



Iowa Department of
REVENUE

**Dependent Health Care Coverage in Iowa:
Tracking Coverage Through Tax Year 2016 Returns**

December 2017

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Executive Summary

Report Requirements

2008 Iowa Acts, House File 2539, section 4, as amended by Senate File 389, requires the Iowa Department of Revenue (IDR) to report the following annually to the Governor and the General Assembly:

- The number of Iowa families, by income level, claiming the State income tax exemption for dependent children
- The number of Iowa families, by income level, claiming the State income tax exemption for dependent children who also indicate the presence or absence of health care coverage for the dependent children
- The number of Iowa families, by income level, claiming the State income tax exemption for dependent children who receive information from the Department and who subsequently apply for and are enrolled in the appropriate program

2017 Iowa Acts, House File 265, repealed the tracking and reporting requirements effective for tax years beginning on or after January 1, 2017. Hence, this will be the last report.

Table A, at the end of this summary, presents taxpayer return information gathered for tax year **2016** by income level. Key information from the analysis of **2016** tax returns is the following:

Families Claiming Dependent Exemptions by Income Level

- Of the 1.43 million individual income tax returns filed by resident taxpayers, **446,596 (31.1%) claimed at least one State income tax exemption for a dependent**. Of those families claiming at least one State income tax exemption for a dependent:
 - **64,112 (14.4%) reported gross income of \$20,000 or less**
 - **241,930 (54.1%) reported gross income between \$20,001 to \$90,000**
 - **140,554 (31.5%) reported gross income of \$90,001 and over**

Response Rates

- Of the 446,596 taxpayers claiming at least one State income tax exemption for a dependent:
 - **410,560 (91.9%) families reported health care coverage** for one or more dependents
 - **21,040 (4.7%) families reported the absence of health care coverage** for one or more dependents, with some of those families reporting both the presence and absence of coverage on their tax returns
 - **14,996 (3.4%) families did not respond**

Health Care Coverage for Low Income Families

- Of the 64,112 taxpayers with dependents reporting gross income of \$20,000 or less:
 - **56,211 (87.7%) reported health care coverage** for one or more dependents
 - **4,209 (6.6%) reported the absence of health care coverage** for one or more dependents, with some of those families reporting both the presence and absence of coverage on their tax returns
 - **3,692 (5.8%) did not respond**

Health Care Coverage for Middle Income Families

- Of the 241,930 taxpayers with dependents reporting gross income between \$20,001 and \$90,000:
 - 218,689 (**90.4%**) reported **health care coverage** for one or more dependents
 - 13,815 (**5.7%**) reported the **absence of health care coverage** for one or more dependents, with some of those families reporting both the presence and absence of coverage on their tax returns
 - 9,426 (**3.9%**) **did not respond**

Health Care Coverage for High Income Families

- Of the 140,554 taxpayers with dependents reporting gross income of \$90,001 and over:
 - 135,660 (**96.7%**) reported **health care coverage** for one or more dependents
 - 3,016 (**2.0%**) reported the **absence of health care coverage** for one or more dependents, with some of those families reporting both the presence and absence of coverage on their tax returns
 - 1,878 (**1.3%**) **did not respond**

Coverage Status by Filing Method

- Of the 23,993 taxpayers with dependents filing paper returns:
 - 20,842 (**86.9%**) reported **health care coverage**
 - 1,025 (**4.3%**) reported the **absence of health care coverage** for one or more dependents, with some of those families reporting both the presence and absence of coverage on their tax returns
 - 2,126 (**8.9%**) **did not respond**
- Of the 422,603 taxpayers with dependents filing electronic returns:
 - 389,718 (**92.2%**) reported **health care coverage**
 - 20,015 (**4.7%**) reported the **absence of health care coverage** for one or more dependents, with some of those families reporting both the presence and absence of coverage on their tax returns
 - 12,870 (**3.0 %**) **did not respond**

New Coverage

In 2017, IDR mailed 13,961 letters to low income taxpayers indicating lack of health care coverage for dependents, down from 15,276 letters in 2016.

In 2014, the Department of Human Services (DHS), in compliance with the Affordable Care Act, changed the application for Medicaid and *hawk-i* to a version that did not include the means to track how applicants heard about the availability of the public health insurance for which they are applying. Therefore, beginning with 2014, no data can be provided by DHS regarding the number of children enrolled in Medicaid or *hawk-i* due to eligibility notification under this program.

Administrative Costs

During 2017, the State spent an estimated \$8,659 to administer this program including postage costs.

Table A: Dependent Health Care Coverage Reporting on Iowa Returns through Final Review, Tax Year 2016

Resident Filers Gross Income	Total Families With Dependents	Families Reporting Presence of Coverage		Families Reporting Absence of Coverage		Families Not Responding	
	Count	Count	Share of Total	Count	Share of Total	Count	Share of Total
\$20,000 or less	64,112	56,211	87.7%	4,209	6.6%	3,692	5.8%
\$20,001 to \$30,000	47,598	41,706	87.6%	3,397	7.1%	2,495	5.2%
\$30,001 to \$40,000	44,050	38,485	87.4%	3,250	7.4%	2,315	5.3%
\$40,001 to \$50,000	36,302	32,199	88.7%	2,453	6.8%	1,650	4.5%
\$50,001 to \$60,000	31,562	28,819	91.3%	1,666	5.3%	1,077	3.4%
\$60,001 to \$70,000	29,222	27,164	93.0%	1,272	4.4%	786	2.7%
\$70,001 to \$80,000	27,601	26,023	94.3%	956	3.5%	622	2.3%
\$80,001 to \$90,000	25,595	24,293	94.9%	821	3.2%	481	1.9%
\$90,001 to \$100,000	22,894	21,813	95.3%	677	3.0%	404	1.8%
\$100,001 to \$125,000	44,189	42,602	96.4%	970	2.2%	617	1.4%
\$125,001 to \$150,000	25,886	25,032	96.7%	527	2.0%	327	1.3%
\$150,001 to \$175,000	14,777	14,309	96.8%	291	2.0%	177	1.2%
\$175,001 to \$200,000	8,703	8,454	97.1%	145	1.7%	104	1.2%
\$200,001 to \$250,000	9,121	8,861	97.1%	163	1.8%	97	1.1%
\$250,001 or more	14,984	14,589	97.4%	243	1.6%	152	1.0%
Total	446,596	410,560	91.9%	21,040	4.7%	14,996	3.4%

Analysis Using Individual Income Tax Return Extract Data (N220), Iowa Department of Revenue

Notes: Families are grouped based on gross income, reported on line 15 of the Iowa 1040. A taxpayer reporting dependents with and without coverage is included only in the absence of coverage group. The numbers include individual income tax returns through final review as of November 29, 2017, where all amended returns and those filed by non-residents are ignored.

Percentages may not add to 100% due to rounding.

Report on Dependent Health Care Coverage

1. Introduction

In 2008, the Iowa General Assembly passed House File 2539 (HF 2539) with the goal of extending health care coverage to all Iowans. The first step in reaching that goal was to extend coverage to all eligible children in the State through the existing *hawk-i* program and to expand *hawk-i* eligibility. One effort to extend health care coverage for children was a requirement that the Iowa Department of Revenue (IDR) track coverage through the individual income tax return.

Starting with tax year 2008, IDR changed the Iowa individual income tax form allowing taxpayers to indicate the presence or absence of health care coverage for their dependent children (see Appendix for the Tax Year 2016 IA 1040). For those taxpayers reporting the absence of coverage for one or more dependents and meeting income guidelines, IDR sent a notice providing information about how to enroll those children in Medicaid or *hawk-i*.

This report for the Governor and the General Assembly fulfills the requirements established in 422.12M under HF 2359 and as amended by Senate File 289 (SF 289). The report provides information for tax year 2016 on:

- The number of Iowa families, by income level, claiming the State income tax exemption for dependent children.
- The number of Iowa families, by income level, claiming the State income tax exemption for dependent children who also indicate the presence or absence of health care coverage for the dependent children.

The Code also requested information on:

- The number of Iowa families, by income level, claiming the State income tax exemption for dependent children who receive information from the Department and who subsequently apply for and are enrolled in the appropriate program.

The Department of Human Services (DHS) no longer collects information from applicants that can be used to track whether they received information about their eligibility as a result of this program, so this report cannot comment on that number.

2. Changes for Tax Year 2016 and Preparations for Tax Year 2017

Section 1 of 2017 House Acts File 625 repealed Section 422.12M. As such, the requirement that taxpayers indicate on their tax returns whether their dependent children have health care coverage has been eliminated effective for tax years beginning on or after January 1, 2017. In addition, IDR is no longer required to send information to taxpayers about State medical assistance programs for dependent children and no longer required to report annually regarding health care coverage. For tax year 2017, the questions about dependent health care coverage have been removed from the Iowa individual income tax return.

3. Analysis of 2016 Tax Year Data

During the 2016 tax year filing season, IDR mailed 13,961 letters to taxpayers reporting the absence of health care coverage for dependents and reporting income below the maximum *hawk-i* eligibility level for the applicable family size (see Table 1).¹ These letters were mailed in five batches between February and September (see Table 2).

Iowa Families Claiming Dependent Children

As of November 29, 2017, 1,433,660 individual income tax returns filed by resident taxpayers for tax year 2016 were through the IDR final review. Of those, 446,596 Iowa families claimed the State income tax exemption for dependents (see Table 3). A total of 843,864 dependents were claimed by those families (see Table 5). Although families across the full income distribution claimed dependents, 50.1 percent reported gross income of \$60,000 or less in 2016.

Iowa Families Reporting Presence or Absence of Health Care Coverage

Ninety-seven percent of families provided information on the 2016 tax returns regarding the health insurance coverage of their dependents, a slight decrease from ninety-eight percent in tax year 2015. A total of 410,560 families (91.9%) reported only the presence of health care coverage for 771,292 dependents (91.4%) while 21,040 families (4.7%) reported the absence of health care coverage for a total of 47,862 dependents (5.7%) (see Tables 4 and 5). Some families (0.01%) reported both the presence and absence of coverage for dependents claimed on their tax returns; those families are included in the absence of health care coverage group.

The reported coverage rate for 2016 for families with gross income greater than \$100,000 was 96.8 percent. The lowest coverage rate was reported for families with income between \$30,001 and \$40,000 at 87.4 percent; however, that low rate reflects both higher non-response and higher absence of coverage. Lower-income families were more likely to report absence of coverage; 7.1 percent of families with annual incomes falling between \$20,001 and \$30,000 reported an absence of coverage, compared to 1.7 percent of families with annual incomes falling between \$175,000 and \$200,000.

Response Rates by Filing Method

In Iowa, taxpayers or their paid preparers can file a paper income tax return that is mailed to IDR, or they can complete the tax return electronically and file it via the Internet. Reported rates of coverage differed significantly between these two filing methods (see Table 4). Paper filers were less likely to complete the questions. For paper filers, 86.9 percent reported the presence of coverage, 4.3 percent reported absence of coverage, and 8.9 percent did not complete the questions. For electronic filers, 92.2 percent reported presence of coverage, 4.7 percent reported absence of coverage, and 3.0 percent did not complete the questions.

¹It is possible that additional children that are not dependents of the taxpayer live in the home, and thus the family size used by the Department of Human Services (DHS) to determine eligibility would be larger. However, in the interest of spending tax dollars most efficiently, only information about family size, the count of adults, and the number of dependents claimed on the tax return was used to assign income limits for letter receipt.

Response Rates by Preparer

The percent of electronic filers who self-prepared their return and reported absence of health care coverage for dependents was 3.1 percent, compared to 5.5 percent of electronic filers who used a paid preparer (see Table 6). Returns filed by paid preparers had a non-response rate of 3.3 percent. Electronic filers who self-prepared their returns had the highest response rates with 94.4 percent of families reporting presence of coverage, 3.1 percent reporting absence of coverage, and only 2.5 percent not responding. It is possible that the tax software programs increased taxpayer awareness about these questions relative to those who filed a paper tax return. Also, because the information is being provided by the taxpayer, as opposed to a paid preparer, it is more likely to be correct. Information on whether a paper filer used a paid preparer is not readily available.

Health Care Coverage by Federal Poverty Guidelines

The counts of families are also presented by the ratio of their reported gross income to the federal poverty guidelines in 2016 (see Table 7). Medicaid coverage is available for children in families with income up to 133 percent of the federal poverty guideline. Despite the availability of public insurance, 7.9 percent of families in this income range reported the absence of coverage for one or more dependents. This compares to 7.1 percent in tax year 2015. As income rises relative to the federal poverty guideline, presence of coverage rises while absence of coverage falls. In fiscal year 2010, the General Assembly expanded *hawk-i* eligibility to families up to 300 percent of the federal poverty guidelines.

4. Effect of Requirements on Uninsured Children

As noted above, the Affordable Care Act's requirement that all Americans have some form of health insurance became effective in 2014. Under the Act, DHS was required to use one universal application for all health insurance options provided by the State, including Medicaid and *hawk-i*. Beginning in 2013, DHS chose to use the federal application for health insurance, which does not include the means to track how applicants heard about the availability of the public health insurance for which they are applying. Therefore, beginning with 2013, no data can be provided by DHS regarding the number of children enrolled in Medicaid or *hawk-i* due to eligibility notification by IDR.

5. Health Care Coverage Reported on Federal Income Tax Returns

As a result of the Affordable Care Act, beginning with tax year 2014, taxpayers are required to report on their federal individual income tax returns if the taxpayer, the taxpayer's spouse (if filing jointly), and all dependents the taxpayer did or could claim had qualifying health insurance coverage for every month in the calendar year. If household members had minimum essential coverage, the taxpayer was instructed to check a box indicating "full-year coverage" on their return (U.S. 1040, line 61). Alternatively, if the taxpayer did not have full coverage, the taxpayer was required to remit an "individual responsibility" payment unless the taxpayer qualified for a health care exemption. This federal information is available for all taxpayers who filed their federal and Iowa return electronically.

With this new source of information about health care coverage, it is possible to provide a comparison of taxpayer responses about dependent health care coverage on the Iowa return with responses about household health care coverage on the federal return. It is expected that Iowa coverage rates should be higher than the federal coverage rates because it is possible dependents may have Medicaid or *hawk-i* coverage while the taxpayer does not have health care coverage. Also, the question on the federal return specifies that coverage must have been held over all months during the tax year while the question on the Iowa return requires that coverage must have been in place as of December 31.

In tax year 2016, 93.2 percent of taxpayers filing electronically who self-prepared their federal return reported having health insurance coverage for all members of the household; 94.4 percent of electronic taxpayers reported that all dependents had health insurance on their 2016 Iowa tax return when self-preparing the return (see Table 8). Taxpayers that used a paid preparer experienced a lower share in which the household was covered all year at 91.0 percent, compared to 91.1 percent reporting health insurance coverage for all dependents in 2016 on the Iowa return. On their federal returns, 6.8 percent of taxpayers who self-prepared their returns reported a lack of health insurance for all members of the household in calendar year 2016, compared to 5.6 percent of Iowa taxpayers who prepared their own federal return. Tax filers who used a paid preparer had a 9.0 percent rate of reporting no health insurance for the entire year on their federal returns, similar to the 8.9 percent of taxpayers using a paid preparer reported having dependents with no health insurance coverage on their Iowa return.

6. Estimated Costs

The continued efforts to track and expand health care coverage in Iowa through the individual income tax form use State resources. Mailing the notification letters to taxpayers during the tax year 2016 filing season cost IDR an estimated \$8,659, including time required to administer this program (see Table 9). IDR staff time reflects time used to update programs that identify eligible taxpayers (5 hours), to work with the Office of Chief Information Officer regarding the mailings (5 hours), and to analyze the responses on the tax returns for this report (24 hours). Because DHS is no longer tracking whether applicants learned about eligibility from this program, no administrative time is attributed to DHS staff.

In past years, this report compared the cost per new enrollee in *hawk-i* or Medicaid attributed to the notification letters under this program to the cost per new enrollee for all other DHS outreach programs. Without new enrollee numbers it is no longer possible to compute a cost per enrollee under this program; in prior years where this comparison was possible, the cost per enrollee was significantly higher using the tax return (see Table 10). In calendar year 2016, DHS reported a cost per new enrollee of \$9.04 for its other outreach efforts. In order for this program to match that cost, 958 new enrollees would be necessary. Based on historical counts of new enrollees that marked the box on their application stating that the letter from this program was the reason they were applying for *hawk-i* or Medicaid, that level of response seems unlikely in 2016 (see Table 10).

Table 1: Federal Poverty Guidelines by Family Size for 2016

<u>Family Size</u>	<u>Medicaid</u>	<i>hawk-i</i>	<u>Federal Poverty</u>
1	\$19,840	\$35,878	\$11,880
2	\$26,753	\$48,380	\$16,020
3	\$33,667	\$60,883	\$20,160
4	\$40,581	\$73,386	\$24,300
5	\$47,495	\$85,889	\$28,440
6	\$54,409	\$98,392	\$32,580
7	\$61,339	\$110,925	\$36,730
8	\$68,286	\$123,488	\$40,890

Source: Federal poverty guidelines are from the U.S. Department of Human Services

Note: Medicaid and hawk-i income limits are the maximum eligibility amounts for families of the applicable size that were effective July 1, 2016, as specified by the Iowa Department of Human Services.

Table 2: IDR Mailings for Tax Year 2016

<u>Mailing Date</u>	<u>Mailed Letters</u>
2/20/2017	1,358
3/20/2017	2,312
4/24/2017	4,285
6/21/2017	4,761
9/5/2017	1,245
Total Tax Year 2016	13,961

Table 3: Iowa Taxpayers with a Dependent Exemption Claim, Tax Year 2016

All Resident Filers			
Gross Income	Count	Distribution	Cumulative Distribution
\$20,000 or less	64,112	14.4%	14.4%
\$20,001 to \$30,000	47,598	10.7%	25.0%
\$30,001 to \$40,000	44,050	9.9%	34.9%
\$40,001 to \$50,000	36,302	8.1%	43.0%
\$50,001 to \$60,000	31,562	7.1%	50.1%
\$60,001 to \$70,000	29,222	6.5%	56.6%
\$70,001 to \$80,000	27,601	6.2%	62.8%
\$80,001 to \$90,000	25,595	5.7%	68.5%
\$90,001 to \$100,000	22,894	5.1%	73.7%
\$100,001 to \$125,000	44,189	9.9%	83.5%
\$125,001 to \$150,000	25,886	5.8%	89.3%
\$150,001 to \$175,000	14,777	3.3%	92.7%
\$175,001 to \$200,000	8,703	1.9%	94.6%
\$200,001 to \$250,000	9,121	2.0%	96.6%
\$250,001 or more	14,984	3.4%	100.0%
Total	446,596	100.0%	100.0%

Analysis used Individual Income Tax Return Extract Data (N220), Iowa Department of Revenue

Notes: Families are grouped based on gross income, which is reported on line 15 of the Iowa 1040.

The analysis includes individual income tax returns through final review by November 29, 2017, where all amended returns and those filed by non-residents are ignored.

Percentages may not add up to 100 percent due to rounding.

Table 4: Dependent Health Care Coverage Reporting on Iowa Returns through Final Review, Tax Year 2016

All Resident Filers							
Gross Income	All Families With Dependents	Families Reporting Presence of Coverage		Families Reporting Absence of Coverage		Families Not Responding	
	Count	Count	Share of Total	Count	Share of Total	Count	Share of Total
\$20,000 or less	64,112	56,211	87.7%	4,209	6.6%	3,692	5.8%
\$20,001 to \$30,000	47,598	41,706	87.6%	3,397	7.1%	2,495	5.2%
\$30,001 to \$40,000	44,050	38,485	87.4%	3,250	7.4%	2,315	5.3%
\$40,001 to \$50,000	36,302	32,199	88.7%	2,453	6.8%	1,650	4.5%
\$50,001 to \$60,000	31,562	28,819	91.3%	1,666	5.3%	1,077	3.4%
\$60,001 to \$70,000	29,222	27,164	93.0%	1,272	4.4%	786	2.7%
\$70,001 to \$80,000	27,601	26,023	94.3%	956	3.5%	622	2.3%
\$80,001 to \$90,000	25,595	24,293	94.9%	821	3.2%	481	1.9%
\$90,001 to \$100,000	22,894	21,813	95.3%	677	3.0%	404	1.8%
\$100,001 to \$125,000	44,189	42,602	96.4%	970	2.2%	617	1.4%
\$125,001 to \$150,000	25,886	25,032	96.7%	527	2.0%	327	1.3%
\$150,001 to \$175,000	14,777	14,309	96.8%	291	2.0%	177	1.2%
\$175,001 to \$200,000	8,703	8,454	97.1%	145	1.7%	104	1.2%
\$200,001 to \$250,000	9,121	8,861	97.1%	163	1.8%	97	1.1%
\$250,001 or more	14,984	14,589	97.4%	243	1.6%	152	1.0%
Total	446,596	410,560	91.9%	21,040	4.7%	14,996	3.4%

Paper Filers							
Gross Income	All Families With Dependents	Families Reporting Presence of Coverage		Families Reporting Absence of Coverage		Families Not Responding	
	Count	Count	Share of Total	Count	Share of Total	Count	Share of Total
\$20,000 or less	2,636	2,090	79.3%	211	8.0%	335	12.7%
\$20,001 to \$30,000	1,941	1,558	80.3%	150	7.7%	233	12.0%
\$30,001 to \$40,000	2,135	1,714	80.3%	183	8.6%	238	11.1%
\$40,001 to \$50,000	2,027	1,707	84.2%	124	6.1%	196	9.7%
\$50,001 to \$60,000	1,763	1,542	87.5%	70	4.0%	151	8.6%
\$60,001 to \$70,000	1,630	1,431	87.8%	59	3.6%	140	8.6%
\$70,001 to \$80,000	1,591	1,425	89.6%	44	2.8%	122	7.7%
\$80,001 to \$90,000	1,502	1,351	89.9%	39	2.6%	112	7.5%
\$90,001 to \$100,000	1,361	1,219	89.6%	32	2.4%	110	8.1%
\$100,001 to \$125,000	2,726	2,507	92.0%	40	1.5%	179	6.6%
\$125,001 to \$150,000	1,593	1,467	92.1%	21	1.3%	105	6.6%
\$150,001 to \$175,000	957	877	91.6%	19	2.0%	61	6.4%
\$175,001 to \$200,000	564	529	93.8%	10	1.8%	25	4.4%
\$200,001 to \$250,000	595	544	91.4%	9	1.5%	42	7.1%
\$250,001 or more	972	881	90.6%	14	1.4%	77	7.9%
Total	23,993	20,842	86.9%	1,025	4.3%	2,126	8.9%

Electronic Filers							
Gross Income	All Families With Dependents	Families Reporting Presence of Coverage		Families Reporting Absence of Coverage		Families Not Responding	
	Count	Count	Share of Total	Count	Share of Total	Count	Share of Total
\$20,000 or less	61,476	54,121	88.0%	3,998	6.5%	3,357	5.5%
\$20,001 to \$30,000	45,657	40,148	87.9%	3,247	7.1%	2,262	5.0%
\$30,001 to \$40,000	41,915	36,771	87.7%	3,067	7.3%	2,077	5.0%
\$40,001 to \$50,000	34,275	30,492	89.0%	2,329	6.8%	1,454	4.2%
\$50,001 to \$60,000	29,799	27,277	91.5%	1,596	5.4%	926	3.1%
\$60,001 to \$70,000	27,592	25,733	93.3%	1,213	4.4%	646	2.3%
\$70,001 to \$80,000	26,010	24,598	94.6%	912	3.5%	500	1.9%
\$80,001 to \$90,000	24,093	22,942	95.2%	782	3.2%	369	1.5%
\$90,001 to \$100,000	21,533	20,594	95.6%	645	3.0%	294	1.4%
\$100,001 to \$125,000	41,463	40,095	96.7%	930	2.2%	438	1.1%
\$125,001 to \$150,000	24,293	23,565	97.0%	506	2.1%	222	0.9%
\$150,001 to \$175,000	13,820	13,432	97.2%	272	2.0%	116	0.8%
\$175,001 to \$200,000	8,139	7,925	97.4%	135	1.7%	79	1.0%
\$200,001 to \$250,000	8,526	8,317	97.5%	154	1.8%	55	0.6%
\$250,001 or more	14,012	13,708	97.8%	229	1.6%	75	0.5%
Total	422,603	389,718	92.2%	20,015	4.7%	12,870	3.0%

Analysis using Individual Income Tax Returns Extract Data (N220), Iowa Department of Revenue

Notes: Families are grouped based on gross income, reported on line 15 of the Iowa 1040. A taxpayer reporting dependents with and without coverage is included only in the absence of coverage group. The numbers include individual income tax returns through final review as of November 28, 2016, where all amended returns and those filed by non-residents are ignored.

Percentages may not add to 100 percent due to rounding.

Table 5: Count of Dependents Reported on Iowa Returns through Final Review by Coverage, Tax Year 2016

All Resident Filers	All Dependents	Dependents with Presence of Coverage		Dependents with Absence of Coverage		Dependents in Families Not Responding	
		Total Dependents	Dependents	Share of Total	Dependents	Share of Total	Dependents
Gross Income							
\$20,000 or less	109,256	95,014	87.0%	8,459	7.7%	5,783	5.3%
\$20,001 to \$30,000	84,177	72,797	86.5%	7,469	8.9%	3,911	4.6%
\$30,001 to \$40,000	80,526	69,008	85.7%	7,731	9.6%	3,787	4.7%
\$40,001 to \$50,000	68,080	59,093	86.8%	6,256	9.2%	2,731	4.0%
\$50,001 to \$60,000	59,814	53,819	90.0%	4,167	7.0%	1,828	3.1%
\$60,001 to \$70,000	55,693	51,315	92.1%	3,047	5.5%	1,331	2.4%
\$70,001 to \$80,000	53,498	50,180	93.8%	2,259	4.2%	1,059	2.0%
\$80,001 to \$90,000	48,787	46,056	94.4%	1,909	3.9%	822	1.7%
\$90,001 to \$100,000	45,241	42,921	94.9%	1,530	3.4%	790	1.7%
\$100,001 to \$125,000	87,643	84,461	96.4%	2,071	2.4%	1,111	1.3%
\$125,001 to \$150,000	51,914	50,165	96.6%	1,154	2.2%	595	1.1%
\$150,001 to \$175,000	30,064	29,154	97.0%	598	2.0%	312	1.0%
\$175,001 to \$200,000	17,886	17,365	97.1%	337	1.9%	184	1.0%
\$200,001 to \$250,000	18,930	18,406	97.2%	350	1.8%	174	0.9%
\$250,001 or more	32,355	31,538	97.5%	525	1.6%	292	0.9%
Total	843,864	771,292	91.4%	47,862	5.7%	24,710	2.9%
Paper Filers	All Dependents	Dependents with Presence of Coverage		Dependents with Absence of Coverage		Dependents in Families Not Responding	
Gross Income	Total Dependents	Dependents	Share of Total	Dependents	Share of Total	Dependents	Share of Total
\$20,000 or less	4,685	3,489	74.5%	543	11.6%	653	13.9%
\$20,001 to \$30,000	2,665	2,665	100.0%	441	16.5%	417	15.6%
\$30,001 to \$40,000	3,995	3,084	77.2%	478	12.0%	433	10.8%
\$40,001 to \$50,000	3,817	3,111	81.5%	358	9.4%	348	9.1%
\$50,001 to \$60,000	3,390	2,925	86.3%	199	5.9%	266	7.8%
\$60,001 to \$70,000	3,087	2,674	86.6%	164	5.3%	249	8.1%
\$70,001 to \$80,000	3,083	2,739	88.8%	117	3.8%	227	7.4%
\$80,001 to \$90,000	1,656	1,351	81.6%	106	6.4%	199	12.0%
\$90,001 to \$100,000	2,807	2,418	86.1%	89	3.2%	300	10.7%
\$100,001 to \$125,000	5,356	4,896	91.4%	86	1.6%	374	7.0%
\$125,001 to \$150,000	3,150	2,894	91.9%	53	1.7%	203	6.4%
\$150,001 to \$175,000	1,883	1,727	91.7%	37	2.0%	119	6.3%
\$175,001 to \$200,000	1,120	1,036	92.5%	33	2.9%	51	4.6%
\$200,001 to \$250,000	1,241	1,133	91.3%	18	1.5%	90	7.3%
\$250,001 or more	2,093	1,893	90.4%	34	1.6%	166	7.9%
Total	44,028	38,035	86.4%	2,756	6.3%	4,095	9.3%
Electronic Filers	All Dependents	Dependents with Presence of Coverage		Dependents with Absence of Coverage		Dependents in Families Not Responding	
Gross Income	Total Dependents	Dependents	Share of Total	Dependents	Share of Total	Dependents	Share of Total
\$20,000 or less	104,571	91,525	87.5%	7,916	7.6%	5,130	4.9%
\$20,001 to \$30,000	80,654	70,132	87.0%	7,028	8.7%	3,494	4.3%
\$30,001 to \$40,000	76,531	65,924	86.1%	7,253	9.5%	3,354	4.4%
\$40,001 to \$50,000	64,263	55,982	87.1%	5,898	9.2%	2,383	3.7%
\$50,001 to \$60,000	56,424	50,894	90.2%	3,968	7.0%	1,562	2.8%
\$60,001 to \$70,000	52,606	48,641	92.5%	2,883	5.5%	1,082	2.1%
\$70,001 to \$80,000	50,415	47,441	94.1%	2,142	4.2%	832	1.7%
\$80,001 to \$90,000	47,131	44,705	94.9%	1,803	3.8%	623	1.3%
\$90,001 to \$100,000	42,434	40,503	95.4%	1,441	3.4%	490	1.2%
\$100,001 to \$125,000	82,287	79,565	96.7%	1,985	2.4%	737	0.9%
\$125,001 to \$150,000	48,764	47,271	96.9%	1,101	2.3%	392	0.8%
\$150,001 to \$175,000	28,181	27,427	97.3%	561	2.0%	193	0.7%
\$175,001 to \$200,000	16,766	16,329	97.4%	304	1.8%	133	0.8%
\$200,001 to \$250,000	17,689	17,273	97.6%	332	1.9%	84	0.5%
\$250,001 or more	30,262	29,645	98.0%	491	1.6%	126	0.4%
Total	798,978	733,257	91.8%	45,106	5.6%	20,615	2.6%

Analysis using Individual Income Tax Return Extract Data (N220), Iowa Department of Revenue

Notes: Families are grouped based on gross income, reported on line 15 of the Iowa 1040. Includes individual income tax returns through final review by November 29, 2017, where all amended returns and those filed by non-residents are ignored.

Percentages may not add to 100 percent due to rounding.

Table 6: Dependent Health Care Coverage Reporting by Filing Method and Income, Tax Year 2016

Paper Filers							
Gross Income	All Families With Dependents	Families Reporting Presence of Coverage		Families Reporting Absence of Coverage		Families Not Responding	
	Count	Count	Share of Total	Count	Share of Total	Count	Share of Total
\$20,000 or less	2,636	2,090	79.3%	211	8.0%	335	12.7%
\$20,001 to \$30,000	1,941	1,558	80.3%	150	7.7%	233	12.0%
\$30,001 to \$40,000	2,135	1,714	80.3%	183	8.6%	238	11.1%
\$40,001 to \$50,000	2,027	1,707	84.2%	124	6.1%	196	9.7%
\$50,001 to \$60,000	1,763	1,542	87.5%	70	4.0%	151	8.6%
\$60,001 to \$70,000	1,630	1,431	87.8%	59	3.6%	140	8.6%
\$70,001 to \$80,000	1,591	1,425	89.6%	44	2.8%	122	7.7%
\$80,001 to \$90,000	1,502	1,351	89.9%	39	2.6%	112	7.5%
\$90,001 to \$100,000	1,361	1,219	89.6%	32	2.4%	110	8.1%
\$100,001 to \$125,000	2,726	2,507	92.0%	40	1.5%	179	6.6%
\$125,001 to \$150,000	1,593	1,467	92.1%	21	1.3%	105	6.6%
\$150,001 to \$175,000	957	877	91.6%	19	2.0%	61	6.4%
\$175,001 to \$200,000	564	529	93.8%	10	1.8%	25	4.4%
\$200,001 to \$250,000	595	544	91.4%	9	1.5%	42	7.1%
\$250,001 or more	972	881	90.6%	14	1.4%	77	7.9%
Total	23,993	20,842	86.9%	1,025	4.3%	2,126	8.9%

Electronic Filers Self-Prepared							
Gross Income	All Families With Dependents	Families Reporting Presence of Coverage		Families Reporting Absence of Coverage		Families Not Responding	
	Count	Count	Share of Total	Count	Share of Total	Count	Share of Total
\$20,000 or less	25,536	23,668	92.7%	1,094	4.3%	774	3.0%
\$20,001 to \$30,000	17,512	16,183	92.4%	829	4.7%	500	2.9%
\$30,001 to \$40,000	14,879	13,685	92.0%	742	5.0%	452	3.0%
\$40,001 to \$50,000	11,448	10,602	92.6%	488	4.3%	358	3.1%
\$50,001 to \$60,000	9,219	8,661	93.9%	292	3.2%	266	2.9%
\$60,001 to \$70,000	8,366	7,949	95.0%	204	2.4%	213	2.5%
\$70,001 to \$80,000	7,599	7,272	95.7%	150	2.0%	177	2.3%
\$80,001 to \$90,000	7,130	6,872	96.4%	118	1.7%	140	2.0%
\$90,001 to \$100,000	6,492	6,274	96.6%	94	1.4%	124	1.9%
\$100,001 to \$125,000	12,757	12,430	97.4%	134	1.1%	193	1.5%
\$125,001 to \$150,000	7,736	7,536	97.4%	90	1.2%	110	1.4%
\$150,001 to \$175,000	4,411	4,318	97.9%	41	0.9%	52	1.2%
\$175,001 to \$200,000	2,455	2,402	97.8%	20	0.8%	33	1.3%
\$200,001 to \$250,000	2,304	2,264	98.3%	21	0.9%	19	0.8%
\$250,001 or more	1,907	1,869	98.0%	24	1.3%	14	0.7%
Total	139,751	131,985	94.4%	4,341	3.1%	3,425	2.5%

Electronic Filers Paid Preparer							
Gross Income	All Families With Dependents	Families Reporting Presence of Coverage		Families Reporting Absence of Coverage		Families Not Responding	
	Count	Count	Share of Total	Count	Share of Total	Count	Share of Total
\$20,000 or less	35,940	30,453	84.7%	2,904	8.1%	2,583	7.2%
\$20,001 to \$30,000	28,145	23,965	85.1%	2,418	8.6%	1,762	6.3%
\$30,001 to \$40,000	27,036	23,086	85.4%	2,325	8.6%	1,625	6.0%
\$40,001 to \$50,000	22,827	19,890	87.1%	1,841	8.1%	1,096	4.8%
\$50,001 to \$60,000	20,580	18,616	90.5%	1,304	6.3%	660	3.2%
\$60,001 to \$70,000	19,226	17,784	92.5%	1,009	5.2%	433	2.3%
\$70,001 to \$80,000	18,411	17,326	94.1%	762	4.1%	323	1.8%
\$80,001 to \$90,000	16,963	16,070	94.7%	664	3.9%	229	1.3%
\$90,001 to \$100,000	15,041	14,320	95.2%	551	3.7%	170	1.1%
\$100,001 to \$125,000	28,706	27,665	96.4%	796	2.8%	245	0.9%
\$125,001 to \$150,000	16,557	16,029	96.8%	416	2.5%	112	0.7%
\$150,001 to \$175,000	9,409	9,114	96.9%	231	2.5%	64	0.7%
\$175,001 to \$200,000	5,684	5,523	97.2%	115	2.0%	46	0.8%
\$200,001 to \$250,000	6,222	6,053	97.3%	133	2.1%	36	0.6%
\$250,001 or more	12,105	11,839	97.8%	205	1.7%	61	0.5%
Total	282,852	257,733	91.1%	15,674	5.5%	9,445	3.3%

Analysis using Individual Income Tax Return Extract Data (N220), Iowa Department of Revenue

Notes: Families are grouped based on the gross income reported on line 15 of the Iowa 1040. A taxpayer reporting dependents with and without coverage is included only in the absence of coverage group. The numbers include individual income tax returns through final review as of November 28, 2016, where all amended returns and those filed by non-residents are ignored.

Percentages may not add up to 100 percent due to rounding.

Table 7: Health Care Coverage Reporting on Iowa Returns through Final Review by Federal Poverty Level, Tax Year 2016

All Resident Filers							
Gross Income	All Families with Dependents	Families Reporting Presence of Coverage		Families Reporting Absence of Coverage		Families Not Responding	
	Count	Count	Share of Total	Count	Share of Total	Count	Share of Total
Less than 133% FPL	65,503	56,825	86.8%	5,170	7.9%	3,508	5.4%
134-200% FPL	47,591	41,314	86.8%	3,990	8.4%	2,287	4.8%
201-300% of FPL	61,969	55,024	88.8%	3,938	6.4%	3,007	4.9%
301+% FPL	271,533	257,397	94.8%	7,942	2.9%	6,194	2.3%
Total	446,596	410,560	91.9%	21,040	4.7%	14,996	3.4%

Paper Filers							
Gross Income	All Families with Dependents	Families Reporting Presence of Coverage		Families Reporting Absence of Coverage		Families Not Responding	
	Count	Count	Share of Total	Count	Share of Total	Count	Share of Total
Less than 133% FPL	2,789	2,133	76.5%	305	10.9%	351	12.6%
134-200% FPL	1,997	1,616	80.9%	170	8.5%	211	10.6%
201-300% of FPL	2,996	2,521	84.1%	182	6.1%	293	9.8%
301+% FPL	16,211	14,572	89.9%	368	2.3%	1,271	7.8%
Total	23,993	20,842	86.9%	1,025	4.3%	2,126	8.9%

Electronic Filers							
Gross Income	All Families with Dependents	Families Reporting Presence of Coverage		Families Reporting Absence of Coverage		Families Not Responding	
	Count	Count	Share of Total	Count	Share of Total	Count	Share of Total
Less than 133% FPL	62,714	54,692	87.2%	4,865	7.8%	3,157	5.0%
134-200% FPL	45,594	39,698	87.1%	3,820	8.4%	2,076	4.6%
201-300% of FPL	58,973	52,503	89.0%	3,756	6.4%	2,714	4.6%
301+% FPL	255,322	242,825	95.1%	7,574	3.0%	4,923	1.9%
Total	422,603	389,718	92.2%	20,015	4.7%	12,870	3.0%

Analysis Using Individual Income Tax Return Extract Data (N220), Iowa Department of Revenue

Note: In instances where families report both coverage and absence of coverage, the dependents are counted in absence of coverage. Percentages may not add up to 100 percent due to rounding.

Table 8: Health Care Coverage Response on Electronically Filed U.S. 1040 Returns, Tax Year 2016

All Electronic Filers								
Gross Income	All Families With Dependents	Families Reporting Full-Year Coverage	Families Reporting Presence of Coverage (IA 1040)		Families Reporting Not Full-Year Coverage	Families Reporting Absence of Coverage (IA 1040)		
	Count	Count	Share of Total	Share of Total	Count	Share of Total	Share of Total	
	\$20,000 or less	61,476	53,417	86.9%	88.7%	8,059	13.1%	11.3%
\$20,001 to \$30,000	45,657	38,869	85.1%	88.8%	6,788	14.9%	11.3%	
\$30,001 to \$40,000	41,915	35,877	85.6%	88.7%	6,038	14.4%	11.3%	
\$40,001 to \$50,000	34,275	29,999	87.5%	89.9%	4,276	12.5%	10.2%	
\$50,001 to \$60,000	29,799	26,839	90.1%	92.2%	2,960	9.9%	7.8%	
\$60,001 to \$70,000	27,592	25,647	93.0%	93.8%	1,945	7.0%	6.3%	
\$70,001 to \$80,000	26,010	24,580	94.5%	94.9%	1,430	5.5%	5.1%	
\$80,001 to \$90,000	24,093	23,170	96.2%	95.6%	923	3.8%	4.5%	
\$90,001 to \$100,000	21,533	20,925	97.2%	95.9%	608	2.8%	4.1%	
\$100,001 to \$125,000	41,463	40,658	98.1%	96.9%	805	1.9%	3.1%	
\$125,001 to \$150,000	24,293	23,927	98.5%	97.1%	366	1.5%	2.9%	
\$150,001 to \$175,000	13,820	13,617	98.5%	97.4%	203	1.5%	2.6%	
\$175,001 to \$200,000	8,139	8,014	98.5%	97.5%	125	1.5%	2.5%	
\$200,001 to \$250,000	8,526	8,410	98.6%	97.8%	116	1.4%	2.2%	
\$250,001 or more	14,012	13,768	98.3%	97.9%	244	1.7%	2.1%	
Total	422,603	387,717	91.7%	92.8%	34,886	8.3%	7.3%	
Electronic Filers Self-Prepared								
Gross Income	All Families With Dependents	Families Reporting Full-Year Coverage	Families Reporting Presence of Coverage (IA 1040)		Families Reporting Not Full-Year Coverage	Families Reporting Absence of Coverage (IA 1040)		
	Count	Count	Share of Total	Share of Total	Count	Share of Total	Share of Total	
	\$20,000 or less	25,536	23,054	90.3%	92.7%	2,482	9.7%	7.3%
\$20,001 to \$30,000	17,512	15,443	88.2%	92.4%	2,069	11.8%	7.6%	
\$30,001 to \$40,000	14,879	13,204	88.7%	92.0%	1,675	11.3%	8.0%	
\$40,001 to \$50,000	11,448	10,351	90.4%	92.6%	1,097	9.6%	7.4%	
\$50,001 to \$60,000	9,219	8,462	91.8%	93.9%	757	8.2%	6.1%	
\$60,001 to \$70,000	8,366	7,915	94.6%	95.0%	451	5.4%	5.0%	
\$70,001 to \$80,000	7,599	7,302	96.1%	95.7%	297	3.9%	4.3%	
\$80,001 to \$90,000	7,130	6,909	96.9%	96.4%	221	3.1%	3.6%	
\$90,001 to \$100,000	6,492	6,354	97.9%	96.6%	138	2.1%	3.4%	
\$100,001 to \$125,000	12,757	12,604	98.8%	97.4%	153	1.2%	2.6%	
\$125,001 to \$150,000	7,736	7,661	99.0%	97.4%	75	1.0%	2.6%	
\$150,001 to \$175,000	4,411	4,373	99.1%	97.9%	38	0.9%	2.1%	
\$175,001 to \$200,000	2,455	2,429	98.9%	97.8%	26	1.1%	2.2%	
\$200,001 to \$250,000	2,304	2,292	99.5%	98.3%	12	0.5%	1.7%	
\$250,001 or more	1,907	1,897	99.5%	98.0%	10	0.5%	2.0%	
Total	139,751	130,250	93.2%	94.4%	9,501	6.8%	5.6%	
Electronic Filers Paid Preparer								
Gross Income	All Families With Dependents	Families Reporting Full-Year Coverage	Families Reporting Presence of Coverage (IA 1040)		Families Reporting Not Full-Year Coverage	Families Reporting Absence of Coverage (IA 1040)		
	Count	Count	Share of Total	Share of Total	Count	Share of Total	Share of Total	
	\$20,000 or less	35,940	30,363	84.5%	84.7%	5,577	15.5%	15.3%
\$20,001 to \$30,000	28,145	23,426	83.2%	85.1%	4,719	16.8%	14.9%	
\$30,001 to \$40,000	27,036	22,673	83.9%	85.4%	4,363	16.1%	14.6%	
\$40,001 to \$50,000	22,827	19,648	86.1%	87.1%	3,179	13.9%	12.9%	
\$50,001 to \$60,000	20,580	18,377	89.3%	90.5%	2,203	10.7%	9.5%	
\$60,001 to \$70,000	19,226	17,732	92.2%	92.5%	1,494	7.8%	7.5%	
\$70,001 to \$80,000	18,411	17,278	93.8%	94.1%	1,133	6.2%	5.9%	
\$80,001 to \$90,000	16,963	16,261	95.9%	94.7%	702	4.1%	5.3%	
\$90,001 to \$100,000	15,041	14,571	96.9%	95.2%	470	3.1%	4.8%	
\$100,001 to \$125,000	28,706	28,054	97.7%	96.4%	652	2.3%	3.6%	
\$125,001 to \$150,000	16,557	16,266	98.2%	96.8%	291	1.8%	3.2%	
\$150,001 to \$175,000	9,409	9,244	98.2%	96.9%	165	1.8%	3.1%	
\$175,001 to \$200,000	5,684	5,585	98.3%	97.2%	99	1.7%	2.8%	
\$200,001 to \$250,000	6,222	6,118	98.3%	97.3%	104	1.7%	2.7%	
\$250,001 or more	12,105	11,871	98.1%	97.8%	234	1.9%	2.2%	
Total	282,852	257,467	91.0%	91.1%	25,385	9.0%	8.9%	

Analysis Using IRS1040 Data from Tax Year 2016, Iowa Department of Revenue

Notes: Families are grouped based on gross income reported on line 15 of the IA 1040.

If line 61 of U.S.1040 was left blank, an assumption was made that not all dependents on the taxpayer's return had full year coverage.

Percentages may not add up to 100 percent due to rounding.

Table 9: HF 2539 Program Costs For Tax Year 2016

Filing Season

<u>Expenses</u>	<u>Cost</u>
Postage	\$6,505
Printing	\$394
Staff Time	\$1,760
Total Tax Year 2016	\$8,659

Source: Iowa Department of Revenue Budget Expenditure Report

Notes: Staff time includes estimates of the cost to the State for employees' time at IDR

Table 10: Enrollees Attribute to Dependent Health Care Tracking Program, Tax Years 2008-2012

Tax Year	Number of Letters Mailed	Count of New Enrollees	Cost Per Enrollee	
			Tax Tracking Program	Other DHS Programs
2008	57,212	471	\$83.16	\$51.17
2009	37,199	383	\$82.80	\$47.99
2010	23,758	311	\$34.70	\$43.52
2011	21,049	112	\$89.04	\$31.52
2012	23,969	122	\$72.79	\$10.62

Source: Tax Years 2008 through 2012 IDR Report on Dependent Health Care Coverage

Appendix to the Report on Dependent Health Care Coverage in Iowa

This appendix includes:

- 1)** Sample Tax Year 2016 letter for households indicating dependents without health care coverage and falling below specified income thresholds
- 2)** Tax Year 2016 Iowa Individual Income Tax Form 1040
- 3)** Tax Year 2016 U. S. Individual Income Tax Form 1040

DATE

TAXPAYER NAME
ADDRESS 1
ADDRESS 2

On your Iowa income tax return, you indicated you have one or more children who do not have health care coverage. Children without health care coverage may be eligible to receive health care coverage from the State of Iowa through the Medicaid program or the *hawk-i* (Healthy and Well Kids in Iowa) program.

Are my children eligible?

The Iowa Department of Human Services will make this determination.

Where do I find more information?

Visit www.hawk-i.org for information on *hawk-i* or contact *hawk-i* Customer Service at 1-800-257-8563.

What must I do to apply?

If you believe one or more children are eligible for health care coverage under either the Medicaid or *hawk-i* program, within 90 days you must complete the online application available at www.hawk-i.org. You can also request a paper application by calling *hawk-i* Customer Service at 1-800-257-8563.

Mail the completed application to Hawk-i Program, PO Box 71336, Des Moines IA 50325-9958.

What if I have questions?

If you have any questions, please contact *hawk-i* Customer Service at 1-800-257-8563.

2016 IA 1040 Iowa Individual Income Tax Return

For fiscal year beginning ___/___/2016 and ending ___/___/___

Step 1: Fill in all spaces. You must fill in your Social Security Number (SSN).

Your last name _____ Your first name/middle initial _____

Spouse's last name _____ Spouse's first name/middle initial _____

Current mailing address (number and street, apartment, lot, or suite number) or PO Box _____

City, State, ZIP _____

Spouse SSN *	Your SSN *	Email Address:
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Step 2 Filing Status: Mark one box only.

Check this box if you or your spouse was 65 or older as of 12/31/16. *

1	Single: Were you claimed as a dependent on another person's Iowa return? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> *	Residence on 12/31/16: County No. * _____ School District No. * _____
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2	Married filing a joint return. (Two-income families may benefit by using status 3 or 4.)	Dependent children for whom an exemption is claimed in Step 3 How many have health care coverage?(including Medicaid or hawk-) _____ *
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3	Married filing separately on this combined return. Spouse use column B.	How many do not have health care coverage? _____ *
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4	Married filing separate returns. Spouse's name: _____	▲ SSN: _____ Net Income: \$ _____
---	---	-----------------------------------

5	Head of household with qualifying person. If qualifying person is not claimed as a dependent on this return, enter the person's name and SSN below.	
---	---	--

6	Qualifying Widower with dependent child. Name: _____	SSN: _____
---	--	------------

Step 3 Exemptions

	B. Spouse (Filing Status 3 ONLY)	A. You or Joint
a. Personal Credit: Col. A: Enter 1 (enter 2 if filing status 2 or 5); Col. B: Enter 1 if filing status 3	▲ _____ X \$ 40 = \$ _____	▲ _____ X \$ 40 = \$ _____
b. Enter 1 for each taxpayer who is 65 or older and/or 1 for each taxpayer who is blind	▲ _____ X \$ 20 = \$ _____	▲ _____ X \$ 20 = \$ _____
c. Dependents: Enter 1 for each dependent	▲ _____ X \$ 40 = \$ _____	▲ _____ X \$ 40 = \$ _____
d. Enter first names of dependents here _____	e. Total \$ _____	e. Total \$ _____

Step 4 Reportable Social Security Benefits as calculated on line 11 of Iowa social security worksheet

	B. Spouse/Status 3 ▲	A. You or Joint ▲
	_____	_____

	B. Spouse/Status 3	A. You or Joint	B. Spouse/Status 3	A. You or Joint
Step 5 Gross Income				
1. Wages, salaries, tips, etc.....	1. _____	_____	_____	_____
2. Taxable interest income. If more than \$1,500, complete Sch. B.....	2. _____	_____	_____	_____
3. Ordinary dividend income. If more than \$1,500, complete Sch. B.....	3. _____	_____	_____	_____
4. Alimony received.....	4. _____	_____	_____	_____
5. Business income(loss) from federal Schedule C or C-EZ.....	5. _____	_____	_____	_____
6. Capital gain(loss), federal Sch. D if required for federal purposes.....	6. _____	_____	_____	_____
7. Other gains(losses) from federal form 4797.....	7. _____	_____	_____	_____
8. Taxable IRA distributions.....	8. _____	_____	_____	_____
9. Taxable pensions and annuities.....	9. _____	_____	_____	_____
10. Rents, royalties, partnerships, estates, etc.....	10. _____	_____	_____	_____
11. Farm income(loss) from federal Schedule F.....	11. _____	_____	_____	_____
12. Unemployment compensation. See instructions.....	12. _____	_____	_____	_____
13. Gambling winnings.....	13. _____	_____	_____	_____
14. Other income, bonus depreciation, and section 179 adjustment.....	14. _____	_____	_____	_____
15. Gross Income. Add lines 1-14.....	15. _____	_____	_____	_____

NOTE: Use only blue or black ink, no pencils or red ink.

	B. Spouse/Status 3	A. You or Joint	B. Spouse/Status 3	A. You or Joint
Step 6 Adjustments to Income				
16. Payments to an IRA, Keogh, or SEP.....	16. _____	_____	_____	_____
17. Deductible part of self-employment tax.....	17. _____	_____	_____	_____
18. Health insurance deduction.....	18. _____	_____	_____	_____
19. Penalty on early withdrawal of savings.....	19. _____	_____	_____	_____
20. Alimony paid.....	20. _____	_____	_____	_____
21. Pension/retirement income exclusion.....	21. _____	▲ _____	_____	_____
22. Moving expense deduction from federal form 3903.....	22. _____	_____	_____	_____
23. Iowa capital gain deduction; certain sales only. Include IA 100.....	23. _____	▲ _____	_____	_____
24. Other adjustments.....	24. _____	_____	_____	_____
25. Total adjustments. Add lines 16-24.....	25. _____	_____	_____	_____
26. Net Income. Subtract line 25 from line 15.....	26. _____	_____	_____	_____

	B. Spouse/Status 3	A. You or Joint	B. Spouse/Status 3	A. You or Joint
Step 7 Federal Tax Addition and Deduction				
27. Federal income tax refund/overpayment received in 2016.....	27. _____	▲ _____	_____	_____
28. Self-employment/household employment/other federal taxes.....	28. _____	▲ _____	_____	_____
29. Addition for federal taxes. Add lines 27 and 28.....	29. _____	_____	_____	_____
30. Total. Add lines 26 and 29.....	30. _____	_____	_____	_____
31. Federal tax withheld.....	31. _____	▲ _____	_____	_____
32. Federal estimated tax payments made in 2016.....	32. _____	▲ _____	_____	_____
33. Additional federal tax paid in 2016 for 2015 and prior years.....	33. _____	▲ _____	_____	_____
34. Deduction for federal taxes. Add lines 31, 32, and 33.....	34. _____	_____	_____	_____
35. Balance. Subtract line 34 from line 30. Enter here and on line 36, page 2.....	35. _____	_____	_____	_____



2016 IA 1040, page 2

		B. Spouse/Status 3	A. You or Joint	B. Spouse/Status 3	A. You or Joint
Step 8	36. BALANCE. From side 1, line 35.....			.00	.00
Taxable Income	37. Deduction. Check one box <input type="checkbox"/> Itemized.(Include IA Schedule A) <input type="checkbox"/> Standard <input type="checkbox"/>			.00	.00
	38. TAXABLE INCOME. SUBTRACT line 37 from line 36.....			.00	.00
Step 9	39. Tax from tables or alternate tax.....	.00	.00	.00	.00
Tax, Credits, and Check-off Contributions	40. Iowa lump-sum tax. 25% of federal tax from form 4972.....	.00	.00	.00	.00
	41. Iowa alternative minimum tax. Include IA 6251.....	.00	.00	.00	.00
	42. Total tax. ADD lines 39, 40, and 41.....	.00	.00	.00	.00
	43. Total exemption credit amount(s) from Step 3, side 1.....	.00	.00	.00	.00
	44. Tuition and textbook credit for dependents K-12.....	.00	.00	.00	.00
	45. Volunteer firefighter/EMS/reserve peace officer credit.....	.00	.00	.00	.00
	46. Total credits. ADD lines 43, 44, and 45.....	.00	.00	.00	.00
	47. BALANCE. SUBTRACT line 46 from line 42. If less than zero, enter zero.....	.00	.00	.00	.00
	48. Credit for nonresident or part-year resident. Include IA 126 and federal return.....	.00	.00	.00	.00
	49. BALANCE. SUBTRACT line 48 from 47. If less than zero, enter zero.....	.00	.00	.00	.00
	50. Out-of-state tax credit. Include IA 130.....	.00	.00	.00	.00
	51. BALANCE. SUBTRACT line 50 from 49. If less than zero, enter zero.....	.00	.00	.00	.00
	52. Other nonrefundable Iowa credits. Include IA 148 Tax Credits Schedule.....	.00	.00	.00	.00
	53. BALANCE. SUBTRACT line 52 from line 51. If less than zero, enter zero.....	.00	.00	.00	.00
	54. School district surtax or EMS surtax. Take percentage from table; multiply by line 53.....	.00	.00	.00	.00
	55. Total state and local tax. ADD lines 53 and 54.....	.00	.00	.00	.00
	56. Total state and local tax before contributions. Combine columns A and B on line 55 and enter here.....	.00	.00	.00	.00
	57. Contributions will reduce your refund or add to the amount you owe. Amounts must be in whole dollars. Fish/Wildlife 57a: <input type="checkbox"/> State Fair 57b: <input type="checkbox"/> Firefighters/Veterans 57c: <input type="checkbox"/> Child abuse Prevention 57d: <input type="checkbox"/> Enter here.....			.00	.00
	58. TOTAL STATE AND LOCAL TAX, AND CONTRIBUTIONS. Add line 56 and line 57 and enter here.....			.00	.00
Step 10	59. Iowa Fuel tax credit. Include IA 4136.....	.00	.00	.00	.00
Credits	60. Check One: <input type="checkbox"/> Child and dependent care credit <input type="checkbox"/> OR <input type="checkbox"/> Early childhood development credit	.00	.00	.00	.00
	61. Iowa earned income tax credit. 15.0% (.15) of federal credit.....	.00	.00	.00	.00
	62. Other refundable credits. Include IA 148 Tax Credits Schedule.....	.00	.00	.00	.00
	63. Total refundable Iowa credits. ADD lines 59 - 62.....	.00	.00	.00	.00
	64. RESERVED FOR FUTURE USE.....	0	0	.00	.00
	65. Taxpayers trust fund tax credit. The credit for 2016 is \$0.....	0	0	.00	.00
	66. Iowa income tax withheld.....	.00	.00	.00	.00
	67. Estimated and voucher payments made for tax year 2016.....	.00	.00	.00	.00
	68. TOTAL. ADD lines 63, 65, 66, and 67.....	.00	.00	.00	.00
	69. TOTAL CREDITS. ADD columns A and B on line 68 and enter here.....	.00	.00	.00	.00
Step 11	70. If line 69 is more than line 58, Subtract line 58 from line 69. This is the amount you overpaid.....			.00	.00
Refund or Amount Due	71. Amount of line 70 to be REFUNDED.....		REFUND	.00	.00
	For a faster refund file electronically. Go to https://tax.iowa.gov for details				
	72. Amount of line 70 to be applied to your 2017 estimated tax.....	.00	.00	.00	.00
	73. If line 69 is less than line 58, Subtract line 69 from line 58. This is the AMOUNT OF TAX YOU OWE.....			.00	.00
	74. Penalty for underpayment of estimated tax from IA 2210, IA 2210S, or IA 2210F. Check if annualized income method is used. <input type="checkbox"/>			.00	.00
	75. Penalty and interest <input type="checkbox"/> 75a. Penalty <input type="checkbox"/> 75b. Interest <input type="checkbox"/> ADD. Enter total.....	.00	.00	.00	.00
	76. TOTAL AMOUNT DUE. ADD lines 73, 74, and 75. Enter here.....		PAY THIS AMOUNT	.00	.00
Step 12	Political Checkoff - This checkoff does not increase the amount of tax you owe or decrease your refund.	\$1.50 to Republican Party	\$1.50 to Republican Party	\$1.50 to Republican Party	\$1.50 to Republican Party
	<input type="checkbox"/> Spouse <input type="checkbox"/> Yourself	\$1.50 to Democratic Party	\$1.50 to Democratic Party	\$1.50 to Democratic Party	\$1.50 to Democratic Party
	<input type="checkbox"/> Campaign Fund	\$1.50 to Campaign Fund	\$1.50 to Campaign Fund	\$1.50 to Campaign Fund	\$1.50 to Campaign Fund

Step 13 I (We), the undersigned, declare under penalty of perjury that I (we) have examined this return, including all accompanying schedules and statements, and, to the best of my (our) knowledge and belief, it is a true, correct, and complete return. Declaration of preparer (other than taxpayer) is based on all information of which the preparer has any knowledge.

SIGN HERE	<input type="checkbox"/>				
Your Signature	Date	Check if Deceased	Date of Death	Preparer's Signature	Date
SIGN HERE	<input type="checkbox"/>				
Spouse's Signature	Date	Check if Deceased	Date of Death	Preparer's PTIN	Firm's FEIN
			Daytime Telephone Number		Daytime Telephone Number



This return is due May 1, 2017. Please sign, enclose W-2s, and verify SSNs. You can pay online at <https://tax.iowa.gov>. Make check payable to Treasurer, State of Iowa. MAILING ADDRESS: Iowa Income Tax Document Processing, PO BOX 9187, Des Moines IA 50306-9187.

For the year Jan. 1–Dec. 31, 2016, or other tax year beginning _____, 2016, ending _____, 2016. See separate instructions.

Your first name and initial _____ Last name _____ Your social security number _____

If a joint return, spouse's first name and initial _____ Last name _____ Spouse's social security number _____

Home address (number and street). If you have a P.O. box, see instructions. _____ Apt. no. _____

City, town or post office, state, and ZIP code. If you have a foreign address, also complete spaces below (see instructions).

Foreign country name _____ Foreign province/state/country _____ Foreign postal code _____

▲ Make sure the SSN(s) above and on line 6c are correct.

Presidential Election Campaign
Check here if you, or your spouse if filing jointly, want \$3 to go to this fund. Checking a box below will not change your tax or refund. You Spouse

Filing Status

1 Single
2 Married filing jointly (even if only one had income)
3 Married filing separately. Enter spouse's SSN above and full name here. ▶
4 Head of household (with qualifying person). (See instructions.) If the qualifying person is a child but not your dependent, enter this child's name here. ▶
5 Qualifying widow(er) with dependent child

Check only one box.

Exemptions

6a Yourself. If someone can claim you as a dependent, do not check box 6a
b Spouse

c Dependents:		(2) Dependent's social security number	(3) Dependent's relationship to you	(4) <input type="checkbox"/> If child under age 17 qualifying for child tax credit (see instructions)
(1) First name	Last name			

If more than four dependents, see instructions and check here

d Total number of exemptions claimed

Boxes checked on 6a and 6b
No. of children on 6c who:
• lived with you
• did not live with you due to divorce or separation (see instructions)
Dependents on 6c not entered above
Add numbers on lines above ▶

Income

7	Wages, salaries, tips, etc. Attach Form(s) W-2	7	
8a	Taxable interest. Attach Schedule B if required	8a	
b	Tax-exempt interest. Do not include on line 8a	8b	
9a	Ordinary dividends. Attach Schedule B if required	9a	
b	Qualified dividends	9b	
10	Taxable refunds, credits, or offsets of state and local income taxes	10	
11	Alimony received	11	
12	Business income or (loss). Attach Schedule C or C-EZ	12	
13	Capital gain or (loss). Attach Schedule D if required. If not required, check here <input type="checkbox"/>	13	
14	Other gains or (losses). Attach Form 4797	14	
15a	IRA distributions	15a	
b	Taxable amount	15b	
16a	Pensions and annuities	16a	
b	Taxable amount	16b	
17	Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E	17	
18	Farm income or (loss). Attach Schedule F	18	
19	Unemployment compensation	19	
20a	Social security benefits	20a	
b	Taxable amount	20b	
21	Other income. List type and amount	21	
22	Combine the amounts in the far right column for lines 7 through 21. This is your total income ▶	22	

Attach Form(s) W-2 here. Also attach Forms W-2G and 1099-R if tax was withheld.

If you did not get a W-2, see instructions.

Adjusted Gross Income

23	Educator expenses	23	
24	Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ	24	
25	Health savings account deduction. Attach Form 8889	25	
26	Moving expenses. Attach Form 3903	26	
27	Deductible part of self-employment tax. Attach Schedule SE	27	
28	Self-employed SEP, SIMPLE, and qualified plans	28	
29	Self-employed health insurance deduction	29	
30	Penalty on early withdrawal of savings	30	
31a	Alimony paid b Recipient's SSN ▶	31a	
32	IRA deduction	32	
33	Student loan interest deduction	33	
34	Tuition and fees. Attach Form 8917	34	
35	Domestic production activities deduction. Attach Form 8903	35	
36	Add lines 23 through 35	36	
37	Subtract line 36 from line 22. This is your adjusted gross income ▶	37	

38 Amount from line 37 (adjusted gross income)		38		
Tax and Credits	39a Check <input type="checkbox"/> You were born before January 2, 1952, <input type="checkbox"/> Blind. } Total boxes checked ▶ 39a			
	if: <input type="checkbox"/> Spouse was born before January 2, 1952, <input type="checkbox"/> Blind.			
	b If your spouse itemizes on a separate return or you were a dual-status alien, check here ▶ 39b <input type="checkbox"/>			
Standard Deduction for— • People who check any box on line 39a or 39b or who can be claimed as a dependent, see instructions. • All others: Single or Married filing separately, \$6,300 Married filing jointly or Qualifying widow(er), \$12,600 Head of household, \$9,300	40 Itemized deductions (from Schedule A) or your standard deduction (see left margin)	40		
	41 Subtract line 40 from line 38	41		
	42 Exemptions. If line 38 is \$155,650 or less, multiply \$4,050 by the number on line 6d. Otherwise, see instructions	42		
	43 Taxable income. Subtract line 42 from line 41. If line 42 is more than line 41, enter -0-	43		
	44 Tax (see instructions). Check if any from: a <input type="checkbox"/> Form(s) 8814 b <input type="checkbox"/> Form 4972 c <input type="checkbox"/>	44		
	45 Alternative minimum tax (see instructions). Attach Form 6251	45		
	46 Excess advance premium tax credit repayment. Attach Form 8962	46		
	47 Add lines 44, 45, and 46	47		
	48 Foreign tax credit. Attach Form 1116 if required	48		
	49 Credit for child and dependent care expenses. Attach Form 2441	49		
50 Education credits from Form 8863, line 19	50			
51 Retirement savings contributions credit. Attach Form 8880	51			
52 Child tax credit. Attach Schedule 8812, if required	52			
53 Residential energy credits. Attach Form 5695	53			
54 Other credits from Form: a <input type="checkbox"/> 3800 b <input type="checkbox"/> 8801 c <input type="checkbox"/>	54			
55 Add lines 48 through 54. These are your total credits	55			
56 Subtract line 55 from line 47. If line 55 is more than line 47, enter -0-	56			
57 Self-employment tax. Attach Schedule SE	57			
58 Unreported social security and Medicare tax from Form: a <input type="checkbox"/> 4137 b <input type="checkbox"/> 8919	58			
59 Additional tax on IRAs, other qualified retirement plans, etc. Attach Form 5329 if required	59			
60a Household employment taxes from Schedule H	60a			
b First-time homebuyer credit repayment. Attach Form 5405 if required	60b			
61 Health care: individual responsibility (see instructions) Full-year coverage <input type="checkbox"/>	61			
62 Taxes from: a <input type="checkbox"/> Form 8959 b <input type="checkbox"/> Form 8960 c <input type="checkbox"/> Instructions; enter code(s)	62			
63 Add lines 58 through 62. This is your total tax	63			
Payments	64 Federal income tax withheld from Forms W-2 and 1099	64		
	65 2016 estimated tax payments and amount applied from 2015 return	65		
If you have a qualifying child, attach Schedule EIC.	66a Earned income credit (EIC)	66a		
	b Nontaxable combat pay election 66b			
	67 Additional child tax credit. Attach Schedule 8812	67		
	68 American opportunity credit from Form 8863, line 8	68		
	69 Net premium tax credit. Attach Form 8962	69		
	70 Amount paid with request for extension to file	70		
	71 Excess social security and tier 1 RRTA tax withheld	71		
	72 Credit for federal tax on fuels. Attach Form 4136	72		
	73 Credits from Form: a <input type="checkbox"/> 2439 b <input type="checkbox"/> Resaved c <input type="checkbox"/> 8885 d <input type="checkbox"/>	73		
	74 Add lines 64, 65, 66a, and 67 through 73. These are your total payments	74		
Refund	75 If line 74 is more than line 63, subtract line 63 from line 74. This is the amount you overpaid	75		
	76a Amount of line 75 you want refunded to you. If Form 8888 is attached, check here ▶ <input type="checkbox"/>	76a		
Direct deposit? See instructions.	b Routing number <input type="text"/> ▶ c Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings			
	d Account number <input type="text"/>			
	77 Amount of line 75 you want applied to your 2017 estimated tax ▶ 77			
Amount You Owe	78 Amount you owe. Subtract line 74 from line 63. For details on how to pay, see instructions ▶ 78			
	79 Estimated tax penalty (see instructions)	79		
Third Party Designee	Do you want to allow another person to discuss this return with the IRS (see instructions)? <input type="checkbox"/> Yes. Complete below. <input type="checkbox"/> No			
	Designee's name ▶	Phone no. ▶	Personal identification number (PIN) ▶	
Sign Here	Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and accurately list all amounts and sources of income I received during the tax year. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.			
Joint return? See instructions. Keep a copy for your records.	Your signature	Date	Your occupation	
	Spouse's signature. If a joint return, both must sign.	Date	Spouse's occupation	
			Daytime phone number	
			If the IRS sent you an Identity Protection PIN, enter it here (see inst.)	
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	
			Check <input type="checkbox"/> if self-employed	
	Firm's name ▶	Firm's EIN ▶		
	Firm's address ▶	Phone no.		