

## State Personal Income Tax Revenue as a Share of Personal Income in States with Broad-Based Personal Income Taxes

2015, dollar amounts in thousands

Rank (1 = lowest)	State	Effective Tax Rate (tax / income)	State Personal Income Tax Revenue	Personal Income
1	North Dakota	1.19%	\$504,394	\$42,349,688
2	Arizona	1.45%	\$3,868,234	\$267,361,132
3	Louisiana	1.46%	\$2,922,499	\$200,594,438
4 (proposed)	Alaska (HB115)*	1.66%	\$681,006	\$40,907,753
4	Kansas	1.70%	\$2,335,804	\$137,316,497
5	New Mexico	1.72%	\$1,358,702	\$79,104,093
6	Mississippi	1.73%	\$1,798,699	\$104,045,259
7	Ohio	1.77%	\$8,950,232	\$505,950,314
8	Oklahoma	1.80%	\$3,209,442	\$178,250,475
9	Pennsylvania	1.84%	\$11,735,689	\$636,857,158
10	Alabama	1.84%	\$3,407,750	\$184,784,917
11	South Carolina	2.03%	\$3,802,638	\$187,532,342
12	Michigan	2.14%	\$9,102,052	\$424,807,490
13	Illinois	2.26%	\$14,618,090	\$646,789,116
14	Arkansas	2.30%	\$2,616,250	\$113,923,539
15	Colorado	2.32%	\$6,444,569	\$277,731,754
16	Missouri	2.33%	\$5,989,938	\$257,338,334
17	Rhode Island	2.33%	\$1,232,997	\$52,833,501
18	Idaho	2.38%	\$1,512,792	\$63,535,406
19	Vermont	2.39%	\$725,778	\$30,417,564
20	Georgia	2.43%	\$10,005,670	\$411,721,423
21	Kentucky	2.44%	\$4,163,071	\$170,755,826

Rank (1 = lowest)	State	Effective Tax Rate (tax / income)	State Personal Income Tax Revenue	Personal Income
22	Nebraska	2.47%	\$2,274,572	\$92,048,473
23	Iowa	2.48%	\$3,552,504	\$143,393,977
--	Average**	2.52%	--	--
24	New Jersey	2.52%	\$13,554,005	\$537,026,391
25	Maryland	2.53%	\$8,522,346	\$336,187,435
26	Indiana	2.70%	\$7,484,492	\$277,628,668
27	Wisconsin	2.74%	\$7,250,974	\$264,987,588
28	Virginia	2.76%	\$12,028,939	\$436,349,531
29	Montana	2.78%	\$1,199,097	\$43,186,928
30	Utah	2.79%	\$3,289,634	\$117,763,901
31	West Virginia	2.85%	\$1,930,571	\$67,787,227
32	North Carolina	2.86%	\$11,698,235	\$409,338,338
33	Maine	2.88%	\$1,639,310	\$56,893,803
34	Hawaii	2.97%	\$2,053,370	\$69,129,101
35	Delaware	3.34%	\$1,502,783	\$45,057,962
36	Connecticut	3.38%	\$8,331,153	\$246,709,339
37	Massachusetts	3.47%	\$14,740,007	\$425,352,524
38	Minnesota	3.81%	\$10,646,465	\$279,262,704
39	California	3.84%	\$80,716,563	\$2,103,669,473
40	New York	4.09%	\$47,556,159	\$1,161,414,144
41	Oregon	4.35%	\$7,682,176	\$176,401,260

\* Alaska income tax revenue estimate is based on an ITEP analysis finding that the updated personal income tax proposed in HB115 (based on Federal Adjusted Gross Income with rates ranging from 0 to 7 percent) would have raised \$686.5 million if implemented in Tax Year 2016. This was adjusted to TY2015 levels by assuming a growth rate of 0.81 percent. Alaska's actual 2015 personal income of nearly \$41.5 billion was reduced by \$553.0 million to approximate the impact of HB115 in reducing the Permanent Fund Dividend (assuming a reduction from \$2,072 to \$1,250 per person in 2015).

\*\* This is an unweighted average for the 41 states with broad-based personal income taxes.

Source: Analysis by the Institute on Taxation and Economic Policy (ITEP) of Calendar Year 2015 state income tax data from the U.S. Census Bureau and personal income data from the Bureau of Economic Analysis (BEA).