
hawaii income patterns

INDIVIDUALS -- 2000

DEPARTMENT OF TAXATION -- STATE OF HAWAII

STATE OF HAWAII

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INTRODUCTION

This 43rd annual edition of “Hawaii Income Patterns – Individuals” presents data compiled from resident and nonresident individual income tax returns filed in 2001 for tax year 2000. Additional information was collected from the federal returns of resident taxpayers for items not captured by the Department of Taxation’s computerized system.

Statistics in this report represent all individual income tax returns. However, separate sections present additional details about special groups: elderly residents, disabled residents, and dependents who filed resident returns.

HAWAII INCOME PATTERNS - 2000 INDIVIDUALS

OVERVIEW

Hawaii individual income tax returns filed for tax year 2000 increased by 8,151 or 1.4%, compared to tax year 1999. Both total reportable Hawaii income and Hawaii adjusted gross income increased by \$1.3 billion or 6.8% as shown in Figure 1. One of the major contributors to the income increase was a \$1,442 million jump in all other sources of income, including alimony received, other income, etc. Rents and royalties increased from a \$4 million net loss in 1999 to an \$8 million net gain in 2000. Salaries and wages, the primary source of income, rose by \$38 million. Since taxpayers do not report their income sources on Form N-11, indeterminate income sources are categorized as "unknown income" in this study. Therefore, the actual amount of salaries and wages received by taxpayers may be higher than the reported amount.

As income increased, gross tax liability before credits and net liability after credits grew 6.5% and 7.1%, respectively. Net liability increased at a higher rate than gross liability due to a drop in the amount of tax credit for low-income taxpayers as their incomes rose.

Figure 1
Comparison of Selected Items for All 2000 and 1999 Returns
(Money Amounts in Thousands of Dollars)

Item	2000	1999	Change
Number of Returns	574,874	566,723	1.4%
Number of Exemptions	1,212,497	1,203,934	0.7%
Number of Age Exemptions	135,934	135,744	0.1%
Number of Regular Exemptions	1,076,563	1,068,190	0.8%
Salaries and Wages.....	\$ 14,597,494	\$ 14,559,483	0.3%
Capital Gains (Net of Losses).....	1,505,568	1,555,348	-3.2%
Hawaii Total Income.....	20,350,168	19,059,262	6.8%
Total Adjustments.....	221,553	217,352	1.9%
Hawaii Adjusted Gross Income* ...	20,128,615	18,841,911	6.8%
Tax Liability Before Credits.....	1,058,230	993,478	6.5%
Tax Liability After Credits.....	1,009,560	942,324	7.1%

*Includes negative adjusted gross income.

CONFORMITY TO THE INTERNAL REVENUE CODE

In general, Hawaii has conformed its income tax laws to most of the Internal Revenue Code for ease of filing. However, several differences remain between Hawaii and federal tax laws.

Income items taxed by the federal government but not by Hawaii include social security benefits, most pension distributions, interest on U.S. government bonds, contributions to Hawaii's individual housing account, and the first \$1,750 of Hawaii national guard or military reserve duty pay. In contrast, several items are taxable under Hawaii tax laws but not under federal tax laws. These include federal cost of living allowances (COLA), employee contributions to the Hawaii state government retirement system, and interest on state and local government bonds issued by jurisdictions outside of Hawaii.

Other differences under the two laws include the amount of the standard deduction and the allowance on itemized deduction. Certain political contributions are deductible on the state return but not on the federal return. Furthermore, the state allowance on personal exemption differs from the federal law. Hawaii law allows an additional personal exemption for taxpayers 65 years of age or older within the taxable year. The state law also allows a disability exemption of \$7,000 in lieu of the regular personal exemption of \$1,040 for a taxpayer who is blind, deaf or totally disabled.

The federal government and Hawaii offer different tax credits on their returns. The federal return provides an earned income tax credit for low-income wage earners, an adoption tax credit, a credit for low-income elderly or disabled taxpayers, a credit for college expenses, and a credit for children under age 17. Alternatively, Hawaii lowers the tax burden on low-income taxpayers with a low-income tax credit and a low-income renter's tax credit. Derivation of these and other Hawaii tax credits are discussed in detail in a separate report.¹

LEGISLATION

Tax year 2000 was the second and last year of the first stage of a three-stage reduction of personal income taxes implemented by the 1998 legislature as Act 157. During this first stage, the highest income tax rate was 8.75%. The second stage of tax reduction will occur in tax year 2001. The highest tax rate will drop to 8.5%.

The 2000 legislature enacted two bills related to income tax measures. Act 90 clarifies the implementation of the Hawaii College Savings Program, effective May 2, 2000. Act 174 conformed Hawaii law to the Internal Revenue Code, effective after December 31, 1999.

¹ Sasaki, Gail, Tax Credits Claimed by Hawaii Individuals and Corporations – 2000, Hawaii Department of Taxation, Tax Research and Planning Office, June 2002.

DATA SOURCE AND METHODOLOGY

Data selected from a stratified random sample of resident and nonresident returns for tax year 2000 are included in this report. Information was retrieved from the department's Comprehensive Net Income Tax (CNIT) system up to late November 2001 in order to capture virtually all timely-filed tax year 2000 returns since the due date for returns with extensions was October 20, 2001. Supplemental data not collected by the CNIT system were extracted from the Individual Return Transaction File (IRTF) created by the Internal Revenue Service.

In this study, the sample was stratified by Hawaii adjusted gross income (AGI) for resident returns and by worldwide AGI for nonresident returns. A random sample of 48,033 returns was selected from resident and nonresident returns. This number represents a 8.4% sample of the total population of 574,874 resident and nonresident returns. Figure 2 shows the ranges of sampling size and frequency by return type. Sampling ranged from about 4.9% of returns for those with low positive AGI to 100% of returns for those with extreme negative or positive AGI.

Figure 2
Sample Size and Frequency (Percent of Population) by Return Type

AGI* In \$Thousands		N-11		N-12		N-13		N-15	
		Size	%	Size	%	Size	%	Size	%
Under	-\$1,000	20	100.0	0	n/a	0	n/a	77	100.0
-1,000 <	-100	276	100.0	2	100.0	0	n/a	226	100.0
-100 <	0	2,356	40.7	81	97.6	0	n/a	463	37.2
0 <	50	16,506	5.1	723	5.0	2,777	4.9	1,505	5.0
50 <	100	8,724	10.0	97	9.1	68	9.6	1,018	10.3
100 <	200	4,893	19.7	134	100.0	3	100.0	1,085	20.3
200 <	500	2,062	39.1	10	100.0	0	n/a	1,170	39.6
500 <	1,000	759	100.0	4	100.0	0	n/a	1,082	100.0
1,000 &	over	368	100.0	0	n/a	0	n/a	1,544	100.0
TOTAL		35,964	8.0	1,051	6.6	2,848	5.0	8,170	15.5

*Hawaii AGI for N-11, N-12, and N-13; worldwide AGI for N-15.

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After a random sample set for resident returns was created from the CNIT system, it was then merged with the IRTF data set for additional information, such as income sources and adjustments. Since some federal returns were processed after the creation date of the IRTF, a small fraction of the sample set did not merge with the IRTF. The non-merged returns were then either matched with the previous year federal returns or examined manually for income sources and adjustments on paper copies of schedules and attachments.

To merge with the IRTF data set, tax returns must have a Hawaii address because the federal data set includes returns with Hawaii addresses only. However, most nonresident taxpayers do not have Hawaii addresses on their N15 forms. For this reason, the sample data set for nonresident returns was not merged with the IRTF data set. Certain details on income sources are not available for nonresident returns.

To compile a clean and reliable data set, all returns in the sample were edited for errors. The most common errors are arithmetic and data entry. To correct the errors, paper copies of returns, schedules and attachments were examined manually if they were available. If the errors could not be corrected against the paper copies, indeterminate discrepancies were reported as “unknown income” and “unknown adjustments” in the tables in this report.

In this study, average total income, adjusted gross income (AGI), and gross tax liability are tabulated by geographic area for the first time. Details on these are presented in Table 16 in the Statistical Tables section.

Some of the statistics in this report are summarized by the four taxation districts of the State of Hawaii. The four taxation districts are:

<u>Taxation District</u>	<u>Island(s)</u>
First	Oahu
Second	Maui, Molokai, Lanai
Third	Hawaii
Fourth	Kauai, Niihau

TYPES AND NUMBER OF RETURNS FILED

Any individual receiving gross income that is more than the sum of the standard deduction and personal exemption amounts and subject to Hawaii's income tax law is required to file a tax return. In addition, any individual doing business in Hawaii must file a return, whether or not any taxable income was derived from that business. However, individuals who are not required to file or have no income choose to file returns in order to claim tax credits or refunds of taxes withheld.

Dependent taxpayers whose earned and/or unearned income is greater than the applicable standard deduction amount must also file a return. However, if a child's income consists only of interest, ordinary dividends and capital gain distributions, and is more than \$500 but less than \$5,000, his or her parent may choose to report that unearned income on the parent's return. If the parent makes this election, the child will not have to file a return. Instead, the parent will have to complete and attach Form N-814, Parent's Election to Report Child's Interest and Dividends, to his or her return.

Hawaii taxpayers may report their income on one of four individual tax forms:

- N-11 for residents who also file a federal income tax return. Federal adjusted gross income is used as the starting point.
- N-12 for residents who do not file a federal income tax return and do not qualify to use Form N-13.
- N-13 for residents with taxable income below \$100,000 and income restricted to wages, salaries, tips, interest, ordinary dividends, and unemployment compensation. Taxpayers with adjustments or itemized deductions must use Form N-11 or Form N-12.
- N-15 for nonresidents with income from Hawaii sources and for part-year residents.

As indicated in Figure 3, the number of returns processed in tax year 2000 was 1.4% or 8,151 more than the previous year. Among the four tax forms, Form N-15 filings had the highest growth rate: 6.5%. The growth in number of nonresidents and part-year residents filing N-15 accounted for about 39% of the total return count increase. Since the introduction of the simplified N-11 form in tax year 1995, Form N-11 has been the most widely used tax return by residents. Eighty-six percent of resident returns filed were on Form N-11. However, the increase in Form N-11 filings was moderated by the drop in Forms N-12 and N-13 returns filed. The number of N-11 returns filed grew 3.2%, while the number of N-12 and N-13 returns filed declined by 13.4% and 10.5%, respectively.

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Figure 3
Comparison of Type of Return Filed
In Each Taxation District in 2000 and 1999

Type of Return	TAXATION DISTRICT				
	State	First	Second	Third	Fourth
All Returns					
2000	574,874	426,103	58,583	63,462	26,726
1999	566,723	421,955	56,850	61,864	26,054
% Change	1.4%	1.0%	3.0%	2.6%	2.6%
Form N-11					
2000	449,063	328,212	48,799	50,249	21,803
1999	434,936	319,445	46,630	47,896	20,965
% Change	3.2%	2.7%	4.7%	4.9%	4.0%
Form N-12					
2000	15,884	11,584	1,458	2,056	786
1999	18,338	13,323	1,769	2,364	882
% Change	-13.4%	-13.1%	-17.6%	-13.0%	-10.9%
Form N-13					
2000	57,185	41,058	4,916	8,186	3,025
1999	63,904	46,074	5,546	9,013	3,271
% Change	-10.5%	-10.9%	-11.4%	-9.2%	-7.5%
Form N-15					
2000	52,742	45,249	3,410	2,971	1,112
1999	49,545	43,113	2,905	2,591	936
% Change	6.5%	5.0%	17.4%	14.7%	18.8%

The number of returns by filing status of taxpayer is tabulated in Figure 4. The distribution of filing status remained stable over the years. Nearly half of all returns processed claimed single status, followed by joint and head of household. The most common filing status among resident taxpayers was single, while joint returns were most common among nonresident taxpayers. Residents claiming single tax status accounted for 49.8% of the returns filed, while nonresidents claiming joint status accounted for 46.6%.

Figure 4
Number of Returns by Status of Taxpayer

Status	Residents		Nonresidents		All Returns	
	No. of Returns	% of Total	No. of Returns	% of Total	No. of Returns	% of Total
Joint	197,714	37.9%	24,569	46.6%	222,283	38.7%
Single.....	260,267	49.8%	20,755	39.4%	281,022	48.9%
Married Filing Separate	10,740	2.1%	5,227	9.9%	15,967	2.8%
Head of Household.....	53,085	10.2%	2,190	4.2%	55,275	9.6%
Qualified Widow(er).....	326	0.1%	1	0.0%	327	0.1%
TOTAL	522,132	100.0%	52,742	100.0%	574,874	100.0%

Note: Due to rounding, details may not add to totals.

RESIDENT RETURN STATISTICS

Chart 1 illustrates the major components of resident returns for the 2000 tax year.

Resident Income and Adjustments

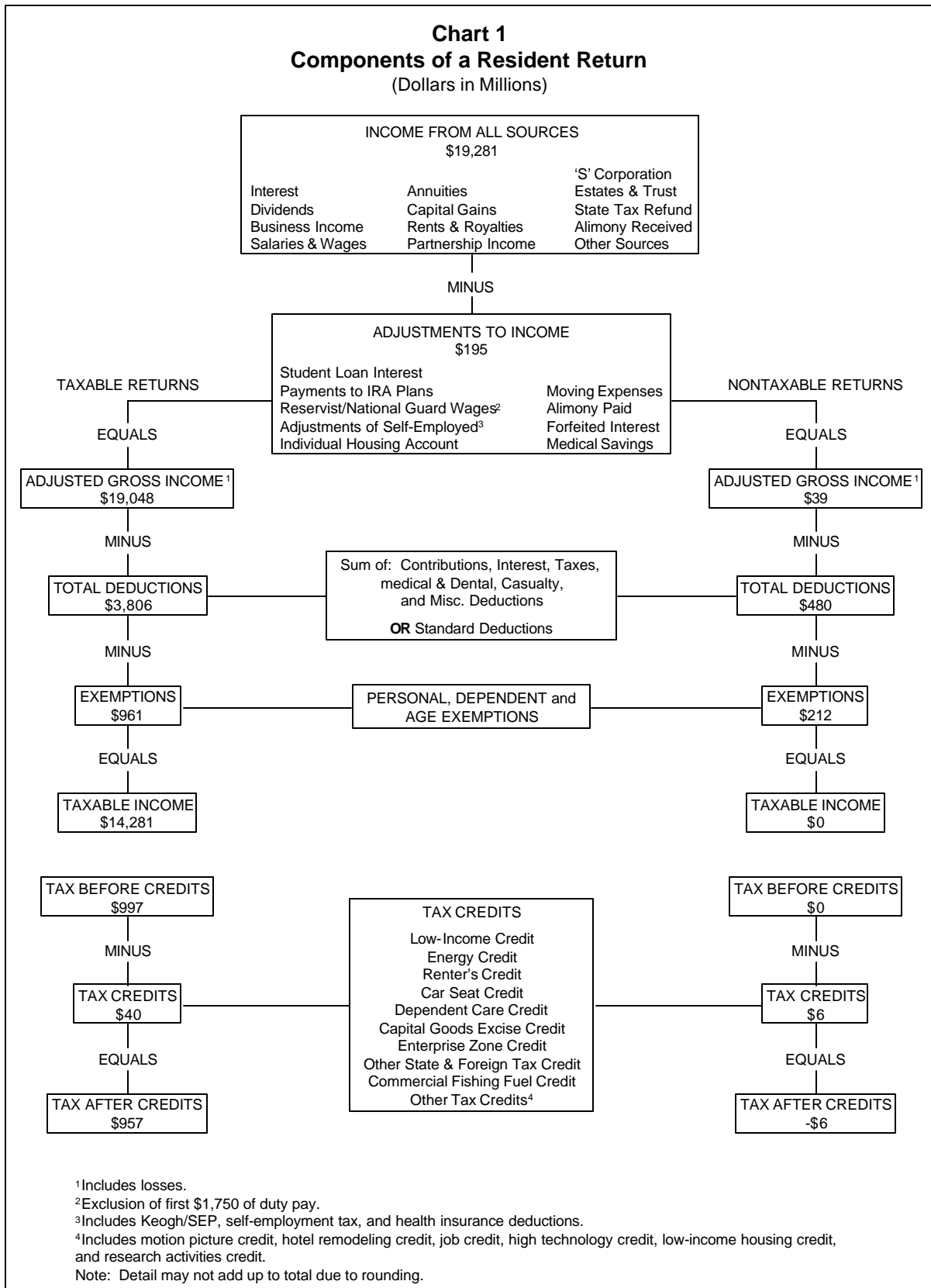
Total income reported for federal purposes amounted to \$21.4 billion, up 4.7%, or \$1 billion over the prior year. In tax year 2000, the three primary income sources were salaries and wages, pensions and annuities, and net gains on the sale of capital assets, which were at the same levels as in the previous year. Salaries and wages, which accounts for 65.6% of total reported income, amounted to \$14,060 million. Pensions and annuities amounted to 8.4% of total income and totaled \$1,791 million. Net gains on the sale of capital assets, which represented 5.6% of total income, totaled \$1,202 million.

Income from rentals and royalties escalated to \$8.4 million in net gains as compared to \$3.7 million in net losses in previous year. The substantial jump in the net income of rentals and royalties can be explained by a 2.3% decline in the state rental vacancy rate in 2000, slipping from 7.6% to 5.3%.² Miscellaneous income sources, including alimony received by residents and schedule E of nonresidents, improved significantly over the past year. Net loss from these sources fell from \$160.4 million to \$98.6 million.

² U.S. Census Bureau, Housing Vacancies and Homeownership Annual Statistics: 2000, Table 3.

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Chart 1
Components of a Resident Return
 (Dollars in Millions)



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Net gains on the sale of capital assets declined 12.6% from the sizeable jump of last year, falling to \$1.2 billion from \$1.4 billion. Income of estates and trusts also indicated a moderate decrease of 24.8% or \$24.4 million from a year ago. The amount of income from unemployment compensation continued its downward slide from \$98.8 million for 1999 to \$70.6 million. The number of residents reporting unemployment plunged from 29,825 to 23,075.

Since Form N-11 uses the federal adjusted gross income (AGI) as the starting point, total Hawaii reportable income is not available on N-11 returns. To derive Hawaii total income, items taxed by Hawaii only are added to and items taxed by federal only are subtracted from the federal total income. Some of the Hawaii-taxable items that are added are cost of living allowance (COLA), contributions to the State's employees retirement system (ERS), and interest on out-of-state bonds. Some of the federally taxable items that are subtracted include social security benefits and certain pensions. As shown in Table 4 in the Statistical Tables section, the amounts of "items taxed by Hawaii but not by Federal" and "items taxed by Federal but not by Hawaii" totaled \$302 million and \$2,456 million, respectively. Hawaii total income rose 4.4% to \$19.3 billion from \$18.5 billion in 1999.

A taxpayer may claim certain adjustments that are deducted from total income to obtain adjusted gross income. Figure 5 lists the adjustments that are available to Hawaii residents and reveals the distribution of adjustments claimed on resident returns in 2000.

The adjustments listed in Figure 5 are available on both the federal and the Hawaii returns, except individual housing account and Hawaii national guard/military reserve pay that are available on Hawaii returns only. Because of the simplified Form N-11, details of adjustments for certain Form N-11 filers may not be available if there are no matching federal returns for data extraction. Adjustments for those filers are classified as "unknown adjustments". In tax year 2000, Hawaii total adjustments decreased slightly from \$196.8 million to \$194.5 million, representing a 1.2% drop. The most commonly claimed adjustment in terms of dollars and returns was self-employment tax, amounting to \$54.6 million on 46,972 returns. About 28% of the total dollar amount of Hawaii adjustments was from self-employment tax, followed by 23% from Keogh and SEP retirement plans, and 17% from IRA contributions.

After deducting adjustments from state total income, state adjusted gross income (AGI) was \$19.1 billion for tax year 2000. As compared with \$18.3 billion of tax year 1999, state AGI rose 4.4%. As illustrated in Figure 6, median AGI for all resident returns advanced 2.3% from \$21,662 in 1999 to \$22,157 in 2000. For taxable resident returns, median AGI showed an increase of 1.8% over the previous year.

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Figure 5
Adjustments to Income on Resident Returns

Type of Adjustment	Number of Returns	Amount
Individual Retirement Account Contributions.....	15,830	\$ 32,186,136
Moving Expenses.....	2,589	6,760,390
One-half of Self-Employment Tax.....	46,972	54,583,435
Self-Employment Health Insurance Deduction.....	12,772	22,219,803
Keogh and SEP Retirement Plans.....	5,371	44,795,872
Alimony Paid.....	1,181	12,436,771
Penalty for Early Withdrawal of Savings.....	4,105	914,597
Medical Savings Account Contributions.....	58	83,647
Student Loan Interest.....	8,984	4,963,401
Individual Housing Account Contributions.....	116	607,026
Hawaii National Guard/Military Reserve Pay.....	5,985	10,254,594
Unknown Adjustments.....	1,324	4,733,153
Total Adjustments.....	79,765	\$ 194,538,825

Figure 6
Median Adjusted Gross Income on Resident Returns
by Status, Taxation District and Year

Taxation District	All Returns		Joint		All Others**	
	2000	1999	2000	1999	2000	1999
All Resident Returns*						
Oahu	\$ 22,633	\$ 22,375	\$ 48,216	\$ 46,467	\$ 14,992	\$ 14,793
Maui	23,515	22,405	47,651	45,092	16,780	16,620
Hawaii	18,268	17,360	39,034	36,433	11,817	11,148
Kauai	20,778	20,241	43,982	41,243	14,024	14,322
STATE	\$ 22,157	\$ 21,662	\$ 46,636	\$ 44,656	\$ 14,764	\$ 14,596
Taxable Resident Returns						
Oahu	\$ 28,968	\$ 28,363	\$ 56,354	\$ 53,988	\$ 19,732	\$ 19,400
Maui	27,607	26,817	52,629	50,489	20,341	19,295
Hawaii	24,250	23,800	47,563	44,997	16,970	16,449
Kauai	26,460	25,598	48,781	46,718	17,628	17,888
STATE	\$ 27,948	\$ 27,445	\$ 54,353	\$ 52,085	\$ 19,352	\$ 18,969

*Includes returns with AGI losses.

**Includes single, married filing separately, heads of households, and qualifying surviving spouses.

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Resident Deductions and Personal Exemptions

Taxpayers may choose to itemize their deductions if their itemized deductions are more than their corresponding standard deduction amount. Itemizers may deduct part of their medical and dental expenses, certain taxes paid, interest expenses, charitable contributions, casualty and theft losses, and other miscellaneous expenses from adjusted gross income. Three of these deduction categories are subject to the AGI limit. First, a 2% AGI limit is applied to certain miscellaneous deductions. Second, only the part of medical and dental expenses that is more than 7.5% of AGI is deductible. Third, taxpayers can deduct casualty and theft losses only to the extent that the total amount of losses is more than 10% of AGI. In addition to restrictions on certain deductions, a deduction limitation is imposed on taxpayers with AGI more than \$100,000, or \$50,000 if married filing separately. These high-income taxpayers are required to reduce their itemized deductions by the smaller of 80% of certain itemized deductions or 3% of the amount by which AGI exceeds the \$100,000 or \$50,000 threshold.

If taxpayers do not itemize their deductions, they may reduce their adjusted gross income by the amount of the standard deduction appropriate to their filing status. The amount of the standard deduction for each filing status is listed below:

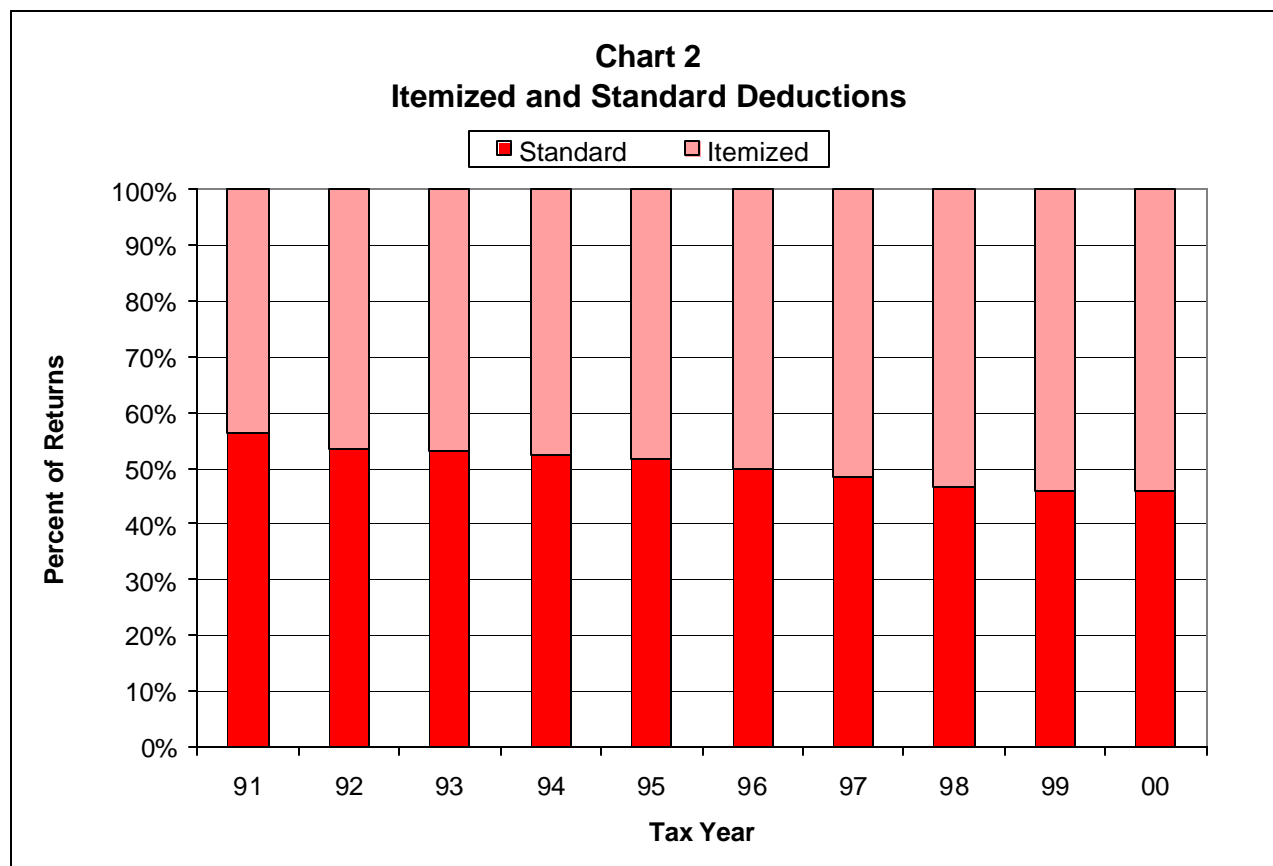
<u>Status</u>	<u>Standard Deduction</u>
Single.....	\$ 1,500
Joint.....	1,900
Married Filing Separately.....	950
Head of Household.....	1,650
Qualified Widow(er).....	1,900
Dependent.....	500

For dependent taxpayers, their standard deduction is limited to the greater of \$500 or their earned income up to the full standard deduction for their filing status. In most cases, dependent taxpayers claim single status, and the corresponding maximum standard deduction is \$1,500 for those with earned income.

In tax year 2000, 521,912 resident returns reported \$4,285.9 million of total allowable itemized deductions and standard deductions. As compared to \$4,035.0 million for last year, total deductions experienced an increase of 6.2%. The average amount reported per return rose 5.2% from \$7,808 to \$8,212. Chart 2 illustrates that the distribution of residents taking standard deductions and itemized deductions in tax year 2000 did not change from 1999: 46% and 54%, respectively. Over time, however, standard deduction users have declined by 10% from 56% in 1991. This may be attributable to the fact that the standard deduction has not been adjusted for inflation. In terms of dollar volume, 91.5% of total deductions was allowable itemized deductions. Standard deductions increased slightly from \$365.0 million to \$365.5 million, while allowable itemized deductions advanced 6.8% from \$3,670.0 million to \$3,920.4 million. The

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average amount of standard deduction per return decreased 0.4% to \$1,529, while the average amount of allowable deductions increased 5.4% to \$13,860.



Among returns itemizing deductions, taxes paid was the most commonly claimed deduction that appeared on 98% of returns and totaled to \$1,202.3 million. This dollar amount represented the second largest component (30.7%) of itemized deductions. Showing up on 84% of itemized returns, charitable contributions was the second most commonly claimed deduction. Contribution deductions amounted to \$456.4 million, which was the third largest component (11.6%) of itemized deductions. About 55% of itemizers took a deduction for interest expenses. This third most commonly claimed deduction totaled to \$1,723 million, making up the largest component (43.9%) of itemized deductions.

Since medical and dental expenses, casualty and theft losses, and certain miscellaneous expenses are subject to the AGI limit, the portion of itemizers claiming these deduction categories is small. These deductions were claimed on less than 40% of itemized returns: medical and dental expenses were claimed on 22.2%, casualty and theft losses on 0.3%, miscellaneous expenses on 38.9% of itemized returns. Because these deduction categories cannot be deducted in full, they made up only 13.7% of the total dollar amount of itemized deductions, or \$538.9 million: medical and dental

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expenses amounted to \$221.8 million, casualty and theft losses to \$4.1 million, and miscellaneous expenses to \$313.1 million.

A personal exemption of \$1,040 is allowed for each taxpayer, taxpayer's spouse, and qualified dependents. An additional personal exemption is available to a taxpayer and/or spouse who is 65 years of age or older. A taxpayer who can be claimed as a dependent on another taxpayer's return cannot claim a personal exemption on his or her own return.

Blind, deaf, or totally disabled taxpayers are allowed a special personal exemption of \$7,000 in lieu of all personal exemptions, except those for a non-disabled spouse and that spouse's age. If the spouse is also disabled, the total allowable exemption amount is \$14,000.

Personal exemption claims in 2000 remained nearly unchanged from that of 1999. Both dollar amount and number of returns increased less than half of a percentage point. The amount of resident exemptions rose slightly from \$1,172.0 million to \$1,172.7 million. The number of exemptions increased a scant 2,684 to 1,101,416. The distribution of personal exemptions is identical to the previous year's distribution. Exemptions for age accounted for 12% of the reported resident exemptions, while exemptions for dependents accounted for 27%. The remaining 62% of exemptions were for primary taxpayers, including spouses on joint returns.

Resident Taxable Income and Tax Liability

Taxpayers obtain their taxable income by subtracting deductions and personal exemptions from adjusted gross income. Taxable income was reported on 434,456 resident returns in 2000. The percentage of resident returns with taxable income remained at 83%, as it was a year ago. The amount of taxable income grew 3.8% to \$14.2 billion. The average taxable income per taxable return was \$32,872, representing a 2.9% growth.

Based on the amount of taxable income, and the tax rate schedule or the tax table, taxpayers figure their tax liability. Gross tax liability before tax credits advanced 5% to \$996.9 million. The average gross tax liability per taxable return increased by 4.1% to \$2,295 from \$2,205. Net tax liability after tax credits of \$46.2 million³ showed an increase of 5.7% from \$899.7 million to \$950.7 million. The average net tax liability per taxable return after tax credits grew 4.7% to \$2,188 from \$2,090.

The effective tax rates based on taxable income before credits and after credits rose slightly from 6.9% to 7.0% and from 6.6% to 6.7%, respectively.

³ Since sample selection was based on the focus of each report, individual credit claims totaled \$50.0 million in the tax credit report.

NONRESIDENT AND PART-YEAR RESIDENT RETURN STATISTICS

Nonresidents and part-year residents use Form N-15 to file their income amounts and adjustment amounts from both worldwide and Hawaii sources. In this report, discussion is focused on Hawaii income and adjustments. References to 'non-residents' include part-year residents throughout this report.

For tax year 2000, nonresidents and part-year residents using Form N-15 numbered 52,742, up 6.5% from the previous year. The number of Form N-15 filed in 2000 accounted for 9.2% of all returns, compared with 8.7% a year earlier.

Nonresident Income and Adjustments

Total income from Hawaii sources reported on Form N-15 amounted to \$1.1 billion as shown in Figure 7. Income from all sources showed a significant jump from 1999. Net income from rents, partnerships, S-corporation, and estate/trust activities which totaled \$229.4 million was the income source with the largest increase in 2000.

Figure 7
Sources of Income Reported
by Nonresident Taxpayers in 2000 and 1999
(In Thousands of Dollars)

Sources of Income	2000	1999	Increase (Decrease)
TOTAL.....	\$ 1,068,694	\$ 585,507	\$ 483,187
Salaries and Wages.....	\$ 537,628	\$ 465,300	\$ 72,328
Interest.....	26,650	22,253	4,397
Ordinary Dividends.....	10,642	6,484	4,158
Capital Assets/Other Property.....	303,511	180,086	123,425
Rents, Royalties, Partnerships, S Corp., Estates and Trusts.....	229,352	65,494	163,858
All other Sources.....	(39,089)	(154,110)	115,021

After deducting income adjustments of \$27.0 million from Hawaii total income, the resulting Hawaii AGI was \$1,041.7 million. Hawaii AGI of nonresidents was 6.0% of their worldwide AGI of \$17.3 billion. Compared to 3.4% of a year ago, Hawaii AGI as a percent of worldwide AGI nearly doubled.

Individual Income - 2000

Nonresident Deductions and Exemptions

Tax year 2000 was the second year that Form N-15 filers used their Hawaii itemized deductions, prorated standard deductions, and prorated exemption amounts to determine their Hawaii taxable income and Hawaii tax liability. The prorated amount is based on the ratio of Hawaii AGI to worldwide AGI.

Nonresident returns with prorated standard deductions and Hawaii itemized deductions accounted for 43.4% and 41.5%, respectively, of all nonresident returns. Of the 21,892 returns claiming Hawaii itemized deductions, 5.3% was not allowable. Total allowable Hawaii itemized deductions and prorated deductions fell 7.1% to \$188.2 million from \$202.6 million. Prorated standard deductions totaled \$17.4 million, experiencing an increase of 12.3%. Total allowable Hawaii itemized deductions contracted by \$16.3 million, or 8.7%, to \$170.8 million. Unallowable Hawaii itemized deductions amounted to \$6.9 million.

A total of 50,824 nonresident returns filed personal exemptions numbering 111,081 up 5.6% from 105,202 in 1999. The amount of prorated exemptions claimed in 2000 was \$37.5 million. This amount represents a 5.3% increase over the previous year's prorated exemption amount of \$35.6 million.

Nonresident Taxable Income and Tax Liability

Nonresidents with Hawaii taxable income numbered 39,926, or 75.7% of total nonresident returns. The portion of nonresidents with taxable income was fairly stable when compared with 74.6% of a year earlier. Hawaii taxable income amounted to \$1,109.1 million and the average taxable income per taxable return was \$27,779 in 2000.

Gross tax liability before tax credits amounted to \$61.3 million and the average gross tax liability was \$1,536 per taxable return. Net tax liability after tax credits totaled \$58.5 million and the average net tax liability per taxable return was \$1,473.

ELDERLY RESIDENT TAXPAYERS

Returns filed by resident taxpayers 65 years or older numbered 93,609 compared to 93,523 a year earlier. Elderly taxpayers accounted for 17.9% of total resident returns. They reported state total income of \$2.2 billion and federal total income of \$3.9 billion. In contrast, non-elderly taxpayers reported state total income of \$17.1 billion and federal total income of \$17.5 billion. As illustrated in Figure 8, the largest income source of elderly filers was pension and annuity income, which was 31.2% of federal total income. This percentage is nearly ten times greater than the 3.3% among non-elderly taxpayers. Non-elderly taxpayers reported salaries and wages as the biggest income source at 76.5%, which is nearly five times greater than the 16.6% among elderly taxpayers. Elderly filers experienced a net income of \$88.4 million from rents and royalties, while non-elderly filers had a net loss of \$80.0 million from rents and royalties.

Individual Income - 2000

Subtracting adjustments of \$19.8 million from Hawaii total income resulted in Hawaii AGI of \$2.2 billion. Elderly taxpayers claimed \$73.4 million in standard deductions, \$634.7 million in itemized deductions, and \$301.1 million in personal exemptions. Taxable income grew 9.1% from \$1.1 billion in 1999 to \$1.2 billion in 2000. Gross tax liability before tax credits climbed 4.8% from \$99.4 million to \$104.2 million. Net tax liability after tax credits of \$95.1 million increased 6.0% over the previous year's \$89.7 million.

Figure 8
Sources of Income Reported by the Elderly and
All Other Residents - 2000
(In Thousands of Dollars)

Sources of Income	Elderly		All Others	
	Amount	% of Total	Amount	% of Total
FEDERAL TOTAL INCOME	\$ 3,902,035	100.0%	\$ 17,533,211	100.0%
Salaries and Wages.....	\$ 647,809	16.6%	\$ 13,412,057	76.5%
Taxable Dividends.....	223,528	5.7%	220,353	1.3%
Interest.....	340,298	8.7%	294,615	1.7%
Sole Proprietorships.....	62,505	1.6%	635,900	3.6%
Capital Assets and Other Property.....	452,324	11.6%	749,733	4.3%
Rents and Royalties.....	88,378	2.3%	(80,009)	-0.5%
Partnerships.....	60,545	1.6%	361,995	2.1%
Estates and Trusts.....	33,603	0.9%	40,197	0.2%
Pensions and Annuities.....	1,218,112	31.2%	573,367	3.3%
Taxable IRA Payouts.....	228,924	5.9%	156,069	0.9%
Taxable Social Security.....	378,599	9.7%	41,224	0.2%
All Other Sources.....	167,407	4.3%	1,127,710	6.4%

Note: detail may not add up to total due to rounding.

BLIND, DEAF AND DISABLED RESIDENT TAXPAYERS

A blind, deaf, or totally disabled (BDD) taxpayer qualifies for a special personal exemption of \$7,000 in lieu of the \$1,040 regular personal exemption. If a disabled couple filed a joint return, the couple is allowed to claim a total of \$14,000 in special personal exemptions. If the spouse is non-disabled, he or she may claim the \$1,040 regular personal exemption and an additional \$1,040 for the age exemption. A disabled taxpayer who claims the special personal exemption will not be able to claim the additional exemption for dependents and age.

Individual Income - 2000

A total of 5,187 resident returns filed BDD exemptions. In comparison to 1999, the number of resident returns claiming BDD exemptions decreased 11.6%. Federal total income of \$253.5 million and state total income of \$179.8 million were reported by BDD taxpayers in 2000. Nearly 25.5% of the federal income was from salaries and wages, which totaled \$64.4 million. Income from pensions and annuities of \$51.7 million, or 20.4% of federal income, was the second major income source. The third major income source was net gains from the sale of capital assets and other property, which amounted to \$36.5 million, or 14.4% of the total.

Taxable income amounted to \$81.6 million, which resulted in a gross tax liability of \$6.8 million before tax credits. Net tax liability after tax credits totaled \$6.3 million in 2000. In contrast, taxable income, gross tax liability, and net tax liability reported in 1999 were \$94.8 million, \$7.6 million, and \$7.1 million, respectively. Tax year 2000 experienced a 13.9% decrease in taxable income, 10.5% drop in gross tax liability, and 11.3% decline in net tax liability.

DEPENDENT RESIDENT TAXPAYERS

Dependent taxpayers are individuals who file their own returns but who are claimed as dependents by another taxpayers. Although they may not claim the personal exemption of \$1,040, they may claim the standard deduction. The allowable standard deduction amount is the greater of \$500 or their earned income, but not more than their appropriate standard deduction.

For tax year 2000, dependent taxpayers filed a total of 40,430 returns, representing an increase of 6.2% from a year earlier. Hawaii total income amounted to \$196.9 million, while federal total income totaled \$199.5 million. The sum of salaries and wages, and net income from the sale of capital assets and other property represented 83.9% of federal total income. Salaries and wages totaling \$142.1 million represented 71.2% of the total. Net income from the sale of capital assets and other property followed as the next largest source amounting to \$25.2 million, or 12.6% of the total.

Taxable income totaled \$143.7 million, resulting in gross tax liability before tax credits of \$6.7 million. Net tax liability after tax credits amounted to \$6.6 million. As compared to a year earlier, tax year 2000 experienced an increase of 13.6% in taxable income and a rise of 15.8% in net tax liability.

**STATISTICAL
TABLES**

TABLE 1
PERCENT DISTRIBUTION OF SELECTED DATA ON ALL RESIDENT RETURNS BY ADJUSTED GROSS INCOME CLASS - 2000

ADJUSTED GROSS INCOME CLASS	Number of Returns		Adjusted Gross Income		Taxable Income		Tax Liability	
	Number	%	Amount	%	Amount	%	Amount	%
TAXABLE RESIDENT RETURNS								
Under \$ 5,000	32,077	7.4%	\$ 100,644,549	0.5%	\$ 43,832,462	0.3%	\$ 965,612	0.1%
\$ 5,000 " 10,000	45,522	10.5%	338,480,565	1.8%	196,887,825	1.4%	6,947,213	0.7%
10,000 " 20,000	80,951	18.6%	1,210,407,425	6.4%	838,635,115	5.9%	42,094,396	4.2%
20,000 " 30,000	70,888	16.3%	1,754,814,560	9.2%	1,303,894,561	9.1%	77,663,953	7.8%
30,000 " 40,000	49,449	11.4%	1,713,032,506	9.0%	1,282,913,925	9.0%	82,218,474	8.2%
40,000 " 50,000	35,764	8.2%	1,604,269,191	8.4%	1,176,570,360	8.2%	77,453,159	7.8%
50,000 " 75,000	58,719	13.5%	3,592,103,921	18.9%	2,630,739,628	18.4%	180,528,660	18.1%
75,000 " 100,000	29,764	6.9%	2,563,746,991	13.5%	1,893,332,097	13.3%	136,023,265	13.6%
100,000 " 150,000	19,627	4.5%	2,326,236,015	12.2%	1,772,740,576	12.4%	134,437,838	13.5%
150,000 " 200,000	5,295	1.2%	901,712,879	4.7%	709,308,748	5.0%	56,408,479	5.7%
200,000 and over	6,400	1.5%	2,942,193,308	15.4%	2,432,455,591	17.0%	202,149,692	20.3%
TOTAL - TAXABLE RETURNS	434,456	100.0%	\$ 19,047,641,910	100.0%	\$ 14,281,310,888	100.0%	\$ 996,890,741	100.0%
NONTAXABLE RESIDENT RETURNS								
Loss	6,172	7.0%	\$ (240,241,232)					
\$ 0 under \$ 5,000	66,628	76.0%	78,329,729					
5,000 " 10,000	8,047	9.2%	57,352,461					
10,000 and over	6,829	7.8%	143,852,851					
TOTAL - NONTAXABLE RETURNS	87,676	100.0%	\$ 39,293,809					
ALL RESIDENT RETURNS	522,132		\$ 19,086,935,719		\$ 14,281,310,888		\$ 996,890,741	

¹ Includes returns with negative AGI.

TABLE 2
SELECTED DATA ON ALL RETURNS FILED, BY TYPE OF RETURN FILED AND BY ADJUSTED GROSS INCOME CLASS - 2000

ADJUSTED GROSS INCOME CLASS	Number of Returns			Adjusted Gross Income		
	Single ¹	Joint	H/H	Single ¹	Joint	H/H ²
TAXABLE RESIDENT RETURNS						
Under \$ 5,000	31,103	276	698	\$ 96,489,444	\$ 1,198,253	\$ 2,956,852
\$ 5,000 "	35,810	5,066	4,646	263,394,147	39,812,929	35,273,489
10,000 "	50,355	16,823	13,773	742,755,081	257,985,783	209,666,561
20,000 "	39,929	18,492	12,467	986,594,832	462,427,101	305,792,627
30,000 "	25,050	17,344	7,055	865,136,491	606,385,291	241,510,724
40,000 "	13,470	18,967	3,327	601,056,671	854,848,352	148,364,168
50,000 "	14,438	40,560	3,721	861,508,362	2,510,373,752	220,221,807
75,000 "	3,866	24,933	965	330,028,962	2,151,398,878	82,319,151
100,000 "	2,102	17,133	392	251,421,215	2,027,715,481	47,099,319
150,000 "	640	4,500	155	108,612,203	766,219,421	26,881,255
200,000 and over	1,036	5,215	149	558,284,159	2,305,727,386	78,181,763
TOTAL - TAXABLE RETURNS	217,799	169,309	47,348	\$ 5,665,281,567	\$ 11,984,092,627	\$ 1,398,267,716
NONTAXABLE RESIDENT RETURNS						
Loss	3,471	2,354	347	\$ (65,642,458)	\$ (164,701,589)	\$ (9,897,185)
\$ 0 under \$ 5,000	45,861	16,254	4,513	42,766,657	27,893,637	7,669,435
5,000 " 10,000	2,112	5,295	640	15,315,126	37,790,342	4,246,993
10,000 and over	1,764	4,502	563	41,165,597	91,348,714	11,338,540
TOTAL - NONTAXABLE RETURNS	53,208	28,405	6,063	\$ 33,604,922³	\$ (7,668,896)	\$ 13,357,783³
ALL RESIDENT RETURNS	271,007	197,714	53,411	\$ 5,698,886,489³	\$ 11,976,423,731	\$ 1,411,625,499³
ALL NONRESIDENT RETURNS	25,982	24,569	2,191	\$ 470,699,190³	\$ 541,834,868	\$ 29,145,140³
TOTAL - ALL RETURNS	296,989	222,283	55,602	\$ 6,169,585,679³	\$ 12,518,258,599	\$ 1,440,770,639³

See end of table for footnotes.

TABLE 2 (continued)
 SELECTED DATA ON ALL RETURNS FILED, BY TYPE OF RETURN FILED AND BY ADJUSTED GROSS INCOME CLASS - 2000

ADJUSTED GROSS INCOME CLASS	Taxable Income			Tax Liability		
	Single ¹	Joint	H/H ²	Single ¹	Joint	H/H ²
TAXABLE RESIDENT RETURNS						
Under \$ 5,000	\$ 43,244,107	\$ 125,503	\$ 462,852	\$ 956,172	\$ 2,019	\$ 7,421
\$ 5,000 " 10,000	170,116,246	11,461,799	15,309,780	6,420,714	193,004	333,495
10,000 " 20,000	567,470,952	132,385,589	138,778,574	31,457,576	4,436,219	6,200,601
20,000 " 30,000	799,306,793	282,793,888	221,793,880	51,576,452	13,626,076	12,461,425
30,000 " 40,000	697,770,317	406,029,387	179,114,221	48,379,546	22,764,245	11,074,683
40,000 " 50,000	477,137,881	590,367,153	109,065,326	34,501,489	35,772,963	7,178,707
50,000 " 75,000	676,705,657	1,789,041,226	164,992,745	51,019,504	117,975,421	11,533,735
75,000 " 100,000	263,062,382	1,567,822,393	62,447,322	20,599,899	110,771,435	4,651,931
100,000 " 150,000	202,626,552	1,533,145,939	36,968,085	16,158,899	115,398,600	2,880,339
150,000 " 200,000	88,636,214	598,984,685	21,687,849	7,194,221	47,455,689	1,758,569
200,000 and over	471,262,805	1,895,278,814	65,913,972	39,091,981	157,484,490	5,573,221
TOTAL - TAXABLE RETURNS	\$ 4,457,339,906	\$ 8,807,436,376	\$ 1,016,534,606	\$ 307,356,453	\$ 625,880,161	\$ 63,654,127
NONTAXABLE RESIDENT RETURNS						
Loss						
\$ 0 under \$ 5,000						
5,000 " 10,000						
10,000 and over						
		NOT APPLICABLE			NOT APPLICABLE	
TOTAL - NONTAXABLE RETURNS						
ALL RESIDENT RETURNS	\$ 4,457,339,906	\$ 8,807,436,376	\$ 1,016,534,606	\$ 307,356,453	\$ 625,880,161	\$ 63,654,127
ALL NONRESIDENT RETURNS	\$ 507,719,017	\$ 574,359,739	\$ 27,034,747	\$ 21,149,873	\$ 38,577,551	\$ 1,611,667
TOTAL - ALL RETURNS	\$ 4,965,058,923	\$ 9,381,796,115	\$ 1,043,569,353	\$ 328,506,326	\$ 664,457,712	\$ 65,265,794

1 Includes married filing separately.
 2 Includes heads of household and qualifying surviving spouses.
 3 Includes returns with negative AGI.

TABLE 3
SELECTED DATA ON NONRESIDENT RETURNS FILED BY ADJUSTED GROSS INCOME CLASS - 2000

ADJUSTED GROSS INCOME CLASS	Number of Returns	Hawaii Adjusted Gross Income	Worldwide Adjusted Gross Income	No. of Exemptions		Hawaii Taxable Income	Hawaii Tax Liability
				Regular	Age		
TAXABLE NONRESIDENT RETURNS							
Under \$ 5,000	11,593	\$ 28,335,505	\$ 2,645,524,186	19,511	1,378	\$ 20,342,614	\$ 397,576
\$ 5,000 "	8,486	61,637,761	871,692,589	15,750	759	47,900,783	1,581,682
10,000 "	8,259	120,107,424	1,304,815,013	16,821	748	97,359,828	4,753,348
20,000 "	4,353	107,056,078	709,868,410	10,715	394	88,211,528	5,073,338
30,000 "	2,537	87,329,129	839,178,940	5,752	321	70,989,611	4,474,049
40,000 "	1,152	51,399,412	398,959,831	2,930	84	42,657,146	2,837,218
50,000 "	1,661	100,109,807	886,581,646	3,861	308	84,188,834	5,878,247
75,000 "	606	52,229,602	360,834,076	1,483	134	43,891,820	3,180,681
100,000 "	576	69,100,408	1,341,261,360	1,381	187	59,111,683	4,420,318
150,000 "	245	42,623,497	345,179,149	527	101	36,836,226	2,816,893
200,000 and over	458	551,108,517	3,258,598,597	1,073	186	517,613,859	25,925,741
TOTAL - TAXABLE RETURNS	39,926	\$ 1,271,037,140	\$ 12,962,493,797	79,804	4,600	\$ 1,109,103,932	\$ 61,339,091
<u>NONTAXABLE NONRESIDENT RETURNS</u>							
Loss	6,037	\$ (241,397,125)	1,679,628,823	12,143	1,702		
\$ 0 under \$ 5,000	6,295	3,144,066	2,511,563,701	10,488	1,026		NOT
5,000 " 10,000	207	1,450,003	65,974,014	523	31		APPLICABLE
10,000 and over	277	7,445,114	101,281,026	700	64		
TOTAL - NONTAXABLE RETURNS	12,816	\$ (229,357,942)	\$ 4,358,447,564	23,854	2,823		
ALL NONRESIDENT RETURNS	52,742	\$ 1,041,679,198	\$ 17,320,941,361	103,658	7,423	\$ 1,109,103,932	\$ 61,339,091

¹ Includes returns with negative AGI.

TABLE 4
SOURCES OF INCOME AND STATUTORY ADJUSTMENTS ON ALL RETURNS FILED BY ADJUSTED GROSS INCOME CLASS - 2000

ADJUSTED GROSS INCOME CLASS	SALARIES AND WAGES		DIVIDENDS		INTEREST	
	Number of Returns	Amount	Number of Returns	Amount	Number of Returns	Amount
TAXABLE RESIDENT RETURNS						
Under \$ 5,000	22,239	\$ 70,862,120	7,901	\$ 4,402,415	14,571	\$ 10,494,960
\$ 5,000 " 10,000	33,779	240,004,495	7,089	9,948,755	19,981	31,605,418
10,000 " 20,000	65,181	933,803,478	14,291	27,030,955	38,872	71,110,410
20,000 " 30,000	62,194	1,462,426,014	13,309	28,018,526	42,148	58,885,505
30,000 " 40,000	44,210	1,437,852,040	12,185	21,371,193	33,860	47,546,066
40,000 " 50,000	32,544	1,355,048,855	10,220	19,891,656	26,634	34,721,051
50,000 " 75,000	53,846	3,005,270,186	21,770	49,518,194	49,014	71,096,908
75,000 " 100,000	27,045	2,051,705,263	14,876	41,947,492	26,215	47,778,932
100,000 " 150,000	17,381	1,732,395,372	12,584	47,366,939	18,062	49,095,058
150,000 " 200,000	4,269	530,314,695	3,858	28,160,076	4,728	19,465,732
200,000 and over	4,722	1,060,692,305	4,997	132,277,340	5,677	110,986,553
TOTAL - TAXABLE RETURNS	367,410	\$ 13,880,374,823	123,080	\$ 409,933,541	279,762	\$ 552,786,593
NONTAXABLE RESIDENT RETURNS						
Loss	1,404	\$ 25,936,943	2,320	\$ 6,683,091	4,430	\$ 11,976,353
\$ 0 under \$ 5,000	19,322	52,918,129	7,490	6,229,436	30,440	31,871,055
5,000 " 10,000	2,778	23,858,398	3,083	6,444,363	6,710	16,390,723
10,000 and over	3,524	76,777,724	3,106	14,590,886	5,665	21,888,334
TOTAL - NONTAXABLE RETURNS	27,028	\$ 179,491,194	15,999	\$ 33,947,776	47,245	\$ 82,126,465
ALL RESIDENT RETURNS	394,438	\$ 14,059,866,017	139,079	\$ 443,881,317	327,007	\$ 634,913,058
ALL NONRESIDENT RETURNS	32,002	\$ 537,627,873	3,645	\$ 10,641,789	11,397	\$ 26,650,197
TOTAL - ALL RETURNS	426,440	\$ 14,597,493,890	142,724	\$ 454,523,106	338,404	\$ 661,563,255

TABLE 4 (continued)
 SOURCES OF INCOME AND STATUTORY ADJUSTMENTS ON ALL RETURNS FILED BY ADJUSTED GROSS INCOME CLASS - 2000

ADJUSTED GROSS INCOME CLASS	BUSINESS AND PROFESSIONS				SALE OF CAPITAL ASSETS & OTHER PROPERTY			
	Profit		Loss		Profit		Loss	
	Number of Returns	Amount	Number of Returns	Amount	Number of Returns	Amount	Number of Returns	Amount
TAXABLE RESIDENT RETURNS								
Under \$ 5,000	1,297	\$ 4,340,566	157	\$ 259,673	5,889	\$ 7,542,852	500	\$ 570,706
\$ 5,000 " 10,000	4,053	25,362,380	634	16,163,224	4,953	12,592,789	1,142	2,769,085
10,000 " 20,000	6,729	61,358,203	2,463	10,763,305	9,145	38,527,341	2,533	5,646,076
20,000 " 30,000	5,825	56,762,611	2,248	12,362,992	9,212	39,289,894	2,214	6,170,610
30,000 " 40,000	4,336	46,304,645	2,326	11,008,218	7,553	41,432,759	2,712	9,973,167
40,000 " 50,000	4,062	53,021,531	2,167	10,912,968	6,917	35,480,607	1,807	6,568,672
50,000 " 75,000	7,390	111,699,991	4,192	17,513,025	14,560	101,478,267	4,366	12,404,265
75,000 " 100,000	4,034	74,513,009	1,916	7,635,626	10,033	93,263,478	2,637	7,828,496
100,000 " 150,000	3,167	104,017,358	1,327	5,603,997	8,890	132,764,272	2,043	5,827,379
150,000 " 200,000	1,081	72,252,292	413	4,189,602	2,920	91,635,926	761	1,854,992
200,000 and over	1,386	195,450,610	454	5,643,385	3,865	653,288,029	1,066	6,016,772
TOTAL - TAXABLE RETURNS	43,360	\$ 805,083,196	18,297	\$ 102,056,015	83,937	\$ 1,247,296,214	21,781	\$ 65,630,220
NONTAXABLE RESIDENT RETURNS								
Loss	670	\$ 6,373,578	1,648	\$ 27,136,113	814	\$ 24,849,693	2,001	\$ 23,154,563
\$ 0 under \$ 5,000	3,183	8,193,645	668	3,548,477	2,930	4,088,971	1,763	3,438,374
5,000 " 10,000	1,042	6,962,471	577	5,789,158	1,779	4,034,696	674	1,761,909
10,000 and over	1,299	16,508,799	709	6,186,093	2,087	21,799,180	999	6,026,318
TOTAL - NONTAXABLE RETURNS	6,194	\$ 38,038,493	3,602	\$ 42,659,841	7,610	\$ 54,772,540	5,437	\$ 34,381,164
ALL RESIDENT RETURNS	49,554	\$ 843,121,689	21,899	\$ 144,715,856	91,547	\$ 1,302,068,754	27,218	\$ 100,011,384
ALL NONRESIDENT RETURNS	1,976	\$ 29,745,651	979	\$ 9,695,222	4,907	\$ 308,650,536	1,508	\$ 5,140,272
TOTAL - ALL RETURNS	51,530	\$ 872,867,340	22,878	\$ 154,411,078	96,454	\$ 1,610,719,290	28,726	\$ 105,151,656

TABLE 4 (continued)
 SOURCES OF INCOME AND STATUTORY ADJUSTMENTS ON ALL RETURNS FILED BY ADJUSTED GROSS INCOME CLASS - 2000

ADJUSTED GROSS INCOME CLASS	RENTS AND ROYALTIES				PARTNERSHIPS AND S-CORPORATIONS			
	Profit		Loss		Profit		Loss	
	Number of Returns	Amount	Number of Returns	Amount	Number of Returns	Amount	Number of Returns	Amount
TAXABLE RESIDENT RETURNS								
Under \$ 5,000	294	\$ 766,348	100	\$ 669,200	215	\$ 286,102	21	\$ 120,541
\$ 5,000 " 10,000	1,061	3,921,019	533	3,237,906	314	972,928	194	678,949
10,000 " 20,000	2,810	14,252,630	1,442	12,427,702	913	6,900,347	493	1,649,228
20,000 " 30,000	2,496	17,102,617	2,109	12,389,023	1,427	13,825,298	535	3,961,421
30,000 " 40,000	2,501	20,286,830	2,659	16,026,024	992	5,967,372	476	2,383,195
40,000 " 50,000	1,961	13,141,668	2,677	21,141,468	888	10,063,976	416	2,674,065
50,000 " 75,000	3,715	28,500,336	5,863	42,419,819	1,876	26,965,238	938	7,685,944
75,000 " 100,000	2,228	24,652,918	3,835	29,124,597	1,595	28,046,276	895	4,038,593
100,000 " 150,000	2,387	27,349,464	3,187	24,003,601	1,910	49,175,079	793	5,012,567
150,000 " 200,000	902	15,339,814	498	5,405,606	929	51,171,429	305	3,379,595
200,000 and over	1,387	64,263,708	701	13,639,769	1,838	308,905,120	615	32,540,244
TOTAL - TAXABLE RETURNS	21,742	\$ 229,577,352	23,604	\$ 180,484,715	12,897	\$ 502,279,165	5,681	\$ 64,124,342
<u>NONTAXABLE RESIDENT RETURNS</u>								
Loss	352	\$ 3,848,204	1,777	\$ 22,533,073	222	\$ 4,342,284	476	\$ 27,440,996
\$ 0 under \$ 5,000	1,247	2,769,482	1,107	6,665,544	257	536,596	237	1,376,608
5,000 " 10,000	891	3,705,629	652	4,865,193	256	988,076	175	279,625
10,000 and over	921	5,377,276	991	22,360,284	279	11,644,265	355	4,028,555
TOTAL - NONTAXABLE RETURNS	3,411	\$ 15,700,591	4,527	\$ 56,424,094	1,014	\$ 17,511,221	1,243	\$ 33,125,784
ALL RESIDENT RETURNS	25,153	\$ 245,277,943	28,131	\$ 236,908,809	13,911	\$ 519,790,386	6,924	\$ 97,250,126
ALL NONRESIDENT RETURNS	-	-	-	-	-	-	-	-
TOTAL - ALL RETURNS	25,153	\$ 245,277,943	28,131	\$ 236,908,809	13,911	\$ 519,790,386	6,924	\$ 97,250,126

See end of table for footnotes.

TABLE 4 (continued)
 SOURCES OF INCOME AND STATUTORY ADJUSTMENTS ON ALL RETURNS FILED BY ADJUSTED GROSS INCOME CLASS - 2000

ADJUSTED GROSS INCOME CLASS	ESTATES AND TRUSTS		UNEMPLOYMENT COMPENSATION		PENSIONS AND ANNUITIES ²		TAXABLE IRA DISTRIBUTIONS	
	Number of Returns	Amount	Number of Returns	Amount	Number of Returns	Amount	Number of Returns	Amount
TAXABLE RESIDENT RETURNS								
Under \$ 5,000	80	\$ 35,940	275	\$ 469,343	1,830	\$ 19,582,716	456	\$ 876,013
\$ 5,000 "	80	256,760	1,528	3,939,484	6,372	87,857,010	2,644	9,996,166
10,000 "	273	1,042,102	4,236	12,527,941	12,883	222,079,653	6,231	40,173,714
20,000 "	296	1,024,628	4,420	14,189,911	9,905	167,337,894	5,017	37,405,417
30,000 "	395	2,811,197	2,887	9,909,681	7,763	138,523,139	3,852	26,435,318
40,000 "	140	859,480	2,362	7,430,479	5,276	85,194,231	2,996	26,795,345
50,000 "	439	3,767,598	4,251	12,830,979	9,396	166,679,173	5,147	56,215,374
75,000 "	411	3,356,434	1,463	4,579,525	5,138	110,606,925	3,355	42,668,374
100,000 "	370	7,453,630	499	1,852,042	3,567	71,021,575	2,026	33,453,986
150,000 "	106	1,658,775	87	245,966	1,121	32,128,377	559	16,097,204
200,000 and over	317	49,716,165	51	217,863	1,344	50,702,704	590	25,729,754
TOTAL - TAXABLE RETURNS	2,907	\$ 71,982,709	22,059	\$ 68,193,214	64,595	\$ 1,151,713,397	32,873	\$ 315,846,665
<u>NONTAXABLE RESIDENT RETURNS</u>								
Loss	64	\$ 206,925	71	\$ 283,894	2,364	\$ 62,667,546	601	\$ 9,266,350
\$ 0 under \$ 5,000	120	390,580	439	392,257	20,133	363,191,175	3,748	25,462,489
5,000 " 10,000	40	(376,160)	299	978,159	5,228	109,831,938	2,113	13,623,229
10,000 and over	140	1,596,184	207	784,962	3,544	104,075,114	1,407	20,794,530
TOTAL - NONTAXABLE RETURNS	364	\$ 1,817,529	1,016	\$ 2,439,272	31,269	\$ 639,765,773	7,869	\$ 69,146,598
ALL RESIDENT RETURNS	3,271	\$ 73,800,238	23,075	\$ 70,632,486	95,864	\$ 1,791,479,170	40,742	\$ 384,993,263
ALL NONRESIDENT RETURNS	-	-	1,266	\$ 4,689,254	849	\$ 6,615,341	-	-
TOTAL - ALL RETURNS	3,271	\$ 73,800,238	24,341	\$ 75,321,740	96,713	\$ 1,798,094,511	40,742	\$ 384,993,263

See end of table for footnotes.

TABLE 4 (continued)
 SOURCES OF INCOME AND STATUTORY ADJUSTMENTS ON ALL RETURNS FILED BY ADJUSTED GROSS INCOME CLASS - 2000

ADJUSTED GROSS INCOME CLASS	STATE TAX REFUND INCOME		FEDERALLY-TAXABLE SOCIAL SECURITY		MISCELLANEOUS SOURCES ³				
	Number of Returns	Amount	Number of Returns	Amount	Gain		Loss		
					Number of Returns	Amount	Number of Returns	Amount	
TAXABLE RESIDENT RETURNS									
Under \$ 5,000	679	\$ 97,981	415	\$ 2,042,146	618	\$ 813,895	633	\$ 496,469	
\$ 5,000 "	2,303	883,885	2,030	12,608,756	1,291	3,643,316	1,392	1,475,896	
10,000 "	6,451	2,980,052	7,010	49,880,086	2,852	8,576,374	2,247	2,246,558	
20,000 "	11,626	7,689,540	7,621	59,025,869	2,854	8,457,669	1,429	1,455,992	
30,000 "	14,082	10,630,777	5,569	50,800,447	2,565	8,429,237	1,319	3,500,331	
40,000 "	15,063	12,729,896	2,843	30,551,302	2,357	5,359,525	970	4,948,716	
50,000 "	33,358	32,895,472	4,535	51,860,809	4,772	13,860,046	1,036	3,256,034	
75,000 "	19,913	22,197,624	2,352	32,651,478	3,055	12,809,715	520	1,689,199	
100,000 "	13,672	19,437,881	1,610	21,852,026	2,596	10,913,076	605	6,903,409	
150,000 "	3,257	6,677,545	699	10,089,310	834	6,765,398	161	837,706	
200,000 and over	3,982	23,853,825	1,091	17,730,443	1,346	29,228,043	243	9,611,878	
TOTAL - TAXABLE RETURNS	124,386	\$ 140,074,478	35,775	\$ 339,092,672	25,140	\$ 108,856,294	10,555	\$ 36,422,188	
<u>NONTAXABLE RESIDENT RETURNS</u>									
Loss	1,437	\$ 1,171,049	773	\$ 5,871,309	269	\$ 695,599	1,674	\$ 174,707,511	
\$ 0 under \$ 5,000	5,512	1,107,122	5,974	32,880,560	1,423	2,226,063	2,354	8,064,219	
5,000 " 10,000	2,363	1,000,776	2,596	17,153,250	909	2,634,720	904	3,021,451	
10,000 and over	3,590	4,152,900	2,685	24,825,272	893	13,691,598	371	4,489,016	
TOTAL - NONTAXABLE RETURNS	12,902	\$ 7,431,847	12,028	\$ 80,730,391	3,494	\$ 19,247,980	5,303	\$ 190,282,197	
ALL RESIDENT RETURNS	137,288	\$ 147,506,325	47,803	\$ 419,823,063	28,634	\$ 128,104,274	15,858	\$ 226,704,385	
ALL NONRESIDENT RETURNS	-	-	-	-	10,648	\$ 443,982,197	7,046	\$ 285,073,704	
TOTAL - ALL RETURNS	137,288	\$ 147,506,325	47,803	\$ 419,823,063	39,282	\$ 572,086,471	22,904	\$ 511,778,089	

See end of table for footnotes.

TABLE 4 (continued)
 SOURCES OF INCOME AND STATUTORY ADJUSTMENTS ON ALL RETURNS FILED BY ADJUSTED GROSS INCOME CLASS - 2000

ADJUSTED GROSS INCOME CLASS	UNKNOWN SOURCES ⁴				FEDERAL TOTAL INCOME FROM ALL SOURCES	
	Profit		Loss		Number of Returns	Amount
	Number of Returns	Amount	Number of Returns	Amount		
<u>TAXABLE RESIDENT RETURNS</u>						
Under \$ 5,000	3,500	\$ 6,614,711	550	\$ 1,224,048	32,077	\$ 125,887,471
\$ 5,000 "	5,513	36,056,658	1,111	3,306,213	45,522	452,018,546
10,000 "	10,520	56,006,514	1,909	13,636,788	80,951	1,499,880,143
20,000 "	10,482	74,980,004	1,608	5,214,783	70,888	2,004,866,576
30,000 "	7,824	77,990,468	1,352	3,495,126	49,449	1,899,905,108
40,000 "	5,697	83,968,198	910	5,342,711	35,764	1,722,669,200
50,000 "	8,880	163,555,827	1,783	17,088,399	58,719	3,795,826,912
75,000 "	5,058	143,106,101	1,055	12,432,206	29,764	2,671,134,827
100,000 "	3,652	144,205,567	743	18,738,096	19,627	2,386,264,276
150,000 "	1,313	92,173,009	246	8,418,147	5,295	950,089,900
200,000 and over	2,071	505,063,443	345	111,028,857	6,400	3,049,625,000
TOTAL - TAXABLE RETURNS	64,510	\$ 1,383,720,500	11,612	\$ 199,925,374	434,456	\$ 20,558,167,959
<u>NONTAXABLE RESIDENT RETURNS</u>						
Loss	779	\$ 17,272,963	985	\$ 45,105,706	6,172	\$ (138,632,181)
\$ 0 under \$ 5,000	7,586	20,191,578	1,218	12,415,327	66,628	516,940,589
5,000 " 10,000	1,778	6,679,758	360	1,380,200	8,047	196,812,490
10,000 and over	2,160	27,906,789	367	21,366,784	6,829	301,956,763
TOTAL - NONTAXABLE RETURNS	12,303	\$ 72,051,088	2,930	\$ 80,268,017	87,676	\$ 877,077,661
ALL RESIDENT RETURNS	76,813	\$ 1,455,771,588	14,542	\$ 280,193,391	522,132	\$ 21,435,245,620
ALL NONRESIDENT RETURNS	not applicable		not applicable		not available	
TOTAL - ALL RETURNS	76,813	\$ 1,455,771,588	14,542	\$ 280,193,391	522,132	\$ 21,435,245,620

See end of table for footnotes.

TABLE 4 (continued)
 SOURCES OF INCOME AND STATUTORY ADJUSTMENTS ON ALL RETURNS FILED BY ADJUSTED GROSS INCOME CLASS - 2000

ADJUSTED GROSS INCOME CLASS	ITEMS TAXED BY HAWAII BUT NOT BY FEDERAL		ITEMS TAXED BY FEDERAL BUT NOT BY HAWAII		HAWAII TOTAL INCOME		STATUTORY ADJUSTMENTS	
	Number of Returns	Amount	Number of Returns	Amount ⁶	Number of Returns	Amount	Number of Returns	Amount
TAXABLE RESIDENT RETURNS								
Under \$ 5,000	1,187	\$ (56,730)	3,256	\$ 23,932,418	32,077	\$ 101,898,323	1,992	\$ 1,253,774
\$ 5,000 " 10,000	3,438	287,347	8,047	108,428,238	45,522	343,877,655	5,465	5,397,090
10,000 " 20,000	8,704	6,570,318	15,920	280,901,039	80,951	1,225,549,422	10,993	15,141,997
20,000 " 30,000	12,484	9,072,977	14,877	242,174,103	70,888	1,771,765,450	10,750	16,950,890
30,000 " 40,000	11,792	18,424,264	12,104	190,747,414	49,449	1,727,581,958	8,505	14,549,452
40,000 " 50,000	8,802	19,277,215	9,554	124,684,474	35,764	1,617,261,941	7,064	12,992,750
50,000 " 75,000	13,931	56,473,628	18,201	229,426,638	58,719	3,622,873,902	13,003	30,769,981
75,000 " 100,000	7,879	56,752,701	10,894	147,057,857	29,764	2,580,829,671	5,779	17,082,680
100,000 " 150,000	6,148	61,449,039	8,507	99,207,623	19,627	2,348,505,692	4,637	22,269,677
150,000 " 200,000	1,659	20,890,710	2,654	54,030,413	5,295	916,950,197	1,694	15,237,318
200,000 and over	1,924	35,634,985	3,604	113,239,375	6,400	2,972,020,610	2,457	29,827,302
TOTAL - TAXABLE RETURNS	77,948	\$ 284,776,454	107,618	\$ 1,613,829,592	434,456	\$ 19,229,114,821	72,339	\$ 181,472,911
<u>NONTAXABLE RESIDENT RETURNS</u>								
Loss	1,285	\$ 11,226,268	3,196	\$ 108,863,948	6,172	\$ (236,269,861)	1,069	\$ 3,971,371
\$ 0 under \$ 5,000	3,618	2,999,282	21,723	437,561,438	66,628	82,378,433	3,500	4,048,704
5,000 " 10,000	1,669	1,461,034	5,457	139,141,863	8,047	59,131,661	1,260	1,779,200
10,000 and over	970	1,812,185	4,637	156,649,458	6,829	147,119,490	1,597	3,266,639
TOTAL - NONTAXABLE RETURNS	7,542	\$ 17,498,769	35,013	\$ 842,216,707	87,676	\$ 52,359,723	7,426	\$ 13,065,914
ALL RESIDENT RETURNS	85,490	\$ 302,275,223	142,631	\$ 2,456,046,299	522,132	\$ 19,281,474,544	79,765	\$ 194,538,825
ALL NONRESIDENT RETURNS	not meaningful		not meaningful		52,742	\$ 1,068,693,640	8,403	\$ 27,014,442
TOTAL - ALL RETURNS	85,490	\$ 302,275,223	142,631	\$ 2,456,046,299	574,874	\$ 20,350,168,184	88,168	\$ 221,553,267

¹ Included in "miscellaneous sources".

² Amounts for pensions and annuities are federally taxable amounts, some of which is not taxable by Hawaii.

³ Residents: federally-taxable sources, including alimony received. Nonresidents: Hawaii-taxable sources, including Schedule E.

⁴ Items not on Hawaii return and federal return not available in IRS data set.

⁵ Total income for nonresidents includes only amounts taxable by Hawaii.

⁶ Does not include individual housing accounts and military reserve/Hawaii national guard duty pay, which are included as statutory adjustments in the last column.

TABLE 5
SOURCES OF INCOME REPORTED IN EACH DISTRICT BY NUMBER OF RETURNS AND AMOUNT - 2000
(Resident Returns)

SOURCES OF INCOME	TAXATION DISTRICT							
	FIRST		SECOND		THIRD		FOURTH	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Salaries and Wages	285,977	\$ 10,671,759,823	44,212	\$ 1,454,959,873	44,718	\$ 1,334,604,478	19,531	\$ 598,541,843
Taxable Dividends	108,190	350,832,991	12,254	38,080,713	12,828	38,642,360	5,807	16,325,253
Interest	241,153	491,324,367	32,542	51,986,850	36,910	63,440,976	16,402	28,160,865
Business and Professions								
Net Profit	33,034	574,095,791	5,998	102,910,767	7,719	114,725,334	2,803	51,389,797
Net Loss	13,532	(95,447,990)	3,118	(15,565,036)	3,680	(22,515,062)	1,569	(11,187,768)
Sale of Capital Assets								
Net Gain	71,126	989,535,894	7,627	123,933,779	8,663	125,372,757	4,131	63,226,324
Net Loss	20,725	(76,324,733)	2,742	(9,524,413)	2,799	(11,392,802)	952	(2,769,436)
Rents and Royalties								
Net Profit	18,421	191,160,103	2,602	22,066,496	2,886	23,177,343	1,244	8,874,001
Net Loss	21,071	(174,802,154)	3,226	(31,123,402)	2,557	(19,102,277)	1,277	(11,880,976)
Partnerships and S-Corporations								
Net Profit	10,185	385,076,684	1,657	70,905,612	1,504	44,976,943	565	18,831,147
Net Loss	5,092	(72,321,195)	698	(10,227,139)	839	(11,784,704)	295	(2,917,088)
Estates and Trusts	2,682	59,513,334	252	4,458,324	262	6,228,968	75	3,599,612
Unemployment Compensation	15,168	47,555,065	2,658	7,668,628	3,461	10,178,487	1,788	5,230,306
Pensions and Annuities	73,833	1,459,020,852	7,714	112,768,774	9,851	160,005,641	4,466	59,683,903
Taxable IRA Distributions	32,055	309,046,684	2,941	23,295,982	4,018	37,992,784	1,728	14,657,813
State Tax Refund Income	102,552	113,073,859	14,444	15,905,960	13,884	12,833,778	6,408	5,692,728
Federally-Taxed Social Security	38,429	343,577,979	3,223	28,031,808	4,436	36,048,399	1,715	12,164,877
All Other Sources ¹	94,730	839,525,366	11,560	95,153,170	14,773	93,735,032	5,463	48,564,518
Federal Total Income	380,854	\$ 16,406,202,720	55,713	\$ 2,085,686,746	60,491	\$ 2,037,168,435	25,614	\$ 906,187,719
Hawaii Additions ²	63,504	252,421,736	8,091	22,440,986	9,664	19,564,188	4,231	7,848,313
Hawaii Subtractions ³	108,398	2,009,851,829	12,829	149,575,915	15,031	220,430,935	6,373	76,187,620
Hawaii Total Income	380,854	\$ 14,648,772,627	55,173	\$ 1,958,551,817	60,491	\$ 1,836,301,688	25,614	\$ 837,848,412
Less Adjustments to Income	55,986	139,581,585	8,759	20,781,155	10,882	25,196,245	4,138	8,979,840
Adjusted Gross Income ⁴	380,854	\$ 14,509,191,042	55,173	\$ 1,937,770,662	60,491	\$ 1,811,105,443	25,614	\$ 828,868,572

¹ Includes alimony received, other income, and unknown sources (detail unavailable on both state and federal returns).

² Items taxed by Hawaii but not by the federal government, such as federal cost of living allowances and certain state retirement contributions.

³ Items taxed by the federal government but not by Hawaii, such as social security contributions and certain pensions.

⁴ Includes losses.

TABLE 6
TYPES OF DEDUCTIONS BY ADJUSTED GROSS INCOME CLASS - 2000

ADJUSTED GROSS INCOME CLASS	CONTRIBUTIONS		INTEREST		MEDICAL & DENTAL		CASUALTY LOSS	
	Number of Returns	Amount	Number of Returns	Amount	Number of Returns	Amount	Number of Returns	Amount
<u>TAXABLE RESIDENT RETURNS</u>								
Under \$ 5,000	395	\$ 238,507	39	\$ 44,002	278	\$ 399,491	19	\$ 25,365
\$ 5,000 "	3,630	3,125,922	989	2,367,231	2,953	5,069,555	-	-
10,000 "	19,935	23,152,709	6,259	26,309,551	12,492	26,518,617	116	159,696
20,000 "	31,863	38,522,796	13,503	84,986,103	11,205	25,337,084	138	651,614
30,000 "	31,604	41,048,764	15,008	114,514,396	6,938	16,299,305	120	184,160
40,000 "	26,213	37,864,345	16,296	150,111,934	4,191	9,714,013	59	267,105
50,000 "	49,338	80,243,526	36,675	386,072,254	4,641	13,571,870	153	590,161
75,000 "	26,921	56,215,240	23,189	293,767,692	1,606	10,090,097	79	361,557
100,000 "	18,320	45,566,784	16,714	247,380,310	498	3,758,107	26	438,727
150,000 "	4,901	17,549,843	4,397	81,058,150	120	3,088,407	10	27,210
200,000 and over	5,836	80,145,661	5,165	150,829,569	83	3,532,669	1	25,000
TOTAL - TAXABLE RETURNS	218,956	\$ 423,674,097	138,234	\$ 1,537,441,192	45,005	\$ 117,379,215	721	\$ 2,730,595
<u>NONTAXABLE RESIDENT RETURNS</u>								
Loss	782	\$ 1,485,491	2,042	\$ 23,856,960	1,768	\$ 7,330,578	15	\$ 131,581
\$ 0 under \$ 5,000	7,426	7,797,174	5,343	40,522,415	7,595	25,334,527	-	-
5,000 "	5,185	8,635,927	3,778	29,494,077	4,551	22,969,017	40	143,020
10,000 and over	5,616	14,769,029	5,263	91,716,705	3,932	48,742,217	99	1,060,941
TOTAL - NONTAXABLE RETURNS	19,009	\$ 32,687,621	16,426	\$ 185,590,157	17,846	\$ 104,376,339	154	\$ 1,335,542
ALL RESIDENT RETURNS	237,965	\$ 456,361,718	154,660	\$ 1,723,031,349	62,851	\$ 221,755,554	875	\$ 4,066,137
ALL NONRESIDENT RETURNS	12,441	\$ 28,222,153	6,005	\$ 64,915,904	1,916	\$ 3,174,748	123	\$ 357,745
TOTAL - ALL RETURNS	250,406	\$ 484,583,871	160,665	\$ 1,787,947,253	64,767	\$ 224,930,302	998	\$ 4,423,882

TABLE 6 (continued)
 TYPES OF DEDUCTIONS BY ADJUSTED GROSS INCOME CLASS - 2000

ADJUSTED GROSS INCOME CLASS	TAXES		MISCELLANEOUS DEDUCTIONS		TOTAL ALLOWABLE ITEMIZED DEDUCTIONS	
	Number of Returns	Amount	Number of Returns	Amount	Number of Returns	Amount
<u>TAXABLE RESIDENT RETURNS</u>						
Under \$ 5,000	554	\$ 229,709	237	\$ 171,935	633	\$ 1,109,009
\$ 5,000 " 10,000	4,360	3,379,074	1,886	1,703,018	4,836	15,644,800
10,000 " 20,000	21,877	22,764,617	10,912	19,724,860	22,714	118,630,050
20,000 " 30,000	39,918	67,035,035	16,214	36,120,487	40,156	252,653,119
30,000 " 40,000	39,993	94,049,576	14,692	37,535,490	40,174	303,631,691
40,000 " 50,000	31,812	97,444,454	12,007	33,317,020	31,969	328,718,871
50,000 " 75,000	55,943	235,637,749	21,600	68,344,920	56,113	784,456,283
75,000 " 100,000	29,164	176,829,261	10,182	37,350,755	29,214	574,605,842
100,000 " 150,000	19,492	167,140,955	6,010	25,967,062	19,503	490,190,919
150,000 " 200,000	5,259	66,265,725	1,396	7,517,627	5,265	175,455,211
200,000 and over	6,331	232,188,834	1,729	22,997,669	6,335	489,626,467
TOTAL - TAXABLE RETURNS	254,703	\$ 1,162,964,989	96,865	\$ 290,750,843	256,912	\$ 3,534,722,262
<u>NONTAXABLE RESIDENT RETURNS</u>						
Loss	2,633	\$ 6,015,495	1,858	\$ 2,981,142	3,046	\$ 41,801,247
\$ 0 under \$ 5,000	7,777	6,328,116	5,457	2,929,693	9,878	82,911,925
5,000 " 10,000	5,678	6,890,401	2,952	3,985,043	6,213	72,117,485
10,000 and over	6,469	20,145,288	2,858	12,404,501	6,811	188,833,874
TOTAL - NONTAXABLE RETURNS	22,557	\$ 39,379,300	13,125	\$ 22,300,379	25,948	\$ 385,664,531
ALL RESIDENT RETURNS	277,260	\$ 1,202,344,289	109,990	\$ 313,051,222	282,860	\$ 3,920,386,793
ALL NONRESIDENT RETURNS	19,296	\$ 67,320,432	3,455	\$ 13,760,133	20,726	\$ 170,831,668
TOTAL - ALL RETURNS	296,556	\$ 1,269,664,721	113,445	\$ 326,811,355	303,586	\$ 4,091,218,461

TABLE 6 (continued)
 TYPES OF DEDUCTIONS BY ADJUSTED GROSS INCOME CLASS - 2000

ADJUSTED GROSS INCOME CLASS	STANDARD DEDUCTIONS		TOTAL ALLOWABLE & STANDARD DEDUCTIONS	
	Number of Returns	Amount	Number of Returns	Amount
TAXABLE RESIDENT RETURNS				
Under \$ 5,000	31,284	\$ 40,234,118	31,917	\$ 41,343,127
\$ 5,000 " 10,000	40,646	61,963,780	45,482	77,608,580
10,000 " 20,000	58,217	91,722,100	80,931	210,352,150
20,000 " 30,000	30,732	49,419,200	70,888	302,072,319
30,000 " 40,000	9,275	15,133,850	49,449	318,765,541
40,000 " 50,000	3,795	6,410,800	35,764	335,129,671
50,000 " 75,000	2,606	4,597,250	58,719	789,053,533
75,000 " 100,000	550	1,060,732	29,764	575,666,574
100,000 " 150,000	124	216,600	19,627	490,407,519
150,000 " 200,000	30	49,000	5,295	175,504,211
200,000 and over	65	108,250	6,400	489,734,717
TOTAL - TAXABLE RETURNS	177,324	\$ 270,915,680	434,236	\$ 3,805,637,942
<u>NONTAXABLE RESIDENT RETURNS</u>				
Loss	3,126	\$ 4,528,242	6,172	\$ 46,329,489
\$ 0 under \$ 5,000	56,750	86,647,900	66,628	169,559,825
5,000 " 10,000	1,834	3,350,300	8,047	75,467,785
10,000 and over	18	34,200	6,829	188,868,074
TOTAL - NONTAXABLE RETURNS	61,728	\$ 94,560,642	87,676	\$ 480,225,173
ALL RESIDENT RETURNS	239,052	\$ 365,476,322	521,912	\$ 4,285,863,115
ALL NONRESIDENT RETURNS	22,871	\$ 17,355,013	43,597	\$ 188,186,681
TOTAL - ALL RETURNS	261,923	\$ 382,831,335	565,509	\$ 4,474,049,796

TABLE 7
 TYPES OF DEDUCTIONS CLAIMED IN EACH TAXATION DISTRICT BY NUMBER OF RETURNS AND DOLLAR AMOUNT REPORTED AND ALLOWED - 2000
 (Resident Returns)

TYPE OF DEDUCTION	TAXATION DISTRICT							
	FIRST		SECOND		THIRD		FOURTH	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Itemized Contributions	177,277	\$ 353,153,223	26,606	\$ 46,631,495	22,331	\$ 35,837,342	11,751	\$ 20,739,658
Interest	114,220	1,333,362,225	15,583	169,352,126	17,608	153,988,291	7,249	66,328,707
Medical and Dental	46,769	172,258,532	6,818	17,017,411	6,128	23,016,814	3,136	9,462,797
Casualty Loss	697	2,708,403	69	189,987	89	1,131,067	20	36,680
Taxes	205,304	929,269,575	30,493	118,950,478	28,135	106,244,914	13,328	47,879,322
Other Itemized Deductions	78,654	228,531,194	15,678	48,539,219	9,559	19,878,884	6,099	16,101,925
Total Itemized Deductions	209,530	\$ 3,019,283,152	31,060	\$ 400,680,716	28,661	\$ 340,097,312	13,609	\$ 160,549,089
Less: Unallowed Itemized Deductions	118	199,551	8	12,220	7	8,533	6	3,172
Net Allowed Itemized Deductions	209,530	\$ 3,019,083,601	31,060	\$ 400,668,496	28,661	\$ 340,088,779	13,609	\$ 160,545,917
Standard Deduction	171,183	261,009,119	24,094	36,866,278	31,791	49,220,757	11,984	18,380,168
Total Allowed Deductions	380,713	\$ 3,280,092,720	55,154	\$ 437,534,774	60,452	\$ 389,309,536	25,593	\$ 178,926,085

TABLE 8
 NUMBER OF DEPENDENTS, NUMBER OF EXEMPTIONS, TAX WITHHELD, PAYMENTS OF DECLARATION, BALANCE DUE,
 REFUNDS AND CARRIED FORWARD CREDITS BY ADJUSTED GROSS INCOME CLASS - 2000

ADJUSTED GROSS INCOME CLASS	DEPENDENTS		EXEMPTIONS ¹			TAX WITHHELD	
	Number of Returns	Number of Dependents	Number of Returns	Number of Exemptions	Amount	Number of Returns	Amount
TAXABLE RESIDENT RETURNS							
Under \$ 5,000	898	998	11,823	14,874	\$ 15,468,960	21,675	\$ 2,784,952
\$ 5,000 "	7,048	10,805	35,855	61,315	63,984,160	34,363	10,870,218
10,000 "	21,440	37,229	77,644	150,446	161,420,160	67,107	50,164,466
20,000 "	21,827	39,264	70,508	140,464	148,847,680	64,328	88,111,666
30,000 "	16,446	30,812	49,349	104,835	111,353,040	45,780	91,168,933
40,000 "	15,281	29,351	35,764	87,736	92,569,160	33,766	86,276,549
50,000 "	30,253	58,118	58,679	163,073	172,310,760	55,691	194,131,755
75,000 "	16,968	32,279	29,744	90,128	94,748,320	28,215	139,273,680
100,000 "	11,470	20,838	19,622	59,981	63,087,920	18,131	122,702,728
150,000 "	2,847	5,177	5,290	15,980	16,899,920	4,515	39,673,193
200,000 and over	2,935	5,466	6,390	18,823	20,003,000	5,077	85,702,501
TOTAL - TAXABLE RETURNS	147,413	270,337	400,668	907,655	\$ 960,693,080	378,648	\$ 910,860,641
NONTAXABLE RESIDENT RETURNS							
Loss	924	1,538	5,692	12,879	\$ 13,870,240	1,355	\$ 1,369,095
\$ 0 under \$ 5,000	7,624	13,644	60,528	134,932	143,650,080	18,471	2,217,371
5,000 "	1,920	4,394	8,047	26,310	31,151,040	2,736	906,460
10,000 and over	1,917	3,506	6,829	19,640	23,310,200	3,485	3,523,584
TOTAL - NONTAXABLE RETURNS	12,385	23,082	81,096	193,761	\$ 211,981,560	26,047	\$ 8,016,510
ALL RESIDENT RETURNS	159,798	293,419	481,764	1,101,416	\$ 1,172,674,640	404,695	\$ 918,877,151
ALL NONRESIDENT RETURNS	15,496	28,147	50,824	111,081	\$ 37,481,662	32,226	\$ 35,533,397
TOTAL - ALL RETURNS	175,294	321,566	532,588	1,212,497	\$ 1,210,156,302	436,921	\$ 954,410,548

See end of table for footnotes.

TABLE 8 (continued)
 NUMBER OF DEPENDENTS, NUMBER OF EXEMPTIONS, TAX WITHHELD, PAYMENTS OF DECLARATION, BALANCE DUE,
 REFUNDS AND CARRIED FORWARD CREDITS BY ADJUSTED GROSS INCOME CLASS - 2000

ADJUSTED GROSS INCOME CLASS	PAYMENTS OF DECLARATION ²		BALANCE DUE		REFUNDS & AMOUNT CREDITED	
	Number of Returns	Amount	Number of Returns	Amount	Number of Returns	Amount
TAXABLE RESIDENT RETURNS						
Under \$ 5,000	810	\$ 146,845	7,712	\$ 307,313	24,288	\$ 2,850,966
\$ 5,000 " 10,000	1,645	732,080	8,076	1,107,206	37,346	8,565,699
10,000 " 20,000	5,583	3,651,557	15,862	4,047,838	64,950	21,475,257
20,000 " 30,000	5,429	5,520,828	14,296	4,914,940	56,532	24,676,346
30,000 " 40,000	4,359	5,849,805	11,588	4,601,410	37,801	20,874,527
40,000 " 50,000	3,290	5,983,400	8,505	4,110,107	27,240	20,262,440
50,000 " 75,000	6,214	13,708,738	13,680	9,628,375	44,919	40,336,532
75,000 " 100,000	4,275	11,897,989	7,088	7,644,437	22,607	25,127,916
100,000 " 150,000	4,611	18,530,799	5,782	9,426,696	13,800	18,598,243
150,000 " 200,000	2,313	15,661,179	2,196	5,822,993	3,072	6,572,080
200,000 and over	4,065	101,687,675	2,505	27,490,625	3,838	26,850,254
TOTAL - TAXABLE RETURNS	42,594	183,370,895	97,290	\$ 79,101,940	336,393	\$ 216,190,260
NONTAXABLE RESIDENT RETURNS						
Loss	404	\$ 583,253	-	\$ -	5,411	\$ 2,490,797
\$ 0 under \$ 5,000	658	363,670	-	-	63,160	7,259,804
5,000 " 10,000	617	796,860	-	-	7,553	2,529,254
10,000 and over	970	3,062,757	-	-	5,997	6,941,423
TOTAL - NONTAXABLE RETURNS	2,649	\$ 4,806,540	-	\$ -	82,121	\$ 19,221,278
ALL RESIDENT RETURNS	45,243	\$ 188,177,435	97,290	\$ 79,101,940	418,514	\$ 235,411,538
ALL NONRESIDENT RETURNS	6,166	\$ 45,833,940	8,690	\$ 11,931,880	34,447	\$ 34,483,885
TOTAL - ALL RETURNS	51,409	\$ 234,011,375	105,980	\$ 91,033,820	452,961	\$ 269,895,423

1 Excludes returns filed by dependents who can be claimed by another taxpayer.

2 Includes estimated tax payments, extension payments, and prior year carryover credits.

TABLE 9
NUMBER OF RETURNS FILED, BY NUMBER OF EXEMPTIONS CLAIMED AND BY ADJUSTED GROSS INCOME CLASS - 2000

ADJUSTED GROSS INCOME CLASS			NUMBER OF REGULAR EXEMPTIONS CLAIMED					AGE EXEMPTIONS CLAIMED		
			One	Two	Three	Four	Five	Six or more	One	Two
RESIDENT RETURNS										
	Under \$	5,000	52,399	20,082	3,205	1,382	542	412	26,507	11,526
\$	5,000	" 10,000	27,221	11,501	2,947	1,253	595	385	7,463	5,350
	10,000	" 20,000	47,253	20,789	7,883	3,640	1,784	796	8,922	6,702
	20,000	" 30,000	39,422	17,467	7,813	4,132	2,091	1,111	5,494	3,811
	30,000	" 40,000	25,061	12,194	5,382	3,868	2,118	1,025	3,056	2,197
	40,000	" 50,000	13,257	9,496	5,526	4,750	1,923	1,051	1,531	1,111
	50,000	" 75,000	14,117	17,008	10,499	10,693	4,508	1,974	2,492	1,637
	75,000	" 100,000	3,846	9,588	5,969	7,264	2,108	1,039	1,284	959
	100,000	" 150,000	2,104	6,381	4,463	4,740	1,505	450	946	726
	150,000	" 200,000	647	1,923	998	1,292	384	66	360	329
	200,000	and over	997	2,589	1,016	1,260	433	105	652	554
TOTAL - RESIDENT RETURNS			226,324	129,018	55,701	44,274	17,991	8,414	58,707	34,902
TOTAL - NONRESIDENT RETURNS			22,779	14,728	5,225	5,504	1,948	640	3,235	2,094
TOTAL - ALL RETURNS			249,103	143,746	60,926	49,778	19,939	9,054	61,942	36,996

NOTE: Excludes returns filed by dependents who may be claimed by another taxpayer.

TABLE 10
AVERAGE TAX LIABILITY AND EFFECTIVE TAX RATES, BEFORE AND AFTER CREDITS, BY ADJUSTED GROSS INCOME CLASS - 2000
(Resident Returns)

ADJUSTED GROSS INCOME CLASS	INCOME TAX LIABILITY				EFFECTIVE TAX RATES				
	Before Credits		After Credits		BASED ON TAXABLE INCOME		BASED ON ADJ. GROSS INCOME		
	Total	Average	Total	Average	Before Credit	After Credit	Before Credit	After Credit	
TAXABLE RESIDENT RETURNS									
Under \$ 5,000	\$ 965,612	\$ 30	\$ 388,144	\$ 12	2.20%	0.89%	0.96%	0.39%	
\$ 5,000 "	6,947,213	153	4,143,805	91	3.53%	2.10%	2.05%	1.22%	
10,000 "	42,094,396	520	36,388,604	450	5.02%	4.34%	3.48%	3.01%	
20,000 "	77,663,953	1,096	73,871,088	1,042	5.96%	5.67%	4.43%	4.21%	
30,000 "	82,218,474	1,663	80,745,621	1,633	6.41%	6.29%	4.80%	4.71%	
40,000 "	77,453,159	2,166	76,107,616	2,128	6.58%	6.47%	4.83%	4.74%	
50,000 "	180,528,660	3,074	177,132,336	3,017	6.86%	6.73%	5.03%	4.93%	
75,000 "	136,023,265	4,570	133,688,190	4,492	7.18%	7.06%	5.31%	5.21%	
100,000 "	134,437,838	6,850	132,061,980	6,729	7.58%	7.45%	5.78%	5.68%	
150,000 "	56,408,479	10,653	54,585,285	10,309	7.95%	7.70%	6.26%	6.05%	
200,000 and over	202,149,692	31,586	188,030,547	29,380	8.31%	7.73%	6.87%	6.39%	
TOTAL - TAXABLE RETURNS	\$ 996,890,741	\$ 2,295	\$ 957,143,216	\$ 2,203	6.98%	6.70%	5.23%	5.02%	
NONTAXABLE RESIDENT RETURNS									
Loss	-	-	(538,449)	(87)					
\$ 0 under \$ 5,000	-	-	(4,678,763)	(70)					
5,000 " 10,000	-	-	(825,934)	(103)					
10,000 and over	-	-	(355,082)	(52)					
TOTAL - NONTAXABLE RETURNS	\$ -	\$ -	\$ (6,398,228)	\$ (73)					
TOTAL RESIDENT RETURNS	\$ 996,890,741	\$ 1,909	\$ 950,744,988	\$ 1,821					

TABLE 11
COMPARISON OF NUMBER OF RESIDENT RETURNS, BEFORE AND AFTER CREDITS, AT SELECTED TAX LEVELS, AGI, AND BY STATUS - 2000

ADJUSTED GROSS INCOME CLASS	No Tax		\$1 - \$99		\$100 - \$499		\$500 - \$999		\$1,000 and over	
	Before	After	Before	After	Before	After	Before	After	Before	After
<u>SINGLE/MARRIED</u>										
<u>FILING SEPARATE RETURNS</u>										
Loss	3,471	3,471	-	-	-	-	-	-	-	-
\$ 0 under \$ 5,000	45,861	53,809	30,190	22,242	913	913	-	-	-	-
5,000 " 20,000	3,308	7,690	11,886	12,052	40,347	38,164	30,435	28,832	3,497	2,735
20,000 and over	568	800	407	407	1,311	1,390	6,086	6,388	92,727	92,114
TOTAL	53,208	65,770	42,483	34,701	42,571	40,467	36,521	35,220	96,224	94,849
<u>JOINT RETURNS</u>										
Loss	2,354	2,354	-	-	-	-	-	-	-	-
\$ 0 under \$ 5,000	16,254	16,512	276	18	-	-	-	-	-	-
5,000 " 20,000	8,217	16,711	8,563	3,993	10,913	7,938	2,413	1,464	-	-
20,000 and over	1,580	2,517	1,419	1,672	5,216	6,375	13,993	14,020	126,516	124,140
TOTAL	28,405	38,094	10,258	5,683	16,129	14,313	16,406	15,484	126,516	124,140
<u>HEAD OF HOUSEHOLD RETURNS ¹</u>										
Loss	347	347	-	-	-	-	-	-	-	-
\$ 0 under \$ 5,000	4,513	5,171	698	40	-	-	-	-	-	-
5,000 " 20,000	1,023	6,226	3,765	2,162	8,972	7,544	5,682	3,510	-	-
20,000 and over	180	441	158	316	1,062	1,701	5,458	6,226	21,553	19,727
TOTAL	6,063	12,185	4,621	2,518	10,034	9,245	11,140	9,736	21,553	19,727
<u>ALL RETURNS</u>										
Loss	6,172	6,172	-	-	-	-	-	-	-	-
\$ 0 under \$ 5,000	66,628	75,492	31,164	22,300	913	913	-	-	-	-
5,000 " 20,000	12,548	30,627	24,214	18,207	60,232	53,646	38,530	33,806	3,497	2,735
20,000 and over	2,328	3,758	1,984	2,395	7,589	9,466	25,537	26,634	240,796	235,981
TOTAL	87,676	116,049	57,362	42,902	68,734	64,025	64,067	60,440	244,293	238,716

¹ Includes qualifying surviving spouses.

TABLE 12
 TYPE OF RETURN FILED BY THOSE WITH ADJUSTED GROSS INCOME UNDER \$100,000,
 SHOWING NUMBER OF RETURNS, ADJUSTED GROSS INCOME, AND TAX LIABILITY BY STATUS - 2000
 (Resident Returns)

ADJUSTED GROSS INCOME CLASS	FORM N-11 RETURNS			FORM N-12 RETURNS			FORM N-13 RETURNS		
	No. of Returns	Adjusted Gross Income	Tax Liability	No. of Returns	Adjusted Gross Income	Tax Liability	No. of Returns	Adjusted Gross Income	Tax Liability
ALL RETURNS									
Loss	6,087	(\$239,220,928)	\$0	85	(\$1,020,304)	\$0	0	\$0	\$0
Zero	3,542	0	0	2,033	0	0	10,928	0	0
1 under 1,000	15,124	6,831,604	6,716	2,302	887,445	144	5,730	2,358,373	725
1,000 "	44,729	129,239,008	780,574	3,283	9,066,197	19,630	11,034	30,591,651	157,823
5,000 "	43,934	325,718,646	5,293,294	1,697	11,940,473	159,487	7,938	58,173,907	1,494,432
10,000 "	37,348	466,917,295	12,904,996	751	9,527,040	285,454	5,730	71,303,835	2,612,781
15,000 "	35,803	624,786,705	21,688,393	1,054	18,460,390	712,081	4,766	83,464,357	3,890,691
20,000 "	63,973	1,583,005,352	66,497,917	1,749	43,329,865	2,010,982	6,715	165,506,345	9,155,054
30,000 "	46,011	1,594,092,260	74,487,813	1,013	35,723,016	1,891,259	2,724	93,343,939	5,839,402
40,000 "	34,395	1,542,928,831	73,307,206	701	31,681,853	1,606,956	907	40,081,671	2,538,997
50,000 "	27,198	1,489,544,493	73,314,618	449	24,609,767	1,230,632	370	19,997,108	1,318,785
60,000 "	30,207	2,024,443,930	102,306,721	323	21,408,457	1,061,720	292	19,265,836	1,296,184
75,000 "	29,490	2,539,912,130	134,349,746	296	25,408,898	1,377,385	48	4,219,183	296,134
TOTAL	417,841	\$12,088,199,327	\$564,937,994	15,736	\$231,023,097	\$10,355,730	57,182	\$588,306,205	\$28,601,008

See end of table for footnotes.

TABLE 12 (Continued)
 TYPE OF RETURN FILED BY THOSE WITH ADJUSTED GROSS INCOME UNDER \$100,000,
 SHOWING NUMBER OF RETURNS, ADJUSTED GROSS INCOME, AND TAX LIABILITY BY STATUS - 2000
 (Resident Returns)

ADJUSTED GROSS INCOME CLASS	FORM N-11 RETURNS			FORM N-12 RETURNS			FORM N-13 RETURNS		
	No. of Returns	Adjusted Gross Income	Tax Liability	No. of Returns	Adjusted Gross Income	Tax Liability	No. of Returns	Adjusted Gross Income	Tax Liability
<u>SINGLE RETURNS</u> ²									
Loss	3,405	(\$65,173,932)	\$0	66	(\$468,526)	\$0	0	\$0	\$0
Zero	2,274	0	0	1,481	0	0	9,250	0	0
1 under 1,000	11,190	5,358,517	6,716	1,707	600,077	144	4,599	2,008,882	725
1,000 " 5,000	34,487	98,283,939	774,681	2,349	6,398,269	18,339	9,627	26,606,417	155,567
5,000 " 10,000	30,179	222,254,958	4,857,850	1,069	7,459,060	138,084	6,674	48,995,255	1,424,780
10,000 " 15,000	23,027	285,870,067	10,290,848	448	5,784,595	232,540	4,367	54,052,162	2,231,645
15,000 " 20,000	19,432	338,955,233	14,963,077	682	11,876,754	531,169	3,595	62,935,833	3,208,297
20,000 " 30,000	34,242	845,934,737	42,969,907	982	24,405,796	1,296,148	5,024	124,029,152	7,310,397
30,000 " 40,000	22,447	775,778,596	42,561,121	591	20,285,278	1,201,839	2,052	70,389,777	4,616,586
40,000 " 50,000	12,901	576,362,103	32,556,758	247	10,811,566	661,461	421	18,351,986	1,283,270
50,000 " 60,000	7,983	434,530,377	25,195,607	81	4,280,851	240,659	145	7,755,194	566,906
60,000 " 75,000	6,162	410,132,968	24,566,443	52	3,451,217	173,646	55	3,641,715	276,243
75,000 " 100,000	3,854	328,988,274	20,418,382	42	3,512,508	181,517	0	0	0
TOTAL	211,583	\$4,257,275,838 ¹	\$219,161,390	9,797	\$98,397,445 ¹	\$4,675,546	45,809	\$418,766,373	\$21,074,416

See end of table for footnotes.

TABLE 12 (Continued)
 TYPE OF RETURN FILED BY THOSE WITH ADJUSTED GROSS INCOME UNDER \$100,000,
 SHOWING NUMBER OF RETURNS, ADJUSTED GROSS INCOME, AND TAX LIABILITY BY STATUS - 2000
 (Resident Returns)

ADJUSTED GROSS INCOME CLASS	FORM N-11 RETURNS			FORM N-12 RETURNS			FORM N-13 RETURNS		
	No. of Returns	Adjusted Gross Income	Tax Liability	No. of Returns	Adjusted Gross Income	Tax Liability	No. of Returns	Adjusted Gross Income	Tax Liability
<u>JOINT RETURNS</u>									
Loss	2,336	(\$164,177,280)	\$0	18	(\$524,309)	\$0	0	\$0	\$0
Zero	991	0	0	363	0	0	1,231	0	0
1 under 1,000	3,359	1,266,133	0	474	233,434	0	822	265,960	0
1,000 " 5,000	7,642	22,812,399	1,476	790	2,216,738	360	858	2,297,226	183
5,000 " 10,000	9,432	71,158,071	171,261	421	2,901,711	6,453	508	3,543,489	15,290
10,000 " 15,000	8,822	111,805,769	1,073,660	182	2,258,971	24,990	448	5,652,889	89,923
15,000 " 20,000	9,723	169,973,147	3,024,685	206	3,562,822	68,886	364	6,359,539	154,075
20,000 " 30,000	18,401	458,692,929	12,457,908	363	9,041,239	314,496	818	20,548,702	853,672
30,000 " 40,000	17,034	594,954,240	21,863,051	181	6,868,324	262,789	368	12,671,576	638,405
40,000 " 50,000	18,269	822,917,433	33,865,540	412	18,814,114	815,736	426	19,070,985	1,091,687
50,000 " 60,000	17,130	941,401,802	42,265,254	316	17,396,002	828,749	203	11,047,127	672,096
60,000 " 75,000	22,546	1,515,674,325	72,594,004	250	16,660,071	819,590	185	12,393,485	795,728
75,000 " 100,000	24,671	2,128,527,015	109,319,143	244	21,120,550	1,156,158	48	4,219,183	296,134
TOTAL	160,356	\$6,675,005,984	\$296,635,982	4,220	\$100,549,667	\$4,298,207	6,279	\$98,070,161	\$4,607,193

See end of table for footnotes.

TABLE 12 (Continued)
 TYPE OF RETURN FILED BY THOSE WITH ADJUSTED GROSS INCOME UNDER \$100,000,
 SHOWING NUMBER OF RETURNS, ADJUSTED GROSS INCOME, AND TAX LIABILITY BY STATUS - 2000
 (Resident Returns)

ADJUSTED GROSS INCOME CLASS	FORM N-11 RETURNS			FORM N-12 RETURNS			FORM N-13 RETURNS		
	No. of Returns	Adjusted Gross Income	Tax Liability	No. of Returns	Adjusted Gross Income	Tax Liability	No. of Returns	Adjusted Gross Income	Tax Liability
HEAD OF HOUSEHOLD RETURNS ³									
Loss	346	(\$9,869,716)	\$0	1	(\$27,469)	\$0	0	\$0	\$0
Zero	277	0	0	189	0	0	447	0	0
1 under 1,000	575	206,954	0	121	53,934	0	309	83,531	0
1,000 " 5,000	2,600	8,142,670	4,417	144	451,190	931	549	1,688,008	2,073
5,000 " 10,000	4,323	32,305,617	264,183	207	1,579,702	14,950	756	5,635,163	54,362
10,000 " 15,000	5,499	69,241,459	1,540,488	121	1,483,474	27,924	915	11,598,784	291,213
15,000 " 20,000	6,648	115,858,325	3,700,631	166	3,020,814	112,026	807	14,168,985	528,319
20,000 " 30,000	11,330	278,377,686	11,070,102	404	9,882,830	400,338	873	20,928,491	990,985
30,000 " 40,000	6,530	223,359,424	10,063,641	241	8,569,414	426,631	304	10,282,586	584,411
40,000 " 50,000	3,225	143,649,295	6,884,908	42	2,056,173	129,759	60	2,658,700	164,040
50,000 " 60,000	2,085	113,612,314	5,853,757	52	2,932,914	161,224	22	1,194,787	79,783
60,000 " 75,000	1,499	98,636,637	5,146,274	21	1,297,169	68,484	52	3,230,636	224,213
75,000 " 100,000	965	82,396,841	4,612,221	10	775,840	39,710	0	0	0
TOTAL	45,902	\$1,155,917,507	\$49,140,622	1,719	\$32,075,985	\$1,381,977	5,094	\$71,469,671	\$2,919,399

¹ Includes losses.

² Includes married filing separately.

³ Includes qualifying surviving spouse.

TABLE 13
 SELECTED SOURCES OF INCOME 1991 - 2000
 All Returns
 (In Millions of Dollars)

SOURCES OF INCOME	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Salaries and Wages	\$ 12,056	\$ 12,757	\$ 12,938	\$ 13,454	\$ 12,947	\$ 12,570	\$ 13,814	\$ 14,155	\$ 14,559	\$ 14,597
Taxable Dividends	278	282	273	307	291	293	377	384	435	455
Interest	824	720	526	529	571	545	643	686	646	662
Business and Professions ¹										
Net Profit	709	694	752	780	620	-	781	857	879	873
Net Loss	82	83	105	111	87	-	122	126	135	154
Sale of Capital Assets										
Net Gain	681	567	611	577	452	556	904	1,146	1,658	1,611
Net Loss	34	32	54	42	61	34	75	89	102	105
Rents and Royalties ²										
Net Profit	244	263	254	273	222	245	241	238	250	245
Net Loss	176	156	180	187	191	234	251	263	254	237
Partnerships ²										
Net Profit	322	341	292	340	247	286	434	485	558	520
Net Loss	102	78	85	100	64	93	103	172	141	97
Estates and Trusts ²										
(Income Less Loss)	55	68	71	88	72	66	90	104	98	74
Total Hawaii Income ³	\$ 15,161	\$ 15,739	\$ 15,735	\$ 16,727	\$ 15,639	\$ 16,221	\$ 17,366	\$ 17,910	\$ 19,059	\$ 20,350

¹ Complete data not available.

² Data available for residents only.

³ Income before statutory adjustments.

TABLE 14
 TYPE AND AMOUNT OF DEDUCTIONS 1991 - 2000
 All Returns to 1996 and After 1998; Resident Returns Only For 1997 & 1998
 (In Millions of Dollars)

TYPE OF DEDUCTIONS	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Itemized Deductions:										
Contributions	\$ 253	\$ 278	\$ 289	\$ 287	\$ 271	\$ 313	\$ 356	\$ 396	\$ 472	\$ 485
Interest	1,260	1,354	1,335	1,408	1,415	1,557	1,640	1,695	1,725	1,788
Taxes	906	990	999	1,141	1,045	1,179	1,109	1,188	1,246	1,270
Medical and Dental	106	133	135	150	136	151	156	172	207	225
Casualty Losses	9	38	5	11	5	3	6	6	5	4
Moving Expenses ¹	25	22	20	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Other Deductions	139	166	183	206	192	283	210	243	292	327
Total Reported	\$ 2,699	\$ 2,981	\$ 2,967	\$ 3,203	\$ 3,064	\$ 3,487	\$ 3,477	\$ 3,700	\$ 3,945	\$ 4,099
Unallowed Deductions ²	43	45	42	47	39	46	58	68	88	7
Total Allowed	\$ 2,656	\$ 2,936	\$ 2,924	\$ 3,155	\$ 3,025	\$ 3,441	\$ 3,419	\$ 3,632	\$ 3,857	\$ 4,092

¹ Beginning in 1987, moving expenses became an itemized deduction. In 1994, moving expenses became an adjustment to income.

² Beginning 1991, itemized deductions limited for taxpayers with adjusted gross income more than \$100,000 or \$50,000 if married filing separately.

TABLE 15
TYPE AND NUMBER OF RETURNS FILED IN EACH TAXATION DISTRICT, 1991 - 2000

TYPE OF RETURN	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
<u>First Taxation District</u>										
Form N-11	-	-	-	-	271,885	287,542	303,095	311,850	319,445	328,212
Form N-12	298,253	304,892	308,171	317,440	42,075	33,634	17,460	15,496	13,323	11,584
Form N-13	95,086	90,378	87,591	87,426	74,764	68,293	59,299	52,517	46,074	41,058
Form N-15	34,301	34,956	34,611	35,849	32,030	29,833	42,454	43,040	43,113	45,249
TOTAL - FIRST DISTRICT	427,640	430,226	430,373	440,715	420,754	419,302	422,308	422,903	421,955	426,103
<u>Second Taxation District</u>										
Form N-11	-	-	-	-	36,334	39,840	42,688	44,788	46,630	48,799
Form N-12	39,188	40,255	41,179	42,863	5,104	4,178	2,278	1,987	1,769	1,458
Form N-13	10,833	10,732	10,114	10,408	8,717	8,092	7,070	6,418	5,546	4,916
Form N-15	1,494	1,662	1,414	1,478	1,258	1,221	2,561	2,642	2,905	3,410
TOTAL - SECOND DISTRICT	51,515	52,649	52,707	54,749	51,413	53,331	54,597	55,835	56,850	58,583
<u>Third Taxation District</u>										
Form N-11	-	-	-	-	38,767	40,539	44,471	46,278	47,896	50,249
Form N-12	43,525	45,029	45,492	46,202	6,344	5,099	2,936	2,503	2,364	2,056
Form N-13	15,518	15,137	14,724	15,228	12,457	12,228	10,772	9,894	9,013	8,186
Form N-15	941	1,078	969	1,066	925	928	2,267	2,207	2,591	2,971
TOTAL - THIRD DISTRICT	59,984	61,244	61,185	62,496	58,493	58,794	60,446	60,882	61,864	63,462
<u>Fourth Taxation District</u>										
Form N-11	-	-	-	-	17,549	18,316	19,541	20,457	20,965	21,803
Form N-12	19,521	20,045	19,977	20,947	2,614	1,927	1,244	944	882	786
Form N-13	6,069	5,290	5,285	5,201	4,584	4,279	3,709	3,450	3,271	3,025
Form N-15	456	613	663	593	438	425	901	926	936	1,112
TOTAL - FOURTH DISTRICT	26,046	25,948	25,925	26,741	25,185	24,947	25,395	25,777	26,054	26,726
<u>All Taxation Districts</u>										
Form N-11	-	-	-	-	364,535	386,237	409,795	423,373	434,936	449,063
Form N-12	400,487	410,221	414,819	427,452	56,137	44,838	23,918	20,930	18,338	15,884
Form N-13	127,506	121,537	117,714	118,263	100,522	92,892	80,850	72,279	63,904	57,185
Form N-15	37,192	38,309	37,657	38,986	34,651	32,407	48,183	48,815	49,545	52,742
TOTAL - ALL RETURNS	565,185	570,067	570,190	584,701	555,845	556,374	562,746	565,397	566,723	574,874

TABLE 16
ADJUSTED GROSS INCOME, GROSS TAX LIABILITY, AND WAGES BY GEOGRAPHIC AREA - 2000

GEOGRAPHIC AREA	No. of Returns	Adjusted Gross Income		Gross Tax Liability			Wages			Percent of Returns With		
		Amount	Mean	Number	Amount	Mean	Number	Amount	Mean	Tax Liability	Wages	Itemized Deductions
Downtown & Nuuanu	50,179	\$ 1,673,434,101	\$ 33,349	38,554	\$ 94,154,909	\$ 2,442	33,889	\$ 1,151,455,987	\$ 33,977	77%	68%	49%
Kaimuki to Hawaii Kai	47,468	2,624,743,013	55,295	40,275	153,606,605	3,814	32,765	1,589,611,317	48,516	85%	69%	61%
Makiki to Waikiki	51,315	1,799,861,584	35,075	42,227	100,104,213	2,371	35,467	1,218,700,119	34,362	82%	69%	51%
Airport, Kalihi	37,059	1,028,414,821	27,751	31,039	49,903,182	1,608	29,902	867,739,011	29,019	84%	81%	52%
Aiea, Pearl City	34,444	1,212,063,650	35,189	28,945	62,571,367	2,162	26,623	987,415,957	37,089	84%	77%	55%
Waipahu	27,558	905,471,636	32,857	23,583	41,896,470	1,777	23,835	804,879,685	33,769	86%	86%	57%
Kapolei, Ewa	27,127	960,171,739	35,395	23,412	42,725,527	1,825	23,700	865,744,673	36,529	86%	87%	61%
Wahiawa, Mililani	31,628	1,271,779,407	40,211	27,423	63,536,089	2,317	26,317	1,077,910,174	40,959	87%	83%	59%
Waianae Coast	16,041	394,943,644	24,621	12,691	17,767,189	1,400	13,327	362,751,640	27,219	79%	83%	42%
Kailua, Kaneohe	47,905	2,004,228,362	41,838	40,459	105,678,409	2,612	37,125	1,491,535,590	40,176	84%	77%	58%
Oahu North Shore	11,244	314,213,694	27,945	9,026	14,682,131	1,627	8,991	255,983,754	28,471	80%	80%	49%
Oahu Total	381,968	\$ 14,189,325,651	\$ 37,148	317,634	\$ 746,626,091	\$ 2,351	291,941	\$ 10,673,727,907	\$ 36,561	83%	76%	55%
Wailuku, Kahului	22,364	\$ 692,488,927	\$ 30,964	18,897	\$ 32,949,776	\$ 1,744	18,206	\$ 576,598,591	\$ 31,671	84%	81%	56%
Kihei	9,750	369,187,455	37,865	8,879	18,845,647	2,122	8,022	268,586,964	33,481	91%	82%	62%
Lahaina	8,626	341,602,506	39,601	7,820	18,236,033	2,332	7,001	247,912,366	35,411	91%	81%	61%
Rural Maui	15,082	576,197,801	38,204	12,851	30,211,413	2,351	11,740	384,910,384	32,786	85%	78%	54%
Molokai	2,750	69,513,003	25,277	2,099	3,342,844	1,593	2,061	48,440,965	23,504	76%	75%	36%
Lanai	1,397	43,960,602	31,468	1,272	2,275,218	1,789	1,297	39,292,284	30,295	91%	93%	51%
Maui County Total	59,969	\$ 2,092,950,294	\$ 34,901	51,818	\$ 105,860,931	\$ 2,043	48,327	\$ 1,565,741,554	\$ 32,399	86%	81%	56%
Hilo	20,576	602,976,760	29,305	15,849	30,653,228	1,934	14,989	470,182,038	31,368	77%	73%	45%
Hamakua Coast	5,467	135,527,722	24,790	4,252	6,662,025	1,567	3,858	105,980,854	27,470	78%	71%	43%
Kohala	7,921	349,405,227	44,111	6,783	19,230,106	2,835	6,505	220,337,786	33,872	86%	82%	60%
Kona, Waikoloa	17,776	576,914,316	32,455	15,177	29,959,907	1,974	13,376	407,722,986	30,482	85%	75%	53%
Puna-Ka'u	12,477	268,714,044	21,537	9,403	12,203,007	1,298	8,939	210,094,571	23,503	75%	72%	40%
Big Island Total	64,217	\$ 1,933,538,069	\$ 30,109	51,464	\$ 98,708,273	\$ 1,918	47,667	\$ 1,414,318,235	\$ 29,671	80%	74%	48%
Lihue	7,192	206,110,155	28,658	5,908	10,012,999	1,695	5,600	167,678,798	29,943	82%	78%	52%
North Kauai	9,934	367,671,747	37,011	8,494	19,174,952	2,257	7,532	219,665,822	29,164	86%	76%	56%
Koloa-Poipu	2,153	80,498,514	37,389	1,830	4,431,477	2,422	1,604	56,915,980	35,484	85%	75%	58%
West Kauai	7,614	228,329,674	29,988	6,257	11,241,419	1,797	5,585	183,121,837	32,788	82%	73%	50%
Kauai County Total	26,893	\$ 882,610,090	\$ 32,819	22,489	44,860,847	\$ 1,995	20,321	627,382,437	30,874	84%	76%	53%
Total - Hawaii Addresses	533,047	19,098,424,104	35,829	443,405	996,056,142	2,246	408,256	14,281,170,133	34,981	83%	77%	54%
Other U.S. States	38,915	1,029,666,444	26,459	29,858	59,716,319	2,000	17,739	310,560,823	17,507	77%	46%	40%
Foreign & Unknown	2,912	524,369	180	1,119	2,457,371	2,196	445	5,762,934	12,950	38%	15%	19%
Total - All Returns	574,874	\$ 20,128,614,917	\$ 35,014	474,382	\$ 1,058,229,832	\$ 2,231	426,440	\$ 14,597,493,890	\$ 34,231	83%	74%	53%

APPENDIX

FACSIMILES OF INDIVIDUAL INCOME

TAX RETURNS AND INSTRUCTIONS

Forms N-11 and N-12, Resident Individual Income Tax Return with Schedules
Instructions for Forms N-11 and N-12

Form N-13 (Short Form), Resident Individual Income Tax Return
Instructions for Form N-13

Form N-15, Nonresident & Part-Year Resident Individual Income Tax Return
Instructions for Form N-15