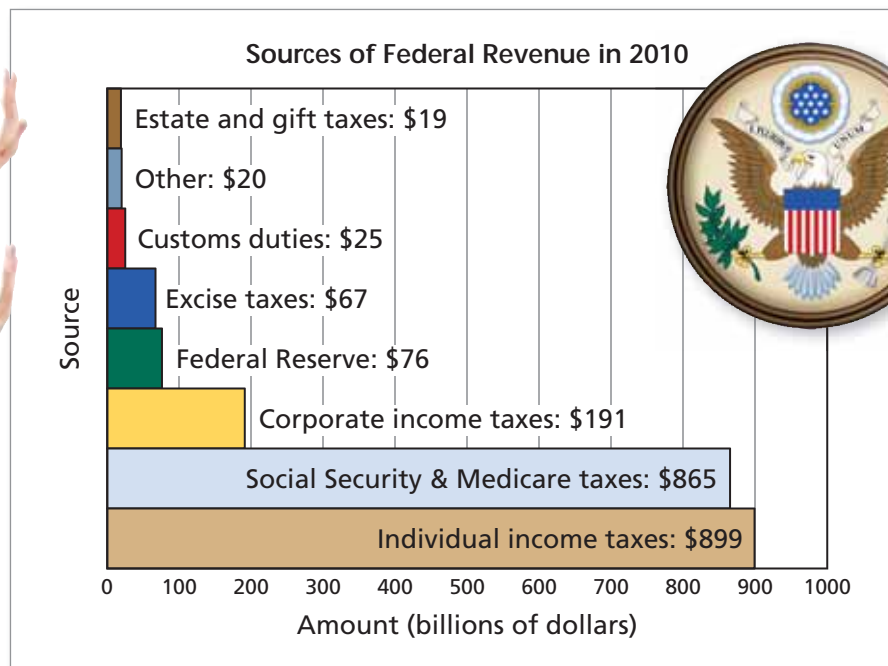EXAMPLE 4   **Analyzing Federal Tax Revenue**

What percent of the U.S. federal tax revenue comes from individual income taxes?

Sources of Federal Revenue in 2010

Source / Amount (billions of dollars):

- Estate and gift taxes: $19
- Other: $20
- Customs duties: $25
- Excise taxes: $67
- Federal Reserve: $76
- Corporate income taxes: $191
- Social Security & Medicare taxes: $865
- Individual income taxes: $899

SOLUTION

The total revenue for the federal government in 2010 was

$$899 + 865 + 191 + 76 + 67 + 25 + 20 + 19 = \$2{,}162 \text{ billion}$$
$$= \$2{,}162{,}000{,}000{,}000.$$

The percent of this that came from individual income taxes was

$$\frac{899{,}000{,}000{,}000}{2{,}162{,}000{,}000{,}000} \approx 41.6\%.$$

✓ **Checkpoint**   Help at *Math*.and**Y U**.com

Deciding how to display data is a field in mathematics and statistics called information design. You have already looked at several traditional styles of information design in this text, including bar graphs and circle graphs. In Section 9.1, you will look at several nontraditional styles.

a. Enter the data in Example 4 into a spreadsheet. Make a circle graph and label each section with its title, amount, and percent.

b. Use the spreadsheet to create a third graph of the data.

c. Which type of graph do you prefer? Explain.