



Iowa Itemized Deductions Worksheet

To be used only if your federal AGI plus any bonus depreciation adjustment and all other decoupling on line 14 of the IA 1040 is more than \$159,950 (\$79,975 when claiming married filing separately for federal purposes).

This worksheet will compute the amount of itemized deductions to enter on line 26 of the IA Schedule A.

STEP 1

Complete the IA 1040 Schedule A, lines 1-25.

STEP 2

Re-compute the federal Itemized Deduction Worksheet:

- 1. Enter the sum of lines 3, 8, 13, 17, 18, 24, and 25 from the IA Schedule A 1. _____
- 2. Enter any Iowa income tax from line 5 of the federal Schedule A (do not include school district/EMS surtax) 2. _____
- 3. Add amounts from lines 1 and 2 3. _____
- 4. Add the amounts on Iowa Schedule A, lines 3, 12, 18, plus gambling losses and casualty or theft losses included on line 25 and enter here. 4. _____
- 5. Is the amount on line 4 less than the amount on line 3?
 No. STOP! Your deduction is not limited. Enter the amount from line 1 above on the IA 1040, line 39
 Yes. Subtract line 4 from line 3 5. _____
- 6. Multiply line 5 by 80% (.80) 6. _____
- 7. Enter the amount from the federal 1040, line 38 plus any bonus depreciation adjustment and all other decoupling from line 14 of the IA 1040. 7. _____
- 8. Enter: \$159,950 if single, married filing jointly, head of household or qualifying widow(er); \$79,975 if married filing separately (based on how your federal return was filed) 8. _____
- 9. Is the amount on line 8 less than line 7?
 No. STOP! Your deduction is not limited. Enter the amount from line 1 above on IA 1040, line 39
 Yes. Subtract line 8 from line 7 9. _____
- 10. Multiply line 9 by 3% (.03) 10. _____
- 11. Enter the smaller of line 6 or line 10 ... 11. _____
- 12. Divide line 11 by 1.5 12. _____
- 13. Subtract line 12 from line 11 13. _____
- 14. Total adjusted federal itemized deductions: Subtract line 13 from line 3 and enter on Step 3, line 1 of the IA 104 14. _____

STEP 3

Complete the IA 104 below:

- 1. Enter the revised allowable federal itemized deductions as shown on Step 2 line 14 at left 1. _____
- 2. Enter the amount from Step 2 line 4 at left. 2. _____
- 3. Subtract line 2 from line 1. 3. _____
- 4. Enter the amount from Step 2 line 3 at left 4. _____
- 5. Subtract line 2 from line 4. 5. _____
- 6. Divide line 3 by line 5 and enter the percentage here. 6. _____ %
- 7. Enter the amount from Step 2 line 2 at left. 7. _____
- 8. Multiply line 7 by the percent on line 6. .8. _____
- 9. Subtract line 8 from line 1. Enter this amount on line 26 of the IA Schedule A. 9. _____

Keep this worksheet with your tax records.
DO NOT send it with your tax return.