

TABLE 23. INDIVIDUAL INCOME TAX RATES and NET COLLECTIONS and PERSONAL INCOME FOR THOSE STATES LEVYING A TAX ON PERSONAL INCOME

State	Federal deductibility	Marginal rates and tax brackets for single filers for 2004 income year [Refer to footnotes as applicable]	Individual income tax deduction amounts in effect for 2004 income year				Population July 1, 2003 (Bureau of Census) [1,000s]	Individual income tax collections fiscal year 2003*			Personal income 2002		Individual income tax collections as a % of personal income	
			Standard Deduction		Personal Exemptions			Amount [\$1,000s]	Per capita		Amount [\$1,000s]	Per capita [\$]	[%]	Rank
			Single	Joint	Single	Dependent			Amount [\$1.00]	Rank				
Alabama	yes	2%>\$0; 4%>\$500; 5%>\$3K	\$2,000	\$4,000	\$1,500	\$300	4,504	2,035,538	451.94	37	114,692,872	25,595	1.77%	36
Arizona	no	2.87%>\$0; 3.20%>\$10K; 3.74%>\$25K; 4.72%>\$50K; 5.04%>\$150K	\$4,050	\$8,100	\$2,100	\$2,100	5,579	2,102,361	376.83	39	145,114,394	26,680	1.45%	40
Arkansas	no	1%>\$0; 2.5%>\$3,399; 3.5% >\$6,799; 4.5%>\$10,299; 6%>\$17,099; 7%>\$28,499 [Special rates apply to low income taxpayers. Indexed for inflation.]	\$2,000	\$4,000	\$20	\$20	2,728	1,528,231	560.20	34	63,544,951	23,470	2.40%	19
California	no	1%>\$0; 2%>\$6,147; 4%>\$14,571; 6%>\$22,997; 8%>\$31,925; 9.3%>\$40,346 [Indexed for inflation]	\$3,070	\$6,140	\$80	\$251	35,463	32,709,761	922.36	7	1,149,183,269	32,845	2.85%	8
Colorado	no	4.63 % of federal taxable income	-----	-----	-----	-----	4,548	3,235,796	711.48	17	153,961,846	34,228	2.10%	32
Connecticut	no	3%>\$0; 5%>\$10K	-----	-----	\$12,500*	-----	3,487	3,639,362	1,043.69	5	147,082,014	42,521	2.47%	16
Delaware	no	2.2%>\$2K; 3.9%>\$5K; 4.8%>\$10K; 5.2%>\$20K; 5.55%>\$25K; 5.95%>\$60K	\$3,250	\$6,500	\$110	\$110	818	710,304	868.34	9	26,669,911	33,085	2.66%	13
Georgia	no	1%>\$0; 2%>\$750; 3%>\$2,250; 4%>\$ 3,750; 5%>\$5,250; 6%>\$7K	\$2,300	\$3,000	\$2,700	\$2,700	8,676	6,271,374	722.84	16	244,999,712	28,689	2.56%	14
Hawaii	no	1.4%>\$0; 3.2%>\$2K; 5.5%>\$4K; 6.4%>\$8K; 6.8%>\$12K; 7.2%>\$16K; 7.6%>\$20K; 7.9%>\$30K; 8.25%>\$40K	\$1,500	\$1,900	\$1,040	\$1,040	1,249	1,037,854	830.95	12	36,482,311	29,552	2.84%	9
Idaho	no	1.6%>\$0; 3.6%>\$1,104; 4.1%>\$2,207; 5.1%>\$3,311; 6.1%>\$4,415; 7.1%>\$5,518; 7.4%>\$8,278; 7.8%>\$22,074	\$4,850	\$9,700	\$3,100	\$3,100	1,367	843,780	617.25	25	34,381,128	25,597	2.45%	17
Illinois	no	3% of FAGI with modification	-----	-----	\$2,000	\$2,000	12,649	7,340,982	580.36	32	409,140,348	32,510	1.79%	35
Indiana	no	3.4% of FAGI with modification	-----	-----	\$1,000	\$1,000	6,200	3,644,159	587.77	29	172,184,567	27,960	2.12%	31
Iowa	yes	0.36 %>\$0; 0.72%>\$1,242; 2.43%>\$2,484; 4.5%>\$4,968; 6.12%>\$11,178; 6.48%>\$18,630; 6.8%>\$24,840; 7.92%>\$37,260; 8.98%>\$55,890	\$1,580*	\$3,880*	\$40	\$40	2,942	1,791,129	608.81	27	81,745,234	27,854	2.19%	28
Kansas	no	3.5%>\$0; 6.25%>\$15K; 6.45%>\$30K	\$3,000	\$6,000	\$2,250	\$2,250	2,725	1,776,884	652.07	22	78,267,830	28,850	2.27%	24
Kentucky	no	2%>\$0; 3%>\$3K; 4%>\$4K; 5%>\$5K; 6%>\$8K	\$1,870	\$1,870	\$20	\$20	4,118	2,813,947	683.33	19	105,428,829	25,777	2.67%	12
Louisiana	yes	2 %>\$0; 4%>\$12,500; 6%>\$25,000	-----	-----	\$4,500*	\$1,000	4,494	1,867,150	415.48	38	114,457,452	25,565	1.63%	38
Maine	no	2%>\$0; 4.5%>\$4,350; 7%>\$8,650; 8.5%>\$17,350	\$4,850	\$8,150	\$2,850*	\$2,850*	1,309	1,074,826	821.10	13	36,566,283	28,177	2.94%	7

\*[Declining tax credit applies in lieu of deductions, exemptions; credit declines to 0%>\$54,500 income.]

[Taxpayers receive a \$20 tax credit per exemption in addition to the normal exemption amount.]

\*[Indexed for inflation]

\*[Standard deduction and personal exemptions combined: \$4,500 S,M,F,S; \$9K MFJ,HH]

\*[Indexed for inflation]

TABLE 23. -Continued

State	Federal deduct- ibility	Marginal rates and tax brackets for single filers for 2004 income year [Refer to footnotes as applicable]	Individual income tax deduction amounts in effect for 2004 income year				Population July 1, 2003 (Bureau of Census) [1,000s]	Individual income tax collections fiscal year 2003*			Personal income 2002		Individual income tax collections as a % of per- sonal income			
			Standard		Deduction			Personal Exemptions		Amount [\$1,000s]	Per capita		Amount [\$1,000s]	Per capita [\$]	[%]	Rank
			Single	Joint	Single	Dependent		Amount [\$1.00]	Rank							
Maryland	no	2%>\$0; 3%>\$1K; 4%>\$2K; 4.75%>\$3K	\$2,000	\$4,000	\$2,400	\$2,400	5,512	4,681,860	849.39	10	198,925,918	36,557	2.35%	22		
Massachu- setts	no	5.3% or 12% (certain capital gains)	-----	-----	\$3,300	\$1,000	6,420	8,026,149	1,250.18	1	249,918,793	38,973	3.21%	5		
Michigan	no	3.9% of FAGI with modification	-----	-----	\$3,100	\$3,000	10,082	6,519,643	646.66	23	301,759,677	30,048	2.16%	29		
Minnesota	no	5.35%>\$0; 7.05%>\$19,440; 7.85%>\$63,860	\$4,850	\$9,700	\$3,100	\$3,100	5,064	5,374,550	1,061.33	4	166,729,938	33,180	3.22%	4		
Mississippi	no	3%>\$0; 4%>\$5K; 5% >\$10K	\$2,300	\$4,600	\$6,000	\$1,500	2,883	1,020,028	353.81	40	64,552,413	22,511	1.58%	39		
Missouri	yes*	1.5%>\$0; 2%>\$1K; 2.5%>\$2K; 3%>\$3K; 3.5%>\$4K; 4%>\$5K; 4.5%>\$6K; 5%>\$7K; 5.5%>\$8K; 6%>\$9K *[amount of allowable deduction may be limited to \$5K or \$10K]	\$4,850	\$9,700	\$2,100	\$1,200	5,719	3,519,844	615.46	26	163,118,591	28,719	2.16%	29		
Montana	yes*	2%>\$0; 3%>\$2,300; 4%>\$4,600; 5%>\$9,200; 6%>\$13,800; 7%>\$18,400; 8%>\$22,900; 9%>\$32,100; 10%>\$45,900; 11%>\$80,300	\$3,440*	\$6,880*	\$1,840	\$1,840	918	535,830	583.69	30	22,362,981	24,557	2.40%	19		
Nebraska	no	2.56%>\$0; 3.57%>\$2,400; 5.12%>\$17K; 6.84%>\$26,500	\$4,850	\$8,140	\$101	\$101	1,737	1,122,893	646.46	24	49,500,161	28,672	2.27%	24		
New Hamp- shire	no	5% applies to interest/dividend income	-----	-----	\$2,400	-----	1,289	55,118	42.76	42	44,062,730	34,543	0.13%	42		
New Jersey	no	1.4%>\$0; 1.75% >\$20K; 3.5%>\$35K; 5.525%>\$40K; 6.37%>\$75K; 8.97%>\$500K	-----	-----	\$1,000	\$1,500	8,642	6,735,282	779.37	14	334,330,728	38,979	2.01%	34		
New Mexico	no	1.7%>\$0; 3.2%>\$5,500; 4.7%>\$11K; 6%>\$16K; 6.8%>\$26K	\$4,850	\$9,700	\$3,100	\$3,100	1,879	923,113	491.28	36	44,945,537	24,228	2.05%	33		
New York	no	4%>\$0; 4.5%>\$8K; 5.25%>\$11K; 5.9%>\$13K; 6.85%>\$20K; 7.375%>\$100K; 7.7%>\$500K	\$7,500	\$14,600	-----	\$1,000	19,212	22,648,364	1,178.87	2	676,598,158	35,330	3.35%	2		
North Carolina	no	6%>\$0; 7%>\$12,750; 7.75%>\$60K; 8.25%>\$120K (S) 6%>\$0; 7%>\$21,250; 7.75%>\$100K; 8.25%>\$200K (MFJ/QW) 6%>\$0; 7%>\$17K; 7.75%>\$80K; 8.25%>\$160K (HH) 6%>\$0; 7%>\$10,625; 7.75%>\$50K; 8.25%>\$100K (MFS)	\$3,000	\$6,000	\$2,500*	\$2,500*	8,421	7,089,142	841.84	11	229,737,325	27,640	3.09%	6		
North Dakota	no	2.1 %>\$0; 3.92%>\$29,050; 4.34%>\$70,350; 5.04%>\$146,750; 5.54%>\$319,100	\$4,850	\$9,700	\$3,100	\$3,100	633	199,390	314.99	41	16,949,214	26,742	1.18%	41		

TABLE 23. -Continued

State	Federal deduct- ibility	Marginal rates and tax brackets for single filers for 2004 income year [Refer to footnotes as applicable]	Individual income tax deduction amounts in effect for 2004 income year				Population July 1, 2003 (Bureau of Census) [1,000s]	Individual income tax collections fiscal year 2003*			Personal income 2002		Individual income tax collections as a % of per- sonal income	
			Standard	Deduction	Personal Exemptions			Amount [\$1,000s]	Per capita		Amount [\$1,000s]	Per capita [\$]	[%]	Rank
			Single	Joint	Single	Dependent			Amount [\$1.00]	Rank				
Ohio	no	0.743%>\$0; 1.486%>\$5K; 2.972%>\$10K; 3.715%>\$15K; 4.457%>\$20K; 5.201%>\$40K; 5.943%>\$80K; 6.9%>\$100K; 7.5%>\$200K [In the event of a significant budget surplus at the close of the state's fiscal year, the surplus is refunded to taxpayers through a temporary reduction in the income tax rates.]	-----	-----	\$1,300	\$1,300	11,438	7,916,410	692.11	18	333,529,148	29,230	2.37%	21
Oklahoma	yes*	0.5%>\$0; 1%>\$1K; 2%>\$2,500; 3%>\$3,750; 4%>\$4,900; 5%>\$6,200; 6%>\$7,700; 7%>\$10K *[Rates assume filer does not deduct federal income tax liability. If tax is deducted, applicable rates are 0.5%-10% on income up to \$1K and >\$16K, respectively.]	\$2,000	\$2,000	\$1,000	\$1,000	3,506	2,113,947	602.95	28	90,546,805	25,958	2.33%	23
Oregon	yes	5%>\$0; 7%>\$2,600; 9%>\$6,500	\$1,670	\$3,345	\$151	\$151	3,564	4,023,579	1,128.95	3	100,285,950	28,464	4.01%	1
Pennsylva- nia	no	3.07%>\$0	-----	-----	-----	-----	12,371	6,661,780	538.50	35	382,602,829	31,034	1.74%	37
Rhode Island	no	25% of federal income tax liability	\$4,850	\$8,150	\$3,100	\$3,100	1,076	824,870	766.61	15	33,180,561	31,042	2.49%	15
South Carolina	no	2.5%>\$0; 3%>\$2,460; 4%>\$4,920; 5%>\$7,380; 6%>\$9,840; 7%>\$12,300	\$4,850	\$9,700	\$3,100	\$3,100	4,149	2,334,066	562.56	33	104,636,030	25,485	2.23%	26
Tennessee	no	6% applies to interest/dividend income.	-----	-----	\$1,250	-----	5,845	115,593	19.78	43	160,316,607	27,678	0.07%	43
Utah	yes	2.3%>\$0; 3.3%>\$863; 4.2%>\$1,726; 5.2%>\$2,588; 6%>\$3,450; 7%>\$4,313	\$4,850	\$9,700	\$2,325*	\$2,325*	2,352	1,572,512	668.59	20	58,089,444	25,041	2.71%	11
Vermont	no	3.6%>\$0; 7.2%>\$28,400; 8.5%>\$68,800; 9%>\$143,500; 9.5%>\$311,950	-----	-----	\$3,100	-----	619	411,343	664.53	21	18,405,362	29,855	2.23%	26
Virginia	no	2%>\$0; 3%>\$3K; 5%>\$5K; 5.75%>\$17K	\$3,000	\$5,000	\$800	\$800	7,365	6,775,746	919.99	8	239,766,682	32,964	2.83%	10

TABLE 23. -Continued

State	Federal deduct- ibility	Marginal rates and tax brackets for single filers for 2004 income year [Refer to footnotes as applicable]	Individual income tax deduction amounts in effect for 2004 income year				Population July 1, 2003 (Bureau of Census) [1,000s]	Individual income tax collections fiscal year 2003*			Personal income 2002		Individual income tax collections as a % of per- sonal income	
			Standard Deduction		Personal Exemptions			Amount [\$1,000s]	Per capita		Amount [\$1,000s]	Per capita [\$]	[%] <sup>a</sup>	Rank
			Single	Joint	Single	Dependent			Amount [\$1.00]	Rank				
West Virginia	no	3%>\$0; 4%>\$10K; 4.5%>\$25K; 6%>\$40K; 6.5%>\$60K	-----	-----	\$2,000	\$2,000	1,811	1,055,523	582.84	31	43,038,348	23,841	2.45%	17
Wisconsin	no	4.6%>\$0; 6.15%>\$8,610; 6.50% >\$17,220; 6.75%>\$129,150 [Indexed for inflation]	\$7,950	\$14,330	\$700	\$700	5,474	5,252,500	959.54	6	162,866,342	29,937	3.23%	3
Total 43 states			-----	-----	-----	-----	240,840	181,932,513	755.41 <sup>a</sup>	-----	7,404,659,223	30,745 <sup>a</sup>	2.46% <sup>a</sup>	-----

Sources: U.S. Census Bureau, Governments Division. *Table NST-EST2004-01-State Population Estimates: July 1, 2003*, Population Division, December 22, 2004 release.

U.S. Census Bureau, Governments Division. *State Government Tax Collections: 2003*.

Bureau of Economic Analysis. *Table SAI-3, Regional Economic Information System*, March 28, 2005 release.

Tax Foundation. *State Individual Income Tax Rates as of December 31, 2004*; State tax forms and instructions; Commerce Clearing House; Federation of Tax Administrators.

Per capita amounts based on midyear population estimates of the Bureau of the Census. Per capita personal income is total personal income divided by total midyear population.

All dollar amounts are in current dollars (not adjusted for inflation).

<sup>a</sup>Weighted average computations based on tax collection, personal income, and population totals for 43 states levying a tax on personal income.