

# Iowa Individual Income Tax

I'm a Nonresident with  
Iowa Gambling Winnings

What Should I Do?

Tax information for individuals  
from the

**IOWA**  Department of **REVENUE**

# Do I Pay Tax on Iowa Gambling Winnings if I Don't Live in Iowa?

**YES**

Gambling winnings are fully taxable in Iowa even if the winner is not an Iowa resident.

# How Much Can I Win Before I Need to File an Iowa Income Tax Return?

- Generally, nonresidents are required to file an Iowa return if **Iowa-source income, including gambling winnings**, is \$1,000 or more.
- See [I'm a Nonresident Do I Need To File?](#) for additional details.

# How Do I Report My Iowa Gambling Winnings?

- The winnings are reported on an IA 1040 long form.
- Anyone reporting either gambling winnings or losses cannot use the IA 1040A short form.

# Iowa Tax Was Withheld From my Winnings – Isn't That Enough?

- The withholding of state income tax from your winnings will not necessarily satisfy your Iowa tax responsibilities. Only by completing the IA 1040 can the correct amount of Iowa tax be determined.
- You may owe more state income tax than was withheld, depending on different variables, such as your total Iowa income or your total income from all sources.
- If the amount withheld exceeds the Iowa tax calculated on form IA 1040, you will be eligible for a refund of that portion of the tax withheld.
- **NOTE:** Nonresidents are not exempt from Iowa tax or Iowa withholding and usually will not receive a full refund of the Iowa tax withheld.

# How Do I Complete the Iowa Tax Return?

- On the IA 1040, show your income from all sources.
- Show gambling winnings as other income on line 14.
- Deduct eligible gambling losses on [Schedule A](#) (pdf).
- Complete the return through line 50.
- Then fill out [Schedule IA 126](#) showing only the Iowa income amount(s).
- Determine your nonresident credit on the IA 126 based upon the percentage of Iowa income to total income. Take this credit on line 51 of the IA 1040 and complete the remainder of the IA 1040.

# How Do I Deduct My Gambling Losses on Schedule A?

- If you itemize, you may claim gambling losses **as a miscellaneous deduction** on Schedule A.
- This deduction cannot be more than your winnings.
  - For example, if your gambling winnings for the year are \$1,000, your deduction for gambling losses cannot exceed \$1,000.
- **Taxpayers who claim the standard deduction on the Iowa return cannot deduct their gambling losses**, although they must still report gambling winnings.

# Do You Have Examples of Tax Returns I Can Look At?

**YES**

See these [examples of tax returns](#) addressing gambling winnings and losses, particularly for out-of-state taxpayers.

# How Do I File?

- See our Web site for [filing options](#).
- You may be eligible to [eFile for free](#).
  - Get your refund in days instead of weeks.
  - Its fast, accurate, and secure.

# Questions?

- For additional information see [Iowa Tax on Gambling Winnings](#).
- Call us: 8 a.m. - 4:15 p.m. Central Time  
515-281-3114 or  
1-800-367-3388 (Iowa, Omaha, Rock Island, Moline)
- E-mail us at [idr@iowa.gov](mailto:idr@iowa.gov)