
Hawaii Individual Income Tax Statistics

Tax Year 2013

**Department of Taxation
State of Hawaii**

STATE OF HAWAII

David Y. Ige, Governor

DEPARTMENT OF TAXATION

Maria E. Zielinski, Director

Joseph K. Kim, Deputy Director

Hawaii Individual Income Tax Statistics

Tax Year 2013

**Department of Taxation
State of Hawaii**

December 2015

Prepared by Tax Research and Planning Office

WEB SITE: tax.hawaii.gov

TABLE OF CONTENTS

HAWAII INDIVIDUAL INCOME TAX STATISTICS – TAX YEAR 2013

	<u>Page</u>
INTRODUCTION	1
HAWAII'S INDIVIDUAL INCOME TAX LAW AND THE INTERNAL REVENUE CODE	1
INDIVIDUAL INCOME TAX LEGISLATION	2
DATA SOURCE AND METHODOLOGY	3
NUMBER OF TAX RETURNS FILED, BY TYPE OF RETURN AND BY FILING STATUS	3
HIGHLIGHTS OF STATISTICS FROM RESIDENT TAX RETURNS	5
Resident Income and Adjustments	5
Resident Deductions and Personal Exemptions.....	8
Resident Taxable Income and Tax Liability	9
HIGHLIGHTS OF STATISTICS FROM NONRESIDENT TAX RETURNS	11
Nonresident Deductions and Personal Exemptions.....	13
Nonresident Taxable Income and Tax Liability	13
STATISTICS FROM TAX RETURNS OF ELDERLY RESIDENTS	13
STATISTICS FROM TAX RETURNS OF DISABLED RESIDENTS	14
STATISTICS FROM TAX RETURNS OF DEPENDENT RESIDENTS	15
STATISTICS ON NET LONG-TERM CAPITAL GAINS	15
APPENDIX – STATISTICAL TABLES	
Table A-1 Selected Data from Resident Tax Returns by Hawaii AGI Class	19
Table A-2 Selected Data from All Tax Returns, by Filing Status and by Hawaii AGI Class	20
Table A-3 Selected Data from Nonresident Tax Returns by Hawaii AGI Class	22
Table A-4 Types of Deductions on All Tax Returns by Hawaii AGI Class.....	23
Table A-5 Number of Dependents, Number of Exemptions, Tax Withheld, Payments of Declaration, Balance Due, and Refunds and Carried Forward Credits by Hawaii AGI Class	26

	<u>Page</u>
Table A-6 Average Tax Liabilities and Effective Tax Rates for Resident Tax Returns, Before and After Tax Credits, by Hawaii AGI Class.....	28
Table A-7 Hawaii AGI, Taxable Income, and Deductions Claimed by Residents by Tax District	29

INTRODUCTION

This study examines statistics from Hawaii individual income tax returns that were filed by resident and nonresident taxpayers for tax year 2013. 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 study for tax year 2012 was the first one published since the study for tax year 2005 was published in February of 2008. The present study is for tax year 2013.

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 2013. 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 the IRC. The main differences in the definition of taxable income are that the IRC 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 2013) the first \$6,076 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 IRC 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 \$1,144 in 2013, whereas the federal personal exemption was \$3,900. The federal standard deduction for 2013 was \$12,200 for married couples filing a joint tax return, \$6,100 for single individuals and married couples filing separate tax returns and \$8,950 for a head of household, with an additional standard deduction of \$1,200 for the aged or blind (\$1,500 if the taxpayer is single and not a surviving spouse.) Hawaii's standard deductions for 2013 were \$4,400 for joint returns, \$2,200 if the taxpayer was single or a married individual filing separately, and \$3,212 for a head of household. 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 automatically adjusted for inflation.

INDIVIDUAL INCOME TAX LEGISLATION

Hawaii's legislature enacted several measures related to individual income taxes that were effective for tax year 2013, 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 43, SLH 2013, 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.

Act 256, SLH 2013, amended section 3 of Act 97, SLH 2011, by carving out charitable contributions from the hard cap amounts. Thus, the total itemized deductions that may be claimed by taxpayers who meet or exceed the income thresholds is limited to the lesser of the overall limitations set by the IRC in tax year 2009, or the hard cap set by Act 97, SLH 2011, plus allowable charitable contributions. Act 256, SLH 2013, was effective for taxable years beginning after December 31, 2012.

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 2013 and processed by March 31, 2015. (The due date for 2013 tax returns with extensions was October 20, 2014.) A total of 697,310 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 2013, by Hawaii AGI class and by tax district. (Hawaii is divided into the following four tax districts: District 1 is the City and County of Honolulu; District 2 consists of Maui and Kalawao Counties; District 3 is Hawaii County; and District 4 is Kauai County.) Residents filed a total of 613,603 Hawaii individual income tax returns for tax year 2013. 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, 13% were from taxpayers on Hawaii and 5% were from taxpayers on Kauai. Nonresidents filed a total of 83,707 tax returns, or about 12% of the total number of tax returns filed. For both residents 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 17% of all tax returns filed by residents and for 51% of the tax returns filed by nonresidents.

Table 1
Types of Individual Income Tax Returns Filed – Tax Year 2013 ^{1/}

By Hawaii AGI Class						
Hawaii AGI Class		Forms N-11	Forms N-13	Forms N-15	All Returns	
Under	\$5,000	90,673	10,789	43,050	144,512	
\$5,000	" \$10,000	46,845	2,281	10,060	59,186	
\$10,000	" \$20,000	81,447	3,584	10,924	95,955	
\$20,000	" \$30,000	72,975	2,758	5,798	81,531	
\$30,000	" \$40,000	61,121	1,983	3,512	66,616	
\$40,000	" \$50,000	47,058	1,208	2,393	50,659	
\$50,000	" \$75,000	72,345	1,123	3,260	76,728	
\$75,000	" \$100,000	45,343	310	1,616	47,269	
\$100,000	" \$150,000	42,560	19	1,388	43,967	
\$150,000	" \$200,000	14,762	0	603	15,365	
\$200,000	" \$300,000	8,300	0	488	8,788	
\$300,000	& over	6,119	0	615	6,734	
Total - All Returns		589,548	24,055	83,707	697,310	

By Tax District ^{2/}				
Tax District	Forms N-11	Forms N-13	Forms N-15	All Returns
Oahu (District 1)	417,718	17,528	79,104	514,350
Maui (District 2)	68,310	1,914	1,852	72,076
Hawaii (District 3)	72,989	3,721	1,973	78,683
Kauai (District 4)	30,531	892	778	32,201
Total - All Returns	589,548	24,055	83,707	697,310

1/ Includes both taxable and nontaxable tax returns.

2/ 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 (51%), followed by 'Joint' (Married, filing jointly) with 36%. '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' (40%). Tax returns with 'Joint' status accounted for the biggest share (61%) of the total Hawaii AGI for the resident tax returns and for slightly over half (51%) of the Hawaii AGI for the nonresident returns. Tax returns with 'Single' status accounted for 29% of the total Hawaii AGI reported on the resident tax returns and for 42% of the total Hawaii AGI reported on the nonresident tax returns.

Table 2
Number of Tax Returns and Amount of Hawaii AGI by Status of Taxpayer – Tax Year 2013
(Dollar amounts are in millions)

Residents				
Status	Number of Returns	% of Total	Hawaii AGI *	% of Total
Joint	219,652	35.8	\$18,359	60.9
Single	312,451	50.9	8,673	28.8
Married, Filing Separately	12,777	2.1	622	2.1
Head of Household	68,398	11.1	2,471	8.2
Qualified Widow(er)	325	0.1	13	0.0
Total	613,603	100.0	\$30,138	100.0
Nonresidents				
Status	Number of Returns	% of Total	Hawaii AGI *	% of Total
Joint	41,325	49.4	\$547	50.9
Single	33,633	40.2	450	41.8
Married, Filing Separately	5,255	6.3	27	2.6
Head of Household	3,426	4.1	49	4.6
Qualified Widow(er)	68	0.1	2	0.2
Total	83,707	100.0	\$1,075	100.0

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

* Includes returns with negative Hawaii AGI.

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 2013. Residents with taxable income reported aggregate Hawaii AGI of \$30.4 billion on their Hawaii income tax returns for 2013. Of the total, \$30.1 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 -\$306 million on Form N-11 and aggregate Hawaii AGI of \$5 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.

Figure 1
Components of a Resident Tax Return – Tax Year 2013
(Dollar amounts are in millions)

TAXABLE RETURNS	COMPONENTS	NONTAXABLE RETURNS
\$30,039	INCOME FROM ALL SOURCES OTHER THAN EXEMPT PENSIONS AND SOCIAL SECURITY	(\$229)
\$401	PLUS ADJUSTMENTS TO INCOME ^{1/}	(\$72)
\$30,440	EQUALS HAWAII AGI	(\$302)
\$5,014	MINUS TOTAL DEDUCTIONS (ITEMIZED DEDUCTIONS OR STANDARD DEDUCTION) ^{2/}	\$1,010
\$1,194	AND MINUS EXEMPTIONS	\$296
\$24,231	EQUALS TAXABLE INCOME	na
\$1,632	TIMES APPLICABLE TAX RATES EQUALS TAX LIABILITIES BEFORE TAX CREDITS	na
\$157	MINUS TAX CREDITS ^{3/}	\$20
\$1,475	EQUALS TAX AFTER CREDITS	(\$20)

Note: Details may not add to totals due to rounding. "na" denotes "not applicable."

1/ Adjustments to income include Hawaii tax refunds, 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, and 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 2013 (including carryovers of credits from prior years) include 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, research activities, capital good excise taxes, individual development accounts, high technology business investment, energy conservation, hotel construction and remodeling, technology infrastructure, residential construction and remodeling, and income taxes paid to another state or foreign country.

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 \$32.2 billion for those with Hawaii taxable income and \$1.8 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 \$2.5 billion for residents with Hawaii taxable income and \$2.0 billion for residents without Hawaii taxable income. Items subtracted from the federal AGI in 2013 totaled \$5.0 billion, whereas the items added totaled only \$0.8 billion. Data on exempt pension and social security incomes 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 2013.

Table 3
Differences Between Federal AGI and Hawaii AGI for Residents Who Filed Form N-11
Tax Year 2013
(Dollar amounts are in millions)

	Taxable Returns		Nontaxable Returns	
	Number of Returns	Amount	Number of Returns	Amount
Federal AGI	489,802	\$32,182	99,746	\$1,778
<i>MINUS</i>				
Hawaii Subtractions from Federal AGI	129,051	\$2,789	56,088	\$2,191
Exempt Pensions Taxed Federally	56,751	1,670	50,093	1,622
Social Security Benefits	54,626	833	32,135	390
Other Subtractions ^{1/}	67,840	286	11,803	179
<i>PLUS</i>				
Hawaii Additions to Federal AGI ^{2/}	134,576	\$688	12,884	\$107
<i>EQUALS</i>				
Hawaii AGI ^{3/}	489,802	\$30,081	99,746	(\$306)

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.

3/ Includes returns with negative Hawaii AGI.

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 2013 is based on the individuals' filing status, as shown below:

<u>Status</u>	<u>Standard Deduction</u>
Single	\$2,200
Married Filing Joint	\$4,400
Married Filing Separate	\$2,200
Head of Household.....	\$3,212
Qualified Widow(er) with Dependent Child	\$4,400

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 \$2,200.

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).

Table 4
Changes in Hawaii's Standard Deduction Over Time

Status	Tax Year			
	1987	1989	2007	2013
	Standard Deduction (\$)			
Single	1,000	1,500	2,000	2,200
Married Filing Joint	1,700	1,900	4,000	4,400
Married Filing Separate	850	950	2,000	2,200
Head of Household	1,500	1,650	2,920	3,212

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 2013, 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 – Tax Year 2013
(Dollar amounts are in millions)

Deduction Type	Number of Claims	% of Claims	Amount of Deductions	% of Deductions
Total Itemized Deductions	322,096		\$5,448	
Charitable Contributions	229,225	71.2	840	15.4
Interest	175,037	54.3	1,974	36.2
Medical and Dental	79,455	24.7	522	9.6
Casualty and Theft	318	0.1	5	0.1
Taxes	320,191	99.4	1,513	27.8
Miscellaneous	127,737	39.7	594	10.9
Less: Disallowed Itemized Deductions	22,055		\$232	
Net: Total Allowable Itemized Deductions	322,096	52.5	\$5,215	86.6
Total Standard Deductions	291,507	47.5	\$809	13.4
Total Allowable and Standard Deductions	613,603	100.0	\$6,024	100.0

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 was \$1,144 per exemption in 2013, but individuals who are certified as blind, deaf, or totally disabled could claim a personal exemption of \$7,000 for themselves. For tax year 2013, resident taxpayers reported a total of 1.3 million exemptions (including the age exemption) on 570,147 Hawaii income tax returns, for an average 2.3 exemptions per return. The aggregate amount of exemptions claimed by residents was \$1.5 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 2013 of \$1.63 billion before tax credits and \$1.47 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 5%. 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 data on Hawaii AGI, taxable income, and deductions by tax district.

Figure 2 shows the percentage distribution of total resident tax liability by Hawaii AGI class. Residents with \$100,000 or more in Hawaii AGI paid 57.4% of the total taxes paid by residents before tax credits and 56.7% of the total after tax credits. Residents with \$200,000 or more in Hawaii AGI paid 31.4% of the total taxes paid by residents before tax credits and 30.5% of the total after tax credits.

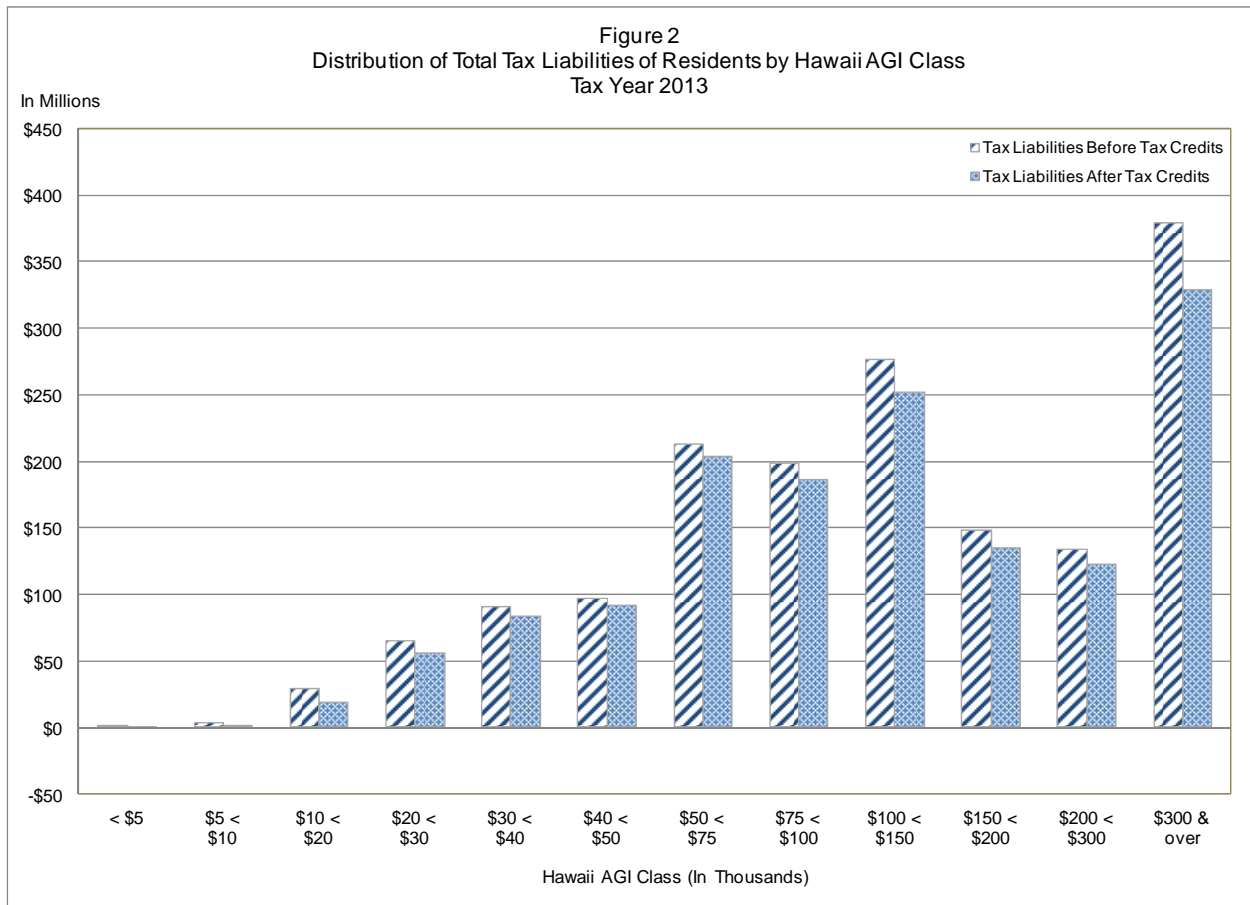
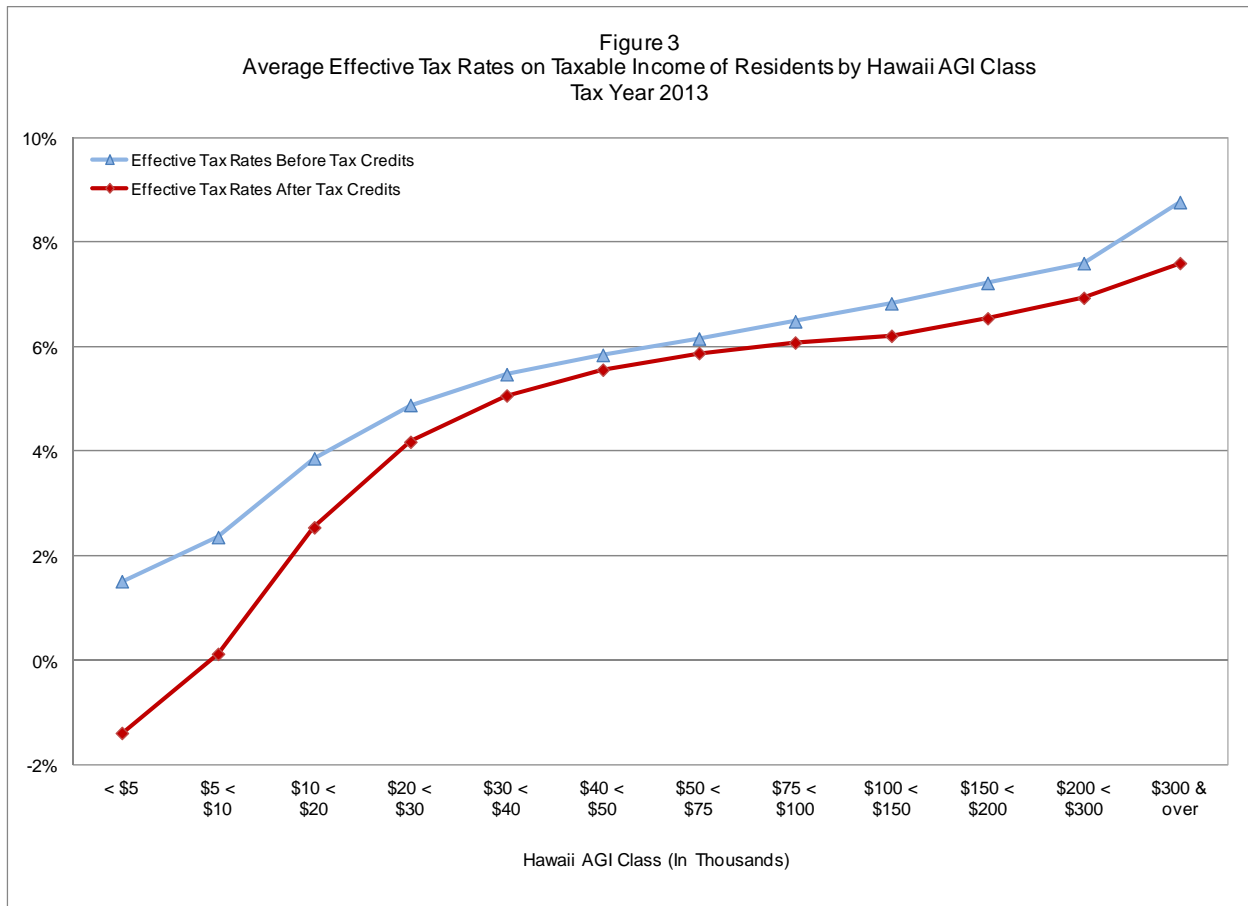


Figure 3 below shows the average effective tax rates for residents by income class. Most (65%) returns of residents with Hawaii AGI below \$10,000 did not have any taxable income. For those in this income group who had taxable income, the average effective tax rate was 2.3% before tax credits, but -0.04% 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 on taxable returns to drop by 2.9% (from positive 1.5% to negative 1.4%). 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.



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 2013, nonresidents filed 83,707 tax returns, or 12% of the total number of resident and nonresident individual income 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 \$45.9 billion, which is about one and a half times as great as the Hawaii AGI of all residents. Appendix Table A-3 provides selected statistics from nonresident tax returns by Hawaii AGI class. Table 6 shows the total AGI, Hawaii AGI, Hawaii taxable income, and Hawaii tax liability before tax credits for the nonresidents, by total AGI class.

Table 6
Selected Data from Nonresident Tax Returns by Worldwide AGI Class – Tax Year 2013
(Dollar amounts are in millions)

Worldwide AGI Class	Number of Returns	Worldwide AGI ^{1/}	Hawaii AGI	Hawaii Taxable Income	Hawaii Tax Before Credits
<u>Taxable Nonresident Returns</u>					
Loss	268	(\$192)	\$15	\$11	\$1
\$0 under \$5,000	2,275	6	37	32	2
\$5,000 " \$10,000	3,512	27	19	11	^{2/}
\$10,000 " \$20,000	6,942	103	63	45	2
\$20,000 " \$30,000	5,504	136	74	58	3
\$30,000 " \$40,000	4,358	152	73	59	3
\$40,000 " \$50,000	3,614	162	75	61	3
\$50,000 " \$75,000	6,591	407	168	139	7
\$75,000 " \$100,000	4,605	399	147	121	7
\$100,000 " \$150,000	5,123	625	206	176	11
\$150,000 " \$200,000	2,654	457	136	118	8
\$200,000 " \$300,000	2,520	610	151	138	9
\$300,000 & over	5,483	29,021	749	721	58
Total – Taxable Returns	53,449	\$31,912	\$1,912	\$1,691	\$112
<u>Nontaxable Nonresident Returns</u>					
Loss	3,182	(\$3,791)	(\$342)		
\$0 under \$5,000	4,884	5	(14)		
\$5,000 " \$10,000	965	7	(3)	NOT APPLICABLE	
\$10,000 & over	21,227	17,799	(478)		
Total – Nontaxable Returns	30,258	\$14,019 ^{3/}	(\$837) ^{4/}		
All Nonresident Returns	83,707	\$45,931 ^{3/}	\$1,075 ^{4/}	\$1,691	\$112

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

^{1/} The taxpayer's worldwide adjusted gross income as defined for Hawaii income tax purposes.

^{2/} Less than \$500,000.

^{3/} Includes returns with negative worldwide AGI.

^{4/} Includes returns with negative Hawaii AGI.

Nonresident Deductions and Personal Exemptions

Nonresidents must prorate the standard deductions and personal exemption amounts to determine their Hawaii taxable income. The prorated amount is determined by 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 2013, 52,568 nonresident tax returns had the standard deduction and 31,139 nonresident tax returns had allowable itemized deductions. The nonresidents claimed prorated itemized deductions of \$793 million, but their allowable itemized deductions were only \$328 million. Their prorated standard deductions totaled \$73 million and their prorated exemptions totaled \$52 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 with taxable returns reported \$1.7 billion in total income subject to Hawaii taxation in 2013 on total Hawaii AGI of \$1.9 billion. Their total Hawaii tax liability before tax credits was \$112 million, of which over half (\$58 million) was owed by nonresidents with worldwide AGI of \$300,000 or more. The nonresidents had total Hawaii tax liability after tax credits of \$101 million, including negative amounts of tax owed by nonresidents with nontaxable returns. The average tax liability before tax credits per nonresident return was \$1,343 and the average net tax liability after tax credits was \$1,203.

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 129,080 resident tax returns for 2013. The tax returns showed total Hawaii AGI of \$4.4 billion and total taxable income of \$3.4 billion. Fewer than half of the tax returns with an age exemption reported taxable income. Income taxes paid on the returns totaled \$244 million before tax credits and \$203 million after tax credits. The tax returns showed a total of \$153 million in standard deductions and a total of \$1.3 billion in itemized deductions. Tax returns filed with Form N-11 that included an age exemption showed \$2.5 billion in pension income that was exempt from Hawaii income tax and an additional \$1.1 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 2013.) Overall, the tax returns averaged \$34 thousand in Hawaii AGI per return and \$1,487 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
Tax Year 2013

(Dollar amounts are in millions)

	Taxable Returns	Nontaxable Returns
Number of Tax Returns	63,373	65,707
Hawaii AGI	\$4,440	(\$84) ^{1/}
Standard Deductions	\$62	\$91
Itemized Deductions	\$745	\$591
Taxable income	\$3,419	na
Tax Liability Before Credits	\$244	na
Tax Liability After Credits	\$203	(\$11)
Number of Taxpayers Over 65	60,003	64,859
Number of Taxpayers' Spouses Over 65	23,656	23,044

Note: "na" denotes "not applicable."

^{1/} Includes returns with negative Hawaii AGI.

STATISTICS FROM TAX RETURNS OF DISABLED RESIDENTS

A special personal exemption of \$7,000 in lieu of the \$1,144 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 2013 there were 5,144 resident tax returns with at least one special exemption for disabled. These tax returns showed Hawaii AGI of \$174 million, Hawaii taxable income of \$104 million, and Hawaii income taxes of \$6 million before tax credits and \$5 million after tax credits. Overall, the tax returns averaged \$34 thousand in Hawaii AGI per return and \$930 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 With at Least One Disabled Exemption
 Tax Year 2013
 (Dollar amounts are in millions)

	Taxable Returns	Nontaxable Returns
Number of Tax Returns	2,850	2,294
Hawaii AGI	\$161	\$13 ^{1/}
Standard Deductions	\$3	\$3
Itemized Deductions	\$31	\$35
Taxable income	\$104	na
Tax Liability Before Credits	\$6	na
Tax Liability After Credits	\$5	^{2/}
Number of Disabled Taxpayers	1,887	1,859
Number of Disabled Spouses	1,014	517

Note: "na" denotes "not applicable."

^{1/} Includes returns with negative Hawaii AGI.

^{2/} Less than \$500,000

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 34,855 dependents filed tax returns in 2013, including nonresidents. Their Hawaii AGI totaled \$256 million and their taxable income totaled \$197 million. Their tax returns had tax liability before tax credits of \$9 million and tax liability after tax credits of \$8 million. Overall, the tax returns averaged \$7 thousand in Hawaii AGI per return and \$239 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 an important part (6%) 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%) – Tax Year 2013
(Dollar amounts are in millions)

Hawaii AGI Class	Long Term Capital Gains		% of Total Taxable Income	
	Residents	Nonresidents	Residents	Nonresidents
Under \$5,000	*	*	*	*
\$5,000 " \$10,000	*	*	*	*
\$10,000 " \$20,000	*	*	*	*
\$20,000 " \$30,000	*	*	*	*
\$30,000 " \$40,000	\$4	\$1	0.2	0.7
\$40,000 " \$50,000	6	1	0.4	0.9
\$50,000 " \$75,000	24	5	0.7	2.9
\$75,000 " \$100,000	37	8	1.2	6.7
\$100,000 " \$150,000	81	18	2.0	12.1
\$150,000 " \$200,000	77	17	3.8	17.9
\$200,000 " \$300,000	114	34	6.5	30.2
\$300,000 & over	1,087	228	25.2	41.2
Total	\$1,431	\$312	5.9	18.4

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

* Less than \$500,000 or less than 0.05%

APPENDIX

STATISTICAL TABLES

TABLE A-1
SELECTED DATA FROM RESIDENT TAX RETURNS BY HAWAII AGI CLASS - TAX YEAR 2013
(\$ in thousands)

Hawaii AGI Class	Number of Returns		Hawaii AGI		Taxable Income		Tax Liability	
	Number	%	Amount	%	Amount	%	Amount	%
TAXABLE RESIDENT RETURNS								
Under \$5,000	15,718	3.1%	\$ 56,202	0.2%	\$ 17,151	0.1%	\$ 259	0.0%
\$5,000 "	37,284	7.4%	282,122	0.9%	140,447	0.6%	3,309	0.2%
\$10,000 "	77,591	15.4%	1,159,257	3.8%	741,742	3.1%	28,645	1.8%
\$20,000 "	73,316	14.5%	1,826,480	6.0%	1,332,926	5.5%	65,074	4.0%
\$30,000 "	62,141	12.3%	2,163,367	7.1%	1,648,756	6.8%	90,198	5.5%
\$40,000 "	47,832	9.5%	2,139,070	7.0%	1,654,247	6.8%	96,618	5.9%
\$50,000 "	73,112	14.5%	4,484,114	14.7%	3,455,227	14.3%	212,613	13.0%
\$75,000 "	45,585	9.0%	3,945,477	13.0%	3,055,068	12.6%	198,058	12.1%
\$100,000 "	42,539	8.4%	5,125,227	16.8%	4,051,059	16.7%	276,532	16.9%
\$150,000 "	14,753	2.9%	2,520,851	8.3%	2,050,995	8.5%	148,034	9.1%
\$200,000 "	8,300	1.6%	1,977,455	6.5%	1,763,785	7.3%	133,949	8.2%
\$300,000 and over	6,119	1.2%	4,760,488	15.6%	4,320,434	17.8%	378,586	23.2%
TOTAL - TAXABLE RETURNS	504,290	100.0%	\$ 30,440,112	100.0%	\$ 24,231,837	100.0%	\$ 1,631,874	100.0%
<u>NONTAXABLE RESIDENT RETURNS</u>								
Loss	13,488	12.3%	\$ (717,967)					
\$0 under \$5,000	72,256	66.1%	84,117					
\$5,000 "	11,842	10.8%	86,817			NOT APPLICABLE		
\$10,000 and over	11,727	10.7%	245,396					
TOTAL - NONTAXABLE RETURNS	109,313	100.0%	\$ (301,638) ^{1/}					
ALL RESIDENT RETURNS	613,603		\$ 30,138,474 ^{1/}		\$ 24,231,837		\$ 1,631,874	

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

^{1/} Includes returns with negative Hawaii AGI.

TABLE A-2
 SELECTED DATA FROM ALL TAX RETURNS, BY FILING STATUS AND BY HAWAII AGI CLASS - TAX YEAR 2013
 (\$ in thousands)

Hawaii AGI Class	Number of Returns		Hawaii AGI		
	Single ^{1/}	Joint	Single ^{1/}	Joint	
					H/H ^{2/}
TAXABLE RESIDENT RETURNS					
Under \$5,000	15,699	8	\$ 56,119	\$ 31	52
" \$10,000	32,557	1,442	242,442	12,779	26,901
" \$20,000	53,060	12,025	784,670	184,602	189,985
" \$30,000	44,186	15,108	1,095,808	379,687	350,984
" \$40,000	34,607	15,950	1,203,645	558,000	401,722
" \$50,000	25,353	15,083	1,132,387	677,414	329,270
" \$75,000	29,637	35,362	1,788,928	2,204,497	490,690
" \$100,000	11,826	30,428	1,013,672	2,646,023	285,782
" \$150,000	6,333	34,451	746,527	4,172,545	206,155
" \$200,000	1,693	12,693	290,316	2,167,979	62,557
" \$300,000	1,065	7,023	254,942	1,672,013	50,500
\$300,000 and over	949	4,992	794,740	3,861,326	104,422
TOTAL - TAXABLE RETURNS	256,965	184,565	\$ 9,404,195	\$ 18,536,896	\$ 2,499,020
<u>NONTAXABLE RESIDENT RETURNS</u>					
Loss	7,847	5,131	\$ (265,142)	\$ (409,344)	\$ (43,481)
\$0 under \$5,000	52,739	15,874	54,663	22,240	7,213
" \$10,000	4,085	6,595	28,658	47,447	10,712
" \$10,000 and over	3,592	7,487	73,335	161,706	10,355
TOTAL - NONTAXABLE RETURNS	68,263	35,087	\$ (108,486) ^{3/}	\$ (177,950) ^{3/}	\$ (15,201) ^{3/}
ALL RESIDENT RETURNS	325,228	219,652	\$ 9,295,709 ^{3/}	\$ 18,358,946 ^{3/}	\$ 2,483,819 ^{3/}
ALL NONRESIDENT RETURNS	38,888	41,325	\$ 477,146 ^{3/}	\$ 546,750 ^{3/}	\$ 51,295 ^{3/}
TOTAL - ALL RETURNS	364,116	260,977	\$ 9,772,855 ^{3/}	\$ 18,905,696 ^{3/}	\$ 2,535,114 ^{3/}

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

^{1/} Includes returns for married individuals filing separately.

^{2/} Includes returns for heads of households and for qualifying spouses.

^{3/} Includes returns with negative Hawaii AGI.

TABLE A-2 (Continued)
 SELECTED DATA FROM ALL TAX RETURNS, BY FILING STATUS AND BY HAWAII AGI CLASS - TAX YEAR 2013
 (\$ in thousands)

Hawaii AGI Class	Taxable Income			Tax Liability		
	Single ^{1/}	Joint	H/H ^{2/}	Single ^{1/}	Joint	H/H ^{2/}
TAXABLE RESIDENT RETURNS						
Under \$5,000	\$ 17,139	\$ 8	4	\$ 259	\$ 0	0
\$5,000 "	131,459	1,757	7,231	3,178	25	106
\$10,000 "	562,329	72,522	106,891	23,898	1,521	3,226
\$20,000 "	871,975	211,993	248,958	46,726	7,370	10,978
\$30,000 "	987,551	356,802	304,403	59,024	15,562	15,612
\$40,000 "	934,837	464,533	254,877	59,408	22,921	14,289
\$50,000 "	1,461,121	1,612,021	382,086	98,729	90,506	23,378
\$75,000 "	827,934	2,004,736	222,398	59,344	124,013	14,701
\$100,000 "	653,675	3,235,110	162,274	48,911	216,215	11,406
\$150,000 "	262,818	1,733,868	54,308	20,276	123,709	4,048
\$200,000 "	235,780	1,482,268	45,738	19,324	111,108	3,517
\$300,000 and over	735,329	3,486,403	98,702	68,675	301,115	8,797
TOTAL - TAXABLE RETURNS	\$ 7,681,948	\$ 14,662,021	\$ 1,887,868	\$ 507,752	\$ 1,014,065	\$ 110,058
<u>NONTAXABLE RESIDENT RETURNS</u>						
Loss						
\$0 under \$5,000						
\$5,000 "						
\$10,000 and over						
TOTAL - NONTAXABLE RETURNS						
ALL RESIDENT RETURNS	\$ 7,681,948	\$ 14,662,021	\$ 1,887,868	\$ 507,752	\$ 1,014,065	\$ 110,058
ALL NONRESIDENT RETURNS	\$ 583,522	\$ 1,049,138	\$ 58,226	\$ 38,623	\$ 70,251	\$ 3,576
TOTAL - ALL RETURNS	\$ 8,265,470	\$ 15,711,158	\$ 1,946,095	\$ 546,375	\$ 1,084,316	\$ 113,633

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

^{1/} Includes returns for married individuals filing separately.

^{2/} Includes returns for heads of households and for qualifying spouses.

^{3/} Includes returns with negative Hawaii AGI.

TABLE A-3
 SELECTED DATA FROM NONRESIDENT TAX RETURNS BY HAWAII AGI CLASS - TAX YEAR 2013
 (\$ in thousands)

Hawaii AGI Class	Number of Returns	Hawaii AGI	Worldwide AGI ^{1/}	Number of Exemptions		Hawaii Taxable Income	Hawaii Tax Liability
				Regular	Age		
TAXABLE NONRESIDENT RETURNS							
Under \$5,000	14,105	\$ 32,415	\$ 7,082,786	23,397	2,349	\$ 23,647	\$ 369
\$5,000 "	9,371	68,435	2,292,577	16,071	1,450	51,387	1,245
\$10,000 "	10,509	151,337	3,786,184	19,715	1,651	119,838	4,510
\$20,000 "	5,673	139,572	1,837,239	11,309	794	114,196	5,444
\$30,000 "	3,473	120,276	1,098,253	7,389	607	99,549	5,265
\$40,000 "	2,374	105,615	1,042,788	5,174	425	87,806	4,934
\$50,000 "	3,246	197,003	2,128,503	7,439	582	166,810	10,200
\$75,000 "	1,613	138,503	1,449,166	3,753	364	119,691	7,868
\$100,000 "	1,384	167,159	1,183,778	3,223	424	148,297	10,329
\$150,000 "	602	103,717	2,081,438	1,387	212	94,587	6,861
\$200,000 "	487	118,357	1,111,464	1,093	219	112,688	8,458
\$300,000 and over	612	569,385	6,817,617	1,366	330	552,392	46,966
TOTAL - TAXABLE RETURNS	53,449	\$ 1,911,775	\$ 31,911,792	101,316	9,407	\$ 1,690,886	\$ 112,450
<u>NONTAXABLE NONRESIDENT RETURNS</u>							
Loss	13,201	\$ (861,527)	\$ 6,219,808	27,439	6,549		
\$0 under \$5,000	15,744	5,626	6,917,892	31,788	4,416		
\$5,000 "	689	4,827	402,348	1,762	242		
\$10,000 and over	624	14,489	478,923	1,656	242		
TOTAL - NONTAXABLE RETURNS	30,258	\$ (836,585) ^{2/}	\$ 14,018,971	62,645	11,449		
ALL NONRESIDENT RETURNS	83,707	\$ 1,075,191 ^{2/}	\$ 45,930,763	163,961	20,856	\$ 1,690,886	\$ 112,450

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

^{1/} The taxpayer's worldwide adjusted gross income as defined for Hawaii income tax purposes.

^{2/} Includes returns with negative Hawaii AGI.

TABLE A-4
 TYPES OF DEDUCTIONS ON ALL TAX RETURNS BY HAWAII AGI CLASS - TAX YEAR 2013
 (\$ 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
TAXABLE RESIDENT RETURNS								
Under \$5,000	97	\$ 89	80	\$ 14	77	\$ 120	-	\$ -
\$5,000 "	1,676	1,669	733	1,094	1,744	3,461	d	d
\$10,000 "	9,705	13,638	4,546	16,073	7,423	21,583	16	65
\$20,000 "	15,923	26,173	7,836	46,791	8,145	29,620	17	65
\$30,000 "	21,270	34,435	10,997	81,977	6,866	27,505	30	168
\$40,000 "	21,652	37,227	12,492	103,774	4,999	22,721	32	247
\$50,000 "	42,277	83,291	30,031	291,520	6,785	35,431	51	425
\$75,000 "	32,653	73,663	26,770	306,433	2,918	20,351	40	372
\$100,000 "	33,701	94,230	31,565	421,957	1,637	16,933	20	382
\$150,000 "	12,483	47,600	12,193	191,565	371	5,665	10	279
\$200,000 "	6,572	37,789	6,760	120,018	213	6,040	7	311
\$300,000 and over	4,533	341,173	4,903	129,895	105	4,500	d	d
TOTAL - TAXABLE RETURNS	202,542	\$ 790,976	148,906	\$ 1,711,111	41,283	\$ 193,931	227	\$ 2,712
NONTAXABLE RESIDENT RETURNS								
Loss	439	\$ 1,419	4,778	\$ 52,479	6,396	\$ 48,116	19	\$ 440
\$0 under \$5,000	11,174	8,375	8,853	61,826	16,405	101,897	19	148
\$5,000 "	6,017	9,520	4,342	31,381	6,749	49,325	8	46
\$10,000 and over	9,053	29,712	8,158	116,966	8,622	128,478	45	1,707
TOTAL - NONTAXABLE RETURNS	26,683	\$ 49,026	26,131	\$ 262,653	38,172	\$ 327,816	91	\$ 2,341
ALL RESIDENT RETURNS	229,225	\$ 840,003	175,037	\$ 1,973,764	79,455	\$ 521,747	318	\$ 5,053
ALL NONRESIDENT RETURNS	14,945	\$ 75,074	9,021	\$ 483,189	3,516	\$ 14,700	36	\$ 322
TOTAL - ALL RETURNS	244,170	\$ 915,077	184,058	\$ 2,456,953	82,971	\$ 536,447	354	\$ 5,375

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

TABLE A-4 (Continued)
 TYPES OF DEDUCTIONS ON ALL TAX RETURNS BY HAWAII AGI CLASS - TAX YEAR 2013
 (\$ 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						
Under \$5,000	285	\$ 98	96	\$ 82	196	\$ 404
\$5,000 "	2,762	2,590	1,205	1,510	2,619	10,325
\$10,000 "	13,568	19,687	6,465	14,719	13,231	85,765
\$20,000 "	21,625	43,824	10,836	35,670	21,241	181,343
\$30,000 "	32,371	83,502	13,815	50,452	32,138	276,692
\$40,000 "	35,661	115,083	12,324	47,883	35,590	325,513
\$50,000 "	61,112	271,085	22,845	102,653	61,082	781,257
\$75,000 "	43,243	265,523	15,368	77,677	43,361	739,628
\$100,000 "	40,105	327,368	13,318	77,223	40,676	924,054
\$150,000 "	13,967	155,721	4,017	30,317	14,138	418,599
\$200,000 "	7,023	40,457	1,845	19,429	7,243	195,148
\$300,000 and over	4,780	43,610	1,175	77,148	4,876	435,170
TOTAL - TAXABLE RETURNS	276,502	\$ 1,368,550	103,309	\$ 534,762	276,391	\$ 4,373,897
NONTAXABLE RESIDENT RETURNS						
Loss	7,369	\$ 30,604	4,795	\$ 10,433	7,772	\$ 142,684
\$0 under \$5,000	17,211	31,384	9,756	7,685	18,381	210,076
\$5,000 "	7,747	18,353	4,296	7,400	7,981	115,621
\$10,000 and over	11,362	63,784	5,581	34,115	11,571	373,143
TOTAL - NONTAXABLE RETURNS	43,689	\$ 144,125	24,428	\$ 59,632	45,705	\$ 841,524
ALL RESIDENT RETURNS	320,191	\$ 1,512,674	127,737	\$ 594,395	322,096	\$ 5,215,422
ALL NONRESIDENT RETURNS	26,334	\$ 173,971	5,072	\$ 45,656	31,139	\$ 327,733
TOTAL - ALL RETURNS	346,525	\$ 1,686,645	132,809	\$ 640,050	353,235	\$ 5,543,155

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

TABLE A-4 (Continued)
 TYPES OF DEDUCTIONS ON ALL TAX RETURNS BY HAWAII AGI CLASS - TAX YEAR 2013
 (\$ in thousands)

Hawaii AGI Class	Standard Deductions		Total Allowable & Standard Deductions		Disallowed Itemized Deductions	
	Number of Returns	Amount	Number of Returns	Amount	Number of Returns	Amount
TAXABLE RESIDENT RETURNS						
Under \$5,000	15,522	\$ 31,339	15,718	\$ 31,743	-	\$ -
\$5,000 "	34,665	82,110	37,284	92,435	-	-
\$10,000 "	64,360	172,835	77,591	258,599	-	-
\$20,000 "	52,075	146,354	73,316	327,697	3	800
\$30,000 "	30,003	91,748	62,141	368,440	19	1,347
\$40,000 "	12,242	44,159	47,832	369,672	37	1,422
\$50,000 "	12,030	47,498	73,112	828,778	83	3,149
\$75,000 "	2,224	8,366	45,585	747,994	540	4,391
\$100,000 "	1,863	5,115	42,539	929,168	1,131	14,040
\$150,000 "	615	1,790	14,753	420,389	7,967	12,548
\$200,000 "	1,057	4,107	8,300	199,255	7,259	28,895
\$300,000 and over	1,243	4,879	6,119	440,048	4,937	161,553
TOTAL - TAXABLE RETURNS	227,899	\$ 640,300	504,290	\$ 5,014,220	21,976	\$ 228,144
NONTAXABLE RESIDENT RETURNS						
Loss	5,716	\$ 38,459	13,488	\$ 181,143	25	\$ 807
\$0 under \$5,000	53,875	114,279	72,256	324,356	36	1,239
\$5,000 "	3,861	14,919	11,842	130,540	13	405
\$10,000 and over	156	667	11,727	373,810	5	1,618
TOTAL - NONTAXABLE RETURNS	63,608	\$ 168,324	109,313	\$ 1,009,849	79	\$ 4,069
ALL RESIDENT RETURNS	291,507	\$ 808,624	613,603	\$ 6,024,069	22,055	\$ 232,213
ALL NONRESIDENT RETURNS	52,568	\$ 73,163	83,707	\$ 400,897	1,291	\$ 465,178
TOTAL - ALL RETURNS	344,075	\$ 881,787	697,310	\$ 6,424,965	23,346	\$ 697,391

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

TABLE A-5
 NUMBER OF DEPENDENTS, NUMBER OF EXEMPTIONS, TAX WITHHELD, PAYMENTS OF DECLARATION,
 BALANCE DUE, AND REFUNDS AND CARRIED FORWARD CREDITS BY HAWAII AGI CLASS - TAX YEAR 2013
 (\$ 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
TAXABLE RESIDENT RETURNS							
Under \$5,000	114	114	5,399	6,388	\$ 7,308	12,603	\$ 1,607
\$5,000 "	5,688	7,790	27,420	42,976	49,240	29,250	8,448
\$10,000 "	21,247	37,250	69,508	137,309	158,916	64,041	42,069
\$20,000 "	23,340	41,727	69,876	142,734	165,856	65,641	81,383
\$30,000 "	20,544	37,133	60,012	125,679	146,171	57,334	106,567
\$40,000 "	15,729	28,397	46,580	98,968	115,151	44,701	111,298
\$50,000 "	28,222	52,162	71,952	172,545	200,109	68,633	235,125
\$75,000 "	21,813	40,809	45,258	123,299	142,415	43,264	211,628
\$100,000 "	23,265	43,420	42,504	126,550	145,000	40,255	275,127
\$150,000 "	8,269	15,198	14,746	45,189	49,468	13,585	130,385
\$200,000 "	4,279	7,803	8,297	25,289	14,415	7,268	93,787
\$300,000 and over	2,872	5,396	6,109	18,777	6	4,841	127,954
TOTAL - TAXABLE RETURNS	175,382	317,199	467,661	1,065,703	\$ 1,194,055	451,416	\$ 1,425,379
NONTAXABLE RESIDENT RETURNS							
Loss	1,465	2,298	12,898	30,641	\$ 36,331	2,290	\$ 2,839
\$0 under \$5,000	6,789	10,690	66,054	145,920	171,984	17,305	1,798
\$5,000 " \$10,000	2,756	5,736	11,823	36,187	43,618	4,081	16,765
\$10,000 and over	2,325	4,437	11,711	36,034	44,398	4,858	5,127
TOTAL - NONTAXABLE RETURNS	13,335	23,161	102,486	248,782	\$ 296,331	28,534	\$ 26,528
ALL RESIDENT RETURNS	188,717	340,360	570,147	1,314,485	\$ 1,490,386	479,950	\$ 1,451,907
ALL NONRESIDENT RETURNS	23,131	42,607	79,712	184,932	\$ 51,846	40,730	\$ 64,674
TOTAL - ALL RETURNS	211,848	382,967	649,859	1,499,417	\$ 1,542,232	520,680	\$ 1,516,581

Note: Details may not add to totals due to rounding

^{1/} Includes estimated tax payments, extension payments and carryovers of credits from the prior year.

^{2/} Equal to the tax liability after tax credits less tax withheld, less payments of declaration and less payments made with extents

^{3/} Equal to the sum of refunds plus amounts credited to 2014 estimated taxes and plus check-box donations to school repair, public library and domestic violence funds.

TABLE A-5 (Continued)
NUMBER OF DEPENDENTS, NUMBER OF EXEMPTIONS, TAX WITHHELD, PAYMENTS OF DECLARATION,
BALANCE DUE, AND REFUNDS AND CARRIED FORWARD CREDITS BY HAWAII AGI CLASS - TAX YEAR 2013
(\$ in thousands)

Hawaii AGI Class	Payments of Declaration ^{1/}		Balance Due ^{2/}		Refunds and Amounts Credited ^{3/}	
	Number of Returns	Amount	Number of Returns	Amount	Number of Returns	Amount
TAXABLE RESIDENT RETURNS						
Under \$5,000	36	\$ 74	1,740	\$ 44	13,779	\$ 1,962
" \$10,000	275	324	3,472	230	33,637	8,819
" \$20,000	1,526	1,866	10,673	2,278	66,610	27,334
" \$30,000	2,279	3,466	9,898	3,901	63,102	33,026
" \$40,000	2,234	4,281	9,288	4,905	52,610	32,243
" \$50,000	1,914	4,638	7,854	4,996	39,749	28,966
" \$75,000	3,655	11,843	15,110	12,371	57,641	56,301
" \$100,000	2,706	12,198	9,780	10,863	35,611	48,997
" \$150,000	3,455	21,938	10,002	16,066	32,380	61,690
" \$200,000	2,103	20,433	4,055	11,201	10,610	27,854
" \$300,000	2,135	31,594	3,634	14,113	4,602	17,209
\$300,000 and over	2,838	227,677	2,725	40,319	3,299	67,737
TOTAL - TAXABLE RETURNS	25,156	\$ 340,333	88,231	\$ 121,287	413,630	\$ 412,139
NONTAXABLE RESIDENT RETURNS						
Loss	212	\$ 2,186	5	\$ 2	10,643	\$ 9,923
\$0 under \$5,000	343	644	31	-	62,770	11,680
" \$10,000	240	632	4	-	9,419	4,550
" \$10,000 and over	581	2,430	2	-	8,654	10,385
TOTAL - NONTAXABLE RETURNS	1,376	\$ 5,892	42	\$ 2	91,486	\$ 36,537
ALL RESIDENT RETURNS	26,532	\$ 346,225	88,273	\$ 121,289	505,116	\$ 448,677
ALL NONRESIDENT RETURNS	9,132	\$ 107,635	13,429	\$ 14,519	46,359	\$ 86,432
TOTAL - ALL RETURNS	35,664	\$ 453,860	101,702	\$ 135,808	551,475	\$ 535,108

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

^{1/} Includes estimated tax payments, extension payments and carryovers of credits from the prior year.

^{2/} Equal to the tax liability after tax credits less tax withheld, less payments of declaration and less payments made with extension.

^{3/} Equal to the sum of refunds plus amounts credited to 2014 estimated taxes and plus check-box donations to school repair, public library and domestic violence funds.

TABLE A-6
 AVERAGE TAX LIABILITIES AND EFFECTIVE TAX RATES FOR RESIDENT TAX RETURNS,
 BEFORE AND AFTER TAX CREDITS, BY HAWAII AGI CLASS - TAX YEAR 2013
 (\$ in thousands)

Hawaii AGI Class	Income Tax Liability				Effective Tax Rates				
	Before Credits		After Credits		Based on Taxable Income		Based on Hawaii AGI		
	Total	Average	Total	Average	Before Credits	After Credits	Before Credits	After Credits	
TAXABLE RESIDENT RETURNS									
Under \$5,000	\$ 259	\$ 0.0	\$ (238)	\$ (0.0)	1.5%	-1.4%	0.5%	-0.4%	
" \$5,000	3,309	0.1	173	0.0	2.4%	0.1%	1.2%	0.1%	
" \$10,000	28,645	0.4	18,853	0.2	3.9%	2.5%	2.5%	1.6%	
" \$20,000	65,074	0.9	55,695	0.8	4.9%	4.2%	3.6%	3.0%	
" \$30,000	90,198	1.5	83,484	1.3	5.5%	5.1%	4.2%	3.9%	
" \$40,000	96,618	2.0	91,942	1.9	5.8%	5.6%	4.5%	4.3%	
" \$50,000	212,613	2.9	202,997	2.8	6.2%	5.9%	4.7%	4.5%	
" \$75,000	198,058	4.3	185,662	4.1	6.5%	6.1%	5.0%	4.7%	
" \$100,000	276,532	6.5	251,406	5.9	6.8%	6.2%	5.4%	4.9%	
" \$150,000	148,034	10.0	134,151	9.1	7.2%	6.5%	5.9%	5.3%	
" \$200,000	133,949	16.1	122,278	14.7	7.6%	6.9%	6.8%	6.2%	
" \$300,000	378,586	61.9	328,208	53.6	8.8%	7.6%	8.0%	6.9%	
and over									
TOTAL - TAXABLE RETURNS	\$ 1,631,874	\$ 3.2	\$ 1,474,609	\$ 2.9	6.7%	6.1%	5.4%	4.8%	
NONTAXABLE RESIDENT RETURNS									
Loss									
\$0 under \$5,000			\$ (4,900)	\$ (0.4)					
" \$5,000			(9,255)	(0.1)					
" \$10,000			(2,709)	(0.2)					
and over			(2,834)	(0.2)					
TOTAL - NONTAXABLE RETURNS			\$ (19,698)	\$ (0.2)					
ALL RESIDENT RETURNS	\$ 1,631,874	\$ 3.2	\$ 1,454,911	\$ 2.4					

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

TABLE A-7
HAWAII AGI, TAXABLE INCOME, AND DEDUCTIONS CLAIMED BY RESIDENTS
BY TAX DISTRICT - TAX YEAR 2013
(\$ in thousands)

TAX STATISTIC	Tax 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	Number of Returns	Amount	Number of Returns	Amount
Hawaii AGI ^{1/}	435,246	\$ 22,579,225	70,224	\$ 3,201,641	76,710	\$ 3,013,656	31,423	\$ 1,343,952				
Taxable Income	359,263	\$ 18,117,725	58,936	\$ 2,612,730	60,192	\$ 2,408,565	25,899	\$ 1,092,816				
Standard Deduction	202,356	\$ 556,453	32,910	\$ 91,874	40,813	\$ 116,958	15,428	\$ 43,339				
Itemized Deductions												
Contributions	167,661	\$ 658,510	26,808	\$ 72,258	23,474	\$ 80,394	11,282	\$ 28,841				
Interest	126,526	1,454,595	18,759	229,291	21,500	201,345	8,252	88,532				
Medical and Dental	56,373	384,498	8,939	51,571	10,210	62,403	3,933	23,276				
Casualty Loss	205	3,231	40	1,019	52	586	21	217				
Taxes	231,290	1,136,598	37,208	152,668	35,757	151,409	15,936	71,999				
Miscellaneous	89,878	428,104	17,328	83,560	13,439	56,344	7,092	26,386				
Less: Disallowed Itemized Deductions	17,800	\$ 187,916	1,903	\$ 19,291	1,557	\$ 17,884	795	\$ 7,122				
Net: Allowable Itemized Deductions	232,890	\$ 3,877,620	37,314	\$ 571,076	35,897	\$ 534,597	15,995	\$ 232,129				

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

^{1/} Includes returns with negative Hawaii AGI.