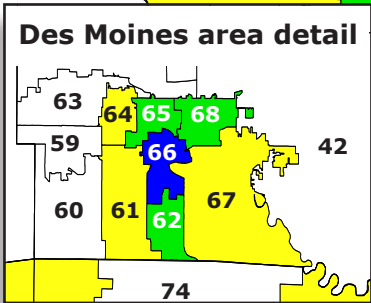
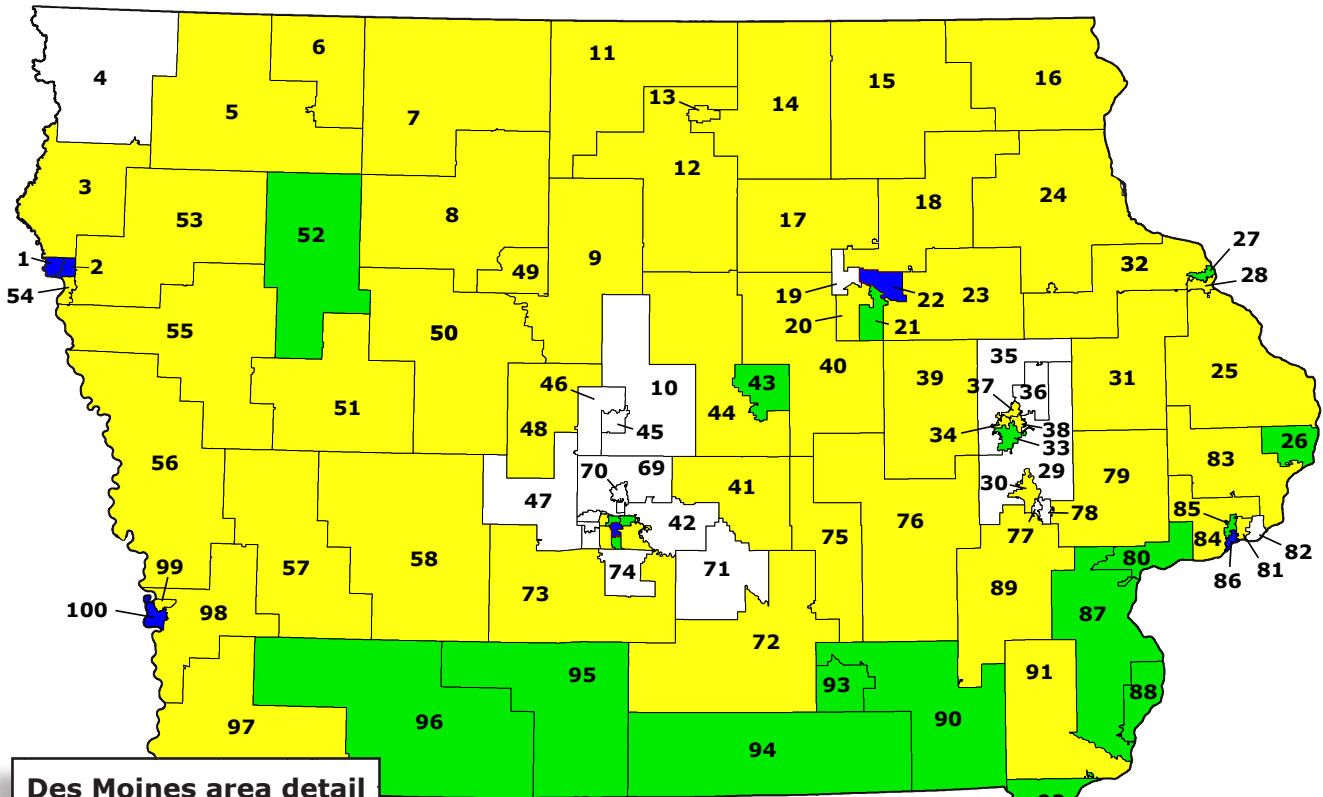


HOW THE EITC HITS HOME

Where Iowans Claim the Earned Income Tax Credit

In Iowa, some 168,000 households benefit from the federal Earned Income Tax Credit, or EITC, which is available for many working people with earned income of less than \$38,348. The amount of the credit depends on a tax filer’s earned income, whether the tax filer is single or married, and whether the tax filer has children. A new analysis by the Brookings Institution shows 13 percent of Iowa federal tax filers claimed the EITC for tax year 2004, with an average credit of \$1,630 – a \$274 million boost in Iowa working families’ household budgets. Iowa’s current EITC is 6.5 percent of the federal EITC.

Use of the Federal EITC, by Iowa State House District, 2004



A new analysis by the Brookings Institution shows where the federal EITC was claimed in Iowa in 2004 as a percentage of tax filers. Table by House and Senate district on next page.
 On the web:
http://www.brookings.edu/metro/eitc_legislativedistricts.htm

Key
Over 20% of filers
15- 20% of filers
10- 15% of filers
Under 5% of filers

IA Dist.		Tax Year '04 Returns			Amount Credited	IA Dist.		Tax Year '04 Returns			Amount Credited
SD	HD	Total	EITC	%EITC		SD	HD	Total	EITC	%EITC	
1	1	11,720	2,556	22%	\$4,614,683	26	51	13,423	1,602	12%	\$2,492,746
	2	11,450	2,502	22%	4,349,273		52	12,093	1,887	16%	3,185,182
2	3	13,048	1,411	11%	2,300,063	27	53	12,897	1,474	11%	2,370,709
	4	11,982	1,172	10%	1,834,876		54	12,932	1,789	14%	3,096,785
3	5	12,793	1,576	12%	2,388,049	28	55	12,514	1,815	15%	3,050,569
	6	14,128	1,618	12%	2,485,579		56	12,740	1,713	13%	2,780,638
4	7	12,237	1,695	14%	2,829,560	29	57	12,813	1,766	14%	2,831,046
	8	12,818	1,632	13%	2,681,705		58	12,601	1,671	13%	2,751,180
5	9	12,565	1,637	13%	2,640,226	30	59	15,987	1,059	7%	1,653,192
	10	13,182	1,230	9%	1,920,729		60	15,275	990	6%	1,482,282
6	11	12,929	1,550	12%	2,564,977	31	61	14,142	1,486	11%	2,333,810
	12	12,797	1,580	12%	2,606,203		62	12,335	2,143	17%	3,627,330
7	13	12,853	1,865	15%	2,878,699	32	63	16,271	909	6%	1,371,341
	14	12,650	1,622	13%	2,656,460		64	14,355	1,607	11%	2,569,505
8	15	13,053	1,654	13%	2,491,273	33	65	11,697	1,955	17%	3,350,469
	16	11,972	1,556	13%	2,423,192		66	10,792	2,713	25%	4,729,085
9	17	12,705	1,278	10%	2,023,144	34	67	14,149	2,086	15%	3,584,380
	18	12,399	1,740	14%	2,827,515		68	12,840	2,511	20%	4,350,345
10	19	11,421	949	8%	1,404,215	35	69	16,302	1,023	6%	1,542,975
	20	13,259	1,448	11%	2,312,156		70	17,256	1,066	6%	1,561,989
11	21	12,714	1,940	15%	3,277,627	36	71	13,024	1,188	9%	1,878,485
	22	12,122	3,135	26%	5,625,096		72	12,048	1,728	14%	2,923,326
12	23	12,786	1,523	12%	2,444,593	37	73	13,536	1,400	10%	2,208,656
	24	12,530	1,767	14%	2,901,996		74	13,598	1,327	10%	2,134,352
13	25	13,571	1,779	13%	2,857,129	38	75	12,789	1,601	13%	2,613,893
	26	12,581	2,256	18%	3,901,561		76	13,634	1,536	11%	2,475,321
14	27	11,901	1,794	15%	2,859,508	39	77	12,387	1,088	9%	1,466,578
	28	14,358	1,773	12%	2,779,197		78	12,562	1,126	9%	1,465,515
15	29	13,197	1,032	8%	1,540,100	40	79	13,256	1,444	11%	2,270,044
	30	16,486	1,691	10%	2,435,547		80	13,280	2,103	16%	3,437,124
16	31	13,307	1,572	12%	2,379,812	41	81	13,140	1,858	14%	3,158,396
	32	13,358	1,464	11%	2,248,094		82	14,530	1,160	8%	1,845,298
17	33	13,480	2,145	16%	3,433,138	42	83	13,706	1,437	10%	2,335,114
	34	14,054	1,775	13%	2,778,359		84	13,705	1,994	15%	3,564,094
18	35	14,065	1,195	9%	1,846,950	43	85	13,827	2,355	17%	4,297,840
	36	15,416	1,495	10%	2,173,857		86	12,196	2,709	22%	4,832,759
19	37	13,834	1,397	10%	2,209,286	44	87	11,963	1,810	15%	3,121,089
	38	13,200	1,551	12%	2,507,944		88	12,737	2,268	18%	3,956,742
20	39	13,396	1,470	11%	2,358,138	45	89	12,844	1,497	12%	2,360,179
	40	13,294	1,477	11%	2,457,321		90	12,585	2,165	17%	3,317,349
21	41	12,783	1,585	12%	2,422,178	46	91	12,183	1,612	13%	2,602,837
	42	15,115	1,486	10%	2,401,105		92	12,185	2,165	18%	3,696,873
22	43	12,265	2,052	17%	3,485,869	47	93	12,107	2,348	19%	3,707,855
	44	13,086	1,752	13%	2,784,288		94	11,753	2,053	17%	3,357,890
23	45	10,243	690	7%	870,269	48	95	12,497	2,178	17%	3,700,080
	46	13,162	958	7%	1,285,150		96	12,047	1,937	16%	3,304,790
24	47	16,153	1,129	7%	1,676,368	49	97	12,041	1,676	14%	2,738,081
	48	13,174	1,764	13%	2,918,261		98	13,525	1,387	10%	2,193,862
25	49	12,479	1,842	15%	3,125,546	50	99	13,280	1,898	14%	3,235,301
	50	12,021	1,669	14%	2,636,950		100	12,745	2,616	21%	4,627,184

Total Iowa Filers – U.S. Returns 2004: 1,311,219
Iowa Filers Claiming U.S. EITC: 168,361 (13%)

Total Credited to Iowans: \$ 274,396,281

Source: Brookings Institution