



Individual Income Tax Provisions in the States

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Individual Income Tax Provisions in the States

In 2015, 43 states and the District of Columbia had a state individual income tax. This paper outlines the major provisions of the income tax in those states, including the type of filing system, the base of income subject to taxation, the tax rates and brackets, and the allowable tax exemptions, deductions, and credits. For purposes of describing and tallying these provisions, the District of Columbia is referred to as one of the states.

Most states use federal adjusted gross income (AGI) as a starting point to compute the state tax and also use federal provisions in calculating state itemized deductions. As a result, the comparison of the base of income subject to tax concentrates on major differences from federal law and only exceptions to federal law are noted for state itemized deductions.

Information on other tax provisions such as tax rates and brackets, personal exemption amounts, and state tax credits is presented for each state. In addition, summary tables for several of these tax law features are provided. Finally, an outline of the income tax structure in each state is attached.

Information in this paper was taken directly from the tax forms and instruction booklets for each state for the 2015 tax year. This information shows only the tax provisions in effect for 2015 and does not reflect future changes already

enacted by state legislatures. As a cross-check, this data was reviewed by state tax officials, and reference materials compiled by other sources for selected state tax provisions were also consulted.

Although this information was prepared with care, the complexity of the tax structure in some states may have resulted in omissions. Certain items, such as depreciation and loss carryover provisions, varied substantially between states; for many states, differences between state and federal law were not consistently noted in instruction booklets. As a result, these items, along with other minor differences between state and federal law, are not covered in this paper. Finally, the following descriptions differ from those prepared in previous years with regard to tax credits. In previous years, this paper has identified all tax credits that may be claimed in each state on individual income tax returns, including credits claimed by business entities. Due to space limitations, this paper displays only credits available to individuals and families and excludes business tax credits.

States with an Income Tax

The following states imposed a tax on income in tax year 2015:

Alabama	Idaho	Michigan	North Carolina	Vermont
Arizona	Illinois	Minnesota	North Dakota	Virginia
Arkansas	Indiana	Mississippi	Ohio	West Virginia
California	Iowa	Missouri	Oklahoma	Wisconsin
Colorado	Kansas	Montana	Oregon	
Connecticut	Kentucky	Nebraska	Pennsylvania	
Delaware	Louisiana	New Hampshire	Rhode Island	
District of Columbia	Maine	New Jersey	South Carolina	
Georgia	Maryland	New Mexico	Tennessee	
Hawaii	Massachusetts	New York	Utah	

The following seven states do not impose an individual income tax: Alaska, Florida, Nevada, South Dakota, Texas, Washington, and Wyoming.

The Filing System

Three types of filing systems were used by states in 2015, including joint, combined, or a combination of joint/combined. Under a joint filing system, the incomes of both spouses are added together and taxed as a single amount. This system is also used for federal tax purposes and reflects the concept of taxing families as a single economic unit. Under the combined tax return system, the income of each spouse is taxed separately. For two-income families, this system allows each spouse to benefit from the low tax rates at the beginning of the tax rate schedule. Finally, several states provide an option for married taxpayers to file either a joint or combined return. Instruction booklets in these states generally explain the tax advantage to two-income families under combined filing and encourage taxpayers to compute their taxes each way to determine which is most advantageous to the taxpayer.

The types of filing systems used by states in 2015 are as follows:

Combined Filing--two states (Missouri and Pennsylvania).

Joint/Combined Filing--seven states (Arkansas, Delaware, D.C., Iowa, Kentucky, Mississippi, and Montana).

Joint Filing--35 states (all other states).

For federal tax purposes and in states with joint filing systems, married couples may choose to file either married-joint or married-separate

returns. This treatment extends to same-sex married couples. Prior to 2013, the federal Defense of Marriage Act (DOMA) prohibited federal agencies from recognizing same-sex marriages, and individuals in such relationships were required to file as individuals using the single or head-of-household filing status. In June, 2013, the U.S. Supreme Court ruled the DOMA prohibition violated the equal protection and due process principles in the U.S. Constitution, and in September, 2013, the Internal Revenue Service applied the ruling prospectively by allowing same-sex couples to select a married filing status, provided the individuals were lawfully married in a state that recognizes same-sex marriages.

The 2013 decision did not impact a second DOMA provision that allowed states to refuse to recognize same-sex marriages performed in other states. Nonetheless, 16 states recognized various forms of same-sex couples for state tax purposes in tax year 2013. In June, 2015, the U.S. Supreme Court invalidated the second DOMA provision and ruled that state laws are "invalid to the extent that they exclude same-sex couples from civil marriages on the same terms and conditions as opposite-sex couples." In addition, the Court ruled that "there is no lawful basis for a State to refuse to recognize a lawful same-sex marriage performed in another State on the ground of its same-sex character." As a result, all states now allow individuals in lawful, same-sex marriages to file as married couples. The Supreme Court ruling does not extend to same-sex civil unions, civil partners, or registered domestic partners.

Income Base Subject to Taxation

Most states with an income tax in 2015 used federal adjusted gross income as a starting point to determine the state tax. New Hampshire and Tennessee taxed only unearned income such as

interest and dividends. For the other states, although federal adjusted gross income was often used as the starting point to compute taxable income, major differences in the income subject to tax occurred in several areas. A summary of the major areas is presented below.

Social Security. Under federal law, a two-tiered taxation scheme is established for social security benefits. First, if a taxpayer's provisional income does not exceed a base amount, no social security benefits are subject to tax. The base amounts are \$25,000 for single taxpayers, \$32,000 for married couples filing a joint return, and zero for married couples filing separate returns. Provisional income is one-half of social security plus federal AGI, tax-exempt interest income, and amounts earned in a foreign country, U.S. possession, or Puerto Rico that are excluded from gross income. If provisional income exceeds the base amounts, the taxable portion of social security is the lesser of: (a) 50% of net social security benefits; or (b) 50% of the amount by which provisional income exceeds the base amount.

The second tier was established under the federal Revenue Reconciliation Act of 1993, effective with tax year 1994, for taxpayers with provisional income in excess of a second set of base amounts: \$34,000 for single taxpayers and \$44,000 for married taxpayers filing jointly. For taxpayers with provisional income above these higher thresholds, the taxable portion of social security payments is the lesser of: (a) 85% of net social security benefits; or (b) the amount included under the old law (not to exceed \$4,500 for single taxpayers or \$6,000 for married-joint taxpayers) plus 85% of the excess of provisional income over the higher income thresholds. Married taxpayers who file separate returns are taxed on the lesser of 85% of social security or 85% of provisional income.

A total of 30 states, including Wisconsin,

exempted social security income from taxation. Fourteen states taxed social security benefits in 2015: seven states followed current federal practice and taxed up to 85% of benefits; and seven states provided their own taxation scheme.

Capital Gains. At the federal level, net capital gains are generally fully taxable regardless of how long the assets were held. However, capital gains are taxed at lower rates than ordinary income.

Net capital losses are deductible against ordinary income, although the deduction amount is limited to \$3,000 annually (\$1,500 if married and filing separately); unused capital losses can be carried forward to offset income in subsequent years. Special tax rules apply to gains realized from the sale or exchange of a principal residence.

A total of six states followed federal practice and taxed all capital gains and provided a \$3,000 limit on losses. New Hampshire completely exempted capital gains from taxation and Tennessee taxed only the gains from selling mutual funds. Alabama and Pennsylvania taxed capital gains, but specified that all losses were deductible in the year incurred. In addition, Pennsylvania applied a separate state tax benefit rule with respect to unused losses, depreciation, and reduction of basis. Hawaii had a special alternative tax for capital gains. New Jersey did not permit any capital losses to be deducted from ordinary income. The remaining 32 states provided a variety of exclusions and deductions. For example, Wisconsin permitted exclusions for long-term gains of 100% of gains from the sale of a business to a family member and from the sale of qualifying small business stock, 60% from the sale of farm assets, and 30% from the sale of other assets. Wisconsin, as well as 16 other states, extended preferential treatment for some form of in-state investment. For more information on the treatment of capital gains by individual states, please

refer to the attached outline of each state's income tax structure.

Interest/Dividends. All states are required by federal law to exempt from state tax interest income derived from U.S. obligations. The federal government, in turn, exempts from federal tax interest from state and municipal bonds.

Prior to 2003, taxable dividend income was subject to federal tax at the same rates as ordinary income. However, starting with dividends received in 2003, the lower maximum rates that apply to capital gains also apply to qualified dividend income. To qualify for the lower tax rates, certain holding periods apply. Qualified dividends include ordinary dividends received from most domestic corporations and from foreign corporations meeting certain requirements. The following are examples of payments that are not qualified dividends: capital gains distributions; dividends paid on deposits with mutual savings banks, credit unions, and similar financial institutions; and payments in lieu of dividends.

With the exception of interest from U.S. obligations and from state and municipal bonds (discussed below), most states followed federal practice in 2015 and taxed interest and dividend income. Two states, Michigan and Montana, provided limited deductions for elderly taxpayers. Massachusetts and Oklahoma provided limited exclusions for interest and/or dividends from various financial institutions. North Dakota exempted 40% of dividends subject to the lower federal tax rate, and Ohio provided a business income deduction that excludes up to 75% of interest and ordinary dividends. Kansas exempted certain venture capital dividends, Nebraska exempted dividend income from certain Nebraska corporations, New Jersey exempted distributions from a New Jersey qualified investment fund, and Oregon exempted dividends from certain domestic international sales corporations. Finally, the two states with income taxes based solely on unearned income, New Hampshire and Tennessee,

specifically excluded interest and dividend income earned from a number of specified sources.

State and Municipal Bond Interest. As described above, all states are required by federal law to exempt interest income derived from U.S. obligations from tax. In 2015, 37 states also provided a tax exemption for interest earned from their own state and municipal bonds. This includes Indiana which also exempts interest on other states' obligations, provided the obligation was held or acquired before January 1, 2012. The state of Utah also provided an exemption for interest from non-Utah state and municipal bonds from states that provided a reciprocal exemption of interest from Utah obligations. Illinois, Iowa, Kansas, and Wisconsin exempted only specific state and local obligations. All state and municipal bond interest was exempt in North Dakota and the District of Columbia.

Unemployment Compensation. Under federal law, unemployment compensation is taxable. A provision in the American Recovery and Reinvestment Act of 2009 (ARRA) excluded the first \$2,400 of unemployment compensation from gross income in 2009, but payments have been fully taxable since then.

Prior to 1987, a partial exclusion for unemployment compensation was provided to lower-income taxpayers. The amount of unemployment compensation included in income was the lesser of: (a) total unemployment compensation; or (b) one-half of the amount that adjusted gross income plus total unemployment compensation exceeded a base amount. The base amount was \$12,000 for single persons, \$18,000 for married persons filing jointly, and zero for certain married couples filing separately.

In 2015, 33 states conformed to federal law with respect to unemployment benefits and taxed all benefits. Nine states exempted all unemployment compensation from taxation, and two states (Indiana and Wisconsin) taxed unemployment

compensation based on the provisions of federal law that were in effect for tax year 1986.

Federal law pre-empts states from taxing unemployment benefits (and retirement benefits) received from the Railroad Retirement Board.

Active Duty Military Pay. Under federal law, payments received as a member of a military service generally are taxable as wages, except for retirement pay, which is taxable as a pension. Allowances generally are not taxable. Military pay taxable as wages includes active duty pay, reserve training pay, reenlistment bonuses, and armed services academy pay.

However, federal law provides an exclusion from gross income for certain pay related to a combat zone. A combat zone is any area that the President of the United States designates as such by executive order. In addition, certain qualified hazardous duty areas are treated as if they were combat zones. Enlisted members of the Armed Forces and warrant officers may exclude gross income for all pay received for any month during which they served in a combat zone or were hospitalized as a result of serving in a combat zone. For commissioned officers other than commissioned warrant officers, certain limits to the exclusion apply.

Sixteen states followed federal practice in 2015, providing the combat zone exclusion (CZE) described above but otherwise taxing active duty military pay. Another 15 states conformed to the federal CZE while providing additional tax exemptions or credits for active duty military and/or reservists' pay. Twelve states (Arizona, Arkansas, Illinois, Iowa, Kentucky, Michigan, Minnesota, Montana, New Hampshire, New Mexico, Oklahoma, and Tennessee) excluded military pay from taxation, while Pennsylvania provided an exclusion for persons stationed out-of-state. Table 1 summarizes the states' tax treatment of active duty military pay.

Federal law provides certain additional tax breaks related to military personnel. For example, there is an exclusion from income for the death gratuity received by survivors of deceased Armed Forces members, and certain living and moving allowances are also excluded from income. As these and other provisions relate to benefits other than active duty pay, they are not referenced in Table 1 or in the description of "Active Duty Military" on the summary page for each state. However, states that provide the federal CZE generally conform to the other federal exemptions related to military benefits.

Retirement/Pension Income

In 2015, many states provided state tax exclusions for retirement/pension income. Table 2 summarizes the basic exclusion amounts for the various types of retirement income in each state. The amounts shown in the table are the maximum exclusions per person, and, in some cases, may be reduced by social security and railroad retirement benefits or may be phased out at higher income levels. When two figures are indicated, the exclusion provided is based on a factor such as age or disability level. "State calculation" indicates that the exclusion is limited by additional factors. For example, some states limit the exclusion based on the source of the income, the date of retirement, the age of the taxpayer, or the taxpayer's total income. Additional detail on state provisions may be found in the state-by-state summaries. Federal law prohibits states from taxing railroad retirement benefits.

Health Savings Accounts

Effective with tax year 2004, federal law exempts from taxation certain contributions to, and distributions from, a qualified health savings account (HSA). Under the federal provisions, an employee or another worker covered by a high-deductible health insurance plan (as defined under federal law) may make pre-tax contributions

to an HSA to cover health care costs, subject to certain contribution limits that are indexed annually for inflation. The general limits are increased for individuals who are age 55 or older by the end of the tax year. An individual's employer may also make contributions to an HSA on behalf of an eligible individual; such contributions are excluded from the employee's income for federal tax purposes. HSA distributions are exempt from tax, as long as they are used to pay for qualified medical expenses of the account beneficiary. Earnings on amounts retained in HSAs are also exempt from tax.

In tax year 2015, 39 states generally conformed with the federal HSA provisions (although not all of these states conformed to the latest version of federal law). Wisconsin is among the states that conformed.

College Savings Plans

Under federal law, states, state agencies, and eligible educational institutions may administer college savings plans and qualified tuition programs where individuals make contributions to accounts established on behalf of beneficiaries. Withdrawals from accounts must be used to pay for the qualified educational expenses of the beneficiary and are not subject to federal tax. All states follow the federal treatment, plus plan contributions receive preferential treatment in 33 states. Contributions are the basis for tax credits in three states and deductions in 30 states. Taxpayers in four of these states may deduct contributions to any state's plan, while 26 states limit the deduction to that state's savings plan. Among the 30 states offering deductions, 26 states limit the amount of the deduction either on a per taxpayer or per beneficiary basis.

Deductions

Under federal law, the standard deduction varies depending on filing status, age, and whether the taxpayer or spouse is blind. The federal standard deduction for tax year 2015 is summarized in the chart below.

2015 Federal Standard Deduction

Filing Status	Under Age 65	Age 65 or Blind	Age 65 and Blind
Single	\$6,300	\$7,850	\$9,400
Married, filing jointly			
One spouse	NA	13,850	15,100
Both spouses	12,600	16,350	17,600
Married, filing separately	6,300	7,550	8,800
Head of household	9,250	10,800	12,350

The majority of states (34) provided a standard deduction in 2015. Of these states, 12 used the federal standard deduction amounts, and 22 states crafted unique deductions. Nearly all states with a standard deduction provided a flat deduction amount, although six states tie their deduction to the taxpayer's AGI. A sliding scale standard deduction is employed in four of these states where the deduction either phases down to a minimum amount (Alabama) or phases completely out (Connecticut, Rhode Island, and Wisconsin) at higher income levels. Table 3 shows the standard deduction amounts provided in each state by filing status.

Under federal law, itemized deductions may be claimed for certain state and local taxes paid, interest expenses, medical expenses, charitable contributions, casualty and theft losses, and miscellaneous expenses. Prior to tax year 2010, certain itemized deductions were reduced if adjusted gross income was greater than a specified threshold, but the reduction was suspended for three years. For tax year 2013, the reduction was reinstated and indexed for inflation. For tax year

2015, the itemized deductions are reduced if AGI exceeds the following income thresholds:

Filing Status	AGI Exceeds
Single	\$258,250
Married-Joint	309,900
Head-of-Household	284,050
Married-Separate	154,950

For each dollar of AGI over the threshold, itemized deductions are reduced by 3%. However, a taxpayer's reduction cannot exceed 80% of the initial deduction amount. The thresholds are indexed for inflation in future tax years.

Thirty-three states allowed itemized deductions in 2015, including Wisconsin where a tax credit is based on selected federal deductions. Two states (North Dakota and Oklahoma) are fully federalized, allowing taxpayers to deduct the same amount for state purposes as for federal purposes. Another 23 states allow federal deductions with adjustments. The most common adjustment is to disallow the federal deduction for state and local income taxes (20 states) and/or sales taxes (8 states). Among the federalized states, 20 states have adopted the federal limitation for high income taxpayers, and four states have adopted limitations based on state-determined income thresholds. Seven other states allow itemized deductions, but the deductions are unique to each state (labeled "state itemized deductions" in the state summaries). Finally, taxpayers are not allowed to itemize deductions in 11 states.

Exemptions

A personal exemption of \$4,000 for each taxpayer, spouse, and dependent reduced the amount of income subject to tax in tax year 2015 under federal law. Prior to tax year 2010, this exemption was phased out for high-income taxpayers,

but the phase-out was suspended for three years. For 2013, the phase-out was reinstated using the same income thresholds employed for itemized deductions, including indexing. For each \$2,500 in additional income, or fraction thereof, the exemption amount is reduced by 2% (\$80 in 2015). Under this formula, the exemption is eliminated when AGI exceeds the income threshold by \$122,501 (\$61,251 if M-S).

In 2015, each state except Pennsylvania and North Carolina provided a personal exemption or tax credit to adjust for family size. Among the 34 states providing exemptions, the exemption amount was set equal to the federal exemption in seven states. Two other states partially conformed with federal treatment by initially setting each exemption equal to \$4,000, but by adopting a different phase-out (Minnesota) or by not adopting the phase-out (South Carolina). Two states provided higher exemption amounts, and 23 states provided lower exemptions. Eight states provided exemption credits. A tax credit differs from an exemption in that it is subtracted directly from tax liability, rather than used to reduce the amount of income subject to taxation. Personal exemptions and credits for 2015 are shown by state in Table 4. Additional detail is provided in the individual state summaries.

Tax Rates and Brackets

The major features of each state's tax rates and brackets are shown in Table 5. The table shows the lowest and highest marginal tax rates, the number of brackets used, and the bracket amount at which the highest marginal tax rate is effective for taxpayers by marital status.

The highest marginal tax rate used by a state was 12.3% in California. Hawaii had the greatest number of tax brackets at 12. Nine states imposed a single (flat) tax rate on all taxable income,

while one state (Massachusetts) had two flat tax rates, each of which applied to different types of income.

Tax Credits

The purpose and structure of tax credits varies between state and federal law and among the states. Tax credits are often provided to offer an incentive for certain activities or to adjust for certain costs. Tax credits are subtracted from tax liability and are not dependent on the marginal tax rate of the taxpayer. A summary of the major types of tax credits in 2015 and the number of states that provided such credits follows. As indicated in this paper's introductory material, these are credits available to individuals and families, and tax credits available only to business entities are excluded.

Credit for taxes paid to other states.....	42 states
Child/dependent care.....	23 states
Earned income tax credit*.....	23 states
Property tax/rent/homestead**.....	19 states
Elderly/disabled.....	17 states
Low-income.....	13 states

*Does not include working family credits in Minnesota and New Mexico, or the earned income tax credit in Washington State, which does not have a state income tax.

**In some cases, states counted in this category provide such credits only for elderly or disabled individuals.

Other Taxes

Several states impose additional taxes at the time the state income tax return is filed. Major taxes included on the 2015 income tax forms of these states are summarized below.

Use tax	28 states
Tax on early distributions from tax- advantaged savings programs	15 states
Minimum tax	6 states
Local income tax/surcharge	4 states

Table 1: State Taxation of Active Duty Military Pay (Tax Year 2015)

State	Provision
Alabama	Same as federal
Arizona	Exempt, including active service of Reserve and National Guard members
Arkansas	Exempt
California	Same as federal
Colorado	Same as federal
Connecticut	Same as federal, plus all income exempt if combat zone death
Delaware	Same as federal
District of Columbia	Same as federal
Georgia	Same as federal
Hawaii	CZE and exempt up to \$6,198 for Reserve and National Guard members
Idaho	CZE and if stationed out-of-state, income of Idaho residents on active duty is exempt
Illinois	Exempt, including active service of National Guard members
Indiana	CZE and exempt up to \$5,000 for active duty and active reserves, military retirement, and survivor's benefits
Iowa	Exempt, plus tax forgiven if killed in a combat zone or due to a terrorist or military action or missing and presumed dead; deductions for certain student loan repayments of active duty military
Kansas	Same as federal
Kentucky	Exempt, \$20 personal credit for Kentucky National Guard members, and full exemption if killed in the line of duty (for the year of death and the preceding year)
Louisiana	CZE and up to \$30,000 excluded for service outside Louisiana under certain conditions
Maine	Same as federal
Maryland	CZE and exclude up to \$15,000 for service outside U.S. if total military pay is less than \$30,000
Massachusetts	Same as federal
Michigan	Exempt
Minnesota	Exempt
Mississippi	CZE and exempt up to \$15,000 in Reserve and National Guard pay
Missouri	All income earned in a combat zone is exempt
Montana	Exempt
Nebraska	Same as federal
New Hampshire	Exempt
New Jersey	Same as federal
New Mexico	Exempt
New York	Same as federal
North Carolina	Same as federal
North Dakota	Same as federal and exempt pay for active duty service in National Guard or Reserve
Ohio	Federal exclusions and subtraction for additional active duty pay and allowances while stationed outside Ohio
Oklahoma	Exempt, including Reserve and National Guard
Oregon	CZE and general exclusion for active duty pay earned outside of Oregon. Exclude first \$6,000 of active duty pay earned in Oregon and all active duty Guard and Reserve pay under certain conditions
Pennsylvania	Exempt if stationed outside of state
Rhode Island	Same as federal
South Carolina	CZE and exempt Reserve and National Guard training pay
Tennessee	Exempt
Utah	Same as federal
Vermont	CZE and exclusion for income from full-time active duty outside Vermont. In addition, first \$2,000 of training pay for Reserve and National Guard members with Vermont AGI less than \$50,000 and funds from federal armed forces education loan repayment are exempt
Virginia	CZE and exempt up to \$15,000 of basic military pay if on extended or active duty and up to \$3,000 for National Guard pay
West Virginia	CZE, exclusion for pay to Reserve and National Guard members called to active duty under a Presidential order, and exclusion for active duty pay in year of discharge, provided active duty service equaled at least 30 days
Wisconsin	CZE and exclusions for certain active duty pay of Reserve and National Guard members

Table 2: State Tax Exclusion for Pension/Retirement Income (Tax Year 2015)

State	Private	State & Local	Federal Civilian	Military
Alabama	State Calculation	Most exempt	Exempt	Exempt
Arizona	None	\$2,500	\$2,500	\$2,500
Arkansas	\$6,000	\$6,000	\$6,000	\$6,000
California	None	None	None	None
Colorado	\$20,000/\$24,000	\$20,000/\$24,000	\$20,000/\$24,000	\$20,000/\$24,000
Connecticut	None	None/10% Exempt	None	Exempt
Delaware	\$2,000/\$12,500	\$2,000/\$12,500	\$2,000/\$12,500	\$2,000/\$12,500
District of Columbia	None	None	None	None
Georgia	\$65,000/\$35,000	\$65,000/\$35,000	\$65,000/\$35,000	\$65,000/\$35,000
Hawaii	State Calculation	Exempt	Exempt	Exempt
Idaho	None	\$31,956/\$47,934 ^a	\$31,956/\$47,934	\$31,956/\$47,934
Illinois	State Calculation	Exempt	Exempt	Exempt
Indiana	None	None	\$8,000	\$5,000
Iowa	\$6,000	\$6,000	\$6,000	Exempt
Kansas	None	Some exempt	Exempt	Exempt
Kentucky	\$41,110	\$41,110/Exempt	\$41,110/Exempt	\$41,110/Exempt
Louisiana	\$6,000	\$6,000/Exempt	Exempt	Exempt
Maine	\$10,000	\$10,000	\$10,000	\$10,000
Maryland	\$29,200	\$29,200 ^b	\$29,200	\$29,200
Massachusetts	None	Exempt ^c	Exempt ^c	Exempt
Michigan	\$20,000/\$49,811	\$20,000/\$49,811	\$20,000/\$49,811	Exempt
Minnesota	None	None	None	None
Mississippi	Exempt	Exempt	Exempt	Exempt
Missouri	\$6,000	\$36,976	\$36,976	90% Exempt
Montana	\$3,980	\$3,980	\$3,980	\$3,980
Nebraska	None	None	None	State Calculation
New Hampshire	Exempt	Exempt	Exempt	Exempt
New Jersey	\$15,000	\$15,000	\$15,000	Exempt
New Mexico	None	None	None	None
New York	\$20,000	Exempt	Exempt	Exempt
North Carolina	None	Some exempt	Some exempt	Some exempt
North Dakota	None	None	None	None
Ohio	\$200 credit	\$200 credit	\$200 credit	Exempt
Oklahoma	\$10,000	\$10,000	\$10,000	\$10,000/75%
Oregon	9% credit	9% credit	9% credit/pre-1991 exempt	9% credit/pre-1991 exempt
Pennsylvania	Exempt	Exempt	Exempt	Exempt
Rhode Island	None	None	None	None
South Carolina	\$3,000/\$10,000	\$3,000/\$10,000	\$3,000/\$10,000	\$3,000/\$10,000
Tennessee	Exempt	Exempt	Exempt	Exempt
Utah	None	None	None	None
Vermont	None	None	None	None
Virginia	None	None	None	Most taxable
West Virginia	None	\$2,000/Exempt	\$2,000	\$2,000
Wisconsin	\$5,000 ^d	State Calculation ^d	State Calculation ^d	Exempt

^aApplies only in the case of certain public safety officials.

^bAll pension benefits to police and firefighters (or their beneficiaries) as a result of job related injuries (or death) are exempt.

^cOnly contributory pension income is exempt.

^dSubject to AGI limitations, up to \$5,000 exempt if 65 or older; payments from certain government systems are exempt if employed before 1964.

Table 3: Standard Deduction by State (Tax Year 2015)

State	% of AGI	Single	Married-J	Married-S	Head of Household
Alabama		\$2,500-\$2,000	\$7,500-\$4,000	\$3,750-\$2,000	\$4,700-\$2,000
Arizona		\$5,091	\$10,173	\$5,091	\$10,173
Arkansas		\$2,200	\$4,400	\$2,200	\$2,200
California		\$4,044	\$8,088	\$4,044	\$8,088
Colorado		Federal	Federal	Federal	Federal
Connecticut		\$14,500 - \$0	\$24,000 - \$0	\$12,000 - \$0	\$19,000 - \$0
Delaware		\$3,250	\$6,500	\$3,250	\$3,250
District of Columbia		\$5,200	\$8,350	\$5,200	\$6,500
Georgia		\$2,300	\$3,000	\$1,500	\$2,300
Hawaii		\$2,200	\$4,400	\$2,200	\$3,212
Idaho		Federal	Federal	Federal	Federal
Illinois		None	None	None	None
Indiana		None	None	None	None
Iowa		\$1,950	\$4,810	\$1,950	\$4,810
Kansas		\$3,000	\$7,500	\$3,750	\$5,500
Kentucky		\$2,440	\$2,440	\$2,440	\$2,440
Louisiana*		\$4,500	\$9,000	\$4,500	\$9,000
Maine		Federal	Federal	Federal	Federal
Maryland	15%	\$1,500-\$2,000	\$3,000-\$4,000	\$1,500-\$2,000	\$3,000-\$4,000
Massachusetts		None	None	None	None
Michigan		None	None	None	None
Minnesota		Federal	Federal	Federal	Federal
Mississippi		\$2,300	\$4,600	\$2,300	\$3,400
Missouri		Federal	Federal	Federal	Federal
Montana	20%	\$1,940 - \$4,370	\$3,880 - \$8,740	\$1,940 - \$4,370	\$3,880 - \$8,740
Nebraska		Federal	Federal	Federal	Federal
New Hampshire		None	None	None	None
New Jersey		None	None	None	None
New Mexico		Federal	Federal	Federal	Federal
New York		\$7,900	\$15,850	\$7,900	\$11,100
North Carolina		\$7,500	\$15,000	\$7,500	\$12,000
North Dakota		Federal	Federal	Federal	Federal
Ohio		None	None	None	None
Oklahoma		Federal	Federal	Federal	Federal
Oregon		\$2,145	\$4,295	\$2,145	\$3,455
Pennsylvania		None	None	None	None
Rhode Island		\$8,275 - \$0	\$16,550 - \$0	\$8,275 - \$0	\$12,400 - \$0
South Carolina		Federal	Federal	Federal	Federal
Tennessee		None	None	None	None
Utah		Federal	Federal	Federal	Federal
Vermont		Federal	Federal	Federal	Federal
Virginia		\$3,000	\$6,000	\$3,000	\$3,000
West Virginia		None	None	None	None
Wisconsin		\$10,250 - \$0	\$18,460 - \$0	\$8,770 - \$0	\$13,240 - \$0

*These amounts represent the combined standard deduction and personal exemptions (excluding additional exemptions for dependents, elderly, and blind individuals), which are built into the tax tables.

Table 4: Personal Exemptions/Credits by State (Tax Year 2015)

State	Exemption/ Credit	Single	Married-J	Married-S	Head of Household	Elderly	Dependent	Handicapped Dependent	Blind--B Deaf--D Disabled--DS
Alabama	Exemption	\$1,500	\$3,000	\$1,500	\$3,000	\$-0-	\$300-\$1,000	\$-0-	\$-0-
Arizona	Exemption	2,100	4,200	2,100	4,200/3,150	2,100	2,300	-0-	B 1,500
Arkansas	Credit	26	52	26	52	26	26	500	B,D 26
California	Credit	109	218	109	109	109	337	-0-	B 109
Colorado	Exemption	Federal	Federal	Federal	Federal	Federal	Federal	Federal	Federal
Connecticut	Credit	0-75%	0-75%	0-75%	0-75%	-0-	-0-	-0-	-0-
Delaware	Credit	110	220	110	110	110	110	-0-	-0-
Dist. of Columbia ^a	Exemption	1,775	3,550	1,775	3,550	1,775	1,775	-0-	B 1,775
Georgia	Exemption	2,700	7,400	3,700	2,700	-0-	3,000	-0-	-0-
Hawaii ^a	Exemption	1,144	2,288	1,144	1,144	1,144	1,144	-0-	B,D,DS 7,000
Idaho	Exemption	Federal	Federal	Federal	Federal	Federal	Federal	Federal	Federal
Illinois	Exemption	2,150	4,300	2,150	2,150	1,000	2,150	-0-	B 1,000
Indiana	Exemption	1,000	2,000	1,000	1,000	1,000	1,500	-0-	B 1,000
Iowa	Credit	40	80	40	80	20	40	-0-	B 20
Kansas	Exemption	2,250	4,500	2,250	4,500	-0-	2,250	-0-	-0-
Kentucky	Credit	10	20	10	10	40	10	-0-	B 40
Louisiana	Exemption	1,000 ^b	2,000 ^b	1,000 ^b	1,000 ^b	1,000	1,000	-0-	B 1,000
Maine	Exemption	Federal	Federal	Federal	Federal	Federal	Federal	Federal	Federal
Maryland	Exemption	3,200	6,400	3,200	6,400	1,000	3,200	-0-	B 1,000
Massachusetts	Exemption	4,400	8,800	4,400	6,800	700	1,000	-0-	B 2,200
Michigan	Exemption	4,000	8,000	4,000	4,000	-0-	4,000	-0-	B,D,DS 2,600
Minnesota ^a	Exemption	Federal	Federal	Federal	Federal	Federal	Federal	Federal	Federal
Mississippi	Exemption	6,000	12,000	6,000	8,000	1,500	1,500	-0-	B 1,500
Missouri	Exemption	2,100	4,200	2,100	3,500	-0-	2,200/1,200	-0-	-0-
Montana	Exemption	2,330	4,660	2,330	2,330	2,330	2,330	2,330	B 2,330
Nebraska	Credit	130	260	130	130	-0-	130	-0-	-0-
New Hampshire	Exemption	2,400	4,800	2,400	2,400	1,200	-0-	-0-	B, DS 1,200
New Jersey	Exemption	1,000	2,000	1,000	1,000	1,000	1,500/1,000	-0-	B, DS 1,000
New Mexico ^c	Exemption	Federal	Federal	Federal	Federal	Federal	Federal	Federal	Federal
New York	Exemption	-0-	-0-	-0-	-0-	-0-	1,000	-0-	-0-
North Carolina	None	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
North Dakota	Exemption	Federal	Federal	Federal	Federal	Federal	Federal	Federal	Federal
Ohio	Exemption	1,700-2,200	1,700-2,200	1,700-2,200	1,700-2,200	-0-	1,700-2,200	-0-	-0-
Oklahoma	Exemption	1,000	2,000	1,000	1,000	1,000	1,000	-0-	B 1,000
Oregon ^a	Credit	194	388	194	194	-0-	194	194	DS 194
Pennsylvania	None	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Rhode Island ^a	Exemption	\$3,850	\$7,700	\$3,850	\$3,850	-0-	\$3,850	-0-	-0-
South Carolina ^d	Exemption	Federal	Federal	Federal	Federal	Federal	Federal	Federal	Federal
Tennessee	Exemption	1,250	2,500	1,250	1,250	-0-	-0-	-0-	B, DS Exempt
Utah ^e	Exemption/Cr	3,000	6,000	3,000	3,000	-0-	3,000	3,000	-0-
Vermont	Exemption	Federal	Federal	Federal	Federal	Federal	Federal	Federal	Federal
Virginia	Exemption	930	1,860	930	930	800	930	-0-	B 800
West Virginia	Exemption	2,000	4,000	2,000	2,000	-0-	2,000	-0-	-0-
Wisconsin	Exemption	700	1,400	700	700	250	700	-0-	-0-

^a Based on state income thresholds, the exemption is phased out at higher incomes or eliminated in the case of Oregon's tax credit.

^b These personal exemption amounts are included in the combined standard deduction/personal exemption figures shown in Table 3.

^c An additional exemption of up to \$2,500 is provided for each federal exemption claimed by low- and middle-income taxpayers, subject to phase-out.

^d Exemptions are not subject to high-income phase-out, and an additional exemption of \$4,000 is allowed for each child under 6 years of age.

^e The credit equals the sum of exemptions and deductions multiplied by 6%, subject to phase-out based on income.

Table 5: Tax Rates and Brackets by State (Tax Year 2015)

State	<u>Marginal Tax Rates</u>		Number of Brackets	<u>Top Marginal Tax Rate Begins at:</u>			
	Lowest Tax Rate	Top Tax Rate		Single Bracket	Married-J Bracket	Married-S Bracket	Head of HH Bracket
Alabama	2.0%	5.0%	3	\$3,001	\$6,001	\$3,001	\$3,001
Arizona	2.59	4.54	5	152,435	304,869	152,435	304,869
Arkansas ^a	0.9	7.0	6	35,300	35,300	35,300	35,300
California	1.0	12.3	9	526,444	1,052,887	526,444	715,963
Colorado	4.63	4.63	Flat Rate	---	---	---	---
Connecticut	3.0	6.99	7	500,001	1,000,001	500,001	800,001
Delaware	0.0	6.6	7	60,001	60,001	60,001	60,001
Dist. of Columbia	4.0	8.95	5	350,001	350,001	350,001	350,001
Georgia	1.0	6.0	6	7,001	10,001	5,001	10,001
Hawaii	1.4	11.0	12	200,001	400,001	200,001	300,001
Idaho	1.6	7.4	7	10,891	21,781	10,891	21,781
Illinois	3.75	3.75	Flat Rate	---	---	---	---
Indiana	3.3	3.3	Flat Rate	---	---	---	---
Iowa	0.36	8.98	9	69,256	69,256	69,256	69,256
Kansas	2.7	4.6	2	15,001	30,001	15,001	15,001
Kentucky	2.0	6.0	6	75,001	75,001	75,001	75,001
Louisiana	2.0	6.0	3	50,001	100,001	50,001	50,001
Maine	0.0	7.95	3	20,900	41,850	20,900	31,350
Maryland	2.0	5.75	8	250,001	300,001	250,001	300,001
Massachusetts ^b	5.15	12.0	Flat Rates	---	---	---	---
Michigan	4.25	4.25	Flat Rate	---	---	---	---
Minnesota	5.35	9.85	4	154,951	258,261	129,131	206,611
Mississippi	3.0	5.0	3	10,001	10,001	10,001	10,001
Missouri	1.5	6.0	10	9,001	9,001	9,001	9,001
Montana	1.0	6.9	7	17,101	17,101	17,101	17,101
Nebraska	2.46	6.84	4	29,461	58,921	29,461	43,681
New Hampshire	5.0	5.0	Flat Rate	---	---	---	---
New Jersey ^c	1.4	8.97	6/7	500,001	500,001	500,001	500,001
New Mexico	1.7	4.9	4	16,001	24,001	12,001	24,001
New York	4.0	8.82	8	1,062,651	2,125,451	1,062,651	1,594,051
North Carolina	5.75	5.75	Flat Rate	---	---	---	---
North Dakota	1.1	2.9	5	411,501	411,501	205,751	411,501
Ohio	0.495	4.997	9	208,501	208,501	208,501	208,501
Oklahoma	0.5	5.25	7	8,701	15,001	8,701	15,001
Oregon	5.0	9.9	4	125,001	250,001	125,001	250,001
Pennsylvania	3.07	3.07	Flat Rate	---	---	---	---
Rhode Island	3.75	5.99	3	137,651	137,651	137,651	137,651
South Carolina	0.0	7.0	6	14,551	14,551	14,551	14,551
Tennessee	6.0	6.0	Flat Rate	---	---	---	---
Utah	5.0	5.0	Flat Rate	---	---	---	---
Vermont	3.55	8.95	5	411,501	411,501	205,751	411,501
Virginia	2.0	5.75	4	17,001	17,001	17,001	17,001
West Virginia	3.0	6.5	5	60,000	60,000	30,000	60,000
Wisconsin	4.00	7.65	4	244,270	325,700	162,850	244,270

^a A separate tax table that incorporates a low-income tax credit exists for low-income taxpayers.^b Massachusetts has two flat tax rates, each of which is applied to different sources of income.^c Six rates for single and married-separate filers and seven rates for married-joint and head-of-household filers.

ALABAMA

Filing System: Joint

TAX BASE: STATE ADJUSTED GROSS INCOME	DEDUCTIONS																							
<p style="text-align: center;"><u>Major Differences from Federal Law</u></p> <p>Interest/Dividend Exempts U.S. government bonds.</p> <p>Capital Gains & Losses Same as federal, except all gains are taxable and all losses deductible in year incurred.</p> <p>Pension/Retirement Income</p> <p>--Private Payments from defined benefit plans are exempt.</p> <p>--Public Most systems exempt.</p> <p>--U.S. Civil Service Exempt.</p> <p>--Military Exempt.</p> <p>Active Duty Military Same as federal.</p> <p>Unemployment Compensation Exempt.</p> <p>Social Security Benefits Exempt.</p> <p>State/Municipal Bond Interest Taxable except Alabama obligations.</p> <p>Health Savings Accounts No provision.</p> <p>Miscellaneous</p> <p>Disability Income Same as federal.</p> <p>College Savings Plans Same as federal, plus deduction for contributions up to \$5,000/taxpayer to Alabama's plan.</p> <p>Lottery Winnings Same as federal.</p> <p>Federal Income Taxes Deductible.</p> <p>Other Exclusions for up to \$25,000 in severance pay resulting from administrative downsizing and income from the U.S. Department of Defense for a member of the military killed in action in a combat zone as well as the income of that member's spouse in the year of death. Deductions for adoption expenses, health insurance premiums if paid by certain small business employees, expenses to retrofit or upgrade homes to resist wind or flood damage, and deposits to a catastrophe savings account. Moving expenses 100% deductible if new job is in Alabama.</p>	<p>Standard: Sliding scale standard deduction, phases down from a maximum to a minimum amount based on taxpayer's Alabama AGI.</p> <table style="margin-left: auto; margin-right: auto; border-collapse: collapse;"> <thead> <tr> <th style="border-bottom: 1px solid black;"></th> <th colspan="2" style="border-bottom: 1px solid black; text-align: center;">Standard Deduction</th> </tr> <tr> <th style="border-bottom: 1px solid black;">Filing Status</th> <th style="border-bottom: 1px solid black;">Minimum</th> <th style="border-bottom: 1px solid black;">Maximum</th> </tr> </thead> <tbody> <tr> <td>Single</td> <td style="text-align: center;">\$2,000</td> <td style="text-align: center;">\$2,500</td> </tr> <tr> <td>H-H</td> <td style="text-align: center;">2,000</td> <td style="text-align: center;">4,700</td> </tr> <tr> <td>Married-J</td> <td style="text-align: center;">4,000</td> <td style="text-align: center;">7,500</td> </tr> <tr> <td>Married-S</td> <td style="text-align: center;">2,000</td> <td style="text-align: center;">3,750</td> </tr> </tbody> </table> <p>Itemized: State itemized deductions.</p> <p>Major Differences from Federal Law: <u>Medical:</u> Limited to amount by which medical costs exceed 4% of AGI, except all long-term care premiums are fully deductible. <u>Taxes:</u> State income taxes and state and local sales taxes not deductible; deduction for FICA, federal self-employment tax, railroad retirement tax. <u>Casualty and Theft:</u> Loss must be claimed in year occurred. <u>High Income Limitation:</u> Total deductions are not limited.</p>		Standard Deduction		Filing Status	Minimum	Maximum	Single	\$2,000	\$2,500	H-H	2,000	4,700	Married-J	4,000	7,500	Married-S	2,000	3,750					
	Standard Deduction																							
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TAX RATES AND BRACKETS	EXEMPTIONS																							
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Taxable Income Brackets		Marginal Tax Rates																						
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TAX CREDITS	OTHER TAXES																							
<ul style="list-style-type: none"> • Adoption • Contribution to scholarship granting organization • Income taxes paid to other states • Income taxes paid to a foreign country • Neighborhood infrastructure incentive plan • Rural physician • Transferring from a failing public school 	<ul style="list-style-type: none"> • Use tax 																							

ARIZONA

Filing System: Joint

TAX BASE: FEDERAL ADJUSTED GROSS INCOME	DEDUCTIONS																					
<p style="text-align: center;"><u>Major Differences from Federal Law</u></p> <p>Interest/Dividend Exempts U.S. government bonds.</p> <p>Capital Gains & Losses Same as federal, except a 25% exclusion extends to long-term gains on assets acquired after December 31, 2011, and net gains from investments in small businesses are exempt.</p> <p>Pension/Retirement Income</p> <p>--Private Same as federal.</p> <p>--Public For Arizona state and local pensions, exclusion of up to \$2,500/taxpayer.</p> <p>--U.S. Civil Service Exclusion of up to \$2,500/taxpayer.</p> <p>--Military Exclusion of up to \$2,500/taxpayer.</p> <p>Active Duty Military Exempt, including active service of Reserve and National Guard members.</p> <p>Unemployment Compensation Same as federal.</p> <p>Social Security Benefits Exempt.</p> <p>State/Municipal Bond Interest Taxable except Arizona obligations.</p> <p>Health Savings Accounts Same as federal.</p> <p>Miscellaneous</p> <p>Disability Income Same as federal.</p> <p>College Savings Plans Same as federal, plus deduction for contributions up to \$2,000/taxpayer (\$4,000 MJ/HH) to any state's 529 plan.</p> <p>Lottery Winnings Up to \$5,000 from Arizona lottery excluded.</p> <p>Federal Income Taxes Not deductible.</p> <p>Other Deductions for adoption expenses up to \$3,000, up to \$500 for converting a fireplace to a "qualified" stove or fireplace, crops contributed to charitable organizations, premium costs for long-term care insurance, and deposits into long-term health care savings accounts. In addition, deductions for certain expenses not deducted for federal purposes because taxpayer claimed the following federal credits: work opportunity; empowerment zone employment; Indian employment; and employer-paid social security on cash tips. Exclusions for previously deferred discharge of indebtedness income, original issue discount on the reacquisition of business debt, and sole proprietorship income of an Arizona nonprofit medical marijuana dispensary.</p>	<p>Standard:</p> <p>Single/Married-S \$5,091</p> <p>Married-J/HH 10,173</p> <p>Itemized:</p> <p>Federal itemized deductions.</p> <p>Major Differences from Federal Law:</p> <p><u>Medical Expenses:</u> Expenses are not reduced as a percent of AGI.</p> <p><u>Charitable Contributions:</u> Cannot claim same contributions used for credit.</p> <p><u>Gambling Losses:</u> Adjust to reflect lottery exclusion.</p>																					
TAX RATES AND BRACKETS	EXEMPTIONS																					
<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: center; border-bottom: 1px solid black;">Taxable Income Brackets</th> <th style="text-align: center; border-bottom: 1px solid black;">Marginal Tax Rates</th> </tr> <tr> <th style="text-align: center; border-bottom: 1px solid black;">Single/Married-S</th> <th style="text-align: center; border-bottom: 1px solid black;">Married-Joint/HH</th> <th></th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">\$0 - \$10,163</td> <td style="text-align: center;">\$0 - \$20,325</td> <td style="text-align: center;">2.59%</td> </tr> <tr> <td style="text-align: center;">10,164 - 25,406</td> <td style="text-align: center;">20,326 - 50,812</td> <td style="text-align: center;">2.88</td> </tr> <tr> <td style="text-align: center;">25,407 - 50,812</td> <td style="text-align: center;">50,813 - 101,623</td> <td style="text-align: center;">3.36</td> </tr> <tr> <td style="text-align: center;">50,813 - 152,434</td> <td style="text-align: center;">101,624 - 304,868</td> <td style="text-align: center;">4.24</td> </tr> <tr> <td style="text-align: center;">152,435 and over</td> <td style="text-align: center;">304,869 and over</td> <td style="text-align: center;">4.54</td> </tr> </tbody> </table>	Taxable Income Brackets		Marginal Tax Rates	Single/Married-S	Married-Joint/HH		\$0 - \$10,163	\$0 - \$20,325	2.59%	10,164 - 25,406	20,326 - 50,812	2.88	25,407 - 50,812	50,813 - 101,623	3.36	50,813 - 152,434	101,624 - 304,868	4.24	152,435 and over	304,869 and over	4.54	<p>Single/Married-S \$2,100</p> <p>Married-J/Single HH 4,200</p> <p>M-HH/Married-S with one spouse with at least one dependent 3,150</p> <p>Married-J with at least one dependent 6,300</p> <p>Dependent 2,300</p> <p>Age 65 and over 2,100</p> <p>Blind 1,500</p> <p>Qualifying parents and grandparents 10,000</p>
Taxable Income Brackets		Marginal Tax Rates																				
Single/Married-S	Married-Joint/HH																					
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TAX CREDITS	OTHER TAXES																					
<ul style="list-style-type: none"> • Contributions to qualifying charitable organizations • Contributions made or fees paid to public schools • Contributions to private school tuition organizations • Donation of school site • Donations to the military family relief fund 	<ul style="list-style-type: none"> • Family income tax credit • Income taxes paid to other states/countries • Increased excise taxes • Increased research activities • Investment in qualified small businesses • Property tax/rent • Solar energy devices 																					
<ul style="list-style-type: none"> • Arizona long-term health care savings account withdrawal penalty 																						

ARKANSAS

Filing System: Joint/Combined

TAX BASE: STATE ADJUSTED GROSS INCOME	DEDUCTIONS														
<p style="text-align: center;"><u>Major Differences from Federal Law</u></p> <p>Interest/Dividend Exempts U.S. government bonds.</p> <p>Capital Gains & Losses Exclusions of net long-term capital gains: (a) 45% if realized between February 1 and December 31, 2015; (b) 50% if realized between January 1 and January 31, 2015; and (c) 100% if realized after January 1, 2014 and if gain exceeds \$10 million.</p> <p>Pension/Retirement Income*</p> <p> --Private First \$6,000 exempt.</p> <p> --Public First \$6,000 exempt.</p> <p> --U.S. Civil Service First \$6,000 exempt.</p> <p> --Military. First \$6,000 exempt.</p> <p>Active Duty Military Exempt.</p> <p>Unemployment Compensation Exempt.</p> <p>Social Security Benefits Exempt.</p> <p>State/Municipal Bond Interest Taxable except Arkansas obligations.</p> <p>Health Savings Accounts Same as federal.</p> <p>Miscellaneous</p> <p> Disability Income Same as federal.</p> <p> College Savings Plans Same as federal, plus deduction for contributions up to \$5,000/taxpayer to Arkansas' plan.</p> <p> Lottery Winnings Taxable.</p> <p> Federal Income Taxes Not deductible.</p> <p> Other Border city (Texarkana) exemption. Deductions for support of a permanently disabled dependent, long-term intergenerational trusts, organ donor expenses, military reserve expenses, and reforestation expenses. Winnings from electronic games of skill are excluded from income but subject to a separate flat tax of 3%.</p>	<p>Standard:</p> <p>Single/Married-S/HH \$2,200</p> <p>Married-J 4,400</p> <p>Itemized:</p> <p>State itemized deductions.</p> <p>Major Differences from Federal Law:</p> <p><u>Taxes:</u> State income taxes and state and local sales taxes not deductible.</p> <p><u>Other:</u> Deductions for post-secondary education tuition and volunteer firefighter expenses.</p> <p><u>High Income Limitation:</u> Total deductions are not limited.</p>														
TAX RATES AND BRACKETS	EXEMPTIONS (TAX CREDIT)														
<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Taxable Income Bracket</th> <th style="text-align: center;">Marginal Tax Rates</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">\$0 - \$4,299</td> <td style="text-align: center;">0.9%</td> </tr> <tr> <td style="text-align: center;">4,300 - 8,399</td> <td style="text-align: center;">2.4</td> </tr> <tr> <td style="text-align: center;">8,400 - 12,699</td> <td style="text-align: center;">3.4</td> </tr> <tr> <td style="text-align: center;">12,700 - 21,099</td> <td style="text-align: center;">4.4</td> </tr> <tr> <td style="text-align: center;">21,100 - 35,299</td> <td style="text-align: center;">6.0</td> </tr> <tr> <td style="text-align: center;">35,300 and over</td> <td style="text-align: center;">7.0</td> </tr> </tbody> </table> <p>Complete exemption from tax if income is below a threshold based on the 2007 federal poverty level (FPL), adjusted for inflation. A low income tax credit is extended through special, low income tax tables if income is below a threshold based on 133% of 2007 FPL, adjusted for inflation.</p>	Taxable Income Bracket	Marginal Tax Rates	\$0 - \$4,299	0.9%	4,300 - 8,399	2.4	8,400 - 12,699	3.4	12,700 - 21,099	4.4	21,100 - 35,299	6.0	35,300 and over	7.0	<p>Single/Married-S \$26</p> <p>Married-J/HH 52</p> <p>Dependent 26</p> <p>Age 65 or over 26</p> <p>Developmentally Disabled</p> <p> Individual 500</p> <p>Blind 26</p> <p>Deaf 26</p> <p>Age 65 special* 26</p>
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TAX CREDITS	OTHER TAXES														
<ul style="list-style-type: none"> • Adoption expenses • Child care • Income taxes paid to other states • Phenylketonuria disorder • Political contributions 	<ul style="list-style-type: none"> • Early withdrawal penalty from IRA and employer qualified retirement plan 														

*Taxpayers claiming the pension exclusion may not claim the age 65 special exemption/tax credit. In addition, the \$6,000 pension exclusion can be applied toward early distributions from an IRA if the participant has reached 59 ½ years of age.

CALIFORNIA

Filing System: Joint

TAX BASE: FEDERAL ADJUSTED GROSS INCOME	DEDUCTIONS																																												
<p style="text-align: center;"><u>Major Differences from Federal Law</u></p> <p>Interest/Dividend Exempts U.S. government bonds.</p> <p>Capital Gains & Losses Same as federal, except no deferral or exclusion for qualified small business stock.</p> <p>Pension/Retirement Income</p> <p>--Private..... Same as federal.</p> <p>--Public..... Same as federal.</p> <p>--U.S. Civil Service..... Same as federal.</p> <p>--Military..... Same as federal.</p> <p>Active Duty Military Same as federal.</p> <p>Unemployment Compensation..... Exempt.</p> <p>Social Security Benefits..... Exempt.</p> <p>State/Municipal Bond Interest..... Taxable except California obligations.</p> <p>Health Savings Accounts..... Contributions and interest earnings taxable; distributions exempt.</p> <p>Miscellaneous</p> <p>Disability Income..... Same as federal.</p> <p>College Savings Plans Same as federal.</p> <p>Lottery Winnings California lottery winnings exempt.</p> <p>Federal Income Taxes..... Not deductible.</p> <p>Other Exclusions for crime hotline rewards, beverage container recycling income, rebates for water and energy conservation, and paid family leave program compensation. Add-back for mortgage forgiveness debt relief. The following federal deductions do not apply: educator expenses, tuition and fees, and domestic production activities. No limitation on ridesharing fringe benefits.</p>	<p>Standard:</p> <p>Single/Married-S\$4,044</p> <p>Married-J/HH/Qualified Widow/er8,088</p> <p>Itemized:</p> <p>State itemized deductions.</p> <p>Major Differences from Federal Law:</p> <p><u>Medical and Dental Expenses:</u> Deductible if over 7.5% of federal AGI.</p> <p><u>Taxes:</u> State, local, and foreign income taxes, state and local sales taxes, federal estate taxes, and state disability insurance are not deductible.</p> <p><u>Contributions:</u> Limited to 50% of AGI with carryover provision.</p> <p><u>Miscellaneous:</u> Different treatment of investment interest expense and employee business expense. California lottery losses not deductible.</p> <p><u>Other:</u> Legislators' travel expenses are only deductible if incurred while away from home overnight. Adoption-related expenses and mortgage interest used to claim state credits cannot be claimed. Private mortgage insurance not deductible.</p> <p><u>High Income Limitation:</u> Total deductions are limited using California income thresholds.</p>																																												
TAX RATES AND BRACKETS	EXEMPTIONS (TAX CREDIT)																																												
<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left; border-bottom: 1px solid black;">Single/Married-S</th> <th colspan="2" style="text-align: center; border-bottom: 1px solid black;">Taxable Income Brackets</th> <th style="text-align: left; border-bottom: 1px solid black;">Marginal Tax Rates</th> </tr> <tr> <th style="text-align: left;">\$0 - \$7,850</th> <th style="text-align: center; border-bottom: 1px solid black;">Married-Joint</th> <th style="text-align: center; border-bottom: 1px solid black;">Head-of-Household</th> <th></th> </tr> </thead> <tbody> <tr> <td style="text-align: left;">7,851 - 18,610</td> <td style="text-align: center;">\$0 - \$15,700</td> <td style="text-align: center;">\$0 - \$15,710</td> <td style="text-align: left;">1.0%</td> </tr> <tr> <td style="text-align: left;">18,611 - 29,372</td> <td style="text-align: center;">15,701 - 37,220</td> <td style="text-align: center;">15,711 - 37,221</td> <td style="text-align: left;">2.0</td> </tr> <tr> <td style="text-align: left;">29,373 - 40,773</td> <td style="text-align: center;">37,221 - 58,744</td> <td style="text-align: center;">37,222 - 47,982</td> <td style="text-align: left;">4.0</td> </tr> <tr> <td style="text-align: left;">40,774 - 51,530</td> <td style="text-align: center;">58,745 - 81,546</td> <td style="text-align: center;">47,983 - 59,383</td> <td style="text-align: left;">6.0</td> </tr> <tr> <td style="text-align: left;">51,531 - 263,222</td> <td style="text-align: center;">81,547 - 103,060</td> <td style="text-align: center;">59,384 - 70,142</td> <td style="text-align: left;">8.0</td> </tr> <tr> <td style="text-align: left;">263,223 - 315,866</td> <td style="text-align: center;">103,061 - 526,444</td> <td style="text-align: center;">70,143 - 357,981</td> <td style="text-align: left;">9.3</td> </tr> <tr> <td style="text-align: left;">315,867 - 526,443</td> <td style="text-align: center;">526,445 - 631,732</td> <td style="text-align: center;">357,982 - 429,578</td> <td style="text-align: left;">10.3</td> </tr> <tr> <td style="text-align: left;">526,444 and over</td> <td style="text-align: center;">631,733 - 1,052,886</td> <td style="text-align: center;">427,579 - 715,962</td> <td style="text-align: left;">11.3</td> </tr> <tr> <td></td> <td style="text-align: center;">1,052,887 and over</td> <td style="text-align: center;">715,963 and over</td> <td style="text-align: left;">12.3</td> </tr> </tbody> </table>	Single/Married-S	Taxable Income Brackets		Marginal Tax Rates	\$0 - \$7,850	Married-Joint	Head-of-Household		7,851 - 18,610	\$0 - \$15,700	\$0 - \$15,710	1.0%	18,611 - 29,372	15,701 - 37,220	15,711 - 37,221	2.0	29,373 - 40,773	37,221 - 58,744	37,222 - 47,982	4.0	40,774 - 51,530	58,745 - 81,546	47,983 - 59,383	6.0	51,531 - 263,222	81,547 - 103,060	59,384 - 70,142	8.0	263,223 - 315,866	103,061 - 526,444	70,143 - 357,981	9.3	315,867 - 526,443	526,445 - 631,732	357,982 - 429,578	10.3	526,444 and over	631,733 - 1,052,886	427,579 - 715,962	11.3		1,052,887 and over	715,963 and over	12.3	<p>Single/HH/Married-S\$109</p> <p>Married-J218</p> <p>Dependent.....337</p> <p>Age 65 or older.....109</p> <p>Blind109</p> <p>Credits limited at higher incomes.</p>
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<ul style="list-style-type: none"> • Child adoption • Child and dependent care expenses • College access • Community development financial institution investments • Dependent parent • Earned income 	<ul style="list-style-type: none"> • Income taxes paid to other states • Joint custody head-of-household • Natural heritage preservation • Nonrefundable renters • Prior year alternative minimum tax • Senior head-of-household 																																												
	<ul style="list-style-type: none"> • Alternative minimum tax • Credit recapture • Mental health services tax • Taxes on early distributions from qualified retirement plans and other tax-favored accounts • Use tax 																																												

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COLORADO

Filing System: Joint

TAX BASE: FEDERAL TAXABLE INCOME		DEDUCTIONS
<p style="text-align: center;"><u>Major Differences from Federal Law</u></p> <p>Interest/Dividend Exempts U.S. government bonds.</p> <p>Capital Gains & Losses Up to \$100,000 of gain from certain Colorado sources is exempt if held for at least five continuous years.</p> <p>Pension/Retirement Income</p> <p>--Private Exclude \$20,000/person (if 55-64); \$24,000/person (65 and older).</p> <p>--Public Exclude \$20,000/person (if 55-64); \$24,000/person (65 and older).</p> <p>--U.S. Civil Service Exclude \$20,000/person (if 55-64); \$24,000/person (65 and older).</p> <p>--Military Exclude \$20,000/person (if 55-64); \$24,000/person (65 and older).</p> <p>Active Duty Military Same as federal.</p> <p>Unemployment Compensation Same as federal.</p> <p>Social Security Benefits If aged 55-64, up to \$20,000/person of federally taxable benefits excluded; up to \$24,000/person if 65 or older. Maximum amounts are combined limits for pension income and federally taxed social security.</p> <p>State/Municipal Bond Interest Taxable except Colorado obligations.</p> <p>Health Savings Accounts Same as federal.</p> <p>Miscellaneous</p> <p>Disability Income Same as federal.</p> <p>College Savings Plans Same as federal, plus deduction for contributions (no limit) to Colorado's plan.</p> <p>Lottery Winnings Same as federal.</p> <p>Federal Income Taxes Not deductible.</p> <p>Other Deductions for 50% of wildfire mitigation costs, for contributions of up to \$3,000 to medical savings accounts, and for business expenses for Colorado-licensed marijuana businesses. For taxpayers who claim the standard deduction for federal tax purposes, deduction for charitable contributions in excess of \$500 that could have been claimed as federal itemized deductions. Exclusion for income from reservation sources by recognized tribal members, grants from the military family relief fund, and for non-resident disaster relief compensation.</p>		<p>Standard: Same as federal.</p> <p>Itemized: Same as federal.</p> <p>Major Differences From Federal Law: <u>Taxes:</u> State income taxes not deductible.</p>
TAX RATES AND BRACKETS		EXEMPTIONS
4.63% of Colorado taxable income.		Same as federal.
TAX CREDITS		OTHER TAXES
<ul style="list-style-type: none"> • Alternative minimum tax • Child care • Child care contribution • Conservation easement • Earned income tax credit • Food contributed to hunger relief charitable organizations 	<ul style="list-style-type: none"> • Historic property preservation • Income taxes paid to another state • Innovative motor vehicle • Long-term care insurance • Sales tax rebate • School-to-career investment 	<ul style="list-style-type: none"> • Alternative minimum tax • Recapture of prior year tax credits • Use tax

CONNECTICUT

Filing System: Joint

TAX BASE: FEDERAL ADJUSTED GROSS INCOME	DEDUCTIONS																																																																							
<p style="text-align: center;"><u>Major Differences from Federal Law</u></p> <p>Interest/Dividend..... Exempts U.S. government bonds.</p> <p>Capital Gains & Losses..... Gains/losses from the sale of Connecticut state and local bonds are subtracted/added back.</p> <p>Pension/Retirement Income</p> <p>--Private Same as federal.</p> <p>--Public Same as federal, except exclusion equal to 10% of Connecticut teachers' retirement pay.</p> <p>--U.S. Civil Service Same as federal.</p> <p>--Military Exempt.</p> <p>Active Duty Military Same as federal, plus all income exempt if combat zone death.</p> <p>Unemployment Compensation Same as federal.</p> <p>Social Security Benefits Exempt if income is below \$50,000 (\$60,000 MJ/HH); partially taxable if higher income.</p> <p>State/Municipal Bond Interest Taxable except Connecticut obligations.</p> <p>Health Savings Accounts Same as federal.</p> <p>Miscellaneous</p> <p>Disability Income Same as federal.</p> <p>College Savings Plans Same as federal, plus deduction for contributions up to \$5,000/taxpayer to Connecticut's plan.</p> <p>Lottery Winnings..... Same as federal.</p> <p>Federal Income Taxes Not deductible.</p> <p>Other The federal domestic production activity deduction is added to income. Exemptions for interest on Connecticut individual development accounts and Connecticut home care option program for the elderly accounts. Modifications (add or subtract) for Connecticut fiduciary adjustment.</p>	<p>Standard: Sliding scale standard deduction.</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Filing Status</th> <th style="text-align: left;">Standard Deduction</th> <th style="text-align: left;">Income Range for Deduction Phase-Out</th> </tr> </thead> <tbody> <tr> <td>Single</td> <td>\$14,500</td> <td>\$29,000 - \$43,000</td> </tr> <tr> <td>HH</td> <td>19,000</td> <td>38,000 - 56,000</td> </tr> <tr> <td>Married-J</td> <td>24,000</td> <td>48,000 - 71,000</td> </tr> <tr> <td>Married-S</td> <td>12,000</td> <td>24,000 - 35,000</td> </tr> </tbody> </table> <p>Itemized: None.</p>	Filing Status	Standard Deduction	Income Range for Deduction Phase-Out	Single	\$14,500	\$29,000 - \$43,000	HH	19,000	38,000 - 56,000	Married-J	24,000	48,000 - 71,000	Married-S	12,000	24,000 - 35,000																																																								
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<ul style="list-style-type: none"> • Angel investor • Claim of right • Earned income tax credit • Income tax paid to other jurisdictions 	<ul style="list-style-type: none"> • Insurance reinvestment fund • Prior year alternative minimum tax • Property tax on primary residence and motor vehicle 																																																																							
<ul style="list-style-type: none"> • Alternative minimum tax • Use tax 																																																																								

DELAWARE

Filing System: Joint/Combined

TAX BASE: FEDERAL ADJUSTED GROSS INCOME	DEDUCTIONS																
<p style="text-align: center;"><u>Major Differences from Federal Law</u></p> <p>Interest/Dividend Exempts U.S. government bonds. Capital Gains & Losses Same as federal. Pension/Retirement Income --Private Exclude up to \$2,000 if under 60; \$12,500 if 60 and over. --Public Exclude up to \$2,000 if under 60; \$12,500 if 60 and over. --U.S. Civil Service Exclude up to \$2,000 if under 60; \$12,500 if 60 and over. --Military Exclude up to \$2,000 if under 60; \$12,500 if 60 and over. Active Duty Military Same as federal. Unemployment Compensation Same as federal. Social Security Benefits Exempt. State/Municipal Bond Interest Taxable except Delaware obligations. Health Savings Accounts Same as federal. Miscellaneous Disability Income See other. College Savings Plans Same as federal. Lottery Winnings Same as federal. Federal Income Taxes Not deductible. Other Exclusion if disabled or age 60 or over if earned income and AGI are below certain thresholds. State tax treatment of oil percentage depletion and fiduciary income from estates and trusts. Exclude certain distributions from retirement plans used for higher education expenses. Deduct amount claimed for federal work opportunity credit.</p>	<p>Standard: Single/HH/Married-S \$3,250 Married-J 6,500</p> <p>Additional standard deduction if: Blind \$2,500 Age 65 or over 2,500</p> <p>Itemized: Federal itemized deductions.</p> <p>Major Differences from Federal Law: <u>Contributions:</u> Additional charitable mileage deduction. Charitable contributions claimed as a state tax credit not deductible. <u>Taxes:</u> State income tax not deductible; federal foreign tax credit deductible.</p>																
TAX RATES AND BRACKETS	EXEMPTIONS (TAX CREDIT)																
<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center; width: 50%;"><u>Taxable Income Bracket</u></th> <th style="text-align: center; width: 50%;"><u>Marginal Tax Rates</u></th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">\$0 - \$2,000</td> <td style="text-align: center;">No tax</td> </tr> <tr> <td style="text-align: center;">2,001 - 5,000</td> <td style="text-align: center;">2.20%</td> </tr> <tr> <td style="text-align: center;">5,001 - 10,000</td> <td style="text-align: center;">3.90</td> </tr> <tr> <td style="text-align: center;">10,001 - 20,000</td> <td style="text-align: center;">4.80</td> </tr> <tr> <td style="text-align: center;">20,001 - 25,000</td> <td style="text-align: center;">5.20</td> </tr> <tr> <td style="text-align: center;">25,001 - 60,000</td> <td style="text-align: center;">5.55</td> </tr> <tr> <td style="text-align: center;">60,001 and over</td> <td style="text-align: center;">6.60</td> </tr> </tbody> </table>	<u>Taxable Income Bracket</u>	<u>Marginal Tax Rates</u>	\$0 - \$2,000	No tax	2,001 - 5,000	2.20%	5,001 - 10,000	3.90	10,001 - 20,000	4.80	20,001 - 25,000	5.20	25,001 - 60,000	5.55	60,001 and over	6.60	<p>Each federal exemption \$110 Age 60 or over 110</p>
<u>Taxable Income Bracket</u>	<u>Marginal Tax Rates</u>																
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TAX CREDITS	OTHER TAXES																
<ul style="list-style-type: none"> • Child and dependent care • Earned income tax credit • Historic preservation • Income taxes paid to another state 	<ul style="list-style-type: none"> • Land and historic resource • Neighborhood assistance • Real estate capital gains tax payments • Volunteer firefighter, fire auxiliary, and rescue squad 																
<ul style="list-style-type: none"> • Lump-sum distributions (beneficial tax treatment) 																	

DISTRICT OF COLUMBIA

Filing System: Joint/Combined

TAX BASE: FEDERAL ADJUSTED GROSS INCOME	DEDUCTIONS												
<p style="text-align: center;"><u>Major Differences from Federal Law</u></p> <p>Interest/Dividend Exempts U.S. government bonds.</p> <p>Capital Gains & Losses Same as federal.</p> <p>Pension/Retirement Income</p> <p>--Private Same as federal.</p> <p>--Public Same as federal.</p> <p>--U.S. Civil Service Same as federal.</p> <p>--Military Same as federal.</p> <p>Active Duty Military Same as federal.</p> <p>Unemployment Compensation Same as federal.</p> <p>Social Security Benefits Exempt.</p> <p>State/Municipal Bond Interest Exempt.</p> <p>Health Savings Accounts Same as federal.</p> <p>Miscellaneous</p> <p>Disability Income Up to \$5,200 exempt.</p> <p>College Savings Plans Same as federal, plus deduction for contributions up to \$4,000/taxpayer to the D.C. savings plan, provided the taxpayer is the account owner.</p> <p>Lottery Winnings Same as federal.</p> <p>Federal Income Taxes Not deductible.</p> <p>Other Exclusions for DC and federal government survivor benefits, loan assistance for DC poverty lawyers, loan repayment awards received by certain health-care professionals from DC government, and up to \$10,000 for disabled DC residents with household AGI less than \$100,000. Separate deductions for expenditures by DC teachers for classroom teaching materials and for certain tuition and fees.</p>	<p>Standard:</p> <p>Single/Married-S..... \$5,200</p> <p>HH 6,500</p> <p>Married-J..... 8,350</p> <p>Itemized:</p> <p>Same as federal. Taxpayers who itemize for federal purposes must itemize on their D.C. return.</p> <p>Major Differences from Federal Law:</p> <p><u>Taxes:</u> State and local income and sales taxes not deductible.</p> <p><u>High Income Limitation:</u> Total deductions are limited using District of Columbia income thresholds, except deductions for medical and dental expenses, expenses incurred in the production of investment interest, and casualty or theft loss are not limited.</p>												
TAX RATES AND BRACKETS	EXEMPTIONS												
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<u>Taxable Income Bracket</u>	<u>Marginal Tax Rates</u>												
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10,001 - 40,000	6.00												
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TAX CREDITS	OTHER TAXES												
<ul style="list-style-type: none"> • Alternative fuel vehicle (2) • Child and dependent care • D.C. government employee first-time homebuyer • Earned income tax credit • Income taxes paid to another state • Low-income • Property tax/rent 	<p>None</p>												

GEORGIA

Filing System: Joint

TAX BASE: FEDERAL ADJUSTED GROSS INCOME	DEDUCTIONS																																
<p style="text-align: center;"><u>Major Differences from Federal Law</u></p> <p>Interest/Dividend Exempts U.S. government bonds.</p> <p>Capital Gains & Losses Same as federal.</p> <p>Pension/Retirement Income</p> <p>--Private See retirement exclusion under "Other".</p> <p>--Public See retirement exclusion under "Other".</p> <p>--U.S. Civil Service See retirement exclusion under "Other".</p> <p>--Military See retirement exclusion under "Other".</p> <p>Active Duty Military Same as federal.</p> <p>Unemployment Compensation Same as federal.</p> <p>Social Security Benefits Exempt.</p> <p>State/Municipal Bond Interest Taxable except Georgia obligations.</p> <p>Health Savings Accounts Same as federal.</p> <p>Miscellaneous</p> <p>Disability Income See disability exclusion under "Other".</p> <p>College Savings Plans Same as federal, plus deduction for contributions up to \$2,000 per beneficiary to Georgia's plan.</p> <p>Lottery Winnings Same as federal.</p> <p>Federal Income Taxes Not deductible.</p> <p>Other Retirement exclusion of up to \$65,000/person if 65 or older and up to \$35,000/person if 62 to 64 or permanently disabled extends to most types of income, including up to \$4,000 of earned income. Exclusion for dependent's unearned income included in parent's federal AGI and \$1,000 for each clerkship, up to \$10,000, provided by a physician, physician assistant, or nurse practitioner. Deductions for expenses related to organ donation and amounts claimed for federal jobs tax credit. No deduction for domestic production activities.</p>	<p>Standard:</p> <p>Single/HH..... \$2,300</p> <p>Married-J..... 3,000</p> <p>Married-S 1,500</p> <p>Age 65 or over or blind..... 1,300</p> <p>Itemized:</p> <p>Federal itemized deductions.</p> <p>Major Differences from Federal Law:</p> <p><u>Taxes:</u> State income taxes other than Georgia's not deductible.</p> <p><u>Interest:</u> Investment interest for the production of exempt income is not allowed.</p>																																
TAX RATES AND BRACKETS	EXEMPTIONS																																
<table style="margin-left: auto; margin-right: auto; border-collapse: collapse;"> <thead> <tr> <th colspan="3" style="text-align: center; border-bottom: 1px solid black;">Taxable Income Brackets</th> <th style="text-align: center; border-bottom: 1px solid black;">Marginal Tax Rate</th> </tr> <tr> <th style="text-align: center; border-bottom: 1px solid black;">Single</th> <th style="text-align: center; border-bottom: 1px solid black;">Married-S</th> <th style="text-align: center; border-bottom: 1px solid black;">Married-J/HH</th> <th></th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">\$0 - \$750</td> <td style="text-align: center;">\$0 - \$500</td> <td style="text-align: center;">\$0 - \$1,000</td> <td style="text-align: center;">1%</td> </tr> <tr> <td style="text-align: center;">751 - 2,250</td> <td style="text-align: center;">501 - 1,500</td> <td style="text-align: center;">1,001 - 3,000</td> <td style="text-align: center;">2</td> </tr> <tr> <td style="text-align: center;">2,251 - 3,750</td> <td style="text-align: center;">1,501 - 2,500</td> <td style="text-align: center;">3,001 - 5,000</td> <td style="text-align: center;">3</td> </tr> <tr> <td style="text-align: center;">3,751 - 5,250</td> <td style="text-align: center;">2,501 - 3,500</td> <td style="text-align: center;">5,001 - 7,000</td> <td style="text-align: center;">4</td> </tr> <tr> <td style="text-align: center;">5,251 - 7,000</td> <td style="text-align: center;">3,501 - 5,000</td> <td style="text-align: center;">7,001 - 10,000</td> <td style="text-align: center;">5</td> </tr> <tr> <td style="text-align: center;">7,001 and over</td> <td style="text-align: center;">5,001 and over</td> <td style="text-align: center;">10,001 and over</td> <td style="text-align: center;">6</td> </tr> </tbody> </table>	Taxable Income Brackets			Marginal Tax Rate	Single	Married-S	Married-J/HH		\$0 - \$750	\$0 - \$500	\$0 - \$1,000	1%	751 - 2,250	501 - 1,500	1,001 - 3,000	2	2,251 - 3,750	1,501 - 2,500	3,001 - 5,000	3	3,751 - 5,250	2,501 - 3,500	5,001 - 7,000	4	5,251 - 7,000	3,501 - 5,000	7,001 - 10,000	5	7,001 and over	5,001 and over	10,001 and over	6	<p>Single/HH..... \$2,700</p> <p>Married-S 3,700</p> <p>Married-J 7,400</p> <p>Dependent 3,000</p>
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TAX CREDITS	OTHER TAXES																																
<ul style="list-style-type: none"> • Adoption of a foster child • Caregiving expense • Child and dependent care expense • Clean energy property • Disabled person home purchase or retrofit • Disaster assistance • Driver education • Historic rehabilitation 	<ul style="list-style-type: none"> • Income taxes paid to another state • Land conservation • Low emission or zero emission vehicle • Low-income • National Guard/Air National Guard • Qualified education expense • Rural physicians • Seed-capital fund <p style="text-align: center;">None</p>																																

HAWAII

Filing System: Joint

TAX BASE: FEDERAL ADJUSTED GROSS INCOME		DEDUCTIONS																																																								
<p style="text-align: center;"><u>Major Differences from Federal Law</u></p> <p>Interest/Dividend Exempts U.S. government bonds. Capital Gains & Losses Alternative tax on capital gains. Pension/Retirement Income --Private Exempt if employer funded. --Public Exempt. --U.S. Civil Service Exempt. --Military Exempt. Active Duty Military CZE and exempt up to \$6,198 for Reserve and National Guard members. Unemployment Compensation Same as federal. Social Security Benefits Exempt. State/Municipal Bond Interest Taxable except Hawaii obligations. Health Savings Accounts Same as federal. Miscellaneous Disability Income Same as federal. College Savings Plans Same as federal. Lottery Winnings Same as federal. Federal Income Taxes Not deductible. Other Deductions for payments to individual housing accounts and for earnings on individual housing and individual development accounts. Deductions for certain income from high technology business, qualified expenditures for exceptional trees, and compensation earned by patients with Hansen's disease. Peace Corps compensation and income from temporary employment outside of the U.S. are taxable, and the federal domestic production activities deduction is an addition to income. Also, some student loan interest and employer-provided adoption benefits that are exempt from federal taxes may be taxable in Hawaii.</p>		<p>Standard: Single/Married-S \$2,200 Married-J 4,400 Head-of-Household 3,212</p> <p>Itemized: Federal itemized deductions.</p> <p>Major Differences from Federal Law: <u>High Income Limitation:</u> Amounts that are limited based on federal AGI are recalculated to be based on Hawaii AGI. Deduction for state and local income taxes may not be claimed if federal AGI is \$100,000 or more if S or M-S, \$150,000 or more if HH, or \$200,000 or more if MJ, and total itemized deductions are limited if Hawaii AGI exceeds certain thresholds.</p>																																																								
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<ul style="list-style-type: none"> • Capital infrastructure • Child and dependent care expenses • Child passenger restraint systems • Ethanol facility • Food excise • High technology business investment 	<ul style="list-style-type: none"> • Important agriculture land qualified agricultural cost • Income taxes paid to other states/countries • Low-income household renter • Renewable energy technologies 	<ul style="list-style-type: none"> • Alternative tax on capital gains (beneficial tax treatment) 																																																								

*In lieu of regular personal exemptions.

IDAHO

Filing System: Joint

TAX BASE: FEDERAL ADJUSTED GROSS INCOME	DEDUCTIONS																											
<p style="text-align: center;"><u>Major Differences from Federal Law</u></p> <p>Interest/Dividend Exempt U.S. government bonds.</p> <p>Capital Gains & Losses 60% exclusion for long-term gains from the sale of certain real and tangible personal Idaho property.</p> <p>Pension/Retirement Income</p> <p>--Private Same as federal.</p> <p>--Public Certain police and firemen--exclude \$31,956 single; \$47,934 married (65 and over, or disabled and 62 and over) - reduced by amount of social security income.</p> <p>--U.S. Civil Service Exclude CSRS payments of up to \$31,956 single; \$47,934 married (65 and over, or disabled and 62 and over) - reduced by amount of social security income. Exclusion does not apply to FERS payments.</p> <p>--Military Exclude \$31,956 single; \$47,934 married (65 and over, or disabled and 62 and over) - reduced by amount of social security income.</p> <p>Active Duty Military CZE and if stationed out-of-state, income of Idaho residents on active duty is exempt.</p> <p>Unemployment Compensation Same as federal.</p> <p>Social Security Benefits Exempt.</p> <p>State/Municipal Bond Interest Taxable except Idaho obligations.</p> <p>Health Savings Accounts Same as federal.</p> <p>Miscellaneous</p> <p>Disability Income Same as federal.</p> <p>College Savings Plans Same as federal, plus deduction for contributions up to \$4,000/taxpayer to Idaho's plan.</p> <p>Lottery Winnings Deduct Idaho lottery winnings that are less than \$600 per prize.</p> <p>Federal Income Taxes Not deductible.</p> <p>Other Deductions for energy efficiency upgrades, alternative energy devices, child and dependent care, maintaining home for aged or developmentally disabled, educational donations of technological equipment, contributions to and interest on Idaho MSA, adoption expenses, and payments for health, long-term care, and self-employed worker's compensation insurance.</p>	<p>Standard: Same as federal.</p> <p>Itemized: Federal itemized deductions.</p> <p>Major Differences from Federal Law: <u>Taxes:</u> State and local income and sales taxes not deductible.</p>																											
TAX RATES AND BRACKETS	EXEMPTIONS																											
<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: center; border-bottom: 1px solid black;">Taxable Income Brackets</th> <th style="text-align: center; border-bottom: 1px solid black;">Marginal Tax Rates</th> </tr> <tr> <th style="text-align: center; border-bottom: 1px solid black;">Single/Married-S</th> <th style="text-align: center; border-bottom: 1px solid black;">Married-J, HH</th> <th></th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">\$0 - \$1,452</td> <td style="text-align: center;">\$0 - \$2,904</td> <td style="text-align: center;">1.6%</td> </tr> <tr> <td style="text-align: center;">1,453 - 2,904</td> <td style="text-align: center;">2,905 - 5,808</td> <td style="text-align: center;">3.6</td> </tr> <tr> <td style="text-align: center;">2,905 - 4,356</td> <td style="text-align: center;">5,809 - 8,712</td> <td style="text-align: center;">4.1</td> </tr> <tr> <td style="text-align: center;">4,357 - 5,808</td> <td style="text-align: center;">8,713 - 11,616</td> <td style="text-align: center;">5.1</td> </tr> <tr> <td style="text-align: center;">5,809 - 7,260</td> <td style="text-align: center;">11,617 - 14,520</td> <td style="text-align: center;">6.1</td> </tr> <tr> <td style="text-align: center;">7,261 - 10,890</td> <td style="text-align: center;">14,521 - 21,780</td> <td style="text-align: center;">7.1</td> </tr> <tr> <td style="text-align: center;">10,891 and over</td> <td style="text-align: center;">21,781 and over</td> <td style="text-align: center;">7.4</td> </tr> </tbody> </table>	Taxable Income Brackets		Marginal Tax Rates	Single/Married-S	Married-J, HH		\$0 - \$1,452	\$0 - \$2,904	1.6%	1,453 - 2,904	2,905 - 5,808	3.6	2,905 - 4,356	5,809 - 8,712	4.1	4,357 - 5,808	8,713 - 11,616	5.1	5,809 - 7,260	11,617 - 14,520	6.1	7,261 - 10,890	14,521 - 21,780	7.1	10,891 and over	21,781 and over	7.4	<p style="text-align: center;">Same as federal.</p>
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TAX CREDITS	OTHER TAXES																											
<ul style="list-style-type: none"> • Contributions to educational entities • Contributions to youth and rehabilitation facilities • Grocery • Income taxes paid to other states • Live organ donation expenses • Maintaining home for family member with a developmental disability or over age 65 	<ul style="list-style-type: none"> • Fuels tax • Permanent building fund tax • Penalties on MSAs • Recapture of certain Idaho business credits and investment exemption • Sales and use tax due 																											

ILLINOIS

Filing System: Joint

TAX BASE: FEDERAL ADJUSTED GROSS INCOME	DEDUCTIONS
<p style="text-align: center;"><u>Major Differences from Federal Law</u></p> <p>Interest/Dividend Exempts U.S. government bonds.</p> <p>Capital Gains & Losses Same as federal, except exempts certain gains on employer securities.</p> <p>Pension/Retirement Income*</p> <p style="padding-left: 20px;">--Private Exempt if from a qualified employee benefit plan or a self-employed retirement plan.</p> <p style="padding-left: 20px;">--Public Exempt.</p> <p style="padding-left: 20px;">--U.S. Civil Service Exempt.</p> <p style="padding-left: 20px;">--Military Exempt.</p> <p>Active Duty Military Exempt, including active service of National Guard members.</p> <p>Unemployment Compensation Same as federal.</p> <p>Social Security Benefits Exempt.</p> <p>State/Municipal Bond Interest Taxable except certain Illinois obligations.</p> <p>Health Savings Accounts Same as federal.</p> <p>Miscellaneous</p> <p style="padding-left: 20px;">Disability Income Same as federal.</p> <p style="padding-left: 20px;">College Savings Plans Same as federal, except earnings on other states' plans are taxable unless such plans comply with certain disclosure requirements. Deduction for contributions up to \$10,000/taxpayer to Illinois' plans.</p> <p>Lottery Winnings Same as federal, but no deduction for gambling losses.</p> <p>Federal Income Taxes Not deductible.</p> <p>Other Deductions for river edge redevelopment zone and high impact business dividends, contributions to certain job training projects, expenses related to certain federal credits and federally tax-exempt income, interest on investments through the home ownership made easy program, ridesharing money, amounts received as accelerated payments of life, endowment, or annuity benefits as indemnity for terminal illness, unjust imprisonment compensation, and education loan repayments of certain primary care physicians.</p>	<p>Standard: None</p> <p>Itemized: None</p>
TAX RATES AND BRACKETS	EXEMPTIONS
<p>3.75% of taxable net income</p>	<p>Each federal exemption \$2,150</p> <p>Age 65 or over 1,000</p> <p>Blind 1,000</p> <p>Dependent 2,150</p>
TAX CREDITS	OTHER TAXES
<ul style="list-style-type: none"> • Affordable housing donations • Angel investment • Earned income tax credit • Historic preservation 	<ul style="list-style-type: none"> • Homeowner's property tax • Income taxes paid to other states • New markets • K-12 education expenses
	<ul style="list-style-type: none"> • Compassionate use of medical cannabis pilot program act surcharge • Household employment tax • Use tax

*Federally taxable IRA and section 457 deferred compensation plans are exempt.

INDIANA

Filing System: Joint

TAX BASE: FEDERAL ADJUSTED GROSS INCOME	DEDUCTIONS
<p style="text-align: center;"><u>Major Differences from Federal Law</u></p> <p>Interest/Dividend Exempts U.S. government bonds.</p> <p>Capital Gains & Losses Same as federal.</p> <p>Pension/Retirement Income*</p> <p>--Private Same as federal.</p> <p>--Public Same as federal.</p> <p>--U.S. Civil Service Up to \$8,000 exempt, less social security benefits if 62 or over.</p> <p>--Military Up to \$5,000 exempt if 60 or over.</p> <p>Active Duty Military/Reserve CZE and exempt up to \$5,000 for total of active duty and active reserves, military retirement, and survivor's benefits.</p> <p>Unemployment Compensation Limited exclusion as provided under 1986 federal law.</p> <p>Social Security Benefits Exempt.</p> <p>State/Municipal Bond Interest Taxable except Indiana obligations. However, interest on obligations held or acquired before January 1, 2012 is exempt regardless of place where issued.</p> <p>Health Savings Accounts Same as federal.</p> <p>Miscellaneous</p> <p>Disability Income Up to \$5,200 exempt if retired and under 65.</p> <p>College Savings Plans Same as federal, plus state tax credit.</p> <p>Lottery Winnings Limited exemption for Indiana lottery winnings.</p> <p>Federal Income Taxes Not deductible.</p> <p>Other Additions to income include federal deductions for discharge of debt on principal residences, lump sum distributions, any net operating loss, except for the Indiana portion, domestic production activities, bonus depreciation, Section 179 expenses, and losses on the sale of qualified preferred stock. Deductions for rent and property taxes paid on principal residence, insulation, non-Indiana locality earnings, up to \$7,500 of earned income if employed in an enterprise zone, income of persons receiving Medicaid in a care facility, law enforcement awards, Indiana Partnership long-term care insurance premiums, qualified patents income, solar-powered roof vent or fan expenses, Olympic/Paralympic medal winners, private school and homeschool expenses, and employer contributions to and interest on certain medical savings accounts not excluded for federal purposes.</p>	<p>Standard: None</p> <p>Itemized: None</p>
TAX RATES AND BRACKETS	EXEMPTIONS
3.3% of adjusted gross income.	<p>Each federal exemption \$1,000</p> <p>Dependent child 1,500</p> <p>Blind or 65 or over 1,000</p> <p>65 or over and low-income 500</p>
TAX CREDITS	OTHER TAXES
<ul style="list-style-type: none"> • Adoption • College donation • Community revitalization enhancement district • Contributions to Indiana's 529 savings plan • County credit for the elderly or permanently disabled • Earned income • Historic building rehabilitation • Income taxes paid to other states and localities 	<ul style="list-style-type: none"> • Individual development account • Lake County residential income tax • Neighborhood assistance • Public school educator expense • Residential historic rehabilitation • School scholarship program contributions • 21st century scholars program contributions • Unified tax credit for low-income elderly • Venture capital investment
<ul style="list-style-type: none"> • County income tax • Household employment tax • Recapture Indiana 529 tax credit • Use tax 	

*Exclusion of up to \$5,200 in the case of disability retirement.

IOWA

Filing System: Joint/Combined

TAX BASE: STATE ADJUSTED GROSS INCOME		DEDUCTIONS																								
<p style="text-align: center;"><u>Major Differences from Federal Law</u></p> <p>Interest/Dividend Exempts U.S. government bonds.</p> <p>Capital Gains & Losses 100% exclusion for qualifying capital gains on certain business and farm assets and from involuntary conversions related to eminent domain; 50% exclusion of gain from sale of employer securities of an Iowa corporation to a qualified Iowa employee stock ownership plan.</p> <p>Pension/Retirement Income*</p> <p>--Private Up to \$6,000 (\$12,000 M-J) exempt, if 55 or over or disabled.</p> <p>--Public Up to \$6,000 (\$12,000 M-J) exempt, if 55 or over or disabled.</p> <p>--U.S. Civil Service Up to \$6,000 (\$12,000 M-J) exempt, if 55 or over or disabled.</p> <p>--Military Exempt.</p> <p>Active Duty Military Exempt plus tax forgiven if killed in a combat zone or due to a terrorist or military action or missing and presumed dead. Deductions for certain student loan repayments of active duty military.</p> <p>Unemployment Compensation Same as federal.</p> <p>Social Security Benefits Exempt, but up to half of benefits may be subject to alternate tax.</p> <p>State/Municipal Bond Interest Taxable except certain Iowa obligations.</p> <p>Health Savings Accounts Same as federal.</p> <p>Miscellaneous</p> <p>Disability Income Exclusion of up to \$100/week if totally and permanently disabled and meet certain conditions.</p> <p>College Savings Plans Same as federal, plus deduction for each taxpayer's contributions up to \$3,163 per beneficiary to Iowa's plans.</p> <p>Lottery Winnings..... Same as federal.</p> <p>Federal Income Taxes Deductible.</p> <p>Other Deductions for gains or losses on distressed sale transactions; income received by nonresidents for emergency response work; amounts claimed for federal work opportunity, alternative motor vehicle, employer social security, and alcohol fuel credits; health and dental insurance premiums; in-home health care expenses; organ donor transplant expenses; contributions to Iowa injured veterans program; certain veterans' bonuses and grants; and victim compensation awards. Low-income exemption.</p> <p style="font-size: small;">*No tax or penalty on distributions from retirement plans by National Guard members or reservists called to active duty.</p>		<p>Standard:</p> <p>Single/Married-S\$1,950</p> <p>Married-J/HH4,810</p> <p>Itemized:</p> <p>Same as federal.</p> <p>Major Differences From Federal Law:</p> <p><u>Medical Expenses:</u> No deduction for health and dental insurance premiums already deducted from Iowa income.</p> <p><u>Taxes:</u> Iowa income tax not deductible. Iowa sales and use tax deductible only if claimed as a federal itemized deduction.</p> <p><u>Miscellaneous:</u> Deduction for expense incurred for care of disabled relative, adoption expenses, and portion of automobile registration fee.</p> <p><u>Charitable:</u> Mileage deduction if for charitable purposes.</p>																								
TAX RATES AND BRACKETS		EXEMPTIONS (TAX CREDIT)																								
<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Taxable Income Bracket</th> <th style="text-align: center;">Marginal Tax Rates</th> <th style="text-align: center;">Taxable Income Bracket</th> <th style="text-align: center;">Marginal Tax Rates</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">\$0 - \$1,539</td> <td style="text-align: center;">0.36%</td> <td style="text-align: center;">\$13,852 - \$23,085</td> <td style="text-align: center;">6.12%</td> </tr> <tr> <td style="text-align: center;">1,540 - 3,078</td> <td style="text-align: center;">0.72</td> <td style="text-align: center;">23,086 - 30,780</td> <td style="text-align: center;">6.48</td> </tr> <tr> <td style="text-align: center;">3,079 - 6,156</td> <td style="text-align: center;">2.43</td> <td style="text-align: center;">30,781 - 46,170</td> <td style="text-align: center;">6.80</td> </tr> <tr> <td style="text-align: center;">6,157 - 13,851</td> <td style="text-align: center;">4.50</td> <td style="text-align: center;">46,171 - 69,255</td> <td style="text-align: center;">7.92</td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">69,256 and over</td> <td style="text-align: center;">8.98</td> </tr> </tbody> </table>	Taxable Income Bracket	Marginal Tax Rates	Taxable Income Bracket	Marginal Tax Rates	\$0 - \$1,539	0.36%	\$13,852 - \$23,085	6.12%	1,540 - 3,078	0.72	23,086 - 30,780	6.48	3,079 - 6,156	2.43	30,781 - 46,170	6.80	6,157 - 13,851	4.50	46,171 - 69,255	7.92			69,256 and over	8.98	<p>Single/Married-S\$40</p> <p>Married-J/HH80</p> <p>Blind20</p> <p>Age 65 or Over20</p> <p>Dependent.....40</p>	
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TAX CREDITS		OTHER TAXES																								
<ul style="list-style-type: none"> • Adoption • Agricultural assets transfer • Charitable conservation contribution • Child and dependent care • Claim of right • Custom contract farming • Earned income • Early childhood development • Endow Iowa (endowment gifts) • Geothermal heat pump • Historic preservation 	<ul style="list-style-type: none"> • Housing investment • Income taxes paid to other states/countries • Innovation fund • Minimum tax carry forward • Nonresident and part-year resident • School tuition organization • Solar energy system • Taxpayers trust fund • Tuition and textbook for K-12 dependents • Venture capital (3 separate credits) • Volunteer firefighter/EMS/reserve peace officer 	<ul style="list-style-type: none"> • Alternate tax (may reduce tax liability) • Emergency medical services surtax* • Iowa alternative minimum tax • Lump-sum tax • School district surtax* <p style="font-size: small;">*These surtaxes are optional and imposed at the discretion of counties and school districts.</p>																								

KANSAS

Filing System: Joint

TAX BASE: FEDERAL ADJUSTED GROSS INCOME		DEDUCTIONS																					
<p style="text-align: center;"><u>Major Differences from Federal Law</u></p> <p>Interest/Dividend Exempts U.S. government bonds and dividends from Kansas Venture Capital, Inc.</p> <p>Capital Gains & Losses Gains from the sale of certain Kansas bonds, livestock, and Christmas trees grown in Kansas are exempt.</p> <p>Pension/Retirement Income</p> <p>--Private Same as federal.</p> <p>--Public Kansas public employee retirement system and certain other Kansas public systems exempt.</p> <p>--U.S. Civil Service Exempt.</p> <p>--Military Exempt.</p> <p>Active Duty Military Same as federal.</p> <p>Unemployment Compensation Same as federal.</p> <p>Social Security Benefits Exempt for taxpayers with federal AGI less than or equal to \$75,000. Otherwise, same as federal.</p> <p>State/Municipal Bond Interest Taxable except most Kansas obligations.</p> <p>Health Savings Accounts Same as federal.</p> <p>Miscellaneous</p> <p>Disability Income Same as federal.</p> <p>College Savings Plans Same as federal, plus deduction for contributions up to \$3,000 per beneficiary (\$6,000 if MJ) to any state's 529 plan.</p> <p>Lottery Winnings Same as federal.</p> <p>Federal Income Taxes Not deductible.</p> <p>Other Addition for employee contributions to public employee retirement system. Deductions for armed forces recruitment, sign up, or retention bonuses, for repayment of education or student loans received as a result of service in the armed services, and for organ donation expenses. Farm income and income of partnerships and S-corporations is generally exempt.</p>		<p>Standard:</p> <p style="text-align: right;">Added</p> <p style="text-align: right;"><u>Amount if:</u></p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 15%;"></th> <th style="width: 15%;"></th> <th style="width: 15%; text-align: center;"><u>Age 65</u></th> <th style="width: 15%; text-align: center;"><u>Blind</u></th> </tr> </thead> <tbody> <tr> <td>Single</td> <td style="text-align: right;">\$3,000</td> <td style="text-align: right;">\$850</td> <td style="text-align: right;">\$850</td> </tr> <tr> <td>Married-J</td> <td style="text-align: right;">7,500</td> <td style="text-align: right;">700</td> <td style="text-align: right;">700</td> </tr> <tr> <td>Married-S</td> <td style="text-align: right;">3,750</td> <td style="text-align: right;">700</td> <td style="text-align: right;">700</td> </tr> <tr> <td>Head-of-Household</td> <td style="text-align: right;">5,500</td> <td style="text-align: right;">850</td> <td style="text-align: right;">850</td> </tr> </tbody> </table> <p>Itemized: State itemized deductions.</p> <p>Major Differences from Federal Law: Deductions are limited to 50% of real and personal property taxes, 50% of residential interest and mortgage insurance premiums, and gifts to charity, all as claimed as federal itemized deductions. State income taxes and state and local sales taxes not deductible.</p>				<u>Age 65</u>	<u>Blind</u>	Single	\$3,000	\$850	\$850	Married-J	7,500	700	700	Married-S	3,750	700	700	Head-of-Household	5,500	850	850
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TAX CREDITS		OTHER TAXES																					
<ul style="list-style-type: none"> • Adoption • Angel investor • Center for entrepreneurship • Community service contribution • Disable access • Earned income • Food sales tax 		<ul style="list-style-type: none"> • Historic preservation • High performance incentive • Income taxes paid to other states • Individual development account • Promoting employment across Kansas • Rural opportunity zone 																					
<ul style="list-style-type: none"> • Lump sum distribution • Use tax 																							

KENTUCKY

Filing System: Joint/Combined

TAX BASE: FEDERAL ADJUSTED GROSS INCOME	DEDUCTIONS														
<p style="text-align: center;"><u>Major Differences from Federal Law</u></p> <p>Interest/Dividend Exempts U.S. government bonds.</p> <p>Capital Gains & Losses Gains on Kentucky Turnpike bonds and property taken by eminent domain are exempt.</p> <p>Pension/Retirement Income</p> <p>--Private Exclude up to \$41,110.</p> <p>--Public Exempt if retired before 1998; up to \$41,110 exempt if after 1997.</p> <p>--U.S. Civil Service Exempt if retired before 1998; up to \$41,110 exempt if after 1997.</p> <p>--Military Exempt if retired before 1998; up to \$41,110 exempt if after 1997.</p> <p>Active Duty Military Exempt and \$20 personal credit for Kentucky National Guard members. All income is exempt for soldiers killed in the line of duty for the year of the death and the preceding year.</p> <p>Unemployment Compensation Same as federal.</p> <p>Social Security Benefits Exempt.</p> <p>State/Municipal Bond Interest Taxable except Kentucky obligations.</p> <p>Health Savings Accounts Same as federal.</p> <p>Miscellaneous</p> <p>Disability Income Same as federal.</p> <p>College Savings Plans Same as federal.</p> <p>Lottery Winnings Same as federal.</p> <p>Federal Income Taxes Not deductible.</p> <p>Other Deductions for long-term care and health insurance premiums, income from training or working at election booths, charitable contributions of leasehold interests, and artistic contributions not claimed as state itemized deduction. Tobacco settlement income is exempt. Deduction for amount claimed for federal work opportunity and welfare to work credits. A child's unearned income may not be reported on a parent's return.</p>	<p>Standard: All \$2,440</p> <p>Itemized: State itemized deductions.</p> <p>Major Differences from Federal Law: <u>Medical:</u> Deduct medical expenses over 10.0% (7.5% if 65 or older) of Kentucky AGI. <u>Taxes:</u> State income taxes and state and local sales taxes not deductible. <u>Casualty and Theft Losses:</u> Deduct amounts over 10% of Kentucky AGI. <u>High Income Limitation:</u> Deductions for taxes, non-investment interest expenses, contributions, job expenses, and other miscellaneous expenses, but not gambling losses, are limited if income exceeds \$184,000 (\$92,000 if M-S).</p>														
TAX RATES AND BRACKETS	EXEMPTIONS (TAX CREDIT)														
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Taxable Income Brackets	Tax Rates														
\$0 - \$3,000	2.0%														
3,001 - 4,000	3.0														
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75,001 and over	6.0														
TAX CREDITS	OTHER TAXES														
<ul style="list-style-type: none"> • Angel investor • Certified rehabilitation • Child and dependent care • Education tuition • Endow Kentucky • Energy efficiency products • Family size 	<ul style="list-style-type: none"> • Food donation • Income taxes paid to other states • Kentucky National Guard members • Kentucky investment fund • New markets development program • Recycling and/or composting equipment 														
	<ul style="list-style-type: none"> • Lump sum distributions • Use tax 														

LOUISIANA

Filing System: Joint

TAX BASE: FEDERAL ADJUSTED GROSS INCOME	DEDUCTIONS															
<p style="text-align: center;"><u>Major Differences from Federal Law</u></p> <p>Interest/Dividend Exempts U.S. government bonds.</p> <p>Capital Gains & Losses Deduction for net gain from the sale of a Louisiana-domiciled business.</p> <p>Pension/Retirement Income</p> <p>--Private \$6,000/person exclusion for those 65 and over with retirement income.</p> <p>--Public..... Certain benefits from Louisiana retirement systems are exempt. For others, same exclusions as private pensions.</p> <p>--U.S. Civil Service Exempt.</p> <p>--Military..... Exempt.</p> <p>Active Duty Military CZE and up to \$30,000 excluded for service outside Louisiana under certain conditions.</p> <p>Unemployment Compensation..... Same as federal.</p> <p>Social Security Benefits Exempt.</p> <p>State/Municipal Bond Interest..... Taxable except Louisiana obligations.</p> <p>Health Savings Accounts..... Same as federal.</p> <p>Miscellaneous</p> <p>Disability Income \$6,000/person exclusion for permanent total disability.</p> <p>College Savings Plans Same as federal, plus deduction for contributions up to \$2,400 per taxpayer (\$4,800 MJ) to the Louisiana savings plan, provided the taxpayer is the account owner.</p> <p>Lottery Winnings..... Same as federal.</p> <p>Federal Income Taxes..... Deductible, including 3.8% tax on net investment income.</p> <p>Other Exclusion for shareholder income from a bank organized as an S corporation. Deductions for the following: amounts claimed for certain federal disaster relief credits; up to \$5,000 for retrofitting certain residential structures; educational expenses related to qualified dependents who are home-schooled or enrolled in private or certain public elementary and secondary schools; \$500 for volunteers in recreation departments and for volunteer firefighters; and any grant, loan, or benefit provided by a hurricane recovery entity.</p>	<p>Standard:</p> <p>Single/Married-S \$4,500</p> <p>Married-J/HH 9,000</p> <p>Combined standard deduction and personal exemption amounts, which are built into tax tables.</p> <p>Itemized:</p> <p>In addition to the state standard deduction, taxpayers who itemize deductions for federal tax purposes may deduct the excess of federal itemized deductions (after the federal income limitation) over the federal standard deduction.</p>															
	EXEMPTIONS															
	<p>Single/HH/Married-S* \$1,000</p> <p>Married-J* 2,000</p> <p>Dependent 1,000</p> <p>Blind 1,000</p> <p>Age 65 or over 1,000</p> <p>*These amounts are included in the combined standard deduction/personal exemptions shown above.</p>															
TAX RATES AND BRACKETS	OTHER TAXES															
<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: center; border-bottom: 1px solid black;">Taxable Income Brackets</th> <th style="text-align: center; border-bottom: 1px solid black;">Marginal Tax Rates</th> </tr> <tr> <th style="text-align: center; border-bottom: 1px solid black;">Single/MS/HH</th> <th style="text-align: center; border-bottom: 1px solid black;">Married-J</th> <th></th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">\$0 - \$12,500</td> <td style="text-align: center;">\$0 - \$25,000</td> <td style="text-align: center;">2%</td> </tr> <tr> <td style="text-align: center;">12,501 - 50,000</td> <td style="text-align: center;">25,001 - 100,000</td> <td style="text-align: center;">4</td> </tr> <tr> <td style="text-align: center;">50,001 and over</td> <td style="text-align: center;">100,001 and over</td> <td style="text-align: center;">6</td> </tr> </tbody> </table>	Taxable Income Brackets		Marginal Tax Rates	Single/MS/HH	Married-J		\$0 - \$12,500	\$0 - \$25,000	2%	12,501 - 50,000	25,001 - 100,000	4	50,001 and over	100,001 and over	6	<ul style="list-style-type: none"> • Use tax
Taxable Income Brackets		Marginal Tax Rates														
Single/MS/HH	Married-J															
\$0 - \$12,500	\$0 - \$25,000	2%														
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50,001 and over	100,001 and over	6														
TAX CREDITS																
<ul style="list-style-type: none"> • Angel investor • Brownfields investor • Bulletproof vest • Capital company • Child care • Contributions of technological equipment to educational institutions • Conversion of vehicle to alternative fuel • Digital interactive media • Disabilities • Earned income • Education • Family responsibility programs • Historic residential/historic structures • Household expense for physically and mentally incapable persons • Hunting and fishing licenses for service members • Income taxes paid to other states • Law enforcement education 	<ul style="list-style-type: none"> • LA citizens property insurance assessment • LA community development financial institutions • LA community economic development • Motion picture investment • New markets • Organ donation • Owner of newly-constructed accessible home • Partial federal credits (elderly, foreign tax, investment tax, residential energy, and jobs) • Port of Louisiana investor • Prison industry enhancement • Qualified playgrounds • School readiness (3) • Small town doctor/dentist • Solar energy systems • Technology commercialization • Urban revitalization 															

MAINE

Filing System: Joint

TAX BASE: FEDERAL ADJUSTED GROSS INCOME		DEDUCTIONS																				
<p style="text-align: center;"><u>Major Differences from Federal Law</u></p> <p>Interest/Dividend Exempts U.S. government bonds.</p> <p>Capital Gains & Losses Same as federal except gains from the sale of Maine Waste Management and Recycling Program bonds and investment income from the Northern Maine Transmission Corp. are exempt.</p> <p>Pension/Retirement Income Exclude: --Private Up to \$10,000, less social security and railroad retirement benefits. --Public Up to \$10,000, less social security and railroad retirement benefits. --U.S. Civil Service Up to \$10,000, less social security and railroad retirement benefits. --Military Up to \$10,000.</p> <p>Active Duty Military Same as federal.</p> <p>Unemployment Compensation Same as federal.</p> <p>Social Security Benefits Exempt.</p> <p>State/Municipal Bond Interest Taxable except Maine obligations.</p> <p>Health Savings Accounts Same as federal.</p> <p>Miscellaneous</p> <p>Disability Income Same as federal.</p> <p>College Savings Plans Same as federal, plus deduction for contributions up to \$250 per beneficiary to any state's 529 plan, subject to AGI limitation.</p> <p>Lottery Winnings Same as federal.</p> <p>Federal Income Taxes Not deductible.</p> <p>Other Deduct premiums for long-term care insurance, withdrawals from family development (low-income) accounts, student loan payments made by employers, and amounts equal to earnings from fishing operations contributed to a capital construction fund. A deduction related to the federal work opportunity and empowerment zone tax credits is available. Contributions to state retirement system are taxable. Federal deductions for tuition and fees and domestic production activities do not apply.</p>		<p>Standard: Same as federal.</p> <p>Itemized: Federal itemized deductions.</p> <p>Major Differences from Federal Law: <u>Taxes:</u> State income and sales taxes not deductible. <u>Miscellaneous:</u> Mortgage insurance premiums not deductible. Adjustments for expenses incurred in the production of certain income and exempt income, amounts claimed for the family development account credit, and amounts attributable to income from an ownership interest in a pass-through entity financial institution. <u>High Income Limitation:</u> Total deductions are limited using federal thresholds. In addition, the maximum allowable itemized deduction is \$28,350.</p>																				
TAX RATES AND BRACKETS		EXEMPTIONS																				
<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="3" style="text-align: center;">Taxable Income Brackets</th> <th style="text-align: center;">Marginal Tax Rates</th> </tr> <tr> <th style="text-align: center;">Single/Married-S</th> <th style="text-align: center;">Married-Joint</th> <th style="text-align: center;">Head-of-Household</th> <th></th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">\$0 - \$5,199</td> <td style="text-align: center;">\$0 - \$10,449</td> <td style="text-align: center;">\$0 - \$7,849</td> <td style="text-align: center;">0.00%</td> </tr> <tr> <td style="text-align: center;">5,200 - 20,899</td> <td style="text-align: center;">10,450 - 41,849</td> <td style="text-align: center;">7,850 - 31,349</td> <td style="text-align: center;">6.50</td> </tr> <tr> <td style="text-align: center;">20,900 and over</td> <td style="text-align: center;">41,850 and over</td> <td style="text-align: center;">31,350 and over</td> <td style="text-align: center;">7.95</td> </tr> </tbody> </table>		Taxable Income Brackets			Marginal Tax Rates	Single/Married-S	Married-Joint	Head-of-Household		\$0 - \$5,199	\$0 - \$10,449	\$0 - \$7,849	0.00%	5,200 - 20,899	10,450 - 41,849	7,850 - 31,349	6.50	20,900 and over	41,850 and over	31,350 and over	7.95	Same as federal.
Taxable Income Brackets			Marginal Tax Rates																			
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TAX CREDITS		OTHER TAXES																				
<ul style="list-style-type: none"> • Child and dependent care • Earned income tax credit • Educational opportunity • Elderly • Family development account • Fish hatchery infrastructure • Forest management planning • Historic rehabilitation 	<ul style="list-style-type: none"> • Income tax paid to other jurisdictions • New markets • Property tax fairness • Quality childcare investment • Nonresident credit including "safe harbor" for certain residents spending significant time out-of-state • Seed capital 	<ul style="list-style-type: none"> • Sales tax on casual rentals of living quarters • Use tax 																				

MARYLAND

Filing System: Joint

TAX BASE: FEDERAL ADJUSTED GROSS INCOME		DEDUCTIONS																														
<p style="text-align: center;"><u>Major Differences from Federal Law</u></p> Interest/Dividend Exempts U.S. government bonds. Capital Gains & Losses Same as federal, plus exempts profit from Maryland bond sales. Pension/Retirement Income* --Private Up to \$29,200/person excluded (65 or over or disabled). --Public** Up to \$29,200/person excluded (65 or over or disabled). --U.S. Civil Service Up to \$29,200/person excluded (65 or over or disabled). --Military Up to \$29,200/person excluded (65 or over or disabled). Additional exemption if meet certain requirements. Active Duty Military CZE and up to a total of \$15,000 excluded for service outside U.S. if total military pay is less than \$30,000. Unemployment Compensation Same as federal. Social Security Benefits Exempt. State/Municipal Bond Interest Taxable except Maryland obligations. Health Savings Accounts Same as federal. Miscellaneous Disability Income Exempt for job related injuries for police and firefighters. College Savings Plans Same as federal, plus deduction for contributions up to \$2,500 per beneficiary per taxpayer to Maryland's 529 program. Lottery Winnings Same as federal. Federal Income Taxes Not deductible. Other Employee contributions to a Maryland retirement or pension system are included in state income. Income also includes 50% of taxable tax preference items over \$10,000 (\$20,000 if married) and state business credits claimed in the current year. No deductions for domestic production activities and for tuition and related expenses. Subtractions for child and dependent care expenses, adoption expenses, use of vehicle for charitable purposes, expenses incurred by the blind for a reader, solar energy grant awards, a dependent's unearned income included in parent's federal AGI, and interest on Build America bonds. Exclusion for certain artists' contributions and certain income of qualifying artists in arts and entertainment districts. Two-income subtraction of up to \$1,200. Exclusions for volunteer fire, rescue, and EMS personnel, for Coast Guard Auxiliary, Maryland Defense Force, and Maryland Civil Air Patrol members, for police auxiliary or reserve volunteers, and for income from use of official vehicles by members of public police and fire departments.		<p>Standard: 15% of Maryland AGI</p> <table border="1"> <thead> <tr> <th></th> <th>Minimum</th> <th>Maximum</th> </tr> </thead> <tbody> <tr> <td>Married-J/HH</td> <td>\$3,000</td> <td>\$4,000</td> </tr> <tr> <td>All Other</td> <td>1,500</td> <td>2,000</td> </tr> </tbody> </table> <p>Itemized: Federal itemized deductions.</p> <p>Major Differences From Federal Law: Taxes: State and local income taxes not deductible.</p>		Minimum	Maximum	Married-J/HH	\$3,000	\$4,000	All Other	1,500	2,000																					
	Minimum	Maximum																														
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		Single/Married-S \$3,200 Married-J/HH 6,400 Dependent 3,200 Age 65 or over 1,000 Blind 1,000 Dependent age 65 or over 3,200																														
		Except for the age and blindness exemptions, exemptions are phased out for federal AGI between \$100,000 and \$150,000 (\$150,000 and \$200,000 for M-J, HH).																														
TAX RATES AND BRACKETS																																
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TAX CREDITS		OTHER TAXES																														
<ul style="list-style-type: none"> • Aquaculture oyster floats • Bio-heating oil • Child and dependent care • Earned income tax credit (state and local) • Electric vehicle recharging • Health enterprise zone practitioner • Income taxes paid to other states • Long-term care insurance 	<ul style="list-style-type: none"> • Neighborhood stabilization • Oyster shell recycling • Poverty level credit (state and local) • Preservation and conservation easements • Quality teacher incentive • Repayment • Sustainable communities 	<ul style="list-style-type: none"> • Local income tax (County and Baltimore City) 																														

*Reduced by social security and railroad retirement benefits.

**All pension benefits to police and firefighters (or their beneficiaries) as a result of job related injuries (or death) are exempt.

MASSACHUSETTS

Filing System: Joint

TAX BASE: STATE ADJUSTED GROSS INCOME		DEDUCTIONS												
<p style="text-align: center;"><u>Major Differences from Federal Law</u></p> <p>Interest/Dividend Exempts U.S. government bonds. Exclusion for interest from state banks (Single--\$100/Married-J--\$200). Capital Gains & Losses Own (see "Tax Rates and Brackets" below). Pension/Retirement Income --Private Same as federal. --Public Payments from a contributory plan are exempt. --U.S. Civil Service Payments from a contributory plan are exempt. --Military Exempt. Active Duty Military Same as federal. Unemployment Compensation Same as federal. Social Security Benefits Exempt. State/Municipal Bond Interest Taxable except Massachusetts obligations. Health Savings Accounts Same as federal. Miscellaneous Disability Income Disability income related to terrorist or military action is exempt. College Savings Plans Same as federal. Lottery Winnings Taxable. Federal Income Taxes Not deductible. Other Deductions for either: (a) up to \$4,800 of care expenses [\$9,600 for two or more qualifying individuals] for a child under age 13 or disabled dependent/spouse; or (b) \$3,600 for a dependent household member under age 12 or 65 or older [\$7,200 for two or more dependents]. In addition, deductions for the following: (a) 50% of rent -- maximum deduction \$3,000 (MS -- \$1,500); (b) amounts paid for social security, Medicare, railroad, federal and state retirement systems up to \$2,000/person; (c) tuition and fees; (d) organ donation expenses; (e) employee business expenses; (f) moving expenses allowed as federal itemized deductions; (g) self-employed health insurance expenses; and (h) certain gambling losses.</p>	<p>Standard: None</p> <p>Itemized: State deductions for all taxpayers, as described under "Tax Base."</p>													
TAX RATES AND BRACKETS		EXEMPTIONS												
<p>The following types of income, minus deductions and exemptions, are taxed at 5.15%: earned income, pensions and annuities, interest from MA banks, business, profession, or farm income, rental royalty, partnership, or trust income, unemployment compensation, alimony, taxable IRA/Keogh distributions, and other income such as gambling winnings and fees. Also taxed at 5.15% is other interest income and dividend income less certain excess deductions from a trade or business not used to offset other 5.15% taxable income.</p> <p>Short-term capital gains (net of capital losses) and long-term capital gains on collectibles and pre-1996 installment sales (less certain excess deductions from a trade or business and 50% of long-term capital gains from collectibles and pre-1996 installment sales) are taxed at 12%. Other long-term capital gains (less remaining excess deductions and long-term capital losses) are taxed at 5.15%.</p> <p>No income tax is imposed if Massachusetts adjusted gross income is equal to or less than \$8,000 for single, \$16,400 for married-joint, or \$14,400 for head-of-household taxpayers (plus \$1,000/dependent). Deductions, other than certain deductions for a trade or business, cannot generally be used to offset income from interest, dividends, or capital gains.</p>		<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Single/Married-S</td> <td style="text-align: right;">\$4,400</td> </tr> <tr> <td>Head-of-Household</td> <td style="text-align: right;">6,800</td> </tr> <tr> <td>Married-J.....</td> <td style="text-align: right;">8,800</td> </tr> <tr> <td>Dependent</td> <td style="text-align: right;">1,000</td> </tr> <tr> <td>Age 65 or over</td> <td style="text-align: right;">700</td> </tr> <tr> <td>Blind.....</td> <td style="text-align: right;">2,200</td> </tr> </table> <p>Exemption for medical expenses claimed on federal Schedule A and for adoption fees.</p> <p>Exemptions are applied against 5.15% income prior to the inclusion of interest and dividends.</p>	Single/Married-S	\$4,400	Head-of-Household	6,800	Married-J.....	8,800	Dependent	1,000	Age 65 or over	700	Blind.....	2,200
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TAX CREDITS		OTHER TAXES												
<ul style="list-style-type: none"> • Brownfields • Conservation land • Dairy • Community investment • Earned income • Historic rehabilitation • Income tax paid to another state or jurisdiction 	<ul style="list-style-type: none"> • Lead paint • Limited income • Low income housing • Senior circuit breaker (property tax/rent) • Septic • Solar and wind energy 	<ul style="list-style-type: none"> • Health care penalty • Use tax 												

MICHIGAN

Filing System: Joint

TAX BASE: FEDERAL ADJUSTED GROSS INCOME	DEDUCTIONS
<p style="text-align: center;"><u>Major Differences from Federal Law</u></p> <p>Interest/Dividend Exempts U.S. government bonds. Persons born before 1946 may deduct up to \$11,104/person in interest, dividends, and capital gains.</p> <p>Capital Gains & Losses See "Interest/Dividend" above.</p> <p>Pension/Retirement Income</p> <p>--Private/Public* Four treatments based on year of birth:</p> <p style="padding-left: 20px;">if born before 1946, exempt all retirement income from public sources and up to \$49,811 (\$99,623 M-J) in retirement income from private sources, except the public exclusion reduces the allowable private exclusion;</p> <p style="padding-left: 20px;">if born from 1946 to 1948, deduction against all income of \$20,000 (\$40,000 M-J), but reduced by any exempt military pay, military retirement, and railroad retirement;</p> <p style="padding-left: 20px;">if born from 1949 to 1952, exempt up to \$20,000 (\$40,000 M-J) of all public and private pension and retirement benefits and annuity benefits; and if born after 1952, pension and retirement benefits are generally taxable, with certain exceptions.</p> <p>--U.S. Civil Service Same as above.</p> <p>--Military Exempt.</p> <p>Active Duty Military Exempt.</p> <p>Unemployment Compensation Same as federal.</p> <p>Social Security Benefits Exempt.</p> <p>State/Municipal Bond Interest Taxable except Michigan obligations.</p> <p>Health Savings Accounts Same as federal.</p> <p>Miscellaneous</p> <p>Disability Income Same as federal.</p> <p>College Savings Plans Same as federal, plus deduction for contributions up to \$5,000 (\$10,000 M-J) to Michigan's plan.</p> <p>Lottery Winnings Taxable.</p> <p>Federal Income Taxes Not deductible.</p> <p>Other Deductions for elderly and disabled (based on federal credit), income of residents of a renaissance zone, education trust contracts, income from Michigan gas and oil interests and benefits from a discriminatory self-insured medical expense reimbursement plan. No deduction for self-employment tax from federal return.</p>	<p>Standard: None</p> <p>Itemized: None</p>
TAX RATES AND BRACKETS	EXEMPTIONS
4.25% of taxable income.	<p>Each federal exemption \$4,000</p> <p>Disabled/Blind/Deaf 2,600</p> <p>Disabled veteran 400</p> <p>Dependent on someone else's return 1,500</p>
TAX CREDITS	OTHER TAXES
<ul style="list-style-type: none"> • Earned income • Farmland preservation • Historic preservation • Income tax paid to another government unit • Property tax and rent • Small business investment 	<ul style="list-style-type: none"> • Use tax

*If M-J, pension and retirement treatment is based on the older spouse.

MINNESOTA

Filing System: Joint

TAX BASE: FEDERAL TAXABLE INCOME	DEDUCTIONS																														
<p style="text-align: center;"><u>Major Differences from Federal Law</u></p> <p>Interest/Dividend Exempts U.S. government bonds.</p> <p>Capital Gains & Losses Same as federal, except farm property is exempt if insolvent at time of sale.</p> <p>Pension/Retirement Income</p> <p>--Private Same as federal.</p> <p>--Public Same as federal.</p> <p>--U.S. Civil Service Same as federal.</p> <p>--Military Same as federal.</p> <p>Active Duty Military Exempt.</p> <p>Unemployment Compensation Same as federal.</p> <p>Social Security Benefits Same as federal.</p> <p>State/Municipal Bond Interest Taxable except Minnesota obligations.</p> <p>Health Savings Accounts Same as federal.</p> <p>Miscellaneous</p> <p>Disability Income Same as federal.</p> <p>College Savings Plans Same as federal.</p> <p>Lottery Winnings Same as federal.</p> <p>Federal Income Taxes Not deductible.</p> <p>Other Deductions for lower-income elderly or disabled, qualifying K-12 school expenses, 50% of charitable contributions over \$500 for non-itemizers, compensation to National Guard members and reservists for active service and training in Minnesota, qualified organ donor expenses, AmeriCorps post-service education awards, taxes to a sub-national level of a foreign country other than Canada, and certain income from investments or business operations in a job opportunity building zone. No deduction for domestic production activities and federal subsidies received by employers for providing prescription drug coverage for retirees.</p>	<p>Standard: Same as federal.</p> <p>Itemized: Same as federal.</p> <p>Major Differences from Federal Law: <u>Taxes:</u> State income taxes and state and local sales taxes not deductible. <u>High Income Limitation:</u> Total deductions limited using Minnesota thresholds.</p>																														
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<ul style="list-style-type: none"> • Alternative minimum tax • Angel investment • Child and dependent care • Combat zone • Income taxes paid to another state • K-12 education expenses 	<ul style="list-style-type: none"> • Long-term care insurance • Marriage • Past military service • SEED capital investment • Working family (based on federal EITC) 																														
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MISSISSIPPI

Filing System: Joint/Combined

TAX BASE: STATE ADJUSTED GROSS INCOME	DEDUCTIONS										
<p style="text-align: center;"><u>Major Differences from Federal Law</u></p> <p>Interest/Dividend Exempts U.S. government bonds.</p> <p>Capital Gains & Losses Same as federal plus exemptions for gains from the sale of authorized shares in Mississippi-domiciled financial institutions and certain domestic businesses.</p> <p>Pension/Retirement Income*</p> <p>--Private Exempt.</p> <p>--Public Exempt.</p> <p>--U.S. Civil Service Exempt.</p> <p>--Military Exempt.</p> <p>Active Duty Military CZE and exempt up to \$15,000 in National Guard and Reserve pay.</p> <p>Unemployment Compensation Same as federal.</p> <p>Social Security Benefits Exempt.</p> <p>State/Municipal Bond Interest Taxable except Mississippi obligations.</p> <p>Health Savings Accounts Same as federal.</p> <p>Miscellaneous</p> <p>Disability Income Same as federal.</p> <p>College Savings Plans Same as federal, plus deductions for contributions to Mississippi's prepaid tuition plan and for contributions up to \$10,000 (\$20,000 MJ) to Mississippi's affordable college savings plan.</p> <p>Lottery Winnings Mississippi gambling income is exempt.</p> <p>Federal Income Taxes Not deductible.</p> <p>Other Deductions for amounts deposited into a catastrophe savings account plus any accrued interest and interest penalties charged for early withdrawal of savings.</p>	<p>Standard:</p> <p>Single/Married-S\$2,300</p> <p>Head-of-Household 3,400</p> <p>Married-J4,600</p> <p>Itemized:</p> <p>Federal itemized deductions.</p> <p>Major Difference From Federal Law:</p> <p><u>Taxes.</u> State income taxes and sales taxes not deductible.</p> <p><u>Other:</u> Mississippi gambling losses are not deductible.</p>										
TAX RATES AND BRACKETS	EXEMPTIONS										
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<ul style="list-style-type: none"> • Child adoption • Income tax paid to another state • Job development assessment fee • Long-term care premiums 	<ul style="list-style-type: none"> • Prekindergarten • Reforestation • Wildlife land use <p>• Consumer use tax</p>										

*Early or excess distributions of pensions, annuities, and deferred compensation plans are taxable.

MISSOURI

Filing System: Combined

TAX BASE: FEDERAL ADJUSTED GROSS INCOME		DEDUCTIONS																								
<p style="text-align: center;"><u>Major Differences from Federal Law</u></p> <p>Interest/Dividend Exempts U.S. government bonds.</p> <p>Capital Gains & Losses Exempts gain from conversion of condemned property and 25% exclusion for certain sales of low-income housing.</p> <p>Pension/Retirement Income</p> <p>--Private Exclude up to \$6,000, subject to certain limits.</p> <p>--Public Exempt up to \$36,976/person (includes Social Security), subject to certain limits.</p> <p>--U.S. Civil Service Included in calculation of exclusion for public pension.</p> <p>--Military 90% exempt, reduced by amount already excluded under public pension exemption.</p> <p>Active Duty Military All income earned in a combat zone is exempt.</p> <p>Unemployment Compensation Same as federal.</p> <p>Social Security Benefits Exempt, subject to AGI limits.</p> <p>State/Municipal Bond Interest Taxable except Missouri obligations and interest on Build America and Recovery Zone bonds.</p> <p>Health Savings Accounts Same as federal.</p> <p>Miscellaneous</p> <p>Disability Income Same as federal.</p> <p>College Savings Plans Same as federal, plus deduction for contributions up to \$8,000 (\$16,000 M-J) to Missouri's plan.</p> <p>Lottery Winnings Same as federal.</p> <p>Federal Income Taxes Up to \$5,000 is deductible (\$10,000 if combined return)</p> <p>Other Deductions for: long-term care and qualified health insurance premiums; contributions to a qualified health care sharing ministry; contributions to, and qualified withdrawals from, family development and individual medical accounts; certain business income from an enterprise or rural empowerment zone; annual contributions to the Missouri ABLE program; and home energy audit expenses.</p>		<p>Standard: Same as federal.</p> <p>Itemized: Federal itemized deductions.</p> <p>Major Differences from Federal Law: <u>Taxes:</u> State and local income taxes are not deductible as a portion of the individual's itemized deductions. State deduction for FICA taxes, railroad retirement taxes, self-employment tax not federally deductible, and city earnings tax. <u>Charitable:</u> Deduction for cultural contributions.</p>																								
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<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Taxable Income Brackets</th> <th style="text-align: center;">Marginal Tax Rates</th> <th style="text-align: center;">Taxable Income Brackets</th> <th style="text-align: center;">Marginal Tax Rates</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">\$100 - \$1,000</td> <td style="text-align: center;">1.5%</td> <td style="text-align: center;">\$5,001 - \$6,000</td> <td style="text-align: center;">4.0%</td> </tr> <tr> <td style="text-align: center;">1,001 - 2,000</td> <td style="text-align: center;">2.0</td> <td style="text-align: center;">6,001 - 7,000</td> <td style="text-align: center;">4.5</td> </tr> <tr> <td style="text-align: center;">2,001 - 3,000</td> <td style="text-align: center;">2.5</td> <td style="text-align: center;">7,001 - 8,000</td> <td style="text-align: center;">5.0</td> </tr> <tr> <td style="text-align: center;">3,001 - 4,000</td> <td style="text-align: center;">3.0</td> <td style="text-align: center;">8,001 - 9,000</td> <td style="text-align: center;">5.5</td> </tr> <tr> <td style="text-align: center;">4,001 - 5,000</td> <td style="text-align: center;">3.5</td> <td style="text-align: center;">9,001 and over</td> <td style="text-align: center;">6.0</td> </tr> </tbody> </table>	Taxable Income Brackets	Marginal Tax Rates	Taxable Income Brackets	Marginal Tax Rates	\$100 - \$1,000	1.5%	\$5,001 - \$6,000	4.0%	1,001 - 2,000	2.0	6,001 - 7,000	4.5	2,001 - 3,000	2.5	7,001 - 8,000	5.0	3,001 - 4,000	3.0	8,001 - 9,000	5.5	4,001 - 5,000	3.5	9,001 and over	6.0	<p>Single\$2,100</p> <p>Married-Combined4,200</p> <p>Married-Separate2,100</p> <p>Married-Separate, Spouse Not Filing4,200</p> <p>Head-of-Household3,500</p> <p>Dependent under 651,200</p> <p>Dependent age 65 or over2,200</p> <p>Stillborn child1,200</p>	
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<ul style="list-style-type: none"> • Affordable housing assistance • Champion for children • Domestic violence • Family development account • Food pantry • Historic preservation • Income taxes paid to other states/subdivisions • Maternity home • Pregnancy resource 	<ul style="list-style-type: none"> • Property tax • Public safety officer surviving spouse • Residential dwelling accessibility • Residential treatment agency • Self-employed health insurance • Shared care for the elderly • Special needs adoption • Youth opportunities 	<ul style="list-style-type: none"> • Recapture tax on low-income housing credit. • Tax on lump sum distributions. 																								

MONTANA

Filing System: Joint/Combined

TAX BASE: FEDERAL ADJUSTED GROSS INCOME		DEDUCTIONS																															
<p style="text-align: center;"><u>Major Differences from Federal Law</u></p> <p>Interest/Dividend Exempts U.S. government bonds and dividends from certain small business investment companies. Interest exclusion of \$800 per person if 65 or over. For married-joint filers, the maximum exclusion is \$1,600, even if only one spouse is 65 or older.</p> <p>Capital Gains & Losses 40% exclusion for installment sales entered into before 1987. Gains from certain small business investment companies are exempt.</p> <p>Pension/Retirement Income</p> <p>--Private Up to \$3,980/retiree exempt if income is below \$33,190.*</p> <p>--Public Up to \$3,980/retiree exempt if income is below \$33,190.*</p> <p>--U.S. Civil Service Up to \$3,980/retiree exempt if income is below \$33,190.*</p> <p>--Military Up to \$3,980/retiree exempt if income is below \$33,190.*</p> <p>Active Duty Military Exempt.</p> <p>Unemployment Compensation Exempt.</p> <p>Social Security Benefits Separate state calculation of taxable amount.</p> <p>State/Municipal Bond Interest Taxable except Montana obligations.</p> <p>Health Savings Accounts Same as federal.</p> <p>Miscellaneous</p> <p>Disability Income Up to \$5,200 excluded.</p> <p>College Savings Plans Same as federal.</p> <p>Lottery Winnings Taxable.</p> <p>Federal Income Taxes Up to \$5,000 (\$10,000 M-J) deductible as itemized deduction.</p> <p>Other Tip income for food, beverage, or lodging employees excluded. Exemptions for deposits to and earnings on MSAs, family education savings accounts, and first-time home buyers savings accounts. Subtractions for workers' compensation benefits, health care professional student loan payments, dependent's unearned income included in parent's federal AGI, deposits to farm and ranch risk management and ABLÉ accounts, certain reimbursements received by National Guard members and reservists for life insurance premiums, and wages used for federal targeted jobs tax credit. Deduction for certain land sales to beginning farmers.</p>		<p>Standard: 20% of Montana AGI.</p> <table style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th></th> <th style="text-align: center;"><u>Minimum</u></th> <th style="text-align: center;"><u>Maximum</u></th> </tr> </thead> <tbody> <tr> <td>Single/</td> <td></td> <td></td> </tr> <tr> <td>Married-S</td> <td style="text-align: center;">\$1,940</td> <td style="text-align: center;">\$4,370</td> </tr> <tr> <td>Married-J/HH</td> <td style="text-align: center;">3,880</td> <td style="text-align: center;">8,740</td> </tr> </tbody> </table> <p>Itemized: Same as federal.</p> <p>Major Differences from Federal Law: <u>Medical Expenses:</u> Medical and long-term care insurance premiums are deductible. <u>Taxes:</u> State income taxes are not deductible. Motor vehicle taxes and fees, federal income taxes, state and local sales taxes (even if the taxpayer claimed the federal standard deduction) are deductible. <u>Other:</u> Child and dependent care expenses and up to \$100 (\$200 for married-joint filers) for political contributions.</p>			<u>Minimum</u>	<u>Maximum</u>	Single/			Married-S	\$1,940	\$4,370	Married-J/HH	3,880	8,740																		
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		<ul style="list-style-type: none"> • Lump sum distributions • Recapture tax or penalty on: early or non-qualified withdrawals from family education savings accounts, MSA, first-time home buyers accounts, and farm and ranch risk accounts; returned gifts previously used to claim endowment credit; and biodiesel, biolubricant, or oilseed credits previously claimed by taxpayers who have ceased operations 																															

*Partial exclusions are phased out between income of \$33,190 and \$35,180 (\$37,170 M-J).

NEBRASKA

Filing System: Joint

TAX BASE: FEDERAL ADJUSTED GROSS INCOME	DEDUCTIONS																								
<p style="text-align: center;"><u>Major Differences from Federal Law</u></p> <p>Interest/Dividend Exempts U.S. government obligations and extraordinary dividends from qualified corporations.</p> <p>Capital Gains & Losses Deduction for special capital gains from stock sales by Nebraska residents who are employees of qualified corporations doing business in Nebraska.</p> <p>Pension/Retirement Income</p> <p>--Private Same as federal.</p> <p>--Public Same as federal.</p> <p>--U.S. Civil Service Same as federal.</p> <p>--Military Exempt either 40% of military retirement income for 7 consecutive years after the initial claim or 15% of military retirement income for all tax years after claimant becomes 67.</p> <p>Active Duty Military Same as federal.</p> <p>Unemployment Compensation Same as federal.</p> <p>Social Security Benefits Exempt if income is at or below \$43,000 (\$58,000 MJ).</p> <p>State/Municipal Bond Interest Taxable except Nebraska or its subdivisions' obligations, including Build America bonds.</p> <p>Health Savings Accounts Same as federal.</p> <p>Miscellaneous</p> <p>Disability Income Same as federal.</p> <p>College Savings Plans Same as federal, plus deduction for contributions up to \$10,000 (\$5,000 MS) to Nebraska's College Savings Program, provided the taxpayer is the account owner or parent/guardian custodian of the account.</p> <p>Lottery Winnings Same as federal.</p> <p>Federal Income Taxes Not deductible.</p> <p>Other Deductions for contributions to and earnings from a Nebraska long-term care savings plan and for claim of right repayments.</p>	<p>Standard: Same as federal.</p> <p>Itemized: Federal itemized deductions.</p> <p>Major Differences from Federal Law: <u>Taxes:</u> State and local income taxes not deductible.</p>																								
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Taxable Income Brackets			Marginal																						
<u>Single/ M-S</u>	<u>Married-J</u>	<u>Head-of-Household</u>	<u>Tax Rates</u>																						
\$0 - \$3,050	\$0 - \$6,090	\$0 - \$5,690	2.46%																						
3,051 - 18,280	6,091 - 36,570	5,691 - 29,260	3.51																						
18,281 - 29,460	36,571 - 58,920	29,261 - 43,680	5.01																						
29,461 and over	58,921 and over	43,681 and over	6.84																						
TAX CREDITS	OTHER TAXES																								
<ul style="list-style-type: none"> • Angel investment • Beginning farmer • Child and dependent care expenses • Community development assistance 	<ul style="list-style-type: none"> • Earned income tax credit • Elderly or disabled • Income taxes paid to other states 																								
	<ul style="list-style-type: none"> • Lump-sum or early retirement plan distributions • Use tax 																								

NEW HAMPSHIRE

Filing System: Joint

TAX BASE: INTEREST AND DIVIDENDS	DEDUCTIONS
<p style="text-align: center;"><u>Major Differences from Federal Law</u></p> <p>Interest/Dividend..... Interest and dividends from the following sources are taxable: annuities, financial institutions, bonds, notes, private mortgages and loans, corporations, mutual funds (unless invested solely in New Hampshire tax-exempt instruments), and cash or property distributions from a taxable partnership, association, trust, or S-corporation. U.S. government bonds are exempt. Earnings on college tuition savings programs and on IRAs, Keogh plans, and other federally-exempt retirement plans and tax-deferred investments are exempt.</p> <p>Capital Gains & Losses..... Exempt.</p> <p>Pension/Retirement Income</p> <p>--Private..... Exempt.</p> <p>--Public..... Exempt.</p> <p>--U.S. Civil Service..... Exempt.</p> <p>--Military..... Exempt.</p> <p>Active Duty Military..... Exempt.</p> <p>Unemployment Compensation..... Exempt.</p> <p>Social Security Benefits..... Exempt.</p> <p>State/Municipal Bond Interest..... Taxable except New Hampshire obligations.</p> <p>Health Savings Accounts..... No provision.</p> <p>Miscellaneous</p> <p>Disability Income..... Exempt.</p> <p>College Savings Plans..... Same as federal.</p> <p>Lottery Winnings..... Exempt.</p> <p>Federal Income Taxes..... No provision.</p>	<p>Standard: None</p> <p>Itemized: None</p>
TAX RATES AND BRACKETS	EXEMPTIONS
<p style="text-align: center;">5% of taxable interest and dividends.</p>	<p>Single/HH/Married-S..... \$2,400</p> <p>Married-J..... 4,800</p> <p>65 or over or disabled..... 1,200</p> <p>Blind..... 1,200</p>
TAX CREDITS	OTHER TAXES
<p style="text-align: center;">None</p>	<p>• Business profits and business enterprise taxes (includes income reported on federal schedules C, E, and F, as well as sales of business assets)</p>

NEW JERSEY

Filing System: Joint

TAX BASE: STATE GROSS INCOME																																																					
<u>Major Differences from Federal Law</u>																																																					
Interest/Dividend	Exempts U.S. government bonds and certain distributions from a New Jersey qualified investment fund.																																																				
Capital Gains & Losses	Same as federal except capital gains from New Jersey obligations are exempt and capital losses may not be deducted from ordinary income.																																																				
Pension/Retirement Income																																																					
--Private	Exclude \$15,000 (\$20,000 M-J/\$10,000 M-S). *																																																				
--Public	Exclude \$15,000 (\$20,000 M-J/\$10,000 M-S). *																																																				
--U.S. Civil Service	Exclude \$15,000 (\$20,000 M-J/\$10,000 M-S). *																																																				
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Lottery Winnings	Net gambling winnings are taxable. New Jersey lottery winnings exempt, except winnings from prize amounts exceeding \$10,000.																																																				
Federal Income Taxes	Not deductible.																																																				
Other	Exemptions for property taxes/rent paid except exemption may not be claimed if the property tax/rent credit is claimed. Exemptions for medical expenses that exceed 2% of New Jersey gross income, alimony and separate maintenance payments, qualified conservation contributions, and qualified receipts from medical and dental services provided in a health enterprise zone. The following are exempt if reported in an employee's W-2 wages: (a) compensation for injuries or sickness; (b) meals and lodging furnished by the employer; (c) reimbursements for employee business expenses; and (d) moving expenses. Additional retirement income exclusion of up to \$6,000 may also apply for taxpayers who do not use maximum general retirement exclusion and/or who are not eligible for social security or railroad retirement benefits. Employee contributions to retirement plans [other than 401(k) plans] and distributed earnings on Coverdell education savings accounts are taxable.																																																				
TAX RATES AND BRACKETS		DEDUCTIONS																																																			
<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: center; border-bottom: 1px solid black;">Single/Married-S</th> <th colspan="2" style="text-align: center; border-bottom: 1px solid black;">Married-J/Head-of-Household</th> </tr> <tr> <th style="text-align: center; border-bottom: 1px solid black;">Taxable Income Brackets</th> <th style="text-align: center; border-bottom: 1px solid black;">Marginal Tax Rates</th> <th style="text-align: center; border-bottom: 1px solid black;">Taxable Income Brackets</th> <th style="text-align: center; border-bottom: 1px solid black;">Marginal Tax Rates</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">\$0 - \$20,000</td> <td style="text-align: center;">1.40%</td> <td style="text-align: center;">\$0 - \$20,000</td> <td style="text-align: center;">1.40%</td> </tr> <tr> <td style="text-align: center;">20,001 - 35,000</td> <td style="text-align: center;">1.75</td> <td style="text-align: center;">20,001 - 50,000</td> <td style="text-align: center;">1.75</td> </tr> <tr> <td style="text-align: center;">35,001 - 40,000</td> <td style="text-align: center;">3.50</td> <td style="text-align: center;">50,001 - 70,000</td> <td style="text-align: center;">2.45</td> </tr> <tr> <td style="text-align: center;">40,001 - 75,000</td> <td style="text-align: center;">5.525</td> <td style="text-align: center;">70,001 - 80,000</td> <td style="text-align: center;">3.50</td> </tr> <tr> <td style="text-align: center;">75,001 - 500,000</td> <td style="text-align: center;">6.37</td> <td style="text-align: center;">80,001 - 150,000</td> <td style="text-align: center;">5.525</td> </tr> <tr> <td style="text-align: center;">500,001 and over</td> <td style="text-align: center;">8.97</td> <td style="text-align: center;">150,001 - 500,000</td> <td style="text-align: center;">6.37</td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">500,001 and over</td> <td style="text-align: center;">8.97</td> </tr> </tbody> </table>		Single/Married-S		Married-J/Head-of-Household		Taxable Income Brackets	Marginal Tax Rates	Taxable Income Brackets	Marginal Tax Rates	\$0 - \$20,000	1.40%	\$0 - \$20,000	1.40%	20,001 - 35,000	1.75	20,001 - 50,000	1.75	35,001 - 40,000	3.50	50,001 - 70,000	2.45	40,001 - 75,000	5.525	70,001 - 80,000	3.50	75,001 - 500,000	6.37	80,001 - 150,000	5.525	500,001 and over	8.97	150,001 - 500,000	6.37			500,001 and over	8.97	<p>Standard: None Itemized: None</p> <hr/> <p style="text-align: center;">EXEMPTIONS</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding: 2px 5px;">Single/HH</td> <td style="text-align: right; padding: 2px 5px;">\$1,000</td> </tr> <tr> <td style="padding: 2px 5px;">Married-J</td> <td style="text-align: right; padding: 2px 5px;">2,000</td> </tr> <tr> <td style="padding: 2px 5px;">Married-S</td> <td style="text-align: right; padding: 2px 5px;">1,000</td> </tr> <tr> <td style="padding: 2px 5px;">Age 65 or Over</td> <td style="text-align: right; padding: 2px 5px;">1,000</td> </tr> <tr> <td style="padding: 2px 5px;">Blind or Disabled</td> <td style="text-align: right; padding: 2px 5px;">1,000</td> </tr> <tr> <td style="padding: 2px 5px;">Dependent</td> <td style="text-align: right; padding: 2px 5px;">1,500</td> </tr> <tr> <td style="padding: 2px 5px;">Dependent in College</td> <td style="text-align: right; padding: 2px 5px;">1,000</td> </tr> </table>		Single/HH	\$1,000	Married-J	2,000	Married-S	1,000	Age 65 or Over	1,000	Blind or Disabled	1,000	Dependent	1,500	Dependent in College	1,000
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TAX CREDITS		OTHER TAXES																																																			
<ul style="list-style-type: none"> • Earned income tax credit • Excess contributions for disability insurance, family leave insurance, supplemental workforce fund, workforce development partnership fund, and unemployment insurance 	<ul style="list-style-type: none"> • Income taxes paid to other jurisdictions • Property tax/rent • Sheltered workshop 	<ul style="list-style-type: none"> • Use tax 																																																			

*Applies if aged 62 or older or disabled and gross income is \$100,000 or less. See additional retirement income exclusion under "Other."

NEW MEXICO

Filing System: Joint

TAX BASE: FEDERAL ADJUSTED GROSS INCOME		DEDUCTIONS								
<p style="text-align: center;"><u>Major Differences from Federal Law</u></p> Interest/Dividend Exempts U.S. government bonds. Capital Gains & Losses Deduct the greater of 50% or \$1,000 of federally taxable gains. Pension/Retirement Income --Private Same as federal. --Public Same as federal. --U.S. Civil Service Same as federal. --Military Same as federal. Active Duty Military Exempt. Unemployment Compensation Same as federal. Social Security Benefits Same as federal. State/Municipal Bond Interest Taxable except New Mexico obligations. Health Savings Accounts Same as federal. Miscellaneous Disability Income Same as federal. College Savings Plans Same as federal, plus contributions to New Mexico's plan. Lottery Winnings Same as federal. Federal Income Taxes Not deductible. Other Deduction of up to \$8,000 if age 65 or over or blind, subject to certain income limits and for income of a person aged 100 or more if not claimed as a dependent. Deductions for contributions to a New Mexico medical care savings account, unreimbursed medical care expenses not claimed as an itemized deduction, additional deduction for medical care expenses for persons aged 65 or older, organ donation related expenses, and certain reimbursements received by National Guard members for life insurance premiums.		<p>Standard: Same as federal.</p> <p>Itemized: Same as federal.</p> <p>Major Differences from Federal Law: <u>Taxes:</u> State and local income or general sales taxes are not deductible. <u>Charitable:</u> Contributions resulting in a state land conservation tax credit are not deductible.</p>								
		EXEMPTIONS								
		Federal exemptions plus a low- and middle-income exemption of up to \$2,500 for each federal exemption. The additional exemptions are phased out over the following federal AGI ranges:								
		<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Filing Status</th> <th style="text-align: left;">Income Range for Extra Exemption Phase-Out</th> </tr> </thead> <tbody> <tr> <td>Single</td> <td>\$20,000 - \$36,667</td> </tr> <tr> <td>Married-J/HH</td> <td>30,000 - 55,000</td> </tr> <tr> <td>Married-S</td> <td>15,000 - 27,500</td> </tr> </tbody> </table>	Filing Status	Income Range for Extra Exemption Phase-Out	Single	\$20,000 - \$36,667	Married-J/HH	30,000 - 55,000	Married-S	15,000 - 27,500
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TAX RATES AND BRACKETS										
Taxable Income Brackets		Marginal Tax Rate								
<u>Married-J/HH</u>	<u>Married-S</u>	<u>Single</u>								
\$0 - \$8,000	\$0 - \$4,000	\$0 - \$5,500								
8,001 - 16,000	4,001 - 8,000	5,501 - 11,000								
16,001 - 24,000	8,001 - 12,000	11,001 - 16,000								
24,001 and over	12,001 and over	16,001 and over								
		1.7%								
		3.2								
		4.7								
		4.9								
TAX CREDITS		OTHER TAXES								
<ul style="list-style-type: none"> • Affordable housing • Agricultural biomass • Agricultural water conservation • Angel investment • Cancer clinical trial • Child day care • Geothermal ground-coupled heat pump • Income tax paid to other states • Land conservation incentives • Low-income comprehensive tax rebate 	<ul style="list-style-type: none"> • Low-income property tax rebate for Los Alamos or Santa Fe County residents • Medical care credit for persons 65 or older • Preservation of cultural properties • Property tax rebate (age 65 and over) • Renewable energy • Rural healthcare practitioners • Solar market development • Special needs adopted child • Sustainable building • Working families (earned income) 	<ul style="list-style-type: none"> • Tax on lump sum distributions 								

NEW YORK

Filing System: Joint

TAX BASE: FEDERAL ADJUSTED GROSS INCOME				DEDUCTIONS																																									
<p style="text-align: center;"><u>Major Differences from Federal Law</u></p> <p>Interest/Dividend Exempts U.S. government bonds.</p> <p>Capital Gains & Losses Gains on sale of certain new business investments and qualified emerging technology investments exempt.</p> <p>Pension/Retirement Income</p> <p>--Private Up to \$20,000 exempt if age 59½ or over.</p> <p>--Public Exempt.</p> <p>--U.S. Civil Service Exempt.</p> <p>--Military Exempt.</p> <p>Active Duty Military Same as federal.</p> <p>Unemployment Compensation Same as federal.</p> <p>Social Security Benefits Exempt.</p> <p>State/Municipal Bond Interest Taxable except New York obligations and Build America bonds.</p> <p>Health Savings Accounts Same as federal.</p> <p>Miscellaneous</p> <p>Disability Income Up to \$5,200 excluded.</p> <p>College Savings Plans Same as federal, plus deduction for contributions of up to \$5,000 (\$10,000 MJ) to New York's plan.</p> <p>Lottery Winnings Same as federal.</p> <p>Federal Income Taxes Not deductible.</p> <p>Other Contributions to certain public employee retirement systems and amounts deducted from salaries and wages (for federal tax purposes) under certain New York City public employer flexible benefits programs and retirement systems are included in New York AGI. Deductions for wages earned from an approved business in a START-UP NY zone, certain fees for long-term residential care, living organ donor expenses, income as a member of the New York organized militia called for emergency state duty, interest payments under the New York higher education loan program, and accelerated payments of life insurance death benefits. Certain amounts eligible for New York credits are added back to AGI.</p>				<p>Standard:</p> <p>Single/Married-S \$7,900</p> <p>Single-Dependent 3,100</p> <p>Married-J 15,850</p> <p>Head-of-Household 11,100</p> <p>Itemized:</p> <p>Federal itemized deductions.</p> <p>Major Differences from Federal Law:</p> <p><u>Taxes:</u> State, local, and foreign income taxes not deductible.</p> <p><u>Medical Expenditures:</u> Amounts claimed for long-term care insurance credit cannot be claimed as an itemized deduction.</p> <p><u>College Tuition:</u> Deduction unless claiming college tuition credit.</p> <p><u>High-Income Limitation:</u> Total deductions are limited using state thresholds.</p>																																									
TAX RATES AND BRACKETS				EXEMPTIONS																																									
<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="3" style="text-align: center;">Taxable Income Brackets</th> <th style="text-align: center;">Marginal Tax Rates</th> </tr> <tr> <th style="text-align: center;">Married-J</th> <th style="text-align: center;">Single/Married-S</th> <th style="text-align: center;">Head-of-Household</th> <th style="text-align: center;">Tax Rates</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">\$0 - \$16,950</td> <td style="text-align: center;">\$0 - \$8,400</td> <td style="text-align: center;">\$0 - \$12,700</td> <td style="text-align: center;">4.00%</td> </tr> <tr> <td style="text-align: center;">16,951 - 23,300</td> <td style="text-align: center;">8,401 - 11,600</td> <td style="text-align: center;">12,701 - 17,450</td> <td style="text-align: center;">4.50</td> </tr> <tr> <td style="text-align: center;">23,301 - 27,550</td> <td style="text-align: center;">11,601 - 13,750</td> <td style="text-align: center;">17,451 - 20,650</td> <td style="text-align: center;">5.25</td> </tr> <tr> <td style="text-align: center;">27,551 - 42,450</td> <td style="text-align: center;">13,751 - 21,150</td> <td style="text-align: center;">20,651 - 31,800</td> <td style="text-align: center;">5.90</td> </tr> <tr> <td style="text-align: center;">42,451 - 159,350</td> <td style="text-align: center;">21,151 - 79,600</td> <td style="text-align: center;">31,801 - 106,200</td> <td style="text-align: center;">6.45</td> </tr> <tr> <td style="text-align: center;">159,351 - 318,750</td> <td style="text-align: center;">79,601 - 212,500</td> <td style="text-align: center;">106,201 - 265,600</td> <td style="text-align: center;">6.65</td> </tr> <tr> <td style="text-align: center;">318,751 - 2,125,450</td> <td style="text-align: center;">212,501 - 1,062,650</td> <td style="text-align: center;">265,601 - 1,594,050</td> <td style="text-align: center;">6.85</td> </tr> <tr> <td style="text-align: center;">2,125,451 and over</td> <td style="text-align: center;">1,062,651 and over</td> <td style="text-align: center;">1,594,051 and over</td> <td style="text-align: center;">8.82</td> </tr> </tbody> </table> <p style="text-align: center;">Benefits of the lower marginal tax rates are phased out for higher-income taxpayers.</p>				Taxable Income Brackets			Marginal Tax Rates	Married-J	Single/Married-S	Head-of-Household	Tax Rates	\$0 - \$16,950	\$0 - \$8,400	\$0 - \$12,700	4.00%	16,951 - 23,300	8,401 - 11,600	12,701 - 17,450	4.50	23,301 - 27,550	11,601 - 13,750	17,451 - 20,650	5.25	27,551 - 42,450	13,751 - 21,150	20,651 - 31,800	5.90	42,451 - 159,350	21,151 - 79,600	31,801 - 106,200	6.45	159,351 - 318,750	79,601 - 212,500	106,201 - 265,600	6.65	318,751 - 2,125,450	212,501 - 1,062,650	265,601 - 1,594,050	6.85	2,125,451 and over	1,062,651 and over	1,594,051 and over	8.82	<p>Dependent \$1,000</p>	
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<ul style="list-style-type: none"> • Accumulation distribution • Alternative fuels and electric vehicle recharging • Child and dependent care • Claim of right • Clean heating fuel • College tuition • Conservation easement • Defibrillator • Earned income tax credit • Empire State child • Enhanced real property tax 		<ul style="list-style-type: none"> • Family tax relief • Farmers school property tax • Green building • Historic homeownership rehabilitation • Household (low income) • Income taxes paid to other states or Canada • Long-term care insurance • Property tax freeze • Real property tax • Solar energy system equipment • Volunteer firefighters and ambulance workers 		<ul style="list-style-type: none"> • City of New York resident and part-year resident income tax • City of Yonkers nonresident earnings tax • City of Yonkers resident and part-year resident income tax surcharge • Lump sum distributions • Metropolitan commuter transportation mobility tax • Use tax 																																									

NORTH CAROLINA

Filing System: Joint

TAX BASE: FEDERAL ADJUSTED GROSS INCOME	DEDUCTIONS
<p style="text-align: center;"><u>Major Differences from Federal Law</u></p> <p>Interest/Dividend Exempts U.S. government bonds.</p> <p>Capital Gains & Losses Same as federal plus exemption for gains from certain North Carolina obligations issued before July 1, 1995.</p> <p>Pension/Retirement Income</p> <p>--Private Same as federal.</p> <p>--Public Same as federal.*</p> <p>--U.S. Civil Service Same as federal.*</p> <p>--Military Same as federal.*</p> <p>Active Duty Military Same as federal.</p> <p>Unemployment Compensation Same as federal.</p> <p>Social Security Benefits Exempt.</p> <p>State/Municipal Bond Interest Taxable except North Carolina obligations.</p> <p>Health Savings Accounts Same as federal.</p> <p>Miscellaneous</p> <p>Disability Income Same as federal.</p> <p>College Savings Plans Same as federal.</p> <p>Lottery Winnings Same as federal.</p> <p>Federal Income Taxes Not deductible.</p> <p>Other Deduction for amounts received from the Eugenics Sterilization Compensation Fund.</p>	<p>Standard:</p> <p>Married-J \$15,000</p> <p>Head-of-Household 12,000</p> <p>Single 7,500</p> <p>Married-S</p> <p>if spouse does not itemize 7,500</p> <p>if spouse does itemize 0</p> <p>Itemized:</p> <p>State itemized deductions.</p> <p>Qualifying home mortgage interest and real estate property taxes are deductible, but the sum of the two is limited to \$20,000.</p> <p>Charitable contributions are deductible without limitation</p> <p>Medical and dental expenses are deductible.</p> <p>These deductions are not subject to a high income limitation.</p>
TAX RATES AND BRACKETS	EXEMPTIONS
5.75% of North Carolina taxable income.	None.
TAX CREDITS	OTHER TAXES
<ul style="list-style-type: none"> • Children • Historic rehabilitation (2) • Historic mill facility rehabilitation • Income tax paid to another state or country 	<ul style="list-style-type: none"> • Use tax

*As a result of the North Carolina Supreme Court's decision in Bailey v. State of North Carolina, certain retirement benefits received by retirees, or their beneficiaries, of the State of North Carolina and its local governments or by retirees of the U.S. government, including the military, are not subject to tax.

NORTH DAKOTA

Filing System: Joint

TAX BASE: FEDERAL TAXABLE INCOME					DEDUCTIONS
<u>Major Differences from Federal Law</u>					<p>Standard: Same as federal.</p> <p>Itemized: Federal itemized deductions.</p>
Interest/Dividend	Exempts U.S. government obligations and 40% of qualified dividends subject to the lower federal tax rate.				
Capital Gains & Losses	Exclude 40% of net long-term gains.				
Pension/Retirement Income					
--Private	Same as federal.				
--Public	Same as federal.				
--U.S. Civil Service	Same as federal.				
--Military.....	Same as federal.				
Active Duty Military	Same as federal plus exemption for pay for federal active duty service in National Guard or Reserve.				
Unemployment Compensation.....	Same as federal.				
Social Security Benefits	Same as federal.				
State/Municipal Bond Interest.....	Exempt.				
Health Savings Accounts	Same as federal.				
Miscellaneous					
Disability Income	Same as federal.				
College Savings Plans	Same as federal, plus deduction for contributions up to \$5,000 (\$10,000 MJ) to North Dakota's plan.				
Lottery Winnings.....	Same as federal.				
Federal Income Taxes	Same as federal.				
Other	Deductions for employee workforce recruitment payments, organ donation expenses, income from renaissance zones, qualifying new and expanding businesses. Certain charitable contributions included as federal itemized deductions are additions to income if claimed as state tax credits.				
TAX RATES AND BRACKETS					EXEMPTIONS
<u>Taxable Income Brackets</u>					Same as federal.
<u>Single</u>	<u>Head-of-Household</u>	<u>Married-J</u>	<u>Married-S</u>	<u>Marginal Tax Rate</u>	
\$0 - \$37,450	\$0 - \$50,200	\$0 - \$62,600	\$0 - \$31,300	1.10%	
37,451 - 90,750	50,201 - 129,600	62,601 - 151,200	31,301 - 75,600	2.04	
90,751 - 189,300	129,601 - 209,850	151,201 - 230,450	75,601 - 115,225	2.27	
189,301 - 411,500	209,851 - 411,500	230,451 - 411,500	115,226 - 205,750	2.64	
411,501 and over	411,501 and over	411,501 and over	205,751 and over	2.90	
TAX CREDITS					OTHER TAXES
<ul style="list-style-type: none"> • Angel fund investment • Endowment fund • Family member care • Geothermal energy device • Housing incentive fund • Income taxes paid to another state 			<ul style="list-style-type: none"> • Long-term care insurance (partnership plan) • Marriage penalty • Planned gifts • Renaissance zones • Seed capital investment 		None

OHIO

Filing System: Joint

TAX BASE: FEDERAL ADJUSTED GROSS INCOME		DEDUCTIONS																												
<p style="text-align: center;"><u>Major Differences from Federal Law</u></p> <p>Interest/Dividend..... Exempts U.S. government bonds plus investment and business income deduction excludes up to 75% of interest and ordinary dividends.</p> <p>Capital Gains & Losses..... Same as federal except investment and business income deduction excludes up to 75% of gains that qualify as business income.</p> <p>Pension/Retirement Income</p> <p>--Private Credit up to \$200.</p> <p>--Public Credit up to \$200.</p> <p>--U.S. Civil Service Credit up to \$200.</p> <p>--Military Exempt.</p> <p>Active Duty Military Federal exclusions and subtraction for additional active duty pay and allowances while stationed outside Ohio.</p> <p>Unemployment Compensation Same as federal.</p> <p>Social Security Benefits Exempt.</p> <p>State/Municipal Bond Interest Taxable except Ohio obligations.</p> <p>Health Savings Accounts Same as federal.</p> <p>Miscellaneous</p> <p>Disability Income Exempt (except for payments made on a temporary basis).</p> <p>College Savings Plans Same as federal, plus deduction for contributions up to \$2,000 per beneficiary to Ohio's plan.</p> <p>Lottery Winnings..... Same as federal.</p> <p>Federal Income Taxes Not deductible.</p> <p>Other..... Federal target jobs and work opportunity tax credit adjustments. Deductions for 75% of all investment and business income up to \$187,500 (\$93,750 M-S), Ohio MSA contributions, contributions to individual development accounts, medical expenses exceeding 7.5% of federal AGI, medical insurance, long-term care insurance, disability survivorship benefits, room and board expenses funded from Ohio College Opportunity and Pell grants, organ donation expenses, and reimbursements received by Ohio National Guard member for life insurance premiums and death benefits for an Ohio National Guard member killed on active duty. Add back any reimbursement of amounts previously deducted as tuition and fee expenses.</p>		<p>Standard: None</p> <p>Itemized: None</p>																												
TAX RATES AND BRACKETS		EXEMPTIONS																												
<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;"><u>Taxable Income Brackets</u></th> <th style="text-align: center;"><u>Marginal Tax Rates</u></th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">\$0 - \$5,200</td> <td style="text-align: center;">0.495%</td> </tr> <tr> <td style="text-align: center;">5,201 - 10,400</td> <td style="text-align: center;">0.990</td> </tr> <tr> <td style="text-align: center;">10,401 - 15,650</td> <td style="text-align: center;">1.980</td> </tr> <tr> <td style="text-align: center;">15,651 - 20,900</td> <td style="text-align: center;">2.476</td> </tr> <tr> <td style="text-align: center;">20,901 - 41,700</td> <td style="text-align: center;">2.969</td> </tr> <tr> <td style="text-align: center;">41,701 - 83,350</td> <td style="text-align: center;">3.465</td> </tr> <tr> <td style="text-align: center;">83,351 - 104,250</td> <td style="text-align: center;">3.960</td> </tr> <tr> <td style="text-align: center;">104,251 - 208,500</td> <td style="text-align: center;">4.597</td> </tr> <tr> <td style="text-align: center;">208,501 and over</td> <td style="text-align: center;">4.997</td> </tr> </tbody> </table> <p style="text-align: center;">Pass-through business income exceeding \$41,700 is taxed at a marginal rate of 3%.</p>		<u>Taxable Income Brackets</u>	<u>Marginal Tax Rates</u>	\$0 - \$5,200	0.495%	5,201 - 10,400	0.990	10,401 - 15,650	1.980	15,651 - 20,900	2.476	20,901 - 41,700	2.969	41,701 - 83,350	3.465	83,351 - 104,250	3.960	104,251 - 208,500	4.597	208,501 and over	4.997	<p>For each federal exemption, the state exemption is based on Ohio AGI:</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;"><u>OH AGI</u></th> <th style="text-align: center;"><u>Personal/ Dependent Exemption</u></th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">\$0 - \$40,000</td> <td style="text-align: center;">\$2,200</td> </tr> <tr> <td style="text-align: center;">40,001 - 80,000</td> <td style="text-align: center;">1,950</td> </tr> <tr> <td style="text-align: center;">Over 80,000</td> <td style="text-align: center;">1,700</td> </tr> </tbody> </table>	<u>OH AGI</u>	<u>Personal/ Dependent Exemption</u>	\$0 - \$40,000	\$2,200	40,001 - 80,000	1,950	Over 80,000	1,700
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TAX CREDITS		OTHER TAXES																												
<ul style="list-style-type: none"> • Adoption • Child and dependent care • Displaced worker training • Earned income • Exemption credit • Financial institutions • Historic preservation • Income taxed by another state (resident credit) 		<ul style="list-style-type: none"> • Invest Ohio • Joint filing (two income) • Low income • Lump sum retirement • Pass-through entity • Political contributions • Retirement income • Senior citizen 																												
		<ul style="list-style-type: none"> • Use tax 																												

OKLAHOMA

Filing System: Joint

TAX BASE: FEDERAL ADJUSTED GROSS INCOME																													
<p style="text-align: center;"><u>Major Differences from Federal Law</u></p> <p>Interest/DividendExempts U.S. government bonds; exclusion of \$100 per person for interest from Oklahoma bank, credit union, or savings and loan.</p> <p>Capital Gains & LossesDeduction for gains from certain Oklahoma property and stock. 50% exclusion for sales of historic battle site property to the state.</p> <p>Pension/Retirement Income</p> <p>--Private.....Up to \$10,000 per person exempt.</p> <p>--Public.....Up to \$10,000 per person exempt.</p> <p>--U.S. Civil Service.....Up to \$10,000 per person exempt.</p> <p>--Military.....The greater of 75% or \$10,000 per person exempt.</p> <p>Active Duty Military.....Exempt including Reserve and National Guard.</p> <p>Unemployment Compensation...Same as federal.</p> <p>Social Security Benefits.....Exempt. Also, up to 100% of civil service retirement income in lieu of social security benefits is exempt.</p> <p>State/Municipal Bond Interest....Taxable except Oklahoma obligations.</p> <p>Health Savings Accounts.....Same as federal.</p> <p>Miscellaneous</p> <p>Disability Income.....Same as federal.</p> <p>College Savings PlansSame as federal, plus deduction for contributions up to \$10,000 (\$20,000 MJ) per taxpayer to Oklahoma's plan.</p> <p>Lottery WinningsSame as federal.</p> <p>Federal Income Taxes.....Deductible.</p> <p>OtherDeductions for expenses related to the disabled, adoption expenses, organ donation expenses, foster care expenses, contributions to and earnings from an Oklahoma medical savings account, investments in agricultural commodity processing facilities, and pass-through expenses for qualified refinery property and for sulfur regulation compliance. Exclusions for small business incubators, inventor royalty income, Oklahoma police corps scholarships or stipends, payments received by a person whose military spouse is killed in a combat zone, EMT death benefits, livestock show awards, and income from discharge of indebtedness for farmers. \$1,000 exemption for use of certain Occupational Safety and Health Administration safety services.</p>																													
TAX RATES AND BRACKETS		DEDUCTIONS																											
<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: center; border-bottom: 1px solid black;">Taxable Income Brackets</th> <th style="text-align: center; border-bottom: 1px solid black;">Marginal</th> </tr> <tr> <th style="text-align: center; border-bottom: 1px solid black;">Single/Married-S</th> <th style="text-align: center; border-bottom: 1px solid black;">Married-J/HH</th> <th style="text-align: center; border-bottom: 1px solid black;">Tax Rates</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">\$0 - \$1,000</td> <td style="text-align: center;">\$0 - \$2,000</td> <td style="text-align: center;">0.50%</td> </tr> <tr> <td style="text-align: center;">1,001 - 2,500</td> <td style="text-align: center;">2,001 - 5,000</td> <td style="text-align: center;">1.00</td> </tr> <tr> <td style="text-align: center;">2,501 - 3,750</td> <td style="text-align: center;">5,001 - 7,500</td> <td style="text-align: center;">2.00</td> </tr> <tr> <td style="text-align: center;">3,751 - 4,900</td> <td style="text-align: center;">7,501 - 9,800</td> <td style="text-align: center;">3.00</td> </tr> <tr> <td style="text-align: center;">4,901 - 7,200</td> <td style="text-align: center;">9,801 - 12,200</td> <td style="text-align: center;">4.00</td> </tr> <tr> <td style="text-align: center;">7,201 - 8,700</td> <td style="text-align: center;">12,201 - 15,000</td> <td style="text-align: center;">5.00</td> </tr> <tr> <td style="text-align: center;">8,701 and over</td> <td style="text-align: center;">15,001 and over</td> <td style="text-align: center;">5.25</td> </tr> </tbody> </table>		Taxable Income Brackets		Marginal	Single/Married-S	Married-J/HH	Tax Rates	\$0 - \$1,000	\$0 - \$2,000	0.50%	1,001 - 2,500	2,001 - 5,000	1.00	2,501 - 3,750	5,001 - 7,500	2.00	3,751 - 4,900	7,501 - 9,800	3.00	4,901 - 7,200	9,801 - 12,200	4.00	7,201 - 8,700	12,201 - 15,000	5.00	8,701 and over	15,001 and over	5.25	<p>Standard: Same as federal.</p> <p>Itemized: Same as federal.</p>
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TAX CREDITS		EXEMPTIONS																											
<ul style="list-style-type: none"> • Biomedical research contribution • Cancer research contribution • Capital investment board • Child care/child • Contributions to a scholarship granting organization • Contributions to an educational improvement grant organization • Earned income • Employees in the aerospace sector 		<ul style="list-style-type: none"> • Income tax paid to another state • Low-income property tax • Natural disaster • Qualified rehabilitation expenditures for historic structures • Sales tax relief for low-income • Volunteer firefighter • Wire transfer fee 																											
		<p>Single/HH/ Married-S..... \$1,000</p> <p>Married-J 2,000</p> <p>Dependent..... 1,000</p> <p>Blind 1,000</p> <p>Age 65 or over and low AGI..... 1,000</p>																											
		OTHER TAXES																											
		<ul style="list-style-type: none"> • Use tax 																											

OREGON

Filing System: Joint

TAX BASE: FEDERAL ADJUSTED GROSS INCOME		DEDUCTIONS																		
<p style="text-align: center;"><u>Major Differences from Federal Law</u></p> <p>Interest/Dividend Exempts U.S. government bonds and dividends from certain domestic international sales corporations.</p> <p>Capital Gains & Losses Same as federal, with reduced tax rate for gains on sales of certain farm assets.</p> <p>Pension/Retirement Income</p> <p>--Private 9% credit if low-income and 62 or over.</p> <p>--Public 9% credit if low-income and 62 or over.</p> <p>--U.S. Civil Service* 9% credit if low-income and 62 or over.</p> <p>--Military* 9% credit if low-income and 62 or over.</p> <p>Active Duty Military CZE and general exemption for income earned outside Oregon. Exclude \$6,000 if earned in Oregon (includes National Guard and Reserves). Exclude all active duty Guard and Reservists pay under certain conditions.</p> <p>Unemployment Compensation Same as federal.</p> <p>Social Security Benefits Exempt.</p> <p>State/Municipal Bond Interest Taxable except Oregon state and local obligations.</p> <p>Health Savings Accounts Same as federal.</p> <p>Miscellaneous</p> <p>Disability Income Same as federal.</p> <p>College Savings Plans Same as federal, plus deduction for contributions up to \$2,300 (\$4,600 MJ) to Oregon's plan.</p> <p>Lottery Winnings Oregon lottery winnings of \$600 or less per ticket exempt.</p> <p>Federal Income Taxes Deductible up to \$6,450.</p> <p>Other Deductions for medical and dental expenses not included as a federal itemized deduction if 63 or over, logger's and construction worker's commuting costs, artists who make charitable art donations, Oregon individual development account deposits and earnings, housing expense scholarships, public safety memorial fund benefits, and amounts included in federal AGI to take federal mortgage interest, business, American opportunity, and lifetime learning credits. Add back federal deductions for unused business credits and for which Oregon provides tax credits.</p>		<p>Standard:</p> <p>Single/Married-S \$2,145</p> <p>Married-J 4,295</p> <p>Head-of-Household 3,455</p> <p>Additional deduction for age 65 or over or blind:</p> <p> Single/HH \$1,200</p> <p> All Others 1,000</p> <p>Itemized:</p> <p>Federal itemized deductions.</p> <p>Major Differences From Federal Law:</p> <p>Taxes: State income and state and local sales taxes not deductible.</p>																		
		EXEMPTIONS (TAX CREDITS)																		
		<p>Personal tax credit of \$194 per exemption if AGI is below:</p> <p>Single/Married-S \$100,000</p> <p>Married-J/Head-of-Household 200,000</p> <p>Additional tax credit of \$194 for each filer and dependent who is severely disabled, without regard to AGI.</p>																		
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TAX CREDITS																				
<ul style="list-style-type: none"> • Alternate fuel vehicle fund • Child and dependent care • Child care fund contribution • Claim of right credit • Earned income • Elderly or disabled • Energy conservation project • Fish screening devices • Income tax paid to another state • Individual development account donation 	<ul style="list-style-type: none"> • Individual development account withdrawal for home purchase • Loss of use of limbs • Low-income caregiver • Low-income community jobs initiative • Mobile home park closure • Oregon cultural trust contribution • Oregon production investment fund • Oregon surplus (kicker) • Oregon veterans home physicians 	<ul style="list-style-type: none"> • Political contributions • Renewable energy development contribution • Residential energy • Retirement income (see above) • Rural medical practitioners and EMTs • Tax on gain taxed by other jurisdictions • University venture development fund • Wolf depredation • Working family child care 																		

*Income attributable to service prior to October, 1991, is exempt.

PENNSYLVANIA

Filing System: Combined*

TAX BASE: STATE TAXABLE INCOME	DEDUCTIONS
<p style="text-align: center;"><u>Major Differences from Federal Law</u></p> <p>Interest/Dividend Exempts U.S. government bonds.</p> <p>Capital Gains & Losses Generally same as federal, except all gains are taxable and all losses deductible in year incurred, with certain limitations if married and filing jointly. In addition, a separate state tax benefit rule applies with respect to unused losses, depreciation, and reduction of basis.</p> <p>Pension/Retirement Income</p> <p>--Private Exempt.</p> <p>--Public Exempt.</p> <p>--U.S. Civil Service Exempt.</p> <p>--Military Exempt.</p> <p>Active Duty Military Exempt if stationed outside of state.</p> <p>Unemployment Compensation Exempt.</p> <p>Social Security Benefits Exempt.</p> <p>State/Municipal Bond Interest Taxable except Pennsylvania obligations.</p> <p>Health Savings Accounts Same as federal.</p> <p>Miscellaneous</p> <p>Disability Income Sick pay and disability benefits, including payments by third party insurers for sickness and disability, are exempt.</p> <p>College Savings Plans Same as federal, plus deduction for contributions up to \$14,000 per beneficiary to any state's 529 plan.</p> <p>Lottery Winnings Pennsylvania state lottery winnings exempt.</p> <p>Federal Income Taxes Not deductible.</p> <p>Other State treatment of moving expenses, employee business expenses, and depreciation. Also exclude personal use of employer-owned property or services provided at reduced or no cost as well as meals and lodging provided by an employer. No deductions for IRA contributions, contributions to a plan by a self-employed individual, employee contributions to employer-sponsored retirement or deferred compensation programs (provided the contributions are not subject to claims of an employer's creditors), self-employed health insurance premiums, higher education expenses, or student loan interest.</p>	<p>Standard: None</p> <p>Itemized: None</p>
TAX RATES AND BRACKETS	EXEMPTIONS
<p>Tax is 3.07% of total positive income from eight income classes. Taxpayers may not reduce income in one class by a loss in another class, and spouses may not reduce each other's income between income classes or within the same income class.</p>	<p>None</p>
TAX CREDITS	OTHER TAXES
<ul style="list-style-type: none"> • Educational improvement • Historic preservation incentive • Income taxes paid to other states (resident credit) • Neighborhood assistance program 	<ul style="list-style-type: none"> • Opportunity scholarship • Resource enhancement and protection • Tax forgiveness credit for lower income taxpayers <p>• Use tax</p>

*The filing system treats each spouse's income separately, but the tax form shows the joint positive income of the two spouses for convenience.

RHODE ISLAND

Filing System: Joint

TAX BASE: FEDERAL ADJUSTED GROSS INCOME		DEDUCTIONS								
<p style="text-align: center;"><u>Major Differences from Federal Law</u></p> <p>Interest/Dividend Exempts U.S. government bonds.</p> <p>Capital Gains & Losses Same as federal.</p> <p>Pension/Retirement Income</p> <p> --Private Same as federal.</p> <p> --Public Same as federal.</p> <p> --U.S. Civil Service Same as federal.</p> <p> --Military Same as federal.</p> <p>Active Duty Military Same as federal.</p> <p>Unemployment Compensation Same as federal.</p> <p>Social Security Benefits Same as federal.</p> <p>State/Municipal Bond Interest Taxable except Rhode Island obligations.</p> <p>Health Savings Accounts Same as federal.</p> <p>Miscellaneous</p> <p> Disability Income Same as federal.</p> <p> College Savings Plans Same as federal, plus deduction for contributions up to \$500 (\$1,000 MJ) to Rhode Island's plan.</p> <p> Lottery Winnings Same as federal.</p> <p> Federal Income Taxes Not deductible.</p> <p> Other Deductions for new research and development facilities, investment in a certified venture capital partnership, certain performance-based compensation under Rhode Island Jobs Growth Act, contributions to a family education account, insurance benefits for dependents and domestic partners, organ donation expenses, and for writers, composers, and artists in certain economic development zones. No carry-back of net operating losses, bonus depreciation, and Section 179 depreciation.</p>		<p>Standard:</p> <p>Single/Married-S \$8,275</p> <p>Married-J 16,550</p> <p>Head-of-Household 12,400</p> <p>The deduction phases out for filers with modified federal AGI between \$192,700 and \$214,700.</p> <p>Itemized:</p> <p>None</p>								
TAX RATES AND BRACKETS		EXEMPTIONS								
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<u>Taxable Income Brackets</u>	<u>Marginal Tax Rate</u>									
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137,651 and over	5.99									
TAX CREDITS		OTHER TAXES								
<ul style="list-style-type: none"> • Child and dependent care expenses • Earned income • Historic preservation investment • Income taxes paid to other states 	<ul style="list-style-type: none"> • Property tax relief • Residential lead paint abatement • Stay Invested in RI Wavemaker Fellowship 	<ul style="list-style-type: none"> • Use tax 								

SOUTH CAROLINA

Filing System: Joint

TAX BASE: FEDERAL TAXABLE INCOME	DEDUCTIONS														
<p style="text-align: center;"><u>Major Differences from Federal Law</u></p> <p>Interest/Dividend Exempts U.S. government bonds.</p> <p>Capital Gains & Losses 44% exclusion for long-term (more than 1 year) gains.</p> <p>Pension/Retirement Income</p> <p>--Private \$3,000/person exclusion (under 65); \$10,000/person (65+).</p> <p>--Public \$3,000/person exclusion (under 65); \$10,000/person (65+).</p> <p>--U.S. Civil Service \$3,000/person exclusion (under 65); \$10,000/person (65+).</p> <p>--Military \$3,000/person exclusion (under 65); \$10,000/person (65+). Portion attributable to reserve or National Guard service is exempt.</p> <p>Active Duty Military CZE and exemption for Reserve and National Guard training pay.</p> <p>Unemployment Compensation Same as federal.</p> <p>Social Security Benefits Exempt.</p> <p>State/Municipal Bond Interest Taxable except South Carolina obligations.</p> <p>Health Savings Accounts Same as federal.</p> <p>Miscellaneous</p> <p>Disability Income Exempt, if payment is from a retirement plan.</p> <p>College Savings Plans Same as federal, plus deduction for contributions to South Carolina's plan.</p> <p>Lottery Winnings Same as federal.</p> <p>Federal Income Taxes Not deductible.</p> <p>Other Deductions of \$2,000 for adopted children with special needs; \$8.00 per work-day subsistence allowance for law enforcement officers, full-time fire-fighters, and EMS personnel; \$3,000 deduction for volunteer firefighters, rescue squad members, Haz-Mat response team members, and state constables, reserve police officers, Natural Resource deputy enforcement officers, and members of the State Guard; contributions to a catastrophe savings account; \$15,000 for persons over 65 (offset by any retirement deduction), and up to \$300 in expenses (\$1,000 MJ) for certain identity theft protection services.</p>	<p>Standard: Same as federal.</p> <p>Itemized: Same as federal.</p> <p>Major Differences from Federal Law: <u>Taxes:</u> State and local income and sales taxes not deductible. <u>Miscellaneous:</u> Military reservists' income is not taxable, so expenses related to such income are not deductible. <u>High Income Limitation:</u> Total deductions are not limited.</p>														
TAX RATES AND BRACKETS	EXEMPTIONS														
<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center; width: 50%;"><u>Taxable Income Brackets</u></th> <th style="text-align: center; width: 50%;"><u>Marginal Tax Rates</u></th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">\$0 - \$2,910</td> <td style="text-align: center;">0.0%</td> </tr> <tr> <td style="text-align: center;">2,911 - 5,820</td> <td style="text-align: center;">3.0</td> </tr> <tr> <td style="text-align: center;">5,821 - 8,730</td> <td style="text-align: center;">4.0</td> </tr> <tr> <td style="text-align: center;">8,731 - 11,640</td> <td style="text-align: center;">5.0</td> </tr> <tr> <td style="text-align: center;">11,641 - 14,550</td> <td style="text-align: center;">6.0</td> </tr> <tr> <td style="text-align: center;">14,551 and over</td> <td style="text-align: center;">7.0</td> </tr> </tbody> </table> <p>An individual, estate or trust receiving income from one or more pass-through businesses can choose to have active trade or business income taxed at a flat income tax rate of 3% instead of the graduated income tax rate that applies to ordinary income. Whether or not to use the flat rate is a choice the taxpayer can make annually.</p>	<u>Taxable Income Brackets</u>	<u>Marginal Tax Rates</u>	\$0 - \$2,910	0.0%	2,911 - 5,820	3.0	5,821 - 8,730	4.0	8,731 - 11,640	5.0	11,641 - 14,550	6.0	14,551 and over	7.0	<p style="text-align: center;">Same as federal, except no high-income phase-out.</p> <p>Additional exemption for children under 6 \$4,000</p>
<u>Taxable Income Brackets</u>	<u>Marginal Tax Rates</u>														
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TAX CREDITS	OTHER TAXES														
<ul style="list-style-type: none"> • Alternative motor vehicle • Angel investor • Child and dependent care • Classroom teachers' expenses • Community development • Conservation contribution • Drip/trickle irrigation systems • Energy efficient manufactured home • Exceptional needs children education • Excess insurance premium • Health insurance pool • Historic residential structure • Income taxes paid to another state • Nursing home 	<ul style="list-style-type: none"> • Palmetto seed capital • Plug-in hybrid vehicle • Premarital preparation course • Quality forum • Residential retrofit • Retirement plan contribution • Scenic river • Shareholder of S corporations/banks • Solar or small hydropower system • Tuition • Two wage earner (married couple) • Venture capital investment • Venison for charity • Water resources <p>• Use tax</p> <p>• Lump sum distribution</p> <p>• Excess withdrawals from catastrophe savings account</p>														

TENNESSEE

Filing System: Joint

TAX BASE: INTEREST AND DIVIDENDS	DEDUCTIONS
<p style="text-align: center;"><u>Major Differences from Federal Law</u></p> <p>Interest/Dividend Exempts U.S. government bonds. Distributions from mutual funds exempt if derived from holdings in U.S. government bonds or Tennessee municipal bonds. Interest on certificates of deposit, passbook accounts, savings accounts, checking accounts, money market accounts, short-term commercial paper, insurance policies (if payable on demand), and repurchase agreements are exempt. Dividends from stock in Tennessee state banks, national banks, savings and loans located in Tennessee, insurance companies licensed to do business in Tennessee, and publicly-traded real estate investment trusts are exempt. All income from a credit union is exempt, as are distributions from education and Roth IRAs.</p> <p>Capital Gains & Losses Capital gains from stock and mutual funds are taxable if distributed as dividends. Otherwise, capital gains from the sale of stock and mutual funds are not taxable. Capital losses are not deductible.</p> <p>Pension/Retirement Income</p> <p>--Private Exempt.</p> <p>--Public Exempt.</p> <p>--U.S. Civil Service Exempt.</p> <p>--Military Exempt.</p> <p>Active Duty Military Exempt.</p> <p>Unemployment Compensation Exempt.</p> <p>Social Security Benefits Exempt.</p> <p>State/Municipal Bond Interest Taxable except Tennessee obligations.</p> <p>Health Savings Accounts Earnings or distributions from HSAs are exempt.</p> <p>Miscellaneous</p> <p>Disability Income Exempt.</p> <p>College Savings Plans Same as federal.</p> <p>Lottery Winnings Exempt.</p> <p>Federal Income Taxes Not deductible.</p> <p>Other Taxable income derived from circumstances resulting in an individual becoming a quadriplegic is exempt.</p>	<p>Standard: None</p> <p>Itemized: None</p>
TAX RATES AND BRACKETS	EXEMPTIONS
<p>Tax rate is 6%.</p>	<p>Single/HH/Married-S \$1,250</p> <p>Married-J 2,500</p> <p>Exempt from taxation if blind or if age 65 or over and total gross income under \$37,000 (\$68,000 if married-joint). Exemption for income derived from circumstances resulting in an individual becoming quadriplegic.</p>
TAX CREDITS	OTHER TAXES
<p>None</p>	<p>None</p>

UTAH

Filing System: Joint

TAX BASE: FEDERAL ADJUSTED GROSS INCOME		DEDUCTIONS/CREDIT
<p style="text-align: center;"><u>Major Differences from Federal Law</u></p> <p>Interest/Dividend Exempts U.S. government bonds.</p> <p>Capital Gains & Losses Credits for gains reinvested in certain Utah small businesses and for gains on the sale or exchange of gold or silver coins.</p> <p>Pension/Retirement Income</p> <p>--Private Same as federal.</p> <p>--Public Same as federal.</p> <p>--U.S. Civil Service Same as federal.</p> <p>--Military Same as federal.</p> <p>Active Duty Military Same as federal.</p> <p>Unemployment Compensation Same as federal.</p> <p>Social Security Benefits Same as federal.</p> <p>State/Municipal Bond Interest Taxable except Utah obligations and interest on non-Utah municipal bonds from states that exempt interest from Utah obligations.</p> <p>Health Savings Accounts Same as federal.</p> <p>Miscellaneous</p> <p>Disability Income Same as federal.</p> <p>College Savings Plans Same as federal, plus state tax credit.</p> <p>Lottery Winnings Same as federal.</p> <p>Federal Income Taxes Not deductible.</p> <p>Other Reservation income earned by a member of an Indian tribe who resides on the reservation is exempt. Add back federal election of interest and dividends of a minor child. Equitable adjustments to prevent a double tax benefit or a double tax detriment also apply.</p>		<p>Standard: Same as federal.</p> <p>Itemized: Same as federal.</p> <p>Major Differences from Federal Law: <u>Taxes:</u> State and local income taxes not deductible.</p>
		EXEMPTIONS/CREDIT
		<p>Single/HH/Married-S..... \$3,000</p> <p>Married-J..... 6,000</p> <p>Dependent 3,000</p> <p>Dependent with Disability 3,000</p> <p>State amounts are limited using federal income thresholds.</p>
TAX RATES AND BRACKETS		TAXPAYER TAX CREDIT
<p style="text-align: center;">Tax rate is 5%.</p> <p>Taxpayers whose federal AGI is less than or equal to the sum of the taxpayer's federal exemption amount and federal standard deduction are exempt from Utah income tax.</p>		<p>Credit equals the sum of deductions and exemptions times 6%. Subject to 1.3% phase-out for Utah taxable income exceeding:</p> <p>Single/Married-S..... \$13,805</p> <p>Married-J..... 27,610</p> <p>Head-of-Household..... 20,707</p>
TAX CREDITS		OTHER TAXES
<ul style="list-style-type: none"> • At-home parent • Capital gain transaction • Clean fuel vehicle • Combat related death • Farm operation hand tools • Gold and silver coin sale • Health benefit plan • Historic preservation • Income taxes paid to another state 	<ul style="list-style-type: none"> • Live organ donation expenses • Medical care savings account • Qualifying solar project • Renewable residential energy systems • Retirement • Sheltered workshop contributions • Special needs adoption • Utah educational savings plan/529 plan 	<ul style="list-style-type: none"> • Use tax • Recapture of low-income housing credit

VERMONT

Filing System: Joint

TAX BASE: FEDERAL TAXABLE INCOME	DEDUCTIONS																																			
<p style="text-align: center;"><u>Major Differences from Federal Law</u></p> <p>Interest/Dividend Exempts U.S. government bonds.</p> <p>Capital Gains & Losses Exclusion equal to greater of: (a) 40% of gains on certain assets; or (b) the lesser of \$5,000 or the actual amount of net adjusted capital gains. However, the exclusion cannot exceed 40% of federal taxable income.</p> <p>Pension/Retirement Income</p> <p>--Private Same as federal.</p> <p>--Public Same as federal.</p> <p>--U.S. Civil Service Same as federal.</p> <p>--Military Same as federal.</p> <p>Active Duty Military CZE and exclusion for income from full-time active duty outside Vermont. In addition, first \$2,000 of training pay for Reserve and National Guard members with Vermont AGI less than \$50,000 and funds from federal armed forces education loan repayment are exempt.</p> <p>Unemployment Compensation Same as federal.</p> <p>Social Security Benefits Same as federal.</p> <p>State/Municipal Bond Interest Taxable except Vermont state and local obligations.</p> <p>Health Savings Accounts Same as federal.</p> <p>Miscellaneous</p> <p>Disability Income Same as federal.</p> <p>College Savings Plans Same as federal, plus state tax credit.</p> <p>Lottery Winnings Same as federal.</p> <p>Federal Income Taxes Not deductible.</p> <p>Other Deductions for business expenses to comply with Americans with Disabilities Act, and interest and income from investment in state telecommunications authority, state student assistance corporation, state public power supply authority, or state Build America bonds.</p>	<p>Standard: Same as federal.</p> <p>Itemized: Same as federal.</p> <p>Major Differences from Federal Law: <u>Taxes:</u> State and local income taxes are not deductible. <u>Other:</u> The amount of itemized deductions a taxpayer can claim is capped at an amount equal to 2.5 times the federal standard deduction. Deduction amounts over the cap are added back to taxable income. The deductions for charitable gifts and for medical and dental expenses are not subject to the cap.</p>																																			
TAX RATES AND BRACKETS	EXEMPTIONS																																			
<p>Tax is based on federal taxable income. Adjustments are then made to reflect the difference between federal adjusted gross income and Vermont income.</p> <table style="margin-left: auto; margin-right: auto; border-collapse: collapse;"> <thead> <tr> <th colspan="4" style="text-align: center; border-bottom: 1px solid black;">Taxable Income Brackets</th> <th style="border-bottom: 1px solid black;">Marginal</th> </tr> <tr> <th style="text-align: center; border-bottom: 1px solid black;">Single</th> <th style="text-align: center; border-bottom: 1px solid black;">Married-J</th> <th style="text-align: center; border-bottom: 1px solid black;">Married-S</th> <th style="text-align: center; border-bottom: 1px solid black;">Head-of-Household</th> <th style="text-align: center; border-bottom: 1px solid black;">Tax Rates</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">\$0 - \$37,450</td> <td style="text-align: center;">\$0 - \$62,600</td> <td style="text-align: center;">\$0 - \$31,300</td> <td style="text-align: center;">\$0 - \$50,200</td> <td style="text-align: center;">3.55%</td> </tr> <tr> <td style="text-align: center;">37,451 - 90,750</td> <td style="text-align: center;">62,601 - 151,200</td> <td style="text-align: center;">31,301 - 75,600</td> <td style="text-align: center;">50,201 - 129,600</td> <td style="text-align: center;">6.80</td> </tr> <tr> <td style="text-align: center;">90,751 - 189,300</td> <td style="text-align: center;">151,201 - 230,450</td> <td style="text-align: center;">75,601 - 115,225</td> <td style="text-align: center;">129,601 - 209,850</td> <td style="text-align: center;">7.80</td> </tr> <tr> <td style="text-align: center;">189,301 - 411,500</td> <td style="text-align: center;">230,451 - 411,500</td> <td style="text-align: center;">115,226 - 205,750</td> <td style="text-align: center;">209,851 - 411,500</td> <td style="text-align: center;">8.80</td> </tr> <tr> <td style="text-align: center;">411,501 and over</td> <td style="text-align: center;">411,501 and over</td> <td style="text-align: center;">205,751 and over</td> <td style="text-align: center;">411,501 and over</td> <td style="text-align: center;">8.95</td> </tr> </tbody> </table> <p>If federal AGI exceeds \$150,000, Vermont tax cannot be less than federal AGI, excluding interest from U.S. obligations, times 3%.</p>	Taxable Income Brackets				Marginal	Single	Married-J	Married-S	Head-of-Household	Tax Rates	\$0 - \$37,450	\$0 - \$62,600	\$0 - \$31,300	\$0 - \$50,200	3.55%	37,451 - 90,750	62,601 - 151,200	31,301 - 75,600	50,201 - 129,600	6.80	90,751 - 189,300	151,201 - 230,450	75,601 - 115,225	129,601 - 209,850	7.80	189,301 - 411,500	230,451 - 411,500	115,226 - 205,750	209,851 - 411,500	8.80	411,501 and over	411,501 and over	205,751 and over	411,501 and over	8.95	<p>Same as federal.</p>
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411,501 and over	411,501 and over	205,751 and over	411,501 and over	8.95																																
TAX CREDITS	OTHER TAXES																																			
<ul style="list-style-type: none"> • Charitable housing investment • Child and dependent care expenses • Earned income tax credit • Elderly and disabled • Farm income averaging 	<ul style="list-style-type: none"> • Higher education investment • Income taxes paid to other state or Canadian province • Investment • Renter rebate 																																			
	<ul style="list-style-type: none"> • Lump sum distributions • Tax credit recapture • Tax on qualified plans and tax-favored accounts • Use tax 																																			

VIRGINIA

Filing System: Joint

TAX BASE: FEDERAL ADJUSTED GROSS INCOME	DEDUCTIONS										
<p style="text-align: center;"><u>Major Differences from Federal Law</u></p> <p>Interest/Dividend Exempts U.S. government bonds.</p> <p>Capital Gains & Losses Exclusions for long-term gains from investments in certain state-certified technology businesses based in Virginia, and gains in connection with the historic rehabilitation tax credit; adjustment for the sale or transfer of land preservation credits.</p> <p>Pension/Retirement Income</p> <p>--Private Same as federal.</p> <p>--Public Same as federal.</p> <p>--U.S. Civil Service Same as federal.</p> <p>--Military Exempt for recipients of the Congressional Medal of Honor.</p> <p>Active Duty Military CZE and exempt up to \$15,000 of basic military pay if on extended active duty and up to \$3,000 of Virginia National Guard pay.</p> <p>Unemployment Compensation Exempt.</p> <p>Social Security Benefits Exempt.</p> <p>State/Municipal Bond Interest Taxable except Virginia state and local obligations.</p> <p>Health Savings Accounts Same as federal.</p> <p>Miscellaneous</p> <p>Disability Income Deduction of up to \$20,000/person.</p> <p>College Savings Plans Same as federal, plus deduction for contributions up to \$4,000 to any VA 529 account, provided the claimant is the account owner.</p> <p>Lottery Winnings Virginia lottery prizes of less than \$600 exempt.</p> <p>Federal Income Taxes Not deductible.</p> <p>Other Age-based deductions, subject to income phase-out ranges, for persons aged 65 and above. Subtractions for the salary of a federal or state employee with a total annual salary of less than \$15,000, work opportunity wages, certain federally taxable tobacco settlement payments, military death gratuity benefits, annuity contract death benefit payments, certain Virginia college savings plan distributions or refunds, income attributable to first-time home buyer accounts, and income due to the discharge of a student loan due to the student's death. In addition, deductions for child and dependent care expenses, \$1,000 per child for foster parents, bone marrow donor screening fees, continuing teacher education costs, long-term care health insurance premiums, certain prepaid funeral, medical, and dental insurance premiums, contributions to Virginia public school construction grants program, income from tobacco quota buyouts, sales tax paid on energy efficient equipment and appliances, organ and tissue donor expenses, and charitable mileage.</p>	<p>Standard:</p> <p>Single/HH/Married-S \$3,000</p> <p>Married-J 6,000</p> <p>Itemized:</p> <p>Same as federal.</p> <p>Major Differences from Federal Law:</p> <p><u>Taxes:</u> State and local income taxes are not deductible.</p>										
TAX RATES AND BRACKETS	EXEMPTIONS										
<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center; border-bottom: 1px solid black;">Taxable Income Brackets</th> <th style="text-align: center; border-bottom: 1px solid black;">Marginal Tax Rates</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">\$0 - \$3,000</td> <td style="text-align: center;">2.00%</td> </tr> <tr> <td style="text-align: center;">3,001 - 5,000</td> <td style="text-align: center;">3.00</td> </tr> <tr> <td style="text-align: center;">5,001 - 17,000</td> <td style="text-align: center;">5.00</td> </tr> <tr> <td style="text-align: center;">17,001 and over</td> <td style="text-align: center;">5.75</td> </tr> </tbody> </table>	Taxable Income Brackets	Marginal Tax Rates	\$0 - \$3,000	2.00%	3,001 - 5,000	3.00	5,001 - 17,000	5.00	17,001 and over	5.75	<p>Single/HH/Married-S \$930</p> <p>Married-J 1,860</p> <p>Dependent 930</p> <p>Age 65 and over 800</p> <p>Blind 800</p>
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TAX CREDITS	OTHER TAXES										
<ul style="list-style-type: none"> • Agricultural best management practices • Clean fuel vehicle • Conservation tillage equipment • Earned income or low-income • Educational improvement scholarships • Fertilizer and pesticide application equipment • Foreign source retirement income • Historic rehabilitation • Income tax paid to other states 	<ul style="list-style-type: none"> • Land preservation • Livable home • Neighborhood assistance act • Political contributions • Qualified equity and subordinated debt investments • Riparian waterway buffer • Spousal tax adjustment • Trust beneficiary accumulated distribution <p>• Consumer's use tax</p>										

WEST VIRGINIA

Filing System: Joint

TAX BASE: FEDERAL ADJUSTED GROSS INCOME		DEDUCTIONS																					
<p style="text-align: center;"><u>Major Differences from Federal Law</u></p> <p>Interest/Dividend Exempts U.S. government bonds.</p> <p>Capital Gains & Losses Same as federal.</p> <p>Pension/Retirement Income</p> <p>--Private Generally same as federal.</p> <p>--Public Exempt if from certain West Virginia law enforcement and firemen retirement systems. Others generally exclude up to \$2,000.</p> <p>--U.S. Civil Service Exclude up to \$2,000.</p> <p>--Military Exclude up to \$22,000.</p> <p>Active Duty Military CZE and exclusion for pay to Reserve and National Guard members called to active duty under a Presidential order. Exclude active duty military pay in year of discharge, provided active duty service equaled at least 30 days.</p> <p>Unemployment Compensation Same as federal.</p> <p>Social Security Benefits Same as federal.</p> <p>State/Municipal Bond Interest Taxable except West Virginia state and local obligations.</p> <p>Health Savings Accounts Same as federal.</p> <p>Miscellaneous</p> <p>Disability Income Same as federal.</p> <p>College Savings Plans Same as federal, plus deduction for contributions to West Virginia's plan.</p> <p>Lottery Winnings Taxable.</p> <p>Federal Income Taxes Not deductible.</p> <p>Other Deduction of up to \$8,000 for age 65 or over or permanently and totally disabled, and, in the year following the death of such an individual, a deduction of up to \$8,000 for the surviving spouse. Earned income exclusion for low-income taxpayers. Deduction for long-term care insurance premiums, contributions to autism trusts, and certain WV "EZ Pass" (tollway) expenditures.</p>		<p>Standard: None</p> <p>Itemized: None</p>																					
TAX RATES AND BRACKETS		EXEMPTIONS																					
<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: center;">Taxable Income Brackets</th> <th style="text-align: center;">Marginal Tax Rates</th> </tr> <tr> <th style="text-align: center;"><u>Single/Married-J/HH</u></th> <th style="text-align: center;"><u>Married-S</u></th> <th></th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">\$0 - \$9,999</td> <td style="text-align: center;">\$0 - \$4,999</td> <td style="text-align: center;">3.0%</td> </tr> <tr> <td style="text-align: center;">10,000 - 24,999</td> <td style="text-align: center;">5,000 - 12,499</td> <td style="text-align: center;">4.0</td> </tr> <tr> <td style="text-align: center;">25,000 - 39,999</td> <td style="text-align: center;">12,500 - 19,999</td> <td style="text-align: center;">4.5</td> </tr> <tr> <td style="text-align: center;">40,000 - 59,999</td> <td style="text-align: center;">20,000 - 29,999</td> <td style="text-align: center;">6.0</td> </tr> <tr> <td style="text-align: center;">60,000 and over</td> <td style="text-align: center;">30,000 and over</td> <td style="text-align: center;">6.5</td> </tr> </tbody> </table>		Taxable Income Brackets		Marginal Tax Rates	<u>Single/Married-J/HH</u>	<u>Married-S</u>		\$0 - \$9,999	\$0 - \$4,999	3.0%	10,000 - 24,999	5,000 - 12,499	4.0	25,000 - 39,999	12,500 - 19,999	4.5	40,000 - 59,999	20,000 - 29,999	6.0	60,000 and over	30,000 and over	6.5	<p>Each federal exemption\$2,000</p> <p>Surviving spouse.....2,000</p> <p>Dependent on another person's return500</p>
Taxable Income Brackets		Marginal Tax Rates																					
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TAX CREDITS		OTHER TAXES																					
<ul style="list-style-type: none"> • Alternative fuels • Environmental agricultural equipment • Family tax credit • Historic rehabilitated building investment • Homestead excess property tax 	<ul style="list-style-type: none"> • Income tax paid to other states • Neighborhood investment • Nonfamily adoption • Senior citizen property tax • Qualified rehabilitated buildings investment 	<ul style="list-style-type: none"> • Use tax 																					

WISCONSIN

Filing System: Joint

TAX BASE: FEDERAL ADJUSTED GROSS INCOME	DEDUCTIONS																								
<p style="text-align: center;"><u>Major Differences from Federal Law</u></p> <p>Interest/Dividend Exempts U.S. government bonds.</p> <p>Capital Gains & Losses Exclusion for 60% of farm assets and 30% of other assets held more than one year; deduction for net capital losses limited to \$500. Gains from qualified small business stock and family business sales are excluded. Deferral for long-term gains reinvested in certain businesses located in Wisconsin.</p> <p>Pension/Retirement Income</p> <p>--Private Exclusion of up to \$5,000 if 65, subject to income limitation.</p> <p>--Public Exclusion if member of certain systems prior to 1964, otherwise exclusion of up to \$5,000 if 65, subject to income limitation.</p> <p>--U.S. Civil Service Exclusion if member of system prior to 1964, otherwise exclusion of up to \$5,000 if 65, subject to income limitation.</p> <p>--Military Exempt.</p> <p>Active Duty Military CZE and exclusions for certain active duty pay of Reserve and National Guard members.</p> <p>Unemployment Compensation Limited exclusion as provided under 1986 federal law.</p> <p>Social Security Benefits Exempt.</p> <p>State/Municipal Bond Interest Taxable except certain Wisconsin obligations.</p> <p>Health Savings Accounts Same as federal.</p> <p>Miscellaneous</p> <p>Disability Income Exclusion of up to \$5,200 per year.</p> <p>College Savings Plans Same as federal, plus deduction for contributions of up to \$3,100 per beneficiary (\$1,550 MS) to Wisconsin's plan.</p> <p>Lottery Winnings Same as federal.</p> <p>Federal Income Taxes Not deductible.</p> <p>Other Deductions for certain medical insurance and health insurance premiums, long-term care insurance, adoption expenses, organ donation expenses, private school tuition expenses, and child care expenses. Exclusions for all income received by an armed forces member who suffers a combat-related death while on active duty, certain legislative per diems, and income from sales of insurance policies by persons who have catastrophic or life-threatening illnesses or conditions. Distributions from a passive foreign investment company and IRAs transferred for charitable purposes are taxable. Federal deductions for which WI provides tax credits are added back to AGI. Transit pass and commuter fringe benefits limited to \$130 per month. A separate deduction for WI higher education expenses replaces the federal deduction.</p>	<p>Standard:</p> <p>Sliding scale standard deduction</p> <table style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th></th> <th style="text-align: center;">Income Range</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">Filing Status</td> <td style="text-align: center;">Standard Deduction</td> </tr> <tr> <td style="text-align: center;">Single</td> <td style="text-align: center;">\$10,250</td> </tr> <tr> <td style="text-align: center;">HH</td> <td style="text-align: center;">13,240</td> </tr> <tr> <td style="text-align: center;">Married-J</td> <td style="text-align: center;">18,460</td> </tr> <tr> <td style="text-align: center;">Married-S</td> <td style="text-align: center;">8,770</td> </tr> </tbody> </table> <p style="margin-left: 20px;">Phase-Out</p> <p style="margin-left: 20px;">\$14,780-\$100,196 14,780 - 100,196 20,740 - 114,075 9,850 - 54,191</p> <p>Itemized:</p> <p>Itemized deduction credit of 5% after subtraction of sliding scale standard deduction.</p> <p>Major Differences from Federal Law:</p> <p><u>Medical:</u> Medical care and long-term care insurance payments claimed as state subtractions from federal AGI are not allowed.</p> <p><u>Taxes:</u> No credit for taxes.</p> <p><u>Interest:</u> Interest paid on a second home outside of state, a boat, or to purchase U.S. securities is not allowed.</p> <p><u>Mortgage:</u> insurance premiums not treated as interest.</p> <p><u>Casualty/Theft:</u> No credit for casualty and theft losses, unless related to a federally-declared disaster.</p> <p><u>Miscellaneous:</u> No credit.</p>		Income Range	Filing Status	Standard Deduction	Single	\$10,250	HH	13,240	Married-J	18,460	Married-S	8,770												
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