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Hoover State Office Building  
Des Moines, Iowa 50319  
www.state.ia.us/tax



HOUSE OF REPRESENTATIVES  
Iowa Department of Revenue

To: Michael Marshall, Secretary of the Senate  
Mark Brandsgard, Chief Clerk of the House

From: Mark Schuling, Director, Iowa Department of Revenue *MRS*

Regarding: Annual Report on the Tracking of Dependent Health Care Coverage in Iowa

Date: December 19, 2008

House File 2539, passed during the 2008 Legislative session, required the Department of Revenue (IDR) to make changes to the Iowa individual income tax form indicating the presence or absence of health care coverage for dependent children. Additionally, IDR was directed to send a notice providing information about how to enroll in Medicaid and *hawk-i* to taxpayers claiming a dependent child without health care coverage who met certain income guidelines.

IDR, working with the Department of Human Services (DHS), has taken steps to meet the requirements of HF 2539. The 2008 individual income tax form was modified to include two questions regarding the presence or absence of health care coverage for dependents (2008 1040 attached). The 2008 individual income tax form expanded instructions now define "health care coverage" as "either private (non-government) coverage or government-sponsored coverage." This is the U.S. Census Bureau definition and was adopted after consultation with DHS. In addition, IDR adopted rule 701 IAC 38.19 which provides further clarification regarding the requirements set forth in HF 2539.

IDR has support in place to send letters to all taxpayers meeting the specified dependent coverage and income criteria. The mailing will include DHS's Medicaid and *hawk-i* information and application brochure.

To meet the annual reporting requirement, IDR will collect information from tax returns by income level on:

- the number of Iowa families claiming the state income tax exemption for dependent children; and
- the number of Iowa families who indicate the presence or absence of health care coverage for those dependent children.

DHS will collect information on the number of dependents subsequently enrolled in Medicaid or *hawk-i* after receiving the notice from IDR. IDR anticipates reporting this information to the Legislature in January 2010.

# 2008 Iowa Individual Income Tax Long Form IA 1040

or fiscal year beginning \_\_\_/\_\_\_/2008 and ending \_\_\_/\_\_\_/\_\_\_

## STEP 1: Fill in all spaces. You MUST fill in your Social Security Number.

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 \_\_\_\_\_

Check this box if you or your spouse were 65 or older as of 12/31/08.

Your Social Security Number \_\_\_\_\_ Spouse Social Security Number \_\_\_\_\_

Are your name, your spouse's name, if applicable, and your address the same as on last year's return?  YES  NO

Residence on 12/31/08  
County No. \_\_\_\_\_ School/District No. \_\_\_\_\_

Dependent children for whom an exemption is claimed in Step 3  
How many have health care coverage? \_\_\_\_\_  
How many do not have health care coverage? \_\_\_\_\_

## STEP 2 Filing Status: Mark one box only.

- 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: \_\_\_\_\_ ▲ 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 Social Security Number below.
- 6  Qualifying widow(er) with dependent child. Name: \_\_\_\_\_ SSN: \_\_\_\_\_

## STEP 3 Exemptions

**YOU**  
(and spouse if filing jointly)

- a. Personal Credit: Enter 1 (Enter 2 if filing joint or head of household) .....▲ X \$ 40 = \$ \_\_\_\_\_
- b. Enter 1 for each person who is 65 or older and/or 1 for each person who is blind .....▲ X \$ 20 = \$ \_\_\_\_\_
- c. Dependents: Enter 1 for each dependent .....▲ X \$ 40 = \$ \_\_\_\_\_
- d. Enter first names of dependents here: \_\_\_\_\_
- e. TOTAL \$ \_\_\_\_\_

**SPOUSE**  
(if filing status 3)

- a. Personal Credit: Enter 1 .....▲ X \$ 40 = \$ \_\_\_\_\_
- b. Enter 1 if 65 or older and/or 1 if blind .....▲ X \$ 20 = \$ \_\_\_\_\_
- c. Dependents: Enter 1 for each dependent .....▲ X \$ 40 = \$ \_\_\_\_\_
- d. Enter first names of dependents here: \_\_\_\_\_
- e. TOTAL \$ \_\_\_\_\_

## STEP 4

Figure your gross income

	B. Spouse/Status 3	A. You or Joint	B. Spouse/Status 3	A. You or Joint
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) from 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 .....	12. _____ .00	_____ .00		
13. Taxable Social Security benefits .....	13. _____ .00 ▲	_____ .00		
14. Other income, gambling income, bonus depreciation adjustment ...	14. _____ .00	_____ .00		
15. <b>GROSS INCOME.</b> ADD lines 1-14 .....	15. _____ .00 ▲	_____ .00		

## STEP 5

Figure your adjustments to income

16. Payments to an IRA, KEOGH or SEP .....	16. _____ .00	_____ .00		
17. One-half 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 gains deduction .....	23. _____ .00 ▲	_____ .00		
24. Other adjustments .....	24. _____ .00	_____ .00		
25. Total adjustments. ADD lines 16-24 .....	25. _____ .00 ▲	_____ .00		
26. <b>NET INCOME.</b> SUBTRACT line 25 from line 15 .....	26. _____ .00 ▲	_____ .00		

## STEP 6

Figure your federal tax addition and deduction

27. Federal income tax refund / overpayment received in 2008 .....	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 2008 .....	32. _____ .00 ▲	_____ .00		
33. Additional federal tax paid in 2008 for 2007 and prior years .....	33. _____ .00 ▲	_____ .00		
34. Deduction for federal taxes. ADD lines 31, 32, and 33 .....	34. _____ .00	_____ .00		
35. <b>BALANCE.</b> SUBTRACT line 34 from line 30. Enter here and on line 36, side 2 .....	35. _____ .00	_____ .00		

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

**STEP 7** 36. BALANCE. From side 1, line 35. 36. \_\_\_\_\_ .00 \_\_\_\_\_ .00

37. Total itemized deductions from federal Schedule A ..... 37. \_\_\_\_\_ .00 \_\_\_\_\_ .00  
 Taxpayers with bonus depreciation must use Iowa Schedule A

38. Iowa income tax if included in line 5 of federal Schedule A ..... 38. \_\_\_\_\_ .00 \_\_\_\_\_ .00

39. BALANCE. Subtract line 38 from line 37 or enter the ..... 39. \_\_\_\_\_ .00 \_\_\_\_\_ .00  
 amount of itemized deductions from the Iowa Schedule A

40. Other deductions. .... 40. \_\_\_\_\_ .00 \_\_\_\_\_ .00

41. Deduction. Check one box.  Itemized. Add lines 39 and 40.  Standard. .... 41. \_\_\_\_\_ .00 ▲ \_\_\_\_\_ .00

42. TAXABLE INCOME. SUBTRACT line 41 from line 36. .... 42. \_\_\_\_\_ .00 \_\_\_\_\_ .00

Complete lines 37-40 ONLY if you itemize.

**STEP 8** 43. Tax from tables or alternate tax ..... 43. \_\_\_\_\_ .00 ▲ \_\_\_\_\_ .00

44. Iowa lump-sum tax. 25% of federal tax from form 4972. .... 44. \_\_\_\_\_ .00 ▲ \_\_\_\_\_ .00

45. Iowa minimum tax. Attach IA 6251. .... 45. \_\_\_\_\_ .00 ▲ \_\_\_\_\_ .00

46. Total tax. ADD lines 43, 44 and 45. .... 46. \_\_\_\_\_ .00 \_\_\_\_\_ .00

47. Total exemption credit amount(s) from Step 3, side 1 ..... 47. \_\_\_\_\_ .00 \_\_\_\_\_ .00

48. Tuition and textbook credit for dependents K-12. .... 48. \_\_\_\_\_ .00 ▲ \_\_\_\_\_ .00

49. Total credits. ADD lines 47 and 48. .... 49. \_\_\_\_\_ .00 \_\_\_\_\_ .00

50. BALANCE. SUBTRACT line 49 from line 46. If less than zero, enter zero. .... 50. \_\_\_\_\_ .00 ▲ \_\_\_\_\_ .00

51. Credit for nonresident or part-year resident. Attach IA 126 and federal return. .... 51. \_\_\_\_\_ .00 ▲ \_\_\_\_\_ .00

52. BALANCE. SUBTRACT line 51 from 50. If less than or equal to zero, enter zero. .... 52. \_\_\_\_\_ .00 \_\_\_\_\_ .00

53. Other nonrefundable Iowa credits. Attach IA 148 Tax Credits Schedule. .... 53. \_\_\_\_\_ .00 ▲ \_\_\_\_\_ .00

54. BALANCE. SUBTRACT line 53 from line 52. .... 54. \_\_\_\_\_ .00 \_\_\_\_\_ .00

55. School district surtax/EMS surtax. (take percentage from table, multiply by line 54). .... 55. \_\_\_\_\_ .00 ▲ \_\_\_\_\_ .00

56. Total Tax. ADD lines 54 and 55. .... 56. \_\_\_\_\_ .00 ▲ \_\_\_\_\_ .00

57. Total tax before contributions. ADD Columns A & B on line 56 and enter here. .... 57. \_\_\_\_\_ .00

58. Contributions. Contributions will reduce your refund or add to the amount you owe. Amounts must be in whole dollars.  
 Fish/Wildlife 58a: ▲ \_\_\_\_\_ StateFair 58b: ▲ \_\_\_\_\_ Firefighters/Veterans 58c: ▲ \_\_\_\_\_ Child Abuse Prevention 58d: ▲ \_\_\_\_\_ Enter total. .... 58. \_\_\_\_\_ .00

59. TOTAL TAX AND CONTRIBUTIONS. ADD lines 57 and 58. .... 59. \_\_\_\_\_ .00

**STEP 9** 60. Iowa income tax withheld. .... 60. \_\_\_\_\_ .00 ▲ \_\_\_\_\_ .00

61. Estimate and voucher payments made for tax year 2008 ..... 61. \_\_\_\_\_ .00 ▲ \_\_\_\_\_ .00

62. Out-of-state tax credit. Attach IA 130. .... 62. \_\_\_\_\_ .00 ▲ \_\_\_\_\_ .00

63. Motor fuel tax credit. Attach IA 4136. .... 63. \_\_\_\_\_ .00 ▲ \_\_\_\_\_ .00

64. Check One:  Child and dependent care credit OR  
 Early childhood development credit. .... 64. \_\_\_\_\_ .00 ▲ \_\_\_\_\_ .00

65. Iowa earned income credit: 7.0% (.07) of federal credit ..... 65. \_\_\_\_\_ .00 ▲ \_\_\_\_\_ .00

66. Other refundable credits. Attach IA 148 Tax Credits Schedule. .... 66. \_\_\_\_\_ .00 ▲ \_\_\_\_\_ .00

67. TOTAL. ADD lines 60 - 66. .... 67. \_\_\_\_\_ .00 \_\_\_\_\_ .00

68. TOTAL CREDITS. ADD columns A and B on line 67 and enter here. .... 68. \_\_\_\_\_ .00

**STEP 10** 69. If line 68 is more than line 59, SUBTRACT line 59 from line 68. This is the amount you overpaid. .... 69. ▲ \_\_\_\_\_ .00

70. Amount of line 69 to be REFUNDED ..... REFUND 70. ▲ \_\_\_\_\_ .00  
 Mail return to Iowa Income Tax - Refund Processing, Hoover State Office Bldg, Des Moines IA 50319-0120

71. Amount of line 69 to be applied to your 2009 estimated tax ..... 71. \_\_\_\_\_ .00 ▲ \_\_\_\_\_ .00

72. If line 68 is less than line 59, SUBTRACT line 68 from line 59. This is the AMOUNT OF TAX YOU OWE. .... 72. ▲ \_\_\_\_\_ .00

73. Penalty for underpayment of estimated tax. From IA 2210 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

Electronically pay by credit card or direct debit. Go to [www.state.ia.us/tax](http://www.state.ia.us/tax).  
 To pay by mail: Iowa Income Tax - Document Processing, PO Box 9187, Des Moines IA 50306-9187. Make check payable to Treasurer, State of Iowa.

**STEP 11** POLITICAL CHECKOFF. This checkoff does not increase the amount of tax you owe or decrease your refund.

SPOUSE		▲	YOURSELF	
\$1.50 to Republican Party	<input type="checkbox"/>		\$1.50 to Republican Party	<input type="checkbox"/>
\$1.50 to Democratic Party	<input type="checkbox"/>		\$1.50 to Democratic Party	<input type="checkbox"/>
\$1.50 to Campaign Fund	<input type="checkbox"/>		\$1.50 to Campaign Fund	<input type="checkbox"/>

**STEP 12** NEXT YEAR, Would you like to receive a booklet? This option is not available to electronic filers.

0.  Yes  
 ▲ 1.  No

**STEP 13** COW-CALF REFUND Attach IA 132. Do NOT use these amounts to increase your overpayment (line 69) or reduce the amount you owe (line 72).

Spouse: \$ \_\_\_\_\_ .00  
 You: \$ \_\_\_\_\_ .00 ▲

**STEP 14** PLEASE 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.

<p><b>SIGN HERE</b></p> <p><b>SIGN HERE</b></p> <p>• Verify your Social Security Number(s)</p> <p>• Recheck your math</p> <p>• Attach all W-2s</p>	_____ Your Signature	_____ Date	_____ Preparer's Signature	_____ Date
	_____ Spouse's Signature	_____ Date	_____ Address	
	_____ Daytime Telephone Number		_____ Daytime Telephone Number	_____ Identification Number
	<p><b>This return is due April 30, 2009. Mailing Addresses: See lines 70 and 75 above.</b></p>			