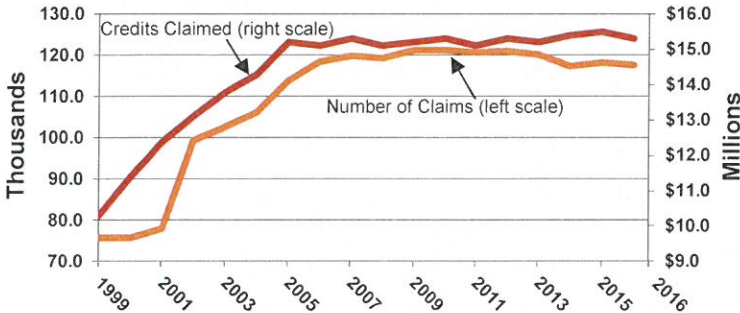


# Tuition and Textbook Tax Credit

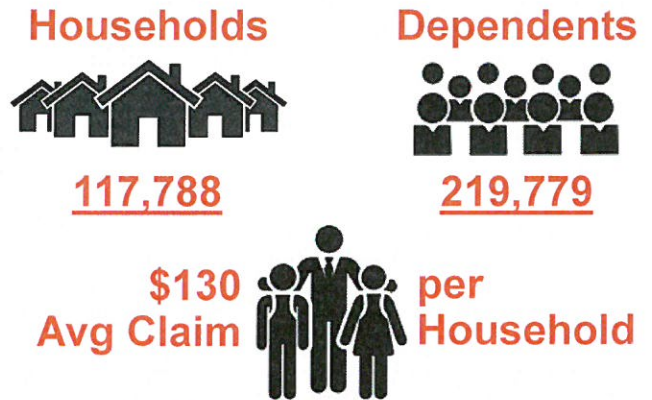
## Tax Credit Description

Taxpayers who have one or more dependents attending Kindergarten through 12th grade in an accredited Iowa school may take a tax credit equal to 25% of the first \$1,000 in qualified expenses for each dependent. Credits are nonrefundable and any credit in excess of tax liability cannot be carried forward. Qualified expenses include tuition, textbooks, fees, and equipment; however, homeschooling expenses do not qualify.

## Annual Claimants and the Amount of Credits by Tax Year

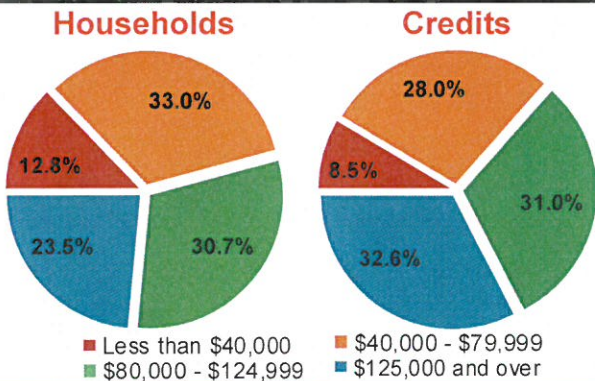


## Tuition and Textbook Tax Credit Household Claims, Tax Year 2016



\$15.3 million in TTC credits were claimed in TY 2016. Last legislative modification to credit was in TY 1998.

## Distribution of Claims and Credits by Adjusted Gross Income



## Share of Households Claiming Maximum Credit

# 8.2%

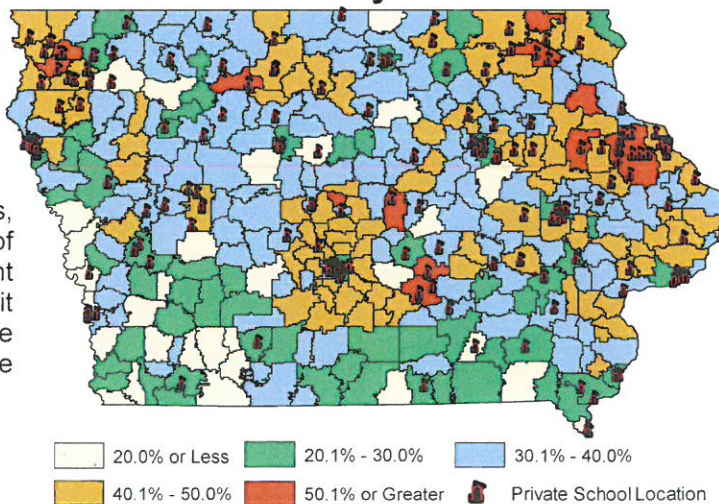
The share of households claiming \$250 per dependent account for \$2.4 million, or 15.7% of credits in tax year 2016.

## Tax Credit Utilization

# 33.8%

The highest utilization rates, defined as the share of households with dependent children making a tax credit claim, appear to coincide with the location of private schools.

## Utilization Rates by School District



## Credit Claims by School District

- #1 Number of Claims - Des Moines (5,794)
- #1 Credit per Pupil - Boyden-Hull (\$155)
- #1 Average Claim - Rock Valley (\$354)
- #1 Utilization Rate - Pella (56.3%)