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**Individual Income Tax  
Provisions in the States**



# Individual Income Tax Provisions in the States

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# Individual Income Tax Provisions in the States

In 2021, 42 states and the District of Columbia had a state individual income tax. This paper presents a general description of state income tax structures, summary tables for selected tax features, and one-page outlines of the tax in each state. This information is limited to tax year 2021. In this paper, the District of Columbia is referred to as one of the states.

This paper includes information on the type of filing system, the base of income subject to taxation, tax rates and bracket structures, and the allowable tax exemptions, deductions, and credits for each state. The paper highlights how several provisions differ based on the following filing statuses: (a) single; (b) head-of-household (H-H); (c) married-joint (M-J); and (d) married-separate (M-S). 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, this paper's comparison of the income base subject to tax concentrates on major differences from federal law, and only exceptions to federal law are noted for state itemized deductions. As noted, this information shows only the tax provisions in effect for 2021.

This paper is based on a review of the tax forms and instruction booklets for each state for the 2021 tax year, as well as the websites of state tax agencies. As a cross-check, officials in each state's tax agency were asked to review the one-page outline for their state.

This paper does not include some information concerning each state's tax system. Since the paper is a general description, it omits minor provisions and the details of some provisions that are too complex to fully describe. Also, the paper focuses only on provisions affecting individuals and families. Many businesses are organized as pass-through entities (PTEs), where business income is taxed under the individual income tax, rather than the corporate income tax. Subtractions and credits uniquely affecting such entities are excluded from this paper. Generally, the paper does not describe business- or farming-related provisions and omits state tax credits that are available exclusively to business entities, such as C-corporations. Certain credits that are available to individuals and are indirectly related to businesses, such as credits for investment in a certain business, are included. States that allow (or require) members of PTEs to elect to be taxed at the entity level generally provide a corresponding credit under their individual income tax. This paper records such treatment as a PTE tax under the "Other Taxes" section of each applicable state summary.

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## States with an Income Tax

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The following states imposed a tax on income in tax year 2021:

Alabama	Idaho	Michigan	North Carolina	Virginia
Arizona	Illinois	Minnesota	North Dakota	West Virginia
Arkansas	Indiana	Mississippi	Ohio	Wisconsin
California	Iowa	Missouri	Oklahoma	
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	Utah	
Hawaii	Massachusetts	New York	Vermont	

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

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### **The Filing System**

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Three types of filing systems were used by states in 2021, 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 2021 are as follows:

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

Joint/Combined Filing--seven states (Arkansas, Delaware, the District of Columbia, Iowa, Kentucky, Mississippi, and Montana); and

Joint Filing--34 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 of 1996 (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. However, six states (California, the District of Columbia, Hawaii, New Jersey, Oregon, and Vermont) recognized those relationships for tax filing purposes in 2021.

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### **Income Base Subject to Taxation**

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Most states with an income tax in 2021 used federal AGI as a starting point to determine the

state tax. New Hampshire taxed only unearned income such as interest and dividends. For the other states, although federal AGI 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, social security benefits are subject to one of three treatments based on the taxpayer's provisional income. Provisional income includes one-half of social security benefits and the taxpayer's modified AGI, defined as tax-exempt interest plus federal AGI prior to the inclusion of any taxable social security benefits and certain other adjustments to income.

Under the first treatment, no tax is imposed if provisional income does not exceed a threshold of \$25,000 for single taxpayers and \$32,000 for joint filers.

The second treatment applies to taxpayers whose provisional income exceeds the preceding income thresholds, but does not exceed a second set of thresholds of \$34,000 for single taxpayers and \$44,000 for joint filers. For these taxpayers, the taxable portion of social security is the lesser of: (a) 50% of social security benefits; or (b) 50% of the amount by which provisional income exceeds the first income threshold.

Under the third treatment, up to 85% of social security benefits are subject to tax if the taxpayer's provisional income exceeds the second threshold. For these taxpayers, the taxable portion of social security equals the lesser of two amounts. The first amount equals 85% of social security benefits. The second amount equals the sum of 85% of the amount by which provisional income exceeds the second income threshold and the lesser of two other amounts. The first amount equals the amount that would be subject to tax if there was no second income threshold, and benefits were subject to the 50% treatment, described above. The second amount equals one-half of the difference between

the two income thresholds, or \$4,500 for single taxpayers [ $0.5 \times (\$34,000 - \$25,000)$ ] and \$6,000 for joint filers [ $0.5 \times (\$44,000 - \$32,000)$ ]. For married couples who file separately and do not live apart for the entire year, taxable social security benefits include the lesser of 85% of social security benefits or 85% of provisional income.

A total of 30 states, including Wisconsin, exempted social security income from taxation. Thirteen states taxed social security benefits in 2021. Two states followed current federal practice and taxed up to 85% of benefits, including Minnesota, which provided a second separate state subtraction subject to an income-based phaseout. The other eleven states provided their own taxation treatment, including eight states that completely excluded all benefits for taxpayers with income below certain state-specific thresholds.

**Capital Gains.** At the federal level, net capital gains are generally fully taxable. However, net capital gains held for longer than one year 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 seven states followed federal practice and taxed all capital gains and provided a \$3,000 limit on losses, including North Carolina where an exemption was provided for gains from certain in-state obligations issued prior to July 1, 1995. New Hampshire completely exempted capital gains from taxation. Alabama and Pennsylvania taxed capital gains, but specified that all losses were deductible in the year incurred. Hawaii had a special alternative tax for capital gains. New Jersey and Pennsylvania did not permit any capital losses to be deducted from ordinary income. The remaining

31 states provided a variety of exclusions and deductions or otherwise deviated from federal treatment. For example, Wisconsin permitted a 30% exclusion from gains on the sale of nonfarm assets. Wisconsin, as well as 22 other states, specifically extended preferential treatment for some form of in-state investment (including investment in state/municipal bonds). 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 2021 and taxed interest and dividend income. The following 12 states provided unique exemptions for interest and dividends: (a) Alabama exempted dividends received from veteran's life insurance policies; (b) Kansas exempted certain venture capital dividends; (c) Massachusetts provided a limited exclusion for interest from state banks; (d) Michigan and Montana provided limited deductions for elderly taxpayers; (e) Nebraska

exempted certain extraordinary dividend income from qualified Nebraska corporations; (f) New Jersey exempted distributions from a New Jersey qualified investment fund; (g) North Dakota exempted 40% of dividends subject to the lower federal tax rate; (h) Ohio exempted a certain amount of interest and dividend income if received as pass-through business income; (i) Oregon exempted dividends from certain domestic international sales corporations; and (j) Vermont exempted interest and earnings from investment in certain state infrastructure authorities. Finally, New Hampshire and Vermont 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 from tax interest income derived from U.S. obligations. In 2021, 39 states also provided a tax exemption for interest earned from their own state and municipal bonds. This included: (a) North Dakota and the District of Columbia, which exempted all state and municipal bond interest; (b) Indiana, which also exempted interest on other states' obligations held or acquired before January 1, 2012; (c) Utah, which provided an exemption for interest from non-Utah state and municipal bonds from states that provided a reciprocal exemption of interest from Utah obligations; and (d) Illinois, Iowa, Kansas, and Wisconsin, which exempted only specific state and local obligations.

**Unemployment Compensation.** Under federal law, unemployment compensation is taxable. A provision in the American Rescue Plan Act of 2021 excluded the first \$10,200 of unemployment compensation from gross income in tax year 2020 for taxpayers below specified income thresholds, 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 AGI 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 2021, 29 states conformed to federal law with respect to unemployment benefits and taxed all benefits. Among these, Rhode Island also had a provision specifically taxing any unemployment compensation that may otherwise be exempted under federal law. Ten states excluded all unemployment compensation from taxation. Two states provided an exclusion for taxpayers under certain income thresholds (full exclusion in Maryland, up to \$10,200 excluded in Massachusetts). 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 preempts 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 from gross income 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.

Fourteen states followed federal practice in 2021, providing the combat zone exclusion (CZE) described above but otherwise taxing active duty military pay. Another 16 states, including Wisconsin, conformed to the federal CZE while providing additional tax exemptions or credits for active duty military and/or reservists' pay. Twelve states excluded military pay from taxation altogether, while Pennsylvania provided an exclusion for persons stationed out-of-state. Table 1 (page 9) 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 for certain living and moving allowances. 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, most states generally conformed to the other federal exemptions related to military benefits.

**Retirement/Pension Income.** For federal tax purposes, distributions from retirement plans are generally taxable. In 2021, many states provided state tax exclusions for retirement/pension income. Table 2 (page 10) summarizes the basic exclusion amounts for the various types of retirement income in each state. The amounts shown in the table were the maximum exclusions for a single taxpayer, and, in some cases, could be reduced by social security and railroad retirement benefits or could be phased out at higher income levels. When two dollar figures are indicated, the amount of the exclusion provided was based on a factor such as income, age, or disability. "State calculation" indicates that the exclusion was limited by additional factors. For example, some

states limited the exclusion based on the source of the income or the date of retirement. Michigan does not allow taxpayers to deduct retirement/pension benefits if they claim the state standard deduction. 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.** Since tax year 2004, federal law has exempted 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 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 2021, 39 states, including Wisconsin, generally conformed to the federal HSA provisions. California taxed all contributions and interest earnings, but exempted all distributions regardless of the purpose for which they were taken. Ohio specified higher contribution limits than are deductible under federal law. Lastly, New Hampshire and New Jersey had no provision specific to HSAs in their state tax codes.

**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 are not subject to federal tax if used to pay for the qualified educational expenses of the beneficiary (which include up to \$10,000 of elementary and secondary school tuition expenses per beneficiary per year). All states generally followed the federal treatment in 2021, except that: (a) the aforementioned K-12 expenses are not considered eligible expenses in six states; and (b) in Illinois, account earnings from other states' plans are taxable if the plan does not comply with certain notice and disclosure requirements, such as the requirement to notify plan participants of the existence of Illinois plans. Plan contributions received preferential treatment in 35 states. Contributions were the basis for tax credits in five states and deductions in 31 states; Minnesota is included in both. Taxpayers in eight of these states could deduct contributions to any state's plan, while 23 states limited the deduction to that state's savings plan. Among the 31 states offering deductions, 27 states limited the amount of the deduction either on a per-taxpayer or per-beneficiary basis.

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## Deductions

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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 2021 is summarized in the chart below.

### 2021 Federal Standard Deduction

Filing Status	Under Age 65	Age 65 or Blind	Age 65 and Blind
Single	\$12,550	\$14,250	\$15,950
Married, filing jointly			
One spouse	NA	26,450	27,800
Both spouses	25,100	27,800	30,500
Married, filing separately	12,550	13,900	15,250
Head of household	18,800	20,500	22,200

The majority of states (34) provided a standard deduction in 2021. Of these states, 10 used the federal standard deduction amounts, and 24 states crafted unique deductions (including Michigan, where a deduction was only provided for individuals with certain dates of birth). Nearly all states with a standard deduction provided a flat deduction amount, although seven states tied their deduction to the taxpayer's AGI. A sliding scale standard deduction was employed in five of these states where the deduction either phased down to a minimum amount (Alabama and Minnesota) or phased out completely (Connecticut, Rhode Island, and Wisconsin) at higher income levels. Table 3 (page 11) 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 (up to \$10,000), interest expenses, medical expenses, charitable contributions, and casualty and theft losses. Prior to tax year 2010, certain itemized deductions were reduced if AGI 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. The Tax Cuts and Jobs Act of 2017 (TCJA) suspended this limitation again for tax years 2018 through 2025.

32 states allowed itemized deductions in 2021, including Wisconsin where a tax credit was based on selected federal deductions, and Louisiana where an additional deduction was provided based on the excess of federal itemized deductions over the federal standard deduction. North Dakota was fully federalized, allowing taxpayers to deduct the same amount for state purposes as for federal purposes. Including Wisconsin, 26 states allowed federal deductions with adjustments. Among these federalized states: (a) four states have adopted limitations based on state-determined income thresholds; (b) three have adopted limitations based on

federal income thresholds; (c) four did not follow the \$10,000 limit on state and local taxes paid; and (d) two limited certain itemized deductions to a specified dollar limit. Five other states allowed itemized deductions, but the deductions were unique to each state (labeled "state itemized deductions" in the state summaries). Of the states that offered itemized deductions, 25 disallowed a deduction for state and local income taxes, while 15 disallowed a deduction for state and local sales taxes. Finally, taxpayers were not allowed to itemize deductions in 11 states.

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## Exemptions

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Pursuant to the TCJA, for tax years 2018 through 2025, the federal personal exemption is set at zero. 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 that were employed for itemized deductions, including indexing. Prior to its suspension under the TCJA, for each \$2,500 in additional income, or fraction thereof, the exemption amount was reduced by 2%.

In 2021, 37 states provided a personal exemption or tax credit to adjust for family size. The remaining six states either provided no such exemption or credit, or set their personal exemption equal to the federal exemption (which, as noted above, is currently set to zero). Of those states providing a family size adjustment, 28 provided exemptions, and nine 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 2021 are shown by state in Table 4 (page 12). Additional detail is provided in the individual state outlines.

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## Tax Rates and Brackets

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The major features of each state's tax rates and brackets are shown in Table 5 (page 13). 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 was 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 three flat tax rates (and one optional higher rate), each of which applied to different types of income.

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## Tax Credits

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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 list of the major types of tax credits in 2021 and the number of states that provided such credits follows. Though specific credits often vary by state, each state that gave any special consideration to individuals in the following categories is included in the list below. As indicated in this paper's introductory material, these

are credits available to individuals and families, and tax credits available only to business or farming entities are excluded. There are certain instances in the list below where one credit was identified as serving multiple purposes. For example, if a state provided a property tax credit aimed at lower-income elderly taxpayers, such a credit would be counted under the "property tax", "elderly", and "low-income" designations below.

Credit for taxes paid to other states .....	42 states
Earned income tax credit* .....	29 states
Child/dependent care.....	25 states
Property tax/rent/homestead** .....	20 states
Elderly/disabled.....	17 states
Low-income .....	15 states

\*Includes working family credits in Minnesota and New Mexico, but excludes the EITC 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 or low-income individuals.

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## Other Taxes

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Thirty-eight states imposed additional taxes at the time the state income tax return was filed. Major taxes included on the 2021 income tax forms of these states are listed below.

Use tax .....	29 states
PTE Tax.....	17 states
Lump-sum distributions.....	13 states
Tax on early/non-qualified distributions from tax-advantaged savings programs.....	9 states
Minimum tax .....	5 states
Local income tax/surcharge .....	4 states

**Table 1: State Taxation of Active Duty Military Pay (Tax Year 2021)**

State	Provision
Alabama	Same as federal
Arizona	Exempt, including active service of Reserve and National Guard members
Arkansas	Exempt, including National Guard and Reserves
California	Same as federal
Colorado	Same as federal
Connecticut	CZE, 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 \$7,152 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 total of active duty and regular reserves and National Guard pay; full exclusion for reserves and National Guard pay when unit is federalized or during the period the individual is deployed and mobilized for full-time service
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, including Reserve and National Guard members; \$20 personal credit for Kentucky National Guard members; all income is exempt for soldiers killed in the line of duty for the year of death and the preceding year
Louisiana	CZE and up to \$30,000 excluded for active duty service outside Louisiana for 120 or more consecutive days
Maine	CZE, plus exempt if a Maine resident for service performed outside Maine
Maryland	CZE and up to a total of \$15,000 excluded 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	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	CZE, plus exemption for pay received by National Guard/Reserve member for federal active duty service
Ohio	CZE, 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 income earned outside of Oregon; exclude up to \$6,000 if earned in Oregon (includes National Guard and Reserves); exclude all active duty Guard and Reservists pay under certain conditions
Pennsylvania	Exempt if stationed outside of state
Rhode Island	Same as federal
South Carolina	CZE and exclusion for Reserve and National Guard training pay
Utah	Same as federal
Vermont	CZE, plus exclusions for income from full-time active duty outside Vermont; first \$2,000 of training pay for Reserve and National Guard members with Vermont AGI less than \$50,000
Virginia	CZE and exempt up to \$15,000 of basic military pay if on extended active duty and up to \$3,000 for Virginia National Guard pay
West Virginia	CZE; exclusion for pay to Reserve and National Guard members called to active duty under a Presidential order; exclusion for active duty pay in year of discharge, provided active duty service equaled at least 30 days
Wisconsin	CZE, and exclusion for certain active duty pay received from the federal government

**Table 2: State Tax Exclusion for Pension/Retirement Income (Tax Year 2021)**

State	Private	State & Local	Federal Civilian	Military
Alabama	State Calculation	Most Exempt	Exempt	Exempt
Arizona	None	\$2,500	\$2,500	Exempt
Arkansas	\$6,000	\$6,000	\$6,000	Exempt
California	None	None	None	None
Colorado	\$20,000/\$24,000	\$20,000/\$24,000	\$20,000/\$24,000	\$10,000/\$20,000/\$24,000
Connecticut	42%*	50%/42%*	42%*	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	\$35,000/\$65,000	\$35,000/\$65,000	\$35,000/\$65,000	\$35,000/\$65,000
Hawaii	State Calculation	Exempt	Exempt	Exempt
Idaho	None	\$37,776*	\$37,776	\$37,776
Illinois	Most Exempt	Exempt	Exempt	Exempt
Indiana	None	None	\$16,000	\$6,250 <sup>b</sup>
Iowa	\$6,000	\$6,000	\$6,000	Exempt
Kansas	None	Most Exempt	Exempt	Exempt
Kentucky	\$31,110	\$31,110/Exempt	\$31,110/Exempt	\$31,110/Exempt
Louisiana	\$6,000	\$6,000/Exempt	Exempt	Exempt
Maine	\$10,000	\$10,000	\$10,000	Exempt
Maryland	\$34,300	\$34,300 <sup>c</sup>	\$34,300	\$5,000/\$15,000
Massachusetts	None	State Calculation	State Calculation	Exempt
Michigan	State Calculation	State Calculation	State Calculation	Exempt
Minnesota	None	None	None	Exempt
Mississippi	Exempt	Exempt	Exempt	Exempt
Missouri	\$6,000*	\$39,365*	\$39,365*	Exempt
Montana	\$4,400*	\$4,400*	\$4,400*	\$4,400*
Nebraska	None	None	None	State Calculation
New Hampshire	Exempt	Exempt	Exempt	Exempt
New Jersey	\$75,000*	\$75,000*	\$75,000*	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	Exempt
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	\$15,000*	\$15,000*	\$15,000*	\$15,000*
South Carolina	\$3,000/\$10,000	\$3,000/\$10,000	\$3,000/\$10,000	\$17,500/\$30,000
Utah	None	None	None	Exempt
Vermont	None	None	None	None
Virginia	None	None	None	Most Taxable
West Virginia	None	\$2,000/Exempt <sup>a</sup>	\$2,000	Exempt
Wisconsin	\$5,000*	Exempt/\$5,000*	Exempt/\$5,000*	Exempt

<sup>a</sup> Applies only in the case of certain public safety officials.

<sup>b</sup> Partial exclusion equal to 75% of additional military retirement income is allowed.

<sup>c</sup> Optional pension benefit exclusions for retired public safety personnel.

\* Benefit is limited based on state-specific income threshold.

**Table 3: Standard Deduction by State (Tax Year 2021)**

State	% of AGI	Single	Married Joint	Married Separate	Head-of-Household
Alabama		\$2,500 - \$2,000	\$7,500 - \$4,000	\$3,750 - \$2,000	\$4,700 - \$2,000
Arizona <sup>a</sup>		Federal	Federal	Federal	Federal
Arkansas		2,200	4,400	2,200	2,200
California		4,803	9,606	4,803	9,606
Colorado		Federal	Federal	Federal	Federal
Connecticut		15,000 - 0	24,000 - 0	12,000 - 0	19,000 - 0
Delaware <sup>b</sup>		3,250	6,500	3,250	3,250
District of Columbia		Federal	Federal	Federal	Federal
Georgia <sup>b</sup>		4,600	6,000	3,000	4,600
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		2,130	5,240	2,130	5,240
Kansas <sup>b</sup>		3,500	8,000	4,000	6,000
Kentucky		2,690	2,690	2,690	2,690
Louisiana <sup>c</sup>		4,500	9,000	4,500	9,000
Maine		Federal	Federal	Federal	Federal
Maryland	15%	2,350 - 1,550	4,700 - 3,100	2,350 - 1,550	4,700 - 3,100
Massachusetts		None	None	None	None
Michigan <sup>d</sup>		None	None	None	None
Minnesota		12,525 - 2,505	25,050 - 5,010	12,525 - 2,505	18,800 - 3,760
Mississippi		2,300	4,600	2,300	3,400
Missouri		Federal	Federal	Federal	Federal
Montana	20	4,830 - 2,140	9,660 - 4,280	4,830 - 2,140	9,660 - 4,280
Nebraska <sup>b</sup>		7,100	14,200	7,100	10,450
New Hampshire		None	None	None	None
New Jersey		None	None	None	None
New Mexico		Federal	Federal	Federal	Federal
New York		8,000	16,050	8,000	11,200
North Carolina		10,750	21,500	10,750	16,125
North Dakota		Federal	Federal	Federal	Federal
Ohio		None	None	None	None
Oklahoma		6,350	12,700	6,350	9,350
Oregon <sup>b</sup>		2,350	4,700	2,350	3,780
Pennsylvania		None	None	None	None
Rhode Island		9,050 - 0	18,100 - 0	9,050 - 0	13,550 - 0
South Carolina		Federal	Federal	Federal	Federal
Utah		Federal	Federal	Federal	Federal
Vermont <sup>b</sup>		6,350	12,700	6,350	9,500
Virginia		4,500	9,000	4,500	4,500
West Virginia		None	None	None	None
Wisconsin		11,200 - 0	20,730 - 0	9,850 - 0	14,470 - 0

<sup>a</sup> Additional amounts based on charitable contributions.

<sup>b</sup> Additional amounts if blind or 65 and over.

<sup>c</sup> 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.

<sup>d</sup> Standard deduction of \$20,000 (\$40,000 M-J) only available if born between January 1, 1946, and December 31, 1952. Additional \$15,000 for individuals who received retirement payments not covered by Social Security.

**Table 4: Personal Exemptions/Credits by State (Tax Year 2021)**

State	Exemption/ Credit	Single	Married-J	Married-S	Head-of- Household	Elderly	Dependent	Disabled Dependent	Blind--B Deaf--D Disabled--DS
Alabama	Exemption	\$1,500	\$3,000	\$1,500	\$3,000	\$-0-	\$300-\$1,000 <sup>a</sup>	\$-0-	\$-0-
Arizona	Exemption	-0-	-0-	-0-	-0-	2,100	0/10,000	-0-	B 1,500
Arkansas	Credit	29	58	29	58	29	29	500	B,D 29
California <sup>a</sup>	Credit	129	258	129	129	129	400	-0-	B 129
Colorado	None	None	None	None	None	None	None	None	None
Connecticut <sup>a</sup>	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	None	None	None	None	None	None	None	None	None
Georgia	Exemption	2,700	7,400	3,700	2,700	-0-	3,000	-0-	-0-
Hawaii	Exemption	1,144	2,288	1,144	1,144	1,144	1,144	-0-	B,D,DS 7,000 <sup>b</sup>
Idaho	None	None	None	None	None	None	None	None	None
Illinois <sup>a</sup>	Exemption	2,375	4,750	2,375	2,375	1,000	2,375	-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	-0-	-0-	-0-	-0-	40	-0-	-0-	B 40
Louisiana	Exemption	1,000 <sup>c</sup>	2,000 <sup>c</sup>	1,000 <sup>c</sup>	1,000 <sup>c</sup>	1,000	1,000	-0-	B 1,000
Maine <sup>a</sup>	Exemption	4,300	8,600	4,300	4,300	-0-	300 credit	-0-	-0-
Maryland <sup>a</sup>	Exemption	3,200	6,400	3,200	3,200	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	4,900	9,800	4,900	4,900	-0-	1,500/4,900	-0-	B,D,DS 2,800
Minnesota <sup>a</sup>	Exemption	-0-	-0-	-0-	-0-	-0-	4,350	-0-	-0-
Mississippi	Exemption	6,000	12,000	6,000	8,000	1,500	1,500	-0-	B 1,500
Missouri	None	None	None	None	None	None	None	None	None
Montana	Exemption	2,580	5,160	2,580	2,580	2,580	2,580	2,580	B 2,580
Nebraska	Credit	142	284	142	142	-0-	142	-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	1,000/1,500	-0-	B, DS 1,000
New Mexico <sup>a</sup>	Exemption	0-2,500	0-5,000	0-2,500	0-2,500	0-8,000	0-2,500	-0-	B 0-8,000
New York	Exemption	-0-	-0-	-0-	-0-	-0-	1,000	-0-	-0-
North Carolina <sup>a</sup>	Exemption	-0-	-0-	-0-	-0-	-0-	2,500 <sup>a</sup>	-0-	-0-
North Dakota	None	None	None	None	None	None	None	None	None
Ohio <sup>a</sup>	Exemption	1,900-2,400	3,800-4,800	1,900-2,400	1,900-2,400	-0-	1,900-2,400	-0-	-0-
Oklahoma	Exemption	1,000	2,000	1,000	1,000	1,000	1,000	-0-	B 1,000
Oregon <sup>a</sup>	Credit	213	426	213	213	-0-	213	213	DS 213
Pennsylvania	None	None	None	None	None	None	None	None	None
Rhode Island <sup>a</sup>	Exemption	4,250	8,500	4,250	4,250	-0-	4,250	-0-	-0-
South Carolina	Exemption	-0-	-0-	-0-	-0-	-0-	4,300/8,600	-0-	-0-
Utah <sup>d</sup>	Credit	-0-	-0-	-0-	-0-	-0-	1,750	-0-	-0-
Vermont	Exemption	4,350	8,700	4,350	4,350	-0-	4,350	-0-	-0-
Virginia	Exemption	930	1,860	930	930	800	930	-0-	B 800
West Virginia	Exemption	2,000	4,000	2,000	2,000	0-8,000 <sup>e</sup>	500/2,000	-0-	DS 0-8,000 <sup>e</sup>
Wisconsin	Exemption	700	1,400	700	700	250	700	-0-	-0-

<sup>a</sup> Based on state or federal income thresholds, the exemption is phased out at higher incomes. Connecticut's credit is a percentage of tax liability.

<sup>b</sup> In lieu of regular personal exemption.

<sup>c</sup> These personal exemption amounts are included in the combined standard deduction/personal exemption figures shown in Table 3.

<sup>d</sup> Total Taxpayer Tax Credit equals the sum of exemptions and deductions multiplied by 6%, subject to phase-out based on income.

<sup>e</sup> Deduction up to \$8,000 of taxable income for taxpayers aged 65 or over or permanently and totally disabled.



**Table 5: Tax Rates and Brackets by State (Tax Year 2021)**

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-H Bracket
Alabama	2.0%	5.0%	3	\$3,001	\$6,001	\$3,001	\$3,001
Arizona	2.59	4.5	4	166,844	333,685	166,844	333,685
Arkansas <sup>a</sup>	0.0	5.9	6	39,700	39,700	39,700	39,700
California <sup>a</sup>	1.0	12.3	9	625,370	1,250,739	625,370	850,504
Colorado	4.5	4.5	Flat Rate	---	---	---	---
Connecticut <sup>a</sup>	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	6	1,000,001	1,000,001	1,000,001	1,000,001
Georgia	1.0	5.75	6	7,001	10,001	5,001	10,001
Hawaii	1.4	11.0	12	200,001	400,001	200,001	300,001
Idaho	1.0	6.5	5	7,939	15,878	7,939	15,878
Illinois	4.95	4.95	Flat Rate	---	---	---	---
Indiana	3.23	3.23	Flat Rate	---	---	---	---
Iowa	0.33	8.53	9	75,421	75,421	75,421	75,421
Kansas	0.0	5.7	4	30,001	60,001	30,001	30,001
Kentucky	5.0	5.0	Flat Rate	---	---	---	---
Louisiana	2.0	6.0	3	50,001	100,001	50,001	50,001
Maine	5.8	7.15	3	53,150	106,350	53,150	79,750
Maryland	2.0	5.75	8	250,001	300,001	250,001	300,001
Massachusetts <sup>b</sup>	3.0	12.0	Flat Rates	---	---	---	---
Michigan	4.25	4.25	Flat Rate	---	---	---	---
Minnesota	5.35	9.85	4	166,041	276,201	138,101	220,731
Mississippi	0.0	5.0	4	10,001	10,001	10,001	10,001
Missouri	1.5	5.4	9	8,705	8,705	8,705	8,705
Montana	1.0	6.9	7	18,801	18,801	18,801	18,801
Nebraska	2.46	6.84	4	32,211	64,431	32,211	47,761
New Hampshire	5.0	5.0	Flat Rate	---	---	---	---
New Jersey <sup>c</sup>	1.4	10.75	7/8	1,000,001	1,000,001	1,000,001	1,000,001
New Mexico	1.7	5.9	5	210,001	315,001	157,501	315,001
New York <sup>a</sup>	4.0	10.9	10	25,000,001	25,000,001	25,000,001	25,000,001
North Carolina	5.25	5.25	Flat Rate	---	---	---	---
North Dakota	1.1	2.9	5	445,001	445,001	222,501	445,001
Ohio	0.0	3.99	5	110,651	110,651	110,651	110,651
Oklahoma	0.5	5.0	6	7,201	12,201	7,201	12,201
Oregon	4.75	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	150,551	150,551	150,551	150,551
South Carolina	0.0	7.0	6	15,560	15,560	15,560	15,560
Utah <sup>d</sup>	4.95	4.95	Flat Rate	---	---	---	---
Vermont <sup>a</sup>	3.35	8.75	4	206,951	251,951	151,976	229,451
Virginia	2.0	5.75	4	17,001	17,001	17,001	17,001
West Virginia	3.0	6.5	5	60,001	60,001	30,001	60,001
Wisconsin	3.54	7.65	4	266,931	355,911	177,961	266,931

<sup>a</sup> Separate tax calculations apply to different taxpayers depending on the taxpayer's income.<sup>b</sup> Massachusetts has three flat tax rates, each applied to different sources of income, and one optional higher rate.<sup>c</sup> Seven rates for single and married separate filers and eight rates for married joint and head-of-household filers.<sup>d</sup> Taxpayers whose federal AGI is less than or equal to their federal standard deduction are exempt from Utah income tax.



# 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 and dividends on veteran's life insurance.</p> <p>Capital Gains &amp; 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 ..... 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 Alabama's plan.</p> <p>Lottery Winnings ..... Same as federal.</p> <p>Federal Income Taxes ..... Deductible.</p> <p>Other ..... Exclusions for up to \$50,000 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, up to \$3,000 of expenses to retrofit or upgrade homes to resist wind or flood damage, deposits to a catastrophe savings account, and up to \$5,000 (\$10,000 M-J) of deposits to: (a) an Alabama ABLE account; and (b) an Alabama first time and second chance homebuyer savings account. Certain moving expenses for certain active duty Armed Forces members 100% deductible if new job is in Alabama.</p>	<p><b>Standard:</b> Sliding scale standard deduction, phases down from a maximum to a minimum amount based on taxpayer's Alabama AGI.</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;"><u>Filing Status</u></th> <th colspan="2" style="text-align: center;"><u>Standard Deduction</u></th> </tr> <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 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>M-J</td> <td style="text-align: center;">4,000</td> <td style="text-align: center;">7,500</td> </tr> <tr> <td>M-S</td> <td style="text-align: center;">2,000</td> <td style="text-align: center;">3,750</td> </tr> </tbody> </table> <p><b>Itemized:</b> State itemized deductions.</p> <p><b>Major Differences from Federal Law:</b> <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 and gift taxes, railroad retirement tax. <u>Other:</u> Miscellaneous deductions subject to 2% federal AGI limitation which were suspended under federal law are allowed for Alabama purposes, subject to 2% AL AGI limitation.</p>	<u>Filing Status</u>	<u>Standard Deduction</u>			<u>Minimum</u>	<u>Maximum</u>	Single	\$2,000	\$2,500	H-H	2,000	4,700	M-J	4,000	7,500	M-S	2,000	3,750					
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<u>Taxable Income Brackets</u>		<u>Marginal Tax Rates</u>																						
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Over 100,000	300																							
NONBUSINESS TAX CREDITS	OTHER TAXES																							
<ul style="list-style-type: none"> <li>• Adoption</li> <li>• Contribution to scholarship granting organization</li> <li>• Growing Alabama</li> <li>• Historic rehabilitation</li> <li>• Income taxes paid to other states</li> <li>• Income taxes paid to a foreign country</li> <li>• Rural physician</li> <li>• Transferring from a failing public school</li> </ul>	<ul style="list-style-type: none"> <li>• Catastrophe savings tax on nonqualified account withdrawals</li> <li>• PTE tax</li> <li>• Use tax</li> </ul>																							

# 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 &amp; Losses ..... Same as federal, except a 25% exclusion extends to net long-term gains on assets acquired after December 31, 2011, and net gains from investments in qualified Arizona 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 ..... Exempt.</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/ beneficiary (\$4,000 M-J) made directly to any state's 529 plan.</p> <p>Lottery Winnings ..... Same as federal.</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, ABLE account contributions, and premium costs for long-term care insurance. Exclusion for sole proprietorship income of an Arizona nonprofit medical marijuana dispensary. Claim of right adjustment.</p>		<p><b>Standard*:</b> Same as federal.</p> <p>*Standard deduction is increased by 25% of total eligible charitable contributions.</p> <p><b>Itemized:</b> Federal itemized deductions.</p> <p><b>Major Differences from Federal Law:</b> <u>Medical Expenses:</u> Expenses are not reduced as a percent of AGI. <u>Charitable Contributions:</u> Cannot claim same contributions used for state credit. <u>Other:</u> Mortgage interest deduction allowed equal to the federal mortgage interest credit.</p>																		
TAX RATES AND BRACKETS		EXEMPTIONS																		
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<u>Taxable Income Brackets</u>		<u>Marginal Tax Rates</u>																		
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NONBUSINESS TAX CREDITS		OTHER TAXES																		
<ul style="list-style-type: none"> <li>• Contributions to qualifying charitable organizations</li> <li>• Contributions made or fees paid to public schools</li> <li>• Contributions to private/certified school tuition organizations</li> <li>• Contributions to qualifying foster care charitable organizations</li> <li>• Dependent</li> <li>• Donation of school site</li> </ul>		None.																		
<ul style="list-style-type: none"> <li>• Donations to the military family relief fund</li> <li>• Family income</li> <li>• Income taxes paid to other states/countries</li> <li>• Increased excise taxes</li> <li>• Increased research activities</li> <li>• Investment in qualified small businesses</li> <li>• Property tax/rent (low income/elderly)</li> <li>• Solar energy devices</li> </ul>																				

# 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 &amp; Losses ..... Exclusions for net long-term capital gains: (a) 100% of amount of gain exceeding \$10 million and (b) 50% of all other gains.</p> <p>Pension/Retirement Income*</p> <p>--Private ..... First \$6,000/taxpayer exempt.</p> <p>--Public ..... First \$6,000/taxpayer exempt.</p> <p>--U.S. Civil Service ..... First \$6,000/taxpayer exempt.</p> <p>--Military. .... Exempt.</p> <p>Active Duty Military ..... Exempt, including National Guard and Reserves.</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, plus exempt first \$6,000 of employer-sponsored disability retirement payments.</p> <p>College Savings Plans ..... Same as federal, plus deduction for contributions up to \$5,000/taxpayer to Arkansas' plan and \$3,000/taxpayer to another state's plan.</p> <p>Lottery Winnings..... Same as federal.</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, reforestation expenses, and employment-related moving expenses. Income from rural physician recruitment program is exempt.</p>	<p><b>Standard:</b></p> <p>Single/M-S/H-H..... \$2,200</p> <p>M-J ..... 4,400</p> <p><b>Itemized:</b></p> <p>State itemized deductions.</p> <p><b>Major Differences from Federal Law:</b></p> <p><u>Taxes:</u> State income taxes and state and local sales taxes not deductible.</p> <p><u>Medical:</u> Amount exceeding 10% of AGI.</p> <p><u>Other:</u> Deductions for post-secondary education tuition and volunteer firefighter expenses. Miscellaneous deductions subject to 2% federal AGI limitation which were suspended under federal law are allowed for Arkansas purposes.</p>														
TAX RATES AND BRACKETS	EXEMPTIONS (TAX CREDIT)														
<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center; width: 60%;">Taxable <u>Income Bracket</u></th> <th style="text-align: center; width: 40%;">Marginal <u>Tax Rates</u></th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">\$0 - \$4,799</td> <td style="text-align: center;">0.0%</td> </tr> <tr> <td style="text-align: center;">4,800 - 9,499</td> <td style="text-align: center;">2.0</td> </tr> <tr> <td style="text-align: center;">9,500 - 14,299</td> <td style="text-align: center;">3.0</td> </tr> <tr> <td style="text-align: center;">14,300 - 23,599</td> <td style="text-align: center;">3.4</td> </tr> <tr> <td style="text-align: center;">23,600 - 39,699</td> <td style="text-align: center;">5.0</td> </tr> <tr> <td style="text-align: center;">39,700 and over</td> <td style="text-align: center;">5.9</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 <u>Income Bracket</u>	Marginal <u>Tax Rates</u>	\$0 - \$4,799	0.0%	4,800 - 9,499	2.0	9,500 - 14,299	3.0	14,300 - 23,599	3.4	23,600 - 39,699	5.0	39,700 and over	5.9	<p>Single/M-S ..... \$29</p> <p>M-J/H-H ..... 58</p> <p>Dependent ..... 29</p> <p>Age 65 or over..... 29</p> <p>Developmentally Disabled</p> <p>Individual ..... 500</p> <p>Blind ..... 29</p> <p>Deaf ..... 29</p> <p>Age 65 special* ..... 29</p>
Taxable <u>Income Bracket</u>	Marginal <u>Tax Rates</u>														
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NONBUSINESS TAX CREDITS	OTHER TAXES														
<ul style="list-style-type: none"> <li>• Adoption expenses</li> <li>• Child care</li> <li>• Early childhood program</li> <li>• Income taxes paid to other states</li> <li>• Phenylketonuria disorder</li> <li>• Political contributions</li> <li>• Stillborn</li> </ul>	<ul style="list-style-type: none"> <li>• Early withdrawal penalty from IRA and employer qualified retirement plan</li> </ul>														

\*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 &amp; 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, regardless of whether used for qualified medical expenses.</p> <p>Miscellaneous</p> <p>Disability Income..... Same as federal.</p> <p>College Savings Plans ..... Same as federal, except distributions used for K-12 tuition expenses do not qualify.</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 appliances, and paid family leave program compensation. Add-back for mortgage forgiveness debt relief and for Olympic medals and prize money. The federal educator expenses deduction does not apply. Alimony paid is deductible, alimony received is taxable. No limitation on ridesharing fringe benefits.</p>	<p><b>Standard:</b></p> <p>Single/M-S.....\$4,803</p> <p>M-J/H-H.....9,606</p> <p><b>Itemized:</b></p> <p>Same as federal.</p> <p><b>Major Differences from Federal Law:</b></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 federal AGI with carryover provision.</p> <p><u>Miscellaneous:</u> Different treatment of investment and home mortgage interest expenses and employee business expense. California lottery losses not deductible. Federal mortgage interest credit deductible.</p> <p><u>Other:</u> Legislators' travel expenses are only deductible if incurred while away from home overnight. Adoption-related expenses used to claim state credit cannot be claimed. Private mortgage insurance not deductible. Casualty and theft loss deductions which were suspended at the federal level are retained for CA purposes.</p> <p><u>High Income Limitation:</u> Total deductions are limited using federal AGI thresholds, but the \$10,000 federal limit on state and local tax deductions does not apply to real and personal property taxes.</p>																																																																					
TAX RATES AND BRACKETS**	EXEMPTIONS (TAX CREDIT)																																																																					
<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="4" style="text-align: center;">Taxable Income Brackets</th> <th rowspan="3" style="text-align: center; vertical-align: middle;">Marginal Tax Rates</th> </tr> <tr> <th colspan="2" style="text-align: center;">Single/M-S</th> <th colspan="2" style="text-align: center;">M-J***</th> <th style="text-align: center;">H-H</th> </tr> <tr> <th style="text-align: center;">Over</th> <th style="text-align: center;">But not over</th> <th style="text-align: center;">Over</th> <th style="text-align: center;">But not over</th> <th style="text-align: center;">Over</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">\$0 - \$9,325</td> <td></td> <td style="text-align: center;">\$0 - \$18,650</td> <td></td> <td style="text-align: center;">\$0 - \$18,663</td> <td style="text-align: center;">1.0%</td> </tr> <tr> <td style="text-align: center;">9,325 - 22,107</td> <td></td> <td style="text-align: center;">18,650 - 44,214</td> <td></td> <td style="text-align: center;">18,663 - 44,217</td> <td style="text-align: center;">2.0</td> </tr> <tr> <td style="text-align: center;">22,107 - 34,892</td> <td></td> <td style="text-align: center;">44,214 - 69,784</td> <td></td> <td style="text-align: center;">44,217 - 56,999</td> <td style="text-align: center;">4.0</td> </tr> <tr> <td style="text-align: center;">34,892 - 48,435</td> <td></td> <td style="text-align: center;">69,784 - 96,870</td> <td></td> <td style="text-align: center;">56,999 - 70,542</td> <td style="text-align: center;">6.0</td> </tr> <tr> <td style="text-align: center;">48,435 - 61,214</td> <td></td> <td style="text-align: center;">96,870 - 122,428</td> <td></td> <td style="text-align: center;">70,542 - 83,324</td> <td style="text-align: center;">8.0</td> </tr> <tr> <td style="text-align: center;">61,214 - 312,686</td> <td></td> <td style="text-align: center;">122,428 - 625,372</td> <td></td> <td style="text-align: center;">83,324 - 425,521</td> <td style="text-align: center;">9.3</td> </tr> <tr> <td style="text-align: center;">312,686 - 375,221</td> <td></td> <td style="text-align: center;">625,372 - 750,442</td> <td></td> <td style="text-align: center;">425,521 - 510,303</td> <td style="text-align: center;">10.3</td> </tr> <tr> <td style="text-align: center;">375,221 - 625,369</td> <td></td> <td style="text-align: center;">750,442 - 1,250,738</td> <td></td> <td style="text-align: center;">510,303 - 850,503</td> <td style="text-align: center;">11.3</td> </tr> <tr> <td style="text-align: center;">625,369 and over</td> <td></td> <td style="text-align: center;">1,250,738 and over</td> <td></td> <td style="text-align: center;">850,503 and over</td> <td style="text-align: center;">12.3</td> </tr> </tbody> </table>	Taxable Income Brackets				Marginal Tax Rates	Single/M-S		M-J***		H-H	Over	But not over	Over	But not over	Over	\$0 - \$9,325		\$0 - \$18,650		\$0 - \$18,663	1.0%	9,325 - 22,107		18,650 - 44,214		18,663 - 44,217	2.0	22,107 - 34,892		44,214 - 69,784		44,217 - 56,999	4.0	34,892 - 48,435		69,784 - 96,870		56,999 - 70,542	6.0	48,435 - 61,214		96,870 - 122,428		70,542 - 83,324	8.0	61,214 - 312,686		122,428 - 625,372		83,324 - 425,521	9.3	312,686 - 375,221		625,372 - 750,442		425,521 - 510,303	10.3	375,221 - 625,369		750,442 - 1,250,738		510,303 - 850,503	11.3	625,369 and over		1,250,738 and over		850,503 and over	12.3	<p>Personal..... \$129</p> <p>Dependent ..... 400</p> <p>Age 65 or older ..... 129</p> <p>Blind..... 129</p> <p>Credits limited at higher incomes.</p>
Taxable Income Brackets				Marginal Tax Rates																																																																		
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<ul style="list-style-type: none"> <li>• Child adoption</li> <li>• Child and dependent care expenses</li> <li>• Claim of right</li> <li>• College access</li> <li>• Dependent parent</li> <li>• Earned income</li> <li>• Income taxes paid to other states</li> </ul>	<ul style="list-style-type: none"> <li>• Joint custody head-of-household</li> <li>• Natural heritage preservation</li> <li>• Nonrefundable renters</li> <li>• Prior year alternative minimum tax</li> <li>• Senior head-of-household</li> <li>• Young child</li> </ul>																																																																					
	<ul style="list-style-type: none"> <li>• Alternative minimum tax</li> <li>• Excess advance premium assistance subsidy repayment</li> <li>• Mental health services tax</li> <li>• PTE tax</li> <li>• Qualifying health care coverage penalty</li> <li>• Taxes on early distributions from qualified retirement plans/other tax-favored accounts</li> <li>• Use tax</li> </ul>																																																																					

\* Registered domestic partners must file as married joint or married separate. Qualifying widow(er)s with a dependent child may file as married joint.

\*\* This rate and bracket schedule only applies to taxpayers with taxable income greater than \$100,000. A separate tax table is provided for taxpayers with taxable income of \$100,000 or less.

\*\*\* These brackets also apply to a qualifying widow(er).

\*\*\*\* Tax credits may be limited at higher incomes.

# COLORADO

Filing System: Joint

TAX BASE: FEDERAL TAXABLE INCOME		DEDUCTIONS
<u>Major Differences from Federal Law</u>		
Interest/Dividend .....	Exempts U.S. government bonds.	<b>Standard:</b> Same as federal.
Capital Gains & Losses .....	Provided the property has been held at least 5 uninterrupted years, exclude up to \$100,000 of gain on either real or tangible personal property located in Colorado and acquired between May 9, 1994 and June 4, 2009, or tangible personal property acquired on or after June 4, 2009, regardless of location.	<b>Itemized:</b> Same as federal.
Pension/Retirement Income		<b>Major Differences From Federal Law:</b> <u>Taxes:</u> State income taxes generally not deductible.
--Private .....	Exclude up to \$20,000/person (if 55-64); \$24,000/person (65 and older).	
--Public .....	Exclude up to \$20,000/person (if 55-64); \$24,000/person (65 and older).	
--U.S. Civil Service .....	Exclude up to \$20,000/person (if 55-64); \$24,000/person (65 and older).	
--Military .....	Exclude up to \$10,000/person if aged 54 or younger. Exclude up to \$20,000/person (if 55-64); \$24,000/person (65 and older).	
Active Duty Military .....	Same as federal.	
Unemployment Compensation.....	Same as federal.	
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.	
State/Municipal Bond Interest.....	Taxable, except obligations of Colorado or its political subdivisions.	
Health Savings Accounts .....	Same as federal.	
Miscellaneous		
Disability Income .....	Same as federal, except persons 55 and older may claim same subtraction as provided for pension/retirement income above.	
College Savings Plans .....	Same as federal, except distributions used for K-12 tuition expenses do not qualify, plus deduction for contributions (no limit) to Colorado's plan.	
Lottery Winnings.....	Same as federal.	
Federal Income Taxes .....	Not deductible.	
Other .....	Deductions for up to \$2,500 of wildfire mitigation costs, for contributions of up to \$3,000 to medical savings accounts, and for income earned as a direct result of winning an Olympic gold medal. 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 interest earnings from first time home buyer savings accounts and for non-resident disaster relief compensation.	
TAX RATES AND BRACKETS		EXEMPTIONS
4.5% of Colorado taxable income.		None.
NONBUSINESS TAX CREDITS		OTHER TAXES
<ul style="list-style-type: none"> <li>• Alternative minimum tax</li> <li>• Child care expenses</li> <li>• Child care contribution</li> <li>• Conservation easement</li> <li>• Earned income</li> <li>• Historic structures preservation</li> </ul>	<ul style="list-style-type: none"> <li>• Income taxes paid to another state</li> <li>• Innovative motor vehicle</li> <li>• Long-term care insurance</li> <li>• Retrofitting home (disability)</li> <li>• Rural and frontier health care preceptor</li> <li>• School-to-career investment</li> </ul>	<ul style="list-style-type: none"> <li>• Alternative minimum tax</li> <li>• Use tax</li> </ul>

# 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 &amp; 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, except exclusion equal to 42% of retirement income if federal AGI is below certain thresholds.</p> <p>--Public..... Same as federal, except exclusion equal to 50% of Connecticut teachers' retirement pay, and exclusion equal to 42% of retirement income if federal AGI is below certain thresholds.</p> <p>--U.S. Civil Service..... Same as federal, except exclusion equal to 42% of retirement income if federal AGI is below certain thresholds.</p> <p>--Military..... Exempt.</p> <p>Active Duty Military..... CZE, 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 \$75,000 (\$100,000 M-J/H-H); 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 (\$10,000 M-J) to Connecticut's plan.</p> <p>Lottery Winnings..... Same as federal.</p> <p>Federal Income Taxes..... Not deductible.</p> <p>Other..... Deduction for organ donation expenses. Exclusions for interest on Connecticut individual development accounts and Connecticut home care option program for the elderly accounts and for assistance for crumbling or collapsing foundations. Modifications (add or subtract) for Connecticut fiduciary adjustment.</p>	<p><b>Standard:</b> Sliding scale standard deduction.</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;"><u>Filing Status</u></th> <th style="text-align: center;"><u>Standard Deduction</u></th> <th style="text-align: center;"><u>Income Range for Deduction Phase-Out</u></th> </tr> </thead> <tbody> <tr> <td>Single</td> <td style="text-align: center;">\$15,000</td> <td style="text-align: center;">\$30,000 - \$44,000</td> </tr> <tr> <td>H-H</td> <td style="text-align: center;">19,000</td> <td style="text-align: center;">38,000 - 56,000</td> </tr> <tr> <td>M-J</td> <td style="text-align: center;">24,000</td> <td style="text-align: center;">48,000 - 71,000</td> </tr> <tr> <td>M-S</td> <td style="text-align: center;">12,000</td> <td style="text-align: center;">24,000 - 35,000</td> </tr> </tbody> </table> <p><b>Itemized:</b> None.</p>	<u>Filing Status</u>	<u>Standard Deduction</u>	<u>Income Range for Deduction Phase-Out</u>	Single	\$15,000	\$30,000 - \$44,000	H-H	19,000	38,000 - 56,000	M-J	24,000	48,000 - 71,000	M-S	12,000	24,000 - 35,000																																																								
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Income amounts subject to the 3% marginal tax rate are reduced depending on filing status and AGI thresholds, so that amounts not taxed at 3% are instead taxed at 5%. In addition, taxpayers with AGI exceeding specified thresholds, based on their filing status, are subject to a tax recapture provision.</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;"><u>Filing Status</u></th> <th style="text-align: center;"><u>Income Range for 3% Tax Rate Phase-Out</u></th> <th style="text-align: center;"><u>Tax Add-Back</u></th> <th style="text-align: center;"><u>Income Range for Tax Recapture</u></th> <th style="text-align: center;"><u>Recapture Amount</u></th> </tr> </thead> <tbody> <tr> <td>Single</td> <td style="text-align: center;">\$56,500 - \$101,500</td> <td style="text-align: center;">\$20 - \$200</td> <td style="text-align: center;">\$200,000 - \$540,000</td> <td style="text-align: center;">\$90 - \$3,150</td> </tr> <tr> <td>H-H</td> <td style="text-align: center;">78,500 - 114,500</td> <td style="text-align: center;">32 - 320</td> <td style="text-align: center;">320,000 - 864,000</td> <td style="text-align: center;">140 - 4,920</td> </tr> <tr> <td>M-J</td> <td style="text-align: center;">100,500 - 145,500</td> <td style="text-align: center;">40 - 400</td> <td style="text-align: center;">400,000 - 1,080,000</td> <td style="text-align: center;">180 - 6,300</td> </tr> <tr> <td>M-S</td> <td style="text-align: center;">50,250 - 72,750</td> <td style="text-align: center;">20 - 200</td> <td style="text-align: center;">200,000 - 540,000</td> <td style="text-align: center;">90 - 3,150</td> </tr> </tbody> </table>	<u>Taxable Income Brackets</u>			<u>Marginal Tax Rates</u>	<u>Single/M-S</u>	<u>M-J</u>	<u>H-H</u>		\$0 - \$10,000	\$0 - \$20,000	\$0 - \$16,000	3.0%	10,001 - 50,000	20,001 - 100,000	16,001 - 80,000	5.0	50,001 - 100,000	100,001 - 200,000	80,001 - 160,000	5.5	100,001 - 200,000	200,001 - 400,000	160,001 - 320,000	6.0	200,001 - 250,000	400,001 - 500,000	320,001 - 400,000	6.5	250,001 - 500,000	500,001 - 1,000,000	400,001 - 800,000	6.9	500,001 and over	1,000,001 and over	800,001 and over	6.99	<u>Filing Status</u>	<u>Income Range for 3% Tax Rate Phase-Out</u>	<u>Tax Add-Back</u>	<u>Income Range for Tax Recapture</u>	<u>Recapture Amount</u>	Single	\$56,500 - \$101,500	\$20 - \$200	\$200,000 - \$540,000	\$90 - \$3,150	H-H	78,500 - 114,500	32 - 320	320,000 - 864,000	140 - 4,920	M-J	100,500 - 145,500	40 - 400	400,000 - 1,080,000	180 - 6,300	M-S	50,250 - 72,750	20 - 200	200,000 - 540,000	90 - 3,150	<p>Personal tax credits ranging from 0% to 75% of tax, depending on filing status and Connecticut AGI. 75% credit is phased out as follows:</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;"><u>Filing Status</u></th> <th style="text-align: center;"><u>Income Range for Credit Phase-Out</u></th> </tr> </thead> <tbody> <tr> <td>Single</td> <td style="text-align: center;">\$18,800 - \$64,500</td> </tr> <tr> <td>H-H</td> <td style="text-align: center;">24,000 - 78,500</td> </tr> <tr> <td>M-J</td> <td style="text-align: center;">30,000 - 100,500</td> </tr> <tr> <td>M-S</td> <td style="text-align: center;">15,000 - 52,500</td> </tr> </tbody> </table>	<u>Filing Status</u>	<u>Income Range for Credit Phase-Out</u>	Single	\$18,800 - \$64,500	H-H	24,000 - 78,500	M-J	30,000 - 100,500	M-S	15,000 - 52,500
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<ul style="list-style-type: none"> <li>• Angel investor</li> <li>• Claim of right</li> <li>• Earned income</li> <li>• Income tax paid to other jurisdictions</li> </ul>	<ul style="list-style-type: none"> <li>• Insurance reinvestment fund</li> <li>• Prior year alternative minimum tax</li> <li>• Property tax on primary residence and motor vehicle</li> <li>• Alternative minimum tax</li> <li>• PTE tax (mandatory)</li> <li>• Use tax</li> </ul>																																																																							



# 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 &amp; Losses ..... Same as federal.            Pension/Retirement Income              --Private ..... Exclude up to \$2,000 if under 60; up to \$12,500 if 60 and over.              --Public ..... Exclude up to \$2,000 if under 60; up to \$12,500 if 60 and over.              --U.S. Civil Service ..... Exclude up to \$2,000 if under 60; up to \$12,500 if 60 and over.              --Military ..... Exclude up to \$2,000 if under 60; up to \$12,500 if 60 and over.            Active Duty Military ..... Same as federal.            Unemployment Compensation ..... Exempt.            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 of \$2,000 (\$4,000 M-J) if disabled or age 60 or over if earned income and AGI are below certain thresholds. State tax treatment of fiduciary income from estates and trusts. Exclude certain distributions from retirement plans used for higher education expenses.</p>		<p><b>Standard:</b>            Single/H-H/M-S ..... \$3,250            M-J ..... 6,500</p> <p>Additional standard deduction if:            Blind ..... \$2,500            Age 65 or over ..... 2,500</p> <p><b>Itemized:</b>            Federal itemized deductions.</p> <p><b>Major Differences from Federal Law:</b>  <u>Contributions:</u> Additional charitable mileage deduction. Charitable contributions claimed as a state tax credit not deductible.  <u>Taxes:</u> Foreign taxes paid are deductible.</p>															
TAX RATES AND BRACKETS		EXEMPTIONS (TAX CREDIT)															
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NONBUSINESS TAX CREDITS		OTHER TAXES															
<ul style="list-style-type: none"> <li>• Child and dependent care</li> <li>• Earned income</li> <li>• Historic preservation</li> <li>• Income taxes paid to another state</li> <li>• Land and historic resource</li> </ul>	<ul style="list-style-type: none"> <li>• Neighborhood assistance</li> <li>• Real estate capital gains tax payments</li> <li>• Volunteer firefighter, fire auxiliary, and rescue squad</li> </ul>	<ul style="list-style-type: none"> <li>• Lump-sum distributions (beneficial tax treatment)</li> </ul>															

# 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 &amp; Losses ..... Same as federal, plus preferred treatment for gains from investments made in DC qualified opportunity zones.</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 ..... 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 qualified college savings accounts, provided the taxpayer is the account owner (\$8,000 M-J if each spouse is an 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 are netted against federal deductions.</p>	<p><b>Standard:</b> Same as federal.</p> <p><b>Itemized:</b> Same as federal. Taxpayers who itemize for federal purposes must itemize on their D.C. return.</p> <p><b>Major Differences from Federal Law:</b> <u>Taxes:</u> State and local income and sales taxes not deductible. <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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NONBUSINESS TAX CREDITS	OTHER TAXES														
<ul style="list-style-type: none"> <li>• Alternative fuel vehicle (2)</li> <li>• Child and dependent care</li> <li>• Early learning (keep child care affordable)</li> <li>• Earned income</li> <li>• Earned income for childless workers</li> <li>• Earned income for non-custodial parents</li> <li>• Income taxes paid to another state</li> <li>• Property tax/rent</li> </ul>	<ul style="list-style-type: none"> <li>• Health care shared responsibility payments</li> </ul>														

\*Registered domestic partners may file a joint return, file separately on the same return, or file separately using the married-separate filing status.

# 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 &amp; 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 \$4,000 per beneficiary (\$8,000 M-J) 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. Deduction for up to \$10,000 of expenses related to organ donation.</p>	<p><b>Standard:</b></p> <p>Single/H-H ..... \$4,600</p> <p>M-J ..... 6,000</p> <p>M-S..... 3,000</p> <p>Age 65 or over or blind ..... 1,300</p> <p><b>Itemized:</b></p> <p>Federal itemized deductions.</p> <p><b>Major Differences from Federal Law:</b></p> <p><u>Taxes:</u> State income taxes other than Georgia's not deductible.</p> <p><u>Interest:</u> Investment interest expense for the production of exempt income is not deductible.</p>																																
TAX RATES AND BRACKETS	EXEMPTIONS																																
<table style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th colspan="3" style="text-align: center;">Taxable Income Brackets</th> <th style="text-align: center;">Marginal</th> </tr> <tr> <th style="text-align: center;">Single</th> <th style="text-align: center;">M-S</th> <th style="text-align: center;">M-J/H-H</th> <th style="text-align: center;">Tax Rate</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;">5.75</td> </tr> </tbody> </table>	Taxable Income Brackets			Marginal	Single	M-S	M-J/H-H	Tax Rate	\$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	5.75	<p>Single/H-H ..... \$2,700</p> <p>M-S..... 3,700</p> <p>M-J ..... 7,400</p> <p>Dependent ..... 3,000</p>
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<ul style="list-style-type: none"> <li>• Adoption of a foster child</li> <li>• Agribusiness and rural jobs</li> <li>• Caregiving expense</li> <li>• Child and dependent care expense</li> <li>• Community based faculty preceptor</li> <li>• Disabled person home purchase or retrofit</li> <li>• Disaster assistance</li> <li>• Historic rehabilitation</li> <li>• Income taxes paid to another state</li> <li>• Land conservation</li> </ul>	<ul style="list-style-type: none"> <li>• Low-income</li> <li>• National Guard/Air National Guard active duty</li> <li>• Qualified education donation</li> <li>• Qualified education expense</li> <li>• Qualified investor</li> <li>• Qualified rural hospital organization expenses donation</li> <li>• Rural physicians</li> <li>• Seed-capital fund</li> </ul> <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.</p> <p>Capital Gains &amp; Losses ..... Alternative tax on capital gains.</p> <p>Pension/Retirement Income</p> <p>--Private ..... Exempt if employer funded.</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 \$7,152 for 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 Hawaii obligations.</p> <p>Health Savings Accounts ..... Same as federal.</p> <p>Miscellaneous</p> <p>Disability Income ..... Same as federal, but see disability exemption under "Exemptions".</p> <p>College Savings Plans ..... Same as federal, but distributions used for K-12 tuition expenses do not qualify.</p> <p>Lottery Winnings ..... Same as federal.</p> <p>Federal Income Taxes ..... Not deductible.</p> <p>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, moving expenses, bicycle commuting reimbursement, and compensation earned by patients with Hansen's disease. Peace Corps compensation and income from temporary employment outside of the U.S. are taxable. Separate subtractions for student loan interest and employer-provided adoption benefits may result in some amounts that are exempt from federal taxes being taxable in Hawaii, and vice versa.</p>	<p><b>Standard:</b></p> <p>Single/M-S .....\$2,200</p> <p>M-J .....4,400</p> <p>H-H .....3,212</p> <p><b>Itemized:</b></p> <p>Federal itemized deductions.</p> <p><b>Major Differences from Federal Law:</b></p> <p><u>State and Local Income or Sales Taxes:</u> Hawaii does not follow federal deduction limitation of \$10,000 for state and local taxes.</p> <p><u>Casualty and Theft Losses and Miscellaneous:</u> Limitations are based on Hawaii AGI. Casualty loss deduction is not limited to losses resulting from a federally declared disaster. Miscellaneous deductions subject to 2% federal AGI limitation that were suspended at the federal level may still be claimed for Hawaii purposes.</p> <p><u>High Income Limitation:</u> Total itemized deductions are limited if Hawaii AGI exceeds certain thresholds.</p>																																																							
TAX RATES AND BRACKETS	EXEMPTIONS																																																							
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<ul style="list-style-type: none"> <li>• Child and dependent care expenses</li> <li>• Child passenger restraint systems</li> <li>• Earned income</li> <li>• Food/excise</li> <li>• Healthcare preceptor</li> </ul>	<ul style="list-style-type: none"> <li>• Historic preservation</li> <li>• Income taxes paid to other states/countries</li> <li>• Low-income household renter</li> <li>• Renewable energy technologies</li> <li>• School repair and maintenance</li> </ul>																																																							
	<ul style="list-style-type: none"> <li>• Alternative tax on capital gains (beneficial tax treatment)</li> <li>• Lump-sum distributions</li> <li>• Tax on non-qualified individual housing account withdrawals</li> </ul>																																																							

\*Civil union couples have the same filing status options as married couples and may not choose the single filing status.

# IDAHO

Filing System: Joint

<b>TAX BASE: FEDERAL ADJUSTED GROSS INCOME</b>	<b>DEDUCTIONS</b>																					
<p style="text-align: center; margin: 0;"><u>Major Differences from Federal Law</u></p> <p>Interest/Dividend ..... Exempt U.S. government bonds.</p> <p>Capital Gains &amp; 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 \$37,776 single or \$56,664 married if 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 \$37,776 single or \$56,664 married if 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 \$37,776 single or \$56,664 married if 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 \$6,000/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 medical savings accounts, first-time homebuyer savings account contributions, adoption expenses, and payments for health, long-term care, and self-employed worker's compensation insurance.</p>	<p><b>Standard:</b> Same as federal.</p> <p><b>Itemized:</b> Federal itemized deductions.</p> <p><b>Major Differences from Federal Law:</b> <u>Taxes:</u> State and local income and sales taxes not deductible. <u>Other:</u> Can deduct amount of federal foreign tax credit claimed.</p>																					
<b>TAX RATES AND BRACKETS</b>	<b>EXEMPTIONS</b>																					
<table style="margin: auto; 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/M-S</th> <th style="text-align: center; border-bottom: 1px solid black;">M-J, H-H</th> <th></th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">\$0 - \$1,587</td> <td style="text-align: center;">\$0 - \$3,175</td> <td style="text-align: center;">1.0%</td> </tr> <tr> <td style="text-align: center;">1,588 - 4,762</td> <td style="text-align: center;">3,176 - 9,525</td> <td style="text-align: center;">3.1</td> </tr> <tr> <td style="text-align: center;">4,763 - 6,350</td> <td style="text-align: center;">9,526 - 12,701</td> <td style="text-align: center;">4.5</td> </tr> <tr> <td style="text-align: center;">6,351 - 7,938</td> <td style="text-align: center;">12,702 - 15,877</td> <td style="text-align: center;">5.5</td> </tr> <tr> <td style="text-align: center;">7,939 and over</td> <td style="text-align: center;">15,878 and over</td> <td style="text-align: center;">6.5</td> </tr> </tbody> </table>	Taxable Income Brackets		Marginal Tax Rates	Single/M-S	M-J, H-H		\$0 - \$1,587	\$0 - \$3,175	1.0%	1,588 - 4,762	3,176 - 9,525	3.1	4,763 - 6,350	9,526 - 12,701	4.5	6,351 - 7,938	12,702 - 15,877	5.5	7,939 and over	15,878 and over	6.5	None.
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<b>NONBUSINESS TAX CREDITS</b>	<b>OTHER TAXES</b>																					
<ul style="list-style-type: none"> <li>• Child</li> <li>• Claim of right</li> <li>• Contributions to educational entities, and to centers for independent living</li> <li>• Contributions to youth and rehabilitation facilities, and to nonprofit substance abuse centers</li> <li>• Grocery</li> <li>• Income taxes paid to other states</li> <li>• Live organ donation expenses</li> <li>• Maintaining home for family member with a developmental disability or over age 65</li> </ul>	<ul style="list-style-type: none"> <li>• Fuels tax</li> <li>• Penalties on medical savings accounts</li> <li>• Permanent building fund tax</li> <li>• PTE tax</li> <li>• Sales and use tax due</li> </ul>																					

# 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 &amp; Losses ..... Same as federal, except exempts certain gains on employer securities.</p> <p>Pension/Retirement Income*</p> <p>--Private ..... Exempt if from a qualified employee benefit plan, individual retirement account, or a self-employed retirement plan.</p> <p>--Public ..... Exempt.</p> <p>--U.S. Civil Service ..... Exempt.</p> <p>--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>Disability Income ..... Same as federal.</p> <p>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 (\$20,000 M-J) 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, 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><b>Standard:</b> None.</p> <p><b>Itemized:</b> None.</p>
TAX RATES AND BRACKETS		EXEMPTIONS
<p>4.95% of taxable net income.</p>		<p>Personal .....\$2,375</p> <p>Age 65 or over ..... 1,000</p> <p>Blind ..... 1,000</p> <p>Dependent ..... 2,375</p> <p>Exemptions not allowed if federal AGI exceeds \$250,000, \$500,000 if M-J.</p>
NONBUSINESS TAX CREDITS		OTHER TAXES
<ul style="list-style-type: none"> <li>• Adoption</li> <li>• Affordable housing donations</li> <li>• Angel investment</li> <li>• Earned income</li> <li>• Homeowner's property tax</li> </ul>	<ul style="list-style-type: none"> <li>• Income taxes paid to other states</li> <li>• Instructional materials and supplies</li> <li>• Invest in kids</li> <li>• New markets development</li> <li>• K-12 education expenses</li> </ul>	<ul style="list-style-type: none"> <li>• Household employment tax</li> <li>• PTE tax</li> <li>• Use tax</li> </ul>

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

# INDIANA

Filing System: Joint

TAX BASE: FEDERAL ADJUSTED GROSS INCOME		DEDUCTIONS
<u>Major Differences from Federal Law</u>		<b>Standard:</b> None.  <b>Itemized:</b> None.
Interest/Dividend .....	Exempts U.S. government bonds.	
Capital Gains & Losses .....	Same as federal, plus losses on the sale of qualified preferred stock are not treated as ordinary losses.	
Pension/Retirement Income*		
--Private .....	Same as federal.	
--Public .....	Same as federal.	
--U.S. Civil Service .....	Up to \$16,000 exempt, less social security benefits if 62 or over or a surviving spouse.	
--Military .....	Up to \$6,250 (plus 75% of excess over \$6,250) in retirement pay and survivor's benefits exempt.	
Active Duty Military/Reserve .....	CZE and exempt up to \$5,000 for total of active duty and regular reserves and National Guard pay. Full exclusion for reserves and National Guard pay when unit is federalized or during the period the individual is deployed and mobilized for full-time service.	
Unemployment Compensation .....	Deductible, subject to federal AGI limitation (pre-1987 federal treatment).	
Social Security Benefits .....	Exempt.	
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.	
Health Savings Accounts .....	Same as federal.	
Miscellaneous		
Disability Income .....	Up to \$5,200 exempt if retired, subject to income limitation.	
College Savings Plans .....	Same as federal, plus state tax credit for up to \$1,000 of contributions (\$500 M-S).	
Lottery Winnings .....	Exemption for Indiana (Hoosier) lottery prizes won before July 1, 2002.	
Federal Income Taxes .....	Not deductible.	
Other .....	Deductions for rent and property taxes paid on principal residence, up to \$7,500 of earned income if employed and residing in an enterprise zone, income of persons receiving Medicaid in a care facility, Indiana Partnership long-term care insurance premiums, qualified patents income, Olympic/Paralympic medal winners, claim of right, private school and homeschool expenses, and contributions to regional development infrastructure fund.	
TAX RATES AND BRACKETS		EXEMPTIONS
3.23% of adjusted gross income.		Personal .....\$1,000 Dependent ..... 1,000 Certain dependent children ..... 1,500 Blind and/or 65 or over ..... 1,000 65 or over and low-income ..... 500
NONBUSINESS TAX CREDITS		OTHER TAXES
<ul style="list-style-type: none"> <li>• Adoption</li> <li>• Contributions to Indiana's 529 savings plan</li> <li>• Donation to Indiana college or university</li> <li>• Earned income</li> <li>• Enterprise zone investment</li> <li>• Income taxes paid to other states and localities</li> <li>• Individual development account</li> <li>• Indiana state and county taxes withheld</li> </ul>	<ul style="list-style-type: none"> <li>• Lake County residential income tax</li> <li>• Neighborhood assistance</li> <li>• Public school educator expense</li> <li>• Residential historic rehabilitation</li> <li>• School scholarship program contributions</li> <li>• Unified tax credit for low-income elderly</li> <li>• Venture capital investment</li> </ul>	<ul style="list-style-type: none"> <li>• County income tax</li> <li>• Household employment tax</li> <li>• Use tax</li> </ul>

\*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 &amp; Losses..... 100% exclusion for qualifying capital gains 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 married) exempt, if 55 or over, disabled, or certain surviving family members.</p> <p>--Public..... Same as "Private".</p> <p>--U.S. Civil Service..... Same as "Private".</p> <p>--Military..... Exempt, including reserve and National Guard retirement pay.</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 individual's contributions up to \$3,474 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; after-tax health and dental insurance premiums; in-home health care expenses; certain AmeriCorps awards; organ donor transplant expenses; contributions to Iowa injured veterans program; contributions to first-time homebuyer savings accounts; contributions to Iowa ABLE accounts; certain veterans' bonuses and grants; claim of right; and victim compensation awards. Low-income exemption.</p> <p>*No tax or penalty on distributions from qualified retirement plans by National Guard members or reservists called to active duty.</p>		<p><b>Standard:</b></p> <p>Single/M-S.....\$2,130</p> <p>M-J/H-H.....5,240</p> <p><b>Itemized:</b></p> <p>Same as federal.</p> <p><b>Major Differences From Federal Law:</b></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 state income taxes are not deductible, \$10,000 federal deduction limit for state/local taxes does not apply.</p> <p><u>Charitable:</u> No deduction for contributions claimed as Iowa subtractions or credits.</p> <p><u>Miscellaneous:</u> Deductions for expenses incurred for care of disabled relative, adoption expenses, and mileage 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 - \$1,676</td> <td style="text-align: center;">0.33%</td> <td style="text-align: center;">\$15,085 - \$25,140</td> <td style="text-align: center;">5.63%</td> </tr> <tr> <td style="text-align: center;">1,677 - 3,352</td> <td style="text-align: center;">0.67</td> <td style="text-align: center;">25,141 - 33,520</td> <td style="text-align: center;">5.96</td> </tr> <tr> <td style="text-align: center;">3,353 - 6,704</td> <td style="text-align: center;">2.25</td> <td style="text-align: center;">33,521 - 50,280</td> <td style="text-align: center;">6.25</td> </tr> <tr> <td style="text-align: center;">6,705 - 15,084</td> <td style="text-align: center;">4.14</td> <td style="text-align: center;">50,281 - 75,420</td> <td style="text-align: center;">7.44</td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">75,421 and over</td> <td style="text-align: center;">8.53</td> </tr> </tbody> </table>	Taxable Income Bracket	Marginal Tax Rates	Taxable Income Bracket	Marginal Tax Rates	\$0 - \$1,676	0.33%	\$15,085 - \$25,140	5.63%	1,677 - 3,352	0.67	25,141 - 33,520	5.96	3,353 - 6,704	2.25	33,521 - 50,280	6.25	6,705 - 15,084	4.14	50,281 - 75,420	7.44			75,421 and over	8.53	<p>Single/M-S.....\$40</p> <p>M-J/H-H.....80</p> <p>Blind.....20</p> <p>Age 65 or Over.....20</p> <p>Dependent.....40</p>	
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6,705 - 15,084	4.14	50,281 - 75,420	7.44																							
		75,421 and over	8.53																							
NONBUSINESS TAX CREDITS		OTHER TAXES																								
<ul style="list-style-type: none"> <li>• Adoption</li> <li>• Alternative minimum tax</li> <li>• Angel investor</li> <li>• Beginning farmer (available to corporations)</li> <li>• Charitable conservation contribution</li> <li>• Child and dependent care</li> <li>• Claim of right</li> <li>• Earned income</li> <li>• Early childhood development</li> <li>• Endow Iowa (endowment gifts)</li> <li>• Farm to food donation (available to corporations)</li> <li>• Fuel</li> </ul>	<ul style="list-style-type: none"> <li>• Geothermal heat pump</li> <li>• Hoover Presidential Library donation</li> <li>• Historic preservation</li> <li>• Income taxes paid to other states/countries</li> <li>• Innovation fund</li> <li>• Nonresident and part-year resident</li> <li>• Renewable energy</li> <li>• School tuition organization</li> <li>• Solar energy system</li> <li>• Tuition and textbook for K-12 dependents</li> <li>• Volunteer firefighter/EMS/reserve peace officer</li> </ul>	<ul style="list-style-type: none"> <li>• Alternate tax (may reduce tax liability)</li> <li>• Emergency medical services surtax*</li> <li>• Iowa alternative minimum tax</li> <li>• Lump-sum tax</li> <li>• School district surtax*</li> <li>• Use tax</li> </ul> <p>*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 &amp; Losses ..... Gains from the sale of certain Kansas bonds 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 state and municipal 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 M-J) 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 and amounts deducted for federal purposes but used to calculate various state tax credits. 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; for organ donation expenses, and for ABLE account contributions.</p>	<p><b>Standard:</b></p> <p style="text-align: right;">Added Amount if</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;">\$3,500</td> <td style="text-align: right;">\$850</td> <td style="text-align: right;">\$850</td> </tr> <tr> <td>M-J</td> <td style="text-align: right;">8,000</td> <td style="text-align: right;">700</td> <td style="text-align: right;">700</td> </tr> <tr> <td>M-S</td> <td style="text-align: right;">4,000</td> <td style="text-align: right;">700</td> <td style="text-align: right;">700</td> </tr> <tr> <td>H-H</td> <td style="text-align: right;">6,000</td> <td style="text-align: right;">850</td> <td style="text-align: right;">850</td> </tr> </tbody> </table> <p><b>Itemized:</b> Based on federal itemized deductions. Taxpayers can claim state itemized deductions even if they do not itemize on their federal return.</p> <p><b>Major Differences from Federal Law:</b> State income taxes and state and local sales taxes not deductible. Federal \$10,000 cap on state and local taxes does not apply for KS purposes. No deduction for casualty losses.</p>			<u>Age 65</u>	<u>Blind</u>	Single	\$3,500	\$850	\$850	M-J	8,000	700	700	M-S	4,000	700	700	H-H	6,000	850	850	
		<u>Age 65</u>	<u>Blind</u>																			
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NONBUSINESS TAX CREDITS	OTHER TAXES																					
<ul style="list-style-type: none"> <li>• Adoption</li> <li>• Angel investor</li> <li>• Center for entrepreneurship</li> <li>• Child and dependent care expenses</li> <li>• Community service contribution</li> <li>• Disabled access</li> <li>• Earned income</li> <li>• Eisenhower Foundation contributions</li> </ul>	<ul style="list-style-type: none"> <li>• Food sales tax</li> <li>• Friends of Cedar Crest Association contributions</li> <li>• Historic preservation</li> <li>• Income taxes paid to other states</li> <li>• Individual development account</li> <li>• Low income students scholarship</li> <li>• Rural opportunity zone</li> </ul>																					
<ul style="list-style-type: none"> <li>• Lump sum distribution</li> <li>• Use tax</li> </ul>																						

# 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 &amp; 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 \$31,110.</p> <p>--Public ..... Exempt if retired before 1998; full exclusion up to \$31,110 and partial exclusion above that if retired after 1997.</p> <p>--U.S. Civil Service ..... Same as "Public".</p> <p>--Military ..... Same as "Public".</p> <p>Active Duty Military ..... Exempt, including reserve and National Guard members. \$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, except "Private" and "Public" retirement exclusions above also apply to disability retirement payments.</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 income from training or working at election booths and for artistic contributions not claimed as a state itemized deduction. A child's unearned income may not be reported on a parent's return.</p>		<p><b>Standard:</b> All ..... \$2,690</p> <p><b>Itemized:</b> State itemized deductions.</p> <p><b>Major Differences from Federal Law:</b> <u>Taxes:</u> State and local taxes not deductible. <u>Other:</u> Medical/dental expenses and casualty/theft losses are not deductible.</p>
TAX RATES AND BRACKETS		EXEMPTIONS (TAX CREDIT)
5% of taxable income.		<p>KY National Guard member ..... \$20</p> <p>Age 65 or over ..... 40</p> <p>Blind ..... 40</p>
NONBUSINESS TAX CREDITS		OTHER TAXES
<ul style="list-style-type: none"> <li>• Angel investor</li> <li>• Certified rehabilitation</li> <li>• Child and dependent care</li> <li>• Education tuition</li> <li>• Endow Kentucky</li> </ul>	<ul style="list-style-type: none"> <li>• Family size</li> <li>• Income taxes paid to other states</li> <li>• Kentucky investment fund</li> <li>• New markets development program</li> <li>• Recycling and/or composting equipment</li> </ul>	<ul style="list-style-type: none"> <li>• Lump sum distributions</li> <li>• Use tax</li> </ul>

# 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 &amp; Losses ..... Deduction for net gain from the sale of equity interest in a Louisiana-domiciled business if held for five or more years immediately prior to sale or exchange.</p> <p>Pension/Retirement Income</p> <p>--Private ..... Retirement income exclusion of up to \$6,000/person if 65 or over.</p> <p>--Public..... Benefits from most 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 active duty service outside Louisiana for 120 or more consecutive days.</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, but distributions for K-12 tuition expenses do not qualify. Deduction for contributions up to \$2,400 per beneficiary (\$4,800 M-J) 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 ..... Deductions for the following: up to \$5,000 for retrofitting certain residential structures; expenses incurred by disabled individuals from adapting their homes; educational expenses related to qualified dependents who are home-schooled or enrolled in private or certain public elementary and secondary schools; \$500 for recreation department volunteers and for volunteer firefighters; and any grant, loan, or benefit provided by a disaster recovery entity.</p>	<p><b>Standard:</b></p> <p>Single/M-S* ..... \$4,500</p> <p>M-J/H-H* ..... 9,000</p> <p>*Combined standard deduction and personal exemption amounts, which are built into tax tables.</p> <p><b>Itemized:</b></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 over the federal standard deduction.</p>															
	EXEMPTIONS															
	<p>Personal* ..... \$1,000</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="margin: auto; 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/M-S/H-H</th> <th style="text-align: center; border-bottom: 1px solid black;">M-J</th> <th style="text-align: center; border-bottom: 1px solid black;">Tax Rates</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	Single/M-S/H-H	M-J	Tax Rates	\$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"> <li>• PTE tax</li> <li>• Use tax</li> </ul>
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50,001 and over	100,001 and over	6														
NONBUSINESS TAX CREDITS																
<ul style="list-style-type: none"> <li>• Angel investor</li> <li>• Capital company</li> <li>• Child care</li> <li>• Conversion of vehicle to alternative fuel</li> <li>• Digital interactive media</li> <li>• Donation to school tuition organization</li> <li>• Earned income</li> <li>• Historic residential</li> <li>• Income taxes paid to other states</li> </ul>	<ul style="list-style-type: none"> <li>• LA community development financial institutions investments</li> <li>• Motion picture investment</li> <li>• New markets</li> <li>• Port of Louisiana investor</li> <li>• Prison industry enhancement</li> <li>• Qualified playground donations</li> <li>• School readiness (2)</li> <li>• Technology commercialization</li> </ul>															

# 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 &amp; 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, as is a portion of the gains from the sale of eligible timberlands.</p> <p>Pension/Retirement Income ..... Exclude:            --Private ..... Up to \$10,000/individual, less social security and railroad retirement benefits.            --Public ..... Same as "Private".            --U.S. Civil Service ..... Same as "Private".            --Military ..... Exempt.</p> <p>Active Duty Military ..... CZE, plus exempt if a Maine resident for service performed outside Maine.</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.</p> <p>Lottery Winnings ..... Same as federal.</p> <p>Federal Income Taxes ..... Not deductible.</p> <p>Other ..... Deduct earnings and withdrawals from family development (low-income) accounts and earnings from fishing operations contributed to a capital construction fund. Contributions to state retirement system are taxable.</p>	<p><b>Standard:</b> Same as federal.</p> <p><b>Itemized:</b> Federal itemized deductions.</p> <p><b>Major Differences from Federal Law:</b>  <b>Taxes:</b> State income and sales taxes not deductible.  <b>Interest and Other Expenses:</b> Cannot deduct interest and other expenses incurred in producing income not subject to Maine taxation.  <b>High Income Limitation:</b> Total itemized deductions limited to \$30,400. Standard and itemized deductions phase out between the following thresholds based on Maine AGI:</p> <table style="width: 100%; border: none;"> <tr> <td style="text-align: left;">Filing Status</td> <td style="text-align: right;">Income Range for Phase-Out</td> </tr> <tr> <td>Single, M-S</td> <td style="text-align: right;">\$83,850 - \$158,850</td> </tr> <tr> <td>H-H</td> <td style="text-align: right;">125,750 - 238,250</td> </tr> <tr> <td>M-J</td> <td style="text-align: right;">167,700 - 317,700</td> </tr> </table>	Filing Status	Income Range for Phase-Out	Single, M-S	\$83,850 - \$158,850	H-H	125,750 - 238,250	M-J	167,700 - 317,700																						
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# MARYLAND

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 &amp; Losses ..... Same as federal, plus exempts profit from Maryland bond sales.</p> <p>Pension/Retirement Income*</p> <p>--Private ..... Up to \$34,300/person excluded (65 or over or disabled).</p> <p>--Public ..... Up to \$34,300/person excluded (65 or over or disabled); optional exclusions for retired law enforcement, fire, rescue, or EMS personnel.</p> <p>--U.S. Civil Service ..... Up to \$34,300/person excluded (65 or over or disabled).</p> <p>--Military ..... Exclude up to \$5,000 (up to \$15,000 if 55 or older).</p> <p>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.</p> <p>Unemployment Compensation..... Exempt if below certain federal AGI thresholds.</p> <p>Social Security Benefits ..... Exempt.</p> <p>State/Municipal Bond Interest..... Taxable except Maryland obligations.</p> <p>Health Savings Accounts ..... Same as federal.</p> <p>Miscellaneous</p> <p>Disability Income ..... Exempt for job related injuries for police and firefighters.</p> <p>College Savings Plans ..... Same as federal, plus deduction for contributions up to \$2,500 per beneficiary per taxpayer to Maryland's 529 program.</p> <p>Lottery Winnings..... Same as federal.</p> <p>Federal Income Taxes ..... Not deductible.</p> <p>Other ..... Employee pickup contributions to a Maryland retirement or pension system and 50% of taxable tax preference items over \$10,000 (\$20,000 if married) are included in state income. No deduction for tuition and related expenses. Subtractions for: organ donation expenses; child and dependent care expenses; unreimbursed foster care expenses; adoption expenses; diaper bank donations; use of vehicle for charitable purposes; expenses incurred by the blind for a reader; contributions to a Maryland ABLE account; up to \$5,000 of contributions to, and certain earnings on, first-time homebuyer savings accounts; solar energy grant awards; and a dependent's unearned income included in parent's federal AGI. Exclusions for the value of Olympic medals, certain artists' contributions and certain income of qualifying artists in arts and entertainment districts. Two-income married couple subtraction of up to \$1,200. Exclusions for: law enforcement officers residing and employed in high crime areas; volunteer fire, rescue, and EMS personnel; Coast Guard Auxiliary, Maryland Defense Force, and Maryland Civil Air Patrol members; police auxiliary or reserve volunteers; income from use of official vehicles by members of public police and fire departments; and length of service pay.</p>	<p><b>Standard:</b> 15% of Maryland AGI.</p> <table style="width: 100%; margin-left: auto; margin-right: auto;"> <thead> <tr> <th></th> <th style="text-align: center;">Minimum</th> <th style="text-align: center;">Maximum</th> </tr> </thead> <tbody> <tr> <td>M-J/H-H</td> <td style="text-align: center;">\$3,100</td> <td style="text-align: center;">\$4,700</td> </tr> <tr> <td>All Other</td> <td style="text-align: center;">1,550</td> <td style="text-align: center;">2,350</td> </tr> </tbody> </table> <p><b>Itemized:</b> Federal itemized deductions.</p> <p><b>Major Differences From Federal Law:</b> Taxes: State and local income taxes not deductible.</p>		Minimum	Maximum	M-J/H-H	\$3,100	\$4,700	All Other	1,550	2,350																					
	Minimum	Maximum																													
M-J/H-H	\$3,100	\$4,700																													
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	<b>EXEMPTIONS</b>																														
	<p>Personal ..... \$3,200</p> <p>Age 65 or over ..... 1,000</p> <p>Blind ..... 1,000</p> <p>Dependent ..... 3,200</p> <p>Dependent age 65 or over ..... 3,200</p> <p>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, H-H).</p>																														
TAX RATES AND BRACKETS																															
<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;">Single/M-S</th> <th style="text-align: center;">M-J/H-H</th> <th></th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">\$0 - \$1,000</td> <td style="text-align: center;">\$0 - \$1,000</td> <td style="text-align: center;">2.00%</td> </tr> <tr> <td style="text-align: center;">1,001 - 2,000</td> <td style="text-align: center;">1,001 - 2,000</td> <td style="text-align: center;">3.00</td> </tr> <tr> <td style="text-align: center;">2,001 - 3,000</td> <td style="text-align: center;">2,001 - 3,000</td> <td style="text-align: center;">4.00</td> </tr> <tr> <td style="text-align: center;">3,001 - 100,000</td> <td style="text-align: center;">3,001 - 150,000</td> <td style="text-align: center;">4.75</td> </tr> <tr> <td style="text-align: center;">100,001 - 125,000</td> <td style="text-align: center;">150,001 - 175,000</td> <td style="text-align: center;">5.00</td> </tr> <tr> <td style="text-align: center;">125,001 - 150,000</td> <td style="text-align: center;">175,001 - 225,000</td> <td style="text-align: center;">5.25</td> </tr> <tr> <td style="text-align: center;">150,001 - 250,000</td> <td style="text-align: center;">225,001 - 300,000</td> <td style="text-align: center;">5.50</td> </tr> <tr> <td style="text-align: center;">250,001 and over</td> <td style="text-align: center;">300,001 and over</td> <td style="text-align: center;">5.75</td> </tr> </tbody> </table>		Taxable Income Brackets		Marginal Tax Rates	Single/M-S	M-J/H-H		\$0 - \$1,000	\$0 - \$1,000	2.00%	1,001 - 2,000	1,001 - 2,000	3.00	2,001 - 3,000	2,001 - 3,000	4.00	3,001 - 100,000	3,001 - 150,000	4.75	100,001 - 125,000	150,001 - 175,000	5.00	125,001 - 150,000	175,001 - 225,000	5.25	150,001 - 250,000	225,001 - 300,000	5.50	250,001 and over	300,001 and over	5.75
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250,001 and over	300,001 and over	5.75																													
NONBUSINESS TAX CREDITS	OTHER TAXES																														
<ul style="list-style-type: none"> <li>• Aquaculture oyster floats</li> <li>• Child</li> <li>• Child and dependent care</li> <li>• Community investment</li> <li>• Earned income (state and local)</li> <li>• Endow Maryland</li> <li>• Endowments of Maryland HBCUs</li> <li>• Energy storage systems</li> <li>• Heritage structure rehabilitation</li> <li>• Income taxes paid to other states/localities</li> </ul>	<ul style="list-style-type: none"> <li>• Independent living</li> <li>• Long-term care insurance</li> <li>• Oyster shell recycling</li> <li>• Poverty level credit (state and local)</li> <li>• Preceptors in areas with health care workforce shortages</li> <li>• Preservation and conservation easements</li> <li>• Quality teacher incentive</li> <li>• Student loan debt relief</li> <li>• Venison donation</li> </ul>																														
	<ul style="list-style-type: none"> <li>• Local income tax (Maryland Counties and Baltimore City)</li> <li>• PTE tax</li> </ul>																														

\*Reduced by social security and railroad retirement benefits. Certain retirement plans (IRA, Roth IRA, SEP) do not qualify.

# 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 (Other--\$100/M-J--\$200).</p> <p>Capital Gains &amp; Losses..... Own (see "Tax Rates and Brackets" below).</p> <p>Pension/Retirement Income</p> <p>--Private ..... Same as federal.</p> <p>--Public ..... Payments from a contributory plan are exempt.</p> <p>--U.S. Civil Service ..... Payments from a contributory plan are exempt.</p> <p>--Military ..... Exempt.</p> <p>Active Duty Military ..... Same as federal.</p> <p>Unemployment Compensation..... Up to \$10,200 per eligible individual exempt, subject to income limitation.</p> <p>Social Security Benefits ..... Exempt.</p> <p>State/Municipal Bond Interest..... Taxable except Massachusetts obligations.</p> <p>Health Savings Accounts ..... Same as federal.</p> <p>Miscellaneous</p> <p>Disability Income ..... Exempt.</p> <p>College Savings Plans ..... Same as federal, plus deduction for contributions of up to \$1,000/taxpayer (\$2,000 M-J) to Massachusetts' plan.</p> <p>Lottery Winnings..... Taxable.</p> <p>Federal Income Taxes ..... Not deductible.</p> <p>Other ..... Deductions for the following: (a) 50% of rent -- maximum deduction \$3,000 (\$1,500 M-S); (b) amounts paid for social security, Medicare, railroad, federal and state retirement systems up to \$2,000/taxpayer (\$4,000 M-J); (c) tuition and fees; (d) organ donation expenses; (e) moving/certain commuter expenses; (f) self-employed health insurance expenses; (g) student loan interest; (h) income of a firefighter or police officer incapacitated in the line of duty; (i) alimony payments; and (j) certain gambling losses.</p>	<p><b>Standard:</b> None.</p> <p><b>Itemized:</b> State deductions for all taxpayers, as described under "Tax Base--Other".</p>												
TAX RATES AND BRACKETS	EXEMPTIONS												
<p>The following types of income, minus deductions and exemptions, are taxed at 5%: earned income; pensions and annuities; interest from MA banks; business, profession, and farm income; rental, royalty, real estate mortgage investment conduit, partnership, S-corporation, and trust income; unemployment compensation, alimony, taxable IRA/Keogh and Roth IRA conversion distributions; and other income such as gambling winnings and fees. Also taxed at 5% is other interest income (other than from MA banks) and dividend income less certain excess deductions from a trade or business not used to offset other 5% taxable income.</p> <p>Short-term capital gains (net of capital losses), 50% of long-term capital gains on collectibles, and pre-1996 installment sales are taxed at 12%. Other long-term capital gains (less long-term capital losses) are taxed at 5%. Gains from the sale of qualified small business stock investments in certain MA-based startups are taxed at 3%.</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 M-J, or \$14,400 for H-H 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. Taxpayers may elect to pay tax at a 5.85% rate on income that would otherwise be taxed at 5%.</p>	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Single/M-S.....</td> <td style="text-align: right;">\$4,400</td> </tr> <tr> <td>H-H.....</td> <td style="text-align: right;">6,800</td> </tr> <tr> <td>M-J.....</td> <td style="text-align: right;">8,800</td> </tr> <tr> <td>Dependent (per individual).....</td> <td style="text-align: right;">1,000</td> </tr> <tr> <td>Age 65 or over (per spouse).....</td> <td style="text-align: right;">700</td> </tr> <tr> <td>Blind (per spouse).....</td> <td style="text-align: right;">2,200</td> </tr> </table> <p>Exemption for medical/dental expenses if claimed on federal Schedule A and for adoption fees.</p> <p>Exemptions are applied against 5% income prior to the inclusion of other interest (other than from MA banks) and dividends.</p>	Single/M-S.....	\$4,400	H-H.....	6,800	M-J.....	8,800	Dependent (per individual).....	1,000	Age 65 or over (per spouse).....	700	Blind (per spouse).....	2,200
Single/M-S.....	\$4,400												
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Blind (per spouse).....	2,200												
NONBUSINESS TAX CREDITS	OTHER TAXES												
<ul style="list-style-type: none"> <li>• Angel investor</li> <li>• Conservation land</li> <li>• Community investment</li> <li>• Dependent care</li> <li>• Earned income</li> <li>• Household dependent</li> <li>• Income tax paid to another state or jurisdiction</li> </ul>	<ul style="list-style-type: none"> <li>• Lead paint</li> <li>• Limited income</li> <li>• Low income housing donation</li> <li>• Senior circuit breaker (property tax/rent)</li> <li>• Septic system</li> <li>• Solar and wind energy</li> </ul>												
<ul style="list-style-type: none"> <li>• Additional tax on installment sales</li> <li>• Health care penalty</li> <li>• PTE tax</li> <li>• Use tax</li> </ul>													

# 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 \$12,127/person in interest, dividends, and capital gains, subject to reductions based on certain retirement deductions described below.</p> <p>Capital Gains &amp; Losses ..... See "Interest/Dividend" above.</p> <p>Pension/Retirement Income</p> <p>--Private/Public* ..... Five treatments based on year of birth:            if born before 1946, exempt all retirement income from public sources and up to \$54,404 (\$108,808 M-J) in retirement income from private sources, except the allowable private exclusion is reduced by the public exclusion as well as military retirement and railroad retirement;            if born from 1946 thru Jan. 1, 1955, see "Standard Deduction";            if born after Jan. 1, 1955, thru Jan. 1, 1960, exempt up to \$15,000 (\$30,000 M-J) of qualifying pension/retirement benefits if they receive retirement benefits from employment exempt from Social Security;            if born after Jan. 1, 1955, and benefits are from employment exempt from Social Security, and retired as of Jan. 1, 2013, exempt up to \$35,000 (\$55,000 M-J, or \$70,000 M-J if both spouses qualify) of qualifying pension/retirement benefits;            all others born after Jan. 1, 1955, pension and retirement benefits are taxable.</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 ..... Same as federal.</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, MI ABLE account contributions, and benefits from a discriminatory self-insured medical expense reimbursement plan. No deduction for self-employment tax from federal return.</p>	<p><b>Standard*:</b>            \$20,000 (\$40,000 M-J) if older taxpayer or spouse was born between January 1, 1946 and December 31, 1952.            Additional \$15,000 for each individual who received retirement benefits not covered by Social Security (does not apply for individuals born from Jan. 1, 1953 thru Jan. 1, 1955).            Deduction is reduced by any military pay, including retirement pay, and taxable Social Security benefits.</p> <p><b>Itemized:</b>            None.</p>	
TAX RATES AND BRACKETS		EXEMPTIONS
<p>4.25% of taxable income.</p>		<p>Personal/Dependent ..... \$4,900</p> <p>Disabled/Blind/Deaf ..... 2,800</p> <p>Disabled veteran ..... 400</p> <p>Dependent on someone else's return ..... 1,500</p> <p>Stillbirth ..... 4,900</p>
NONBUSINESS TAX CREDITS		OTHER TAXES
<ul style="list-style-type: none"> <li>• Earned income</li> <li>• Historic preservation (for activities certified prior to 2012)</li> </ul>	<ul style="list-style-type: none"> <li>• Income tax paid to another government unit outside Michigan</li> <li>• Property tax and rent</li> </ul>	<ul style="list-style-type: none"> <li>• PTE tax</li> <li>• Use tax</li> </ul>

\*If M-J, pension and retirement treatment is based on the older spouse. Individuals claiming the standard deduction will no longer deduct retirement/pension benefits.

# MINNESOTA

Filing System: Joint

TAX BASE: FEDERAL ADJUSTED GROSS INCOME					DEDUCTIONS
<u>Major Differences from Federal Law</u>					<p><b>Standard:</b> Same as federal, except \$12,525 Single/M-S, and \$25,050 for M-J. Subject to same limit as under "High Income Limitation" below.</p> <p><b>Itemized:</b> Same as federal.</p> <p><b>Major Differences from Federal Law:</b> <u>Taxes:</u> State income taxes and state and local sales taxes not deductible. <u>High Income Limitation:</u> Total deductions limited if federal AGI exceeds \$99,925 if M-S and \$199,850 for others. <u>Other:</u> Federally suspended deductions for casualty/theft loss, unreimbursed employee business expenses, and other miscellaneous itemized deductions are retained for Minnesota purposes.</p>
Interest/Dividend ..... Exempts U.S. government bonds.					
Capital Gains & Losses ..... Same as federal.					
Pension/Retirement Income					
--Private ..... Same as federal.					
--Public ..... Same as federal.					
--U.S. Civil Service ..... Same as federal.					
--Military ..... Exempt.					
Active Duty Military ..... Exempt.					
Unemployment Compensation..... Same as federal.					
Social Security Benefits ..... Same as federal. Separate subtraction is provided up to \$5,290 M-J, \$4,130 S or H-H, and \$2,645 M-S of Social Security income, subject to income-based phaseout.					
State/Municipal Bond Interest..... Taxable except Minnesota obligations.					
Health Savings Accounts ..... Same as federal.					
Miscellaneous					
Disability Income ..... Same as federal, except exclusion for certain lower-income individuals.					
College Savings Plans ..... Same as federal, except distributions for K-12 tuition expenses do not qualify, plus deduction for contributions up to \$1,500 per taxpayer (\$3,000 M-J) to any state's plan, if taxpayer does not claim Minnesota's 529 credit.					
Lottery Winnings..... Same as federal.					
Federal Income Taxes ..... Not deductible.					
Other ..... Deductions for lower-income elderly or disabled, qualifying K-12 school expenses for taxpayer's child, 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, volunteer mileage reimbursements, AmeriCorps post-service education awards, earnings from a first-time homebuyer's savings account, and discharge of education loan indebtedness for taxpayers completing an income-driven repayment program.					
TAX RATES AND BRACKETS					EXEMPTIONS
<u>Taxable Income Brackets</u>					Dependent ..... \$4,350  Exemption amounts are phased out after federal AGI exceeds \$299,750 for M-J, \$249,800 for H-H, \$199,850 for S, and \$149,875 for M-S filers.
<u>Single</u>	<u>M-J</u>	<u>M-S</u>	<u>H-H</u>	<u>Marginal Tax Rates</u>	
\$0 - \$27,230	\$0 - \$39,810	\$0 - \$19,905	\$0 - \$33,520	5.35%	
27,231 - 89,440	39,811 - 158,140	19,906 - 79,070	33,521 - 134,700	6.80	
89,441 - 166,040	158,141 - 276,200	79,071 - 138,100	134,701 - 220,730	7.85	
166,041 and over	276,201 and over	138,101 and over	220,731 and over	9.85	
NONBUSINESS TAX CREDITS					OTHER TAXES
<ul style="list-style-type: none"> <li>• Alternative minimum tax</li> <li>• Angel investment</li> <li>• Attaining master's degree in teacher licensure field</li> <li>• Child and dependent care</li> <li>• Claim of right</li> <li>• Combat zone</li> <li>• Education savings account contribution (529)</li> <li>• Income taxes paid to another state</li> <li>• Income taxes paid to Wisconsin</li> </ul>		<ul style="list-style-type: none"> <li>• K-12 education expenses</li> <li>• Long-term care insurance premiums</li> <li>• Marriage</li> <li>• Past military service</li> <li>• Parents of stillborn children</li> <li>• SEED capital investment</li> <li>• Student loan</li> <li>• Working family (based on federal EITC)</li> </ul>			<ul style="list-style-type: none"> <li>• Alternative minimum tax</li> <li>• PTE tax</li> <li>• Tax on lump sum distribution</li> </ul>



# 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 &amp; 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 ..... Exempt.</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 M-J) to Mississippi's affordable college savings plan.</p> <p>Lottery Winnings ..... Same as federal.</p> <p>Federal Income Taxes ..... Same as federal.</p> <p>Other ..... Deductions for amounts deposited into catastrophe and first-time homebuyer savings accounts plus any accrued interest, amounts deposited in ABLE accounts, and interest penalties charged for early withdrawal of savings. Mississippi gambling winnings are not reported as income but, instead, are subject to a 3%, nonrefundable income tax, with casinos withholding the tax at time of payout.</p>	<p><b>Standard:</b></p> <p>Single/M-S ..... \$2,300</p> <p>H-H ..... 3,400</p> <p>M-J ..... 4,600</p> <p><b>Itemized:</b></p> <p>Federal itemized deductions.</p> <p><b>Major Difference From Federal Law:</b></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									
<table style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="text-align: left;">Taxable Income Brackets</th> <th style="text-align: left;">Marginal Tax Rates</th> </tr> </thead> <tbody> <tr> <td>\$0 - \$4,000</td> <td>0%</td> </tr> <tr> <td>4,001 - 5,000</td> <td>3</td> </tr> <tr> <td>5,001 - 10,000</td> <td>4</td> </tr> <tr> <td>10,001 and over</td> <td>5</td> </tr> </tbody> </table>	Taxable Income Brackets	Marginal Tax Rates	\$0 - \$4,000	0%	4,001 - 5,000	3	5,001 - 10,000	4	10,001 and over	5	<p>M-J ..... \$12,000</p> <p>H-H ..... 8,000</p> <p>Single/M-S ..... 6,000</p> <p>Dependent ..... 1,500</p> <p>Blind ..... 1,500</p> <p>Age 65 or over ..... 1,500</p>
Taxable Income Brackets	Marginal Tax Rates										
\$0 - \$4,000	0%										
4,001 - 5,000	3										
5,001 - 10,000	4										
10,001 and over	5										
NONBUSINESS TAX CREDITS		OTHER TAXES									
<ul style="list-style-type: none"> <li>• Charitable contribution</li> <li>• Child adoption</li> <li>• Endow Mississippi</li> <li>• Foster care charitable donations</li> <li>• Income tax paid to another state</li> </ul>	<ul style="list-style-type: none"> <li>• Job development assessment fee</li> <li>• Long-term care premiums</li> <li>• Prekindergarten</li> <li>• Reforestation</li> <li>• Wildlife land use</li> </ul>	<ul style="list-style-type: none"> <li>• Consumer use tax</li> </ul>									

\*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 &amp; Losses ..... Exempts gain from conversion of condemned property, 25% exclusion for certain sales of low-income housing, and 50% of the gain on the sale/exchange of employer securities of a Missouri corporation to a qualified employee stock ownership plan.</p> <p>Pension/Retirement Income</p> <p>--Private ..... Exclude up to \$6,000, subject to certain income limits.</p> <p>--Public ..... Exempt up to \$39,365/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 ..... Exempt.</p> <p>Active Duty Military ..... Exempt.</p> <p>Unemployment Compensation ..... Same as federal.</p> <p>Social Security Benefits ..... Exempt up to a set dollar amount, subject to certain income 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 married filing combined return) to any state's qualified plan.</p> <p>Lottery Winnings ..... Same as federal.</p> <p>Federal Income Taxes ..... Taxpayers may deduct a percentage of their federal tax liability (percentage varies based on Missouri income) up to \$5,000 (\$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; annual contributions to the Missouri ABLE program; contributions to and interest from first-time homebuyer accounts, and contributions to long-term dignity savings accounts.</p>	<p><b>Standard:</b> Same as federal.</p> <p><b>Itemized:</b> Federal itemized deductions.</p> <p><b>Major Differences from Federal Law:</b> <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>																								
TAX RATES AND BRACKETS	EXEMPTIONS																								
<table style="margin: auto; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left; border-bottom: 1px solid black;">Taxable Income Brackets</th> <th style="text-align: left; border-bottom: 1px solid black;">Marginal Tax Rates</th> <th style="text-align: left; border-bottom: 1px solid black;">Taxable Income Brackets</th> <th style="text-align: left; border-bottom: 1px solid black;">Marginal Tax Rates</th> </tr> </thead> <tbody> <tr> <td>\$109 - \$1,088</td> <td>1.5%</td> <td>\$5,441 - \$6,528</td> <td>4.0%</td> </tr> <tr> <td>1,089 - 2,176</td> <td>2.0</td> <td>6,529 - 7,616</td> <td>4.5</td> </tr> <tr> <td>2,177 - 3,264</td> <td>2.5</td> <td>7,617 - 8,704</td> <td>5.0</td> </tr> <tr> <td>3,265 - 4,352</td> <td>3.0</td> <td>8,705 and over</td> <td>5.4</td> </tr> <tr> <td>4,353 - 5,440</td> <td>3.5</td> <td></td> <td></td> </tr> </tbody> </table>	Taxable Income Brackets	Marginal Tax Rates	Taxable Income Brackets	Marginal Tax Rates	\$109 - \$1,088	1.5%	\$5,441 - \$6,528	4.0%	1,089 - 2,176	2.0	6,529 - 7,616	4.5	2,177 - 3,264	2.5	7,617 - 8,704	5.0	3,265 - 4,352	3.0	8,705 and over	5.4	4,353 - 5,440	3.5			None.
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NONBUSINESS TAX CREDITS	OTHER TAXES																								
<ul style="list-style-type: none"> <li>• Affordable housing assistance</li> <li>• Agricultural products utilization contributor</li> <li>• Champion for children</li> <li>• Community bank investment</li> <li>• Diaper bank donations</li> <li>• Developmental disability care provider donations</li> <li>• Dry fire hydrant</li> <li>• Domestic violence shelter</li> <li>• Family development account</li> <li>• Food pantry</li> <li>• Health, hunger, and hygiene</li> <li>• Historic preservation</li> </ul>	<ul style="list-style-type: none"> <li>• Income taxes paid to other states/subdivisions</li> <li>• Maternity home</li> <li>• Neighborhood preservation</li> <li>• Pregnancy resource center contributions</li> <li>• Property tax/rent</li> <li>• Public safety officer surviving spouse</li> <li>• Residential dwelling accessibility</li> <li>• Residential treatment agency</li> <li>• Self-employed health insurance</li> <li>• Shared care for the elderly</li> <li>• Special needs adoption</li> <li>• Sporting contribution</li> <li>• Youth opportunities contributions</li> </ul>																								
<ul style="list-style-type: none"> <li>• Tax on lump sum distributions</li> </ul>																									

# 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 up to \$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 &amp; Losses ..... Gains from certain small business investment companies are exempt. Tax credit equal to 2% of net capital gains.</p> <p>Pension/Retirement Income</p> <p>--Private ..... Up to \$4,400/retiree exempt if income is below \$36,700.*</p> <p>--Public ..... Up to \$4,400/retiree exempt if income is below \$36,700.*</p> <p>--U.S. Civil Service ..... Up to \$4,400/retiree exempt if income is below \$36,700.*</p> <p>--Military ..... Up to \$4,400/retiree exempt if income is below \$36,700.*</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, plus deduction for contributions up to \$3,000/ taxpayer (\$6,000 married).</p> <p>Lottery Winnings ..... Same as federal.</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, medical savings accounts, family education savings accounts, and first-time home buyers savings accounts. Subtractions for workers' compensation benefits, health care professional student loan repayments, dependent's unearned income included in parent's federal AGI, deposits to ABLE accounts, and certain reimbursements received by National Guard members and reservists for life insurance premiums.</p>		<p><b>Standard:</b> 20% of Montana AGI.</p> <table style="width: 100%; border-collapse: collapse;"> <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/M-S</td> <td style="text-align: center;">\$2,140</td> <td style="text-align: center;">\$4,830</td> </tr> <tr> <td>M-J/H-H</td> <td style="text-align: center;">4,280</td> <td style="text-align: center;">9,660</td> </tr> </tbody> </table> <p><b>Itemized:</b> Same as federal.</p> <p><b>Major Differences from Federal Law:</b> <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 filers) for political contributions.</p>			<u>Minimum</u>	<u>Maximum</u>	Single/M-S	\$2,140	\$4,830	M-J/H-H	4,280	9,660											
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NONBUSINESS TAX CREDITS		OTHER TAXES																					
<ul style="list-style-type: none"> <li>• Adoption</li> <li>• Alternative energy systems</li> <li>• Alternative fuel</li> <li>• Capital gains</li> <li>• College contribution</li> <li>• Earned income</li> <li>• Elderly care</li> <li>• Elderly homeowner or renter</li> </ul>		<ul style="list-style-type: none"> <li>• Endowment gifts</li> <li>• Energy conservation installations</li> <li>• Geothermal systems</li> <li>• Income taxes paid to other states/countries</li> <li>• Innovative educational program</li> <li>• Student scholarship organization donations</li> <li>• Unlocking public lands</li> </ul> <p>• Lump sum distributions</p>																					

\*Partial exclusions are phased out between federal AGI of \$36,700 and \$38,900 (\$41,100 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. Exclusion for extraordinary dividends received by Nebraska residents who are employees of qualified corporations doing business in Nebraska.</p> <p>Capital Gains &amp; Losses..... Exclusion for: (a) special capital gains from stock sales; and (b) extraordinary dividends received 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, only if the relevant form has been filed within two years of uniformed services retirement date.</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 \$44,460 (\$59,960 M-J), otherwise exempt 5% of benefits.</p> <p>State/Municipal Bond Interest..... Taxable except Nebraska or its subdivisions' obligations, including Nebraska-issued Build America bonds, Nebraska agricultural revenue bonds, and Nebraska Investment Finance Authority 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, except distributions for K-12 tuition expenses do not qualify, plus deduction for contributions up to \$10,000 (\$5,000 M-S) to Nebraska's College Savings Program, provided the taxpayer is the account owner or parent/guardian custodian of the account, and additional deduction for contributions made by employer into owner's account up to \$10,000 (\$5,000 M-S).</p> <p>Lottery Winnings..... Same as federal.</p> <p>Federal Income Taxes ..... Not deductible.</p> <p>Other ..... Deductions for contributions to Nebraska ABLE accounts, Segal AmeriCorps education awards, and claim of right repayments.</p>	<p><b>Standard:</b></p> <p>Single/M-S ..... \$7,100</p> <p>M-J ..... 14,200</p> <p>H-H..... 10,450</p> <p>Blind..... 1,650 (1,350 married)</p> <p>Age 65+..... 1,650 (1,350 married)</p> <p><b>Itemized:</b></p> <p>Federal itemized deductions.</p> <p><b>Major Differences from Federal Law:</b></p> <p>Taxes: State and local income taxes not deductible. Total state itemized deductions are reduced by the amount of state and local income taxes reported on federal schedule A, without regard to the federal \$10,000 deduction limitation.</p>																								
TAX RATES AND BRACKETS	EXEMPTIONS (TAX CREDIT)																								
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Taxable Income Brackets			Marginal Tax Rates																						
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NONBUSINESS TAX CREDITS	OTHER TAXES																								
<ul style="list-style-type: none"> <li>• Child and dependent care expenses</li> <li>• Community development assistance</li> <li>• Designated extremely blighted area</li> <li>• Earned income</li> <li>• Elderly or disabled</li> </ul>	<ul style="list-style-type: none"> <li>• Income taxes paid to other states</li> <li>• Property tax incentive</li> <li>• Qualified volunteer emergency responders</li> <li>• School readiness (2)</li> </ul>																								
	<ul style="list-style-type: none"> <li>• Early retirement plan distributions</li> <li>• Lump-sum distributions</li> <li>• Use tax</li> </ul>																								

# 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, LLC, or S-corporation, including a portion of such distributions from a taxable trust. 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 &amp; 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><b>Standard:</b> None.</p> <p><b>Itemized:</b> None.</p>
TAX RATES AND BRACKETS	EXEMPTIONS
<p style="text-align: center;">5% of taxable interest and dividends.</p>	<p>Personal ..... \$2,400</p> <p>65 (or over) or disabled (per spouse) ..... 1,200</p> <p>Blind (per spouse)..... 1,200</p>
NONBUSINESS TAX CREDITS	OTHER TAXES
<p>• Education</p>	<p style="text-align: center;">None.</p>

# NEW JERSEY

Filing System: Joint\*

<b>TAX BASE: STATE GROSS INCOME</b>				
<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.			
<b>Pension/Retirement Income</b>				
--Private .....	Exclude: (a) \$75,000 (\$100,000 M-J/\$50,000 M-S) if gross income is \$100,000 or less; (b) 37.5% of benefits (50% M-J/25% M-S) if gross income between \$100,000 and \$125,000; or (c) 18.75% of benefits (25% M-J/12.5% M-S) if gross income between \$125,000 and \$150,000. **			
--Public .....	Same as Private. **			
--U.S. Civil Service .....	Same as Private. **			
--Military .....	Exempt.			
Active Duty Military .....	Same as federal.			
Unemployment Compensation.....	Exempt.			
Social Security Benefits .....	Exempt.			
State/Municipal Bond Interest.....	Taxable except New Jersey obligations.			
Health Savings Accounts .....	No provision.			
<b>Miscellaneous</b>				
Disability Income .....	Exempt.			
College Savings Plans .....	Same as federal.			
Lottery Winnings.....	Net gambling winnings are taxable. New Jersey lottery winnings exempt, except winnings of individual prize amounts exceeding \$10,000.			
Federal Income Taxes .....	Not deductible.			
Other .....	Employee contributions to retirement plans [other than 401(k) plans] are taxable. Additional retirement income exclusion equal to: (a) the unclaimed balance of the general pension exclusion for eligible taxpayers with wage and business income of \$3,000 or less; and/or (b) \$6,000 or less M-J (\$3,000 single, M-S) for taxpayers who are not eligible for social security or railroad retirement benefits. The following are exempt if reported in an employee's W-2 wages: (1) compensation for injuries or sickness; (2) meals and lodging furnished by the employer; and (3) reimbursements for employee business expenses and moving expenses. Partial exclusion for net income from medical and dental services provided in a health enterprise zone. Deductions for medical expenses that exceed 2% of New Jersey gross income, alimony and separate maintenance payments, qualified conservation contributions, organ donation expenses, and property taxes/rent paid, except deduction may not be claimed if the property tax/rent credit is claimed.			
<b>TAX RATES AND BRACKETS</b>				<b>DEDUCTIONS</b>
<u>Single/M-S</u>		<u>M-J/H-H</u>		<b>Standard:</b> None. <b>Itemized:</b> None.
Taxable <u>Income Brackets</u>	Marginal <u>Tax Rates</u>	Taxable <u>Income Brackets</u>	Marginal <u>Tax Rates</u>	
\$0 - \$20,000	1.40%	\$0 - \$20,000	1.40%	<b>EXEMPTIONS</b>
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 - 1,000,000	8.97	150,001 - 500,000	6.37	
1,000,001 and over	10.75	500,001 - 1,000,000	8.97	
1,000,001 and over		10.75		Personal..... \$1,000 Age 65 or Over ..... 1,000 Blind or Disabled ..... 1,000 Dependent ..... 1,500 Dependent in College ..... 1,000 Veteran..... 6,000
<b>NONBUSINESS TAX CREDITS</b>				<b>OTHER TAXES</b>
<ul style="list-style-type: none"> <li>• Child/dependent care expenses</li> <li>• Earned income</li> <li>• Excess contributions for disability insurance, family leave insurance, supplemental workforce fund, workforce development partnership fund, and unemployment insurance</li> </ul>		<ul style="list-style-type: none"> <li>• Gold Star Family counseling</li> <li>• Income taxes paid to other jurisdictions</li> <li>• Property tax/rent</li> <li>• Wounded warrior caregivers</li> </ul>		<ul style="list-style-type: none"> <li>• PTE tax</li> <li>• Shared responsibility payments</li> <li>• Use tax</li> </ul>

\* Civil union partners must file using the same filing status as spouses and cannot use the single filing status.

\*\* Exclusion applies if aged 62 or older, blind, or disabled. Also 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> <p>Interest/Dividend ..... Exempts U.S. government bonds.</p> <p>Capital Gains &amp; Losses ..... Deduct the greater of 40% or \$1,000 of federally taxable gains.</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 New Mexico 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 contributions to New Mexico's plan are deductible.</p> <p>Lottery Winnings ..... Same as federal.</p> <p>Federal Income Taxes ..... Not deductible.</p> <p>Other ..... Deduction for income of a person aged 100 or more if not claimed as a dependent. Deductions for contributions to, and earnings on, 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. Deduction of \$4,000 for certain dependents if filing M-J or H-H.</p>	<p><b>Standard:</b> Same as federal.</p> <p><b>Itemized:</b> Same as federal.</p> <p><b>Major Differences from Federal Law:</b> <u>Taxes:</u> State and local income or general sales taxes are not deductible, except the addback may be reduced so that itemized deductions are not less than the federal standard deduction. <u>Charitable:</u> Contributions resulting in a state land conservation tax credit are not deductible.</p>																																											
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<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="3" style="text-align: center;">Taxable Income Brackets</th> <th rowspan="2" style="text-align: center;">Marginal Tax Rate</th> </tr> <tr> <th style="text-align: center;">M-J/H-H</th> <th style="text-align: center;">M-S</th> <th style="text-align: center;">Single</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">\$0 - \$8,000</td> <td style="text-align: center;">\$0 - \$4,000</td> <td style="text-align: center;">\$0 - \$5,500</td> <td style="text-align: center;">1.7%</td> </tr> <tr> <td style="text-align: center;">8,001 - 16,000</td> <td style="text-align: center;">4,001 - 8,000</td> <td style="text-align: center;">5,501 - 11,000</td> <td style="text-align: center;">3.2</td> </tr> <tr> <td style="text-align: center;">16,001 - 24,000</td> <td style="text-align: center;">8,001 - 12,000</td> <td style="text-align: center;">11,001 - 16,000</td> <td style="text-align: center;">4.7</td> </tr> <tr> <td style="text-align: center;">24,001 - 315,000</td> <td style="text-align: center;">12,001 - 157,500</td> <td style="text-align: center;">16,001 - 210,000</td> <td style="text-align: center;">4.9</td> </tr> <tr> <td style="text-align: center;">315,001 and over</td> <td style="text-align: center;">157,501 and over</td> <td style="text-align: center;">210,001 and over</td> <td style="text-align: center;">5.9</td> </tr> </tbody> </table>	Taxable Income Brackets			Marginal Tax Rate	M-J/H-H	M-S	Single	\$0 - \$8,000	\$0 - \$4,000	\$0 - \$5,500	1.7%	8,001 - 16,000	4,001 - 8,000	5,501 - 11,000	3.2	16,001 - 24,000	8,001 - 12,000	11,001 - 16,000	4.7	24,001 - 315,000	12,001 - 157,500	16,001 - 210,000	4.9	315,001 and over	157,501 and over	210,001 and over	5.9	<p>Low- and middle-income exemption of: (a) up to \$2,500 for each qualified exemption; and (b) up to \$8,000 for each individual aged 65 or over or blind. The exemptions are phased out over the following federal AGI ranges:</p> <table style="width: 100%;"> <tr> <td style="width: 20%;">Filing Status</td> <td style="width: 80%;">Income Range for \$2,500 Exemption Phase-Out</td> </tr> <tr> <td>Single</td> <td>\$20,000 - \$36,667</td> </tr> <tr> <td>M-J/H-H</td> <td>30,000 - 55,000</td> </tr> <tr> <td>M-S</td> <td>15,000 - 27,500</td> </tr> </table> <table style="width: 100%;"> <tr> <td style="width: 20%;">Filing Status</td> <td style="width: 80%;">Income Range for \$8,000 Exemption Phase-Out</td> </tr> <tr> <td>Single</td> <td>\$18,000 - \$28,500</td> </tr> <tr> <td>M-J/H-H</td> <td>30,000 - 51,000</td> </tr> <tr> <td>M-S</td> <td>15,000 - 25,500</td> </tr> </table>	Filing Status	Income Range for \$2,500 Exemption Phase-Out	Single	\$20,000 - \$36,667	M-J/H-H	30,000 - 55,000	M-S	15,000 - 27,500	Filing Status	Income Range for \$8,000 Exemption Phase-Out	Single	\$18,000 - \$28,500	M-J/H-H	30,000 - 51,000	M-S	15,000 - 25,500
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<b>NONBUSINESS TAX CREDITS</b>	<b>OTHER TAXES</b>																																											
<ul style="list-style-type: none"> <li>• Affordable housing</li> <li>• Angel investment</li> <li>• Child day care</li> <li>• Income tax paid to other states</li> <li>• Land conservation incentives</li> <li>• Low-income comprehensive tax rebate</li> <li>• Low-income property tax rebate for Los Alamos or Santa Fe County residents</li> <li>• Medical care credit for persons 65 or older</li> </ul>	<ul style="list-style-type: none"> <li>• Preservation of cultural properties</li> <li>• Property tax rebate (age 65 and over)</li> <li>• Rural healthcare practitioners</li> <li>• Special needs adopted child</li> <li>• Solar market development</li> <li>• Sustainable building</li> <li>• Venture capital investment</li> <li>• Working families (based on federal EITC)</li> </ul>																																											
	<ul style="list-style-type: none"> <li>• Tax on lump sum distributions</li> </ul>																																											

# NEW YORK

## Filing System: Joint

TAX BASE: FEDERAL ADJUSTED GROSS INCOME				DEDUCTIONS	
<u>Major Differences from Federal Law</u>					
Interest/Dividend .....	Exempts U.S. government bonds.			<b>Standard:</b>	
Capital Gains & Losses .....	Exempts gains on sale of certain new business investments and defers gains on reinvested qualified emerging technology investments.			Single/M-S ..... \$8,000	
Pension/Retirement Income				Single Dependent ..... 3,100	
--Private .....	Up to \$20,000/person exempt if age 59½ or over.			M-J ..... 16,050	
--Public .....	Exempt.			H-H ..... 11,200	
--U.S. Civil Service .....	Exempt.			<b>Itemized:</b>	
--Military .....	Exempt.			Federal itemized deductions.	
Active Duty Military .....	Same as federal.			<b>Major Differences from Federal Law:</b>	
Unemployment Compensation.....	Same as federal.			<u>Taxes:</u> State, local, and foreign income taxes not deductible.	
Social Security Benefits .....	Exempt.			<u>Medical Expenditures:</u> Amounts claimed for long-term care insurance premiums credit cannot be claimed as an itemized deduction.	
State/Municipal Bond Interest.....	Taxable except New York obligations and Build America bonds.			Deduction for medical and dental expenses limited to amounts which exceed 10% of federal AGI.	
Health Savings Accounts .....	Same as federal.			<u>College Tuition:</u> Deduction unless claiming college tuition credit.	
Miscellaneous				<u>High-Income Limitation:</u> Total deductions are limited using state thresholds.	
Disability Income .....	Up to \$5,200 excluded.			<u>Other:</u> Casualty/theft losses not limited to those resulting from federally declared disaster, and miscellaneous deductions subject to 2% federal AGI limitation which were suspended at the federal level are retained for New York purposes.	
College Savings Plans .....	Same as federal, plus deduction for contributions of up to \$5,000 (\$10,000 M-J) to New York's plan.				
Lottery Winnings.....	Same as federal.				
Federal Income Taxes .....	Not deductible.				
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 state and local 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 active duty, interest payments under the New York higher education loan program, volunteer firefighter and EMS length of service awards, qualified moving expenses, certain insurance payments received by volunteer firefighters, contributions (not already itemized) to preserve certain NY natural/historical resources, and accelerated payments of life insurance death benefits. Certain amounts eligible for New York credits are added back to AGI if previously deducted under separate federal provisions.				
TAX RATES AND BRACKETS				EXEMPTIONS	
<u>Taxable Income Brackets</u>					
<u>M-J</u>	<u>Single/M-S</u>	<u>H-H</u>	<u>Marginal Tax Rates</u>	Dependent ..... \$1,000	
\$0 - \$17,150	\$0 - \$8,500	\$0 - \$12,800	4.00%		
17,151 - 23,600	8,501 - 11,700	12,801 - 17,650	4.50		
23,601 - 27,900	11,701 - 13,900	17,651 - 20,900	5.25		
27,901 - 43,000	13,901 - 21,400	20,901 - 32,200	5.90		
43,001 - 161,550	21,401 - 80,650	32,201 - 107,650	5.97		
161,551 - 323,200	80,651 - 215,400	107,651 - 269,300	6.33		
323,201 - 2,155,350	215,401 - 1,077,550	269,301 - 1,616,450	6.85		
2,155,351 - 5,000,000	1,077,551 - 5,000,000	1,616,451 - 5,000,000	9.65		
5,000,001 - 25,000,000	5,000,001 - 25,000,000	5,000,001 - 25,000,000	10.30		
25,000,001 and over	25,000,001 and over	25,000,001 and over	10.90		
Benefits of the lower marginal tax rates are phased out for higher-income taxpayers.					
NONBUSINESS TAX CREDITS				OTHER TAXES	
<ul style="list-style-type: none"> <li>• Accumulation distribution</li> <li>• Alternative fuels</li> <li>• Child and dependent care</li> <li>• Claim of right</li> <li>• Clean heating fuel</li> <li>• College tuition</li> <li>• Conservation easement</li> <li>• Contributions to certain funds</li> <li>• Defibrillator</li> <li>• Earned income</li> <li>• Empire State child</li> <li>• Employer compensation expense program wage</li> </ul>		<ul style="list-style-type: none"> <li>• Historic homeownership rehabilitation</li> <li>• Household (low income)</li> <li>• Income taxes paid to other states or Canada</li> <li>• Long-term care insurance</li> <li>• Lump sum distribution</li> <li>• Nursing home assessment</li> <li>• Real property tax relief</li> <li>• Real property tax</li> <li>• School tax for New York City residents</li> <li>• School tax exemption for new homeowners</li> <li>• Solar energy system equipment</li> <li>• Volunteer firefighters and ambulance workers</li> </ul>		<ul style="list-style-type: none"> <li>• City of New York resident and part-year resident income tax</li> <li>• City of Yonkers nonresident earnings tax</li> <li>• City of Yonkers resident and part-year resident income tax surcharge</li> <li>• Lump sum distributions</li> <li>• Metropolitan commuter transportation mobility tax</li> <li>• PTE tax</li> <li>• Use tax</li> </ul>	



# NORTH CAROLINA

Filing System: Joint

<b>TAX BASE: FEDERAL ADJUSTED GROSS INCOME</b>	<b>DEDUCTIONS</b>
<p style="text-align: center; margin: 0;"><u>Major Differences from Federal Law</u></p> <p>Interest/Dividend ..... Exempts U.S. government bonds.</p> <p>Capital Gains &amp; 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 ..... Exempt if served at least 20 years or medically retired.*</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 ..... Deductions for contributions to personal educational savings accounts (for certain disabled students) and certain state hurricane relief assistance payments.</p>	<p><b>Standard:</b></p> <p>M-J ..... \$21,500</p> <p>H-H ..... 16,125</p> <p>Single ..... 10,750</p> <p>M-S if spouse does not itemize ..... 10,750 if spouse does itemize ..... 0</p> <p><b>Itemized:</b> 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, up to 60% of federal AGI.</p> <p>Repayment of claim of right income is deductible.</p>
<b>TAX RATES AND BRACKETS</b>	<b>EXEMPTIONS</b>
<p>5.25% of North Carolina taxable income.</p>	<p>Up to \$2,500 may be deducted per qualifying child for whom the taxpayer was allowed a federal child tax credit. Amounts vary based on filing status and federal AGI.</p>
<b>NONBUSINESS TAX CREDITS</b>	<b>OTHER TAXES</b>
<ul style="list-style-type: none"> <li>• Income tax paid to another state or country</li> <li>• Rehabilitating historic structures</li> </ul>	<ul style="list-style-type: none"> <li>• Use tax</li> </ul>

\*As a result of the North Carolina Supreme Court's decision in Bailey v. State of North Carolina, certain retirement benefits attributable to service prior to August 12, 1989, and 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>					<b>Standard:</b> Same as federal.  <b>Itemized:</b> Federal itemized deductions.
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.....	Exempt.				
Active Duty Military .....	CZE, plus exemption for pay received by National Guard/Reserve member for federal active duty service.				
Unemployment Compensation.....	Same as federal.				
Social Security Benefits .....	Exempt.				
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 M-J) to North Dakota's plan.				
Lottery Winnings.....	Same as federal.				
Federal Income Taxes.....	Not deductible.				
Other .....	Deductions for organ donation expenses, employer reimbursement of higher education expenses, and parents of a stillborn child. Certain charitable contributions deducted on federal return are added to income if a state credit is claimed for them.				
TAX RATES AND BRACKETS					EXEMPTIONS
Taxable Income Brackets					None.
<u>Single</u>	<u>H-H</u>	<u>M-J</u>	<u>M-S</u>	<u>Marginal Tax Rate</u>	
\$0 - \$40,525	\$0 - \$54,300	\$0 - \$67,700	\$0 - \$33,850	1.10%	
40,526 - 98,100	54,301 - 140,200	67,701 - 163,550	33,851 - 81,775	2.04	
98,101 - 204,675	140,201 - 226,950	163,551 - 249,150	81,776 - 124,575	2.27	
204,676 - 445,000	226,951 - 445,000	249,151 - 445,000	124,576 - 222,500	2.64	
445,001 and over	445,001 and over	445,001 and over	222,501 and over	2.90	
NONBUSINESS TAX CREDITS					OTHER TAXES
<ul style="list-style-type: none"> <li>• Agricultural commodity facility investment</li> <li>• Angel investor investment</li> <li>• Endowment fund</li> <li>• Family member care</li> <li>• Income taxes paid to another state</li> <li>• Long-term care insurance (partnership plan)</li> </ul>			<ul style="list-style-type: none"> <li>• Marriage penalty</li> <li>• Nonprofit private school contributions (3)</li> <li>• Planned gifts</li> <li>• Purchase/rehab home in renaissance zone</li> <li>• Seed capital business investment</li> <li>• Tax relief</li> </ul>		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 the business income deduction (see "Other") includes interest and dividends of pass-through businesses.</p> <p>Capital Gains &amp; Losses..... Same as federal, except the business income deduction (see "Other") includes capital gains of pass-through businesses.</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 ..... CZE, 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, except contribution deduction allowed up to \$4,963 (\$9,926 M-J).</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 \$4,000 per beneficiary to Ohio's plan.</p> <p>Lottery Winnings..... Same as federal.</p> <p>Federal Income Taxes ..... Not deductible.</p> <p>Other ..... Deduction for pass-through business income of up to \$250,000 (\$125,000 M-S). Deductions for Ohio medical savings account contributions, contributions to individual development and ABLE accounts, medical expenses exceeding 7.5% of federal AGI, medical insurance, long-term care insurance, survivorship benefits, room and board expenses funded from Ohio College Opportunity and Pell grants, organ donation expenses, and reimbursements received by active duty Ohio National Guard member for life insurance premiums and death benefits for an Ohio National Guard member killed on active duty.</p>		<p><b>Standard:</b> None.</p> <p><b>Itemized:</b> None.</p>																				
TAX RATES AND BRACKETS		EXEMPTIONS																				
<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Nonbusiness Taxable <u>Income Brackets</u></th> <th style="text-align: center;">Marginal <u>Tax Rates</u></th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">\$0 - \$25,000</td> <td style="text-align: center;">0.000%</td> </tr> <tr> <td style="text-align: center;">25,001 - 44,250</td> <td style="text-align: center;">2.765</td> </tr> <tr> <td style="text-align: center;">44,251 - 88,450</td> <td style="text-align: center;">3.226</td> </tr> <tr> <td style="text-align: center;">88,451 - 110,650</td> <td style="text-align: center;">3.688</td> </tr> <tr> <td style="text-align: center;">110,651 and over</td> <td style="text-align: center;">3.990</td> </tr> </tbody> </table> <p style="margin-top: 10px;">Pass-through business income exceeding \$250,000 (\$125,000 M-S) is taxed at a rate of 3%.</p>		Nonbusiness Taxable <u>Income Brackets</u>	Marginal <u>Tax Rates</u>	\$0 - \$25,000	0.000%	25,001 - 44,250	2.765	44,251 - 88,450	3.226	88,451 - 110,650	3.688	110,651 and over	3.990	<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;"><u>Modified 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;">\$2,400</td> </tr> <tr> <td style="text-align: center;">40,001 - 80,000</td> <td style="text-align: center;">2,150</td> </tr> <tr> <td style="text-align: center;">Over 80,000</td> <td style="text-align: center;">1,900</td> </tr> </tbody> </table> <p style="margin-top: 10px;">*Modified AGI = Ohio AGI + business income deduction</p>	<u>Modified AGI*</u>	<u>Personal/ Dependent Exemption</u>	\$0 - \$40,000	\$2,400	40,001 - 80,000	2,150	Over 80,000	1,900
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<ul style="list-style-type: none"> <li>• Adoption</li> <li>• Child and dependent care</li> <li>• Displaced worker training</li> <li>• Earned income</li> <li>• Exemption credit</li> <li>• Homeschool expenses</li> <li>• Income taxed by another state (resident credit)</li> <li>• Joint filing (two income)</li> </ul>		<ul style="list-style-type: none"> <li>• Lead abatement</li> <li>• Lump sum retirement</li> <li>• Non-chartered, nonpublic school tuition</li> <li>• Ohio campaign contributions</li> <li>• Retirement income</li> <li>• Scholarship donation</li> <li>• Senior citizen</li> </ul>																				
		<ul style="list-style-type: none"> <li>• PTE tax</li> <li>• Use tax</li> </ul>																				

# OKLAHOMA

Filing System: Joint

<b>TAX BASE: FEDERAL ADJUSTED GROSS INCOME</b>																										
<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 &amp; Losses .....Deduction for gains from certain Oklahoma property owned at least 5 years, stock or an ownership interest in an Oklahoma headquartered business, if owned at least two years, and Oklahoma property included in the sale of an Oklahoma headquartered company, if owned at least two years.</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 is 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, 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 Plans .....Same as federal, plus deduction for contributions up to \$10,000 (\$20,000 M-J) per taxpayer to Oklahoma's plan.</p> <p>Lottery Winnings .....Same as federal.</p> <p>Federal Income Taxes.....Not deductible.</p> <p>Other .....Deductions for expenses related to the disabled, adoption expenses, organ donation expenses, foster care expenses, contributions to/earnings from Oklahoma medical savings and first-time homebuyer accounts, and contributions to ABLE accounts. Exclusions for inventor royalty income, Oklahoma police corps scholarships or stipends, payments received that result from the death of a Military member in a combat zone, income earned by a person whose military spouse is killed in a combat zone, EMT death benefits, and livestock show awards.</p>																										
<b>TAX RATES AND BRACKETS</b>		<b>DEDUCTIONS</b>																								
<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/M-S</th> <th style="text-align: center; border-bottom: 1px solid black;">M-J/H-H</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 and over</td> <td style="text-align: center;">12,201 and over</td> <td style="text-align: center;">5.00</td> </tr> </tbody> </table>		Taxable Income Brackets		Marginal Tax Rates	Single/M-S	M-J/H-H	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 and over	12,201 and over	5.00	<p><b>Standard:</b></p> <p>Single/M-S.....\$6,350</p> <p>H-H .....9,350</p> <p>M-J .....12,700</p> <p><b>Itemized*:</b></p> <p>Federal itemized deductions.</p> <p><b>Major Differences From Federal Law:</b></p> <p><u>Taxes:</u> State and local sales or income taxes not deductible.</p>
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<b>NONBUSINESS TAX CREDITS</b>		<b>EXEMPTIONS</b>																								
<ul style="list-style-type: none"> <li>• Biomedical research contribution</li> <li>• Cancer research contribution</li> <li>• Child care/child</li> <li>• Contributions to a scholarship granting organization</li> <li>• Contributions to an educational improvement grant organization</li> <li>• Earned income</li> </ul>	<ul style="list-style-type: none"> <li>• Employees in the aerospace sector</li> <li>• Employees in vehicle manufacturing industry</li> <li>• Income tax paid to another state</li> <li>• Low-income property tax (elderly/disabled)</li> <li>• Natural disaster</li> <li>• Sales tax relief for low-income</li> <li>• Volunteer firefighter</li> </ul>	<p>Personal ..... \$1,000</p> <p>Dependent..... 1,000</p> <p>Blind ..... 1,000</p> <p>Age 65 or over and low AGI..... 1,000</p>																								
		<b>OTHER TAXES</b>																								
		<ul style="list-style-type: none"> <li>• Additional HSA tax for non-qualified withdrawals</li> <li>• PTE tax</li> <li>• Use tax</li> </ul>																								

\*Itemized deductions, not including those for medical expenses/charitable contributions, are limited to \$17,000.

# OREGON

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 and dividends from certain domestic international sales corporations.</p> <p>Capital Gains &amp; Losses..... Same as federal.</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 up to \$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 credit of up to \$150 (up to \$300 M-J) for contributions 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 \$7,050 (\$3,525 M-S).</p> <p>Other ..... Deductions for medical and dental expenses not included as a federal itemized deduction if 66 or over, logger's and construction worker's commuting costs, AmeriCorps awards, artists who make charitable art donations, Oregon individual development account deposits and earnings, contributions to/earnings from first-time homebuyer accounts, housing expense scholarships, public safety memorial fund benefits, and amounts included in federal AGI to take certain federal credits. Legislative per diem and allowances exempt. Add back deductions for which Oregon provides tax credits, and charitable contributions to organizations where less than 30% of expenses are for program services.</p>	<p><b>Standard:</b></p> <p>Single/M-S..... \$2,350</p> <p>M-J..... 4,700</p> <p>H-H ..... 3,780</p> <p>Additional deduction for age 65 or over or blind:</p> <p>    Single/H-H..... \$1,200</p> <p>    All Others..... 1,000</p> <p><b>Itemized:</b></p> <p>Federal itemized deductions.</p> <p><b>Major Differences From Federal Law:</b></p> <p>Taxes: Oregon state income or any state and local sales taxes not deductible.</p>																		
	EXEMPTIONS (TAX CREDITS)																		
	<p>Personal tax credit of \$213 per exemption if federal AGI is below:</p> <p>Single/M-S..... \$100,000</p> <p>M-J/H-H..... 200,000</p> <p>Additional tax credit of \$213 for each filer who is severely disabled and for each child with a qualifying disability, provided federal AGI is \$100,000 or less.</p>																		
TAX RATES AND BRACKETS	OTHER TAXES																		
<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;">Single/M-S</th> <th style="text-align: center;">M-J/H-H</th> <th></th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">\$0 - \$3,650</td> <td style="text-align: center;">\$0 - \$7,300</td> <td style="text-align: center;">4.75%</td> </tr> <tr> <td style="text-align: center;">3,651 - 9,200</td> <td style="text-align: center;">7,301 - 18,400</td> <td style="text-align: center;">6.75</td> </tr> <tr> <td style="text-align: center;">9,201 - 125,000</td> <td style="text-align: center;">18,401 - 250,000</td> <td style="text-align: center;">8.75</td> </tr> <tr> <td style="text-align: center;">125,001 and over</td> <td style="text-align: center;">250,001 and over</td> <td style="text-align: center;">9.90</td> </tr> </tbody> </table> <p>A reduced rate is available on nonpassive income from a pass-through entity that meets certain employment and/or income requirements.</p>	Taxable Income Brackets		Marginal Tax Rates	Single/M-S	M-J/H-H		\$0 - \$3,650	\$0 - \$7,300	4.75%	3,651 - 9,200	7,301 - 18,400	6.75	9,201 - 125,000	18,401 - 250,000	8.75	125,001 and over	250,001 and over	9.90	None.
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NONBUSINESS TAX CREDITS																			
<ul style="list-style-type: none"> <li>• ABLE account contributions</li> <li>• Child care fund contribution</li> <li>• Claim of right credit</li> <li>• College opportunity grant fund contributions</li> <li>• Earned income</li> <li>• Fish screening devices</li> <li>• Income tax paid to another state</li> <li>• Individual development account donation</li> </ul>	<ul style="list-style-type: none"> <li>• Manufactured home park closure</li> <li>• Oregon cultural trust contribution</li> <li>• Oregon production investment fund contributions</li> <li>• Oregon surplus (kicker)</li> <li>• Oregon veterans home physicians</li> <li>• Oregon 529 account contributions</li> <li>• Political contributions</li> </ul>																		
	<ul style="list-style-type: none"> <li>• Retirement income (see above)</li> <li>• Rural medical practitioners and EMTs</li> <li>• Tax on gain taxed by other jurisdictions</li> <li>• University venture development fund contributions</li> <li>• Working family dependent care</li> </ul>																		

\* Registered domestic partners are generally required to file as married joint or married separate and are not eligible to use the single filing status.

\*\* 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 &amp; Losses ..... Generally same as federal, except: (a) no distinction between long-term and short-term gains and losses; (b) capital losses may not be deducted from ordinary income; and (c) all gains are taxable and all losses deductible in year incurred, with certain limitations if married and filing jointly.</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 that do not represent regular wages, 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 \$15,000 per beneficiary (\$30,000 married) to any state's 529 plan.</p> <p>Lottery Winnings ..... Same as federal, except Pennsylvania Lottery noncash prizes are exempt.</p> <p>Federal Income Taxes ..... Not deductible.</p> <p>Other ..... Unreimbursed employee expenses, including moving expenses incurred to retain employment, are deductible from gross compensation, and while similar to the federal treatment, deductions for employee business expenses are limited to expenses required to perform a job or profession. Exclude personal use of employer-owned property or services provided at reduced or no cost. Deduction for contributions to ABLE and medical savings accounts. 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><b>Standard:</b> None.</p> <p><b>Itemized:</b> None.</p>
TAX RATES AND BRACKETS		EXEMPTIONS
<p>Tax is 3.07% of total positive income from eight income classes:</p> <ul style="list-style-type: none"> <li>• compensation;</li> <li>• interest income;</li> <li>• dividends and capital gains distributions;</li> <li>• net income or loss from the operation of a business, profession, or farm;</li> <li>• net gain or loss from the sale, exchange, or disposition of property;</li> <li>• net income or loss from rents, royalties, patents, or copyrights;</li> <li>• estate or trust income; and</li> <li>• gambling and lottery winnings.</li> </ul> <p>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>
NONBUSINESS TAX CREDITS		OTHER TAXES
<ul style="list-style-type: none"> <li>• Income taxes paid to other states (resident credit)</li> <li>• Neighborhood assistance program</li> </ul>	<ul style="list-style-type: none"> <li>• Tax forgiveness credit for lower income taxpayers</li> </ul>	<ul style="list-style-type: none"> <li>• Use tax</li> </ul>

\*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 &amp; Losses ..... Same as federal.</p> <p>Pension/Retirement Income*</p> <p>    --Private ..... Up to \$15,000 per taxpayer subject to age and income limitations.</p> <p>    --Public ..... Up to \$15,000 per taxpayer subject to age and income limitations.</p> <p>    --U.S. Civil Service ..... Up to \$15,000 per taxpayer subject to age and income limitations.</p> <p>    --Military ..... Up to \$15,000 per taxpayer subject to age and income limitations.</p> <p>Active Duty Military ..... Same as federal.</p> <p>Unemployment Compensation ..... Taxable (as is federal).</p> <p>Social Security Benefits ..... Exempt if age 66 or older and federal AGI is less than \$88,950 (\$111,200 M-J, \$88,975 M-S).</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 M-J) to Rhode Island's plan.</p> <p>    Lottery Winnings ..... Same as federal.</p> <p>    Federal Income Taxes ..... Not deductible.</p> <p>    Other ..... Deductions for 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.</p>		<p><b>Standard:</b></p> <p>Single/M-S ..... \$9,050</p> <p>M-J ..... 18,100</p> <p>H-H ..... 13,550</p> <p>The deduction phases out for filers with modified federal AGI between \$210,750 and \$234,750.</p> <p><b>Itemized:</b></p> <p>None.</p>								
TAX RATES AND BRACKETS		EXEMPTIONS								
<table style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="text-align: center;"><u>Taxable Income Brackets</u></th> <th style="text-align: center;"><u>Marginal Tax Rate</u></th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">\$0 - \$66,200</td> <td style="text-align: center;">3.75%</td> </tr> <tr> <td style="text-align: center;">66,201 - 150,550</td> <td style="text-align: center;">4.75</td> </tr> <tr> <td style="text-align: center;">150,551 and over</td> <td style="text-align: center;">5.99</td> </tr> </tbody> </table>	<u>Taxable Income Brackets</u>	<u>Marginal Tax Rate</u>	\$0 - \$66,200	3.75%	66,201 - 150,550	4.75	150,551 and over	5.99	<p>\$4,250 for each personal exemption and for each dependent as determined under federal law, except the total exemption amount phases out for filers with modified federal AGI between \$210,750 and \$234,750.</p>	
<u>Taxable Income Brackets</u>	<u>Marginal Tax Rate</u>									
\$0 - \$66,200	3.75%									
66,201 - 150,550	4.75									
150,551 and over	5.99									
NONBUSINESS TAX CREDITS		OTHER TAXES								
<ul style="list-style-type: none"> <li>• Child and dependent care expenses</li> <li>• Earned income</li> <li>• Income taxes paid to other states</li> </ul>	<ul style="list-style-type: none"> <li>• Property tax relief</li> <li>• Residential lead paint abatement</li> <li>• Stay Invested in RI Wavemaker Fellowship</li> </ul>	<ul style="list-style-type: none"> <li>• Individual mandate penalty</li> <li>• PTE tax</li> <li>• Use tax</li> </ul>								

\*Only amounts attributable to pensions/annuities, not to IRAs, are eligible for exclusion.

# 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 &amp; Losses ..... 44% exclusion for net 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 ..... \$17,500/person exclusion if taxpayer has earned income and is under 65; \$30,000/person exclusion if taxpayer is 65 or older. 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 and taxpayer satisfies certain other conditions.</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 full-time EMS personnel; \$3,000 deduction for volunteer firefighters, rescue squad members, Haz-Mat response team members, state constables, reserve police officers, Natural Resource deputy enforcement officers, and members of the State Guard; contributions to an ABLÉ account or a catastrophe savings account; \$15,000 for persons 65 or older (offset by any retirement deduction); and up to \$300 in expenses (\$1,000 M-J) for certain identity theft protection services.</p>	<p><b>Standard:</b> Same as federal.</p> <p><b>Itemized:</b> Same as federal.</p> <p><b>Major Differences from Federal Law:</b> <u>Taxes:</u> State and local income and sales taxes generally not deductible. <u>Miscellaneous:</u> Military reservists' income is not taxable, so expenses related to such income are not deductible.</p>														
TAX RATES AND BRACKETS	EXEMPTIONS														
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<u>Taxable Income Brackets</u>	<u>Marginal Tax Rates</u>														
\$0 - \$3,109	0.0%														
3,110 - 6,219	3.0														
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12,440 - 15,559	6.0														
15,560 and over	7.0														
NONBUSINESS TAX CREDITS	OTHER TAXES														
<ul style="list-style-type: none"> <li>• Alternative motor vehicle</li> <li>• Angel investor</li> <li>• Child and dependent care</li> <li>• Classroom teachers' expenses</li> <li>• Community development</li> <li>• Conservation contribution</li> <li>• Earned income</li> <li>• Energy efficient manufactured home</li> <li>• Exceptional needs children education</li> <li>• Excess insurance premium</li> <li>• Fire sprinkler system</li> <li>• Health insurance pool</li> <li>• Historic residential structure</li> <li>• Income taxes paid to another state</li> <li>• Industry partnership fund contributions</li> </ul>	<ul style="list-style-type: none"> <li>• Motor fuel</li> <li>• Nursing home</li> <li>• Parental</li> <li>• Preceptor</li> <li>• Premarital preparation course</li> <li>• Residential retrofit</li> <li>• Retirement plan contribution</li> <li>• Scenic river</li> <li>• Shareholder of S corporations/banks</li> <li>• Solar energy property</li> <li>• Tuition</li> <li>• Two wage earner (married couple)</li> <li>• Venture capital investment</li> <li>• Venison for charity</li> <li>• Water resources</li> </ul>														
<ul style="list-style-type: none"> <li>• Excess withdrawals from catastrophe savings account</li> <li>• Lump sum distribution</li> <li>• PTE tax</li> <li>• Use tax</li> </ul>															



# UTAH

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 &amp; 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 ..... Exempt.</p> <p>Active Duty Military ..... Same as federal.</p> <p>Unemployment Compensation ..... Same as federal.</p> <p>Social Security Benefits ..... Exempt if income is below specified thresholds, otherwise partial credit provided subject to income limitations.</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 for contributions to Utah plans.</p> <p>Lottery Winnings ..... Same as federal.</p> <p>Federal Income Taxes ..... Not deductible.</p> <p>Other ..... 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><b>Standard:</b> Same as federal.</p> <p><b>Itemized:</b> Same as federal.</p> <p><b>Major Differences from Federal Law:</b> <u>Taxes:</u> State and local income taxes not deductible.</p>
	EXEMPTION (TAX CREDIT)
	<p>Qualifying Dependent* ..... \$1,750</p> <p>*Dependents must be claimed for the federal child tax credit.</p>
TAX RATES AND BRACKETS	TAXPAYER TAX CREDIT
<p style="text-align: center;">Tax rate is 4.95%.</p> <p>Taxpayers whose federal AGI is less than or equal to the taxpayer's 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/M-S ..... \$15,095</p> <p>M-J ..... 30,190</p> <p>H-H ..... 22,643</p>
NONBUSINESS TAX CREDITS	OTHER TAXES
<ul style="list-style-type: none"> <li>• ABLE account contributions</li> <li>• At-home parent</li> <li>• Capital gain transaction</li> <li>• Combat related death</li> <li>• Gold and silver coin sale</li> <li>• Health benefit plan</li> <li>• Historic preservation</li> <li>• Income taxes paid to another state</li> <li>• Live organ donation expenses</li> </ul>	<ul style="list-style-type: none"> <li>• Military retirement</li> <li>• Military survivor benefits</li> <li>• Renewable residential energy systems</li> <li>• Retirement</li> <li>• Sheltered workshop contributions</li> <li>• Social Security</li> <li>• Special needs adoption</li> <li>• Special needs opportunity scholarship donations</li> <li>• Utah educational savings plan/529 plan</li> </ul>
	<ul style="list-style-type: none"> <li>• Use tax</li> </ul>

# VERMONT

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. Deduction for 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>Capital Gains &amp; 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, and is limited to \$350,000.</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 AGI less than \$50,000 is excluded.</p> <p>Unemployment Compensation ..... Same as federal.</p> <p>Social Security Benefits ..... Fully exempt if federal AGI is less than \$45,000 (\$60,000 M-J) otherwise partially exempt if federal AGI is less than \$55,000 (\$70,000 M-J).</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 for contributions to Vermont's plan.</p> <p>Lottery Winnings ..... Same as federal.</p> <p>Federal Income Taxes ..... Not deductible.</p> <p>Other ..... Exclusion for funds from federal armed forces education loan repayment. Deduction for medical and dental expenses which exceed state standard deduction and personal exemptions.</p>	<p><b>Standard:</b></p> <p>Single/M-S ..... \$6,350</p> <p>H-H ..... 9,500</p> <p>M-J ..... 12,700</p> <p>65 or over or blind ..... 1,050</p> <p><b>Itemized:</b></p> <p>None.</p>																														
TAX RATES AND BRACKETS	EXEMPTIONS																														
<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="4" style="text-align: center;">Vermont Taxable Income Brackets</th> <th style="text-align: center;">Marginal</th> </tr> <tr> <th style="text-align: center;">Single</th> <th style="text-align: center;">M-J</th> <th style="text-align: center;">M-S</th> <th style="text-align: center;">H-H</th> <th style="text-align: center;">Tax Rates</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">\$0 - \$40,950</td> <td style="text-align: center;">\$0 - \$68,400</td> <td style="text-align: center;">\$0 - \$34,200</td> <td style="text-align: center;">\$0 - \$54,850</td> <td style="text-align: center;">3.35%</td> </tr> <tr> <td style="text-align: center;">40,951 - 99,200</td> <td style="text-align: center;">68,401 - 165,350</td> <td style="text-align: center;">34,201 - 82,675</td> <td style="text-align: center;">54,851 - 141,700</td> <td style="text-align: center;">6.60</td> </tr> <tr> <td style="text-align: center;">99,201 - 206,950</td> <td style="text-align: center;">165,351 - 251,950</td> <td style="text-align: center;">82,676 - 125,975</td> <td style="text-align: center;">141,701 - 229,450</td> <td style="text-align: center;">7.60</td> </tr> <tr> <td style="text-align: center;">206,951 and over</td> <td style="text-align: center;">251,951 and over</td> <td style="text-align: center;">125,976 and over</td> <td style="text-align: center;">229,451 and over</td> <td style="text-align: center;">8.75</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>	Vermont Taxable Income Brackets				Marginal	Single	M-J	M-S	H-H	Tax Rates	\$0 - \$40,950	\$0 - \$68,400	\$0 - \$34,200	\$0 - \$54,850	3.35%	40,951 - 99,200	68,401 - 165,350	34,201 - 82,675	54,851 - 141,700	6.60	99,201 - 206,950	165,351 - 251,950	82,676 - 125,975	141,701 - 229,450	7.60	206,951 and over	251,951 and over	125,976 and over	229,451 and over	8.75	<p>Personal ..... \$4,350</p> <p>Dependent ..... 4,350</p>
Vermont Taxable Income Brackets				Marginal																											
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NONBUSINESS TAX CREDITS	OTHER TAXES																														
<ul style="list-style-type: none"> <li>• Charitable contribution</li> <li>• Charitable housing investment</li> <li>• Child and dependent care expenses</li> <li>• Earned income</li> <li>• Entrepreneur's seed capital fund investment</li> <li>• Elderly and disabled</li> </ul>	<ul style="list-style-type: none"> <li>• Higher education investment (529)</li> <li>• Income taxes paid to other state or Canadian province</li> <li>• Investment</li> <li>• Property tax**</li> <li>• Renter</li> </ul>																														
<ul style="list-style-type: none"> <li>• Lump sum distributions</li> <li>• Tax on nonqualified distributions from qualified retirement plans and tax-favored accounts</li> <li>• Use tax</li> </ul>																															

\*Civil union partners may file as civil union partner filing jointly or as civil union partner filing separately.

\*\*This is applied directly to a claimant's property tax bill.

# 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 &amp; 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. Subtraction for gains recognized from the taking of real property by condemnation proceedings.</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 ..... Subtraction of up to \$20,000/person.</p> <p>College Savings Plans ..... Same as federal, plus deduction for contributions up to \$4,000 per account (if under age 70, otherwise no dollar limit) 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 deduction for persons aged 65 or older, subject to income phase-out, no phase-out if born on or before January 1, 1939. Subtractions for the salary of a federal or state employee with a total annual salary of \$15,000 or less, annuity contract death benefit payments, certain Virginia college savings plan distributions or refunds, income attributable to first-time home buyer accounts, income attributable to an investment in a Virginia venture capital account or real estate investment trust, 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 health care 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, charitable mileage, and contributions to ABLE accounts.</p>		<p><b>Standard:</b></p> <p>Single/H-H/M-S ..... \$4,500</p> <p>M-J ..... 9,000</p> <p><b>Itemized*:</b></p> <p>Same as federal.</p> <p><b>Major Differences from Federal Law:</b></p> <p><u>Taxes:</u> State and local income taxes are not deductible.</p> <p><u>Medical:</u> Deduction limited to expenses exceeding 10% of federal AGI.</p> <p>*Deductions limited if federal AGI exceeds specified thresholds.</p>										
TAX RATES AND BRACKETS		EXEMPTIONS										
<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Taxable <u>Income Brackets</u></th> <th style="text-align: center;">Marginal <u>Tax Rates</u></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 <u>Income Brackets</u>	Marginal <u>Tax Rates</u>	\$0 - \$3,000	2.00%	3,001 - 5,000	3.00	5,001 - 17,000	5.00	17,001 and over	5.75	<p>Personal ..... \$930</p> <p>Dependent ..... 930</p> <p>Age 65 and over ..... 800</p> <p>Blind ..... 800</p>
Taxable <u>Income Brackets</u>	Marginal <u>Tax Rates</u>											
\$0 - \$3,000	2.00%											
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NONBUSINESS TAX CREDITS		OTHER TAXES										
<ul style="list-style-type: none"> <li>• Earned income or low-income</li> <li>• Educational improvement scholarships</li> <li>• Foreign source retirement income</li> <li>• Historic rehabilitation</li> <li>• Income tax paid to other states</li> <li>• Land preservation</li> </ul>		<ul style="list-style-type: none"> <li>• Livable home</li> <li>• Neighborhood assistance act donations</li> <li>• Qualified equity and subordinated debt investments</li> <li>• Riparian waterway buffer</li> <li>• Spousal tax adjustment</li> <li>• Trust beneficiary accumulated distribution</li> </ul>										
		<ul style="list-style-type: none"> <li>• Consumer's use tax</li> </ul>										

# 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 &amp; Losses ..... Same as federal.</p> <p>Pension/Retirement Income</p> <p>--Private ..... Generally same as federal (see "Other").</p> <p>--Public ..... Exempt if from West Virginia state/local police, deputy sheriffs, and firemen retirement systems. Also exempt if from service as a federal law enforcement officer, firefighter, nuclear materials courier, and/or border protection officer. Others generally exclude up to \$2,000.</p> <p>--U.S. Civil Service ..... Exclude up to \$2,000.</p> <p>--Military ..... Exempt, including for members of the reserves and National Guard.</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 ..... Exclude 65% of benefits if federal AGI is \$50,000 or less (\$100,000 or less M-J).</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 (see "Other").</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 ..... Earned income exclusion of up to \$10,000 (\$5,000 M-S) for eligible low-income taxpayers. Deduction for long-term care insurance premiums, contributions to autism trusts, contributions to ABLE accounts, and certain WV "EZ Pass" (toll-road) expenditures.</p>		<p><b>Standard:</b> None.</p> <p><b>Itemized:</b> 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</th> </tr> <tr> <th style="text-align: center;"><u>Single/M-J/H-H</u></th> <th style="text-align: center;"><u>M-S</u></th> <th style="text-align: center;"><u>Tax Rates</u></th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">\$0 - \$10,000</td> <td style="text-align: center;">\$0 - \$5,000</td> <td style="text-align: center;">3.0%</td> </tr> <tr> <td style="text-align: center;">10,001 - 25,000</td> <td style="text-align: center;">5,001 - 12,500</td> <td style="text-align: center;">4.0</td> </tr> <tr> <td style="text-align: center;">25,001 - 40,000</td> <td style="text-align: center;">12,501 - 20,000</td> <td style="text-align: center;">4.5</td> </tr> <tr> <td style="text-align: center;">40,001 - 60,000</td> <td style="text-align: center;">20,001 - 30,000</td> <td style="text-align: center;">6.0</td> </tr> <tr> <td style="text-align: center;">60,001 and over</td> <td style="text-align: center;">30,001 and over</td> <td style="text-align: center;">6.5</td> </tr> </tbody> </table>		Taxable Income Brackets		Marginal	<u>Single/M-J/H-H</u>	<u>M-S</u>	<u>Tax Rates</u>	\$0 - \$10,000	\$0 - \$5,000	3.0%	10,001 - 25,000	5,001 - 12,500	4.0	25,001 - 40,000	12,501 - 20,000	4.5	40,001 - 60,000	20,001 - 30,000	6.0	60,001 and over	30,001 and over	6.5	<p>Personal ..... \$2,000</p> <p>Surviving Spouse ..... 2,000</p> <p>Dependent ..... 2,000</p> <p>Age 65 or over or permanently and totally disabled ..... up to 8,000</p> <p>Surviving Spouse ..... up to 8,000</p> <p>Dependent on another person's return ..... 500</p>
Taxable Income Brackets		Marginal																					
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NONBUSINESS TAX CREDITS		OTHER TAXES																					
<ul style="list-style-type: none"> <li>• Alternative fuels</li> <li>• Charitable donation of vehicle</li> <li>• Conceal carry gun permit training</li> <li>• Family</li> <li>• Homestead excess property tax</li> </ul>	<ul style="list-style-type: none"> <li>• Income tax paid to other states</li> <li>• Neighborhood investment</li> <li>• Nonfamily adoption</li> <li>• Qualified rehabilitated buildings investment</li> <li>• Senior citizen property tax</li> </ul>	<ul style="list-style-type: none"> <li>• Use tax</li> </ul>																					

# 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 &amp; Losses ..... Exclusion for 30% of non-farm assets held more than one year and for 100% of gains from the investment in a qualified Wisconsin business. Deferral for long-term gains reinvested in certain Wisconsin businesses and certain Wisconsin qualified opportunity funds. Deduction for net capital losses limited to \$500.</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 exclusion for certain active duty pay received from the federal government.</p> <p>Unemployment Compensation ..... Deductible, subject to federal AGI limitation (pre-1987 federal treatment).</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, subject to income limitation.</p> <p>College Savings Plans ..... Same as federal, plus deduction for contributions of up to \$3,380 per beneficiary (\$1,690 M-S) 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, higher education expenses, and child and dependent 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, income from sales of insurance policies by persons who have catastrophic or life-threatening illnesses or conditions, contributions to ABLE accounts, grants to physicians and psychiatrists in under-served areas, AmeriCorps education awards, and all prizes and medals received by Olympics, Paralympics, and Special Olympics participants. Excess distributions from a passive foreign investment company are taxable. Federal deductions for which WI provides tax credits are added back to AGI.</p>			<p><b>Standard:</b> 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> <tr> <th style="text-align: left;">Filing Status</th> <th style="text-align: center;">Standard Deduction Phase-Out</th> </tr> </thead> <tbody> <tr> <td>Single</td> <td style="text-align: center;">\$11,200 \$16,150-\$109,483</td> </tr> <tr> <td>H-H</td> <td style="text-align: center;">14,470 16,150 - 109,483</td> </tr> <tr> <td>M-J</td> <td style="text-align: center;">20,730 23,300 - 128,113</td> </tr> <tr> <td>M-S</td> <td style="text-align: center;">9,850 11,060 - 60,863</td> </tr> </tbody> </table> <p><b>Itemized:</b> Itemized deduction credit of 5% after subtraction of sliding scale standard deduction.</p> <p><b>Major Differences from Federal Law:</b> <u>Medical:</u> Medical care and long-term care insurance payments claimed as state subtractions from federal AGI are not allowed. <u>Taxes:</u> No deduction for taxes. <u>Interest:</u> Interest paid on a second home outside of state, a boat, or to purchase U.S. securities is not allowed. Mortgage insurance premiums treated as interest also not allowed.</p>			Income Range	Filing Status	Standard Deduction Phase-Out	Single	\$11,200 \$16,150-\$109,483	H-H	14,470 16,150 - 109,483	M-J	20,730 23,300 - 128,113	M-S	9,850 11,060 - 60,863												
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266,931 and over	355,911 and over	177,961 and over	7.65																									
NONBUSINESS TAX CREDITS			OTHER TAXES																									
<ul style="list-style-type: none"> <li>• Angel investment</li> <li>• Earned income</li> <li>• Farmland preservation</li> <li>• Historic rehabilitation</li> <li>• Homestead</li> <li>• Income taxes paid to other states</li> </ul>			<ul style="list-style-type: none"> <li>• Itemized deductions</li> <li>• Married couple (two earner)</li> <li>• Property tax/rent</li> <li>• Repayment (claim of right)</li> <li>• Veterans and surviving spouses property tax</li> <li>• Working families</li> </ul>																									
<ul style="list-style-type: none"> <li>• Penalties on nonqualified distributions from retirement plans &amp; medical savings accounts</li> <li>• PTE tax</li> <li>• Use tax</li> </ul>																												