

TABLE 7.17

State Individual Income Taxes (Tax rates for the tax year 2018—as of January 1, 2018)

State or other jurisdiction	Tax rate range (in percents)		Number of brackets	Income brackets		Personal exemptions			Federal income tax deductible
	Low	High		Lowest	Highest	Single	Married	Dependents	
Alabama	2.0%	– 5.0%	3	500 (b)	– 3,001 (b)	1,500	3,000	500 (e)	★
Alaska	.....(No state income tax).....								
Arizona (a)	2.59	– 4.54	5	10,179 (b)	– 152,668 (b)	2,150	4,300	2,300	...
Arkansas (a)	0.9	– 6.9 (f)	6	4,299	– 35,100	26 (c)	52 (c)	26 (c)	...
California (a)	1.0	12.3 (g)	9	8,223 (b)	– 551,473 (b)	114 (c)	228 (c)	353 (c)	...
Colorado	4.63		1	.....Flat rate.....		4,150 (d)	8,300 (d)	4,150 (d)	...
Connecticut	3.0	– 6.99	7	10,000 (b)	– 500,000 (b)	14,500 (h)	24,000 (h)	0	...
Delaware	0.0	– 6.6	7	2,000	– 60,001	110 (c)	220 (c)	110 (c)	...
Florida	.....(No state income tax).....								
Georgia	1.0	– 6.0	6	750 (i)	– 7,001 (i)	2,700	7,400	3,000	...
Hawaii	1.4	– 11.0	12	2,400 (b)	– 200,000 (b)	1,144	2,288	1,144	...
Idaho (a)	1.6	– 7.4	7	1,472 (b)	– 11,043 (b)	4,150 (d)	8,300 (d)	4,150 (d)	...
Illinois	4.95		1	.....Flat rate.....		2,000	4,000	2,000	...
Indiana	3.23		1	.....Flat rate.....		1,000	2,000	2,500 (j)	...
Iowa (a)	0.36	– 8.98	9	1,598	– 71,910	40 (c)	80 (c)	40 (c)	★
Kansas	3.1	– 5.7	3	15,000 (b)	– 30,000 (b)	2,250	4,500	2,250	...
Kentucky	2.0	– 6.0	6	3,000	– 75,001	10 (c)	20 (c)	10 (c)	...
Louisiana	2.0	– 6.0	3	12,500 (b)	– 50,001 (b)	4,500 (k)	9,000 (k)	1,000	★
Maine (a)	5.8	– 7.15	3	21,450 (l)	– 50,750 (l)	4,150 (d)	8,300 (d)	4,150 (d)	...
Maryland	2.0	– 5.75	8	1,000 (m)	– 250,000 (m)	3,200	6,400	3,200	...
Massachusetts	5.10		1	.....Flat rate.....		4,400	8,800	1,000	...
Michigan (a)	4.25		1	.....Flat rate.....		4,000	8,000	4,000	...
Minnesota (a)	5.35	– 9.85	4	25,890 (n)	– 160,020 (n)	4,150 (d)	8,300 (d)	4,150 (d)	...
Mississippi	3.0	– 5.0	3	5,000	– 10,001	6,000	12,000	1,500	...
Missouri (a)(o)	1.5	– 5.9	10	1,028	– 9,253	2,100	4,200	1,200	★(p)
Montana (a)	1.0	– 6.9	7	3,000	– 17,900	2,400	4,800	2,400	★(p)
Nebraska (a)	2.46	– 6.84	4	3,150 (b)	– 30,420 (b)	134 (c)	268 (c)	134 (c)	...
Nevada	.....(No state income tax).....								
New Hampshire	.....(State income tax of 5% on dividends and interest income only.).....								
New Jersey	1.4	– 8.97	6	20,000 (q)	– 500,000 (q)	1,000	2,000	1,500	...
New Mexico	1.7	– 4.9	4	5,500 (r)	– 16,001 (r)	4,150 (d)	8,300 (d)	4,150 (d)	...
New York (a)	4.0	– 8.82	8	8,500 (b)	– 1,077,550 (b)	0	0	1,000	...
North Carolina	5.499		1	.....Flat rate.....		.....None.....			...
North Dakota (a)	1.10	– 2.90	5	38,700 (s)	– 424,950 (s)	4,150 (d)	8,300 (d)	4,150 (d)	...
Ohio (a)	0.0	4.997	8	10,650	– 213,350	2,300 (t)	4,600 (t)	2,300 (t)	...
Oklahoma	0.5	– 5.0	6	1,000 (u)	– 7,200 (u)	1,000	2,000	1,000	...
Oregon (a)	5.0	– 9.9	4	3,450 (b)	– 125,000 (b)	201 (c)	402 (c)	201 (c)	★(p)
Pennsylvania	3.07		1	.....Flat rate.....		.....None.....			...
Rhode Island (a)	3.75	– 5.99	3	62,550	– 142,150	4,000	8,000	4,000	...
South Carolina (a)	0.0	– 7.0	6	2,970	– 14,860	4,150 (d)	8,300 (d)	4,150 (d)	...
South Dakota	.....(No state income tax).....								
Tennessee	.....(State income tax of 3% on dividends and interest income only (y).).....								
Texas	.....(No state income tax).....								
Utah	5.0		1	.....Flat rate.....		(v)	(v)	(v)	...
Vermont (a)	3.55	– 8.95	5	37,950 (w)	– 416,700 (w)	4,150 (d)	8,300 (d)	4,150 (d)	...
Virginia	2.0	– 5.75	4	3,000	– 17,001	930	1,860	930	...
Washington	.....(No state income tax).....								
West Virginia	3.0	– 6.5	5	10,000	– 60,000	2,000	4,000	2,000	...
Wisconsin (a)	4.0	– 7.65	4	11,450 (x)	– 252,150 (x)	700	1,400	700	...
Wyoming	.....(No state income tax).....								
Dist. of Columbia	4.0	– 8.95	5	10,000	– 1,000,000	1,675	3,350	1,675	...

See footnotes at end of table

TAXES

TABLE 7.17

State Individual Income Taxes (Tax rates for the tax year 2018—as of January 1, 2018) (continued)

Source: The Federation of Tax Administrators from various sources, February 2018.

Key:

★—Yes

...—No

- (a) Nineteen states have statutory provision for automatically adjusting to the rate of inflation the dollar values of the income tax brackets, standard deductions, and/or personal exemptions. Massachusetts, Michigan, and Nebraska index the personal exemption only. Oregon does not index the income brackets for \$125,000 and over.
- (b) For joint returns, taxes are twice the tax on half the couple's income.
- (c) The personal exemption takes the form of a tax credit instead of a deduction.
- (d) These states use the personal exemption amounts provided in the federal Internal Revenue Code. Note, the Tax Cut and Reform Act of 2017 has eliminated personal exemptions from the IRC. These states will need to enact legislation to reinstate a personal exemption for tax year 2018. We have reported here the exemption amounts before the federal tax change.
- (e) In Alabama, the per-dependent exemption is \$1,000 for taxpayers with state AGI of \$20,000 or less, \$500 with AGI from \$20,001 to \$100,000, and \$300 with AGI over \$100,000.
- (f) Arkansas has separate brackets for taxpayers with income under \$75,000 and \$21,000. The tax rates for lower income taxpayers are scheduled to decrease beginning in tax year 2019.
- (g) California imposes an additional 1% tax on taxable income over \$1 million, making the maximum rate 13.3% over \$1 million.
- (h) Connecticut's personal exemption incorporates a standard deduction. An additional tax credit is allowed ranging from 75% to 0% based on state adjusted gross income. Exemption amounts are phased out for higher income taxpayers until they are eliminated for households earning over \$71,000.
- (i) The Georgia income brackets reported are for single individuals. For married couples filing jointly, the same tax rates apply to income brackets ranging from \$1,000, to \$10,000.
- (j) In Indiana, includes an additional exemption of \$1,500 for each dependent child.
- (k) The amounts reported for Louisiana are a combined personal exemption-standard deduction.
- (l) The income brackets reported for Maine are for single individuals. For married couples filing jointly, the same tax rates apply to income brackets ranging from \$42,900 to \$101,550.
- (m) The income brackets reported for Maryland are for single individuals. For married couples filing jointly, the same tax rates apply to income brackets ranging from \$1,000 to \$300,000.
- (n) The income brackets reported for Minnesota are for single individuals. For married couples filing jointly, the same tax rates apply to income brackets ranging from \$37,850 to \$266,700.
- (o) Beginning after tax year 2017, the top Missouri tax rate is scheduled to decrease by 0.1 each year (if revenue gain requirements are met) until it reaches 5.5%.
- (p) The deduction for federal income tax is limited to \$5,000 for individuals and \$10,000 for joint returns in Missouri and Montana, and to \$6,350 for all filers in Oregon.
- (q) The New Jersey rates reported are for single individuals. For married couples filing jointly, the tax rates also range from 1.4% to 8.97%, with 7 brackets and the same high and low income ranges.
- (r) The income brackets reported for New Mexico are for single individuals. For married couples filing jointly, the same tax rates apply to income brackets ranging from \$8,000 to \$24,000.
- (s) The income brackets reported for North Dakota are for single individuals. For married couples filing jointly, the same tax rates apply to income brackets ranging from \$64,650 to \$424,950.
- (t) Ohio provides an additional tax credit of \$20 per exemption. Exemption amounts reduced for higher income taxpayers.
- (u) The income brackets reported for Oklahoma are for single persons. For married persons filing jointly, the same tax rates apply to income brackets ranging from \$2,000 to \$12,200.
- (v) Utah provides a tax credit equal to 6% of the federal personal exemption amounts (and applicable standard deduction). Note, the Tax Cut and Reform Act of 2017 has eliminated personal exemptions and increased the standard deduction in the IRC. Utah will need to enact legislation to reinstate a personal credit for tax year 2018.
- (w) Vermont's income brackets reported are for single individuals. For married taxpayers filing jointly, the same tax rates apply to income brackets ranging from \$63,350 to \$416,700.
- (x) The Wisconsin income brackets reported are for single individuals. For married taxpayers filing jointly, the same tax rates apply to income brackets ranging from \$15,270 to \$336,200.
- (y) Tennessee Hall Tax Rate on Dividends and Interest is being phased out, 1% reduction each year.