
hawaii income patterns

INDIVIDUALS -- 1999

DEPARTMENT OF TAXATION -- STATE OF HAWAII

STATE OF HAWAII

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INTRODUCTION

This 42nd annual edition of “Hawaii Income Patterns - Individuals” presents data compiled from resident and nonresident individual income tax returns filed in 2000 for tax year 1999. 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 - 1999 INDIVIDUALS

OVERVIEW

Tax year 1999 was a year of major anticipated change as the first stage of a three-stage reduction in tax rates took effect. During this first stage, the top tax rate was cut from 10% to 8.75% and the tax brackets were broadened significantly. Gross tax liability declined by \$87.5 million or 8.1%, while net liability after credits decreased by \$77.0 million or 7.6%.

Figure 1
Comparison of Selected Items for All 1999 and 1998 Returns
(Money Amounts in Thousands of Dollars)

Item	1999	1998	Change
Number of Returns	566,723	565,397	0.2%
Number of Exemptions	1,203,934	1,204,813	-0.1%
Number of Age Exemptions	135,744	135,018	0.5%
Number of Regular Exemptions	1,068,190	1,069,795	-0.2%
Salaries and Wages.....	\$ 14,559,483	\$ 14,154,770	2.9%
Capital Gains (Net of Losses).....	1,555,348	1,056,746	47.2%
Hawaii Total Income.....	19,059,262	17,909,801	6.4%
Total Adjustments.....	217,352	202,774	7.2%
Hawaii Adjusted Gross Income* ...	18,841,911	17,707,027	6.4%
Tax Liability Before Credits.....	993,478	1,081,024	-8.1%
Tax Liability After Credits.....	942,324	1,019,282	-7.6%

*Includes negative adjusted gross income.

Reduction in tax liability resulting from the lowered tax rates was partially counterbalanced by an increase in tax liability due to a strong increase in income ¹. For tax year 1999, both total reportable Hawaii income and Hawaii adjusted gross income increased by \$1.1 billion or 6.4%. These increases represented real growth when compared to an inflation rate of

¹If the old tax rates used for 1998 had been effect in 1999, tax liability would have been \$1,168.6 million before tax credits and \$1,117.5 million after credits. These amounts are \$175 million more than the actual 1999 tax liability amounts of \$993 million before credits and \$942 million after credits.

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1.0%². One of the primary contributors to the income increase was a \$405 million rise in salaries and wages. Another was a \$499 million jump in net capital gains reflecting a booming stock market in 1999.

CONFORMITY TO THE INTERNAL REVENUE CODE

Legislation to conform to the Internal Revenue Code was first adopted by the 1978 Hawaii legislature. Since then, the legislature has adopted most of the provisions of the Code for the sake of simplicity for Hawaii's taxpayers. However, some important differences between Hawaii and federal tax laws do remain.

Some income items are taxed by the federal government but not by Hawaii. These include social security benefits, most pension distributions, and interest on U.S. government bonds. In addition, Hawaii does not tax contributions to Hawaii's individual housing account and the first \$1,750 of Hawaii national guard or military reserve duty pay.

Other items are taxed by Hawaii but not by the federal government. 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 federal-Hawaii differences include the size of the standard deduction and the personal exemption. Hawaii allows a miscellaneous itemized deduction for certain political contributions, which are not deductible on the federal return.

Tax credits differ on the federal and Hawaii 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. Although Hawaii has not adopted any of these credits, it does provide a tax credit for all low-income persons and another credit for low-income renters. Hawaii's various tax credits are discussed in greater detail in a separate report.³

²Inflation was measured by comparing the second half of 1999 Honolulu consumer price index for all items by urban consumers and the first half of 1999 index with the corresponding 1998 indices and averaging the two figures. Source of the indices were the July 1999 and January 2000 issues of: Bureau of Labor Statistics, U.S. Department of Labor, CPI Detailed Report, Table 34.

³Chow, Yvonne, Tax Credits Claimed by Hawaii Individuals and Corporations -- 1999, Hawaii Department of Taxation, Tax Research and Planning Office, May 2001.

LEGISLATION

Tax year 1999 witnessed the implementation of the first stage of a three-stage reduction of personal income taxes adopted by the 1998 legislature as Act 157. The highest income tax rate in 1999 dropped to 8.75% from 10% in 1998. The highest rate was not applied until taxable income reached \$80,000 on a joint return, compared with \$41,000 in 1998. For single returns, the highest rate did not apply until taxable income reached \$40,000, compared to \$20,500 in 1998.

The 1999 legislature approved Act 270, which adopted the federal practice of allowing taxpayers to claim an itemized deduction for long-term care premiums and expenses. Act 198 conformed Hawaii law to the Internal Revenue Service code in allowing the self-employed the accelerated phase-in for the income adjustment for health care insurance expenses. Act 178 provided a new high-technology business investment tax credit.

DATA SOURCE AND METHODOLOGY

Return information was retrieved from the department's Comprehensive Net Income Tax (CNIT) system in late November 2000 in order to capture virtually all of timely-filed tax year 1999 returns since the due date for returns with extensions was October 20, 2000.

A stratified random sample was used to select returns for the data set used in this study. Since returns with large negative or positive incomes are subject to greater variability than returns with smaller incomes, the sample was stratified by Hawaii adjusted gross income (AGI) for resident returns and by worldwide AGI for nonresident returns to reduce sampling error. Sampling ranged from about 4.7% of returns for those with low positive AGI to 100% of returns for those with extreme negative or positive AGI. The range of sampling frequency can be seen in Figure 2.

Most Hawaii taxpayers used the simplified Form N-11 to file their income tax returns. This single-page return greatly eases the filing process for taxpayers but at the same time creates data collection problems. Since Form N-11 uses federal adjusted income as a starting point, information on sources of income and types of income adjustments are absent and must be retrieved from the taxpayer's federal return. Each year, the Internal Revenue Service prepares a data tape called the Individual Return Transaction File (IRTF). This IRTF file was merged with the Hawaii sample of resident returns selected from the CNIT system. Some returns did not merge because they were filed after the late summer creation date of the IRTF file. Some of these returns were later merged by matching the tax year 1998 IRS return with the 1999 Hawaii sample. After this procedure, there were still some returns that did not merge because there was neither a 1999 nor a 1998 federal return to match the Hawaii return. For such returns that had very large positive or very large negative AGI, return details were gleaned manually from schedules and attachments

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to the paper return. Other non-merged returns were dropped from the sample and the sample was re-weighted to adjust for the removed returns. While this procedure does introduce non-sampling error, it was deemed preferable to a situation of having numerous returns with no details of income and adjustments.

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	28	100.0	0	n/a	0	n/a	77	100.0
-\$1,000 < -100	248	83.2	1	100.0	0	n/a	251	100.0
-\$100 < 0	2,106	36.0	96	100.0	0	n/a	557	40.8
\$0 < 50	15,024	4.7	788	4.7	3,166	5.0	1,454	4.9
\$50 < 100	8,119	9.8	131	9.9	69	9.9	825	9.6
\$100 < 200	4,295	19.0	165	100.0	4	100.0	820	18.5
\$200 < 500	1,667	35.3	13	100.0	0	n/a	932	38.4
\$500 < 1,000	676	89.2	2	100.0	0	n/a	879	100.0
\$1,000 & over	329	100.0	0	n/a	0	n/a	1,549	100.0
TOTAL	32,492	7.5	1,196	6.5	3,239	5.1	7,344	14.8

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

For nonresident returns, no merge was attempted with federal returns because the IRTF data set contains returns with Hawaii addresses only. Since many nonresidents do not have Hawaii addresses, their returns would not merge. Lack of federal information means that detail such as the breakout of Schedule E information is not available for nonresidents.

All returns in the sample were edited for departmental and taxpayer data entry errors. Corrections were made where information from the paper return made the error apparent. For N-11 returns, income and adjustment discrepancies could not be corrected because there is no information on the simplified paper return. For these returns, unresolvable discrepancies appear as “unknown income” and “unknown adjustments” in the tables in this report.

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Some of the information in this report is broken out into the four taxation districts of the state of Hawaii. The first district refers to the island of Oahu; the second district consists of the islands of Maui, Molokai, and Lanai; the third district is the island of Hawaii; and the fourth district consists of the islands of Kauai and Niihau.

TYPES AND NUMBER OF RETURNS FILED

Any individual with gross income subject to Hawaii's income tax law must file an income tax return if that income is more than the standard deduction and personal exemption amounts. In addition, any person doing business in Hawaii must file a return, regardless of income size. Some individuals with little or no income who are not required to file choose to file anyway to claim such tax credits as the low-income credit and renter's credit.

Dependent taxpayers with income that is greater than the applicable standard deduction amount must also file a return unless their parents report that income. If the child's income is derived solely from interest and dividends and is between \$500 and \$5,000, the parent may report that income by filing Form N-814, Parent's Election to Report Child's Interest and Dividends.

Hawaii taxpayers used one of four income tax forms for individuals:

- | | |
|------|---|
| N-11 | for residents who also file a federal income tax return. Uses federal adjusted gross income as 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. |

Tax year 1999 returns exceeded the previous year's count by 1,326, or 0.2%, as shown in detail in Figure 3. Nonresidents and part-year residents who filed form N-15 increased by 730, accounting for somewhat more than half of the total return count increase. Continuing a trend that began with the introduction of the simplified N-11 form in tax year 1995, the number of individuals filing N-11 again increased while the numbers filing N-12 and N-13 both decreased. This trend indicates increasing acceptance of the N-11 form on

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the part of those taxpayers formerly accustomed to using the stand-alone N-12 and N-13 forms.

Figure 3
Comparison of Type of Return Filed
In Each Taxation District in 1999 and 1998

Type of Return	State	TAXATION DISTRICT			
		First	Second	Third	Fourth
All Returns					
1999	566,723	421,955	56,850	61,864	26,054
1998	565,397	422,903	55,835	60,882	25,777
% Change	0.2%	-0.2%	1.8%	1.6%	1.1%
Form N-11					
1999	434,936	319,445	46,630	47,896	20,965
1998	423,373	311,850	44,788	46,278	20,457
% Change	2.7%	2.4%	4.1%	3.5%	2.5%
Form N-12					
1999	18,338	13,323	1,769	2,364	882
1998	20,930	15,496	1,987	2,503	944
% Change	-12.4%	-14.0%	-11.0%	-5.6%	-6.6%
Form N-13					
1999	63,904	46,074	5,546	9,013	3,271
1998	72,279	52,517	6,418	9,894	3,450
% Change	-11.6%	-12.3%	-13.6%	-8.9%	-5.2%
Form N-15					
1999	49,545	43,113	2,905	2,591	936
1998	48,815	43,040	2,642	2,207	926
% Change	1.5%	0.2%	10.0%	17.4%	1.1%

Figure 4 shows the distribution of resident and nonresident returns by filing status. The most common filing status among residents was status single, while joint returns were most common among nonresidents. A nonresident who is married to a resident is required to pay tax on all sources of income if they file a joint return. If that same nonresident files separately from his or her spouse, then tax liability is based on the ratio of Hawaii AGI to worldwide AGI. This was the likely reason for the relatively high proportion of returns in the “married filing separate” category among nonresidents.

Figure 4
Number of Returns by Status of Taxpayer

Status	Residents		Nonresidents		All Returns	
	No. of Returns	% of Total	No. of Return	% of Total	No. of Returns	% of Total
Joint	199,159	38.5%	23,488	47.4%	222,647	39.3%
Single.....	257,106	49.7%	18,588	37.5%	275,694	48.6%
Married Filing Separate	9,093	1.8%	5,604	11.3%	14,697	2.6%
Head of Household.....	51,467	10.0%	1,863	3.8%	53,330	9.4%
Qualified Widow(er).....	353	0.1%	2	0.0%	355	0.1%
TOTAL	517,178	100.0%	49,545	100.0%	566,723	100.0%

RESIDENT RETURN STATISTICS

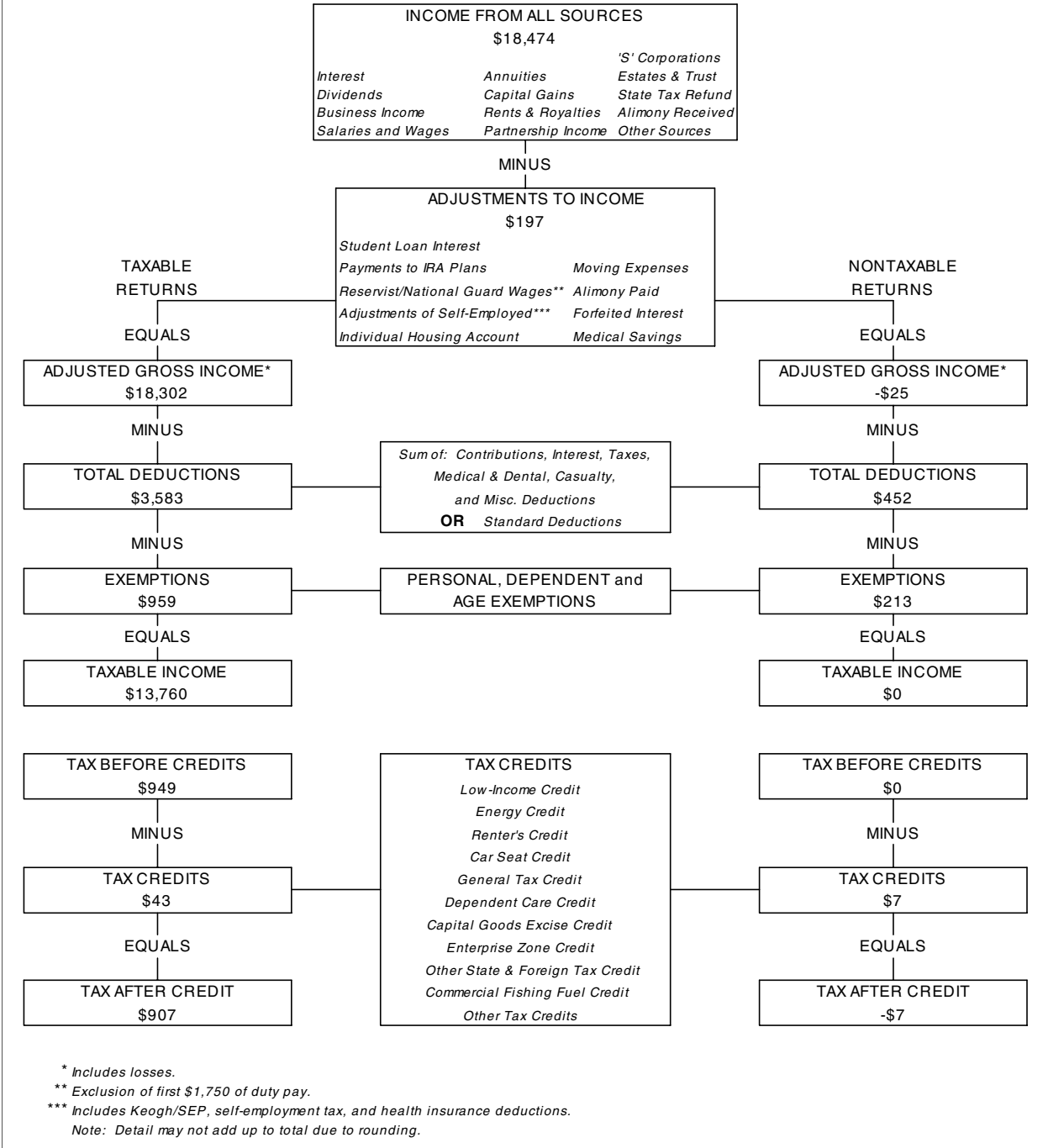
Chart 1 shows the major components of resident returns for the 1999 tax year.

Resident Income and Adjustments

For federal purposes, Hawaii residents had total reportable income of \$20.5 billion for 1999, compared to \$19.3 billion a year earlier. Appendix Table 4 shows the distribution of 1999 income by source. Use of federal amounts for income sources was necessary because there is no detailed information on income sources on the simplified Hawaii Form N-11 used by most residents. Salaries and wages was the largest income category at \$14.1 billion, up from \$13.7 billion the previous year. Salaries and wages accounted for 69% of 1999 federal total income for Hawaii residents. The next largest income category was pensions and annuities at \$1.8 billion, representing 9% of federal total income.

Rising 51% to \$1,375.3 million from \$910.7 million, net gains on the sale of capital assets was the income category with the largest proportional increase. Reportable income from this category has more than tripled from a tax year 1994 figure of \$440.0 million due in part to a strong stock market during those years. The second largest proportional increase was a 33% rise in net gains after losses from partnerships and S-corporations. This category rose from \$312.9 million in 1998 to \$416.5 million in 1999.

Chart 1 COMPONENTS OF A RESIDENT RETURN (Dollars in Millions)



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Another indicator of an improving economy, the number of residents reporting unemployment compensation dropped from 34,061 in 1998 to 29,825 in 1999. The dollar amount reported fell from \$110.8 million to \$98.8 million.

To arrive at total reportable income for Hawaii purposes, one must add items taxed by Hawaii and not by the federal government such as COLA for federal employees, employee retirement contributions of state and county employees, and interest from municipal bonds issued by states other than Hawaii. These items totaled \$329.6 million. Then one must subtract items taxed by the federal government and not by Hawaii such as social security benefits, most pensions, and interest on federal bonds. These items totaled \$2,332.1 million. The result is total reportable Hawaii income for 1999 of \$18.5 billion, which is the amount shown in the topmost box in Chart 1. This amount represents a 6% increase over the previous year's Hawaii reportable income of \$17.4 billion.

Figure 5
Adjustments to Income on Resident Returns

Type of Adjustment	Number of Returns	Amount
Individual Retirement Account Contributions.....	18,322	\$ 37,176,705
Moving Expenses.....	2,230	5,599,137
One-half of Self-Employment Tax.....	50,696	55,667,472
Self-Employment Health Insurance Deduction.....	13,306	21,000,540
Keogh and SEP Retirement Plans.....	5,690	44,398,967
Alimony Paid.....	1,420	15,326,443
Penalty for Early Withdrawal of Savings.....	4,141	674,888
Medical Savings Account Contributions.....	5	16,875
Student Loan Interest.....	7,756	3,946,183
Individual Housing Account Contributions.....	103	478,376
Hawaii National Guard/Military Reserve Pay.....	6,021	10,373,620
Unknown Adjustments.....	707	2,143,228
Total Adjustments.....	84,186	\$ 196,802,434

A taxpayer may claim certain adjustments that are deducted from total income to obtain adjusted gross income. Allowable adjustments on both the federal and the Hawaii returns include contributions made to a deductible Individual Retirement Account (IRA), 50% of self-employment tax, 60% of self-employment insurance, contributions to a Keogh

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retirement plan or self-employed plan (SEP), the interest penalty on early withdrawal of savings, alimony paid, contributions to a medical savings account, and interest paid on student loans. Two other adjustments have no federal counterpart: 1) contributions to a Hawaii individual housing account; and 2) the first \$1,750 in Hawaii national guard or military reserve duty pay.

Figure 5 shows the distribution of adjustments claimed by Hawaii residents for 1999. There is an “unknown” category because details of adjustments could not be retrieved if a taxpayer filed a simplified N-11 return and there was no matching federal return to supply the missing information. Total Hawaii adjustments increased by \$11.3 million or 6.1% from 1998 to 1999. Accounting for \$5.4 million of the total increase was the adjustment for self-employment insurance. The allowable amount for this adjustment was increased from 45% of insurance expenses in 1998 to 60% of insurance expenses in 1999.

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

Taxation District	All Returns		Joint		All Others**	
	1999	1998	1999	1998	1999	1998
All Resident Returns*						
Oahu	\$ 22,375	\$ 21,678	\$ 46,467	\$ 44,368	\$ 14,793	\$ 14,374
Maui	22,405	22,577	45,092	42,378	16,620	15,838
Hawaii	17,360	16,409	36,433	34,257	11,148	10,783
Kauai	20,241	19,993	41,243	38,080	14,322	12,995
STATE	\$ 21,662	\$ 21,065	\$ 44,656	\$ 42,534	\$ 14,596	\$ 13,944
Taxable Resident Returns						
Oahu	\$ 28,363	\$ 27,711	\$ 53,988	\$ 52,474	\$ 19,400	\$ 19,021
Maui	26,817	26,660	50,489	48,453	19,295	19,574
Hawaii	23,800	22,642	44,997	43,250	16,449	15,823
Kauai	25,598	25,076	46,718	43,814	17,888	17,662
STATE	\$ 27,445	\$ 26,838	\$ 52,085	\$ 50,147	\$ 18,969	\$ 18,615

*Includes returns with AGI losses.

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

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After subtraction of adjustments, Hawaii residents were left with \$18.3 billion in adjusted gross income (AGI). This represented an increase of 6.2% when compared with the previous year. As shown in Figure 6, median AGI for all resident returns rose to \$21,662 from \$21,065 the previous year. For taxable resident returns, median AGI increased to \$27,445 from \$26,838. Lower median AGI in the county of Hawaii may reflect the rural nature of much of that county.

Resident Deductions and Personal Exemptions

A taxpayer may choose to take a standard deduction or to itemize deductions. Allowable amounts for the standard deduction are as follows:

<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

If the dependent's earned income is more than \$500, then the standard deduction is equal to the amount of earned income up to the allowable amount for the dependent's filing status. Since a dependent usually has single status, the maximum standard deduction for such a dependent with earned income is \$1,500.

If a taxpayer has deductions greater than the standard amount, it would be to his or her benefit to itemize deductions. Itemized deductions may be taken for medical expenses, certain interest expenses, charitable contributions, certain tax expenses, casualty and theft losses, and miscellaneous items such as employee business expenses, tax preparation fees, and certain political contributions. Some of these items are partially deductible. For example, only medical expenses in excess of 7.5% of AGI are deductible. Certain miscellaneous deductions can only be deducted to the extent that they exceed 2% of AGI. Casualty and theft losses in excess of 10% of AGI are deductible.

In addition to the above limitations, returns with AGI above \$100,000 (\$50,000 for married persons filing separately) are subject to an overall limitation. This limitation requires that such a return forego the lesser of 80% of certain itemized deductions or 3% of the amount by which AGI exceeds the \$100,000 or \$50,000 threshold.

Individual Income - 1999

For 1999, 46% of Hawaii residents took standard deductions, which amounted to \$365.0 million. The remaining 54% took itemized deductions, which amounted to \$3,753.1 million. Of this amount, \$83.1 million was not allowable because of the limitation of itemized deductions for higher-income returns. As a result, total allowable itemized deductions amounted to \$3,670.0 million.

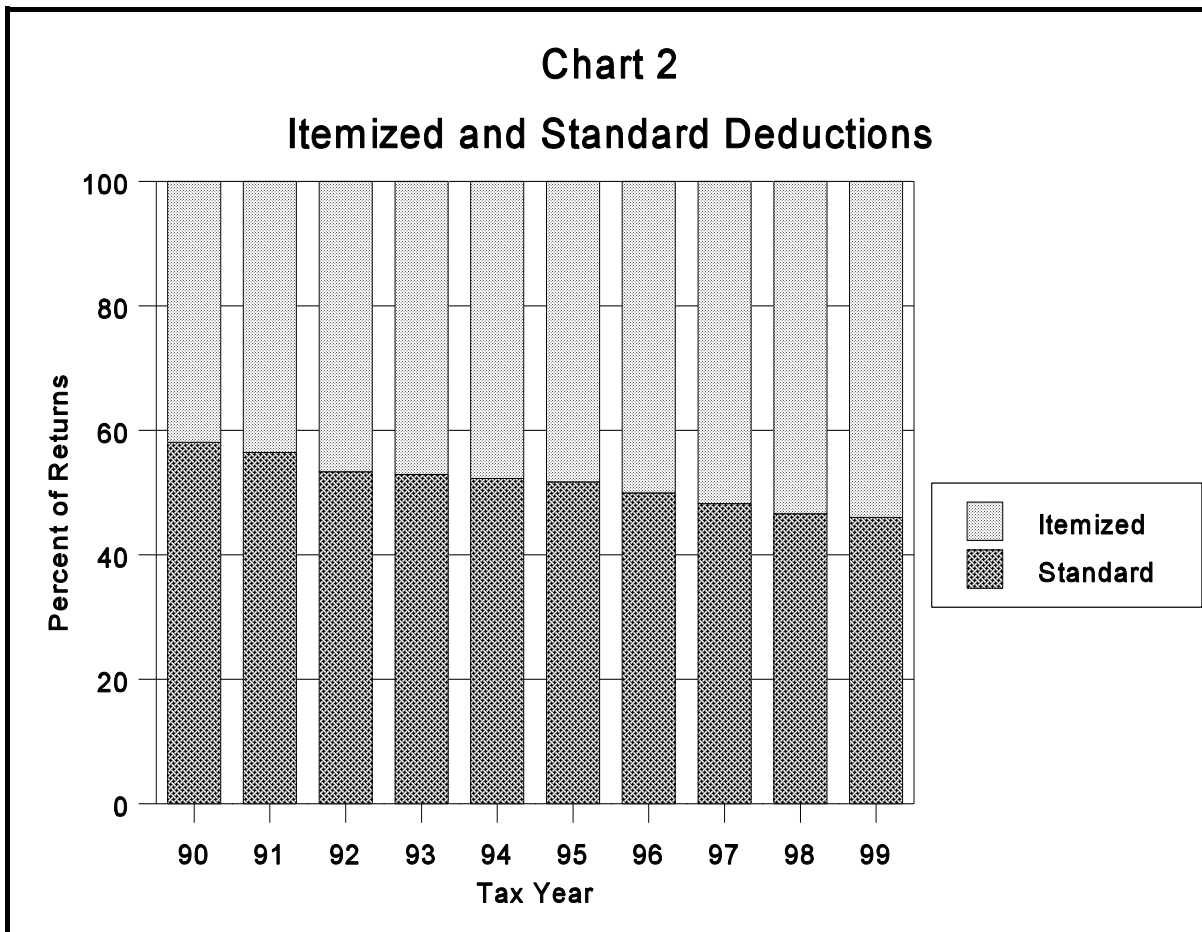
Chart 2 shows how the proportion of residents using the standard deduction gradually decreased from 58% in 1990 to 46% in 1999. This trend is due to the relationship of Hawaii's fixed standard deduction and the rising amounts actually paid for itemized deduction items such as taxes and medical expenses. An increase in wages results in both increased tax liability and an increase in the deduction for state taxes. Each year, more taxpayers found that itemizing deductions produced a larger deduction than taking the standard amount. On federal tax returns, which feature considerably larger standard deductions, approximately two-thirds of Hawaii residents used the federal standard deduction.

The size difference between the federal and Hawaii standard deductions has resulted in a situation in which roughly one-fifth of Hawaii's taxpayers simply take the federal standard deduction but must also keep detailed financial records because they are itemizing on the Hawaii return. In addition, the higher federal standard deduction and personal exemption amounts make federal taxable income lower than Hawaii taxable income on many lower-income returns. For 1999, over 80 thousand lower-income taxpayers paid more in Hawaii income taxes than federal income taxes. This disparity continues to grow yearly because the size of the federal standard deduction is indexed to inflation.

Appearing on 98% of returns that itemized deductions, the deduction for state and local taxes was the most frequently-claimed deduction category. Among returns claiming the deduction for taxes, the average amount claimed was \$4,292, down slightly from \$4,398 the previous year. Reduced income tax rates for 1999 reduced state income tax liability, which in turned reduced the size of the deduction for state income taxes paid.

Charitable contributions was the second most frequently-claimed deduction, showing up on 84% of returns that itemized deductions. The average amount reported per return rose from \$1,711 in 1998 to \$1,871 in 1999.

Although third in frequency at 55% of itemized returns, the deduction for interest paid was first in dollar volume at \$1.7 billion, of which \$1.6 billion was for mortgage interest. The average deduction amount for interest paid declined from \$11,032 to \$10,821. Second in volume was the deduction for taxes at \$1.2 billion.



Itemized deductions with AGI eligibility criteria were claimed by a decidedly smaller percentage of itemizers. Miscellaneous deductions, much of which is subject to the 2% of AGI rule, showed up on 37% of itemized returns. Only 0.3% of itemizers claimed the deduction for casualty and theft losses, which had to meet the 10% of AGI rule.

Medical deductions, all of which are subject to the 7.5% of AGI rule, were claimed by 22% of itemizers. A major change to the scope of medical deductions for 1999 was the addition of long-term care expenses and long-term care insurance premiums as an eligible deduction. As a result, the number of resident returns that reported deductible medical deductions rose by 3,177 or 5.6%, while the amount of deductible deductions increased by \$28.3 million or 16.5%.

A personal exemption of \$1,040 is allowed for each taxpayer, taxpayer’s spouse, and qualified dependents. Each taxpayer and spouse who has attained age 65 may claim an additional \$1,040 exemption for age. A dependent who files his or her own return is not allowed to claim any exemptions on that return.

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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.

For 1999, residents claimed \$1,172.0 million in personal exemptions, down 0.7% from the previous year. Resident exemptions numbered 1,098,732, of which 128,123 or 11.7% were for age. Exemptions for dependents numbered 292,417 and accounted for 27% of total resident exemptions. Exemptions for the taxpayer and spouse numbered 678,192, which was 62% of the total.

Resident Taxable Income and Tax Liability

Taxable income is the amount remaining after subtracting deductions and personal exemptions from adjusted gross income. There was taxable income on 83% of resident returns. Due to increases in capital gains and other income sources noted earlier, resident taxable income increased to \$13.76 billion for 1999 from \$12.73 billion a year earlier. This \$1.03 billion increase in taxable income helped ameliorate the effects of the reduction in tax rates that took place in 1999. Tax liability before credits decreased by \$78 million or 7.6%, as gross tax liability fell from \$1,027.5 million to \$949.3 million. Net tax liability, or the actual amount that the taxpayer pays after subtraction of tax credits, fell \$68 million or 7.0% from \$967.6 million to \$899.7 million.

NONRESIDENT RETURN STATISTICS

Taxpayers using the N-15 nonresident return increased 1.5% to 49,545 from 48,815 the previous year. Nonresidents and the part-year residents who also use Form N-15 account for 8.7% of all individual income tax returns.

Nonresident Income and Adjustments

Nonresidents and part-year residents must report income amounts and adjustment amounts by category on a worldwide basis and also as amounts from Hawaii sources. Since this report is concerned with Hawaii income, the income detail shown in Table 4 of the Statistical Tables section represents Hawaii income amounts. Total income from Hawaii sources amounted to \$585.5 million, up \$73.5 million from the previous year as shown in Figure 7.

Figure 7
Sources of Income Reported
by Nonresident Taxpayers in 1999 and 1998
(In Thousands of Dollars)

Sources of Income	1999	1998	Increase (Decrease)
TOTAL.....	\$ 585,507	\$ 512,032	\$ 73,475
Salaries and Wages.....	\$ 465,300	\$ 478,488	\$ (13,188)
Interest.....	22,253	29,701	(7,448)
Ordinary Dividends.....	6,484	8,085	(1,601)
Capital Assets/Other Property.....	180,086	146,091	33,995
Rents, Royalties, Partnerships, S Corp., Estates and Trusts.....	65,494	33,014	32,480
All other Sources.....	(154,110)	(183,347)	29,237

Total Hawaii adjustments to income rose to \$20.5 million from \$17.2 million. After subtraction of adjustments from total income, Hawaii AGI for 1999 was \$565 million, compared with \$495 million a year earlier. Hawaii AGI of nonresidents was 3.4% of their worldwide AGI of \$16.5 billion.

Nonresident Deductions and Exemptions

Act 253 of the 1999 legislature changed the way that nonresidents and part-year residents using Form N-15 report deductions and exemptions, beginning with tax year 1999. For tax years 1997 and 1998, persons using Form N-15 reported their worldwide itemized deductions and the full amount of the personal exemption and used worldwide taxable income to compute preliminary tax liability as if they were residents. For 1999, they reported the Hawaii itemized deduction amounts. If a taxpayer used the standard deduction, then the ratio of Hawaii AGI to worldwide AGI was used to compute a prorated amount for the standard deduction. The same procedure was used for computing the prorated amount for personal exemptions.

Act 253 had an effect on the reported totals for deductions and exemptions. For 1998, taxpayers using Form N-15 reported the full amount of standard deductions, which totaled \$64.2 million. For 1999, taxpayers reported a prorated standard deduction total of \$15.5 million. Taxpayers in 1998 reported worldwide itemized deductions of \$1.15 billion. For 1999, they reported \$192 million in Hawaii itemized deductions. Of this amount, \$5.2

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million was not allowable due to the limitation on itemized deductions for higher-income taxpayers. As a result, allowable itemized deductions amounted to \$187 million.

Personal exemptions increased in number from 99,432 to 105,202, or 5.8%. For 1999, taxpayers reported a prorated exemption total of \$35.6 million. This contrasts with the 1998 total of \$104 million, when taxpayers used the full exemption amount.

Nonresident Taxable Income and Tax Liability

After subtracting deductions and personal exemptions from Hawaii AGI, nonresidents were left with \$679.5 million in Hawaii taxable income. After applying the new lower tax rates for 1999, Hawaii gross tax liability amounted to \$44.1 million, compared to \$53.5 million the previous year. Net tax liability after tax credits for 1999 was \$42.6 million.

ELDERLY RESIDENT TAXPAYERS

An elderly taxpayer is identified as one who has claimed the exemption for being age 65 or older. Residents with such exemptions numbered 93,523, or 18% of total resident returns. Elderly resident returns had total income reportable for state income tax purposes of \$2.13 billion as compared to \$3.69 billion reportable for federal income tax purposes. The difference between these two amounts was \$1.56 billion, which was 42% of federal total income. This large difference is due to the fact that the elderly benefit from two income sources that are either totally or mostly untaxed by Hawaii. One source is pension income, which Hawaii by and large does not tax. The other is social security benefits, which are not taxed by Hawaii at all. In contrast, returns of the non-elderly (defined here as those without age exemptions) showed a difference of \$443 million between federal total income of \$16.79 billion and state total income of \$16.34 billion. This difference represented less than 3% of the federal total income of the non-elderly.

Figure 8 compares the distribution of federally-reportable income for the elderly and the non-elderly. The largest income source of the elderly was pensions and annuities, which represented 33% of federally-reportable income. As might be expected because of their age, the elderly had considerably more pension and annuity distributions, IRA distributions, and social security income than the non-elderly. However, the elderly also reported more dividends and interest income than the non-elderly, despite being outnumbered by more than four to one in terms of numbers of returns. Elderly returns showed positive income from rents and royalties, while non-elderly returns showed losses.

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Figure 8
Sources of Income Reported by the Elderly and
All Other Residents - 1999
(In Thousands of Dollars)

Sources of Income	Elderly		All Others	
	Amount	% of Total	Amount	% of Total
FEDERAL TOTAL INCOME	\$ 3,690,626	100.0%	\$ 16,785,664	100.0%
Salaries and Wages.....	\$ 664,384	18.0%	\$ 13,429,799	80.0%
Taxable Dividends.....	221,957	6.0%	206,643	1.2%
Interest.....	324,400	8.8%	298,851	1.8%
Sole Proprietorships.....	59,764	1.6%	668,083	4.0%
Capital Assets and Other Property.....	495,911	13.4%	879,352	5.2%
Rents and Royalties.....	99,945	2.7%	(103,625)	-0.6%
Partnerships.....	60,072	1.6%	356,431	2.1%
Estates and Trusts.....	45,146	1.2%	53,011	0.3%
Pensions and Annuities.....	1,208,902	32.8%	607,371	3.6%
Taxable IRA Payouts.....	202,336	5.5%	159,732	1.0%
Taxable Social Security.....	343,016	9.3%	40,878	0.2%
All Other Sources.....	(35,205)	-1.0%	189,140	1.1%

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

From Hawaii total income of \$2.13 billion, elderly residents subtracted \$19 million in adjustments, resulting in Hawaii adjusted gross income of \$2.11 billion. From this amount, they subtracted \$74 million in standard deductions, \$600 million in itemized deductions, and \$303 million in personal exemptions, resulting in taxable income of \$1.14 billion. Gross tax liability amounted to \$99.4 million for 1999, compared to \$101.3 million the previous year. Net tax liability after credits for 1999 was \$89.7 million.

BLIND, DEAF AND DISABLED RESIDENT TAXPAYERS

A taxpayer who has been certified as blind, deaf or totally disabled (BDD) may claim a special personal exemption of \$7,000 in lieu of all the usual personal exemptions except those for a non-disabled spouse and that spouse's age. If the spouse is also certified as BDD, then the couple is allowed a total of \$14,000 in special personal exemptions.

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BDD exemptions were claimed on 5,869 resident returns. These returns reported total income of \$270 million for federal tax purposes and \$200 million for state tax purposes. The difference of \$70 million represented 26% of federal total income. As with elderly returns, this large difference was the result of the divergence between Hawaii and federal income tax law with regard to the taxability of pension and social security income.

For BDD taxpayers, pension and annuity income amounted to \$50.6 million, or 19% of federal total income. This was second only to salaries and wages, which totaled \$79.1 million and represented 29% of federal taxable income. Other major income sources of BDD taxpayers were \$49.1 million in net capital gains, \$22.6 million in taxable social security benefits, and \$22.4 million in taxable interest income.

BDD taxpayers reported taxable income of \$94.8 million and tax liability of \$7.6 million before credits. Tax liability after credits totaled \$7.1 million.

DEPENDENT RESIDENT TAXPAYERS

Dependent taxpayers are individuals who file their own returns but who are eligible to be claimed as a dependent on another taxpayer's return. On the dependent's return, the personal exemption is not allowed and the normal standard deduction is allowed only if earned income exceeds the normal standard deduction amount for the dependent's status. If earned income is less than the normal standard deduction amount, then the allowed amount of standard deduction is the greater of \$500 or earned income.

For 1999, resident dependents filed 38,060 returns. They had total reportable income of \$174 million for Hawaii state tax purposes. Divergence of Hawaii and federal law in terms of reportable income was of minimal import as total reportable income for federal income taxes was only slightly larger at \$178 million. Wages was the major source of income at \$129 million, followed as a distant second by net capital gains at \$23.4 million. Dividend income totaled \$9.2 million, while interest income contributed \$8.5 million. Taxable income amounted to \$126.5 million, resulting in tax liability of \$5.7 million.

STATISTICAL

TABLES

Individual Income - 1999

TABLE 1
PERCENT DISTRIBUTION OF SELECTED DATA ON ALL RESIDENT RETURNS BY ADJUSTED GROSS INCOME CLASS - 1999

ADJUSTED GROSS INCOME CLASS	Number of Returns		Adjusted Gross Income		Taxable Income		Tax Liability	
	Number	%	Amount	%	Amount	%	Amount	%
<u>TAXABLE RESIDENT RETURNS</u>								
Under \$ 5,000	32,923	7.6%	\$ 101,433,589	0.6%	\$ 43,178,819	0.3%	\$ 949,704	0.1%
5,000 "	46,527	10.8%	346,156,670	1.9%	194,631,203	1.4%	6,632,566	0.7%
10,000 "	81,350	18.9%	1,213,487,104	6.6%	837,405,813	6.1%	41,950,648	4.4%
20,000 "	70,715	16.4%	1,756,134,135	9.6%	1,308,031,413	9.5%	77,868,745	8.2%
30,000 "	48,646	11.3%	1,688,670,793	9.2%	1,264,541,360	9.2%	80,774,048	8.5%
40,000 "	36,287	8.4%	1,625,146,224	8.9%	1,197,314,588	8.7%	78,945,213	8.3%
50,000 "	57,994	13.5%	3,535,817,776	19.3%	2,581,032,744	18.8%	176,887,169	18.6%
75,000 "	27,568	6.4%	2,362,786,426	12.9%	1,745,517,976	12.7%	125,149,819	13.2%
100,000 "	18,171	4.2%	2,147,072,933	11.7%	1,648,597,075	12.0%	124,213,460	13.1%
150,000 "	4,583	1.1%	783,796,625	4.3%	624,432,271	4.5%	48,986,590	5.2%
200,000 and over	5,815	1.4%	2,741,216,787	15.0%	2,315,348,148	16.8%	186,988,233	19.7%
TOTAL - TAXABLE RETURNS	430,579	100.0%	\$ 18,301,719,062	100.0%	\$ 13,760,031,410	100.0%	\$ 949,346,195	100.0%
<u>NONTAXABLE RESIDENT RETURNS</u>								
Loss	6,277	7.2%	\$ (290,306,642)					
5,000 under \$	65,625	75.8%	76,749,249					
10,000 "	8,104	9.4%	56,263,940					
10,000 and over	6,593	7.6%	132,526,779					
TOTAL - NONTAXABLE RETURNS	86,599	100.0%	\$ (24,766,674) ¹					
ALL RESIDENT RETURNS	517,178		\$ 18,276,952,388 ¹		\$ 13,760,031,410		\$ 949,346,195	

¹ Includes returns with negative AGI.

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TABLE 2
SELECTED DATA ON ALL RETURNS FILED, BY TYPE OF RETURN FILED AND BY ADJUSTED GROSS INCOME CLASS - 1999

ADJUSTED GROSS INCOME CLASS	Number of Returns		Adjusted Gross Income		H/H
	Single	Joint	Single	Joint	
TAXABLE RESIDENT RETURNS					
Under \$ 5,000	31,851	212	\$ 97,043,128	\$ 823,520	\$ 3,566,941
\$ 5,000 "	35,574	6,273	261,224,049	49,325,095	35,607,526
10,000 "	50,364	17,764	746,138,980	268,944,191	198,403,933
20,000 "	39,052	18,999	966,069,278	476,352,328	313,712,529
30,000 "	24,311	18,649	837,899,853	655,393,210	195,377,730
40,000 "	13,640	18,797	605,649,799	847,296,753	172,199,672
50,000 "	13,281	41,383	791,221,674	2,548,211,636	196,384,466
75,000 "	3,434	23,451	290,327,302	2,015,687,241	56,771,883
100,000 "	1,945	15,800	232,276,932	1,864,533,387	50,262,614
150,000 "	635	3,816	108,834,087	652,090,157	22,872,381
200,000 and over	866	4,781	495,730,494	2,161,682,913	83,803,380
TOTAL - TAXABLE RETURNS	214,953	169,925	\$ 5,432,415,576	\$ 11,540,340,431	\$ 1,328,963,055
NONTAXABLE RESIDENT RETURNS					
Loss	3,320	2,592	\$ (97,187,070)	\$ (181,001,721)	\$ (12,117,851)
\$ 0 under \$ 5,000	44,362	16,470	39,635,482	29,023,137	8,090,630
5,000 "	1,808	5,814	12,949,169	40,093,512	3,221,259
10,000 and over	1,756	4,358	38,145,278	84,950,968	9,430,533
TOTAL - NONTAXABLE RETURNS	51,246	29,234	\$ (6,457,141)	\$ (26,934,104)	\$ 8,624,571
ALL RESIDENT RETURNS	266,199	199,159	\$ 5,425,958,435	\$ 11,513,406,327	\$ 1,337,587,626
ALL NONRESIDENT RETURNS	24,192	23,488	\$ 194,930,223	\$ 343,241,045	\$ 26,786,986
TOTAL - ALL RETURNS	290,391	222,647	\$ 5,620,888,658	\$ 11,856,647,372	\$ 1,364,374,612

See end of table for footnotes.

Individual Income - 1999

TABLE 2 (continued)
 SELECTED DATA ON ALL RETURNS FILED, BY TYPE OF RETURN FILED AND BY ADJUSTED GROSS INCOME CLASS - 1999

ADJUSTED GROSS INCOME CLASS	Taxable Income		Tax Liability	
	1 Single	2 H/H	1 Single	2 H/H
TAXABLE RESIDENT RETURNS				
Under \$ 5,000	\$ 42,402,745	\$ 566,431	\$ 936,631	\$ 3,564
5,000 "	166,395,156	14,889,431	6,088,652	229,292
10,000 "	570,879,532	130,302,527	31,691,165	4,482,786
20,000 "	788,056,444	231,309,919	50,941,865	13,858,260
30,000 "	682,081,266	144,948,575	47,283,319	24,527,816
40,000 "	484,298,850	132,008,071	34,996,434	35,181,578
50,000 "	621,470,073	143,959,012	47,231,105	119,620,877
75,000 "	232,738,082	43,517,805	18,135,099	103,804,812
100,000 "	190,023,943	38,245,357	15,046,026	106,212,001
150,000 "	90,643,554	17,666,739	7,266,258	40,312,780
200,000 and over	421,480,655	71,672,049	34,114,022	146,955,008
TOTAL - TAXABLE RETURNS	\$ 4,290,470,300	\$ 969,085,916	\$ 293,730,576	\$ 595,188,774
NONTAXABLE RESIDENT RETURNS				
Loss				
\$ 0 under \$ 5,000				
5,000 "				
10,000 and over				
TOTAL - NONTAXABLE RETURNS				
ALL RESIDENT RETURNS	\$ 4,290,470,300	\$ 969,085,916	\$ 293,730,576	\$ 60,426,845
ALL NONRESIDENT RETURNS	\$ 230,867,338	\$ 22,918,035	\$ 15,399,042	\$ 1,372,446
TOTAL - ALL RETURNS	\$ 4,521,337,638	\$ 992,003,951	\$ 309,129,618	\$ 61,799,291

1 Includes married filing separately.

2 Includes heads of household and qualifying surviving spouses.

3 Includes returns with negative AGI.

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TABLE 3
SELECTED DATA ON NONRESIDENT RETURNS FILED BY ADJUSTED GROSS INCOME CLASS - 1999

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	11,749	\$ 23,357,532	\$ 3,782,200,276	19,487	1,423	\$ 14,549,111	\$ 386,686
\$ 5,000 "	7,978	58,292,165	2,033,031,191	14,545	753	45,110,405	1,481,653
10,000 "	7,618	110,972,608	1,566,649,631	17,259	818	88,567,455	4,222,965
20,000 "	3,515	85,582,666	713,351,161	8,440	352	69,955,758	3,992,007
30,000 "	1,863	63,947,377	408,524,706	4,801	163	52,877,045	3,282,907
40,000 "	1,082	47,769,263	238,475,100	2,435	115	38,246,120	2,523,623
50,000 "	1,475	89,475,558	412,875,734	3,718	204	72,497,342	5,195,990
75,000 "	675	57,345,366	467,638,217	1,690	168	46,205,681	3,352,972
100,000 "	496	59,760,202	1,205,443,275	1,166	148	50,481,729	3,752,062
150,000 "	174	29,752,798	197,034,848	429	59	25,751,112	1,975,531
200,000 and over	334	203,420,697	1,927,169,256	770	100	175,276,457	13,965,889
TOTAL - TAXABLE RETURNS	36,959	\$ 829,676,232	\$ 12,952,393,395	74,740	4,303	\$ 679,518,215	\$ 44,132,285
NONTAXABLE NONRESIDENT RETURNS							
Loss	6,372	\$ (277,334,746)	1,652,044,178	12,562	2,060		NOT
\$ 0 under \$ 5,000	5,893	2,932,403	1,297,253,202	9,528	1,101		APPLICABLE
5,000 "	143	993,215	39,125,714	366	82		
10,000 and over	178	8,691,150	572,027,354	385	75		
TOTAL - NONTAXABLE RETURNS	12,586	\$ (264,717,978)	\$ 3,560,450,448	22,841	3,318		
ALL NONRESIDENT RETURNS	49,545	\$ 564,958,254	\$ 16,512,843,843	97,581	7,621	\$ 679,518,215	\$ 44,132,285

¹ Includes returns with negative AGI.

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TABLE 4
SOURCES OF INCOME AND STATUTORY ADJUSTMENTS ON ALL RETURNS FILED BY ADJUSTED GROSS INCOME CLASS - 1999

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	24,126	\$ 75,812,008	7,881	\$ 4,051,089	15,936	\$ 10,016,937
\$ 5,000 "	35,607	248,967,668	8,213	11,166,187	22,109	33,807,899
10,000 "	68,377	976,226,374	14,608	25,915,978	42,812	71,485,183
20,000 "	64,867	1,522,967,949	13,417	24,783,495	43,727	54,808,029
30,000 "	45,816	1,486,609,229	11,511	21,339,931	36,560	39,238,237
40,000 "	34,365	1,406,828,899	11,028	20,883,828	29,193	41,274,805
50,000 "	55,443	3,087,067,846	21,235	45,816,253	50,628	68,716,193
75,000 "	26,447	1,991,279,237	14,350	38,255,371	26,024	40,056,999
100,000 "	16,758	1,647,347,400	12,033	48,149,969	17,566	44,859,161
150,000 "	3,969	486,562,265	3,498	22,341,659	4,440	19,257,003
200,000 and over	4,657	993,461,750	4,866	132,141,109	5,700	108,971,956
TOTAL - TAXABLE RETURNS	380,432	\$ 13,923,130,625	122,640	\$ 394,844,869	294,695	\$ 532,492,402
<u>NONTAXABLE RESIDENT RETURNS</u>						
Loss	1,604	\$ 29,927,709	2,475	\$ 8,425,697	5,054	\$ 19,264,775
\$ 0 under \$ 5,000	19,458	42,575,129	8,199	5,456,006	32,430	31,041,238
5,000 "	2,707	23,296,310	3,170	6,243,934	6,835	16,981,902
10,000 and over	3,715	75,253,337	3,211	13,628,734	5,917	23,470,152
TOTAL - NONTAXABLE RETURNS	27,484	\$ 171,052,485	17,055	\$ 33,754,371	50,236	\$ 90,758,067
ALL RESIDENT RETURNS	407,916	\$ 14,094,183,110	139,695	\$ 428,599,240	344,931	\$ 623,250,469
ALL NONRESIDENT RETURNS	29,128	\$ 465,300,153	3,751	\$ 6,483,728	11,919	\$ 22,252,530
TOTAL - ALL RETURNS	437,044	\$ 14,559,483,263	143,446	\$ 435,082,968	356,850	\$ 645,502,999

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TABLE 4 (continued)
 SOURCES OF INCOME AND STATUTORY ADJUSTMENTS ON ALL RETURNS FILED BY ADJUSTED GROSS INCOME CLASS - 1999

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	1,739	\$ 5,329,056	276	\$ 498,198	6,088	\$ 7,036,765	444	\$ 505,090
\$ 5,000 "	4,654	29,456,550	615	1,799,514	5,463	13,400,346	842	1,468,770
10,000 "	6,513	59,681,070	2,385	11,867,870	9,674	36,873,257	1,952	4,852,605
20,000 "	6,438	65,912,833	3,057	10,818,383	9,055	37,817,667	2,295	5,573,521
30,000 "	4,654	50,011,767	2,092	8,500,942	8,251	38,251,574	1,312	3,290,018
40,000 "	4,532	61,820,873	2,208	8,297,211	7,480	39,155,656	1,604	3,462,885
50,000 "	7,458	103,970,056	4,125	19,438,138	14,464	98,091,836	3,754	9,494,998
75,000 "	4,069	81,247,976	1,955	6,335,722	9,713	91,000,265	2,193	4,629,178
100,000 "	3,139	102,991,695	1,410	5,682,738	8,898	144,075,702	1,697	4,808,359
150,000 "	1,064	75,370,939	324	1,873,498	2,702	95,025,071	612	1,680,708
200,000 and over	1,469	178,105,111	434	9,225,495	3,893	777,774,865	866	5,761,263
TOTAL - TAXABLE RETURNS	45,729	\$ 813,897,926	18,881	\$ 84,337,709	85,681	\$ 1,378,503,004	17,571	\$ 45,527,395
NONTAXABLE RESIDENT RETURNS								
Loss	784	\$ 10,210,296	1,962	\$ 30,464,662	926	\$ 29,761,880	2,169	\$ 30,731,149
\$ 0 under \$ 5,000	3,031	7,813,637	887	2,585,029	3,501	3,585,464	1,570	3,817,494
5,000 "	1,264	8,335,463	403	3,923,317	1,882	26,158,099	619	2,528,723
10,000 and over	1,142	13,492,502	697	4,591,719	1,951	34,510,563	912	14,651,872
TOTAL - NONTAXABLE RETURNS	6,221	\$ 39,851,898	3,949	\$ 41,564,727	8,260	\$ 94,016,006	5,270	\$ 51,729,238
ALL RESIDENT RETURNS	51,950	\$ 853,749,824	22,830	\$ 125,902,436	93,941	\$ 1,472,519,010	22,841	\$ 97,256,633
ALL NONRESIDENT RETURNS	1,849	\$ 25,603,113	980	\$ 9,352,046	4,885	\$ 185,295,722	1,416	\$ 5,209,779
TOTAL - ALL RETURNS	53,799	\$ 879,352,937	23,810	\$ 135,254,482	98,826	\$ 1,657,814,732	24,257	\$ 102,466,412

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TABLE 4 (continued)
SOURCES OF INCOME AND STATUTORY ADJUSTMENTS ON ALL RETURNS FILED BY ADJUSTED GROSS INCOME CLASS - 1999

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	315	\$ 648,341	107	\$ 303,971	292	\$ 666,336	65	\$ 143,527
\$ 5,000 "	1,099	4,466,768	571	2,562,601	444	2,528,131	233	1,256,189
10,000 "	3,049	16,039,028	1,514	10,620,281	1,032	9,486,257	778	3,019,417
20,000 "	2,717	21,434,928	2,552	16,681,343	1,031	6,863,938	744	4,461,596
30,000 "	2,286	17,077,996	3,042	23,655,834	1,036	8,193,096	550	2,777,765
40,000 "	1,881	13,378,932	2,861	19,760,642	1,057	9,325,203	568	4,069,162
50,000 "	3,835	27,704,353	5,972	45,187,431	2,176	29,298,021	1,037	5,559,361
75,000 "	2,528	25,837,168	4,113	30,448,333	1,453	25,327,799	1,085	4,127,655
100,000 "	2,417	28,412,443	3,296	25,978,787	2,057	60,548,815	963	6,472,122
150,000 "	882	12,968,849	587	5,705,702	974	56,789,389	383	2,446,045
200,000 and over	1,425	63,636,758	736	14,969,194	1,957	340,863,346	713	34,241,140
TOTAL - TAXABLE RETURNS	22,434	\$ 231,605,564	25,351	\$ 195,874,119	13,509	\$ 549,890,331	7,119	\$ 68,573,979
NONTAXABLE RESIDENT RETURNS								
Loss	389	\$ 4,487,190	2,184	\$ 30,423,303	267	\$ 3,919,382	715	\$ 58,862,640
\$ 0 under \$ 5,000	1,505	3,250,359	1,145	5,300,151	357	459,124	466	3,611,177
5,000 "	896	4,284,578	727	5,297,021	253	1,017,859	147	4,886,910
10,000 and over	1,073	6,838,526	1,200	17,251,753	272	2,346,827	472	5,196,671
TOTAL - NONTAXABLE RETURNS	3,863	\$ 18,860,653	5,256	\$ 58,272,228	1,149	\$ 7,743,192	1,800	\$ 72,557,398
ALL RESIDENT RETURNS	26,297	\$ 250,466,217	30,607	\$ 254,146,347	14,658	\$ 557,633,523	8,919	\$ 141,131,377
ALL NONRESIDENT RETURNS	--	--	--	--	--	--	--	--
TOTAL - ALL RETURNS	26,297	\$ 250,466,217	30,607	\$ 254,146,347	14,658	\$ 557,633,523	8,919	\$ 141,131,377

See end of table for footnotes.

Individual Income - 1999

TABLE 4 (continued)
SOURCES OF INCOME AND STATUTORY ADJUSTMENTS ON ALL RETURNS FILED BY ADJUSTED GROSS INCOME CLASS - 1999

ADJUSTED GROSS INCOME CLASS	ESTATES AND TRUSTS		UNEMPLOYMENT COMPENSATION		PENSIONS AND ANNUITIES		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	106	\$ 140,543	496	\$ 774,008	1,812	\$ 16,132,435	676	\$ 1,471,604
\$ 5,000 "	148	180,108	2,255	6,116,363	6,993	99,164,574	3,063	12,054,403
10,000 "	360	1,791,326	5,816	17,469,059	13,745	224,073,539	6,737	37,788,777
20,000 "	273	609,399	5,187	16,772,696	10,425	170,990,478	4,805	37,386,638
30,000 "	253	2,606,161	4,158	16,009,613	7,855	134,892,309	3,504	27,515,851
40,000 "	173	1,620,891	3,336	13,145,720	5,697	106,626,579	3,135	22,550,566
50,000 "	568	6,245,722	5,036	17,674,172	9,717	162,653,512	5,687	53,998,170
75,000 "	392	3,114,653	1,488	4,763,304	4,562	77,767,024	3,147	40,430,720
100,000 "	464	7,011,575	630	2,474,951	3,534	71,419,799	2,051	33,160,084
150,000 "	116	3,432,730	49	198,282	1,036	27,028,261	462	10,762,136
200,000 and over	427	67,672,638	56	258,081	1,249	51,688,701	587	25,530,261
TOTAL - TAXABLE RETURNS	3,280	\$ 94,425,746	28,507	\$ 95,656,249	66,625	\$ 1,142,437,211	33,854	\$ 302,649,210
NONTAXABLE RESIDENT RETURNS								
Loss	91	\$ 2,970,751	127	\$ 404,111	2,695	\$ 65,158,330	665	\$ 12,059,209
\$ 0 under \$ 5,000	84	140,973	646	1,203,479	21,212	385,997,558	3,778	18,025,076
5,000 "	84	372,225	212	301,698	5,243	118,571,324	1,888	10,158,162
10,000 and over	197	246,900	333	1,202,825	3,794	104,107,827	1,535	19,176,306
TOTAL - NONTAXABLE RETURNS	456	\$ 3,730,849	1,318	\$ 3,112,113	32,944	\$ 673,835,039	7,866	\$ 59,418,753
ALL RESIDENT RETURNS	3,736	\$ 98,156,595	29,825	\$ 98,768,362	99,569	\$ 1,816,272,250	41,720	\$ 362,067,963
ALL NONRESIDENT RETURNS	--	--	1,911	\$ 6,156,758	895	\$ 5,182,293	--	--
TOTAL - ALL RETURNS	3,736	\$ 98,156,595	31,736	\$ 104,925,120	100,464	\$ 1,821,454,543	41,720	\$ 362,067,963

See end of table for footnotes.

Individual Income - 1999

TABLE 4 (continued)
SOURCES OF INCOME AND STATUTORY ADJUSTMENTS ON ALL RETURNS FILED BY ADJUSTED GROSS INCOME CLASS - 1999

ADJUSTED GROSS INCOME CLASS	STATE TAX REFUND INCOME		FEDERALLY-TAXABLE SOCIAL SECURITY		MISCELLANEOUS SOURCES	
	Number of Returns	Amount	Number of Returns	Amount	Gain	Loss
TAXABLE RESIDENT RETURNS						
Under \$ 5,000	717	\$ 122,870	297	\$ 1,290,977	\$ 642	\$ 851,964
5,000 "	1,988	602,794	2,437	12,621,238	1,522	1,864,587
10,000 "	6,373	3,295,125	7,750	50,610,191	2,944	5,830,138
20,000 "	12,697	9,488,413	7,542	52,071,858	2,546	1,869,850
30,000 "	15,293	12,696,814	5,100	43,064,577	2,664	3,514,772
40,000 "	15,668	14,796,071	3,229	35,141,068	2,489	1,047,688
50,000 "	32,806	33,535,084	4,294	48,301,002	4,653	4,112,180
75,000 "	17,687	19,136,424	1,793	20,723,686	2,962	1,827,622
100,000 "	11,684	15,048,354	1,472	18,983,748	2,406	7,795,569
150,000 "	2,594	5,155,534	555	7,548,317	817	1,611,425
200,000 and over	3,549	22,525,217	989	15,269,414	1,386	8,319,716
TOTAL - TAXABLE RETURNS	121,056	\$ 136,402,700	35,458	\$ 305,626,076	25,031	\$ 38,645,511
NONTAXABLE RESIDENT RETURNS						
Loss	1,734	\$ 1,795,809	768	\$ 5,338,473	277	\$ 4,532,799
\$ 0 under \$ 5,000	5,643	1,646,628	5,562	31,025,709	1,773	3,258,518
5,000 "	2,286	1,040,602	2,909	17,434,314	996	3,234,563
10,000 and over	3,914	4,364,522	2,570	24,469,539	696	4,993,247
TOTAL - NONTAXABLE RETURNS	13,577	\$ 8,847,561	11,809	\$ 78,268,035	3,742	\$ 16,019,127
ALL RESIDENT RETURNS	134,633	\$ 145,250,261	47,267	\$ 383,894,111	28,773	\$ 141,469,380
ALL NONRESIDENT RETURNS	--	--	--	--	9,845	\$ 188,649,395
TOTAL - ALL RETURNS	134,633	\$ 145,250,261	47,267	\$ 383,894,111	38,618	\$ 330,118,775

See end of table for footnotes.

Individual Income - 1999

TABLE 4 (continued)
SOURCES OF INCOME AND STATUTORY ADJUSTMENTS ON ALL RETURNS FILED BY ADJUSTED GROSS INCOME CLASS - 1999

ADJUSTED GROSS INCOME CLASS	UNKNOWN SOURCES				FEDERAL TOTAL INCOME FROM ALL SOURCES	
	Profit		Loss		Number of Returns	Amount
	Number of Returns	Amount	Number of Returns	Amount		
TAXABLE RESIDENT RETURNS						
Under \$ 5,000	2,249	\$ 745,489	807	\$ 1,443,992	32,923	\$ 121,668,089
5,000 "	3,458	1,276,628	1,104	4,025,001	46,527	466,775,967
10,000 "	8,355	6,919,587	2,346	7,991,790	81,350	1,502,673,151
20,000 "	8,109	7,088,066	2,355	8,339,936	70,715	1,991,768,676
30,000 "	6,054	8,075,976	1,702	5,124,196	48,646	1,867,769,913
40,000 "	4,411	7,169,780	1,766	10,617,696	36,287	1,754,487,260
50,000 "	7,075	15,992,556	2,850	16,894,809	57,994	3,714,798,302
75,000 "	3,472	15,401,775	1,631	8,905,933	27,568	2,428,252,883
100,000 "	2,499	24,321,382	998	15,354,434	18,171	2,194,300,053
150,000 "	767	19,328,274	334	15,656,855	4,583	821,106,537
200,000 and over	1,383	170,994,167	446	70,815,173	5,815	2,842,596,487
TOTAL - TAXABLE RETURNS	47,832	\$ 277,313,680	16,339	\$ 165,169,815	430,579	\$ 19,706,197,318
NONTAXABLE RESIDENT RETURNS						
Loss	733	\$ 27,505,380	629	\$ 31,198,425	6,277	\$ (206,969,960)
\$ 0 under \$ 5,000	4,928	2,776,136	1,186	8,111,278	65,625	508,086,898
5,000 "	1,717	474,417	315	20,189,102	8,104	200,851,789
10,000 and over	1,657	12,082,745	384	25,147,301	6,593	268,123,690
TOTAL - NONTAXABLE RETURNS	9,035	\$ 42,838,678	2,514	\$ 84,646,106	86,599	\$ 770,092,417
ALL RESIDENT RETURNS	56,867	\$ 320,152,358	18,853	\$ 249,815,921	517,178	\$ 20,476,289,735
ALL NONRESIDENT RETURNS	not applicable	not applicable	not applicable	not applicable	not available	not available
TOTAL - ALL RETURNS	56,867	\$ 320,152,358	18,853	\$ 249,815,921	517,178	\$ 20,476,289,735

See end of table for footnotes.

Individual Income - 1999

TABLE 4 (continued)
SOURCES OF INCOME AND STATUTORY ADJUSTMENTS ON ALL RETURNS FILED BY ADJUSTED GROSS INCOME CLASS - 1999

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	Number of Returns	Amount	Number of Returns	Amount
TAXABLE RESIDENT RETURNS								
Under \$ 5,000	844	\$ 170,903	3,143	\$ 18,665,466	32,923	\$ 103,173,526	2,635	\$ 1,739,937
5,000 "	3,106	2,325,669	8,471	117,200,913	46,527	351,900,723	6,210	5,744,053
10,000 "	7,655	6,200,771	17,805	279,353,751	81,350	1,229,520,171	11,363	16,033,067
20,000 "	12,092	12,146,678	18,916	227,253,200	70,715	1,776,662,154	12,197	20,528,019
30,000 "	9,619	13,429,799	17,026	177,548,201	48,646	1,703,651,511	9,131	14,980,718
40,000 "	8,021	21,526,290	15,690	137,048,242	36,287	1,638,965,308	7,320	13,819,084
50,000 "	11,935	57,457,704	30,889	208,975,708	57,994	3,563,280,298	12,678	27,462,522
75,000 "	7,557	52,983,107	16,391	98,613,637	27,568	2,382,622,353	6,056	19,835,927
100,000 "	5,978	59,854,910	11,564	84,676,292	18,171	2,169,478,671	4,620	22,405,738
150,000 "	1,365	13,172,663	2,788	35,275,436	4,583	799,003,764	1,613	15,207,139
200,000 and over	1,779	33,501,855	4,192	105,771,343	5,815	2,770,326,999	2,542	29,110,212
TOTAL - TAXABLE RETURNS	69,951	\$ 272,770,349	146,875	\$ 1,490,382,189	430,579	\$ 18,488,585,478	76,365	\$ 186,866,416
NONTAXABLE RESIDENT RETURNS								
Loss	1,316	\$ 50,885,106	3,522	\$ 131,380,019	6,277	\$ (287,464,873)	1,218	\$ 2,841,769
\$ 0 under \$ 5,000	3,212	2,769,920	22,175	431,709,784	65,625	79,147,034	3,545	2,397,785
5,000 "	1,373	607,737	5,649	142,977,741	8,104	58,481,785	1,624	2,217,845
10,000 and over	1,128	2,578,392	5,163	135,696,684	6,593	135,005,398	1,434	2,478,619
TOTAL - NONTAXABLE RETURNS	7,029	\$ 56,841,155	36,509	\$ 841,764,228	86,599	\$ (14,830,656)	7,821	\$ 9,936,018
ALL RESIDENT RETURNS	76,980	\$ 329,611,504	183,384	\$ 2,332,146,417	517,178	\$ 18,473,754,822	84,186	\$ 196,802,434
ALL NONRESIDENT RETURNS	not meaningful	not meaningful	not meaningful	not meaningful	49,545	\$ 585,507,354	7,094	\$ 20,549,100
TOTAL - ALL RETURNS	76,980	\$ 329,611,504	183,384	\$ 2,332,146,417	566,723	\$ 19,059,262,176	91,280	\$ 217,351,534

1 Included in "all other 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.

Individual Income - 1999

TABLE 5
SOURCES OF INCOME REPORTED IN EACH DISTRICT BY NUMBER OF RETURNS AND AMOUNT - 1999
(Resident Returns)

SOURCES OF INCOME	TAXATION DISTRICT							
	FIRST		SECOND		THIRD		FOURTH	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Salaries and Wages	298,181	\$ 10,808,723,692	44,690	\$ 1,411,292,704	45,322	\$ 1,279,552,489	19,723	\$ 594,614,225
Taxable Dividends	108,355	338,415,085	12,806	39,740,303	12,921	33,705,820	5,633	16,738,032
Interest	257,039	484,297,693	33,367	50,793,557	37,186	61,389,144	17,339	26,770,075
Business and Professions								
Net Profit	34,545	600,407,197	6,276	99,702,851	8,246	114,081,982	2,883	39,557,794
Net Loss	14,038	(79,061,017)	3,425	(16,754,342)	3,750	(18,413,453)	1,617	(11,673,624)
Sale of Capital Assets								
Net Gain	73,386	1,142,527,684	8,149	158,356,376	8,519	113,093,731	3,887	58,541,219
Net Loss	17,172	(80,377,880)	2,352	(5,276,320)	2,446	(8,732,286)	871	(2,870,147)
Rents and Royalties								
Net Profit	19,395	193,558,568	2,659	23,461,510	2,823	20,977,381	1,420	12,468,758
Net Loss	23,577	(202,877,484)	3,357	(26,788,806)	2,447	(15,597,224)	1,226	(8,882,833)
Partnerships and S-Corporations								
Net Profit	10,999	425,499,536	1,501	70,112,680	1,537	40,487,086	621	21,534,221
Net Loss	6,670	(109,603,186)	1,079	(19,007,496)	799	(7,122,103)	371	(5,398,592)
Estates and Trusts	2,919	80,915,400	385	9,822,678	333	4,723,503	99	2,695,014
Unemployment Compensation	19,834	68,231,751	3,467	10,208,691	4,813	15,065,177	1,711	5,262,743
Pensions and Annuities	77,624	1,499,100,734	7,810	108,713,156	9,724	156,599,644	4,411	51,858,716
Taxable IRA Distributions	32,457	281,912,992	3,197	30,815,253	4,045	33,611,694	2,021	15,728,024
State Tax Refund Income	102,340	112,811,916	13,236	15,143,916	12,960	11,775,373	6,097	5,519,056
Federally-Taxed Social Security	38,098	315,118,469	3,202	25,018,971	4,210	31,558,372	1,757	12,198,299
All Other Sources	85,101	(68,033,757)	9,782	(21,298,813)	11,844	117,780	4,766	(869,617)
Federal Total Income	378,842	\$ 15,811,567,393	53,945	\$ 1,964,056,869	59,273	\$ 1,866,874,110	25,118	\$ 833,791,363
Hawaii Additions	58,118	279,558,682	6,751	21,487,947	8,085	21,075,847	4,026	7,489,028
Hawaii Subtractions	139,994	1,922,361,494	16,758	143,192,232	18,163	197,181,494	8,469	69,411,197
Hawaii Total Income	378,842	\$ 14,168,764,581	53,945	\$ 1,842,352,584	59,273	\$ 1,690,768,463	25,118	\$ 771,869,194
Less Adjustments to Income	59,338	141,979,496	8,943	20,454,826	11,339	24,052,238	4,566	10,315,874
Adjusted Gross Income	378,842	\$ 14,026,785,085	53,945	\$ 1,821,897,758	59,273	\$ 1,666,716,225	25,118	\$ 761,553,320

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.

Individual Income - 1999

TABLE 6
TYPES OF DEDUCTIONS BY ADJUSTED GROSS INCOME CLASS - 1999

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	231	\$ 98,717	41	\$ 82,164	420	\$ 702,482	20	\$ 46,380
\$ 5,000 "	4,451	4,165,816	1,169	2,894,189	3,541	6,409,617	--	--
10,000 "	20,627	22,170,720	7,019	31,276,409	12,058	23,989,785	126	300,972
20,000 "	31,845	37,143,868	13,967	89,975,316	10,255	22,087,608	106	188,164
30,000 "	31,628	36,859,953	15,522	119,134,554	6,192	13,861,499	63	362,047
40,000 "	26,964	36,421,684	16,819	151,387,507	4,347	9,642,399	42	10,564
50,000 "	48,762	79,138,272	36,805	386,622,405	4,470	14,625,869	113	176,215
75,000 "	25,256	46,321,004	21,983	278,008,339	1,036	5,249,428	112	826,902
100,000 "	16,915	40,647,457	15,388	225,634,015	410	3,697,966	31	79,928
150,000 "	4,221	14,527,878	3,800	72,476,932	76	937,126	--	--
200,000 and over	5,344	90,135,126	4,665	134,091,443	88	2,928,083	10	148,394
TOTAL - TAXABLE RETURNS	216,244	\$ 407,630,495	137,178	\$ 1,491,583,273	42,893	\$ 104,131,862	623	\$ 2,139,566
<u>NONTAXABLE RESIDENT RETURNS</u>								
Loss	865	\$ 1,457,192	2,041	\$ 24,829,449	1,714	\$ 7,162,979	13	\$ 26,326
\$ 0 under \$ 5,000	7,405	8,566,530	5,487	38,636,517	7,396	27,513,865	21	46,725
5,000 "	4,895	6,495,345	3,580	25,126,082	4,580	20,811,263	21	120,288
10,000 and over	5,332	15,027,520	5,233	81,052,023	3,754	40,621,480	85	1,326,686
TOTAL - NONTAXABLE RETURNS	18,497	\$ 31,546,587	16,341	\$ 169,644,071	17,444	\$ 96,109,587	140	\$ 1,520,025
ALL RESIDENT RETURNS	234,741	\$ 439,177,082	153,519	\$ 1,661,227,344	60,337	\$ 200,241,449	763	\$ 3,659,591
ALL NONRESIDENT RETURNS	11,534	\$ 32,323,066	5,922	\$ 63,773,010	3,290	\$ 6,948,125	385	\$ 890,439
TOTAL - ALL RETURNS	246,275	\$ 471,500,148	159,441	\$ 1,725,000,354	63,627	\$ 207,189,574	1,148	\$ 4,550,030

Individual Income - 1999

TABLE 6 (continued)
TYPES OF DEDUCTIONS BY ADJUSTED GROSS INCOME CLASS - 1999

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	939	\$ 225,993	191	\$ 42,492	1,046	\$ 1,198,228
\$ 5,000 "	5,143	3,213,685	2,328	2,309,167	5,778	18,992,474
10,000 "	23,185	25,420,831	10,831	19,329,936	23,866	122,488,653
20,000 "	40,328	70,740,955	14,848	28,096,306	40,559	248,232,217
30,000 "	38,858	93,775,422	14,620	31,297,125	38,963	295,290,600
40,000 "	32,330	100,725,133	11,212	29,609,679	32,456	327,796,966
50,000 "	55,147	235,288,360	19,883	62,296,484	55,282	777,969,992
75,000 "	27,112	166,612,743	8,678	31,415,876	27,133	528,218,900
100,000 "	18,027	159,016,453	5,128	20,867,446	18,033	440,174,968
150,000 "	4,544	60,909,516	1,197	5,729,817	4,545	144,840,834
200,000 and over	5,735	220,549,790	1,512	22,274,587	5,741	407,080,399
TOTAL - TAXABLE RETURNS	251,348	\$ 1,136,478,881	90,428	\$ 253,268,915	253,402	\$ 3,312,284,231
<u>NONTAXABLE RESIDENT RETURNS</u>						
Loss	2,685	\$ 7,407,502	1,803	\$ 3,005,229	3,048	\$ 43,888,677
\$ 0 under \$ 5,000	8,003	6,891,285	5,323	2,901,059	10,022	84,555,981
5,000 "	5,403	6,726,861	2,653	2,673,418	5,999	61,953,257
10,000 and over	6,232	17,177,893	2,713	12,220,078	6,572	167,304,292
TOTAL - NONTAXABLE RETURNS	22,323	\$ 38,203,541	12,492	\$ 20,799,784	25,641	\$ 357,702,207
ALL RESIDENT RETURNS	273,671	\$ 1,174,682,422	102,920	\$ 274,068,699	279,043	\$ 3,669,986,438
ALL NONRESIDENT RETURNS	17,584	\$ 70,926,960	4,086	\$ 17,478,654	19,351	\$ 187,091,809
TOTAL - ALL RETURNS	291,255	\$ 1,245,609,382	107,006	\$ 291,547,353	298,394	\$ 3,857,078,247

Individual Income - 1999

TABLE 6 (continued)
 TYPES OF DEDUCTIONS BY ADJUSTED GROSS INCOME CLASS - 1999
 (Resident Returns)

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	31,610	\$ 40,590,222	32,656	\$ 41,788,450	--	\$ --
\$ 5,000 "	40,749	62,570,433	46,527	81,562,907	--	--
10,000 "	57,463	90,809,398	81,329	213,298,051	--	--
20,000 "	30,156	48,377,505	70,715	296,609,722	--	--
30,000 "	9,683	15,968,873	48,646	311,259,473	--	--
40,000 "	3,831	6,390,950	36,287	334,187,916	--	--
50,000 "	2,712	4,729,400	57,994	782,699,392	613	177,613
75,000 "	435	767,350	27,568	528,986,250	196	215,392
100,000 "	138	229,450	18,171	440,404,418	17,075	9,768,297
150,000 "	38	65,800	4,583	144,906,634	4,545	9,740,435
200,000 and over	74	124,200	5,815	407,204,599	5,737	63,047,024
TOTAL - TAXABLE RETURNS	176,889	\$ 270,623,581	430,291	\$ 3,582,907,812	28,166	\$ 82,948,761
<u>NONTAXABLE RESIDENT RETURNS</u>						
Loss	3,229	\$ 4,887,200	6,277	\$ 48,775,877	--	--
\$ 0 under \$ 5,000	55,502	85,576,370	65,524	170,132,351	--	--
5,000 "	2,105	3,900,250	8,104	65,853,507	--	--
10,000 and over	21	39,900	6,593	167,344,192	56	121,388
TOTAL - NONTAXABLE RETURNS	60,857	\$ 94,403,720	86,498	\$ 452,105,927	56	\$ 121,388
ALL RESIDENT RETURNS	237,746	\$ 365,027,301	516,789	\$ 4,035,013,739	28,222	\$ 83,070,149
ALL NONRESIDENT RETURNS	20,797	\$ 15,536,233	40,148	\$ 202,628,042	928	\$ 5,248,445
TOTAL - ALL RETURNS	258,543	\$ 380,563,534	556,937	\$ 4,237,641,781	29,150	\$ 88,318,594

Individual Income - 1999

TABLE 7
 TYPES OF DEDUCTIONS CLAIMED IN EACH TAXATION DISTRICT BY NUMBER OF RETURNS AND DOLLAR AMOUNT REPORTED AND ALLOWED - 1999
 (Resident Returns)

TYPE OF DEDUCTION	TAXATION DISTRICT											
	FIRST		SECOND		THIRD		FOURTH					
	Number	Amount	Number	Amount	Number	Amount	Number	Amount				
Itemized Contributions	176,696	\$ 349,511,297	25,647	\$ 44,819,970	21,085	\$ 28,877,742	11,313	\$ 15,968,073				
Interest	115,098	1,308,134,024	14,934	159,388,079	16,606	134,394,831	6,881	59,310,410				
Medical and Dental	44,952	151,449,962	6,607	18,219,702	5,762	20,921,493	3,016	9,650,292				
Casualty Loss	565	3,104,114	76	273,108	122	282,369	--	--				
Taxes	204,234	917,384,012	29,616	113,575,823	26,666	97,938,165	13,155	45,784,422				
Other Itemized Deductions	74,780	199,196,219	14,146	43,622,736	8,399	16,838,276	5,595	14,411,468				
Total Itemized Deductions	208,366	\$2,928,779,628	30,182	\$379,899,418	27,144	\$299,252,876	13,351	\$145,124,665				
Less: Unallowed Itemized Deductions	23,462	68,346,863	2,116	7,085,113	1,885	5,230,800	759	2,407,373				
Net Allowed Itemized Deductions	208,366	\$2,860,432,765	30,182	\$372,814,305	27,144	\$294,022,076	13,351	\$142,717,292				
Standard Deduction	170,249	260,669,543	23,663	36,464,462	32,067	49,789,423	11,767	18,103,873				
Total Allowed Deductions	378,615	\$3,121,102,308	53,845	\$409,278,767	59,211	\$343,811,499	25,118	\$160,821,165				

Individual Income - 1999

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 - 1999

ADJUSTED GROSS INCOME CLASS	DEPENDENTS		EXEMPTIONS		TAX WITHHELD	
	Number of Returns	Number of Dependents	Number of Returns	Number of Exemptions	Number of Returns	Amount
<u>TAXABLE RESIDENT RETURNS</u>						
Under \$ 5,000	967	1,072	12,912	15,833	22,921	\$ 2,842,517
\$ 5,000 "	7,423	12,234	37,838	67,030	34,586	10,721,413
10,000 "	20,263	35,300	78,053	151,287	67,576	50,547,302
20,000 "	22,882	40,821	70,442	142,387	64,553	89,174,271
30,000 "	16,487	31,642	48,585	105,375	45,500	91,144,329
40,000 "	15,914	30,144	36,244	89,174	34,280	87,127,445
50,000 "	29,954	58,067	57,973	163,100	55,170	192,458,319
75,000 "	15,970	30,253	27,568	83,560	26,345	129,060,789
100,000 "	10,574	19,058	18,165	55,286	16,648	112,648,131
150,000 "	2,508	4,514	4,583	13,755	3,910	34,588,703
200,000 and over	2,723	5,110	5,808	17,419	4,581	78,150,297
TOTAL - TAXABLE RETURNS	145,665	268,215	398,171	904,206	376,070	\$ 878,463,516
<u>NONTAXABLE RESIDENT RETURNS</u>						
Loss	1,022	1,719	5,941	13,704	1,409	\$ 1,412,387
\$ 0 under \$ 5,000	7,925	14,144	60,309	133,739	17,578	1,500,690
5,000 "	1,923	4,562	8,104	27,652	2,513	905,721
10,000 and over	1,967	3,777	6,593	19,431	3,624	3,912,747
TOTAL - NONTAXABLE RETURNS	12,837	24,202	80,947	194,526	25,124	\$ 7,731,545
ALL RESIDENT RETURNS	158,502	292,417	479,118	1,098,732	401,194	\$ 886,195,061
ALL NONRESIDENT RETURNS	14,103	25,929	48,072	105,202	29,201	\$ 29,735,215
TOTAL - ALL RETURNS	172,605	318,346	527,190	1,203,934	430,395	\$ 915,930,276

See end of table for footnotes.

Individual Income - 1999

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 - 1999

ADJUSTED GROSS INCOME CLASS	PAYMENTS OF DECLARATION		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	824	\$ 166,514	7,018	\$ 274,411	25,672	\$ 3,001,797
5,000 "	1,887	675,554	7,509	836,359	38,721	8,533,656
10,000 "	5,869	4,282,266	14,962	3,526,026	66,326	22,151,748
20,000 "	5,484	6,143,761	12,222	4,123,119	58,431	25,052,662
30,000 "	3,989	5,772,888	10,094	3,720,779	38,510	21,210,993
40,000 "	3,769	6,250,566	7,945	4,369,870	28,260	20,062,127
50,000 "	6,298	13,794,754	12,082	8,676,912	45,843	41,392,757
75,000 "	4,003	11,837,986	5,686	6,378,450	21,819	24,331,657
100,000 "	4,862	20,265,193	4,899	8,235,243	13,229	19,470,135
150,000 "	2,122	15,273,770	1,619	4,668,596	2,959	7,244,071
200,000 and over	3,786	101,378,054	1,958	20,272,727	3,836	30,142,959
TOTAL - TAXABLE RETURNS	42,893	185,841,306	85,994	\$ 65,082,492	343,606	\$ 222,594,562
<u>NONTAXABLE RESIDENT RETURNS</u>						
Loss	425	\$ 757,534	--	\$ --	5,686	\$ 2,968,687
\$ 0 under \$ 5,000	572	220,709	--	--	61,601	6,631,279
5,000 "	529	538,726	--	--	7,601	2,320,179
10,000 and over	759	1,334,666	--	--	5,876	5,731,391
TOTAL - NONTAXABLE RETURNS	2,285	\$ 2,851,635	--	\$ --	80,764	\$ 17,651,536
ALL RESIDENT RETURNS	45,178	\$ 188,692,941	85,994	\$ 65,082,492	424,370	\$ 240,246,098
ALL NONRESIDENT RETURNS	5,912	\$ 36,791,406	8,351	\$ 6,376,344	31,591	\$ 30,303,249
TOTAL - ALL RETURNS	51,090	\$ 225,484,347	94,345	\$ 71,458,836	455,961	\$ 270,549,347

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

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

Individual Income - 1999

TABLE 9
NUMBER OF RETURNS FILED, BY NUMBER OF EXEMPTIONS CLAIMED AND BY ADJUSTED GROSS INCOME CLASS - 1999

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	53,145	19,867	3,553	1,737	491	369	25,891	11,039
\$ 5,000 "	27,954	11,842	3,316	1,459	929	442	8,139	5,859
10,000 "	47,625	21,618	7,109	3,417	2,101	815	9,475	7,210
20,000 "	38,446	17,864	8,165	4,344	1,691	1,271	5,427	3,700
30,000 "	24,417	11,413	5,312	4,108	2,193	1,377	3,109	1,738
40,000 "	13,721	9,023	5,587	5,058	1,900	1,125	1,694	1,169
50,000 "	13,094	17,210	10,251	11,282	4,379	1,898	2,522	1,627
75,000 "	3,396	8,696	5,835	6,553	2,205	903	942	678
100,000 "	1,909	6,006	4,221	4,293	1,401	367	864	716
150,000 "	619	1,572	871	1,170	299	62	298	277
200,000 and over	850	2,349	969	1,153	396	105	562	587
TOTAL - RESIDENT RETURNS	225,176	127,460	55,189	44,574	17,985	8,734	58,923	34,600
TOTAL - NONRESIDENT RETURNS	21,584	13,920	5,171	5,177	1,555	665	3,279	2,171
TOTAL - ALL RETURNS	246,760	141,380	60,360	49,751	19,540	9,399	62,202	36,771

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

Individual Income - 1999

TABLE 10
 AVERAGE TAX LIABILITY AND EFFECTIVE TAX RATES, BEFORE AND AFTER CREDITS, BY ADJUSTED GROSS INCOME CLASS - 1999
 (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	\$ 949,704	\$ 29	\$ 281,645	\$ 9	2.20%	0.65%	0.94%	0.28%
5,000 "	6,632,566	143	3,699,670	80	3.41%	1.90%	1.92%	1.07%
10,000 "	41,950,648	516	36,203,846	445	5.01%	4.32%	3.46%	2.98%
20,000 "	77,868,745	1,101	74,388,489	1,052	5.95%	5.69%	4.43%	4.24%
30,000 "	80,774,048	1,660	79,427,003	1,633	6.39%	6.28%	4.78%	4.70%
40,000 "	78,945,213	2,176	77,685,754	2,141	6.59%	6.49%	4.86%	4.78%
50,000 "	176,887,169	3,050	173,537,228	2,992	6.85%	6.72%	5.00%	4.91%
75,000 "	125,149,819	4,540	122,945,568	4,460	7.17%	7.04%	5.30%	5.20%
100,000 "	124,213,460	6,836	121,678,432	6,696	7.53%	7.38%	5.79%	5.67%
150,000 "	48,986,590	10,689	47,286,998	10,318	7.84%	7.57%	6.25%	6.03%
200,000 and over	186,988,233	32,156	169,658,119	29,176	8.08%	7.33%	6.82%	6.19%
TOTAL - TAXABLE RETURNS	\$ 949,346,195	\$ 2,205	\$ 906,792,752	\$ 2,106	6.90%	6.59%	5.19%	4.95%
NONTAXABLE RESIDENT RETURNS								
Loss	--	--	(798,766)	(127)				
\$ 0 under \$ 5,000	--	--	(4,909,880)	(75)				
5,000 "	--	--	(875,732)	(108)				
10,000 and over	--	--	(483,978)	(73)				
TOTAL - NONTAXABLE RETURNS	\$ --	\$ --	\$ (7,068,356)	\$ (82)				
TOTAL RESIDENT RETURNS	\$ 949,346,195	\$ 1,836	\$ 899,724,396	\$ 1,740				

Individual Income - 1999

TABLE 11

COMPARISON OF NUMBER OF RESIDENT RETURNS, BEFORE AND AFTER CREDITS, AT SELECTED TAX LEVELS, AGI, AND BY STATUS - 1999

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	3,320	3,320	--	--	--	--	--	--	--	--
\$ 0 under \$ 5,000	44,362	53,131	30,963	22,194	846	846	21	21	21	21
5,000 " 20,000	2,925	7,669	12,245	12,149	39,656	37,057	30,408	29,337	3,629	2,651
20,000 and over	639	821	295	308	1,283	1,417	5,058	5,447	90,528	89,810
TOTAL	51,246	64,941	43,503	34,651	41,785	39,320	35,487	34,805	94,178	92,482
<u>JOINT RETURNS</u>										
Loss	2,592	2,592	--	--	--	--	--	--	--	--
\$ 0 under \$ 5,000	16,470	16,617	212	65	--	--	--	--	--	--
5,000 " 20,000	9,011	18,470	10,174	4,739	11,613	8,512	2,250	1,327	--	--
20,000 and over	1,161	2,318	1,487	1,573	5,616	6,344	14,199	14,464	124,374	122,138
TOTAL	29,234	39,997	11,873	6,377	17,229	14,856	16,449	15,791	124,374	122,138
<u>HEAD OF HOUSEHOLD RETURNS</u>										
Loss	365	365	--	--	--	--	--	--	--	--
\$ 0 under \$ 5,000	4,793	5,610	860	43	--	--	--	--	--	--
5,000 " 20,000	800	6,216	4,337	2,009	8,269	6,878	5,296	3,599	--	--
20,000 and over	161	394	95	138	1,051	1,483	4,783	5,617	21,010	19,468
TOTAL	6,119	12,585	5,292	2,190	9,320	8,361	10,079	9,216	21,010	19,468
<u>ALL RETURNS</u>										
Loss	6,277	6,277	--	--	--	--	--	--	--	--
\$ 0 under \$ 5,000	65,625	75,358	32,035	22,302	846	846	21	21	21	21
5,000 " 20,000	12,736	32,355	26,756	18,897	59,538	52,447	37,954	34,263	3,629	2,651
20,000 and over	1,961	3,533	1,877	2,019	7,950	9,244	24,040	25,528	235,912	231,416
TOTAL	86,599	117,523	60,668	43,218	68,334	62,537	62,015	59,812	239,562	234,088

¹ Includes qualifying surviving spouses.

Individual Income - 1999

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 - 1999
 (Resident Returns)

ADJUSTED GROSS INCOME CLASS	FORMN-11 RETURNS			FORMN-12 RETURNS			FORMN-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>ALL RETURNS</u>									
Loss	6,180	(\$289,549,099)	\$0	97	(\$757,543)	\$0	0	\$0	\$0
Zero	2,157	0	0	2,132	0	0	12,049	0	0
1,000	13,978	6,669,464	7,311	2,265	823,398	130	6,457	2,617,721	1,042
5,000	43,230	123,830,428	698,713	3,802	10,416,899	22,138	12,478	33,824,928	220,370
10,000	43,819	324,680,373	5,096,740	1,949	13,586,135	148,204	8,863	64,154,102	1,387,622
15,000	36,373	452,478,150	11,967,403	1,285	16,360,000	484,964	6,590	79,938,770	2,912,149
20,000	34,610	605,464,084	20,942,616	1,034	18,145,135	656,051	6,090	105,792,055	4,987,465
30,000	63,200	1,568,856,704	66,207,300	1,793	45,913,282	2,134,170	7,061	173,630,534	9,527,275
40,000	44,634	1,550,974,214	72,224,469	1,506	52,203,122	2,720,874	2,741	93,573,021	5,828,705
50,000	34,605	1,549,785,323	74,136,058	978	43,597,007	2,251,703	874	39,316,494	2,557,452
60,000	27,598	1,510,181,286	73,770,181	508	27,671,350	1,422,589	404	22,059,486	1,422,356
75,000	28,932	1,938,657,574	97,625,788	471	31,356,235	1,664,849	222	14,474,349	981,406
100,000	27,179	2,329,575,207	123,243,452	338	29,062,681	1,513,251	71	5,856,808	393,116
TOTAL	406,495	\$11,671,603,708	\$545,920,031	18,158	\$288,377,701	\$13,018,923	63,900	\$635,238,268	\$30,218,958

See end of table for footnotes.

Individual Income - 1999

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 - 1999
 (Resident Returns)

ADJUSTED GROSS INCOME CLASS	FORMN-11 RETURNS				FORMN-12 RETURNS				FORMN-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	No. of Returns	Adjusted Gross Income	Tax Liability
SINGLE RETURNS												
Loss	3,251	(\$96,838,395)	\$0	69	(\$348,675)	\$0	0	\$0	\$0	0	\$0	\$0
Zero	1,565	0	0	1,558	0	0	10,060	0	0	10,060	0	0
1,000	10,160	5,086,066	7,311	1,557	628,063	130	5,366	2,249,700	130	5,366	2,249,700	1,042
"	32,766	92,760,451	686,909	2,372	6,422,512	21,720	10,809	29,531,818	21,720	10,809	29,531,818	219,519
5,000	28,834	213,254,045	4,659,336	1,201	8,035,840	124,881	7,347	52,883,333	124,881	7,347	52,883,333	1,304,435
"	20,669	256,525,424	9,179,787	789	10,077,753	384,903	5,190	62,165,106	384,903	5,190	62,165,106	2,529,010
15,000	19,448	339,133,397	14,910,959	629	11,170,987	475,625	4,756	82,906,780	475,625	4,756	82,906,780	4,210,881
"	33,362	823,989,844	42,110,003	958	25,384,094	1,410,402	5,137	126,159,974	1,410,402	5,137	126,159,974	7,421,460
30,000	21,515	741,910,203	40,918,521	842	28,907,018	1,735,230	2,062	70,595,474	1,735,230	2,062	70,595,474	4,629,568
"	12,774	567,220,235	32,366,612	412	18,274,853	1,073,410	497	22,125,309	1,073,410	497	22,125,309	1,556,412
40,000	7,491	408,055,035	24,147,906	102	5,526,592	336,278	116	6,214,743	336,278	116	6,214,743	454,466
"	5,483	365,361,323	21,714,665	86	5,625,065	320,879	54	3,411,129	320,879	54	3,411,129	256,911
60,000	3,407	287,923,561	17,950,015	37	3,173,971	185,084	0	0	185,084	0	0	0
75,000												
TOTAL	200,725	\$4,004,381,189	\$208,652,024	10,612	\$122,878,073	\$6,068,542	51,394	\$458,243,366	\$6,068,542	51,394	\$458,243,366	\$22,583,704

See end of table for footnotes

Individual Income - 1999

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 - 1999
 (Resident Returns)

ADJUSTED GROSS INCOME CLASS	FORMN-11 RETURNS			FORMN-12 RETURNS			FORMN-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	2,566	(\$180,592,910)	\$0	26	(\$408,811)	\$0	0	\$0	\$0
Zero	508	0	0	376	0	0	1,335	0	0
1,000	3,311	1,354,791	0	427	126,956	0	814	236,694	0
5,000	7,808	22,605,968	3,564	1,126	3,139,103	0	977	2,383,145	0
10,000	10,788	79,927,970	187,996	600	4,330,407	13,523	699	5,160,230	27,773
15,000	9,989	124,566,789	1,179,210	277	3,543,576	40,220	558	7,161,417	127,729
20,000	9,424	165,711,655	2,822,322	214	3,681,082	71,227	499	8,665,199	242,078
30,000	18,360	459,811,761	12,498,099	517	13,113,632	442,769	907	22,606,601	917,392
40,000	17,904	629,734,513	23,151,165	452	15,892,629	660,142	420	14,332,790	716,509
50,000	18,169	818,805,859	33,485,554	457	20,511,689	922,659	298	13,561,207	773,365
60,000	18,207	998,967,853	44,488,135	344	18,735,175	922,577	249	13,688,788	831,200
75,000	22,173	1,489,281,328	71,572,588	357	23,790,864	1,244,955	134	8,725,399	561,422
100,000	23,108	1,986,330,998	102,164,570	282	24,437,475	1,247,126	71	5,856,808	393,116
TOTAL	162,315	\$6,596,506,575	\$291,553,203	5,455	\$130,893,777	\$5,565,198	6,961	\$102,378,278	\$4,590,584

See end of table for footnotes.

Individual Income - 1999

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 - 1999
 (Resident Returns)

ADJUSTED GROSS INCOME CLASS	FORMN-11 RETURNS			FORMN-12 RETURNS			FORMN-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									
Loss	363	(\$12,117,794)	\$0	2	(\$57)	\$0	0	\$0	\$0
Zero	84	0	0	198	0	0	654	0	0
1 under	507	228,607	0	281	68,379	0	277	131,327	0
1,000 "	2,656	8,464,009	8,240	304	855,284	418	692	1,909,965	851
5,000 "	4,197	31,498,358	249,408	148	1,219,888	9,800	817	6,110,539	55,414
10,000 "	5,715	71,385,937	1,608,406	219	2,738,671	59,841	842	10,612,247	255,410
15,000 "	5,738	100,619,032	3,209,335	191	3,293,066	109,199	835	14,220,076	534,506
20,000 "	11,478	285,055,099	11,599,198	318	7,415,556	280,999	1,017	24,863,959	1,188,423
30,000 "	5,215	179,329,498	8,154,783	212	7,403,475	325,502	259	8,644,757	482,628
40,000 "	3,662	163,759,229	8,283,892	109	4,810,465	255,634	79	3,629,978	227,675
50,000 "	1,900	103,158,398	5,134,140	62	3,409,583	163,734	39	2,155,955	136,690
60,000 "	1,276	84,014,923	4,338,535	28	1,940,306	99,015	34	2,337,821	163,073
75,000 "	664	55,320,648	3,128,867	19	1,451,235	81,041	0	0	0
TOTAL	43,455	\$1,070,715,944	\$45,714,804	2,091	\$34,605,851	\$1,385,183	5,545	\$74,616,624	\$3,044,670

¹ Includes losses

² Includes married filing separately.

³ Includes qualifying surviving spouse.

Individual Income - 1999

TABLE 13
SELECTED SOURCES OF INCOME 1990 - 1999
All Returns
(In Millions of Dollars)

SOURCES OF INCOME	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
Salaries and Wages	\$ 11,106	\$ 12,056	\$ 12,757	\$ 12,938	\$ 13,454	\$ 12,947	\$ 12,570	\$ 13,814	\$ 14,155	\$ 14,559
Taxable Dividends	289	278	282	273	307	291	293	377	384	435
Interest	840	824	720	526	529	571	545	643	686	646
Business and Professions ¹										
Net Profit	698	709	694	752	780	620	--	781	857	879
Net Loss	72	82	83	105	111	87	--	122	126	135
Sale of Capital Assets										
Net Gain	1,139	681	567	611	577	452	556	904	1,146	1,658
Net Loss	38	34	32	54	42	61	34	75	89	102
Rents and Royalties ²										
Net Profit	205	244	263	254	273	222	245	241	238	250
Net Loss	136	176	156	180	187	191	234	251	263	254
Partnerships ²										
Net Profit	252	322	341	292	340	247	286	434	485	558
Net Loss	73	102	78	85	100	64	93	103	172	141
Estates and Trusts ²										
(Income Less Loss)	59	55	68	71	88	72	66	90	104	98
Total Hawaii Income³	\$ 14,649	\$ 15,161	\$ 15,739	\$ 15,735	\$ 16,727	\$ 15,639	\$ 16,221	\$ 17,366	\$ 17,910	\$ 19,059

¹ Complete data not available.

² Data available for residents only.

³ Income before statutory adjustments.

Individual Income - 1999

TABLE 14
 TYPE AND AMOUNT OF DEDUCTIONS 1990 - 1999
 All Returns to 1996 and After 1998; Resident Returns Only For 1997 & 1998
 (In Millions of Dollars)

TYPE OF DEDUCTIONS	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
Itemized Deductions										
Contributions	\$ 222	\$ 253	\$ 278	\$ 289	\$ 287	\$ 271	\$ 313	\$ 356	\$ 396	\$ 472
Interest	1,131	1,260	1,354	1,335	1,408	1,415	1,557	1,640	1,695	1,725
Taxes	846	906	990	999	1,141	1,045	1,179	1,109	1,188	1,246
Medical and Dental	109	106	133	135	150	136	151	156	172	207
Casualty Losses	5	9	38	5	11	5	3	6	6	5
Moving Expenses ¹	25	25	22	20	n/a	n/a	n/a	n/a	n/a	n/a
Other Deductions	120	139	166	183	206	192	283	210	243	292
Total Reported	\$ 2,458	\$ 2,699	\$ 2,981	\$ 2,967	\$ 3,203	\$ 3,064	\$ 3,487	\$ 3,477	\$ 3,700	\$ 3,945
Unallowed Deductions ²	-	43	45	42	47	39	46	58	68	88
Total Allowed	\$ 2,458	\$ 2,656	\$ 2,936	\$ 2,924	\$ 3,155	\$ 3,025	\$ 3,441	\$ 3,419	\$ 3,632	\$ 3,857

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.

Individual Income - 1999

TABLE 15
TYPE AND NUMBER OF RETURNS FILED IN EACH TAXATION DISTRICT, 1990 - 1999

TYPE OF RETURN	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
<u>First Taxation District</u>										
Form N-11	--	--	--	--	--	271,885	287,542	303,095	311,850	319,445
Form N-12	290,628	298,253	304,892	308,171	317,440	42,075	33,634	17,460	15,496	13,323
Form N-13	99,533	95,086	90,378	87,591	87,426	74,764	68,293	59,299	52,517	46,074
Form N-15	31,368	34,301	34,956	34,611	35,849	32,030	29,833	42,454	43,040	43,113
TOTAL - FIRST DISTRICT	421,529	427,640	430,226	430,373	440,715	420,754	419,302	422,308	422,903	421,955
<u>Second Taxation District</u>										
Form N-11	--	--	--	--	--	36,334	39,840	42,688	44,788	46,630
Form N-12	37,428	39,188	40,255	41,179	42,863	5,104	4,178	2,278	1,987	1,769
Form N-13	10,656	10,833	10,732	10,114	10,408	8,717	8,092	7,070	6,418	5,546
Form N-15	1,961	1,494	1,662	1,414	1,478	1,258	1,221	2,561	2,642	2,905
TOTAL - SECOND DISTRICT	50,045	51,515	52,649	52,707	54,749	51,413	53,331	54,597	55,835	56,850
<u>Third Taxation District</u>										
Form N-11	--	--	--	--	--	38,767	40,539	44,471	46,278	47,896
Form N-12	41,503	43,525	45,029	45,492	46,202	6,344	5,099	2,936	2,503	2,364
Form N-13	16,002	15,518	15,137	14,724	15,228	12,457	12,228	10,772	9,894	9,013
Form N-15	981	941	1,078	969	1,066	925	928	2,267	2,207	2,591
TOTAL - THIRD DISTRICT	58,486	59,984	61,244	61,185	62,496	58,493	58,794	60,446	60,882	61,864
<u>Fourth Taxation District</u>										
Form N-11	--	--	--	--	--	17,549	18,316	19,541	20,457	20,965
Form N-12	18,675	19,521	20,045	19,977	20,947	2,614	1,927	1,244	944	882
Form N-13	6,360	6,069	5,290	5,285	5,201	4,584	4,279	3,709	3,450	3,271
Form N-15	532	456	613	663	593	438	425	901	926	936
TOTAL - FOURTH DISTRICT	25,567	26,046	25,948	25,925	26,741	25,185	24,947	25,395	25,777	26,054
<u>All Taxation Districts</u>										
Form N-11	--	--	--	--	--	364,535	386,237	409,795	423,373	434,936
Form N-12	388,234	400,487	410,221	414,819	427,452	56,137	44,838	23,918	20,930	18,338
Form N-13	132,551	127,506	121,537	117,714	118,263	100,522	92,892	80,850	72,279	63,904
Form N-15	34,842	37,192	38,309	37,657	38,986	34,651	32,407	48,183	48,815	49,545
TOTAL - ALL RETURNS	555,627	565,185	570,067	570,190	584,701	555,845	556,374	562,746	565,397	566,723

APPENDIX

**FACSIMILES OF INDIVIDUAL INCOME
TAX RETURNS AND INSTRUCTIONS**

The following are links to the 1999 forms on this CD:

Form N-11 *Resident Individual Income Tax Return*
Form N-12 *Resident or Part-Year Resident Individual Income Tax Return*
Instructions for Forms N-11 and N-12

Schedule D-1 *Sales of Business Property*
Instructions for Schedule D-1
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*

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

Form N-15 *Nonresident Individual Income Tax Return*
Instructions for Form N-15