

IOWA

OPTION 1: BRING EVERY QUALIFYING CHILD UP TO FULL \$2,000 CREDIT

WHO BENEFITS?

442,000 IOWA RESIDENTS

31% of Iowa Children Under 17, (285,000)

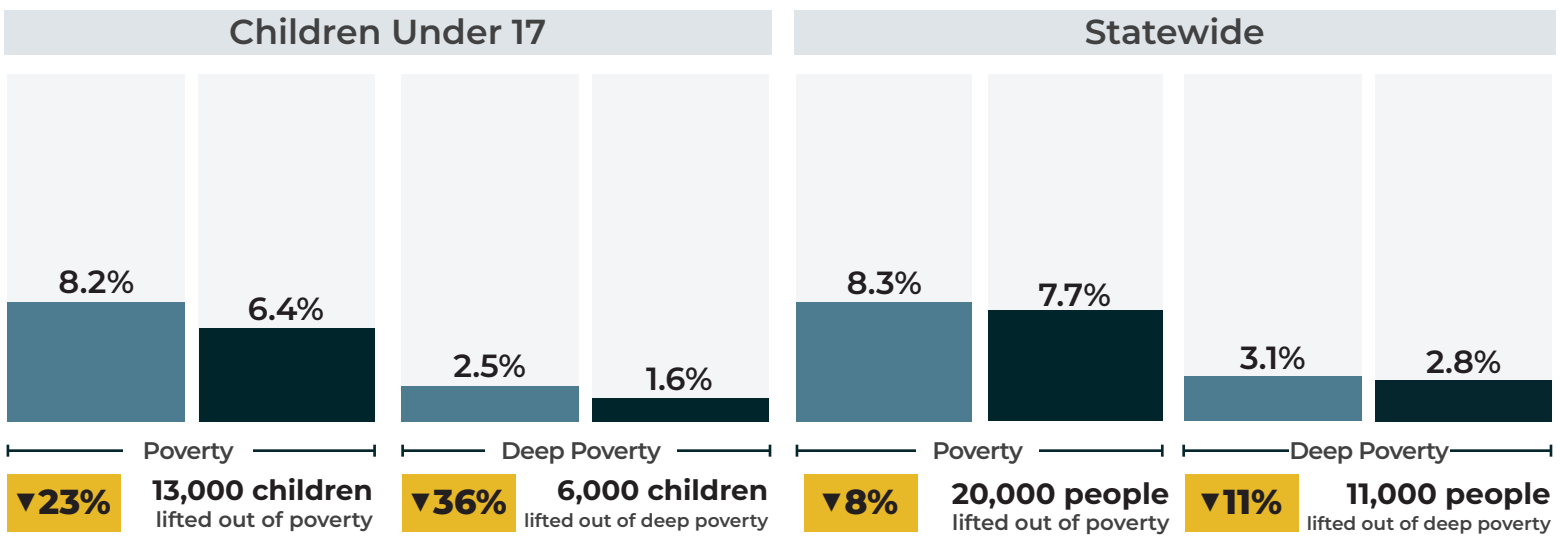
7% of Iowa Adults, (157,000)

Child poverty reduced by **23%** ↓

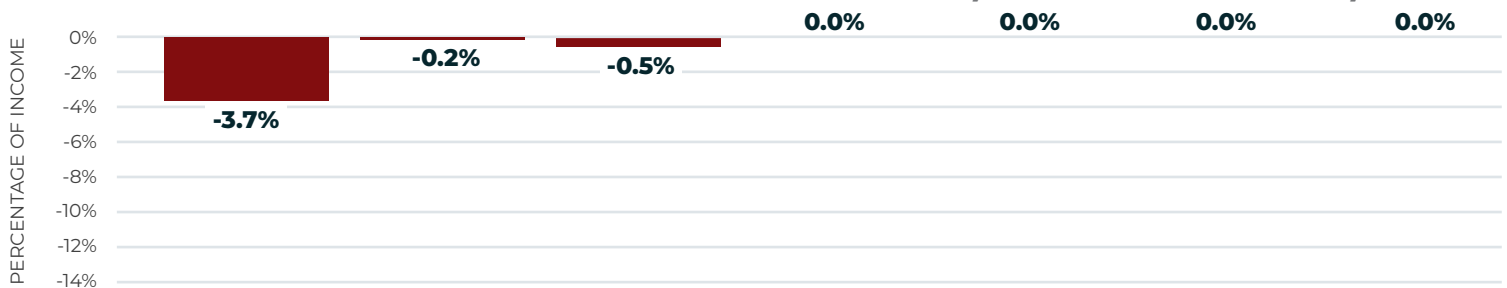
Deep child poverty reduced by **36%** ↓

Estimated Total Cost in 2019
\$281,000,000

POVERTY REDUCTION, 2019 ■ PRE-CREDIT ■ POST-CREDIT



AVERAGE TAX CHANGE AS PERCENTAGE OF INCOME, BY INCOME GROUP, 2019



INCOME GROUP

LOWEST 20% SECOND 20% MIDDLE 20% FOURTH 20% NEXT 15% NEXT 4% TOP 1%

AVERAGE TAX CUT FOR THOSE BENEFITTING

\$2,700 **\$1,290** **\$2,580** **\$3,800**

SHARE OF TAXPAYERS WITH TAX CUT

54% 7% 31% 3%

INCOME RANGE <\$25,000 \$25,000 - 43,000 \$43,000 - 66,000 \$66,000 - 105,000 \$105,000 - 199,000 \$199,000 - 450,000 >\$450,000

AVERAGE INCOME \$13,000 \$35,000 \$53,000 \$83,000 \$135,000 \$275,000 \$1,047,000

IOWA

OPTION 2: BRING QUALIFYING CHILDREN 6 AND UNDER UP TO \$3,600 AND OLDER CHILDREN TO \$3,000

WHO BENEFITS? 1,106,000 IOWA RESIDENTS

68% of Iowa Children Under 17, (618,000)

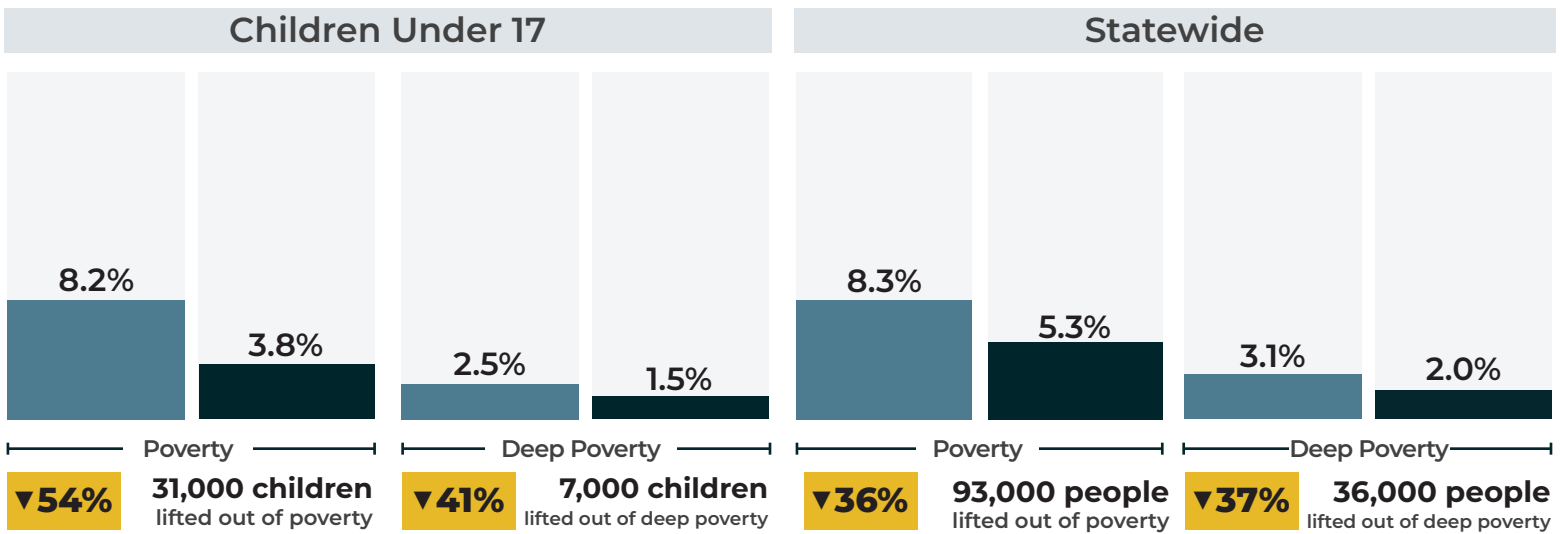
22% of Iowa Adults, (488,000)

Child poverty reduced by **54%** ↓

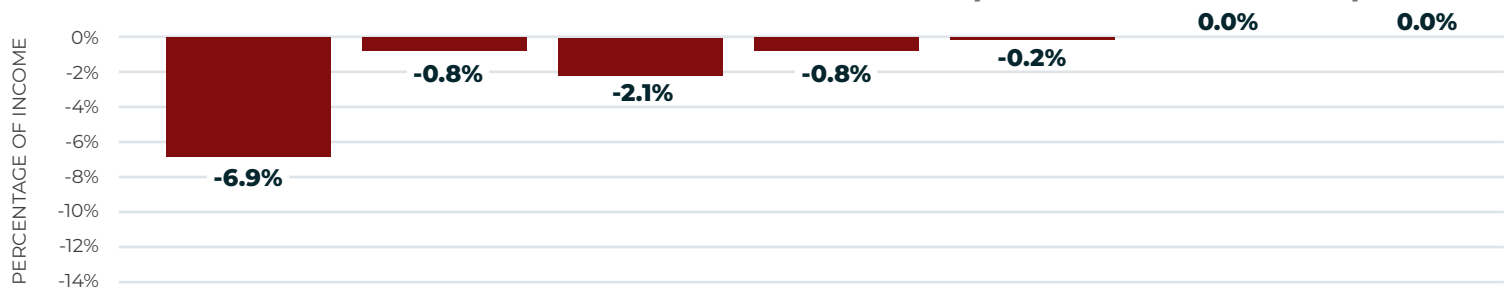
Deep child poverty reduced by **41%** ↓

Estimated Total Cost in 2019
\$978,000,000

POVERTY REDUCTION, 2019 ■ PRE-CREDIT ■ POST-CREDIT



AVERAGE TAX CHANGE AS PERCENTAGE OF INCOME, BY INCOME GROUP, 2019



| INCOME GROUP | LOWEST 20% | SECOND 20% | MIDDLE 20% | FOURTH 20% | NEXT 15% | NEXT 4% | TOP 1% |
|--|----------------|-------------------|-------------------|--------------------|---------------------|---------------------|-------------|
| AVERAGE TAX CUT FOR THOSE BENEFITTING | \$4,970 | \$2,630 | \$3,870 | \$2,270 | \$2,180 | \$1,080 | |
| SHARE OF TAXPAYERS WITH TAX CUT | 28% | 8% | 35% | 20% | 6% | 0% | |
| INCOME RANGE | <\$25,000 | \$25,000 - 43,000 | \$43,000 - 66,000 | \$66,000 - 105,000 | \$105,000 - 199,000 | \$199,000 - 450,000 | >\$450,000 |
| AVERAGE INCOME | \$13,000 | \$35,000 | \$53,000 | \$83,000 | \$135,000 | \$275,000 | \$1,047,000 |

Sources: Institute on Taxation and Economic Policy, Columbia Center on Poverty and Social Policy