savings Accounts and SIMPLE plans.



**1993** Clinton's Revenue Reconciliation Act passes by one Vice Presidential vote.



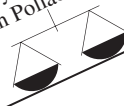
**1984** Reagan Tax Reform Act: Most complex bill ever, requires over 180 technical corrections.



**1986** Tax Reform Act reduces tax brackets from five or two.



**1895** Income tax ruled unconstitutional by U.S. Supreme Court in Pollack v. Farmer's Loan and Trust



**1909** 16th amendment that authorizes Congress to collect taxes on income is proposed.



**1913** Wyoming casts 37th vote, ratifying the 16th amendment. One in 271 people pays 1% rate.



**1862** Abraham Lincoln enacts emergency measure to pay for Civil War: Minimum 3% tax rate



**1872** Lincoln's income tax law lapses.



**1894** 2% federal income tax enacted.

