



Mission Statement:
The mission of the Iowa Department of Revenue is to serve Iowans and support state government by collecting all taxes required by law, but no more.

Iowa Tax Reform Guidance: Teacher Expense Deduction

Iowa Governor Kim Reynolds signed Senate File 2417, an extensive state tax reform bill to improve the tax structure in Iowa. The 2018 Iowa Tax Reform Bill includes an updated federal conformity provision for tax year 2018, which allows the same Teacher Expense Deduction at the state level that is allowed at the federal level.

Teachers are allowed to deduct up to \$250 in expenses paid during the year for classroom supplies and professional development courses on their federal tax return. While this deduction was not allowed in Iowa in tax years 2016 and 2017, it will be available again in tax year 2018 for qualifying expenses paid during 2018. This means Iowa teachers can deduct up to \$250 in expenses on their 2018 tax return. The teacher does not have to itemize their deductions to take advantage of this deduction.



Qualifying for the Iowa Teacher Expense Deduction

An eligible educator is defined as a kindergarten through grade 12 teacher, instructor, counselor, principal or aide for at least 900 hours a school year in a school that provides elementary or secondary education as determined under state law.

Qualified expenses are amounts teachers paid or incurred for participation in professional development courses, books, supplies, computer equipment (including related software and services), other equipment, and supplementary materials that teachers use in the classroom. For courses in health or physical education, the expenses for supplies must be for athletic supplies. If a teacher is reimbursed for their expenses, that amount is not deductible.

What does this mean?

- Teachers are allowed to deduct up to \$250 in expenses paid during 2018 for classroom supplies and professional development courses on their 2018 state tax return to the same extent the deduction was allowed at the federal level.
- For married couples filing jointly, if both spouses are eligible educators, each may deduct up to \$250 in qualifying expenses, for a total of up to \$500.