Iowa Department of
REVENUE

Dependent Health Care Coverage in Iowa: Tracking Coverage Through Tax Year 2014 Returns

December 2015

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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.

Table A, at the end of this summary, presents taxpayer return information gathered for tax year 2014 by income level. Key information from the analysis of 2014 tax returns is the following:

Families Claiming Dependent Exemptions by Income Level

- Of the 1.40 million individual income tax returns filed by resident taxpayers, **450,061 (32.1%) 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:
  - **71,200 (15.8%)** reported gross **income of $20,000 or less**.
  - **248,511 (55.2%)** reported gross **income between $20,001 to $90,000**.
  - **130,350 (29.0%)** reported gross **income of $90,001 and over**.

Response Rates

- Of the 450,061 taxpayers claiming at least one State income tax exemption for a dependent:
  - **415,611 (92.3%)** families reported **health care coverage** for one or more dependents.
  - **21,908 (4.9%)** 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.
  - **12,542 (2.8%)** families **did not respond**.

Health Care Coverage for Low Income Families

- Of the 71,200 taxpayers with dependents reporting gross income of $20,000 or less:
  - 63,382 **(89.0%)** reported **health care coverage** for one or more dependents.
  - 5,050 **(7.1%)** 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.
  - 2,768 **(3.9%) did not respond**.

Health Care Coverage for Middle Income Families

- Of the 248,511 taxpayers with dependents reporting gross income between $20,001 and $90,000:
  - 226,445 **(91.1%)** reported **health care coverage** for one or more dependents.
  - 14,149 **(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.
  - 7,917 **(3.2%) did not respond**.

Health Care Coverage for High Income Families

- Of the 130,350 taxpayers with dependents reporting gross income of $90,001 and over:
  - 125,784 **(96.5%)** reported **health care coverage** for one or more dependents.
  - 2,709 **(2.1%)** 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.
  - 1,857 **(1.4%) did not respond**.

Coverage Status by Filing Method

- Of the 27,976 **taxpayers with dependents filing paper returns**:
  - 23,989 **(85.8%)** reported **health care coverage**.
  - 1,160 **(4.1%)** 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.
  - 2,827 **(10.1%) did not respond**.

- Of the 422,085 **taxpayers with dependents filing electronic returns**:
  - 391,622 **(92.8%)** reported **health care coverage**.
  - 20,748 **(4.9%)** 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.
  - 9,715 **(2.3%) did not respond**.

New Coverage

In 2015, IDR mailed 16,099 letters to low income taxpayers indicating lack of health care coverage for dependents, down from 17,231 letters in 2014.

In 2014 the Department of Human Services, 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 2015, the State spent an estimated $9,381 to administer this program including postage costs.

Table A: Dependent Health Care Coverage Reporting on Iowa Returns through Final Review, Tax Year 2014

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	71,200	63,382	89.0%	5,050	7.1%	2,768	3.9%
$20,001 to $30,000	49,298	43,125	87.5%	3,993	8.1%	2,180	4.4%
$30,001 to $40,000	44,043	38,793	88.1%	3,362	7.6%	1,888	4.3%
$40,001 to $50,000	36,385	32,792	90.1%	2,257	6.2%	1,336	3.7%
$50,001 to $60,000	32,656	30,170	92.4%	1,537	4.7%	949	2.9%
$60,001 to $70,000	31,062	29,187	94.0%	1,235	4.0%	640	2.1%
$70,001 to $80,000	28,791	27,296	94.8%	990	3.4%	505	1.8%
$80,001 to $90,000	26,276	25,082	95.5%	775	2.9%	419	1.6%
$90,001 to $100,000	23,199	22,288	96.1%	583	2.5%	328	1.4%
$100,001 to $125,000	42,166	40,710	96.5%	924	2.2%	532	1.3%
$125,001 to$150,000	23,130	22,364	96.7%	460	2.0%	306	1.3%
$150,001 to $175,000	12,869	12,429	96.6%	268	2.1%	172	1.3%
$175,001 to $200,000	7,679	7,451	97.0%	139	1.8%	89	1.2%
$200,001 to $250,000	7,905	7,649	96.8%	133	1.7%	123	1.6%
$250,001 or more	13,402	12,893	96.2%	202	1.5%	307	2.3%
Total	450,061	415,611	92.3%	21,908	4.9%	12,542	2.8%

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 in included only in the absence of coverage group. The numbers include individual income tax returns through final review as of November 24, 2015 where all amended returns and those filed by non-residents are ignored.

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 2014 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 2014 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 legislation 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 2014 and Preparations for Tax Year 2015

No significant changes were made on the income tax form in tax year 2014. Absent a legislative change in the 2016 Session, IDR does not plan any significant changes for tracking dependent health care coverage for tax year 2015. See the Appendix for the letter that will be sent to taxpayers falling below ***hawk-i*** eligibility and indicating the absence of health care coverage for dependents.

3. Analysis of 2014 Tax Year Data

During the 2014 tax year filing season, IDR mailed 16,099 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 24, 2015, 1,403,288 individual income tax returns filed by resident taxpayers for tax year 2014 were through the IDR final review. Of those, 450,061 Iowa families claimed the State income tax exemption for dependents (see Table 3). A total of 848,601 dependents were claimed by those families (see Table 5). Although families across the full income distribution claimed dependents, 51.9 percent reported gross income of $60,000 or less in 2014.

Iowa Families Reporting Presence or Absence of Health Care Coverage
Ninety-seven percent of families provided information on both 2014 and 2013 tax returns regarding the health insurance coverage of their dependents. A total of 415,611 families (92.3%) reported only the presence of health care coverage for 778,330 dependents (91.7%) while 21,908 families (4.9%) reported the absence of health care coverage for a total of 48,524 dependents (5.7%) (see Tables 4 and 5). Some families (1.0%) 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. For tax year 2013, 91.6 percent of families reported the presence of coverage and 5.2 percent reported the absence of coverage.

The reported coverage rate for 2014 for families with gross income greater than $200,000 was 96.4 percent. The lowest coverage rate was reported for families with income between $20,001 and $30,000 at 87.5 percent; however, that low rate reflects both higher non-response and higher absence of coverage. Low-income families were more likely to report absence of coverage, with 7.1 percent of families with income $20,000 or less reporting absence of coverage compared to 4.0 percent of families with income between $60,001 and $70,000. Non-response rates were the greatest for families with income between $20,001 and $40,000.

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, 85.7 percent reported the presence of coverage, 4.1 percent reported absence of coverage, and 10.1 percent did not

[1] It 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, the only available information on 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.

complete the questions. For electronic filers, 92.8 percent reported presence of coverage, 4.9 percent reported absence of coverage, and 2.3 percent did not complete the questions.

Response Rates by Preparer
The percent of electronic filers who self-prepared their return and reported absence of health care coverage for dependents was 2.9 compared to 5.8 percent of electronic filers who used a paid preparer (see Table 6). Returns filed by paid preparers had a non-response rate of 2.9 percent. Electronic filers who self-prepared their returns had the highest response rates with 96.1 percent of families reporting presence of coverage, 2.9 percent reporting absence of coverage, and only 1.0 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 2014 (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, 8.4 percent of families in this income range reported the absence of coverage for one or more dependents. This compares to 9.2 percent in tax year 2013. 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, the 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 U.S. Income Tax Returns

As a result of the Affordable Care Act, beginning with tax year 2014 taxpayers are required to report on their U.S. 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 calendar year 2014. If household members had minimum essential coverage, the taxpayer was instructed to check a box indicating "full-year coverage" on their return (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.

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 U.S. 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 U.S. return specifies that coverage must have been held over all months during the tax year while the question on the Iowa return does not specify a period where the coverage must have been held.

Electronic income tax return data filed with Iowa typically also includes data from U.S. income tax returns. For tax year 2014, the U.S. electronic income tax return data includes the response to the "full-year coverage" check box; however, the U.S. tax return data provided to IDR from the Internal Revenue Service for paper filers does not include this check box information. U.S. electronic tax year 2014 returns were matched to 99.9 percent of Iowa electronic 2014 tax returns (see Table 8).

Only 67.4 percent of electronic filers reported full-year health care coverage for their household on the U.S. individual income tax return compared to 92.8 percent reporting presence of coverage for dependents on the Iowa return.

The coverage responses differ significantly by Iowa gross income. Taxpayers with income above $150,000 reported higher family coverage rates on the U.S. return than reported health care coverage for dependents on the Iowa return, even when the share of households not responding on the Iowa return are included. This suggests at least a small number of taxpayers did not consistently provide information on the two tax returns. Conversely, a significantly lower share of taxpayers with gross incomes of $90,000 or less reported full-year health insurance coverage on their U.S. 1040 than who reported health care coverage for dependents on their Iowa 1040. As noted above, it was expected that coverage on the Iowa returns would be higher. Line 61 on the U.S. 1040 can only be marked if the taxpayer and all dependents in the household and those dependents not living with the taxpayer had health insurance in every month during the tax year. On the Iowa 1040 the health care coverage questions only relate to the dependents that the taxpayer reports on the tax return. Those families in the lowest income groups may have health insurance for their children through ***hawk-i*** or Medicaid but the taxpayer and spouse may not have had health insurance for part of the year. Despite the differences in how health coverage is reported on the two returns, gaps of 10 to 50 percentage points in the responses are surprising.

Unlike on the Iowa return where self-prepared returns had the highest response and coverage rates at 96.1 percent, taxpayers that self-prepared their U.S. return had the lowest percentage reporting coverage at only 56.2 percent. It may be that they overlooked the question on the federal return as it was the first year the new line appeared. Alternatively, it could be more of these taxpayers qualified for various exemptions available allowing taxpayers to avoid the penalty on the federal return despite lack of full-year coverage. It will be interesting to compare the reported coverage rates for tax year 2015, when taxpayers have a second chance to answer the health insurance coverage question on the U.S. return, to see if the coverage rates become more consistent with those reported on the 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 2014 filing season cost IDR an estimated $9,381 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 Department of Administrative Services 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. In all prior years where this comparison was possible, the cost per enrollee has been significantly higher under this effort. Without new enrollee numbers, it is no longer possible to compute a cost per enrollee under this program. However, in calendar year 2014, DHS reported a cost per new enrollee of $10.63 for its other outreach efforts. In order for this program to be cost effective, an estimated 883 new enrollees resulting from the notification letters 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 seems unlikely (see Table 10).

Table 1: Medicaid and *hawk-i* Income Limits and Federal Poverty Guidelines for 2014

Family Size	Medicaid	*hawk-i*	Federal Poverty
1	$17,738	$35,243	$11,670
2	$23,910	$47,505	$15,730
3	$30,081	$59,766	$19,790
4	$36,252	$72,027	$23,850
5	$42,423	$84,288	$27,910
6	$48,594	$96,549	$31,970
7	$54,766	$108,811	$36,030
8	$60,937	$121,072	$40,090

Source: Medicaid and hawk-i income limits are the maximum eligibility amounts for families of the applicable size that were effective July 1, 2014, as specified by the Iowa Department of Human Services. Federal poverty guidelines are from the U.S. Department of Human Services.

Table 2: HF 2539 Program Mailings for Tax Year 2014

Mailing Date	Mailed Letters
2/20/2015	6,537
3/20/2015	4,073
4/24/2015	2,475
6/23/2015	2,390
9/02/2015	624
Total Tax Year 2014	16,099

Table 3: Iowa Taxpayers with a Dependent Exemption Claim, Tax Year 2014

All Resident Filers Gross Income	Count	Distribution	Cumulative Distribution
$20,000 or less	71,200	15.8%	15.8%
$20,001 to $30,000	49,298	11.0%	26.8%
$30,001 to $40,000	44,043	9.8%	36.6%
$40,001 to $50,000	36,385	8.1%	44.6%
$50,001 to $60,000	32,656	7.3%	51.9%
$60,001 to $70,000	31,062	6.9%	58.8%
$70,001 to $80,000	28,791	6.4%	65.2%
$80,001 to $90,000	26,276	5.8%	71.0%
$90,001 to $100,000	23,199	5.2%	76.2%
$100,001 to $125,000	42,166	9.4%	85.6%
$125,001 to$150,000	23,130	5.1%	90.7%
$150,001 to $175,000	12,869	2.9%	93.6%
$175,001 to $200,000	7,679	1.7%	95.3%
$200,001 to $250,000	7,905	1.8%	97.0%
$250,001 or more	13,402	3.0%	100.0%
Total	450,061	100.0%	

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 24, 2015 where all amended returns and those filed by non-residents are ignored.

Table 4: Dependent Health Care Coverage Reporting on Iowa Returns through Final Review Tax Year 2014

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	71,200	63,382	89.0%	5,050	7.1%	2,768	3.9%
$20,001 to $30,000	49,298	43,125	87.5%	3,993	8.1%	2,180	4.4%
$30,001 to $40,000	44,043	38,793	88.1%	3,362	7.6%	1,888	4.3%
$40,001 to $50,000	36,385	32,792	90.1%	2,257	6.2%	1,336	3.7%
$50,001 to $60,000	32,656	30,170	92.4%	1,537	4.7%	949	2.9%
$60,001 to $70,000	31,062	29,187	94.0%	1,235	4.0%	640	2.1%
$70,001 to $80,000	28,791	27,296	94.8%	990	3.4%	505	1.8%
$80,001 to $90,000	26,276	25,082	95.5%	775	2.9%	419	1.6%
$90,001 to $100,000	23,199	22,288	96.1%	583	2.5%	328	1.4%
$100,001 to $125,000	42,166	40,710	96.5%	924	2.2%	532	1.3%
$125,001 to$150,000	23,130	22,364	96.7%	460	2.0%	306	1.3%
$150,001 to $175,000	12,869	12,429	96.6%	268	2.1%	172	1.3%
$175,001 to $200,000	7,679	7,451	97.0%	139	1.8%	89	1.2%
$200,001 to $250,000	7,905	7,649	96.8%	133	1.7%	123	1.6%
$250,001 or more	13,402	12,893	96.2%	202	1.5%	307	2.3%
Total	450,061	415,611	92.3%	21,908	4.9%	12,542	2.8%

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	3,347	2,617	78.2%	249	7.4%	481	14.4%
$20,001 to $30,000	2,231	1,744	78.2%	202	9.1%	285	12.8%
$30,001 to $40,000	2,486	1,976	79.5%	200	8.0%	310	12.5%
$40,001 to $50,000	2,215	1,828	82.5%	119	5.4%	268	12.1%
$50,001 to $60,000	2,080	1,791	86.1%	76	3.7%	213	10.2%
$60,001 to $70,000	2,024	1,767	87.3%	70	3.5%	187	9.2%
$70,001 to $80,000	1,878	1,660	88.4%	53	2.8%	165	8.8%
$80,001 to $90,000	1,716	1,530	89.2%	39	2.3%	147	8.6%
$90,001 to $100,000	1,605	1,456	90.7%	25	1.6%	124	7.7%
$100,001 to $125,000	2,953	2,655	89.9%	55	1.9%	243	8.2%
$125,001 to$150,000	1,713	1,567	91.5%	23	1.3%	123	7.2%
$150,001 to $175,000	1,055	970	91.9%	12	1.1%	73	6.9%
$175,001 to $200,000	611	561	91.8%	7	1.1%	43	7.0%
$200,001 to $250,000	701	635	90.6%	14	2.0%	52	7.4%
$250,001 or more	1,361	1,232	90.5%	16	1.2%	113	8.3%
Total	27,976	23,989	85.7%	1,160	4.1%	2,827	10.1%

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	67,853	60,765	89.6%	4,801	7.1%	2,287	3.4%
$20,001 to $30,000	47,067	41,381	87.9%	3,791	8.1%	1,895	4.0%
$30,001 to $40,000	41,557	36,817	88.6%	3,162	7.6%	1,578	3.8%
$40,001 to $50,000	34,170	30,964	90.6%	2,138	6.3%	1,068	3.1%
$50,001 to $60,000	30,576	28,379	92.8%	1,461	4.8%	736	2.4%
$60,001 to $70,000	29,038	27,420	94.4%	1,165	4.0%	453	1.6%
$70,001 to $80,000	26,913	25,636	95.3%	937	3.5%	340	1.3%
$80,001 to $90,000	24,560	23,552	95.9%	736	3.0%	272	1.1%
$90,001 to $100,000	21,594	20,832	96.5%	558	2.6%	204	0.9%
$100,001 to $125,000	39,213	38,055	97.0%	869	2.2%	289	0.7%
$125,001 to$150,000	21,417	20,797	97.1%	437	2.0%	183	0.9%
$150,001 to $175,000	11,814	11,459	97.0%	256	2.2%	99	0.8%
$175,001 to $200,000	7,068	6,890	97.5%	132	1.9%	46	0.7%
$200,001 to $250,000	7,204	7,014	97.4%	119	1.7%	71	1.0%
$250,001 or more	12,041	11,661	96.8%	186	1.5%	194	1.6%
Total	422,085	391,622	92.8%	20,748	4.9%	9,715	2.3%

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 24, 2015, where all amended returns and those filed by non-residents are ignored.

Percentages may not add to 100 percent due to rounding.

Table 5: Counts of Dependents Reported on Iowa Returns through Final Review by Coverage, Tax Year 2014

All Resident 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	119,662	105,718	88.3%	9,521	8.0%	4,423	3.7%
$20,001 to $30,000	88,192	75,632	85.8%	8,745	9.9%	3,815	4.3%
$30,001 to $40,000	82,043	70,189	85.6%	8,319	10.1%	3,535	4.3%
$40,001 to $50,000	68,418	60,355	88.2%	5,687	8.3%	2,376	3.5%
$50,001 to $60,000	61,834	56,516	91.4%	3,649	5.9%	1,669	2.7%
$60,001 to $70,000	59,326	55,434	93.4%	2,789	4.7%	1,103	1.9%
$70,001 to $80,000	55,744	52,561	94.3%	2,352	4.2%	831	1.5%
$80,001 to $90,000	50,947	48,520	95.2%	1,719	3.4%	708	1.4%
$90,001 to $100,000	45,202	43,405	96.0%	1,255	2.8%	542	1.2%
$100,001 to $125,000	83,700	80,923	96.7%	1,892	2.3%	885	1.1%
$125,001 to$150,000	46,318	44,795	96.7%	990	2.1%	533	1.2%
$150,001 to $175,000	26,169	25,293	96.7%	553	2.1%	323	1.2%
$175,001 to $200,000	15,830	15,357	97.0%	307	1.9%	166	1.0%
$200,001 to $250,000	16,500	15,970	96.8%	276	1.7%	254	1.5%
$250,001 or more	28,716	27,662	96.3%	470	1.6%	584	2.0%
Total	848,601	778,330	91.7%	48,524	5.7%	21,747	2.6%

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	5,829	4,348	74.6%	600	10.3%	881	15.1%
$20,001 to $30,000	4,068	2,994	73.6%	530	13.0%	544	13.4%
$30,001 to $40,000	4,754	3,576	75.2%	581	12.2%	597	12.6%
$40,001 to $50,000	4,157	3,348	80.5%	334	8.0%	475	11.4%
$50,001 to $60,000	3,914	3,312	84.6%	198	5.1%	404	10.3%
$60,001 to $70,000	3,886	3,357	86.4%	179	4.6%	350	9.0%
$70,001 to $80,000	3,640	3,190	87.6%	153	4.2%	297	8.2%
$80,001 to $90,000	3,294	2,919	88.6%	96	2.9%	279	8.5%
$90,001 to $100,000	3,104	2,830	91.2%	51	1.6%	223	7.2%
$100,001 to $125,000	5,914	5,328	90.1%	115	1.9%	471	8.0%
$125,001 to$150,000	3,411	3,111	91.2%	61	1.8%	239	7.0%
$150,001 to $175,000	2,145	1,971	91.9%	28	1.3%	146	6.8%
$175,001 to $200,000	1,239	1,148	92.7%	11	0.9%	80	6.5%
$200,001 to $250,000	1,485	1,335	89.9%	32	2.2%	118	7.9%
$250,001 or more	2,910	2,651	91.1%	41	1.4%	218	7.5%
Total	53,750	45,418	84.5%	3,010	5.6%	5,322	9.9%

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	113,833	101,370	89.1%	8,921	7.8%	3,542	3.1%
$20,001 to $30,000	84,124	72,638	86.3%	8,215	9.8%	3,271	3.9%
$30,001 to $40,000	77,289	66,613	86.2%	7,738	10.0%	2,938	3.8%
$40,001 to $50,000	64,261	57,007	88.7%	5,353	8.3%	1,901	3.0%
$50,001 to $60,000	57,920	53,204	91.9%	3,451	6.0%	1,265	2.2%
$60,001 to $70,000	55,440	52,077	93.9%	2,610	4.7%	753	1.4%
$70,001 to $80,000	52,104	49,371	94.8%	2,199	4.2%	534	1.0%
$80,001 to $90,000	47,653	45,601	95.7%	1,623	3.4%	429	0.9%
$90,001 to $100,000	42,098	40,575	96.4%	1,204	2.9%	319	0.8%
$100,001 to $125,000	77,786	75,595	97.2%	1,777	2.3%	414	0.5%
$125,001 to$150,000	42,907	41,684	97.1%	929	2.2%	294	0.7%
$150,001 to $175,000	24,026	23,322	97.1%	527	2.2%	177	0.7%
$175,001 to $200,000	14,589	14,209	97.4%	294	2.0%	86	0.6%
$200,001 to $250,000	15,015	14,635	97.5%	244	1.6%	136	0.9%
$250,001 or more	25,806	25,011	96.9%	429	1.7%	366	1.4%
Total	794,851	732,912	92.2%	45,514	5.7%	16,425	2.1%

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 24, 2015 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 2014

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	3,347	2,617	78.2%	249	7.4%	481	14.4%
$20,001 to $30,000	2,231	1,744	78.2%	202	9.1%	285	12.8%
$30,001 to $40,000	2,486	1,976	79.5%	200	8.0%	310	12.5%
$40,001 to $50,000	2,215	1,828	82.5%	119	5.4%	268	12.1%
$50,001 to $60,000	2,080	1,791	86.1%	76	3.7%	213	10.2%
$60,001 to $70,000	2,024	1,767	87.3%	70	3.5%	187	9.2%
$70,001 to $80,000	1,878	1,660	88.4%	53	2.8%	165	8.8%
$80,001 to $90,000	1,716	1,530	89.2%	39	2.3%	147	8.6%
$90,001 to $100,000	1,605	1,456	90.7%	25	1.6%	124	7.7%
$100,001 to $125,000	2,953	2,655	89.9%	55	1.9%	243	8.2%
$125,001 to$150,000	1,713	1,567	91.5%	23	1.3%	123	7.2%
$150,001 to $175,000	1,055	970	91.9%	12	1.1%	73	6.9%
$175,001 to $200,000	611	561	91.8%	7	1.1%	43	7.0%
$200,001 to $250,000	701	635	90.6%	14	2.0%	52	7.4%
$250,001 or more	1,361	1,232	90.5%	16	1.2%	113	8.3%
Total	27,976	23,989	85.7%	1,160	4.1%	2,827	10.1%

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	25,323	23,733	93.7%	1,168	4.6%	422	1.7%
$20,001 to $30,000	16,034	15,015	93.6%	807	5.0%	212	1.3%
$30,001 to $40,000	13,299	12,510	94.1%	614	4.6%	175	1.3%
$40,001 to $50,000	10,186	9,708	95.3%	364	3.6%	114	1.1%
$50,001 to $60,000	8,649	8,322	96.2%	251	2.9%	76	0.9%
$60,001 to $70,000	8,066	7,888	97.8%	130	1.6%	48	0.6%
$70,001 to $80,000	7,388	7,246	98.1%	104	1.4%	38	0.5%
$80,001 to $90,000	6,915	6,810	98.5%	74	1.1%	31	0.4%
$90,001 to $100,000	6,246	6,161	98.6%	54	0.9%	31	0.5%
$100,001 to $125,000	11,632	11,500	98.9%	81	0.7%	51	0.4%
$125,001 to$150,000	6,546	6,473	98.9%	39	0.6%	34	0.5%
$150,001 to $175,000	3,534	3,491	98.8%	29	0.8%	14	0.4%
$175,001 to $200,000	1,977	1,959	99.1%	11	0.6%	7	0.4%
$200,001 to $250,000	1,730	1,720	99.4%	8	0.5%	2	0.1%
$250,001 or more	1,552	1,540	99.2%	7	0.5%	5	0.3%
Total	129,077	124,076	96.1%	3,741	2.9%	1,260	1.0%

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	42,530	37,032	87.1%	3,633	8.5%	1,865	4.4%
$20,001 to $30,000	31,033	26,366	85.0%	2,984	9.6%	1,683	5.4%
$30,001 to $40,000	28,258	24,307	86.0%	2,548	9.0%	1,403	5.0%
$40,001 to $50,000	23,984	21,256	88.6%	1,774	7.4%	954	4.0%
$50,001 to $60,000	21,927	20,057	91.5%	1,210	5.5%	660	3.0%
$60,001 to $70,000	20,972	19,532	93.1%	1,035	4.9%	405	1.9%
$70,001 to $80,000	19,525	18,390	94.2%	833	4.3%	302	1.5%
$80,001 to $90,000	17,645	16,742	94.9%	662	3.8%	241	1.4%
$90,001 to $100,000	15,348	14,671	95.6%	504	3.3%	173	1.1%
$100,001 to $125,000	27,581	26,555	96.3%	788	2.9%	238	0.9%
$125,001 to$150,000	14,871	14,324	96.3%	398	2.7%	149	1.0%
$150,001 to $175,000	8,280	7,968	96.2%	227	2.7%	85	1.0%
$175,001 to $200,000	5,091	4,931	96.9%	121	2.4%	39	0.8%
$200,001 to $250,000	5,474	5,294	96.7%	111	2.0%	69	1.3%
$250,001 or more	10,489	10,121	96.5%	179	1.7%	189	1.8%
Total	293,008	267,546	91.3%	17,007	5.8%	8,455	2.9%

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 24, 2015, 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: Dependent Health Care Coverage Reporting on Iowa Returns through Final Review by Federal Poverty Level, Tax Year 2014

All Resident Filers

Gross Income	All Families with Dependents	Families Reporting Presence of Coverage		Families Reporting Absence of Coverage		Families Not Participating	
	Count	Count	Share of Total	Count	Share of Total	Count	Share of Total
Less than 133% FPL	70,228	61,628	87.8%	5,902	8.4%	2,698	3.8%
133-200% FPL	48,762	42,418	87.0%	4,265	8.7%	2,079	4.3%
200-300% of FPL	62,374	56,090	89.9%	4,029	6.5%	2,255	3.6%
300+% FPL	268,697	255,475	95.1%	7,712	2.9%	5,510	2.1%
Total	450,061	415,611	92.3%	21,908	4.9%	12,542	2.8%

Paper Filers

Gross Income	All Families with Dependents	Families Reporting Presence of Coverage		Families Reporting Absence of Coverage		Families Not Participating	
	Count	Count	Share of Total	Count	Share of Total	Count	Share of Total
Less than 133% FPL	3,404	2,566	75.4%	344	10.1%	494	14.5%
133-200% FPL	2,250	1,756	78.0%	212	9.4%	282	12.5%
200-300% of FPL	3,459	2,862	82.7%	212	6.1%	385	11.1%
300+% FPL	18,863	16,805	89.1%	392	2.1%	1,666	8.8%
Total	27,976	23,989	85.7%	1,160	4.1%	2,827	10.1%

Electronic Filers

Gross Income	All Families with Dependents	Families Reporting Presence of Coverage		Families Reporting Absence of Coverage		Families Not Participating	
	Count	Count	Share of Total	Count	Share of Total	Count	Share of Total
Less than 133% FPL	66,824	59,062	88.4%	5,558	8.3%	2,204	3.3%
133-200% FPL	46,512	40,662	87.4%	4,053	8.7%	1,797	3.9%
200-300% of FPL	58,915	53,228	90.3%	3,817	6.5%	1,870	3.2%
300+% FPL	249,834	238,670	95.5%	7,320	2.9%	3,844	1.5%
Total	422,085	391,622	92.8%	20,748	4.9%	9,715	2.3%

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

Note: In instances where a 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 2014

All Electronic Filers

Gross Income	All Families With Dependents	Families Reporting Full-Year Coverage		Families Reporting Presence of Coverage (IA 1040)
	Count	Count	Share of Total	Share of Total
$20,000 or less	67,779	25,265	37.3%	89.6%
$20,001 to $30,000	47,016	18,335	39.0%	87.9%
$30,001 to $40,000	41,498	19,945	48.1%	88.6%
$40,001 to $50,000	34,131	20,077	58.8%	90.6%
$50,001 to $60,000	30,553	20,949	68.6%	92.8%
$60,001 to $70,000	29,025	21,846	75.3%	94.4%
$70,001 to $80,000	26,896	21,745	80.8%	95.3%
$80,001 to $90,000	24,548	20,994	85.5%	95.9%
$90,001 to $100,000	21,586	19,417	90.0%	96.5%
$100,001 to $125,000	39,180	37,092	94.7%	97.0%
$125,001 to$150,000	21,414	21,054	98.3%	97.1%
$150,001 to $175,000	11,810	11,679	98.9%	97.0%
$175,001 to $200,000	7,064	6,978	98.8%	97.5%
$200,001 to $250,000	7,203	7,114	98.8%	97.4%
$250,001 or more	12,038	11,926	99.1%	96.8%
Total	421,741	284,416	67.4%	92.8%

Electronic Filers Self-Prepared

Gross Income	All Families With Dependents	Families Reporting Full-Year Coverage		Families Reporting Presence of Coverage (IA 1040)
	Count	Count	Share of Total	Share of Total
$20,000 or less	25,278	6,537	25.9%	93.7%
$20,001 to $30,000	16,010	4,294	26.8%	93.6%
$30,001 to $40,000	13,269	4,807	36.2%	94.1%
$40,001 to $50,000	10,167	4,850	47.7%	95.3%
$50,001 to $60,000	8,637	4,922	57.0%	96.2%
$60,001 to $70,000	8,057	5,270	65.4%	97.8%
$70,001 to $80,000	7,375	5,313	72.0%	98.1%
$80,001 to $90,000	6,908	5,382	77.9%	98.5%
$90,001 to $100,000	6,241	5,333	85.5%	98.6%
$100,001 to $125,000	11,615	10,703	92.1%	98.9%
$125,001 to$150,000	6,544	6,417	98.1%	98.9%
$150,001 to $175,000	3,532	3,486	98.7%	98.8%
$175,001 to $200,000	1,976	1,948	98.6%	99.1%
$200,001 to $250,000	1,730	1,699	98.2%	99.4%
$250,001 or more	1,549	1,528	98.6%	99.2%
Total	128,888	72,489	56.2%	96.1%

Electronic Filers Paid Preparer

Gross Income	All Families With Dependents	Families Reporting Full-Year Coverage		Families Reporting Presence of Coverage (IA 1040)
	Count	Count	Share of Total	Share of Total
$20,000 or less	42,501	18,728	44.1%	87.1%
$20,001 to $30,000	31,006	14,041	45.3%	85.0%
$30,001 to $40,000	28,229	15,138	53.6%	86.0%
$40,001 to $50,000	23,965	15,227	63.5%	88.6%
$50,001 to $60,000	21,916	16,027	73.1%	91.5%
$60,001 to $70,000	20,968	16,576	79.1%	93.1%
$70,001 to $80,000	19,521	16,432	84.2%	94.2%
$80,001 to $90,000	17,640	15,612	88.5%	94.9%
$90,001 to $100,000	15,345	14,084	91.8%	95.6%
$100,001 to $125,000	27,565	26,389	95.7%	96.3%
$125,001 to$150,000	14,870	14,637	98.4%	96.3%
$150,001 to $175,000	8,278	8,193	99.0%	96.2%
$175,001 to $200,000	5,088	5,030	98.9%	96.9%
$200,001 to $250,000	5,472	5,415	99.0%	96.7%
$250,001 or more	10,489	10,398	99.1%	96.5%
Total	292,853	211,927	72.4%	91.3%

Analysis Using IRS1040 Data from Tax Year 2014, Iowa Department of Revenue

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

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

Table 9: HF 2539 Program Costs For Tax Year 2014 Filing Season
Tax Year Filing Season

Expenses	Cost
Postage	$7,343
Printing	$200
Staff Time	$1,838
Total Cost	**$9,381**

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

Source: Iowa Department of Revenue Budget Expenditure Report

Table 10: Enrollees Attributed to Dependent Health Care Tracking Program, 2008-2012

Tax Year	Number of Letters Mailed	Count of New Enrollees
2008	57,212	471
2009	37,199	234
2010	23,758	89
2011	21,049	64
2012	23,969	63

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

Appendix to the Report on Dependent Health Care in Iowa

Includes:

Sample TY 2015 letter

Tax Year 2014 Iowa Individual Income Tax Form 1040
Tax Year 2014 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.

2014 IA 1040 Iowa Individual Income Tax Form

For fiscal year beginning ____/____ 2014 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:

Step 2 Filing Status: Mark one box only.

Check this box if you or your spouse were 65 or older as of 12/31/14. ☐ •

1 ☐ Single: Were you claimed as a dependent on another person's Iowa return? Yes ☐ No ☐ ▲

2 ☐ Married filing a joint return. (Two-income families may benefit by using status 3 or 4.)

3 ☐ Married filing separately on this combined return. Spouse use column B.

4 ☐ Married filing separate returns. Spouse's name: ▲SSN:

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 Widow(er) with dependent child. Name: SSN:

Residence on 12/31/14: County No. • School District No. •

Dependent children for whom an exemption is claimed in Step 3
How many have health care coverage? (including Medicaid or hawk-i) ____ •
How many do not have health care coverage? ____ •

Net Income: $

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
Step 5 Gross Income	1.	Wages, salaries, tips, etc	1. ____.00	____.00
	2.	Taxable interest income. If more than $1,500, complete Sch. B	2. ____.00	____.00
	3.	Ordinary dividend income. If more than $1,500, complete Sch. B	3. ____.00	____.00
	4.	Alimony received	4. ____.00	____.00
	5.	Business income/(loss) from federal Schedule C or C-EZ	5. ____.00	____.00
	6.	Capital gain/(loss), federal Sch. D if required for federal purposes	6. ____.00	____.00
	7.	Other gains/(losses) from federal form 4797	7. ____.00	____.00
	8.	Taxable IRA distributions	8. ____.00	____.00
	9.	Taxable pensions and annuities	9. ____.00	____.00
	10.	Rents, royalties, partnerships, estates, etc	10. ____.00	____.00
	11.	Farm income/(loss) from federal Schedule F	11. ____.00	____.00
	12.	Unemployment compensation. See instructions	12. ____.00	____.00
	13.	Gambling winnings	13. ____.00	____.00
	14.	Other income, bonus depreciation, and section 179 adjustment	14. ____.00	____.00
	15.	Gross income. Add lines 1-14	15. ____.00 ▲	____.00
Step 6 Adjustments to Income	16.	Payments to an IRA, Keogh, or SEP	16. ____.00	____.00
	17.	Deductible part of self-employment tax.	17. ____.00	____.00
	18.	Health insurance deduction	18. ____.00	____.00
	19.	Penalty on early withdrawal of savings	19. ____.00	____.00
	20.	Alimony paid	20. ____.00	____.00
	21.	Pension/retirement income exclusion	21. ____.00 ▲	____.00
	22.	Moving expense deduction from federal form 3903	22. ____.00	____.00
	23.	Iowa capital gain deduction; certain sales only. See instructions	23. ____.00 ▲	____.00
	24.	Other adjustments	24. ____.00	____.00
	25.	Total adjustments. Add lines 16-24	25. ____.00 ▲	____.00
	26.	Net income. Subtract line 25 from line 15	26. ____.00 ▲	____.00
Step 7 Federal Tax Addition and Deduction	27.	Federal income tax refund / overpayment received in 2014	27. ____.00 ▲	____.00
	28.	Self-employment/household employment taxes	28. ____.00 ▲	____.00
	29.	Addition for federal taxes. Add lines 27 and 28	29. ____.00	____.00
	30.	Total. Add lines 26 and 29	30. ____.00	____.00
	31.	Federal tax withheld	31. ____.00 ▲	____.00
	32.	Federal estimated tax payments made in 2014	32. ____.00 ▲	____.00
	33.	Additional federal tax paid in 2014 for 2013 and prior years	33. ____.00 ▲	____.00
	34.	Deduction for federal taxes. Add lines 31, 32, and 33	34. ____.00	____.00
	35.	Balance. Subtract line 34 from line 30. Enter here and on line 36, page 2	35. ____.00 ▲	____.00

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

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			B. Spouse/Status 3	A. You or Joint	B. Spouse/Status 3	A. You or Joint
Step 8 Taxable Income	36.	BALANCE. From side 1, line 35			36. .00	.00
	37.	Deduction. Check one box ▲ Itemized (Include IA Schedule A) ☐ Standard ☐			37. .00 ▲	.00
	38.	TAXABLE INCOME. SUBTRACT line 37 from line 36			38. .00	.00
Step 9 Tax, Credits, and Check-off Contribu-tions	39.	Tax from tables or alternate tax	39. .00	▲ .00		
	40.	Iowa lump-sum tax. 25% of federal tax from form 4972	40. .00	▲ .00		
	41.	Iowa minimum tax. Attach IA 6251.	41. .00	▲ .00		
	42.	Total tax. ADD lines 39, 40, and 41.			42. .00	.00
	43.	Total exemption credit amount(s) from Step 3, side 1.	43. .00	.00		
	44.	Tuition and textbook credit for dependents K-12.	44. .00	▲ .00		
	45.	Volunteer firefighter/EMS/reserve peace officer credit.	45. .00	▲ .00		
	46.	Total credits. ADD lines 43, 44, and 45.			46. .00	.00
	47.	BALANCE. SUBTRACT line 46 from line 42. If less than zero, enter zero.			47. .00 ▲	.00
	48.	Credit for nonresident or part-year resident. Include IA 126 and federal return.			48. .00 ▲	.00
	49.	BALANCE. SUBTRACT line 48 from 47. If less than zero, enter zero.			49. .00 ▲	.00
	50.	Other nonrefundable Iowa credits. Include IA 148 Tax Credits Schedule.			50. .00 ▲	.00
	51.	BALANCE. SUBTRACT line 50 from line 49. If less than zero, enter zero.			51. .00 ▲	.00
	52.	School district surtax or EMS surtax. Take percentage from table; multiply by line 51.			52. .00 ▲	.00
	53.	Total tax. ADD lines 51 and 52.			53. .00 ▲	.00
	54.	TOTAL tax before contributions. Combine columns A and B on line 53 and enter here.				54. .00
	55.	Contributions. Contributions will reduce your refund or add to the amount you owe. Amounts must be in whole dollars.				
		Fish/Wildlife 55a: ▲ _____ State Fair 55b: ▲ _____ Firefighters/Veterans 55c: ▲ _____ Child abuse Prevention 55d: ▲ _____ Enter here				55. .00
	56.	TOTAL TAX AND CONTRIBUTIONS. Add line 54 and line 55 and enter here.				56. ▲ .00
Step 10 Credits	57.	Out-of-state tax credit. Include IA 130.	57. .00	▲ .00		
	58.	Iowa Fuel tax credit. Include IA 4136	58. .00	▲ .00		
	59.	Check One: Child and dependent care credit ☐ OR ▲ Early childhood development credit ☐	59. .00	▲ .00		
	60.	Iowa earned income tax credit. 15.0% (.15) of federal credit	60. .00	▲ .00		
	61.	Other refundable credits. Include IA 148 Tax Credits Schedule.	61. .00	▲ .00		
	62.	Total refundable credits. ADD lines 57 - 61.	62. .00	▲ .00		
	63.	Tax after credits. Subtract line 62 from line 53. If less than 0, enter 0	63. .00	▲ .00		
	64.	Taxpayers trust fund tax credit. See instructions	64. .00	▲ .00		
	65.	Iowa income tax withheld.	65. .00	▲ .00		
	66.	Estimated and voucher payments made for tax year 2014.	66. .00	▲ .00		
	67.	TOTAL. ADD lines 62, 64, 65, and 66	67. .00	▲ .00		
	68.	TOTAL CREDITS. ADD columns A and B on line 67 and enter here			68.	.00
Step 11 Refund or Amount Due	69.	If line 68 is more than line 56, Subtract line 56 from line 68. This is the amount you overpaid.			69. ▲	.00
	70.	Amount of line 69 to be REFUNDED. REFUND			70. ▲	.00
		For a faster refund file electronically. Go to www.Iowa.gov/tax for details				
	71.	Amount of line 69 to be applied to your 2015 estimated tax	71. .00	▲ .00		
	72.	If line 68 is less than line 56, Subtract line 68 from line 56. This is the AMOUNT OF TAX YOU OWE			72. ▲	.00
	73.	Penalty for underpayment of estimated tax from IA 2210, IA 2210S, or IA 2210F. Check if annualized income method is used. ▲☐			73. ▲	.00
	74.	Penalty and interest ▲ 74A. Penalty .00 ▲ 74b. Interest .00 ADD Enter total.			74.	.00
	75.	TOTAL AMOUNT DUE. ADD lines 72, 73, and 74, and enter here. PAY THIS AMOUNT			75. ▲	.00

You can pay online at www.Iowa.gov/tax.
Mailing address: Iowa Income Tax Document Processing, PO Box 9187, Des Moines IA 50306-9187. Make check payable to Treasurer, State of Iowa.

Step 12

Political Checkoff - This checkoff does not increase the amount of tax you owe or decrease your refund.

▲Spouse		▲Yourself	
$1.50 to Republican Party	☐	$1.50 to Republican Party	☐
$1.50 to Democratic Party	☐	$1.50 to Democratic Party	☐
$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

Your Signature	Date	▲ Check if Deceased ☐	Date of Death	Preparer's Signature	Date

SIGN HERE

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 April 30, 2015. Please sign, enclose W-2s, and verify SSNs.
MAILING ADDRESS: See line 75 above.

41-001 (09/11/14)

Form **1040** Department of the Treasury—Internal Revenue Service (99) **U.S. Individual Income Tax Return** **2014** OMB No. 1545-0074 IRS Use Only—Do not write or staple in this space.

For the year Jan. 1–Dec. 31, 2014, or other tax year beginning , 2014, ending , 20 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.	▲ Make sure the SSN(s) above and on line 6c are correct.
City, town or post office, state, and ZIP code. If you have a foreign address, also complete spaces below (see instructions).		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
Foreign country name	Foreign province/state/county / Foreign postal code	

Filing Status Check only one box.

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

Exemptions

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

c **Dependents:** (1) First name / Last name	(2) Dependent's social security number	(3) Dependent's relationship to you	(4) ✓ if child under age 17 qualifying for child tax credit (see instructions)
			☐
			☐
			☐
			☐

If more than four dependents, see instructions and check here ▶ ☐

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 ▶

d Total number of exemptions claimed

Income

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.

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 ▶ ☐			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	

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	

For Disclosure, Privacy Act, and Paperwork Reduction Act Notice, see separate instructions. Cat. No. 11320B Form **1040** (2014)

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Tax and Credits	38	Amount from line 37 (adjusted gross income)			38
	39a	Check if: ☐ **You** were born before January 2, 1950, ☐ Blind. ☐ **Spouse** was born before January 2, 1950, ☐ Blind. **Total boxes checked** ▶ 39a			
	b	If your spouse itemizes on a separate return or you were a dual-status alien, check here ▶ 39b ☐			
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, $6,200 Married filing jointly or Qualifying widow(er), $12,400 Head of household, $9,100	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 $152,525 or less, multiply $3,950 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 ☐ Form(s) 8814 b ☐ Form 4972 c ☐			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 ☐ 3800 b ☐ 8801 c ☐	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
Other Taxes	57	Self-employment tax. Attach Schedule SE			57
	58	Unreported social security and Medicare tax from Form: a ☐ 4137 b ☐ 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 ☐			61
	62	Taxes from: a ☐ Form 8959 b ☐ Form 8960 c ☐ Instructions; enter code(s)			62
	63	Add lines 56 through 62. This is your **total tax** ▶			63
Payments	64	Federal income tax withheld from Forms W-2 and 1099	64		
If you have a qualifying child, attach Schedule EIC.	65	2014 estimated tax payments and amount applied from 2013 return	65		
	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 ☐ 2439 b ☐ Reserved c ☐ Reserved d ☐	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 ▶ ☐			76a
Direct deposit? See instructions.	▶ b	Routing number ▶ c Type: ☐ Checking ☐ Savings			
	▶ d	Account number			
	77	Amount of line 75 you want **applied to your 2015 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)? ☐ **Yes.** Complete below. ☐ **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 complete. 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	Daytime phone number
Spouse's signature. If a joint return, **both** must sign.	Date	Spouse's occupation	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 ☐ if self-employed	PTIN
Firm's name ▶			Firm's EIN ▶	
Firm's address ▶			Phone no.	

www.irs.gov/form1040 Form **1040** (2014)