

Taxpayers using filing status 1, Single, and not claimed as a dependent on another person's Iowa return may owe less tax by using this worksheet.

A Net Operating Loss carryover must be added back to net income, IA 1040, line 26.

1. Enter:

a. Net income from IA 1040, line 26 1a. _____

b. Pension/retirement income exclusion from IA 1040,
line 21 1b. _____

c. Line 13 of the Reportable Social Security benefits
worksheet found in the IA 1040 instructions 1c. _____

d. Lump Sum Tax distributions of taxable income
reported on federal form 4972, line 8 1d. _____

Total. Add 1a, 1b, 1c, and 1d 1. _____

2. Enter \$9,000 on this line if you are 64 or younger OR
\$24,000 if you were 65 or older as of 12/31/20 2. _____

3. Subtract line 2 from line 1 3. _____

4. Enter the amount from IA 1040, line 47 4. _____

5. Compare lines 3 and 4. Enter the smaller number here and on IA 1040, line 47.
Write "tax reduction" to the left of line 47 5. _____