

**Iowa Out-of-state Credit Computation**

Name(s) as shown on page 1 of the IA 1040

Social Security Number

**GENERAL INSTRUCTIONS:**

Also see instructions for line 62, IA 1040.

- Nonresidents of Iowa may not claim this credit.
- Part-year residents of Iowa may claim this credit **ONLY** if any income earned while an Iowa resident was also taxed by another state or foreign country.
- The tax imposed on your income is the tax shown on the income tax return you filed with that state or foreign country.
- You must complete a separate IA 130 for each state or foreign country. Separate IA 130s are not required for foreign taxes paid by mutual funds or other regulated investment companies.

**NOTE:** The credit or portion of the credit must not exceed the amount of the Iowa tax imposed on the same income that was taxed by the other state or foreign country.

**Shareholders of S corporations** who have income from the corporation that was apportioned outside Iowa and not taxed by Iowa **cannot** claim an out-of-state credit on this income.

**SECTION I – FULL-YEAR IOWA RESIDENTS ONLY**

1. Amount of gross income you received that was taxed by Iowa and taxed by the other state/foreign country ..... 1.
2. Gross taxable income for residents from line 15, IA 1040 ..... 2.
3. Divide line 1 by line 2 and enter the percentage. Do not exceed 100.0%. ..... 3.
4. Tax from line 54, IA 1040, less lump sum tax and minimum tax ..... 4.
5. Multiply line 4 by the percentage on line 3. .... 5.
6. Enter the tax imposed by the other state or foreign country. .... 6.
7. Enter the SMALLER of lines 5 or 6. This is your Out-of-state Tax Credit.  
Enter this amount on line 62, IA 1040. .... 7.

**SECTION II – PART-YEAR IOWA RESIDENTS ONLY**

1. Amount of gross income you received **while you were an Iowa resident** that was taxed by Iowa and taxed by the other state/foreign country ..... 1.
2. Gross taxable income for part-year residents from line 15, IA 126 ..... 2.
3. Divide line 1 by line 2 and enter the percentage. Do not exceed 100.0%. ..... 3.
4. Tax from line 54, IA 1040, less lump-sum tax and minimum tax ..... 4.
5. Multiply line 4 by the percentage on line 3. .... 5.
6. Enter the tax imposed by the other state or foreign country. .... 6.
7. Enter the total amount of gross income taxed by the other state/foreign country. .... 7.
8. Divide line 1 by line 7 and enter the percentage. Do not exceed 100.0%. ..... 8.
9. Multiply line 6 by the percentage on line 8. .... 9.
10. Enter the SMALLER of lines 5 or 9. This is your Out-of-state Tax Credit  
Enter this amount on line 62, IA 1040. .... 10.

**Enclose the following with your Iowa return:**

- This schedule: IA 130
- The income tax return you filed with the other state
- If you are claiming the credit for taxes paid to a foreign country, include federal form 1116, Foreign Tax Credit, if it is required with your federal return.

If you were assessed a minimum tax or a special tax on a lump-sum distribution by another state, see our Expanded Instructions on our Web site, [www.iowa.gov/tax](http://www.iowa.gov/tax)

**Name of State / Country that taxed income also taxed by Iowa:**

Spouse: \_\_\_\_\_ You: \_\_\_\_\_

Column B Spouse Status 3 Only	Column A You or Joint
.00 ▲ .00	.00
.00 .00	.00
% %	%
.00 .00	.00
.00 .00	.00
.00 ▲ .00	.00
.00 .00	.00

Column B Spouse Status 3 Only	Column A You or Joint
.00 ▲ .00	.00
.00 .00	.00
% %	%
.00 .00	.00
.00 .00	.00
.00 ▲ .00	.00
.00 ▲ .00	.00
% %	%
.00 .00	.00
.00 .00	.00