

Legislative Fiscal Division

Montana Income Tax Payers Who Itemized Federal Taxes Paid

Representative McGillvray

01/17/10

Filers who Itemize Federal Tax Liability	Count	Percent of Total	Federal Tax Liability Claimed	Percent of Total	Average Federal Tax Liability Claimed
"A" Filers claiming \$5,000 federal deductibility	66,961	24%	334,805,000	33%	5,000
"B" Filers claiming \$5,000 federal deductibility	19,887	7%	99,435,000	10%	5,000
"A" filers claiming something less than \$5,000	89,384	32%	217,868,246	22%	2,437
"B" filers claiming something less than \$5,000	52,761	19%	100,299,856	10%	1,901
Married filers filing jointly claiming \$10,000	11,832	4%	118,320,000	12%	10,000
Married filers claiming something less than \$10,000	<u>39,988</u>	<u>14%</u>	<u>136,437,707</u>	<u>14%</u>	<u>3,412</u>
Total	<u>280,813</u>	<u>100%</u>	<u>1,007,165,809</u>	<u>100%</u>	<u>3,587</u>

Impact of the Cap on Federal Deductibility - State Income Taxes

Calendar Year	CPI Index	Percent Change	Federal Tax Deductibility Cap Current Law Single Filers	Federal Tax Deductibility Cap 2005 \$ Single Filers	Difference	Federal Tax Deductibility Cap Current Law Joint Filers	Federal Tax Deductibility Cap 2005 \$ Joint Filers	Difference
2005	1.95		\$5,000	\$5,000	-	\$10,000	\$10,000	-
2006	2.02	3.2%	5,000	4,844	(156)	10,000	9,688	(313)
2007	2.07	2.8%	5,000	4,710	(290)	10,000	9,420	(580)
2008	2.15	3.8%	5,000	4,537	(463)	10,000	9,073	(927)
2009	2.15	-0.3%	5,000	4,551	(449)	10,000	9,103	(897)
2010	2.18	1.7%	5,000	4,477	(523)	10,000	8,955	(1,045)
2011	2.21	1.6%	5,000	4,409	(591)	10,000	8,818	(1,182)
2012	2.26	1.9%	5,000	4,327	(673)	10,000	8,655	(1,345)
2013	2.30	2.0%	5,000	4,242	(758)	10,000	8,484	(1,516)
2014	2.35	2.2%	5,000	4,150	(850)	10,000	8,299	(1,701)
2015	2.41	2.2%	5,000	4,059	(941)	10,000	8,118	(1,882)
2016	2.46	2.1%	5,000	3,975	(1,025)	10,000	7,949	(2,051)
2017	2.51	2.1%	5,000	3,893	(1,107)	10,000	7,787	(2,213)
2018	2.56	2.2%	5,000	3,811	(1,189)	10,000	7,622	(2,378)
2019	2.61	2.0%	5,000	3,736	(1,264)	10,000	7,473	(2,527)
2020	2.66	1.9%	5,000	3,666	(1,334)	10,000	7,331	(2,669)
2021	2.72	2.1%	5,000	3,590	(1,410)	10,000	7,180	(2,820)
2022	2.78	2.1%	5,000	3,516	(1,484)	10,000	7,033	(2,967)
2023	2.84	2.1%	5,000	3,444	(1,556)	10,000	6,888	(3,112)
2024	2.89	2.1%	5,000	3,373	(1,627)	10,000	6,746	(3,254)
2025	2.96	2.1%	5,000	3,304	(1,696)	10,000	6,608	(3,392)
2026	3.02	2.1%	5,000	3,236	(1,764)	10,000	6,472	(3,528)
2027	3.08	2.1%	5,000	3,169	(1,831)	10,000	6,339	(3,661)
2028	3.15	2.1%	5,000	3,104	(1,896)	10,000	6,208	(3,792)
2029	3.21	2.1%	5,000	3,040	(1,960)	10,000	6,081	(3,919)
2030	3.28	2.1%	5,000	2,978	(2,022)	10,000	5,955	(4,045)

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Total	<u>280,813</u>	<u>100%</u>	<u>1,007,165,809</u>	<u>100%</u>	<u>3,587</u>

Impact of Inflation on the Cap on Federal Deductibility - State Income Taxes

Calendar Year	CPI Index	Percent Change	Federal Deductibility Cap - Current Law	Federal Deductibility Cap - Adjusted for Inflation	Difference
2007	2.07				
2008	2.15	3.8%	5,000	5,000	-
2009	2.15	-0.3%	5,000	5,000	-
2010	2.18	1.7%	5,000	5,000	-
2011	2.21	1.6%	5,000	5,078	78
2012	2.26	1.9%	5,000	5,173	173
2013	2.30	2.0%	5,000	5,278	278
2014	2.35	2.2%	5,000	5,395	395
2015	2.41	2.2%	5,000	5,515	515
2016	2.46	2.1%	5,000	5,633	633
2017	2.51	2.1%	5,000	5,750	750
2018	2.56	2.2%	5,000	5,874	874
2019	2.61	2.0%	5,000	5,992	992
2020	2.66	1.9%	5,000	6,107	1,107
2021	2.72	2.1%	5,000	6,236	1,236
2022	2.78	2.1%	5,000	6,366	1,366
2023	2.84	2.1%	5,000	6,500	1,500
2024	2.89	2.1%	5,000	6,637	1,637
2025	2.96	2.1%	5,000	6,776	1,776
2026	3.02	2.1%	5,000	6,918	1,918
2027	3.08	2.1%	5,000	7,064	2,064
2028	3.15	2.1%	5,000	7,212	2,212
2029	3.21	2.1%	5,000	7,363	2,363
2030	3.28	2.1%	5,000	7,518	2,518