

ZIP Code Data Tax Year 2012 Documentation Guide

Contents

- A. Overview
- B. Nature of Changes
- C. Population Definitions and Tax Return Addresses
- D. Disclosure Protection Procedures
- E. File Characteristics
- F. Selected Income and Tax Items
- G. Endnotes

A. Overview

The Statistics of Income (SOI) division bases its ZIP code data on administrative records of individual income tax returns (Forms 1040) from the Internal Revenue Service (IRS) Individual Master File (IMF) system. Included in these data are returns filed during the 12-month period, January 1, 2013 to December 31, 2013. While the bulk of returns filed during the 12-month period are primarily for Tax Year 2012, the IRS received a limited number of returns for tax years before 2012 and these have been included within the ZIP code data.

B. Nature of Changes

The following changes have been made to the Tax Year 2012 ZIP Code data:

- Three new variables have been added to the data: Number of single returns, number of head of household returns, and the amount of adjusted gross income (AGI) for returns with itemized deductions. Please refer to section F for a complete list of variables and their corresponding names.
- To enhance the disclosure protection procedures of the data, all number of returns variables have been rounded to the nearest 10.
- Due to enhanced disclosure protection procedures, the CSV files will no longer contain values of 0.0001. Please refer to section D for details.

C. Population Definitions and Tax Return Addresses

- ZIP Code data are based on population data that was filed and processed by the IRS during the 2013 calendar year.
- State totals may not be comparable to State totals published elsewhere by SOI because of specific disclosure protection features in the ZIP code data.[1]
- Data do not represent the full U.S. population because many individuals are not required to file an individual income tax return.
- The address shown on the tax return may differ from the taxpayer's actual residence.
- State codes were based on the ZIP code shown on the return.
- Excluded were tax returns filed without a ZIP code and returns filed with a ZIP code that did not match the State code shown on the return.
- Excluded were tax returns filed using Army Post Office (APO) and Fleet Post Office addresses, foreign addresses, and addresses in Puerto Rico, Guam, Virgin Islands, American Samoa, Marshall Islands, Northern Marianas, and Palau.

D. Disclosure Protection Procedures

SOI did not attempt to correct any ZIP codes on the returns; however, it did take the following precautions to avoid disclosing information about specific taxpayers:

- ZIP codes with less than 100 returns and those identified as a single building or nonresidential ZIP code were categorized as “other” (99999).
- Income and tax items with less than 20 returns for a particular AGI class were combined with another AGI class within the same ZIP Code. Prior versions of the ZIP code data identified collapsed AGI classes with a numeric value of 0.0001. This and future versions of the data will only identify the collapsed AGI classes in the excel files with a double asterisk (**).
- All number of returns variables have been rounded to the nearest 10.
- Excluded from the data are items with less than 20 returns within a ZIP code.
- Excluded from the data are tax returns with a negative adjusted gross income.
- Excluded are tax returns representing a specified percentage of the total of any particular cell. For example, if one return represented 75 percent of the value of a given cell, the return was suppressed from the tabulation. The actual threshold percentage used cannot be released.

E. File Characteristics

The ZIP code data are available in three formats:

- (1) Individual state excel files—**12zp##xx.xls** (## = 01-51; xx = AL-WY)
- (2) A comma separated file (.csv) with AGI classes —**12zpallagi.csv**
- (3) A comma separated file[2] without AGI classes(The AGI_STUB variable has been set to zero for this file)—**12zpallnoagi.csv**

For all the files, the money amounts are reported in thousands of dollars.

F. Selected Income and Tax Items

VARIABLE NAME	DESCRIPTION	VALUE/LINE REFERENCE	TYPE
STATEFIPS	The State Federal Information Processing System (FIPS) code	01-56	Char
STATE	The State associated with the ZIP code	Two-digit State abbreviation code	Char
ZIPCODE	5-digit Zip code		Char
AGI_STUB	Size of adjusted gross income	1 = \$1 under \$25,000 2 = \$25,000 under \$50,000 3 = \$50,000 under \$75,000 4 = \$75,000 under \$100,000 5 = \$100,000 under \$200,000 6 = \$200,000 or more	Num
N1	Number of returns		Num
MARS1	Number of single returns	Filing status is single	Num
MARS2	Number of joint returns	Filing status is married filing jointly	Num
MARS4	Number of head of household returns	Filing status is head of household	Num

PREP	Number of returns with paid preparer's signature		Num
N2	Number of exemptions	1040:6d	Num
NUMDEP	Number of dependents	1040:6c	Num
A00100	Adjust gross income (AGI) [2]	1040:37 / 1040A:21 / 1040EZ: 4	Num
N00200	Number of returns with salaries and wages	1040:7 / 1040A:7 / 1040EZ:1	Num
A00200	Salaries and wages amount	1040:7 / 1040A:7 / 1040EZ:1	Num
N00300	Number of returns with taxable interest	1040:8a / 1040A:8a / 1040EZ: 2	Num
A00300	Taxable interest amount	1040:8a / 1040A:8a / 1040EZ: 2	Num
N00600	Number of returns with ordinary dividends	1040:9a / 1040A:9a	Num
A00600	Ordinary dividends amount	1040:9a / 1040A:9a	Num
N00650	Number of returns with qualified dividends	1040:9b / 1040A:9b	Num
A00650	Qualified dividends amount [3]	1040:9b / 1040A:9b	Num
N00900	Number of returns with business or professional net income (less loss)	1040:12	Num
A00900	Business or professional net income (less loss) amount	1040:12	Num
SCHF	Number of farm returns	1040:18	Num
N01000	Number of returns with net capital gain (less loss)	1040:13 1040A:10	Num
A01000	Net capital gain (less loss) amount	1040:13 1040A:10	Num
N01400	Number of returns with taxable individual retirement arrangements distributions	1040:15b / 1040:11b	Num
A01400	Taxable individual retirement arrangements distributions amount	1040:15b / 1040:11b	Num
N01700	Number of returns with taxable pensions and annuities	1040:16b / 1040A:12b	Num
A01700	Taxable pensions and annuities amount	1040:16b / 1040A:12b	Num
N02300	Number of returns with unemployment compensation	1040:19 / 1040A:13 / 1040EZ: 3	Num
A02300	Unemployment compensation amount [4]	1040:19 / 1040A:13 / 1040EZ: 3	Num
N02500	Number of returns with taxable Social Security benefits	1040:20b / 1040A:14b	Num
A02500	Taxable Social Security benefits amount	1040:20b / 1040A:14b	Num
N03300	Number of returns with self-employment retirement plans	1040:28	Num
A03300	Self-employment retirement plans amount	1040:28	Num

N04470/ N00101	Number of returns with itemized deductions	1040:40	Num
A00101	Amount of AGI for itemized returns	1040:37	Num
A04470	Total itemized deductions amount	1040:40	Num
N18425	Number of returns with State and local income taxes	Schedule A:5a	Num
A18425	State and local income taxes amount	Schedule A:5a	Num
N18450	Number of returns with State and local general sales tax	Schedule A:5b	Num
A18450	State and local general sales tax amount	Schedule A:5b	Num
N18500	Number of returns with real estate taxes	Schedule A:6	Num
A18500	Real estate taxes amount	Schedule A:6	Num
N18300	Number of returns with taxes paid	Schedule A:9	Num
A18300	Taxes paid amount	Schedule A:9	Num
N19300	Number of returns with mortgage interest paid	Schedule A:10	Num
A19300	Mortgage interest paid amount	Schedule A:10	Num
N19700	Number of returns with contributions	Schedule A:19	Num
A19700	Contributions amount	Schedule A:19	Num
N04800	Number of returns with taxable income	1040:43 / 1040A:27 / 1040EZ: 6	Num
A04800	Taxable income amount	1040:43 / 1040A:27 / 1040EZ: 6	Num
N09600	Number of returns with alternative minimum tax	1040:45	Num
A09600	Alternative minimum tax amount	1040:45	Num
N07100	Number of returns with total tax credits	1040:54 / 1040A:34	Num
A07100	Total tax credits amount	1040:54 / 1040A:34	Num
N07180	Number of returns with child and dependent care credit	1040:48 / 1040A:29	Num
A07180	Child and dependent care credit amount	1040:48 / 1040A:29	Num
N07220	Number of returns with child tax credit	1040:51 / 1040A:33	Num
A07220	Child tax credit amount	1040:51 / 1040A:33	Num
N07260	Number of returns with residential energy tax credit	1040:52	Num
A07260	Residential energy tax credit amount	1040:52	Num
N11070	Number of returns with additional child tax credit	1040:65 / 1040A:39	Num
A11070	Additional child tax credit amount	1040:65 / 1040A:39	Num

N59660	Number of returns with earned income credit	1040:64a / 1040A:38a / 1040EZ:8b	Num
A59660	Earned income credit amount [5]	1040:64a / 1040A:38a / 1040EZ:8b	Num
N59720	Number of returns with excess earned income credit	1040:64a / 1040A:38a / 1040EZ:8b	Num
A59720	Excess earned income credit (refundable) amount [6]	1040:64a / 1040A:38a / 1040EZ:8b	Num
N06500	Number of returns with income tax	1040:55 / 1040A:35 / 1040EZ:10	Num
A06500	Income tax amount [7]	1040:55 / 1040A:35 / 1040EZ:10	Num
N10300	Number of returns with tax liability	1040:61 / 1040A:35 / 1040EZ:10	Num
A10300	Total tax liability amount [8]	1040:61 / 1040A:35 / 1040EZ:10	Num
N11901	Number of returns with tax due at time of filing	1040:76 / 1040A:45 / 1040EZ:12	Num
A11901	Tax due at time of filing amount [9]	1040:76 / 1040A:45 / 1040EZ:12	Num
N11902	Number of returns with overpayments refunded	1040:73 / 1040A:42 / 1040EZ:11a	Num
A11902	Overpayments refunded amount [10]	1040:73 / 1040A:42 / 1040EZ:11a	Num

G. Endnotes:

[1] For complete individual income tax tabulations at the State level, see the historic table posted to Tax Stats at <http://www.irs.gov/uac/SOI-Tax-Stats---Historic-Table-2>.

[2] Does not include returns with adjusted gross deficit.

[3] "Qualified dividends" are ordinary dividends received in tax years beginning after 2002 that meet certain conditions and receive preferential tax rates. The maximum qualified dividends tax rate is 15%.

[4] Includes the Alaskan permanent fund, reported by residents of Alaska on Forms 1040A and 1040EZ's. This fund only applies to statistics in the totals, and the state of Alaska.

[5] Earned income credit includes both the refundable and non-refundable portions. The non-refundable portion could reduce income tax and certain related taxes to zero. The earned income credit amounts in excess of total tax liability, or amounts when there was no tax liability at all, were refundable. See footnote 6 below for explanation of the refundable portion of the earned income credit.

[6] The refundable portion of the earned income credit equals total income tax minus the earned income credit. If the result is negative, this amount is considered the refundable portion. No other refundable credits were taken into account for this calculation.

[7] Income tax reflects the amount reported on Form 1040 line 55. It also includes data from Form 1040A and 1040EZ filers.

[8] "Total tax liability" differs from "Income tax", in that "Total tax liability" includes the taxes from recapture of certain prior-year credits, tax applicable to individual retirement arrangements (IRA's), social security taxes on self-employment income and on certain tip income, advanced earned income payments, household employment taxes, and certain other taxes listed in the Form 1040 instructions.

[9] Reflects payments to or withholdings made to "Total tax liability". This is the amount the tax filer owes when the income tax return is filed.

[10] The amount of overpayments the tax filer requested to have refunded.