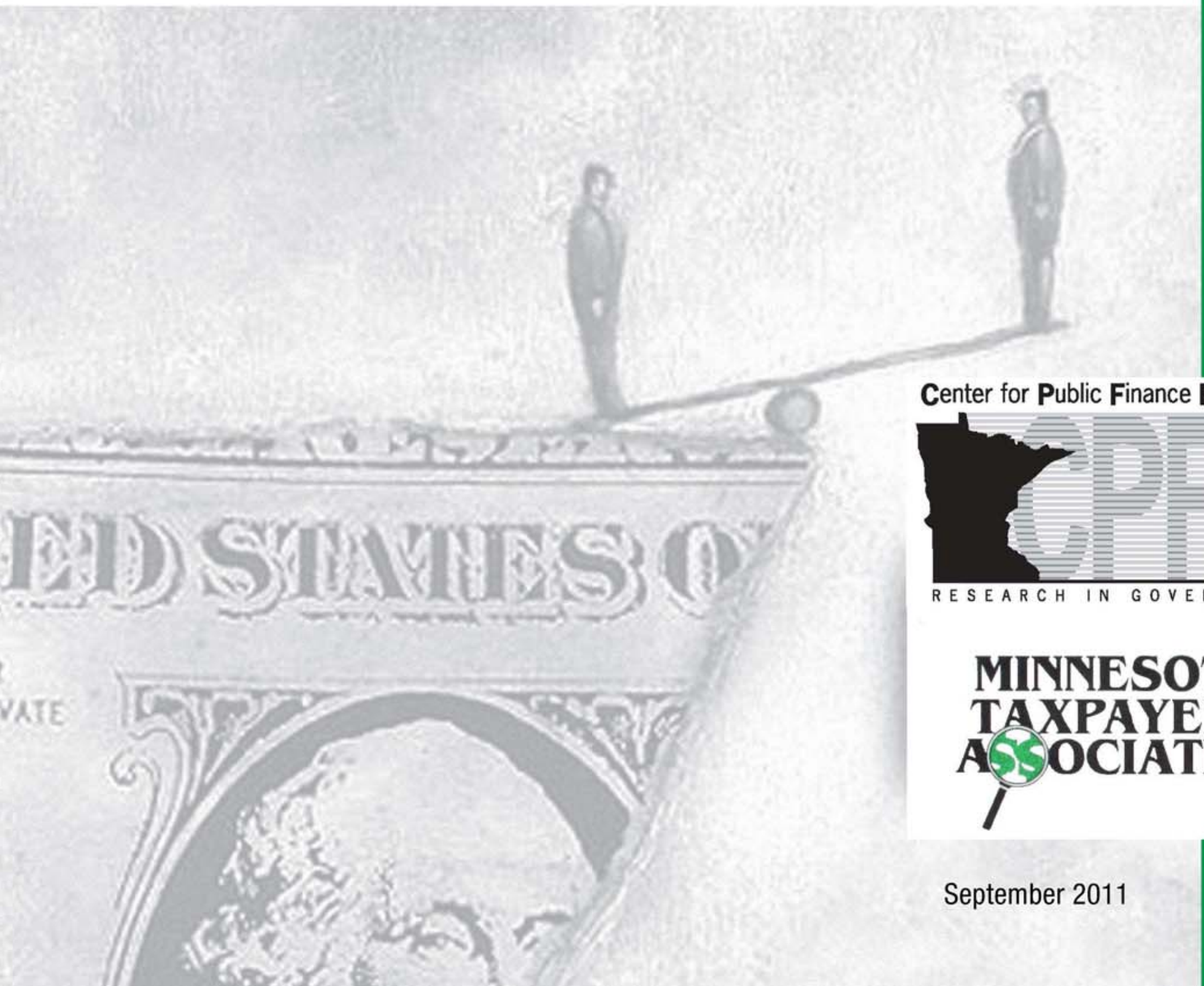
Comparison of 2008 Individual Income Tax Burdens by State



Center for Public Finance Research

CPFR

RESEARCH IN GOVERNMENT

MINNESOTA TAXPAYERS ASSOCIATION

September 2011

For information contact:
Minnesota Center for Public Finance Research
85 East 7th Place, Suite 250
Saint Paul, Minnesota 55101
651-224-7477

Acknowledgements

This report would not have been possible without the cooperation and assistance of many individuals. We owe special thanks to the staff of the **Minnesota Department of Revenue's Research Division**, who developed the assumptions used in the study's examples.

We are especially grateful to the **National Bureau of Economic Research** for their assistance and for the use of the TAXSIM model for calculating the tax liabilities in this report. MTA used version 9.0 in creating this report. NBER's TAXSIM webpage is http://www.nber.org/~taxsim/.

Persons interested in understanding more about the TAXSIM model are encouraged to read "An Introduction to the TAXSIM Model" by Daniel Feenberg and Elisabeth Coutts, which was published in the *Journal of Policy Analysis and Management* Vol. 12 no. 1 (Winter, 1993); and which is available at http://www.nber.org/~taxsim/feenberg-coutts.pdf.

Support for this report came from financial contributions to the Minnesota Center for Public Finance Research. We wish to thank Minnesota Taxpayers Association member **Amcon Block and Precast** for their special contribution. We are deeply grateful for our contributors' commitment to public education and good government in Minnesota.

About the Minnesota Center for Public Finance Research

The Minnesota Center for Public Finance Research is the 501c3 supporting research and education organization for the Minnesota Taxpayers Association. The Center's mission is to provide objective research and analysis on state and local tax and spending issues in support of effective, efficient, and accountable government. The Center seeks to equip citizens to be influential voices for good government and sound fiscal policies by increasing public understanding of what government does. The Center provided substantial funding for this project. For access to this publication on line, visit our website at www.mntax.org/cpfr.

About the Minnesota Taxpayers Association

The **Minnesota Taxpayers Association** was founded in 1926 for the purpose of disseminating factual information that will educate and inform all Minnesotans about Minnesota tax and spending policies. For eighty-five years, the Association has advocated for the adoption of sound fiscal policies through its research efforts, publications, and meetings.

The Association is a non-profit, non-partisan group supported by membership dues. For information about membership, call (651) 224-7477, or visit our web site at www.mntax.org.

Table of Contents

List of Tables

This Page Intentionally Blank

I. Frequently Asked Questions

What's in this report?

This study compares net tax year 2008 state-local individual income tax burdens at various income levels for the following filer types[1]:

- Single (non-senior, no dependents)
- Married-filing joint[2] (non-senior, two dependents)
- Head of household (non-senior, one dependent)
- Senior married-filing-joint (no dependents)[3]
- Senior single (no dependents)

The study also provides additional analysis and commentary.

What income levels does the study report on?

The study reports net income taxes paid by all five filing types listed above on a state-by-state basis at the following eight incomes:

- $10,000
- $20,000
- $35,000
- $50,000
- $75,000
- $100,000
- $150,000
- $250,000

We report net income taxes at $500,000 and $1,000,000 of income for married-joint filers only.

Since this is 2011, why are you reporting on tax year 2008?

We use data from state and federal government sources to determine how the income at these various levels is derived (i.e., how much comes from wages/salaries, dividends, business income, etc.) and the amount of applicable itemized deductions. Such data must be collected and verified and inaccurate records corrected or eliminated – this process of "data cleaning" can result in a time lag of around two years before the data is available for use. Therefore, the most recent available income tax data is for tax year 2008.

How is this study different from other reports that examine and rank state income tax burdens?

There are three ways to compare relative income tax burdens:

1. *Compare individual tax burdens across states at various gross income levels*. This method looks at the actual taxes paid by hypothetical families using reasonable assumptions about sources of income, deductions, and credits taken. This is the approach used in this study.

2. *Compare aggregate state income tax collections on either a per capita or a per income basis*. This method simply sums up all the state income tax collections and divides it by total state population or total state income.

3. *Compare distribution of the tax burden across income classes.* This method examines who actually pays the income tax by calculating shares of income taxes paid by different ranges or classes of income. One method of presenting this

[1] The Minnesota Department of Revenue provided information on the number of dependents claimed most frequently for each filing type.
[2] Household assumed to include two wage earners.
[3] "Senior" households include only those instances where all filers are age 65 or older.

information shows how much of the total tax burden is paid by the top 5% of filers, the top 10% of filers, the top 25% of filers, and so forth. Another method divides the population into groups of equal size, on an income or population basis, and then shows the effective tax rate (total tax divided by total income) for each group.

Each approach offers an important and different perspective on state income taxation. This study is unique in that it provides a "real feel" dimension to state income tax comparisons by modeling actual tax returns for different types of households.

For reference purposes, Appendix B provides the most recently available information on the other two approaches to comparing state income taxes.

Does this study include income tax calculations for every state?

No. This study only covers income tax burdens in 41 states and the District of Columbia. The nine remaining states have either no state income tax, or a tax that is so limited that it is not worth including in this analysis. Those states are Alaska, Florida, Nevada, New Hampshire, South Dakota, Tennessee, Texas, Washington, and Wyoming.

Does this study include local income taxes?

Yes, it does. This study covers local income tax burdens in states where more than half of the population live in jurisdictions that impose a local tax on income. In tax year 2008, six states met that standard: Kentucky[4], Indiana, Iowa[5], Maryland, Ohio, and Pennsylvania. The tax rate used was that imposed on the largest segment of the population. See the methodology section for more information on how the local income tax burden is calculated.

How do you calculate the tax burdens?

For our studies analyzing tax year 1997, 1999, and 2003; we calculated the tax liability for each permutation of state, filing status, and income either by hand or through the use of tax return software. We began using an alternative to this labor-intensive process with our tax year 2006 study: the National Bureau of Economic Research's TAXSIM – a FORTRAN program for calculating liabilities under federal and state income tax laws from individual data.[6] Note that TAXSIM does not calculate local income taxes; we calculated those separately. We recalibrated our filer profiles for states with local income taxes to account for the additional deduction from taxable income created by the imposition of the local tax.

But individual income tax returns will differ significantly from household to household even among the same filer types. How do you determine the assumptions to calculate the income tax burdens?

The Minnesota Department of Revenue's Research Division provided data from its *Tax Incidence Study* database on taxpayer income (wages, interest earnings, capital gains, etc.) and deductions for the five filing types at all the income levels included in this study.

To ensure the tax calculations and rankings reflect actual conditions in other states, we adjusted all income tax deductions (except for the state income tax deduction, which TAXSIM calculates automatically) using state-specific income tax deduction data for tax year

---

[4] The tax imposed in Kentucky is not an income tax per se, but instead is an "occupational license" tax imposed on wages and salaries.

[5] The tax imposed in Iowa is a surtax imposed by school districts on the state-imposed income tax.

[6] Version 9.0 was used to create this report. NBER's TAXSIM webpage is http://www.nber.org/~taxsim/. Readers interested in understanding more about the TAXSIM model are encouraged to peruse "An Introduction to the TAXSIM Model" by Daniel Feenberg and Elisabeth Coutts, which was published in the Journal of Policy Analysis and Management Vol. 12 no. 1 (Winter, 1993); and which is available at http://www.nber.org/~taxsim/feenberg-coutts.pdf.

2008 from the Internal Revenue Service.[7] See our Methodology section for more information on how these adjustments take place.

These state adjustments are crucial since deductions will vary considerably from state to state. For example, the information provided by the Department of Revenue indicates that a Minnesota married-joint filer with income of $75,000 has a median real property tax deduction of $1,638. However, we know that the value of this deduction will be different in other states due to differences in median home values and effective property tax rates.

What definition of "income" do you use?

Previous studies used "federal adjusted gross income" – the amount of income that is subject to federal tax – as the definition of income used to derive the taxpayer profiles used in the study. However, this method was problematic with regard to senior filers. For example, according to the Minnesota Department of Revenue's Research Division a senior couple with $50,000 of total income from all sources has only $28,000 of FAGI – with the difference coming largely from nontaxable pensions or Social Security income. Since FAGI can differ considerable from total income for seniors, the figure has relatively little meaning and results based on those profiles can be misleading or difficult to interpret.

Beginning with this study, we are using the definition of income used in the Department of Revenue's Tax Incidence Study –income taxable on income tax returns and nontaxable income such as public assistance payments, tax-exempt interest, and nontaxable social security and pension income.[8] This change in the definition of income materially changes the taxpayer profile for seniors when compared to previous years. However, we believe the change to a more comprehensive definition of income more closely matches what the public would perceive as "income" – (i.e. – purchasing power).

So, this report compares individual income tax burdens between different states. What else does it do?

The study also provides:

- Data on the most progressive and most regressive income tax systems
- A comparison of the study's results with the results from our tax year 2006 study (published September 2009)
- Federal income and FICA tax burdens for each filer type and income level in each state (Appendix C)
- Changes to state income tax rates and brackets between tax years 2006 and 2010 (Appendix D)

I notice that in many cases, tax burdens have declined from the 2006 version of this study. Does this mean that taxes have really gone down?

Not necessarily, because over time a constant amount of income will generally yield a smaller amount of tax revenue, unless there is some change to the tax code. Some (but not all) states index their tax brackets to some form of inflation (usually the Consumer Price Index). States do this to prevent "bracket creep", where inflationary pressures move households into higher tax brackets, resulting in larger tax payments even though the household is economically no better off. Other states indirectly adjust income by incorporating the federal standard

[7] Internal Revenue Service, *Statistics of Income Bulletin*, Volume 29, Number 4 (Spring 2010); Washington D.C. (http://www.irs.gov/pub/irs-soi/10sprbul.pdf)

[8] This definition is taken nearly verbatim from page 82 of the Department's *2011 Minnesota Tax Incidence Study*, available at: http://taxes.state.mn.us/legal_policy/Documents/other_supporting_content_2011_tax_incidence_study_links.pdf where Appendix A provides greater detail on how this definition of income is constructed.

deduction and personal exemption (which are indexed annually for inflation) into their calculation of taxable income.

Clearly, changes in the level of itemized deductions also play a role in changing net tax burdens from study to study. If itemized deductions increase between one study and the next for a particular income level, it will tend to depress the net tax burden. Conversely, falling itemized deduction levels can increase net tax burdens. Other changes in net tax are related to changes to personal income tax rates, exemptions, or other items.

The message is this: to completely interpret any changes in net tax for your state, check to see whether your legislature and governor modified the individual income tax regime between 2006 and 2008.

All right, so you have to be careful when comparing net tax burdens from one year to another. Are there any other cautions in interpreting this study?

It's also important to recognize that income taxes are just one piece of the combined state and local tax system. Some states have lower income taxes because their local governments are more "own-source" revenue dependent. Certain states place more responsibility for public service delivery with local government, which often translates into relatively lower income tax burdens. As a result, the study is most useful when used in connection with other information about state and local tax structures.

Are there any items that are not included in this study?

We exclude property tax refunds or credits that are included on an income tax return from the analysis in this study to create consistent treatment of all states. Some states have property tax rebate or credit provisions as part of the income tax return but most offer property tax rebates that must be filed for separately from the income tax return. We were not able to model these separate property tax rebate programs and include them in the analysis. Including some property tax rebate programs but excluding others would create an "apples-to-oranges" comparison between states.

II. Analysis and Findings

This study provides a comparison of individual income tax burdens in 41 states and the District of Columbia. It is a complete revision of our burden studies for tax years 1997, 1999, 2003, and 2006. The assumptions used in this study were developed by the Minnesota Department of Revenue's Research Division using the database created for its *2001 Minnesota Tax Incidence Study*.[9] The assumptions for each filer types were adjusted on a state-by-state basis to more accurately determine the actual tax paid in each state. See our Frequently Asked Questions and Methodology sections for more information on these adjustments.

This report uses the National Bureau of Economic Research's TAXSIM Version 9.0 income tax simulator (available at http://www.nber.org/~taxsim/taxsim-calc8/) to calculate the tax liability for four different filer types at four to ten different income levels in each of the participating jurisdictions. Persons interested in understanding more about the TAXSIM model are encouraged to read "An Introduction to the TAXSIM Model" by Daniel Feenberg and Elisabeth Coutts, which was published in the *Journal of Policy Analysis and Management* Vol. 12 no. 1 (Winter, 1993); and which is available at http://www.nber.org/~taxsim/feenberg-coutts.pdf.

Why Do Rankings Matter?

In today's world of increased mobility and competition for economic development, states are increasingly watching each other. They must balance the need to provide the high-quality public services and infrastructure improvements needed to encourage economic growth with the need to be fiscally competitive. States that fail to provide adequate services and public investments are likely to lose ground to those that do. On the other hand, if they don't control costs and let their tax burdens rise too far above those of other states, they could lose their competitive edge and fail to attract the kind of jobs and workers needed for long-term prosperity. The tax rankings provided in this report combined with other tax and spending measures can help policy makers assess the state's competitive position.

The rankings provided in this report also give us information about how state income tax systems treat taxpayers at different income levels, that is, the progressivity or "vertical equity" of state income taxes.

[9] The Department's *2011 Minnesota Tax Incidence Study* is available at: http://taxes.state.mn.us/legal_policy/Documents/other_supporting_content_2011_tax_incidence_study_links.pdf.

Analysis and Findings

We report the findings of this study in three main areas:

- First, we provide a measure of structural progressivity by showing the ten most progressive and least regressive income tax systems (Tables 1-2).
- Second, we report the individual income tax burdens and rankings for all filer types and income levels for tax year 2008 (Tables 3-8).
- Finally, we report state-specific changes from tax year 2006 to tax year 2008 (Table 9).

We provide data on federal income and payroll tax liabilities in Appendix C.

Measure of Structural Progressivity

One principle commonly used when evaluating tax systems or tax proposals is "progressivity" or "fairness" (i.e. taxation based on an ability to pay). Income taxes are generally among the most "progressive" taxes; and therefore the tax burden increases with increased income. Policymakers achieve progressivity mainly by using differential income rates at various income levels with tax rates rising as income levels rise. The following table shows the relationship between the effective tax rate at $150,000 of gross income and higher versus that at $10,000 of gross income for married-joint filers. A higher rate gap indicates greater progressivity.

Table 1: Ten Most Progressive State Income Tax Systems, Measured by Comparing Effective Tax Rates at Selected Higher Incomes and $10,000 for Married-Joint Returns, Tax Year 2008

Married Filing Joint Returns							
$150,000 vs. $10,000		$250,000 vs. $10,000		$500,000 vs. $10,000		$1,000,000 vs. $10,000	
Most Progressive Income Tax States	Tax Rate Gap*	Most Progressive Income Tax States	Tax Rate Gap*	Most Progressive Income Tax States	Tax Rate Gap*	Most Progressive Income Tax States	Tax Rate Gap*
1. D.C.	18.8%	1. D.C.	19.4%	1. D.C.	20.2%	1. D.C.	20.6%
2. New York	17.2%	2. New York	17.6%	2. Vermont	18.4%	2. Vermont	19.0%
3. Vermont	15.8%	3. Vermont	16.9%	3. New York	17.8%	3. New York	18.1%
4. Maryland	13.6%	4. Maryland	14.6%	4. Maryland	15.2%	4. Maryland	15.5%
5. Kansas	13.0%	5. Minnesota	13.8%	5. Minnesota	14.7%	5. Minnesota	15.1%
6. Minnesota	12.8%	6. Kansas	13.6%	6. Kansas	14.2%	6. Kansas	14.3%
7. New Jersey	10.3%	7. New Jersey	11.5%	7. New Jersey	12.6%	7. New Jersey	13.9%
8. Wisconsin	9.6%	8. Wisconsin	10.1%	8. Wisconsin	10.6%	8. Wisconsin	10.6%
9. Massachusetts	9.1%	9. Massachusetts	9.5%	9. Nebraska	9.8%	9. Massachusetts	9.8%
10. Michigan	8.5%	10. Oregon	8.9%	10. Massachusetts	9.8%	10. Oregon	9.8%

* "Tax Rate Gap" refers to the difference between the state's effective tax rate (ETR) at $10,000 versus the ETR at the higher income examples shown. For example, New York's ETR for married-filing-joint returns at $10,000 is -12.1%, and at $150,000, it is 5.1%. The gap of 17.2% is calculated as $150,000 ETR (5.1%) minus $10,000 ETR (-12.1%).

Table 2 shows the same relationship, but displays instead the ten most regressive (or least progressive) states.

Table 2: Ten Most Regressive State Income Tax Systems, Measured by Comparing Effective Tax Rates at Selected Higher Incomes and $10,000 for Married-Joint Returns, Tax Year 2008

Married Filing Joint Returns							
$150,000 vs. $10,000		$250,000 vs. $10,000		$500,000 vs. $10,000		$1,000,000 vs. $10,000	
Most Regressive Income Tax States	Tax Rate Gap*	Most Regressive Income Tax States	Tax Rate Gap*	Most Regressive Income Tax States	Tax Rate Gap*	Most Regressive Income Tax States	Tax Rate Gap*
42. North Dakota	1.9%	42. North Dakota	2.6%	42. Alabama	2.9%	42. Pennsylvania	2.8%
41. Pennsylvania	2.8%	41. Pennsylvania	2.8%	41. Pennsylvania	2.9%	41. Alabama	3.0%
40. Alabama	2.9%	40. Alabama	3.0%	40. North Dakota	3.6%	40. Colorado	4.1%
39. Arizona	3.1%	39. Colorado	3.6%	39. Colorado	3.9%	39. Illinois	4.1%
38. Colorado	3.2%	38. Arizona	3.7%	38. Mississippi	4.1%	38. North Dakota	4.2%
37. California	3.2%	37. Mississippi	3.7%	37. Illinois	4.1%	37. Mississippi	4.3%
36. Mississippi	3.3%	36. Illinois	4.0%	36. Arizona	4.2%	36. Connecticut	4.5%
35. Missouri	3.4%	35. Missouri	4.2%	35. Connecticut	4.7%	35. Arizona	4.6%
34. Ohio	3.5%	34. Ohio	4.2%	34. Utah	4.8%	34. Utah	4.6%
33. Delaware	3.6%	33. Delaware	4.3%	33. Missouri	4.8%	33. Louisiana	4.7%

* "Tax Rate Gap" refers to the difference between the state's effective tax rate (ETR) at $10,000 versus the ETR at the higher income examples shown. For example, California's ETR for married-filing-joint returns at $10,000 is 0.0%, and at $150,000, it is 3.2%. The gap of 3.2% is calculated as $150,000 ETR (3.1%) minus $10,000 ETR (0.0%).

The Influence of State Earned Income Tax Credits on Structural Progressivity

In tax year 2008, 23 of the 42 states in this study[10] offered a state earned income tax credit, which is a tax reduction and a wage supplement for low-income working families. (Note that one state without an income tax, Washington, also adopted an earned income tax credit in 2008 – however, an analysis of that credit is outside the scope of this study.) In most cases these state credits are refundable, meaning filers receive the value of the tax credit whether or not the filer owes any income tax – often creating negative income tax rates for low-income filers.

The negative tax rates that result from the use of the state income tax as an income assistance program significantly influence the structural progressivity of state income taxes as measured by tax rate gaps. In fact, each of the 12 states listed in Table 1 (i.e. those states with the highest differential between the effective tax rate at $10,000 of income versus the rate at $150,000 of income and above) offer low-income filers an earned income tax credit. Consider California, which has one of the most progressive income tax structures in the nation based on statutory tax rates. As Table 8 in this report shows, married couples in California earning $35,000 to $100,000 per year rank at or near the bottom in income tax burden, but married couples in that state earning $250,000 or more are in the top ten nationally. However, since California does not offer a state earned income tax credit, the tax rate gap between highest and lowest earning households is not as great as in other states that do provide this credit.

Our progressivity rankings would look very different (see Table 3) if the base were $35,000 of income – the point at which the effect of earned income tax credits is largely mitigated. While many states from Table 1 are also included in Table 3, California now emerges as

[10] Delaware, District of Columbia, Indiana, Illinois, Iowa, Kansas, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Nebraska, New Jersey, New Mexico, New York, North Carolina, Oklahoma, Oregon, Rhode Island, Vermont, Virginia, and Wisconsin.

highly progressive, along with Idaho and South Carolina to a lesser extent; three states that do not offer an earned income tax credit.

Table 3: Ten Most Progressive State Income Tax Systems, Measured by Comparing Effective Tax Rates at Selected Higher Incomes and $35,000 for Married-Joint Returns, Tax Year 2008

Married Filing Joint Returns							
$150,000 vs. $35,000		$250,000 vs. $35,000		$500,000 vs. $35,000		$1,000,000 vs. $35,000	
Most Progressive Income Tax States	Tax Rate Gap*	Most Progressive Income Tax States	Tax Rate Gap*	Most Progressive Income Tax States	Tax Rate Gap*	Most Progressive Income Tax States	Tax Rate Gap*
1. New York	9.5%	1. New York	6.8%	1. California	7.1%	1. California	7.9%
2. Minnesota	7.1%	2. Maryland	6.2%	2. Minnesota	7.1%	2. Minnesota	7.5%
3. Vermont	5.2%	3. Minnesota	6.1%	3. New York	7.0%	3. New York	7.2%
4. Maryland	5.2%	4. Maine	5.5%	4. Maryland	6.8%	4. Vermont	7.2%
5. New Mexico	4.4%	5. California	5.3%	5. Vermont	6.6%	5. Maryland	7.2%
6. Rhode Island	3.3%	6. Idaho	5.2%	6. Maine	6.3%	6. Maine	6.5%
7. California	3.2%	7. Vermont	5.1%	7. Rhode Island	6.1%	7. Rhode Island	6.4%
8. Idaho	2.8%	8. Nebraska	4.7%	8. Nebraska	6.0%	8. New Jersey	6.2%
9. Nebraska	2.5%	9. Rhode Island	4.5%	9. Idaho	5.9%	9. Idaho	6.1%
10. Maine	2.4%	10. South Carolina	4.5%	10. South Carolina	5.1%	10. Nebraska	5.6%

* "Tax Rate Gap" refers to the difference between the state's effective tax rate (ETR) at $35,000 versus the ETR at the higher income examples shown. For example, Maryland's ETR for married-filing-joint returns at $35,000 is 0.0%, and at $150,000, it is 5.2%. The gap of 5.2% is calculated as $150,000 ETR (5.2%) minus $35,000 ETR (0.0%).

State Income Tax Comparison Tables, Tax Year 2008 Liabilities

Table 4: Tax Year 2008 Income Tax Burdens for Married-Joint Filers*

	$10,000		$20,000		$35,000		$50,000		$75,000	
STATE	**Tax**	**Rank**	**Tax**	**Rank**	**Tax**	**Rank**	**Tax**	**Rank**	**Tax**	**Rank**
Alabama	-	4	$266	2	$1,227	4	$1,296	14	$2,265	28
Arizona	($100)	20	(100)	26	368	27	550	39	1,243	39
Arkansas	-	4	-	13	824	12	1,107	21	2,594	21
California	-	4	-	13	-	37	-	42	593	42
Colorado	-	4	-	13	428	24	916	30	2,059	33
Connecticut	-	4	-	13	198	31	778	36	2,901	11
Delaware	-	4	-	13	142	34	807	35	2,096	32
District of Columbia	(1,342)	42	(1,523)	40	575	18	1,423	12	3,268	5
Georgia	(56)	19	91	8	925	10	1,060	23	2,456	24
Hawaii	(290)	29	88	9	1,039	7	1,163	19	2,873	13
Idaho	(190)	26	(190)	29	208	30	959	29	2,806	15
Illinois	(133)	25	109	6	705	13	1,235	16	1,934	34
Indiana	(106)	21	266	3	1,100	6	1,855	5	2,838	14
Iowa	(235)	28	(32)	25	984	8	1,456	11	2,892	12
Kansas	(882)	39	(797)	36	402	25	991	27	2,439	25
Kentucky	84	3	194	4	1,629	1	2,150	1	3,821	2
Louisiana	(117)	22	5	12	591	16	1,060	24	2,217	30
Maine	-	4	-	13	291	28	1,098	22	2,929	10
Maryland	(839)	37	(1,103)	38	-	37	1,467	10	3,302	4
Massachusetts	(503)	35	(702)	35	481	23	1,490	8	2,684	18
Michigan	(497)	34	(329)	30	666	14	1,477	9	2,491	22
Minnesota	(839)	37	(1,403)	39	(269)	41	1,192	18	2,648	19
Mississippi	-	4	-	13	484	22	698	38	1,929	35
Missouri	-	4	31	11	590	17	1,125	20	2,222	29
Montana	-	4	94	7	549	20	984	28	2,436	26
Nebraska	(335)	31	(468)	32	171	33	873	31	2,215	31
New Jersey	(755)	36	(1,053)	37	85	35	703	37	1,135	40
New Mexico	(480)	33	(518)	33	(143)	39	441	41	1,724	36
New York	(1,206)	40	(1,848)	42	(442)	42	823	32	2,345	27
North Carolina	(117)	22	(158)	27	833	11	1,377	13	3,105	7
North Dakota	-	4	-	13	194	32	450	40	951	41
Ohio	183	1	466	1	1,187	5	1,977	4	3,409	3
Oklahoma	(328)	30	(334)	31	541	21	1,022	26	2,463	23
Oregon	(201)	27	49	10	1,560	2	2,085	2	4,114	1
Pennsylvania	92	2	194	4	1,241	3	2,000	3	2,949	9
Rhode Island	(126)	24	(176)	28	19	36	822	33	1,659	37
South Carolina	-	4	-	13	254	29	1,044	25	2,718	17
Utah	-	4	-	13	555	19	1,199	17	2,739	16
Vermont	(1,229)	41	(1,654)	41	(173)	40	821	34	1,619	38
Virginia	-	4	-	13	645	15	1,256	15	2,609	20
West Virginia	-	4	-	13	952	9	1,644	6	3,065	8
Wisconsin	(470)	32	(655)	34	370	26	1,622	7	3,233	6
42 State Average**	**($262)**		**($266)**		**$523**		**$1,155**		**$2,476**	

*2 wage earners, 2 dependents
** Simple average.

Table 4 (contd): Tax Year 2008 Income Tax Burdens for Married-Joint Filers*

	$100,000		$150,000		$250,000		$500,000		$1,000,000	
STATE	**Tax**	**Rank**	**Tax**	**Rank**	**Tax**	**Rank**	**Tax**	**Rank**	**Tax**	**Rank**
Alabama	$3,074	32	$4,321	38	$7,404	39	$14,698	41	$29,583	41
Arizona	1,875	40	3,095	41	6,672	41	16,099	40	35,642	39
Arkansas	4,013	14	6,671	15	12,986	17	29,413	15	61,543	14
California	1,734	41	4,836	35	13,205	14	35,388	3	79,002	1
Colorado	3,013	33	4,763	36	8,957	37	19,735	36	40,543	35
Connecticut	3,937	17	6,503	17	11,163	25	23,351	30	45,489	30
Delaware	3,255	30	5,455	28	10,778	28	24,434	24	51,154	24
District of Columbia	4,905	4	8,100	2	15,000	5	33,689	6	71,698	4
Georgia	3,606	26	5,749	24	10,853	27	23,768	28	49,178	27
Hawaii	4,333	11	7,129	12	14,332	8	31,852	10	66,118	11
Idaho	4,393	10	7,361	10	14,390	7	32,517	8	67,283	9
Illinois	2,625	38	3,902	40	6,698	40	14,011	42	27,294	42
Indiana	3,827	20	5,674	25	9,757	32	20,483	33	39,965	36
Iowa	4,314	12	6,653	16	12,729	18	26,969	21	55,898	22
Kansas	3,796	22	6,292	20	12,057	19	26,736	22	54,957	23
Kentucky	5,233	2	7,905	5	14,270	9	30,353	14	56,839	21
Louisiana	3,329	29	5,027	33	9,069	36	18,186	38	35,476	40
Maine	4,672	8	7,938	4	15,817	2	35,551	2	73,615	3
Maryland	4,874	5	7,750	6	15,590	3	33,824	5	71,546	6
Massachusetts	3,895	18	6,151	21	11,090	26	24,016	26	47,588	28
Michigan	3,493	28	5,344	29	9,398	34	20,002	34	39,263	37
Minnesota	4,006	15	6,675	14	13,445	11	31,528	11	66,839	10
Mississippi	2,989	34	4,905	34	9,261	35	20,583	32	42,836	32
Missouri	3,232	31	5,162	32	10,391	29	24,002	27	50,351	25
Montana	3,713	24	6,028	22	12,055	20	27,807	20	58,817	19
Nebraska	3,657	25	6,296	19	12,986	16	32,431	9	60,557	17
New Jersey	1,919	39	4,151	39	9,795	31	25,261	23	63,937	13
New Mexico	2,717	36	4,502	37	8,828	38	19,837	35	40,819	34
New York	3,812	21	7,636	7	13,762	10	28,489	19	60,858	15
North Carolina	4,727	7	7,621	8	14,623	6	32,604	7	67,392	8
North Dakota	1,560	42	2,810	42	6,607	42	18,071	39	41,607	33
Ohio	4,981	3	8,073	3	15,136	4	35,105	4	71,590	5
Oklahoma	3,551	27	5,654	26	10,079	30	21,877	31	45,343	31
Oregon	5,709	1	9,018	1	17,308	1	38,173	1	77,554	2
Pennsylvania	3,887	19	5,619	27	9,410	33	19,324	37	37,406	38
Rhode Island	2,717	35	5,209	31	11,448	23	30,891	12	64,245	12
South Carolina	4,104	13	6,774	13	13,066	15	29,361	16	60,576	16
Utah	3,992	16	6,361	18	11,563	21	23,751	29	45,889	29
Vermont	2,704	37	5,271	30	11,513	22	30,441	13	67,494	7
Virginia	3,763	23	5,915	23	11,220	24	24,218	25	49,490	26
West Virginia	4,562	9	7,328	11	13,386	13	29,231	18	58,011	20
Wisconsin	4,732	6	7,372	9	13,408	12	29,303	17	59,280	18
42 State Average**	**$3,696**		**$6,071**		**$11,703**		**$26,366**		**$54,537**	

*2 wage earners, 2 dependents
** Simple average

Table 5: Tax Year 2008 Income Tax Burdens for Head of Household Filers*

	$10,000		$20,000		$35,000		$50,000	
STATE	**Tax**	**Rank**	**Tax**	**Rank**	**Tax**	**Rank**	**Tax**	**Rank**
Alabama	$25	5	$492	7	$1,292	15	$1,450	32
Arizona	(50)	22	(32)	32	478	38	841	39
Arkansas	-	8	454	8	1,321	12	1,927	13
California	-	8	-	28	-	42	247	42
Colorado	-	8	201	19	879	31	1,493	30
Connecticut	-	8	3	27	292	41	1,531	28
Delaware	-	8	-	28	1,099	19	1,607	27
District of Columbia	(1,145)	42	(518)	38	1,297	14	1,848	20
Georgia	(6)	21	410	11	1,299	13	1,673	24
Hawaii	(70)	23	446	9	1,454	5	1,881	17
Idaho	(90)	24	54	25	915	28	1,924	14
Illinois	21	6	343	12	900	30	1,341	35
Indiana	92	4	556	5	1,341	11	1,976	11
Iowa	(204)	30	265	16	1,358	10	2,040	7
Kansas	(730)	39	(232)	36	1,008	23	1,749	23
Kentucky	94	3	967	1	1,962	2	2,641	2
Louisiana	(102)	25	237	17	988	24	1,621	26
Maine	-	8	-	28	874	32	2,034	8
Maryland	(726)	37	(166)	35	1,822	3	2,452	4
Massachusetts	(438)	35	(8)	31	1,091	20	1,872	18
Michigan	(272)	32	276	14	1,148	16	1,788	22
Minnesota	(729)	38	(606)	40	1,016	22	1,910	15
Mississippi	-	8	208	18	904	29	1,355	34
Missouri	-	8	194	20	976	26	1,526	29
Montana	17	7	324	13	1,084	21	1,837	21
Nebraska	(292)	33	(101)	34	656	36	1,391	33
New Jersey	(656)	36	(527)	39	481	37	739	40
New Mexico	(387)	34	(264)	37	352	40	1,065	38
New York	(1,001)	40	(719)	41	719	33	1,656	25
North Carolina	(102)	25	414	10	1,451	6	2,197	6
North Dakota	-	8	91	24	399	39	685	41
Ohio	192	1	604	3	1,418	7	2,294	5
Oklahoma	(226)	31	31	26	940	27	1,490	31
Oregon	(173)	29	585	4	2,010	1	2,659	1
Pennsylvania	96	2	787	2	1,380	9	1,983	9
Rhode Island	(109)	27	(63)	33	712	34	1,212	36
South Carolina	-	8	119	23	981	25	1,976	10
Utah	-	8	189	21	1,112	18	1,933	12
Vermont	(1,089)	41	(749)	42	683	35	1,184	37
Virginia	-	8	125	22	1,417	8	1,890	16
West Virginia	-	8	514	6	1,124	17	1,858	19
Wisconsin	(117)	28	266	15	1,466	4	2,463	3
42 State Average**	**($195)**		**$123**		**$1,050**		**$1,696**	

* 1 dependent
** Simple average

Table 5 (contd): Tax Year 2008 Income Tax Burdens for Head of Household Filers*

	$75,000		$100,000		$150,000		$250,000	
STATE	**Tax**	**Rank**	**Tax**	**Rank**	**Tax**	**Rank**	**Tax**	**Rank**
Alabama	$2,245	34	$2,869	38	$4,580	39	$7,501	40
Arizona	1,426	39	2,054	41	3,654	42	7,085	42
Arkansas	3,470	12	4,882	10	8,117	14	14,429	16
California	1,367	40	2,977	37	7,209	20	15,194	11
Colorado	2,467	32	3,380	35	5,503	36	9,662	36
Connecticut	2,990	23	4,425	20	6,844	23	11,997	27
Delaware	2,786	28	3,991	24	6,733	26	12,103	25
District of Columbia	3,552	8	5,124	8	9,028	4	15,502	7
Georgia	2,874	26	3,976	25	6,583	28	11,620	29
Hawaii	3,384	14	4,832	12	8,335	11	15,446	9
Idaho	3,525	9	5,064	9	8,655	7	15,675	6
Illinois	2,066	38	2,727	39	4,179	40	7,270	41
Indiana	3,002	22	3,950	26	6,090	31	10,575	31
Iowa	3,491	11	4,814	13	8,207	12	14,106	18
Kansas	3,129	19	4,443	19	7,454	19	13,253	22
Kentucky	4,133	2	5,503	4	8,623	8	15,235	10
Louisiana	2,718	29	3,605	31	5,670	35	9,645	37
Maine	3,851	5	5,519	3	9,498	2	17,478	2
Maryland	4,019	3	5,525	2	9,071	3	16,549	4
Massachusetts	3,151	18	4,320	21	6,884	22	12,346	23
Michigan	2,838	27	3,798	28	5,902	32	10,385	33
Minnesota	3,398	13	4,796	14	8,178	13	15,065	12
Mississippi	2,443	33	3,456	34	5,756	34	10,024	34
Missouri	2,579	31	3,761	30	6,552	29	11,902	28
Montana	3,127	20	4,548	17	7,751	17	13,705	19
Nebraska	2,879	25	4,261	22	7,465	18	15,460	8
New Jersey	1,190	42	1,999	42	4,726	38	10,910	30
New Mexico	2,133	37	3,082	36	5,233	37	9,597	38
New York	3,179	17	4,791	15	8,504	9	14,612	15
North Carolina	3,708	7	5,141	7	8,801	6	15,800	5
North Dakota	1,316	41	2,055	40	3,827	41	7,962	39
Ohio	3,821	6	5,290	6	8,971	5	17,152	3
Oklahoma	2,698	30	3,787	29	6,198	30	10,511	32
Oregon	4,232	1	6,004	1	10,171	1	18,582	1
Pennsylvania	2,965	24	3,859	27	5,832	33	10,020	35
Rhode Island	2,220	35	3,529	33	6,606	27	13,287	21
South Carolina	3,494	10	4,857	11	8,075	15	14,376	17
Utah	3,249	16	4,452	18	7,164	21	12,317	24
Vermont	2,212	36	3,552	32	6,749	25	13,327	20
Virginia	3,072	21	4,177	23	6,823	24	12,054	26
West Virginia	3,350	15	4,784	16	7,929	16	14,627	14
Wisconsin	4,013	4	5,410	5	8,458	10	14,919	13
42 State Average**	**$2,947**		**$4,175**		**$7,062**		**$12,840**	

***** 1 dependent
** Simple average.

Table 6: Tax Year 2008 Income Tax Burdens for Single Filers

	$10,000		$20,000		$35,000		$50,000	
STATE	Tax	Rank	Tax	Rank	Tax	Rank	Tax	Rank
Alabama	$228	4	$682	12	$1,291	26	$1,577	37
Arizona	7	25	346	36	773	40	1,172	40
Arkansas	-	26	524	22	1,373	24	2,193	17
California	-	26	148	41	776	39	1,556	38
Colorado	21	22	495	25	1,163	30	1,829	30
Connecticut	-	26	120	42	1,132	32	2,007	25
Delaware	-	26	458	27	1,214	28	1,911	29
District of Columbia	44	18	638	15	1,504	11	2,312	14
Georgia	95	13	683	11	1,554	7	2,117	20
Hawaii	121	10	775	7	1,852	5	2,483	8
Idaho	(33)	38	550	20	1,618	6	2,740	6
Illinois	209	6	529	21	962	35	1,398	39
Indiana	354	2	820	5	1,455	16	2,094	21
Iowa	128	9	651	14	1,483	13	2,146	19
Kansas	101	12	504	24	1,389	22	2,239	15
Kentucky	94	14	1,005	3	1,987	3	2,825	4
Louisiana	88	16	398	34	1,012	34	1,653	35
Maine	0	26	430	29	1,535	8	2,874	3
Maryland	62	17	1,095	2	2,243	2	3,013	2
Massachusetts	102	11	730	8	1,467	15	2,237	16
Michigan	208	7	702	9	1,330	25	1,962	28
Minnesota	(42)	39	572	19	1,401	21	2,425	10
Mississippi	33	20	417	31	1,139	31	1,708	32
Missouri	32	21	428	30	1,164	29	1,770	31
Montana	90	15	457	28	1,429	17	2,029	23
Nebraska	(22)	37	369	35	1,085	33	2,079	22
New Jersey	(60)	40	261	37	509	42	1,138	41
New Mexico	(91)	41	158	40	931	37	1,582	36
New York	(3)	35	470	26	1,423	18	2,418	11
North Carolina	226	5	862	4	1,873	4	2,753	5
North Dakota	10	24	224	39	528	41	951	42
Ohio	188	8	686	10	1,499	12	2,372	13
Oklahoma	35	19	572	18	1,406	20	2,010	24
Oregon	291	3	1,170	1	2,274	1	3,093	1
Pennsylvania	384	1	799	6	1,387	23	1,978	26
Rhode Island	(7)	36	401	33	942	36	1,666	33
South Carolina	12	23	413	32	1,411	19	2,428	9
Utah	-	26	597	17	1,506	10	2,401	12
Vermont	(224)	42	229	38	904	38	1,655	34
Virginia	-	26	656	13	1,476	14	2,167	18
West Virginia	-	26	606	16	1,218	27	1,971	27
Wisconsin	-	26	505	23	1,527	9	2,585	7
42 State Average*	**$64**		**$551**		**$1,337**		**$2,084**	

*Simple average.

Table 6 (contd): Tax Year 2008 Income Tax Burdens for Single Filers

	$75,000		$100,000		$150,000		$250,000	
STATE	**Tax**	**Rank**	**Tax**	**Rank**	**Tax**	**Rank**	**Tax**	**Rank**
Alabama	$2,148	38	$2,889	39	$4,124	39	$6,864	41
Arizona	1,705	41	2,584	41	3,940	41	7,076	40
Arkansas	3,417	15	4,937	14	7,457	16	12,728	14
California	2,766	30	4,758	17	7,731	13	15,284	3
Colorado	2,566	34	3,575	35	5,164	36	8,731	35
Connecticut	3,356	18	4,439	23	6,633	25	10,310	30
Delaware	2,815	29	4,128	28	6,221	27	10,760	25
District of Columbia	3,715	9	5,482	7	8,391	6	14,272	6
Georgia	3,030	25	4,251	25	6,218	28	10,521	28
Hawaii	3,652	10	5,321	9	7,899	12	14,016	9
Idaho	4,030	5	5,721	4	8,446	5	14,401	5
Illinois	2,074	40	2,723	40	4,040	40	6,246	42
Indiana	3,033	24	3,986	30	5,906	31	9,098	32
Iowa	3,211	21	4,698	20	7,308	18	12,543	16
Kansas	3,321	19	4,748	18	7,116	20	11,903	22
Kentucky	4,035	4	5,487	6	8,074	9	12,246	20
Louisiana	2,511	36	3,487	36	5,161	37	8,392	38
Maine	4,289	2	6,127	2	9,239	2	15,768	2
Maryland	4,155	3	5,851	3	8,588	3	14,860	4
Massachusetts	3,430	14	4,578	22	6,904	22	10,801	23
Michigan	2,942	26	3,883	32	5,793	33	8,991	34
Minnesota	3,626	13	5,220	11	8,033	10	13,848	10
Mississippi	2,550	35	3,649	34	5,409	35	9,079	33
Missouri	2,663	33	3,935	31	6,112	30	10,590	27
Montana	3,174	22	4,716	19	7,207	19	12,243	21
Nebraska	3,293	20	4,805	15	7,324	17	12,519	17
New Jersey	2,106	39	3,444	37	6,179	29	10,792	24
New Mexico	2,353	37	3,388	38	5,031	38	8,683	36
New York	3,629	12	5,110	13	8,110	8	13,071	11
North Carolina	3,960	6	5,606	5	8,346	7	14,243	8
North Dakota	1,563	42	2,383	42	3,859	42	7,270	39
Ohio	3,797	8	5,236	10	8,558	4	14,253	7
Oklahoma	2,900	27	4,030	29	5,896	32	9,612	31
Oregon	4,465	1	6,434	1	9,604	1	16,621	1
Pennsylvania	2,895	28	3,776	33	5,559	34	8,532	37
Rhode Island	2,681	32	4,139	27	6,712	24	12,274	19
South Carolina	3,641	11	5,131	12	7,585	15	12,917	13
Utah	3,400	16	4,639	21	6,833	23	10,510	29
Vermont	2,710	31	4,202	26	7,039	21	12,607	15
Virginia	3,044	23	4,287	24	6,252	26	10,728	26
West Virginia	3,368	17	4,775	16	7,628	14	12,408	18
Wisconsin	3,959	7	5,396	8	7,933	11	12,962	12
42 State Average*	**$3,142**		**$4,475**		**$7,793**		**$11,466**	

*Simple average.

Table 7: Tax Year 2008 Income Tax Burdens for Senior Married-Joint Filers*

	$10,000		$20,000		$35,000		$50,000	
STATE	**Tax**	**Rank**	**Tax**	**Rank**	**Tax**	**Rank**	**Tax**	**Rank**
Alabama	-	1	-	3	$52	4	$729	5
Arizona	($50)	33	($50)	33	(50)	38	214	24
Arkansas	-	1	-	3	-	7	364	18
California	-	1	-	3	-	7	-	35
Colorado	-	1	-	3	-	7	51	33
Connecticut	-	1	-	3	-	7	13	34
Delaware	-	1	-	3	-	7	-	35
District of Columbia	-	1	-	3	-	7	700	7
Georgia	(104)	35	(104)	38	(32)	37	344	19
Hawaii	(172)	41	(172)	42	(74)	39	566	10
Idaho	(130)	36	(130)	39	(130)	41	67	32
Illinois	-	1	-	3	42	5	453	12
Indiana	(140)	37	(80)	35	321	1	911	2
Iowa	-	1	-	3	-	7	319	20
Kansas	(156)	38	(156)	40	(142)	42	405	15
Kentucky	-	1	-	3	-	7	-	35
Louisiana	-	1	-	3	-	7	185	27
Maine	-	1	-	3	-	7	176	30
Maryland	-	1	-	3	-	7	623	8
Massachusetts	-	1	-	3	-	7	822	4
Michigan	(163)	40	(57)	34	-	7	421	13
Minnesota	-	1	-	3	-	7	457	11
Mississippi	-	1	-	3	-	7	183	28
Missouri	-	1	-	3	-	7	92	31
Montana	-	1	-	3	-	7	198	26
Nebraska	-	1	-	3	-	7	280	22
New Jersey	-	1	-	3	-	7	-	35
New Mexico	(205)	42	(80)	35	-	7	-	35
New York	-	1	-	3	-	7	244	23
North Carolina	-	1	-	3	-	7	570	9
North Dakota	-	1	-	3	-	7	179	29
Ohio	-	1	72	1	146	2	723	6
Oklahoma	(80)	34	(80)	35	(80)	40	205	25
Oregon	-	1	-	3	2	6	1,053	1
Pennsylvania	-	1	36	2	73	3	859	3
Rhode Island	-	1	-	3	-	7	388	17
South Carolina	-	1	-	3	-	7	-	35
Utah	-	1	-	3	-	7	391	16
Vermont	(156)	38	(156)	40	-	7	307	21
Virginia	-	1	-	3	-	7	-	35
West Virginia	-	1	-	3	-	7	-	35
Wisconsin	-	1	-	3	-	7	417	14
42 State Average**	**($32)**		**($23)**		**$3**		**$331**	

***** No dependents, filers aged 65 or older.

** Simple average.

Table 7 (contd): Tax Year 2008 Income Tax Burdens for Senior Married-Joint Filers*

	$75,000		$100,000		$150,000		$250,000	
STATE	**Tax**	**Rank**	**Tax**	**Rank**	**Tax**	**Rank**	**Tax**	**Rank**
Alabama	$1,797	18	$2,209	23	$3,810	37	$5,577	40
Arizona	918	31	1,272	36	2,675	42	4,407	42
Arkansas	1,003	29	1,740	29	5,272	23	7,986	23
California	539	38	898	40	3,883	36	8,325	22
Colorado	521	39	1,291	35	4,202	33	5,846	37
Connecticut	1,528	23	3,188	13	5,738	19	8,677	20
Delaware	72	41	841	41	4,233	32	6,102	36
District of Columbia	2,253	7	3,074	17	6,751	6	10,072	11
Georgia	955	30	1,364	33	4,479	30	6,780	31
Hawaii	2,357	5	2,803	21	5,975	15	9,923	12
Idaho	1,787	19	3,268	12	6,665	8	10,484	5
Illinois	758	34	1,331	34	3,227	40	4,577	41
Indiana	2,082	12	2,978	19	4,865	27	7,419	29
Iowa	1,534	22	2,277	22	5,174	24	7,911	25
Kansas	1,639	21	3,995	3	6,754	5	10,096	10
Kentucky	1,081	27	1,761	28	5,598	20	7,712	26
Louisiana	582	37	1,243	37	3,675	38	5,619	38
Maine	1,679	20	3,323	9	6,939	3	11,474	2
Maryland	1,351	24	1,827	26	6,609	9	9,840	14
Massachusetts	2,179	11	3,318	10	5,564	22	8,740	18
Michigan	864	32	1,694	30	4,401	31	6,278	35
Minnesota	3,023	2	4,544	1	7,586	1	11,367	3
Mississippi	1,286	25	1,899	25	4,094	35	6,371	34
Missouri	1,941	15	3,023	18	5,582	21	8,711	19
Montana	2,731	4	3,342	8	6,243	14	9,583	15
Nebraska	2,192	10	3,739	5	6,690	7	10,161	8
New Jersey	408	40	709	42	2,995	41	6,384	33
New Mexico	2,069	13	2,977	20	5,004	26	7,489	28
New York	651	35	1,668	31	5,958	16	8,518	21
North Carolina	2,246	8	3,279	11	6,436	13	10,177	7
North Dakota	1,062	28	1,778	27	3,378	39	5,609	39
Ohio	1,808	17	3,114	14	6,487	11	10,772	4
Oklahoma	834	33	1,570	32	4,719	28	7,159	30
Oregon	2,856	3	3,674	6	7,224	2	11,564	1
Pennsylvania	1,272	26	2,045	24	4,612	29	6,413	32
Rhode Island	1,964	14	3,102	16	5,842	18	9,432	16
South Carolina	33	42	1,170	39	4,192	34	7,648	27
Utah	3,039	1	4,221	2	6,844	4	9,848	13
Vermont	1,820	16	3,102	15	5,889	17	9,297	17
Virginia	633	36	1,200	38	5,014	25	7,967	24
West Virginia	2,209	9	3,632	7	6,473	12	10,377	6
Wisconsin	2,288	6	3,744	4	6,503	10	10,149	9
42 State Average**	**$1,520**		**$2,458**		**$5,339**		**$8,306**	

***** No dependents, filers aged 65 or older.

** Simple average.

Table 8: Tax Year 2008 Income Tax Burdens for Senior Single Filers*

	$10,000		$20,000		$35,000		$50,000	
STATE	**Tax**	**Rank**	**Tax**	**Rank**	**Tax**	**Rank**	**Tax**	**Rank**
Alabama	-	3	$172	3	$654	4	$1,017	21
Arizona	($25)	33	(25)	39	262	24	621	32
Arkansas	-	3	-	15	200	25	707	28
California	-	3	-	15	33	36	499	39
Colorado	-	3	-	15	81	34	511	38
Connecticut	-	3	-	15	96	33	1,136	20
Delaware	-	3	-	15	-	37	286	40
District of Columbia	-	3	-	15	489	9	1,244	17
Georgia	(52)	35	3	14	158	30	523	37
Hawaii	(86)	39	14	13	649	5	1,328	15
Idaho	(60)	36	(60)	41	373	14	1,465	9
Illinois	-	3	157	5	272	23	565	34
Indiana	(100)	40	213	2	719	3	1,379	12
Iowa	-	3	-	15	291	21	887	24
Kansas	(78)	38	(3)	37	407	13	1,160	19
Kentucky	-	3	-	15	-	37	633	31
Louisiana	-	3	55	10	128	31	557	35
Maine	-	3	-	15	292	20	1,432	10
Maryland	-	3	153	6	428	12	789	26
Massachusetts	-	3	25	11	728	2	1,538	6
Michigan	(74)	37	111	9	276	22	702	29
Minnesota	-	3	-	15	484	10	2,074	2
Mississippi	-	3	-	15	311	18	845	25
Missouri	-	3	-	15	69	35	1,401	11
Montana	-	3	22	12	191	26	1,569	5
Nebraska	-	3	-	15	311	19	1,738	3
New Jersey	-	3	-	15	-	37	240	42
New Mexico	(135)	41	(30)	40	-	37	1,356	13
New York	-	3	-	15	182	28	639	30
North Carolina	-	3	120	8	635	6	1,476	8
North Dakota	-	3	-	15	190	27	741	27
Ohio	12	1	165	4	329	16	1,005	22
Oklahoma	(40)	34	(10)	38	160	29	595	33
Oregon	-	3	134	7	1,011	1	1,585	4
Pennsylvania	6	2	259	1	491	8	889	23
Rhode Island	-	3	-	15	339	15	1,286	16
South Carolina	-	3	-	15	-	37	284	41
Utah	-	3	-	15	497	7	2,117	1
Vermont	(156)	42	(156)	42	326	17	1,242	18
Virginia	-	3	-	15	-	37	554	36
West Virginia	-	3	-	15	112	32	1,349	14
Wisconsin	-	3	-	15	440	11	1,514	7
42 State Average**	**($19)**		**$31**		**$300**		**$1,035**	

***** No dependents, filer aged 65 or older.
** Simple average.

Table 8 (contd): Tax Year 2008 Income Tax Burdens for Senior Single Filers*

STATE	$75,000 Tax	$75,000 Rank	$100,000 Tax	$100,000 Rank	$150,000 Tax	$150,000 Rank	$250,000 Tax	$250,000 Rank
Alabama	$1,811	28	$2,690	31	$3,694	37	$6,465	40
Arizona	1,315	40	2,112	36	3,170	41	6,376	41
Arkansas	2,120	24	3,780	20	5,647	20	11,681	20
California	2,063	25	3,809	19	6,210	14	13,953	4
Colorado	1,605	34	2,637	33	3,830	34	8,075	35
Connecticut	2,967	10	4,027	17	5,452	23	9,782	27
Delaware	1,423	38	2,684	32	4,257	33	9,216	29
District of Columbia	2,687	17	4,513	12	6,750	6	12,972	8
Georgia	1,368	39	1,711	38	3,747	35	9,165	30
Hawaii	2,905	12	4,514	11	6,503	10	12,838	10
Idaho	3,182	6	4,928	6	6,991	4	13,263	6
Illinois	1,126	41	1,069	42	2,622	42	5,747	42
Indiana	2,465	20	3,409	25	4,675	29	8,363	33
Iowa	2,166	23	3,701	21	5,601	21	11,786	19
Kansas	2,548	18	4,951	5	6,659	8	12,066	15
Kentucky	1,503	37	1,617	39	4,483	30	10,574	24
Louisiana	1,522	35	2,497	35	3,706	36	7,562	38
Maine	3,274	4	5,251	2	7,550	1	14,488	1
Maryland	1,944	26	3,179	28	5,671	19	13,612	5
Massachusetts	2,883	13	4,000	18	5,521	22	10,041	25
Michigan	1,515	36	1,432	41	3,685	38	7,804	37
Minnesota	3,765	1	5,486	1	7,548	2	14,068	3
Mississippi	1,929	27	3,075	29	4,395	32	8,307	34
Missouri	2,804	16	4,227	16	5,818	17	10,742	22
Montana	3,151	7	4,796	7	6,608	9	12,307	14
Nebraska	3,379	3	5,019	4	6,837	5	12,970	9
New Jersey	774	42	1,799	37	4,481	31	9,647	28
New Mexico	2,472	19	3,553	23	4,766	28	8,817	32
New York	1,666	31	3,050	30	4,991	26	12,045	16
North Carolina	3,028	9	4,675	9	6,735	7	13,122	7
North Dakota	1,643	33	2,512	34	3,606	40	7,388	39
Ohio	2,430	21	3,265	27	5,680	18	12,807	12
Oklahoma	1,764	30	3,502	24	4,891	27	8,891	31
Oregon	3,247	5	5,083	3	7,283	3	14,103	2
Pennsylvania	1,649	32	1,552	40	3,614	39	7,824	36
Rhode Island	2,849	14	4,355	14	6,253	13	12,466	13
South Carolina	1,792	29	3,385	26	5,234	24	10,869	21
Utah	3,628	2	4,704	8	6,111	16	10,590	23
Vermont	2,848	15	4,414	13	6,496	11	12,824	11
Virginia	2,320	22	3,683	22	5,199	25	9,843	26
West Virginia	2,942	11	4,340	15	6,169	15	11,993	17
Wisconsin	3,083	8	4,653	10	6,439	12	11,959	18
42 State Average**	**$2,323**		**$3,563**		**$5,371**		**$10,700**	

***** No dependents, filer aged 65 or older.

** Simple average.

Comparison of Tax Year 2006 and Tax Year 2008 Results

The table beginning on the following page compares the results from our previous (tax year 2006) study with the results from our current (tax year 2008) study on a state-specific basis. Astute readers may notice that total net taxes often decline from the previous study – see our FAQ section for information regarding this phenomenon.

Table 9: Comparison of Tax Year 2006 and Tax Year 2008 Rank and Net Tax, by State, Filing Status, and Income

[The nationwide average net tax equals 100.0]

		ALABAMA				ARIZONA				ARKANSAS			
		Rank		Net Tax as % of U.S. Average		Rank		Net Tax as % of U.S. Average		Rank		Net Tax as % of U.S. Average	
FILING STATUS	INCOME	2006	2008	2006	2008	2006	2008	2006	2008	2006	2008	2006	2008
Single	$10,000	5	4	260.0	357.6	21	25	70.1	11.5	23	26	65.8	0.0
Single	$20,000	11	12	125.3	123.8	36	36	67.1	62.8	22	22	96.8	95.1
Single	$35,000	24	26	95.7	96.6	40	40	60.7	57.9	21	24	104.8	102.7
Single	$50,000	36	37	73.9	75.7	39	40	58.7	56.3	17	17	105.5	105.2
Single	$75,000	38	38	68.4	68.3	40	41	60.4	54.3	13	15	113.1	108.8
Single	$100,000	38	39	63.5	64.6	39	41	61.9	57.7	14	14	111.7	110.3
Single	$150,000	40	39	61.0	60.7	39	41	63.4	58.0	14	16	110.9	109.7
Single	$250,000	41	41	56.7	59.9	39	40	66.4	61.7	14	14	111.0	111.0
Married	$10,000	2	4	*	*	25	20	*	*	5	4	*	*
Married	$20,000	1	2	*	*	32	26	*	*	6	13	*	*
Married	$35,000	6	4	184.3	234.5	29	27	60.9	70.3	15	12	129.3	157.4
Married	$50,000	15	14	113.8	112.2	40	39	50.7	47.6	18	21	105.3	95.9
Married	$75,000	29	28	91.0	91.5	39	39	53.4	50.2	17	21	109.5	104.8
Married	$100,000	32	32	80.6	83.2	40	40	53.7	50.7	15	14	110.1	108.6
Married	$150,000	39	38	68.6	71.2	41	41	55.2	51.0	14	15	110.9	109.9
Married	$250,000	39	39	60.2	63.3	41	41	60.0	57.0	15	17	109.8	111.0
Married	$500,000	41	41	54.0	55.7	39	40	64.6	61.1	17	15	109.4	111.6
Married	$1,000,000	41	41	52.1	54.2	37	39	68.6	65.4	14	14	110.1	112.8
HHouse	$10,000	2	5	*	*	27	22	*	*	10	8	*	*
HHouse	$20,000	5	7	283.4	399.7	29	32	25.1	NA	10	8	208.0	368.6
HHouse	$35,000	13	15	120.4	123.0	37	38	48.2	45.5	10	12	126.9	125.8
HHouse	$50,000	32	32	84.8	85.5	39	39	52.7	49.6	13	13	116.5	113.6
HHouse	$75,000	36	34	74.5	76.2	39	39	50.7	48.4	9	12	118.0	117.7
HHouse	$100,000	37	38	67.9	68.7	41	41	51.9	49.2	9	10	117.8	116.9
HHouse	$150,000	--	39	--	64.9	--	42	--	51.7	--	14	--	114.9
HHouse	$250,000	--	40	--	58.4	--	42	--	55.2	--	16	--	112.4
Sr-Married	$10,000	2	1	*	*	39	33	*	*	36	1	*	*
Sr-Married	$20,000	4	3	349.2	*	26	33	21.5	*	21	3	57.6	*
Sr-Married	$35,000	6	4	220.7	*	23	38	80.7	*	22	7	81.7	*
Sr-Married	$50,000	12	5	154.2	220.1	27	24	71.0	64.6	23	18	87.2	109.8
Sr-Married	$75,000	--	18	--	118.2	--	31	--	60.4	--	29	--	66.0
Sr-Married	$100,000	--	23	--	89.9	--	36	--	51.8	--	29	--	70.8
Sr-Married	$150,000	--	37	--	71.4	--	42	--	50.1	--	23	--	98.7
Sr-Married	$250,000	--	40	--	67.2	--	42	--	53.1	--	23	--	96.2
Sr-Single	$10,000	--	3	--	*	--	33	--	*	--	3	--	*
Sr-Single	$20,000	--	3	--	*	--	39	--	*	--	15	--	*
Sr-Single	$35,000	--	4	--	217.7	--	24	--	87.3	--	25	--	66.6
Sr-Single	$50,000	--	21	--	98.2	--	32	--	60.0	--	28	--	68.3
Sr-Single	$75,000	--	28	--	78.0	--	40	--	56.6	--	24	--	91.3
Sr-Single	$100,000	--	31	--	75.5	--	36	--	59.3	--	20	--	106.1
Sr-Single	$150,000	--	37	--	68.8	--	41	--	59.0	--	20	--	105.1
Sr-Single	$250,000	--	40	--	60.4	--	41	--	59.6	--	20	--	109.2

*** Not shown for instances where U.S. average taxes are $50 or less because comparisons to national averages would be misleading.**
NA: Not applicable, since net state tax is negative largely due to state earned income tax credit program benefits.
Result of 0.0 indicates no net state tax liability.

Table 9 (contd): Comparison of Tax Year 2006 and Tax Year 2008 Rank and Net Tax, by State, Filing Status, and Income

[The nationwide average net tax equals 100.0]

		CALIFORNIA				COLORADO				CONNECTICUT			
		Rank		Net Tax as % of U.S. Average		Rank		Net Tax as % of U.S. Average		Rank		Net Tax as % of U.S. Average	
FILING STATUS	INCOME	2006	2008	2006	2008	2006	2008	2006	2008	2006	2008	2006	2008
Single	$10,000	37	26	0.0	0.0	22	22	67.3	33.6	37	26	0.0	0.0
Single	$20,000	40	41	33.6	26.9	24	25	93.4	89.9	41	42	25.1	21.7
Single	$35,000	39	39	65.6	58.1	30	30	86.9	87.0	25	32	90.2	84.6
Single	$50,000	37	38	72.9	74.7	29	30	88.1	87.8	23	25	99.6	96.3
Single	$75,000	26	30	97.3	88.0	32	34	82.2	81.7	22	18	102.8	106.8
Single	$100,000	12	17	113.5	106.3	34	35	80.1	79.9	26	23	98.4	99.2
Single	$150,000	8	13	123.6	113.7	35	36	77.1	76.0	27	25	93.7	97.6
Single	$250,000	2	3	140.9	133.3	35	35	75.6	76.1	30	30	87.7	89.9
Married	$10,000	5	4	*	*	5	4	*	*	5	4	*	*
Married	$20,000	19	13	*	*	19	13	*	*	19	13	*	*
Married	$35,000	41	37	0.0	0.0	26	24	76.1	81.8	38	31	30.7	37.8
Married	$50,000	42	42	0.0	0.0	30	30	81.5	79.3	33	36	69.3	67.4
Married	$75,000	42	42	32.3	23.9	33	33	83.5	83.1	15	11	111.8	117.2
Married	$100,000	39	41	59.4	46.9	31	33	81.5	81.5	13	17	111.4	106.5
Married	$150,000	26	35	90.7	79.7	33	36	77.9	78.4	19	17	102.8	107.1
Married	$250,000	9	14	119.8	112.8	35	37	75.5	76.5	27	25	93.2	95.4
Married	$500,000	2	3	139.9	134.2	34	36	74.6	74.8	30	30	86.0	88.6
Married	$1,000,000	1	1	146.4	144.9	34	35	73.9	74.3	31	30	82.5	83.4
HHouse	$10,000	10	8	*	*	10	8	*	*	10	8	*	*
HHouse	$20,000	33	28	0.0	0.0	19	19	110.4	163.2	32	27	3.1	2.1
HHouse	$35,000	42	42	4.9	0.0	30	31	85.1	83.7	41	41	31.7	27.8
HHouse	$50,000	42	42	21.0	14.5	31	30	89.2	88.0	28	28	92.9	90.3
HHouse	$75,000	38	40	51.1	46.4	31	32	84.0	83.7	21	23	103.9	101.5
HHouse	$100,000	34	37	80.1	71.3	32	35	80.8	81.0	20	20	105.6	106.0
HHouse	$150,000	--	20	--	102.1	--	36	--	77.9	--	23	--	96.9
HHouse	$250,000	--	11	--	118.3	--	36	--	75.3	--	27	--	93.4
Sr-Married	$10,000	6	1	*	*	6	1	*	*	6	1	*	*
Sr-Married	$20,000	30	3	0.0	*	30	3	0.0	*	30	3	0.0	*
Sr-Married	$35,000	35	7	0.0	*	35	7	0.0	*	33	7	12.5	*
Sr-Married	$50,000	35	35	19.1	0.0	37	33	13.7	15.4	32	34	34.1	3.9
Sr-Married	$75,000	--	38	--	35.4	--	39	--	34.3	--	23	--	100.5
Sr-Married	$100,000	--	40	--	36.5	--	35	--	52.5	--	13	--	129.7
Sr-Married	$150,000	--	36	--	72.7	--	33	--	78.7	--	19	--	107.5
Sr-Married	$250,000	--	22	--	100.2	--	37	--	70.4	--	20	--	104.5
Sr-Single	$10,000	--	3	--	*	--	3	--	*	--	3	--	*
Sr-Single	$20,000	--	15	--	*	--	15	--	*	--	15	--	*
Sr-Single	$35,000	--	36	--	11.0	--	34	--	27.0	--	33	--	32.0
Sr-Single	$50,000	--	39	--	48.2	--	38	--	49.4	--	20	--	109.7
Sr-Single	$75,000	--	25	--	88.8	--	34	--	69.1	--	10	--	127.7
Sr-Single	$100,000	--	19	--	106.9	--	33	--	74.0	--	17	--	113.0
Sr-Single	$150,000	--	14	--	115.6	--	34	--	71.3	--	23	--	101.5
Sr-Single	$250,000	--	4	--	130.4	--	35	--	75.5	--	27	--	91.4

*** Not shown for instances where U.S. average taxes are $50 or less because comparisons to national averages would be misleading.**
NA: Not applicable, since net state tax is negative largely due to state earned income tax credit program benefits.
Result of 0.0 indicates no net state tax liability.

Table 9 (contd): Comparison of Tax Year 2006 and Tax Year 2008 Rank and Net Tax, by State, Filing Status, and Income

[The nationwide average net tax equals 100.0]

		DELAWARE				DIST. OF COLUMBIA				GEORGIA			
		Rank		Net Tax as % of U.S. Average		Rank		Net Tax as % of U.S. Average		Rank		Net Tax as % of U.S. Average	
FILING STATUS	INCOME	2006	2008	2006	2008	2006	2008	2006	2008	2006	2008	2006	2008
Single	$10,000	**37**	**26**	0.0	0.0	**10**	**18**	199.8	68.5	**17**	**13**	116.7	148.9
Single	$20,000	**29**	**27**	83.0	83.1	**5**	**15**	152.0	115.8	**13**	**11**	124.0	124.1
Single	$35,000	**26**	**28**	89.4	90.8	**5**	**11**	135.7	112.5	**13**	**7**	113.8	116.3
Single	$50,000	**27**	**29**	91.7	91.7	**8**	**14**	121.9	111.0	**22**	**20**	100.0	101.6
Single	$75,000	**29**	**29**	91.7	89.6	**5**	**9**	130.0	118.2	**24**	**25**	98.0	96.4
Single	$100,000	**28**	**28**	93.5	92.3	**4**	**7**	131.1	122.5	**27**	**25**	95.0	95.0
Single	$150,000	**28**	**27**	93.5	91.5	**3**	**6**	131.9	123.4	**29**	**28**	92.2	91.5
Single	$250,000	**26**	**25**	93.3	93.8	**5**	**6**	130.1	124.5	**29**	**28**	90.8	91.8
Married	$10,000	**5**	**4**	*	*	**40**	**42**	*	*	**22**	**19**	*	*
Married	$20,000	**19**	**13**	*	*	**39**	**40**	*	*	**12**	**8**	*	*
Married	$35,000	**34**	**34**	52.0	27.1	**3**	**18**	193.7	109.8	**12**	**10**	139.5	176.7
Married	$50,000	**32**	**35**	71.4	69.9	**8**	**12**	134.4	123.2	**27**	**23**	93.4	91.8
Married	$75,000	**31**	**32**	85.2	84.7	**2**	**5**	142.1	132.0	**23**	**24**	99.3	99.2
Married	$100,000	**27**	**30**	88.3	88.1	**3**	**4**	140.0	132.7	**25**	**26**	96.5	97.6
Married	$150,000	**28**	**28**	89.9	89.8	**4**	**2**	137.5	133.4	**25**	**24**	93.4	94.7
Married	$250,000	**29**	**28**	90.1	92.1	**5**	**5**	130.7	128.2	**28**	**27**	90.3	92.7
Married	$500,000	**25**	**24**	91.6	92.7	**5**	**6**	130.7	127.8	**28**	**28**	88.9	90.1
Married	$1,000,000	**24**	**24**	93.2	93.8	**5**	**4**	132.7	131.5	**28**	**27**	89.2	90.2
HHouse	$10,000	**10**	**8**	*	*	**40**	**42**	*	*	**9**	**21**	*	*
HHouse	$20,000	**33**	**28**	0.0	0.0	**36**	**38**	NA	NA	**12**	**11**	187.6	333.4
HHouse	$35,000	**21**	**19**	101.9	104.7	**4**	**14**	150.8	123.6	**14**	**13**	119.9	123.7
HHouse	$50,000	**27**	**27**	95.6	94.7	**8**	**20**	123.9	108.9	**24**	**24**	99.0	98.6
HHouse	$75,000	**28**	**28**	94.7	94.6	**6**	**8**	128.9	120.5	**27**	**26**	96.8	97.5
HHouse	$100,000	**25**	**24**	96.1	95.6	**5**	**8**	129.8	122.7	**26**	**25**	94.8	95.2
HHouse	$150,000	**--**	**26**	--	95.3	**--**	**4**	--	127.8	**--**	**28**	--	93.2
HHouse	$250,000	**--**	**25**	--	94.3	**--**	**7**	--	120.7	**--**	**29**	--	90.5
Sr-Married	$10,000	**6**	**1**	*	*	**6**	**1**	*	*	**38**	**35**	*	*
Sr-Married	$20,000	**30**	**3**	0.0	*	**7**	**3**	250.5	*	**30**	**38**	0.0	*
Sr-Married	$35,000	**35**	**7**	0.0	*	**5**	**7**	242.6	*	**35**	**37**	0.0	*
Sr-Married	$50,000	**40**	**35**	0.0	0.0	**3**	**7**	199.0	211.5	**39**	**19**	5.9	103.9
Sr-Married	$75,000	**--**	**41**	--	4.8	**--**	**7**	--	148.2	**--**	**30**	--	62.8
Sr-Married	$100,000	**--**	**41**	--	34.2	**--**	**17**	--	125.1	**--**	**33**	--	55.5
Sr-Married	$150,000	**--**	**32**	--	79.3	**--**	**6**	--	126.4	**--**	**30**	--	83.9
Sr-Married	$250,000	**--**	**36**	--	73.5	**--**	**11**	--	121.3	**--**	**31**	--	81.6
Sr-Single	$10,000	**--**	**3**	--	*	**--**	**3**	--	*	**--**	**35**	--	*
Sr-Single	$20,000	**--**	**15**	--	*	**--**	**15**	--	*	**--**	**14**	--	*
Sr-Single	$35,000	**--**	**37**	--	0.0	**--**	**9**	--	162.8	**--**	**30**	--	52.5
Sr-Single	$50,000	**--**	**40**	--	27.6	**--**	**17**	--	120.1	**--**	**37**	--	50.5
Sr-Single	$75,000	**--**	**38**	--	61.3	**--**	**17**	--	115.7	**--**	**39**	--	58.9
Sr-Single	$100,000	**--**	**32**	--	75.3	**--**	**12**	--	126.7	**--**	**38**	--	48.0
Sr-Single	$150,000	**--**	**33**	--	79.3	**--**	**6**	--	125.7	**--**	**35**	--	69.8
Sr-Single	$250,000	**--**	**29**	--	86.1	**--**	**8**	--	121.2	**--**	**30**	--	85.7

*** Not shown for instances where U.S. average taxes are $50 or less because comparisons to national averages would be misleading.**
NA: Not applicable, since net state tax is negative largely due to state earned income tax credit program benefits.
Result of 0.0 indicates no net state tax liability.

Table 9 (contd): Comparison of Tax Year 2006 and Tax Year 2008 Rank and Net Tax, by State, Filing Status, and Income

[The nationwide average net tax equals 100.0]

		HAWAII				IDAHO				ILLINOIS			
		Rank		Net Tax as % of U.S. Average		Rank		Net Tax as % of U.S. Average		Rank		Net Tax as % of U.S. Average	
FILING STATUS	INCOME	2006	2008	2006	2008	2006	2008	2006	2008	2006	2008	2006	2008
Single	$10,000	7	10	240.3	189.4	35	38	22.1	NA	9	6	217.4	327.6
Single	$20,000	3	7	164.9	140.7	18	20	111.6	99.9	23	21	94.3	96.1
Single	$35,000	3	5	143.8	138.5	6	6	124.6	121.0	37	35	70.0	72.0
Single	$50,000	9	8	120.6	119.1	4	6	134.4	131.5	38	39	69.3	67.1
Single	$75,000	9	10	119.5	116.2	4	5	133.0	128.3	39	40	63.4	66.0
Single	$100,000	8	9	120.9	118.9	5	4	129.7	127.9	40	40	60.2	60.8
Single	$150,000	10	12	120.5	116.2	6	5	126.6	124.2	42	40	57.0	59.4
Single	$250,000	10	9	120.7	122.2	7	5	126.2	125.6	42	42	53.1	54.5
Married	$10,000	23	29	*	*	24	26	*	*	27	25	*	*
Married	$20,000	3	9	*	*	31	29	*	*	11	6	*	*
Married	$35,000	2	7	209.8	198.5	32	30	56.7	39.6	18	13	110.6	134.8
Married	$50,000	17	19	105.4	100.7	22	29	102.6	83.1	21	16	102.7	106.9
Married	$75,000	12	13	118.1	116.1	9	15	121.6	113.3	36	34	74.5	78.1
Married	$100,000	10	11	119.3	117.2	8	10	123.4	118.9	37	38	68.2	71.0
Married	$150,000	8	12	119.5	117.4	7	10	123.5	121.2	40	40	61.7	64.3
Married	$250,000	8	8	120.0	122.5	7	7	123.7	123.0	42	40	55.9	57.2
Married	$500,000	11	10	119.0	120.8	7	8	123.9	123.3	42	42	51.6	53.1
Married	$1,000,000	11	11	119.6	121.2	8	9	122.9	123.4	42	42	49.5	50.0
HHouse	$10,000	5	23	*	*	26	24	*	*	7	6	*	*
HHouse	$20,000	2	9	301.4	362.6	26	25	56.6	44.0	14	12	156.6	278.7
HHouse	$35,000	3	5	156.6	138.4	23	28	97.8	87.2	32	30	82.0	85.7
HHouse	$50,000	12	17	116.7	110.9	9	14	121.3	113.4	34	35	75.8	79.1
HHouse	$75,000	13	14	116.3	114.9	8	9	123.8	119.6	37	38	70.1	70.1
HHouse	$100,000	10	12	117.6	115.7	8	9	124.3	121.3	38	39	65.0	65.3
HHouse	$150,000	--	11	--	118.0	--	7	--	122.6	--	40	--	59.2
HHouse	$250,000	--	9	--	120.3	--	6	--	122.1	--	41	--	56.6
Sr-Married	$10,000	37	41	*	*	40	36	*	*	4	1	*	*
Sr-Married	$20,000	9	42	205.9	*	42	39	NA	*	8	3	207.2	*
Sr-Married	$35,000	19	39	94.1	*	20	41	88.4	*	21	5	85.1	*
Sr-Married	$50,000	28	10	68.4	170.9	18	32	119.3	20.2	30	12	53.8	136.8
Sr-Married	$75,000	--	5	--	155.0	--	19	--	117.5	--	34	--	49.8
Sr-Married	$100,000	--	21	--	114.1	--	12	--	132.9	--	34	--	54.1
Sr-Married	$150,000	--	15	--	111.9	--	8	--	124.8	--	40	--	60.4
Sr-Married	$250,000	--	12	--	119.5	--	5	--	126.2	--	41	--	55.1
Sr-Single	$10,000	--	39	--	*	--	36	--	*	--	3	--	*
Sr-Single	$20,000	--	13	--	*	--	41	--	*	--	5	--	*
Sr-Single	$35,000	--	5	--	216.3	--	14	--	124.1	--	23	--	90.4
Sr-Single	$50,000	--	15	--	128.3	--	9	--	141.5	--	34	--	54.6
Sr-Single	$75,000	--	12	--	125.1	--	6	--	137.0	--	41	--	48.5
Sr-Single	$100,000	--	11	--	126.7	--	6	--	138.3	--	42	--	30.0
Sr-Single	$150,000	--	10	--	121.1	--	4	--	130.2	--	42	--	48.8
Sr-Single	$250,000	--	10	--	120.0	--	6	--	124.0	--	42	--	53.7

*** Not shown for instances where U.S. average taxes are $50 or less because comparisons to national averages would be misleading.**
NA: Not applicable, since net state tax is negative largely due to state earned income tax credit program benefits.
Result of 0.0 indicates no net state tax liability.

Table 9 (contd): Comparison of Tax Year 2006 and Tax Year 2008 Rank and Net Tax, by State, Filing Status, and Income

[The nationwide average net tax equals 100.0]

		INDIANA				IOWA				KANSAS			
		Rank		Net Tax as % of U.S. Average		Rank		Net Tax as % of U.S. Average		Rank		Net Tax as % of U.S. Average	
FILING STATUS	INCOME	2006	2008	2006	2008	2006	2008	2006	2008	2006	2008	2006	2008
Single	$10,000	**1**	**2**	362.2	554.9	**13**	**9**	157.9	201.0	**15**	**12**	133.0	157.8
Single	$20,000	**7**	**5**	146.0	148.9	**16**	**14**	114.5	118.1	**26**	**24**	90.2	91.4
Single	$35,000	**18**	**16**	105.7	108.9	**20**	**13**	104.9	110.9	**23**	**22**	102.2	103.9
Single	$50,000	**19**	**21**	102.1	100.5	**26**	**19**	97.3	103.0	**18**	**15**	105.2	107.4
Single	$75,000	**27**	**24**	92.7	96.5	**23**	**21**	99.5	102.2	**16**	**19**	107.3	105.7
Single	$100,000	**29**	**30**	87.9	89.1	**22**	**20**	101.5	105.0	**18**	**18**	106.1	106.1
Single	$150,000	**32**	**31**	82.9	86.9	**20**	**18**	102.7	107.5	**19**	**20**	104.4	104.7
Single	$250,000	**33**	**32**	77.4	79.3	**21**	**16**	100.9	109.4	**20**	**22**	102.3	103.8
Married	$10,000	**26**	**21**	*	*	**5**	**28**	*	*	**38**	**39**	*	*
Married	$20,000	**5**	**3**	*	*	**15**	**25**	*	*	**37**	**36**	*	*
Married	$35,000	**8**	**6**	169.9	210.1	**9**	**8**	154.3	187.9	**25**	**25**	84.7	76.7
Married	$50,000	**3**	**5**	149.3	160.6	**13**	**11**	120.8	126.1	**29**	**27**	82.5	85.8
Married	$75,000	**18**	**14**	108.7	114.6	**16**	**12**	111.6	116.8	**25**	**25**	98.9	98.5
Married	$100,000	**23**	**20**	98.9	103.5	**17**	**12**	108.7	116.7	**22**	**22**	101.7	102.7
Married	$150,000	**29**	**25**	89.5	93.4	**21**	**16**	102.3	109.6	**20**	**20**	102.3	103.6
Married	$250,000	**32**	**32**	81.5	83.4	**21**	**18**	99.4	108.8	**20**	**19**	100.3	103.0
Married	$500,000	**33**	**33**	75.5	77.7	**22**	**21**	95.8	102.3	**20**	**22**	99.1	101.4
Married	$1,000,000	**36**	**36**	72.5	73.3	**22**	**22**	95.0	102.5	**21**	**23**	99.2	100.8
HHouse	$10,000	**4**	**4**	*	*	**10**	**30**	*	*	**38**	**39**	*	*
HHouse	$20,000	**7**	**5**	249.1	452.1	**17**	**16**	138.2	215.0	**39**	**36**	NA	NA
HHouse	$35,000	**11**	**11**	122.2	127.8	**12**	**10**	121.6	129.3	**26**	**23**	94.5	96.0
HHouse	$50,000	**16**	**11**	110.8	116.5	**15**	**7**	114.8	120.3	**22**	**23**	102.4	103.1
HHouse	$75,000	**25**	**22**	101.7	101.9	**15**	**11**	113.1	118.5	**19**	**19**	106.0	106.2
HHouse	$100,000	**28**	**26**	94.0	94.6	**14**	**13**	110.5	115.3	**17**	**19**	106.3	106.4
HHouse	$150,000	**--**	**31**	--	86.2	**--**	**12**	--	116.2	**--**	**19**	--	105.6
HHouse	$250,000	**--**	**31**	--	82.4	**--**	**18**	--	109.9	**--**	**22**	--	103.2
Sr-Married	$10,000	**1**	**37**	*	*	**6**	**1**	*	*	**42**	**38**	*	*
Sr-Married	$20,000	**1**	**35**	408.3	*	**14**	**3**	115.8	*	**13**	**40**	129.6	*
Sr-Married	$35,000	**3**	**1**	245.1	*	**29**	**7**	57.2	*	**9**	**42**	177.7	*
Sr-Married	$50,000	**7**	**2**	179.1	275.1	**24**	**20**	86.2	96.4	**6**	**15**	180.8	122.4
Sr-Married	$75,000	**--**	**12**	--	137.0	**--**	**22**	--	100.9	**--**	**21**	--	107.8
Sr-Married	$100,000	**--**	**19**	--	121.2	**--**	**22**	--	92.6	**--**	**3**	--	162.6
Sr-Married	$150,000	**--**	**27**	--	91.1	**--**	**24**	--	96.9	**--**	**5**	--	126.5
Sr-Married	$250,000	**--**	**29**	--	89.3	**--**	**25**	--	95.3	**--**	**10**	--	121.6
Sr-Single	$10,000	**--**	**40**	--	*	**--**	**3**	--	*	**--**	**38**	--	*
Sr-Single	$20,000	**--**	**2**	--	*	**--**	**15**	--	*	**--**	**37**	--	*
Sr-Single	$35,000	**--**	**3**	--	239.3	**--**	**21**	--	96.8	**--**	**13**	--	135.4
Sr-Single	$50,000	**--**	**12**	--	133.3	**--**	**24**	--	85.6	**--**	**19**	--	112.1
Sr-Single	$75,000	**--**	**20**	--	106.1	**--**	**23**	--	93.3	**--**	**18**	--	109.7
Sr-Single	$100,000	**--**	**25**	--	95.7	**--**	**21**	--	103.9	**--**	**5**	--	139.0
Sr-Single	$150,000	**--**	**29**	--	87.1	**--**	**21**	--	104.3	**--**	**8**	--	124.0
Sr-Single	$250,000	**--**	**33**	--	78.2	**--**	**19**	--	110.2	**--**	**15**	--	112.8

*** Not shown for instances where U.S. average taxes are $50 or less because comparisons to national averages would be misleading.**
NA: Not applicable, since net state tax is negative largely due to state earned income tax credit program benefits.
Result of 0.0 indicates no net state tax liability.

Table 9 (contd): Comparison of Tax Year 2006 and Tax Year 2008 Rank and Net Tax, by State, Filing Status, and Income

[The nationwide average net tax equals 100.0]

		KENTUCKY				LOUISIANA				MAINE			
		Rank		Net Tax as % of U.S. Average		Rank		Net Tax as % of U.S. Average		Rank		Net Tax as % of U.S. Average	
FILING STATUS	INCOME	2006	2008	2006	2008	2006	2008	2006	2008	2006	2008	2006	2008
Single	$10,000	**34**	**14**	24.5	147.6	**20**	**16**	100.2	137.9	**32**	**26**	29.9	0.0
Single	$20,000	**6**	**3**	147.0	182.5	**42**	**34**	70.9	72.2	**27**	**29**	87.1	78.1
Single	$35,000	**8**	**3**	120.9	148.7	**35**	**34**	74.5	75.7	**9**	**8**	118.7	114.8
Single	$50,000	**14**	**4**	113.7	135.6	**28**	**35**	89.0	79.3	**3**	**3**	138.1	137.9
Single	$75,000	**15**	**4**	107.7	128.4	**30**	**36**	85.7	79.9	**2**	**2**	139.3	136.5
Single	$100,000	**20**	**6**	103.7	122.6	**31**	**36**	84.8	77.9	**2**	**2**	138.7	136.9
Single	$150,000	**22**	**9**	100.3	118.7	**33**	**37**	82.6	75.9	**2**	**2**	136.9	135.9
Single	$250,000	**24**	**20**	97.4	106.8	**34**	**38**	75.7	73.2	**3**	**2**	136.0	137.5
Married	$10,000	**5**	**3**	*	*	**5**	**22**	*	*	**5**	**4**	*	*
Married	$20,000	**19**	**4**	*	*	**9**	**12**	*	*	**19**	**13**	*	*
Married	$35,000	**4**	**1**	193.4	311.2	**21**	**16**	97.2	112.8	**31**	**28**	58.7	55.7
Married	$50,000	**4**	**1**	147.9	186.2	**19**	**24**	103.4	91.8	**26**	**22**	93.6	95.1
Married	$75,000	**7**	**2**	124.5	154.3	**28**	**30**	92.6	89.5	**8**	**10**	122.2	118.3
Married	$100,000	**11**	**2**	114.9	141.6	**26**	**29**	93.0	90.1	**6**	**8**	128.3	126.4
Married	$150,000	**15**	**5**	106.5	130.2	**30**	**33**	86.8	82.8	**5**	**4**	131.1	130.7
Married	$250,000	**22**	**9**	99.4	121.9	**34**	**36**	80.1	77.5	**4**	**2**	132.1	135.2
Married	$500,000	**23**	**14**	95.4	115.1	**35**	**38**	72.4	69.0	**4**	**2**	132.1	134.8
Married	$1,000,000	**23**	**21**	94.6	104.2	**38**	**40**	68.1	65.0	**4**	**3**	133.3	135.0
HHouse	$10,000	**10**	**3**	*	*	**10**	**25**	*	*	**10**	**8**	*	*
HHouse	$20,000	**1**	**1**	335.1	786.0	**16**	**17**	140.7	192.2	**31**	**28**	16.0	0.0
HHouse	$35,000	**5**	**2**	149.2	186.9	**28**	**24**	90.8	94.1	**29**	**32**	89.1	83.2
HHouse	$50,000	**6**	**2**	126.8	155.7	**23**	**26**	100.6	95.6	**7**	**8**	124.2	119.9
HHouse	$75,000	**12**	**2**	116.5	140.2	**26**	**29**	101.7	92.2	**5**	**5**	133.8	130.7
HHouse	$100,000	**16**	**4**	110.0	131.8	**27**	**31**	94.1	86.3	**3**	**3**	134.6	132.2
HHouse	$150,000	**--**	**8**	--	122.1	**--**	**35**	--	80.3	**--**	**2**	--	134.5
HHouse	$250,000	**--**	**10**	--	118.7	**--**	**37**	--	75.1	**--**	**2**	--	136.1
Sr-Married	$10,000	**6**	**1**	*	*	**6**	**1**	*	*	**6**	**1**	*	*
Sr-Married	$20,000	**30**	**3**	0.0	*	**17**	**3**	74.9	*	**18**	**3**	70.5	*
Sr-Married	$35,000	**35**	**7**	0.0	*	**31**	**7**	27.4	*	**18**	**7**	108.4	*
Sr-Married	$50,000	**36**	**35**	14.1	0.0	**34**	**27**	28.2	55.9	**17**	**30**	121.6	53.2
Sr-Married	$75,000	**--**	**27**	--	71.1	**--**	**37**	--	38.3	**--**	**20**	--	110.5
Sr-Married	$100,000	**--**	**28**	--	71.6	**--**	**37**	--	50.6	**--**	**9**	--	135.2
Sr-Married	$150,000	**--**	**20**	--	104.9	**--**	**38**	--	68.8	**--**	**3**	--	130.0
Sr-Married	$250,000	**--**	**26**	--	92.9	**--**	**38**	--	67.6	**--**	**2**	--	138.1
Sr-Single	$10,000	**--**	**3**	--	*	**--**	**3**	--	*	**--**	**3**	--	*
Sr-Single	$20,000	**--**	**15**	--	*	**--**	**10**	--	*	**--**	**15**	--	*
Sr-Single	$35,000	**--**	**37**	--	0.0	**--**	**31**	--	42.5	**--**	**20**	--	97.2
Sr-Single	$50,000	**--**	**31**	--	61.2	**--**	**35**	--	53.8	**--**	**10**	--	138.3
Sr-Single	$75,000	**--**	**37**	--	64.7	**--**	**35**	--	65.5	**--**	**4**	--	140.9
Sr-Single	$100,000	**--**	**39**	--	45.4	**--**	**35**	--	70.1	**--**	**2**	--	147.4
Sr-Single	$150,000	**--**	**30**	--	83.5	**--**	**36**	--	69.0	**--**	**1**	--	140.6
Sr-Single	$250,000	**--**	**24**	--	98.8	**--**	**38**	--	70.7	**--**	**1**	--	135.4

*** Not shown for instances where U.S. average taxes are $50 or less because comparisons to national averages would be misleading.**
NA: Not applicable, since net state tax is negative largely due to state earned income tax credit program benefits.
Result of 0.0 indicates no net state tax liability.

Table 9 (contd): Comparison of Tax Year 2006 and Tax Year 2008 Rank and Net Tax, by State, Filing Status, and Income

[The nationwide average net tax equals 100.0]

		MARYLAND				MASSACHUSETTS				MICHIGAN			
		Rank		Net Tax as % of U.S. Average		Rank		Net Tax as % of U.S. Average		Rank		Net Tax as % of U.S. Average	
FILING STATUS	INCOME	2006	2008	2006	2008	2006	2008	2006	2008	2006	2008	2006	2008
Single	$10,000	4	17	277.5	97.1	12	11	164.7	159.3	42	7	NA	325.0
Single	$20,000	1	2	207.4	198.9	9	8	135.6	132.5	17	9	113.8	127.5
Single	$35,000	1	2	168.2	167.8	15	15	109.2	109.7	29	25	87.4	99.5
Single	$50,000	2	2	143.8	144.6	15	16	112.6	107.3	30	28	87.6	94.2
Single	$75,000	3	3	135.2	132.2	18	14	106.2	109.2	34	26	81.0	93.6
Single	$100,000	3	3	131.7	130.8	21	22	102.2	102.3	35	32	77.3	86.8
Single	$150,000	5	3	126.8	126.3	23	22	98.0	101.5	37	33	73.4	85.2
Single	$250,000	8	4	125.4	129.6	28	23	92.2	94.2	37	34	68.6	78.4
Married	$10,000	36	37	*	*	34	35	*	*	35	34	*	*
Married	$20,000	35	38	*	*	38	35	*	*	10	30	*	*
Married	$35,000	13	37	136.8	0.0	23	23	91.5	91.9	17	14	114.8	127.3
Married	$50,000	14	10	120.7	127.1	9	8	125.7	129.1	16	9	113.2	127.9
Married	$75,000	3	4	140.6	133.4	20	18	106.3	108.4	30	22	87.7	100.6
Married	$100,000	5	5	135.9	131.9	20	18	103.6	105.4	30	28	82.5	94.5
Married	$150,000	6	6	129.0	127.6	23	21	99.0	101.3	35	29	76.6	88.0
Married	$250,000	6	3	126.2	133.2	26	26	93.4	94.8	37	34	70.8	80.3
Married	$500,000	8	5	122.4	128.3	29	26	88.7	91.1	38	34	66.2	75.9
Married	$1,000,000	10	6	121.7	131.2	29	28	86.3	87.3	39	37	64.0	72.0
HHouse	$10,000	35	37	*	*	34	35	*	*	36	32	*	*
HHouse	$20,000	33	35	0.0	NA	27	31	54.3	NA	11	14	203.5	224.6
HHouse	$35,000	2	3	179.0	173.5	19	20	104.9	103.9	24	16	95.6	109.3
HHouse	$50,000	2	4	146.3	144.6	18	18	109.0	110.3	29	22	91.6	105.4
HHouse	$75,000	3	3	138.5	136.4	17	18	109.0	106.9	30	27	87.1	96.3
HHouse	$100,000	4	2	133.7	132.3	21	21	104.6	103.5	31	28	81.7	91.0
HHouse	$150,000	--	3	--	128.5	--	22	--	97.5	--	32	--	83.6
HHouse	$250,000	--	4	--	128.9	--	23	--	96.2	--	33	--	80.9
Sr-Married	$10,000	6	1	*	*	6	1	*	*	6	40	*	*
Sr-Married	$20,000	6	3	270.8	*	11	3	182.5	*	12	34	153.6	*
Sr-Married	$35,000	15	7	126.5	*	2	7	247.4	*	27	7	69.1	*
Sr-Married	$50,000	21	8	90.1	188.2	5	4	184.4	248.2	31	13	47.9	127.0
Sr-Married	$75,000	--	24	--	88.9	--	11	--	143.4	--	32	--	56.8
Sr-Married	$100,000	--	26	--	74.3	--	10	--	135.0	--	30	--	68.9
Sr-Married	$150,000	--	9	--	123.8	--	22	--	104.2	--	31	--	82.4
Sr-Married	$250,000	--	14	--	118.5	--	18	--	105.2	--	35	--	75.6
Sr-Single	$10,000	--	3	--	*	--	3	--	*	--	37	--	*
Sr-Single	$20,000	--	6	--	*	--	11	--	*	--	9	--	*
Sr-Single	$35,000	--	12	--	142.5	--	2	--	242.3	--	22	--	92.0
Sr-Single	$50,000	--	26	--	76.3	--	6	--	148.6	--	29	--	67.8
Sr-Single	$75,000	--	26	--	83.7	--	13	--	124.1	--	36	--	65.2
Sr-Single	$100,000	--	28	--	89.2	--	18	--	112.3	--	41	--	40.2
Sr-Single	$150,000	--	19	--	105.6	--	22	--	102.8	--	38	--	68.6
Sr-Single	$250,000	--	5	--	127.2	--	25	--	93.8	--	37	--	72.9

*** Not shown for instances where U.S. average taxes are $50 or less because comparisons to national averages would be misleading.**
NA: Not applicable, since net state tax is negative largely due to state earned income tax credit program benefits.
Result of 0.0 indicates no net state tax liability.

Table 9 (contd): Comparison of Tax Year 2006 and Tax Year 2008 Rank and Net Tax, by State, Filing Status, and Income

[The nationwide average net tax equals 100.0]

		MINNESOTA				MISSISSIPPI				MISSOURI			
		Rank		Net Tax as % of U.S. Average		Rank		Net Tax as % of U.S. Average		Rank		Net Tax as % of U.S. Average	
FILING STATUS	INCOME	2006	2008	2006	2008	2006	2008	2006	2008	2006	2008	2006	2008
Single	$10,000	**28**	**39**	39.6	NA	**27**	**20**	47.8	52.3	**25**	**21**	50.4	50.5
Single	$20,000	**20**	**19**	107.9	103.8	**32**	**31**	76.0	75.7	**30**	**30**	80.1	77.7
Single	$35,000	**17**	**21**	107.6	104.8	**32**	**31**	83.7	85.2	**31**	**29**	86.5	87.1
Single	$50,000	**10**	**10**	119.3	116.4	**35**	**32**	74.1	82.0	**34**	**31**	79.2	85.0
Single	$75,000	**11**	**13**	117.3	115.4	**35**	**35**	79.4	81.1	**31**	**33**	82.5	84.7
Single	$100,000	**10**	**11**	119.1	116.7	**36**	**34**	76.8	81.5	**32**	**31**	84.5	87.9
Single	$150,000	**9**	**10**	120.6	118.1	**36**	**35**	75.2	79.6	**30**	**30**	86.2	89.9
Single	$250,000	**9**	**10**	123.0	120.8	**36**	**33**	74.2	79.2	**31**	**27**	86.6	92.4
Married	$10,000	**39**	**37**	*	*	**5**	**4**	*	*	**5**	**4**	*	*
Married	$20,000	**41**	**39**	*	*	**18**	**13**	*	*	**16**	**11**	*	*
Married	$35,000	**36**	**41**	39.5	NA	**27**	**22**	74.2	92.5	**22**	**17**	95.3	112.8
Married	$50,000	**23**	**18**	101.2	103.2	**37**	**38**	59.6	60.4	**28**	**20**	89.0	97.5
Married	$75,000	**19**	**19**	107.8	107.0	**35**	**35**	75.5	77.9	**32**	**29**	84.4	89.7
Married	$100,000	**16**	**15**	109.0	108.4	**36**	**34**	76.0	80.9	**33**	**31**	79.3	87.4
Married	$150,000	**12**	**14**	111.5	109.9	**36**	**34**	75.9	80.8	**31**	**32**	80.2	85.0
Married	$250,000	**11**	**11**	116.6	114.9	**36**	**35**	72.7	79.1	**31**	**29**	82.3	88.8
Married	$500,000	**9**	**11**	121.1	119.6	**36**	**32**	72.1	78.1	**31**	**27**	84.6	91.0
Married	$1,000,000	**9**	**10**	122.7	122.6	**35**	**32**	73.2	78.5	**30**	**25**	86.3	92.3
HHouse	$10,000	**39**	**38**	*	*	**10**	**8**	*	*	**10**	**8**	*	*
HHouse	$20,000	**40**	**40**	NA	NA	**23**	**18**	95.4	168.6	**20**	**20**	100.9	157.4
HHouse	$35,000	**22**	**22**	98.4	96.7	**31**	**29**	84.2	86.1	**27**	**26**	92.1	92.9
HHouse	$50,000	**14**	**15**	115.2	112.6	**35**	**34**	74.7	79.9	**33**	**29**	84.4	90.0
HHouse	$75,000	**11**	**13**	116.9	115.3	**35**	**33**	76.2	82.9	**32**	**31**	83.3	87.5
HHouse	$100,000	**12**	**14**	115.5	114.9	**36**	**34**	77.7	82.8	**30**	**30**	86.0	90.1
HHouse	$150,000	**--**	**13**	--	115.8	**--**	**34**	--	81.5	**--**	**29**	--	92.8
HHouse	$250,000	**--**	**12**	--	117.3	**--**	**34**	--	78.1	**--**	**28**	--	92.7
Sr-Married	$10,000	**6**	**1**	*	*	**6**	**1**	*	*	**6**	**1**	*	*
Sr-Married	$20,000	**24**	**3**	36.4	*	**28**	**3**	7.4	*	**29**	**3**	5.2	*
Sr-Married	$35,000	**7**	**7**	189.3	*	**26**	**7**	72.4	*	**28**	**7**	62.4	*
Sr-Married	$50,000	**4**	**11**	195.6	137.9	**25**	**28**	78.7	55.3	**20**	**31**	112.2	27.9
Sr-Married	$75,000	**--**	**2**	--	198.9	**--**	**25**	--	84.6	**--**	**15**	--	127.7
Sr-Married	$100,000	**--**	**1**	--	184.9	**--**	**25**	--	77.3	**--**	**18**	--	123.0
Sr-Married	$150,000	**--**	**1**	--	142.1	**--**	**35**	--	76.7	**--**	**21**	--	104.5
Sr-Married	$250,000	**--**	**3**	--	136.9	**--**	**34**	--	76.7	**--**	**19**	--	104.9
Sr-Single	$10,000	**--**	**3**	--	*	**--**	**3**	--	*	**--**	**3**	--	*
Sr-Single	$20,000	**--**	**15**	--	*	**--**	**15**	--	*	**--**	**15**	--	*
Sr-Single	$35,000	**--**	**10**	--	161.2	**--**	**18**	--	103.6	**--**	**35**	--	23.1
Sr-Single	$50,000	**--**	**2**	--	200.3	**--**	**25**	--	81.7	**--**	**11**	--	135.3
Sr-Single	$75,000	**--**	**1**	--	162.1	**--**	**27**	--	83.0	**--**	**16**	--	120.7
Sr-Single	$100,000	**--**	**1**	--	154.0	**--**	**29**	--	86.3	**--**	**16**	--	118.6
Sr-Single	$150,000	**--**	**2**	--	140.5	**--**	**32**	--	81.8	**--**	**17**	--	108.3
Sr-Single	$250,000	**--**	**3**	--	131.5	**--**	**34**	--	77.6	**--**	**22**	--	100.4

*** Not shown for instances where U.S. average taxes are $50 or less because comparisons to national averages would be misleading.**
NA: Not applicable, since net state tax is negative largely due to state earned income tax credit program benefits.
Result of 0.0 indicates no net state tax liability.

Table 9 (contd): Comparison of Tax Year 2006 and Tax Year 2008 Rank and Net Tax, by State, Filing Status, and Income

[The nationwide average net tax equals 100.0]

		MONTANA				NEBRASKA				NEW JERSEY			
		Rank		Net Tax as % of U.S. Average		Rank		Net Tax as % of U.S. Average		Rank		Net Tax as % of U.S. Average	
FILING STATUS	INCOME	2006	2008	2006	2008	2006	2008	2006	2008	2006	2008	2006	2008
Single	$10,000	19	15	106.7	140.8	33	37	28.7	NA	16	40	118.1	NA
Single	$20,000	25	28	92.0	83.0	35	35	70.0	67.0	37	37	46.5	47.4
Single	$35,000	14	17	110.2	106.9	33	33	83.2	81.2	42	42	37.1	38.1
Single	$50,000	25	23	98.2	97.4	21	22	101.2	99.8	40	41	58.4	54.6
Single	$75,000	20	22	105.8	101.0	17	20	107.2	104.8	37	39	75.2	67.0
Single	$100,000	17	19	107.0	105.4	15	15	107.7	107.4	30	37	85.7	76.9
Single	$150,000	18	19	107.5	106.0	17	17	107.5	107.7	26	29	94.5	90.9
Single	$250,000	17	21	108.6	106.8	16	17	110.5	109.2	22	24	97.9	94.1
Married	$10,000	5	4	*	*	31	31	*	*	36	36	*	*
Married	$20,000	13	7	*	*	34	32	*	*	8	37	*	*
Married	$35,000	20	20	99.1	104.9	30	33	60.3	32.8	28	35	65.0	16.2
Married	$50,000	25	28	94.1	85.2	31	31	80.5	75.6	38	37	58.5	60.9
Married	$75,000	22	26	100.1	98.4	26	31	97.2	89.5	40	40	48.0	45.8
Married	$100,000	24	24	98.2	100.5	21	25	102.4	99.0	38	39	61.1	51.9
Married	$150,000	22	22	101.6	99.3	17	19	105.0	103.7	37	39	75.8	68.4
Married	$250,000	18	20	104.9	103.0	12	16	112.9	111.0	30	31	89.0	83.7
Married	$500,000	19	20	106.3	105.5	14	9	112.1	123.0	21	23	96.1	95.8
Married	$1,000,000	18	19	107.8	107.8	16	17	109.0	111.0	17	13	108.8	117.2
HHouse	$10,000	8	7	*	*	33	33	*	*	37	36	*	*
HHouse	$20,000	13	13	159.2	263.1	30	34	16.6	NA	22	39	99.9	NA
HHouse	$35,000	18	21	105.5	103.2	35	36	67.7	62.5	38	37	44.0	45.8
HHouse	$50,000	19	21	107.7	108.3	30	33	91.3	82.0	40	40	41.8	43.6
HHouse	$75,000	18	20	108.6	106.1	23	25	103.2	97.7	42	42	45.5	40.4
HHouse	$100,000	15	17	110.1	108.9	19	22	105.8	102.0	40	42	58.9	47.9
HHouse	$150,000	--	17	--	109.8	--	18	--	105.7	--	38	--	66.9
HHouse	$250,000	--	19	--	106.7	--	8	--	120.4	--	30	--	85.0
Sr-Married	$10,000	6	1	*	*	6	1	*	*	6	1	*	*
Sr-Married	$20,000	23	3	42.2	*	16	3	96.1	*	30	3	0.0	*
Sr-Married	$35,000	16	7	118.2	*	11	7	151.8	*	35	7	0.0	*
Sr-Married	$50,000	11	26	157.2	59.8	9	22	161.3	84.6	40	35	0.0	0.0
Sr-Married	$75,000	--	4	--	179.6	--	10	--	144.2	--	40	--	26.8
Sr-Married	$100,000	--	8	--	136.0	--	5	--	152.1	--	42	--	28.8
Sr-Married	$150,000	--	14	--	116.9	--	7	--	125.3	--	41	--	56.1
Sr-Married	$250,000	--	15	--	115.4	--	8	--	122.3	--	33	--	76.9
Sr-Single	$10,000	--	3	--	*	--	3	--	*	--	3	--	*
Sr-Single	$20,000	--	12	--	*	--	15	--	*	--	15	--	*
Sr-Single	$35,000	--	26	--	63.7	--	19	--	103.5	--	37	--	0.0
Sr-Single	$50,000	--	5	--	151.6	--	3	--	167.9	--	42	--	23.2
Sr-Single	$75,000	--	7	--	135.7	--	3	--	145.5	--	42	--	33.3
Sr-Single	$100,000	--	7	--	134.6	--	4	--	140.9	--	37	--	50.5
Sr-Single	$150,000	--	9	--	123.0	--	5	--	127.3	--	31	--	83.4
Sr-Single	$250,000	--	14	--	115.0	--	9	--	121.2	--	28	--	90.2

*** Not shown for instances where U.S. average taxes are $50 or less because comparisons to national averages would be misleading.**
NA: Not applicable, since net state tax is negative largely due to state earned income tax credit program benefits.
Result of 0.0 indicates no net state tax liability.

Table 9 (contd): Comparison of Tax Year 2006 and Tax Year 2008 Rank and Net Tax, by State, Filing Status, and Income

[The nationwide average net tax equals 100.0]

		NEW MEXICO				NEW YORK				NORTH CAROLINA			
		Rank		Net Tax as % of U.S. Average		Rank		Net Tax as % of U.S. Average		Rank		Net Tax as % of U.S. Average	
FILING STATUS	INCOME	2006	2008	2006	2008	2006	2008	2006	2008	2006	2008	2006	2008
Single	$10,000	**40**	**41**	NA	NA	**26**	**35**	48.0	NA	**6**	**5**	253.2	353.2
Single	$20,000	**39**	**40**	35.8	28.7	**28**	**26**	85.4	85.3	**4**	**4**	155.0	156.5
Single	$35,000	**34**	**37**	75.1	69.6	**19**	**18**	105.1	106.5	**4**	**4**	136.9	140.1
Single	$50,000	**33**	**36**	80.4	75.9	**12**	**11**	117.2	116.1	**5**	**5**	131.1	132.1
Single	$75,000	**33**	**37**	82.0	74.9	**12**	**12**	115.0	115.5	**6**	**6**	128.1	126.0
Single	$100,000	**33**	**38**	81.7	75.7	**13**	**13**	112.6	114.2	**6**	**5**	125.9	125.3
Single	$150,000	**34**	**38**	80.6	74.0	**11**	**8**	118.9	119.3	**7**	**7**	124.8	122.8
Single	$250,000	**32**	**36**	80.9	75.7	**12**	**11**	115.1	114.0	**6**	**8**	128.2	124.2
Married	$10,000	**28**	**33**	*	*	**41**	**40**	*	*	**5**	**22**	*	*
Married	$20,000	**29**	**33**	*	*	**42**	**42**	*	*	**17**	**27**	*	*
Married	$35,000	**40**	**39**	14.2	NA	**42**	**42**	NA	NA	**14**	**11**	134.3	159.2
Married	$50,000	**39**	**41**	57.4	38.2	**36**	**32**	65.1	71.3	**12**	**13**	122.2	119.2
Married	$75,000	**34**	**36**	76.2	69.6	**27**	**27**	93.4	94.7	**6**	**7**	125.2	125.4
Married	$100,000	**34**	**36**	79.1	73.5	**29**	**21**	85.4	103.2	**1**	**7**	156.7	127.9
Married	$150,000	**32**	**37**	79.6	74.1	**11**	**7**	114.1	125.8	**2**	**8**	142.1	125.5
Married	$250,000	**33**	**38**	80.5	75.4	**10**	**10**	118.2	117.6	**3**	**6**	132.9	125.0
Married	$500,000	**32**	**35**	80.4	75.2	**15**	**19**	111.7	108.1	**6**	**7**	129.3	123.7
Married	$1,000,000	**32**	**34**	79.8	74.8	**12**	**15**	111.5	111.6	**6**	**8**	130.0	123.6
HHouse	$10,000	**29**	**34**	*	*	**41**	**40**	*	*	**10**	**25**	*	*
HHouse	$20,000	**37**	**37**	NA	NA	**42**	**41**	NA	NA	**9**	**10**	218.6	336.7
HHouse	$35,000	**39**	**40**	43.0	33.5	**34**	**33**	68.6	68.4	**8**	**6**	134.2	138.2
HHouse	$50,000	**36**	**38**	72.2	62.8	**26**	**25**	95.8	97.6	**5**	**6**	129.8	129.6
HHouse	$75,000	**34**	**37**	77.1	72.4	**20**	**17**	104.5	107.9	**7**	**7**	125.1	125.8
HHouse	$100,000	**35**	**36**	79.2	73.8	**22**	**15**	103.7	114.8	**6**	**7**	129.7	123.1
HHouse	$150,000	**--**	**37**	--	74.1	**--**	**9**	--	120.4	**--**	**6**	--	124.6
HHouse	$250,000	**--**	**38**	--	74.7	**--**	**15**	--	113.8	**--**	**5**	--	123.1
Sr-Married	$10,000	**6**	**42**	*	*	**6**	**1**	*	*	**6**	**1**	*	*
Sr-Married	$20,000	**30**	**35**	0.0	*	**22**	**3**	53.6	*	**10**	**3**	184.3	*
Sr-Married	$35,000	**34**	**7**	2.2	*	**30**	**7**	34.3	*	**8**	**7**	186.5	*
Sr-Married	$50,000	**19**	**35**	116.4	0.0	**33**	**23**	30.0	73.7	**10**	**9**	161.1	172.2
Sr-Married	$75,000	**--**	**13**	--	136.1	**--**	**35**	--	42.8	**--**	**8**	--	147.8
Sr-Married	$100,000	**--**	**20**	--	121.1	**--**	**31**	--	67.9	**--**	**11**	--	133.4
Sr-Married	$150,000	**--**	**26**	--	93.7	**--**	**16**	--	111.6	**--**	**13**	--	120.5
Sr-Married	$250,000	**--**	**28**	--	90.2	**--**	**21**	--	102.6	**--**	**7**	--	122.5
Sr-Single	$10,000	**--**	**41**	--	*	**--**	**3**	--	*	**--**	**3**	--	*
Sr-Single	$20,000	**--**	**40**	--	*	**--**	**15**	--	*	**--**	**8**	--	*
Sr-Single	$35,000	**--**	**37**	--	0.0	**--**	**28**	--	60.6	**--**	**6**	--	211.4
Sr-Single	$50,000	**--**	**13**	--	131.0	**--**	**30**	--	61.7	**--**	**8**	--	142.6
Sr-Single	$75,000	**--**	**19**	--	106.4	**--**	**31**	--	71.7	**--**	**9**	--	130.4
Sr-Single	$100,000	**--**	**23**	--	99.7	**--**	**30**	--	85.6	**--**	**9**	--	131.2
Sr-Single	$150,000	**--**	**28**	--	88.7	**--**	**26**	--	92.9	**--**	**7**	--	125.4
Sr-Single	$250,000	**--**	**32**	--	82.4	**--**	**16**	--	112.6	**--**	**7**	--	122.6

*** Not shown for instances where U.S. average taxes are $50 or less because comparisons to national averages would be misleading.**
NA: Not applicable, since net state tax is negative largely due to state earned income tax credit program benefits.
Result of 0.0 indicates no net state tax liability.

Table 9 (contd): Comparison of Tax Year 2006 and Tax Year 2008 Rank and Net Tax, by State, Filing Status, and Income

[The nationwide average net tax equals 100.0]

		NORTH DAKOTA				OHIO				OKLAHOMA			
		Rank		Net Tax as % of U.S. Average		Rank		Net Tax as % of U.S. Average		Rank		Net Tax as % of U.S. Average	
FILING STATUS	INCOME	2006	2008	2006	2008	2006	2008	2006	2008	2006	2008	2006	2008
Single	$10,000	31	24	30.5	15.3	11	8	187.5	294.8	18	19	116.6	55.3
Single	$20,000	38	39	42.4	40.8	10	10	129.3	124.6	8	18	136.9	103.9
Single	$35,000	41	41	39.4	39.5	11	12	116.1	112.1	7	20	121.6	105.2
Single	$50,000	42	42	45.7	45.6	7	13	125.8	113.8	16	24	107.3	96.5
Single	$75,000	41	42	53.4	49.7	8	8	124.7	120.8	19	27	106.0	92.3
Single	$100,000	42	42	54.4	53.2	7	10	125.4	117.0	23	29	101.5	90.1
Single	$150,000	41	42	57.6	56.8	4	4	131.7	125.9	24	32	97.9	86.7
Single	$250,000	38	39	66.7	63.4	4	7	134.1	124.3	25	31	94.0	83.8
Married	$10,000	5	4	*	*	1	1	*	*	32	30	*	*
Married	$20,000	19	13	*	*	2	1	*	*	30	31	*	*
Married	$35,000	37	32	34.5	37.1	5	5	186.5	226.7	10	21	142.4	103.3
Married	$50,000	41	40	39.8	39.0	2	4	175.4	171.2	10	26	123.4	88.5
Married	$75,000	41	41	38.9	38.4	4	3	140.6	137.7	13	23	114.5	99.5
Married	$100,000	42	42	44.5	42.2	4	3	139.4	134.8	18	27	108.7	96.1
Married	$150,000	42	42	50.6	46.3	3	3	139.0	133.0	18	26	102.9	93.1
Married	$250,000	40	42	60.1	56.5	2	4	137.3	129.3	24	30	94.9	86.1
Married	$500,000	37	39	71.0	68.5	3	4	139.5	133.1	26	31	91.2	83.0
Married	$1,000,000	33	33	77.1	76.3	3	5	139.7	131.3	26	31	90.6	83.1
HHouse	$10,000	10	8	*	*	1	1	*	*	32	31	*	*
HHouse	$20,000	28	24	50.1	74.0	6	3	274.4	491.2	24	26	89.3	25.3
HHouse	$35,000	40	39	38.6	38.0	7	7	138.1	135.1	16	27	109.1	89.5
HHouse	$50,000	41	41	40.4	40.4	4	5	138.8	135.2	21	31	103.8	87.9
HHouse	$75,000	41	41	47.0	44.7	2	6	138.9	129.7	24	30	102.4	91.6
HHouse	$100,000	42	40	50.2	49.2	2	6	136.0	126.7	24	29	101.1	90.7
HHouse	$150,000	--	41	--	54.2	--	5	--	127.0	--	30	--	87.8
HHouse	$250,000	--	39	--	62.0	--	3	--	133.6	--	32	--	81.9
Sr-Married	$10,000	6	1	*	*	3	1	*	*	41	34	*	*
Sr-Married	$20,000	27	3	14.3	*	5	1	312.4	*	20	35	57.9	*
Sr-Married	$35,000	25	7	74.3	*	10	2	173.8	*	24	40	74.7	*
Sr-Married	$50,000	26	29	75.9	54.1	14	6	139.0	218.2	29	25	56.0	61.9
Sr-Married	$75,000	--	28	--	69.9	--	17	--	118.9	--	33	--	54.9
Sr-Married	$100,000	--	27	--	72.3	--	14	--	126.7	--	32	--	63.9
Sr-Married	$150,000	--	39	--	63.3	--	11	--	121.5	--	28	--	88.4
Sr-Married	$250,000	--	39	--	67.5	--	4	--	129.7	--	30	--	86.2
Sr-Single	$10,000	--	3	--	*	--	1	--	*	--	34	--	*
Sr-Single	$20,000	--	15	--	*	--	4	--	*	--	38	--	*
Sr-Single	$35,000	--	27	--	63.3	--	16	--	109.7	--	29	--	53.2
Sr-Single	$50,000	--	27	--	71.6	--	22	--	97.1	--	33	--	57.5
Sr-Single	$75,000	--	33	--	70.7	--	21	--	104.6	--	30	--	75.9
Sr-Single	$100,000	--	34	--	70.5	--	27	--	91.7	--	24	--	98.3
Sr-Single	$150,000	--	40	--	67.1	--	18	--	105.8	--	27	--	91.1
Sr-Single	$250,000	--	39	--	69.0	--	12	--	119.7	--	31	--	83.1

*** Not shown for instances where U.S. average taxes are $50 or less because comparisons to national averages would be misleading.**
NA: Not applicable, since net state tax is negative largely due to state earned income tax credit program benefits.
Result of 0.0 indicates no net state tax liability.

Table 9 (contd): Comparison of Tax Year 2006 and Tax Year 2008 Rank and Net Tax, by State, Filing Status, and Income

[The nationwide average net tax equals 100.0]

		OREGON				PENNSYLVANIA				RHODE ISLAND			
		Rank		Net Tax as % of U.S. Average		Rank		Net Tax as % of U.S. Average		Rank		Net Tax as % of U.S. Average	
FILING STATUS	INCOME	2006	2008	2006	2008	2006	2008	2006	2008	2006	2008	2006	2008
Single	$10,000	2	3	346.3	455.2	3	1	334.7	600.8	36	36	16.4	NA
Single	$20,000	2	1	204.3	212.3	12	6	124.7	145.1	33	33	75.7	72.8
Single	$35,000	2	1	163.7	170.1	28	23	88.3	103.7	36	36	70.4	70.5
Single	$50,000	1	1	148.7	148.4	31	26	85.9	94.9	41	33	55.3	80.0
Single	$75,000	1	1	147.1	142.1	36	28	77.6	92.1	42	32	35.5	85.3
Single	$100,000	1	1	146.3	143.8	37	33	73.1	84.4	5	27	59.1	92.5
Single	$150,000	1	1	144.1	141.3	38	34	68.7	81.8	31	24	83.3	98.7
Single	$250,000	1	1	142.7	145.0	40	37	63.6	74.4	18	19	107.5	107.0
Married	$10,000	30	27	*	*	4	2	*	*	29	24	*	*
Married	$20,000	7	10	*	*	14	4	*	*	33	28	*	*
Married	$35,000	1	2	251.4	298.0	7	3	178.6	237.1	35	36	45.2	3.7
Married	$50,000	1	2	177.2	180.6	5	3	145.5	173.3	35	33	65.9	71.2
Married	$75,000	1	1	158.0	166.2	24	9	99.3	119.1	37	37	66.5	67.0
Married	$100,000	2	1	152.6	154.5	28	19	88.2	105.2	41	35	47.4	73.5
Married	$150,000	1	1	147.9	148.5	34	27	77.6	92.5	38	31	72.8	85.8
Married	$250,000	1	1	144.1	147.9	38	33	68.7	80.4	19	23	100.5	97.8
Married	$500,000	1	1	140.7	144.8	40	37	62.3	73.3	13	12	113.0	117.2
Married	$1,000,000	2	2	140.1	142.2	40	38	59.2	68.6	13	12	111.2	117.8
HHouse	$10,000	28	29	*	*	6	2	*	*	30	27	*	*
HHouse	$20,000	3	4	298.3	475.2	4	2	291.1	639.5	38	33	NA	NA
HHouse	$35,000	1	1	179.4	191.4	15	9	110.2	131.5	33	34	68.9	67.8
HHouse	$50,000	1	1	153.3	156.8	25	9	98.0	116.9	37	36	70.8	71.5
HHouse	$75,000	1	1	147.1	143.6	29	24	88.2	100.6	40	35	50.7	75.3
HHouse	$100,000	1	1	145.8	143.8	33	27	80.5	92.4	39	33	60.8	84.5
HHouse	$150,000	--	1	--	144.0	--	33	--	82.6	--	27	--	93.5
HHouse	$250,000	--	1	--	144.7	--	35	--	78.0	--	21	--	103.5
Sr-Married	$10,000	6	1	*	*	5	1	*	*	6	1	*	*
Sr-Married	$20,000	3	3	354.4	*	2	2	377.3	*	19	3	65.0	*
Sr-Married	$35,000	1	6	299.8	*	12	3	147.6	*	13	7	146.7	*
Sr-Married	$50,000	2	1	226.0	318.0	22	3	88.6	259.2	13	17	142.9	117.0
Sr-Married	$75,000	--	3	--	187.9	--	26	--	83.7	--	14	--	129.2
Sr-Married	$100,000	--	6	--	149.5	--	24	--	83.2	--	16	--	126.2
Sr-Married	$150,000	--	2	--	135.3	--	29	--	86.4	--	18	--	109.4
Sr-Married	$250,000	--	1	--	139.2	--	32	--	77.2	--	16	--	113.6
Sr-Single	$10,000	--	3	--	*	--	2	--	*	--	3	--	*
Sr-Single	$20,000	--	7	--	*	--	1	--	*	--	15	--	*
Sr-Single	$35,000	--	1	--	336.6	--	8	--	163.3	--	15	--	113.0
Sr-Single	$50,000	--	4	--	153.2	--	23	--	85.8	--	16	--	124.2
Sr-Single	$75,000	--	5	--	139.8	--	32	--	71.0	--	14	--	122.7
Sr-Single	$100,000	--	3	--	142.7	--	40	--	43.6	--	14	--	122.2
Sr-Single	$150,000	--	3	--	135.6	--	39	--	67.3	--	13	--	116.4
Sr-Single	$250,000	--	2	--	131.8	--	36	--	73.1	--	13	--	116.5

*** Not shown for instances where U.S. average taxes are $50 or less because comparisons to national averages would be misleading.**
NA: Not applicable, since net state tax is negative largely due to state earned income tax credit program benefits.
Result of 0.0 indicates no net state tax liability.

Table 9 (contd): Comparison of Tax Year 2006 and Tax Year 2008 Rank and Net Tax, by State, Filing Status, and Income

[The nationwide average net tax equals 100.0]

		SOUTH CAROLINA				UTAH				VERMONT			
		Rank		Net Tax as % of U.S. Average		Rank		Net Tax as % of U.S. Average		Rank		Net Tax as % of U.S. Average	
FILING STATUS	INCOME	2006	2008	2006	2008	2006	2008	2006	2008	2006	2008	2006	2008
Single	$10,000	**30**	**23**	35.4	18.2	**24**	**26**	64.2	0.0	**41**	**42**	NA	NA
Single	$20,000	**31**	**32**	78.0	75.0	**15**	**17**	117.5	108.3	**34**	**38**	72.6	41.5
Single	$35,000	**22**	**19**	104.8	105.5	**12**	**10**	116.0	112.7	**38**	**38**	67.5	67.7
Single	$50,000	**13**	**9**	116.1	116.5	**11**	**12**	117.9	115.2	**32**	**34**	80.9	79.4
Single	$75,000	**10**	**11**	117.5	115.9	**14**	**16**	111.6	108.2	**28**	**31**	92.0	86.2
Single	$100,000	**11**	**12**	114.6	114.7	**19**	**21**	105.7	103.7	**24**	**26**	98.9	93.9
Single	$150,000	**13**	**15**	112.4	111.6	**21**	**23**	100.6	100.5	**16**	**21**	107.9	103.5
Single	$250,000	**13**	**13**	111.7	112.7	**23**	**29**	97.4	91.7	**11**	**15**	118.5	109.9
Married	$10,000	**5**	**4**	*	*	**5**	**4**	*	*	**42**	**41**	*	*
Married	$20,000	**19**	**13**	*	*	**19**	**13**	*	*	**40**	**41**	*	*
Married	$35,000	**33**	**29**	52.2	48.5	**19**	**19**	106.5	106.1	**39**	**40**	26.5	NA
Married	$50,000	**24**	**25**	98.6	90.4	**11**	**17**	122.5	103.9	**34**	**34**	67.4	71.1
Married	$75,000	**14**	**17**	112.0	109.8	**10**	**16**	119.8	110.6	**38**	**38**	65.4	65.4
Married	$100,000	**14**	**13**	111.2	111.0	**12**	**16**	113.8	108.0	**35**	**37**	78.9	73.2
Married	$150,000	**13**	**13**	111.2	111.6	**16**	**18**	105.7	104.8	**27**	**30**	90.0	86.8
Married	$250,000	**16**	**15**	109.8	111.7	**23**	**21**	98.4	98.8	**17**	**22**	106.0	98.4
Married	$500,000	**16**	**16**	110.1	111.4	**24**	**29**	94.2	90.1	**10**	**13**	120.2	115.5
Married	$1,000,000	**15**	**16**	109.3	111.1	**25**	**29**	93.2	84.1	**7**	**7**	125.3	123.8
HHouse	$10,000	**10**	**8**	*	*	**10**	**8**	*	*	**42**	**41**	*	*
HHouse	$20,000	**25**	**23**	68.6	96.6	**18**	**21**	111.7	153.8	**41**	**42**	NA	NA
HHouse	$35,000	**25**	**25**	95.5	93.4	**17**	**18**	108.2	105.9	**36**	**35**	66.2	65.1
HHouse	$50,000	**11**	**10**	117.1	116.5	**10**	**12**	118.7	114.0	**38**	**37**	69.5	69.8
HHouse	$75,000	**10**	**10**	117.7	118.6	**16**	**16**	110.8	110.3	**33**	**36**	81.1	75.1
HHouse	$100,000	**11**	**11**	115.9	116.3	**18**	**18**	106.0	106.6	**29**	**32**	89.5	85.1
HHouse	$150,000	**--**	**15**	--	114.4	**--**	**21**	--	101.5	**--**	**25**	--	95.6
HHouse	$250,000	**--**	**17**	--	112.0	**--**	**24**	--	95.9	**--**	**20**	--	103.8
Sr-Married	$10,000	**6**	**1**	*	*	**6**	**1**	*	*	**6**	**38**	*	*
Sr-Married	$20,000	**30**	**3**	0.0	*	**30**	**3**	0.0	*	**25**	**40**	24.5	*
Sr-Married	$35,000	**35**	**7**	0.0	*	**32**	**7**	20.4	*	**14**	**7**	127.4	*
Sr-Married	$50,000	**40**	**35**	0.0	0.0	**8**	**16**	167.7	118.0	**16**	**21**	130.1	92.8
Sr-Married	$75,000	**--**	**42**	--	2.2	**--**	**1**	--	199.9	**--**	**16**	--	119.8
Sr-Married	$100,000	**--**	**39**	--	47.6	**--**	**2**	--	171.8	**--**	**15**	--	126.2
Sr-Married	$150,000	**--**	**34**	--	78.5	**--**	**4**	--	128.2	**--**	**17**	--	110.3
Sr-Married	$250,000	**--**	**27**	--	92.1	**--**	**13**	--	118.6	**--**	**17**	--	111.9
Sr-Single	$10,000	**--**	**3**	--	*	**--**	**3**	--	*	**--**	**42**	--	*
Sr-Single	$20,000	**--**	**15**	--	*	**--**	**15**	--	*	**--**	**42**	--	*
Sr-Single	$35,000	**--**	**37**	--	0.0	**--**	**7**	--	165.6	**--**	**17**	--	108.5
Sr-Single	$50,000	**--**	**41**	--	27.5	**--**	**1**	--	204.5	**--**	**18**	--	120.0
Sr-Single	$75,000	**--**	**29**	--	77.2	**--**	**2**	--	156.2	**--**	**15**	--	122.6
Sr-Single	$100,000	**--**	**26**	--	95.0	**--**	**8**	--	132.0	**--**	**13**	--	123.9
Sr-Single	$150,000	**--**	**24**	--	97.4	**--**	**16**	--	113.8	**--**	**11**	--	120.9
Sr-Single	$250,000	**--**	**21**	--	101.6	**--**	**23**	--	99.0	**--**	**11**	--	119.9

*** Not shown for instances where U.S. average taxes are $50 or less because comparisons to national averages would be misleading.**
NA: Not applicable, since net state tax is negative largely due to state earned income tax credit program benefits.
Result of 0.0 indicates no net state tax liability.

Table 9 (contd): Comparison of Tax Year 2006 and Tax Year 2008 Rank and Net Tax, by State, Filing Status, and Income

[The nationwide average net tax equals 100.0]

		VIRGINIA				WEST VIRGINIA				WISCONSIN			
		Rank		Net Tax as % of U.S. Average		Rank		Net Tax as % of U.S. Average		Rank		Net Tax as % of U.S. Average	
FILING STATUS	INCOME	2006	2008	2006	2008	2006	2008	2006	2008	2006	2008	2006	2008
Single	$10,000	14	26	7.0	0.0	8	26	225.0	0.0	29	26	36.2	0.0
Single	$20,000	14	13	112.7	119.0	19	16	108.3	109.9	21	23	102.2	91.7
Single	$35,000	16	14	105.3	110.4	27	27	89.0	91.1	10	9	117.0	114.2
Single	$50,000	20	18	99.4	104.0	24	27	98.9	94.6	6	7	130.6	124.0
Single	$75,000	25	23	95.8	96.9	21	17	104.9	107.2	7	7	124.9	126.0
Single	$100,000	25	24	94.1	95.8	16	16	107.5	106.7	9	8	120.2	120.6
Single	$150,000	25	26	91.8	92.0	15	14	109.0	112.2	12	11	115.4	116.7
Single	$250,000	27	26	91.0	93.6	19	18	106.9	108.2	15	12	110.6	113.0
Married	$10,000	5	4	*	*	3	4	*	*	33	32	*	*
Married	$20,000	19	13	*	*	4	13	*	*	36	34	*	*
Married	$35,000	16	15	121.4	123.3	11	9	141.5	181.8	24	26	88.9	70.7
Married	$50,000	20	15	108.1	108.8	7	6	138.2	142.4	6	7	141.5	140.5
Married	$75,000	21	20	101.5	105.4	11	8	119.8	123.8	5	6	129.0	130.6
Married	$100,000	19	23	97.3	101.8	9	9	119.9	123.4	7	6	125.5	128.0
Married	$150,000	24	23	94.0	97.4	9	11	117.4	120.7	10	9	114.6	121.4
Married	$250,000	25	24	92.5	95.9	13	13	112.5	114.4	14	12	111.5	114.6
Married	$500,000	27	25	90.0	91.9	18	18	107.9	110.9	12	17	117.0	111.1
Married	$1,000,000	27	26	89.2	90.7	20	20	105.4	106.4	19	18	106.0	108.7
HHouse	$10,000	10	8	*	*	3	8	*	*	31	28	*	*
HHouse	$20,000	21	22	213.7	102.0	8	6	220.2	417.3	15	15	147.6	216.0
HHouse	$35,000	9	8	125.8	135.0	20	17	103.2	107.1	6	4	141.4	139.6
HHouse	$50,000	17	16	107.9	111.4	20	19	106.2	109.5	3	3	144.3	145.2
HHouse	$75,000	22	21	101.3	104.3	14	15	114.9	113.7	4	4	136.8	136.2
HHouse	$100,000	23	23	97.8	100.0	13	16	115.4	114.6	7	5	128.6	129.6
HHouse	$150,000	--	24		96.6	--	16	--	112.3	--	10	--	119.8
HHouse	$250,000	--	26		93.9	--	14	--	113.9	--	13	--	116.2
Sr-Married	$10,000	6	1	*	*	6	1	*	*	6	1	*	*
Sr-Married	$20,000	30	3	0.0	*	30	3	0.0	*	15	3	97.3	*
Sr-Married	$35,000	35	7	0.0	*	17	7	109.9	*	4	7	243.6	*
Sr-Married	$50,000	38	35	25.2	0.0	15	35	130.7	0.0	1	14	259.3	125.8
Sr-Married	$75,000	--	36	--	41.6	--	9	--	145.3	--	6	--	150.5
Sr-Married	$100,000	--	38	--	48.8	--	7	--	147.8	--	4	--	152.3
Sr-Married	$150,000	--	25	--	93.9	--	12	--	121.2	--	10	--	121.8
Sr-Married	$250,000	--	24	--	95.9	--	6	--	124.9	--	9	--	122.2
Sr-Single	$10,000	--	3	--	*	--	3	--	*	--	3	--	*
Sr-Single	$20,000	--	15	--	*	--	15	--	*	--	15	--	*
Sr-Single	$35,000	--	37	--	0.0	--	32	--	37.4	--	11	--	146.6
Sr-Single	$50,000	--	36	--	53.5	--	14	--	130.3	--	7	--	146.3
Sr-Single	$75,000	--	22	--	99.9	--	11	--	126.7	--	8	--	132.7
Sr-Single	$100,000	--	22	--	103.4	--	15	--	121.8	--	10	--	130.6
Sr-Single	$150,000	--	25	--	96.8	--	15	--	114.9	--	12	--	119.9
Sr-Single	$250,000	--	26	--	92.0	--	17	--	112.1	--	18	--	111.8

*** Not shown for instances where U.S. average taxes are $50 or less because comparisons to national averages would be misleading.**
NA: Not applicable, since net state tax is negative largely due to state earned income tax credit program benefits.
Result of 0.0 indicates no net state tax liability.

This Page Intentionally Blank

III. Appendix A: Methodology

The report calculates income tax burdens for tax year 2008 using The National Bureau of Economic Research's state and federal tax liability calculator (Internet TAXSIM 9.0) using a set of state-specific assumptions regarding income, deductions, and other tax provision data.

The Minnesota Department of Revenue provided profiles for each combination of filing type and income using data from the database prepared for use in the Department's *Tax Incidence Study*. These profiles include: wage income (and how wages are split between spouses for married-joint filers); taxable dividends; taxable interest; other taxable items; taxable pensions; gross Social Security income; property taxes paid; other itemized deductions; mortgage interest; and capital gains.

Previous studies used "federal adjusted gross income" – the amount of income that is subject to federal tax – as the definition of income used to derive the taxpayer profiles used in this study. However, this method was problematic with regard to senior filers. For example, according to the Minnesota Department of Revenue's Research Division a senior couple with $50,000 of total income from all sources has only $28,000 of FAGI – with the difference coming largely from nontaxable pensions or Social Security income. Since FAGI can differ considerable from total income for seniors, the figure has relatively little meaning and results based on those profiles can be misleading or difficult to interpret.

Beginning with this study, we are using the definition of income used in the Department of Revenue's Tax Incidence Study –income taxable on income tax returns and nontaxable income such as public assistance payments, tax-exempt interest, and nontaxable social security and pension income.[11] This change in the definition of income materially changes the taxpayer profile for seniors when compared to previous years. However, we believe the change to a more comprehensive definition of income more closely matches what the public would perceive as "income" – (i.e. – purchasing power).

We adjusted itemized deductions on a state-specific basis using *Statistics of Income* from the Internal Revenue Service, which included the amount and number of returns with taxes paid, amount and number of returns with mortgage interest paid, the amount and number of returns with contributions, and the amount and number of returns with itemized deductions for all other states. Using these data, we calculated ratios and adjusted the original tax profile for all other states and the District of Columbia. We then uploaded tax data to the TAXSIM calculator to produce federal, state, and Social Security payroll tax liabilities. Lastly, we sorted liabilities and rank ordered by greatest amount.

Filer Types, Income Levels and Profiles

The report analyzes taxes paid by five filer types. Three types are non-senior (meaning that none of the filers is aged 65 or older): single, married-joint (with two dependents), and head of household (with one dependent). Revenue staff provided information on the most common number of dependents for each filing type. Two filing types involve senior (Age 65+) citizens: single and married-joint. The data used to create this report comes from full-year Minnesota residents who are not claimed as a dependent on another tax return. For the

[11] This definition is taken nearly verbatim from page 82 of the Department's *2011 Minnesota Tax Incidence Study*, available at: http://taxes.state.mn.us/legal_policy/Documents/other_supporting_content_2011_tax_incidence_study_links.pdf where Appendix A provides greater detail on how this definition of income is constructed.

married-joint filers, both spouses are assumed to be income-earners with the total income split as suggested data from actual married-joint returns, varying by income. For the non-senior filers, only those filers with wages were included in creating the taxpayer profiles.

The study analyzes net income tax burdens for all five filing types at the following levels: $10,000, $20,000, $35,000, $50,000, $75,000, $100,000, $150,000, and $250,000, $500,000, and $1,000,000. The study also analyzes burdens at $500,000 and $1 million of income for married-joint filers. Revenue did not create similar profiles for these highest incomes for other filing types because of sample size issues. The profiles are created by taking data for all filers within a narrow range around each income level selected and calculating median values for the various data fields.

Itemizers and the 50% Rule

If more than 50% of the filers of a particular type and income level claimed itemized deductions, the median taxpayer was assumed to be an itemizer. The median dollars of itemized deductions in that case is the median for the entire population, including nonitemizers. Whenever fewer than 50% of filers of a particular type and income level reported no itemized deductions, that line item was assumed to be zero.

Filers were generally non-itemizers (and therefore the standard deduction applies) for all five filing types at the $10,000, $20,000, and $35,000 income levels, senior married-joint filers were also found to be non-itemizers at the $50,000 and $75,000 income levels. For head of households, Revenue calculated medians for filers with either one or two dependents for statistical reasons.

Circuit Breakers and Other Property Tax Relief and Rebates

Many states offer property tax relief, whether through a circuit-breaker system or through a property tax or rent rebate or credit. Some states, such as Michigan, offer the program directly on the income tax return; other states, such as Minnesota, require a separate filing. TAXSIM does provide data on some property tax relief programs, but does not appear to include all income-based property tax relief programs. Therefore, we manually removed any property tax relief provisions returned by TAXSIM from our results; we hope to pursue this area of study on a comprehensive basis in the future.

Adjustments for Other States

By necessity, this study calculates each state's income tax using Minnesota taxpayer profiles. Doing this poses an unavoidable dilemma. On one hand, holding the data constant gives a more accurate comparison of the income tax structures in each state. But on the other hand, some of the tax amounts may deviate from what would actually be paid in the other states. For example, Revenue's profile data assigns a median real property tax deduction of $1,638 to Minnesota married-joint filers with gross income of $75,000. However, we know this deduction amount will vary from state to state because of differences in median home values and effective property tax rates.

Though it can be argued that use of the $1,638 deduction in all states for this filer would give a more accurate picture of the differences among tax codes of the various states, it is also true that failure to adjust data for known differences across the states will give misleading results in terms of actual taxes paid.

To avoid misleading users of the report, we adjusted the following itemized deduction amounts: the property tax deduction, the mortgage interest deduction, and all other itemized deductions. It is not necessary to determine the state income tax deduction (used in the federal income tax calculations), since the Internet TAXSIM 9.0 program automatically undergoes the iterative process necessary to calculate the amount.

We adjusted the itemized deductions by creating an index for each deduction. The indices were created by taking the appropriate deduction paid per Minnesota return found in Table 2 of the Internal Revenue Services' Spring 2010 *Statistics of Income*. The index amount for Minnesota was then set at 100. We calculated similar indices for all other states, and created the individual state profiles by adjusting Minnesota profile data based on the relationship between each state's index and Minnesota's.

Local Income Taxes

Local income tax burdens are included in states where more than half of the population lives in jurisdictions imposing local income tax (including occupational license taxes on wages and income and locally imposed surtaxes, which both function similarly to an income tax). For tax year 2008, six states met that standard: Kentucky (occupational license tax), Indiana, Iowa (school district surtax) Maryland, Ohio, and Pennsylvania. The tax rate used was that imposed on the largest segment of the population. Since the TAXSIM model does not calculate local income taxes, we calculated the local income taxes separately and entered them into the model as an additional deduction for purposes of calculating federal adjusted gross income. In cases where local taxes are based on adjusted gross income (Maryland) or as a share of the total state income tax – which itself is derived from adjusted gross income (Iowa) the model was run multiple times using an iterative process to determine the appropriate local income tax amount. We calculated local income taxes based on the federal and state income tax returns; and then used that local income tax to recalculate the federal and state tax returns. After a few iterations, the local income tax amount converged to zero. (Note that the TAXSIM program performs this iteration automatically for the interaction between state and federal income taxes.)

This Page Intentionally Blank

IV. Appendix B: Other Methods of Comparing Individual Income Tax Burdens

This study utilizes one method of analyzing state income tax burdens: comparing tax burdens across states at various gross income levels. This method does a good job of providing information on how individual income tax burdens compare for similar families with similar incomes in various states. However, this method does not take into account total statewide income tax burdens. This is best measured by comparing aggregate income tax collections.

The U.S. Census Bureau has provided data on aggregate state and local income taxes for fiscal year 2008 (July 1, 2007 through June 30, 2008).[12] State and local income tax collections on a per capita basis for the 42 states (including the District of Columbia) included in this study were as follows:

Table 10: Fiscal Year 2008 State and Local Income Tax Collections per Capita

Rank	State	Collections per Capita	Rank	State	Collections per Capita
1.	New York	$2,386.20	22.	Vermont	$1,003.17
2.	District of Columbia	$2,296.01	23.	Iowa	$979.13
3.	Connecticut	$2,142.07	24.	Nebraska	$968.68
4.	Maryland	$1,976,50	25.	Utah	$950.79
5.	Massachusetts	$1,909,68	26.	Idaho	$941.74
6.	California	$1,523.93	27.	Missouri	$918.84
7.	Minnesota	$1,486.89	28.	Georgia	$912.11
8.	New Jersey	$1,455.03	29.	Montana	$898.79
9.	Oregon	$1,315.20	30.	Indiana	$843.10
10.	Virginia	$1,297.53	31.	West Virginia	$836.83
11.	Ohio	$1,215.76	32.	Arkansas	$817.67
12.	Delaware	$1,213.94	33.	Illinois	$803.57
13.	Hawaii	$1,199.89	34.	Oklahoma	$764.94
14.	North Carolina	$1,188.90	35.	Michigan	$763.98
15.	Maine	$1,184.25	36.	Louisiana	$712.05
16.	Wisconsin	$1,179.99	37.	Alabama	$681.60
17.	Pennsylvania	$1,140.57	38.	South Carolina	$635.95
18.	Kentucky	$1,057.32	39.	New Mexico	$610.80
19.	Kansas	$1,053.59	40.	Mississippi	$527.54
20.	Rhode Island	$1,036.26	41.	Arizona	$524.45
21.	Colorado	$1,026.90	42.	North Dakota	$494.60

[12] MTA's *How Does Minnesota Compare?* publication offers complete state-by-state rankings for revenues and expenditures by category. Our publication is available through our website (www.mntax.org).

State and local income tax collections on a personal income basis for the same group of states were as follows:

Table 11: Fiscal Year 2008 State and Local Income Tax Collections per $1,000 of Personal Income

Rank	State	Collections per $1,000 of Pers. Inc.	Rank	State	Collections per $1,000 of Pers. Inc.
1.	New York	$50.41	22.	West Virginia	$27.83
2.	Maryland	$41.96	23.	Iowa	$27.23
3.	Connecticut	$38.47	24.	Georgia	$27.21
4.	Massachusetts	$38.46	25.	Montana	$26.71
5.	Oregon	$37.03	26.	Missouri	$26.70
6.	California	$35.96	27.	Arkansas	$26.63
7.	District of Columbia	$35.84	28.	Vermont	$26.16
8.	Minnesota	$35.63	29.	Nebraska	$26.08
9.	North Carolina	$35.22	30.	Rhode Island	$25.59
10.	Ohio	$34.87	31.	Indiana	$25.06
11.	Maine	$34.19	32.	Colorado	$24.68
12.	Kentucky	$33.95	33.	Michigan	$21.79
13.	Wisconsin	$32.06	34.	Oklahoma	$21.31
14.	Utah	$31.82	35.	Alabama	$20.71
15.	Virginia	$30.82	36.	South Carolina	$20.38
16.	Delaware	$30.28	37.	Louisiana	$20.07
17.	Hawaii	$30.05	38.	New Mexico	$19.48
18.	Idaho	$29.65	39.	Illinois	$19.16
19.	Pennsylvania	$29.09	40.	Mississippi	$18.09
20.	New Jersey	$28.87	41.	Arizona	$16.04
21.	Kansas	$28.26	42.	North Dakota	$13.11

Yet another method of evaluating tax burdens is to examine the distribution of the burden amongst taxpayers. For this information, we rely on two other sources of information on who pays the income tax. One is a report prepared by the Institute on Taxation and Economic Policy published in November of 2009. Using data from 2007 federal income tax returns, this report compares the "incidence" of the personal income tax by income class across the different states. As the FAQ section indicates, another perspective could be shown by demonstrating how much of the total tax burden is paid by the top 5% of filers, the top 10% of filers, the top 25% of filers, and so forth.

Table 12on the next page shows the incidence of the individual income tax for the 41 states in this study, and the District of Columbia, by population quintiles for tax year 2007.

Table 12: Personal Income Tax as a Share of Family Income, 2007
(Non-Elderly Families)

State	Bottom 20%	Second 20%	Middle 20%	Fourth 20%	Top 20%		
					Next 15%	Next 4%	Top 1%
Alabama	1.1%	2.3%	279%	2.9%	2.8%	2.6%	2.5%
Arizona	0.3%	1.2%	1.2%	1.7%	2.0%	2.4%	2.8%
Arkansas	0.2%	1.6%	2.4%	3.1%	3.8%	4.1%	4.3%
California	0.1%	0.5%	1.1%	1.9%	3.3%	5.1%	7.1%
Colorado	0.7%	2.0%	2.4%	2.9%	3.1%	3.2%	3.2%
Connecticut	0.1%	1.4%	2.9%	3.6%	4.1%	4.0%	4.9%
Delaware	0.6%	1.9%	2.6%	3.2%	3.7%	4.0%	4.3%
D.C.	(3.6%)	1.9%	3.8%	4.3%	4.9%	4.9%	5.7%
Georgia	0.5%	2.0%	2.7%	3.3%	3.7%	4.0%	4.0%
Hawaii	0.0%	2.6%	3.8%	3.9%	4.3%	4.6%	5.0%
Idaho	(0.8%)	1.0%	2.1%	2.8%	4.1%	4.7%	4.9%
Illinois	1.2%	1.9%	2.2%	2.3%	2.3%	2.3%	2.2%
Indiana	2.0%	3.0%	3.5%	3.6%	3.8%	3.5%	3.4%
Iowa	0.7%	2.6%	3.1%	3.9%	4.7%	4.7%	4.6%
Kansas	(0.6%)	1.4%	2.7%	3.3%	3.9%	4.2%	4.4%
Kentucky	1.3%	3.9%	4.7%	5.1%	5.2%	5.1%	4.8%
Louisiana	(0.1%)	1.0%	1.9%	2.3%	2.5%	2.6%	2.9%
Maine	(0.5%)	1.0%	2.4%	3.3%	4.4%	5.1%	5.2%
Maryland	1.0%	3.3%	4.4%	4.7%	5.2%	5.7%	5.8%
Massachusetts	0.4%	2.9%	3.8%	4.1%	4.3%	4.4%	4.2%
Michigan	(0.3%)	1.7%	2.7%	3.1%	3.2%	3.3%	3.1%
Minnesota	(0.3%)	2.1%	3.0%	3.7%	4.4%	4.9%	5.4%
Mississippi	0.1%	0.8%	1.9%	2.2%	2.5%	3.0%	3.2%
Missouri	0.8%	2.1%	2.8%	3.3%	3.7%	4.0%	4.3%
Montana	0.6%	1.5%	2.3%	2.9%	3.5%	3.5%	3.8%
Nebraska	0.2%	1.3%	2.5%	2.7%	3.5%	4.7%	4.6%
New Jersey	(0.8%)	0.7%	1.7%	2.2%	3.3%	4.5%	6.5%
New Mexico	(1.9%)	(0.1%)	1.3%	2.3%	2.8%	3.0%	2.5%
New York	(3.5%)	0.3%	3.4%	4.6%	5.7%	6.6%	6.7%
North Carolina	0.9%	2.4%	3.3%	4.0%	4.7%	5.1%	5.6%
North Dakota	0.3%	0.9%	1.1%	1.2%	1.5%	1.6%	2.5%
Ohio	1.5%	2.7%	3.4%	3.9%	4.4%	4.6%	5.0%
Oklahoma	(0.5%)	0.9%	2.4%	3.0%	3.5%	3.2%	3.7%
Oregon	2.2%	3.5%	4.7%	4.8%	5.6%	6.0%	6.4%
Pennsylvania	1.6%	2.6%	2.9%	3.1%	3.1%	2.9%	2.5%
Rhode Island	(0.0%)	1.2%	2.1%	2.6%	3.1%	4.1%	4.2%
South Carolina	0.1%	0.9%	1.9%	3.0%	4.1%	4.3%	4.1%
Utah	0.7%	2.3%	2.8%	3.5%	3.9%	4.0%	3.7%
Vermont	(0.9%)	0.1%	1.7%	2.2%	2.9%	4.0%	5.4%
Virginia	1.0%	2.5%	3.3%	3.6%	3.9%	4.1%	4.0%
West Virginia	0.5%	1.8%	2.7%	3.7%	4.5%	4.8%	4.8%
Wisconsin	(0.1%)	2.2%	3.5%	4.1%	4.6%	4.6%	5.2%
U.S. Average	**0.2%**	**1.4%**	**2.2%**	**2.6%**	**3.1%**	**3.5%**	**3.9%**

Source: Who Pays? A Distributional Analysis of the Tax Systems of all 50 States, 3rd Edition Institute on Taxation and Economic Policy, November 2009.

The other source of information is the *Tax Incidence Study* prepared periodically by the Minnesota Department of Revenue – most recently published in March 2011 and referenced elsewhere in this study. Using detailed information on income and taxes for a stratified random sample of 104,809 Minnesota households, this report compares the "incidence" of all state and local taxes in Minnesota across both population deciles[13] and income deciles[14] for 2008 and projects the same incidence figures for 2013. For a complete treatment of this issue, consult the complete study, which is available at http://taxes.state.mn.us/legal_policy/Documents/other_supporting_content_2011_tax_incidence_study_links.pdf.

Table 13: 2008 Effective Minnesota Individual Income Tax Rates, by Population and Income Decile

	Rate	Income Range	Rate	Income Range
1	(1.2%)	< $9,796	0.3%	< $32,167
2	(0.7%)	$9,796 - $16,278	2.6%	$32,167 - $49,824
3	0.1%	$16,279 - $23,691	3.4%	$49,825 - $67,371
4	1.1%	$23,692 - $31,689	3.9%	$67,372 - $85,746
5	2.3%	$31,690 - $41,161	4.3%	$85,747 - $106,488
6	3.0%	$41,162 - $53,314	4.5%	$106,489 - $137,514
7	3.4%	$53,315 - $68,696	4.7%	$137,515 - $190,237
8	3.9%	$68,697 - $89,936	5.0%	$190,238 - $321,285
9	4.4%	$89,937 - $129,566	5.4%	$321,286 - $883,568
10	5.4%	> $129,566	6.6%	> $883,568
TOTALS	4.1%		4.1%	
Top 5%	5.6%	> $182,829	6.9%	> $3,357,089
Top 1%	6.1%	> $429,354	NA	NA

[13] Where all households in the state are ranked according to income and then divided into ten equal groups based on population size.
[14] Where all households in the state are ranked according to income and then divided into ten equal groups based on the amount of income in each group.

This Page Intentionally Blank

V. Appendix C: Federal Income Tax and Payroll Tax Liabilities

Tables 3-9 in the body of the report present the results of our state income tax calculations. However, a filer's total income tax burden also includes federal income tax and payroll tax (FICA) liabilities. For interested parties, we present the federal income and payroll tax liabilities calculated by TAXSIM for each of our examples in Tables 14-18 on the following pages.

Note that for our $10,000, $20,000 and $35,000 examples for all filing types (and for the $50,000 and $75,000 senior married-joint examples), the federal income tax burden does not vary from state to state. This is because we assume the filers claim the standard deduction – it is the itemizing of deductions (and the variation therein from state to state) which provide the variation in federal income tax burdens from state to state.

Table 14: Tax Year 2008 Federal Income Tax Burdens for Married-Joint Filers*

	Income					
STATE	**$10,000**	**$20,000**	**$35,000**	**$50,000**	**$75,000**	**$100,000**
Alabama	($3,354)	($6,319)	($2,655)	$157	$3,774	$6,770
Arizona	(3,354)	(6,319)	(2,655)	(103)	3,506	6,433
Arkansas	(3,354)	(6,319)	(2,655)	317	3,866	6,818
California	(3,354)	(6,319)	(2,655)	(421)	3,206	5,952
Colorado	(3,354)	(6,319)	(2,655)	27	3,558	6,506
Connecticut	(3,354)	(6,319)	(2,655)	527	3,637	6,541
Delaware	(3,354)	(6,319)	(2,655)	199	3,680	6,685
District of Columbia	(3,354)	(6,319)	(2,655)	(54)	3,497	6,140
Georgia	(3,354)	(6,319)	(2,655)	108	3,596	6,473
Hawaii	(3,354)	(6,319)	(2,655)	(184)	3,257	6,138
Idaho	(3,354)	(6,319)	(2,655)	115	3,582	6,437
Illinois	(3,354)	(6,319)	(2,655)	255	3,587	6,524
Indiana	(3,354)	(6,319)	(2,655)	378	3,916	6,939
Iowa	(3,354)	(6,319)	(2,655)	472	3,919	6,924
Kansas	(3,354)	(6,319)	(2,655)	544	3,916	6,903
Kentucky	(3,354)	(6,319)	(2,655)	424	3,838	6,759
Louisiana	(3,354)	(6,319)	(2,655)	(239)	3,576	6,718
Maine	(3,354)	(6,319)	(2,655)	560	3,855	6,669
Maryland	(3,354)	(6,319)	(2,655)	(63)	3,233	6,059
Massachusetts	(3,354)	(6,319)	(2,655)	313	3,596	6,539
Michigan	(3,354)	(6,319)	(2,655)	448	3,784	6,712
Minnesota	(3,354)	(6,319)	(2,655)	361	3,732	6,634
Mississippi	(3,354)	(6,319)	(2,655)	55	3,746	6,767
Missouri	(3,354)	(6,319)	(2,655)	418	3,820	6,900
Montana	(3,354)	(6,319)	(2,655)	324	3,769	6,811
Nebraska	(3,354)	(6,319)	(2,655)	579	3,946	6,893
New Jersey	(3,354)	(6,319)	(2,655)	356	3,506	6,421
New Mexico	(3,354)	(6,319)	(2,655)	108	3,728	6,767
New York	(3,354)	(6,319)	(2,655)	550	3,647	6,358
North Carolina	(3,354)	(6,319)	(2,655)	225	3,669	6,473
North Dakota	(3,354)	(6,319)	(2,655)	411	3,987	6,954
Ohio	(3,354)	(6,319)	(2,655)	589	3,839	6,708
Oklahoma	(3,354)	(6,319)	(2,655)	342	3,837	6,803
Oregon	(3,354)	(6,319)	(2,655)	65	3,379	6,226
Pennsylvania	(3,354)	(6,319)	(2,655)	659	3,741	6,684
Rhode Island	(3,354)	(6,319)	(2,655)	484	3,835	6,809
South Carolina	(3,354)	(6,319)	(2,655)	225	3,717	6,558
Utah	(3,354)	(6,319)	(2,655)	(97)	3,345	6,118
Vermont	(3,354)	(6,319)	(2,655)	617	3,942	6,909
Virginia	(3,354)	(6,319)	(2,655)	14	3,415	6,252
West Virginia	(3,354)	(6,319)	(2,655)	318	3,894	7,052
Wisconsin	(3,354)	(6,319)	(2,655)	614	3,868	6,757
42 State Average**	**($3,354)**	**($6,319)**	**($2,655)**	**$262**	**$3,684**	**$6,607**

*2 wage earners, 2 dependents
** Simple average

Table 14: Tax Year 2008 Federal Income Tax Burdens for Married-Joint Filers*

	Income			
STATE	**$150,000**	**$250,000**	**$500,000**	**$1,000,000**
Alabama	$17,325	$40,671	$118,436	$266,898
Arizona	16,507	39,688	116,913	262,258
Arkansas	17,136	40,729	119,645	257,242
California	14,957	39,322	117,538	245,622
Colorado	16,612	40,373	119,034	263,205
Connecticut	16,394	40,689	119,585	258,659
Delaware	16,901	41,003	120,055	260,610
District of Columbia	15,589	37,576	114,492	246,547
Georgia	16,476	40,742	119,664	260,023
Hawaii	15,671	40,848	119,823	255,744
Idaho	16,255	40,741	119,663	254,338
Illinois	16,680	41,019	120,079	266,552
Indiana	17,573	41,557	120,208	266,183
Iowa	17,436	42,198	121,767	261,309
Kansas	17,313	41,777	121,215	260,256
Kentucky	17,080	42,109	121,546	261,903
Louisiana	17,113	43,089	123,178	270,126
Maine	16,663	42,617	122,472	254,402
Maryland	15,472	39,351	116,876	253,090
Massachusetts	16,575	40,948	119,974	259,806
Michigan	17,024	41,807	121,260	264,373
Minnesota	16,704	40,638	119,510	253,600
Mississippi	17,137	39,997	118,223	261,934
Missouri	17,412	41,437	120,706	261,229
Montana	17,165	40,371	119,110	256,950
Nebraska	17,231	40,464	119,249	255,382
New Jersey	16,128	42,173	121,806	254,101
New Mexico	17,142	41,500	120,606	265,399
New York	15,738	39,161	117,298	249,785
North Carolina	16,369	41,059	120,140	254,623
North Dakota	17,562	42,468	121,858	265,599
Ohio	16,818	40,931	119,544	254,617
Oklahoma	17,202	39,368	117,592	260,272
Oregon	15,790	41,812	121,266	251,979
Pennsylvania	17,015	42,209	121,658	267,061
Rhode Island	17,006	41,591	120,936	255,110
South Carolina	16,579	40,752	119,680	257,012
Utah	15,701	38,373	115,982	258,129
Vermont	17,188	40,249	118,927	251,542
Virginia	15,995	41,075	120,164	260,440
West Virginia	17,572	43,072	123,153	262,738
Wisconsin	16,980	42,324	122,033	258,475
42 State Average**	**$16,695**	**$40,949**	**$119,830**	**$258,693**

*2 wage earners, 2 dependents
** Simple average.

Table 15: Tax Year 2008 Federal Income Tax Burdens for Single Filers*

	Income							
STATE	**$10,000**	**$20,000**	**$35,000**	**$50,000**	**$75,000**	**$100,000**	**$150,000**	**$250,000**
Alabama	($218)	$1,202	$3,367	$5,940	$10,064	$15,266	$24,622	$45,145
Arizona	(218)	1,202	3,367	5,826	9,522	14,704	23,455	44,000
Arkansas	(218)	1,202	3,367	5,866	9,934	14,981	24,185	43,908
California	(218)	1,202	3,367	5,540	8,670	13,528	21,302	42,513
Colorado	(218)	1,202	3,367	5,763	9,557	14,753	23,723	44,675
Connecticut	(218)	1,202	3,367	6,009	9,450	14,699	23,857	43,593
Delaware	(218)	1,202	3,367	5,837	9,682	14,877	23,957	44,538
District of Columbia	(218)	1,202	3,367	5,640	9,416	14,169	22,671	41,135
Georgia	(218)	1,202	3,367	5,756	9,561	14,648	23,616	44,128
Hawaii	(218)	1,202	3,367	5,498	9,059	14,118	22,492	43,718
Idaho	(218)	1,202	3,367	5,593	9,385	14,383	23,158	43,634
Illinois	(218)	1,202	3,367	5,837	9,682	14,877	23,957	44,538
Indiana	(218)	1,202	3,367	5,995	10,123	15,327	24,897	45,867
Iowa	(218)	1,202	3,367	6,003	10,048	15,212	24,718	45,070
Kansas	(218)	1,202	3,367	5,981	9,906	15,078	24,536	44,670
Kentucky	(218)	1,202	3,367	5,868	9,966	14,989	24,374	45,567
Louisiana	(218)	1,202	3,367	5,659	9,671	15,097	24,317	47,147
Maine	(218)	1,202	3,367	5,842	9,653	14,599	23,761	45,116
Maryland	(218)	1,202	3,367	5,463	8,886	13,966	22,461	43,158
Massachusetts	(218)	1,202	3,367	5,887	9,406	14,682	23,830	43,843
Michigan	(218)	1,202	3,367	6,037	9,783	14,996	24,387	45,192
Minnesota	(218)	1,202	3,367	5,842	9,608	14,668	23,705	43,553
Mississippi	(218)	1,202	3,367	5,833	9,830	15,053	24,254	44,273
Missouri	(218)	1,202	3,367	6,034	9,913	15,176	24,576	44,811
Montana	(218)	1,202	3,367	5,900	9,763	14,963	24,203	43,574
Nebraska	(218)	1,202	3,367	6,032	9,871	15,019	24,462	43,416
New Jersey	(218)	1,202	3,367	6,116	9,113	14,432	23,238	44,765
New Mexico	(218)	1,202	3,367	5,851	9,784	15,065	24,290	45,692
New York	(218)	1,202	3,367	5,924	9,256	14,289	23,219	42,386
North Carolina	(218)	1,202	3,367	5,694	9,577	14,514	23,420	43,886
North Dakota	(218)	1,202	3,367	6,185	10,087	15,317	24,793	46,515
Ohio	(218)	1,202	3,367	6,065	9,861	14,929	24,143	44,117
Oklahoma	(218)	1,202	3,367	5,920	9,966	15,102	24,446	43,731
Oregon	(218)	1,202	3,367	5,577	9,201	14,177	22,885	44,480
Pennsylvania	(218)	1,202	3,367	6,208	9,814	15,058	24,563	46,292
Rhode Island	(218)	1,202	3,367	6,074	9,699	14,906	24,149	44,305
South Carolina	(218)	1,202	3,367	5,746	9,681	14,630	23,544	43,666
Utah	(218)	1,202	3,367	5,571	9,202	14,195	22,625	42,562
Vermont	(218)	1,202	3,367	6,158	9,823	15,004	24,361	43,246
Virginia	(218)	1,202	3,367	5,702	9,295	14,389	23,166	44,322
West Virginia	(218)	1,202	3,367	5,971	10,084	15,363	24,835	45,980
Wisconsin	(218)	1,202	3,367	5,995	9,782	14,915	24,387	44,884
42 State Average**	**($218)**	**$1,202**	**$3,367**	**$5,863**	**$9,634**	**$14,765**	**$23,846**	**$44,324**

* No dependents.
** Simple average.

Table 16: Tax Year 2008 Federal Income Tax Burdens for Head of Household Filers*

	Income							
STATE	**$10,000**	**$20,000**	**$35,000**	**$50,000**	**$75,000**	**$100,000**	**$150,000**	**$250,000**
Alabama	($3,055)	($2,908)	$1,275	$3,183	$7,222	$13,033	$24,194	$51,095
Arizona	(3,055)	(2,908)	1,275	3,034	6,768	12,433	23,452	49,593
Arkansas	(3,055)	(2,908)	1,275	3,185	7,115	12,801	23,591	52,286
California	(3,055)	(2,908)	1,275	2,808	6,213	11,381	21,705	50,210
Colorado	(3,055)	(2,908)	1,275	3,039	6,767	12,465	23,422	51,684
Connecticut	(3,055)	(2,908)	1,275	3,294	6,819	12,329	23,407	52,227
Delaware	(3,055)	(2,908)	1,275	3,118	6,880	12,636	23,504	52,690
District of Columbia	(3,055)	(2,908)	1,275	2,973	6,656	11,882	22,395	47,635
Georgia	(3,055)	(2,908)	1,275	3,065	6,796	12,381	23,254	52,305
Hawaii	(3,055)	(2,908)	1,275	2,886	6,293	11,869	22,379	52,462
Idaho	(3,055)	(2,908)	1,275	3,034	6,704	12,246	22,862	52,304
Illinois	(3,055)	(2,908)	1,275	3,150	6,771	12,460	23,820	52,714
Indiana	(3,055)	(2,908)	1,275	3,266	7,338	13,153	24,364	53,285
Iowa	(3,055)	(2,908)	1,275	3,256	7,201	12,996	23,918	54,520
Kansas	(3,055)	(2,908)	1,275	3,294	7,177	12,936	23,935	53,833
Kentucky	(3,055)	(2,908)	1,275	3,219	7,155	12,809	23,720	54,603
Louisiana	(3,055)	(2,908)	1,275	2,895	6,794	12,819	23,870	55,768
Maine	(3,055)	(2,908)	1,275	3,254	6,996	12,482	23,467	55,072
Maryland	(3,055)	(2,908)	1,275	2,846	6,122	11,628	22,254	50,936
Massachusetts	(3,055)	(2,908)	1,275	3,143	6,706	12,399	23,443	52,610
Michigan	(3,055)	(2,908)	1,275	3,249	7,038	12,711	23,927	53,877
Minnesota	(3,055)	(2,908)	1,275	3,175	6,882	12,485	23,267	52,152
Mississippi	(3,055)	(2,908)	1,275	3,114	7,042	12,849	23,847	50,885
Missouri	(3,055)	(2,908)	1,275	3,275	7,143	12,984	24,003	53,332
Montana	(3,055)	(2,908)	1,275	3,158	6,981	12,772	23,623	51,759
Nebraska	(3,055)	(2,908)	1,275	3,339	7,209	12,909	23,897	51,896
New Jersey	(3,055)	(2,908)	1,275	3,187	6,607	12,256	23,322	54,416
New Mexico	(3,055)	(2,908)	1,275	3,129	7,030	12,867	23,925	53,233
New York	(3,055)	(2,908)	1,275	3,207	6,630	11,902	23,236	49,972
North Carolina	(3,055)	(2,908)	1,275	3,085	6,843	12,347	22,987	52,774
North Dakota	(3,055)	(2,908)	1,275	3,317	7,377	13,085	24,407	54,467
Ohio	(3,055)	(2,908)	1,275	3,316	7,089	12,676	23,499	53,081
Oklahoma	(3,055)	(2,908)	1,275	3,244	7,217	12,935	23,977	50,262
Oregon	(3,055)	(2,908)	1,275	2,961	6,472	11,953	22,662	53,884
Pennsylvania	(3,055)	(2,908)	1,275	3,387	7,033	12,730	24,024	54,717
Rhode Island	(3,055)	(2,908)	1,275	3,275	7,054	12,727	23,726	53,558
South Carolina	(3,055)	(2,908)	1,275	3,111	6,909	12,434	23,127	52,320
Utah	(3,055)	(2,908)	1,275	2,928	6,416	11,847	22,544	48,811
Vermont	(3,055)	(2,908)	1,275	3,360	7,196	12,844	23,909	51,578
Virginia	(3,055)	(2,908)	1,275	2,975	6,487	12,010	22,856	52,798
West Virginia	(3,055)	(2,908)	1,275	3,242	7,289	13,246	24,204	55,743
Wisconsin	(3,055)	(2,908)	1,275	3,258	7,019	12,641	23,725	54,639
42 State Average**	**($3,055)**	**($2,908)**	**$1,275**	**$3,148**	**$6,892**	**$12,532**	**$23,468**	**$52,571**

* No dependents.
** Simple average.

Table 17: Tax Year 2008 Federal Income Tax Burdens for Senior Married-Joint Filers*

	Income							
STATE	**$10,000**	**$20,000**	**$35,000**	**$50,000**	**$75,000**	**$100,000**	**$150,000**	**$250,000**
Alabama	$0	$0	$0	$850	$6,783	$10,177	$20,681	$32,544
Arizona	0	0	0	850	6,783	9,618	20,064	31,665
Arkansas	0	0	0	850	6,783	10,602	20,574	32,674
California	0	0	0	850	6,783	8,879	18,760	30,268
Colorado	0	0	0	850	6,783	10,001	20,058	32,671
Connecticut	0	0	0	850	6,783	9,916	19,522	31,133
Delaware	0	0	0	850	6,783	10,452	20,392	33,222
District of Columbia	0	0	0	850	6,783	9,447	19,216	28,579
Georgia	0	0	0	850	6,783	10,088	20,013	32,508
Hawaii	0	0	0	850	6,783	9,334	19,416	32,177
Idaho	0	0	0	850	6,783	9,729	19,643	31,693
Illinois	0	0	0	850	6,783	10,022	19,894	32,883
Indiana	0	0	0	850	6,783	10,457	20,756	33,762
Iowa	0	0	0	850	6,783	10,750	20,677	34,023
Kansas	0	0	0	850	6,783	10,169	20,115	32,716
Kentucky	0	0	0	850	6,783	10,691	20,613	34,529
Louisiana	0	0	0	850	6,783	10,403	20,664	35,457
Maine	0	0	0	850	6,783	10,203	19,805	32,874
Maryland	0	0	0	850	6,783	9,645	19,037	32,205
Massachusetts	0	0	0	850	6,783	9,825	19,723	31,804
Michigan	0	0	0	850	6,783	10,396	20,234	33,357
Minnesota	0	0	0	850	6,783	9,662	19,512	31,119
Mississippi	0	0	0	850	6,783	10,241	20,542	32,163
Missouri	0	0	0	850	6,783	10,264	20,299	32,768
Montana	0	0	0	850	6,783	10,149	20,141	31,689
Nebraska	0	0	0	850	6,783	10,207	19,997	31,256
New Jersey	0	0	0	850	6,783	9,818	19,392	32,945
New Mexico	0	0	0	850	6,783	9,918	20,207	33,346
New York	0	0	0	850	6,783	10,010	19,037	29,450
North Carolina	0	0	0	850	6,783	9,870	19,806	32,006
North Dakota	0	0	0	850	6,783	10,293	20,444	34,344
Ohio	0	0	0	850	6,783	10,382	20,081	32,841
Oklahoma	0	0	0	850	6,783	10,522	20,537	31,518
Oregon	0	0	0	850	6,783	9,646	19,378	32,230
Pennsylvania	0	0	0	850	6,783	10,370	20,187	34,419
Rhode Island	0	0	0	850	6,783	10,037	19,769	32,241
South Carolina	0	0	0	850	6,783	10,358	20,446	32,595
Utah	0	0	0	850	6,783	8,871	19,060	29,768
Vermont	0	0	0	850	6,783	10,213	19,833	30,915
Virginia	0	0	0	850	6,783	9,837	19,494	32,487
West Virginia	0	0	0	850	6,783	10,573	20,710	34,279
Wisconsin	0	0	0	850	6,783	10,272	20,006	32,879
42 State Average**	**$0**	**$0**	**$0**	**$850**	**$6,783**	**$10,055**	**$19,970**	**$32,381**

* No dependents.
** Simple average.

Table 18: Tax Year 2008 Federal Income Tax Burdens for Senior Single Filers*

	Income							
STATE	**$10,000**	**$20,000**	**$35,000**	**$50,000**	**$75,000**	**$100,000**	**$150,000**	**$250,000**
Alabama	$0	$0	$956	$4,778	$10,546	$15,998	$22,307	$45,092
Arizona	0	0	956	4,873	10,671	15,621	21,763	44,086
Arkansas	0	0	956	4,818	10,469	15,899	22,026	44,005
California	0	0	956	4,840	10,483	14,659	20,266	42,981
Colorado	0	0	956	4,884	10,598	15,724	21,914	44,633
Connecticut	0	0	956	4,873	10,370	15,464	21,728	43,934
Delaware	0	0	956	4,884	10,643	15,921	22,088	44,724
District of Columbia	0	0	956	4,721	10,327	15,157	20,999	41,763
Georgia	0	0	956	4,902	10,658	15,993	22,028	44,212
Hawaii	0	0	956	4,702	10,278	15,109	20,926	44,045
Idaho	0	0	956	4,666	10,204	15,280	21,220	43,971
Illinois	0	0	956	4,855	10,736	15,969	22,265	44,921
Indiana	0	0	956	4,687	10,383	16,066	22,438	45,694
Iowa	0	0	956	4,810	10,458	16,026	22,278	44,934
Kansas	0	0	956	4,742	10,362	15,616	21,849	44,694
Kentucky	0	0	956	4,873	10,623	16,564	22,536	45,636
Louisiana	0	0	956	4,893	10,619	16,026	22,290	46,933
Maine	0	0	956	4,674	10,181	15,417	21,479	45,280
Maryland	0	0	956	4,811	10,513	15,388	21,199	43,137
Massachusetts	0	0	956	4,647	10,278	15,482	21,717	44,116
Michigan	0	0	956	4,856	10,620	16,243	22,375	45,063
Minnesota	0	0	956	4,513	10,058	15,247	21,279	43,899
Mississippi	0	0	956	4,786	10,517	15,876	22,097	44,352
Missouri	0	0	956	4,682	10,298	15,718	21,957	44,457
Montana	0	0	956	4,640	10,211	15,568	21,706	43,713
Nebraska	0	0	956	4,597	10,154	15,548	21,773	43,778
New Jersey	0	0	956	4,865	10,787	15,553	21,504	44,969
New Mexico	0	0	956	4,693	10,382	15,707	21,947	45,323
New York	0	0	956	4,872	10,583	15,463	21,656	42,868
North Carolina	0	0	956	4,663	10,242	15,420	21,416	44,193
North Dakota	0	0	956	4,847	10,589	15,934	22,329	46,009
Ohio	0	0	956	4,759	10,392	16,003	22,114	44,050
Oklahoma	0	0	956	4,880	10,560	15,877	22,133	43,824
Oregon	0	0	956	4,637	10,194	15,211	21,161	44,718
Pennsylvania	0	0	956	4,810	10,587	16,233	22,447	45,903
Rhode Island	0	0	956	4,712	10,290	15,478	21,655	44,564
South Carolina	0	0	956	4,867	10,551	15,756	21,805	44,050
Utah	0	0	956	4,502	10,092	14,983	20,935	42,468
Vermont	0	0	956	4,723	10,291	15,541	21,740	43,627
Virginia	0	0	956	4,893	10,419	15,291	21,363	44,223
West Virginia	0	0	956	4,695	10,264	16,029	22,265	45,668
Wisconsin	0	0	956	4,676	10,272	15,673	21,944	45,075
42 State Average**	**$0**	**$0**	**$956**	**$4,764**	**$10,423**	**$15,660**	**$21,784**	**$44,419**

* No dependents.
** Simple average.

Note: Table 19 provides information on FICA (Social Security and Medicare) payroll taxes for each filing type and gross income level used in the study. Since payroll taxes are based entirely on gross income, they do not vary from state to state. Given that so few senior filers have income subject to the payroll taxes, we do not include that information in this table.

Table 19: Tax Year 2008 Payroll Tax Burdens by Filing Type and Gross Income

	Filing Type		
FAGI	**Single**	**Married-Joint**	**Head of Household**
$10,000	$1,442	$1,283	$1,441
$20,000	2,938	2,971	2,929
$35,000	5,152	5,203	5,154
$50,000	7,355	6,716	7,356
$75,000	10,416	10,851	10,939
$100,000	13,455	14,096	14,099
$150,000	16,063	20,659	16,011
$250,000	11,895	25,976	18,727
$500,000	-	35,113	-
$1,000,000	-	32,655	-

VI. Appendix D: Changes in Tax Rates and Income Brackets From 2006 to 2010

As mentioned elsewhere in this report, changes in a state's tax burden from our 2006 study may be due in part to structural changes in a state's income tax. The tables in this appendix detail changes to rates and brackets between tax years 2006 and 2008.

Given the extraordinary fiscal circumstances states are facing as of this study's publication date, we are also including changes in rates and brackets between tax years 2008 and 2010. These changes are summarized as follows:

- Five states added one or more new top brackets: CT, HI, NY, OR, and WI
- One state generally raised income tax rates: CA
- One state raised its top bracket rate: DE
- One state increased the size of its intermediary brackets (therefore reducing the tax for filers with income in those brackets): LA
- Three states lowered income tax rates: ND, RI (flat rate only), and VT

We believe this information is timely, and will provide readers with a sense of how these rankings might be moving in the future.

The table does not provide bracket changes when those changes are purely the result of automatic indexing of brackets to a measure of inflation.

One final note – different states will have varying definitions of "taxable income". Readers who wish to compare tax brackets and rates between states should use caution to ensure that those states have similar definitions of "taxable income".

Table 20: Tax Year 2006, 2008, and 2010 Tax Rates and Income Brackets, Individual Income Tax, Married-Joint Filers, Various States

ARIZONA – Married Joint Filers					
TAX YEAR 2006		TAX YEAR 2008		TAX YEAR 2010	
Income Range	Tax Rate	Income Range	Tax Rate	Income Range	Tax Rate
First $20,000	2.73%	First $20,000	2.59%	First $20,000	2.59%
Next $30,000	3.04%	Next $30,000	2.88%	Next $30,000	2.88%
Next $50,000	3.55%	Next $50,000	3.36%	Next $50,000	3.36%
Next $200,000	4.48%	Next $200,000	4.24%	Next $200,000	4.24%
Over $300,000	4.79%	Over $300,000	4.54%	Over $300,000	4.54%

CALIFORNIA – Married Joint Filers					
TAX YEAR 2006		TAX YEAR 2008		TAX YEAR 2010	
Income Range	Tax Rate	Income Range	Tax Rate	Income Range	Tax Rate
First $13,244	1.00%	First $14,336	1.00%	First $14,248	1.25%
Next $18,152	2.00%	Next $19,652	2.00%	Next $19,532	2.25%
Next $18,156	4.00%	Next $19,654	4.00%	Next $19,534	4.25%
Next $19,236	6.00%	Next $20,824	6.00%	Next $20,696	6.25%
Next $18,146	8.00%	Next $19,644	8.00%	Next $19,522	8.25%
Over $86,934	9.30%	Over $94,110	9.30%	Over $93,532	9.25%
*Additional 1% tax imposed on taxable income in excess of $1 million.					

CONNECTICUT – Married Joint Filers					
TAX YEAR 2006		**TAX YEAR 2008**		**TAX YEAR 2010**	
Income Range	**Tax Rate**	**Income Range**	**Tax Rate**	**Income Range**	**Tax Rate**
First $20,000	3.00%	First $20,000	3.00%	First $20,000	3.00%
Over $20,000	5.00%	Over $20,000	5.00%	Next $980,000	5.00%
				Over $1,000,000	6.50%

DELAWARE – Married Joint Filers					
TAX YEAR 2006		**TAX YEAR 2008**		**TAX YEAR 2010**	
Income Range	**Tax Rate**	**Income Range**	**Tax Rate**	**Income Range**	**Tax Rate**
First $2,000	0.00%	First $2,000	0.00%	First $2,000	0.00%
Next $3,000	2.20%	Next $3,000	2.20%	Next $3,000	2.20%
Next $5,000	3.90%	Next $5,000	3.90%	Next $5,000	3.90%
Next $10,000	4.80%	Next $10,000	4.80%	Next $10,000	4.80%
Next $5,000	5.20%	Next $5,000	5.20%	Next $5,000	5.20%
Next $35,000	5.55%	Next $35,000	5.55%	Next $35,000	5.55%
Over $60,000	5.95%	Over $60,000	5.95%	Over $60,000	6.95%

DISTRICT OF COLUMBIA – Married Joint Filers					
TAX YEAR 2006		**TAX YEAR 2008**		**TAX YEAR 2010**	
Income Range	**Tax Rate**	**Income Range**	**Tax Rate**	**Income Range**	**Tax Rate**
First $10,000	4.50%	First $10,000	4.00%	First $10,000	4.00%
Next $20,000	7.00%	Next $30,000	6.00%	Next $30,000	6.00%
Over $30,000	8.70%	Over $40,000	8.50%	Over $40,000	8.50%

HAWAII – Married Joint Filers					
TAX YEAR 2006		**TAX YEAR 2008**		**TAX YEAR 2010**	
Income Range	**Tax Rate**	**Income Range**	**Tax Rate**	**Income Range**	**Tax Rate**
First $4,000	1.40%	First $4,800	1.40%	First $4,800	1.40%
Next $4,000	3.20%	Next $4,800	3.20%	Next $4,800	3.20%
Next $8,000	5.50%	Next $9,600	5.50%	Next $9,600	5.50%
Next $8,000	6.40%	Next $9,600	6.40%	Next $9,600	6.40%
Next $8,000	6.80%	Next $9,600	6.80%	Next $9,600	6.80%
Next $8,000	7.20%	Next $9,600	7.20%	Next $9,600	7.20%
Next $20,000	7.60%	Next $24,000	7.60%	Next $24,000	7.60%
Next $20,000	7.90%	Next $24,000	7.90%	Next $24,000	7.90%
Over $80,000	8.25%	Over $96,000	8.25%	Next $204,000	8.25%
				Next $50,000	9.00%
				Next $50,000	10.00%
				Over $400,000	11.00%

LOUISIANA – Married Joint Filers					
TAX YEAR 2006		**TAX YEAR 2008**		**TAX YEAR 2010**	
Income Range	**Tax Rate**	**Income Range**	**Tax Rate**	**Income Range**	**Tax Rate**
First $25,000	2.00%	First $25,000	2.00%	First $25,000	2.00%
Next $25,000	4.00%	Next $25,000	4.00%	Next $75,000	4.00%
Over $50,000	6.00%	Over $50,000	6.00%	Over $100,000	6.00%

Appendix D: Changes in Tax Rates and Income Brackets From 2006 to 2010

MARYLAND – Married Joint Filers					
TAX YEAR 2006		TAX YEAR 2008		TAX YEAR 2010	
Income Range	Tax Rate	Income Range	Tax Rate	Income Range	Tax Rate
First $1,000	2.00%	First $1,000	2.00%	First $1,000	2.00%
Next $1,000	3.00%	Next $1,000	3.00%	Next $1,000	3.00%
Next $1,000	4.00%	Next $1,000	4.00%	Next $1,000	4.00%
Over $3,000	4.75%	Next $147,000	4.75%	Next $147,000	4.75%
		Next $150,000	5.00%	Next $150,000	5.00%
		Next $200,000	5.25%	Next $200,000	5.25%
		Next $500,000	5.50%	Next $500,000	5.50%
		Over $1,000,000	6.25%	Over $1,000,000	6.25%

MICHIGAN – Married Joint Filers					
TAX YEAR 2006		TAX YEAR 2008		TAX YEAR 2010	
Income Range	Tax Rate	Income Range	Tax Rate	Income Range	Tax Rate
Flat Rate	3.90%	Flat Rate	4.35%	Flat Rate	4.35%

NEW MEXICO – Married Joint Filers					
TAX YEAR 2006		TAX YEAR 2008		TAX YEAR 2010	
Income Range	Tax Rate	Income Range	Tax Rate	Income Range	Tax Rate
First $8,000	1.70%	First $8,000	1.70%	First $8,000	1.70%
Next $8,000	3.20%	Next $8,000	3.20%	Next $8,000	3.20%
Next $8,000	4.70%	Next $8,000	4.70%	Next $8,000	4.70%
Over $24,000	5.30%	Over $24,000	4.90%	Over $24,000	4.90%

NEW YORK – Married Joint Filers					
TAX YEAR 2006		TAX YEAR 2008		TAX YEAR 2010	
Income Range	Tax Rate	Income Range	Tax Rate	Income Range	Tax Rate
First $16,000	4.00%	First $16,000	4.00%	First $16,000	4.00%
Next $6,000	4.50%	Next $6,000	4.50%	Next $6,000	4.50%
Next $4,000	5.25%	Next $4,000	5.25%	Next $4,000	5.25%
Next $14,000	5.90%	Next $14,000	5.90%	Next $14,000	5.90%
Over $40,000	6.85%	Over $40,000	6.85%	Next $260,000	6.85%
				Next $200,000	7.85%
				Over $500,000	8.97%

NORTH CAROLINA – Married Joint Filers					
TAX YEAR 2006		TAX YEAR 2008		TAX YEAR 2010	
Income Range	Tax Rate	Income Range	Tax Rate	Income Range	Tax Rate
First $21,250	6.00%	First $21,250	6.00%	First $21,250	6.00%
Next $78,750	7.00%	Next $78,750	7.00%	Next $78,750	7.00%
Next $100,000	7.75%	Over $100,000	7.75%	Over $100,000	7.75%
Over $200,000	8.25%				

NORTH DAKOTA – Married Joint Filers					
TAX YEAR 2006		TAX YEAR 2008		TAX YEAR 2010	
Income Range	Tax Rate	Income Range	Tax Rate	Income Range	Tax Rate
First $51,200	2.100%	First $54,400	2.100%	First $56,850	1.840%
Next $72,500	3.920%	Next $77,050	3.920%	Next $80,450	3.440%
Next $64,750	4.340%	Next $68,850	4.340%	Next $71,950	3.810%
Next $148,100	5.040%	Next $157,400	5.040%	Next $164,400	4.420%
Over $336,550	5.540%	Over $357,700	5.540%	Over $373,650	4.860%

OKLAHOMA – Married Joint Filers					
TAX YEAR 2006		**TAX YEAR 2008**		**TAX YEAR 2010**	
Income Range	**Tax Rate**	**Income Range**	**Tax Rate**	**Income Range**	**Tax Rate**
First $2,000	0.50%	First $2,000	0.50%	First $2,000	0.50%
Next $3,000	1.00%	Next $3,000	1.00%	Next $3,000	1.00%
Next $2,500	2.00%	Next $2,500	2.00%	Next $2,500	2.00%
Next $2,300	3.00%	Next $2,300	3.00%	Next $2,300	3.00%
Next $2,400	4.00%	Next $2,400	4.00%	Next $2,400	4.00%
Next $2,800	5.00%	Next $2,800	5.00%	Next $2,800	5.00%
Next $6,000	6.00%	Over $15,000	5.50%	Over $15,000	5.50%
Over $21,000	6.25%				

OREGON – Married Joint Filers					
TAX YEAR 2006		**TAX YEAR 2008**		**TAX YEAR 2010**	
Income Range	**Tax Rate**	**Income Range**	**Tax Rate**	**Income Range**	**Tax Rate**
First $5,500	5.00%	First $5,800	5.00%	First $4,000	5.00%
Next $8,200	7.00%	Next $8,800	7.00%	Next $6,000	7.00%
Over $13,700	9.00%	Over $14,600	9.00%	Next $240,000	9.00%
				Next $250,000	10.80%
				Over $500,000	11.00%

RHODE ISLAND – Married Joint Filers					
TAX YEAR 2006		**TAX YEAR 2008**		**TAX YEAR 2010**	
Income Range	**Tax Rate**	**Income Range**	**Tax Rate**	**Income Range**	**Tax Rate**
Flat Rate	8.00%	Flat Rate	7.00%	Flat Rate	6.00%

Note: Rhode Island taxpayers may calculate their liability using either a flat rate or a graduated rate schedule based on 25% of federal income tax rates in effect prior to the enactment of the Economic Growth and Tax Relief Reconciliation Act of 2001. Only the flat rate has changed between 2006 and 2010.

UTAH – Married Joint Filers					
TAX YEAR 2006*		**TAX YEAR 2008**		**TAX YEAR 2010**	
Income Range	**Tax Rate**	**Income Range**	**Tax Rate**	**Income Range**	**Tax Rate**
First $2,000	2.30%	Flat Rate	5.00%	Flat Rate	5.00%
Next $2,000	3.30%				
Next $2,000	4.20%				
Next $2,000	5.20%				
Next $3,000	6.00%				
Over $11,000	6.98%				
Or					
Flat Rate	5.35%				

* In tax year 2006, Utah filers were able to choose between a flat 5.35% tax on the basis of adjusted gross income with limited deductions or a multi-rate tax under the tax bracket system on the basis of federal taxable income with traditional deductions.

Appendix D: Changes in Tax Rates and Income Brackets From 2006 to 2010

VERMONT – Married Joint Filers					
TAX YEAR 2006*		TAX YEAR 2008		TAX YEAR 2010	
Income Range	Tax Rate	Income Range	Tax Rate	Income Range	Tax Rate
First $51,200	3.60%	First $54,400	3.60%	First $56,800	3.55%
Next $72,500	7.20%	Next $77,050	7.20%	Next $80,500	6.80%
Next $64,750	8.50%	Next $68,850	8.50%	Next $71,950	7.80%
Next $148,100	9.00%	Next $157,400	9.00%	Next $164,400	8.80%
Over $336,500	9.50%	Over $357,700	9.50%	Over $373,650	8.95%

WISCONSIN – Married Joint Filers					
TAX YEAR 2006*		TAX YEAR 2008		TAX YEAR 2010	
Income Range	Tax Rate	Income Range	Tax Rate	Income Range	Tax Rate
First $12,210	4.60%	First $12,930	4.60%	First $13,420	4.60%
Next $12,220	6.15%	Next $12,930	6.15%	Next $13,430	6.15%
Next $158,780	6.50%	Next $168,090	6.50%	Next $174,490	6.50%
Over $183,210	6.75%	Over $193,950	6.75%	Next $94,210	6.75%
				Over $295,550	7.75%

MN Center for Public Finance Research

Research and Education

85 East 7th Place, Suite 250

Saint Paul, MN 55101

Ph. 651-224-7477 or 800-322-8297

Educational Arm of the Minnesota Taxpayers Association