
hawaii income patterns

INDIVIDUALS -- 2001

DEPARTMENT OF TAXATION -- STATE OF HAWAII

STATE OF HAWAII
Linda Lingle, Governor

DEPARTMENT OF TAXATION
Kurt Kawafuchi, Director
Marie Laderta, Deputy Director

TAX RESEARCH & PLANNING OFFICE
Francis Okano, Tax Research & Planning Officer

PREPARED BY
Gail Sasaki, Research Statistician

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INTRODUCTION

“Hawaii Income Patterns – Individuals 2001” is the forty-fourth edition of an annual summary of data from individual income tax returns filed annually by residents and nonresidents. Data from federal income tax returns augment items not available on state returns.

All resident and nonresident taxpayers are included in the total population as presented throughout this report. A brief section is presented for elderly taxpayers, blind, deaf or totally disabled taxpayers, and dependent taxpayers.

HAWAII INCOME PATTERNS - 2001 INDIVIDUALS

OVERVIEW

A total of 575,170 returns were filed for the 2001 tax year. Among the major sources of income reported, salaries and wages increased by 7.3%. A 28.0% drop in net capital gains combined with the decline of other income sources resulted in a 2.7% drop in Hawaii total income and 2.8% in adjusted gross income (AGI).

Figure 1
Comparison of Selected Items for All 2001 and 2000 Returns

Item	2001	2000	% Change
Number of Returns.....	575,170	574,874	0.1
Number of Exemptions.....	1,216,061	1,212,497	0.3
Number of Age Exemptions	135,931	135,934	(0.0)
Number of Regular Exemptions	1,080,130	1,076,563	0.3
(Thousands of Dollars)			
Salaries and Wages	\$15,669,540	\$14,597,494	7.3
Capital Gains (Net of Losses)	1,084,048	1,505,568	(28.0)
Hawaii Total Income.....	19,795,577	20,350,168	(2.7)
Total Adjustments.....	235,502	221,553	6.3
Hawaii Adjusted Gross Income*	19,560,076	20,128,615	(2.8)
Taxable Income.....	14,845,667	15,390,415	(3.5)
Tax Liability Before Credits	988,226	1,058,230	(6.6)
Tax Liability After Credits	929,491	1,009,560	(7.9)

*Includes negative adjusted gross income.

Act 157 (1998 Legislature) provided for a tax rate reduction in 2001 that accounted for the 6.6% drop in gross tax liability (before credits) and a 7.9% drop in net tax liability (after credits). Act 311 (2001 Legislature) provided for a voluntary \$2 donation (plus an extra \$2 for a spouse) to the Hawaii School-Level Minor Repairs and Maintenance Special Fund. In its initial year, a total of \$119,596 was designated to this fund.

CONFORMITY TO THE INTERNAL REVENUE CODE

Since 1978, the Hawaii legislature has conformed the income tax law to most of the changes in the Internal Revenue Code. However, several differences remain between state and federal income tax laws.

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Income sources taxed by the federal government but not by Hawaii include social security benefits, most pension distributions, and interest on U.S. savings bonds, contributions made to a Hawaii individual housing account and the first \$1,750 in Hawaii national guard duty or military reserve pay. On the other hand, several items are taxable under Hawaii tax laws but not under federal tax laws. These include 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 standard deduction, personal exemption and itemized deductions. Under federal law, the standard deduction may be increased by \$1,100 if the taxpayer is at least 65 years of age and another \$1,100 if blind (\$900 for married taxpayers filing joint or separately). Hawaii standard deduction does not increase for age or disability. The personal exemption amounts differ at \$2,900 for the federal government and \$1,040 for the state. The state allows an extra personal exemption to taxpayers at least 65 years of age. A taxpayer who is blind, deaf or totally disabled may claim an exemption of \$7,000 (instead of the \$1,040 amount), and an additional \$7,000 for a spouse who is also blind, deaf or totally disabled. The federal personal exemption does not increase. For itemized deductions, certain political contributions are deductible on the state return but not on the federal return.

The federal government and Hawaii offer different tax credits. The federal government 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 offers a low-income tax credit and a low-income renter's tax credit. Hawaii tax credits are discussed in detail in a separate report.¹

LEGISLATION

In tax year 2001, the second stage of a three-stage reduction of personal income tax rates was enacted by the 1998 legislature (Act 157). Prior to Act 157, tax rates ranged from 2% to 10% of taxable income. Along with a broadened income bracket, the first stage of Act 157 lowered all rates with the top rate changing from 10% to 8.75% for tax year 1999. The second stage, effective for tax year 2001, lowered the top rate to 8.5%, and a third rate reduction taking effect in tax year 2002 will lower the top rate to 8.25%.²

¹ Tokushige, Walter, Tax Credits Claimed by Hawaii Taxpayers – 2001, Hawaii Department of Taxation, Tax Research and Planning Office, October 2003.

² Based on 2001 taxable income, 1998 tax rates would have generated an additional \$228.6 million and 1999 tax rates an additional \$37.4 million.

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Other income tax related measures enacted by the 2001 legislature include:

- Act 119 provided for the Hawaii State Constitution's mandated general income tax credit;
- Act 199 conformed Hawaii income tax law to the federal Internal Revenue Code (IRC) provisions;
- Act 221 expanded tax incentives for the technology sector. Major items include: (1) increased high technology investment tax credit from 10% of amount invested with a limit of \$500,000 to 100% over a period of five years with a limit of \$2 million, (2) partnership allocation of the credit without regard to partners' proportionate interest, (3) the nonrefundable technology infrastructure renovation income tax credit, and (4) the expansion of the 20% refundable credit from the increase in expenses of research activities to all expenses related to research activities;
- Act 293 provided for the drought mitigating facility credit;
- Act 309 established the Hawaii School Repair and Maintenance Fund that allowed for an income tax credit equal to 10% of the value of services contributed by licensed contractors; and
- Act 311 established the Hawaii School-Level Minor Repairs and Maintenance Special Fund that provided for a voluntary \$2 donation (plus \$2 for a spouse) on the income tax return.

DATA SOURCE AND METHODOLOGY

A state sample database was obtained from the Hawaii Department of Taxation electronic information systems.³ Following the due date of October 20, 2002 for all returns with extensions, information was retrieved for returns processed up to December 2002. Supplemental data were extracted from the federal data files.⁴

A stratified random sample was used for this study. The state sample was stratified by Hawaii adjusted gross income (AGI) for residents and worldwide AGI for nonresidents. A random sample of 46,241 returns represented 8.0% of the total 575,170 returns processed. Sampling ranged from 4.9% for returns with low positive AGI to 100% for

³ Comprehensive Net Income Tax (CNIT) system and the Integrated Tax Information Management Systems (ITIMS) Tax Processing System (ITPS). ITPS replaced CNIT in November 2002.

⁴ Internal Revenue Service, Individual Master File (IMF) and Individual Return Transaction File (IRTF).

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returns with extreme positive or negative AGI. Figure 2 displays the number and percentages of returns sampled by AGI level and return types.

This state random sample set for resident returns was then merged with the federal data set for additional information, such as income sources and adjustments. Since the federal data set was created before the December cutoff date, a small fraction of the sample set did not merge with the federal data set. These 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.

Figure 2

Sample Size and Frequency (Percent of Population) by Return Type										
AGI*			N-11		N-12		N-13		N-15	
In \$Thousands			Size	%	Size	%	Size	%	Size	%
Under -\$1,000			21	100.0	0	n/a	0	n/a	75	100.0
-1,000	<	-100	263	76.9	1	100.0	0	n/a	210	100.0
-100	<	0	2,759	35.4	85	100.0	0	n/a	500	39.7
0	<	50	16,272	4.9	656	5.3	2,438	4.9	1,575	5.2
50	<	100	8,489	9.8	105	10.8	81	11.4	1,078	10.3
100	<	200	4,819	19.2	110	100.0	3	100.0	1,044	19.9
200	<	500	1,714	35.4	10	100.0	0	n/a	1,045	39.8
500	<	1,000	551	82.7	0	n/a	0	n/a	848	100.0
1,000	& over		316	100.0	0	n/a	0	n/a	1,173	100.0
TOTAL			35,204	7.7	967	7.1	2,522	5.0	7,548	14.4

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

Since the federal data set includes only those returns with Hawaii addresses, certain details on income sources are not available for nonresident returns, as most nonresidents reported addresses outside Hawaii. Actual returns were examined to edit the sample data set. Where correct information could not be determined, discrepancies were reported as “unknown income” or “unknown adjustments” in this report.

TYPES AND NUMBER OF RETURNS FILED

Any individual doing business in Hawaii regardless of net income and any individual with gross income subject to Hawaii's income tax law are required to file an income tax return. If total income is less than the sum of standard deduction and personal

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exemption amounts, then the taxpayer is not required to file a return. While not required, many individuals with zero or negative income file a return to claim tax credits.

Dependent taxpayers whose unearned income is \$500 or more, or whose gross income is greater than the standard deduction amount must also file a return. If the dependent's income is derived solely from interest and dividends and is between \$500 and \$5,000, then the parent may file Form N-814, Parent's Election to Report Child's Interest and Dividends, for the dependent.

Depending on their level and type of income and resident status, taxpayers file one of four individual income tax forms:

- N-11 for residents who 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 Hawaii residents with taxable income below \$100,000 and income sources including wages, salaries, tips, interest, ordinary dividends, and/or unemployment compensation. Taxpayers who have other sources of income, itemize deductions or claim adjustments to income must use form N-11 or N-12.
- N-15 for part-year residents and nonresidents with income from Hawaii sources.

A nonresident is an individual who may have lived in Hawaii on a temporary or transient basis, but has a permanent address outside of Hawaii. A part-year resident is an individual who lived in Hawaii for part of the taxable year, including those who moved into or out of the state during the year. References to 'nonresidents' include part-year residents throughout this report.

Figure 3 presents the type of returns filed by return type and district. The four districts in Hawaii are: First Taxation District (island of Oahu), Second (islands of Maui, Molokai and Lanai), Third (island of Hawaii) and Fourth (islands of Kauai and Niihau).

The number of returns processed remained essentially unchanged between tax years 2001 and 2000 as shown in Figure 3. Nearly 88% of resident taxpayers chose to file the N-11 form. Increased taxpayer awareness probably accounts for continued increase in N-11 filings and accompanying decreases in N-12 and N-13 filings. Nonresidents' returns filed dropped slightly.

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Figure 3
Comparison of Type of Return Filed
In Each Taxation District in 2001 and 2000

Type of Return	TAXATION DISTRICT				
	State	First	Second	Third	Fourth
All Returns					
2001	575,170	424,809	59,983	63,861	26,517
2000	574,874	426,103	58,583	63,462	26,726
% Change	0.1	(0.3)	2.4	0.6	(0.8)
Form N-11					
2001	459,115	334,270	50,829	51,937	22,079
2000	449,063	328,212	48,799	50,249	21,803
% Change	2.2	1.8	4.2	3.4	1.3
Form N-12					
2001	13,553	9,937	1,267	1,695	654
2000	15,884	11,584	1,458	2,056	786
% Change	(14.7)	(14.2)	(13.1)	(17.6)	(16.8)
Form N-13					
2001	50,073	35,820	4,437	7,169	2,647
2000	57,185	41,058	4,916	8,186	3,025
% Change	(12.4)	(12.8)	(9.7)	(12.4)	(12.5)
Form N-15					
2001	52,429	44,782	3,450	3,060	1,137
2000	52,742	45,249	3,410	2,971	1,112
% Change	(0.6)	(1.0)	1.2	3.0	2.2

Figure 4 presents the number of returns filed by taxpayer status. Nearly half, or 49.5% of residents claimed single status, while 46.4% of nonresidents claimed joint status. Altogether, 48.8% of the returns processed claimed single status.

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	198,999	38.1	24,331	46.4	223,330	38.8
Single.....	258,950	49.5	21,736	41.5	280,686	48.8
Married Filing Separate...	9,222	1.8	4,363	8.3	13,585	2.4
Head of Household.....	55,318	10.6	1,977	3.8	57,295	10.0
Qualified Widow(er).....	252	0.0	22	0.0	274	0.0
TOTAL	522,741	100.0	52,429	100.0	575,170	100.0

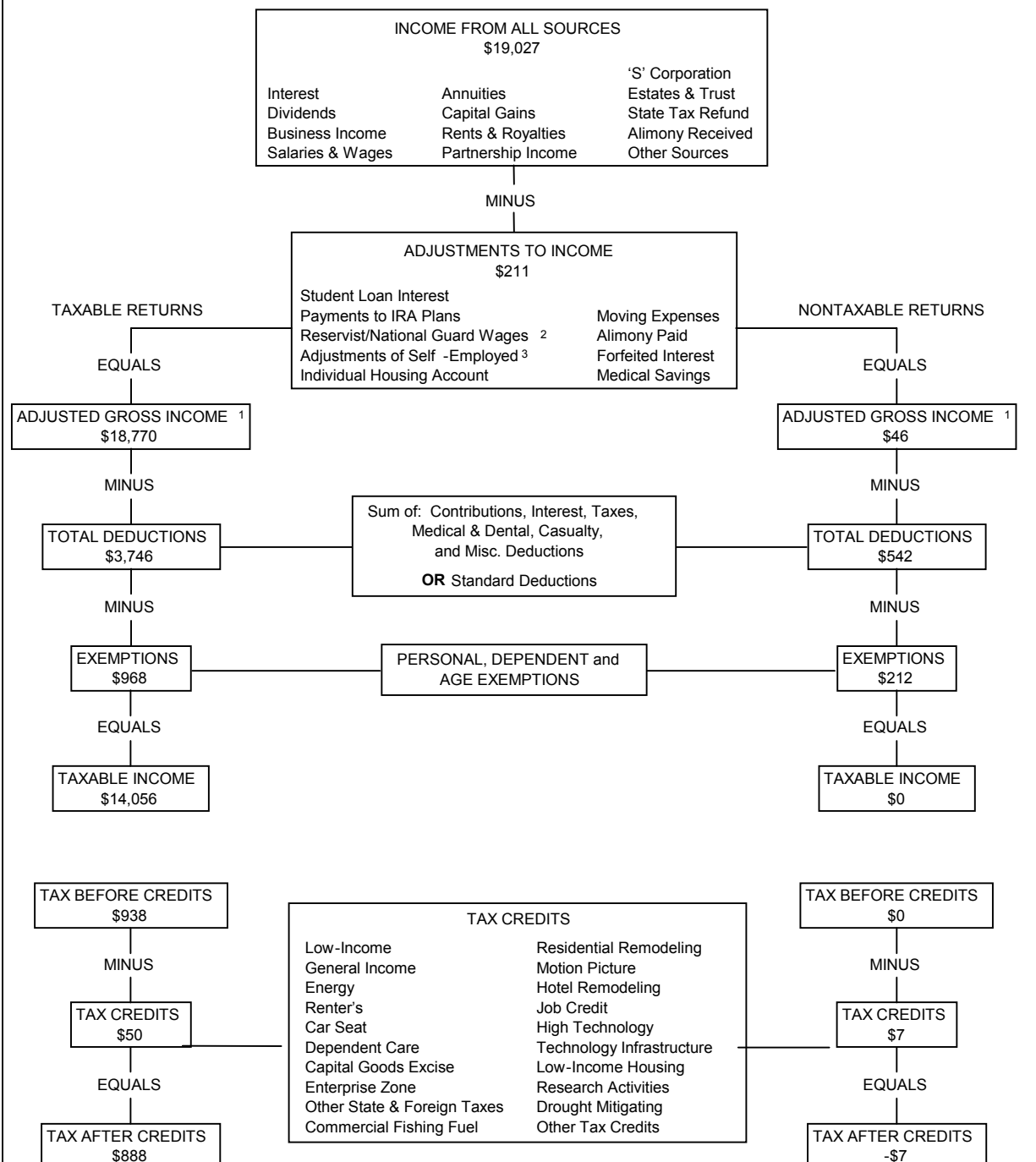
Note: Due to rounding, details may not add to totals.

RESIDENT RETURN STATISTICS

Chart 1 illustrates the major components of resident returns for the 2001 tax year. Total income minus adjustments gives adjusted gross income (AGI). AGI less deductions and exemptions equals taxable income. Tax liability (tax before credits) is based on the tax table or tax rates. Tax after credits is the actual amount of tax liability owed by the taxpayer.

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



¹Includes losses.

²Exclusion of first \$1,750 of duty pay.

³Includes Keogh/SEP, self -employment tax, and health insurance deductions.

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

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Resident Income and Adjustments

Figure 5 presents selected sources of income reported by residents. Federal total income reported for 2001 amounted to \$21.2 billion. This was a 1.2% drop over the prior year mainly due to the lower amount of capital gain income. Hawaii total income also dropped 1.3% from \$19.3 billion to \$19.0 billion in 2001. Making up 71.4% of total income, salaries and wages amounted to \$15.1 billion. As illustrated in Figure 5, the second highest source of income was \$1.9 billion in pension and annuities, followed by \$0.9 billion of net gains on sale of capital assets.

Figure 5
Selected Sources of Income Reported by Residents
(In Thousands of Dollars)

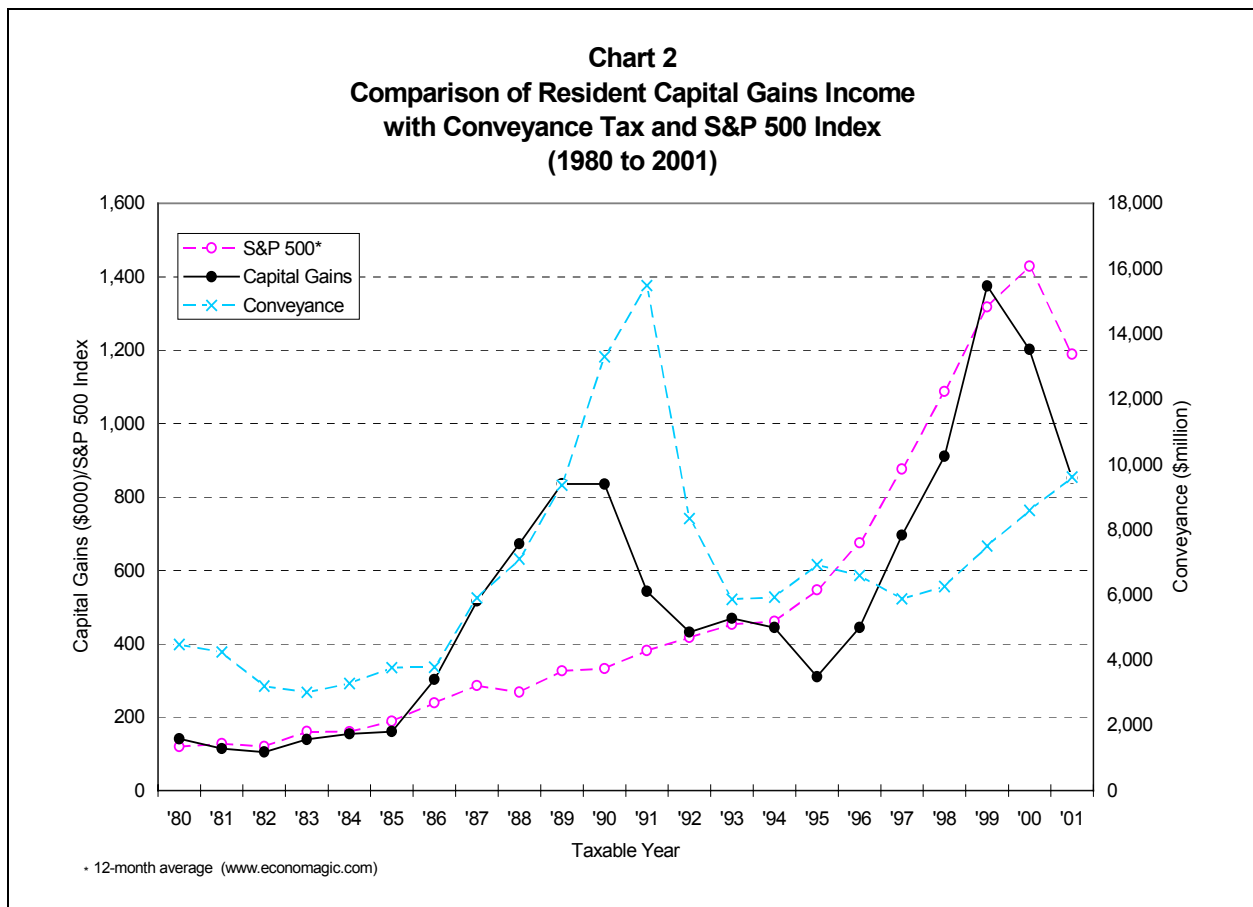
Sources of Income	2001	2000	% Change
Salaries and Wages.....	\$ 15,109,090	\$ 14,059,866	7.5
Pensions and Annuities.....	1,916,260	1,791,479	7.0
Capital Assets and Other Property.....	852,090	1,202,057	(29.1)
Sole Proprietorships.....	765,782	698,406	9.6
Interest.....	666,241	634,913	4.9
Rents & Royalties, Partnerships, Estates.....	575,830	504,710	14.1
Taxable Social Security.....	468,933	419,823	11.7
Taxable IRA Payouts.....	388,072	384,993	0.8
Taxable Dividends.....	379,795	443,881	(14.4)
Unemployment Compensation.....	102,459	70,632	45.1

In spite of the impact of the September 11, 2001 event on the visitor industry, salaries and wages and proprietorships' income showed significant increases, indicating the economy had been growing strongly before the event. The impact of the September 11 terrorist attack resulted in a 45.1% increase in unemployment compensation. Data from the Hawaii Department of Labor and Industrial Relations indicated that the number of unemployment claims more than doubled between September and December from an average 4,630 claims per week to 10,920 claims, mainly due to increases in unemployment from visitor-related industries. In the hotel industry alone, the weekly claims jumped from 310 to 2,478 claims for the same period.

Chart 2 shows that net gains from the sales of capital assets is influenced by large swings in either the local real estate or the U.S. stock markets. Capital gains income moved in the same directions as the real estate boom from 1986 to 1992 and the technology "bubble" of 1997 to 2001. The lower peak of resident capital gains income

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relative to conveyance taxes around 1990 suggests the possible influence of commercial and nonresident housing activity. The change in tax laws (Act 113, SLH 1998) that allow a \$250,000 (\$500,000 for married filing jointly) exemption from capital gains income reduced the influence of home sales on capital gains income since that time.



For taxpayers filing Form N-11, federal AGI was adjusted to get Hawaii AGI. Items taxed by Hawaii but not by the federal government were added to federal AGI (\$409.0 million), while items taxed by the federal government but not by Hawaii were subtracted from federal AGI (\$2,557.7 million).

In addition to the adjustments allowed by the federal government, Hawaii has two other adjustments--the individual housing account contributions (IHA) and Hawaii national guard/military reserve pay. Hawaii total adjustments, as listed in Figure 6, amounted to \$211.2 million, an 8.6% increase over the previous year. The most commonly claimed adjustment in terms of dollars and returns was self-employment tax, amounting to \$57.9

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million on 50,523 returns. The Hawaii adjustments amounted to \$9.5 million for national guard/military reserve pay and \$0.4 million for IHA.

Figure 6
Adjustments to Income on Resident Returns

Type of Adjustment	Number of Returns	Amount
One-half of Self-Employment Tax.....	50,523	\$ 57,854,985
Keogh and SEP Retirement Plans.....	5,421	48,077,644
Individual Retirement Account Contributions.....	16,236	32,386,462
Self-Employment Health Insurance Deduction.....	13,053	25,009,564
Alimony Paid.....	1,305	16,083,019
Hawaii National Guard/Military Reserve Pay.....	5,614	9,519,072
Moving Expenses.....	2,957	9,126,509
Student Loan Interest.....	10,022	5,970,001
Penalty for Early Withdrawal of Savings.....	3,307	686,681
Individual Housing Account Contributions.....	122	425,967
Medical Savings Account Contributions.....	29	35,756
Unknown Adjustments.....	2,087	6,008,159
Total Adjustments.....	84,449	\$ 211,183,819

Hawaii AGI for tax year 2001 amounted to \$18.8 million, representing a 1.4% drop from the \$19.1 million reported in 2000. The median AGI for all resident returns advanced 2.1% from \$22,157 in 2000 to \$22,626 in 2001. Among joint filers, the median AGI dropped slightly, while it increased for all other taxpayers.

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Figure 7
Median Adjusted Gross Income on Resident Returns
by Status, Taxation District and Year

Taxation District	All Returns		Joint		All Others**	
	2001	2000	2001	2000	2001	2000
All Resident Returns*						
Oahu	\$ 23,100	\$ 22,633	\$ 47,234	\$ 48,216	\$ 15,762	\$ 14,992
Maui	23,945	23,515	46,787	47,651	17,704	16,780
Hawaii	19,395	18,268	39,040	39,034	13,585	11,817
Kauai	21,381	20,778	44,017	43,982	14,693	14,024
STATE	\$ 22,626	\$ 22,157	\$ 46,012	\$ 46,636	\$ 15,649	\$ 14,764
Taxable Resident Returns						
Oahu	\$ 28,946	\$ 28,968	\$ 56,016	\$ 56,354	\$ 20,137	\$ 19,732
Maui	27,889	27,607	52,418	52,629	20,476	20,341
Hawaii	24,630	24,250	47,471	47,563	17,971	16,970
Kauai	25,842	26,460	49,828	48,781	18,752	17,628
STATE	\$ 28,159	\$ 27,948	\$ 53,899	\$ 54,353	\$ 19,809	\$ 19,352

*Includes returns with AGI losses.

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

Resident Deductions and Personal Exemptions

As shown in Chart 1, taxable income equals AGI minus deductions and exemptions. A taxpayer may choose to deduct the standard deduction amount or to itemize deductions. The simplest way is to deduct a standard deduction amount based on filing status as 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

While record keeping is involved, a taxpayer may want to itemize deductions if the amount is greater than the standard deduction amount. Taxpayers who itemize deductions may deduct from AGI: part of their medical and dental expenses, certain taxes paid, interest expenses, charitable contributions, casualty and theft losses, and

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other miscellaneous expenses. Some of these deductions have certain limitations. Only the part of medical and dental expenses over 7.5% of AGI is deductible; certain miscellaneous deductions are limited to 2% of Hawaii AGI, while casualty and theft losses are limited to 10% of AGI. Taxpayers with Hawaii AGI more than \$100,000 (\$50,000 if married filing separately) 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.

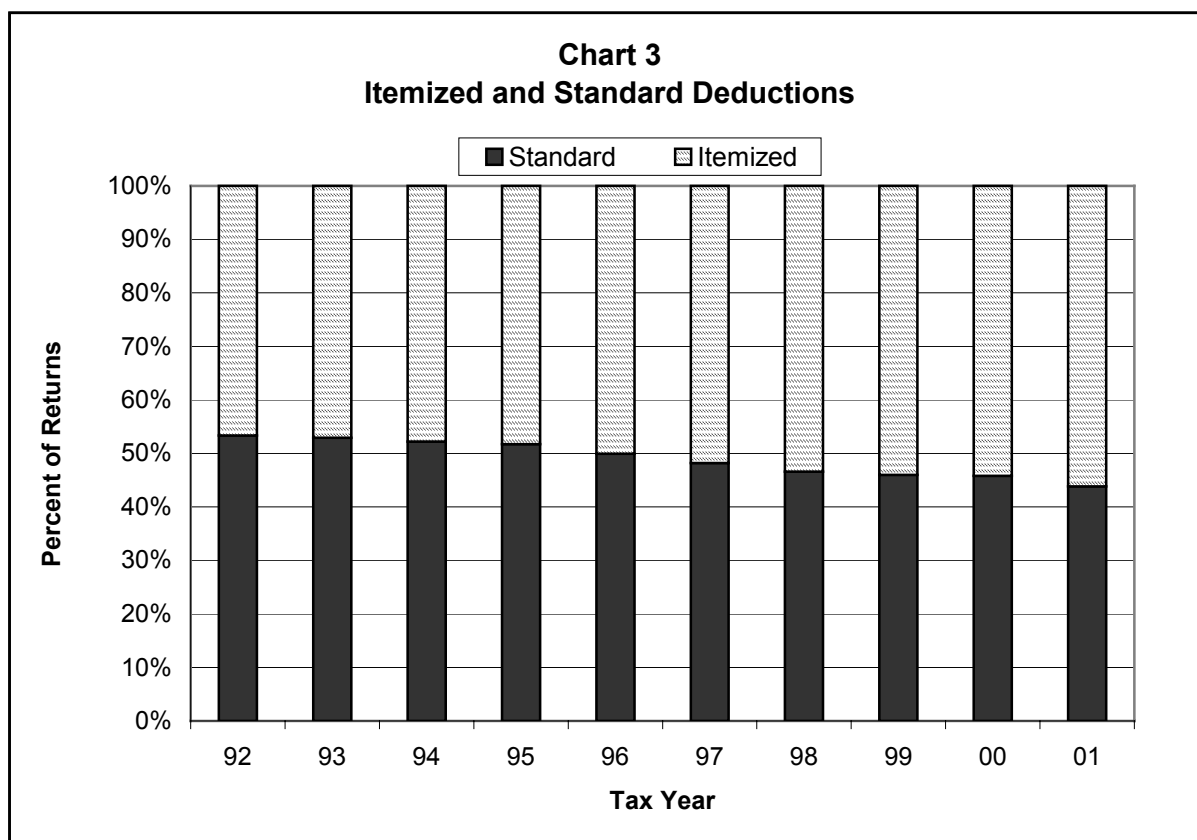
Figure 8 lists the types of deductions claimed by residents. The total allowable itemized deductions amounted to \$3,934.0 million, while standard deductions amounted to \$354.0 million. Itemized deductions not allowed totaled \$80.2 million, due to the Hawaii AGI threshold.

Figure 8
Standard And Itemized Deductions Claimed by Residents - 2001
(Thousands of Dollars)

Deduction Type	Number of Claims	Amount of Claim	% of Itemized Deductions	% of Total Deductions
Interest.....	155,665	\$ 1,750,515	44.5	40.8
Taxes.....	287,839	1,212,987	30.8	28.3
Charitable Contributions.....	243,570	479,445	12.2	11.2
Medical.....	67,761	244,421	6.2	5.7
Casualty & Theft.....	955	4,310	0.1	0.1
Miscellaneous.....	113,634	322,525	8.2	7.5
Total Itemized Deductions.....	293,401	\$ 4,014,203	100.0	91.9
Standard Deductions.....	229,097	354,000		8.1
Total Itemized & Standard Ded.....	522,498	4,368,203		100.0
Total Unallowed Deductions.....	30,502	80,157		1.8
Total Deductions.....	522,498	\$ 4,288,046		98.2

NOTE: Totals may not add up due to rounding.

Of the 522,498 resident returns reporting \$4,288.0 million in total allowable itemized deductions and standard deductions, 229,097 returns reported standard deductions, while 293,401 reported itemized allowable deductions. Since 1996, more than one-half of taxpayers have been itemizing their deductions instead of using the standard deduction.



Over the years, the proportion of taxpayers using the standard deduction has steadily declined. As illustrated in Chart 3, the proportion fell from 53.4% in 1992 to 43.8% in 2001. In 2001, taxpayers using the standard deduction dropped by another 10,000. This declining trend can be attributable to the fact that Hawaii’s standard deduction has not changed while components of itemized deductions have been growing because of growth and inflation during the same period. In contrast, standard deduction for federal returns increased with an average growth rate of 3.6% annually (except for a major increase in 1988). For tax year 2001 the standard deduction for federal returns was \$4,550 for single filers, \$7,600 for joint, \$6,650 for head of household, and \$3,800 for married filing separate. For Hawaii, the standard deduction before 1982 was 10% of AGI up to \$1,000. The following table presents the amount of the Hawaii standard deductions from 1982 to present, by filing status:

Effective with Tax Year	Single	Joint	Head of Household	Married Filing Separate
1982	\$ 800	\$1,000	\$ 800	\$500
1987	1,000	1,700	1,500	850
1989 to 2001	1,500	1,900	1,650	950

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A total of 1,107,293 personal exemptions were reported on 486,695 resident returns. Exemption amount rose slightly from \$1,172.7 million to \$1,179.7 million in 2001. Similar to last year's distribution, personal exemptions for primary taxpayers (including spouses on joint returns) accounted for 61.9% of all exemptions claimed. Dependents made up 27%, while age exemptions made up the remaining 12% of all personal exemptions.

Hawaii's personal exemption amount (\$1,040) has not changed since 1985. The federal personal exemption amount has steadily increased each year to \$2,900 in tax year 2001.

Resident Taxable Income and Tax Liability

Of the 522,741 resident returns filed, 83.5% reported taxable income of \$14,056.5 million, \$224.9 million less than the \$14,281.3 million reported in 2000. The average taxable income per taxable return was \$32,197, representing a 2.1% drop.

Tax liability is determined by using the tax rate schedule or the tax table based on taxable income and taxpayer filing status. Gross tax liability before tax credits dropped 5.9% from \$996.9 million to \$938.3 million, due to lower tax rates and lower taxable income. The average gross tax liability per taxable return also dropped 6.3% from \$2,295 to \$2,149. Net tax liability after tax credits decreased by 7.6% from \$957.1 million to \$888.3 million, as tax credits grew faster than taxable income.

NONRESIDENT AND PART-YEAR RESIDENT RETURN STATISTICS

The number of returns (Form N-15) filed by nonresidents and part-year residents totaled 52,429, making up 9.1% of all returns filed in 2001. While both income and adjustments from worldwide and from Hawaii sources are reported on this form, only data on Hawaii income and adjustments are presented in this section.

Nonresident Income and Adjustments

Nonresidents reported \$768.8 million in total income from Hawaii sources, representing a 28.1% drop from the previous year. As seen in Figure 9, salaries and wages grew \$22.8 million to \$560.5 million, while other sources dropped. Income sources for nonresident taxpayers generally fluctuate from year to year.

Individual Income – 2001

Figure 9
Sources of Income Reported
by Nonresident Taxpayers in 2001 and 2000
(In Thousands of Dollars)

Sources of Income	2001	2000	Increase (Decrease)
TOTAL.....	\$ 768,756	\$ 1,068,694	\$ (299,938)
Salaries and Wages.....	\$ 560,450	\$ 537,628	\$ 22,822
Interest.....	20,456	26,650	(6,194)
Ordinary Dividends.....	6,727	10,642	(3,915)
Capital Assets/Other Property.....	231,958	303,511	(71,553)
Rents, Royalties, Partnerships, S Corp., Estates and Trusts.....	41,672	229,352	(187,680)
All other Sources.....	(92,507)	(39,089)	(53,418)

After income adjustments of \$24.3 million, Hawaii AGI amounted to \$744.4 million.⁵

Nonresident Deductions and Exemptions

For nonresidents, the standard deduction and exemption amounts as used in this report are the prorated amounts, which are determined by the ratio of Hawaii AGI to worldwide AGI. Hawaii AGI less Hawaii itemized deductions, standard deduction and exemption amount equals Hawaii taxable income.

Slightly more than one-half, or 51.2% nonresidents used the standard deduction, which amounted to \$17.5 million. Of the \$138.5 million of itemized deductions claimed by 21,405 nonresidents, \$5.1 million was not allowed, due to the \$100,000 (\$50,000 for married filing separately) threshold. The total allowable itemized and standard deductions was \$156.0 million, \$32.2 million less than the previous year.

A total of 108,768 personal exemptions were claimed on the 50,373 nonresident returns that claimed exemptions. This was 2.1% less than the 111,081 personal exemptions claimed for tax year 2000. Total personal exemptions amounted to \$36.6 million, down slightly from the \$37.5 million claimed in the previous year.

Nonresident Taxable Income and Tax Liability

Approximately 75.9% of nonresidents had Hawaii positive taxable income totaling \$789.2 million. The average taxable income per taxable return was \$19,826. This

⁵ Worldwide AGI for nonresidents was \$12,487.2 million.

Individual Income – 2001

compares with last year's 75.7% nonresidents with total taxable income of \$1,109.1 million, and average taxable income of \$27,779.

Gross tax liability before tax credits amounted to \$49.9 million and the average gross tax liability was \$1,253 per taxable return. After tax credits of \$1.9 million, total net tax liability amounted to \$48.0 million with an average net tax liability of \$1,207 per taxable return.

ELDERLY RESIDENT TAXPAYERS

Elderly taxpayers filed a total of 93,789 returns, or 17.9% of all resident returns. They reported state total income of \$2,099.8 million and federal total income of \$3,842.5 million. The largest income source of elderly filers was pensions and annuities of \$1,298.3 million, which was about one-third of the federal total income. The second largest income source was salaries and wages. For non-elderly taxpayers, salaries and wages were the largest source of income, whereas pension and annuities was third, after proprietorship income. Figure 10 compares the distribution of income sources among elderly and non-elderly taxpayers.

Adjustments of \$21.9 million subtracted from Hawaii total income resulted in AGI of \$2,077.9 million. Elderly taxpayers claimed \$70.8 million in standard deductions, \$662.2 million in itemized deductions, and \$303.5 million in personal exemptions. Taxable income totaled \$1,041.5 million, down 11.8% from the \$1,180.7 million reported for tax year 2000. With lower tax rates, gross tax liability before tax credits dropped by 12.1% from \$104.2 million to \$91.6 million. Net tax liability after tax credits amounted to \$79.4 million.

Figure 10
Sources of Income Reported by the Elderly and
All Other Residents - 2001
(In Thousands of Dollars)

Sources of Income	Elderly		All Others	
	Amount	% of Total	Amount	% of Total
FEDERAL TOTAL INCOME	\$ 3,842,484	100.0	\$ 17,333,058	100.0
Salaries and Wages.....	\$ 713,239	18.6	\$ 14,395,851	83.1
Taxable Dividends.....	201,111	5.2	178,683	1.0
Interest.....	358,212	9.3	308,029	1.8
Sole Proprietorships.....	72,939	1.9	692,843	4.0
Capital Assets and Other Property.....	359,335	9.4	492,755	2.8
Rents and Royalties.....	100,410	2.6	(51,596)	(0.3)
Partnerships.....	71,196	1.9	367,664	2.1
Estates and Trusts.....	48,692	1.3	39,464	0.2
Pensions and Annuities.....	1,298,340	33.8	617,920	3.6
Taxable IRA Payouts.....	227,428	5.9	160,644	0.9
Taxable Social Security.....	413,941	10.8	54,992	0.3
All Other Sources.....	(22,360)	(0.6)	75,808	0.4

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

BLIND, DEAF AND DISABLED RESIDENT TAXPAYERS

Blind, deaf, or totally disabled (BDD) taxpayers may claim a special personal exemption of \$7,000 in lieu of the \$1,040 regular personal exemption. A disabled spouse on a joint return is also entitled to the \$7,000 exemption. Otherwise, a spouse on a joint return is entitled to a \$1,040 personal exemption plus an additional \$1,040 for age exemption. The maximum allowable exemption is \$14,000. Disabled taxpayers may not claim any additional exemptions for dependents and age.

Resident returns with BDD exemptions numbered 5,316, a 2.5% increase over the 5,187 returns filed for tax year 2000. BDD taxpayers reported federal total income of \$239.9 million and Hawaii total income of \$166.3 million. The highest source of income was salaries and wages of \$67.9 million, followed by pensions of \$52.1 million, and net gains from the sales of capital assets and other property, which amounted to \$28.9 million.

Individual Income – 2001

Taxable income amounted to \$60.5 million, down from the \$81.6 million reported in 2000. Gross tax liability before credits and net tax liability after credits amounted to \$5.6 million and \$5.0 million, respectively.

DEPENDENT RESIDENT TAXPAYERS

Some dependents with income may be required to file their own returns. Dependents who file their own return may not claim the \$1,040 personal exemption, which is claimed by the parent or guardian. Dependents may claim the standard deduction, which is limited to the greater of \$500 or their earned income, but not more than the standard deduction amount.

In tax year 2001, 36,066 dependents filed returns, a decrease of 10.8% from 40,430 in the previous year. Hawaii total income amounted to \$159.7 million, while federal total income totaled \$160.5 million. Salaries and wages totaled \$140.4 million, representing 87.9% of Hawaii total income, followed by interest income of \$7.0 million (4.4%). Total adjustments of \$830.3 thousand resulted in Hawaii AGI of \$158.9 million.

Taxable income totaled \$112.4 million, resulting in gross tax liability before tax credits of \$4.8 million. Net tax liability after tax credits amounted to \$4.7 million.

**STATISTICAL
TABLES**

TABLE 1
PERCENT DISTRIBUTION OF SELECTED DATA ON ALL RESIDENT RETURNS BY ADJUSTED GROSS INCOME CLASS - 2001

ADJUSTED GROSS INCOME CLASS		Number of Returns		Adjusted Gross Income		Taxable Income		Tax Liability		
		Number	%	Amount	%	Amount	%	Amount	%	
<u>TAXABLE RESIDENT RETURNS</u>										
	Under \$	\$	29,890	6.8%	\$ 94,185,896	0.5%	\$ 38,917,634	0.3%	\$ 712,705	0.1%
\$	5,000	"	45,301	10.4%	335,190,828	1.8%	188,453,102	1.3%	5,936,171	0.6%
	10,000	"	81,333	18.6%	1,215,788,568	6.5%	842,499,488	6.0%	40,287,270	4.3%
	20,000	"	74,291	17.0%	1,843,354,513	9.8%	1,369,501,048	9.7%	78,511,287	8.4%
	30,000	"	50,458	11.6%	1,750,085,301	9.3%	1,312,470,386	9.3%	80,674,871	8.6%
	40,000	"	36,549	8.4%	1,639,946,475	8.7%	1,193,807,717	8.5%	75,551,898	8.1%
	50,000	"	59,186	13.6%	3,618,773,304	19.3%	2,642,096,637	18.8%	174,602,553	18.6%
	75,000	"	28,635	6.6%	2,464,583,916	13.1%	1,819,163,735	12.9%	126,331,875	13.5%
	100,000	"	20,107	4.6%	2,377,586,876	12.7%	1,809,305,706	12.9%	132,114,772	14.1%
	150,000	"	5,028	1.2%	858,552,996	4.6%	682,625,859	4.9%	52,134,411	5.6%
	200,000	and over	5,805	1.3%	2,571,650,934	13.7%	2,157,608,735	15.3%	171,470,440	18.3%
TOTAL - TAXABLE RETURNS			436,583	100.0%	\$ 18,769,699,607	100.0%	\$ 14,056,450,047	100.0%	\$ 938,328,253	100.0%
<u>NONTAXABLE RESIDENT RETURNS</u>										
Loss			8,248	9.6%	\$ (262,852,908)					
\$	0	under \$	61,297	71.1%	75,194,481	NOT APPLICABLE				
	5,000	"	8,793	10.2%	62,020,407					
	10,000	and over	7,820	9.1%	171,575,511					
TOTAL - NONTAXABLE RETURNS			86,158	100.0%	\$ 45,937,491 ¹					
ALL RESIDENT RETURNS			522,741		\$ 18,815,637,098 ¹		\$ 14,056,450,047		\$ 938,328,253	

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 - 2001

ADJUSTED GROSS INCOME CLASS		Number of Returns			Adjusted Gross Income		
		Single ¹	Joint	H/H	Single ¹	Joint	H/H ²
<u>TAXABLE RESIDENT RETURNS</u>							
	Under \$ 5,000	29,039	207	644	\$ 90,467,215	\$ 920,946	\$ 2,797,735
\$ 5,000	" 10,000	34,917	5,659	4,725	254,473,383	44,657,479	36,059,966
10,000	" 20,000	51,721	15,697	13,915	767,531,240	237,526,378	210,730,950
20,000	" 30,000	41,541	18,822	13,928	1,027,319,349	471,937,628	344,097,536
30,000	" 40,000	25,062	17,688	7,708	864,452,970	619,793,012	265,839,319
40,000	" 50,000	13,861	19,021	3,667	618,517,453	858,427,233	163,001,789
50,000	" 75,000	14,323	40,801	4,062	854,901,284	2,523,559,211	240,312,809
75,000	" 100,000	3,891	23,924	820	332,217,064	2,063,027,873	69,338,979
100,000	" 150,000	2,043	17,585	479	244,741,627	2,075,430,047	57,415,202
150,000	" 200,000	481	4,412	135	82,760,694	753,011,732	22,780,570
200,000	and over	908	4,757	140	481,017,001	2,028,647,580	61,986,353
TOTAL - TAXABLE RETURNS		217,787	168,573	50,223	\$5,618,399,280	\$11,676,939,119	\$1,474,361,208
<u>NONTAXABLE RESIDENT RETURNS</u>							
Loss		5,027	2,787	434	\$ (116,902,488)	\$ (134,578,163)	\$ (11,372,257)
\$ 0	under \$ 5,000	41,249	16,175	3,873	38,460,333	30,429,520	6,304,628
5,000	" 10,000	2,239	6,009	545	15,826,723	42,142,951	4,050,733
10,000	and over	1,870	5,455	495	42,291,372	118,838,745	10,445,394
TOTAL - NONTAXABLE RETURNS		50,385	30,426	5,347	\$ (20,324,060) ³	\$ 56,833,053 ³	\$ 9,428,498 ³
ALL RESIDENT RETURNS		268,172	198,999	55,570	\$5,598,075,220 ³	\$11,733,772,172 ³	\$1,483,789,706 ³
ALL NONRESIDENT RETURNS		26,099	24,331	1,999	\$ 296,354,327 ³	\$ 421,997,188 ³	\$ 26,086,913 ³
TOTAL - ALL RETURNS		294,271	223,330	57,569	\$5,894,429,547 ³	\$12,155,769,360 ³	\$1,509,876,619 ³

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 - 2001

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	\$ 38,338,933	\$ 97,086	\$ 481,615	\$ 703,734	\$ 2,155	\$ 6,816
\$ 5,000	" 10,000	161,233,341	12,381,384	14,838,377	5,438,380	202,129	295,662
10,000	" 20,000	580,030,609	122,718,669	139,750,210	30,489,045	3,919,835	5,878,390
20,000	" 30,000	829,280,400	289,111,267	251,109,381	51,410,351	13,184,076	13,916,860
30,000	" 40,000	706,907,117	408,674,418	196,888,851	47,234,820	21,715,374	11,724,677
40,000	" 50,000	491,098,667	581,321,937	121,387,113	34,243,011	33,609,199	7,699,688
50,000	" 75,000	671,474,704	1,792,559,566	178,062,367	48,978,767	113,650,976	11,972,810
75,000	" 100,000	261,527,443	1,504,549,755	53,086,537	19,966,580	102,532,560	3,832,735
100,000	" 150,000	197,153,257	1,568,652,988	43,499,461	15,346,101	113,505,789	3,262,882
150,000	" 200,000	67,922,265	596,728,383	17,975,211	5,410,023	45,324,635	1,399,753
200,000	and over	410,004,490	1,696,502,909	51,101,336	32,690,259	134,643,451	4,136,730
TOTAL - TAXABLE RETURNS		\$4,414,971,226	\$8,573,298,362	\$1,068,180,459	\$291,911,071	\$582,290,179	\$64,127,003
<u>NONTAXABLE RESIDENT RETURNS</u>							
Loss							
\$ 0	under \$ 5,000	NOT APPLICABLE			NOT APPLICABLE		
5,000	" 10,000	NOT APPLICABLE			NOT APPLICABLE		
10,000	and over	NOT APPLICABLE			NOT APPLICABLE		
TOTAL - NONTAXABLE RETURNS							
ALL RESIDENT RETURNS		\$4,414,971,226	\$8,573,298,362	\$1,068,180,459	\$291,911,071	\$582,290,179	\$64,127,003
ALL NONRESIDENT RETURNS		\$ 294,022,070	\$ 471,193,714	\$ 24,000,996	\$ 18,996,110	\$ 29,492,496	\$ 1,408,822
TOTAL - ALL RETURNS		\$4,708,993,296	\$9,044,492,076	\$1,092,181,455	\$310,907,181	\$611,782,675	\$65,535,825

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 - 2001

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	12,211	\$ 29,912,710	\$ 1,863,038,017	19,755	1,130	\$ 21,713,209	\$ 392,249
\$ 5,000 "	7,721	56,692,359	926,769,860	14,341	713	44,467,158	1,399,495
10,000 "	8,582	123,275,249	1,221,852,740	17,731	720	99,922,374	4,596,359
20,000 "	4,387	106,873,013	404,784,588	9,644	529	86,768,934	4,754,918
30,000 "	2,188	75,703,386	697,493,505	5,106	154	61,549,182	3,703,536
40,000 "	1,333	59,342,276	243,660,345	3,017	152	49,218,242	3,165,091
50,000 "	1,516	92,841,964	381,733,914	3,727	278	75,602,767	5,095,345
75,000 "	672	57,715,571	725,383,320	1,523	161	49,207,205	3,493,333
100,000 "	587	70,943,203	1,082,838,603	1,364	153	60,053,494	4,439,161
150,000 "	209	35,420,118	124,844,640	486	84	31,153,342	2,380,227
200,000 and over	402	232,472,227	1,834,810,825	926	146	209,560,873	16,477,714
TOTAL - TAXABLE RETURNS	39,808	\$ 941,192,076	\$ 9,507,210,357	77,620	4,220	\$789,216,780	\$49,897,428
NONTAXABLE NONRESIDENT RETURNS							
Loss	6,310	\$(206,696,157)	\$ 1,531,739,628	13,021	2,066		
\$ 0 under \$ 5,000	5,777	2,947,405	1,369,032,601	9,399	991		NOT
5,000 "	243	1,633,056	39,221,642	536	90		APPLICABLE
10,000 and over	291	5,362,048	40,039,808	769	56		
TOTAL - NONTAXABLE RETURNS	12,621	\$(196,753,648) ¹	\$ 2,980,033,679	23,725	3,203		
ALL NONRESIDENT RETURNS	52,429	\$ 744,438,428 ¹	\$12,487,244,036	101,345	7,423	\$789,216,780	\$49,897,428

¹ Includes returns with negative AGI.

TABLE 4
SOURCES OF INCOME AND STATUTORY ADJUSTMENTS ON ALL RETURNS FILED BY ADJUSTED GROSS INCOME CLASS - 2001

ADJUSTED GROSS INCOME CLASS	SALARIES AND WAGES		DIVIDENDS		INTEREST	
	Number of Returns	Amount	Number of Returns	Amount	Number of Returns	Amount
<u>TAXABLE RESIDENT RETURNS</u>						
Under \$ 5,000	23,307	\$ 72,842,358	5,862	\$ 3,837,114	13,578	\$ 9,464,596
\$ 5,000 "	36,007	258,268,192	6,574	8,608,838	19,470	33,365,105
10,000 "	69,369	992,486,489	12,663	23,576,692	39,380	73,012,371
20,000 "	67,863	1,606,320,243	13,230	20,493,135	43,345	67,705,203
30,000 "	47,700	1,560,507,305	11,705	19,052,359	35,263	50,857,380
40,000 "	35,064	1,452,632,426	10,408	17,951,888	28,247	41,665,528
50,000 "	56,706	3,197,294,019	20,095	35,005,366	50,007	69,752,812
75,000 "	27,619	2,131,913,632	13,599	24,438,963	26,127	48,383,700
100,000 "	18,937	1,906,946,008	12,368	37,522,921	19,280	52,000,452
150,000 "	4,532	587,250,690	3,763	19,129,263	4,887	20,808,908
200,000 and over	4,846	1,140,110,564	4,823	118,214,260	5,649	96,685,821
TOTAL - TAXABLE RETURNS	391,950	\$ 14,906,571,926	115,090	\$ 327,830,799	285,233	\$ 563,701,876
<u>NONTAXABLE RESIDENT RETURNS</u>						
Loss	1,889	\$ 31,823,684	4,090	\$ 9,822,196	6,498	\$ 17,691,076
\$ 0 under \$ 5,000	16,575	52,342,518	10,109	8,289,183	33,075	33,744,954
5,000 "	2,981	27,003,175	4,114	8,379,325	7,733	19,901,484
10,000 and over	4,312	91,349,065	3,763	25,473,160	6,851	31,202,069
TOTAL - NONTAXABLE RETURNS	25,757	\$ 202,518,442	22,076	\$ 51,963,864	54,157	\$ 102,539,583
ALL RESIDENT RETURNS	417,707	\$ 15,109,090,368	137,166	\$ 379,794,663	339,390	\$ 666,241,459
ALL NONRESIDENT RETURNS	32,537	\$ 560,449,842	3,841	\$ 6,726,807	11,108	\$ 20,455,369
TOTAL - ALL RETURNS	450,244	\$ 15,669,540,210	141,007	\$ 386,521,470	350,498	\$ 686,696,828

TABLE 4 (continued)
 SOURCES OF INCOME AND STATUTORY ADJUSTMENTS ON ALL RETURNS FILED BY ADJUSTED GROSS INCOME CLASS - 2001

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	
<u>TAXABLE RESIDENT RETURNS</u>									
Under \$ 5,000	1,541	\$ 6,201,875	106	\$ 248,194	2,997	\$ 2,563,019	778	\$ 1,314,195	
\$ 5,000 " 10,000	4,119	24,019,584	584	3,635,474	2,816	3,569,210	1,552	3,151,404	
10,000 " 20,000	6,589	65,653,358	2,387	9,712,676	5,632	11,021,549	3,214	7,515,968	
20,000 " 30,000	7,076	73,959,047	2,469	11,104,403	5,969	20,839,407	3,808	7,346,640	
30,000 " 40,000	4,374	44,985,417	2,413	11,022,108	4,906	19,629,638	3,610	8,307,367	
40,000 " 50,000	4,063	50,901,169	2,476	9,714,393	4,178	19,326,498	3,292	7,360,260	
50,000 " 75,000	7,440	120,285,218	4,336	19,669,025	8,876	58,513,151	6,467	20,658,747	
75,000 " 100,000	4,015	86,892,929	1,990	8,151,418	6,413	46,654,301	3,987	9,707,078	
100,000 " 150,000	3,302	107,712,582	1,429	6,696,494	5,963	82,566,503	3,998	10,908,642	
150,000 " 200,000	1,091	73,897,491	440	1,454,179	1,964	63,280,153	1,376	3,805,180	
200,000 and over	1,370	193,813,990	430	11,073,614	2,737	535,652,642	1,839	7,548,910	
TOTAL - TAXABLE RETURNS	44,980	\$ 848,322,660	19,060	\$ 92,481,978	52,451	\$ 863,616,071	33,921	\$ 87,624,391	
<u>NONTAXABLE RESIDENT RETURNS</u>									
Loss	963	\$ 8,782,825	2,064	\$ 29,673,544	806	\$ 17,682,406	4,130	\$ 29,315,982	
\$ 0 under \$ 5,000	3,203	8,059,100	818	2,224,260	3,221	4,199,856	2,997	8,158,721	
5,000 " 10,000	1,175	5,808,961	414	3,314,531	1,510	3,124,611	1,475	3,457,179	
10,000 and over	1,595	29,082,621	967	6,579,484	1,705	100,773,800	1,567	8,750,481	
TOTAL - NONTAXABLE RETURNS	6,936	\$ 51,733,507	4,263	\$ 41,791,819	7,242	\$ 125,780,673	10,169	\$ 49,682,363	
ALL RESIDENT RETURNS	51,916	\$ 900,056,167	23,323	\$ 134,273,797	59,693	\$ 989,396,744	44,090	\$ 137,306,754	
ALL NONRESIDENT RETURNS	1,741	\$ 28,262,043	1,160	\$ 14,163,763	3,876	\$ 248,872,727	2,094	\$ 16,914,357	
TOTAL - ALL RETURNS	53,657	\$ 928,318,210	24,483	\$ 148,437,560	63,569	\$ 1,238,269,471	46,184	\$ 154,221,111	

TABLE 4 (continued)
 SOURCES OF INCOME AND STATUTORY ADJUSTMENTS ON ALL RETURNS FILED BY ADJUSTED GROSS INCOME CLASS - 2001

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	271	\$ 672,837	169	\$ 1,108,294	209	\$ 452,651	43	\$ 287,225	
\$ 5,000 "	1,439	5,618,073	360	3,103,380	355	2,259,192	186	1,015,006	
10,000 "	2,899	16,534,130	1,506	8,948,755	1,233	11,487,080	421	1,300,987	
20,000 "	2,650	20,975,754	2,078	11,079,414	922	9,819,550	653	3,411,154	
30,000 "	2,285	18,428,091	2,432	15,815,536	1,116	11,841,406	418	2,376,478	
40,000 "	2,195	14,656,557	2,746	17,707,017	738	6,621,834	462	1,490,719	
50,000 "	3,893	32,733,303	5,390	37,369,429	2,115	33,435,810	872	4,590,014	
75,000 "	2,427	25,330,735	3,954	32,494,474	1,454	27,771,928	794	4,290,976	
100,000 "	2,437	30,652,665	3,341	26,011,508	1,915	53,252,436	860	5,190,808	
150,000 "	872	13,755,853	574	7,056,437	983	53,835,433	320	2,460,200	
200,000 and over	1,326	72,867,732	636	11,659,416	1,891	333,541,764	593	32,650,115	
TOTAL - TAXABLE RETURNS	22,694	\$252,225,730	23,186	\$172,353,660	12,931	\$544,319,084	5,622	\$ 59,063,682	
NONTAXABLE RESIDENT RETURNS									
Loss	535	\$ 4,007,632	2,159	\$ 29,815,323	315	\$ 6,321,764	777	\$ 49,790,327	
\$ 0 under \$ 5,000	1,532	2,709,412	953	6,643,411	401	1,183,343	335	519,550	
5,000 " 10,000	1,023	3,886,554	713	5,191,726	294	560,931	233	1,774,997	
10,000 and over	1,345	12,610,762	1,114	12,622,116	466	9,336,324	304	11,713,033	
TOTAL - NONTAXABLE RETURNS	4,435	\$ 23,214,360	4,939	\$ 54,272,576	1,476	\$ 17,402,362	1,649	\$ 63,797,907	
ALL RESIDENT RETURNS	27,129	\$275,440,090	28,125	\$226,626,236	14,407	\$561,721,446	7,271	\$122,861,589	
ALL NONRESIDENT RETURNS	-	- ¹	-	- ¹	-	- ¹	-	- ¹	
TOTAL - ALL RETURNS	27,129	\$275,440,090	28,125	\$226,626,236	14,407	\$561,721,446	7,271	\$122,861,589	

See end of table for footnotes.

TABLE 4 (continued)
 SOURCES OF INCOME AND STATUTORY ADJUSTMENTS ON ALL RETURNS FILED BY ADJUSTED GROSS INCOME CLASS - 2001

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	170	\$ 269,652	457	\$ 828,659	1,861	\$ 22,564,814	663	\$ 1,793,895
\$ 5,000 " 10,000	146	570,317	2,058	4,225,621	6,829	106,633,885	3,040	12,529,583
10,000 " 20,000	275	705,569	6,484	18,692,762	12,722	219,830,303	6,251	37,353,680
20,000 " 30,000	293	1,017,281	6,878	22,249,274	10,576	173,208,976	5,049	39,375,614
30,000 " 40,000	357	2,088,448	4,162	13,724,439	7,668	117,882,745	3,815	31,220,214
40,000 " 50,000	210	1,543,647	3,536	11,530,777	6,092	102,930,006	3,166	30,327,817
50,000 " 75,000	525	6,153,949	5,404	18,254,352	9,709	161,074,275	4,823	52,193,826
75,000 " 100,000	364	3,753,937	2,034	6,462,472	4,854	87,946,878	2,913	34,885,495
100,000 " 150,000	400	8,614,086	779	3,043,271	3,624	77,451,938	2,030	30,499,450
150,000 " 200,000	100	1,952,529	100	275,214	1,031	28,361,546	471	10,630,593
200,000 and over	344	59,858,328	103	374,716	1,211	39,990,490	461	15,708,184
TOTAL - TAXABLE RETURNS	3,184	\$86,527,743	31,995	\$ 99,661,557	66,177	\$1,137,875,856	32,682	\$ 296,518,351
NONTAXABLE RESIDENT RETURNS								
Loss	84	\$ 207,145	94	\$ 382,201	3,224	\$ 80,412,738	844	\$ 12,309,886
\$ 0 under \$ 5,000	167	111,171	356	756,750	22,287	421,755,529	4,750	33,820,931
5,000 " 10,000	148	314,242	168	603,327	5,989	143,439,397	3,116	21,220,077
10,000 and over	106	996,006	255	1,054,987	4,324	132,776,161	1,644	24,203,063
TOTAL - NONTAXABLE RETURNS	505	\$ 1,628,564	873	\$ 2,797,265	35,824	\$ 778,383,825	10,354	\$ 91,553,957
ALL RESIDENT RETURNS	3,689	\$88,156,307	32,868	\$102,458,822	102,001	\$1,916,259,681	43,036	\$ 388,072,308
ALL NONRESIDENT RETURNS	-	- ¹	1,765	\$ 4,156,439	839	\$ 6,507,847	-	- ¹
TOTAL - ALL RETURNS	3,689	\$88,156,307	34,633	\$106,615,261	102,840	\$1,922,767,528	43,036	\$ 388,072,308

See end of table for footnotes.

TABLE 4 (continued)
 SOURCES OF INCOME AND STATUTORY ADJUSTMENTS ON ALL RETURNS FILED BY ADJUSTED GROSS INCOME CLASS - 2001

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	
<u>TAXABLE RESIDENT RETURNS</u>									
Under \$ 5,000	853	\$ 113,834	463	\$ 2,141,274	691	\$ 1,216,148	668	\$ 1,290,087	
\$ 5,000 " 10,000	2,006	874,990	2,623	17,400,903	1,278	3,338,342	1,109	653,132	
10,000 " 20,000	6,610	3,310,695	7,213	52,041,271	2,454	7,808,768	1,914	2,167,347	
20,000 " 30,000	13,511	9,015,447	8,337	60,488,179	3,038	11,057,154	1,646	3,022,511	
30,000 " 40,000	14,566	11,311,550	5,184	48,701,508	2,360	7,204,499	1,043	1,584,363	
40,000 " 50,000	15,771	13,832,548	3,668	41,111,714	2,324	9,027,868	860	2,906,309	
50,000 " 75,000	32,930	32,352,246	4,530	57,237,479	4,575	16,667,222	1,018	3,780,676	
75,000 " 100,000	19,924	22,513,893	1,948	25,683,770	2,600	12,080,994	482	3,513,193	
100,000 " 150,000	14,429	19,993,202	1,594	24,086,278	2,514	13,430,904	489	2,872,982	
150,000 " 200,000	3,331	6,791,937	602	9,761,245	704	6,184,567	141	3,921,596	
200,000 and over	3,789	23,200,674	992	16,462,806	1,245	43,325,972	198	3,346,623	
TOTAL - TAXABLE RETURNS	127,720	\$ 143,311,016	37,154	\$ 355,116,427	23,783	\$ 131,342,438	9,568	\$ 29,058,819	
<u>NONTAXABLE RESIDENT RETURNS</u>									
Loss	2,021	\$ 2,472,365	1,136	\$ 8,782,973	334	\$ 1,499,165	2,222	\$ 192,095,075	
\$ 0 under 5,000	5,784	2,115,159	7,654	43,980,161	1,433	2,024,046	2,203	\$ 8,985,498	
5,000 " 10,000	2,680	1,269,864	3,453	27,112,642	730	1,544,885	704	3,555,550	
10,000 and over	4,029	8,054,394	3,633	33,940,721	1,055	7,610,146	482	5,084,152	
TOTAL - NONTAXABLE RETURNS	14,514	\$ 13,911,782	15,876	\$ 113,816,497	3,552	\$ 12,678,242	5,611	\$ 209,720,275	
ALL RESIDENT RETURNS	142,234	\$ 157,222,798	53,030	\$ 468,932,924	27,335	\$ 144,020,680	15,179	\$ 238,779,094	
ALL NONRESIDENT RETURNS	-	- ¹	-	- ¹	10,511	\$ 164,438,323	6,860	\$ 240,035,107	
TOTAL - ALL RETURNS	142,234	\$ 157,222,798	53,030	\$ 468,932,924	37,846	\$ 308,459,003	22,039	\$ 478,814,201	

See end of table for footnotes.

TABLE 4 (continued)
 SOURCES OF INCOME AND STATUTORY ADJUSTMENTS ON ALL RETURNS FILED BY ADJUSTED GROSS INCOME CLASS - 2001

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	1,201	\$ 355,251	504	\$ 699,366	29,890	\$ 120,370,616
\$ 5,000 " 10,000	3,165	3,039,018	818	4,391,815	45,301	468,370,642
10,000 " 20,000	6,793	3,499,017	1,958	7,231,489	81,333	1,500,136,512
20,000 " 30,000	6,574	3,911,716	1,673	8,196,064	74,291	2,096,275,794
30,000 " 40,000	5,490	4,835,498	1,229	6,769,009	50,458	1,916,395,636
40,000 " 50,000	3,767	4,273,211	944	7,098,713	36,549	1,772,056,077
50,000 " 75,000	5,526	10,724,916	2,136	14,480,282	59,186	3,801,129,771
75,000 " 100,000	2,966	11,570,521	1,168	15,724,132	28,635	2,522,402,877
100,000 " 150,000	2,374	13,366,567	901	10,938,833	20,107	2,398,519,996
150,000 " 200,000	680	10,836,031	307	6,590,094	5,028	881,463,767
200,000 and over	1,055	104,720,675	458	70,684,399	5,805	2,657,565,541
TOTAL - TAXABLE RETURNS	39,591	\$ 171,132,421	12,096	\$ 152,804,196	436,583	\$ 20,134,687,229
<u>NONTAXABLE RESIDENT RETURNS</u>						
Loss	814	\$ 7,506,757	717	\$ 29,692,873	8,248	\$ (150,678,311)
\$ 0 under \$ 5,000	4,861	1,846,547	1,331	7,253,884	61,297	583,153,336
5,000 " 10,000	2,170	1,727,992	406	1,944,949	8,793	246,658,535
10,000 and over	2,001	3,402,378	687	105,395,452	7,820	361,720,939
TOTAL - NONTAXABLE RETURNS	9,846	\$ 14,483,674	3,141	\$ 144,287,158	86,158	\$ 1,040,854,499
ALL RESIDENT RETURNS	49,437	\$ 185,616,095	15,237	\$ 297,091,354	522,741	\$ 21,175,541,728
ALL NONRESIDENT RETURNS	not applicable		not applicable		not available	
TOTAL - ALL RETURNS	49,437	\$ 185,616,095	15,237	\$ 297,091,354	522,741	\$ 21,175,541,728

See end of table for footnotes.

TABLE 4 (continued)
 SOURCES OF INCOME AND STATUTORY ADJUSTMENTS ON ALL RETURNS FILED BY ADJUSTED GROSS INCOME CLASS - 2001

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 ⁵	Number of Returns	Amount	Number of Returns	Amount
TAXABLE RESIDENT RETURNS								
Under \$ 5,000	1,262	\$ 642,437	2,914	\$ 25,350,466	29,890	\$ 95,662,587	2,025	\$ 1,476,691
5,000 " 10,000	3,019	1,570,954	8,017	129,121,889	45,301	340,819,707	5,476	5,628,879
10,000 " 20,000	8,437	8,058,359	14,872	275,134,986	81,333	1,233,059,885	11,272	17,271,317
20,000 " 30,000	12,824	12,904,818	15,798	245,398,534	74,291	1,863,782,078	12,464	20,427,565
30,000 " 40,000	11,664	16,483,338	11,309	167,487,652	50,458	1,765,391,322	9,079	15,306,021
40,000 " 50,000	8,814	19,078,649	9,742	138,473,778	36,549	1,652,660,948	7,337	12,714,473
50,000 " 75,000	13,839	70,536,250	17,560	222,274,181	59,186	3,649,391,840	13,089	30,618,536
75,000 " 100,000	7,332	66,053,892	9,563	105,306,210	28,635	2,483,150,559	5,936	18,566,643
100,000 " 150,000	6,566	95,608,536	7,817	92,160,221	20,107	2,401,968,311	5,004	24,381,435
150,000 " 200,000	1,663	31,821,644	2,142	37,939,354	5,028	875,346,057	1,757	16,793,061
200,000 and over	1,634	30,847,579	3,013	84,363,866	5,805	2,604,049,254	2,466	32,398,320
TOTAL - TAXABLE RETURNS	77,054	\$ 353,606,456	102,747	\$ 1,523,011,137	436,583	\$ 18,965,282,548	75,905	\$ 195,582,941
NONTAXABLE RESIDENT RETURNS								
Loss	1,553	\$ 43,629,646	4,240	\$ 151,619,159	8,248	\$ (258,667,824)	1,397	\$ 4,185,084
\$ 0 under \$ 5,000	4,051	1,117,063	23,664	503,942,274	61,297	80,328,125	3,814	5,133,644
5,000 " 10,000	1,948	2,325,003	6,265	185,229,092	8,793	63,754,446	1,468	1,734,039
10,000 and over	1,871	8,319,701	5,211	193,917,018	7,820	176,123,622	1,865	4,548,111
TOTAL - NONTAXABLE RETURNS	9,423	\$ 55,391,413	39,380	\$ 1,034,707,543	86,158	\$ 61,538,369	8,544	\$ 15,600,878
ALL RESIDENT RETURNS	86,477	\$ 408,997,869	142,127	\$ 2,557,718,680	522,741	\$ 19,026,820,917	84,449	\$ 211,183,819
ALL NONRESIDENT RETURNS	not meaningful		not meaningful		52,429	\$ 768,756,170	7,859	\$ 24,317,742
TOTAL - ALL RETURNS	86,477	\$ 408,997,869	142,127	\$ 2,557,718,680	575,170	\$ 19,795,577,087	92,308	\$ 235,501,561

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 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 - 2001
(Resident Returns)

Individual Income - 2001

SOURCES OF INCOME	TAXATION DISTRICT							
	FIRST		SECOND		THIRD		FOURTH	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Salaries and Wages	302,504	\$ 11,423,725,207	47,795	\$ 1,588,211,202	47,278	\$ 1,465,901,392	20,130	\$ 631,252,567
Taxable Dividends	105,902	296,262,627	12,425	36,797,294	13,260	34,503,704	5,579	12,231,038
Interest	249,667	516,772,919	34,565	52,693,153	37,956	69,388,639	17,202	27,386,748
Business and Professions								
Net Profit	33,511	618,494,020	6,779	103,202,703	8,030	124,703,170	3,596	53,656,274
Net Loss	14,198	(78,305,135)	3,428	(19,369,735)	3,926	(25,577,949)	1,771	(11,020,978)
Sale of Capital Assets								
Net Gain	46,809	759,461,218	4,867	98,190,102	5,586	96,167,818	2,431	35,577,606
Net Loss	33,746	(108,539,690)	4,157	(11,666,571)	4,341	(11,865,842)	1,846	(5,234,651)
Rents and Royalties								
Net Profit	19,859	204,361,768	2,817	26,680,979	3,172	29,506,578	1,281	14,890,765
Net Loss	21,216	(177,596,325)	3,379	(27,060,253)	2,424	(14,204,393)	1,106	(7,765,265)
Partnerships and S-Corporations								
Net Profit	10,306	406,999,938	1,590	75,543,945	1,757	57,065,798	754	22,111,765
Net Loss	5,265	(91,614,457)	854	(11,492,679)	752	(16,197,926)	400	(3,556,527)
Estates and Trusts	2,867	72,099,519	371	7,805,197	361	6,351,687	90	1,899,904
Unemployment Compensation	21,443	69,733,467	4,541	12,030,128	4,525	13,477,688	2,359	7,217,539
Pensions and Annuities	77,822	1,543,315,818	8,400	121,829,341	11,173	185,870,319	4,606	65,244,203
Taxable IRA Distributions	33,350	304,205,629	3,171	33,720,205	4,491	33,849,852	2,024	16,296,622
State Tax Refund Income	105,705	121,571,201	15,125	16,366,239	14,817	13,110,808	6,587	6,174,550
Federally-Taxed Social Security	41,929	382,401,124	3,872	30,299,800	5,255	42,697,641	1,974	13,534,359
All Other Sources ¹	73,351	(146,997,201)	8,563	(18,945,201)	12,218	(28,910,283)	4,895	(11,380,988)
Federal Total Income	380,027	\$ 16,116,351,647	56,533	\$ 2,114,835,849	60,801	\$ 2,075,838,701	25,380	\$ 868,515,531
Hawaii Additions ²	64,401	354,639,110	7,783	21,530,775	10,014	21,730,530	4,279	11,097,454
Hawaii Subtractions ³	107,505	2,083,133,467	13,246	156,971,487	15,148	235,518,502	6,228	82,095,224
Hawaii Total Income	380,027	\$ 14,387,857,290	56,533	\$ 1,979,395,137	60,801	\$ 1,862,050,729	25,380	\$ 797,517,761
Less Adjustments to Income	58,289	151,205,026	10,086	22,041,628	11,257	26,193,207	4,817	11,743,958
Adjusted Gross Income ⁴	380,027	\$ 14,236,652,264	56,533	\$ 1,957,353,509	60,801	\$ 1,835,857,522	25,380	\$ 785,773,803

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 - 2001

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	397	\$ 179,818	105	\$ 221,592	336	\$ 504,824	3	\$ 4,290
\$ 5,000 " 10,000	3,963	3,872,409	862	1,700,955	3,223	5,789,296	24	30,697
10,000 " 20,000	20,685	25,413,755	6,408	26,468,189	12,314	26,131,834	83	157,459
20,000 " 30,000	32,937	39,926,733	13,288	93,499,547	11,478	25,006,442	180	398,441
30,000 " 40,000	31,358	43,519,361	15,195	117,049,911	7,557	18,096,535	146	382,208
40,000 " 50,000	27,283	39,388,657	16,514	154,494,121	5,171	12,275,848	108	373,289
50,000 " 75,000	49,781	85,942,541	36,508	389,974,255	4,996	16,822,286	172	597,018
75,000 " 100,000	26,043	52,901,837	22,699	290,618,057	1,076	4,624,974	60	217,245
100,000 " 150,000	18,813	47,466,023	17,143	260,879,679	484	4,167,725	51	284,734
150,000 " 200,000	4,704	15,851,590	4,283	80,419,711	44	984,111	1	728
200,000 and over	5,345	84,942,284	4,687	130,983,748	57	4,269,436	6	379,048
TOTAL - TAXABLE RETURNS	221,309	\$ 439,405,008	137,692	\$ 1,546,309,765	46,736	\$ 118,673,311	834	\$ 2,825,157
<u>NONTAXABLE RESIDENT RETURNS</u>								
Loss	882	\$ 3,340,126	2,466	\$ 29,044,719	2,165	\$ 10,668,194	22	\$ 39,368
\$ 0 under \$ 5,000	8,668	8,122,406	5,637	44,371,036	8,423	31,562,964	44	153,768
5,000 " 10,000	5,944	8,621,451	3,734	26,186,072	5,819	28,431,695	28	99,393
10,000 and over	6,767	19,956,420	6,136	104,603,838	4,618	55,084,791	60	1,191,981
TOTAL - NONTAXABLE RETURNS	22,261	\$ 40,040,403	17,973	\$ 204,205,665	21,025	\$ 125,747,644	154	\$ 1,484,510
ALL RESIDENT RETURNS	243,570	\$ 479,445,411	155,665	\$ 1,750,515,430	67,761	\$ 244,420,955	988	\$ 4,309,667
ALL NONRESIDENT RETURNS	12,925	\$ 22,012,785	5,404	\$ 47,887,766	2,245	\$ 6,150,133	135	\$ 370,940
TOTAL - ALL RETURNS	256,495	\$ 501,458,196	161,069	\$ 1,798,403,196	70,006	\$ 250,571,088	1,123	\$ 4,680,607

TABLE 6 (continued)
 TYPES OF DEDUCTIONS BY ADJUSTED GROSS INCOME CLASS - 2001

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	1,074	\$ 397,171	210	\$ 125,739	1,241	\$ 1,433,434
\$ 5,000 " 10,000	4,728	3,835,784	2,060	1,550,762	5,317	16,779,903
10,000 " 20,000	23,507	25,512,562	11,046	19,892,441	24,129	123,576,240
20,000 " 30,000	43,067	71,960,266	17,438	36,640,611	43,347	267,432,040
30,000 " 40,000	40,828	96,213,798	14,668	33,894,912	41,150	309,156,725
40,000 " 50,000	32,910	99,056,461	13,406	40,847,432	32,976	346,435,808
50,000 " 75,000	56,647	235,032,002	21,354	71,102,722	56,782	799,266,577
75,000 " 100,000	28,109	169,429,488	9,548	37,179,092	28,144	554,715,421
100,000 " 150,000	19,962	174,646,988	5,931	27,600,298	19,963	504,239,710
150,000 " 200,000	4,976	66,220,549	1,182	6,824,912	4,987	159,700,677
200,000 and over	5,712	212,129,324	1,429	20,843,157	5,719	395,495,399
TOTAL - TAXABLE RETURNS	261,520	\$ 1,154,434,393	98,272	\$ 296,502,078	263,755	\$ 3,478,231,934
<u>NONTAXABLE RESIDENT RETURNS</u>						
Loss	3,363	\$ 6,898,253	2,319	\$ 3,248,217	3,784	\$ 53,238,877
\$ 0 under \$ 5,000	9,029	7,964,200	6,049	3,944,201	11,044	96,118,575
5,000 " 10,000	6,389	7,093,633	3,783	3,813,880	7,019	74,246,124
10,000 and over	7,538	36,596,324	3,211	15,016,317	7,799	232,210,459
TOTAL - NONTAXABLE RETURNS	26,319	\$ 58,552,410	15,362	\$ 26,022,615	29,646	\$ 455,814,035
ALL RESIDENT RETURNS	287,839	\$ 1,212,986,803	113,634	\$ 322,524,693	293,401	\$ 3,934,045,969
ALL NONRESIDENT RETURNS	19,715	\$ 55,471,082	4,022	\$ 11,747,113	21,405	\$ 138,507,980
TOTAL - ALL RETURNS	307,554	\$ 1,268,457,885	117,656	\$ 334,271,806	314,806	\$ 4,072,553,949

TABLE 6 (continued)
 TYPES OF DEDUCTIONS BY ADJUSTED GROSS INCOME CLASS - 2001

ADJUSTED GROSS INCOME CLASS	STANDARD DEDUCTIONS		TOTAL ALLOWABLE & STANDARD DEDUCTIONS		UNALLOWED ITEMIZED DEDUCTIONS	
	Number of Returns	Amount	Number of Returns	Amount	Number of Returns	Amount
<u>TAXABLE RESIDENT RETURNS</u>						
Under \$ 5,000	28,548	\$ 38,595,708	29,789	\$ 40,029,142	-	\$ -
\$ 5,000 " 10,000	39,964	62,095,103	45,281	78,875,006	-	-
10,000 " 20,000	57,183	90,281,400	81,312	213,857,640	-	-
20,000 " 30,000	30,944	49,783,625	74,291	317,215,665	-	-
30,000 " 40,000	9,308	15,268,070	50,458	324,424,795	-	-
40,000 " 50,000	3,573	5,882,150	36,549	352,317,958	-	-
50,000 " 75,000	2,404	4,138,450	59,186	803,405,027	588	204,247
75,000 " 100,000	491	873,200	28,635	555,588,621	238	255,272
100,000 " 150,000	144	246,100	20,107	504,485,810	18,896	10,805,737
150,000 " 200,000	41	73,900	5,028	159,774,577	4,981	10,600,924
200,000 and over	86	144,600	5,805	395,639,999	5,719	58,051,598
TOTAL - TAXABLE RETURNS	172,686	\$ 267,382,306	436,441	\$ 3,745,614,240	30,422	\$ 79,917,778
<u>NONTAXABLE RESIDENT RETURNS</u>						
Loss	4,464	\$ 5,919,945	8,248	\$ 59,158,822	-	\$ -
\$ 0 under \$ 5,000	50,152	77,129,858	61,196	173,248,433	-	-
5,000 " 10,000	1,774	3,528,237	8,793	77,774,361	-	-
10,000 and over	21	39,900	7,820	232,250,359	80	239,212
TOTAL - NONTAXABLE RETURNS	56,411	\$ 86,617,940	86,057	\$ 542,431,975	80	\$ 239,212
ALL RESIDENT RETURNS	229,097	\$ 354,000,246	522,498	\$ 4,288,046,215	30,502	\$ 80,156,990
ALL NONRESIDENT RETURNS	22,477	\$ 17,472,532	43,882	\$ 155,980,512	1,147	\$ 5,131,839
TOTAL - ALL RETURNS	251,574	\$ 371,472,778	566,380	\$ 4,444,026,727	31,649	\$ 85,288,829

TABLE 7
 TYPES OF DEDUCTIONS CLAIMED IN EACH TAXATION DISTRICT BY NUMBER OF RETURNS AND DOLLAR AMOUNT REPORTED AND ALLOWED - 2001
 (Resident Returns)

TYPE OF DEDUCTION	TAXATION DISTRICT							
	FIRST		SECOND		THIRD		FOURTH	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Itemized Contributions	181,212	\$ 374,880,999	28,004	\$ 50,315,513	22,763	\$ 33,576,896	11,591	\$ 20,672,003
Interest	114,433	1,332,979,209	16,069	187,222,596	17,933	158,640,869	7,230	71,672,756
Medical and Dental	49,930	182,141,430	7,412	22,088,382	6,702	27,420,881	3,717	12,770,262
Casualty Loss	718	2,868,919	99	529,053	135	742,452	36	169,243
Taxes	212,587	934,570,973	32,589	120,720,946	29,138	109,671,520	13,525	48,023,364
Other Itemized Deductions	81,335	233,063,029	16,191	54,732,019	10,083	19,165,574	6,025	15,564,071
Total Itemized Deductions	216,634	\$ 3,060,504,559	33,229	\$ 435,608,509	29,818	\$ 349,218,192	13,720	\$ 168,871,699
Less: Unallowed Itemized Deductions	25,029	64,440,113	2,359	6,947,210	2,174	6,351,350	940	2,418,317
Net Allowed Itemized Deductions	216,634	\$ 2,996,064,446	33,229	\$ 428,661,299	29,818	\$ 342,866,842	13,720	\$ 166,453,382
Standard Deduction	163,248	251,821,882	23,304	35,964,812	30,923	48,187,175	11,622	18,026,377
Total Allowed Deductions	379,882	\$ 3,247,886,328	56,533	\$ 464,626,111	60,741	\$ 391,054,017	25,342	\$ 184,479,759

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 - 2001

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
<u>TAXABLE RESIDENT RETURNS</u>							
Under \$ 5,000	871	954	11,644	14,653	\$ 15,239,120	22,290	\$ 2,700,274
\$ 5,000 " 10,000	7,153	12,101	37,042	65,138	67,862,720	35,065	10,591,166
10,000 " 20,000	21,549	36,380	78,531	148,653	159,431,440	68,756	49,693,051
20,000 " 30,000	23,463	41,545	73,894	146,797	156,637,800	67,596	90,219,862
30,000 " 40,000	17,622	32,374	50,415	106,717	113,190,120	47,557	91,667,924
40,000 " 50,000	14,880	28,898	36,528	88,790	93,820,800	34,854	86,167,935
50,000 " 75,000	30,670	59,180	59,186	164,443	173,271,640	56,607	193,872,010
75,000 " 100,000	16,565	30,875	28,624	85,666	89,831,560	27,590	134,519,221
100,000 " 150,000	11,694	21,226	20,085	60,982	63,795,360	18,866	128,296,243
150,000 " 200,000	2,801	5,053	5,028	15,351	16,152,560	4,474	41,306,934
200,000 and over	2,816	5,329	5,802	17,355	18,402,200	4,758	83,461,310
TOTAL - TAXABLE RETURNS	150,084	273,915	406,779	914,545	\$ 967,635,320	388,413	\$ 912,495,930
<u>NONTAXABLE RESIDENT RETURNS</u>							
Loss	994	1,689	6,994	15,783	\$ 17,037,240	1,626	\$ 1,348,334
\$ 0 under \$ 5,000	5,924	9,859	56,330	125,386	135,535,280	15,221	1,747,761
5,000 " 10,000	1,747	3,785	8,772	28,475	32,618,480	2,939	1,005,914
10,000 and over	2,020	3,819	7,820	23,104	26,890,320	4,143	4,242,708
TOTAL - NONTAXABLE RETURNS	10,685	19,152	79,916	192,748	\$ 212,081,320	23,929	\$ 8,344,717
ALL RESIDENT RETURNS	160,769	293,067	486,695	1,107,293	\$ 1,179,716,640	412,342	\$ 920,840,647
ALL NONRESIDENT RETURNS	14,647	26,539	50,373	108,768	\$ 36,636,891	32,308	\$ 35,805,285
TOTAL - ALL RETURNS	175,416	319,606	537,068	1,216,061	\$ 1,216,353,531	444,650	\$ 956,645,932

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 - 2001

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
<u>TAXABLE RESIDENT RETURNS</u>						
Under \$ 5,000	656	\$ 158,671	4,764	\$ 130,738	24,939	\$ 2,826,290
\$ 5,000 " 10,000	1,514	823,976	5,619	516,290	39,559	9,015,474
10,000 " 20,000	5,635	4,706,977	12,996	2,965,822	68,234	22,569,548
20,000 " 30,000	5,470	6,090,080	12,168	4,613,445	62,019	26,622,027
30,000 " 40,000	3,936	6,048,862	9,990	3,726,504	40,426	22,258,330
40,000 " 50,000	2,915	5,520,924	7,578	3,720,531	28,950	21,424,517
50,000 " 75,000	5,435	12,847,476	11,634	7,345,181	47,489	43,851,183
75,000 " 100,000	3,505	10,552,996	5,144	5,384,609	23,471	27,918,640
100,000 " 150,000	4,095	17,561,637	4,068	6,459,089	16,002	24,890,557
150,000 " 200,000	1,883	12,935,341	1,393	3,963,334	3,624	8,561,404
200,000 and over	3,399	88,921,136	1,594	16,138,746	4,201	35,373,074
TOTAL - TAXABLE RETURNS	38,443	\$ 166,168,076	76,948	\$ 54,964,289	358,914	\$ 245,311,044
<u>NONTAXABLE RESIDENT RETURNS</u>						
Loss	706	\$ 1,042,979	-	\$ -	7,025	\$ 3,387,340
\$ 0 under \$ 5,000	1,030	688,898	-	-	58,075	6,715,956
5,000 " 10,000	1,078	1,120,537	-	-	8,545	3,029,215
10,000 and over	1,436	4,102,255	-	-	7,421	9,029,075
TOTAL - NONTAXABLE RETURNS	4,250	\$ 6,954,669	-	\$ -	81,066	\$ 22,161,586
ALL RESIDENT RETURNS	42,693	\$ 173,122,745	76,948	\$ 54,964,289	439,980	\$ 267,472,630
ALL NONRESIDENT RETURNS	5,311	\$ 33,828,193	8,756	\$ 7,394,276	35,682	\$ 28,992,256
TOTAL - ALL RETURNS	48,004	\$ 206,950,938	85,704	\$ 62,358,565	475,662	\$ 296,464,886

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 - 2001

ADJUSTED GROSS INCOME CLASS			NUMBER OF REGULAR EXEMPTIONS CLAIMED						AGE EXEMPTIONS CLAIMED	
			One	Two	Three	Four	Five	Six or more	One	Two
<u>RESIDENT RETURNS</u>										
	Under	\$ 5,000	50,447	20,130	2,631	1,027	540	193	26,070	11,546
\$	5,000	" 10,000	28,017	12,139	3,172	1,483	604	399	7,957	6,154
	10,000	" 20,000	48,735	21,593	7,037	3,973	1,574	690	9,527	6,546
	20,000	" 30,000	40,583	19,769	7,762	4,243	2,129	1,194	5,877	3,764
	30,000	" 40,000	25,107	12,580	5,828	4,411	1,801	1,097	2,639	1,896
	40,000	" 50,000	14,072	9,726	5,438	4,250	1,991	1,197	1,954	1,215
	50,000	" 75,000	14,247	17,204	10,771	10,625	4,518	2,099	2,450	1,534
	75,000	" 100,000	3,806	8,908	6,055	7,000	2,012	893	940	666
	100,000	" 150,000	2,013	6,740	4,565	4,772	1,564	461	856	621
	150,000	" 200,000	505	1,849	1,070	1,138	408	84	284	292
	200,000	and over	864	2,268	939	1,226	411	118	516	485
TOTAL - RESIDENT RETURNS			228,396	132,906	55,268	44,148	17,552	8,425	59,070	34,719
TOTAL - NONRESIDENT RETURNS			23,182	14,314	5,301	5,138	1,761	677	3,257	2,083
TOTAL - ALL RETURNS			251,578	147,220	60,569	49,286	19,313	9,102	62,327	36,802

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 - 2001
 (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	\$ 712,705	\$ 24	\$ 163,393	\$ 5	1.83%	0.42%	0.76%	0.17%	
\$ 5,000 "	5,936,171	131	2,915,958	64	3.15%	1.55%	1.77%	0.87%	
10,000 "	40,287,270	495	34,796,302	428	4.78%	4.13%	3.31%	2.86%	
20,000 "	78,511,287	1,057	74,301,360	1,000	5.73%	5.43%	4.26%	4.03%	
30,000 "	80,674,871	1,599	79,184,960	1,569	6.15%	6.03%	4.61%	4.52%	
40,000 "	75,551,898	2,067	73,984,873	2,024	6.33%	6.20%	4.61%	4.51%	
50,000 "	174,602,553	2,950	170,213,484	2,876	6.61%	6.44%	4.82%	4.70%	
75,000 "	126,331,875	4,412	122,538,186	4,279	6.94%	6.74%	5.13%	4.97%	
100,000 "	132,114,772	6,571	127,426,412	6,337	7.30%	7.04%	5.56%	5.36%	
150,000 "	52,134,411	10,369	49,644,205	9,874	7.64%	7.27%	6.07%	5.78%	
200,000 and over	171,470,440	29,538	153,148,118	26,382	7.95%	7.10%	6.67%	5.96%	
TOTAL - TAXABLE RETURNS	\$ 938,328,253	\$ 2,149	\$ 888,317,251	\$ 2,035	6.68%	6.32%	5.00%	4.73%	
NONTAXABLE RESIDENT RETURNS									
Loss	-	-	(996,027)	(121)					
\$ 0 under \$ 5,000	-	-	(4,279,297)	(70)					
5,000 " 10,000	-	-	(902,764)	(103)					
10,000 and over	-	-	(684,112)	(87)					
TOTAL - NONTAXABLE RETURNS	\$ -	\$ -	\$ (6,862,200)	\$ (80)					
TOTAL RESIDENT RETURNS	\$ 938,328,253	\$ 1,795	\$ 881,455,051	\$ 1,686					

TABLE 11
COMPARISON OF NUMBER OF RESIDENT RETURNS, BEFORE AND AFTER CREDITS, AT SELECTED TAX LEVELS, AGI, AND BY STATUS - 2001

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	5,027	5,027	-	-	-	-	-	-	-	-	-
\$ 0 under \$ 5,000	41,249	49,536	28,703	20,437	336	315	-	-	-	-	-
5,000 " 20,000	3,590	8,756	13,956	13,199	40,489	38,862	30,390	28,359	1,803	1,052	
20,000 and over	519	901	428	451	1,782	1,927	6,777	7,577	93,123	91,773	
TOTAL	50,385	64,220	43,087	34,087	42,607	41,104	37,167	35,936	94,926	92,825	
<u>JOINT RETURNS</u>											
Loss	2,787	2,787	-	-	-	-	-	-	-	-	-
\$ 0 under \$ 5,000	16,175	16,279	207	103	-	-	-	-	-	-	-
5,000 " 20,000	9,449	18,365	9,519	3,925	9,843	7,421	1,994	1,094	-	-	
20,000 and over	2,015	3,566	1,664	1,875	6,362	7,362	15,072	15,344	123,912	120,878	
TOTAL	30,426	40,997	11,390	5,903	16,205	14,783	17,066	16,438	123,912	120,878	
<u>HEAD OF HOUSEHOLD RETURNS ¹</u>											
Loss	434	434	-	-	-	-	-	-	-	-	-
\$ 0 under \$ 5,000	3,873	4,496	644	21	-	-	-	-	-	-	-
5,000 " 20,000	825	6,217	4,181	2,271	9,483	7,997	4,976	2,980	-	-	
20,000 and over	215	511	290	356	1,370	2,305	6,716	7,447	22,563	20,535	
TOTAL	5,347	11,658	5,115	2,648	10,853	10,302	11,692	10,427	22,563	20,535	
<u>ALL RETURNS</u>											
Loss	8,248	8,248	-	-	-	-	-	-	-	-	-
\$ 0 under \$ 5,000	61,297	70,311	29,554	20,561	336	315	-	-	-	-	-
5,000 " 20,000	13,864	33,338	27,656	19,395	59,815	54,280	37,360	32,433	1,803	1,052	
20,000 and over	2,749	4,978	2,382	2,682	9,514	11,594	28,565	30,368	239,598	233,186	
TOTAL	86,158	116,875	59,592	42,638	69,665	66,189	65,925	62,801	241,401	234,238	

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 - 2001
 (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	8,162	\$ (262,021,914)	\$ -	86	\$ (830,994)	\$ -	-	\$ -	\$ -
Zero	2,231	-	-	1,612	-	-	10,205	-	-
\$ 1 under 1,000	14,925	6,902,568	4,628	1,960	721,822	190	4,855	1,782,347	707
1,000 " 5,000	43,291	126,571,631	560,453	2,925	8,077,096	20,281	9,183	25,324,913	126,446
5,000 " 10,000	45,931	339,027,603	4,821,770	1,405	9,909,894	101,505	6,758	48,273,738	1,012,896
10,000 " 15,000	39,329	491,252,233	12,608,419	739	9,389,981	278,462	4,558	56,373,372	2,016,876
15,000 " 20,000	36,993	645,325,363	21,712,811	835	14,792,095	536,190	3,950	69,476,581	3,134,512
20,000 " 30,000	68,427	1,698,994,809	68,980,497	1,471	36,211,927	1,490,183	6,179	150,601,665	8,040,607
30,000 " 40,000	47,325	1,642,542,147	73,834,872	904	31,710,888	1,578,693	2,638	89,919,285	5,261,306
40,000 " 50,000	35,138	1,577,479,048	71,376,694	522	23,350,159	1,264,835	1,035	45,787,288	2,910,369
50,000 " 60,000	27,462	1,504,243,622	70,605,490	413	22,423,973	1,105,539	412	22,685,453	1,446,003
60,000 " 75,000	30,625	2,050,263,295	99,356,361	340	22,345,467	1,151,672	212	13,895,154	937,488
75,000 " 100,000	28,379	2,442,324,453	124,812,533	221	19,510,642	1,029,121	85	7,234,613	490,221
TOTAL	428,218	\$ 12,262,904,858 ¹	\$ 548,674,528	13,433	\$ 197,612,950 ¹	\$ 8,556,671	50,070	\$ 531,354,409	\$ 25,377,431

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 - 2001
 (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 ²</u>									
\$ Loss	4,961	\$ (116,537,489)	\$ -	66	\$ (364,999)	\$ -	-	\$ -	\$ -
Zero	1,600	-	-	1,195	-	-	8,592	-	-
\$ 1 under 1,000	10,914	5,321,976	4,628	1,498	492,408	190	3,888	1,503,166	707
1,000 " 5,000	32,526	93,975,193	552,451	1,999	5,433,337	19,777	8,076	22,201,468	125,981
5,000 " 10,000	30,358	222,151,162	4,382,566	866	6,019,853	90,016	5,932	42,129,091	965,798
10,000 " 15,000	23,788	296,420,616	9,991,707	556	7,172,266	247,750	3,708	45,809,613	1,800,346
15,000 " 20,000	21,263	370,645,835	15,332,358	630	11,212,828	452,927	3,127	54,863,430	2,663,957
20,000 " 30,000	36,133	895,112,133	43,731,064	798	19,673,180	953,770	4,889	119,409,047	6,725,517
30,000 " 40,000	22,973	793,371,874	42,648,009	476	16,480,413	937,177	1,705	57,959,870	3,649,634
40,000 " 50,000	12,965	578,929,476	31,528,312	286	12,802,040	785,684	651	28,600,140	1,929,015
50,000 " 60,000	7,898	431,178,313	24,256,030	127	6,725,833	409,600	148	8,173,173	580,197
60,000 " 75,000	5,991	398,278,043	22,828,735	113	7,488,036	428,764	99	6,494,617	475,441
75,000 " 100,000	3,868	330,560,256	19,740,068	35	2,920,170	180,640	8	612,568	45,872
TOTAL	215,238	\$4,299,407,388 ¹	\$ 214,995,928	8,645	\$96,055,365 ¹	\$4,506,295	40,823	\$387,756,183	\$18,962,465

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 - 2001
 (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
JOINT RETURNS									
\$ Loss	2,770	\$ (134,134,662)	\$ -	17	\$ (443,501)	\$ -	-	\$ -	\$ -
Zero	418	-	-	278	-	-	1,226	-	-
\$ 1 under 1,000	3,406	1,410,526	-	405	198,900	-	661	177,235	-
1,000 " 5,000	8,398	25,025,382	1,638	786	2,294,255	277	804	2,244,168	240
5,000 " 10,000	10,803	80,525,988	176,945	503	3,660,448	10,010	362	2,613,994	15,174
10,000 " 15,000	9,382	117,882,264	973,878	122	1,459,779	13,238	264	3,197,877	45,753
15,000 " 20,000	8,944	155,793,575	2,709,172	83	1,398,976	22,774	342	5,985,821	155,020
20,000 " 30,000	19,219	480,582,434	12,412,545	333	8,437,633	230,698	604	14,418,573	540,833
30,000 " 40,000	17,067	597,337,469	20,247,262	306	10,969,753	422,004	610	21,341,542	1,046,108
40,000 " 50,000	18,646	841,745,551	32,517,432	236	10,548,119	479,151	244	10,989,380	612,616
50,000 " 60,000	17,184	943,377,817	40,092,409	254	13,952,496	619,645	236	12,887,241	760,302
60,000 " 75,000	23,058	1,547,654,675	71,188,994	187	12,283,561	598,488	96	6,327,274	391,138
75,000 " 100,000	23,683	2,041,765,052	101,243,552	185	16,514,060	844,659	77	6,622,045	444,349
TOTAL	162,978	\$6,698,966,071 ¹	\$281,563,827	3,695	\$81,274,479 ¹	\$3,240,944	5,526	\$86,805,150	\$4,011,533

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 - 2001
 (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>HEAD OF HOUSEHOLD RETURNS</u> ³									
\$ Loss	431	\$ (11,349,763)	\$ -	3	\$ (22,494)	\$ -	-	\$ -	\$ -
Zero	213	-	-	139	-	-	387	-	-
\$ 1 under 1,000	605	170,066	-	57	30,514	-	306	101,946	-
1,000 "	2,367	7,571,056	6,364	140	349,504	227	303	879,277	225
5,000 "	4,770	36,350,453	262,259	36	229,593	1,479	464	3,530,653	31,924
10,000 "	6,159	76,949,353	1,642,834	61	757,936	17,474	586	7,365,882	170,777
15,000 "	6,786	118,885,953	3,671,281	122	2,180,291	60,489	481	8,627,330	315,535
20,000 "	13,075	323,300,242	12,836,888	340	8,101,114	305,715	686	16,774,045	774,257
30,000 "	7,285	251,832,804	10,939,601	122	4,260,722	219,512	323	10,617,873	565,564
40,000 "	3,527	156,804,021	7,330,950	-	-	-	140	6,197,768	368,738
50,000 "	2,380	129,687,492	6,257,051	32	1,745,644	76,294	28	1,625,039	105,504
60,000 "	1,576	104,330,577	5,338,632	40	2,573,870	124,420	17	1,073,263	70,909
75,000 "	828	69,999,145	3,828,913	1	76,412	3,822	-	-	-
TOTAL	50,002	\$ 1,264,531,399 ¹	\$ 52,114,773	1,093	\$ 20,283,106 ¹	\$ 809,432	3,721	\$ 56,793,076	\$ 2,403,433

¹ Includes losses.

² Includes married filing separately.

³ Includes qualifying surviving spouse.

TABLE 13
 SELECTED SOURCES OF INCOME 1992 - 2001
 All Returns
 (In Millions of Dollars)

SOURCES OF INCOME	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Salaries and Wages	\$12,757	\$12,938	\$13,454	\$12,947	\$12,570	\$13,814	\$14,155	\$14,559	\$14,597	\$15,670
Taxable Dividends	282	273	307	291	293	377	384	435	455	387
Interest	720	526	529	571	545	643	686	646	662	687
Business and Professions ¹										
Net Profit	694	752	780	620	-	781	857	879	873	928
Net Loss	83	105	111	87	-	122	126	135	154	148
Sale of Capital Assets										
Net Gain	567	611	577	452	556	904	1,146	1,658	1,611	1,238
Net Loss	32	54	42	61	34	75	89	102	105	154
Rents and Royalties ²										
Net Profit	263	254	273	222	245	241	238	250	245	275
Net Loss	156	180	187	191	234	251	263	254	237	227
Partnerships ²										
Net Profit	341	292	340	247	286	434	485	558	520	562
Net Loss	78	85	100	64	93	103	172	141	97	123
Estates and Trusts ²										
(Income Less Loss)	68	71	88	72	66	90	104	98	74	88
Total Hawaii Income ³	\$15,739	\$15,735	\$16,727	\$15,639	\$16,221	\$17,366	\$17,910	\$19,059	\$20,350	\$19,796

¹ Complete data not available.

² Data available for residents only.

³ Income before statutory adjustments.

TABLE 14
 TYPE AND AMOUNT OF DEDUCTIONS 1992 - 2001
 All Returns to 1996 and After 1998; Resident Returns Only For 1997 & 1998
 (In Millions of Dollars)

TYPE OF DEDUCTIONS	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Itemized Deductions:										
Contributions	\$ 278	\$ 289	\$ 287	\$ 271	\$ 313	\$ 356	\$ 396	\$ 472	\$ 485	\$ 501
Interest	1,354	1,335	1,408	1,415	1,557	1,640	1,695	1,725	1,788	1,798
Taxes	990	999	1,141	1,045	1,179	1,109	1,188	1,246	1,270	1,268
Medical and Dental	133	135	150	136	151	156	172	207	225	251
Casualty Losses	38	5	11	5	3	6	6	5	4	5
Moving Expenses ¹	22	20	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Other Deductions	166	183	206	192	283	210	243	292	327	334
Total Reported	\$ 2,981	\$ 2,967	\$ 3,203	\$ 3,064	\$ 3,487	\$ 3,477	\$ 3,700	\$ 3,945	\$ 4,099	\$ 4,158
Unallowed Deductions ²	45	42	47	39	46	58	68	88	7	85
Total Allowed	\$ 2,936	\$ 2,924	\$ 3,155	\$ 3,025	\$ 3,441	\$ 3,419	\$ 3,632	\$ 3,857	\$ 4,092	\$ 4,073

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, 1992 - 2001

TYPE OF RETURN	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
<u>First Taxation District</u>										
Form N-11	-	-	-	271,885	287,542	303,095	311,850	319,445	328,212	334,270
Form N-12	304,892	308,171	317,440	42,075	33,634	17,460	15,496	13,323	11,584	9,937
Form N-13	90,378	87,591	87,426	74,764	68,293	59,299	52,517	46,074	41,058	35,820
Form N-15	34,956	34,611	35,849	32,030	29,833	42,454	43,040	43,113	45,249	44,782
TOTAL - FIRST DISTRICT	430,226	430,373	440,715	420,754	419,302	422,308	422,903	421,955	426,103	424,809
<u>Second Taxation District</u>										
Form N-11	-	-	-	36,334	39,840	42,688	44,788	46,630	48,799	50,829
Form N-12	40,255	41,179	42,863	5,104	4,178	2,278	1,987	1,769	1,458	1,267
Form N-13	10,732	10,114	10,408	8,717	8,092	7,070	6,418	5,546	4,916	4,437
Form N-15	1,662	1,414	1,478	1,258	1,221	2,561	2,642	2,905	3,410	3,450
TOTAL - SECOND DISTRICT	52,649	52,707	54,749	51,413	53,331	54,597	55,835	56,850	58,583	59,983
<u>Third Taxation District</u>										
Form N-11	-	-	-	38,767	40,539	44,471	46,278	47,896	50,249	51,937
Form N-12	45,029	45,492	46,202	6,344	5,099	2,936	2,503	2,364	2,056	1,695
Form N-13	15,137	14,724	15,228	12,457	12,228	10,772	9,894	9,013	8,186	7,169
Form N-15	1,078	969	1,066	925	928	2,267	2,207	2,591	2,971	3,060
TOTAL - THIRD DISTRICT	61,244	61,185	62,496	58,493	58,794	60,446	60,882	61,864	63,462	63,861
<u>Fourth Taxation District</u>										
Form N-11	-	-	-	17,549	18,316	19,541	20,457	20,965	21,803	22,079
Form N-12	20,045	19,977	20,947	2,614	1,927	1,244	944	882	786	654
Form N-13	5,290	5,285	5,201	4,584	4,279	3,709	3,450	3,271	3,025	2,647
Form N-15	613	663	593	438	425	901	926	936	1,112	1,137
TOTAL - FOURTH DISTRICT	25,948	25,925	26,741	25,185	24,947	25,395	25,777	26,054	26,726	26,517
<u>All Taxation Districts</u>										
Form N-11	-	-	-	364,535	386,237	409,795	423,373	434,936	449,063	459,115
Form N-12	410,221	414,819	427,452	56,137	44,838	23,918	20,930	18,338	15,884	13,553
Form N-13	121,537	117,714	118,263	100,522	92,892	80,850	72,279	63,904	57,185	50,073
Form N-15	38,309	37,657	38,986	34,651	32,407	48,183	48,815	49,545	52,742	52,429
TOTAL - ALL RETURNS	570,067	570,190	584,701	555,845	556,374	562,746	565,397	566,723	574,874	575,170

Individual Income - 2001

TABLE 16
ADJUSTED GROSS INCOME, GROSS TAX LIABILITY, AND WAGES BY GEOGRAPHIC AREA - 2001

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	Itemized	
										Liability	Wages	Deductions
Downtown & Nuuanu	50,024	\$ 1,563,425,825	\$31,254	38,822	\$ 84,728,308	\$ 2,182	35,690	\$ 1,212,943,036	\$33,986	78%	71%	50%
Kaimuki-Hawaii Kai	47,271	2,457,942,683	51,997	39,641	136,054,128	3,432	34,409	1,693,749,438	49,224	84%	73%	63%
Makiki to Waikiki	52,056	1,774,640,745	34,091	42,119	94,764,952	2,250	37,689	1,277,748,691	33,902	81%	72%	51%
Airport, Kalihi	37,596	1,089,318,947	28,974	32,149	50,768,240	1,579	31,638	948,859,905	29,991	86%	84%	54%
Aiea, Pearl City	33,674	1,199,348,216	35,616	28,028	60,134,635	2,146	26,693	1,016,559,896	38,083	83%	79%	58%
Waipahu	29,431	978,597,312	33,251	25,631	43,770,452	1,708	25,986	898,958,381	34,594	87%	88%	59%
Kapolei, Ewa	29,532	1,064,683,656	36,052	26,177	46,194,430	1,765	26,701	979,938,184	36,700	89%	90%	63%
Wahiawa, Mililani	32,015	1,296,962,265	40,511	27,915	62,134,686	2,226	27,736	1,148,663,076	41,414	87%	87%	62%
Waianae Coast	15,963	404,413,226	25,334	13,002	17,507,251	1,347	13,797	376,804,653	27,311	81%	86%	43%
Kailua, Kaneohe	48,120	1,984,480,073	41,240	40,393	100,910,758	2,498	39,006	1,613,571,145	41,367	84%	81%	60%
Oahu North Shore	11,337	339,153,788	29,916	9,493	15,282,149	1,610	9,471	293,762,058	31,017	84%	84%	52%
Oahu Total	387,019	\$ 14,152,966,736	\$36,569	323,370	\$ 712,249,989	\$ 2,203	308,816	\$ 11,461,558,463	\$37,115	84%	80%	56%
Wailuku, Kahului	22,850	\$ 714,309,372	\$31,261	19,649	\$ 32,789,994	\$ 1,669	19,313	\$ 615,688,353	\$31,879	86%	85%	57%
Kihei	9,436	337,594,902	35,777	8,291	16,098,836	1,942	8,123	277,124,298	34,116	88%	86%	63%
Lahaina	8,937	341,181,494	38,176	8,041	16,914,713	2,104	7,933	278,206,445	35,070	90%	89%	65%
Rural Maui	15,510	586,572,934	37,819	13,011	29,566,454	2,272	12,492	422,445,515	33,817	84%	81%	57%
Molokai	2,613	70,007,105	26,792	2,164	3,230,779	1,493	2,127	55,001,579	25,859	83%	81%	41%
Lanai	1,464	47,109,866	32,179	1,313	2,383,204	1,815	1,375	42,628,682	31,003	90%	94%	53%
Maui County Total	60,810	\$ 2,096,775,673	\$34,481	52,469	\$ 100,983,980	\$ 1,925	51,363	\$ 1,691,094,872	\$32,924	86%	84%	58%
Hilo	21,170	\$ 619,907,289	\$29,282	16,667	\$ 30,401,522	\$ 1,824	15,846	\$ 505,091,675	\$31,875	79%	75%	46%
Hamakua Coast	5,496	136,174,794	24,777	4,333	6,316,674	1,458	4,152	113,330,924	27,296	79%	76%	47%
Kohala	7,901	311,078,552	39,372	7,004	15,933,276	2,275	6,620	235,539,264	35,580	89%	84%	59%
Kona	18,228	619,066,432	33,962	15,330	31,199,535	2,035	14,725	452,933,587	30,759	84%	81%	56%
Puna-Ka'u	12,565	268,694,401	21,384	9,723	11,888,584	1,223	9,273	227,100,841	24,491	77%	74%	41%
Big Island Total	65,360	\$ 1,954,921,468	\$29,910	53,057	\$ 95,739,591	\$ 1,804	50,616	\$ 1,533,996,291	\$30,307	81%	77%	50%
Lihue	7,129	\$ 218,529,996	\$30,654	6,022	\$ 10,312,741	\$ 1,713	5,856	\$ 184,898,167	\$31,574	84%	82%	54%
North Kauai	10,005	329,145,994	32,898	8,466	15,777,264	1,864	7,980	236,781,016	29,672	85%	80%	55%
Koloa-Poipu	1,978	68,745,664	34,755	1,597	3,415,304	2,139	1,364	50,028,379	36,678	81%	69%	58%
West Kauai	7,943	226,906,247	28,567	6,475	10,589,378	1,635	6,236	195,229,307	31,307	82%	79%	51%
Kauai County Total	27,055	\$ 843,327,901	\$31,171	22,560	\$ 40,094,687	\$ 1,777	21,436	\$ 666,936,869	\$31,113	83%	79%	54%
Total - Hawaii Addresses	540,244	\$ 19,047,991,778	\$35,258	451,456	\$ 949,068,247	\$ 2,102	432,231	\$ 15,353,586,495	\$35,522	84%	80%	56%
Other/Unknown	34,926	512,083,748	14,662	24,935	39,157,434	1,570	18,013	315,953,715	17,540	71%	52%	40%
Total - All Returns	575,170	\$ 19,560,075,526	\$34,007	476,391	\$ 988,225,681	\$ 2,074	450,244	\$ 15,669,540,210	\$34,802	83%	78%	55%

APPENDIX

LINKS TO FORMS ON OUR WEBSITE

All 2001 tax forms are available on our website at:

<http://www.state.hi.us/tax/taxforms.html>

- Forms [N-11](#) and [N-12](#), Resident Individual Income Tax Return and Instructions
 - [Schedule D-1](#), Sales of Business Property
 - [Schedule J](#), Supplemental Annuities Schedule
 - [Schedule X](#), Tax Credits for Hawaii Residents
 - [Form N-615](#), Computation of Tax for Children Under Age 14 Who Have Investment Income of More than \$1,000
 - [Form N-814](#), Parent's Election to Report Child's Interest and Dividends

- [N-13](#), (short form) Resident Individual Income Tax Return and Instructions
- [N-15](#), Nonresident Individual Income Tax Return and Instructions