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# **Hawaii Individual Income Tax Statistics**

**Tax Year 2012**

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**Department of Taxation  
State of Hawaii**

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State of Hawaii**

**November 2014**

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**WEB SITE: [tax.hawaii.gov](http://tax.hawaii.gov)**



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## **INTRODUCTION**

This study examines statistics from Hawaii individual income tax returns that were filed by resident and nonresident taxpayers for tax year 2012. Nonresident taxpayers include part-year residents and nonresidents who have Hawaii individual income tax liabilities. The Department of Taxation has prepared annual studies on individual income tax statistics since 1958, but work on the studies was discontinued after 2008, owing to cutbacks in personnel in the wake of the Great Recession. The present study for tax year 2012 is the first one published since the study for tax year 2005 was published in February of 2008.

Every individual doing business in the State must file an individual income tax return, whether or not the individual derives taxable income from the business. Also, every individual receiving more gross income than a threshold amount must file a tax return. The threshold amount for resident taxpayers generally is equal to the sum of the amount of the standard deduction plus the personal exemption. For dependent taxpayers (individuals who may be claimed as a dependent on the tax return of another taxpayer), the threshold amount is the standard deduction amount. For nonresident aliens, the threshold amount is the personal exemption amount. For other nonresidents, the threshold amount is prorated according to the portion of the taxpayer's total income that is included in Hawaii adjusted gross income (AGI). Taxpayers with income below the threshold may nevertheless want to file an individual income tax return to claim refundable tax credits.

This study presents data taken from Hawaii individual income tax returns filed by all resident and nonresident taxpayers for tax year 2012. Residents may file Form N-11 or Form N-13 to pay their Hawaii individual income tax. Form N-13 (which is a shorter and simpler form) is available for resident taxpayers with taxable income below \$100,000 who do not itemize deductions or claim adjustments to income. Form N-11 may be used by any individual taxpayer who is a resident and who files a federal income tax return. Form N-11 uses federal AGI as the starting point for calculating Hawaii taxable income. Nonresidents with Hawaii income tax liabilities and part-year residents must use Form N-15.

### **HAWAII'S INDIVIDUAL INCOME TAX LAW AND THE INTERNAL REVENUE CODE**

Hawaii generally follows federal definitions for taxable income of individuals, and the State Legislature annually passes legislation to conform Hawaii's income tax law to selected changes that were made to provisions in the previous year's Internal Revenue Code (IRC). However, there are a number of differences between the income tax laws of Hawaii and those of the federal government. The main differences in the definition of taxable income are that the federal government includes social security benefits, distributions from employer-provided pensions, interest on U.S. savings bonds,

contributions made to a Hawaii individual housing account, and (in 2012) the first \$5,975 of Hawaii National Guard duty or military reserve pay, whereas Hawaii does not. On the other hand, Hawaii includes in taxable income the cost-of-living allowances given to federal civilian employees in Hawaii, State or County employee contributions to the Hawaii state government contributory plan or to the hybrid plan of the Employees Retirement System, and interest on state and local government bonds issued by jurisdictions outside of Hawaii, whereas the federal government does not. Hawaii generally does not conform to tax credits in the IRC and offers a number of its own tax credits that are not available in the IRC.

Hawaii does not conform to the amounts for the standard deduction or personal exemption in the IRC. Also, Hawaii allows an extra personal exemption for taxpayers who are at least 65 years of age and an exemption of \$7,000 for a person who is blind, deaf or totally disabled. However, Hawaii's regular personal exemption was only \$1,040 for tax year 2012, whereas the federal personal exemption was \$3,800. For 2012, the federal standard deduction for 2012 was \$11,900 for married couples filing a joint tax return, \$5,950 for single individuals and married couples filing separate tax returns and \$8,700 for heads of household. Hawaii's standard deductions for these categories for 2012 were \$4,000, \$2000 and \$2,920. The federal exemption and standard deduction amounts are adjusted each year to account for inflation, whereas Hawaii's standard deduction and exemption amounts are not adjusted for inflation.

## **INDIVIDUAL INCOME TAX LEGISLATION**

Hawaii's legislature enacted several measures related to individual income taxes that were effective for tax year 2012, of which the following are the most prominent:

Act 60, Session Laws of Hawaii (SLH) 2009 created new top tax brackets for ordinary income of 9%, 10% and 11% for taxable years 2009 through 2015, after which the top rate is scheduled to return to 8.25%.

Act 14, SLH, Special Session I, 2009 phased out the personal exemption for certain high income taxpayers for taxable years 2009 through 2014.

Act 97, SLH 2011 repealed the state tax deduction and capped itemized deductions for certain high-income taxpayers for taxable years 2011 through 2015. The caps are set to expire December 31, 2015. The Act also delayed (until 2013) and made permanent a 10% increase in the standard deduction and personal exemption.

ACT 179, SLH 2012, adopted amendments to conform to changes in the Internal Revenue Code to assure continued state conformity with federal income tax law and to reduce the taxpayer's burden in complying with Hawaii's income tax law.

## **DATA SOURCE AND METHODOLOGY**

Data for this report were collected from the Department of Taxation's Integrated Tax Information Management System (ITIMS), which provides data in electronic form. Data from the ITIMS Tax Processing System (ITPS) were retrieved for income tax returns filed for tax year 2012 and processed by March 31, 2014. (The due date for 2012 tax returns with extensions was October 20, 2013.) A total of 679,070 tax returns were extracted for the study. The data taken from the tax returns are items as reported by individuals, before any subsequent audits, but after automatic adjustments that the Department made when processing the tax returns.

The data items on the tax returns were checked for accuracy by examining the largest entries for each item and checking them against images of the tax returns, and by making sure that figures for total income, deductions, exemptions, and taxable income were consistent with each other.

In conformity to Internal Revenue Service Publication 1075, the Hawaii Department of Taxation does not publish or disclose statistics or other information that may identify, directly or indirectly, a particular taxpayer. The Department of Taxation does not disclose tabulations containing: data for fewer than three returns at the state level, fewer than 10 returns at the county level, or individual returns that represent a large percentage of the tabulation. Additional tabulations may be suppressed in statistical tables that would allow the reader to infer the quantities of the tabulations which were originally suppressed.

### **NUMBER OF TAX RETURNS FILED, BY TYPE OF RETURN AND BY FILING STATUS**

Table 1 shows the number and type of tax returns filed by residents and by nonresidents for tax year 2012, by Hawaii AGI class and by tax district. (Hawaii is divided into the following four tax districts: the First District is the City and County of Honolulu; the Second District consists of Maui and Kalawao Counties; the Third District consists of Hawaii County; and the Fourth District consists of Kauai County.) Residents filed a total of 601,420 Hawaii individual income tax returns for tax year 2012. About 96% of the resident tax returns were filed on Form N-11 and 4% were filed on form N-13. Of the resident tax returns, 71% were from taxpayers on Oahu, 11% were from taxpayers on Maui, 12% were from taxpayers on Hawaii and 5% were from taxpayers on Kauai. Nonresidents filed a total of 77,650 tax returns, or about 11% of the total number of tax returns filed. For both resident and nonresidents, the income class containing the greatest number of tax returns was the class for Hawaii AGI less than \$5,000 (including tax returns showing losses). Tax returns in this income class accounted for 15% of all tax returns filed by residents and for 52% of the tax returns filed by nonresidents.



Table 1  
Types of Individual Income Tax Returns Filed for Tax Year 2012 <sup>1/</sup>

By Hawaii AGI Class				
Hawaii AGI Class	Forms N-11	Forms N-13	Forms N-15	All Individual Returns
less than \$5,000	90,270	11,440	40,613	142,323
\$5,000 " \$10,000	46,403	2,621	9,449	58,473
\$10,000 " \$20,000	79,958	3,741	10,124	93,823
\$20,000 " \$30,000	71,340	2,969	5,222	79,531
\$30,000 " \$40,000	60,052	2,037	3,099	65,188
\$40,000 " \$50,000	45,028	1,236	2,060	48,324
\$50,000 " \$75,000	70,834	1,132	2,842	74,808
\$75,000 " \$100,000	43,780	322	1,418	45,510
\$100,000 " \$150,000	40,805	10	1,262	42,077
\$150,000 " \$200,000	13,692	0	545	14,237
\$200,000 " \$300,000	7,707	0	446	8,153
\$300,000 and over	6,053	0	570	6,623
Total - All Returns	575,922	25,498	77,650	679,070
By Tax District <sup>2/</sup>				
Tax District	Forms N-11	Forms N-13	Forms N-15	All Individual Returns
Oahu (District 1)	409,192	18,601	73,380	501,173
Maui (District 2)	65,879	1,938	1,775	69,592
Hawaii (District 3)	71,101	3,919	1,747	76,767
Kauai (District 4)	29,750	1,040	748	31,538
Total - All Returns	575,922	25,498	77,650	679,070

<sup>1/</sup> Includes both taxable and nontaxable tax returns.

<sup>2/</sup> Forms N-15 for nonresidents that have an out-of-state address are allocated to Oahu.

Table 2 shows the distribution of the number of tax returns and of Hawaii AGI by filing status. Among residents, the 'Single' filing status accounted for the biggest percentage of the tax returns (50%), followed by 'Joint' (Married, filing jointly) with 37%. 'Head of household,' 'Qualified widower' and 'Married, filing separately' together accounted for 13% of the resident tax returns. The most common filing status among nonresident tax returns was 'Joint' (49%), followed by 'Single' (41%). Tax returns with 'Joint' status accounted for the biggest percentage (62%) of the total Hawaii AGI for both the resident tax returns and the nonresident tax returns. Tax returns with 'Single' status accounted for 28% of the total Hawaii AGI reported on the resident tax returns and for 27% of the total Hawaii AGI reported on the nonresident tax returns.

Table 2  
 Number of Tax Returns and Hawaii AGI by Status of Taxpayer – 2012  
 (Dollar amounts are in millions)

Status	Residents				Nonresidents			
	Number of Returns	% of Total	Hawaii AGI	% of Total	Number of Returns	% of Total	Hawaii AGI	% of Total
Joint	219,323	36.5	\$18,381	61.7	37,689	48.5	\$559	61.6
Single Married, Filing Separately	302,838	50.4	8,337	28.0	31,723	40.9	244	26.9
Head of Household	12,399	2.1	674	2.3	5,140	6.6	62	6.8
Qualified Widow(er)	66,513	11.1	2,385	8.0	3,067	3.9	43	4.7
Total	347	0.1	12	0.0	31	0.0	0	0.0
	601,420	100.0	\$29,790	100.0	77,650	100.0	\$908	100.0

Note: Details may not add to totals due to rounding.

## HIGHLIGHTS OF STATISTICS FROM RESIDENT TAX RETURNS

### Resident Income and Adjustments

Selected data from resident tax returns are shown in Appendix Tables A-1 and A-2. Figure 1 shows the major components of resident tax returns for tax year 2012. Residents with taxable income reported aggregate Hawaii AGI of \$30.1 billion on their Hawaii income tax returns for 2012. Of the total, \$29.7 billion was reported on Form N-11 and the remainder (\$0.4 billion) was reported on Form N-13. Residents with nontaxable income reported aggregate Hawaii AGI of -\$296 million on Form N-11 and aggregate Hawaii AGI of \$4 million on Form N-13.

Federal AGI is not reported on Form N-13, but it is the starting point for calculating Hawaii taxable income on Form N-11, where Hawaii AGI is derived by subtracting income that is taxed by the federal government but not by Hawaii, and adding income that is taxed by Hawaii but not by the federal government. The largest income items subtracted from the federal AGI are social security benefits and certain employer-provided pensions. The largest income items added to federal AGI include cost-of-living allowances for civilian federal employees, contributions to the state employees' retirement system, and interest on out-of-state bonds. Items added to the federal AGI in 2012 totaled \$601.1 million, whereas the items subtracted totaled \$3.4 billion.

Figure 1  
**COMPONENTS OF A RESIDENT TAX RETURN**  
(Dollar amounts are in millions)

TAXABLE RETURNS		NONTAXABLE RETURNS
\$29,723	INCOME FROM ALL SOURCES OTHER THAN EXEMPT PENSIONS AND SOCIAL SECURITY	(\$213)
(\$359)	LESS ADJUSTMENTS TO INCOME <u>1/</u>	\$79
\$30,082	EQUALS HAWAII AGI	(\$292)
\$4,639	MINUS TOTAL DEDUCTIONS (ITEMIZED DEDUCTIONS OR THE STANDARD DEDUCTION) <u>2/</u>	\$937
\$1,075	AND MINUS EXEMPTIONS	\$264
\$24,368	EQUALS TAXABLE INCOME	-
\$1,653	TIMES APPLICABLE TAX RATES EQUALS TAX LIABILITIES BEFORE TAX CREDITS	-
\$208	MINUS TAX CREDITS <u>3/</u>	\$24
\$1,445	EQUALS TAX AFTER CREDITS	(\$24)

Note: Details may not add to totals due to rounding.

1/ Adjustments to income include student loan interest, payments to IRA plans, part of reservist or National Guard wages, adjustments for self employed, certain business expenses, moving expenses, alimony paid, forfeited interest, health savings accounts, educator expenses, federal adjustments.

2/ Itemized deductions are the sum of charitable contributions, interest, taxes, medical and dental expenses, casualty losses and miscellaneous deductions.

3/ Tax credits available to individuals in 2012 (including carryovers of credits from prior years) were those for refundable food/excise, low-income household renters, child and dependent care expenses, child passenger restraint systems, employment of vocational rehabilitation referrals, low income housing, school repair and maintenance, fuel for commercial fishers, motion picture and digital media, renewable energy technologies, enterprise zones, ethanol facilities, capital good excise taxes, individual development accounts, high technology business investment, energy conservation, hotel construction and remodeling, technology infrastructure, residential construction and remodeling, and other tax credits.

Table 3 shows the adjustments that residents made to their federal AGI to reach their Hawaii AGI on Form N-11, along with the number of tax returns on which the adjustments were reported. For residents who filed Form N-11, federal AGI was \$31.5 billion for those with Hawaii taxable income and \$1.7 billion for those without Hawaii taxable income. The bulk of the difference between federal AGI and Hawaii AGI was accounted for by social security benefits and pensions that are taxed federally but exempt from Hawaii income tax. Together, these items amounted to \$2.4 billion for residents with Hawaii taxable income and \$1.9 billion for residents without Hawaii taxable. Data on exempt pension and social security information are not available for this study for the residents who filed Form N-13, but residents filing Form N-13 accounted for less than 4% of the total number of age exemptions claimed by residents in 2012.

Table 3

Differences Between Federal AGI and Hawaii AGI for Residents Who Filed Form N-11 for Tax Year 2012

(Dollar amounts are in millions)

	Taxable Returns		Nontaxable Returns	
	Number of Returns	Amount	Number of Returns	Amount
Federal AGI	479,724	\$31,749	96,198	\$1,667
MINUS				
Subtractions from Federal AGI:				
Exempt Pensions Taxed Federally	56,261	\$1,626	48,993	\$1,526
Social Security Benefits	52,603	773	30,720	363
Other Subtractions from Hawaii AGI <u>1/</u>	64,192	335	11,803	191
Total Subtractions	128,903	\$2,734	55,441	2,079
PLUS				
Hawaii Additions to Federal AGI <u>2/</u>	133,187	\$694	13,241	\$117
EQUALS				
Hawaii AGI	479,724	\$29,709	96,198	(\$296)

Note: Details may not add to totals due to rounding.

1/ Includes interest on federal obligations, interest on an Individual Housing Account, expenses connected with federal credits, individual development accounts, certain income from high technology businesses, and other adjustments.

2/ Includes taxable amounts of Individual Housing Accounts, Hawaii tax refunds, excluded income earned outside of the United States, certain depreciation amounts, and other adjustments.

## Resident Deductions and Personal Exemptions

Residents may reduce their adjusted gross income by a standard deduction amount or by their allowable itemized deductions. The standard deduction amount for 2012 is based on the individuals' filing status, as shown below:

<u>Status</u>	<u>Standard Deduction for 2012 (\$)</u>
Single .....	2,000
Married Filing Joint .....	4,000
Married Filing Separate .....	2,000
Head of Household.....	2,920
Qualified Widow(er) with Dependent Child .....	4,000

The standard deduction for individuals who may be claimed as a dependent is limited to the greater of \$500 or their earned income, up to the full standard deduction for their filing status. In most cases, the dependent individual's filing status is single, and the corresponding maximum standard deduction is \$2,000.

Unlike the federal standard deduction amounts, which are adjusted annually for inflation, the Hawaii standard deduction amounts are fixed by statute and are infrequently changed (see Table 4 below). Prior to 1982, the standard deduction amounts were equal to 10% of adjusted gross income, up to a maximum of \$1,000 for married persons filing a joint return and \$800 for persons with a filing status of 'Single' or 'Head of Household'.

Table 4  
Changes in Hawaii's Standard Deduction Over  
Time

Status	Year			
	1982	1987	1989	2007
	Standard Deduction (\$)			
Single	800	1,000	1,500	2,000
Married Filing Joint	1,000	1,700	1,900	4,000
Married Filing Separate	500	850	950	2,000
Head of Household	800	1,500	1,650	4,000

There are six categories of itemized deductions: charitable contributions, interest expenses, medical and dental expenses, casualty and theft losses, taxes paid, and miscellaneous deductions. The amounts of itemized deductions that may be claimed are subject to various limitations, including limits on the total amount of such deductions based on the taxpayer's total income. Appendix Table A-4 shows the types and amounts of deductions claimed by residents in 2012, including the standard deductions

and itemized deductions, as well as the amounts of itemized deductions that were disallowed owing to the limits on the deductions. The data are summarized in Table 5 below.

Table 5  
Itemized and Standard Deductions Claimed by Residents – 2012  
(Dollar amounts are in millions)

Deduction Type	Number of Returns	% of All Returns	Amount	% of Total Allowable Deductions
Charitable Contributions	231,828	38.5	\$679	12.2
Interest	166,551	27.7	2,084	37.4
Medical and Dental	86,904	14.4	533	9.6
Casualty and Theft	376	0.1	5	0.1
Taxes	318,403	52.9	1,416	25.4
Miscellaneous	124,180	20.6	551	9.9
<b>Total Itemized Deductions</b>	<b>324,373</b>	<b>53.9</b>	<b>\$5,268</b>	<b>94.5</b>
Total Unallowed Itemized Deductions	21,173	3.5	392	7.0
<b>Allowable Itemized Deductions</b>	<b>324,373</b>	<b>53.9</b>	<b>4,876</b>	<b>87.4</b>
Total Standard Deductions	277,047	46.1	701	12.6
<b>Total Allowable Deductions</b>	<b>601,420</b>	<b>100.0</b>	<b>\$5,577</b>	<b>100.0</b>

Note: Details may not add to totals due to rounding.

All individuals filing a Hawaii income tax return, other than those who may be claimed as a dependent, may claim one personal exemption for themselves and an additional exemption for each qualified dependent. Individuals who are 65 or older may claim an additional personal exemption. The personal exemption amount is \$1,040 per exemption, but individuals who are certified as blind, deaf, or totally disabled may claim a personal exemption of \$7,000 for themselves. For tax year 2012, a total of 1.3 million exemptions (including the age exemption) were reported on 571,030 resident income tax returns, for an average 2.3 exemptions per return. The aggregate amount of exemptions claimed was \$1.3 billion. The number and amount of the exemptions claimed in each income class are shown in Appendix Table A-5.

#### Resident Taxable Income and Tax Liability

Of the tax returns filed by residents, 18% had no taxable income. Residents with taxable income reported total tax liabilities for 2012 of \$1.7 billion before tax credits and \$1.4 billion after tax credits. Oahu (District 1) accounted for 75% of the total taxable income of residents, followed by Maui (District 2) with 11%, Hawaii (District 3) with 10% and Kauai (District 4) with 4%. Appendix Table A-6 shows average Hawaii income tax liabilities and average effective tax rates by income class, both before and after tax

credits. Appendix Table A-7 provides selected data on income, deductions and tax liabilities by tax district.

Figure 2 shows the percentage distribution of total resident tax liability by Hawaii AGI class. Residents with \$100,000 in Hawaii AGI or more paid 59% of the total taxes paid by all residents before tax credits and 57% of the total after tax credits. Residents with \$200,000 or more in Hawaii AGI paid 35% of the total taxes paid by all residents before tax credits and 33% of the total after tax credits.

Figure 2  
Distribution of Total Tax Liabilities of Residents by Hawaii AGI Class – 2012

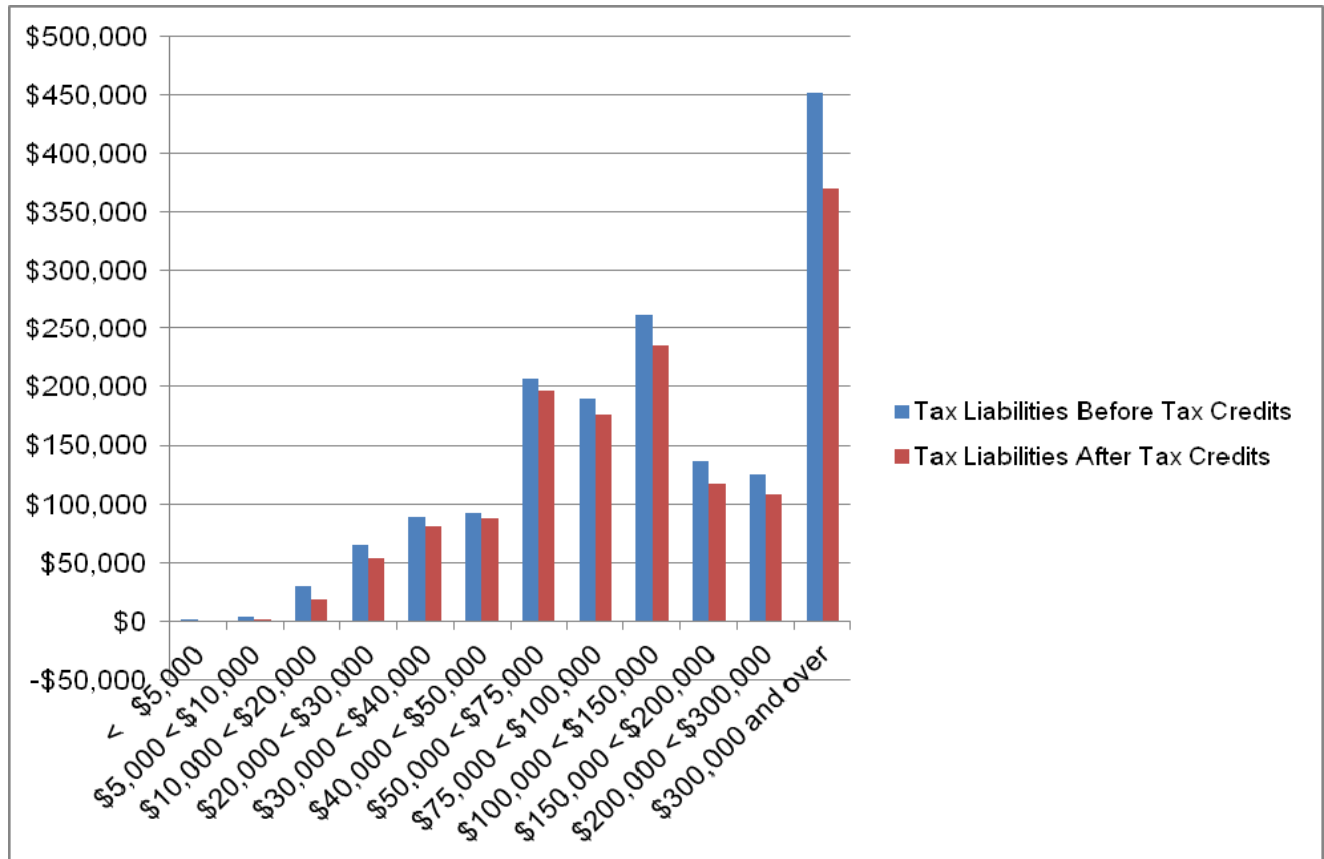
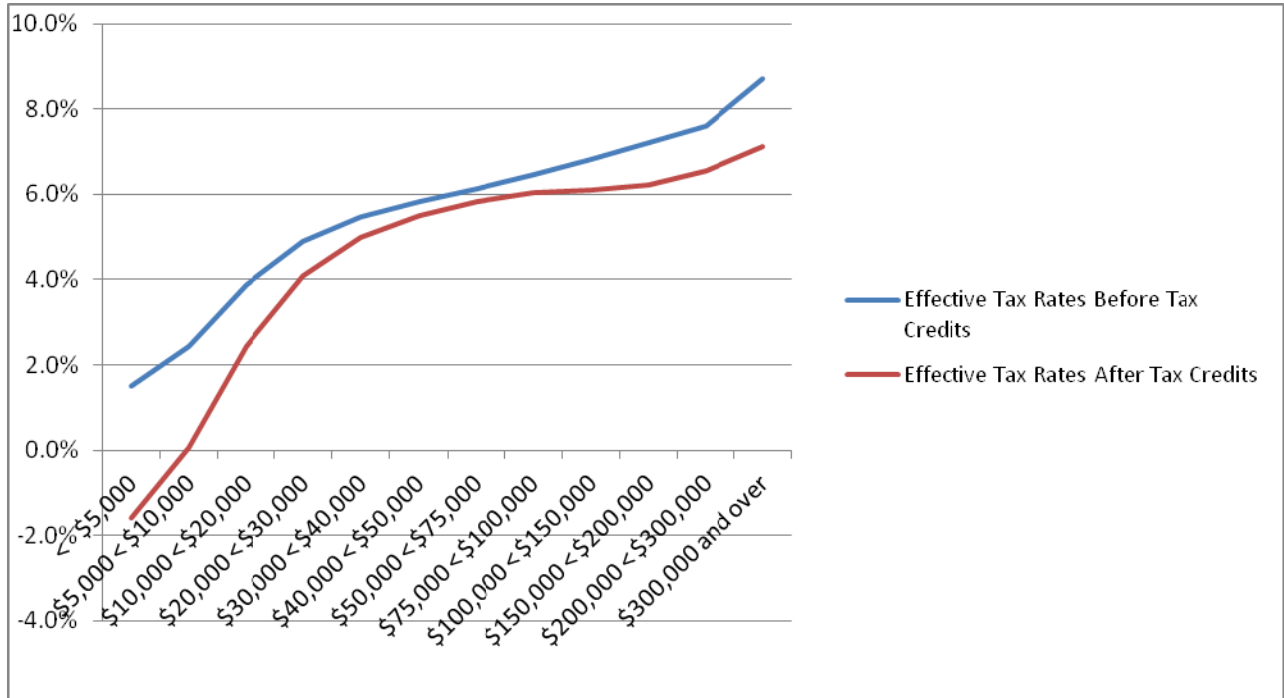


Figure 3 below shows the average effective tax rates for residents by income class. Most residents with Hawaii AGI below \$10,000 (63%) did not have any taxable income. For those in this income group who had taxable income, the average effective tax rate was 2.3% before tax credits, but -0.1% after tax credits. The change in the average effective tax rate caused by tax credits was greatest for residents with Hawaii AGI less than \$5,000, where tax credits caused the average effective rate to drop by 3.1% (from positive 1.5% to negative 1.6%). The average effective tax rate rises with income, both before and after tax credits, showing that Hawaii's income tax is progressive. The rate

of climb of the average effective tax rate is greatest at the low and high ends of the income distribution.

Figure 3  
Effective Tax Rates on Taxable Income Before and After Tax Credits,  
By Hawaii AGI Class



### HIGHLIGHTS OF STATISTICS FROM NONRESIDENT TAX RETURNS

Nonresidents (the term includes those who were residents for only part of the tax year) use Form N-15 to file their Hawaii income taxes. For tax year 2012, nonresidents filed 77,650 tax returns, or 11% of the total number of resident and nonresident tax returns filed for the year. The total, or worldwide AGI of the nonresidents (essentially, what their Hawaii AGI would have been if they had been residents) was \$62.2 billion, which is more than double the Hawaii AGI of all residents. Appendix Table A-3 provides selected statistics from nonresident tax returns by Hawaii AGI class. Table 6 below shows the total AGI, Hawaii AGI, and Hawaii taxable income by total AGI class.



Table 6  
 Selected Data from Nonresident Returns by  
 Total (Worldwide) AGI Class - 2012  
 (Dollar amounts are in millions)

Total AGI Class	Number of Returns	Total AGI	Hawaii AGI	Taxable Income	Tax Liability Before Credits
Taxable					
<0	287	(\$188)	\$36	\$26	\$2
0-5,000	2,113	5	34	30	2
5,000-10,000	3,524	27	19	11	0
10,000-20,000	6,684	100	60	43	2
20,000-30,000	5,265	131	69	55	2
30,000-40,000	3,783	132	63	51	2
40,000-50,000	3,130	140	61	50	2
50,000-75,000	5,934	366	146	121	6
75,000-100,000	4,057	353	126	105	6
100,000-150,000	4,760	579	191	163	10
150,000-200,000	2,293	395	119	104	7
200,000-300,000	2,147	517	134	122	8
>300,000	5,505	40,679	714	696	56
Taxable total	49,475	\$43,236	\$1,771	\$1,576	\$106
Nontaxable					
Loss	3,055	(\$4,085)	(\$293)		
0-5,000	4,666	4	(15)		
5,000-10,000	857	6	(3)	NOT APPLICABLE	
10,000 and over	19,597	23,010	(553)		
Nontaxable Total	28,175	\$18,935	(\$864)		
Total	77,650	\$62,172	\$907	\$1,576	\$106

Note: Details may not add to totals due to rounding.

### Nonresident Deductions and Exemptions

Nonresidents must prorate the standard deductions and personal exemption amounts to determine their Hawaii taxable income. The prorated amount is the ratio of Hawaii AGI to worldwide AGI. Hawaii AGI, less the prorated exemption amount, and less either the Hawaii itemized deductions or the prorated standard deduction, equals Hawaii taxable income. In 2012, 48,410 nonresident tax returns had the standard deduction and 29,240 nonresident tax returns had allowable itemized deductions. The nonresidents claimed prorated itemized deductions of \$660 million, but their allowable itemized deductions were only \$290 million. Their prorated standard deductions totaled \$61 million and their prorated exemptions totaled \$43 million.

## Nonresident Taxable Income and Tax Liability

As shown in Table 6, income and Hawaii tax liability of the nonresidents is heavily skewed towards the high end of the income distribution. Nonresidents reported \$1.6 billion in total income subject to Hawaii taxation in 2012 on total Hawaii AGI of \$1.8 billion. Their total Hawaii tax liability before tax credits was \$106 million, of which over half (53%) was owed by nonresidents with worldwide AGI of \$300,000 or more. The nonresidents had total Hawaii tax liability after tax credits of \$91 million, including negative amounts of tax owed by nonresidents with nontaxable returns. The average gross tax liability before tax credits was \$1,362 and the average net tax liability after tax credits was \$1,177.

## **STATISTICS FROM TAX RETURNS OF ELDERLY RESIDENTS**

Elderly taxpayers (those 65 years of age or older) may claim an extra exemption. The extra age exemption was claimed on a total of 124,571 resident tax returns for 2012. The tax returns showed total Hawaii AGI of \$4.3 billion and total taxable income of \$3.5 billion. Fewer than half of the tax returns with an age exemption reported taxable income. Income taxes paid on the returns totaled \$255 million before tax credits and \$192 million after tax credits. The tax returns showed a total of \$136 million in standards deductions and a total of \$698 million in itemized deductions. Tax returns filed with Form N-11 that included an age exemption showed \$2.4 billion in pension income that was exempt from Hawaii income tax and an additional \$0.9 billion in exempt Social Security benefits. Data on exempt pension and social security income are not available for this study for residents who filed Form N-13, but taxpayers filing Form N-11 accounted for over 96% of the total number of age exemptions claimed by resident taxpayers in 2012. Overall, the tax returns averaged \$34 thousand in Hawaii AGI per return and \$1,540 per return in net tax after tax credits. Selected data from resident tax returns with at least one age exemption are shown in Table 7.

Table 7  
 Selected Data on Resident Tax Returns With at Least One  
 Age Exemption – 2012  
 (Dollar amounts are in millions)

	Taxable Returns	Nontaxable Returns
Number of Tax Returns	61,132	63,439
Hawaii AGI	\$4,372	(\$77)
Standard Deductions	\$54	\$82
Itemized Deductions	\$627	\$71
Taxable income	\$3,502	-
Tax Liability Before Credits	\$255	-
Tax Liability After Credits	\$206	(\$14)
Number of Taxpayers Over 65	57,876	62,663
Number of Taxpayers' Spouses Over 65	22,713	22,392

### STATISTICS FROM TAX RETURNS OF DISABLED RESIDENTS

A special personal exemption of \$7,000 in lieu of the \$1,040 regular personal exemption is available to blind, deaf, or totally disabled taxpayers. A disabled spouse on a joint tax return is also entitled to the \$7,000 exemption, but disabled taxpayers may not claim any additional exemptions for dependents or age, so the maximum allowable exemption on a joint tax return with two disabled taxpayers is \$14,000.

In 2012 there were 5,349 resident tax returns with at least one special exemption for disabled. These tax returns showed Hawaii AGI of \$177 million, Hawaii taxable income of \$106 million, and Hawaii income taxes of \$6 million before tax credits and \$5 million after tax credits. Overall, the tax returns averaged \$33 thousand in Hawaii AGI per return and \$870 per return in tax after tax credits. Selected data from the tax returns are shown in Table 8.

Table 8  
 Selected Data on Resident Tax Returns Claiming  
 at Least One Disabled Exemption  
 (Dollar amounts are in millions)

	Taxable Returns	Nontaxable Returns
Number of Tax Returns	2,917	2,432
Hawaii AGI	\$165	\$12
Standard Deductions	\$3	\$3
Itemized Deductions	\$33	\$36
Taxable income	\$106	-
Tax Liability Before Credits	\$6	-
Tax Liability After Credits	\$5	(\$1)
Number of Disabled Taxpayers	1,913	1,964
Number of Disabled Spouses	1,071	545

### STATISTICS FROM TAX RETURNS OF DEPENDENT RESIDENTS

Taxpayers who may be claimed as dependants by other taxpayers may not claim a personal exemption for themselves. Dependents may itemize deductions, or they may claim the standard deduction, which is the greater of \$500 or their earned income (up to the full standard deduction for their filing status).

A total of 34,054 dependents filed tax returns in 2012, including nonresidents. Their Hawaii AGI totaled \$259 million and their taxable income totaled \$207 million. Their tax returns had tax liability before tax credits of \$10 million and tax liability after tax credits of \$9 million. Overall, the tax returns averaged \$8 thousand in Hawaii AGI per return and \$25 per return in tax after tax credits.

### STATISTICS ON NET LONG-TERM CAPITAL GAINS

Hawaii taxes long-term capital gains at 7.25%, or at the taxpayer's marginal tax rate on ordinary income, whichever is less. The alternative rate for long-term capital gains is an important feature of Hawaii's income tax law, because a substantial part of the total taxable income consists of long-term capital gains.

Table 9 shows the distribution of long term capital gains by income class for Hawaii residents and nonresidents with taxable returns. As shown in the table, the capital gains are heavily concentrated on the high end of the income distribution.

Table 9  
Income Eligible for the Tax Rate on Long-Term Capital Gains (7.25%)  
On Taxable Returns  
(Dollar amounts are in millions)

Hawaii AGI Class	LONG TERM CAPITAL GAINS		PERCENT OF TOTAL TAXABLE INCOME	
	Residents	Nonresidents	Residents	Nonresidents
0 < \$5,000	-	\$5	-	21.2
\$5,000 < \$10,000	-	1	-	1.5
\$10,000 < \$20,000	-	2	-	1.7
\$20,000 < \$30,000	-	1	-	1.1
\$30,000 < \$40,000	\$2	1	0.1	1.0
\$40,000 < \$50,000	4	1	0.3	1.5
\$50,000 < \$75,000	15	4	0.5	2.8
\$75,000 < \$100,000	24	5	0.8	5.1
\$100,000 < \$150,000	61	14	1.6	10.2
\$150,000 < \$200,000	57	15	3.0	17.3
\$200,000 < \$300,000	98	27	6.0	27.0
\$300,000 and over	1,709	231	32.9	41.7
Total	\$1,971	\$307	8.2	19.5

Note: Details may not add to totals due to rounding. A dash (-) denotes less than \$500,000 or less than 0.05%

APPENDIX  
STATISTICAL  
TABLES

Table A1

## SELECTED DATA FROM RESIDENT TAX RETURNS BY HAWAII AGI CLASS - 2012 (\$ in thousands)

Hawaii AGI Class	Number of Returns		Hawaii AGI		Taxable Income		Tax Liability		
	Number	%	Amount	%	Amount	%	Amount	%	
<b>TAXABLE RESIDENT RETURNS</b>									
\$0 Under \$5,000	17,347	3.5%	\$60,800	0.2%	\$20,156	0.1%	303	0.0%	
\$5,000 " \$10,000	38,418	7.8%	290,452	1.0%	151,758	0.6%	3,676	0.2%	
\$10,000 " \$20,000	76,779	15.5%	1,147,865	3.8%	757,835	3.1%	29,484	1.8%	
\$20,000 " \$30,000	71,980	14.5%	1,792,215	6.0%	1,326,494	5.4%	64,819	3.9%	
\$30,000 " \$40,000	61,115	12.3%	2,130,149	7.1%	1,632,256	6.7%	89,234	5.4%	
\$40,000 " \$50,000	45,888	9.3%	2,051,303	6.8%	1,588,546	6.5%	92,464	5.6%	
\$50,000 " \$75,000	71,605	14.5%	4,391,474	14.6%	3,372,157	13.8%	206,848	12.5%	
\$75,000 " \$100,000	44,021	8.9%	3,810,709	12.7%	2,931,758	12.0%	189,528	11.5%	
\$100,000 " \$150,000	40,776	8.2%	4,909,003	16.3%	3,854,902	15.8%	262,830	15.9%	
\$150,000 " \$200,000	13,684	2.8%	2,336,714	7.8%	1,897,288	7.8%	136,945	8.3%	
\$200,000 " \$300,000	7,706	1.6%	1,831,715	6.1%	1,642,193	6.7%	124,943	7.6%	
\$300,000 and over	6,053	1.2%	5,329,776	17.7%	5,192,781	21.3%	451,810	27.3%	
Total - Taxable Resident Returns	495,372	100.0%	\$30,082,175	100.0%	\$24,368,125	100.0%	\$1,652,885	100.0%	
<b>NONTAXABLE RESIDENT RETURNS</b>									
Loss	13,219	12.5%	(\$682,562)						
\$0 Under \$5,000	71,144	67.1%	79,406						
\$5,000 " \$10,000	10,606	10.0%	74,937						
\$10,000 and over	11,079	10.4%	236,505			NOT APPLICABLE			
Total - Nontaxable Resident Returns	106,048	100.0%	(\$291,714)						
Total - All Resident Returns	601,420		\$29,790,461		\$24,368,125		\$ 1,652,885		

Note: Details may not add to totals due to rounding.

Table A2

## SELECTED DATA ON ALL TAX RETURNS, BY FILING STATUS AND BY HAWAII AGI CLASS - TAX YEAR 2012 (\$ in thousands)

Hawaii AGI Class	Number of Returns			HAWAII AGI		
	Single*	Joint	H/H**	Single*	Joint	H/H**
<b>TAXABLE RESIDENT RETURNS</b>						
\$0 Under \$5,000	17,329	7	11	\$59,983	\$26	\$791
\$5,000 " \$10,000	32,635	2,121	3,662	238,634	18,283	33,536
\$10,000 " \$20,000	51,808	12,538	12,433	763,003	192,000	192,863
\$20,000 " \$30,000	42,504	15,614	13,862	1,054,466	391,808	345,942
\$30,000 " \$40,000	33,461	16,427	11,227	1,167,087	576,390	386,671
\$40,000 " \$50,000	23,509	15,404	6,975	1,049,566	691,859	309,879
\$50,000 " \$75,000	28,019	35,889	7,697	1,693,929	2,236,044	461,502
\$75,000 " \$100,000	10,848	30,028	3,145	930,658	2,611,194	267,832
\$100,000 " \$150,000	5,912	33,247	1,617	697,084	4,021,954	190,989
\$150,000 " \$200,000	1,485	11,848	351	253,415	2,023,655	59,644
\$200,000 " \$300,000	1,011	6,502	193	241,962	1,543,983	45,769
\$300,000 and over	949	4,925	179	961,058	4,265,291	103,427
Total - Taxable Residents Returns	249,470	184,550	61,352	\$9,110,844	\$18,572,487	\$2,398,844
<b>NONTAXABLE RESIDENTS RETURNS</b>						
Loss	7,625	5,100	494	(\$242,480)	(\$413,845)	(\$26,237)
\$0 Under \$5,000	51,037	16,446	3,661	48,907	23,572	6,927
\$5,000 " \$10,000	3,728	6,138	740	26,443	43,573	4,921
\$10,000 and over	3,377	7,089	613	68,009	155,512	12,985
Total - Nontaxable Resident Returns	65,767	34,773	5,508	(\$99,121)	(\$191,189)	(\$1,403)
TOTAL - ALL RESIDENT RETURNS	315,237	219,323	66,860	\$9,011,722	\$18,381,299	\$2,397,441
TOTAL - ALL NONRESIDENT RETURNS	36,706	37,846	3,098	\$294,239	\$570,699	\$42,751
TOTAL - ALL RETURNS	351,943	257,169	69,958	\$9,305,961	\$18,951,997	\$2,440,192

Note: Details may not add to totals due to rounding.

\* Includes returns for married individuals filing separately.

\*\* Includes returns for heads of households and for qualifying spouses.



Table A2 (Continued)

## SELECTED DATA ON ALL TAX RETURNS, BY FILING STATUS AND BY HAWAII AGI CLASS - TAX YEAR 2012 (\$ in thousands)

Hawaii AGI Class	Taxable Income			Tax Liability		
	Single*	Joint	H/H**	Single*	Joint	H/H**
<b>TAXABLE RESIDENT RETURNS</b>						
\$0 Under \$5,000	\$20,141	\$9	\$5	\$302	\$0	\$0
\$5,000 " \$10,000	139,416	3,043	9,299	3,491	43	142
\$10,000 " \$20,000	562,220	82,410	113,205	24,144	1,803	3,538
\$20,000 " \$30,000	846,958	228,167	251,369	45,534	8,092	11,193
\$30,000 " \$40,000	957,037	376,769	298,450	57,244	16,615	15,376
\$40,000 " \$50,000	866,834	480,870	240,842	55,088	23,859	13,518
\$50,000 " \$75,000	1,377,326	1,634,701	360,129	93,051	91,793	22,004
\$75,000 " \$100,000	757,150	1,966,567	208,041	54,283	121,513	13,733
\$100,000 " \$150,000	612,495	3,091,722	150,685	45,908	206,321	10,601
\$150,000 " \$200,000	232,053	1,613,084	52,152	17,962	115,096	3,887
\$200,000 " \$300,000	227,394	1,372,653	42,147	18,749	102,941	3,252
\$300,000 and over	947,969	4,145,278	99,534	87,501	355,318	8,991
Total - Taxable Residents Returns	\$7,546,993	\$14,995,273	\$1,825,859	\$503,257	\$1,043,394	\$106,233
<b>NONTAXABLE RESIDENTS RETURNS</b>						
Loss						
\$0 Under \$5,000						
\$5,000 " \$10,000		NOT APPLICABLE			NOT APPLICABLE	
\$10,000 and over						
Total - Nontaxable Resident Returns						
TOTAL - ALL RESIDENT RETURNS	\$7,546,993	\$14,995,273	\$1,825,859	\$503,257	\$1,043,394	\$106,233
TOTAL - ALL NONRESIDENT RETURNS	\$546,780	\$972,518	\$56,848	\$36,170	\$66,023	\$3,537
TOTAL - ALL RETURNS	\$8,093,774	\$15,967,791	\$1,882,707	\$539,427	\$1,109,417	\$109,770

Note: Details may not add to totals due to rounding.

\* Includes returns for married individuals filing separately.

\*\* Includes returns for heads of households and for qualifying spouses.

Table A3  
SELECTED DATA FROM NONRESIDENT TAX RETURNS BY HAWAII AGI CLASS - 2012 (\$ in thousands)

Hawaii AGI Class	Number of Returns	Hawaii AGI	Worldwide AGI *	Number of Exemptions		Hawaii Taxable Income	Hawaii Tax Liability
				Regular	Age		
<b>TAXABLE RETURNS</b>							
\$0 Under \$5,000	13,729	\$31,569	\$8,678,474	22,773	2,188	\$23,978	\$426
\$5,000 " \$10,000	8,784	64,309	3,535,850	15,045	1,310	48,985	1,209
\$10,000 " \$20,000	9,744	139,795	4,340,617	18,141	1,400	112,205	4,235
\$20,000 " \$30,000	5,071	124,237	3,628,629	10,288	720	102,329	4,856
\$30,000 " \$40,000	3,053	105,871	2,331,417	6,590	359	87,583	4,656
\$40,000 " \$50,000	2,035	90,766	1,776,049	4,529	295	76,425	4,345
\$50,000 " \$75,000	2,830	172,329	3,349,172	6,653	486	145,834	8,936
\$75,000 " \$100,000	1,413	121,955	1,913,387	3,307	250	105,828	6,986
\$100,000 " \$150,000	1,259	151,190	2,225,969	3,014	405	133,180	9,262
\$150,000 " \$200,000	542	93,290	922,371	1,291	197	84,934	6,168
\$200,000 " \$300,000	445	107,225	2,598,307	1,033	188	101,806	7,647
\$300,000 and over	570	569,152	7,935,712	1,272	308	553,060	47,002
<b>Total - Taxable returns</b>	<b>49,475</b>	<b>\$1,771,687</b>	<b>\$43,235,954</b>	<b>93,936</b>	<b>8,106</b>	<b>\$1,576,147</b>	<b>\$105,730</b>
<b>NONTAXABLE RETURNS</b>							
Loss	12,134	(\$888,003)	\$6,888,628	19,255	5,609		
\$0 Under \$5,000	14,743	5,179	10,794,866	22,002	4,195		
\$5,000 " \$10,000	665	4,684	574,120	1,109	211		
\$10,000 and over	633	14,140	678,873	1,053	256		
<b>Total - Nontaxable Returns</b>	<b>28,175</b>	<b>(\$863,999)</b>	<b>\$18,936,487</b>	<b>43,419</b>	<b>10,271</b>		
<b>Total All Returns</b>	<b>77,650</b>	<b>\$907,688</b>	<b>\$62,172,441</b>	<b>137,444</b>	<b>18,377</b>	<b>\$1,576,147</b>	<b>\$105,730</b>

Note: Details may not add to totals due to rounding.

\* The taxpayer's worldwide adjusted gross income as defined for Hawaii income tax purposes.

Table A4  
 TYPES OF DEDUCTIONS BY HAWAII AGI CLASS - TAX YEAR 2012 (\$ in thousands)

Hawaii AGI Class	CONTRIBUTIONS		INTEREST		MEDICAL AND DENTAL		CASUALTY LOSS	
	Number of Returns	Amount	Number of Returns	Amount	Number of Returns	Amount	Number of Returns	Amount
<b>TAXABLE RESIDENT RETURNS</b>								
\$0 Under \$5,000	143	\$115	26	\$26	136	\$201	-	\$0
\$5,000 " \$10,000	2,072	2,118	533	1,242	2,248	4,594	8	\$18
\$10,000 " \$20,000	10,642	14,669	4,039	18,369	8,399	24,456	22	56
\$20,000 " \$30,000	17,296	28,529	7,522	51,490	9,296	32,790	36	170
\$30,000 " \$40,000	22,933	36,581	10,972	89,977	8,296	31,768	29	174
\$40,000 " \$50,000	21,720	36,504	11,983	110,434	5,845	23,961	36	237
\$50,000 " \$75,000	43,131	85,469	29,690	312,948	8,673	40,627	51	386
\$75,000 " \$100,000	32,405	71,979	26,212	328,393	3,925	22,555	29	246
\$100,000 " \$150,000	32,858	91,440	30,217	447,603	2,169	18,067	36	396
\$150,000 " \$200,000	11,670	43,037	11,057	193,653	470	6,930	11	191
\$200,000 " \$300,000	6,080	33,132	6,021	124,060	220	4,654	3	8
\$300,000 and over	4,473	189,380	4,279	135,378	85	4,503	5	660
Total - Taxable Residents Returns	205,423	\$632,953	142,551	\$1,813,572	49,762	\$215,106	266	\$2,542
<b>NONTAXABLE RESIDENTS RETURNS</b>								
Loss	447	\$1,497	4,400	\$55,903	5,951	\$40,519	25	\$491
\$0 Under \$5,000	11,503	8,606	8,259	63,316	16,615	106,824	37	1,327
\$5,000 " \$10,000	5,862	9,181	3,828	32,236	6,492	47,365	11	24
\$10,000 and over	8,593	26,861	7,513	118,804	8,084	123,567	37	486
Total - Nontaxable Resident Returns	26,405	\$46,144	24,000	\$270,259	37,142	\$318,275	110	\$2,328
TOTAL - ALL RESIDENT RETURNS	231,828	\$679,097	166,551	\$2,083,831	86,904	\$533,381	376	\$4,871
TOTAL - ALL NONRESIDENT RETURNS	14,138	\$82,187	7,888	\$404,366	3,904	\$18,681	30	\$432
TOTAL - ALL RETURNS	245,966	\$761,285	174,439	\$2,488,197	90,808	\$552,062	406	\$5,303

Note: Details may not add to totals due to rounding.

Table A4 (Continued)  
 TYPES OF DEDUCTIONS BY HAWAII AGI CLASS - TAX YEAR 2012 (\$ in thousands)

Hawaii AGI Class	TAXES		MISCELLANEOUS DEDUCTIONS		TOTAL ALLOWABLE ITEMIZED DEDUCTIONS	
	Number of Returns	Amount	Number of Returns	Amount	Number of Returns	Amount
TAXABLE RESIDENT RETURNS						
\$0 Under \$5,000	264	\$119	123	\$92	266	\$552
\$5,000 " \$10,000	3,101	2,780	1,357	1,437	3,165	12,190
\$10,000 " \$20,000	14,335	19,184	6,851	14,459	14,340	91,194
\$20,000 " \$30,000	22,684	44,147	10,854	32,351	22,726	188,479
\$30,000 " \$40,000	36,226	91,032	13,840	46,473	36,546	294,559
\$40,000 " \$50,000	35,103	111,620	12,028	43,586	35,267	325,249
\$50,000 " \$75,000	61,460	269,378	22,282	97,074	61,495	802,648
\$75,000 " \$100,000	42,326	257,896	14,571	70,841	42,429	747,476
\$100,000 " \$150,000	38,517	309,230	12,590	72,204	39,045	922,715
\$150,000 " \$200,000	12,972	141,619	3,534	26,384	13,132	396,179
\$200,000 " \$300,000	6,484	28,939	1,603	16,108	6,691	173,784
\$300,000 and over	4,696	40,536	1,151	72,827	4,777	132,438
Total - Taxable Residents Returns	278,168	\$1,316,480	100,784	\$493,835	279,879	\$4,087,462
NONTAXABLE RESIDENTS RETURNS						
Loss	6,452	\$20,729	4,449	\$10,753	7,342	\$128,904
\$0 Under \$5,000	15,512	24,770	9,878	7,747	18,525	211,371
\$5,000 " \$10,000	6,971	13,490	4,015	6,715	7,636	108,262
\$10,000 and over	10,366	40,526	5,054	31,966	10,991	339,938
Total - Nontaxable Resident Returns	39,301	\$99,515	23,396	\$57,181	44,494	\$788,475
TOTAL - ALL RESIDENT RETURNS	317,469	\$1,415,995	124,180	\$551,016	324,373	\$4,875,937
TOTAL - ALL NONRESIDENT RETURNS	24,510	\$126,865	5,125	\$27,889	29,240	\$289,618
TOTAL - ALL RETURNS	341,979	\$1,542,860	129,305	\$578,905	353,613	\$5,165,555

Note: Details may not add to totals due to rounding.

Table A4 (Continued)  
 TYPES OF DEDUCTIONS BY HAWAII AGI CLASS - TAX YEAR 2012 (\$ in thousands)

Hawaii AGI Class	STANDARD DEDUCTIONS		TOTAL ALLOWABLE & STANDARD DEDUCTIONS		UNALLOWED ITEMIZED DEDUCTIONS	
	Number of Returns	Amount	Number of Returns	Amount	Number of Returns	Amount
TAXABLE RESIDENT RETURNS						
\$0 Under \$5,000	17,081	\$31,755	17,347	\$32,307	-	-
\$5,000 " \$10,000	35,253	77,438	38,418	89,627	-	-
\$10,000 " \$20,000	62,439	153,303	76,779	244,497	-	-
\$20,000 " \$30,000	49,254	127,050	71,980	315,529	13	\$998
\$30,000 " \$40,000	24,569	71,466	61,115	366,024	40	1,446
\$40,000 " \$50,000	10,621	35,507	45,888	360,756	29	1,093
\$50,000 " \$75,000	10,110	36,174	71,605	838,823	125	3,232
\$75,000 " \$100,000	1,592	5,209	44,021	752,685	601	4,434
\$100,000 " \$150,000	1,731	4,299	40,776	927,015	1,294	16,225
\$150,000 " \$200,000	552	1,514	13,684	397,693	7,337	15,635
\$200,000 " \$300,000	1,015	3,509	7,706	177,293	6,715	33,118
\$300,000 and over	1,276	4,552	6,053	136,990	4,852	310,846
Total - Taxable Residents Returns	215,493	\$551,777	495,372	\$4,639,239	21,006	\$387,026
NONTAXABLE RESIDENTS RETURNS						
Loss	5,877	\$14,429	13,219	\$143,332	24	\$988
\$0 Under \$5,000	52,619	123,105	71,144	334,476	32	1,220
\$5,000 " \$10,000	2,970	11,098	10,606	119,360	23	747
\$10,000 and over	88	350	11,079	340,288	88	2,272
Total - Nontaxable Resident Returns	61,554	\$148,982	106,048	\$937,456	167	\$5,228
TOTAL - ALL RESIDENT RETURNS	277,047	\$700,758	601,420	\$5,576,695	21,173	\$392,254
TOTAL - ALL NONRESIDENT RETURNS	48,410	\$60,541	77,650	\$350,159	1,228	\$370,802
TOTAL - ALL RETURNS	325,457	\$761,300	679,070	\$5,926,855	22,401	\$763,056

Note: Details may not add to totals due to rounding.

Table A5  
NUMBER OF DEPENDENTS, NUMBER OF EXEMPTIONS, TAX WITHHELD, PAYMENTS OF DECLARATION, AMOUNTS DUE,  
REFUNDS AND CARRIED FORWARD CREDITS BY HAWAII AGI CLASS - 2012 (\$ in thousands)

Hawaii AGI Class	DEPENDENTS		EXEMPTIONS			TAX WITHHELD	
	Number of Returns	Number of Dependents	Number of Returns	Number of Exemptions	Amount	Number of Returns	Amount
<b>TAXABLE RESIDENT RETURNS</b>							
\$0 Under \$5,000	209	209	7,047	8,015	\$8,336	13,716	\$1,701
\$5,000 " \$10,000	6,346	9,006	30,250	47,123	49,067	29,763	8,526
\$10,000 " \$20,000	21,433	37,649	72,252	138,310	145,534	63,211	41,089
\$20,000 " \$30,000	23,294	41,882	71,238	142,272	150,192	64,428	79,022
\$30,000 " \$40,000	20,183	36,705	60,988	124,764	131,868	56,577	105,572
\$40,000 " \$50,000	15,466	27,881	45,832	96,528	102,002	43,020	106,974
\$50,000 " \$75,000	28,366	52,285	71,557	171,342	180,497	67,354	231,427
\$75,000 " \$100,000	21,540	40,256	44,004	120,345	126,265	41,906	205,224
\$100,000 " \$150,000	22,645	42,234	40,756	121,917	127,086	38,637	264,920
\$150,000 " \$200,000	7,698	13,941	13,680	41,904	41,732	12,651	122,079
\$200,000 " \$300,000	3,995	7,254	7,702	23,375	12,228	6,756	86,155
\$300,000 and over	2,870	5,328	6,017	18,443	5	4,777	120,732
Total - Taxable Residents Returns	174,045	314,630	471,323	1,054,338	\$1,074,811	442,796	\$1,373,423
<b>NONTAXABLE RESIDENTS RETURNS</b>							
Loss	1,564	2,432	12,538	29,694	\$31,913	2,440	\$2,906
\$0 Under \$5,000	6,906	10,949	65,516	147,315	157,832	15,448	1,709
\$5,000 " \$10,000	2,096	4,441	10,587	32,968	36,214	3,318	1,048
\$10,000 and over	2,331	4,325	11,066	34,195	38,303	4,688	5,035
Total - Nontaxable Resident Returns	12,897	22,147	99,707	244,172	\$264,262	25,894	\$10,698
<b>TOTAL - ALL RESIDENT RETURNS</b>	<b>186,942</b>	<b>336,777</b>	<b>571,030</b>	<b>1,298,510</b>	<b>\$1,339,073</b>	<b>468,690</b>	<b>\$1,384,121</b>
<b>TOTAL - ALL NONRESIDENT RETURNS</b>	<b>21,684</b>	<b>40,061</b>	<b>73,766</b>	<b>170,482</b>	<b>\$42,941</b>	<b>37,642</b>	<b>\$58,318</b>
<b>TOTAL - ALL RETURNS</b>	<b>208,626</b>	<b>376,838</b>	<b>644,796</b>	<b>1,468,992</b>	<b>\$1,382,014</b>	<b>506,332</b>	<b>\$1,442,439</b>

Note: Details may not add to totals due to rounding.

Table A5 (Continued)  
NUMBER OF DEPENDENTS, NUMBER OF EXEMPTIONS, TAX WITHHELD, PAYMENTS OF DECLARATION, AMOUNTS DUE,  
REFUNDS AND CARRIED FORWARD CREDITS BY HAWAII AGI CLASS - 2012 (\$ in thousands)

Hawaii AGI Class	PAYMENTS OF DECLARATION*		AMOUNTS DUE**		REFUNDS AND AMOUNTS CREDITED***	
	Number of Returns	Amount	Number of Returns	Amount	Number of Returns	Amount
<b>TAXABLE RESIDENT RETURNS</b>						
\$0 Under \$5,000	302	\$82	1,824	\$40	15,306	\$2,143
\$5,000 " \$10,000	806	367	3,883	261	34,319	9,059
\$10,000 " \$20,000	3,107	2,052	10,937	2,358	65,513	26,932
\$20,000 " \$30,000	3,507	3,459	10,244	3,996	61,441	32,270
\$30,000 " \$40,000	3,212	4,170	9,187	4,603	51,728	33,120
\$40,000 " \$50,000	2,605	4,286	7,554	4,673	38,172	28,591
\$50,000 " \$75,000	5,227	11,288	14,430	11,457	56,880	57,168
\$75,000 " \$100,000	3,727	10,999	9,094	9,497	34,788	49,007
\$100,000 " \$150,000	4,837	20,280	8,952	14,452	31,669	64,825
\$150,000 " \$200,000	2,836	17,782	3,394	9,431	10,206	31,565
\$200,000 " \$300,000	2,865	28,115	3,214	12,968	4,418	19,690
\$300,000 and over	3,684	276,638	2,641	43,592	3,304	71,205
Total - Taxable Residents Returns	36,715	\$379,520	85,354	\$117,329	407,744	\$425,576
<b>NONTAXABLE RESIDENTS RETURNS</b>						
Loss	198	\$1,570	-	\$-	10,544	\$11,365
\$0 Under \$5,000	331	728	-	-	61,441	12,856
\$5,000 " \$10,000	236	576	-	-	8,243	4,830
\$10,000 and over	522	2,512	-	-	8,425	11,497
Total - Nontaxable Resident Returns	1,287	\$5,386	-	\$-	88,653	\$40,549
<b>TOTAL - ALL RESIDENT RETURNS</b>	<b>38,002</b>	<b>\$384,906</b>	<b>85,354</b>	<b>\$117,329</b>	<b>496,397</b>	<b>\$466,125</b>
<b>TOTAL - ALL NONRESIDENT RETURNS</b>	<b>7,900</b>	<b>\$85,086</b>	<b>12,785</b>	<b>\$15,376</b>	<b>42,101</b>	<b>\$67,587</b>
<b>TOTAL - ALL RETURNS</b>	<b>45,902</b>	<b>\$469,992</b>	<b>98,139</b>	<b>\$132,704</b>	<b>538,498</b>	<b>\$533,712</b>

Note: Details may not add to totals due to rounding.

\* Includes estimated tax payments, extension payments and carryovers of credits from the prior year.

\*\* Equal to the tax liability after tax credits less tax withheld and less payments of declaration.

\*\*\* Equal to the sum of refunds plus amounts credited to 2013 estimated taxes and plus check-box donations to the school repair, public library and domestic violence special funds.

Table A6  
AVERAGE TAX LIABILITIES AND EFFECTIVE TAX RATES FOR RESIDENT RETURNS,  
BEFORE AND AFTER TAX CREDITS, BY HAWAII AGI CLASS - 2012 (\$ in thousands)

Hawaii AGI Class			INCOME TAX LIABILITY				EFFECTIVE TAX RATES (%)			
							Based on Taxable Income		Based on Hawaii AGI	
			Before Credits		After Credits		Before Credits	After Credits	Before Credits	After Credits
TAXABLE RESIDENT RETURNS			Total	Average	Total	Average				
\$0	Under	\$5,000	\$303	\$0.0	(\$320)	\$0.0	1.5	-1.6	0.5	-0.5
\$5,000	"	\$10,000	3,676	0.1	\$96	0.0	2.4	0.1	1.3	0.0
\$10,000	"	\$20,000	29,484	0.4	\$18,567	0.2	3.9	2.4	2.6	1.6
\$20,000	"	\$30,000	64,819	0.9	\$54,208	0.8	4.9	4.1	3.6	3.0
\$30,000	"	\$40,000	89,234	1.5	\$81,224	1.3	5.5	5.0	4.2	3.8
\$40,000	"	\$50,000	92,464	2.0	\$87,341	1.9	5.8	5.5	4.5	4.3
\$50,000	"	\$75,000	206,848	2.9	\$197,005	2.8	6.1	5.8	4.7	4.5
\$75,000	"	\$100,000	189,528	4.3	\$176,713	4.0	6.5	6.0	5.0	4.6
\$100,000	"	\$150,000	262,830	6.4	\$234,829	5.8	6.8	6.1	5.4	4.8
\$150,000	"	\$200,000	136,945	10.0	\$117,727	8.6	7.2	6.2	5.9	5.0
\$200,000	"	\$300,000	124,943	16.2	\$107,549	14.0	7.6	6.5	6.8	5.9
\$300,000 and over			451,810	74.6	\$369,757	61.1	8.7	7.1	8.5	6.9
Total - Taxable Resident Returns			\$1,652,885	\$3.3	\$1,444,696	\$2.9	6.8	5.9	5.5	4.8
NONTAXABLE RESIDENT RETURNS										
Loss			-	-	(\$6,892)	(\$0.5)				
\$0	Under	\$5,000	-	-	(10,438)	(0.1)				
\$5,000	"	\$10,000	-	-	(3,210)	(0.3)				
\$10,000 and over			-	-	(3,957)	(0.4)				
Total - Nontaxable Resident Returns			-	-	(\$24,498)	(\$0.2)				
TOTAL - ALL RESIDENT RETURNS			\$1,652,885	\$3.3	\$1,420,197	\$2.4				

Note: Details may not add to totals due to rounding.



Table A7  
HAWAII AGI, TAXABLE INCOME, TAX LIABILITY, AND DEDUCTIONS OF RESIDENTS  
BY TAX DISTRICT - 2012 (\$ in thousands)

TAX STATISTIC	TAXATION DISTRICT							
	OAHU (DISTRICT 1)		MAUI (DISTRICT 2)		HAWAII (DISTRICT 3)		KAUAI (DISTRICT 4)	
	Number of Returns	Amount	Number of Returns	Amount	Number of Returns	Amount	Number of Returns	Amount
Hawaii AGI	427,793	\$22,428,988	67,817	\$3,126,727	75,020	\$2,926,068	30,790	\$1,308,679
Taxable Income	353,665	18,325,403	57,129	2,584,772	59,055	2,380,808	25,523	1,077,141
Tax Liability	353,064	1,253,857	57,045	172,360	58,975	156,699	25,487	69,969
Standard Deduction	192,923	\$483,261	30,586	77,923	38,785	101,862	14,753	37,711
Itemized Deductions:								
Contributions	170,439	518,884	26,508	70,569	23,489	61,361	11,392	28,282
Interest	118,150	1,529,900	18,569	244,013	21,574	215,467	8,258	94,451
Medical and Dental	61,827	392,035	9,793	52,905	10,957	63,848	4,327	24,593
Casualty Loss	244	2,842	46	1,088	69	731	17	209
Taxes	230,270	1,064,910	36,672	141,686	35,657	142,533	15,804	66,866
Miscellaneous	87,472	397,629	16,790	73,760	12,982	54,710	6,936	24,917
Unallowed Itemized Deductions	17,205	311,100	1,794	33,537	1,413	34,406	761	13,211
Total - Itemized Deductions	234,870	\$3,595,100	37,231	\$550,484	36,235	\$504,245	16,037	\$226,108

Note: Details may not add to totals due to rounding.