

**Table 5A. Residents Distribution of Taxpayers' Choices Between the Alternative Base Income Tax as Specified in HF 604 and Current Law**

Residents Only Adjusted Gross Income	TY 2015		TY 2016		TY 2017		TY 2018		TY 2019	
	Option 1	Option 2	Option 1	Option 2	Option 1	Option 2	Option 1	Option 2	Option 1	Option 2
<b>\$20,000 or less</b>	42.0%	58.0%	42.2%	57.8%	42.2%	57.8%	42.3%	57.7%	42.4%	57.6%
<b>\$20,001 to 30,000</b>	20.0%	80.0%	20.2%	79.8%	20.2%	79.8%	19.9%	80.1%	20.2%	79.8%
<b>\$30,001 to 40,000</b>	23.2%	76.8%	22.6%	77.4%	22.1%	77.9%	20.9%	79.1%	20.5%	79.5%
<b>\$40,001 to 50,000</b>	36.3%	63.7%	36.0%	64.0%	35.5%	64.5%	34.1%	65.9%	33.1%	66.9%
<b>\$50,001 to 60,000</b>	38.2%	61.8%	38.2%	61.8%	38.8%	61.2%	39.1%	60.9%	40.5%	59.5%
<b>\$60,001 to 70,000</b>	38.8%	61.2%	39.5%	60.5%	40.0%	60.0%	39.6%	60.4%	40.1%	59.9%
<b>\$70,001 to 80,000</b>	38.7%	61.3%	38.5%	61.5%	38.7%	61.3%	38.6%	61.4%	39.4%	60.6%
<b>\$80,001 to 90,000</b>	39.9%	60.1%	39.7%	60.3%	39.1%	60.9%	37.9%	62.1%	38.6%	61.4%
<b>\$90,001 to 100,000</b>	42.0%	58.0%	41.0%	59.0%	40.3%	59.7%	39.0%	61.0%	39.1%	60.9%
<b>\$100,001 to 125,000</b>	44.7%	55.3%	42.9%	57.1%	41.7%	58.3%	40.0%	60.0%	40.4%	59.6%
<b>\$125,001 to 150,000</b>	50.4%	49.6%	47.1%	52.9%	44.5%	55.5%	41.3%	58.7%	40.8%	59.2%
<b>\$150,001 to 175,000</b>	57.8%	42.2%	54.5%	45.5%	50.9%	49.1%	47.5%	52.5%	46.4%	53.6%
<b>\$175,001 to 200,000</b>	63.4%	36.6%	60.6%	39.4%	57.0%	43.0%	53.9%	46.1%	52.2%	47.8%
<b>\$200,001 to 250,000</b>	67.1%	32.9%	64.1%	35.9%	60.6%	39.4%	57.1%	42.9%	55.7%	44.3%
<b>\$250,001 to 500,000</b>	68.7%	31.3%	66.6%	33.4%	63.0%	37.0%	59.4%	40.6%	57.1%	42.9%
<b>\$500,001 to 1,000,000</b>	71.2%	28.8%	70.1%	29.9%	66.7%	33.3%	62.8%	37.2%	59.9%	40.1%
<b>\$1,000,001 or more</b>	57.5%	42.5%	57.7%	42.3%	56.7%	43.3%	54.6%	45.4%	51.7%	48.3%
<b>Composite Return</b>										
<b>Totals</b>	<b>38.1%</b>	<b>61.9%</b>	<b>37.9%</b>	<b>62.1%</b>	<b>37.6%</b>	<b>62.4%</b>	<b>37.0%</b>	<b>63.0%</b>	<b>37.1%</b>	<b>62.9%</b>

**Analysis Using Data from Tax Year 2013**

**Tax Research and Policy Analysis Section, Iowa Department of Revenue**

Option 1 refers to the alternative base income tax and Option 2 for current law. Taxpayers are assumed to choose Option 1 for simplicity if the tax liabilities are the same under the two options. Elderly taxpayers whose income below the threshold and who do not need to file a tax return are deemed to have elected to be subject to the alternative base income tax.

**Table 5B. Non-Residents Distribution of Taxpayers' Choices Between the Alternative Base Income Tax as Specified in HF 604 and Current Law**

Non-Residents Only Adjusted Gross Income	TY 2015		TY 2016		TY 2017		TY 2018		TY 2019	
	Option 1	Option 2	Option 1	Option 2	Option 1	Option 2	Option 1	Option 2	Option 1	Option 2
<b>\$20,000 or less</b>	37.1%	62.9%	37.1%	62.9%	37.1%	62.9%	36.9%	63.1%	37.0%	63.0%
<b>\$20,001 to 30,000</b>	8.7%	91.3%	8.7%	91.3%	8.5%	91.5%	8.3%	91.7%	8.0%	92.0%
<b>\$30,001 to 40,000</b>	8.3%	91.7%	8.3%	91.7%	8.3%	91.7%	8.2%	91.8%	8.1%	91.9%
<b>\$40,001 to 50,000</b>	10.5%	89.5%	10.7%	89.3%	10.2%	89.8%	10.1%	89.9%	10.2%	89.8%
<b>\$50,001 to 60,000</b>	9.9%	90.1%	9.7%	90.3%	10.3%	89.7%	10.9%	89.1%	11.0%	89.0%
<b>\$60,001 to 70,000</b>	8.9%	91.1%	9.6%	90.4%	9.7%	90.3%	9.3%	90.7%	9.7%	90.3%
<b>\$70,001 to 80,000</b>	7.9%	92.1%	7.7%	92.3%	7.8%	92.2%	8.5%	91.5%	9.3%	90.7%
<b>\$80,001 to 90,000</b>	7.3%	92.7%	7.4%	92.6%	7.2%	92.8%	7.4%	92.6%	7.7%	92.3%
<b>\$90,001 to 100,000</b>	7.5%	92.5%	7.3%	92.7%	7.5%	92.5%	7.2%	92.8%	7.3%	92.7%
<b>\$100,001 to 125,000</b>	6.9%	93.1%	7.0%	93.0%	6.7%	93.3%	6.6%	93.4%	6.8%	93.2%
<b>\$125,001 to 150,000</b>	6.9%	93.1%	6.8%	93.2%	6.5%	93.5%	6.5%	93.5%	6.2%	93.8%
<b>\$150,001 to 175,000</b>	6.4%	93.6%	6.3%	93.7%	6.4%	93.6%	6.0%	94.0%	6.6%	93.4%
<b>\$175,001 to 200,000</b>	7.0%	93.0%	6.3%	93.7%	5.9%	94.1%	6.0%	94.0%	5.6%	94.4%
<b>\$200,001 to 250,000</b>	6.5%	93.5%	6.5%	93.5%	6.7%	93.3%	6.2%	93.8%	6.1%	93.9%
<b>\$250,001 to 500,000</b>	6.6%	93.4%	6.6%	93.4%	6.0%	94.0%	5.7%	94.3%	5.7%	94.3%
<b>\$500,001 to 1,000,000</b>	5.4%	94.6%	5.5%	94.5%	5.3%	94.7%	5.1%	94.9%	5.1%	94.9%
<b>\$1,000,001 or more</b>	2.5%	97.5%	2.6%	97.4%	2.8%	97.2%	3.0%	97.0%	3.1%	96.9%
<b>Composite Return</b>	37.5%	62.5%	38.0%	62.0%	38.5%	61.5%	39.5%	60.5%	41.0%	59.0%
<b>Totals</b>	<b>14.6%</b>	<b>85.4%</b>	<b>14.4%</b>	<b>85.6%</b>	<b>14.1%</b>	<b>85.9%</b>	<b>13.8%</b>	<b>86.2%</b>	<b>13.8%</b>	<b>86.2%</b>

*Analysis Using Data from Tax Year 2013*

*Tax Research and Policy Analysis Section, Iowa Department of Revenue*

Option 1 refers to the alternative base income tax and Option 2 for current law. Taxpayers are assumed to choose Option 1 for simplicity if the tax liabilities are the same under the two options. Elderly taxpayers whose income below the threshold and who do not need to file a tax return are deemed to have elected to be subject to the alternative base income tax.